UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS
SECOND SESSION

VOLUME 108—PART 7

MAY 17, 1962, TO JUNE 8, 1962
(PAGES 8587 TO 10036)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1962

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UNITED STATES OF AMERICA

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of America

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 17, 1962

The House met at 12 o'clock noon.

The Reverend Michael P. Hinnebusch of the Church of the Assumption, Pittsburgh, Pa., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Spirit:

O great and holy God, loving Father of us all, look down with favor upon us, make Thy holy spirit fill our hearts, and enkindle in us the fire of Thy divine love.

Bless, we pray Thee, the words that we shall say and the works that we shall do and the purpose of our speech and action today.

Through Thy loving grace, grant to each of us a share of Thy infinite love so that we may be enabled and strengthened to love one another as Thou hast also loved us.

Grant that through this gift of love we may realize Thy eternal fatherhood over us all and live with one another in a continuing spirit of brotherhood.

We pray Thee to bless our Nation and its leaders, our citizens and their families, and our own personal efforts toward good living.

Grant that in all things we may say or do, each one of us may promote Thy eternal honor and glory.

For this great blessing we pray Thee through our Lord, Jesus Christ, who liveth and reigneth with Thee in union with the Holy Spirit, God, for ever and ever. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1988. An act to promote the conservation of the Nation's wildlife resources on the Pacific flyway in the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 383. An act to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes.

PHILADELPHIA COUNCIL FOR COMMUNITY ADVANCEMENT

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, today the Philadelphia Council for Community Advancement is the recipient of a $165,000 grant in order to plan an extensive antidelinquency program. The council includes representatives of the city and State governments, the Philadelphia Board of Public Education, the Health and Welfare Council, Inc., the United Fund, the Citizen's Committee on Public Education, the Greater Philadelphia Movement, the local chapter of the NAACP, Temple University, and the University of Pennsylvania. The announcement of the grant has been made by the President's Committee on Juvenile Delinquency under authority of the Juvenile Delinquency and Youth Offenses Control Act of 1961, administered by Secretary of Health, Education, and Welfare Abraham Ribicoff in cooperation with Secretary of Labor Arthur J. Goldberg and Attorney General Robert F. Kennedy, Chairman of the President's Committee. The grant will support a 12-month planning period for the development of a comprehensive program dealing with the causes of delinquency in Philadelphia, and the funds are to be used to support training programs for persons who work with youth and to support local demonstration projects which utilize a comprehensive approach to the causes of juvenile delinquency.

Under the guidance of the cooperating groups in the city of Philadelphia I feel certain the seriousness of the delinquency problem will be thoroughly covered and that an effective program will be developed. The grant we are receiving today will be of tremendous help toward the eradication of this social problem, and I am certainly pleased to know that we are to share in the program.

NATIONAL PHYSICAL FITNESS PROGRAM

Mr. EDMONDSON. Mr. Speaker I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, some months ago the President launched a physical fitness program in order to try to improve the physical condition and readiness of the young people and their parents as well across the country. Tonight in the city of Muskogee, Okla., thousands of schoolchildren will join in a physical fitness festival to herald the success of the first year of the program in this pilot city. X-15 Pilot Joe Walker, of NASA, and Olympic Champion Wilma Rudolph will be among the national figures joining in the Muskogee festival.

Mr. Speaker, one of the remarkable things that was developed at the start of this program was a survey which showed that approximately 6 out of 10 children in our schools could not do the simplest exercises, such as chinning themselves. After about 8 months of a daily physical education program under the leadership of Coach Bud Wilkinson and Alph Stanphill, the figures today show that more than 90 percent of the young people in the schools of Muskogee can now meet the standards laid down in the President's program.

Mr. Speaker, I think this is a splendid tribute to the schools in Muskogee, to the school board, administrators, and teachers of that system, and to every child in the school system who joined in this program and participated actively and enthusiastically in it.

Mr. Speaker, I want to commend not only President Kennedy and Coach Wilkinson for the national leadership which they have given to this movement, but men, women, and children all over the United States who are joining enthusiastically in it in order to make our people and our Nation stronger for the future.

ANNUITY INCREASES FOR RETIRED FEDERAL EMPLOYEES

Mr DULSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, I am today introducing legislation to provide much needed annuity increases for retired Federal employees and their survivors and to provide for the adjustment of inequities in the Civil Service Act.

One of the three bills I am introducing provides for the stabilization of civil service retirement with social security benefits; an automatic cost-of-living increase for retired Federal employees each year, if the increase exceeds 1 percent; a corresponding increase in the annuities of retired Federal employees when current employees receive a pay raise. Under the terms of one of these bills, immediate annuity increases would be provided in the amount of 20 percent of such annuity for the first $1,000 and 10 percent for the annuity above $1,000. Similar increases would be provided for survivor annuities, and previous restrictions on annuity increases voted by Congress in 1952 and 1955 would be eliminated.

This legislation is long overdue. Increases in annuities should be granted whenever pay increases are granted to active Federal employees. The cost of living affects retired employees as much as it affects present employees. Retired Federal employees are finding it very difficult to exist on fixed annuities, and this is no reward for their many years of service to their country.

I urge the Congress to act favorably on this legislation which is so vital to retired employees.

THE FEDERAL PAY RAISE

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, it follows logically that a well-deserved pay increase for the largest group of Federal employees—those who work for the Post Office Department—must be matched by a corresponding pay raise for all other classified employees of the U.S. Government.

Years ago, before the old age and survivors' insurance system was organized under Federal law, the retirement benefits for career employees of the Federal Government provided the incentive that attracted many young people to the civil service of the United States.

Even in those days, the salaries under civil service lagged behind comparable jobs in private enterprise. But the prospect of retirement security compensated for the below-average pay. When the Social Security Act became law, providing retirement benefits for those working in the private sector of our economy, the advantage of working for the Federal Government lost some of its appeal. Proof of that is to be found in the excessive and wasteful turnover of employment in the civil service.

We are losing too many good people to private enterprise, and are unable to attract the best type of replacements because we have failed to make public pay standards equal those prevailing in business and industry.

We cannot afford to let the level of competence in Federal employment decline through lack of consideration for the economic predicament in which Federal employees find themselves. Because they are not sharing in the rising standards of living, they must find jobs elsewhere that will permit them to do so. Unless we provide suitable salary incentives, we shall not be able to attract and hold the qualified people who are necessary for the efficient functioning of the U.S. Government.

To those who are close to the situation, it is no secret that there is dissatisfaction among Federal employees because their fixed incomes are falling behind the rising cost of living and the rising standard of living.

The Morrison bill providing for a genuine pay increase, will raise Federal employees to the same status as their counterparts in private enterprise; will strengthen the morale of Government employees, reduce job turnover, and encourage the enlistment and retention of the capable civil servants that the Government needs.

I join with many of my colleagues in supporting a real pay increase for Federal employees retroactive to January 1, 1962.

INVESTIGATION OF AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Mr. SHRIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SHRIVER. Mr. Speaker, it has been a month since my colleague from Kansas [Mr. Dole] introduced a resolution calling for a thorough investigation of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture to be conducted by the House Committee on Agriculture.

In this ensuing period we have seen that the activities of Billie Sol Estes, the Texas financier, resulted in improper influences upon a number of Government officials here in Washington. The full scope of the so-called Washington project of Mr. Estes continues to widen.

I have joined with Mr. Dole and other Members of the House in introducing a resolution calling for a relentless, but fair and impartial investigation of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture.

I am particularly disturbed by the failure of the Secretary of Agriculture to take immediate actions against Mr. Estes and other officials in his Department until the spotlight of publicity had been focused on those activities of Mr. Estes.

On October 19, 1960, President Kennedy who was then campaigning for the Presidency, stated in the Washington Daily News that "an official in the Government of the United States must have one allegiance, and one allegiance only—a complete dedication to the interests of our National Government."

I concur fully with this statement made by the President and I hope that the Congress will fulfill its responsibility in ferreting out all of the facts in this case. We must be assured of the integrity of all public servants—including Members of Congress—if we are to retain the confidence of the American people in their Government.

As a final thought, Mr. Speaker, I note that over 5 million bushels of wheat were moved from Kansas, Missouri, Colorado, and Nebraska to Billie Sol Estes in Texas last year. It might be well for the Colorado congressional delegation to introduce a resolution, which I would support, prohibiting the moving to Texas of that beautiful and spacious Rocky Mountain National Park—also known as Estes Park.

INCOME TAXES OF FARMERS

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, according to press reports, Mortimer M. Caplin, Commissioner of the Internal Revenue Service, made a statement this week to the Farm Editors Association charging that American farmers fail to report an estimated $4 billion a year in taxable income, amounting to about $1.5 billion in taxes.

This is a serious charge, particularly so because it is directed at rural America, long regarded as a stronghold of integrity. As a member of the Committee on Agriculture—the only one from the great agricultural State of Illinois—I feel compelled to request the facts on which you base this allegation.

American farmers are becoming accustomed to taking it on the chin from the Federal Government, but is there no limit?

They are told by Uncle Sam what to plant and how much. They sell their produce in markets dominated by the Federal Government and depressed by Government-owned surpluses. This year they were even confronted with an administration proposal spelling out jail terms for dairy farmers, and heavy fines for other farmers who fail to trot in Federal harness. In recent weeks several farmers were forced to sell out at heavy loss in order to pay fines assessed by the Federal Government.

When the heavy hand of government also gives farmers a slap alleging colossal tax evasion, that calls for proof or apology.

THE BILLIE SOL ESTES-AGRICULTURE DEPARTMENT SCANDAL

Mr. AVERY. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. Ellsworth] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I have just introduced a resolution calling for a full-scale investigation by the House into the Agricultural Stabilization and Conservation Service of the U.S.

Department of Agriculture for its activities in connection with the scandal involving Texas cotton, wheat, and fertilizer magnate, Billie Sol Estes.

The House must take part of the blame for the 40 days of coverup in the Billie Sol Estes-Agriculture Department scandal. Swift action on the part of the House might have assured full justice in the case, particularly in view of the fact that the administration has tried to keep the lid on this mess since Estes' arrest on March 28. The coverup or the attempted coverup is inconsistent with the statement of President Kennedy on October 19, 1960, that "an official in the Government of the United States must have one allegiance, and one allegiance only—a complete dedication to the interests of our National Government."

Secretary Freeman's appointment of Estes to the National Cotton Advisory Council after Estes had been fined $48,000 for violating Agriculture Department regulations, and now Freeman's attempts to cover up a much greater scandal than the mink coats and deep freezers of the Truman era are also inconsistent with Presidential pronouncements relating to the integrity of Federal officials. The shipment of grain from Kansas to Estes' storage facilities in Texas has cost the taxpayers a fortune, and this very fact alone makes a shambles of Secretary Freeman's statement that the Estes scandal has not cost the taxpayers 1 cent. The Secretary's alibi that Estes has not cost the Government any money is the final straw, and the Secretary should be fired out of hand.

I strongly urge that our Agriculture Committee or an appropriate committee of the House proceed immediately to a complete investigation of this scandal, as the loss of public confidence in the Agriculture Department demands. I also urge that the President, instead of sending telegrams praising the Secretary of Agriculture, fire him. And, Mr. Speaker, in addition to an investigation by an appropriate committee of this body, the administration should do everything in its power to dispel the impression of "coverup" which it has given the American people in the course of this fiasco by joining in a vigorous prosecution of the matter.

LEGISLATIVE PROGRAM FOR WEEK BEGINNING MONDAY, MAY 21, 1962

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time to inquire of the acting majority leader as to the program for the balance of the week and next week.

Mr. MOSS. It is intended on the completion of the two bills before the House today to ask unanimous consent that the House adjourn until Monday of next week.

On Monday, the Consent Calendar will be called. There is one bill which will come up under suspension of the rules; namely, H.R. 7757, relating to unrelated business income of nonprofit hospitals.

On Tuesday, H.R. 7596, the Indian, Navajo Indian irrigation project.

On Wednesday and the balance of the week, the National Astronautics and Space Administration authorization bill for 1963, H.R. 11737.

It is intended that there be no rollcall votes on Friday because of the Wisconsin convention.

Of course, there will be no rollcall votes on Saturday if the House should meet on that day, because of the North Carolina primary.

Conference reports may be brought up at any time.

Any further program will be announced later.

Mr. Speaker, will the gentleman from Indiana yield for a unanimous-consent request?

Mr. HALLECK. I yield.

Mr. MOSS. Mr. Speaker, I ask unanimous consent that any rollcall votes except on rules or procedural questions on Monday or Tuesday of next week go over until Wednesday because of the Oklahoma primary.

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand that there are primaries on those days?

Mr. MOSS. That is correct, there is a primary on Tuesday of next week in Oklahoma.

Mr. GROSS. Then why does the gentleman's request include Monday, if I may ask?

Mr. MOSS. So as to protect Members who are necessarily absent and have to be in Oklahoma because of the primary.

Mr. GROSS. It would not be to protect those who take advantage of the T. & T. Club; is it?

Mr. MOSS. As the gentleman knows, I am not a member of that club.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

SOUTHEAST ASIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I want to discuss briefly a couple of unrelated items. Yesterday, on the House floor, I asked the question as to when we might expect some of our so-called free world friends, on whom we have lavished $100 billion since the end of World War II, when we might expect them to start showing a disposition to get into the Southeast Asian situation. This morning I read in the paper that the New Zealand cabinet met last night. Apparently, they had been asked by somebody in the U.S. Government to at least display the New Zealand flag in Thailand where we are now involved. I hope we will get something more than a display of flags.

Mr. Speaker, I noticed this morning in the Commerce Business Daily, published by the Department of Commerce, the fact that the Defense Department on May 11, 1962, awarded a contract for 403 tents costing $88,472. On May 15, 1962, and I do not know whether this is by coincidence, but on May 15, the Army declared surplus 10,000 tents and the State Department immediately announced that the $600,000 worth of tents would be shipped to Algeria to shelter refugees. May the Lord help the taxpayers of this country.

The **SPEAKER.** The time of the gentleman from Iowa has expired.

CALL OF THE HOUSE

Mr. ADAIR. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. MOSS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 90]

Albert
Alexander
Alford
Andrews
Aspinall
Ayres
Barrett
Boggs
Bolling
Bonner
Boykin
Brademas
Bray
Brewster
Buckley
Casey
Cohelan
Cooley
Curtis, Mass.
Daddario
Davis, James C.
Dowdy
Durno
Elliot
Fallon
Fascell
Flood
Fogarty
Ford
Fountain
Fulton
Gavin
Granahan
Hagen, Calif.
Hall
Hébert
Henderson
Hoffman, Mich.
Holifield
Horan
Ichord, Mo.
Jones, Ala.
Kee
Kitchin
Kornegay
Kowalski
Kyl
Lennon
Lesinski
McSween
Magnuson
Mason
Meader
Merrow
Millikin
Morrison
Morse
Moulder
Murray
Patman
Pirnie
Powell
Rains
Reece
Riley
Roberts, Ala.
Saund
Scherer
Scott
Selden
Sheppard
Smith, Miss.
Spence
Steed
Stubblefield
Taylor
Teague, Tex.
Thompson, La.
Waggonner
Whitener
Whitten
Wickersham
Williams
Willis
Wilson, Ind.
Winstead
Yates
Zelenko

The **SPEAKER.** On this rollcall, 348 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. MILLS. Mr. Speaker, I offer a resolution (H. Res. 643) and ask for its immediate consideration.

The Clerk read as follows:

> *Resolved,* That during the remainder of the Eighty-seventh Congress, the Committee on Science and Astronautics shall be composed of twenty-nine members.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING ADDITIONAL COPIES OF HEARINGS ON REVENUE ACT OF 1962

Mr. THOMPSON of New Jersey. Mr. Speaker, I offer a privileged resolution (S. Con. Res. 68) and ask for its immediate consideration.

The Clerk read as follows:

> *Resolved by the Senate (the House of Representatives concurring)*, That there be printed for the use of the Committee on Finance not to exceed one thousand additional copies each of part 1 and all subsequent parts of hearings on the Revenue Act of 1962, held by that committee during the Eighty-seventh Congress.

Mr. THOMPSON of New Jersey. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. THOMPSON of New Jersey: In line 3, after the word "thousand" insert "five hundred".

The amendment was agreed to.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Iowa.

Mr. GROSS. This is a printing bill out of the Committee on House Administration. Is that correct?

Mr. THOMPSON of New Jersey. The gentleman is correct.

Mr. GROSS. It deals with what?

Mr. THOMPSON of New Jersey. The additional 500 copies of the 1962 Revenue Act hearings, referred to in the resolution, are for the use of the House Committee on Ways and Means. It is in the interest of economy that these be printed additionally with the original thousand. Agreement by leaders of both sides to this action has been secured.

Mr. GROSS. This does not include any employees of any nature?

Mr. THOMPSON of New Jersey. It does not.

Mr. GROSS. I will say to the gentleman that I ask this question—and I think perhaps some of the Members might be interested in this—because last year a resolution came out of the Committee on House Administration providing for a $5,000 entertainment fund. The resolution also provided for an additional employee to administer the $5,000 entertainment fund. I will say to my friend, the gentleman from Virginia [Mr. SMITH], who is listening and who is interested, I am sure, in this matter, because he is interested in governmental economy, that they proceeded to appoint and put on the payroll a $14,435-a-year employee to spend the $5,000.

Mr. THOMPSON of New Jersey. Mr. Speaker, there is no such matter in the resolution before the House now. I move its adoption.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report on the so-called NASA bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 592 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That the further expense of conducting the studies and investigations authorized by rule XI(8) incurred by the Committee on Government Operations acting as a whole or by subcommittee, not to exceed $400,000 including expenditures for employment of experts, special counsel, and clerical, stenographic, and other assistants, which shall be available for expenses incurred by said committee or subcommittee within and without the continental limits of the United States, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and approved by the Committee on House Administration.
>
> SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, as far as I am concerned, this resolution and the others that are to follow have been discussed with me by the minority members of the Committee on House Administration and, as far as I know, are approved by them.

I have asked for this time in order to have it appear in the RECORD that an arrangement has been made by which and under which the so-called Fountain subcommittee of the Committee on Government Operations will provide for the appointment of a minority counsel for that committee. As I understand it, that committee is about to undertake certain investigations of the Department of Agriculture and the Commodity Credit Corporation, particularly having to do with what is now known as the Estes affair as it concerns this Department.

As I said, I just want the RECORD to show that that arrangement had been made.

Mr. FRIEDEL. I wish to state I know of no such arrangement. I know the distinguished chairman, the gentleman from Illinois [Mr. DAWSON] of the full Committee on Government Operations has always been fair and will be fair as far as this question of committee help is concerned.

Mr. HALLECK. I know the Republican Member on our side, the gentleman from New York [Mr. RIEHLMAN] discussed the matter with the gentleman from Illinois [Mr. DAWSON] who I see is nodding his head in assent, and I am sure that this arrangement will be carried out.

Mr. FRIEDEL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADJUSTING U.S. TREASURY ACCOUNT IN OFFICE OF SERGEANT AT ARMS, HOUSE OF REPRESENTATIVES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 637) to adjust the U.S. Treasury account in the Office of the Sergeant at Arms of the House of Representatives, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution as follows:

> *Resolved*, That there shall be paid out of the contingent fund of the House to the Sergeant at Arms of the House the sum of $1,651.83, which shall be used by the Sergeant at Arms to make good to the Treasurer of the United States on his endorsement, during the calendar years 1955, 1956, and 1957, of U.S. Treasury checks payable to purported employees of the folding room of the House, which were cashed by the Sergeant at Arms and were subsequently found to be forgeries. There shall also be paid out of the contingent fund the sum of $339.23, which may be paid by the Clerk of the House to reimburse any other innocent endorser on the forged checks while in the employ of the House folding room against whom a judgment has been obtained as an endorser growing out of the forgeries.

Mr. HIESTAND. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from California.

Mr. HIESTAND. Mr. Speaker, I think the House would like to have an explanation of this matter and I am sure the gentleman from Maryland would be happy to give it.

Mr. FRIEDEL. I will be very happy to do so.

Mr. Speaker, this resolution calls for the sum of $1,651.83 and an additional $339.23 to be made available to the Sergeant at Arms for payment to the U.S. Treasury. This matter arises as the result of some forged checks that went through the Office of the Sergeant at Arms. We had a gentleman in charge of the folding room who was getting innocent employees to cash checks for people who were not working but who were put on the payroll. The total amount involved in the forgeries was $11,651.83 of which amount the bonding company made good to the extent of $10,000. This is a matter of bookkeeping now to clear up the records in the Office of the Sergeant at Arms.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. What was the total amount involved here?

Mr. FRIEDEL. The total amount originally was $11,651.83. This took place over a period of several years—1955, 1956, and 1957.

Mr. GROSS. And how much do you ask for here?

Mr. FRIEDEL. This resolution calls for $1,651.83.

As I pointed out previously, the bonding company made good to the extent of $10,000.

Mr. GROSS. Who was supposed to supervise this payroll?

Mr. FRIEDEL. The gentleman is in jail today. He was prosecuted and the Government has a judgment against him and will try to recover. He is a young man and they claim he has a lot of productivity ahead of him and the Government hopes to get the $1,600.

Mr. GROSS. When did this occur?

Mr. FRIEDEL. In the years 1955, 1956, and 1957.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING ADDITIONAL LABORERS, DOORKEEPER OF HOUSE OF REPRESENTATIVES

Mr. FRIEDEL. Mr. Speaker, I offer a privileged resolution (H. Res. 638) authorizing additional laborers for the office of the Doorkeeper of the House of Representatives and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Representatives compensation for the temporary employment of seven additional laborers, office of the Doorkeeper of the House of Representatives, at a basic salary rate of $1,650 each per annum; such temporary employment to terminate at the close of business on August 31, 1962.

Mr. FRIEDEL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 3, strike out "seven" and insert "four".

The committee amendment was agreed to.

Mr. FRIEDEL. Mr. Speaker, this resolution is needed to pay several day laborers to take care of the east wing of the new part of the Capitol. There are three floors with the following rooms:

Gallery floor: Seven Committee on Appropriations rooms, one large storeroom, one library room, three lavatories; double stairway from attic—Atomic Energy Committee—to principal floor; marble corridor to center of the Capitol.

Principal floor: Speaker's suite of four large rooms, two lavatories, two large rooms—at present unoccupied—double stairway from principal to first floor; marble floor to center of the Capitol; reception room—not completed; parquet floors will require daily waxing.

First floor: One large room with lavatory, one room, suite of three large rooms—office of the Clerk; marble corridor to center of Capitol; double stairway to basement.

The Senate janitor has all of the Atomic Energy Committee on the attic floor.

Carpeting in each room must be vacuumed daily.

Marble floors and stairs must be swept and mopped daily.

All lavatories must be mopped daily.

All three floors must be policed and picked up thrice daily.

Additional trash carted in trucks to baling room and trucks returned to Capitol.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield.

Mr. GROSS. Are these people to be employed as an additional force in this new plush part of the east front of the Capitol?

Mr. FRIEDEL. That is correct.

Mr. GROSS. Do you suppose these employees would have time to put some names on the doors? All I can find are just numbers on the doors. I do not know who has any of these rooms. I am sort of curious to find out who has all those plush quarters over there. I cannot find any names on the doors. It is very unsatisfactory to anyone going there to have nothing but numbers and no names.

Mr. FRIEDEL. I would think it would be up to the Doorkeeper to make proper provision for identification of the rooms.

Mr. GROSS. Under whose jurisdiction will these employees be?

Mr. FRIEDEL. Under the jurisdiction of the Doorkeeper.

Mr. GROSS. I wonder if the gentleman's Committee on House Administration will give some consideration to bringing under one head or substantially so, these employees in the Capitol. As I understand, one side of the corridor might be cleaned by employees under the jurisdiction of the Doorkeeper and the other side by an employee under the jurisdiction of the Architect or some other officer. Does not the gentleman think somebody ought to give a little attention to this diversified control so we will know who they are and what they are supposed to be doing and so forth?

Mr. FRIEDEL. I want to assure the gentleman that the committee gave very serious consideration to bringing them under one head. As it is now, some are employed under the Architect of the Capitol, some under the Doorkeeper, and some under the Clerk, and then others of course are employed on the Senate side.

Mr. GROSS. And some under the Superintendent of Buildings.

Mr. FRIEDEL. Yes. Some under the Superintendent of Buildings. We are working on that now and hope to come up with one uniform plan of employment, getting all employees in this category under one head.

Mr. GROSS. I hope the gentleman has success in this enterprise.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield.

Mr. HALLECK. Mr. Speaker, reference has been made to the new rooms in the east front of the Capitol. I think in all fairness I should state that as that work was progressing former Speaker Rayburn said he would assign a room to me to be used by the minority. That room number, for the benefit of the gentleman from Iowa, is HE–203. It does not carry my name, it does not carry any name. Let me say here and now that Mr. Rayburn assigned that room to me for minority use. It was carried out by Speaker McCormack, for which I thank him, as I thank former Speaker Rayburn. I might also say that the room is used almost every day. It is used by our policy committee, it is used for leadership meetings and all sorts of other meetings involving Republican Members of the House. Let me emphasize that we all appreciate it. It is very helpful to us, and I do not want to let this opportunity go by without saying I am glad we have the room.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUBCOMMITTEE ON EDUCATION

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Education of the House Committee on Education and Labor may be permitted to sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MARKETING OF EXPERIMENT STATION CROPS

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 641 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10594) to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 641 provides for the consideration of H.R. 10594, a bill to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations. The resolution provides for an open rule with 1 hour of general debate.

The purpose of H.R. 10594 is to extend to privately owned nonprofit agricultural research and experiment stations or foundations the same exemption from marketing quotas which now applies to publicly owned agricultural experiment stations. The Agricultural Adjustment Act of 1938 has provided for several years that crops which are grown for experimental purposes by publicly owned agricultural experiment stations may be marketed even though such crops were grown in excess of any acreage allotment which the experiment station might have. There are a few privately endowed and operated agricultural experiment stations in the United States which should have the same exemption from the marketing quota provisions.

The exemption from marketing quota penalties extends only to crops which are grown for experimental purposes. Such crops will not be eligible for price support, if grown in excess of any allotment the experiment station may have, and the granted exemption will merely mean that these crops may be sold on the open market for whatever they may bring, and will not have to be destroyed to avoid conflict with the marketing quota provisions of the 1938 act.

Since any crops covered by this exemption would not be eligible for price support, there would be no additional cost to the Federal Government as a result of this legislation.

Mr. Speaker, I urge the adoption of House Resolution 641.

Mr. Speaker, I now yield 30 minutes of my time to the gentleman from Kansas [Mr. Avery].

Mr. AVERY. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the gentleman from Indiana [Mr. Madden] has fully explained the purpose of the legislation covered by this rule. There is no objection to the rule, although there may be some comment in order on the bill itself.

As the gentleman from Indiana [Mr. Madden] pointed out to you, this bill would authorize privately owned experimental stations to engage in the development and experimentation of crops and varieties of crops and would permit them to sell these crops on the market without a marketing penalty. This they cannot do under present law. I have no objection to this, and I think probably the legislation is in order. I would like to remind the Members of the House that there are some rather substantial nonprofit experimental stations in operation, and I think we ought to make the record abundantly clear here today that this should not be construed as an invitation to them to engage in some sort of quasi-experimental operation, then use this opportunity to place that production on the open market in unreasonable quantities or volumes.

Now, I had suggested to the chairman of the subcommittee, the gentleman from Texas [Mr. Poage] that perhaps an amendment should be offered to the bill placing a limit on each crop that could be raised or harvested by any such privately owned nonprofit experimental station, in order that this would not develop into a commercial type of operation. The gentleman from Texas agreed with me that some kind of limitation would be in order. Then, for various reasons that we later discussed, such an amendment would become burdensome from an administrative standpoint. Therefore, I am not going to offer an amendment placing such a limitation on the bill.

However, there are two or three statements that should be made: No. 1, I want the record to be abundantly clear here today—and I think the gentleman from Texas is in agreement with me—that if this bill passes, next year the Department of Agriculture should advise the House Committee on Agriculture as to the extent of participation under the authority granted under this bill. In other words, one, how many such nonprofit experimental stations are there and, two, how many total acres are engaged in experimental development and the number of acres in each particular crop.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I will be glad to yield to the gentleman from Texas.

Mr. POAGE. I would like to have it understood that I do agree with the gentleman from Kansas. I think his original suggestion has merit, that there seems to be a little difficulty in administration, and I believe that the report that he suggested—which I am sure our committee will be glad to ask for—will give the information we need, and there cannot be any substantial abuse under that procedure.

Mr. AVERY. And the gentleman will further agree that if this report does reveal that there is determined to be an unreasonable production, that we will reconsider it?

Mr. POAGE. I agree with the gentleman, and if there appears to be any large or unreasonable acreage, we will try to cut it down.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I will be glad to yield to the ranking minority member of the committee, the gentleman from Iowa [Mr. Hoeven].

Mr. HOEVEN. I want to concur in what has been said by the gentleman from Kansas and the gentleman from Texas. The gentleman from Kansas discussed this amendment with me, and as far as I was concerned, I was ready to accept it, but in view of some of the difficulties pointed out, I think it is the expressed desire to defer action to see how it will operate. If if gets out of hand, I assure the gentleman from Kansas I shall be ready to support the type of amendment he has in mind.

Mr. AVERY. Mr. Speaker, I would like to make one or two additional comments: One is that this legislation should not be interpreted by any such nonprofit experimental station to authorize them or to infer that they should in any way engage in production beyond what is considered to be reasonable for experimental purposes and certainly should not engage in the area of commercial production. No. 2, I would like to, at least from my own point of view, point out this fact. I cannot speak for the committee or the House, obviously, but I would not want this to be understood as meaning there would be any "grandfather rights" conferred on them by experience after the passage of this bill. Since we are deferring limitation, it does not mean that just because, for example, they might elect to plant 2,000 acres in any one crop this year, and we decided later that it was unreasonably large, Congress would not be obligated to recognize that number of acres as a base on a normal operation.

Mr. Speaker, I have no further requests for time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RURAL TELEPHONE SERVICE

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 642, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10708) to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Kansas [Mr. Avery] and pending that I yield myself such time as I may consume.

Mr. MADDEN. Mr. Speaker, House Resolution 642 provides for the consideration of H.R. 10708, a bill to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity. The resolution provides for an open rule with 1 hour of general debate.

The purpose of H.R. 10708 is to bring up to date the definition of telephone service which appears in that portion of the Rural Electrification Act authorizing loans for the development of rural telephone service. The present definition is limited to "service whereby voice communication through the use of electricity between the transmitting and receiving apparatus is the principal intended use thereof." Since 1949, when the law was enacted, the development and common use of closed circuit picture, data, and signal transmission has made this type of service an increasingly larger part of normal telephone operations.

The bill would amend the 1949 definition to include the transmission of "sounds, signals, pictures, writing, or signs of all kinds" as part of the definition of telephone service. It would permit REA telephone loans to include funds for the lines and facilities used to transmit such signals.

The bill does not change any other requirement respecting REA rural telephone loans and retains without change the definition of rural areas, the requirement for full area coverage, and the prohibition of loans for telegraph facilities or radio broadcasting services or facilities.

Mr. Speaker, I urge the adoption of House Resolution 642.

Mr. AVERY. Mr. Speaker, again, my distinguished colleague, the gentleman from Indiana [Mr. Madden] has very adequately explained the resolution and the bill which the resolution makes in order for consideration. I can only add that it is my understanding that there will be an amendment offered to this bill when the House is resolved into the Committee of the Whole. I think the gentleman from Texas [Mr. Poage] has an amendment which the gentlemen will then offer.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I am happy to yield to the distinguished gentleman from Texas.

Mr. POAGE. The gentleman is correct; an amendment will be offered.

Mr. AVERY. Mr. Speaker, there was some objection to this bill because it was not clear as it is presently written as to just how far the REA might go in the way of providing facilities in the area of picture communications. The amendment, as I understand it, will limit it strictly to educational facilities which they will provide and make available to such public or private users as might be willing to purchase that service from their existing customers. For that matter, I presume, new customers might also develop in the areas which they serve.

Under that circumstance, Mr. Speaker, I know of no objection to the rule, or any objection to the bill.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield to me?

Mr. AVERY. I yield to the distinguished gentleman from Pennsylvania [Mr. Saylor].

Mr. SAYLOR. Is there anything in this bill that will allow the REA's to operate television stations?

Mr. AVERY. No. I might say to the gentleman from Pennsylvania [Mr. Saylor], that it is my understanding—and I am sure this will be made abundantly clear during the debate on the floor of the House today—that this only authorizes them to become engaged in the transmission of signals, the same as they are presently authorized to do. Now they can transmit only sound signals. This would only expand that operation to the point where they could transmit the pictures as well as the sound, but only to the extent that such transmission would be related to educational television.

Mr. SAYLOR. Will the gentleman yield further?

Mr. AVERY. I yield to the gentleman.

Mr. SAYLOR. Do we know that this is not a case of getting the nose of the camel under the tent; that as soon as they begin to broadcast educational services we will soon be told that this is not sufficient, and we will then have to give the REA's the authority to go into the business of setting up television stations all over the country without any requirement that they secure permission of the FCC?

Mr. AVERY. I think the gentleman's question is certainly in order. However, I would assure the gentleman that I know of no such intention on the part of the sponsors of this bill to in any way establish a precedent whereby the REA might subsequently become engaged in the function of broadcasting of educational or any other kind of programs. In the first place, it would not be feasible, I am sure the gentleman would agree.

Since the bill clearly states that this is just an authorization for transmission, while I cannot assure the gentleman that there will not be such a request for broadcasting, I can assure him that the gentleman from Kansas presently addressing the House will stand beside him and oppose any such effort. It is clearly beyond the intent of this legislation.

Mr. SAYLOR. Mr. Speaker, I might say to my colleague from Kansas that feasibility is the last thing REA worries about. We have made them a nice arrangement whereby we lend them money at 2 percent, and they take it and instead of investing it in the facilities for which they were created, they turn around and invest the money in Government bonds, and pay a nice dividend to their stockholders or to the people whom they service.

Mr. AVERY. Their patrons.

Mr. SAYLOR. Their patrons, yes; but also stockholders since the REA's make loans to telephone companies. It has come to my attention that they have gone so far that in northeastern Pennsylvania a firm that is in the process of determining whether or not they should locate in northern New Jersey or in northeastern Pennsylvania, one of the enticing things that has come to their attention is that an REA has come along and told this firm that if they will locate in the service area of this REA they will be glad to lend them money at 2 percent for the erection of their building and for the acquisition of all of their property. Certainly this was never the intention behind the REA. It was never the intention of Congress in establishing it or authorizing these extensions even in the area redevelopment bill. It is perversions such as this that have caused REA to come under a cloud.

Mr. AVERY. Mr. Speaker, I can only respond to the gentleman from Pennsylvania by saying that I hardly believe that this is the appropriate time to review the present activities of the Rural Electrification Administration. I am not aware of the situation the gentleman has mentioned nor am I in a position to pass judgment. I do know that the REA has provided a tremendous service to the rural areas of America. I think it is appropriate that authority be limited to the extent included in this bill, and as it has been recited and explained here today. I remind the gentleman that I would certainly view with apprehension the development of becoming engaged in establishing a broadcasting facility.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MARKETING OF EXPERIMENT STATION CROPS

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10594) to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10594, with Mr. Denton in the chair.

Mr. POAGE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I do not think it is necessary to engage in a long discussion of this legislation which has so recently been discussed in the House in consideration of the rule.

Basically, the legislation simply provides that we should apply to nonprofit, privately owned agricultural research establishments the same rules we apply to publicly owned and operated agricultural research establishments of the same character, which allow those research establishments to sell their products in the market without regard to the marketing quota laws.

Primarily this relates to wheat and cotton. Those commodities are both now being subjected to a type of research which was not common in years past. Most of us think of agricultural research as some kind of greenhouse operation into which somebody tosses the pollen of one plant onto another and tries to produce some crossbreed or a new plant or a new fruit or a new vegetable. That type of research is still going on; that type of research is still important, but in recent years we have found that of vast importance in practical research is the amount of cultivation, the type of cultivation, the amount of fertilization, and the season of the year at which the crop is planted. Those things make a tremendous difference. They must be tried out in field tests. This means several hundred acres, and it can sometimes go into even larger acreages. Unless these stations have the opportunity to sell the products of these experiments, it imposes a limitation on their income and, therefore, on the work they can carry on.

We all say we are in favor of this work, or else we would not encourage these stations, else we would not spend millions of dollars of the public money carrying on this work. All this bill would do would be to apply to these privately endowed agricultural research stations exactly the same rules that we now apply to publicly owned and operated research stations in the same field.

The gentleman from Kansas has properly called attention to the possibility of overexpansion of this type of work. We frankly do not know how many of these stations there are that might claim the exemption. I know of but one in the State of Texas. I have talked to some of my colleagues, and I think you will find that probably the average over the Nation will not exceed one to a State, and some States will not have any. But they do do a substantial work. The work they do gives relief to the taxpayers to the extent that they do that work, because it otherwise would be paid for by public money. So we feel that while this fear is a very remote matter, if it should develop into something objectionable we would object to it. I can repeat the assurance given to the gentleman from Kansas that the Committee on Agriculture will next year attempt to find out how many of these there are. We cannot find out now, but we can find out when they claim an exemption. We will try to find out something more definite as to this size, and should there be any evidence that we might have created a Frankenstein, we will certainly apply the brakes.

Mr. HOEVEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I do not know of any opposition to this legislation; in fact, it is a bill that could well have been placed on the Consent Calendar. I imagine the only reason it is here under a rule is to create the impression that the House is very busy with legislative matters.

The purpose of this bill is to extend to privately owned nonprofit agricultural research and experiment stations or foundations the same exemption from marketing quotas which now applies to publicly owned agricultural experiment stations. Section 372 of the Agricultural Adjustment Act of 1938 has provided for several years that crops which are grown for experimental purposes by publicly owned agricultural experiment stations may be marketed even though such crops were grown in excess of any acreage allotment which the experiment station might have. Recently it has come to the attention of the committee that there are a few privately endowed and operated agricultural experiment stations in the United States which should have the same exemption from the marketing quota provisions.

It will be noted that the exemption from marketing quota penalties extends only to crops which are grown for experimental purposes. Such crops will not be eligible for price support, if grown in excess of any allotment the experiment station may have, and the granted exemption will merely mean that these crops may be sold on the open market for whatever they may bring, and will not have to be destroyed to avoid conflict with the marketing quota provisions of the 1938 act.

Since any crops covered by this exemption would not be eligible for price support, there would be no additional cost to the Federal Government as the result of this legislation.

Again I want to emphasize what was said in the colloquy between the gentleman from Kansas [Mr. Avery] and the gentleman from Texas [Mr. Poage] and the gentleman from Iowa now addressing the Committee. If this extension gets out of hand, and if there is an overexpansion, I am sure the Committee on Agriculture will see to it that that kind of operation will be properly restricted.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

Mr. HOEVEN. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 372 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1372), is amended by striking out subsection (d) thereof, and inserting in lieu thereof the following:

"(d) No penalty shall be collected under this chapter with respect to the marketing of any agricultural commodity grown for experimental purposes by any publicly owned agricultural experiment station or by any privately owned nonprofit agricultural research and experiment station or foundation."

With the following committee amendment:

On page 1, line 7 after the word "this" strike out "chapter" and insert "Act".

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Price) having assumed the Chair, Mr. Denton, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10594) to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations, pursuant to House Resolution 641, he reported the bill back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

RURAL TELEPHONE SERVICE

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10708) to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H.R. 10708 with Mr. Denton in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Texas [Mr. Poage] will be recognized for 30 minutes and the gentleman from Iowa [Mr. Hoeven], for 30 minutes.

Mr. POAGE. Mr. Chairman, I yield myself such time as I may require.

The CHAIRMAN. The gentleman is recognized.

Mr. POAGE. Mr. Chairman, I believe that this bill was adequately explained in the consideration of the rule within the last few minutes. It simply allows the use of the REA-financed telephone facilities for the transmission of educational TV programs over those lines and facilities.

It shall be my purpose at the proper time to offer an amendment on page 2, line 5 of the bill, after the word "facilities" to insert the following: "or community antenna, television system, services, or facilities other than those intended for educational purposes."

The purpose of the amendment, of course is obviously to make it absolutely clear that there is no authority granted to enlarge any of the existing powers except in the case of the educational programs.

The bill was inspired by reason of the fact that there are a number of communities in the United States where today it is impossible to secure direct television programs for their schools and other educational institutions which would include a college and, we think, probably would include hospitals under certain circumstances.

I realize that many of my colleagues find it rather difficult to understand how there could be a community which could not receive direct television programs, but as soon as you get into an area more than a hundred miles from a broadcasting station you begin to find exactly that situation. To correct that condition there has developed a rather thriving industry in some sections of this Nation known as Central Antenna Television where some entrepreneur comes into a community and locates the highest hill and on it builds an antenna or tower. Normally it may be 100 feet or 200 feet, depending upon the size of the community and the amount of money he is willing to invest in it, but the higher he builds the farther away he can get acceptable TV signals.

Obviously he can receive signals from a much greater distance than can the ordinary private individual even though he has an antenna on his roof. The individual or corporation that builds the tower normally then provides transmission lines to the homes in the community. The normal charge in my area for tapping on to this central antenna is $6 a month. I do not know what it is in other areas. The householder gets what in effect is city reception from the TV stations that are possibly located 200 or 300 miles away, and in that way he is enabled to receive programs he could not possibly receive with his own set without such a tower. The central antenna operations are, of necessity, confined to the towns and cities, because there simply is no way to make them pay anywhere else.

I know of nothing at the present time that would preclude any of these people from extending their lines into the rural areas and providing for rural schools the direct service that this bill contemplates for these schools. But the sad fact is it simply does not pay to do so. The sad fact is it is not an economically sound investment for these central antenna companies to provide rural service, and especially rural educational service. The result is they do not try to get out of the cities and towns. Large areas do not have the opportunity to get educational TV.

There is no purpose in this bill to substitute REA-financed lines for these central antenna systems. We only hope to provide an opportunity for rural schools to get a service no one wants to provide.

I think I should point out right here that in the telephone program of the REA there are more than twice as many privately owned stock companies as there are cooperatives. Some of us are living under the impression that the REA lends money only to cooperatives. Some of you do not like cooperatives, so you are prejudiced against the whole program. For each cooperative which borrows money for the extension of a telephone system under the REA program there are two privately owned stock companies that are operating on money from the same source at the same rate of interest and on the same terms.

This pending proposal is not a matter which involves stock companies versus cooperatives or cooperatives versus private companies or anything of that kind. It is a question of how you get these TV signals to the rural areas. I think in a good many rural areas these companies and these cooperatives which have been financed by the REA have lines which could be economically used. They cannot carry these signals on the lines as they now exist, but with a much less expenditure than would be required in building up a completely new line they can convert existing lines so they can carry these programs out to our rural schools. I do not believe there is any opportunity in the world for them to make a profit on it, but the REA Telephone Act was set up with the idea of taking modern facilities to the rural areas and making them available to our rural people.

There are at the present time, as far as the committee knows, only some five or six instances in the United States where there has been any expression of interest in doing this, but I think there are five or six places where we could move acceptable telephone reception out into the rural areas if we pass this bill. We believe that is a highly desirable thing to do, and we would like to do it. We do not want it to interfere with anybody, corporation, or cooperative; and to make absolutely certain there will be no use of this except for educational purposes, I shall at the appropriate time offer the amendment, which I have previously read, which specifically confines this to education programs.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. NELSEN. Under the terms of the Rural Electrification Act, a rural area is defined. I have forgotten what the population is.

Mr. POAGE. Fifteen hundred.

Mr. NELSEN. Fifteen hundred. Under the terms and the definition of a rural area, would a community antenna system that might exist in a town of 1,499 be permitted to use these funds within this village to pipe out their community antenna program by the system they could set up under this act?

Mr. POAGE. I do not understand that they would, for the reason that the original loan must be made primarily to provide voice communications, so obviously the original establishment of a community antenna system could not be financed by REA.

Mr. NELSEN. Mr. Chairman, will the gentleman yield further?

Mr. POAGE. I yield.

Mr. NELSEN. Now, in the event that an educational program is transmitted over this system, would it not be logical to assume that perhaps it might be extended for use other than that? Could you confine it by language in the law?

Mr. POAGE. That is exactly the fear that certain Members and certain interested parties had of the original bill, the fear that it might be extended to other purposes. And, it is for that purpose that I have advised the House that I will, as quickly as we reach the amendment stage, offer an amendment on page 2, line 5, after the word "facilities"—which is a limitation incidentally—adding the following words, and these are limitations: "or community antenna television services or facilities other than those intended for educational purposes." In other words, we limit it so that you cannot use it for purposes other than those intended for educational purposes.

Mr. NELSEN. I thank the gentleman.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Certainly.

Mr. MICHEL. May I ask the gentleman whether or not this then could not be used as a justification, in the name of education, for beefing up the transmission lines? Is there any information that has come to the committee that any request would be made by any operating company or cooperative for the express purpose of beefing up transmission lines to carry these programs?

Mr. POAGE. Does the gentleman refer to electric transmission lines?

Mr. MICHEL. Yes.

Mr. POAGE. This does not amend the electric provision of the law at all. It relates solely to telephone systems. And, there is nothing that I think of in terms of transmission lines in connection with the rural telephone system——

Mr. MICHEL. If I may interrupt the gentleman, there is nothing involved here enlarging that program, at least, beefing up the expenditure of the rural telephone service for carrying this type of a program?

Mr. POAGE. This would allow the Administrator to make loans to telephone companies and cooperatives that were otherwise financed by REA for the preparation of their line, or whatever is necessary—and I am not enough of a mechanic to understand just what has to be done—to convey these signals to educational institutions; yes.

Mr. MICHEL. Have there been any estimates as to the additional cost?

Mr. POAGE. The estimate is that it will not require any additional money because there are only five or six known instances in the United States where there is any interest at all expressed in it, and we do understand that they are in a position to put these lines in, if they have the authority. At the present time the REA-financed lines, that is, the lines belonging to either a company or a cooperative that is receiving REA financing, are the only lines in the United States that are prohibited, as far as the Federal Government is concerned, from carrying these very fine programs. Now, there are State regulations in some of the States which do prohibit it. It is not prohibited in my State, but I am sure there are certain States that do. But, as far as the Federal Government is concerned, the only systems that cannot do it are the ones getting REA financing.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I have listened very carefully to the statement of the gentleman from Texas in regard to this bill. I have read very carefully the bill itself, together with the amendment and the report of the committee. It is very apparent that both the bill and the amendment which you propose to offer state that they are facilities intended for educational purposes. Now, the question that I have is this, that once one of these facilities is installed for educational purposes, what is there to stop the REA—after the schools are closed at 3:30 or 4 o'clock and the children have gone home in a bus—what is to stop them from starting at 8 or 9 or 10 o'clock from running "Gunsmoke" over these same facilities?

Mr. POAGE. I think the same thing is there to stop them that is there to stop them from giving service in a town of 1,500 or any of the other facilities that are prohibited by law.

Mr. SAYLOR. There is nothing in the bill or language in the amendment that would prevent the use of these facilities for commercial purposes once they have been installed for educational purposes.

That is the reason some of us have looked askance at this bill. This bill has been drafted very carefully to put the opening wedge in to allow both the companies and the cooperatives that offer telephone service to engage in the general transmission of television signals. The only limitation is that they originally be installed for educational purposes.

Mr. POAGE. I would like to comment on the gentleman's admission, and I appreciate it very much. I had not realized just how far these people who are presently engaged in providing central antenna television service wanted to go to help the REA and the REA borrowers. I want to give the House my word that this amendment was—and I want the gentleman from Pennsylvania [Mr. SAYLOR], to listen to this explanation—I want the House to understand that this amendment was written by and very carefully prepared as the gentleman says—very carefully prepared—by the attorneys for the Central Antenna Television Association.

We were requested by the association and not by the REA to use this language. It is the language of the people whom the gentleman fears are going to be injured. It is not the language of the REA. It is not the language of any group seeking to expand their activities. It is the language of the very people—and it is word for word and has not been changed, not even by a comma—it is the language that was requested by the very people whom the gentleman suggests are to be somehow or other destroyed by this amendment.

I believe these gentlemen are not only fair to their opponents, but I believe they are fair to themselves. I believe they have adequately protected themselves. I believe they have come in and asked for a reasonable limitation. As long as it seems to be a reasonable limitation, I for one—and I believe the House Committee on Agriculture—is disposed to try to grant any reasonable limitation.

Mr. Chairman, it does seem to me that we are going a pretty long way when we say that we are opposed to any kind of legislation which would allow any kind of use of these facilities after 4:30 in the afternoon. But if the gentleman from Pennsylvania will offer an amendment to confine the use of these facilities from 8:30 in the morning until 4:30 in the afternoon, I am sure the House will be delighted to pass on it. Of course, I would hope it would be defeated.

Mr. Chairman, I believe we have a good bill. I believe we have a bill here which should pass. I think we have a bill here that is in the interest of America. It cannot do anyone any harm. The bill has the approval of the Agricultural Committee, it has the approval of the REA. It has the approval not only of the cooperatives and the private telephone companies who would be accepting a burden to provide this service—but also of the very companies that the gentleman from Pennsylvania [Mr. SAYLOR] seeks to protect.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Surely, I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I am glad to have the statement of the distinguished gentleman from Texas [Mr. POAGE] about the apparent unity for this bill, and also the history of the proposal as well as the origin of the language and how badly it is needed. But I do not know what it does. I have listened to the gentleman very carefully and, unfortunately, I did not hear the first part of the gentleman's discussion. However, based upon the discussion which I have heard here, I am not sure whether this is an extension of service for the Community Antenna Television Service, or whether it is to provide such facilities as microwave service and so forth for the extension of telephone service.

Mr. POAGE. No, it is neither.

Mr. HARRIS. That is what you have been talking about here and that is the reason the question was raised in my own mind.

Mr. POAGE. Of course, I regret that the gentlemen did not hear the discussion under the rule or hear the beginning of the debate on the bill.

Mr. HARRIS. The explanation was made that the purpose of the bill was to extend educational television through this means. I am interested in finding out how you are going to extend it under the bill.

Mr. POAGE. Unfortunately, the gentleman from Arkansas was not present when the matter was discussed. The matter under immediate discussion was the amendment that I expect to propose to the bill and the objections raised by the gentleman from Pennsylvania [Mr. SAYLOR] which did not bear on the basic purpose of the bill. The basic purpose of the bill is to allow those rural areas that presently cannot receive direct television signals of acceptable quality, to provide some method so that more acceptable signals could be sent to the more or less remote areas, for educational purposes. The purpose of the amendment is clearly to limit it to educational purposes. That is what we started out to do. The members of the committee have no objection to limiting it to exactly what we intended. The wording of the amendment is the wording of the Central Antenna Television people and meets their objections.

Mr. HARRIS. Mr. Chairman, if the gentleman will yield further?

Mr. POAGE. I should like to answer the gentleman's question. The gentleman asked what was the purpose of the bill. There are many areas in the United States that do not receive acceptable television signals because they are too far from the television station. In most of the urban areas they are not too far away, and in most of the towns they have these central antenna television companies who set up a high antenna and pipe the programs to the houses in the town. They do not find it profitable to go out of these towns because it is simply not a profitable operation to carry those programs 15 or 20 miles out into the country. The result is the companies do not do it. There is not anybody engaged in that business. As far as I know there is not one single instance in the United States where anybody is engaged in it.

There are, however, about five rural telephone establishments in the United States who have said that if they had the authority they would provide the service even though it might not be immediately profitable to do so. It is provided in the Basic Rural Telephone Act that such area coverage must be given. They say that they will give that coverage if they are given the authority to do it. This bill is merely an effort to give them the authority to carry that service to those rural homes. We believe that we have limited the authority. Nobody now wants to perform this service. These people have offered to perform the service and the bill permits them to perform the service. If we defeat the bill then we will have said that there is nobody who will perform this service and the service will not be performed. It comes down to a question as simple as that.

Here is a way to have the service performed. If we defeat the bill we will be saying that the service will not be performed.

Mr. HARRIS. Mr. Chairman, if the gentleman will permit, he is not helping me a great deal. I am not criticizing; I am asking for information.

Mr. POAGE. What is the gentleman asking?

Mr. HARRIS. If the gentleman will yield——

Mr. POAGE. I am delighted to yield if I may have the gentleman's question.

Mr. HARRIS. What kind of service is the gentleman talking about?

Mr. POAGE. We are talking about television service.

Mr. HARRIS. How are you going to extend television service from the broadcasting station to the locality where you are going?

Mr. POAGE. The gentleman asked me a question, but I said in the beginning I was no technician or expert, as the gentleman from Arkansas is, on just what to call these lines that they put on their poles to carry these programs. I am not that much of a mechanic, but I do know you can put up lines to carry TV broadcasts. I do know that these CAT concerns do put lines from their antenna to the houses. I do know that the same kind of lines can be carried on the poles of the rural telephone companies out to these rural schoolhouses, but it has not proven to be profitable in the past and nobody else wants to do it. The gentleman asked me the mechanics of it. I do not know the mechanics of broadcasting.

Mr. HARRIS. Will the gentleman let me have some time, then?

Mr. POAGE. I will be glad to yield to the gentleman, but since I have only 5 minutes more I think I had better let the other side yield first.

Mr. HOEVEN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Chairman, I have been looking at this from the viewpoint of what kind of situation we all would like to have. I am a little afraid this thing would permit individuals under the REA to go in and operate without any control by the Federal Communications Commission of the broadcasting that would be set up under this bill. It seems to me that ought to be gone into very carefully, as we ought not to have or attempt to have a setup that is altogether different from what most of us feel there should be. Frankly, I feel that the Federal Communications Commission should have control over these things. Unless you do give it to them you are going to make a great mistake. You are going to have two outfits trying to do the job that one ought to be doing.

Mr. HOEVEN. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas [Mr. Harris], if he wishes to continue his colloquy with the gentleman from Texas.

Mr. HARRIS. I do not want to impose on the House, but I cannot develop this in 2 minutes. There are some problems here that we should clear up, and if not, I will have to enter an objection.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas.

Mr. HARRIS. Now let me ask some questions.

Would this extend to a rural cooperative the power without any authority from the Federal Communications Commission—and I observe the limitation in the bill—to use boosters and reflectors?

Mr. POAGE. The gentleman gets me in deep water when he uses scientific terms. I do not know any more about boosters than I do about medicine.

Mr. HARRIS. Let me try to educate the gentleman just a little bit.

We got into a serious problem in the Northwest by letting things take their course. They put in operation about 1,800 extensions of service by boosters and reflectors. Out in the Northwest, Montana, and out through there, they did this in an effort to extend the service, and the signals met each other coming down the valley. We had a terribly difficult problem trying to straighten it out. As I say, they had some 1,800 operations which were getting such signals. It was a controversial problem.

We finally were able to do something about the authority of boosters and reflectors, but we did not tackle the CATV problem. If the gentleman is referring to the kind of operation that would extend say, a community television operation, in other words where you have one antenna in a given community with wires that go to the homes, that is a community antenna television operation. If the gentleman has in mind to extend wires out into the country to rural areas, or to have one cable that would extend it out into some school, then I think it would be a good idea.

Mr. POAGE. That is exactly what I have in mind.

Mr. HARRIS. You may have that in mind, but that is not how I read the bill. I read the bill to say that, where you have the words "through the use of electricity" to use electrically operated devices for this purpose, it would get into what is being used by the telephone services, and if it is for the purpose of a microwave to extend that signal out to an area, this is used all the time by the telephone industry. Then that is still another problem. But, if you are setting up a program here that would give any group—and I do not care whether it is cooperatives or anyone else—legislative authority, without any look at it whatsoever, to start sending boosters and reflectors out into the country, you are going to find yourself in another terrible dilemma all down the line. I am just trying to find out what you are proposing to do.

Mr. POAGE. I believe with the help of my attorney here, I may be able to clarify this somewhat. The bill provides, that is the amendments with the existing law reads, that it shall not mean telegraph services or facilities or radio broadcasting services or facilities within the meaning of section 3(o) of the Communications Act of 1934, as amended.

Broadcasting under the terms of this act, which is referred to there, means, or rather it defines broadcasting as a means of dissemination of radio communications intended to be received by the public directly or by the intermediary of relay stations. It would seem to me to define rather clearly the operation and the type of thing that the gentleman from Arkansas is discussing, unless the booster has some other meaning than the relay stations and, frankly, I do not know about that.

Mr. HARRIS. I, very frankly, observed that as to the reception, and that is what really confused me a little bit about what you are seeking to do. I cannot see that you are doing anything here except extending to the rural cooperatives the right to have a closed system operation.

Mr. POAGE. That is exactly what I understand it to mean.

Mr. HARRIS. If that is what you are doing, then I have no objections.

Mr. POAGE. That is all in the world I understand is involved here, but the gentleman from Arkansas is far more familiar with that than I am.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. I wonder if I might have a couple of more minutes to pursue this a little further.

Mr. HOEVEN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HARRIS. I thank the gentleman. I regret having to take the time. If this is merely a closed circuit operation, that is, purely a wire operation, I have no objection.

Mr. POAGE. That is exactly what I understand it to be, but the gentleman has presented some technical terms and I confess I do not know the technicalities.

Mr. HARRIS. Well, let me read what the report says. The report reads:

> Service whereby voice communication through the use of electricity between the transmitting and receiving apparatus is the principal intended use thereof.

Mr. POAGE. That is the existing law. That is not the new law. That is the existing law. That is what we have been under the last 10 or 12 years.

Mr. HARRIS. That is the definition of telephone service.

Mr. POAGE. That is right, and this has to do with rural telephone service.

Mr. HARRIS. Now I see you then define what communications means: "through the use of electricity between the transmitting and receiving apparatus, and shall include all telephone lines, facilities, or systems used in the rendition of such service."

Mr. POAGE. We are not changing that. We are trying to make this read just as does the bill which came from the gentleman's committee—I believe it came from the gentleman's committee—in the matter of the definition that is now in the statute in section 153 which provides:

> That for the purposes of this chapter unless the Congress proposes otherwise—
>
> "Wire communication" or "comunication by wire" means the transmission of writing, signs, signals, pictures, and sounds of all kinds by aid of wire, cable, or other like connection between the points of origin and reception of such transmission, including all instrumentalities, facilities, apparatus, and services (among other things the receipt, forwarding, and delivery of communications) incidental to such transmission.

We are seeking to get the same definition here.

Mr. HARRIS. Let me say to you if it is what is referred to and commonly known as closed-circuit operation I can see no objection to it, but if it gets into anything beyond that I would have serious objection.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McIntire].

Mr. McINTIRE. Mr. Chairman, I would certainly not hold myself out as being specifically qualified to speak on this legislation, as is the gentleman from Arkansas [Mr. Harris]; however, in listening to the colloquy between the gentleman from Arkansas and the gentleman from Texas I would say that it is my understanding that this legislation does not extend to REA any authority in the area of communications dealing with microwave; nor does it extend to REA any authority in the area that is referred to as "booster stations"; nor does it extend to REA any authority in the area of satellite stations for rebroadcasting. It simply extends to REA authority to lend in the existing authority where they can lend other telephone services to cooperatives and to telephone corporations. There is no extension of authority as to the eligibility of cooperatives or companies, but there is an extension of authority as to the services within otherwise eligible cooperatives or corporations as to service which is not now authorized and which could be established in the concept that the gentleman from Arkansas mentioned; that is, a closed-system type of service, and amending the existing law that permits loans for the transmission of signals which are not limited to that of voice but to signals and pictures and related signals or the facilities using the signals to extend that service beyond that of simple voice, which we would understand, of course, as telephone service. This would permit lending on the part of REA to cooperatives and corporations in the telephone service and permit these organizations to extend the service to the point of establishing other lines; or these organizations would be permitted to transmit a signal that would be an equivalent. We extend that as a TV signal, but, as we considered this legislation in committee, it is certainly not our understanding that this goes to the extent of permitting an REA telephone service or company to which the REA loans, to put themselves in the broadcasting business with the TV signals, or permitting the transmission of TV from point to point through microwave or any of the associated facilities to implement the microwave transmission. It would permit them the simple authorization over lines which are established on the land, you might say, this type of service within the area now served by that telephone company and particularly for the service of educational use.

I think the colloquy between the gentleman from Arkansas and the gentleman from Texas was, I am sure, to some of us a little less than clear because we are not all conversant with the terms used; however, I think out of that colloquy came a clear understanding, certainly on my part, that the reference that the gentleman from Arkansas made was to a closed circuit, for that is our understanding of this type of service. It is not our intenion by the language in this bill, as proposed, to give REA telephone lines any authority whatsoever except to transmit by wire service and by line within their area a TV signal for the service within the area, particularly for educational purposes. I hope my comments may have helped to clarify the situation somewhat, but I would again say I am not an expert in this field.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. HOEVEN. Mr. Chairman, I yield 2 additional minutes to the gentleman from Maine.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Illinois.

Mr. COLLIER. In reading this bill, it is written in a manner that is sufficiently vague, I am sure, to leave more than one question in the minds of those of us who have followed this discussion. Pinning it down, do I understand from the statement made by the gentleman from Maine that this is in fact to be restricted to closed circuits as that applies to any television operation that will be developed from it?

Mr. McINTIRE. That is certainly my understanding. All we are proposing to do by this amendment is simply to amend the bill, as the gentleman will note on what we might say is a broadening of the definition of the words "telephone service," and to define them so that included in the definition would be the authority to transmit other than just voice; that is, to transmit a signal that would give a picture on a screen.

Mr. COLLIER. On two occasions, as this particular question arose, we have heard as a reply, "It is my understanding that." If it is an understanding, I would like to know, at least with some degree of certainty, whether or not it will be restricted to closed circuits, not a question of what someone's understanding is, because this is a very important point as far as I am concerned.

Mr. McINTIRE. I may say to the gentleman I can only go to the point of saying what I believe and honestly think.

Mr. COLLIER. Perhaps we ought to write it into the legislation we do not want the REA in the television business.

Mr. McINTIRE. It is not the intention of this member of the committee to put the REA in the television business.

Mr. HOEVEN. Mr. Chairman, I yield myself such time as I might require.

Mr. Chairman, as far as making legislative history on this bill is concerned, may I make it perfectly clear that there is no intention whatsoever of putting the REA in the television business. The purpose of this bill is to bring up to date the definition of "telephone service," which appears in that portion of the Rural Electrification Act authorizing loans for the development of a rural telephone service. The bill does not change any of the requirements respecting REA rural telephone lines, and leaves without change the definition of rural areas and the requirements for all the area coverage and the prohibition of loans for telegraph facilities or radio broadcasting activities or facilities. There would continue to be expressly excluded from permissible financing telephone property for radio or television broadcast facilities. That is the intention of the Committee on Agriculture and I am also sure this is the intention of the Committee of the Whole House.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Texas.

Mr. POAGE. I join with the gentleman from Iowa in pointing out it is clearly the intention of the committee to simply define "telephone service," and to leave in the limitations that are already in the law, including the prohibition in reference to these concerns, cooperative or corporate, to engage in broadcasting. That is written in the law as plain as we know how to write it, and we are not trying to change that.

Mr. HOEVEN. I am glad to have the gentleman state that he is in accord with our joint observation that that is clearly the intent of the Committee on Agriculture.

I would like to emphasize further that this bill would not open up a new field of REA financing for a new industry, but would be a matter of enabling REA to take care of its telephone borrowers' needs in providing a service which telephone organizations will normally be called upon to provide.

Since loans by REA may be made only in an amount established annually by Congress, and since any loans which might be made as the result of this expanded definition of telephone service would come within such limitation, there would be no additional cost to the United States as the result of the enactment of this bill.

Mr. Chairman, let it be specifically understood that we are only bringing the definition up to date and nothing else, and there is no intention whatsoever of expanding the services of the REA in the field of television as the term is generally understood.

Mr. Chairman, I have no further requests for time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 924), is amended by striking out subsection (a) thereof, and inserting in lieu thereof the following:

"(a) As used in this subchapter, the term 'telephone service' shall be deemed to mean any communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity between the transmitting and receiving apparatus, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean telegraph services or facilities, or radio broadcasting services or facilities within the meaning of section 153(o) of title 47 (section 3(o) of the Communications Act of 1934, as amended)."

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 7, strike out "subchapter" and insert "title".

Page 2, line 6, strike out "153(o) of title 47 (section".

Page 2, line 7, strike out "amended)" and insert "amended".

The committee amendments were agreed to.

Mr. POAGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: Page 2, line 5, after "facilities," insert "or community antenna television system services or facilities other than those intended for educational purposes,".

Mr. POAGE. Mr. Chairman, this is the amendment I informed the committee earlier that I would offer. This is the amendment which I pointed out to the gentleman from Pennsylvania was prepared by and offered at the suggestion and request of the attorneys for the Central Antenna people. It is offered in order that there might be no question that this bill does not extend the powers of the REA-financed telephone companies or cooperatives to go into any other type of business. This leaves all of the limitations that are in existing law and specifically adds the further words that loans shall not include community antenna telephone system services or facilities other than those intended for educational purposes.

Now, it is true that there is no bond required of those who borrow the money that they will not run this system at midnight or try in some way to evade the law. I cannot see how anybody can make any money by evading this law, and I do not think there is any danger of anybody getting into business without any prospects of making any money.

Mr. HOEVEN. Mr. Chairman, this is a good amendment. It is a clarifying amendment. As far as we are concerned on this side of the aisle, we are ready to accept it.

Mr. SAYLOR. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Texas [Mr. Poage].

The Clerk read as follows:

Amendment offered by Mr. Saylor to the amendment offered by Mr. Poage: After "facilities" insert "such services and facilities shall be limited to closed circuit television operations."

Mr. SAYLOR. Mr. Chairman, we have just heard the gentleman from Texas [Mr. Poage] state that——

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. Yes, I yield to the gentleman from Texas.

Mr. POAGE. That carries out, as I understand the use of the term, exactly what we are intending to do. As far as I am concerned, I am perfectly willing to accept the gentleman's amendment.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentleman from Iowa.

Mr. HOEVEN. I think that is a good amendment to the amendment. I am ready to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Saylor], to the amendment offered by the gentleman from Texas [Mr. Poage].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Poage] as amended.

The amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. Price] having assumed the chair, Mr. Dent, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10708) to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity, pursuant to House Resolution 642, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. MOSS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet again on Monday next, at 12 o'clock noon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. MOSS. Mr. Speaker, I ask unanimous consent that, in connection with the program for next week, Calendar Wednesday business be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORITY TO RECEIVE MESSAGES AND TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. MOSS. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

Mr. GROSS. Mr. Speaker, reserving the right to object, is the House to be adjourned on Monday next?

The SPEAKER pro tempore. No; until Monday next.

Mr. GROSS. Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight to file a report on H.R. 11721.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

INDEPENDENCE DAY IN NORWAY

Mr. LANGEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota.

There was no objection.

Mr. LANGEN. Mr. Speaker, in about a month and a half, the Fourth of July to be exact, all Americans will hail the founding of our free democracy by raising proudly our flag of red, white, and blue. Today, the 17th of May, another bastion of freedom is raising its own flag of red, white, and blue as a proud symbol for the world to see. I refer to "syttende mai"—independence day in Norway. This is the 148th anniversary of the signing of the Norwegian Constitution, a document that has lived through assault and occupation, only to emerge stronger than ever.

It is a proud day for Norwegians. It should be a proud day for all of the free world. The May Day parades of the Communists receive much publicity each year, but a much more appropriate parade for the free press of the world to headline would be the annual parade of children in Oslo today.

This celebration of fun and merriment starts soberly in church. Norwegians are a religious people and many of us in this country received our firm religious background from those rigid traditions.

There will be prayers of thankfulness for deliverance from the evils that have threatened, but never conquered, these people. The Norwegians were assaulted by the Germans in the 1930's and displayed an unmatched bravery during World War II. We must remember the underground, the courage in combat, as these freedom-loving people defied totalitarianism. The postwar construction was painful, but the determined Norwegians made it. Even today, their proud flag waves in the very shadow of danger, on the border of the Soviet empire.

The ties between the United States and Norway are great. This fact was evidenced again last week when I had the privilege of attending a state dinner for Norwegian Prime Minister and Mrs. Gerhardsen. The Prime Minister noted that there is hardly a family left in Norway that cannot claim relatives in the United States.

Many of those relatives are in the Midwest, including my beloved Minnesota. My own ancestry is traced in part to Norway, through a Norwegian-born father and a Swedish mother. Dad brought with him the strength and vision that is so characteristic of the Norwegian people. Joe Langen, now retired, continues to display his independent thinking and on occasion even fails to be impressed by the opinions put forth by his Congressman son. A man of physical as well as mental strength, he still takes a daily swim as long as the Minnesota weather permits.

Minnesota has another Norwegian tie that has been disputed for years, but is believed true by Norwegian and other scholars around the world. A mass defection from the Norse colonies in Greenland to the North American mainland in 1342 caused, as the story goes, an expedition to be formed to search for the lost colonists. It left Norway by royal decree, probably in 1355. At least a part of this expedition is known to have explored Hudson Bay, probably during the years 1360 and 1362. A party of men are reported to have made their way from Hudson Bay to Minnesota, by the direct and relatively easy route along the Nelson River, Lake Winnipeg, and the Red River of the North. The now famous Kennsington Runestone was discovered near Alexandria, Minn., in 1898. It tells the story of a visit to the area in 1362 by a party of 22 Norwegians and 8 Goths.

Controversy may continue about the runestone's authenticity, but the Viking expeditions and the immigrations in the years that followed are full evidence that the sturdy Norwegians played a large role in developing America as it is today.

In Minnesota, we are celebrating the 600th anniversary of the Runestone. In Norway today, they are celebrating the 148th anniversary of the signing of the Constitution. In Washington today, we salute these gallant and free people.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. LANGEN. I yield to the gentleman from Minnesota.

Mr. JUDD. Having the privilege of representing the second largest Norwegian city in the world, second only to Oslo, I want to concur wholeheartedly in the statement of my distinguished colleague from Minnesota regarding his ancestral country. Speaking from years of close association, there certainly are no finer people anywhere than the Norwegians and their descendants in our State.

Mr. LANGEN. I thank the gentleman. I hope I can accept the compliment in their behalf with grace.

NORWEGIAN CONSTITUTION DAY

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BARRY. Mr. Speaker, today is the 148th anniversary of the adoption of the Norwegian Constitution of May 17. The Constitution which was adopted that day in May has served the Norwegian people ever since as a model for democratic government. Even under the dominion of the Swedish King the Norwegians continued to press for their independence and used the Constitution of May 17 as their talking point.

The fierce independent spirit of the Norwegians is expressed most clearly in the words of their pet and champion of independence, Björnstjerne Björnson, in the Norwegian national anthem:

Yes, we love with fond devotion
  This, the land that looms
Rugged, storm-scarred, o'er the ocean,
  With her thousand homes.

Love her, in our love recalling
  Those who gave us birth,
And old tales which night, in falling,
  Brings as dreams to earth.

Norseman, whatsoe'er thy station,
  Thank thy God, whose power
Willed and wrought the land's salvation
  In her darkest hour.

All our mothers sought with weeping
  And our sires in fight,
God has fashioned, in his keeping,
  Till we gained our right.

Yes, we love with fond devotion
  This our land that looms
Rugged, storm-scarred, o'er the ocean,
  With her thousand homes.
And, as warrior sires have made her
  Wealth and fame increase,
At the call we too will aid her,
  Armed to guard her peace.

ITALY WANTS EMIGRANTS TO RETURN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, while a number of bills introduced recently in the House and in the other body propose to increase the size of immigration to the United States, there appeared this morning in the Washington Post a most enlightening article regarding Italy's need for the return of those Italian emigrants who left that country in the past.

The article confirms the impression of many of us who have surveyed the international migration situation for years, namely, that the booming economy of Europe needs workers urgently, while this country still suffers from unemployment or—in other words—from a surplus of manpower, temporary, I hope.

It appears to me in the light of the article and information reaching us from other countries that to pass legislation opening wider the doors leading to the United States would be tantamount to an unfriendly act toward the many countries of Europe, particularly the countries of the European Common Market who not only wish to retain within their borders their manpower, but to procure more workers from abroad.

The article that I referred to follows:

ITALY BEGINS DRIVE TO LURE BACK NATIVE TECHNICIANS LIVING ABROAD

(By Leo J. Wollemborg)

ROME.—The Italian state oil agency recently issued a public appeal to Italian technicians and skilled workers who have found employment abroad, inviting them to return and announcing that it had jobs for more than 1,800 of them.

The appeal, prominently printed in the major national papers, reflects the continuing expansion of the activities of the ENI (Ente Nazionale Idrocarburi) as well as the marked flair of its dynamic boss, Enrico Mattel. But it must also be viewed in the broader context of the startling changes that have taken place in Italy over the last few years.

Traditionally Italy has been known for her large surplus of manpower which was feeding both a high level of unemployment at home and a steady stream of emigration abroad. In more recent times, however, the country has become an exporter of capital and know-how as well.

EXPANSION THREATENED

Now the quickening industrial growth, unattended by an adequate increase in school and vocational training facilities, has led to a shortage of skilled personnel, which in turn threatens to become the main stumbling block to further expansion.

In the underdeveloped areas, there are still hundreds of thousands of unemployed and underemployed; but most of them are unskilled and often illiterate laborers. At the same time, the want ads sections of the northern dailies (particularly in the Milan-Turin-Genoa "industrial triangle") are full of job offers for trained workers and technicians in the metalworking, mechanical engineering, chemical and electrical industries.

It is estimated that the overall deficit of industrial cadres already tops the 300,000 mark (over 200,000 skilled workers and about 100,000 executives), while shortages of trained manpower are beginning to develop in such other sectors as transportation and other service activities.

Conservative projections indicate that by 1975 Italy will need 10 million skilled workers (as against the 4.5 million of today), almost 4 million junior technicians (there is just about 1 million of them now) and almost 2.5 million senior technicians and executives (as against half a million today).

MEDICAL CARE FOR THE AGED, THROUGH FREE-ENTERPRISE ON A VOLUNTARY BASIS, WITHOUT GOVERNMENT CONTROL

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. CRAMER. Mr. Speaker, I have today introduced a bill (H.R. 11794) that will provide protection against the cost of medical care for every aged American who desires its benefits.

My bill is entirely voluntary and is based on the sound premise that the American people are better qualified than Federal bureaucrats to spend their own money and to determine exactly what kind of medical protection, if any, that they need. It recognizes that there is an existing need for assistance to some of our aged population, and that it is a problem national in scope. It, therefore, treats the problem as such by providing that Federal assistance shall come from the general revenues, as any adequate health plan must, by spreading the burden among all the taxpayers instead of loading it upon the backs of only those who pay social security—many of whom are least able to pay.

My bill is so simple that it will undoubtedly amaze the bureaucrats and confound the welfare-staters. It provides for those who pay taxes a tax credit for the cost of medical care insurance, not to exceed $125 per individual and thus allows such persons who pay taxes to finance their own health insurance programs.

This tax credit will be available to any individual, age 65 or over who buys health insurance for himself or his spouse, or to any relative who buys insurance for an individual over 65, or by an employer who follows the growing practice of buying insurance for retiring employees over 65.

To refute false claims on King-Anderson (social security approach) and to compare it with the Cramer bill—H.R. 11794—the following table is furnished:

General comparison of King-Anderson and the Cramer bills (H.R. 11794)

	Cramer bill	King-Anderson bill
Pays doctor bills	Yes	No.
Pays surgeon	Yes	No.
Pays dentist	Yes	No.
Pays nurse's fees	Yes	No.
Pays for drugs (outside the hospital and nursing homes)	Yes	No.
Gives exclusive choice of diagnostic physicians	Yes	No.
Gives choice of coverage or noncoverage (noncompulsory)	Yes	No.
Preserves private enterprise and avoids Government control	Yes	No.
Avoids risk of socialized medicine	Yes	No.
Pays hospitalization without patient payment of initial cost	Yes	No.
Spreads cost burden over all taxpayers instead of least-able-to-pay wage earners	Yes	No.
Further cost burden on shaky social security fund avoided	Yes	No.
Covers all citizens over 65	Yes	No.
Encourages relatives who are able to pay insurance or medicare costs	Yes	No.
Cost of administration minimal	Yes	No.
Total cost is less in long run	Yes	No.
Prevents the wealthy from getting large unneeded benefits	Yes	No.
Total cost can be more easily determined	Yes	No.
Avoids Government decision on benefits	Yes	No.
Prejudice of present insurance policyholders avoided	Yes	No.
Avoids pauper's oath	Yes	Yes.
Avoids overcrowding of hospitals when such treatment unneeded	Yes	No.
Avoids Government control of hospitals, nursing homes	Yes	No.

All that an eligible individual has to do is to file a Federal income tax return for each year. My bill provides that the Treasury shall issue a simple, easy-to-prepare return for this purpose. Each individual who files a Federal income tax return and owes a tax can deduct as a credit from the tax due the cost of the premiums on one of the approved plans in an amount up to $125 per individual, or $250 per married couple. This provision allows these individuals to spend their own money rather than pay it into the Federal Treasury so that bureaucrats can select a compulsory policy for them, the benefits of which would be clearly diminished by the cost of bureaucratic overhead.

In the case of those individuals who file a return and whose tax is less than $125, however, or who owe no tax at all and so indicate by filing the simplified return, they will receive from the Treasury Department a medical care insurance certificate which may be used to pay the premiums on a medical care policy and which will be redeemed by the Treasury in an amount not to exceed $125 when the insurance carrier presents it for payment. For example: A person owes the Government an income tax of $75. He files a return, the $75 is forgiven, and he receives a certificate worth $50. He then uses both the cash and the certificate to buy a policy approved by this bill. A further example: A married couple owes no tax. They file a simplified return and receive from the Treasury a certificate worth $250, which they use to buy an approved policy. The Treasury then pays the insurance carrier $250 upon the submission of the certificate.

There are undoubtedly many elderly people who now have policies providing medical care which in their judgment are adequate and satisfactory even though they may not technically comply with the coverage specified in either of the programs recommended by my bill.

They are, after all, the best judges of their needs and how their own money should be spent and ought to be entitled to the same tax credit available to those who elect to take one of the prescribed policies. I have, therefore, provided that such people are entitled to the same tax credit up to $125 per person, or $250 for a married couple, by allowing them to deduct the amount of premiums paid for health insurance, the benefits of which are substantially equivalent to the benefits of the two plans mentioned in my bill.

There are also undoubtedly some elderly people of self-reliance and private initiative, who have compunctions against any form of insurance at all and who are ready, willing and able to pay their own cost of medicare out of pocket and retrieve part of the cost thereof by deducting it as an allowable medical expense under the income tax laws. There is no reason why these people should not be encouraged to do so, or why they should be penalized. There is no justification for making this a compulsory insurance program.

I have, therefore, provided in my bill that such people, or their relatives, who are taxpayers, can deduct as a tax credit the cost of medical expenses paid during the taxable year, not to exceed $125 per individual, or $250 per couple. Such individuals can then deduct the balance of their expense paid for allowable medical care under the provisions of the Internal Revenue Code—title 26, United States Code, section 213. This section of the Internal Revenue Code is quite generous in allowing such deductions from taxable income for individuals 65 years or over without regard to the so-called 3-percent rule which applies to ordinary taxpayers. This section is as follows:

SEC. 213. MEDICAL, DENTAL, ETC., EXPENSES.

(g) MAXIMUM LIMITATION IF TAXPAYER OR SPOUSE HAS ATTAINED AGE 65 AND IS DISABLED.—

(1) SPECIAL RULE.—Subject to the provisions of paragraph (2), the deduction under this section shall not exceed—

(A) $15,000, if the taxpayer has attained the age of 65 before the close of the taxable year and is disabled, or if his spouse has attained the age of 65 before the close of the taxable year and is disabled and if his spouse does not make a separate return for the taxable year, or

(B) $30,000, if both the taxpayer and his spouse have attained the age of 65 before the close of the taxable year and are disabled and if the taxpayer files a joint return with his spouse under section 6013.

(2) AMOUNTS TAKEN INTO ACCOUNT.—For purposes of paragraph (1)—

(A) amounts paid by the taxpayer during the taxable year for medical care, other than amounts paid for—

(i) his medical care, if he has attained the age of 65 before the close of the taxable year and is disabled, or

(ii) the medical care of his spouse, if the spouse has attained the age of 65 before the close of the taxable year and is disabled, shall be taken into account only to the extent that such amounts do not exceed the maximum limitation provided in subsection (c) which would (but for the provisions of this subsection) apply to the taxpayer for the taxable year;

(B) if the taxpayer has attained the age of 65 before the close of the taxable year and is disabled, amounts paid by him during the taxable year for his medical care shall be taken into account only to the extent that such amounts do not exceed $15,000; and

(C) if the spouse of the taxpayer has attained the age of 65 before the close of the taxable year and is disabled, amounts paid by the taxpayer during the taxable year for the medical care of his spouse shall be taken into account only to the extent that such amounts do not exceed $15,000.

(3) MEANING OF DISABLED.—For purposes of paragraph (1), an individual shall be considered to be disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. An individual shall not be considered to be disabled unless he furnishes proof of the existence thereof in such form and manner as the Secretary or his delegate may require.

(4) DETERMINATION OF STATUS.—For purposes of paragraph (1), the determination as to whether the taxpayer or his spouse is disabled shall be made as of the close of the taxable year of the taxpayer, except that if his spouse dies during such taxable year such determination shall be made with respect to his spouse as of the time of such death. As amended September 2, 1958, Public Law 85–866, title I, sections 16, 17(a), (b), 72 Stat. 1613; May 14, 1960, Public Law 86–470, section 3(a), 74 Stat. 133.

My bill imposes no pauper's oath and thus no income limitations with regard to benefits, and I think none in this approach, limited to $125 per person, is warranted. I have, therefore, imposed no means test, for the further reason that the cost of administering such a test is greater than the saving, and the largest number of citizens over 65, over three-fourths, have so little income that they pay, after deductions, no taxes. Further, tax credits have traditionally been across the board.

There are in 1962 approximately 17 millions of people in this age bracket: 13.75 million of whom are beneficiaries of old-age survivors disability insurance; five-tenths of a million others who are railroad retirees, and about 3 million covered by neither and thus not covered by King-Anderson. Current statistical income data on these people is either not available or not complete. However, according to official Government publications, there were, as of March 1960, 15,641,000 civilians 65 or older, composed of 7,058,000 men and 8,583,000 women—U.S. Bureau of Census, "Statistical Abstract of the United States: 1961," page 266. This source also indicates that in 1959 there were 12,955,000 such people who had a median income, which excludes any evaluation of net worth, of $1,076.

According to the U.S. Treasury, in the calendar year 1959, there were 6,712,000 taxpayers 65 years or older who filed Federal income tax returns—determined by those claiming exemptions for old age, $1,200 per taxpayer, or for old age and blindness, $1,800 per taxpayer—"Statistics of Income: 1959," U.S. Treasury, table 14, page 59.

Of this number, 3,298,000 paid some tax, which means that their taxable incomes—exclusive of such totally or partially tax-free sources as social security—exceeded exemptions and deductions—see title 26, United States Code, sections 151 and 213, for the amounts allowable. The remaining 3,414,000 were required to file returns but paid no tax because combined exemptions and deductions exceeded their taxable income. The difference between the number of 15,641,000 people 65 or more as of March 1960 and the above number of 6,712,000 who filed 1959 returns is 8,929,000, whose income was apparently too small to report. This would seem to agree with the above-reported median of $1,076. These figures would also suggest that the number of older people with substantial taxable income is perhaps relatively small, although undetermined; and that the majority of them are of relatively modest means, although many of them have nontaxable or partially nontaxable income in addition thereto, such as social security annuities, railroad retirement annuities, and veterans' disability pensions.

The benefits of my bill are superior to the inadequate and misleading King-Anderson bill sponsored by the administration. I will include a comparison of the main features of the two plans at the conclusion of my remarks, and will cite just a few examples here:

First. The King-Anderson bill will not pay doctor bills. Either of my two plans will do so, including $5 per call for other than surgical or postoperative care.

Second. The King-Anderson bill makes the patient pay part of his hospital bill, $10 a day for the first 9 days, or a total of $90. Senior citizens living on a very small social security annuity, many of whom need this care most of all, could ill afford such a burden. My plan No. 1 pays the entire bill with no deductions.

Third. The King-Anderson bill would protect only those covered by either social security or railroad retirement, and totally ignore the 3 million oldsters not covered by either. My bill covers and protects everyone 65 years or over.

The King-Anderson bill would further increase the heavy social security tax on gross income and further imperil the OASDI trust fund which in recent years has not had a very commendable record of solvency. For the years 1957, 1958, and 1959, respectively, this trust fund, most of which has been borrowed by the Treasury to finance deficit spending, has operated at deficits of $126 million, $528 million and a whopping $1,724 million; and for the year 1960, had a thin surplus of only $184 million—U.S. Bureau of the Census, "Statistical Abstract of the United States: 1961," page 272.

For this same 4-year period, the parasitic bureaucrats dug into this fund to the tune of $743 million for net administrative expenses. That $743 million would buy a lot of medical care for senior citizens if spent for insurance under the Cramer bill or any other private enterprise plan. This item is conveniently ignored by the welfare staters whose hearts bleed so profusely for the oldtimers. Look in vain for any such radical suggestion from them, for it has been said, Mr. Speaker, that just as the 18th century Englishman fought to protect his home or castle, so too will the bureaucrat fight to defend his job and his special privileges of big government and to expand their numbers.

The cost of benefits of my bill is difficult to determine due to such imponderables as the number of participants and the amount of income tax deductions now taken by people 65 or more which would have to be offset against the cost of the tax credits. Opponents of this approach have charged, as did ex-Congressman Forand, that it would cost $1.7 billion. I think this is far too high. But assuming the correctness of this estimate for argument only, by more generally distributing the tax burden, its impact will be far less than the social security approach. In 1959, I am advised, there was a total of about 97,548,297 taxpayers who filed individual and joint returns with the Internal Revenue Service. Computed on these terms, the benefits would cost an average of about 34 cents per week or 5 cents a day per taxpayer, the price of an egg.

This is to be contrasted with the social security approach. The proponents of this plan claim that without administrative costs it would cost $1.1 billion the first year, but this figure has been challenged by competent experts. The Health Insurance Association of America has found that H.R. 4222, the King-Anderson bill, would, in fact, cost $2,197 million in 1963, and in 1964, this cost would rise to $2,483 million.

Further, the distinguished and respected commentator, Mr. Raymond Moley, commented on the social security King-Anderson approach as follows in Newsweek magazine, on May 14, 1962:

> Under the present law the social security tax will rise and rise. In 1962 it is 3⅛ percent on employer and employee alike. In 1963–65 it will be 3⅝ percent. In 1966–67 it will be 4⅛ percent on each. In 1968 it will be 4⅝ percent. If the King-Anderson bill passes, one-fourth of 1 percent would be added in 1963 and thereafter. The self-employed would pay higher percentages all along. And the base pay subject to tax would be raised from $4,800 to $5,200.
>
> This tax bite for social security (including the King-Anderson addition) for both employer and employee would in 1968 amount to $507, or $21.12 a month each—an increase of 76 percent from 1961.
>
> All this is based upon the estimate of the Government that the plan would cost $1 billion a year for a while. But like all Government guesses, this is probably too low. Competent actuaries put the figure at two or more times that amount.

According to the Office of the Actuary, Social Security Administration, and to refute false claims of the cost of King-Anderson, the following is furnished—and it is to be remembered these costs have to be paid largely by the wage earner that is least able to pay:

King-Anderson will, first, raise the taxable income base of everyone under social security from $4,800 to $5,200; second, bring about a raise in employee tax from $174 per year to $201.50 per year in 1963, and for self-employed tax, from $259.20 per year to $301.60 per year; third, bring about a raise in employer tax from $174 per year to $201.50 per year in 1963; fourth, bring about a raise in employee tax from $198 per year to $227.50 per year in 1966 and in self-employed tax from $297.50 per year to $343.20 per year; fifth, bring about a raise in employer tax from $198 per year to $227.50 per year in 1966; sixth, bring about a raise in employee tax from $222 per year to $253.30 per year in 1968, and in self-employed tax from $331.20 per year to $379.60 per year; and seventh, bring about a raise in employer tax from $222 per year to $253.50 per year in 1968.

Mr. Speaker, aside from the financial unsoundness and demagoguery of the King-Anderson bill, there is a more fundamental objection to financing medical care under social security which goes to the very heart of the free enterprise system of the Nation, the envy of the free world, which some of us would like to pass on to our children and generations yet unborn. The noisy insistence by the administration and the liberal pressure groups on this compulsory plan, which rejects out of hand all other rational and voluntary approaches to this problem, can be explained only in terms of an opening wedge to socialized medicine. It is the old foot-in-the-door technique which the so-called liberals and leftists understand and practice so well. I do not care how loudly or how often they deny it, nationalized medicine is the ultimate intent or purpose of such legislation.

The people in this country have always opposed socialized measures when they are clearly labeled as such, witness the demise of the Socialist Party, which has never been able to gather more than a handful of votes in a national election. But the Socialists have learned from this experience. They now masquerade as "liberals" and hawk their wares under the guise of "liberal" or "progressive welfare legislation," or in this case, "prepaid medical insurance." Only in rare moments of candor will they ever admit that this legislation is, in fact, socialized medicine or "national health insurance" as it is commonly understood in England and which has had such disastrous results there.

The schemers and loudest backers of the social security approach are such Socialist-oriented pressure groups as the ADA and the labor bosses, led by Walter Reuther of the United Auto Workers, who hold such a heavy mortgage on the National Democrat Party and the Kennedy administration. However, now and again there appears a public acknowledgment from one of their spokesmen that the ultimate goal is to socialize the medical services in this country.

For example, ex-Congressman Forand, author of the earlier parent legislation of the present administration-backed King-Anderson bill, was quoted in the Chicago Daily News on January 13, 1961, as saying:

> If we can only break through and get our foot inside the door, we can expand this program after that.

United Auto Worker President Walter Reuther, a big wheelhorse in the ADA and a longtime Socialist, had his moment of truth when he testified in support of the old Forand bill before the House Ways and Means Committee:

> It is no secret that the UAW is officially on record as backing a program of national health insurance [as socialized medicine is called in England], but even if we were against national health insurance, we would favor passage of the Forand bill.

The newspaper New America, which describes itself as "an official publication of the Socialist Party-Social Democratic Federation," devoted most of its December 1, 1960, issue to supporting the Kennedy administration's plan to socialize medicine through the Forand-type legislation. Under the headline, "Forand Bill Sparks Renewed Fight for Socialized Medicine" this paper editorializes as follows:

> Socialized medicine—a defeated cause ever since Congress rejected Harry Truman's national health insurance plan—now promises to become the major welfare issue of the Kennedy sixties.
>
> Once the Forand bill is passed this Nation will be provided with a mechanism for socialized medicine, capable of indefinite expansion in every direction until it includes the entire population. And it is already evident that there will be massive pressures in favor of such expansion.

Mr. Speaker, I am and have been for a sound, noncompulsory, nonsocialized medicine medicare program for senior citizens as witness my vote for Kerr-Mills bill in 1960 and my sponsorship of this bill, but I am opposed to the King-Anderson bill, as I believe are the great and overwhelming majority of the people in this Nation and, I believe, in Congress itself. The people of the First District of Florida did not elect me to Congress with a mandate to socialize medicine and make our senior citizens a pawn whose welfare can be bartered away in exchange for votes for the New Frontier. The opinion poll sent to some 15,000 people in my district, recently, showed 2 to 1 in opposition to the compulsory social security approach. If this legislation should pass, I can confidently predict that senior citizens in time will have to have clearance from the Democratic ward bosses in order to receive medical attention. I know there is a small minority of misguided people in my district who threaten to defeat me at the polls if I do not vote the Kennedy-ADA-Reuther line. I say to them now: I cannot in conscience vote for something which I know to be wrong and which will only add to the further deterioration of the moral fabric of our people. I have given due consideration to and have rejected their counsel. I will not betray what I believe to be the best interest of the Nation for votes. My reply to these pressure groups is that "I cannot woo you and serve you too."

I insert hereafter the text of my bill H.R. 11794; followed by a comparative analysis:

H.R. 11794

A bill to provide for the medical and hospital care of the aged through a system of voluntary health insurance, and tax credits, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Free Enterprise Medicare and Voluntary Health Insurance Benefits Act of 1962".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds that (1) many elderly Americans have resources inadequate to meet the expenses of major illness, (2) that more than one-half of all citizens who have reached the age of sixty-five have taken advantage of the growing opportunity to insure against such expenses, (3) that health and medical care insurance can be made available to all citizens regardless of previous medical history, (4) that health insurance coverage of all citizens who desire such coverage and who have reached age sixty-five is a desirable national objective, (5) that this coverage should be extended without Government interference on a voluntary rather than a compulsory basis, and (6) that it is in the public interest to provide Government assistance and encouragement to elderly Americans who seek the protection of medical care and hospitalization.

(b) The purpose of this Act is to make it possible for every citizen of the United States who has reached age sixty-five to obtain on a voluntary basis comprehensive medical care and hospitalization insurance of his choice, subject to minimum standards designed to protect against the costs of the customary illnesses of old age as well as major medical expenses, on a guaranteed renewable basis regardless of prior medical history, with direct Government assistance for all who are otherwise unable to obtain such protection, and with tax incentives for elderly citizens, their relatives or former employers who are able to provide medical care or protection against such costs utilizing the facilities of the voluntary health insurance carriers of the United States in a manner consistent with the dignity and independence of each individual and the historic ability of the American people to solve social problems through their own initiative and enterprise, making certain that the Government will not control the individual's free choice nor interfere in his selection of a physician or hospital.

SEC. 3. (a) Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 38 as section 39, and by inserting after section 37 the following new section:

"SEC. 38. COSTS OF MEDICAL CARE FOR THE AGED.—

"(a) DEFINITION OF QUALIFIED MEDICAL CARE INSURANCE PROGRAM FOR THE AGED.—As used in this section, the term 'qualified medical care insurance program for the aged' means a program, offered by one or more insurance carriers operating in accordance with State law, providing protection under guaranteed renewable insurance for individuals 65 years of age or over against the costs of medical care (as defined in section 213(e)) through a system of benefits including either—

"(1) a plan providing benefits which may not be less than:

"(A) $12 for hospital room and board charges per day of confinement and $1,080 for all days of confinement in a calendar year;

"(B) $120 for hospital ancillary charges in any calendar year including any such charges in connection with surgery or emergency treatment on an outpatient basis;

"(C) $6 for convalescent hospital room and board charges per day of confinement and $186 for all days of confinement in any one calendar year, immediately following confinement in a general hospital;

"(D) surgical charges according to a fee schedule with a $300 maximum; or

"(E) $5 per call for physician's services, other than for surgery or postoperative care;

"(2) a plan providing payment at the rate of not less than 75 percent of the following covered medical expenses after a deductible and subject to a maximum as specified in (B) below:

"(A) covered medical expenses must include at least the following:

"(i) hospital room and board charges equal to the hospital's customary charges for semiprivate accommodations;

"(ii) hospital ancillary charges including any such charges in connection with surgery or emergency treatment on an outpatient basis;

"(iii) $6 for convalescent hospital room and board charges per day of confinement immediately following confinement in a general hospital and $540 for all days of confinement in any one calendar year;

"(iv) surgical charges according to a fee schedule with a $300 maximum;

"(v) $5 per call for physicians' services, other than for surgery or postoperative care;

"(vi) $16 for professional (registered) nursing charges per day and $480 for all days in any one calendar year;

"(vii) charges for drugs and medicines which require a doctor's prescription; diagnostic X-rays and other diagnostic and laboratory tests; X-ray, radium, and radioactive isotope treatment; blood or blood plasma not donated or replaced; anesthetics and oxygen; and rental of durable medical or surgical equipment such as hospital beds or wheelchairs; or

"(B) payment of benefits for the foregoing charges may be subject to either

"(i) a deductible of not more than $100 in a calendar year and a lifetime maximum of not less than $5,000;

"(ii) a deductible of not more than $200 in a calendar year and a lifetime maximum of not less than $10,000;

If a medical care insurance program which is otherwise qualified under the provisions of this section offers protection for individuals under age 65 as well as those 65 and over, such program shall be considered a 'qualified medical care insurance program for the aged' for purposes of this section but only with respect to beneficiaries who are 65 years of age or over.

"(b) DEFINITION OF CARRIER.—'Carrier' means a voluntary association, corporation, partnership, or other nongovernmental organization which lawfully offers a health benefit plan.

"(c) ALLOWANCE OF CREDIT.—There shall be allowed to an individual, as a credit against the tax imposed by this subtitle for the taxable year, (1) an amount equal to the aggregate of the premiums paid during the taxable year by such individual under one or more qualified medical care insurance programs for the aged (as defined in subsection (a)), to the extent that the aggregate of such premiums does not exceed $125 for any one person covered by such program or programs, or (2) an amount equal to the aggregate of the premiums paid during the taxable year by such individual under one or more medical care insurance programs for the aged if the value of the benefits under such program or programs is substantially equivalent to the values of the benefits under qualified medical care insurance programs for the aged (as defined in subsection (a)), to the extent that the aggregate of such premiums does not exceed $125 for any one person covered by such program or programs, or

"(3) an amount equal to the expenses paid during the taxable year for medical care by such individual who is not the beneficiary of any medical care insurance program for the aged, to the extent that the aggregate of such medical expenses do not exceed $125 for any one such individual, plus

"(d) Individuals Eligible for Credit.—The credit under subsection (c) shall be allowable to a taxpayer only if—

"(1) he is the beneficiary of the medical care insurance program involved and is 65 years of age or over, or

"(2) each beneficiary for whom the premiums were paid under such program is a person 65 years of age or over who bears any of the relationships to the taxpayer defined under section 152(a), or

"(3) he is not the beneficiary of a medical care insurance program and is 65 years of age or over, or

"(4) each person for whom the medical expenses (referred to in subsection (c)(3)) were paid is a person 65 years or over who bears any of the relationships to the taxpayer defined under section 152(a).

For purposes of this section, an individual shall be considered to be 65 years of age or over throughout any taxable year if he has attained such age by the close of such year.

"(e) Coverage Certificates.—Each insurance carrier offering a qualified medical care insurance program for the aged (as defined in subsection (a)) shall issue, to each individual who is covered under such program, a medical care coverage certificate setting forth the name of the insured, the amount of the premium, and a certification that the coverage meets the requirements of this Act. The credit provided by subsection (c)(1) shall be allowed for any taxable year only if such certificate or a copy thereof is attached to the taxpayer's return for such year.

"(f) Credit in Case of Certain Employers.—Under regulations prescribed by the Secretary or his delegate, if any employer provides protection against medical costs for its retired employees who are 65 years of age or over, by purchasing coverage for such retired employees under one or more qualified medical care insurance programs for the aged, such employer shall be entitled to a credit against the tax imposed by this subtitle equal to the amount of the credit to which it would be entitled under subsection (c)(1) if it were an individual taxpayer and such retired employees were persons described in subsection (d)(2).

"(g) Individuals Not Deriving Full Benefit From Credit.—In the case of any individual—

"(1) who is 65 years of age or over,

"(2) whose tax under this subtitle for the taxable year will be less than $125 (as estimated in accordance with regulations of the Secretary or his delegate), and

"(3) who is not the beneficiary of a qualified medical care insurance program for the aged (as defined in subsec. (a)),

the Secretary shall upon application by such individual issue to him a medical care insurance premium certificate which may be used by him in purchasing coverage under such a program and will be redeemed for cash by the Secretary when presented by an insurance carrier who certifies that it was accepted in payment of the premiums on such a program. The amount for which any certificate will be redeemed under the preceding sentence shall be the amount of the premiums payable on the program for the year or $125, whichever is less, reduced by the amount (if any) of the individual's tax for such year as estimated under clause (2) of such sentence and further adjusted (unless such an adjustment would be inequitable or impose undue hardship) to take account of any amounts by which benefits made available to such individual under this subsection in previous years were greater or less than they would have been if the estimate under such clause (2) for such years had been correct. No certificate under this subsection shall be issued to any individual for any taxable year unless he furnishes the Secretary with satisfactory proof of his compliance with clauses (1), (2), and (3) of the first sentence.

"(h) Credit Not To Cause Refund of Tax.—The credit allowed by this section shall not exceed the amount of the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under sections 33 (relating to foreign tax credit), 34 (relating to credit for dividends received by individuals), 35 (relating to partially tax-exempt interest), and 37 (relating to retirement income).

"(i) Regulations.—The Secretary or his delegate shall prescribe such regulations (including regulations providing for the application of this section in the case of joint returns) as may be necessary or appropriate to carry out the provisions of this section."

(b) The table of sections for such part IV is amended by striking out

"Sec. 38. Overpayments of tax."

and inserting in lieu thereof

"Sec. 38. Costs of medical care for the aged.

"Sec. 39. Overpayments of tax."

Sec. 4. Section 213 of the Internal Revenue Code of 1954 (relating to deduction for medical, dental, etc., expenses) is amended by adding at the end thereof the following new subsection:

"(h) Exclusion of Amounts Allowed as Credit.—Any expense allowed as a credit under section 38 shall not be treated as an expense paid for medical care for purposes of this section."

Sec. 5. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

Comparison of specific provision of Cramer and King-Anderson proposals for medical care

	Cramer bill		King-Anderson bill
Who is covered	Everyone who reaches age 65 who wishes health insurance		OASDI eligible persons age 65 and over, including employed aged; also includes railroad retirees; 13.75 million OASDI beneficiaries and 0.5 million railroad retirees.
How many	17 million (as of 1962), everyone over 65		14.25 million (as of 1963).
Benefits	Medical care insurance under a choice of policies, the minimum benefits of which are described as plans 1 and 2. Tax credits for others.		Hospitalization, nursing home, and diagnostic care subject to deductible charges enumerated below.
	Cramer plan 1 (payment of all charges made by the insurance carrier)	Cramer plan 2 (subject to a deductible feature with not to exceed 25 percent coinsurance) [1]	
Hospitalization	Hospital room and board up to $12 per day, and up to $1,080 in a calendar year; other hospital charges, including charges for surgical or emergency outpatient treatment, up to $120 in any calendar year.	Hospital room and board equal to charges, for semiprivate accommodations; other hospital charges including charges for surgical or emergency outpatient treatment.	90 days per benefit period, with $10 per day deductible required for 1st 9 days, with a minimum deductible of $20.
Nursing homes	Convalescent hospital room and board up to $6 per day, and up to $186 in any 1 calendar year, following discharge from hospital.	Convalescent hospital room and board up to $6 per day, and up to $540 in any 1 calendar year, following discharge from hospital.	180 days per benefit period, or 2 days for each unused hospital day up to a total of 150 units of service.
Home health service	None	None	240 visits a year; 2¾ visits for each unused hospital day; includes therapy and homemaker services; medical social work, etc.; no prior hospitalization required.
Nurses' fees	None	Up to $16 per day for registered nurse, and up to $480 in any 1 calendar year.	None.
Surgeons' and physicians' fees.	Surgical charges according to a fee schedule with a $300 maximum and $5 per call for other than surgery or postoperative care.	Surgical charges according to a fee schedule with a $300 maximum, and $5 per call for other than surgery or postoperative care.	None.
Diagnostic, laboratory, and X-ray services.	When hospitalized as above	Diagnostic X-rays and other diagnostic and laboratory tests; X-ray, radium, and radioactive isotope treatment.	Provides only for necessary laboratory tests and X-rays in a hospital, either on inpatient or outpatient basis, but requires $20 deductible for each diagnostic study on an outpatient basis.
Drugs and related requirements.	Drugs used in hospitals	Charges for drugs and medicines which require a doctor's prescription; blood or blood plasma not donated or replaced; anesthetics and oxygen; rental of durable medical or surgical equipment such as hospital beds or wheelchairs.	Only drugs used in hospital.

See footnote at end of table.

Comparison of specific provisions of Cramer and King-Anderson proposals for medical care—Continued

	Cramer bill	King-Anderson bill
Financing method	Through tax credits for individuals who pay their own bills or premiums or are covered by insurance or bills paid for by near relatives or former employers, and through issuance of "medical care insurance certificates" for all others.	Increases OASDI taxable wage base from $4,800 to $5,000 beginning with 1962; provides for rate increase beginning in 1963 of ½ of 1 percent of 1st $5,000 of employee wages; ¾ of 1 percent of 1st $5,000 for self-employed.
Total costs (estimate)	Cost estimated to be less than other legislation, but difficult to predict because of lack of (a) precise information on amount of deductions now taken by or for individuals over 65 which would be an offset against cost of tax credit; (b) knowledge concerning probable degree of participation; (c) savings in Kerr-Mills, State and local matching programs.	$1.1 billion, 1st year cost, estimate by sponsors; Health Insurance Association of America say, $2.4 billion.

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[1] Payment of benefits may be subject to either (1) a deductible of not more than $100 in a calendar year and a lifetime maximum of not less than $5,000; or (2) a deductible of not more than $200 in a calendar year and a lifetime maximum of not less than $10,000.

ADMINISTRATION LOBBYING FOR MEDICAL CARE

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. HIESTAND. Mr. Speaker, in Tuesday's RECORD I inserted an article from the May 2, 1962, New York Herald Tribune which explained in some detail the vast lobbying organization the administration has launched to pump its medical care for the aged proposal.

A story in the May 15, 1962, Washington Star provides a significant followup. The Star article revealed Justice Department feelings on the oft-heard suggestion that administration aids are breaking the law by lobbying for legislation supported by the White House.

Assistant Attorney General Herbert J. Miller, Jr., head of the Justice Department's Criminal Division, wrote:

> The power to recommend measures to Congress would appear clearly to include the power to urge arguments upon individual Members of Congress in support of such measures.
>
> Necessarily, the President must entrust part of this function to subordinate officers within the executive branch. Our Federal Government could not function efficiently if the President and his subordinates could not do so.

The question is, How far do they go?

The United States Code specifically prohibits the expenditures of public funds "for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress."

Not only are Members of Congress being buttonholed by White House lobbyists but, as the Herald Tribune article pointed out, White House personnel are "writing television and radio scripts, drafting advertisements, and helping with publicity releases for private organizations that are backing the administration's medical care plan."

Mr. Speaker, this is governmental press agentry with a vengeance.

The Wall Street Journal as far back as February 14, 1962, noted that the administration is "calling out the reserves in their battle for sweeping new powers to cut U.S. tariffs."

Some of this propaganda turns up in the most peculiar places. For instance, the Post Office Department is using its stamp cancellation machines as vehicles for slogans supporting the pending trade legislation. I have a copy of a post card mailed in Philadelphia May 7, 1962, with the cancellation: "Sales Abroad Make Jobs at Home."

The administration's so-called Trade Expansion Act of 1962 presumably would be the cure-all.

The Wall Street Journal article says, in part:

> Extra public-relations men and lobbyists are being mobilized at the White House. Regional selling seminars are being organized by friendly Governors. The President himself may take to the air with a specialized public appeal. And juicy bait is being dangled before possible holdouts against the administration's wishes.
>
> These are just a few of the steps being taken or contemplated by the Kennedy regime in the top-priority fight for freer trade.

The article points out that a congressional aid has been borrowed to work in the White House trade lobbying office. And it says:

> Lobbyists from other agencies will help.

The Justice Department, apparently, believes this whole business is completely aboveboard and legal. Perhaps it is time for Congress to check the propriety of much of this White House lobbying pressure.

WHY NO SEATO ACTION IN LAOS?

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. MACGREGOR] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. MACGREGOR. Mr. Speaker, the United States should immediately call an emergency conference of the Southeast Asia Treaty Organization to consider what steps can be taken to restore the badly damaged cause of freedom in that part of the world.

Swift advances of the Communist-supported Pathet Lao troops in Laos have for the first time brought communism to the border of Thailand, and have tremendously increased the threat to South Vietnam and to all of southeast Asia.

The Kennedy administration has not been frank with the people in outlining the alternatives available to us. We hear that the only way to keep Laos from "going Communist" is the massive introduction of American troops. Why not use concerted action through the vehicle of SEATO?

Thirteen months ago at the Bangkok Conference the Governments of Thailand and the Philippines stood ready to provide troops and other military help in Laos. At first we gave informal support to this move by our allies; then, at the insistence of France and Britain we reversed our field and embarked on the near hopeless task of seeking to establish a neutralist government in Laos by diplomatic and political means.

Now that the Kennedy administration's policies have proved unworkable, the SEATO countries should be given another chance to roll back the aggressive Communist forces. Troops from Thailand, the Philippines and others of our SEATO allies could, if they agreed freely to do so, mount a force in Laos to reestablish the cease-fire line as it stood before the Pathet Lao stormed across it 10 days ago.

American forces might well be restricted to logistics, supply, airdrop, and training missions.

If President Kennedy desires congressional support for an emergency SEATO conference, and for the use of SEATO power in the cause of freedom for Laos, I am sure that Members of Congress from both parties will immediately give him that support. I am today introducing a joint resolution which will state congressional support for this policy and authorize the President to take appropriate action.

During the years 1943 to 1945 I was assigned to the Office of Strategic Services, U.S. Army, and served in the general southeast Asian area which presently is inflamed by a major conflict between the Communist forces and the free local governments. My assignments covered intelligence activities and the organization of guerrilla and counter-guerrilla warfare activities by native forces behind Japanese lines. I know many of the southeast Asian peoples through experience in working directly with them.

Notwithstanding difficult terrain, health, and climatic conditions, we demonstrated in World War II that we can wage effective paramilitary operations in northern Thailand and in Laos.

We were successful then with units composed largely of native troops and guided by relatively few American soldiers. We can be just as successful now.

THE COURSE OF TRADE CONSIDERATIONS

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Curtis] may extend his remarks at this point in the Record, and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, this morning I had the opportunity of addressing the National Industrial Conference Board in New York City. At the time I commented on the course of the considerations of the proposed Trade Expansion Act of 1962. A great deal of committee work has been necessary to rewrite the proposal as it was presented by the administration, putting in guidelines to direct the exercise of new powers granted the Executive. I believe the bill, as it is being rewritten, can offer a real step forward in the formulation of a stronger American trade policy.

I am placing this speech, given this morning, in the Record, as a comment on the course of trade considerations.

The Shape of a New Foreign Trade Policy: A Congressman's View

(By Hon. Thomas B. Curtis of Missouri)

I believe that the first remarks I must make should relate to the title of my address, "The Shape of a New Foreign Trade Policy," because I am unaware of any proposal pending before the Congress of a new foreign trade policy. The Ways and Means Committee held public hearings 2 months ago on H.R. 9900 which has been propagandized as a new trade policy but the more we examined the administration witnesses on the bill the more we realized that the proposed legislation was merely an extension of the Reciprocal Trades Act with a few refinements here and there.

As a matter of fact, H.R. 9900, was described by someone as more of a narrative than a bill. Certainly, the rewriting of the bill which the Ways and Means Committee has been doing the past month, and we are by no means finished, fully supports the accuracy of this witticism. As a matter of fact, in effect we have stricken the enacting clause of H.R. 9900 and are writing a new bill. Yet the White House propaganda machine continues to press home its theme.

Let me state what a new trade policy might have been. It might have been related to the broad band of trade barriers as does GATT instead of the narrow band of tariff restrictions. Indeed it might have borrowed much of the GATT language, to define unfair trade practices and unfair trade barriers. It might even have recognized and approved of the GATT and established permanent working machinery for it as was once timidly suggested by the previous administration in the OTC only to be abandoned.

It might have directed attention to section 2 of NATO and the OECD and spelled out how we should coordinate our trade policy in the framework of GATT, NATO, OECD, UN, and the European Common Market and whatever other common market might be established.

We might have really grappled with the problem of agriculture commodities instead of pushing them under the rug as if they did not exist. Indeed, if we were properly concerned with the so-called undeveloped nations we would have dealt forthrightly with agricultural commodities.

We would have extended the list of unfair trade practices set forth in the GATT to cover the infinite number of varieties of state subsidies in the whole economic process of producing and processing raw materials into finished products and marketing and servicing them. We would have taken up the subject of state trading, international cartels and antitrust legislation. We would have delved into the problem of patent laws and other regulations designed to encourage research and development by establishing fair rules for the recapture of the investment in research and development and a sufficient incentive return on the capital.

We would have studied the importance of insisting upon reciprocity in extending the most-favored-nation clause to any trading partner so that the problem of Japanese foreign markets could have been properly dealt with.

The administration in the public hearings treated questions directed into these areas as if the matters were completely foreign to the matter of a trade policy. With similar astigmatism Secretary of Commerce Hodges could see no relation, let alone inconsistency between the President's trade proposals in H.R. 9900 and the taxation of foreign income proposals in H.R. 10650, which now lies, I hope dying, in the Senate Finance Committee.

The shape of the foreign trade policy contained in H.R. 9900, or in the bill the Ways and Means Committee is writing, from a Congressman's viewpoint relates primarily to the manner in which the Congress delegates power to the Executive to enter into trade negotiations with foreign nations.

President William McKinley first proposed this reciprocal trade technique of having the Executive negotiate trade treaties instead of the Congress write the detailed tariff schedules.

There has been little or no dispute even from those dubbed "protectionists" about the need to give to the Executive additional trading authority in order to make new and further beneficial agreements with foreign nations, particularly with the European Common Market. The entire concern seems to be centered around the guidelines the President be required to follow in exercising these powers.

Of course, there is a requirement in the bill that peril points be found before negotiations are entered into. As the Executive witness and the Tariff Commission testified in preparation for negotiations they always went through a process of, in effect, finding peril points before entering negotiations. Even if Congress did not require that this be done, and the Congress didn't until post-World War II, commonsense dictated that it be done. It was done before Congress spelled it out and commonsense would dictate that it be done even if Congress did not spell it out in this new law. The present bill does spell out a great deal more formal procedure in preparing for trade negotiations. It establishes procedures in such a way that industry, labor and interested groups as a matter of right and knowledge of how to utilize the right can present the data and arguments which bear on the question of tariff reductions for any particular product or range of products.

The present bill requires for the first time that our trade negotiators have faces, as it were, and have the status necessary to carry on effectively their responsibilities of negotiating. The chief negotiator becomes a formal title with the rank of Ambassador Plenipotentiary. He and his chief deputy are appointed by the President with Senate confirmation.

The bill provides the formal procedure and a forum whereby parties who allege that there have been unfair trade practices committed by foreign companies or countries or by their own domestic companies or country can register and have adjudged their complaints. It provides that appropriate remedies including withdrawing trade concessions in the event that these allegations prove to be well founded.

The bill provides the usual escape clause procedures for matters related to the defense of our country and where an industry or a laboring group have been damaged.

It probably will provide (we are still drafting) that the President in remedying the damage to a business or labor group may do so through withdrawing a trade concession but he may instead do so through the loans available under the Small Business Act, in the Area Redevelopment Agency, the Manpower Retraining Act, and the unemployment insurance acts.

The committee is still working over the draft in respect to these alternative means of redressing damage resulting from foreign trade competition.

Within these guidelines and procedures the President has been given the power to reduce tariffs largely to the extent that he requested in H.R. 9900.

The question in my own mind, and the one I posed to the Government witnesses was whether indeed this proposal had been intended to be a new foreign trade program and was a great deal more than an extension of the Reciprocal Trade Act. But that the real purpose had not been stated. It was not to free up trade through making it fairer and more reciprocal, but rather to substitute for the tariff as a method of regulations the more regression and burdensome trade barriers of quotas, license embargoes, state subsidies, and international cartel arrangements.

The Government witnesses said that these fears were unfounded that they did not plan a new trade policy along these lines and that they did not wish to remove and reduce tariffs only to impose in their place these other trade regulators.

However, my fears have not been that easily dismissed nor will they be until the administration agrees to sponsor the repeal of section 201 of the Agriculture Adjustment Act put in the law in 1956 and enlarged at the administration's behest just a month ago. This section of the Agriculture Adjustment Act gives the President blanket authority to enter into quota, license, and embargo agreements and have these agreements apply even to nations which are not parties to that agreement, in respect to agricultural products or products manufactured from them and textiles. It makes all the machinery established to provide rights by law set up as we are writing H.R. 9900 meaningless. Section 201 is raw delegation of power to the Executive without guidelines or objectives.

It is this authority the President relied upon to enter into the Government-sponsored international cartel agreement in Geneva, this January in respect to cotton textiles. I asked Secretary Hodges in the public hearings how it was to be determined how much of each kind of textiles manufactured by which companies from what countries would come into the port of Boston, the port of New York, the port of Charleston, etc. He replied, they were using the data in the 1960 census. Is freezing the economic pattern of textile trade as it was in 1960 freeing up trade? Increasing it? I ask you, gentlemen, here, the same question. Secretary Hodges had no satisfactory answer.

Was the self-imposed quota on oil imports by our domestic oil companies freeing up trade? Was it a violation of our antitrust laws? Was setting up subsidies for lead and zinc domestic mining freeing up trade * * * making it fairer?

What is the trade program the President proposes but to junk the tariff system which at least has the merit of being law and of enabling any firm to figure out for themselves what the costs in trading are to be. In place of this system are we to have one of license, quota, subsidy and cartels which require dancing attendance on a governmental bureaucracy which can smile or frown, grant economic life or pronounce economic death on any firm or labor group as a matter of Executive decree not by procedures set up by law?

When I find a strange unresponsiveness on the part of administration witnesses to questions pointing up the regressiveness of these other than tariff barriers to trade and a failure on the administration's part to even list these barriers which are so numerous and insidious, I really wonder whether a really new but regressive American foreign trade policy has been proposed.

When I see a system of trade adjustment proposed which is partly designed at any rate to keep companies in business through governmental subsidies, I wonder how this differs in result from a system of tariff differentials designed to do the same. I further wonder whether the purpose is not to free up and strengthen the private market place, both domestic and international, but to substitute governmental decision to allocate our resources instead. H.R. 9900 as proposed substitutes for a relatively liberal tariff method of reflecting wage and cost differentials, the more regressive and elaborate method of State subsidy.

Secretary Udall was pleased to report that the California tuna fisherman had been helped, not through tariff adjustment, but through Government loans to modernize their fishing boats and so stay in competition. Did this free up trade and increase trade? What is the difference in this approach and the approach of increasing the tariff? Under the tariff increase the more efficient domestic fisherman could proceed under his own initiative to modernize his boats. Under the State subsidy approach a fisherman had to persuade a bureaucrat to give him the loan. The ability to persuade a bureaucrat became the test of survival, not the marketplace.

I pointed out to Secretary Hodges a complaint I received from some of our manufacturers that they were unable to compete with certain Western German firms in Venezuela because the Germans could extend a 10-year line of credit which they could not match. They said the German Government subsidizing made this possible by extended credit. Secretary Hodges' response was, "Well, we have fixed this up. Our Government will counter by subsidizing our companies through the Export-Import Bank tax to extend a comparable line of credit."

Does this free up trade? Make it fairer? Indeed not. It restricts it and makes it less fair for all other nations. The way to free trade is to persuade Germany to withdraw their subsidy, then no one would be subsidized.

Gentlemen, I can see the wisdom of the writers of the Constitution in vesting in the Congress the power to regulate both interstate and foreign trade. This power of regulation has within it the power of economic life or death over all our citizens. This power should only be delegated to the Executive with proper guidelines. It must be delegated in a manner which establishes rights and remedies by law and not by bureaucratic decree. If we fail to do this we have a system of government by men, not by law. This is the antithesis of the system of establishing freedom and justice.

The trade legislation as a Congressman views it is, How does Congress delegate the powers which should be given to the Executive so he can enter into mutually beneficial trade agreements with other nations in a manner which establishes proper rights in our citizens and yet does not unduly hamper the Executive? These are the issues confronting the Ways and Means Committee in drafting the extension of the law which extends our old trade policy. As I have previously stated, would that we were engaged in this pastime and at the same time considering a new and broad trade policy. We badly need a new trade policy. The issue of war and peace is wrapped up in it and we move closer to the breakage as we temporize and put our new wine in Old World bottles.

NORWEGIAN INDEPENDENCE DAY

Mr. OLSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, "With law shall we build our land, not with lawlessness lay it waste."

So reads the introduction to Norway's ancient code of laws. It is a notable fact that wherever the Vikings went they set to work establishing ordered kingdoms of commonwealths, and that many of these became the lasting foundations of social or political life. Norwegians settled Iceland and the Faroe Islands, conquered and settled the Shetland and the Orkney Islands, the Hebrides and parts of northern Scotland. They established kingdoms at Dublin and on the Isle of Man. Incidentally they have also been accused of putting the blue in the Irishman's eyes. In all these settlements or conquests the law was supreme.

An old French poem about the Vikings, who invaded France, tells an anecdote which reveals the impression they left on their contemporaries in the country they conquered. It is said that a messenger from the King of France came to ask for their chief, and he got the proud answer, "We have no chief, we are all equals." They felt themselves to be freemen, and what they really obeyed was the law. Today, the 17th of May, marks the 148th anniversary of the Norwegian independence. Like "The Star-Spangled Banner"—"Ja, vi Elsker" the Norwegian national anthem will ring throughout the land.

In Norway this day is set aside to ceremony and celebration, and fairs are held throughout the land. The day is begun to festivity by dedications of the royal family, whose head is Olav V, King of Norway. All Norwegian subjects, men and women, will take part in this day of celebration; but most of all it is a day set aside for the children of this great nation. A great children's parade is held in Oslo, going to church, playing games and waving of the Norwegian red, white, and blue flags. For Oslo today is a gay city.

The terrible experience of foreign conquest and tyranny has not destroyed the Norwegian ideals of law and freedom. On the contrary, the nation is more determined than ever to carry their ideals, and leave them to younger generations. No less than in the past Norway will in the future support international organization under law. In this she sees the only hope for her freedom and that of all nations. Through the dark and hard centuries the Norwegian people had fought against all kinds of oppression—economic, social, political. And they had managed to rescue the fundamentals of their liberty.

For three centuries Norway had seemingly disappeared from the European society of states. It was governed from a foreign country and by foreign masters. Yet it preserved its legal existence as a kingdom and, still more important, its national traditions, the proud consciousness of hereditary freedom and law. In fact the particular development of the country had made its social constitution the most democratic in existence in all of Europe; the only European country where practically no nobility, and certainly no serfs, were to be found.

The 19th century brought the restoration of national independence and the complete liberation of the people. The great Norwegian novelist, Arne Garborg, once wrote of his people:

> They are a strong, stubborn folk who dig their way through a life of brooding and care, putter with the soil and search the Scriptures, force a little corn from the earth and hopes from their dreams, put their faith in the penny, and trust in God.

Over 2 million Norwegian people have come to America. The story of the fortunes of these "strong, stubborn folk" in the New World has been preserved in letters that were treasured by families in Norway and later collected by historians; in memories of the pioneers who, in the dreamy days of old age, recalled their youthful conquest of the new earth; in Norwegian newspapers published in the Midwest, the East, and the West of America; in pamphlets and books which traced the history of local churches, schools, towns, and societies organized and build by the immigrants.

Norwegians began to come to the Montana Territory in the 1860's and continued to arrive all through the seventies and eighties. A considerable number of Norwegians settled on the grazing upland of the Flathead Mountains, Crazy Mountains, Big Belt, and Little Belt Mountains. About half of the 25,000 first- and second-generation Norwegians in Montana in 1940 lived on farms and in rural communities; the best concentrated mainly in Great Falls, Butte, Anaconda, Missoula, Billings, and Helena. In some of these towns there are Sons of Norway halls where "lutefisk" dinners are served in the winter, where the Norwegian townspeople gather to play whist, dance, and sing Norwegian songs. About half of the Norwegian-Americans in the State belong to the Lutheran Church.

The story of the settlement of Norwegians in the Far West is very like a play within a play. There is the overreaching action of the intercontinental migration, spanning the century from 1825 to 1925. Beneath it are the smaller continental migrations; New York to Illinois, Illinois to Wisconsin to Minnesota, Minnesota to the Plains, a pause, and then the long jump over desert and mountain to the Pacific Ocean. It is this last migration that curiously parallels the larger in the similarity of the cause that produced them. In the early fifties Norwegians in

Illinois and Wisconsin, too, left their recently cleared farms and headed for Sacramento Valley. Most of them were young, unmarried men like Hans Christian Heg, later a colonel in the Union Army, and three companions who left southern Wisconsin in 1849. From his letters sent back to a Norwegian newspaper in his home community the people there followed his journey to the West. Another such record has been left by Tosten Kittelsen Stabaek, who with 19 Norwegians and 1 Frenchman formed a caravan of 7 wagons and 68 head of cattle that left Wisconsin in the spring of 1852.

Men and cattle died on the 5-months' march. But most of them reached the goldfields, spent a few years panning and digging, then returned to their families in Wisconsin and Illinois, richer, if not in money, at least in experience and in knowledge of America and her many peoples.

The story of Americans from Norway and the generations to follow, has not been fully recorded. As it unfolds in the years to come we shall know more intimately their life in the Coastal States, on the western ranges, and their part in the labor movement, as well as we now know them as farmers, clergymen, and politicians. America has reaped much from whence they came. From Norwegians such as Leif Erickson, about the year 970, to Trygve Lie, not only America, but the world has selected an honored place for their deeds.

I am happy to note that the sturdiness of the Norwegian people is revealed to this day, in an article from the News of Norway, Marianne Vik, a 4-year-old girl of Brannfjell, near Oslo, skied altogether 155 miles on 23 trips this past winter to earn the skiing badge. As a group the Norwegian-Americans came of age, intellectually, as the Nation began to turn to the scientists and the technically trained for leadership, when America began to call experts into the laboratories not only of educational institutions, but hospitals, industrial plants, and Government agencies. It is in these areas that the immigrant stock has had its greatest opportunities and made a larger share of its contributions.

Mr. NYGAARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

NORGES FRIHETSDAG

Mr. NYGAARD. Mr. Speaker, det er en fornøyelse for mig a feire idag 148 årsdagen for Norges uavhengighet.

Nordmennene er kjent gjennem sin historie for sin forkjærlighet for demokratiske institusjoner i deres styre av sitt land. Deres uavhengighetsdag blev ikke et resultat av seir i kamp men kulminerte efter måneders vanskelige og omhyggelige parlamentariske forhandlinger. 17 de mai er årsdagen for den dag Norges konstitusjon blev vedtatt.

Norge var ett av de første land i Europa som vedtok en demokratisk konstitusjon. Konstitusjonen erklærer at Stortinget, eller det Norske parlament, skal uttrykke folkets vilje. Videre erklærer den at Kongen ikke har makt til å oppløse foosamlingen, eller til absolutt veto. Den første konge efter at konstitusjonen var vedtatt blev valgt, og valget stadfestet ved folkeavstemning.

Drømmen om uavhengighet blev virkelighet i det 20de århundrede. Norge fikk invasjon av svenske tropper: og 1814 og det blev nødvendig å forbli i union med Sverige inntil 1906. Det svenske styre var dog ikke helt dominerende. Det Norske Storting var den lovlige autoritet, og kom til sist til a sette Regjeringens medlemmer for riksrett. Stortingets uavhengighets bestrebelser førte tilsist til folkeavstemningen 1906. Norge blev fritt.

Nordmennenes utrettelige og effektive hengivenhet for sin frihet har vaert en inspirasjon til demokratic Regjeringen i alle land. Det er en ære for migafeire uavhengighetsdagen for vår forbundsfelle Norge og å ønske velkommen til vårt land Norges æreder Statsminister, Einar Gerhardsen.

[Translation]

NORWEGIAN INDEPENDENCE DAY

It is a pleasure for me to observe today the 148th anniversary of Norwegian Independence Day.

The Norwegians have been noted throughout their history for their devotion to democratic institutions of government. In fact their independence day is not the occasion of a victory in battle but the culmination of a month of difficult and painstaking parliamentary negotiation. May 17 is the anniversary of the day on which the Norwegian constitution was adopted.

Norway was among the first of the European nations to adopt a democratic constitution. The constitution provided that the Storting, or parliament, should be the repository of popular will. It further provided that the king should have no power of dissolution or veto. The first king to be the titular head of the Norwegian Government was elected by the Storting—elected by the people by referendum.

Unfortunately, the dream of an independent nation did not materialize until the 20th century. Norway was invaded by the Swedish Army and forced to remain in union with Sweden until 1906. However, the Swedish domination was not harshly repressive. The Norwegian Storting continued to be the main source of legal authority even to the extent of impeaching the officials of the Swedish King. The independent actions of the Norwegian Storting finally led to a plebiscite in 1906. The outcome of the balloting was 368,211 for dissolution and 184 for union. Norway became independent.

The fierce and effective devotion of the Norwegians to their independence has been an inspiration to democratic governments everywhere. It is an honor for me to mark this anniversary of our ally Norway and to welcome to our country the distinguished Norwegian Prime Minister, Einar Gerhardsen.

A CENTURY OF LAND-GRANT COLLEGES

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Indiana [Mr. HARVEY] is recognized for 20 minutes.

Mr. HARVEY of Indiana. Mr. Speaker, this month marks a century of progress insofar as land-grant colleges in the United States are concerned. One hundred years ago, on July 2, 1862, President Abraham Lincoln signed into law a bill establishing colleges throughout the country for the purpose of training young men and young women in the art of homemaking and in agriculture and engineering. Possibly at the time the act was passed, very few of those who had a part in it could have dreamed of the important part this program was to play in the development of our country.

In my own State of Indiana, some 10 years later, a land-grant college was established at Lafayette; and it was named after one of the chief donors of land and money, John Purdue. My discussion will deal primarily with Purdue and its influence on Indiana, but what I am about to say could be duplicated in almost every State of the Union, and the story reads almost like a fairytale.

Prior to the enactment of this legislation most of the leaders of our country had held the concept with regard to higher education which in essence stood for training only in liberal arts and the sciences. We had had illustrious colleges producing fine talented citizens during almost a century of the early period of our Nation. It was not thought important, however, in the first few decades of our country's existence to train people in so-called vocational-type efforts. In fact, it was considered almost as a waste of time, particularly with regard to training women as homemakers. So the concept of the land-grant college was really a radical departure.

Today our land-grant college functions in three areas: First of all, it trains young men in the school of agriculture in the various specialty divisions of agriculture such as fruits, crops, animal husbandry, and other phases of our Indiana agriculture. The school of home economics trains young women in all the arts of homemaking. The school of engineering—in which field Purdue has one of the outstanding schools in the whole Nation—trains men in the various phases of engineering—civil, mechanical, and aeronautical.

One of the best yardsticks to measure the widespread acceptance of our school of agriculture has been the enrollment that the school has had through the years. The school has continued to grow and develop, not only in the regular 4-year courses, but also it is training men in the more specialized field looking forward to higher degrees than the normal 4-year course would produce. A very practical 8-week course in agriculture has produced some of Indiana's outstanding farmers.

Thousands of farmers throughout our State have benefited from the training and educational effort at Purdue University through its agricultural extension service which is conducted in the various counties as an extension or educational arm of Purdue through the county agent system. If anyone were to ask the rural people of Indiana today who the most important leader is in our rural community, they would probably respond "the county agent." The county agent has been the backbone of our agricultural extension system, and his contribution to agricultural progress and development has been almost phenomenal. The same could be said also of home demonstration agents and of 4-H Club leaders.

The rural people in the past 50 years especially have learned not only the know-how of better farming and better homemaking, but they have likewise found through the extension service and through our county extension office a common meeting ground where many of their social activities could be concentrated. This produced a whole new outlook for rural people.

I suppose that of all the efforts of the extension service, there is none that has had a more popular appeal than that of 4-H Club work. When visitors who are interested particularly in agriculture come from other nations, almost the first thing they want to see and talk about are our 4-H Clubs here in the United States. As a youngster on the farm I had the privilege of belonging to one of the first 4-H Clubs in our country. Our leader at that time, Mr. Harry Ainsworth—who became State 4-H Club leader—opened up for us a whole new vista insofar as the challenge of agriculture was concerned. What happened in my case has happened all over Indiana and the whole country as well. The 4-H Club work has been a great medium for challenging young people to attack intelligently the problems of agriculture; it also has built into their concept ideals of leadership and an intelligent understanding of citizenship. These are just a few of the reasons why 4-H Club work has become such a popular and widely acclaimed phase of the extension activities of our land-grant colleges.

Purdue, Indiana's land-grant college, has also devoted itself to cooperation with the other land-grant colleges of the country, resulting in the development through research of more productivity and better quality foods for the consumer. Through research the farmers have become so much more productive, in fact, that today we are the first major nation in all history that has been able to lick effectively the specter of hunger. This we have done, not only because we have had productive land but because through experimental work and research we have learned how to make the best use of our efforts on the land. This phase of activity—in other words, the development of new knowledge—is something that has profited the whole world and is a phase of activity that I will touch upon later.

The coupling of all of these phases of activity by our land-grant college—Purdue—has had a revolutionary effect upon what was formerly a rural State. Because we were able to increase the productivity of each farmer in Indiana, we were able to release more and more of our workers for other activity. Because of this same thing which has happened all over the country, we have been able to continue feeding and clothing ourselves and, likewise, we have become the greatest industrial nation in the world. This is all about us and is so commonplace that we are likely to forget what a signal achievement it has been. To be sure, the people who are engaged in industrial service, and professional activities—all these folks are being fed by the smallest number, percentagewise, compared to other countries in the world. They are also the best and cheapest fed. For this reason we as a nation have a great future to which we can look with much anticipation and justifiable pride.

I stated in the beginning that it would probably be difficult for those who formulated the Land-Grant College Act to envision the full impact of the legislation. By the same token today, it is difficult for us to realize the great challenge that we now face on a worldwide basis. With the close of World War II we found ourselves confronted with a wholly new problem and with very little actual understanding toward its solution. This problem was the fact that vast areas of the world which primarily had been colonial possessions of the major countries of the world were in a very primitive state of life. This awakening that came about has caused these colonial areas to throw off the shackles of their possessors and demand for themselves a new and better life. I think it is fair to say that in many cases the colonial powers that controlled these countries were not necessarily evil or unnecessarily demanding of the people, but in many cases they did not devote too much effort to helping these folks to help themselves; there are exceptions, however, even to this. Some of the more enlightened countries did a great deal in attempting to train the native leaders in these countries in the art of self-government.

We have today in the case of Africa virtually a whole continent where the various major nations of the world have thrown off the shackles and newly emerged nations have embarked upon a quest for freedom according to their own pattern and desires. How this will succeed is difficult at this time to project. Certainly they are in most cases people of very little training and background to accomplish this job. They are almost wholly of an agricultural type of economy. In many cases, even when practically all their citizens are devoted to the task, they are unable to feed themselves or they are only able to feed themselves moderately well. They obviously would like to have manufacturing to raise their standard of living. They cannot, however, set up industrial production in their country until or unless their farming productivity can become high enough to release a part of their working force for this purpose. This, then, represents the great challenge to us as a nation. If these folks are to accept our concept rather than the Communist concept we must be able to show them that our way of life will offer them more and will make for a better life.

These folks, while very primitive, do know what other nations of the world have and they demand it for themselves. They may not even have a very good concept of how to get it, but nonetheless they are demanding it, and they may become rather willing tools for any other nation which offers them a cure-all formula to meet their problems. Most of us realize that educational processes are rather slow, and that people are not trained for leadership or productive enterprises on a pushbutton basis.

So the great challenge for us as a nation is to try to convey to many of these underprivileged nations of the world—who today constitute the balance of world power—the know-how and to furnish the necessary leadership. We can thereby lead them into ways of self-government rather than to have them fall a victim of the blandishment of the Communist conspiracy.

It is rather significant to note that for all of the bragging claims of the Communist regime, our American system of agriculture remains something the Communists have never been able to emulate or even to copy. Again I say that our form of agriculture provides the foundation upon which our great country has been built. One of the ironic features of this status is that the farmer himself has not actually shared properly in the prosperity that this program has produced. This continues to remain one of the challenges for us as a nation, and one which we must eventually meet if our agricultural foundation is to continue to support the economy of our Nation.

NATIONAL LOTTERY—DEAD AS A DODO BIRD AND WHY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. SANTANGELO] is recognized for 30 minutes.

Mr. SANTANGELO. Mr. Speaker, I take this opportunity to inform Congress and the American public about the status of the national lottery bill to raise revenue and to reduce taxes. Residents of my district and elsewhere have asked me why we in Congress do not support H.R. 2007, a national lottery bill, or any other lottery bill to raise revenue and reduce taxes. As a consequence, I communicated with the chairman of the Ways and Means Committee to determine whether or not hearings would be held. The answer I received indicates that no hearings will be held during this congressional session and why no hearings are being held. They are not being held, because the sponsors have not requested hearings. The letter to me from the chairman of the Ways and Means Committee is as follows:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 1, 1962.

The Honorable ALFRED E. SANTANGELO,
House of Representatives,
Washington, D.C.

DEAR AL: This is in reply to your letter of April 11 requesting information with respect to whether or not any hearings have been requested in connection with the bill, H.R. 2007, which would provide for Federal lotteries to raise funds for a reduction in the national debt and a reduction in Federal individual income taxes.

Hearings on this bill have not been requested, and in view of the very heavy present and projected schedule of the Committee on Ways and Means it would appear doubtful whether time would be available for the holding of such hearings in the event that a request for them were received. In addition, no reports have been requested on this bill from the appropriate agencies of the executive department, although reports on similar legislation in prior Congresses were adverse.

I hope the foregoing serves to provide you with the information you requested.

Sincerely yours,

WILBUR D. MILLS,
Chairman.

As Alfred E. Smith, after whom I am named, used to say, "Let us look at the record. What does the record show?" Parliamentary procedure and rules require that no bill can be considered unless the sponsor of the bill requests the committee to which it is assigned that a hearing on a bill be held and that the committee request reports from the appropriate agencies or departments. No sponsor of a national lottery bill requested a hearing. Consequently, none can be held and no lottery legislation can be adopted.

Sponsors of lottery legislation have asked, "How long are we going to be stubborn? How long are we going to be hypocritical?" I ask who is being hypocritical? The committee to which the bill is referred or the sponsors who introduced such legislation and request no hearing of Congress?

Lottery bills have been introduced in Congress since 1934. People today have gotten the notion that the idea of lottery has sprung from the head of the present sponsors as did Minerva from the head of Jove fully developed and fully grown. That just is not so. The record shows that the following Congressmen have introduced lottery legislation or similar legislation since 1934. They are as follows:

Bill No.	Revenue for—	Sponsor	Congress
H.R. 7316	Federal Treasury	Kenney	73d, Jan. 24, 1934.
H.R. 26	do	do	74th, Jan. 3, 1935.
H.R. 3414	do	do	74th, Jan. 9, 1935.
H.R. 8510	do	do	74th, June 18, 1935.
H.R. 4	do	do	75th, Jan. 5, 1937.
H.R. 10414	do	Phillips	75th, Apr. 26, 1938.
S. 2156	Defense	Thomas (Oklahoma).	77th, Dec. 26, 1941.
H.J. Res. 299	do	Sabath	77th, Mar. 27, 1942.
H.R. 6587	do	Knutson	77th, Feb. 12, 1942.
H.J. Res. 55	do	Sabath	78th, Jan. 14, 1943.
S. 1560	do	Guffey	78th, Dec. 1, 1943.
H.R. 2784	Premiums plan: savings bonds	Gale	78th, Dec. 6, 1943.
S.J. Res. 159	Study of the merits of a national lottery.	Reynolds	78th, Nov. 27, 1944.
H.J. Res. 239	Veterans	Barry	79th, Sept. 14, 1945.
H.R. 4421	do	Clemente	81st, Apr. 28, 1949.
H.R. 8022	do	do	81st, Apr. 5, 1950.
H.R. 9441	do	do	81st, Aug. 15, 1950.
H.R. 3879	Federal hospitals, care of the blind, recipients of old age assistance and disabled veterans.	Fino	83d, Mar. 11, 1953.
H.R. 6626	do	do	84th, June 2, 1955.
H.R. 3520	do	do	85th, June 23, 1957.
H.R. 532	do	Lesinski	86th.
H.R. 2534	Reduction in the national debt	Fino	Do.
H.R. 4190	Establishment of Commission on Federal Lotteries.	do	Do.
H. Res. 25	Creation of select committee to conduct investigation and study.	Bosch	Do.
H.R. 444	Federal hospitals, care of the blind, recipients of old age assistance, and disabled veterans.	Lesinski	87th, Jan. 3, 1961.
H.R. 2007	Reduction in the national debt and reduction in Federal income taxes.	Fino	87th, Jan. 6, 1961.
H.R. 5574	Establishment of Commission on Federal Lotteries.	do	87th, Mar. 14, 1961.

Mr. Speaker, you will recall that before you were the Speaker and before you were the majority leader, when you were plain Congressman JOHN MCCORMACK from Massachusetts, you headed a subcommittee which held hearings on a lottery bill. These hearings lasted 2 years. You were the chairman of the subcommittee which considered the lottery legislation introduced by Congressman Kenny, of New Jersey. After long deliberation, the committee did not recommend its passage and Congress did not approve, but at least the sponsor in 1934 requested a hearing and got it. These hearings which I read disclose the reasons for and against lottery legislation.

The reasons for approving a lottery are:

First. Money or other valuable consideration which may be won.

Second. Agreeable excitement of making the wagers.

Third. The pleasure of anticipated success.

Fourth. The thrill of winning.

Fifth. The benefit of using the winnings.

Sixth. Revenue derived for the Treasury of the United States.

The reasons why lottery is opposed are as follows:

First. Money bet.

Second. Time spent in betting.

Third. Distraction from vocation.

Fourth. Questionable associations formed through the indulgence.

Fifth. Formation of a costly habit.

Sixth. Emotional stress to beat the game.

Seventh. Mental and spiritual depression of losing money whose loss could not be afforded.

Eighth. Temptation to obtain dishonestly the means to continue betting.

Ninth. Temptation to dissipation as a false refuge of a loser and an unwise jubilation of a winner.

Tenth. Lessening appreciation of things earned and increasing appetite for things won.

Eleventh. Gradual weakening of the bettor's character.

In addition, every State in the Union, 50 States, have statutes which declare lottery to be illegal. My own State, New York, outlaws lottery. The legislature is Republican dominated; the Governor, Nelson Rockefeller, is a Republican. There is no division of control between the legislative and executive branches or no political reason why agreement cannot be had. Why has not New York approved a lottery? Shall we in Congress foist or impose upon the residents of Massachusetts or Ohio or California a lottery which they may think is immoral?

I personally would vote for a lottery if it were conducted by a State or local government or a local political subdivision, if it could be practical, and if safeguards against corruption and immorality were provided. I would not seek to impose my will upon people in those States who may have religious scruples, or objections against it. While gambling per se, by and of itself, is not immoral, it can be immoral under certain circumstances. It can be immoral where a parent gambles and deprives his children of milk, food, clothing, and the necessities of life or if an immature child gambles for money, or if persons on relief rolls gamble the funds which a welfare department gives them to pay their rent or buy their food or clothing, or pay for medicine.

Let us stop the hypocrisy, fakery, and quackery of introducing lottery bills and then not moving for their passage or for a report or for a hearing. Will the Daily News, one of New York's great newspapers, which seems to have been duped, disclose the failure to request hearings in the same manner and in the same fashion as it does at the beginning of a congressional session when a lottery bill is introduced or a 1-minute speech is inserted in the CONGRESSIONAL RECORD describing the results of a lottery of a nation no larger than our smallest State, Rhode Island?

However, hypocrisy, like murder, will out. I repeat what the great Emancipator Abraham Lincoln observed—that "you can fool some of the people all of the time, all of the people some of the time, but you can't fool all the people all of the time."

The legislative wheel of fortune is turning around and the arrow cannot stop at the lottery post because no hearings have been requested.

ELECTION TO COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. MOSS. Mr. Speaker, I offer a privileged resolution (H. Res. 649) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That CORINNE B. RILEY, of South Carolina, be, and she is hereby, elected a member of the standing Committee of the House of Representatives on Science and Astronautics.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WHY THIS OBSESSION WITH THE COMMON MARKET, AT THE EXPENSE OF THE REST OF THE FREE WORLD?

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 60 minutes.

Mr. REUSS. Mr. Speaker, in a movie scene I dimly remember from years ago, a troupe of strolling actors had just been told that the show could not go on that night. Huddled together on the stage, trouper after trouper—I think Jimmy Durante was one of them—exhorts his fellows: "The show must go on."

On and on go the exhortations, until one of the mummers, a little fellow in the back row, stops the proceedings by asking the simple question: "Why?"

For some time now, the U.S. State Department has been exhorting the world: "The Common Market must go on. Britain and a few others must join it at all costs, and any country with a professed policy of political neutrality must be excluded from it at all costs."

It is about time somebody asked—and if nobody else does, I will: "Why?"

DEBATE IN CONGRESS NEEDED

The proposed expansion of the European Economic Community to include others besides the original Six—France, Italy, Germany, Belgium, Netherlands, and Luxembourg—presents many problems, both to the United States and to virtually every other third country in the free world. The Congress should debate the issues raised by recent developments in Europe.

Such a great debate will aid Congress in fulfilling its legislative responsibilities for trade, foreign aid, and international monetary arrangements, all of which are vitally affected by the size, composition, and policies of the EEC. More, a great debate can stimulate wider public discussion of the issues at stake. There is still time to reevaluate our position. If it is found to be based upon a creed outworn, there is still time to correct it.

THE ADMINISTRATION POSITION

The State Department policy today, as reported in the press, appears to be this: The EEC is of preeminent importance to the United States, and its enlargement in accordance with our design overrides other considerations of foreign economic policy. Our objective is to get Britain into the Common Market at all costs, and to exclude from membership or association in the group any country with a professed policy of political neutrality. No major initiative by this country to reduce tariffs under the new Trade Expansion Act is to be taken until Britain becomes a member of the EEC.

THE BASIC ISSUE RAISED BY OUR POLICY

This policy, if correctly reported, confronts us with a basic issue. Should we now be concentrating our efforts on creating a huge and mighty new Western European Common Market, protected at least at the outset by high tariffs and other preferential arrangements on many important trade categories? Or should we instead be striving, together with the other member countries of GATT, to create the widest possible free world community which would neither include nor exclude countries according to any preconceived design?

Both of these directions in foreign economic policy have respectable antecedents in our postwar history. Since it appears that we are now pursuing the first course, I believe we must look closely at the reasons why it is said we should favor this alternative.

THE ADVANTAGES OF A FORCED-GROWTH COMMON MARKET MAY BE ILLUSORY

The Common Market, as now constituted, has merited and received the support of the United States. The economies of the Six have benefited immensely from a larger internal market and increased competition. It has created new ties of friendship between France and Germany, thereby greatly reducing the chance of renewed animosity between them. These accomplishments are matters of fact today. The vibrant strength of the European Economic Community demonstrates better than anything else that it needs neither high tariffs nor more members to continue successfully on the path it has chosen.

Why, then, do we insist that the EEC must be expanded, and expanded in a manner to include some European countries and not others? The only three possible reasons for our policy—political unity, military strength, and the infusion of British democracy—seem to me largely illusory.

1. POLITICAL UNITY

It is said that if Britain and certain other countries join the EEC, the development of the EEC into a common political unit—a United States of Europe—will be accelerated. We will thereby gain a stronger, more united voice on our side in the cold war.

Neither proposition bears up under examination. The present members of the EEC are badly split on the ultimate goal of political unity. France is unalterably opposed to any abrogation of national sovereignty on matters of importance—economic, political, or military. It does not want a United States of Europe in which France would have to submerge its national powers—it is holding out for what it calls a confederation, which would in most important respects be an international body of a number of European nations. The entry of Britain in the Common Market, much desired by the Benelux Three of the present Six, would not solve this problem. Indeed, the problem will be accentuated because the British, too, prefer the French goal. British membership in the EEC may thus retard, instead of accelerate, the movement to political unity.

But even if greater political unity should develop from British membership, we may not necessarily add to our own strength in the cold war. France has openly declared the importance of forming a third force in Europe, led by France. It would be the objective of such a third force not to take sides either with the United States or with the Communist powers. By encouraging the expansion of the EEC, we may, therefore, be solidifying a group which will go its own way and which may, from time to time, frustrate our objectives.

2. MILITARY STRENGTH

It is said that the military strength of the West will increase if EEC membership and association are extended to include the United Kingdom and the other NATO powers. By the same token, it is considered desirable to exclude the neutrals—Sweden, Switzerland, Austria, and Finland—since they could not join in a common military policy.

I do not find this argument persuasive. The military strength of the EEC countries will be no greater than the defense contributions which individual countries want to make. Britain, Denmark, and Norway—all applicants for EEC membership—are already members of NATO. Among the present members of the EEC, France, though a member of NATO, has contributed the least to the Organization, and shows least willingness to cooperate in other mutual efforts affecting the cold war. For example, the French have refused to send a representative to the Geneva Disarmament Conference. This is not the kind of atmosphere out of which an expanded EEC could form its own military arm. National differences would make it impossible, just as they did in 1954, for these countries to create a European Defense Community. If NATO will not gain and a new European Defense Community is not likely, I fail to see how we shall achieve any boost to our combined military strength by a forced-growth Common Market.

More serious, we must remember that the first objective of maintaining an adequate European defense is to prevent Soviet encroachment into Europe. The reported administration policy to isolate the neutral countries outside an expanded EEC may, in fact, create new opportunities for the Soviet Union on the eastern frontier of Europe. Both Finland and Austria could well be forced to increase economic ties with Russia and, thus, inevitably to give in to political and to other unforeseeable pressures. Our hard-won gains in Yugoslavia may be sacrificed.

So instead of adding to our military strength, we may in fact be dissipating our present effective strength by our obsession with an expanded Common Market.

3. BRITAIN IS NEEDED IN THE EEC TO ASSURE ITS STABILITY AND DEVELOPMENT IN A DESIRABLE DIRECTION

Quite apart from the desirability of expanding the EEC to increase its future political and military strength, it is argued that the United Kingdom must become a member so that the British, with their long-established traditions of democracy and stable government, can guide the EEC in desirable directions.

This point of view was expressed very ably by the Senator from Arkansas, Mr. FULBRIGHT, at the Commonwealth Parliamentary Conference in London, on September 30, 1961:

> The single most encouraging trend in recent years toward the strengthening of the free world is the movement toward European unification and the single most important event within that trend is the decision of the United Kingdom to seek admission to the European Economic Community. * * * Without Britain there can be little doubt that West Germany, with its great industrial machine and skilled and energetic population, will play the preeminent, if not the dominant role in the European community. I, for one, can contemplate this prospect with little enthusiasm. Germany, it is true, has come far since the fall of the Third Reich toward earning an honorable place in the society of democratic nations. West Germany, nonetheless, is a fledgling democracy, not yet ready for a role of leadership in the free world. France, on the other hand, is a venerable and respected member of the community of free nations, but she is governed under new and untested institutions and is much preoccupied with problems in North Africa. Only Britain, I suggest, has the long experience, the ancient institutions, and the overall political maturity for leading Europe into a new era. I put it to you that the United Kingdom, whose wisdom and restraint were the preeminent factor in the century of tranquillity that history records as the Pax Britannica, must now put these same qualities to use as the primus enter pares of a free and unified Europe.

The difficulty with the role which Senator FULBRIGHT assigns the British is that except for the Benelux countries and the United States, no one much wants the British to be the first among equals in the EEC. Britain comes as an applicant for membership in a going concern very much dominated by a Franco-German-Italian partnership.

As President de Gaulle said only this week:

> I do not believe that Europe can have any living reality if it is not made up of France with its Frenchmen, Germany with its Germans, Italy with Italians, et cetera.

The French are reported to be lukewarm about British membership; they are not going out of their way to make British entry easy. Chancellor Adenauer recently hinted that he did not favor giving the British full membership. It appears highly unlikely that either France or Germany would look to Britain for leadership or be persuaded by the British to adopt policies they do not desire.

Indeed, Britain may well have its greatest influence on the EEC before actual entry by exacting conditions for its membership. Those who oppose British entry even say that, far from being able to confer British stability and democratic modes of thought on the European group, British membership in the EEC may even mean loss of that stability in Britain, and the gradual acceptance in Britain of less democratic and more bureaucratic governmental forms.

THE DISADVANTAGES OF OUR PRESENT POLICY ARE REAL

If the supposed advantages of our present policy are illusory, the disadvantages are frighteningly real.

1. THE POLITICAL DISADVANTAGES

By our doctrinaire policy, we aroused sharp criticism from countries which have felt forced to apply for membership, as well as from those which feel they are excluded because of U.S. disapproval of their membership of association.

Robert Estabrook, of the Washington Post, now on temporary assignment in London, writes:

> Under Secretary of State George Ball has received considerable criticism in England because of American strictures against Commonwealth trade preferences and associate membership for neutral countries * * * the zeal of some American champions of the Common Market * * * has produced an impression that the United States is trying to dictate the composition of the community and to punish Britain for its delay and the neutrals for their comfortable detachment. (Washington Post, April 10, 1962.)

Roy Jenkins says in the London Observer of April 15:

> U.S. (rather than European) pressure against [association of the EFTA neutrals in the EEC] is surely one of the most misconceived aspects of recent American policy and should be strongly resisted.

The Swedish Ambassador to the United Kingdom said in a lecture to the British House of Commons on April 14:

> How could one begin the construction of a new and strong Europe by excluding the three countries, Austria, Switzerland, and Sweden, who have belonged to Europe as long as European history can be said to have existed?

Dr. F. E. Aschinger, senior economic editor of the Neue Zurcher Zeitung, said in Zurich, Switzerland, on March 29:

> It is necessary that the difference between traditional Swiss neutrality and the neutralism of the neoneutrals be clearly understood by our American friends. * * * Although the United States has not formally recognized Swiss neutrality, she is making use of its advantages in many fields.

Austrian opinion has been equally disturbed at the reported attitude of the United States. In a March 2, 1962, letter to the New York Times, Prof. F. A. Hayek wrote:

> If the reports about the attitude of a high-ranking member of the State Department toward the neutral countries of Europe are correct, they suggest an almost incredible shortsightedness. * * *
>
> Both [Sweden and Austria] are greatly dependent on Western Europe for their exports, their prosperity and even a reasonable standard of life. To be left out of an enlarged Common Market would force them to seek alternative outlets for their products in the East. But to be dependent on the Soviet bloc for a large part of their exports would in the long run mean political dependence. This is not a question of their preference but of their daily bread.

Austrian Chancellor Dr. Alfons Gorbach said on April 28:

> Far from being an obstacle for a proper European unity, the small states are essential for the preservation of freedom and responsibility. These states have not only a right to be treated as equals, they have also an obligation to present and develop their spiritual heritage, to support a European economy and to promote Europe with all their moral power.

And on April 27, Austria's Ambassador to Washington, Dr. Wilfried Platzer, pointed out in a Chicago speech the dangers of excluding Austria from association with the EEC:

> We must have trade. If we lose Western trade, we will have to trade with the East.

Undue concentration of our political efforts to mold the EEC to our design can be interpreted as inimical to their interests by countries outside Europe. The poorer countries can say that, when the chips are down, the United States is interested only in making rich countries richer.

In countries like Yugoslavia, Egypt, Indonesia, and India, we have invested billions in foreign aid funds to assist their development. Do we want to hand the Soviet bloc the enormous propaganda advantage of being able to say, "The West may give you a little charity from time to time, but it is mainly interested in forming an exclusive club of rich countries in which membership is restricted."

2. THE ECONOMIC DISADVANTAGES

An expanded EEC will automatically mean greater economic discrimination and danger for the exports of the United States and for all countries with trading interests in Europe. If Britain, Norway, and Denmark become members; Greece and Portugal, associate members; and the British African Commonwealth countries and dependencies, associates in the EEC like the former French African colonies, a huge new trading area will be formed. Tariff elimination will confer advantages on producers within the area. Pooling of raw materials and other resources will mean that there will be less need to go outside the area.

(A) EFFECT ON UNITED STATES

Consider, for example, the effect of British entry into the Common Market on our exports. Britain now accords preferential or duty-free entry to imports from Commonwealth countries. If the EEC denies these countries the right to sell the equivalent volume of agricultural products and manufactured goods to Britain or the Common Market, their export earnings will fall, and U.S. sales to the Commonwealth countries will also suffer. If special arrangements are made for the farm products of Canada, Australia, and New Zealand to enter the Common Market, our own chances to maintain agricultural exports to the area, already threatened by a variable tariff levies scheme, will be lessened.

(B) EFFECT ON EUROPEAN OUTSIDE EEC

Economic discrimination from an enlargement of the present EEC will be serious for the United States, but it may be catastrophic for the neighboring countries of Europe who are left out of the Common Market. Their economies have become closely interwoven with those of the expanded EEC. Exports account for a much larger part of the gross national product of these smaller countries than in the case of the United States. In Switzerland, for example, exports amount to 13.5 percent of gross national product, compared to 4 percent in this country. Moreover, the share of exports going from Finland, Sweden, Austria, and Switzerland to the expanded EEC is 58, 65, 57, and 52 percent respectfully. It is obvious that any serious diminution of their exports will have the gravest consequences for these countries.

(C) EFFECT ON OTHER DEVELOPED COUNTRIES OF FREE WORLD

Canada, Australia, and New Zealand, all of whom have long-established economic relationships with the United Kingdom, have major stakes in the maintenance of their present level of exports, particularly of bread grains, meat, dairy products, fruit, and other agricultural products. In recognition of these vital interests, the British have agreed that provision for Commonwealth exports must be made as a condition of its entry into the Common Market. Representatives of these countries have declared that failure to attain this amelioration of Britain's departure from the Commonwealth will result in a major economic upheaval in these countries.

Australian Prime Minister McEwen said in Melbourne on May 14 that the United States was not practicing what it preached in trade policy. He emphasized:

> I want all of our American friends to understand that our trading ties with Britain cannot be cut, either now or in a few years, without the most serious consequences to our export trade and the livelihood of our products. (New York Times, May 14, 1962.)

(D) EFFECT ON THE DEVELOPING COUNTRIES OF FREE WORLD

Of the developing countries of the free world, only a few—former French, Belgian, and perhaps British territories—can hope to receive preferential treatment by the expanded EEC. For the others, Ireland and Spain in Europe; Israel, Turkey, Iran, and the Arab countries of the Middle East; and most of the countries in Latin America, Asia, and Africa, the withdrawal of the richest, most highly industrialized, and most rapidly developing nations of Europe into a new preferential bloc means anything from serious trade dislocation to jeopardy for their economic futures. All of them will find it more difficult to attract private capital investment as their markets diminish, and this will accentuate their present distress in the years to come.

Hong Kong, India, Pakistan, and Ceylon will not only be deprived of preferential access to the British market, but will very likely be confronted by high tariffs and other restrictions in the expanded EEC, as well as duty-free competition from light manufactures from the protected areas of developing former French and British territories in Africa.

Tropical products entered duty free from the associated part of Africa will drive out vital exports of bananas, sugar, citrus, coffee, from the West Indies and Latin America.

Israel, which has staked its economic future on expanding trade with Europe, finds that 60 percent of her exports are to the countries of the expanded EEC. Instead of selling oranges, now the principal export earner, to the United Kingdom at a nondiscriminatory tariff of 10 percent, Israel will have to try to sell them in competition with duty-free north African and Italian oranges over a Common Market tariff of 20 percent. Israel, like other developing countries, is trying to develop diversified exports, but most of these infant industries are not likely to survive the stiff duty-free competition within the EEC and the generally high tariffs on light manufactures.

WHAT OUR POLICY SHOULD BE

I believe, Mr. Speaker, that in view of the many real disadvantages, both political and economic, and the lack of tangible advantages, we must stop concentrating on the Common Market as the major instrument for our foreign economic policies. We should certainly cease needling the United Kingdom to enter the Common Market, and needling the EEC to prevent the entry of the European neutral countries. All needling and undue interference in the problems of the European countries should cease.

What we must do, and do quickly, if we are to repair some of the damage in our relations with the free world countries, is to go back to the alternative course—to greater economic and political integration of a free-world-wide basis.

The first thing which should be done, even before the passage of the Trade Expansion Act this year, is to announce that we will use the powers of the act to reduce world trade barriers quickly and multilaterally for the benefit of all countries. If such an announcement causes Britain or other countries to rethink the basis for their applications to enter the Common Market, this is all to the good. Britain ought to enter the political grouping of the Six because she believes that that is the way to useful political cooperation, not because she is pressed into it by the economic bludgeon of the Common Market's discriminatory tariff.

For Britain to form a full union with the EEC may take years. As Walter Lippmann said this week:

> This is so difficult that we may count ourselves fortunate if the negotiations are not broken off and if a way is found to continue them, perhaps for some years. For in the long run, the grand project will, I believe, be realized * * * for ourselves, we shall be dealing with the bigger reality if we keep our hopes and our policies bound up with the will to get on with and to achieve the grand project. For the Europe of 1962 is not the permanent and final shape of Europe. It could change in a few months.

We should certainly not keep the tariff-bargaining powers of the Trade Expansion Act in abeyance for the months, perhaps years, that may be required for British inclusion in the EEC. To hold these powers in abeyance would be doubly wrong: it would deny their benefits to us and the rest of the free world; and it would degrade these spacious powers by making of them a mere instrument of political pressure on Britain.

By determining to use the Trade Expansion Act and to deal with the Common Market in its present form, we will in fact have a greater chance to reduce Common Market tariffs. While Britain, Denmark, and Norway are outside the EEC, they could join with us, with the European neutrals, and with the rest of the free world to urge the EEC to reduce tariffs in return for concessions from the United States and other countries. The Six, unenlarged, would have a greater incentive to make reasonable concessions.

But as insiders, and particularly insiders who feel resentment over the U.S. pressures that helped them into the EEC, Britain, Denmark, and Norway will be ranged on the opposite side. In any trade negotiation, we shall then have no powerful interest on our own side. The United States will have to carry the major burden virtually alone.

A shift from what Norwegian Prime Minister Gerhardsen called the introvert policy of the Common Market to an extrovert policy of the free world would be greeted with joy, not consternation. Great Britain, Denmark, and Norway would prefer union with the EEC on their own time, rather than under economic pressures. The other EFTA countries would welcome the chance to live economically without having their political neutrality compromised. The rest of the free world, developed and developing, has everything to gain from a program of nondiscriminatory trade. Of the Six itself, the Big Three—France, West Germany, and Italy—have already shown themselves less and less interested in an immediate British accession. And the Little Three—Belgium, the Netherlands, and Luxembourg—as traditionally low-tariff countries, should welcome the expansion of the free world's low-tariff areas. With our balance of payments and our unemployment problems, the United States certainly does not want the enlargement of the European discriminatory tariff area.

REGIONALISM VERSUS A FREE WORLD COMMUNITY

Mr. Speaker, there was a period just after World War II when it was appropriate for us to use a multitude of devices to try to reconstruct a wartorn world. On the one hand, we convened the nations of the free world to establish the great multilateral tariff-cutting procedure in the General Agreement on Tariffs and Trade—GATT. On the other, together with the injection of unprecedented sums in foreign aid, we encouraged the formation of European regional institutions. I was a personal participant in this process, and I am proud of the part I was able to play.

But this is 1962 and not 1947, 1949, or 1950. The time has long since passed when we have any need to put European regionalism at the top of our foreign policy priorities. Our most important task today is to take the leadership and to use every resource at our command to strengthen ties in the free world community at large. Dozens of new nations have entered our ranks. They and others, longer established, are trying to lay the foundations for continuing growth and a better life for their people. The overriding concern of the United States and the prosperous nations of Europe should be the reduction of the gap between the rich and the poorer nations, the developed and the underdeveloped. This cannot be done by aid alone. We must open our markets to their exports. Unjustifiable tariff and other trade barriers must come down. We shall not attain this objective if we swallow the claim that a new Europe cannot be constructed without the carrot of high preferential tariffs. We must not delude ourselves into thinking we can say to the poorer countries, "This hurts us as much as it hurts you. Please accept your status of poverty until the industrialized countries of Europe get a little richer. Then they may help you." To state this proposition is to reveal its patent absurdity.

Mr. Speaker, in our preoccupation with expanding the Common Market, we have been pinning our hopes on the wrong group, pursuing the wrong goal, at the wrong time. It is entirely in order for the Congress to debate whether the United States should not start now to build the free world community.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Reuss (at the request of Mr. Lane), for 60 minutes, today, to revise and extend his remarks and to include extraneous matter.

Mr. Burke of Kentucky, for 30 minutes, on Monday next.

Mr. Ryan of New York, for 1 hour, on Tuesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Collier and to include extraneous matter.

(The following Members (at the request of Mr. Short) and to include extraneous matter:)

Mr. Wilson of Indiana.

Mr. Curtin.

Mr. Curtis of Missouri.

(The following Members (at the request of Mr. Ryan of Michigan) and to include extraneous matter:)

Mr. Thompson of New Jersey.

Mr. Rosenthal.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 383. An act to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1988. An act to promote the conservation of the Nation's wildlife resources on the Pacific Flyway in the Tule Lake, Lower Klamath, and Upper Klamath National Wildlife Refuges in Oregon and California; to the Committee on Interior and Insular Affairs.

ADJOURNMENT

Mr. RYAN of Michigan. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 58 minutes p. m.), under its previous order, the House adjourned until Monday, May 21, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2075. A letter from the Assistant Secretary of State, transmitting the text of a recommendation (No. 115) concerning workers' housing, adopted by the International Labor Conference at its 45th session, at Geneva, on June 28, 1961, pursuant to article 19 of the constitution of that oragnization (H. Doc. No. 406); to the Committee on Foreign Affairs and ordered to be printed.

2076. A letter from the Comptroller General of the United States, transmitting a report on a review of certain aspects of operations of the Federal employees' group life insurance program which is administered by the U.S. Civil Service Commission; to the Committee on Government Operations.

2077. A letter from the Comptroller General of the United States, transmitting a report on review of the development and management of selected aircraft crash firetrucks in the Department of Defense; to the Committee on Government Operations.

2078. A letter from the Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of Vernon J. Wiersma against the United States, pursuant to the act of April 10, 1928 (45 Stat. 413, 31 U.S.C. 236); to the Committee on the Judiciary.

2079. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMPSON of New Jersey: Committee on House Administration. Senate Concurrent Resolution 68. Concurrent resolution to print additional copies of hearings on the Revenue Act of 1962; without amendment (Rept. No. 1696). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 592. Resolution providing for the expenses of conducting studies and investigations authorized by rule XI(8) incurred by the Committee on Government Operations; without amendment (Rept. No. 1697). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 637. Resolution to adjust the U.S. Treasury account in the Office of the Sergeant at Arms of the House of Representatives, and for other purposes; without amendment (Rept. No. 1698). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. House Resolution 638. Resolution authorizing additional laborers for the office of the Doorkeeper of the House of Representatives; with amendment (Rept. No. 1699). Ordered to be printed.

Mr. MURRAY: Committee on Post Office and Civil Service. Report on improving Transportation Statistics (Rept. No. 1700). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 9199. A bill for the relief of certain officers and enlisted personnel of the 1202d Civil Affairs Group (Reinf. Tng.), Fort Hamilton, Brooklyn, N.Y.; without amendment (Rept. No. 1712). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 648. Resolution for the consideration of H.R. 11737. A bill to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes; without amendment (Rept. No. 1713). Referred to the House Calendar.

Mr. POWELL: Committee on Education and Labor. H.R. 11677. A bill to prohibit discrimination on account of sex in the payment of wages by certain employers engaged in commerce or in the production of goods for commerce and to provide for the restitution of wages lost by employees by reason of any such discrimination; without amendment (Rept. No. 1714). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. H.R. 11721. A bill to authorize the payment of the balance of awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of April 30, 1946, and to authorize the appropriation of $73 million for that purpose; without amendment (Rept. No. 1715). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 1881. An act for the relief of Maria La Bella; with amendment (Rept. No. 1692). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 6016. A bill for the relief of William Thomas Dendy; without amendment (Rept. No. 1693). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 9180. A bill for the relief of Noreen Joyce Baden; with amendment (Rept. No. 1694). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 9588. A bill for the relief of Claude Homann-Herimberg (nee Wagner); with amendment (Rept. No. 1695). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 423. Resolution providing for sending the bill (H.R. 8585) for the relief of Jefferson Construction Co., together with accompanying papers, to the Court of Claims; without amendment (Rept. No. 1701). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 2836. A bill for the relief of C. Edwin

Alley; with amendment (Rept. No. 1702). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6014. A bill for the relief of Stephen A. Eskin; with amendment (Rept. No. 1703). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6655. A bill for the relief of Lecil A. Sims; with amendment (Rept. No. 1704). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7365. A bill for the relief of Herbert B. Shorter, Sr.; without amendment (Rept. No. 1705). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 8452. A bill for the relief of Glendal W. Hancock; with amendment (Rept. No. 1706). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 9599. A bill for the relief of Solomon Annenberg; with amendment (Rept. No. 1707). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 9834. A bill for the relief of Estelle L. Heard; without amendment (Rept. No. 1708). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 9942. A bill for the relief of Mrs. William W. Johnston; without amendment (Rept. No. 1709). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 10525. A bill for the relief of Francis L. Quinn; without amendment (Rept. No. 1710). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 11578. A bill for the relief of Don C. Jensen and Bruce E. Woolner; without amendment (Rept. No. 1711). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATTIN:

H.R. 11791. A bill to promote the general welfare, foreign policy, and security of the United States; to the Committee on Ways and Means.

By Mr. BOGGS:

H.R. 11792. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. CELLER:

H.R. 11793. A bill to provide criminal penalties for trafficking in phonograph records bearing forged or counterfeit labels; to the Committee on the Judiciary.

By Mr. CRAMER:

H.R. 11794. A bill to provide for the medical and hospital care of the aged through a system of voluntary health insurance and tax credits, and for other purposes; to the Committee on Ways and Means.

By Mrs. DWYER:

H.R. 11795. A bill to amend section 701 of the Housing Act of 1954 to provide grants for continuing support of metropolitan planning, and for other purposes; to the Committee on Banking and Currency.

H.R. 11796. A bill to amend section 701 of the Housing Act of 1954 to encourage the formation of regional agencies to develop comprehensive plans for meeting, through balanced and integrated highway and commuter transportation systems, the transportation needs of metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

H.R. 11797. A bill to provide for more effective utilization of certain Federal grants by encouraging better coordinated local review of State and local applications for such grants; to the Committee on Banking and Currency.

By Mr. MACDONALD:

H.R. 11798. A bill relating to the Italian American War Veterans of the United States, Inc., and the status of that organization under certain laws of the United States; to the Committee on the Judiciary.

By Mr. POAGE:

H.R. 11799. A bill defining the interest of local public agencies in water reservoirs constructed by the Government which have been financed partially by such agencies; to the Committee on Public Works.

By Mr. ROGERS of Florida:

H.R. 11800. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. RYAN of New York:

H.R. 11801. A bill to amend title I of the Housing Act of 1949 to authorize Federal participation in the cost of acquiring air rights as a part of an urban renewal project, and to prohibit luxury housing in the redevelopment of urban renewal areas; to the Committee on Banking and Currency.

By Mr. TAYLOR:

H.R. 11802. A bill to authorize an appropriation for a road in Cherokee National Forest, Tenn., and Nantahala National Forest, N.C., between Tellico Plains, Tenn., and Robbinsville, N.C.; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H.R. 11803. A bill to amend the laws with respect to Federal participation in shore protection; to the Committee on Public Works.

By Mr. WIDNALL:

H.R. 11804. A bill to amend the joint resolution of September 1, 1959, with respect to the establishment, on the site reserved thereby, of a Franklin Delano Roosevelt Memorial; to the Committee on House Administration.

By Mr. WILLIS:

H.R. 11805. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. DULSKI:

H.R. 11806. A bill to amend the Civil Service Retirement Act so as to provide for increases in annuities, eliminate the option with respect to certain survivor annuities, and provide for interchange of credits between the civil service retirement system and the insurance system established by title II of the Social Security Act; to the Committee on Post Office and Civil Service.

H.R. 11807. A bill to increase annuities under the Civil Service Retirement Act; to equalize increases in annuity for certain employees retired before October 1, 1956, with annuities of other employees; to increase annuities whenever there is a general adjustment of salaries or the formulas for computing annuities of retiring employees is generally liberalized; to the Committee on Post Office and Civil Service.

H.R. 11808. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McDOWELL:

H.R. 11809. A bill to authorize the Secretary of the Army to convey certain lands at Fort Miles, Del., to the State of Delaware; to the Committee on Armed Services.

By Mr. RIVERS of Alaska:

H.R. 11810. A bill to provide for the issuance under the provisions of the Federal Aviation Act of 1958 of certificates of public convenience and necessity of indefinite duration to certain air carriers operating in the State of Alaska; to the Committee on Interstate and Foreign Commerce.

By Mr. WRIGHT:

H.R. 11811. A bill to amend title 23 of the United States Code to provide for the preservation to the maximum practicable extent of objects of historic value, and to provide that the Secretary of the Interior shall approve the acquisition of certain lands of national historical significance, or of interests therein, for highway and public building purposes; and for other purposes; to the Committee on Public Works.

By Mr. MACGREGOR:

H.J. Res. 718. Joint resolution requesting the President to call an immediate emergency conference of the Southeast Asia Treaty Organization and authorizing the President to employ the Armed Forces of the United States for protecting Laos and other friendly nations in southeast Asia against armed attack; to the Committee on Foreign Affairs.

By Mr. MILLER of New York:

H.J. Res. 719. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. BAILEY:

H. Res. 644. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. DENT:

H. Res. 645. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. ELLSWORTH:

H. Res. 646. Resolution providing for investigation and study of the administration and operation of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture; to the Committee on Rules.

By Mr. SHRIVER:

H. Res. 647. Resolution providing for investigation and study of the administration and operation of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. ANFUSO:

H.R. 11812. A bill for the relief of Napoleon Elocre Magadia and his wife Milagros De Guzman Magadia; to the Committee on the Judiciary.

By Mr. DOWNING:

H.R. 11813. A bill for the relief of John F. Wood of Newport News, Va.; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 11814. A bill for the relief of Maria del Carmen Gandara Suarez; to the Committee on the Judiciary.

H.R. 11815. A bill for the relief of Rinaldo Secci; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 11816. A bill for the relief of Genia Gasas; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 11817. A bill for the relief of Aharon Ron and Mrs. Mazal Ron; to the Committee on the Judiciary.

By Mr. OLSEN:

H.R. 11818. A bill for the relief of Frank C. Sakran; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 11819. A bill to provide for the conveyance of certain lands by the United States to Bailey W. Wadlington, Jr.; to the Committee on Government Operations.

By Mr. RHODES of Pennsylvania:

H.R. 11820. A bill for the relief of Teresa Carafa; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

349. Mr. CAREY presented a petition of the Flatbush Democratic Club of Brooklyn, N.Y., favoring passage of the Anderson-King bill, so that the main burden of the health costs of our senior citizens can be immediately alleviated, which was referred to the Committee on Ways and Means.

SENATE

Thursday, May 17, 1962

(Legislative day of Wednesday, May 16, 1962)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Hon. J. J. Hickey, a Senator from the State of Wyoming.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Spirit, who dost bring forth Thy righteousness as the light, and Thy judgments as the noonday: In the presence of the ageless realities which the blasphemies of deluded men cannot touch, we pause in reverence with a deep sense of responsibility, as servants of the public welfare, praying for courage to attempt, patience to endure, and power to achieve.

We would commit our way unto Thee, fretting not ourselves because of evil men who imagine vain things and attempt to bring wicked devices to pass.

Our eyes have seen the glory of a government of law bringing peace and prosperity to many states, and to men of all color, creeds, and races within our own Nation. Give us an unshakable faith that a lawful order can be established for the whole world.

In this faith, steel our hearts to march forward toward a clean world our hands can help to make.

We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., May 17, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. J. J. Hickey, a Senator from the State of Wyoming, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mr. HICKEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 16, 1962, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Harold R. Tyler, Jr., of New York, to be U.S. district judge for the southern district of New York, which was referred to the Committee on the Judiciary.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1745) to amend the act of August 9, 1955, relating to the regulation of fares for the transportation of school children in the District of Columbia, with amendments, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 383) to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes, and it was signed by the Acting President pro tempore.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Mansfield, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Buildings and Grounds Subcommittee of the Committee on Public Works.

The Retirement Subcommittee of the Committee on Post Office and Civil Service.

The Production and Stabilization Subcommittee of the Banking and Currency Committee.

The Juvenile Delinquency Subcommittee of the Judiciary Committee.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Number of Employees Required To Carry Out Provisions of Proposed Legislation

A letter from the Secretary of the Army, transmitting information pertaining to the number of civilian officers and employees required to carry out the provisions of proposed legislation, transmitted to the Senate on March 21, 1962 (with an accompanying paper); to the Committee on Armed Services.

Report on Backlog of Pending Applications and Hearing Cases in Federal Communications Commission

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1962 (with an accompanying report); to the Committee on Commerce.

Suspension of Deportation of Certain Aliens

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a resolution adopted by the Council of the City of Marysville, Calif., protesting against the enactment of legislation to provide a Federal income tax on income derived from public bonds, which was referred to the Committee on Finance.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

William P. Mahoney, Jr., of Arizona, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Ghana.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 3318. A bill to provide medical care for certain Coast and Geodetic Survey retired ships' officers and crew members and their dependents and for other purposes;

S. 3319. A bill to extend to certain employees in the Trust Territory of the Pacific Islands the benefits of the Federal Employees' Compensation Act; and

S. 3320. A bill to amend the Vocational Rehabilitation Act to assist in providing more flexibility in the financing and administration of State rehabilitation programs, and to assist in expansion of services and facilities provided under such programs, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. ANDERSON:

S. 3321. A bill to provide for the establishment of Valle Grande National Park in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BIBLE (by request):

S. 3322. A bill to increase the jurisdiction of the Municipal Court for the District of Columbia in civil actions, to change the name of the court, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. Bible when he introduced the above bill, which appear under a separate heading.)

By Mr. MOSS (for himself, Mr. Long of Hawaii, Mr. Bible, Mr. Yarborough, Mr. Burdick, Mr. Bennett, Mr. Kuchel, Mr. Fong, Mr. Kerr, Mr. Allott, and Mr. McGee):

S. 3323. A bill to amend the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Moss when he introduced the above bill, which appear under a separate heading.)

By Mr. McNAMARA (by request):

S. 3324. A bill to provide assistance for research or training projects leading to development of new or improved programs to help older persons, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. McNamara when he introduced the above bill, which appear under a separate heading.)

By Mr. MOSS:

S. 3325. A bill to extend the application of the Classification Act of 1949 to certain positions in, and employees of, the executive branch of the Government; to the Committee on Post Office and Civil Service.

By Mr. CHAVEZ:

S.J. Res. 188. Joint resolution proposing an amendment to the Constitution of the United States granting representation in the electoral college to the Commonwealth of Puerto Rico; to the Committee on the Judiciary.

RESOLUTIONS

TO PRINT AS A SENATE DOCUMENT AN AGREEMENT RELATING TO THE USE AND DEVELOPMENT OF WATER AND RELATED LAND RESOURCES

Mr. ANDERSON submitted a resolution (S. Res. 342) to print as a Senate document an agreement relating to the use and development of water and related land resources, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. Anderson, which appears under a separate heading.)

TO PRINT AS A SENATE DOCUMENT, WITH AN ILLUSTRATION, A REPORT ENTITLED "FUNCTIONS OF THE GENERAL ACCOUNTING OFFICE"

Mr. McCLELLAN submitted a resolution (S. Res. 343), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed, with an illustration, as a Senate document a report compiled by the General Accounting Office at the request of the Committee on Government Operations entitled "Functions of the General Accounting Office"; and that there be printed three thousand additional copies of such document for the use of that committee.

JURISDICTION OF MUNICIPAL COURT FOR DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, by request, I introduce, for appropriate reference, a bill to increase the jurisdiction of the municipal court for the District of Columbia in civil actions, to change the name of the court, and for other purposes. I ask unanimous consent that a letter from the President of the Board of Commissioners of the District of Columbia, requesting the proposed legislation, be printed in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the Record.

The bill (S. 3322) to increase the jurisdiction of the municipal court for the District of Columbia in civil actions, to change the name of the court, and for other purposes, introduced by Mr. Bible, by request, was received, read twice by its title, and referred to the Committee on the District of Columbia.

The letter presented by Mr. Bible is as follows:

Government of the
District of Columbia,
Executive Office,
Washington, D.C., May 14, 1962.

Hon. Lyndon B. Johnson,
President of the U.S. Senate,
Washington, D.C.

Dear Mr. Johnson: The Commissioners have the honor to submit herewith a draft of a bill "To increase the jurisdiction of the municipal court for the District of Columbia in civil actions, to change the name of the court, and for other purposes." Enclosed also is a copy of a report dated December 19, 1961, of a special committee appointed by the Honorable Wilbur K. Miller, chief judge of the U.S. Court of Appeals for the District of Columbia Circuit, to implement recommendations adopted by the 1961 Judicial Conference of the District of Columbia Circuit with respect to the municipal court, together with a copy of a letter dated December 11, 1961, addressed to Edmund D. Campbell, Esquire, chairman of the committee, setting forth the separate views of the Honorable Alexander Holtzoff, a member of the committee.

Chief Judge Miller has brought the recommended legislation to the attention of the Commissioners, urging that they initiate the legislation.

In accordance with the recommendations of the judicial conference, the proposed legislation increases the ad damnum jurisdiction of the municipal court from $3,000 to $10,000; increases the subpena powers of the court commensurate with the increased jurisdiction; changes the name of the court to the District of Columbia court of general sessions; and amends existing law so that the authority of the U.S. District Court for the District of Columbia to certify cases to municipal court is increased from $3,000 to $10,000.

The increase in subpena power for the court is accomplished by giving to the municipal court authority similar to that given to the domestic relations branch of the court in the act approved April 11, 1956 (70 Stat. 111). This authority permits the court to require the attendance of witnesses by subpena served at any place within the District of Columbia or at any place without the District of Columbia that is within 100 miles of the place of the hearing or trial specified in the subpena.

The authority for the U.S. district court to certify actions to the District of Columbia court of general sessions would be exercisable if "it shall appear to the satisfaction of the court at or subsequent to any pretrial hearing, but prior to trial thereof, that the action will not justify a judgment in excess of $10,000." At present, the district court may certify an action to the municipal court if "it shall appear to the satisfaction of the court at any time prior to trial that the action will not justify a judgment in excess of $3,000." While the latter change was not included within the scope of action taken by the judicial conference, it was recommended by the special committee and included in the legislation approved by the chief judge of the U.S. Court of Appeals for the District of Columbia Circuit.

The Commissioners are very happy to join with the judicial conference, and recommend that the bill receive favorable action by the Congress.

The Commissioners have been advised by the Bureau of the Budget that, from the standpoint of the administration's program, there is no objection to the submission of this legislation to the Congress.

Very sincerely yours,

Walter W. Tobriner,
President, Board of Commissioners,
District of Columbia.

AMENDMENT OF SMALL RECLAMATION PROJECTS ACT OF 1956

Mr. MOSS. Mr. President, on behalf of myself and Senators Long of Hawaii, Bible, Yarborough, Burdick, Bennett, Kuchel, Fong, Kerr, Allott, Church, Case of South Dakota, and McGee, I introduce, for appropriate reference, a bill to amend the Small Reclamation Projects Act of 1956.

The small water projects loan program has been highly successful and it is evident that it is a desirable supplement to the Federal reclamation program. The Secretary of the Interior and the Congress have approved applications for 22 separate projects involving loans estimated at over $57 million. Applications for seven more projects and two applications for adjustments in project proposals have also been filed raising the total request for loans to about $75 million. Nine out of the eighteen States in which the program is authorized have submitted applications. I ask permission to enter into the Record at the close of this statement a status report on the small projects loan program as of April 18 of this year.

The National Reclamation Association, which first saw the need for a small reclamation projects loan program, has followed closely its progress during the 6 years of its existence. Experience has shown that changes were needed to increase the scope and effectiveness of the program and to bring it more nearly in line with related programs. The amendments I am offering today are supported by the NRA.

The first amendment will increase the maximum amount of Federal funds that can be provided for such projects from an uncertain amount less than $5 million to $7,500,000. The present act requires the subtraction of a local contribution from the $5 million limitation in a manner that causes the maximum loan to vary with local conditions, which has resulted in some confusion and inequities. The amendment also increases the maximum loan to compensate for the increases in construction costs since the program was originally proposed. Other than these two changes, the remainder of the section is the same as before.

The second amendment redefines the amount of detail to be included in the report that is the application for a loan. The present act might be construed to require information that is unnecessary and incompatible with the scope and relative simplicity of these smaller projects. This does not contemplate an applicable change from the type of application now being required by the Secretary but is intended as reassurance to some organizations now fearful of the requirements that might be imposed.

The third amendment is a clarification. At present the requirement for a local contribution is related to the cost of construction. It has been found that differences of opinion exist as to what items are costs of construction and what might properly be other project development costs. Therefore, it is proposed to relate this to the total cost of the project.

The fourth amendment will amend subsection (d) of section 4 to permit the legislative committees of the Congress to reduce the 60-day waiting period for a specific project by resolution of both committees. At present, the full 60 days must run although the committees may be fully satisfied with the proposal. In several cases, this situation has delayed the projects by nearly a year.

The fifth and sixth amendments will adjust the wording of subsections (a) and (b) of section 5 to clarify the intent. As now worded, it might be construed as requiring an organization to accept a grant or to accept a lower loan because a grant might have been justified. A requirement that an unwanted grant must be made would be unreasonable and incompatible with section 5(d) of the present act which provides authority for operation by the United States or for repayment of the grant in the event of noncompliance with regulations for the project operation to qualify for the grant.

The seventh amendment would change the interest formula to bring it into line with other related programs. This change is identical to that made a few years ago for the Colorado River storage project which originally had a formula similar to that of the existing Small Projects Act. The proposed formula is that of the Water Supply Act of 1958 which was adopted for the Colorado River storage project and has been used in other recent authorizations. This bill would make this change retroactive to loans already made under this program. In all cases, this would reduce the interest payments.

The bill proposes a new section 8 which would permit the Secretary to advance, to the local organization, up to half of the funds required for planning its small project. Experience has shown that some organizations have been delayed and others have been unable to complete their applications because of a lack of funds while others have skimped on their planning to complete an analysis within a limited budget. To some extent, this has been a factor in the localization of activity on such projects. If financial assistance were available for planning it is probable that applications would have been received from more than half of the States. The amendment also contains a provision to allow repayment of other Federal agencies in the event that they had made planning funds available as loans. This will consolidate the obligations.

The new section 9 amends the present section 8 by naming the Fish and Wildlife Coordination Act rather than reference to date and statute number. That act has been amended since the original small project act was passed and might be in the future so that the general title reference is preferable.

Except for the section number, section 10 is the same as the old section 9.

Section 11 amends the original section 10 to increase the limit on the authorization for this program. At present, appropriations are authorized up to $100 million. The proposed wording would, in effect, authorize appropriations up to $200 million of outstanding loans. If the limit were reached, loans could continue to be made at the rate at which past loans were repaid. The amendment also recognizes the fact that contracts or agreements will be required to carry out the provisions of section 8 to provide planning funds.

Sections 12 and 13 are unchanged from the original sections 11 and 12, except for the number.

The most significant changes are those which increase the limitation on Federal funds in the form of loans and grants for each project, the change in the interest formula, the authorization for financial assistance on planning and the increase of the overall program authorization. The rest are minor changes to clarify the act or to remove operating difficulties.

Mr. President, I ask that the bill be received and lay on the desk for additional sponsors until the Senate adjourns on Tuesday, May 22.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah, and the status report will be printed in the RECORD.

The bill (S. 3323) to amend the Small Reclamation Projects Act of 1956, introduced by Mr. Moss (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The status report presented by Mr. Moss is as follows:

Loan program status of small projects, Apr. 18, 1962

Organization	Region	Loan
Construction completed:		
Bountiful Water Subconservancy District, Utah	4	$3,510,000
Centerville-Deuel Creek Irrigation Co., Utah	4	402,000
Goleta County Water District, California	2	1,650,000
Georgetown Divide Public Utility District, California	2	[1] 3,878,000
Pleasant Valley County Water District, California	2	2,040,000
San Benito County Water Conservation and Flood Control District, California	2	1,425,000
South Davis County Water Improvement District, Utah	4	[2] 576,000
Total completed		13,481,000
Under construction:		
Browns Valley Irrigation District, California	2	4,804,000
Cameron County Water Control and Improvement District No. 1, Texas	5	4,600,000
Donna Irrigation District, Texas	5	4,067,000
Eastern Municipal Water District, California	3	4,980,000
Santa Ynez River Water Conservation District, California	2	3,800,000
South San Joaquin Irrigation District, California	2	4,900,000
South Sutter Water District, California	2	4,875,600
Walker River Irrigation District, Nevada	2	[3] 693,000
Weber-Box Elder Conservation District, Utah	4	304,000
Total under construction		33,023,600
Contract validated but increased loan applied for:		
Haights Creek Irrigation Co., Utah	4	214,000
Jackson Valley Irrigation District, California	2	1,327,000
Total under contract		1,541,000
Contract pending validation, in litigation: Roosevelt Water Conservation District, Arizona	3	2,780,000
Applications approved and 60 days completed before Congress:		
Haights Creek Irrigation Co., Utah (increase)	4	126,000
Klamath Basin Improvement District, Oregon	2	942,100
Weber-Box Elder Conservation District, Utah, loan No. 2	4	811,000
Applications approved and sent to Congress: State of Hawaii (Molokai project)		$4,514,000
Total approved but not under contract		9,173,100
Grand total applications approved		57,218,700
Applications under consideration in Bureau and Department:		
Banta-Carbona Irrigation District, California	2	967,000
Cassia Creek Reservoir Co., Idaho	4	[4] 2,498,000
Fallbrook Public Utility District, California	3	4,457,000
Georgetown Divide Public Utility District, California (supplemental)	2	760,000
Jackson Valley Irrigation District, California (increase)	2	1,043,000
Orchard City Irrigation District, Colorado	4	270,000
Roosevelt Irrigation District, Arizona	3	4,620,000
Settlement Canyon Irrigation Co., Utah	4	[5] 1,104,000
Teel Irrigation District, Oregon	1	2,090,000
Total applications under consideration		17,809,000
Grand total applications received [6]		75,027,700
Applications at least partially drafted: [7]		
Central Oregon Irrigation District, Oregon	1	750,000
Indian Hill Irrigation Co., Idaho	1	1,825,650
King Hill Irrigation District, Idaho	1	558,000
Palo Verde Irrigation District, California	3	3,246,600
St. John Irrigation Co., Idaho	3	662,000
Tehama County Flood Control and Water Conservation District, California	2	4,865,000
Total applications in draft		11,907,250

[1] Has applied for an increase.

[2] Repairs estimated at $18,000 added.

[3] Includes flood control grant of $130,000.

[4] Includes grants of $146,400.

[5] Includes grants of $189,000.

[6] Does not include application of Reeves County Water Conservation District, Texas, which was withdrawn by district.

[7] May be incomplete listing; includes only those that have been submitted to the Bureau for comment.

SENIOR CITIZENS ACT OF 1962

Mr. McNAMARA. Mr. President, I introduce a bill, and ask that it be appropriately referred.

This bill is the Senior Citizens Act of 1962 which has been sent to the Congress by the President and the Department of Health, Education, and Welfare.

In introducing the Department's bill, I would like to make it plain that I do not do so with wholehearted enthusiasm. It lacks my full support because I feel it covers only a small portion of the job that needs to be done if we are to adequately meet the problems of elderly and retired Americans. However, I introduce it so that the Senate may have before it a number of suggested alternatives for its consideration.

The Department's proposal actually is a part of a larger program I have introduced in the Senate as S. 2779, and which Representative JOHN FOGARTY introduced in the House as H.R. 10014. As does our bill, the Department's proposal would authorize grants to public and nonprofit institutions and agencies for:

First. Intensive and long-term training of specialized personnel to work in the field of aging.

Second. Support and encouragement of special demonstration, research, and evaluation projects which could lead to the development of new and improved programs to help older persons.

These are important and needed programs. However, the Department's proposal departs from the McNamara-Fogarty bill in two important respects.

It does not provide for actual Federal financial participation in the establishment of State agencies and in the development of State and community programs.

And it ignores the creation of a U.S. Commission on Aging, which we feel is necessary to serve as a focal point for developing national policy, and to coordinate and support programs in the field of aging.

The Department apparently hopes to escape this last need, through a loophole provided by the President's new Executive order, reconstituting the old Federal Council on Aging as the President's Council on Aging. Whether this is more than just a name change remains to be seen, but at best it would remain as an interdepartment agency with no real power to do the necessary job.

I regret that the Department saw fit to endorse this diluted program for our elderly. However, I am confident that we can—in committee and in the full Senate—produce an improved and much-strengthened measure.

I ask unanimous consent that the President's letter transmitting the proposal to the Senate be printed in the RECORD at this point in my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3324) to provide assistance for research or training projects leading to development of new or improved programs to help older persons, and for other purposes, introduced by Mr. McNAMARA, by request, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter presented by Mr. McNAMARA is as follows:

MAY 14, 1962.

HON. LYNDON B. JOHNSON,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith a draft of a bill entitled the "Senior Citizens Act of 1962." The bill has two principal purposes:

First, it will provide assistance for research, demonstration, and evaluation projects leading to the development of new and improved programs to help older persons. These projects will, in most instances, be under the control of the States, local communities, and nonprofit institutions and organizations.

Secondly, it will encourage and assist universities, professional schools and other institutions, organizations and agencies to increase their programs for training those professional and technical people needed to provide the broad range of services required by older people.

The life expectancy of our population, the number of older people, and the number of years that our citizens spend in retirement are increasing. By 1970, approximately 20 million persons will be over age 65. Many of our older citizens face special problems resulting from reduced incomes, inadequate housing, large medical bills, declining health, unproductive leisure time, and lack of opportunity to continue their useful service to society. While our present programs are helping them to meet their most serious problems, important gaps remain in services for our older people.

The purpose of the proposed Senior Citizens Act of 1962 is to enable the Federal Government to help fill these gaps in existing programs through participation in a major cooperative effort with the States and local communities to accelerate efforts already underway to improve the living conditions of this important segment of our population. It will permit the Secretary of Health, Education, and Welfare to assist such activities as (1) community planning of coordinated services for older persons, (2) experimentation and demonstration of techniques for more fully using the leisure time of retired persons through community service projects and educational and recreational programs, and (3) training of gerontologists and other specialists needed to expand services to the aged.

For these purposes, an annual authorization for $10 million in appropriations for 5 years is requested.

Sincerely,

JOHN F. KENNEDY.

WATER RESOURCE PROJECT EVALUATION STANDARDS

Mr. ANDERSON. Mr. President, on May 15, 1962, President Kennedy approved for application by the agencies of the executive branch, including the Bureau of the Budget, policies, standards, and procedures for the formulation, evaluation, and review of plans for water and related land resource projects. Those standards had been developed at the President's direction by the Secretaries of the Departments of the Army; Agriculture; Health, Education, and Welfare; and Interior, with the latter serving as chairman. The heads of those four Departments which, under the President, have the principal statutory responsibilities for Federal activities concerned with water and land resources conservation and development, were unanimous in their joint recommendations.

This action will place Federal water resource projects proposals in a realistic and forward-looking context that will enable both the executive and the legislative branches to make informed judgments of the merits and desirability of the projects. Thus a significant advance has been made in the resources field. As a consequence, it will be possible soundly to devise, authorize, and execute the large programs that are urgently needed to match water supplies to the water requirements of our rapidly growing population and expanding economy. Furthermore, State officials and the public will also be fully informed about proposed projects.

The recommendations of the four Department heads, and the President's approval of them, are consistent with the established policies of the Senate. They are, in fact, in compliance with requests of the Senate.

The new policies and standards, established in an agreement of the four Department heads, replace Budget Bureau Circular A–47 which caused considerable contention, both as to content and as to the propriety of its source.

On July 26, 1956, in the 84th Congress, the Senate expressed its sense relative to the conservation and development of water and related land resources in Senate Resolution 281 which stated:

> Land and water resources development should be planned on a comprehensive basis and with a view to such an ultimately integrated operation of component segments as will insure the realization of the optimum degree of physical and economic efficiency.

Pursuant to the direction provided in Senate Resolution 281 of the 84th Congress, studies and hearings on the matter were conducted jointly by the Committees on Interior and Insular Affairs and on Public Works over a period of a year. These led to a resolution proposing standards and criteria for the authorization of projects. On January 28, 1957, after full debate for 2 days, that resolution—Senate Resolution 148 of the 85th Congress—was agreed to by the Senate.

Senate Resolution 148 sets forth in considerable detail the Senate's concept of proper standards and criteria for evaluation of water and land resource projects proposed for authorization. It is significant that the standards that have just been approved by President Kennedy for executive branch use in formulation of project plans and proposals conform in an important degree with those set forth in Senate Resolution 148.

An interesting historical sidelight is that Senator Kennedy was in the chair as Presiding Officer when the Senate agreed to Senate Resolution 281 which initiated the valuation standards that 5 years later, as President, he applied to the executive branch.

The document approved by President Kennedy states as objectives of planning:

> The basic objective in the formulation of plans is to provide the best use, or combination of uses, of water and related land resources to meet all foreseeable short- and long-term needs. * * *

> National economic development, and development of each region within the country, is essential to the maintenance of national strength and the achievement of satisfactory levels of living. Water and related land resources development and management are essential to economic development and growth. * * *
>
> Well-being of all of the people shall be the overriding determinant in considering the best use of water and related land resources. Hardship and basic needs of particular groups within the general public shall be of concern, but care shall be taken to avoid resource use and development for the benefit of a few or the disadvantage of many. In particular, policy requirements and guides established by the Congress and aimed at assuring that the use of natural resources, including water resources, safeguard the interests of all of our people shall be observed. * * *

President Kennedy said to his four Department heads, "You have done a difficult task well."

In order that the Senate and citizens throughout the Nation may be fully informed of this important accomplishment, I am submitting a resolution to have the new agreement between the Departments, approved by the President, printed as a Senate document, together with an exchange of correspondence on the matter between Secretary of the Interior Udall and President Kennedy and these explanatory remarks. I ask that it be referred to the Committee on Rules and Administration.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 342) was referred to the Committee on Rules and Administration, as follows:

> *Resolved*, That there be printed as a Senate document an agreement of the Secretary of the Army, the Secretary of Agriculture, the Secretary of Health, Education, and Welfare, and the Secretary of the Interior entitled "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources", together with correspondence of the Secretary of the Interior and the President of the United States in regard to the matter, and the explanatory remarks of Senator Clinton P. Anderson, of New Mexico, on the floor of the Senate May 17, 1962, and that there be printed twenty-five hundred additional copies for the use of the Committee on Interior and Insular Affairs.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. MAGNUSON submitted the following notice in writing:

> In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 10802) making appropriations for the Department of the Interior and Related Agencies, for the fiscal year ending June 30, 1963, and for other purposes, the following amendment; namely: On page 31, after line 7, insert:
>
> "ACCESS ROADS
>
> "For acquiring by condemnation or otherwise additional roads needed for access to national forest lands in carrying out the Act of June 4, 1897, as amended (16 U.S.C. 471, 472, 475, 476, 551), $6,000,000, to remain available until expended."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 10802, making appropriations for the Department of the Interior and related agencies, for the fiscal year ending June 30, 1963, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

INTERIOR DEPARTMENT APPROPRIATION BILL, 1963—AMENDMENT

Mr. ANDERSON submitted an amendment, intended to be proposed by him, to the bill (H.R. 10802) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT AND EXTENSION OF PROVISIONS OF SUGAR ACT OF 1948—EXTENSION OF TIME FOR BILL TO LIE ON DESK

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Ellender sugar bill (S. 3290) be allowed to stay at the desk until Wednesday, May 23, so that Senators who wish to cosponsor the bill may do so.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE CONCERNING NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. KEFAUVER. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Ben Hardeman, of Alabama, to be U.S. attorney, middle district of Alabama, term of 4 years, vice Hartwell Davis.

Roland S. Mosher, of Arizona, to be U.S. marshal, district of Arizona, term of 4 years, vice Archie M. Meyer, term expired.

Edward Hussey, Jr., of Delaware, to be U.S. marshal, district of Delaware, term of 4 years, vice Herbert Barnes, term expired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, May 24, 1962, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1962, he presented to the President of the United States the enrolled bill (S. 383) to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the Record, as follows:

By Mr. BYRD of West Virginia:

Statement made by himself on May 10, 1962, before the Public Lands Subcommittee of the Committee on Interior and Insular Affairs, relating to the establishment and administration of an Allegheny Parkway in the States of West Virginia, Kentucky, and Maryland.

EFFECT OF CHAINSTORE PRACTICES ON THE LIVESTOCK INDUSTRY

Mr. McGEE. Mr. President, some few days ago I was in Omaha, Nebr., to deliver an address; and on that occasion I met a livestock feeder and buyer, Mr. Ernest M. Luther, who spoke in very glowing terms of a constituent of mine in Horse Creek, Wyo., Mr. Courtney Davis. Mr. Luther expressed his admiration for Mr. Davis' far-sightedness in his concern over the welfare of the livestock industry.

Since that conversation, there has been placed in my hands, through the courtesy of Mr. Luther, a copy of a speech which Mr. Courtney Davis delivered last December at the Colorado Cattlemen's Annual Midwinter Convention, at Colorado Springs, Colo. The burden of Mr. Davis' address was that the practices of some of the largest food chainstores have become seriously crippling factors in connection with regulation of the prices of livestock on the U.S. market.

I suggest that Wyoming's distinguished former Senator, Joseph C. O'Mahoney, a distinguished predecessor in this body and a fellow colleague of both the present occupant of the chair, my colleague, Mr. Hickey, and myself, long conducted a personal crusade in behalf of loosening up the marketing practices, so that the cattle raisers would have a better chance to realize a fair return on the livestock they produce. Through the diligence of Senator O'Mahoney, efforts were repeatedly made to intensify and shore up the Packers and Stockyards Act and the enforcement of the provisions of that act through the Department of Agriculture, in behalf of the cattle producers.

I ask that the speech which Mr. Courtney Davis delivered in Colorado Springs, receive the very careful consideration of the Members of this body. I single out the speech for special mention because, although it was placed in the Record some time ago by my distinguished colleague [Mr. Hickey], who now occupies the chair, it seems to me that the contents of the speech must be returned to again and again for personal scrutiny, because it brings into focus the fact that the meatpackers no longer are necessarily the manipulators of the prices of livestock, as once was the case, as compared with the chainstore operators, who today purchase so large a percentage of all livestock products turned out by the meat packers.

Therefore, Mr. President, I simply wish to take occasion this morning to emphasize the importance of the observations of Mr. Courtney Davis and to call attention to the necessity of continuing to survey and review the activities of the chainstores in their meat buying and their livestock operations on their own part.

TRANSCRIPT OF RADIO AND TELEVISION ADDRESSES BY SENATOR JAVITS AND SENATOR KEATING

Mr. WILLIAMS of New Jersery. Mr. President, it is a genuine pleasure to hail and congratulate my esteemed colleagues, the Senators from New York, Jacob K. Javits and Kenneth B. Keating, both of whom celebrate their birthdays on May 18.

Taking note of this cheerful coincidence, the Metropolitan Broadcasting Co. honored both these gentlemen by inviting them to appear on TV and radio and asking them to give their views on a number of nonpolitical subjects, in keeping with the personal nature of the occasion.

When interviewed by Metropolitan Broadcasting's newsmen Mark Evans and Martin Weldon, Senator Javits and Senator Keating revealed some uniquely interesting personal views about life and love, public service, and the motivations of those who serve their Nation in the Senate of the United States.

The program is to receive unusually wide circulation on the Metropolitan Broadcasting television stations WNEW-TV, in New York, and WTTG, in Washington; and on radio over WNEW, in New York; WIP, in Philadelphia; and, overseas, through Metropolitan Broadcasting's shortwave station, WRUL.

As a mark of my own deep respect for my two colleagues, I ask unanimous consent to have printed at this point in the Congressional Record the transcript of the program.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Javits-Keating Birthday Salute—Metropolitan Broadcasting Salutes the Two New York Senators on Their Joint Birthday—May 18.

Mr. Evans. For the next half hour we are going to try to do the impossible. We are going to be talking to two Members of a rather exclusive group, the U.S. Senate, and are going to try to steer the conversation away from politics and issues.

If this turns out to be a foolhardy effort, at least we have sentimental reasons for trying.

Today, Friday, May 18, is the birthday of both of the men who represent New York State in the U.S. Senate, Jacob K. Javits and Kenneth B. Keating. Today is their birthday.

Well, this is too rare a coincidence to ignore, so we have invited both men to do their birthday celebrating here now, and with us. And since a birthday is a rather personal thing, we thought we would try to keep the conversation to highly personal subjects, like life and love and philosophy, and other matters that don't regularly find their way into the Congressional Record.

Now gentlemen, if you will proceed to blow out the candles, we will make that the signal to get going.

A happy birthday to you, and now let's settle back for a nice, old-fashioned, nonpolitical gabfest.

Martin Weldon, the head of our news and special events department at Metropolitan Broadcasting, will now ask the first question.

Mr. Weldon. Gentlemen, as you look back on your careers, how would you yourselves rate your performances?

Have you been as successful as you hoped?

Senator Javits. I would say that I have. I feel that this is a place where one can play out one's life's destiny in a high order of service and I feel—I may not be adequate to the place, though I feel I am, but I feel I have arrived at a place where if I had been dreaming when I was very young, I would have dreamed that I would be.

Mr. Weldon. How about you, sir.

Senator Keating. Well, I am never satisfied. I always would like to have done more than I have done, but I will say this, that I think to serve in the Senate of the United States and particularly to represent a great State like New York, is the highest ambition that I ever could have thought of in my youth, and I am very happy where I am and enjoy my work immensely.

Mr. Evans. What has been the greatest influence in your life, Senator?

Senator Keating. I suppose my mother.

Mr. Evans. Politically?

Senator Keating. No, she was politically interested, but—no, in general, I would say, in framing my character.

Mr. Evans. How about you, Senator?

Senator Javits. I would say it was my mother with her flaming interest in education and a terrific drive for getting the most out of my capabilities, because we started in a position where you had to have that in order to get anywhere. It was shown by the fact that she learned how to read and write when she was 55 years old. That is the kind of person she was.

Mr. Evans. Your backgrounds are so divergent, Ken, coming from a little town—Lima, was it?

Senator Keating. Lima.

Wait a minute. I want to give credit to my father because he was a two-fisted fellow and quite different from my mother, but I have always said—Jack has heard me say this about civil rights, and my great interest in it. I learned it really from them. I was playing ball out in the yard one day and there was a little Negro boy in our team and somebody called him a name reflecting on his race.

My mother heard this, and she thought maybe I had done that. She brought me in and she gave me a great lecture about it and how we were all God's children and so on. She was very religious.

My father came home from work that night and she told him, and he said "Did you say that?"

I said "No, I didn't say that," and he said "Well, if you ever do, if I ever hear of that, I will thrash you within an inch of your life."

Mr. Evans. Did he whip you as a boy?

Senator Keating. Sometimes.

Mr. Evans. How about you, Senator?

Senator Keating. I want to finish that thought; I always said that I learned civil rights at my mother's knee and over my father's knee.

I have been spanked. I was whipped by some of the boys in school, too. But I did a little of it on my own.

Senator Javits. Well, that we have all had. I was going to add, too, that my brother was a great influence in my life. He is a distinguished lawyer about 10 years older than I am, and he sort of brought the family out of the lower East Side when I was still fairly young—about 14. And so that was a real influence.

My father was a very dear man, a wonderful human being who was a student of Hebrew theology more than anything else, and had a rather humble job all his life, but lent a note of warmth and love and humor.

You asked whether I was whipped. Not in any formal way, as you would say, but I remember the few occasions on which I was slapped. Apparently that was my particular punishment for doing something very wrong, like bringing beer instead of milk, which is an incident I remember very well, and it had such a marked effect upon me in terms of being specific and doing what you are supposed to do and not fuzzing about it or being fuzzy in your head about it. Though it was rare, very rare, it was so very strong an impression that I even to this day retain it.

Mr. Weldon. Gentleman, the New York Post is running a series right now asking the question "What is happiness?" What is your definition?

Senator Javits. To me happiness is the joy of being loved and of loving and of having the opportunity in life to develop—to utilize your full capability as a man.

Senator Keating. I couldn't improve on that. I think that is an excellent definition.

Mr. Evans. How do you compare the world you grew up in and the world today, Ken? I am sure you have drawn that comparison.

Senator Keating. Many times. A good many things have changed, but I don't want to accentuate my age. Now in political life you never admit you are within 20 years of your age, and you never can have a sore toe or a head cold or else you are incapacitated.

Well, I can see so many changes. I was brought up, as you say, in this little village of Lima, of 800 or 1,000 people. There were a few automobiles, but not many—we didn't have any—and I learned to drive a horse and feed a horse and milk a cow, and all those things. They are pretty far distant from what I am doing now.

New York City was quite a different town from what it is today. Of course it has changed so much in the last 2 or 3 years.

Mr. Evans. It does that hourly.

I mean philosophically, the kind of world it is. Is it a tougher world to grow up in?

Senator Keating. Well, there are more problems.

Mr. Evans. Do you think you could be a Senator 30 years from now if you were starting from scratch as you were——

Senator Keating. Oh, I hope to be a Senator 30 years from now.

Mr. Evans. Excuse me. Suppose you were starting over?

Senator Keating. It was so simple to be a Senator then, or a Member of Congress, as Jack knows. We both served in the House before coming to the Senate. In those days, I remember the Congressman when I was a little boy used to come around and call on my dad occasionally, and he was down in Washington in January and February and into March, sometimes, and the problems were relatively simple.

The world wasn't in the chaotic condition it is in today. The domestic and the international problems are so incomparably greater than they were then. It is a different world.

Senator Javits. Well, I would say you owe different allegiances. I think Ken has put his finger on it when he says that. In our neighborhood—of course he says he learned how to milk a cow and drive a team. I learned the ins and outs of selling wares off a pushcart and playing rough games in the street and having street fights with other kids.

Senator Keating. I fought too.

Senator Javits. Not in quite such an organized way.

But these are the diversities of our experience. But I would say the talents are different. I really feel that. I don't think I could have been a Senator 50 years ago. Perhaps a Senator. I don't think I could have been a Congressman because I think it took a different type of talent.

You didn't have to be perhaps quite as much of a lawyer, as much of a student, as much of a draftsman. You had to be a neighborhood person.

I think I could be—I was in my own Congressional District a neighborhood person. I think I was well liked, but I don't think it was quite the emphasis on those skills which brought me to this place, as the emphasis upon the other skills which are of today, the modern day.

Mr. Weldon. Do you think being raised in a slum did you any good? Did it do something for you that brought out qualities that made you a success?

Mr. Evans. Something your boy doesn't have, probably?

Senator Javits. Well, I hope my boy will have it. To come by a sense of the humanity of life, a feeling that you are your brother's keeper, a feeling that when things are bad for others they are bad for you, a feeling that what happens to any minority happens to every minority, these are feelings which I think you get in that atmosphere. I don't think the only way to come by it is by being born and being raised in the slums, but certainly there it is almost as natural as breathing and you are either that or you get bitter and cynical and you want to get ahead and you are going to walk over the backs of anybody to do it and then you become a totally different type of a personality or you end up in jail or the electric chair.

Mr. Evans. How big a part does religion play in your life, Senator?

Senator Javits. Religion is important as a residual influence in my life. I have had occasion to refer to that subject before, and the precepts of my faith are a very important reliance to me when there is really doubt, or great pressure.

It is a steadying influence and a fundamental philosophy which is extremely helpful and extremely sound.

For example, if you get very confused about something, as we often do—nothing is black and white—or it is a tough decision, it is hard, you know you will antagonize a lot of people, I find there is a residual strength in the faith of my fathers which says if it is right, you have to do it, you have no choice. There is no alternative. This is your job. This is what you are made to do in life.

In that respect, in rather simple terms, it is extremely helpful.

Mr. Evans. How about you, Ken?

Senator Keating. Religion I think is very important. I don't want to annoy any of the members of my faith. I am Presbyterian. But I could be probably just as good a Baptist or a Roman Catholic or a Jew. It wouldn't be too difficult.

Mr. Evans. I did not mean specific religions.

Senator Keating. It wouldn't be too difficult for me. I have a very broad religion and it is very important. It has been important to me. But I have a very broad attitude toward it which makes me feel that the particular religion which you profess is of minor importance.

The time may come in this world when all those who believe in God will be arrayed against those who do not believe in God and that is one reason.

Mr. Evans. This is the case now pretty much, isn't it?

Senator Keating. Well, it is pretty close to that and that is one reason why I felt that all those who believe in God should be closer together.

I have been very much interested in the effort to bring all of the Christian churches together. I think that is something perhaps that will come, and I would say that religion, today, is the greatest element in my life.

Mr. Weldon. I hear that nowadays—you hear this—the Senators don't do much of their important talking or debating on the Senate floor. They save it for TV, or the newspapers. Is this true?

Senator Javits. I don't think so. Now there may not be many Members on the floor to hear an important speech but I think a great many of them are made, an unusual number, really, considering the public impression. Preparation goes into them, feeling goes into them, and in a very strange way, Martin, it does get through those walls. Even if there is nobody in the Chamber. And it has been my experience—Ken will speak for himself, of course—but somehow whether a Member has seen it on the ticker or somebody has told him that you made a great, warm speech on so and so, he will ask you what was the main point of your speech, or he will have read your press release on it which most of us get out when it is an important speech.

Somehow or other it does get through because debate in the Senate is not quick. You know it is not a half an hour and you are finished. There is a chance overnight to break through.

Now the art of great advocacy is no longer the case. You know, where you could get 50 Senators on the floor and win them over to a point, though even that is sometimes done, but I do not believe that any popular impression that debate, eloquent speech is either finished or has seen its day, its usefulness, in fact. I don't feel that way.

Mr. Evans. Let's pause for just a moment to apprise our audience that they are sitting in on what we think is a rather unique fest, if I may call it that—not a gab fest but a very, very interesting discussion with two men who have much in common: great Americans, Senators from the State of New York, and sharing the same birthday.

It is a philosophical discussion and we hope you will continue with us.

Mr. Evans. At the middway point we pause to listen to Senator Javits as he was talking about the efficacy of debate on the floor of the Senate of the United States. We would like very much to advance the same question to Senator Keating. How effective is debate, is it effective any more?

Senator Keating. Well, you compared it with the debates on TV and of course on TV there is more give and take. You fellows don't want answers more than half a minute long, and you want to turn to the next fellow.

In the Senate it does not operate that way. You don't interrupt each other without the utmost courtesy and so on. It is given more to one's speech and perhaps more to a speech without interruption than in the days gone by, according to what I know of debates in the old days in the Senate. However, that is certainly not to say that it is a thing of the past and there are many speeches that at the moment may not have great impact which later do. I have had the experience just recently, having made a speech several weeks ago which had been the result of 6 months of work in investigating the flooding of the entire world with Soviet oil and the use of Soviet oil as a political weapon rather than an economic weapon and just within the last 24 hours it has apparently aroused interest, so it took a little time for that oil to soak in.

It had very little attention at the time but it was something which is on the record and which I think will eventually be considered significant.

Mr. Weldon. Is your mind ever changed in the course of a debate?

Senator Keating. Occasionally. I agree with Jack that it is occasionally changed. Not very often. There are not many Senators in many cases who change their minds as a result of debate. But I have changed mine as a result of debate. I am sure that has happened to Jack. We like to think of ourselves as perhaps a little more openminded than some people, but in many cases debate, particularly on amendments to a bill, is important and often does change the result.

Mr. Evans. How effective is the guidance of the people via letterwriting? I think there is a lot of doubt in people's minds whether or not they play a part in your decisions.

Senator Keating. Well, I think they do.

Senator Javits. Well, I think letters are important in showing the public interest in a question and especially when it is spontaneous.

Now the fact that I say spontaneous——

Mr. Evans. Can you tell whether it is spontaneous or not?

Senator Keating. Yes, you can, because they are printed forms and the same text when it is not spontaneous, or with coupons. But even those are important because you still have to cut it out and sign your name and send it in and you have to have some interest.

Mail is important as showing the nature of the interest, its quality, and its size. You should consult it. I hesitate to use the word "influence" because it should influence you in the sense that here are a lot of people who think the same thing. They are entitled to the consideration and dignity of your appraisal of it in those terms. If 25,000 Americans in New York think a certain thing, I certainly ought to think it over very carefully. I may not be with them, but I certainly owe them the fact that I will have evaluated it to the best of my ability.

Mr. Evans. Do you ever concern yourselves or are you worried about the general posture of politics generally?

Senator Keating. Could I just say a word on mail before we get into that, Mark, because I want to stress the importance of mail written on the back of an envelope or on a piece of tablet paper that is lined—something that comes from the heart that really expresses the sentiments of the person who is writing, who is so moved to write that he doesn't have to be inspired by some organization to write his letter.

Now the organizational mail is all right and it has its place and it should be weighed as a factor, but the real letters that particularly have an impact upon me are those that obviously are not inspired letters.

Now your next question. I just wanted to be sure and get that in.

Mr. Evans. I am concerned as I am sure all Americans are who love politics—and I don't use this as a charge against either party because there are indiscretions in both parties. Do you worry about the posture of politics generally? The mother who says "Don't go into politics," to her son, or the schoolteacher who says it is a dirty game?

Senator Keating. I worry about politics being called a dirty game because there are dirty people in it, but there are just as many dirty people in business or in labor unions or in agriculture or in any other area of activity. Politics is no more dirty than any other activity and in politics there are some of the finest men that I have ever known and dedicated men who are not interested in the almighty dollar, but they are interested in doing something for their country, their nation or their city. And so I do worry about having politics misunderstood.

Mr. Evans. Would you want your son to run for the Senate?

Senator Javits. Yes, I would, and I would like to make my point as to that because I think it is very important. I would hope that in my personal life and in my career it would be an inspiration to young people to want to get into politics because it is a tremendously—I was going to use the word "holy" really. It does determine the lives and fortunes and destinies not only of our nation but of individual people. Their opportunity for life, their opportunity for dignity, for equal opportunity which Senator KEATING and I are so deeply concerned in. All of this is determined by the science of government and the practice of government.

It is a tremendously noble calling and what we've got to do—and this is something that has been very deep in my heart, always—is to comport ourselves with such credit as to reflect great credit on this profession and to make young people feel: "Well, if KEATING and JAVITS can do it this way, it is not a seamy business and it is worth a man's best talent."

Mr. WELDON. I have a question that runs through a good deal of what you both have just said. I would like to know what motivates you? Are you working for the good of the people of New York State or of our Nation or of the world or for yourselves?

Senator KEATING. Well, Martin, all of those things, and the question is frequently asked "Well, if the interests of the Nation and the interests of your State conflict, what do you do?"

Now usually those conflicts can be resolved, but in my judgment there is only one answer, if they clearly conflict, and if you cannot resolve them, your country must come first. That is what you are sworn to do.

Now within those limits you want to do everything for the State that has honored you by sending you to Washington that you can. That is why Senator JAVITS and I have been so active in this field of defense contracts, to see that New York gets it fair share, and it hasn't been——

Senator JAVITS. We don't want to get into politics on this thing.

Mr. EVANS. I would just as soon blow the whistle on you there.

Senator KEATING. I think you have to think of all those things and of course the interests of your own country are so important in the world interests. You must think of your own country first. But if you look out for the interests of your own country, you are doing a pretty good job for the world.

Mr. JAVITS. I just wanted to add one word and that is the destiny of mankind. I adopt the answer of KEN, but I add to it, the destiny of mankind is critically important. His humanity, his cultural development, his moral development, his aspirations. These are critically important. And the one refinement I would make in KEN's answer is that it is a question of subject.

When it comes to defense orders for New York, that is pro-New York. Now when it comes to the moral strength of our country in terms of civil rights, that is pro the United States and when it comes to the overriding issue of freedom, then we are fighting for the whole free world.

Mr. EVANS. I think we would be very derelict if we didn't take a look at these fellows as they were on their way up the ladder—I don't know how far you were up the ladder here, KEN. [Shows photograph.] Can you give us a little background on it?

Senator KEATING. That was taken the year I graduated from high school. I was 15. I looked pretty innocent there, don't you think?

Mr. EVANS. Oh, I think you do yet.

Senator KEATING. Thank you very much, I have learned a lot since then.

Mr. EVANS. Well, you were a pretty good-looking fellow. The only thing that has changed is your hair. It has changed a little in tint.

Senator KEATING. The tint is somewhat different.

You know they always have great trouble calling me the junior Senator because of this head of hair.

Mr. EVANS. Well, I guess we won't talk about hair, will we, Senator JAVITS?

Senator JAVITS. No, no, no. That's taboo.

Mr. EVANS. At what age were you here, KEN? [Shows photograph.]

Senator KEATING. I was about 18. I was in college then.

Mr. EVANS. You had all the answers then.

Senator KEATING. Oh, yes. Many more than I have now.

Mr. EVANS. Let's take another look here at another fellow.

Where does this take place in your life, Senator? [Photograph.]

Senator JAVITS. That is when I was just running for Congress. I was almost out of the Army.

Mr. EVANS. Is this prior to your getting out of the Army? The Army was first?

Senator JAVITS. The Army was first, definitely. And the next one you are holding [photograph] is the Army and that was the Chemical Warfare Service. Though I was then 38, 39, or 40, I was never in better shape in my life. They really had me down fine.

Mr. EVANS. It looks to me as though you both stayed in pretty good shape.

I have thoroughly enjoyed these few moments with both of you and I know I speak for Martin as well.

Senator KEATING. We thank you and we thank you for these cakes. It seems as if the cake from your last birthday is just starting to get stale when you get another one.

Mr. EVANS. We will help you out on that subject.

Senator KEATING. Well, thank you very much.

Mr. EVANS. Bill Marriott sent those along to you, incidentally.

Thanks to both of you and a very happy birthday. I mean that most sincerely. I know I speak for the people in the State of New York and for certainly this audience.

This has been our way of celebrating the birthday of two men we happen to be very fond of, New York's two Senators, JACOB K. JAVITS and KENNETH B. KEATING, both of whom, in one of the nicest coincidences of the year, celebrate their birthdays on May 18.

Thank you, gentlemen, again and a happy birthday.

With me in questioning has been Martin Weldon, Metropolitan Broadcasting's director of news and special events. My name is Mark Evans. I am vice president in charge of public affairs for Metromedia.

THE EMERGENCE OF ADLAI STEVENSON

Mr. HUMPHREY. Mr. President, I ask unanimous consent that there be printed in the RECORD a column by George E. Sokolsky written in praise of the excellent job which Adlai Stevenson has been doing as our Ambassador to the United Nations.

In this column, Mr. Sokolsky tells of the splendid work that Ambassador Stevenson has accomplished in helping in preserving the United Nations and in giving our country new dignity and strength.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EMERGENCE OF ADLAI STEVENSON

(By George E. Sokolsky)

When Adlai Stevenson ran for President he was not taken seriously by conservative-minded persons. He was defeated because he could not impress his personality upon the public mind, though in certain liberal circles he appeared to be a genius who brought into politics literate language and academic knowledge and a voice that was not vulgar.

In the United Nations, Stevenson emerged as a significant statesman who is preserving the United Nations at the moment of imminent collapse. There may be those who wish the United Nations to collapse, but among them are none who have a program to offer which is a substitute for this body either as a parliament or an agency for social development.

Nothing is easier than to say "To hell with it" about anything, but that swiftly spoken phrase offers no solution to an immediate problem which may end in war. Stevenson has adopted the role of the leader of those who hold the United Nations together despite the absurdity of 104 members, each with the capacity to maintain the peace alone.

The wrong representative of such a country as the United States can only damage such a body by presenting a chauvinism amounting to weakness while at the same time this country maintains its dignity and asserts the rights of nations in the spirit that our Constitution asserts the rights of man. Adlai Stevenson does this with wit and humor, while at no time sacrificing the stature of the United States.

To conservatives, Stevenson appeared a liberal who would sell his country down the river, but the record of 1961 and 1962 is that the United States has gained in dignity and strength and that Stevenson's role in the United Nations played no small part in that.

I once said to Stevenson that I shall probably be very embarrassed for all the critical things I had written of him. And it seems to me that day has come, particularly as regards the entire Chinese situation, which was so badly understood by the Truman administration of which both Adlai Stevenson and Dean Rusk were members, but which is being so competently handled today by the Kennedy administration of which Stevenson and Rusk are leading members. It is possible to say that for the first time since 1932, the United States is giving Asia a good and understanding look.

The Kennedy team represents this strength; it is working out its programs; Kennedy, Rusk, and Stevenson are able to formulate a policy which presents a doctrine that does not change with the wind. The President stands firm with his associates and they hold loyally to his attitude.

It was anticipated that Stevenson would go off on his own. But he has not done that. He has postured himself as a member of a team and fought the team's battles courageously. This united front has not been usual in the United States, where, for example, William Jennings Bryan moved far away from Woodrow Wilson and John Foster Dulles was his own master. Adlai Stevenson on the contrary has strengthened John F. Kennedy all along the line.

MEDICAL CARE FOR THE AGED—THE CASE FOR THE KING-ANDERSON BILL

Mr. HUMPHREY. Mr. President, this past Monday it was my privilege to address the Magazine Publishers Association here in Washington and to speak in support of the administration's medical care for the aged program, better known as the King-Anderson bill.

I ask unanimous consent that my remarks be printed in the body of the RECORD.

In this address I predicted that this legislation would be approved by this Congress. Every day I become more confident that that is the case. There can be no doubt that this proposal has the overwhelming support of the American people, and it deserves such support. The King-Anderson bill is a sound and a moderate proposal which would give our elder citizens protection against financial disaster in case of serious illness. It is fiscally sound and would not place any drain on the Treasury. And last, but not least, it would make it possible for our elder citizens to receive hospital and nursing home care free of any humiliating "poverty test" or coercion or direction as to the hospital or nursing home to which they would go. In other words, it would be completely free of any Government dictation or control. Those who argue that this is somehow a form of "socialized medicine" are simply and plainly in error.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OPENING REMARKS BY SENATOR HUBERT H. HUMPHREY, OF MINNESOTA, AT THE MAGAZINE PUBLISHERS ASSOCIATION, WASHINGTON, D.C., MAY 14, 1962

I am here to speak for the administration's health insurance, hospital care program under the Social Security system—known legislatively as the King-Anderson bill.

I believe that this is a program that American people—of all ages—want and deserve. I believe that this is a necessary program. I believe that this is a sound and fiscally responsible program. And I predict that it will be approved by Congress and signed into law this year.

First, let me define briefly what the King-Anderson bill provides: It authorizes full hospital cost coverage up to 90 days a year, with the patient paying $10 a day for the first 9 days. It provides full nursing home coverage up to 180 days after a patient has left the hospital. It covers the cost of up to 240 home visits a year for health services. It allows for outpatient diagnostic services at a hospital, with the patient paying no more than $20 for each study.

The important fact to remember about the King-Anderson bill is that the patient's right to select his own doctor, his own hospital, or his own nursing home is guaranteed under this program. Any statement that a program with this feature is "socialized medicine" is either nonsense or irresponsible propaganda.

How will this health insurance program be financed under the King-Anderson bill?

It will be paid for through the actuarially sound principles of social insurance. It will be financed by revenue from a one-fourth-of-1-percent increase of the social security tax on employees and employers on the first $5,200 of income. This will be prepaid hospital care insurance. Patients will not be given a charity handout, but will receive payments for hospital costs as a result of paying into this insurance program over a lifetime of earnings. The cost of this insurance to the average worker will be about $12 a year.

The King-Anderson program would cover immediately the 14,700,000 citizens, over 65, who are now receiving social security benefits. It would cover 95 percent of today's wage earners when they reach the age of 65.

Some opponents of the King-Anderson bill have argued that the Kerr-Mills program, approved by Congress 2 years ago, is "enough," or that the Kerr-Mills bill "has not been given enough time to prove itself."

The Kerr-Mills program could provide a necessary supplement to the administration's program.

But Kerr-Mills requires a humiliating poverty test, it covers only so-called charity cases, it guarantees no free choice of doctor or hospital, its program has not been adopted by most of the States, and—most important—it provides a drain on the Federal Treasury with no provision to balance that drain with new revenue.

Kerr-Mills is not enough, and it could not in 100 years prove itself as the final answer to the need for an effective, soundly financed health insurance program.

Why is a new health and hospital care program needed?

I believe the evidence is clear. Today, more than 17½ million citizens are over 65 years of age. The figure will increase to 23 million in 10 years.

Nine out of ten citizens over 65 years old will be hospitalized at least once. Two-thirds of them will be hospitalized twice or more.

And the average daily hospital cost which was only $9 a day in 1946 is now $32 a day. The average hospital stay for a person over 65 is 15 days.

The heavy needs and the heavy costs for hospital care thus come to our citizens when they are least able to afford it—after age 65. Those needs and costs will continue to rise.

The King-Anderson bill will allow our citizens to pay those costs—through health insurance—during their productive years of earning power.

This program thus provides health care not as charity, but as an earned right. It will sustain the individual dignity, and not just the physical security, of the American citizen in his advanced years.

THE 148TH ANNIVERSARY OF NORWEGIAN CONSTITUTION DAY

Mr. WILEY. Mr. President, today marks the 148th anniversary of the Norwegian Constitution Day.

Norway, as a nation of bold, daring, independently minded, adventuresome people, symbolic of the Viking tradition, continues to play a vital role in the free world.

Strongly pro-Western and pro-American, Norway, by its strategic location and firm adherence to NATO, serves significantly in blocking the outspreading of communism.

For such policy, it has been the target of pressures and vituperative propaganda attacks from the Communist bloc.

Despite these attacks, however, Norway has stood stanchly and bravely like the Vikings of old, helping to hold aloft the beacon of freedom.

Of Norwegian ancestral heritage myself, I can, I believe, humbly, yet with objectivity and pride, point also to the significant contributions which the sons and daughters of Norway, immigrating to U.S. shores, have made to the progress of our Nation; and particularly to my home State of Wisconsin.

The anniversary observance, then, offers us a new opportunity to pay tribute to Norway as a symbol, throughout history, of the independent adventuresome Viking spirit; for the contributions of the Norwegian people to progress, not only in their homeland, but also in the United States and the world; and, as a stanch ally for freedom in the cold war.

Upon the 148th anniversary of Norway's Constitution Day, however, we must match our words with deeds by reaffirming U.S. dedication—as an ally, a friend, and a comember of NATO—to protecting the integrity of Norway, despite pressures from the Communist bloc; cooperation with Norway, not only for defense, but on mutual projects to promote progress for the people of both our countries; a resolution to maintain a close, nongovernmental, people-to-people tie between our respective nations; and redeclare our dedication to mutual efforts for creating a global climate in which all nations may enjoy the right to self-determine their own destinies.

Mr. HUMPHREY. Mr. President, as a friend and admirer of the Norwegian people, I would like to offer my respects and the highest commendation to them on the 148th anniversary of their independence. On May 17, 1814, with the drafting of a constitution by a representative assembly, Norway became an independent nation with an elected King. The striking thing about the birth of Norway's independence is that it came about in an orderly, peaceful manner—without the bloody disturbance of war, which has been the price that many other peoples have paid for their freedom.

I would not claim to be an expert in the field of Norwegian history, but I am very much aware of their history in this country and in my own State of Minnesota. It has been a long history of contribution and accomplishment in economic and social justice and I think it is fair to say that any history of our country would find their presence in the Middle West of great significance in the democratic development and subsequent prosperity of that section.

A week ago today we had the honor of welcoming to our country Prime Minister and Mrs. Einar Gerhardsen of Norway, and on that occasion I referred to the innumerable ties which bind the Norwegian and American peoples. Not the least of these is a similar tradition of democracy, justice, and social welfare. I would like to wish for this progressive country a continuing history of freedom, peace, and prosperity. Norway today and throughout its history, demonstrates those great qualities of indomitable will for freedom and independence, courage in the face of adversity, honor and integrity in a world plagued by deceit and naked power. Norway is a loyal and faithful ally in NATO, a forward-looking member of the United Nations, and a respected nation in the chancelleries of the world.

Mr. BARTLETT. Mr. President, today, May 17, is the 148th anniversary of Norwegian independence. It is a pleasure to mark the anniversary of a nation which has persevered in its struggle to maintain its democratic institutions. And it is a source of satisfaction to note that the outcome of the struggle has been successful.

On Monday, April 11, 1814, representatives of the Norwegian people met in the small town of Eidsvold to draw up a constitution. The battles of the Napoleonic War were over. Political forces were in the process of regrouping. In that political hiatus the Norwegian delegates gathered to determine the future of their country.

It was a raw spring day that April 11. The roads were muddy, and the lodgings of the delegates were uncomfortable. Most of the members of the constitutional convention walked to the assembly hall through the slush. The convention was held in the main building of the Eidsvold ironworks in a long narrow room equipped with hard wooden benches.

The constitutionmakers were dedicated to the welfare of their country. They were representatives of the responsible elements of the Norwegian nation. Of the 112 delegates, 37 were farmers, 16 were businessmen, and 59 were officials including 12 representatives of the army and navy. Although the military representatives played little part in the proceedings, the other officials took the lead.

All were agreed on one point—that Norway needed a written constitution based on popular will. There was a division on whether Norway should join in union with Sweden or declare independence. The independence faction was successful in getting its point of view adopted. Once there was agreement on that fundamental point the drafting went smoothly. Eleven principles were presented to the assembly by the draft committee. The first began:

> Norway is to be a limited, hereditary monarchy; it shall be a free, independent, and indivisible kingdom, and this regent shall have title of king.

This was adopted as part of the victory of the independence faction. The 11th principle was rejected as being too controversial for its day—it provided that all male citizens should be under equal obligation to do military service.

The assembly did its work carefully. The Constitution was discussed paragraph by paragraph. At last on May 17 the Constitution was signed and became the law of the land.

Although Sweden was subsequently successful in November of 1814 in imposing her authority over the Norwegian Nation, the Constitution of May 17 was never forgotten. The Norwegian Storting, or parliament, continued to regard it as the basic law of the land. May 17 was celebrated as Norwegian Independence Day from that time onward. And the Storting engaged in a series of parliamentary skirmishes with the Swedish King, using the Constitution of May 17 as its base of operations. Finally in 1906 the Norwegians were successful in their bid for independence.

I am proud to join in the observance of Norwegian Independence Day.

POLICE WEEK

Mr. LONG of Missouri. Mr. President, the work of no other group of Americans has a more direct impact on the enjoyment of constitutional liberties than that of police. The courts and the legislatures can exercise every power at their command to protect these liberties, but the enjoyment of many guarantees of the Bill of Rights rests as a practical matter in the hands of the police.

Traditionally, the American police officer has recognized this grave responsibility and performed his work accordingly. I make this statement recognizing full well that, on occasion, there have been serious deviations from constitutionally acceptable procedures. However, the record as a whole is commendable.

The police have one of the toughest jobs in organized society. They must pit their skills, their knowledge, their wisdom and their courage against men who recognize no rules of the game. Yet the police are charged with following the rules of the game. They would indeed be more than human if they always constrained themselves to the rules. For without exception, these rules increase the difficulty of the policeman's job. However, the alternative to following these rules is tyranny and the responsible police officer is the first to recognize this.

This week has been designated Police Week to commemorate the outstanding public service rendered by our law enforcement officers, Federal, State and local. I would like to take this opportunity to extend to them my heartiest congratulations for a job well done. We as a Nation can never repay the debt owed these men for their efforts and their sacrifices. We can only say "Thank you."

AWARD OF THE ELOY ALFARO INTERNATIONAL FOUNDATION TO MR. W. HERBERT LAMB

Mr. BYRD of Virginia. Mr. President, I have been asked to have printed in the CONGRESSIONAL RECORD the highlights of the proceedings of the Eloy Alfaro International Foundation, on the occasion when Mr. W. Herbert Lamb, my constituent, received the Eloy Alfaro Grand Cross, on May 9, 1962, at the Masonic Club, New York City. This honor was bestowed on him by Dr. Herman A. Bayern, American provost, Mr. Stanley W. Wakefield, American deputy provost, and Mr. H. Clay Waterman. At the ceremony a personal message from Dr. Olmedo Alfaro, secretary general of the foundation, was read.

Dr. Herman A. Bayern, American provost, outlined the aims and purposes of the foundation, and explained why Mr. Lamb had been approved for the highest honor of the foundation.

In conferring the Eloy Alfaro Grand Cross and diploma, Dr. Bayern said in part:

> I have the privilege, pleasure and honor, Mr. Lamb, of conferring upon you the Eloy Alfaro Grand Cross, by direction of the board of dignitaries of this foundation, in recognition of your services to mankind and to your efforts toward the establishment of international peace.
>
> Who was Eloy Alfaro? Eloy Alfaro, soldier, patriot, statesman and martyr, was a citizen not only of his native Ecuador, but of all the Americas. The personal integrity, the unwavering defense of the principles of truth, justice and friendship among nations, the self-control and self-sacrifice that marked about one-quarter of a century of unflagging service to his fellow man, extended beyond the confines of his own country, Ecuador. He was the leader of a generation fired with the hope and desire that responsible political action would enhance the prosperity of their country and the welfare of their people.
>
> The Eloy Alfaro International Foundation was organized to perpetuate and further the political and moral values of the Americas by General Alfaro, for whom the organization was named, and who, from 1895 to 1901 and from 1906 to 1911, was President of Ecuador. The philosophy of General Alfaro, known as the Abraham Lincoln of South America, was based principally on service to his fellow human beings, and to the cause of international peace. The public and private activities of Mr. Lamb come within the framework of this kind of service to mankind. In recognition of this fact, the ruling body of the foundation grants you its highest honor—The Eloy Alfaro Grand Cross and diploma.

Others who have been similarly honored in the past include former Presidents Hoover, Truman, and Eisenhower, President John F. Kennedy, Vice President Lyndon B. Johnson, FBI Director J. Edgar Hoover, Generals MacArthur, Crittenberger, Devers, and Governors Harriman and Rockefeller.

The award made to Mr. Lamb, includes the motto: "Thus one goest to the stars"—a most appropriate one in this case, which reads as follows:

> Eloy Alfaro International Foundation: "Thus one goest to the stars," recognizing the special value of the services rendered by Mr. W. Herbert Lamb, in support of the objectives of this institution, he has been awarded the Cross of the Eloy Alfaro International Foundation.

Mr. Lamb replied:

> I am deeply touched and very proud to be included among the distinguished personages who have received this high honor. I shall always cherish this honor and regard it as an inspiration to accelerate my efforts toward promoting the ideals of democracy so well championed by Gen. Eloy Alfaro. Thank you.

HOMESTEAD CENTENNIAL

Mr. BURDICK. Mr. President, Sunday, May 20, marks one of the most significant anniversaries in the history of the United States—the signing of the Homestead Act into law by President Abraham Lincoln. While 30 States in the union were in some part settled by homesteaders who moved west and settled on 160 acres or less of free public land, North Dakota is one of the few States that can rightly call itself a product of the homestead movement.

During the past 100 years, 125,000 hardy, rugged individuals settled over 17 million acres of homestead land in North Dakota. Many of these original homesteaders are still living. I think of one in particular, Mrs. Anna Brindle, of Hazelton, N. Dak., who is 100 years old. She and her now deceased husband moved into North Dakota in 1887. There are many men and women like Mrs. Brindle who are still operating the farms they proved up in those days gone by.

We here in America in the 20th century might well learn a lesson from those adventurous homesteaders. The qualities of courage, tenacity, and the eternal optimism could well be applied today.

I want to pay tribute today to these stouthearted individuals who, in order to establish a new start, were willing to risk the uncertainties of a new, raw, sparsely settled region.

AREA REDEVELOPMENT ADMINISTRATION

Mr. MUSKIE. Mr. President, the Area Redevelopment Administration program has been in operation for less than a year. It is still suffering from growing pains—as any new venture must—but it has made some substantial contributions already in alleviating chronic and persistent unemployment. I am proud to have been a cosponsor of the act and a member of the Banking and Currency Committee which reported the legislation.

In the May 15, 1962, issue of the Bangor Daily News, the distinguished financial reporter, Sylvia Porter, reported on the activities of the Area Redevelopment Administration, particularly in New England. Her article records one of the early substantial loans made in Biddeford, Maine, and points the way toward more effective utilization of the act. I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Depressed Areas Law Operating; Government Loan Aids Maine Plant

(By Sylvia Porter)

In Lowell, Mass., a New England area in which unemployment has for years been a sickening 50 to 100 percent above the national average, a new electronics firm recently was formed which will directly employ 110 workers, indirectly provide jobs for almost as many more in services and supplying. The firm was started with $150,000, of which two-thirds came from a Government loan, 20 percent from a local bank, the balance from an industrial foundation.

In Biddeford-Sanford, Maine, another long depressed New England area, a lumber processing operation also was recently set up in a former textile machinery plant. A Government loan provided $433,000 to help finance the purchase of plant and machinery for "finger joining"—a process which converts low-grade lumber into clear lumber. The balance came from banks and a development corporation. The new plant will directly employ 170 workers, indirectly create jobs for 750 more.

In New England alone, there are 16 regions of persistent and substantial unemployment which have been designated as eligible for help under the depressed areas law (the Federal Area Redevelopment Act, or ARA), passed 1 year ago this month.

TO NEW ENGLAND INDUSTRIES

In this period, $1 million in ARA loans has gone to New England industries, $100,000 has been granted for research, 1,100 unemployed workers are getting retraining under the law. This is concrete action, says the Federal Reserve Bank of Boston in a scholarly review of the program and the conservative bank concludes:

"One important result of the ARA program is the increased activity and concern the local and State leaders in New England have shown since these new redevelopment weapons have become available. If the New England redevelopment communities continue their activities both within and beyond the framework of the Area Redevelopment Act, it is quite likely that many of these depressed areas will find that they have lost this label that they have held so long."

The ARA has been slow in getting rolling—understandable since it is so new a weapon—but it is speeding up now. By June 30, ARA Administrator William L. Batt, Jr., expects to have approved $60 million for 100 or more projects, enough to create 75,000 jobs. The total authorization for loans and grants under the act is $375 million over a 4-year period.

The New England depressed areas have received a major part of the assistance to date because they have done their homework—organized the local development groups required by law, prepared the necessary "overall economic development program" (OEDP), demonstrated initiative. The ARA assistance breaks down into five key classifications. Specifically:

1. Occupational retraining of workers in new skills. Over 40 percent of the 1,100 New England workers already being trained are getting skills as machine tool operators.

2. Industrial and commercial loans out of a revolving fund of $200 million at 4 percent. The New England regions have received one-third of all ARA loans made so far.

FOR PUBLIC FACILITIES

3. Loans and grants for public facilities—sewers, roads, parks. These are primarily for less developed regions than New England.

4. Technical assistance. An example is the $100,000 granted to the New Bedford Institute of Technology Research Foundation for a study of ways to improve the scallop and flounder industry, a big occupation in New Bedford.

5. Urban planning and renewal benefits. Grants for this planning totaling $219,000 have been made to 18 New England municipalities.

This 1961 law represents one milestone on the way to solving the problem of long-term joblessness, the 1962 Manpower Retraining Act represents a second. Now we must really get to the basic answer to the problem—accelerating our economic growth so the millions of jobs needed are created.

DEALING WITH A TOTALITARIAN PARTY IN A DEMOCRACY

Mr. MUSKIE. Mr. President, tomorrow I shall speak at Colby College, in Waterville, Maine. The subject of my talk will be "The Problems of Dealing With a Totalitarian Party in a Democracy." Appearing on the same platform will be James Jackson, a prominent official of the Communist Party of the United States and editor of the Worker, the official publication of the Communist Party.

Recently, officials of the Communist Party have engaged in an extensive speaking campaign at our colleges in an effort to sell their line to our young people. This week's Time magazine contains a short article describing these activities. It is with the hope that I can present our point of view effectively and rebut the Communist Party line that I have accepted this speaking engagement.

In this connection, I should like to offer for the consideration of Senators two articles, which were published in a recent issue of the Saturday Evening Post, dealing with the problem of communism. These articles bear on the general problem of the struggle between freedom and communism. One deals with the application of the Internal Security Act and other legislation designed to protect our free society from subversive totalitarian groups.

The first article, entitled "The Communist Party, U.S.A.," was written by Harold H. Martin, an editor of the Post, and describes the present condition of the party in this country. I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Communist Party, U.S.A.

(By Harold H. Martin)

The Communist Party in America is having its troubles—and they are not all with the law. In every field where it once was strong it is struggling now to regain its old influence, against the quickened animosity of the American people. Its membership is down to a hard-core cadre of old unshakables who still work with fervent devotion for the party, and they are as dangerous to us as rattlesnakes; but nearly all the intellectuals, who once shared the party's dream of a new heaven and a new earth under socialism, have long since become disillusioned, and the "working stiffs," from whom it drew its basic strength in the old days, no longer respond as they once did to its hackneyed shibboleths. Their attitude now can be summed up in the words of a hard-hat laborer on a Manhattan construction job: "Those people should drop dead. Who needs them?"

The far-right organizations today are attacking the American Communist Party that existed nearly 20 years ago. As World War II ended, the Communist organization in the United States was at the peak of its power and influence. Open membership in the party stood at 85,000; and the concealed Communists, sympathizers and fellow travelers, some of whom held high places in Government, in the unions, and in education, could be numbered in the hundreds of thousands. Since then, congressional investigations and Government loyalty programs have cleaned them out of the Federal agencies—hurting in the process some innocent people. The labor unions have so harshly purged their own ranks that only a few small unions can now be described as Communist-dominated, and most of the teachers who once leaned far to the left have straightened up to a conventional liberal posture. Contrary to rightwing charges, the party never had any significant influence in the churches, nor has it now.

Today, according to Arvo Gust Halberg, the party's general secretary, whose working, or police-blotter, name is Gus Hall, a nose count from coast to coast would show the party's membership to be around 10,000. About a third of these members are concentrated in New York. The others are grimly hanging on in Boston, Philadelphia, Detroit, Chicago, Cleveland, San Francisco, and Seattle. This enrollment is about the same as it was 3 years ago—an indication that the old hard-core Communists are dying off about as fast as new members are being recruited. J. Edgar Hoover of the Federal Bureau of Investigation, who next to Mr. Hall knows more about the party's strength than anybody else, agrees that this count checks pretty well with the FBI's own figures.

In fact, Mr. Hoover may know more about the party's numerical strength than does Mr. Hall. He knows how many of Mr. Hall's followers are not Communist at all, but FBI informers, working for Mr. Hoover for a small retainer fee. Mr. Hall obviously does not have this knowledge. If he did, his membership rolls would be even thinner. The American Communists even grin wryly at the current jest that the party at the moment is hopelessly split between its Albanian faction and its FBI faction.

"You can't stop to worry about spies," said Joe Brandt, veteran of the Lincoln Brigade and World War II, and a zealous party hack. "If we spent all our time suspecting each other, we'd never get anything done."

The dreary state of the party at the moment is also reflected in the anemic condition of the Communist press, an indication that the peripheral supporters, who once read the Daily Worker to discover the party line, have fallen away in droves. In the days of the party's greatest strength, the Worker had a circulation of 100,000. Today it is down to two issues a week, and only despairing cries for help keep its circulation floating around the 20,000 mark. On the west coast, the People's World sells about 8,000 copies. Political Affairs, the party's intellectual monthly, has a circulation of 1,045. The National Guardian, which has never been identified as a Communist paper, but which faithfully presents the party line, has a circulation of 30,000. It must be made clear, however, that the House Committee on Un-American Activities and the Senate's Internal Security Subcommittee do not see in these figures an indication of the party's weakness, but of its hidden strength. Estimating that at least two people reach each Communist or Communist-line publication, they come up with a figure of 110,000. This calculation suggests that Mr. Hall was correct when he said that there are thousands of state of mind Communists who do not belong to the party, but who sympathize with its aims.

The party, as always, claims to be in need of funds. Dues start at 15 cents a month for students and the unemployed, rising to $5 a month for members making over $120 a week. Naturally, with such a thin membership, dues collected are not enough to pay fines and lawyers, and to carry out all the agitation and propaganda which the party feels it must keep up. As a result the membership is constantly beseeched for special donations. The Worker is freckled each week with announcements of lectures, seminars, bazaars, rummage sales, suppers, dances, picnics and youth gatherings, at which a call for funds is made. Like the church, which its members despise, the party relies heavily on gatherings at which food is served.

"We try to eat our way into a state of solvency," says Mr. Hall.

Mr. Hall, at 51, is a big, cold-eyed, heavy-jawed man of tremendous bounce and vigor, and his person reflects none of the penury which he says afflicts the party. He stands a little under 6 feet and weighs 245 pounds, a state of corpulence which causes him to resemble the Reverend Billy James Hargis, the rotund rightwing crusader. On a salary which he says is only $77 a week, he dresses more like a banker than a Bolshevik, drives a fawn-colored 1962 convertible, and lives in a $30,000 to $40,000 home in Yonkers. He also travels extensively on party business, and never, unless detained by the courts, misses the opening of the deer season in Minnesota, or the trout fishing in upstate New York. It would probably be unfair to him to reveal that he fishes for trout with worms instead of dry flies.

The air of opulence which surrounds Mr. Hall suggests to a suspicious mind that the party, or at least Mr. Hall himself, has financial resources which have not yet been revealed. It has been suggested in some anti-Communist quarters that certain persons in the export-import business may be required to share their profits with the party, in return for the privilege of doing business with the Soviet Union. It has also been hinted, by an apostate Communist once high in party councils, that the party might do a little trading in Wall Street now and then, acting on tips from Mr. Khrushchev that he was planning to dump some commodity on the world market. There is also reason to suspect that Communist countries overseas may be sending a few kopeks, by courier, to their hard-pressed American comrades. No doubt the facts will eventually be revealed in the courts. The Internal Revenue Service is seeking to collect from the party $381,544.83 in unpaid income and excess-profits taxes. It is unlikely that the IRS auditors snatched this figure out of thin air.

THE PARTY'S DEN MOTHER

Whatever the facts may be about the party's financial resources, the party headquarters at 23 West 26th Street, in New York City, exudes an atmosphere of age, dry rot, and shabbiness. The narrow three-story red brick building was once owned by William Astor. Crowded into it are the business and editorial offices of the Worker, the headquarters of the New York party district, and Mr. Hall's own national staff. Even the people who work here have an air of age and mustiness. Among these party elders is Elizabeth Gurley Flynn, aged 71, a motherly looking Irishwoman, whose ample bosom still heaves with emotion at the thought of the bliss we all will know when the rotten capitalistic system finally has fallen.

"I get so tired of being described as the elderly wheelhorse of the party," said Sister Flynn (the Communists in their public meetings now address each other as "Brothers and Sisters" instead of "Comrades"). "Can't you think of something better?"

I asked her if "den mother" of the party would do. She said that would be nice.

Even in Mr. Hall's own hideaway, a penthouse cubbyhole up a winding wrought-iron stair, the only evidence of prosperity is the well-fed, well-tailored Mr. Hall himself. The desk at which he works, beneath a dusty lithograph of Lenin, is plain gray metal, and the table at which the party satraps sit in conference is of unpainted white pine covered with a glass top. Above Mr. Hall's chair the paint has peeled from the plastered ceiling, and the cracked plaster looks as if it might at any moment crash down upon his skull.

TOP REDS ON TRIAL

Mr. Hall, however, has far more to worry about than that. Before the year is out, the full impact of a highly controversial law may descend upon him. After an 11-year legal battle in which the Communist Party fought a bitter rearguard action, the Supreme Court in June of 1961, in a 5 to 4 decision, upheld the constitutionality of the registration provisions of the Internal Security Act popularly known as the McCarran Act. Under the provisions of this law, the Communist Party, U.S.A., is required to register as a Communist-action organization, to reveal its membership lists and the sources of its income. If the party was not so registered by November 20, 1961, the officers of the party were required to register for it by November 30. Failing this, the individual members of the party were required to register for themselves. Nobody registered and Mr. Hall, who had already served 5½ years' imprisonment under the Smith Act, for advocating the overthrow of the U.S. Government by force and violence, announced publicly that nobody had any intention of registering. Nothing happened for a while, and rightwing forces began to cry out that Attorney General Robert Kennedy should be impeached for allowing Communists to defy the law. On March 15 the Government moved. Hall and Benjamin J. Davis, the national secretary, were indicted by a Federal grand jury in Washington, arrested in New York, and released under $5,000 bond. On March 30 they were arraigned in Washington. Both pleaded not guilty.

At the arraignment hearing, when Hall was called up to the bench to plead, Davis, an Amherst- and Harvard-educated Negro lawyer whose father was once a prominent Republican leader in Atlanta, Ga., rose to go with him. Davis' lawyer waved him back.

"Discrimination everywhere," said Davis, returning to his seat. "See how they call the white man first?"

With the arraignment hearing, the final battle had begun, after more than 11 years of legal skirmishing. Preliminary motions will be filed in June, and a date for the trials will be set. If Hall and Davis are convicted, and the convictions can be made to stick through the interminable legal maneuvers that are sure to follow, the Communist Party, as a political organization, will have come to the end of its road. Its leaders, one by one, can be safely stowed in jail. Its rank-and-file members, as far down the line as the Justice Department wishes to reveal its undercover agents, can be brought to trial.

There are thousands of Americans, however, who, hating the Communists and all they stand for, believe that the rigid application of the registration act will represent a classic case of burning down the barn to get rid of a few rats. In the process of striking a final blow at the Communist Party, already scorned and rejected by the great mass of the American people, they argue, we also will be striking a crippling blow at our basic liberties. President Truman, in vetoing the original act in 1950, expressed this view when he called the McCarran Act a "clear and present danger to our institutions." Chief Justice Warren, in his dissent from the majority decision in 1961, joined with Justice Brennan in expressing the belief that the act violated the fifth amendment, which holds that no person shall be compelled to be a witness against himself. This same point was made also in the dissent of Justice Douglas.

M'CARRAN ACT UNDER FIRE

Justice Black dissented with fervor. He said, "The Communist Party had never been more than a small group in this country. And its members had been dwindling even before the Government began its campaign to destroy the party by force of law. This was because a vast majority of the American people were against the party's policies and overwhelmingly rejected its candidates year after year. That is the true American way of securing this Nation against dangerous ideas. * * *

"I am compelled to say that I fear that all the arguments and urgings the Communists and their sympathizers can use, in trying to convert Americans to an ideology wholly foreign to our habits and our instincts are far less dangerous to the security of this Nation than are laws which embark upon a policy of repression by the outlawing of minority parties because they advocate radical changes in the structure of government. This widespread program for punishing ideas on the grounds that they might impair the security of the Nation not only sadly fails to protect that security but also diverts our energies and thoughts from the many far more important problems that face us as a nation in this troubled world.

"I would reverse this case and leave the Communists free to advocate their beliefs in proletarian dictatorship publicly and openly among the people of this country, with the full confidence that the people will remain loyal to any democratic government truly dedicated to freedom and justice—the kind of government which some of us still think of as 'the last best hope of earth'."

The Communists' reaction to the dissents was one of approbation. Their reaction to the arraignment of Hall and Davis was, as might be expected, a piercing shriek of rage. The arraignment hearing was held on a Friday. By the following Tuesday a defense committee had been formed and the mimeograph machines had started rolling.

"The arraignment of Gus Hall and Ben Davis," the committee's first handout shrilled, carried the Government's persecution of a minority political party and its spokesmen to a stage that cries out for a new and herculean effort to quash the indictments. The issue has been joined. Shall the McCarran Act—the Bible of the Birch Societies, the House Un-American Activities Committee, the Crusaders, the White

Citizens Councils—be allowed to prevail; or shall the strong winds of the people's indignation blow the ultraright into the ashcan of history?"

To Mr. Hall, the main actor in the coming drama, the trials under the McCarran Act offer a godsent opportunity to get his moribund collection of aging Marxists back into the public eye. They can parade and petition and protest and send up a mighty clamor in defense of the Bill of Rights. They can perhaps win back some of the old liberals who have fallen away. They may even be able to enlist some new members.

A shrewd, pragmatic man, Mr. Hall knows well what the strong winds of public indignation had been blowing into the ashcan of history; it was his aging, querulous Communist Party. In the years since the war, American Communists have been hard put to find an issue. It was difficult to climb on the bandwagon of reform—to cry out for civil rights for Negroes, slum clearance, better housing, medical care for the aged, full employment—when the Government they sought to overthrow was itself battling for these reforms. Mr. Khrushchev's tough talk, his bomb-rattling, his shoe-pounding bad manners at the U.N. also hurt the party sorely. His blunt "We will bury you" stirred the resolve of Americans not to be buried by the Soviet, but to bury instead the Communists closest at hand, the Communist Party, U.S.A.

Ever since 1945, when Moscow ordered the sacking of U.S. Communist leader Earl Browder, the advocate of the soft sell, in favor of the hardline leader, William Z. Foster, internal quarrels have decimated the party's ranks. The desanctification of Stalin and the bloody suppression in Hungary caused many to fall away. The application of the Smith Act, which had put Hall himself in prison, and the Communist Control Act of 1954, frightened the fainthearted and drove old hard-core revolutionaries underground. They were accompanied, it might be noted, by their faithful FBI shadows.

BLUEPRINT FOR TYRANNY

When Hall took over as general secretary in December of 1959, the party was stumbling and muttering to itself like an old, punch-drunk prizefighter. Its only resources were the craftiness learned in years of eye-gouging strife, and the knowledge that it still had the backing of the Kremlin. Hall immediately sought to breathe some of the old life into the withered carcass. A year later he was still struggling. On January 20, 1961, John F. Kennedy stood in a cold-blowing wind to take the oath as President of the United States, and to pledge America's word to the new, free nations of the world that they, who had thrown off their old colonial controls, should not find imposed on them an even more iron tyranny. On the same day, in a shabby hall in snowbound Manhattan, Gus Hall was giving a pep talk to his Communist National Committee and sketching for them a blueprint showing how that tyranny could be imposed upon the United States.

His speech was wrapped in the cotton-wool of Communist double-talk, but the meat of it was this:

The party had let itself drift into a stagnant eddy, out of the mainstream of American life. It had failed to get back into positions of leadership in the labor unions. It had failed to make a place for itself in the drive of the Negro race for their civil rights. "Front" organizations had been allowed to dwindle into impotence. The Communist press had fallen into desuetude, and even the hated, treasonous, counterrevolutionary Trotskyites were luring more of the youth of the country into the Marxist-Leninist fold than were the holders of the true faith.

All this must be changed. There must be a great revival of the party's strength through dedicated, selfless, grassroots work in the unions, in the peace organizations, with Negro groups and among the youth of the country. Fortunately, he told the group with booming confidence, the time was ripe for a change. He had surveyed the nation and had found it in a state of extreme decay—the fate that Marx had predicted would befall all capitalistic countries.

"A small handful of billionaire monopolists oppress the overwhelming majority of the people," he announced cheerfully. "There is a growing unemployment, a new economic crisis, and real hunger and privation for large numbers of our people. There is degeneration of our educational system, our culture and our ethics, and a vast growth of corruption. On top of these severe illnesses there is the undermining of our liberties, the growing destruction of labor's rights, the unabated cruel oppression of the Negro people and the violent denial of their rights. And by no means least, there is the threat of a terrible nuclear holocaust, which big business and big brass are preparing."

WATCHWORD FOR PROGRESSIVES

The seedbed in which communism could take root was being prepared by capitalism itself, he implied. All that was needed was a few more years of "peaceful coexistence" while the Socialist world grew leaner, harder and stronger, and soft capitalistic America sank deeper into its luxury-sodden coma, until finally socialism could triumph without a struggle.

The watchword of all "progressive people," therefore, must be Peace, Peace, and again, Peace.

It was this same peace message which Mr. Hall and certain of his cohorts took to college campuses in the West and Midwest last fall and winter. He was gratified to find himself speaking to audiences ranging in size from 2,000 to 15,000 persons.

"These people weren't Communists," said Mr. Hall, "but they wanted to hear a Communist speak. They had heard the fulminations of the right wing. They wanted to hear the other side. And by inviting me there, and by coming to hear me, they asserted their faith in the first amendment."

Mr. Hall's efforts to revive his ailing party take many forms. The New York School for Marxist Studies, directed by Herbert Aptheker, the party's leading intellectual, enlisted 250 students for its spring term. In the unions, rank-and-filers are urged to "make shoptalk party talk." Every night, somewhere, meetings are being held to further some party project of propaganda or agitation. Some time ago in a public hall on lower Fifth Avenue the party called a meeting to lay its plans for a great May Day celebration in Union Square. Most of those present were past middle age, and their speech was heavily flavored with the accents of Eastern Europe. They were ordered to go back to their unions and their community clubs to herd at least 10,000 people to the Square on May 1, the traditional day of celebration in Communist countries around the world. They seemed less interested in the theme of the demonstration, which was to be "Freedom of the Press," than they were in what police protection would be provided.

"Our safety will be in numbers," one speaker reassured them. "If we turn out 2,000 people, the Fascist hoodlums will overrun us. If we have 10,000 there, we don't care whether the police show up or not."

As the meeting ended, I asked a party functionary how many people had been present.

"Seventy-eight," he said, "including you and one guy we suspect was from the FBI."

A DOLLAR FOR MERCY

That evening a handful of the faithful braved a cold drizzle to attend a "Mercy Party" in a bleak hall on Second Avenue. Its purpose, as advertised in The Worker, was to raise money to buy medicines for Cuba. Admission was $1, and some thirty-five people showed up. Most of them were old merchant seamen now on the beach, who seemed to have only a remote interest in Cuba's need for medicines. They clustered around the bar in the back room, where a Mr. Joe Stack, the organizer of the party, sold eye-dropper-sized drinks for 50 cents a shot, or sat in twos and threes at small tables, reminiscing about long-forgotten waterfront strikes.

The evening lacked gaiety and enthusiasm. Mr. Stack himself introduced the only light note. He was wearing a pair of mottled black-and-white shoes made of calfskin with the hair left on.

"Hiya like these capitalist shoes?" he bellowed, holding up his foot. "Bostonians."

Then after some heavily jocose remarks about how difficult it was to get sailors out of a gin mill, he summoned the drinkers from the back room to hear his plea for Cuba. It was a perfunctory effort, and when he was finished, nobody reached for his pocketbook.

The party members who parade and shout slogans and carry banners and attend these morose little meetings do not greatly concern the FBI. The Bureau knows who they are and what they are doing; their activities, though designed to stir up strife and thwart U.S. policy at every turn, are for the most part futile. They are watched carefully, of course, and they would be jailed immediately if we got into war with Russia; for their goal is the same as that of Mr. Khrushchev: To overthrow the Government of the United States.

The Bureau keeps an even more watchful eye on those who quit the party. Some have truly recanted. When the FBI approaches them, they tell all they know about the party's internal operations. Others tell the FBI agents to go to hell. Some "defectors," we have learned from experience, have not abandoned their beliefs at all. They have dropped out to lie fallow for a while, seeking to purge themselves of the party taint before beginning a new career in some job where they will be able to serve the party surreptitiously or act as low-echelon spies for the Soviet Union.

These are not the dangerous ones, however, for the Soviet espionage apparatus has become far too subtle and crafty to entrust a task of vital importance to a former party member. The danger stems from professional spies, such as Col. Rudolph Abel, or the ideological supporters, such as Harry Gold, who may never have been within a mile of a party meeting. They receive their orders and transmit their intelligence through couriers, who have no contact whatever with Mr. Hall's party, or through Soviet or satellite attachés in the embassies and the U.N. Seventy percent of these "diplomats," the FBI estimates, have some espionage assignment, and keeping them under surveillance is not a simple task. Nor is it made easier by the right wing's charges that there are Communists everywhere. Such exaggeration, the FBI points out, causes excitable people to flood the Bureau with reckless and unfounded charges against anyone whose behavior seems to them suspicious. Every one of these reports must be checked out, and this work places a heavy burden on the investigative staff.

THE DANGER OF SABOTAGE

Of grave concern to the agencies charged with defending the country's security is the fact that there are still some Communists in the unions which serve sensitive industries. There is no reason to believe that Harry Bridges' Longshoremen's Union, or the Mine, Mill and Smelter Workers, or the United Electrical Workers, or the American Communications Association, which handles much of our diplomatic and military cable traffic, have purged themselves of their Marxist members. In time of crisis, a dedicated

Communist in any of these unions could do great damage to the country through sabotage. There is also an unrelenting campaign, guided by Moscow and supported by the Communists in the United States, to overthrow the republics of Central and South America. It is these danger areas—the threats of espionage, sobatage and subversion of the countries south of the border—which concern us most today. The Communist Party itself is dangerous only to the degree that it can serve these ends.

At the moment, its effectiveness is at a low ebb. Spurned and despised by the masses it purports to serve, hemmed in by the law, its only significance lies in the fact that it still is the willing instrument of the Soviet tyranny; and so long as the two great ideologies, democracy and communism, stand opposed, weak or strong, it will be a danger to us.

Some time ago, in a friendly greeting to the Communists of Cuba, Gus Hall wrote: "Yankee imperialism is an old, blind tiger, and the area in which it can operate grows smaller and smaller. Nevertheless, a tiger remains a tiger to the end, a deadly and dangerous beast of prey."

For "imperialism" read "communism" and you have an accurate description of Mr. Hall's party in the United States today.

Mr. MUSKIE. Mr. President, the second article, entitled "The Failure of World Communism," was written by Arthur M. Schlesinger, Jr., Special Assistant to the President, and will be published this fall as a part of his book entitled "The Politics of Hope." I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FAILURE OF WORLD COMMUNISM

(By Arthur M. Schlesinger, Jr.)

The autumn and winter of 1948–49 was a moment of transition in the postwar history of American liberalism—a moment when the liberal community was engaged in the double task of redefining its attitude toward the phenomenon of communism and, partly in consequence, of reconstructing the bases of liberal political philosophy.

In the years since, the process of redefinition has been completed: I believe that all American liberals recognize today that liberalism has nothing in common with communism, either as to means or as to ends.

As for the process of reconstruction, this is by its nature continuous: If liberalism should ever harden into ideology, then, like all ideologies, it would be overwhelmed by the turbulence and unpredictability of history—especially in an age when science and technology have made the velocity of history so much greater than ever before. The continuing enterprise of reconstruction has consequently brought new phases of liberal thought to the forefront in the past 13 years.

IDEALISM BETRAYED

So far as communism is concerned, in the confused years immediately after the end of the Second World War, and in spite of Stalin's notable record in the 1930's of internal terror and international betrayal, the Soviet Union retained for some people traces of the idealistic fervor of the Russian revolution. By 1962 it seems safe to say that postwar Soviet policy has extinguished any remaining elements of idealism in the Communist appeal. No one with any knowledge of history can believe in the Soviet Union on the supposition that Communist victory would usher in a generous and beneficent society. Where people believe in the Soviet Union today, it is on quite other grounds: It is basically because they are persuaded that, whether they like it or not, communism is going to win, and that they had therefore better make their terms with a Communist world. The essence of contemporary Soviet policy is to enhance this impression of the inevitability of Communist triumph, to employ every resource of science and politics to identify communism with the future and to convince people everywhere that they must accept the necessity of communism or face the certainty of obliteration. They have addressed this policy especially to the southern half of the world, where the awakening of underdeveloped countries from centuries of oblivion is discharging new and incalculable energies into human society.

OBSOLESCENCE OF COMMUNISM

The irony is that the very eagerness with which intellectuals in emergent nations often embrace communism itself suggests that communism is not the wave of the future and is, if it is anything, a passing stage to which some may temporarily turn in the quest for modernity. Where Marx portrayed communism as the fulfillment of the process of modernization, history seems abundantly to show that, if the world avoids thermonuclear suicide, the modernization process, contrary to Marxist prophecy, will vindicate the mixed society and render communism obsolete.

The Marxist contention has been (a) that capitalism is the predestined casualty of the modernization process and (b) that communism is its predestined culmination. In these terms communism has boasted the certification of history. But history quite plainly refutes the Communist case. It shows (a) that the mixed society, as it modernizes itself, can overcome the internal contradictions which in Marx's view doomed it to destruction and (b) that communism is historically a function of the prefatory rather than the concluding stages of the modernization process.

Marx rested his case for the inevitability of Communist triumph on the theory that capitalism contained the seeds of its own destruction. He argued that the capitalist economy generated inexorable inner tendencies—"contradictions"—which would infallibly bring about its downfall. One inexorable tendency was the increasing wealth of the rich and the increasing poverty of the poor. Another was the increasing frequency and severity of economic crisis. Together these tendencies would infallibly carry society to a point of revolutionary "ripeness" when the proletariat would rise in its wrath, overthrow the possessing classes and install a classless society. Marx saw no way of denying this process, because that capitalist state could never be anything but the executive committee of the capitalist class.

This was Marx's fatal error. The capitalist state in developed societies, far from being the helpless instrument of the possessing class, has become the means by which other groups in society have redressed the balance of social power against those whom Hamilton called the rich and well born. This has been true in the United States, for example, since the age of Jackson. The liberal democratic state has accomplished two things in particular. It has brought about a redistribution of wealth which has defeated Marx's prediction of progressive immiserization, and it has brought about an economic stabilization which has defeated Marx's prediction of ever-worsening economic crisis. What the democratic parties of the developed nations have done, in short, has been to use the state to force capitalism to do what both the classical capitalists and the classical Marxists declared was impossible: to control the business cycle and to reapportion income in favor of those whom Jackson called the humble members of society.

THE TRIUMPH OF LIBERALISM

The champions of the affirmative state, in their determination to avert Marxist revolution, had to fight conservatism at every step along the way. Nonetheless, they persevered; and the 20th century in America and Great Britain saw the rejection of laissez-faire, the subjugation of the business cycle, the drowning of revolution in a torrent of consumer goods and the establishment of the affluent society. The revolutionary fires within capitalism, lighted by the great industrialists in the 19th century, were put out in the 20th by the triumphs of industry—and by the liberal politicians, by Theodore Roosevelt and Woodrow Wilson and Franklin D. Roosevelt. Such men ignored the dogmatists, the philosophers of either/or, and created the mixed society. Both classical socialism and classical capitalism were products of the 19th century, and their day is over. As a result, capitalism can no longer be relied upon to dig its own grave; and communism, if it ever comes to developed countries, will come, not as a consequence of social evolution, but only on the bayonets of the Red army.

At the same time, history has thrown sharp light on the actual function of communism. Marx, regarding communism as the climax of the development process, prophesied that it would come first in the most developed nations. On the contrary, it has come to nations in the early phases of development, like Russia and China; and it has appealed to activists in such nations precisely because they see it as the means of rapid and effective modernization. Instead of being the culmination of the modernization effort, communism would seem to be a form of social organization to which some countries aspiring to development have resorted in the hope of speeding the pace of modernization. We do not know what will happen to communism in a Communist state which achieves full development; but, if it should then survive in anything like its present form, it would be because of the efficiency of its apparatus of control and terror, not because it is the natural organizational expression of the institutions of affluence.

History thus shows plainly that communism is not the form of social organization toward which all societies are irresistibly evolving. Rather it is a phenomenon of the transition from stagnation to development, a disease (in Walt Rostow's phrase) of the modernization process. Democratic, regulated capitalism—the mixed society—will be far more capable of coping with the long-term consequences of modernization. "The wave of the future," Walter Lippmann has well said, "is not Communist domination of the world. The wave of the future is social reform and social revolution driving us toward the goal of national independence and equality of personal status."

AFFLUENCE IS NOT ENOUGH

If this is so, it emphasizes more than ever the need to keep abreast of history in our own social ideas and programs. We are all indebted to J. K. Galbraith for his demonstration that the affluent society compels a sweeping reconsideration of social and economic policies. The problems of the New Deal were essentially quantitative—problems of meeting stark human needs for food, clothing, shelter, and employment. Most of these needs are now effectively met for most Americans; but a sense of spiritual disquietude remains nevertheless. A full dinner pail turns out to be something less than the promised land. The final lesson of the affluent society is surely that affluence is not enough—that solving the quantitative problems of living only increases the importance of the quality of the life lived. These qualitative problems seem next on the American agenda.

The qualitative aspects of life are only marginally within the reach of government. Yet public policy surely has its contribution to make to the elevation of American civilization. "The great object of the institution of civil government," said John Quincy Adams in his first message to Congress, "is the improvement of the condition of those who are parties to the social compact, and no government, in whatever form constituted, can accomplish the lawful end of its institution but in proportion as it improves the condition of those over whom it is established. Moral, political, intellectual improvement are duties assigned by the Author of Our Existence to social no less than to individual man. For the fulfillment of those duties governments are invested with power, and to the attainment of the end—the progressive improvement of the condition of the governed—the exercise of delegated powers is a duty as sacred and indispensable as the usurpation of powers not granted is criminal and odious."

A central issue of contemporary domestic polity is a variation on the question which concerned Adams—that is, the question of the balance between the amount of our national wealth we reserve for private satisfaction and the amount we dedicate to public need. In the thirties "recovery" was the catchword of our national economic philosophy; in the forties, "full employment"; in the fifties, "economic growth"; in the future it is likely to become "allocation of resources." No one would argue that steering more resources into the public sector would cure the spiritual ailments of the affluent society; but it seems possible that the resulting improvements in opportunities in education, medical care, social welfare, community planning, culture, and the arts will improve the chances for the individual to win his own spiritual fulfillment.

THE TROUBLE WITH IDEOLOGY

The impending shift from quantitative to qualitative liberalism emphasizes once again the hazards involved in the degeneration of liberalism into ideology. By tradition American liberalism is humane, experimental, and pragmatic; it has no sense of messianic mission and no faith that all problems have final solutions. It assumes that freedom implies conflict. It agrees with Madison, in the 10th Federalist, that the competition among economic interests is inherent in a free society. It also agrees with George Bancroft, who wrote: "The feud between the capitalist and laborer, the house of have and the house of want, is as old as social union and can never be entirely quieted; but he who will act with moderation, prefer fact to theory, and remember that everything in the world is relative and not absolute, will see that the violence of the contest may be stilled."

Its empirical temper means that American liberalism stands in sharp contrast to the millennial nostalgia which still characterizes both the American right and the European left—the notion that the day will come when all conflict will pass, when Satan will be cast into the lake of fire and brimstone, and mankind will behold a new heaven and a new earth. José Figueres, the Latin American patriot, calls his finca in the Costa Rican uplands "La Lucha San Fin"—the struggle without end. Freedom is inseparable from struggle; and freedom, as Brandeis said, is the great developer; it is both the means employed and the end attained. This, I believe, states the essence of the progressive hope—this and the understanding that the struggle itself offers not only better opportunities for others but also a measure of fulfillment for oneself.

EULOGY OF SISTER MIRIAM THERESA OF MARYLHURST COLLEGE

Mr. MUSKIE. Mr. President, I ask unanimous consent that a tribute in eulogy of the late Sister Miriam Theresa, of Marylhurst College, prepared by the distinguished senior Senator of Oregon [Mr. Morse], be printed at this point in my remarks, together with a tribute to Sister Miriam Theresa delivered on the floor of the Senate by the Senator from Oregon on July 28, 1959.

There being no objection, the tributes were ordered to be printed in the Record, as follows:

A Tribute to Sister Miriam Theresa

(Prepared by Senator Wayne Morse, of Oregon)

In Oregon, yesterday, funeral services were held for an honored pioneer worker in the field of minimum wage legislation. Sister Miriam Theresa, of the Sisters of the Holy Names Order, in 1913, almost 50 years ago, when she was Miss Caroline J. Gleason, saw her efforts for social justice for working women and children in my State brought to a triumphant climax through the enactment by the State of Oregon of the first enforcible wage-hour law in the Nation.

I am deeply proud that I had the honor of knowing and talking with this great lady. Her life both before and subsequent to her entrance into her order gives witness to all of us that it is the human values which count and that the great spiritual teachings are symbolized by dedication such as hers to these values.

On July 28, 1959, on the floor of the Senate, I had occasion to pay to this wonderful woman tribute for her services to humanity. As I did so, the distinguished senior Senator from Illinois [Mr. Douglas] joined with me in honoring her for her patient, faithful and honest work. It can truly be said that the work of Sister Miriam Theresa in Oregon was the foundation of the development of minimum wage laws in other States and a notable forerunner of the Federal Fair Labor Standards Act.

For each of us there will come a time when the account books are closed and the balance is struck. Insofar as mortal judgment can tell, a life such as that of Sister Miriam Theresa, which was an inspiration to her contemporaries, will rank equally high with that of other dedicated pioneers in the field of social justice in the long chronicle of historic achievement. It is not true to say that she will be missed, because the light she has given to so many will keep her constantly with us.

[From the Congressional Record, July 28, 1959]

Sister Miriam Theresa and Oregon's Wage-Hour Law

Mr. Morse. Mr. President, one of the most wonderful women in my State is Sister Miriam Theresa. There recently appeared in the Oregon Labor Press a very beautiful tribue to the great pioneer work she did 46 years ago in connection with the passage of the first minimum-wage law in the United States.

Mr. President, the article starts out by stating that—

"Forty-six years ago—in 1913—Oregon became the first State to enact an enforcible wage-hour law to protect women and minors who work for a living. Oregonians are proud of this distinction. But few of them know the erect and graceful woman who, more than any other individual, was responsible for it.

"Her name then was Miss Caroline J. Gleason. Her name today is Sister Miriam Theresa. She is head of the department of social sciences at Marylhurst College, on the west bank of the Willamette River, near Portland."

It may be of interest to the Senate to note that in the course of this article there is this paragraph:

"The validity of her work was proved when an employer challenged the new law in the courts. (The employer was the owner of the paper box factory where Miss Gleason took her first industrial job.)"

In fact, Mr. President, the article is entitled, "She Worked in Sweatshops To Win Oregon Wage Law."

The article goes on to say:

"A brilliant young lawyer named Louis Brandeis came out from the East to volunteer his services in defense of the law. Brandeis used Caroline Gleason's survey as a basis of his defense before the State supreme court. He won. The court upheld the law.

"Both Louis Brandeis and the Oregon wage-hour law went on up to the U.S. Supreme Court. The Court upheld the law's constitutionality. And Brandeis later became one of the great liberal Justices of the highest Court in the land."

Mr. President, as the senior Senator from Oregon, I am proud to insert in the Congressional Record this article about Sister Theresa. I do it as a way of paying my very high tribute and my sense of great obligation to this wonderful woman who recognizes that, after all, it is human values that count and great spiritual teachings are symbolized by such dedication to human values.

The article she is writing for the Oregon Historical Society on the background of Oregon's pioneer minimum-wage law is eagerly awaited by all of us who are interested in this matter.

Mr. Douglas. Mr. President, will the Senator yield to me?

Mr. Morse. I yield.

Mr. Douglas. I was very much impressed with the statement of the Senator from Oregon because it happened that as a young instructor, almost 43 years ago, I went to the State of Oregon and took part in the second rulings of the minimum-wage commission in the State of Oregon. Miss Gleason had just left and had entered the sisterhood, of which she is now a most eminent member. They missed her very much, but her work lived after her.

At that time the chairman of the commission was the Reverend Edwin V. O'Hara, who later became a bishop in the Catholic Church. Bishop O'Hara and I had a most happy relationship together. We were successful in increasing the minimum wage for women, and it was really one of the experiences of my life which I think helped to develop me more than anything else. I am very happy to know that Sister Miriam Theresa is still living and that she is teaching. I think the whole country is indebted to this noble woman.

I thank the Senator from Oregon for paying this public tribute to her and for bringing the attention of the Nation to this patient, faithful, honest work which the then Miss Gleason did under the leadership of Father Edwin V. O'Hara.

Mr. Morse. Mr. President, I deeply appreciate the comments of the Senator from Illinois.

I am glad the Senator from Illinois [Mr. Douglas] made reference to the part he played in the development of the Oregon minimum-wage law, because one of the reasons he is beloved in the State of Oregon goes back to that work and to his work when he was at Reed College in our State. He contributed to the development of what has become known as the Oregon system or the Oregon idea.

Mr. President, this work of Sister Theresa really was the forerunner and the foundation for the development of minimum-wage laws in other States and ultimately for the development of a Federal Fair Labor Standards Act.

Mr. DOUGLAS. The Senator is correct.

Mr. MORSE. In fact, Sister Theresa is quoted in the article as saying, "Looking back to 1912, I never, never dreamed that I would live to see a Federal minimum-wage law."

I close my remarks about Sister Theresa's great work in the field of fair labor standards, more commonly known as minimum-wage laws, by saying that the best tribute which can be paid to this noble woman is for us to make sure, before adjournment this summer, that we improve the Federal minimum-wage law to which she refers in the article by the adoption of a series of much-needed amendments.

As the Senator from Michigan [Mr. MCNAMARA], who is sitting in the Chamber, well knows, we are in the process, within the Committee on Labor and Public Welfare, of seeking to reach an agreement which will make it possible for us to bring before the Senate minimum-wage amendments which are worthy of the name. I am not at all interested, as a member of that committee, Mr. President, in voting for empty gestures in the committee, because we would not be paying tribute to the noble work of Sister Theresa if we did not accomplish something in 1959, considering all the background of experience and data now existing which she did not have when she pioneered in this field. We would not be paying fitting tribute to her if we did not bring before the Senate, before we adjourn, some long-overdue minimum-wage law amendments.

I wish to say to the people of the State of Oregon and to Sister Theresa that, so far as I am concerned, I intend to continue to do what I can to bring before the Senate some minimum-wage law amendments which will apply the social justice for which Sister Theresa fought in 1913 for the women in the State of Oregon to all workers in the United States who can possibly under law qualify for Federal minimum-wage protection, because, in my judgment, as a matter of social justice we cannot justify exemptions to a Federal minimum-wage law. We cannot justify as a matter of social justice exempting from this code of social justice in 1959 any group of workers, whether they be laundry workers, hotel workers, telephone workers, or any of the other groups of workers which selfish interests in this country would have us continue to exempt.

Mr. President, we shall bring before the Senate a bill which will still continue some exemptions, because the legislative process is what it is, but I am very hopeful we will at least report to the Senate within the next few days a bill which will cut down the exemptions and which will extend coverage to many millions of workers who today are being put upon by selfish interests and who are being required to work for less than a wage of health and decency.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the article from the Oregon Labor Press of July 24, 1959, to which I have referred regarding Sister Theresa.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"SISTER MIRIAM THERESA: SHE WORKED IN SWEATSHOPS TO WIN OREGON WAGE LAW

"(By Emsie Howard)

"Forty-six years ago—in 1913—Oregon became the first State to enact an enforcible wage-hour law to protect women and minors who work for a living. Oregonians are proud of this distinction. But few of them know the erect and graceful woman who, more than any other individual, was responsible for it.

"Her name then was Miss Caroline J. Gleason. Her name today is Sister Miriam Theresa. She is head of the department of social sciences at Marylhurst College, on the west bank of the Willamette River near Portland.

"Sister Miriam Theresa's eyes are full of wisdom and kindness. And these eyes twinkle with merriment when she recalls some of the methods she used almost half a century ago to achieve her goals of social justice for women workers.

"Looking back to 1912 she says, 'I never, never dreamed that I would live to see a Federal minimum-wage law.'

"It was in 1912 that Miss Gleason directed a survey of the wages and working conditions of women working in Oregon stores, factories, canneries, and industrial plants.

"To assure the accuracy of the survey, she herself went to work in some of the worst factories. This took courage. The work was hard and dirty—and many employers considered her an enemy and a spy.

"Miss Gleason was appointed to make the survey by the Oregon Consumers' League, a group of citizens struggling to bring some kind of social justice to women who were being cruelly exploited in factories and stores. She herself was a member of the league's board of directors. When the challenge came to make the pioneering survey, she did not refuse.

"The completed survey was so devastating, so accurate, so appalling that the 1913 session of the legislature passed Oregon's first wage-hour law.

"The law established the industrial welfare commission and made it unlawful to pay women wages lower than those needed to maintain decent standards of health. It gave the commission authority to set those standards and to set a maximum workweek for women.

"The first weekly minimum was set by the commission at $8.25 for a 54-hour week—slightly less than 16 cents an hour.

"Sister Miriam Theresa recalls that organized labor opposed the law, fearing that it would hamper the growth of unions.

"The wage-hour bill was introduced on the opening day of the 1913 legislative session. Employers descended on the legislature to lobby vigorously against this outrageous, socialistic measure.

"'It will drive industry from the State. * * * It will reduce the wages of men. * * * It will throw women out of work because, if they are forced to pay higher wages, employers won't hire so many women.' These were some of their arguments.

"Hot on their heels to lobby just as vigorously, but more effectively, came Caroline Gleason.

"Employers were claiming that the conditions revealed in her survey simply do not exist.

"Miss Gleason quietly replied: 'If you would like the names and addresses of the firms where these conditions prevail, I shall be glad to give them to you.'

"Silence. No one asked for the names.

"Miss Gleason had the facts. She got them the hard way. She had worked in the plants.

"Her first job during the survey was in a paper box factory in Portland. Sister Miriam Theresa remembers:

"'Our job was to paste labels on the ends of shoeboxes. We sat at a long table with a huge gluepot in the center. A gas jet burned under the pot to heat the glue. The resulting odors were something less than pleasant.

"'After two or three labels our hands were covered with glue and had to be washed. But there was no hot water. We carried 5-gallon pails to another part of the plant where live steam was pouring from a pipe. We held our pails under the pipe until the steam had heated the water.

"'You must remember that this was piecework and all these preparations took time. In 3 days I earned $1.52.'

"During her lunch hour Miss Gleason wandered casually through the plant to observe the appallingly unsanitary conditions and fire hazards.

"This was the way the survey was made. This was how Oregon's pioneering wage-hour law was born.

"Caroline Gleason was well equipped to direct the survey. A graduate of the University of Minnesota, she came to Oregon in 1908 to teach Latin and English. But her compelling interest in social conditions took her to the University of Chicago in 1910 for graduate work in social studies. This interest had been stimulated earlier by social work in Philadelphia, Baltimore, New York, and other large industrial centers.

"She speaks with sincere modesty of the survey. 'Compared to the scientific methods employed in similar studies today, our survey seems a very small effort,' she says. 'But we had the facts.'

"The validity of her work was proved when an employer challenged the new law in the courts. (The employer was the owner of the paper box factory where Miss Gleason took her first industrial job.)

"A brilliant young lawyer named Louis Brandeis came out from the East to volunteer his services in defense of the law. Brandeis used Caroline Gleason's survey as a basis of his defense before the State supreme court. He won. The court upheld the law.

"Both Louis Brandeis and the Oregon wage-hour law went on up to the U.S. Supreme Court. The Court upheld the law's constitutionality. And Brandeis later became one of the great liberal Justices of the highest Court in the land.

"Another notable contribution made by Miss Gleason was a housing survey in Portland. Again the Oregon Consumers League called upon her to direct the survey. She trudged on foot many miles a day to inspect the living conditions of working people. The frightful conditions disclosed in her survey resulted in a new city ordinance based on the model tenement housing law of the Housing Association of New York.

"Before this survey was completed, Miss Gleason became a Roman Catholic nun. 'I knew from the time I was a girl that some day I would enter the church,' she said. Her conviction that education of youth was one of the best means of achieving improved social conditions was decisive. In 1916 she entered the Sisters of the Holy Names of Jesus and Mary, a teaching community.

"Sister Miriam Theresa's interests are by no means limited to the classroom. Of unions she has this to say: 'I certainly believe in the trade union philosophy. Without unions, the conditions of working people would be almost indescribable.'

"The complete background of Oregon's first minimum-wage law will be available to students when Sister Miriam Theresa finishes the article she is now writing for the Oregon Historical Society.

"It will be one of the proudest chapters in the history of our State."

PEACE OFFICERS' MEMORIAL DAY

Mr. PELL. Mr. President, this year, for the first time, we celebrate Police Week and in my own State of Rhode Island, this day has been proclaimed by Governor Nottee as Peace Officers' Memorial Day. It is, indeed, fitting that we pay tribute to the many brave peace officers throughout our Nation who have been killed or disabled in the line of duty. All too often we tend to take for granted the protection which our peace officers afford us. Their working conditions leave much to be desired and in all too many instances they are badly underpaid.

As a grateful citizen, I am pleased to have this opportunity to call attention to those who have lost their lives or suffered disability in the performance of their most important duty.

THE LATE GERALD M. KERR

Mr. MOSS. Mr. President, it is with regret that I inform the Senate of the passing of a distinguished civil servant, a native of Richmond, Utah, a man widely known in the West, who faithfully served in key positions in the Federal service over the long period of 44 years.

I refer to the late Gerald M. Kerr who, until his death on Monday, was Assistant Director for Range and Forest Management of the Bureau of Land Management, Department of the Interior; responsible for a program affecting 30,000 livestock ranches in the West.

Mr. Kerr, a graduate of Utah Agricultural College, now Utah State University, joined the Geological Survey in 1917. In 1934 he joined the original staff of the Grazing Service and was instrumental in the initial establishment and operation of the grazing districts under the Taylor Grazing Act.

After a period as regional supervisor of the Service at Salt Lake City, Utah, Mr. Kerr joined the headquarters staff of the Grazing Service, now the Bureau of Land Management in Washington, D.C. Over the years he served in positions of increasing scope and responsibility, leading to his appointment in 1961 as Assistant Director for Range and Forest Management in charge of conservation and land use activities on 170 millions of acres of public lands in the West.

In 1954, Mr. Kerr was granted the highest award of the Department of the Interior, its distinguished honor award, in recognition of his outstanding contribution to the management and uses of public lands.

Mr. Kerr has appeared many times as a Department witness before committees of this body.

Members of the Senate who knew Gerry Kerr will join with me in noting the passing of this good and faithful public servant, who by his work has added stature to our country's civil service, and integrity to his chosen profession in his life's work of conservation of our public lands and resources.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The ACTING PRESIDENT pro tempore. The unfinished business is House bill 10788, Calendar 1304, to amend section 204 of the Agricultural Act of 1956. Debate on that bill is subject to the unanimous-consent agreements entered into on yesterday.

The pending question is on agreeing to the Humphrey-Morse amendment in the nature of a substitute for the Mundt amendment, as modified.

Mr. MANSFIELD. I thank the Chair. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION AND THE ADMINISTRATION'S HEALTH CARE PROGRAM

Mr. HUMPHREY. Mr. President, yesterday a committee of physicians reported that an advertisement supporting the administration's health care program had been rejected by the Journal of the American Medical Association.

Dr. Caldwell B. Esselstyn, a member of the Physicians Committee for Health Care for the Aged Through Social Security, criticized the Journal of the American Medical Association with these words:

> This stand is consistent with the policy of protecting the American Medical Association membership from any exposure to an unemotional presentation of facts proving the necessity and the need for financing certain basic costs of the aged through social security.

Strange as it may seem, I happen to be involved in this issue, in an indirect way.

Last year, I wrote to the editors of the Journal of the American Medical Association to offer a factual article under my own byline on the program of health insurance for the elderly which would be established by the Anderson-King bill.

I have long been interested in this proposed legislation, since I was one of the early sponsors of a bill in Congress, starting in 1949, and have been every 2 years since that time, to bring persons aged 65 and older under the terms of social security for the provision of hospital and nursing home care. This has been a long-term effort of mine. Therefore, I was pleased when the Journal of the American Medical Association accepted my article. It was published in the September 9 edition of the magazine.

Today I wish to repeat my appreciation to the Journal of the American Medical Association for publishing that article. It was printed without any editing or critical comment. I was pleased that the tens of thousands of American doctors who read the Journal were given this detailed statement on the Anderson-King program.

The American Medical Association, responding to Dr. Esselstyn's complaint about the rejected advertisement, said:

> The ad was refused because it was misleading and deceptive.

The statement also denied that the Journal refused to present both sides of the issue of the Anderson-King bill, basing that denial on the fact that my article was published on September 9.

Mr. President, I would hope that my article in the Journal of the American Medical Association will not be used as a continuing excuse by the editors to close the pages of the Journal to the many physicians who support social security financing of health insurance for the elderly.

My own article, I believe, was effective. I tried to make it as effectual and objective a presentation as possible. After its publication, I received letters from many doctors throughout the Nation who reported they had not known many of the facts of the health care issue until they had read the article. Many wrote to me that they had never really known what the provisions of the Anderson-King bill are.

But that one article which I was privileged to write, and which the American Medical Association Journal published, does not justify a continuing blackout of the viewpoint which favors the Anderson-King program. This legislation is a continuing issue, under continuous discussion throughout the Nation. It deserves continuing, responsible discussion in the Journal of the American Medical Association and all other news media—I should think above all in the American Medical Association Journal.

Mr. President, a full and accurate understanding of the facts of President Kennedy's medical program, known as the Anderson-King bill, by America's physicians is important. The Journal of the American Medical Association is probably read by America's physicians more than any other publication. I may add that it is an excellent professional journal.

The Journal has its own distinct viewpoint, one of opposition to the Anderson-King bill. It is the Journal's right to express that viewpoint as effectively as it is able.

But I suggest that the Journal has a responsibility to its readers, the physicians of America—who, by the way, pay for the Journal—to give the opposite viewpoint more than just one chance of expression on its pages.

I considered the publication of my article on health care in the Journal evidence of the fairness of that magazine. I hope that the Journal's editors will reconsider the rejection of the advertisement submitted by Dr. Esselstyn's committee of doctors, who are fully accredited according to the professional standards of the American Medical Association, and thus add continuing evidence to its claim for continuing fairness.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "AMA Rejects Ad for Kennedy Bill," published in the New York Times for today, Thursday, May 17, 1962, and a reprint of my article which was published in the Journal of the American Medical Association for September 9, 1961.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 17, 1962]

AMERICAN MEDICAL ASSOCIATION REJECTS AD FOR KENNEDY BILL—PHYSICIANS' GROUP PROTESTS—PRESIDENT DETERMINED

(By Marjorie Hunter)

WASHINGTON, May 16.—A group of physicians charged today that the Journal of the American Medical Association had refused to run their advertisement supporting the Kennedy medical-care-for-the-aged program.

The charge was made by the Physicians Committee for Health Care for the Aged Through Social Security, which is actively supporting the administration bill. The American Medical Association opposes the proposed legislation.

Meanwhile, there was new evidence today that President Kennedy planned to press hard for passage of the King-Anderson bill this year.

"I want to tell you the President has the bit in his mouth about medicare," Senator HUBERT H. HUMPHREY, Democrat of Minnesota, said after a White House meeting today.

Mr. HUMPHREY said that Mr. Kennedy was "kindly and soft hearted" on the steel price case "compared with his determination to get action on the medical care program."

If the House committee fails to act, the Senator said, a Senate bill on medical care will be added to some House-passed measure to force a joint Senate-House conference.

ADVERTISEMENT REJECTED

Discussing the advertising ban, Dr. Caldwell B. Esselstyn, of Hudson, N.Y., spokesman for the committee, said the American Medical Association had refused to carry the advertisement in the Journal for June 2.

He produced a letter asserting that the Department of Advertising Evaluation of the American Medical Association had concluded that the advertisement "does not conform to our standards."

The advertisement showed a picture of Mr. Kennedy meeting with the 40 original members of the physicians' committee outside the White House this spring. It also asked for contributions to push the fight for the bill which would finance care for the aged through the social security system.

The American Medical Association in a brief statement, acknowledged that "the ad was refused because it was misleading and deceptive."

The organization denied that it had refused to present both sides of the issue. It said its Journal last September 9 published a two-page statement by Senator HUMPHREY, in support of the medical care bill.

In his protest Dr. Esselstyn said:

"This stand is consistent with the policy of protecting the American Medical Association membership from any exposure to an unemotional presentation of facts proving the necessity and the need for financing certain basic costs of the aged through social security."

Dr. Esselstyn said that the action was also consistent with the American Medical Association's stand against allowing any "voice of dissent" in the news columns of its Journal.

"We know the walls of Jericho didn't go down the first time and we'll continue to try to put the facts before the American Medical Association membership," Dr. Esselstyn said.

He said that the physicians' committee was now supported by nearly 1,000 doctors, most of them members of the American Medical Association.

[From the American Medical Association Journal, Sept. 9, 1961]

HEALTH CARE UNDER SOCIAL SECURITY

(EDITOR'S NOTE.—Senator HUMPHREY asked for an opportunity to present in the Journal his views on health care under social security. The American Medical Association disagrees with Senator HUMPHREY in principle, and specifically with many of the statements which appear in this communication. In deference to him, however, his manuscript is reproduced without critical comment or annotation.

(A summary of the testimony on the King bill, H.R. 4222, by Dr. L. W. Larson was published in the August 12, 1961, issue of the Journal.)

(By Senator HUBERT H. HUMPHREY)

The White House Conference on the Aging was an eye opener for many of the delegates who came to Washington early this year. They learned for the first time that reasonable, responsible citizens—who are completely opposed to socialized medicine—can support social security financing of health care for elderly Americans. I want to emphasize the word "financing." As President Kennedy declared: "This is not a program of socialized medicine. It is a program of prepayment of health costs with absolute freedom of choice guaranteed. Every person will choose his own doctor and hospital."

Too often, members of the medical profession foresee bureaucratic controls and Federal redtape interfering in their freedom, lowering the high quality of medical care, and imposing dismal mediocrity on America's doctors. As I pointed out in my television debate with Dr. Edward Annis, I have a high regard for the American Medical Association and for the contributions of American medicine to the health and welfare of the American people. I know that American doctors contribute a great deal of work for which they get no compensation. Therefore, I have been deeply concerned about the widespread misunderstanding that I have encountered among my friends in the medical profession on the subject of social security financing of health care for aged people.

I give full credit to the wonders of modern medical science and to the medical profession for the startling increases in the proportion of our population over 65 years of age. We now have about 17 million Americans over 65, and by 1970 this number may reach 20 million. These elderly people spend twice as many days a year in hospitals and have 2 to 3 times as great an incidence of illness as the rest of the population. Less than half have any kind of health insurance.

What about the Kerr-Mills program? Doesn't it meet the need of low-income elderly people for health insurance? This program increases Federal payments to the States to expand existing public assistance medical care programs, and it sets up a new program, authorizing Federal payments on a matching (formula) basis to the States, to help people over 65 who cannot afford adequate medical care, even though they are not on the public relief rolls. There is no limit on the Federal liability under the Kerr-Mills program. If all the States took advantage of this law, the cost to the Federal Government would go sky high—and it would all come out of general taxes, out of the Federal budget. This is the worst kind of fiscal irresponsibility. Furthermore, the Kerr-Mills program fails to include the vitally important principle of freedom of choice, a principle I supported last year during the debate on this program. The Senate adopted my freedom of choice proposal this year, but, unfortunately, the joint Senate-House conference committee dropped this amendment to the Kerr-Mills program. I might add that the freedom of choice protection for doctor and patient is specifically included in our social security health care program. The Federal Government puts up 50 to 80 percent of the money under the Kerr-Mills Federal-State program. Even with this inducement, the program has stalled because most States simply cannot afford this added cost. They cannot or will not put up the necessary matching money.

This does not mean that I regard the Kerr-Mills program as completely useless. On the contrary, I believe it can supplement the social security health care program. If health care for the vast majority of elderly people is financed through social security, the Kerr-Mills program can be used to pay for medical services to needy people who are not eligible for social security retirement benefits.

Can private insurance solve the health cost problems of our elderly citizens? Unfortunately the answer is "no." Premium costs are high because aged people are poor health risks. Policies are often canceled, cancellable, or not available for people over 65. And for those who do have some kind of health insurance, protection is too often inadequate or hedged about with restrictive limitations. A typical health policy for a person over 65 costs $6.50 a month, but offers only $10 a day for 31 days in the hospital, a $200 maximum for surgery, and a $100 maximum for other expenses. This premium is too high for the average oldster whose monthly social security check is less than $75, and the benefits are certainly not adequate when serious, disabling, long-term illness strikes.

Let me outline the social security health care program which I am sponsoring with Senator CLINTON ANDERSON on behalf of the Kennedy administration. This program will provide hospitalization, nursing home, and home nursing services to the 14 million men and women aged 65 and over who are receiving social security retirement benefits. The plan includes hospital outpatient diagnostic services, but it does not pay for physicians' services in the home or office, and it does not include fees for surgery. A hospital patient could get up to 90 days of hospital care for each illness, but he would have to pay $10 a day for the first 9 days, with a minimum payment of $20. Skilled nursing home services—up to 180 days—would be available after a patient is discharged from a hospital, and up to 240 days of visiting nursing services in the home. There is a maximum of 150 units of benefits with 1 unit equal to 1 day of hospital care, 2 days of nursing home care, and 2⅔ days of home care. This legislation establishes the policy that less expensive nursing home and home care services shall be utilized whenever possible in lieu of hospitalization.

To reassure those who fear Federal controls, I want to quote from the opening statement of our proposal, where we state that these health benefits will be provided to elderly people "in a manner consistent with the dignity and self-respect of each individual without interfering in any way with the free choice of physicians or other health personnel or facilities by the individual, without the exercise of any Federal supervision or control over the practice of medicine by any doctor or over the manner in which medical services are provided by any hospital."

If the burden of hospital expenses is eased for our elderly citizens, I am convinced that they will be in a better position to pay the remaining expenses of doctors' fees for consultation, diagnosis, treatment, or surgery. Thus, social security financing for hospitalization and related services will improve the prospects for payments to physicians and will virtually eliminate the need for unpaid charity care of elderly people by America's doctors.

How will we pay for these health benefits? The same way we pay for social security retirement benefits. We will use the time-tested, proven principles of social insurance to spread the costs of retirement benefits over the citizens' working, earning years. Congress has been scrupulously careful to keep payments for social security benefits in line with income of the social security trust fund over the past 25 years. Here is what Mr. Marion S. Folsom, former Secretary of Health, Education, and Welfare under President Eisenhower, said last August about the social security system:

"The record of Congress in the past 25 years in maintaining the system on a sound basis has been good. The latest estimates indicate that the present system is, for all practical purposes, on a sound actuarial basis. That is to say, the cost of benefits now provided as projected ahead over a long period of years is about in balance with contributions as presently scheduled and likewise projected."

Thus, we have already the records, the statistics, the administrative know-how, and the trained personnel to set up the health insurance program under social security without great expansion of administrative costs. These costs come to less than 2 percent of the present social security program. Private insurance carriers are fortunate if administrative costs are as low as 5 percent, and they often reach 10 or 20 percent of benefit payments.

We propose to raise the base income in which social security taxes are paid from $4,800 to $5,000. Furthermore, we propose to increase the tax rate paid by employers and employees by one-quarter of 1 percent, raising the total payroll contribution by one-half of 1 percent. Self-employed people covered by social security would pay only three-eighths of 1 percent. These two changes will bring $1,500 million a year into the trust fund. With these two small changes, the social security trust fund will be actuarially sound. There is no danger that outgo will exceed income. We have carefully limited and delayed benefits to make sure that this program will be properly financed with an adequate reserve on sound insurance principles.

This program will lift an enormous burden from private commercial and nonprofit insurance plans and enable them to provide health insurance for younger people with lower health risks at lower cost. Furthermore, local welfare agencies, hospitals, and private charities—not to mention doctors—now providing so much free service for elderly people will also be relieved of serious financial sacrifices. If the major costs of hospitalization and nursing home care are met by social insurance, these elderly people will be in a better position to meet necessary costs of physicians' services. Similarly, the Federal Government, which now spends more than a third of a million dollars a year on health care for the aged under public assistance and veterans' programs, would save substantial sums from its general tax revenues.

I hope that I have made it clear that a program of health benefits for the elderly is not socialized medicine. Our proposal for social security financing of these benefits is designed to minimize the need for unpaid charity by putting the major costs of health care for the elderly within a soundly financed, proven social insurance program. By so doing, we will enhance the dignity and freedom of America's medical profession.

Mr. CURTIS. Mr. President, will the distinguished Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CURTIS. Has the Senator from Minnesota seen the advertisement referred to?

Mr. HUMPHREY. No; but it is discussed in the article.

Mr. CURTIS. But the Senator from Minnesota has not seen the advertisement, then?

Mr. HUMPHREY. No, I have not.

Mr. CURTIS. Does the Senator from Minnesota believe that any publication should be compelled to publish an advertisement which, in the opinion of the editors of that publication, is misleading?

Mr. HUMPHREY. Let me say that my plea to the Journal is that the doctors who are members of its own association and who pay for the Journal should be given an opportunity to have their point of view presented. The doctors who have prepared this advertisement are accredited, respectable, honorable, outstanding members of the medical profession; and I cannot believe that they would be any more deceptive in their advertisement than they would in their practice of medicine; and in their practice of medicine they are very honorable.

Mr. CURTIS. I am not suggesting that they were willfully deceptive. My question is, Should this publication be compelled to publish an advertisement if the editors of the publication are of the opinion that the advertisement is misleading?

Mr. HUMPHREY. No, they should not; if the advertisement is misleading, of course it should not be published in any publication. As a matter of fact, if it is misleading, the Federal Trade Commission should examine it, just as it does all other advertisements that are believed to be misleading. But the question of whether an advertisement is misleading can be determined only by application of the professional and scientific standards on the part of those who prepared the advertisement and on the part of those who then are asked to accept the advertisement, and, finally, by an instrumentality of the Government of the United States.

Mr. CURTIS. Is the Senator from Minnesota suggesting censorship of advertisements?

Mr. HUMPHREY. Certainly I am not. However, I am suggesting that honor and truth in advertising have been established by the Congress, by public law; and every day of the week the Federal Trade Commission examines to determine whether the public is being deceived by improper advertising.

I do not believe in public censorship, or private censorship, either.

Mr. CURTIS. But should not the publication determine, before the advertisement is published, whether it is misleading?

Mr. HUMPHREY. The publication has a right to determine whether the advertisement is misleading; yes.

Mr. CURTIS. And it also has a right to turn it down, does it not?

Mr. HUMPHREY. Yes, to turn it down.

The Journal of the American Medical Association is a very fine publication; and the doctors who are members of the association, and who prepared the advertisement, are very outstanding men; and my point is that I believe that, in fairness, the Journal should publish the advertisement.

I am not suggesting that there be forced or required publication or censorship, either public or private; but I do not want word to get out that the Journal of the American Medical Association is unfair—because I do not think it is. I want that made quite clear; and I also want it made quite clear that when the American Medical Association Journal accepted my article, it made no complaint, it made no criticism, and it did no editing. But I feel that the views of members of the American Medical Association might carry more weight on such matters than the views of a Member of the Senate; and my plea to the American Medical Association Journal is to reconsider; my plea is that it will do no harm, and may help establish for the Journal a continuing reputation for complete fairness; and I am of the opinion that it will do a great deal to prove to the public that the Americal Medical Association and its Journal are taking an objective view of this issue.

I may state here that the editors of the Journal are certainly entitled to express their own view as vigorously and as effectively as they can—and their view is one of opposition. But I hope they will permit freedom of expression on the pages of their Journal.

AMENDMENT OF THE AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956.

Mr. HRUSKA. Mr. President, I yield 10 minutes to the Senator from Hawaii [Mr. FONG].

The ACTING PRESIDENT pro tempore. The Senator from Hawaii is recognized for 10 minutes.

Mr. FONG. Mr. President, I rise in support of the amendment sponsored by the distinguished Senator from South Dakota [Mr. MUNDT] and the distinguished Senator from Nebraska [Mr. HRUSKA].

Mr. President, if the Congress of the United States is to embark upon a program of special protection for one agricultural industry, cotton, it behooves the Congress to consider other farm industries similarly hurt by unfair competition from abroad.

The Mundt amendment would require the executive branch to invoke the same protectionism in regard to American beef and beef products, pork and pork products, poultry and poultry products, dairy products, fresh and frozen lamb, timber, and timber products, as the President invokes with regard to American cotton.

In the case of cotton, the pending bill empowers the President to negotiate trade agreements with cotton exporting countries who are not now parties to the 19-nation cotton-textile agreement.

It is a protectionist remedy, one which gives the President carte blanche power to deal with imports from certain countries which our cotton interests fear could flood the U.S. market and further depress our cotton industry.

The Mundt amendment provides that no cotton agreements shall go into effect until the President has negotiated agreements with foreign nations limiting in like manner their exports to the United States of beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, dairy products, timber and timber products.

I understand the amendment has just been modified to include a provision stating in effect that if the President does negotiate in a bona fide manner, but still is unable to reach an agreement, the textile agreement can go into effect.

Mr. HRUSKA. Mr. President, will the Senator from Hawaii yield?

Mr. FONG. I yield.

Mr. HRUSKA. Or if the President makes a finding that imports of such commodities do not seriously affect producers, then the cotton agreement may go into effect.

Mr. FONG. I thank the Senator from Nebraska.

Mr. President, this amendment does not prohibit imports of the enumerated farm commodities. It only gives to the President the power to reach an agreement with foreign exporting nations on these additional products which will prevent the destruction of our American farmers.

Members of Congress are keenly aware of the plight of cotton growers and textile producers in our Nation. It has been one contributing cause of our persisting high unemployment.

Certainly, I am in agreement with the general proposition that our first duty as a nation is to our domestic industries and to our American workers.

H.R. 10788 is in accord with that principle, but it is limited only to cotton, whereas other agricultural industries in different parts of the country are today facing a similar predicament.

Let us extend the same protectionist features provided for cotton to these other hard-hit farm industries.

In Hawaii, the people of our State face special problems in regard to foodstuffs as well as to all consumer products, for we import two-thirds of the food we eat and more than 90 percent of all other consumer goods.

We are heavily dependent on imports from the mainland and from abroad.

We are seeking to reduce our dependence upon outside products in regard to basic foodstuffs, so that our people will not suffer whenever our sources of supply are denied us through shipping tieups or through some other emergency.

We are increasing our truck-farm products. We are trying to build our beef cattle industry, to build up our poultry and poultry products industries, to build our pork and our lamb industries, to build up our dairy industry.

Beset by high costs because feedstuffs must be imported, these industries face further difficulties stemming from low-cost foreign competition.

There is some question whether some of Hawaii's domestic farm industries can continue to survive in the face of such competition.

In the case of beef, for example, the national figures show in 1958, total imports of beef and beef products constituted 8.6 percent of total beef and veal production. In 1959, these total imports again were 8.6 percent. In 1960, they declined somewhat to 5.9 percent; and in 1961, they were 7.9 percent.

In Hawaii, the sale of foreign beef within the past 5 years has increased from slightly less than 5 percent of all the beef sold in Hawaii to approximately 25 percent. In other words, the importation of foreign beef into the State of Hawaii is more than 300 percent greater than the national average of 7.9 percent.

So alarming is Hawaii's domestic beef situation that the Legislature of the State of Hawaii in April of this year adopted a concurrent resolution requesting the Congress of the United States to instigate a Federal study on imports of foreign beef and to consider imposing a quota on beef imports. I ask unanimous consent that the text of the Hawaii State Legislature's resolution be printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Senate Concurrent Resolution 3

Concurrent resolution requesting the Congress of the United States to ask for a further study of the problem of foreign beef importation

Whereas the increased importation of foreign frozen beef has been causing undue hardships to cattlemen in Hawaii who must compete with foreign beef not measured or regulated according to U.S. standards; and

Whereas Honolulu, Hawaii, the closest and highest priced American port, is the favorite market for "down-under" beef; and

Whereas in 1960, 24 percent of Hawaii's market supply came from "down-under," compared to only 1.7 percent for the entire United States; and

Whereas a certain limited amount of foreign beef in the Hawaiian market is welcomed, but sale of such beef within the past 5 years has increased from slightly less than 5 percent to approximately 25 percent, and if this trend is allowed to continue, the cattle industry in Hawaii will soon be thoroughly ruined; and

Whereas Hawaii's cattle industry is an important part of the island economy, it is of vital necessity that it be preserved, not only to help stabilize the general economy, but to insure local self-sufficiency of beef as well: Now, therefore, be it

Resolved by the senate of the first State legislature, budget session of 1962 (the house of representatives concurring), That the Congress of the United States be and it is hereby respectfully requested to ask an appropriate department of the Federal Government to give further study to the importation of foreign beef to the United States ports and to consider the advisability of imposing a quota on the importation of beef, equal in total to the present importation level, with periodic adjustments therein to be determined; and be it further

Resolved, That certified copies of this concurrent resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, to the Secretary of Agriculture of the United States, to the Honorable Hiram L. Fong and the Honorable Oren E. Long, Senators to Congress from Hawaii, and to Congressman Daniel K. Inouye, Representative to Congress from Hawaii.

W. H. Hill,
President of the Senate.
James H. Kamo,
Clerk of the Senate.
Elmer F. Cravalho,
Speaker, House of Representatives.
———,
Clerk, House of Representatives.

Mr. FONG. Mr. President, the heart of the resolution reads as follows:

Whereas the increased importation of foreign frozen beef has been causing undue hardships to cattlemen in Hawaii who must compete with foreign beef not measured or regulated according to U.S. standards; and

Whereas Honolulu, Hawaii, the closest and highest priced American port, is the favorite market for "down-under" beef; and

Whereas in 1960, 24 percent of Hawaii's market supply came from "down-under," compared to only 1.7 percent for the entire United States; and—

Mr. President, "down-under" refers to New Zealand and Australia—

Whereas a certain limited amount of foreign beef in the Hawaiian market is welcomed, but sale of such beef within the past 5 years has increased from slightly less than 5 percent to approximately 25 percent, and if this trend is allowed to continue, the cattle industry in Hawaii will soon be thoroughly ruined; and

Whereas Hawaii's cattle industry is an important part of the island economy, it is of vital necessity that it be preserved, not only to help stabilize the general economy, but to insure local self-sufficiency of beef as well: Now, therefore, be it

Resolved by the senate of the first State legislature, budget session of 1962 (the house of representatives concurring), That the Congress of the United States be and it is hereby respectfully requested to ask an appropriate department of the Federal Government to give further study to the importation of foreign beef to the U.S. ports and to consider the advisability of imposing a quota on the importation of beef, equal in total to the present importation level, with periodic adjustments therein to be determined. * * *

It is a little-known fact outside of Hawaii that our beef cattle industry is a long-established one, which for more than a century has comprised an important source of meat for our dinner tables and has furnished employment and income for many Hawaii citizens.

Next to our two main farm commodities, sugar and pineapple, whose value exceeds more than $100 million a year each, beef cattle ranks as a leading agricultural industry, alternating with our dairy industry in third or fourth place. Last year beef cattle had a total retail value of $15 million. In that year 30 million pounds of beef were produced in Hawaii.

One of our fine ranches, the Parker Ranch on the Island of Hawaii, is the second largest cattle ranch in the world, covering 262,000 acres. It has the largest herd of whitefaced Herefords in the world, numbering more than 36,000 head.

Hawaii has 410 ranches, with more than a million acres in all devoted to beef production. More than 168,000 head of cattle are supported on our island ranches.

Slightly more than half of all beef consumed in Hawaii is home-produced. About 25 percent is imported from foreign sources. The remainder is obtained from our sister States.

Mr. President, we in Hawaii are doing our best to cope with a difficult food supply situation. We are trying to devise means to protect the needs of consumers, workers, producers, and processors in Hawaii and to obtain a better balance between local supplies and local demand.

Consumers need protection not only regarding the price of beef, lamb, pork, poultry, and dairy products, but also regarding a dependable supply of these foods. Our workers need protection so that they may have jobs on farms, ranches, in processing plants, and all the related fields of employment. Our industries need protection so that they may provide jobs.

But, the sovereign State of Hawaii cannot, without Federal legislation and technical assistance of Federal agencies, cope with the serious problem of increasing imports of farm products from abroad.

All that we supporters of the Mundt amendment are asking is that the protection extended to cotton be extended similarly to livestock, poultry, and timber, which are important industries in various parts of our Nation.

Certainly, livestock, poultry, and timber are basic industries in the U.S. economy, employing thousands of people and feeding and sheltering millions of Americans.

In the case of Hawaii, our only Island State, we have a particular and urgent need to expand and strengthen our agricultural production and employment, which are fundamental to a stable and healthy economy.

The Mundt amendment will materially aid our statewide efforts to develop and diversify our farm economy. I therefore ask the adoption of the Mundt amendment.

Mr. CURTIS. Mr. President, will my colleague yield some time to me?

Mr. HRUSKA. How much time does the Senator wish?

Mr. CURTIS. Five minutes.

Mr. HRUSKA. I yield 5 minutes to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I commend the Senator from Hawaii for a clear and forceful statement. His is a viewpoint which is taken in the interest of our country and all the States thereof.

I also congratulate and commend my distinguished colleague [Mr. HRUSKA] and the distinguished Senator from South Dakota [Mr. MUNDT] for proposing their amendment and for the leadership they have given to it.

Mr. President, the production of food is something that, in the main, should be encouraged near the point of consumption. Our country can relieve starvation in far places by shipping food there, but it is cumbersome, costly, and oftentime involves deterioration of food. Every country of the world should be encouraged to be self-sufficient in the production of food.

Imports of beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, and dairy products have not only been too great—they have been on the increase. This is true when there is a general policy of curtailment on the part of American agriculture imposed by the Government. While this curtailment in acreage has been related to grains, cotton, and like crops, nevertheless the program of land retirement, at a cost of millions of dollars, has been aimed at the reduction of the supply of agricultural products in this country.

How can we justify the Government of the United States paying millions of dollars to prevent the production of food in this country and then not turning a hand to prevent the production of food outside the United States and its importation to and sale in this country?

Many of the problems of price in the entire field of agriculture could be solved, or partially solved, by a curtailing of imports. Many of the problems of the U.S. Government in discouraging production, with the great expense connected therewith, could be solved, or partially solved, by curtailing the importation of food into the United States. Why should Uncle Sam, with all his wealth, be a purchaser of food from abroad when so much of the rest of the world is hungry? We should not be importing that food into this country; we should be producing our own food. I urge the adoption of the amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator from Nebraska yield me about 2 minutes?

Mr. HRUSKA. I yield 2 minutes to the Senator from Iowa.

Mr. HICKENLOOPER. I only wish to commend the Senator from Nebraska and the Senator from South Dakota for proposing their amendment. Also, I think the senior Senator from Nebraska [Mr. CURTIS] has ably and eloquently stated the case.

In the first place, I see no justification whatsoever for putting cotton and textiles in a special category, and not including some other products and raw materials from farms in a category of concern. I think that is what the amendment by the Senator from Nebraska [Mr. HRUSKA] and the Senator from South Dakota [Mr. MUNDT] does.

Unfortunately, in the negotiations respecting the Common Market we have observed our negotiators under this administration sweep the agricultural problem under the rug, meanwhile attempting to negotiate on industrial products. It is high time that the administration realized there is a farm or agricultural situation which has to be dealt with practically and realistically.

I only wish to say, without taking more time, I wholeheartedly support the amendment offered by the Senators from Nebraska and South Dakota. Again I congratulate them for offering it, and I thank them for their interest.

Mr. CARLSON. Mr. President, will the Senator from Nebraska yield me 2 or 3 minutes?

Mr. HRUSKA. Mr. President, I yield 3 minutes to the Senator from Kansas.

The ACTING PRESIDENT pro tempore. The Senator from Kansas is recognized for 3 minutes.

Mr. CARLSON. Mr. President, I commend the Senator from Nebraska [Mr. HRUSKA] and the Senator from South Dakota [Mr. MUNDT] for offering the amendment to the proposed legislation. I think it points up a problem with which we shall be confronted as we attempt to deal with future trade programs in respect to the Common Market and other countries.

I have had grave concern, because I think we are in great danger, from an agricultural standpoint, of being outtraded in the Common Market and in other markets.

I have no criticism of the cotton people or any who have already reached international agreements, but I am concerned about the fact that there was a rather extensive round of negotiations with the Common Market representatives in Paris in January of this year.

Representatives of our State Department and other top officials of our Government were at the negotiations. They were able to negotiate agreements on cotton and some noncompetitive farm crops.

I noticed—and I say this with great regret—that at these negotiations action was deferred on feed grains and wheat, which represent a substantial part of our exports not only to the Common Market countries, but also to other countries.

It appears to me that today at least we should serve notice on the State Department and on our own negotiators that we expect them to protect the interest of agriculture as they get into future negotiations. If we do not, the farmers of this Nation may be traded down the river as the United States goes into a new trade program.

I would not for one moment wish to have anybody believe that I am not sympathetic toward a trade program with Common Market countries and with other nations. I think we must trade in the world in which we live at the present time. I am concerned, however, about some of the commodities coming into this Nation at the present time.

The Kansas Livestock Association, at its annual convention in Wichita, Kansas, recently expressed concern and adopted a resolution suggesting that every effort should be made to protect the U.S. producers against the ever-increasing imports of farm commodities, particularly livestock and livestock products, which are affecting our markets at this time.

Mr. President, there are some favorable prospects for trade with the Common Market countries, particularly in regard to cotton, as has been mentioned, and hides, skins, tallow, and certain fruits and vegetables but there are some questionable projects. These questionable projects cover items which make up approximately 30 percent of our agricultural exports. Included in the group are wheat, flour, feed grains, rice, poultry, and meat. We sold to the European Economic Community over $300 million worth of these products in 1960.

Mr. President, I think it is timely that the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] is before the Senate, though I do not think it goes far enough. I think the Senator from Nebraska [Mr. HRUSKA] has offered an amendment which certainly is very mild in character. It merely points up a problem which will confront the Congress and the Nation as we consider future trade programs. We must write proper trade legislation in this session of Congress, or there will be some serious effects on the agricultural production of our Nation by 1970.

I thank the Senator from Nebraska for yielding me this time.

Mr. JORDAN. Mr. President, first I wish to say that my colleague [Mr. Ervin] asked me to express his regret that he could not be present to speak in respect to the proposed legislation this morning. I am sure Senators join me in extending sympathy to my colleague and to his family, since this morning his brother's wife is being buried in his native town. Otherwise he would be present.

Mr. President, the textile problem has been before the Senate and before the executive branch of the Government ever since I have been a Member of Congress. It is one of the problems of long standing in America. The industry is one of the largest employers of people, and it affects a great many. As a Senator pointed out yesterday, this industry is rated as the number two manufacturing defense industry of the United States, in the event there should be a war and a need to supply our troops, as well as our allies, as we supplied them in the last war.

The Pastore committee was appointed by legislation. The committee made an exhaustive study of the problems of the textile industry. That inquiry did not pertain only to cotton, but included the whole textile industry. Hearings were held in New England, all over the South, and wherever textiles were being manufactured and were a major part of the economy. I attended some of the hearings myself. All the information which could possibly be obtained was gathered. Japanese witnesses, who were interested in what might be done by legislation which would affect imports from Japan, were heard. Representatives from other nations came before the committee to be heard. New England, the South, and every other area was represented in the hearings.

After much study and many hearings the committee made a report, which was partially implemented this year and last year by agreements which were reached in Geneva, after many trips by members of the Commerce Department and of the State Department, in an endeavor to work out some kind of mutual agreement which would not upset world trade but which would at the same time protect the textile industry of the United States.

A voluntary agreement was finally reached with 18 other nations. Including the United States, 19 different countries, the major producers of textiles in the world, made the agreement.

When the negotiations started, the textile industry wished to include all textiles: wools, manmade fibers, and silk, as well as cotton. It was finally determined it would be impossible to reach an agreement on all forms of textiles, because it was difficult enough to reach an agreement on one phase of textiles.

Wool, for instance, plays an important part in the economic life of some foreign countries. I do not know of any industry in the United States which is in worse shape than the wool industry. I know of one plant owned by the Burlington Mills Corp.—the Peerless Woolen Mills plant, the largest woolen mill in the United States—which was liquidated in the last year because it could not effectively compete with foreign textiles.

I am told that the imports of woolen goods into this country now equal about 50 percent of the woolen goods consumed in the United States. The American wool industry is in serious trouble.

Manmade fibers increasingly are getting into trouble due to foreign competition.

The American Textile Institute, representatives of the Commerce Department, representatives of the State Department, and representatives of all other agencies involved, working together, found it would be impossible to negotiate an agreement on all types of textiles at one time, so it was agreed to negotiate the agreement in respect to cotton only; that is, cotton yarns, cotton fabrics, and manufactured finished cotton garments.

On a short-term basis 18 nations have entered into an agreement, which will end the latter part of this year. A 5-year agreement was negotiated which will go into effect at the end of the short-term agreement. Those agreements have been fairly well lived up to. One of the countries has considerably overshipped its agreed quota. The Department of Commerce has taken steps to see that the situation is remedied promptly. About 2 months ago one of the other nations that entered into the agreement far exceeded the amount it had agreed it would ship into this country. The Department of Commerce immediately took hold of that situation, and the goods were not even permitted to land in the United States.

The countries that signed the agreement were Australia, Austria, Canada, Denmark, India, Japan, Norway, Pakistan, Portugal, Spain, Sweden, the United Kingdom—also representing Hong Kong—the United States, and the member states of the European Economic Community, Belgium, France, Germany, Italy, Luxembourg, and the Netherlands.

Those countries produce 90 percent of the free world trade in textiles. Those agreements are now in effect. They are operating reasonably well, and will continue to operate satisfactorily.

However, very recently a problem developed which was not contemplated at the time the agreement was made. Israel, Egypt, Taiwan—that is, Formosa—and Colombia, which were never, to any extent, exporters of textiles into the United States prior to the agreement, have now become major exporters of textiles into the United States.

Some strong evidence exists that perhaps one or two of the countries that entered into the agreement, pursuant to which they promised they would not ship more than their quota into the United States, are now shipping goods to one of the countries I named, from which they are then transshipped into the United States. In other words, in the agreement we might have left the back door open. If the situation should continue, the countries that have entered into the agreement might feel that they are not being treated fairly. Their reaction could completely wreck the voluntary agreement that has now been established. All we are asking through the proposed legislation is that areas that are not covered under the voluntary agreement be brought in by law. The President has authority to negotiate with them and prevent such countries from abusing the objects sought.

I am thoroughly in sympathy with the desires of my good friend, the Senator from South Dakota [Mr. Mundt], and other cosponsors of the amendment. I know full well that industries in their States need protection. I also know that a great many other products need protection. I am thoroughly in sympathy with the producers of wood products, whose problems have been discussed. At one time North Carolina was a large producer of plywood veneer. Importations of that particular product have almost completely wrecked that industry in North Carolina. I should be glad to support any kind of legitimate proposed legislation which would protect those people, because they need protection.

As the distinguished Senator from Kansas [Mr. Carlson] said, our farm products and other commodities will need protection, and we must see that they receive it.

North Carolina, like other States on the eastern seaboard, produces a large amount of fish meal and fish oil. Those products are of vital importance to the economies of those States. That market has been almost completely wrecked by the importation of fish meal. That is another product that we should study. There are many others.

Last week I discussed on the floor of the Senate the importation of mirrors. The mirror industry in the United States is a large one. The largest mirror factory in the United States is situated in North Carolina. A number of smaller factories producing mirrors are also located in my State. Those factories are threatened with being put completely out of business unless they get some protection in the way of tariff quotas or some similar relief later.

Mr. President, I do not think those commodities should be added to the proposed legislation now before the Senate. To add them would completely stifle the effort that is being made by the administration to take care of the one product named at this time.

I reiterate that when another measure which is appropriate is offered, I shall be glad to join my good friends in helping them to have the commodities in which they are interested added, because I know that they, too, need protection. But I do not think the amendment should be added to the present bill, because it would not help the products that Senators are trying to help, and the amendment would probably ruin the negotiations that have been carried on and the agreements that have been entered into with respect to cotton textiles. The agreement is now already set up and is operating.

All we need to do is to close the back door, through which many of the commodities are coming in. If we do not do so, the operations of the volunteer agreements that are now covered by the Geneva agreement might be affected.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. JORDAN. I am glad to yield.

Mr. MILLER. What the Senator has said would appeal to me much more if the bill related to cotton textiles, but it does not. It covers the whole gamut, because it would amend section 204. There is no provision in the bill that I can see that states anything about textiles. I know as a practical fact that the only agreements that have been negotiated relate to textiles, but the bill goes far beyond that point. It seems to me that in view of the comprehensive nature of the bill, it would be entirely proper to cover other commodities than only textiles. In fact, I believe that probably is the intention behind the amendment offered by the distinguished majority whip, which seeks to cover more than textiles.

If the bill were amended to cover textiles specifically, I would be somewhat persuaded by what the Senator from North Carolina has said. But in view of the way the bill is now drawn, so that it would cover everything that section 204 embraces, it seems to me that it would be entirely appropriate to bring in other commodities than textiles.

Mr. JORDAN. The Mundt amendment reads, in part:

> *Provided, however,* That no agreement in regard to cotton and cotton textiles shall be enforced pursuant to the provisions of this section until such time as the President has negotiated agreements with representatives of foreign nations limiting in like manner the export to the United States from foreign countries of the following commodities:

Negotiations for the textile agreement have been proceeding for at least 4 years. That much time has been required to bring the agreement to where it is now. If we were required to go back and negotiate with reference to all the different products now named with foreign nations, years might pass before the present agreements with the countries that are in effect and those that could be brought in under the bill which is being introduced could go into effect. During that time the countries that are now bringing into our country commodities that are not covered by the agreement could completely wreck the agreement that has already been set up. I do not wish to see the statement made, "You shall not do these things until certain other things are done."

I am fully in sympathy with the producers of beef. Incidentally, North Carolina is a large beef-producing State. We do not raise too many sheep. However, I know that those producers need protection, too. I am willing to assist in anything that can be done to see that those industries are protected, because they need protection.

I do not believe the pending bill is the one to which this amendment should be attached, because it simply would hamstring what has been done.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. PASTORE. Is it not fair for me to say that the Mundt amendment is punitive in nature? It says, in effect, "We realize it is true that you people have worked out a multilateral agreement, which cannot be perfected under the present language of section 204 of the act because it is not a bilateral agreement. We realize all that. We realize that you have made a great struggle for 4 years. You have made this effort and you have brought this matter to the attention of a Republican administration at first, and then later to the attention of a Democratic administration. We realize all that. Furthermore, you have not only done all that, but back in 1958 a resolution was introduced creating a committee to make a thorough study of the textile industry. You have done all that. In 1959 that committee issued a report. In 1961 it issued another report. Then still another report was issued by the committee in 1962. We realize that you went to all that trouble and what is more, you brought 19 nations together with whom you negotiated a multilateral agreement. However, we are saying to you now that you cannot do anything about it until you go out and get one of these agreements for us."

I say to the proponents of the Mundt amendment that that is unfair. If the proponents were to say, "We too have an agreement, and we want to be included," that would be another matter entirely. That would be equitable. That would be all right with us.

However, they are saying, "We realize the fact that you have a multilateral agreement, but you cannot implement that agreement so that it becomes effective, even though you represent an industry in trouble, until you go out and get one of these agreements for us also. If you do not do that for us, you cannot get the help you want, and you must be allowed to die." And we do not want to die.

If the proponents were to take the position taken by the proponents of the amendment submitted by the majority whip, which has been mentioned here earlier, and were to say, "We feel that the cattle industry is in bad shape, too, and you ought to give us a chance to try to negotiate one of these agreements for us," that would be all right. That would not stop us.

The proponents of the Mundt amendment are being somewhat punitive. I think it is absolutely unfair on their part to take that attitude. That is the fault I find with the Mundt amendment, that it is punitive. I do not believe they should do that to the textile industry.

They are saying, "We know you are in a very difficult situation with respect to textiles, and we recognize that many people have been thrown out of work, and that you went to the trouble of going to the White House, and you did all that, whereas we did not do any of that, but you can't do anything about this until you get one of these agreements for us."

We did take action 4 years ago. At that time we took the matter to President Eisenhower, and later we took it to President Kennedy. We brought representatives of industry and of labor to Washington and went to the White House. The proponents of the Mundt amendment have not done that. Now they come to the floor and say, "You cannot do this until you get an agreement for us."

How unfair can anyone be?

Mr. JORDAN. As the Senator well knows, because he conducted hearings, before any of these agreements were reached, we had reached a kind of voluntary agreement with Japan. Is that not correct?

Mr. PASTORE. We had a voluntary agreement.

Mr. JORDAN. That was prior to reaching the multilateral agreement.

Mr. PASTORE. We had reached an agreement with Japan on a 5-year basis. That was a voluntary agreement. It limited exports to this country from Japan to the tune of 235 million yards of cotton cloth. Then 2 years before the agreement expired they asked for an amendment to the agreement, and it was increased to limit exports to 247 million yards of cloth. Then the agreement ran out. That would have meant that we would have been faced with disaster if we were unable to work out some kind of agreement.

That is what we have done, Mr. President. That is all we have done. We have had to close down 800 mills in this country. Four hundred thousand people have lost their jobs. At the present time we have 2,100,000 people employed in the textile industry.

If the bill is not passed as we have presented it we will jeopardize the future of those families.

I remind Senators that I have voted for support programs in the agricultural field, for programs which meant little or nothing to the State of Rhode Island. We have been on the floor helping the interests of the States represented by the sponsors of the Mundt amendment. I ask them not to punish us today. That is what they are doing. They are punishing us today because they have not received relief. I say to them, "Go out and get your relief. I will help you get it, but do not kill us off."

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. SALTONSTALL. I should like to say to the Senator from Rhode Island that we from New England approached the former occupant of the White House, and then also the present occupant of the White House on this problem. Then we worked this matter out as a group, regardless of partisanship. This effort has been made over a number of years.

Mr. PASTORE. Since 1958. I have just said that.

Mr. SALTONSTALL. We went to work on that problem, because we have seen the textile industry in New England handicapped by inability to get new machinery, handicapped by foreign imports, and by lower prices. We have seen mills close down and workers lose their jobs. The bill would help the industry continue to live, at least to remain in existence.

Mr. PASTORE. The Senator is absolutely correct. I would like to say also that we had before our committee the largest manufacturer of woolen products in the country. These woolen people have been in our ranks, and that is why I am surprised by this move on the part of the supporters of the Mundt amendment. This manufacturer said to me, "God forbid that we should have a major conflict tomorrow and the country be compelled to call up 10 million boys and put them into the armed services of the country. If we had to do that, we wouldn't have the cloth in this country, and we would not have the machinery in this country, and we would not have the mills in this country to make the clothes and the blankets to keep these boys warm." That is how bad it is. We are trying to help that situation. We negotiated agreements with countries that are exporting 90 percent of the textile goods that come into this country. Of course, there will always be loopholes. We know that there are three or four countries that have not been brought into these agreements, because they were not exporting at the time. The minute these countries begin to export, it will throw the whole thing off, and it will become lopsided. That is why we are trying to protect the agreement, so that these other countries cannot come in through subterfuge or a loophole and take advantage of the situation. That is what we are trying to do. That is all it amounts to.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. SALTONSTALL. The Senator from Rhode Island mentioned wool. Is it not true that we worked out an agreement with Australia a number of years ago with relation to subsidies on wool that came in from Australia, so that our woolgrowers in the western part of the country would be able to compete and continue in the business of raising sheep and producing wool?

Mr. PASTORE. Absolutely.

Mr. SALTONSTALL. We worked on that from the point of view of New Englanders helping the sheep-growing industry in the western part of the country. At the same time we permitted bringing in Australian wool where it was helpful to do so.

Mr. PASTORE. Yes. We made that kind of agreement against our own self-interest, too, because domestically produced wool is more expensive by reason of the differential in the pay rates. We know that for the time being it is always a little attractive to buy cheaper. In the long run, however, what are we doing? How is anyone going to buy anything if he does not have a job? How can a man buy anything when he does not have a job that pays him something?

This is not a political question. The very genesis of the bill comes from a Republican mind. This is not a Democratic movement. The Senator who submitted the resolution was the Senator from New Hampshire [Mr. COTTON]. He stood on the floor of the Senate with former Senator Payne, of Maine, and they suggested that perhaps I would make a good chairman of a committee to study this whole matter. That task was assigned to me. I say with considerable pride that I believe we have done a respectably good job.

We called in witnesses from every facet of the textile industry, and we listened to all of them. We went to the White House. We went to the places where the mills are located, and we talked to the workers and to management. We went to the White House to see President Eisenhower. He appointed what is known as an interagency committee. We asked him to appoint a permanent one, but he appointed an ad hoc committee. That did not work out. Then President Kennedy came into office, and we took the matter up with him. He appointed a Cabinet Committee, and it restudied the subject.

Then it was suggested that possibly it would not be right and would not be in keeping with our system to provide for mandatory quotas. He said:

> Let us try voluntary quotas.

This was done. In May 1961 he issued his seven-point program.

Among the points was point 6, which had to do with calling a conference in Geneva of all the nations in the world which were exporting textiles to the United States. We sat down with those people. We faced a hard task. Do Senators think we got the best of it? Of course we did not. We achieved a little limitation. They wanted to gage the program according to the imports of 1960, which was a bloated year. We said that that would be unfair. Finally we agreed upon fiscal year 1961. So the agreement is based on the imports of fiscal year 1961. Our industry is not happy about that. I am not particularly happy about it. Nevertheless, it is an accomplishment, and we are trying today to do what is necessary to preserve that small accomplishment.

Mr. SALTONSTALL and Mr. HRUSKA addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. PASTORE. I do not think I have the floor; but if I have the floor, I shall be glad to yield.

Mr. JORDAN. Mr. President, I yield to the Senator from Massachusetts for a question.

Mr. SALTONSTALL. Mr. President, I join with other Senators in commending the Senator from Rhode Island for what he accomplished as chairman of the committee. We worked, first, on a voluntary basis, because our negotiations were principally with Japan. When it was found that that arrangement would not work because of the activities of other countries, then we sought to reach a multilateral agreement in Geneva, and in accomplishing that the Senator from Rhode Island had much to do.

That agreement will not work unless we have the pending amendment agreed to today. It will mean so much for so many of our people in New England who work in the textile industry.

Mr. PASTORE. More than that, when we began this crusade—and I use the word advisedly, because it was a crusade—Japan exported 75 percent of all the textile imports into this country. But then the picture began to change, because Hong Kong came into it, and Hong Kong began to export to the United States. Japan's 75 percent of the entire quantity which came to the United States dropped to 38 percent—only in percentage; in quantity, it was even more. That gives an idea of how bad the situation became. Finally the United States became inundated with imports, and our mills began to close. Something had to be done. This is a national problem, not merely a local one.

Mr. SALTONSTALL. Is it not correct to say that Hong Kong undercut Japan?

Mr. PASTORE. That is correct. Then the Philippines came into the picture; now Egypt has come into it. Everybody is fighting for his share of the market of the American consumers. I say "Look out; do not kill the goose that laid the golden egg."

Mr. JORDAN. I should like to address a question to the Senator from Rhode Island, because he was the chairman of the committee which conducted the hearings. Under the arrangement, Japan made a voluntary agreement with the United States that it would export to the United States so many yards of cotton cloth. As the Senator stated, the amount was later raised. What wrecked the Japanese arrangement was that although the Japanese lived up to their agreement, other nations began to ship their products to the United States. But originally, the Japanese were the principal exporters to the United States.

Mr. PASTORE. Yes; but that 5-year voluntary agreement on the part of Japan expired on June 30, 1961. That is why it is necessary to enter into the agreement now proposed.

Mr. JORDAN. That is exactly correct.

Mr. PASTORE. That is why I said the floodgates have all been opened.

Certainly the Senators from the agricultural States deserve relief and attention; but there is a way to get it. Please do not work against us.

Mr. HRUSKA. That is the point about which I wish to speak.

Mr. PASTORE. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. MILLER. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield to the Senator from Iowa.

The PRESIDING OFFICER. How much time does the Senator from North Carolina yield to the Senator from Iowa?

Mr. JORDAN. As much time as the Senator wishes.

Mr. MILLER. In response to the comments of the Senator from Rhode Island about why we from the agricultural States have not gone to the White House to try to obtain some relief for agriculture, things are a little different today from what they were in the days when the White House was occupied by President Eisenhower. We say that the responsibility is now that of the other party, and since the administration now is under the control of the Democratic Party we expect Senators of that party to go to the White House and intercede for agriculture. We did the same thing for them with respect to textiles when President Eisenhower was in the White House.

Mr. PASTORE. Has the Senator from Iowa ever asked me to go? Let him ask me to go, and I will go.

Mr. MILLER. We expect the administration, through the Department of Agriculture, to take such action. But when we write to the Department of Agriculture and point out the impact that imports are having on domestic production, to the harm of our agricultural products, does the Senator know what response we get? We are told that the condition is not serious; therefore, we get no relief.

Mr. PASTORE. Has the President ever told the Senator that?

Mr. MILLER. We hope the Senator from Rhode Island will help us to get some action with respect to our problem, if not through the Department of Agriculture, then through the White House.

Mr. PASTORE. I shall be glad to do what I can. Only yesterday was it called to my attention for the first time.

The Senator speaks of a different occupant of the White House. Mr. Kennedy has been there only since January 1961. Do not tell me that this problem has grown up only as of then. It has been with us a long time. Where was the Senator when Mr. Eisenhower was in the White House?

Mr. MILLER. I was not even here then.

Mr. PASTORE. But the Senator's colleagues were.

Mr. MILLER. The Senator from Iowa wishes the Senator from Rhode Island to know that the Senator from Iowa is in sympathy with his problem and wants to do something about it; but I point out that one reason for the Mundt amendment is that agriculture has been ignored, so far as the present administration is concerned, when it comes to the impact of imports on our surpluses.

Men who are far more expert in agriculture than I ever will be have told me that if we had not been importing such large amounts of foodstuffs from other countries, we would not have the problem of surpluses.

Mr. PASTORE. I realize that. I am not quarreling. I am simply asking Senators not to kill us off because they have a problem. Their action today is rather punitive. They are saying that the textile industry is in trouble; that they realize we have a multilateral agreement; but that we cannot do anything about it until we get them such an agreement. I ask, Why proceed in that way?

Mr. MILLER. With respect to the amendment offered by the senior Senator from Minnesota [Mr. HUMPHREY]——

Mr. PASTORE. I shall support it.

Mr. MILLER. That is exactly why I am concerned about the situation. That amendment is meaningless because it provides, "when in his judgment such imports seriously affect domestic producers." Obviously, the President has made a judgment long ago that the imports do not seriously affect domestic producers.

Mr. PASTORE. When did the President of the United States make the judgment which the Senator from Iowa just stated? Tell me the time and place of the judgment.

Mr. MILLER. The President's own Secretary of Agriculture made it.

Mr. PASTORE. The Senator said the President of the United States made it. When did the President make that judgment?

Mr. MILLER. The Secretary of Agriculture speaks for the President on these questions.

Mr. PASTORE. The Secretary of Agriculture cannot speak for the President on this question, because the language provides that the President of the United States shall make the judgment. Let us not shift from one argument to another.

As I said before, the amendment proposed to be offered by the Senator from Minnesota is a fair, frank, equitable amendment. It puts the problem right in the lap of the President of the United States, where it should be.

Mr. MILLER. I think it would be much better, more effective, and more satisfactory, if it were in the lap of Congress rather than in the lap of the President. That is the objection I have to the Humphrey amendment.

I thank the Senator from North Carolina for yielding.

Mr. HRUSKA. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield to the Senator from Nebraska.

Mr. HRUSKA. I thank the Senator from North Carolina. I simply wish to make a point with respect to some of the inquiries and statements made by the Senator from Rhode Island.

First, it is said that this is a crusade, that it is not a political question, that all cotton folk seek to do is to protect their gains. It is said that it is not a political question because the distinguished Senator from New Hampshire [Mr. COTTON] started this movement some 3 or 4 years ago. He did. All that the representatives of the so-called cotton and cotton textile States wish to do is to protect their gains; that is all, it is said.

Mr. President, all we who support the Mundt amendment seek to do it to make these gains, which are granted by the President of the United States under section 204, available to the rest of the agricultural States and agricultural sectors.

It is said that the Mundt amendment is a punitive measure; that it is obstructive and will not permit the cotton textile industry to go forward after years of negotiations in reaching the agreement to which reference is made in the original Mundt amendment. That is not true, because, as modified, there are two additional alternatives which the President may turn to in order to put the cotton textile agreement into effect. First, he can enter into similar agreements with respect to other commodities, or make a bona fide effort to negotiate such agreements. If he fails, he may then put the cotton textile agreement into effect. Or, if he makes a finding that the imports of commodities listed in the bill do not seriously affect domestic producers, then he may put the cotton textile agreement into force.

It is not obstructive. It is a reasonable way of asking the President to exert on behalf of the rest of agriculture the same solicitude and compassion, that he has exerted on behalf of cotton. And here is where we get to the politics of the matter——

Mr. PASTORE. Mr. President, will the Senator from Nebraska yield?

Mr. HRUSKA. After I make my next point.

Mr. PASTORE. Very well.

Mr. HRUSKA. It is said that the other agricultural producers did not go to the White House; that they did not appoint a commission and did not exert all of the efforts to secure this same protection as the cotton people are getting. But, actually, we have been making such efforts for years. It is a matter of record, not only in the Tariff Commission, but also in the Department of Agriculture and here in Congress.

I shall state where we were not when this happened. We were not a member of the group about which the Senator from Illinois [Mr. DOUGLAS] yesterday spoke of as follows:

> As realists we are all more or less familiar with what has happened. The textile industry is a powerful industry. Senators and Representatives represent textile districts in New England, the Middle States, and now the Southern States as well. In order to placate them and get them to support trade expansion, the Department of State and the Department of Commerce negotiated agreements with the European Economic Community and with other areas.

The congressional representatives of the other agricultural areas did not join this group in trading their votes for the trade expansion bill as the senior Senator from Illinois alleges, this in order to get Executive clemency of this kind. This Executive compassion and solicitude was accorded only one selected industry within the field of agriculture. I say that is where we were not. We were not trading our votes for the trade expansion bill in order to get the Executive to agree to a protectionist measure that out-McKinleys McKinley.

Mr. PASTORE. Mr. President, will the Senator from North Carolina yield?

Mr. JORDAN. I yield.

Mr. PASTORE. Mr. President, I merely wish to state that the Senator from Nebraska is indulging in an assertion, not the statement of a fact. There has been no trade. I do not know whether he has read the reports of our committee. We issued the first one on February 4, 1959; we issued the second one in April 1961; and we issued the last one in April 1962.

In my own State of Rhode Island, 45 percent of our entire economy came from the textile industry when I was

Governor of the State; but now it has slumped down to 15 percent. So when the Senator from Nebraska states that what we are doing is "cementing our gains," I respectfully suggest that the Senator from Nebraska has not read the record. What we are trying to do here is preserve our very life.

Mr. HRUSKA. Mr. President, will the Senator from North Carolina yield further time to me?

Mr. JORDAN. I yield.

Mr. HRUSKA. Let me say that I did not make the statement attributed to me. I did not say that those in this industry are attempting to cement their gains. I did not say that a "deal" was made by the congressional representatives of the cotton-textile producing States. The Senator from Illinois [Mr. DOUGLAS] made those statements.

Mr. PASTORE. That is true; but the making of the statement does not establish that as a fact, because regardless of whether the Senator from Illinois or anyone else made such a statement, I am saying categorically that it is not the truth.

Mr. HRUSKA. Succeeding events, when we take up the trade expansion bill, will prove whether it is the truth.

Mr. PASTORE. And we shall wait and see.

Mr. JORDAN. Mr. President, I yield the floor.

Mr. MUNDT. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator from South Dakota is recognized for 3 minutes.

Mr. MUNDT. Mr. President, I think we are gradually clearing up the issues involved in this discussion.

Let me say that some of the Senators on the opposition side have left the floor; but some of them are still on the floor, so I shall address myself first to exactly what concerns us here today.

First, let me say there is nothing even remotely punitive about the proposal we have submitted—an amendment to provide for agriculture generally the consideration which it is now proposed to give to the textile industry. I state frankly that if because the proponents say it is the wise thing to do, or if because the Senator from Illinois [Mr. DOUGLAS] was correct when he said commitments have been made and vote trades have been concluded, or if for any other reason they succeed in excluding the rest of the agricultural industry from the benefits of this protective measure, as one Senator I shall still vote for the measure, because the textile industry is in trouble and I am not going to assume a dog-in-the-manger attitude. But I do not think this is wise legislation or prudent legislation or proper legislation.

I think the correctness of that statement is illustrated rather clearly by the alternative which has been offered us by means of the amendment in the nature of a substitute which has been proposed to my amendment by the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Oregon [Mr. MORSE]. The Humphrey-Morse amendment in the nature of a substitute would not add one scintilla of authority or power, I submit, to what the President now has; it would not change the picture in any way, shape, or form. In my opinion the amendment in the nature of a substitute is simply what could be called a robber-baron amendment—an amendment to rob the Senate of the opportunity to do its duty through voting on the amendment submitted by my associates and myself—an amendment which would broaden this measure and would extend it to all segments of agriculture. Ours is a meaningful amendment, the substitute amendment is meaningless.

The PRESIDING OFFICER. The time the Senator from South Dakota has yielded to himself has expired.

Mr. MUNDT. Mr. President, I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 additional minutes.

Mr. MUNDT. Mr. President, I understand that Senators on the other side of the aisle who are vitally interested in the textile industry and who are also vitally interested in the problems of the poultry industry and the cattle industry and the dairy and timber industries—and the timber industry is in just as bad a situation, as I pointed out statistically yesterday, as is the textile industry—would like to find some convenient way to becloud the issue, so as to be able to tell their people back home, "I did something for the rest of you." The Humphrey-Morse amendment is a device to achieve this purpose.

So I think the issue should be made crystal clear in the public print, so that those who read it later, in the agonizing moments when they face vanishing profits and bankruptcy, because their particular industry has not been protected, although the textile industry has been protected, will know just what the situation here is. I say without fear of the possibility of successful challenge or contradiction that the Humphrey-Morse amendment in the nature of a substitute does not add 1 ounce of authority to the authority the President already has—authority which he could have exercised last year or yesterday in the absence of the Humphrey-Morse amendment in the nature of a substitute. Nothing new is being added by the substitute proposed.

So the question is whether we really want to do something for any other segment of the agricultural industry which is suffering from imports, except the textile industry; and I say this as one who, if we are defeated, still will vote in favor of protecting the textile industry. Then we shall observe the vote of this body as the Senator from Nebraska has recommended, when the roll is called, several weeks from now, on the question of passage of the President's proposal to strip the Congress and the Tariff Commission of any authority to deal with these tariffs, and we shall then watch to see whether Senators will justify the charge which has been made by the Senator from Illinois or whether by their votes they will repudiate it. That will be the test of the correctness of what the Senator from Illinois has said—which, as of now, is merely an allegation. When the votes are cast at that time, we shall be able to determine definitely whether the rest of agriculture is being sold out to free trade and ruinous imports, in order to protect temporarily, and in only a minor degree, the textile industry as proposed in the committee bill before us.

I know what the problems of the timber industry are; and we can do something about them today; or we can vote for this "robber baron" amendment in the nature of a substitute, which has been submitted, and thus do nothing about the problems of the timber industry.

I know something about the problems of the dairy and poultry industries. The Members of Congress who come from States producing these products have been busy; they have been walking on the same paths and knocking on the same doors and making their requests and offering their suggestions; but they have not been offering to make any trades for votes. And they have failed.

Today they have a chance to do something effective to help their constituents by voting for my amendment.

I confess that as my amendment originally stood, as was pointed out by the Senator from Florida and one or two other Senators, it might be considered that there was something obstructionist and punitive about it. And so, in a spirit of conciliation, in an effort to help the textile industry and the other industries at the same time, with no obstructionism involved, we got together later yesterday afternoon and remodified the amendment. We changed it, and eliminated any possibility of its being considered punitive or obstructionist, because we simply now seek to provide, ultimately, that we shall at least have an opportunity to do for the rest of the agricultural industry, the timber, poultry, cattle, sheep, pork, and dairy product producers, and the rest, something similar to what it is proposed we do now for the textile industry, because we leave the textile protecting language intact. We simply say that this agreement shall not be made operative until agreements have been negotiated on "beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, timber and timber products, and dairy products." Those products have been brought into the picture, or we say, because we do not want to be obstructionist, "until the President has exerted bona fide efforts to negotiate such agreements as to those commodities and has failed therein."

This provision will not hold up action. The President can get the interested parties together to negotiate within a week's time. The textile people would still have what they want to have, but they would not have it by ruling out the rest of the agricultural industry. Then, to be completely fair, to be completely cooperative, to be sure we are not holding up needed relief for the textile industry, we added another modification, another provision, which says:

> Or [when the President] makes a finding that imports of such commodities do not seriously affect domestic producers.

He has made an adverse finding on some of these products several times, through the Department of Agriculture. As the Senator from Iowa believes I think he was wrong. But if the President makes such findings, and signs them, and stands by them, textile producers can have their textile protective relief while the rest of the country goes free trade. Our amendment would not destroy his authority to act.

That is the issue involved. Do we want to do something about it? The case of the Burlington Mills has been cited. I do not think they are going to get help, because they are "kaput" now. As the Senator from North Carolina said, silk and wool, and manmade fabrics have been excluded from the act. So it gets down to cotton and textiles.

I read the statistics in the RECORD yesterday relating to the Simpson Lumber Co. of Washington, pointing out the problems it has involving imports. We propose to give the Senate an opportunity to do something for the timber industry, and not only for the Northwest, but for American timber generally because there is a timber industry in other parts of the country. We do not happen to produce Douglas-fir, but we happen to raise a lot of ponderosa pine. We are faced with some import problems also.

The question arises, Do we want to single out the textile industry for tariff protection, since we are about to be asked to vote for an international trade policy which puts complete, unchallengeable control in the hands of the President, and leave out the dairy people, the livestock people, and the timber people? I think this is the only chance we will have to do something about these products. We are told the votes are available to strip the power from Congress to regulate international trade. This may be the last chance any Senator has to protect his industry. Here it is. We want to do it without hurting the cotton people. We want to do it through action that has nothing punitive or obstructionist in it. We think our amendment will achieve these results.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. MAGNUSON. My committee has been holding a series of hearings, both here and in the field, on the timber situation.

Mr. MUNDT. In my remarks of yesterday. I quoted from the presentation made in the committee.

Mr. MAGNUSON. We have not completed the hearings, but I think we are pretty well informed as to the problems. The facts are not disputed at all. There are several facets of the problem. One is transportation costs. Another is the problem of stumpage practices, which are different in Canada from what they are in the United States.

Mr. MUNDT. One is the wage rate differential.

Mr. MAGNUSON. There is not much difference in the wages paid.

Mr. MUNDT. The testimony seemed to indicate there was.

Mr. MAGNUSON. Well, actually, there is none.

Mr. MUNDT. If the Senator, who represents a State with a great timber industry, says that the wage differential does not affect the industry in his State, I point out that it does in my State.

Mr. MAGNUSON. Very well. That may be one facet of the problem, but it is not the major one. The real problem is that Canada has again devalued its dollar, so that we are working under a 7½-percent difference. The Senator from North Carolina, as a very successful and able businessman, knows that a 7½-percent differential makes the difference between whether a business can compete in any line of endeavor and cannot. The question of quotas or tariffs, and matters of that kind, also is one problem. Our serious problem is the fact that the Canadians have usurped our domestic market in the East.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MAGNUSON. May I have an additional 2 minutes?

Mr. MUNDT. I yield 2 minutes to the Senator from Washington. Perhaps the Senator from North Carolina can yield him 2 minutes. Then we both can listen to the Senator from Washington.

Mr. MAGNUSON. Ninety percent of the timber that is shipped east goes by rail. So there is a transportation rate problem involved. The other timber is shipped by water, where we have the question of the Jones Act and chartered foreign ships. The basic problem is the usurpation of the eastern market for western lumber. It goes as high as 55 or 60 percent. I will put the figures into the RECORD later.

Mr. MUNDT. I put them in the RECORD yesterday.

Mr. MAGNUSON. I quote from the report:

> The bill would authorize the President, for the purpose of carrying out any agreement under section 204—

And I add there my own words that forestry and timber have apparently been declared to be agricultural products.

Mr. MUNDT. May I say that question is still in doubt. We discussed it in great detail in the Committee on Agriculture and Forestry. We have not been able to get a satisfactory definition

Mr. JORDAN. I am going to help the Senator there, because we ought to have one.

Mr. MAGNUSON. I continue to read from the report:

> The bill would authorize the President to limit the importation of any agricultural commodity or product covered by such agreement from countries not participating in the agreement.

Is Canada in or out of the agreement?

Mr. MUNDT. Canada is in the agreement.

Mr. JORDAN. Canada is in the textile agreement.

Mr. MAGNUSON. So Canada would be involved in this particular matter?

Mr. MUNDT. No, because the agreement deals only with textiles. That is the only commodity as to which we have the multilateral agreement.

Mr. MAGNUSON. How would the Senator's amendment give some comfort to the Senator from Washington in the hope that we could get at the problem of importation of lumber from Canada to the eastern market?

Mr. MUNDT. It would then be possible for the President to make it mandatory; really, for him to try to get multilateral agreements, and would give him the power, if he gets them, to provide safety insurance, which I think the President needs. This provides that when there is a multilateral agreement, if a country which has not signed it wants to move in and violate it, the President has an opportunity to stop it.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. This would be for the benefit not of cotton only but all agriculture.

Mr. MAGNUSON. As is true of the Senator from South Dakota, I have gone through these textile problems before. My committee has studied them. As he believes, I, too, think something should be done.

We also have a problem with respect to lumber. This is primarily a Canadian-United States problem. Even if the Congress can solve some of the problems in respect to it, there will remain the 7½-percent differential.

Mr. MUNDT. That will not be the case if the amendment is agreed to, as the Senator from Nebraska and I and other Senators have offered it. The President then would have the authority to say to Canada, "Look, if you are going to devalue your currency we will increase the tariff to compensate for such action." It would have nothing to do with the railroad rates.

Mr. MAGNUSON. I think that quotas would be better than tariffs. Would the President have authority in that field?

Mr. HRUSKA. If the amendment which has been proposed and which we hope will be adopted is agreed to, yes. Negotiations would not be conducted on the basis of tariffs alone. Nontariff restrictions could also be considered. Tariffs are outmoded. They are no longer the principal consideration.

Mr. MAGNUSON. Yes, in many respects tariffs are outmoded.

Mr. HRUSKA. They are outmoded.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MUNDT. Mr. President, I yield 2 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. HRUSKA. In further answer to the question of the Senator from Washington as to how the timber industry could be helped by the Mundt amendment, I suggest it could be helped in this way: The Mundt amendment merely provides that the cotton textile agreement would not go into force and effect until one of three things happened.

A similar agreement could be entered into on other agricultural products.

Recognizing that this might take considerable time and might be obstructive in nature, another alternative is provided whereby the President can make a bona fide attempt to enter into such agreements and fail in this attempt.

The third alternative is that the President could find that the importation of such commodities is not causing serious injury to domestic producers.

This is not an obstructive proposal. It is constructive. We want to provide the other sectors of agriculture with the same benefits the proposed bill would give to one particular industry.

Mr. MAGNUSON. Timber would be within the category of agricultural products?

Mr. HRUSKA. Yes. There is no question about it.

Mr. MUNDT. We spell that out in the amendment, which includes "timber and timber products." We do not rely on an indefinite definition, but spell it out specifically.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JORDAN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield for a question.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. MUNDT. Has my time expired?

The PRESIDING OFFICER. The time yielded has expired. The Senator has 40 minutes remaining. How much time does the Senator yield?

Mr. MUNDT. How much time does the Senator from North Carolina have remaining?

The PRESIDING OFFICER. Twenty-eight minutes.

Mr. MUNDT. Since I have more time, I yield.

Mr. JORDAN. I did not wish to ask the Senator to yield on his time, if he is short of time.

Mr. MUNDT. For a brief question I am glad to yield.

Mr. JORDAN. The point we may be overlooking is that the cotton textile industry already has an agreement with 90 percent of the textile-producing people of the world. The 10 percent, which no one thought was even worth negotiating with, can wreck the whole program. Egypt was not shipping any yarn until the last year, and neither was Israel. Israel is now becoming an exporter. The same is true with respect to Formosa. The United States has been exporting cotton to Formosa in order to clothe the soldiers there, yet now Formosa is shipping cotton to this country.

Our competitors get cotton at 8½ cents a pound less than we do. A lot of it comes under Public Law 480. What we are attempting to do is to provide that the 10 percent shall not wreck the agreements which have been made.

Mr. MUNDT. As I said earlier, I can understand why the proponents of the legislation wish to insure success of the program, and I do not blame them. I point out that what the Senator from North Carolina has said demonstrates the great problem with which we are confronted in respect to the other agricultural areas.

From the standpoint of the dairymen and the poultry people, because of a succession of activities by Republican and Democratic administrations, I point out, the cotton textile industry already enjoys an advantage and a privilege which is not available to others, because the President, the Department of State, and the Department of Agriculture have gotten busy and have negotiated agreements multilaterally for the textile industry, which they have not done for the other farm industries. That is one difficulty.

Now the textile industry is asking the Congress to pyramid the privileges enjoyed by the textile industry, by saying, "In addition to that which we have enjoyed, the advantage of receiving this kind of service and getting a multilateral agreement, we now ask the Congress to pass a special bill"—that is, the bill before the Senate—"which will keep out the 10 percent of imports from those countries who are on the fringes, who did not sign the voluntary agreement."

As I have said, I can understand that desire, but it magnifies the problem. The textile industry is asking the Congress to pyramid its special privileges. The industry had one privilege, and it would like to have another. The cotton industry would tell the other sectors of agriculture, "Sit out in the anteroom; we will get to you some time."

Other agricultural industries would like to have some consideration now. They do not want to stop the textile program. They are for it. I shall be for it. I hope my associates in this legislative effort will also vote for it. This is probably the only opportunity, however, the Senate will have to do something effective for other suffering segments of our agricultural and timber economy.

We who sponsor the amendment modified it, after listening to the arguments yesterday, in a desire to be helpful and in an effort to be compliant and conciliatory, in the hope that there would not be a "dog in the manger" position supported by the textile industry.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MUNDT. I yield to the Senator from Colorado.

Mr. ALLOTT. I should like to inquire of the distinguished Senator from South Dakota if it is true that one of the great areas which is now being damaged, which has been damaged in the past 2 or 3 years, is the area which produces sheep and lambs, because of the importation of lambs from various other countries?

I well recall that more than 2 years ago the lamb and sheep people made an application to the Tariff Commission under the peril point clause of the tariff laws. They were totally unable to get any recognition of the fact that they were being irreparably damaged, that prices were being deflated. Those prices are reflected in today's lamb market and sheep market throughout the United States.

Those of us who come from that part of the country where sheep and lambs represent a critical part of the agricultural economy bear the brunt of being left out of agreements such as the one which has been negotiated in respect to cotton.

Mr. MUNDT. The Senator is correct.

Mr. JORDAN. Mr. President, will the Senator yield at that point?

Mr. MUNDT. The Senator from Colorado asked me a question, and I should like to answer.

The Senator is correct. As is well known to this body and to the Senators who serve on the Committee on Agriculture and Forestry, I am sure, the situation in respect to the importation of wool got so bad that there was great damage to the textile industry. As the Senator from North Carolina pointed out, one of the great woolen mills folded up, and perhaps others have done the same.

The situation in respect to wool got so bad that, for many years before the situation became serious with respect to cotton, the wool people came to the Congress asking for the same kind of tariff protection consideration and the same kind of results which are now asked to be given to the cotton people. It was then said, "No, you can't exclude foreign wool imports, because we need them for peaceful negotiations with the other countries of the world and our good-neighbor policy." Therefore, the Congress passed a special National Wool Act, so that the taxpayers now have to pay for the fact that there is not a protective tariff from the standpoint of protecting the wool industry.

The tariff protection was not provided for the wool industry; yet it is sought to be done for the cotton industry.

Tariff protection is not provided now with respect to the frozen carcasses which are coming in from New Zealand and from Australia, flooding the market and cutting down prices.

All we ask our good friends on the other side of this argument to do is to give us an opportunity now, when they are doing something good for cotton to include the other suffering farm products. We ask them not to hurt us, but to help us while they are helping themselves.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HRUSKA. I observe on page 3 of the hearings held by the committee of the other body that the importation of cotton textiles in 1960 amounted to 6 percent of the consumption in the 50 States. We should consider what the percentage of imports is in the field inquired about by the Senator from Colorado.

Mr. MUNDT. Wool?

Mr. HRUSKA. Lambs and mutton.

Mr. ALLOTT. The Senator is correct.

Mr. HRUSKA. In 1959 imports of lamb and mutton from other countries were 14.4 percent of the total consumption. In 1960 imports were 11.5 percent, and in 1961 they were 12.1 percent. Those imports were approximately twice as much as the imports of cotton and cotton textiles.

Mr. ALLOTT. The Senator is entirely correct. I thank him for that information.

I should like to address another question to the distinguished Senator from South Dakota.

While the measure primarily affects agricultural products, I would feel remiss if I did not point out at this time that in the field of mining our country has been as derelict in protecting our industry. That has been demonstrated by the repeated attempts of the lead and zinc producers to obtain relief from the Tariff Commission under the peril point clause or the escape clause of the tariff laws. They have been repeatedly denied substantial relief in that area.

For example, today the combined price of lead and zinc in this country is approximately 20 cents. I have been looking for the present quotations, but I cannot find them. Lead and zinc cannot be produced in this country for less than 30 cents. Yet one lead and zinc industry in Colorado has been closed down and is a dead industry because of a failure to act. Nevertheless, we shall be asked at this session of Congress to act in the broad general area with relation to reciprocal trade negotiations. The Senator from Nebraska pointed out very well the other day in his remarks that the present measure is the first step away from a piece of legislation that we have not even yet enacted, but which the President has requested. Does not the Senator agree that the question we are considering with reference to agricultural products will also recur again and again, particularly with respect to the mining industry?

Mr. MUNDT. Yes. Of course, we are talking about agricultural products and not the mining industry. We wonder if there is any validity to the blunt charge made by the senior Senator from Illinois [Mr. Douglas] that this committee textile protective proposal was a part of a tradeoff program. The senior Senator from Illinois [Mr. Douglas] has charged that votes from the textile industry are being traded in support of the President's new tariff proposals in order to give a pyramiding of privilege and concession in return for promises that Senators will vote for the President's program on tariffs generally and take away from Congress for all time hereafter control over tariff legislation.

I do not know whether there is anything to that statement or not. It appears in the Congressional Record. It was made by a highly reputable distinguished member of the majority party, the distinguished Senator from Illinois [Mr. Douglas], who is in "on the know" on a great many things. The truth of that charge will be documented or refuted in the voting record of the Senate when we read first the rollcall today and then the rollcall a few weeks or a few months from now, when the President's tariff proposal is before us. Anyone with a lead pencil and a pair of bifocal glasses, with the two Congressional Records before him at that time will know whether the trade was made or not and who made it, because the fact will be recorded for all time to come. If such a trade was made, of course, the lead and zinc people will be hurt, as will many others.

Mr. JORDAN. If there has been any trading of votes, the word has not yet reached me. I have not heard anything about it.

Mr. MUNDT. I have merely repeated the accusation made by a Democratic colleague of the Senator. I was surprised to read it. I am deeply disappointed. I shall look at the Congressional Record for verification or refutation when the votes on these proposals are eventually recorded.

Mr. JORDAN. I was surprised to hear that the statement was in the Record. I am surprised that the Senator made such a statement. As I said before, I am thoroughly in sympathy with what the Senator from South Dakota proposes. He and I have served on the Committee on Agriculture and Forestry. We have fought for those engaged in agriculture. We know of the needs of that industry. They need all the help they can get. The distinguished Senator from South Dakota and I know that while lamb was being imported into our country, the Government was also buying lamb and stockpiling it. I know that such action was wrong, and have said so.

Mr. MUNDT. The identical thing is being done now with respect to dairy products. The Government is purchasing dairy products and stockpiling them.

Mr. JORDAN. I think it is perfectly silly. One of the first statements that I made on the floor of the Senate was with reference to textiles. I said that the Government should enter into a quota system, not only in respect to textiles, but also lead, zinc, copper, and every other commodity whose need is filled in this country. In my opinion, quotas are the only final remedy. The remedy is not tariffs. An equitable tariff cannot be established on any commodity today. For example, textile workers in Portugal receive about 9 or 10 cents an hour. That is their wage scale. Workers in Hong Kong receive even less than that amount. The wage in Japan is about 20 cents an hour, in England 60 cents, and in France and Belgium about 60 cents. We cannot establish a tariff that would be equitable everywhere. It would be impossible. The final remedy, in my opinion, should be the establishment of quotas on all the commodities needing them. More of those commodities cannot be brought into our country, for we cannot absorb them. Our industry cannot live under the pressure.

The proposal is a voluntary thing. I do not wish to hurt any industry named in the amendment. I think too much of the Senators who are interested, and know what they are trying to do. I am thoroughly in sympathy with what they are trying to do.

Mr. MUNDT. I agree with what the Senator has said with reference to handling imports by establishing higher tariffs. I recognize the validity of his argument that quotas work more effectively. As a friend of agriculture generally, I recognize that the Senator has worked with us on these problems. I do not quite buy the concept that we cannot keep out the cheap loin-cloth-produced competitive products with tariffs. If one would take a pencil and multiply fast enough, he would see that we could make the tariff high enough to do the job. We might have to get it up to a 200-percent tariff, a 500-percent tariff, or a thousand-percent tariff. As countries reduce the value of their currency by rigging it, we must increase tariffs. Of course, quotas would be an easier way to achieve the objective. I appreciate the expression of sympathy by the distinguished Senator, but there is the question of timing. We are confronted with the question whether we shall do something when we have the opportunity, or indefinitely delay action to an unknown time, which perhaps will never arrive.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. YOUNG of North Dakota. I fully agree with the objective of the Senator from South Dakota, and commend him the action being taken.

It never made sense to me to import some commodity that we already had in great abundance in this country, particularly a commodity with respect to which there is a Government program to help an industry, a farmer, or some other segment of our economy. To pile up surpluses of the kind we have and at the same time to import the same commodities never has made sense to me.

Four or five years ago when we passed the Soil Bank Act I thought the proposed program might be helpful in curtailing surpluses. I thought if we kept on importing farm products without limit, the program would do no good whatever. Senators will recall that I offered an amendment to the bill relating to the Soil Bank. The amendment was simple. It would limit the importation of any commodity in surplus to the average of the previous 3-year period. The amendment included also byproducts of any farm commodity such as cotton. The textile producers became interested in it. The amendment lost, but only by 1 or 2 votes.

Now we have an even worse problem in the Midwest. Lambs are a good example. The price has been ruined. Sheep producers have not been making money. Most of them are losing money. I believe the sheep population in the United States is at the lowest point in our history, even though there is a wool price support program. So the problem is very serious. I do not think it will ever be solved unless Congress itself solves it. I do not think we can depend on the Tariff Commission to do it for us, nor can we depend on delegating our authority to some other body that is more internationally minded than domestically minded.

Mr. MUNDT. Mr. President, I thank the Senator for his contribution.

In conclusion, the facts are pretty clear. In the United States we are importing large quantities of farm products. We wrestle around the difficulties involved. Scandals have grown out of the maladministration of the Commodity Credit Corporation. Our get-rich-quick Wallingfords are operating in the Sol Estes case in Texas. That is a consequence of the fact that we have a serious surplus farm problem, which to a great extent, and possibly in total, we are importing from abroad, by bringing in competitive products while asking farmers in this country to reduce their production.

Now we have an opportunity to do something about the problem. We can at least try to establish some kind of protective mechanism against the importation of farm products instead of only the importation of cotton. That is the purpose of our proposal.

Mr. President, I yield the floor.

Mr. HOLLAND. Mr. President, will the Senator yield to me before he yields the floor?

Mr. MUNDT. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 26 minutes remaining.

Mr. MUNDT. I am happy to yield, if the Senator obtains the necessary time from his side of the aisle.

Mr. JORDAN. Mr. President, I am glad to yield to the Senator from Florida from the time available to me.

Mr. HOLLAND. I thank the Senator.

Will the Senator indicate what efforts, if any, have been made in behalf of the livestock operators to have steps taken similar to those that have been taken in the field of textiles?

Mr. MUNDT. I would be happy to relate them, but the Senator's 28 minutes would expire before I even had a chance to start. We have been dealing with this problem for a long time. It has been taken up with all the big organizations, such as the National Beef Association and the Sheep and Lamb Producers Association. They have been interceding over the years with every available authority, including the White House, especially on the importation of frozen carcasses. They are constantly being told that it is not a serious problem. But it is a very serious problem.

Mr. HOLLAND. So far as livestock is concerned, without any reference to lambs, about which I know very little——

Mr. MUNDT. Lambs are included in livestock.

Mr. HOLLAND. From the standpoint of the producers of beef, the president of the National Cattlemen's Association lives in my State. I brought him before the committee, of which the Senator from South Dakota is a member, and I presented the president of that association to the committee. He happens to be a long-time, intimate friend of mine. I had a long conversation with him while he was in the city. I have yet to hear the first word about any effort having been made by the producers of beef to set up an arrangement similar to that which has been set up with reference to textiles. I am willing to help in establishing such an arrangement. But I must say to the Senator from South Dakota that I know of no effort in even the slightest degree that has been made in that regard.

The proposal of the Senator from South Dakota, in effect, would nullify the only effort that has been made over a period of years, because it would not allow some relief to be given—and I think it would be real relief—to an industry which has felt the greatest impact from importations from sources where we ourselves have furnished the mills and have furnished the low-priced cotton, textiles of various classes have been poured back into this country.

Incidentally, the 6 percent does not indicate the critical nature of this problem in respect to certain classifications of textiles.

It seems to me that the Senator from South Dakota must recognize that the cattle raisers have made no effort at all in this field. In effect, they are holding up their brethren in the textile field and in the cotton field by the effort they are making. I hope the Senator will reconsider his situation.

Mr. MUNDT. First of all, the Senator from Florida must expand his definition of livestock a little, because I am talking about sheep, and he is talking about cattle. I have gone to the national associations with this problem. I did not do so currently, but over the past decades I have done so because they have suffered seriously. We have made great efforts in the past. The current effort with regard to livestock is being made primarily from the standpoint of the lamb industry.

I say to my good friend from Florida that lambs are included in the livestock definition. The Senator apparently feels that the livestock industry does not need relief because the cattlemen have not asked for it recently.

Mr. HOLLAND. I have been speaking about the producers of beef and beef products, which is stated in the Senator's amendment.

Mr. MUNDT. Yes.

Mr. HOLLAND. That is the group that I was talking about. He also refers to pork and pork products. I have yet to be approached for the first time on this question by any pork producers. I am not too well acquainted with the situation with respect to lambs, because lambs are not produced in our State. I have not been approached by anyone in the lamb industry, either. Of course, there would be very little occasion for them to approach me; they would no doubt approach Senators from the States that produce lambs.

Mr. MUNDT. If the Senator would like to be included among Senators who have been approached by representatives of the lamb industry, I shall be glad to introduce some of those people to the Senator.

Mr. HOLLAND. No one has worked harder for giving preferred status under the price-support program to the producers of sheep and lamb than has the Senator from Florida. No one has worked harder than the Senator from Florida in behalf of special tariff grants on tariffs collected on wool imported from abroad, to subsidize the production of sheep and products of that kind in that field.

I am just as willing to go all out in the matter before us now. I do not believe the Senator is on sound ground in insisting that this be done in the way it is proposed to be done. These people have worked for years to solve this problem. The Senator has supported this effort in committee. He was a member of my subcommittee. He did not oppose the granting of special funds to a Commission to investigate the textile industry; to the contrary, he supported it.

Mr. MUNDT. Precisely.

Mr. HOLLAND. Therefore I cannot understand the Senator's position now.

Mr. MUNDT. I never suspected that the result would be the exclusion of everything but cotton textiles. Even so, I will vote for the bill. While it may be a selfish step, it is a step in the right direction. I am afraid, though, that it will come back to plague us. We cannot do something like this for one segment of agriculture and not for the rest of the farming community. However, I will vote for it, because these producers of cotton and the textile mills are in trouble.

Mr. HOLLAND. I am very glad to hear the Senator say that he will support the bill. I hope he will vote for it after his amendment has been rejected, because his amendment would cut the very heart out of the effort that is being made in the bill to allow some force and effect to be given to certain agreements, one a temporary agreement, and the other a more permanent agreement for 5 years, which will begin to run in the fall. The Senator's amendment would cut the very heart out of both agreements.

Mr. MUNDT. I fear the Senator is not reading the right amendment.

Mr. HRUSKA. The original amendment has been modified. Now, the amendment identified as "5-16-62—C" has some additional alternatives included in it. It originally provided that the textile agreement would not go into force and effect until agreements were effected with respect to other commodities. However, two other alternatives have been added; namely, in the event that the President makes a bona fide effort to negotiate similar agreements as to other commodities, and fails therein, or secondly if he finds that a commodity is not being imported in sufficient quantity to seriously affect domestic producers. It is not obstructive in any way, or punitive. It empowers the President, under section 204, where he gets this absolute power, to give as much consideration and solicitude to other sectors of agriculture as he does to cotton.

It is said that the other sectors of agriculture have not expended as many efforts as have the people in the cotton field. That is probably true. However, they cannot come here. That is not where the power resides. The power resides in the White House. Does that mean that when the President is vested with unrestricted power, which he possesses under section 204, or which he is seeking in the Trade Expansion Act of 1962, he has the right to say, "I now have this power. The only way I will exert it on behalf of any sector of American industry is to have interested parties build up a terrific reservoir of pressure of a political nature and have their Senators and Representatives knock at the door of the White House to present their petition. Then I will say, 'Yes; I will give that relief, because you have shown up here in sufficient numbers to get it. However, there is a little bill in the Senate and in the House for which I seek approval. I will use some of this power you have previously given me if you on your part will vote this way or that way on a legislative measure which I desire.'"

That was stated by the senior Senator from Illinois yesterday. If that is true I wonder if that is what we are facing if the proposed Trade Expansion Act of 1962 is to be passed. I do not conceive of section 204 as representing a situation in which we are called upon to go as supplicants to the White House and say, "Mr. President, there are X numbers of Senators and Representatives here; please give us relief," and have him close his eyes to the merits of the situation, of which he is fully aware through his Secretary of Agriculture.

Not a week goes by when the Secretary of Agriculture does not draw attention to the difficulties of American agriculture. One of the biggest obstacles to its prosperity and stability is the import picture. The President has been given unrestricted and unlimited power. Shall he use it in response to political pressures, or on the basis of merits of situations as he knows of them through his Secretary of Agriculture?

The purpose of the Mundt amendment is to call the attention of the President to a serious condition and ask him, "Will you not make the same amount of effort in the other fields that you did in the case of cotton?"

Mr. HOLLAND. Mr. President, I am glad that these amendments have been offered to the Senator's amendment. I was conversant with that fact before the Senator raised the point. It does not seem to me that they meet the situation at all, because they would hold, for instance, that the agreement now in force could not be supplemented by quotas against certain nations until after some time had elapsed. Who would be the judge as to whether the President had exerted bona fide efforts to negotiate agreements with respect to certain commodities?

Mr. HRUSKA. The President.

Mr. HOLLAND. With respect to livestock, I have not heard the first word in connection with beef and beef products, and whether any effort has been made in that connection. The Senator from Florida, who represents, in part, a large beef-producing State, has not heard a word of that sort.

Mr. HRUSKA. Only 2 years ago the beef producers submitted two petitions to the Tariff Commission. They revised the first one and submitted another. Preliminary hearings were held, and out of hand they were turned down. Similarly the lamb and sheep industry went before the Commission. Testimony was presented under the peril-point clause. They, too, were rejected virtually out of hand on the ground of the impossibility of submitting proof under the peril-point clause which would be sufficient to carry their burden imposed by the Tariff Act.

The PRESIDING OFFICER. Will the Senator from North Carolina inform the Chair whose time is being used now?

Mr. MUNDT. Mr. President, an agreement was made that the time consumed by the Senator from Florida would be charged to the time of the Senator from North Carolina.

Mr. HOLLAND. My understanding was that I had been yielded time by the Senator from North Carolina. If that is not the case, I regret it.

Mr. MUNDT. Mr. President, how much time remains to both sides?

The PRESIDING OFFICER. The Senator from North Carolina has 13 minutes remaining; the Senator from South Dakota has 26 minutes left.

Mr. HRUSKA. Mr. President, will the Senator from South Dakota yield me 5 minutes?

Mr. MUNDT. I yield 5 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, by way of preliminary summary, yesterday and today we were confronted with a curious spectacle on the floor of the Senate. A large number of liberal trade advocates, advocates of free trade, and trade expansion, have been contending for the passage of the most highly protectionist measure that has been before the Senate during my service in Congress. It out-McKinleys McKinley. McKinley was an old-fashioned soul. All he had to contend with was the question of high tariffs to implement his efforts in the field of imports. Now we are considering the case of cotton imports. We find, first, that the Government subsidy being paid to exporters of cotton is 8½ cents a pound. Then we find that arrangement supplemented by an agreement among 19 nations, of which this country is 1, to limit imports, an international cartel in violation of the very essence of free trade and antitrust principles.

Now in H.R. 10788 we come to a further proposal, namely, to give the President more power, so that he can limit imports and even prohibit them from nonagreement countries.

Of course, H.R. 10788 is a far cry from free-trade doctrine—as far as a cry can be from that kind of doctrine—because it is based upon an international cartel which is very severe and restrictive indeed.

Section 204 gives the President the power to negotiate agreements such as the 19-nation agreement; there is no question about it. Whether that is wise or not is beside the point; the power was exercised.

As I have previously said, the objective of the Mundt amendment is to obtain from the President the same grace, the same compassion, and the same solicitude for other agricultural products as he extended to cotton and its related industries. The Mundt amendment is not an obstructive or punitive measure; it is a measure which gives the President three alternatives before the cotton textile agreement can be adopted. One alternative is that the President negotiate similar agreements, and in like manner, as to other commodities. Or if he makes a bona fide effort, an effort in good faith, to make such agreements, but fails, then he can proceed to execute the cotton textile agreement. Or if he makes a finding that the imports of such commodities as are named in the Mundt amendment do not seriously affect domestic producers, he may put the cotton textile agreement into force. Those alternatives are added for the purpose of giving the President some leeway and with that thought in mind.

Mr. MUNDT. Mr. President, we are nearing the end of the time allotted under the voluntary agreement to terminate the debate at 2:30 o'clock. I believe there are one or two Senators on our side of the question, and perhaps Senators on the other side of the question, who are not aware of that. I suggest that there be a quorum call, the time for the quorum call to be charged to neither side. If that be agreeable, I suggest the absence of a quorum.

The PRESIDING OFFICER. By unanimous consent, all debate is to be terminated at 2:30 o'clock.

Mr. MUNDT. That is correct. But the time for the quorum call would not be charged to either side.

The PRESIDING OFFICER. The time for the quorum call would have to be divided equally.

Mr. MUNDT. That would be all right. We understand the reason for that.

Mr. JORDAN. Under the ruling of the Chair, the time for the quorum could consume all the remaining time.

Mr. MUNDT. I suggest a quorum call of 3 or 4 minutes, to give warning to Senators in their offices; then the quorum call could be discontinued.

Mr. JORDAN. How would the time for the quorum call be charged?

The PRESIDING OFFICER. Under the unanimous-consent agreement, the vote will come at 2:30 o'clock; therefore, the time for a quorum call would be charged equally to both sides.

Mr. JORDAN. Does the Senator from South Dakota suggest that 2 minutes would be sufficient for a quorum call?

Mr. MUNDT. Yes.

Mr. JORDAN. Mr. President, I would not object to a quorum call which would continue for 2 minutes and then be called off, the time for the quorum call to be charged equally to both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JORDAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, how much of my 5 minutes remains?

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HRUSKA. Mr. President, I yield myself 5 additional minutes.

The point is made by some Senators that some sectors of agriculture other than the cotton industry have not made diligent effort to obtain the same kind of treatment which the cotton industry is now getting. This point should be viewed in the light of the fact that under section 204, under which this power was exercised by the President, no guidelines or procedures of any kind are prescribed. Unrestricted, unlimited power is granted to the President. Any power exercised under that section is exercised only according to the conscience of the President. Any request for exercise of his power thereunder must be addressed to him.

The purpose of the Mundt amendment is to bring to the attention of the President the fact that commodities other than cotton are in dire straits; that they need attention; and that the same efforts should be exerted in their behalf under section 204 as we have witnessed in respect to cotton.

It has been said several times that this measure is not a political football. On the score that it is not a partisan football, I suppose that statement is true, because the cotton industry and the textile industry have no regard for political or State lines. However, the only reason why cotton has received the preferred treatment it has received is that there has been joint political action. The distinguished senior Senator from Illinois [Mr. DOUGLAS] put it this way yesterday:

> What we face in the Senate is that the textile group is a very powerful group, centered not only in New England and the Middle States, but also in the Southern States. In a very genteel fashion they have held a pistol at the head of the President and said, "There will be no trade expansion bill unless you take care of cotton and wool." I suppose that is exactly what happened, and under that pressure the poor man could not hold out.

I do not know what the fact is in that regard, because what I have just read is not my language.

I sincerely hope that things like that did not happen and are not a fact.

But if Congress is to provide unrestricted Presidential power and if it is to be exercised only if political pressure from the Congress is brought to bear upon the President, and that only then will he exercise that power, and that then there will be a quid pro quo, then we shall be in a bad situation, indeed; because then the conscience of the Nation, as reposed in the President, will be exercised, not on the basis of merit, not on basis of the needs and the distress of the various segments of agriculture, but only in response to political pressure.

Again I raise this question: If the Senate passes the Trade Expansion Act of 1962, which contains provisions granting the President much power, and if thereafter there prevails the concept that such power will be used only in response to political pressures generated from the Congress, then the only advantage of such a bill will be that the logrolling which heretofore has occurred on the floors of the Senate and House on an item-by-item tariff bill will be transferred from the Congress to the other end of Pennsylvania Avenue. I sincerely believe that would not be of benefit; in fact, it would be of great detriment to the national interest.

So I repeat that the Mundt amendment should be adopted, because it is not punitive, but helpful. It is an effort to call attention to this problem and to provide for three alternatives before the cotton-textile agreement will go into effect. Certainly the Mundt amendment should be adopted.

Mr. President, I yield the floor.

Mr. JORDAN. Mr. President, I yield 4 minutes to the Senator from South Carolina [Mr. THURMOND].

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 4 minutes.

Mr. THURMOND. Mr. President, the many difficulties with which our domestic textile industry is faced have been the subject of extensive study by the Special Textile Study Subcommittee of the Commerce Committee, of which I am a member. The other members of the subcommittee are the distinguished Senator from Rhode Island [Mr. PASTORE] and the distinguished Senator from New Hampshire [Mr. COTTON]. I may say that both Senator PASTORE and Senator COTTON, as members of the subcommittee, have rendered magnificent service to our country.

Our subcommittee has issued reports in 1959, in 1961, and again this year. It became evident to anyone who took the time to study our reports that the domestic textile situation was deteriorating rapidly, and that unless some definite remedial steps were taken, the domestic textile industry was in danger of virtual collapse.

I may say that the evidence adduced during the hearings conducted by the Special Textile Study Subcommittee showed that textiles rank second only to steel, as regards the national defense. So the textile industry is an essential one, not only from the standpoint of that segment of our economy, but also from the standpoint of the national defense and the very survival of our Nation.

The studies revealed that from the end of World War II through 1961, employment in the United States in the textile industry had decreased drastically. There was a loss of more than 268,430 jobs. More than 926 textile mills were forced to close their doors during the same period.

Definite recommendations were made by the Special Textile Subcommittee, but these were only partially implemented. The supplemental reports filed subsequent to the initial report of 1959 provide clear evidence that the situation is growing worse, rather than better, as time passes.

The long-term textile agreement which has been negotiated by the 19 participating nations in Geneva will, if signed, provide the tools which will make it possible to give relief to our domestic industry. The 19 nations participating there produce about 90 percent of the world's total textile manufactures. However, in order to insure the success of the agreement, it is necessary to control imports from nonparticipating nations. It is for that purpose that the pending bill is before us.

Mr. President, although I am in sympathy with the purpose of the Mundt amendment, as a practical matter it would nullify what was striven for in Geneva. Although it is readily apparent that some relief must be had in the areas covered by the Mundt amendment, certainly it would not be wise to penalize the textile industry by postponing the effective date of the Geneva agreement until such time as similar agreements in regard to the several areas mentioned in the amendment had been negotiated or begun with other countries. For that reason, Mr. President, I feel that I must vote against the Mundt amendment.

However, I wish to repeat that I am in sympathy with the principles embodied in the Mundt amendment; and I shall be pleased to cooperate with the able Senator from South Dakota [Mr. MUNDT], the able Senator from Nebraska [Mr. HRUSKA], and other Senators in seeking to have protection provided under section 204 of the Agricultural Act of 1956 for the segments of our economy which are covered by the Mundt amendment.

Mr. COTTON. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I shall be happy to yield to the able Senator from New Hampshire, if the Senator from North Carolina will yield time for that purpose.

Mr. JORDAN. Mr. President, I yield 2 additional minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 additional minutes.

Mr. THURMOND. I thank the Senator from North Carolina; and now I yield with pleasure to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I shall not take long.

I wish to compliment the Senator from South Carolina on the very clear and forthright statement he has made.

It has been a great privilege to serve with him during the past few years on the Special Textile Subcommittee. I have admired the steadfastness and the singleness of purpose with which he has worked in behalf of the welfare of the textile industry. I am sure that anyone who knows him has full confidence in his assurance that he—like the Senator from New Hampshire—stands ready to cooperate with our friends in dealing with the problems they have; that there will be no idea of betraying their interests for the interests of the textile industry; but that simply because of the peculiarly desperate situation the textile industry is in, we are asking that this bill be passed without delay and without any mutilating amendments.

Mr. THURMOND. Mr. President, I wish to thank the able and distinguished Senator from New Hampshire for his kind words; and I desire to state that in discussing the bill and the Mundt amendment he has expressed my own sentiments exactly and he is eminently correct in the position he takes. I certainly desire to see relief granted for the other agricultural fields which are so badly in need of relief.

I want to say again that I do not know of any subcommittee that has worked harder or has been under more able leadership than the committee on which the Senator from Rhode Island [Mr. PASTORE] and the Senator from New Hampshire [Mr. COTTON] have served or one that has accomplished more in bringing its reports to the attention of the Senate and the proper agencies.

Mr. HUMPHREY. Mr. President——

Mr. PASTORE. Mr. President, a parliamentary inquiry.

Mr. HUMPHREY. Mr. President, I yield myself——

Mr. PASTORE. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HUMPHREY. Yes, I yield for that purpose.

Mr. PASTORE. Mr. President, I notice that an amendment has been offered since we entered into the unanimous-consent agreement last evening. Does that mean that all debate on all amendments must cease by 2:30 for the vote?

The PRESIDING OFFICER. The agreement provides that debate on the Mundt amendment and all amendments thereto shall close at 2:30.

Mr. HUMPHREY. Mr. President——

Mr. MILLER. Mr. President, I did not hear all the Chair's response to the question from the Senator from Rhode Island. I direct the Chair's attention to the fact that the unanimous-consent agreement also allocates 30 minutes to the Miller amendment.

The PRESIDING OFFICER. That is to be after disposition of the Mundt amendment and all amendments thereto.

Mr. HUMPHREY. Mr. President, I yield myself 3 minutes.

May I ask the Chair how much time is left?

The PRESIDING OFFICER. At this time there are 6 minutes remaining.

Mr. HUMPHREY. I yield myself 2 minutes.

Mr. President, a parliamentary inquiry. What is the pending business?

The PRESIDING OFFICER. The pending business is the question of agreeing to the so-called Humphrey-Morse substitute for the so-called Mundt amendment.

Mr. HUMPHREY. I thank the Chair. The first vote, therefore, will be on the substitute offered by the Senator from Oregon and myself last evening. The yeas and nays have not been ordered on that amendment. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, there are two fundamental differences between the Mundt amendment and the Humphrey substitute. First of all, the substitute provides that the negotiations that have already been had relating to textiles shall not be interfered with. The Mundt amendment, despite the additions of last evening, still does not so provide.

Second, the Humphrey substitute provides that after the negotiations on textiles have been completed, the "President shall negotiate agreements with representatives of foreign nations limiting in like manner the export of the United States from foreign countries to the following commodities: beef and beef products, pork and pork products, fresh and frozen lamb, poultry and poultry products, dairy products, timber and timber products."

But that amendment also provides what I consider to be a vital function of the executive branch, when it says that it shall be done "when in his judgment such imports seriously affect domestic producers."

It seems to me we have an obligation, in light of the negotiations that have taken place thus far at Geneva, to complete action on the textile matter. It also appears to me that, if there is evidence demonstrating that other commodities are threatened with serious injury due to imports, and if the President is so convinced, he should take action——

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. The Senator used the word "after" textile agreements have been completed. The words are "in addition to."

Mr. HUMPHREY. The Senator is right. I do not want to get the Senate in the situation of interfering with what are important negotiations that have been undertaken and which are ready to be completed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I yield myself 1 additional minute.

Furthermore, if the Mundt amendment is adopted, the Senate can rest assured that the countries with whom we have been negotiating will feel this is a delaying tactic, and we are likely to lose everything we have gained thus far.

I do not think we need any amendment to this bill, but if evidence of injury can be shown to other commodities—which, by the way, are numerous, as they affect the State of Minnesota—then the President shall take action similar to that taken under the textile provision. I think the proposal is fair and legitimate and would protect the legitimate interests of all those products, and at the same time not play havoc with those interested in the textile industry.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PASTORE. The Senator is saying that if conditions merit the President's attention to beef and beef products, dairy and dairy products, and timber and timber products, and so forth, because the condition seriously affects domestic producers, then the President shall consider for those products the same kind of multilateral agreements as he has considered in the case of textiles. Is that correct?

Mr. HUMPHREY. That is correct; without interfering with all that has been done on textiles. Any further delay on textile negotiations is likely to wreck the result of negotiations had thus far.

Mr. PASTORE. I do not see how any good, warmblooded American can be against the amendment.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COTTON. The Senator's amendment mentions only the agreement with respect to cotton and cotton textiles. It seems to me that under the wording of the amendment, if it is adopted as a substitute, it will rule out completely the President's authority to negotiate agreements for wool and manmade fabrics in the textile field, because the bill as it now reads leaves the matter completely open. The Senator mentions beef and beef products, and so forth, but he does not say a word about textiles other than cotton textiles.

Mr. HUMPHREY. The purpose of my amendment was to replace the Mundt amendment. It does not affect any other part of the bill.

Mr. COTTON. It does not affect in any way textiles other than cotton textiles?

Mr. HUMPHREY. That is correct, because the Mundt amendment relates to cotton and cotton textiles.

Mr. MUNDT. Mr. President, I yield myself 2 minutes.

What the Senator from Minnesota has just said is precisely what is worrying me. The echoes from his words are still reverberating through the Chamber, that the legislative purpose of the Humphrey amendment is to replace the Mundt amendment. That is exactly what it would do, but it would replace it with nothing. It would replace it with a void. It would leave it in a vacuum. Let me read what is in section 204 of the Agricultural Act of 1956. The Humphrey amendment really restates what is in it. It has been basic law since 1956. It provides that the President is authorized to negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom, including textile and textile products.

Mr. HUMPHREY. Mr. President, will the Senator yield, in my time?

Mr. MUNDT. We cannot assume that some President would be stupid enough to negotiate for some product or industry that was not in trouble.

Mr. HUMPHREY. Does the Senator say there is no difference between the words "authorize to negotiate" and the words "shall negotiate"? Will the Senator give me the benefit of his legal opinion?

Mr. MUNDT. It reminds me of the old curse of Sisyphus, whose task was to roll a huge stone up to the top of a hill. As the stone constantly rolled back, his work was incessant. All the Humphrey amendment does is to provide the curse of Sisyphus with jet propelled motion that makes it move up and down fast enough to break the sound barrier. It runs up the hill and down again. All the authority is taken away when it is provided, as an out for the President "when in his judgment such imports seriously affect domestic producers." Those words can be found in section 204.

I should like to ask the Senator from Minnesota if he is willing to modify his amendment, to make it more effective. I cannot change it. I wish to make an amendment to it, but it would be in the third degree. Would the Senator be willing to strike out everything after the word "products" on line 10?

Mr. HUMPHREY. May I say to my colleague, it is too late in the consideration of the proposal to make that kind of patchwork addition to my amendment which the Senator made to his amendment last night.

Mr. MUNDT. It is not too late.

Mr. HUMPHREY. The amendment is before the Senate. The Senate can vote on the amendment. It will give the Senator from South Dakota an opportunity to vote for it.

Mr. MUNDT. Am I correct in the assumption that the Senator from Minnesota has used the long way around to say "no"?

Mr. HUMPHREY. And on the Senator's time, may I say.

Mr. MUNDT. Is the answer in the negative or in the affirmative?

Mr. HUMPHREY. Is this still on the Senator's time?

Mr. MUNDT. It is on my time. I hope the Senator will answer in monosyllables.

Mr. HUMPHREY. I was trying to say to the Senator that it is too late for the type of patchwork additions added last evening to the Mundt amendment, which I thought did little to help the amendment and might only do something to injure it. I do not wish to have the architects and the carpenters of the Mundt amendment patch up my amendment.

The answer is "No."

The PRESIDING OFFICER. (Mrs. NEUBERGER in the chair). The time of the Senator from South Dakota has expired.

Mr. MUNDT. Madam President, in approximately one-half a minute I wish to point out that at the appropriate time, when no Senator will have been shut off from debate, I shall move to lay on the table the Humphrey substitute, because it would do nothing, and would do nothing the long way around, much like the manner in which I got an answer to the question which I asked, calling for a "yes" or "no" answer.

Madam President, I now yield a minute to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 minute.

Mr. AIKEN. Madam President, without doubting the sincerity of the Senator from Minnesota or of the Senator from Oregon, and with an appreciation of the needs of the textile industry for some further protection, regardless of whether the Mundt-Hruska amendment should be agreed to or not, I must say that after reading the Humphrey amendment I find it would give to the dairy people, to the livestock people, and to the timber people of this country absolutely no protection which they do not have at the present time, because it relates to judgment. I quote three words from the Humphrey amendment, "in his judgment." It says that the President, "in his judgment," must find that imports seriously affect domestic producers.

In the judgment of the President the livestock people, the dairy people, and the timber people do not need any further protection, or the President would have taken the same steps to protect them that he has taken to protect the textile industry. Therefore, the Humphrey amendment is completely meaningless except as a means of shunting aside an amendment which would mean something, whether one is in favor of it or not.

The PRESIDING OFFICER. Which Senator yields time now?

Mr. HUMPHREY. How much time remains, Madam President?

The PRESIDING OFFICER. The majority has 2 minutes, and the Senator from South Dakota [Mr. MUNDT] has 6 minutes remaining.

Mr. HUMPHREY. Madam President, I should like to have the Senator from South Dakota demonstrate some further eloquence in respect to the measure, since he has such an abundance of time.

Mr. MUNDT. Madam President, I am perfectly willing to comply with the request of my good friend the Senator from Minnesota, unless there is some other Senator on my side who would like to speak.

Mr. HUMPHREY. Madam President, would the Senator be willing to yield for a quorum call, each side reserving 1 minute to summarize, and to yield back the remainder of the time?

Mr. MUNDT. Madam President, so that all Senators can hear, the request is with respect to a willingness to yield back the time, conserving a minute for a concluding argument on each side.

Mr. HUMPHREY. Or 2 minutes.

Mr. MUNDT. If no Senator wishes to talk, there is no reason why we should repeat the same arguments over and over again. I am willing to do that, unless some Senator on either side of the argument wishes to speak.

Mr. HUMPHREY. Shall we yield back all the remaining time? That is agreeable to me.

Mr. MUNDT. I should like to explain for at least a minute the reason why I think the Senator's amendment should be tabled.

Mr. HUMPHREY. Let us reserve 1 minute on each side, or perhaps 2 minutes.

Mr. MILLER. Madam President, will the Senator yield 1 minute to me?

Mr. MUNDT. I yield 1 minute to the Senator from Iowa.

Mr. MILLER. For the purpose of obtaining a clarification in respect to the bill, may I ask the Senator from Rhode Island [Mr. PASTORE] or the Senator from Minnesota [Mr. HUMPHREY] whether there is any intention, in respect to the proposed legislation, that what the Senate is doing today is inconsistent with the Trade Agreements Act or with the trade development assistance bill which is now pending in the Congress?

Mr. HUMPHREY. The Senator from Iowa spoke to me privately about this, very considerately. I think there is nothing in the pending bill or in the amendment, at least, which would be in conflict with the other measures. I speak for myself.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. MILLER. I yield.

Mr. PASTORE. For my part, I can best answer the question of the Senator by asking him a question. What in the proposal would contravene the Reciprocal Trade Act?

The PRESIDING OFFICER. The minute which has been yielded has expired.

Mr. MUNDT. Madam President, what is the time situation now?

The PRESIDING OFFICER. The Senator from South Dakota has four minutes remaining.

Mr. MUNDT. I yield a half minute to the Senator from Iowa.

Mr. MILLER. I thank the Senator from South Dakota.

In answer to the Senator's question, I wish to say that the Senator from Iowa does not know of anything which would to him appear to contravene the other provisions. As I pointed out to the Senator with respect to the Miller amendment, which is on the desk and which will receive consideration following action on the pending amendment, I think the Senate should make it absolutely clear that there is not to be anything which would contravene those provisions. In other words, if there is to be an interpretation of the proposal by lawyers some time in the future, I think it would be helpful for those lawyers to know that the three acts are to be construed exactly alike.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. MILLER. I yield.

Mr. PASTORE. This is absolutely a voluntary arrangement entered into by the countries which are signatory to the agreement. For that reason, there can be no contravention on the part of this proposal with respect to the laws of any sovereign government. What is being done is being done by unanimous consent. There is nothing more than an agreement which has been entered into by 19 countries. What we are attempting to do is to implement that agreement. There is nothing which is inconsistent with our reciprocal trade policy or fair trade policy.

Mr. COTTON. Madam President, will the Senator yield?

Mr. MUNDT. I yield a half minute to the Senator from New Hampshire.

The PRESIDING OFFICER. Two minutes remain of the time of the Senator from South Dakota.

Mr. COTTON. Madam President, I wish to make it clear that I am in favor of the bill in its present form. I am against the Mundt-Hruska amendment. I shall also vote against the substitute amendment of the Senator from Minnesota and of the Senator from Oregon.

I should like to see the bill pass as it stands, in the form in which it came from the House. I do not wish to make it necessary for the bill to go to a conference.

The bill has a single clear purpose of taking care of the textile situation. I want to help defeat the Mundt amendment, and I want to do it in a frontal assault and not by some circuitous tactic which will clutter up the bill and send it to conference.

The PRESIDING OFFICER. The time yielded to the Senator from New Hampshire has expired.

Mr. PASTORE. Madam President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield a minute to the Senator from Rhode Island.

Mr. PASTORE. I feel much like the Senator from New Hampshire feels, but I am a realist. I am a practical man. I want something to be done by the Congress which will be of value. I fear that if we do not accept the substitute amendment we shall not succeed.

I am practical enough to know that many Senators on both sides of the aisle have felt the political impact involved in respect to the Mundt amendment and, for various reasons, do not wish to be placed in the position of turning their backs on the economic plight of producers in their own States. I recognize that, as I said before. That is the reason why I shall support the amendment.

I shall support the substitute amendment for the simple reason that many Senators in this Chamber feel we are forced to recognize publicly the fact that the meat producers of this country are in trouble.

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining. The Senator from South Dakota has 2 minutes remaining.

What is the will of the Senate?

Mr. MUNDT. Madam President, I shall consume my 2 minutes, and the opposition can consume its 1 minute.

I now yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. Madam President, 30 years ago the predominant word I encountered in farm terminology was the word "parity." Parity means equality. In my book parity is not limited to equality, what the farmer is paid as distinguished from prices he must pay for what he buys. Parity should include parity of treatment as well in the whole farm and trade domain.

It occurs to me that what the distinguished Senator from South Dakota is asking is a parity of treatment for other commodities as well as for cotton and cotton textiles. For that reason I hope the Senate will see fit to vote down the Humphrey proposal and to support the amendment offered by the distinguished Senator from South Dakota and other Senators.

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining.

Mr. HUMPHREY. Madam President, I think the argument can be summarized as follows: If Senators wish to pass a textile bill, which I should like to do, they should vote for the Humphrey substitute amendment. The Humphrey substitute amendment in no way would interfere with the proposed legislation.

For the benefit of those Senators who are deeply concerned about other commodities, referred to in the Humphrey substitute amendment, that substitute amendment would direct the President, when there is a serious injury to those domestic producers, to take action similar to that which was taken in respect to textiles. This merely means negotiations, the attempt to arrive at an agreement. As the Senator from Rhode Island said, it is a voluntary thing. I believe the substitute amendment would not injure the purposes of the bill, and would do them good.

Mr. MUNDT. Madam President, how much time have I remaining?

The PRESIDING OFFICER. One-half minute.

Mr. MUNDT. Madam President, since the Senator from Minnesota [Mr. HUMPHREY] has refused to strike from his proposed substitute the language, "When in his judgment such imports seriously affect domestic producers", the amendment means nothing and it adds nothing. As I said earlier, it is merely a robber-baron device to destroy the opportunity of the Senate to vote the Mundt amendment up or down. That amendment encompasses all agricultural products. I sincerely hope that the Humphrey-Morse substitute amendment will be rejected so that we may have a vote on a meaningful amendment. We should vote my amendment up or down and then vote on final passage of the bill.

Madam President, I move that the Humphrey-Morse substitute amendment be tabled, and on my motion I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to table the Humphrey-Morse substitute for the Mundt amendment, as modified.

Mr. SALTONSTALL. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. What is the question?

The PRESIDING OFICER. The question is on the motion to table the Humphrey-Morse substitute for the Mundt amendment, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Arkansas [Mr. FULBRIGHT] are absent because of illness.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

I further announce that, if present and voting, the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] would each vote "nay."

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Arizona would vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

On his vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Colorado would vote "nay."

The result was announced—yeas 23, nays 63, as follows:

[No. 53 Leg.]

YEAS—23

Aiken
Allott
Bennett
Boggs
Carlson
Case, S. Dak.
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Hruska
Kuchel
Miller
Mundt
Murphy
Pearson
Prouty
Smith, Maine
Tower
Williams, Del.
Young, N. Dak.

NAYS—63

Anderson
Bartlett
Beall
Bible
Burdick
Bush
Byrd, Va.
Byrd, W. Va.
Cannon
Case, N.J.
Clark
Cooper
Dodd
Douglas
Engle
Gore
Gruening
Hart
Hartke
Hayden
Hickey
Hill
Holland
Humphrey
Jackson
Javits
Jordan
Keating
Kefauver
Kerr
Lausche
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Morton
Moss
Muskie
Neuberger
Pastore
Pell
Proxmire
Randolph
Robertson
Russell
Saltonstall
Scott
Smith, Mass.
Sparkman
Stennis
Symington
Talmadge
Thurmond
Wiley
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—14

Butler
Capehart
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Johnston
Monroney
Morse
Smathers

So Mr. MUNDT's motion to table the Humphrey-Morse substitute for the Mundt amendment, as modified, was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] for himself and the Senator from Oregon [Mr. MORSE], in the nature of a substitute for the so-called Mundt amendment, as modified.

The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DOUGLAS. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. What is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the so-called

Humphrey amendment, in the nature of a substitute for the so-called Mundt amendment, as modified.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE (when his name was called). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Arkansas [Mr. FULBRIGHT] are absent because of illness.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

I further announce that, if present and voting, the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], and the Senator from South Carolina [Mr. JOHNSTON] would each vote "yea."

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Colorado would vote "yea."

The result was announced—yeas 62, nays 23, as follows:

[No. 54 Leg.]

YEAS—62

Anderson
Bartlett
Beall
Bible
Burdick
Bush
Byrd, Va.
Byrd, W. Va.
Cannon
Case, N.J.
Clark
Cooper
Dodd
Douglas
Engle
Gruening
Hart
Hartke
Hayden
Hickey
Hill
Holland
Humphrey
Jackson
Javits
Jordan
Keating
Kefauver
Kerr
Lausche
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Morton
Moss
Muskie
Neuberger
Pastore
Pell
Proxmire
Randolph
Robertson
Russell
Saltonstall
Scott
Smith, Mass.
Sparkman
Stennis
Symington
Talmadge
Thurmond
Wiley
Williams, N.J.
Yarborough
Young, Ohio

NAYS—23

Aiken
Allott
Bennett
Boggs
Carlson
Case, S. Dak.
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Hruska
Kuchel
Miller
Mundt
Murphy
Pearson
Prouty
Smith, Maine
Tower
Williams, Del.
Young, N. Dak.

NOT VOTING—15

Butler
Capehart
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Gore
Johnston
Monroney
Morse
Smathers

So the amendment was agreed to.

Mr. HUMPHREY. Madam President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the Mundt amendment, as amended.

Mr. HUMPHREY. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. In other words, the scheduled yea-and-nay vote now would be upon the same item as that on which the Senate has just voted?

The PRESIDING OFFICER. The Senator from Minnesota is correct.

Mr. HUMPHREY. It has been suggested that unanimous consent be asked to vacate the order of the yeas and nays on the Mundt amendment, as amended. However, some Senators have indicated that they wish to register an objection both to the Mundt and the Humphrey amendments.

I make the request that the order for the yeas and nays be vacated, but in the full knowledge that there are Senators who will wish to vote against the proposal as it is now before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

Mr. MORTON. I object.

The PRESIDING OFFICER. Objection is heard. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. HUMPHREY. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. Do I correctly understand that the Senate is now about to vote on the exact text of the amendment as previously voted upon?

The PRESIDING OFFICER. It is the same language.

Mr. CASE of South Dakota. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. That does not necessarily mean, does it, that the issue is the same? The question previously voted upon was one of preference; whether the Senate wished to substitute the language of the Humphrey amendment for the language of the Mundt-Hruska amendment. Now, that decision having been made, the question is whether the Senate desires the Mundt amendment, as amended, or nothing. Is not that correct?

The PRESIDING OFFICER. The Senator is correct. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Arkansas [Mr. FULBRIGHT] are absent because of illness.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Arizona]Mr. GOLDWATER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Arizona would vote "nay."

I further announce that, if present and voting, the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Colorado would vote "yea."

The result was announced—yeas 62, nays 24, as follows:

[No. 55 Leg.]

YEAS—62

Anderson
Bartlett
Beall
Bible
Boggs
Burdick
Bush
Byrd, Va.
Byrd, W. Va.
Cannon
Case, S. Dak.
Clark
Dodd
Douglas
Engle
Gore
Gruening
Hart
Hartke
Hayden
Hickey
Hill
Holland
Humphrey
Jackson
Jordan
Kefauver
Kerr
Kuchel
Lausche
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Moss
Muskie
Neuberger
Pastore
Pell

Proxmire
Randolph
Robertson
Russell
Saltonstall
Scott
Smith, Mass.
Sparkman
Stennis
Symington
Talmadge
Thurmond
Wiley
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—24

Aiken
Allott
Bennett
Carlson
Case, N.J.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Hruska
Javits
Keating
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Smith, Maine
Tower
Williams, Del.

NOT VOTING—14

Butler
Capehart
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Johnston
Monroney
Morse
Smathers

So the amendment, as amended, was agreed to.

Mr. HUMPHREY. Madam President, I move that the vote by which the amendment, as amended, was agreed to be reconsidered.

Mr. PASTORE. Madam President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Madam President, what part of the unanimous-consent agreements applies at this time?

The PRESIDING OFFICER. Under the agreements, the Senator from Iowa [Mr. MILLER] is entitled to submit his amendment, if he wishes to do so, under a 30-minute limitation.

Mr. HUMPHREY. Before that is done, Madam President, I should like to yield 1 minute to myself, in order that I may yield to the Senator from Maine [Mr. MUSKIE].

The PRESIDING OFFICER. The Senator is recognized for 1 minute.

Mr. MUSKIE. Madam President, I should like to ask the Senator from Minnesota a question.

Section 204 of the Agricultural Act of 1956 applies to "any agricultural commodity or product manufactured therefrom."

I wish to ask the Senator from Minnesota whether it is the intent of his amendment to give the same relief which is provided in his amendment to the products and commodities which are spelled out in section 204, in the language I have just now read.

Mr. HUMPHREY. Madam President, I reply to the Senator from Maine by stating that the amendment which has been adopted is an amendment to section 204—the difference being that in this amendment the word used is "shall," whereas in the remainder of section 204 the word used is "authorized." I hope that will be interpreted in such a way that where injury is done to a domestic producer, the President will enter into these multilateral negotiations.

Mr. MUSKIE. I express the hope that if there is any doubt of it in the legislation, it will be corrected in the conference on the bill.

Mr. MILLER. Madam President——

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HOLLAND. Madam President, if the Senator will yield, I notice that the time on this item, and final passage of the bill, is to be under the control of the Senator from Louisiana [Mr. ELLENDER]. I am told, since I am the ranking member present, that I should substitute for the Senator from Louisiana, which I shall be glad to do, or turn that responsibility over to the acting majority leader [Mr. HUMPHREY].

Mr. HUMPHREY. I hope the Senator from Florida will take control. I should like to have lunch.

Mr. MILLER. Madam President, I yield myself 5 minutes. I do not believe that much time need be spent on the Miller amendment. However, in view of the action of the Senate in adopting the last amendment by the Senator from Minnesota, it is necessary to perfect my amendment.

I ask the clerk to read my amendment as modified.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa, as modified, will be read.

The legislative clerk read as follows:

> Add the following at the end of the bill: "Action taken under this Act shall be consistent with all other Trade Agreement Acts and all agreements negotiated thereunder."

Mr. MILLER. Madam President, I asked the question yesterday, at the time we were debating the main bill, whether or not there was any intention that there be any inconsistency of action under this bill or under section 204 of the Agricultural Act of 1956 as against other trade agreement acts, and particularly as against the Trade Development Assistance Act of 1962, which is now pending before the Congress. I received a reply last evening that we did not know. Then today I believe that the senior Senator from Minnesota replied that there was no intention that there be any inconsistency.

Let me say that I understand so far the only trade agreements that have been negotiated under section 204 are those relating to textiles, but this bill goes far beyond textiles; it relates to all agricultural commodities, as does section 204.

I want to make sure, and it seems to me every Member of the Senate would want to make sure, that what we are doing today will result in no danger in the future of our being inconsistent in our trade agreement acts. We are giving the President a great amount of discretion under the bill. He has a great amount of discretion under section 204. He will have a great amount of discretion under any trade agreement act. We must have consistency in our foreign trade policy. All this amendment does is make it very clear that any action taken under this bill will be consistent with our trade agreement acts.

I shall be very happy to yield for questions.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. MILLER. I yield.

Mr. PASTORE. I have been reading the Senator's amendment. I agree we must not do anything that would be inconsistent with the trade agreement acts, because, after all, when we make agreements with foreign nations, we in the United States pride ourselves on never breaking the agreements. I am beginning to wonder what far-reaching impact the amendment may have. If the Senator will tell us what he has in mind, we will be in a better position to answer the question. My own feeling is that we are legislating on the floor of the Senate on a broad subject. We are using words the full consequence of which we cannot know. Let me read the language proposed to be added to the bill: "Action taken under this act shall be consistent with all other trade agreement acts."

Will the Senator elucidate as to what he fears included in the measure would be inconsistent with the trade agreement acts and all other agreements negotiated thereunder? What does that mean?

We may be in the position of putting words in the bill, the possible far-reaching consequences of which, even the author does not know. I say that with all respect to the Senator.

Mr. MILLER. I appreciate that question. I want to make it very clear that the Senator from Iowa does not know what far-reaching ramifications there may be, but the Senator from Iowa knows one thing, that we ought to be consistent in our foreign trade policy, and whether we have one or two or five acts, we ought to be consistent. This is particularly so when we are giving so much discretion to the President. I have no particular objection to any President having discretion to negotiate during an agreement, but when we have a bill which states that if a multilateral agreement has been or shall be concluded under authority of this section amoung countries accounting for a significant part of world trade, I do not know what "significant part of world trade" means. It is up to the President to determine that. When he makes the determination, I want to be sure that determination is going to be consistent with a similar determination made under any other Trade Agreement Act.

Mr. PASTORE. Will the Senator yield for a suggestion?

Mr. MILLER. I yield.

Mr. PASTORE. I am merely thinking out loud. I am confronted with this situation suddenly, without having had time to study it. Would the Senator agree to a modification such as this: "Action taken under this act shall be consistent with our trade agreement acts policy"?

It does not mean a great deal. I will subscribe to that. But, if I understand correctly, the Senator wants to make sure that, in what we are acting on today, we shall do nothing that will reflect upon or be in contravention of our trade agreement acts. The Senator admits—and I admire him for saying so—that at the moment he cannot see all the repercussions that might flow from this amendment. If I were on the conference, I would agree to take it to conference and see what agreement we could reach on it. But I am not on the conference. Personally, I would not want to oppose it or vote for it. I think I should tell the Senator that I shall move to table the amendment, not because it is a reflection on the amendment or the Senator, but because it is too nebulous for us to vote on it at this time.

Mr. MILLER. Will the Senator be good enough to repeat the modification he suggested a moment ago?

Mr. PASTORE. My suggestion was: "Action taken under this act shall be consistent with our trade agreement acts policy."

Mr. MILLER. With all other trade agreement acts policy?

Mr. PASTORE. I am taking the words of the Senator from Iowa.

Mr. MILLER. Is the word "act" singular or plural?

Mr. PASTORE. It is plural in the amendment. That is the way I use it. If the Senator wants the amendment to go to conference and see what they will do about it, that is satisfactory with me; but that is up to the committee. I do not think we ought to be doing anything that is inconsistent with the foreign policy of our country, whether it relates to trade or any other policy.

Mr. MILLER. I appreciate the consideration of the Senator from Rhode Island. I have no premium on draftsmanship in this matter. The Senator has been responsive to my concern when we talk about possible inconsistency in our policy. I will accept the modification of my amendment.

Mr. HOLLAND. Madam President——

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HOLLAND. Will the Senator yield?

Mr. MILLER. I shall be happy to yield. May I say I will accept the modification. If we can have some agreement on it, we can dispose of it without having to bother with a rollcall.

Mr. PASTORE. I want to say at this time that this is just contemporaneous thinking on my part, and I realize that the bill will have to go to conference, because it has been amended. I would not object in any way if the conference saw fit to consider the amendment. I do not have any pride of authorship in the modification. I merely suggested it.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. MILLER. I yield.

Mr. HOLLAND. Acting for the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], who will be the chairman of the conference, I am willing to take this amendment, with the suggestion of the Senator from Rhode Island, with this view—that I think what we are all trying to do if we take that action is to provide that actions taken under the particular measure which we are voting on today shall not be taken if they will contravene our trade agreement policy.

In conference, if we find there is some "bug" in respect to it, we would feel free to omit it. If we find the idea could be perfected by better language, we would feel free to change the language. I think we should take it to conference in that form, and I am willing to do so.

Mr. MILLER. I thank the Senator for his statement. With that understanding, Madam President, I move the adoption of my amendment. I yield back the remainder of my time.

Mr. HOLLAND. I yield back all remaining time against the amendment. It is my understanding that we are agreed upon the adoption of the amendment for the purpose of taking it to conference in the restated form suggested by the Senator from Rhode Island. Is that correct?

Mr. MILLER. That is the understanding of the Senator from Iowa.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PASTORE. Madam President, I offer the amendment which I send to the desk and ask to have stated.

The LEGISLATIVE CLERK. On page 1, line 11, it is proposed to strike out "article" and to insert "articles."

Mr. PASTORE. Madam President, this is merely a grammatical correction. The bill of the Senate had the plural "articles." The bill of the House had the singular form "article." This is merely a grammatical correction. I do not think there should be a dispute. I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. COTTON. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Have the yeas and nays been ordered on the question of passage of the bill?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. COTTON. Madam President, I ask for the yeas and nays on the question of passage of the bill.

The yeas and nays were ordered.

Mr. SALTONSTALL. Madam President, I suggest the absence of a quorum, because the Senator from South Dakota [Mr. MUNDT] is absent from the Chamber and wishes to speak on the bill.

Mr. COOPER. Madam President, will the Senator yield first?

Mr. SALTONSTALL. I withdraw my suggestion, Madam President.

Mr. COOPER. A parliamentary inquiry, Madam President.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOPER. Has the amendment offered by the Senator from Iowa been voted on as it was modified?

The PRESIDING OFFICER. The amendment of the Senator from Iowa, as modified, has been agreed to.

Mr. COOPER. Before a vote is taken on the bill I should like to ask some questions of the sponsor of the bill.

Mr. HOLLAND. Madam President, after the quorum call, when the Senator from South Dakota is present, since I shall control the time in favor of the bill I shall be glad to yield to the Senator from Kentucky.

Mr. COOPER. I defer my questions until after the quorum call.

Mr. SALTONSTALL. Madam President, on the time of the Senator from South Dakota, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Madam President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Madam President, all time has elapsed unless the bill has been read the third time. May I ask the Presiding Officer whether the bill has been read the third time?

The PRESIDING OFFICER. The bill has not been read the third time. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 10788) was ordered to a third reading and was read the third time.

Mr. MUNDT. Madam President, we have 15 minutes on each side in which to debate the proposed legislation. I do not expect to consume very much of my time. After I have concluded my remarks I shall be happy to yield to other Senators, or to yield back the remainder of the time. I wish to summarize the situation as I see it.

First, I express my appreciation for the many manifestations of sympathy and pledges of support given to us by supporters of the proposed legislation, who rejected our effort to do something effective for other branches of agriculture today by adding an amendment to the textile protective tariff bill. We got no helpful action. We got a great array of adjectives, and I hope that some day we can cash in on these good intentions.

I should be more optimistic about the situation in that regard were it not for a famous statement by Elbert Hubbard at one time, that the hot place way down under is at the end of a road paved by good intentions.

I am sorry that we did not succeed in getting concurrent action. I voted against the Humphrey amendment because, as I said in the debate, it would add positively nothing to the power already existing. It would not grant the President any additional authority. It might be construed by some, who continue to resist efforts to help other branches of agriculture, as a convenient excuse for doing nothing.

I think we should not accept that kind of adjectival statement in lieu of action which is so desperately needed.

As I said on the floor also, I shall vote for the bill on the question of passage. I shall do so for two reasons.

I shall do so because the textile industry and cotton producers of this country are in serious straits, though perhaps no worse than those of the timber people, of the dairy people, or of other segments of the farm economy. At least they have succeeded, through machinations yet to be disclosed and yet to be confirmed, in getting favored treatment for a favored few.

Second, this group needs the help, and certainly I shall not vote to resist that help merely because other groups were not able to get similar help in other areas.

Like many in this Chamber, I was curious as to where the senior Senator from Illinois got his documentation for the fact that what we are witnessing today is a trade of tariff concessions for future votes on tariff legislation. I hope that is not true, yet I respect the senior Senator from Illinois enough to believe that he would not merely fabricate the charge. All we can do is to study the call of the roll record when it is made to determine the result on Mr. Kennedy's demand that Congress delegate to him all future tariff regulating authority.

It seems to me that those who are vitally interested in the protective tariff system as it applies to cotton must come to recognize that the same protective mantle has a part to play when it comes to lambs, when it comes to poultry products, and when it comes to other agricultural products as well as to timber and timber products.

It may have a part to play when it comes to manufactured products in other areas as well. I recognize that we must constantly revise our tariff policies. We must live in a competitive world and engage in international exchange. But I do not think we can long continue as the great Nation that we are, or that we can enduringly continue the job of shoring up the finances of 80 foreign countries, if we adopt tariff policies designed to pauperize great segments of our own economy.

It is well that the cotton segment of our economy is receiving privileged relief today. But I regret that the same reasoning has not been applied to other segments of agriculture which are suffering similarly. There is no hope for us under the Humphrey amendment, because it does not change the situation. It is a gesture in futility. But there is hope for us in the expressions of sympathy, concern, compassion, and cooperation made by so many Senators on the floor of the Senate during the course of the debate. I hope the result may be support which will make it possible to pass some kind of effective legislation that will protect the "Little Orphan Annies" on the farm who have been left out of consideration in this bill today.

Mr. COOPER. Madam President, will the Senator yield?

Mr. HOLLAND. Madam President, I shall be glad to yield to the distinguished Senator from Kentucky, but in order that his question may be answered, I have sent for the Senator in charge of the bill. He will be in the Chamber in a few minutes. If time is to be taken on the other side, or even on this side, I would rather yield for that purpose, reserving the time I agreed to yield to the Senator from Kentucky until that Senator arrives.

Mr. COOPER. Madam President, if the Senator will yield, I should like to ask my question, for perhaps some member of the committee can answer it.

Mr. HOLLAND. Madam President, I yield to the Senator from Kentucky. I ask him how much time he desires.

Mr. COOPER. Four minutes.

Mr. HOLLAND. Madam President, I yield 4 minutes to the Senator from Kentucky.

Mr. COOPER. My concern about the bill goes to the question of the policy it expresses. As it came before the Senate, the bill was limited to textiles and textile products, by its reference to multilateral agreements concluded under section 204 of the Agricultural Act of 1956. It would have the effect of authorizing the President to limit the importation of cotton textiles from the countries which are not partners to the agreement.

The Senator from Minnesota offered an amendment, which has been agreed to, which would direct the President to negotiate—the words used in the amendment are "the President shall negotiate." The amendment directs the President to negotiate agreements with other nations respecting a broad range of agricultural products, including timber and timber products.

My question goes only to the matter of policy. The President of the United States has sent to the Congress a trade message. He has asked the Congress to authorize him to reduce tariffs on all classes of items, rather than specific items, by 50 percent, and to reduce beyond 50 percent tariffs on those items in which the United States and the Common Market countries account for 80 percent of world exports. He asked us to authorize him to reduce all tariffs. Of course, the principle applies also to textiles and textile products, on which the agreement to limit exports to the United States has been negotiated. I would like to know whether this bill is consistent with the President's proposal. It seems to me that it is not, particularly since the amendment of the Senator from Minnesota has been agreed to.

Mr. MUSKIE. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Maine as much time as he desires.

Mr. MUSKIE. Madam President, I am not sure that I can personally answer the distinguished Senator from Kentucky.

First, the President has not proposed a free trade policy. We have not had free trade in this country from the outset. The tariff bill was either the first or second piece of legislation enacted by the First Congress of the United States in 1789. Ever since that time, as a part of our trade policy, we have had some form of adjustment provision. International trade inevitably involves adjustment.

Sometimes the adjustment is made in the private sector of our economy. Sometimes it is made by virtue of Government policy. The President's Trade Expansion Act itself contains provisions for the purpose of enabling import-impacted industries to adjust to the objective of trade expansion. So I think it is consistent with the objective of trade expansion to provide for trade adjustment policies in certain areas which public policy justifies.

Section 204 of the Agricultural Act of 1956 states:

> The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries.

The Humphrey amendment would emphasize or reemphasize that language in current law. The language of the Humphrey amendment, which is quite clear, would direct the President to undertake to negotiate such agreements "when in his judgment such imports seriously affect domestic producers."

I point out to the Senator from Kentucky that negotiation requires and implies agreement by the other countries involved as well as ourselves. The Humphrey amendment would not authorize unilateral action. Section 204 itself does not authorize unilateral action.

Mr. COOPER. Madam President, will the Senator yield?

Mr. HOLLAND. I yield 2 minutes to the Senator from Kentucky.

Mr. COOPER. I shall be brief. The Humphrey amendment is pretty weak. It provides that the President shall take action when "such imports seriously affect domestic producers." I cannot get away from my belief that, despite the Senator's historical argument, on the one hand, the President is asking the Congress to give him freedom and authority, and on the other hand, the Congress is now attempting to restrict and limit that authority. We would direct him to take that action. I would not raise the question with respect to the textile industry because agreements for that industry have been negotiated with, but not yet signed by 19 countries, I do say that the amendment adopted represents a conflict of policy.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. HOLLAND. I yield 1 minute to the Senator from Ohio.

Mr. LAUSCHE. Has the Senator from Kentucky given consideration to the question whether the factual exemption that has been given to rugs, carpets, and rolled glass comes within the principle that he has implied in his question?

Mr. COOPER. I am asking questions. I know that all kinds of exceptions are being made. I view that as another exception.

Mr. LAUSCHE. If we should give special exemption to textiles, rugs, carpets and glass, upon whom would fall the burden of the proposed general reduction in tariffs? If we grant an exemption to some, will we not necessarily have to place a greater burden on those who will not be exempt? That is the question that has been bothering me about the three specific exemptions that have been granted thus far.

Mr. PASTORE. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Rhode Island as much time as he desires.

Mr. PASTORE. To understand what we are attempting to do, we must go into the historical background of the events that have transpired which have brought us to our present position.

First, to appreciate what we are attempting to do, I invite the attention of Senators to the resolution introduced by my good friend the Senator from New Hampshire in 1958, which called upon Congress to make an investigation of the decline in the textile industry.

We proceeded to investigate. On February 4, 1959, we made 11 specific recommendations to the President after conducting exhaustive hearings not only in Washington but in localities of the country which were interested in textile production. Among the recommendations that we made, we strongly recommended to the President that he institute mandatory quotas against the importation of certain textile products. The President rejected that recommendation. I suppose he rejected it because he thought that instituting mandatory quotas would be inconsistent with our trade policy as a whole. We had never done a thing like that before, except in the case of certain agricultural products, and for the obvious reason that we have large surpluses in America. That point is understood throughout the world.

Insofar as other products are concerned, we had never instituted mandatory quotas. Therefore, the President suggested that possibly it might be a solution of this problem if we called together all the nations of the world in conference, those nations that were exporting or producing textiles. That is what we did. These nations all sat around the table in Geneva in the early part of 1961 and negotiated this temporary agreement.

We must realize that there cannot be any inconsistency in this policy, because we are doing it with the consent and the acquiescence and the approbation of the countries involved.

The only thing that confuses this picture is that, after we entered into this agreement with all the countries which at that time we thought were in the textile business, two or three other countries have now gone into that business.

Our whole international trade policy has concerned itself with tariff walls; it has never concerned itself with quotas. These are voluntary quotas.

The dilemma in which we find ourselves is that the agreement we have achieved, which has now developed into a 5-year agreement beginning with October 28 of 1962, actually places us in the position where our friends have agreed not to export to this country in excess of a certain amount. That is with their consent. It is a reciprocal arrangement. For that reason we have this situation which is consented to by all the countries.

In the meantime, Egypt and one or two other countries are beginning to export in large quantities. That fact vitiates the effect of this whole agreement.

Under present law the President of the United States cannot move in where bilateral agreements are in existence. At the time the law was passed no multilaterial agreements were contemplated. That creates more or less an ambiguity or a hiatus in the law. In order to cure that situation, the Commerce Department felt that the President would need this authority in order to more or less limit the loophole so as to make this agreement effective.

Mr. COOPER. I understand perfectly the situation with respect to the textile agreement. That was negotiated under the authority of section 204. The President can do that. My question goes to the Humphrey amendment. We have changed section 204, as I understand it, and we are now telling the President that he must negotiate with respect to agricultural products.

Mr. PASTORE. I believe this is being misunderstood. I am one of those who are willing to admit that we have done nothing here. We have merely recodified existing law. We picked out meat products, and we have said to the President, "You can do with relation to this what you have already done for the textile industry."

We are giving him authority which he already has. There is nothing more than that involved. If it were any different, I would have voted against the amendment.

Mr. JAVITS. Madam President, will the Senator from Rhode Island yield?

Mr. HOLLAND. I yield such further time as the Senator from Rhode Island may need.

Mr. JAVITS. Does section 204 cover the products referred to in the Humphrey amendment?

Mr. PASTORE. Yes; every one of them, and it goes beyond that. What we have said is that the President can do what he already has the right to do.

Mr. JAVITS. I hope these questions will clarify the situation. The words that trouble me are those which refer to "seriously or adversely affects."

Mr. HOLLAND. "Seriously affect domestic producers."

Mr. JAVITS. Yes.

Mr. HOLLAND. In the President's judgment.

Mr. JAVITS. Yes. Does that in any way materially change the criterion set forth in section 204?

Mr. PASTORE. No. All that the President can do is not shut anything off when he finds it seriously injures anyone. All he can do is negotiate with the countries on a multilateral agreement, in like manner as he did with respect to the cotton textile industry. He can invite these people to sit down to negotiate.

Mr. JAVITS. The Senator does not feel that it materially expands or changes the basic authority contained in section 204. Is that correct?

Mr. PASTORE. If we had not done it, the situation would be the same.

Mr. MORTON. Madam President, will the Senator yield?

Mr. HOLLAND. If I have any time remaining, I am glad to yield time to the Senator from Kentucky.

Mr. CURTIS. I yield 2 minutes to the Senator from Kentucky, on behalf of the Senator from South Dakota [Mr. MUNDT], who is not in the Chamber at the moment.

Mr. MORTON. I wish to thank the Senator from Rhode Island for bringing this matter into focus. What disturbed me about the amendment was the reaction that it might have with some of our friends, our needed friends, around the world. What would they think in Auckland or Sydney about this amendment? That is what disturbed me. I believe the Senator has straightened this out by showing that we have not really given the President any authority that he does not have already under existing law, and that this does not mean that we will set up quotas on foreign agricultural products.

Mr. PASTORE. If anything happened that concerned Australia or Argentina, all the President could do would be to call in the representatives of those countries, together with our representatives, and see if they could work out an agreement which would be acceptable to both sides, if there is a serious injury to a domestic industry. We have called upon the President, in fact, to invite these people to sit down to see if we can work out an agreement.

Mr. MORTON. That is under section 204?

Mr. PASTORE. It could have been done anyway.

Mr. MORTON. Under section 204?

Mr. PASTORE. Yes. That is why we did it in the textile industry.

The PRESIDING OFFICER. All time of the Senator from Florida has expired.

Mr. HOLLAND. Has the time of the Senator from South Dakota expired?

Mr. CURTIS. If there are no further requests, I am directed by the Senator from South Dakota to yield back the remaining time.

The PRESIDING OFFICER. Nine minutes remain of the time allotted to the Senator from South Dakota.

Mr. CURTIS. I yield back the remaining time.

The PRESIDING OFFICER. All time for debate has been yielded back or has expired. The question is on the passage of the bill.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KEFAUVER (after having voted in the affirmative). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wyoming [Mr. MCGEE], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Arkansas [Mr. FULBRIGHT] are absent because of illness.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

I further announce that, if present and voting, the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wyoming [Mr. MCGEE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. ERVIN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business. If present and voting, the Senator from Indiana [Mr. CAPEHART] and the Senator from Arizona [Mr. GOLDWATER] would each vote "yea."

The result was announced—yeas 80, nays 3, as follows:

[No. 56 Leg.]

YEAS—80

Aiken
Allott
Anderson
Bartlett
Beall
Bennett
Bible
Boggs
Burdick
Bush
Byrd, Va.
Byrd, W. Va.
Cannon
Carlson
Case, N.J.
Case, S. Dak.
Clark
Cotton
Curtis
Dirksen
Dodd
Dworshak
Engle
Fong
Gruening
Hart
Hartke
Hickenlooper
Hickey
Hill
Holland
Hruska
Humphrey
Jackson
Javits
Jordan
Keating
Kerr
Kuchel
Lausche
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McNamara
Metcalf
Miller
Morton
Moss
Mundt
Murphy
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Robertson
Russell
Saltonstall
Scott
Smith, Mass.
Smith, Maine
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Wiley
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—3

Cooper
Douglas
Gore

NOT VOTING—17

Butler
Capehart
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Hayden
Johnston
Kefauver
McGee
Monroney
Morse
Smathers

So the bill (H.R. 10788) was passed.

The PRESIDING OFFICER. Without objection, the corresponding Senate bill, S. 3006, will be indefinitely postponed.

Mr. HOLLAND. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JORDAN. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. METCALF in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. EASTLAND, Mr. TALMADGE, Mr. JORDAN, Mr. AIKEN, Mr. YOUNG of North Dakota, Mr. HICKENLOOPER, and Mr. MUNDT the conferees on the part of the Senate.

THE CALENDAR

The PRESIDING OFFICER. Under the unanimous-consent agreement, the next order of business is the call of the calendar, which the clerk will proceed to call.

BILLS PASSED OVER

The bill (S. 2801) to amend section 510 of the Merchant Marine Act, 1936, in order to extend for 2 years the time during which a certain definition of the term "obsolete vessel" shall be used, was announced as first in order.

Mr. ENGLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ENGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENGLE. Mr. President, by request, I ask that Calendar No. 1284, Senate bill 2801, be passed over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The next measure on the calendar will be stated.

Mr. ENGLE. Mr. President, I also ask, by request, that Calendar No. 1285, Senate bill 2829, amending title 12 of the Merchant Marine Act, 1936, as regards war risk insurance; and Calendar No. 1286, Senate bill 2800, amending the Merchant Marine Act of 1936, as regards the differential subsidy, be passed over.

The PRESIDING OFFICER. Objection being heard, these bills will be passed over.

REPEAL OF SUBMISSION OF REPORT TO CONGRESS CONCERNING ELIGIBLE PUBLIC BUILDING PROJECTS

The bill (H.R. 7477) to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects was considered, ordered to a third reading, was read the third time, and passed.

BILL PASSED OVER

The bill (S. 819) to provide for suitable works of art in Federal buildings was announced as next in order.

Mr. ENGLE. Mr. President, by request, I ask that the bill be passed over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

ACCEPTANCE BY PERSONNEL OF U.S. GOVERNMENT OF DECORATIONS, PRESENTS, AND DONATIONS BY CERTAIN COUNTRIES

The Senate proceeded to consider the bill (S. 2919) to authorize certain retired personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain countries, which had been reported from the Committee on Foreign Relations, with amendments, at the designated places, to insert the following:

a. On page 40 insert the following additional medal for Admiral Arleigh A. Burke:

		"Germany.	Distinguished Service Cross with Star.	Token of good will."

b. On page 41 insert the following additional medal for Vice Admiral Howard E. Orem:

		"Germany.	Grand Merit Cross with Star.	Token of good will."

c. On page 42, immediately below "Shaw, James C. 77130", insert:

"Peltier, Eugene, J. 77434.	Feb. 1, 1962.	Brazil...	Order of Naval Merit (Commander).	Token of good will."

d. On page 43, immediately below "McElroy, John H. 62661", insert:

"Wiesner, Frederick C. 62979.	Oct. 1, 1957.	Germany.	Distinguished Service Cross.	Token of good will."

e. On page 43, immediately below "Ribble, George B., Jr. 70671", insert:

"Archer, Stephen M. 71396.	Mar. 1, 1962	Greece..	Royal Order of George I (Commodore).	Token of good will."

f. On page 44, immediately below "Gerber, Marvin L. 113084", insert:

"Whichard, Rogers D. 117575.	Nov. 1, 1961.	France	Academic Palms Medal (Academic Officer).	Token of good will."

g. On page 44, immediately below "Baczenski Frank J. 77368", insert:

"Kelley, George A., Jr., 77431.	June 1, 1955	Peru	Peruvian Cross of Naval Merit (Knight Commander) Distintivo Blanco.	Token of good will"

h. On page 45, immediately below "Manning, George C. 8685", insert:

"Reynolds, Raymond M. 104485.	July 1, 1961	Brazil	Order of Aeronautical Merit (Commander).	Token of good will.
Mallek, Robert A. 108497.	Oct. 1, 1961	Brazil	Order of Naval Merit (Officer).	Token of good will."

Mr. SPARKMAN. Mr. President, the bill now before the Senate is a routine omnibus foreign decorations bill. Every 4 years the Department of State is required to compile and submit to Congress a list of retired employees of the U.S. Government for whom it is holding decorations, orders, medals, or presents tendered them by foreign governments. Congressional approval for these persons to receive such items is required by article I, section 9, clause 8 of the Constitution which provides:

> * * * No Person holding any Office of Profit or Trust under * * * [the United States] shall, without the Consent of the Congress, accept of any present, Emolument, Office, or Title, of any kind whatever, from any King, Prince, or foreign State.

The last omnibus bill of this nature enacted by the Congress was Private Law 85-704, approved August 27, 1958. The current bill is identical to it, except for the names of the recipients and the type of award involved. Let me say—and I believe this matter will be of particular interest to Members of the Senate—that among the recipients are our distinguished retired colleagues, Theodore Francis Green and H. Alexander Smith. Also included is former Secretary of State Christian A. Herter. The great bulk of the list is made up of retired members of the Armed Forces, ranging from generals and admirals to sergeants and enlisted men.

The committee amendments add to the list persons whose names were omitted from the original list, due to the recent receipt of the awards or lack of information concerning retirement dates.

In view of the fact that all persons concerned have retired from the Government, the committee perceives no objection to enactment of this bill.

I wish to refer now to an amendment which I propose to offer, authorizing Gen. Douglas MacArthur to accept and wear a decoration tendered him by the Emperor of Japan. This language was proposed in a letter from the Acting Secretary of the Army to the Vice President, dated April 19, 1962, and is approved by the Department of State and the Budget Bureau.

Unlike the persons listed in section 1 of S. 2919 General MacArthur is not retired, and can, therefore, not be included in that list. Similar authorization for nonretired generals was enacted in 1959 concerning medals received by General MacArthur and Generals Marshall and Bradley. The decoration involved in the proposed new section 2 was conferred upon General MacArthur on May 17, 1960, and therefore could not be included in the earlier legislation.

I now ask that the committee amendments be laid before the Senate and be considered en bloc.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The amendments were agreed to.

Mr. SPARKMAN. Mr. President, I send to the desk the amendment relating to the award to General MacArthur, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following:

> SEC. 2. Notwithstanding any provision of law, General of the Army Douglas MacArthur is authorized to accept and wear the Grand Cordon of the Order of the Rising Sun with Paulownia Flowers, which has been tendered him by his Majesty, the Emperor of Japan.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

Mr. LONG of Hawaii. Mr. President, I call up my amendment, 4-25-62—B, and ask to have the amendment stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Hawaii will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 31, at the end of the table entitled "Department of the Army" to insert the following under the appropriate column headings:

Master sergeant				
O'Reilly, Hugh F., RA6710523.	Feb. 28, 1962.	Japan	Order of the Sacred Treasure, 6th class.	Reason for award unknown

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following-named retired personnel of the Government of the United States are hereby authorized to accept and wear such decorations, orders, medals, emblems, presents, and other things as have been tendered as of the date of approval of this Act by the foreign government or foreign governments immediately following their names, and that the consent of Congress is hereby expressly granted for this purpose as required under clause 8 of section 9, article 1, of the Constitution of the United States:

MEMBERS OF CONGRESS

Name	Date of retirement	Donor government	Award	Remarks
Green, Theodore Francis	Jan. 3, 1961	Greece	Cross of Grand Commander of Our Order of the Phoenix.	Reason for award unknown.
Smith, H. Alexander	Mar. 1, 1960	Greece	Cross of Knight Commander of the Royal Order of the Phoenix.	Reason for award unknown.
Vorys, John M	Jan. 3, 1959	Greece	Cross of Commander of the Royal Order of the Phoenix.	Reason for award unknown.
Wolverton, Charles A	Jan. 3, 1959	Greece	Cross of the Grand Commander of the Royal Order of the Phoenix.	Reason for award unknown.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Name	Date of retirement	Donor government	Award	Remarks
Fox, Paul S	Nov. 25, 1960	Bolivia	Condor de Los Andes, Grade of Official.	Reason for award unknown.
Reed, Horace G	Dec. 31, 1961	Morocco	Order of Ouissam Alaouite, Grade of Commander.	Reason for award unknown.
Walker, Dr. Marion N	Aug. 31, 1960	Haiti	Order of Honor and Merit, Degree of Chevalier.	Reason for award unknown.

DEPARTMENT OF AGRICULTURE

Name	Date of retirement	Donor government	Award	Remarks
Englund, Raymond E	Jan. 31, 1958	Sweden	Knighthood of the Royal Order of the North Star.	Reason for award unknown.
Deering, Dr. Arthur L	June 30, 1957	Portugal	Commander of the Military Order of Christ.	Reason for award unknown.
Marsh, Raymond E	Jan. 1, 1951	Finland	Order of the White Rose of Finland, Knight First Class.	For valuable contribution to Finnish forestry in a study which he made for Finland.
Morse, True D	Jan. 20, 1961	U.S.S.R	Gold Medal	Presented by Mr. Evgeniy Chekmenev, Soviet Vice Minister of Agriculture and Chairman of the Soviet Animal Husbandry Party.
Termohlen, William Dewey	July 28, 1959	France	Commander of the Legion of Agricultural Merit.	For distinguished service to the advancement of the poultry industry in France.
		France	Order of Merit of Agriculture	For distinguished service to the advancement of the poultry industry in France.

BUREAU OF THE BUDGET

Randall, Robert H	July 11, 1960	Dominican Republic.	Pablo Duarte Order of Merit	For assistance and contributions in the science programs of that country.
		Brazil	Order of the Cruzeiro do Sul	In recognition for fostering of inter-American activities in the fields of history and geography.

CANAL ZONE GOVERNMENT

Crawford, Charles H	May 31, 1960	Panama	Order of Vasco Nuñez de Balboa	Fostering cordial relations between Panama and the United States.
Garrett, Whitman P	Feb. 29, 1960	Panama	Order of Vasco Nuñez de Balboa	Fostering cordial relations between Panama and the United States.
Hall, Casey J	Sept. 5, 1961	Panama	Order of Vasco Nuñez de Balboa	Fostering cordial relations between Panama and the United States.
Marshall, James	Jan. 20, 1961	Panama	Order of Vasco Nuñez de Balboa	Fostering cordial relations between Panama and the United States.

CENTRAL INTELLIGENCE AGENCY

Cabell, Lt. Gen. Charles	Jan. 31, 1962	Denmark	Danish—Kommandor, First Grade Dannebrogs.	Reason for award unknown.
		France	Legion of Honor, grade of Officer	Reason for award unknown.
		Iran	Boukhara rug, 7 feet x 4 feet 9 inches	Token of good will.
		Iran	Boukhara rug, 7 feet 2 inches x 4 feet 8 inches.	Token of good will.

DEPARTMENT OF COMMERCE

Harrison, Robert H	July 31, 1960	Peru	Engraved Silver Plate	Farewell token of appreciation from officials with whom he worked.
Judge, John J	Oct. 31, 1961	France	Ordre du Mérite Commercial (Chevalier).	Important contributions to the development of economic relations between France and the United States.
Miller, Clyde	Mar. 31, 1959	France	French Cross of Commercial Merit (Croix du Mérite Commercial).	In appreciation of efforts and activity in connection with the "France Comes to You" exhibit.
Russell, William	Sept. 30, 1961	Italy	Award of Cavaliere in the Ordine al Merito della Repubblica Italiana.	No information of record.

FEDERAL RESERVE SYSTEM

Szymczak, M. S	June 1, 1961	Belgium	Order of the Crown, Degree of Commander.	Awarded in recognition of his assistance to Belgium during the war.
		Poland	Commander's Cross with Star, Order of Polonia Restituta.	Awarded in recognition of his interest in Poland and cooperation in developing closer relations between Poland and the United States.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Brand, Alonzo	Mar. 1, 1960	Thailand	Most Noble Order of the Crown of Thailand, Third Class.	Reason for award unknown.
Sebrell, William H., Jr	Aug. 1, 1955	Haiti	Officer de la Sante Publique	Reason for award unknown.

HOUSING AND HOME FINANCE AGENCY

Speer, George Archibald	Sept. 30, 1959	Greece	Gold Cross of the Order of the Phoenix.	For services in the field of international housing.

INTERSTATE COMMERCE COMMISSION

Arpaia, Anthony F	Mar. 15, 1960	Italy	Stella della Solidarieta Italiana di 2a Classe.	Reason for award unknown.

LIBRARY OF CONGRESS

Epstein, Fritz T	Aug. 31, 1960	Germany	Cross of Merit, First Class, of the Order of Merit of the Federal Republic of Germany.	Reason for award unknown.

SMITHSONIAN INSTITUTION

Name	Date of retirement	Donor government	Award	Remarks
Deignan, Herbert G	Jan. 31, 1962	Thailand	White Elephant (Fourth Class)	Reason for award unknown.
		Thailand	Santimala (Peace) Medal	Reason for award unknown.

The following, tendered to personnel of the Department of State, were given as tokens of good will by the donor governments:

DEPARTMENT OF STATE

Bonbright, James C. H	Apr. 30, 1961	Great Britain	Silver Jubilee Medal	
Daniels, Paul C	Dec. 31, 1953	Bolivia	Condor de los Andes, grade of officer	
Denby, James O	Apr. 30, 1951	France	Legion of Honor, Chevalier	
Gray, Cecil W	Oct. 31, 1960	Mexico	Mexican Order of the Aztec Eagle	
Henderson, Loy W	Jan. 31, 1961	Lithuania	Lithuanian Order of Gedeminas	
		Lithuania	Lithuanian Independence Medal	
		Latvia	Order of the Three Stars	
		Saudi Arabia	Silver tea set presented by H.R.H. Crown Prince Saud Alsaud of Saudi Arabia.	
		Saudi Arabia	Robe, with case, presented by King	
		Saudi Arabia	Gold watch, presented by King	
		Iran	Sword, presented by the Shah	
		Iran	Rug, presented by the Prime Minister.	
		Iran	Rug, presented by the Shah	
Herter, Christian A	Jan. 20, 1961	Germany	Grand Cross, First Class, of the Order of Merit of the Federal Republic of Germany.	
		Belgium	Order of Leopold	
		United Arab Republic.	Sculptured Egyptian head from Saroite Okacha, Minister of Culture and National Guidance, Egyptian Region, Cairo, United Arab Republic.	
		Iran	Silver urn and two small silver dishes from Doctor Ameli, escort officer in Teheran.	
		Turkey	Four silver pieces (tray, two dishes, pitcher) from Foreign Minister Zorlu.	
		Turkey	Rug from President Bayar	
		Brazil	Silver commemorative medal	
		U.S.S.R	Large handpainted vase from Minister Dimitri S. Polyansky, Chairman of the Council of Ministers of the Russian Soviet Federative Socialist Republic.	
		Spain	Rug from Fernando Mariá Castiella y Maiz, Minister of Foreign Affairs.	
		Uruguay	Bronze and wood plaque commemorating visit of President Eisenhower in 1960 from National Councilor Eduardo Victor Haedo.	
		Brazil	Silver base from Foreign Minister Lafer.	
		U.S.S.R	Large oriental rug from Chairman Khrushchev.	
		Iran	Oriental rug from Prime Minister Eqbal.	
		U.S.S.R	Vase, approximately three feet high, from Chairman Khrusehchev.	
		U.S.S.R	Large lacquer box from Chairman Khrushchev.	
		Mexico	Gold and silver cigarette case from President Lopez Mateos.	
		Cambodia	Sterling silver jewel box from Foreign Minister Son Sann.	
		U.S.S.R	Cloisonné liqueur set (decanter, tray, and six goblets) from First Deputy Chairman of the Council of Ministers F. R. Kozlov.	
		U.S.S.R	Gold and silver jewel box from First Deputy Chairman of the Council of Ministers F. R. Kozlov.	
		Saudi Arabia	Robe, with case, from King Saud	
		Saudi Arabia	Gold watch from King Saud	
Lacy, William S. B	Oct. 31, 1961	Netherlands	Order of Orange Nassau, degree of officer.	
Murphy, Robert D	Oct. 31, 1959	Saudi Arabia	Robe, with case	
		Japan	Pearl cuff links and tie bar	
Patterson, Jefferson	Apr. 4, 1958	Italy	Officer of the Order of the Crown of Italy.	
Reynolds, Eugene S., Jr	Dec. 10, 1949	El Salvador	Six silver coffee spoons	
Simmons, John F	Jan. 31, 1957	Greece	Grand Cross of the Order of Phoenix	
		Germany	Grand Cross of Merit	
		Guatemala	Orden del Quetzal	
Thibodeaux, Ben H	Jan. 31, 1960	France	Order of Agricultural Merit	
Trueblood, Edward G	Aug. 31, 1958	Bolivia	Official of Order of Condor de los Andes.	
Tuckerman, Gustavus	July 23, 1961	Poland	Gold Cross of Merit	
		U.S.S.R	Camera (35-millimeter Zorki-5) from Commercial Counselor of Soviet Embassy Vladimir S. Alkhimov.	
Turkel, Harry R	May 31, 1961	Cuba	National Order of Merit Carlos Manuel de Cespedes, Officer, from President Mendieta as token of his Government's appreciation in connection with negotiation of trade agreement.	
Warner, Percy	Dec. 31, 1961	Brazil	Order of Aeronautical Merit	
Warren, Fletcher	Dec. 31, 1960	Nicaragua	Presidential Medal of Merit	

TREASURY DEPARTMENT

U.S. COAST GUARD

Name	Date of retirement	Donor government	Award	Remarks
Rear Admiral				
Perkins, Henry C. (1097)	July 1, 1960	Korea	Order of Military Merit, Ulchi, with Silver.	For service as chief adviser to the Korean Coast Guard, which is now the Republic of Korea Navy.
		Italy	Al Merito della Repubblica Italiana (Commendatore).	For meritorious service in connection with rescue operations following collision between steamship *Andrea Doria* and steamship *Stockholm* in the Atantic Ocean, July 26, 1956.
Captain				
Davis, Harry E. (1387)	Oct. 1, 1958	Greece	Gold Naval Medal, First Class	For distinguished services rendered to the Greek merchant marine.
Davis, Kenneth S. (1268)	July 1, 1959	Italy	Al Merito della Repubblica Italiana (Cavaliere Ufficiale).	For meritorious service in connection with rescue operations following collision between steamship *Andrea Doria* and steamship *Stockholm* in the Atlantic Ocean, July 26, 1956.
McGowan, Gordon P (1267)	July 1, 1959	Korea	Order of Military Merit Ulchi	For service as adviser to the Korean Coast Guard, which is now the Republic of Korea Navy.
Commander				
Henthorn, John R (1346)	May 1, 1958	Portugal	Gold Medal of Courage, Abnegation, and Humanity.	In recognition of services during the rescue of the crew of the Portuguese schooner *Gaspar* during a gale off Newfoundland Banks on Sept. 18, 1948.
Johnson, Vaino O. (1396)	July 1, 1959	Portugal	Gold Medal of Courage, Abnegation, and Humanity.	In recognition of services during the rescue of the crew of the Portuguese schooner *Gaspar* during a gale off Newfoundland Banks on Sept. 18, 1948.
Lieutenant Commander				
Weber, John A. (3294)	Nov. 1, 1958	Norway	Norwegian Medal of Merit	For meritorious service in connection with the rescue of an injured seaman.
Lieutenant (j.g.)				
Kieffer, James W. (6447) (222-328)	Oct. 1, 1959	Italy	Al Valor di Marina	For meritorious service in connection with rescue operations following collision between steamship *Andrea Doria* and steamship *Stockholm* in the Atlantic Ocean July 26, 1956.
BMC(AN)				
Klingensmith, John E	Aug. 1, 1958	Haiti	Brevet de Merite	For outstanding service in training crew of the Haitian Coast Guard vessel *Vertieres* (GC-6) June 11-21, 1952.

UNITED STATES SECRET SERVICE

Holmes, Robert E	Oct. 31, 1960	China	Order of the Cloud and Banner	In recognition of services rendered during Mme. Chiang Kai-shek's visit in the United States during 1943.
Nelsen, Reuben L	Aug. 31, 1958	Norway	St. Olav Medal	In recognition of services rendered during assignment to the protection of Her Royal Highness the Crown Princess Martha and the royal family during their stay in the United States during World War II.
Nicholson, Henry J	Sept. 30, 1958	Norway	Knight Cross, Second Class, of the Royal Order of Saint Olav.	In recognition of services rendered in a supervisory capacity during assignment to the protection of Her Royal Highness the Crown Princess Martha and the royal family during their stay in the United States during World War II.

UNITED STATES INFORMATION AGENCY

Hager, Alice R	July 31, 1957	Brazil	Order of the Southern Cross	For services to the Government of Brazil in the field of aviation.

VETERANS' ADMINISTRATION

Cook, Dr. Robert C	Dec. 15, 1958	Philippines	Legion of Honor, Degree of Officer	Exceptionally meritorious and outstanding services to the Republic of the Philippines, during assignment at the Veterans' Administration regional office, Manila, Philippines.

OFFICE OF THE SECRETARY OF DEFENSE

Erskine, Gen. Graves B., USMC	Military, July 1, 1953 Civilian, Oct. 31, 1961	Thailand	Prathamabhon (Knight Grand Cross of the Most Exalted Order of the White Elephant).	Presented in the name of the Kingdom of Thailand.
		Greece	Royal Order of King George I	Presented by His Highness Crown Prince Constantine of Greece.
		Burma	Bronze statuette	Statuette of General Van Boola presented by Prime Minister of Burma.
		Thailand	Tiger skull	Presented by Prime Minister and Minister of Defense P. Pibulsonggram.
Cushing, Dr. E. H	Aug. 4, 1961	Philippines	Legion of Honor, rank of Commander.	Token of good will.

DEPARTMENT OF THE ARMY

Name	Date of retirement	Donor government	Award	Remarks
General				
Collins, J. Lawton, O5247	Mar. 31, 1956	Argentina	Order of General San Martin, degree of Grand Officer.	Received Argentine Minister of War in May 1948 and discussed with him matters pertaining to standardization of arms and other matters of joint interest to Argentina and the United States.
		Brazil	Order of Military Merit, degree of Grand Officer.	Assisted the Brazilian Minister of War in conferences in matters of joint interest to both Brazil and the United States during the Brazilian Minister's visit to the United States in April 1949.
		Chile	Medal of Military Merit, First Class	For distinguished services rendered to the Chilean Army, per citation dated June 2, 1949.
		Chile	Military Medal, First Class	Reason for award unknown.
		Cuba	Order of Military Merit	Reason for award unknown.
		Iran	Order of Homayoun, First Class	Reason for award unknown.
		Mexico	Military Merit Medal, First Class	In recognition of his military virtues and outstanding activity in defense of democracy.
Hodes, Henry I., O12845	Apr. 1, 1959	Chile	Military Medal, First Class	Reason for award unknown.
Magruder, Carter B., O15155	June 30, 1961	Korea	Order of Merit for National Foundation Tanjang.	In recognition and appreciation of his outstanding and meritorious service while serving as Commander in Chief, United Nations Command, Commanding General, United States Forces Korea, and Eighth United States Army from July 1, 1959, to June 30, 1961.
Schuyler, Courtlandt V.R. O14905	Oct. 31, 1959	France	Legion of Honor, grade of Officer	Reason for award unknown.
White, Isaac D. O15080	Apr. 1, 1961	China	Order of the Cloud and Banner, Second Class.	For exceptionally meritorious conduct in the performance of outstanding service from July 1957 to February 1961 as Commander in Chief, United States Army, Pacific.
		Japan	Order of the Rising Sun, Second Class.	For services rendered to the Japanese Government while serving as Commanding General, United States Army Forces, Far East, and Eighth United States Army.
		Korea	Order of Merit for National Foundation Tanjang.	In recognition and appreciation of the services rendered to the Republic of Korea while serving as Commanding General, X Corps, Commanding General United States Army Forces, Far East, and Eighth United States Army, and Commander in Chief of the United States Army, Pacific.
		Korea	Taeguk Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his outstanding and exceptionally meritorious service while serving as Commanding General, United States Army Forces, Far East, and Eighth United States Army during the period July 25, 1955, to June 30, 1957.
		Thailand	Knight Grand Cross of the Most Noble Order of the Crown of Thailand.	In recognition of his valuable services rendered to the Ministry of Defense of Thailand.
Wyman, Willard G., O12356	Aug. 1, 1958	Chile	Grand Star of Military Merit	For distinguished services rendered to the Army of Chile.
		Mexico	Medal of Military Merit, First Class	For his brilliant work in promoting a better understanding and a strengthening of the good relations existing between the armies of Mexico and the United States.
Lieutenant General				
Arnold, William H., O15558	Feb. 1, 1961	France	Legion of Honor, grade of Officer	For services rendered to the Government of the Republic of France.
Collier, John H., O12388	Oct. 1, 1958	China	Chinese Armored Force Combat Badge.	Being admired by the officers and soldiers of Chinese Armored Force for his glorious activity as a combat commander in ground combat against an armed enemy of Allied Nations during the period of 1942–1945 in the European theater.
		Mexico	Order of Military Merit, First Class	In recognition of his high military qualities and his praiseworthy actions in behalf of closer relations between members of the Mexican Army and members of the Fourth Army of the United States of America.
Harrison, William K., Jr., O5279	Feb. 28, 1957	Brazil	Order of Military Merit, grade of Commander.	For services rendered while serving as Commander in Chief, Caribbean Command, and in the interest of furthering good international relationship between Brazil and the United States.
		Chile	Military Medal of the Army, First Class.	For distinguished services rendered to the Chilean Army.
		Panama	Order of Vasco Nunez de Balboa, grade of Grand Officer.	For services rendered while serving as Commander in Chief, Caribbean Command.
		Peru	Military Order of Ayacucho, grade of Grand Officer.	Given in recognition of his position as commander in chief, Caribbean Command, and to express the gratitude of the Peruvian Government for courtesy shown the Minister of War during his recent visit to the Caribbean Command.
Harrold, Thomas L., O16051	June 30, 1961	Chile	Estrella al Merito Militar	For services rendered while serving as the commanding general, USARCARIB.
		Ecuador	Abdon Calderon, First Class	For services rendered while serving as the commanding general, USARCARIB.
		Paraguay	Orden Del Merito Militar, grade of Gran Oficial.	For services rendered while serving as the commanding general, USARCARIB.
		Peru	Military Order of Ayacucho, grade of Commander.	For services rendered while serving as the commanding general, USARCARIB.
Lawton, William S., O14924	June 1, 1960	China	Order of Cloud and Banner	In recognition of his meritorious service to the Government of the Republic of China.
Mathewson, Lemuel, O14980	Apr. 30, 1958	Denmark	Knight Commander of the Order of Dannebrog, First Class.	Reason for award unknown.
Read, George W., Jr., O12603	Aug. 1, 1960	Greece	Grand Cross of the Royal Order of the Phoenix.	For services rendered to Greece while serving as commander, Allied Land Forces Southeastern Europe from July 21, 1955, to Aug. 22, 1957.
Swing, Joseph M	Jan. 5, 1962	France	Officer of the Legion of Honor	Reason for award unknown.
		Brazil	Order of Military Merit, grade of Grand Officer.	For his enlightened understanding of the needs of the armies of the Western Hemisphere in orienting the training of various Brazilian officers and by his participation in the effort for united defense of the democratic world.
Young, Robert N., O15068	Sept. 30, 1957	Chile	Medal of Military Merit, Second Class.	For distinguished services rendered to Chile.
Major General				
Biddle, William S., O15180	Nov. 1, 1960	Korea	Taeguk Distinguished Military Service Medal.	For superior service to the Republic of Korea during the period May 1 to Oct. 30, 1959, while serving as senior member, United Nations Command Military Armistice Commission.
Binns, John J., O15207	Nov. 1, 1959	Korea	Taeguk Distinguished Military Service Medal.	For distinguished service rendered to the Republic of Korea while serving as chief of staff, United States Army Forces, Far East, and Eighth United States Army, from Feb. 9, 1956, to May 1, 1957.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Cooney, James P., O17338	Sept. 1, 1960	France	Medal of Honor of the Military Health Service in Vermeil.	In recognition of services rendered while serving as Deputy Surgeon General, Washington, D.C.
Dasher, Charles L., Jr., O15634	Aug. 1, 1960	Spain	Military Merit Medal with white distinctive.	Reason for award unknown.
Farrand, Edward G., O16788	July 1, 1961	Brazil	Order of Military Merit, Degree of Commander.	In recognition of services rendered to the Brazilian Government.
Gard, Robert G., O12247	Dec. 1, 1959	Korea	Taeguk Distinguished Military Service Medal.	Reason for award unknown.
Hains, Peter C., 3d, O15657	June 1, 1961	Mexico	Mexican Order of Military Merit, First Class.	For his magnificent labor in strengthening the bonds of friendship between members of the Mexican Army and members of the Fourth Army of the United States of America.
Harmony, John W., O15240	Nov. 1, 1959	Korea	Taeguk Distinguished Military Service Medal.	In recognition and appreciation of his outstanding and exceptionally meritorious service rendered to the Republic of Korea while serving as chief of staff, United States Army Forces, Far East, and Eighth United States Army, from Oct. 3, 1955, to Feb. 8, 1956.
Harper, Joseph H., O15083	Dec. 1, 1959	Ethiopia	Grand Cordon of the Distinguished Order of the Star of Ethiopia.	As "a further token of happy relations which exist between our two governments and our respective armed forces."
Hays, Silas B., O17803	Aug. 1, 1959	France	Gold Medal of Honor of the Military Medical Service.	For services rendered while serving as Director of the Medical Services of the United States Army.
Hendrix, Raleigh R., O15897	Oct. 1, 1961	Japan	Third Class Order of the Rising Sun	In recognition of services rendered while serving as chief of staff of the United States Forces in Japan.
		Netherlands	Order of Orange-Nassau, grade of Commander.	In recognition of rescue and relief operations of the United States Military Relief Organization during the flood in Holland in February 1953.
Johnson, Harry W., O16391	Feb. 1, 1961	China	Chinese Armored Force Combat Badge.	Being admired by the officers and soldiers of Chinese Armored Force for his glorious activity as a combat commander in ground combat against an armed enemy of Allied Nations during the period of 1942–45 in the European Theater.
		France	Legion of Honor, grade of Officer	"As deputy commander of the ComZ for more than one year, you have been able to establish a most favorable climate for excellent Franco-American cooperations. The active part you played during the Normandy landing and the subsequent battles for the freedom of Europe in the years 1944 to 1945."
Lindquist, Roy E., O18125	July 1, 1960	Greece	Cross of Commander of the Royal Order of Phoenix.	Reason for award unknown.
Mason, Stanhope B., O17295	Sept. 1, 1961	Korea	Taeguk Distinguished Military Service Medal.	For distinguished service rendered to Korea while serving as commanding general, Twenty-fourth Infantry Division.
McClure, Robert A., O6785	May 31, 1956	Iran	Iranian Merit Decoration Grade I, Type I.	For exceptionally meritorious conduct in the performance of service during the period May 30, 1953, to May 15, 1954.
McGaw, Edward J., O12631	Mar. 1, 1961	Iceland	Order of the Falcon with Star, grade of Grand Commander.	Reason for award unknown.
Mead, Armistead D., O15767	July 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his exceptionally outstanding and meritorious services to the Republic of Korea while serving as Assistant Division Commander, Third Infantry Division, Nov. 10, 1950, to Oct. 15, 1951.
Medaris, John B., O39554	Feb. 1, 1960	Argentina	Order of General San Martin, degree of Commander.	Served as United States aid and tour director for the Argentine Minister of War during his visit to the United States in April and May 1948, and, as such, was constantly with the Minister for a period of approximately two months.
Olmsted, George H., O199581	Apr. 1, 1961	France	Legion of Honor, grade of Officer	Reason for award unknown.
Partridge, Richard C., O12630	Mar. 1, 1959	Chile	Insignia of Military Professor	As a token of gratitude to officers of the United States Army who have acted or are acting as teachers of Chilean officers.
		Chile	Military Medal, First Class	Reason for award unknown.
		Mexico	Merito Militar, First Class	For his meritorious work as a soldier in the struggle for democracy.
Phillips, James H., O12331	Sept. 1, 1958	Iran	Royal Order of Crown, grade three	For participation in the burial ceremonies of the late Reza Shah.
Robinson, Bernard L., O12652	Oct. 31, 1957	France	Legion of Honor, grade of Officer	For services rendered to the Government of the Republic of France.
Ryan, Cornelius E., O7375	June 30, 1957	France	Cross of the Commander of the Legion of Honor.	For services rendered from May 1946 to August 1947 in Berlin.
Ryan, Patrick J., O17363	Oct. 31, 1958	France	Chevalier de la Legion d'Honneur	For outstanding services rendered to the Government of the Republic of France.
Schow, Robert A., O12180	Oct. 31, 1958	France	Legion of Honor, grade of Commander.	In recognition of services rendered to the French Government while serving as Assistant Chief of Staff for Intelligence.
		Peru	Military Order of Ayacucho, grade of Commander.	For meritorious service. As recognition by the Government of Peru of his merits.
		Portugal	Medal of Military Merit, first class	In appreciation of services rendered to the Portuguese Government.
		Spain	Grand Cross of the Order of Military Merit with white badge.	In recognition of the merits of the Assistant Chief of Staff, Intelligence, United States Army, to reward his services to Spain.
		Thailand	Knight Grand Cross of the Most Noble Order of the Crown of Thailand.	In high recognition of the valuable service rendered to Thailand in strengthening the relationship between the United States and Thailand and the assistance and guidance in the training of officers in the Royal Thai Army.
Timberman, Thomas S., O15328	Apr. 1, 1960	Thailand	Order of the White Elephant, second class.	Reason for award unknown.
		Thailand	Santimala (Peace) Medal	Reason for award unknown.
Tulley, David H., O16075	May 1, 1961	Chile	Star of Military Merit	For the distinguished services rendered to the Army of Chile.
		Japan	Second Order of the Sacred Treasure	In recognition of services rendered while serving as commanding general, United States Army, Japan.
Willems, John M., O16176	Dec. 31, 1961	Italy	Military Order of Italy, degree of Cavalier.	As artillery commander and then as chief of staff of a higher unit during the Italian campaign, he showed outstanding capacity of command and conspicuous talent for organization and tactics. By his brilliant qualities, displayed in many confidential missions, and proved to be a valuable element for a higher unit headquarters. He unremittingly developed efficient action for the reorganization of the Italian Army, per citation in diploma dated May 29, 1949.
		Iran	Decoration of Merit, First Class, First Type (Liaghat).	For exceptionally meritorious conduct in the performance of service as chief of mission.
		Iran	Homayun Decoration, Second Grade	He rendered services of exceptional value to the Iranian Army while serving as Chief, United States military mission with the Imperial Iranian Army.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Brigadier General				
Ammerman, James F., O18165	Aug. 1, 1960	China	Special Collar Order of the Cloud and Banner.	In recognition of his outstanding contribution to the Government of the Republic of China during the bombardment of Chinese Communists upon the Kinmen complex.
		Italy	Order of Malta, First Class	Reason for award unknown.
		Peru	Military Order of Ayacucho, grade of Grand Officer.	In the performance of duty, demonstrating a high degree of cooperation and friendship toward the Peruvian Armed Forces, contributed immeasurably to the strengthening of the prevailing links of solidarity between the Peruvian and the United States Armed Forces.
		Portugal	Military Merit Medal, First Class	In the performance of duty while serving as Assistant Chief of Staff for Intelligence.
Zimmerman, Wayne C., O12436	Jan. 31, 1956	Iran	Decoration of Honour, First Grade	For exceptionally meritorious conduct in the performance of service during the period May 6, 1951 to May 2, 1953, while serving as chief, United States military mission with the Imperial Iranian Army.
Berry, John A., O18473	July 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	For exceptionally outstanding and meritorious service rendered to Republic of Korea Army from Jan. 24, 1959, to Feb. 22, 1960, as deputy chief of staff for administration, Eighth United States Army.
Bethune, Philip H., O18449	Aug. 1, 1961	Mexico	Military Merit, First Class	For services rendered while serving as United States Army attaché to Mexico
Broom, Thad A., O18246	July 1, 1960	Korea	Ulchi Distinguished Military Service Medal, Gold Star.	For distinguished service for his assistance in the development of the Republic of Korea Army during his period of assignment as quartermaster, Eighth United States Army.
Brown, Robert Q., O18520	Aug. 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	For meritorious service in Korea during the period Aug. 27, 1956, to Dec. 1, 1957, while serving as commanding general, I Corps (Group) Artillery.
Colby, Joseph M., O17562	Oct. 1, 1959	France	Legion of Honor, grade of Officer	For services rendered to the Government of the Republic of France.
Coleman, Frederick W., III, O19216.	Sept. 1, 1958	France	Medaille de la Reconnaissance Francaise.	Reason for award unknown.
Coolidge, George W., O17599	Aug. 1, 1959	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his exceptionally outstanding and meritorious performance of duty as assistant division commander, First Cavalry Division, during the period Dec. 17, 1957, to Jan. 21, 1959.
Eastwood, Harold E. O8202	July 31, 1952	Korea	Presidential Medal	In recognition and appreciation of his outstanding and exceptionally praiseworthy service while serving as executive officer of the United Nations Korean Reconstruction Agency from Dec. 1, 1953, as its Deputy Agent General from May 16, 1956, and as Administrator of the Agency from Sept. 15, 1958, to Mar. 26, 1960.
Fields, Kenneth E., O18957	Apr. 30, 1955	Iran	Decoration of Merit, Second Class, First Type.	In recognition of services rendered.
Hannigan, James P., O17531	July 31, 1959	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his exceptionally outstanding and meritorious service to the Republic of Korea while serving as commanding general, Eighth United States Army Support Command, and concurrently as assistant chief of staff, G4, Eighth United States Army, during the period June 11, 1957, to Aug. 31, 1958.
Hardenbergh, Elmer P., O38940	Dec. 28, 1960	France	Legion of Honor, grade of Chevalier	For meritorious service rendered while serving as chief of control service in the American Army in Europe.
Hughes, Oliver W., O14074	Aug. 31, 1954	Greece	Greek War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Jewett, Richard L. O18339	Aug. 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his exceptionally outstanding and meritorious service rendered to the Republic of Korea from Aug. 15, 1959, to July 30, 1960, while serving as Engineer officer, Eighth United States Army, in Korea.
Kreidel, Francis A., O39553	June 30, 1957	Iran	Lyaghet (Merit), Second Degree, Type One.	As assistant of the chief of the advisory mission to the Imperial Iranian Gendarmerie for exceptional performance of outstanding service during the period May 30, 1948, to Mar. 20, 1950.
McAnsh, Andrew T., O38667	June 1, 1960	Brazil	Order of Military Merit, degree of Officer.	Cooperated intellectually and materially in a highly efficient manner while serving with the United States military mission with the Staff College from July 19, 1951, to Mar. 30, 1954.
		Korea	Taeguk Distinguished Military Service Medal.	As deputy chief of staff for administration. Eighth United States Army, during period Jan. 23, 1957, to Oct. 12, 1957.
McNally, Edward J., O17629	Aug. 1, 1959	Greece	Knight's Order of Phoenix	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Munson, Frederick P., O16505	July 31, 1956	France	Legion of Honor, grade of Commander.	For services rendered while serving as United States Army attaché.
O'Connor, William W., O16348	June 30, 1956	Guatemala	Cross of Military Merit, First Class	As a member of the United States Army mission to Guatemala, in appreciation of the personal merit and as a demonstration of the bond and accord between the United States Army and the National Army of the Revolution of Guatemala, in virtue of the importance and efficiency of the services rendered to the armed institution.
Schewe, Marion W., O39748	July 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	In recognition and appreciation of his exceptionally outstanding and meritorious service to the Republic of Korea while serving as special assistant to the acting chief of staff, Eighth United States Army, during the period June 19, to July 1, 1957, and as deputy chief of staff, plans and operations, Eighth United States Army, from July 2, 1957, to Oct. 1, 1958.
Sladen, Fred W., Jr., O17677	Aug. 1, 1959	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	For exceptionally meritorious service to the Republic of Korea as Chief of Staff, I United States Corps (group) during the period July 12, 1956, to Sept. 25. 1957.
Smith, C. Coburn, Jr	Aug. 1, 1961	France	Commander of the Legion of Honor	In recognition of services rendered while serving as military attaché to France.
Van Wagoner, Lou G., O41668	Apr. 1, 1960	Korea	Ulchi Distinguished Military Service Medal with Gold Star.	For exceptionally meritorious services rendered to Korea.
Vogel, Herbert D., O15520	Aug. 31, 1954	Thailand	Order of the Crown of Thailand	Reason for award unknown.
Whipple, William, O18024	Aug. 1, 1960	France	Legion of Honor, grade of Officer	For services rendered to the French Government.
Woodward, William R., O18582	Oct. 31, 1959	France	Legion of Honor, grade of Officer	For promoting Franco-American relations.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel				
Allcorn, Ford E., O51544	Aug. 1, 1961	Turkey	Aeronautical Badge	For successfully completing eight hundred and twenty hours and twenty-one weeks of pilot training. Served as the American adviser to the Turkish Government in the organization and conduct of the aviation school during the period Aug. 3, 1950, to July 29, 1952.
Allison, Daniel W., O29071	Oct. 31, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Anderson, Woodrow W., O40220	July 1, 1961	Ecuador	Abdon Calderon, second class	For important services rendered to the armed forces of Ecuador.
Barschdorf, Milton P., O21085	Aug. 1, 1959	Bolivia	Condor of the Andes, grade of Commander.	Rendered valuable services to the National Army, and helped to strengthen the relations between the North American and Bolivian Armies during his period of service in this country.
Baya, George E., O29817	June 1, 1960	Venezuela	Cross of the Ground Forces of Venezuela, second class.	For excellent work performed as the head of the North American military mission.
Belanger, Gerard A., O19333	Dec. 1, 1959	Greece	Gold Cross of the Royal Order of George I.	Reason for award unknown.
		Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Benner, John G., O19571	Mar. 31, 1957	Paraguay	National Order of Merit	For services rendered to the Government of the Republic of Paraguay, while assigned as assistant chief of the military mission to Paraguay.
Boatwright, John R., O6927	Nov. 30, 1946	Philippines	Distinguished Conduct Star	For acts of conspicuous courage and gallantry during World War II in the Philippines while commanding the Fifty-third Infantry Regiment, Fifty-first Division.
Bowman, Alfred C., O56777	Apr. 1, 1960	San Marino	Degree of Knight Grand Officer of the Equestrian Order of St. Agata.	Reason for award unknown.
Boyd, Harry R., O18102	Aug. 1, 1960	France	Chevalier of the Legion of Honor	In recognition of services rendered while serving in Europe.
Branch, Goodman S., O51014	Mar. 1, 1959	Paraguay	National Order of Merit	In recognition of services rendered to the Paraguayan Government.
Brinkley, Thomas M., O12189	Aug. 31, 1954	Guatemala	La Cruz del Merito Military de la Clase.	In recognition of his timely and effective collaboration as head of the mission of the United States of America in Guatemala and his outstanding personal merits.
		Guatemala	Citation in General Orders of the Bronze Star.	Reason for award unknown.
Brophy, Francis J., O39723	Aug. 1, 1961	Brazil	Order of Military Merit, degree of Cavalier.	Reason for award unknown.
Brown, J. Trimble, O16666	Mar. 31, 1956	Japan	Order of the Sacred Treasure, Third Class.	In appreciation for his outstanding services rendered to the National Safety Agency of Japan.
Brown, Sidney G., Jr., O18393	Aug. 1, 1960	Portugal	Medal of Military Merit, First Class	For duties performed as chief of the SHAPE mission to Portugal during the period Mar. 10, 1953, to May 17, 1955.
Brownlee, Laurance H., O17583	Aug. 31, 1959	Korea	Chungmu Distinguished Military Service Medal with Gold Star.	For services rendered while serving as a member of the United States military advisory group to the Republic of Korea during the period Oct. 18, 1952, to Feb. 6, 1954.
Bruce, Charles O., O20542	May 31, 1959	Panama	National Order of Manuel Amador Guerrero, rank of Knight Commander.	For distinguished services rendered to the Government of the Republic of Panama.
Bule, Walter D., O12863	Aug. 31, 1954	Greece	Distinguished Service Medal	For rendering competent invaluable services as a member of the American military mission in Greece.
Burnett, John W., O42578	July 7, 1961	Brazil	Order of Military Merit, grade of Officer.	For services rendered to the Government of the Republic of Brazil.
Caldwell, Ross R., O51111	Dec. 1, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Carlson, Gunnard W., O18347	Jan. 1, 1959	France	Legion of Honor, grade of Knight	Reason for award unknown.
Channon, James A., O29044	Dec. 1, 1958	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Chilson, Francis A., O318792	Aug. 31, 1960	Guatemala	Cross of Military Merit, III Class	For enthusiastic and effective work performed at Escuela Politecnica and Escuela de Artilleria, Guatemala.
Chotas, Matthew E., O317045	Oct. 31, 1960	Greece	Distinguished Service Medal	Reason for award unknown.
Cole, James V., O12307	May 31, 1955	Peru	Military Order of Ayacucho, grade of Officer.	For services rendered to the Government of the Republic of Peru while serving as chief of mission.
Courser, Malcolm W., O42211	July 21, 1961	Korea	Ulchi Distinguished Military Service Medal.	For performance of exceptionally meritorious service during the period May 1955 to Aug. 20, 1956, while serving as commanding officer of the Ascom City Area Command and the Fifty-Fifth United States Quartermaster Depot.
Cowen, Edward T., O51042	July 31, 1959	Thailand	Knight Commander of the Most Noble Order of the Crown of Thailand.	Reason for award unknown.
Dalton, Kenneth W., O297636	Apr. 30, 1960	Italy	Croce al Merito di Guerra	Reason for award unknown.
Davis, Ray L., O418102	Nov. 3, 1960	Netherlands	Order of Orange Nassau with the Swords, grade of Commander.	For services rendered to the Government of the Netherlands.
Davisson, Henry L., O29612	Sept. 1, 1961	Greece	War Cross Class C with Crown	For services rendered during the Greek revolution from May 1948 to May 1949 while serving as adviser to the Greek X Mountain Division.
Dawson, Gordon E., O29587	Aug. 1, 1961	Italy	Order of Merit of the Republic of Italy, grade of Officer.	For services rendered as United States Army attaché, Rome, Italy, from July 8, 1953, to July 10, 1956.
		Italy	Cross of Military Merit with Crown, First Class.	For services rendered as United States Army attaché, Rome, Italy, from July 8, 1953, to July 10, 1956.
Dedi, Charles A., O358539	Sept. 30, 1960	Brazil	Order of Military Merit, grade of Officer.	Reason for award unknown.
Dorn, George W., O41979	July 1, 1960	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For outstanding and meritorious service during the period Nov. 23, 1956, to Feb. 28, 1958, while serving as assistant chief of staff, G4, I Corps (Group).
Ducker, Fred E., O32051	Dec. 31, 1960	Iran	Medal of Honor, Third Grade	For satisfactory services in the gendarmerie.
Dyer, Fred C., O220739	Nov. 30, 1957	Iran	Decoration of Merit, Second Class, First Type.	For exceptionally meritorious conduct in the performance of service during the period from May 6, 1950, to Apr. 6, 1952.
Edmunds, James B., O10848	June 30, 1953	Brazil	Order of Military Merit, grade of Officer.	For services rendered to the Government of the Republic of Brazil.
Finley, Glenn S., O7177	Aug. 31, 1954	Greece	Cross of the Commander of the Royal Order of the Phoenix.	In recognition of his service rendered to Greece, while serving as chief of staff of the United States military mission to Greece.
		Greece	Knight's Order of Phoenix	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Goodwin, Arthur C., Jr., O18179	Apr. 1, 1960	Portugal	Medal of Military Merit, First Class.	In recognition of services rendered while serving as chief of SHAPE training mission to Portugal for the period May 2, 1955, to May 5, 1958.
Gray, Ernest R., Jr., O363031	Jan. 31, 1960	Korea	Ulchi Distinguished Military Service Medal.	For outstanding and meritorious service in the development of the Republic of Korea Army during the period Nov. 15, 1956, to Feb. 24, 1958, while serving as secretary of the general staff, headquarters, I Corps (Group), United States Army.
Greeley, Brendan Mck., O17740	Aug. 1, 1959	Peru	Military Order of Ayacucho, grade of Officer.	Reason for award unknown.
Greene, Alphonse A., O18400	Aug. 1, 1959	Chile	Estrella al Merito Militar	For distinguished services rendered to the Army of Chile while serving as chief, United States Army missions, United States Army Caribbean.
Grizzard, Harry M., O16521	July 31, 1956	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Hale, Maurice W., O17333	Oct. 31, 1956	Peru	Military Order of Ayacucho, degree of Commander.	Reason for award unknown.
Haley, Charles L., III, O21220	Sept. 1, 1959	Venezuela	Cross of the Venezuelan Ground Forces, Second Class.	In recognition of his services as Army attaché to Venezuela during the period Nov. 17, 1952, to July 6, 1955.
Hallaren, Mary A., L115009	July 1, 1960	France	Legion of Honor, grade of Chevalier	As a token of gratitude for the eminent services she rendered to the Allied cause during the last World War and for her faithful friendship to France.
Harper, Neal W., O30262	Sept. 1, 1960	France	Legion of Honor, grade of Knight	For services rendered to the Republic of France.
Harris, Edward M., O19819	Oct. 1, 1961	Spain	Medal for Military Merit, Third Class with White Distinctive.	For services to Spain.
Hoover, Warren H., O18418	Aug. 1, 1961	Cuba	Distinguished Service Medal	For acts and accomplishments rendered to the Government of the Republic of Cuba, while assigned as chief of the United States Army mission to Cuba.
Janairo, Maximiano S., O18098	Aug. 20, 1960	Philippines	Legion of Honor, degree of Commander (First Bronze Anahau Leaf).	For exceptionally meritorious service in the Philippine Army as assistant chief of staff, G-4, from Mar. 31 to Oct. 20, 1945, and for valuable services to the Filipino people as operations officer, Construction Corps of the Philippines, United States Army, from October 1945 to the early part of 1947.
Kane, O'Neill K., O18150	June 30, 1954	Ecuador	Abdon Calderon, First Class	As chief of the United States mission to Ecuador for two years, rendered important services to the Ecuadorean Armed Forces.
Kidwell, Francis E., O15563	July 31, 1954	Greece	Knight's Order of Phoenix	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
King, Archibald, O3323	Aug. 31, 1942	Brazil	Order of Military, Legal Merit	In recognition of services rendered to the Brazilian Government.
Kouns, Charles W., O22129	Sept. 1, 1961	Brazil	Order of Military Merit, grade of Cavalier.	Organized, completed administrative details for, and acted as tour director for the official visit of Major General Estillac Leal, Minister of War of Brazil, during the period May 2-20, 1951.
Leslie, Robert C., O18993	Oct. 1, 1959	Mexico	Decoration of Military Merit, Second Class.	For outstanding contribution as an English instructor at the Mexican War College.
Lindley, Ara G., O31427	Mar. 1, 1961	Belgium	The Military Cross, First Class	In recognition of services rendered to the Belgian Army within the domain of MAAC-BELUX.
Loomis, Frederick H., O29889	Oct. 31, 1961	Greece	Greek War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Mabee, Richard W., O23241	Dec. 31, 1960	Finland	Order of the White Rose, grade of Commander.	For services rendered while serving as Army attaché.
Martin, Paul M., O14659	June 30, 1954	Belgium	Order of Leopold, grade of Officer	As a token of good will.
Matthewson, Merton K., O910326	Mar. 28, 1955	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
McAfee, Broadus, O29053	Jan. 31, 1959	Netherlands	Commander in the Order of Orange-Nassau with Swords.	For services rendered while serving as Army attaché.
McBride, Clyde R., O18424	Aug. 1, 1961	Peru	Military Order of Ayacucho, grade of Officer.	Reason for award unknown.
		Peru	Military Order of Ayacucho, grade of Commander.	For performance of duty, demonstrated in a high degree of cooperation and friendship toward the Peruvian armed forces and have thereby contributed immeasurably to the strengthening of the prevailing links of solidarity between the Peruvian and the United States Armed Forces.
McClelland, Charles B., Jr., O17558.	Aug. 1, 1959	Iran	Medal of Merit, Second Grade, First Class.	For commendable services rendered in guidance and reorganization of the Imperial Iranian Gendarmerie.
		Iran	Decoration of Honor, Second Class	For services rendered while serving as chief of the United States advisory mission to the Imperial Iranian Gendarmerie and adviser to the commanding general of the Imperial Gendarmerie.
		Iran	Pas (Reward) Medal, Third Class	In recognition of meritorious services while serving as chief of the advisory mission.
		Iran	Taj Decoration, Third Grade	For services rendered while serving as chief of the American advisory mission to the Imperial Iranian Gendarmerie.
McGrath, Albert W., O389029	Apr. 30, 1961	Greece	War Cross, Third Class	As a member of the American military mission in Greece, rendered precious and invaluable service to the Greek Army and contributed greatly to the reorganization and training thereof.
McNaul, Winfield H., O410151	Apr. 5, 1961	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For meritorious service during the period July 20, 1956, to Nov. 28, 1957.
Mills, John V., O28816	Aug. 31, 1955	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Moore, Harold H., O335728	June 30, 1961	Greece	Distinguished Service Medal	As a member of the United States Expeditionary Forces in Greece, rendered valuable services to the Greek Army.
Morrison, John T., O168816	Dec. 31, 1957	France	Chevalier de l'Ordre de la Santa Publique.	For services rendered while serving as administrator of public health, Maryland.
Morse, Henry P., O338673	Nov. 30, 1960	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Neal, Ralph M., O15359	May 31, 1954	Belgium	Military Cross, First Class	In recognition of services rendered to the Belgian Army within the domain of MAAG-BELUX.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Olson, Clarence H., O201092	May 1, 1960	Philippines	Legion of Honor, degree of Officer	In recognition of exceptionally meritorious and distinguished service to the Republic of the Philippines while serving as assistant director of the American Legion National Legislative Commission from 1950 to 1959.
O'Neill, John T., O30166	May 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For meritorious service in positions of the highest trust and responsibility while serving as deputy commander, Eighth United States Army Support Command and later as commanding officer, United States Army Seoul Area Command from May 24, 1957, to Mar. 14, 1958.
Owen, Jack S., O363845	July 31, 1961	Greece	Order of Phoenix	For services rendered to the Greek Army and in furthering the good relations between the two armies.
Palmer, Raymond D., O15942	Aug. 31, 1954	Cambodia	Officer of the Order of Agricultural Merit.	For services rendered as assistant director of the construction project, National Highway No. 4.
		China	Order of the Cloud and Banner	For services rendered while serving as United States Army attaché in Thailand during the period April 1953 to November 1954.
Peddicord, Everett D., O17245	Jan 31, 1958	Greece	Military Cross, Class A	For his vigilant interest which contributed immeasurably to the glorious success of A Corps, which has liberated Grammos from the bandits and relieved Greece from their malicious intentions.
Penniman, Charles D., O29616	Nov. 30, 1961	France	Knight of the Legion of Honor	In recognition of the services rendered while serving as commanding officer, Eleventh Transportation Terminal Command from Oct. 2, 1956, to Aug. 8, 1959.
Pierce, James R., O14979	June 3, 1958	Iran	Lyaghet (Merit), Second Degree, Type One.	As chief, United States military advisory mission to the Imperial Iranian Gendarmerie for exceptional performance of outstanding service during the period June 25, 1948, to Mar. 20, 1950.
Poinier, Norman E., O17581	July 31, 1959	Brazil	Order of Military Merit, degree of Officer.	For rendering advice and assistance to the staff of the Brazilian Command and General Staff School and to the Brazilian War College.
Pumpelly, James W., O51384	Mar. 31, 1957	Ecuador	Abdon Calderon, Second Class	Reason for award unknown.
		Panama	Orden de Vasco Nunez de Balboa, grade of.	For services rendered to the Government of the Republic of Panama.
Reed, Charles B., O30193	Aug. 1, 1960	Mexico	Military Merit, Second Class	For services rendered while serving as United States representative of Joint Mexico-United States Defense Commission, an instructor at the Mexican War College and assistant Army attaché, also for his efforts in furthering closer relations between the Mexican Army and the Army of the United States.
Roller, Harry G., O18597	July 31, 1957	Greece	Greek War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Roy, Paul A., O18153	July 31, 1960	Belgium	Cross of Officer of the Order of Leopold.	In recognition of exceptional services rendered to the Belgian Army while serving as Army attaché from 1954 to 1957.
Sanders, Walter C., O51246	Oct. 1, 1961	Ecuador	Abdon Calderon, First Class	Reason for award unknown.
Schenken, Carlton G., O39609	Mar. 1, 1959	France	Silver Medal of Reconnaissance Francaise.	For services rendered from May 15, 1950, to December 1951 in the European Theater of Operations at which time had frequent contact with various officials in the French Government.
Schiele, George C., O281767	Mar. 2, 1961	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	Colonel Schiele distinguished himself by exceptionally meritorious conduct in the performance of outstanding service to the Republic of Korea during the period from Feb. 13 to Aug. 16, 1953, as the senior Adviser of the Twenty-First Republic of Korea Infantry Division.
Schmelzer, John F., O19270	Aug. 1, 1961	Panama	Lieutenant Colonel Alfredo Lezcano Gomez Medal.	For meritorious services to the National Guard, Republic of Panama.
Schull, Herman W., Jr., O16752	July 31, 1957	Peru	Order of Ayacucho, degree of Officer	Reason for award unknown.
Schultheis, Leo J., O29555	June 1, 1961	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
		Greece	Gold Cross of the Order of George I	Reason for award unknown.
Sharp, John R., O183351	Dec. 18, 1957	Greece	Distinguished Service Medal	As a member of the United States Army group in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof.
Shoemaker, Paul S., O29348	Aug. 9, 1957	Costa Rica	Distinguished Service Medal	Distinguished himself by his excellent spirit of cooperation and by his advice has performed distinguished services for the Police Force of Costa Rica.
Shore, Moyers S., O29589	Sept. 1, 1961	Panama	Order of Vasco Nunez de Balboa, grade of Commander.	For distinguishing himself in war action in Australia, New Guinea, and on Luzon, and entry of the Armed Forces of the United States into the occupation of Japan. He also won esteem in difficult and important tasks, while assigned to the investigations department in Panama.
Shuder, Russell M., O348543	Sept. 1, 1961	Korea	Chungmu Distinguished Military Service Medal with Gold Star.	Distinguished himself by exceptionally meritorious service to the Republic of Korea during the period Dec. 13, 1954, to Feb. 16, 1956, while serving as Chief, Communications Division, Office of the United Nations Economic Coordinator for Korea.
Slade, Todd H., O18789	Aug. 1, 1958	Mexico	Cross and Plaque Lieutenant General Ignacio Comonfort.	For distinguished services.
		Mexico	Military Merit, First Class	For his enthusiastic, active, and effective work of bringing the Army of the United States and the Army of Mexico closer together.
Smith, Philip E., O278533	Jan. 31, 1960	Iran	Decoration of Merit, Third Class, First Type.	In recognition of servics rendered the Iranian Army.
Smith, Philip J., O21719	Dec. 31, 1959	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For service rendered to the Republic of Korea during the period Nov. 20, 1955, to July 4, 1956.
		Sweden	Swedish Red Cross in Silver	In recognition of his meritorious service on behalf of the Swedish Red Cross.
Spangler, Richard S., O18457	Aug. 1, 1961	Iran	Decoration of Merit, Third Class, First Type.	In recognition of the services rendered to the Iranian Army.
Stanley, John B., O19549	Dec. 31, 1960	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For meritorious service during the period April 1953 to Feb. 15, 1958, while serving as commanding officer of the United States Army Command Reconnaissance Activities Pacific Command.
Steinbeck, Paul W., O17670	Aug. 22, 1959	Bolivia	Condor de Los Andes, Degree of Comendador.	In recognition of his services as United States military attaché in La Paz, and for his aid to Bolivia during the Trinidad flood of 1947 in which he participated in several hazardous airplane flights ascertaining conditions in the flood areas, per letter dated Nov. 24, 1948, from the United States military attaché, La Paz, Bolivia.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Stelzenmuller, William B., O21422	July 1, 1960	Iran	Decoration of Honor, Third Grade	For exceptionally meritorious conduct in the performance of service during the period Jan. 2, 1952, to Dec. 6, 1953, per citation.
		Iran	Decoration of Honor, Second Grade	For exceptionally meritorious conduct in the performance of service during the period Jan. 2, 1952, to June 8, 1953, while serving as engineer adviser to the Imperial Iranian Army.
Stevens, Vernum C., O15526	July 31, 1954	Iran	Decoration of Merit, Second Grade, First Type.	For exceptionally meritorious conduct in the performance of service during the period Sept. 13, 1952, to June 8, 1953, while serving as chief of staff and deputy chief of United States military mission with the Iranian Army, per citation.
		Iran	Merit Decoration, Second Class, Type I, Second Award.	For exceptionally meritorious conduct in performance of service during the period June 9, 1953, to May 15, 1954, while serving as chief of staff and deputy chief of United States military mission with the Iranian Army.
Stodter, John H., O15018	June 30, 1954	Ecuador	Abdon Calderon, First Class	In recognition of the important services rendered to the Ecuadoran National Army as chief of the military mission of the United States Army to Ecuador, per decree dated July 12, 1949, signed by Galo Plaza, President of the Republic of Ecuador.
Taylor, James B., O463474	Apr. 30, 1956	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Taylor, William N., O18168	Oct. 1, 1960	Italy	Order of Merit of the Italian Republic, degree of Officer.	For services rendered while serving as assistant chief of staff for logistics and administration of the headquarters of the Allied Ground Forces of South Europe.
Timmerman, Fred, O328688	Sept. 30, 1954	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Titus, George F., O38604	Mar. 31, 1956	Greece	Military Cross	Reason for award unknown.
Trail, Harry E., O30206	Apr. 1, 1961	Cuba	Order of Military Merit, Second Class.	Rendered meritorious services to the benefit of our country and particularly to the Army, cooperating for the closer existing friendly relations of both governments.
Troxler, Paul D., O41693	Aug. 1, 1960	Greece	Gold Cross of George I	Award made on Mar. 30, 1949, in recognition of services rendered in the construction and expansion of military and civil airfields in Greece, per letter dated Apr. 1, 1949, from the Office of District Engineers, Grecian District, Athens, Greece.
Truly, Merrick H., O18614	Aug. 1, 1961	Korea	Chungmu Distinguished Military Service Medal with Gold Star.	For outstanding performance in a position of great trust and responsibility as assistant chief of staff, G2, Army Forces Far East, and Eighth United States Army during the period Jan. 27, 1956, to Apr. 19, 1957.
Vincent, Stewart T., O15021	Aug. 31, 1954	Colombia	Orden de Boyaca, grade of Commander.	As chief of the United States Army mission to Colombia, in the accomplishment of his mission contributed with exemplary brilliancy, intelligence and devotion to solving the important military problems and the training of many officers of the Colombian Army, for whom his advice and teachings have been of great benefit. Per decree from the President of the Republic of Colombia and signed by the Minister of Foreign Affairs in charge of the War Office.
Vivas, Joseph R., O22704	June 1, 1959	Peru	Military Order of Ayacucho, grade of Officer.	Reason for award unknown.
Wallace, Herbert C., O323441	July 23, 1958	Iran	Decoration of Honor, Third Class	In recognition of his services while a member of the United States military mission, Imperial Iranian Gendarmerie.
Webber, Donald B., O18392	Aug. 1, 1961	Argentina	Order of General San Martin, degree of Commander.	As assistant military attaché to Argentina, he has been the main contact between the United States military attaché and the Argentine Minister of War because of his command of Spanish and his excellent personal relations with Argentina. He was assistant tour director with the Argentine Minister of War during the latter's visit to the United States in April and May 1948.
Williamson, William E., O50970	Jan. 31, 1958	France	Legion of Honor, rank of Chevalier	In recognition of services rendered while serving as military attaché assistant to Ambassador of the United States in Paris.
Wilson, Conson D., O147583	July 31, 1954	Brazil	Order of Military Merit, grade of Officer.	Reason for award unknown.
Wirak, Louis R., O18342	Aug. 1, 1961	Korea	Ulchi Distinguished Military Service Medal with Silver Star.	For outstanding service and exceptionally meritorious achievement as the engineer, Eighth United States Army in Korea, from May 1, 1957, to July 27, 1958.
Wood, Lincoln, O29116	Aug. 1, 1959	Iran	Medal of Eftekhar, Second Grade	Reason for award unknown.
Lieutenant Colonel				
Anestos, Tash P., O384014	Apr. 30, 1961	Greece	Battalion of King George I, Gold Cross of Knight without Swords.	For services rendered to Greece.
Barton, Dorsey, O888955	Aug. 31, 1956	Greece	Greek War Cross, Class III	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Bennett, Arden L., O366931	Nov. 30, 1958	Brazil	Honoris Causa	For important services rendered to the Chemical Warfare Department, as director of the courses for Brazilian officers given in the Chemical Corps School in 1947, 1948, and 1949, per diploma dated Aug. 28, 1952.
Biersteker, Nicholas C., O338847	Feb. 1, 1961	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Booth, Maynard B., O395521	Nov. 30, 1960	Japan	Japan Ground Self-Defense Force Aviation Badge.	For services rendered in training of Japanese Ground Self-Defense Force pilots.
Brugger, Vernon W., O39066	Apr. 1, 1959	Thailand	Santimale (Peace) Medal	In appreciation of the services rendered to Thailand by his cooperation and assistance during the war, per letter dated Oct. 31, 1949, from the Royal Thai Embassy.
Bush, Weaver L., O278697	Aug. 1, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per royal decree dated Feb. 8, 1950.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Cassidy, Frank P., O1101222	Feb. 28, 1957	Colombia	Order of Boyaca	For services rendered in connection with the Colombian geodetic mapping program during the period July 5, 1949, to Apr. 1, 1953, per decree No. 411 dated Feb. 19, 1953.
Chiaramonte, Julio, O348151	Feb. 1, 1961	Greece	Greek Military Cross	"Because being liaison officer with the Army Quartermaster branch, he did, with unsparing effort, the best he could to meet the shortages in equipment. Because during the Grammos operations, he has shown courage and bravery by being in continual action within the division area, and he has exposed his life several times to danger." (Citation in Greek order of the day, dated Nov. 27, 1948, signed by Major General TH Pentzopoulos.)
Clark, Carroll H., O232382	Oct. 31, 1957	France	Legion of Honor, grade of Chevalier	In recognition of the great and distinguished services rendered by Colonel Clark who was always present on the battlefields during the war 1939–1945 and in whom France found under all circumstances a true and devoted friend.
Coeyman, William M., O51316	July 1, 1960	Greece	Greek War Cross Class II	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Collin, Jonas E., II, O1299205	Aug. 1, 1961	Greece	War Cross Class III	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Condon, John F., O39072	May 1, 1960	France	Reconnaissance Francaise	Two documents dated Oct. 31, 1951, and Nov. 2, 1951, for outstanding services rendered to France.
		Iran	Decoration of Merit (Leyaghat) Class two, Type one.	For the appreciation of his services to the Imperial Iranian Gendarmerie during the period from July 5, 1947, to June 20, 1949. Per citation signed by Brigadier General Golpira, commanding general, Imperial Iranian Gendarmerie.
Cranford, James R., O325470	July 31, 1960	Greece	Gold Cross of Our Order of King George the First.	For services rendered in promoting cordial relations between the United States and Greece while serving as assistant Army attaché.
Cundiff, Paul L., O321678	June 30, 1960	Belgium	Military Cross, First Class	For rendering great services to the Belgian Army with his special competence in the field of ordnance, per decree dated Dec. 2, 1954.
Davis, James A., O1633794	June 30, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly thereof, per Greek royal decree dated Feb. 8, 1950.
Decker, Frederick J., O497542	Apr. 30, 1957	Iran	Merit Decoration, Type I, Grade III	In recognition of the services rendered while serving with the United States mission with the Imperial Iranian Army from Oct. 8, 1952, to Apr. 4, 1954.
Dever, Bernard A., O40827	Feb. 28, 1958	Greece	Military Cross, Class C	Because acting as liaison of the Allied mission attached to X Mountain Division renedred valuable services for the successful outcome of the Grammos operations, having risked many times their lives. (Citation in Greek order of the day, dated Dec. 31, 1948, signed by Lt. Gen. T. H. Tsakalotos, commanding general, A Army Corps.)
Dodge, Howard D., O51550	Dec. 1, 1959	Iran	Lyaghet (Merit), Third Degree, Type One.	As personnel adviser to the Imperial Iranian Gendarmerie for exceptional performance of outstanding service during the period Aug. 25, 1948, to Mar. 20, 1950, per citation in general orders dated May 14, 1950, signed by Major General Coupal, Commander Imperial Iranian Gendarmerie.
Ford, Edgar, O332936	Nov. 30, 1959	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
		Greece	War Cross, Third Grade	Reason unknown.
Forsythe, Erwin F., O451952	Aug. 1, 1960	Iran	Iranian Honor Medal Third Class, First Grade.	For services rendered while serving as assistant United States Army attaché in Iran.
Freeman, Gerald M., O1001133	Nov. 30, 1960	Portugal	Medal of Military Merit, Second Class.	During the period Sept. 23, 1952, to Oct. 1, 1953, Colonel Freeman contributed greatly to the improving of the production of ordnance items in Portugal, increasing good relations between the Portuguese and American Governments and strengthening the comradely ties existing between the two Armies.
Fry, Thomas C., O384200	Mar. 31, 1960	Italy	Cross for War Merit	For service rendered with the Eighty-eighth Division in Italy during World War II, per letter dated Jan. 4, 1949, from the chief of the Italian economic mission in Trieste.
Garton, Edward R., O32945	May 31, 1961	Belgium	Military Cross, First Class	For services rendered to Belgium.
Gray, Jack K., O1168257	May 1, 1959	Philippines	Legion of Honor (Officer)	For exceptionally meritorious conduct in the performance of outstanding service to the Armed Forces of the Philippines particularly to the Fourteenth Battalion Combat Team, Philippine Expeditionary Force to Korea, as commanding officer of the One Hundred Sixtieth Field Artillery Battalion, Forty-fifth Infantry Division, United States Army.
Greer, Harold E., O2054014	July 1, 1961	Thailand	Royal Thai Army Airborne Badge and Ranger Fourragere.	For service rendered while serving as adviser to First Army of Thailand from May 1, 1954, to May 17, 1956.
Hall, Graham S., O468208	Jan. 31, 1957	Iran	Merit Decoration, Third Class of the First Type.	For exceptionally meritorious conduct in performance of service rendered to the Iranian Army. Major Hall served as the Adviser to Transport Department of the Iranian Army.
Harvey, Murray L., O38833	July 1, 1961	Germany	German Parachute Qualification Badge.	For qualifying as a German parachutist.
Hay, James, O308968	Oct. 31, 1954	Mexico	Military Merit, Second Class	For meritorious service rendered to the Government of the Republic of Mexico.
Hess, Frederick W., O1175157	June 1, 1961	France	Honorary Corporal of the French Army Artillery.	In recognition of services rendered while serving as chief, United States Army liaison group to CCFFA, July 1957 to July 1960.
Holmes, Lester L., O245078	June 1, 1961	Greece	Greek Military Cross	"Because during the operations in Roumeli and until now, following continuously their units in order to insure the necessary assistance by personal appreciation of the situation, they proved to be valuable advisers and they have shown the same interest they would have shown for their own armies. They always advanced as far as the most advanced fighting elements in order to transmit their experiences to the fighting forces representing always a touching self-sacrifice and disregard of the constant danger. By their behavior they have acquired the love of all the soldiers and officers of the units. For all these services to our country." (Citation in Greek order of the day, dated Sept. 16, 1948, signed by commanding general, A Army Corps.)

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Huckins, John H., O51290	Apr. 1, 1960	Korea	Ulchi Distinguished Military Service Medal.	In recognition and appreciation of his exceptionally outstanding and meritorious service as civil affairs officer I Corps (Group), United States Army, during the period Feb. 10, 1957, to Apr. 25, 1958.
Huggins, Edward J., O1544222	Dec. 31, 1960	Brazil	Order of Military Merit, degree of Cavalier.	No information available as to the exact reason why the Governor of Brazil decorated Major Huggins. Diploma dated Feb. 18, 1952.
Hutchison, Aubrey D., O516262	July 31, 1960	Thailand	Order of the White Elephant, Third Class.	Reason for award unknown.
		Thailand	Santimala (Peace) Medal	Reason for award unknown.
Izquierdo, Osvaldo M., O349023	Mar. 1, 1960	Chile	Military Medal, Third Class	Reason for award unknown.
Janota, Erwin J., O1585668	Oct. 31, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the organization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Johnson, Kenneth A. L., O295950	Jan. 31, 1957	Greece	Distinguished Service Medal	For rendering competent invaluable services as a member of the American military mission in Greece, per diploma dated Jan. 22, 1952.
Kim, Youn P., O544054	July 1, 1961	Korea	Chungmu, Distinguished Military Service Medal with Silver Star.	For exceptional and outstanding meritorious service while serving as a member of the Army Security Agency, Far East, during the period Nov. 1, 1950, to July 17, 1952.
LeVey, Arthur E., O348696	Nov. 30, 1958	Peru	Military Order of Ayacucho, grade of Officer.	Diploma dated Dec. 9, 1951, for merits mentioned in par "a" of art. 40 of Register of the Order of the Decoration of Military Order of Ayacucho.
Lewis, James W., O1103752	Nov. 30, 1960	Brazil	Order of Military Merit	For services rendered to the Brazilian Government while Major Lewis was a member of the Joint Brazilian-United States Military Commission from July 1948 to March 1951.
Lishness, Arthur R., O1106286	Nov. 13, 1958	Mexico	Military Merit, Second Class	Awarded to him for his magnificent cooperation in the military cartographic works carried out in Mexico.
MacIntyre, John K., O330663	Aug. 30, 1960	Korea	Ulchi Distinguished Military Service Medal.	In recognition and appreciation of his exceptionally outstanding and meritorious service in Korea during the period Mar. 6, 1957, to May 20, 1958, while serving as commanding officer, United States Army Seoul Area Command.
McDaniel, Oliver H., O292637	Dec. 24, 1960	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Martorani, William, O386859	May 31, 1960	Paraguay	National Order of Merit, grade of Commander.	For rendering outstanding services to the Armed Forces of the Nation and is deserving of the national gratitude, per decree dated Apr. 17, 1953.
Melton, Eugene P., O1280016	Aug. 31, 1954	Iran	Iranian Decoration of Merit, Third Class, First Type.	For exceptionally meritorious conduct in the performance of service as finance adviser to the Iranian Army and as such rendered services of exceptional value to the Iranian Army.
Milam, Robert M., O336043	Jan. 31, 1960	Guatemala	Cross of Military Merit, Second Class.	For his military merits, his constant valuable and efficient cooperation in the military training of Guatemalan troops in the artillery branch and as a demonstration of admiration and recognition to the Armed Institution of Guatemala.
Miller, Clifford L., O22149	Oct. 1, 1960	Iran	Decoration of Merit	For exceptionally meritorious conduct in the performance of service during the period from Nov. 5, 1948, to Apr. 16, 1952, while serving as adviser to the Cavalry School, per citation.
Mix, Stanley M., O399259	Jan. 31, 1961	Venezuela	Cross of the Venezuelan Ground Forces, Third Class.	In recognition of services rendered to the Venezuelan Army while serving as adviser to the Venezuelan Infantry School.
Moore, Russell R., O1010955	July 1, 1961	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Moushegian, Richard, O22109	Jan. 23, 1960	Iran	Honor Decoration, Third Class, Grade I.	For services rendered while serving as assistant United States Army attaché in Iran during the period Jan. 6, 1953, to Jan. 2, 1955.
Mullane, Walter R., O23087	May 1, 1960	Peru	Military Order of Ayacucho, grade of Officer.	For services rendered to the Government of the Republic of Peru.
Muratti, Jose A., O368534	June 30, 1960	Chile	Military Medal, Second Class	For rendering distinguished services to the Army of Chile.
Nielsen, Ray, O1111271	Aug. 31, 1958	Colombia	Order of Merit, Jose Maria Cordoba, grade of Officer Insignia of Service.	For services rendered while serving as officer in charge of the Colombia project, Inter-American Geodetic Survey.
Pacheco, Edward F., O1100714	Nov. 30, 1960	Bolivia	Order of the Condor of the Andes, grade of Calallero.	Per citation dated Oct. 19, 1952, for his meritorious service as engineer instructor. Diploma for civil engineer dated Feb. 13, 1951, from the Ministry of National Defense, for successful completion of civil engineer course at the Military School of Engineering.
Phair, Tom S., O23520	Aug. 1, 1961	Korea	Ulchi Distinguished Military Service Medal.	In recognition and appreciation of his exceptionally outstanding and meritorious service during his tour of duty in Korea from Aug. 15, 1953, to Mar. 30, 1959, while serving as Chief of Korean Desk, J-2, United Nations Command, and later serving as Assistant Chief of Staff, G-2, Seventh United States Infantry Division.
Poynter, Vernon L., O1030606	Feb. 29, 1960	Netherlands	Order of Orange-Nassau, grade of Officer.	For his meritorious exemplary, and humanitarian service as chief of the Army helicopter unit that assisted during the 1953 flood crisis in the Netherlands.
Pratt, Sherman W., O2006846	Dec. 31, 1959	Iran	Iranian Honor Decoration, Grade II, Class II.	For exceptionally meritorious conduct in the performance of service during the period Nov. 3, 1953, to May 11, 1954, while serving as adviser of mountain warfare, Imperial Iranian Army.
		Iran	Merit Decoration, First Class, Grade 2.	Reason for award unknown.
Raleigh, Robert C., O23287	Mar. 1, 1961	Korea	Chungmu Distinguished Military Service Medal with Gold Star.	He distinguished himself by exceptionally meritorious service during the period June 10, 1955, to May 1, 1956, while serving as Deputy Chief of Staff and as Staff Secretary of the United Nations Command Military Armistice Commission.
Rettagliata, John B. O402553	June 30, 1961	Italy	To the Merit of the Italian Republic, degree of Officer.	In recognition of services rendered to the Italian Government.
Samdahl, Leo B., O453676	Aug. 1, 1960	Korea	Ulchi Distinguished Military Service Medal.	For exceptionally outstanding service in connection with military operations against enemy espionage activities in Korea during the period Aug. 6, 1956, to Oct. 10, 1957.
Sanders, Charles A., O346343	Aug. 31, 1956	Korea	Ulchi Distinguished Military Service Medal.	In recognition and appreciation of his exceptionally outstanding and meritorious service rendered to the Republic of Korea during the period Oct. 25, to Oct. 27, 1950 while serving as adviser to the Tenth Republic of Korea Regiment, Eighth Republic of Korea Division.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Sanders, Henry L., O42096	Nov. 1, 1960	Peru	Military Order of Ayacucho grade of Officer.	Diploma dated Mar. 31, 1952, for meritorious services, mentioned in clause "b2 of art. 40 of Register of the Order."
Scott, Thomas M., Jr., O52544	July 1, 1960	Iran	Decoration of Merit, First Class, Third Grade.	For exceptionally meritorious conduct in the performance of service during the period Nov. 6, 1952, to Aug. 29, 1953, per citation.
Sikes, Glenn A., O20353	July 1, 1960	Colombia	Shield of the War College	Decree dated Dec. 13, 1952; for rendering efficient services as adviser and professor at the War College.
Spencer, Robert D., O327426	Nov. 1, 1961	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 2, 1950.
Steffey, William G., O30404	June 30, 1961	Paraguay	National Order of Merit, grade of Commander.	For services rendered to the armed forces of Paraguay while serving as assistant chief of the United States Army mission.
Sweeney, James L., O31457	July 1, 1961	Jordan	Independence Medal	In recognition of services rendered while serving as United States Army tour director for the United States visit of Prince Mohammed during the period Feb. 29, to Mar. 31, 1960.
		Jordan	Independence Medal, Third Class	Do.
Tallackson, Emanuel F., O920678	Mar. 30, 1956	Iran	Third Class Honor Decoration	For exceptionally meritorious conduct in the performance of services rendered to the Iranian Government while serving as the mission motor officer and assistant motor transport adviser for the Iranian Army.
Thompson, Nathan P., O350077	July 1, 1960	Greece	War Cross, Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Tillinghast, Lewis G., O1555143	Mar. 22, 1961	Greece	Distinguished Service Medal	For rendering competent invaluable services as a member of the American military mission in Greece, per diploma dated Jan. 22, 1952.
Towery, Luther E., O1168952	June 1, 1960	France	Honorary Conductor First Class of the French Sixth Regional Company of Transportation.	In recognition of his work and public relations with the French Headquarters at Metz from March 1957 to November 1959.
Vigil, Fred, O1798620	May 1, 1961	Panama	Order of Vasco Nunez of Balboa, grade of Commander.	In recognition of services rendered while serving as instructor in tactics to Panamanian students at USARCARIB School.
		Peru	Military Order of Ayacucho, grade of Knight.	For the promotion of good relations between the United States and Peru.
Wachholz, Paul F., O451259	Sept. 30, 1961	Brazil	Order of Military Merit, degree of Cavalier.	Reason for award unknown.
Waggoner, Clinton A., O42552	Aug. 28, 1959	Greece	Golden Cross, Order of King George I.	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Whitman, Orlando O., O1170248	Mar. 31, 1957	France	Chevalier de l'Ordre des Palmes Academiques.	For services rendered while serving as chief of public information with Headquarters, USAREUR, Communications Zone.
Whitmore, Ralph L., O422201	Oct. 1, 1960	Sweden	Medal of Merit of the Swedish Red Cross in Silver.	In recognition of his meritorious services on behalf of the Swedish Red Cross.
Wood, George W., O44203	Feb. 1, 1961	Italy	Cross for War Merit	For services rendered with the Eighty-eighth Division in Italy during World War II, per letter dated Jan. 4, 1949, from the chief of the Italian economic mission in Trieste.
Wyse, Ralph M., O451866	June 30, 1957	Iran	Third Class Merit Decoration, Grade one.	For exceptionally meritorious conduct, untiring efforts, willingness, attention to duty and cooperation rendered to the Iranian Army, while serving as Armored school adviser to the Iranian Army during the period Sept. 9, 1948, to Mar. 5, 1951.
Major				
Anderson, Brooks D., O35664	May 1, 1961	Panama	Order of Vasco Nunez de Balboa, grade of Commander.	For services rendered in connection with military police activities in Panama.
Appling, Robert K., O1100858	Feb. 29, 1960	Italy	Star of Italian Solidarity, Second Class.	For his contribution to the reconstruction of Italy.
Bonaventura, Charles M., O1314429.	Aug. 1, 1961	Ecuador	Abdon Calderon, First Class	For services rendered while serving as Chief of the Inter-American Geodetic Survey.
		Ecuador	Parachutist Insignia	In consideration of his ample collaboration with the mechanized and parachute school to carry out in a successful manner the first course in parachuting.
Carroll, Winton A., O1014648	Oct. 31, 1959	Netherlands	Order of Orange-Nassau, grade of Chevalier.	For his contribution to the Netherlands flood disaster operation.
Colson, Guy L., O260193	Mar. 30, 1959	Philippines	Legion of Honor, grade of Officer	For exceptionally meritorious conduct in the performance of outstanding service rendered to the Armed Forces of the Philippines, particularly to the Fourteenth Battalion Combat Team Philippine Expeditionary Force to Korea.
Flint, George, O44970	Aug. 31, 1956	Greece	War Cross Class III	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Fries, Josephine, N1894	June 30, 1960	Norway	Medal of Merit	For services rendered while serving as an Army nurse in the European Theater of Operations during World War II.
Hilliard, Emerson E., O1010578	Mar. 1, 1961	Greece	Distinguished Service Medal	For invaluable services to the Armed Forces of Greece as a member of the American military mission, per citation dated Jan. 22, 1952.
Johnson, Robert E. L., Jr., O1554762.	Mar. 27, 1957	Brazil	Order of Military Merit, degree of Cavalier.	Reason for award unknown.
Joyce, Robert J., O1824871	Apr. 21, 1961	Greece	Cross of Officer of the Royal Order of the Phoenix.	The Greek decoration was conferred upon him by His Majesty the King of the Hellenes, in recognition of the efficient assistance he gave His Majesty during his recent visit to Austria.
Kohl, William A., O1587378	Oct. 31, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and invaluable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Martin, John J., O395521	Mar. 31, 1961	Japan	Japan Ground Self Defense Force Aviation Badge.	For services rendered in training of Japan Ground Self Defense Force pilots.
Quesada, Antonio, O443967	Nov. 30, 1960	Nicaragua	Meritorious Service Award	For efficient work and valuable cooperation given to the cadets and officers of the National Army during the courses of military specialty, per Special Order No. 96, Military Academy of Nicaragua, dated Sept. 26, 1952.

DEPARTMENT OF THE ARMY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Major—Continued				
Russell, William E., O1797012	Jan. 31, 1961	Korea	Chungmu Distinguished Military Service Medal with Gold Star.	For exceptionally meritorious conduct in the performance of outstanding service in connection with military operations against enemy intelligence activities in Korea during the periods Apr. 22, 1952, to Apr. 4, 1953, and Feb. 17, 1956, to Jan. 20, 1957.
St. Onge, Joseph A., O1690964	Feb. 28, 1959	Ecuador	Abdon Calderon, Second Class	In recognition of services rendered to the educational, cultural, and military progress of the Republic of Ecuador.
Stawinsky, Johann, O1181149	Oct. 31, 1960	Korea	Chungmu Distinguished Military Service Medal with Silver Star.	In recognition and appreciation of his outstanding and exceptionally meritorious service rendered to the Republic of Korea during the period Sept. 15, 1958, to Aug. 1, 1959.
Torres, Jose M., O417060	Jan. 21, 1957	Nicaragua	Meritorious Service Award	For efficient work and valuable cooperation given to the cadets and officers of the National Army during the courses of military specialty, per Special Order No. 96, Military Academy of Nicaragua, dated Sept. 26, 1952.
Vasquez, Ricardo V., O1285342	Nov. 1, 1960	Nicaragua	Meritorious Service Award	For efficient work and valuable cooperation given to the cadets and officers of the National Army during the courses of military specialty, per Special Order No. 96, Military Academy of Nicaragua dated Sept. 26, 1952.
Captain				
Kieffer, Charles F., O1171224	Nov. 30, 1960	Nicaragua	Honorary Wings of Military Pilot	In appreciation of his meritorious collaboration and approach work on behalf of the Air Force of Nicaragua.
Marquez, Victor, O1340673	Nov. 30, 1960	Nicaragua	Meritorious Service	For efficient work and valuable cooperation given to the cadets and officers of the National Army during the courses of military specialty, per Special Order No. 96, Military Academy of Nicaragua, dated Sept. 26, 1952.
Ruiz, Luis, O940758	Nov. 30, 1958	Panama	Order of Vasco Nunez de Balboa, grade of Knight.	For important services rendered to the Government of the Republic of Panama.
Chief Warrant Officer				
Campbell, George L., W2145715	May 1, 1961	Korea	Award for Defense	Awarded medal for this assistance as Company commander of Six Hundred and Ninth Ordnance Company, in directing the evacuation and rescue of over seven hundred and fifty civilians at Heunde, Pusan, on Sept. 17, 1959. Also in recognition of other community assistance projects.
Casas, Guillermo, W2151636	Sept. 1, 1960	Colombia	Military Cross Antonio Narino	In recognition of services rendered to the Colombia Government.
King, Paul W., W2101930	May 31, 1960	Ecuador	Abdon Calderon, Second Class	For invaluable service to the Instituto Geografico Militar during the period of his assignment by the Government of the Republic of Ecuador.
Stille, Walter H., W2141458	June 30, 1959	China	Piliang Medal (Class B)	For exceptionally meritorious conduct in the performance of staff duty in Taiwan during 1958.
Tippit, James H., W2147671	July 27, 1960	Ecuador	Abdon Calderon, Third Class	For distinguished services rendered with his signal specialities, while a member of the United States Army mission to Ecuador, per Ecuadorian general orders dated July 17, 1953.
Warrant Officer				
Hungerford, Charles F., W2205351	Mar. 31, 1961	Korea	Wharang Distinguished Military Service Medal with Gold Star.	For exceptionally meritorious service as helicopter pilot during the period Feb. 27 to Mar. 5, 1956.
Master Sergeant				
Bass, Charles W., RA6255805	June 30, 1955	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Busbee, Howard L., RA39439929	June 30, 1960	Greece	Distinguished Service Medal	As a member of the American military mission in Greece has rendered precious and valuable service to the Greek Army and has contributed greatly to the reorganization and training thereof, per Greek royal decree dated Feb. 8, 1950.
Horning, Russell O., RA6983841	June 1, 1960	Indonesia	Cigarette box, lighter, and certificate	In appreciation from the Indonesian Army, attesting to the outstanding professional ability and splendid spirit of cooperation of the team (ordnance mobile training team).
Maksymiec, Myroslaw A., RA20140533.	July 31, 1961	Ethiopia	Gold Medallion	As a token of appreciation of his work. Given by His Imperial Majesty, Haile Selassie I, Emperor of Ethiopia.
Rohde, William G., RA7071033	June 30, 1961	Mexico	Medal of Military Merit, Third Class.	In recognition of outstanding services to the survey department of the Mexican Armed Forces while assigned to United States Army Inter-American Geodetic Survey.
Sergeant Major				
Malone, Thomas J., RA6283028	June 30, 1960	Argentina	Honoris Causa	For services rendered as a member of the United States Army mission to Argentina, assigned to duties which caused him to work closely with the Armored School of the Argentine Army.
Sergeant First Class				
Hook, Bob J., RA25700128	Aug. 31, 1954	Iran	Decoration of Merit Third Grade, First Type.	For exceptional meritorious conduct in performance of service as assistant adviser to the arsenal department of the Imperial Iranian Army during the period July 12 to Sept. 10, 1953.
Master Sergeant				
O'Reilly, Hugh F., RA6710523	Feb. 28, 1962	Japan	Order of the Sacred Treasure, Sixth Class.	Reason for award unknown.

DEPARTMENT OF THE AIR FORCE

General				
Cook, Orval R., 36A	May 31, 1956	France	Legion of Honor (Grand Officer)	For meritorious service.
		Italy	Ordine al Merito della Repubblica Italiana (Grande Ufficiale).	For meritorious service.
Partridge, Earle E., 33A	July 31, 1959	Japan	Order of the Rising Sun	For services as commander, Far East Air Forces.
		China	Cloud and Banner Medal	For services as commander, Far East Air Forces.
		Brazil	Order of Aeronautical Merit, grade of Grand Officer.	For meritorious service.
Twining, Nathan F., 10A	Sept. 30, 1960	Lebanon	De L'Ordre National Du Cedre, Grand Officer.	For meritorious service.

DEPARTMENT OF THE AIR FORCE—Continued

Name	Date of retirement	Donor government	Award	Remarks
General—Continued				
White, Thomas D., 22A	June 30, 1961	France	Air Force Pilot Wings	Token of good will.
		Chile	Air Force Wings	Token of good will.
		Sweden	Great Cross of the Order Swedish Sword.	For meritorious service.
		Belgium	Grand Cross of the Order of Leopold II.	For meritorious service.
		Paraguay	Order of Military Merit, Grand Official.	For meritorious service.
		Colombia	El Canciller de la Orden de Boyaca	For meritorious service.
		Colombia	Cruz del Merito Aeronautico Antonio Ricaurte (Gran Cruz).	For meritorious service.
		Portugal	Medal of Military Merit, First Class	For meritorious service.
		Uruguay	Air Force Pilot Wings	Token of good will.
		Ecuador	Order of Aeronautical Merit (Commander).	For meritorious service.
		Brazil	Order of Aeronautical Merit	For meritorious service.
		Colombia	Honorary Pilot Wings	Token of good will.
		China	Air Force Wings	Token of good will.
		Italy	Ordine al Merito della Repubblica Italiana.	For meritorious service.
		Chile	Medalla Militar de Primera Clase	For meritorious service.
		Philippines	Legion of Honor (Commander)	For meritorious service.
		Korea	Order of Military Merit Taeguk with Gold Star.	For meritorious service.
		Peru	Cruz Peruana al Merito Aeronautico	For meritorious service.
Lieutenant General				
Asensio, Manual J., 324A	Jan. 31, 1960	Colombia	Cruz del Merito Aeronautico Antonio Ricaurto (Gran Cruz).	For meritorious service.
Barcus, Glenn O., 87A	July 31, 1960	France	Croix de Guerre with Palm	For meritorious service.
Craigie, Laurence C., 61A	June 30, 1955	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Lindsay, Richard C., 476A	Apr. 30, 1960	Greece	Royal Order of the Phoenix	For meritorious service.
		Greece	Royal Hellenic Air Force Wings	Token of good will.
		Italy	Gran Commandatori de Repubblica	For meritorious service.
		Italy	Italian Air Force Wings	Token of good will.
		Turkey	Air Force Pilot Wings	Token of good will.
		France	Air Force Wings	Token of good will.
Lynn, Roy H., 492A	Aug. 31, 1959	Korea	Military Merit Taeguk Medal	For meritorious service.
Myers, Charles T., 37A	July 31, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Picher, Oliver S., 540A	May 11, 1960	Greece	Cross of Commander of the Royal Order of George I.	For meritorious service.
Samford, John A., 377A	Nov. 22, 1960	Italy	Ordine al Merito della Repubblica Italiana (Commander).	For meritorious service.
		Thailand	Dvitiyabhern (Knight Commander) Most Exalted Order of the White Elephant.	For meritorious service.
		France	Legion of Honor, Officer	For meritorious service.
Todd, Walter E., 361A	July 31, 1961	Korea	Order of Military Merit Taeguk	For meritorious service.
		Korea	Order of Military Merit Taeguk with Silver Star.	For meritorious service.
		Japan	Order of the Rising Sun Class	For meritorious service.
		Thailand	Dvitiyabhorn (Knight Commander) Most Noble Order of the Crown of Thailand.	For meritorious service.
Tunner, William H., 374A	May 31, 1960	Saudi Arabia	Ornamental Sword and Dagger	Token of good will.
		Italy	Ordine al Merito della Repubblica Italiana, Grande Ufficiale.	For meritorious service.
		Thailand	Air Force Pilot Wings	Token of good will.
Yates, Donald N., 524A	Mar. 31, 1961	Brazil	Ordem do Merito Aeronautico	For meritorious service.
Major General				
Agee, Walter R., 413A	Apr. 30, 1959	Greece	The Order of Phoenix, Cross of Grand Commander.	For meritorious service.
		Israel	Honorary Flyers Wings	Token of good will.
Anderson, Alvord V. P., Jr., 371A	Nov. 30, 1960	Brazil	Air Force Wings	Token of good will.
		Brazil	Order of Aeronautical Merit	For meritorious service.
Armstrong, Harry G., 209A	Aug. 31, 1958	Brazil	Order of Aeronautical Merit	For meritorious service.
		France	Air Force Medical Service Medal of Honor.	For meritorious service.
		Chile	Military Air Medal	For meritorious service.
Benson, Otis O., Jr., 19046A	June 15, 1961	Thailand	Dvitiyabhorn (Knight Commander) Most Noble Order of the Crown of Thailand.	For meritorious service.
		France	Air Force Medical Service Medal of Honor.	For meritorious service.
Burnside, Merrill D	Sept. 30, 1958	Korea	Military Merit Ulchi Medal with Gold Star.	For meritorious service.
Deichelmann, Matthew K., 331A	Apr. 30, 1959	Korea	Order of Military Merit, Taeguk	For meritorious service.
Douglas, Robert W., Jr., 46A	Feb. 28, 1957	Italy	Military Order of Italy	For meritorious service.
Glantzberg, Frederic E., 405A	Sept. 12, 1959	France	Legion of Honor, Grade Commander	For meritorious service.
Grussendorf, Richard A., 543A	Aug. 31, 1960	Greece	Knight Commander of the Royal Order of Phoenix.	For meritorious service.
Hale, Dudley D., 431A	Feb. 28, 1958	France	Croix de Guerre with Palm	For meritorious service.
		Korea	Pilot Wings	Token of good will.
Hood, Reuben C., Jr., 498A	June 30, 1959	Peru	Pilot Wings	Token of good will.
		Ecuador	Pilot Wings	Token of good will.
		Colombia	Pilot Wings	Token of good will.
		Nicaragua	Pilot Wings	Token of good will.
		Cuba	Pilot Wings	Token of good will.
		Chile	Pilot Wings	Token of good will.
		Brazil	Pilot Wings	Token of good will.
		Peru	Aviation Cross, First Class	For meritorious service.
		Chile	Military Medal, First Class	For meritorious service.
		Mexico	Air Force Wings	Token of good will.
		Bolivia	National Order Condor of the Andes	For meritorious service.
		Venezuela	Cross of the Venezuelan Air Force	For meritorious service.
		Uruguay	Honorary Military Aviator	Token of good will.
		Paraguay	Honorary Pilot Aviator	Token of good will.
		Paraguay	National Order of Merit	For meritorious service.
		Panama	Order of Vasco Nunez de Balboa grade of Gran Oficial.	For meritorious service.
		Colombia	Aeronautical Cross of Merit	For meritorious service.
		Ecuador	Abdon Calderon, First Class	For meritorious service.
		Honduras	Pilot Wings	Token of good will.
		Brazil	Order of Aeronautical Merit	For meritorious service.

DEPARTMENT OF THE AIR FORCE—Continued

Name	Date of retirement	Donor government	Award	Remarks
Major General—Continued				
Kennedy, William L., 517A	Sept. 20, 1961	France	Legion of Honor, grade of Officer	For meritorious service.
O'Hara, John J., 463A	July 31, 1959	France	Legion of Honor, grade of Officer	For meritorious service.
Persons, John W., 418A	Aug. 31, 1959	Argentina	Pilot Wings	Token of good will.
Ruestow, Paul E., 548A	June 30, 1960	Korea	Ulchi Military Merit Medal with Gold Star.	For service as commander, Far East Air Logistic Forces.
Smith, George F., 380A	July 31, 1958	France	Legion of Honor	For meritorious service.
Brigadier General				
Cassady, George S., 994A	Aug. 31, 1961	Portugal	Military Medal, First Class	For service as commander of MATS, Azores.
Gregory, Hollingsworth F., 496A	Oct. 31, 1958	France	Legion of Honor, Officer	For meritorious service.
		France	Medaille de L'Aeronautique	For meritorious service.
Hamilton Pierpont M., AO900788	Sept. 30, 1959	France	Legion of Honor	For meritorious service.
Israel, Robert S., Jr., 354A	July 31, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Johnson, Bertrand E., 809A	Mar. 15, 1961	Korea	Ulchi Military Merit Medal with Gold Star.	For meritorious service.
Keeler, George E., Jr., 466A	July 31, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward the liberation of France during World War II.
Lee, William L., 430A	July 31, 1959	France	Aviation Badge (Pilot)	Token of good will.
Matheny, William A., 428A	July 31, 1959	Greece	Distinguished Service Medal	For meritorious service.
Morse, Winslow C., 515A	Nov. 30, 1959	Honduras	Meritorious Decoration	For meritorious service.
Nuckols, William P., 534A	Nov. 15, 1957	Monaco	Order of Saint Charles, Degree of Officer.	For meritorious service.
Ross, Stoyte O., 531A	Mar. 31, 1960	Greece	Order of Phoenix, Cross of Commander.	For meritorious service.
Schweizer, John M., Jr., 920A	Oct. 31, 1959	China	Air Force Pilot Wings	Token of good will.
		Greece	Commander of the Royal Order of King George I.	For meritorious service.
		Italy	Commendatore of the Order of Merit	For meritorious service.
		Belgium	Order of Leopold II	For meritorious service.
Smith, Harold L., 564A	June 30, 1960	Portugal	Medal of Military Merit, First Class	For meritorious service.
		Portugal	Medal of Gold for Distinguished Services.	For meritorious service.
Colonel				
Banks, Amberse M., A0222523	Mar. 31, 1955	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Barber, Rex T., 5198A	Mar. 31, 1961	Colombia	Cruz del Merito Aeronautico Antonio Ricaurte, grade of Comendador.	For meritorious service.
Bates, Earl E., Jr., 1581A	Feb. 28, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Bell, Maynard W., 2515A	Feb. 28, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Biddlecome, Bruce D., 7405A	Aug. 31, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Blauer, Clinton E., AO338854	Feb. 25, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Brause, Jacob L., AO176682	July 31, 1954	Guatemala	Cross of Military Merit, Third Class	For meritorious service.
Brown, Bryan W., Jr., 5248A	June 30, 1961	Peru	Flying Cross	For meritorious service.
Burns, Edgar J., 2222A	June 30, 1958	Bolivia	Order of the Condor of the Andes Medal.	For meritorious service.
		Bolivia	Pilot Wings	Token of good will.
Burroughs, Orval N., 2302A	June 26, 1956	Greece	Royal Order of George I	For meritorious service.
Carleton, Bert M., 4596A	June 15, 1959	China	Order of the Cloud and Banner	For meritorious service.
Cassidy, Charles F., Jr., AO432047	Mar. 31, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Clark, James N., AO204560	July 31, 1954	China	Pilot Wings	Token of good will.
Cooper, Elven R., 19596A	Apr. 30, 1961	Philippines	Legion of Honor, degree of Officer	For meritorious service.
Covington, William E., Jr., 1237A	May 31, 1957	Lebanon	De L'Ordre National Du Cedre, Officer.	For meritorious service.
Cox, Robert B., 4407A	July 31, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Daniel, James L., Jr., 350A	Oct. 14, 1958	Ecuador	Abdon Calderon, First Class	For meritorious service.
Dietze, Herman V., 2441A	May 31, 1960	Brazil	Ordem de Merito Aeronautico, grade of Comendador.	For meritorious service.
		Brazil	Order of Military Merit, degree of Officer.	Reason for award unknow.
Edris, Gordon L., 4629A	June 30, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Fagan, Franklin K., AO265877	Mar. 15, 1960	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Fawbush, Andrew T., AO311769	June 30, 1961	Brazil	Order of Aeronautical Merit, grade of Commander.	For meritorious service.
		Brazil	Mechanic Wings	Token of good will.
Fletcher, Eugene B., 1720A	Aug. 31, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Freeman Edmund F., 3150A	July 31, 1961	France	Croix de Guerre with Palm	For meritorious service.
		Vietnam	National Order of Vietnam	For meritorious service.
		France	Air Force Wings	Token of good will.
		Laos	Royal Order of the Million Elephants and White Parasol.	For meritorious service.
		Cambodia	Royal Order of Cambodia, Degree of Commander.	For meritorious service.
Glassford, Pelham D., Jr., 1131A	June 30, 1961	France	La Croix de Chevalier du Merite Social.	For meritorious service.
Green, George B., 19077A	Feb. 28, 1961	France	Air Force Medical Service Medal of Honor.	For meritorious service.
		France	Flight Surgeon's Wings	Token of good will.
Gurney, Samuel C., Jr., 1352A	July 31, 1961	Israel	Air Force Badge	Token of good will.
Hagins, Newton D., 2799A	Dec. 31, 1958	Peru	Air Force Wings	Token of good will.
Hamilton, McHenry, Jr., 3438A	Oct. 31, 1958	Peru	Aviation Cross	For meritorious service.
Haney, George W., 3174A	July 31, 1960	Greece	Gold Cross of the Order of Phoenix	For meritorious service.
Hanley, Paul T., 1068A	July 31, 1961	Italy	Order of Merit of the Italian Republic, Grade of Officer.	For meritorious service.
		Italy	Honorary Pilot	Token of good will.
		Korea	Ulchi Order of Military Merit with Silver Star.	For meritorious service.
Harris, Lester S., 1155A	July 31, 1961	China	Pilot Wings	Token of good will.
Hild, Fred E., 1604A	June 30, 1961	Italy	Honory Military Pilot Wings	Token of good will.
Hills, John De P., 1070A	July 31, 1961	France	Aviation Badge	Token of good will.
Hinnman, Harvey M., AO393128	Nov. 22, 1946	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Hunter, Anthony G., 578A	Sept. 14, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.

DEPARTMENT OF THE AIR FORCE—Continued

Name	Date of retirement	Donor government	Award	Remarks
Colonel—Continued				
Hutchinson, Richard C., 1939A	Feb. 28, 1961	Guatemala	Cross of Military Merit, Second Class	For meritorious service.
Kime, Duane L., 1787A	Mar. 31, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Lampley, Harmon L., Jr., 3353A	July 31, 1961	Mexico	Military Merit Medal	For meritorious service.
		Mexico	Air Force Wings and Defensores de la Republica Mexicana y sus Descendientes.	For meritorious service.
McCartney, John F., 447A	Aug. 24, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
McKinnon, Samuel H., 3338A	July 31, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
McShane, Joseph B., AO257465	June 30, 1960	Netherlands	Order of the Orange Nassau with Swords.	For meritorious service.
Mangum, Cledous M., AO293149	June 30, 1959	Korea	Chungmoo Distinguished Military Service Medal.	For meritorious service.
Massion, John W., 3430A	July 31, 1961	Paraguay	Gran Maestro de la Orden Nacional del Merito, Otorga el grade de Gran Oficial.	For meritorious service.
Moore, John W., 2238A	Aug. 31, 1958	Brazil	Order of Aeronautical Merit	For meritorious service.
Mobley, Thomas L., 434A	July 31, 1959	Greece	Cross of Commander of the Royal Order of the Phoenix.	For meritorious service.
Ott, Frederick W., 348A	July 31, 1958	Argentina	Aviator Militar Honoris Causa	Token of good will.
		El Salvador	Emblem, Staff Officer's School	Token of good will.
		El Salvador	Honorary Air Force Wings	Token of good will.
Palmer, Sumner C., Jr., AO129832	Sept. 30, 1956	France	Medal of Aviation	For meritorious service.
Parham, Harry C., 2356A	Jan. 28, 1960	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Parsons, Charles E., Jr., 4490A	Aug. 31, 1961	China	Aviation Badge	Token of good will.
Perkins, Charles L., AO560214	Jan. 31, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Perkins, Nicholas T., 1217A	June 30, 1961	Yugoslavia	Pilot Wings	Token of good will.
Peters, Frederick I., 2436A	May 31, 1960	Korea	Military Merit Chungmoo Medal with Gold Star.	For meritorous service.
Pillet, Frederick A., 410A	Mar. 31, 1959	Greece	Cross of the Commanders of the Royal Order of the Phoenix.	For meritorious service.
Preston, William D., 19129A	Oct. 31, 1961	China	Flight Surgeon's Wings	Token of good will.
Ramage, Edwin M., 1765A	Aug. 31, 1958	Chile	Pilot Wings	Token of good will.
Richer, Marcel A., 2837A	July 31, 1961	France	Legion of Honor, Order of Knight	For meritorious service.
Russell, Joseph G., 1116A	July 31, 1961	China	Cloud and Banner, Sixth Class	For meritorious service.
		China	Air Force Wings	Token of good will.
Searles, Frederick W., 3196A	Apr. 30, 1960	Korea	Ulchi Military Merit Order with Silver Star.	For meritorious service.
Smith, Richard H., 631A	July 31, 1961	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Stefansson, Ragnar, 2683A	Sept. 30, 1960	Iceland	Knight's Cross of the Order of the Icelandic Falcon	For meritorious service.
Stepp, Richard D., 3807A	July 31, 1961	Peru	Aviation Cross, First Class	For meritorious service.
Stoltz, Albert E., 979A	Dec. 31, 1958	France	Legion of Honor	For meritorious service.
Taylor, Henry J., 2567A	July 31, 1961	Italy	Ufficiale al Merito della Repubblica, Knight Officer.	For meritorious service.
Taylor, Richard, 8469A	Jan. 31, 1961	Norway	Air Force Wings	Token of good will.
Thompson, Glen C., 1135A	July 31, 1961	Bolivia	Condor de los Andes	For meritorious service.
		Bolivia	Pilot wings	Token of good will.
Wadman, John F., 838A	July 31, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Ward, Thomas N., AO478403	Dec. 17, 1958	Brazil	Order of Aeronautical Merit	For meritorious service.
Ware, Everett H., 2003A	July 31, 1961	Netherlands	Order of Orange Nassau with Swords	For meritorious service.
Whitney, Robert, AO479379	Jan. 31, 1956	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Will, Ray J., 1692A	July 31, 1960	Vatican	Benemerenti Medal	For meritorious service.
Williams, Ernest F., 576A	June 30, 1961	Brazil	Order of Aeronautical Merit	For meritorious service.
Williams, Francis W., 2308A	June 30, 1961	Chile	Military Medal, Second Class	For meritorious service.
		Brazil	Ordem do Merito Aeronautico, Comendador.	For meritorious service.
Winstead, Joshua T., Jr., 1588A	Dec. 31, 1958	Ecuador	Abdon Calderon, First Class	For meritorious service.
		Ecuador	Honorary Pilot Wings	Token of good will.
Wood, Randolph L., 1140A	July 31, 1961	France	Aviation Badge	Token of good will.
Woodworth, Lynn F., AO472436	Sept. 30, 1955	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Lieutenant Colonel				
Albaugh, Harry M., 4815A	Nov. 30, 1960	Panama	Order of Vasco Nunez de Balboa, Grade of Grand Master.	For meritorious service.
Benson, Kenneth B., AO42975	June 30, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Bondurant, Wiley M., AO4311645	July 31, 1961	France	Aviation Badge, Observer	Token of good will.
Bostick, John, 2364A	Feb. 29, 1960	Peru	Aviation Cross	For meritorious service.
Brodzinsky, Philip, AO574040	July 31, 1961	Greece	Silver Cross of the Royal Order of George I.	For meritorious service.
Chamberlin, Carlton A., AO391689	Jan. 1, 1953	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Chick, Lewis W., Jr., 5921A	Sept. 30, 1958	Bolivia	Order of the Condor of the Andes	For meritorious service.
Clark, Linwood L., AO260717	July 1, 1960	China	Pilot Wings	Token of good will.
		Korea	Pilot Wings	Token of good will.
Colling, James H., AO789545	Apr. 30, 1961	Iran	Merit Medal, Third Class, First Type	For meritorious service.
Cox, Thomas L., AO2045333	May 31, 1961	Iraq	Gold medal	For meritorious service.
		France	Navigator Badge	Token of good will.
DeGroot, Edward B., Jr., 2386A	Jan. 31, 1960	France	Gold Medal of Physical Education and Sports.	For meritorious service.
Fallon, Robert B., AO1644310	Aug. 31, 1961	China	Honorary Insignia of the Combined Service Forces.	Token of good will.
Fandel, William H., 4204A	July 31, 1961	Iran	Merit Medal, Third Class, First Type	For meritorious service.
Grier, John C., Jr., AO394326	Oct. 31, 1960	Brazil	Silver Medal, Merito Santos Dumont	For meritorious service.
		Norway	Haakon VII Liberation Cross	Reason for award unknown.
Hardeman, Milton L., AO344152	June 30, 1959	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Hearn, Bunn, Jr., 3967A	July 31, 1961	France	Aviation Badge	Token of good will.
Heintz, Adam J., 1864A	Jan. 31, 1961	Colombia	Pilot Wings	Token of good will.
		Colombia	Cruz de Merito Aeronautico Antonio Ricaurte, Grade of Comendador.	For meritorious service.
Henry, Noel P., AO803980	Jan. 31, 1961	Belgium	Pilot Wings	Token of good will.
		China	Aviation Badge	Token of good will.
Holmquist, George W., 4667A	July 31, 1961	France	L'Ordre Franco-Outremerien	For meritorious service.
Johnson, Russell T., AO421752	Oct. 2, 1958	France	Aviation Badge	Token of good will.

DEPARTMENT OF THE AIR FORCE—Continued

Name	Date of retirement	Donor government	Award	Remarks
Lieutenant Colonel—Con.				
Klapper, David D., AO285620	June 30, 1959	China	Cloud and Banner	For meritorious service.
		China	Ivory Name Stamp	Token of good will.
Korona, Wilson B., AO665050	Oct. 31, 1961	France	Aviation Badge	Token of good will.
Laborde, Edward, AO475877	Mar. 1, 1958	Spain	Cruz de Segundo Clase del Merito Aeronautico con Distintivo Blanco.	For meritorious service.
		Argentina	Aviador Militar Honoris Causa	Token of good will.
LaBuda, Joseph E., 2419A	Apr. 30, 1960	Chile	Military Medal, Third Class, and Engineer Wings.	For meritorious service.
Little, John E., AO407105	May 31, 1959	Iran	Merit Decoration, Third Class	For service as air adviser, Technical School.
Marshall, Leonard S., 8951A	Jan. 31, 1961	Nicaragua	Military Pilot Wings	Token of good will.
Moench, Carroll J., AO417045	Jan. 31, 1961	Korea	Pilot Wings	Token of good will.
Moynahan, Francis V., AO217758	Oct. 31, 1961	France	Medaille de L'Aeronautique	For meritorious service.
Munger, Paul O., AO740254	Jan. 31, 1961	Belgium	Aviation Badge	Token of good will.
Paulin, Harold D., Jr., 3455A	July 31, 1961	France	Air Force Wings	Token of good will.
Plummer, Harry W., AO789594	Nov. 2, 1959	France	Aviation Badge, Pilot	Token of good will.
Prentiss, Vernon, 4454A	June 30, 1961	China	Pilot Wings	Token of good will.
Ridenour, George F., AO322524	Aug. 31, 1957	Norway	Haakon VII Liberation Cross	For meritorious service.
Ruhe, Harry A., AO270130	July 31, 1957	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Smith, Joseph C., 3870A	July 31, 1961	Norway	Knights Cross, First Class, of the Royal Order of St. Olav.	For meritorious service.
Smith, Robert N., 3501A	Oct. 31, 1960	Paraguay	National Order of Merit	For meritorious service.
		Paraguay	Air Force Wings	Token of good will.
Weigle, Graham, AO662995	June 5, 1958	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Wolfe, George W., Jr., AO863220	Apr. 30, 1961	Ecuador	Abdon Calderon	For meritorious service.
Major				
Anderson, Truman F., 7963A	May 31, 1960	Colombia	Pilot Wings	Token of good will.
Beck, Charles D., AO417933	Jan. 31, 1961	Brazil	Air Force Wings	Token of good will.
Breece, Jean R., AO521580	Mar. 31, 1961	Thailand	Air Force Wings	Token of good will.
Fair, Gene R., AO2044905	Feb. 28, 1961	Chile	Pilot Wings	Token of good will.
Fallon, Edward, 6805A	Dec. 31, 1960	Thailand	Air Force Wings	Token of good will.
Frank, Louis, III, AO666915	Mar. 31, 1960	France	Croix de Guerre with Palm	For outstanding contributions toward liberation of France during World War II.
Garza, Hector J., AO687026	Oct. 31, 1960	Argentina	Air Force Wings	Token of good will.
Henry, Oscar J., AO1544757	Sept. 30, 1960	Belgium	Pilot Wings	Token of good will.
		China	Pilot Wings	Token of good will.
McIntee, Patrick G., AO2233792	Mar. 5, 1959	France	Order of the Black Star, grade of Officer.	For meritorious service.
Montgomery, Douglas M., 7874A	Jan. 31, 1961	Uruguay	Air Force Wings	Token of good will.
Moomaw, Lowell A., AO2099549	Oct. 31, 1961	China	Medal of Pao Ting	For meritorious service.
Nash, William J., AO799617	June 30, 1959	China	Pilot Wings	Token of good will.
Nichols, Donald, AO956185	Apr. 2, 1958	Korea	Army and Navy Decoration for Meritorious Service.	For meritorious service.
		Korea	Honorary Rank of Colonel in Republic of Korea Air Force.	Token of good will.
		Korea	Master Parachute Wings	Token of good will.
Quinones, Alphonse D., 13110A	July 31, 1960	Nicaragua	Pilot Wings	Token of good will.
		Argentina	Pilot Wings	Token of good will.
Scafidi, Anthony, AO570085	Feb. 27, 1961	Italy	Observers Wings	Token of good will.
Watley, James D., AO660942	Apr. 30, 1960	Nicaragua	Honorary Pilots Wings	Token of good will.
		Bolivia	Aviation Badge	Token of good will.
		Bolivia	Order of the Condor of the Andes	For meritorious service.
Captain				
Aly, Joyce, AO686876	July 31, 1961	Netherlands	Order of the Orange Nassau	For meritorious service.
Gibson, John E., AO590382	June 30, 1961	Belgium	Aviation Badge	Token of good will.
Molland, Leo M., AO3004818	Mar. 7, 1961	France	Navigator Badge	Token of good will.
Morin, Robert E., AO694796	Aug. 31, 1961	France	Aviation Badge, Observer	Token of good will.
Reichard, Richard, AO1911123	Aug. 31, 1961	France	Aviation Badge	Token of good will.
First Lieutenant				
Vanderbank, Harry E., AO739231	May 31, 1961	Greece	Silver Cross of the Order of the Phoenix.	For meritorious service.
Chief Warrant Officer				
Rader, Robert N., 953061E	July 31, 1959	Chile	Medalla Militar de Tecera Clase and Miembro Honoris Causa de la Fuerza Aerea de Chile.	For meritorious service.
Flight Officer				
Chitwood, Royce R., T149529	June 27, 1961	Iraq	Gold Medal	For meritorious service.
Master Sergeant				
Barker, James N., AF6298874	Oct. 31, 1960	Venezuela	Air Force Cross	For meritorious service.
Cronick, Albert, AF6847969	July 31, 1958	Iraq	Gold Medal	For meritorious service.
Cunningham, Orville R., AF6395153.	Feb. 28, 1957	Bolivia	Aviation Mechanic Badge	Token of good will.
Garcia, Anthony P., AF6903205	Aug. 31, 1958	Bolivia	Order of the Condor of the Andes	For meritorious service.
Livingston, Dwain E., AF17002338	Sept. 30, 1960	Iran	Homayoun Medal	For meritorious service.
Parker, Robert M., Jr., AF6383813	Nov. 30, 1958	Mexico	Aircrew Badge	Token of good will.
Plowman, Ralph M., AF6859833	June 30, 1959	Bolivia	Order of the Condor of the Andes	For meritorious service.
Prioreschi, Angelo V., AF6255512	Sept. 30, 1959	Brazil	Aircraft Mechanic Wings	Token of good will.
Ruskowsky, Elton L., AF6725279	July 31, 1961	Norway	Haakon VII Liberation Medal	For meritorious service.
Technical Sergeant				
Bourgeois, Curtis M., AF6971151	Jan. 31, 1960	Italy	Solidarity Star, Third Degree	For meritorious service.
Britton, William W., AF36721137	Aug. 25, 1958	Korea	Hwarang Distinguished Military Service Medal.	For meritorious service.
Charlton, John E., AF6297354	Feb. 28, 1961	Norway	Medal of Valor	For meritorious service.
Wouralis, James G., AF11041062	July 8, 1958	Greece	Gold Medal of the Royal Order of George I.	For meritorious service.
Staff Sergeant				
McNamara, Alexander T., AF12328443.	Apr. 14, 1960	Italy	Solidarity Star, Third Degree	For meritorious service.

DEPARTMENT OF THE NAVY

Name	Date of retirement	Donor government	Award	Remarks
Admiral				
Low, Francis S., 9018	Jan. 1, 1961	France	Legion of Honor, Commander	Token of good will.
		Italy	Al Merito della Repubblica Italiana, Grand Officer.	Token of good will.
Wright, Jerauld, 17066	Mar. 1, 1960	Italy	Grand Officer of the Order of Merit	Token of good will.
		Peru	Peruvian Cross of Naval Merit, Grand Officer, Distintivo Blanco.	Token of good will.
		Netherlands	Grand Cross in the Order of Orange-Nassau.	Token of good will.
		Brazil	Order of Naval Merit	Token of good will.
		Belgium	Grand Cross of the Order of Leopold II.	Token of good will.
		Colombia	Grand Cross of the Order of Boyaca	Token of good will.
		Portugal	Great Cross of Avis	Token of good will.
		Morocco	First Order, Grand Cross of the Order of Ouissam Alaouite Cherifien.	Token of good will.
Hanlon, Byron Hall, 17669	Oct. 1, 1958	Brazil	Order of Naval Merit, Commander	Token of good will.
Holloway, James L., Jr., 34695	Apr. 1, 1959	Brazil	Order of Naval Merit, Commander	Token of good will.
		Cuba	Order of Naval Merit, First Class	In recognition of distinguished service.
Good, Roscoe F., 20478	Mar. 1, 1958	Japan	Order of the Double Rays of the Rising Sun.	Token of good will.
		Korea	Order of Military Merit Taeguk with Silver Star.	For services rendered the Korean Navy.
Briscoe, Robert P., 34560	Jan. 1, 1959	Italy	Knight of the Great Cross of the Order of Merit of the Italian Republic.	Token of good will.
		Greece	Grand Cross of the Royal Order of King George the First.	Token of good will.
		Japan	Order of the Rising Sun, Second Class.	For service as Commander Naval Forces Far East.
Hopwood, Herbert G., 55954	Sept. 1, 1960	China	Medal of Pao Ting with Grand Cordon.	During the Taiwan crisis of 1958.
		Korea	Order of Military Merit Taeguk with Gold Star.	Token of good will.
		Philippines	Philippine Legion of Honor, Commander.	Token of good will.
		Peru	Naval Cross of Merit	For services rendered to the Peruvian Navy.
Burke, Arleigh A., 57951	Aug. 1, 1961	Ecuador	Order of Abdon Calderon, First Class.	Token of good will.
		Japan	First Class of the Order of the Rising Sun.	Token of good will.
		Portugal	Grand Cross of the Military Order of Avis.	Token of good will.
		Korea	Order of Military Merit Taeguk with Gold Star.	Token of good will.
		Argentina	Grand Master of the Order of May for Naval Merit, Grand Cross.	Token of good will.
		Brazil	The Grand Cross of Naval Merit	Token of good will.
		Chile	Medalla Militar de la Armada de Primera Clase.	Token of good will.
		Cuba	Order of Naval Merit, First Class	Token of good will.
		France	Grand Officer of the Legion of Honor	Token of good will.
		Greece	Grand Cross of the Order of George I	Token of good will.
		Italy	Cavaliere di Gran Croce dell' Ordine al Merito della Repubblica Italiana.	Token of good will.
		Peru	Peruvian Cross of Naval Merit, Grand Cross, Distintivo Blanco.	Token of good will.
		Spain	Grand Cross of Naval Merit	Token of good will.
		Thailand	Most Exalted Order of the White Elephant, First Class, Knight Grand Cross.	Token of good will.
		Sweden	Grand Cross of the Royal Swedish Order of the Sword.	Token of good will.
		Brazil	Naval Order for Services of Distinction.	Token of good will.
		Colombia	Grand Cross of the Order of Boyaca	Token of good will.
		Belgium	Grand Cross of the Order of Leopold II.	Token of good will.
		Mexico	Special Merit	Token of good will.
		Paraguay	Order of Military Merit, Grand Officer.	Token of good will.
		Denmark	Grand Cross of the Order of Dannebrog.	Token of good will.
		Norway	Grand Cross of Olav	Token of good will.
		Netherlands	Great Cross of the Order of Orange-Nassau.	Token of good will.
		Philippines	Legion of Honor, Chief Commander	Token of good will.
		Colombia	Naval Order Almirante Padilla Grand Officer.	Token of good will.
		Germany	Distinguished Service Cross with Star.	Token of good will.
Will, John M., 58283	July 1, 1958	Netherlands	Order of Orange-Nassau with Swords, Commander.	For cooperation with the Dutch Navy operating out of West Australia.
Vice Admiral				
Bledsoe, Albert M., 17147	Sept. 1, 1958	Peru	Peruvian Cross of Naval Merit, Grand Officer.	For service as commandant, Fifteenth Naval District.
		Panama	Order of Vasco Nunez de Balboa	For service as commandant, Fifteenth Naval District.
		Chile	Military Medal, First Class	Occasion of a visit to Santiago, Chile.
Moore, Walter E., 23333	Mar. 1, 1959	Korea	Order of Military Merit Taeguk	For service as commander, Amphibious Task Force 90.
		Greece	Royal Order of the Phoenix, Knight Commander.	For service as chief of Navy section, Joint United States Military Air Group to Greece.
Callaghan, William M., 34540	Mar. 1, 1957	Japan	Order of the Rising Sun, Second Class.	For service as commander, Naval Forces, Far East.
		Korea	Order of Military Merit Taeguk with Silver Star.	For service as commander, Naval Forces, Far East.
von Heimburg, Earnest H., 34574	July 1, 1958	Brazil	Order of Naval Merit, Grand Officer	For service as chief United States Naval Mission to Brazil.
Roper, John W., 34599	May 1, 1958	Peru	Peruvian Cross of Naval Merit	Token of good will.
Combs, Thomas S., 56057	Apr. 1, 1960	Spain	Order of Naval Merit, Grand Officer	Token of good will.
Ingersoll, Stuart H., 56869	July 1, 1960	Peru	Peruvian Cross of Naval Merit, Grand Officer, Distintivo Blanco.	Token of good will.
		China	Grand Cordon of the Order of the Precious Tripod.	For service as commander, Seventh Fleet, Commander of the United States Taiwan Defense Command.
		Brazil	Order of Naval Merit, Grand Officer	Token of good will.
		Portugal	Military Merit, First Class	Token of good will.
Hickey, Robert F., 57064	July 1, 1959	Japan	Order of the Rising Sun, Third Class	Token of good will.
Sabin, Lorenzo S., 57170	Mar. 1, 1961	Korea	Military Merit of Taeguk with Silver Star.	For services during the Korean conflict.
		France	Legion of Honor, Commander	For his participation, Operation Passage to Freedom in Indochina.
Schindler, Walter G., 57173	Oct. 1, 1959	Chile	Military medal	For services rendered as chief of naval mission to Chile.
Jarrett, Harry B., 57619	July 1, 1959	China	Collar Order of the Cloud and Banner.	For service as senior military attaché at the United States Embassy at Taiwan.

DEPARTMENT OF THE NAVY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Vice Admiral—Continued				
Orem, Howard E., 57700	Dec. 1, 1961	Liberia	Star of Africa, Grand Commander	Token of good will.
		Germany	Grand Merit Cross with Star	Token of good will.
Sanders, Harry (n), 58212	May 1, 1957	Ecuador	Abdon Calderon, First Class	Token of good will.
Gillett, Robert M., 58318	Mar. 1, 1958	Denmark	Danish Red Cross Medal	For service with the Danish Red Cross in Korea.
Hedding, Truman J., 58928	Jan. 1, 1959	China	Cloud and Banner Medal	For service as chief of staff to commander in chief, Pacific Fleet.
Kivette, Frederick N., 59408	Oct. 1, 1961	China	The Medal of Pao Ting	For service as commander, Seventh Fleet.
		China	Order of the Precious Tripod	Reason for award unknown.
Marshall, William J., 59713	May 1, 1959	Italy	Order of Merit of the Italian Republic	For services to the Italian Navy.
		Brazil	War Service Medal	For outstanding performance as captain of an escort vessel.
Moore, French R., 60583	Dec. 1, 1958	Brazil	Order of Naval Merit, commander	For service as medical officer to the United States naval mission to Brazil.
Sears, Harry E., 62111	Aug. 1, 1958	Spain	Order of Naval Merit, Third Class	Token of good will.
Rear Admiral				
Stone, Ellery W., 11405	Feb. 1, 1958	Italy	Grand Officer of the Order of the Crown of Italy.	Communication assistance rendered during Balboa flight in 1933 as a civilian.
		Italy	Gold Medal to Protectors of Public Health.	Token of good will.
Halloran, Edward R., 117774	Jan. 1, 1958	Panama	La Estrella de la Fundacion Internacional Jose Gabriel Duque.	Token of good will.
Hartman, Charles C., 20282	Apr. 1, 1960	Mexico	Special Merit	Token of good will.
		Argentina	Grand Master of the Order of May for Naval Merit, Grand Officer.	Token of good will.
		Brazil	Order of Naval Merit, Commander	Token of good will.
		Ecuador	Abdon Calderon, First Class, 1955	Token of good will.
		Peru	Peruvian Cross of Naval Merit	Token of good will.
		Ecuador	National Order for Merit, rank of Commander.	Token of good will.
Glass, Richard P., 20375	June 1, 1958	Greece	Royal Order of George I, Knight Commander.	For service as chief of United States naval mission.
Pihl, Paul E., 56859	Mar. 1, 1958	Finland	Officers' Cross of the White Rose	For service as United States naval attaché.
Kelley, Marion R., 56895	June 30, 1950	Italy	Order of Merit	Token of good will.
Kniskern, Leslie A., 57641	Apr. 1, 1958	Argentina	Order of Naval Merit, Grand Officer	Token of good will.
		France	Legion of Honor, Commander	Token of good will.
		Chile	Military Medal for Distinguished Service, Second Class.	For service to the Chilean naval mission.
Solomons, Edward A., 57758	Apr. 1, 1961	Peru	Peruvian Cross of Naval Merit, Grand Officer, Distintivo Blanco.	Token of good will.
Davis, Burton, 57986	Aug. 1, 1957	China	Order of Cloud and Banner	Token of good will.
Withington, Frederic S., 58289	Apr. 1, 1961	Japan	The Second Order of the Sacred Treasure.	For assistance in developing the maritime self-defense force.
Latimer, Samuel E., 58715	Sept. 1, 1958	Argentina	Order of Naval Merit, Commander	Token of good will.
		Chile	Military Medal of the Navy, Second Class.	For service to the Chilean Navy.
Parks, Lewis S., 59326	July 1, 1960	Chile	Medalla Militar de la Armada de Primera Clase.	Token of good will.
Champlin, Jackson S., 59497	July 1, 1955	Brazil	Order of Naval Merit, Commander	Token of good will.
Walker, Edward K., 59561	Nov. 1, 1958	Chile	Military Order, Second Class	Token of good will.
Hogan, Bartholomew W., 59745	Mar. 1, 1961	Peru	Peruvian Cross of Naval Merit, Grand Officer.	Token of good will.
		France	Medal of Honor	Token of gratitude from the medical service of the French Navy.
Strauss, Lewis L., 60014	Feb. 1, 1956	Belgium	Order of Leopold, Grand Officer	Token of good will.
Clarke, Ralph S., 60253	July 1, 1961	China	The Medal of Pao Ting	Token of good will.
Dudley, Paul L., 60354	July 1, 1961	Saudi Arabia	Gifts—Arab ceremonial robe and gold Longine wristwatch.	Token of good will.
Fullinwider, Ranson, 60382	Sept. 1, 1959	Argentina	Order of the Liberator San Martin, Knight Commander.	United States naval attaché at Buenos Aires.
Greytak, John J., 60391	June 30, 1957	France	National Order of the Legion of Honor, Chevalier.	Token of good will.
Stelter, Frederick C., Jr., 60521	Feb. 1, 1961	Peru	Peruvian Cross of Naval Merit, Commander.	For service to the Peruvian Navy.
Briggs, Harold M., 61082	July 1, 1961	Brazil	Order of Naval Merit, Commander	Token of good will.
		Ecuador	Abdon Calderon de Primera Clase	Token of good will.
		Peru	Peruvian Cross of Naval Merit, Grand Officer.	Token of good will.
		Colombia	Naval Order Almirante Padilla, Grand Officer.	Token of good will.
		Colombia	Order of San Carlos, Grand Officer	Token of good will.
		Mexico	Special Merit	Token of good will.
Harris, William S., 61414	June 30, 1957	Ecuador	Abdon Calderon de Primera Clase	Token of good will.
Banister, Alan B., 62009	July 1, 1958	Peru	Peruvian Cross of Naval Merit, Knight Commander.	Token of good will.
Keeler, Frederick S., 62544	July 1, 1959	Colombia	Order of Boyaca, Commander	For service to the Colombian Navy.
Coffin, Harry N., 62658	July 1, 1959	Chile	Military Medal, Second Class	Token of good will.
Howerton, Charles C., 63257	Oct. 1, 1959	Argentina	Order of Naval Merit	United States naval attaché and naval attaché for air.
		Argentina	Piloto Aviador Naval Honoris Causa	United States naval attaché and naval attaché for air.
Adkins, James A., 63364	Nov. 1, 1959	Brazil	Order of Naval Merit, Officer	Token of good will.
Foster, Walter M., 63380	Nov. 1, 1959	Chile	Military Medal, Second Class	For service to the Chilean Navy.
Sanchez, Henry G., 63398	Nov. 1, 1959	Spain	Cross of Naval Merit	Token of good will.
Andrews, Richard S., 70044	Nov. 1, 1959	Brazil	Medal of Naval Merit	Token of good will.
		Brazil	Marechal Souza Agnior	Token of good will.
Hunter, Raymond P., 70074	Nov. 1, 1959	Netherlands	Order of Orange Nassau, Commander.	Token of good will.
Norvell, William C., 70122	Sept. 1, 1959	Japan	Third Order of the Sacred Treasure	Token of good will.
DeMetropolis, George (n), 70192	Nov. 1, 1959	Greece	Royal Order of George I, Officer	Token of good will.
Johnsen, William H., 70260	Nov. 1, 1959	Liberia	Order of the Star of Africa, Commander.	Presidential inaugural ceremonies, 1952.
Walpole, Kinloch C., 70269	Nov. 1, 1959	Greece	Royal Order of the Phoenix, Commander.	For service rendered to the Royal Hellenic Navy.
Roscoe, David L., 70278	Nov. 1, 1959	Korea	Ulchi Distinguished Military Service Medal.	Token of good will.
Sheeley, William R., 70788	Aug. 1, 1961	Italy	Order of Naval Merit, Commander	Token of good will.
Jukes, Herbert L., 71354	Nov. 1, 1959	Greece	Royal Order of George I	For services as technical engineer officer with United States naval mission.
Garrison, Malcolm E., 71389	Nov. 1, 1959	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Haskins, Enrique D., 72381	Jan. 1, 1959	France	Legion of Honor, Knight	For service as United States naval attaché, Paris, France.
De Florez, Luis, 72841	Sept. 1, 1955	Spain	Grand Cross of the Order of Naval Merit, Distintivo Blanco.	Token of good will.
Fleck, Francis E., Jr., 73551	Nov. 1, 1959	Japan	Order of Merit, Third Class	Member of the staff, Commander, Naval Forces, Far East.
DuBois, Thomas H., 73560	Apr. 1, 1958	Colombia	Naval Order Admiral Padilla, Officer.	Token of good will.
Ashley, James H., Jr., 73627	Nov. 1, 1959	Korea	Military Order of Merit, Ulchi with Gold Star.	For service as Chief, United States Naval Advisory Group, Korea.

DEPARTMENT OF THE NAVY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Rear Admiral—Continued				
Coffin, Albert P., 73645	Nov. 1, 1959	Chile	Military Medal of the Navy, Third Class.	For service to the Chilean Navy.
Shaw, James C., 77130	Feb. 1, 1958	Netherlands	Order of Orange-Nassau, Commander.	Token of good will.
Peltier, Eugene J., 77434	Feb. 1, 1962	Brazil	Order of Naval Merit (Commander)	Token of good will.
Benitez, Rafael C., 82557	July 1, 1959	Cuba	Order of Naval Merit	Token of good will.
		Chile	Naval Military Medal, Third Class	For service to the Chilean Navy.
Bull, Carl E., 83674	Nov. 1, 1959	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Captain				
Mabley, Louis C., 60437	July 1, 1961	Sweden	Royal Order of the Sword	Token of good will.
Gjoerloff, George O., 60794	Mar. 1, 1959	Ethiopia	Star of Ethiopia, First Class	Token of good will.
McMillan, Carl H., 61047	Oct. 1, 1958	Peru	Peruvian Cross of Naval Merit, Commander.	For service as medical officer to the United States naval mission to Peru.
Sullivan, Emmett J., 61275	June 30, 1957	Brazil	Order of Naval Merit	For service to the Brazilian Navy.
Enright, George P., 62036	July 1, 1958	Greece	Cross of Commander of the Royal Order of the Phoenix.	For service as United States naval attaché to Greece.
Wakeman, Philip F., 62132	Aug. 1, 1958	Colombia	Naval Order Almirante Padilla	Token of good will.
Whiteford, William R., 62192	May 1, 1959	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
McElroy, John H., 62661	July 1, 1959	France	Legion of Honor	Token of good will.
Wiesner, Frederick C., 62979	Oct. 1, 1957	Germany	Distinguished Service Cross	Token of good will.
Fuetsch, Bernhart A., 63263	July 1, 1960	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Briner, Richard R., 63288	July 1, 1960	France	Cross of the Legion of Honor, Officer	Rescue assistance.
Koepke, Lyle L., 63313	July 1, 1960	Panama	Order of Vasco Nunez de Balboa	Token of good will.
May, Leo G., 63376	July 1, 1960	Japan	Order of the Sacred Treasure, Third Class.	Token of good will.
Harris, David A., 63421	July 1, 1960	Peru	Peruvian Cross of Naval Merit, Commander, Distintivo Blanco.	Token of good will.
Ellis, Edward B., 66416	Sept. 1, 1960	Lebanon	Honorary Gold Medal for Merit	Token of good will.
Gurnette, Byron L., 70017	July 1, 1961	Monaco	Order of Saint Charles, Commander	Token of good will.
Robertson, Edward L., 7072	May 1, 1959	Colombia	Order of Naval Almirante Padilla	For services as professor in the Colombian Naval War College.
		Cuba	Order of Naval Merit, Second Class	Token of good will.
Vredenburgh, James C., 70133	July 1, 1960	Japan	Order of the Sacred Treasure, Third Class.	For assistance in developing the Maritime Self-Defense Force.
Cooper, Robert W., 70135	June 1, 1961	Chile	Medalla Militar de la Armada de Tercera Clase.	For service to the Chilean Navy.
		Finland	Order of the White Rose, Commander	Token of good will.
Wilber, Donald T., 70239	July 1, 1961	Japan	The Third Order of the Sacred Treasure.	Token of good will.
		Greece	The Cross of Brigadiers of the Order of George I.	Token of good will.
Payson, Harold, Jr., 70288	July 1, 1961	Cuba	Distinguished Service Medal	Token of good will.
Foster, Edward L., 70334	July 1, 1960	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Williams, Henry, Jr., 70346	Jan. 1, 1961	Brazil	Order of Naval Merit, Commander	For service to the Brazilian Navy.
Ribble, George B., Jr., 70671	July 1, 1961	Brazil	Air Wings	Token of good will.
Archer, Stephen M., 71396	Mar. 1, 1962	Greece	Royal Order of George I (Commodore).	Token of good will.
Gates, Thomas S., 139669	Dec. 1, 1953	Spain	Grand Cross of Naval Merit	In rendering service to Spain.
		Argentina	Grand Master of the Order of May for Naval Merit, Grand Cross.	Token of good will.
		Peru	Peruvian Cross of Naval Merit, Grand Cross, Distintivo Blanco.	Token of good will.
		Brazil	Order of Naval Merit, Grand Officer	Token of good will.
Johnson, John H. S., 71305	July 1, 1960	Japan	The Third Order of the Sacred Treasure.	Token of good will.
Roudebush, Jack, 71351	Sept. 1, 1959	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Pitts, Ray M., 71458	Oct. 1, 1960	Venezuela	Francisco de Miranda	For service as Chief of United States naval mission to Venezuela.
Munson, Henry G., 71515	Mar. 1, 1961	Brazil	Order of Naval Merit, Commander	Token of good will.
Moncure, Samuel P., 71588	Jan. 1, 1962	Portugal	Order of Prince Henry, Grand Officer.	Token of good will.
Williams, Paul D., 71563	July 1, 1960	Italy	Order of Merit of the Republic, Chevalier.	Token of good will.
Arthur, Lionel A., 71616	July 1, 1960	Chile	Military Medal of the Navy	For service as a member of United States naval mission to Chile.
Shook, Kenneth S., 72362	Dec. 1, 1959	Peru	Peruvian Cross of Naval Merit, Commander.	For service to the Peruvian Navy.
Brittan, Theodore H., 72499	July 1, 1960	China	The Medal of Cloud and Banner	During the Formosa Straits crisis.
Foster, Everett J., 72575	July 1, 1960	Chile	Al Merito Bernardo O'Higgins, Commander.	For service as Chief, United States naval mission to Chile.
		Chile	Military Medal, Third Class	Token of good will.
Johnson, Joseph E., 73820	Jan. 1, 1959	Brazil	Naval Merit of Honor, Officer	For service with the Brazilian Navy Communication Service.
Eppes, Marion H., 74803	July 1, 1961	Greece	Golden Cross of the Royal Order of George I.	Token of good will.
Sullivan, William A., 74835	July 1, 1961	Greece	Order of King George I.	Tour of duty at Athens, Greece.
McDonald, Harold W., 74905	July 1, 1961	Japan	The Third Order of the Sacred Treasure.	Token of good will.
Austin, Marshall H., 75015	July 1, 1961	Peru	Peruvian Cross of Naval Merit, Knight Commander.	Token of good will.
Parunak, Aram Y., 75914	July 1, 1961	Japan	The Third Order of the Sacred Treasure.	Token of good will.
McElrath, Robert W., 77018	July 1, 1961	China	The Medal of Cloud and Banner	For services in the Taiwan Strait area.
Holman, William G., 77073	Feb. 1, 1961	Netherlands	Orange-Nassau Medal	For service as assistant naval attaché.
		Belgium	Order of Military Cross, First Class	For service as assistant naval attaché.
Oelheim, Bennett C., 77214	July 1, 1961	Brazil	Order of Naval Merit, Officer	For service to the Brazilian Navy.
Scheve, Carl J., 78433	July 1, 1960	Brazil	Order of Naval Merit, Officer	For service to the Brazilian Navy.
Putman, Charles F., 78668	Aug. 1, 1961	Spain	Cross of Naval Merit, Third Class, with white distinctive.	Token of good will.
Brantley, William L., 78818	Aug. 1, 1960	Chile	The Military Medal, Second Class	Token of good will.
Nylund, Harvey R., 82792	Jan. 1, 1959	Brazil	Order of Naval Merit, Officer	Token of good will.
Butcher, Harry C., 83754	Dec. 1, 1953	France	Medal of Liberation of France	For service as war correspondent during World War II.
Daly, George K., 84604	June 1, 1960	France	Croix de Guerre with Silver Star	Token of good will.
Oard, Harry C., 86763	July 1, 1961	Peru	Peruvian Cross of the Order of Naval Merit, Commander.	Token of good will.
Gerber, Marvin L., 113084	Aug. 1, 1961	Argentina	Order of Naval Merit, Commander	Token of good will.
Whichard, Rogers D., 117575	Nov. 1, 1961	France	Academic Palms Medal (Academic Officer).	Token of good will.
Lowther, Robert D., 118046	July 1, 1961	Peru	Peruvian Cross of Naval Merit, Commander.	For service to the Peruvian Navy.
Enzweiler, Joseph M., 146892	Feb. 1, 1958	Peru	Peruvian Cross of Naval Merit, Officer	For service to the Peruvian Navy.

DEPARTMENT OF THE NAVY—Continued

Name	Date of retirement	Donor government	Award	Remarks
Commander				
Sears, Richard D., Jr., 40173	Nov. 1, 1957	France	Legion of Honor, Chevalier	Token of good will.
Chapman, George H., Jr., 68173	July 1, 1960	Philippines	Legion of Honor, Officer	Token of good will.
Bailey, Benjamin F., 71680	July 1, 1960	Greece	Royal Order of George I, Officer	Token of good will.
Thomas, Robert H., 72052	July 1, 1960	Korea	Order of Military Merit, Ulchi	Token of good will.
Bierer, Howard T., 72604	July 1, 1960	Greece	Gold Cross of the Order of George I	Token of good will.
Atherton, Harry S., 72450	Sept. 1, 1959	Brazil	Order of Naval Merit, Officer	Member of naval mission to Brazil.
Bartlett, Wilson R., 74986	July 1, 1961	Chile	Military Medal, Third Class	For service to the Chilean Navy.
Shilling, Samuel G., 77107	July 1, 1960	Cuba	Order of Naval Merit, Second Class	Token of good will.
Baczenski, Frank J., 77368	Nov. 1, 1956	Peru	Peruvian Cross of Naval Merit, Commander.	For service to the Peruvian Navy.
Kelley, George A., Jr., 77431	June 1, 1955	Peru	Peruvian Cross of Naval Merit (Knight Commander) Distintivo Blanco.	Taken of good will.
Michels, Ralph J., 78143	July 1, 1960	Venezuela	Order of Francisco de Miranda, Second Class.	For service as chief, United States naval mission to Venezuela.
Winiecki, Frank G., 78231	Apr. 1, 1959	Greece	Royal Order of King George I, Officer	For service to the Royal Hellenic Navy.
Cooper, Thomas V., 78568	Mar. 1, 1957	Korea	Order of Military Merit, Chung Mu with Gold Star.	Token of good will.
Fey, William L., Jr., 78654	June 1, 1960	Thailand	Order of the White Elephant	Token of good will.
Bates, Langford W., 81753	July 1, 1960	Ecuador	Abdon Calderon, First Class	Token of good will.
Heine, Heinrich, Jr. (n) 82258	June 1, 1961	Philippines	Legion of Honor, Officer	Token of good will.
Miller, Steward C., 84761	Jan. 1, 1958	Ecuador	Abdon Calderon, Second Class	Token of good will.
Smith, Roger F., 85257	July 1, 1960	Argentina	Medal and Antarctic Insignia of the Argentine Navy.	For service as naval adviser to the Argentine Naval War College.
James, John C., 85734	July 1, 1961	Brazil	Order of Naval Merit, Officer	For service to the Brazilian Navy.
Baker, Wayne D., 90031	July 1, 1960	China	The Medal of Pao Ting	Crisis in the Taiwan Straits.
Smith, Ralph C., Jr., 95725	July 1, 1961	Greece	Royal Order of the Phoenix, Officer	Token of good will.
McIntyre, Arthur G., 100263	July 1, 1959	Peru	Peruvian Cross of Naval Merit, Knight Commander.	Token of good will.
Brown, Pride C., Jr., 100418	Mar. 1, 1961	France	Legion of Honor, Chevalier	Token of good will.
Johnson, Donald H., 112085	July 1, 1961	Spain	Order of Naval Merit, Second Class	Token of good will.
Taylor, Harold A., 390058	Aug. 1, 1961	Brazil	Order of Naval Merit, Knight	For service to the Brazilian Navy.
Lieutenant Commander				
Manning, George C., 8685	June 30, 1939	Brazil	Brazilian Naval Order for Services of Distinction.	Token of good will.
Reynolds, Raymond M., 104485	July 1, 1961	Brazil	Order of Aeronautical Merit (Commander).	Token of good will.
Mallek, Robert A., 108497	Oct. 1, 1961	Brazil	Order of Nava Merit (Officer)	Token of good will.
Wannemacher, Charles R., 189528	June 1, 1958	Peru	Peruvian Cross of the Order of Naval Merit, Commander.	Token of good will.
Snook, Norman A., 201901	Mar. 1, 1958	Brazil	Order of Naval Merit, Knight	For service to the Brazilian Navy.
O'Connor, James V., 263280	July 1, 1960	Greece	Royal Order of George I, Member	Token of good will.
Walker, John B., 284496	Mar. 1, 1958	Peru	Peruvian Cross of Naval Merit, Commander.	Token of good will.
Beer, James H., 300348	Mar. 1, 1958	Brazil	Order of Naval Merit, Knight	For service to the Brazilian Navy.
Jones, Forrest M., 309750	June 1, 1960	Philippines	Legion of Honor, Officer	Token of good will.
Reynolds, Bruce H., 309915	Jan. 1, 1962	Brazil	Order of Naval Merit, Chevalier	Token of good will.
Bailey, Ira V., 319631	July 1, 1960	China	Army, Navy, and Air Force Medal A, Second Grade.	Rescue assistance.
Epps, Edward W., 355590	Feb. 1, 1960	China	Army, Navy, and Air Force Medal A, Second Grade.	Rescue assistance.
Horn, Leslie E., 355684	July 1, 1959	Koreo	Order of Military Merit, Chung Mu with Silver Star.	Token of good will.
Burt, Robert A., Jr., 487266	Dec. 1, 1960	Brazil	Order of Naval Merit, Knight	For service to the Brazilian Navy.
Enlisted				
Symmes, Clifton C., 2014765	Mar. 1, 1961	Ecuador	Abdon Calderon, Third Class	Token of good will.
Carlisle, Judd F., 3755777	July 1, 1960	Ecuador	Abdon Calderon, Third Class	Token of good will.
Civilian				
Malanot, Elmer W	Feb. 29, 1960	Jordan	Longines watch and photograph of King Hussein.	For service in transferring a shipment of United States Army equipment to the Jordan Arab Army at Aqaba.
Wood, Gilbert J	May 31, 1958	Jordan	Longines watch	For service in transferring a shipment of United States Army equipment to the Jordan Arab Army at Aqaba.

UNITED STATES MARINE CORPS

Major General				
Jerome, Clayton C., O3799	July 1, 1958	Chile	Al Merito, Grade of Grand Official	For service as aide to the President of Chile during his visit to United States in early 1950.
Jack, Samuel S., O4252	July 1, 1961	Korea	Order of Military Merit, Taeguk	For service to Republic of Korea as Commanding General, First Marine Air Wing, Sept. 22, 1955, to June 30, 1956.
Brigadier General				
South, Hamilton D., Jr., O3815	Apr. 1, 1958	Brazil	Order of Naval Merit, Grade of Commander.	For service as assistant naval attaché and assistant naval attaché for air, naval aviator and administration officer at the Office of the Naval Attaché, Rio de Janeiro, Brazil, September 1948 to November 1949.
		Korea	Ulchi Distinguished Military Service Medal.	For service as assistant chief of staff, G-1, First Marine Air Wing, July 28, 1955, to June 8, 1956.
Taxis, Samuel G., O4656	Nov. 1, 1959	Syria	Syrian Merit Medal, First Class	For service to the Republic of Syria as Chairman, Israeli-Syrian Mixed Armistice Commission, United Nations Truce Supervision Organization, May 10, 1951, to Apr. 6, 1953.
Freuler, Herbert C., O4683	June 1, 1959	Korea	Ulchi Distinguished Military Service Medal.	For service to Republic of Korea while serving as assistant chief of staff, G-4, First Marine Air Wing, Sept. 12, 1955, to June 8, 1956.
Kirgis, Howard G., O5367	Nov. 1, 1959	Brazil	Order of Naval Merit	For service rendered to the Brazilian Navy during his tour of duty as the Marine Corps member of the United States naval mission to Brazil.
Shofner, Austin C., O5641	Nov. 1, 1959	Peru	Cross of Naval Merit, grade of Commander.	For services as United States naval attaché and United States naval attaché for air, Lima, Peru, March 1947 to June 1949.
Colonel				
Hayden, Reynolds K., O4953	Feb. 1, 1960	Thailand	Knight Commander of Crown of Thailand, Second Class.	For service to the Republic of Thailand as United States naval attaché and United States naval attaché for air, Bangkok, Thailand, Oct. 1, 1952, to Aug. 19, 1954.
McGlashan, Robert C., O5379	Sept. 1, 1958	Brazil	Order of Naval Merit, degree of Commander.	For service to Brazilian Navy as amphibious adviser to Brazilian Naval War College, United States naval mission to Brazil, December 1951 to January 1954.

UNITED STATES MARINE CORPS—Continued

Name	Date of retirement	Donor government	Award	Remarks
Meek, Harold B., O5507	Feb. 1, 1961	Brazil	Naval Medal for Distinctive Service	For service rendered the Brazilian Navy during his tour of duty as Marine Corps member and Marine Corps adviser to Brazilian War College, United States naval mission to Brazil.
King, Howard E., O6211	Mar. 1, 1960	Spain	Cross of Aeronautical Merit, Second Class, Distinctive White.	For service in connection with flood relief operations conducted by Marine helicopter units from the United States ship *Lake Champlain* at Valencia, Spain, Nov. 22, 1954.
Smith, Sherman A., O6984	June 1, 1961	Brazil	Order of Naval Merit, Grade of Officer	For service rendered to the Republic of Brazil.
Stonecliffe, David W., O5430	July 1, 1961	Thailand	Crown of Thailand Medal, Second Class.	For service as United States naval attaché and naval attaché for air, Bangkok, Thailand, Sept. 21, 1950, to Oct. 5, 1952.
Lieutenant Colonel				
Donnell, John L., O6712	July 1, 1961	Philippines	Legion of Honor, Officer	For service as commanding officer, marine barracks, United States Naval Base, Olongapo, Zambales, July 5, 1952, to July 8, 1954.
Captain				
Brockman, William A., O27147	June 1, 1961	China	Air Force Pilot Wings	For service during Operation Hunger, a Taiwan flood relief action, Aug. 10-20, 1959.
CWO-4				
Davis, Perry W., O19886	July 1, 1960	Haiti	Order of Honor and Merit	For service as adviser to the recruit depot and rifle range instructor of the Armed Forces of Haiti.

SEC. 2. Notwithstanding any provision of law, General of the Army Douglas MacArthur is authorized to accept and wear the Grand Cordon of the Order of the Rising Sun with Paulownia Flowers which has been tendered him by His Majesty the Emperor of Japan.

The title was amended so as to read: "To authorize certain retired and other personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries."

EXPANSION AND IMPROVEMENT OF GEORGE WASHINGTON UNIVERSITY HOSPITAL

The bill (H.R. 8916) to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

INCREASE IN AUTHORIZATION FUNDS FOR CONSTRUCTION OF HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1834) to further amend the act of August 7, 1946, by providing for an increase in the authorization funds to be granted for the construction of hospital facilities in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

That section 6 of the Act of August 7, 1946 (60 Stat. 896), as amended, is amended (1) by striking out "$40,730,000" and inserting in lieu thereof "$41,105,000" and (2) by striking out "June 30, 1962" and inserting in lieu thereof "on the last day of the second session of the Eighty-seventh Congress."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT TO ACT TO AUTHORIZE COMMISSIONERS OF DISTRICT OF COLUMBIA TO REMOVE DANGEROUS AND UNSAFE BUILDINGS

The Senate proceeded to consider the bill (S. 3011) to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings," and for other purposes, which had been reported from the Committee on the District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

That section 4 of the Act of March 1, 1899 (30 Stat. 923), as amended (sec. 5-504, D.C. Code, 1961 edition), is hereby amended (a) by inserting "(a)" immediately after "SEC. 4"; (b) by inserting "any dead, dangerous, or diseased tree, or part thereof," after "excavation," in the first sentence; (c) by striking "excavation" in the second sentence and inserting in lieu thereof "excavation, or any dead, dangerous, or diseased tree, or part thereof,"; (d) by striking "or parts thereof, or miscellaneous accumulation of material or debris" in such second sentence and inserting in lieu thereof "or parts thereof, any miscellaneous accumulation of material or debris, or any dead or dangerous tree, or part thereof, or the removal or spraying of any diseased tree"; (e) by adding at the end of such section 4(a) the following sentence: "Within the meaning of this section, a dead tree shall be any tree with respect to which the Commissioners of the District of Columbia or their designated agent have determined that no part thereof is living, a dangerous tree is any tree or part thereof, living or dead, which the said Commissioners or their designated agent shall find is in such condition and is so located as to constitute a danger to persons or property on public space in the vicinity of such tree; and a diseased tree shall be any tree on private property in such a condition of infection from a major pathogenic disease as to constitute, in the opinion of the said Commissioners or their designated agent, a threat to the health of any other tree.", and (f) by adding at the end thereof the following new subsection:

"(b) The authority conferred on the Commissioners under subsection (a) with respect to the removal of dangerous and diseased trees constituting a nuisance shall be exercised by the Commissioners only after every reasonable effort has been made to abate such nuisance other than by the removal of any such tree, or part thereof.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REDUCTION IN WORKWEEK OF FIRE DEPARTMENT OF THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3086) to provide for a reduction in the workweek of the Fire Department of the District of Columbia which had been reported from the Committee on the District of Columbia, with amendments, on page 2, line 7, after the word "an", to strike out "annual average workweek of not to exceed forty-eight hours" and insert "average workweek of not to exceed fifty-two hours during an administratively established workweek cycle which the Commissioners are hereby authorized to establish from time to time"; after line 17, to insert:

(b) Paragraph (c) of subsection (a) of section 2 of such Act approved June 19, 1948, as amended, and redesignated as paragraph (3) by this section, is amended by striking therefrom the period and inserting in lieu thereof a colon and the following: "*Provided*, That notwithstanding the provisions of this subsection, the Commissioners of the District of Columbia or their designated agent or agents may, whenever the exigencies of the Fire Department require temporary or short-term services of one or more officers or members, order such officer, officers, member, or members to perform such services."

On page 3, line 14, after the word "average", to strike out "annual" and insert "established"; on page 4, line 4, after "(1)", to strike out "Four and eight-tenths" and insert "Five and two-tenths"; in line 7, after "(2)", to strike out "Seven and five-tenths" and insert "Eight"; in line 10, after "(3)", to strike out "Nine and six-tenths" and insert "Ten and four-tenths"; in line 15, after the word "a", to strike out "four-fifths" and insert "thirteen-fifteenths"; in line 17, after the word "for", to strike out "four-fifths" and insert "thirteen-fifteenths", and on page 6, line 1, after the word "than", to strike out "twenty-four" and insert "twenty-six", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (a) of subsection (a) of section 2 of the Act entitled "An Act to amend the Act entitled 'An Act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes', approved June 20, 1906, and for other purposes", approved June 19, 1948 (62 Stat. 498), as amended (sec. 4–404a(a), D.C. Code, 1961 edition), is amended to read as follows:

"(a)(1) Beginning with the first day of the first pay period which begins not less than one hundred and twenty days after enactment of this amendatory subsection or which begins on or after July 1, 1962, whichever is later, the Commissioners of the District of Columbia are authorized and directed to establish a workweek for officers and members of the Firefighting Division of the Fire Department of the District of Columbia which will result in an average workweek of not to exceed fifty-two hours during an administratively established workweek cycle which the Commissioners are hereby authorized to establish from time to time: *Provided,* That no workweek shall exceed seventy-two hours."

Sec. 2. (a) Paragraphs (b), (c), (d), and (e) of subsection (a) of section 2 of such Act approved June 19, 1948 (62 Stat. 498), as amended (sec. 4–404a(a), D.C. Code, 1961 edition), are hereby redesignated as paragraphs (2), (3), (4), and (5), respectively.

(b) Paragraph (c) of subsection (a) of section 2 of such Act approved June 19, 1948, as amended, and redesignated as paragraph (3) by this section, is amended by striking therefrom the period and inserting in lieu thereof a colon and the following: "*Provided,* That notwithstanding the provisions of this subsection, the Commissioners of the District of Columbia or their designated agent or agents may, whenever the exigencies of the Fire Department require temporary or short-term services of one or more officers or members, order such officer, officers, member, or members to perform such services."

Sec. 3. Clause (E) of subsection (b) of section 405 of the District of Columbia Police and Firemen's Salary Act of 1953 (67 Stat. 76), as amended (sec. 4–821, D.C. Code, 1961 edition), is amended to read as follows:

"(E) In the case of the Firefighting Division of the Fire Department of the District of Columbia—

"(i) a biweekly rate shall be divided by two to derive a weekly rate;

"(ii) the weekly rate shall be divided by the number of workdays in the average established workweek to arrive at a daily rate;

"(iii) a daily rate shall be divided by two to derive a one-half daily rate; and

"(iv) an hourly rate shall be determined by dividing the daily rate of pay by twelve, except for the purpose of computation of holiday pay."

Sec. 4 (a) In lieu of the annual leave to which officers and members of the Firefighting Division of the Fire Department of the District of Columbia are entitled under the provisions of section 203(a) of the Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended, such officers and members shall be entitled to annual leave which shall accrue as follows:

(1) Five and two-tenths hours for each full biweekly pay period in the case of officers and members with less than three years service;

(2) Eight hours for each full biweekly pay period in the case of officers and members with three but less than fifteen years service;

(3) Ten and four-tenths hours for each biweekly pay period in the case of officers and members with fifteen years or more service.

(b) Accumulated annual leave to the credit of each officer and member of such Firefighting Division shall be adjusted by applying a thirteen-fifteenths factor so that each officer and member of such Firefighting Division shall be given credit for thirteen-fifteenths of a day of leave for each day of such accumulated annual leave, and thereafter accumulated annual leave credited to him pursuant to the Annual and Sick Leave Act of 1951, as amended, shall be similarly adjusted when an officer or member is transferred to the Firefighting Division from another agency or from another division of the Fire Department.

(c) When an officer or member of such Firefighting Division is transferred to another agency or to another division of the Fire Department, whose employees are entitled to annual leave with pay pursuant to the Annual and Sick Leave Act of 1951, as amended, the reverse of the formula in subsection (b) shall be applied for the purpose of adjusting accumulated annual leave.

(d) For computation on an hourly basis, all adjusted days of annual leave or fractions thereof, as provided in subsections (b) and (c) of this section, and days of sick leave shall be multiplied by twelve to determine the number of hours of annual or sick leave to which each such officer or member of such Firefighting Division shall be entitled, and the number of hours of annual or sick leave shall be divided by twelve to determine the number of days, or fraction thereof, of annual or sick leave to which such officer or member of such Firefighting Division shall be entitled.

(e) Notwithstanding any provision in any other law, the amount of annual leave accumulated on the effective date of this Act, if thirty days or more, shall, upon conversion to the new total in accordance with this section, be the maximum accumulation authorized: *Provided,* That if the amount of annual leave accumulated before the conversion is less than thirty days on the effective date of this Act, then, after conversion to the new total, leave which is not used shall accumulate for use in succeeding years until it totals no more than twenty-six days at the beginning of the first complete biweekly pay period.

Sec. 5. This Act shall take effect on the first day of the first pay period which begins not less than one hundred and twenty days after its enactment, or on or after the first day of the first pay period which begins on or after July 1, 1962, whichever is later.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

TAX EXEMPTION FOR CERTAIN PROPERTY OF ARMY DISTAFF FOUNDATION

The Senate proceeded to consider the bill (H.R. 2838) to exempt from taxation certain property of the Army Distaff Foundation, which had been reported from the Committee on the District of Columbia, with amendments, on page 3, line 13, after the word "all", to insert "real property", and after line 20, to insert a new section, as follows:

Sec. 2. The tax exemption authorized by this Act shall become effective on the first day of the fiscal year next following the completion of construction by the Army Distaff Foundation of facilities necessary to carry out the purposes of the foundation as described in its certificate of incorporation: *Provided,* That such exemption shall, in no event, be applicable to any fiscal year prior to the fiscal year commencing July 1, 1962, and ending June 30, 1963.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SALE OF CERTAIN PROPERTY IN PRINCE WILLIAM COUNTY, VIRGINIA, OWNED BY THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H.R. 9699) to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, line 6, after the word "value", to insert "to Prince William County, Virginia, or to a nonprofit corporation designated by the board of supervisors of such county".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT TO DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

The bill (H.R. 7752) to amend the District of Columbia Alcoholic Beverage Control Act, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO DISTRICT OF COLUMBIA TRAFFIC ACT

The bill (S. 2793) to amend the District of Columbia Traffic Act to assess reasonable fees for the restoration of motor vehicle operators' permits and operating privileges after suspension or revocation thereof was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 6 of the District of Columbia Traffic Act, 1925, as amended (43 Stat. 1121; sec. 40–603(a), D.C. Code, 1951 edition), is amended by striking "issuance and revocation of operators' permits" and inserting in lieu thereof "issuance, suspension, and revocation of operators' permits and the suspension and revocation of operating privileges, including rules and regulations assessing reasonable fees to reimburse the District for the cost of restoring suspended or revoked operators' permits and privileges, such fees not to exceed the amount of $5 per restoration".

REGULATION OF CREDIT LIFE, ACCIDENT, AND HEALTH INSURANCE IN THE DISTRICT OF COLUMBIA

The bill (S. 2357) to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act, regulating credit life insurance and credit accident and health insurance in the District of Columbia may be cited as "The Act for the Regulation of Credit Life Insurance and Credit Accident and Health Insurance".

(b) All life insurance and all accident and health insurance in connection with loans or other credit transactions of less than five years duration in the District of Columbia shall be subject to the provisions of this Act. Such insurance written in connection with a loan or other credit transaction of five years duration or more shall not be subject to the provisions of this Act, nor shall such insurance be subject to the provisions of this Act if the issuance of the insurance is an isolated transaction on the part of the insurer not related to a plan or regular course of conduct for insuring debtors of the creditor.

DEFINITIONS

SEC. 2. For the purpose of this Act—

(a) "Commissioners" means the Commissioners of the District of Columbia;

(b) "Credit life insurance" means insurance issued on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction;

(c) "Credit accident and health insurance" means insurance against the disability of a debtor which provides indemnity for payments on a specific loan or other credit transaction;

(d) "Creditor" means the lender of money or vendor of goods, services, or property, including a lessor under a lease intended as a security, for which payment is arranged through a loan or other credit transaction, and includes any successor to the right, title, or interest of any such lender, vendor, or lessor;

(e) "Debtor" means a borrower of money or purchaser of goods, services, or property, including a lessee under a lease intended as a security, for which payment is arranged through a loan or other credit transaction;

(f) "District" means the District of Columbia;

(g) "Indebtedness" means the amount payable by a debtor to a creditor in connection with a loan or other credit transaction; and

(h) "Superintendent" means the Superintendent of Insurance of the District of Columbia.

FORMS OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE

SEC. 3. Credit life insurance and credit accident and health insurance shall be issued only in the following forms:

(a) Individual policies of life insurance issued to debtors on the term plan;

(b) Individual policies of accident and health insurance issued to debtors on a term plan or disability provisions in individual life policies to provide such coverage;

(c) Group policies of life insurance issued to creditors providing insurance upon the lives of debtors on the term plan;

(d) Group policies of accident and health insurance issued to creditors on a term plan insuring debtors or disability provisions in group life policies to provide such coverage.

AMOUNT OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE

SEC. 4. (a) The amount of credit life insurance shall not exceed the initial indebtedness however the indebtedness may be repayable, nor, in the case of any group policy, shall such amount exceed the maximum amount specified in section 10(2)(d) of chapter V of the Life Insurance Act of the District of Columbia, as amended (48 Stat. 1164; sec. 35-710(2)(d), D.C. Code, 1951 ed.). In cases where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled amount of unpaid indebtedness in the case of any individual policy or the actual amount of the unpaid indebtedness in the case of any group policy.

(b) The amount of indemnity payable by credit accident and health insurance in the event of disability, as defined in the policy, shall not exceed the aggregate of the periodic scheduled unpaid installments of indebtedness; and the amount of each periodic indemnity payment shall not exceed the original indebtedness divided by the number of periodic installments.

TERM OF CREDIT LIFE INSURANCE AND CREDIT ACCIDENT AND HEALTH INSURANCE

SEC. 5. The term of any credit life insurance or credit accident and health insurance shall, subject to acceptance by the insurance company, commence on the date when the debtor becomes obligated to the creditor, except that where a group policy provides coverage with respect to existing obligations the insurance on a debtor with respect to such indebtedness shall commence on the effective date of the policy. Where evidence of insurability is required and such evidence is furnished more than thirty days from the date when the debtor becomes obligated to the creditor, the term of the insurance may commence on the date on which the insurance company determines the evidence to be satisfactory, and in such event there shall be an appropriate refund or adjustment of any charge to the debtor for insurance. The term of such insurance shall not extend more than fifteen days beyond the scheduled maturity date of the indebtedness except when extended without additional cost to the debtor. If the indebtedness is charged due to renewal or refinancing prior to the scheduled maturity date, the insurance in force shall be terminated before any new insurance may be issued in connection with the renewal or refinanced indebtedness. In all cases of termination prior to scheduled maturity, a refund shall be paid or credited as provided in section 8.

PROVISIONS OF POLICIES AND CERTIFICATES OF INSURANCE; DISCLOSURE TO DEBTORS

SEC. 6. (a) All credit life insurance and credit accident and health insurance shall be evidenced by an individual policy, or in the case of group insurance by a group policy and individual certificates of insurance.

(b) Each individual policy or certificate of credit life insurance, each individual policy or certificate of credit accident and health insurance, and each individual policy or certificate of credit life insurance and credit accident and health insurance shall, in addition to other requirements of law, set forth the name and home office address of the insurance company, and the identity by name or otherwise of the person insured, the rate or amount of payment, if any, by the debtor separately in connection with credit life insurance and credit accident and health insurance, a description of the coverage, including the amount and term thereof (which in the case of group insurance may be by description rather than stated amount and term), any exceptions, limitations, or restrictions, and shall state that the benefits shall be paid to the creditor to reduce or extinguish the unpaid indebtedness and, whenever the amount of insurance may exceed the unpaid indebtedness, that any such excess shall be payable to a beneficiary, other than the creditor, named by the debtor or to his estate.

(c) Except as hereinafter provided, an individual policy or certificate of insurance shall be delivered to the insured debtor at the time the indebtedness is incurred.

(d) If a debtor makes a separate payment for credit life or credit accident and health insurance and an individual policy or certificate of insurance is not delivered to the debtor at the time the indebtedness is incurred, a copy of the application for such policy or a notice of proposed insurance shall be delivered at such time to the debtor by the creditor. The copy of the application for or notice of proposed insurance shall be signed by the debtor and shall set forth the identity by name or otherwise of the person insured; the rate or amount of payment by the debtor separately for credit life insurance and credit accident and health insurance; and a statement that within thirty days, if the insurance is accepted by the insurance company, there will be delivered to the debtor an individual policy or certificate of insurance containing the name and home office address of the insurance company, and a description of the amount, term, and coverage including any exceptions, limitations, and restrictions. The copy of the application for, or notice of, proposed insurance shall refer exclusively to insurance coverage, and shall be separate and apart from the loan, sale, or other credit statement of account, instrument, or agreement unless the information required by this subsection is prominently set forth in such statement of account, instrument, or agreement. If a debtor does not make a separate payment for credit life or credit accident and health insurance, an application need not be taken or a notice of proposed insurance given. In any case, upon acceptance of the insurance by the insurance company, and within thirty days of the date upon which the term of the insurance commences, the insurance company shall cause the individual policy or certificate of insurance to be delivered to the debtor. Said application or notice of proposed insurance shall state that, upon acceptance by the insurance company, the insurance shall become effective as provided in section 5.

FILING, APPROVAL, AND WITHDRAWAL OF FORMS

SEC. 7. (a) All forms of policies, certificates of insurance, notices of proposed insurance, applications for insurance, binders, endorsements and riders delivered or issued for delivery in the District and the premium rates pertaining thereto shall be filed with the Superintendent by the insurance company, in such manner and together with such supporting information as the Superintendent may reasonably require. In any case where a group policy is made for a group in the District and the policy is neither delivered nor issued for delivery in the District, the form of policy and all other forms and premium rates referred to in the preceding sentence shall be filed with the Superintendent by the insurance company.

(b) The Superintendent may, within thirty days after the filing of any form of policy, certificate of insurance, notice of proposed insurance, application for insurance, binder, endorsement or rider, disapprove any such form if the premium rates charged or to be charged appear by reasonable assumptions to be excessive in relation to benefits paid or to be paid, or if the form contains provisions which are unjust, unfair, inequitable, misleading, or deceptive. In determining whether to disapprove any such form the Superintendent may give due consideration to past and prospective loss experience within and outside the District, to underwriting practice and judgment to the extent appropriate, and to all other relevant factors within and outside the District, and he may take into account the experience of the individual company.

(c) If the Superintendent notifies the insurance company that the form does not comply with the requirements of this Act, it shall be unlawful thereafter for such insurance company to issue or use such form. In such notice, the Superintendent shall specify the reason for his disapproval and state that a hearing will be granted promptly upon request in writing by the insurance company. No such policy, certificate of insurance, notice of proposed insurance, application for insurance, binder, endorsement, or rider shall be issued or used until the expiration of thirty days after it has been so filed, unless the Superintendent shall give his prior written approval thereto.

(d) The Superintendent may, at any time after a hearing, held after not less than twenty days' written notice to the insurance company, withdraw his approval of any such form if it does not meet the requirements of this Act.

(e) The insurance company shall not issue such forms or use them after the effective date of such withdrawal of approval.

(f) The insurance company may revise such forms and the premium rates pertaining thereto from time to time, and such revised forms and premium rates shall be filed with the Superintendent and shall be subject to all the preceding requirements of this section, in like manner as though they were original filings with the Superintendent.

REFUNDS

SEC. 8. (a) Each individual policy or certificate of credit life insurance or credit accident and health insurance shall provide that in the event of termination of the insurance prior to the scheduled maturity date of the indebtedness, any refund of an amount paid by the debtor for insurance shall be paid or credited promptly to the person entitled thereto: *Provided*, That the Superintendent shall prescribe a minimum refund and no refund which would be less than such minimum need be made. The formula to be used in computing refunds shall be filed with the Superintendent who may disapprove such formula if he finds that it is unjust or unreasonable.

(b) If a creditor requires a debtor to make a payment in connection with credit life insurance or credit accident and health insurance and an individual policy or certificate of insurance is not issued, the creditor shall promptly give written notice to such debtor and shall promptly make an appropriate credit to the account.

(c) The amount charged to a debtor for credit life or credit accident and health insurance shall not exceed the premium rate charged by the insurance company at the time the charge to the debtor is determined.

CLAIMS

SEC. 9. (a) All claims shall be paid either by draft drawn upon the insurance company or by check of the insurance company to the order of the claimant to whom payment of the claim is due pursuant to the policy provisions, or upon direction of such claimant to one specified, and every insurance company shall be held to strict settlement of all such claims.

(b) It shall be unlawful for any creditor, having received any such check or draft from such insurance company, to fail to correctly credit the account, pay to or upon the direction of, or otherwise correctly account to the claimant to whom payment is due for the full amount of such check or draft, less any lawful deductions therefrom.

(c) No plan or arrangement shall be used whereby any person, firm, or corporation other than the insurance company or its designated claim representative shall be authorized to settle or adjust claims. The creditor shall not be designated as claim representative for the insurance company in adjusting claims, nor, in the case of an individual creditor, shall the spouse of such creditor or any relative of the creditor or spouse within the third degree of consanguinity be so designated, nor shall any officer or employee of a corporate creditor or any spouse or relative of such officer, employee, or spouse within the third degree of consanguinity be so designated: *Provided*, That a group policyholder may, by arrangement with the group insurance company, draw drafts or checks in payment of claims due to the group policyholder subject to audit and review by the insurance company.

EXISTING INSURANCE—CHOICE OF INSURER

SEC. 10. When credit life insurance or credit accident and health insurance is required as additional security for any indebtedness, the creditor may not require that the insurance be written through any particular insurance company or any particular agent, and the debtor shall, upon request to the creditor, have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him or of procuring and furnishing the required coverage through any insurance company authorized to transact an insurance business within the District.

ENFORCEMENT

SEC. 11. (a) In the case of any violation of this Act by an insurance company, agent, solicitor, or broker, the Superintendent shall have authority to proceed in accordance with the provisions of sections 6 and 27 of the Act approved June 19, 1934, as amended (48 Stat. 1121 and 1140; secs. 35–405 and 35–426, D.C. Code, 1951 ed.), and sections 3 and 36 of the Act approved October 9, 1940, as amended (54 Stat. 1066 and 1079; secs. 35–1306 and 35–1340, D.C. Code, 1951 ed.).

(b) In the case of any violation of this Act by a creditor or by any other person not licensed in the District as an insurance agent, solicitor, or broker, regardless of the fact that such creditor or other person is not required by law to be so licensed, the penalties and the procedure for their imposition shall be as set forth in section 43 of the Act approved October 9, 1940, as amended (54 Stat. 1082; sec. 35–1347, D.C. Code, 1951 ed.).

JUDICIAL REVIEW

SEC. 12. Any insurance company, agent, solicitor, or broker aggrieved by any order or action of the Superintendent under this Act may contest the validity of such order or action by appeal or through any other appropriate proceeding, in accordance with the procedures prescribed by sections 44 and 45 of the Act approved October 9, 1940, as amended (54 Stat. 1082; secs. 35–1348 and 35–1349, D.C. Code, 1951 ed.): *Provided*, That any such insurance company, agent, solicitor, or broker which is licensed in the District under the Life Insurance Act approved June 19, 1934, as amended (48 Stat. 1127, et seq.; sec. 35–301, et seq., D.C. Code, 1951 ed.), may contest the validity of such order or action by appeal or through any other appropriate proceeding in accordance with the procedures prescribed by such Act approved June 19, 1934.

EFFECT OF REORGANIZATION PLAN NUMBERED 5 OF 1952

SEC. 13. Nothing in this Act shall be construed so as to affect the authority vested in the Commissioners by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824). The performance of any function vested by this Act in the Commissioners or in any office or agency under the jurisdiction and control of said Commissioners may be delegated by said Commissioners in accordance with section 3 of such plan.

EFFECTIVE DATE

SEC. 14. This Act shall take effect ninety days after its approval.

AMENDMENT TO ACT TO INCORPORATE THE HUNGARIAN REFORMED FEDERATION OF AMERICA

The Senate proceeded to consider the bill (S. 699) to amend the act entitled "An act to incorporate the Hungarian Reformed Federation of America," and for other purposes which had been reported from the Committee on the District of Columbia, with an amendment, to strike out all after the enacting clause and insert:

That section 2 of the Act entitled "An Act to incorporate the Hungarian Reformed Federation of America", approved March 2, 1907 (34 Stat. 1226), is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a semicolon and the following: "to provide all types of benefits which are now or hereafter may be authorized by the laws of the District of Columbia relating to fraternal benefit associations."

SEC. 2. Section 755 of the Act entitled "An Act to establish a Code of Law for the District of Columbia", approved March 3, 1901 (31 Stat. 1189), is amended by striking out "which shall not exceed fifty-five years, and that medical examinations are required of applicants for life benefits,".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

USE BY COLLECTING OR PRIVATE DETECTIVE AGENCIES OF NAME, EMBLEM, OR INSIGNIA CONVEYING IMPRESSION OF BEING AN AGENCY OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

The bill (S. 2795) to prohibit the use by collecting agencies and private detective agencies of any name, emblem, or insignia which tends to convey the impression that such agency is an agency of the government of the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no person engaged in the business of collecting or aiding in the collection of private debts or obligations, or engaged in furnishing private police, investigation, or other private detective services, shall use as part of the name of such business, or employ in any communication, correspondence, notice, advertisement, circular, or other writing or publication, the words "District of Columbia", "District", or "Municipal", the initials "D.C.", or any emblem or insignia utilizing any of the said terms as part of its design, in such manner as reasonably to convey the impression or belief that such business is a department, agency, bureau, or instrumentality of the municipal government of the District of Columbia or in any manner represents the District of Columbia. As used in this Act, the word "person" means and includes individuals, associations, partnerships, and corporations.

SEC. 2. Any person who violates this Act shall be punished by a fine of not more than $300 or by the imprisonment for not more than ninety days, or by both such fine and imprisonment.

Sec. 3. All prosecutions for violations of this Act shall be conducted in the name of the District of Columbia by the Corporation Counsel or any of his assistants. As used in this Act the term "Corporation Counsel" means the attorney for the District of Columbia, by whatever title such attorney may be known, designated by the Board of Commissioners of the District of Columbia to perform the functions prescribed for the Corporation Counsel in this Act.

INCORPORATION OF NATIONAL WOMAN'S RELIEF CORPS, AUXILIARY TO GRAND ARMY OF THE REPUBLIC

The Senate proceeded to consider the bill (S. 2250) to provide for the incorporation of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, organized 1883, 78 years old, which had been reported from the Committee on the District of Columbia, with amendments, on page 3, line 10, after the word "contained", to insert "It shall be the duty of the persons named in this section, jointly and severally, to file with the Superintendent of Corporations of the District of Columbia a copy of this Act within fifteen days after the date of its enactment."; on page 7, after line 15, to strike out:

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation and notice to or service upon such agent shall be deemed notice to or service upon the corporation.

And, in lieu thereof, to insert:

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process, notice, or demand for the corporation, and service of such process, notice or demand required or permitted by law to be served upon the corporation may be served upon such agent. The corporation shall file with the Superintendent of Corporations of the District of Columbia a statement designating the initial and each successor registered agent of the corporation immediately following any such designation. As used in this Act the term "Superintendent of Corporations of the District of Columbia" means the Commissioners of the District of Columbia or any agent designated by them to perform the functions vested by this Act in the Superintendent of Corporations.

On page 9, after line 16, to strike out:

Sec. 15. (a) The financial transactions of the corporation shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit and full facilities for verifying transactions with the balance or securities held by custodian shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

And, in lieu thereof, to insert:

Sec. 15. (a) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such independent audit shall be submitted to the Congress not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and include such statements as are necessary to present fairly the corporation's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year, sources and application of funds, and the financial results of any trading, manufacturing, publishing, or other commercial-type endeavor carried on by the corporation, together with the independent auditor's opinion of those statements. Such report shall not be printed as a public document.

On page 11, line 15, after "Sec. 16.", to strike out "On or before March 1 of each year" and insert "Not later than six months following the close of the fiscal year", and on page 12, after line 12, to strike out:

Sec. 19. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation, shall be distributed in accordance with the determination of the council of administration and in compliance with the constitution and bylaws of the corporation, and all Federal and State laws applicable thereto.

And, in lieu thereof, to insert:

Sec. 19. Upon any dissolution or final liquidation of the corporation, its assets shall be applied and distributed as follows:

(a) All liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor;

(b) Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations engaged in activities of a charitable, religious, eleemosynary, benevolent, educational, or similar purpose, pursuant to a plan of distribution adopted as provided in this Act;

(d) Other assets, if any, shall be distributed in accordance with the provisions of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others;

(e) Any remaining assets may be distributed to such persons, societies, organizations or domestic or foreign corporations engaged in activities not for profit, as may be specified in a plan of distribution adopted by the council of administration of the corportation in compliance with the constitution and bylaws of the corporation and all Federal, State, and District of Columbia laws applicable thereto.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following persons, to wit:

President: Mabel R. Ginder, Toledo, Ohio;

Senior vice president: Jessie Johnston, Cheyenne, Wyoming;

Junior vice president: Irene Randolph, Minneapolis, Minnesota;

Secretary: Bessie K. Coughlin, Providence, Rhode Island;

Treasurer: Ocie M. Tumey, Springfield, Illinois, executive officers;

Legislative committee: Laura I. Smith, chairman, 16 Temple Street, Providence, Rhode Island; Ethel Ferris Hasenbuhler, Washington, District of Columbia; and Marie Morgan, Indianapolis, Indiana;

Past national presidents: Cora M. Davis, Nehalem, Oregon; Catherine McBride Hoster, Indianapolis, Indiana; Annie Poole Atwood, Wollaston, Massachusetts; Beatrice J. Tyson, DeBary, Florida; Lizetta Coady, Detroit, Michigan; Mary J. Love, Louisville, Kentucky; Ida Heacock Baker, Parsons, Kansas; Elizabeth L. Kothe, Parkersburg, Iowa: Grace Houlette Hahn, Miami, Florida; Louise Haider, Santa Barbara, California; Anne Anschutz, Saint Louis, Missouri; Laura I. Smith, Providence, Rhode Island; Alice F. Larson, Minot, North Dakota; Grayce L. Vedetta, Brooklyn, New York; Harriette G. McCollough, Des Moines, Iowa; Eula M. Nelson, Springfield, Illinois; Daisy Heinemann, Milwaukee, Wisconsin; Grace L. Johnson, Toledo, Ohio; Ruth E. Johnson, Bellflower, California; Lucille V. Rand, Worcester, Massachusetts; Gertrude M. Edwards, Iroquois, South Dakota; Bessie K. Coughlin, Providence, Rhode Island; Elizabeth Jeans, Saint Louis, Missouri; and Josephine E. Parkhurst, Pulaski, New York, and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the National Women's Relief Corps, Auxiliary to the Grand Army of the Republic (hereinafter referred to as the corporation), and by such name shall be known and have perpetual succession and the powers, limitations and restrictions herein contained. It shall be the duty of the persons named in this section, jointly and severally, to file with the Superintendent of Corporations of the District of Columbia a copy of this Act within fifteen days after the date of its enactment.

Sec. 2. A majority of the persons named in the first section of this Act, acting in person or by written proxy, are authorized to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws not inconsistent with this Act, and the doing of such other acts as may be necessary for such purpose.

Sec. 3. The purposes of the corporation shall be: To perpetuate the memory of the Grand Army of the Republic, as we the National Women's Relief Corps are their auxiliary and were organized at their request in 1883, and of men who saved the Union in 1861 to 1865; to assist in every practicable way in the preservation and making available for research of documents and records pertaining to the Grand Army of the Republic and its members; to cooperate in doing honor to all those who have patriotically served our country in any way; to teach patriotism and the duties of citizenship, the true history of our country, and the love and honor of our flag; to oppose every tendency or movement that would weaken loyalty to, or make for the destruction or impairment of, our constitutional Union; and to inculcate and broadly sustain the American principles of representative government, of equal rights, and of impartial justice for all.

SEC. 4. The corporation shall have power—

(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, as the corporation may require;

(5) to adopt, amend, and alter a constitution and bylaws; not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take by lease, gift, purchase, grants, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State, (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State; and

(8) to transfer, convey, lease, sublease, encumber, and otherwise alienate real, personal, or mixed property.

SEC. 5. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this Act, be determined as the constitution and bylaws of the corporation may provide. Eligibility for membership in the corporation shall be women, who are the wives, mothers, daughters, and sisters of Union soldiers, sailors, and marines and other loyal women, who have not given aid or comfort to the enemies of the United States of America.

SEC. 6. The supreme governing authority of the corporation shall be the national convention thereof, composed of such officers and elected representatives from the several States as shall be provided by the rules and regulations: *Provided*, That the form of the government of the corporation shall always be representative of the membership at large and shall not permit the concentration of the control thereof in the hands of a limited number of members or in a self-perpetuating group not so representative. The meetings of the national convention may be held in any State or in the District of Columbia.

SEC. 7. (a) During the intervals between the national convention the executive officers shall be the governing board of the corporation and shall be held responsible for the general policies, program, and activities of the corporation.

(b) Upon the enactment of this Act the membership of the initial executive officers of the corporation shall consist of the executive officers of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, the corporation described in section 18 of this Act, or such of them as may then be living and are qualified members of said executive officers, to wit: Mabel R. Ginder, Jessie Johnston, Irene Randolph, Bessie K. Coughlin, Ocie M. Tumey, Mary J. Love, Laura I. Smith, Ethel Ferris Hasenbuhler, and Marie Morgan.

(c) Thereafter, the council of administration of the corporation shall consist of not less than seven members elected in the manner and for the term as may be prescribed in the constitution and bylaws of the corporation.

SEC. 8. The officers of the corporation shall be a national president, senior vice national president, junior vice national president, secretary and treasurer (which latter two offices may be held by one person), and such other officers as may be prescribed in the constitution and bylaws. The officers of the corporation shall be elected in such manner and for such terms and with such duties and titles as may be prescribed in the constitution and bylaws of the corporation.

SEC. 9. (a) The principal office of the corporation shall be located in Springfield, Illinois, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, and the District of Columbia, of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process, notice, or demand for the corporation, and service of such process, notice or demand required or permitted by law to be served upon the corporation may be served upon such agent. The corporation shall file with the Superintendent of Corporations of the District of Columbia a statement designating the initial and each successor registered agent of the corporation immediately following any such designation. As used in this Act the term "Superintendent of Corporations of the District of Columbia" means the Commissioners of the District of Columbia or any agent designated by them to perform the functions vested by this Act in the Superintendent of Corporations.

SEC. 10. (a). No part of the income or assets of the corporation shall inure to any of its members or officers as such, or be distributable to any of them, during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subjection, however, shall be construed to prevent the payment of reasonable compensation to officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the council of administration of the corporation.

(b) The corporation shall not make loans to the officers. Any member of the council of administration, who votes for or assents to the making of a loan or advance to an officer or member of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

SEC. 11. The corporation and its officers and agents as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 13. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

SEC. 14. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its national convention. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

SEC. 15. (a) The accounts of the corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such independent audit shall be submitted to the Congress not later than six months following the close of the fiscal year for which the audit was made. The report shall set forth the scope of the audit and include such statements as are necessary to present fairly the corporation's assets and liabilities, surplus or deficit with an analysis of the changes therein during the year, sources and application of funds, and the financial results of any trading, manufacturing, publishing, or other commercial-type endeavor carried on by the corporation, together with the independent auditor's opinion of those statements. Such report shall not be printed as a public document.

SEC. 16. Not later than six months following the close of the fiscal year the corporation shall report to the Congress on its activities during the preceding fiscal year. Such report may consist of a report on the proceedings of the national convention covering such fiscal year. Such report shall not be printed as a public document.

SEC. 17. The corporation and its subordinate corps shall have the sole and exclusive right to use the name, the National Women's Relief Corps, Auxiliary to the Grand Army of the Republic. The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as have heretofore been used by the Illinois corporation described in section 18 and the right to which may be lawfully transferred to the corporation.

SEC. 18. The corporation may acquire the assets of the National Woman's Relief Corps, Auxiliary to the Grand Army of the Republic, a corporation organized under the laws of the State of Illinois, upon discharging or satisfactorily providing for the payment and discharge of all the liability of such corporation and upon complying with all laws of the State of Illinois applicable thereto.

SEC. 19. Upon any dissolution or final liquidation of the corporation, its assets shall be applied and distributed as follows:

(a) All liabilities and obligations of the corporation shall be paid, satisfied, and discharged, or adequate provision shall be made therefor;

(b) Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;

(c) Assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations, engaged in activities of a charitable religious, eleemosynary, benevolent, educational, or similar purpose, pursuant to a plan of distribution adopted as provided in this Act;

(d) Other assets, if any, shall be distributed in accordance with the provisions of the articles of incorporation or the bylaws to the extent that the articles of incorporation or bylaws determine the distributive rights of members, or any class or classes of members, or provide for distribution to others;

(e) Any remaining assets may be distributed to such persons, societies, organizations or domestic or foreign corporations engaged in activities not for profit, as may be specified in a plan of distribution adopted by the council of administration of the corporation in compliance with the constitution and bylaws of the corporation and all Federal, State, and District of Columbia laws applicable thereto.

SEC. 20. The right to alter, amend, or repeal this Act is expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H.R. 6967) to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes, was announced as next in order.

Mr. ENGLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies was announced as next in order.

Mr. ENGLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

AUTHORITY FOR SECRETARY OF THE NAVY TO ADMIT CERTAIN CITIZENS OF BELGIUM TO U.S. NAVAL ACADEMY

The resolution (S.J. Res. 175) authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis, two citizens and subjects of the Kingdom of Belgium was considered and agreed to, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to permit, within eighteen months after date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Belgium, to be admitted for instruction at the United States Naval Academy at Annapolis, Maryland; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Navy such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as midshipmen at the United States Naval Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the United States Naval Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 6959 of title 10 of the United States Code.

AUTHORITY FOR SECRETARY OF THE AIR FORCE TO ADMIT CITIZEN OF THAILAND TO U.S. AIR FORCE ACADEMY

The resolution (S.J. Res. 129) authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy was considered, and agreed to, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, within one year after the date of enactment of this joint resolution, the Secretary of the Air Force is authorized to admit Prabaddh Riddhagni, a citizen and subject of the Kingdom of Thailand, to the United States Air Force Academy for the purpose of receiving instruction at such Academy if the Secretary find the said Prabaddh Riddhagni to be mentally and physically qualified; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Air Force the said Prabaddh Riddhagni shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Air Force Academy appointed from the United States; but the said Prabaddh Riddhagni shall not be entitled to appointment to any office or position in the United States Air Force by reason of his graduation from the United States Air Force Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject the said Prabaddh Riddhagni to the provisions of section 9348 of title 10 of the United States Code.

LOAN OF ARMED FORCES EQUIPMENT TO BOY SCOUTS OF AMERICA FOR 1963 WORLD JAMBOREE IN GREECE

The bill (H.R. 9752) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes was considered, ordered to a third reading, was read the third time, and passed.

Mr. ENGLE. Mr. President, I ask unanimous consent that Senate bill 2719, Calendar No. 1325, be indefinitely postponed, it being identical with H.R. 9752, Calendar No. 1324, just passed.

The PRESIDING OFFICER. Without objection, Senate bill 2719 will be indefinitely postponed.

BILL PASSED OVER

The bill (H.R. 8355) to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes, was announced as next in order.

Mr. ENGLE. Over by request.

The PRESIDING OFFICER. The bill will be passed over.

ENFORCEMENT OF THE CUSTOMS AND IMMIGRATION LAWS

The bill (S. 2806) to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 26, 1930, as amended (19 U.S.C. 68), is further amended by amending the proviso to read as follows: "*Provided,* That the total amount which may be so expended for any one project, including the site, shall not exceed $100,000, and that where the project is for the joint use of the customs service and the Immigration and Naturalization Service, the combined cost of the project, including the site, shall be charged to the two appropriations concerned."

BILLS PASSED OVER

The bill (S. 3099) to authorize an adequate White House Police Force, and for other purposes, was announced as next in order.

Mr. ENGLE. Over by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3123) to provide an office building for the Housing and Home Finance Agency was announced as next in order.

Mr. ENGLE. Over by request.

The PRESIDING OFFICER. The bill will be passed over.

FURNISHING OF COURT QUARTERS WHERE REGULAR TERMS OF COURT ARE AUTHORIZED

The Senate proceeded to consider the bill (S. 3156) to amend section 142 of title 28, United States Code, with regard to furnishing court quarters and accommodations at places where regular terms of court are authorized to be held, and for other purposes, which had been reported from the Committee on Public Works; with an amendment; on page 2, line 1, after the word "authorized", to insert "by law", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 142 of title 28, United States Code, is amended by adding at the end of such section the following: "The foregoing restrictions shall not, however, preclude the Administrator of General Services, at the request of the Director of the Administrative Office of the United States Courts, from providing such court quarters and accommodations as the Administrator determines can appropriately be made available at places where regular terms of court are authorized by law to be held, but only if such court quarters and accommodations have been approved as necessary by the judicial council of the appropriate circuit."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SITES FOR PUBLIC BUILDINGS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3157) to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired, which had been reported from the Committee on Public Works, with an amendment, after line 5, to insert a new section, as follows:

SEC. 2. Subsections (b) and (c) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607 (b) and (c)) are hereby redesignated as subsections (a) and (b), respectively, of such section.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That subsection (a) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481, 40 U.S.C. 607(a)) is hereby repealed.

SEC. 2. Subsections (b) and (c) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607 (b) and (c)) are hereby redesignated as subsections (a) and (b), respectively, of such section.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S.J. Res. 137) to authorize the Secretary of Commerce, in cooperation with the State of Alaska, to undertake studies and surveys relative to a highway construction program for Alaska, and for other purposes was announced as next in order.

Mr. ENGLE. Over by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, was announced as next in order.

Mr. ENGLE. Mr. President, the bill is not calendar business. I ask that it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

IMPROVEMENT OF LAND TENURE PATTERNS OF FORT BELKNAP RESERVATION

The Senate proceeded to consider the bill (S. 1316) to improve the land tenure patterns of the Fort Belknap Reservation, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 7, after the word "Indian", to strike out "Community Council" and insert "community"; in line 8, after the word "authorized", to insert "subject to the provisions of the constitution of the community"; in line 10, after the word "of", to strike out "the community" and insert "the Fort Belknap Indian community", and on page 2, at the beginning of line 10, to strike out "trust for the individuals concerned and the instruments of conveyance shall be construed to have the same force and effect as a trust patent issued pursuant to section 5 of the Act of February 8, 1887 (24 Stat. 388), as amended and supplemented." and insert "trust for the individuals concerned and such lands shall have the same status as other trust lands held by individual Indians on the Fort Belknap Reservation. The title to lands conveyed to the community shall be held by the United States in trust for the community."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of improving the land tenure patterns on the Fort Belknap Reservation of the State of Montana for the mutual benefit of the Fort Belknap Indian community and the individual members thereof, the Fort Belknap Indian community, with the approval of the Secretary of the Interior, is authorized, subject to the provisions of the constitution of the community, to (1) sell and convey to individual members of the Fort Belknap Indian community any tribal lands or interests therein within such reservation; and (2) exchange any tribal lands or interests therein within such reservation for other lands or interests therein situated within the reservation in which any interest is now or hereafter held in trust by the United States for an Indian, or is now or hereafter owned by an Indian subject to restrictions against alienation or taxation.

SEC. 2. The title to lands conveyed to individual members of the community shall be held by the United States in trust for the individuals concerned and such lands shall have the same status as other trust lands held by individual Indians on the Fort Belknap Reservation. The title to lands conveyed to the community shall be held by the United States in trust for the community.

SEC. 3. The Secretary shall have authority to execute such instruments as may be necessary or appropriate to convey titles transferred pursuant to the provisions of this Act, and he is authorized to prescribe such regulations as may be necessary to carry out the provisions of this Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

CORRECTION OF DESCRIPTIONS OF CERTAIN LAND HELD IN TRUST

The bill (S. 2696) to correct certain land descriptions in the act entitled, "An act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands" was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act entitled "An Act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands", approved September 14, 1961 (75 Stat. 500), is amended by striking out—

"Township 8 north, range 2 east:

"Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half north half;

"Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter east half northwest quarter."

and inserting in lieu thereof

"Township 8 north, range 1 east:

"Section 4, lots 1, 2, 3, 4, 13, 14, 15, and 16, south half north half;

"Section 6, lots 1, 2, 12, 13, 14, and 15, northeast quarter, east half northwest quarter."

LAND HELD IN TRUST BY UNITED STATES FOR PRAIRIE BAND OF POTAWATOMI INDIANS IN KANSAS

The bill (S. 2893) to declare that certain land of the United States is held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas: Southeast quarter southeast quarter northeast quarter section 21, township 8 south, range 15 east, sixth principal meridian, Kansas, containing 10 acres, more or less.

CONVEYANCE OF CERTAIN INDIAN LANDS TO LITTLE FLOWER MISSION

The Senate proceeded to consider the bill (S. 2895) to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the St. Cloud Diocese, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 4, after the word "is", to strike out "here" and insert "hereby", and on page 2, line 4, after "rights-of-way", to insert "The conveyance shall provide that title to the land shall revert to the United States in trust for the Minnesota Chippewa Tribe when it is no longer used for religious purposes."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior, with the consent of the Minnesota Chippewa Tribe, is hereby authorized to convey to the Little Flower Mission of the Saint Cloud Diocese, without the payment of any consideration, all right, title, and interest of the United States of America and the Minnesota Chippewa Tribe in and to the following described land located on the Mille Lacs Indian Reservation: Lot 7, section 28, township 43 north, range 27 west, fourth principal meridian, Minnesota, containing 4.78 acres, more or less, subject to the road right-of-way for Minnesota Trunk Highway Numbered 169, and all other valid existing rights-of-way. The conveyance shall provide that title to the land shall revert to the United States in trust for the Minnesota Chippewa Tribe when it is no longer used for religious purposes.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BILL PASSED OVER

The bill (S. 1605) to authorize the Federal Power Commission to delegate its functions was announced as next in order.

Mr. ENGLE. Over by request.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL PROVISION FOR IRRIGATION BLOCKS

The Senate proceeded to consider the bill (S. 2179) to amend section 9(d)(1) of the Reclamation Project Act of 1939, to make additional provision for irrigation blocks, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 15, after the word "limits", to insert a colon and *"Provided further,* That, when the Secretary shall have deferred the payment of all or any part of any installments of construction charges under any repayment contract pursuant to the authority of the Act of September 21, 1959 (73 Stat. 584), he may, at any time prior to the due date prescribed for the first installment not reduced by such deferment, and by agreement with the contracting organization, terminate the supplemental contract by which such deferment was effected, credit the construction payments made, and exercise the authority granted in this section.", and in line 25, after "Sec. 3.", to strike out "Where the Secretary shall have deferred the payment of all or any part of any installments of construction charges under any repayment contract pursuant to the authority of the Act of September 21, 1959 (73 Stat. 584), he may, at any time prior to the due date prescribed for the initial installment under the contract prior to such deferment and by agreement with the contracting organization, cancel and make void the supplemental contract by which such deferment was effected and exercise the authority granted in this Act." and, in lieu thereof, to insert "In any repayment contract which provides for payment of construction charges by single annual installments, the Secretary may by agreement with the contracting organization amend such contract to provide for the payment of such annual installments in two parts on such dates in the calendar year as may best enable the contracting organization to meet its payments."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That after the execution of a contract pursuant to the authority of section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), and prior to the commencement of the development period provided thereunder, the Secretary of the Interior is hereby authorized to amend such contract to provide for irrigation blocks, or if such are already provided, to add to or modify such irrigation blocks, as he shall deem desirable to carry out the purposes of that Act.

Sec. 2. Section 9(d)(1) is amended by deleting the period at the end of the first sentence of said section and by adding the following: *"Provided further,* That when the Secretary, by contract or by notice given thereunder, shall have fixed a development period of less than ten years, and at any time thereafter but before commencement of the repayment period conditions arise which in the judgment of the Secretary would have justified the fixing of a longer period, he may amend such contract or notice to extend such development period to a date not to exceed ten years from its commencement, and in a case where no development period was provided, he may amend such contract within the same limits: *Provided further,* That when the Secretary shall have deferred the payments of all or any part of any installments of construction charges under any repayment contract pursuant to the authority of the Act of September 21, 1959 (73 Stat. 584), he may, at any time prior to the due date prescribed for the first installment not reduced by such deferment, and by agreement with the contracting organization, terminate the supplemental contract by which such deferment was effected, credit the construction payments made, and exercise the authority granted in this section."

Sec. 3. In any repayment contract which provides for payment of construction charges by single annual installments, the Secretary may by agreement with the contracting organization amend such contract to provide for the payment of such annual installments in two parts on such dates in the calendar year as may best enable the contracting organization to meet its payments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF BURLEY IRRIGATION DISTRICT CONTRACT

The bill (S. 2665) to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes, was announced as next in order.

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1416, H.R. 9647, an identical House bill, but with a technical amendment to correct a clerical error, which I shall offer.

The PRESIDING OFFICER. House bill 9647 will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 9647) to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ENGLE. I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from California will be stated.

The LEGISLATIVE CLERK. On page 2, line 15, after the word "are", it is proposed to strike out "designed" and insert in lieu thereof "defined".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. ENGLE. Mr. President, I ask unanimous consent that S. 2665 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT TO ACT ADMITTING STATE OF WASHINGTON INTO THE UNION

The bill (H.R. 8030) to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions, was considered, ordered to a third reading, was read the third time, and passed.

CHANGE OF NAME TO WHITMAN MISSION NATIONAL HISTORICAL SITE

The bill (H.R. 9805) to change the name of Whitman National Monument to Whitman Mission National Historical Site, was considered, ordered to a third reading, was read the third time, and passed.

AUTHORITY FOR THE SECRETARY OF THE INTERIOR TO SELL CERTAIN PUBLIC LANDS IN IDAHO

The bill (S. 1485) to authorize the Secretary of the Interior to sell certain public lands in Idaho, was announced as next in order.

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 9097, an identical bill now pending in the Senate Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. For the Senate to do so, it would be necessary that the committee be discharged from further consideration of that bill. Does the Senator so move?

Mr. ENGLE. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the identical bill, H.R. 9097.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none; and, without objection, the Committee on Interior and Insular Affairs is discharged from further consideration of H.R. 9097.

The bill will be stated by title for the information of the Senate.

The **Legislative Clerk**. A bill (H.R. 9097) to authorize the Secretary of the Interior to sell certain public lands in Idaho.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 9097) was ordered to a third reading, was read the third time, and passed.

Mr. ENGLE. Mr. President, I ask unanimous consent that S. 1485 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF CERTAIN COUNTIES WITHIN WESTERN DISTRICT OF MISSOURI

The bill (S. 2270) to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 105(b) of title 28, United States Code, is amended to read as follows:

"(1) The western division comprises the counties of Bates, Carroll, Cass, Clay, Henry, Jackson, Johnson, Lafayette, Ray, Saint Clair, and Saline.

"Court for the western division shall be held at Kansas City."

(b) Paragraph (3) of section 105(b) of such title is amended to read as follows:

"(3) The Saint Joseph division comprises the counties of Andrew, Atchison, Buchanan, Caldwell, Clinton, Daviess, De Kalb, Gentry, Grundy, Harrison, Holt, Livingston, Mercer, Nodaway, Platte, Putnam, Sullivan, and Worth.

"Court for the Saint Joseph division shall be held at Saint Joseph."

MERRITT-CHAPMAN & SCOTT CORP.

The bill (S. 2572) for the relief of the Merritt-Chapman & Scott Corp., was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Merritt-Chapman and Scott Corporation, of Cleveland, Ohio, the sum of $192,500. The payment of such sum shall be in full satisfaction of all claims of the said Merritt-Chapman and Scott Corporation against the United States for compensation for damages sustained by such corporation when, on August 5, 1959, a federally owned aircraft assigned to the 128th Fighter Group of Wisconsin Air National Guard, General Mitchell Field, Milwaukee, Wisconsin, crashed into a barge owned by the said Merritt-Chapman and Scott Corporation while such barge was anchored in Milwaukee Harbor, Milwaukee, Wisconsin: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

THREE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF THE LOST COLONY AND BIRTH OF VIRGINIA DARE

The concurrent resolution (H. Con. Res. 438) to provide for a joint committee of the Congress to represent the Congress at ceremonies celebrating the 375th anniversary of the landing of the Lost Colony and the birth of Virginia Dare, was considered, and agreed to.

CANCER PROGRESS YEAR

The joint resolution (H.J. Res. 576) to designate calendar year 1962 as Cancer Progress Year, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

INTERNATIONAL CASTINGS WEEK

The joint resolution (S.J. Res. 149) authorizing the President of the United States to designate the week of May 6, 1962, as International Castings Week, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be requested to designate the week of May 6, 1962, as "International Castings Week" in recognition of the Twenty-ninth International Foundry Congress and its theme of "Castings Technology for World Progress".

The preamble was agreed to.

INCORPORATION OF SEA CADETS OF AMERICA

The Senate proceeded to consider the bill (S. 1308) to incorporate the Sea Cadet Corps of America, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments, on page 1, after the enacting clause, to strike out:

TITLE I INCORPORATION

Incorporators

Sec. 101. The following persons: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Hallis, and W. Royce Powell;

And, in lieu thereof, to insert "That the following named persons: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Halas, John S. Leahy, Junior, and J. Paull Marshall;"; in line 11, after the word "hereby", to strike out "incorporated" and insert "created"; on page 2, line 3, after "corporation")", to insert "and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained"; at the beginning of line 7, to change the section number from "102" to "2"; at the beginning of line 15, to change the section number from "103" to "3"; in the same line, after the word "in", to strike out "section 101," and insert "the first section,"; at the beginning of line 24, to change the section number from "104" to "4"; on page 4, at the beginning of line 8, to change the section number from "105" to "5"; at the beginning of line 21, to change the section number from "106" to "6"; on page 5, at the beginning of line 4, to change the section number from "107" to "7"; in line 8, after the word "section", to strike out "117" and insert "17"; in the same line, after the word "this", to strike out "title" and insert "Act"; in line 11, after the name "Fitch", to strike out "George Hallis, and W. Royce Powell" and insert "George Halas, John S. Leahy, Junior, and J. Paull Marshall"; on page 6, at the beginning of line 4, to change the section number from "108" to "8"; at the beginning of line 15, to change the section number from "109" to "9"; on page 7, at the beginning of line 7, to change the section number from "110" to "10"; at the beginning of line 11, to change the section number from "111" to "11"; at the beginning of line 16, to change the section number from "112" to "12"; at the beginning of line 19, to change the section number from "113" to "13"; on page 8, after line 4, to strike out:

Sec. 114. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

And, in lieu thereof, to insert:

Sec. 14. (a) Annual audits shall be made by an independent licensed or certified public accountant or a firm of independent licensed or certified public accountants, in accordance with generally accepted auditing standards. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

On page 9, at the beginning of line 17, to change the section number from "115" to "15"; on page 10, at the beginning of line 2, to change the section number from "116" to "16"; at the beginning of line 11, to change the section number from "117" to "17"; at the beginning of line 18, to change the section number from "118" to "18"; at the beginning of line 24, to change the section number

from "119" to "19"; and at the top of page 11, to strike out:

TITLE II—RELATIONSHIP TO UNITED STATES NAVY

Functions of Secretary of Navy

SEC. 201. (a) The Naval Sea Cadet Corps shall be established as a volunteer civilian auxiliary of the United States Navy. To assist the Naval Sea Cadet Corps in the accomplishment of objectives as set out in section 102 of title I of this Act, the Secretary of the Navy is hereby authorized, to the extent and under such conditions and regulations as he may prescribe—

(1) provide active practical training for the sea cadet divisions of the Naval Sea Cadet Corps at naval stations and on board ships;

(2) to transport sea cadets to and from such stations or ships and furnish them subsistence while en route or, instead of transportation and subsistence, pay them a travel allowance of 5 cents a mile by the shortest usually traveled route from the places from which they are authorized to proceed and return, and pay the allowance for the return trip in advance;

(3) furnish subsistence to sea cadets while on board naval stations or ships for training;

(4) furnish medical attendance and supplies to sea cadets, and admit them to military hospitals;

(5) use members of the Navy or Marine Corps, and such property of the United States as he considers necessary, for the training of the sea cadets; and

(6) issue appropriate regulations governing the administration and curriculums of the active training program of the sea cadet divisions.

(b) Active training provided for any sea cadet may not exceed a period of nine weeks in any calendar year.

(c) Under such conditions as he may prescribe, the Secretary of the Navy may—

(1) issue uniforms to the sea cadet divisions except that he may pay commutation at a rate fixed by him annually instead of uniforms;

(2) provide means of transportation, training equipment, arms, ammunition, supplies, and incentive awards and training grants;

(3) assign active duty personnel of the Navy and Marine Corps, as a collateral duty, to assist in the instruction and training of sea cadet divisions;

(4) appoint as officers of the sea cadet divisions volunteer retired members of the naval service, members of the Fleet Reserve and Fleet Marine Corps Reserve, and members of the Naval Reserve and Marine Corps Reserve and others who are qualified and volunteer; and

(5) in conjunction with the Naval Sea Cadet Corps, prescribe uniforms and insignia for the sea cadet divisions and issue regulations governing their organization, administration, instruction and training in coordination with the administration officer of the corporation.

RELATIONSHIP TO CORPORATION

SEC. 202. (a) In carrying out the functions enumerated in section 201, the Secretary of the Navy will take into account the known policies and objectives of the corporation established by title I of this Act, treating the latter to the fullest extent consistent with existing laws and regulations as a partner in the common enterprise. The principle of mutual support and public recognition shall be adhered to in connection with all external relationships pertaining to the naval sea cadet movement.

(b) The Navy League of the United States shall be granted the exclusive right of sponsorship of sea cadet divisions of the Naval Sea Cadet Corps. In instances where the Naval League is unable to sponsor a particular division, such sponsorship may, in the discretion of the Secretary of the Navy, be passed to others. Warrants authorizing the establishment of sea cadet divisions shall be issued by commandants of naval districts to and in the name of the sponsoring organization.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following named persons: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Halas, John S. Leahy, Junior, and J. Paull Marshall; members of the Navy League National Sea Cadet Committee and their associates and successors, are hereby created and declared to be a body corporate by the name of the Naval Sea Cadet Corps (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

OBJECTS AND PURPOSES OF THE CORPORATION

SEC. 2. The objects and the purposes of the corporation shall be, through organization and cooperation with the Department of the Navy, to encourage and aid American boys to develop an interest and skill in basic seamanship and in its naval adaptations, to train them in seagoing skills and to teach them patriotism, courage, self-reliance, and kindred virtues.

COMPLETION OF ORGANIZATION

SEC. 3. The persons named in the first section, their associates and successors are hereby authorized to complete the organization of the corporation by the selection of officers, the adoption of a constitution and bylaws, the promulgation of rules or regulations that may be necessary for the accomplishment of the purposes of this corporation, and the doing of such other acts as may be necessary for such purposes.

CORPORATE POWERS

SEC. 4. The corporation shall have power—

(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(5) to adopt, amend, and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take by lease, gift, purchase, grant, devise, or bequest from any private corporation, association, partnership, firm or individual and to hold any property, real, personal or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

(8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal, or mixed property; and

(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise, subject in every case to all applicable provisions of Federal and State laws.

PRINCIPAL OFFICE, SCOPE OF ACTIVITIES; DISTRICT OF COLUMBIA AGENT

SEC. 5. (a) The principal office of the corporation shall be located in Tacoma, Washington, or in such other place as may be later determined by the board of directors, but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, territories, and possessions of the United States.

(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

MEMBERSHIP

SEC. 6. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this title, be determined as the constitution and bylaws of the corporation may provide.

BOARD OF DIRECTORS: COMPOSITION, RESPONSIBILITIES

SEC. 7. (a) Upon the enactment of this title the membership of the initial board of directors of the corporation shall consist of the present members of the board of directors of the Sea Cadet Corps of America, the corporation described in section 17 of this Act, or such of them as may then be living and are qualified members of said board of directors, to wit: John J. Bergen, William J. Catlett, Junior, Morgan Fitch, George Halas, John S. Leahy, Junior, and J. Paull Marshall.

(b) Thereafter, the board of directors of the corporation shall consist of such number (not less than three and not more than fifteen), shall be selected in such manner (including the filling of vacancies), and shall serve for such term as may be prescribed in the constitution and bylaws of the corporation.

(c) The board of directors shall be the governing board of the corporation, and shall be responsible for the general policies and program of the corporation and for the control of all funds of the corporation.

OFFICERS; ELECTION AND DUTIES OF OFFICERS

SEC. 8.(a) The officers of the corporation shall be a president, one or more vice presidents (as may be prescribed in the constitution and bylaws of the corporation), a secretary, and a treasurer, and such other officers as may be provided in the constitution and bylaws.

(b) The officers of the corporation shall be elected in such manner and for such terms and with such duties as may be prescribed in the constitution and bylaws of the corporation.

USE OF INCOME: LOANS TO OFFICERS, DIRECTORS, OR EMPLOYEES

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any of its members, directors, or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the board of directors of the corporation.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan or advance to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

NONPOLITICAL NATURE OF CORPORATION

SEC. 10. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for public office.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

BOOKS AND RECORDS: INSPECTION

SEC. 13. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, board of directors, and committees having any authority under the board of directors, and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote, or his agent or attorney, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 14. (a) Annual audits shall be made by an independent licensed or certified public accountant or a firm of independent licensed or certified public accountants, in accordance with generally accepted auditing standards. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 15. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the board of directors of the corporation and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

EXCLUSIVE RIGHT TO NAME, EMBLEM, SEALS, AND BADGES

SEC. 16. The corporation shall have the sole and exclusive right to the name "Naval Sea Cadet Corps" and to have and to use, in carrying out its purposes, distinctive insignia, emblems and badges, descriptive or designating marks, and words or phrases, as may be required in the furtherance of its functions. No powers or privileges hereby granted shall, however, interfere or conflict with established or vested rights.

TRANSFER OF ASSETS

SEC. 17. The corporation may acquire the assets of the Sea Cadet Corps of America, a corporation organized under the laws of the State of Washington, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the State of Washington applicable thereto.

ANNUAL REPORT

SEC. 18. The corporation shall report annually to the Secretary of the Navy concerning its proceedings and activities for the preceding calendar years. The Secretary of the Navy shall communicate to Congress the whole of such reports, or such portion thereof as he shall see fit.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHAPTER

SEC. 19. The right to alter, amend, or repeal this title is expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOEY KIM PURDY

The bill (S. 1526) for the relief of Joey Kim Purdy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Joey Kim Purdy shall be held and considered to be the natural-born alien child of Ralph B. Purdy, Junior, and Julia Purdy, citizens of the United States: *Provided,* That the natural parents of the said Joey Kim Purdy shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

MRS. GEOHAR OGASSIAN

The bill (S. 1889) for the relief of Mrs. Geohar Ogassian was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Geohar Ogassian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELVIRA CICCOTELLI

The bill (S. 2247) for the relief of Elvira Ciccotelli was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(1) of the Immigration and Nationality Act, Elvira Ciccotelli may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

TIO SIEN TJIONG

The bill (S. 2309) for the relief of Tio Sien Tjiong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Tio Sien Tjiong (A-10396702) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 3, 1953.

RONALD WHITING

The bill (S. 2482) for the relief of Ronald Whiting was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a)(1) of the Immigration and Nationality Act, Ronald Whiting may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

MICHAEL NAJEEB METRY

The bill (S. 2565) for the relief of Michael Najeeb Metry was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Michael Najeeb Metry, shall be held and considered to be the natural-born alien child of Dr. and Mrs. John M. Metry, citizens of the United States: *Provided,* That the natural parents of Michael Najeeb Metry shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

CONSTANTINA CARAISCOU

The bill (S. 2574) for the relief of Constantina Caraiscou was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of sections 101(a)(27)(A) and

205 of the Immigration and Nationality Act, the minor child, Constantina Caraiscou, shall be held and considered to be the natural-born alien child of Mr. and Mrs. George Caras, citizens of the United States: *Provided*, That the natural parents of the said Constantina Caraiscou shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

ALEXANDRA CALLAS

The bill (S. 2586) for the relief of Alexandra Callas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Alexandra Callas, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Michael Callas, citizens of the United States: *Provided*, That the natural parents of Alexandra Callas shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

HAMBURG TANG

The bill (S. 2649) for the relief of Hamburg Tang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, the provisions of sections 201(a), 202(a)(5), and 202(b)(4) shall not be applicable in the case of Hamburg Tang, and notwithstanding the provisions of section 245(b) of the said Act, a record of lawful admission may be created as of February 11, 1950, the date on which Hamburg Tang was first admitted to the United States.

CHAO YAO KOH

The Senate proceeded to consider the bill (S. 1074) for the relief of Chao Yao Koh, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Chao Yao Koh shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 5, 1952, upon payment of the required head tax and visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHIARA PALUMBO VACIRCA

The Senate proceeded to consider the bill (S. 1568) for the relief of Chiara Palumbo Vacirca, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "Act", to insert a colon and "*And provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (4) of section 212(a) of the Immigration and Nationality Act, Chiara Palumbo Vacirca may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided*, That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this Act: *And provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. ANTONIA A. ZACCARIA EPIFANI

The Senate proceeded to consider the bill (S. 1739) for the relief of Mrs. Antonia A. Zaccaria Epifani, which had been reported from the Committee on the Judiciary with an amendment in line 10, after "1953", to insert a comma and "and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in this case"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 4 of the Act entitled "An Act to provide for the entry of certain relatives of United States citizens and lawfully resident aliens", approved September 22, 1959 (73 Stat. 644), Mrs. Antonia A. Zaccaria Epifani shall be held and considered to be an alien registered on a consular waiting list pursuant to section 203(c) of the Immigration and Nationality Act under a priority date earlier than December 31, 1953, and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ASSUNTA BIANCHI

The Senate proceeded to consider the bill (S. 1882) for the relief of Assunta Bianchi, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

"That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Assunta Bianchi, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Bernard A. Lange, citizens of the United States: *Provided*, That the natural mother of Assunta Bianchi shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNA MARIE ERDELYI

The Senate proceeded to consider the bill (S. 1999) for the relief of Anna Marie Erdelyi, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Anna Marie Erdelyi, the fiancée of Sergeant Clinton G. Dubey, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Anna Marie Erdelyi is coming to the United States with a bona fide intention of being married to the said Sergeant Clinton G. Dubey and that she is found otherwise admissible under the immigration laws, except that the provisions of sections 212(a)(9) and 212(a)(12) of the Immigration and Nationality Act shall not be applicable to the said Anna Marie Erdelyi: *Provided further*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Anna Marie Erdelyi, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Anna Marie Erdelyi, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Anna Marie Erdelyi as of the date of the payment by her of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WOJCIECH ANTONI DROGOSZEWSKI

The Senate proceeded to consider the bill (S. 2446) for the relief of Wojciech Antoni Drogoszewski, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "States", to strike out the colon and "*Provided*, That the natural parents of the said Wojciech Antoni Drogoszewski shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Wojciech Antoni Drogoszewski, shall be held and considered to be the natural-born alien child of Antoni Drogoszewski, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FONG YEE HIN

The Senate proceeded to consider the bill (S. 2555) for the relief of Fong Yee Hin, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to insert "and head tax"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Fong Yee Hin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 25, 1940, upon payment of the required visa fee and head tax. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEE HWA SUN

The Senate proceeded to consider the bill (S. 2607) for the relief of Lee Hwa Sun, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of", to strike out "Mr. and Mrs. John Mathews," and insert "Mr. and Mrs. John Matthews, Junior,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Lee Hwa Sun, shall be held and considered to be the natural-born alien child of Mr. and Mrs. John Matthews, Junior, citizens of the United States: *Provided,* That the natural parents of the said Lee Hwa Sun shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MICHELINA LANNI

The Senate proceeded to consider the bill (S. 2622) for the relief of Michelina Lanni, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "Act", to insert a colon and "*And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (1) of section 212(a) of the Immigration and Nationality Act, Michelina Lanni may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN AXEL ARVIDSON

The Senate proceeded to consider the bill (S. 2679) for the relief of John Axel Arvidson which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 4, after the word "Act," to insert "or the Act of July 9, 1918, or the decree of the Hennepin County District Court, Minneapolis, Minnestoa, dated March 15, 1919,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 315 of the Immigration and Nationality Act or the Act of July 9, 1918, or the decree of the Hennepin County District Court, Minneapolis, Minnesota, dated March 15, 1919, John Axel Arvidson shall be held and considered eligible to be naturalized as a citizen of the United States provided he is otherwise qualified in accordance with the general requirements as to residence, good moral character, attachment to the principles of the Constitution, and disposition to the good order and happiness of the United States as set forth in section 316 of the said Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERNST FRAENKEL AND HIS WIFE, HANNA FRAENKEL

The Senate proceeded to consider the bill (S. 2709) for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That in the administration of the Immigration and Nationality Act, as amended, the provisions of section 352(a)(1) of that Act shall be held to be and to have been inapplicable in the cases of Ernst Fraenkel and his wife, Hanna Fraenkel, naturalized citizens of the United States: *Provided,* That they return to the United States for permanent residence prior to June 1, 1965.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KIM BOOSHIN

The Senate proceeded to consider the bill (S. 2606) for the relief of Kim Booshin, which had been reported from the Committee on the Judiciary, with amendments, at the beginning of line 5, to strike out "Kim Booshin" and insert "Patricia Kim Bell (Kim Booshin)", and in line 8, after the word "the", where it appears the second time, to strike out "said Kim Booshin" and insert "beneficiary", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Patricia Kim Bell (Kim Booshin), shall be held and considered to be the natural-born alien child of Doctor and Mrs. Archie Bell, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Patricia Kim Bell (Kim Booshin)."

CHOI SUN HEE

The Senate proceeded to consider the bill (S. 2633) for the relief of Choi Sun Hee, which had been reported from the Committee on the Judiciary, with amendments, at the beginning of line 5, to strike out "Choi Sun Hee" and insert "Susan Holt Lerke (Choi Sun Hee)", and in line 8, after the word "said", to strike out "Choi Sun Hee" and insert "Susan Holt Lerke (Choi Sun Hee)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Susan Holt Lerke (Choi Sun Hee), shall be held and considered to be the natural-born alien child of Kurt Lerke and Julia Lerke, citizens of the United States: *Provided,* That the natural parents of the said Susan Holt Lerke (Choi Sun Hee) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Susan Holt Lerke (Choi Sun Hee)."

FONG CHUN HONG

The bill (H.R. 1349) for the relief of Fong Chun Hong was considered, ordered to a third reading, read the third time, and passed.

JACINTO MACHADO ORMONDE

The bill (H.R. 1435) for the relief of Jacinto Machado Ormonde was considered, ordered to a third reading, read the third time, and passed.

FONG KAI DONG

The bill (H.R. 1588) for the relief of Fong Kai Dong was considered, ordered to a third reading, read the third time, and passed.

SPENCER E. HEWITT

The bill (H.R. 1604) for the relief of Spencer E. Hewitt was considered, ordered to a third reading, read the third time, and passed.

VIOLA BORWICK WARBIS

The bill (H.R. 1697) for the relief of Viola Borwick Warbis was considered, ordered to a third reading, read the third time, and passed.

MRS. KIKUE YAMAMOTO LEGHORN AND MINOR SON, YUICHIRO YAMAMOTO LEGHORN

The bill (H.R. 1701) for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn, was considered, ordered to a third reading, read the third time, and passed.

MAXIMO B. AVILA

The bill (H.R. 1703) for the relief of Maximo B. Avila was considered, ordered to a third reading, read the third time, and passed.

JOHN D. MORTON

The bill (H.R. 1918) for the relief of John D. Morton was considered, ordered to a third reading, read the third time, and passed.

MISS HELEN FAPPIANO

The bill (H.R. 2687) for the relief of Miss Helen Fappiano was considered, ordered to a third reading, read the third time, and passed.

MADDALENA HAAS

The bill (H.R. 3148) for the relief of Maddalena Haas was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 3247) to amend section 2385 of title 18 of the United States Code to define the term "organize" as used in that section was announced as next in order.

Mr. ENGLE. Mr. President, over, as not calendar business.

The PRESIDING OFFICER. The bill will be passed over.

Mr. CARLSON. Mr. President, notwithstanding the request that the bill go over, I wish to state that I heartily support the bill, as does the entire Republican conference. That position was taken on May 8. I ask unanimous consent that a statement by the conference be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Hickenlooper, Chairman, Senate Republican Policy Committee

The Senate Republican conference committee today endorsed H.R. 3247, to amend the Smith Act, which is now on the Senate Calendar.

This bill would clarify the term "organize" as used in the Smith Act of 1940, which outlaws certain activities whose objective is the overthrow of the Government of the United States.

Among other things, the Smith Act made it a crime to organize any society or group to teach or advocate the violent overthrow of the Government.

The case of *Yates* v. *United States,* 354 U.S. 298 (1957), involved the question whether 14 known Communists had violated the Smith Act. The Supreme Court, in reversing their convictions for conspiracy to overthrow the U.S. Government by force and violence and for organizing groups for the same purpose, held that the term "organize" referred only to the official organization of the Communist Party and not to a continuing process of organization. In the Court's opinion the organizing took place in 1945 when the Communist Political Association was disbanded and reconstituted as the Communist Party of the United States. The indictment in the *Yates* case was returned in 1951, and was therefore barred by the statute of limitations.

There have since been reversals of convictions in seven cases by U.S. courts of appeal, at least in part on the basis of that case.

The Republican conference committee is in complete agreement with the statement in the unanimous Judiciary Committee report that:

"From a study of the legislative history of the Smith Act, and as a matter of commonsense * * * the term "organize" was intended to mean a continuous process of organizing groups and cells and of recruiting new members and not merely the original organization of the Communist Party or some other party or society whose aims are inimical to the security of the United States."

GERTRUDE M. KAPLAN

The bill (H.R. 3696) for the relief of Gertrude M. Kaplan was considered, ordered to a third reading, read the third time, and passed.

SP5C. DANIEL J. HAWTHORNE, JR.

The bill (H.R. 4365) for the relief of Sp5c. Daniel J. Hawthorne, Jr., was considered, orderd to a third reading, read the third time, and passed.

ABRAHAM GELB

The bill (H.R. 4563) for the relief of Abraham Gelb was considered, ordered to a third reading read the third time, and passed.

PIERINO RENZO PICCHIONE

The bill (H.R. 5610) for the relief of Pierino Renzo Picchione was considered, ordered to a third reading, read the third time, and passed.

MRS. WILLIE MAE BROWN

The bill (H.R. 5686) for the relief of Mrs. Willie Mae Brown was considered, ordered to a third reading, read the third time, and passed.

CECIL D. ROSE

The bill (H.R. 6464) for the relief of Cecil D. Rose was considered, ordered to a third reading, read the third time, and passed.

HENDRIKUS ZOETMULDER (HARRY COMBRES)

The bill (H.R. 6772) for the relief of Hendrikus Zoetmulder (Harry Combres) was considered, ordered to a third reading, read the third time, and passed.

REPEAL ACT OF AUGUST 14, 1957 (PRIVATE LAW 85-160)

The bill (H.R. 6773) to repeal the act of August 14, 1957 (Private Law 85-160), was considered, ordered to a third reading, read the third time, and passed.

LOUANNA L. LEIS

The bill (H.R. 7671) for the relief of Louanna L. Leis was considered, ordered to a third reading, read the third time, and passed.

RONALD L. MUTTER

The bill (H.R. 8195) for the relief of Ronald L. Mutter was considered, ordered to a third reading, read the third time, and passed.

PAUL J. PERICLE

The bill (H.R. 8482) for the relief of Paul J. Pericle was considered, ordered to a third reading, read the third time, and passed.

JAMES R. BANKS

The bill (H.R. 8515) for the relief of James R. Banks was considered, ordered to a third reading, read the third time, and passed.

JOSEPH A. TEDESCO

The bill (H.R. 8628) for the relief of Joseph A. Tedesco was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZE ACCEPTANCE OF GIFT TO UNITED STATES BY WILL OF ESTHER CATTELL SCHMITT

The bill (H.R. 8941) to authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt was considered, ordered to a third reading, read the third time, and passed.

RHEA G. BURGESS

The bill (H.R. 9060) for the relief of Rhea G. Burgess was considered, ordered to a third reading, read the third time, and passed.

THEODORE A. ANDERSON

The bill (H.R. 9188) to relieve Theodore A. Anderson from loss of agricultural conservation program benefits was considered, ordered to a third reading, read the third time, and passed.

MRS. IRIS ANN LANDRUM

The bill (H.R. 9409) for the relief of Mrs. Iris Ann Landrum was considered, ordered to a third reading, read the third time, and passed.

DANIEL E. MOORE

The bill (H.R. 9596) for the relief of Daniel E. Moore was considered, ordered to a third reading, read the third time, and passed.

JAMES N. TULL

The bill (H.R. 9597) for the relief of James N. Tull was considered, ordered to a third reading, read the third time, and passed.

EMPLOYMENT OF MEMBERS OF COMMUNIST ORGANIZATIONS IN CERTAIN DEFENSE FACILITIES

The bill (H.R. 9753) to amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities was considered, ordered to a third reading, read the third time, and passed.

JOHN B. HOGAN

The bill (H.R. 9830) for the relief of John B. Hogan was considered, ordered to a third reading, read the third time, and passed.

GAIL HOHLWEG ATABAY AND DAUGHTER

The bill (H.R. 10643) for the relief of Gail Hohlweg Atabay and her daughter was considered, ordered to a third reading, read the third time, and passed.

WILLIAM BURNICE JOYNER

The Senate proceeded to consider the bill (H.R. 1348) for the relief of William Burnice Joyner which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Postmaster General is authorized and directed to pay to William Burnice Joyner, of Palatka, Florida, the amount of $1,531.08. This sum represents the amount due as retroactive compensation for services rendered the United States Post Office, Palatka, Florida, during the period September 1, 1946, to and including September 1, 1948: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

KEVORK TOROIAN

The Senate proceeded to consider the bill (H.R. 5652) for the relief of Kevork Toroian which had been reported from the Committe on the Judiciary, with an amendment, at the beginning of line 5, to strike out "October 22, 1959" and insert "November 23, 1959".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time, and passed.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (H.R. 1458) for the relief of Lee Dock On was announced as next in order.

Mr. ENGLE. Mr. President, over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S.J. Res. 123) to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives was announced as next in order.

Mr. ENGLE. Mr. President, over, as not calendar business.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2164) to authorize the Secretary of the Interior to cooperate with the first World Conference on National Parks, and for other purposes, was announced as next in order.

Mr. CARLSON, Mr. President, over, by request.

The PRESIDING OFFICER. The bill will be passed over.

SESQUICENTENNIAL COMMISSION FOR CELEBRATION OF BATTLE OF NEW ORLEANS

The Senate proceeded to consider the joint resolution (S.J. Res. 60) to establish the sesquicentennial commission for the celebration of the Battle of New Orleans which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 3, line 21, after the word "resolution", to insert a colon and "*Provided, however*, That all expenditures of the Commission shall be made from donated funds only.", and on page 6, line 19, after the word "appropriated", to strike out "such sums as are necessary to carry out the purposes of this Act" and insert "$165,000 to carry out the purposes of section 5 of this Act"; so as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a commission to be known as the "Battle of New Orleans Sesquicentennial Celebration Commission" (hereinafter referred to as the "Commission") which shall be composed of twenty-three members as follows:

(1) Eight members who shall be Members of the Senate, to be appointed by the President of the Senate (two each from Louisiana, Kentucky, Mississippi, and Tennessee);

(2) Eight members who shall be Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives (two each from Louisiana, Kentucky, Mississippi, and Tennessee);

(3) One representative of the Department of the Interior who shall be the Director of the National Park Service, or his designee, and who shall serve as executive officer of the Commission; and

(4) Six members to be appointed by the President after consideration of such recommendations as the Governor of Louisiana may make, upon the request of the President.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as Chairman. The members of the Commission shall receive no salary.

Sec. 2. The function of the Commission shall be to develop and to execute plans for the observance in December 1964 and January 1965 of the one hundred and fiftieth anniversary of the Battle of Chalmette, or New Orleans, a resounding victory at arms which resulted in prompt ratification of the Treaty of Ghent and the welding of the new Nation—East and West—into a truly independent Republic; and the celebration of one hundred and fifty years of unbroken friendship between this Nation and Great Britain. In carrying out these functions, the Commission is authorized to cooperate with and to assist such groups as the State of Louisiana and the city of New Orleans may establish to celebrate the sesquicentennial of the Battle of New Orleans.

Sec. 3. The Commission may employ, without regard to the civil service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions.

Sec. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this resolution. The Commission, to such extent as it finds to be necessary, may, without regard to the laws and procedures applicable to Federal agencies, procure supplies, services, and property and make contracts, and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution: *Provided, however*, That all expenditures of the Commission shall be made from donated funds only.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within one year following the celebration as prescribed by this resolution. The Commission shall terminate upon submission of its report to the Congress.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the national park system or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

Sec. 5. Within the boundaries of Chalmette National Historical Park as designated by the Secretary of the Interior on March 20, 1958, pursuant to the Act of August 10, 1939 (53 Stat. 1342), and depicted on drawing numbered NHP–CHAL–7008, said Secretary is hereby authorized to acquire, with appropriated funds, lands and interests in lands as follows:

Beginning at the point of intersection of the west line of Fazendeville Road with a line 50 feet south of southerly boundary of right-of-way of the Louisiana Southern Railway at coordinate point X–2,425,730.76 and Y–467,506.11; (the bearings and coordinates herein stated are in accord with the Louisiana geodetic survey plane grid system); and running thence south 66 degrees 32 minutes 46 seconds east, parallel to said southerly boundary of right-of-way of Louisiana Southern Railway, a distance of 30 feet to coordinate point X–2,425,758.28 and Y–467,494.17; thence south 23 degrees 45 minutes 21 seconds west for a distance of 917.90 feet along the east right-of-way of Fazendeville Road to a point;

Thence south 66 degrees 14 minutes 39 seconds east for a distance of 161.83 feet to a point; thence south 23 degrees 45 minutes 21 seconds west on a line parallel to Fazendeville Road for a distance of 1,406.51 feet to a point; thence north 64 degrees 19 minutes 9 seconds west for a distance of 161.92 feet to a point on the east right-of-way of Fazendeville Road; thence south 23 degrees 45 minutes 21 seconds west along the east right-of-way of Fazendeville Road for a distance of 19.41 feet to a point;

Thence south 64 degrees 19 minutes 9 seconds east for a distance of 95.70 feet to a point; thence south 23 degrees 45 minutes 21 seconds west on a line parallel to Fazendeville Road for a distance of 54.90 feet to a point; thence north 64 degrees 19 minutes 9 seconds west for a distance of 95.70 feet to a point on the east right-of-way of Fazendeville Road; thence south 23 degrees 45 minutes 21 seconds along the east right-of-way of Fazendeville Road for a distance of 279.44 feet to a point;

Thence crossing Fazendeville Road on a line running north 49 degrees 02 minutes 49 seconds west for a distance of 31.40 feet to a point on the west right-of-way of Fazendeville Road; thence north 23 degrees 45 minutes 21 seconds east along the west right-of-way of Fazendeville Road for a distance of 2,663.28 feet to a point which is the point of beginning; containing 7.02 acres more or less, including 1.83 acres more or less within the right-of-way of the Fazendeville Road; and excluding lot 15, as shown on a map of survey by F. C. Gandolfo, Junior, dated January 9, 1953, and being in section 10 of township 13 south, range 12 east, parish of Saint Bernard, State of Louisiana, and known locally as Fazendeville.

SEC. 6. There are authorized to be appropriated $165,000 to carry out the purposes of section 5 of this Act.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE CERTAIN LANDS AT ANTIETAM NATIONAL BATTLEFIELD SITE

The bill (H.R. 10098) to authorize the exchange of certain lands at Antietam National Battlefield Site was considered, ordered to a third reading, read the third time, and passed.

PRIVATE LAND CLAIM IN THE STATE OF LOUISIANA

The bill (H.R. 4380) to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana was considered, ordered to a third reading, read the third time, and passed.

H. F. HSU

The bill (S. 2310) for the relief of H. F. Hsü was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, H. F. Hsü shall be held and considered to have been lawfully admitted to the United States for permanent residence as of February 12, 1954.

YIANNOULA VASILIOU TSAMBIRAS

The bill (S. 2675) for the relief of Yiannoula Vasiliou Tsambiras was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Yiannoula Vasiliou Tsambiras, shall be held and considered to be the natural-born alien child of Jerry Simos and Helen Chamber Simos, citizens of the United States: *Provided,* That the natural parents of the said Yiannoula Vasiliou Tsambiras shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

YOON SO SHIM

The bill (S. 2732) for the relief of Yoon So Shim was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Yoon So Shim, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Robert Thatcher, Junior, citizens of the United States: *Provided,* That the natural parents of the said Yoon So Shim shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

DR. KWAN HO LEE

The Senate proceeded to consider the bill (S. 1174) for the relief of Dr. Kwan Ho Lee which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Doctor Kwan Ho Lee shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 13, 1952.

SEC. 2. The time Doctor Kwan Ho Lee has resided and has been physically present in the United States since December 13, 1952, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALVATORE SPATAFORA

The Senate proceeded to consider the bill (S. 1524) for the relief of Salvatore Spatafora which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of section 4 of the Act of September 22, 1959, Salvatore Spatafora shall be deemed to have been registered on a consular waiting list pursuant to section 203(c) of the Immigration and Nationality Act under a priority date earlier than December 31, 1953, and the provisions of section 24(a)(7) of the Act of September 26, 1961 (75 Stat. 657), shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FILOMENA T. SCHENKENBERGER

The Senate proceeded to consider the bill (S. 2355) for the relief of Filomena T. Schenkenberger which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 8, after the word "Act", to insert a colon and "*Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (3) of section 212(a) of the Immigration and Nationality Act, Filomena F. Schenkenberger may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LISE MARIE BERTHE MARGUERITE DE SIMONE

The Senate proceeded to consider the bill (S. 2198) for the relief of Lise Marie Berthe Marguerite De Simone which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, the provisions of sections 201(a), 202(a)(5), and 202(b) shall be inapplicable in the case of Lise Marie Berthe Marguerite De Simone.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CATERINA SCALZO (NEE LOSCHIAVO)

The Senate proceeded to consider the bill (S. 2990) for the relief of Caterina Scalzo (nee LoSchiavo), which had been reported from the Committee on the

Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Caterina Scalzo (nee LoSchiavo), the fiancée of Bernard Scalzo, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Caterina Scalzo (nee LoSchiavo) is coming to the United States with a bona fide intention of being married to the said Bernard Scalzo and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Caterina Scalzo (nee LoSchiavo), she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Caterina Scalzo (nee LoSchiavo), the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Caterina Scalzo (nee LoSchiavo) as of the date of the payment by her of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERICH HOFFINGER

The Senate proceeded to consider the bill (S. 1398) for the relief of Erich Hoffinger, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 3, after the word "the", to strike out "provision of section" and insert "provisions of sections", and in line 8, after the word "Act", to insert a colon and "*Provided*, That this Act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act: *And provided further*, That if the said Erich Hoffinger is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of sections 212(a) (1) and (4) of the Immigration and Nationality Act, Erich Hoffinger may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided*, That this Act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act: *And provided further*, That if the said Erich Hoffinger is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALEX VEDELER

The Senate proceeded to consider the bill (S. 2144) for the relief of Alex Vedeler, which had been reported from the Committee on the Judiciary, with an amendment, in line 4, after the word "Act", to strike out "Alex" and insert "Alexander", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Alexander Vedeler shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 25, 1953, and the time he has resided and has been physically present in the United States since July 25, 1953, shall be held and considered to meet the residence and physical presence requirements of section 316 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Alexander Vedeler."

ISABEL LORETTA ALLEN

The Senate proceeded to consider the bill (S. 2621) for the relief of Isabel Loretta Allen which had been reported from the Committee on the Judiciary, with amendments, at the beginning of line 5, to strike out "Isabel" and insert "Izabel", and in line 11, after the word "Act", to insert a colon and "*And provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (1) of section 212(a) of the Immigration and Nationality Act, Izabel Loretta Allen may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided*, That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *And provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Izabel Loretta Allen."

RENATO GRANDUC O'NEAL AND GRAZIA GRANDUC O'NEAL

The Senate proceeded to consider the bill (S. 2769) for the relief of Renato Granduc O'Neal and Grazia Granduc O'Neal, which had been reported from the Committee on the Judiciary, with amendments, on page 1, at the beginning of line 5, to strike out "O'Neal"; in the same line, after the name "Grazia", to strike out "Granduc O'Neal," and insert "Granduc"; in line 9, after the name "Granduc", to strike out "O'Neal"; and in line 10, after the name "Granduc", to strike out "O'Neal", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Renato Granduc and Grazia Granduc shall be held and considered to be the natural-born alien minor children of Captain William L. O'Neal and Mary Granduc O'Neal, citizens of the United States: *Provided*, That the natural parents of the said Renato Granduc and Grazia Granduc shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Renato Granduc and Grazia Granduc."

CERTAIN ALIENS SERVING IN THE ARMED FORCES

The Senate proceeded to consider the joint resolution (H.J. Res. 638) for the relief of certain aliens who are serving in the U.S. Armed Forces, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Moreno", to strike out "Orlando V. Jamandre,"; in line 7, after the name "Mayo", to strike out "Federico M. Periquet,"; and on page 2, line 4, after the word "deduct", to strike out "thirteen" and insert "eleven".

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

ROCCO CAMBREA

The bill (H.R. 1372) for the relief of Rocco Cambrea was considered, ordered to a third reading, read the third time, and passed.

LEE KYONG JA

The bill (H.R. 1533) for the relief of Lee Kyong Ja was considered, ordered to a third reading, read the third time, and passed.

IRENE KEMENY

The bill (H.R. 1650) for the relief of Irene Kemeny was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H.R. 1700) for the relief of Jaime Abejuro was announced as next in order.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

Mr. **ENGLE.** Over, by request.

The **PRESIDING OFFICER.** The bill will go over.

SISTER MARY AURELIA (CHIARA DI GESU)

The bill (H.R. 3005) for the relief of Sister Mary Aurelia (Chiara Di Gesu) was considered, ordered to a third reading, read the third time, and passed.

FELICJA SAULEVICZ

The bill (H.R. 5689) for the relief of Felicja Saulevicz was considered, ordered to a third reading, read the third time, and passed.

MON (FRED) YOUNG

The bill (H.R. 6344) for the relief of Mon (Fred) Young was considered, ordered to a third reading, read the third time, and passed.

ADOLF M. BAILER

The Senate proceeded to consider the bill (H.R. 1347) for the relief of Adolf M. Bailer, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Adolf M. Bailer. From and after the date of enactment of this Act, the said Adolf M. Bailer shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H.R. 10162) to amend the Bretton Woods Agreements Act to authorize the United States to participate in loans to the International Monetary Fund to strengthen the international monetary system was announced as next in order.

Mr. **ENGLE.** I ask that the bill go over, as not calendar business.

Mr. **DWORSHAK.** Mr. President, I was going to object to consideration of H.R. 10162 because it provides for United States participation in loans to the International Monetary Fund and to strengthen the international monetary system.

There is no country in the world today which faces greater problems involving financial stability than does the United States. There has been much discussion recently in the Senate about the serious outflow of gold which, from January 1 to May 8 of this year, in a period of a little more than 4 months, amounted to $424 million.

In the Washington Daily News of today there appears an article entitled "J.F.K. Is Wrong on Gold," written by Henry J. Taylor. I ask unanimous consent that the article may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

J.F.K. IS WRONG ON GOLD

(By Henry J. Taylor)

In the world's cold, slow-motion appraisal of what is happening here, away goes more of the Nation's gold—nearly $1 billion more since the President first announced his programs.

The President can stop this, and the world catastrophe it implies. But he can never, never stop it so long as he keeps his present White House advisers and believes as he does. Their crystal ball is kaput.

On May 9, after dropping week by week, our gold reserve fell to another 22-year low. Instead of improving the grave gold problem he inherited, the President has turned it into a gold crisis. And gold withdrawals, following Mr. Kennedy's tragic smash at business confidence by his methods in the steel affair, now drop our reserves to less than $16.5 billion.

Even so, and hardly known to the public because it is obscured by economic jargon, not one penny at Fort Knox any longer belongs to the United States. We owe foreigners every ounce of it—and $1.5 billion besides—in $18 billion net short-term claims, payable in gold. Our entire currency reserve required by law ($11.5 billion), our "free gold," and more, is mortgaged to world creditors now calling on us steadily to pay them in gold as they see our dollars become dollarettes.

There will be rallies, but by common consent our monetary stopgaps are merely tactical and the required U.S. correctives also go far beyond increasing America's exports.

The worldwide doubt about the dollar can be overcome only by a balanced budget, a favorable balance of international payments, and a systematic reduction in the national debt. The U.S. Treasury is merely a cash register. Its officials have no control over international confidence if the Nation's boss takes more money out of the till than the people put in.

Nevertheless, the White House advisers are all cut out of the same cloth and here enters Prof. Walter W. Heller, Chairman of the President's Council of Economic Advisers, busting onto the Nation's TV screens.

Is Dr. Heller concerned about how wisely he and the President are tackling things? Not at all. Gleeful as a Boy Scout at a jamboree, Dr. Heller explained that, in fact, "the Government isn't spending enough." "The budget does not need balancing," he stated. This danger, along with the national debt, is a "myth." As for the interest burden, oh, well, "We're rich." Who is rich?

If I were this man's butcher he'd be on a cash-on-delivery basis with me tomorrow morning.

Dr. Heller has been dead wrong on every major financial calculation he has made since he entered the White House, as has likewise the President himself. Thus, Mr. Kennedy will earn the profound thanks of our great Nation and the free world by abandoning such White House advisers and making the hard turn to thrift and prudence that the world demands if he is to save our dollar.

For the chips are down. Our jobs, our savings, sustenance, and the Nation's security are at stake. On the record, the President has no right to bet America on quiz kids who repeatedly flunk the quiz.

The **PRESIDING OFFICER.** The bill will be passed over.

EXTENDING APPLICATION OF CERTAIN LAWS TO AMERICAN SAMOA

The Senate proceeded to consider the bill (H.R. 10062) to extend the application of certain laws to American Samoa, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and insert:

That the head of any department, corporation, or other agency of the executive branch of the Government may, upon request of the Secretary of the Interior, extend to American Samoa without reimbursement, scientific, technical, and other assistance under any program administered by such agency that will promote the welfare of American Samoa, notwithstanding any provision of law under which American Samoa may otherwise be excluded from such program. The provisions of this section shall not apply to financial assistance under a grant-in-aid program. The Secretary of the Interior shall not request assistance pursuant to this subsection which will involve nonreimbursable costs as estimated for him in advance by the heads of the departments, agencies, and corporations concerned in excess of an aggregate of $150,000 in any one fiscal year.

VOCATIONAL EDUCATION

SEC. 2. (a) American Samoa shall be entitled to share in the benefits of the Vocational Education Act of 1946 (20 U.S.C. 15i et seq.), and any Act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is hereby authorized to be appropriated, for the fiscal year ending June 30, 1962, and annually thereafter, the sum of $80,000, to be available for allotment to American Samoa under such Act and the modifications hereinafter provided.

(b) Sums appropriated under the authority of subsection (a) of this section shall be allocated for vocational education in (1) agriculture, (2) home economics, (3) trades and industries, and (4) distributive occupations, in the proportion which the amount authorized to be appropriated under paragraphs (1), (2), (3), and (4), respectively, of section 3 of the Vocational Education Act of 1946, bears to the sum of such amounts except insofar as the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, deems it necessary to modify said proportions to meet special conditions existing in American Samoa.

(c) The provisions of section 3, section 7, and section 8(b) of the Vocational Education Act of 1946, shall apply to sums appropriated under this section with such modifications as the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, shall deem necessary to meet special conditions existing in American Samoa.

(d) In addition to the sums authorized to be appropriated under section 9 of the Vocational Education Act of 1946, there are hereby authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this section, such sums to be expended for the same purposes and in the same manner as provided in section 7 of the Act of February 23, 1917 (20 U.S.C. 15).

NATIONAL SCHOOL LUNCH ACT

SEC. 3. (a) The National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by inserting "American Samoa," after "Guam," wherever appearing in such Act, except that after "the apportionment for Guam," in section 4, such Act is amended by inserting the following: "the apportionment for American Samoa,".

(b) The amendments made by this section shall be applicable only with respect to funds appropriated after the date of enactment of this Act.

PUBLIC HEALTH SERVICE ACT

SEC. 4. (a) The Public Health Service Act (42 U.S.C. 201 et seq.) is amended as follows:

(1) in seciton 314 strike out subsection (1) and insert in lieu thereof the following:

"(1) Except as otherwise provided in this subsection the provisions of this section shall be applicable to Guam and American Samoa in the same manner in which they apply to the States. Amounts paid to Guam or American Samoa from its allotment under subsection (a), (b), (c), or (e) of this section, together with matching funds of Guam or American Samoa, respectively, may, with the approval of the Surgeon General, be expended in carrying out the purposes specified in any such subsection or subsections other than the one under which the allotment was made.";

(2) in subsections (a) and (d) of section 631 insert "American Samoa," after "Guam,"; and

(3) in sections 624 and 652 insert a comma and "American Samoa," after "Virgin Islands".

(b) The amendments made by this section shall become effective July 1, 1962.

LIBRARY SERVICES ACT

SEC. 5. (a) The Library Services Act (20 U.S.C. 351 et seq.) is amended as follows:

(1) in subsection (a) of section 4 strike out "and to the Virgin Islands" and insert in lieu thereof a comma and "American Samoa, and the Virgin Islands";

(2) in subsection (a) of section 6 strike out "and of Guam" and insert in lieu thereof a comma and "American Samoa, or Guam"; and

(3) in the remainder of such Act insert "American Samoa," after "Guam," wherever appearing therein.

(b) The amendments made by this section shall become effective July 1, 1962.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INVESTIGATING CERTAIN ASPECTS OF NATIONAL SECURITY METHODS

The resolution (S. Res. 332) to investigate certain aspects of national security methods was considered and agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized, from the date of approval of this resolution to January 31, 1963, to make studies as to the efficiency and economy of operations of all branches and functions of the Government with particular reference to:

(1) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(2) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents, and skills; and

(3) legislative and other proposals or means to improve these methods and processes.

SEC. 2. For the purposes of this resolution, the committee, from date of approval of this resolution to January 31, 1963, inclusive, is authorized—

(1) to make such expenditures as it deems advisable;

(2) to employ upon a temporary basis and fix the compensation of technical, clerical, and other assistants and consultants: *Provided,* That the minority of the committee is authorized at its discretion to select one employee for appointment; and

(3) with the prior consent of the head of the department or agency concerned, and the Committee on Rules and Administration, to utilize on a reimbursable basis the services, information, facilities, and personnel of any department or agency of the Government.

SEC. 3. Expenses of the committee under this resolution, which shall not exceed $70,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement explaining the resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JACKSON

I wish to speak briefly of Senate Resolution 332 which requests funds for studies of the capacity of present national security staffing, methods, and processes to meet the requirements imposed by the increasing complexity of national security problems.

The Senate has before it the text of the resolution, together with an estimated budget of $70,000 for the period from the adoption of the resolution through January 31, 1963. This resolution has been favorably reported by the Committee on Government Operations and by the Committee on Rules and Administration.

The proposed studies are a followon to the work of the Subcommittee on National Policy Machinery. As my colleagues know, that 2½-year inquiry was the first overall review of the national security policymaking process since the passage of the National Security Act of 1947. More than 50 hearings were held, opening with the penetrating testimony of Hon. Robert A. Lovett in 1960, and closing with the appearance of Secretary of State Dean Rusk in 1961. The subcommittee issued a series of background studies, six staff reports, and the chairman's final statement giving detailed findings and recommendations for improvement.

Some of the recommendations contained in these reports are under review in the executive branch. Many others have been adopted. Most recently, for example, the President's Reorganization Plan No. 2 of 1962, providing for certain reorganizations in the field of science and technology implements the basic recommendations of our staff study issued in 1961 under the title "Science Organization and the President's Office."

The studies projected in Senate Resolution 332 will follow up on the previous subcommittee findings which are still under discussion and consideration in the executive branch. The proposed studies will also permit the Senate to maintain an initiative in timely and constructive contributions to urgent problems of staffing and operations in the national security area.

In accordance with the jurisdiction of the Government Operations Committee, the subcommittee will be concerned with interagency problems and operations which involve several departments and agencies in the national security field.

The studies will be conducted by the Subcommittee on National Security Staffing and Operations.

We shall, of course, approach the task proposed in this resolution in an objective, scholarly, and nonpartisan spirit.

SENATE YOUTH PROGRAM

The resolution (S. Res. 324) expressing the willingness of the Senate to cooperate in a Senate youth program was considered, and agreed to, as follows:

Resolved, That the Senate hereby expresses its willingness to cooperate in a nationwide competitive high school Senate youth program which would give several representative high school students from each State a short indoctrination into the operation of the United States Senate and the Federal Government generally, if such a program can be satisfactorily arranged and completely supported by private funds with no expense to the Federal Government.

SEC. 2. The Senate Committee on Rules and Administration shall investigate the possibility of establishing such a program and, if the committee determines such a program is possible and advisable, it shall make the necessary arrangements to establish the program.

PRINTING OF ADDITIONAL COPIES ON "CONSTITUTIONAL RIGHTS OF THE MENTALLY ILL"

The concurrent resolution (S. Con. Res. 69) to print additional copies of hearings on "Constitutional Rights of the Mentally Ill," was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary one thousand additional copies of parts 1 and 2 of its hearings on "Constitutional Rights of the Mentally Ill," and one thousand copies of its hearings on "Wiretapping and Eavesdropping Legislation", held by its Subcommittee on Constitutional Rights during the Eighty-seventh Congress, first session.

The title was amended, so as to read: "Concurrent resolution authorizing the printing for the use of the Senate Committee on the Judiciary of additional copies of its hearings on 'Constitutional Rights of the Mentally Ill' and 'Wiretapping and Eavesdropping Legislation'."

PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT ENTITLED "STUDY MISSION TO SOUTH AMERICA"

The resolution (S. Res. 330) authorizing the printing as a Senate document of a report entitled "Study Mission to South America" was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document a report entitled "Study Mission to South America", submitted by Senators Gale W. McGee, Frank E. Moss, Clair Engle, and Stephen M. Young to the Senate Committees on Appropriations, Interior and Insular Affairs, Agriculture, and Forestry, and Armed Services on February 13, 1962; and that five thousand additional copies be printed for the use of the Senate Committee on Appropriations.

PRINTING AS SENATE DOCUMENT LEGISLATIVE HISTORY OF H.R. 6775 OF 87TH CONGRESS

The resolution (S. Res. 334) authorizing the printing as a Senate document of a legislative history of H.R. 6775 of the 87th Congress (a bill to the Shipping Act, 1916) was considered and agreed to, as follows:

Resolved, That a compilation of materials constituting a legislative history of H.R. 6775 of the Eighty-seventh Congress (a bill to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences) be printed as a Senate document, and that there be printed two thousand additional copies of such document for the use of the Senate Committee on Commerce.

PRINTING AS SENATE DOCUMENT SYMPOSIUM ENTITLED "EDUCATION FOR SURVIVAL IN THE STRUGGLE AGAINST WORLD COMMUNISM"

The resolution (S. Res. 335) to print as a Senate document a symposium entitled "Education for Survival in the Struggle Against World Communism" was considered and agreed to, as follows:

Resolved, That there shall be printed as a Senate document a symposium prepared for the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, entitled "Education for Survival in the Struggle Against World Communism". There shall be printed six thousand additional copies of such Senate document which shall be for the use of the Committee on the Judiciary of the Senate.

PRINTING OF ADDITIONAL COPIES OF REPORT ON GOVERNMENT CONTRACTING FOR RESEARCH AND DEVELOPMENT

The Senate proceeded to consider the resolution (S. Res. 336) to print additional copies of a report on Government contracting for research and development, which had been reported from the Committee on Rules and Administration, with amendments, in line 1, after the word "printed", to strike out "for the use of the Committee on Government Operations two thousand additional copies of" and insert "with illustrations as a Senate document"; and in line 7, after "1962", to insert a semicolon and "and that there be printed two thousand additional copies of such document for the use of the Committee on Government Operations", so as to make the resolution read:

Resolved, That there be printed with illustrations as a Senate document a report compiled by the Bureau of the Budget entitled "Report to the President on Government Contracting for Research and Development", submitted by the President of the United States to the Congress on April 30, 1962; and that there be printed two thousand additional copies of such document for the use of the Committee on Government Operations.

The amendments were agreed to.

The resolution as amended was agreed to.

The title was amended, so as to read: "Resolution authorizing the printing as a Senate document of a report compiled by the Bureau of the Budget entitled 'Report to the President on Government Contracting for Research and Development'."

PRINTING AS SENATE DOCUMENT OF REVISED EDITION SENATE DOCUMENT NO. 98

The resolution (S. Res. 338) authorizing the printing as a Senate document of a revised edition of (an original resolution) Senate Document No. 98 entitled "Federal Corrupt Practices and Political Activities" was considered and agreed to, as follows:

Resolved, That a revised edition of Senate Document Numbered 98 of the Eighty-fourth Congress, entitled "Federal Corrupt Practices and Political Activities" be printed as a Senate document.

PAYING GRATUITY TO ESTELLE A. ENGLAND

The resolution (S. Res. 339) to pay a gratuity to Estelle A. England was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Estelle A. England, mother of Shirley A. Preston, an employee of the Senate at the time of her death, a sum equal to five months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

PAYING GRATUITY TO ROBERT I. PLOWMAN AND LUCY P. MUNRO

The resolution (S. Res. 340) to pay a gratuity to Robert I. Plowman and Lucy P. Munro was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Robert T. Plowman, son, and Lucy P. Munro, daughter of S. Rex Plowman, an employee of the Architect of the Capitol assigned to duty in the Senate Office Building at the time of his death, a sum to each equal to 3 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BILLS PASSED OVER

The bill (H.R. 10802) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes, was announced as next in order.

Mr. CARLSON. Mr. President, I ask that that bill go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H.R. 11261) to authorize an adequate White House Police force, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ENGLE. Mr. President, I ask that the bill go over, by request.

The PRESIDING OFFICER. The bill will be passed over.

That concludes the call of the calendar.

ORSOLINA CIANFLONE IALLONARDO

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1915) for the relief of Orsolina Cianflone Iallonardo, which were, after line 10, insert:

SEC. 2. For the purposes of the Act of September 22, 1959 (Public Law 86-363), Mrs. Chow Chui Ha shall be deemed to be within the purview of section 4 of that Act, and the provisions of section 24(a) (7) of the Act of September 26, 1961 (75 Stat. 657), shall be inapplicable in this case.

SEC. 3. For the purposes of the Act of April 13, 1962 (Private Law 87-346), Giuseppe Aniello shall be held and considered to be within the purview of section 4 of the Act of September 22, 1959 (Public Law 86-363), and the provisions of section 24(a) (7) of the Act of September 26, 1961 (75 Stat. 657), shall be inapplicable in this case.

And to amend the title so as to read: "An Act for the relief of Orsolina Cianflone Iallonardo, Mrs. Chow Chui Ha, and Giuseppe Aniello."

Mr. ENGLE. Mr. President, on March 29, 1962, the Senate passed S. 1915 to enable the adopted daughter of a U.S. citizen to qualify for a nonquota immigrant visa under the provisions of section 4 of Public Law 86-363.

On May 15, 1962, the House of Representatives passed S. 1915, with amendments, to include two additional beneficiaries. The amendments will enable the adopted daughter of U.S. citizens and the son of a U.S. citizen to qualify for nonquota immigrant visas under the provisions of section 4 of Public Law 86-363.

Mr. President, these amendments are acceptable and I move that the Senate concur in the House amendments to S. 1915. This matter has been cleared with the leadership on both sides.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

ELISABETTA PICCIONI

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1271.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7777) for the relief of Elisabetta Piccioni.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, was read the third time, and passed.

FOOD AND AGRICULTURE ACT OF 1962

Mr. MANSFIELD. Mr. President, with the indulgence of the Senator from

New York [Mr. JAVITS], who is on his feet, I should like at this time to have the pending business laid down.

I move that the Senate turn to the consideration of Calendar No. 1333, S. 3225.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. There will be no consideration of the bill this afternoon, unless a Senator desires to do so.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TRIBUTE TO MEMBERS OF THE CALENDAR COMMITTEES

Mr. MANSFIELD. Mr. President, I wish to pay my respects to the members of the calendar committees on both sides of the aisle and their staffs for the work they have done this afternoon in helping to clear the calendar to the extent that it has been cleared. They have done a good job.

EIGHTH ANNIVERSARY OF THE DECISION BY THE U.S. SUPREME COURT IN BROWN VERSUS BOARD OF EDUCATION

Mr. JAVITS. Mr. President, today marks the eighth anniversary of the decision by the U.S. Supreme Court in Brown against Board of Education, the so-called school desegregation case.

Mr. President, it is tremendously interesting, I think, and should be of interest to the country, to see what has occurred in the light of the big to-do which has been made in this Chamber concerning the literacy test bill, which has gone down the drain.

This is the really critical element of the desegregation process. The desegregation of education, desegregation with respect to jobs, and desegregation with respect to housing are the three principal areas in which action is urgently required; yet the whole concentration of attention by the administration, I think quite wrongly, and the whole concentration of attention by the Congress has been upon voting matters, about which there should be very little dispute.

School desegregation has been allowed shamefully to lag. The 1961 report of the Civil Rights Commission specifies that in no uncertain terms, showing that the process has not even begun in biracial districts in Alabama, Georgia, Mississippi, and South Carolina, and has not begun in all but one district in Florida and in all but one district in Louisiana.

In this regard I ask unanimous consent to have printed in the RECORD an excerpt from the "Conclusions of the Civil Rights Commission."

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> The Nation's progress in removing the stultifying effects of segregation in the public elementary and secondary schools—North, South, East, and West—is slow indeed.
>
> During the period 1959–61, only 44 school districts in the 17 Southern and border States initiated desegregation programs; 13 of these acted under court orders; 15 more were pressured into action by pending suits. Seven years after the Supreme Court decision in the School Segregation cases, 2,062 school districts in the South that enroll both white and Negro pupils had not even started to comply with the requirements of the Constitution. These include all districts in Alabama, Georgia, Mississippi, and South Carolina; all but one in Florida and one in Louisiana. Some of the 775 that have started to desegregate have barely begun a 12-year progression; others, by making all initial assignments by race and placing the burden of seeking transfer on Negro pupils—often under extensive pupil placement procedures—have kept at a minimum the number of Negroes in attendance at formerly white schools.
>
> In the North and the West, where segregation by race, color, religion, or national origin is not officially countenanced, it exists in fact in many public schools. A Federal court decision in the New Rochelle, N.Y., case in January 1961 (affirmed by the court of appeals) which required the desegregation of a public school in a northern city, was probably the most significant single event affecting equal protection of the laws in public education since the Supreme Court's decision in the Little Rock case in 1958.
>
> Legislative resistance to desegregation has continued in some Southern States, notably Louisiana. Others, such as Virginia and Georgia, have shifted from massive resistance to freedom of choice fortified by tuition grants. The former proved unconstitutional; the new strategy is now before the courts. The Prince Edward (Va.) case raised the question whether the closing of the public schools and financing the education of all children who seek it in private schools is an evasion of a court order to desegregate. In the St. Helena case the closing of a public school in accordance with Louisiana State law to avoid the necessity of desegregating has been successfully challenged as a denial of equal protection under the 14th amendment.
>
> The Attorney General of the United States has been active in the New Orleans case to prevent nullification of constitutional principles by State action; to prevent evasion of the Federal court order to desegregate public schools; and to provide protection to Negro children assigned to formerly white schools. He has also filed a brief as amicus curiae in St. Helena. By invitation of the Federal court in the New Rochelle case, he filed a brief advising the court with regard to the order to be entered. Only in Prince Edward has the Federal court denied the Attorney General the right to intervene to protect the interests of the United States.

Mr. JAVITS. Mr. President, even as late as this week, notwithstanding orders of the courts, New Orleans has decided to desegregate only its first grade, after 8 years.

It is also interesting to note—and I call this very strongly to the attention of the Government departments concerned—that so far as we know there have been no reports by any Government departments either on my bill, S. 2980, introduced for myself and a number of other Senators with relation to desegregation in the education field, or even upon what had been thought to be the administration bill, the Clark-Celler bill on the same subject.

Hence the even greater irony of a big conflict lasting 3 weeks on the literacy test bill, which died, while absolutely nothing is done in the Congress with respect to the desegregation of public education, the subject of one of the most historic decisions of the U.S. Supreme Court 8 years ago.

I think it behooves us to do something about the problem. I should be less than frank with the Senate if I did not say that I shall take counsel with the other Senators concerned about these civil rights matters—it is well known that we have always taken counsel without regard to party—in order to see whether the most critically important of all the measures, the measure which would give the Attorney General power to institute suits in representative civil rights cases, including school desegregation cases—yes, even in this election year—should be brought before the Senate for some consideration.

Mr. President, if we are to be frustrated in respect to civil rights legislation, in the face of a shameful lack of compliance with the highest law of the land, which is shown by the failure to act and the foot dragging in respect of desegregation of our school system, let us at least go down fighting on something which really rates and which really counts, like the authority of the Attorney General to start representative civil rights suits. Let the country know that the critical civil rights bill is the so-called part III bill. Nothing else should confuse the country as to what is really the basic issue at stake.

So, Mr. President, on this eighth anniversary of the Supreme Court decision in Brown against Board of Education, I rise to protest the inaction on the part of the Congress. I rise to point out that in wide areas of the country this fundamental national decision is not being observed but is being completely frustrated. We have no right to wonder why extra legal means—passive resistance, lack of confidence in our intention to honor the pledge of the Constitution—become the order of the day.

As I said the other day, when some untoward development does break out, in the form of violence or otherwise—we hope and pray it will not—let us look back to the kind of frustrating inaction which has taken place in respect to these weighty matters which affect so deeply the minds, consciences, and hearts of the people and which move them so deeply emotionally, in terms of the denial of their fundamental civil rights, to see whether we have done our duty.

Mr. President, I do not think we have. As I say, I shall consult with other Senators interested in this field in order to see, notwithstanding where we stand in the session and the fact that it is an election year, whether we should nonetheless bring the subject up for further consideration by the Congress.

CONSUMERS' PURCHASES OF BEEF

Mr. JAVITS. Mr. President, on March 28, 1962, I inserted in the Record an article published in the March 1962 issue of McCall's magazine, entitled "Consumers' Purchases of Beef," written by Samuel Grafton, concerning consumers' purchases of beef, relating to the fat content as affected by the grading practices of the Department of Agriculture and the resultant consequences to be considered, the health of consumers. At that time I asked the Department of Agriculture for a report on the questions raised in Mr. Grafton's article. I have received the Department of Agriculture's response and another letter of comment from Mr. Grafton, and ask unanimous consent that the letters addressed to me by Secretary of Agriculture Orville Freeman and by Mr. Samuel Grafton be printed in the Record at this point in my remarks.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, D.C., April 23, 1962.

Hon. Jacob K. Javits,
U.S. Senate,
Washington, D.C.

Dear Senator Javits: The Department is glad to comply with your request in the Congressional Record of March 28 for an evaluation of the article appearing in the March 1962 issue of McCall's magazine. "If You Are Buying the 'Better' Beef," by Samuel Grafton. This article does a distinct disservice to the consumer and to the entire beef industry. It contains serious errors and some false conclusions, and we are anxious to help correct misunderstandings that may result from this statement.

The central theme of the McCall's article is reflected in the statement that "the more fat distributed through the meat or curled lovingly around it the higher the grade it will be awarded." This idea is certainly untrue. The amount of fat on the outside of the beef carcass—and this is generally the location of the largest amount of fat—is not a grade-determining factor since it has no direct effect on the palatability of the lean. In fact, some carcasses in the U.S. Good grade have more outside fat than carcasses in the U.S. Prime grade.

With reference to factors used in determining grade, the article further states "the fat marbling is the decisive element." This is not the case. The maturity of the animal that produced the beef is the most important grade-determining factor. However, among carcasses from animals of the same age, the amount of marbling, or fat distribution within the lean meat, is an important grade factor because of its contribution to overall palatability—tenderness, juiciness, and flavor.

The article focuses undue attention on the fatness of beef. The opening sentence is: "Among the things the average American fears as he once feared witches is fat." If this is true, the average American has scarcely reflected his fears in his diet; consumption of fat per person remains close to record high levels.

The great proportion of fat on beef is on the outside surface of the carcass and is readily separated from the lean—in fact, much of it is trimmed from retail cuts at the store, in the kitchen, or on the plate, and is not consumed. All lean meat contains some fat. However, the differences in fat content of the lean muscle of beef from different Federal grades are relatively small. In a recent study conducted by one of the agricultural colleges, chemical analysis of the fat actually within the rib eye muscle—the large muscle in T-bone steaks and rib roasts—averaged about 7.75 percent for the Choice grade, and 6.25 percent for the Good grade. Most of the other major muscles contain less fat. For example, the muscles of the round normally contain about one-half as much fat as the rib eye. Thus, although marbling is closely related to quality, the actual quantity of fat associated with marbling is small indeed.

McCall's went on to say, "a housewife, semantically stirred by an attractive word, buys beef according to U.S. Government grade mark and chooses the highest grade, U.S. Prime, over the second grade, U.S. Choice, or the third highest grade, U.S. Good."

During 1961, only 3½ percent of the beef federally graded was in the U.S. Prime grade, and the semantic power of the word "Prime" apparently was not strong enough to entice the housewife into outbidding the hotels and restaurants for even that limited supply.

The Department of Agriculture does not recommend any one grade as being "better" than another for all purposes. Grading merely groups carcasses together which have similar characteristics. This permits consumers to choose the particular grade that best suits their needs. We contend that all beef is good and that each grade is best for some specific use.

In November 1960, the U.S. Department of Agriculture published Marketing Bulletin No. 15, "U.S. Grades for Beef." It says, "the purpose of this booklet is to give consumers a brief explanation of the U.S. grades for beef—and to show how they can be used as an aid in the purchasing and cooking of beef."

The USDA's bulletin offers these suggestions: "Learn the grade best suited to your needs. Remember, too, that the proper selection of cuts is important. A Good grade T-bone steak, for example, can be more tender than a Choice grade round steak." The bulletin points out that most retailers will sell only the grade or grades that will satisfy the majority of their customers.

The McCall's article further suggests that the Government use some other terms to designate present grades of beef such as a system of numbers or words denoting fatness starting with "1" or "fattest."

As pointed out above, words relating to fatness would not be appropriate for the present grades since the grades are not based on overall fatness. Moreover, we believe that if numbers were used to designate grade, consumers would be more reluctant to buy meat labeled "No. 3" than they are to buy meat labeled "Good." After years of use by the consumer, processor, and producer, changing USDA grade names would result only in creating confusion in the entire industry. In reality, a grade name has meaning only to the extent that the user associates it with a specific kind of beef.

In this connection, however, it is interesting to note that while the author criticizes the grade names used by USDA for beef he offers no criticism of the superlative terms used to identify packer brands. The article suggests that less emphasis is given fatness in determining packer brands than in Federal grading. There is no published information which indicates the basis on which packer brands are determined. However, observation of beef with packer brands provides no evidence that additional fat—either as marbling or outside fat—excludes beef from their higher brands. Whether beef is federally or privately graded the same physical factors which determine quality must necessarily be used to assure comparable tenderness, juiciness, and palatability.

The paragraph in the McCall's article discussing hamburger also is quite misleading. The statement in reference to hamburger that "the housewife will pay more to get less fat" implies that the leaner the hamburger the better it is. A certain amount of fat is required in hamburger to give the flavor, texture, and juiciness for palatability and acceptance by the consumer. Research has established this point. While the level of fat in hamburger need not be excessive to insure desirability, so-called lean hamburger may contain more than double the fat content of the lean portion of a Choice or Prime beef rib roast.

McCall's says, "The French use a beef breed called the Charollais, which is able to produce tender steaks without visible fat marbling even in animals as old as 5 years. Import restrictions, for fear of hoof-and-mouth disease, prevent the development of pure Charollais herds in the United States."

Actually, Charollais cattle are being imported into the United States, but they are from herds that have been established for many years in other countries that are free from hoof-and-mouth disease. However, the limited carcass data available to us on Charollais cattle in this country do not indicate that this breed has any superiority with respect to tenderness.

In January 1959, the U.S. Department of Agriculture published a research report entitled, "Economic Effects of U.S. Grades for Beef." This report was based in part on a sample survey of national packers, independent packers, wholesale distributors, and chain and independent retailers of meat which was made by an independent research organization under a USDA contract. The following section of that report is quite pertinent to the McCall's article:

"Among the most important of the economic effects of the distribution of beef by Federal grades are:

"(1) Federal grades for beef have contributed to many basic changes in the organization or structure of the beef wholesaling industry. Independent packers and independent meat wholesalers increased in number and volume of meat handled while packer branch houses declined greatly in number. The retail chains developed mass buying procedures and specifications tied to Federal grades. The bargaining strength of the national packer declined.

"(2) Federal grading of beef has resulted in numerous within plant or intrafirm changes and has tended to stimulate technological innovation. Use of the grade standards has tended to intensify competition and this, in turn, has focused attention on production and marketing costs and on means of reducing those costs.

"(3) In combination with other factors, the Federal grading of beef may have tended to increase consumer demand for beef and to stimulate beef production.

"(4) Federal grades have contributed to the demand for higher quality beef. This is reflected in higher percentages of beef production and sales in the higher grades, particularly Choice. Retailers' advertising and merchandising policies on beef are tied closely to the Federal grade standards. These policies, particularly opportune in a period of high consumer incomes, have influenced consumers' buying patterns. Most consumers, however, apparently have not been influenced in a direction contrary to their basic desires and eating preferences. For many consumers Choice grade appears to represent the most satisfying compromise from among the Federal grades."

The McCall's article also comments that there are signs of slackening dependence on Government grading. This is obviously incorrect since more beef was graded in 1961 than in any previous year under voluntary grading. In fact, this increase amounted to 381 million pounds over 1960, up 5.4 percent compared with an increase of only 3.8 percent in beef production. From the current data available concerning the volume of beef graded in 1962, the upward trend in Federal grading has continued.

The statement that a particular retail store in the Washington, D.C., area alternately features "a less fat meat selected according to its own specifications" raises the question of such meat being less fat than what? Much of the highly publicized lean beef is actually no more lean—and in some instances it carries more trimmable fat—than the average Choice grade beef. Research has produced no magic formula which, under commercial conditions, permits the uniform selection of beef according to its palatability without using the same basic quality-indicating factors used in Federal grading.

The Department has long realized the desirability of reducing the quantity of fat deposited on the outside of most beef carcasses. As previously indicated, this fat makes no direct contribution to the palatability of beef and most of it is not eaten. Large deposits of this fat on carcasses are an economic waste and reduction of this fat on beef without lowering the quality of the lean is a continuing objective of both cattle breeders and feeders.

We have had a number of different types of research projects directed toward that goal, and our standards for grades of beef are under continual review for any improvements that can be made in them for use as a tool for reflecting consumer preferences back through the marketing channels to the producers. In this connection, on April 10, 1962, the Department announced that beginning July 1, 1962, the livestock and meat industry will be offered an opportunity to evaluate a new approach to beef grading. On that date we will make a dual grading system available on a trial and optional basis along with our present system of grading.

The proposed dual grading system would provide for two separate grade identifications on beef carcasses. One of these—the quality grade, utilizing current grade names—would indicate differences in palatability of the lean—factors associated with tenderness, juiciness, and flavor. The proposed additional grade identification relates to the cutability—the percentage of salable meat which the retailer can cut from the carcass. In today's complex livestock and meat marketing, both of these characteristics strongly influence the ultimate value of the beef carcass and thus the value of the live animal.

The current grade standards utilize the best indicators of the quality of beef that research has provided to date. These indicators of palatability will still be considered in determining the quality part of the dual grade. The same grade names—Prime, Choice, Good, Standard, Commercial, Utility, Cutter, and Canner—will be used to identify quality differences.

The present grading system gives no direct consideration to the most important factor affecting cutability—the amount of excess fat that retailers trim off retail cuts to make them more acceptable to the consumer.

Cutability differences will be identified in the proposed standards by six yield grades. These will be numbered from No. 1 to No. 6 with No. 1 representing the highest yield of retail cuts and No. 6 the lowest.

The Livestock Division of USDA's Agricultural Marketing Service has been developing and testing the dual grading system for nearly 10 years. It has been demonstrated before cattle producers, market agencies, meatpackers, and university research groups. Cattle producers, particularly, have expressed keen interest in and support for a program of this type to aid them in meeting the needs and requirements of consumers.

If dual grading becomes widely used and if processors and distributors make appropriate price differentials among the various kinds of beef carcasses and cattle, there will be a decreased production of waste fat through better breeding and feeding practices, with a saving in cost that should be shared by the producer and the consumer.

The Department of Agriculture feels very strongly its responsibility to the consumer as well as to the producer. The Department feels that its past and recent efforts to improve beef grade standards have always been aimed at providing a more efficient yardstick through which consumer preferences can be reflected back through the marketing channel to the producer.

Members of industry and other interested persons have been invited to submit written data, views, or arguments concerning the proposed standards for dual grading to the Director, Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington 25, D.C., after they have had an opportunity to observe the new system in operation. The deadline for such comments is July 1, 1963. The 1 year of operation should allow ample opportunity for members of industry to evaluate the new standards before they present comments.

Meanwhile, the Department of Agriculture will continue to break new ground in research on livestock breeding and feeding, in human nutrition, in use of instruments to measure quality by objective standards, and in utilization of byproducts—research that will advance the frontiers of our knowledge to the common benefit of producers, market agencies, and consumers.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

RIDGEFIELD, CONN.,
May 5, 1962.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: I am happy to have had the opportunity to read Secretary of Agriculture Orville L. Freeman's letter to you of April 23, in which he takes strong exception to my article on Government beef grading practices, published in McCall's for March of this year. I have been appreciative of help given me by the Department of Agriculture in preparing this article, and of the Department's many useful publications in this field. For this reason alone I regret that Secretary Freeman, for whom I have the highest regard, has chosen to cut phrases out of context in my article, to stretch and distort the meaning of the phrases thus culled, and to omit passages which did not happen to suit the defensive case he was making.

Let me review briefly the theme of my article, since this is essential to an understanding: The ingestion of animal fat has of late years become a medical and personal issue in America. Many physicians and nutritionists have become convinced that a high intake of animal fats may represent a serious health danger, particularly from the point of view of increasing blood cholesterol levels and promoting the chances of heart disease. The key document in this field is the statement by the American Heart Association, issued on December 10, 1960, which recommended, in the words of the association's own summary, "reduced fat consumption—combined with reasonable substitution of vegetable oils and other unsaturated fats for animal fats in the diet." The American Heart Association made this recommendation "as a possible means of preventing atherosclerosis (hardening of the arteries) and lessening the risk of heart attacks and strokes."

It will be conceded, in view of the importance of heart disease as a great killer in America, that this represents a public health issue of top concern. When it came to my attention that Government beef grading practices operated so as to give higher (and therefore more appealing) grade designations to beef carcasses containing more fat, and lower (and therefore less appealing) grades of beef carcasses containing less fat, I felt that this was an area in which the public deserved to be fully informed.

I found, by inquiry, that most people were not completely or clearly aware that "Prime" beef was, generally, more fat than "Choice," which is the second grade, or that "Choice" was usually more fat than "Good", the third grade. In view of the health issue that exists in the food fat area, as regards not only heart disease but our prevalent national problem of obesity, I felt that consumers were entitled to this knowledge, and therefore wrote the article.

It is interesting that nowhere in his long letter (it is considerably longer than my article) does Secretary Freeman mention the health issue. He ignores it, and by doing so ignores the reason for which the article was written. It seems to me that a consumer-minded Department of Agriculture should be just as interested in this health problem as is the American Heart Association. or as I am, as an independent journalist. This, as much as any other factor, has startled me in the defense which Secretary Freeman has made of his Department's beef grading practices.

Defending those practices, Secretary Freeman tries to leave with the reader of his letter the impression that the fat content in beef carcasses is not a major factor in determining grade. He takes a phrase from my article: "the more fat distributed through the meat or curled lovingly around it the higher the grade it will be awarded," and he says: "This idea is certainly untrue." He quotes another phrase: "The fat marbling is the decisive element" and he says flatly: "This is not the case." He declares that "the maturity of the animal is the most important grade-determining factor," though he concedes that "among carcasses from animals of the same age, the amount of marbling, or fat distribution within the lean meat, is an important grade factor because of its contribution to overall palatability—tenderness, juiciness and flavor." This comes close to admitting the major point of my article, which is that if other factors are equal, fat marbling is the decisive element. Actually, the phrase first quoted above was torn from its context in my essay, and the sentence reads, in full: "Other factors being equal, the more fat distributed through the meat, or curled lovingly around it, the higher the grade it will be awarded." Why were those first four words left out of the quotation? They would not have taken up much more room in a seven page single-spaced letter and would have presented a fairer picture of the article's content.

The second quotation from my article, "the fat marbling is the decisive element" has been even more summarily decapitated. The full sentence is: "Though other factors are carefully considered—the age of the animal (younger is tenderer), the shape of the carcass, the condition of the bone, the color of the meat—the fat marbling is the most decisive element."

This is rough surgery indeed. The sentence as a whole gives a full and fair picture of grading criteria, more complete than Secretary Freeman's own description of the process. Only the tag end of my sentence has been quoted in the Secretary's letter to you, and even here the word "most" has been cut out, entirely changing the meaning. I did not write "the fat marbling is the decisive element." I wrote "the fat marbling is the most decisive element," which has a completely different meaning because it indicates that other decisive elements exist. I am willing to leave to any jury of English grammarians and sentence-parsers the question of whether I have not been misquoted in such a way as to create the impression that I have made extreme statements, so that these could then be knocked down. This is a piece of business of which no responsible journalist, for example, would ever allow himself to be guilty.

Let us go further: Secretary Freeman, using the truncated quotation: "the more fat distributed through the meat or curled lovingly around it the higher the grade it will be awarded," goes on to deny vigorously that the amount of fat "curled lovingly around the meat," that is, the fat, as he says "on the outside of the beef carcass" is a grade determining factor. I do not know how he can square this statement with the fact that in pictures of the standard cuts of beef, presented in the Department's own publications, the higher grades uniformly show more fat "curled lovingly around the meat" than do grades just under the highest. Secretary Freeman, in discussing the grading system, refers to a Department of Agriculture publication, Marketing Bulletin No. 15, published in November 1960. I have that marketing bulletin before me. Its pages are not numbered, but on what would be pages 2 and 3 (not counting the covers) a photograph of a cut of "Prime" beef is contrasted with a photograph of a cut of "Choice" beef. The amount of blubber shown surrounding the "Prime" cut measures almost half an inch, even in this reduced picture, and is more than twice as thick, at some points, as the suet surrounding the "Choice" cut, in the official Department photograph on the facing page. Furthermore, the text matter on these pages says of the "Prime" grade: "Such cuts have liberal quantities of fat interspersed within the lean (marbling)." On the "Choice" page, the descriptive sentence runs: "This grade is preferred by most consumers because it is of high quality but usually has less fat than beef of the 'Prime' grade." The purpose of Secretary Freeman's letter is to minimize the differences in fat between the grades (or it has no purpose) and so I must ask him to explain away these pictures. On pages 6 and 7 of the same pamphlet we are offered official photographs of corresponding cuts of "Good" and "Standard" beef.

Here, too, the outer envelope of fat shrinks as the grades decline; by the time we get down to "Standard" (which is the fourth beef grade, in descending order) the outer fat is a mere strip. On page 8 a photograph of a cut of "Commercial" grade beef is shown, and I will admit that this has the thickest envelope of fat in any of the pictures, but since this is beef cut from elderly cattle, and is rarely if ever offered for broiling or roasting purposes, it is irrelevant to our discussion. Marketing Bulletin No. 15 should be obtainable from the Department of Agriculture, and an examination of its photographs should be most illuminating to anyone interested in the end results of the grading process.

Secretary Freeman complains that my article "focuses undue attention on the fatness of beef." Let us see how much attention the Department's own publications focus on it. In a Department pamphlet, "Official U.S. Standards for Grades of Carcass Beef," dated June 1956, which describes the grading system, the statement is made: "Within any specified grade the degree of finish and marbling required increases progressively with advancing maturity." "Finish" and "marbling" mean, in effect, fat, and the sentence means that an older animal has to be fatter to make the grade; i.e., fat is so important in grading that, to a degree, it makes up for age of a slaughtered steer.

In describing "Prime" beef, the same publication says: "The interior fat is abundant in the pelvic cavity and over the kidney. The profusion of fat between the chine bones is liberal and the overflow of fat over the inside of the ribs is abundant and fairly evenly distributed. The intermingling of fat with the lean in evidence between the ribs, called feathering, is extensive." But in describing "Choice" beef the wording changes, and the official description for this grade calls for "a moderate quantity of interior fat" and "a modest protrusion of fat between the chine bones and moderate overflow fat and feathering." In older "Choice" carcasses, "fairly heavy" deposits of interior fat are called for, and "a moderate protrusion of fat between the chine bones and moderately abundant overflow fat and feathering." In sum, "Prime" beef calls for "abundant" overflow of fat over the inside of the ribs, whereas "Choice" carcasses show only "moderate" or "moderately abundant" overflow.

When we get down to the third grade, "Good," the official description requires "only a slight protrusion of fat between the chine bones and only a small overflow of fat over the inside of the ribs." Older "Good" animals will have "slight protrusion of fat between the chine bones and slightly abundant overflow fat and feathering."

"Standard grades will have "practically no protrusion of fat between the chine bones and very scanty quantities of overflow fat and feathering," varying to older carcasses showing "very slight protrusion of fat between the chine bones and a small amount of overflow fat and feathering." If these standards do not focus attention on fat, one can only wonder what words mean.

Secretary Freeman attempts to show that "much" fat on the outside surface of the carcass "is trimmed from retail cuts at the store, in the kitchen or on the plate, and is not consumed." Here he touchs very lightly indeed on the unending war between the consumer and the butcher as to how much trimming is to be performed before the weighing. Few housewives and few butchers would agree that this comment disposes of the costly suet problem. As to the statement that the fat "is not consumed," I quote Dr. Ancel Keys, director of the Laboratory of Physiological Hygiene of the University of Minnesota, one of America's foremost heart researchers: "The most expensive grades of beef are the fattest; the top grade—and price—goes to beef so diffusely marbled with fat that it defies trimmming to produce really lean meat." (Page 135, "Eat Well and Stay Well," by Ancel and Margaret Keys, New York, 1959.)

The Secretary of Agriculture mentions an agricultural college survey purporting to show that "chemical analysis of the fat actually within the rib eye muscle—the largest muscle in T-bone steaks and rib roasts—averaged about 7.75 percent for the Choice grade and 6.25 percent for the Good grade." But no housewife I ever heard of cuts out this one muscle for cooking; the whole cut is cooked and the fat of the whole cut adds itself to the gravy and to the meal. As against Secretary Freeman's point, there is a table by Dr. Keys showing (op. cit., p. 333) that "Prime" rib of beef runs 2,040 calories to the pound and is 44 percent fat, while "Good" rib goes 1,540 calories to the pound and is only 31 percent fat. Secretary Freeman's quarrel is with such experts as Dr. Keys, not with me, and he must realize that he has placed himself in the position of contending against authorities of this type.

I could go on indefinitely, but will not. I have not touched on the atmosphere in the meat trade, the concentration on "finishing" and fattening steers to "make the grade." I recall a Government grader, working in a coldroom, saying: "The exact amount of marbling is easily discerned. This is a very important grade factor, one of the most important. It is the real true quality factor."

As to other points raised by Secretary Freeman, I hold no special brief for "packers' brands." I do, however, feel that they would lead to a lesser competition in the production of fat to "make the grade." I did not imply that "the leaner the hamburger the better it is."

I wrote that in hamburger, housewives pay more to get less fat, because in this area they are aware of fat content, while they are not quite so clear that this question is involved in the grading system. I believe that the Charolais steer produces cuts that are likely to be tender while lean; however, the point is not central to this dispute; and I am well aware that a few Charolais steers are being imported from such countries as Mexico, though not in numbers and not from their home country, France. I spoke of a slackening dependence on Government grading, which Secretary Freeman tries to answer by showing an increased consumption of graded meat: the context of my reference clearly shows that I was not referring to consumer habits, but to the fact that some stores are learning to use other appeals, such as leanness, instead of Government grade names, in advertising their beef. As regards Secretary Freeman's description of the new dual grading system, it is devoutly to be hoped that this will produce and popularize leaner meat, but, again, that is not central to the blunt and direct attacks raised against my article.

In obtaining my material, I conferred with a spokesman for Mr. Freeman's Department. I traveled to Chicago. I spoke with representatives of two packers' associations, and with individual retail meat sellers. I went down into the cold rooms and saw grading in process. I obtained cuts of the various official grades of beef, and tested them in my home. I conferred with meat buyers and chefs of three famous restaurants. I spoke with cattle breeders and experimenters. I canvassed the literature, and checked my findings with an outstanding heart student, who hailed my article "for breaking the ice on this issue." Secretary Freeman has used such phrases as "untrue," "serious error," etc. I do not propose to trade unpleasant phrases with him. But accuracy is my integrity. In respect for my profession, I feel I must say that I consider it out of order for a high public official to assume that an experienced journalist, with no ax to grind, working for a most reputable section of the American press, would use material that had not been most carefully checked.

Sincerely yours,

SAMUEL GRAFTON.

LET US JUST ONCE DO AT LEAST HALF AS MUCH FOR THE FOLKS AT HOME AS FOR THOSE IN FOREIGN LANDS

Mr. GRUENING. Mr. President, I send to the desk an amendment to S. 2965—the emergency public works bill—which it is my intention to call up at the appropriate time.

The amendment is simple.

It raises the amounts authorized to be appropriated for emergency public works from $600 million to "the same amounts authorized to be appropriated for foreign economic assistance under the provisions of sections 202—for the fiscal year 1963—212, 401, and 451 of the

Foreign Assistance Act of 1961." Those are the exact words of my proposed amendment. However, in order that my colleagues may have the amendment before them in customary form, I ask unanimous consent that my amendment be printed at the conclusion of my remarks.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD, as requested.

(See exhibit 1.)

Mr. GRUENING. Mr. President, I have previously served notice of my intention to offer this amendment in my individual views in the committee's report on S. 2965. I ask unanimous consent that those views be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GRUENING. Mr. President, my amendment seeks only to place our domestic program for alleviating unemployment in a position of equality with what we are doing abroad. As a matter of fact, Mr. President, even if my amendment is adopted—and I sincerely trust that it will be—there still will not be equality.

The amendment which I propose would raise the maximum authorized to be appropriated for the program of emergency public works from $600 million to $2,645 million computed as follows:

Sec. 202—Development Loan Fund (for fiscal year 1963 only)	$1,500,000,000
Sec. 212—Development grants	380,000,000
Sec. 401—Supporting assistance	465,000,000
Sec. 451—Contingency fund	300,000,000
Total	2,645,000,000

Actually, the Foreign Assistance Act of 1961, as amended, authorizes the appropriation of much more than $2,645 million for foreign economic aid. Actually, for the 5 fiscal years beginning with fiscal year 1963, section 202 of the Foreign Assistance Act of 1961 authorizes the appropriation of $1,500 million for each of these fiscal years or a total of $7,500 million for the five.

Thus, even with the adoption of my amendment, there would be authorized to be appropriated for this "one shot" program of emergency public works to help our own unemployed only about one-third of the amount authorized to be appropriated for foreign economic aid under the Foreign Assistance Act of 1961.

I wish to make it crystal clear that my amendment does not affect or apply to the standby provisions of S. 2965. Actually, it can be said that my amendment moves up the $2 billion authorized for a program of standby public works to the emergency program and says in effect that emergency intended to be met by the standby program is upon us now.

And, considering the all too many pockets of depression of the United States, that is by no means an exaggeration.

We cannot accurately judge the human misery stalking our land by looking at the overall rate of unemployment.

During the week ending April 28, 1962, insured unemployment in Nome, Alaska, was 33.5 percent. It was no comfort to the unemployed worker in Nome to know that the national rate of insured unemployment during the same week was 4.3 percent.

The unemployed worker in Fairbanks—insured unemployment rate 17.9 percent—could derive little comfort from the fact that the Congress was talking about standby public works when things get worse.

How much worse must it get, Mr. President, before the Congress acts to relieve to the extent possible unemployment in the numerous pockets throughout the Nation?

I ask unanimous consent, Mr. President, that there be printed at the conclusion of my remarks a table, prepared by my office, of unemployment in Alaska for the week ending April 28, 1962. These figures have been derived from the Labor Market Bulletin issued by the Alaska Department of Labor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. GRUENING. Mr. President, this is no time to stand by. This is a time for bold, decisive action. In my opinion, nothing can be more heart-rending than a man—a husband and a father—who cannot find work to support himself and family even though, week after week after week, he trudges wearily from door to door seeking such work. It is distressing for single men with no family responsibilities.

Dr. Kenneth Galbraith has written an excellent book entitled "Our Affluent Society" showing that more people in the United States are now living at a higher standard than ever before. I agree with the picture he has drawn in his book and I am happy that it is so.

But in rejoicing at the greater affluence of more and more of our people, let us not overlook the almost one-fourth of our Nation who are living in abject poverty without hope for the future or for their children's future unless prompt and intelligent measures are taken at once. The plight of these 40 million Americans is graphically pictured in a recent book by Mr. Michael Harrington entitled "The Other America" published by McMillan Co. this year. I commend it highly to my colleagues for it brings to our attention forcefully the need for immediate action—and action on a scale commensurate with the size of the problem.

As long as this problem exists for some 40 million Americans it is our inescapable duty to face it and to eliminate it as far as is humanly possible. Our obligation to these Americans, in my judgment, supersedes aid for impoverished people in other lands. Moreover, we shall be able to help these people in foreign countries all the better if we raise our own living standards and put an end to the costly wastes of chronic unemployment.

In this—the richest of all lands—such a situation cannot and should not be tolerated.

Nor should we meet an emergency situation with halfway measures. We should not delude the people of the Nation. We must bring to bear on a solution of this problem all the resources that are needed. To do less is little better than doing nothing at all. To do less would be to disappoint millions of unemployed men and women throughout the country who are looking to Congress for action now.

According to the report from the Area Redevelopment Agency of the Department of Commerce as of May 1, 1962, 933 areas in the United States are designated as eligible to take part in the area redevelopment program. These are divided as follows: 148 urban-industrial areas; 735 rural and small labor markets; and 50 Indian reservations.

These areas have a population of 34.7 million people and a labor force of 13.2 million. Of the latter, 1.4 million are unemployed. Thus these areas have 19 percent of the Nation's population and 19 percent of the Nation's labor force, but they have 31 percent of the unemployed of the country.

Now what is proposed to meet the persistent high rate of unemployment of these 933 areas throughout the Nation?

It is proposed in S. 2965 to authorize the appropriation of $2 billion for a program of public works on a standby basis, usable only if the total unemployment in the Nation rises to a predetermined figure. In addition, it is proposed to authorize the appropriation of an additional $600 million for an emergency, immediate public-works program. This sum averages about $600 for each man and woman unemployed in these designated areas, assuming the entire amount is spent on wages, which, of course, will not be the case.

My amendment would quadruple that sum.

That quadrupled sum would be much more realistic considering the magnitude and the urgency of the problem.

I wish to make it absolutely clear that my proposal would not take a single penny from the foreign aid program. It merely uses the particular wording to point up the fact that we would be spending on this one-shot, emergency program here at home far less than we are spending abroad for economic aid.

The foreign aid program would continue as now authorized and the money appropriated for that program would remain intact, if Congress approves.

I know that the question will be raised: Can the sum you propose to spend on public works within 27 months actually be spent by the States economically and efficiently within that period of time?

It should be raised, and answered, because I do not want to propose anything here that would lead to wasteful expenditure of Federal funds. I know that none of my colleagues want to do so either.

But I do know that along with me many of my colleagues are concerned that we do enough to meet the problems of persistent unemployment in the 933 designated areas throughout the country.

In order to obtain the answer, I wired the Governors of the 50 States of the Nation and asked them the question and asked them to be specific in their replies. I ask unanimous consent that a copy of my telegram to the Governors of the States be printed at the conclusion of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 4.)

Mr. **GRUENING.** Mr. President, I have to date received replies from the Governors of only 12 States who have indicated that they are ready to go with public works projects totaling $1.6 billion.

I also ask unanimous consent that the detailed replies received from the Governors of these States be printed at the conclusion of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 5.)

Mr. **GRUENING.** Mr. President, let no one here delude himself.

We shall either spend this $2,645 million on constructive investments in the future economic strength of the United States—in schools, hospitals, roads, sewer and waterworks, dams, airports, and the like—or we shall spend that and much more in the next 27 months and in the years to come in unemployment compensation and in welfare payments, and suffer the loss of tax revenue which fuller employment will generate.

We cannot long neglect our own resources—human and natural—while building the resources of foreign nations. At stake is not our willingness to continue to aid the less developed countries, at stake is our ability to continue without at the same time renewing our own strength.

We can renew that strength by a program of public investments of the magnitude which I propose by my amendment.

In the years 1955–61, we have granted to foreign nations for foreign economic aid projects of exactly the same type as would be constructed under my amendment millions upon millions of American dollars.

Can we afford to do less for our own people at a time when many of the areas of our Nation are so hard pressed?

Can we afford to do less for the unemployed of the United States when we are doing so much for the unemployed and others abroad?

As one reads about the flight of capital from Latin America one cannot but compare the lack of faith of the rich of those nations with the abiding faith of our unemployed who are willing to pitch in and work but lack only the opportunity to work.

I ask, Mr. President, for an additional $2 billion to give our own citizens the same chance that we have given and are giving to the citizens of other lands.

The question which each and every one of us must ask himself is this: Am I prepared to give to the unemployed of the depressed areas of Gadsden, Ala.; Anchorage, Alaska; Camden, Ark.; Modesto, Calif.; Bristol, Conn.; Carrollton, Ga.; Cairo-Metropolis, Ill.; Evansville, Ind.; Pittsburg, Kans.; Paducah, Ky.; Hammond, La.; Biddeford-Sanford, Maine; Cumberland, Md.; Lowell, Mass.; Detroit, Mich.; Duluth, Minn.; Washington, Mo.; Butte, Mont.; Atlantic City, N.J.; Schenectady, N.Y.; Fayetteville, N.C.; Portsmouth-Chillicothe, Ohio; Muskogee, Okla.; Altoona, Pa.; Providence, R.I.; Conway, S.C.; Greeneville, Tenn.; Laredo, Tex.; Big Stone Gap-Appalachia, Va.; Aberdeen, Wash.; Charleston, W. Va.; and La Crosse, Wis. the same opportunity that has been given to the unemployed in Sudan to work on a highway construction project involving 1.8 million American dollars, or the unemployed in Yemen to work on a highway construction project involving 3 million American dollars, or to the unemployed in the Republic of China to work on the Ku Kwan hydroelectric project involving 2.5 million American dollars, or to the unemployed in the Philippines to work on a port facilities and harbor improvement project involving 3.2 million American dollars.

For myself, Mr. President, the answer is abundantly clear. If I am expected to take care of the unemployed abroad with American dollars then I can do no less than take care of the unemployed here at home first and just as adequately.

Mr. President, to date I have received replies from Governors of the following States giving the amounts which they could use for public works which could be completed in 27 months:

State:	*Amount*
Alabama	$50,500,000
Alaska	64,184,400
California	183,000,000
Colorado	20,926,000
Connecticut	28,545,000
Hawaii	24,111,912
Maryland	92,590,000
Michigan	639,000,000
Nevada	4,968,000
Ohio	329,259,645
Washington	40,000,000
West Virginia	89,155,950

It is obvious from even this response that in all the States at least four times the amount of funds which I propose could be spent on useful public works projects to relieve unemployment in areas of chronic unemployment.

My proposal is really a very modest one considering the need.

EXHIBIT 1

On page 10, line 23, and on page 11, line 1, delete the words "the sum of $600,000,000" and insert in lieu thereof the following: "the same amounts authorized to be appropriated for foreign economic assistance under the provisions of sections 202 (for the fiscal year 1963), 212, 401, and 451 of the Foreign Assistance Act of 1961, as amended".

EXHIBIT 2

SEPARATE VIEWS OF MR. GRUENING

I voted to report favorably S. 2965 providing for both a standby program of public works and an immediate program of public works for which an appropriation of $600 million was authorized.

It is my belief that much more than the authorized $600 million is needed and could usefully be used to put the unemployed back to work.

In a statement distributed to the members of the Public Works Committee, I stated:

"On March 27, 1962, the able and distinguished Senator from New Mexico, Mr. CHAVEZ, introduced an amendment to S. 2965, a bill to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies. The amendment would authorize the appropriation of $600 million for an immediate public works program.

"I commend the Senator from New Mexico for his foresight in submitting such an amendment.

"However, the amount is, in my opinion, hardly sufficient to meet the economic strain now being experienced in certain areas of the Nation.

"Accordingly, I now offer an amendment to the amendment of the Senator from New Mexico, raising the amount authorized to be appropriated for a program of immediate public works to the same amount authorized to be appropriated for foreign economic assistance.

"It does seem to me that we should be willing to spend at least as much at home to take care of our own economically distressed areas as we are willing to spend abroad for aiding foreign economically distressed areas.

"My amendment does not, I admit, do equal justice as between foreign and domestic programs. Under the amendment proposed by the Senator from New Mexico, Mr. CHAVEZ only one appropriation is authorized, namely, the sum of $600 million. Under my amendment, the limit of this one-time appropriation would be raised to the limit authorized in the Foreign Assistance Act of 1961 for the Development Loan Fund (sec. 202), the development grants and technical cooperation (sec. 212), supporting assistance (sec. 402), and contingency fund (sec. 451). Under the Foreign Assistance Act of 1961, there is authorized to be appropriated for the fiscal year 1962 and the 4 succeeding fiscal years the total sum of $7.5 billion. My proposal is much more modest. In setting the limit to the amount that would be authorized for our immediate public works program, I have used only the figure of $1.5 billion—the amount authorized for the fiscal year 1963 only.

"My amendment would increase the amount authorized to be appropriated for the immediate public works program to $2,645 million, computed as follows:

Sec. 202—Development Loan Fund	$1,500,000,000
Sec. 212—Development grants	380,000,000
Sec. 401—Supporting assistance	465,000,000
Sec. 451—Contingency fund	300,000,000
Total	2,645,000,000

"In proposing this increase in the amount authorized to be appropriated, I have used only the authorizations contained in the Foreign Assistance Act of 1961. I have not considered the amounts of U.S. funds made available abroad through such lending agencies as the World Bank, Export-Import Bank, Inter-American Development Bank, etc. Billions of American dollars have been and are being channeled abroad through these agencies. In many cases, the so-called loans are not loans at all, but grants.

"In my humble opinion, no situation is more tragic than that of men and women unemployed who wish to work and cannot find it. In my humble opinion, no situation is more paradoxical than that this wealthiest country on earth, which has poured out $100 billion in the last decade and a half to help foreign countries, and proposes to spend even greater sums in the future for the same purpose, cannot meet its primary obligation to its own people.

"I am merely proposing, by this amendment, to offer a fraction for the relief of economic distress and the creation of employment for our fellow Americans of what we have been doing or are asked to do—and will doubtless continue to do—in far larger measure for inhabitants of 100 foreign countries.

"My amendment is as follows:

"On page 2, line 24, delete the words 'the sum of $600,000,000' and insert in lieu thereof the following: 'the same amounts authorized to be appropriated for foreign economic assistance under the provisions of sections 202 (for the fiscal year 1963), 212, 401, and 451 of the Foreign Assistance Act of 1961, as amended'."

In order to insure prompt action on this vitally needed measure by the Senate, I did not press my amendment in committee but must reserve my position on the amount authorized for an immediate program of public works when this bill is considered in the Senate.

ERNEST GRUENING.

EXHIBIT 3

Private industry insured unemployment rates by administrative area and industry

By administrative area	This week (Apr. 28, 1962)		Last week (Apr. 21, 1962)		Year ago (Apr. 29, 1961)		By industry	This week (Apr. 28, 1962)		Last week (Apr. 21, 1962)		Year ago (Apr. 29, 1961)	
	Weeks claimed	IUR [1]	Weeks claimed	IUR [1]	Weeks claimed	IUR [1]		Weeks claimed	IUR [1]	Weeks claimed	IUR [1]	Weeks claimed	IUR [1]
State	5,322	16.2	5,699	17.4	6,500	19.9	Total	5,322	16.2	5,699	17.4	6,500	19.9
Anchorage	3,005	16.7	3,198	17.8	3,315	18.4	Mining	201	17.4	257	22.3	310	27.6
Fairbanks	1,220	17.9	1,322	19.3	1,664	27.6	Construction	2,044	45.0	2,238	49.3	2,706	46.6
Juneau	282	10.5	294	10.9	328	11.5	Manufacturing	1,035	19.7	985	18.8	1,232	21.5
Ketchikan	276	10.3	302	11.3	500	15.9	Transportation and utilities	462	6.6	542	7.7	502	8.3
Nome	177	33.5	201	38.0	207	33.3	Trade	503	6.2	571	7.0	627	8.3
Petersburg	274	34.7	297	37.6	312	40.9	Finance	56	3.7	51	3.4	80	5.7
Sitka	88	7.2	85	7.0	165	13.8	Service and other	1,021	19.8	1,055	20.5	1,043	21.0

[1] Insured unemployment rate.

EXHIBIT 4

APRIL 18, 1962.

Senate Public Works Committee today reported emergency public works bill authorizing appropriation of $600 million for one-shot effort for public works projects in economically distressed areas. As member of committee, I expressed concern that sum authorized was totally inadequate to meet Nation's needs. Would appreciate your writing me as soon as possible giving me as much information as possible concerning public works projects in economically distressed areas of your State which could be completed in 27 months, giving estimated costs and man-hours of work which would be provided.

EXHIBIT 5

STATE OF ALASKA,
Juneau, May 2, 1962.

Hon. ERNEST GRUENING,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: We have gathered the following information from the Alaska Department of Public Works.

Of the approximately $388,812,748 listed as capital improvement needs for the next 6 years, approximately $99 million would be paid for by the State of Alaska, exclusive of any Federal moneys made available under Federal grant-in-aid programs. A summary of this $388,812,748 program is set forth on page 8 of the attached document, "A Capital Improvement Program for the State of Alaska, 1962–68." Projects which are to be financed in whole or part from State or local funds are summarized on pages 11 through 17.

As you can see, we have a considerable inventory of buildings, structures and improvements that should be built. We do not have a great many projects ready to be advertised at this time, but we should be able to add to the list fairly quickly providing that we can obtain Housing and Home and Finance Agency advances for advance planning and providing that the various bonding proposals pass. With the incentive provided by a public works act, such as S. 2965, the State could prepare a number of the more uncomplicated projects, such as classroom additions to State-operated schools, small State-operated schools for contract, and make application for Housing and Home and Finance Agency planning advances and grants for the more extensive projects. Actually, we are now working on a number of applications for HHFA advances and grants for the planning and design of a number of State-operated schools and various facilities at the University of Alaska.

Accordingly, the following list of projects which are designed, are being designed, or will be designed in next year, very substantially understates our ability to utilize S. 2965 in carrying out the purpose of that act. In this connection, I should note that the capital improvement program is a conservative document. In preparing the capital improvement program many needed projects were deleted to hold the program within the State's ability to finance.

The projects which probably most nearly qualify for immediate consideration under a standby public works act are:

1. The International Airport terminal buildings projects at Anchorage and Fairbanks, representing a value of $3.8 million and $1.8 million, respectively, are fully complete and ready for bidding.

2. Projects which are now in the planning stage with design completion anticipated before August of this year are Salcha Elementary School ($160,000), Eagle River School addition ($288,000), Soldotna School addition ($183,000), and Glen Allen Refrigeration and foundation ($55,000). Funds for these projects have been provided under the 1962–63 State education budget. The total for these schools is $686,000.

3. At present, three applications are being prepared for submittal to the Housing and Home Finance Agency for an "Advance for Public Works Planning." If approved, funds would be available to complete architectural-engineering design for the Ninilchik School addition ($400,000), the Metlakatla Elementary School ($600,000), and the Fort Yukon School addition ($260,000). Approximately 5 months will be required before these projects would be "set to go." The total for these schools is $1,260,000.

4. The following schools might be ready for contract this year if the $5 million bond issue for State operated schools passes:

Ambler School	$55,000
Eagle River (further classroom addition)	52,000
Delta Junction	516,000
Homer	554,000
Tanana	252,000
North Kenai	554,000
Sterling	150,000
Chugiak High School	1,200,000
McGrath	78,000
Brown's Court	160,000
Fortuna Ledge	78,000
Total	3,649,000

NOTE.—The legislature appropriated $75,000 for planning and design for Chugiak High School. Some preliminary work has already been done on this project.

5. The vocational school at Nome, although funded under a $1,500,000 general obligation bond authorization, is another project which could qualify. Final plans could be completed within 5 months.

6. If the $7,200,000 bonding program for the University of Alaska passes, money will be available for the construction of an addition to the engineering and physical sciences building, a biological sciences and renewable resources building, completion of the university's new heating plant, and other related facilities.

7. Invitations to bid on the construction of fire and crash stations at the Anchorage and Fairbanks International Airports, approximately $180,000 each, will be advertised this June.

8. A $160,000 addition to the Miner and Minerals Building in Anchorage may be erected in the 1963 construction season.

9. Proposed water and harbors projects scheduled for the 1962 and 1963 construction seasons which are not yet under contract are:

Angoon, docks	$50,000
Cordova, floats	50,000
Craig, dock	40,000
Douglas, floats	45,000
Homer, floats	65,000
Hydaburg, dock	25,000
Hyder, float	7,500
Klawock, dock approach	40,000
Kodiak, floats	30,000
Ninilchik, floats	23,000
Seldovia, floats	65,000
Seward, floats	46,000
Valdez, floats	38,000
Wrangell, floats	31,000
Total	555,500

NOTE.—Considerable work has been done on some of the foregoing projects or is now underway. Since this work is already contracted out, it is not reflected in the above estimated cost figures. Other projects which are now under contract are also not reflected.

10. The following bush airfields are programed for construction in the 1962 and 1963 construction seasons:

New Stuyahok	$15,000
Alitak	50,000
Anvik	15,000
Buckland	10,000
Chevak	15,000

Circle City	$7,500
Egegik	20,000
False Pass	10,000
Goodnews	10,000
Holikachuk	15,000
Kasaan	5,000
Koliganek	10,000
Koyukuk	15,000
McCarthy	49,000
Metlakatla	5,000
Nulato	25,000
Ouzinkie	30,000
Pilot Point	15,000
Quinhagak	5,000
Russian Mission	15,000
Shageluk	7,400
Shungnak	10,000
Stebbins-St. Michael	10,000
Tanunak	15,000
Togiak	10,000
Total	393,900

I have omitted mention of projects planned for our annual $37 million to $40 million Federal aid highway program and the Federal aid airport program. I gather that these programs will not be affected by the proposed standby public works act.

If I can supplement any of this information, please let me know.

Sincerely,

GARY THURLOW,
Executive Assistant.

SACRAMENTO, CALIF., *May 7, 1962.*

Hon. ERNEST GRUENING,
U.S. Senator,
Washington, D.C.:

In reply to your telegram of April 18, it is estimated that the State of Calfornia could initiate and accelerate $183 million in public works projects and complete them within a period of 27 months. These projects would utilize an estimated 18 million man-hours of labor at the job site.

EDMUND G. BROWN,
Governor of California.

OLYMPIA, WASH., *May 2, 1962.*

Hon. ERNEST GRUENING,
U.S. Senator,
Senate Office Building,
Washington, D.C.:

Review of public works of our State indicates that nearly $400 million would be needed for the completion of the total public works projects contemplated in the next 3 to 4 years in economically distressed areas when limited to projects believed to have a completion date within a 27-month period. The total would amount to approximately $40 million. This latter figure would represent specific items such as buildings, utilities, etc. The larger figure given would include such items as dam completion, the canal possibility, atomic generation of electric power, and steam generation coal plants.

ALBERT D. ROSELLINI,
Governor of Washington.

THE STATE OF NEVADA,
Carson City, April 27, 1962.

Hon. ERNEST GRUENING,
Senate Public Works Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR GRUENING: I am happy to supply the information you requested in your recent telegram regarding the emergency public works bill.

The accompanying data, compiled by our department of highways, relates to roadway construction contemplated or underway in the counties of Lincoln and Mineral, the two Nevada counties officially recognized by the Federal Government as depressed under the area redevelopment program.

I trust the enclosed data provides you with the information you desire. If I can be of any further service, please let me know.

Cordially,

GRANT SAWYER,
Governor.

Road contracts to be completed within approximately the next 27 months, Lincoln and Mineral Counties, Nev.

	Estimated construction cost	Estimated man-hours
Lincoln County:		
Project S-544(10) U.S. 93 from 14 miles southeast to 1 mile north of Alamo (15 miles)	$1,600,000	150,000
Project S-554(9) U.S. 93 from 14 miles to 22 miles southeast of Alamo (8 miles)	700,000	63,000
Project F-008-1(3) SR 25, from 2d St. to 6th St. in Panaca (0.5 mile)	70,000	7,000
Subtotal	2,370,000	220,000
Mineral County:		
Project F-004-1(3) U.S. 6 from 8.6 miles east of California-Nevada State line to 3.5 miles east of Basalt (6.7 miles) (construction underway)	948,000	86,000
Project F-004-1(4) U.S. 6 from California-Nevada State line to 8.6 miles east (8.6 miles) (construction underway)	1,100,000	99,000
Project S-525(1) FAS 525 from Nevada-Scheelite mine north to U.S. 50 (19.1 miles) (25% of this project in Mineral County)	550,000	52,000
Subtotal	2,598,000	237,000
Grand total	4,968,000	457,000

STATE OF COLORADO,
Denver, April 27, 1962.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: In response to your telegram of April 18, we are enclosing a list of public works projects in Colorado redevelopment areas that reportedly could be initiated and completed in 27 months subject to availability of funds.

This information was accumulated through contact with various city and county officials and State agencies.

We are not entirely familiar with the criteria for eligibility to participate under the terms of the proposed legislation or with the legislative definition of public works. We have not, therefore, attempted to evaluate whether or not all of the listed projects could qualify for assistance under the proposed legislation.

We were not able to obtain an assessment of the man hours of work which would be provided by the projects as engineering studies are not available in connection with most of the proposals.

Very truly yours,

STEVE MCNICHOLS.

List of public works projects in redevelopment areas that could be initiated and completed in 27 months if funds were available as reported by various city and county officials and projects listed by the game and fish department

Area		Description	Estimated cost
County	City		
Alamosa		Water service to East Alamosa	$250,000
		Community Youth Center	200,000
		Addition to county courthouse	150,000
		Storm sewer and curb and gutter for East Alamosa	50,000
		Dike and river work on Rio Grande through city of Alamosa	50,000
		Total	700,000
	Alamosa	Paving city streets	386,000
		Extending airport runway	40,000
		New water well, mains, and extensions	100,000
		Enlarge sewer lagoons	50,000
		Storm sewer, South Alamosa	60,000
		Sanitary sewer system; new major trunkline	330,000
		Total	966,000
		Total, Alamosa County	1,666,000
Clear Creek		Georgetown Reservoir	360,000
	Idaho Springs	Shortwave communication system for city and county	8,000
		City street paving	75,000
		Sewage disposal plant	20,000
		Total	103,000

***List of public works projects in redevelopment areas that could be initiated and completed in 27 months if funds were available as reported by various city and county officials and projects listed by the game and fish department*—Continued**

Area		Description	Estimated cost
County	City		
Clear Creek	Georgetown	Sewage disposal plant and collection system	$100,000
		Develop Georgetown Lake as recreational area	225,000
		Rebuild water distribution system	100,000
		Total	425,000
		Total, Clear Creek County	888,000
Conejos		No county projects reported	
	Antonito	75 low-cost dwellings for transient workers	400,000
		Waterline	60,000
		Sewer system	180,000
		Total	640,000
	La Jara	No projects reported	
		Total, Conejos County	640,000
Costilla		County courthouse and jail	225,000
		County shops	100,000
		Fort Garland community building	35,000
		Hospital addition	50,000
		San Luis Water and Sanitation District sewage system	(1)
		Total	410,000
	Blanca	Water and sanitation system	(1)
		Total, Costilla County	410,000
Gilpin		Improvement, Corona Pass Rd	225,000
	Blackhawk	Water system and sewage disposal plant	75,000
	Central City	Water system and sewage disposal plant	100,000
		Recreational development, park, etc	25,000
		Total	125,000
		Total, Gilpin County	425,000
Huerfano		County courthouse and jail	1,000,000
		Surfacing county roads to ski and other scenic areas	239,000
		Acquisition and development of irrigation system for development of recreational facilities for Huerfano-Cucharas area.	3,000,000
		Waterfowl development	110,000
		Total	4,349,000
	La Veta	Expansion of sewer collection system and disposal plant	40,000
		Water filter plant	65,000
		Total	105,000
	Walsenburg	Sewage disposal plant	158,000
		Street paving, curbs, gutters, and storm sewer system	500,000
		Rebuilding and extending waterlines	100,000
		Purchase and install water meters	108,000
		Extension of sewerlines	42,000
		Rebuilding electric distribution system and expanding electric production facilities	1,500,000
		City park recreational area	50,000
		Mine museum	18,000
		Senior high school	750,000
		Total	3,226,000
		Total, Huerfano County	7,680,000
Las Animas		Grade and pave Cucharas Pass for 12 miles	1,000,000
		Construction of 2-mile connecting roads between 2 State highways	40,000
		Recreational development at fairgrounds	50,000
		Pave connecting road from Aguilar to Highway 111	200,000
		Develop mountain recreation area	100,000
		Enlargement of North Lake	100,000
		Enlargement of Monument Lake	200,000
		Alkali Creek Reservoir	100,000
		New road construction, North Fork, Purgatoire River	50,000
		Total	1,840,000
	Aguilar	Filter plant and water distribution system	200,000
	Cokedale	Pave streets	50,000
		Water distribution and storage	300,000
		Total	350,000
	Trinidad	New sewage lines and disposal plant	627,000
		Animas Street Bridge over Purgatoire River	230,000
		Rebuild water distribution system and water storage facilities	2,230,000
		Curb and gutter and paving	1,500,000
		Garbage, refuse, and disposal	40,000
		Police and fire building	200,000
		Development of Monument Lake recreational area	2,000,000
		Total	6,827,000
		Total, Las Animas County	9,217,000
		Grand total	20,926,000

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[1] No estimate.

THE STATE OF OHIO,
Columbus, April 27, 1962.

The Honorable ERNEST GRUENING,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Mr. E. S. Preston, director of highways, has estimated that in the 20 counties which have been declared as distressed areas his department could have the capacity to develop plans and complete $250 million worth of highway construction projects in the next 27 months. There is now under construction in the same area 102 miles of highways estimated to cost $79,797,000. He further estimates that the $250 million highway construction program would generate 28 million man-hours of work.

This area, I think, will be benefited immeasurably by the improvement of the highway situation which I think contributes very largely to the chronic depression that exists. If it is difficult to move man and materials into a community, then this community does not lend itself to industrial or economic development. Other programs can be of assistance, but there is no program that can be more helpful and is as basic as is the improvement of the manner of transportation.

I have asked our director of public works to also report on the necessities of this area with reference to public works generally and, as soon as those figures are available, we will make them available to you.

With all best personal wishes to you, I am,

Sincerely,

MICHAEL V. DISALLE,
Governor.

Ohio Department of Natural Resources—Public works projects for economic distressed areas in Ohio

Project	Description	County	Total cost	Labor, man-hours	Department's priority	Annual economic benefits	Remarks
Ohio Brush Creek Reservoir	Recreation and water supply	Adams	$3,530,700	321.920	3	$3,000,000	Construction plans needed.
Brush Creek and Shawnee State Forests.	Timber stand improvement, roads and trails, structures.	do	442,060	268,350	1	[1]	
Trimble water system	Village distribution system	Athens	60,000	4,081	1	5,000	Plans complete.
Strouds Run State Park development.	Buildings, water and sewer, camping, swimming beach, roads and parking, docks and ramps, reforestation.	do	600,000	50,000	3	50,000	Estimate 10,000 annual increase park attendance. Dow Lake in this park is an attraction which far exceeds facilities available.
Waterloo, Gifford, and Athens Park State Forests.	TSI, roads and trails, structures.	do	74,011	45,260	1	[1]	
Belmont Lake	Road relocation	Belmont	205,000	17,083	1	----------	Plans complete.
Barkcamp State Park	Buildings, water and sewer, roads and parking, docks and ramps, reforestation, camping, picnic areas.	do	700,000	58,000	3	500,000	New park with lake ready for filling except for road relocation. Would serve transient trade using Interstate 70.
White Oak Reservoir	Recreation and water supply	Brown	3,106,783	121,872	3	1,500,000	Construction plans needed.
Stonelick State Park development.	Camping area	Clermont	250,000	20,833	1	150,000	Conrtruction plans complete.
Salt Fork Reservoir	Water supply and recreation	Guernsey	2,157,600	206,757	1	4,000,000	Construction plans complete. Includes road relocation and land needed.
Hocking State Park development.	Camping area	Hocking	257,000	21,417	1	100,000	Plans complete.
Hocking and Tar Hollow State Forests.	TSI, roads and trails structures	do	244,215	138,650	1	[1]	
Richland Furnace State Forest.	do	Jackson	426,000	252,000	1	[1]	
Dean State Forest	TSI, roads and trails	Lawrence	48,500	30,000	1	[1]	
Forked Run State Park development.	Camping area	Meigs	70,000	5,833	1	50,000	Do.
	Buildings, roads and parking, reforestation.	do	75,000	6,000	3	----------	
Shade River State Forest	TSI, roads and trails structures	do	94,825	41,370	1	[1]	
Burr Oak State Park Development.	Camping area	Morgan	110,000	9,167	1	75,000	Do.
Wolf Run Reservoir	Water supply and recreation	Noble	577.830	48,153	2	500,000	Need construction plans.
Pike State Forest	TSI, roads and trails structures	Pike	416,800	243,900	1	[1]	
Ross County Lake	Recreation	Ross	400,000	25,000	1	50,000	Feasibility report being completed.
Scioto Trail and Tar Hollow State Forests.	TSI, roads and trails structures	do	526,600	329,300	1	[1]	
Shawnee Recreational Area	Construct 3 impoundments and reconstruct another for recreation.	Scioto	506,933	42,245	2	150,000	Need construction plans.
Shawnee and Brush Creek State Forests.	TSI, roads and trails structures	do	1,322,400	813,900	1	[1]	
Lake Hope State Park development.	Camping area	Vinton	86,000	7,167	1	150,000	Plans complete.
	Cabins, water and sewer, swimming pool, roads and parking.	do	1,300,000	108,000	3	320,000	Estimate of 64,000 annual increase in park attendance.
Wheelabout Reservoir	Recreational impoundment	do	130,000	6,667	2	150,000	Construction plans needed.
Zaleski and Tar Hollow State Forests.	TSI, roads and trails, structures	do	533,343	320,225	1	[1]	
Muskingum River locks and dams.	Repairs to locks and dams 1 to 8, inclusive for recreation and commerce.	Washington	677,870	56,489	1	233,000	Construction plans needed. Preliminary design on No. 6 completed.
	Fishermen's access and boat ramps at 8 lock and dam pools.	do	20,000	2,000	1	48,000	These facilities would accommodate 16,000 fishermen per year.
Total			18,855,645	3,582,369	----------	----------	

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[1] The improvement of the timber stands on State forests will not result in immediate financial returns to the community except for the wages paid to local workers; however, ample benefits will be enjoyed in future years. Timber stand improvement includes tree planting, pruning crop trees, thinning dense stands, and removal of cull trees and vines. The increase in value to the remaining stand will result from more rapid growth and higher quality timber. Under Ohio conditions, this improvement will often double the volume of wood produced. The cutting and fabricating of the raw materials will support local industries and attract new users of wood to these dependable sources of supply. Recreational benefits will accrue also. Wild land under intensive forest management produces maximum populations of wildlife.

OHIO

Project cost summary by counties

County	Cost
Adams	136,050
Athens	19,280,700
Belmont	989,630
Brown	114,080
Clermont	61,050
Gallia	7,597,360
Guernsey	3,268,563
Highland	19,080
Hocking	1,460,860
Jackson	19,080
Lawrence	101,360
Meigs	536,360
Monroe	19,080
Morgan	903,360
Noble	229,080
Pike	81,080
Portage	17,517,223
Ross	137,080
Scioto	2,580,360
Vinton	972,050
Washington	557,510
Southeast Ohio	3,823,709
Total	60,404,705

STATE OF MICHIGAN,
Lansing, April 19, 1962.

The Hon. ERNEST GRUENING,
U.S. Senator,
Washington, D.C.

DEAR SENATOR GRUENING: The Senate Public Works Committee's approval of President Kennedy's $2.6 billion public works program to combat unemployment is encouraging. With 268,000 workers, 9.2 percent of our labor force, currently unemployed in our State, we feel the need for this legislation is eminent.

You ask for information concerning Michigan's ability to participate in the $600 million immediate effect provision of the program.

We currently have 53 areas in our State that qualify under this legislation as area redevelopment or eligible labor surplus areas. In an analysis I recently conducted, I found that we are ready to embark upon capital improvement programs totaling $639 million that would provide approximately 60,000 man-years of employment. These figures were developed only from those projects in Michigan that can meet the limitations of the $600 million proposal. They constitute, if anything, an understatement of the volume of activity that could be started in Michigan without delay.

While we have not projected our figures to a period longer than 12 months, it is our belief that the backlog of public works projects that could be initiated at the present time in Michigan would certainly absorb any extension of the time and financial limits of the program.

Concerning the time duration of the project, I urged the House Public Works Committee to grant a flexible time limit for project duration. Due to weather conditions in Michigan, a limit of 12 months would prohibit the initiation of some public works projects that might otherwise qualify.

My statement to the House Committee on Public Works contains a detailed breakdown of the type of projects we could initiate in Michigan. I am enclosing a copy of this statement for your information.

Sincerely,

JOHN B. SWAINSON,
Governor.

STATE OF CONNECTICUT,
Hartford, April 26, 1962.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: The following is a list of public works projects as requested in your telegram of April 18:

Ansonia area:	
Ansonia-Derby flood control project	$6,000,000
Street and road reclassification project	250,000
Sewage disposal plant	1,000,000
Additional recreational facilities	100,000
Reconstruction of Route 34 in Derby from 3d St. to A St	200,000
Reconstruction of 0.2 mile of Route 115 and railroad underpass, Maple St. to Broad St., town of Seymour	1,000,000
Reconstruction of 1.5 miles of Route 115 in Derby and Ansonia from Route 34 to Colburn St	800,000
Bristol area:	
City hall (Bristol)	1,630,000
Civic center (Bristol)	450,000
Fire station (Bristol)	250,000
City streets (Bristol)	2,000,000
Sewage treatment plant (Bristol)	2,535,000
Airport (town of Plymouth)	500,000
Industrial park (town of Plymouth)	500,000
Construction of truck climbing lane on Route 69, Bristol	205,000
Widening approximately 1 mile of Route 6, Bristol, in Jerome Ave. vicinity	250,000
Extension of truck climbing lane on Route 6 in Plymouth from end of 1962 construction to vicinity of Todd Hollow Rd	100,000
Correcting sight line on Route 6, in Plymouth, in the vicinity of Orchard and Kellogg Sts	150,000
Danielson (town of Killingly) area:	
Sewer treatment plant and pumping station (Killingly)	800,000
Town dump and incinerator (Killingly and Putnam jointly)	700,000
Downtown renewal project (Killingly)	3,000,000
Town roads drainage and repair (Killingly)	100,000
Sewage facilities and disposal (Plainfield)	$500,000
Recreational project	150,000
Correction of sight line on Route 169 1 mile south of Brooklyn Town line	75,000
Reconstruction of 1.2 miles of Route 171 from Thompson Town line to Quinebaug River	400,000
Reconstruction of 2.6 miles of Route 169 in Pomfret and Woodstock from Route 44 to Route 171	700,000
Reconstruction of Maple St., Killingly, from Route 6 to Route 101	375,000
Reconstruction of Route 12 south of Route 6 underpass	200,000
Reconstruction of Route 12 in Putnam and Thompson from 300 feet south of Route 12 to 0.5 mile north of Route 193	4,500,000
Resurfacing of Main St., Killingly	100,000

The estimated cost of the above-listed projects is $28,545,000 including $19,865,000 in local projects and $8,680,000 in State highway department projects.

Sincerely,

JOHN DEMPSEY,
Governor.

STATE OF MARYLAND,
DEPARTMENT OF ECONOMIC DEVELOPMENT,
Annapolis, Md., April 25, 1962.

The HONORABLE ERNEST GRUENING,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: Governor Tawes has asked me to reply to your telegram of April 18 regarding possible public works projects in persistent labor surplus areas of Maryland.

To date we have been able to learn of 23 projects in such areas whose total cost is estimated at approximately $92,590,000. It is estimated that total man-hours would exceed 15,600,000.

The single most expensive project would be the relocation of U.S. Route 40 as a 4-lane highway for a distance of 112 miles from Hancock, Md., to Washington County, Pa. This would traverse five labor surplus counties. The estimated construction cost for the entire highway, exclusive of right-of-way acquisition, is $84,400,000 providing an estimated 15,275,000 man-hours of work.

The most critical Allegany County project is the construction of a new Pinto Bridge and improvement of the road from the bridge to U.S. 220. The existing bridge is wholly inadequate for the movement of employees to and from the Allegany Ballistics Laboratory and efficient delivery of some materials to the plant. The estimated cost for this project is $1 million involving 100,000 man-hours.

There are at least four projects in Washington County including the proposed North-East Highway at a cost of $400,000 and 75,000 man-hours. A new water transmission main from Williamsport to Hagerstown would cost $1,450,000. There is no estimate of the number of man-hours. A project involving sewer system extensions in Hagerstown and other Washington County towns would cost $3,500,000. Again there is no estimate of man-hours. Sewer and water main extensions and highway improvements to a proposed industrial park would cost $670,000. The number of man-hours is unknown at this time. The total cost of these Washington County projects is $6,020,000. Man-hours were computed for only one of the four projects; i.e., 75,000 man-hours.

Seventeen projects for the city of Cambridge in Dorchester County were proposed and a tabulation is enclosed. The total cost is $1,070,000 involving 196,800 man-hours.

We are also endeavoring to uncover other appropriate projects and will forward details next week.

I hope this information will be useful and please wire or phone if additional details are required.

Cordially,

ROBERT M. SPARKS,
Chief, Business and Industrial Development.

City of Cambridge, Md.—List of projects which could be completed in 27 months

No. and name of project	Approximate cost	Approximate labor hours
1. Improvements to Race St	$19,000	4,000
2. Streets and utilities, Plaza Park, part 1	18,500	4,000
3. Improvements to Maryland Ave	12,000	3,200
4. Extension of Goodwill Ave	13,500	3,500
5. Streets and utilities, Parkside subdivision	33,000	6,000
6. Sewage pumping station, Stone Boundary Development	20,000	3,800
7. Bozarth Farms area, drainage	33,000	6,000
8. Improvements to sewage system, Jimson Rd	33,000	6,000
9. Repair shop and garage, public works department	9,000	2,400
10. Sewer, storm water separation, Fairmount Ave	70,000	12,000
11. Improvements to Leonards Lane	80,000	14,000
12. Drainage improvements, Dorchester Ave	24,000	4,300
13. Drainage improvements, Phillips Ave., Robbins St	30,000	5,400
14. Sludge disposal units, sewage treatment plant	200,000	40,000
15. Improvements to water distribution system	340,000	58,000
16. Woods road to wire cloth intercepting sewer	100,000	18,000
17. New 1,000,000-gallons-per-day well	35,000	6,200
Total	1,070,000	196,800

STATE OF ALABAMA,
DEPARTMENT OF INDUSTRIAL RELATIONS,
Montgomery, April 23, 1962.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: At the request of Governor Patterson, I am pleased to furnish the information requested in your telegram of April 18, 1962, regarding emergency public works which might be completed in Alabama in 27 months.

Both the State highway department and the State conservation department, which would be largely responsible for emergency public works, made estimates and plans sometime ago. Engineering has been completed and it is believed all projects could be commenced within 6 months.

The following estimates, in broad categories, cover proposed projects in those areas declared economically depressed:

County roads and bridges	$3,500,000
State highways	8,000,000
Interstate highways	20,000,000
Reforestation, water, and wildlife conservation, State parks, fire control	19,000,000
Total	50,500,000

Man-hours are estimated as:

Highway and roads	3,000,000
Conservation projects	6,000,000
Total	9,000,000

The Governor is in agreement that the suggested authorization would be very inadequate, particularly if such funds are allocated to the States on the usual pro rata basis.

Sincerely yours,

RALPH R. WILLIAMS,
Director of Industrial Relations.

STATE OF WEST VIRGINIA,
Charleston, May 3, 1962.

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: This will acknowledge receipt of your telegram of April 18, 1962, concerning proposed public works projects in West Virginia.

I would first like to inform you of the situation with regard to public works projects in West Virginia and to give you some information relative to specific projects which could be accomplished under the proposed program.

At the present time, the State of West Virginia has a public works program based on the aid to dependent children of the unemployed program. We have elected to participate in this program with a stipulation that each recipient who receives assistance will work for that assistance. As of March 30, 12,600 men were employed under this program. As you know, this program is financed by both the Federal and State governments on a matching basis, the State paying 30 percent of the cost and the Federal Government paying 70 percent.

One shortcoming of this program is that only individuals who are married with dependent children qualify. No employment is made available under this program for individuals who are not married or individuals who are married and have no children or whose children are grown.

Three million dollars in State funds have been appropriated for the coming fiscal year for emergency employment. I may, as chief executive, use these funds to match any Federal funds which may become available for the relief of unemployment. This, of course, means that should the aid to dependent children of the unemployed program be continued at the Federal level, these funds may be used for participation in that program.

It is my understanding that the public works plan proposed by President Kennedy will make Federal money available to various State and local governmental units on a 50-50 matching basis. I would like to strongly urge that consideration be given to a more favorable matching ratio in favor of State and local governments.

A program with a 90-percent Federal, 10-percent State matching ratio would provide employment for approximately 7,000 to 12,000 persons. As only $3 million are available in State funds for matching purposes, a 50-50 matching ratio would only provide employment for 1,500 to 2,400 persons. These figures assume expenditures for material and equipment of 20 percent to 50 percent.

Enclosed you will find proposed projects from our State department of natural resources and from our State road commission. I would like to emphasize that these projects are only a sample of those projects which can be undertaken and completed within 27 months under this program and which would qualify under the rules and regulations of such program. It is anticipated that many projects at the community level, both county and municipal, would be submitted for accomplishment.

Again let me express my desire that Federal money be made available at less cost to the States.

I sincerely hope that this information meets your needs and that you will give every consideration possible to the suggestions which I have outlined. If I may assist you in any way or provide any additional information, do not hesitate to contact me at any time.

Yours truly,

W. W. BARRON,
Governor.

STATE OF HAWAII,
Honolulu, May 2, 1962.

The Honorable ERNEST GRUENING,
Senator from Alaska,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: This is in reply to your recent cablegram wherein you requested information on public works projects which could be completed during the next 27 months in our economically distressed area (Hawaii County). The attached tabulation gives information on gross construction costs by major types of functions and the estimated number of man-hours needed to complete the projects. These represent projects which are currently authorized or those for which authorization begins on July 1, 1962, for the new fiscal year. It is estimated that all of these will be completed during the 27-month time period you cited.

I have not seen a copy of the proposed emergency public works bill. Hence, it is not possible to say if all projects included in this tabulation would be eligible for financial assistance. As you know, highways and airports now receive Federal grants. Perhaps these projects would not be eligible for further aid. It would also be of value to know if such financial assistance would be in the form of interest-free loans or grants. The mechanics of the proposed bill may affect an area's willingness to participate in the program.

Hawaii's public works program for the coming fiscal year is the largest in our history. Part of the reason for this scale of State public works is to stabilize our employment situation. However, all of us recognize that public works construction alone will not solve our Nation's unemployment problem. Increased public works construction is only one tool of many that must be utilized to spur the growth of our economy. The Area Redevelopment Act and the program of retraining unemployed persons are examples of other actions that will help. Some areas will continue to suffer chronic unemployment until new economic activities are introduced. The private sector of the Nation's economy must maintain a vigorous growth if public efforts to solve unemployment are to be successful. Thus, any public works program should be accompanied by vigorous efforts to encourage and promote increased employment through new permanent job opportunities.

I hope this provides you with the information you need. However, if I can be of further assistance, please let me know.

Sincerely,

WILLIAM F. QUINN,
Governor of Hawaii.

Authorized State public works located in economically distressed areas of the State of Hawaii (Hawaii County only)

I. Public works division (miscellaneous public buildings and the State's share of a sewage treatment plant):	
(a) Estimated construction costs	$1,351,412
(b) Estimated man-hours of work	122,184
II. Airports division:	
(a) Estimated construction costs	$3,500,000
(b) Estimated man-hours of work	320,000
III. Harbors division:	
(a) Estimated construction costs	$3,855,000
(b) Estimated man-hours of work	617,000
IV. Highways division:	
(a) Estimated construction costs	$14,427,500
(b) Estimated man-hours of work	1,978,000
V. Land and natural resources department (land development, parks, water development, forestry, fish and game):	
(a) Estimated construction costs	$978,000
(b) Estimated man-hours of work	136,500
Total estimated construction costs	$24,111,912
Total estimated man-hours of work	3,173,684

THE FARMER AND THE PRESIDENT'S HEALTH PROGRAM

Mr. McNAMARA. Mr. President, I hope and expect that in a very few weeks the House and the Senate will be considering the King-Anderson bill and related legislation calling for a Federal program of hospital insurance for America's older people.

For months, now, we have heard discussion of it. Press, radio, and television have devoted much attention to it. The public has argued its pros and cons.

Yet, throughout all this discussion, one most important facet of the problem seems to have gone wholly unnoticed.

It is simply this.

Rural America needs Federal hospital insurance even more than does urban America. Passage of the King-Anderson bill will mean even more to farmers—young as well as old—than it will to city people. Whereas legislators identified with great metropolitan centers have been foremost in advocating this legislation, it is those Representatives and Senators whose constituencies are primarily rural who should be asserting leadership in this great cause. It is their constituents who need it most, who would benefit most from it, and who will suffer most should it fail to pass.

Why do I say this, Mr. President?

Briefly stated, it is because of what the subcommittees of our Special Committee on Aging found in recent months as they conducted hearings, not in our great cities only, but throughout the length and breadth of our country and especially in its smaller communities. These things we found. Ten good reasons for rural America's demanding hospital insurance for its older people.

First, the percentage of older people is higher in much of rural America than it is in our cities. And this percentage is increasing. Already more than 5 million, nearly one-third, of our elderly live on farms or in small towns. In many rural towns they make up close to one-fifth of the population. And as the young leave and the elderly stay or return, the ability of the local community to support the elderly is more and more impaired.

Secondly, cash incomes are lower in rural areas. Average cash incomes are less than half those of urban areas. And modern hospitals cannot accept barter as payment for hospital bills.

Moreover, cash assets on which to draw in an emergency are relatively low for farm families who have their savings tied up in farms and equipment.

Another reason is found in the fact that elderly farm families suffer more disabling and longer lasting illnesses than do elderly townfolk yet, under today's system, they get less care.

A fifth reason is that, while private health insurance is altogether inadequate for most older city folk, farmers have even less; it is of poorer quality: it costs more; it pays less of the bill.

Sixth, our older farm families spend an even higher percentage of their low incomes for medical expenses than do city people.

Seventh, younger farm families are at a serious disadvantage in paying for health care of their older people, either directly or through taxes.

Eighth, rural hospitals are in even greater need of the assured income which a Federal plan would provide than are city hospitals and they need it badly.

The ninth reason is that the Kerr-Mills Act as a substitute for a Federal insurance program is even less successful and far more burdensome for farm people than for those in our cities. About half of our 5 million older farm people live in States than cannot afford or do not have a Kerr-Mills program of medical assistance for the aged, even though they are required to pay Federal taxes for it. Eighty-eight percent of all Kerr-Mills funds are now being spent in four great metropolitan States—New York, Massachusetts, Michigan, and California—where fewer than 14 percent of our rural aged live.

Finally, the means test incident to a charity program—repugnant as it is to most city people—also is distateful to proud and independent farm folk. The reason is that in the city, the man forced to plead poverty and beg help for himself or his aged wife, can take refuge in anonymity, can merge his identity with that of hundreds of others in an office removed from his home and neighbors and before a social worker who is a stranger to him and his. In a rural community, such a confession of failure and need must be made before one's neighbors and friends. It is truly a most shameful and humiliating burden to ask a farmer and his wife to take on in their declining years.

Those, Mr. President, are the reasons—10 excellent reasons—why the farmers of our country, more than anyone else, need a program of hospital insurance for the elderly. They are many, they are cogent, they are persuasive. I have merely set them forth. I shall explain each of them further in a moment. Let it suffice, at this point, to say that when, a few years ago, we visited and studied the problems of our country's older people in such cities as Boston, San Francisco, Miami, and Detroit, we came away convinced that the greatest need of our older people was for a means of lifting from their minds the fear of the costs of illness. We were convinced, too, that this could be done only through a plan which would be uniform throughout the Nation; which would not impose new burdens on local tax resources; which would preserve the dignity, the justified and essential pride of Americans in their last years of life.

What we found in our cities then, was again found during the last year in our rural areas and our smaller communities. The problems were the same. They were different only in emphasis and in intensity. Our cities need a program of hospital insurance for their older people. Our rural areas need it even more. To the retired city worker, such a program will mean much. To the retired farmer it will mean still more.

Originally, social security was framed in terms of the urban worker. It is not strange, therefore, that its logical extension to meet a great new need should have been championed first by men of the cities. But social security was extended to the rural areas. It has proved a boon to the farmer. Its extension to help defray the costs of hospitalization for our older people will prove of great benefit to rural America. I urge those who, in these halls, have stood forth as the champions of the farmer to make common cause with those from our cities in behalf of a bill which is needed for all of our people.

Mr. President, I ask unanimous consent to have set forth as an appendix to these remarks, a table which makes clear the truly significant extent to which our social security program has already reached into our most rural States—clear proof of the importance to our rural aged population of the proposed extension of the social security program. I ask consent also, to include a more definitive explanation of the 10 points I made above—the 10 reasons why our hospital insurance program will be good for rural America.

There being no objection, the explanation and table were ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF SOCIAL SECURITY HOSPITAL INSURANCE TO RURAL AMERICA

OUR RURAL POPULATION IS OLD

Of the total population in rural areas, 9.3 percent were 65 and older at the time of the 1960 census—only a slightly higher proportion than the urban percentage of 9.2. But in rural places of 1,000 to 2,500, the aged made up as much as 12.2 percent of the total population; in many of these small towns, 1 out of 5 persons is past 65.

More than 1⅓ million of the rural aged live on farms. While the farm population of all ages is rapidly declining, there has been an increase in the number of aged classified as living on farms. Estimates for April of 1960 and 1961 show a drastic decline of nearly 1 million in the farm population (from 15.7 million to 14.8 million). Over the same year, the farm population aged 65 and older rose by more than 40,000 (from 1,326,000 to 1,369,000). In a single year, the aged as a percent of the total farm population increased from 8.5 percent to 9.2 percent.

INCOMES ARE LOWER IN RURAL AREAS

The average money income of farm families is less than half that of urban families.

Among the aged, the rural-urban difference is less great—due in part to increasing importance of social security retirement benefits. But even among those 65 and over, the median money income in 1960 for persons living in rural farm areas was only $740, more than $200 less than that for all persons 65 and over. Among income recipients, the medians were $895 for the rural farm group and $1,150 for all aged.

In the course of our Senate hearings, we were repeatedly reminded that national averages with regard to retirement income can be very misleading as far as the incomes of the rural aged are concerned.

The findings of an intensive study on the resources and income levels of farm and nonfarm households in 10 rural counties in the eastern Ozarks section of Missouri were reported to the committee. In those farm households where the principal breadwinner was 65 years or older, 45 percent had annual family incomes of less than $1,000, and 82 percent had incomes of less than $2,000. For the rural nonfarm households whose heads were 65 years of age or older, 29 percent had incomes of less than $1,800 and 93 percent had less than $2,000. In rural Florida, the situation is even more acute, the committee learned, with about 66 percent of retired families receiving less than $1,000 and 93 percent receiving less than $2,000 a year in income. These retirement income figures contrast sharply with the median income of $2,530 for all two-person families with an aged head.

Rural families can be expected to have more noncash income than urban families. Home-ownership is high in rural areas and there is more opportunity to grow food for home consumption. Increasingly, however, even the farmers are producing less of their own food and depending more on purchases than they used to. And it must be remembered that in today's economy these items of nonmoney income are not acceptable in payment of hospital bills.

ASSETS ARE LOW

Nearly half of all rural families—young and old combined—own less than $5,000 in total assets, including the value of home-ownership. Agricultural workers and others living in rural areas have difficulty in accumlating assets over a lifetime characterized by low incomes. On retirement, farm families are likely to have a good part of their assets tied up in the farm and in farm operations.

MEDICAL EXPENDITURES CLAIM MORE OF THEIR RETIREMENT DOLLARS

Farm families with an aged head spent 13 percent of net family income in 1955 for medical expenses—over and above any costs defrayed by health insurance—for physicians, dentists, surgeons, hospital care and medical insurance premiums. This level of spending makes serious inroads into the resources available for other essentials which families must buy, even when some of their food and housing is farm furnished. The average aged farm family with net cash for the year of less than $1,000 spent as much as 20 percent of its income for the medical items listed (items which on the average accounts for two-thirds of the total medical care dollar).

Expenditures for medical insurance averaged $76 for older farm families, in comparison to $62 (in 1955 dollars) for older urban families, reflecting the lesser availability to farm families of group or group-conversion insurance, so that they must pay the higher cost of policies issued on an individual enrollment basis.

THEY HAVE MORE DISABILITY BUT LESS MEDICAL CARE

Nearly half (48 percent) of all aged persons residing in rural areas have chronic conditions which limit their activity. Among the urban aged the proportion is 39 percent.

Bed disability days per person per year average 17.0 for the rural farm aged in contrast to 11.8 for the urban.

Yet the rural group receives less medical attention: an average of 6.4 physician's visits per person per year as compared to 6.9 for the urban. Use of hospitals by the rural farm group was also lower. The national health survey study of discharges from short-term hospitals yields an average of 192 days for every 100 aged in urban areas, some 40 percent above the average of 136 days per 100 for the rural farm aged.

THEY HAVE LESS PROTECTION THROUGH HEALTH INSURANCE

According to the national health survey, only 28 percent of the aged in rural farm areas had hospital insurance in 1959, in comparison to 41 percent in rural nonfarm areas and 51 percent in urban areas.

Among the urban aged, most of the insurance was with the nonprofit Blue Cross and Blue Shield plans. But among those in rural areas, where community and group enrollment is not usually available, the bulk of the insurance was on a commercial basis, indicating that much of it was through individual policies with high costs, poor benefits, or both.

The insurance carried by the rural aged meets a smaller part of the hospital bill than in the case of the urban aged. Based on a national health survey study of discharges from short-stay hospitals from July 1958 to June 1960, only 33 percent of the rural farm aged, but as many as 57 percent of the urban had some part of the hospital bill paid by insurance. Of those where insurance paid part of the bill, the fraction paid was less than three-fourths in 40 percent of the urban discharges and in 47 percent of the rural farm discharges.

A recent North Carolina survey of retired farmers found that almost three-fourths of them had no health insurance coverage; of those not covered, close to half said it was because of the high cost.

THE SIGNIFICANCE FOR YOUNGER FAMILIES AND FOR THE RURAL ECONOMY

That the aged in rural areas have much to gain from the President's proposal is obvious from these basic facts about their health and economic status.

What then would the proposal mean to our younger farm families and to the rural economy in general?

The relatively low income position of families in rural areas means that they are at a serious disadvantage in helping to finance the medical costs of the older population, either as children of aged parents or, as taxpayers, for older people living in the community. Rural workers are already heavily burdened with health costs which claim a relatively large proportion of their family expenditures.

These costs, and the costs of any savings put aside for their own old age must usually be borne out of their own pockets, without the help of the tax-free employer contributions which characterize industrial employment. Expenditures for the education of their children come high when assessed against the low cash incomes of rural families.

The load which rural families now carry for health costs of the aged, through their taxes and through their expenditures for older members of the family, would be lightened by the administration's proposal. At the same time, the proposal provides a means for farmers and other rural workers to participate—with all other workers in the Nation—in a group hospitalization plan that assures them protection in their own old age. Because their cash incomes are low, their contributions would be relatively small. Yet these contributions would purchase exactly the same benefits available to a worker paying the maximum contribution rate.

Rural localities—and indeed entire States—have been wrestling for many years with the problems of financing health costs for their aged and other needy persons. In some of our most rural counties, as many as 6 or 7 out of every 10 people over 65 are on old-age assistance. In these same areas, there may be virtually no provision for public assistance medical care. Despite the availability of Federal dollars, the State is unable to raise the revenue needed for its share.

Hospital beds go unused in rural areas, not because there is less need for hospitalization, but because of financial inability to pay the costs.

Many rural areas have built modern hospitals that serve as the center for a wide variety of outpatient diagnostic and other health services. An analysis of the Hill-Burton hospitals built in the last 10 years or so, indicates that two-thirds of the general hospital beds are in rural areas, towns or small cities. The President's health insurance proposal provides a means for continued financial support of these facilities.

KERR-MILLS

The Kerr-Mills program of medical assistance for the aged, important as it is potentially in protecting those who are medically needy, cannot solve the problem of medical care for rural America's aged. About half of our 5 million people over 65 who reside in rural areas are in States which do not have programs of medical assistance for the aged. But more significantly, even where these programs are in effect in our more rural States, they are extremely limited in their benefits and most strict in their eligibility requirements. Eighty-eight percent of the funds being spent on MAA are expended in Massachusetts, New York, California and in my own State of Michigan. But 86 percent of our Nation's rural aged population live outside these four States and gain nothing from their relatively comprehensive programs.

Even if it were not for the fiscal realities that argue against basic reliance on the Kerr-Mills approach in rural areas, the public assistance method has two drawbacks that are especially serious in relation to our rural population.

Public assistance medical care can never meet the needs of those migratory farm workers who are unable to meet a residence requirement, even though liberally defined in terms of intent rather than duration of residency. This often throws a financial burden on the rural community hospital which must, of course, be picked up by local residents.

The fact that public assistance requires a test of need (we can argue till doomsday over whether this is a means test, a pauper's oath, or merely a statement of income—by whatever name, I find it objectionable) has the effect of excluding some persons from medical care that they need. In rural areas, this will commonly be the farmer, the "backbone" of this community, who—because of the very characteristics of pride and self-reliance implied in this term—would be completely unwilling to admit to his neighbors that he cannot pay for needed medical care. It is often said that the local community is best able to determine need. This is true. But it is also true that there is real value in big-city anonymity when one is forced to drop the cloak of self-respect in order to prove indigency.

The rural population will therefore find extra meaning in the guarantees under the Administration's proposal that uniform benefits would be available throughout the Nation on predetermined conditions and as a matter of right, rather than through a means test after resources have been exhausted.

EXTENT OF SOCIAL SECURITY COVERAGE IN RURAL AREAS

It is sometimes thought that social security has not really reached into the rural areas as yet and that there are many in our more agricultural States who would not be eligible under the President's proposal. The following table shows for each State the proportion of the aged population that would be eligible. Of the six States with the highest proportion of rural aged—60 percent or more in contrast to the national average of 30 percent—only two would have significantly fewer eligibles than in the country as a whole (Alaska with 57 percent and Mississippi with 72 percent in contrast to 84 percent of all persons 65 and over in the Nation who would be eligible at the beginning of 1964). Of the aged population of the six States combined, 81 percent would be eligible.

Estimated number of persons aged 65 and over who would be eligible for benefits under H.R. 4222 and population aged 65 and over, by State, Jan. 1, 1964

[In thousands]

State	Number eligible under OASDI [1]	Number eligible under RRA [1]	Total number eligible [2]	Population aged 65 and over	Number eligible per 1,000 population
Total	14,448	794	15,009	17,877	840
Alabama	195	12	203	276	736
Alaska	4	(3)	4	7	571
Arizona	83	6	87	109	798
Arkansas	148	9	155	201	771
California	1,191	52	1,227	1,514	810
Colorado	122	10	129	169	763
Connecticut	233	5	237	262	905
Delaware	33	3	35	38	921
District of Columbia	47	2	49	72	681
Florida	535	27	554	686	808
Georgia	208	14	218	308	708
Hawaii	27	(3)	27	31	871
Idaho	53	3	55	62	887
Illinois	856	60	898	1,038	865
Indiana	410	27	429	464	925
Iowa	276	17	288	338	852
Kansas	198	17	210	250	840
Kentucky	239	19	252	303	832
Louisiana	156	10	163	260	627
Maine	96	5	99	108	917
Maryland	189	13	198	245	808
Massachusetts	505	13	514	594	865
Michigan	624	20	638	695	918
Minnesota	304	23	320	379	844
Mississippi	137	7	142	196	724
Missouri	404	28	424	526	806
Montana	57	6	61	69	884
Nebraska	137	10	144	171	842

See footnotes at end of table.

Estimated number of persons aged 65 and over who would be eligible for benefits under H.R. 4222 and population aged 65 and over, by State, Jan. 1, 1964—continued

[In thousands]

State	Number eligible under OASDI[1]	Number eligible under RRA[1]	Total number eligible[2]	Population aged 65 and over	Number eligible per 1,000 population
Nevada	15	2	16	20	800
New Hampshire	63	2	65	69	942
New Jersey	541	22	557	613	909
New Mexico	39	4	42	57	737
New York	1,555	56	1,595	1,811	881
North Carolina	271	10	278	334	832
North Dakota	50	3	52	60	867
Ohio	788	49	823	943	873
Oklahoma	176	7	181	260	696
Oregon	175	10	182	197	924
Pennsylvania	1,024	78	1,079	1,190	907
Puerto Rico	83	0	83	135	615
Rhode Island	86	1	87	93	935
South Carolina	117	5	121	158	766
South Dakota	61	2	63	75	840
Tennessee	243	18	256	326	785
Texas	565	33	588	819	718
Utah	53	5	57	66	864
Vermont	38	2	39	44	886
Virgin Islands	1	0	1	2	500
Virginia	239	21	254	306	830
Washington	250	13	259	296	875
West Virginia	149	14	159	174	914
Wisconsin	377	16	388	429	904
Wyoming	22	3	24	29	828

[1] Numbers eligible under OASDI and under RRA exclude 98,000 persons and 6,000 persons, respectively, residing abroad. (Medical care furnished abroad not included in H.R. 4222.)

[2] Adjusted to count only once 233,000 persons who could qualify on the basis of OASDI coverage, but would also be eligible on the basis of railroad employment.

[3] Less than 500.

AUTHORIZATION FOR VICE PRESIDENT OR PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS DURING THE ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign enrolled bills during the adjournment of the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

TAXATION OF FOREIGN SUBSIDIARIES OF U.S. CORPORATIONS

Mr. JAVITS. Mr. President, I send to the desk an amendment to H.R. 10650, the tax bill.

The **PRESIDING OFFICER.** The amendment will be received, printed and appropriately referred.

The amendment was referred to the Committee on Finance.

Mr. JAVITS. Mr. President, this is the proposal which I outlined to the Committee on Finance during my testimony on Tuesday, May 3. It is in the nature of a substitute for the present section 13 of H.R. 10650. I have submitted a draft of the amendment for the committee's consideration. However, I believe that the printing of the proposed amendment could be helpful to other Members of Congress who are interested in maintaining the competitiveness of U.S. oversea investments.

The principal reason for my introduction of this substitute is that the legislation proposed by the administration fails to distinguish between the correction of specific tax abuses and the need to avoid measures which will discourage continued and expanded participation by the U.S. private sector in the international economy. The proposal to tax currently the undistributed earnings of oversea subsidiaries of American corporations is in sharp contrast to the policies of many other nations whose investors compete with American private enterprise for preeminence in world markets. For example, the earnings of Dutch and French companies resulting from foreign operations are not taxed at all by their Governments. In the United Kingdom, companies which are appropriately organized and operate outside of the country do not have to pay a tax on their profits until distribution within the United Kingdom. In Belgium and Norway dividend income from foreign subsidiaries is taxed at a reduced rate.

The international responsibilities and the domestic welfare of the United States demand an expansion—not a contraction—of U.S. private investment overseas. I believe that the amendment I am proposing will strengthen the measures designed to prevent tax evasion while having a minimal adverse effect on the continued, natural, economically sound flow of investment.

This proposed amendment to section 13 of H.R. 10650 is designed to tax U.S. shareholders of certain foreign corporations without deferral, if the earnings and profits of such corporations are accumulated unreasonably abroad rather than being paid to the shareholders as dividends. In effect, section 13 so amended would treat the deferral of foreign corporation profits as tax avoidance only if there is no business-related reason for such deferral, rather than as per se tax avoidance as does section 13 in its pending form.

It should be noted that other than section 13, sections 6 and 16 of H.R. 10650 accomplish a great deal to eliminate true tax abuses in the foreign field. Modified by the amendment I have submitted to the committee, section 13 would constitute a relatively direct approach to the problem of taxation of profits of foreign corporations controlled by U.S. persons. Because it is a direct approach, it would be effective primarily as implemented by regulations of the Internal Revenue Service and decisions of the courts. Hence, it would be neatly tailored to do precisely what is sought to be done; namely, to take the romance out of runaway earnings and profits which are escaping taxation because they are being held abroad, but at the same time not prevent American companies which are engaged in productive activities and productive investment abroad from continuing in that way. They will be able effectively to compete with companies of other countries, such as Great Britain, France, Germany, and Italy. One of the great objections to the foreign tax provision in the bill as it is now before the Committee on Finance is that it would disadvantage American companies in such competition.

The amendment to section 13 is modeled basically on sections 531 through 537 of the Internal Revenue Code which tax the accumulated earnings of domestic corporations. However, certain changes were made necessary because of the different contexts in which the two sets of provisions would operate. The principal change is that the provisions contained in section 534 of the code relating to the shifting of burden of proof to the Government would not be applied to foreign corporations because the Commissioner is at a greater disadvantage in obtaining factual information overseas.

Apart from these differences, I believe that the accumulated earnings approach patterned upon section 531 of the code offers a valid test for differentiating between tax-haven and legitimate operations abroad, in keeping with the policy objectives which I have urged, and which are those of the administration and of the devotees of a bipartisan policy on the part of the United States.

I have no doubt that the Committee on Finance will give the most serious consideration to my amendment; but I desired to call it to the attention of other Senators who are similarly being consulted by their constituents who conduct operations abroad, in the hope that it might enlist their interest as the subject is developed before the Committee on Finance.

EIGHTH ANNIVERSARY OF SUPREME COURT'S DESEGREGATION DECISION

Mr. KEATING. Mr. President, today marks the anniversary of a historic occasion in our national life. Eight years ago the Supreme Court declared that the forced racial separation of school children did violence to our Constitution and had no place in our free society. This decision was a milestone in the steady progress that this country has made toward realizing the ideals set forth by our Founding Fathers in the Declaration of Independence, the Bill of Rights, and the 13th, 14th, and 15th amendments. It was the culmination of nearly a century of effort to rid our law of the pernicious separate but equal doctrine. That such a situation could no longer be tolerated is evident from the unanimous voice in which the Court spoke.

The Court was aware of the difficulties that the implementation of its decision would cause. In response to this awareness, the Justices did not require that all schools be desegregated by a particular date, but rather demanded that the States proceed with "all deliberate speed" to carry out the decision. The Court anticipated that the States would follow the decision in good faith, for without such compliance a society based upon law will erode from within.

Yet, in many cases defiance, rather than adherence, has followed and the erosion of our free society has far exceeded the rate of compliance. After 8 years, only 7 percent of previously segregated school districts have been desegregated. Three States have not even made a token attempt at compliance.

For 8 years now we have been faced with the spectacle of a large section of our country openly violating the law—grasping at every conceivable means available to thwart the ruling of the highest Court in our land. At times we have seen mobs go into the streets to enforce the law of the jungle as a result of this constant advocacy of disobedience to the law as interpreted by the Supreme Court.

We have also witnessed the timidity of the Congress to come to the aid of the citizens our Court has now endeavored to protect against the wilful abuse of power. For 8 years now, with only two mild exceptions, we have refused to construct a firm foundation on which the law must stand if our civilization is to endure. We have just added another failure to act to our long list of failures on this issue. The Supreme Court cannot accomplish the task alone. If we are to insure that our Negro citizens are finally and truly free the Congress must act to aid in implementing the decision of the Supreme Court.

The defiance of the States and the refusal of the Congress to act has seriously endangered the judicial institution of our country—the third great branch of Government our Constitution created. The unrelenting guerrilla attacks which have been launched against the Court are designed to undermine the Court's authority and to force it to recant its desegregation decision. It appears that to some elements in America, destruction of the Court would be preferable to equal rights for the Negro.

This country was founded upon the principle that the rule of law, and not caprice, would be the basis on which our Government would operate. The Supreme Court was set up as the referee in our constitutional system—it is the arbitrator of disputes arising under the fundamental law. But it is more. It is the conscience—the moral force—that underlies our free society. The Court must provide the flexibility to meet the demands of a changing society that has been founded upon universal principles. The Constitution is not a static and sterile document. It is a living, viable instrument that has provided the foundation on which this country has grown and prospered.

The Supreme Court has erred in the past, and surely will again, for it is not an infallible oracle transmitting messages down from a Delphic temple. But so have we all erred. Yet, this fact does not negate our quest to achieve the ideals upon which this Government was founded.

During the debate on the literacy bill our colleagues quoted and defended Supreme Court decisions of the past which it was claimed supported their positions. The Court decisions at the turn of the century which upheld the separate but equal doctrine are the keystones to much of the arguments still made against civil rights legislation. The 1954 decision which overruled those determinations is regarded almost as sacrilege, as if the world stopped with the Plessy case in 1896.

Congress many times has overruled decisions it made in the past. Are we to deny this same capacity for growth and change in the interpretation of our law? We cannot contend that once a decision is made, regardless of whether right or wrong, it can never be changed.

We cannot pick and choose the laws we will obey, while discarding the remainder. If this Government is to continue to exist as a government based on law, we must accept all of the Court decisions as law, whether we support or disagree with the decision. Reversal by appropriate legislation or constitutional amendment can be sought, but once we embark on a systematic program of defiance we are on the road to destruction of the institution itself.

The elimination of the Plessy doctrine from our law came not as a result of defiance, but through the long, arduous process of legal tests and trials.

The battle to insure that all Americans are protected in the rights guaranteed them by the Constitution has been long and trying, and is still far from over. It is true that at times in its history the Supreme Court has been reticent about violations of the constitutional rights of our Negro citizens. But there have always been voices on the Court that have cried out against these inequities in our society and sought persistently to have these doctrines that sought to perpetuate legal servitude struck down.

It is fitting that as we pay tribute to the Supreme Court's historic desegregation decision we also express gratitude to a great Justice who keeps alive the spark of conscience during a dark season in this Nation's history. It was Justice John Marshall Harlan who provided the groundwork that eventually led to the judicial burial of the separate-but-equal doctrine. Harlan sought, unsuccessfully and often times alone during his long stay on the bench, to have the Court strike down State laws that perpetuated the vestiges of slavery. It is significant that he was the only southerner on the bench at the time of the Plessy decision and dissented vigorously from that decision. His words still have great meaning for us today. "The Constitution," Justice Harlan declared, "is colorblind and neither knows nor tolerates classes among citizens." He saw clearly the situation developing that the Court in another day could no longer tolerate if our Constitution was to have meaning.

Another great justice, Charles Evans Hughes, once declared that a dissent in a court of last resort "is an appeal to the brooding spirit of the law, to the intelligence of a future day." It was such an appeal that Harlan made in the generation of his day—the generation that freed the Negro from slavery and then failed to guarantee that freedom from all encroachments. Harlan's voice is as clear and as pertinent today as when he protested against the Plessy decision:

> State enactments, regulating the enjoyment of civil rights upon the basis of race * * * can have no other result than to render permanent peace impossible, and to keep alive the conflict of races, the continuance of which must do harm to all concerned.

Need we remind ourselves of the accuracy of Harlan's insight?

In the early years of this century and as he neared the close of his long battle for equal rights, Harlan posed this poignant inquiry to the American people:

> Have we become so inoculated with prejudice of race that an American government, professedly based on the principles of freedom, and charged with the protection of all citizens alike, can make distinctions between such citizens * * * simply because of their respective races?

We have yet to give a fully adequate answer to that question.

It is because discrimination continued and flourished in the fertile soil of enforced segregation that the legal battle to have such laws eliminated was waged throughout the first half of this century. It is because of this fact that the Supreme Court stepped into this breach 8 years ago in an effort to heal the schism that threatens the wellsprings of our national life. Under any criteria—legal, moral, or political—the decision was just and necessary if we are ever to achieve the goal of a truly free democratic society based on equal rights and equal protection under the law.

The past 8 years have been difficult and trying for the Supreme Court. It has boldly and courageously pushed forward in its effort to secure the equal rights of all our citizens—this despite the attacks and defiance that has followed in the wake of its decision. It is the Congress which has held back, which has refused to enact legislation to implement the Court's decision. Until this occurs we will continue to witness defiance by some of our States and the harassment of the institution of our judiciary. Our courts and our laws cannot long stand if they are violated with impunity.

I have said on many occasions that the failure of Congress to enact legislation to aid in enforcing the Supreme

Court's desegregation decision cannot be attributed to any constitutional impediment. On the contrary, the failure to act has impeded the realization of the principles of the Constitution. Surely, the Congress can, without transcending the limits of our Constitution, do now for human liberty and the fundamental rights of American citizenship what it did in a misguided era for the protection of slavery prior to the Civil War.

This the Congress must do if freedom is to continue to prosper and to endure on our shores.

LITTLE PEOPLE TO LITTLE PEOPLE PROGRAM

Mr. KEATING. Mr. President, some months ago the 10-year-old son of New Jersey's Congressman, PETER RODINO, JR., undertook a very worthwhile project which deserves support of big people as well as little people. Peter Rodino wrote to Soviet Premier Khrushchev asking for names and addresses of some children to whom he could write in Russia. He has also asked Khrushchev to stop exploding nuclear weapons. Recently little Peter Rodino wrote to President Kennedy telling the President about his project.

Mr. President, there is a lot to be said for this project. It has been endorsed by the New Jersey chapter of the Disabled American Veterans and by the Amvets and the American Legion. President Eisenhower has also congratulated the boy for his enterprise in trying to break through the iron wall of Soviet totalitarianism with the simple faith and persistence of a child.

Mr. President, if more American youth undertook constructive efforts at international communication, there would be less time for juvenile delinquency. Now that the long summer vacation has nearly arrived for schoolchildren, it is important for the boys and girls of America and for youth guidance counselors and organizations to put their energies to work. Little Peter Rodino's letter writing project is one way to encourage the spirit of international peace and put the talents of our future leaders to work.

GOVERNMENT EMPLOYEE RAILROADED TO MENTAL INSTITUTION

Mr. WILLIAMS of Delaware. Mr. President, a few days ago I discussed what I considered to be the highly improper manner in which an employee of the Department of Agriculture was carted off, or railroaded to a mental institution. Yesterday I was equally disturbed to read in the Washington Evening Star a statement by Dr. Frederick Thuee, chairman of the District of Columbia Mental Health Commission, in which he stated that two psychiatrists had pronounced Miss Jones to be mentally ill.

In his statement Mr. Thuee takes exception to my remarks of May 14 at which time I had said that Miss Jones was declared sane on May 7, the day on which she had been released from the mental institution.

I quote now from the May 16 article which was published yesterday:

> Commission Chairman Thuee had not released Miss Jones as of sound mind but "we felt that if we could get her under the care of a private doctor, a good psychiatrist, there was no place like home for her."

Mr. President, I agree that Miss Jones should have been sent home and that that would be the best place for her; and I think it would have been better if she had been sent there on April 25.

But the fact is that yesterday Chairman Thuee in his release contradicts his own remarks of May 7, 1962.

My statement of May 14 to the effect that Miss Jones was sane on the date when she was released from the hospital was largely based on a statement given by what I thought at the time was a very reputable man who was supposed to know what he was saying, the Chairman of the Mental Health Commission, Mr. Thuee, himself.

I now quote what Mr. Thuee said on May 7, just 10 days before, about the same case—and what I shall quote now is his statement, not mine; it is his statement, as delivered and released. It appeared in many of the newspapers, but I shall quote now directly from the article published in the Washington Star on May 7, just 10 days ago:

> Miss Mary Kimbrough Jones, former secretary to N. Battle Hales, a figure in the Billie Sol Estes-Agricultural Department investigation, today was discharged from District General Hospital where she has been under mental observation since April 25.
>
> A District Mental Health Commission hearing, which lasted more than an hour, certified Miss Jones, 51, as sane. Mental Health Commission Chairman Fred A. Thuee presided over the three-man board, which also included two staff psychiatrists from the hospital.
>
> Miss Jones was taken to the hospital April 25 by fourth precinct police at the request of Dr. Lee K. Buchanan, Chief of the Health Division of Agriculture's Personnel Office.
>
> Her former superior, Mr. Hales, today told a reporter Miss Jones had been concerned about classified files in his office which were barred to him after his transfer to another section of the Department April 20. Last Friday, in a press conference, Mr. Hales charged the files contained pertinent information in the investigation of alleged preferential treatment for Estes, a Texas financier.
>
> Mr. Hales also charged he was transferred so he would be denied access to the records.

I am still quoting from the May 7 article on the statement made by Commission Chairman Fred A. Thuee:

> A court order for mental observation was obtained April 26, according to Miss Jones' attorney, William T. Pace. The Mental Health Commission must report within 25 days whether a patient is to be retained at District General Hospital for further examination, sent to St. Elizabeths for psychiatric care, or be discharged as being of sound mind. Today's action did the latter.

Mr. President, this article states very clearly that Miss Jones was discharged as being of sound mind. I should like to read again the second paragraph of the article:

> A District Mental Health Commission hearing, which lasted more than an hour, certified Miss Jones, 51, as sane. Mental Health Commission Chairman Fred A. Thuee presided over the three-man board, which also included two staff psychiatrists from the hospital.

Mr. President, I just do not understand why all the effort is being made to discredit this girl. She certainly must have had a horrible enough experience as it was. This May 7 statement that she was released as being of sound mind was not contradicted by anyone. It was a very emphatic statement that she was discharged and was "certified as sane." Yet yesterday by the same man, Mr. Thuee, an attempt was made for some reason or other to deny their earlier release. Why? Why is it so important to someone that this employee be discredited? Never have I seen a situation where the rights of an individual were so seriously violated.

She was placed in the mental institution on April 25. But there is no record anywhere where any doctor signed the proper commitment papers until 2 days later, April 27. That statement is based on their statements—not mine. She was placed in the psychiatric ward, and was held there 48 hours before being officially committed by two doctors. I venture to say that if some of the rest of us had been confined in such a cell, sleeping, as she did, on a mattress on the floor, we would not be quite normal.

I checked with Miss Jones' attorney, and asked him whether he could get a transcript of the hearing in order to clear up for the record exactly what happened. I was amazed to find that no transcripts of such hearings are kept. It seems that Mr. Pace, Miss Jones' attorney, on the date of the hearing tried to get a transcript. He asked that the proceedings be transcribed and even offered to pay for the transcript, but he was refused. They said that was not according to their procedure but that one of their secretaries would take notes and would transcribe them as she understood what was going on; but not even those notes would be available to the attorney for this client. What kind of a hearing was this?

Mr. President, in such a case the client certainly is entitled to some consideration. It is a horrible experience for anyone to be put in the position in which he or she must prove sanity. This lady was adjudged mentally ill from the moment the police officer signed her commitment papers. Now she has to prove her sanity.

I ask unanimous consent that the article of May 7, as released by Chairman Thuee, of the Mental Health Commission, and as published in the Washington Star of May 7, be printed at this point in the RECORD and that there also be printed at this point in the RECORD the two letters signed by Miss Jones' attorney. One is dated May 14, and the other is dated May 17; letters the attorney outlines, the procedure by which this case was handled.

There being no objection, the article and letters were ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 7, 1962]

HALES' EX-SECRETARY RULED MENTALLY SOUND

Miss Mary Kimbrough Jones, former secretary to N. Battle Hales, a figure in the Billie

Sol Estes-Agriculture Department investigation, today was discharged from District General Hospital where she had been under mental observation since April 25.

A District Mental Health Commission hearing, which lasted more than an hour, certified Miss Jones, 51, as sane. Mental Health Commission Chairman Fred A. Thuee presided over the three-man board, which also included two staff psychiatrists from the hospital.

Miss Jones was taken to the hospital April 25 by fourth precinct police at the request of Dr. Lee K. Buchanan, chief of the health division of Agriculture's personnel office.

Her former superior, Mr. Hales, today told a reporter Miss Jones had been concerned about classified files in his office which were barred to him after his transfer to another section of the Department April 20. Last Friday, in a press conference, Mr. Hales charged the files contained pertinent information in the investigation of alleged preferential treatment for Estes, a Texas financier.

Mr. Hales also charged he was transferred so he would be denied access to the records.

"I talked to her (Miss Jones) the Friday (April 20) I was barred from the records. I talked to her on the phone and she was concerned about the safety of the records. I reassured her and she seemed all right then. The next I heard, she was brought here (the hospital)," Mr. Hales said today.

A court order for mental observation was obtained April 26, according to Miss Jones' attorney, William T. Pace. The Mental Health Commission must report within 25 days whether a patient is to be retained at District General Hospital for further examination, sent to St. Elizabeths for psychiatric care, or be discharged as being of sound mind. Today's action did the latter.

Testifying at the hearing were two staff psychiatrists, Drs. J. L. Foy and Robert Pine, Pvt. Robert Selby, of the fourth precinct, who took her to the hospital, Mr. Hales, and Miss Jones' brother and sister. The hearing was closed to the press.

MOUNT RAINIER, MD., *May 14, 1962.*
Hon. JOHN J. WILLIAMS,
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: I am in receipt of your letter dated May 8, 1962, wherein you inquired regarding my client, Miss Mary Kimbrough Jones, former secretary to Mr. N. Battle Hales of the Department of Agriculture.

On April 26, 1962, Metropolitan Police Officer Pvt. Robert L. Selby, Precinct No. 4, signed a printed petition stating that on April 25, 1962, he had gone to the Agriculture Building and had observed Miss Jones in a confused state of mind. Said petition was filed in the U.S. District Court for the District of Columbia on April 26 in Mental Health Proceedings No. 861–62. Attached to the petition was a medical certificate signed by two physicians on the staff of the District of Columbia General Hospital's psychiatric ward.

As I informed you during my telephone conversation with you on May 8, 1962, after the above-mentioned two papers were filed, the court, on April 26, 1962, issued an order whereby the patient would be detained in the District of Columbia General Hospital for a period of 30 days unless discharged at an earlier date.

On Monday, May 7, 1962, there was a hearing before the Commission on Mental Health, which lasted approximately 1 hour and 20 minutes. After the hearing Miss Jones was discharged.

Officer Selby stated that when he arrived at the Department of Agriculture he reported to Dr. Buchanan's office where he saw Miss Jones and Dr. Buchanan's nurse. He further stated that Miss Jones was carried from her office by Dr. Buchanan into the doctor's office and was retained there against her will. Officer Selby alleged that Miss Jones was claiming that FBI agents were swarming around her and that all of her friends now appeared to be her enemies. At this time Officer Selby knew of no investigation that Miss Jones or her former boss, Mr. Hales, had been involved in. Officer Selby further testified that there was no alcohol involved whatsoever; in fact, he was examined rather closely by the Commissioner as to whether he, Officer Selby, could have ascertained that and the officer stated that he not only could but had made a special point of determining that there was no alcohol whatsoever on Miss Jones' breath.

Officer Selby testified that he was in Dr. Buchanan's office with Miss Jones and the doctor's nurse for a period of from 30 to 45 minutes and that a great deal of this time was spent in talking with Miss Jones to quiet her down so that she would leave the Agriculture building and go to the patrol wagon in a ladylike manner. He testified that Miss Jones agreed and, in fact, walked out of Dr. Buchanan's office to the patrol wagon without being touched or handcuffed.

Neither Dr. Buchanan, his nurse, nor any security officers or personnel of the Agriculture Department who saw Miss Jones on April 25, 1962, appeared at the hearing.

Very truly yours,

WILLIAM T. PACE.

MOUNT RAINIER, MD., *May 17, 1962.*
Re Miss Mary Kimbrough Jones.
The Honorable JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: Miss Jones' sister retained me just a few days before the hearing of May 7, 1962. The sister, Mrs. Allen, told me that she did not think she needed a lawyer because she had talked to Dr. Robert Pine of the staff of District of Columbia General Hospital psychiatric ward. Dr. Pine had indicated to Mrs. Allen that Miss Jones would be leaving for home in a very short time and was all right.

As soon as the hearing commenced, by the Commissioner on Mental Health, I made a formal motion that I and my client, Miss Jones, be provided with a copy of a verbatim transcript of this hearing. I further stated that I, personally, would pay for the copy of the transcript. This motion was denied by Mr. Thuee, Chairman. He stated that that was not the procedure. I again stated that I needed this information and made a formal motion for it, and I then made a second motion that I receive a copy of part of the transcript that was going to be taken down by the reporter. This was denied.

It appears to be very unjust to me that the Commissioner on Mental Health should conduct a hearing, with a shorthand reporter physically and actually there taking down only part of the notes. It also appears unjust to the patient to be denied the notes that are taken down, and it also appears unjust to the patient to be denied a full copy of the transcript if he or she is willing to pay for it. At the time Miss Jones had her hearing, a reporter was there but I, as Miss Jones' attorney, could not have the benefit of any notes whatsoever.

I would like to comment on the article written by Miriam Ottenberg that appeared in the Evening Star on May 16, 1962, wherein she quoted certain allegations from the court papers that were filed ex parte on or about April 26, 1962. These allegations signed by the doctor were strictly conclusions. Dr. Pine was one of the doctors who signed the affidavit. However, under cross-examination, Dr. Pine knew of no acts, deeds, or facts that indicated that Miss Jones was dangerous to herself or to others. Under cross-examination, Officer Selby and Dr. Foy also stated that they knew of no acts, deeds, or facts that indicated that Miss Jones was dangerous to herself or to others. This is the sworn statement of the three people that the Government produced. This was uncontradicted by anyone else. This information even included hearsay information.

Dr. Anna C. Todd, who was one of the psychiatrists on the Commission that was conducting the hearing, was not sworn as a witness and was not subject to any cross-examination by Miss Jones' attorney. Dr. Todd, as she has a right to do, asked Miss Jones if she was sick; the answer was "no." Dr. Todd asked her if the reason Miss Jones did not eat the food that was presented to her was because Miss Jones believed it to be poisoned, and Miss Jones stated that she did not eat a couple of meals when she first arrived. Miss Jones further stated that the only reason she did not eat the meals when she first arrived was because the confinement upset her; that she was taken out of her regular, usual environment, and placed in a ward with many people who were sick, was stripped of her clothes, and caused to sleep on a mattress on the floor, and these things caused her to lose her appetite the first day or two and she missed a couple of meals. I am sure that you and I would have the same reaction to such a change.

Respectfully,

WILLIAM T. PACE.

Mr. WILLIAMS of Delaware. Mr. President, in addition to the fact that no transcript was kept of these hearings her attorney has pointed out the fact that neither Dr. Buchanan nor his nurse nor any security officers or personnel of the Department of Agriculture who saw Miss Jones on April 25, 1962, and who were responsible for her commitment appeared at the hearing.

I should like to discuss briefly, Mr. President, the procedure followed in handling this matter, because I still think this was a most highly irregular procedure, not the kind of procedure I would want to have followed for my wife or my daughter or my sister.

If the girl in this case were ill on that day, or were nervous or were mentally disturbed she needed help, sympathy, medical attention, and she should not have been carried off in a paddy wagon that is used for ordinary criminals without notifying any of her family or without the signed approval of a doctor.

The District of Columbia laws relating to the handling of such cases have grave weakness. I was amazed to find that if a man, while on the streets of Washington, D.C., murders someone, the officer who arrests him takes him to the police station where he must first be officially booked before he is imprisoned; and he is given an opportunity to call his lawyer. But this girl who had committed no crime was given no such opportunity. The police officer—and I have here his statement—confirms that not only did they not call any of the family of this girl, but they made no effort to call any of them. They merely loaded her in the patrol wagon and sent her off.

Furthermore, much claim has been made of the fact that this girl was put in the hospital by two doctors; it has been said that she was put there by Dr. Buchanan, of the Department of Agriculture, along with the consent of her personal doctor. Her doctor denied that he had approved her being carried to a mental institution.

But the fact is—the records in the case show that neither her family doctor nor Dr. Buchanan ever signed any papers for the commitment of this lady to the mental institution. She was originally committed to the mental institution without the signature of any doctor. This is a matter of public record, a fact which no one can deny. This girl was put in the mental institution solely on the responsibility of a police officer of the District of Columbia, and it was not until April 27, two days after she had been admitted, that two of the staff doctors signed her commitment papers.

Now, who was this police officer to whom was delegated such power to commit this woman? What experience had he had? He said that was the first time he ever was called in on a mental case. We find that he has served 5 years on the police force, and before that 5 years as a railroad fireman and 4 years in the military service. What sort of qualification is that for a man who is allowed to determine whether someone should be put in a psychiatric ward on a 20-minute examination? Yet, based on his own testimony this was his own decision. I am amazed to find that he took that responsibility and kept insisting that his decision was not influenced by the doctors.

I talked with Dr. Buchanan and he seemed to think it was his decision.

Surely we need a drastic revision in our laws if this can happen in the District of Columbia.

Much is made in the article of yesterday of the fact that the lady is sick at this time. I would be the most surprised man in the world if she were not sick. I think anyone who experienced a situation where one were confined in a padded cell for a period of 10 or 12 days, having been railroaded there without having any opportunity to call one's relatives or family, would be nervous and sick. She has a brother in Baltimore. She has two or three brothers in North Carolina. Why were they not called? The only thing the police officer said was that somebody told him that somebody had called her sister the day before. How did that "somebody," a third party, know that she was going to be placed in the hospital the next day? It would be impossible. To accept that statement there would have to have been a plot to put her there. What kind of a police force do we have which relies so strongly on what someone said someone told someone?

I understand the lady was not working ing the two days before, and the person who called her sister had not even seen her. I do not know, but I do know there are a lot of strange circumstances surrounding this case.

Now, what was the condition of the patient on the day of her commitment? I would like to read what the officer in charge said about the condition of the employee on April 25, the day they took her in. I shall quote from Officer R. L. Selby's own statement, but first, I want to call attention to the difference in the law if this girl had been picked up at a private home as against being picked up on Government property. I checked the existing law. I was told that if this girl had been in a private home in the District of Columbia, before she could be taken by this officer and committed to an institution of this kind, it would take the signature of four people on affidavits. Two residents and two doctors must sign affidavits certifying the need for mental attention before anyone in the District of Columbia who is not violent can be committed to a mental institution. However, from a public building a person can be sent off to a mental institution charged for mental observation without the certification or examination of any doctor or anyone else except the police officer. Once that patient is committed to the institution she has this "mental observation" charge on her record and from that moment on it is up to her to prove her sanity.

Sure, if the patient is threatening suicide or violence to anyone else the laws are that the police officer can for their protection and for the protection of others be detained. But no one has charged this lady with violence.

It is true that the doctors may discharge the patient, but the fact is that the commitment is on the police record, the person is charged with it, and has a stigma on his or her record to that extent. I recognize the necessity even in a private home, if a man is running around with a shotgun, and there is a likelihood that he may do harm to others or himself, an officer, can take him into custody to protect the patient and others. That was not the case here and I quote Officer Selby's own words. I asked this question concerning the four affidavits—two from doctors and two from residents:

> Had this same situation existed with Miss Jones, an identical case on private property, and you had been called to her home by anyone, and this was on private property now, the identical case, the same girl, would it have required these papers here?
>
> Mr. Selby. It would.
>
> Senator Williams. I understood you to say that it would. Before you would have picked this girl up, you would have required that whoever called you get these affidavits from the two residents and the two doctors' certificates, and then notify you, and after that you would have taken her down; is that right?
>
> Mr. Selby. That is right.
>
> Senator Williams. Am I correct then that it is only after this had been followed that you would have done it?
>
> Mr. Selby. From the private residence; yes, sir.
>
> Senator Williams. And that answer is on an identical case as near as you can imagine it of Miss Jones; is that correct?
>
> In other words, her condition was not such as the captain described where it was a real threat of danger, of shooting somebody, or where you would have had to carry her on your own initiative. But you think her condition was such, that you would not have thought of carrying her without these proper papers being filled out, is that correct?
>
> Mr. Selby. That is right.

That shows that the officer did not consider this a violent case. Now there have been suggestions made that the girl was threatening to jump out of a window and they only wanted to protect her. Now what the the facts? I will let Officer Selby tell you in his own words:

> Did you see anything while you were there that indicated that she wanted to hit anybody or kill anybody?
>
> Mr. Selby. She never showed any indication that she wanted to hit anybody or kill anybody while I was there.
>
> Senator Williams. That is what I mean. Did you see any indication she wanted to kill herself while you were there?
>
> Mr. Selby. She kept walking over to the window.
>
> Senator Williams. Well, I am sitting next to a window now, but I am not going anywhere.
>
> Mr. Selby. No, sir.
>
> Senator Williams. Did she make any effort—was the window open?
>
> Mr. Selby. No, sir.
>
> Senator Williams. Did she make any effort to open the window?
>
> Mr. Selby. No, sir. She leaned out, like leaned on the sill and looked down.
>
> Senator Williams. But the window was closed?
>
> Mr. Selby. The window was closed.

I understand that Officer Selby was on the first floor. If she had jumped out of the window it would not have hurt her, but by his own words she wasn't even trying. Why were they getting excited? The officer said she occasionally would go to the door and walk over to the window. Mr. President, if you or I were being held in a room and knew they were planning to take us to a mental institution I venture to say we would pace the floor too; that is, if we were sane. If we were insane we would not care what they did to us. It would be natural that a normal person would be walking around.

Officer Selby seemed quite proud of the fact that it was his decision and his decision only to commit her. I would have considered Dr. Buchanan's opinion as quite necessary.

But let us hear to what extent Officer Selby considered Dr. Buchanan's opinion:

> Senator Williams. Did Dr. Buchanan suggest to you that he felt she should be sent down to a psychiatric ward?
>
> Mr. Selby. No, sir.
>
> Senator Williams. What did he call you for, then? Why did he not call an ambulance?
>
> Mr. Selby. That I don't know.
>
> Senator Williams. When he called you, did he call you for that purpose? I mean was he going to arrest her for disturbing the peace?
>
> Mr. Selby. No, sir.
>
> Senator Williams. If she was worse—I thought you said he told you she was in a worse condition a few minutes before you came than she was when you came.
>
> Mr. Selby. He stated that she had, 5 minutes prior to our arrival, that she had been hitting him over the head with a shoe, and that he didn't know what to do with her.

But we must remember that this doctor had carried her from her office. She had been told she was going to be sent to a psychiatric ward, so in the struggle she hit him with a shoe. I would not be surprised; I would have reacted to a far greater extent than that, and he would be fortunate if it were only a shoe he was hit with.

I read further:

> Senator Williams. And so he must have had it in his mind when he called you to send her to a psychiatric ward.

Mr. Selby. I don't know. He never said that.

Senator Williams. Did he not indicate that that is where he thought she should go?

Mr. Selby. No, sir.

Senator Williams. Did he indicate that he thought she should not go there?

Mr. Selby. He never indicated either way.

Senator Williams. Did he mention that you should take her down or was it all your idea?

Mr. Selby. This is based on my own opinion of her and observation.

Senator Williams. He didn't suggest that you should take her to the hospital?

Mr. Selby. No, sir.

Senator Williams. What did he ask you to do when you got there, just maintain order?

Mr. Selby. He didn't know what to do with her. That is why he called.

Senator Williams. Wouldn't she go home?

Mr. Selby. He never said whether she would go home or not. When I arrived, of course, he told me what had happened, and that he was called up in her office.

Senator Williams. Did you see anything while you were there that indicated that she wanted to hit anybody or kill anybody?

Mr. Selby. She never showed any indication that she wanted to hit anybody or kill anybody while I was there.

I talked with Dr. Buchanan. He said that one of the reasons he thought the girl needed psychiatric treatment was that she seemed to think everybody was against her. She asked him if he was an FBI agent and kept asking, "Are you with the FBI?" He thought that was strange. I can understand why he would with no background of the case. He had only been called in a few minutes before. But the fact is that the FBI was there. There is no question about it. They had been in the office, the office which her boss had been locked out of a few days before. The FBI was checking the files. So it was a logical conclusion when a stranger walked in to think that he may be with the FBI. She was not imagining things.

He said she thought everybody was against her. That is not so strange. Everybody was. I know of no one who was defending her or even suggesting that she be carried home to her relatives or if necessary taken for regular hospitalization. But there is a big difference between giving her hospitalization and committing her to a psychiatric ward. Under the regulations, the officer before sending to a mental institution has a responsibility to notify the family. That requirement is spelled out. But the officer admitted he did not make any effort to notify the family. I asked him specifically in that connection. He made no effort to notify the family.

I ask unanimous consent that further excerpts from Mr. Selby's statement be printed in the Record at this point.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Senator Williams. To your knowledge was there any effort—I will put it this way—did you at any time make any effort, either during your visit there or subsequent to your visit, to notify any member of her family as to her confinement?

Mr. Selby. I did not notify anyone for the reason that her sister—having taken the information from Mr. Riggs that her sister had been called the day before and was on her way up.

Senator Williams. Who is this Mr. Riggs?

Mr. Selby. He is in the employees' office of the Agriculture Department.

Senator Williams. Some employee of the Agriculture Department told you that they had talked to her sister the day before, and she was on her way up. Well, wouldn't it be logical to call her sister out at her home or wherever she was on her way up to? To your knowledge did anyone of the Department of Agriculture make any effort to contact any member of her family?

Mr. Selby. That is what I just said. I mean not to my knowledge.

Senator Williams. No.

Mr. Selby. I am only going by what I heard.

Senator Williams. What you heard, and even based on what you heard, the only call that you ever heard of was the one that was made the preceding day, is that correct?

Mr. Selby. Yes, sir.

Mr. WILLIAMS of Delaware. I should like to review briefly the events as they occurred on that date, April 25.

Officer Selby was called at 11:32 a.m. He said it took him 7 or 8 minutes to get to the room, and that he arrived at 11:40. It was 12:10 when the patrol wagon arrived. They put her in the wagon and sent her to the hospital. In those 30 minutes he made a series of telephone calls, he made his diagnosis of the case, and he decided that she should be in a mental institution. What kind of a study and diagnosis is that? He had her taken without any doctor signing to put her in the institution. Neither of the doctors who allegedly authorized her to be taken ever signed any papers. They have not to this day signed any papers certifying as to her condition.

I am no lawyer, but if that is the law then before they get one of us we had better make sure we get this law straightened out. I question whether we could come out as well as she has.

The argument is made, "The proof is that she is sick today." I say to Senators, "If your wife, your sister or daughter were put in a cell for 12 days, I think you would find that she would be sick, too."

Any other person would be sick. That was a horrible experience, and to further try to discredit this girl now after what she has gone through is even more reprehensible.

I wish to review the whole list of peculiar circumstances which have surrounded this case from the beginning and circumstances which led up to the eventful date of April 25.

I go back to April 18. The girl was committed on April 25, but we should go back to the week preceding to see whether or not there was any basis for her disturbance.

Her boss had been working on an investigation which he thought developed information proving favoritism to Mr. Estes on the part of certain employees of the Department of Agriculture. That is the charge which Mr. Hales, her boss, had made. I am quoting again from the record.

The April 18 record shows that Mr. Hales went to the office of Mr. Hughes, the assistant to Secretary Freeman, and that he asked for an opportunity to see the Secretary. He wanted to call to the attention of the Secretary himself some of the things he thought the Secretary should know about this case. On April 19 he was asked to talk to the FBI representatives. That was a request with which he was glad to comply.

Apparently on that day Mr. Hales said he would prefer to discuss this case further with the FBI at his office. He made an appointment to meet the FBI representatives the following day in order to discuss the case with them at the office where he would have access to his files to prove to them what he was saying. That was a natural request.

The following day, April 20, Mr. Hales went to his office to meet with the FBI representatives to help them to prepare background information on some of this case. When he arrived at his office on April 20, he found that he had been locked out. Allegedly, he was told by the guard that he could go in and get his personal effects but that he had no further access to his files, that his files were being taken over, and that he was being transferred to another job in the stockpiling section in the Surplus Commodity Division of the Department of Agriculture, something which would have nothing whatever to do with any of the cotton acreage allotments or any of the activities which may have involved any of his previous work.

He was transferred. Therefore, he could not furnish the information to the FBI which he had been asked to furnish and which he would have liked to furnish. Why was this done?

That he was locked out of his office on April 20, apparently disturbed his secretary. Prior to this time, it should be emphasized, this girl, Mary Jones, had an excellent record of about 25 years of service with the U.S. Government. During that time there was not a single blemish on her record that I can find—not a blemish. During that time she had a very high efficiency rating as an excellent employee. That is the official record. There was no trouble prior to the rumbling of the Estes case. Certainly she got nervous. I venture to say that the loyal secretary of any employer would likewise have felt nervous and disturbed when her files were being ransacked. Remember that at this point she could well be the credible witness as to what was in those files.

Is it any wonder that we get suspicious when who could well be the only other witness as to what was in those files suddenly gets discredited in such a peculiar manner.

I do not know all the background of what led up to the case, but the record shows that on the day of April 25, this girl was forcibly taken from her office and carried over to another office, the office of the doctor. Yes, she was forcibly ejected from her office. Whether the girl refused to go when requested to do so I do not know. If she was ordered out of the office and if the person ordering her had a perfect right to order her out of the office and she declined to take that order, there are methods of handling such a case without sending the person to a mental institution. Had they wished to fire the girl when she disagreed she could have appealed to the Civil Service Commission through regular channels. If someone wished to get her out of the building and she refused to go, she could have been charged in the normal fashion with a misdemeanor and taken down to the police court.

In order to get her out of an office it was not necessary to put her in a psychiatric institution. That is the point I make. I am not surprised that at that time she became disturbed.

It is important to have the background to show that this is far from an ordinary case. What had Mr. Hales said? He said that with his files he could prove that Mr. Marshall, deceased, had rendered an opinion that their plan to transfer cotton acreage in west Texas was illegal. Mr. Hales had also claimed that the manner in which the Department was letting Mr. Estes handle acreage allotments was wrong. He said there were also reports in the file concerning this recommendation of another important witness, Mr. Taylor Allen, which would support his charges.

Why should anyone be afraid to open up the files? Why not open up the files to find out whether Mr. Hales was correct? No, instead he was moved out of the office, and the files taken over by another man. On May 4, he had held a press conference, and at that time again had publicly offered to prove his charge if he could have access to his files. At this press conference Mr. Hales gave the name of the man who he said could support his charge that Mr. Estes had been getting favorable decisions from certain officials in the Department of Agriculture.

On May 7, Secretary Freeman in his press conference denied this, in effect. I wish to say, in reference to Secretary Freeman that I have made no charges of any impropriety on his part. I wish to emphasize that. I have not at any time joined even in saying that Secretary Freeman should resign. While I have been critical of Secretary Freeman, I have not said that. I have talked with the Secretary, and I have told him how I feel. I do say that it is time for Secretary Freeman to recognize the facts of life. If he is going to take it upon himself to assume full responsibility to protect all of those who are in the Department who have done wrong and if he is going to defend them, if he is not careful he will go down with the ship. I think that the Secretary, rather than resisting and fighting those of us who wish to help him, should recognize this.

Certainly there has been favoritism in the Agriculture Department. Who is so naive as to think that any private citizen ever approaches any Government official and starts giving away $500 bills or $1,000 bills or suits of clothes or mink coats or vicuna coats or rugs without expecting something in return? These lavish gifts are made for one purpose only—the expectation of something in return, and the record shows that the giver usually gets it. The fact that all of these gifts were floating around is certainly evidence of favoritism.

Secretary Freeman, at one of his press conferences, made an emphatic statement that the Government had not lost any money on the Estes deal. He said that the Government had not lost a dime. That was a broad statement and cannot be supported.

In fact, just 2 days after he made that statement the Department of Agriculture filed suit against Mr. Estes for $544,162.

Let us be realistic. If the man has done nothing what is he being sued for? The U.S. Government has filed this suit.

Then again at the press conference when asked about the manner in which the 1961 cotton acreage allotments had been handled Secretary Freeman said:

> Wait a minute. You say it strains of favoritism? Let me state that, before this case ever broke, what happened really, when you want to come right down to it, in these Texas counties, is something that nobody knows, and this perplexes me and it has been perplexing me from the first time that I went over the same thing that you are going over. And the reason nobody knows is because the key figure in this was the man who unfortunately is not alive. He was a key commodity man who was highly reputed and recognized, and there are different stories as to what he told the county committee to do, and nobody knows really what he did. This is the key, and that is the reason we cannot unlock this door. But nobody does know exactly because it was with the county committee.

But Mr. Hales had been claiming that somebody did know, and he named a Mr. Taylor Allen.

The man to whom the Secretary referred as being dead was Mr. Marshall. Mr. Marshall allegedly had committed suicide with a bolt-action rifle. Allegedly he shot himself five times with this bolt-action rifle. This is just about as weird a claim as what happened to Miss Jones. Both are too fantastic to be accepted.

I have nothing to prove that the Secretary made his statement other than on the basis of what he thought was the record. Therefore I make no condemnation of him if he will now proceed to correct the error. But I have been disappointed by his readiness to accept what happened to this girl as routine, and I am getting impatient at the lack of cooperation some of us are getting from his Department. Why was Mr. Hales denied access to his files? Should those files now fail to produce what Mr. Hales has alleged, who will ever know whether or not they have been stripped? Certainly these files were not confiscated for nothing. If Miss Jones is discredited as a witness, it could prove convenient to someone.

As evidence that Mr. Hales, the boss of Miss Jones, was correct in his allegation that there was another living witness to Mr. Marshall's decision, I refer to an article which appeared in Tuesday's Washington Daily News. This article quotes the same man, Taylor Allen, the former southwest area Director of the Commodity Stabilization Service, as offering to support the charge which Mr. Hales has made.

Mr. Allen said he was present at the January 17, 1961, meeting about which there has been so much controversy.

Let us get down to the facts of this case. I am asking the Secretary to cooperate with us. We want to know and certainly he should want to know who is responsible. I care not in which administration the responsibility lies. I have always said that neither political party has a monopoly on virtue. There have been scandals in both administrations. Human nature being what it is, unfortunately they continue. But the answer lies in how the problem is handled. What is needed is more aggressive action on the part of the leadership of this administration. What we need is their cooperation, and not their insistence that there is nothing wrong. Let us lay the whole record out and find out what has happened.

I ask unanimous consent that the article to which I referred as being published in the Daily News of Tuesday, May 15, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ESTES WAS WARNED AND USDA KNEW ABOUT IT

(By Jack Steele)

A former Agriculture Department official disclosed today that the Department has known for more than a year that Billie Sol Estes was warned in advance that his plan to transfer cotton allotments to west Texas was illegal.

The Department ruled officially only last week that the allotment transfers were illegal and slapped a $544,162 penalty on Mr. Estes, the west Texas farm tycoon who claimed influence in high places in Washington.

The former Department official who informed the Washington Daily News and other Scripps-Howard newspapers of the warning to Mr. Estes is Taylor Allen, former southwest area Director of the Commodity Stabilization Service.

Mr. Allen said the warning was given by the late Henry Marshall, the Department's cotton expert in Texas, at a meeting in Mr. Marshall's office at College Station, Tex., on January 17, 1961.

Mr. Allen said he also was present.

He said Mr. Marshall gave the warning to John Dennison, attorney for Mr. Estes, and W. P. (Bill) Mattox, vice chairman of the Reeves County (Pecos) Stabilization Committee, which later approved many of the allotment transfers for Mr. Estes.

EMPHATIC

Mr. Allen recalled that Mr. Marshall had told Messrs. Dennison and Mattox emphatically that the proposal of Mr. Estes to transfer the allotments was illegal.

Mr. Marshall told them there was no chance to transfer these allotments to the Pecos area under the Agriculture Department's regulations, he said.

Mr. Allen added he had given this information to an investigator for the Department "more than a year ago."

Mr. Allen's version of the meeting was in sharp contrast to that given by Agriculture Secretary Orville L. Freeman at a press conference last week.

Mr. Freeman said the meeting in Mr. Marshall's office held the "key" to the mysterious approval of the cotton allotment transfers for Mr. Estes.

DEAD

But he said the Department never had been able to find out what actually took place at the meeting because of Mr. Marshall's death. (Mr. Marshall was found dead in a field last June with five bullet wounds from a bolt-action rifle which were ruled to have been self-inflicted.)

"What happened really, when you come right down to it, in these Texas counties, is something nobody knows * * * and the reason nobody knows is because the key figure in this was a man who unfortunately is not alive," said Mr. Freeman.

(In a Senate speech last night Senator GORDON ALLOTT, Republican, of Colorado, alluded to the Freeman press conference, saying "we now have a new verb 'Freemanize,' which means to whitewash, to gloss over." Senator ALLOTT called for Mr. Freeman's resignation.)

Mr. Allen, however, said what happened at the meeting was "no mystery to me" and added that it should not be to Mr. Freeman or other Agriculture Department officials.

Reached by telephone at his farm home near Provo, Utah, Mr. Allen described in detail the January 17, 1961, meeting.

He said Messrs. Dennison and Mattox had requested the meeting with the Texas State Stabilization Committee, seeking approval for the allotment transfers for Mr. Estes. He recalled that the State committee arranged for them to meet, instead, with Mr. Marshall.

Mr. Allen said he was not familiar with all the details of the cotton allotment transfer proposals—but was certain Mr. Marshall had informed Messrs. Dennison and Mattox that they were illegal.

He recalled he had flown to Dallas with Mr. Dennison after the meeting and had discussed the matter further during the trip.

"Dennison tried to convince me all the way that Marshall's attitude was wrong and that it would be all right to transfer the allotments," Mr. Allen said.

Mr. Allen said an investigator for the Agriculture Department's "compliance and investigation division" later had telephoned him from San Francisco and then visited his home to obtain his story of the meeting and the warning to Mr. Estes and by Mr. Marshall.

Mr. Allen, who is a Republican, said he resigned from the Department on January 27, 1961—10 days after the meeting—because of the change of national administrations. He said his post was a patronage appointment.

Mr. Mattox told this reporter 10 days ago in Pecos that the Reeves County Stabilization Committee had approved the Estes allotment transfers after being advised by the Agriculture Department in Washington that they were legal.

Mr. Mattox later was suspended by the State stabilization committee because of his admission he had made a trip to Washington early this year as a guest of Mr. Estes to discuss the cotton allotments with Agriculture officials.

Mr. Freeman, at his press conference, said procedures followed in other States—under which similar transfers of cotton allotments were barred—"weren't followed in Texas."

"The only one who could tell what happened is Marshall—and Marshall isn't here," the Secretary said.

He did not mention Mr. Allen.

Mr. WILLIAMS of Delaware. I certainly hope that the Department will give us greater cooperation in the future.

I conclude by repeating that I am more disturbed about what happened to this girl than I am about what favorable treatment Mr. Estes may have obtained. The loss of dollars can be replaced but we can never repay this girl for the suffering she has had to endure.

There can be no defense for the arbitrary manner in which her case has been handled.

I can see why this girl would become highly emotional. I can see a chance of her becoming hysterical under the conditions which existed. I still say that what she needed was some sympathy and help. Perhaps she also needed medical attention, but certainly she should not have been carted off like a criminal to a mental institution.

Why do these psychiatrists now, 10 days after having announced her dismissal as sane and of sound mind, reverse their position for no purpose other than discrediting her? At least they could certainly stick to their same story. They have not seen her in the past 10 days. Now, on second thought, they are trying to tell us a different story than what they released only 10 days ago. Let us never forget that the girl was committed to this institution without the signature of any doctor. Yes; she was certified 2 days later by a couple of doctors at the hospital, but she was carried to the institution without certification of any doctor. This is America. This is not a police state.

They did not even call her family. I have yet to hear anyone in the Government state that they called or tried to locate the family. In common decency that should have been done. This girl is an American citizen.

In the last couple of weeks we have heard a great deal on the floor of the Senate about civil rights. We have heard a great deal about what a great crime it is if someone is denied the right to vote. I agree that every man should have the right to vote. It is a sacred right that should be protected. But there are rights that are more precious even than the right to vote. I think it is about time that some of those who expressed such great interest in civil rights and the dignity of the individual should begin to express some concern about what is happening right here in the Nation's Capital.

Why is the Department not helping this girl rather than trying to prove that they did not make a mistake in the first place?

I want to cooperate with the administration in maintaining the integrity of this Government, but if they want my cooperation they had better start by correcting the injustice which has been done to this employee.

Then and only then will I have confidence in their sincerity.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. ALLOTT. I compliment the senior Senator from Delaware for his very great contribution to a revelation of what happened in this case. The most ghastly incident that I think has come out of the Billie Sol Estes matter was not the attempt to circumvent the law, but the way Miss Jones was committed and held. I wish to express my own personal appreciation to the Senator for bringing this matter to the attention of the Senate in such a well-documented and forceful manner.

Mr. WILLIAMS of Delaware. I thank the Senator. As one who has been and still is interested in the Estes case I believe that from the standpoint of the money that has been lost by the Government we have a responsibility to follow through on that matter, but I am not half as much concerned about the loss of a half a million or a million dollars. The money which is gone can be replaced but this girl has lost something that cannot be replaced by the Senate or by her Government. This girl has been subjected to an indignity for which there can be no excuse.

I hope that in the future those who are responsible in the departments, instead of trying to defend their past mistakes will try to help this girl. This girl's family was miles away. She was alone. She was not allowed to call anyone. There was no friend around to help her.

PLANNED ORBITAL FLIGHT OF ASTRONAUT SCOTT M. CARPENTER

Mr. ALLOTT. Mr. President, I should like to take just a moment to comment on an upcoming event of great interest to America and particularly to my native State of Colorado.

I refer to the flight, at this time scheduled for Saturday, May 20, in which a native of our State will carry the hopes of the world as he becomes America's fourth astronaut to venture forth into the still somewhat unfathomable mysteries of space.

Lt. Comdr. Scott M. Carpenter, of Boulder, Colo., is even now preparing to enter into final countdown for a three-orbit trip around the earth. Just as with those before him, this will be, we all pray, the successful culmination of years of intensive training and preparation. Having met and talked with Scott Carpenter, I know that he is eagerly anticipating this opportunity to be one of this country's pioneers into space, just as his forebears were pioneers into another new world about which comparatively little was known just a few generations ago, the Western frontier.

Colorado invites the world to join with us, on Saturday, as we prayerfully and pridefully watch this young pioneer make his contribution to this Nation's space effort.

And, as we listen, the words we shall listen for most are those words that have become such an accepted part of our language—"A–OK."

PROPOSED MANDATORY FEED GRAIN PROGRAM WOULD BE TRAGIC MISTAKE, SURE TO BACKFIRE

Mr. PROXMIRE. Mr. President, the farm bill will be the next order of business before the Senate when we convene on Monday. A few minutes ago the President of the United States, in his press conference, disclosed how vital will be the decision the Senate will make on the farm bill, and how vital that decision will be to our Nation, not only to the farmers, but also to all citizens from many standpoints, particularly in view of the tremendous cost of the farm program.

ADMINISTRATION BILL REJECTED BY SENATE AGRICULTURE COMMITTEE

I wish to make it clear at the outset that the proposed Department of Agriculture mandatory feed grain program is not in the farm bill. It was eliminated in committee by my amendment, which was adopted by one vote. My amendment replaced the mandatory proposal with a 1-year extension of the present successful feed grain law.

A few minutes ago I was asked whether I would support or oppose the farm bill on Monday. I am satisfied, at least, with the feed grain provisions in it, which I consider a substantial improvement. I have other amendments, and I hope certain specific details of the voluntary feed grain plan can be strengthened. I intend to offer my dairy income improvement plan.

I was asked my opinion on the farm bill in the course of a more or less unofficial nose count of Senators. I want to emphasize that the bill as presently written does not include the Department of Agriculture feed grain program. It contains an extension of the present feed grain law, and that is what I hope my colleagues will have the good sense to support.

Mr. President, I wish to take this opportunity to state in the plainest possible language exactly why I believe it would be a tragic mistake to enact a mandatory feed grains program as proposed by the Department of Agriculture, dependent on two-thirds of approval in a producer referendum. It would be especially tragic for feed grain, livestock, and dairy farmers.

MANDATORY PROGRAM SURE TO EMBARRASS SUPPORTERS AND REDUCE FARM INCOME SHARPLY

It would also be highly embarrassing to those who support mandatory feed grain legislation, if it should be passed, since it would certainly result in no price supports and all out feed grain production for at least 2 years, and perhaps much longer, with the grim consequences of cheap feed, distress hog and beef prices, and an even greater dairy surplus.

The reason for this is obvious. In the nationwide referendum of farmers required to put a mandatory program into effect, a majority would vote against it. Yet a minimum of two-thirds of those voting is needed to approve it.

If there is to be a mandatory feed grain program for 1963 a referendum must be called not later than mid-August, just 3 months from now. At that time the price of corn and hogs will be at or near their seasonal peaks.

Therefore farmers who market their feed grains through livestock, as well as the hundreds of thousands of feed grain producers in the so-called deficit feed grain areas of the West, the Northeast, the East, and the South, who obtain most of their income from other price supported crops or livestock, will vote heavily against the mandatory program. The proposed minimum acreage requirements will still permit hundreds of thousands of these farmers to vote.

Independent farm experts, reporters, and pollsters who have examined the situation agree that the mandatory program will be defeated in the necessary referendum.

NO DISAGREEMENT IN PRINCIPLE WITH SECRETARY FREEMAN

This conclusion is not based on idle conjecture. Nor, as far as this Senator is concerned, is it in the least based on any opposition to the principle of supply management in agriculture. But because I strongly believe that the main requirement for any farm bill must be that it increases farm income while reducing costs to the taxpayer, I cannot bring myself to vote for a program which, on the basis of facts and logic, is so likely to backfire.

I fully recognize and support the overwhelming need to enhance the sadly deficient market strength of the farm sector of our economy. The inability of farmers as a whole to limit output to what can be sold at fair prices is perhaps the root cause of the farm problem. So a solution to the farm problem lies in finding ways to increase farmer's bargaining power relative to the other sectors of our generally prosperous economy. Without this no permanent improvement in farm income will be possible.

Believing this as I do, it should be abundantly clear that my opposition to the proposed mandatory feed grains program is in no sense based on any hostility to the Department of Agriculture or its able Secretary, my good friend Orville Freeman.

In spite of the attacks on Secretary Freeman, including the very recent attacks, I have the greatest admiration and respect for him and his staff. They have been doing an excellent job under difficult and trying circumstances.

But as I made plain in my statement in the Senate on April 17, which appears in the CONGRESSIONAL RECORD on page 6762, I cannot bring myself to vote for a program that demonstrably will result in income devastation for by far the largest group of farmers in our country—feed grains, dairy, and livestock producers.

DETAILED ANALYSIS, NOT BROAD GENERALIZATIONS, NEEDED

However, agreement on the need for supply management programs for agriculture is one thing. The specific circumstances and details and timing of a specific proposal are something quite different. And it is a regrettable lack of specificity in the arguments advanced in favor of the proposed mandatory feed grain program that has seriously beclouded the issue.

Broad, general utterances to the effect that "if farmers don't vote for marketing quotas, they should not have price supports" conceal the vitally important fact that, in the case of feed grains, several different types of farmers are involved, with sharply different, divergent interests.

It is one thing to say that price supports without supply management cannot be justified.

But it is quite another thing to say that farmers whose incomes depend entirely on feed grains or milk for manufacturing should be denied reasonable price supports because other producers of these commodities, whose incomes are protected in part by other price support and marketing order programs, vote against proposed mandatory marketing allotment programs.

If there were any indications that a two-thirds majority of feed grain producers as a whole would vote "yes" in the required referendum, the situation would be different. But the fact is there have been no such indications. Every poll and study taken in the past few months shows that feed grain producers overwhelmingly oppose marketing quotas. But if merely one-third plus one vote "no," the program is rejected and prices will plummet.

Mr. President, I questioned the Secretary of Agriculture on this point when he came before the committee. My staff and I have been in touch with him and his staff. We pleaded with him for days to give any information or any evidence to show that this referendum would pass. Absolutely none from any source has been provided.

Somehow this action of mine, which eliminated the administration's proposal on feed grains and extended the present program which the administration supported last year, has been interpreted as bitterness toward or a difference with the Secretary of Agriculture, or even with the President of the United States. Nothing could be further from the truth. As I have said, I admire the Secretary of Agriculture, and I warmly support the President of the United States. But I just plain disagree with this proposal, on the basis of evidence and simple logic.

If a mandatory feed grain program dependent on two-thirds approval in a producer referendum should be enacted—in other words if the administration should win and knock out the feed grain provisions which the Agriculture Committee has placed in the bill, and should succeed in restoring the mandatory proposal—then I think the administration would live to regret it, and regret it in a short time.

Once again, however, I challenge the supporters of a mandatory program to come forward and say that in a referendum, a majority, let alone two-thirds, of the farmers would vote in favor of the proposal.

FACTS BEARING ON PROBABLE SUCCESS OF A FEED GRAIN MARKETING QUOTA REFERENDUM

An examination of economic factors, geographic dispersion, and size distribution of feed grain producers will readily show why a marketing quota referendum on feed grains, as proposed by the Department of Agriculture, would probably fail to pass.

Feed grains differ fundamentally from the crops that have been brought successfully under marketing allotment programs in that a large part of the output is not directly bought and sold in a marketplace, but is fed to livestock or dairy cows on the farm where it is grown. Farmers who are feeders of grain, far from selling their crop for cash, in fact buy large quantities of feed grain. In a great many cases they think it is in their interest to vote against a program which will have the effect of raising the costs of what they buy and of restricting the amount they are permitted to grow for themselves.

In addition, cotton and tobacco growers who receive a large part of their cash income from these price-supported crops tend to oppose a program which will restrict the amount of feed grains and milk they produce on their farms. Wheatgrowers in the deficit feed grain areas of the Northern Plains and Northwest also tend to oppose a program which will limit the acreage of feed grains they may grow on their farms.

SIZE OF FARMS AND GEOGRAPHY IMPORTANT

Only slightly over half of the farmers eligible to vote in a feed grain referendum, as proposed, grow 50 acres of grain and are located in the main surplus producing areas. Just under half grow 25–50 acres and market all their grains through livestock, or are located in feed deficit areas. These small producers, as well as both large and small producers in feed deficit areas, have little direct interest in a proposed increase in support prices. But they have serious objections to a 15 to 25 percent acreage reduction.

The payments for acreage reductions that have been proposed hold little attraction for these producers. Indeed, in a sense they only underline what these farmers consider the chief drawback to the program, namely, that it will increase the cost of the feed they buy.

The adverse votes of these hundreds of thousands of farmers would prevent a marketing allotment program from coming into effect, even if it were favored in the main cash grain-producing areas by a two-thirds or greater majority. Even this is unlikely, as I shall discuss.

Estimates based on the 1959 census indicate there are 1,222,200 producers growing 25 acres or more of feed grains, who would be eligible to vote in a marketing quota referendum as proposed by the Department of Agriculture. Only 641,700, or slightly over half, however, grow 50 acres or more of feed grains and are located in the Central and Western Corn Belt and Plains States where the interest in selling feed grains for cash, and in a mandatory price support program is undoubtedly greatest.

The total picture can be seen in table 1, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated numbers of farmers having specified acreages of feed grains (based on 1959 census)* [1]

	Less than 25 acres of feed grains	25 to 50 acres of feed grains	Over 50 acres of feed grains	All farms growing feed grains
Central and Western Corn Belt and Plains States including New Mexico and Arizona	202,000	147,000	641,700	990,700
Mountain and Pacific Coast States	22,500	12,200	35,400	70,100
East North Central (except Indiana and Illinois), Atlantic, and South Central States, including Arkansas and Louisiana	855,000	199,900	183,700	1,238,600
New England States	9,400	1,600	700	11,700
Total, United States [2]	1,088,900	360,700	861,500	2,311,100

[1] Acreage of feed grains per farm estimated by increasing the major feed grain in the State, corn, barley, or grain sorghum (oats in Maine) by the percentage which the total feed grain in the State is of the total major feed grain. In the Southwestern States where grain sorghum was the major feed grain, the total number of farms producing feed grains was estimated to be all those producing grain sorghum plus ⅔ those producing corn.

Under ASCS regulations a census farm where a tenant rents from more than 1 landlord may be listed as 2 or more farms.

[2] Estimated total census farms having 25 acres or more of feed grains and eligible to vote in a referendum, 1,222,200.

Mr. PROXMIRE. Mr. President, an additional 147,000 farms growing 25 to 50 acres of feed grains are located in these States. However, most producers growing such small acreages of feed grains are diversified livestock farmers and have little direct interest in feed grain price supports. They may not be fully aware of the basic feed grain-livestock price relationship. Time and again under the previous administration they were told that livestock prices were continuing at favorable levels because of the absence of Government programs for livestock.

I recall debating this point several times with the distinguished junior Senator from Arizona [Mr. GOLDWATER]. A widespread feeling exists on the part of farmers throughout the country that livestock is doing pretty well because it is out from under Government supports. The fact is that if we study or think about the question, we see that livestock has been doing well because there has been price support for feed grains. But a great many farmers are not fully informed about the extent to which livestock prices have been dependent on the feed grain price support programs.

Only a minority of these smaller, diversified farms are participating in the current voluntary feed grains program. An increase in the support price would have little interest to them, and it is probable that a majority of them would disapprove of marketing quotas on feed grains for 1963 if confronted with an allotment 15 to 25 percent lower than their usual acreage.

OVER ONE-THIRD OF FEED GRAIN PRODUCERS LOCATED IN DEFICIT AREAS

In the Mountain and Pacific Coast States on the west, and in the States east of the Corn Belt, including the Southeast, there are an estimated 212,100 farms growing 25 to 50 acres of feed grains and 219,100 growing over 50 acres of feed grains. Although a number of these larger farms sell a substantial part of their production on the market, most are located in deficit producing areas and, when acreage restrictions have to be complied with, tend to reject a feed grain price support program. Even fewer of the smaller producers in these areas are aware of the benefits to them of a national feed grain price support program. Few, if any, sell feed grains on the market. For these reasons, a substantial majority of all these producers will undoubtedly tend to oppose a mandatory supply management program which requires them to reduce their acreage.

It is not only a matter of theorizing, of analyzing the types of farmers who would vote, and of estimating on the basis of various logical methods how they might vote in their interest; but let us see what the professional pollsters, who have gone out into the field and asked the farmers, conclude.

SAMUEL LUBELL'S CONCLUSIONS

Samuel Lubell is a man who has devoted his life to this work. He is recognized as a competent professional pollster, known to be honest, and having integrity and ability.

Mr. Lubell, after interviewing farmers in 14 States in February and March, in a syndicated newspaper article April 3, 1962 concluded:

> Among the corngrowers I have talked with, and even more so the dairy farmers, opposition is strong enough to defeat any referendum for compulsory production quotas.
>
> If Congress goes ahead with the referendum votes, it will touch off a bitter political struggle through the Midwest that would dominate this year's congressional elections and threaten even safe congressional seats.
>
> Many smaller farmers say in protest, "A 20 percent acreage cut will force me to quit farming."
>
> * * * other farmers are fighting the program because they feel the formulas used for fixing acreage allotments are unfair to them.
>
> Every farmer interviewed was asked the showdown question raised in Kennedy's message: "Which would you take if you had to choose between a free market with no price supports, or price supports with compulsory controls?"
>
> The responses varied by commodity areas. Dairy farmers were strongest for "let supply and demand run the show" while only a small minority of wheatgrowers urged "turn the farmer loose."
>
> Among corn and feed grain producers [only] a small majority said "we'd have to take quotas. We can't live without price supports."

Possibly the answers to Sam Lubell's key question would be different if it were asked by a local farm leader who explained that the price of feed grains would average one-third lower in the absence of price supports. However, local farm leaders at the present time are being confused by many farm organization officers and staff who are unwilling to accept the analyses of leading economists at the land-grant colleges and the U.S. Department of Agriculture—that farm prices would drop sharply and remain at distress levels for an indefinitely long period if current price support programs are withdrawn.

TWO-THIRDS FAVORABLE VOTE UNLIKELY EVEN BY LARGER FARMERS IN CORN BELT AND PLAINS STATES

In view of this situation, it seems highly improbable that even as many as two-thirds of the larger producers in the central and western Corn Belt and Plains States, voting in the next few months would favor marketing quotas for feed grains in 1963. It appears doubtful that more than half of the smaller farms in these States would favor quotas.

Only a minority of Corn Belt farmers obtain price support loans. In 1957 and 1958, the last 2 years of the corn acreage allotment program, although the seasonal average market price was 29 cents and 24 cents per bushel below the loan level for cooperators—noncooperators were eligible for loans made at lower levels—in Illinois the total number of corn loans equaled only 30 percent of the number of corngrowers with corn acreage allotments of more than 25 acres. In Iowa the number of CCC corn loans equaled about half the number of corngrowers with allotments of over 25 acres.

Another indication that a favorable vote as high as two-thirds by the larger Corn Belt farmers is unlikely, is to be found in a recent poll taken by the Farmers Grain Dealers Association of Iowa. Of 1,051 officers and directors of local grain marketing cooperatives, usually cash grain farmers growing over 50 acres, only 430 indicated they would favor a mandatory program in 1963. The question "If Congress fails to appropriate sufficient funds to operate a voluntary program—similar to the 1961 program—would you be in favor of a referendum vote for a mandatory program with penalties for failure to comply?" was asked in December 1961 and although over 80 percent of the respondents had complied with the 1961 program only 42 percent favored a mandatory program at that time. The results of this poll suggest that an intensive educational program would be required to achieve even a two-thirds favorable majority in a national referendum on mandatory marketing quotas on the part of the larger farmers in the central Corn Belt.

PARTICIPATION IN THE 1961 PROGRAM BY GEOGRAPHIC AREAS

It is even more improbable that a two-thirds majority of producers in other sections of the United States will vote favorably on a referendum until an intensive educational program has been carried on over a considerable period. This is suggested by the record of participation in the current voluntary feed grain program.

The percentage of all corn and grain sorghum producing farms participating in the 1961 program by geographic areas is shown below:

	Percentage of all corn and grain sorghum farms participating in 1961	Estimated percentage of all farms having over 25 acres of food grains participating in 1961 [1]
North Atlantic	23	23
North Central	49	48
South Atlantic	25	49
South Central	33	51
West	37	54
United States	40	48

[1] Total number of farms and total number of participants less farms with less than 25 acres of feed grains based on 1959 census and farms that diverted their entire acreage—base acres up to 25.

REFERENDUMS TO BE HELD WHEN PRICES ARE AT SEASONAL PEAKS

In view of the level of participation in the voluntary 1961 and 1962 programs, the aggressive opposition of the major farm organization, and the opposition of much of the farm and local press, it would be difficult to obtain a favorable vote on mandatory feed grain controls even though the referendum were held when corn and hog prices were at their seasonal lows. In order to meet the needs of winter barley growers, however, the referendum for feed grain marketing quotas, as proposed, would be scheduled for not later than August 19—when corn and hog prices are usually at or near their seasonal high points.

At that time it is reasonable to expect that the market price of corn will be about $1.05 to $1.15 a bushel and hogs will average $16 to $18 per 100 pounds. Even though the referendum fails to carry, price suports for the 1962 feed grains will keep market prices at recent levels through August of 1963. Under these conditions, livestock economists do not expect hogs to be more than $1 per 100 pounds lower in August 1963 than in August 1962.

Farmers would be voting the second time on a referendum when the market price of corn was $1.05 to $1.15 per bushel and the price of hogs $15 to $17 per 100 pounds. It is most unlikely that the referendum would carry on the second vote under these conditions.

PRICES AT DISTRESS LEVELS BY 1964

However, with no price supports on the 1963 crop of corn moving to market beginning in November 1963, the market price probably would fall below 75 cents a bushel. Farmers would breed more sows for spring farrow in view of the low price of corn. Corn prices would continue at distress levels through 1964 and by late October 1964 hog prices might very well fall below $12 per 100 pounds.

Serious maladjustments would have occurred in the livestock industry before the third referendum would be called and even though a favorable vote were recorded it would be the fall of 1965 before feed grain prices would be affected appreciably. It is doubtful that a new Congress could or would allow distress feed grain and livestock prices to continue until then.

COMMENTS OF IOWA FARMER WORTH PONDERING

At the World Food Forum meetings commemorating the centennial of the Department of Agriculture, held here in Washington on May 15–17, Robert K. Buck, an outstanding Iowa farmer, made some significant observations relative to the decisions facing agricultural leaders in 1962.

Mr. Buck is the only man who has served on the Secretary of Agriculture's Advisory Commission under both Secretary Benson and Secretary Freeman. He has been a leader in nonpartisan factfinding meetings and organizations such as the Farm Policy Council. He followed the former Secretary of Agriculture and Vice President, Henry A. Wallace, on the program. During the course of his remarks, he made the following penetrating comments:

> Mr. Wallace emphasized the important role of the 1 million commercial farmers who account for most of the amazing increase in American farm productivity. A large number of these farms are feed grain-livestock-dairy-poultry producers. They are found in every State. This is the more dynamic portion of American agriculture where the long-run growth potential is greatest.
>
> During the program today celebrating the centennial birthday of the USDA and the land-grant system, I wondered what people might be saying on the 200th birthday of these two great institutions. Would they say—
>
> "In the year 1962 (as the United States celebrated its first 100 years of agricultural development) the U.S. Government made an historic decision:
>
> "Holding stocks of feed grains amounting to 3 or 4 months' annual requirements above reserve needs—after bumper crops accompanying 4 years of very favorable weather, after paying great homage to the productivity of the American farmer and praising him warmly, after determining to continue large public investments (in reclamation, research, education, and conservation) to further increase farm productivity—the U.S. Government decided that the cost of farm programs to deal with surpluses was intolerable and offered the Nation's feed grain-livestock producers a choice between (1) no program at all—no price support, no storage, no land retirement, or (2) a system of mandatory allotments for States, counties, and farms."
>
> I must confess that I have mixed feelings on this matter myself, but I feel strongly that we should recognize that in the next few weeks our Congress will hammer out a very important national farm policy—more important than most farm leaders now realize.

COULD HOLD REFERENDUMS ON ALL MARKETING QUOTA PROGRAMS SIMULTANEOUSLY

In a letter which I sent to Secretary Freeman a week ago, I proposed that if a referendum on a mandatory feed grain program is to be held, it should be simultaneous with referenda on cotton and wheat. Each producer who grew one or more of these crops would be asked at one time to approve or disapprove programs for all the marketing quota crops grown on his farm. Quotas would go into effect for each crop where they were favored by a two-thirds majority of those voting who grow that crop.

Under such a voting procedure it would not be possible for a producer to approve marketing quotas for his major money crop and vote against a mandatory program for feed grains—and thus contribute to the defeat of a program supported in the major feed grain areas.

ADMINISTRATION BACKING NEEDED TO EXTEND PRESENT PROGRAM

Mr. President, I wish to conclude by noting that the support of the Department of Agriculture will undoubtedly be needed in order to win approval for extension of the present successful voluntary feed grains program. Without such support, all constructive farm programs could be defeated. I hope that support will be forthcoming.

With modifications, the current voluntary feed grains program can be continued for several years, and will reduce surplus stocks effectively at a much lower annual cost than that incurred for the 1961 or 1962 programs, which in turn represented substantial savings over a continuation of the program of the previous administration. It is popular. It is working. As I have said, it is reducing costs. It is practical. Why not continue this program, instead of moving into a program which could have such disastrous consequences.

FARM INCOME WILL FALL

Mr. President, what I have been arguing this afternoon as forcefully as I can is that the vote on a mandatory program is very likely to be negative. Then there would be no controls and no price supports, and there would be chaos on the farms. There would be vast overproduction of very cheap feed, which would mean low farm commodity prices, low beef prices, a surplus of dairy products, and a tremendous potential future cost to the U.S. taxpayers, as well as the real possibility of a tragic farm depression.

The chronic low level of farm income is one of the most serious weaknesses in our economy. Farm prices and income are so low that, according to official Department of Agriculture statistics, farmers in my State average less than 60 cents an hour for their labor, although they invest an average $40,000 in their farms and have increased their efficiency enormously.

I feel very, very strongly that the Department of Agriculture is making a serious mistake. These men are extremely competent and able and very conscientious and good; but I think in this case they have erred, and this error will cost our farmers very greatly.

SENATE COMMITTEE FAVORS VOLUNTARY PROGRAM

Mr. President, by proposal—namely, the reenactment of the present, current feed-grains law—has, as I say, been favorably reported by a majority of the Senate Committee on Agriculture and Forestry, and is part of the farm bill, S. 3225, which the State will take up on Monday.

I urge my colleagues to read this bill carefully, study it, and examine the facts I have presented today. If this is done, I am confident that the wisdom of continuing the present successful feed-grains program for a further period will be recognized.

Mr. President, in my statement of April 17, as well as in my letter of May 11 to the Secretary of Agriculture, Mr. Freeman, I outlined in further detail why it makes sense now to extend this popular program. I ask unanimous consent that my letter to the Secretary of Agriculture be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 11, 1962.

Hon. ORVILLE FREEMAN,
Secretary of Agriculture, Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: The Senate will be taking up the farm bill, S. 3225, soon. In the light of all available evidence, and I have reexamined it again in the past few days, I believe it would be a tragic mistake to enact mandatory feed grain legislation at this time dependent on two-thirds approval in a producer referendum. It would be especially tragic for feed grain, livestock, and dairy farmers.

It would also be highly embarrassing to those who support it since it would have the near-certain result of no price supports and all-out feed grain production for at least 2 years and perhaps much longer, with the grim consequences of cheap feed, distress hog and beef prices, and an even greater dairy surplus.

The reason for this is obvious. In the nationwide referendum of farmers required to put a mandatory program into effect, a majority would vote against it. Yet a minimum of two-thirds of those voting is needed to approve it.

If there is to be a mandatory feed grain program for 1963 a referendum must be called not later than mid-August, just 3 months from now. At that time the price of corn and hogs will be at or near their seasonal peaks.

Therefore farmers who market their feed grains through livestock, as well as the hundreds of thousands of feed grain producers in the so-called deficit feed grain areas of the West, the Northeast, the East, and the South, who obtain most of their income from other price-supported crops or livestock, will vote heavily against the mandatory program. The proposed minimum acreage requirements will still permit hundreds of thousands of these farmers to vote.

Independent farm experts, reporters, and pollsters who have examined the situation agree that the mandatory program will be defeated in the necessary referendum.

Time and again under the previous administration farmers were told livestock prices were continuing at favorable levels because of the absence of Government programs for them. They are not aware of the extent to which livestock prices have been dependent on the feed grain price supports. Yet about two-thirds of the feed grain producers who would be voting in the referendum in August market their feed grains through livestock rather than at local elevators.

As I stated on the Senate floor recently I have the greatest admiration and respect for you and your staff. You have been doing a tremendous job under very difficult circumstances. And I am in complete agreement with you and the President—we must develop farm programs which increase farm income and are less costly to operate.

I am sure your staff could and would conduct a vigorous educational program prior to the referendum. But farmers would be confused by woefully misguided farm organization officers and staff who disregard or deny the analyses of leading economists. These people, in spite of numerous studies showing the opposite, greatly minimize the current benefits to livestock producers of feed grain price supports. The local press and much of the farm press also would confuse and obstruct your educational programs by raising fears of excessive bureaucratic controls, the inequities of historical bases, and similar issues.

It is too much to expect even your highly capable staff to offset the effects of 8 years of misguided leadership by the previous administration and many farm leaders in 3 months.

The referendum on the mandatory feed grains program also would suffer from adverse votes of producers located in the deficit feed grain areas of the West, the Northeast, the East and the South who obtain most of their income from the sale of other price supported crops or livestock. Only about half of the feed grain producers in the United States grow more than 50 acres and are located in the Central Corn Belt or Plains States where interest in a mandatory program is highest. Even though a two-thirds majority of these producers desired a mandatory program—which independent experts doubt—it is likely to be denied them by the votes of the smaller producers and those in the deficit areas.

If a referendum for a mandatory program were called and failed in August 1962, existing price supports on the 1962 crop would hold the price of corn near the loan level of $1.20 per bushel through August 1963 when the second referendum would be scheduled under the proposed legislation. With corn prices supported at current levels hog prices also are expected by livestock economists to be at very satisfactory levels, $15 per 100 pounds or higher, in August 1963.

With corn and hog prices continuing at these levels for a full year after the first referendum was defeated, farmers might be even more susceptible to the arguments of those who deny the validity of the basic economic relationships between feed grain price supports, feed grain prices and livestock prices. Under these conditions the second referendum almost surely also would be defeated. Feed grain producers almost surely will be without price supports on both their 1963 and 1964 crops if the current mandatory proposals are adopted.

When the 1963 crop of corn moves to market beginning in November 1963, however, with no Government supports available, prices would quickly fall to distress levels—below 75 cents a bushel. Farmers would breed more sows for spring farrow in view of the low price of corn. Milk, poultry, and egg production would expand as a result of the cheap feed grains. By the fall of 1964 hog prices are likely to fall below $12 per 100 pounds, and other livestock prices would be under pressure from excessive market supplies.

Yet even though producers in a referendum in August 1964 approved marketing quotas—which is by no means certain—price supports could not become effective under the proposed legislation until the 1965 crops moved to market. This is a situation that no responsible Congress or administration should inflict upon feed grain-livestock-dairy producers if it can be avoided. And fortunately it can be.

The veteran poll taker and political analyst Samuel Lubell after interviewing farmers in 14 States in February and March, in a syndicated newspaper article, April 3, 1962, concluded:

"Among the corngrowers I have talked with, and even more so the dairy farmers, opposition is strong enough to defeat any referendum for compulsory production quotas.

"If Congress goes ahead with the referendum votes, it will touch off a bitter political struggle throughout the Midwest that would dominate this year's congressional elections and threaten even safe congressional seats."

There will be a better time and there must be more acceptable provisions for a mandatory feed grain program than those in the original bill, S. 2786. Given a few years of studies and planning, I believe an acceptable supply management program can be developed and put into effect.

With modifications the current voluntary program, if continued for several years, will reduce surplus stocks effectively at a much lower annual cost than was incurred for the 1961 or 1962 programs, which, in turn, represented substantial savings over a continuation of the program of the previous administration.

When your staff compared the cost of the proposed mandatory program with a continuation of a voluntary program, they did not take into account the improvements I offered as amendments to S. 3225, and which I will press for on the floor. With these amendments, the program can be even more successful in reducing the surplus, at even lower cost.

To be sure, if mandatory legislation is adopted, it is probable that all costs will be avoided. But the direct Government budget savings will be lost many times over by the heavy income losses of hundreds of thousands of feed grains, livestock, and dairy producers who account for two-thirds of all farm income. And the effect on small towns serving rural areas will be equally devastating.

Again I want to reemphasize my concern that we develop fair and reasonable price supports and supply management programs not just for the producers of commodities where the supply management problems are least difficult, but also for feed grains and dairy products.

Have you considered the possibility of holding simultaneous referendums on the same date on cotton, wheat, feed grains, and also perhaps on the small-acreage crops: rice, peanuts, and tobacco? Each producer who grew more than one of these crops then could be asked at one time to approve or disapprove of marketing quotas on all the marketing quota crops grown on his farm. If he grew wheat and feed grains he would either approve marketing quotas for both crops or neither.

The votes of the producers of each crop would be counted and marketing quotas would go into effect for each crop where they were favored by a two-thirds majority.

Under such a voting procedure it would not be possible for a producer to approve marketing quotas for his major money crop and vote against a mandatory program for feed grains—and thus contribute to the defeat of a program supported in the major feed grain areas.

Like you, I want to press forward as rapidly as possible with farm program changes that will improve farm income, liquidate Government surpluses and reduce Government costs. I believe this involves adoption of the proposed wheat certificate plan this year with authorization for the Secretary to permit the planting of wheat on feed grain acreage allotments only where producers have complied with the minimum voluntary feed grain acreage adjustments. But in the case of feed grains I believe it would be better to continue with a modified, lower cost voluntary program for a few years while developing a more acceptable supply management program and educating producers as to the need for adopting it.

Although farmers are losing representation in our increasingly urban society I am confident the Congress will continue to approve farm legislation which promises to improve farm income and also reduce Government costs while dealing fairly with consumers.

Sincerely,

William Proxmire,
U.S. Senator.

Mr. PROXMIRE. Mr. President, some very interesting comments on the farm bill have appeared in newspapers published in the main feed grain area. I want to read from the column by Rex Conn, which was published in the Cedar Rapids Gazette on May 6:

> The worst can be no program at all, with the vast accumulations of Government-owned surplus feed grains dumped on the market. This would be followed by an upsurge in cattle, hogs, and other livestock that would result in disastrous prices in another year.

In an editorial published on May 12, in the Des Moines Register, it is stated:

> If Congress passes this legislation—

Which the administration has proposed to be applied to feed grains—

> Freeman may wish later on that it had not. Opposition to the feed grain program of compulsory acreage allotments is fairly substantial. Many observers in the Middle West, supported by public opinion polls, believe that farmers would not approve feed grain controls by a two-thirds majority.
>
> It is ridiculous to call this program repression or regimentation or the like, but the practical fact remains that many general grain and livestock farmers do not like the idea. If they turned it down, the administration would be in an embarrassing position. Freeman could say that farmers brought on the lower prices which would ensue by rejecting his program, but this would not win him friends.
>
> Another reason why it might be a mistake to try a compulsory feed grain program now is that the voluntary arcreage retirement program of 1961 and 1962 seems to be working well. An encouraging reduction in corn production was brought about last year, and the administration has been able to reduce its surplus stocks considerably.
>
> Despite predictions of failure by opponents of the program, participation in the 1962 program will be larger than in 1961—that is, more feed grain land will be held out of production.

I ask unanimous consent that there be printed in the Record these three articles that were recently published in the Cedar Rapids Gazette, the Des Moines Register, and Wallace's Farmer. One is by farm columnist Rex Conn, who writes for the Cedar Rapids Gazette. The second is an editorial which was carried in the May 5 edition of Wallace's Farmer. The third is an editorial from the May 12 Des Moines Register.

There being no objection, the articles and editorial were ordered to be printed in the Record, as follows:

[From the Cedar Rapids Gazette, May 6, 1962]

It's Time To Look for Compromise Farm Plan

(By Rex Conn)

Several times in this column we have expressed concern that the battle over the proposed farm programs in Congress would end with neither side winning and farmers being left without any protection at all.

Many farmers and others say it is time "to get the Government out of agriculture." That's a good sound sentiment, but agriculture is hardly ready to be thrown off the end of the dock unprotected after having been buoyed up for more than a third of a century by Government programs of one kind or another.

It is going to take a little time to get the industry ready to go it alone. There is some doubt that it ever can be freed from all kinds of government aid and intervention. Practically every great agricultural nation in the world has some kind of government farm program in effect.

As we have pointed out before, it is doubtful that Secretary of Agriculture Freeman can muster enough votes to get his proposed mandatory feed grain program through Congress.

And if he did, it is still more doubtful that two-thirds of the farmers would vote for the kind of strict Government controls that it proposes.

The Farm Bureau's cropland retirement bill appears to have no better chance of passage. It has much to recommend it, but the opposition to the program seems to be insurmountable.

Although neither side appears to have much chance of getting its program adopted, there still has been no sign of willingness on the part of the leaders to search for a compromise program.

The best that can come out of the deal is an extension of the present feed grain program.

The worst can be no program at all, with the vast accumulations of Government-owned surplus feed grains dumped on the market. This would be followed by an upsurge in cattle, hogs and other livestock that would result in disastrous prices in another year.

A proposal has been batting around among some thoughtful people for some little time which Editor Dick Albright outlines in an editorial in the current Wallace's Farmer.

Rather than extend the feed grain program for 1 year, with another big fight assured when it comes up in Congress again next year, why not extend it for 3 years or so?

Dr. Louis Thompson, of Iowa State, says most of the increase in surplus feed grains the last 3 years can be attributed to unusually good weather. It is unlikely that such phenomenally favorable seasons can last forever, and the chances are better than even that an unfavorable season or two will have cut back the surpluses by the end of the 3-year period.

Secretary Freeman has been citing the cost of the present program as one of the main reasons for abandoning it in favor of his mandatory program.

As a matter of fact, the bulk of the payments to farmers have been made in terms of feed grains which the Government already owns. The program has called for comparatively little additional expenditure beyond the value of the grain.

Continuation of the plan for a couple more years should go a long way toward solving the problem of what the Government is going to do with its grain stocks.

Along with extension of the present program for 3 years should go some benefits for cooperators which are denied nonparticipating farmers.

Price supports on any commodity storage facility loans, ACP payments and other Government aids should be limited to farmers who are "in the program."

Along with the cutback in feed grain acreage, the program could well include provisions for long-range retirement of additional land into other uses. At the rate of 8 million acres or so a year, this long-range retirement would offset the return of land into production that has been tied up in the old soil bank program.

All this can be done on a voluntary basis, which would remove one of the most serious objections to the administration's proposed farm program.

And, of primary importance, it might be a common ground on which proponents of both the programs now before Congress can meet—at least after they have finally resigned themselves to the defeat of their pet measures.

[From the Wallace's Farmer, May 5, 1962]

There Is a Good Way Out

Corn Belt farmers are in danger of coming out on the short end of the farm policy battles underway in Washington. It appears to us that the wishes and the welfare of farmers have been pushed to the sidelines in a blind and vicious power struggle. Yet, a spirit of compromise and reasonableness could accomplish much in the way of helpful farm legislation this year.

Orville L. Freeman is probably the most aggressive and politically astute Secretary of Agriculture we've ever had. We think he is sincere in his attempts to get agriculture straightened out. But we also think he has tried to move too fast to use mandatory controls to cut farm program costs.

U.S. agriculture is exceedingly complex. We in the Corn Belt feel the weight of surplus feed grains, and are anxious to reduce them. But farmers (and their Congressmen) in feed deficit areas such as the Great Plains States and the States near our east and west coasts do not share our grief. Some want to be free to produce more grain if they can. Others want cheap midwest feed grains for their dairy cows and poultry.

The South wants to be free to put acres diverted from cotton into feed grains. And even in the heart of the Corn Belt, we doubt if anywhere near two-thirds of the grain producers would vote for a mandatory control program. Here, too, we fear the redtape and the freezing of historic production patterns.

So although Secretary Freeman hasn't given up the battle, it looks like Congress isn't going to give the administration what it wants in the way of lower cost, mandatory farm programs.

This situation provides an opportunity for the American Farm Bureau Federation to take the lead in working out a compromise plan. But American Farm Bureau Federation leadership has not yet shown a willingness to do this. Farm Bureau stands fast on its cropland adjustment plan. Yet there is almost no chance at all that it will be passed by Congress this year. And even if passed, the President could be expected to veto it.

Farm Bureau's noncompromising stand can seriously damage our agriculture. Several of the administration's proposals—price supports at moderate levels, long-range land retirement, helping small farmers move to other jobs—should be music to Farm Bureau's ears. But there's no indication they've heard the tune.

It appears to us, then, that Corn Belt farmers are caught in a vise between two unrealistic forces. Moderate, middle-ground leadership is seriously needed. We think that much good can be accomplished by this session of Congress if farmers can present something resembling a unified front.

We've urged the continuance of the present feed-grain program in previous issues. We still think it is the only route that makes sense at this time. Farmers are proving this year for the second time that they are willing to participate in a voluntary program that will curb production and permit an orderly reduction in CCC holdings.

The Senate Agriculture Committee has voted to extend the feed-grain program for 1 year. We think it should now be extended for 2 or 3 more years. We'll need it at least this long, so why must we sweat out repassage every year?

Also, we strongly urge that Congress and USDA tighten up the rules to make the present feed grain program even more effective. Let's limit eligibility for soybean and other support loans to farmers who participate in the feed grain program. Also, let's make participation a requirement for ACP payments, storage facility loans, and any other USDA aids that apply. (See p. 44 for more on this.)

If USDA won't take this leadership, needed to improve the present program, where did it expect to get the "guts" to enforce the unpopular mandatory program proposed by the administration? Is it possible that the administration would like to see the present program fail?

While the feed grain program is continued, we should also continue to move some land into long range or permanent retirement each year. (The administration and Farm Bureau forces certainly should be able to get together on this one.) Let's improve and extend the conservation program to take some 5 to 8 million acres out of production per year.

The long range retirement plan would move toward getting things in balance permanently without disrupting communities unduly. Meanwhile, the temporary feed grain program can bring about much needed reductions in our feed grain inventory.

These suggestions seem reasonable to us. They can be accomplished if farmers and farm leaders will just pull together a bit for the good of agriculture. We think our farm leaders should give the future of our agricultural industry priority over efforts to save face and to stand on principle.

[From the Des Moines Register, May 12, 1962]

SUBSIDY VERSUS CONTROL

Agricultural Secretary Orville Freeman's proposed new farm legislation has squeaked through the House Agriculture Committee by a vote of 18 to 17. The bill was opposed by all 14 Republican members of the committee, including CHARLES HOEVEN, of Iowa, and three southern Democrats. In spite of this narrow vote, the Wall Street Journal considers that the odds favor the bill's adoption by the House.

The administration has fought hard to get this farm bill enacted. Secretary Freeman believes it is important to establish compulsory acreage controls for grains, which are the heart of the farm surplus problem. He consented to a considerable change in his dairy marketing control proposals, as a result of widespread opposition. The bill now provides for payments to producers who voluntarily reduce their milk marketings, instead of the original plan to establish compulsory quotas for first-class milk, with excess milk to sell at a sharply lower price. However, the wheat and feed grain provisions are essentially the same as originally proposed.

The grain programs would establish acreage allotments, and farmers could be penalized for exceeding their allotments. The programs would not go into effect unless approved by two-thirds of the farmers voting in national referendums.

If the feed grain program were not approved, there would be no control and no price support, and the Government could sell up to 7 percent of national feed grain needs from its stocks each year.

If Congress passes this legislation, Freeman may wish later on that it had not. Opposition to the feed grain program of compulsory acreage allotments is fairly substantial. Many observers in the Middle West, supported by public opinion polls, believe that farmers would not approve feed grain controls by a two-thirds majority.

It is ridiculous to call this program repression or regimentation or the like, but the practical fact remains that many general grain and livestock farmers do not like the idea. If they turned it down, the administration would be in an embarrassing position. Freeman could say that farmers brought on the lower prices which would ensue by rejecting his program, but this would not win him friends.

Another reason why it might be a mistake to try a compulsory feed grain program now is that the voluntary acreage retirement program of 1961 and 1962 seems to be working well. An encouraging reduction in corn production was brought about last year, and the administration has been able to reduce its surplus stocks considerably.

Despite predictions of failure by opponents of the program, participation in the 1962 program will be larger than in 1961—that is, more feed grain land will be held out of production.

In view of this record, it seems strange that the administration is so eager to try a more drastic program this soon. One of the main reasons appears to be to cut the cost of farm subsidies and raise farm income in the market. This is a worthy objective, but if farmers will not approve it, it will not work. If the voluntary program was disappointing for several years, then farmers might be willing to go along with a program requiring everyone to participate.

Wheatgrowers probably will support this kind of program now. Wheat has been a more serious surplus problem than corn, and the growers seem ready to discipline themselves to control it.

If Congress passes this bill, and if farmers approve the program contrary to our present estimate of farm opinion, we would not consider it to be a disaster. If farmers are willing to vote upon themselves this kind of regulation, in the interest of stabilizing production and raising their income, they ought to have the privilege of doing so.

However, they ought to have an alternative choice which would be more reasonable than the abandonment of regulations and price supports. Practically speaking, we are sure this would be the case. Congress is unlikely to throw out price supports completely, even though it means continued large Federal spending. But the way the bill is written now the choice before farmers would be compulsory control or nothing.

ADJOURNMENT TO MONDAY NEXT

Mr. PROXMIRE. Mr. President, under the order previously entered, I now move that the Senate adjourn until 12 o'clock Monday next.

The motion was agreed to; and (at 6 o'clock and 11 minutes p.m.), under the previous order, the Senate adjourned until Monday, May 21, 1962, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 17 (legislative day of May 16), 1962:

U.S. DISTRICT JUDGE

Harold R. Tyler, Jr., of New York, to be U.S. district judge for the southern district of New York. (A new position.)

EXTENSIONS OF REMARKS

The 10th Anniversary of Mad Magazine

EXTENSION OF REMARKS

OF

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. ROSENTHAL. Mr. Speaker, this month marks the 10th anniversary of a publishing phenomenon that exemplifies one of the strengths of our free society. I refer to Mad magazine, which for the past 10 years has humorously pointed out the laughable foibles of business, labor, advertising, television, sports, and entertainment—to say nothing of politics.

Mad magazine has let people laugh at those in high places without damage to those high places themselves. It has poked fun at many aspects of the American scene, and the country is the better for its raillery. We are all apt to take ourselves too seriously at times, whether we are businessmen, newspapermen, lawyers, or even Congressmen. It is then that we are fair targets for the satirist, if we live in a truly free country with a truly free press.

This magazine has succeeded in tickling America's funnybone during this Mad decade because Americans are always ready to laugh, even when the joke is on them. Some of our greatest Presidents, for example, relished the political satirists of their day. Lincoln was an Artemus Warde and Petroleum V. Naseby fan, Theodore Roosevelt read Mr. Dooley to his Cabinet, and the ready quips and hearty laugh of Franklin D. Roosevelt and Harry S. Truman are familiar to all of us today. President Kennedy's quick wit is already historic.

I see no reason, Mr. Speaker, why we in the Congress of the United States, who have so often been the target of Mad's jests, should not in a spirit of good humor nevertheless publicly congratulate the magazine that mocks us and those responsible for its success. As their victims, we may not always be glad, but as good sports, we hope they will always stay Mad.

National Science Fair

EXTENSION OF REMARKS

OF

HON. WILLARD S. CURTIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. CURTIN. Mr. Speaker, the Eighth District of Pennsylvania, which I am privileged to represent, is exceedingly proud of the accomplishments of a very lovely and talented young lady, Miss Bette Jane Wyckoff, of Quakertown, Bucks County. For in the National Science Fair recently concluded in Seattle, Wash., Bette Jane received the top chemistry award for her remarkable research project, microelectrophoresia, the separation into different bands by an electric charge of proteins and liproproteins found in the bloodstream.

Considering the nature of the competition and the high standards of this nationwide assembly of young scientists, we of the Eighth Congressional District are all the more elated because the No. 1 chemistry award went to Bette Jane. If any further evidence was needed that we have arrived at equality of the sexes, this was it.

Bette Jane is the daughter of Mr. and Mrs. Elmer E. Wyckoff, 341 Edgemont Avenue, Quakertown. She is a senior at Quakertown High School. She was encouraged in this project by her science teacher, Mr. Warren S. Buck, who has very modestly disclaimed any credit and has rather chosen to point to the fact that Bette Jane put in 2 years and nearly 700 hours—often working until 3 and 4 o'clock in the morning—on this intricate scientific project.

Bette Jane's trip to Seattle was made possible by her winning the grand prize award at the Lehigh Valley Science Fair sponsored by the Call-Chronicle Newspapers of Allentown, also in our Eighth Congressional District. Mr. Gordon Fister, associate editor of the Allentown Morning Call, who was just reelected chairman of the National Science Fair Council, made the trip to Seattle and his excellent writings enabled all of us to follow with close attention Bette Jane's attainments. The Quakertown Free Press and other area newspapers also have been very generous in their acknowledgment of this talented young lady's achievements. Dr. Watson Davis, director of Science Services of Washington, D.C. originators and sponsors of this program, presented the award.

I am sure that Members of the Congress join with me in paying honor to Bette Jane Wyckoff, winner of the top chemistry award in the 1962 National Science Fair.

Tribute to UNESCO

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. THOMPSON of New Jersey. Mr. Speaker, in our anxious determination to secure a peaceful, harmonious world order, we often tend to overlook the many allied agencies who are now making quiet and significant contributions toward that goal. I believe that it is a good idea to stop and pay tribute every now and then to these well-meaning and meaningful peace efforts, and today I should like to commend the work of the United Nations Educational, Scientific, and Cultural Organization and particularly its U.S. National Commission.

It was less than a month ago that our National Commission for UNESCO met here in Washington for their annual spring conference. It is an unfortunate fact that there is little public attention given to the Commission, and, indeed, UNESCO itself is rarely mentioned in the press except when it comes under attack by uninformed and irresponsible citizens. Consequently, I should like to insert in the RECORD at this point a report of the meeting as it appears in the Commission's May newsletter:

U.S. SUPPORT FOR UNESCO PLEDGED

It is U.S. policy to lend all possible support to UNESCO and make it a strong instrument for good in the world, the U.S. National Commission for UNESCO was told at its annual spring meeting in the Department of State, April 26–28.

In his final address to the Commission as Assistant Secretary of State for Educational and Cultural Affairs, Phillip H. Coombs said this country will go to the next general conference next November well prepared and ready to play a strong role in the debates.

The Commission was created by Congress in 1946 to advise the U.S. Government in matters relating to the United Nations Educational, Scientific, and Cultural Organization.

Mr. Coombs spoke at the first plenary meeting held in the Benjamin Franklin Room where diplomatic dinners are held. He used the occasion to review recent accomplishments in the field of educational and cultural exchanges such as the enactment of the Fulbright-Hays Act, plans for African students in this country, the teaching of English abroad as a second language, mass techniques in education, low-cost books for underdeveloped countries, educational programs in the Alliance for Progress, and American-Japanese cultural relations.

In assessing the role of UNESCO, Mr. Coombs noted the organization had exerted leadership in Latin America, Africa, and Asia, and had brought the educational needs of these continents into sharper focus. On the basis of his own travels, Mr. Coombs said he was much impressed by the confidence of educational leaders of Latin America, Africa, and Asia in the work of UNESCO.

Mr. Coombs cautioned, however, against making UNESCO primarily an agency for international aid. UNESCO, Mr. Coombs stressed, cannot tackle alone the overall task of providing for the world's educational needs but must work with other international agencies and with bilateral aid programs.

George V. Allen, Chairman of the Commission, felt that while there will be increasing pressures on UNESCO for technical assistance, "we should have a certain amount of reservation against letting UNESCO become another aid organization."

Mr. Allen observed that UNESCO, as the successor to the International Committee for Intellectual Cooperation organized by the League of Nations, was designed to build international understanding across national boundaries and not to be strictly an assistance agency.

Speaking on present and future activities of UNESCO, Dr. Hilliard Roderick, deputy director of the UNESCO Department of Natural Sciences, noted that a higher percentage of the overall budget was devoted to technical assistance projects while the staff, on the other hand, was devoting most of its time to other parts of the program.

Another main speaker, Richard N. Gardner, Deputy Assistant Secretary of State for International Organization Affairs, outlined the major reasons why the United Nations serves the national interest.

In the last plenary meeting held in the International Conference Hall, the Commission heard reports of the various technical committees which had met for the 2 previous days.

The Committee on Natural Sciences discussed the UNESCO program in scientific documentation, hydrology, marine sciences, and laboratory animals. It recommended, among other decisions, that UNESCO take steps to insure the continued effectiveness of scientific apparatus and laboratory equipment sent to underdeveloped countries. The Committee noted that it had become apparent to the casual observer that some equipment is no longer in use for lack of small and inexpensive spare parts.

The Committee on Social Sciences recommended that the long-range view of the UNESCO program in the social sciences be part of the next annual meeting of professional organizations and societies. The Committee also discussed the need for research programs in linguistics, population heredity, law and social development, and the need for research stations in New Guinea and Africa to study the remaining populations unknown to science.

The Committee on Mass Communications urged that UNESCO and the Commission use their influence to insure that radio and TV programs by communications satellites include adequate programs of educational scientific and cultural content. The Committee also recommended that UNESCO give major emphasis to demonstrating the use of low-cost mass media techniques in underdeveloped countries, particularly printing techniques, transmitters, and film equipment.

On the question of the free flow of information, the Committee urged a study of unfulfilled objectives and obstacles, which still impair this major objective of UNESCO.

The Committee on Education urged that UNESCO collect reliable educational statistics from all countries for use by independent nations and by the world community of educators, planners, and policymakers. The Committee commended UNESCO for its regional conferences in Africa, Asia, and Latin America and for its support of educational development in these continents as part of their social and economic development. The Committee also commended UNESCO for its work in comparative education and urged more publications and conferences to capitalize on new developments in the field.

The Cultural Activities Committee recommended that UNESCO produce reading materials for new literates in Africa similar to a project in operation in Asia and urged a steady expansion of libraries and archives in Africa, Asia, and Latin America. The Committee also urged that UNESCO organize an exhibition of paintings by young artists. In the field of humanistic studies, the committee urged interested organizations to see how they can give greater support to the UNESCO program.

The Committee of the East-West Major Project concerned with the mutual appreciation of cultural values between the Orient and Occident reviewed activities undertaken in this country and discussed the possibility of a clearing center for information on all such activities.

In a show of common interests, the Canadian National Commission sent a nine-member observer delegation consisting of Cyril Belshaw, Director of the U.N. Training Center, Vancouver; Eugene Bussière, Secretary of the Canadian Commission, Associate Director of the Canada Council; Mary Dench, Information Division, Department of External Affairs; Pierre Gendron, dean of the faculty of science, University of Ottawa; Nathan Keyfitz, professor of sociology, University of Toronto; Lewis Perinbam, Associate Secretary, Canadian Commission; Vincent Price, attorney; Guy Roberge, Canadian Government Film Commissioner; and J. Frank Leddy, Chairman of the Canadian Commission, vice president (academic) of the University of Saskatchewan.

A highlight of the meeting was a concert in Lisner auditorium by Joan Baez, the young folk singer whose father, Dr. Albert Baez, is a physicist on the staff of UNESCO in Paris. The concert was a benefit performance for the Commission.

This give and take between the U.S. National Commission for UNESCO and the State Department is certainly beneficial and it undoubtedly helps to improve UNESCO's programs and policies. Before continuing with an outline of the Commission's and UNESCO's activities, I should like to call particular attention to the final event of the meeting, a benefit concert by Miss Joan Baez. I believe that this was an altogether appropriate and fortuitous means of supporting our participation in UNESCO. As much as any performer of American folk music, Miss Baez is responsible for a renewed, serious interest in our unique cultural heritage. I believe that we can be justifiably proud of the appreciation we find abroad for our various types of folk music, including jazz, and since Miss Baez has enhanced this musical tradition with extraordinary talent, her concert was not only a financial contribution to UNESCO, but an American cultural contribution as well.

The National Commission has another important role besides advising our State Department on UNESCO matters. Once every 2 years the Commission sponsors a major conference in order to promote a better understanding of other parts of the world. Last year, for instance the Commission held a 4-day conference in Boston on the theme of "Africa and the United States: Images and Realities." The conference not only brought together the vast majority of African scholars in this country, but it also enabled hundreds of other persons with an interest in Africa to become better acquainted with the people and problems of that continent.

To conclude, Mr. Speaker, I would like to summarize the part which UNESCO itself is playing in helping us bring about a friendly community of free nations in this world.

The basic objective of UNESCO is to promote peace and understanding through international cooperation in education, science, and culture. UNESCO is constantly striving to help peoples help themselves. In the field of education UNESCO is assisting new nations, at their request, in building schools, in providing teachers and teaching equipment, and in establishing adult education centers. In science, UNESCO is promoting research in desert lands and increasing man's knowledge of the world's oceans. Out of the desert institutes and marine sciences laboratories that are being established and strengthened at the urging of UNESCO will come knowledge which will create a better life for future generations. One of UNESCO's major cultural projects is devoted to increasing mutual understanding between the peoples of the Orient and the peoples of the Western World. In a world where it now takes hours rather than months to travel from one hemisphere to another it is vital that an effort be made to have peoples of various parts of the world know each other better. UNESCO is making that effort.

I am confident that I speak for a large majority of my contituents, as well as millions of Americans all over the country, in commending UNESCO and the U.S. National Commission for UNESCO for their constructive work during these troubled days.

The Allegheny Parkway

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, May 17, 1962

Mr. BYRD of West Virginia. Mr. President, on May 10, hearings were held on the proposed Allegheny Parkway before Senator Alan Bible's Public Lands Subcommittee of the Senate Committee on Interior and Insular Affairs. I ask unanimous consent to have the statement which I made at the hearings be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Hon. Robert C. Byrd, of West Virginia, Concerning S. 1798, Authorizing Construction of the Allegheny Parkway, Before the Public Lands Subcommittee of the Senate Committee on Interior and Insular Affairs, May 10, 1962

Mr. Chairman, on May 3, 1961, I introduced S. 1798 for myself and my colleague, Senator Randolph, and for Senator Butler and Senator Beall, of Maryland, and Senator Cooper and Senator Morton, of Kentucky. S. 1798 provides for the establishment and administration of an Allegheny Parkway in the States of West Virginia, Kentucky, and Maryland. Before proceeding further with my statement, I wish to thank you for affording us this opportunity to be heard on the bill, and I am particulary grateful that you, and the members of your subcommittee, have very graciously consented to hear the Governor and three members of his official family this morning so as to permit them to fulfill another engagement this afternoon at Blackwater Falls, W. Va. I am grateful to the other cosponsors of this bill who have consented to the Governor and his party's appearing earlier so as to accommodate their going on to the Blackwater Falls meeting.

At the outset I should say, too, that I have received hundreds of letters from West Virginians expressing support of this bill. I will not present these letters to the committee, but I would like, with your permission, to present for the committee files, resolutions from chambers of commerce and various civic organizations and other groups in West Virginia in support of the proposal. I could have had many persons appear and testify but, inasmuch as you have expressed the hope, Mr. Chairman, that the hearing could be confined to a single day, I have tried to limit the number of West Virginia witnesses so as to comply with your wish, and so as to also avoid imposing upon the time of other Senators who will want to be heard and who may likewise have constituents appear from their States.

Mr. Chairman, the proposed Allegheny Parkway would be a unique asset for our country in several important respects:

1. It would virtually be a roadway to the regeneration of many areas of economic distress and chronic unemployment. Construction of the parkway would make possible vast new economic opportunities for the people in my State, and for the people in those areas of Maryland, Virginia, and Kentucky which it would traverse. It should provide corollary benefits to the people of Tennessee living adjacent to Cumberland Gap National Historical Park, the southern terminus of the parkway.

2. The Allegheny Parkway would complement existing and developing highway systems, and thus connect a considerable number of points of outstanding historic and scientific interest. At the same time, it would make available vast stretches of scenic grandeur, and areas of great recreational potential, in a section of the country readily accessible to one-third of the Nation's population by less than 1 day's drive.

3. The parkway would be a Federal facility of enduring and increasing value in that it would stimulate a growing tax base from all of the areas adjacent to it. Moreover, it would open up heretofore inaccessible areas of rich natural resources, especially in the high mountainous sections it would traverse. S. 1798 permits access to those resources for economic exploitation. I might add that this stipulation in the bill would be especially beneficial to the Federal Government because it would afford greater revenues from timber sales in the Monongahela National Forest. The parkway would run through approximately 130 miles of the Monongahela National Forest, cresting many of its highest ridges.

4. The Allegheny Parkway is envisioned as part of a scenic and recreational corridor extending from Maine to the estuary of the Mississippi River. Such a parkway could add tremendous impetus to the Government's program to encourage travel in the United States by people of other countries, and thus help to stabilize our balance of payments and reverse the outflow of our gold reserves.

Physically, the proposed Allegheny Parkway would have its northern terminus in the vicinity of Hagerstown, Md. That city is a hub for roads running to the west and to the north, as well as to the south and to the east. From Hagerstown, the parkway would run through 15 or more West Virginia counties, for the most part cresting mountain ridges in those counties. It would then probably cross the southwestern corner of Virginia, and continue on to the Cumberland Gap National Historical Park near the Kentucky-Tennessee border.

The Secretary of the Interior would select the route of the parkway and would acquire the necessary land. Acquisition of land would include space for recreational areas in connection with the parkway. Where the parkway traverses national forests, S. 1798 directs the National Park Service and the U.S. Forest Service to cooperate in developing recreational sites and facilities accessible by and from the parkway.

Mr. Chairman, insofar as the economic justifications for authorizing construction of the Allegheny Parkway are concerned, they are manifold. For many years our Government has been wrestling with the problem of economic decline in the Appalachian region. I will not burden this committee with a long account of the reasons for this decline. It is important to state, however, that this decline can be reversed by assisting the people in the Appalachian highlands to make their areas recreational centers for the millions of people who live in our large urban centers in the East.

We in West Virginia are cognizant of the following three facts:

1. We must depend to a growing degree upon tourism and recreation for economic growth.

2. Our scenic and natural wonders are numerous and unique, but, unfortunately, to a large extent, they are either inaccessible or difficult to reach.

3. We must find ways to provide improved and new recreational resources for the growing demands of the millions of people in the eastern United States.

I might say, parenthetically, Mr. Chairman, that as we meet here today, persons representing various segments of economic activity in West Virginia, are concluding a 2-day "travel clinic" for this very purpose at Blackwater Lodge, near Davis, W. Va. The "travel clinic" endorses S. 1798 because of the many promises it holds for West Virginia, and because it would make accessible a line of panoramic views unparalleled anywhere east of the Mississippi River. The highest mountain ranges to be found in the East are in West Virginia.

Recreation has become one of the major industries in the United States, and an indispensable part of the American way of life. Today, the great majority of Americans are able to spend as much as one-third of their life span in leisure activities, according to the U.S. Travel Service of the U.S. Department of Commerce. Attendance records at national park and national forest recreation areas during the last decade are illustrative of the phenomenal growth of interest in these forms of recreation in the United States. During the last 10 years, the number of visitors to National Park Service areas increased by 113 percent, while usage of national forest areas rose 238 percent.

This increased demand for outdoor recreational facilities has also been experienced by the recreational areas managed by the Tennessee Valley Authority, the U.S. Fish and Wildlife Service, and the State park systems. There is every indication that these growth trends will double by 1972, and more than double again by the end of this century. The Allegheny Parkway can make a valuable contribution toward meeting the Nation's recreational needs.

The habits of tourists have been studied by the U.S. Department of Commerce and by private organizations. It has been found that 80 percent of tourists go by auto. While traveling, 69 percent stay in motels, 29 percent stay in hotels and resorts, and 27 percent stay with friends and relatives. It has also been found out that the average annual expenditures per family for vacation travel is $400.

Based on the experiences of the comparable Blue Ridge Parkway, the Allegheny Parkway, which would be closer to the East North Central States, should attract a million annual visitors within a few years after its construction is far enough advanced to make a major segment of it available. It should be added that last year some 6 million travelers enjoyed the Blue Ridge Parkway, and spent an estimated $60 million in 1961 along the parkway and in adjacent communities for food, lodging, gas and oil, and other miscellaneous items. This figure is expected to reach $70 million by 1966 when the Blue Ridge Parkway is fully completed. Thus, it can readily be seen how the Allegheny Parkway, supplementing existing highways and the interstate highway network, would bring equally important economic benefits to all of the areas in all of the States which it would traverse.

Some idea of the potential income that might accrue to the States and their communities through which the Allegheny Parkway would pass, may be gained by considering a few of the findings of the Outdoor Resources Review Commission contained in its report of January 1962:

1. Tourist expenditures are estimated at $25 billion annually.

2. Fishermen spend about $3 billion annually on their sport; hunters spend approximately the same amount annually. Thus, annual expenditures for hunting and fishing are approximately $6 billion.

3. It is estimated that visitors to Federal and State parks, forests, and reservoirs, spend over $11 billion annually.

4. An estimated $21 billion was spent at the retail level during 1958 for boats, engines, fuel, storage, repair and servicing, insurance, and other items connected with boating. Later figures are not available as yet, but it is believed that 1961 figures would show a doubling of the 1958 figures.

5. The Commission believes that outdoor recreation activity, already a major part of American life, will triple by the year 2000.

The effects of outdoor recreational facilities on an underdeveloped area are amply illustrated by the experience of the completion of several large reservoirs in Arkansas, Oklahoma, Texas, and Missouri. In the period 1950–60, 17 counties having major reservoir shorelines, lost population at a far lesser rate than other nearby counties, according to the report of the Outdoor Recreation Resources Review Commission.

From 1949 to 1959, annual per capita income in the reservoir areas of Arkansas increased 57 percent—from $669 to $1,053, compared with an increase of only 23 percent in the State's other counties. Bank deposits increased approximately 58 percent from 1949 to 1958 in the counties in Arkansas where recreational facilities were available; in the State's other counties, the increase in that period was only 40 percent.

Tax collections showed a similar increase. In 10 counties of Oklahoma, tax collections were up 64 percent where recreational facilities were located, and up only 3 percent where there were none.

There have also been vast increases in capital investments in the reservoir areas of Arkansas, Oklahoma, Texas, and Missouri. Overnight accommodations increased from $1.4 million in 1945 to $20.8 million in 1959. Construction of private homes and cabins grew from $86,000 in 1945 to $20.8 million in 1959, and are now estimated at about $32 million annually in those reservoir areas.

It has been the experience of the National Park Service that when a new park or similar area is established, tremendous local economic activity follows. In the regions adjacent to the new recreational facility, commercial enterprises expand, new ones are developed to meet the needs of park visitors, local tax revenues swell, and there is a general increase in employment opportunities.

An example of this is to be found at Cape Hatteras National Seashore. Examination of tax records for the county wherein this Federal facility is located shows that assessed valuation within the county more than doubled within the same 6-year period that the tourist trade to that recreational area doubled.

Mr. Chairman, the Allegheny Parkway is needed by the people in the Appalachian highlands. It is also needed by the millions of Americans who are seeking new recreational opportunities. Its cost to the Federal Government would be repaid many times over by increased tax revenues from areas that currently yield low tax returns to the Federal Treasury. In short, construction of the Allegheny Parkway would be a good and sound business proposition no matter how one looks at it. I urge this committee to recommend that its construction be authorized.

A Healthy Economy Can Thrive Only in a Climate of Confidence

EXTENSION OF REMARKS

OF

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. COLLIER. Mr. Speaker, those Members of this august body who have taken the time to listen to businessmen express their views on matters of vital concern to all of us must realize that this important segment of our economy is deeply apprehensive of this administration. From my own district in Illinois small and big business proprietors alike express deep discontent over the "antibusiness attitude" of the Kennedy administration. This lack of confidence in the business world should be of vital concern to every American in every walk of life.

America was built by private capital, ingenuity and the persistent drive, all of which created an economic and industrial nation of great strength and stability. It provided the highest standard of living for the greatest number of people of any nation in the world, including those which had thousands of years of civilization behind them when our forefathers arrived on this continent.

Business and industry, like the labor movement, has not been without its malpractices of one nature or another over the years. Because government at both a State and Federal level recognized the need for reforms, it has acted to meet the collective problems which developed with the growth of a great nation. This has been accomplished through legislation reflecting the wisdom and judgment of the elected representatives of the people. The preservation of the free enterprise system dictates this pursuit in meeting our national needs. And as long as the American people have a voice in these matters through our representative form of government, we have a system able to maintain the balance within our great economic structure which is essential to growth and progress.

It is high time that we recognize that if business progresses and profits, so do its counterparts. But it becomes a matter of national concern, it seems to me, when businessmen in a great nation of free enterprise are widely plagued with a host of fears and find themselves in a climate of constant pessimism.

We have heard a great deal of talk about expanding our national product. But unless a reasonable feeling of confidence prevails in the business and industrial world, we cannot expect to achieve this goal. Certainly there is no better proof of this fact than is reflected in the activity of the stock market in recent months.

We must have more jobs to meet the exploding population of this country. But permanent jobs which contribute to the well-being of the Nation and its economy are provided by private enterprise, not by government. Lack of confidence on the part of the business community stunts adequate expansion of business and industry, thus curtailing employment opportunities.

It has been politically expedient and almost saddening to find that many Americans, goaded into looking upon our great industrial society as a series of components, each combating the other for personal economic gain. This is particularly strange when one stops to consider that industrial expansion and investment during the past half century has consistently resulted in improved wages and job opportunities for all Americans. When business begins to slip and profits go down, our national income follows suit.

We have seen tax dollars, a substantial portion of which were contributed by American business, used to provide other industrial countries with the latest equipment and modern technological facilities, creating competition which has cost us markets abroad and, of course, American jobs at home.

As for the effect Government policies have had upon the other nations of the world, it is interesting to note the reactions of fiscal experts abroad. Typifying this reaction is the direct criticism which recently appeared in the Statist, authoritative British journal of industry and finance:

> The fact that for 6 years the share of profits in the distribution of the growing national income of the United States has been falling, suggests that this is a well-defined and established trend.
>
> It may at first sight seem highly paradoxical that this retreat on the part of profits going to enterprise should occur in what, by general consent, must be regarded as the headquarters of private capitalism.
>
> The paradox lies in the widely accepted, but false, view that the United States provides the setting for the world's most uninhibited free-for-all capitalism.
>
> In many respects the American is one of the most regulated economies of the free world. In few other capitalist countries are the banking and insurance companies and the capital market so hemmed in and often restricted by regulations as in the United States, where the State and Federal authorities vie with one another for disciplinary power.
>
> President Kennedy is acting in accordance with this tradition of administrative and executive interference.
>
> In his endeavor to control prices, he is applying his own version of a pause policy; but in contrast with that operated in Britain, the President is applying the pause to prices and, since it has not been applied to wages and other elements of cost, it may cause profits not merely to pause but to retreat smartly.
>
> This kind of socialist capitalism will work well enough if basic economic policies are sound. If, on the other hand, the attempted control of prices is divorced from a corresponding control of demand and of the currency supply through which demand becomes effective purchasing power, President Kennedy will merely have indulged in the time-honored but futile pastime of plugging the thermometer in order to cure the fever.

Punitive Taxation

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. CURTIS of Missouri. Mr. Speaker, at the time the Committee on Ways and Means reported to the House on the Revenue Act of 1962, H.R. 10650, I joined with my Republican colleagues in filing separate views which in part protested the bad judgment and poor policy inherent in some of the provisions of the bill adversely affecting the operations overseas by American free enterprise. Because I felt so strongly about the inherent risks and dangers of "punitive taxation" against American industry engaged in world commerce, I filed additional views devoted almost exclusively to the foreign income features of H.R. 10650.

I pointed out in my individual views:

> These Treasury-espoused tax changes affecting foreign income threaten the ability of American private enterprise to compete and share in world trade. These changes would tax American industry and commerce on veritably phantom income—income that has never been received—under arbitrary and unprecedented tax concepts forcing a retrenchment in the role of American business in domestic and foreign trade. The resulting impairment of our contribution to free world strength and progress would be a major benefit to the Communist bloc. To the extent that there is a tax-induced decrease in the role of the private sector of our Nation's economy in the development of the emerging countries, there will be increased dependence on less effective government-to-government aid at a vastly greater cost to the U.S. taxpayers.

In these views I also pointed out how American enterprise operating abroad was already subject to more confiscatory taxation than is applicable to the nationals of other countries in the world who compete against the efforts of American industry.

I asserted that administration officials were more responsive to the urgings of Common Market country finance ministers that higher taxation be placed on American industry than to the protests of American producers against these Treasury-espoused steps to place American free enterprise at a further competitive disadvantage. In my conclusion I stated as follows:

> The Treasury proposals to change the tax rules for doing business abroad will unreasonably penalize those business entities on which America relies to perform vital and enduring foreign policy objectives. Such an approach would make U.S. business activity abroad less welcome and would encourage foreign nations to impose discriminatory taxes on foreign subsidiaries of American corporations. These consequences are contrary to our international commitments and to our national interest. The Treasury approach overlooks the fact that investment by U.S. business abroad has stimulated the purchase of goods and services from the United States and has enabled our free enterprise system to make a major contribution to America's preeminence in international affairs.

Mr. Speaker, in the Washington Evening Star for April 11, 1962, there was included an excellent editorial captioned "Punitive Taxation?" which perceptively comments in criticism of the administration's foreign tax proposals. This editorial points out that the present policy is a complete reversal of previous Government policy which for the past several decades had urged American private enterprise to expand and invest in world commerce.

The editorial properly points out that this kind of investment had heretofore been regarded as an effective free world weapon in the cold war competition between capitalism and communism. The editorial refers to a point made by a distinguished Senator from Kentucky in regard to these Treasury foreign income proposals, to the effect that the administration's recommendations permit no distinction between improper tax evasion—which can be effectively coped with under existing law—and the totally justified legitimate business undertakings in oversea ventures.

Mr. Speaker, as a part of my remarks I will include the Washington Star editorial to which I have referred. I would commend the editorial staff of this distinguished newspaper for taking the lead in bringing to the attention of the American people the dangers that are inescapable under the unwise and imprudent tax policy presently being urged on the Congress by the Treasury Department.

The editorial follows:

PUNITIVE TAXATION?

> The technique of making American business a whipping boy during consideration of omnibus tax legislation is not a new one. It is being practiced again today in connection with the administration's so-called tax reform bill, already passed by the House and now the subject of hearings before the Senate Finance Committee.
>
> In its most flagrant form, this technique is being employed by supporters of the provision to tax the earnings of American capital investment abroad before such earnings are returned to the United States. By the loose use of the term "tax havens" it is being implied that the only important motive for this

investment is to escape taxation. It is represented as a massive and unbalanced outflow of dollars that is responsible in serious measure for our deficit in international payments, for a flood of imported goods and for the export of jobs. It is, in other words, pictured as a sort of unpatriotic employment of American capital.

There is an irony about this punitive attitude toward oversea investment which lies in the fact that for many years, and until now, American business has been urged and encouraged to place constructive capital abroad. Indeed, this type of investment heretofore has been considered one of the effective weapons in the cold war competition between capitalism and communism—and in fact has played a large part in the economic revival of Western Europe, still our strongest and most reliable partner in this continuing strife.

There is hope, fortunately, that the Senate will take another and more discerning look at this matter. Senator Morton, Kentucky Republican and a member of the Finance Committee, has opened the way to a sounder judgment in a good speech on the subject. One of the first and best points made by Mr. Morton is that the administration proposal permits no distinction between improper tax evasions and justified business investment abroad. Certainly such a distinction is all-important. And to the charge that this is a one-way flow of funds, the Senator points out that repatriated earnings from 1950 through 1960 amounted to $20.5 billion as compared with direct oversea investment in the same period of $12 billion. Present law provides, of course, that such earnings are taxable when returned to this country. On the goods and employment complaints, Mr. Morton also reminded the Senate that foreign subsidiaries provided the channel for $2.7 billion in exports of American-made goods in 1960 alone—six times the value of products sent back to this country by these subsidiaries.

Other informed and forceful voices are being raised on behalf of a second look at this matter, and the Senate doubtless will listen carefully to what they are saying.

The People Are Learning About One Worldism Through the Hometown Newspaper

EXTENSION OF REMARKS

OF

HON. EARL WILSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1962

Mr. WILSON of Indiana. Mr. Speaker, how many times do we in this House hear it said that the people are uninformed on the vital issues of the day and do not really care to inform themselves? To listen to some of our mass circulation media, Americans at the grassroots care little about what is going on and are more concerned with what is on TV than with what's happening in Berlin or Laos.

For some months I have been convinced this is simply not true. It is a smokescreen printed by the eastern press which considers itself the final authority on what the people think.

Mr. Speaker, I am here today to say that there is a revolution on the other side of the Appalachian Mountains. The people are learning about the perils of one worldism and the medium of communication is the hometown newspaper. Editors of newspapers in and around my district are becoming increasingly alarmed about the direction our Government is taking.

This is a fairly encompassing statement and the Members of this House have reason to expect documentation to support it. Some will remember that last year I was able to glean from one day's Congressional Record an imposing list of arguments proving that American liberties are being lost one by one.

I intend to do the same sort of thing today to reflect the concern and the opposition to our present policies. The documentation this time is the hometown newspapers in my district. Some are Republican in editorial policy, some are Democratic and others are independent. I shall not mention which is which and I do not think you will be able to tell, but, for the record, let me state that three of the newspapers are Republican, two are Democratic, and three are independent in editorial policy.

Let us first take our foreign policy. The No. 1 topic of the day is Laos, and the Madison Courier of May 10, 1962, asked this question editorially: "Is the military situation in Laos as hopeless as we've been led to believe?"

It goes on to ask if it is true that royal Lao people are so unconcerned about the dangers of communism that they have frustrated our attempts to counter a Red takeover.

The writer of this editorial reports facts as printed in another publication which show that most royal Lao people are willing to fight communism and have been trying to do so, but are frustrated by our no-win policy there.

The writer of the editorial reaches an entirely different conclusion than our State Department and concludes his editorial with the question, as asked by a Lao: "But why, why do you not wish to win?"

Is this unconcern? Is this apathy? Hardly. It is an intelligent understanding of the no-win policy whose existence is denied by the State Department even as it is pursued daily.

On that same day, May 10, 1962, the Seymour Tribune asked intelligent questions about our foreign aid to Yugoslavia and to Marshall Tito. It mentioned appearance in a recent May Day parade of Russian military equipment along with U.S. equipment and drew the conclusion that the development indicates "a new success in playing the major power blocs against each other and getting what he (Tito) wants from both."

The Tribune concluded its editorial by stating:

> There still may be reasons for continuing aid to Tito, but they are not apparent. If the only reason is to keep Tito from cozying up to Khrushchev, the 20 Russian tanks rolling through Belgrade streets are evidence the United States has failed.

The same newspaper, the Seymour Tribune, questioned our Berlin policy on the same day commenting that Gen. Lucius D. Clay had resigned as the President's personal representative in Berlin and asking the question:

> Was General Clay determined not to continue having his views on the Berlin situation compromised?
>
> General Clay—

The Tribune said—

> reportedly wanted to stand up to every demand made by the Soviets and to deny to them those he felt were not in the best interests of the United States and its allies. He was constantly overruled by the State Department and frequently was forced to water down his proposals for a more forceful American position.

The Tribune continued:

> The notorious nibbling technique of the Soviets was balked during the Eisenhower administration. It could be thwarted now, too.

Stating the fact that General Clay got the President's support when he appealed directly to that office, the Tribune continued:

> The intimation is that the State Department isn't carrying out the President's policy or wishes. Mr. Kennedy has given no indication that he is dissatisfied with the State Department. It might be well for him to ascertain how the American people feel about the situation.

Apathy? Unconcern? Hardly. What is shown here is intelligent concern in three phases of foreign policy. The questions and attacks are pertinent and timely. They indicate a deep-rooted interest and a deep-rooted desire for a truly nationalistic foreign policy—which, unfortunately for us, we simply do not have.

The economic policies of this administration are another important part of our national posture, and ninth district newspapers are current on those topics, too.

For example, let us take the tariff issue. Goodness knows, we are hearing enough propaganda from both sides on the issue. But what do the people back home think? What questions are they asking?

You will pardon me for being a bit prideful about my next quotation. It is from my hometown daily newspaper, the Bedford Times-Mail, which is a leader in its field. Writing on the tariff question, the Times-Mail said:

> Often public opinion is so concerned with the main object of a piece of legislation that important details of the bill get little attention. This is so with the administration's Trade Expansion Act now under consideration in Congress.
>
> There is no question that America will benefit from increased foreign trade, provided that the increase isn't predominantly in imports. Even so, there are sure to be some severe hardships to employees and companies in specific industries.

The Times-Mail continues:

> The bill's advocates say that it will help the balance of payments. But they overlook the fact that there is nothing in the bill that assures we will increase our sales more than we increase our purchases. And unless we do this, the balance of payments will get worse, not better.
>
> If we are to increase exports we will have to bring our costs in line and modernize our plants. Nothing in the bill assures that this will happen, and nothing in the administration's legislative program leads in this direction.

Control of production costs, income tax rate reform to allow larger investment, reform of depreciation allowances, control of inflation, and improved business climate in the United States will increase our exports, whether this bill passes or not. Without these steps, we will be in relatively the same position, despite tariff change.

The bill also attempts to provide compensation of various kinds for individuals who lose their jobs and companies that get into financial trouble because of increased foreign competition. Many Congressmen are now beginning to realize that determining just which jobs are lost and which contracts are lost due to imports, and which are lost due to rising labor costs, bad management, or domestic competition would be an impossible task. The bill contains a built-in invitation to attempts to defraud the Government.

This is hardly the editorial of an uninformed writer, as a matter of fact the questions asked are penetrating and basic. They still have not been answered by any of the braintrust of economists on Pennsylvania Avenue and until they are they must stand.

Now, how about domestic economics and domestic administration policies?

The Salem Leader said on May 9, 1962:

There's no question that administration pressure and a sluggish market combined to prevent a price increase in steel.

But the Leader does not feel the danger of price rises is past. It pointed out:

In New York, plumbers and bricklayers have served notice on their employers that they will demand a 5- or 6-hour day and pay increases averaging about $1.30 an hour. In Chicago, July 1 will bring an increase of half a cent a quart for milk, because of a new labor contract giving milk-wagon drivers pay increases amounting to about 13½ cents an hour.

The Leader also mentions the snickering still going on about the rent increases at the Merchandise Mart in Chicago, where "higher labor and tax costs" forced the Kennedy family to raise prices just at the same time the President was using the big stick on steel.

All across the Nation—

The Leader says—

new contracts forecast that such wage increases, and resulting price increases, will be common.

Inflation is created by Government policies, such as printing paper money and increasing credit by borrowing from banks. Lately in the United States we have had wage inflation caused by wages increasing faster than our production increases. Government has sanctioned this (by giving) the unions the power to insist on such increases and it has increased the money supply so they could be paid.

The Leader concludes:

If the administration is truly interested in rising prices, and not merely in making political hay, it will give some attention to these causes.

Another newspaper in my district mentions the different faces worn by the President when he talks to different groups. The Columbus Evening Republican, on its editorial page on May 10, scolded the President for his different attitudes toward labor and business.

President Kennedy's plea for organized labor to share equal responsibility with management in avoiding inflationary wage-price increases is laudable. But not so laudable was another plea, made at the same United Auto Workers convention (asking for union help in electing Democrats to Congress this fall—

The Evening Republican said.

It would seem better had Mr. Kennedy appeared before the UAW strictly as President of the United States and not as a leader for the Democratic Party. Earlier, Mr. Kennedy made the same anti-inflation plea to American businessmen. In this address, there was no mention of the election of Democratic candidates. There appears to be a strange difference—an implied difference that isn't laudable—

The Evening Republican concludes.

The manner in which the administration has tried to cover up the Billie Sol Estes scandals in the Agriculture Department is discussed by the Cincinnati Post-Times Star, a metropolitan newspaper with circulation in my district.

Secretary of Agriculture Freeman says the Government "hasn't lost a dime" on the operations of Billie Sol Estes, the Texas boy wonder storage bin operator and cotton planter—

The Post-Times Star wrote on May 10. It continued:

That remains to be seen, but the remark begs the question. Not only the personal ethics of some bureaucrats is involved. There is a need to bring this fat boondoggle with surplus crops into line.

It seems to us that Secretary Freeman, as a man saddled with chief responsibility for getting agriculture out of its lavishly costly mess, should be among the first to favor an investigation—

The Post-Times Star concludes.

We all know how much encouragement that one of the many unemployed Governors in New Frontier officers has given this investigation. In this connection I might digress for a moment and predict that when Secretary Ribicoff, of the Health, Education, and Welfare Department resigns, the post will not be filled until after the November elections when it is known which ex-Governors need a job.

The loss of our liberties was dealt with in the Salem Leader of May 10, 1962. After making the statement that "we like to think that our Constitution guarantees us freedom of speech," the Salem newspaper says "America has a vicious form of Government censorship planned through taxation," and points out that lobbying expenses are not tax deductible.

The Leader goes on to point out that "various Government agencies carry on the world's greatest lobbying activities ever witnessed," and says:

They flood the mail with voluminous documents. Government agencies carry on a constant barrage of propaganda intended solely to beat down the opposition of the people. There is a constant flow of leaflets, booklets, letters, etc., extolling the virtues of urban renewal, rehabilitation, agricultural controls, Health, Education, and Welfare Department activities. Some may be good but the fact remains this is lobbying, pure and simple.

The Leader says. It concludes:

If the Government has the right to carry on such widespread lobbying activities at our expense, then most certainly the individual and business should have the same right.

It remains, however, for one of the smallest newspapers in the ninth district to supply the fitting conclusion. This newspaper, the Hope Star-Journal, is also concerned about the loss of States rights as expressed in its editorial of May 10 in which it said, in part:

Thomas Jefferson had a lot of ideas that sound out of keeping with the trends of modern times. For instance Jefferson wrote: "It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. The way to have good and safe government is not to trust it all to one, but to divide it among the many, distributing to everyone the functions he is competent to do."

Observing that present-day trends are not in harmony with Jefferson's principles, the Star-Journal asks—

How have we changed? Have we become a nation of incompetents, requiring the guardianship of professional bureaucracy? Have we, by our failure to take an interest in government, permitted career bureaucrats to take away our duties, surrendering our right to decide for ourselves in exchange for the false security that bigness can offer?

The editor of the Star-Journal then makes this conclusion:

If government has been lifted from the hands of the people, it has not been at gunpoint. Rather it has been a gentle process, performed while, we the people, slept. Surely we cannot live in the past. And Jefferson wouldn't advise that. He was speaking historically and the message is still pertinent: "What has destroyed liberty and the rights of man in every government which has ever existed under the sun? The generalizing and concentrating all cares and powers in one body." Jefferson knew whereof he spoke. When we fail to vote, when we leave to our neighbor, our representative, our county, our State and Federal leaders to decide, uninstructed, what is best for us, we have lost our right to complain with honesty.

The editorial writer finished by asking what happened to Jefferson and stating he was beaten by people who wouldn't vote. I might add this postscript about Jefferson by repeating what was said about him by Arthur Schlesinger, Jr., one of the President's key advisers. I do not agree with Mr. Schlesinger in this or many other things, but this is what he said about one of our greatest patriots and greatest Americans:

Jefferson is today remote and irrelevant—a figure not of present concern but of historical curiosity. He believed that government governed best that governed least. Had the United States responded to this ideology, we would today be a feeble and impotent nation.

I endorse many of the principles of Thomas Jefferson even as does the editor of the Hope-Star Journal. It is too bad that the Kennedy administration has thrown his ideas on the junk heap.

It is also too bad that the Kennedy administration cannot recognize that many of its policies, plans, and programs are not popular outside of the one-world eastern part of the United States. It is too bad the New Frontier cannot see over to the other side of the mountains and realize that the people of the United States seriously question its foreign policy as well as its domestic policy.

If the New Frontier leaders would read some newspapers other than the New York Post, Washington Post, New York Times and the like, if the brain trust would start reading the hometown papers as do many of this body, it would abandon its rush toward one-worldism and the welfare state and return to the principles that made this Nation great. These principles are a private enterprise economy, a frugal approach to Government spending, and a truly nationalistic foreign policy in every respect.

Mr. Speaker, these are the lessons I have learned by doing my homework and reading my newspapers. Many others could profit in the same way.

SENATE

Monday, May 21, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Dr. Henry J. Sullivan, of the Church of St. Mary of the Nativity, Scituate, Mass., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

We pray Thee, O God of might, wisdom, and justice, through whom authority is administered rightly, laws are enacted, and judgment decreed, assist with Thy Holy Spirit of counsel and fortitude the President and Vice President of these United States, that their administration may be conducted in righteousness, and be eminently useful to Thy people, over whom they preside, by encouraging due respect for virtue and religion, by a faithful execution of the laws in justice and mercy, and by restraining vice and immorality. Let the light of Thy divine wisdom direct the deliberations of Congress, and shine forth in all the proceedings and laws framed for our rule and government, so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and may perpetuate to us the blessings of equal liberty, through the same Jesus Christ, our Lord and Saviour. Amen.

In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

THE JOURNAL

On request of Mr. Humphrey, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1962, was dispensed with.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of May 17, 1962, the Vice President, on May 18, 1962, signed the enrolled bill (H.R. 10643) for the relief of Gail Hohlweg Atabay and her daughter, which had previously been signed by the Speaker of the House of Representatives.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 68) to print additional copies of hearings on the Revenue Act of 1962, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10594. An act to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations; and

H.R. 10708. An act to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Agriculture and Forestry:

H.R. 10594. An act to amend section 372 of the Agricultural Adjustment Act of 1938, as amended, with respect to privately owned nonprofit agricultural research and experiment stations or foundations; and

H.R. 10708. An act to amend section 203 of the Rural Electrification Act of 1936, as amended, with respect to communication service for the transmission of voice, sounds, signals, pictures, writing, or signs of all kinds through the use of electricity.

CALL OF THE CALENDAR DISPENSED WITH

On request of Mr. Humphrey, and by unanimous consent, the call of the legislative calendar was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Humphrey, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Humphrey, and by unanimous consent, the Foreign Relations Committee and the Permanent Subcommittee on Investigations, of the Government Operations Committee, were authorized to meet during the session of the Senate today.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

WITHDRAWAL OF A TREATY—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Senate of the United States:

Among the treaties now pending in the Senate is the Cultural Convention between the United States of America and the United States of Brazil, signed at Washington on October 17, 1950 (S. Exec. X, 81st Cong., 2d sess.).

Considering the mutual desire of the Government of the United States and the Government of Brazil for ever increasing cultural exchange between the two countries, and in view of the intention of the two Governments to consider the formulation of a new agreement on this subject, it appears to be desirable that the above-mentioned convention be withdrawn from the United States Senate. The Government of Brazil has expressed its concurrence with the view that this course of action is desirable and also that, pending the conclusion of a new agreement, the cultural activities of each of the two countries in relation to the other should continue on their present basis.

I desire, therefore, to withdraw from the Senate the above-mentioned Cultural Convention of October 17, 1950.

John F. Kennedy.

The White House, *May 21, 1962.*

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

One hundred and seventy postmaster nominations.

By Mr. MAGNUSON, from the Committee on Commerce:

Vice Adm. Edwin J. Roland, U.S. Coast Guard, to be Commandant of the U.S. Coast Guard with the rank of admiral.

The VICE PRESIDENT. If there be no further reports of committees, the nomination on the Executive Calendar will be stated.

AMBASSADOR

The Chief Clerk read the nomination of William P. Mahoney, Jr., of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. HUMPHREY. Mr. President, are we now proceeding in the morning hour?

The VICE PRESIDENT. That is correct; morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Recommendation Adopted by International Labor Organization

A letter from the Assistant Secretary of State, transmitting, pursuant to law, a recommendation adopted by the International Labor Conference at Geneva, on June 28, 1961 (with accompanying papers); to the Committee on Banking and Currency.

Amendment of Section 14 of Natural Gas Act

A letter from the Chairman, Federal Power Commission, Washington, D.C., transmitting a draft of proposed legislation to amend section 14 of the Natural Gas Act (with accompanying papers); to the Committee on Commerce.

Report of Secretary of the Treasury

A letter from the Secretary of the Treasury, transmitting, pursuant to law, his report on the state of the finances, for the fiscal year ended June 30, 1961 (with an accompanying report); to the Committee on Finance.

Report on Review of Interservice Supply Management and Utilization of Selected Aircraft Engines Within Department of Defense

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of interservice supply management and utilization of selected aircraft engines within the Department of Defense, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Report on Review of Development and Management of Selected Aircraft Crash Fire Trucks in Department of Defense

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of development and management of selected aircraft crash fire trucks in the Department of Defense, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Report on Review of Certain Aspects of Operations of the Federal Employees' Group Life Insurance Program

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of certain aspects of operations of the Federal employees' group life insurance program, U.S. Civil Service Commission, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Reports on Receipt of Project Proposals Under Small Reclamation Projects Act of 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the receipt of a project proposal under the Small Reclamation Projects Act of 1956 from the Georgetown Divide Public Utility District of El Dorado County, Calif.; to the Committee on Interior and Insular Affairs.

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the receipt of a project proposal under the Small Reclamation Projects Act of 1956 from the Roosevelt Irrigation District of Buckeye, Ariz.; to the Committee on Interior and Insular Affairs.

Employment of Aliens in a Scientific or Technical Capacity

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Amendment of Immigration and Nationality Act, Relating to Naturalization of Certain Persons

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Immigration and Nationality Act of June 27, 1952, regarding the naturalization of persons residing in American Samoa or Swain's Island who served in the armed services (with accompanying papers); to the Committee on the Judiciary.

Vernon J. Wiersma

A letter from the Comptroller General of the United States, transmitting a draft of proposed legislation for the relief of Vernon J. Wiersma (with an accompanying paper); to the Committee on the Judiciary.

Amendment of Section 131, Title 13, United States Code, Relating to Earlier Taking of Economic Censuses

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend section 131 of title 13, United States Code, so as to provide for earlier taking of the economic censuses (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2208. A bill for the relief of Su-Fen Chen (Rept. No. 1492);

S. 2694. A bill for the relief of Mrs. Jum Ak Marek (Rept. No. 1493);

S. 2729. A bill for the relief of Hom Wah Yook (also known as Hom Bok Heung) (Rept. No. 1494);

S. 2751. A bill for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera (Rept. No. 1495);

S. 2766. A bill for the relief of Mrs. Tom Pon Shee (also known as Tom Pon Ma Cheung) (Rept. No. 1496);

S. 2777. A bill for the relief of Arild Ericksen Sandli (Rept. No. 1497);

S. 2803. A bill for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado (Rept. No. 1498);

S. 2804. A bill for the relief of Sheu Chwan Shaiou (Rept. No. 1499);

H.R. 1395. An act for the relief of Sydney Gruson (Rept. No. 1500);

H.R. 1404. An act for the relief of Mrs. Francis Mangiaracina (Rept. No. 1501);

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo (Rept. No. 1502);

H.R. 2103. An act for the relief of Antonio C. Ysrael (Rept. No. 1503);

H.R. 2187. An act for the relief of Augustin Ramirez-Trejo (Rept. No. 1504);

H.R. 2198. An act for the relief of Carlos Sepulveda Abarca (Rept. No. 1505);

H.R. 2672. An act for the relief of Sonia Maria Smith (Rept. No. 1506);

H.R. 2839. An act for the relief of Mildred Love Hayley (Rept. No. 1507);

H.R. 8368. An act for the relief of A. Eugene Congress (Rept. No. 1508); and

H.R. 9466. An act for the relief of Slc Jesse O. Smith (Rept. No. 1509).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1264. A bill for the relief of Capt. Dale Frazier (Rept. No. 1510);

S. 2661. A bill for the relief of John Joseph (also known as Hanna Georges Youssef) (Rept. No. 1511);

S. 2667. A bill for the relief of Sebastiana Santoro (Rept. No. 1512);

S. 2722. A bill for the relief of Miss Livia Sernini (Cucciatti) (Rept. No. 1513);

S. 2760. A bill for the relief of Yuk-Kan Cheuck (Rept. No. 1514);

S. 2865. A bill for the relief of Ferdinand A. Hermens (Rept. No. 1515); and

H.R. 1653. An act for the relief of William Falby (Rept. No. 1516).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1849. A bill for the relief of Stephen S. Chang and Grace Hsin Lee Zia Chang (Rept. No. 1517); and

S. 2668. A bill for the relief of Francelina Jorge Querido, Jose Jorge Querido, Juis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido (Rept. No. 1518).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PROUTY (for himself and Mr. Keating):

S. 3326. A bill to amend the National Defense Education Act of 1958 in order to extend the provisions of title II relating to cancellation of loans under such title to teachers in private nonprofit elementary and secondary schools and in institutions of higher education; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Prouty when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 3327. A bill to make certain federally impacted areas eligible for assistance under the public facility loan program; to the Committee on Banking and Currency.

By Mr. BUSH:

S. 3328. A bill for the relief of Miss Angela Rosario; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 3329. A bill to authorize payment to the Government of the Philippines; to the Committee on Foreign Relations.

(See the remarks of Mr. Fulbright wh he introduced the above bill, which appe under a separate heading.)

By Mr. KEATING (for himself and Mr. PROUTY):

S. 3330. A bill to amend the National Defense Education Act of 1958 in order to authorize for teachers in private nonprofit schools certain benefits under the provisions of titles V and VI of such act provided for teachers in public schools; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. HICKEY (by request):

S. 3331. A bill to amend the act of August 27, 1958 (72 Stat. 935) relative to minerals on the Wind River Indian Reservation, Wyo.; to the Committee on Interior and Insular Affairs.

By Mr. HICKEY:

S. 3332. A bill for the relief of Donald E. Wilbert; to the Committee on the Judiciary.

By Mr. CLARK:

S. 3333. A bill to amend the act of July 15, 1955, relating to the conservation of anthracite coal resources; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT NO. 5, 87TH CONGRESS, FOR USE OF COMMITTEE ON APPROPRIATIONS

Mr. MANSFIELD submitted the following resolution (S. Res. 344); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Appropriations fifty thousand additional copies of Senate Document 5 of the Eighty-seventh Congress, first session, entitled "The Proposed 23d Amendment to the Constitution To Repeal the 16th Amendment to the Constitution, Which Provides That Congress Shall Have Power To Collect Taxes on Incomes."

EXTENSION OF CERTAIN PROVISIONS OF NATIONAL DEFENSE EDUCATION ACT TO CERTAIN PERSONS

Mr. PROUTY. Mr. President, on behalf of the distinguished junior Senator from New York [Mr. KEATING] and myself, I introduce a bill, and ask that it be referred to the appropriate committee.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3326) to amend the National Defense Education Act of 1958 in order to extend the provisions of title II relating to cancellation of loans under such title to teachers in private nonprofit elementary and secondary schools and in institutions of higher education, introduced by Mr. PROUTY (for himself and Mr. KEATING), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. PROUTY. Mr. President, this proposal seeks to amend the national defense student loan program by extending the loan "forgiveness" clause beyond its present limits.

While retaining the provision for up to 50 percent cancellation for borrowers who teach in public elementary and secondary schools, this bill would extend coverage to borrowers who enter teaching in private nonprofit schools, or in institutions of higher learning.

My reasons for supporting this proposed amendment are based on the following considerations:

That this extension is in keeping with the philosophy of the National Defense Education Act and promotes the national welfare.

That the present limitation to public school teachers below college level is a serious injustice and serves to undermine a nationwide effort for more and better teachers at all levels of education, public and private.

That this extension has the support of highly respected organizations in the field of education.

That it introduces no conflict in the area of constitutionality.

And, finally, that it would not reduce the present quality of borrowers, but rather would further the traditional goal of excellence in the teaching profession.

I have referred to the "philosophy" of the National Defense Education Act of 1958. My colleagues are well aware of the popularity and success of this total program in encouraging the further development of trained manpower of the quality and quantity necessary to the national defense. Under the student loan program alone, already over 238,000 students have borrowed some $130 million. The Secretary of Health, Education, and Welfare also has predicted that another 190,000 students will enter the program during the current academic year. Priority is given under the loan title both on the basis of need and ability, as well as with special consideration to such critical fields as science, mathematics, modern foreign languages, and teaching. The purpose of this priority system is obviously to encourage students to enter certain critical fields. Within the framework of this philosophy, however, the selection of recipients is made without discrimination against an individual's right to select his or her own occupation after graduation. It seems inconsistent, then, that the law shows preference to a certain category of teachers when the overall shortage has grown into a recognized national problem. As a Senate report points out:

> The National Defense Education Act was enacted as a coordinated program for strengthening the national defense through an inter-related set of proposals designed to assist State, local, and private efforts to develop America's brainpower for defense, by stimulating students, teachers, parents, and school authorities to seek the highest possible attainment in learning.
>
> The continuing shortage of teachers extends to private nonprofit as well as to public schools and to all levels of our educational system, and this amendment would encourage college students to consider careers in college and university teaching in all types of schools and at all levels.

Mr. President, the educational system of this Nation is both unique and diverse. We are committed to that freedom of choice which allows parents and students to decide whether they shall attend public or nonpublic elementary and secondary schools. So long as we intend to uphold this right, the Federal Government's policy must not discourage or impede its free exercise. If the American people are actively concerned with the development of the intellectual resources of all the Nation's youth, we must not legislate against those qualified student borrowers who choose teaching positions in the nonpublic schools. These schools currently enroll some 6 million American children, and this fact alone testifies to the magnitude of the public service they perform.

A similar form of injustice exists for those loan recipients who later enter college and university teaching. In view of a reported college teacher shortage and in line with the philosophy of the NDEA itself, it is difficult to believe that Congress will overlook this situation any longer. In referring to its proposed broadening of the loan forgiveness feature to nonpublic and college teachers, the House Committee on Education and Labor also reported last year:

> The committee felt that such a shortage (of teachers) militates against the fullest development of the skills and resources of our Nation's children. (H. Rept. 674, July 6, 1961.)

The favorable reports of the Senate and House on the forgiveness extension are based on strong supporting evidence from representatives of major national organizations who appeared at hearings or who otherwise indicated favorable views. For example, the following leading associations are among those who have shown support for broadening coverage to both nonprofit elementary and secondary school teachers and to those who accept teaching positions in accredited colleges: American Council on Education; American Assembly; AFL-CIO; Technical Institute Division, American Society for Engineering Education; National Council of Technical Schools; U.S. National Student Association; American Council of Learned Societies; and the Commission on Legislation of the American Association of Junior Colleges. Moreover, both the National Council of Independent Schools and the National Catholic Educational Association have offered further reasons why nonpublic teachers should not be neglected in this respect.

Among those groups which have spoken out particularly in favor of the college-level extension are: State Universities Association and the American Association of Land-Grant Colleges and State Universities, National Society of Professional Engineers, National Conference on Higher Education, and the Association for Higher Education. It would be difficult to find a more impressive list of supporting organizations.

Furthermore, the administration favors extending coverage to college teachers. A question might be raised as to whether the administration makes a fair distinction opposing coverage to nonprofit private-school teachers while, at the same time, supporting an extension to those who enter college teaching in either public or private institutions. No doubt, the President is thereby questioning the constitutionality in the case of those in the field of private elementary and secondary education. Yet the administration's own memorandum of last year—"The Impact of the First Amendment to the Constitution Upon Federal Aid to Education"—clearly explains that:

> The Supreme Court has ruled that the first amendment to the Constitution forbids the use of public funds to "support religious institutions" or "finance religious groups." Legislation which renders support to church schools is unconstitutional in some circumstances. But laws designed to further the education and welfare of youth may not be unconstitutional if they afford only incidental benefits to church schools.

In the light of this statement, I do not see the logic or consistency of the President's stand on the loan forgiveness extension.

Finally, I wish to reaffirm my position that the amendment under discussion would in no way undermine the caliber of the loan program or its recipients. My bill would not alter the present system of priorities for those of superior ability with real financial need and with special consideration to fields recognized as critical to the national defense. The student loan title of the NDEA has built-in safeguards to insure that conscientious students will be encouraged to participate.

For example, in referring specifically to the extension for private-school teachers, Dr. Logan Wilson, former chancellor of the University of Texas and president of the American Council on Education, emphasized at the hearings last year:

> We believe that * * * extension of the teacher forgiveness feature to students who will teach in private nonprofit schools as well as public schools would be an important encouragement to teaching excellence.

Dr. Wilson further remarked:

> In view of the current teacher shortages at all levels, all reasonable encouragement of individuals to become well-prepared teachers in the schools and colleges is not only justified, but also imperative (House hearings, pt. I, June 1961, p. 221).

The weight of this opinion is, I believe, overwhelmingly convincing. I do not think that the Congress can afford to neglect the present inequity any longer. The goals of the National Defense Education Act are based on needs directly related to the national defense and welfare. Certainly, the philosophy which the act reflects must represent a clear commitment to the principle of freedom of choice in education as well as to the practical solution of emerging manpower shortages.

PAYMENT TO THE GOVERNMENT OF THE PHILIPPINES

Mr. **FULBRIGHT**. Mr. President, I send to the desk a bill to authorize the payment of $73 million to the Government of the Philippines in full satisfaction and final settlement of all awards for war damage compensation made by the Philippine War Damage Commission under the terms of the Philippine Rehabilitation Act of 1946.

The bill, which I introduce for appropriate reference, is substantially the same as a bill which I introduced on March 21, 1960, at the request of the administration. The language in that bill differs in one major respect from the bill recently rejected by the House of Representatives (H.R. 8617), from the substitute bill recently reported by the House Foreign Affairs Committee (H.R. 11721), and from the bill introduced last summer in the Senate by the senior Senator from Minnesota [Mr. HUMPHREY], S. 2380.

Each of those bills provides that the Foreign Claims Settlement Commission is to participate in dividing among various claimants the $73 million authorized. Thus, those bills have the defect, in my opinion, of keeping the United States involved in the settlement of individual claims.

What I should like to do, and what the administration has always proposed in the past, is that the United States make a final payment to the Government of the Philippines of $73 million in full settlement of the Philippine claims. If we are to get rid of one prolific source of friction between our two Governments we had better get out of the business of handling individual claims airising out of activities which took place in the Philippines nearly two decades ago.

This, I may say, was also the position of the executive branch in the past and, so far as I know, it may still be the position of the Executive.

At the time I introduced the Philippine war damage bill in 1960, the Acting Secretary of State wrote the Vice President that, and I quote:

> It is not considered practical for the U.S. Government to assume any responsibility for the payment of the balance of approved individual property claims. It is proposed, therefore, that settlement be made directly with the Philippine Government, whereupon the U.S. Government would consider itself divested of any responsibility for payment to private claimants.

It seems to me that this is the prudent course for the United States to take. I hope soon after we have completed work on the pending foreign aid bill, the Committee on Foreign Relations will be able to take up the Philippine war damage bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3329) to authorize payment to the Government of the Philippines, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Foreign Relations.

AMENDMENT OF NATIONAL DEFENSE EDUCATION ACT TO PROVIDE STIPENDS FOR PRIVATE SCHOOL PERSONNEL

Mr. **KEATING**. Mr. President, on behalf of Senator PROUTY and myself, I introduce for appropriate reference a bill designed to insure that private and public school personnel receive equal treatment in attending summer counseling and guidance institutes and language institutes.

Public school teachers now are eligible to receive a stipend at the rate of $75 a week and an additional stipend at $15 a week for each dependent for the period of attendance at such institutes. Private school personnel have not been entitled to this stipend. This present one-sided and basically inequitable provision contradicted the fundamental purpose of the National Defense Education Act which, in the words of Commissioner of Education McMurrin, "is based on the firm belief that it is essential to the national interest that every young person should have opportunity to develop his gifts to the fullest extent." By restricting the opportunities of private school personnel to improve their skills through the institutes' programs, we have neglected over 5½ million elementary and secondary schoolchildren enrolled in private schools.

Mr. President, my amendment would provide equal treatment for all eligible institute enrollees, public and private. The need for this extended provision is clear from pertinent facts and figures from the U.S. Office of Education. Since the inception of the program, the total enrollment through the academic year 1961–62 in summer and academic-year sessions of the counseling and guidance institutes is an estimated 8,957 of which 8,760 represent public school enrollees and 197 private school enrollees. Such evidence points to the obvious handicap which private school personnel have been under without the assistance which is available to the public school teacher.

The language institutes' program follows a similar pattern. The total number of participants through June 1963 in the summer and academic-year sessions of the language institutes is estimated at 10,772—9,761 from public institutions and 1,011 from private schools.

Foreign language training and student guidance play an important part in today's educational needs. Those who teach these subjects can and should benefit from refresher courses and summer institutes regardless of whether they teach in public or private schools.

The present inconsistency in the National Defense Education Act has been recognized and condemned by several national educational organizations. The Association of American Colleges has passed two resolutions in annual conventions recommending equal treatment for public and private schools. The American Council on Education's Council on Relationships of Higher Education to the Federal Government has approved proposals to provide equal treatment for all enrollees. Also Association for Higher Education and the National Education Association, as well as HEW and U.S. Commissioner of Education, on areas related to the National Defense Education Act of 1958, urged that titles V and VI be extended on an equal basis to all eligible institute enrollees.

This amendment would eliminate the second class treatment of some of our Nation's teachers and the resulting educational disadvantages of some of our Nation's children.

Mr. President, I am also very happy to join with Senator PROUTY in cosponsoring legislation to provide equal benefits for all those who are eligible for National Defense Education Act loans and who enter the teaching profession. The purpose of this NDEA provision is to encourage more of our young people to become teachers, and to insure that we have enough adequately prepared teachers to meet the nationwide demand in all areas of education. Under the law as presently in force, 50 percent of a NDEA loan can be forgiven if a student teaches for 5 years in a public elementary school. No forgiveness is allowed those who teach in private schools or institutions of higher learning. This is a discriminatory provision that is wholly unnecessary and at variance with the national need for better trained teachers at every level of our educational system.

Action should be taken promptly on both of these measures to eliminate the handicaps and disadvantages that some of our Nation's teachers now must undergo.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3330) to amend the National Defense Education Act of 1958 in order to authorize for teachers in private nonprofit schools certain benefits under the provisions of titles V and VI of such act provided for teachers in public schools, introduced by Mr. Keating (for himself and Mr. Prouty), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

CONSERVATION OF ANTHRACITE COAL RESOURCES

Mr. CLARK. Mr. President, I introduce, for appropriate reference, a bill to amend the act of July 15, 1955 (30 U.S.C. 572) relating to the conservation of anthracite coal resources.

The original law established a congressional policy of providing for the control and drainage of water in anthracite mines in order to conserve this priceless natural resource, promote the national security, prevent injuries and loss of life, and preserve public and private property.

The Anthracite Mine Water Control Act—as it is sometimes called—has proved to be a measure of great significance in preventing the further debilitation of anthracite mining in the Pennsylvania anthracite region. However, the full potential of this act has not yet been realized because it has become clear that more than pumping and surface control water is needed.

In fact, under present procedures, we are actually losing ground, both figuratively and literally. In 1944, it was necessary to remove 14 tons of water for every ton of coal mined, but this situation has worsened to the point where, in 1960, it was necessary to remove 50 tons of water for every ton of coal.

The problem reaches disastrous proportions at times, as it did in 1959 when the Susquehanna River flooded several mines and drowned a dozen miners. Pumping the mines has proved less than effective and established congressional policy is thwarted because of inability under the present law to undertake additional measures needed. These measures, which are authorized in my proposal, are intended to seal abandoned coal mines, fill underground voids, and fill in surface pits. In short, we will not only continue pumping surface water which gets underground and carry through other water control measures, but we will attack the problem by filling abandoned mines and pits.

I emphasize that the proposed amendment does not really constitute a new program, but merely makes an existing program effective, as Congress intended it to be in the first place.

I emphasize also that no new appropriations are involved. There remains some $5 million in the $8.5 million fund authorized in 1955 and appropriated in 1956, and a similar amount remains in the accounts of the Commonwealth of Pennsylvania since this is a joint Federal-Commonwealth program of matching funds. If, as is conceivable, the existing fund were to become exhausted, the question of further authorizations and appropriations would be considered through normal congressional channels. All the money needed is available and adequate controls are in effect concerning its expenditure.

This matter is an urgent one which requires prompt action before we lose forever our priceless deposits of anthracite coal.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3333) to amend the act of July 15, 1955, relating to the conservation of anthracite coal resources, introduced by Mr. Clark, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FOOD AND AGRICULTURE ACT OF 1962—AMENDMENTS

Mr. HUMPHREY submitted amendments, intended to be proposed by him, to the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. MUNDT submitted an amendment, intended to be proposed by him, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. YOUNG of North Dakota submitted amendments, intended to be proposed by him, to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

Mr. ELLENDER submitted amendments, intended to be proposed by him, to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

Mr. PROXMIRE submitted an amendment, intended to be proposed by him, to Senate bill 3225, supra, which was ordered to lie on the table and to be

Mr. PROXMIRE (for himself and Mr. Humphrey) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

FEDERAL EQUAL EMPLOYMENT OPPORTUNITY ACT OF 1962—ADDITIONAL COSPONSOR OF BILL

Mr. CLARK. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 2981) to establish a Commission on Equal Employment Opportunity to encourage and enforce a policy of equal employment opportunity in Federal employment, in employment under Government contracts, and in employment in programs supported or in facilities constructed by Federal grants-in-aid; to prohibit discrimination by labor organizations because of race, color, religion, or national origin; and for other purposes, the name of the Senator from Rhode Island [Mr. Pell] may be added as a cosponsor.

The VICE PRESIDENT. Without objection, it is so ordered.

UTILIZATION OF MANPOWER RESOURCES OF THE NATION—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. CLARK. Mr. President, I ask unanimous consent that at the next printing of the resolution (S. Res. 312) authorizing a study of the question of utilizing the full manpower resources of the Nation, the name of the Senator from Rhode Island [Mr. Pell] be added as a cosponsor.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF LAWS RELATING TO FEDERAL PARTICIPATION IN SHORE PROTECTION—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of May 16, 1962, the name of Mr. Williams of New Jersey was added as an additional cosponsor of the bill (S. 3310) to amend the laws with respect to Federal participation in shore protection, introduced by Mr. Case of New Jersey on May 16, 1962.

AMENDMENT AND EXTENSION OF PROVISIONS OF THE SUGAR ACT OF 1948, AS AMENDED—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. TALMADGE. Mr. President, on last Wednesday, May 16, I submitted an amendment intended to be proposed to the bill (S. 3290) to amend and extend the provisions of the Sugar Act of 1948, as amended. I ask unanimous consent that the name of the distinguished senior Senator from Massachusetts [Mr. Saltonstall] may be listed as a cosponsor of that amendment.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF RECEIPT OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Adm. Alan G. Kirk, U.S. Navy, retired, of New York, to be Ambassador to China; and Mrs. Eugenie Anderson, of Minnesota, to be Ambassador to Bulgaria.

In accordance with the committee rule, these nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. HART. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Luke C. Moore, of the District of Columbia, to be U.S. marshall for the District of Columbia, for the term of 4 years, vice James J. P. McShane.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 28, 1962, any representations or objections there may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON S. 3130, REDEVELOPMENT AREA INDUSTRIAL MORTGAGE PURCHASING ACT

Mr. DOUGLAS. Mr. President, as chairman of the Subcommittee on Production and Stabilization of the Banking and Currency Committee, I wish to announce that a hearing will be held on May 29, 1962, on the bill, S. 3130, to authorize the Secretary of Commerce to purchase industrial and commercial evidences of indebtedness to promote certain industrial and commercial loans in redevelopment areas by lending institutions in order to help such areas plan and finance their economic redevelopment, and for other purposes.

The hearing will begin at 10 a.m., in room 5302, New Senate Office Building.

All persons who wish to appear and testify on this bill are requested to notify Mr. Jonathan Lindley, Senate Committee on Banking and Currency, room 5300 New Senate Office Building, telephone Capitol 4-3121, extension 3921.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Statement by him relating to consumption and utilization of milk and milk products.

PROPOSAL FOR A NATIONAL SCHOOL LUNCH WEEK

Mr. HUMPHREY. Mr. President, today, as we deliberate the policies of this country both at home and abroad and attempt to build a better world in which our children and grandchildren may live, it would seem fitting that we pay tribute to a program which already has had a tremendous influence on the lives of our younger generation. For that reason, I have sent to President Kennedy a letter in which I request that he proclaim a National School Lunch Week in honor of the program which already has done so much to contribute to the health and welfare of our children, and which has had such a tremendous impact on our agricultural economy.

Amidst the pressures and concerns of our current world situation, we might be inclined to forget why the program was established in 1946, more than 15 years ago—15 years during which the program has grown to be one of the Nation's largest institutional food-service programs.

The school lunch program, as we know it today, came into being as a result of the passage by Congress of the National School Lunch Act in 1946. Since coming to the Congress in January of 1949, this Senator has been a strong supporter and an ardent spokesman for the school lunch program. Perhaps a few Senators remember the first words of the 1946 act:

> It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children.

These words are even more important today than they were at the time when the act was passed by Congress. Our awareness of the problem of the physical incapacity of our Nation's youth has been brought about through the experiences of selective service—the draft—in World War II. At that time, General Hershey reported to Congress that one-third of the men rejected for physical unfitness were turned down because of difficulties traceable either directly or indirectly to nutritional deficiencies. All told, our Nation suffered 155,000 casualties during World War II as a result of malnutrition—155,000 casualities before our potential service men and women ever were put into uniform. This shocking fact brought home to all of us the realization of the critical need of America's youth for proper nutrition and proper nutrition education. Congress passed the National School Lunch Act; and, since that time, the program has earned support from both sides of the aisle, and has grown and developed with both remarkable speed and a tremendous impact on the food habits of our children. Each day more than 14 million children throughout the Nation take part in the school lunch program. We have seen children who have been listless and uncooperative develop into good students because, perhaps for the first time in their lives, they were receiving at least one adequate meal a day. It is impossible to teach a hungry child anything; and the national school lunch program has played a vital part in bringing a new sense of well-being to these children.

It has gone even further. At this moment, in a small West Virginia rural schoolroom, children who, because of economic conditions beyond their control, and indeed beyond their comprehension, are for the first time in recent years assured of a nutritionally sound meal as a result of the school lunch program. I ask Senators to imagine a school lunch in a two-room school, heated by a hand-fed coal stove. For the children, this may be a major meal, and perhaps their only meal of the day.

Regardless of the law of supply and demand, it is these children who must pay the price of localized economic stagnation and must build for the future. It is through such programs as the current U.S. Department of Agriculture special commodity assistance-school lunch program that these pawns of our time will nourish their bodies and their minds to make a better world for their children.

In this wealthiest of all nations, in this land of plenty, it has been and is a shocking fact that many of our younger generation are undernourished. In many cases, such as those in depressed areas, the fault lies with socioeconomic factors. In other areas, however, where plenty of food is available and where there is more than enough money to buy that food, the malnutrition results directly from the fact that the children do not know what to eat. The school lunch program already has been a vital factor in changing the food habits of these children; and as it continues, we can look forward to improved nutrition and a better balance of foods. Through nutrition education, the program is teaching them that a well-balanced diet can make a tremendous difference in their development during the formative years and can actually add years of good health and well-being to their life span. Tremendous strides have been taken, and each day more and more children demand and get nutritionally sound lunches. Twenty-five cents for lunch can be spent on a well-balanced meal at the school lunchroom. One of the reasons for the School Lunch Act was to bring about a change in children's diets. Nutrition education is a means by which children can grow and develop and perhaps even truly appreciate the abundance of our beloved land. Today, it is true that our school lunchrooms have become lunch schoolrooms, where education and good food are combined.

But the school lunch program has had another major impact on our Nation: Each year we see millions of pounds of food distributed to schools, for consumption by our children. It is a wonderful thing to see our abundance going to the children of our Nation. The school lunch program is the largest single consumer of our so-called surplus foods; and, through this dynamic program, foods already prepared are put to an extremely beneficial and sensible use. We must remember, however, that far from being a total Government project, the individual and the community make their own significant contributions to the school lunch, with the result that school food services are major purchasers of both food and equipment in their own communities. A billion dollars annually is expended with local merchants for food and equipment.

The school lunch program is important to agriculture, important to the business community, important to programs of education, important to parents and teachers, but, above all, it is important and vital to the health and welfare of our children.

As I am sure many of my colleagues know, each time foreign educators visit this country, they express great interest in our school lunch program. They see the program as a living demonstration of our desire and ability to improve our American way of life. We are concerned, of course, at the moment with such programs as food for peace and with distribution of our surplus foods to hungry peoples throughout the world. These are important factors in our battle for the minds and hearts of men in a free world. But do not underestimate the importance of our agricultural abundance and our God-given natural resources in contributing to the health and welfare of our greatest national resource—our children.

Here are a few facts which I urge Senators to consider:

First, the school lunch program is not a free lunch program. According to the U.S. Department of Agriculture, the average lunch costs 47 cents to produce, and, on the average, the Government provides 6 cents per lunch in foodstuffs and 4 cents per lunch in Federal reimbursement funds. So, you see, Mr. President, the local community and the child must contribute 37 cents to the cost of the lunch, and this 37-cent figure does not include the cost of lunchroom facilities and equipment provided by local communities.

Secondly, although the special commodity assistance program provides near-free lunches in several depressed areas, the national school lunch program is not a welfare program. Ninety percent of the meals are paid for by the child and the parent. Only 10 percent are free or at reduced prices, and, as I have said, these are primarily in depressed areas.

Third, the school lunch program is not an extracurricular activity. It is and should be an integral part of the educational process in our schools. It is an educational experience in its own right, and it increases mental alertness and receptivity.

The school lunch is a program in which we can all take pride. I would like to congratulate the 29,000 members of the American School Food Service Association on the magnificent job they do in carrying on this vital effort.

As we consider action and legislation for arms and for development programs throughout the world, it would seem appropriate that we reflect on the contribution of our domestic programs. Here is one in which Members of Congress can take great pride.

There is, however, room for improvement in the present program. The distinguished Senator from Hawaii [Mr. LONG] has introduced legislation to change the formula by which the Federal Government reimburses the States under the National School Lunch Act. At present, reimbursement is made on the basis of school-age population. This new legislation, which I strongly support and which I urge my colleagues to support, would call for reimbursement on the basis of participation in the program. The President, in his budget message to the Congress, stated that, if this important change is made, sufficient additional funds will be requested to make the program operate without working a hardship on any State.

It is my sincere belief that the worth of the national school lunch program merits not only national cooperation but a special tribute which will call the attention of the great American public to its worth and contribution to our future. It is for this reason that I have requested that the President of the United States designate a National School Lunch Week. It is by such a designation as this that we can call attention as never before to this outstanding activity. Now, I also urge my fellow Members of Congress to join me in supporting this vital activity. If we are to keep faith with our future and keep faith with our children, we must do all we can to see that they grow to be the kind of American citizens who will make a contribution to family, community, Nation, and the world. Again, I ask that Senators join me in support of this effort. National School Lunch Week can and will be a source of national interest and national pride, for it is a manifestation of our desire and ability to benefit our children. It is an investment in tomorrow.

Mr. President, I note that the distinguished Senator from Louisiana [Mr. ELLENDER], who has just come into the Chamber, is the author of this act. His record of service to American agriculture is well known. Likewise, his record of service to the schoolchildren, under the school lunch program, is a high tribute and a monument to him.

Mr. President, I ask unanimous consent that my letter to President Kennedy, requesting that he designate a National School Lunch Week, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
May 15, 1962.

Hon. JOHN F. KENNEDY,
President of the United States, the White House, Washington, D.C.

DEAR MR. PRESIDENT: Your personal interest, and that of this administration, in the national school lunch program is well known. The entire development of this activity, which so richly benefits the youth of our Nation, represents one of the brightest aspects of our bountiful agricultural production in this country.

Under the provision of the National School Lunch Act, more than 14 million children per day have been fed in our schools. There are many benefits to this program:

1. The assurance of at least one good, nutritionally sound meal a day makes a strong, positive contribution to the health of our children. This, in turn, materially enhances both their physical and their mental capabilities.

2. The school lunch program is the largest consumer there is of our agricultural abundance. Foods already purchased under price support programs are put to extremely beneficial and sensible use in this way.

3. Far from being totally a Government project, the individual and the community make their own significant contributions with the result that school food services are major purchasers of both food and equipment in their own communities, expending $1 billion annually with local merchants.

With a desire to apprise the public of the invaluable contribution made by the school lunch program to the health and education of our youth and to the agricultural and business economies of our Nation, the Governors of a number of States have proclaimed official School Lunch Weeks. Such observances have been held in Delaware, Florida, Georgia, Kentucky, Maine, Massachusetts, Michigan and Utah.

Newspapers, radio and television stations, displays in department store windows and every other conceivable means of communication is to be used to alert the public to the real worth—educationally, economically and physically—of the school lunch program.

It is my sincere belief that the worth of the national school lunch program merits our national attention and the designation by you of a National School Lunch Week. By means of such designation, we could call attention, as never before, to this outstanding activity. I respectfully request your consideration of this proposal.

Best wishes.

Sincerely,

HUBERT H. HUMPHREY.

THE TAX BILL

Mr. MANSFIELD. Mr. President, in the past few weeks, great numbers of people from all over the United States have written letters to their Senators inquiring about the proposed Revenue Act of 1962. These people come from all walks of life; many of them are elderly and are worried that the savings for which they worked a lifetime are now to be taken from them, or partially so, by the so-called new tax legislation.

Mr. President, I can well understand the concern of these people for the safety of their hard-earned savings. In this age, where the burden of defending the free peoples of the world falls on the shoulders of each American individually, any threat of a new and heavier burden is bound to be unwelcome. But in this case I believe most of these worries are unfounded. The 1962 act will not impose any new taxes on most Americans. True, mutual investment and insurance institutions, which have until now escaped much of the taxation imposed on their competitors, will be required to pay their fair share by this act. And it is also true that many foreign investments made by U.S. citizens will no longer receive the preferred treatment that inequities in the law have allowed until this time. But closing these loopholes will not increase the tax burden of most Americans; indeed, it will have the opposite effect, for when privileged people and institutions do not pay their share, the rest of us must pay it for them. It is this purpose, more than any other—to lighten the burden on all taxpayers—which led to the withholding provision of the 1962 act.

This provision imposes no new tax. Americans have been required by law to pay tax on the income—I repeat, Mr. President, "income"—derived from interest and dividends, for many years. Several of the letters my colleagues and I have received suggest that some people were unaware that a tax was owed on these amounts, and has been owed all these years. It is this very problem that has moved the Congress to consider withholding a part of the tax due on these items.

Experts estimate that each year $800 million of taxes which should have been paid on dividends and interest have not been paid. Eight hundred million dollars is a great deal of money, Mr. President, especially when that default has to be made good by those Americans who pay taxes on their wages and other income. The withholding provision of the 1962 act provides a way to insure that these taxes on dividends and interest are paid. It is by no means a new tax on those who have been paying their taxes as they should. It merely withholds a portion of the tax they would otherwise be obligated to pay later, in the same manner that taxes due on wages are withheld. Far from being a burden, it is likely to prove a convenience to the taxpayer, much as the withholding of taxes on wages has proved convenient to many who otherwise might find themselves hard pressed come April 15.

Mr. President, the withholding provision will indeed insure the payment of taxes which have not been collected from those who have ignored or neglected to pay their share of the heavy cost of democracy. It is not a new tax, Mr. President; it is a tax which has existed for approximately 20 years and which citizens have paid for 20 years. The only difference is that it will be deducted automatically instead of having to be paid by the taxpayer on or before April 15.

Mr. President, although this withholding feature is not a new tax, it does propose to collect the tax in a new way. It, therefore, requires careful examination and explanation—for if the new procedure would cause harm or undue hardship to any taxpayer, I for one would want that procedure changed. But it is my opinion, Mr. President, that the withholding feature of the act will not cause undue hardship. On the contrary, it will ease the problem of the taxpayer by having the bookkeeping done by those better equipped to do it.

Let us look at several questions typical of those contained in the many letters my colleagues and I have received. It is encouraging to me when many people write in their questions or opinions on legislation, for the continued interest of the people in their laws and in their government is the very foundation of democracy. These people raise points that must be considered. One woman writes:

> I am a widow 83 years old. I live on a pension and have a few dollars in the bank. It is my understanding you have plans for attaching a portion of this savings account under a new tax. Please tell me that this is not so.

It definitely is not so. The withholding will subject to tax only the interest on the savings account, and not the savings themselves, and that interest is already subject to tax under present law. For example, if a person had $100 in a savings account which paid $4 interest a year, the $4 is the income subject to tax under present law. And it is on this $4, not on $100 that the 20-percent withholding would apply. In other words, 80 cents would be withheld, not $20. And I repeat, Mr. President, that the $4 interest has been subject to income tax for many years.

But, Mr. President, the income of some people is so small that they would not under present law have to pay even this 80 cents on their $100 savings account. What about them? Why withhold it if they do not have to pay it? The answer for them is that the 80 cents does not have to be withheld. Here is a case in point. A retired gentleman writes:

> Dividends are almost our entire source of income, little as it is, and the proposed withholding by the Government would be financially embarrassing to us. It would mean that we would have to borrow money to tide us over until the Government got around to making a refund.

In answer to this, I should first say that were no exemptions or refunds allowed, against withholding, hardship could indeed result. Fortunately, the authors of the bill recognized the need of many people in the position of this family and, accordingly, included a wide range of exemptions and refunds that will cover most situations. For example, exemptions are allowed those who expect no tax liability for the year, and for individuals under 18, whether they expect tax liability or not. Married couples with less than $10,000 of income and single persons with less than $5,000 income may file a claim that they expect to have less tax liability for the year than the amount withheld, and in such cases a refund will be paid every 3 months. These features should alleviate problems of elderly people with small income derived largely from dividends and interest.

Many taxpayers ask:

> Would this withholding be similar to wage withholding?

The principle is exactly the same, Mr. President, except the flat 20-percent rate would be used in order to simplify the administration of the program as much as possible. In many ways the interest and dividends withholding is even easier for the taxpayer than wage withholding since refunds can be obtained quarterly, whereas under wage withholding a refund can only be obtained once a year. I believe most taxpayers would agree that wage and salary withholding is a convenient method of paying taxes. It is likely that after the initial period taxpayers will find interest and dividend withholding a convenience as well.

Another citizen inquires:

> Is it not true that the administrative cost to the Government may exceed the net additional receipts?

Mr. President, the Treasury estimates it will collect an additional $650 million under present law that it is now unable to collect. The cost of obtaining this additional revenue is estimated to be approximately $19 million. The withholding procedure should therefore increase the Government's revenues a net amount of about $631 million.

It is true that banks and corporations that do the actual withholding will have more paperwork, but much of the cost of this work should be recovered by allowing these institutions to retain the funds withheld for a period of up to 4 months.

In this connection, I would refer the Senate to the remarks of the distinguished Senator from Rhode Island [Mr. PELL] which appear in the RECORD of May 14, 1962. He has shown, with mathematical precision, that the banks and institutions stand to gain from the proposal. As he notes:

> A very good argument can be made that the financial institutions will have a minor windfall; since they will have had the use of the money for that period of time. Specifically, from assuming that the average interest rate is 4 percent and the financial institutions retained it until the last possible day, it can be seen that on an averaging out basis, they will have benefited by 2 percent of the amount withheld. Subtracting the 0.3 percent that it would cost to withhold, we can see that the banks and financial institutions would have made a profit of 1.7 percent on all money withheld.

Many taxpayers have asked whether the new automatic data processing equipment might not serve the purposes of this withholding. No matter how effective the new equipment is, it will not collect the full amount of the tax not being currently paid. Withholding collects the tax conveniently and pays it to the Treasury, leaving the more complicated evasion problems to the machines.

Both of these mechanisms will make important contributions to an effective tax collection system.

Mr. President, there are many in the Senate whose knowledge and experience in these financial matters far exceed my own. We have heard several Senators speak on this subject within the past few weeks, and it is my hope that we will hear from them, and others, again—for this is a matter that concerns every American and has a deep effect on each of us. I believe this withholding is a good tax feature as I believe the 1962 act is a good tax act, a fair act, and a necessary act.

Taxation is never a popular subject, Mr. President, and I realize that any new legislation on the matter is bound to raise considerable controversy, at least until it has been thoroughly examined and is well understood.

Withholding is not a new procedure. It is only its extension to the collection of taxes due on interest and dividends that is new. With the many provisions for exemptions and refunds, it is hard to believe that the withholding of taxes on dividends and interest is unfair or unjust. Those who oppose this extension must do so because of some objection to the principle of withholding itself, since they obviously do not approve of evasion. If this is true, then to be consistent, they must also favor a repeal of the withholding provision on wages. I have been informed, Mr. President, that in the House of Representatives a Member has proposed such a bill, and I must say that those who oppose application of the withholding to interest and dividends must logically find themselves in accord with that Congressman's proposition.

Mr. President, this is a complicated bill and an important bill, but its provisions are necessary and fair. I feel that, when its features have been widely studied and understood, this act will receive the support of the great majority of American people.

I ask unanimous consent to have printed in the RECORD with my remarks a letter, dated May 11, 1962, which I received from the Secretary of the Treasury, Mr. Douglas Dillon, relative to the proposal, and also a memorandum which accompanied that communication.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, May 11, 1962.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR MIKE: Several Senators have written to me requesting information on our proposal to collect income taxes due on dividends and interest income by means of withholding at 20 percent. As you know, this is one provision of H.R. 10650 now under consideration by the Senate.

It seems that this withholding provision is widely misunderstood. I have been informed by the Senators who have written me that there are five principal areas of confusion:

1. It is mistakenly pictured as a new tax, which it is not.

2. It is mistakenly believed that withholding will impose burdens on elderly people who receive dividends and interest, which it will not.

3. It is mistakenly pictured as a tax on savings (as distinct from interest and dividends), which it is not.

4. It is mistakenly believed that a person who owes no tax will still have a portion of his bank and savings bond interest and dividends withheld.

5. It is mistakenly believed that in cases resulting in overwithholding the taxpayer must wait until the end of the year for his refund. Refunds will be available quarterly.

To answer these queries and many others, I have prepared a short memorandum which is enclosed. I hope that it will prove helpful in presenting the facts.

With best wishes.

Sincerely,

DOUGLAS DILLON.

WITHHOLDING ON DIVIDENDS AND INTEREST—A NECESSARY AND FAIR PROPOSAL

TREASURY DEPARTMENT,
Washington, D.C.

Most taxpayers pay their income taxes but millions do not. Withholding of taxes on interest and dividend payments is essential as a matter of simple fairness and necessary to put a stop to this widespread tax evasion.

Far from hurting the average taxpayer, withholding will help him by insuring that the Government collects most of the $800 million in taxes on interest and dividends which are now being evaded each year—lost taxes which have to be made up by heavier taxes on honest and conscientious people.

There is no reason why those who receive all or part of their income from interest and dividends should not have their taxes withheld—as wage and salary earners have been for 20 years.

The withholding proposal has been grossly misrepresented and distorted by those who have their own selfish reasons for wishing to see it defeated. They have fostered widespread misunderstanding of the plan and aroused baseless fears.

These misconceptions deserve to be cleared up.

This is not a new tax. Withholding is merely a method of collecting taxes which are owed the Government but—because of ignorance or intentional deceit—are not now being paid. Dividends and interest are income and, as such, have always been subject to income tax.

Withholding will impose no hardship and little inconvenience on taxpayers. People who have such low incomes that they do not owe any taxes can easily prevent withholding by signing a simple form certifying that fact. Those under 18 can be exempted from withholding whether or not they owe any tax.

Elderly couples, widows and others who may owe a little tax but less than the amount withheld, can get quarterly refunds by filling out a simple refund slip which will be available at banks, post offices, and other places. These refund slips can be filed at any time during a quarter after withholding has taken place. It is not necessary to wait until the end of the quarter. Internal Revenue will mail out quarterly reminders to refund claimants. The refunds will, in most cases, be received within a month—as they are now by the 37 million taxpayers who are overwithheld each year on their wages and salaries. Those who don't wish to bother with quarterly refunds will get them annually by filing their regular tax returns.

Withholding has been erroneously represented as imposing a hardship on indigent elderly couples. Under present law, which gives people over 65 a double exemption and also a tax credit on retirement income, an elderly couple could have as much as $5,377 in income each year from social security and interest and be liable to no tax—and no withholding—at all. If part of their income is from dividends, the total income could be even higher. To have this income, completely free of taxes or withholding, the couple would be receiving the maximum social security benefit of $2,178 and interest income of $3,199. This couple, which would avoid withholding entirely, would need about $80,000 in savings deposits, earning 4 percent, to receive $3,199 in interest.

An elderly couple with full social security benefits and $1,000 more than this in interest income—$4,199 a year—would, however, fall into the much-discussed overwithheld category. Their savings deposits would have to total about $105,000. The withholding each quarter would be $210—$160 more than necessary. Under the quarterly refund procedure, the couple would never be out of pocket more than $160, which is the first quarter's overwithholding. The quarterly refund from the first quarter would offset the overwithholding in the second quarter, and so on, indefinitely. This $160 would earn only about $6 for an entire year if left in their savings account at 4 percent.

How can anyone say this is hardship? Such a couple is well to do by almost anyone's standards—and there are very few such couples. Most elderly people would not be subject to withholding at all.

The amounts overwithheld generally will not be large. For more than half the people entitled to refunds, the amount overwithheld will be less than $10 per year. The average refund of overwithheld wages and salaries, in contrast, is $143—and wage and salary earners can collect their refunds only at the end of the year.

Withholding is necessary. A total of nearly $4 billion in dividends and interest—nearly 20 percent of the total—goes unreported on tax returns each year. Publicity campaigns aimed at increasing voluntary reporting have simply not worked. Internal Revenue has no way of checking many evasions, especially on interest payments, because only the large ones—$600 or more—have to be reported by the payors to the Government.

Withholding will pay for itself many times over. The estimated administrative cost of the withholding system is $19 million per year but $650 million in presently evaded taxes will be collected. Use of withholding to eliminate the many small and frequently unintentional evasions will free Internal Revenue agents to pursue the upper income bracket evasions which account for the difference between the $800 million in tax receipts now being lost and the $650 million withholding will bring in. These well-to-do evaders will, of course, be withheld 20 percent like everyone else—but they owe more than that.

Use of ADP, the suggested alternative to withholding, would cost more to do one-third of the job. Automatic data processing does not collect one penny in taxes. All it does is identify suspected tax evaders, who then have to be located and audited. Following up and auditing all evaders turned up by ADP would be literally impossible—there are 6 million taxpayers who have interest and dividend income and don't report any of it. At least an equal number—maybe more—report some, but not all, of their dividend and interest income. Just following up the biggest evaders, to recover $200 million in taxes, would cost the Government $29 million—half again the price of a withholding system that would collect more than three times that amount. The maximum additional tax that the Internal Revenue Service could collect effectively with ADP and a reasonable enforcement effort is $200 million. And even to accomplish only the $200 million increase in tax receipts would require an increase of over 3,000 in Internal Revenue's enforcement staff—a 55 percent jump in the number of office auditors presently employed and a 10 percent rise in the number of agents. In addition, use of ADP and enforcement personnel followups would require that business organizations make much more detailed and numerous reports to Internal Revenue than they do now—or would have to do under withholding. In addition, there is no ADP system fully in operation as of now—and won't be until 1966.

The system will be simple and convenient for payors of interest and dividends. They will make their payments of withheld taxes to the Government in one lump sum quarterly. They will not be required to keep detailed records of individuals to whom they make dividend and interest payments. In addition, they will be permitted to retain use of the withheld taxes for certain specified periods before they are turned over to the Government—a provision which will help offset the cost of withholding.

Withholding may involve some inconveniences, it is true. But the alternative is clear—continued lawless evasion of $800 million worth of taxes each year on nearly $4 billion of unreported interest and dividend income.

Honest taxpayers will support this proposal in justice to themselves and all others who now pay their full share of taxes.

RESOLUTION OF DES MOINES (IOWA) JAYCEES ON RESUMPTION OF NUCLEAR TESTING

Mr. MILLER. Mr. President, I ask unanimous consent that a resolution from the Des Moines Jaycees relative to resumption of nuclear testing be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Des Moines (Iowa) Jaycees Resolution

Whereas the United States of America is presently locked in a power struggle with the Union of Soviet Socialist Republics not alone of weapons and arms but also of ideals and philosophy; and

Whereas the United States of America cannot afford to fall behind in technological developments both for peaceful uses and for national security; and

Whereas the open society philosophy of the United States of America stands ready and willing to make concessions and compromises in the interests of a peaceful world situation but such attempts at securing this peaceful situation have been frustrated by the uncompromising attitude of the Union of Soviet Socialist Republics being a closed border society which has caused to heighten world tension; and

Whereas the United States of America has taken a strong position with the Union of Soviet Socialist Republics and must continue to do so in the future in order that a situation of building a wall between free and common people shall never be allowed to take place in this world in the future: Therefore be it

Resolved by the Des Moines Junior Chamber of Commerce, That the U.S. Senate be informed that the Des Moines Junior Chamber of Commerce is wholeheartedly in favor of a sound program of nuclear testing for the purposes of expanding technological experiments for peaceful uses of atomic energy and in the interests of preserving national security for a free society and further that we support a strong policy in regard to negotiations with other world powers in the interests of securing unto ourselves and all of the free people of the world a society which cannot be intimidated into untenable positions.

Virgil Maxwell,
President.
Rodney J. Ryan,
Vice President.

RESOLUTION OF MASON CITY (IOWA) CHAMBER OF COMMERCE TO FARM BILL, H.R. 10010

Mr. MILLER. Mr. President, I ask unanimous consent to have printed in the Record a resolution from the Mason City (Iowa) Chamber of Commerce in opposition to House bill 10010, the companion bill of which is now before the Senate, namely, S. 3225.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution Opposing Adoption of H.R. 10010 by Federal Congress

Whereas Mason City is located in one of the prime agricultural areas of the United States and of the world and its economy is intimately affected by legislation which would adversely affect agriculture and the processing of agricultural products; and

Whereas the subcommittee of the Legislative Committee of the Mason City Chamber of Commerce on Federal Controls of Business and Agriculture, composed, in part, of persons who have for many years been engaged either in farming or processing of agricultural products, or allied businesses, has, in writing, recommended to the legislative committee adoption of certain general recommendations with respect to Federal farm programs, and said legislative committee has recommended approval thereof by the Mason City Chamber of Commerce and forwarding of such recommendations to the Iowa Senators and Representatives in Congress; and

Whereas a copy of said written recommendations is attached hereto: Now, therefore, be it

Resolved by the Board of Directors of the Mason City Chamber of Commerce, That it hereby adopts and approves the recommendations of the legislative committee of the Mason City Chamber of Commerce and does hereby record its opposition to H.R. 10010 of the 2d session of the 87th Congress, all as set forth in the recommendations and report attached hereto and by this reference made a part hereof, it is further

Resolved, That the secretary of the Mason City Chamber of Commerce should be and hereby is authorized and directed to forward to H. R. Gross and to Senators Bourke B. Hickenlooper and Jack Miller true and exact copies of this resolution.

Proposed and adopted this 20th day of April 1962.

Mason City Chamber of Commerce,
Jack MacNider, *President.*

Recommendations of Agriculture Committee

We realize that agricultural production has been expanded; that the difficulties of the commercial farmers are due in substantial measure to faulty public policy adopted in the past. It is only a matter of justice that public policy should help farmers find workable solutions.

For many supported commodities it will be necessary to cut production below present output, so that forces of supply and demand will create prices that will allow efficient farmers to share equitably in growth and prosperity of the country.

AGRICULTURAL SUPPLY CONTROL PROGRAM

The agricultural supply program for agriculture submitted in House bill 10010 in the 2d session of the 87th Congress changes the program from a voluntary program to a program with compulsory participation, marketing quotas, and controls. If passed it would place the commercial farmers in the United States under rigid controls with penalties and policing of crops and production of milk, poultry, and vegetables.

We believe that the program would be restrictive and that it would decrease the efficiency of agriculture and jeopardize the development of the major efficient producing areas.

We recommend that the agricultural adjustment should be attained through amendments to the 1961 act by extending the voluntary land retirement, if necessary increase the retirement of entire farms. The amendment should provide for cross compliance in all programs and eliminations of special exemptions.

FOOD AID PROGRAMS

The major cost of food distribution aid, such as (1) school lunch programs (2) food stamp plans (3) U.S. welfare programs (4) food for foreign aid have been paid through agricultural appropriation and charged to agricultural projects. This gives a distorted perspective of the agricultural appropriations and is misleading. Funds used for food should be included in the budgets and charged to the agencies distributing and using the food in their respective programs and projects.

BELLAMY AWARD TO WEST HIGH SCHOOL OF WATERLOO, IOWA

Mr. MILLER. Mr. President, last Friday, May 18, was the birthday anniversary of Francis Bellamy, who wrote the Pledge of Allegiance to the American Flag. The pledge was written to commemorate the 400th anniversary of Columbus' Discovery of America. The nationwide observance commenced on October 13, 1892.

During his lifetime, Mr. Bellamy urged the spirit of patriotism upon our schoolchildren. As a result of his interest, the Francis Bellamy Flag Award was instituted in 1942—an annual distinction granted to a high school which has made an outstanding contribution to good citizenship.

I am both pleased and proud to be able to state officially that the 1962 Francis Bellamy Flag Award has been made to West High School of Waterloo, Iowa. This is the first Iowa school to receive this honor, and, inasmuch as the award is rotated among the States, it will be 50 years before an Iowa school can receive the award again.

Upon announcement of this designation, Mr. William W. Gibson, principal, pointed out that the standards, the traditions, and the honor of this high school are a result of the active support given it by the citizens of Waterloo, Iowa, by the loyal alumni, by the enthusiastic student body, and by an outstanding faculty.

I am informed that the deciding factors which brought this distinction to West High School are the following: First, the West High School Code: Duty, Honor, Service; second, the proficiency of performance of the principal and his staff; third, the accomplishments by the alumni in varied fields of endeaver, particularly in education and journalism; fourth, the daily flag-raising ceremony; fifth, the decided emphasis on good citizenship in the school and the community; sixth, the thorough, all-inclusive guidance program; seventh, the clear evidence of high academic standards, the high percentage of student accomplishments in science, homemaking, forensics, and the arts; eighth, the true "show must go on" spirit, in the face of a serious flood disaster threat in 1961; ninth, the cooperative attitude of both students and staff working with student teachers; and tenth, the special education program.

Mr. President, the warm blood of patriotism which flows through the veins of young people such as the students of West Waterloo High School, who have brought this honor upon themselves, their school, their city, and their State, makes meaningful the Pledge of Allegiance to the United States and to the Republic for which our flag stands. These are the citizens of tomorrow, in whose hands will be placed the future of our Nation, as the leader of the free world. The students of West Waterloo High School have demonstrated that these will be capable hands. We are proud of them.

THE INFLUENCE OF CONGRESS IN THE FORMATION OF DISARMAMENT POLICY—ADDRESS BY SENATOR CLARK

Mr. HUMPHREY. Mr. President, I ask unanimous consent that there be printed in the body of the Record an address by the senior Senator from Pennsylvania [Mr. Clark] entitled "The Influence of Congress in the Formation of Disarmament Policy." This excellent address was delivered last month in Philadelphia before the 66th annual meeting of the American Academy of Political Science.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Influence of Congress in the Formation of Disarmament Policy

(Address by Senator Clark at 66th annual meeting of the American Academy of Political Science, Philadelphia, Pa.)

Introduction

The first month of the 17-nation Disarmament Conference at Geneva has produced little progress. Over the immediate future of the Conference hang the mushroom clouds of a new round of nuclear tests—expected daily. Conflicts with communism in Latin America, southeast Asia, and Berlin continue to plague the Western World. The time is inopportune, many will say, to discuss disarmament policy.

Yet I welcome the timing of this talk. We need a sound disarmament policy in bad times as well as in good. And the Congress has a part to play in formulating such a policy.

It is later than many prominent Americans seem to think. Just a few days ago, Secretary of State Dean Rusk estimated that "the upward spiral of destructive capability * * * if unchecked, could by 1966 be double what it is today." And if the upward spiral is not checked and checked soon, disaster may well overtake civilization.

Two of the great powers have recognized in words that the key to practical disarmament cannot await the solution of political problems. "Efforts should continue without interruption until agreement upon the total (disarmament) program has been achieved," read the United States-U.S.S.R. joint statement of September 1961. But their deeds do not match their words. In neither country is there the sense of urgency which is a prerequisite to ending that "delicate balance of terror" in which we live. Even so wise a commentator as Walter Lippmann thinks a permanent solution to Berlin and the German question must precede an effective disarmament treaty.

In Congress and throughout the country, we have failed to readjust our thinking about disarmament to make it comport with the basic new fact of international life: Two great powers have the present capability of destroying civilization. And either of them might do it through accident as easily as by design.

Today I deal with only one facet of that problem: The influence of Congress in the formulation of disarmament policy. For Congress does have an influence on all foreign policy, disarmament included. It is not the most important influence—the President is, of course. But the historic and present role of Congress, and particularly the Senate, has been and still is significant.

Three times in the recent past Congress has played an important role in disarmament: First, the Senate's rejection of the League of Nations Covenant in 1920; second, the ratification of the Washington Naval Disarmament Treaty in 1922; and finally, at the 1945 San Francisco Conference which created the United Nations.

No one who is concerned with disarmament and the Senate's part in it can read the history of Senate action on the Versailles Treaty without a feeling of alarm at the potential for mischief of the greatest deliberative body in the world. In a sense, the Covenant of the League of Nations was the first treaty to come before the Senate dealing with disarmament. Article 8 of the covenant called for far-reaching "reduction of national armaments" and curbs on "the manufacture * * * of munitions and implements of war."

The rejection of the covenant was warning for the future of the Senate's power to reject treaties, which most Americans believed were in the national interest. Few today would agree that the Senate was right.

It was almost as if the Senate were verifying Richard Olney's comment back in 1897 (shortly after he retired as Secretary of State):

"The treaty," he said, "in getting itself made by the sole act of the Executive without leave of the Senate * * * committed the unpardonable sin. It must be either altogether defeated or so altered as to bear an unmistakable Senate stamp—and thus be the means both of humiliating the Executive and of showing the world the greatness of the Senate."

It was a silly comment then. It is equally foolish today. But it represents then and now the facts of American political life. Woodrow Wilson in 1920, preoccupied with making the world safe for democracy, apparently forgot the comment in his visiting lectures on "Constitutional Government" at Columbia University in 1908:

"It is not only the privilege of the President, it is also his best policy and his plain duty to treat the Senate as an executive council. The President may himself act in the true spirit of the Constitution and establish intimate relations of confidence with the Senate on his own initiative, not carrying his plans to completion and then laying them in final form before the Senate to be accepted or rejected in order that there may be veritable counsel and a real accommodation of views instead of a final challenge and contest."

Wilson went to Versailles unaccompanied by Members of the Senate. The result was failure. On March 19, 1920, the resolution to advise and consent to the Versailles Treaty with 15 reservations obtained a large majority, 49 to 35 but it lacked 7 crucial votes of the constitutional requirement of two-thirds necessary for ratification.

Perhaps the painful lesson was learned. Just 2 years later, the Senate ratified 74 to 1 the five-power Washington Naval Disarmament Treaty with Great Britain, Japan, France, and Italy, calling for sharp cutbacks in our naval force to agreed limits and the actual destruction of major units of our fleet. Would anyone suggest that the treaty vote was unrelated to President Harding's appointment, at the suggestion of Secretary of State Charles Evans Hughes, of Senator Lodge, majority leader and chairman of the Foreign Relations Committee, Senator Underwood, minority leader and ranking minority member of the committee, and former Senator and Secretary of State Elihu Root as members of the U.S. delegation at the Washington conference?

Likewise, no one familiar with the history of the Senate's ratification of the Charter of the United Nations would underestimate the value of the presence on the U.S. delegation at San Francisco in 1945, of Senators Connally and Vandenburg and Representatives Bloom and Eaton, chairman and ranking minority members of the Senate Foreign Relations and House Foreign Affairs Committees. In addition, powerful Members of Congress were present as fiscal advisers and consultants to assist the delegation during the drafting of the charter.

I

What, then, is the role of Congress in the formulation of disarmament policy? What is our disarmament policy today? What part has Congress played, in its formulation? Specifically what influence did Congress have in the enunciation of U.S. disarmament policy by President Kennedy at the U.N. last September and in the creation of the new Arms Control and Disarmament Agency?

Present U.S. disarmament policy can be stated simply. The McCloy-Zorin agreement of last September calls for general and complete disarmament under strict international controls and "arrangements * * * to insure that the United Nations can effectively deter or suppress any threat or use of arms in violation of the purposes and principles of the United Nations."

Of course, when we leave policy for plans and procedures, we differ widely from the Russians. We insist on inspection and control of both armaments and the disarming process. They agree with the latter but will have no part of the former.

The U.S. plan, as stated by the President at the U.N. and elaborated by the Secretary of State at Geneva, calls for achievement of the agreed policy in three stages.

In stage one, to take 3 years, we have proposed measures subject to strict supervision by an International Disarmament Organization which would provide for (1) 30 percent cut in nuclear delivery vehicles and major conventional armaments; (2) reduction of armed force levels to 2.1 million men; (3) transfer to nonweapons purposes of 50 metric tons of uranium 235 worth more than $500 million and capable, when combined with other ingredients, of producing warheads with tens of thousands of megatons of explosive power; (4) observation and notification procedures to reduce the dangers of war by accident and surprise attack; and (5) a controlled, comprehensive ban on nuclear weapons tests of any sort in any place.

In stage two, we have called for the establishment of a permanent peace force within the U.N.; development of methods for the peaceful settlement of disputes; the dismantling of certain military bases and facilities; and further substantial reductions in armed forces and armaments, including nuclear weapons and delivery systems.

In stage three, we have proposed that the final steps to general disarmament under world law be taken: e.g., the reduction of forces to agreed internal police levels; elimination or transfer to international uses of all weapons stockpiles; and the development of the U.N. peace force and the U.N.'s peacekeeping capabilities so that aggression and rearmament can be prevented.

In the evolution of the U.S. plan, Members of the Congress have had an indirect but definite hand, little known outside Washington.

The present Soviet general disarmament proposal was first made by Khrushchev in a speech at the United Nations in September 1959.

It wasn't until the following March of 1960, that the United States made a counter offer for general and complete disarmament at the 10-power East-West meeting in Geneva. Our disarmament preparation had been woefully scant. The plan we then put forward was improved somewhat in a proposal tabled in June of 1960—after the Soviets had walked out of the conference. But that plan too was still quite vague.

When President Eisenhower left office few people knew that we had a plan for general disarmament, much less its strong points and weaknesses. Congressional backing and encouragement was almost nonexistent. It consisted of Senator Humphrey who heads the Senate Disarmament Subcommittee, and a small handful of people, including, if I may say so, me.

It was only after John McCloy was appointed Chief Disarmament Adviser by President Kennedy and went to work, that wider congressional attention was attracted. This was in the later spring of 1961. Some of Mr. McCloy's assistants were ex-congressional aides which facilitated the interchange of ideas and helped to keep interested Members of Congress current on developments. Parenthetically, significant and constructive staff level liaison between Congress and the Executive is relatively recent and has attracted little public notice to date.

In June two disarmament proposals were launched.

First, the President, fulfilling a pledge made in the spring of 1960 recommended to Congress the creation by statute of a U.S. Disarmament Agency for World Peace and Security to staff a major U.S. disarmament effort.

Senator Humphrey with a bipartisan group of 15 cosponsors, of whom I was one, introduced the Agency bill on June 29. At the same time, Congressman Kastenmeier and 76 Congressmen introduced like bills in the House. There the matter stood for about a month while both Houses were occupied with other legislative matters.

At one of his regular Tuesday morning breakfasts with the legislative leaders of his party, the President inquired about the chances of passage in 1961 of the Disarmament Agency bill.

All save Senator Humphrey stated the chances as almost nil. Subsequently Senator Humphrey and I met with Mr. McCloy and other executive disarmament advisers. We determined to urge the President to press for immediate passage of the bill.

This was done. The President, who may or may not have needed persuasion, placed the Agency bill on his list for "must" passage in 1961. John McCloy, certainly one of the most skillful and effective advocates ever sent to the Hill, started to rally support in private talks and public appearances. Senator Fulbright and Congressman Morgan, chairmen of the Foreign Relations and Foreign Affairs Committees, went to work. The aid of ranking officials in the Eisenhower administration was sought and obtained. A bill which had been virtually written off sailed through Congress and was signed by the President on September 24. Only the closest coordination between a few Members of Congress and officials of the executive branch made creation of the Agency possible.

The negative role of Congress was sharply reasserted a few short days later. Just before adjournment the Senate and House Appropriations Committees cut the appropriation of the new Agency in half thus crippling its usefulness. Six months later it is just beginning to recover from this blow. As a result we were not as well prepared at Geneva as we should have been.

The background to the President's magnificent speech at the U.N. on September 25 is also revealing of Congress role in formulating disarmament policy. The suggestion that the President go to the U.N. and urge total and permanent disarmament was made by a few persons in and out of the Congress early last summer. Senator Humphrey and I advocated this course of action in Senate speeches in July and August and urged our views on the President personally at that time. Other Senators gave to the President other advice.

Happily, however, the result was a U.N. speech which challenged the Soviet bloc to a peace race, pledged U.S. support to a U.N. decade of development and urged that we join in dismantling the national capacity to wage war. In the President's words: "The weapons of war must be abolished before they abolish us." He proposed that disarmament negotiations resume promptly and continue without interruption until an entire program for general and complete disarmament has not only been agreed but has been actually achieved.

Yet the Senate, even today, is badly informed on the President's disarmament policy. An incident during last week's debate on the U.N. bond issue illustrates the point. A press story indicated that our delegation in Geneva would submit a plan that called for the elimination of national armies within 9 years. The statement differed little from those of the President I have just quoted. Yet a Senator drew attention to this article in obvious surprise and alarm. Another Senator, a noted supporter of the President, said that he had never heard anybody on the floor of the Senate, or, for that matter, in this country, make a declaration going that far, which would seek to abandon our own national forces. Regretfully—as a reading of the Congressional Record of April 5 will show—this unfamiliarity is not the sole property of these two men.

To my mind, there are a number of reasons for this. First, disarmament matters are extremely complex and are diffused among a number of already overburdened committees. The Senate Committees on Foreign Relations, Appropriations, Aeronautical and Space Sciences, and Armed Services all have jurisdiction as does the Joint Committee on Atomic Energy. Disarmament to each of these is a different, and sometimes secondary, problem. Committees occupied with determining how large our arsenal should be—whose daily currency is testimony from members of the military-industrial complex of which President Eisenhower warned—are not apt to regard highly their function as disarmament policy advisers.

May we not be heading for another Versailles? Is the Congress being prepared to advise and consent to a meaningful disarmament treaty? I fear not, and, more important, perhaps, does the country understand what the administration is up to? Again I fear the answer must be negative. Is not the conclusion that if disarmament should become diplomatically possible it would nonetheless fail for want of congressional approval? As of today, I fear the answer is "Yes."

Certain conclusions on the "Influence of Congress in the Formulation of Disarmament Policy," past and future, suggest themselves from the foregoing:

1. Congressional influence, for good and bad, has and will be great. Such influence is centered more in the Senate because of its veto power over treaties, but it is not limited to the Senate or to the Senate Foreign Relations Committee. For the House must appropriate the funds to make a treaty effective. And other committees of the Senate carry great weight. House and Senate Appropriations Committees, the Joint Atomic Energy Committee and House and Senate Armed Services Committees all have legitimate jurisdictional concern with disarmament policy. Members of Congress not on any of these committees have also exerted influence on policy.

2. Commonsense and the history of the Senate role in treaty deliberations strongly indicate Senate Members should be named at least as advisers to the delegation at Geneva.

3. Congress at best gets a gentleman's C on its knowledge of the U.S. position on disarmament. In part this is a staffing deficiency. The separate staff of the Senate Disarmament Subcommittee has been disbanded for lack of funds. Its functions have been inadequately absorbed by the general staff of the Foreign Relations Committee.

4. There are weaknesses in the U.S. position at Geneva due to inadequate preparations, notably in the development of international peace-keeping institutions and the problem of participation of other potential nuclear powers such as China. But few in Congress know or care about these matters.

5. The Disarmament Agency is still shortstaffed, due in part to appropriation cuts and in part to lengthy security checks required by statute. It does not have all the answers to the tough, complex questions remaining to be solved before disarmament can get underway. Constructive intelligent criticism by Congress on and off the record can and must be increased. "Advice and consent" is needed—if only to help the Agency avoid political pitfalls in its relations with Congress.

In the end, much depends on the American people themselves. The incentive for Congress to be constructive rather than destructive must come from the grassroots of public opinion. Of course, the main burden in disarmament policy will continue to rest with the President and his advisers in the executive branch. Yet every informed citizen can help to create that climate of opinion without which disarmament policy cannot be successfully formulated, and, time and good fortune permitting, be successfully carried out.

Mr. HUMPHREY. Mr. President, I commend the Senator from Pennsylvania [Mr. Clark] for this thoughtful and reasoned address on a topic which is of vital importance to all of us.

We are fortunate indeed to have in public life a person such as Senator Clark who is a keen and serious student of foreign policy. I know of no Member of the Senate who has done more than has the senior Senator from Pennsylvania to support our President in his efforts to arrive at a meaningful, safeguarded, and workable disarmament agreement.

I shall never forget nor fail to appreciate all that the Senator from Pennsylvania [Mr. Clark] did this past year to help win the passage of the Arms Control and Disarmament Agency bill, which it was my privilege to introduce in the Senate and which was passed by the Congress and enacted into law.

COMPARISON OF UNITED STATES AND U.S.S.R. DISARMAMENT PROPOSALS

Mr. HUMPHREY. Mr. President, both the United States and the Soviet Union have submitted draft proposals to the conference of the 18-nation Committee on Disarmament, which is now in session in Geneva.

These proposals have many similarities but they also have very important differences.

The Government of Canada prepared, in parallel columns, an outline comparison of the United States and U.S.S.R. proposals, and submitted this to the 18-nation conference in Document ENDC/36, on May 4, 1962.

Because I know this will be useful to the Members of the Senate and to the many students of disarmament problems who depend upon the Congressional Record, I ask unanimous consent to have it printed as a part of my remarks.

There being no objection, the outline comparison was ordered to be printed in the Record, as follows:

An Outline Comparison on United States and U.S.S.R. Disarmament Proposals

(Note.—The present outline comparison has been prepared to take into account the "Outline of Basic Provisions of a Treaty on General and Complete Disarmament in a Peaceful World," tabled by the U.S. delegation on April 18, 1962. It will be observed that the various topics have been identified and listed under each stage, in accordance with the method of approach for which the plenary committee has shown a preference so far. Discussion on individual topics covered in each stage would be based on the actual language used in the indicated articles and paragraphs of the U.S.S.R. draft treaty and the U.S. outline of basic provisions of a treaty.)

STAGE I

U.S.A.	*U.S.S.R.*
Three years beginning upon entry into force of treaty. (Stage I, p. 4.)	Fifteen months beginning six months after entry into force of treaty. (Art. 19, p. 13.)

A. Armaments

1. Reduction of Armaments

Thirty percent reduction by specified parties to the treaty of nuclear delivery vehicles and major conventional armaments in inventories existing on an agreed date. The reduction would apply to each type of armament (e.g. B-52 bombers, Atlas missiles, M-60 main battle tanks). The 30 percent reduction in each type might be altered somewhat by the limited production allowance but this would not affect the overall 30 percent in numbers in each category or, in the case of strategic nuclear delivery vehicles, in destructive capability. Illustrations of categories of armaments and types within categories are given in treaty outline. (Art. A, par. 1, pp. 4-5.)	One hundred percent reduction in those weapons systems (rockets, military aircraft, surface ships, submarines and artillery) capable of delivering nuclear weapons. (Art. 5, 6, 7, 8, pp. 5-7.) Conventional armaments released as a result of decrease in force levels to be destroyed or converted to peaceful use. All such armament intended for use in reserve forces to be destroyed. In conventional armaments no requirement with respect to destruction of types. (Art. 11, par. 3, p. 10.)

2. Method of Reduction

One-third of the stage I reduction, i.e., 10 percent of the total declared inventories, would be carried out in each one-year step. Each step would be divided into two phases: (a) transfer of armaments to be eliminated to depots under control of the International Disarmament Organization; (b) their destruction or conversion to peaceful uses. The IDO would provide verification of the armaments destroyed and verify that declarations were accurate and that armaments retained did not exceed the agreed levels as described in G. below. (Art. A, par. 2, pp. 5-6; art. 6, par. 3, subpar c, pp. 13-14.)	International Disarmament Organization to exercise control over destruction of weapons systems capable of delivering nuclear weapons (par. 3 of art. 5, 6, 7, 8, pp. 5-7) and over places where troops disbanded and released conventional armaments and military equipment destroyed, and to verify conversion to peaceful uses of means of transportation and other noncombat equipment. No provision for verification of retained levels. (Art. 11, par. 4, p. 10.)

3. Limitation on Production

Production in broad categories of armaments (e.g. strategic nuclear delivery vehicles, tanks, ships) to be limited to agreed production allowance during beginning of stage I and halted by the beginning of stage II except for production, within agreed limits, of posts for maintenance of agreed retained arms. A party which elected to reduce its production within a category at a more rapid rate than provided by the treaty would be entitled, in lieu of this production, to retain existing arms within the category. In the event of production (or retention in lieu of production) of specific types of arms within the category, this would be offset by the destruction of additional armaments both in numbers and, where applicable, total destructive capability so that the 30 percent net reduction in the category would be maintained. (Art. A, par. 3, pp. 6-7.) Agreed annual quotas on flight testing of missiles (Art. A, par. 3, subpar. d, p. 7).	Production of weapons systems capable of delivering nuclear weapons halted, and all proving grounds demolished (par. 2 of art. 5, 6, 7, 8, pp. 5-7). Production of conventional armaments to be reduced proportionately to the reduction of armed forces. Reduction to be primarily through elimination of enterprises engaged exclusively in armaments production. IDO to verify dismantling. (Art. 12, p. 10.)

4. Additional Measures

Agreement to examine and conclude arrangements to be implemented in stages II and III to reduce and eliminate production and stockpiles of chemical and biological weapons. (Art. A, par. 4, p. 7.)	Subject not dealt with until stage II.

B. Armed Forces

1. Reduction of Armed Forces

Force levels to be limited to 2.1 million each for the United States and the U.S.S.R. All other parties to the treaty would, with agreed exceptions, reduce force levels to 100,000 or 1 percent of their population. In no case would levels of such other parties exceed levels in existence upon entry into force of the treaty. (Art. B, par. 1, p. 7.)	Force levels to be limited to 1.7 million each for the U.S.S.R. and the United States. Levels for other states parties to the treaty to be agreed. (Art. 11, par. 1, pp. 9-10.)

2. Armed Forces Subject to Reduction

Regular members of armed forces, conscripts serving full-time active duty, militarily organized security forces, and other forces or organizations equipped and organized to perform a military mission. (Art. B, par. 2, p. 7.)	Enlisted men, officers, and civilian employees. (Art. 11, par. 1, pp. 9-10.)

3. Method of Reduction

Parties initially declare levels to IDO. One-third of stage I reduction to be carried out in each 1-year step. IDO to verify retained levels as described in G below. (Art. B, par. 3, pp. 7-8.)	Reduction to be carried out primarily through demobilization of personnel released as a result of elimination of the means of delivering nuclear weapons, dismantling foreign bases and withdrawal of troops from foreign territory. IDO to verify disbanding. (Art. II, pars. 2, 4, p. 10.)

4. Additional Measures

Parties to make arrangements to insure that civilian employment by armed forces is in accordance with objectives of agreement on force levels. (Art. B, par. 4, p. 8.)	Civilian employees included in definition of force level. (Art. II, par. 1, pp. 9-10.)

C. Nuclear Weapons

1. Production of Weapons Materials

Production of fissionable materials for use in weapons to be stopped. Production of fissionable materials for purposes other than use in nuclear weapons to be limited to agreed levels. (Art. C, par. 1, p. 8.)	No comparable proposal in stage I.

2. Transfer to Peaceful Uses

Upon the cessation of production an agreed quantity of weapons grade U-235 from past production to be transferred to peaceful uses by the United States and the U.S.S.R. (United States has proposed a transfer of 50,000 kilograms of U-235). (Art. C, par. 2, p. 9.)	No comparable proposal.

3. Transfer Between States for Peaceful Uses

Transfers between countries of fissionable materials for purposes other than use in nuclear weapons to be subject to appropriate safeguards developed in agreement with the IAEA. (Art. C, par. 3, p. 9.)	No comparable proposal.

4. Nontransfer of Nuclear Weapons

States who have manufactured nuclear weapons to be precluded from transferring control of such weapons to any nation not owning them nor to assist any such state in their manufacture. Parties to the treaty which have not manufactured nuclear weapons to be precluded from acquiring control over any nuclear weapons nor to manufacture or attempt to manufacture them. (Art. C, par. 4, p. 9.)	States possessing nuclear weapons to refrain from transferring control or transmitting information necessary for their production to states not possessing them. Parties to the treaty which do not possess nuclear weapons to undertake to refrain from producing or obtaining them and not to admit nuclear weapons on their territory. (Art. 16, p. 12.)

5. Nuclear Weapons Test Explosions

Nuclear weapons tests to be prohibited under effective international control. (Art. C, par. 5, p. 10.)	The conducting of nuclear tests of any kind shall be prohibited. (Art. 17, p. 12.)

6. Additional Measures

Parties to examine the feasibility and means of reducing and eventually eliminating stockpiles.	Subject not dealt with until stage II.

D. Outer Space

1. Prohibition of Weapons of Mass Destruction in Orbit

Parties not to place in orbit weapons capable of producing mass destruction. (Art. D, par. 1, p. 10.)	Placing into orbit or stationing in outer space of any special device capable of delivering weapons of mass destruction to be prohibited until final destruction of all means of delivering nuclear weapons. (Art. 14, par. 1, p. 11.)

STAGE I—continued

D. *Outer Space*—Continued

U.S.A.	U.S.S.R.
2. Peaceful Cooperation in Space	
Parties agree to support increased cooperation in peaceful uses of outer space. (Art. D, par. 2, p. 10.)	Launching of space devices to be for peaceful purposes only. (Art. 15, par. 1, p. 12.)
3. Notification and Prelaunch Inspection	
Advance notification to be given by parties to the treaty to the IDO of launching of space vehicles and missiles, together with the track of the vehicle. Prelaunch inspection to be conducted by the IDO to establish and operate any arrangements necessary for detecting unreported launchings. (Art. D, par. 3, pp. 10-11.)	Advance notification to be given by states to the IDO about all launchings of rockets for peaceful purposes. (Art. 15, par. 2, p. 12.)
4. Boosters	
The production, stockpiling, and testing of boosters for space vehicles to be subject to agreed limitations. (Art. D, par. 4, p. 11.)	No comparable proposal.
E. Military Expenditures	
1. Report on Expenditures	
Reports on military expenditures, including an itemization, to be filed with the IDO at the end of each step of each stage. (Art. E, par. 1, p. 11.)	IDO to have full access to records of central financial offices of states in connection with budgetary allocations to activities which subject to disarmament measures. (Art. 13, par. 2, p. 11.)
2. Verifiable Reduction of Expenditures	
Examination to be made by the parties to the treaty of questions related to the verifiable reduction of military expenditures. (Art. E, par. 2, p. 12.)	Military expenditures to be reduced in proportion to first-stage reduction in arms and armed forces. An agreed portion of the funds released to go to economic and technical assistance to underdeveloped countries. (Art. 13, par. 1, p. 11.)
F. Reduction of the Risk of War	
1. Advance Notice of Military Movements	
Advance notification to be given by specified parties of major military movements and maneuvers to other parties to the treaty and the IDO. (Art. F, par. 1, p. 11.)	Warships to be prohibited from leaving territorial waters and aircraft capable of carrying weapons of mass destruction to be prohibited from leaving national airspace. (Art. 14, par. 1, p. 11.)
2. Observation Posts	
Observation posts to be established by specified parties at major ports, railway centers, motor highways, river crossings, and air bases to report on concentrations and movements of military forces. (Art. F, par. 2, pp. 11–12.)	No comparable proposal in general disarmament plan, but contained in Foreign Minister Gromyko's September 26, 1961, memorandum.
3. Additional Observation Arrangements	
Such additional observation arrangements as might be agreed. (Art. F, par. 3, p.12.)	No comparable proposal.
4. Exchange of Military Missions	
Exchange of military missions between states or groups of states to be undertaken by specified parties to improve communication and understanding between them. (Art. F, par. 4, p. 12.)	No comparable proposal.
5. Communication Between Heads of Government	
Rapid and reliable communications to be established by specified parties among their heads of Government and the Secretary General of the United Nations. (Art. F, par. 5, p. 12.)	No comparable proposal.
6. International Commission	
Establishment of an International Commission on Reduction of the Risk of War to recommend further measures to reduce the risk of war by accident, miscalculation, failure of communication or surprise attack. (Art. F, par. 6, p. 12.)	No comparable proposal.
G. The International Disarmament Organization	
1. Establishment of IDO	
IDO to be established within the framework of the U.N. upon entry into force of the agreement. (Art. G, par. 1, p. 12.)	IDO to be established within the framework of the U.N. to begin operating as soon as disarmament measures are initiated. (Art. 2, par. 3, p. 3.)
2. Functions of IDO	
The general function of the IDO to be to insure compliance with the obligations undertaken by verifying the execution of measures agreed upon and assisting the states in developing the details of agreed further verification and disarmament measures. Nature of inspection by IDO depends upon nature of obligation being verified. (a) Where obligation deals only with reduction of arms, verification need only relate to reduction process. (b) Where obligation is to halt or limit production, IDO must have access to all production facilities, wherever located. Start with declared facilities, however, relying on verification measures in c below to discover any clandestine activities. (c) Where measure is one not to exceed agreed levels of armaments or armed forces or not to engage in clandestine production activities, IDO must have authority to make inspections necessary for verification, but the extent of inspection during any step or stage must be related to the amount of disarmament being undertaken and degree of risk from possible violations. Progressive zonal inspection suggested as an example of one way in which this principle might be given effect. (Art. G, par. 3, pp. 13, 14.)	The general function of the IDO to be to exercise control over the compliance by states with their obligations to reduce or eliminate armaments and their production and to reduce or disband their armed forces. (Art. 2, par. 3, p. 2, e.g. par. 3 of arts. 5, 6, 7, 8, pp. 5-9; art. 11, par. 4, p. 10, art. 12, par. 2, p. 10.)
3. Composition of IDO	
The IDO would be composed of: (a) A general conference of all parties to the treaty. (b) A Control Council consisting of representatives of all the major signatory powers as permanent members and other states on a rotating basis. (c) An Administrator, subject to the direction of the Control Council, with authority, staff and finances to insure effective and impartial functions of IDO. (Art. G, 1 par. 4, pp. 14–15.)	The IDO would be composed of: (a) A conference of all states parties to the treaty. (b) A Control Council consisting of the five states which are permanent members of the Security Council and an unspecified number of other states elected by the Conference for a 2-year period. The Council to represent the three principal groups of states existing in the world. (c) A staff, reporting to the Control Council, recruited by the Council on an international basis, so as to insure that the three principal groups of states existing in the world are adequately represented. (Arts. 40, 41, 42, pp. 25–27.)
4. Voting	
No proposal at this time.	Each party to the treaty to have one vote. Procedural decisions to be taken by simple majority, all others by two-thirds majority. (Art. 41, par. 2, p. 25; art. 42, par. 3, p. 27.)
H. Measures To Strengthen Arrangements for Keeping the Peace	
1. Obligations Concerning Force	
Parties to undertake to refrain from the threat or use of force contrary to the principles of the U.N. Charter. (Art. H, par. 1, p. 17.)	Parties agree to base relations on friendly coexistence, to refrain from the use of force. (Art. 3, par. 1, subpar. (a)(b), p. 4.)

STAGE I—continued

H. Measures To Strengthen Arrangements for Keeping the Peace—Continued

U.S.A.	*U.S.S.R.*
2. Rules of International Conduct	
Agreement to be undertaken to support a study by a subsidiary body of the IDO of the codification and progressive development of rules of international conduct related to disarmament. Parties agree to refrain from indirect aggression and subversion. (Art. H, par. 2, p. 17.)	No comparable proposal.
3. Peaceful Settlement of Disputes	
Utilization to be made of all appropriate processes for the peaceful settlement of disputes. Disputes concerning the interpretation or application of the treaty, not settled by negotiation or the IDO to be referred to the International Court of Justice. Parties support study for more effective use of procedures for settling international disputes and institution of new procedures and arrangements when needed. (Art. H, par. 3, pp. 17–18.)	Parties agree to strengthen U.N. (art. 3, par. 1, subpar. c, p. 4).
4. Maintenance of International Peace and Security	
Parties to agree to support measures strengthening the structure, authority and operation of the United Nations. (Art. H, par. 4, p. 18.)	
5. United Nations Peace Force	
Parties conclude arrangements for the establishment, in Stage II, of a United Nations Peace Force. (Art. H, par. 5, p. 18.)	To insure that the U.N. is capable of effectively protecting states against threats to or breaches of the peace, agreements to be concluded with the Security Council to make available to it armed forces, assistance and facilities as provided in Article 43 of the U.N. Charter. Peace Force to be made up of national armed forces which shall be stationed within their own territories and shall be placed at the disposal of the Security Council under the command of national military authorities. (Art. 18, p. 13.)
6. Peace Observation Group	
A peace observation group to be established staffed with a standing cadre of obervers to be dispatched to investigate any situation which might constitute a threat or a breach of the peace. (Art. H, par. 6, p. 19.)	
(Foreign Military Bases and Troops in Foreign Territories)	
1. Foreign Military Bases	
No comparable proposal in stage I. Proposal in stage II deals with reduction in bases wherever located.	All foreign military bases and depots to be dismantled. (Art. 9, pp. 7–8.)
2. Withdrawal of Troops from Foreign Territory	
	Simultaneously with the elimination of means of delivering nuclear weapons, all military personnel in foreign territories to be withdrawn. (Art. 10, pp. 8–9.)
I. Transition	
Transition from stage I to stage II dependent upon: (a) All stage I undertakings carried out; (b) All preparations for stage II completed; (c) All militarily significant states parties to treaty. During the last 3 months of stage I Control Council reviews circumstances, any permanent member of Control Council declaring foregoing circumstances do not exist should refer matter to Security Council. (Art. 1, p. 19.)	No specific requirement of a finding merely review by IDO during last 3 months of stage I of the results of the implementation of the first-stage measures with a view to reporting on them to the states parties to the Treaty as well as the Security Council and the General Assembly. (Art. 20, p. 13.)
STAGE II	
Stage II would begin upon the transition from stage I and would be completed within 3 years from that date. (Stage II, p. 20.)	The duration of the second stage shall be 15 months. (Art. 28, p. 18.)
A. Armaments	
1. Reduction of armaments	
Levels of armaments to be further reduced by 50 percent of the inventory existing at the end of stage I. Armaments of parties to the treaty which had not been subject to the reduction of armaments in stage I, during stage II to be reduced by 65 percent to accomplish some total percentage of reduction by the end of stage II as parties which had reduced their armaments in stage I. (Art. A, par. 1, p. 20.)	All armaments capable of delivering nuclear delivery vehicles were to be eliminated in stage I. Levels of conventional armaments to be reduced proportionately to the reduction of armed forces. (Art. 24, par. 2, pp. 16–17.)
2. Additional Armaments Reduced	
Types of armaments subject to reduction expanded to include many of the smaller armaments not included in stage I. Fifty percent cut in each type of armaments. (Art. A, par. 2, pp. 20–21.)	No comparable proposal.
3. Method of Reduction	
Same method as proposed for stage I.	Same method as proposed for stage I.
4. Limitation on Production and Related Activities	
Production to be halted except for production within agreed limits of parts for maintenance of the agreed levels. Production of ammunition reduced to levels consistent with agreed levels of armaments and forces. Development and testing of new types of armament would be halted. (Art. A, par. 4, p. 21.)	Production to be reduced in proportion to the reduction of armed forces. (Art. 25, p. 17.)
5. Additional Measures	
In light of the study undertaken during stage I, stockpiles of chemical and bacteriological weapons of mass destruction to be reduced to levels 50 percent below levels existing at beginning stage II and production halted IDO to check residual levels. (Art. A, par. 5, p. 22.)	CBR weapons to be eliminated and destroyed and instruments and facilities for combat use, and devices and facilities for storage and conservation to be destroyed, and production halted. IDO to verify destruction. (Art. 23, pp. 15–16.)
B. Armed Forces	
1. Reduction of Armed Forces	
Force levels for the United States of America, U.S.S.R. to be reduced to levels 50 percent below the levels agreed for the end of stage I (i.e. 1.05 million) and levels for all other parties to be further reduced on the basis of an agreed percentage. (Art. B, par. 1, pp. 22–23.)	Force levels to be reduced to one million each for the U.S.S.R. and the United States of America. Force levels for other states to be agreed. (Art. 24, par. 1, p. 16.)
2. Method of Reduction	
Same method of procedure as proposed for stage I.	Same method of procedure as proposed for stage I.
3. Additional Measures	
Agreed limitation on compulsory military training and refresher training for reserves. (Art. B, par. 3, p. 23.)	No comparable proposal in stage II.

STAGE II—continued

C. Nuclear Weapons

1. Reduction of Nuclear Weapons

U.S.A.	*U.S.S.R.*
In light of examination in stage I, stocks of nuclear weapons to be reduced to minimum levels on the basis of agreed percentage. Reduction to be accomplished by transfer of nuclear materials from weapons use to peaceful uses. Nonnuclear components and assemblies of nuclear weapons from which fissionable materials had been removed to be destroyed. Production or refabrication of nuclear weapons from any remaining fissionable material to be subject to agreed limitations. (Art. C, par. 1, pp. 23-24.)	Production of nuclear weapons to be discontinued. All nuclear weapons shall be destroyed and all nuclear components as well as all stockpiles of nuclear materials for use in weapons shall be processed to render them unfit for use in weapons and be transferred to a special fund for peaceful uses belonging to the states which previously owned the weapons. (Art. 22, par. 1, p. 14.)

(Production of fissionable material for weapons)

U.S.A.	*U.S.S.R.*
Proposed to be halted in stage I.	Production of fissionable material for weapons purposes to be discontinued. (Art. 22, par. 2, subpar. (a), p. 15.)

2. Registration of Nuclear Weapons

U.S.A.	*U.S.S.R.*
All nuclear weapons remaining in last 6 months of stage II to be registered to facilitate verification during stage III that no nuclear weapons remained at disposal of state. (Art. C, par. 2, p. 24.)	Verification of measures by IDO which shall have the right to inspect all enterprises which extract nuclear raw materials for atomic production or which uses or produces fissionable materials or atomic energy. (Art. 22, par. 2, subpar. b, p. 15.)

3. Criminal Punishment

U.S.A.	*U.S.S.R.*
No provision limited to nuclear weapons but see G. 5 of this stage II.	Parties to enact criminal legislation with respect to nuclear weapons. (Art. 22, par. 3, p. 15.)

D. Military Bases and Facilities

U.S.A.	*U.S.S.R.*
Agreed military bases, wherever located, to be dismantled or converted to peaceful uses. (Art. D, pp. 24-45.)	Bases dealt with in stage I and limited to foreign bases.

E. Reduction of the Risk of War

U.S.A.	*U.S.S.R.*
Extend measures undertaken during stage I. (Art. E, p. 25.)	No comparable proposal.

(Further reduction of military expenditures)

U.S.A.	*U.S.S.R.*
No comparable proposal.	Reduce further their military budgets in view of further reduction in arms. An agreed portion of the funds released to go to economic and technical assistance to underdeveloped countries. (Art. 26, par. 1, pp. 17-18.)

F. The International Disarmament Organization

U.S.A.	*U.S.S.R.*
IDO to be strengthened to ensure its capacity to verify stage II measures. (Art. F, p. 25.)	No comparable proposal.

G. Measures for Keeping the Peace

1. Peaceful Settlement of Disputes

U.S.A.	*U.S.S.R.*
In light of study of peaceful settlement of disputes during stage I, parties agree to additional steps to assure just and peaceful settlement of disputes. Parties accept compulsory jurisdiction of ICJ. (Art. G, par. 1, p. 25.)	No comparable proposal.

2. Rules of International Conduct

U.S.A.	*U.S.S.R.*
Continue the stage I study of rules of international conduct with respect to disarmament. Rules recommended by study and approved by Control Council could be binding unless a majority disapproved or unless a party formally notified others it did not intend to be bound. (Art. G, par. 2, pp. 25-26.)	No comparable proposal.

3. United Nations Peace Force

U.S.A.	*U.S.S.R.*
A U.N. Peace Force to be established and to come into being within the first year of stage II and be progressively strengthened during stage II. (Art. G, par. 3, p. 26.)	Armed forces to be continued to be placed at the disposal of the Security Council for use under article 42 of the U.N. Charter. (Art. 27, p. 18.)

4. United Nations Peace Observation Corps

U.S.A.	*U.S.S.R.*
Arrangements to be concluded for the expansion of the activities of the U.N. Peace Observation Group. (Art. G, par. 4, p. 26.)	

5. National Legislation

U.S.A.	*U.S.S.R.*
In accordance with their constitutional processes, national legislation to be enacted by parties to the treaty in support of the treaty imposing legal obligations on individuals and organizations under their jurisdiction. (Art. G, par. 4, p. 26.)	

H. Transition

U.S.A.	*U.S.S.R.*
Same as proposed from stage I to stage II. (Art. H, pp. 26-27.)	Same as proposed from stage I to stage II. (Art. 29, p. 19.)

STAGE III

U.S.A.	*U.S.S.R.*
Stage III would begin upon transition from stagel I and would be completed within an agreed period of time. (Stage III, p. 28.)	Stage III shall be completed over a period of 1 year. (Art. 30, p. 24.)

A. Armaments

1. Reduction of Armaments

U.S.A.	*U.S.S.R.*
Subject to agreed requirements for nonnuclear armaments of agreed types for national forces required to maintain internal order and protect the personal security of citizens, all armaments to be reduced during stage III. (Art. A, par. 1, p. 28.)	The states party to the treaty shall destroy or convert to peaceful uses all armaments, military equipment, and munitions, whether held by the troops or in depots. (Art. 31, par. 2, p. 20.)

2. Method of Reduction

U.S.A.	*U.S.S.R.*
Same method as proposed for stage I. (Art. A, par. 2, p. 28.)	Same method as proposed for stage I. (Art. 31, par. 3, p. 20.)

3. Cessation of Production

U.S.A.	*U.S.S.R.*
Subject to limitations stated in 1 above, and subject to agreed arrangement in support of the U.N. Peace Force, all production, applied resources, development or testing of armaments to be halted.	Military production to be discontinued with exception of production of agreed types and quantities of light firearms for maintaining internal order, including safeguarding frontiers and personal security of citizens, and to insure compliance under obligations to maintain international peace and security under U.N. Charter.

B. Armed Forces

1. Reduction of Armed Forces

U.S.A.	*U.S.S.R.*
All armed forces disbanded except those agreed to maintain internal order and protect personal security of citizens, and to be capable of providing agreed manpower for U.N. Peace Force—all others, including reserve forces and all organizational arrangements comprising or supporting national military establishments to be disbanded. (Art. B, par. 1, p. 29.)	The entire personnel of the armed forces shall be disbanded. Systems of military reserves shall be abolished. As part of the abolition of the military establishment, parties should— (a) Demobilize general staff. (b) Abrogate legislative acts dealing with military establishment. (c) Destroy all weapons. Parties entitled to retain agreed contingents of militia, armed with light firearms, to maintain internal order, including safeguarding frontiers and personal security of citizens, and to comply with organizations to maintain international peace and security under U.N. charter. (Art. 31, p. 20; art. 33, p. 21; art. 36, p. 23.)

STAGE III—continued

B. Armed Forces—Continued

U.S.A.	*U.S.S.R.*
2. Method of Reduction	
IDO to verify demobilization and that only permitted forces remained. (Art. B, par. 2, p. 29.)	IDO to verify demobilization with access to all documents pertaining to dismantling of armed forces. IDO to have access to any point in territory of parties to prevent re-establishment of armed forces. (Art. 38, par. 2, p. 24.)
3. Other Limitations	
All military conscription halted along with other inconsistent legislation. (Art. C, par. 3, p. 29.)	States to adopt legislation prohibiting military trainees, abolishing conscription and discontinuing courses for reservists. Prohibition of appropriations for military purposes, certain portion of the funds released going to economic and technical aid to underdeveloped countries. (Art. 39, p. 22; art. 35, p. 22.)
C. Nuclear Weapons	
1. Elimination of Nuclear Weapons	
In light of steps taken in stages I and II, parties to eliminate all nuclear weapons remaining at their disposal. (Art. C, par. 1, pp. 29–30.)	Proposal involves elimination all nuclear weapons in stage II.
2. Method of Reduction	
Elimination of nuclear weapons to be carried out under IDO control which would provide assurance no nuclear weapons, materials or production facilities left outside of control. (Art C, par. 2, p. 30.)	
D. Military Bases	
Bases dismantled except as permitted or required under B:1 of stage III. (Art. D, p. 30.)	No specific proposal but implicit in proposal concerning forces which involved the conversion of all "premises" to peaceful use. (Art. 31, par. 3, p. 30.)
E. Research and Development of Military Significance	
Parties to report to IDO any basic scientific discovery or technological invention having potential military significance. Control Council of IDO to study discoveries and recommend measures for their control. Parties to support full international cooperation in all fields of scientific research and development. (Art. E, pp. 30–31.)	No comparable proposal.
F. Reduction of the Risk of War	
Extend measures applied during stages I and II and apply them to national forces required to maintain order and protect personal security of citizens. (Art. F, p. 31.)	No comparable proposal.
G. International Disarmament Organization	
IDO to be strengthened and maintained on a continuing basis. (Art. G, p. 31.)	IDO to have access at any time to any point within the territory of any party in order to prevent the re-establishment of armed forces and armaments. (Art. 38. p, 24.)
H. Measures for Keeping the Peace	
1. Peaceful Change and Rules of Conduct	
The steps taken under stages I and II to provide a basis for peaceful change in a disarmed world would be continued as would steps looking toward peaceful settlement of disputes and development of rules of international conduct relating to disarmament. (Art. H, par. 1, 2, p. 32.)	No comparable proposal.
2. United Nations Peace Force	
The United Nations Peace Force would be progressively strengthened until it had sufficient armed forces and armaments so that no state could challenge it. (Art. H, par. 3, p. 32.)	Parties to make available to Security Council under article 43, units from militia retained by it, and to provide assistance and facilities, including rights of passage. The size of these units will be specified by agreement and the command of the units shall be made up of representatives of the three principal groups of states existing in the world. (Art. 37, pp. 23, 24.)
I. Completion of Stage III	
To be determined by Control Council, if any permanent member objected, to be put before Security Council. (Art. I, p. 32.)	At end of period, IDO shall review the results with a view to reporting to states parties to treaty, Security Council and General Assembly of U.N. (Art. 31, p. 24.)
General Provisions	
1. Amendments	
Parties to agree to procedure for amendment, including a conference. (General Provisions, par. 1, pp. 32–33.)	Two-thirds majority at a conference can amend. (Art. 47, p. 29.)
2. Interim Agreement	
Interim agreement to involve establishment of a preparatory commission. (General Provisions, par. 2, p. 33.)	Preparatory Commission established immediately after signing. (Art. 45, p. 28.)
3. Parties and Entry Into Force	
United States, U.S.S.R., and agreed numbers of specified states. (General Provisions, par. 3, p. 33.)	All permanent members of the Security Council, as well as those that are their allies in bilateral and multilateral military alliances, and by an agreed number of nonaligned states. (Art. 46, p. 29.)
4. Finance	
Budget approved by General Conference and paid in accordance with a scale of apportionment fixed by General Conference. General Conference to have financial power. (General Provisions, par. 4, p. 34.)	Budget drawn up by Council and approved by Conference. Scale of apportionment fixed in treaty. (Art. 44, p. 28.)

PRESIDENT KENNEDY URGES PASSAGE OF KING-ANDERSON MEDICAL CARE BILL AT GARDEN RALLY

Mr. HUMPHREY. Mr. President, yesterday President John Kennedy spoke to an overflow crowd at Madison Square Garden in New York, and urged the passage this year of the King-Anderson bill which would provide hospital and health care for elder citizens under the social security system.

There can be no doubt that the King-Anderson bill has the overwhelming support of the people of this country. Yesterday, not only was Madison Square Garden filled to overflowing but also similar rallies in 32 other cities were jampacked, with a total of over 150,000 people attending them. The people of this country are demanding that this Congress pass the King-Anderson bill, and I am confident that before we adjourn this year we will see this measure passed and signed into law by our President.

The President in his address yesterday in New York City made a moving appeal for the passage of this proposed legislation. He spoke as a President who is vitally concerned with the well-being of our senior citizens. He spoke as a great humanitarian. And his message was warmly accepted by those attending the rallies and the millions of others at home who watched his address on television or listened to it on radio.

Health, hospital, and nursing home care for the aged is the number one domestic issue in 1962, and I would suggest to those in the Congress who stand opposed to the King-Anderson bill that they reexamine their position in light of the overwhelming support on behalf of our citizens for this measure and in light of the obvious necessity for a passage of a measure of this type to help solve the growing problem of medical expenses for our elder citizens. We cannot stand still in this area any longer. The American people expect the Congress to act in this area and they will be following closely what we do in this regard.

In conclusion, Mr. President, I ask unanimous consent that there be printed in the RECORD two articles and an editorial from today's New York Times on the medical care rally at Madison Square Garden, as well as the text of President Kennedy's address.

There being no objection, the articles, editorial, and address were ordered to be printed in the RECORD, as follows:

Older People Fill Garden for Rally—Most Are in 60's or 70's—2,500 in Overflow Find Seats on 49th Street

(By Peter Kihss)

When elected officials have something to tell citizens, they should come out to meet them, President Kennedy affirmed yesterday. Admirers who had gathered on sun-drenched 49th Street, as well as inside the more comfortable Madison Square Garden, agreed with him.

Most of the 17,500 in the Garden and the 2,500 outside in the 90-degree heat were in their 60's, 70's or 80's. And they weren't just passive listeners to the gospel of medical care for the elderly through social security.

One hundred and eleven musicians 65 years old and up filled out a top-notch orchestra. Paul Taubman, their 51-year-old guest conductor, said they had the enthusiasm and willingness he found often in 14-year-old beginners but too often not in middle-aged musicians.

They were ready for other challenges, too. A 75-year-old and a 72-year-old got into a fist fight over a seat. In the Madison Square Garden first aid office one defied the other: "I'll take my glasses off—you take your teeth out—and we'll finish it."

On blocked-off 49th Street, 1,000 wooden folding chairs set up in front of a stage by the Department of Public Works were filled rapidly despite the intense sun. Stoops and fire escapes of tenements across the street provided still other vantage points for the outdoor audience, which heard the Garden proceedings over loudspeakers.

President Kennedy appeared highly pleased when he emerged from the Garden rally at 4:35 p.m. Introduced by Barry Gray, the radio commentator, he spoke over a portable microphone to the outdoor audience. He said:

"I want to express my thanks that when you all could have been seated in Coney Island or some other pleasant place, you came here. I hope you feel, as I do, that there is nothing better for those elected than to meet the citizens when they want to tell you something.

"IT'S TIME TO MOVE

"I hope we have a message that will go far across this country. I hope we got that message over today, affecting all of us from the youngest to the oldest, and that is: It's time to move.

"It's nice to be in New York. I may come back here all the time. It's very nice of you to come."

Inside, the crowd had not quite filled the 18,300 available seats although the Garden doors were closed at 1:24 p.m. The heat had probably staved off a greater influx, with rally organizers admitting that 40,000 invitations had gone out.

Twenty thousand tickets had been exchanged for $1 contributions. Twenty thousands free invitations were reported to have been sent to retired members of the International Ladies' Garment Workers Union and the Amalgamated Clothing Workers Union along with their last monthly pension checks.

Of the proceeds, $12,000 went for rental of the Garden, $3,500 to pay guards and ushers, and the rest to the Golden Ring Council of Senior Citizens here, cosponsor with the National Council of Senior Citizens.

MANY TAKE LUNCH

Many of the senior citizens foresightedly took lunch in paper bags; some took field glasses and there was an occasional transistor radio.

The first rush when the doors opened at 10:45 a.m. forced Samuel Meckler, 70, of 386 East 51st Street, against a wooden barricade; he was sent to St. Clare's Hospital with a lacerated ear. Eight others—including the two battlers—were treated in the first aid room for minor injuries.

Max Berger, 80, came from 26-25 Jackson Avenue, Long Island City. Why? "To see some good friends." It was explained that he was somewhat hard of hearing. "To see something good for old people," he amended.

Ben Cooper, 80, of 1151 Elder Avenue, the Bronx, came with the Golden Age Club of the Bronx River Young Men's and Young Women's Hebrew Association. He said he needed the medical-care program because "every day I'm getting a little older."

Isidore Rosenberg, 76, of 60 Avenue D., Brooklyn, a retired poultry worker, was the life of the party from the Lillian Wald Recreation Center. "I'm willing to be adopted," he announced. "I've got my own teeth."

LEFT GOP RANKS

A gentle, stately, cane-carrying man with a big Kennedy campaign button, Broaddus Andrew Jackson, of 791 Hicks Street, Brooklyn, said he was a retired merchant marine commander and 108 years old—born February 25, 1854. He said he had been a Republican until the 1960 national convention wouldn't let him nominate Governor Rockefeller for President and then he had helped to elect President Kennedy.

Mr. Jackson was introduced to Abraham A. Ribicoff, Secretary of Health, Education, and Welfare, among others. Bill Hutton, information director of the National Council for Senior Citizens, said Mr. Jackson had made 30 speeches for the medical-care program in such cities as Philadelphia, Chicago, and San Francisco. Mr. Hutton said the Social Security Administration had certified his age at 104.

In 1953, a Navy report put Mr. Jackson's birth date as February 29, 1888, which would make him now only 74. His sister Laura at that time said, "Broaddus is a dreamer, always was."

Bert Parks, the master of ceremonies, told the rally about the man who had been complimented with the remark: "Isn't it wonderful—90 and still chasing girls." The answer: "Yes, but I wish I could remember why."

COMEDIAN ENTERTAINS

When four delayed busloads with 280 senior citizens started filling the seats in the street, Jerry Shayne, night-club comedian, went out to talk. "You're interested in living," he declared. "That's the most important thing."

Mr. Shayne said he had asked two bricklayers what they were making. "I'm making a lousy $52.60 a week," one said. "I'm building a beautiful church with a spire," said the second, and Mr. Shayne said this man had the right idea, except "unfortunately he was fired—they were building a garage."

Kennedy Exhorts Public To Support Medical Care Bill—Tells 20,000 at Rally Here Program for Elderly Is as Inevitable as Tide—Doctor's Backing Cited—Wagner, Meany, and Ribicoff Join Plea for Advance in Basic Social Gains

(By Clayton Knowles)

President Kennedy took the case for medical care for the aged under social security directly to the people yesterday.

He told them their support was essential if this, or any other piece of progressive legislation, is going to be passed. And he expressed confidence that the King-Anderson bill would be passed this year or, as inevitably as the tide comes in, next year.

The President spoke to an overflow crowd of 20,000—mostly elderly persons—at Madison Square Garden. His image and words, carried nationally by all three major television networks, went to 32 other rallies and into millions of homes from coast to coast.

Mr. Kennedy and other speakers addressing the enthusiastic Garden rally likened the campaign for medical care under social security to the drive waged in the mid-thirties by President Franklin D. Roosevelt to get the original Social Security Act passed.

FURTHER PROGRESS URGED

"All the great revolutionary movements of the Franklin Roosevelt administration in the thirties," the President said, "we now take for granted. But I refuse to see us live on the accomplishments of another generation. I refuse to see this country and all of us shrink from these struggles which are our responsibility in our time."

The political implications of the President's talk were thus clearly drawn. With a pivotal congressional election coming up this fall, it was patent the Democrats hoped to claim a major achievement if the bill passed, or a campaign issue with real bite if it failed.

The President's speech, delivered extemporaneously, was simple and direct.

"This is not a campaign against doctors, because doctors have joined with us," he said. "This is a campaign to help people meet their responsibilities."

He emphasized that an insurance payment of $12 or $13 under social security (he said a month but meant a year) would enable a citizen at age 65 to qualify for medical care that might otherwise exhaust his life savings and weigh heavily upon his family.

Others on the program, notably George Meany, president of the American Federation of Labor-Congress of Industrial Organizations, and Mayor Wagner, lashed out strongly at the Republicans for obstructionism and "a clear case of legislative blackmail."

The mayor attacked the position of Governor Rockefeller and Senator JACOB K. JAVITS, both of whom must stand for reelection this year.

Accusing them of trying to dodge and hedge on this issue, he declared:

"They have been fast with the amendments and quick with the alternatives. They have sprinkled their statements on this subject with 'buts' and 'howevers.' But on this issue, there is no longer any place to hide.

"Both Governor Rockefeller and Senator JAVITS must now come out into the open and support or oppose the King-Anderson bill."

RIBICOFF ALSO SPEAKS

The big Madison Square Garden rally, which also heard Secretary Abraham A. Ribicoff of the Department of Health, Education, and Welfare, was sponsored by the National

Council of Senior Citizens of Washington and the Golden Ring Council of Senior Citizens here.

The Garden itself, all but 750 of its 18,300 seats occupied by ticketholders who paid $1 each, was still gaily decked with red, white, and blue bunting, cellophane streamers and balloons that had been used the night before at the New York birthday salute to the President.

The doors were opened at noon, and by 1 p.m., when a program of entertainment started with Bert Parks as master of ceremonies, nearly every seat in all sections but the top balcony was taken. Outside, in 90° heat on the 49th Street side of the Garden, 2,500 persons who did not have tickets listened to the program over loudspeakers.

AMERICAN MEDICAL ASSOCIATION REPLIES TONIGHT

More than 150,000, it was reported, attended the 33 rallies in all. Seven other rallies had been held Saturday, and five more are being held today. There was also extensive radio coverage.

The American Medical Association, which had charged a "propaganda blitz," and will respond to the talks by the President and key members of his administration in a half-hour TV program tonight over the National Broadcasting Co. network. Its cost has been estimated at up to $75,000.

At the outset of his talk, President Kennedy noted sadly that Adolph Held, president of the Golden Ring Council had been felled by a heart attack as he worked on rally plans.

He then outlined a typical case of a retired wage earner who "always wanted to pay his own way" but who, hit by illness, found his life savings of $2,500 to $3,000 quickly spent for hospital care. Such a person, the President said, must then look for financial help to his children, themselves "heavily burdened because they're paying for their house * * * for their sickness * * * to educate their children."

Ultimately, Mr. Kennedy went on, the retired sick citizen is forced to "sign a petition saying he's broke and needs assistance."

The President thus highlighted the "rally of three generations" theme of the Garden demonstration. Then, detailing how social security payments under the King-Anderson bill would avoid such personal tragedy and indignity, the President said:

"This bill serves the public interest. It involves the Government because it involves the public welfare. The Constitution of the United States did not make the President or the Congress powerless. It gave them definite responsibilities to advance the general welfare, and that is what we are attempting to do."

MISINFORMATION ATTACKED

He charged that the American Medical Association and other opponents of the bill were directing a mail campaign to defeat it and that half of the letters he and Congressmen received were misinformed.

He stressed that "they do not comprehend what we're trying to do."

"I hope that one by one the doctors of the United States will take the extraordinary step of not merely reading the journals and the publications of the AMA, because I do not recognize the bill when I hear those descriptions," the President said.

He urged them to write to him, to Senator CLINTON P. ANDERSON or Representative CECIL KING, sponsors of the bill, to "get a concise explanation and the bill itself and read it."

Mr. Kennedy noted that critics of the King-Anderson bill demanded to know why the Government did not "mind its own business," why it sought to "sap individual self-balance," or to "take care of all the millionaires who don't need it."

"All these arguments were made against social security at the time of Franklin Roosevelt," he said. "They're made today. The mail pours in, and at least half of the mail, which I receive at the White House—on this issue and others—is thoroughly misinformed."

Mr. Meany in his speech charged that Senator JAVITS, in commenting on the King-Anderson bill "virtually put a price tag on the Republican votes for the President's program." Mr. Meany said the price was "inclusion of commercial insurance companies" in the bill.

MUSIC PROVIDED

Entertainers who helped keep the crowd happy until the speaking program began at 2:30 p.m. included Lucia Hawkins, LaVern Hutcherson and Avon Long, who did a medley from "Porgy and Bess"; Robert Morrill, tenor of the Metropolitan, and Mitch Miller and his sing-along group. Music was provided by a 111-piece Senior Musicians Symphony under the direction of Paul Taubman.

Only the President's address was carried nationally on the extensive television hookup. The American Broadcasting Co. carried the program live from 4 to 4:30 p.m., as did the Columbia Broadcasting System for member stations. CBS affiliates and the National Broadcasting Co. carried the program at 5:30 p.m.

This staggered TV coverage was worked out to enable rallies in the western reaches of the Nation to pick up the broadcasts in their cities and pipe it by telephone line to projectors that flashed it on big screens.

POLITICS AND MEDICAL CARE

The battle over medical care for the aged has become hotter than the weather. President Kennedy is putting all his personal popularity and the vast powers of his office into the fight for congressional approval of his program to meet the health bills of elderly persons through the insurance principles of social security.

The administration's campaign reached the saturation stage this weekend with the rallies it helped organize in New York and 41 other cities. The American Medical Association and those who share its fear that the White House program means Government domination of medical affairs are at a manifest disadvantage in the competition for mass support. But they are marshaling all their professional and political influence to try to keep the administration's King-Anderson bill from becoming law.

Inevitably, the program's envelopment in politics obscures objective evaluation of its merits in meeting the health needs of the country's 17 million aged—a group that gets more numerous and thus politically more consequential each year. Hippodrome tactics, hyperbole, threats and counterthreats tend to become a substitute for calm consideration. There is nothing unique about this. It is a concomitant of the democratic process, and the United States has survived tolerably well for nearly two centuries by trusting the good sense of its citizens to decide major issues.

Our own conviction remains firm that the Kennedy program is a reasonable approach to the solution of a serious social problem. Its payroll tax provisions are merely an extension of those used for a quarter century to finance monthly insurance payments for the aged. The arguments of socialism, originally made against the basic Social Security Act, no longer come from either Republicans or Democrats. On the contrary, recognition is almost universal that the program of old-age and survivors' benefits and unemployment insurance has been a major force for economic and social stability.

We see nothing in the plan to pay hospital and nursing home bills through social security that would upset traditional patterns of medical practice or interfere with the patient's freedom to choose his physician, hospital, or nurse. The alternate proposals range from the humiliating means test of the present Kerr-Mills law to the fiscal irresponsibility of the Republican-endorsed Bow bill, under which the Government would provide $125 a year in tax credits or direct subsidies to buy private health insurance policies for all the aged, rich, or poor. Congress can best fill the gap in our existing social insurance protection by passing the King-Anderson bill.

TEXT OF PRESIDENT KENNEDY'S ADDRESS

Thank you, ladies and gentlemen. My old colleague in the House of Representatives and friend, Aime Forand, Mr. George Meany, ladies and gentlemen, and fellow Americans: I am very proud to be here today at one of over 33 meetings which are being held across the United States. And it is a source of regret to me that the head of the most significant organization here today, Mr. Adolph Held, age 77, working on this meeting had a heart attack and was taken to the hospital. I think we should pass this legislation as soon as possible.

I have come to New York because I believe the effort in which we are engaged is worth the time and effort of all of us. I come from Boston, Mass., near Faneuil Hall, where for a whole period of years meetings were held by interested citizens in order to lay the groundwork for American independence.

And while there may be some who say that the business of government is so important that it should be confined to those who govern, in this free society of ours the consent and, may I say, the support of the citizens of this country is essential, if this, or any other piece of progressive legislation, is going to be passed. Make no mistake about it. Make no mistake about it.

Now why are we here? What is the issue which divides and arouses so much concern? I will take a case which may be typical, a family which may be found in any part of the United States. The husband has worked hard all his life, and he is retired. He might have been a clerk or a salesman or on the road or worked in a factory, stores, or whatever. He's always wanted to pay his own way.

He does not ask anyone to care for him; he wants to care for himself. He has raised his own family; he had educated it; his children are now on their own. He and his wife are drawing social security. It may run $75, $100, $125 in the higher brackets; let's say it's $100. And he has a pension from where he worked, the results of years of effort.

Now, therefore, his basic needs are taken care of. He owns his house. He has $2,500 or $3,000 in the bank. And then his wife gets sick.

And we're all going to be in a hospital—9 out of 10 of us—before we finally pass away. And particularly when we're over 65.

GRADUALLY INTO DEBT

Now she is sick—not just for a week but for a long time. First goes the $2,500—that's gone. Next he mortgages his house, even though he may have some difficulty making the payments out of his social security.

Then he goes to his children, who themselves are heavily burdened because they're paying for their house; and they're paying for their sicknesses, and they want to educate their children. Then their savings begin to go. This is not a rare case.

I talked to a Member of the Congress from my own State a week ago who told me he was going to send his daughter away to school, but because his father had been sick for 2 years, he could not do it. And Congressmen are paid $22,500 a year. And that's more than most people get.

So, therefore, now what is he (the typical case) going to do? His savings are gone, his children's savings—they're contributing, though they have responsibilities of their own—and he finally goes in and signs a petition saying he's broke and needs assistance.

THE SOLUTION

Now what do we say? We say that during his working years he will contribute to social security as he has in the case of his retirement, $12 or $13 a month. (This was apparently a slip of the tongue—under the measure this would be the annual payment.)

When he becomes ill, or she becomes ill, over a long period of time—he first pays $90 (of the hospital costs), so that people will not abuse it (the social security program). But then, let's say, he has a bill of $1,500.

This legislative bill does not—that we're talking about, Mr. ANDERSON'S bill and Mr. KING'S—solve everything. But let's say it's $1,500, of which a thousand dollars are hospital bills.

This legislative bill will pay that $1,000 in hospital bills, and then I believe that he and the effort he makes in his family can meet his other responsibilities. Now that does not seem such an extraordinary piece of legislation 25 years after Franklin Roosevelt passed the Social Security Act. [Applause.]

Well, let's hear what some people say. First we read that the American Medical Association is against it, and they're entitled to be against it, though I do question how many of those who speak so violently about it have read it. But they are against it, and they are entitled to be against it if they wish.

In the first place, there isn't one person here who isn't indebted to the doctors of this country. Children are not born in an 8-hour day. All of us have been the beneficiaries of their help. This is not a campaign against doctors, because doctors have joined with us. This is a campaign to help people meet their responsibilities.

There are doctors in New Jersey who say they will not treat any patient who receives it. Of course they will. They are engaged in an effort to stop the bill. It is as if I took out somebody's appendix.

The point of the matter is that the American Medical Association is doing very well in its efforts to stop this bill. And the doctors of New Jersey and every other State may be opposed to it, but I know that not a single doctor, if this bill is passed, is going to refuse to treat any patient.

No one would become a doctor just as a business enterprise. It's a long, laborious discipline. We need more of them. We want their help—and generally we're getting it.

The problem, however, is more complicated because they do not comprehend what we're trying to do.

FREEDOM NOT AFFECTED

We do not cover doctors' bill here. We do not affect the freedom of choice—you can go to any doctor you want. The doctor and you work out your arrangements with him. We talk about his hospital bill. And that's an entirely different matter.

And I hope that one by one the doctors of the United States will take the extraordinary step of not merely reading the journals and the publications of the American Medical Association, because I do not recognize the bill when I hear those descriptions.

But, instead, to write Secretary Ribicoff in Washington, or to me—and you know where I live—or to Senator ANDERSON or to Congressman KING, if you are a doctor or opposed to this bill, and get a concise explanation and the bill itself and read it.

All these arguments were made against social security at the time of Franklin Roosevelt. They're made today. The mail pours in, and at least half of the mail which I receive in the White House and—on this issue and others—is thoroughly misinformed.

MISINFORMATION SCORED

Last week I got 1,500 letters on a revenue measure, 1,494 opposed and 6 for. And at least half of those letters were completely misinformed about details of what they wrote—and why is that so?

Because there are so many busy men in Washington who write. Some organizations have 600, 700, and 800 people spreading mail across the country asking doctors and others to write in and tell your Congressman you're opposed to it.

The mail pours into the White House, into the Congressman's and Senator's office. Congressmen and Senators feel people are opposed to it. Then they read a Gallup poll which says 75 percent of the people are in favor of it, and they say, "What has happened to my mail?"

The point of the matter is that this meeting and the others indicate that the people of the United States recognize—one by one, thousand by thousand, million by million—that this is a problem whose solution is long overdue. And this year, I believe, or certainly as inevitably as the tide comes in, next year, this bill is going to pass.

THE GOVERNMENT'S BUSINESS

And then other people say, "Why doesn't the Government mind its own business?" [Laughter.] What is the Government's business? is the question. Harry Truman said that 14 million Americans had enough resources so that they could hire people in Washington to protect their interests, and the rest of them depended upon the President of the United States and others.

This bill serves the public interest. It involves the Government because it involves the public welfare. The Constitution of the United States did not make the President or the Congress powerless. It gave them definite responsibilities to advance the general welfare, and that is what we are attempting to do.

And then I read that this bill will sap the individual self-reliance of Americans. I can't imagine anything worse—or anything better—to sap someone's self-reliance than to be sick, alone, broke or to have saved for a lifetime and put it out in a week, 2 weeks, a month, 2 months.

I visited twice today—yesterday—and once today a hospital, where doctors labor for a long time, to visit my father. It isn't easy. It isn't easy. He can pay his bills. But otherwise, I would be. And I'm not as well off as he is.

OLD BATTLES RECALLED

But what happens to him and to others when they put their life savings in in a short time?

So I must say that I believe we stand about where—in good company today, in halls such as this where your predecessors, where Dave Dubinsky himself actually stood, where another former President stood and fought this issue out of social security against the same charges.

This argument that the Government should stay out, that it saps our pioneer stock—I used to hear that argument when we were talking about raising the minimum wage to $1.25.

I remember one day being asked to step out into the hall, and up the corridor came four distinguished-looking men with straw hats on and canes. They told me they had just flown in from a State in a private plane, and they wanted me to know that if we passed the bill providing for time and a half for service-station attendants who were then working about 55 to 60 hours at straight time, it would sap their self-reliance.

NOT A HANDOUT

The fact of the matter is what saps anyone's self-reliance is working 60 hours at straight time or working at 85 or 95 cents or $1 an hour, or depending upon filling out a pauper's oath and going up and then getting it free. Nobody in this hall is asking for it for nothing. They are willing to contribute during their working years. That is the important principle which has been lost sight of.

I understand that there's going to be a program this week against this bill, in which an English physician is going to come and talk about how bad their plans are. It may be. But he ought to talk about it in England, because this plan—this plan, and what they do in England—is entirely different.

In England the entire cost of medicine for people of all ages, all of it—doctors, the choice of doctors, hospitals, from the time you're born to the time you die—are included in a government program.

We are behind every country pretty nearly in Europe in this matter of medical care for our citizens. And then there are those who say that this should be left to private efforts.

AID TO DOCTORS NOTED

In those hospitals in New Jersey where the doctors said they wouldn't treat anyone who paid their hospital bills through social security, those hospitals and every other new hospital, the American people, all of them, contribute one-half, one- or two-thirds to every new hospital through the National Government.

We pay 55 percent of all the research done. We help young men become doctors. We are concerned with the progress of this country, and those who say that what we are now talking about spoils our great pioneer heritage should remember that the West was settled with two great actions by the National Government.

One, in President Lincoln's administration when he gave a homestead to everyone who went West. And in 1862 he set aside Government property to build our land-grant colleges. This cooperation between an alert and progressive citizenry and a progressive Government is what has made this country great, and we shall continue as long as we have the opportunity to do so.

This matter should not be left to a mail campaign. Where Senators are inundated, or Congressman, 25,000 and 30,000 letters, the instructions go out: "Write it in your own hand. Don't use the same words." The letters pour in 2 or 3 weeks—half of them misinformed.

DETERMINATION STRESSED

This meeting today on a hot, good day—when everyone could be doing something else—and at 32 other meetings, this indicates that the American people are determined to put an end to meeting a challenge that hits them at a time when they're least able to meet it.

And then, finally, I had a letter last week saying, "You're going to take care of all the millionaires, and they don't need it." I do not know how many millionaires we are talking about. But they won't mind contributing $12 a month to social security.

And they may be among those who will apply for it when they go to the hospital. But what I will say is that the National Government, through the tax laws, already takes care of them. Because over 65 they can deduct all their medical expenses.

What we are concerned about is the person not who has not got a cent, but those who saved and worked and then get hit. Then there are those who say, "Well, what happens if you die before you're 65?" Well, there isn't—you really don't care—you have no guarantee.

But what we are talking about is: our people are living a long time; their housing is inadequate; in many cases their rehabilitation is inadequate.

We've got great unfinished business in this country.

But what we're talking about is entirely different. And I hope that while he's here, he—and Dr. Spock [the pediatrician] and others who have joined us—will come to see what we're trying to do.

The fact of the matter is that what we are now talking about doing, most of the countries of Europe did years ago. The British did it 30 years.

NOT A FULL SOLUTION

And while this bill does not solve our problems in this area, I do not believe it is a valid argument to say this bill isn't going to do the job. It will not, but it will do part of it.

Our housing bill last year for the elderly—that won't do the job. But it will begin.

When we retrain workers—that won't take care of unemployment chronically in some areas. But it's a start.

We don't, aren't able overnight to solve all the problems that this country faces, but is that any good reason why we should say, "Let's not even try"? That's what we're going to do today. We are trying. We are trying.

And what we're talking about here is true in a variety of other ways. All the great revolutionary movements of the Franklin Roosevelt administration in the thirties we now take for granted.

OUR RESPONSIBILITY

But I refuse to see us live on the accomplishments of another generation. I refuse to see this country and all of us shrink from these struggles which are our responsibility in our time, because what we are now talking about in our children's day would seem to be the ordinary business of government.

So I come here today as a citizen asking you to exert the most basic power which is contained in the Constitution of the United States and the Declaration of Independence: the right of a citizen to petition his Government. And I ask your support in this effort.

This effort will be successful, and it will be successful because it is soundly based to meet a great national crisis. And it is based on the efforts of responsible citizens.

So I want to commend you for being here. I think it's most appropriate that the President of the United States, whose business place is in Washington, should come to this city and participate in these rallies, because the business of government is the business of the people, and the people are right here.

SUPPORT INVITED

In closing, might we say that on this issue and many others, we depend upon your help. This is the only way we can secure action to keep this country moving ahead; to have places to educate our children; to have decent housing; to do something about the millions of young children who leave our schools before they graduate. Every day I am reminded of how many things were left undone.

Thirty years ago they provided that no drugs be put on the market which were unsafe for hogs and for cattle. We want to take the radical step of doing the same for human beings. Anyone who says that Woodrow Wilson, as great a President as he was, and Franklin Roosevelt and Harry Truman, that they did it all and we have nothing left to do now, are wrong.

We ask you, the citizens of this country, the responsible and thoughtful doctors, the hospital administrators—all those who face this challenge of educating our children, finding work for our older people, finding security for those who have retired, all who are committed to this great effort and are moving this country forward—come and give us your help.

THE BILLIE SOL ESTES CASE

Mr. METCALF. Mr. President, on Thursday, May 17, the Senator from Delaware [Mr. Williams] discussed an article from the Washington Evening Star for May 16. I was acting as Presiding Officer at the time and listened with interest to the speech. However, the Senator from Delaware failed to have the complete article inserted in the Congressional Record; and in order that the article may be read in its entirety in connection with that speech, I ask unanimous consent that the article referred to be printed at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Two Psychiatrists Found Miss Jones Mentally Ill

(By Miriam Ottenberg)

Miss Mary Kimbrough Jones, whose mental problems have been injected into the Billie Sol Estes case, was found of unsound mind by two psychiatrists at District General Hospital, court records disclosed today.

Frederick A. Thuee, chairman of the District Mental Health Commission which recommended Miss Jones' release to her sister's custody, described Miss Jones as "a very sick girl." He said the psychiatrists on the Commission emphasized to the sister that Miss Jones needed psychiatric care.

Senator Williams, Republican of Delaware, charged this week on the Senate floor that Miss Jones was "railroaded to a mental institution for no reason other than that she knew too much" about the Estes case. Miss Jones was secretary to N. Battle Hales, who has accused the Agriculture Department of favoritism in behalf of the indicted west Texas financier.

The official records in Miss Jones' case begin with a police report signed by Pvt. Robert H. Selby, of the fourth precinct, who reported answering a call to the Agriculture Department about 12:20 p.m. on April 25, 1962. While he was there, Private Selby reported, he observed Miss Jones, 51, "rambling around the office" of Dr. Lee K. Buchanan, Chief of the Agriculture Department's Health Division, "who stated that before we arrived she was hitting him on the head with her shoe, screaming and crying."

REPORTED AS CONFUSED

The policeman's report described Miss Jones as confused, saying everyone was her enemy. Her conversation, he said, was disjointed.

Private Selby concluded his brief report by saying Miss Jones' physician, Dr. Harold Heiges, "knows of her condition and wished the police to assist him. He would be waiting at District General Hospital."

Since Senator Williams has said he was told by Dr. Heiges that the physician was "not consulted prior to Miss Jones' commitment," Private Selby was specifically asked by his superior officers yesterday if he called Dr. Heiges himself or was simply told about Dr. Heiges by Dr. Buchanan.

Private Selby told police officers that Dr. Buchanan gave him Dr. Heiges' telephone number and the policeman called him. He said Dr. Heiges indicated his awareness of Miss Jones' condition and told Private Selby he would meet him at the hospital, which he did not do.

The policeman said Dr. Heiges offered to sign an affidavit for Miss Jones' commitment but Private Selby told him that would not be necessary because the police had observed enough to take her to the hospital.

CAN'T ACT ON HEARSAY

Under District law, police cannot detain a person for mental observation unless they personally witness enough to convince them that the person cannot safely remain at large.

This requirement that the police make their own observations before picking up people for commitment was put into the law as a safeguard against "railroading."

Private Selby, according to police officials, had no idea who Miss Jones was when he took her to the hospital.

On the same day that Private Selby accompanied Miss Jones to the hospital, he went through the rest of the formalities—affidavit to the chief of police saying he believed Miss Jones to be of unsound mind and a petition to the court requesting the Mental Health Commission to examine the case for commitment to St. Elizabeths Hospital or "if harmless, commitment to relatives and friends willing to accept the care, custody, and maintenance."

If the hospital had found that Miss Jones was of sound mind, she could have been released at any time, and the Mental Health Commission would have been notified to have the petition dismissed.

The hospital's psychiatrists, however, did not reach that conclusion.

PICTURED AS DANGEROUS

A medical certificate signed by Dr. Richard Schaengold and Robert H. Pine of the hospital psychiatric staff and filed with the Mental Health Commission certified that the patient was in need of hospital treatment for mental disease.

In answer to a question on the form as to suicidal or homicidal tendencies, the doctors reported: "She is dangerous to herself and others because of her mental condition."

Under remarks the doctors noted: "This patient shows a silly, inappropriate affect associated with inappropriate gesturing, loose associations, ideas of reference and excessive evasiveness, suspiciousness and guardedness. She denies any illness, insight is poor and her intellectual function is markedly impaired by autistic thinking."

In a certificate filed with the court on April 27, the two psychiatrists reported "in our judgment, Miss Jones is of unsound mind and is a proper subject for commitment to a hospital for treatment of her mental condition." Their diagnosis: "Schizophrenic reaction, acute undifferentiated type."

On May 7, the Mental Health Commission held a closed hearing at the hospital attended by Miss Jones' brother from Baltimore, her sister from North Carolina, Mr. Hales, Dr. Pine of the hospital staff, her attorney, a guardian appointed by the Commission and a Health Department representative. Neither Dr. Buchanan of the Agriculture Department nor Dr. Heiges attended.

SISTER ASKS CUSTODY

The Commission reported to the court that Miss Jones' sister, Mrs. Elizabeth Allen, of Sanford, N.C., wanted Miss Jones discharged in her custody and agreed to take care of her.

The next day, May 8, District Court Judge John L. Hart, Jr., signed an order discharging Miss Jones to the custody of her sister "who is willing to assume the responsibility and provide for the necessary care and treatment of the patient in her home under the supervision of a physician of their own choice."

Commission Chairman Thuee had not released Miss Jones as of sound mind but "we felt that if we could get her under the care of a private doctor, a good psychiatrist, there was no place like home for her."

He said one of the two psychiatrists on the Commission, Dr. Anna C. Todd, had stressed to Mrs. Allen that Miss Jones was ill and discussed the availability of a psychiatrist near their North Carolina home.

Mr. Thuee said the Commission often recommended release of the patient to their families when they were assured that proper care and psychiatric treatment would be provided and there was no apparent reason for the patient to be restrained.

Miss Jones is still in her one-room apartment in Arlington, Va., with her sister. Private Selby has made two trips to Capitol Hill to be interviewed by Members of Congress. And both the Mental Health Commission file and the court record of the Jones case are getting well thumbed as official and unofficial investigators look for anything out of the ordinary in the case of Mary Kimbrough Jones.

Mr. WILLIAMS of Delaware subsequently said: Mr. President, the junior Senator from Montana [Mr. Metcalf] earlier today inserted in the Record an article which appeared in the Washington Star of May 17 entitled "Two Psychiatrists Found Miss Jones Mentally Ill." This statement was released by Frederick A. Thuee, Chairman of the District Mental Health Commission.

That statement is directly opposite to what Mr. Thuee had stated only 10 days earlier. On May 7, when Miss Jones was discharged by Mr. Thuee and his board, he released this statement to the press; I quote:

> Miss Mary Kimbrough Jones, former secretary to N. Battle Hales, a figure in the Billie Sol Estes-Agriculture Department investigation, today was discharged from District General Hospital where she had been under mental observation since April 25.
>
> A District Mental Health Commission hearing, which lasted more than an hour, certified Miss Jones, 51, as sane.

That statement of May 7 was released by Mental Health Commission Chairman Fred A. Thuee, who presided over the three-man board, which also included two staff psychiatrists from the hospital.

During the 10 days in which they changed their mind they had not seen Miss Jones.

To show the complete inconsistency in Mr. Thuee's statements, I ask unanimous consent that there be printed in the Record immediately following the insertion of the junior Senator from Montana the article containing their original statement as appearing in the Washington Star of May 7, entitled "Hale's Ex-Secretary Ruled Mentally Sound."

Mr. President, I am beginning to wonder if these psychiatrists are not more confused than some of their patients.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star, May 7, 1962]

Hales' Ex-Secretary Ruled Mentally Sound

Miss Mary Kimbrough Jones, former secretary to N. Battle Hales, a figure in the Billie Sol Estes-Agriculture Department investigation, today was discharged from District General Hospital where she had been under mental observation since April 25.

A District Mental Health Commission hearing, which lasted more than an hour, certified Miss Jones, 51, as sane. Mental Health Commission Chairman Fred A. Thuee presided over the three-man board, which also included two staff psychiatrists from the hospital.

Miss Jones was taken to the hospital April 25 by fourth precinct police at the request of Dr. Lee K. Buchanan, Chief of the Health Division of Agriculture's personnel office.

Her former superior, Mr. Hales, today told a reporter Miss Jones had been concerned about classified files in his office which were barred to him after his transfer to another section of the Department April 20. Last Friday, in a press conference, Mr. Hales charged the files contained pertinent information in the investigation of alleged preferential treatment for Estes, a Texas financier.

Mr. Hales also charged he was transferred so he would be denied access to the records.

"I talked to her (Miss Jones) the Friday (April 20) I was barred from the records. I talked to her on the phone and she was concerned about the safety of the records. I reassured her and she seemed all right then. The next I heard, she was brought here (the hospital)," Mr. Hales said today.

A court order for mental observation was obtained April 26, according to Miss Jones' attorney, William T. Pace. The Mental Health Commission must report within 25 days whether a patient is to be retained at District General Hospital for further examination, sent to St. Elizabeths for psychiatric care, or be discharged as being of sound mind. Today's action did the latter.

Testifying at the hearing were two staff psychiatrists, Drs. J. L. Foy and Robert Pine, Pvt. Robert Selby, of the fourth precinct, who took her to the hospital, Mr. Hales, and Miss Jones' brother and sister. The hearing was closed to the press.

DUTY, HONOR, AND COUNTRY: GENERAL MacARTHUR'S MEMORABLE ADDRESS TO THE GRADUATING CLASS AT WEST POINT

Mr. GRUENING. Mr. President, at the graduating exercises of the U.S. Military Academy at West Point, General of the Army Douglas MacArthur delivered, on the 59th anniversary of his graduation, when he headed his class, a memorable address. The National Observer, from which this text is taken, states in an italic headnote that this speech was "delivered without text and without notes." If this is so—and there is no reason to doubt it—it represents either a superbly eloquent piece of extemporized oratory or a no less remarkable feat of memorizing. In either case, it is an address which, in my judgment, merits the encomium of being considered a classic. It is, I feel, one of the great speeches of American history both as to diction and content. As such, it deserves the widest dissemination.

It is therefore with a sense of deep appreciation, both for the man and his words, that I ask unanimous consent that General MacArthur's address be printed at this point in my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

An Old Soldier to the New Ones: Duty, Honor, and Country

(General of the Army Douglas MacArthur accepted the Sylvanus Thayer Award for service to his Nation at ceremonies in Washington Hall, the cadet mess hall, at the Military Academy at West Point on May 12. He was graduated from the Academy in 1903, first in his class. In this dramatic speech, delivered without text or even notes, the 82-year-old general bid farewell to the cadet corps and gave it a code of conduct.)

No human being could fail to be deeply moved by such a tribute as this, coming from a profession I have served so long and a people I have loved so well. It fills me with an emotion I cannot express. But this award is not intended primarily for a personality, but to symbolize a great moral code—the code of conduct and chivalry of those who guard this beloved land of culture and ancient descent.

"Duty," "honor," "country"—those three hallowed words reverently dictate what you want to be, what you can be, what you will be. They are your rallying point to build courage when courage seems to fail, to regain faith when there seems to be little cause for faith, to create hope when hope becomes forlorn.

Unhappily, I possess neither that eloquence of diction, that poetry of imagination, nor that brilliance of metaphor to tell you all that they mean.

The unbelievers will say they are but words, but a slogan, but a flamboyant phrase. Every pedant, every demagog, every cynic, every hypocrite, every troublemaker, and, I am sorry to say, some others of an entirely different character, will try to downgrade them even to the extent of mockery and ridicule.

But these are some of the things they build. They build your basic character. They mold you for your future roles as the custodians of the Nation's defense. They make you strong enough to know when you are weak, and brave enough to face yourself when you are afraid.

WHAT THE WORDS TEACH

They teach you to be proud and unbending in honest failure, but humble and gentle in success; not to substitute words for action; not to seek the path of comfort, but to face the stress and spur of difficulty and challenge; to learn to stand up in the storm, but to have compassion ou those who fall; to master yourself before you seek to master others; to have a heart that is clean, a goal that is high; to learn to laugh, yet never forget how to weep; to reach into the future, yet never neglect the past; to be serious, yet never take yourself too seriously; to be modest so that you will remember the simplicity of true greatness, the open mind of true wisdom, the meekness of true strength.

They give you a temperate will, a quality of imagination, a vigor of the emotions, a freshness of the deep springs of life, a temperamental predominance of courage over timidity, an appetite for adventure over love of ease.

They create in your heart the sense of wonder, the unfailing hope of what next, and the joy and inspiration of life. They teach you in this way to be an officer and a gentleman.

And what sort of soldiers are those you are to lead? Are they reliable? Are they brave? Are they capable of victory?

Their story is known to all of you. It is the story of the American man at arms. My estimate of him was formed on the battlefields many, many years ago, and has never changed. I regarded him then, as I regard him now, as one of the world's noblest figures; not only as one of the finest military characters, but also as one of the most stainless.

His name and fame are the birthright of every American citizen. In his youth and strength, his love and loyalty, he gave all that mortality can give. He needs no eulogy from me, or from any other man. He has written his own history and written it in red on his enemy's breast.

WITNESS TO THE FORTITUDE

In 20 campaigns, on a hundred battlefields, around a thousand campfires, I have witnessed that enduring fortitude, that patriotic self-abnegation, and that invincible determination which have carved his statue in the hearts of his people.

From one end of the world to the other, he has drained deep the chalice of courage.

As I listened to those songs in memory's eye I could see those staggering columns of the First World War, bending under soggy packs on many a weary march, from dripping dusk to drizzling dawn, slogging ankle deep through mire of shell-pocked roads; to form grimly for the attack, blue-lipped, covered with sludge and mud, chilled by the wind and rain, driving home to their objective, and for many, to the judgment seat of God.

I do not know the dignity of their birth, but I do know the glory of their death. They died unquestioning, uncomplaining, with faith in their hearts, and on their lips the hope that we would go on to victory.

Always for them: Duty, honor, country. Always their blood, and sweat, and tears, as they saw the way and the light. And 20 years after, on the other side of the globe, again the filth of dirty foxholes, the stench of ghostly trenches, the slime of dripping dugouts, those boiling suns of the relentless heat, those torrential rains of devastating storms, the loneliness and utter desolation of jungle trails, the bitterness of long separation of those they loved and cherished, the deadly pestilence of tropical disease, the horror of stricken areas of war.

SWIFT AND SURE ATTACK

Their resolute and determined defense, their swift and sure attack, their indomitable purpose, their complete and decisive victory—always victory, always through the bloody haze of their last reverberating shot, the vision of gaunt, ghastly men, reverently following your password of duty, honor, country.

You now face a new world, a world of change. The thrust into outer space of the satellite spheres and missiles marks a beginning of another epoch in the long story of mankind. In the five or more billions of years the scientists tell us it has taken to form the earth, in the three or more billion years of development of the human race, there has never been a more abrupt or staggering evolution.

We deal now, not with things of this world along, but with the illimitable distances and yet unfathomed mysteries of the universe. We are reaching out for a new and boundless frontier. We speak in strange terms of harnessing the cosmic energy, of making winds and tides work for us * * * of the primary target in war, no longer limited to the armed forces of an enemy, but instead to include his civil population; of ultimate conflicts between a united human race and the sinister forces of some other planetary galaxy; such dreams and fantasies as to make life the most exciting of all times.

And through all this welter of change and development your mission remains fixed, determined, inviolable. It is to win our wars. Everything else in your professional career is but corollary to this vital dedication. All other public purpose, all other public projects, all other public needs, great or small, will find others for their accomplishments; but you are the ones who are trained to fight.

THE PROFESSION OF ARMS

Yours is the profession of arms, the will to win, the sure knowledge that in war there is no substitute for victory, that if you lose, the Nation will be destroyed, that the very obsession of your public service must be duty, honor, country.

Others will debate the controversial issues, national and international, which divide men's minds. But serene, calm, aloof, you stand as the Nation's war guardians, as its lifeguards from the raging tides of international conflict, as its gladiators in the arena of battle. For a century and a half you have defended, guarded, and protected its hallowed traditions of liberty and freedom, of right and justice.

Let civilian voices argue the merits or demerits of our processes of government: Whether our strength is being sapped by deficit financing indulged in too long, by Federal paternalism grown too mighty, by power groups grown too arrogant, by politics grown too corrupt, by crime grown too rampant, by morals grown too low, by taxes grown too high, by extremists grown too violent; whether our personal liberties are as firm and complete as they should be.

These great national problems are not for your professional participation or military solution. Your guidepost stands out like a tenfold beacon in the night: Duty, honor, country.

You are the lever which binds together the entire fabric of our national system of defense. From your ranks come the great captains who hold the Nation's destiny in their hands the moment the war tocsin sounds.

The long, gray line has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue and gray, would rise from their white crosses, thundering those magic words: Duty, honor, country.

PRAYS FOR PEACE

This does not mean that you are warmongers. On the contrary, the soldier above all other people prays for peace, for he must suffer and bear the deepest wounds and scars of war. But always in our ears ring the ominous words of Plato, that wisest of all philosophers: "Only the dead have seen the end of war."

The shadows are lengthening for me. The twilight is here. My days of old have vanished—tone and tints. They have gone glimmering through the dreams of things that were. Their memory is one of wonderous beauty, watered by tears and coaxed and caressed by the smiles of yesterday. I listen then, but with thirsty ear, for the witching melody of faint bugles blowing reveille, of far drums beating the long roll.

In my dreams I hear again the crash of guns, the rattle of musketry, the strange, mournful mutter of the battlefield. But in the evening of my memory I come back to West Point. Always there echoes and re-echoes: Duty, honor, country.

Today marks my final roll call with you. But I want you to know that when I cross the river, my last conscious thoughts will be of the corps, and the corps, and the corps.

I bid you farewell.

Mr. GRUENING. Mr. President, let me add that Alaskans have special reason to be grateful to General MacArthur. He was one of the nationwide Committee of One Hundred which endorsed statehood for Alaska in 1949, when the cause was struggling for recognition. When in Tokyo in that year, I asked him whether he would join such a group. Without a moment's hesitation he replied that he would, adding, with a smile: "If you wish, like Abou Ben Adhem, I will lead all the rest."

ORDER OF BUSINESS

The **PRESIDING OFFICER** (Mr. METCALF in the chair). Is there further morning business?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senator from Rhode Island [Mr. PELL] may be granted 10 minutes in the morning hour for his message.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

RAILROAD SERVICE FOR THE EASTERN SEABOARD "MEGALOPOLIS"

Mr. PELL. Mr. President, when one flies from Washington to Boston and looks below, one suddenly realizes that this 100-mile-wide eastern seaboard area, whose 459 mile axis is the Pennsylvania and the New York, New Haven & Hartford Railroad tracks, is really one long metropolitan industrial unit.

Better designated the area of "megalopolis," over 37 million people live here. Almost 30 percent of our manufacturing is done in this relatively small strip of land. It includes 21 percent of our retailing establishments. The headquarters of our whole financial community, the arts world, and the very Capitol of our United States are here. Over 21 percent of our college graduates earn their bachelor's and professional degrees annually from institutions of learning within this area. It is, in fact, the most important single industrial area of the United States and the most valuable piece of her real estate. It provides 27 percent of our Federal income taxes. Although not our geographical heartland, it certainly is our intellectual, financial, governmental, and manufacturing heartland.

This strip of land is serviced by a multitrack system of railroads which have been having a hard time making ends meet. The New York, New Haven & Hartford section has been in receivership twice, once from 1935 to 1947 and now since July 1961. The net income for the entire Pennsylvania Railroad system has dropped in recent years from a profit of $38.4 million in 1950 to a loss of $7.8 million in 1960. In fact, the financial plight of passenger service deteriorated to such an extent that the Baltimore & Ohio Railroad even dropped all passenger service on its Washington-New York run in April of 1958.

The number of passengers riding on the New Haven tracks is about 72 percent what it was 10 years ago and 37 percent what it was 50 years ago. The very passenger service itself has declined in quality as well as quantity. On the New York, New Haven & Hartford there were 1,142 passenger trains traveling these tracks in 1960 as compared with 1,498 in 1950 and 2,522 in 1910. The Pennsylvania Railroad shows a similar, though less dramatic, downward trend. The number of passengers riding the Pennsylvania is about 61 percent of what it was 10 years ago and 66 percent of what it was 50 years ago. This trend was also reflected in a decline in passenger cars.

If ever there was an industrially and economically important area in the United States where transportation facilities should be expanded and improving, it is this 400-mile strip of land.

The present trend shows that passenger traffic in this vital area apparently cannot pay for itself if the passenger fares are to be kept anywhere near the present levels. Yet these fares are just about as high as the commuter can afford. If the rates are permitted to rise, the remaining commuters would be forced to find other means of transportation.

It has been suggested that, to meet the financial plight of the railroads, the Federal Government should subsidize them by annual grants. To my mind this is wrong since this means that the Federal Government is using general tax money to subsidize a private company's bondholders and stockholders.

It has also been suggested that if the railroad were permitted to retain the present passenger excise tax, the situation would be eased. However, while the situation would be eased for a few weeks or even months, the relief of the excise tax is, from the long-range viewpoint, like giving an aspirin pill to a man with double pneumonia. Moreover, this, too, would be a public subsidy of private individuals. Already, since World War II, the Federal Government has guaranteed $45 million in loans to the New York, New Haven & Hartford.

More drastic measures are necessary. What is the answer?

The answer is to divide the railroad system into a public authority that would carry passengers while the existing private companies would continue their more profitable function of hauling freight. This could easily be done since there is sufficient right-of-way throughout which would mean that two tracks would continue to be used for freight and the remaining tracks or right-of-way could be adapted to modern passenger travel. These latter tracks and right-of-way would be taken over by a combined nine-State—Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia—authority which would use them to erect a new modern and more efficient rail transportation system.

All told, there is ample precedent for a nine-State public authority to be formed by compact between the States to own and operate the railroad passenger service facilities in our eastern "megalopolis." Since the 1930's the interstate compact has become increasingly popular for construction and operation of both port facilities and bridges and also for control of water pollution problems. Just as interstate compacts have increased in usage in recent years, public authorities, particularly for public utilities, have also increased in usage in recent years. Although many of the public authorities have been purely local in area, a few, such as the Port of New York Authority which has operated successfully over 40 years, have been interstate.

One recent public authority created specifically to cope with the transportation problem in the Philadelphia area and having considerable success is the Passenger Service Improvement Corporation which was formed in July 1960 as a nonprofit corporation. With funds appropriated by the city council, it purchases commuter rail service from the Pennsylvania and Reading Railroads and provides improved and less costly service for the greater Philadelphia area. In just the first year of operation there was a 44-percent gain in ridership and as a result the city has arranged to purchase, for lease by the railroads on a self-liquidating basis, new air-conditioned commuter cars.

To take full advantage of the new financial and administrative framework provided by a nine-State authority, modern methods of rail transportation would be introduced. What would this mean?

It would mean that every 15 minutes, a passenger car would be moving along this track. These light-weight air-conditioned cars with automatic doors would be operated by a single attendant. They would speed along at approximately 70 miles per hour, and with the new technological advances including the possibility that these modern cars might well be monorails, ride on pneumatic tires or a cushion of air or, even, be rocket propelled, it would be a smooth ride and pleasant trip. These cars could operate in tandem in periods of peak traffic and separately in periods of moderate traffic. Greater electronic control would be installed. Stations would be modernized, updating them from the horse and buggy era. Most important, parking facilities and feeder bus service would be vastly improved. With the frequency and ease of service and with the reduced maintenance costs, the railroad passenger traffic should soon be back to what it was in 1950. Perhaps, even to what it was in 1910. And, in a few more years, we would find this strip of railroad tracks the economic link binding this whole area together, bringing decent, clean transportation to people throughout the northeastern seaboard States at a fair price.

What would be the cost? It would be expensive—a good estimate would be $500 million. To raise this large sum, the nine-State authority would issue 30-year bonds bearing a 3.5 percent coupon to be guaranteed by the States on a basis proportionate to the passenger-miles traveled by its residents. This guarantee, incidentally, would give them an AAA rating. It is not unreasonable to expect the gross passenger revenue to return to the 1953 high of about $130 million based on over 4 billion passenger miles along this trackage. If a little over $27 million a year or about 20 percent of expected revenue were available for debt service—interest and amortization—this issue could be retired in 30 years.

There is ample precedent for this kind of financing. For example, the Illinois Central, with a commendable record for making passenger service pay, allotted $8 million out of a gross income of $22 million for debt service in 1960 or 36 percent of revenue. The Port of New York Authority, an extremely sound prototype, recently floated a $35 million issue of 20 year, 3.3 percent bonds. It should be noted that as of December 31, the authority had a funded debt outstanding of $626 million and accumulative investment in facilities of $1,116,109,000.

Moreover, these nine-State authority bonds would prove most attractive for private investment since being public authority bonds, interest on them would be exempt from Federal income taxes. That the market can absorb the $500 million issue required is easily demonstrated by the fact that as recently as February 15, American Telephone & Telegraph Co. floated a single debenture issue amounting to $300 million, at an interest rate of 4⅜, due in 1994, with no tax exemptions. In fact, in April 1961, A.T. & T. had a $960 million common stock issue. Also one can turn for a precedent to the Pennsylvania Turnpike Commission which had in April 1954, a negotiated offering of $233 million with a maturity of a little less than 40 years and a 3.2-percent net interest cost. Although exempt from taxes, the special authority had no State guarantee.

Furthermore, it is quite appropriate for the States to guarantee such an issue designed to assure adequate railroad transportation. States in this country expend 25.7 percent of their revenue on highways and there should be no fundamental distinction between railway and highway travel so far as the public interest is concerned.

In sum, a nine-State public authority for a modern passenger service along this backbone of the north eastern seaboard megalopolis is certainly feasible. Passenger service along this line has clearly proven unprofitable for private companies. The public authority could succeed financially as it will pay no Federal or State taxes, can issue its bonds at a lower rate and with the improved service, a larger gain in ridership could be anticipated with subsequent gain in revenue.

Moreover, the nine-State authority will serve to bind this entire megalopolis area closer together into one integrated, revitalized economic region and traveling would once again become convenient and pleasurable.

ONE HUNDREDTH ANNIVERSARY OF THE HOMESTEAD ACT

Mr. CARLSON. Mr. President, on behalf of the Senator from Nebraska [Mr. CURTIS] I ask unanimous consent to have printed in the RECORD a statement prepared by him, dealing with the celebration of the 100th anniversary of the Homestead Act.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS ON ANNIVERSARY OF THE HOMESTEAD ACT

The United States is celebrating the 100th aniversary of the enactment of the Homestead Act. This Congress very appropriately passed a resolution which I had the honor of introducing, along with many of my colleagues, to set aside 1962 as Homestead Centennial Year.

It was in the year of 1936 that the Congress passed an act setting aside the first homestead in the United States as a Homestead National Monument. The first homesteader was Daniel Freeman, a Nebraskan formerly from Ohio, who selected a plot of land near the present city of Beatrice, Nebr., and proceeded to file claim for it.

It is an interesting and a dramatic story of how Mr. Freeman went to the historic town of Brownville, Nebr., and had the land office agent open up his office at 12:01 a.m. on January 1, 1863, the day that the Homestead Act became effective. Today this scene of this place that marks the first homestead that was filed upon and completed is a national shrine. It's right and proper that it should be.

The Homestead Act permitted our citizens to file their intentions to locate on certain land. In the beginning it was usually 160 acres. They paid certain filing fees. Then the law required them to establish a home and live on the land. They were required to make other improvements. It was their responsibility to till the soil and make it grow. Then ultimately on the payment of other fees, and the completion of all the requirements of the law, they went through what our pioneers referred to as proving up. When they completed their proving up, they obtained a patent or a deed from the U.S. Government.

It is fitting and proper that we should observe the centennial of the Homestead Act. It was signed on May 20, 1862. This act of Congress was a major factor in determining the history of the United States, yes, it has been a major factor in all of Western civilization.

Many historians have proclaimed that the Homestead Act was the greatest land disposition act ever enacted by any government, anywhere, in the history of mankind.

The Homestead Act transferred land from Government ownership not to feudal lords, not to a titled nobility, not to individuals of great wealth who could buy tremendous tracts. The Homestead Act did not set up a system of socialism or communism for communal farms. The Homestead Act transferred the land to the people. It gave birth to the family sized farm operation in the great Middle West and West, yes, in many States where public land existed.

When we look about us at the trouble spots in the world, we find that one of their problems is land ownership. The people long for land. In some parts of the world where the people are intelligent and have all the fine characteristics of Western civilization, but did not have the benefit of a homestead act a century ago, they now are faced with difficult economic problems that can breed unrest.

The Homestead Act was truly the greatest land disposition measure ever conceived by man and enacted into law.

The promise made by the platform writers of the Republican Party in 1860 that they would enact the Homestead Act was responsible for the success of that election. Qualified historians have so asserted. It represented the dream of the American people. And whether we be Republican or Democrat we are all agreed that our liberties depend upon two strong political parties. And it was the Homestead Act that made the Republican Party a permanent institution to serve the country for this last hundred years rather than an idea that just fell by the wayside after its conception.

It was the promise of the Homestead Act and his support of it that elected the great emancipator, Abraham Lincoln. The position of this infant political party on the Homestead Act was the bond that held together many people of disagreeing views and convictions. It was the political instrument which, though not intended as such, was destined to unite the group and elect the leader that saved this Union of States. Had that leader lived, some tragic pages in American history which haunt us today would have been very much different.

The Homestead Act built the great food-producing area of America. It established a middle-class economy in the Middle West and West and wherever else it was applied.

The Homestead law settled the frontier, gave hope to millions of people and led them in a way of life that meant sturdiness and stability of character.

No other act had the influence upon the destiny of America and her people as has the Homestead Act. It is well that a hundred years after its enactment we should pay honor to the homesteaders, to the individuals who conceived the Homestead Act, and to the statesmen who had the vision to write this idea into law and carry it out. They were indeed builders of both character and empire.

BANKING AND GOVERNMENT

Mr. THURMOND. Mr. President, on Saturday, May 19, 1962, the South Carolina Bankers Association was honored by having the distinguished Senator from Virginia [Mr. ROBERTSON], chairman of the Senate Banking and Currency Committee, deliver the principal address at its annual convention at Myrtle Beach, S.C. Senator ROBERTSON spoke on the subject of "Banking and Government," pointing up the importance of a sound fiscal policy by the U.S. Government, not only for bankers because of the fact that many bank assets are federally underwritten and most liabilities are also federally underwritten, but also for the American people as a whole.

In fact, Mr. President, the distinguished Senator's speech has already attracted the attention of the editors of the Sunday issue of the State and the Columbia Record of Columbia, S.C. This newspaper complimented Senator ROBERTSON in commenting on his speech in an editorial of May 20, 1962, entitled "Calhoun's Vision on Banking."

We were very pleased, Mr. President, to have this great constitutional lawyer and this outstanding authority on banking and fiscal matters visit our State and to leave with us such an important message on the relationship between Government and our banking system. We respect him not only as an advocate of sound national fiscal policies, but also as a stanch defender of those principles of Government which have made our country so strong and so free.

I ask unanimous consent, Mr. President, that Senator ROBERTSON's address and the editorial from the State and the Columbia Record be printed in the RECORD.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

BANKING AND GOVERNMENT

(Remarks of Senator A. WILLIS ROBERTSON, before the State convention of the South Carolina Bankers Association, Myrtle Beach, S.C., May 19, 1962)

I am delighted to attend this State convention of the South Carolina Bankers Association. Your association, now in its 61st year, represents members from a State of notable banking traditions and leadership.

One of the Nation's first banks opened in Charleston, S.C., as early as 1792. For the next 75 years, banks throughout the State were distinguished by the absence of any serious difficulties or failures, until the War Between the States ended. The oldest South Carolina bank with a continuous history of operation, I understand, has been in business for more than a century and a quarter. These are banking achievements of which you are justly proud.

OUR COMMON HERITAGE

A great leader from South Carolina, John C. Calhoun, was one of the country's first statesmen to perceive a national need for a competitive dual banking system and an independent monetary authority. But Calhoun was far ahead of his time. It took more than a century for his vision to materialize permanently.

My State of Virginia likes to share in South Carolina's pride concerning Calhoun's record as U.S. Congressman, Secretary of War, twice Vice President, Secretary of State, and U.S. Senator. His maternal grandfather was John Caldwell, a Presbyterian preacher in the valley of Virginia. Caldwell brought Scotch-Irish pioneers from Pennsylvania into Virginia in search of religious and economic freedom. At the time, Virginia citizens were required to pay tithes to the Church of England. But John Caldwell and his followers were exempted from paying those taxes in return for their promise to defend residents east of the Blue Ridge Mountains from Indian attacks. We Virginians feel that this background may help to explain Calhoun's courage, and his passionate love for personal freedom as well as his belief in States rights.

Virginia and South Carolina share a common concern, too, in preserving the constitutional government our forefathers established. We in Virginia still defend the conviction so aptly expressed by the resolution adopted in your State constitutional convention of 1788: "This convention doth also declare, that no section or paragraph of the said Constitution warrants a construction that the States do not retain every power not expressly relinquished by them, and vested in the General Government of the Union." I enjoy serving in the Senate with two outstanding colleagues from South Carolina who fully share my views concerning the vital importance of maintaining the principle of States rights.

DEVELOPMENT OF BANKING

The modern institution of banking, in South Carolina as elsewhere, came fairly slowly and late in our history. After the first permanent English settlement at Jamestown, exactly 175 years elapsed before the first modern type commercial bank opened for business in 1782. Since then, 180 years more have passed. Thus our Nation existed at first without any commercial banks for almost as many years as it has since operated with them.

Our first commercial bank, known as the Bank of North America, was established in Philadelphia by Robert Morris to help finance the Revolutionary War. Actually, this same bank represented the first modern type commercial bank in all of North America. It preceded the first modern Canadian bank by about 36 years, and the first modern Mexican bank by some 83 years.

Until the time of the American Revolution, the colonists had neither commercial banks nor metal currency of their own. The Pilgrim Fathers largely used Indian wampum for currency until overproduction of these shell-made beads destroyed their value. Counterfeiting of wampum even took place as imitation wampum was made of white porcelain. In our early Virginia colony, tobacco served as a principal medium of exchange. Here again, overproduction of tobacco eventually destroyed its value. What was once a conventional means of payment has long since "gone up in smoke."

Overproduction of wampum and tobacco, of course, have their modern counterparts in the inflationary printing of paper currency by certain nations. As early as 1790, Alexander Hamilton warned of this danger in his famous report to the House of Representatives on the subject of a national bank. He said: "The stamping of paper is an operation so much easier than the laying of taxes, that a government, in the practice of paper emissions, would rarely fail, in any such emergency, to indulge itself too far in the employment of that resource, to avoid, as much as possible, one less auspicious to present popularity." Even at that time, Hamilton's remarks suggested the importance of keeping the monetary authority free from undue political pressure.

Early banking in the settled areas of the New World, including South Carolina, consisted mainly of institutions that issued notes or specie rather than dealt in demand deposits. During the colonial period, in fact, the word "bank" meant "a batch of paper money"—not a deposit-holding institution. Bank notes exceeded bank deposits as a means of payment until about the time of the War Between the States. Today, of course, coin and paper currency represent only one-fifth of our so-called money supply; demand deposits, or check money, account for about four-fifths.

FIRST AND SECOND BANKS OF THE UNITED STATES

Within 2 years after the Constitution was ratified, the Congress chartered the First Bank of the United States. This step recognized, in effect, that banking was subject to special Federal action by virtue of its relation to governmental fiscal and monetary policy. Rapidly depreciating State and Continental paper money, which wasn't worth "a tinker's dam," contributed to the demand for Federal chartering.

Pierce Butler of South Carolina served as a member of the committee that reported out the Senate bill to incorporate the Bank of the United States in 1791. When the Bank's charter expired in 1811, however, it was not renewed. Within 3 years, excessive note issues of State banks led to the suspension of specie payments by nearly all banks except those in New England. Gross abuses of the note issuing privilege gave rise to the chartering of the Second Bank of the United States in 1816.

John C. Calhoun himself reported the bill to the House as chairman of the Finance Committee. In the floor debate that followed, Calhoun was reported to have said that "there then existed * * * a depreciated paper currency, which could only be regulated and made uniform by giving a power for that purpose to the General Government."

Bray Hammond, in his Pulitzer-prize-winning book on "Banks and Politics in America," wrote at length about Calhoun's leadership in getting the bill passed. Hammond noted that Calhoun "was distinguished among American statesmen in his realization that banking is a monetary function, that regulation of all the circulating medium is the duty of the Federal Government, and that the duty is to be exercised through a central bank; not for more than a century was such understanding of the subject to be expressed again in Congress."

The Second Bank of the United States, like its predecessor, performed both commercial and central banking functions. Although capitalized three and a half times more heavily than the First Bank, it was also owned and directed in part by the United States but mainly by private investors. The Second Bank was a financial giant for the time. It held about a third of all banking assets. Today, a bank with a comparable share of total assets would hold nearly $90 billion.

The operations of the Second Bank, however, failed to establish a uniform and sound currency. The Bank became the subject of bitter political strife. Andrew Jackson, as President of the United States, finally removed the Treasury deposits from the Bank in an effort to put it out of business. This step was strongly opposed by Calhoun, who decried undue executive interference with the monetary function.

For these and other reasons, Calhoun opposed rechartering the Bank. He pointed out that "an union of the banking system and the executive" would be "fatal," and he "advocated an entire divorce between the Government and the banking system." As Calhoun said, "the real question" was whether the President should have "the power to create a bank, and the consequent control over the currency."

Even at the time, the failure to recharter the Second Bank of the United States in 1836 was recognized to be a repudiation by the Federal Government of its responsibilities for monetary regulation. Twenty-seven years elapsed before our system of federally chartered banks was established permanently. Over three-fourths of a century passed before the Federal Reserve Act brought us a central banking system. This system was designed to protect it from public or private partisan influence, whether from the Executive or legislative branches or from private interests.

BANKING STRUCTURE

By next year, our banking system will represent the outcome of 100 years of experience under the National Bank Act of 1863 and 50 years of experience under the Federal Reserve Act of 1913. This experience has produced a banking structure in which about one-half of all bank assets are now held by federally chartered banks and about one-half by State chartered banks. But great diversity prevails among banks and between States. The largest commercial bank, for example, is roughly 50,000 times the size of the smallest. It holds more than twice the total assets of the 3,600 smallest banks combined.

Originally, the typical commercial bank lent chiefly to commerce, principally to finance waterborne trade. Now our commercial banks offer a wide variety of services on a competitive basis. As a recent Senate Banking and Currency Committee report noted, commercial banks have come to be "an integral and essential part of the Nation's fiscal and monetary system. The Government has a vital interest in the Nation's banks as suppliers of funds, as depositories, and as fiscal agents. Commerce, industry, and private citizens have a vital interest in banks as a source of credit needed for development and growth. Depositors have a vital interest in the safety of their deposits.

GOVERNMENT POLICIES

The integrity of our banking and monetary system which has evolved over many decades continues to be a subject of fundamental importance. In a real sense, that integrity depends upon the soundness of the Federal Government itself. Many bank assets are Federally underwritten, and most liabilities are also. For these and many other reasons, bankers have a special interest in, and responsibility for, assuring appropriate Federal fiscal and monetary policies that will promote stable economic growth, maximum employment, and reasonable price stability.

For more than a year now, our economy has moved upward from the low point of early 1961. We have attained record levels of industrial production, total physical output of goods and services, national income, and employment. The immediate prospect appears to be for at least some further expansion.

Yet we are faced in this current fiscal year with a budget deficit conservatively estimated to be $7 billion. In the foreign field, we have incurred repeated deficits in our balance of payments, evidenced in part by a continuing drain upon our gold supply. As a result, our gold supply is about $900 million lower than a year ago, although potential claims against it have risen further.

Our gold position, at first glance, appears troublesome indeed. At the end of February, the latest date for which full information is available, we had little more than $5 billion in free gold—representing our total gold stock minus the 25 percent gold reserve requirement against Federal Reserve note and deposit liabilities. Arrayed against this $5 billion free gold supply were liquid dollar holdings of $20 billion by foreign countries, and $5 billion by international institutions. These foreign liquid dollar holdings took the form of maximum short-term potential claims that might be made against our gold under the most adverse circumstances involving serious international loss of confidence in the dollar.

But we must also look at the brighter side of the picture. Our total gold supply, which could be made available to stand behind the dollar if needed, still represents more than two-fifths of the gold stock throughout the entire free world. No other free government holds even one-fourth as much gold as we do. Besides our $16½ billion total gold supply, the United States has a $4.1 billion quota in the International Monetary Fund which could be drawn upon if necessary. Billions of dollars in assets are also held abroad by the Government and by private citizens.

In any case, we have been burdened with substantial deficits in both our domestic and foreign accounts. This remains true even at a time when our population exceeds 180 million persons and when our national production of goods and services runs at an annual rate of over half a trillion dollars.

These domestic and international problems may be resolved only if we preserve confidence in our Government and the integrity of its fiscal and monetary policies. Yet if current trends continue, another substantial budget deficit may be ahead of us in the next fiscal year. Already this year, the temporary ceiling on the public debt has been raised $2 billion further to a limit of $300 billion—$22 billion higher than the ceiling in effect only 5 years ago. For the next fiscal year, the administration has urged enactment of an even higher debt ceiling of $308 billion.

In view of these trends, it is past time, indeed, to limit Government expenditures to prudent and appropriate purposes consonant with the preservation of the purchasing power of the dollar. Let us all follow the guidelines laid down long ago by Thomas Jefferson. Writing in 1808, he advised that "* * * the same prudence which in private life would forbid our paying our own money for unexplained projects, forbids it in the dispensation of the public moneys."

Even now, the Government has built up hundreds of billions of dollars in authorizations and commitments to make future expenditures, if required, in addition to outlays on the $300 billion public debt. Nearly $380 billion was outstanding at the end of last year in long-range Federal commitments or contingencies for insurance and guarantees, for Federal Reserve notes, and for undisbursed commitments to make future loans or to pay subscriptions. An additional $100 billion or more is outstanding in the form of accrued military pensions and commitments to veterans for future pensions and compensation. On top of these amounts, there are tens of billions of dollars more in recurring obligations for such items as Federal participation in employee-retirement systems and Federal aid to States for welfare programs. Finally, over $28 billion is outstanding in unused authorizations to expend from public debt receipts by drawing funds directly from the Treasury through back-door financing without requiring prior appropriations.

Again, Thomas Jefferson provides us with a word of warning. Writing in 1816, he pointed out "the salutary lesson, that private fortunes are destroyed by public as well as by private extravagance." Here is a lesson for all to heed if we are to preserve the heritage of our forefathers.

That heritage includes, of course, our tested dual system of banking. Its 100th anniversary of "Progress Through Service" is to be observed next year. Your recommendations to the administration, as well as to the Congress, on the important subject of Government economy are vitally needed if we are to strengthen and preserve sound banking and our cherished principle of private enterprise within the framework of American constitutional liberty.

[From the Columbia (S.C.) State and the Columbia Record, May 20, 1962]

Calhoun's Vision on Banking

Much about the present General Government, as he called it, would grossly offend John C. Calhoun were he alive today. And he probably would dissent more thoroughly from the efforts to increase the power of the President than anything else of this day of change that he could scarcely have foreseen.

U.S. Senator Robertson of Virginia, speaking in South Carolina yesterday, recalled Calhoun's role in the establishment of early banking in this State, and mentioned an incident which reflected the South Carolinian's view, in at least this particular incident, on the powers of the Executive.

The First Bank of the United States, bringing the Government into banking for the first time, was established in 1791, but all had not gone well and the Congress did not renew its charter. Calhoun himself reported out the bill which established the Second Bank in 1816. He said: "There existed * * * a depreciated paper currency, which could only be regulated and made uniform by giving a power for that purpose to the General (Federal) Government."

II

But, Senator Robertson recalled in his address to the South Carolina Bankers Association at Myrtle Beach yesterday, the operations of the second bank failed to establish a uniform and sound currency. And it was in an effort to find solution that Calhoun became involved in controversy with President Andrew Jackson.

Jackson removed the U.S. Treasury deposits from the bank in a deliberate effort to put it out of business. Calhoun "decried undue Executive interference with the monetary function," Senator Robertson said. In opposing, the South Carolinian said that "an union of the banking system and the Executive" would be "fatal." Calhoun then advocated "an entire divorce between the Government and the banking system." He said "the real question" was whether the President should "have the power to create a bank, and the consequent control over the currency." He seemed willing to forego his sincere interest in a banking system to head off Executive dominance.

III

It was not until 1863 before the system of federally chartered banks was established permanently, and Calhoun probably would have been in concord with the system devised had he been alive. By 1913 came the Federal Reserve System which prevails today, and which has managed to maintain reasonable independence as an authority.

Senator Robertson's address was one the weight of which was banking history, and conclusions thereon, but it is of interest to South Carolinians to be refreshed on Calhoun's part in the early stages of the essential union of Government and banking. And some insight on what probably was the South Carolinian's basic philosophy as to Executive powers was included.

What Calhoun perceived, and he was one of the first to do it, Senator Robertson said, was the need "for a competitive dual banking system and an independent monetary authority. But Calhoun was far ahead of his time. It took more than a century for his vision to materialize permanently."

Many creative men are far ahead of their time.

ARMY RESERVES IN HAWAII

Mr. FONG. Mr. President, the movement of Army troops from Hawaii to Thailand emphasizes the folly of the Defense Department's proposed reductions in Hawaii's Army National Guard and possible reductions in Army Reserves in Hawaii.

With elements of our regular troops dispatched to the Far East, this is not the time to reduce Hawaii's reserve forces.

Last week 1,000 troops based at Schofield Barracks on Oahu were dispatched to reinforce the 25th Infantry Division's 1st Battle Group 27th Infantry Wolfhounds, which were already in Thailand on a training mission.

These soldiers are being stationed at key points along the Mekong River to demonstrate America's determination to prevent Communist incursions into our friend and ally Thailand.

As the hub of our Nation's farflung Pacific defense forces, Hawaii was first to be called to meet the crisis in Thailand. We have long accepted the fact that Hawaii would play a key role in our defense activities in Asia and the Pacific. With the continuing turbulence engendered by the Communists in that theater, the prospect of sending Army, Navy, Marine, and Air Force units from Hawaii is constantly before us. Military personnel stationed in Hawaii undergo intensive training against such a possibility. Our famous Wolfhounds, already in Thailand, spent their time in Hawaii in jungle and guerrilla warfare training.

With these troops called to station in southeast Asia, the Defense Department should rescind its proposed reduction in Hawaii's Army National Guard and Reserve units, the backup forces supporting our Regular Army.

Mr. President, I ask unanimous consent to have printed in the Record, at this point several articles detailing the dispatch of Hawaii-based forces to the Asia theater.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Honolulu Star-Bulletin, May 15, 1962]

Isle Troops Ordered to Southeast Asia—Hickam and Schofield Personnel Set To Join 25th in Thailand

(By Malcolm Barr)

Battle-ready troops from the 25th Infantry Division already stationed in Thailand to meet the Laotian crisis will be bolstered by an additional 1,000 Schofield-based men in the near future, Adm. Harry D. Felt, commander in chief Pacific, announced this morning.

The movement of troops, partially by an airlift originating at Hickam Air Force Base, could begin within the next 36 to 72 hours.

Lt. Gen. James L. Richardson, Jr., deputy commander, U.S. Army Pacific, was to leave today for Bangkok.

Felt has named Richardson commander of a joint task force consisting of sea, air, and ground units.

The 7th Fleet will land an 1,800-strong Marine batallion at Bangkok tomorrow.

These will be the first ground reinforcements for the 25th Infantry Division's 1st Battle Group 27th Infantry Wolfhounds, which were placed in the area last month following a Southeast Asia Treaty Organization exercise.

Either in Thailand now, or on their way, are a 7th Fleet Marine Attack Squadron flying A4D aircraft, and elements of a 13th Air Force Tactical Fighter Squadron flying supersonic F-100 aircraft.

The 13th Air Force is based in the Philippines, and the remainder of the squadron will make the flight tomorrow.

These announcements came from Felt within a few hours after President Kennedy announced that U.S. forces would go into battle if the Communists in neighboring Laos cross the Thailand border.

The President's first action was to order 1,800 Okinawa-based Marines to land at Bangkok. They had been sent on their way during the weekend. These are the men who will join up with the 27th Infantry Wolfhounds.

Gen. Paul D. Harkins, who left Hawaii recently to command the U.S. Military Assistance Command in South Vietnam, has been handed additional similar duties in Thailand.

Harkins will be reporting to Felt in both these capacities.

A Felt spokesman added that Hickam Air Force Base will enter the picture as a partial airlift of island-based troops swung into action.

Presumably a number of men and some equipment will go from here by sea.

Seventh Fleet carrier attack squadrons and antisubmarine warfare units were this morning assembling in the South China Sea.

NO INFORMATION

It couldn't be learned this morning just what additional units from Schofield are earmarked for the crisis area.

However, for the Wolfhounds who were sent there originally to train in jungle warfare tactics with the Royal Thai Army, this may be their first taste of action on the southeast Asia mainland.

[From the Honolulu Star-Bulletin, May 15, 1962]

United States and Russia Agree on Need for Cease-Fire

Washington, May 15.—President Kennedy today ordered 5,000 U.S. troops to take up battle stations in Thailand to protect it from Communists in Laos.

Russia and the United States quickly agreed on the necessity for a cease-fire.

Kennedy directed that the first contingent of reinforcements, a Marine combat group, go ashore at Bangkok tomorrow.

Moving to help protect Thailand from the threat of Communist forces in neighboring Laos, Kennedy directed the first contingent of reinforcements, a Marine combat group, to land at Bangkok tomorrow.

Russian Ambassador Anatoly F. Dobrynin later met with Secretary of State Dean Rusk on the explosive southeast Asian crisis.

Dobrynin said afterward that sending troops does not help to solve the situation in Laos.

CEASE-FIRE

But he endorsed a call for a cease-fire and continuation of diplomatic efforts to work out a neutral and independent government by the Lao.

The Ambassador told newsmen after his 55-minute talk with Rusk that it was necessary to put into effect the agreement that was reached by Kennedy and Soviet Premier Nikita S. Khrushchev at their June 3-4, 1961, meeting in Vienna.

In their communique at the end of that meeting, Kennedy and Khrushchev said: "The President and the chairman reaffirmed their support of a neutral and independent Laos under a government chosen by the Lao themselves, and of international agreements for insuring that neutrality and independence, and in this connection they have recognized the importance of an effective cease-fire."

Before the meeting Rusk said that, on the basis of Russia's past announcements, the

Soviets could and should help obtain a Lao settlement.

The President, declaring the Red threat to Thailand to be of grave concern, directed a force of 1,800 Marines to land at Bangkok, Thailand's capital, at 5 a.m. H.s.t., Wednesday.

They will join 1,000 U.S. soldiers now in Thailand and moving toward the Lao border.

NEW COMMAND

The Defense Department later announced that U.S. military forces in Thailand will be built to about 5,000 men. Secretary of Defense Robert S. McNamara said the U.S. military force in Thailand would get a new overall command.

The buildup includes the 1,000-man Army battle group already in Thailand for Southeast Asia Treaty Organization maneuvers.

To this will be added the Marine battalion of about 1,800 men from the 7th Fleet. The Marine contingent also will have its own technical air units.

In addition, about 1,200 Army forces from the Pacific area, including Hawaii, will be sent in. The Pacific Air Force will provide tactical units to give air cover to the Army ground troops.

Both Marine and Air Force air units will be based in Thailand.

THE TROOPS

This will line up 5,000 U.S. fighting men alongside an anti-Communist Thai force of 120,000 men.

The Communists have an estimated 29,000 men in neighboring Laos, where they have routed Royal troops. The Red led force consists of about 19,000 Pathet Lao troops and 10,000 North Vietnamese jungle fighters.

Terming his move a defensive act, Kennedy said he sent in the troops because of recent Communist attacks in Laos breaking the cease fire, and because Communist military units were moving through Laos toward the Mekong River border of Thailand.

Other developments in the southeast Asian crisis:

The President announced his action after briefing congressional leaders of both parties and after this country's principal allies in southeast Asia and the Far Pacific had been advised. The allies were told the United States acted under terms of the southeast Asian defense pact (SEATO).

Prior to the Rusk-Dobrynin meeting, British Foreign Secretary Lord Home said in London that Britain had failed in efforts to get Russia to try to restrain Red forces in Laos. Britain and Russia are cochairmen of the 14-nation conference on Laos.

In Moscow, an article in the Communist Party's official newspaper, Pravda, said latest U.S. efforts to help anti-Communist regimes in southeast Asia were a dangerous step fraught with serious consequences.

In Bangkok, the Government of Thailand put out the welcome mat for the U.S. troops. It said they were being sent into the country in accordance with the SEATO Treaty and pledges of U.S. aid received last March.

Gen. Paul D. Harkins, now U.S. commander of the 6,000-man force in South Vietnam, will be given the job of heading U.S. Forces in both Thailand and South Vietnam.

A Pentagon spokesman said that Lt. Gen. James L. Richardson, Jr., the deputy commander of U.S. Army Forces in the Pacific, has been designated to command the combat elements of Harkins' overall command.

The reference by the Pentagon spokesman to combat elements pointed up that this is no mere assistance outfit going into Thailand, but a fighting force.

Harkins' force in Thailand also will include the joint military assistance advisory group of a little over 200 men which has been there for several years.

Kennedy's statement said the U.S. military forces were being put into Thailand so that "we may be in a position to fulfill speedily our obligations" under the 1954 Manila pact, a defense agreement approved by the Senate.

The President recalled that the U.S. Secretary of State and the Foreign Minister of Thailand had referred to this pact in a joint statement on March 6. The key portion of this statement gave U.S. assurances that this country regarded defense of Thailand as an obligation of the United States to that country, as well as a matter for action by SEATO.

An administration official said the additional elements consisted of 1,800 marines who will be landed at the Bangkok naval base at 10 a.m. Washington time tomorrow.

He said they are being moved in by units of the 7th Fleet.

Kennedy said the sending of additional U.S. forces to Thailand was considered desirable "because of recent attacks in Laos by Communist forces, and the subsequent movement of Communist military units toward the border of Thailand."

The President called a threat to Thailand a matter of grave concern to this country.

But he said he wished to emphasize that the dispatch of U.S. forces to the southeast Asian nation is "a defensive act on the part of the United States" and completely consistent with provisions of the United Nations Charter which recognizes that nations have an inherent right to take collective measures for self-defense.

Kennedy said that he had directed that the United Nations be notified of the actions this country is taking. He said, too, that "we are in consultation with SEATO governments on the situation."

Kennedy's announcement followed one in Bangkok by Premier Sarit Thanarat that Thailand and the United States had agreed to the stationing of U.S. troops in Thailand.

[From the Honolulu Advertiser, May 15, 1962]

Schofield's Wolfhounds Once Again At the Front

(By Scott Stone)

When the United States decided to leave the 27th Infantry in Thailand because of the Laos crisis, it put one of the most colorful units in the entire Army back in its accustomed place—at the front.

From Siberia, where the "Wolfhounds" picked up their nickname, to the steaming jungles of southeast Asia, neither geography nor climate nor mission have unduly disturbed the 61-year-old unit.

In 1918 the United States and several other nations sent troops to Siberia to fight the Bolsheviks. During its 2 years there the 27th was likened to the Russian borzoi—Wolfhound—so gentle to friends, so vicious toward enemies.

The name caught on, became the first nickname to be made an official part of the unit designation. They also picked up a motto: "Nec Aspera Terrent," meaning "Nor hardships do they fear."

In 1941 the 27th helped prepare the defenses of Oahu, then went off to combat in Guadalcanal, northern Solomons, and in Luzon, winning decorations and adding to their reputation.

After the war, in Japan, the Wolfhounds invaded Holy Name Orphanage and opened their hearts to the children. To date the men have donated nearly a third of a million dollars to keep the orphanage going and the children content.

A sightless youngster at the orphanage once wrote the Wolfhounds, "I feel so sorry for the other children who have only one father. I have so many."

When hordes of Communist troops raced across Korea's 38th Parallel in June 1950, the Wolfhounds got ready for action again and in July the Wolfhounds were engaged in the professional soldier's occupation. Outnumbered but never outfought, the Wolfhounds came out of the bitter Korean fighting with four Distinguished Unit Citations from the United States and four Presidential Unit Citations from the Republic of Korea.

The unit took part in 10 campaigns in Korea, then returned to Schofield Barracks and was reorganized into a battle group under the Army's pentomic structure of five battle groups within a division.

As part of the Schofield-based 25th Infantry Division, the Wolfhounds have spent their time in Hawaii in jungle and guerrilla warfare training. The present commander of the unit is much-decorated Col. William A. McKean, 42, of Jacksonville, Fla.

[From the Honolulu Advertiser, May 15, 1962]

Keep Swamp, City Urged

Prompt action to acquire Kawainui Swamp for future park development is "imperative," says the League of Women Voters of Honolulu.

The league reiterated its support of the proposed Kawainui regional park in a letter to councilmen, who are debating whether to buy the 740-acre property or release it for subdivision development.

A decision is expected at the council's May 29 meeting when a resolution authorizing the administration to apply for Federal assistance will be presented.

The league said:

"A vital facet of good planning is the preservation of open, green areas. Good planning will make provision for the acquisition of open areas before, not after, development has taken place."

The letter cited Kawainui Swamp's strategic location mauka of Kailua between the approaches to the Pali and Wilson tunnels.

"This site is uniquely suited to the development of inland water recreational facilities, providing an additional tourist attraction," it said.

The league also argued that since Oahu's housing emergency has passed, the council should feel no obligation to clear the way for the proposed Trousdale Construction Co. subdivision.

"Subdividers have already committed themselves for more property than present demands require," councilmen were told.

The windward Oahu chapter of the league is one of the dozen Kailua organizations which have joined in arranging a public meeting to rally support for the park idea.

The meeting will be held at 7:30 tomorrow at Kailua High School.

ONE OF EVERY FIVE RESIDENTS OF THE UNITED STATES IS OF FOREIGN STOCK

Mr. SALTONSTALL. Mr. President, recently I made a brief statement on the Senate floor regarding the need for updating our immigration laws. The main purport of my remarks was that the 1960 rather than the 1920 census should be utilized in determining national quotas and that new quotas should be substituted for those presently prescribed. I said that—

> Of the 2.5 million immigrants to this country during the 1950's, only 1 million were admitted under the provisions of the 1952 Immigration Act. The majority, 1.5 million, were nonquota, entering by means of special supplementary legislation of the Congress.

Congressman Walter called to my attention the fact that this statement unfortunately conveys the improper impression that all nonquota immigration has occurred under special legislation rather than under the provisions of the 1952 basic immigration code. I agree that such is not the case. Factually, during the fiscal years 1953 to 1961 the total number of quota immigrants was 844,281. Of the 1,471,906 nonquota arrivals in the same period, 1,173,911 qualified under provisions of the 1952 code and 297,995 were admitted under special legislation. I am grateful to Congressman WALTER, because I want to be accurate.

According to the 1960 census figures, one out of every five residents of the United States is either foreign born or native born of mixed foreign and native parentage. The slightly more than 34 million persons in the Census Bureau's foreign stock category include nearly 10 million foreign born and more than 24 million of native birth, with at least one parent born abroad. This means that many of these American citizens still have relatives or members of their own families abroad whom they are anxious to have join them in the United States. Relying on the 1920 rather than the 1960 census as the basis for determining national quotas adds to the difficulty of these people in getting their relatives and members of their own families on the quota lists of the countries. This is particularly true of Italy and Greece. Consequently, I believe that the 1960 census should be made the basis of determining quotas rather than one which is 40 years old.

There are, of course, other amendments of the law that may be properly promoted, but in my opinion if the latest census figures were used it would be much fairer to American citizens of certain nationalities who are seeking to be reunited with their loved ones.

FATEFUL FELLOW TRAVELERS

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent to have printed in the RECORD an article as written on May 15, 1962, by Mr. Gould Lincoln, entitled "Fateful Fellow Travelers." In his article Mr. Lincoln pays a well-deserved tribute to the Senator from Virginia [Mr. BYRD] with respect to his attempt to preserve some degree of fiscal sanity at the national level and his continued fight against an overconcentration of bureaucratic power.

There being no objection, the article was ordered to be printed in the RECORD as follows:

FATEFUL FELLOW TRAVELERS

(By Gould Lincoln)

Big spending by the Kennedy administration is a fellow traveler of its big power grab. Senator HARRY F. BYRD, of Virginia, chairman of the important Senate Finance Committee which handles all tax legislation and also of the Joint Committee on Reduction of Nonessential Federal Expenditures, has tackled both issues in speeches to the Senate and to the Delaware Bankers Association. In his opinion, if the administration does not change its financial and governmental policies, the American people are in danger of great inflation, devaluation of the dollar, and indeed, of drastic changes in their Government and freedom, such as has followed in the footsteps of unsound financing in other nations. Americans are not encouraged to tighten their belts but to spend more. And the Federal Government sets the spending pace for them. In the opinion of Senator BYRD, neither individuals nor nations can spend themselves out of debt.

This, to New Frontiersmen, is old stuff and outmoded. President Kennedy in a speech in Milwaukee over the weekend called it a do-nothing policy. The President has called on Congress for great additional Federal expenditures and for great additional powers, which mean still greater Federal expenditures. These are the problems which confront Congress on the eve of an election. The argument of the administration is that its policies will lead to ever-expanding business, national production, and increasing Federal revenue. The administration is on a treadmill, apparently unwilling to slow down or get off. The question is, How long can this kind of thing continue?

SEES DOUBLE PERIL

Senator BYRD said the American people face two dangers to the value of the dollar—one from the domestic deficit of the Federal budget, and the other from the foreign deficit in our international balance of payments. "There was a $4 billion deficit (in our Federal budget) last year, there will be a $7 billion to $10 billion deficit this year, and there will be another deficit of $3 billion to $5 billion in the coming fiscal year," he continued. "The statutory Federal debt limit has been raised twice in the last 11 months. A third request is pending, and I shall oppose it. The (national) debt is approximately $300 billion. The administration estimates that its spending will raise it close to $308 billion in the coming year."

The Virginia Senator said the country is told by the administration the fiscal situation will be all right if the Federal budget is balanced over a cycle of years, and that this will be possible if the Federal Government will spend enough to raise the national production high enough to produce the necessary revenue.

"This is evil fiction," Senator BYRD declared. "It never has worked; it is not working now. * * * A prudent government would balance its budget by stopping nonessential expenditures. This is not being done. The hard fact is that continuing deficits ultimately end in bankruptcy. When a nation goes bankrupt, its assets are not taken over and sold to satisfy its debts. Its money becomes worthless; its economy disintegrates; its form of government falls and changes."

THE MAIN ISSUES

The big question is: Will the people pay attention to the warnings of Senator BYRD, in the face of the big promises and the big spending of President Kennedy? Further, will Congress pay attention and be more restrained when it comes to handling the administration's demands?

Senator BYRD told the Senate that no President in the history of the United States has asked Executive power such as is embodied in two proposals which Mr. Kennedy has before Congress today. Under one, which is pending in the Senate now, the President could spend public funds without appropriation. Under the other, he could cut taxes by Executive order. The first is contained in a $2.5 billion public works bill, which authorizes the President, when he believes it wise, to spend money which has been appropriated by Congress for other purposes. The second is a tax proposal, giving him authority to cut income taxes when he believes it wise to stimulate buying power.

"Both proposals," Senator BYRD insisted, "would undermine the Constitution which prohibits expenditures except in 'consequence of appropriations made by law,' and fixes the taxing power of the Government in the legislative branch. The President says he wants these powers for use in unemployment relief. Where is the emergency justifying such grants of power? * * * Is it a plan to speed up spending?" Senator BYRD declared that Congress could be called into session in any emergency, or remain in constant session, rather than place more power in the hands of the Executive.

"Use of the Federal whiplash on a segment of the Nation's industry in recent weeks shocked the country, but it should have surprised no one at this late date. The increasing dominance of the executive branch in the Federal Government is combined with the usurpation of power in a continuing line of decisions by the Warren Court."

THE TRADE EXPANSION ACT OF 1962

Mr. HARTKE. Mr. President, I rise today to express my deep concern over the President's proposed Trade Expansion Act of 1962. Indiana has a vital stake in any action which would affect trade, for 6 percent of Indiana's workers are completely dependent on exports for their living. The majority of these employees are engaged in manufacturing.

It is generally believed that Indiana is primarily an agricultural State, but as a matter of fact 62 percent of Indiana is urban. Manufacturing is the leading economic activity in Indiana and the largest source of employment for the State's labor force. There are several industrial areas in Indiana. Many of our large cities, such as Indianapolis, Gary, Fort Wayne, Evansville, South Bend, Terre Haute, Elkhart, and East Chicago, are great industrial centers. These tremendous centers of industry are a powerful source of economic strength for Indiana and for the Nation.

In 1960 Indiana ranked 10th in the Nation in the export of manufactured products with a total export value of $483.6 million. This $483.6 million was 3 percent of the Nation's total exports. The same year over 300 Indiana firms exported more than $25,000 in manufactured goods. These firms employed 310,259 Hoosiers or 52 percent of Indiana's total working force, in manufacturing.

It is evident, Mr. President, that the future of Indiana's exports of manufacturing is of great importance to the rest of the Nation; similarly the future of America's exports in manufacturing will have a terrific impact on Indiana's manufacturers. At present the United States exports more merchandise than it imports. In 1961 the surplus was $5 billion. As you know, this surplus is essential to the national security of America because it helps us pay for our military and economic aid and for other national commitments abroad.

In spite of a favorable balance of trade, however, the United States has been experiencing a deficit in its international accounts. Settlement of this deficit has led to an outflow of U.S. gold and dollars. To stem this outflow, it is essential that we increase our exports, thereby further increasing our trade surplus and helping us to pay our international commitments without having to use gold.

Trade also strengthens the United States and her allies against the economic warfare of the members of the Communist bloc. Thus, efforts which will increase international commerce will also create a more prosperous America and a stronger free world.

The farmers of Indiana, too, have a paramount interest in the future of American exports. Five hundred and ninety dollars of the annual income of each Indiana farmworker comes from the sale of farm products abroad. Sales to foreign agricultural markets bring $150 million to Indiana's total agricultural income. Mr. President, the farmers of Indiana and of our Nation as a whole would be adversely affected if, with all our present surplus, we should suddenly lose our export markets.

In the 1960 to 1961 crop year, Indiana's share of the U.S. total exports of agricultural products was $149.3 million; 15,700 Hoosier farmworkers, or 7.2 percent of all the workers on Indiana farms, were producing for export.

Sixty million acres of American cropland—1 out of every 6 acres harvested—produce for export. American agricultural products are being exported at a record high of $5 billion annually. U.S. farmers need these exports as an important source of income. Foreign consumers need our exports as a significant source of food and clothing.

In the more prosperous countries of the world, incomes are rising, and there exists an excellent opportunity for America to sell larger quantities of farm products, provided such countries maintain liberal trade policies that will permit U.S. agricultural commodities to enter and compete on equal terms with those of other suppliers. In the less prosperous countries American farm products obtained under such programs as food for peace are helping these countries in their economic development and simultaneously are increasing U.S. prospects for future commercial sales to them.

I am certain, Mr. President, that my colleagues are as eager as I that the farmers and manufacturers of our great Nation be allowed to continue to prosper from favorable trade conditions. The opportunity to insure these favorable conditions will soon be before the Senate. I sincerely trust that my distinguished colleagues will act in their wisdom to guarantee for America the continued prosperity and economic expansion through trade.

PROPOSED JOINT COMMITTEE ON INTELLIGENCE

Mr. PELL. Mr. President, I ask unanimous consent to have printed in the Record the excellent editorial in the New York Times of May 19, 1962, advocating the creation of a watchdog Joint Congressional Committee on Intelligence which would keep tabs on the CIA. We heard several months ago about the importance of separating intelligence collection from operation. Apparently, in spite of the Cuban fiasco and all we heard following it, these contradictory activities continue under the same roof.

I also hope that hearings on Senate Joint Resolution 77 will be held soon in order that this whole problem of a watchdog committee may be more fully investigated and that the Senate may be able to have the opportunity to arrive at an informed judgment concerning it.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Sequel to the Powers Case

John A. McCone, vigorous new director of the Central Intelligence Agency, has been demonstrating as head of CIA the strong leadership and quick comprehension which all those who knew him had anticipated.

Yet there are, inevitably, carryovers from the past which still leave disquieting memories. One of these is the case of Francis Gary Powers, the pilot of the U–2 high-flying plane lost over Soviet Russia in 1960. The carefully staged and well-greased arrangements for Powers' public appearance before the Senate Armed Services Committee a few weeks ago did little to allay the doubts raised by the inept handling at the time of the U–2 incident.

Questions are still being asked, and the lessons of the U–2 which should have been underscored after Powers' return remain hazy and confused. The questions are many and publicly unanswered: What were Powers' orders about the destruction of his plane? Why did the Government launch a cock-and-bull cover story when the U–2 disappeared? Was Powers really ordered to cooperate with his captors? Is it the Government's belief that the U–2 was actually damaged by a Soviet rocket? And so on.

The lessons, which should have been sharply drawn by the Senate hearing, have been fuzzed up and forgotten. But they are plain enough.

The first is that the qualifications possessed by a competent technician, no matter how expert, are not alone sufficient for a job of such risks and importance as that of Powers.

The second lesson is that high pay is not an adequate motivational reward for the kind of risks Powers and his comrades took. A man will die for his country and for the belief in what he is doing, but money cannot purchase this emotional resolve.

The third lesson is that the CIA should have been better prepared for what did happen than our heavy-handed fumbling at the time indicated. It is quite true that the CIA was not alone in its mistakes. Government bureaucracy, crossed purposes, and some poor judgment contributed to making a bad situation worse. But the CIA has had in the past too much of a history of free wheeling.

Congressional control is even more important for a secret intelligence agency than it is for the military. That control has been too loose in the past. There is one ready way to remedy it—the creation of a watchdog committee of both houses of Congress—a Joint Congressional Committee on Intelligence, which could monitor CIA operations just as the Joint Committee on Atomic Energy watches over the AEC.

TAX BILL—OPPOSITION TO WITHHOLDING TAX ON INTEREST AND DIVIDENDS

Mr. BYRD of Virginia. Mr. President, I have prepared a statement relating to the tax bill—H.R. 10650—which is now under consideration by the Senate Finance Committee. I ask unanimous consent to have this statement printed in the body of the Record as a part of my remarks at this time.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Byrd of Virginia

I have the honor of being chairman of the Senate Finance Committee. In this position I usually refrain from announcing my position on legislation pending in the committee until the committee has acted. I am now constrained by current circumstances and long experience with Federal tax legislation to make this statement at this time; and I do so in my own right as an individual Senator from Virginia.

I shall oppose administration proposals in the pending tax bill to withhold 20 percent in personal income taxes on interest and dividends, and to give a 7- or 8-percent tax credit to segments of business for investment in new machinery and equipment.

I have reached this firm position with respect to these two provisions in the bill after fullest consideration of views expressed by witnesses in exhaustive hearings, and those set forth in thousands of communications from the general public.

I have given closest possible study to statements in behalf of the administration's recommendations, including those by the President in his press conference of May 9 and those made by the Secretary of the Treasury before the Finance Committee and elsewhere.

In addition, I have called on my own experience, and knowledge of existing authority and facilities which had better be fully employed to curb tax evasion and revise depreciation credit before we resort to the withholding and tax credit legislation now proposed.

Members of Congress have been placed under tremendous pressure by representatives of the administration pressing for enactment of these proposals, and by citizens throughout the Nation overwhelmingly urging their rejection.

The hearings on the bill—which started April 2 and continued until May 11—have now been concluded. And at this point, under circumstances outlined, I am making this statement at this length to state my individual position with respect to the withholding and tax credit provisions in the bill, and describe in some detail the consideration leading to them.

Generally, the reasons for the conclusions I have reached may be summarized in a measure, and this I have attempted to do. But in view of the extraordinary interest demonstrated with respect to these two proposals, I shall include also additional detail for further consideration if it is desired by those who may be interested in this legislation.

I oppose enactment of the withholding proposal at this time for numerous reasons including:

1. Withholding taxes on interest and dividends cannot be compared with withholding taxes on salaries and wages; its administration would be terribly complex, if not impracticable and unworkable.

2. It would, by its inherent deficiencies, overtax people for extended periods, and impose hardship or inconvenience not only on taxpaying citizens but also on institutions and businesses used by the Government to collect the taxes.

3. Respect for our tax system must be maintained. It is necessarily complex enough. Unnecessary confusion must be avoided. The agitating characteristics of this proposal are already clear from public reaction. Tax evasion cannot be condoned, but this withholding proposal should be enacted only as a last resort.

4. An alternative is available, and it should first be given full trial. The Internal Revenue Service is now assigning numbers to taxpayers to eliminate identification difficulties, and at the same time it is installing computers to show currently what taxpayers owe the Government and vice versa. This combination should and will provide information for effective curtailment of tax evasion.

When the so-called identifying numbers bill was presented to the Senate by the Senator from Virginia and passed late on the night that Congress adjourned last September, Treasury officials had advised me that the following statement could be made with accuracy on the floor of the Senate:

"This would be the biggest loophole closing bill in history; that it would increase Federal revenue by $5 billion; and that when used in the computers, those avoiding taxes could be identified and compelled to pay."

In response to questions during his testimony on the pending bill, the Secretary of the Treasury, Douglas Dillon, on May 10, confirmed the fact that:

"With identifying numbers and the computer systems, the Internal Revenue Service could obtain information necessary to levy proper taxes on interest and dividends, and with that information the Government's remaining job was to collect the taxes. Secretary Dillon's only substantial reservation was that additional agents would be needed."

I am convinced that in the interest of good government the numbers-computer systems should be thoroughly tried before we resort to the administration's plan for withholding taxes on interest and dividends, which is certain to be accompanied by widespread confusion and considerable hardship.

If there is need to have more complete reporting—by banks and businesses—of information on income from interest and dividends, and heavier penalties for tax avoidance in these areas, I shall offer amendments providing for both.

Under terms of the pending bill, this withholding provision would not be effective until January 1, 1963. The complexities involved make it doubtful as to whether this withholding plan could be put into operation before 1964. The Secretary of the Treasury has testified that the numbers-computer systems would be in full operation during 1965–66; and in my judgment, if the effort were made, they could be in effective operation by 1964.

If, after reasonable trial in full operation, it is found that the numbers-computer systems do not close the loophole through which taxes on interest and dividends are being evaded, avoided or overlooked, withholding can be adopted. But the numbers-computer systems should have a thorough trial.

I oppose enactment of the tax credit proposal in the pending bill also for numerous reasons, including the facts that:

1. It is wrong in principle. It is in the nature of a Government payment before the fact instead of a credit for an accomplished fact.

2. It is a subsidy in the nature of a windfall to be given to businesses which comply with a Government policy.

3. It is discriminatory in its application among various businesses, even among those similar in kind. Incentive is a stated purpose of the proposal, but it would be retroactive to last January 1, and it is difficult to understand how the provisions would be an incentive for investments made before it is enacted. It would be a bonanza for certain corporations which could reach $600 million.

4. An alternative is available. The Government has the authority, and belatedly is now taking action to modernize Internal Revenue regulations to provide realistic depreciation credit for plant and equipment.

These observations are expanded, and others are set forth, in the following sections of this statement:

WITHHOLDING ON DIVIDENDS AND INTEREST

All taxpayers should bear their fair share of the tax burden. Over the years we have searched for feasible means of withholding on interest and dividends. I had hoped the pending administration proposal would meet the difficulties. This has not been done, and I have concluded that the legislation should not be adopted at this time.

My present view is attributable primarily to two facts: First, the Treasury Department has not come up with a workable system of withholding. The proposal neither removes the hardships for the small shareholder or depositor who owes little or no tax, nor is it a workable system for the banks and corporations paying the interest and dividends. Second, I am convinced that the Treasury has not as yet made full use of the new social security numbering bill we passed last year nor automatic data processing, which is so closely interrelated with the numbering bill. As I point out, I believe that with an extension of the application of information returns, there is a good possibility of collecting the tax on the presently nonreported dividends and interest without imposing the burdens apparently inherent in a withholding system.

The President in his recent news conference has said that this is not a new tax and, of course, it is not—but it would be a new way of collecting it. And unless refunds are promptly made it could result in a tax increase. The President said that it will not take money unjustly from honest taxpayers—but it will unless they have no tax liability and file exemption certificates. (If they have tax liability and can file quarterly refund claims, they are deprived of the use of their own money for anywhere from 1 to 4 months.) He has said that it would not create a mountain of red tape—but I believe he will change his mind when the Internal Revenue Service undertakes the job of processing 8 million or more exemption certificates and millions of quarterly refunds. The President said it will not harm the elderly, the widows and orphans and others of low income—but these are the very groups which owe little or no tax and must choose between the exemption and refund provisions. Even if they choose correctly, they are likely to be deprived of the use of their income for a time. Unfortunately, they are likely also to be the ones who through lack of information will not get back what the Government justly owes them.

Impracticable or unworkable

Withholding on dividends and interest has been represented to us as being a simple system for both the taxpayer and the payor of dividends or interest. We have been told that the problems of the aged, the children, and the others who owe little or no tax have been provided for, with the result that there are no hardships under the bill. We also have been told that wage and salary earners are withheld upon and therefore why shouldn't withholding also apply for those who receive dividends and interest.

The very substantial opposition which individuals throughout the country have expressed to withholding on dividends and interest, through thousands upon thousands of letters to their Congressmen and Senators, should be ample evidence that there must be something wrong with the administration proposal. The testimony before the Senate Finance Committee has convinced me that what is wrong with the proposal is that it is neither simple in operation nor free of substantial hardship for broad groups of taxpayers. I also am convinced that the system proposed contains many avoidance possibilities which have been glossed over by the administration.

The exemption certificates provided under the bill have been held out as being the major means by which hardship is removed under the bill. These exemption certificates, however, may be filed only by those who have no tax liability whatsoever. This means that exemption certificates may be filed by most youngsters and also by the elderly who had no tax liability. However, many others, both in the elderly category and among younger people will be faced with substantial hardship under the bill because of overwithholding on dividends and interest. Even those who can file exemption certificates, however (unless they are under age 18), must state under penalty of perjury, that they expect to owe no tax for the coming year. Won't many conscientious persons who either in fact turn out to owe no tax, or little tax, feel that they cannot sign such a statement before the year even commences and therefore won't they effectively be deprived of the use of the exemption certificate?

For individuals expecting to have any tax liability, quarterly claims for refunds must be filed if they expect to have the overwithheld amounts returned during the year in which the withholding occurs. Those who file these quarterly claims can expect a delay of at least 3 or 4 weeks before they receive back the overwithheld amounts, and may have to wait as much as 3 or 4 months before the withheld amounts are returned. This deprives them of the use of these funds as living expenses or as sources of investment during the interval. I believe it is this aspect of the proposed witholding system which makes so many individuals consider that withholding on dividends and interest in effect constitutes a new tax.

This quarterly refund claim which must be filed (or verified) by the individual four times a year is far from a single calculation. The complexities of this are shown on page 91 of the House committee report on this tax bill. However, in addition to the 19 items listed in that calculation, the taxpayer must list in detail the source of each separate amount of dividend or interest income which he receives. Finally, he must also list all of the same material all over again in a tax return filed at the end of the year, in order to receive his refund for the fourth quarter. Although the taxpayer may have to fill out the refund claim only once and then merely verify the figures sent to him in the two subsequent quarters, this will only be true if his dividend or interest income and other income remains exactly as anticipated. Otherwise, new calculations must be made each quarter.

It should also be noted that the quarterly refund provided by the bill, as passed by the House of Representatives, does not allow for all cases under which overwithholding may arise. It does not, for example, make any allowance for the $50 dividend exclusion ($100 exclusion on many joint returns), for the 4-percent dividend credit, and for the excess of itemized deductions over a standard deduction. Moreover, no quarterly refund at all may be filed by a single individual with more than $5,000 of gross income or a married couple with more than $10,000 of gross income.

While the exemption certificates and quarterly refunds do not resolve the hardship problems for the shareholders or depositor, they nevertheless will present many compliance problems for the corporate and bank payers of the dividends and interest. The corporations and banks will have to maintain two files of stockholders or depositors. In the case of stock, the corporation must also be prepared to shift stockholdings back and forth between these two files as it is purchased and sold or as exemption certificates are issued. Moreover, special problems will arise where stock is sold just before a dividend date by someone who has filed an exemption certificate to someone who has not, if the stock certificate has not actually been delivered to the corporation before the dividend date. Moreover, in order to use exemption certificates at all, the taxpayers will have to forego the convenience of leaving stock in their brokers' names.

Although not touched upon by the Treasury Department in its explanation of withholding before the Finance Committee, there also will be serious administrative problems for the Internal Revenue Service as a result of the use of exemption certificates and quarterly refunds. These, if not policed very closely by the service, can lead to substantial tax evasion. There is no assurance, for example, that only those who reasonably expect no tax liability will file exemption certificates unless these certificates, representing at least 8 million taxpayers, are checked by the Internal Revenue Service. Moreover, these will not be easy to check because many of them will represent persons not required to file tax returns so there frequently will be no returns to match them against.

Similarly, since the individual when he files a quarterly refund need submit no proof of the receipt of dividend or interest payments, here too there is ample opportunity for tax evasion and fraud as well as unintentional mistakes. These also must be checked in detail and compared with the amount shown on final returns if the purpose of the legislation is to be fully accomplished. In fact, it is entirely possible that some taxpayers might file exemption certificates, file quarterly refund claims and still claim refunds on their final returns at the end of the year, all with respect to the same dividend or interest payment or with respect to no dividend or interest payment at all. While the Internal Revenue Service through sample auditing may be able to control this form of tax evasion and unintentional errors, I believe it will require no small enforcement effort.

Another source of confusion under the Treasury proposal is the so-called grossup procedure the service intends to follow. We are told that it is possible to do away with the necessity of giving receipts to the interest or dividend recipients under the proposal because taxpayers can grossup their dividends and interest on their tax returns. Although the arithmetic of grossup may be correct, it is likely to lead to many problems. Taxpayers will almost certainly get mixed up between the interest and dividend payments which they are required to grossup and those which they are not, with the result that this will constitute a substantial source of errors on tax returns.

This omission of some forms of interest from a withholding system not only will lead to confusion on the part of the taxpayers as to how to treat interest on their tax returns but will also create favored categories of investment—those not subject to withholding. Under the bill withholding does not apply, for example, to interest on mortgages, interest on debt held by individuals and interest paid in the form of discounts. This means that such forms of investment will become more attractive than other forms of investment which are subject to withholding, such as bank account interest and Government bonds.

I have dealt here only with the problems of withholding on dividends and interest for individuals. Many more are involved in setting up a withholding system for dividend and interest payments going to corporations. This clearly is useless since the withheld amounts are immediately refunded to the corporations without regard to their tax liability. Similarly, problems are raised in connection with the application of the dividend and interest withholding system in the case of trusts, partnership investment clubs, mutual funds, etc.

Comparison with wages and salaries

Much has been said to the effect that wages and salaries are subject to withholding and therefore why shouldn't dividend and interest income be subject to withholding. If a workable system could be devised for dividends and interest, I would certainly agree with this conclusion. However, as indicated above, I do not believe the Treasury or the House of Representatives has been able to solve the difficult problems of withholding on dividends and interest.

The problems in connection with withholding on dividends and interest are much greater than those faced in connection with wage and salary withholding. Most employees have only one employer (as contrasted with many sources of dividend and interest income), and because of their close association with their employers, it is possible for them to file employees' withholding exemption certificates with their employers. This makes allowance for the number of their exemptions, as well as the 10 percent standard deduction. As a result, withholding in the case of wages and salary in actual practice may vary from 0 up to 18 percent, but in no case does it reach the 20 percent rate which would apply across the board under the administration's proposal for dividends and interest. The pending proposal, therefore, is much more likely to result in overwithholding in the case of dividends and interest than present law in the case of wage and salary withholding. Despite this there is overwithholding on wages and salaries on a very large number of returns at the present time. This suggests even more overwithholding in connection with dividends and interest. Moreover, while much of the overwithholding in the case of wages and salaries is relatively small, the overwithholding on dividends and interest could be expected to be quite large on a per return basis. For example, for a retired couple, with both husband and wife over age 65 and receiving half of their income from dividends and half from interest, there may be some overwithholding for income levels up to $20,000. The overwithholding on such a couple at the $5,000 income level would equal 19 percent of the income after tax, all of which would have to be recovered by quarterly refunds.

Alternative to withholding

I want to make it clear that in my view everyone should pay every dollar of tax they owe. I am not in any sense of the word justifying the underreporting of income in the case of dividends and interest. However, because of what I believe is the impracticability of the withholding legislation proposed by the administration, I do not believe that legislation of this type should be enacted until every other means of collecting this tax has been exhausted.

With the development of computers for automatic data processing, I believe the use of information returns to collect the tax on dividends and interest should be given a real trial before going to the extreme of adopting a complicated withholding system for dividends and interest. The Treasury Department has intimated that an information return system would be more complicated for the dividend and interest payors than withholding, but in my opinion this is adequately rebutted by the testimony before the Finance Committee. Most payors who testified expressed a decided preference for the extension of the information returns over the initiation of a withholding system.

It must be remembered that withholding of 20 percent would not determine the tax liability of any payee. Only the filing of the payee's tax return, and its audit by the Service, would determine his liability. The tax he owes would always be less or more than amount, depending upon his other income, personal exemptions, deductions, and credits. Without adequate information, such as is made available for salaries and wages, the income tax system cannot operate as it is intended. We must bend every effort to improvement of the informational reporting system for dividends, interest and other types of income, as the account number legislation and the data processing machines are designed to do.

Information returns in the case of dividends are already required down to a level of annual payments of $10 per shareholder. At present, interest payments are reported only when they amount to $600 or more. Information could be required down to the same $10 level presently applicable in the case of dividends.

Likewise, a longer statute of limitations could be provided with respect to any omitted income including dividends or interest. Under present law, the general statute of limitations during which a return may be examined is 3 years after the return is filed, although where 25 percent or more is omitted from gross income there presently is a 6-year period of limitation. This 6-year period of limitation could be made to apply with respect to any single source of income which is entirely omitted from a taxpayer's return.

Use of automatic data processing

I believe that the matching by the Government of information returns against tax returns will provide essentially the same check on interest and dividend reporting as a withholding system, with one exception: the information returns will be more effective in that they will indicate the missing tax above the first-bracket rate. The 20 percent withholding system proposed in the pending bill does not provide for receipts, and therefore would not point out this missing income above the amount withheld.

As the automatic data processing facilities become effective it should be possible to match a large proportion of the information returns against tax returns. A statement by Internal Revenue Commissioner Mortimer Caplin before the New York State Bar Association on January 25 of this year indicates that by 1965 all of the nine regions of the Internal Revenue Service in the country will be affected by automatic data processing. He said by that time:

> "We will be well on our way to completing our master taxpayer file of some 78 million consolidated tax accounts recorded on 500 miles of magnetic tape."

As a result, with the longer period of limitations which I have suggested for omitted sources of income, it should be possible to use the automatic data processing system to match the information returns and tax returns, even for what will then be the back years 1962 and 1963. While this matching is a large job, it should be well within the realm of the possible when we remember that, according to Commissioner Caplin, the machines:

> "Reading at a speed of over 6½ million letters or numbers a minute * * * will reveal any discrepancies or unusual characteristics suggestive of the need for further examination, and will then list this information at the remarkably high print-out speed of over 600 lines per minute."

The Treasury has emphasized that although automatic data processing, through the matching of information returns and tax returns, discloses discrepancies, there still remains the job of collecting the taxes. However, I believe the Treasury is underrating their new system in not pointing out the job that automatic data processing can also do in aiding in the collecting of taxes. For example, Assistant Secretary of the Treasury Surrey, in an article in the January issue of Tax Law Review of New York University in commenting on automatic data processing and tax administration, states:

> "Also, separate tapes, representing bills or refunds, can be produced as an output of this same operation, to be followed in turn by high-speed printing of appropriate communications to taxpayers. To go further, another part of the same program can be designed to identify taxpayer accounts requiring other forms of action, such as issuance of delinquency notices, the notification to audit personnel of possible need to examine the return, the preparation of taxpayer registers of various kinds, and the accumulation of specific information for management needs."

Assistant Secretary Surrey, in the same article, continues:

"The maintenance of a consolidated account under an automatic data processing system provides the means for issuing net bills covering liabilities for multiple taxes. * * * Billing can be prompt and accurate. Furthermore, the machine-prepared bill permits more detailed and explicit information for the taxpayer than is economically feasible under a nonmechanical system."

I recognize that to do a thorough job of collecting the tax attributable to dividend and interest income may require some increase in personnel for the Internal Revenue Service. However, since it is possible to use automatic data processing for billing and carrying on initial correspondence with taxpayers, this increase in personnel need not be as large as it is sometimes assumed. Moreover, the alternative, namely, the withholding system proposed by the administration, would also be costly. This system attempts to collect the tax not only on dividend and interest payments above $10 but also the tax on smaller amounts as well. The withholding at 20 percent even on $10 is only $2, only slightly above the $1 minimum used in tax computations on the tax return. I believe it is also clear that if extensive tax evasion and mistakes are to be prevented, a sizable auditing group must be assigned to validating the proposed exemption certificates and quarterly refund systems. This is true even though the amounts involved in many cases will be very small. Also, the payor's costs for a withholding system involving exemption certificates cannot be ignored. This cost will, of course, through the deduction of business expenses, be reflected in a decrease in governmental revenues.

Conclusion on withholding

I believe that the numbers-computer systems such as outlined here should be given a full and complete trial before further consideration is given to a withholding system on interest and dividends. I base this primarily on the hardship and confusion that a withholding system on dividends and interest will cause for those who either have no tax liability, or only a relatively small tax liability which in any case is likely to be offset at least in part by excess withholding on wages and salaries.

Our tax system year by year is getting more and more complicated, and the harassment of the taxpayer is increasing almost with each change made. Respect for our tax system must be maintained. Unnecessary complexities and burdens must be avoided. The withholding system on dividends and interest proposed by the administration would be a susbstantial step to the contrary.

Withholding on interest and dividends has been before the Senate on four previous occasions—in 1942, 1950, 1951, and 1960. It has been overwhelmingly defeated each time because of its inherent complexities. The present proposal occupies some 46 pages in the pending bill, filled with technicalities and exceptions. Having waited through this long period of time, spanning much of my service in the Senate, I have concluded that we should give the systems I have outlined, using the account number legislation and the new electronic machines, an opportunity to cope with the problem before adopting a proposal which the Senate has for obvious reasons so often rejected.

INVESTMENT CREDIT

I must strongly oppose the investment credit proposal in the pending bill.

The Treasury estimates that the version of the credit which passed the House (7 percent) will result in an annual revenue loss of about $1.2 billion; but the administration prefers an 8-percent credit which the Treasury estimates will result in an annual revenue loss of nearly $1.4 billion.

Under present conditions—when we are faced with the prospect of a deficit in the current year of $7 billion to $10 billion and the likelihood of another deficit of $3 billion to $4 billion next year—I could only view it as an act of fiscal irresponsibility were we to adopt a $1.4 billion investment credit, and this I predict would be merely the beginning. It does not include credit on buildings which could be expected to come later.

We are all concerned about the rate of growth of investment in capital in the American economy. However, I believe that the investment credit is discriminatory, wrong in principle, and would do great harm to our tax structure. In addition, I believe it would be ineffective in achieving the growth in investment sought and is not needed under present conditions.

Wrong in principle and discriminatory

I view the investment credit as a subsidy—as a payment, through a special tax reduction, for taking a particular action sought by the Government. When tax reductions are possible, I believe they should take the form of removing restraints. In this manner we can obtain a more realistic and natural growth in investments, one which matches investments with the demands and needs of the economy rather than with benefits derived from an arbitrary tax reduction.

That the investment credit is wrong in principle was recognized by the great majority of the witnesses before the Senate Finance Committee. Fully two-thirds of the witnesses referring to the credit in their appearances before the committee opposed it.

It is difficult for me to see why the administration so strongly advocates this investment credit when the leaders of industry, labor and farmers specifically oppose it.

Stanley H. Ruttenberg, director of research of the AFL–CIO, with reference to the investment credit, urged the committee to "delete this provision from the bill, because we think it is a multibillion-dollar windfall that will not really contribute anything to our national goals and will not relieve our balance-of-payments problem as it is claimed to be."

Mr. Walter Slowinski, appearing on behalf of the chamber of commerce with respect to the investment credit, said:

"The chamber again recommends against the adoption of this novel and untried preferential tax credit subsidy for business. It is also unnecessarily complex, and it will be difficult to administer."

Mr. Harold H. Scaff, chairman, tax committee, National Association of Manufacturers, said of the investment credit:

"It would simply provide reduction in effective tax rates for taxpayers who use their income or other funds, as the Government thinks is best for the economy at a particular time.

"There has been a tendency to promote and discuss the investment tax credit apart from the price which it would exact in terms of other changes in the tax law. Even without the exaction of such a price, we would oppose the credit for the reasons set forth in the appendix attached hereto. Very simply, we believe that tax reductions should be afforded by direct means. We would take this position even if, in our opinion, all of the other provisions of H.R. 10650 constituted sound tax policy."

Mr. Charles B. Shuman, president of the American Farm Bureau Federation, indicated that the Farm Bureau opposed the investment credit. He stated:

"These provisions are both unsound and likely to have a number of undesirable effects. It would be far better to liberalize the treatment of depreciation and to work toward a general reduction in income tax rates.

"The proposed investment credit is a selective form of tax relief—in reality a subsidy. * * * The result would be to give some taxpayers a competitive advantage at the expense of others."

Although the Farmers' Union did not testify before the Finance Committee, a communication signed by James G. Patton, president, National Farmers' Union, inserted in the CONGRESSIONAL RECORD on March 29, 1962, page 5417, states as follows:

"Urge your influence to delete provision giving huge private corporations operating at less than full capacity over $1½ billion and private electrical power monopoly over $100 million in tax subsidies which would result in the flight of capital overseas and further aggravate the dollar crisis."

The investment credit is wrong in principle because it, coupled with depreciation, returns to the investor more than 100 percent of what he paid for an asset. In other words, the investment credit allowed is over and above regular depreciation. Thus, it represents a gift, or subsidy, to a selected group of taxpayers.

The investment credit is also wrong in principle because it is discriminatory. For example, the United States Steel Corp. advises me that their maximum credit for 1962 would be no more than $5 million or $6 million, while the American Telephone & Telegraph Co., on a 7 percent rate, would receive in 1 year $200 million. The very fact that the investment credit selects those who make investments as the recipients of the special tax reduction means that it discriminates against those who for any reason cannot make the investments. This means, for example, that those who made substantial investments last year or the year before, and therefore cannot make investments in 1962 or 1963, are discriminated against. This is also true of those who cannot obtain the funds to make investments, and of those who cannot afford to make investments because of already existing excess capacity in their industry. A second major type of discrimination exists in the case of those whose income is relatively small in the current year, because the investment credit allowed under the House bill or the administration proposal is limited to 25 or 50 percent of tax liability in excess of $25,000. A third type of discrimination under the bill exists in the case of certain types of investments. For example, the investment credit is not available for buildings or structural components, for increase in inventory, or for increases in accounts receivable, or under the administration proposal for investments in public utilities. (The House bill provided a 4-percent tax credit for public utilities.)

Revisions made in our revenue structure must not be allowed to create new discrimination and artificial distinctions among taxpayers. Instead, our attention should be directed toward lessening, rather than increasing, such factors.

Ineffective and questionable

Serious questions arise as to the efficiency of a device designed to stimulate new investments which indiscriminately awards tax rebates for all new investments, even though most of them would be made without investment credit. Moreover, if the purpose of this credit is to stimulate investment, I cannot see why the administration would make the provision retroactive to the first of this year. This retroactive feature could produce a windfall of as much as $600 million over the period from January 1962 to the date the bill could become effective. There has been too much uncertainty as to the passage of this measure for anyone to be sure the investment credit would apply to investments made to date. The retroactive application of the provision therefore is completely wasted as far as any stimulative effect is concerned.

Another factor apparently overlooked by the administration is that investments made now will not be eligible for the investment credit in many cases for a period of 2 to 3 years. Mr. R. C. Tyson, chairman of the finance committee of the United States Steel Corp., for example, indicated in a letter to me that in the case of the steel industry a period from 24 to 30 months on the average will elapse between the date the project is begun and the date the expenditures are eligible for the credit.

The new McGraw-Hill survey asked industry how much it would increase investment plans if an investment credit were to be provided. The answer was that the credit would boost 1962 investments by only 1 percent, or $300 million. This is indicative of the relative ineffectiveness of the investment credit as a stimulant for increased investment.

Many of the witnesses who appeared before the Finance Committee also doubted the effectiveness of the investment credit. For example, Augustus W. Kelley, representing the Proprietary Association, said:

"The theory of the tax incentive in our opinion is based on the false premise that business investments are motivated substantially by tax considerations. In our industry, and we believe it is typical of others, the decision whether or not to invest in new machinery and equipment is based primarily on pure business consideration. Simply stated, we are not going to spend $1 just because the Government gives us 7 cents."

Mr. Otis H. Ellis, speaking for the National Jobbers Council, said:

"This tax credit will not be enough to induce a single jobber to buy one item more than what he would otherwise have purchased."

The McGraw-Hill survey, already referred to, anticipates that even without the investment credit, business investments in plant and equipment this year are expected to amount to $38 billion, or $1 billion above the previous record set in 1957. This is $3.5 billion, or 11 percent more than was spent last year. Moreover, the survey indicates that existing plans point to a high level of investment for the period 1963–65.

This anticipated rise in business investments, coupled with the fact that the Secretary of the Treasury has already announced firm Treasury plans to substantially revise allowable depreciation schedules under bulletin F, in my view indicates that this is not the time for still further so-called aids to business investment. The depreciation provision alone, according to testimony of the Secretary of the Treasury (May 10–11 before the Finance Committee), is likely to result in a revenue loss of $1.2 billion. I cannot believe that we should add another $1.4 billion to this without first seeing the effect of the depreciation revision on investments.

OUR FOLLY IN ISOLATING FRANCE

Mr. SCOTT. Mr. President, I wish to call attention to an editorial-advertisement that appeared in the public interest in the New York Times on April 16, 1962, by International Latex Corp. and its founder, Mr. A. N. Spanel, captioned "Our Folly in Isolating France."

This article deserves attention because it astutely diagnoses some of the causes for the divisiveness that exists between many nations of the free world. It details the first steps that should be taken to establish true unity and, with it, strength and security.

It is heartening to see the creative efforts of a businessman and his company acting as private citizens, yet doing so much in the public interest in these perilous times. I know of no private citizen who has given so much of himself and of his company in thought, effort, and treasure, in order to establish stronger bonds between the people of the United States and France, as Mr. Spanel has since 1939. Because these constructive efforts are now so widely known throughout the free world, Mr. Spanel merits encouragement with highest recognition everywhere.

I therefore ask unanimous consent that the article by Mr. Spanel be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Our Folly in Isolating France

(By A. N. Spanel)

The American people have watched with deep sympathy the long ordeal of the people of France, climaxed by the continuing bloodshed in Algeria. The traditional friendship between our two peoples is too genuine, too time tested, to be affected by fluctuations in the climate of official relations between our countries.

It is no secret that the French Government has been more and more disenchanted with Washington. This is a matter of great concern to those of us who have been close observers of Franco-American relations. The time is ripe, we feel, for the United States to acknowledge—in deeds, not words—that France has been reborn as a nation of major rank, and that she can no longer be confined to a secondary role in the free-world coalition and in the Atlantic Community.

Concretely, this demands acceptance of France as a member of the so-called nuclear club, and her full participation in free-world policy decisions affecting French interests. Only in that way can the weight of the revitalized France be added to the overall political, material, and moral strength of the Western Alliance.

In both Asia and Africa, France has fought battles, at a devastating cost in blood and treasure, in which not only her own interests but those of the entire West were at stake. To appreciate the cumulative frustration visited upon the country by her major allies, one must review some key events in recent years:

1. In Indochina, France fought against the local forces led by Moscow-trained Ho Chi Minh and the forces of Red China, without any significant help from the United States and Great Britain. The cruel price of that free-world failure is being paid today in Laos and Vietnam, both fragments of the former French Indochina; before long it may have to be paid in Cambodia and the rest of southeast Asia.

2. In the Suez crisis, in 1956, the United States intervened against the action taken by Britain and France in behalf of the whole free world. The principal beneficiary of that rash intervention, Dictator Nasser, has been repaying the West by atrociously discriminating against its shipping interests, a great gain for Moscow.

3. Because French interests in the Middle East are large and compelling, both Washington and London had given assurances that France would be consulted in advance on all policy decisions during the Lebanon crisis in 1958. Yet France was demonstratively ignored by the Anglo-American Governments before they acted.

4. In the grueling 7-year war in Algeria, France found neither understanding nor diplomatic help in Washington. On the contrary, she had to contend with ever mounting American moral support for the rebels.

5. Most important, because it reflected a false and deeply humiliating underestimation of the country, the United States has denied to France the kind of access to the reservoir of American nuclear technology that was wide open to Great Britain. This illogical policy, which persists to this day, has given the ring of hypocrisy to our lip-service to French equality in the grand coalition.

LOST FAITH

Any of these events and policies may be explained, or explained away; there is room for argument. But their total impact on the French people, during long years of tragedy and sacrifice, has been to erode faith in the free-world alliance. For all the talk of free-world unity against international communism, they felt increasingly France must depend in the long run on its own power and wisdom. Her exclusion from the nuclear elite has been a prime factor in this national sentiment.

As long ago as August 19, 1958, we warned in these columns that France "will continue to react sharply, to its own and the free world's peril, to every maneuver of disparagement or downgrading. And in this connection the atomic problem is crucial. * * * Nuclear energy for both peaceful and military uses has become the symbol and substance of strength in today's world. France has no alternative but to reach out for it."

Reach out for it France did, and successfully. Already she has exploded a number of atom bombs, without a single failure. By any test of reality, France now qualifies for admission to the Nuclear Club, even as defined under American laws that admitted Britain to full membership. Soviet Russia happens to be right in regarding France as a nuclear power, despite American assumptions to the contrary.

But while Britain was able to draw on American know-how and industrial production in the nuclear area, France has been forced to shoulder the immense burdens of duplicating what was already available in the United States. As we wrote in the past, "France will attain atomic vitality commensurate with her needs and her place in the hierarchy of nations. How much better that this be done with our generous cooperation."

FOLLY UPON FOLLY

A current episode points up the absurdity as well as the injustice of the continued denial of nuclear equality to France. The French Government is seeking to purchase in our country certain equipment related to the production of the delivery system for its atomic bombs. Neither nuclear nor atomic secrets are involved in these machines and machine tools. The American manufacturers are eager to fill the large orders which, incidentally, would be helpful to the United States in its balance-of-payments difficulties.

If Washington turns thumbs down on the purchases—apparently a decision is still pending—France may again be forced to erect her own factories to produce such equipment. She will be put to great expense and frustrating delay in achieving the nuclear force to which she is entitled and which she will attain eventually in any case.

In theory, American nuclear weapons are available to protect French interests against a common enemy. In light of the events summed up above, however, France can scarcely be blamed for refusing to stake its destiny wholly on the judgments of others.

The French people have been deeply hurt and saddened by the international ill winds blowing against them. Now they are torn in soul and flesh by the Algerian tragedy. Though the nation has made an all but miraculous economic recovery, its people are discontented. They feel that they have been crowded into a go-it-alone corner by the uncooperative policies of their main allies.

THE SENSE OF BELONGING

Unless this condition is rapidly cured, unless France becomes a full partner in the alliance, the French position may harden into a species of isolationism, with dire consequences both for herself and the free world. The ambiguity of the French role in NATO may lead to a complete alienation, again with disastrous results for the entire free world.

More than ever before, France needs a stabilizing sense of belonging to the Atlantic community. More than ever before, the true unity of the free world must be confirmed and fortified. And the primary responsibility rests with Washington. We have no alternatives in logic, or in terms of rockbottom self-interest, but to recognize that France, by its own efforts and despite American indifference, now ranks as a nuclear power.

We must face up to this reality with deeds which the French people cannot misunderstand. The immediate result would be a great lift to the morale not only of France but of the whole free-world coalition in this time of crowding Communist challenge.

SCHLESINGER AND SOCIALISM

Mr. SCOTT. Mr. President, Henry J. Taylor, writing in the Pittsburgh Press of May 9, 1962, examines the problem of this Nation having as adviser to the President a man who wrote some startling commentaries about the American economy only a few years ago. I ask unanimous consent that the article be inserted into the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Kennedy Prodded To Ged Rid of His Brain Trust as Schlesinger Views on Socialism Stir Up Storm

(By Henry J. Taylor)

President Kennedy has a great opportunity in his bid for business (job-giving) confidence if he will say goodby to his White House braintrust: Arthur Schlesinger, Jr., Theodore C. Sorensen, David E. Bell, W. W. Heller and the others who bring less confidence to business than Jesse James brought to a bank.

The immediate storm is around Mr. Schlesinger. It arises from an article he wrote years ago, now placed in the Congressional Record.

A LOT OF EXPLAINING

This professor-turned-politician has had a lifetime career of explaining how others have misunderstood his written views, an occupation ordinarily unnecessary for an articulate man. But as this quoted view goes back to 1947 I thought it only proper to ask Professor Schlesinger to repudiate it now, if he wished.

I have received his reply, quoting Winston Churchill (no less) in his famous remark, "I neither withdraw nor apologize, etc.," which returns me directly to what Mr. Schlesinger wrote.

Now reading Mr. Schlesinger when he is dealing with inside Schlesinger is not the easiest thing in town, and Gen. Andrew Jackson's classic admonition to his artilleryman at the Battle of New Orleans occurs to you again and again· "Boy, elevate them guns a little lower."

But, brushing aside such Schlesinger references as to "The Schumpterian view of the prospects of capitalism" you get to the pure cream.

His subject is "The Future of Socialism." He states: "If socialism is to preserve democracy it must be brought about step by step * * *. That is, the transition must be piecemeal." His contention takes on current significance. For this is, in fact, the intellectual concept of the New Frontier.

Mr. Schlesinger refers to "the capitalist ruling class" in the United States. How far off base can a Presidential helper get?

"The classical argument against gradualism," he writes, "was that the capitalist ruling class would resort to violence rather than surrender its prerogatives. Here, as elsewhere, the Marxists enormously overestimated the political courage and will of the capitalists.

"In the countries where capitalism really triumphed"—may I point out the United States is No. 1?—"capitalism has yielded with far better grace than the Marxist scheme predicted." (The word "scheme," I find, means scheme; but let's not lose the thought.)

"The next depression," he continued, "will certainly mean a vast expansion in Government ownership and control. The private owners will acquiesce in this. In characteristic capitalist panic, they will demand it." The problem, he says, is to have the Government "ready."

Mr. Schlesinger goes on: Socialism here will be brought about, not by the working class but by "some combination of lawyers, business and labor managers, politicians, and intellectuals."

MASS EMOTION

"Workers as a mass," he writes, "have rarely had the impulses attributed to them by Marxism. They too often believe in patriotism and religion"—may I ask you to stop and read that again?—"or read comic strips, go to movies, taxi-dance halls, and so forth * * * and try to cure their discontent by narcotics rather than by surgery. Thus they are rarely swept by the proper mass emotions."

Any man who bemoans patriotism and religion as improper mass emotions and equates these with comic strips and taxi-dance halls as narcotics has no business whatever sitting in the White House whether he wrote it in 1962, 1947, or the year one.

Mr. Schlesinger claims capitalism is "Samson in the Temple." He says those who believe in capitalism are political incompetents lacking the instinct, courage, and energy to survive.

"The bourgeoisie"—this means you and me—"consequently has always had to turn for protection to some nonbourgeoisie group * * * which amounts to saying it needs a master."

You will never in your life read a more terse and classical definition of Mussolini's fascist conception for his corporate state or the German herrenvolk theory applied to Nazi economics.

Moreover, in explaining the past Mr. Schlesinger is continually caught up in the present, stating in a speech as late as last February 15: "Jefferson is today remote and irrelevant, a figure not of present concern but of historical curiosity."

Fortunately, the author of the Declaration of Independence and his immortal liberalism isn't as irrelevant to most Americans as to Arthur Schlesinger, Jr. And the most reassuring step the President could take would be to clean such people out of power as he finally cleaned out Chester Bowles.

URGING PROMPT FPC ACTION

Mr. HICKEY. Mr. President, at the conclusion of 1961 the Governor of Wyoming journeyed to Washington and, with me, visited with the Federal Power Commission to advise them of the absolute need in the foreseeable future to authorize by certificate the construction of a pipeline which would make the resources in southwestern Wyoming available both in Wyoming and in the Rocky Mountain region.

Supplied with the factual data, a very pleasant discussion was held and it was hoped that early in the new year 1962 some action would be taken. However, 1962 is now nearly half over and the need has increased rather than diminished for a better gas supply to some of our Wyoming cities and the Rocky Mountain region generally for the coming winter. Therefore, it becomes extremely important to again ask for prompt action on the part of the FPC so that construction can be started this year which would accordingly assure a better gas supply to some of the southern Wyoming cities and the Rocky Mountain region for this year.

The **PRESIDING OFFICER.** Is there further morning business? If there is no further morning business, morning business is closed.

FOOD AND AGRICULTURE ACT OF 1962

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The **PRESIDING OFFICER** (Mr. Metcalf in the chair). The Chair lays before the Senate the unfinished business, which will be stated by title.

The **Legislative Clerk.** A bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. HUMPHREY. Mr. President, it is my understanding that the Senator from Connecticut [Mr. Dodd] will address the Senate. It is hoped that, following his address, the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. Ellender], will open the debate on the farm bill.

Mr. ELLENDER. That is agreeable to me.

LAOS AND THE SOUTHEAST ASIA CRISIS

Mr. DODD. Mr. President, we are all, I know, deeply distressed over the trend of events in Laos. No one could help but be impressed by the President's message, and by his warning concerning the gravity of the situation in southeast Asia.

President Kennedy will, I am certain, have the support of all of us in his decision to dispatch American troops to defensive positions on the Laotian frontier, and for any further measures he may find it necessary to take to prevent the subjugation of southeast Asia by international communism.

In his prompt and solitary decision to send American forces into Thailand, President Kennedy has provided the kind of leadership which galvanized the free world at the time of the Korean invasion, the kind of leadership which our allies expect of us. By his actions President Kennedy has greatly bolstered the entire position of the free world in the southeast Asia crisis. But these energetic measures, I fear, will be seriously undermined and conceivably negated unless we also take measures to reappraise and revise certain aspects of our policy in Laos.

Both Republican and Democratic administrations have committed themselves to defend the freedom of Laos against the threat of Communist aggression. When SEATO was established after the fall of North Vietnam, Laos was specifically brought under the SEATO umbrella and the Asian Communists were warned that an attack against it would result in a collective response by the SEATO powers.

But today, despite our one-time assurances to Laos and despite the assurances we have now given to Vietnam and to Thailand, the fact remains that Laos stands in serious danger of a Communist take-over.

The present crisis makes it imperative that we reappraise our recent policy in Laos, to see where we have erred and what might be done, even at this late date, to salvage something from the situation.

In Laos, Communist tactics have admittedly been complex, but they have in no way been novel. On the one hand, they have exercised military pressure through native guerrillas and North Vietnamese troops. On the other hand, they have inactivated us through protracted negotiations and bewitched us with the prospect of a neutralist Laos, governed by a Communist-neutralist-conservative coalition.

In Laos, indeed, our entire policy has been predicated on the assumption that Soviet desires did not go beyond the establishment of a truly neutral government, open to the influence of Moscow and Washington alike. It is in line with this belief that we have urged our Laotian friends to enter into a coalition government with the Communist and neutralist forces. But the prospects of peaceful coexistence in Laos have been shattered by the events of the past week.

> That the United States has been played for a fool—

Said the distinguished columnist, Marguerite Higgins, in the New York Herald Tribune, Monday, May 14—

> was evident in Washington, firstly, from events in Laos, where Red troops led by Hanoi- and Red Chinese-trained officers were ferociously giving the lie to the Harriman doctrine * * *. It was evident from the small, smug smiles of the Communist statesmen and journalists in Washington, who were patronizingly telling the subdued and silent non-Communist set that—in the words of one Soviet bloc official—"the New Frontier never really set much store by Laos anyway, so how could you consider it a setback?" It was evident from the cold indifference with which Moscow heard out Washington's pleas to live up to pledges to support the cease-fire.

The crisis of Laos represents a crisis of the first magnitude for the whole of southeast Asia. Indeed, it is no exaggeration to say that it represents a crisis of the first magnitude for the whole free world.

The countries of southeast Asia are rich in natural resources. But it is their strategic importance, rather than their economic importance, that makes them primary targets of Communist aggression.

If the Communists ever succeeded in establishing their dominion over the whole of southeast Asia, they will, in effect, have cut the world in half. The western Pacific land mass will be theirs from the Bering Straits to Singapore, while the control of the southern island chain, from Sumatra to New Guinea, would give them command of the entrances from the Pacific Ocean to the Indian Ocean.

The Communist conquest of southeast Asia would produce so serious a shift in the world balance of power that our very ability to survive would be called into question.

From our recent policy in Vietnam and from the commitment we have now made to Thailand, it would appear that we have accepted the harsh reality that our own security and the security of southeast Asia are inseparably intertwined. The most dramatic evidence of this is the fact that 5,000 American soldiers are today serving in South Vietnam as instructors in guerrilla warfare, as transport pilots, and as advisers in combat areas, while another several thousand have now been dispatched to the frontier of Thailand.

The administration has made it clear by these commitments that South Vietnam and Thailand will not be permitted to fall to communism. But we have been warned, and rightly, that it may take many years before this battle is won, and that it will almost certainly take a much heavier commitment in American manpower and, conceivably, in American blood.

The Communist assault on the countries of southeast Asia has been incredibly persistent, incredibly cunning, and remarkably successful.

Their primary weapon in this area has been guerrilla movements, organized and trained in and supported from territory already under their control. With this weapon they almost succeeded in taking over Malaya, they succeeded in conquering the larger part of Vietnam, and they have now taken control of the larger part of Laos.

In Malaya, the number of Communist guerrillas never exceeded 10,000. But it required the expenditure of billions of dollars and the efforts of a highly trained British Commonwealth force of several hundred thousand men over a period of 5 years before the Malayan guerrillas were brought under control. As a result of the British experience in Malaya, it is now accepted as a fact that, even employing troops of the highest quality, a successful antiguerrilla operation requires antiguerrilla forces 10 to 15 times as numerous as the guerrilla forces which oppose them.

In Vietnam, when I was there less than a year ago, the number of Communist guerrillas was estimated at approximately 10,000 men. Opposing them was a Vietnamese army some 120,000 strong, backed up by another 30 or 40 thousand home guards. But even with these numerical odds, the Government was able to make no serious headway against the guerrillas. More than 1,000 Government representatives and village administrators were being assassinated every month. Every day brought new reports of attacks on bridges and powerhouses and other installations. The hard-pressed Government army, which had done without leave for many months, was strained to the breaking point. The administration of the country was slowly deteriorating as a result of the terrible casualties inflicted on administrators and technicians at all levels of government. The morale of the people was sagging.

I wholeheartedly applaud the administration's commitment to save South Vietnam from the growing menace of Communist subversion. But, on the basis of what I saw and learned in the course of an extensive tour of southeast Asia last year, I am afraid that there has been a tendency to focus too narrowly on South Vietnam.

As matters stand today, I believe that our policy in South Vietnam is in conflict with our policy in Laos, that our policy in Laos, as a matter of fact, is undermining the affirmative and courageous policy we are endeavoring to follow in Vietnam.

I think we would all have less difficulty in understanding the world situation if we studied our maps more frequently. In the case of Laos, its strategic importance should be instantly apparent from a look at the map.

If there is any one country that may be described as the geographic heart of southeast Asia, it is Laos. For Laos has common frontiers with virtually every country in the area—with Communist China and North Vietnam, with the neutralist nations of Cambodia and Burma, and with the two committed nations of the southeast Asia mainland, South Vietnam and Thailand.

Toward the end of 1960, Soviet planes began airlifting supplies to the Lao Communist, or Pathet Lao, forces. At this point, the Soviets were still very uncertain of our reaction. The first Soviet planes that flew in carried benzene. These Soviet planes discharged their cargoes unmolested: we did nothing. Perhaps President Eisenhower did not want to commit the American Government to a potentially hazardous course of action in the last days of his regime.

In any event, the next group of Soviet planes that arrived carried small arms ammunition. Still, we did nothing.

Then Soviet planes began to arrive bearing jeeps and howitzers and other heavy equipment. Still, we did nothing.

Finally, when it was apparent that they could intervene with impunity, and that there would be no American reaction, the Communists began flying in technicians and military personnel.

There still was the possibility that SEATO would honor its obligations to defend Laos against the threat of Communist aggression. But when the SEATO Council met in April of 1961, it took no action. The SEATO nations in the immediate area—the Philippines, Thailand, Australia, New Zealand, and Pakistan—all favored common military action in defense of Laos. Britain and France objected. The United States sat on the fence. And since all SEATO decisions must be unanimous, SEATO did nothing.

I want to emphasize that at the time this SEATO meeting took place, our Asian allies were prepared to provide all or most of the necessary ground troops. They took the stand that it was much better for Asians to fight in Asia and that, if SEATO did intervene, American participation should consist primarily of air and logistical support. Had we provided the necessary leadership at this historic session of SEATO, Laos would not be on the verge of falling to communism today. But instead of providing such leadership, our own primacy in SEATO was used as a brake to prevent the Asian member nations from taking the measures of collective self-defense which they considered essential.

Our Asian allies were bitterly disappointed.

> We are prepared to fight and die with you if necessary—

Philippine Foreign Minister Serano said to me just a year ago this month—

> but we cannot fight without American leadership.

For this delinquency we shall, I am afraid, have to pay a heavy price both in American and Asian blood.

One of the excuses that has been offered for our own inaction in Laos is that the Lao people and the Lao Army have shown no will or ability to resist the Communists. This is coupled with the assertion that the Communists apparently have far more popular backing than does the Royal Lao Government.

Even if these assertions were completely true—which they are not—it would, in my opinion, still be necessary to defend Laos; even if we were not interested in the fate of the Lao people, the defense of Laos would still be a strategic necessity because, ultimately, the fate of all southeast Asia and our own security may hinge on it.

But I do not accept the thesis that the Lao people are indifferent to communism and that the Royalist forces are incapable of fighting.

I remind the Senators that it was a year ago last December that the Royalist army, under General Phoumi, drove the highly touted Kong Le rebels out of Vientiane.

I remind the Senators, too, that certain units of the Lao Army, in particular the 10,000 Meo tribesmen who are serving with it, have put up truly heroic resistance in situation after situation.

I call to their attention the fact that there are now more than 40,000 refugees from Communist terror in the Vientiane area, and that hundreds more are arriving every day.

I call to their attention the reports of the dedicated American missionary, Father Matthew Menger, whom I met in Laos, and whom I recently had the pleasure of seeing again in this country. Father Menger is one of the very few Americans who speak Laotian fluently. He has traveled extensively on foot throughout the country. He has, even in recent months, visited many villages in territory that is supposed to be under firm Communist control. Father Menger has reported that the Communists control the strategic centers; but even in the northern province of Samneua, which was the first to fall to the Communists, the capital city of Samneua is completely surrounded by anti-Communist villages.

As of 2 years ago, it was probably true that few Laotians knew the meaning of communism or felt very strongly about it. But, as of today, the evidence is that the Laotian people have learned the meaning of communism the hard way, from their actual experiences under Communist rule in those portions of the country that have been overrun by the Laotian and Vietnamese Red forces.

True, the Laotians, by and large, are not a martial people. There may be a number of reasons for this. Certainly one of them is the orthodox Buddhist religion which prevails in Laos and which frowns upon the killing of any living thing, even so useless a thing as a mosquito. But American military men with whom I discussed the situation told me that, with adequate training and proper leadership, the Lao can be a very good fighting man. They said that certain of the best trained units in the Royalist army had conducted themselves in a highly creditable manner in engagements with the Communists. Against the Laotian Communists, I was told, the Royal army was generally able to hold its own and better. But they were simply no match for the hardened professionals of the North Vietnamese Communist army which has been participating in the Laotian civil war through independent units and through units of specialists attached to the Laotian Communist forces.

There is another reason, in my opinion, why the Royal Laotian Army units have frequently failed to stand up against the Communist enemy. All the world has confidence in a winner; and in Asia, far more than in Western countries, human behavior is determined by a belief in an irresistible wave of the future or by an equally fatalistic acceptance of certain downfall and defeat.

With their aggression, their determination, their persistence, their arrogant self-confidence, and the unstinting backing they have received from the Soviet Union and Red China, the Lao Communists have succeeded in creating the impression that they are part of the irresistible wave of the future. By our own inaction and by our repeated failures to live up to our assurances, we have fostered the corollary impression that our side is doomed.

Under these circumstances, who can blame the Lao Army if its morale has frequently been uncertain? Even Americans serving as instructors and advisers in Laos have been demoralized by the ambivalence of American policy. For example, last Sunday over one radio news program, an American instructor in Laos was quoted as saying:

> Why am I here trying to teach these people to fight, if it's already been decided that the country is to be turned over to the Communists?

Parenthetically, at this point, I would like to say a few words about the unfortunate habit of designating Prince Boun Oum and Gen. Phoumi Nouvasan as rightwing leaders. The manner in which this description has been used by the press and, regrettably, by some State Department spokesmen, somehow suggests that Prince Boun Oum and General Phoumi are exploiters or big landowners or political reactionaries. Actually, Laos is a very primitive country without any landowning or capitalist class, and from a purely economic standpoint, it makes little sense to talk of rightwing or leftwing. I believe it would be far more correct and far more meaningful, and certainly, it would feed far less grist to the Communist propaganda mill, if our press could learn to refer to the Communists as "Communists" and to people like Prince Boun Oum and General Phoumi as Loyalist or anti-Communist leaders rather than rightwing leaders.

I consider this matter of nomenclature of the greatest importance, because it is with insidious little words like these that public opinion is poisoned against our friends in other countries.

Against the background of SEATO's failure, the Lao Government in May of last year agreed to negotiations with the Communists.

Speaking in Manila a year ago, and speaking on the floor of the Senate on my return from the Far East, I said that the Communists would not be satisfied with the partial conquest of Laos, and that they would violate the cease-fire at every opportunity. For the accuracy of this prediction, I take no particular credit. I believe that this prediction could have been made by anyone familiar with Communist tactics.

Since the cease-fire was signed, the Communists have occupied point after point, until today they hold more than half of Laos. North Vietnamese intervention, previously limited and carefully veiled, is now unconcealed and massive. At the present time, there are reported to be in excess of 7,000 battle-hardened soldiers of the North Vietnamese armies fighting alongside the Lao Communist forces.

Communist supplies are moving into Laos at a constantly accelerated rate, by land and by air, supporting the greatly increased Communist military activities, both in Laos and in Vietnam. As a matter of fact, it is thanks primarily to their control of this area adjoining South Vietnam that the Vietnamese Communists have been able to double the size of their guerrilla forces in South Vietnam over the past year.

And while all this has been going on, we have continued to negotiate with undeterred good faith, in the hope that a truly neutral government can be constructed around the personality of Souvanna Phouma.

Prince Souvanna Phouma, we are told, is not a Communist. But I also recall that we were told that Castro was not a Communist. For my own part, I believe that we are building our foreign policy on forlorn and impossible hopes when we assume that Prince Souvanna Phouma, who has visited the Communist capitals but has refused an invitation to the United States, and who openly shares offices and living quarters with his half-brother Prince Souphanouvong, the acknowledged head of the Lao Communist movement, will save Laos from communism.

When I was in Laos last May, I was assured categorically that we would never consent to giving the Communists the key positions of the Ministry of the Interior and Ministry of Defense in any coalition government. But today, it is reported that our representatives have agreed to assign both the Ministry of Defense and the Ministry of the Interior to the designees of the so-called neutralist leader, Prince Souvanna Phouma, on the specious theory that a Souvanna Phouma government is the only thing that can save Laos from a complete take-over by the Communists. Not merely have we accepted this position, but for several months now we have been pressuring our Lao friends to enter into such a coalition government against their own better judgment.

Prime Minister Prince Boun Oum and his Defense Minister, General Phoumi, have, to their credit, resisted our pressures. And, to our shame, we have now cut off our monthly assistance to the Government of Laos in an effort to force them into a coalition with the Communists.

THE QUESTION OF COALITION GOVERNMENTS

I do not know whether to be surprised or awed over the fact that, after so many sorry experiences, we have again fallen for that most shopworn of all the Communist shell games: the coalition government.

The free world first fell for the coalition government trick during World War II. In November 1944, having abandoned General Mihailovitch in Yugoslavia, Britain and the United States attempted the impossible task of preventing a Communist take-over by forcing Prime Minister Subasic into a coalition government with Marshal Tito. Needless to say, there were all kinds of assurances from Marshal Tito that he did not intend to communize Yugoslavia, and that there would be free elections at an early date.

In February 1945 at the Yalta Conference, the Tito-Subasic formula was to become the model for a whole series of coalition governments in central Europe—coalition governments which invariably and, in my opinion, inevitably paved the way for a complete Communist take-over. The central formula of the Yalta Declaration promised the liberated countries of Europe, "governmental authorities broadly representative of all democratic elements of the population." This, of course, was a euphemism for coalition governments.

Hardly had the Tito-Subasic agreement been signed, than Tito began to dishonor its terms. He made it clear that by free elections he meant elections with a single slate of Communist-approved candidates. The few non-Communist political leaders in the cabinet were removed, and placed in prison or total obscurity.

With minor differences in timing and technique, the coalition governments established in Rumania, Bulgaria, Hungary, Poland, and Czechoslovakia developed along similar patterns.

The proven Communist techniques for subverting representative government via interparty coalitions has been described with amazing frankness by the Czechslovak Communist, Jan Kozak, in a book intended as a guide for fellow-Communists. In this booklet, Mr. Kozak spoke of "the possibility of forming a government of broad democratic forces grouped around the working class, relying on the revolutionary activity of the masses. Such a government can be set up without armed battle by peaceful means. Its installation would be practically tantamount to the establishment of the democratic revolutionary power of the people." Specific lessons were drawn from the Red takeover in Czechoslovakia.

Mr. Kozak's formula calls for a combination of "pressure from above" and "pressure from below" to convert the coalition government into a "socialist" one. He said:

> Gradually, as the national and democratic revolution changed into a socialist one, the pressure "from above" was applied in an ever-increasing measure for the direct suppression and destruction of the counter-revolutionary machinations of the bourgeoisie. Let us recall the signal role played in the development and extension of that pressure by the Ministry of the Interior, for instance, which was led by the Communists, and the units of State Security directed by them.

I challenge anyone to read Mr. Kozak's brochure outlining the Communist theory and practice of coalition governments, and come away from this reading still convinced that Communists can enter into coalitions in good faith.

I find it all the more difficult to understand our present policy in Laos because Ambassador Harriman has, himself, had a very personal and exceedingly bitter experience with coalition governments in the immediate postwar period.

The governments set up in the central European countries after their "liberation" by the Red Army did not correspond in any way to the democratic governments that had been forecast by the Yalta Declaration.

Speaking in the House of Commons on August 20, 1945, the British Foreign Secretary said:

> The governments which have been set up in Bulgaria, Rumania, and Hungary do not, in the view of the British Government, represent a majority of the people. The impression I got from recent developments was that one kind of totalitarianism was being replaced by another. * * * The form of government being set up does not impress me as being sufficiently representative to meet the requirements of diplomatic relations.

It was against this background that the foreign ministers of the allied powers met in Moscow in December 1945. Despite the wholesale violation of the Yalta agreement, the British and American Governments joined the Soviet Government in calling for the establishment of a new coalition in Rumania. This coalition was to include representatives of the two national parties, the National Peasant and the National Liberal Party, and it was to be followed by free and unfettered elections. To carry out this agreement, a supervisory commission consisting of Foreign Minister Vishinsky, Ambassador Harriman, and British Ambassador Sir Archibald Clark-Kerr, was sent to Bucharest.

Jules Maniu, the revered leader of the Peasant Party, and the other democratic leaders warned the Western Ambassadors that the Communists had absolutely no scruples and that their assurance of free elections meant nothing. But Sir Clark-Kerr and Mr. Harriman argued against these misgivings and urged the democratic Rumanian leaders to enter into the coalition.

What happened subsequently is a matter of recent history; but our memories, unfortunately, seem even too short for this small span. The opposition press was completely suppressed. Opposition parties were first intimidated, then terrorized, then illegalized. The opposition leaders, Jules Maniu of the Peasant Party, Bratianu of the National Liberal Party, and Petrescu of the Social Democratic Party, were all imprisoned; and in July 1951 it was reported that Maniu died in prison, a martyr to his country's freedom.

Today in Laos, it seems to me that the tragedy of Rumania is being repeated almost step for step. Even some of the cast is the same. Thus, we find Mr. Harriman urging the Lao anti-Communist leaders, against their own better judgment, to enter into a coalition government with the Communists; and I take it for granted that Mr. Harriman must be repeating some of the well intentioned assurances that he gave to the democratic political leaders in Rumania in 1946.

The assurances in Laos, I am afraid, have not always been the most friendly. I should like to draw the attention of my colleagues to the following account by the distinguished American correspondent, Joseph Alsop, which appeared in the New York Herald Tribune for April 23, 1962:

> Governor Harriman looked at the Lao leaders one by one; pointed a stern forefinger at each of them in turn; and told them that he wished them to know they would be "responsible for the destruction of their country" if they refused to do his bidding. There was a brief silence, and General Phoumi then replied: "You know, Governor Harriman, we in Laos have many years' experience of colonial rule. But we were never spoken to in quite that fashion in the colonial times."

The coalition government gambit has had results just as disastrous in Asia as in Europe. In fact, our commitment to a coalition government in China in the postwar period was perhaps more responsible than any other single factor for the loss of mainland China to the Communists.

The commitment to a coalition government or a "government of national unity" was formalized in the so-called Marshall directive of December 1945. This directive, which was drafted by

John Carter Vincent, the head of the Far Eastern Desk in the Department of State, reflected the philosophy of the Institute of Pacific Relations, which for many years had enjoyed a near monopoly on Far Eastern expertise.

At the time when the Marshall directive was issued, the Nationalist forces occupied the bulk of China, had overwhelming military superiority, and were pressing offensives against the Communists at a number of points. In a misguided effort to force President Chiang into a coalition government with the Communists, Secretary of State Marshall, in the summer of 1946, placed an embargo on arms and ammunition to the Nationalist forces. Repeatedly, the Nationalists were told that unless and until they came to terms with the Communists, they could expect no active assistance from the United States. Finally, in the fall of that year, with the aid of the embargo and a variety of other pressures, the Department of State succeeded in forcing President Chiang to agree to an armistice, and to conversations with the Communists with a view to forming a coalition government.

These conversations dragged on for months and months, punctuated by repeated violations of the cease-fire by the Communists. The Chinese Reds, for their part, maintained the pretense of favoring a coalition government until the Nationalist position had so weakened that the Communists were no longer interested in compromise.

Our folly in China persisted to the bitter end. As late as March 1948, the administration reiterated its adherence to the principles enunciated in the Marshall directive.

Commenting on the similarity between our ill-fated China policy and our present policy in Laos, the New York Times said editorially on May 12, 1962:

> The American policy is based on Washington's belief that the Lao are uninterested in political or ideological conflicts and, in contrast to the Vietnamese, will not fight. But to back up that policy and force the pro-Western leaders into the coalition with the Communists, even to surrender the army and police, which they refuse, American authorities have tended to undercut the pro-Western Government, even to accuse it of provocation, until this policy begins to resemble that which lost China.

In justification of the coalition policy in Laos, it has been argued that not every government which included Communist ministers has wound up by succumbing to communism. It has been pointed out that such coalitions did, in fact, exist in France, in Italy, and in Finland, and one or two other countries in the postwar period.

This comparison completely skirts the issue. France and Italy emerged unscratched from the postwar experiments in coalition because there was no Communist military presence in these countries, because their security forces and the armed forces remained under anti-Communist control, and because the democratic parties in these countries disposed of very considerable resources in men, money, and experience.

Finland survived her postwar coalition because the Finns are one of the toughest people in Europe and perhaps the most sophisticated about the ways of their Soviet neighbors.

But Laos is not France or Italy; and the Laotian people, in terms of sophistication, cannot be likened to the French, Italians, or the Finns. Given the massive presence of the Red Chinese and North Vietnamese army on its frontiers, given the existence in Laos of substantial units of Red Chinese and Vietnamese forces, given the lack of national unity, the lack of sophistication, the dearth of political leadership, not even a miracle could save Laos if it were ever saddled with a coalition government such as is now proposed.

I cannot understand the persistence in believing, despite all the available evidence, that Souvanna Phouma is truly a neutralist, that he is not under Communist domination, and that he can be trusted to designate non-Communists for the positions of Minister of Defense and Minister of the Interior.

In an interview with Ronald Stead of the Christian Science Monitor, which appeared in the March 21, 1962, issue of that paper, Prince Souphanouvong, the Laotian Communist leader, on the one hand denied that his half-brother Prince Souvanna Phouma "is a prisoner of the Pathet Lao." Mr. Stead wrote:

> He described this as "an odious calumny against the rightful Prime Minister of Laos (Souvanna Phouma) and a maneuver to cause a split between my half-brother's government and the Pathet Lao."

On the other hand, Prince Souphanouvong said to Mr. Stead:

> Nobody can destroy the firm solidarity forged in the fire of battle. For this reason American efforts to separate us must be in vain.

Mr. Stead, incidentally, was to my knowledge the only American correspondent to point out that—

> Souvanna Phouma now has headquarters and joint residence with his half-brother, Prince Souphanouvong, leader of the pro-Communist Pathet Lao armed forces and their political counterpart, the Neo Lao Haksat.

In the light of all this, it is inconceivable to me that the kind of coalition government now proposed can terminate in anything but a Communist Laos. True, there are a few instances of coalition governments—France, Italy, and Finland—which did not terminate in disaster. But this was only so because the democratic elements in these countries succeeded in extricating themselves from the coalitions with the Communists at their earliest opportunity.

It can be stated categorically that there has never been an instance of a stable, neutral coalition government, embracing Communists and non-Communists.

It can be stated categorically that there has never been an instance of a coalition government that has served the interests of the free world.

It can be stated categorically that there has never been a coalition government in which the Communists held the twin positions of the Ministry of the Interior and Ministry of Defense, which did not culminate in a complete Communist take-over.

It is in the light of this historic experience, that we must take a fresh look at the situation in Laos.

To let Laos fall to communism while we attempt to defend South Vietnam would be like trying to catch the flood waters in buckets, while doing nothing to strengthen or maintain the river levees. I have discussed the situation in Southeast Asia with a number of military men with experience in the area, and I have yet to meet one who does not agree with this estimate. But apparently in this situation, as in other situations, we have paid scant attention to the opinions of our military men.

We have also paid scant attention to American missionaries serving in the field. Why we consult them so little, I shall never be able to understand, because they are a remarkably dedicated and intelligent group of men, who have no political ax to grind, who invariably speak the language of the country, who have lived with the people, and who have traveled widely, frequently on foot. They are in a far better position than most people to know what is going on in a country such as Laos or the Congo.

In this connection, I would point out that our policy in China went off the tracks when our State Department fell for the proposition that the Chinese Reds were really agrarian reformers. American missionaries in China warned against this policy, but no one listened to them. By the time we got the "agrarian reformer" sand out of our eyes, China had gone Communist.

Speaking from a more recent and more personal experience, I believe that many of the mistakes we have made in our Congo policy could have been avoided if we had troubled to obtain the opinions of the scores of American missionaries who are today serving there, and who knew the country far more intimately than most foreigners there. But so far as I know, the many dedicated American missionaries in the Congo were never asked for their opinion; and the few that offered their opinions were ignored.

During the past week, the Lao Communist force, supported by the Chinese Communists and North Vietnamese, have seized Nam Tha and other towns in northern Laos, in a drive that has carried them all the way to the border of Thailand. At this very moment, Communist forces are threatening the capture of the Royal capital of Luang Prabang and the administrative capital of Vientiane.

There are reports that, as a result of the massive and flagrant violations of the armistice by the Communists, the administration is now reconsidering its position on Laos. I earnestly hope that this is so. I earnestly hope that the measures already announced in Vietnam and in Thailand will be followed by still further measures already specifically geared to the situation in Laos. I earnestly hope that we will not accept this new act of aggression in Laos as a fait accompli and force our friends in Laos into a coalition government against this background.

I am in wholehearted agreement with the distinguished Senator from Washington [Mr. JACKSON], who said several days ago that he would prefer a partitioned Laos to a united Laos governed by a coalition government.

We already have two Korea's, two Germany's, two Vietnam's. And no one could possibly be happy at the prospect of seeing another country partitioned. But we are in the unpleasant position where we are compelled to choose the lesser of two evils. And, recognizing this, there is no doubt in my own mind that partition would be an infinitely less dangerous evil than a coalition government that is bound to terminate with the Communists in complete control of the country.

I do not think I am revealing any military secret when I say this attitude is shared by many of our own military men, by many of our friends in southeast Asia, and by some of our much-abused friends in Laos. The reason for their preference is obvious. If an anti-Communist government can be maintained in the southern portion of Laos, including the critical Lao panhandle and the Mekong River Valley as far west as Vientiane, and as far north as Luang Prabang, this would protect Cambodia, it would greatly facilitate the struggle against the Vietnamese guerrillas, and it would afford a large measure of protection to Thailand.

Mr. KEATING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. (Mr. SMITH of Massachusetts in the chair). Does the Senator yield?

Mr. DODD. I am glad to yield to the Senator from New York.

Mr. KEATING. I am sorry to interrupt the Senator, but I have an engagement which is going to take me from the Chamber, and I did not want to leave without commending the Senator from Connecticut for the extremely informative analysis which he has made of the situation in Laos and southeast Asia. He has recently traveled there extensively.

As I understand the Senator—and he may correct me if I am wrong—his feeling is that Laos and southeast Vietnam Province are indivisible and are not completely separate in character.

Mr. DODD. The Senator is correct. The Senator understands very clearly what I have said. That is my view.

Mr. KEATING. I remember the Senator's warning which he sounded some time ago, perhaps as much as a year ago.

Mr. DODD. I believe the Senator refers to the speech I made in the Senate just about 1 year ago on the same subject.

Mr. KEATING. And at that time he made it very clear, as I remember, that it was, in the opinion of many Senators, and in the opinion of many military men, capable of being relieved and defended from Communist onslaught.

Mr. DODD. The Senator is correct in his recollection. In addition, I tried to point out that our SEATO friends in that part of the world were anxious and willing to assume that responsibility.

Mr. KEATING. That judgment of the Senator coincided with the one I formed at that time. We have now drawn a line. It is sometimes stated in the press reports as being a line in Laos. The Mekong River is virtually the line between Laos and Thailand, and such a line would involve only a tiny peninsula in Laos on our side of the Mekong River.

Mr. DODD. The Senator is right.

Mr. KEATING. To draw a line there is virtually to abandon Laos, at least militarily. Does not the Senator agree with that conclusion?

Mr. DODD. Yes; I do agree, completely.

Mr. KEATING. It seems to me our policies leave a good deal to be desired in that regard. One thing that has disturbed me—and the Senator from Connecticut has been giving eloquent voice to a lot of thoughts that have been going through my mind—is the press reports of the situation in Laos. We hear it all the time, and it seems to me they must be stimulated by some elements in the Department of State. They speak of the official government of Laos as rightwing elements, as if they were extremists, and the moderates as consisting of so-called neutralists, which consist of neutralists plus the Communists.

Mr. DODD. The Senator is quite right. That fact has been disturbing me.

Mr. KEATING. Instead of saying that the Government of Laos is being overrun, they say the rightwing elements have been overrun.

Mr. DODD. I have been noticing it for some time. It is very unfair and very untruthful. It would be far more accurate if Boun Oum and General Phoumi were referred to as government officials. If we are going to call them anything at all, we should call them the anti-Communist forces. That is what they are.

Mr. KEATING. That is correct. Souvanna Phouma, certainly, according to the past record, has shown much more friendliness to the Communist cause than he has toward the western cause.

Mr. DODD. That is correct.

Mr. KEATING. He is a neutral like some of the neutrals to whom we have been giving aid—a neutral in favor of the Soviet Union and a neutral against the United States.

Mr. DODD. That is correct.

Mr. KEATING. I express the hope that every Member of the Senate will read the entire speech of the Senator from Connecticut, as I shall certainly do. It seems to me he is making a very significant speech. I stand 100 percent behind the President, as the Senator has said he stands——

Mr. DODD. Indeed, I do.

Mr. KEATING. In taking a position on the Mekong River; but that is not the whole situation, and the Senator has brought that out most forcefully in his remarks today.

Mr. DODD. I am encouraged by the Senator's remarks. I am well aware that this is a subject which many persons do not like to discuss. However, it is a critical question, and the fate of the free world could very well be decided in the struggle in Southeast Asia, and our security could be seriously affected. It is why I have spoken out today.

Mr. KEATING. This is the most important problem which we face today in this country. The speech the Senator is giving is one of the most significant I have heard.

Mr. DODD. I thank the Senator for the compliments he has accorded me.

President Diem has, from the beginning, taken the stand that if we are not prepared to make the effort to save the whole of Laos, we should, out of respect for the security of southeast Asia, at least make the more limited military effort that would be necessary to secure the southern portion of Laos. I discussed this matter with President Diem in the course of a 2-hour conference in Saigon, just over 1 year ago—to be precise on Wednesday, May 3. I still have the map which he used to illustrate his presentation.

President Diem proposed that SEATO paratroops be used to secure the town of Tchepone, in the Lao panhandle, and several other key centers in the area that were still in the hands of the Lao Government forces. He warned that control of the panhandle would give the Communists a vastly greater common frontier with Vietnam and that this would enable them to step up their guerrilla activities proportionately.

Three days later, on Saturday, May 6, I learned in Bangkok that Tchepone had fallen to the Communists the previous day.

Less than a month later a series of items which appeared in the press indicated that Tchepone had already been converted into a major base for Communist guerrilla operations against South Vietnam. Today, Tchepone has become the southern terminal of the so-called Ho Chi Minh trail, the land route over which the North Vietnamese Communists send most of their equipment and guerrillas into South Vietnam. It has also become one of the chief receiving points for the Ilyushin transports which daily deliver tons of military supplies to the Vietnamese and Lao Communist forces.

A year ago there were 10,000 Communist guerrillas in South Vietnam. Today there are estimated to be in excess of 25,000. To offset this formidable increase in strength, we have had to pay for a substantial increase in the Vietnamese armed forces, we have had to send in more than 5,000 American boys as instructors and pilots, we have now committed another 5,000 troops to Thailand, and we are warned that we may have to play an even larger and more active role in the antiguerrilla war if South Vietnam is to remain free.

This is the price we have to pay and will be called upon to pay for our failure to keep Tchepone and southern Laos out of Communist hands. But, since I do not accept the thesis that every Communist victory must be regarded as sacrosanct, I believe that measures still can and should be taken to force the Communists out of Tchepone and out of the panhandle, and to establish a defense perimeter along the mountain ranges to the north. No measure open to us would do more to relieve the situation in South Vietnam and restore our prestige in southeast Asia. No measure open to us would do more to fortify our position in the negotiations with the Communists and to create the possibility of an acceptable compromise in Laos.

I do not underestimate the risks or the potential costs of attempting to repair the situation in Laos by making partition rather than a coalition government the chief objective of our diplomacy. But I think it would be far more dangerous to underestimate the cost of failing to undertake this repair. Every time we postpone dealing with a situation, every time we yield new ground to the Communists in the name of avoiding escalation, we make it that much more difficult to stand fast next time, we further encourage the arrogance of the Communists, and we increase the danger of the global war we wish to avoid.

Miss Marguerite Higgins, in the article to which I have already referred, quoted an Asian diplomat as saying:

> If the United States dares not act at a time when Red China is in turmoil and starving, when America has the atomic bomb and Red China has not, what will America do when China is recovered and is an atomic power? If you dare not stand up to the Communists in Asia today, what will happen tomorrow?

Mr. President, I have made this statement with some reluctance, because in a time of crisis, even the most sincere and constructive criticism may be misunderstood. Indeed, there have been many times in recent months when I have felt constrained to speak out about the situation in Laos; but until today I have yielded to another feeling which urged me to defer my statement.

If I have spoken today, it is because time is running out in Laos; because I am convinced that the coalition government formula in Laos can only lead to disaster; and because I feel conscience bound to speak out while the situation can still be remedied.

I have been encouraged to speak out by the knowledge that the wisdom of our policy in Laos has in recent months been questioned by some of our ablest political commentators, and by some of our most distinguished editorial columns, among them the columns of the New York Times.

But I have been encouraged to speak out, above all, because the administration, in its recent actions and commitments, has displayed flexibility and courage and a willingness to meet changing situations with changes in policy.

My complaint is not one of harsh criticism. It is, rather, uttered almost in the sense of a prayer that there will be a reconsideration of our policy in this fateful part of the world, with respect to the troubles which beset it.

There is no reason to despair about the situation in southeast Asia. There is every reason to be hopeful. The Chinese Communists do not have the total freedom of action they pretend to have. Their regime has never been weaker economically or more plagued by political disaffection. On the other hand, the presence of American troops in both Vietnam and Thailand gives us a political and diplomatic leverage which we have not heretofore possessed. And our entire position in the area has been further bolstered by the commitment of the other SEATO nations to dispatch contingents of troops which will take their places alongside the American troops already in Thailand.

But, having thus bolstered our position, having thus increased our diplomatic leverage in the negotiations to which we are committed, I hope that we will not passively accept the flagrant Communist violation of the cease-fire at Nam Tha, as we have passively accepted such violations in the past. Every time we fail to react to Communist violations of existing agreements or limit our reactions to paper protests, we encourage the Communists to believe that they can violate any agreement with the free world with total impunity, we make more possible the kind of miscalculation that may someday result in war. I believe, therefore, that before we return to the conference table, we should insist that the Communists return to the positions they occupied before the most recent violation of the cease-fire.

In the Laos situation, as it has unfolded to date, one can find all the essential facts about communism, and all the follies and weaknesses of Western policy, both writ large.

Here one can see the incredible persistence of the Communists at work; one can see their ruthless application of guerrilla tactics, their ability to infiltrate non-Communist groupings like the Buddhist clergy, their cunning use of neutralist or ostensibly non-Communist fronts, their use of diplomacy as a screen for further aggression, their ability to paralyze the West by threatening escalation. Here one can see the total perfidy and total amorality which they so awesomely combine with their total dedication to the goal of world communism.

On the Western side, the events in Laos provide us with still another dramatic illustration of our amateurishness in the field of total warfare; of our perennial desire, despite all disappointments, to believe that some kind of accommodation with the Communists is possible; of our willingness, despite their repeated betrayals, to trust their diplomatic promises; of our readiness, despite numerous historic lessons, to foster coalition governments; of the bewitchment which has led us to accept the one-sided rule that the cold war must be waged always on the territory of the free world, and never on the territory of the Communist world, no matter how recently this territory may have been annexed.

If we persist in this sentimentality and these ambiguities that have up until now characterized our policy in Laos, then the positions remaining to the free world will be overrun or eroded, one by one, under the unrelenting attacks of world communism.

But if we now learn the lessons of Laos and apply them to the world situation, it will, I am confident—at least, it can, I am confident—mark a turning point in the cold war. Once we have digested these lessons, Laos can be saved and southeast Asia can be saved. But far more important, we will never again make the mistake of retreating before a Communist challenge, in the hope that this will somehow ease tensions and reduce the danger of war. Because it does just the opposite.

We will, on the contrary, move to the total mobilization of resources and energies and spirit that alone can assure the triumph of our free society in the life and death struggle with the godless forces of communism.

Mr. President, I ask unanimous consent to have printed in the RECORD at this place a number of articles from American newspapers and magazines, which will serve to indicate how widespread are the misgivings about the policy we are at present pursuing in Laos.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 12, 1962]

NEW LOOK AT LAOS

The spreading military crisis in Laos compels the American Government to take a new look at this tiny but strategically important kingdom and to review its whole policy with a view toward more forceful action to keep it out of Communist hands.

The crisis has been simmering ever since the Geneva conference of 1954 which was supposed to settle everything but merely led to continued intermittent fighting in Laos and one military coup after another. It reached its present stage when the combined neutralist and Communist forces, aided by Soviet Russia, Communist China and Communist North Vietnam, broke the latest year-old cease-fire agreement and launched a new offensive that has overrun several strongholds of the pro-Western Government and placed all northwest Laos under Communist control.

This development has put pro-Communist forces on the Mekong River, where they can menance Thailand, and is opening a new route for Communist invasion of embattled South Vietnam.

President Kennedy declared three months ago that if the cease-fire were broken we would be faced with "most serious decisions." But the Government clings to its present policy, agreed upon between President Kennedy and Premier Khrushchev at Vienna, which calls for a neutral and independent Laos under a coalition regime formed of pro-Western, neutralist, and Communist factions. It has joined Britain in calling on Soviet Russia to stop the Communist offensive and has induced Prince Souvanna Phouma, whom it backs as a neutralist Premier, to call for a Communist withdrawal.

It has little hope that the Communists will really surrender what they hold. It does hope for restoration of the cease-fire and resumption of the dragging coalition negotiations between the three princes heading the three rival factions who view it all as a family affair to be settled in Lao fashion. The American policy is based on Washington's belief that the Lao are uninterested in political or ideological conflicts and, in contrast to the Vietnamese, will not fight. But to back up that policy and force the pro-Western leaders into the coalition with the Communists, even to surrender the army and police, which they refuse, American authorities have tended to undercut the pro-Western Government, even to accuse it of provocation, until this policy begins to resemble that which lost China.

On the other hand, the only grim alternative is massive military aid from the outside, which might trigger a larger conflict. President Kennedy is rightly loath to embark on such a policy, but SEATO and ANZUS, which are pledged to joint protection of the area, should also have their say.

[From the New York Times, May 14, 1962]

Apres Laos le Deluge

(By Marguerite Higgins)

Washington.—Laos is far away, but the world is small and never in this writer's 20 years as a journalist has the Department of State put on a more stalwart exhibition of sticking its head firmly in the sand than was the case last week with regard to the crisis in southeast Asia.

A government, of course, has a far more embarrassing time than an individual in admitting that it has been played for a fool. That the United States has been played for a fool was evident in Washington firstly from events in Laos, where Red troops led by Hanoi and Red-Chinese trained officers were ferociously giving the lie to the Harriman doctrine that Moscow really didn't want a Communist takeover in Laos and would restrain their Russian-supplied allies. It was evident from the small, smug smiles of the Communist statesmen and journalists in Washington who were patronizingly telling the subdued and silent non-Communist set that—in the words of one Soviet bloc official—"the New Frontier never really set much store by Laos anyway, so how could you consider it a setback?" It was evident from the cold indifference with which Moscow heard out Washington's pleas to live up to pledges to support the cease-fire.

But it was not evident to the State Department up to and through Friday evening, at least in the official line being given out to the world press.

Up to and through Friday evening, the official doctrine was still that a peaceful solution was possible because the Russians really wanted a neutral and independent Laos to limit Peiping's influence there.

In its remarkable display of refusing to face unpleasant facts, the State Department clung to its Moscow-is-sincere line in the face of the following:

1. An agreement between the Red Chinese and the Pathet Lao puppet Red government that Peiping would build a road from China to Red "governmental" headquarters in Laos. This was announced more than 8 months ago. It logically raised the question of how Moscow, sincere or not, could be counted on to keep Peiping out of Laos since the agreement brought the roadbuilders very much in. The State Department answer was that the Chinese were not conclusively in Laos despite the agreement.

2. Clear evidence that the Viet Minh cadres leading the Pathet Lao have been trained and supplied by Peiping as well as by Russia.

3. Reports from American military advisers that Red Chinese troops were seen participating in the attack on Muong Sing (the jungle headquarters or Dr. Tom Dooley). This brought the comment from the State Department that many tribesmen in the area spoke Chinese, overlooking the fact that even Chinese-speaking Lao are not ordinarily in Red army uniform.

4. The fact that Souvanna Phouma, the neutralist prince who was America's choice as the strong man of the coalition government, called on his ally, the Red prince, to halt his attacks and evacuate Nam Tha and was in turn made a fool of when the Communists thrust instead 100 miles to the Thailand border.

Only one thing has stood between Laos and Communist seizure in this and previous administrations, and that has never been the Lao army. If anything, the free Lao army was far weaker in the days of the Eisenhower administration than now. The only thing that has saved Laos has been Red fear of the consequences, meaning possible American or other intervention.

The Kennedy administration's distaste for the Lao situation has been shown in ways too myriad to detail here, but certainly Moscow is not without reasons for gambling that a Red takeover of Laos would be without painful consequences. Indeed, as late as Friday, the State Department was saying that the alerting of the 7th Fleet was "just for show." Only Saturday did someone realize that labeling this alert in such a manner was most unlikely to impress the Communists as anything other than a green light to aggress with safety.

Is it too late to save anything in Laos? Already the entire Lao-Chinese frontier is under Red domination, meaning that Peiping troops can go and come at will without the West being the wiser, as was the case in North Korea along the Yalu.

Already—and for the first time—Red troops are on Thailand's border.

Said an Asian diplomat: "If the United States dares not act at a time when Red China is in turmoil and starving, when America has the atomic bomb and Red China has not, what will America do when China is recovered and is an atomic power? If you dare not stand up to the Communists in Asia today, what will happen tomorrow?"

[From the New York Herald Tribune, Apr. 23, 1962]

Mad Hatter's Tea Party

(By Joseph Alsop)

Vientiane, Laos.—The best way to understand the present stage of American policy in this distracted little country is to remember the worst moment of the Mad Hatter's tea party in "Alice." This, beyond doubt, was the moment when the Mad Hatter rather crossly tried to stuff the dormouse into the teapot.

The role of the Mad Hatter is being played, with considerable panache, by the Assistant Secretary of State for the East, Gov. Averell Harriman. The dormouse in this peculiar charade is the Lao anti-Communist leader, Gen. Phoumi Nosavan. And as in "Alice," the dormouse has refused to be stuffed—at least as yet.

It is not all so comic, however. Consider, for example, Governor Harriman's last descent on Laos, which was intended to stuff the dormouse into the teapot by main force.

At a meeting with all the leaders of the present anti-Communist government, Governor Harriman explained the salubrious character of the teapot in question. This is a neutral coalition government which the Governor desires to form, with the neutralist, Prince Souvanna Phouma, at its head, with Lao Communists included in the Cabinet and with the anti-Communists also included—but only and above all after the anti-Communists have surrendered their vital control of both the army and the police.

After expatiating on the teapot, Governor Harriman gave a preliminary shove. The economic subsidy of $3 million a month, which the United States has long paid to Laos, was suspended some time ago as a pressure move. This has already caused inflation here. But other pressure moves were easily possible, the Governor reminded the Lao Cabinet, thus hinting at future suspension of military aid as well.

Governor Harriman looked at the Lao leaders one by one; pointed a stern forefinger at each of them in turn; and told them that he wished them to know they would be "responsible for the destruction of their country" if they refused to do his bidding. There was a brief silence, and General Phoumi then replied:

"You know, Governor Harriman, we in Laos have many years' experience of colonial rule. But we were never spoken to in quite that fashion in the colonial times."

It can be seen, then, that rather passionate feelings have by now been generated on both sides. Yet the American policy here most urgently needs cool, dispassionate reexamination.

The existing policy was somewhat hastily adopted at the low ebb of the Kennedy administration, just after the Cuban debacle. The aim was to secure a strictly neutral Laos, with no North Vietnamese Communist troops on Lao soil, and with the North Vietnamese blocked from using Laos as a transit route for their attack on South Vietnam.

At Geneva last spring, with his customary industry and ability, Governor Harriman negotiated an agreement with the Soviets which on paper, at least, promised the desired neutral Laos. All the requirements for strict Lao neutrality were to be met, as soon as a coalition, all-party government could be installed with Prince Souvanna Phouma at its head. The Chinese and North Vietnamese delegates at Geneva gave their assent; and the Soviet delegate made important personal commitments to Governor Harriman.

At this stage, last summer, the agreement that Governor Harriman had negotiated looked like the best American bet in Laos, even though it was obviously a longshot bet. Any contraption basically depending on Communist good faith must always be a long-shot bet. But its real flaw was its dependence on stuffing the dormouse into the teapot.

Prince Boun Oum, the Prime Minister, and General Phoumi, the real leader of the anti-Communist government, never felt enthusiasm for the coalition teapot. But they would have entered, nonetheless, if the price of the coalition had not been their surrendering control of the police and the army. Such a surrender, they understandably considered, was tantamount to cutting their own throats with a blunt knife.

For just this reason, despite month after month of maneuvering and mounting pressure, the dormouse has obstinately refused to be stuffed. Meanwhile, the passage of time and changing circumstances have transformed what used to be a reasonable long-shot bet into a totally indefensible gamble.

A Chinese Communist general, thinly disguised as a consul general, has turned up in the northern province of Phong Saly, at the head of a division of Chinese troops rather better disguised as roadbuilders. The Communist North Vietnamese have been pushing in troops, until they now have between 12,000 and 14,000 soldiers in Laos, of which half are in regular army battalions. The transit routes to South Vietnam, which were supposed to be abandoned, have been persistently used and improved.

For these and many other reasons, if the Lao anti-Communists are now driven, by main force, into the coalition that has been so eagerly promoted, it will be equivalent to handing Laos to the North Vietnamese with a red ribbon prettily tied around it. No doubt this can be done, by withdrawing U.S. military aid, for instance, which Governor Harriman apparently told the British Ambassador here that he intended to recommend. But it is certainly time to stop and think again.

[From U.S. News & World Report]

United States "Giving Away" Laos to Communists?

Vientiane, Laos.—At a time when U.S. troops are at the brink of war against Communists in South Vietnam, U.S. officials are cracking down on the rulers of neighboring

Laos to force them into partnership with their Communist enemies.

U.S. policy—agreed to with Russia—is to try to bring peace to Laos by setting up a coalition Government of "neutrals," anti-Communists and Communists.

To try to force the coalition, the United States cut off a $3 million monthly subsidy that met the Lao Army's payroll and paid a third of the costs of the police and civil government. Then the United States began preparations to cut off shipments of arms, ammunition and gasoline, to be followed by withdrawal of military advisers and an end to the airlift on which most of the Laotian Army depends for food and ammunition.

The Laotian Government—headed by Prince Boun Oum and Gen. Phoumi Nosavan—is trying to hold out against American pressure. General Phoumi, at the start of May, was appealing to anti-Communist countries in Asia—Thailand, South Vietnam, the Philippines, Nationalist China, South Korea and Malaya—to come to his aid in his battle aginst the Reds.

VICTORY FOR REDS?

But the odds now are that Laos will either be controlled completely by the Communists or be split across the middle into a Communist North and an anti-Communist South.

General Phoumi is a tough leader who does not want to turn his country over to the Communists. But the only alternative, as he now sees it, is a divided Laos. He knows he has no chance of reconquering the Communist-held areas in the North without U.S. intervention. Phoumi believes, however, that he can hold the vital Mekong River valley and Southern Laos, if the United States will reverse its present policies and help him.

Actually, the anti-Communists in Laos are not as weak as they once seemed to be. The Royal Lao forces now number 70,000 men. During the past year, the United States has given basic American-style training to most of the troops, and has sent 4,000 officers and technicians through special schools.

In addition, about 11,000 Meo hill tribesmen living in enclaves deep behind the Communist "lines" have been armed and trained by the U.S. Army's Special Forces. Officers say the Meos are superb guerrillas.

Americans who have served at the front with Lao troops say flatly that their combat capability has improved tremendously, that morale is higher than it was a year ago, and that—at the present time—the Royal Lao Army could hold its own against the enemy forces inside Laos.

The neutralist-Communist forces, combined, have 36,000 to 38,000 troops in the field. But they are by no means unified in their objectives, nor are they subject to a single command.

IN 1961: A DECISION

Judging from the information available in Laos, Thailand and South Vietnam, the United States has not reassessed the situation in Laos since the spring of 1961, when the Kennedy administration apparently decided the best way out was to neutralize the Red-menaced country.

So far as anyone here knows, Washington has not tried to find out if conditions have changed since then. No top-level mission from Washington has taken a look at the situation. Meanwhile, officers on the ground say that several important assumptions on which U.S. policy was based have turned out wrong.

For example, it was assumed that the Communists and neutrals would overrun Laos in a matter of days unless a coalition government that included them was set up. In fact, the reverse has happened. In order to maintain Red power, Communist North Vietnam has had to send in new battalions of its most experienced troops.

Another assumption was that Laos could be effectively policed to see that it was not used as a base for aggression against any other country in southeast Asia. But no one, so far, has been able to enforce a cease-fire in Laos. Communist North Vietnam has put 10 identified battalions into the fighting area.

The Communists now have a stranglehold on the supply corridor through Laos that connects North and South Vietnam. The Russians airlift supplies to Tchepone, close to the South Vietnam border, and have one other major airdrop zone. Even the most optimistic Westerners in Vientiane now acknowledge that, under a coalition government, there would be no possible way of policing this corridor and preventing supplies from reaching the Communists in South Vietnam.

Still another assumption was that the Royal Lao Government was ineffective. In fact, many Americans on the scene say the Phoumi government is the best that Laos has ever had. U.S. aid was being used effectively right up to the moment that economic sanctions were applied by Washington. A program of technical aid and refugee assistance costing the United States $6 million a year is still in operation and is having considerable impact in the villages.

FOR UNITED STATES: FEW FRIENDS

As a result of the pressure from Washington, the United States is in a position right now of having very few friends and admirers in Laos. The Communists and their followers regard America as the "imperialist, capitalist enemy." The neutrals distrust the United States. And the anti-Communists consider the attempt to squeeze them into partnership with the Reds as a "betrayal."

Commanders in Asia say a factor that apparently has been ignored by the Kennedy administration is this: How determined are the Communists to take Laos, and what are their military capabilities for doing so?

There is no question about their long-range intention. Even the Soviet Union, which has supported the principle of a unified, neutral Laos, wants Laos to be a Communist satellite, in the end. And Laos is even more important to Ho Chi Minh, the Communist ruler of North Vietnam. His dream of controlling the entire Indochina peninsula rests on first getting control of Laos.

PROBLEMS FOR COMMUNISTS

Communist capability is another thing. Right now, the entire Communist-neutralist force is dependent on a Soviet airlift and several weekly truck convoys from North Vietnam.

Red China has an estimated 40,000 troops close to the Laos border. North Vietnam has a combat-experienced army of 350,000. But officers with long experience in Asia doubt that the two countries together could maintain more than 100,000 fighting troops in Laos.

Neither China nor North Vietnam has reserves of food. Chinese highways and railways to the Laos-North Vietnam border are relatively primitive. And the industrial bases to produce the necessities of war are thousands of miles away, in North China and Manchuria.

Field commanders say neither China nor North Vietnam could fight a Korea-style war in Laos. The United States and its allies would also have a difficult problem of supply. But the Mekong River valley and southern Laos would be relatively easy to defend, using a combination of Laotian, Thai and U.S. troops.

"A HEADACHE, BUT—"

So why is the United States threatening to pull out its military support and force Laos into a coalition government that could either split the country or put it into the hands of the Reds? Says one Western official with years of experience in southeast Asia:

"The United States appears to have drawn a firm line against the Reds in South Vietnam. Washington's guarantees to Thailand against outside aggression and internal subversion support the view that the United States is not preparing to pull out of southeast Asia.

"But if U.S. policy is to keep South Vietnam and Thailand free, abandoning Laos and selling Phoumi 'down the river' makes no sense. Laos, underpopulated and shy of resources, is a headache to any country that gets involved in it. But it is still the key to defense of Thailand and South Vietnam."

[From the Baltimore Sun, Jan. 9, 1962]

WESTERN CONCESSIONS TO LEFTISTS FEARED

(By Philip Potter)

BANGKOK, THAILAND, January 8.—The United States failure to back Prince Boun Oum of Laos in his efforts to have a say in the choice of Defense and Interior Ministers for a new coalition government there is likely to further erode Thailand's confidence in America.

Thai officials claim to share the West's desire for a strong, peaceful, and neutral Laos, but fear that the West, in its impatience to see an agreement between the three Lao princes to this end, is inclined to make too many concessions to leftwing factions.

BOUN OUM BACKED

Boun Oum, they contend, is right in wanting more positive indication that Prince Souvanna Phouma, neutralist ticketed for the premiership, will maintain a strict neutrality between East and West.

Thai have no faith at all in the neutrality of the third prince in the Lao equation, Prince Souphanouvong, leader of the pro-Communist Neo Lao Hak Xat Party.

They are inclined to risk the formation of a coalition government headed by Prince Souvanna Phouma, but consider the composition of the cabinet the real test of his ability to create a balanced neutralism in the country.

CAUTION URGED

The West should be chary, in the eyes of these officials, about criticizing pro-Western Prince Boun Oum, present Premier of the Royal Lao Government, as he bargains with Souvanna Phouma over the two important Ministries of Defense and Interior.

"Western impatience for an agreement is a sign of weakness," said one official.

"The Vientiane Government of Prince Boun Oum has said it needs a short interim to make sure that Souvanna Phouma can be a strong neutral personality, able to cope with his friends on the left."

This source said Thailand wanted to see a quick settlement among the three princes, but it must be a just and equitable agreement, not dictated from the outside.

"If one side is not happy, and particularly the one the West supports, no agreement can be properly implemented," this official said.

"We feel the West is prone to put pressures on its friends, but not on the other side. You pressure the wrong people at the wrong time. The West kicked little a few months back when Prince Souphanouvong refused to come and see King Savang Vathana, but there is much tendency to blame Boun Oum for demanding a voice in naming the defense and interior ministers."

There also is resentment here over alleged misrepresentation of Thailand's position by the Western press.

Officials said there had been many reports that Thailand advocated strong military action by the Western Powers in Laos.

This, it was said, is far from the truth.

Thailand, one top official said, has always had a peace policy "however much sympathy it has for Laos, because of geographical proximity and our common cultural heritage."

Thailand's hope, he said, was for a strong, neutral Laotian Government supported by the people and by King Savang Vathana.

VIEWS ACCEPTED

He said the view was accepted that it would have to be composed of all factions, but the West must insist that it be one which will maintain—with emphasis on "maintain"—strict neutrality.

"What we do not want is a government purported to be neutral, but with no ability nor willingness to remain neutral.

"We do not want one predominantly Communist or leftist. We fear if the balance is not right it will not be a good beginning and it may lead to eventual domination by undesirable elements."

To assure this, he said, the West must achieve unity and be resolute in standing more firmly for "what you say you believe in. Our fear is that the West, in its strong desire for agreement, might be willing to grant too many concessions. This is a bargaining game. If you say what you are willing to give you have no resources to fall back on."

There is clearly a belief in Thailand that partition of Laos along the lines of present military control would be more advantageous to this country than the formation there of a government that would come under Communist control and expose Thailand's 625-mile border with Laos to penetration by Communist agents armed and trained by Communist North Vietnam and Red China.

Officials here point out that in recent months there has been widespread trouble in Thailand's northeast province bordering Laos and say "there is every indication it is inspired by elements outside the kingdom."

While it is nothing like the Communist Viet Cong threat in South Vietnam, it was said, subversion probably would mount if Laos were to become a subsatellite of the Communist bloc.

RED FORCE MENTIONED

There still reside in northeast Thailand about 30,000 North Vietnamese who came over and made it a base for operation against the French during the early years of the Indochina war.

They still owe allegiance to Ho Chi Minh, Communist leader of North Vietnam, and only await the elimination of Laos as a buffer state to become a large fifth column in this country.

There were at one time 60,000 men, women, and children, but for the past 2 years there have been evacuations through the instrumentality of the International Red Cross and the number here now is believed to be between 30,000 and 40,000.

American sources say those evacuated have been mostly old women and children, leaving in Thailand a hard core as potential subversives of the Viet Cong type now operating in South Vietnam.

SYMPATHY NOTED

U.S. officials here are sympathetic about Thailand's fears.

Americans, one said, "may view Laos like a revolving door, in which one goes in and out, but it is deeply involved in the emotions, heart, and thinking of the Thai. There is an umbilical connection between the Thai and the Lao."

Thus, he said, there is much questioning here about the determination of the West to protect Laos and South Vietnam against Communist subversion and aggression.

"They are heartsick over the fact that the Communists have been allowed to take over half of Laos. They simply cannot understand why the West is letting this happen," he said, "They say it will be Laos first, South Vietnam second, and Thailand third and does the West care anymore?"

[From the New York Herald Tribune]

Disengagement in Laos?

(By Joseph Alsop)

WASHINGTON.—The Kennedy administration has made a remarkably grave decision about Laos. The decision is being acted upon, and will not be reversed except for a most unexpected and violent turn of events. Yet only a tiny minority are aware of this decision, let alone understanding what has been decided.

Such is the excuse for nagging along about remote, unfortunate little Laos in this space. Having offered this apology, let us try to define the decision. It is really a decision to try to disengage, to extricate the United States, to pull out of Laos—even at considerable risk to eventual Communist domination of this little country which is the transit-route from Communist North Vietnam to South Vietnam, Thailand, and Cambodia.

The factors which have forced a decision at this time have been described at length in an earlier report. In summary, the fighting strength of the anti-Communist forces in Laos is thought to have declined, despite heavy investments to increase it. The power of the pro-Communist forces is known to have increased materially, largely owing to covert invasion from North Vietnam.

Meanwhile, the cease-fire in Laos is becoming increasingly frayed—the President's word—and hostilities may therefore be renewed at any time. If this happens, and if the balance of forces in Laos has been correctly estimated, the victory will go to the pro-Communists. Hence the problem is urgent.

The problem permits only two kinds of solution. One is an early political settlement in Laos. The other is to send American troops to Laos without further delay. Significantly, President Kennedy has recently consulted the Joint Chiefs of Staff at great length about the desirability of sending troops.

If the answers of the Joint Chiefs had been more encouraging, American combat units would probably be getting ready to go to Laos at this moment, despite the unanimous opposition to this course expressed by congressional leaders of both parties at the White House meeting on Laos last April 27. But the Joint Chiefs of Staff refused to promise to hold even southern Laos (thus cutting the transit route to South Vietnam) with the kind of expeditionary force that might be dispatched.

If the Joint Chiefs are right, in fact, the only gain from sending troops to Laos would be the retention of American footholds in Vientiane and the other Mekong River-towns. Thus there would be protected posts on Laos' river-border with Thailand; but the much more dangerous border with South Vietnam would be left open to the Communists. In these circumstances, the decision of the Kennedy policymakers is only to send troops if the Communist faction in Laos sabotages what Washington regards as a reasonable political settlement; but meanwhile to go all out for a political settlement.

American disengagement in Laos is inherent in the kind of political settlement that is contemplated. An all-party government is to be set up, headed by the neutralist chieftain, Prince Souvanna Phouma, and pledged to maintain the true neutrality of Laos. The armed forces of the various factions are to be merged and reduced. And the crucial task of military training is then to be transferred from the existing American military mission to a new French mission.

"Get out of Laos as quickly as you can," was the advice given the President by one of the most respected senior Senators a week or so ago. Our military mission in Laos is our real engagement there. Thus the Senator's advice will be followed if the contemplated settlement is achieved.

But the question then will be how this political settlement will work. To begin with, if there is any settlement at all, the Lao anti-Communist leaders, Prince Boun Oum and Gen. Phoumi Nosavan, will have to sacrifice their trump cards in the first round of play. Prince Souvanna Phouma, the Prime Minister-designate, has flatly refused to serve unless Phoumi and Boun Oum hand over to him the Ministries of Defense and Interior, which means control of the army and the police.

Thus everything will first of all depend on whether Prince Souvanna Phouma genuinely wants Laos to be "truly neutral." Certainly he does not want to be the mere creature of the Communists. In this sense he has a real community of interest with Gen. Phoumi and Prince Boun Oum. He has signified as much over the weekend, which is thought to be encouraging.

Yet no one can guarantee Prince Souvanna Phouma's reliability. Furthermore, no one can guarantee that the North Vietnamese Communist troops now in Laos will be withdrawn as promised if and when the new Cabinet has finally been installed. If these troops are not withdrawn, Prince Souvanna Phouma will remain the Communists' prisoner, whatever he may wish to do. In other words, the proposed settlement is an enormous gamble, only defensible as the least bad of the possible alternatives.

The gamble is now being attempted. At this moment, the $3 million a month American cash subsidy to Laos has again been suspended, in order to force acceptance of the proposed settlement by the reluctant Prince Boun Oum and General Phoumi. The possible consequences of the gamble will therefore be examined in a third and (mercifully) final report on the slow-motion Laos crisis.

[From the Christian Science Monitor, Feb. 24, 1962]

North Vietnamese—Laos Sees Red Units

(By Takashi Oka)

VIENTIANE, LAOS.—While political leaders representing the three contending factions in Laos discuss how to achieve a national coalition government, military observers here are increasingly concerned over evidence of North Vietnamese regular battalions in areas controlled by the pro-Communist Pathet Lao and by forces of neutralist Prince Souvanna Phouma.

Information collated by Western sources here indicates that at least 10 North Vietnamese battalions totaling 5,000 men are on Lao soil. An additional 5,000 North Vietnamese are believed to be serving in communications, artillery, and antiaircraft units and to form cadres and advisers in existing Pathet Lao and Souvanna Phouma units.

Positive identification of North Vietnamese units has always been difficult but military observers are fairly certain that two North Vietnamese battalions are in the Plain of Jars region, two in the Nam Tha region, one in the Vang Vieng region, two in the Nhommarat-Mahaxay region, and one in the Tchepone region.

REPORTS CHECKED

The current dry season makes both aerial and ground observation easier than during the dank spring and summer monsoon, and military sources say they have carefully checked testimony of defectors with observation by guerrillas from among the Meo tribesmen and reconnaissance from the air.

Two areas where pro-Communist forces appear to be much stronger than a year ago are Nam Tha in the north, and the north-south route from Nhommarat through Mahaxay to Tchepone. The former is just south of the Chinese Communist border while the latter composes the famous Ho Chi Minh route from North to South Vietnam.

The Pathet Lao advance in the Nam Tha area not only threatens the provincial capital of Nam Tha but brings almost all of the 243-mile roadless border between Laos and Communist China into pro-Communist hands. The Chinese 13th Army with 25,000 men is believed to be just across the border in the so-called Shishong Banna Thai autonomous area, and could move into Laos undetected by outsiders once the Pathet Lao had secured most of the border area, an exercise in which they may be more interested than the capture of Nam Tha town itself.

SUPPLY ROUTE

The Mahaxay-Tchepone route is believed to be serving as a supply road down which men and material move from North Vietnam to participate in the guerrilla war in South Vietnam. The Pathet Lao have improved the trail from Mahaxay to Tchepone and trucks have been observed driving down to a point halfway between the two towns. This means that supplies moving south need to be portered only from this halfway point to Tchepone and thence to the Lao-Vietnamese border.

In addition, the Tchepone airfield has been improved and now can take Soviet Ilyushin-14's. Almost one ton of supplies daily or 20 tons per month are being airlifted by Soviet transport planes to Tchepone and the airfield there is ringed with radar-equipped antiaircraft guns which are accurate enough to hit high-flying observation planes.

There is no solid evidence that North Vietnamese troops in Tchepone, Mahaxay, and Nam Tha have been used in actual combat. Military observers believe they are being held in reserve and that their mere presence causes such panic among Lao units opposing them that the latter often turn and flee without giving battle.

TROOPS RETREATED

Last month Vientiane troops loyal to the Defense Minister, Gen. Phoumi Nosavan, moved against the Pathet Lao both in the Mahaxay area and in Muong Sai area south of Nam Tha. In both areas Vientiane troops beat a hasty retreat the minute they realized that North Vietnamese battalions were in the vicinity.

Trucking and equipment of Vientiane forces have improved since the disastrous days preceding the cease-fire last spring. But they still have a tendency to avoid close combat and their capacity to wage a coordinated operation leaves something to be desired, according to observers who have accompanied troops in some of the recent fighting.

[From the Christian Science Monitor, Mar. 9, 1962]

LAO FACTIONS VIE FOR GRIP

(By Takashi Oka)

VIENTIANE, LAOS.—It takes only 45 minutes by twin-engine Beechcraft to go from this dusty administrative capital of Laos to the rolling Plain of Jars where Prince Souvanna Phouma's neutralist government has its headquarters at the former French Foreign Legion outpost of Khang Khay.

But Vientiane and Khang Khay are worlds apart. Compared with Bangkok or Saigon, Vientiane is a sleepy little upcountry town; compared with desolate Khang Khay, it is a veritable metropolis.

American military and economic aid, which so far has not stopped—despite the withholding of the February and March monthly aid checks—supporting the Laos civil and military budget, is enlarging the runway at Wattay Airport and building a modern highway to Thadua, transshipment point across the Mekong River for goods coming in from Thailand.

SHARP CONTRAST

Inside the city, the rightwing government headed by Prince Boun Oum and Defense Minister Phoumi Nosavan—temporarily convalescing in Thailand—is widening roads, reconstructing the royal palace, and building a monument in front of the Government buildings. Shops still are filled with imported goods, and one indication of the moral standard is that alcoholic beverages are cheaper than in Bangkok or Saigon.

Khang Khay, by contrast, has the spartan atmosphere of an army boot camp. Civil servants have their offices in central rooms of barrack-long buildings and sleep dormitory style in cots placed in the end of the rooms. They bathe in discarded oil drums, bark orders into field telephones, and ride from outpost to outpost in trucks or army command cars.

They use some jeeps of American manufacture, but most of their vehicles bear the export label "Fait en Urss'" (made in U.S.S.R.) or its Russian equivalent.

Prince Souvanna Phouma's government does not conceal the fact that its materiel support comes exclusively from the Communist bloc, particularly from the Soviet Union and North Vietnam.

ARMED BY REDS

During a recent visit, this correspondent hitchhiked on a Soviet plane from the Plain of Jars Airfield to Pongsavan and from there on a Soviet-made command car to Khang Khay, where North Vietnamese carpenters and other laborers are building a meeting hall and a hotel. Soviet and Czech military equipment is in evidence at military installations, while the Chinese Communists are building a road from their border to the northern town of Phongsaly.

But politically the Souvanna Phouma government insists it is neutralist—that it looks neither to the United States nor to the Soviet Union for support but hopes to bring about a Laos whose neutrality will be guaranteed by all major powers. Thus it draws distinction between itself and the American-supported Vientiane government—as well as the Communist-supported Pathet Lao under Prince Souvanna Phouma's half-brother, Prince Souphanouvong, who has his headquarters in Samneua but who spends much of his time in Khang Khay.

Internationally, Prince Souvanna Phouma has won United States, British, French, and Soviet backing for an attempt to evolve an all-Lao neutralist coalition that will bring together both Pathet Lao and Vientiane forces under himself as Premier, with 10 Cabinet seats going to his own group and four each to Vientiane and the Pathet Lao.

Under this formula, Prince Souvanna Phouma's adherents will take the key posts of Defense and Interior in addition to the Premier post and Foreign Affairs.

But the prerequisite for such an evolution is, of course, the genuineness of Prince Souvanna Phouma's neutrality. As weeks turn into months and months to years since coalition efforts began, the middle position which Prince Souvanna Phouma seeks to hold between Vientiane on the right and the Pathet Lao on the left becomes increasingly difficult to maintain. Neither does the Pathet Lao make things easier for the Prince.

NEUTRALITY VOICED

"We are not Communists, Prince Souphanouvong told this correspondent during a recent visit to Khang Khay. "We are a party that enjoys the support of Communists. We stand for a peaceful, neutral, and united Laos."

Such language effectively blurs the distinction between the Pathet Lao and Prince Souvanna Phouma and infringes upon the middle ground which is the basis of the Khang Khay government's appeal to Lao opinion and to the world.

Prince Souvanna Phouma's recent bilateral negotiations in Luang Prabang and Vietiane with General Phoumi—to be resumed in a few days—may show that the Khang Khay leader wishes to establish a public image of himself as independent of his half brother, who told me: "I recognize only agreements reached in my presence. I recognize no agreements à deux."

Meanwhile, it isn't clear yet what effect General Phoumi's illness will have on talks between Vientiane and Khang Khay.

So far, Vietiane has not conceded the Defense and Interior portfolios to Prince Souvanna Phouma. It remains to be seen whether U.S. pressure, begun with the stopping of the monthly aid check and perhaps to continue to the cutting off of all military and economic aid, will force this concession.

[From the Christian Science Monitor, Mar. 21, 1962]

RED LAO LEADER AIRS VIEWS TO WEST

(By Ronald Stead)

KHANG KHAY, LAOS.—During an interview here in this dusty little capital of "Souvanna Phouma country" this correspondent asked pro-Communist Prince Souphanouvong about those troops from neighboring North Vietnam which number some 10,000 men—about half of them are in regular combat formations on the pro-Communist side in the Lao civil war.

Prince Souphanouvong shares this rebel capital with his half-brother, neutralist Prince Souvanna Phouma. He is the president of the central committee of the Neo Lao Haksat Party, which gives political expression to the pro-Communist Pathet Lao armed forces.

The Prince laughed as he replied, "This is nonsense. You must remember we get uniforms from North Vietnam along with other supplies and our soldiers wearing them obviously look like Vietminh troops since the clothes in question are drawn from stock not specially designed for us."

NO COMMENT

When told the Royal Lao Army's assessment, accepted by the U.S. military group advising it, is based on much more than an observation of uniforms, he made no comment.

The accumulated evidence furnished by prisoners, deserters, refugees, and others, as well as reports on large truck convoys and other indications of reinforcement had further backed the claims.

Improved antiaircraft artillery fire shows the up-to-date range-finding devices now in use by the rebels.

TECHNICAL AID ADMITTED

"We have North Vietnamese, Russian, and Chinese technicians helping in various ways," Prince Souphanouvong declared, "the same way as the illegal government now in power in Vientiane (the royalist capital of Laos) has Americans aiding it on the field of combat and elsewhere."

Armed American specialist soldiers do go into action with formations of the Royal Lao Army. But their orders are only to defend themselves if necessary and to give advice, not orders. Sometimes the command officers to whom they give it take no notice. And on occasion American advisers have found themselves in positions from which the Lao troops they were previously with had unexpectedly retired.

"Tell the American people," said Prince Souphanouvong when the conversation turned to political matters, "the restoration of peace in Laos is now up to the U.S. Government. If Prince Boun Oum (present counterrevolutionary Premier of Vientiane) and Gen. Phoumi Nosavan (strong man in his regime) continue to refuse to agree that the two key portfolios—for Defense and Home Affairs—shall be in neutralist hands in any coalition administration that may be formed, Americans must deny them the help that alone enables them to persist in office.

ALL AID ATTACKED

"Not just by withholding the monthly check of $3 million that subsidizes them but by withdrawing aircraft and other aid of military significance which makes possible their continuance on a campaign they cannot possibly win.

"If the Americans do not do this they will be responsible for preventing the settlement of problems in Laos by the people of the country themselves. I reminded the Prince of the fears of the non-Communist world that a coalition administration in Laos, if formed, would in due course become dominated by representatives of the pro-Communist Pathet Lao.

"That is for the people of Laos to decide when we have elections again," the Prince said. Then he departed from the French in which the interview was conducted to say slowly in English, "next time the integration must be real.

EXPERIENCE RECALLED

"The last time there was discrimination and vengeance and I, for one, was put in prison for trying to give effect to my political beliefs. Any future fusion has to be the real thing—and I am going to make sure it will be before we try to get together again with our present enemies," he said.

The Pathet Lao chief frowned when told of the impression created at the press conference held by the Minister of Information in Vientiane that neutralist leader Prince Souvanna Phouma is a "prisoner of the Pathet Lao."

He described this as "an odious calumny against the rightful Prime Minister of Laos (Souvanna Phouma) and a maneuver to cause a split between my half-brother's government and the Pathet Lao. It is futile," he added, "because nobody can destroy the firm solidarity forged in the fire of battle."

PEACE TALKED UP

"For this reason American efforts to separate us must be in vain. The Neo Lao Haksat has never deviated from its course of seeking a peaceful solution to the Laos problem" he claimed, "for only in this way can our country be led to peace, neutrality, sovereignty, unity, democracy, and prosperity as envisaged at the 14-nation conference at Geneva which will supervise the withdrawal of all foreign military personnel from Laos when we can send a delegation from a coalition government to sign the accords already reached internationally."

"The world should remember," said Prince Souphanouvong, "that Prince Boun Oum, Prince Souvanna Phouma and myself agreed on a basis for establishing a coalition government during our meetings in Zurich and Geneva. But Prince Boun Oum has done nothing but try to evade those terms and prevent their implementation.

"The latest rightwing proposal for the six administrative commissions instead of a coalition government—under the presidency of the King—is just an attempt to keep power in reactionary hands and use the dignity and prestige of the throne for political ends. We did not countenance it for a second."

[From the Christian Science Monitor, Mar. 23, 1962]

KONG LE: ANGER IN LAOS

(By Ronald Stead)

KHANG KHAY, LAOS.—"I did what I did to open the eyes of the people of Laos and set their feet on the right road," said Capt. Kong Le, catalyst in the creation of the Lao crisis now presenting the world one of its greatest problems.

We talked in his little bedroom at the former French Foreign Legion post here where he commands the neutralist forces in the Lao civil war. They are linked with the pro-Communist Pathet Lao against the country's present rightwing counterrevolutionary government. At this same headquarters, the neutralist leader, Prince Souvanna Phouma, has a joint residence with his half-brother, Prince Souphanouvong, head the Lao pro-Communists.

Capt. Kong Le's reference was to a coup during the night of August 8, 1960, when he led the Second Paratroop Battalion of the Royal Lao Army to take over the Government and military installations at the city of Vientiane. As chairman of the revolutionary committee he accused the administration it ousted of waging fratricidal war against the Pathet Lao and of allowing American domination and infiltration.

He called upon army commanders to cease operations against the Pathet Lao, declared that the men he put into power would pursue a genuinely neutral policy, stamp out administrative corruption, and requested all foreign troops to leave Laos. At the same time he declared the revolutionary committee loyal to the monarchy of King Savang Vathana, the Constitution, and denied that the pro-Communists' chief, Prince Souphanouvong, was behind the coup.

The National Assembly unanimously passed a vote of no confidence in the deposed Government under the premiership of the pro-American rightwinger Prince Somsanith. The King accepted his resignation and asked Prince Souvanna Phouma—Premier from 1951 to 1954 and again in 1956—to form a new administration.

The same day Capt. Kong Le announced the handing over to Souvanna Phouma of the powers he had assumed. But on September 10 tough rightwing Gen. Phoumi Nosavan and Prince Boun Oum set up in the southern city of Savannakhet a counterrevolutionary committee which proclaimed the Constitution suspended and formed another government with Boun Oum Premier and General Phoumi Minister of Defense.

In due course the King approved this, General Phoumi's troops marched on Vientiane, Capt. Kong Le withdrew his men after fighting there between December 13 and 16, 1960, and Souvanna Phouma left the country, later to return and install himself at Khang Khay.

The forces of Capt. Kong Le joined those of the Pathet Lao, though retaining separate identities, and when hostilities were suspended by a cease-fire last May 3 the two controlled more than half of Laos.

This brief recapitulation of events in Laos in their purely internal aspect is essential for putting into perspective Capt. Kong Le as an important and symbolic national figure in the picture showing that the Lao Government is aided militarily and otherwise by the United States while the 15,000 men he commands and the 60,000 forming the Pathet Lao forces are backed similarly by the Soviet Union, Communist China, and Communist North Vietnam.

The captain is amiable, youthful, and very small in stature. He came back from a liaison meeting with Pathet Lao officers to find this correspondent in his simply furnished bedroom enjoying refreshment provided gracefully by the captain's pretty and petite wife. Ornaments on the desk at the foot of his hardlooking bed indicate perhaps the road he considers it right for the people of Laos to tread now that he has opened their eyes.

Dominating the treasure was a large colored photograph of General Giap, commander in chief of the North Vietnamese Army currently accused by the Lao Government of sending 10,000 men into Laos on the Pathet Lao side in the civil war.

"The general sent me that himself," said the captain proudly.

Beside it was a bas-relief of Ho Chi Minh, President of Communist North Vietnam. And alongside this a statuette of a very fierce looking lion carved out of coal from a North Vietnamese mine. Another relief was of Maj. Yuri A. Gagarin, first man into outerspace—next to a group picture of Cuba's Fidel Castro and supporters.

Nearby stood an impressionistic model of a Soviet sputnik given the captain by the Soviet Ambassador to Laos.

Among Capt. Kong Le's books was one on Major Gagarin in which one of the authors, Wilfred Burchett (Australian journalist now residing in Moscow and long operating assiduously in the Communist camp) had written, "To Gen. Kong Le whose name is known throughout the world as a great patriot and who fights for the independence, peace, and neutrality of Laos. With sincere wishes for your further success."

The captain pointed to the second word of this inscription and said, "Mr. Burchett calls me general but I don't call myself that. I'm just Capt. Kong Le."

There was no mistaking the pride with which he enunciated the last three words. At the time he was wearing no insignia on his uniform except a parachutist's large brass emblem on his right breast.

I am told he generally is described as basically and mostly "an angry young man" without political aspirations.

"That's right," he commented, "and sometimes I am very angry indeed."

He continued, "Americans must cease supporting the rightwingers in our civil war and by denying them military help force them to give up a fight they cannot possibly win if left to themselves."

Forsaking French briefly for English he added "They've had it—and they must get together with us to restore national unity."

Before kindly sending me back in a Soviet-supplied jeep to the nearby village of Phang Savang where I was staying, the captain made this observation in parting:

"Laos must not be a bridgehead for conflicting forces of the world. It must be a bridge between them."

[From the Christian Science Monitor, Mar. 24, 1962]

ROYAL NEGOTIATIONS HANG ON IN LAOS

(By Ronald Stead)

KHANG KHAY, LAOS.—Prince Souvanna Phouma, Premier-designate of the provisional national coalition government, which it so far has been impossible to form despite nearly 6 months' efforts, accorded an interview to this correspondent at the headquarters and residence which he shares here with the leader of the country's pro-Communists, his half-brother, Prince Souphanouvong.

It is a former regional command center of the French Foreign Legion, and today's princely occupants have left undisturbed some piquant murals executed by the soldier artists of the former imperial era. Indeed, they added to the murals in the main hall a caricature of paratrooper Capt. Kong Le kicking a soccer football vigorously onto the nose of Gen. Phoumi Nosavan, strong man in the counterrevolutionary administration currently in power at the administrative capital of Prince Boun Oum, Vientiane.

PREMIER THREE TIMES

Prince Souvanna Phouma, and Prince Souphanouvong have had many political dealings with each other since the former first became Premier of Laos in 1951. He held that position until 1954, acquired it again 2 years later, and was given it yet again in 1960 after Capt. Kong Le's revolutionary coup ousted Prince Somsanith's rightwing pro-American administration.

Prince Souvanna Phouma left the country before Gen. Phoumi Nosavan's troops captured Vientiane in December 1960. However, he was still Premier, and he still considers himself the rightful holder of the premiership. He also considers himself the rightful Minister of Foreign Affairs, which is why his headquarters here has the title Ministry of Foreign Affairs affixed to the main doorway.

DUST IS THICK

At this time of year the dominating feature of the surrounding landscape on the highly strategic Plain of Jars (so named because some very large ancient inexplicable stone jars stand at assorted angles in one part of the plain) is dust, which follows any fast-moving vehicle like a heavy brown smokescreen from an exhaust pipe.

Although now under constant Communist pressure and feeling increasingly obliged to accept Communist arms, Prince Souvanna Phouma is not Communist, and experienced observers believe him when he says he stands for a policy of real neutrality.

"There has to be an accommodation with Communists, internal and external," said this outstanding Lao statesman, almost the only one with an understanding of the complex international factors governing his country's future.

PRESSURE ON RIGHTWING

Today he and the Lao pro-Communists are entirely agreed on one thing—that the United States, having shifted the weight of its support from the rightwingers to the neutralists in the center, should put more pressure on the rightwingers to do the same and agree to place the two key portfolios in the proposed coalition in the hands of the neutralists. These are the Ministries of Defense and Home Affairs, which control the army and police, respectively.

The rest of the nominated ministers and permanent secretaries are being juggled in the hope (rather forlorn to date) of providing the right, left, and center with a formula that can be accepted by all three. But on defense and home affairs Princes Souvanna Phouma and Souphanouvong will never give way, the former said.

FEBRUARY COMPROMISE

The attempted compromise that Prince Souvanna Phouma brought back from his last visit to Vientiane February 21 to 26 was one that would give the Ministries of Defense and Home Affairs to him, carrying with them veterans' affairs. He would also allot the Ministry of Social Advancement. The proposal was that as Minister of Defense the Premier would have under him three permanent secretaries: one from the right, one from the left, and one from the center.

Prince Souvanna Phouma indicated that Prince Souphanouvong would be content with the triple portfolio of the Ministries of Information, Sports, and Youth.

Rightwingers, however, would be far from content if the pro-Communist prince had them, and neutralists would prefer that he be Minister of Economy and Planning instead. The suggestion is that he have a rightwing permanent secretary anyway.

OTHER MINISTRIES

The Ministries of Public Works and Transport are envisaged as being under the Minister from Pathet Lao. The Premier's office would be run by neutralists, who would have portfolios for foreign affairs, welfare and labor, health, communications, justice, finance, and religious affairs. Education and fine arts would go to the rightwing, and General Phoumi Nosavan is currently envisaged as Minister of Defense. He could be Deputy Premier if willing to be Minister of Economy and Planning. But he is a very strong person, one interested in power, not in the appearance of it, and he has been stoutly resisting American pressures to make him toe the line.

No ministry has been accorded at present to Prince Boun Oum, Premier in the Vientiane Government, because in the Lao scale of aristocratic precedence, he is second only to the King and must be Premier or nothing.

Another formula of which Prince Souvanna Phouma talked would give 10 posts to neutralists, 4 to rightwingers, 4 to leftwingers, with himself as Premier in a cabinet of 19.

[From the Christian Science Monitor, Apr. 2, 1962]

Neutral and Red Laos Meet

(By Ronald Stead)

Phang Savan, Laos.—This dusty village on the French-named Plaine de Jarres in Laos is news. And news that must be understood in order to appreciate what is going on politically in the little civil war-torn southeast Asian kingdom.

A short way down the unpaved main street from this correspondent's lodgings here are the headquarters of Communist China's Economic and Cultural Mission to Laos. Further along is Czechoslovakia's Economic and Cultural Mission to Laos. And nearby is North Vietnam's Economic and Cultural Mission to Laos.

The Laos referred to is not that of the rightwing government in Vientiane. It is the Laos controlled by that country's neutralists and it is set in the midst of a wider area around here controlled by the country's Communists.

The Communist diplomatic friends of these two Laoses are accredited to Prince Souvanna Phouma, Prime Minister-elect of the new provisional coalition government that rival factions of right, left, and center have been unable to form in 5 months of disagreement.

Souvanna Phouma now has headquarters and joint residence with his half brother, Prince Souphanouvong, leader of the pro-Communist Pathet Lao armed forces and their political counterpart, the Neo Lao Haksat.

The joint residence of the half brothers is only a short ride by automobile from here. But it is an uncomfortable trip owing to the condition of the roads in this region. It was particularly so for me when visiting the princes at Khang Khay, because the automobile used was a large truck containing only three passengers and two sacks of rice. The second time I came off the seat I landed on one of the sacks and decided to stay there on the floor.

The French influence persists in some ways in Laos, and the rule of the road is to drive on the right. In this part of the country, however, people drive on the left because it is less worn, though the difference is getting harder and harder to detect. The truck driver, a young neutralist soldier, was greatly entertained at journey's end when this correspondent leaped adventurously to the ground and sat down heavily as his travel-shaken knees gave way.

The unexpected arrival was dusted off amid solicitous, if incomprehensible inquiries and he offers this vignette to illustrate not only the kindness and courtesy of the local residents, but also the simple conditions in which they reside. There are no taxicabs nor scheduled buses, and unless private transport is at your disposal the only way to travel is by thumb lift, procedure not recommended after dark.

The first bedroom placed at my disposal was a wooden cubicle obviously built around the bed, leaving a minimum of space for getting into same but a maximum for building another cubicle alongside. But through a chance encounter with Wilfred Burchett—a onetime journalist acquaintance visiting here from Moscow where he lives—I found an apartment that contained not only a bed but also a chair and table, the latter ornamented by a tiny mug turned upside down for a candlestick.

The minor comfort was impaired by the proximity of a public loudspeaker which in true Communist fashion, blared out music, news, exhortation and comment in masculine and feminine voices from early morning onward. This is a most alien addition to the gentle unheeding of the Laos way of life.

The busiest place in Phang Savan, except for headquarters of Lau Pencan [Neutral Laos] party, founded by Souvanna Phouma some 8 months ago, is the restaurant of Ruam Mitr, hotel operated by Monsieur Theo. He is a Belgian formerly in what he describes as a prosperous business in Hanoi, now the capital of Communist-ruled North Vietnam. He takes a somewhat lugubrious view of the present life and times here, and dilated upon the shortage of consumer goods that keeps local shops virtually empty.

Earlier he had stressed the indispensability of an electric torch here if one wishes to make even the shortest expedition after dark in this village without street lighting.

M. Theo happened to have a spare pocket flashlight. And by selling it to me he was able to illustrate quite convincingly how the cost of living has gone up in this neutralist Laos which is so heavily dependent on Communist protectors.

[From the Christian Science Monitor, Apr. 15, 1962]

Lao Adversaries Sit Tight

(By Ronald Stead)

Vientiane, Laos.—A verbal smokescreen put out over military operations in Laos billows continuously from rival information officers as well as partisan press and radio. But in fact the picture in general is unchanged since last May, when hostilities were suspended on the eve of the Geneva conference at which 14 nations came to unanimous agreement on how the future neutrality of Laos should be guaranteed. Indeed the only sector where any fighting as distinct from occasional skirmishes goes on is the Nam Tha region.

This bothers neighboring Thailand, because Nam Tha is just northeast of the Thai Province of Nan and only 20 miles from Communist China's frontier farther north.

About 2 miles from the town of Nam Tha itself in northwest Laos, there is an airstrip which has changed hands more than once.

Thai troops have been moved up to the nearby border in case Nam Tha, held by the Royal Lao Army, should fall. Thailand claims a neutralist victory would be a future Communist threat to it.

All around here is rugged terrain favorable to guerrillas of both sides, contending for the cooperation of the hill tribes.

Thailand has been made especially sensitive to what is happening in this part of Laos, because in its own tribes in the adjacent northeast, the Thai Government claims, there is a clandestine separatist movement with the aim of joining this part of Thailand to a Communist-dominated Laos.

Recently, Nam Tha has been shelled by mortars of the pro-Communist Pathet Lao. By way of justifying this, Pathet Lao leader Prince Souphanouvong drew a map in this correspondent's notebook to show his men's operations are really defensive, since royal government troops, he said, have been trying to force them out of favorable positions they hold on commanding ground around the little town.

PRINCE DRAWS MAP

"Gen. Phoumi Nosavan (rightwing Defense Minister of the present government at Vientiane) always does that sort of thing whenever prospects of bringing a coalition government into existence brighten—as they seemed to be doing when his Nam Tha attacks began," the Prince said. "And he always succeeds in dimming them one way or another."

The Pathet Lao now has some 17,000 men under arms—not counting those North Vietnamese who have come in as instructors.

NEUTRALIST BUILDUP

The Royal Lao Army's intelligence assesses them as numbering at least 10,000, and says they are actually combat troops—about half of them in recognizable combat formations.

Prince Souphanouvong describes them as "characteristic exaggeration."

Of the two sides, the royalist government has the record of making the more improbable charges—such as the presence of Chinese Communist troops on Lao soil, Soviet troops being taken in and out, and so on. One prize communique by the Vientiane Government in early January told that a division of Chinese Communist troops had not only entered the country, but had passed across the southern Lao border into South Vietnam. The fact is, happily, that neither side in the civil war wants to fight. Hence, defections from one to the other occur on varying scales.

Neutralist Prince Souvanna Phouma, in the rival capital has established and is building up at Khang Khay, says his troops total 15,000—10,000 in northeastern Province of Phong Saly which he holds, 4,000 protecting the Khang Khay area on the Plaine des Jarres, and the rest at Chepone and Nommarath.

The royalist army has been built up with U.S. aid to about 60,000 and the Americans still are supplying it despite the refusal of General Phoumi to fall in with Washington's wishes by agreeing to allow the portfolios for defense and home affairs in a provisional coalition government to be allocated to the neutralists. The Soviet Union is continuing to provide war materiel and other aid to the Pathet Lao and neutralists.

If attempts to form a coalition cease and civil war is resumed, neutralist troops can be expected to go into closer association with the Pathet Lao.

Neutralist Capt. Kong Le's best troops are proud—they formerly were the elite of the Royal Lao Army—and have a consciousness of superior smartness and discipline to the Pathet Lao forces largely consisting of irregulars. But Pathet Lao men are tough and becoming regimented with the aid of North Vietnamese cadres and Soviet technical instructors.

Together with the neutralists they control about half the country as the United States wonders what to do next and strong man General Phoumi goes his own way.

[From the Evening Star, Apr. 18, 1962]

MISSIONARY SEES NEED FOR U.S. SACRIFICE TO SAVE LAOS

A tall stranger, his khakis sweat-stained, his bare feet covered with mud, entered a Lao village, greeted the inhabitants in their own tongue and sat down to share their simple menu.

This stranger from another world was the first white man ever seen by the inhabitants of the village and of some 40 other Lao villages.

The stranger, the Reverend Mathias Menger, a 30-year-old native of San Antonio, Tex., told here today how, in his first 3 years in Laos, he had walked 5,000 miles to get to know the people he will serve for the rest of his life.

Father Menger, an Oblate missionary, went to Laos, with headquarters in Vientiane, 6 years ago. In January, he returned to the United States for an 8-month visit and will return to Laos in September.

CONQUERED NATIVE FOOD

In an experience remarkably similar to that of the fictitious "Father Finnian" in "The Ugly American," the controversial book about American policy in southeast Asia, Father Menger learned to eat Lao food by suffering through attacks of dysentery until his system had built up its defenses.

"In a few weeks," he said, "I lost 35 pounds."

If Laos is not to become a Communist nation, he said, more Americans will have to make the same kind of sacrifices.

"I understand very well why our people are not going out there to live," he said. "If I were married, I wouldn't go out and live in a jungle.

"We need dedicated people," he added. "No purely human motive is sufficient for a person to live in Laos. If I didn't have a spiritual motive, I wouldn't live there for all the money in the world."

And yet there are people who are willing to live among the people of Laos.

"One of the finest persons I have ever met was a Russian Communist in Laos," Father Menger said. "I asked him how long he was going to stay, assuming that, like our own people, he had a short, definite tour of duty.

"He didn't seem to know what I meant. 'I have come here to make Laos a Communist country,' he told me. 'I will stay until the job is done.' "

Since his return to the United States, Father Menger has delivered 231 lectures, appeared on 30 television programs and been interviewed on nearly that many radio stations.

One of the purposes of the lecture series is to ask for contributions to a $100,000 fund to build an orphanage—the first in Laos—and a girls' vocational school.

In every one of his lectures, he said, several women have been unable to listen to his descriptions of some of the things he has seen in Laos.

FAMILY TORTURED

A family in Father Menger's pastorate was captured by Communists, who demanded they make a choice between communism and Christianity. When they chose Christianity, a 4-year-old daughter was brutally beaten and thrown in the mud.

When they still refused to renounce Christianity, they were buried in the village square with only their heads protruding. A plow was hitched to a water buffalo and the Communists circled the buried family. When they still refused to become Communists, the plow was run over the members of the family, one by one.

Although he seldom goes out on military patrols, Father Menger frequently works close to the vague front line of the strange Laotian war.

SPIKES KILL

"The Communists bury barbed spikes in the ground," he said, "and then lure their enemies across the mined area.

"One day we were walking in a column and the boy in front of me stepped on one of the spikes. He let out a yell and fell to the ground—on a bed of spikes. It was like falling on a bed of icepicks. He was dead in 2 minutes."

Father Menger clearly feels that Laos is the key to Southeast Asia—and that what is being done now to have it is not enough.

Asked what he thought the odds are that the United States will take effective steps soon enough to save the country, he shook his head and said:

"I know there is no reason why we should lose Laos. But I just don't know whether we will do what needs to be done to avoid it."

[From the New York Herald Tribune, Apr. 30, 1962]

THAI TO SEND LAO RICE TO EASE "BRUTAL SUSPENSION" OF U.S. AID

VIENTIANE, LAOS.—Royal Government leaders returned from Thailand yesterday with pledges of help to ease the economic impact of what a Lao official called the brutal suspension of U.S. aid.

At the same time, the official, Acting Foreign Minister Sisouk Na Champassak, expressed hope Washington will understand the royal Government's position and reverse U.S. policy.

The United States suspended its $3 million monthly economic aid to Laos in February, when Premier Prince Boun Oum refused to enter into a coalition regime with neutralist Prince Souvanna Phouma as Premier.

The United States insisted this was the the only hope for ending the rebellion of the Communist-dominated Pathet Lao guerrillas. The royal Government feared the Communists eventually would take over from Prince Souvanna.

Mr. Sisouk told reporters the Thai Government, as a first step, has given Laos a grant of 1,000 tons of rice—about enough to supply this administrative capital for 10 days—and will provide other products such as cement.

Mr. Sisouk declined to give details but said, "We have drawn a plan of our needs, and Thai officials promised to consider them within the limits of Thailand's capabilities."

Asked if the U.S. policy of suspending economic assistance was raised during discussions with Thai officials in Bangkok, Mr. Sisouk replied: "The Thai Government doesn't understand this brutal suspension."

HARRIMAN SAW NO AID

A reporter said W. Averell Harriman, U.S. Assistant Secretary of State for Far East Affairs, had declared after his visit to Laos in March that no southwest Asian government would consider helping Boun Oum's government.

Mr. Sisouk said Mr. Harriman made the statement "after failure of his mission here." Mr. Harriman had come here to try to get the rival factions to negotiate again on a neutral coalition regime.

"The security of Thailand," Mr. Sisouk said, "depends on the security of Laos. Therefore, Thai officials have manifested a lot of sympathy in giving us what we need."

The Government visit to Thailand was the first of several to be made to Asian neighbors seeking support in the dispute with Washington. A delegation will leave Tuesday for South Korea.

[From the New York Times, May 13, 1962]

NEW CRISES LOOM FOR UNITED STATES IN SOUTHEAST ASIA—PERILS FOR THE WEST POINTED UP BY COMMUNIST GAIN IN LAOS—SAIGON FOES STILL HOLD INITIATIVE

(By Robert Trumbull)

TAIPEI, TAIWAN, May 12.—New successes by the pro-Communist rebels in Laos have again underscored the perilous position of the free world in the turbulent and vital southeast Asian region stretching from Saigon on the west to Rangoon on the east and reaching southward to the Indonesian archipelago and New Guinea.

After weighing all the developments, it is hard to find any place in the area where the outlook for the West has brightened in recent days. Disquieting signs are many.

With pro-Communist forces advancing in Laos, our friends in that country and neighboring Thailand are becoming estranged and embittered.

Despite increasingly massive U.S. support to President Ngo Dinh Diems' regime, the Communist guerrillas called the Vietcong still hold the initiative in South Vietnam.

Many observers expect the Communists to inspire serious trouble in Singapore over Malaya's plan to absorb that strategic island and neighboring British territories in Borneo into an expanded pro-Western state to be called Malaysia.

Hoping to remain aloof and continue with their own development, nonalined Burma and Cambodia burrow into their neutralist cocoons.

SOVIET ARMS

Neutralist Indonesia, preparing to attack Netherlands New Guinea in what President Sukarno regards as an "anticolonial" liberation movement, is committing more and more of her resources to the Soviet Union in return for arms.

The United States has attacked the problems in southeast Asia in various ways.

In Laos, Washington is pressing the loyal pro-Western Government of Prince Boun Oum to join in a coalition regime to be headed by neutralist Prince Souvanna Phouma. The coalition would include leftist supporters of pro-Communist Prince Souphanouvong.

The U.S. efforts to get Indonesia and the Netherlands to negotiate the New Guinea question have so far yielded little success.

With the new military regime just beginning to find its feet in Burma, an effective U.S. policy at this point seems debatable.

Washington's program in Cambodia is committed to supporting efforts by Prince Norodom Sihanouk's government to raise living standards in this surprisingly progressive Southeast Asian kingdom. American economic aid far outstrips the contributions of the Communist powers to Sihanouk's development plans. Sihanouk maintains his independence of both power blocs.

ECONOMIC AID

The task of American diplomats in Malaya and Singapore is complicated by Washington's programs to release stockpiled tin and rubber, which hit Malaya's principal sources of revenue. But Malaya's political problems are more immediately a concern of Britain, which still has suzerainty in varying degrees over Singapore, and the territories of North Borneo, Sarawak and Brunei.

Because the Communist threat is most acute in South Vietnam and Laos, these are the crisis points in the area from the U.S. point of view. Because of its proximity, Thailand cannot be separated from the problem in this sector.

"It's too bad," an American diplomat in another Southeast Asian state said recently, "that Washington can't seem to act strongly in a country until there's a crisis."

The Kennedy administration's policy of seeking a coalition regime in Laos is controversial to say the least among our friends in Vientiane and Bangkok. And it has raised eyebrows from Australia to Pakistan.

Gen. Phoumi Nosavan, the strongman in Prince Boun Oum's government, is convinced of the danger that the pro-Communists will eventually prevail in a coalition. To prevent this, he had insisted that the pro-Western side keep control of the army and police. The United States and Soviet Union, acting in rare agreement, want these key portfolios handed over to neutralist Prince Souvanna Phouma.

Those who agree with General Phoumi include Marshal Sarit Thanarat, the anti-Communist Premier of Thailand. Sarit is giving Vientiane economic aid in an effort to offset the punitive suspension of the U.S. dole of $3 million monthly to the Boun Oum regime.

But the unchecked Communist advance in northwest Laos this week has strengthened the U.S. feeling that the Royal Lao Army is ineffective and that a coalition government is the only answer.

The U.S. position in Laos obviously rests upon confidence in the good faith of neutralist Souvanna Phouma and the Communists. This is plainly a gamble. If our bet turns out to be wrong, it will be rather late to prevent the other side from pulling in the pot.

U.S. ADVICE

American military men in South Vietnam are advised on arrival that they are "there to advise, not to command." In this framework our efforts to aid the Vietnamese are severely limited by the shortcomings of the Saigon regime.

American officers are not free to overrule the deployment of Ngo Dinh Diemn's 200,000-man army plus auxiliary paramilitary forces in accordance with the political purposes of the President and his powerful brother, Ngo Dinh Nhu.

As a result the greatly outnumbered Vietcong continues to score in surprise forays against undermanned outposts. And the extraordinarily inept administration of theoretically sound programs to break the Vietcong's hold on the loyalties of the peasant population continues to play into the hands of the enemy.

An example is the heavy-handed implementation of "Operation Sunrise," the project for relocating villagers in protected strategic hamlets. Eyewitnesses have noted that youths of military age have been conspicuously lacking among transplanted groups. The presumption has been that many if not all of these have defected to the Vietcong.

These accounts tend to belie official statements implying that the Vietcong recruits mainly by abductions and other terror tactics. In any case, the main problem in Vietnam is still to get the peasants to help the Government rather than the enemy.

Operation Sunrise, combined with direct military action mixing use of modern weapons with less familiar antiguerrilla tactics, may still work in South Vietnam as eventually happened in Malaya. The complicating factor in Operation Sunrise, however, is the attachment of the Vietnamese to their ancestral soil, an attachment the Malayans generally lack.

CIVIL STRIFE

One of the imponderables in Vietnam is the widely discussed possibility that the Ngo Dinh Diem government may be overturned by a more skillful application of coup d'état tactics than the abortive attempt by disaffected army officers in November 1960. Americans hesitate to contemplate the prospects for widespread civil disruption to the benefit of the Communists should the regime be upset.

Thailand has recently sought to bolster her defensive position by obtaining a guarantee of military protection from the United States. Should Laos fall and the Communists move southward, Bangkok may call for help under this agreement.

With Laos still unsettled and a long war ahead in South Vietnam and other areas still uncertain, it is too early to try to predict whether events will turn out to the benefit of the West in southeast Asia on any front. But the prospects are for deep involvement of the United States in this area for a long time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the Western District of Missouri to the St. Joseph division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy; and

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes; and

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 2838) to exempt from taxation certain property of the Army Distaff Foundation.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Madam President, there is before the Senate today a most important bill. It has been before the Committee on Agriculture and Forestry since last February.

The committee held extensive hearings on it. Although I believe the bill is not quite as satisfactory as it could be, it is now before the Senate for consideration.

At the outset I wish to say that the main purpose of the bill is to try to save the taxpayers of our country in excess of $2 billion a year to maintain our present farm programs for wheat, corn, and other feed grains. It is that simple. Something must be done to curtail the production of wheat that we do not need, as well as the production of corn and other feed grains which we do not need. As I shall point out in the course of my presentation, certain suggestions made by the administration were deleted from the bill by the Agriculture Committee, but I hope to have the Senate reinstate them. As I proceed with my presentation, I shall make plain what I hope to do so that the amount of commodities I have mentioned may be produced more in keeping with our requirements.

I am sorry to say at the outset that it is not my intention, although I should like to do so, to present to the Senate a program that would affect milk and its products. The committee has worked diligently in trying to persuade the producers, as well as those handling milk, to agree on a program. Since the problem of the control of milk production is so difficult, it is my view that the Congress may not be in a position during the consideration of this bill to enact legislation that would affect milk and other products, although I believe such legislation is necessary. I make that statement particularly in view of the fact that last year's milk program alone, from April 1961 to April 1962, cost the taxpayers more than $600 million. That is quite a sum of money. I contend that if our farm programs are to be maintained and are to continue to assist the farmers, the overall cost of such programs must decrease.

The production of commodities which now receive price supports must be kept in line with the amount of those commodities that we need.

Madam President, it is wrong for a farmer to expect his Government to provide him with price supports when he is not willing to adjust himself to acreage controls. We have had a classic example in the production of corn and other feed grains. Never have the producers of those commodities been penalized for overproduction. There are no acreage controls in effect. The producers of those commodities can now produce, under the permanent law, any amount of those commodities, and still receive price supports notwithstanding the amount the Government must purchase.

As to wheat, I am sure Senators will recall that there was a great deal of discussion as to that program. As I shall point out, in 1938, when the original wheat marketing program was placed on the statute books, a minimum acreage was fixed, and the Secretary of Agriculture could not proclaim quotas below this, and so long as the farmers remained within their allotments, they were entitled to price supports, which under the Agricultural Act of 1949 range from 75 to 90 percent of parity.

When the minimum acreage was fixed, in 1938, the production of wheat was 13.3 bushels an acre. Now the production is 26.2 bushels an acre, and the minimum 55 million acreage provision is still in the law.

It is evident that something must be done. We must reduce the wheat acreage, lest we continue to accumulate millions of bushels of wheat that we do not need.

INTRODUCTION AND DEVELOPMENT OF S. 2786

Madam President, on February 2 of this year, I introduced the administration's new proposal for agricultural legislation. I had serious reservations about certain sections of the bill, particularly the dairy provisions, which I felt would create more problems than they corrected. However, it was my feeling that a comprehensive program such as the administration had proposed would be a sound foundation upon which to build and would be one that could be used most satisfactorily for a general overall review of the agricultural policy presently in effect for the feed grains, wheat, and dairy products. That a general review was necessary is adequately borne out, in my opinion, by the conditions and the failures in the present permanent programs applicable to these commodities.

As introduced, S. 2786 provided for an extensive program of land use adjustment; amendments to Public Law 480 in furtherance of the food for peace program; amendments to the Agricultural Marketing Agreement Act of 1937 which among other things would have authorized producer quotas under marketing orders for turkeys, turkey hatching eggs, and milk; new supply management programs for feed grains, wheat and milk; and amendments to the Consolidated Farmers Home Administration Act of 1961 and the Rural Electrification Act of 1936.

Extensive hearings were conducted by the committee, as I have stated. In line with my idea of an overall review the hearings covered not only provisions of the bill but other ideas, proposals, and programs as well.

Subsequent to the hearings the committee held executive sessions and discussed in detail all aspects of the administration's proposal and considered alternate programs and possibilities for the commodities under review.

I think there was a general consensus that the present permanent programs for wheat, for feed grains and for dairy products contain unrealistic provisions which prevent desirable changes from taking place.

WHEAT

The present permanent program for wheat provides for price supports at 75 to 90 percent of parity and for a minimum national allotment of 55 million acres. Under this program, production has exceeded requirements regularly, and the Federal Government as of March 31, 1962, had $2.5 billion invested in 1.3 billion bushels of wheat. This is more than a year's supply for both domestic and export requirements.

I have said repeatedly that the one factor most responsible for the accumulation of excess supplies is the 55-million-acre minimum national acreage allotment that was placed in the law in 1938. In that year, 1938, 69 million acres were harvested, but production amounted to only 920 million bushels. The reason, of course, was that per acre yields of wheat were very low. As a matter of fact, the 1938 yield per acre was only 13.3 bushels per acre.

The following year about 53 million acres were harvested. Total production amounted to 741 million bushels, and yields were at 14.1 bushels per acre.

In 1960–61 notwithstanding the fact that only 52 million acres were harvested, total production amounted to 1,357 million bushels. Yields averaged 26.2 bushels per acre. This is almost double the yields experienced when the minimum acreage was placed in the law. Although there was a severe drought in 1961–62, production totaled 1,235 million bushels, and yields averaged 24 bushels per acre.

Under the present law the Secretary is powerless, as I said, to reduce the national allotment below the 55-million-acre minimum regardless of the stocks of wheat which have accumulated under the program over the years.

I have long been aware of this particular failing in the law relating to wheat, and on two separate occasions instigated efforts to correct this situation. In 1959 and 1960 the Senate passed bills which would have amended the present law. The first, as finally approved by Congress, provided for price supports at 90 percent of parity and a 25-percent cut in acreage allotments. This bill was vetoed by the President.

What did that mean? If the acreage had been cut one-fourth, it would have reduced the number of acres to be planted thereafter to a little more than 40 million acres. That would have been somewhat more in keeping with our requirements.

In 1960 the Senate again acted favorably on a bill which provided for price supports at 75 percent of parity with a 20-percent cut in acreage allotments. Payments in kind were included in both bills. The House, however, was unable to act on a bill of its own in 1960 and refused to accept the Senate version.

However, as far back as 1956 the impossibility of controlling production with a minimum of 55 million acres in the law was recognized by Congress. Senators will recall that on April 16, 1956, the President of the United States vetoed a bill which incorporated the certificate plan for wheat. That plan is similar in nature to the proposal contained in the pending measure.

Mr. YOUNG of North Dakota. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. One of the difficulties in dealing with wheat as distinguished from corn is that some varieties of wheat, as the Senator knows, are in short supply, while the surpluses are in only one or two varieties. Corn has pretty much the same feed value in any area of the United States.

What really ought to be done is to make the heaviest cuts in production in the types of wheat which are in the greatest surplus. Indirectly, this is being done in the bill now pending by cutting all wheat acreage and permitting an increase in wheat acreage for types of wheat which are in short supply. If the Secretary of Agriculture would use this provision wisely, then the producers of better quality wheat would probably get a little break in acreage.

The wheats which are in short supply and Durum Hard Red Spring and Soft Red and White Winter wheat. The wheat of which there is a tremendous surplus is Hard Winter wheat.

I repeat: We could indirectly get at the problem by providing some preferential treatment to the producers of better grades of wheat when it is in short supply.

A few years ago a price-support differential was provided for wheat of a better quality; but too high a price support is being provided for some wheats which are not in much demand for human food consumption and have little more value than for livestock feed.

Mr. ELLENDER. I realize what the distinguished Senator from North Dakota is speaking about. In the pending measure discretionary power has been provided for the Secretary of Agriculture to plan more desirably for the production of wheat in short supply. But when the Senator speaks about the Hard Red Winter wheat being produced in quantities in Kansas, Nebraska, Oklahoma, and Colorado, we might get into trouble if we tried to provide for curtailing the production of wheat severely in those areas.

Mr. YOUNG of North Dakota. One of the real problems confronting a person such as myself, who represents a major wheat-producing area, concern Hard Red Spring wheat. Because of the drought last year and the great demand for Hard Red Spring wheat, that type of wheat will not be in surplus another year. In fact, if farmers take as much as 40 percent of their wheat acreage out of production, as they are encouraged to do this year, there may be a shortage of this type of wheat, which is one of the best types produced in the United States.

Mr. ELLENDER. The bill makes provision for Durum wheat and for other types of wheat in short supply. Exactly how to meet the problem the Senator poses is one which is difficult to deal with. As the Senator from North Dakota has stated, one of the difficulties in dealing with the problem has been that the wheat problem is a little different from the problem of corn.

There are now other feed grains which can compete with corn.

Particularly is that true of sorghums. There are varieties of sorghums which are produced in abundance, and varieties of barley which are produced in abundance, and whose feed value is almost as great as corn. So there is a little competition now. That is why we are seeking to deal as we are with the feed grain producers, by trying more or less to control the production of corn, sorghum, and barley to conform with the requirements.

We do not ask the farmers not to plant those commodities; but if they desire to plant and do plant all they want to produce, they should not expect Uncle Sam to provide high price supports. That is all we say. If they want support prices, they should agree to acreage curtailment. That is all we are saying in the bill.

Mr. YOUNG of North Dakota. In recent years, farmers have greatly increased the yields of sorghums by developing new varieties. Sorghums now have almost the same feed value as corn. The same is true of barley. There are also new methods of feeding barley. Barley now has as good feed value as corn. There is great feed value in all these grains. So far as concerns wheat as a human food, some varieties of wheat do not rate very high, while others do.

Mr. COOPER. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. COOPER. I should like to pursue the question raised by the Senator from North Dakota. We who are members of the Committee on Agriculture and Forestry know that he has raised this point many times. It is a fact that some types of wheat are not in overproduction; for instance, Durum wheat in North Dakota and Soft Red Winter wheat in Kentucky.

Is it not true that the bill before the Senate grants the Secretary of Agriculture authority to deal with those types of wheat which are not in overproduction by providing acreage allotments which will permit the volume of production needed?

Mr. ELLENDER. The Senator is correct.

Mr. COOPER. Would the Senator from Louisiana, who is the chairman of our committee, interpret this provision to mean that the Secretary of Agriculture ought to make an adjustment to permit the production of enough wheat of the types which are in shortage?

Mr. ELLENDER. The desired types. That is what I am hoping will be done. Of course, farmers are prone to plant the kind of wheat which will grow more readily in, say, one area than in another, and provide a greater bushelage or tonnage, for which they will receive price supports. I am hopeful that some day it will be possible to deal with the problem by reducing price supports for the varieties of wheat which are not so desirable as others for human consumption. I now return to my prepared text in discussing previous efforts the Congress has made to solve this wheat problem.

Had these efforts taken by the Senate in 1956, 1959, and 1960 to remove permanently the 55-million-acre minimum not been in vain, I feel certain there would not now be such a tremendous accumulation of stocks in government hands.

Last year a so-called emergency wheat program applicable to the 1962 crop was enacted into law. Under this program farm acreage allotments are reduced 10 percent and farmers are required to divert the reduction to conserving uses. They may voluntarily retire up to an additional 30 percent of their acreage. Payments to farmers are to be made at the rate of 45 percent of the value of what might have been produced on the required 10 percent diversion and 60 percent of the value on any additional acreage diverted.

Under this program, farmers have signed up for the diversion of 15.1 million acres of wheat. If this materializes, payments under the program are estimated at about $333 million. If the prognostication referred to by me is correct, it will mean that the acres planted to wheat will be approximately 40 million, which should make quite a decrease in the wheat that will be gathered during the current crop, and of course it will result in a tremendous saving in storage and handling costs.

The committee recommendations give producers a choice between a new wheat program, which would be permanent, and a 2-year extension of the 1962 temporary program.

Madam President, it is my hope in the course of the consideration of this bill to submit an amendment to eliminate this producers' choice, and to let the permanent certificate program be enacted into law. In other words, I believe it would be folly and wasteful for the Senate to extend the present emergency program for 2 more years, and at the end of the 2 years resort to the old program which has given us so much trouble in the past. But that is what will happen—as I shall point out during the course of the debate. Madam President, if the optional plan remains in the bill, I am convinced that wheat farmers will vote for the optional plan—that is, to extend the emergency plan for 2 years more, and then resort to the present law, which would reinstate the 55 million acreage minimum.

FEED GRAINS

During the course of committee consideration of this bill, the committee also felt that it was imperative that action be taken in the case of feed grains. As of March 31 of this year, price-support investment by the Commodity Credit Corporation in feed grains amounted to $3 billion. Almost a half-year's supply of feed grains is in Government stocks.

The steady accumulation of feed grains in excess of our requirements is the result of unrealistic programs covering these commodities. I may add that, in my opinion, we have never applied realistic programs to the feed grains.

The permanent price-support law now on the books covering feed grains was enacted in 1958. It provides for price support for corn at 65 percent of parity, or 90 percent of the 3-year average, whichever is higher, with comparable levels for the other feed grains, and permits—I repeat—unlimited production.

Prior to 1958, price-support laws treated corn differently from the other feed grains. For grain sorghums, oats, barley and rye, price supports were permissive at from 0 to 90 percent of parity, as determined by the Secretary of Agriculture, and unlimited production was permitted.

Corn, however, which I have often referred to as "the little, blue-eyed girl of our program"—has always been considered a basic commodity, and, as such, has received mandatory price support in the same way that other basic commodities subject to marketing quotas under the Agricultural Adjustment Act of 1938, as amended, have been supported, except that marketing quotas have never been made effective for corn.

Acreage allotments were established for corn, except for war years, beginning in 1938; but marketing quotas were not proclaimed. Then in 1954, the law was amended so as to exempt corn from the marketing-quota provisions of the law.

Prior to 1956, price support was made available in the commercial area only to those who complied with allotments; but no marketing penalties were imposed on those who exceeded allotments. Of course, the fact that a large proportion of the crop was entitled to price support, and could move into Government storage, provided a so-called umbrella effect on market prices, to protect those who did not comply. As a matter of fact, in 1954, about 40.2 percent complied with allotments; in 1955, 51.4 percent; and in 1956, 43.9 percent complied.

Under the program of acreage allotments, without marketing quotas, production of corn for grain increased from 2.8 billion bushels, in 1950, to only 2.9 billion, in 1955; but Commodity Credit Corporation holdings of corn increased from 487.5 million bushels to 1,109.2 million bushels in September of 1956.

In 1956 the Department of Agriculture, under Mr. Benson, further aggravated the situation in corn by providing price supports not only to those who complied with allotments, but to noncompliers, as well. This opened the floodgates; and production jumped from 2.9 billion in 1955 to 3.4 billion bushels in 1958, notwithstanding the fact that the acreage reserve program was in effect and that millions of acres were not put into production, but were diverted. Commodity Credit Corporation holdings also increased from 1.1 billion to 1.4 billion bushels.

As I indicated earlier, in 1958 the price-support laws for corn and the other feed grains were changed. Support prices for corn and the other feed grains were made mandatory at 65 percent of parity or 90 percent of the 3-year average, whichever was higher, and all restrictions on production were removed. Corn production soared to 3.9 billion bushels in 1960. In other words, the Government handed the feed-grain growers a blank check to grow all they wanted, with the assurance that any excess production would be taken over by the Government and would be stored. This program was in effect for the crop years 1959–60. During these 2 years, Government investment in feed grains—that is, corn, oats, sorghums, barley and rye—increased from $3,306 million to $4,008 million, an increase of $702 million.

Madam President, there is no real reason for anyone to want to continue such an expensive program. I repeat that the farmers who produce these commodities and expect their Government to give them price supports should be willing to reduce their production more in keeping with our requirements. That is all I am asking, and that is what I shall propose in time when the specific provisions of the bill are dealt with by us.

Last year, at the request of the administration, an emergency program for corn and sorghums was put into effect for 1961; and subsequently a similar program for corn, sorghums, and barley was enacted for the 1962 crop. The program was requested by the administration, so as to give time to develop a realistic long-range program for the feed grains.

This emergency program provided for a required 20-percent reduction in acreage in order to be eligible for price support, with the opportunity to voluntarily divert up to an additional 20 percent.

Under this program, farmers were to be paid for not producing at a rate of up to 50 percent of the normal production on the first 20 percent of acreage diverted and at a rate of up to 60 percent of the normal production of the additional 20 percent of corn and grain sorghums acreage diverted.

The so-called temporary program in effect in 1961 resulted in a decrease in the production of corn and grain sorghums of 421 million bushels below 1960 levels.

The most recent figures provided by the Department of Agriculture indicate that the costs of payments to farmers under the 1961 program amounted to—listen to this—$782 million, while about $43 million was the cost of administrative expenses, for a total of $825 million.

Estimates by the Department of Agriculture indicate that, based upon the final signup figures for the 1962 program, which, by the way, as I said, will be in effect during the current crop year—payments to farmers may run as high as $896 million if the intended diverted acres materialize and the total cost of the program may well be in excess of $900 million when administrative expenses are included.

Yet there are many Senators who want to continue this expensive program. I do not. I think it should be thrown out and a permanent program should be incorporated in the bill, by all means.

While there is no doubt that a substantial reduction in the production of feed grains will occur again this year and that there will be longrun savings to the Government the fact is that these temporary programs are extremely costly and cannot in good conscience be long continued.

The Committee on Agriculture did see fit to extend the so-called feed grain program for another year, but I am of the opinion that when the costs of the program are totaled, it will be clear for all to see that it would have been much better had the committee heeded the advice of the administration and worked toward the development of a program in line with their recommendations.

DAIRY PRODUCTS

The administration also recommended a control program for dairy products. While I personally was not in accord with their proposal, I felt that it could well be used as a springboard to stimulate discussion in this very broad area and as a means for the development of a sound future program.

I may say, in passing, the main objection was to fixing national quotas for milk production which would apply all over the country, whether there was milk production in excess of demands of local consumers, or whether there was a deficit area.

As Senators know, the present program for dairy products provides for price supports at from—it is in the law now—75 to 90 percent of parity with no restrictions on production. In other words, farmers are guaranteed at least 75-percent price supports for all the milk they can produce. Of course, the Government stands ready to purchase and has purchased all of the excess production.

While there is no dollar market for most of the stocks that the Government has acquired in the past, the Department of Agriculture has managed to get rid of its supplies of dairy products by giving it away at home and abroad.

For example—and I would like Senators to heed this—the Department of Agriculture estimates that sales during the 1962–63 marketing year will total only about $30 million, including Public Law 480 sales of about $19 million.

The cost of the dairy program, however, is very substantial. From the inception of the program through December 31, 1961, price support losses on dairy products amounted to slightly over $2.1 billion. In addition, the cost for the special milk program amounted to approximately $475 million.

In the last marketing year, the cost of dairy products acquired by the Government in supporting the price of milk amounted to $561 million. In addition, the military and school milk programs cost $121 million, for a total of $682 million for last year.

While the Government will realize about $11 million from sales, excluding Public Law 480, the Department also estimates that storage, transportation, and packaging of these acquired commodities will cost an additional $40 million.

Obviously, this program is also much too costly. I feel sure that farmers themselves would not want this program if all of the facts were placed before them.

I do not want it misunderstood. I am most certainly in favor of utilizing our surplus agricultural commodities for the benefit of those less lucky than we. However, I do not feel that this Government should encourage the expansion of agricultural production through unrealistic price-support programs in order to acquire stocks of commodities which then must be given away.

While the committee labored industriously with this problem, it became apparent that no program for dairy products could be devised which was acceptable.

I have said repeatedly in the past, and I say it again, that, unless realistic programs for these agricultural commodities are devised and enacted into law, it may well sound the death knell for all agricultural programs. As Senators know, if this were to occur, agriculture would be thrust into an economic vise that would be catastrophic. I would not want to see this, and I am sure that no one else in the Senate would like to see this. However, in my estimation, it can be avoided only if we adopt realistic programs which are less costly to the taxpayer and provide greater benefits for farmers.

EXPLANATION OF THE BILL

GENERAL

The bill, as it has been developed by the committee, is another step in our effort to reduce surplus stocks of agricultural commodities. It seeks to achieve this purpose through a reduction in wheat acreage, diversion of feed grain acreage and other cropland from production, expansion of surplus disposal under Public Law 480, and research into new industrial uses for surplus commodities.

The bill consists of five titles, all of which are directed toward the reduction of our surplus stocks. Title I deals with land use adjustment, title II with surplus disposal under Public Law 480, title III with limiting feed grain and wheat acreage, title IV with loans to assist farmers in land use adjustment, and title V with development of new uses for our surplus commodities.

LAND USE ADJUSTMENT

The first title of the bill amends the Soil Conservation and Domestic Allotment Act, the Bankhead-Jones Farm Tenant Act, and the Watershed Protection and Flood Prevention Act to provide for more efficient and economic use of land resources. The Soil Conservation and Domestic Allotment Act would be amended to continue administration of the agricultural conservation payment program on a national basis permanently, and to provide for long term contracts for the diversion of cropland to more economic uses. The Bankhead-Jones Farm Tenant Act would be amended to provide for loans to State and local public agencies to carry out land utilization projects. And the Watershed Protection and Flood Prevention Act would be amended to provide for Federal assistance in public recreation phases of watershed projects, advances of land purchase costs to forestall encroachment of the project site by developments for other purposes, and a cost sharing basis more in line with similar Federal programs.

When the law providing for agricultural conservation payments was enacted in 1936, provision was made for administration of the program by the States on a grant-in-aid basis under State plans. National administration was provided for only on a temporary basis to afford the States an opportunity to enact enabling legislation. Only about half of the States have enacted such legislation, and only one State has ever submitted a plan. That was the State of Missouri. From time to time, through the past 26 years, the period of national administration has been extended, and it would appear to be time to recognize that the program should be administered permanently on a national basis.

VISIT TO THE SENATE BY DISTINGUISHED GOVERNORS OF THE JAPANESE PREFECTURES

Mr. BOGGS. Madam President, will the Senator from Louisiana yield that I may present to the Senate some distinguished visitors?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Delaware?

Mr. ELLENDER. I am glad to yield to the distinguished Senator from Delaware.

Mr. BOGGS. Madam President, it is my great honor to announce that we have with us today a distinguished delegation of Governors of the Japanese prefectures. They are here at the Capitol as they near the completion of an exchange visit with American Governors. This morning they were cordially received at the White House by President Kennedy. Our guests include the following:

First. Gov. Iwataro Uchiyama, of Kanagawa Prefecture—vice president of the National Governors Association of Japan.

Second. Gov. Tokichi Abiko, of Yamagata Prefecture—vice president of the National Governors Association of Japan.

Third. Gov. Mikine Kuwahara, of Aichi Prefecture.

Fourth. Gov. Hitoshi Shibata, of Chiba Prefecture.

Fifth. Gov. Sunao Ikeda, of Saga Prefecture.

Sixth. Gov. Choemon Tanabe, of Shimane Prefecture.

(As their names were read, the distinguished visitors rose in their places and were greeted with applause.)

Mr. BOGGS. Madam President, since arriving in Honolulu about 2 weeks ago, the Japanese Governors have also visited Los Angeles, Calif.; Hoover Dam and Las Vegas, Nev.; Denver, Colo., and surrounding areas; Detroit, Mich.; Niagara Falls; Pittsburgh, Pa.; Knoxville, Tenn., and the Tennessee Valley Authority; and now Washington, D.C. They will visit the great State of New Hampshire later this week and then complete their stay in the United States with visits to Albany and New York City.

This has been a reciprocal exchange visit between the United States and Japan. At its annual meeting in Honolulu last summer, the Governors' Conference of the United States adopted a resolution which, among other things, made the following points:

First. The Governor's conference should help to solidify relations between the United States and Japan.

Second. Japan, as the stronghold of democracy in Asia and a great industrial nation, has contributed substantially to the cause of the free world by virtue of its economic growth, stability and prosperity.

Third. Exchange visits will serve to stimulate the interchange of ideas and the resolution of common problems, and to promote trade, travel, and culture between the various States, possessions, and territories of the United States and the prefectures of Japan, thus greatly fostering the cause of peace and democracy in the free world.

Accordingly, the Governors' Conference of the United States expressed its approval of a program providing for mutual visitations of Governors between the United States and Japan and directed its executive committee to implement the resolution which has now come to fruition.

I would like to say that this privilege of assisting in the visit of our distinguished guests here today was extended to me, as a former chairman of the National Governors' Conference of the United States. I also am pleased to report that the Department of State of the United States was most cooperative in making the exchange visit possible. The Department provided travel grants to the Governors of the United States, and, in addition, provided financial assistance to cover living costs of the Japanese Governors while here in the United States.

Last month a delegation of eight American Governors, headed by Gov. David L. Lawrence, of Pennsylvania, visited Japan. All of them were most impressed by what they saw. I am convinced that their visit to Japan and the visit to the United States by our friends in the Senate will greatly increase international understanding and cooperation between the United States and Japan.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. BOGGS. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. I am delighted to join with the distinguished Senator from Delaware in welcoming our guests, all of whom are Governors of prefectures in Japan. I also wish to compliment the able Senator from Delaware [Mr. BOGGS] for the great interest and activity he has shown in extending courtesies to our visitors and in making their visit a success.

We are delighted to have these chief executives of their prefectures here in this country. I hope that they will learn a great deal about us as they travel up and down our land.

I express only one regret. It seems to me they will visit every part of our Nation except the Northwest. I feel that in missing the Northwest they will have missed the best part of the country. Perhaps they cannot make a visit there at this time, but at some future date I hope they will be able to do so.

It is an honor and a privilege to have our friends, the distinguished Governors of the Japanese prefectures, among us. Again I join my distinguished colleague, the Senator from Delaware, in extending to them our best wishes and expressing the hope that they will thoroughly enjoy this country and get to understand us a little better, as we would like to enjoy their country and get to understand them a little better.

Mr. BOGGS. I thank the distinguished majority leader for those very splendid remarks.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. BOGGS. I am happy to yield to the Senator from Illinois, the distinguished minority leader.

Mr. DIRKSEN. It was my happy pleasure to have a luncheon visit with our distinguished guests. I share the sentiments uttered by the majority leader in complimenting our distinguished colleague, the Senator from Delaware [Mr. BOGGS], in making possible the rather felicitous luncheon at which the hand of fellowship was so cordially and royally extended.

It is a great pleasure to have the Governors of the Japanese prefectures with us. In other years, we have been honored by visits from various Prime Ministers of Japan. But the Governors of the prefectures live close to the people. They will have an opportunity to observe while they are here, and will be able to carry back many distinct impressions directly to the people of Japan. Such contact can only be conducive to good feeling and perpetual friendship. So I join with our distinguished friend, the Senator from Delaware, in extending to all of the Governors of the prefectures a warm hand of friendship. We are delighted to have you with us, and hope you will enjoy your visit in our country.

Mr. BOGGS. I thank the distinguished minority leader for his interesting and splendid remarks.

Mr. FONG. I should like to join in extending our congratulations and welcome to our visitors from that great Eastern empire, the Empire of Japan.

I have been in Japan four times, and I have always been impressed with the tremendous prosperity, industriousness, and growth of that country.

Approximately 30 percent of the people of the State of Hawaii are of Japanese ancestry. In our State during the past year we celebrated the 75th anniversary of the coming to that State of the first immigrants of Japanese ancestry.

The people of Japanese ancestry who live in the State of Hawaii—and most of them are American citizens—have contributed immensely to the prosperity, growth, and welfare of our island State. We are truly indebted to them.

I wish to thank the Governors of the Japanese prefectures for visiting us in my State and for visiting other parts of the United States. We welcome their visit. I know they will carry back with them a fine impression of our people and our American Government, as I have carried away from Japan on each of my visits a fine impression of the Japanese people and their Government.

I hope that they will have a very pleasant stay in our country.

FOOD AND AGRICULTURAL ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Madam President, the agricultural conservation program provides for payments to assist in carrying out conservation practices on an annual basis. In order to provide for longer term diversion of cropland to more economic uses, section 101 of the bill authorizes such diversion contracts with farmers covering up to 15 years. This program would be somewhat similar to the conservation reserve program and the Great Plains program, but would permit the land to be diverted to purely recreational purposes or nonagricultural purposes, as well as soil-, water-, forest-, and wildlife-conserving uses. This program would be undertaken on a pilot basis, payments and other financial assistance being limited to $10 million in any calendar year.

Section 102 of the bill would amend title III of the Bankhead-Jones Farm Tenant Act, which has been dormant for many years, to provide for loans to State and local public agencies to assist them in carrying out land utilization programs. Such programs would provide for the more economic use of the lands covered by them, including recreational use and the protection of fish and wildlife, as well as for most of the very broad purposes now covered by the law. Title III of the Bankhead-Jones Farm Tenant Act at present is applicable only to submarginal lands, provides for acquisition and management of such lands by the Secretary, and provides for assistance to State and local organizations only in developing plans rather than in carrying them out. Under the bill, title III would be applicable to all lands.

Madam President, the acquiring of land was one of the most contentious parts of title I. Under the bill the Secretary's authority to acquire lands would be repealed, and assistance would be provided to State and public agencies to carry out as well as to develop plans. The program, therefore, would become a loan program rather than a direct action program. In line with the change in this authority to one of State and local aid, loans could be made only to agencies designated by the State legislature or Governor, and only with respect to plans not disapproved by the supervisory State agency. Loans in excess of $250,000 would require approval of the two committees of the House and Senate which deal with agriculture.

Under this authority rural renewal plans might be carried out under which land would be devoted to uses designed to benefit disadvantaged areas and make them attractive to private investment and enterprise.

Section 103 would amend the Watershed Protection and Flood Prevention Act to permit the Federal Government to bear up to one-half of the land costs for reservoirs or other areas in watershed projects to be devoted to public fish and wildlife or recreational development, or to facilities for public access and use of such areas. It would also permit the Government to bear a part of the installation costs in connection with recreational phases of such projects—as is now done in the case of fish and wildlife. Section 103 would also permit the Government to advance funds to project sponsors for the immediate acquisition of project lands before they can be diverted to other uses inconsistent with the project, and provides that installation cost sharing by the Federal Government and the project sponsor shall be based on national needs and on assistance authorized for similar purposes under other Federal programs rather than on direct identifiable benefits.

Mr. COOPER. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. COOPER. I wish to comment on the provisions the Senator has been discussing, in title I of the bill, which I think a very valuable and constructive section as reported by the committee. The provisions of title I can be used to help develop the recreational resources and the natural tourist values of areas in eastern Kentucky and other States.

Is it correct that when the bill came to the committee the section provided that the Secretary of Agriculture could purchase land, or could even condemn and take land, and that the Department of Agriculture could operate recreational facilities?

Mr. ELLENDER. The Senator is correct. The Senator was one of those who led the fight before the committee, with others, to strike that provision from the bill and to require that the Federal Government would not be in a position to establish another bureau to develop recreational facilities.

Mr. COOPER. I think nearly every member of the committee agreed from the very beginning that the power of eminent domain, to take land by condemnation, should not be given.

Mr. ELLENDER. Yes. I did, too.

Mr. COOPER. I think it is important to point out, as the Senator has pointed out, that the programs to establish recreation areas—with the exception of the land-use agreements with farmers in section 101—would be operated by local agencies. The power to develop, approve and carry out these conservation, recreation and other land-use plans would be reserved to the local governmental agencies or to other agencies, under both sections 102 and 103, the Bankhead-Jones and small watershed amendments.

Mr. ELLENDER. The Senator is exactly correct. That, of course, made it possible for all of us to support it.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I understood the Senator to say that the changes made in title I were such that all Senators on the committee could support it. I do not think the Senator intended to go quite that far. As I recall, three or four Senators would not support title I as rewritten.

Mr. ELLENDER. I am sorry; I had understood that everyone was for it, with that provision out.

Mr. HOLLAND. Madam President, if the Senator will yield further, the Senator from Florida was not for that provision.

The Senator from Florida would not object to the provision for the modification of the Watershed Protection and Flood Prevention Act, or of the Soil Conservation and Domestic Allotment Act, but would object to the modification of the Bankhead-Jones Farm Tenant Act.

The Senator from Florida felt, as he still feels, that to enlarge coverage of the Bankhead-Jones Farm Tenant Act so as to deal not alone with people—that is, tenants and farmers on submarginal farms, so as to allow them to become more economical producers and more stabilized producers—but also to include loans to States, loans to counties, and loans to public units of all kinds for recreational purposes would be a great departure, and, in effect, would be doing something toward the accomplishment of rural renewal—that is what the learned Secretary of Agriculture called his first program—indirectly rather than through direct means, as first it was to be accomplished.

With all due respect to the distinguished Senator, who has made a very valiant effort in support of the bill, though there are many phases of the bill which the Senator from Florida can and will support, the Senator from Florida wishes to make it clear that he could not support the proposed amendment to the Bankhead-Jones Farm Tenant Act, because it seems to him it would depart entirely from the original, the worthwhile, and the established scope of that act, and would make it—though by a little less objectionable policy—the instrument of what the Secretary calls rural renewal, as much as would have been the case if the lands could have been acquired from individuals for recreational and fish and wildlife purposes.

I thank the Senator for yielding.

Mr. ELLENDER. In any event, the main burden of the argument against the provision was, as the Senator remembers, on the ground that the measure would give the Secretary of Agriculture unlimited power to purchase all the land he desired. This, then, would have laid the groundwork to create a new bureau charged with the administration of the Nation's needs. In fact, as I recall, we removed all of such provisions from the bill and left this matter entirely in the hands of the local agencies. By limiting the amount to be spent on the program to $10 million a year, the proposal would be more or less a pilot program.

I had really overlooked the fact that the Senator from Florida still objected. If he says he did, that is it.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I certainly agree that the most objectionable feature of all was removed, because the changed bill would prevent the setting up of a large bureaucracy which would be controlled solely from Washington by one individual. He would be able to take over not only submarginal lands, but fine producing lands, residential lands and industrial property in order to develop recreational facilities.

But the Senator from Florida still thinks that the bill goes too far in permitting the taking over of lands other than marginal lands and in going into what is really a rural renewal program.

Mr. ELLENDER. Madam President, title II of the bill makes several changes in title IV of Public Law 480 of the 83d Congress. At present title IV of Public Law 480 provides for long-term dollar credit sales of surplus agricultural commodities to friendly foreign countries to assist in their economic development. The Secretary of Agriculture, under section 404 of the law, is required to take reasonable precautions to avoid replacing any sales which he finds would otherwise be made for cash dollars. Deliveries are made over periods extending up to 10 years, with payments being made over periods extending up to 20 years. The amendments made by the bill would make it clear that such sales might be made for the purpose of developing agricultural trade, and would authorize the making of such sales to financial institutions representing friendly countries, or, upon reasonable security, to the private trade. Payment terms would be relaxed to the extent of providing for reasonable annual payments, instead of approximately equal annual payments, and permitting the first payment to be deferred for up to 2 years after the date of the last delivery in each year. It is believed that this expansion of authority will provide additional opportunities to dispose of surplus commodities, and also make it possible to make some sales for dollar credit under title IV which otherwise could be made only for foreign currencies under title I. Where the law now requires the Secretary to seek participation by other exporting countries, which results in delays in completing agreement, the bill would provide authority to the President to permit participation by other exporting countries. The bill also requires the President, in carrying out title IV, to assure that private trade channels are used and to give special consideration to agricultural trade development in the same manner that he is now required to give with respect to agreements under title I of Public Law 480. Of course neither these amendments nor does the law authorize sales of surplus U.S. agricultural commodities to the private trade for its own use, or for resale, domestically.

COMMODITY PROGRAMS

Title III of the bill deals with feed grains and wheat. It extends the 1962 feed grain program for 1 additional year; and gives wheat producers a choice between extension of the 1962 wheat program for 2 additional years, and a new wheat program providing for more effective marketing quotas coupled with a marketing certificate program.

Mr. COOPER. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. COOPER. I should like to turn back briefly to title II. The bill as it is reported permits the President to enter into sales agreements with "financial institutions acting in behalf" of other countries. I would assume that any kind of agreement which our country made with other countries would have to be made through the State Department.

Mr. ELLENDER. It would have to be handled through diplomatic channels.

Mr. COOPER. What is the point, then, of providing that this country can enter into an agreement with a financial institution of another country?

Mr. ELLENDER. The point is that it would provide additional flexibility in making dollar credit sales. The agreements provide that the proceeds of the sales can be used to help develop the country economically. The country's central bank could do this in behalf of the country. To my way of thinking that would make it possible for the bank to lend the proceeds to private individuals to build factories and other facilities within the country so as to develop more trade, and thereby get more dollars with which to pay us.

Mr. COOPER. I understand; but does not the Senator believe it would be rather difficult for our country to enter into an agreement with a private bank or financial institution in another country without the consent of the government of the friendly nation with which we deal? It seems to me it would be almost impossible, if not impossible, for the United States to enter into an agreement with a bank or a private financial institution in another country without the consent of the government of that country.

Mr. ELLENDER. I ask the Senator to refer to page 28 of the report.

Mr. COOPER. I have it before me.

Mr. ELLENDER. I read from page 28:

> Financial institutions acting in behalf of friendly nations: Section 402 of the act would be amended so as to permit agreements to be entered into with financial institutions of friendly nations acting in behalf of such nations.
>
> This will permit the President to enter into sales agreements with government banking institutions of other countries such as central banks or similar institutions and thereby give greater flexibility in negotiating title IV sales agreements.

The main purpose of the provision is to allow private enterprise of the country involved to engage in the development of their own country economically, rather than to depend on the government. It is my understanding that when governments build commercial facilities they are prone to nationalize them. The bill also would enable private individuals, either through banking institutions or otherwise, to purchase surplus agricultural commodities, sell them within their own country, and then use the proceeds to construct factories or other facilities, thereby creating more business. That will mean that we will need less foreign aid dollars. I believe that such a program as is envisioned in the pending bill, even though it would mean a lapse of several years before we would be repaid, is far more preferential to giving away surplus agricultural commodities and receiving nothing in return.

Mr. COOPER. I know that similar arrangements have been made with other countries through the governments themselves; but I do not believe the Senator is referring to the governments in this instance.

Mr. ELLENDER. The Senator is correct. The bill extends the law to provide for sales to financial institutions acting in behalf of friendly nations, and for sales to the private trade.

Mr. COOPER. In the same title, there is another provision which troubled me when it was embodied in the bill by the committee. It relates to sales agreements with the private trade, both in this country and in other countries. I shall not take time now to discuss it, but while the bill is under consideration I wish to have that item developed—to show why it is desired to permit the Department of Agriculture to enter into transactions with the foreign and U.S. private trade upon the same terms and conditions that are now applicable to government-to-government sales agreements.

Mr. ELLENDER. That, again, is with the idea of trying to develop private business within the host countries. It is another effort to obtain dollar sales rather than to depend upon the soft currencies of the countries. Whenever we deal directly with those countries under title I of Public Law 480, they provide repayments in their own soft currencies, and the soft currencies are usually used within the borders of the host countries; they are of no use to us. So the more credit sales under title IV of Public Law 480 we can promote under which the payments would be in dollars, I believe the better off we shall be, even though the repayments are long-term payments, especially when the proceeds of the sales are used to develop the country economically. I would rather enable a banking institution or a private entrepreneur in some country to construct a factory or other facility there, or develop the economy of the host country, than to let the government itself do it. We should stimulate private enterprise. That is one of the main purposes behind the provision.

I have before me an explanation of the purpose of the provision. It appears on page 219 of the hearings on the Food and Agriculture Act of 1962. It is the first complete paragraph beginning near the top of the page. I ask unanimous consent that the paragraph be printed at this point in the RECORD.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

Question (f). How will the proposed agreements with the private trade work?

USDA statement: The Department of Agriculture is currently considering various methods under which long-term supply and credit sales agreements with the private trade would be carried out. Under one of several alternative methods, the Commodity Credit Corporation could undertake to finance the exportation of U.S. surplus agricultural commodities through procedures generally paralleling Title IV Government-to-government sales agreements. Under this alternative, the principal differences would be that the sales agreement would be with a United States or foreign private trade organization and, in lieu of the guarantee or commitment of a foreign government to make dollar repayments of principal and interest, a United States or foreign bank guarantee would be required. The commodities, quantities, credit terms, uses of sales proceeds for specific projects, and other conditions involved in the private trade proposals would be reviewed by the Department of Agriculture to assure that the sale on credit terms will carry out the legislative purposes and that such sale otherwise constitutes a financially sound undertaking and will result in expansion of dollar markets for U.S. surplus agricultural commodities which would not likely be undertaken through private or other means.

In addition, the Department is considering an arrangement under which U.S. commercial banks rather than the Commodity Credit Corporation would finance the exportation of the commodities. Under this approach, commercial banks would be given the option of utilizing their financial resources for long-term oversea investment with the Commodity Credit Corporation participating through a guarantee of the bank against losses. The extent of the commercial bank and CCC's participation in such arrangements would be worked out with the banks.

The Department is also reviewing the possibility of extending long-term supply and credit terms to the private trade through appropriate modifications in the CCC export credit sales program. Under this program commodities in CCC inventories are sold to U.S. exporters on a deferred payment basis with the U.S. exporter passing along the deferred payment terms to foreign buyers.

Mr. HOLLAND. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Am I not correct in understanding that the right to deal with private trade, which has just been discussed between the Senator from Louisiana and the Senator from Kentucky, relates only to underdeveloped countries?

Mr. ELLENDER. The Senator is correct. As I said before, the goods must be sold, disposed of, and used in the underdeveloped countries of the world. That is the entire purpose of the provision.

EXTENSION OF 1962 FEED GRAIN PROGRAM

Subtitle A of title III extends the 1962 feed grain program for 1 year without material change. The support level for corn would be not less than 65 percent of parity, with price support for grain sorghums, barley, oats, and rye at fair and reasonable levels in relation to corn.

As a condition of price support for corn and grain sorghums, producers would be required to participate in a special agricultural conservation program for those commodities to the extent prescribed by the Secretary and not increase their barley acreage above their average for 1959 and 1960. As a condition of price support for barley, producers would be required to participate in a special agricultural program for barley and not increase their corn and grain sorghum acreage above their average acreage for 1959 and 1960. The same exemptions provided by the 1962 program for malting barley and for summer fallow farms producing barley on acreage fallowed for wheat are carried in the proposed 1963 feed grain program.

Under the special agricultural conservation program for corn and grain sorghum, payments would be made to producers for diverting acreage from those crops to conserving uses and not increasing their barley acreage. Correspondingly, under the barley program payments would be made to producers diverting acreage from barley to conserving uses and not increasing their corn or grain sorghum acreage. Payments in cash or kind at up to 50 percent of the normal production multiplied by the estimated support rate would be made for diversion of 20 percent of the average acreage planted to corn and grain sorghums, or barley, in 1959 and 1960, or up to 20 acres, whichever is greater.

Mr. YOUNG of North Dakota. Madam President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. I understand the Senator from Louisiana proposes to offer an amendment as a substitute for the mandatory feed grain provision now in the bill.

Mr. ELLENDER. The Senator is correct.

Mr. YOUNG of North Dakota. Does the Senator plan to provide an exemption for malting barley?

Mr. ELLENDER. I expect to do so.

Mr. YOUNG of North Dakota. Does the Senator plan to offer that amendment now, or later?

Mr. ELLENDER. I shall offer it at the conclusion of my remarks, or at some time before the Senate recesses today, so that the amendment may be printed.

Mr. YOUNG of North Dakota. May I ask the Senator if he would accept an amendment to his amendment at that time?

Mr. ELLENDER. When I offer the amendment?

Mr. YOUNG of North Dakota. Yes, at that time or when his amendments are considered by the Senate.

Mr. ELLENDER. Yes; I shall be glad to cooperate with the Senator from North Dakota, because the amendment relates to his area of the country, and he knows much more about the subject matter than do I. I shall be glad to cooperate with him in that respect.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. In connection with the amendment which the distinguished Senator from Louisiana proposes to offer, to substitute for the voluntary program a compulsory program, does the Senator expect to eliminate from the coverage of the compulsory acreage program deficit States, where not enough feed is produced to take care of the needs of cattle, livestock, poultry, dairying, and the like?

Mr. ELLENDER. There would be a provision protecting areas in which there was a shortage of feed. In other words, the Secretary of Agriculture would have the right to designate areas and regions in which deficits appear, and nonquota production might be allowed for local consumption.

Mr. HOLLAND. Madam President, if the Senator from Louisiana will yield further, let me ask whether, in connection with giving this power to the Secretary of Agriculture, he intends to require that such deficit areas shall be fixed by States, by counties, or in some other way.

Mr. ELLENDER. That is one thing the Senate will have to decide. It is rather difficult to say whether it will be by counties, or by regions consisting of a State, or perhaps one State and part of another State. It is rather difficult to define the "area." Up to now, we have decided to make the provision as broad as possible, without limiting the area to one or two counties. The "area" may be an entire State, or perhaps a State and a fraction of another State.

But the Senator from Florida is cognizant of the fact that in the committee we discussed this question, and there was considerable discussion in regard to what an "area" should be or how it should be defined. In the Senate debate on the bill, we may find some happy-medium solution in regard to deciding what an "area" shall contain.

Mr. HOLLAND. Madam President, if the Senator from Louisiana will yield further, let me say that I hope he will seriously consider limiting to States the "area" definition which may be determined by the Secretary of Agriculture—or, if not, at least provide that it must consist of a group of counties, so that no one county will be divided, because otherwise there would be a very disturbing problem.

Mr. ELLENDER. The Senator from Florida knows that that is a very difficult problem with which to deal, for, as he knows—in fact, I think he pointed this out several times in the committee—when there was in the law the commercial corn area provision, many counties of his State were included along with counties in Mississippi and Alabama. In the areas of his State in which the counties were included in the commercial corn area, it would be rather difficult to state that those are areas in which feed is in short supply. The Secretary of Agriculture would have to prepare or submit some regulation to justify any action he might take in dealing with feed, and stating that certain areas were really and truly areas with feed-grain deficits.

Mr. HOLLAND. I realize that that is a disturbing question.

Mr. ELLENDER. It is.

Mr. HOLLAND. But I invite the Senator's attention to the fact that the definition of "commercial corn area" in the old law, to which the Senator from Louisiana has referred, was not based on the question of whether corn was produced to be shipped outside; instead, as I recall, it was based on the percentage of the total production in the county which was devoted to corn production.

Mr. ELLENDER. Yes. It may be that the Secretary of Agriculture would find that although in a county, perhaps only 15 or 20 percent of the land might be planted to feed grains, yet that might be enough to supply the needs in that county.

The Secretary of Agriculture will be confronted with such problems in fixing the definition of the term "area"; and I hope we can devise some way to deal properly with them. So I invite the Senator from Florida to consider this problem before he sleeps tonight, in hopes that he can arrive at a decision as to what he desires to have done in that connection. I hope the Senate will provide that areas that are absolutely in deficit, insofar as the production of feed grains is concerned, should not be put in the same category with those in which there is an abundance, a good deal of which is exported to other States or to other counties of the same State.

Mr. HOLLAND. Madam President, will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I am afraid the Senator from Louisiana is inviting me to have a sleepless night, because the problem is most disturbing.

Mr. ELLENDER. Yes; it is.

Mr. HOLLAND. However, I want the Record to show that various members of the committee, of whom I am one, come from areas in which livestock production has been increasing very rapidly—I refer to the production of hogs, dairy cattle, and poultry—and in which, notwithstanding the great increase in our production of feed grains, it is still necessary to import large amounts from beyond our State borders. So we are very much disturbed about the idea of reducing the present acreage, which as yet is not sufficient to take care of our own needs. I believe we are more disturbed about this one provision than about any other in the bill, as I am sure the Senator from Louisiana realizes.

Mr. ELLENDER. Yes, I realize that; and I am sure the discussions we have had indicate it.

Nevertheless, I do not wish to leave large loopholes through which "a big train" might run and proceed to make the program useless. Neither of us wishes to have that happen.

Mr. HOLLAND. Madam President, the Senator from Louisiana has been exceedingly fair and patient, and I commend him in every way.

Yet I want the Record to show that in our State, for example, which is very remote from the heavy feed-grain producing States, the added transportation cost for feed grains brought in from distant areas makes this problem much more difficult than it would be if we had an immense corn-producing area right next door to us. I am sure the Senator from Louisiana knows that Senators who come from various other States also have the same problem—although, I suspect, not quite as acutely as our State has had, because their States are not as far removed from the producing areas.

So I invite the Senator from Louisiana to remain sleepless with me tonight in trying to arrive at a solution of this problem; and I am hopeful of the results, because he generally arrives at excellent solutions.

Mr. ELLENDER. I thank the Senator from Florida.

Mr. BURDICK. Madam President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. BURDICK. I ask whether the amendment of the Senator from Louisiana in regard to the feed grains section would deal with corn silage.

Mr. ELLENDER. It would; and I am very hopeful of submitting that amendment sometime this afternoon. The silage provision would be more or less on a historic basis; in other words, we do not wish to deny it to those who used that method before; and I think it would do justice to what the Senator from North Dakota has in mind.

Mr. BURDICK. I thank the Senator from Louisiana.

Mr. ELLENDER. I believe it would also take care of the few objections on this subject which were raised by members of the committee when the bill was being considered.

We are trying to prevent the piling up of dry corn, as the Senator from North Dakota knows; that is the main objective. Yet we must be very careful not to make it possible for farmers to grow silage for their stock, but later sell it, and make Uncle Sam the chief purchaser. We do not want to leave gaping loopholes to remain. A workable provision is our thought. I now return to my prepared text in discussing the pending bill. Payments in kind only at up to to 60 percent of the normal production multiplied by the estimated support rate could be made for diversion of up to an additional 20 percent of such average acreage.

In the event of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of feed grains, the Secretary could limit the extent to which producers might participate in the program.

Madam President, this shows that we have not left anything undone. We are trying to provide for every kind of emergency; and I am hopeful that Senators will carefully study the bill, particularly the amendments I propose to offer, regarding both the feed grain provisions and the wheat provisions.

As in the program originally provided for 1962, producers could divert to castor beans, guar, safflower, sunflower, or sesame, with the Secretary's approval, instead of to conserving uses, and in such case they would not receive payments but would qualify for price support. Since the bill was reported from committee, H.R. 11413 was passed by the Senate to permit diversion under the 1962 program to non-price-supported field crops and flax and to permit payment for diversion to the specified crops at up to 50 percent of the rate for diversion to conserving uses. The amendments made by H.R. 11413 to the 1962 program have not been incorporated in the bill.

WHEAT: FIRST ALTERNATIVE

Subtitle B of title III gives wheat producers a choice between a new wheat program, which would be permanent, and a 2-year extension of the 1962 program. The new permanent program is covered by sections 310 through 325 of the bill. It would revise and strengthen the wheat marketing quota law, require the acreage diverted from wheat to be kept out of the production of surplus commodities or other commodities which might impair the program, provide for diversion of payments for the first 3 years of the program, and provide for a marketing certificate plan.

Under the revision of the wheat marketing quota law, the current 55-million-acre minimum national acreage allotment would be replaced by a minimum national marketing quota of 1 billion bushels, which would be converted into an acreage allotment on the basis of expected production. The 55-million-acre minimum allotment has been the principal source of trouble in the wheat program. It was enacted when average yields were 13.3 bushels per acre. In 1960-61 they were at 26.2 bushels per acre, so that the minimum allotment now produces about twice as much wheat as when it was first provided for. Quotas could be proclaimed and submitted to a producer referendum under the bill for 1, 2, or 3 years at a time. The amount of the marketing quota, however, for each year for which quotas are so made effective would have to be separately determined and proclaimed. In converting the national quota into a national acreage allotment, allowances would be made for expected underplantings of allotments, increases in allotments for small farms, and expected production above allotments under the small farm exemption, to the end that the national acreage allotment would as nearly as possible result in the production of the national marketing quota.

The special provision for increasing Durum wheat acreage enacted last year would be made permanent. A somewhat similar provision would be added to the law authorizing the Secretary to increase the allotments of farms producing other kinds of wheat whenever necessary to provide for the production of adequate supplies of those kinds of wheat. In the event of any such increase, the entire farm acreage allotment would have to be devoted to the kind of wheat for which the increase was given. This will permit the Secretary to provide for adequate supplies of any kind or class of wheat having special properties desired by millers and others, whenever such action appears to be necessary to insure adequate supplies.

The 30-acre feed-wheat exemption, under which producers can plant up to 30 acres of wheat if the entire crop is used on the farm where produced for food, feed, or seed, would be repealed.

In lieu of the old 15-acre provision under which any farm could plant up to 15 acres of wheat even though it had no prior wheat history, the bill provides that any farm may plant up to its small farm base acreage. The small farm base acreage for any farm is its average acreage for the 3 highest years during a 5-year representative period—with adjustments for abnormal weather conditions, crop rotation practices, and other appropriate factors—but in no event more than 15 acres. Thus, if the farm's adjusted average 3-year acreage of wheat was 7 acres, the farm could harvest up to 7 acres of wheat without being subject to penalty even though that exceeded its allotment. In addition to providing this exemption, the bill provides minimum allotments equal to the same percentage of the small farm base acreage determined for the 3 highest years during 1957 through 1961 as the national allotment for the crop is of 55 million acres. This would tend to give all farms, large and small, allotments which represent about the same percentage of their plantings in the period 1957–61. Thus, in the example just given of a farm with a small farm base acreage of 7 acres, if the national acreage allotment were, for example, 80 percent of 55 million acres, the minimum acreage allotment for the farm would be 80 percent of 7 acres, or 5.6 acres. The operator of a farm entitled to an exemption could, if he so desired, elect to be subject to the marketing quota program and would then be bound by his acreage allotment. If he failed to make an election, his small farm base acreage, or his farm acreage allotment, whichever was larger, would be deemed to be his acreage allotment for penalty purposes; he would not be required or permitted to participate in the diversion program; he would not be eligible for price support; he would not be eligible for marketing certificates; and he would not be eligible to vote in the marketing quota referendum.

This provision would permit farms which have been taking advantage of the 15-acre exemption to continue to plant the same amount of wheat as they have in the past. It would, however, close a very considerable loophole in the law by preventing farms with no previous wheat history and no wheat allotment from planting wheat.

By giving farms which have been taking advantage of the 15-acre exemption allotments more nearly commensurate with their past wheat acreages, the bill would encourage them to comply with their allotments and reduce their acreage by the same percentage that other farms reduce their acreage. This would give the previously exempt farmer a realistic opportunity to participate in the program and become eligible for price support, diversion payments, and, most important, marketing certificates; and, of course, voting for or against the program. Since a portion of the support and market prices for wheat under the certificate program will be represented by the certificate, the exemption loses much of its value to farmers who intend to market their wheat, and the proposed minimum allotment will be of great assistance to them. It will also be helpful to the soft wheat millers, much of the soft wheat being grown on less than 15-acre wheat farms.

Wheat producers would be prohibited from planting acreage diverted from wheat to crops in surplus or to crops which might impair the program. The acreage considered to have been diverted from wheat would be the amount by which the farm acreage allotment is less than it would have been if the national allotment had been 55 million acres.

The penalty per acre for failure to divert such acreage from production would be 65 percent of the parity price for wheat multiplied by the normal yield of wheat per acre for the farm.

For the years 1963 through 1965 payments would be authorized for such diversion at not more than 50 percent of the basic county support rate on the normal production of the diverted acreage, and the Secretary could permit producers to divert an additional 20 percent of the farm acreage allotment and receive payments thereon. In addition, any producer could divert such further additional acreage as might be necessary to bring his entire diversion up to 15 acres and receive payments thereon.

In return for such payments, producers would assume the further obligations of devoting the diverted acreage to conservation uses approved by the Secretary; increasing the total acreage devoted to soil conserving uses on the farm by the amount of the diverted acreage; and keeping within the farm acreage allotment for each commodity produced on the farm and, except as the Secretary might otherwise prescribe, within each acreage allotment on any other farm in which the producer has a share. A wheat acreage allotment would not be considered as violated, however, if the entire amount of the farm marketing excess were delivered to the Secretary or stored to avoid payment of penalty, or if the farm on which the excess wheat was produced was exempt from marketing quotas under the small farm exemption.

The bill provides for more stringent marketing penalties in a number of respects. The farm marketing penalty would be 65 percent of parity, the same as for 1962, but higher than the 45 percent of parity provided by the existing law for 1963.

The farm marketing excess upon which the penalty would be paid would be twice the normal production of the excess acreage, or the actual production of the excess acreage if the producer establishes the actual production. This provision is similar to that in effect for 1962, but more stringent than the existing law applicable to 1963 under which, in the absence of any showing by the producer, the marketing excess would be equal to the normal production of the excess acres. Unlike both the law applicable to 1962 and the existing law applicable to 1963, the bill does not include the so-called Christmas amendment, under which the marketing excess cannot exceed the amount by which the actual production for the farm exceeds the normal production for the farm acreage allotment. The bill is therefore more stringent than either the existing law or the special law applicable to 1962. Until the penalty is paid or postponed in accordance with the law not only would the crop of wheat produced in violation of the allotment be subject to a lien for the amount of penalty as at present, but also all subsequent crops subject to marketing quotas in which the producer had an interest would be subject to such a lien.

If the buyer of the wheat failed to collect the penalty, as he is required to do by existing law, all persons entitled to share in the wheat would be jointly and severally liable for the penalty, and all persons liable for payment or collection of the penalty would also be liable for interest at 6 percent per annum.

MARKETING CERTIFICATION AND PRICE SUPPORT

In addition to tightening up the marketing quota program as just discussed, the bill provides for superimposing upon it a marketing certificate program. Under this program marketing certificates would be issued to producers for the estimated amount to be used for human food in the United States and such part of estimated exports as the Secretary determines necessary in order to achieve the price and income objectives of the bill. Wheat accompanied by certificates would receive price support at 65 to 90 percent of parity, while wheat without certificates would be supported at a level determined appropriate in view of world prices, feed value, and feed grain support prices. Marketing certificates would have a face value equal to the difference between these two support prices. Processors and exporters would have to obtain certificates for the wheat processed by them into food products or exported. They might obtain these from producers, from other persons who had obtained them from producers, or from the Commodity Credit Corporation. Producers would have to market their certificates with wheat, but after the first sale the wheat and the certificates could move together or separately. The Commodity Credit Corporation could issue, buy, or sell certificates in order to facilitate operation of the program.

Thus producers would receive between 65 and 90 percent of parity on that part of the production from their allotments representing their share of the domestic and export market, and probably about the feed value for the remainder of the production from their allotments. The cost of wheat to millers for domestic food use, including the value of the certificate, would be maintained at a fair price, and the price of wheat for export could be kept competitive through a combination of marketing certificates and export subsidies. The certificate would assist in regulating prices so that part of the wheat might be allowed to move at a lower price for feed or other secondary purposes, while wheat for domestic food or export would be maintained at a higher level.

Each farm's share of certificates would be determined by multiplying its normal yield times its farm acreage allotment times a uniform percentage factor. However, no farm could receive more than the normal yield of its actual planted acreage plus the amount of prior crop wheat stored to avoid penalty which is released from storage on account of underplanting.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. How would the normal yield per acre be determined? Would that be on the basis of actual production in previous years?

Mr. ELLENDER. It would be the average yield of the last 5 years, adjusted for abnormal weather conditions and trends in yields. If on account of any uncontrollable natural cause, the yield for any of such 5 years is less than 75 percent of such average, 75 percent of the average shall be substituted for the actual yield for such year. Similarly, if because of abnormally good weather, the yield is in excess of 125 percent of such average, 125 percent of the average would be substituted for the actual yield for such year. After such substitutions the average would be recomputed and that would be the normal yield.

Mr. YOUNG of North Dakota. It would not be adjusted down to the county yield, if it were above, would it?

Mr. ELLENDER. The Senator is correct. It would not.

Mr. YOUNG of North Dakota. This certainly is quite a change from previous years. I think that using the best 3 out of 5 years is an improvement.

Mr. ELLENDER. As the Senator knows, we would not change the law with respect to the distribution of the national quota to States and to counties.

Mr. YOUNG of North Dakota. I thank the Senator.

Mr. ELLENDER. Marketing certificates and price support would be limited to producers complying with the wheat acreage diversion requirements of the bill for the farm and with all allotments on all farms for all commodities in which they have an interest; except that no wheat acreage allotment would be deemed exceeded if the marketing excess were stored to avoid penalty; a producer would not be denied eligibility for such benefits with respect to one farm by reason of planting wheat within an exemption on another farm; and the Secretary could provide additional exceptions to the requirement of cross-compliance between different farms where that appeared advisable. Also, if marketing quotas are not in effect, the eligibility requirements for price support would be as they are under existing law, without the mandatory cross-compliance features just described. If marketing quotas should not be in effect because of producer disapproval, the support level would be not more than 50 percent of parity. If they should not be in effect because a national marketing quota was not proclaimed, the support level would be, as provided by existing law, at between 75 and 90 percent of parity, the minimum within that range depending on the supply situation.

SECOND ALTERNATIVE: EXTENSION OF 1962 PROGRAM FOR 2 YEARS

At the quota referendum for the 1963 crop wheat producers would be given a choice between the wheat provisions just described and a 2-year extension of the 1962 program. If they chose extension of the 1962 program, the provisions of the bill just described would be of no further effect, the 1962 program would be extended for 2 years, and the existing permanent law would become effective again for the 1965 and subsequent year crops.

In other words, if the alternate plan is adopted it will result in an expenditure by the Government of over $650 million, and we would revert to the same old law which has been giving us so much trouble. That is why I said I believe that part of the bill should be stricken. I hope to present an amendment which would do exactly that.

Under the 1962 program, after the 55-million-acre national allotment is apportioned to farms, each farm allotment is reduced 10 percent. Price support is restricted to producers participating in a wheat-diversion program. Participants in the diversion program are paid in cash or kind at 45 percent of the support rate times the estimated yield of the diverted acreage for diverting the 10-percent allotment reduction to conservation, and at a 60-percent rate for similarly diverting up to an additional 30 percent.

I have been describing the alternate plan.

LOAN PROVISIONS

Title IV makes several changes in the Consolidated Farmers Home Administration Act of 1961 and the Rural Electrification Act of 1936.

The changes in the Consolidated Farmers Home Administration Act would specifically include recreational uses among the purposes for which real estate or operating loans for land and water development can be made; would include changes in land use, recreational facilities, and sewers in the purposes for which loans could be made to associations; and would increase the amount of direct loans which could be made from the agricultural credit insurance fund for immediate resale as insured loans from $10 million to $25 million.

The amendments to the Rural Electrification Act of 1936 are designed to provide for a more accurate presentation of the REA budget. Whereas at present the budget shows all of the funds authorized to be used for REA loans as a new authorization, and separately shows repayments and other receipts from REA loans, the procedure contemplated by the bill would make it clear that only the net excess of loans over receipts should be shown as new funds. The bill provides for a loan account into which all appropriations, Treasury borrowings, loan collections, and other funds of the REA would be placed. Loans could then be made from the fund only in amounts authorized in appropriation acts. Full congressional control over the fund would be maintained, but such control would be maintained through congressional authorizations to make loans from the fund, rather than through appropriations which appear to provide new money, but which actually may only replace loan receipts covered into the Treasury.

INDUSTRIAL USES

Title V of the bill provides for a new agency within the Department of Agriculture to coordinate activities directed toward the development of industrial uses for agricultural commodities and the development of new crops. It provides still another method of attack against surpluses. This title, except for a slight change in the name of the proposed agency, the omission of provisions for expansion of present industrial and commercial uses; and the omission of a section dealing with scholarships, is identical to S. 690 as it passed the Senate in the 86th Congress.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. CLARK. First, I congratulate the Senator from Louisiana on the very masterful presentation he has made of a most complicated question. The pending bill, with the amendments which the Senator has proposed, will make a very real contribution to the solution of a most difficult problem.

As the Senator knows, I come from a State in which the consumer interests in agriculture are largely paramount. Two agricultural problems concern us. First, we wish to make sure that the price of feed grains, while entirely fair to the growers, does not go so high as to put our poultry industry and, to a lesser extent, our dairy industry, in real trouble in terms of cost. As I understand, the proposed amendment on feed grains which the Senator is supporting is the administration proposal. It would not substantially increase the present price of feed grains, and it would probably result in a substantial saving to the taxpayers through a smaller carryover. Is that generally correct?

Mr. ELLENDER. The Senator is generally correct. There is no doubt about it. The program I have advanced is sure to save on storage and other costs. As I pointed out, the program last year cost in excess of $780 million. It is true that we have the corn that has been taken over on hand, and on a long-term basis we may get some of that amount of money back. Some of the corn we may have for 4, 5, 6, or 10 years. The bill in effect would tell a farmer, "If you expect Uncle Sam to continue to support the price of corn, you must agree to curtail production in keeping with our national requirements."

I say that such a provision would be fair. Instead of an open-end law which would permit the grower to produce all he desired without restrictions, we seek that kind of curtailment.

Mr. CLARK. I agree that it is most important to preserve the position of the feed grain producers. We cannot have them going bankrupt. On the other hand, we must maintain the price of feed grains in some relationship to the agricultural users. Can the Senator estimate how much in the long run his feed grain amendment would save the Government on an annual basis, as compared to the present cost?

Mr. ELLENDER. I have no estimates at this time, but the payments for storage would be considerably reduced. For the next 3 years the savings would be considerable, but the payments would still be a little high, but lower than under the emergency program.

Mr. CLARK. As time goes on the savings would increase.

Mr. ELLENDER. Yes. Under my amendment the Government would pay the farmer on diverted acres for 3 years, that is, on all acres the farmer would take out of cultivation. He would be paid enough to maintain his income. That is the reason for it.

Mr. CLARK. That seems to be a sound procedure.

Mr. ELLENDER. As I said in my opening statement, the Government has paid out over $2 billion on corn, wheat, and milk programs this year. We are now proposing a way to reduce that amount of governmental spending. I hope it will work.

Mr. CLARK. I hope so, too.

What the Senator has been saying about feed grains is particularly true, is it not, about wheat? I realize that wheat is sometimes used as a feed grain, but that is not its usual purpose. Would the economic effect of the program on wheat be substantially the same?

Mr. ELLENDER. Exactly. It would reduce production, as well as the cost of storage and handling. I did not point out the fact previously, but the storage bill, paid by the American taxpayer for wheat, corn, and other feed grains owned by the Government is now over a half billion dollars a year.

Mr. CLARK. Mr. President, this is my last question. It is my understanding that the committee concluded to drop any provision in the bill having to do with control of dairy products.

Mr. ELLENDER. That is correct.

Mr. CLARK. I realize that my friend, the Senator from Wisconsin, and my friend, the Senator from Minnesota, have been engaged in active discussions on that subject. That is really the most interesting part of the whole farm program in my State of Pennsylvania. Can the Senator give me any indication as to what he thinks is likely to be brought before the Senate, if anything, on the subject of dairy controls at this time?

Mr. ELLENDER. I am sure that every member of the committee will bear out my statement that we made an earnest effort to try to report a milk provision. I suggested to all the milk producer representatives—I shall not call them lobbyists, of whom quite a few are hanging around Washington—that they try to agree on some kind of plan. They failed to do so. Most of them took the position that they are satisfied with the law as it now stands. The law provides 75 to 90 percent of parity. In essence, they have said, "Leave us alone and we will put our own house in order."

The statement remains as a challenge to them. So far as I am concerned, as chairman of the committee, I do not propose to present to the Senate any milk program this year. I may introduce a bill so that it can be considered for possible action next year.

In other words, unless the dairy industry puts its house in order, Congress will have to do something in order to save the rest of the program, because we cannot possibly continue to spend as much as a half billion dollars or more to maintain the milk program.

Mr. CLARK. I quite agree with my friend from Louisiana. I regret to state that some of the official farm organizations in the dairy business in my State take the position that they want high price supports and no production control. I have been telling them that we cannot go on forever in that way. It is not "in the wood." Does the Senator agree with me?

Mr. ELLENDER. Absolutely. There is no doubt about it.

Mr. CLARK. I commend my friend again for the action he has taken in bringing the two amendments before the Senate, and pledge to him my strong support for the position he has taken.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not true that if no new feed grains legislation were enacted this year, the existing law would go into effect next year in such a way as to allow a support price of about $1.04 to $1.06 a bushel?

Mr. ELLENDER. That is correct.

Mr. HOLLAND. What objection would the Senator have to allowing that law to become operative?

Mr. ELLENDER. It has hurt us in the past. I believe the largest production in our history occurred under that law, in 1959 and 1960. It means unlimited production at a fixed price support without any penalty. We now have about four or five times more corn and other feed grains on hand than we ordinarily carry over from year to year. It amounts to about 85 million tons. The report I filed in connection with the bill indicates all of that.

I go back to the proposition that I do not want the Government to get control of the farmer. However, when the farmer expects the Federal Government to support his price—and I do not care what commodity is involved—he ought to be willing to curtail production and keep it within the amounts that we need. We are trying to do that with corn and also with wheat.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not true that even with the drastic effort that we made to effectuate a reduction of the acreages last year, in 1961, and with the high price supports enacted to be effective during that year, and which are effective again this year, the amount of feed grains including soybeans under loan went up substantially?

Mr. ELLENDER. That is true, but total CCC investment in 1962 is less than in 1961.

Mr. HOLLAND. But the surplus under loan went up.

Mr. ELLENDER. Yes, but that is only part of it.

The production of corn and sorghum decreased. It was bound to have gone down. The record shows that although the program cost a great deal of money, we had 421 million bushels less of corn and sorghum produced. If we had not placed on the statute books the emergency program to which my friend from Florida refers we might have had an increase of 700 million bushels of excess corn and sorghum over and above what we have now.

That is the trouble, and that is what we are trying to stop. The emergency program is in effect for this year. I regret to say that we should have had the law enacted in the early part of this year. But because of our inability to do it, we have agreed to let it go for another year. In the pending bill there is a provision to extend it for another year. That is what I am opposed to. That is why, I will say to the Senator, I am sending an amendment to the desk dealing with that situation, and I ask that the amendment be printed and lie on the table. I ask that an explanation of the amendment be printed in the RECORD at this point. This amendment tells the corn farmer and the sorghum producers if they expect the Government to provide price supports they must agree to curtail their acres. That is what we need. That is what the amendment provides. If anyone can devise a better method to do that, I am willing to listen, as chairman of the committee, and I am sure my good friend from Florida will also have that in mind. The point I am making is that we cannot afford to keep building surpluses under a program that costs the Government what it is costing the Government now. Unless some changes are made in the wheat and corn and feed grain program now, I predict that all farm programs for all commodities—no matter how well they may be operating now—may well be terminated by an aroused public.

The **PRESIDING OFFICER**. The amendment will be received and printed, and will lie on the table.

Without objection the explanation will be printed in the Record.

The explanation will be printed in the Record, as follows:

EXPLANATION OF FEED GRAIN AMENDMENT

This amendment would strike out that portion of the bill which provides for a 1 year extension of the 1963 feed grain program; and would provide for a permanent marketing quota program for corn, sorghum, and barley. The minimum national quota would be 110 million tons. Acreage diverted from the feed grains covered by the program could not be planted to crops in surplus or which might impair the diversion program. For the first 3 years, 1963, 1964, and 1965, payments could be made for such diversion at not to exceed 50 percent of the support rate for the normal production of the acreage diverted. The price support level for corn would be 65 to 90 percent of parity if marketing quotas were not disapproved, and not more than 50 percent of parity if quotas were disapproved. Barley and grain sorghums would be supported at fair levels in relation to corn, and oats and rye could be supported at zero to 90 percent of parity.

This amendment is the same as the administration feed grain proposal contained in S. 2786, except for the following:

1. Under the amendment marketing quotas are limited to corn, barley, and sorghum, whereas the original proposal would have also covered oats, and, at the Secretary's discretion, rye.

2. The amendment provides for a minimum national quota of 110 million tons.

3. The provision for a commercial area to be fixed by the Secretary would be omitted but the program would be limited to the continental United States, excluding Alaska.

4. The farm normal yield for penalty purposes would be based on past farm production instead of past production in the local area.

5. Excess barley acreage could be disposed of by grazing up to 30 days before harvest.

6. The provisions of S. 2786 for substitution of wheat acreage for feed grain acreage and feed grain acreage for wheat acreage have been consolidated into a single provision, and the direction to the Secretary to permit such substitution has been given a slightly more mandatory color.

7. Diverted acreage payments would be limited to not more than 50 percent of the estimated support rate for the normal production of the acreage diverted, and producers would have the election to increase their diversion to 25 acres, instead of 20, if their diversion would otherwise be less than 25 acres.

8. The amendment permits price support for corn, sorghum, and barley at up to 50 percent of parity when quotas are disapproved, and in such case producers would have to comply with their feed grain allotments as a condition of price support, but would not be required to cross-comply with allotments for other crops, or on other farms, or with land diversion requirements.

9. A producer would not lose eligibility for price support or land diversion payments by reason of planting up to his wheat or feed grain exemption on another farm.

10. Instead of authorizing the sale for unrestricted use from Commodity Credit Corporation stocks of up to 10 million tons of feed grains and up to 200 million bushels of wheat at market prices if quotas for those commodities are disapproved, the amendment would authorize such sale at 102 percent of the current support price plus reasonable carrying charges.

11. An exempt feed grain producer would not lose history by taking advantage of his exemption.

12. The excess acreage planted to wheat in past years under the existing feed wheat exemption (which would be repealed by the bill) would be counted as feed grain acreage toward a feed grain allotment.

13. If the producer so elected, acreage harvested for silage up to the acreage harvested for silage in the base period would not be counted as feed grain acreage, and the base period silage acreage would not be counted in computing the allotment.

14. In deficit areas the Secretary could permit producers to plant their full base acreage, but they would then lose eligibility for the feed grain diversion program, feed grain price support, and the feed grain quota referendum.

15. An exemption has been provided for malting barley, modeled after the exemption contained in the 1962 feed grain program, but applied to quotas and allotments.

16. The amendment also makes minor corrections in the small farm exemption and other provisions.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Is it not true that, considering the feed grain now under loan, together with the soybeans now under loan, the total loaned by the Government has gone up; is it not true, also, that the increase of the soybean price support was a part of the program last year—not agreed to by the Senator and myself—to divert acreage from corn production; and that the total on hand of corn and feed grains, plus soybeans, was greater than it was expected to be?

Mr. ELLENDER. Yes; if the Senator adds other crops than corn and the feed grains that we are talking about, that is correct. Insofar as corn and other feed grains are concerned, my recollection is that we produced 421 million bushels less of corn and sorghum.

That, of course, was a disappointment to me, because I thought that the decrease would be greater. As a matter of fact, I recall we said it might reach 700 million bushels less. However, the Lord was good to the corn farmer and to the sorghum producer. It rained at the proper time. Therefore, the yields were greater.

Mr. HOLLAND. The Lord was good to him and Congress was good to him, and the Secretary of Agriculture was good to him. As I read the figures, the total production of feed grains, plus soybeans, was greater than expected; and the total value for carrying them under loan has gone up.

I am sure the Senator will agree that we were told last year by the Secretary of Agriculture that the part of the program for the diversion of corn acreage was increasing the price support of soybeans.

Mr. ELLENDER. Yes.

Mr. HOLLAND. Why should not soybeans be included in this total for the purpose of discovering whether we have made any headway?

Mr. ELLENDER. For the first time since I have been in Congress, we have a Secretary of Agriculture who is trying to give the farmers a better break, by trying to increase their income. He has succeeded in some ways.

As the Senator well knows, past Secretaries have been trying to divide the farmer from the consumer, and have created a great deal of friction between them. I am happy to say that we now have as the Secretary of Agriculture a man who is trying to increase the income of the farmer. I am in favor of him.

I say to my good friend from Florida that the Lord only knows what would have happened in production with the same kind of weather that we had last year, if the farmers had been able to plant all that they desired, as was the case 2 years ago.

The special program that we provided for was intended to curtail corn and other feed grain production by about 700 million bushels. It failed to reach that goal. However, if we had not had the program, instead of having cut production by 421 million bushels, we might have had a surplus of 700 million or 800 million bushels of corn and other feed grains. It has worked fairly well, but at a great cost.

That is why I am unwilling to continue the emergency program almost indefinitely, because we have already extended it another year, and in the bill we extend it for another year. Soon someone will say we should extend it for 4 or more years. And the emergency wheat program, too. Some would rather have a permanent program on the statute books. That is what will happen if the amendment that I now send to the desk is adopted. I now send an amendment to the desk and ask that it be printed and lie on the table, and that an explanatory statement in connection with it be printed in the Record at this point.

The **PRESIDING OFFICER** (Mr. Pell in the chair). The amendment will be received and printed, and will lie on the table. Without objection the statement will be printed in the Record at this point.

The statement is as follows:

EXPLANATION OF WHEAT AMENDMENT

This amendment would strike out the provision for a 2-year extension of the 1962 wheat program.

S. 2786, which set out the President's program, provided for a strong, effective, permanent wheat-marketing quota program, with mandatory diversion of acreage, adequate payments thereon for 3 years, and a marketing-certificate, bushel-control program. This mandatory program is needed to reduce our surplus stocks, reduce Government costs, and provide a healthy farm economy in which the farmer may once again produce for the market.

The permanent, effective wheat program provided for by S. 2786 has been included in the pending measure with a number of improvements recommended by the committee. However, the committee saw fit to provide, in addition, for giving the producers in the 1963 crop referendum (which will be held shortly after the bill is passed) a choice between this permanent, mandatory program and a temporary, less mandatory program like that in effect in 1962. The 1962 wheat program was provided as an emergency measure. It was the best program that could be developed and passed in the time available,

> but it was recognized as a stopgap until permanent legislation could be developed.
>
> It gives the Secretary less authority to reduce acreage allotments, provides only for a voluntary diversion program, and contains no bushel-control feature. Being less mandatory than the proposed permanent program, it must offer the producer a better income for not producing than for producing. It cannot help but be less effective, and more costly for such effect as it achieves.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I am sure that every member of the Committee on Agriculture and Forestry will agree at least in large part with what the Senator from Louisiana has said about the motives and the desires of the Secretary of Agriculture. He is a well intentioned man.

So far as the Senator from Florida is concerned, he is not willing to admit that we made progress last year, because he thinks that we fell back. The Senator from Florida is not willing to admit that the present Secretary of Agriculture is the first one who has tried to help farmers, because our great friend from New Mexico, the senior Senator from New Mexico, who was the Secretary of Agriculture only a few years ago, did a fine job in that direction; and his successor, a gentleman from Colorado, certainly was making every effort in that direction. So far as the Senator from Florida is concerned, he thinks that the Secretary of Agriculture under the prior administration was also moving in that direction.

The Senator from Florida believes we must consider the mounting costs of these surpluses. We must consider what farmers have already done. They know how to pick out the best acreage and pour on the fertilizer so as to increase the yield per acre. They did that just within the last year. Yet all the things we are trying to do to cut down the acreage are simply not getting us anywhere at all.

The Senator from Florida asks his good friend, his devoted friend, who has certainly done immense things for agriculture, how he regards the fact that it is not the industries we have tried to control that are in the most prosperous condition in the Nation; instead, it is the agricultural industries that do not have regimentation at the hands of the Secretary of Agriculture or as the result of acts passed by Congress which are in the best condition. I am sure the Senator from Louisiana knows that to be the case.

Mr. ELLENDER. I do not; not entirely. I do not want the Senator from Florida to put words in my mouth. The Senator from Florida has been very successful in getting marketing agreements for oranges and other products of Florida, as, under the law, he had the right to do; and he did a magnificent job.

But do not overlook this: That by having a fixed price—that is, a support price with the Government acquiring all excess stocks—we have made it possible for the feeders to know how much corn would cost in 12 months or 15 months from now. That has had the effect of stabilizing, to some extent, the prices of meat. I am sure the Senator from Florida will admit to that.

Mr. HOLLAND. I certainly will agree that it has had some part in that result. But it has not been only citrus fruits that have been prosperous; it has not been only livestock that has been prosperous; most of the vegetable producing industries have been prosperous.

The Lord knows, if anyone knows how much the acres will produce, it is the producers of highly seasonal produce that can be produced only in a few weeks or months and have to be marketed quickly. The Senator from Florida wants his friend from Louisiana to look at the agriculture of the Nation, with his usually fair eye, and to note that those industries which are the most prosperous, nationwide, are those that have not come here and dipped their hand down into Uncle Sam's wheelbarrow to ask for price supports, for regimentation, and for controls, which are as foreign to the traditional independence of American farmers as anything could be.

I say this without any reflection at all upon the distinguished Senator from Louisiana. If there is a good American in the country, it is he; if there is a friend of the farmers, it is he. I think he knows how I feel toward him personally and as my chairman; but I simply want the RECORD to reflect the fact, well-known to every Senator who is a member of the Committee on Agriculture and Forestry, that the industries which are not controlled by Uncle Sam are the ones which are the most prosperous in the field of agriculture.

I thank the Senator from Louisiana for yielding.

Mr. ELLENDER. I will not argue with my good friend from Florida. Vegetables cannot be grown nearly so well in other States as they can be grown in Florida. It is only in certain areas of the country where the conditions which the Senator describes obtain. Furthermore, the production of such crops is rather difficult. In 1937, when I first was sworn in as a Senator, I was one of seven Senators who held hearings throughout the country to prepare for the enactment of the present permanent laws pertaining to the basic crops, crops whose control we thought could be managed. The programs have applied to such crops. We felt then, as we feel now, that there is a possibility to manage their production if a proper law can be passed.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. I believe there is a direct relationship between the price of feed grains and the price of meats of all kinds. That has been the purpose of feed grain legislation throughout the years. By stabilizing the feed grain price, we go a long way toward stabilizing meat prices.

Mr. Cushman S. Radebaugh, president of the American National Cattlemen's Association, a very fine gentleman from Orlando, Fla., made some pertinent comments when he testified before the Committee on Agriculture and Forestry this year. His testimony appears in the record of the hearings beginning at page 479. Among other things, he said:

> Generally speaking, all cattle produced are fed and the pounds of beef produced in the feedlot approach the pounds produced on the range. For these reasons, whatever happens in the case of feed grain prices has a direct effect on what happens to beef cattle prices whether in the feedlot or on the open range.

I subscribe fully to those words.

Mr. ELLENDER. That is what I have been contending all the while. Stabilizing the price of feed grains has the effect, more or less, of stabilizing the price of the animals which consume the feed grains.

Mr. BURDICK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BURDICK. I commend the able Senator from Louisiana for his fine presentation this afternoon—and I have listened with interest most of the afternoon. I believe the approach he has announced is sound, reasonable, and, above all, necessary at this time. I assure him that he has my general support, and that I shall support his amendment. I hope we can hammer out a bill along the lines he has described this afternoon.

Mr. ELLENDER. I thank the distinguished Senator from North Dakota.

Mr. HART. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HART. I wish to compliment our chairman, as other Senators have done, not alone for his presentation this afternoon, but for the patience he displayed throughout the long and difficult hearings which were devoted to the consideration of the bill.

I believe that when the opportunity is given us to vote on the Senator's amendment with respect to feed grains and wheat, surely we who listened to him this afternoon must give the very serious consideration that the amendment warrants, because in the long pull it will be for the benefit of our entire society, not merely for the farmer.

Mr. COOPER. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. COOPER. I was glad to be here this afternoon to hear the Senator's statement on the Food and Agriculture Act of 1962. I commend the chairman for his fair presentation of the bill—and of the facts, as he sees the facts, which lead him to give the bill his support.

As a member of the Committee on Agriculture and Forestry, I would like to say that we are very fortunate to have the Senator from Louisiana as chairman of the committee. Whether one agrees or disagrees with him, we all agree that he is fair in his consideration of the bills and amendments which are presented to the committee.

The Senator from Louisiana is a great chairman and a hard worker. He is very fair to all of us. I know I feel that way about him, and I think all of the other members of the committee feel as I do.

I know the Senator from Louisiana is not partisan about farm measures. So I know he will not mind if I speak about some of the programs which have been successful.

I recall that under the administration of President Eisenhower, legislation was enacted concerning wool, cotton, tobacco, and rice. I think the programs adopted under that legislation have been quite successful; they have helped farmers.

Mr. ELLENDER. The Senator from Kentucky has mentioned cotton and rice. We tried also to incorporate wheat in that legislation but were not successful in getting enough support.

Mr. COOPER. I know; but in the important fields of wool, cotton, tobacco, and rice, legislation was enacted or amended, and in those fields farmers have done very well.

Mr. ELLENDER. I agree.

Mr. COOPER. Public Law 480 was enacted under the administration of President Eisenhower. That law now has the support of everybody. I think it has been a great program.

If I recall correctly what the chairman has said, in the past wheat has been under compulsory controls, that is, under marketing quotas as well as acreage allotments.

Mr. ELLENDER. Very limited.

Mr. COOPER. And corn also has been at one time.

Mr. ELLENDER. There have been no marketing quotas at all—never.

Mr. COOPER. At least, there has been some experience with acreage allotments for corn, and with compulsory quotas and penalties for overproduction on wheat. What has concerned me has been the prospect of placing compulsory controls on feed grains and on many other products such as dairy products which have not been under compulsory controls. This point was made in questions addressed to the Senator, and I feel certain the question will be raised further during the debate. The root of the question is whether the farmer will be able to grow the feed which he needs on his own farm. I think that goes to a basic question—the extent to which farmers may produce the feed grains they need for their own use. I believe that is the issue with respect to the feed grain section which is not relevant to the other sections of the bill.

Mr. EASTLAND. Is it not true that 85 percent of the feed grains produced are consumed on the farms where they are produced?

Mr. COOPER. I would not be able to say; but if the Senator has that information——

Mr. EASTLAND. That is my impression; I do not know whether it is correct.

Mr. ELLENDER. Eighty-five percent is what they say is true. But we have accumulated over half a year's supply, and the Government now has it "in hock." It is valued at more than $3 billion. That is what I want to try to stop in the future, if we can.

Mr. AIKEN. Mr. President, it is not my intention to delay the Senate long this afternoon. But before we begin debate on the details of the bill, I wish to point out a few facts which I think should be considered in the course of our deliberations.

All of us recognize the great importance of agriculture as an industry of the United States, but I am afraid we do not realize how important it is. In the public mind, we are legislating for the benefit of 3 million or 4 million farm families who depend on the land and on the production of agricultural commodities for their living. There are others who live on the land; but as of today the total number of commercial farm families is probably only 3 million or 4 million. About 8 percent of our population is engaged in the production of agricultural commodities. However, what many of us fail to recognize is the fact that one-third, or perhaps a little more than one-third, of the total working force of the entire Nation is dependent upon agriculture for its living. Today, there are actually more people engaged in manufacturing farm supplies than the number of those who are using those supplies on the farms. And there are more people engaged in the transportation, storage, processing, and handling of agricultural commodities than the number engaged in manufacturing farm supplies. So, all in all, approximately 35 percent of the total working force of our Nation is dependent on farm production for its living.

The Senator from Louisiana has properly pointed out that today the cost of storing surplus agricultural commodities amounts to approximately $500 million a year. But that is only one example of a great industry which is dependent upon agriculture for its living. That amount may seem to be a total loss to the taxpayers; but, as a matter of fact, I doubt whether any of those engaged in storing farm commodities today are in a tax bracket lower than the 50-percent bracket—they may not even be in a bracket that low; and if they pay their taxes, and I assume they do—then a good share of that $500 million is returned to the Treasury.

Mr. EASTLAND. Mr. President, will the Senator from Vermont yield for a question?

Mr. AIKEN. I yield.

Mr. EASTLAND. Is it not true that a surplus of feed grains is an asset to the Nation?

Mr. AIKEN. Yes; I think so. But I was pointing out that the cost of the storage of these commodities is not entirely a loss, because a $500 million business, annually, is not to be lightly discounted.

I believe we should also recognize that there is no such thing as a perfect farm program. Ever since I have been a Member of the Senate—22 years, now; in fact, I believe that the Senator from Louisiana and I are the only Members now on the committee who served on it at that time, and he commenced his service 4 years before I did—people have constantly come up with "the last word on farm programs"—in other words, something to settle and solve all the difficulties. But we should know by now that there is no such thing as a perfect farm program; there is no such thing as a farm program which, if perfect today, would be perfect 2 years from now. We cannot look that far ahead.

It must be realized that farm production cannot be turned on or off in the way that the production of an industrial plant or a factory can be. We must also realize that when we finally arrive at what we regard as a satisfactory solution of one problem, we may thereby create two more problems, to take its place.

A reduction of production by one farmer may seriously affect the employment of several nonfarm people who perhaps do not live within miles of any farm.

So I believe we should consider this situation—first of all—namely, that any farm program which we may devise must be one which will maintain full employment by all persons dependent upon agricultural production; it must also maintain full farm purchasing power—for otherwise there will be unemployment.

A farmer's dollar is spent many times over before it comes to rest. Furthermore, we must have our programs devised in such a way that they can assure an adequate supply of these commodities for both domestic needs and foreign needs.

The effectiveness of a program does not always depend upon the wording used in the law; it depends in great degree on how the program is administered. By means of good administration, a program which in itself is not too good may "get by." On the other hand, if the administrators are incompetent or if they are not in sympathy with the program, the very best program in the world can be made to look as if it were rather disastrous.

I wish to consider briefly the provisions of this bill. I cannot now consider the amendments which I understand the administration will offer, because they have not yet been printed.

But, first, I should like to say a few words about the dairy industry. One might think the dairy program was terrifically expensive and was perhaps the black sheep of the entire program. However, I should like to point out our Government's present investments in the various agricultural commodities.

Our Government has an investment of $2,120 million in corn, on loans or purchases.

The investment in grain sorghums is $814 million.

The investment in soybeans is $234 million.

The investment in wheat is $2,516 million.

The investment in tobacco is $326 million.

The investment in dairy products is $260 million—or 3 percent of the total investment the U.S. Government has today in all agricultural commodities. Yes the dairy industry is far and away the largest agricultural industry which we have, and the products of the dairy farms of America have a value greater than that of all the wheat and all the cotton, combined.

So I do not believe we should complain too much that we have 3 percent of our total agricultural commodity investment in our greatest agricultural commodity—the one which produces the greatest income.

Of course, those are the figures for this year. Last year, the story was quite different—when the Government owned no cheese, practically no butter, and only a fair amount of skimmed milk powder.

Mr. President, at this time I wish to discuss the various titles of the bill.

As to title I, let me say now, in line with the statement I made a moment ago, that any farm program should be devised in such a way as to maintain full employment and full farm income. So if the bill contained only title I and perhaps some of the features of titles V and VI, I could say that, taken together, it would be an excellent bill, and perhaps would go further toward solving any farm problems which we might have than would any other program we could devise.

Title I relates to the conversion of unneeded or uneconomic cropland to other uses. The main emphasis of this title is placed upon one of the most urgent needs of this Nation. We are a growing nation. When we consider our needs of today, we ought not to go back and compare the needs of today with the needs of 1940, because there are over 50 million more people in this country today, and the population is increasing at a rate of 3 million a year. We have a rapidly growing industrial productivity. It takes fewer hours to produce the same amount of goods than it did even 5 or 6 years ago. All those facts mean more leisure time, more vacations for more people, shorter work days.

What can they do with this time? Where can they go? What can they do when they get there? Most people like to go out in the country, where there is fresh air, and trees and grass are growing, where there are lakes and ponds. They like to get out there for picnics. They like to go hunting and fishing. These days particularly they like to go swimming, and engage in other sports and activities.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. EASTLAND. Is it true that under this title recreational facilities, including motels, golf courses, swimming pools, and dance halls, will be financed by the U.S. Government to be used by the public?

Mr. AIKEN. I do not know about the dance halls, but I was going to point out that under this title the Federal Government can assist farmers in converting cropland to recreational purposes.

Mr. EASTLAND. To be used by the public. Is that not what it says?

Mr. AIKEN. That is the intention of it; of course, it is.

Mr. EASTLAND. That means integrated recreational facilities; does it not?

Mr. AIKEN. They certainly ought to be. It is the intention that there will be no discrimination against any people at all in any public recreational facilities where Federal money is involved. I do not think it would be in conformity with the Constitution to do otherwise. But people living in the towns and cities should have places where they can have their picnics and have a good time in the country, either after work, if they can get there in time, or over the weekend. This title assists farmers in converting cropland to recreational purposes. It will be very helpful in New England. I believe it will be helpful all through the Central States, the South, and probably in the Far Western States as well, because we must make it possible for a growing population, particularly the urban population, to have an opportunity to rest and to refresh itself in the country. If we do not provide those areas, the time will come when they will move out, overwhelm us, and take them over anyway. So I am glad this title provides that farmers can be assisted under the ACP program in setting up private recreational areas. Perhaps, in connection with such an area, farmers could have small gift shops where products from the farm could be sold.

The title also—and this is important—assists communities, large and small, in setting up better recreational areas. I assume the areas could be as close as a mile from a town, if it were a small one, to perhaps as far as 50 miles away from some of the larger cities, where conveyances might be provided to get the poor people of the area there, where they could enjoy life, at least part of the time.

Further than that—and this is important, too—this title provides, under Public Law 566, the Small Watershed Act, recreational values may be taken into consideration in determining whether such small watershed development should be authorized or not, or whether Federal funds should be used for participating in them.

At present, as we know, watersheds can be established under the act only if they are based on flood control and agricultural benefits. This bill would permit recreational values to be taken into consideration. I can think of several areas in my own State that would qualify if recreation values can be taken into consideration, and cannot qualify under the present criteria.

This type of program would permit conversion of cropland or poor land to other purposes, without loss of employment or income. In fact, I know some places in my State where such land has resulted in greater income, instead of less.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. I noted one statement of the Senator from Vermont to which I think there should be some reply. I believe the Senator said under the provisions of title I, unneeded and nonproductive—I think those were the two adjectives—land could be adapted to recreational use.

Mr. AIKEN. Yes.

Mr. HOLLAND. Is it not really more accurate to say any land that either the private farmer would want to adapt to recreational use or that the community or State might want to adapt to recreational use could be so used under the loans of the Farmers' Home Administration, even if they were highly productive agricultural lands, or residential or industrial lands? Would they not be available for loans for the purpose of turning them into recreational areas?

Mr. AIKEN. The Senator is correct, but I think that authority comes under title IV or title V of the bill, with relation to the Farmers' Home Administration. I may ask the Senator from Louisiana that question.

Mr. ELLENDER. Title IV, yes. They could borrow the same as they would for homes or other facilities.

Mr. AIKEN. I thank the Senator from Louisiana, although I was quite sure that was the case.

When I said unneeded or poor cropland, I did not refer to land that was worthless, but some of the farms get to the point where the acreage of the cropland is so small that it is uneconomic. I believe under the bill several farmers might unite or pool their interests to create a recreational facility. I can think of instances in my own area where that might be done, although that conversion has pretty much taken place in Vermont.

Mr. HOLLAND. I admit that some of the actions or activities the Senator has spoken of could come under the later title; but I also call attention to the fact that they are included under title I. If the Senator will look at line 15 and following, on page 5 of the bill, he will notice the amendment of the Bankhead-Jones Farm Tenant Act, which heretofore has been confined to dealing with marginal lands and nonproductive lands, and that now section 32 of that act is amended in such a way as "to cooperate with Federal, State, territorial, and other public agencies in developing plans for a program of land conservation and land utilization," without any limitation at all upon the kind of land being utilized or conserved.

My understanding is that that provision and also the later provision in title V mean that all lands, for the first time under the Bankhead-Jones Act, may be considered, no matter how productive, no matter even if they are not agricultural lands; residences may be taken by public units; and they then qualify for loans under the Farmers Home Administration; industrial lands may likewise be taken. The question is not at all confined to the handling of marginal or unprofitable agricultural lands, as they have been heretofore under the Bankhead-Jones Act.

Mr. AIKEN. The statement of the Senator is generally correct. I wish to make it clear that residences and land could not be taken under the terms of the bill as it was reported by the committee. As the proposed bill was sent to Capitol Hill by the Department of Agriculture, the Secretary of Agriculture would have been given the right of eminent domain and could have taken land or property under that right. However, the Secretary of Agriculture himself realized that this was going a bit too far, and agreed to have that provision taken out.

I think that before the Federal Government could help a community develop a rural area, unless the persons involved could buy the necessary land from a willing seller, there would have to be a State law to acquire the land from an unwilling seller.

Mr. HOLLAND. Mr. President, the Senator is of course correct that the original bill provided, without any limitation, the right to take private lands of all kinds—whether marginal and unprofitable agricultural lands or the most profitable, whether residential or industrial—at the sole discretion of the Secretary of Agriculture, for the purpose of developing recreational activities.

The Senator will recall that the distinguished chairman of the committee, and I think all other members of the committee, agreed that provision should be eliminated, and the provision was eliminated.

The point to which I call attention is the fact that while the most objectionable feature was eliminated, it still would be possible, under the terms of the bill—and it still is intended, under the terms of the bill—that if public units, whether they be States, counties, communities, townships or specially created districts for the purpose of developing recreational facilities, decide to move ahead, the lands which they can use and which they can acquire under State law, regardless of what means may be necessary to acquire them, may be the subject matter of loans from the Farmers Home Administration for the development of recreational facilities. I do not think there is the slightest doubt of that.

Mr. AIKEN. The Senator is correct. That is the intent of the title. The only limitation on the Government is that it would be limited to the making of a loan of not more than $250,000 to any one development, to any one town or city, in order to acquire and to develop the land.

I do not say that title I is perfect by any means. I presume it could be improved upon. The purpose is sound and good. The purpose is to enable a farmer who lives on a farm which is tending to become uneconomic, to find some way in which he can live on the land, can live in his own home, and can make a living better than he could hope to make from the production of farm commodities.

Mr. ELLENDER. Mr. President, if the Senator will permit an interruption, I should like to emphasize that under the amendment to the Bankhead-Jones Farm Tenant Act we propose to cancel out the right of the Secretary of Agriculture to further purchase lands under the act. All that would come out of the law.

Mr. AIKEN. The provision has been drastically modified since it was sent to the committee by the Department.

Mr. ELLENDER. Under the terms of the Bankhead-Jones Farm Tenant Act, as it now exists, the Secretary could purchase property, but if the amendment is agreed to, that right will be terminated. I should like to invite the Senator's attention to a fact the Senator probably had in mind, in discussing what could be done by the individual.

Mr. AIKEN. Under the ACP program.

Mr. HOLLAND. That is, under the ACP?

Mr. AIKEN. Yes, under the ACP program.

Mr. ELLENDER. Even in that program not any kind of land can be used by the owner.

Mr. AIKEN. Not under the ACP program.

Mr. ELLENDER. That is correct.

Mr. AIKEN. But in the development of community facilities, I do not think the persons involved would be restricted to unproductive cropland.

Mr. ELLENDER. That is correct. So far as the loans are concerned by the State agency, that is correct.

Mr. AIKEN. I think we are in agreement on the meaning of the language.

Mr. ELLENDER. Yes.

Mr. HOLLAND. Mr. President, if the Senator will yield further, I wish to make the RECORD crystal clear on this point, because I am sure I am correct.

Whereas under the earlier provisions of the Bankhead-Jones Farm Tenant Act, and those now existing, the limit in this field is the use of marginal and unprofitable agricultural lands, under the terms of the bill as now proposed, under the Bankhead-Jones Farm Tenant Act it is proposed that a community—from the State down to a local unit—could be loaned funds up to $250,000 for the purpose of recreational development regardless of the type of land involved, or even of the type of property to be included in the proposed development.

Mr. AIKEN. In all probability one could not find an area where it would not be necessary to acquire different types of land in order to have a substantial and adequate recreation ground. We will not disagree on that.

I wish to say a word about title II, containing amendments to Public Law 480, the law under which we dispose of surplus farm commodities overseas.

Mr. ELLENDER. Mr. President, if the Senator will yield, I should like to make a correction of a statement. I am sure an error was not intended by my good friend from Florida, but there is no specific limitation as to the amount which could be borrowed by local communities. If the amount to be borrowed exceeded $250,000, the matter would have to be presented to the committees of the House and of the Senate which deal with agriculture.

Mr. AIKEN. The Senator is correct. That is what is provided by an amendment which was inserted in the bill at the request of the Senator from Kentucky.

Mr. ELLENDER. That is correct. That is the limitation. It does not limit the amount of the loan. If the amount of the loan is to be in excess of $250,000, the matter is to be presented to the two committees for adjudication.

Mr. AIKEN. The Senator is correct. Those are the conditions.

Mr. HOLLAND. Mr. President, of course the Senator from Louisiana is correct in respect to the item he has mentioned. I think the Senator will agree that it is also correct to say there is no limitation as to the type of land which may be included in the recreational facility. I think the Senator will agree that the limitation under the Bankhead-Jones Farm Tenant Act which has existed up to now is that the loans must be for the use of marginal and generally nonproductive lands; and that that limitation is to be done away with.

Mr. AIKEN. I agree.

Mr. HOLLAND. The purview of the bill now is to be vastly enlarged, compared to the previous act, not only as to the type of lands to be affected but also as to the type of borrowers who are to be brought into the picture.

Mr. AIKEN. The Senator is correct. We must remember that the need for recreational areas is far different from the need at the time the Bankhead-Jones Farm Tenant Act was written into law.

I should like to refer to title II. As I said, this relates to Public Law 480, which provides for the disposal of surplus farm commodities overseas.

Since 1954, we have shipped overseas under the terms of this law more than $9 billion worth of farm commodities. I might add that up to this year approximately 70 percent of the cost of those commodities has been recovered from the sales overseas.

Unfortunately, the cost of the commodities which are sold under Public Law 480 is charged to agriculture, but the receipts are credited to other agencies. Receipts are credited to the Treasury, to the State Department, to the Armed Services, or to other agencies of the Government which have the use of the income. Agriculture does not get credit for the income.

There is one thing which is quite significant about the program of selling surplus commodities overseas under Public Law 480. As we know, the law provides for selling on generous terms—selling for local currencies of other countries; and even for giving the commodities away, for relief. However, as the disposals under Public Law 480 have increased, the sales of our agricultural commodities for dollars in the open market have gone up proportionately with such sales.

The food we have exported has done a great deal of good throughout the world. It has prevented famine and inflation, which goes along with famine in other countries. It has helped to stabilize many governments on other continents. The program should continue. Production should be maintained. The title provides for amending the law in the hope of making it more workable. Again I say the wording may be open to question, but the purpose is good.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. COOPER. Does not the Senator from Vermont see an inconsistency on the part of the administration and sometimes among Members of Congress and the people of the country? I think everyone is agreed that the Public Law 480 program has been a valuable one. The program has been an important part of our foreign policy. Many newspapers, Members of Congress, and members of the administration wish to increase the use of food and fiber as a part of our foreign policy. It is a great advantage to do so. Yet at the same time we hear complaints about surpluses which make this program possible. I think at least we ought to recognize that we would not have the Public Law 480 program, which is considered extremely useful for our foreign policy, if we did not have some surpluses. Must we not take that fact into account?

Mr. AIKEN. The Senator from Kentucky has pointed out a very glaring inconsistency on the part of the administration. By reason of our having large supplies of grains, cotton, wheat, powdered milk, and other commodities on hand we have been able to do things for other countries and retain their faith in us, which probably additional numbers of missiles and weapons of war could not have done.

Next, I wish to discuss title III of the bill, which, as we know, is very controversial. The first part relates to feed grains, corn, grain sorghum, and barley. As has been pointed out today, feed grains are the source of our supply of meats, poultry, and dairy products. Approximately 80 percent of the products are fed on the farm where they are produced. The remainder is used in industry and for export.

Not long ago the production and utilization of feed grains were put in balance. When I say "put in balance," I agree with the administration that we have available a 5- to 6-months' carryover of feed grains. At present it is on our hands, or on the taxpayer's neck.

The administration has said the amount is too much, that we must reduce it. They say we do not need a 5- or 6-month supply of feed grains ahead of need, that something must be done about it. A great furor is made over the surplus. We are told how it is breaking everyone's back.

All such talk is nonsense. Last year the administration came before the Congress and persuaded us to pass an emergency feed grain bill, which related to corn and grain sorghum. It went into effect. The latest report on the program, submitted 2 months ago, indicates that the carryover of corn in this country will be down 200 million bushels from what it was a year ago. The supply of soybeans is up 120 million bushels from what it was a year ago. In other words, we will have 200 million bushels less corn, which was supported at a price of $1.20 a bushel, and 120 million more bushels of soybeans, which were supported at $2.30 a bushel.

The administration now makes great claims for the improvement in farm income last year. We are informed that last year farm income was up $965 million over the year before. Let us see how that figure was arrived at. The administration does not tell us that $643 million of that increased farm income came in during the months of January, February, and March, before there was time to upset the program which was just coming into beautiful balance. The $643 million out of the $965 million total was due to the increased income from the sale of farm commodities for the first 3 months of the year.

After the first of April, then, virtually every month for the rest of the year showed a lower income from the sale of farm production than the corresponding month in the previous year.

Finally, in order to arrive at the $965 million, the administration had to include approximately $40 million of advance payments to winter wheatgrowers on the 1962 production of wheat for not producing it. I am estimating the amount of $40 million. Up to the first of December the amount was approximately $31 million and I am assuming that $9 million more was advanced to farmers during December.

We find that the rest of the total increase in farm income above the $643 million increase in cash marketings during the first 3 months of 1961 and $40 million advance payments to wheat producers came from payments made to farmers for not producing corn and grain sorghum. That amount came roughly to $750 million. But to that must be added about $50 million for administrative costs. Therefore there was a cost of $800 million to obtain an advance increase in income to the farmers and a slight decrease in the amount of feed grain on hand at the end of the year.

Meanwhile farm production expenses increased more than $500 million in 1961.

There was a substantial decrease in the amount of barley and oats during the year, but barley and oats were not included in that program. It included only corn and grain sorghum.

It has been said that had it not been for the program farmers would have produced 500 or 600 million bushels more feed grains. But those who made that statement forget that, according to a report showing the intention of farmers to plant issued by the Department of Agriculture in March, 1961, even before the program was enacted, farmers had announced their intention to plant several million fewer acres of corn than they had planted the year before. So I do not think the argument holds water very well. I do not think that program worked. Although we are providing for extending it for another year or two, it ought not to continue.

Another section of title III relates to wheat. Last year our production of wheat was less than the disappearance of wheat. By disappearance I mean the amount of wheat used in this country and the amount exported. We have only a 1-year carryover of wheat in this country today. According to the predictions of production this year there will be another heavy reduction in the amount on hand. So by the end of this year we shall have reduced our wheat carryover to not more than a 9 months' supply.

Wheat is a potent weapon. It is one of our most potent weapons in the cold war now in progress. I believe that if we let our supply of wheat get below 1 year's reserve, we shall actually be playing with the national security of our country.

No new wheat program is necessary. If we undertake to "monkey" with the present program it can actually be dangerous.

Title IV of the bill continues the emphasis on recreational development. It provides for Farmers Home Administration loans to farmers who perhaps wish to add a few rooms to the house in order to take care of people who come to the country for the weekend. It provides for a pool from which REA funds can be appropriated. This ties in well with title I of the bill, and can be very helpful indeed.

A few days ago the President said that if the present farm program continues, it will cost $4 billion over the next 4 years. If the present farm program continues, the cost will depend on how the program is administered. The farm economy was getting into balance in the spring of 1961. Our cotton exports went up to 7 million bales, getting to the point where that meant real money.

Then the Secretary raised the support 2½ cents a pound, and raised the export subsidy to 8½ cents a pound. Our domestic producers of textiles did not like that too well. They thought they were put to a disadvantage. The main thing is that after that was done, exports fell off. Now they are running 2 million bales less than they were a year ago. Instead of exporting cotton, we are now exporting gold. I do not believe it worked out too well.

Corn supports went up a year ago from $1.06 to $1.20 a bushel; yet when the farmers were selling corn last fall, the Government was dumping hundreds of millions of bushels of corn onto the market, so that the farmers could get only about 95 cents to a dollar a bushel. When the farmers had sold the corn, the Government stopped selling. The price has gone up something like 20 cents in some areas. But who is getting it now? It is not the farmers who are getting that price. It is the speculators.

That process has been going on for some time. It is not peculiar to this administration alone. It is a condition which we must take into consideration when we try to estimate the value of the emergency feed program of last year.

Soybean support was put up from $1.85 a bushel to $2.30 a bushel. The result may be really a 100-million-bushel surplus, created last year; and I believe that the price of soybeans is somewhat lower than it was a year ago.

The wheat support was increased from $1.79 to $2 a bushel. That was entirely unnecessary. There has not been a surplus of the better kinds of wheat in this country for several years. What this raise in the support price did was to encourage greater production of the varieties already in surplus.

We now come to milk. Just about a year ago this time, in April, the Department of Agriculture started to talk big about putting every dairy farmer under a quota. The upshot was that every dairy farmer tried to increase his production as quickly as he could. That had a greater demoralizing effect on the dairy industry than we have seen in any other period in modern history.

I do not know what the amendments to the bill will provide. I expect that they will be printed and that we shall be able to read them tomorrow. I hope

they will be good amendments. However, if they undertake to restore the extreme powers which the Department of Agriculture asked for in the original bill, of course there will be a real danger and a real threat to our agricultural economy.

I wish the administration would stop trying to get complete control of agricultural production and complete control over the food supply of this Nation. I think it could lead to disaster. Certainly it could lead to ration cards for city people. I wish they would give more thought to giving the farmer the right to bargain collectively, in the same way that other segments of our economy practice it.

Last year when we were considering an amendment to the bill for that purpose, a representative of the Department of Justice sat in the Chamber day after day to see that we did not give the farmers a break by enabling them to handle their own affairs. If the farmers could get the right to do that, they would do a much better job in bringing agricultural production and supply into balance than any small group of economists or theorists or politicians could possibly do to bring about that result.

THE LEAGUE OF WOMEN VOTERS

Mr. CLARK. Mr. President, many of us who are active in public life are keenly aware of the fine work being done across the country by the National League of Women Voters.

This fine group of unselfish and patriotic women is organized in some depth in my State. Their efforts in local matters are as effective as their efforts in national affairs have been for many years.

On Monday, April 30, 1962, an excellent article entitled "Women Voters To Support U.N. National League Is Shaping New 2-Year Program" appeared in the New York Times. The article was written by Edith Evans Asbury. I ask unanimous consent that the article may be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WOMEN VOTERS TO SUPPORT U.N.—NATIONAL LEAGUE IS SHAPING NEW 2-YEAR PROGRAM

(By Edith Evans Asbury)

MINNEAPOLIS, April 29.—The League of Women Voters will begin tomorrow to shape the program to which it will devote its efforts for the next 2 years. The likelihood is that it will decide to pick up the cudgels again for the United Nations.

This is good news for the United Nations. It is also good news for bewildered citizens who do not know where they stand, now that the United Nations is under attack by its friends and the administration is split over its usefulness.

Past experience has shown that the repercussions of the choice the league makes here this week will be felt throughout the land and will be heard clearly in Washington.

For the dedicated league member, typically an educated, middle-class wife and mother, fights for her cause with the zeal of a missionary, as armed with information as a graduate student, and as aware of how and when to make a Congressman jump as the county party chairman.

The delegates here, representing 132,000 members in 1,120 communities, will be asked by the league's board of directors to declare active support of the United Nations.

LOCALS ARE POLLED

The convention is virtually certain to accept the recommendation, since the board drafted it after polling all local and State leagues throughout the Nation.

The league's support of the United Nations will not be an unquestioning one. It proposes to take a fresh look, in the light of changes that have aroused criticism and alarm to ascertain means of strengthening the United Nations under present-day conditions.

Adoption of what the league calls a U.N. item on the current agenda means that in cities, towns, and villages all over the United States, earnest, hard-working women will begin studying the United Nations, its record, and its role today. They will probe its weaknesses and discuss proposals for eliminating them.

In Washington, politicians who do not see eye to eye with the league on an issue consider them a "Plague of Women Voters."

FORMIDABLE INFLUENCE

But they do not say so except softly, and to each other. For they know that the nonpartisan league may well be on their side of some other issue next year, and they recognize it as a formidable influence, whether foe or friend.

"When the league speaks, you listen," says Senator CLAIR L. ENGLE, Democrat, of California. "And when they start asking questions, you'd better know your business. They can really put you over the hurdle."

"A lot of people overlook the fact that the league doesn't just appeal to women," says Senator GORDON ALLOTT, Republican, of Colorado.

"The poor male is also grateful," he continued. "The voter seldom has time or the incentive to see both sides of the question. He, as well as she, needs nonpartisan groups he can turn to with the assurance that he is getting nonpartisan information."

The league never takes a stand on a party or a candidate. It encourages members to be active as individuals in the parties of their choice, however. Many who learned about government and politics as league members have entered government by election or appointment—or sometimes by marriage.

OTHER NOTABLES LISTED

Mrs. Hale Boggs, wife of the Representative from Louisiana who is the House Democratic whip, is a league member. So, too, are the wives of Secretary of Defense Robert S. McNamara, and Secretary of Agriculture Orville L. Freeman, and other members of the White House official family.

Mrs. Katie Louchheim, Deputy Assistant Secretary of State, learned about politics as a league member. Other league women include Senator MAURINE B. NEUBERGER, and Representative EDITH GREEN, both Oregon, Democrats, and Representatives GRACIE PFOST, of Idaho, and LEONOR SULLIVAN, of Missouri, Democrats, and FLORENCE DWYER, of New Jersey, FRANCES BOLTON, of Ohio, and MARGUERITE STITT CHURCH, of Illinois, Republicans. The late Mrs. Robert A. Taft was national treasurer of the group in the 1930's.

The league cut its political teeth in the suffrage movement—learning how to persuade men to give women the vote. It was founded in 1919 by suffragettes as they were on the verge of winning their 80-year-old fight for the right to vote. Its first convention was held in February 1920, 6 months before final ratification of the constitutional amendment that enfranchised women.

BASIC OBJECTIVE KEPT

The league has made changes in its name, altered its course and revised its policy from time to time. But its basic objective remains the same: to inform the public so thoroughly concerning the issues of the day that citizens will be able to vote intelligently and political leaders will be able to govern wisely.

In its early years, the league concerned itself with obtaining legislation of special interest to women, such as restriction of child labor, limited working hours for women, improved maternal and child health care, food inspection and equal property and other legal rights for women.

When World War II broke out, the league supported the lend lease bill and the repeal of the Neutrality Act. When this country entered the war, the league concentrated on convincing citizens that they should pay more, not less, attention to what the Government was doing. It felt democratic rights might be lost in carrying out war measures such as price control, rationing and mobilization. It also sought to persuade the public that these war measures were necessary.

WORK ON FOREIGN TRADE

During the postwar years, the league worked to achieve U.S. membership in the United Nations, foreign aid to needy countries, and expanded foreign trade.

At home, it urged fair play and common sense in the administration of the Federal loyalty-security program.

In addition to the national program, league members work for legislative reform in their local and State governments.

In many States, they have been campaigning for constitutional revision and reapportionment. In Tennessee a member of the State league reapportionment committee is a party to the suit that resulted in the recent history-making decision of the U.S. Supreme Court that legislative districting was subject to Federal court review. In Michigan, where the Supreme Court last Monday ordered a review of the fairness of districting, the league has been pressing for reform for more than 10 years.

New York members have worked for judicial reform and continue to do so. They are credited with having had a hand in the fact that last fall a judicial reform amendment received 82 percent of the vote cast.

CHARTER REVISION AID

In New York City, league members have been working for charter revision since the thirties. They also campaigned for abolition of the country form of government and elimination of the residence requirement for city employees, both of which have been achieved.

New York City's is the largest local league in the United States. It maintains a paid staff of four in an office at 131 East 23d Street, and provides a year-round information service for voters.

The league has developed a method of adopting a platform at local, State, and National levels that enables it to act swiftly on pending legislation, with the assurance that it speaks for the majority of the membership.

Staff experts in Washington do research and prepare publications on subjects on which the members are concentrating their study and action.

However, the league's strength is in the thousands of unpaid, volunteer experts who are its dues-paying members. They keep their fellow citizens informed and aroused. They organize local and State forums, speak before local groups, and prod local public officials. They also testify at hearings of public bodies, always presenting well-documented, nonpartisan recommendations, and ready to answer questions competently.

One of the most dramatic demonstrations of the league's typical many-pronged attack on a domestic subject was its treatment of the Nation's water problem.

For years, members who lived in eroded, desert areas arose at national conventions to plead for attention and action.

"Must we wait until you turn on the faucet and no water comes for you to realize that the whole Nation faces a water shortage?" a delegate from Missouri asked at one convention. "The Mississippi River is washing away our topsoil."

Each year, women from other parts of the country rallied in greater numbers to her support, having become aware of water problems in their own areas. Finally, in 1956, the league decided to look into the water situation.

FOUR YEARS OF RESEARCH

Four years of intensive, expert research by the national staff followed. It issued publications that were carefully studied by the membership throughout the Nation.

Discussions began in towns, cities, and on a region basis to determine the best method of conserving water resources, eliminating pollution and achieving equitable, efficient distribution of water. As possible remedies emerged, the league began a public information campaign to convince fellow citizens and public officials of the gravity of the problem and the necessity for action.

In States where the local problem had been recognizably acute league members had already pressed for and obtained action.

Now they sought national awareness and national and regional action. A Senate Select Committee on National Water Resources held hearings in 22 States.

At each hearing, at least one league member from the area testified. At the hearing in Oklahoma City, the whole committee broke into applause after listening to the league witness speak from notes.

Mr. CLARK. Mr. President, I call particular attention to the fact that both articles were released by the same group of people.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purpose.

Mr. PROXMIRE. Mr. President, I submit a dairy income improvement amendment to the pending farm bill. I ask that it be printed and lie on the table; and I ask unanimous consent that the text of the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table; and, without objection, it will be printed in the RECORD.

The dairy income improvement amendment is as follows:

On page 66, between lines 6 and 7, insert the following:

"SUBTITLE C—DAIRY INCOME IMPROVEMENT PROGRAM

"Legislative finding

"SEC. 330. Milk is a basic source of the Nation's food supply. Dairy farming, which is carried on in every State of the Nation and is an important source of farm income, constitutes a vital segment of the agricultural and national economy. It is in the national interest that there be adequate and balanced supplies of milk. Surpluses of milk result in low prices to producers and impair their purchasing power; shortages result in unreasonably high prices to consumers and the loss of markets for producers. Recurring shortages and surpluses cause undesirable fluctuations in prices to producers and consumers, unstable farm income, and disorderly marketing practices. The general welfare requires that interstate and foreign commerce be protected from the harmful effects of imbalances in the supply of milk and dairy products. All marketings of milk and dairy products are either in the current of interstate and foreign commerce or directly affect such commerce. The intrastate marketing of milk and dairy products is in competition with the marketing of milk and dairy products in interstate and foreign commerce. Milk and dairy products which enter directly into the current of interstate and foreign commerce cannot be effectively regulated without regulating that part marketed within the State of production. The conditions affecting the production and marketing of milk and dairy products are such that, without Federal assistance, farmers individually or in cooperation cannot maintain a flow of an adequate and balanced supply of milk in interstate and foreign commerce at prices fair and reasonable to producers.

"General definitions

"SEC. 331. For the purposes of this subtitle—

"(a) The term 'interstate commerce and foreign commerce' includes the movement of milk and dairy products in commerce between any State or the District of Columbia and any place outside thereof, or within the District of Columbia.

"(b) The term 'affect interstate and foreign commerce' means, among other things, to burden, obstruct, impede, or otherwise affect interstate and foreign commerce, the free and orderly flow thereof, or the production, storing, processing, marketing, or transportation of milk, and dairy products for or in such commerce or after transportation therein.

"(c) The term 'Secretary' means the Secretary of Agriculture.

"(d) The term 'milk' means bovine milk, including any classification, type, or grade thereof.

"(e) 'Producer' means any person who is engaged in the production of milk or butterfat for market.

"(f) The term 'person' means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any other business entity.

"(g) 'First processor' means (1) any person, other than a retail store or establishment serving food for consumption on the premises, who receives, purchases, or acquires milk or dairy products from a milk producer for disposition in any form to others, and (2) any producer who disposes of milk or dairy products directly to consumers, retail stores, and establishments serving food on the premises.

"SEC. 332. In order to afford producers the opportunity and the means by which they can (i) on a compensated basis voluntarily adjust their marketings of milk during the marketing years ending March 31, 1963 and 1964, more nearly to equal demand, thus increasing their net returns and reducing Government purchases under its price support program, and (ii) receive prices for such marketing years at rates determined pursuant to section 337 of this Act for milk marketed within their normal marketing levels but receive prices which have been adjusted, through surplus marketing fees, to reflect a lower level of price support for milk marketed in excess of their normal marketing levels, thus stabilizing dairy farm income for milk marketed within normal marketing levels while reducing costs to the Government in supporting the price of milk marketed in excess of normal marketing levels and discouraging overexpansion in the production and marketing of milk, the Secretary is hereby authorized and directed, through the Commodity Credit Corporation and other means available to him, to carry out for the marketing years ending March 31, 1963 and 1964, a dairy income improvement program as set forth in the following sections of this subtitle.

"Surplus reduction payments

"SEC. 333. The Commodity Credit Corporation is hereby authorized to make surplus reduction payments to producers in the continental United States, excluding Alaska, who agree to reduce, during any one or more quarterly marketing periods of the marketing years, ending March 31, 1963 and 1964, their marketings to a level not (i) less than 10 per centum, or (ii) more than the larger of 25 per centum, or seven thousand five hundred pounds of milk below their normal marketing levels established pursuant to section 334 of this Act for such quarterly marketing period or periods: *Provided*, That surplus reduction payments shall be made to a producer only with respect to the reduction in his marketings which are below the lower of (i) the producer's normal marketing level, or (ii) the level of marketings which the Secretary estimates would be marketed by the producer during the period covered by his agreement with Commodity Credit Corporation if he continued marketing at the rate of his marketings when he entered into the agreement, adjusted for seasonal variation: *And provided further*, That Commodity Credit Corporation shall, to the maximum extent practicable, limit such agreements so as not to effect reductions in excess of 10 per centum of the total normal marketing levels for the marketing year established for producers within any one dairy district. For this purpose, the Secretary shall divide the continental United States, excluding Alaska, into fifteen dairy districts each having therein approximately the same proportion of total milk production. Commodity Credit Corporation may utilize surplus marketing fees paid to it under this Act, together with any other funds available to it for the purpose of price support, for the making of surplus reduction payments pursuant to such agreements. Such payments (i) shall not exceed $2.80 per hundredweight of milk, basis 3.82 per centum butterfat content, or exceed such rates as the Secretary determines wil effectuate voluntary reduction in marketings by producers, and (ii) shall be less than the cost of acquiring such milk in the form of dairy products had such milk been marketed. A producer who fails to reduce his marketings to the extent required by such agreement shall be entitled to the surplus reduction payment on the quantity by which he actually reduced his marketings, but the amount of such payment shall be reduced by an amount equal to 20 per centum of what would have been the payment on the quantity of milk which he failed to reduce. Agreements entered into hereunder may contain such terms and conditions as the Secretary determines necessary to effectuate the purposes of the dairy income improvement program.

"Normal marketing level

"SEC. 334. If producers by referendum approve of the institution of a program as provided in this subtitle, the Secretary shall establish a normal marketing level for the marketing years ending March 31, 1963 and 1964, for each producer in the continental United States, excluding Alaska, who on the effective date of this Act was engaged in the production of milk for market. Such normal marketing level shall be the number of pounds of milk, or the number of pounds of milk fat, or such units of dairy products as the Secretary may deem appropriate for the administration of this subtitle, which the producer or his predecessor disposed of in commercial channels during the marketing year 1961–1962: *Provided however,* That in no event shall a normal marketing level be established for less than fifteen thousand pounds of milk. The Secretary shall make such adjustments in a normal marketing level established hereunder as he deems necessary for abnormal conditions affecting production or marketing including but not limited to flood, drought, disease of herd, personal health, and the fact that the producer may have commenced production and marketing after April 1, 1961. A producer's normal marketing level for the marketing year shall be apportioned by the Secretary among quarterly marketing periods thereof in accordance with the producer's marketing pattern in 1961, subject to such adjustments as the Secretary determines necessary to enable the producer to carry out his herd management plans for the marketing year. The quantity thus apportioned to a quarterly marketing period shall be the producer's normal marketing level for such period.

"Sec. 335. The Secretary shall prescribe such conversion factors as he determines necessary for use in determining the quantity of milk marketed by producers who market their milk in the form of farm-separated cream, butterfat, or other dairy products.

"Sec. 336. The quantity of milk reduced by a producer pursuant to his agreement under this subtitle shall be considered as having been produced and marketed by him for the purpose of determining his production of marketing history under any farm program in which such history may become a factor. A producer may, to such extent and subject to such terms and conditions as the Secretary may prescribe, transfer his normal marketing level, or any part thereof, to any other producer or prospective new producer who agrees to utilize such base for the disposition in commercial channels of milk, butterfat, or dairy products, produced in the same State as that in which the transferor engaged in production, or any State adjacent thereto. A producer who moves from one area to another and there engages in the production and marketing of milk may take with him all or any portion of his normal marketing level. The Secretary may utilize funds available for purchase or loans on dairy products under the price support program to purchase and cancel bases at a price not exceeding the amount of surplus reduction payments which Commodity Credit Corporation would make for an equal reduction in marketings.

"Producer referendum and price support levels

"Sec. 337. Not later than February 1, 1963, the Secretary shall conduct a referendum, by secret ballot, of producers who during the marketing year 1961–1962 marketed not less than fifteen thousand pounds of milk to determine whether producers approve the institution of a dairy income improvement program for the marketing years ending March 31, 1963 and 1964. Producers shall be deemed to approve such a program if the Secretary determines that two-thirds of the producers who voted in the referendum or that producers who voted in such referendum and who marketed not less than two-thirds of the total quantity of milk which was marketed during the marketing year ending March 31, 1962, by all producers who voted in such referendum approve the institution of a dairy income improvement program. If producers approve a dairy income improvement program, the level of price support during such marketing years for milk and the products of milk shall, notwithstanding any other provision of the law be at 90 per centum of the parity price therefor as of the beginning of the marketing year. If producers do not approve a dairy income improvement program, the level of price support for milk and the products of milk, notwithstanding any other provision of law, shall be at a level not less than 75 per centum of the parity price therefor as of the beginning of the marketing year.

"Sec. 338. Whenever normal marketing levels are established under this Act, notwithstanding any provision of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.), any order issued under section 8c thereof may in addition to the provisions in section 8c (5) and (7) contain provisions for an adjustment in the uniform price for producers receiving surplus reduction payments for marketings below their normal marketing level. Under such provisions the total payments to such producers under an order shall be equal to (1) the uniform price multiplied by their normal marketing level minus (2) the lowest class price under the order multiplied by the amount by which such producers have reduced marketings below their normal marketing level. In the computation of the uniform price there shall be included, at the lowest class price, the volume of milk upon which producers will be entitled to marketing adjustment payments. For the purposes of this section a producer's normal marketing level shall be apportioned on a monthly basis. In the case of a producer part of whose normal marketing level is based on marketings which were not subject to regulation under the order during the representative period the Secretary shall apportion such producer's normal marketing level in accordance with his deliveries of milk in such representative period and the reduction in deliveries from the amount apportioned to the marketing area shall be considered in the calculation of the uniform price and payment under such order. The incorporation of provisions in an order hereunder shall be subject to the same procedural requirements of the Act as other provisions under section 8c.

"Surplus marketing fees

"Sec. 339. (a) The marketing of milk in the continental United States, excluding Alaska, either in the form of whole milk or of a product of whole milk during any quarterly marketing period of the marketing years ending March 31, 1963 and 1964, by a producer in excess of his normal marketing level for such marketing period, or by a producer who has no normal marketing level if normal marketing levels are established pursuant to this subtitle, shall be subject to a surplus marketing fee at a rate equal to the rate of the surplus reduction payment for similar milk established pursuant to section 333 of this subtitle: *Provided, however,* That no marketing fee shall be due on any milk or product thereof marketed during a quarterly marketing period commencing before the effective date of this Act.

"(b) The surplus marketing fee shall be paid to the Commodity Credit Corporation by the first processor who acquires milk or milk products from a producer in excess of the producer's normal marketing level, but an amount equivalent to the surplus marketing fee shall be deducted from the price paid by the first processor to the producer: *Provided,* That in case any milk or milk product is marketed directly by the producer to any person outside the United States the surplus marketing fee shall be paid and remitted by the producer. For the purpose of this section, a first processor who is also a milk producer shall be deemed to have acquired that portion of his production which he markets in excess of his normal marketing level. Such surplus marketing fee shall become due and payable within fifteen days following the marketing period in which the first processor receives from any producer milk or dairy products in excess of his normal marketing level or at the end of such other period of time as the Secretary may prescribe. The first processor and the producer shall be jointly and severally liable for any default in the payment of the surplus marketing fee and for interest thereon at the rate of 6 per centum per annum from the date such fee becomes due until the date of payment thereof except that the producer shall not be liable for any such default if the amount of the fee was deducted by the first processor from the price paid to the producer.

"(c) The Commodity Credit Corporation shall refund to persons determined by the Secretary to be entitled thereto the amount of surplus marketing fees determined by the Secretary to have been erroneously paid to Commodity Credit Corporation.

"(d) In case any person who is entitled to a surplus reduction payment or a refund of surplus marketing fee dies becomes incompetent, or disappears before receiving such payment or refund or is succeeded in law by another, the payment or refund shall, without regard to other provisions of law, be made as the Secretary may determine to be fair and reasonable in all circumstances. The basis for, the amount of, and the persons entitled to receive a surplus reduction payment or a refund of a surplus marketing fee from Commodity Credit Corporation, when determined in accordance with regulations prescribed by the Secretary, and the amount of any surplus marketing fee established by the Secretary, shall be final and conclusive.

"Review and use of committees

"Sec. 340. The normal marketing level established for a producer shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in the county in which such producer resides and in the county or counties in which his dairy herd or herds are maintained. In establishing and apportioning marketing levels, the Secretary may utilize the services of local county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act and of agencies established to administer milk marketing orders issued under the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended. Notice of the normal marketing level shall be mailed to each producer as soon as practicable after its determination. Any producer who is dissatisfied with his normal marketing level may, within fifteen days after the date of mailing to him of the notice thereof, have such normal marketing level reviewed by a local review committee in accordance with standards prescribed by the Secretary. Such review committee shall be composed of three producers, appointed by the Secretary, from one or more of the counties in which the producer maintains his dairy herd or herds or counties adjacent thereto. Such committee shall not include any member of any other committee which determined the normal marketing level for such producers. Unless application for review is made within such period the original determination of the normal marketing level shall be final and conclusive.

"Miscellaneous

"Sec. 341. The provisions of section 364 (relating to review committee), section 365 (relating to the institution of proceedings), section 366 (relating to court review), and section 367 (relating to stay proceedings and exclusive jurisdiction) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1364–1367), shall be applicable to reviews and proceedings under this subtitle.

The provisions of subsections (a) and (b) of section 373 of the Agricultural Adjustment Act of 1938, as amended, relating to reports and records of processors and farmers shall be applicable to each first processor and to each producer, respectively, under this subtitle. The provisions of section 388 (relating to utilization of local agencies) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1388), shall be applicable in the administration of this subtitle. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this subtitle. If and when the Secretary shall so request, it shall be the duty of the several district attorneys, under direction of the Attorney General, to institute proceedings to collect surplus marketing fees provided in this subtitle. The remedies and surplus marketing fees provided for herein shall be in addition to and not exclusive of any other remedy under law.

"SEC. 342. (a) The Secretary shall prescribe such regulations as are necessary for the enforcement and the effective administration of this subtitle.

"(b) Costs incurred in the carrying out of the provisions of this subtitle, except section 338 hereof, shall be borne by the Commodity Credit Corporation and shall be considered as nonadministrative expenses of the Corporation."

DAIRY INCOME IMPROVEMENT AMENDMENT

Mr. PROXMIRE. Mr. President, this amendment restores the dairy section of the farm bill which is now before the Senate. The Committee on Agriculture and Forestry killed the entire dairy section of the bill. I offered my amendment in committee but it was rejected.

My amendment is quite different from the dairy provisions offered by the administration, but it contains some of the same principles. My amendment is intended to improve the present provisions of the law as they now apply. In its language it closely resembles the emergency dairy plan submitted by the chairman at the request of the administration. But it is different on several key points.

As has been noted by the chairman and other Senators, it is certain that the Federal Government will have to expend this year a tremendous amount of money for dairy price supports. It is also certain that this year, if there is no change in the law, dairy farm income will be very low. My proposal is offered in an attempt to improve both situations.

WOULD INCREASE FARM INCOME

My amendment would make it possible to increase dairy farm income by giving milk producers the opportunity to vote in a referendum to limit production to 1961 levels and receive 90 percent of parity price supports. If this is done, the cost of the farm program will be cut sharply with respect to dairy price supports.

My amendment provides 90 percent of parity price supports for manufacturing milk if producers vote to stay within their 1961 to 1962 production base. The amendment could cut the Government costs substantially below the expected costs if the present law is not amended. It would do so by permitting dairy farmers to vote to limit output to their level of production in the marketing year 1961 to 1962.

ONE HUNDRED MILLION DOLLAR SAVINGS POSSIBLE

Depending on the percentage decrease resulting from the surplus reduction payments—for which I also provide—and on projections of output under the no-limit present law, the Proxmire plan could achieve a saving in the first year alone as high as $100 million. In future years, if my plan is continued, the savings would be much greater.

My plan provides, first, payments up to $2.80 a hundredweight to producers who voluntarily reduce their marketings of milk below their 1961 to 1962 base. This makes sense because it costs the Department of Agriculture about $4.50 a hundredweight to acquire surplus milk, including storage, handling, and so forth, on the average. This payment of $2.80 a hundredweight would reduce production, and the net saving to the Government would be $1.70 for every hundredweight of milk which was not produced.

Second, my plan provides surplus marketing fees to make the production of surplus milk above 1961 to 1962 bases substantially less profitable.

SUBJECT TO REFERENDUM APPROVAL

As required for all farm marketing quota proposals, the Proxmire program would be subject to approval by two-thirds of dairy producers nationally voting in a referendum.

If one-third or more of dairy farmers vote against the program, it would not come into operation, and milk price supports would remain at their present low level: 75 percent of parity, which is $3.11 a hundredweight for milk of average test, and $2.85 for 3.5 test milk, which is the usual test in Wisconsin. These are punishingly low prices.

The Proxmire plan makes it possible for dairy farmers to increase their income substantially by a fair, realistic program of supply management. It will cut costs to the Government significantly and will sharply reduce dairy surpluses. It provides a generous incentive to farmers who voluntarily reduce production below their 1961–62 base.

In the required referendum, the dairy farmers are offered a choice which is both fair and clear. I know that many dairy farmers feel that the choice in the administration's original proposal was not a fair choice because farmers had to choose between quotas, which many of them strenuously oppose on principle, and price supports that spell ruination. If one-third plus one of milk producers voted against the quota plan, price supports would fall drastically, and many farmers would face literal ruin.

The required referendum, under my plan, offers dairy farmers a choice that is both fair and clear: Either a 63-cent-a-hundredweight higher price at 1961 production levels, or 75 percent of parity, the punishingly low price-support level now in effect. Under no circumstances, however, under my amendment, would dairy income go lower than it is now.

This Senator, for one, will fight long and hard to preserve at least that bare minimum protection.

DISAPPROVAL IN REFERENDUM NOT IMPOSSIBLE

Dairy farmers must recognize the real possibility that any marketing quota program for milk could be voted down. Milk producers in some parts of the country who have the benefit of high fluid milk prices and lucrative negotiated premiums, along with the many milk producers who inevitably will vote against any quota plan, could well add up to the one-third plus one votes that would defeat the program. That is the fundamental defect in the plans offered by the Department of Agriculture. There might easily be one-third "no" vote, and defeat of the referendum.

I must point out that milk producers in my own State, Wisconsin, should not forget that the grim consequences of lower manufacturing milk prices are visited with far greater severity on them than on producers in many other parts of the country—producers who are also entitled to vote in the producer referendum.

If approved in the producer referendum, the Proxmire amendment will reduce costs substantially below what they will be under the unlimited production, 75 percent of parity law now on the books, because it will hold output at a maximum to the 1961–62 level.

It is true that the proposal I make would not save quite so much money or cut costs so sharply as would the administration's original proposal. I think this is to the credit of the administration's proposal. There is no question that the cost of the farm program is high.

My proposal would reduce costs in a gradual way, a responsible way. Most important, it would give the dairy farmer a real, genuine choice between a higher income with controls, on the one hand, and a lower price and no controls on the other.

COSTS OF DAIRY PROGRAM NOT HIGH RELATIVE TO OTHER FARM PROGRAMS

I wish to underline what has been so well said by the distinguished senior Senator from Vermont [Mr. AIKEN], the ranking Republican member of the Committee on Agriculture and Forestry, who stated that other farm programs have cost much more in proportion than the dairy farm program costs. Actually, most governmental expenditures for price supports in the recent years have cost more—the programs for cotton, dairy products, feed grains, rice, and wheat. There has been a wide variation in the costs associated with the individual commodities.

It is of interest to note how expenditures for the individual commodities would compare if they were proportional to the value of their marketings.

The average annual value of the marketings of these commodities and their proportional share of a $2 billion price support budget is as follows.

Mr. President, I ask unanimous consent that a table I have had prepared on this subject be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Dollars in millions]

	Average farm marketings 1959-61	Percent	Allocation of $2 billion budget	1959-61 annual average Government losses or costs for price supports [1]
Commodity:				
Wheat	$2,112	13.8	$276	$233
Dairy products	4,753	31.2	624	252
Cotton and cottonseed	2,512	16.5	330	315
Rice	250	1.6	32	(2)
Feed grains	[3] 5,623	36.9	738	439
Total	15,250	100	2,000	--------

[1] Not including value of exports under public law 480, title 1.

[2] Not available.

[3] Value of crops produced.

Mr. PROXMIRE. The point I wish to emphasize very strongly is that on the basis of any fair comparison, the dairy program has not been expensive. It has been relatively less costly than the wheat or the cotton or the rice or the feed-grains programs.

GIVE CONSUMPTION A CHANCE TO CATCH UP

Mr. President, the amendment I have submitted covers the current marketing year which ends March 31, 1963, and the next marketing year, which runs from April 1, 1963, to March 31, 1964. It is reasonable to expect that by holding production at maximum to the levels during the marketing year that ended March 31, 1962, and preventing any production above the amount, while at the same time providing a substantial encouragement to individual producers to reduce their marketings below 1961-62 levels on a voluntary basis, it will be possible to close the gap between production and consumption.

The drop in consumption in the past year was as unexpected as it was unprecedented. Normal population growth alone should account for enough of an increase in consumption of dairy products nationally in the next 2 years to close that gap. Holding the Nation's total milk output to the 1961-62 level will permit consumption to "catch up" during the next 2 years.

CAN THEN CONVERT TO PERMANENT PROGRAM

It will then be feasible with little difficulty to convert the dairy income improvement plan to a permanent program. The experience of the first 2 years will provide guidance for the enactment of a program more perfect in specific details.

Mr. President, one of the reasons why I objected to the administration's original proposal was that it was for a permanent, brandnew program not based on any experience at all with the voting by dairy farmers in referendum, but would impose the program permanently on the dairy farmers. It seems to me we need to know first how the proposed program will work, before we devise a permanent program, so we can benefit by actual experience, particularly insofar as the details are concerned.

In the unlikely event that consumption of milk and milk products declines further so sharply that surpluses continue to pile up, even though output is below the 1961-62 level, it may be necessary in the future to reduce producer marketings below the 1961-62 level. There is every reason to believe this will not be necessary, and the experience of the coming 2 years covered by my program should show this. But if it does prove to be necessary, Congress can then enact legislation permitting the Secretary of Agriculture to reduce individual producer normal marketing levels by the necessary percentage below 1961-62 base.

That is a bridge that can be crossed when we come to it. The experience gained in operating a supply management program for 2 years will make it far easier to write constructive, sensible legislation providing for reductions in normal marketing levels, in the unlikely event that should prove to be necessary.

COSTS OF FARM PROGRAMS

Mr. President, I submit that this amendment should be adopted, because without it we have only the present program with low farm income and high costs. As the bill now stands, it provides nothing for dairy products, nothing for the dairy farmers, nothing for a dairy program; and virtually everyone agrees that the program we have this year is resulting in very, very low dairy farm income, but will cost a tremendous amount. Therefore, I submit that this amendment, or an amendment like it, should receive very, very serious consideration by the Senate.

Today, there is much talk—as there always is in regard to farm programs—about the cost of the farm program. In fact, I believe it fair to say that approximately 75 or 80 percent of the consideration being given the new bill by both the President and the Senators who have spoken here today has been based on views to the effect that the present farm program is too expensive and too costly. Indeed, it is, Mr. President. But despite that fact, and although any proposal before the Senate should result in reducing that cost, I believe all of us should recognize in good conscience that there is another problem far more important: It is low farm income. The fact is that farm income is too low. Unfortunately, Members of the Senate have not, it seems to me, had an opportunity to consider adequately this point; and at this time I wish to stress it.

LOW FARM INCOME THE ROOT PROBLEM

The facts on low farm income add up to a pathetic story. While there has been a moderate improvement in earnings in many parts of our farm economy since the Benson era, this has by no means changed the basic picture.

As the senior Senator from Minnesota [Mr. HUMPHREY] said a few days ago, if a patient is sick and dying, with a fever of 106, and if the clergy has been called in for last rites, and then the fever abates to 105, this may be a welcome improvement—but it does not mean the patient is well.

The fact is that farm income has increased about $1 billion during the last year. But the increase is modest, when seen against the history of pathetically low income in the previous 8 years. Nearly all of the gain will be lost in the coming year, insofar as the dairy farmers are concerned, since the support price was cut back to 75 percent of parity on April 1.

And I know from firsthand observation in recent trips through Wisconsin that though the patient was getting slightly better, he certainly was far from well.

SIXTY CENTS PER HOUR AVERAGE EARNINGS

Farm commodity prices are so low that, according to official Department of Agriculture statistics, farmers in my State average less than 60 cents per hour for their labor, although they invest an average $40,000 in their farms and have increased their efficiency immensely.

Sixty cents an hour. No sweatshop has been able to get away with that for years. Not long ago the steelworkers union was widely praised for "restraint" when a steel wage settlement was achieved. The lowest factory wage set in that "noninflationary" wage agreement is several times that figure—several times what the average dairy farmer in Wisconsin is able to earn. And I invite Senators to come to Wisconsin, to see the up-to-date efficiency, based on skill, initiative, and training, that characterizes our dairy farms.

I want to emphasize that any modest improvement in Wisconsin farm income was more than wiped out on April 1, when the support price of manufacturing milk fell from $3.40 to $3.11 per hundredweight for milk of average test. And the price for 3.5 test milk stands even lower—at $2.85.

As a consequence, able, efficient, skilled dairy farmers in Wisconsin, with huge capital investments in their farms, are today, right now, going broke. These are not marginal producers. At a 75 percent of parity support price, the cost-price squeeze is on with a vengeance. Gross receipts fall, costs stay right where they were, and net income vanishes to zero. In the remaining 9 months of this year alone, as a direct result of the milk price support drop, farm income in Wisconsin is dropping $35 million. The economic effect of this is being felt right now in widespread rural hardship, lagging prosperity in our towns and villages, and what could be the beginnings of a genuine farm depression.

CASE HISTORIES TELL THE LOW INCOME STORY

Overall averages of farm income figures may not be as vivid as actual case histories. A few days ago I received a detailed statement of the actual earnings and costs of operating 11 farms in one county in Wisconsin. These are typical, efficient, up-to-date dairy farms, with intelligent, skilled owner-operators.

As can be seen from the summaries, these are farmers who have the management ability to keep good books, a requisite for profitable farm operations. They have kept close tabs on their costs and on their receipts. They have worked intelligently to maximize their incomes. Theirs are among the better and more prosperous and more efficient farms in Wisconsin. But with what results? Seven out of the eleven have an annual income below $4,500. In the Federal service, that is about a GS-5 income. In a factory, it is about the lowest pay grade offered.

Yet these are men who work 65 to 75 hours a week, and whose families also contribute much work to the farms. They have some $30,000 invested in their farms. They get nothing for their sharply increased efficiency, no profit as reward for their risk and management.

The other four, with investments in their farms ranging up to $62,000, have incomes between $5,591 and $7,191. The detailed statistics describing their farms add up to an equally grim picture.

It should be noted that in these summaries, no depreciation on machinery or buildings, or interest, is included in farm expenses. If this were added in, the actual net income would be substantially lower.

The total capital shown is the inventory value at the close of 1961. Machinery and equipment is included at depreciated value. Livestock is at an appraised value based on the general market of both slaughter value and breeding stock value. Feed, including hay, grain, silage, and other supplies are listed either at cost or at standard market value.

I ask unanimous consent that the table of farm analysis summaries describing 11 farms in 1 Wisconsin county, sent to me by a responsible local official, be printed at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

Farm analysis summaries, 1961

	Individual farmer										
	A.M.	R.M.	P.W.	E.W.	K.R.	W.H.	C.S.	G.G.	S.S.	G.S.	H.N.
Size:											
Total acres	[1] 180	258	412	260	210	268	178	220	120	247	100
Crop, acres	106	125	170	112	185	136	120	85	87	145	56
Authorized number milk cows	25	35	22	18	34	35	18	15	25	32	17
Milk:											
Total production, pounds	124,716	376,758	193,322	167,467	303,172	256,158	107,698	133,000	194,540	269,752	155,099
Authorized price per hundredweight		[3] $3.75	[3] $3.40	$3.25	[2] $3.45	[3] $3.25	[4] $3.50	$3.40	$3.45	$3.45	$3.35
Butterfat per cow	235	420	325	325	330	270	252	333	303	327	356
Income:											
Milk	$5,242.20	$14,043.02	$6,927.67	$5,347.42	$11,001.29	$8,949.99	$3,888.63	$4,513.33	$6,711.64	$9,269.62	$5,746.97
Cows, calves	401.55	1,801.51	1,622.08	1,517.68	1,595.02	901.07	760.19	972.53	768.81	1,120.60	1,918.70
Hogs	692.10	1,152.40			4,350.94					1,144.93	
Miscellaneous income	161.52	242.95	2,629.66	872.28	782.47	1,122.43	656.96	1,871.94	193.35	712.59	278.30
Total cash income	6,499.37	17,239.85	11,179.41	7,737.48	16,134.70	10,973.49	5,305.78	7,357.80	7,673.80	13,247.74	7,943.97
Expense: Total operating expense	4,291.52	11,509.48	3,988.38	3,332.34	9,747.68	7,349.48	3,314.15	5,348.49	3,205.53	7,656.32	3,580.81
Net cash income	2,205.85	5,732.40	7,191.03	4,405.14	6,387.02	3,624.01	1,991.63	2,109.31	4,468.27	5,591.42	4,363.16
Total capital (inventory) Dec. 31, 1961	26,733.00	62,079.35	24,800.45	20,203.11	53,003.99	41,056.90	16,034.85	27,182.71	17,973.90	46,165.82	19,136.00
Machinery and equipment (depreciated value)	3,447.00	19,710.39	4,946.45	1,987.68	15,121.99	10,543.00	3,036.85	8,947.48	6,670.74	4,659.26	3,356.00
Land (cost)	3,000.00	4,500.00	4,349.00	2,650.00	4,000.00	3,651.00	1,000.00	1,500.00	(5)	6,289.00	5,500.00
Buildings (depreciated value)	8,056.00	20,887.96	4,620.00	7,535.43	18,402.00	10,961.40	1,440.00	8,596.23	683.16	17,060.56	3,100.00
Livestock (appraised value)	7,795.00	13,165.00	7,865.00	5,775.00	11,330.00	11,850.00	7,220.00	5,370.00	7,710.00	11,105.00	4,680.00
Feed and supplies	4,435.00	3,816.00	3,020.00	2,256.00	4,150.00	4,051.51	3,338.00	2,769.00	2,910.00	7,052.00	2,500.00

[1] 92 acres rented.
[2] Grade A.
[3] Grade B bulk.
[4] 50 percent Jersey herd.
[5] Farm owned by his mother; his equity in building improvement.

Mr. PROXMIRE. Mr. President, I also ask unanimous consent to have printed in the Record a chart showing the labor incomes of 542 New York dairy farms in 1959. Actually, the figures today are about the same, on the basis of the price of milk and the costs on the farm. In fact, they are probably a little less.

There being no objection, the table was ordered to be printed in the Record, as follows:

Labor incomes of 542 New York dairy farms, 1959

	Average of 542 farms
Total farm receipts	$22,548
Total farm expenses	$16,255
Farm income	$6,293
Interest on average capital of $47,840 at 5 percent	$2,392
Labor income per farm	$3,901
Number of operators	606
Labor income per operator	$3,489

The sum of $3,489 equals $67.10 per week at 72-hour minimum week divided by $0.93 per hour.

(Above interpolations taken from Bulletin AE Ext. 92, May 1960, Department of Agriculture Economics, New York State College of Agriculture.)

Mr. PROXMIRE. Mr. President, the table shows that the labor income from these New York farms—on which the labor income is higher than that in Wisconsin—is approximately $3,489 per operator, or $67.10 a week, at a 72-hour minimum week, which amounts to 93 cents an hour.

The hourly rate earned by the farmer shown in chart B was derived from a study prepared by the Department of Agriculture Economics of the New York State College of Agriculture—a unit of the State University of New York—Cornell University, at Ithaca, N.Y. The study—chart B—relates to 542 average New York dairy farms for 1959. This study reflects average investment, feed costs, supplies and miscellaneous costs, and residual annual earnings for the farmer.

These earnings have been reduced to a per man hourly basis for a 72-hour average week during 1959. And to determine average per hour yield to the dairy farmer shown in chart A, I have taken 1959 as a base year and then worked this backwards to 1946, adjusting the per hour wage according to the net—blend price—for milk received by the farmer. Admittedly, there are other factors that can be used in making up this chart—particularly involving the cost of living index—so that the dairy farmer's present plight is in fact worse off on real wages than shown in this chart. However, this interpolation offers a good guide to what has happened to the farmer's hourly wage.

THESE ARE A DAIRY FARM ELITE

These are not farmers who produce manufacturing milk, as many in Minnesota do, or as many in my own area do; these are farmers in milk shed areas that sell much of their milk as fluid milk, and sell it at a much higher price than the support price. These are farmers who, in spite of that fact, have a pitifully low income, an income substantially below the minimum wage, and yet who have very large investments in their farms, and who have put in modern equipment and increased their efficiency greatly in the past decade.

To explain "blend price paid to farmer," it should be noted that this is the actual price which the farmer received for all of his milk—class I and class II milk; and, in many cases this price is reduced even further by hauling costs from the farm to the co-op or processing plant. Class I represents all milk sold in fluid form for drinking purposes. And class II milk represents all milk sold for processing into cream, butter, ice cream, cheese, and similar products. The actual price for fluid milk—class

I—to the farmer averaged about 1 cent per quart higher than shown above. And the average price for class II milk—processing milk—was about 40 percent less than the above. What really matters, however, is the blend price—the amount which the farmer actually received for all of his milk. And this is precisely what chart A shows under "blend price paid to farmer."

The wages shown for the farmer do not allow for the toil put in by members of the farmer's family, such as his wife and children. The wages shown do not allow for time and a half or double time that factory labor would have received in the average 72-hour week that the dairy farmer puts in. The interpolated wage does not allow for unforeseen contingencies, animal sickness, uninsurable accidents, and similar conditions. Yet, he is paid less than wages received for the most unskilled labor today. In fact, all through the 16-year period shown above, his wages have averaged less than that of a sweeper or janitor in the steel mills and far, far less.

I ask unanimous consent to have printed at this point in the RECORD a table which shows the blend price per quart paid to farmers, the average home delivered price per single quart paid by consumer, the average hourly amount earned by farmer based on conversion of blend price to earnings per hour, the average hourly amount earned by sweepers and janitors in steel mill, the cost of living index, the annual sales by one of the large American dairy product processors, and the annual profit before taxes by dairy processor in the previous column.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Milk price—Cost of living—Sales and earnings chart

Year	Blend price per quart paid to farmers [1]	Average home-delivered price per single quart paid by consumer [1]	Average hourly amount earned by farmer based on conversion of blend price to earnings per hour [2]	Average hourly amount earned by sweepers and janitors in steel mill [3]	Cost-of-living index [3]	Annual sales by one of the large American dairy product processors [4]	Annual profit before taxes by dairy processor in previous column [4]
1946	$0.115	$0.181	$0.805	$0.965	83.4	$742,409,000	$46,829,000
1947	.120	.202	.893	1.09	95.5	897,323,000	39,226,000
1948	.135	.222	1.004	1.185	102.8	986,404,000	42,583,000
1949	.130	.227	.967	1.185	101.8	897,676,000	57,088,000
1950	.115	.211	.805	1.31	102.8	906,641,000	65,022,000
1951	.130	.239	.967	1.31	111.0	1,006,117,000	67,117,000
1952	.135	.245	1.004	1.435	113.5	1,141,300,000	71,150,000
1953	.125	.243	.93	1.52	114.5	1,232,100,000	81,370,000
1954	.120	.242	.893	1.57	114.8	1,210,300,000	76,890,000
1955	.125	.248	.93	1.685	114.5	1,260,200,000	79,690,000
1956	.125	.255	.93	1.82	116.2	1,352,900,000	76,470,000
1957	.120	.272	.967	[5] 1.89	120.2	1,432,300,000	83,760,000
1958	.125	.275	.93	[5] 1.96	123.5	1,548,400,000	90,490,000
1959	.125	[6] .283	.93	[5] 1.96	124.6	1,605,700,000	98,460,000
1960	.124	[6] .27	.923	[5] 1.96	126.4	1,667,200,000	101,950,000
1961	.12	[6] .281	.893	[5] 2.03	127.9	----------	----------

[1] Hartford area

[2] See "Labor incomes, chart B," below

[3] U.S Department of Labor.

[4] National Dairy Products Corp

[5] Does not include various fringe benefits and cost-of-living adjustments.

[6] These prices average 3 to 4 cents per quart higher than gallon jug prices. Similarly, though, if gallon jugs were available during 1946-58 these home-delivered prices would have been proportionately lower.

Mr. PROXMIRE. Mr. President, I have only a few more remarks to make. I wish to comment on the brilliant defense by the chairman of the Committee on Agriculture and Forestry of the emergency feed grain proposal, when he was discussing the situation with the distinguished Senator from Florida. I was impressed by the defense, because the Senator from Louisiana showed once again what a fairminded man he is. The fact is that later he introduced an amendment to the emergency feed grain section of the bill which he had defended in arguing the question with the Senator from Florida.

The point I make is that a 9-to-8 majority in the Committee on Agriculture and Forestry voted against the administration's mandatory feed grain program, which I have shown would be voted down in a referendum of farmers if Congress adopts it, and in favor of continuing the present emergency feed grain measure. I urge Senators to read my analysis of the referendum in the CONGRESSIONAL RECORD of May 17, pages 8722-8724.

The chairman of the committee did a fine job in defending the present voluntary feed grains program as one that reduces costs, as one which is practical, as one which has increased farm income, as one which the farmers like, and as one which is popular. I think all Senators should recognize that this is the sound alternative, which is in the bill now.

MANDATORY FEED GRAINS PROGRAM WILL LOSE IN REFERENDUM

If a mandatory feed grains program is enacted, I am convinced that a majority of the feed grain farmers—certainly more than one-third—will vote "No" in the referendum. If they do, it means no price supports and no controls at all.

I say that not because the farmers will do differently from what farmers have done in the past; I say it for the reason that most of the people voting in the referendum will not be farmers who grow feed grains for sale off the farm. Thousands of the dairy farmers in my State, for example, will be eligible to vote, and they virtually all grow feed grains to feed on their farms. They will have a logical reason to vote "No." Some will vote "Yes" out of a notion of the importance of it to the Nation as a whole, but any dairy farmer who sits down with a pencil and figures out how it is going to affect him will vote against a compulsory program, and for good reason. A compulsory program means that his own feed grain production which he feeds exclusively to his own dairy herd will be cut by as much as 20 percent or more.

"NO" VOTE IN FEED GRAIN REFERENDUM LOGICAL FOR DAIRY FARMERS

But since the dairy farmer grows feed grains only for feeding his own cows, it cannot affect the price he receives for milk at all. The price he receives is going to continue at the present low level of $3.11 unless we reverse the Agriculture Committee and change the law. So why should the dairy farmer do anything at all but vote against the compulsory program?

Many hog farmers and beef farmers will feel the same way. The majority of farmers who produce feed grain believe they have no obvious reason to vote for the program.

Sam Lubell, the professional pollster, has talked to thousands of farmers in his scientifically condensed poll, and concludes that farmers will vote against the program. If they vote against it, there will be no program. There will be no price controls. It will result in very low prices for beef and hogs, and eventually a very heavy surplus of milk.

ALTERNATIVE IS PRESENT SUCCESSFUL PROGRAM

Rather than take such a substantial, potentially ruinous risk, I urge that the present successful, popular involuntary feed grain surplus reduction program be extended. This has been recommended by a 9-to-8 vote in the Senate Agriculture Committee. It is not the Benson program. Rather it is an extension of the program proposed by the administration last year.

That is why I say President Kennedy was tragically misinformed when he said at his press conference Thursday that "We will go back automatically by statute to the Benson program" if administration mandatory farm proposals are not enacted. This is not a correct statement of the situation.

The feed grain section of the farm bill has been called its heart. My amendment, which was adopted by the Agriculture Committee, is not the Benson program.

The Proxmire amendment is an extension of the successful voluntary feed grain program proposed by the administration itself last year.

HAS REDUCED REAL COSTS

This program has reduced real costs to the taxpayer substantially and has increased farm income. It is popular and is working. With modifications I have proposed it can operate even more effectively to reduce surpluses and cut costs.

The President stated that rejection of the administration-backed mandatory program will cost taxpayers $4 billion more in the next 4 years. This assumes that the successful voluntary feed grain program will be ended. This assumption is wrong. The bill before the Senate does not provide this. It extends the voluntary program.

If the voluntary feed grain program is extended, real costs will again be substantially reduced. Payments in kind use up huge amounts of surplus stocks which otherwise would be disposed of in programs bringing no dollar returns.

But if the mandatory program is enacted, it faces the near certainty of defeat in the required producer referendum. The adverse votes of hundreds of thousands of farmers who have little interest in feed grain price supports will strip this largest sector of our farm economy of any price support stabilization.

Of course if the mandatory program is rejected by farmers—a near certainty according to all independent observers—costs to the Government will temporarily drop. But in a few years they might be far higher. Meanwhile hundreds of thousands of farmers will go broke. We will have no feed grain controls of any kind, no price supports, and the certainty of a cruel Government-created farm depression with 9-cent hogs, huge dairy surpluses, and a future farm problem of even greater proportions.

BILL EXTENDS PRESENT VOLUNTARY FEED GRAINS PROGRAM

The President stated that rejection of the administration-backed mandatory program will cost taxpayers $4 billion more in the next 4 years. This assumes that the successful voluntary feed grain program will be ended. This assumption is wrong. The bill before the Senate does not provide this. It extends the voluntary program.

As the chairman of the committee and as the Secretary have said, the voluntary program is working: it has increased farm income and has reduced the cost of the farm program. If the mandatory program is rejected by the farmers—and this is a near certainty according to all independent observers—the result will be a real disaster for farmers and the Nation.

SIMULTANEOUS REFERENDUMS MIGHT HELP

I have suggested to the Secretary that we have simultaneous referendums for all marketing goods programs. This might help win approval for a mandatory feed grains program.

Unless a referendum is held on all or most marketing quota crops at one time, and each producer is required to cast one vote either for or against marketing quotas on all quota crops on his farm, it is a reasonable probability that a mandatory feed grains program will not be approved by a two-thirds majority in a referendum any time in the near future.

This conclusion appears warranted on the basis of the geographic distribution of the feed grain producers eligible to vote in a referendum.

Because of the ease of combining the referendums for wheat and feed grains, it is assumed in this discussion that this would be done. If wheat and feed grain marketing quotas were voted on simultaneously, would it be important also to realine the referendums requirements on cotton, tobacco, and peanuts to permit a single vote on marketing quotas on all quota crops grown on each farm?

The answer appears to be "Yes."

For a number of years the producers of cotton, tobacco, and peanuts have approved marketing quotas on these crops by wide margins. This is no indication, however, that those who also produce more than 25 acres of feed grain would approve quotas for feed grains.

One of the reasons for the high favorable vote on the cotton marketing quota referendums and to a lesser extent on the tobacco referendums has been the absence of restrictions on the use of the land diverted out of cotton and tobacco production. In 1961, 11,260,000 fewer acres of cotton and 606,000 fewer acres of tobacco were harvested than in 1951. Much of this land, diverted out of cotton and tobacco, has been utilized for the production of soybeans and feed grains to the advantage of the region. Livestock production has been expanded.

These farmers who produce feed grains as a supplement to their major money income crop of cotton or tobacco probably would vote quite differently in a separate and independent referendum on marketing quotas for feed grains. And the smaller the favorable vote in these States the larger the favorable vote that would be required in the surplus producing areas to achieve a national two-thirds majority favorable vote.

In the important cotton, tobacco, and peanut growing States, excluding Missouri, an estimated 292,000 farmers produce over 25 acres of feed grains. In these same States there are approximately 500,000 cotton producers with allotments of over 5 acres, 270,000 tobacco producers with allotments of over 1 acre, and 45,000 peanut growers with allotments of over 10 acres. In view of the large number of cotton and tobacco producers in relation to the 292,000 feed grain growers, it is highly probable that most of the feed grain producers in these States also produce either cotton or tobacco.

Since most of these States utilize more feed grains than they produce, and many of the producers buy additional feed grains, it is doubtful that they would approve marketing quotas on feed grains by as much as a two-thirds majority. Because of their regional economic interest, it is unlikely that they would approve marketing quotas in larger numbers even after intensive educational programs. Even though marketing quotas were approved by a substantial proportion of these producers the first year it is probable the favorable votes would decline in subsequent referendums.

If each of these producers were required in one vote either to approve or to disapprove of marketing quotas on all quota crops on the farm, however, feed grain marketing quotas would receive many more favorable votes in the Southern States than otherwise.

PROBABLE SMALL FAVORABLE VOTE IN DAIRY AREA

Feed grain producers in the surplus areas would not be as dependent on a large favorable vote in the Southern States except for the lack of support in the dairy area.

There are about 215,000 producers growing more than 25 acres of feed grains in the States beginning with Wisconsin on the West, including Michigan, Ohio, Pennsylvania, New Jersey, New York, and the New England States. All reports indicate that fewer than a majority of these producers will favor marketing quotas for feed grains.

SOME POSSIBILITIES

If 50 percent of the eligible feed grain producers in the southern and dairy area States approved a referendum on marketing quotas for feed grains, a 77 percent favorable vote would be required in the Corn Belt and wheat areas to achieve a national two-thirds favorable vote. This possibility seems to me to be slight.

If 60 percent of those eligible to vote in these two feed deficit areas approved marketing quotas, a 71 percent favorable vote would be required in the Corn Belt and wheat areas to achieve a two-thirds favorable majority of all producers.

If, however, no more than 40 percent of the eligible producers in the deficit feed producing States of the South and in the dairy area approved marketing quotas on feed grains—a distinct possibility in view of their regional economic interests—84 percent of those in the Corn Belt and wheat areas would have to approve quotas to achieve a two-thirds majority for the entire country.

SIMULTANEOUS REFERENDUMS ON FEED GRAINS, WHEAT, AND COTTON NEEDED

In view of the above facts, it appears that if a mandatory feed grain program is to be successful over a period of years with a majority of two-thirds of the eligible producers approving marketing quotas, simultaneous referendums should be arranged for at least the three major crops—feed grains, wheat, and cotton—with each farmer casting one vote either for or against marketing quotas on all quota crops on the farm.

DAIRY SURPLUS REDUCTION AMENDMENT

Mr. President, finally, I submit for printing under the rule an amendment to provide for a reduction in the dairy surplus by permitting dairy farmers to reduce production 10 to 25 percent, or 30,000 pounds, whichever is greater, in return for which the farmers would receive $2.50 per hundredweight. This is also incorporated in my main dairy income improvement amendment. However, in the event the other dairy amendment is not agreed to, I expect to offer this more modest amendment. The House already has included such a provision in the bill.

This proposal could save money for the Treasury. It could reduce the cost of the farm program, because for every hundredweight cut back the Federal Government would save $2. This would be true because it costs the Federal Government $4.50 to acquire each hundredweight of milk. If a hundredweight is not produced, the Government can pay $2.50 and save $2.

Mr. President, I submit the amendment, and I yield the floor.

The **PRESIDING OFFICER** (Mr. HICKEY in the chair). The amendment will be received and printed, and will lie on the table.

INTERNATIONAL CASTINGS WEEK

Mr. DIRKSEN. Mr. President, on May 17, 1962, the Senate passed Senate Joint Resolution 149, which authorizes the President of the United States to designate the week of May 6, 1962, as International Castings Week. Inasmuch as that date has already passed, I ask unanimous consent that the joint resolution may now be reconsidered, so that I may offer an amendment to it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I now ask that the joint resolution be amended to read "The week of June 25, 1962."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 149) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Whereas the Twenty-ninth International Foundry Congress will convene May 7 through 11, 1962, in Cobo Hall at Detroit, Michigan; and

Whereas this International Foundry Congress will be attended by thousands of the leading metallurgists, technologists, engineers, and operating managers of cast metals plants in the United States and Canada, and in more than forty-eight other countries throughout the world; and

Whereas this international event is sponsored annually by the International Committee of Foundry Technical Associations, comprising the nonpolitical technical foundry associations of the following twenty-two countries: Austria, Belgium, Czechoslovakia, Denmark, Finland, France, Germany, Great Britain, Hungary, India, Israel, Italy, Japan, Yugoslavia, the Netherlands, Norway, Poland, Russia, Spain, Sweden, Switzerland, and the United States; and

Whereas the American hosts at this 1962 International Congress will be the American Foundrymen's Society and the National Castings Council, together comprising eleven major associations serving small, medium size, and the largest plants of the American castings industry; and

Whereas metal castings are essential engineering materials for the products of industry, the military, the space age, and all civilized nations; and

Whereas the importance of the metal castings industry has long been recognized by many United States governmental services, among them the Department of State, Department of Commerce, Department of Labor, Department of the Navy, Department of the Army, Department of Defense, Department of the Treasury, Atomic Energy Commission, Central Intelligence Agency, International Cooperation Administration, and Smithsonian Institution; and

Whereas it is fitting to recognize this event which will contribute to the principle of free and cooperative interchange of technical information between all nations in the interest of self-development and peace: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be requested to designate the week of June 25, 1962, as "International Castings Week" in recognition of the Twenty-ninth International Foundry Congress and its theme of "Castings Technology for World Progress."

The title was amended, so as to read: "Joint resolution authorizing the President of the United States to designate the week of June 25, 1962, as 'International Castings Week'."

ORDER FOR ADJOURNMENT

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Has an order for adjournment been entered?

The PRESIDING OFFICER. No.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today it stand in adjournment to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED WITHHOLDING ON TAXES OWED ON DIVIDENDS AND INTEREST INCOME

Mr. DOUGLAS. Mr. President, last week I reported that I had received approximately 50,000 communications from my State in opposition to the method of collecting the income taxes already owed on dividends and interest by withholding a basic 20 percent at the source. I report today that the deluge of mail still continues.

I believe the vast proportion of the people who write these letters are misinformed about the nature of the problem and misinformed about the degree of difficulty which they would experience. So once again I take the opportunity of speaking about this subject not merely to the Senate, but also to the country through the medium of the CONGRESSIONAL RECORD.

AMOUNTS AVOIDED OR EVADED ARE HUGE

I do not believe the people generally realize the amount of money which is lost to the Treasury by reason of the failure of those who receive dividends and interest income fully to report the amounts which they receive. As we all know, there is a withholding tax imposed on wages and salaries, and the percentage of avoidance and evasion on this income because of the method of collection is very small indeed.

The Treasury has now issued revised estimates, taking account of all criticisms, with respect to the gap between the dividends and interest paid and the amounts which are reported by the recipients on their income tax returns.

For the year 1959 the gap is reported at $3.8 billion. The amount of taxes owed on the amount paid in dividends and interest, either evaded or avoided, is estimated at $880 million. The amount which it is estimated withholding would have collected is $700 million.

The estimate for 1960, which I hinted at in my statement of last week and which has now been confirmed, is that the gap between dividends and interest paid and the amounts reported on income tax returns came to $4.4 billion; and that the amount of taxes owed, either evaded or avoided, came to $1,040 million. The estimated amount which withholding would have collected is $830 million.

ABOUT $1,100 MILLION WILL BE LOST IN 1963

It is now estimated that for the year 1963 the gap will amount to between $4.9 billion and $5.2 billion; that the amount of taxes which will be owed and either evaded or avoided will come to $1,150 million; and that withholding would collect $910 million.

These are enormous sums. Because such large amounts are owed but not paid and because the tax is evaded or avoided, the burden upon those who pay their taxes becomes correspondingly heavier. I am frank to say that unless we close this great loophole or sluicehole any reduction in taxes sought by other portions of the tax bill really cannot be appreciable in amount. If withholding on taxes owed on dividends and interest income is killed, there will not be very much to share among other claimants for reduced taxation.

It will be virtually impossible then for the investment credit tax to go through. I am not very keen about that provision.

But even if we were not to have investment credit, we could not get any other reductions in the form of a decrease in the corporate tax, a decrease in the tax on small business, or a decrease in the excise taxes. So the very center of the tax bill is the question of withholding.

The Treasury's estimate that $1.1 billion in taxes already owed on income from dividends and interest in the calendar year 1963 will be evaded or avoided represents a scandalous situation.

COMMON MISCONCEPTIONS

I should like to emphasize that the Treasury's proposal to withhold the taxes already owed on dividends and interest income at the source is very simple.

First. It is not a new tax. I emphasize that point again. Although from one-third to one-half of the people who write me think it is a new tax, it is not a new tax. It is merely a better method of collecting an existing tax.

Second. It would not hurt the widows, orphans, low-income groups, or the old folks.

Third. It is not a tax on the principal or money in the savings account but only on the interest earned.

Fourth. The cost of administration would be very low.

Fifth. The Treasury's automatic data processing system is no substitute and would collect less, cost more, create more paperwork, and be far more burdensome.

Sixth. There is no reason why withholding should not go into effect.

WITHHOLDING IS TEST OF CONCERN FOR FISCAL SOUNDNESS

I am absolutely amazed that many of the same individuals and same groups who are constantly criticizing the size of our national debt, who are demanding that the budget be balanced, and who appeal for fiscal soundness are fighting this proposal.

The $1.1 billion in taxes avoided and the $900 million in taxes per year which withholding would collect may be small potatoes to them but it is a big amount to me.

The test of their real concern about fiscal soundness will come when we vote in the Finance Committee or on the floor of the Senate on the withholding provision.

AUTOMATIC DATA PROCESSING NO SUBSTITUTE

Before I go into the detailed program, let me say that some are alleging that the automatic data processing system should be used instead. But this would require every paying institution to send to the Treasury a record of almost every payment made. This would mean some 250 million additional reports per year.

Furthermore, automatic data processing would not collect the taxes owed. It would merely provide information to the Treasury. To collect the taxes which withholding would collect the Treasury would need to increase the number of their agents by 70 percent, and this would cost, with an average salary of $7,500, approximately $100 million a year.

To collect the taxes already owed on dividends and interest, automatic data processing would be more burdensome, would require more work, and would be many times more costly than the simple withholding proposal which many of those who are opposing it do not even understand.

Although these may seem somewhat repetitious, I wish to repeat again answers to some of the major misconceptions. Among these major misunderstandings are the following:

First. That this is a new tax. Of course this is not true. The taxes are now owed but $1.1 billion is escaping taxation.

Second. That it would hurt the widows, the orphans, the low-income groups, and the old folks.

Those under 18 would be exempt. Those who owe no tax would be exempt. Those who are overwithheld against—and this would be a very small relative number—could get quarterly refunds. This is a privilege which is four times better than that given to the 37 million wage and salaried people who are overwithheld against and must wait until the end of the year for their refunds.

Third. That it is a tax on the individuals, savings or principal rather than a tax on the interest or dividend.

This is not true. On a savings account of $100 with interest at 4 percent, the amount withheld would be 80 cents. That is 20 percent of $4. It would not be $20, as much of the information put out by the savings institutions have led people to believe.

Fourth. That it would cost too much to administer.

This is not true. It would cost the Treasury between 2 and 3 percent of the amount collected. It would cost the paying institutions about 30 cents per $100 withheld, or three-tenths of 1 percent.

Fifth. That the Treasury's automatic data processing system—ADP—would be an adequate substitute for withholding.

As I have said, This is not true. In the first place ADP would not go in effect fully until 1967. Between now and then some $4 billion in taxes owed would be lost. After that about $700 million a year would be lost, for ADP would collect, at best, only $200 to $250 million of the $900 million which would be collected by withholding.

Finally, ADP would merely provide information to the Treasury. It would not collect taxes. The paying institutions would have to provide the names, addresses, and amounts for 250 million payments. This would be much more paperwork for the institutions than would be required by withholding.

Of the 250 million reporting slips, the Treasury estimates that there would be about 15 million discrepancies when these were matched against the individual taxpayers' accounts.

Agents would then have to collect the amounts and check out the discrepancies. This would require an increase in the number of existing agents by about 70 percent.

Because of these facts, automatic data processing would cost more, recover less, and require more paperwork than would the very simple method of withholding proposed in the Treasury's bill.

There has been so much misinformation about the proposal to withhold at the source on dividends and interest that with the help of my administrative assistant, Mr. Shuman, I have prepared a question and answer sheet on this subject.

This answers in detail some of the major misunderstandings about withholding.

Mr. President, as I have prepared a sort of catechism on withholding, I shall ask myself a series of questions and then answer them.

WITHHOLDING ON DIVIDENDS AND INTEREST AT THE SOURCE—IS IT A NEW TAX?

Question: Is this a new tax?

Answer: No. Taxes are already owed on income from dividends and interest. It is merely a better method of collection.

Question: Why do we need withholding?

Answer: Because so many people are not paying the taxes they owe on interest and dividend income.

Question: How much is this?

Answer: The Treasury calculations show that the gap between dividends and interest paid out in the United States and the amounts which appear on income tax returns was about $3.8 billion in 1959, and is estimated at $4.4 billion for 1960 and between $4.9 and $5.2 billion in 1963.

Question: What is wrong about this?

Answer: This is tax evasion or avoidance. People who actually pay their taxes have higher taxes than they would have if those who evade or avoid them paid their taxes.

Question: How much revenue does the Treasury lose because of this?

Answer: In 1959 they lost about $880 million. In 1960, over $1.0 billion. For 1963 the estimate is $1.15 billion.

Question: Would withholding on dividends and interest at the source help?

Answer: Yes, it would. It would collect 80 percent or more of the taxes now evaded or avoided. In fact, the Treasury has furnished me with the following information about this:

Mr. President, I ask unanimous consent that a brief table, the substance of which I have already given, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Gap between dividends and interest paid and amounts reported on income tax returns	Amount of taxes owed on these amounts which are evaded or avoided	Amount which withholding would collect
	Billions	*Billions*	*Millions*
1959	$3.8	$0.880	$700
1960	4.4	1.040	830
1963 (estimate)	$4.9–5.2	1.150	910

Mr. DOUGLAS. Mr. President, I continue the questions and answers:

EXEMPTION CERTIFICATE, WIDOWS, ORPHANS, OLD FOLKS, LOW-INCOME GROUPS

Question: Would this system penalize the widows, orphans, the old folks, and low-income groups?

Answer: No. The proposal would provide exemptions from withholding for these groups if they owed no tax.

Question: How would it work for children?

Answer: Any child under 18 would be exempt from withholding merely by certifying to the paying institution that the child was under 18.

Question: What about those over 18?

Answer: Any person over 18 who "reasonably expects" to have no tax liability would also become exempt merely by filing a statement with the paying institution to that effect.

Question: Does this include those over 65?

Answer: Of course. Anyone over 18—including those over 65—could get an exemption if he owed no tax.

Question: How would one file the exemption certificate?

Answer: He files it with the paying institution—the bank, the savings and loan or building association, or the company paying dividends.

Question: What will the form say?

Answer: It will be an affidavit on which the person merely says that he "reasonably expects" not to be liable for taxes on these amounts.

Question: Will the exemption be permanent?

Answer: The Treasury is recommending that it be made permanent so that the individual need not file again in the second or third year. Of course, if his tax status changes and he becomes taxable, he could no longer claim exemption.

SPECIAL TAX PROVISIONS FOR OLD PEOPLE

Question: Do not older people now have a number of tax privileges in the law which mean that they have to have considerably more income than those under 65 before they owe any tax at all?

Answer: That is correct, and this means that virtually all the low-income older people would be exempt entirely from withholding.

Question: What are these provisions now in the law which reduce the taxes of older people?

Answer: There are many of them.

Question: Would you be specific?

Answer: Yes. First of all, when one reaches age 65, the $600 exemption per person is doubled. Thus, a couple both over 65 would receive four $600 exemptions instead of two, and their total exemption on this score alone would be $2,400 instead of $1,200.

Question: Do they still receive the standard 10-percent deduction?

Answer: Yes, they do. They can subtract 10 percent of their adjusted gross income or a larger amount if they itemize their deductions.

Question: What about pensions and retirement income?

Answer: As you know, social security payments and railroad retirement payments are already tax exempt. In addition there is a "retirement income credit" for other retirement income.

Question: What does this include?

Answer: It includes income from other pension, interest, dividends, rent, and royalties.

Question: How much is the retirement income credit?

Answer: It amounts to 20 percent of retirement income up to $240 in taxes per person.

Question: Is this a deduction or a credit against the actual tax owed?

Answer: This is a tax credit. If an individual's taxes were $240 he could then apply the retirement income credit against this amount and he would owe no taxes at all.

Question: Does this apply to both man and wife?

Answer: Yes, it does, provided the wife's income is from these sources.

Question: This could mean a double credit or a total of $480?

Answer: That is correct; and this is equal to a deduction of another $2,400.

Question: What about other tax credits or deductions allowed in the law? Do the older people also get to take advantage of these?

Answer: They certainly do. In the case of dividends received, there is an initial deduction or exclusion of $100 per couple—$50 apiece—from gross income. Then there is a 4-percent tax credit of 4 percent of the dividends—up to a total of 4 percent of taxable income.

Question: Then a retired couple over 65 with all their income from dividends and interest would need a sizable income before they were taxable at all?

Note this, Mr. President,

Answer: Yes. They could get $6,100 in dividends or $5,333 in interest before they owed any tax whatsoever.

Question: Then withholding would not affect very many old people?

Answer: Not at all. Most of them would be exempt.

Question: How many would be exempt?

Answer: Approximately 75 to 80 percent.

Question: What proof do you have for making that statement?

Answer: Treasury figures show that of the approximately 15 million persons aged 65 or over in this country only a little over 3 million are subject or liable for any Federal income tax.

WHAT ABOUT MEDICAL EXPENSE DEDUCTIONS?

Question: When one is over 65, cannot medical expenses be deducted from one's income?

Answer: Yes. The medical expenses can be itemized. The 3-percent limitation which applies to those under 65 does not apply here.

Question: What is the 3-percent limitation for those under 65?

Answer: They can only deduct medical expenses if they exceed 3 percent of the taxpayer's adjusted gross income, and they can deduct only those expenses which exceed this 3 percent.

Question: What is the rule, then, for those over 65?

Answer: If either the taxpayer or his spouse is over 65, the 3-percent limitation does not apply. He can deduct the medical expenses for himself and for his spouse and his father and mother, including of course the amounts paid for medical insurance.

Question: Is there an upper limit to these medical deductions?

Answer: Yes. It amounts to $5,000 for a single taxpayer and $10,000 for those filing joint returns or returns as head of a household.

Question: What if they are disabled?

Answer: The limit is raised. If one person is 65 or over and disabled, the upper limit is $15,000. If both are 65 and over and disabled, the upper limit is doubled and would be $30,000.

These medical expenses, if incurred, are in addition to all the other deductions which I have mentioned.

Question: Who is considered to be disabled?

Answer: Under the law anyone is considered to be disabled for tax purposes if he is unable to engage in substantial gainful activity because of a mental or physical impairment.

Question: What proportion of the medical expenses of the aged is deducted?

Answer: In the latest year for which the figures were analyzed, about 90 percent of the medical expenses of those over 65 who itemized their deductions were deducted.

Question: How does this compare with those under 65?

Answer: Only about 65 percent of the medical expenses were deducted by those taxpayers under 65 who itemized their deductions.

COST OF ANTIWITHHOLDING CAMPAIGN

Question: Are not some of the savings institutions fighting this withholding provision very hard?

Answer: Yes. I have received about 50,000 letters and cards in a 3- or 4-week period opposing it.

These protests are still pouring in.

Question: Is this an inspired campaign?

Answer: It certainly is. Many letters say the savings institution told them to write. Others include the letter or literature the savings institutions have sent out to them. Some say they have received four or five letters from institutions urging them to write to me. I have collected many examples of full-page ads opposing withholding.

Question: Is not this campaign costly to the savings institutions?

Answer: Of course it is. It take a 4-cent stamp for each letter to hundreds of members of the institutions. In my judgment it is costing some of these institutions more than the administrative cost of withholding would be for 3 or 4 years in the future.

MISINFORMATION

Question: Are the letters you have received well informed?

Answer: No. From one-third to one-half of those who give a reason for their opposition to withholding believe this is a new tax.

Question: This would tend to show that many of these people probably do not now pay the taxes they owe if they think this is a new tax?

Answer: That is correct. In itself it shows why we need to withhold at the source on these amounts.

I do not know of any stronger argument, really, than that so large a proportion of the protestants on this issue think it is not taxed, which is in itself a confession that they have not paid the tax in the past.

Question: Is there other misinformation in these letters?

Answer: Yes. Many have been misled to think it will hurt the old people, or the children, or the orphans, or the widows, or the low-income groups, all of whom would be exempt if they owed no tax.

Mr. President, it is extraordinary how widows and orphans always appear in these piteous appeals, as do the low-income groups, all of whom would be exempt if they paid no tax.

Question: Do some think the 20-percent tax is 20 percent of the savings instead of merely 20 percent of the interest on their savings?

Answer: Yes. As you know, the tax already owed and which would be collected is only 20 percent of the interest or dividend paid, not 20 percent of the principal.

That is the third time that I have said this, but it is necessary to say it over and over and over again.

Question: Can you give an example?

Answer: Yes. If a person has $100 in a savings account and receives interest at 4 percent, he would receive $4 interest. The withholding would be only 20 percent of the $4 or 80 cents, not 20 percent of $100 or $20.

FARFETCHED EXAMPLES

Question: Some of the examples that have been used about how people might suffer from withholding are pretty farfetched?

Answer: Yes. We have been told over and over again how a retired couple, both over 65, receiving $5,000 a year in income from dividends, would be overwithheld against.

Question: Is this true?

Answer: No. As I pointed out, a married couple, both over age 65, receiving their total income from dividends would have to receive about $6,100 before they were subject to any tax. They would be exempt.

Question: A couple with $5,000 in dividends a year would not exactly be paupers in any event, would they?

Answer: No. With a 4-percent return they would have an investment of about $125,000. I doubt that anyone with investments of that amount would be harmed by withholding even if he were not exempt.

They tend to be exempt if they are married.

Question: But in this case, withholding would not even apply to them?

Answer: That is correct. They would not even come under the withholding provisions.

WAGE AND SALARY WITHHOLDING

Question: How would withholding on dividends and interest compare with withholding on wages and salaries?

Answer: Some 60 million people are now withheld against on their wages and salaries.

Question: How many would be withheld against on dividends and interest?

Answer: The Treasury estimates about 22 million people.

Question: Are many wage and salaried people overwithheld against?

Answer: Yes. About 37 million or over 60 percent of the total are overwithheld against.

Question: How many would be overwithheld against under dividend and interest withholding?

Answer: About 2 million altogether, or 10 percent compared with 60 percent under wage and salary withholding.

Question: What proportion of these would have large amounts overwithheld?

Answer: Only about 1 million of the 2 million who were overwithheld against under dividend and interest withholding would have more than $10 of overwithholding per year, and they could receive quarterly refunds. That is $2.50 a quarter, or a monthly amount of 83⅓ cents.

QUARTERLY REFUNDS

Question: Could they get refunds?

Answer: Yes; they could, and they could get them quarterly.

Question: How?

Answer: Those who are overwithheld against in the amount of $10 or more per year could apply in the first quarter for a refund to the District Internal Revenue office.

Question: Where would they get the refund forms?

Answer: The Treasury plans to distribute these as widely as possible. They plan to make them available at the offices of the Internal Revenue Service, at post offices, at banks, and at savings and loan, and other savings institutions.

Question: How long would it take for them to get their money?

Answer: About 3 to 4 weeks. That is the time required for the 37 million cases of overwithholding for wages and salaries.

Question: What about the other quarters?

Answer: In the second and third quarters, the Treasury would send the individual the form. It would be automatic and he would not forget to apply.

Question: What about the fourth quarter?

Answer: If he had money coming back, he merely would file his yearly income tax return as soon after January 1 as he wanted to and would get a check in 3 to 4 weeks.

Question: Would this continue in the following year?

Answer: The Treasury is proposing that the refund procedure be the same in the following years. The exemption certificates would be permanent.

Question: Do wage and salaried people get a quarterly refund?

Answer: No, they do not. They get it only once a year.

Question: Then the procedure for refunds for dividend and interest is better than for those on wages and salaries?

Answer: Four times better. Perhaps I should say four times easier. They would get preferential treatment.

Question: If the wage and salaried person is subject to withholding, why should it not apply to income from dividends and interest?

Answer: There is no just reason why the taxes now owed on dividend and interest income should not be subject to withholding just as the basic tax on income from wages and salaries is withheld.

Question: In fact, does this not make it easier rather than more difficult for the honest taxpayer?

Answer: Yes. Often people spend their income when they receive it and then have to borrow money to pay their taxes at the end of the year. The pay-as-you-go principle is certainly more convenient for most people. It would be more convenient on dividends and interest than on wages and salaries.

FARMERS' REFUNDS

Question: Do not farmers who buy gasoline and pay the Federal tax get a refund?

Answer: They do, if they use the gasoline and oil in their tractors or other farm machinery.

Question: How many of these refunds are there a year?

Answer: About 1 million.

Question: Have these people been inconvenienced or have they complained about this procedure?

Answer: Not to my knowledge. They get it quickly and have made no or few complaints.

Question: The number of refunds under dividend and interest withholding would be about the same number, would it not?

Answer: Yes. And after it was in effect, there would be few complaints about it.

Question: And what about the 37 million people who get refunds from wage and salary withholding?

Answer: They have certainly not complained to any extent. I do not believe I have received a single letter this entire year from anyone who has complained about this.

ADMINISTRATIVE COST SMALL

Question: Would it not cost more to collect the $900 million by withholding than it would be worth?

Answer: No. The Treasury estimates it would cost about $20 million to collect the $900 million or between 2 and 3 percent of the amount collected.

Question: But would it not cost the banks and savings institutions too much to withhold?

Answer: No. The best estimates, which were given by private bankers in our hearings, were that it would cost the savings institutions about 30 cents for each $100 of taxes withheld, and the taxes paid, of course, are only one-fifth of the amount of income received, or about three-tenths of 1 percent after the system was in effect.

MIGHT COST LESS THAN PRESENT EDUCATIONAL CAMPAIGN

Question: Some of the savings institutions say that their present system of informing their members that they actually owe taxes on dividends and interest is enough. They say that the present educational campaign will collect much of the $1.1 billion which will be lost.

Answer: Well, this campaign has been going on for some time and the results have been nil. In fact, the gap between the amount of dividends and interest paid out in the United States and the amount reported on income tax returns has been growing, rather than decreasing.

Question: If we had withholding this cost would be cut out?

Answer: Yes; it would. And even if institutions felt they should inform their members about how much they withheld—and that is not required by law—this would cost no more than the present ineffective educational campaign.

PROCEDURE FOR PAYING INSTITUTION SIMPLE

Question: Would not withholding mean a lot of extra work for the paying institution?

Answer: No.

Question: Why?

Answer: In the first place the savings institution would merely send 20 percent of the total amounts of dividends and interest withheld to the Treasury.

Question: Would they not have to list each person by name, address, and the amount withheld?

Answer: No. No names. No addresses. No individual amounts. If a company paid out $100,000 in dividends, it would merely send a check for 20 percent to the Treasury.

Question: What about posting the interest to the account of the individual saver? Would that not be troublesome?

Answer: No. The savings institutions would merely credit the savers account with 80 percent of the interest earned.

Question: So if a person earned $1 merely credit his account with 80 cents? Is that correct?

Answer: Yes; there would only be one posting, as there is now one posting—and this is done by machine.

Question: The cost to the institution would be small?

Answer: Yes. About 30 cents for each $100 of taxes withheld even if they performed other services in connection with the withholding.

SIMPLE GROSS UP PROCEDURE FOR TAXPAYER

Question: Would the paying institution have to send a notice to the individual giving the amount it withheld?

Answer: No. They might do this as a service but they would not be required to do it.

Question: Why not?

Answer: Because on the yearly income tax form there would be a new space which would make it possible for the taxpayer to compute the amount withheld without actually receiving a notice from the paying institution.

Question: How would this work?

Answer: Let us take an example of a person who earned $100 of interest from a bank. The bank, of course, would credit his account in the amount of $80.

Question: Is he now required to report the income he receives from dividends and interest?

Answer: Yes.

Question: Then would it be a new requirement that he list such income on his tax return?

Answer: No. He is required by law to do it now.

Question: How would he do it under withholding?

Answer: First he would enter $80 in the appropriate space on the tax return. On the next line he would take 25 percent or one-quarter of the $80. This would be $20 or the amount withheld.

Question: You mean he—the taxpayer—could compute the amount withheld actually being told the amount by the bank?

Answer: Yes. Merely by taking 25 percent of the amount he received from the bank he would find out the amount withheld. That is, 20 percent of the total amount of dividends and would equal 25 percent of the 80 percent distributed to the individual.

Question: Then he would know the amount received—$80—and the amount withheld—$20?

Answer: Yes.

Question: What would he do next?

Answer: He would include the $100 in the amount of income he received in that year along with the other income he had from salary, wages, et cetera.

Question: Would he get credit for the $20 withheld?

Answer: Yes. He would enter the $20 in the space already provided on the tax form for the amounts withheld from his wage, salary, interest, dividends, et cetera.

Question: What would this new space on his income tax return look like?

Answer: In the example I have given it would look like this:

Line 1. Enter amount received from dividends and interest	$80
Line 2. Take 25 percent or one-quarter of amount on line 1	20
Line 3. Add lines 1 and 2, total	100

Question: That seems simple enough.

Answer: It is simple and would make it unnecessary for the paying institutions to provide any information in addition to that they now provide.

WHY AUTOMATIC DATA PROCESSING WOULD BE NO SUBSTITUTE FOR WITHHOLDING

Question: Would not the new automatic data processing system of the Treasury be an adequate substitute for withholding?

Answer: No it would certainly not be.

Question: Why not?

Answer: In the first place, it will not come into effect fully until 1967. Even then it would collect only about $200 to $250 million of the $900 million which withholding would collect.

Question: Would this $900 million per year be lost to the Treasury in the meantime?

Answer: Yes; much of it would be. In fact, between now and 1967 the Treasury would lose about $4 billion in revenues which are owed if we relied on automatic data processing as a substitute for withholding.

Question: Would automatic data processing simplify procedures for the savings institutions?

Answer: No; not in the area of dividend and interest payments.

Question: Why not?

Answer: The savings institutions would have to report the amounts paid by them to their members, which they would not have to do under withholding.

Question: How much paperwork would be involved?

Answer: The institutions would send about 250 million different reporting slips to the Treasury each year with names, addresses, account numbers and the amounts withheld.

Question: What would the Treasury do with them?

Answer: The Treasury would then have to match them against each and every taxpayer's account.

Question: What would this show?

Answer: It would give about 15 million discrepancies which the Treasury agents would have to check out.

Question: Then automatic data processing would give information to the Treasury, but it would not collect the taxes?

Answer: Right.

Question: Would the Treasury need new agents to collect the amounts owed?

Answer: It most certainly would. It would need to increase its agents by about 70 percent, just to do this job alone—or a total—to collect as much as under withholding—of about 13,000 new agents. Mr. President, we can imagine the resentment which would be created when all those new agents began to call on the people, to make the collections.

Question: Would not the reporting requirements for savings institutions be greater if automatic data processing were used, instead of withholding?

Answer: Certainly. The paperwork would be many times as great for the paying institution.

Question: Would not Congress have to provide money for the new agents?

Answer: It certainly would; and in the past the Congress has been very reluctant to add anything like the number of new agents the Treasury has said it needed.

WITHHOLDING IS TEST OF TAX REFORM

Mr. President, this is one of the most important issues now before the Senate and the country. I hope Senators and the press and the public will inform themselves on the real situation. This is really the Rubicon. If we do not cross this Rubicon, we shall not collect much added revenue; we shall have very little to distribute in the form of decreased taxes; and any hope for a more comprehensive tax reform and loophole closing bill for next year will go down the drain.

How can we plug the other loopholes if we cannot put into effect a system which merely will mean that those who already owe taxes will pay them? This is the easiest of all methods.

APPROPRIATION FOR SURVEY AND STUDY FOR PROPOSED TRI-CITY OUTER HARBOR AND DEEPWATER PORT IN LAKE COUNTY, IND.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I made before the Appropriations Committee's Subcommittee on Public Works. My statement is in support of the appropriation of a Corps of Engineers survey and study of the proposed tri-city outer harbor and deepwater port in Lake County, Ind.

In brief, the statement shows that I am not opposed to a fifth port for Indiana. I do not want to have the Indiana Dunes destroyed, in the process of building a port, in Indiana, which would bring in its wake two giant steel mills; but I believe the proper location for a port in Indiana would be in Lake County, Ind., which already is heavily industrialized. The detailed plan for the tri-city port is also endorsed by the mayors of Lake County, Ind.; by the Chamber of Commerce of Hammond, Ind.; and by many leading citizens. I do not know why most of the Indiana politicians insist on destroying their most beautiful natural area—the dunes—when the port and the steel mills can be located elsewhere in Indiana.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAUL H. DOUGLAS, OF ILLINOIS, IN SUPPORT OF THE APPROPRIATION FOR A CORPS OF ENGINEERS SURVEY AND STUDY OF THE PROPOSED TRI-CITY OUTER HARBOR AND DEEPWATER PORT IN LAKE COUNTY, IND., PRESENTED TO THE SUBCOMMITTEE ON PUBLIC WORKS OF THE COMMITTEE ON APPROPRIATIONS, U.S. SENATE, MAY 18

Mr. Chairman, I am grateful to you and the members of your subcommittee for this opportunity to express my support of Congressman MADDEN's request for an appropriation of $150,000 to initiate a Corps of Engineers survey and study of the proposed deep water harbor and port in Lake County, Ind. This appropriation was authorized by resolution of the House Committee on Public Works on August 24, 1961.

Inasmuch as it may appear somewhat unusual for a Senator to appear in support of

Federal assistance for a harbor to be located in a State other than his own, I wish first to make very clear why I am interested in this study and this proposed harbor.

In 1956, I was approached by a group of Indiana citizens who asked me to assist them in the effort they had been waging some 8 years to save from destruction the remaining unspoiled sections of the Indiana Dunes. The Indiana Dunes are located along the southern shore of Lake Michigan in northern Indiana about 40 miles from the center of Chicago. This is an area of beautiful long beaches, rolling sand dunes, warm and clean lake water, and a back-country containing an amazing variety of plant and bird life. In short, it is a wonderland of recreational and scientific beauties, much used by citizens of the Midwest, particularly those 7.5 million people of three States who are within an hour's travel time of the dunes. Forty years ago the entire 25 miles of shoreline running from Michigan City to Gary, Ind., was an undeveloped natural wilderness. But in succeeding decades some scattered industry and a few small communities crept in, until today only about 5 miles of unspoiled shoreline and a few thousand acres of undeveloped dunesland remain.

Pending commercial and industrial threats to these few remaining miles of beauty caused these Indiana citizens to establish the Save the Dunes Council in 1952, and it was representatives of this group who asked me to help them. At first, I refused, because I was not an Indiana Congressman, but I asked the senior Senator from Indiana if he would help to save this priceless heritage in his State. But he would not. After exhausting without success all possible means of securing leadership from Indiana Senators for saving the dunes, I finally agreed to assist in this effort. In 1958 I introduced a bill to preserve the remaining unspoiled portions of the area in a national monument. This bill has evolved to the present S. 1797, to create a 9,000-acre Indiana Dunes National Lakeshore, introduced by Senators GRUENING, MOSS, METCALF, LONG (Hawaii), HUMPHREY, and NEUBERGER, and by me.

S. 1797 is now before the Public Lands Subcommittee of the Senate Interior Committee, 3 days of hearings having been held in February. President Kennedy, in his conservation message of March 1, recommended enactment of legislation to create a national lakeshore park in northern Indiana. The National Park Service and the Department of the Interior have strongly endorsed S. 1797. In its letter of March 19, the Bureau of the Budget announced its agreement with the Department of the Interior views on this legislation, and reported S. 1797 as in accord with the program of the President.

The relationship of the question of the fate of the Indiana Dunes to this appropriation for study of a tri-city harbor is this: the chief threat to the dunes is the proposal to construct a federally assisted deepwater harbor and port near Burns ditch in Porter County, Ind. The proposed site for such a harbor is roughly 1 mile east of the small drainage channel known as Burns Ditch, and exactly upon the central and one of the most beautiful remaining unspoiled sections of the dunes which would be preserved under S. 1797. Location here of a harbor and port and the required steel mills and other industries would directly destroy a key section of the dunes. Moreover, the pollution of air and water resulting from heavy industry in the center of the dunes would destroy, in a few years, the recreational and scientific values of the rest of the dunes from Gary to Michigan City, including the existing small State park several miles east of the proposed Burns Ditch harbor site.

Carl Sandburg has succinctly made the point I wish to present to you: "The Indiana Dunes are to the Midwest what the Grand Canyon is to Arizona and Yosemite to California, they constitute a signature of time and eternity, once lost, their loss would be irrevocable."

Once destroyed, the dunes and their wonderful beaches and recreation areas can never be re-created. It is this elemental fact that has led me and others who wish to save the dunes to suggest that Indiana's port can be located elsewhere, and that sites other than the one which will result in destroying the dunes should be studied.

I wish to make it very clear that I do not oppose Indiana having a new harbor and port if it can be justified economically. I have repeatedly stated that I do not oppose a new Indiana port, but I do strongly oppose unwarranted destruction of the Indiana Dunes when it is certain that alternative sites exist, in Indiana, for the port. At least three alternatives exist: the tri-city proposal, deepening of the existing Michigan City harbor, and construction of a ship channel inland in Porter or Lake Counties such as was done so successfully for Houston, Tex.

The tri-city proposal appears to be the best of the alternatives. Indeed, from present evidence the tri-city proposal appears vastly superior to the Burns Ditch proposal, and it is inconceivable to me that any Indiana official who seeks to represent the general interests of his State would oppose a survey and study of its merits.

It would be a crime against the Indiana Dunes and against the economic welfare of the State of Indiana to proceed with the Burns Ditch Harbor before a thorough study is made of the tri-city harbor proposal. I might add, Mr. Chairman, that the present report of the Corps of Engineers stating that the Burns Ditch Harbor is economically feasible is so deficient that I believe it will be impossible for the committees of Congress conscientiously to authorize, much less appropriate, any Federal assistance. This is not the appropriate time to discuss this matter, of course, but I may say that the reported benefit/cost ratio for Burns Ditch of 1.5 to 1 has been shown by authoritative engineering studies to be actually only 0.5 to 1. I shall prove this at a later date, but I merely wish to point out that even aside from the question of preserving the dunes, if the officials of Indiana want a new harbor for their State they will be doing their State a disservice if they fail to give urgent and full support to this study appropriation.

Mr. Chairman, the Indiana outer harbor would be created, as you know, by extending the existing Lake County breakwater of 1.7 miles an additional 4 miles to join the existing Calumet Harbor and Indiana Harbor breakwaters. Inside this breakwater about 3,000 feet back and running parallel to it there would be constructed a bulkhead 33,750 feet long, thus creating a harbor 3,000 feet wide and about 5.7 miles long. By filling in between the bulkhead and the existing shoreline about 4,800 acres of new land would be created for industrial and terminal use.

Mr. Chairman, because some fantastic assertions about the feasibility and cost of this proposal have been given out, I think it is important to call your attention to the fact that a private and authoritative engineering study has already been made of this proposal. A few years ago some eight companies doing business in the Lake County, Ind., area, sponsored a preliminary study of this proposal by the New York City engineering firm of Parsons, Brinkerhoff, Hall & Macdonald (now Parsons, Brinkerhoff, Quade & Douglas).

This engineering firm's final report filed with the sponsoring companies in February 1958, gives these estimates of the cost of this project: "Construction of breakwater: $63 million to $75 million; construction of bulkhead: $5.5 million; land reclamation (4,800 acres) $116,160,000."

It is important to note, Mr. Chairman, that the Federal share in this project would be limited solely to the cost of constructing the breakwater, an estimated maximum of $75 million, plus an estimated total maintenance charge over 50 years of $10 million. The bulkhead, terminals, and land reclamation would be paid for by local interests, as is customary.

There is a fortunate circumstance with respect to the cost of creating the new land by filling in the lake along the shore. The Chicago sanitary district, as a result of dredging operations in the Cal-Sag Channel which leads directly into the proposed outer harbor, will have available an estimated 20 million cubic yards of fill. The sanitary district has been seeking some way to dispose of this material dredged up from the channel because its accumulation along the banks of the channel obstructs the use of them for industrial purposes. Therefore it is quite possible the sanitary district will give this fill at little or no charge for construction of the new land along the lake shore. This should reduce substantially the cost of the new land. I have discussed this matter with officials of the sanitary district and find them favorable to the idea.

One more thing about the Parsons, Brinkerhoff, et al. study of the tri-city harbor proposal. This report says that a thorough economic study of the proposal can be completed in 9 months. In view of this estimate which seems to be in conflict with the Corps of Engineers' statement that their study would take 3 years, I respectfully request that your committee consider the possibility of providing this year more than the presently considered one-third ($50,000) of the authorized study funds. I think that all those who are in good faith seeking the best place for an Indiana deepwater harbor would be in favor of as rapid progress in this study as possible. I want to make it very clear that I do not oppose Indiana's having a federally assisted harbor, nor do I want to delay the progress of such a harbor; I do want to preserve the remaining unspoiled sections of the Indiana Dunes.

The potentialities for the tri-city harbor are magnificent. I will not take your committee's time to review the attributes of this tri-city harbor proposal, inasmuch as Congressman RAY MADDEN, of the First District of Indiana, has already submitted or will do so, the detailed testimony and justifications reflecting the almost unanimous support of this appropriation by private and public groups in Lake County, Ind.

But I would like to point this out, Mr. Chairman. This proposed tri-city harbor is superior in every way to the Burns Ditch Harbor proposal: It has vigorous and more varied local support from business and government; it offers a much larger harbor in an already industralized area; it would provide as much or more land for extensive industrial building; it would have access from Lake Michigan by the largest vessels which now or in the future will operate on the Great Lakes; it would provide convenient access to and from the inland waterway system by barges without the necessity of open lake navigation; it would be in a location already extensively served by rail and highway transportation systems, including 12 available railroads.

The two things a tri-city harbor would not do that a Burns Ditch Harbor would are: (1) It would not build at Federal expense a harbor for which 90 percent of the benefits would go to one steel company; and (2) it would not provide the enormous profits expected by land speculators in the Burns Ditch area.

> But primarily, Mr. Chairman, a tri-city harbor would give Indiana a new deepwater harbor, and would still preserve the most remarkable gift of nature possessed by that State, and indeed, by the Midwest. I deeply hope that your committee will approve this appropriation item. It is justified on its own, but it is made mandatory by the threat to the dunes.

PROPOSED REVISION OF IMMIGRATION AND NATURALIZATION ACT OF 1952

Mr. HART. Mr. President, on March 21, 1962, 25 Senators joined me in the introduction of S. 3043, which provides for a complete revision of the national origins quota system of the Immigration and Naturalization Act of 1952. The introduction of S. 3043 has provided a much needed focal point for public consideration and discussion of our basic immigration policies. I am happy to say that the bill has stimulated much interest throughout the country and has generated widespread and thoughtful debate on a subject of vital concern and importance to the American Nation.

Copies of the bill with explanatory material are being circulated by the thousands by national organizations and local groups. Special conferences have been and are continuing to be called to discuss immigration revision. To date, I have participated in immigration and refugee conferences in New York, Philadelphia, and Kansas City. Similar meetings have been held and are in the planning stages in Los Angeles, Columbus, Ohio, Indianapolis, Indiana, Springfield, Ohio, and Boston. In addition, numbers of social agencies and religious groups have scheduled discussion of immigration reform as proposed in S. 3043 in their local, regional, and national meetings.

These demonstrations of interest in immigration reform throughout the Nation indicate clearly that Congress should prepare for consideration of immigration policy revision in the near future. Public discussion of S. 3043 has already crystallized support in several important sectors of the national community.

On April 14, 1962, Rabbi Maurice N. Eisendrath, president of the Union of American Hebrew Congregations, urged support of immigration reform as proposed in S. 3043 to a conference in Lakewood, N.J. Rabbi Eisendrath stated:

> In the coming weeks that struggle will enter a new phase in this country. We will be challenged to cleanse our American immigration laws of the stain of racism. How odd it is that, amidst the progress and ferment of recent years in tearing down racial barriers in education and housing and transportation, we have failed utterly to come to grips with our basic immigration law which has been correctly described as the most racist law in American history. It is based on the reprehensible national origins system which declares that some people are better, on racial grounds, than others. It is based on doctrines of racial supremacy which the people of the world deeply resent and which modern science has completely exploded. For our immigration policy is the face we present to the world. And, right now, it is a harsh, suspicious, patronizing, and supercilious face.
>
> In recent weeks a far-reaching, new proposal has been presented to the U.S. Congress by Senator PHILIP HART, of Michigan, and some 20 other Senators of both political parties. It would eliminate the national-origins quota system. It would restore our American humanitarian tradition of welcome and hospitality to the stranger. I call upon President Kennedy, who pledged himself before his election to basic liberalization of our immigration law, to throw the full weight of his prestige and moral leadership behind this effort. And please recall that both of our political parties and all three of our major faith groups in America have called for basic revision of the McCarran-Walter Immigration Act.
>
> Let our synagogues and churches alike, through effective social action now stimulate study, debate, and action on this vital issue in every community. For the stark truth is this: We cannot eliminate racism at home and continue to practice it, however subtly, abroad. We cannot dissociate ourselves from colonialism, as we are correctly seeking to do, until we dissociate ourselves from the smug and arrogant attitudes of superiority by which we draw invidious distinctions among the various colors, nations, and races of the world in our immigration quotas. And we cannot successfully compete with the Communists for the loyalties of the peoples of the world, until the United States stands before the world, as historically we always did, as a free nation of immigrants, a haven for the oppressed, an open society, generous and compassionate, which judges all human beings within and beyond our borders only on the basis of character and individual worth.

In a letter dated April 28, 1962, Bishop Edward E. Swanstrom, executive director of Catholic Relief Services of the National Catholic Welfare Conference, wrote me:

> I think you have already been given assurance that both of our organizations stand strongly behind S. 3043 and will do everything within our power to secure the grassroots support that it will undoubtedly require for passage.

On April 30, 1962, James MacCracken, director for immigration services, Church World Service, National Council of Churches of Christ in the United States of America wrote me:

> We are commending to interested Protestant church leaders across the United States the substance of S. 3043 for their study and possible active support.

Mr. President, I ask unanimous consent that the full text of Mr. MacCracken's letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST IN THE
UNITED STATES OF AMERICA,
CHURCH WORLD SERVICE,
New York, N.Y., April 30, 1962.

The Honorable PHILIP A. HART,
Senate Office Building,
Washington, D.C.

DEAR MR. SENATOR: My colleagues and I in Church World Service have been most impressed with your leadership action in introducing S. 3043 to rewrite the basic immigration statutes of our country. We have been interested in the interagency discussions which have led to many of the suggestions that found response in your proposed bill.

We are commending to interested Protestant church leaders across the United States the substance of S. 3043 for their study and possible active support. The National Council of Churches recently adopted a pronouncement calling for basic changes in our present law, most of which are spoken to in your proposed legislation.

When my denominational colleagues have had more opportunity to study your important proposals, I shall look forward to sharing with you their thinking.

Very sincerely,
JAMES MACCRACKEN,
Director, Immigration Services.

Mr. HART. Mr. President, editorial support for S. 3043 came from the Washington Post and Times Herald on March 26, 1962, shortly after its introduction. The Post described the bill as "a reasonable and realistic proposal for revising the immigration quota system" and concluded the editorial with the comment that "this reform of immigration policy is sorely needed."

Mr. Harry Golden, the nationally syndicated columnist and editor of the Carolina Israelite, wrote me recently that he has discussed the bill on a radio program and he proposes to devote several of his newspaper columns to discussion of S. 3043.

Life magazine, in the May 4, 1962, issue commented editorially on the state of the United States in the problem of refugees in Hong Kong. The editorial concluded with a discussion of the applicability of S. 3043 and how it offers some relief to the tragic refugees from Red China.

Life magazine states:

> There is pending before the Senate Judiciary Committee now a bill sponsored by Senator HART, of Michigan, which would increase the U.S. Chinese-origin quota to 5,335 a year (partly refugees)—and also admit separately 50,000 refugees a year from all over, some of them Chinese. Passage of the Hart bill would do much more than write a few happy endings to successful escape stories. It would be a strong example to other nations—e.g., Australia, Canada, Brazil. It would give the United States a respectable stance when we seek to persuade those nations to share the load. Let's pass the Hart bill—for humanity's sake.

Mr. President, these communications and editorial comments are only a small sample of the material which has been sent to me. From the hundreds of letters I have received, the most noteworthy fact to emerge is that many Americans are not in sympathy with our present discriminatory national origins quota system. Even those who wrote me in opposition to S. 3043 generally were not in sympathy with our present discriminatory national origins quota system. Even those who wrote me in opposition to S. 3043 generally were not concerned with the nationality or race of those who wish to immigrate to America. The objections were based principally on the mistaken fear that we proposed to open the flood gates of immigration or that immigration aggravates our unemployment problems. Still others were concerned about whether the bill proposes to relax the individual qualifications of immigrants on such matters as their adherence to democratic government, their character or their ability to support themselves. S. 3043, of course, would maintain the same stringent individual qualifications of the present law.

Again, the introduction of S. 3043 has provided a focal point for discussion of our immigration policies. This discussion already has resulted in several endorsements of the bill. In the near future many other organizations and leading citizens will take a position on this bill. There will, of course, be differences of opinion on some of the provisions; there will, of course, be opposition. It is my hope that a representative body of opinion will soon be formed among those organizations and distinguished citizens most interested in this legislation.

Reasonable time for public discussion and consideration of S. 3043 should be provided. The bill is presently under intensive study in the executive departments concerned and when their reports are filed with the Committee on the Judiciary consideration can be given to an appropriate date for full public hearings. The able chairman of the Judiciary Committee has already discussed this matter with me and has offered his full cooperation in this orderly sequence.

NEW AMERICANS NO LONGER DISPLACED PERSONS

Mr. HART. Mr. President, since the end of World War II, the United States has welcomed to its shores some 800,000 displaced persons and refugees. Their arrival was not a new or novel experience for America. It was, in a sense, a reenactment on a larger scale of the arrival of our first refugees, the Pilgrims in 1620.

These more recent refugees, like those who had preceded them, have now become Americans. They are homeless refugees no more. They have become respected and productive citizens of our great country.

Typical of the groups is Pete Fedolak, born in Poland. Recently, when he was asked if he was happy living in Detroit, he responded:

> When I was 15 the Germans took me to Rudeshein. I worked for $2 a day. I lived in barracks. Am I happy here? * * * You kidding?

An article appeared in the Detroit Free Press on May 13, 1962, which reports on the present situation of a number of people who came to this country as refugees. The title of the article by Steve Kryvicky is "Refugees Are a Credit to Detroit."

I request unanimous consent to have the article printed in full as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFUGEES ARE A CREDIT TO DETROIT—THESE NEW AMERICANS ARE NOT DISPLACED

(By Steve Kryvicky)

You do not call them DP's (displaced persons) anymore.

Although there about 45,000 formerly displaced persons in Detroit and surrounding suburbs, you would not recognize one as such if you met one.

They are typically American. They dress the way you do (no more flowing capes and belted German trenchcoats). They talk (with only a few exceptions, mostly the elderly) the way you do.

Their manners have changed considerably: No more kissing of hands or the clicking of heels upon meeting. If the middle-aged ones did not tell you that they arrived in this country a little more than 10 years ago you would assume that they were born here.

The United States took them in kindly, accepted them generously, and they are grateful.

They have become a great asset to Detroit.

"They are a credit to our community," said Inspector Joseph Nufer, of the Detroit Police Department.

According to Robert J. Temple, assistant superintendent of the Detroit Welfare Department: "The percentage of their cases on the welfare department rolls is almost nil."

They are a hard-working, ambitious people. Most of them own their own homes.

I know a meatcutter, 56, father of three (he does not want his name mentioned because he has parents still living in Russia) who works 15 hours a day, 6 days a week, for a dollar an hour and two meals a day. He paid for his home in 7 years.

They like nearly everything that is American-made. Hardly any of them buy a European car: "They look like bugs compared to our cars."

They have great faith in democracy.

Alex Zalopany, 7400 Montrose, mason-contractor, rough and hard and weather-beaten as the stones he works with, when asked his age: "I may be in my fifties, I look and feel 45, so you figure it out. In Russia I would have to tell you my age. But in our democracy," he smiled broadly, "I do not have to tell you anything. That's democracy."

Many of them had to change professions in their forties after they arrived in Detroit.

Wasyl Barnych, 48, 3846 Carpenter, father of two, was a bookkeeper in Germany. Because he could not get steady employment in his profession he learned the carpenter's trade. "I like this work much better."

I asked his daughter, Irene: "Would you like to to go Europe again?"

"That depends on how long."

"Permanently," I said.

"No" she said, startled.

Wasyl Chudor, 47, father of two, manager of the Self Reliance Credit Union (2,500 members, all Ukranians, assets $2.5 million) changed professions several times.

His background is typical of most of the professional people. He was studying law in Lemberg when the Communists occupied the western Ukraine. He fled with his parents to Poland. The Germans immediately packed him off to work in Berlin.

After the war, he studied in Goettingen, graduated with a doctorate in business administration. In Detroit, he worked as a salesman for an insurance company for a year and 2 years in the Chrysler Corp. cost accounting department. In his spare time he helped organize the credit union.

"We like it here very much," he said. "Most of our people are working in their professions. Some of the older ones, those who could not bridge the language barrier, are having a difficult time. We have old doctors and lawyers who are working in menial jobs but they are respected for what they know."

No matter where these people were born, Latvia, Estonia, Lithuania, Poland, the Ukraine, Hungary, Greece, Yugoslavia, in their teens, the girls 14 and up, the boys 15 and up, were forced into the labor camps of Germany.

Pete Fedolak, 11704 Mitchell, 35, father of four, a cocky-walking, cheerful-looking American-sort-of-a-guy is a window cleaner.

"I was born in Luka (Galicia), Poland," he said. "I am a Ukrainian. When I was 15 the Germans took me to Rudeshein. I worked for $2 a day. I lived in barracks. Am I happy here? You kidding?"

A Latvian woman, 37, lovely heart-shaped face, mother of three, who does not want her name mentioned for personal reasons was put to work in a factory in Hamburg when she was 14.

"I worked as a punch press operator," she said, looking at her fingers. (The trademark of a press operator is a missing finger.) I received 7 marks for 3 weeks' work. They gave us soup and bread during our 10-minute lunch period. We worked from 7 in the morning until 6 at night. We lived in barracks. That's where I met my husband."

I asked: "Do you like living in Detroit?"

She gave me an incredulous look: "Like it here?"

She worked and lived in Hamburg during World War II.

"In the daytime the American planes came," she said. "And we would run into the parks and try to hide from the bombs. The German people would not let us hide in their shelters. We had identification marks on our blouses, L for Latvia, P for Poland, etc., so they knew who we were. And then at night the English planes would fly over us. You know what happened to Hamburg."

After watching me a while, she lifted her face and laughed. It was sweet laughter, the kind that had the sound of crying in it. (She did not go back home, did not see her parents again: "They do not know whether I am alive or not.")

"Of course I like it here. I live like a little girl again. I go everywhere and just look at everything. I have a husband, my own home, children. When I was 14 I did not even dare dream that I would be walking free anywhere. * * * Does that answer your question?"

POSITION OF NEW JERSEY DOCTORS ON MEDICAL CARE PLAN

Mr. HART. Mr. President, a great deal of concern was expressed across the Nation when a group of New Jersey doctors resolved to refuse medical care to any person participating under a medicare plan established by the King-Anderson bill.

Yesterday in New York City the President commented upon this action, and I ask unanimous consent that an excerpt from his speech be printed at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Well, let's hear what some people say. First, we read that the AMA is against, and they are entitled to be against it—though I do question how many of those who speak so violently about it have read it, but they are against it—and they are entitled to be against it, if they wish. In the first place, there isn't one person here who isn't indebted to the doctors of this country. Children are not born in an 8-hour day. All of us have been the beneficiary of their help. This is not a campaign against doctors, because doctors have joined with us. This is a campaign to help people meet their responsibilities.

There are doctors in New Jersey who say they will not treat any patient who receives it. Of course they will. They are engaged in an effort to stop the bill. It is as if I took out somebody's appendix. The point of the matter is that the AMA is doing very well in its effort to stop this bill, and the doctors of New Jersey and every other State may be opposed to it, but I know that not a single doctor if this bill is passed is going to refuse to treat any patient.

No one would become a doctor just as a business enterprise. It is a long, laborious discipline. We need more of them. We want their help and gradually we are getting it. The problem, however, is more complicated, because they do not comprehend what we are trying to do.

Mr. HART. Mr. President, responsible newspapers across the Nation have editorialized on the resolution by the New Jersey physicians. A selection of this editorial comment seems to me to reflect eloquently the reaction of the vast majority of the American people surely. The tactic resorted to by these few physicians is not representative of the medical profession. I ask unanimous consent that these editorials be printed at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, May 10, 1962]

Spank Those Doctors

New Jersey's rebellious doctors have not added to their stature by their revolt, nor have they enhanced the dignity of the medical profession's opposition to the King-Anderson bill.

In pledging not to treat patients who use King-Anderson (or any similar bill), they make themselves look vengeful and petty. If they carried out their threat, it would be purely an act of reprisal against the wrong people.

King-Anderson, after all, would not pay doctors' fees; it would only pay a part of the patient's hospital bill. If it were enacted, patients claiming benefits under it would only be claiming their rights under Federal law. And it hardly falls within the attending physician's province to prescribe the means by which a patient must pay a debt owed to a third party—in this case, the hospital.

This is a matter between hospital and patient, not between doctor and patient.

Despite all the administration-backed efforts to picture the debate over medicare as one between needy old folks and greedy doctors, much of the medical profession—most of it, in fact—is seriously concerned about the intrusion of government into the doctor-patient relationship, regarding King-Anderson as merely an opening wedge. Many, too, are worried about the effect any move in that direction would have on the critical problem of recruiting enough first-rate men into medicine to maintain the quality of medical care. These are genuine concerns which need airing in an atmosphere free of political problems. But the New Jersey doctors have generated heat without light. Their behavior is reminiscent of a child's temper tantrum, and—in the medical profession's own interest—they ought to be spanked by the New Jersey Medical Society when it meets in convention this weekend.

The New Jersey society would do well to heed the president of the Suffolk County (Long Island) Medical Society, who commented: "We don't look kindly on this kind of tactic. It could be detrimental to the medical profession as a whole. * * * Of course we are opposed to King-Anderson and appalled at the bandwagon tactics of President Kennedy to push this over, but we feel that we should behave with restraint and dignity."

[From the New York World-Telegram, May 12, 1962]

Boycotting the Sick

Like most physicians, the doctors around Point Pleasant and Neptune, N.J., oppose President Kennedy's program of health care for the aged under social security.

Unlike most of their colleagues, however, those 200 physicians have announced that, if the President's proposal is enacted, they will refuse to treat patients whose hospital bills are to be paid through social security.

Such a boycott of the sick would amount to a medical atrocity. That patient-be-damned attitude would be even more unjustified than the public-be-damned tactics sometimes employed by labor unions.

As a matter of fact, physicans in the United States now treat thousands, perhaps millions of needy patients whose hospital bills and even doctor fees are paid through Government channels.

Of course, logical arguments can be advanced against placing health care for the aged under social security. But substituting strike threats for arguments smacks of legislative blackmail and serves only to discredit a segment of the medical profession.

[From the New York Times, May 7, 1962]

The Doctors' Political Strike

The threat of a group of New Jersey physicians to boycott patients seeking care under the administration's proposed program of medical care for the aged is an attempt at political blackmail degrading to their profession. The explanation of the embattled doctors that they would continue to treat the medically indigent, as they have in the past, does nothing to mitigate the irresponsibility of their plan to withhold service from those who want to avail themselves of benefits when and if the bill is passed by Congress. Certainly physicians have a right to publicize their objections to any social security approach to the financing of medical care. They exercised this right in their meeting with President Kennedy at the White House last week. They have a right, too, to complain if they feel the administration is using unfair tactics to put across its program. The one thing they do not have a right to do is to threaten to make the sick the victims of their political dissent by depriving them of lifeguarding services. No legislative countermoves should be necessary to convince the doctors they are on the wrong tack.

[From the Nashville Tennessean, May 7, 1962]

New Jersey Doctors Show Lack of Reason, Restraint

Opponents of social security financing for medical care of the aged appear to have reached the panic stage. Unable to dent the bill's public favor or to find an alternate plan matching its advantages, medicare foes now are threatening to take their ball and go home.

Some 200 doctors in New Jersey have announced a shocking decision. They say they will refuse to treat patients under the program if it becomes law. This jars the Nation's image of the medical man with his oath of service to humanity. The doctors' resolution to refuse to treat patients under the social security plan already has been condemned as incredible by one group of physicians. It deserves to be disavowed by every doctor in the country.

The revolting doctors' ire and AMA opposition would be more understandable if the medicare bill sought to regiment or restrict the doctors. It does not basically affect their services. It enables an elderly patient to pay his own doctor and hospital bills. Doctors have never had, and should not have, any right to determine the manner in which patients pay for their services—whether by cash, private plan, or public plan. Their right is to serve the people who come to them for treatment, and to receive pay for this service.

Yet the fight goes on, with the AMA and some medical groups and individuals leading the opposition. Their principal charge, lame and false, is that the social security plan would lead to socialized medicine. This charge erroneously implies that the King-Anderson bill would mean Government control over doctors and hospitals. It is hauled out every time the AMA opposes anything.

The social security system itself once was roundly condemned as socialism but was expanded by the Republican Eisenhower administration. When the bitter fight is over, the odds are great that the medicare plan will receive the same general acceptance, even by those who now oppose it.

[From the St. Petersburg Times, May 7, 1962]

What Would Hippocrates Think?

One of the most shocking—and certainly the least tenable—positions any doctors' group has taken against social security medicare is that one which has stirred up so much controversy in Point Pleasant, N.J.

It is downright astonishing that all of the active staff of the Point Pleasant Hospital would sign a petition saying that they would not take care of patients who might be beneficiaries under the King-Anderson bill.

Since the King-Anderson bill would pay, under social security, only the hospital bill—not the doctor's bill—such a position is not rational.

Moreover, for any doctor to say that he would refuse to treat any person under such circumstances is the rawest kind of repudiation of the oath of Hippocrates that he has taken.

To come right down to it, it is none of the doctor's business who pays, by whatever means, the hospital bill.

Of course, they argue that something similar to the King-Anderson measure would lead to "socialized medicine."

The American public by now is weary of such arguments. When child labor laws were first talked about they were branded by some as "child control" and "socialization" measures. There was a time when programs for the dipping vat treatment of livestock to prevent anthrax were called "socialization" and "Government interference."

This tired sloganeering no longer can sway the public. The doctors should be the first to realize it. And no one has to be wedded to the King-Anderson bill to find fault with the Point Pleasant doctors and those who side with them.

Everyone—including doctors—must realize that one of our most pressing problems is the medical care of the elderly and needy. And everyone would welcome an alternative from physicians, themselves, should they finally offer one that seems practical.

It would be our guess—or at least our hope—that the Point Pleasant approach will not spread. Medical practitioners are among the most noble of professionals, and the Hippocratic oath is not taken lightly by them. All they need do is to be more "for" something to solve the problem than "against" someone else's proposal. We can't conceive of a doctor going on "strike" against a patient, in any case.

[From the Milwaukee Journal, May 8, 1962]

Wrong Prescription

The 250 New Jersey doctors who threaten not to treat patients under the administration's proposed medical care program signed the wrong prescription. They are almost certain to get a result contrary to what they desire.

They won no friends for their cause or respect for their profession by announcing that they would refuse, under the Kennedy plan, to treat a sick or injured person for any reason. Such a readiness to violate their professional oath because they don't like the kind of health insurance a patient carries is shocking.

This eruption seems all the more quixotic because the Kennedy proposal has nothing to do with paying doctor bills. The program would only cover bills for nursing and hospital care. Doctors in independent or group practice would be paid exactly as they are today. In fact, the Kerr-Mills program previously approved by Congress, under urging of the American Medical Association, goes further in the direction of "Government medicine" than does the administration program.

The ill-considered move in New Jersey will provide more ammunition for derogation of the medical profession by less restrained proponents of the Kennedy program. It diverts attention that should be centered on the actual merits and shortcomings of the proposal, largely obscured recently by the verbal dust cloud raised by both sides. There are weighty arguments that can be directed against the administration's plan.

The doctors' threat has been matched by one which makes no better sense. A bill has been introduced in the New Jersey Legislature that would take away the license of any doctor joining the proposed boycott. Growing New Jersey cannot afford to drive out more than 200 doctors nor to pit the State against the medical profession.

Some adversaries in this dispute are losing their heads. It is a sorry spectacle when the issue so deserves thoughtful, objective consideration.

[From the Denver Post, May 4, 1962]

THESE DOCTORS OFFER BAD MEDICINE

A group of New Jersey doctors has developed a strategy to fight President Kennedy's medicare program which could lower public respect for organized medicine sharply.

The doctors, 44 members of the staff at Point Pleasant Hospital, have announced simply that they won't treat anyone who tries to enter the hospital on Federal funds under the Kennedy program. This program is embodied in the King-Anderson bill.

The King-Anderson bill, currently before Congress, covers hospital expenses but not doctor bills. Nevertheless, the doctors have decided to make their stand against socialized medicine here and now.

So if the King-Anderson bill becomes law, no patient need show up at Point Pleasant Hospital with the expectation of having the Government pay his bills under social security.

The doctors say it isn't a strike; they'll dig into their own pockets to pay for anyone who can't pay, they say.

Nevertheless, the hospital's board of directors has issued a statement saying that if the doctors refuse to treat medicare patients the hospital will not be able to care for them.

The doctors admit frankly this is exactly what they want: to prevent the hospital from contracting with the Government to provide care under the social security system.

The action is highhanded. It is a promised attempt to dictate to the American people what kind of treatment they shall have—and what hospitals they can be treated in—despite whatever public wishes may be expressed through legislative action by Congress.

If the move is intended as propaganda—for consumption in the Halls of Congress during the legislative maneuvering—it isn't going to succeed at that, either.

The American Medical Association, which is firmly opposed to the King-Anderson bill, has not commented on the New Jersey action, as far as we know.

It should. It should say that such tactics presently constitute blackmail and potentially represent an attempt by a special interest group to dictate national policy to the American people.

A doctor has the right to practice or not to practice. He may pick his patients. But when he threatens to close the doors of a hospital to American citizens—because of his own personal feelings—then he has most certainly gone too far.

We think public opinion will take care of the New Jersey doctors. And we think the AMA ought to disassociate itself from such medical royalists, and their self-serving policies.

[From the Milwaukee Journal, May 11, 1962]

STATE DOCTORS' FINE STAND

Wisconsin physicians are not ready to join any boycott threat in an attempt to block passage of the administration's King-Anderson bill, which provides limited health care benefits under social security. The State Medical Society of Wisconsin house of delegates, meeting here, adopted this statement:

"At no time, under any circumstances, will we as physicians refuse to render medical care to any of our patients who need it, solely because of the mechanism of payment for such services."

This is the position that the public could expect conscientious doctors to take—even though they strongly oppose the "mechanism of payment" in the King-Anderson bill, as the Wisconsin doctors do.

The declaration was provoked by the criticism of 250 New Jersey doctors who have said they would "refuse to participate in the care of patients under the provision of the King-Anderson bill or similar legislation." On the other hand, their statement added, those doctors would participate in the national Blue Cross-Blue Shield plan and would continue to care for the medically indigent (those without means to pay) as in the past.

The wording seems clear and unequivocal. Since the King-Anderson bill deals only with hospital bills, and not doctor bills, the statement can only mean that the doctors threaten to withhold their services from patients hospitalized under the King-Anderson plan, if it goes into effect. The director of the New Jersey hospital where most of the doctors involved practice has said that if the threat were carried out his hospital would be unable to care for such patients.

Nobody can deny the right of these New Jersey doctors to reject patients for any reason. But their present action sullies the image of the selfless physician dedicated to ministering to all who need him, regardless of all else.

Doctors have every right to campaign vigorously against the King-Anderson bill, to which the Journal is also opposed. But an organized boycott threat is as bad a tactic as could be chosen. It plays right into the hands of the backers of King-Anderson.

The Wisconsin doctors do well to disassociate themselves publicly from any such move.

[From the St. Louis Post-Dispatch, May 7, 1962]

DOCTORS' OATH FORGOTTEN

Doctors are sworn by the oldest of professional oaths to care for the sick. In their training, they are reminded that the unselfish fight against disease and death is the unquestionable justification which commands for their art the respect of mankind.

How then could 200 doctors on the staffs of four New Jersey hospitals sign a resolution declaring that, if Congress adopts President Kennedy's social security health insurance plan, they will refuse to treat patients under the program?

A doctor has no moral right to refuse to treat any patient in need of his attention. It matters not whether the man be saint or sinner, whether he can or cannot pay for treatment, least of all how he may pay. The doctor is entitled to adequate payment, but this does not release him from his duty.

As a matter of fact, the pending legislation has precious little to do with doctors' pay. It covers only the fee for diagnosis, essential to decide whether an individual should be in a hospital or nursing home. Yet Dr. J. Bruce Henriksen, mover of the resolution, says that under the plan "hospital beds will be filled with old people who think it is nice to lie in bed and have their backs rubbed and their meals brought to them." If that ever turns out to be the case, the fault will be a doctor's—not that of the old people so sneeringly described.

Little wonder that Dr. Caldwell B. Esselstyn, who favors the Kennedy proposal, commented: "It is incredible that physicians would deny a sick person the right to pay his hospital bills by contributing through social security a little every month during his working years so he won't have to accept charity in his old age."

Incredible is a mild word.

[From the Pittsburgh Post-Gazette, May 8, 1962]

NEW JERSEY JITTERS

When 250 New Jersey physicians adopted a resolution to refuse medical care to participants under the proposed King-Anderson bill they appeared to be succumbing to the hysteria of fear which is a blot on the professed humanitarianism of American doctors.

The King-Anderson bill, that would place medicare for the aged under social security, has not even left the House Ways and Means Committee—primarily due to the do-or-die lobby opposition of the American Medical Association—but these deluded Garden State medics are already building a dubious frontline at the risk of their individual reputations.

The bill's proponents unfortunately have seen fit to reply in kind which is hardly conducive to the public's weighing the proposed legislation (currently about six bills in addition to King-Anderson). Health, Education, and Welfare Secretary Abraham Ribicoff said the doctors were violating the Hippocratic oath; New Jersey Democratic Gov. Richard J. Hughes accused them of trying to blackmail Congress and the American people; and Assemblyman John J. Kijewski, Democrat, has introduced a bill in the New Jersey Legislature to revoke the license of any doctor who refuses treatment on the grounds of King-Anderson.

The doctors vigorously oppose Government regulation, but who can say that the Kerr-Mills law, dearly supported by the AMA, is not Government regulated with all funds coming from Federal and State Governments? They must think that dealing with two governments is better than having an all-Federal program.

We are sorry to see medicare for the aged reduced to the absurdities rampant in New Jersey. The doctors should repel adherents by their own silliness. But just to be safe, readers should let their U.S. Representatives know whether they want the King-Anderson bill and should not be confused by the flurries of its enemies.

[From the Des Moines Register, May 7, 1962]

WRONG WAY TO SHOW OPPOSITION

The resolutions signed by 200 New Jersey doctors, saying they would refuse to participate in the care of patients under the President's medical-care-for-the-aged plan, may be merely an expression of political opposition to the plan, but it hardly seems the right way to express it.

Many will not read past the first paragraph of the resolution containing the refusal.

They will not reach or will overlook the significance of later paragraphs in which the doctors say that they will participate in national Blue Shield and Blue Cross plans for the aged and will continue to care for the medically indigent, young and old, as they have in the past.

These later paragraphs indicate that the doctors are not refusing service but are only refusing to accept fees from social security funds which would finance the President's plan.

Even when this is understood the approach is the wrong one. It may not be meant as compulsion, but it has the sound of it. Americans think of doctors as being capable of unselfish service in behalf of their patients. The thought of advance threats to refuse to cooperate in a national program, whether properly financed or not, damages the picture which the average patient has of his doctor.

Too many persons will feel that they are being pressured. This will not increase the public's willingness to listen to the doctor's arguments against the plan. One of the resolutions signed by the doctors in New Jersey has disappeared. It may have been destroyed by someone who was sensitive to public reactions.

[From the Hartford Times, May 8, 1962]

TEMPER, TEMPER

It must surely be clear by now that the New Jersey doctors who jettisoned their judgment and tipped their bad temper about social security health care for the elderly committed a grave error.

It is inconceivable that they would have refused to accept patients who would be covered for hospital and nursing home care, were controversial Federal legislation to which they are opposed, be passed.

A subsequent statement that the aroused doctors would treat such patients "free" does not undo the damage done to the medical profession wrought by previous impulse. Nor is it relevant.

Many doctors are deeply fearful that the Government's entry into hospital, convalescent and nursing-home care via the social security system foretells socialized medicine. Subsequent legislation could, they reason, broaden coverage by lowering the age of eligibility and by extending it to include the physicians' fees. This, in our judgment is an understandable fear. And the doctors of New Jersey, as well as elsewhere, have every right to resist it.

But, opposing legislation and threatening defiance of it are two different things. The latter course invites public disillusionment and plays into the hands of extremists.

There are moves underway to make more flexible the Kennedy administration's version of social security health care, and to provide eligible recipients with options that honor existing health insurance mechanisms, public and private. Such amendments have found favorable response among people who are seeking moderation in bold social change. Whether such a middle course is practical in operation remains to be seen. But this much is certain: It will never receive serious consideration if other elements of the Nation's medical profession overreact to something they do not like—as some doctors have done in the State of New Jersey.

[From the New York Post, May 10, 1962]

THE TWO-HEADED DOCTORS

Secretary of Welfare Ribicoff delivered a quietly devastating blow to the New Jersey doctors who have threatened to rebel against the administration's medicare program if it is enacted by Congress.

"These doctors apparently believe it is all right for the Federal Government to help build the hospitals in which they practice, but that an insurance plan that would help their patients pay their hospital bills would not be good," the Secretary said.

Noting that the two New Jersey hospitals with which the protesting doctors are connected have received $572,246 in grants-in-aid for equipment and construction programs, he observed:

"Apparently they have no objection to practicing in hospitals that have received outright grants of Federal funds."

The same point could be made about the bland inconsistency of many AMA doctors in many other institutions which eagerly accept similar Federal help.

And the AMA has no real answer.

EXPERIMENTAL FOOD STAMP PROGRAM IN DETROIT

Mr. HART. Mr. President, it has been almost a year since President Kennedy's pilot food stamp program went into effect. Shortly after taking office, the President directed the Secretary of Agriculture to undertake a series of experimental food stamp programs to see if this method of providing the indigent with adequate diets from our Nation's food abundance was feasible and practicable.

At the time the pilot food stamp programs were under consideration there was considerable feeling that it would be unwise to include a major metropolitan area among those selected for pilot projects. I argued strongly that the reverse was true, and that the only way the Nation would have a fair test of the practicability of a food stamp program would be to include a large urban population center.

For a number of years the Food Industry Committee of Detroit, headed by W. E. Fitzgerald and Detroit's welfare superintendent, Daniel Ryan, had urged upon the Federal Government the use of food stamps in place of the surplus commodity distribution program. In 1959, as a member of the Senate Agriculture and Forestry Committee, I welcomed their appearance before that committee when, in an unusual example of cooperative effort between the local government and the retail food industry, Detroit offered to be a test city for a food stamp program. Our bill to establish such a program by law was unsuccessful at that time.

When President Kennedy last year moved through the Department of Agriculture to institute pilot food stamp programs, we were successful in convincing the Department that Detroit should be included in this initial test.

All concerned are more than delighted with the success of the first year's operation of this program in Detroit, and we are delighted with the decision of the administration to extend the program for an additional year through June 1963.

I ask unanimous consent that an article in the May 14 issue of the Detroit Free Press entitled "Detroit Food Stamp Program Makes a Hit," be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DETROIT FOOD STAMP PROGRAM MAKES A HIT

(By Warren H. Stromberg)

A medical student with a family of 4, a detective lieutenant with a family of 12, retirees on social security, fatherless families, handicapped persons.

These are among the 20,000 households eating better and living better because of Detroit's food stamp program.

The Federal Government selected Detroit and seven other economically depressed communities when the experiment got underway last summer. There were doubts at the time. Now all of these have disappeared, according to an evaluation report recently released by the Department of Agriculture.

The glowing reception to the program in Detroit is significant because its 83,000 participants make up two-thirds of the program. It is the only large city involved.

Fifteen million dollars' worth of stamps have been distributed in Detroit in a 9-month period. This includes $5 million in bonus stamps—a direct gift from the Federal Government to improve the diets of low-income families.

The bonus, or supplement, works like this: For each $2 in stamps the recipient gets another dollar's worth as a present.

Unlike previous surplus food programs, stampholders can buy any kind of foodstuff grown and processed in the United States. This excludes coffee, cocoa and spices. Alcoholic beverages and tobacco are also excluded.

Purchases can be made at any one of 3,500 designated stores in Detroit.

"My business has picked up almost 20 percent," said Ben Rubens, president of King Cole Markets.

"Everybody likes the program. It's convenient for the consumer. There's no stigma attached to it. The Government is making its point, which is to make available an adequate diet for those who can least afford it.

Rubens operates a large market at Clairmount and Woodward in a low-income neighborhood. Biggest turnover of merchandise comes on the 2 days of the month when stamp books are issued.

High praise for the program comes from Daniel J. Ryan, Detroit's welfare superintendent, and W. E. Fitzgerald, secretary of the Food Industry Committee of Detroit.

For years, the two made periodic trips to Washington to testify before congressional committees. Ryan's stock statement was:

"I don't think the welfare department should be in the food business."

Detroit participated in the first food stamp program from 1939 to 1943. The needy could get rice, dry milk and other items which storekeepers kept in a separate department marked "surplus."

The idea of distributing surplus commodities to families was revived by Congress in 1955. Detroit soon found that this time the welfare department had the task of storing and packaging the foods.

At first, distribution to the consumer was handled by stores with the storekeeper receiving 15 cents a month for each family served. In recent years, the department operated its own distribution center at 8300 Woodward.

Persons who qualified made once-a-month pickups. The aged sometimes had difficulty with heavy packages.

The cumbersome process cost the city $363,000 in the last year of operation. During the year, there were 11 items on the list. Sixteen million pounds of food with a retail value of close to $5 million cleared through the warehouse.

The stamp plan will cost all branches of Government about a half million dollars or 2½ percent of the total value of the merchandise for 1 year of operation.

Robert Nelson, local representative of the Department of Agriculture, has the job of qualifying stores and policing the program.

"There has been little cheating," Nelson said. "If there is any question about it the store is immediately taken off the list."

The welfare department has the responsibility of qualifying the families. Welfare families are automatically eligible. All others are rechecked every 3 months. Largest group is aid to dependent children families. Next is low income families not on relief.

Those receiving unemployment and workmen's compensation, persons in military service, the blind, and the disabled may also apply.

Eligibility involves the size of one's liquid assets and size of family. For instance, a family of four could have a maximum monthly income of $264 and assets totaling $794 and still qualify.

This family could buy $24 worth of stamps every 2 weeks and receive $14 worth of stamps as a bonus.

"With this arrangement a person can do his shopping almost anywhere and when he chooses," Ryan said. "There's no storage problem and he doesn't have to carry home a huge package once a month.

"There's no inconvenience for the storekeeper. He merely takes the coupons to his bank and these are then redeemed through the Federal Reserve System."

Ryan pointed out that children and elderly persons now have access to all types of foods.

"Children can have real milk and fresh fruit," he said. "They can have eggs and meat. We're told that this has meant an improvement in the health of many families."

Ryan said Detroit was selected for the big city phase of the pilot program "because we had been banging on the door for so many years."

"Some said it would never work out but they're beginning to change their tune," he added.

The present cut-off date for the 1 year tryout is June 30. But the expectations are the program will be extended.

ADJOURNMENT

Mr. DOUGLAS. Mr. President, unless other Senators wish to speak at this time, I now move that in accordance with the order previously entered, the Senate adjourn until tomorrow, at noon.

The motion was agreed to; and (at 6 o'clock and 6 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, May 22, 1962, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 21, 1962:

DEPARTMENT OF THE ARMY

Cyrus Roberts Vance, of New York, to be Secretary of the Army, vice Elvis P. Stahr, Jr., resigned.

DEPARTMENT OF DEFENSE

John T. McNaughton, of Massachusetts, to be General Counsel of the Department of Defense, vice Cyrus Roberts Vance.

DIPLOMATIC AND FOREIGN SERVICE

Mrs. Eugenie Anderson, of Minnesota, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bulgaria.

Adm. Alan G. Kirk, U.S. Navy, retired, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

FOR PERMANENT PROMOTION

To be medical directors

Patrick J. Sullivan
James A. Hunter, Jr.
Theodore E. Hynson
James A. Finger
Arthur R. Dahlgren
Louis S. Gerber
Bernard F. Rosenblum
Lucy D. Ozarin
William F. Mayes
Wayland J. Hayes, Jr.
Leonard T. Kurland
Thomas A. Burch
Alan D. Miller
Louis B. Thomas
Robert B. Dorsen
Wilton M. Fisher
Kazumi Kasuga
Paul S. Parrino
Richard S. Yocum
Murray C. Brown
Roy P. Lindgren
Vincent E. Price
Robert E. Greenfield, Jr.
Robert M. Farrier
Stuart M. Sessoms
Sheldon Dray
Donald Harting
Henry D. Smith
Henry C. Savage
Charles Edward Smith
Willie G. Simpson
William L. Bunch, Jr.
Henry H. Kyle
Louis J. Oropallo
Gert L. Laqueur
Robert L. Bowman
John J. Brennan
Dominick J. Lacovara
Kirkland C. Brace
Vaso L. Purlia
Alvin L. Cain
Fred W. Love
Raymond W. Herrmann
Charles M. Gillikin
Edward B. Lehmann
Wilfred D. David
Charles E. Horner
Ruth E. Dunham
Holman R. Wherritt
Ralph S. Paffenbarger, Jr.
John P. Utz
Robert L. Price
John M. Vogel
Milo O. Blade
Gerald R. Cooper

To be senior surgeons

Bert N. La Du, Jr.
Phyllis Q. Edwards
Frank W. Mount
Maurice F. Herring, Jr.
William L. Ross, Jr.
Henry K. Beye
Kehl Markley III
George R. Adam
Edward L. Kuff
Marguerite L. Candler
Lyman C. Wynne
John H. Waite
Robert L. Brutsche
Carl F. T. Mattern
Clifford H. Cole
William J. Zukel
Carl F. Essig, Jr.
Simon P. Abrahams
Chen Tung Sun
Jarvis E. Seegmiller
De Armond Moore
Leon Levintow
Harry S. Wise
Philippe V. Cardon, Jr.
H. Wayne Glotfelty
Charles A. Monroe

To be surgeons

Charles A. Davis
Cuvier D. McClure
Eugene T. van der Smissen
James H. McGee
Allen C. Pirkle
K. Lemone Yielding
Frank E. Lundin, Jr.
Willard P. Johnson
Frederick Dykstra
Peter V. Hamill
John R. McKenna
William C. Mohler
Lloyd Guth
Stanley Graber
Daniel C. Beittel
Joseph A. Barnes
Hilde S. Schlesinger
Raymond F. Smith
Samuel Baron
Robert N. Butler
Charles G. Lewallen
George G. Glenner
M. Walter Johnson
Frank R. Mark
Patrick J. Hennley, Jr.
Stewart H. Mudd
William K. Carlile

To be dental directors

Seymour J. Kreshover
Isadore J. Jarin
John J. Satarino
Peter J. Coccaro
Richard P. French
Peter B. Drez

To be senior dental surgeon

Robert W. Bonds

To be dental surgeons

John C. Greene
James R. Lambrecht
Edward J. McCarten
Kenneth T. Strauch
James J. McMahon

To be senior assistant dental surgeons

Bryant G. Speed
Robert J. McCune
Richard E. Adams
James D. Ashman
Darrel D. Lee
Maurice A. Correy
Norman L. Clark
Merwyn C. Crump
Steve D. Hunsaker
Philip M. Lightbody
Lloyd K. Croft
Wayne E. Stroud
Gerald C. Stanley
Kenton E. Nesbit
David R. Madsen
Robert A. Cialone

To be sanitary engineer directors

Elmer J. Herringer
Frederick F. Aldridge
E. Carl Warkentin
Donald J. Schliessmann
James H. Crawford
Samuel R. Weibel
Curtis E. Richey
Gerald Dyksterhouse
Alfred E. Williamson, Jr.
Paul W. Reed
John H. Ludwig
Harry W. Poston
Jerome H. Svore
Edwin L. Ruppert
Clarence J. Feldhake
Bernard E. Saltzman
Harry P. Kramer
Andrew D. Hosey
Daniel J. Weiner

To be senior sanitary engineers

Frank W. Noble
Vernon R. Hanson
Guy L. Hubbs
Jack H. Fooks

To be sanitary engineers

Leo Weaver
George F. Mallison
Ralph K. Longaker
David H. Howells
Robert L. Harris, Jr.
Eugene T. Jensen
Frederick A. Flohrschutz, Jr.
Harold W. Wolf
Edward R. Williams
Hugh H. Connolly
Francis L. Nelson
Richard D. Vaughan
John E. Munzer
John E. McLean
Bernd Kahn
Garry L. Fisk
Albert E. Bertram
Jerrold M. Michael
Ernest D. Harward
John M. Rademacher
Dean S. Mathews
Gene B. Welsh

To be senior assistant sanitary engineers

Lloyd A. Reed
Marvin D. High
H. Lanier Hickman, Jr.
Alfred W. Hoadley
Milton W. Lammering
James K. Channell
John N. English
James H. Eagen
Anton J. Muhich

To be assistant sanitary engineers

Robert P. Hangebrauck
Phillip L. Taylor
Lawrence J. Perez, Jr.
Samuel B. McKee
Russel H. Wyer
Louis J. Breimhurst
Robert H. Reeves
Max E. Burchett
John K. Carswell
James V. Waskiewicz

To be pharmacist directors

Boyd W. Stephenson
Joseph P. Crisalli
Victor F. Serino
Arthur W. Dodds
Robert L. Capehart

To be senior pharmacist

Dwight D. Wendel

To be pharmacists

Carl H. Brown
George J. Gruber
Peter L. Bogarosh

To be senior assistant pharmacists

Charles A. Branagan, Jr.
Donald H. Williams
James E. Slough

To be assistant pharmacists

Edward C. Brennan
Laurence D. Sykes

To be scientist directors

Willard T. Haskins
Ruth Sumner
William M. Upholt
Herbert F. Schoof
Leon O. Emik
Francis M. Middleton
Richard P. Dow
Simon Kinsman
Richard A. Ormsbee
Lewis J. Sargent
Robert H. McCauley Jr.
Archie D. Hess
William H. Ewing
John C. Wagner
Harry A. Saroff
George W. Pearce
Alfred S. Lazarus

To be scientists

John F. Sherman
Louis A. Cohen
Gerald C. Taylor
Aubrey P. Altshuller
William D. Sudia
Earl S. Schaefer

To be sanitarian directors

Leslie D. Beadle
Noah N. Norman
Joseph F. O'Brien

To be senior sanitarians

Robert B. Carson
Stephen Megregian
Robert D. Murrill
James A. King
Loyal C. Peckham
Harvey B. Morlan
C. Bradley Bridges
Reuel H. Waldrop
George R. Hayes, Jr.
Peter Skaliy

To be sanitarians

Eldon P. Savage
Donald C. Mackel

To be senior assistant sanitarian

Charles R. Porter

To be veterinary officer directors

Raymond J. Helvig
Willard H. Eyestone

To be senior veterinary officers

Francis R. Abinanti
James Lieberman

To be nurse directors

Clarice M. Russell
Anna M. Matter
Genevieve S. Jones
Lola M. Hanson
Elisabeth H. Boeker
Louise C. Anderson
Marjorie W. Spaulding
Catherine M. Sullivan
Gladys C. Guydes
M. Lois Power
Anne H. MacNeill
Margaret Denham
Mildred Struve
Grace I. Larsen

To be senior nurse officers

Margaret T. Delawter
Henrietta Smellow
Winifred M. Mendez
Bernadette T. Mesi
Jessie M. Scott
Emma J. Strachan
Vivian L. Gibson
Tirzah M. Morgan
Ovelia Winstead
Mary M. Bouser
C. Vistula Lancaster
Helen L. Roberts

To be nurse officers

Hazel Kandler
Lena F. Turner
Ruth P. Tweedale
Lucille T. Fallon
Elizabeth A. Mullen
Antoinette M. Anteton
Marcella R. Hayes
Mary G Eastlake
Florence M. Seidler

To be senior assistant nurse officers

Jennifer Boondas
M. Ethel Payne
Kathryn G. Ames

To be assistant nurse officers

Ray Cameron
Sidney S. Louis

To be dietitian director

Janet E. Stroupe

To be senior dietitians

Margaret L. Smith
Anna O. Reimer

To be senior assistant dietitian

Anne E. Requarth

To be assistant dietitian

Carol Diffenderfer

To be senior therapist

Vida J. Niebuhr

To be therapists

Howard A. Haak
John R. Desimio

To be senior assistant therapists

Ronnie E. Townsend
Robert D. Skinner

To be health services directors

Milton Wittman
Mary C. Gillis

To be senior health services officers

Philip P. Simon
Ernest V. McDaniel
Edward S. Weiss
Barbara A. Murphy
Ellen J. Walsh
Rachel S. Simmet
George Landsman
Albert E. Rhudy
Emma M. Wiest

To be health services officer

Robert E. Peay

IN THE NAVY

The following-named midshipmen (Naval Academy) to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Thomas S. Althouse
Robert M. Byrne
Edward J. Crowley
Carl D. Garrison

Ronald L. Daley (Naval Reserve Officers' Training Corps candidate) to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

The following-named graduates from Navy enlisted scientific education program to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Raymond L. Belanger
Howard A. Boshers
John A. Buche
Malcolm D. Calhoun
James A. Church
Everett D. Clemmer
Joseph L. Doyle
William C. Egg
James W. Freeman
George R. Gay
Hoyt R. Good
Lawrence S. Gray
Laurence R. Hansen
Arthur Kislack
Richard W. Kruger
Floyce M. Lynch
Charles B. Martin
Vincent I. Michel
Warren A. Norman, Jr.
John E. Ritter
Ara Sagerian
Harry W. Schetter
Paul D. Sutton, Jr.
Jimmie C. Tyner
Walter L. Wagner
Thomas W. Weisenburger
Robert A. Young

The following-named graduates from Navy enlisted scientific education program to be permanent lieutenants (junior grade) in the line of the Navy, subject to the qualifications therefor as provided by law:

Walter M. Carl
Robert M. Jones

George E. Balyeat (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Medical Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

John W. Curtis
Robert I. Kramer
Burton M. Onofrio
Julio C. Rivera

John C. Mullen (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

John R. Anderson
Emil J. Bardana, Jr.
Tom R. Birdwell
Wesley Boodish
Willard A. Bredenberg
William F. Cavender
John C. Council, Jr.
Jay S. Cox
Judson L. Crow
Ernest P. D'Angelo, Jr.
Raymond O. Davies, Jr.
James P. Drinkard
Richard S. Flagg
Peter A. Fleming
John E. Hoye
Clyde G. Jeffrey, Jr.
Harry G. Kennedy, Jr.
Ronald G. Latimer
Ronald J. Lentz
Henry B. Lowsma
Thomas J. Murnane
John E. O'Connor
Joseph E. O'Donnell
Robert L. Piscatelli
Albert K. Rogers
Thomas C. Rowland, Jr.
Bradford B. Schwartz
William C. Silberman
Arthur Y. Sprague
Robert L. Thompson
Christian E. von Doepp
Don J. Wagoner
John W. Westcott
Joseph T. Wilson, Jr.
Martin A. Woodall

The following-named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

John D. Cagle
Henry J. Sazima
Edward G. Zapski

The following-named (Naval Reserve officers) to be permanent lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Charles R. Gibson
Ronald M. Gomer
George M. Rupp
Harry E. Semler, Jr.
William C. Sullivan

The following-named (civilian college graduates) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Bruce E. Johnson
Lee F. Knoll
John D. Murphy
Robert A. Todd

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Franklin M. Barber
Mark O. Brose
John D. Beisner
Thom H. Chapman
Robert E. Cassidy
Walter T. Dunston
Sanford A. Glazer
David F. Greer
Louis B. Gilham, Jr.
Roland C. Hardy
Sherry M. Hamilton, Jr.
Samuel V. Holroyd
Daniel L. Hall
William A. Kimpel
Kenneth R. Kimball
Theodore T. Krysinski, Jr.
Jack V. Lowman
James S. Lekas
Paul C. Lehman
Robert J. McCreery
George M. McWalter
William J. Morrissey, Jr.
Marvin Nissenson
William Z. Roper
Hershel G. Sawyer, Jr.
John J. Tully
Alfred C. Uveges
James E. Yacabucci

The following-named officers of the Navy for permanent promotion to the grades indicated:

To be captains, Dental Corps

Marvin Carmen
Carl L. Wilhelm

To be commanders, Medical Corps

Frank R. Preston
Robert R. Gillespy, Jr.
George E. Cruft

To be commanders, Dental Corps

Perry C. Alexander
William H. Cook, Jr.
William G. Hutchinson
Jay D. Shaw

To be lieutenant commanders, line

Bertram R. Carraway
Harland B. Cope

To be lieutenant commanders, Medical Corps

Glenn F. Kelly
James E. Turner, Jr.

To be lieutenant, Chaplain Corps

Carl E. Ruud

The following-named officers of the U.S. Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualifications therefor as provided by law:

LINE

Barnes, Fletcher J. III
Betts, Richard J.
Bowers, John M., Jr.
Delpercio, Michael, Jr.
Fogle, William J.
Gingles, Donald D.
Jones, Howard R., Jr.
Tracy, Leslie R.

SUPPLY CORPS

Cook, Bennie W.
McClurkin, David K.
Sherman, Byron G.
Tribbie, Arthur S.
Vevoda, George L.
Wallace, Edwin R.

CIVIL ENGINEER CORPS

Jacobsen, John R.
Muir, Michael D.

NURSE CORPS

Lockwood, Lavon R.
Mann, Elizabeth M.
Stravinsky, Joan F.

IN THE MARINE CORPS

The following-named (Naval Academy graduate) for permanent promotion to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Melvyn H. Chang

The following-named officers of the Marine Corps for temporary promotion to the grade of first lieutenant, subject to the qualifications therefor as provided by law:

Alfred R. Bergstrom, Jr.
Howard J. Bowden
William F. Cerney

John W. Guy
William F. Hurley
Antonio Mediavilla
Philip R. Morris
Edward O. Reusse
Robert P. Sypult

CONFIRMATION

Executive nomination confirmed by the Senate May 21, 1962:

DIPLOMATIC AND FOREIGN SERVICE AMBASSADOR

William P. Mahoney, Jr., of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

WITHDRAWAL OF A TREATY

Treaty withdrawn May 21, 1962:

The Cultural Convention between the United States of America and the United States of Brazil, signed at Washington on October 17, 1950 (S. Exec. X, 81st Cong., 2d sess.).

HOUSE OF REPRESENTATIVES

MONDAY, MAY 21, 1962

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker.

MAY 21, 1962.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

JOHN W. MCCORMACK,
Speaker of the House of Representatives.

Rabbi Judah Cahn, Metropolitan Synagogue of New York, offered the following prayer:

Oh God, who rulest over all mankind and presidest over the destinies of nations, we invoke Thy continued blessing on our Republic, which Thy grace called into being and Thy love has sustained to this day. Keep us from all manner of oppression, persecution, and unjust discrimination; save us from religious, racial, and class conflicts; preserve our country as a haven of refuge for the victims of injustice and misrule. Give us the wisdom to choose honest and capable leaders who will govern us according to Thy law of righteousness. And may we so love our country that we shall withhold no sacrifice required to safeguard its life and to fulfill its promise.

THE JOURNAL

The Journal of the proceedings of Thursday, May 17, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H.R. 1349. An act for the relief of Fong Chun Hong;

H.R. 1372. An act for the relief of Rocco Cambrea;

H.R. 1435. An act for the relief of Jacinto Machado Ormonde;

H.R. 1533. An act for the relief of Lee Kyong Ja;

H.R. 1588. An act for the relief of Fong Kai Dong;

H.R. 1604. An act for the relief of Spencer E. Hewitt;

H.R. 1650. An act for the relief of Irene Kemeny;

H.R. 1697. An act for the relief of Viola Borwick Warbis;

H.R. 1701. An act for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn;

H.R. 1.03. An act for the relief of Maximo B. Avila;

H.R. 1918. An act for the relief of John D. Morton;

H.R. 2687. An act for the relief of Miss Helen Fappiano;

H.R. 3005. An act for the relief of Sister Mary Aurelia (Chiara Di Gesu);

H.R. 3148. An act for the relief of Maddalena Haas;

H.R. 3696. An act for the relief of Gertrude M. Kaplan;

H.R. 4365. An act for the relief of Sp5 Daniel J. Hawthorne, Jr.;

H.R. 4380. An act to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana;

H.R. 4563. An act for the relief of Abraham Gelb;

H.R. 5610. An act for the relief of Pierino Renzo Picchione;

H.R. 5686. An act for the relief of Mrs. Willie Mae Brown;

H.R. 5689. An act for the relief of Felicja Saulevicz;

H.R. 6344. An act for the relief of Mon (Fred) Young;

H.R. 6464. An act for the relief of Cecil D. Rose;

H.R. 6772. An act for the relief of Hendrikus Zoetmulder (Harry Combres);

H.R. 6773. An act to repeal the act of August 14, 1957 (Private Law 85-160);

H.R. 7477. An act to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects;

H.R. 7671. An act for the relief of Louanna L. Leis;

H.R. 7752. An act to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes;

H.R. 7777. An act for the relief of Elisabetta Marcheziani;

H.R. 8030. An act to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions;

H.R. 8195. An act for the relief of Ronald L. Mutter;

H.R. 8482. An act for the relief of Paul J. Pericle;

H.R. 8515. An act for the relief of James R. Banks;

H.R. 8628. An act for the relief of Joseph A. Tedesco;

H.R. 8916. An act to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia;

H.R. 8941. An act to authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt;

H.R. 9060. An act for the relief of Rhea G. Burgess;

H.R. 9097. An act to authorize the Secretary of the Interior to sell certain public lands in Idaho;

H.R. 9188. An act to relieve Theodore A. Anderson from loss of agricultural conservation program benefits;

H.R. 9409. An act for the relief of Mrs. Iris Ann Landrum;

H.R. 9596. An act for the relief of Daniel E. Moore;

H.R. 9597. An act for the relief of James N. Tull;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

H.R. 9753. An act to amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities;

H.R. 9805. An act to change the name of Whitman National Monument to Whitman Mission National Historic Site;

H.R. 9830. An act for the relief of John B. Hogan;

H.R. 10098. An act to authorize the exchange of certain lands at Antietam National Battlefield site;

H.J. Res. 576. Joint resolution to designate calendar year 1962 as Cancer Progress Year; and

H. Con. Res. 438. Concurrent resolution to provide for a joint committee of the Congress to represent the Congress at ceremonies celebrating the 375th anniversary of the landing of the Lost Colony and the birth of Virginia Dare.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 1347. An act for the relief of Adolf M. Bailer;

H.R. 1348. An act for the relief of William Burnice Joyner;

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation;

H.R. 5652. An act for the relief of Kevork Toroian;

H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes;

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes;

H.R. 10062. An act to extend the application of certain laws to American Samoa; and

H.J. Res. 638. Joint resolution for the relief of certain aliens who are serving in the U.S. Armed Forces.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10788. An act to amend section 204 of the Agricultural Act of 1956.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON, Mr. HOLLAND, Mr. EASTLAND, Mr. TALMADGE, Mr. JORDAN, Mr. AIKEN, Mr. YOUNG of North Dakota, Mr. HICKENLOOPER, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 699. An act to amend the act entitled "An act to incorporate the Hungarian Reformed Federation of America," approved March 2, 1907, and for other purposes;

S. 1074. An act for the relief of Chao Yao Koh;

S. 1174. An act for the relief of Dr. Kwan Ho Lee;

S. 1308. An act to incorporate the Sea Cadet Corps of America, and for other purposes;

S. 1316. An act to improve the land tenure patterns of the Fort Belknap Reservation;

S. 1398. An act for the relief of Erich Hoffinger;

S. 1524. An act for the relief of Salvatore Spatafora;

S. 1526. An act for the relief of Joey Kim Purdy;

S. 1568. An act for the relief of Chiara Palumbo Vacirca;

S. 1739. An act for the relief of Mrs. Antonia A. Zaccaria Epifani;

S. 1834. An act to further amend the act of August 7, 1946 (60 Stat. 896), as amended, by providing for an increase in the authorization funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and for other purposes;

S. 1882. An act for the relief of Assunta Bianchi;

S. 1889. An act for the relief of Mrs. Geohar Ogassian;

S. 1999. An act for the relief of Anna Marie Erdelyi;

S. 2144. An act for the relief of Alexander Vedeler;

S. 2179. An act to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes;

S. 2198. An act for the relief of Lise Marie Berthe Marguerite de Simone;

S. 2247. An act for the relief of Elvira Ciccotelli;

S. 2250. An act to provide for the incorporation of the National Women's Relief Corps, Auxiliary to the Grand Army of the Republic, organized 1883, 78 years old;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph Division of such district, and for other purposes;

S. 2309. An act for the relief of Tio Sien Tjiong;

S. 2310. An act for the relief of H. F. Hsu;

S. 2355. An act for the relief of Filomena F. Schenkenberger;

S. 2357. An act to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia;

S. 2446. An act for the relief of Wojciech Antoni Drogoszewski;

S. 2482. An act for the relief of Ronald Whiting;

S. 2555. An act for the relief of Fong Yee Hin;

S. 2565. An act for the relief of Michael Najeeb Metry;

S. 2572. An act for the relief of Merritt-Chapman & Scott Corp.

S. 2574. An act for the relief of Constantina Caraiscou;

S. 2586. An act for the relief of Alexandra Callas;

S. 2606. An act for the relief of Patricia Kim Bell (Kim Booshin);

S. 2607. An act for the relief of Lee Hwa Sun;

S. 2621. An act for the relief of Izabel Loretta Allen;

S. 2622. An act for the relief of Michelina Lanni;

S. 2633. An act for the relief of Susan Holt Lerke (Choi Sun Hee);

S. 2649. An act for the relief of Hamburg Tang;

S. 2675. An act for the relief of Yiannoula Vasiliou Tsambiras;

S. 2679. An act for the relief of John Axel Arvidson;

S. 2696. An act to correct certain land descriptions in the act entitled "An act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands";

S. 2709. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel;

S. 2732. An act for the relief of Yoon So Shim;

S. 2769. An act for the relief of Renato Granduc and Grazia Granduc;

S. 2793. An act to amend the District of Columbia Traffic Act, 1925, as amended, to authorize the Commissioners of the District of Columbia to assess reasonable fees for the restoration of motor vehicle operators' permits and operating privileges after suspension or revocation thereof;

S. 2795. An act to prohibit the use by collecting agencies and private detective agencies of any name, emblem, or insignia which reasonably tends to convey the impression that any such agency is an agency of the Government of the District of Columbia;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S. 2893. An act to declare that certain land of the United States is held by the United States in trust for the Prairie Band of Potawatomie Indians in Kansas;

S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the Saint Cloud Diocese;

S. 2919. An act to authorize certain retired and other personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries;

S. 2990. An act for the relief of Caterina Scalzo (nee LoSchiavo);

S. 3011. An act to amend section 4 of the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes";

S. 3086. An act to provide for a reduction in the workweek of the Fire Department of the District of Columbia, and for other purposes;

S. 3156. An act to amend section 142 of title 28, United States Code, with regard to furnishing court quarters and accommodations at places where regular terms of court are authorized to be held, and for other purposes;

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired;

S.J. Res. 60. Joint resolution to establish the sesquicentennial commission for the celebration of the Battle of New Orleans, to authorize the Secretary of the Interior to acquire certain property within Chalmette National Historical Park, and for other purposes;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy;

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium; and

S. Con. Res. 69. Concurrent resolution authorizing the printing for the use of the Senate Committee on the Judiciary of additional copies of its hearings on "Constitutional Rights of the Mentally Ill" and "Wiretapping and Eavesdropping Legislation."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1915. An act for the relief of Orsolina Cianflone Iallonardo.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

Office of the Clerk,
House of Representatives,
Washington, D.C., May 18, 1962.

The Honorable the Speaker,
House of Representatives.

Sir: Pursuant to authority granted on May 17, 1962, the Clerk received from the Secretary of the Senate today the following message:

That the Senate passed the bill (H.R. 10643) entitled "An act for the relief of Gail Hohlweg Atabay and her daughter."

Respectfully yours,
Ralph R. Roberts,
Clerk, U.S. House of Representatives.

ENROLLED BILL SIGNED

The SPEAKER pro tempore. The Chair desires to announce that pursuant to the authority granted the Speaker on Thursday, May 17, 1962, the Speaker did on May 18, 1962, sign the following enrolled bill of the House: H.R. 10643, an act for the relief of Gail Hohlweg Atabay and her daughter.

JOHN HENRY FAULK AGAINST AWARE, INC., LAURENCE A. JOHNSON AND VINCENT HARTNETT

The SPEAKER pro tempore laid before the House the following communication:

Congress of the United States,
House of Representatives,
Committee on Un-American Activities,
Washington, D.C., May 21, 1962.

Hon. John McCormack,
Speaker, House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Mr. Donald Appell, an employee of the House, while serving at my direction as an investigator on the Committee on Un-American Activities, received a subpena directing him to appear as a witness in the Supreme Court of the State of New York, New York County, on the 23d day of May 1962, in the case of *John Henry Faulk, plaintiff* v. *Aware, Inc., Laurence A. Johnson and Vincent Hartnett, defendants.*

The subpena in question is transmitted herewith and the matter is presented for such action as the House, in its wisdom, may see fit to take.

Sincerely yours,
Francis E. Walter,
Chairman.

The SPEAKER pro tempore. The Clerk will read the subpena.

The Clerk read as follows:

THE PEOPLE OF THE STATE OF NEW YORK

To: DONALD APPELL, House Committee on Un-American Activities, Washington, D.C.

Greeting: We command you, that all business and excuses being laid aside, you and each of you appear and attend before Mr. Justice Abraham N. Geller, at special and trial term part 23, room 252 of the Supreme Court of the State of New York, New York County courthouse, Foley Square, Borough of Manhattan, on the 23d day of May 1962 at 10 o'clock, in the forenoon, and at any adjourned date to testify and give evidence in a certain action now pending in the said court, then and there to be tried between John Henry Faulk, plaintiff and Aware, Inc., Laurence A. Johnson and Vincent Hartnett, defendants on the part of the said defendants and for a failure to attend you will be deemed guilty of a contempt of court, and liable to pay all damages sustained thereby to the party aggrieved, and forfeit $50 in addition thereto.

Witness, Hon. Abraham N. Geller, one of the justices of said supreme court, at New York County courthouse the 15th day of May 1962.

JAMES MCGURRIN, *Clerk.*
SAXE, BACON & O'SHEA,
Attorneys for Defendants.

Mr. WALTER. Mr. Speaker, I offer a resolution (H. Res. 650) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Whereas in the case of John Henry Faulk, plaintiff, and Aware, Inc., Laurence A. Johnson and Vincent Hartnett, defendants, pending in the Supreme Court of the State of New York, New York County, a subpena was issued upon the application of Saxe, Bacon, and O'Shea, attorneys for the defendant, and addressed to Donald Appel, a staff investigator for the Committee on Un-American Activities, United States House of Representatives, directing him to appear to testify and give evidence before the said court on the 23d day of May 1962, at 10 o'clock in the forenoon, at Part 23, Room 252 of the Supreme Court of New York, New York County Courthouse, Foley Square, Borough of Manhattan; and

Whereas by the privileges of the House of Representatives no staff employee is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Donald Appell, a staff investigator for the Committee on Un-American Activities, United States House of Representatives, is hereby authorized to appear at the place and before the court named in the subpena before mentioned to testify to any matter determined by the court to be material and relevant for the purpose of identification of any document or documents provided said document or documents have previously been made available to the general public; but said Donald Appell shall respectfully decline to testify concerning any and all matters that may be based on knowledge acquired by him in his official capacity, either by reason of documents and papers appearing in the files of the said Committee on Un-American Activities, including any minutes or transcripts of executive sessions or any evidence of witnesses in respect thereto, or by virtue of conversations or communications with any person or persons, as such testimony is within the privilege of the House of Representatives; and be it further

Resolved, That a copy of this resolution be transmitted to the said court as a respectful answer to the subpena before mentioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BURLEY IRRIGATION DISTRICT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9647) to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 15, strike out "designed" and insert "defined".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ARMY DISTAFF FOUNDATION

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2838) to exempt from taxation certain property of the Army Distaff Foundation, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, line 13, after "all" insert "real property".

Page 3, after line 20, insert:

"SEC. 2. The tax exemption authorized by this Act shall become effective on the first day of the fiscal year next following the completion of construction by the Army Distaff Foundation of facilities necessary to carry out the purposes of the foundation as described in its certificate of incorporation: *Provided,* That such exemption shall, in no event, be applicable to any fiscal year prior to the fiscal year commencing July 1, 1962, and ending June 30, 1963."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina.

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SALE OF CERTAIN PROPERTY OWNED BY DISTRICT OF COLUMBIA IN PRINCE WILLIAM COUNTY, VA.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9699) to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, after "value" insert "to Prince William County, Virginia, or to a nonprofit corporation designated by the board of supervisors of such county".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HONG KONG REFUGEES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, the Washington Post of yesterday contains a very illuminating article by Murrey Marder concerning the situation in Hong Kong.

My colleagues serving with me on the Immigration Subcommittee on the Committee on the Judiciary discussed the article extensively this morning.

It seems to us that all of our colleagues in the House can examine this piece profitably because out of it we will, perhaps, get some idea of how we can take advantage—and by "we" I mean the free world—of the situation which demonstrates beyond any peradventure of a doubt the failure of the Communist system of government. We, of course, are in no position to absorb any significant number of these people, but it seems to me that Generalissimo Chiang Kai-shek could deal an almost mortal blow to the Communist Chinese regime if he would find it possible to welcome to the China that he speaks for a significant number of the refugees, who by their flight from the Chinese mainland attest to the utter failure of the Communist rule. In that connection I am sure the American people would very gladly make available to the hungry refugees those agricultural surpluses which are so abundant in this country.

It was encouraging to me to see this morning an Associated Press dispatch from Taipei stating that the Government of China is considering a massive relocation program for the Chinese refugees in Hong Kong and is apparently willing to welcome to Taiwan all those refugees who wanted to leave Hong Kong.

The newspaper article referred to is as follows:

RED CHINESE PUZZLE—UNITED STATES SEEKS TO ASSIST HONG KONG REFUGEES

(By Murrey Marder)

U.S. policymakers are groping for some possible way to contribute humanitarian assistance for the mass of starving Chinese refugees attempting to pour into Hong Kong from the Communist mainland.

The Kennedy administration, from the President to Secretary of State Dean Rusk and top-rank planners, is giving serious thought to the refugee dilemma.

But so far the only answer is that it is truly a Chinese puzzle, with dimensions and implications of unknown scope, which Red Chinese themselves must solve.

Even though Red China has designated the United States its No. 1 world enemy and pours vitriol on the administration's head daily, the United States has a long record of feeding the hungry in humanity's name. American food storage capacity is bursting with plenty, with stocks which cost billions of dollars to store, often spoiling for want of consumption.

If Red China were to make some request for international assistance on humanitarian grounds, the United States very likely would join to help feed the hungry refugees clamoring at the border of Hong Kong, informed sources indicate.

Red China has made no such move. Many experts believe she never will, for fear that doing so could be regarded as gross confession of error that the "great leap forward" has turned into "the great leap outward."

At the same time, the world is witnessing the bitter anomaly of a Communist wall erected in Berlin to keep refugees from fleeing the East, and a Western wall being expanded in Hong Kong to keep refugees from reaching the West.

There is great admiration here for the effort which the British and their Crown Colony of Hong Kong have made to accept thousands of refugees in its tightly packed area.

Hong Kong has absorbed about a million and a half refugees from China in the last 14 years. In the last few weeks alone about 30,000 refugees are believed to have come in, most of them illegally. Unchecked, the flow could virtually sink the Hong Kong colony.

Anything the United States might do, officials here point out, necessarily would be subordinate to British and Red Chinese action, for they control the two sides of the border.

Communist China has a population estimated at 690 million—nearly a fourth of the world's total. This Chinese population is growing at the staggering rate of nearly 16 million people a year.

In other words, each year Red China produces almost as many new people as the total population of Communist East Germany, about 16 or 17 million. The German refugee problem which existed in Berlin, therefore, was miniscule by comparison.

It is inconceivable, therefore, officials note, to think of accepting all the refugees Red China might decide to turn out. Theoretically, this figure could be in the millions, even though Communist societies, as a matter of standard policy, maintain they have no population problem as such.

There is no certainty, analysts say, why Communist China is allowing so many refugees to leave. There are only various hypotheses: to ease the strain on seriously short supplies throughout the mainland, especially in south China; to flood Hong Kong with refugees and put pressure on its existence; to embarrass the West which often purports to welcome all victims of communism, or simply because Red China is in internal decay and cannot effectively contain the deluge.

Two lines of approach are being explored here.

The main one is possibly to contribute to some kind of international arrangement to resettle some portion of the refugees. A secondary line of thought is to offer American food to Red China itself on humanitarian grounds. Each of these approaches is coupled with a host of opposing arguments.

Even if the funds are available, where can refugees be resettled?

Formosa, headquarters of the Nationalist Chinese Government of Chiang Kai-shek which dreams of regaining control of the mainland, is often suggested. But Formosa, with 10.6 million people, most of whom live on the one-fourth of the land area suitable for cultivation, has one of the world's greatest densities of population per square mile of arable land.

Moreover, Chiang is hardly likely to agree to allowing Formosa to become a safety valve to curb any internal explosion on the mainland; that is what his hopes are tied to.

Officials have looked around teeming Asia for alternatives. In almost every case, Indonesia, the Philippines, etc., there is already a huge oversea Chinese population problem, or there are other major barriers.

Most Western nations have insurmountable immigration walls. The U.S. quota for Chinese immigration is 100 a year. The United States has provided some refugee aid facilities to Hong Kong. It also has taken in several thousand refugees from there through its last Refugee Act, but that door is now closed.

Northeast Brazil has vast open areas, but also its own vast problems of poverty and unemployment. Australia, too, has huge open space. But it also has a "whites only" immigration policy. And so it goes.

What of direct U.S. food aid to Red China? Officials point to these questions:

Should the United States aid a country which daily assails it with charges that it is "scheming new plots of aggression," that it seeks "to turn all of Asia into a colony" and is headed by a President with "savage" designs on the world?

Would food aid to Red China only free her resources for building stronger communism?

Militant Red China, despite its own famine threat, is shipping several million bushels of wheat to its ideological satellite, Albania, which has broken with Moscow. Should the West, therefore, supply any grain to Red China?

What of the effect of U.S. food shipments to China on the world grain market? Canada and Australia have been selling great quantities of their surplus wheat to China.

Beyond these factors, there is a Chinese tradition, long predating communism, barring the acceptance of government-to-government gifts. The tradition is that gifts must be reciprocated in some way. Red China is likely to regard any offer, experts point out, as an attempt to embarrass her, not to aid her.

There was also, however, a curious incident in Warsaw last Thursday, in the interminable series of United States-Chinese talks. As the 110th session broke up, Chinese Communist Ambassador Wang Ping-nan concluded his meeting with U.S. Ambassador John Cabot, and told startled newsmen who for years have waited in vain for some comment: "I have something to say—you can give my greetings to the American people."

Whether this incident has any bearing on the internal dilemma of China, or whether it is any harbinger of anything else, is part of the Chinese puzzle confronting the Kennedy administration.

THE AMERICAN FARMER

Mr. HARSHA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARSHA. Mr. Speaker, Mortimer Caplin's charge that the American farmer fails to report an estimated $4 billion a year in taxable income is a shocking example of irresponsibility. To make such a sweeping indictment of all American farmers is unwarranted to say the least. Such accusations cast aspersions on the character of all farmers and they should be retracted.

If Mr. Caplin has any such evidence against particular individuals he should use the remedies available to him, but to categorically say that the American farmers are evading income taxes is a serious charge and he should either prove it or apologize.

Rural America has long been regarded as a stronghold of integrity.

The American farmer is becoming accustomed to taking it on the chin from the Federal Government, but is there no limit?

They are told what to plant and how much by Uncle Sam. They sell their produce in markets dominated by the Federal Government and depressed by Government-owned surpluses. This year they were even confronted with an administration proposal spelling out jail terms for dairy farmers, and heavy fines for other farmers who fail to trot in Federal harness. In recent weeks several farmers were forced to sell out at heavy loss in order to pay fines assessed by the Federal Government.

Again the heavy hand of Government is trying to coerce or intimidate the American farmer and cast a cloud on his integrity by such a charge. Mr. Caplin should be made to prove his sweeping indictment or apologize to the American farmer.

THE CONSENT CALENDAR

The **SPEAKER** pro tempore. This is the day for the calling of the Consent Calendar. The Clerk will call the first bill on the calendar.

PRINCE GEORGES COUNTY SCHOOL BOARD, MARYLAND

The Clerk called the bill (H.R. 6759) for the relief of the Prince Georges County School Board, Maryland.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

The Clerk called the bill (H.R. 8962) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that this bill be removed from the Consent Calendar.

In explanation of this request, may I say that another clean bill has been considered by the Committee on Education and Labor and reported out and will be before the Rules Committee tomorrow for a rule.

The **SPEAKER** pro tempore. Without objection the request of the gentleman from West Virginia is agreed to and the bill will be stricken from the calendar.

There was no objection.

PARAPLEGIA HOUSING PROGRAM

The Clerk called the bill (H.R. 4012) to amend section 801 of title 38, United

States Code, to provide assistance in acquiring specially adapted housing for certain blind veterans who have suffered the loss or loss of use of a lower extremity.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, at the request of a Member who could not be present today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

STATUTORY AWARD FOR APHONIA

The Clerk called the bill (H.R. 10066) to amend title 38 of the United States Code to provide additional compensation for veterans suffering the loss or loss of use of both vocal cords, with resulting complete aphonia.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice at the request of a Member who could not be present.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ENFORCEMENT OF CUSTOMS AND IMMIGRATION LAWS

The Clerk called the bill (H.R. 10024) to amend the act entitled "An act to provide better facilities for the enforcement of customs and immigration laws," to increase the amounts authorized to be expended.

The Clerk read the title of the bill.

Mr. McFALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of an identical bill (S. 2806) to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 26, 1930, as amended (19 U.S.C. 68), is further amended by amending the proviso to read as follows: "*Provided,* That the total amount which may be so expended for any one project, including the site, shall not exceed $100,000, and that where the project is for the joint use of the customs service and the Immigration and Naturalization Service, the combined cost of the project, including the site, shall be charged to the two appropriations concerned."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 10024) were laid on the table.

PUBLIC BUILDINGS ACT OF 1929—AMENDMENT

The Clerk called the bill (H.R. 11145) to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

Mr. McFALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

IMPORTATION OF SEED SCREENINGS

The Clerk called the bill (H.R. 5546) to amend the Federal Seed Act, as amended, with respect to screenings of seed.

There being no objection the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101(a)(22) of the Federal Seed Act, as amended (7 U.S.C. 1561(a)(22)), is hereby amended by deleting the word "live".

SEC. 2. Section 301(a)(2) of such Act (7 U.S.C. 1581(a)(2)) is hereby amended by deleting the following: "(except that this shall not apply to screenings of wheat, oats, rye, barley, buckwheat, field corn, sorghum, broomcorn, flax, millet, proso, soybeans, cowpeas, field peas or field beans, which are not imported for seeding purposes and are declared for cleaning, processing, or manufacturing purposes, and not for seeding purposes)".

SEC. 3. Section 306(a)(2) of such Act (7 U.S.C. 1586(a)(2)) is hereby amended to read as follows:

"(2) any screenings imported contrary to this Act;".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL PUBLIC WORKS WEEK

The Clerk called the resolution (H.J. Res. 688) providing for the designation of the week commending October 14, 1962, as "National Public Works Week."

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not, I simply want to suggest that if there is an undesignated week left to commemorate something or other that the Congress pass a resolution designating a week in behalf of the taxpayers of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas public works facilities and services are of vital importance to the health and well-being of the people of this Nation; and

Whereas the members of Federal, State, and local units of government are responsible for and must design, build, operate, and maintain the highway, water supply, sewage and refuse disposal systems, public buildings, and other structures and facilities essential to serve the citizens of our country; and

Whereas such facilities and services could not be provided without the dedicated efforts of the public works engineers and administrators of this Nation; and

Whereas the ability of governmental agencies to attract and retain competent persons to provide said facilities and services in the most efficient manner possible, is materially influenced by the people's attitude toward their public servants; and

Whereas it is in the public interest for the citizens and civic leaders of this country to become better acquainted with the public works needs and programs of their respective communities: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the seven-day period commencing October 14, 1962, as "National Public Works Week", and calling upon the people of the United States to celebrate such week with activities and ceremonies paying tribute to the public works engineers and administrators of the Nation and the important work which they perform.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHANGING COUNTIES IN THE WESTERN DISTRICT OF MISSOURI

The Clerk called the bill (H.R. 8216) to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes.

The Clerk read the title of the bill.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's table an identical Senate bill, S. 2270, to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes, and substitute for the House bill.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 105(b) of title 28, United States Code, is amended to read as follows:

"(1) The Western Division comprises the counties of Bates, Carroll, Cass, Clay, Henry, Jackson, Johnson, Lafayette, Ray, Saint Clair, and Saline.

"Court for the Western Division shall be held at Kansas City."

(b) Paragraph (3) of section 105(b) of such title is amended to read as follows:

"(3) The Saint Joseph Division comprises the counties of Andrew, Atchison, Buchanan, Caldwell, Clinton, Daviess, De Kalb, Gentry, Grundy, Harrison, Holt, Livingston, Mercer, Nodaway, Platte, Putnam, Sullivan, and Worth.

"Court for the Saint Joseph Division shall be held at Saint Joseph."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H.R. 8216) were laid on the table.

WAIVER OF TITLE 28, UNITED STATES CODE, SECTION 142, FOR A TERM OF COURT AT DECATUR IN THE NORTHERN DISTRICT OF ALABAMA

The Clerk called the bill (H.R. 10016) to waive section 142 of title 28, United States Code, with respect to the holding of court at Decatur, Ala., by the U.S. District Court for the Northern District of Alabama.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations and restrictions contained in section 142 of title 28 of the United States Code shall be waived with respect to the holding of court at Decatur, Alabama, by the United States District Court for the Northern District of Alabama.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF TITLE 28, UNITED STATES CODE, SECTION 142, FOR A TERM OF COURT AT BRIDGEPORT IN THE DISTRICT OF CONNECTICUT

The Clerk called the bill (H.R. 9844) to waive temporarily section 142 of title 28, United States Code, with respect to the U.S. District Court for the District of Connecticut holding court at Bridgeport, Conn., and at Stamford, Conn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations and restrictions contained in section 142 of title 28, United States Code, shall be waived with respect to the holding of regular terms of court at Bridgeport, Connecticut, and special terms at Stamford, Connecticut, by the United States District Court for the District of Connecticut, pending the completion of the construction of permanent Federal court quarters and accommodations at Bridgeport.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu the following:

"That the limitations and restrictions contained in section 142, title 28, United States Code, shall be waived with respect to the holding of court at Bridgeport, Connecticut, by the United States District Court for the District of Connecticut."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill to waive section 142, title 28, United States Code, with respect to the U.S. District Court for the District of Connecticut for holding court at Bridgeport."

A motion to reconsider was laid on the table.

WAIVER OF SECTION 142, TITLE 28, UNITED STATES CODE, WITH RESPECT TO THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF TENNESSEE HOLDING COURT AT WINCHESTER, TENN.

The Clerk called the bill (H.R. 10012) to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Tennessee holding court at Winchester, Tenn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations and restrictions contained in section 142, title 28, of the United States Code, shall be waived insofar as pertains to holding court by the United States District Court for the Eastern District of Tennessee at Winchester, Tennessee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF TITLE 28, UNITED STATES CODE, SECTION 142, FOR A TERM OF COURT AT MARSHALL IN THE EASTERN DISTRICT OF TEXAS

The Clerk called the bill (H.R. 10389) to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Texas, Marshall division, holding court at Marshall, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the limitations and restrictions contained in section 142 of title 28, United States Code, shall be waived with respect to the holding of court at Marshall, Texas, by the United States District Court for the Eastern District of Texas.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROTECTION OF CLASSIFIED INFORMATION RELEASED TO U.S. INDUSTRY AND DEFENSE CONTRACTORS

The Clerk called the bill (H.R. 11363) to amend the Internal Security Act of 1950 to provide for the protection of classified information released to or within U.S. industry, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LINDSAY. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill a couple of questions about this bill.

Does this bill have the backing of the administration?

Mr. WALTER. Yes. The bill was drafted by the committee in cooperation with representatives of the executive agencies, including the Attorney General.

Mr. LINDSAY. This bill has in it no opportunity for confrontation in respect to men and women who may be deprived of their livelihood in defense plants because of allegations made by the Government. I would think such procedure ought to require some further debate on the floor of the House before the bill may be enacted by this procedure.

Mr. WALTER. I am sure the gentleman will agree with me there are cases of confrontation that would not be in the interest of the United States. In those cases the Secretary of Defense has the authority to deny confrontation. Even in those cases a person whose loyalty is suspected has a right to demand a summary of the evidence in the file derogatory to him. The Department and the committee felt unanimously, I may say, that is as far as the Government ought to go, having in mind the fact that security in the United States is of utmost importance.

Mr. LINDSAY. There is no right of cross-examination in those cases, as I understand it?

Mr. WALTER. No.

Mr. LINDSAY. Can the gentleman answer this question: In those cases where cross-examination is not permitted, is there a right of appeal written into the bill?

Mr. WALTER. Yes, of course.

Mr. LINDSAY. In view of the fact that the procedures are quite drastic, involving the private arena, not the Government arena directly, I am going to have to object to the bill, because I think it ought to be more fully debated.

Mr. WALTER. Will the gentleman withhold his objection for just a moment?

I would like to ask unanimous consent that I may be permitted to include my statement at this point, a statement which I made at the time the bill was introduced.

Mr. GROSS. Mr. Speaker, would not the gentleman from New York ask that the bill be passed over without prejudice to give us time to inquire into certain provisions of the bill?

Mr. LINDSAY. I have examined the bill pretty carefully. I think the bill ought to be considered under a rule, or at least under suspension of the rules. It does not belong on the Consent Calendar.

Mr. WALTER. I will say to the gentleman we will be delighted to debate the bill. I hope every Member of the House is present to know just exactly what steps our Government is trying to take in order to safeguard information which might be of great value to our enemies, of which there are too many in this country today.

Mr. LINDSAY. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, the bill, H.R. 11363, is an amendment to the Internal Security Act of 1950 to provide for the protection of classified information released within U.S. industry. The bill provides an express legislative authorization for the Secretary of Defense, under such regulations as the President may prescribe, to establish a security program with respect to defense contractors and their employees. Also, the bill sets forth the policies and limitations relating to personal appearance procedures, in cases where a determination may be made finally to deny or revoke access authorization to classified information, for individuals employed in U.S. industry whose employment involves such access. The bill is an expression of congressional approval for policies under which opportunities for cross-examination of witnesses are now afforded by Executive Order No. 10865 and constitutes likewise an evaluation of the necessity for such procedures within the established limitations. The bill, accordingly, has received the approval of the Departments of Defense and Justice, and is not opposed by Labor.

This bill will clarify the position of Congress with respect to questions raised in *Greene* v. *McElroy* (360 U.S. 474 (1959)), which in part struck down the industrial security clearance review program established prior thereto under regulations issued by the Secretary of Defense. The Court pointed out that such procedures as were then in effect, under the regulations of the Secretary, were not properly authorized and would require Presidential or congressional authorization. However, the Chief Justice, who was the author of the majority opinion in that case, made clear that the Court did not then decide whether the President in fact had inherent authority to create such a program, whether congressional action was necessary, or what the limits on executive or legislative authority might be.

Immediately following that decision, on July 7, 1959, I introduced H.R. 8121 which sought to establish express congressional authority for the issuance by the Secretary of such regulations. There was this clear necessity to fill the gap in the security program of the Defense Department which was created by the decision, and although the bill was reported out by this committee on September 2, 1959, and passed by the House on February 2, 1960, no action was taken in the Senate. In order to plug the hole in the dike, the President thereupon issued Executive Order No. 10865 on February 20, 1960, giving express authority to certain departments, including the Department of Defense, to issue regulations and prescribe requirements for the safeguarding of classified information within industry. This Executive order formed the basis for the present security program of the Defense Department and is the program which the bill, H.R. 11363, is intended to strengthen and support.

The bill also provides that where the individual's employment involves access to classified information, such access shall not be denied to the individual so employed unless he has been given a statement of reasons for the denial or revocation, an opportunity to reply, a reasonable time to prepare for the proceeding, and an opportunity to be represented by counsel. With respect to those matters in the statement of reasons which he controverts in his reply, the individual shall be given an opportunity to inspect documentary evidence, and to cross-examine any witness providing adverse information upon which the Secretary may rely in reaching a final determination.

However, documentary evidence which has been classified may be received if the applicant is given a summary of such evidence as comprehensive and detailed as the national security will permit. In the case of information supplied by an informant, this may likewise be received without cross-examination if the employee is given a summary of such evidence and if the informant is one who cannot be brought forward because of death, serious illness, or for similar cause, or whose identity cannot be revealed, without substantial harm to the national interest, in the judgment of the head of the Department supplying such informant. It is only in the case where the Secretary personally determines that the personal appearance procedures cannot be employed consistently with the national security, that an exception may be made to the requirements for such procedures. In any event, the bill authorizes reimbursement to individuals for lost earnings, to the extent required by considerations of fairness and equity, when caused by adverse actions of the review program.

While the bill supports the present procedures of the Defense Department under the Executive order, it also extends and improves the operation of such procedures by granting subpena power to the Secretary, thereby assuring to individuals affected, as well as to the Government, a means for the adequate presentation of their case in the personal appearance proceedings authorized by the bill. The bill also provides authorization for an extension of the industrial security program of the Department of Defense to other agencies of the Government for the resolution of cases in which such agencies are concerned with the safeguarding of classified information. In the past, the Department of Defense has entered into mutual agreements with certain other departments and agencies, namely, the National Aeronautics and Space Administration, the Federal Aviation Agency, the General Services Administration, and the Departments of State and Commerce. In this way, an economy of effort and funds can be accomplished while at the same time affording a wider base for the application of the experience of the Department of Defense in administering this program.

The experience of the Department of Defense under Executive Order No. 10865 attests to the effectiveness and reasonableness of the procedures established and which are likewise authorized in the bill. A review of cases under the 1960 program discloses the remarkable fact that out of a total of about 800 cases, some not yet concluded, which have come under the review program from 1960 to date, there are at most 11 in which there may be need for use of a certificate to limit the opportunity for cross-examination under the exceptions above noted. The procedures and practices have in fact fully subserved the interests of individuals and the Government, and indeed have afforded the individual employee the maximum benefits consistent with the interest of the national security. The procedures authorized are a solution which reconciles the imperative and overriding demand for the safeguarding of classified information in the execution of vital defense projects, on the one hand, with the interests and expectations of the individual involved, on the other.

It may be interesting to note that since 1949 the cumulative total of access authorizations granted in industry has been about 5 million. The total number of cases which have come under the Department of Defense industrial review programs since 1953 was about 4,600. A high percentage of persons receiving a statement of reasons for the denial of access have defaulted by not replying to the statement. Defaults have occurred in over 30 percent of the cases where a statement of reasons has been issued. The majority of grants in the review program have been made by the screening board. Only a minority—that is, about 20 percent—of all cases received ever reach the personal appearance proceeding stage. Of those cases which do reach such a stage, there is an average of about 42 percent grants and about 58 percent denials and revocations.

The SPEAKER pro tempore. Does the gentleman from New York renew his objection?

Mr. LINDSAY. Yes, I renew my objection, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

Mr. LINDSAY. Mr. Speaker, earlier I objected to consideration by Consent Calendar procedures of H.R. 11363, to establish an industrial security program. I objected to the bill on the ground that full accord is not given to individual rights and the bill violates due process.

First, confrontation—cross-examination of an accuser—is not permitted in any case where the Secretary of Defense should decide that he will not grant confrontation. There is no standard and no restraint.

Second, although the gentleman from Pennsylvania [Mr. WALTER] in answer to my question, said that a right of appeal is written into the bill, I have read the bill three times and I cannot find it. I note, too, that the safeguards of the Administrative Procedure Act are specifically stated to be inapplicable in this bill.

The gentleman from Pennsylvania says that he will be delighted to debate the bill and wants every Member of the House to be present to know just exactly what steps our Government is trying to take in order to safeguard information that might be of great value to our enemies, of which there are too many in this country today. Perhaps the gentleman is right, but, for heaven's sake, let us debate it on the floor and find out for ourselves what the facts are. This is not the kind of a bill that should be put through on the Consent Calendar. I for one, as long as we are giving a congressional sanction to procedures which can deny people of their livelihood without meeting the test of full due process, would like to hear some discussion. And the fact that this is submitted as an administration bill, as the gentleman from Pennsylvania states, does not necessarily make it any better.

DEGREES AWARDED AT JUDGE ADVOCATE GENERAL'S SCHOOL

The Clerk called the bill (H.R. 6664) to authorize the Commandant of the Judge Advocate General's School to award appropriate degrees and credits.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, chapter 401, is amended—

(1) by adding the following new section at the end thereof:

"§ 4315. The Judge Advocate General's School: degrees

"The Commandant of the Judge Advocate General's School may, upon recommendation by the faculty of the school, grant appropriate degrees and credits to persons enrolled at the school who have fulfilled the requirements for those degrees and credits."; and

(2) by adding the following new item at the end of the analysis:

"4315. The Judge Advocate General's School: degrees."

With the following committee amendments:

On page 1, line 9, after the word "appropriate" add the words "'graduate legal".

On page 2, after line 2, amend the subtitle to read: "4315. The Judge Advocate General's School: graduate legal degrees."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Commandant of the Judge Advocate General's School to award appropriate graduate legal degrees and credits."

A motion to reconsider was laid on the table.

RETIRE IN HIGHEST GRADE HELD IN ARMED FORCES

The Clerk called the bill (H.R. 8333) to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to know if this would apply to the large number of officers who were caught in the reduction in force in the Air Force a few years ago?

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, gladly.

Mr. RIVERS of South Carolina. This has nothing to do with that. The distinguished gentleman from California [Mr. MAILLIARD] introduced this bill. When the Air Force was created, it was part of the U.S. Army. It was known as the Army Air Corps. When we created the Department of the Air Force, we thought that we had transferred, part and parcel, all of the Army Air Corps into the Air Force. But, the General Accounting Office rendered a decision saying that an officer cannot retire under the law with the highest grade satisfactorily held when transferred from the Army to the Air Force unless he were in the Army Air Corps. An officer of the cavalry or any other branch of the Army, could not retire in the highest grade satisfactorily held if he is transferred to the Air Force. We do not understand how on earth the General Accounting Office ever arrived at the decision. This only cures the decision.

Mr. GROSS. I see. And, it does not apply to the situation I spoke of?

Mr. RIVERS of South Carolina. Not at all. This just legalizes something we thought we had done a long time ago.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 69 of title 10, United States Code, is amended—

(1) by adding the following new section at the end thereof:

"§ 1377. Highest grade satisfactorily held.

"(a) For the purpose of the provisions of this title and title 14 relating to retired grade, retired pay, and disability severance pay, active service by a member in any grade, permanent or temporary, in any armed force is considered active service in the equivalent temporary grade in the armed force from which he retires or is separated.

"(b) The Secretary having jurisdiction over the armed force in which a member performed active service determines whether that service, or any period of that service, was satisfactory."; and

(2) by adding the following new item at the end of the analysis:

"1377. Highest grade satisfactorily held."

SEC. 2. (a) Except for persons covered by section 3, a retired member or person to whom retired pay has been granted, who would have been eligible to be retired in a higher grade or advanced to a higher grade on a retired list if the amendments made by section 1 of this Act had been in effect at the time of his retirement, or at the time he was granted retired pay, shall, if he applies within one year after the date of enactment of this Act, be advanced on the applicable retired list to that higher grade and, if otherwise entitled to retired pay under any law, be entitled to retired pay on and after the date of enactment of this Act at the rate prescribed by law for that grade, except that a member of the armed forces who is advanced to a higher retired grade under this Act may elect to receive the retired pay to which he was entitled on the day before the enactment of this Act.

(b) Except for persons covered by section 3, this Act does not entitle any person to advancement on the retired list, or to an increase in retired or retirement pay, for any period before the date of enactment of this Act. No person who was separated for physical disability before the date of enactment of this Act is entitled to any increase in disability severance pay because of this Act.

SEC. 3. (a) Notwithstanding section 1377 (b) of title 10, United States Code, any member of the Air Force who retired before the date of enactment of this Act, and who held a temporary grade in the Army that was higher than the highest temporary grade in which he served satisfactorily in the Air Force, is entitled to be advanced on the retired list to that higher grade if his service while in that grade was satisfactory, as determined by the Secretary of the Air Force and in the case of service in a commissioned grade if such service was for at least six months.

(b) This section becomes effective for all purposes as of June 29, 1948.

SEC. 4. For the purposes of sections 8963(a) and 8964 of title 10, United States Code, a member of the Air Force who was transferred to the Department of the Air Force under section 208 of the National Security Act of 1947, as amended (63 Stat. 591), shall be treated as if his service in the Army was performed in the Air Force.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF MATERIALS FROM THE NATIONAL STOCKPILE

The Clerk called the resolution (H. Con. Res. 473) providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile.

Mr. McFALL. Mr. Speaker, at the request of a Member who could not be present, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ADMIT CITIZEN OF THAILAND TO AIR FORCE ACADEMY

The Clerk called the resolution (H.J. Res. 559) authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent that a similar Senate resolution (S.J. Res. 129) be considered in lieu of the House resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of

America in Congress assembled, That, within one year after the date of enactment of this joint resolution, the Secretary of the Air Force is authorized to admit Prabaddh Riddhagni, a citizen and subject of the Kingdom of Thailand, to the United States Air Force Academy for the purpose of receiving instruction at such Academy if the Secretary find the said Prabaddh Riddhagni to be mentally and physically qualified; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Air Force the said Prabaddh Riddhagni shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Air Force Academy appointed from the United States; but the said Prabaddh Riddhagni shall not be entitled to appointment to any office or position in the United States Air Force by reason of his graduation from the United States Air Force Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject the said Prabaddh Riddhagni to the provisions of section 9348 of title 10 of the United States Code.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House resolution (H.J. Res. 559) was laid on the table.

INSTRUCT TWO BELGIAN CITIZENS IN NAVAL ACADEMY

The Clerk called the resolution (H.J. Res. 656) authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. **RIVERS** of South Carolina. Mr. Speaker, I ask unanimous consent that a similar Senate resolution (S.J. Res. 175) be considered in lieu of the House resolution.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to permit, within eighteen months after date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Belgium, to be admitted for instruction at the United States Naval Academy at Annapolis, Maryland; but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Navy such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as midshipmen at the United States Naval Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the United States Naval Academy.

SEC. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 6959 of title 10 of the United States Code.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House resolution (H.J. Res. 656) was laid on the table.

SALE AND DISPOSAL OF EXTRA LONG STAPLE COTTON

The Clerk called the bill (H.R. 10595) to facilitate the sale and disposal of Government stocks of extra long staple cotton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, all extra long staple cotton remaining in the stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98), shall be withdrawn and transferred or made available to the Commodity Credit Corporation for disposition as provided herein. The domestically grown cotton in the stockpile shall be transferred to the Commodity Credit Corporation and shall be sold only for unrestricted use at not less than the prices at which the Commodity Credit Corporation may sell its stocks under the minimum pricing provisions of section 407 of the Agricultural Act of 1949, as amended. Such domestically grown cotton shall be excluded in making any determination with respect to national marketing quotas under the Agricultural Adjustment Act of 1938, as amended, until after it is sold by Commodity Credit Corporation. The foreign-grown cotton in the stockpile shall be made available to the Commodity Credit Corporation in lots as requested. Any foreign-grown cotton transferred hereunder to the Commodity Credit Corporation shall be sold or disposed of only for export. Such foreign-grown cotton shall be excluded in making any determination with respect to national marketing quotas under the Agricultural Adjustment Act of 1938, as amended, and shall be considered as domestically grown surplus cotton for purposes of sale or disposal under the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, and shall be eligible for sale or disposal thereunder in accordance with the provisions of this Act.

Proceeds from such sales and dispositions, less costs incurred by Commodity Credit Corporation, including administrative expense, as determined by the Secretary of Agriculture, shall be covered into the Treasury of the United States as miscellaneous receipts.

With the following committee amendments:

On page 2, line 8, strike out the words "made available" and insert in lieu thereof the word "transferred."

On page 2, line 9, place a period after the word "Corporation" and strike out the words "in lots as requested."

On page 2, line 11, remove the period after the word "export" and add the following: "at not less than the world market price, as determined by the Secretary of Agriculture. In administering sales or disposals of the foreign grown cotton, the Secretary of Agriculture shall periodically determine and announce quotas for disposals by commercial sales and for disposals through the Agricultural Trade Development and Assistance Act of 1954, as amended."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO WATER POLLUTION DISPUTES

The Clerk called the bill (H.R. 10617) providing that the U.S. district courts shall have jurisdiction of certain cases involving pollution of interstate river systems, and providing for the venue thereof.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **ASPINALL**. Mr. Speaker, reserving the right to object, and I do not intend to object, I understand that the date given on the Consent Calendar is incorrect; that the date should be May 15 rather than May 16, thereby making this particular bill eligible for consideration.

The **SPEAKER** pro tempore. The Chair will advise the gentleman from Colorado that the correction has already been made.

Mr. **PELLY**. Mr. Speaker, reserving the right to object, it is my understanding that this bill has been changed to meet the objections of the Department of Justice. May I ask if that is correct?

Mr. **ROGERS** of Colorado. Mr. Speaker, will the gentleman yield?

Mr. **PELLY**. I yield to the gentleman from Colorado.

Mr. **ROGERS** of Colorado. Mr. Speaker, there are certain amendments on the desk that have not as yet been adopted. The objective of those amendments is to make it crystal clear that under no circumstances would any State be giving its consent to be sued in a local, Federal district court, unless it so stipulates in the compact. We were fearful that the bill as drawn would permit suits to be instituted where compacts have existed between States. However, through the amendments that are now at the desk, which I am hopeful will be adopted, we have eliminated that objection so that only in the future the State, if it so desires, may place the same in the compact.

Mr. **PELLY**. Mr. Speaker, in view of the explanation by the gentleman from Colorado [Mr. ROGERS], I withdraw my reservation.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the United States district courts shall have original jurisdiction (concurrent with that of the Supreme Court of the United States, and concurrent with that of any other court of the United States or of any State of the United States, in matters in which the Supreme Court, or any other court, has original jurisdiction) of any case or controversy—

(1) which involves the construction or application of an interstate compact which in whole or in part relates to the pollution of the waters of an interstate river system or any portion thereof; and

(2) which involves pollution of the waters of such river system, or any portion thereof, alleged to be in violation of the provisions of said compact; and

(3) in which one or more of the States signatory to said compact is a plaintiff or plaintiffs; and

(4) which is within the judicial power of the United States as set forth in the Constitution of the United States.

(b) The district courts shall have original jurisdiction of a case or controversy such as is referred to in subsection (a) of this section, without any requirement, limitation, or regard as to the sum or value of the matter in controversy, or of the place of residence or situs or citizenship, or of the nature, character, or legal status, of any of the proper parties plaintiff or defendant in said case or controversy other than the signatory State or States plaintiff or plaintiffs referred to in paragraph (3) of subsection (a) of this section: *Provided*, That nothing in this Act shall be construed as authorizing a State to sue its own citizens in said courts.

(c) The original jurisdiction conferred upon the district courts by this section shall include, but not be limited to, suits between States signatory to such interstate compact.

(d) The venue of such case or controversy shall be as prescribed by law: *Provided*, That in addition thereto, such case or controversy may be brought in in any judicial district in which the acts of pollution complained of, or any portion thereof, occur, regardless of the place or places of residence, or situs, of any of the parties plaintiff or defendant.

SEC. 2. If any part or application of this Act should be declared invalid by a court of competent jurisdiction, said invalidity shall not affect the other parts, or the other applications, of said Act.

With the following committee amendments:

On page 1, line 10, after "which", insert "(A)".

On page 2, line 2, after "thereof", insert ", and (B) expresses the consent of the States signatory to said compact to be sued in a district court in any case or controversy involving the application or construction thereof".

On page 2, line 24, after "compact" insert ": *Provided*, That nothing in this Act shall be construed as authorizing a State to sue another State which is not a signatory to such compact in said courts."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This is the last eligible bill upon the calendar.

ONE HUNDRED YEARS OF HOMESTEADING

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter from the Secretary of the Interior with a copy of a bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, 100 years ago yesterday a great President, Abraham Lincoln, signed into law a bill that was destined to provide for the settlement and development of the West by many farmers and stockmen. This was the Homestead Act under which, in return for contributing to our economy by cultivating and improving the land, a settler could obtain title to 160 acres of public land.

The act became effective January 1, 1863, and with it, as settlers filed their claims at the various designated Government offices, there was impressed in the American folklore the term that is still expressive today: "Doing a land office business." Indeed, the land offices did a tremendous business and 418 persons filed on the very first day that the law was in operation.

Because of the requirement that the land be lived upon for 5 years the first patent for land titles could not be issued until 1869, during which year several hundred were executed, marking the start of a long procession transferring public lands directly to private ownership in exchange for the consideration of invested labor rather than payment of dollars. In the hundred years of operation of the Homestead Act over 1½ million people have homesteaded over 270 million acres of public land. This was no giveaway program. Those who obtained title to the land made their payments in the endowment to the United States gained through the development of the West.

In my own State of Colorado 107,618 people have claimed title to 22,146,400 acres of land through homesteading. Only in Montana and North Dakota were there more people involved; and only in Montana and Nebraska was more land turned into private ownership out of the 31 States in which patents were issued under the Homestead Act. I, therefore, have a dual pride in marking this century of the Homestead Act for, as chairman of the Interior and Insular Affairs Committee, having jurisdiction over this type of legislation, I salute our predecessors in Congress for their wisdom and, as a Representative from the State of Colorado, I can point to the development that resulted from this act.

It is fitting, Mr. Speaker, that on this day marking 100 years of progress under the Homestead Act, that I introduce, at the request of the Department of the Interior, a bill designed to modernize the agricultural public land laws and include as a part of my remarks the letter from the Assistant Secretary of the Interior explaining the proposed legislation and submitting a draft of a proposed bill entitled "A bill to permit applications for entry under the public land agricultural laws to be filed only for lands designated as open to such application, and for other purposes."

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 5, 1962.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft of a proposed bill "to permit applications for entry under the public land agricultural laws to be filed only for lands designated as open to such application, and for other purposes."

We request that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

In our executive communication of June 14, 1961, with which we transmitted to you our proposed bill "to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes" (subsequently introduced as H.R. 7788 and H.R. 7789), we stated that we were undertaking a comprehensive reexamination of the nonmineral public land laws, and we submitted an outline of six specific items which we had under consideration. The second of these items was a new approach to the disposition of public lands considered to be chiefly valuable for agriculture. Our recommendations in that area are embodied in the proposed bill.

The basic laws governing the disposition of agricultural lands are the Homestead Act (sec. 2289 of the Revised Statutes, as amended; 43 U.S.C., sec. 161 et seq.), the Desert Land Act (19 Stat. 377, as amended; 43 U.S.C., sec. 321, et seq.), the Enlarged Homestead Act (35 Stat. 639, as amended; 43 U.S.C., sec. 218, et seq.), the Kincaid Act (33 Stat. 547, as amended; 43 U.S.C., sec. 224), the Reclamation Act (32 Stat. 388; 43 U.S.C., sec. 372, et seq.), the National Forest Homestead Act (16 U.S.C., secs. 506–509), and the Alaska Homestead Act (30 Stat. 409, as amended; 48 U.S.C., sec. 371). These laws induced persons to till the soil and build homes in distant and often desolate areas which would ordinarily have no lure for a prospective settler, except that land could be obtained at low cost, albeit with much labor.

But since these acts were passed, and partly as a result of them, the situation in the United States has changed. No longer are there available vast quantities of easily cultivable land: those lands best suited for agriculture were long ago patented. We do have scattered areas of land which may be suitable for agricultural purposes. The remainder is predominantly submarginal lands, which often require large expenditures of money to be made productive, and which frequently, after being made productive, are devoted to the cultivation of crops already overproduced in this country.

The identification of those areas which appear to have reasonable agricultural potential as a prior step to the receipt of agricultural applications therefor would tend to minimize the indiscriminate filing of such applications. Under present procedures, people often are wont to apply for submarginal lands, and to spend large amounts of money for their development, often in the hope that after the laws are complied with, and patent obtained, the land might quickly, and at a profit, be devoted to some nonagricultural use. Lands along roads and highways are thus especially sought after, and put into cultivation, by persons whose interest in agriculture is transitory.

These procedures often result in many agricultural applications which have little or no chance of favorable action, with concomitant loss of time and money by both the applicants and the Government. This is not consonant with the public interest.

The proposed bill contemplates the alleviation of this situation by vesting in the Secretary of the Interior the authority to designate broadly those areas which have ostensible agricultural potential as open for the filing of such applications. No agricultural applications would be received for any undesignated public lands. This provision would operate as a prelude to the finite classification of the land envisaged by section 7 of the Taylor Grazing Act, 43 U.S.C. 315f.

By requiring designation of lands prior to the receipt of agricultural applications, the proposed bill would give the Secretary an opportunity to develop a positive program for agricultural dispositions; by requiring payment of the fair market value of the land, less $25 per acre (this offset intended to encourage development of the lands), the proposed bill would discourage speculation, and tend to assure the bona fide agricultural development of the land.

Because the Reclamation Act (32 Stat. 388; 43 U.S.C., sec. 372, et seq.) already contains provisions designed to limit entries to good faith applicants (43 U.S.C., sec. 433), and to lands which in fact are suitable for economic agricultural development, the proposed bill would not apply to lands in reclamation projects.

In order further to discourage the employment of the agricultural public land laws as a device to secure land for nonagricultural purposes, the proposed bill would repeal all provisions of existing law permitting the commutation of homestead entries. The chief of these provisions are section 2301 of the Revised Statutes, and the act of January 26, 1901 (31 Stat. 740; 43 U.S.C., sec. 180), which would be expressly repealed by section 4 of the proposed bill. In addition, other sections of the homestead laws contain references to commutation: Section 2291 of the Revised Statutes as amended (43 U.S.C., sec. 164) contains the clause, "but in case of commutation the 14 months' actual residence required by law must be shown, and the person commuting must be at the time a citizen of the United States"; section 1 of act of May 17, 1900 (31 Stat. 179; 43 U.S.C., sec. 179), contains the clause, "*Provided*, That the right to commute any such entry and pay for said lands in the option of any such settler and in the time and at the prices fixed by existing laws on May 17, 1900, shall remain in full force and effect"; section 1 of the act of May 14, 1898, as amended (30 Stat. 409; 48 U.S.C., sec. 371), contains in the first sentence the clause, "*And provided further*, That no commutation privileges shall be allowed in excess of 160 acres included in any homestead entry under the provisions hereof" and the phrase "except as to commuted lands as herein provided"; the act of July 11, 1956 (70 Stat. 528; 48 U.S.C., sec. 371c), contains the words "or commutation." It is intended that section 4 of the proposed bill, if enacted, would expunge all these references to commutation, as well as such other references which may appear in existing statutes.

The Bureau of the Budget has advised that there is no objection to the presentation of this proposed draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

A Bill To Permit Applications for Entry Under the Public Land Agricultural Laws To Be Filed Only for Lands Designated as Open to Such Application, and for Other Purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provisions of law, no applications for entry under the public land laws requiring the cultivation of land as a condition precedent to the earning of title shall be accepted by the Secretary of the Interior except for such lands as have first been designated by him as open to the filing of such applications. The Secretary of the Interior shall prescribe and publish in the Federal Register standards for the designation of lands as open to application under this Act. In making such designations the Secretary may consider (a) the physical and economic suitability of the lands for cultivation including such factors as soils, topography, climate, irrigation water, access to markets, public utilities and services, and (b) any requirement for continuing public ownership of the lands.

SEC. 2. In addition to meeting the other requirements of law, an entryman, to be entitled to a patent, shall pay to the Secretary of the Interior a sum of money equal to the amount, if any, that (a) the fair market value of the entered land, as determined by the Secretary of the Interior as of the date of the allowance of the entry, exceeds (b) the product of $25 times the number of acres in the entry.

SEC. 3. The Secretary of the Interior may issue such rules and regulations as he deems necessary or appropriate to carry out the purposes of this Act.

SEC. 4. Section 2301 of the Revised Statutes as amended (43 U.S.C., sec. 173), the act of January 26, 1901 (31 Stat. 740; 43 U.S.C., sec. 180), and other provisions of law providing for commutation of homestead entries, are hereby repealed.

SEC. 5. The provisions of this Act shall not apply to:

(a) entries under the Reclamation Act (32 Stat. 388; 43 U.S.C., secs. 372, 373, 381, 383, 391, 392, 411, 416, 419, 421, 431, 432, 434, 439, 461, 491, and 498); and

(b) entries allowed or claims initiated prior to the date of the approval of this Act.

THE HOMESTEAD ACT

Mrs. PFOST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, as chairman of the Public Lands Subcommittee of the Interior and Insular Affairs Committee and as a Representative of Idaho, an important public land State, I would like to join with my colleagues in marking the observance of the 100th anniversary of the Homestead Act, which became public law May 20, 1862.

Much has been said and more will be said this year as to the total effect that the Homestead Act had in the development of the West. In my own State of Idaho, 60,221 homestead entries resulted in 9,733,455 acres of public land being transformed into private land and thereby helped shape one of the best traditions of our American way of life: private ownership of property. I think the greatest contribution that the Homestead Act made was in the extension of the principle that the public lands of the United States should not be hoarded but should be developed for their highest and best use. This law permitted agricultural development of those lands most suited for that use.

Some people have said that the Homestead Act has outlived its usefulness. If this is true it is because agricultural lands, like other lands in the United States, are becoming scarce. Nor is there today the great demand for creation of new productive areas. However, Alaska still remains as a frontier for development.

This is, therefore, a subject that the Subcommittee on Public Lands will study as soon as practicable. Our specific attention will be focused on legislation recommended by the Department of the Interior to modernize the agricultural public land laws. I hope, Mr. Speaker, that we will be able to bring you a further report on this matter before too long.

In closing, my review of the Homestead Act operation would not be complete without paying tribute to those Idahoans who have contributed to the administration of the law in some significant manner. From 1929 to 1933, Mr. Charles C. Moore of our State was the commissioner of the general land office; Mr. R. H. Rutledge of Idaho was director of the grazing service between 1938 and 1942; and, more recently, I am sure you will all recall the service of Mr. Edward Woozley as Director of the Bureau of Land Management from 1953 to 1961.

The Homestead Act has been a vital force in the development of our State, the West, and the Nation; we from Idaho salute all those who made its success possible.

THE LIBRARY SERVICES ACT

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I introduce for appropriate reference a bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries and certain college and university libraries eligible for benefits under that act.

We are all familiar with the Library Services Act and its many accomplishments since it was first passed by the Congress in 1956. Since that time under the impetus given by the act, 36 million rural Americans have received new or improved library services; State support of rural library service has increased 92 percent and local appropriations 73 percent and more than 8 million books have been added to the resources of rural America. As a sponsor of the original 1956 act and of its extension in 1960, I share with the many other supporters of the program in the House of Representatives a feeling of gratification at the accomplishments of the present act. Meanwhile, however, the great and continuing increase in the population of the United States combined with the increased need for more and better formal and informal education has exerted constantly multiplying pressures on the library resources of the Nation, not only in the rural areas but in cities and the new suburban growths which surround them. Advances in science, technology, business and other human activities contribute to these pressures.

These factors affect no one type of library but public libraries, school libraries and college and university libraries, including junior and community colleges interdependently. The citizen in search of information, whatever his age and interests, does not distinguish among types of libraries, but turns to whatever agency is at hand. So interrelated are these types of libraries that their problems must be considered and solved together, because inadequacies in the services and facilities of one seriously affect the others.

The bill which I have introduced today recognizes the need for a coordinated national program of library development and seeks to narrow the gap between public demand for information and the capability of libraries to meet that demand.

The deficiencies in library service are striking. Over 60 million people outside the rural areas now served by the Library Services Act have inadequate or no public library service. The growth of suburban areas without the development of an adequate system of libraries to meet the needs has aggravated this deficiency. The overwhelming demands for help by schoolchildren upon the Nation's public library resources have drained off in many cases the resources which should be available to the adult population, including the increasing numbers of the aging, and to special categories of young people themselves, such as the delinquent or potential delinquent, who require exceptional attention.

The lack of school libraries is a key handicap to the realization of adequate library service throughout the Nation. More than half of the public elementary schoolchildren in the country, more than 10 million pupils, attend schools without school libraries. For 59,000 elementary schools there are only 4,600 qualified school librarians; 450 secondary schools and about 1,100 combined elementary-secondary schools serving more than 600,000 students operate with no school libraries.

College and university libraries present a similar picture of deficiencies which will be magnified many times by the expected further increase in enrollment in institutions of higher elucation. Most serious for the education of America's future scientists, business, government, and civic leaders is the lack of books and other materials; 59.9 percent of all 4-year college and university libraries have less than the minimum accepted national standard of 50,000 volumes; 87.1 percent of all 2-year institutions have fewer than the minimum accepted national standard of 20,000 volumes.

A critical problem shared by college, public, and school libraries alike is the lack of trained professional staff.

The support of local, State, and Federal Government combined are necessary to attack the problems of our Nation's libraries. The bill before you would seek through stimulation of State and local efforts to meet the national upsurge in use and demand for libraries at all levels and thus help libraries more nearly achieve their role as an essential element in the educational foundations of our country.

RUBBERSTAMP GOVERNMENT VERSUS THE U.S. CONSTITUTION

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Washington [Mr. Pelly] is recognized for 45 minutes.

Mr. PELLY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I have asked permission to address the House this afternoon to discuss the balance of governmental powers written into the Constitution of the United States. By powers I mean taxing, spending, and policing powers. I mean authority and decision over the affairs of our country which touch on the way of life and the freedom of every American.

Mine is not a belated protest in aftermath of the recent crackdown on the price of steel. The powers involved in that unhappy incident including implied legal retribution and economic reprisals are only a single manifestation of the condition which I will discuss in these remarks.

My discussion is one of long-range derangement in equilibrium of legislative prerogatives and the consequent seizure by and concentration of them in the executive branch.

My comments should not be considered as either partisan or personal. As a minority Member of the House of Representatives speaking on this issue during a Democratic administration, that allegation may be unavoidable.

Actually, however, mine is criticism of policies and proposals, both past and present. The record cited will be the result of executive branch usurpation on the one hand and legislative abrogation and delegation on the other. The record covers many years, under many Presidents, under both political parties, during many Congresses.

As to partisanship, I have expressed similar views under other than the present administration, but in all honesty never before have I spoken with such deep concern for never before has there been such cause for concern. Who can deny that this administration has sought power as has no previous administration in history? But the blame for yielding to a President should be placed where it belongs—on the Congress itself. In the weeks ahead, much of this blame will be fixed.

In discussing equilibrium of powers between the respective branches of our Government, it should hardly be necessary to mention that the architects of the Constitution knew dictatorships were easy to establish and difficult to displace. Out of their bitter experience and the harsh history of the past they went to great pains to spell out in the Constitution a system of checks and balances. In establishing this Republic they sought protection against what is going on now—undue concentration of power in any one branch of the Government.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Mr. Speaker, I commend the gentleman very highly for bringing this subject before us in this way. It is most important. Every single day of our lives we realize what is being done. It is not only just now; it began years ago. But we do need to know the implications of every bill we get here on the floor of the House and should be most grateful to the gentleman for bringing this matter to our attention.

Mr. PELLY. Mr. Speaker, I am very grateful to the distinguished gentlewoman for her kind remarks. I might say that I intend, during the afternoon, to discuss the history of powers under the Constitution and to show the growing erosion on the part of legislative responsibility.

Mrs. BOLTON. I thank the gentleman very much.

Mr. PELLY. As Benjamin Franklin put it, it was a Republic if it could be kept that way. And our Founding Fathers bent over backward to prevent future despotism.

Thus, in our early history the initiative was in the Congress. Unfortunately, however, for the past 60 years, and especially since 1933, the trend has been toward relegating the legislative branch to a position of a junior partner. What President today would pledge to the people as did Andrew Jackson:

> I shall keep steadily in view the limitation as well as the extent of the Executive's power trusting thereby to discharge the functions of my office without transcending its authority.

Perhaps an accurate scoreboard of the struggle for dominance between these intended coequal branches is the record of Presidential vetoes. It seems incredible that of the first 16 Presidents, through and including Abraham Lincoln, 7 did not exercise the veto power. The Congress, as conceived by our forefathers, was intended to pass the laws, and the responsibility of the Chief Executive was to be one of carrying out those laws. In the first 76 years of our existence not only did 7 Presidents fail to veto any measure passed by the Congress but the other 9 Presidents vetoed a total of only 48 bills—in most cases on constitutional objections and, in one instance, George Washington exercised this power because of a technical flaw in a bill.

However, especially since 1933, executive encroachment on legislative functions has resulted increasingly in more and more Presidential government rather than congressional government.

This condition is, of course, due to our continuing season of national crisis. Many alive today cannot remember when there was not a condition of national emergency. Out of military mobilization as well as economic crisis there has been a constant centralization of government and concentration of responsibility in the Chief Executive. As a consequence, Congress has been dropping in relative power, especially since the New Deal.

The present apathy or diminishing exercise of constitutional responsibility by the Congress and its serious implication is not, I fear, widely recognized. Nor is it sufficiently understood that above and beyond his predecessors President Kennedy has sought so much authority and control that the logical question can be posed today: Can the Congress survive?

By that I mean can it survive other than as a rubberstamp? Can it survive as directed by our Founding Fathers as an autonomous, independent, responsible political entity?

Emperor Augustus did not abolish the Roman Senate nor Hitler the German Reichstag. A submissive assembly is convenient to a dictator—in fact it has been called an indispensable instrument of managerial rule. The Soviets maintain an assembly. It provides a convenient false front of respectability for a dictatorship.

So when I ask, Can Congress survive? I ask, Can constitutional government and individual liberty survive in these United States? That is the threat which my remarks will discuss. The threat involves the most controversial feature of our Government, the proviso of the Constitution which is unique in its separation of powers and the checks and balances that are written into it to prevent any one branch from undermining another.

I mentioned the conditions of economic crisis and military mobilization as being contributory to centralization of authority in the Executive. In this connection, it should be added that the basic struggle is between the permanent bureaucratic apparatus, with its politically appointed leaders, and the legislators who make the laws under which these gigantic and multitudinous agencies operate. This fight is centered around control over the Government purse. The erosion of legislative authority has come about largely through the failure of the Congress to exercise its responsibilities over appropriations. This lack of control over spending has resulted from an ever-growing Government and the paralyzing effect of multitudinous details. The budget has swelled to such proportions it cannot be comprehended and hence cannot be effectively controlled. For example, the proposed budget for 1963, of $99.3 billion, compared with $81 billion in 1962 is an extension of that much more power to the executive department. By default, if not by design, the bureaucrats of the executive department end up making policy and running the Government.

The facts given herein, I repeat, are not partisan as such or politically motivated. They are a diagnosis of a condition. They are borne out by statistics. These facts show clearly that with our Government, as with all bureaucracies, excess of appetite grows by what it feeds on: power and money. These facts show that during the last 30 years the trend has been for Congress increasingly to forfeit its constitutional requirement of appropriating all general expenditures. Instead, Congress has authorized the burgeoning administrative agencies to borrow funds from the Treasury and thereby bypass the normal appropriations procedure, which subject expenditures to annual justification and review. Congressional committees, set up to weigh the urgency of programs against available revenue, are thereby bypassed.

Before proceeding with the contemporary aspect of the shift in power from Congress to the President, let me identify earlier areas of decline in congressional influence. In fairness, let me point out, Mr. Speaker, the decline in the period prior to the Kennedy administration. Generally speaking, President Eisenhower was much less aggressive in pursuit of prerogatives for this office than his two immediate predecessors, Presidents Roosevelt and Truman. Nevertheless, his two terms included some specific actions which increased the power of the Presidency at the expense of the Congress.

President Eisenhower was adamant against any reduction in Presidential direction over foreign policy matters. Especially, he opposed the Bricker amendment, which would have required congressional approval of Executive agreements with foreign nations.

Then, Mr. Speaker, it will be recalled President Eisenhower sought and received blank-check approval, or as one legislator put it, "a predated declaration of war" from Congress. Thus Congress surrendered to the Chief Executive its own constitutional power in connection with legal commitment of U.S. troops to battle through the Formosa and Mideast resolutions.

Then, there was the refusal of President Eisenhower to spend specific appropriations. He followed a practice of his predecessors in refusing to spend money although the Congress had directed it be used for specific programs. In 1955, for example—although the Chief Executive does not have an item veto—the President signed a public works appropriation bill but stated he would freeze funds for certain projects in the bill. He also refused to spend money appropriated for a buildup of certain elements of the Armed Forces.

Just a few weeks ago the chairman of the House Committee on Armed Services took a walk in the White House rose garden which resulted in diminished congressional influence over national security. That was when we gave up on the B–70 program.

There has arisen the case of the Presidential assumption of power by actions condemned by many as being beyond their constitutional authority. President Truman was so criticized for sending troops to Korea; President Eisenhower was similarly criticized for using troops to enforce Federal judicial decrees in Little Rock, Ark. Those are some examples which occurred prior to the present administration.

President Kennedy—as the membership of the House in this 87th Congress knows so well—scored his first important victory over the legislative branch by influencing a so-called packing of the House Committee on Rules.

By this means a potential conservative roadblock to his various liberal legislative requests was removed. Likewise, in emulation of Franklin Roosevelt, President Kennedy has established effective machinery to persuade individual Members to vote for his programs. Under this pressure many independent conservative opponents of the New Frontier have been brought into line. It seems, Mr. Speaker, instead of there being separate branches, there now are just two political parties.

In discussing the subject of actual transfer of authority from Congress to the President, I refer to the Reorganization Act of 1949. In effect, this law reversed the roles of the respective branches of Government. Under this act the Executive could submit reorganization plans for Government agencies. If either House of Congress did not veto such proposals, they automatically went into effect. The Kennedy administration sought to use this means to obtain vast new powers over established independent agencies such as the Interstate Commerce Commission, the Federal Power Commission, and the Securities and Exchange Commission.

One of the first acts of this administration was to propose reorganization changes and submit plans covering various independent agencies, which would transfer additional powers over the various governmental commissions to the Executive. The President, as a consequence, would acquire tremendous new influence over these agencies and their activities. Congress only partially capitulated to this suggested plan for reorganizing the regulatory agencies.

To be specific, approval was granted for reorganization of the Civil Aeronautics Board, the Federal Trade Commission, the Home Loan Bank Board and the Federal Maritime Board. The Senate disapproved of the plan for the reorganization of the Securities and Exchange Commission, and the President likewise was rebuffed by the House on his proposals for the Federal Communications Commission and the National Labor Relations Board.

One of the early farm bills proposed by this administration, the feed grain bill, as Members will recall, was the President's request for Congress to give the Secretary of Agriculture more power than any previous Secretary had ever held. That new plan provided blackjack powers over our corn farmers, so that, for example, if farmers failed to sign a so-called voluntary acreage contract in return for a guarantee of $1.20 a bushel, they faced financial ruin through authority of the Secretary to sell this surplus corn on the open market at less than their production cost price.

Formal shifts in power from Congress to a President, such as these mentioned, by specific grants of authority, are relatively easy to identify. But the influence gained by slow accretion, through long-developing trends, or even by isolated aggressive seizures of the initiative through extralegislative channels, is much more difficult to assess.

In the executive branch, administrations and individual political appointees come and go; but, as pointed out earlier, the basic power exists in the permanent bureau heads. Congress itself has no adequate machinery for discerning how and when agency spending plans and programs originate. The details are well camouflaged and it is known that bureaucratic heads can manipulate power within their respective agencies.

Under our system the road to advancement through higher civil service ratings and increased pay for a career employee or bureaucrat is expansion of Government activity. More personnel and more responsibilities mean more funds to expend. That is the one sure method of upgrading positions.

Therefore, Federal spending and employment figures are a barometer of executive department influence. In the beginning of fiscal 1961—July 1960—civilian employees of the executive agencies of the Federal Government totaled 2,382,549. The Eisenhower administration, following a policy of curtailing the number of these employees, had cut this figure by January 1961 a net of 32,354.

But under the Kennedy administration, this trend was reversed and approximately 150,000 new Federal employees have been added to the Federal payroll since Kennedy's inauguration. Percentagewise, the top jobs, the bureaucratic groups, are increasing most; in other words, the ratio to the total employment of the positions with salaries over $10,000 a year reflects the greatest increase. There has been a constant demand for supergrades above regular civil service rates of pay. This represents more pay and more power.

In the field of spending, for fiscal 1961, President Kennedy jumped dollar outgo over the Eisenhower estimate by $2,588 million. For fiscal 1962 President Kennedy asked for authority to spend $10,195 million more than was programed by his predecessor.

Forty-four percent of these amounts was for nonmilitary items and it certainly means the New Frontier is expanding bureaucracy and thereby increasing its power. This is an index of increased Presidential authority. I repeat, big Government means increased power and influence of the executive branch and a decline in the control and prestige of the legislative branch.

In the past three decades, as I have said, there has been increasing use of a device whereby Congress authorized the administration to borrow funds from the Treasury and spend the money without the year-to-year check by congressional Appropriations Committees. This device, known as back-door spending, has resulted in a continual decline in congressional control and responsibility. It is used in spite of the constitutional provision that no money shall be drawn from the Treasury except in consequence of an appropriation by law.

Never before has a Chief Executive of this Nation requested such vast sums and unchecked power in spending from the Congress through authority to borrow and finance programs outside the appropriations procedure as has President Kennedy. To his credit, on leaving office, President Eisenhower urged Congress to discontinue any new programs financed by the back-door method.

Occasionally Congress stands firm as in the case of the omnibus agricultural bill when the House flatly refused to go along with a Kennedy request for new authority which would have permitted the Executive to have drawn up programs subject only to congressional veto, a device similar to the reorganization procedure previously mentioned. Only last week the President of the Farm Bureau attacked the vast economic power vested in the Department of Agriculture in dispensing some $3 billion annually in subsidy and price support payments.

The accelerated new trend toward usurpation of power by the executive branch is well exemplified by the President's proposal that he be given authority to reduce tariffs. Congress, by the Constitution, is granted power "to lay and collect duties." Yet, in the proposed new tariff bill Congress is asked to make a sweeping delegation of these powers to the President. This proposal seeks to thwart and ignore plainly written provisions of the Constitution. It would allow the Executive to fix duties and commodity quotas. Moreover, it would provide that Presidential determinations "shall be final and conclusive and shall not be subject to review by any court." Thus the people would be deprived of judicial review as victims of illegality in the application of trade laws.

Turning such power over to the President could result in political logrolling as recently was illustrated in a Presidential order for a sharp increase on the tariffs of woolen carpets and glass in order to obtain sectional support for his tariff bill. Or as illustrated by the recent support by the administration of a bill for domestic protection of textiles from foreign imports, an obvious move to buy votes for the new tariff bill by representatives from textile areas.

The increasing rate by which the executive branch of the Federal Government is seeking to take over the power of Congress is illustrated, also, by the President's proposal that Congress give him standby authority to reduce income tax rates by 5 percent. This power would allow the President to reduce taxes by about $10 billion a year under the stated objective that by so doing he could head off any impending business recession. This is power never held by any U.S. President. Many people ask if the President is given the authority to reduce taxes, why would he not seek the authority to increase taxes. The power to tax is indeed the power to threaten and to destroy.

Speaking of standby authority, let us remember, too, that the President is requesting power to spend $2 billion on public works programs, in the event of future economic recession. This delegation of power would violate the spirit of constitutional provision for annual appropriations by Congress.

If the Congress delegates its supreme power of taxation and appropriation to any President, Democrat or Republican, no matter how benevolent or well intentioned, regardless of any circumstances, the legislative branch will be abrogating its responsibilities under the Constitution. And further speaking of spending, the U.S. Government is the Nation's largest employer, and by far the largest purchaser of goods and services. In fiscal 1963 it is estimated the Government's cash spending will amount to approximately $115 billion—$55 billion of which will go to business. Defense contracts alone will amount to about $26 billion and the rest will be for highways, space exploration, atomic programs and the like. The vast power that goes with that spending, the power to grant or deny orders, the power to determine where the money will be spent, is frightening. The Congress should never abrogate its control over that spending.

Then there is the police power of the executive branch to regulate many aspects of our society. Government can use antitrust laws to proceed against alleged price fixing. Its police powers include the right to approve or disapprove on mergers of industry, banking, railroads and airlines. Use of these powers was implied in the recent steel-price case.

Once the legislative branch of Government abrogates its constitutional responsibilities over the tools of administrative power, and the office of the Chief Executive is unchecked, then we can have a dictatorship. That is why the Presidential proposals calling for delegation of more power should never be granted.

President Kennedy seeks a law allowing him to appoint the Chairman of the Federal Reserve Board. This would result in the Board losing its semi-independent status. It would give complete political control to the President of the functions of regulating money and the credit supply of our economy.

Government control of farmers has been particularly far reaching. The farmer now finds himself in the position of not being able to grow cotton, sugar beets, tobacco, or wheat without an acreage allotment from the Government. Heavy fines are levied on a farmer who grows without a Federal quota. The new administration plan would add a jail sentence to the fine and proposes to clamp rigid controls on crops and surpluses. Farmers would be compensated for these controls by price supports and payments for taking land out of production.

The Agriculture Department has grown from an $80,000 unit with 9 employees in 1862 to a huge bureaucracy that will reach a total personnel of 116,000 in 1963, the majority engaged in handing out a $7 billion budget, a large part of which goes to pay people not to farm. In effect, the new Kennedy proposal reverses the roles of Government. The executive branch would write the laws and the legislative branch would have only a veto power.

Mr. Speaker, one of the most insidious actions in connection with the reduction of legislative influence and functioning was contained in a directive of Civil Service Commissioner John Macy. This directive was sent to career Government employees and stated their positive obligation to promote administration programs, controversial or not. Macy said a career official has a positive obligation to support Federal programs based on law or Executive order. He said this means that a career official may properly make speeches explaining and interpreting a current administration proposal, identifying its public purposes, citing its achievements, defending it against criticism. The fact that any such program was under partisan controversy during the period of enactment or development would in no way lessen this obligation.

Whether this violates the law against Federal employees' active participation in partisan politics is not clear, but in an issue such as medical care for the aged the effect constitutes executive branch lobbying and that represents more power.

The late President Franklin D. Roosevelt once told Congress that he hoped it would not let the question of constitutionality stand in the way of passing one of his proposals.

After Mr. Roosevelt, there came Harry S. Truman, who insisted that there were inherent powers in the Presidency which supersede the power of Congress. Fortunately the third coordinate branch, the Supreme Court, disagreed and overruled him on this point.

Then, as I pointed out earlier, General Eisenhower sought dominion in foreign affairs. But Dwight Eisenhower, only last week, to his lasting credit has publicly expressed alarm at the trend to greatly increase the power of the executive branch.

Indeed the Kennedy administration is carrying this trend much further than ever in history toward the ultimate relegation of Congress to the role of a rubberstamp through congressional surrender of its responsibilities.

Mr. Speaker, it is time for Congress to stand up for its rights. In the public interest the Congress must preserve representative government.

The President's powers are limited by the Constitution. He is required to "give to the Congress information of the state of the Union and recommend such measures as he shall judge necessary and expedient."

He is granted power "by and with the advice and consent of the Senate to make treaties provided two-thirds of the Senators present concur."

He may veto an act of Congress but Congress can override his veto by a two-thirds vote.

Congress, on the other hand, under the Constitution has the sole power to make Federal laws.

Congress, under the Constitution, is granted the sole power of levying taxes, including the duties on imports, to provide funds with which to "pay the debts and provide for the common defense and general welfare of the United States."

Congress, under the Constitution, is granted the power to regulate commerce with foreign nations.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I will be happy to, my colleague.

Mr. TOLLEFSON. I want to commend the gentleman for the fine statement that he is making. The First District of the State of Washington, and as far as that is concerned the entire State of Washington, is fortunate to be represented in Congress by the gentleman who has been addressing the House. I know he is talking about the desire on the part of the executive branch to acquire greater and greater powers, and he just now touched on an item having to do with foreign commerce. It might interest the gentleman to know that the maritime nations of the world are up in arms at this very moment because of an effort on the part of our Federal Government, through the Department of Commerce, to regulate the shipping of the world. They are endeavoring, through orders, to regulate international shipping. This is just another indication of a growing desire on the part of our Government to acquire greater and greater power, and I think the gentleman should be commended for calling this to the attention of the other Members of the House and to the people of the United States.

Mr. PELLY. I thank my colleague from the State of Washington. I might say that I happen to know that he, too, has expressed concern over the very matter I am about to discuss, and that is trade under the Export Control Act. As I said, the Constitution gives Congress the power to regulate foreign commerce.

Yet, in spite of this latter provision of the Constitution, Congress under the Export Control Act of 1949 has delegated this control to the President. The President finds a Soviet bloc nation, a nation admittedly controlled by the international Communist movement, to be friendly and thereby finds it eligible for the shipments of surplus subsidized grain. The President, under authority given him, finds another bloc country—Yugoslavia—is not under domination of the U.S.S.R. and makes it eligible for aid, both military and economic.

The President can waive the provisions of the Battle Act—as he has done on a number of occasions. In other words he can determine that it is in the interest of our national security to overlook shipments of strategic military goods by our allies to our enemies. No penalty has ever been invoked under this provision of the act.

It seems that Congress feels it must yield all decisions and discretion to the Chief Executive. Even on his proposal to authorize purchase of U.N. bonds it appears the Congress would not face up to the issue itself, but seems about to allow the President to decide what to do and how to do it.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. PELLY. I will be happy to yield.

Mr. YOUNGER. I also would like to commend the gentleman for his forthright statement.

I want to say that in my opinion the gentleman is pointing out one of the greatest dangers to our Government which exists in this administration. Unless the people become aroused as to what is happening here in Washington, we shall soon awaken and find ourselves under a dictatorship.

Mr. PELLY. I thank the gentleman from California.

Mr. Speaker, earlier in this administration there were a number of profiles in courage in this House and in the Congress who faced up to vital issues. They were not overwhelmed by the New Frontier nor by a popular and politically astute President. They stood firm under great pressure.

I do not know if any of these Members have changed their views and votes after a walk in the White House rose garden, or under threat or duress of a ruthless political machine bent on obtaining power. I have heard that some of my good friends on the other side of the aisle have succumbed, but it may not be true, and the reasons why any Member votes the way he does are his own private and personal business.

Certainly, Mr. Speaker, I am not pointing my finger in any direction except at the Congress as a whole, which I say could easily descend from its high position as the once greatest legislative body in the world to a mere assembly of yes-men with a vacillating vestige of onetime proud independence and action.

Again, I repeat my words are not uttered in partisanship. What I say is purely in devotion to the national interest and against decay of our constitutional system:

Decay such as the delegation of power to the President to modify income taxes.

Decay such as delegation of power to the President to divert funds from authorized purposes for emergency public works.

Decay such as authorized delegation of power to compel farmers to participate in Government programs.

Decay such as abdication of power over appropriations and the regulation and taxing of commerce—to name only a few major issues of this session of Congress.

Republicans and Democrats alike, we had better wake up. As legislators and representatives sworn to uphold the Constitution, we must reassert our responsibilities.

In this critical time we must preserve and protect the Constitution. Indifference, apathy, and unwillingness to place principle before political expediency constitute domestic enemies we are sworn to oppose, that threaten our free way of life.

Mr. Speaker, the system of government as bequeathed to us and the heritage of freedom from our forefathers, these must be earned anew if we would possess them for our children and generations unborn.

Therefore, let us of this 87th Congress henceforth and from now on hold fast to our powers and duties under the Constitution. Otherwise, as sure as night follows day, this still young and vigorous Nation will gradually return to the harsh and unhappy rule of the despot.

I urge my colleagues, Mr. Speaker, to heed this danger.

GOVERNING THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Kentucky [Mr. BURKE] is recognized for 30 minutes.

Mr. BURKE of Kentucky. Mr. Speaker, I have taken this time in order to discuss an aspect of the governing of the District of Columbia. The governing of the District of Columbia is an obligation imposed upon the Congress. Over the years the Congress has jealously preserved to itself that prerogative. Like each other privilege, congressional authority over the Capital City entails grave responsibilities. Other agencies have by delegation been authorized to plan, to recommend, to carry out directions, but final authority over the government and public works of the District of Columbia remains in the Congress.

At this moment proposals are pending in the Congress which will determine the future of the Capital City for generations. The full scope of these proposals, partially because of the manner of their presentation, may not have been brought to the attention of the House with the urgency which they deserve. For that reason I take this time to make abundantly clear exactly what is involved in just one budget request which has been made by the Commissioners of the District of Columbia and is presently being considered by the appropriate committees of this House. That specific budget request concerns the financing of highway construction in the District for the next fiscal year.

I express at this point my sincere admiration of and respect for the Commissioners and hasten to make plain that in these remarks no personal criticism of the Commissioners is intended or should be inferred.

The striking financial facts concerning the proposed capital outlay for highways in the District of Columbia for fiscal year 1962 are these. In January of 1961, in defining projected highway expenditures the Commissioners proposed that for fiscal year 1963 there should be spent $9,800,000 of District of Columbia funds and $13 million of Federal aid highway money, or a total expenditure for fiscal year 1963 of $22,800,000.

One year later, in January of this year, the Commissioners expressed a revised program for highway construction for fiscal year 1963 which would include $10,723,000 of District of Columbia funds and $54,035,000 of Federal aid highway funds for a total of $64,758,000 for fiscal year 1963. The striking fact therefore is that in the 12 months between January 1961 and January 1962 the highway program for the District was proposed to be increased from not quite $23 million for the 1 fiscal year 1963 to almost $65 million, and the important factor to note about this frantic effort is that a similar increase is proposed for each of the next 5 fiscal years.

There is a great deal more involved here than expenditures of large sums of money.

Twenty months ago, after long consideration by the Congress, by the whole Washington region, and by the States of Maryland and Virginia, the President signed into law the National Capital Transportation Act of 1960. Pursuant to that act the National Capital Transportation Agency has been created and a considerable amount of money has been appropriated so that that Agency might carry out the obligations imposed upon it by the Congress.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. BURKE of Kentucky. I yield to the distinguished gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, I want to say to the gentleman that I think he is sounding a warning here about a matter which can have serious repercussions in the District of Columbia. I am sure that the gentleman will agree with me that on the basis of the latest information that we have in the Committee on the District of Columbia of the House of Representatives there are many unresolved issues with reference to the mass transportation policies which we shall follow in the future.

However, in talking to the representatives of this Agency it appears that they are ambitious to have a program which will move great masses of people with great speed in and out of the District of Columbia. That may be by tunnel or underground passageways or by monorail or by superhighways or a combination of any of these. It seems to me, however, that until we have a fixed policy established as to what mass transportation steps will be taken, it is rather difficult for anyone to project his mind into the future and determine just how many of these expressways or superhighways, which swallow up so much valuable taxable property and displace so many people, should be adopted as a policy with reference to vehicular traffic. I am wondering if the gentleman will agree with that.

Mr. BURKE of Kentucky. I thank the gentleman from North Carolina, and say that I certainly do agree with him, because, as the gentleman has pointed out, one of the important duties imposed upon the National Capital Transportation Agency by the Congress is that it shall submit to the President for transmittal to the Congress, not later than November 1, 1962, a report on the proposed balance of transit and highways in the District of Columbia and, at the same time, present a program for construction of transit facilities. So I think the gentleman has put his finger right on the key matter involved here in this greatly accelerated proposal for highway construction.

Mr. WHITENER. If the gentleman will yield further, the gentleman serves on the Subcommittee on Traffic, Streets, and Highways of the Committee on the District of Columbia, a special subcommittee appointed by the distinguished chairman of the Committee on the District of Columbia. I am privileged to be the chairman of that subcommittee. I think it is no secret that the chairman of our committee has suggested to the subcommittee that within the next few weeks we commence a study of the street and highway problem here in the District. No one can seriously question that some changes and some improvements need to be made. What I am saying, and I know what the gentleman from Kentucky is saying, should not be construed by anyone as being a position of standing completely by; but rather that we make such haste as we make with judgment and with discretion, and not in our haste and in the haste of the Commissioners and the other governing authorities of the District do things which would not be in the best interests of the public and things which we would hope they would not do which would prove to be inordinately expensive and not bring about the results which we all, I am sure, join with the Commissioners in hoping they will bring about.

Mr. BURKE of Kentucky. I think the gentleman states the problem extremely well. I thank him for his contribution. May I point out that this is nothing that has come about lately, because in the very statement of findings and policy in the National Capital Transportation Act of 1960 the Congress stated that an improved transportation system for the National Capital region requires, with planning on a regional basis, a unified system of freeways, parkways, express transit service, and other major transportation facilities. So that the gentleman from North Carolina was stating extremely well not only what he knows is expressed to him on the District of Columbia Committee but is expressed in the law itself.

Furthermore, implicit in the act itself, and explicitly stated in the committee reports on the National Capital Transportation Act, is the congressional direction that additional highways should be built in accordance with a program which would allow the National Capital Transportation Agency to perform effectively the job which Congress gave it. Under the accelerated highway program which would be undertaken if the Congress approves the current District budget request, construction would very likely make obsolete the November report of the National Capital Transportation Agency even before it is completed. This is true for the following reasons: A key structure which the District government proposes to undertake originally in fiscal year 1964 or later, is the so-called interchange C in southeast Washington for which $3,200,000 is now requested to undertake construction during fiscal year 1963. This is a large structure. It is estimated that the interchange itself will cover 40 acres, and I feel reasonably certain that much more land will be involved in necessary approach structures. Once this key interchange is committed, the whole interloop pattern is established to a degree which would be beyond reasonable adaptation no matter what might be discovered by virtue of the transit study which the law requires be delivered to Congress in less than 6 months. To take 40 acres of completely urban, intensely developed, densely occupied land in southeast Washington at this time is a step which should not be taken until everyone is completely certain that it is a proper step. I think we should recall the very apt language which was contained in the report made in the Senate on the National Capital Transportation Act:

> Any attempt to meet the area's transportation needs by highways and private automobiles alone will wreck the city—it will demolish residential neighborhood, violate parks and playgrounds, desecrate monumental portions of the Nation's Capital and remove much valuable property from the tax rolls.

Interchange C, which I cite only as an example of the remarkable acceleration which the Commissioners are requesting in the highway program for the Capital City for fiscal year 1963 would take much valuable property off of the tax rolls, would displace additional large numbers of families, and is proposed to be built ahead of its originally proposed date for suggested reasons which are wholly inadequate.

I shall not dwell upon the universally recognized fact that in the District of Columbia the relocation of displaced families is a most serious problem. Those who have been forced from their homes by highway construction, by the construction of public buildings and by urban renewal programs present one of local government's most vexing problems, and yet in a pell mell rush to accelerate the highway program multiplication of the problem of relocation is obviously done for no adequate reason.

The millions of dollars of valuable property which will be taken from the tax rolls by necessary highway construction is a further serious consideration. The exact amounts to be taken will be presented at an appropriate time, but there is absolutely no reason for the fiscal year 1963 to accelerate the construction of major highway structures which will not in the immediate future have any effect on the movement of traffic. If the Congress determines that the major accelerations by such structures as interchange C are not warranted during fiscal year 1963 the District's highway budget for the next fiscal year will still be more than twice the budget which was proposed by the Highway Department as recently as January 1961.

It is a little difficult to state exactly the magnitude of the immediate acceleration which the District Highway Department has proposed. As I said earlier, in simple dollars it is a proposal to increase a $13 million budget item to a $54 million item in terms of Federal aid alone. It is a proposal for capital outlay for highways for fiscal year 1963 which would be more than 50 percent of the entire capital budget of the District of Columbia government. I want to make it abundantly clear that I do not speak in opposition to the highway program of the District of Columbia at all. I do think that the proposed acceleration which would be brought about by the budget requests is poorly timed and extremely unwise.

We are talking about a system of highways in the city which will extend one expressway, which may or may not be a depressed road, directly across the west front of the Capitol, actually passing on the Capitol Grounds. Another segment which it is proposed will cross the area between the Tidal Basin and the Washington Monument and other similar roads which will change the face of the Nation's Capital to a radical degree. It may be necessary to build every one of these roads; it may be necessary to displace the additional thousands of families who would be involved; it may be necessary to remove these millions and millions of dollars worth of property from the tax rolls; it may be necessary to surround and bisect the very heart of Washington with highways, but it is not necessary to commit the District government to these specific plans from which deviation would be almost impossible, in advance of the submission to the Congress of the report of the National Capital Transportation Agency next November. One is tempted to say to the Commissioners, "What's the big hurry?" If these major acceleration projects were those which would confer immediate or reasonably immediate benefits upon the traffic circulation problems of the District the justification of their immediate construction might be seen. In view, however, of the fact that the major acceleration in the highway program is obviously the tying down of future major roads one must seriously urge that the highway budget of the District, when it becomes available for action by this House be so handled as to allow full benefit to be taken of the transportation report of next November so that all of the planning for every means of moving persons and goods in the District be used to its fullest benefit.

THE PRICE DIFFERENTIAL ON COTTON IMPORTS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 20 minutes.

Mr. HEMPHILL. Mr. Speaker, from time to time I have spoken to this House about the plight of the cotton textile industry. One reason for the present difficulties of this great industry is the price differential on raw cotton which is 8½ cents a pound. It is manifestly unfair to domestic producers to force them to pay more for their raw product than foreign producers pay. This is unfair competition.

Six months ago today the Tariff Commission was instructed to study the problem of this price differential and to decide whether or not an equalization fee is required as an offset to the differential. Six months and still no decision. What is the reason for the delay? The Tariff Commission has often studied major trade problems in less than 6 months. It is standard practice to ask the Commission to report to the President in 6 months. Press reports indicate that it will be late June, perhaps even sometime in July, before the Tariff Commission will be ready to make its report on an equalization fee. Could this timing be in connection, or related to, the timing when this House will have voted on H.R. 9900, the Trade Expansion Act of 1962? There are some Members who think there is a relationship.

There is both unemployment and underemployment in the textile areas of this country. Thousands of American jobs are right now hanging on the outcome of this question. It is no secret that some textile plants contemplate shutting down if no equalization fee or some other method is found to end this 8½-cent price differential. This is not a threat. It is not a club to be held over the head of the administration. It is not a case of the industry saying to the Government, "If you don't do this, we will shut down." It is a simple matter of economics. The low-wage, low-cost textile producers of the world get an added advantage of cheaper raw cotton over U.S. producers. The foreign competition with the American textile industry will still have the advantage of lower wages, lower wage costs, and some competitors will get slices of U.S. foreign aid. Is is asking too much on behalf of our own textile industry that it be rescued from this 8½-cent-a-pound price differential?

Those of us from the textile areas are fully informed on what the administration has done and is doing to give the textile industry relief from unregulated imports and so far as these remedies go they are all to the good. But they do not go far enough. When the President, on May 2 of last year, issued his program for relief of the textile industry, high on his list was this question of the 8½-cent-a-pound price differential. Six months ago the President asked that a study be made. Mr. Speaker, it is possible to study an issue to death. Over a year ago the combined textile complex, fibers, spinners, weavers, apparel manufacturers, the entire industry, filed a petition with the Office of Civil and Defense Mobilization, since reorganized as the Office of Emergency Planning, requesting that it be found essential to the national defense. This, too, was on the President's program for relief of the textile industry. Over a year has passed and there is no report forthcoming from this agency either. How long must these studies go on?

I do not wish to labor the House with this issue but I am sure that speaking for all Members from textile-producing areas whether they are in the South, the North, or the West, I, for one, would welcome some signs that these two studies will be made available to the House before many more weeks pass.

The American people, the textile employees, the textile industry, deserve action. The President has asked for action. The Members of Congress from the textile areas have stressed a need. We need favorable action and we need it now.

AFFIDAVIT ON JOHN BIRCH SOCIETY FILED WITH CALIFORNIA INVESTIGATIVE BODY

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from California [Mr. HIESTAND] is recognized for 30 minutes.

Mr. HIESTAND. Mr. Speaker, I am in receipt of an affidavit filed in evidence with the California State Senate Factfinding Committee on Un-American Activities. It was filed by Mr. Thomas H. Werdel, of Bakersfield, Calif., former Member of Congress.

In order that Attorney-at-Law Werdel's affidavit might receive some public scrutiny, I submit excerpts from his affidavit:

> Regarding a report, dated July 7, 1961, on the John Birch Society: it was prepared in the name of Attorney General Mosk, of California, by Assistant Attorney General Howard

Jewell at taxpayers' expense and submitted to Governor Brown.

The affidavit includes the following:

"No witnesses whatever were called;

"No information was requested of or opportunity to reply given to the society;

"The Communist apparatus was given a new dignified quotation to be read by the uninformed and inarticulate when the report states: Birch has charged Chief Justice Warren with 'bringing this country to the brink of democracy.'

"It is submitted that there is no available evidence of any statement by Mr. John Birch in regard to Chief Justice Warren during Mr. Birch's lifetime.

"Without calling witnesses or making a reasonable effort to determine the truth, the [attorney] general compared the John Birch Society to the structure of the Communist Party itself. In doing so he deceptively stated the purpose of the society as being to establish 'one person' or 'totalitarian' government. That is to say, the [attorney] general purportedly was examining the Blue Book, wherein it clearly appears that the society's purpose is to avoid totalitarian government by defending and reestablishing our constitutional protections and maintaining the 'republican form of government therein provided for.'

"The report of the attorney general also puts words in strangers' mouths, as alleged members of the society, without calling witnesses, and has the society condemn patriotic individuals in public life who are also fighting to maintain the constitutional Government of the United States and the respective States.

"Any honest investigation of the John Birch Society must be based upon and take into account the following key points:

"A. It must take into account, as an integral part of the investigation, the individuals and organizations whose programs the John Birch Society challenges and opposes.

"B. The society is a perfectly legal, responsible and useful American organization, carrying out an openly proclaimed and publicly available patriotic program under the right of free speech guaranteed by the Constitution.

"C. The society is primarily concerned with the problem and danger raised by communism and its appeasement at home and abroad by anyone.

"D. The society provides a forum for discussion, dissemination of information, and training through mutual exchange of ideas on how to combat communism and anyone who appeases it.

"E. The facts about communism and its appeasement are a matter of massive public record, already widely discussed by many authorities; and investigated and publicized in millions of pages of public governmental documents and transcripts of testimony by Communists, former Communists, intelligence agents, undercover agents and defectors from the Communist conspiracy at home and abroad.

"It is impossible to investigate the John Birch Society without an equal investigation, which is not parallel, but is integral, of the Communist conspiracy and its appeasement; and a factual determination whether or not the John Birch Society is wrong in its appraisal of the Communist danger; and, if so, where, when, about what, in what total percentage to where it is right.

"Clearly related to this question is the perplexing, and constantly recurring problem of those who would modify, vitiate, nullify, downgrade and virtually destroy American patriotism and respect for and loyalty to our constitutional heritage. Such programs are the daily effort of hundreds of individuals and organizations.

"If these individuals and groups have the free right to attempt to propagandize us into surrendering to a vague, ill-defined and uncontrolled so-called world government, the John Birch Society also has the free right to remind the American people of George Washington's Farewell Address and to insist that these people keep their hands off our schools and schoolchildren and to argue this vital dispute with adults.

"The members of the John Birch Society knew that they would be the target of a massive smear campaign. This did not require any crystal ball. No individual or group that has opposed communism has been immune, since the founding of the Communist Party, U.S.A., in 1919.

"The Communist Party launched the open attack on the John Birch Society with a long story in its weekly issue of its west coast newspaper, People's World, February 25, 1961. The one-world groups naturally joined in the attack because their positions had been challenged.

"These groups present a serious problem to any legislative committee that wants to investigate this dispute completely. The whole purpose of the existence of the John Birch Society is to dispute with these groups and with opportunistic politicians who cater to their pressure tactics in the marketplace of opinion about the key question in this introduction—that of communism and its appeasement and the down-grading of our constitutional heritage.

"It is impossible to investigate the John Birch Society without investigating what the John Birch Society is doing—and what it is doing is fighting these groups for the benefit and protection of the United States of America, its Constitution and the prevention of its destruction by fanatical one-worlders, not to mention the squandering of our substance on global boondoggling.

"We therefore submit for the consideration of the committee: copies of the official blue book, the handbook of the John Birch Society, which stands on what it says in print; and a file of the Bulletin, which is the monthly publication of the society, which states a public position on a number of issues.

"Another of the double-standard smear attacks on the John Birch Society is the denunciation that it is operating in secrecy for some never defined or explained evil purposes. This also is a total propaganda fraud.

"The John Birch Society operates in the open and stands behind its publicly circulated statements of policy and bulletin reports on issues before the American public.

"The John Birch Society is no more or less secret than the Masons, Knights of Columbus, Elks, Moose, Foresters, Eagles, American Legion, Veterans of Foreign Wars, Regular Veterans, Purple Heart, and hundreds of similar organizations.

"This also applies to Americans for Democratic Action, the California Democratic Council, the American Civil Liberties Union, and hundreds of Communist fronts identified in the Attorney General's list and by congressional committees.

"The question has been raised: Would we make our membership list public? This is a ridiculous question. It has never been raised about the organizations mentioned, only about the Communist Party and its identifiable front groups.

"The only organization in the United States that legally has been ordered to disclose its membership and register as a criminal agent of a foreign power is the Communist Party.

"If any politician wants to campaign on this subject of asking American anti-Communist organizations to supply their membership lists, we suggest that no double standard apply. The politicians must not discriminate. They will have to ask every organization in the country to make its membership lists public; and list the organizations to which they belong and have belonged.

"His Excellency, Edmund G. Brown, the Governor of the sovereign State of California, while district attorney of the city and county of San Francisco, was the San Francisco chairman, and we are reliably advised, was the head of the National Lawyers Guild for the State of California. We understand His Excellency admits such membership in the National Lawyers Guild but contends that he resigned when he learned that it was a Communist front. He then assumes that the people of California should have no objection to him holding all of the powers of the Governor of this State. His expressed excuse for such membership while an adult, law enforcement officer of this State is interesting when considered in the light of the following facts:

"(a) This subcommittee and law enforcement agencies throughout the Nation had been investigating the National Lawyers Guild prior to His Excellency's membership which required him to enforce their directives at the local level as district attorney of the city and county of San Francisco and, in a 1959 House Committee on Un-American Activities report, the National Lawyers Guild is designated 'foremost legal bulwark of the Communist Party'; and

"(b) The National Lawyers Guild published its last list of membership in 1937; and since that date has refused to give its membership, or affirm or deny, that a particular lawyer was a member, to Military Intelligence, Naval Intelligence, the FBI, other law enforcement agencies, including district attorneys, etc.; and

"(c) That universal policy of this Communist front was enforced from the national level through State and local authorities representing National Lawyers Guild; and

"(d) His Excellency, Edmund G. Brown, the present Governor of the sovereign State of California, did not resign his responsibilities as such local enforcement officer of said Communist directives, in connection with the said National Lawyers Guild, until it was identified, publicly, as a Communist front by J. Edgar Hoover and Attorney General Biddle several years after World War II when such information was vital to the security of this country."

The committee was referred to the subject "Infiltration of State Government," in its 1959 report commencing on page 17 and ending on page 27.

OUR NATION'S MORAL STANDARDS

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. KEARNS] is recognized for 30 minutes.

Mr. KEARNS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KEARNS. Mr. Speaker, at the dedication of the Eisenhower Library at Abilene, Kans., on May 1, 1962, former President Eisenhower spoke of the American pioneers who fought droughts and floods, isloation and Indians in the great Western migration and settlement of this continent.

Then he commented on the current dance craze, the twist, and he said this dance showed that moral standards had changed. He went on to say that the movies, the stage, books, and periodicals are "using vulgarity, sensuality, indeed, downright filth, to sell their wares."

Former President Eisenhower asked:

> What has happened to our concept of beauty and decency and morality?

He added that:

> America is the strongest nation in the world, and she will never be defeated or damaged seriously by anyone from the outside. Only Americans can ever hurt us.

These statements by former President Eisenhower deserve the most serious consideration.

Recently the American Law Division of the Library of Congress made a long and detailed study which shows that Canada has been struggling with the problems of vulgarity, sensuality, and filth and I include it here with the thought that the Canadian experience may be helpful to us as we grapple with these matters here in our own country:

"OBSCENE": A CANADIAN DEFINITION

1. "OBSCENE" DEFINED

On July 18, 1959, the Canadian Criminal Code, section 150, dealing with obscene matters, was amended by the addition of a new subsection (8), see 7–8 Elizabeth II, ch. 41 (Statutes of Canada, 1959, vol. 1, p. 253). With this addition section 150 reads as follows (Martin's Annual Criminal Code, 1961, pp. 116–117):

"Offense tending to corrupt morals

"Obscene matter: Crime comic, selling obscene matter, indecent show, offering to sell contraceptives, offering to sell other drugs, defence of public good, question of law and question of fact. Motives irrelevant. Ignorance of nature no defence, crime comic, obscene.

"150. (1) Everyone commits an offence who (a) makes, prints, publishes, distributes, circulates, or has in his possession for the purpose of publication, distribution, or circulation, any obscene written matter, picture, model, phonograph record, or other thing whatsoever, or

"(b) makes, prints, publishes, distributes, sells, or has in his possession for the purpose of publication, distribution, or circulation, a crime comic.

"(2) Everyone commits an offence who knowingly, without lawful justification or excuse, (a) sells, exposes to public view, or has in his possession for such a purpose any obscene written matter, picture, model, phonograph record or other thing whatsoever, (b) publicly exhibits a disgusting object or an indecent show,

"(c) offers to sell, advertises, publishes an advertisement of, or has for sale or disposal any means, instructions, medicine, drug, or articles intended or represented as a method of preventing conception or causing abortion or miscarriage, or

"(d) advertises or publishes an advertisement of any means, instructions, medicine, drug or article intended or represented as a method for restoring sexual virility or curing venereal diseases or diseases of the generative organs.

"(3) No person shall be convicted of an offence under this section if he establishes that the public good was served by the acts that are alleged to constitute the offence and that the acts alleged did not extend beyond what served the public good.

"(4) For the purposes of this section it is a question of law whether an act served the public good and whether there is evidence that the act alleged went beyond what served the public good, but it is a question of fact whether the acts did or did not extend beyond what served the public good.

"(5) For the purposes of this section the motives of an accused are irrelevant.

"(6) Where an accused is charge with an offence under subsection (1) the fact that the accused was ignorant of the nature or presence of the matter, picture, model, phonograph record, crime comic or other thing by means of or in relation to which the offence was committed is not a defence to the charge.

"(7) In this section, 'crime comic' means a magazine, periodical or book that exclusively or substantially comprises matter depicting pictorially

"(a) the commission of crimes, real or fictitious, or

"(b) events connected with the commission of crimes, real or fictitious, whether occurring before or after the commission of the crime.

"(8) For the purposes of this Act, any publication a dominant characteristic of which is the undue exploitation of sex, or of sex and any one or more of the following subjects, namely, crime, horror, cruelty and violence, shall be deemed to be obscene. 1959, c. 41, s. 11."

2. THE TEST OF OBSCENITY—THE HICKLIN CASE

Prior to 1727, Curl's case,[1] all prosecutions for obscenity took place in the ecclesiastical courts.[2] There was no offence at common law covering this matter.[3] In that year Curl was prosecuted and convicted in the English common law courts for publishing a pornographic book.[4] In 1857 Lord Campbell's Act was enacted by the English Parliament.[5] "This Act created no new criminal offence, but gave Magistrates the power to order the destruction of books and prints if in their opinion their publication would amount to a 'misdemeanor proper to be prosecuted as such.' "[6] Neither the common law nor Lord Campbell's Act defined "obscenity."[7]

The first definition or test of obscenity for Canada, as for England, was laid down in 1867 in the English case of *Regina* v. *Hicklin*, L.R. 3 Queens Bench 360, at p. 371. In the case of *Regina* v. *Americans News Company Limited* (1957), 25 Criminal Reports (Canada) 375–6, Laidlaw, J. A., states the text:

"The Obscene Publications Act, 1857, gave power to magistrates to order the destruction of books and prints if satisfied that they were of such character and description that the publication of them would be a misdemeanor proper to be prosecuted as such. In 1868 proceedings were taken under that statute for an order for the destruction of certain pamphlets seized in the House of one Henry Scott. The order was made and an appeal was taken from the magistrates to the Recorder, who held that Scott's purpose was not to corrupt public morals, and the destruction order was revoked. Upon further appeal from the decision of the Recorder to the Court of Queen's Bench, the destruction order was restored: *Regina* v. *Hicklin* (1863), L. R. 3 Q. B. 360. At p. 371 Cockburn, C. J. laid down the test of obscenity in these words, 'and I think the test of obscenity is this, whether the tendency of the matter charged as obscenity is to deprave and corrupt those whose minds are open to such immoral influences, and into whose hands a publication of this sort may fall.' "

The lack of preciseness in the definition led to difficulties in Canada as elsewhere. An annotation to Snow's Criminal Code of Canada[8] states that the word "indecent" has no fixed legal meaning and it devolves upon the prosecution to prove a depraving tendency, citing *R.* v. *McAuliffe*, 8 C. C. C. 21 and that obscenity of language is such indecency as tends to violation of law and to the corruption of morals, citing *R.* v. *Ballentine*, 22 C. C. C. 385. Martin's Criminal Code[9] points out that there has been criticism of section 150 of the Code because of a lack of a definition of obscenity. However, the test laid down in *R.* v. *Hicklin*, *supra*, is the one to be applied, citing *R.* v. *Reiter*, 1 All E. R. 721 (1954), and *R.* v. *National News Co., Ltd.*, O. R., 533 (1953).

After the decision in *Regina* v. *American News Co. Ltd.*, 118 Can. C.C. 152 (1957), in which the presiding judge sentenced the accused to a fine of $5,000, criticism of the Hicklin test became severe. In an article on the test it was stated: [10]

"Accordingly, in the American News case, the Ontario Court of Appeals repeated the shop-worn formula and defined obscenity as 'whether the tendency of the matter charged as obscenity is to deprave and corrupt those whose minds are open to such immoral influences and into whose hands a publication of this sort may fall.' The definition of obscenity is vague, as meaninglessly vague (and therefore as unworkable) as the definition of 'public good'. Laidlaw, J. A. admits that: The words 'deprave' and 'corrupt' as contained in the test of obscenity are indefinite and uncertain in meaning. It is not sufficient in law that a matter charged as obscenity should merely be disgusting or repulsive. Conversely, it is not necessary that the matter be salacious or unsavoury to be obscene. * * * [T]he test of obscenity is stated explicity to be applicable to persons whose minds are open to such immoral influences and into whose hands a publication of this sort may fall.' Thus the test embraces both adults and youth * * * 'normal' as well as * * * 'abnormal'. In each case the finding depends upon a consideration of the effect of the matter in question on persons into whose hands it may fall and whose minds are open to influences of a corruptive kind. The persons into whose hands any matter charged as obscenity might fall is again uncertain in both theory and practice * * *. The question as to whose minds are open to corruptive influences is, again a question to which there is no certain or definite answer.

"This is a rather important admission because it means that the whole test of obscenity is uncertain and indefinite, the enumerated items so classed being the whole heart of the definition. By itself such an admission is a sufficient indictment of the 'definition' of obscenity and of the basis upon which a criminal conviction lies. Surely it is an imperative and fundamental rule of criminal jurisprudence that the nature and ambit of an offence be strictly and rigorously defined. In effect the accused is asked to meet a charge which can and does mean something different to different people, judges and juries alike."

A second article in the same law review: [11]

"The case of *R.* v. *American News Co. Ltd.*[12] is of the greatest importance in the law of obscenity. The accused was charged with having in its possession a book alleged to be obscene literature for the purpose of sale. The Ontario Court of Appeal unanimously held that the test for obscenity was still that which was laid down by Cockburn, J., in the case of *R.* v. *Hicklin* in 1868,[13] namely that literature was obscene if it tended to deprave and corrupt those into whose hands the book might fall. Laidlow, J. A., after a full examination of the history and development of the crime of obscenity, does not expressly state who must be open to depravity and corruption, but it is implicit that it refers to those who might reasonably be expected to read it. Presumably, even a medical book only intended to be read by doctors and in fact only read by them is capable of depraving and corrupting the medical profession. Laidlow, J. A. also gave what appears to be the correct interpretation of the disputed case of *R.* v. *Martin Secker Warburg Ltd.*[14] in which Stable J. pointed out that what might violently corrupt persons of one age might have no effect upon the morals of another. In his direction to the jury he stated that they were to judge the question of depravity and corruption by the standards of today and not by the standards of 1868. Laidlow, J. A. expresses this by stating that the test remains the same but the standards vary from age to age. The other members of the court accepted this, and, indeed, it is difficult to find any possible grounds for attacking such a statement. The test, therefore, becomes whether any person who might reasonably be expected to read the book would tend to be depraved and corrupted by it, according to today's standards.

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[1] 2 Stra. 788 (1727).

[2] Norman St. John-Stevas: "Obscenity and the Law," London, 1956, p. 12–13.

[3] Read's case, 11 Mod. Ref. 142; Fortescue 98, 100; described by St. John-Stevas, p. 23.

[4] Martin's Criminal Code of Canada, Toronto, 1955, historical note, p. 253.

[5] 20 and 21 Vict, c. 83.

[6] St. John-Stevas, p. 66.

[7] St. John-Stevas, p. 126.

[8] Popple's Sixth Edition, Toronto, 1955, p. 118; See also: Popple's Seventh Edition of Crankshaw's Criminal Code of Canada, Toronto, 1959, p. 215.

[9] J. C. Martin, Q. C.: Criminal Code of Canada, Toronto, 1955, p. 252.

[10] R. S. Mackay: "The Hicklin Rule and Judicial Censorship," Canadian Bar Review, vol. 36, No. 1, March 1958, pp. 11–12. The quotations are from pp. 157–8 of the Court's opinion in the American News Co. case.

[11] A. W. Mewett: Criminal Law, 1948–58, Canadian Bar Review, Vol. 36, No. 4, December 1958, pp. 456–459.

[12] [1957] O. R. 145.

"In the first place, I urge most strongly that a jury is not a fit body to adjudicate upon matters of obscenity. An examination of the leading cases [15] indicates clearly that one of the major difficulties is to get juries to appreciate that they are not arbiters of good taste, nor even of the desirability of publishing the book under examination.

"But there still remains the need for an adequate test. I venture to suggest that no book in the world ever has or ever could have a tendency to deprave and corrupt the 'average, decent, well-meaning man or woman' [16] who might read it. It might shock him, it might excite him, it might disgust him. Is it not quite clear that the use of such words as depravity and corruption connotes a baseless, meaningless moral standard which is quite out of conformity with present-day standards? I would suggest that a better test would be to ask whether this book is primarily designed to arouse the sexual passions of the reader. No doubt this could be enlarged so as to include a publisher or disseminator, and no doubt the phrase 'sexual passions' could be defined so as to include deviations from the norm, and sexual revulsions. The phrase would clearly need delimitations, but this does not seem to be an insuperable problem. The intent or the design of the author could quite easily be proved in the usual manner by looking at what he has written and the way in which it has been written. At least, let us get away from a test formulated at a time when 'legs of tables' were actually draped and rather stricter females never referred to gentlemen's legs as such but called them their 'understandings'." [17]

3. ENGLAND AND MODIFICATION

In England, where the Hicklin test originated, criticism became so severe that Parliament adopted a new law, 'The Obscene Publications Act, 1959." [18] The struggle for reform was prolonged, however. Bulmer states:[19]

"It was almost universally acknowledged that there were, prior to this Act, serious defects in the existing law relating to obscene publications, both with regard to the misdemeanor of publishing an obscene libel and with regard to the destruction order procedure under the Obscene Publications Act, 1857.[20] The main complaints were as follows:

"1. The so-called 'Hicklin test' [21] of the tendency of the matter in question to deprave and corrupt those whose minds were open to immoral influences and into whose hands a publication of this sort might fall, was felt to be unduly narrow and unfair in its scope and operation. It failed to make the intention of the accused the paramount consideration, and subjected him to an objective test with regard to the tendency or likely effect of the work in question. The courts had shown themselves to be extremely capricious in the application of this test.

"2. The possibility that a work might be judged on the strength of isolated passages instead of by looking at the work as a whole.

"3. The non-availability of any defence of publication for the public good.

"4. The non-availability of any right to tender expert evidence as to the literary or artistic merits of the work in question.

"5. Destruction orders might be made without giving the author or publisher any notice of the proceedings or any opportunity to be heard.

"Criticism of the existing law came to a head following several prosecutions of reputable publishers in 1954. The Society of Authors formed a committee to consider the existing law and to recommend reforms. The case for reform was submitted to the Home Office, together with a draft Bill. which was published in February 1955. It was hoped that the Government would introduce a comprehensive measure dealing with this as well as with the problem of horror comics, which was greatly exercising the public at that time. Instead, the Government limited its proposals to a measure dealing with horror comics, which became law as the Children and Young Persons (Harmful Publications) Act, 1955. This preserved the Hicklin test of the tendency to corrupt, but it did insist that the work in question must be looked at as a whole. The would-be reformers showed their disappointment by introducing their own Bill under the Ten-Minutes Rule, and by putting down a whole series of limiting amendments to the Government's Bill. It was not possible to make much further progress in 1955 because of the impending General Election, but in the autumn a Private Member received a place in the ballot for Private Member's Bills. When he introduced a Bill to deal with obscene publications it was talked out.

"A year later another Private Member secured a place in the ballot, with much greater prospects of success, and in the debate on the Bill in March 1957 the Government suggested that the whole matter should be referred to a Select Committee for examination, and this was done. The Committee was divided between 'reformers' and 'censors', and the result was inevitably a compromise report. Additional powers of search and seizure for the police were recommended, but at the same time many liberal provisions were espoused, the most disputed being that relating to the availability of expert evidence on the literary or artistic merit of the work. The Report of the Committee was published in March 1958,[22] and a new Bill was introduced to implement its recommendations.

"The hope that it might be possible to persuade the Government to accept responsibility for this measure proved illusory, but the Bill was introduced under the Ten-Minutes Rule, only to lead to inevitable failure. It was then that Sir Alan Herbert decided to stand for the East Harrow by-election, confining his platform almost entirely to this issue of the blocking of the reform of the law relating to obscene publications. The result was a sudden change of heart at the Home Office, and the promise of a debate and an unopposed Second Reading for the Bill. However, all was not yet in the bag, for at the Committee Stage a strenuous battle had to be fought with the representatives of the Home Office, who resisted the liberal provisions of the Bill at every point. Eventually some degree of success was achieved, including the restoration of the "expert evidence" clause, but the Government still fought to strike it out, and objection was also made to the clause requiring the consent of the Director of Public Prosecutions to the institution of proceedings for obscene publications. In the result, the latter clause was dropped, the former retained, and the Bill went through the Commons and the Lords without much further mutilation. It is a monument to the persistent efforts of its promoters."

As indicated by Bulmer, supra, the struggle for reform in England also resulted in the adoption of a new law, the Obscene Publications Act, 1959, 7 & 8 Eliz. 2, Ch. 66.[23] Unlike Canada, however, the statutory definition merely limited somewhat the Hicklin test. The English statute provides (sec. 1):

"For the purposes of this Act an article shall be deemed to be obscene if its effect or (where the article comprises two or more distinct items) the effect of any one of its items is, if taken as a whole, such as to tend to deprave and corrupt persons who are likely, having regard to all relevant circumstances, to read, see or hear the matter contained or embodied in it."

4. THE HICKLIN TEST IN THE UNITED STATES

Lord Chief Justice Cockburn's test in the Hicklin case came at a propitious time insofar as the United States was concerned.[24] Few reported decisions involving obscene literature appear in the reporter systems for the anti-bellum period. "The first case reported is *Commonwealth* v. *Homes,* 17 Mass. 336 (1821), which turned on procedural matters and the jurisdiction of the court." "The court did, however, hold that an 'obscene libel' was a common law offense."

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[13] [1868] L. R. 3 Q. B. 360. See also R. S. MacKay, The Hicklin Rule and Judicial Censorship (1958), 36 Can. Bar. Rev. 1.

[14] [1954] 2 All E. R. 683.

[15] In addition to these two mentioned, see *R.* v. *Reiter,* [1954] 1 All E. R. 741; *R.* v. *National News Co.,* [1953] O. R. 533.

[16] Per Stable J. in *R.* v. *Martin Seoker Warburg Ltd., supra,* footnote 52, at p. 686.

[17] *Ibid.*

[18] 7 and 8 Eliz. 2, Ch. 66—see "Public General Acts and Measures, 1959," pp. 1103–1106.

[19] D. L. Bulmer: The Obscene Publications Act, 1959. The Modern Law Review, Vol. 23, No. 3, May 1960, pp. 285–7.

[20] For a full critique, see Norman St. John-Stevas, "Obscenity and the Law," 1956. See also the present writer's article, "Obscenity in Modern English Law," "Law and Contemporary Problems," Autumn 1955, p. 630 et seq.

[21] Derived from Cockburn C. J.'s judgment in *R.* v. *Hicklin* (1868) L. R. 3 Q. B. 360.

[22] H.C. 123–I of 1958.

[23] Public General Acts and Measures, 1959, Her Majesty's Stationary Office, London, 1960.

[24] Lockhart & McClure: "Literature, the Law of Obscenity, and the Constitution," 38 Minn. Law Review 325 (March, 1954). Messrs. Lockhart and McClure's extensive article in the Review, pages 295 to 395, presents an exhaustive treatment of the influence of the Hicklin case on the law of obscenity in the United States. The section, supra, is largely based upon it, including the footnotes.

"The book involved in the case was entitled 'Memoirs of a Woman of Pleasure.'"[25] In 1815, however, several persons had been convicted of exhibiting an indecent painting, *Commonwealth* v. *Sharpless*, 2 S. & R. 91 (Pa. 1815).[26]

Neither an inference that pornography was not in circulation nor that the people of the time were totally indifferent can be drawn from the lack of reported cases. "In 1851 Nathaniel Hawthorne's 'The Scarlet Letter' was bitterly attacked as an immoral book that degraded literature and encouraged social licentiousness."[27] "Following the Civil War, however, there was a sharp change in attitude.

"The financial scandals, the vulgar and lax social behavior, and the flagrant immorality of the years immediately after war led to a powerful social reaction. 'The voice of the reformer was heard in the land. The stage was set for a stern and rigorous revival of the spirit of the Puritan forefathers.' This was the stage on which Anthony Comstock stepped to begin his 40-year campaign to purify the reading matter of the American public under the banner 'Morals, Not Art or Literature.' It was on this stage too that a new legal definition of obscenity, imported from England, first appeared."[28] The American courts soon adopted the Hicklin test and by 1913 it was well established.[29] This, however, was not without protest and some courts quietly ignored the rule.[30] "The major attack on the Hicklin rule came with the celebrated Ulysses cases of 1933 and 1934. In the Circuit Court of Appeals Judge Augustus N. Hand explicitly and forcefully repudiated the Hicklin rule and in its place substituted a new standard for the determination of what is obscene:

"While any construction of the statute that will fit all cases is difficult, we believe that the proper test of whether a given book is obscene is its dominant effect. In applying this test, relevancy of the objectionable parts to the theme, the established reputation of the work in the estimation of approved critics, if the book is modern, and the verdict of the past, if it is ancient, are persuasive pieces of evidence; for works of art not likely to sustain a high position with no better warrant for their existence than their obscene content."

Thus, Ulysses effectively routed the old rule—which ignored literary and other social values, judged a whole book by passages taken out of context, and tested for obscenity by the tendency of the passages alone to deprave the minds of those open to such influence and into whose hands the book might come.[31]

Though routed, the Hicklin rule was not finally defeated. A battle against it had been won, not the whole war. For Hicklin from time to time continued to appear in various guises in the decisions of some courts. The Gathings committee, too, sought to revive the old rule. But even if the war against Hicklin had been won, the problems inherent in any concept of obscenity would still remain.[32]

5. LEGISLATIVE HISTORY OF THE NEW CANADIAN DEFINITION

The second reading of the bill, No. C–58 to amend the Criminal Code, which contained the proposed definition, was moved by the Minister of Justice, Mr. Fulton on June 30, 1959 (Canada, House of Commons Debates, Official Report, 2d Session, 24th Parliament, 7 & 8 Elizabeth II, Vol. 5, 1959, pp. 5298–5566). Thereafter the bill was debated in the House of Commons from time to time until its passage by the House on the third reading, July 6, 1959. The debate which specifically dealt with obscenity during the second reading, the committee stage and the third reading appears on pages 5299, 5308–15, 5317–19, 5344, 5517–5546, 5566. During the course of the debate, Mr. Fulton, the Minister of Justice, in explanation of the meaning of the definition made the following statement:

"The object of this clause is to make a statutory extension of the definition of obscenity so as to make it perfectly clear that the law of obscenity does apply to a certain type of objectionable material * * *.

"We believe we have produced a definition which will be capable of application with speed and certainty, by providing a series of simple tests in addition to the somewhat vague subjective test which was the only one formerly available. The tests will be: does the publication complained of deal with sex, or sex and one or more of the other subjects named? If so, is this a dominant characteristic? Again, if so, does it exploit these subjects in an undue manner?

"In our efforts we have deliberately stopped short of any attempt to outlaw publications concerning which there may be any contention that they have genuine literary, artistic or scientific merit. These works remain to be dealt with under the Hicklin definition, which is not superseded by the new statutory definition." (p. 5517).

Later an amendment to the definition was offered as follows:

"Since I have already overstayed my time, Mr. Chairman, I move, seconded by the honorable member for Timmins:

" 'That clause 11, subsection 8, be amended by striking out "a" in line 11 and substituting therefor the word "the"; and that the clause "and which is without literary or scientific merit", and be inserted after the word "violence" in line 14.'

"Subsection 8 will then read:

" 'For the purpose of this act, any publication the dominant characteristic of which is the undue exploitation of sex, or of sex and any one or more of the following subjects, namely, crime, horror, cruelty, and violence and which is without literary or scientific merit, shall be deemed to be obscene.'

"I should like to give the reason for changing the article 'a' to 'the'. First, it seems to me confusing. I would like to understand why a thing has a dominant characteristic. If you say that in a household the wife is the dominant person, that is the dominant characteristic perhaps in that household. 'Dominant characteristic' is what confuses me. The only thing I can see it means is that in a book you could have a whole host of dominant characteristics, and you could pinpoint this one. If you take a book like 'The Naked and the Dead' by Norman Mailer, which I thought was one of the great commentaries upon the war, to me the dominant characteristic in that book was the fight between the liberals with a small 'l' and the fascists represented by the lieutenant and the general.

"I can certainly say that was the main theme running through the book. Another reader might look at it and say the dominant characteristic was that of sex, because there were some scenes in it dealing with sex and therefore that would come under consideration. I think the putting in of the word 'the' instead of 'a' would help clear up this particular point.

"The reason for adding the clause 'and which is without literary or scientific merit' stems from the remark the minister made concerning the word 'undue'. He felt that the word 'undue' would give protection to works of literary, scientific or artistic merit. I feel that if he wants to protect books of that kind he should not depend upon the interpretation by some lawyer or some judge of the word 'undue'. Let us put it right in there.

"One of the things this would do, since the onus is now being put upon the defendant under this legislation, is that it would give him something to bite into. He could say, 'look, I can show this has literary merit because professor so-and-so of Carleton College has said so'. He could show the work had scientific merit by comparing it with a certain scientific encyclopaedia which would show that the facts were there. We feel this would give more protection to the defendant upon whom the onus is being put at this time."

The argument of the Minister of Justice against the proposed amendment was (pp. 5533–4):

"Mr. Fulton. That may be, Mr. Chairman; but I believe, for reasons I will explain, that the C.C.F. amendment is itself in error in seeking to incorporate the word mentioned therein. I shall deal with those reasons in a moment. 'A' is the word we intended, as it appears in the English copy of the bill. If, therefore, the committee agrees with me and rejects the amendment of the C.C.F., I will move that the French version be corrected by deleting the word 'la' where it appears and substituting therefor the word 'une' which will make the English and French versions the same.

"The reasons I suggested that the amendment moved by my friend the honorable member for Port Arthur should not be accepted are the following. We are trying to keep this bill as simple as possible and make it as simple as possible for the courts to find whether or not a publication is obscene. What is it that the courts are called upon to consider in making this finding? They will be called upon to consider whether it is a dominant characteristic of a publication, that it unduly exploits sex, or sex and any one or more of several subjects, and it seems to me it is a simple question to put before the courts, to determine whether it is a dominant characteristic of a publication that might be in question.

"If, however, you use the word 'the'—it is 'the' dominant characteristic of the publication in question—that does open all sorts of loopholes for legal argument of exactly the type which my honorable friends have previously criticized; because then you might have the lawyer for the defense suggesting that perhaps the dominant characteristic of the book is not this undue exploitation of sex, etc., but it is perhaps the artistic format of the book itself or some other characteristic of the book. If the courts answer the question that it is a dominant characteristic of a publication that it unduly exploits sex, I do not think the courts should be asked to make refinements as between other principal characteristics of the book and as to which one is the dominant and only characteristic. It is quite possible for a book to have more than one major characteristic.

"If my honorable friends will look up the definition of 'dominant' in the Oxford English dictionary they will find that one of the definitions—and I say it is one and not the only definition—is 'occupying a commanding position.' As an example of the use of the word 'dominant' in that sense I give the following: 'To take possession of the dominant parts of the globe', which indicates clearly that there may be a number of dominant parts or characteristics of a single whole.

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[25] 38 Minn. L. Rev. 324 and Note 200.

[26] 38 Minn. L. Rev. 325 and Note 201.

[27] 38 Minn. L. Rev. 325 and Note 202.

[28] 38 Minn. L. Rev. 325 and Notes 203, 204.

[29] 38 Minn. L. Rev. 326 and Note 209, *U.S.* v. *Bennett*, 24 Fed. Case. 1093, No. 14571 (C.C.S.D.N.Y. 1879; *People* v. *Muller*, 96 N.Y. 408 (1884); see *U.S.* v. *Rosen*, 161 U.S. 29, 43 (1896)).

[30] 38 Minn. L. Rev. 326–7 and Notes 210–218.

[31] 38 Minn. L. Rev. 327–8 and Notes 219–222.

[32] 38 Minn. L. Rev. 328–329 and footnotes 230–31; for the Gathings Report see U.S. House Report 2510, 82nd Cong., 2d Sess. (1952); also Hearings before House Select Committee on Current Pornographic Materials on H.R. 596 and 597, 82d Cong., 2d Sess. (1952).

Therefore we have purposely used the words 'a dominant characteristic' rather than 'the dominant characteristic' for the reasons I have tried to indicate.

"The other part of the proposed amendment would add the words 'and which is without literary or scientific merit' so that the proposed clause would then read:

" 'For the purposes of this act, any publication the dominant characteristic of which is the undue exploitation of sex, or of sex and any one or more of the following subjects, namely, crime, horror, cruelty and violence and which is without literary or scientific merit, shall be deemed to be obscene.'

"I am sorry I cannot accept that part of the amendment either, for this reason. It seems to me that the insertion of those particular words would impose definitely upon a person who intended to publish an obscene book the necessity merely to put in one chapter, or indeed one paragraph, with literary or scientific merit, and then he would argue that this book did contain some passages of literary or scientific merit. Therefore, he would say, this book should not be found to be obscene.

"We have provided in this section as it is drawn, Mr. Chairman, what we believe to be a fair, simple and conclusive test; namely, is a dominant characteristic of this book, or of other work, the undue exploitation of sex, or sex and crime or any one of a number of additional subjects? I think this is a simple question for a court to answer, and if the court can answer the question affirmatively, then I see nothing unfair in its bringing in a finding that the particular publication is obscene.

"We do not want to open loopholes which, first, will permit of a number of unduly technical arguments; and, second, may well provide a loophole for escape on the part of those who should not really escape at all. Therefore I must say we cannot accept the amendment."

In response to an inquiry as to whether it would be better to use the words, "a prominent characteristic", rather than, "a dominant characteristic", the Minister of Justice replied:

"Mr. Fulton. There are two reasons why we rejected words of that type. In the first place we did not want to spread the net so wide that we caught books, as it were, without any real possibility of successful defence and about which there is room for genuine controversy. There are so many books I can think of which the prominent characteristic in certain passages is the exploitation of sex. We wanted to go no farther than that. The other reason is this. The main concern we have in mind and which we are framing this amendment in an attempt to meet is the pulp trash type of stuff that is appearing in such vast quantities on our newsstands. While I do not for a moment pretend to be unconcerned about the major book type of publication, I must say I am far less concerned about that type and less concerned if one or two such books escape, than I would be in allowing this other stuff, about which there is really no genuine controversy to escape because we over-refined the amendment we are trying to introduce."

The proposed amendment was lost, 4 yeas to 76 nays (p. 5543). The French version was accordingly changed and the clause as amended, adopted (p. 5546).

Although as indicated supra the main purpose of the new definition was to combat the pulp obscenity which appeared on Canadian newsstands, the wish was expressed by one of the members, Mr. Fortin, that it be extended to television (p. 5543):

"And if I may be allowed to express a wish, I hope that when the definition is adopted, the C. B. C. will have proper regard for it in the production of their T. V. programs."

This wish, of course, raises the question of whether the definition could be aimed at obscenity other than the newsstand type. Because the phase of the debate dealing with this question is of importance in the consideration of the McDowell bill, H. R. 8109 and the Kearns bill, H. R. 8435 in the United States Congress which do extend the definition to T. V., the debate on it is quoted in extense (pp. 5543–4):

"Mr. Godin. I should like the minister to explain how the courts are going to use the definition on matters other than publications?

"Mr. Fulton. I am sorry, but I did not catch the question.

"Mr. Godino. The amendment by subsection 8 of section 150 seems to apply to publications only and I fail to see, in the absence of any explanation by the minister, how other matters which may be obscene, such as articles, could be covered by this definition.

"Mr. Fulton. I think that will be done because section 150, subsection 1, of the Criminal Code reads as follows:

" 'Everyone commits an offense who (a) makes, prints, publishes, distributes, circulates, or has in his possession for the purpose of publication, distribution or circulation any obscene written matter, picture, model, phonograph record or other thing whatsoever.'

"Just by reference to the word 'publication' in subsection 1 of section 150, I believe the use of the word 'publication' in the new subsection 8 to be added to section 150, will extend the coverage of the section to include pictures or phonograph records, because it is obvious that what is contemplated now by section 150 is the publication of phonograph records. In the new subsection 8 we refer to publication, the dominant characteristic of which it is. I think, therefore, it is most likely that the courts would understand this use of the word 'publication' in connection with articles such as phonograph records.

"I want to make it clear when I say that, that that is my opinion and the opinion of my legal advisers. Our primary intention, as I have made clear before, was to catch this type of trash that was appearing on the newsstands. This was our main intention and is the reason we did not add words to make it doubly certain that it would cover this other type of article which my honorable friend has in mind. If it appears on the basis of experience that we should extend this to cover such things as phonograph records, and if it appears particularly that it is the desire of parliament to do so, I would be glad on another occasion to consider making it quite clear, especially if the courts do not agree with my interpretation that this includes other articles.

"Mr. Godin. The Minister's explanation may be true, but how would the Minister explain the application in section 150A? How can you address section 150A to phonograph records?

"Mr. Fulton. The answer to that, I think, must be that in this section we did not have anything in mind other than written publications. I am not nearly as certain of that as I am about the earlier section, but in this section we were concerned with written publications appearing on the newsstands.

"Mr. Godin. In so far as section 150A is concerned, is it not the intention of this government to make it applicable to these other obscene matters?

"Mr. Fulton. It is our intention to make it expressly applicable to the written publications which are appearing on the newsstands. We did not intend to make it nonapplicable to these others, but we did have written publications particularly in mind.

"Mr. Godin. Will section 150B apply if the article is other than a written publication?

"Mr. Fulton. I think that is clearly confined to written publications because it uses the words, 'copies of any other publications.' I do not see how that could be anything other than a written publication.

* * * * *

"Only then is an offence committed. That would not normally apply to a person who had a private collection in his house although I think one would have to read the recent case of the Queen against Berringer, a maritime case, in order to be absolutely certain of your ground there. That case is interesting when I read it—and I have just read it hurriedly—in that it discusses the case where a person with a private collection invited others in to view it, and whether than can be circulation or publication. If it is purely a private collection there would be no possibility of an adverse verdict under this section."

6. ENFORCEMENT—A NEW MODUS OPERANDI

The Commons provided a new method of enforcement of section 150 against publications, copies of which are kept for sale or adding thereto, immediately after section 150A and 150B as follows:

"12. The said Act is further amended by adding thereto, immediately after section 150 thereof, the following sections:

" '150A. (1) A judge who is satisfied by information upon oath that there are reasonable grounds for believing that any publication, copies of which are kept for sale or distribution in premises within the jurisdiction of the court is obscene or a crime comic, shall issue a warrant under his hand authorizing seizure of the copies.

" '(2) Within seven days of the issue of the warrant, the judge shall issue a summons to the occupier of the premises requiring him to appear before the court and show cause why the matter seized should not be forfeited to Her Majesty.

" '(3) The owner and the author of the matter seized and or alleged to be obscene or a crime comic may appear and be represented in the proceedings in order to oppose the making of an order for the forfeiture of the said matter.

" '(4) If the court is satisfied that the publication is obscene or a crime comic, it shall make an order declaring the matter forfeited to Her Majesty in right of the province in which the proceedings take place, for disposal as the Attorney General may direct.

" '(5) If the court is not satisfied that the publication is obscene or a crime comic, it shall order that the matter be restored to the person from whom it was seized forthwith after the time for final appeal has expired.

" '(6) An appeal lies from an order made under subsection (4) or (5) by any person who appeared in the proceedings.

" '(a) on any ground of appeal that involves a question of law alone,

" '(b) on any ground of appeal that involves a question of fact alone, or

" '(c) on any ground of appeal that involves a question of mixed law and fact,

as if it were an appeal against conviction or against a judgment or verdict of acquittal, as the case may be, on a question of law alone under Part XVIII and sections 581 and 601 apply mutatis mutandis.

" '(7) Where an order has been made under this section by a judge in a province with respect to one or more copies of a publication, no proceedings shall be instituted or continued in that province under section 150 with respect to those or other copies of the same publication without the consent of the Attorney General.

" '(8) In this section,

" '(a) "court" means a county or district court or, in the Province of Quebec,

" '(i) the court of the sessions of the peace, or

" '(ii) where an application has been made to a district magistrate for a warrant under subsection (1), that district magistrate,

" '(b) "crime comic" has the same meaning as it has in section 150, and

" '(c) "judge" means a judge of a court or, in the Province of Quebec, a district magistrate.

" '150B. Every one commits an offence who refuses to sell or supply to any other person copies of any publication for the reason only such other person refuses to purchase or acquire from him copies of any other publication that such other person is apprehensive may be obscene or a crime comic.' "

This procedure is based upon the Obscene Publications Act, 1857 of the United Kingdom (Martin's Criminal Code, 1960, p. 110). It was explained by the Minister of Justice as follows (pp. 5550–1, 5555):

"Mr. **Fulton**. It is the only new part of this provision. The only new principle established is that we are providing for a procedure in rem, and in order to get the person concerned into court we have resorted to a show cause summons which has been in the United Kingdom procedure for many years; but I say there is no new principle introduced beyond that. We have not introduced the principle that the person concerned must answer the case before the Crown has established a prima facie case. The crown has to discharge two onuses of proof by way of satisfying the court before this person is called upon to speak to the court at all. Therefore, there is no shifting here. It is true we have resorted to a new procedure to get the person into court. That is the only new principle. Instead of charging him and getting him into court, we serve him with a show cause summons and get him into court that way and I do not think there is any prejudice of the individual whatsoever.

* * * * *

"Mr. **Fulton**. Mr. Chairman, I do not know quite how I can explain any more clearly than I have. In the first place, there is no question of double jeopardy, because no one is placed in jeopardy in the proceedings in rem at all by any stretch of the imagination. We have further provided that with respect to the publication adjudged to be obscene by these proceedings in rem no prosecution against any individual on a charge of selling that publication in that province shall be launched without the consent of the attorney general. Therefore no one can even be placed in jeopardy once unless the attorney general thinks it is a proper case, or for such reason as, for instance, the vendor, notwithstanding the adjudication that it was obscene, did continue to sell it instead of withdrawing it from circulation."

For practice under the English Act, see *Thomson* v. *Chain Libraries Ltd.*, 1954, 2 All E. R. 616.

7. THE COURTS AND THE NEW DEFINITION

The courts in Canada, since the adoption of the new definition in 1959, have decided four cases, one of which still seems to be unreported. Martin's Criminal Code, 1961, p. 118 states:

"In *R.* v. *Rodick*, a case in Montreal (June 20, 1960, as yet unreported), accused was convicted under this section in respect to albums that consisted of photographs of female nudes. It was held that carnality was the principal characteristic of the material in question and therefore that there was 'undue exploitation of sex' within the meaning of subsec. (8)."

In the case of *Regina* v. *Munster*, Criminal Reports (Canadian), Vol. 34, p. 47, 1961, the "accused was charged with making obscene pictures and also with having them in possession for the purpose of circulation contrary to S. 150 (1)(a) of the Criminal Code. The facts indicated that accused had taken photographs of his sons in the nude. Some of the pictures gave prominence to the genital organs. The explanation of accused was that he was an artist and he took the pictures to help him in his art work. The pictures were not distributed. The police obtained the pictures at the home of accused from his wife under a search warrant. The magistrate dismissed the charges and the Crown appealed alleging misdirection.

"*Held*, there should be a new trial.

"The magistrate misdirected himself in his definition of obscenity. The test of obscenity which the magistrate applied was not the proper test applicable thereto.

"The test to be applied is whether the tendency of the matter, charged as obscenity, is to deprave and corrupt those whose minds are open to such immoral influences and into whose hands a publication of this sort may fall. Review of authorities.

"If the magistrate had properly directed himself the verdict would not necessarily have been the same and the Crown was entitled to a new trial."

With respect to the new definition, the court said "the question before the court is whether or not the pictures are obscene within the meaning of the definition set forth in section 150 subsection 8 [of the Criminal Code] which reads as follows, 'For the purposes of this Act, any publication a dominant characteristic of which is the undue exploitation of sex, or of sex and any one or more of the following subjects, namely, crime, horror, cruelty and violence, shall be deemed to be obscene.' "

"With great respect, I think this was a misdirection. The provision quoted was enacted by s. 11 of c. 41 of the Statutes of Canada, 1959. It does not purport to be a definition of "obscene". Matter not included in its provisions may be obscene. And whether such matter is obscene or not is, in my opinion, determined by the test in *Regina* v. *Hicklin* (1868), L. R. 3 Q. B. 360, which is as follows:

"The test of obscenity is that, whether the tendency of the matter charged as obscenity is to deprave and corrupt those whose minds are open to such immoral influences, and into whose hands a publication of this sort may fall."

See *Regina* v. *Reiter et al.* [1954], 1 All E.R. 741, *Regina* v. *National News Co. Ltd.* [1953], C.R. 533, 16 C.R. 369, 106 C.C.C. 26, 3 Abr. Con. (2nd) 153, 154, 156; *Regina* v. *American News Co., Ltd.* [1957] O.R. 145, 25 C.R. 374, 118 C.C.C. 152, 1957 Can. Abr. 221, 223.

In this connection a note in Martin's Criminal Code, 1961, p. 118 says "if the courts hold that the test laid down in *R.* v. *Hicklin* (quoted M.C.C. p. 252) is not excluded by the new definition, it may be submitted further that the propositions laid down in *R.* v. *American News Co., infra*, also still apply." Martin sets out (p. 119) the propositions referred to in *R.* v. *American News Co.*, O. R. 145, 1957, as:

"1. The essence of obscenity was whether the act had a tendency to deprave or corrupt.

"2. Opinion evidence that the matter in issue did not have such tendency was irrelevant.

"3. Whether the matter was obscene was a question of fact for the jury.

"4. Evidence that the intention of the accused was pure or that the purpose of the act charged was wholesome and salutary was inadmissible.

"5. Evidence of literary merit or medical or psychological value was inadmissible.

"6. The verdict that the book was obscene must stand unless a defence was established under subsecs. (3) and (4) or there had been a substantial error in law."

In *Regina* v. *Standard News Distributors, Inc.*, Criminal Reports (Canada), Vol. 34, p. 54, 1961, the accused, a corporation distributing newspapers, was charged with having in its possession for distribution a newspaper called, "Midnight" which was obscene. Possession was admitted but the obscenity of the newspaper was denied. In convicting the corporation the court said (Translated from the French):

"By an Act passed and sanctioned on 28th July 1959 by Parliament legislating in a criminal matter, s. 150 of the Criminal Code was amended by the addition of subsection 8, as follows:

" 'For the purposes of this Act, any publication a dominant characteristic of which is the undue exploitation of sex or of sex and any one of the following subjects, namely crime, horror, cruelty, and violence, shall be deemed to be obscene.'

"This amendment was for the purpose of extending the definition of obscenity, and as the Minister of Justice explained when the law was thus amended, it made it possible by means of this amendment to apply the terms of obscenity to a certain category of reprehensible publications which are to be found on the newsstands of the country and which are sold with impunity to any youth who wishes to obtain them.

"As Fontaine J. S. P. observed in case No. 13522 *Regina* v. *Lipson*, in which he rendered judgment on 12th April 1960, the Minister of Justice in his comments and statements concerning this new legislation made the following observations:

" 'We believe we have produced a definition which will be capable of application with speed and certainty by providing a series of simple objective tests in addition to the somewhat vague subjective test which was the only one formerly available. These will be the tests: Does the publication complained of deal with sex or with sex and one or more of the other subjects named? If so, is this a dominant characteristic? And again, if so, does it exploit these subjects in an undue manner?'

"That is to say that the Court in the present case is called upon to consider the general effect of a publication like the newspaper 'Midnight', produced as an exhibit, in order to find out if this newspaper is an obscene publication.

"Nor must the definition of obscenity recognized before the above-quoted amendment be forgotten. It was the one generally designated as the 'Hicklin definition' referring to the accused in *Regina* v. *Hicklin* (1868), L.R. 3 Q.B. 360, and which was enunciated by Chief Justice Cockburn. It merits retention and consideration. The Hicklin definition reads as follows:

" 'I think the test of obscenity is the following: whether the tendency of the matter charged as obscene is to deprave and corrupt those whose minds are open to such immoral influences and into whose hands a publication of this sort may fall.'

"It follows, then, if the new definition of obscenity is applied, that the publication which is considered obscene must have a dominant characteristic, namely sex, and that in such case this dominant characteristic must become an undue exploitation of sex or sexual matters.

"Does the newspaper 'Midnight', filed in the present case as Ex. 1 have these characteristics? And what does undue exploitation mean?

"In my opinion it would mean that sex is dealt with to no useful purpose, suggestively, unnecessarily, without rhyme or reason, and overstepping the bounds that anyone of goodwill and good judgment could normally tolerate.

"In the case of the publication 'Midnight', it seems to the Court to be beyond all doubt that the dominant characteristic of this newspaper is plain sex, as reflected in the

> pictures it contains as well as in its large headings, and in particular in the articles entitled 'I am for sale', and 'Are nurses sex sirens?'
>
> "Having said this much, does the dominant characteristic which is sex then become an undue exploitation of the sexual matters with which the newspaper deals?
>
> "It is clear that the newspaper has no literacy character and can be of no special use to the people who would have occasion to read it, and it could only tend to deprave and corrupt those whose minds are open to such influences and into whose hands a publication of this type might fall. Judging by the pictures that are printed and the articles which appear in it, it is difficult to find a single page of this newspaper in which the dominant characteristic is not sex and the undue exploitation of sex and sexual matters, and especially in the two articles of the said newspaper "Midnight" mentioned above, the attention of the reader is directed to certain paragraphs by printing them in larger and blacker characters. These paragraphs demonstrate the dominant character of the article, which is sex, and this characteristic of sex, in the opinion of the Court becomes an undue exploitation of sex and sexual matters.
>
> "Furthermore, this newspaper displayed in all newsstands, can be made available to anyone who wants to buy it, the young as well as the aged, and it is certainly this type of newspaper or review that the amendment to the Criminal Code sought to drive off the newsstands."
>
> The case of *Regina* v. *Penguin Books Ltd.*, Criminal Law Reports 176, 1961, has not yet been received in the Library, however, Martin's Criminal Code, 1961, p. 118, contains a note on this case to the effect that:
>
> "In *R.* v. *Penguin Books Ltd.*, [1961] Crim. L. R. 176, the accused was acquitted of a charge arising out of the publication of the novel "Lady Chatterley's Lover." The jury were charged substantially in accordance with *R.* v. *Hicklin, supra*, but were told also that, if they found the book obscene, they were then to consider whether or not it was justified for public good in the interests of science, literature, art or learning or other subjects of general concern. In that connection literary merit would not save it. Moreover, it was not to be judged by comparing it with other books. Note that on May 29, 1961, the Supreme Court of Canada gave leave to appeal against a conviction registered in Quebec in respect of that novel."

ANNUAL LAKE GARNETT GRAND PRIX

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, this summer—July 7 and 8—one of the most exciting and important sporting events of 1962 will take place in my congressional district, at Garnett, Kans. This House already knows about the annual Lake Garnett Grand Prix—one of the most unusual sports car road races in North America. But this year the event will be a national Sports Car Clubs of America race, and some of the top big-name national race drivers will compete for trophies and national points in some of the finest and fastest race cars ever built.

The sponsor of the Lake Garnett Grand Prix Sports Car Racing Association, a civic, nonprofit enterprise. I am proud to be an honorary member of the association, and to be associated with these fine Garnett organizations in helping support and promote the association: the American Legion, the Anderson County Bar Association, the boat club, the chamber of commerce, the golf club, the gun club, the Knights of Columbus, the Lions Club, the medical association, the press, the radio, the Rotary Club, the saddle club, the Veterans of Foreign Wars, and many individuals too numerous to mention.

The Lake Garnett Raceway is absolutly unique, since it is the only true road course for race car driving located entirely within the corporate limits of a city.

It is especially noteworthy that the National Lake Garnett Grand Prix this year is the first National Sports Car Clubs of America event ever to be held in midcontinent America and, in fact, is one of only 13 national races to be held in the United States.

Garnett, Kans., is situated in the beautiful rolling hills of eastern Kansas just a few miles by 4-lane limited access freeway from Kansas City. For 363 days a year, it is a quiet, serene, agricultural business center, and the 2.8-mile roadway is used by fishermen, boaters, and picnickers as an access road to 65-acre Lake Garnett. The roadway has a posted speed limit of 20 miles per hour.

Then, for 2 days a year, more than 75,000 race fans, drivers, mechanics, and just plain spectators descend upon Garnett, and the quiet roadway becomes the nationally famous Lake Garnett Raceway, where speed is limited only by horsepower and driver skill. Top speeds of up to 170 miles per hour have been clocked on the mile-long Santa Fe Straight, well known to race car drivers all across the Nation.

Mr. Speaker, I invite all my colleagues to be my personal guests at the Lake Garnett Grand Prix July 7 and 8 this year—and if you cannot come, then send us your best sports car racing cars and drivers.

CAN THE OLD PEOPLE FINANCE THEIR HEALTH COSTS WITHOUT GOVERNMENT COMPULSION?

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, in public discussion, such as it is, of the problems of health care for the aged about the only thing not referred to is the extensive hearings conducted by the Ways and Means Committee beginning July 24 and ending August 4, 1961.

During these hearings all the Kennedy administration officials were heard. All the people who thought they had knowledge or wisdom to bring to the Congress on this important issue were heard and their data and arguments plus the committee cross examination of them printed in the public hearings. Although these hearings were not published and made available to the Congress and the public until December 15, 1961, 4 months after the termination of the hearings and conveniently until after the White House Regional Conferences were conducted around the country to inform the people on the subject of health care for the aged, these hearings and the data they contain have been available for the past 5 months.

There is no excuse for people who wish to speak on the subject to fail to inform themselves of the data which is contained in these hearings and to fail to refer to this data. President Kennedy in his address to rally popular support to put pressure on the Congress for his program followed this course of ignorance and in the process, of course, made statements which were erroneous.

Of course, if one does not have what facts there are on a subject one's conclusions on what course of action to follow are almost bound to be wrong. Progress stems from knowledge not ignorance.

The purpose of the Congress is to gather what knowledge and wisdom there may be on any subject which creates problems for our society and upon the basis of the knowledge and wisdom adduced reach a determination. The people elect their representatives to perform this function in their behalf. It becomes important for the people to know what their representatives have found out and in light of this knowledge and wisdom make up their minds. President Kennedy did not suggest this course of action to the people of this country in his address Sunday. He did not ask them to consider the work of the Congress in this area and based upon this work make up their minds. Rather by omission he created the impression that Congress had not studied the matter and its committee—Ways and Means—was motivated by willfulness in not doing his bidding.

I think in light of this it is important for the people to determine one thing first. Has the Ways and Means Committee, acting in behalf of the House of Representatives and the people who elected them, conducted meaningful and complete hearings into this matter or has it not? Was there important information which was available not obtained? Were there knowledgeable persons who could have given pertinent arguments and facts not heard by the committee? Did the committee perform its function of adequately cross-examining the witnesses who did appear and of checking the data and surveys which had been presented in a manner to assure their value and authenticity?

If the Ways and Means Committee did do an adequate job of gathering the evidence and the arguments, then let us get on to a discussion of what the evidence and arguments show as contained in these four volumes and over two thousand pages of printed hearings. If an inadequate job was done or new information or arguments have come to light since the hearings, let us direct our attention to that as well.

The President by going directly to the people over the heads of the peoples' duly elected representatives without any reference whatsoever to this legislative process is striking at the very heart of representative government.

Has Congress done its propert job up to date? If it has, the next step is for the committee assigned the task, the Ways and Means Committee in this instance, to evaluate the evidence and arguments adduced and to reach a conclusion. Certainly in performing this function the members of the committee should not be subjected to improper pressures unrelated to the facts and arguments, any more than a jury should be pressured from the outside by threats and promises.

Are we going to have legislation through ignorance and prejudice or legislation by law? Is the President going to lend himself to promoting legislation by uninformed popular prejudice or by the views of the people reached after considering the full facts and arguments? The President has been quoted as saying that whether the King-Anderson bill is voted by the Congress or not is not too important, he will have a campaign issue for the fall elections. Is this the proper way to get good legislation for our people?

HEALTH INSURANCE

I have placed in the RECORD this year from time to time data which updates the data contained in the Ways and Means hearings. One of the important areas in which we need to have further information is in the field of health insurance. What health insurance is available? What is its coverage? What is its costs? This is a field in which progress is so rapid that data obtained even as recently as a month ago is outdated. The data contained in the August 1961 hearings is out of date. Accordingly, I placed in the RECORD—March 5, 1962, pages 3416–3426—the January 1, 1962, listing of health insurance policies available with their coverage and their premiums. Since that date I have called attention to other important developments such as the Connecticut 65 plan, the New York 65 plan, in the immediate offing we have new extensive program of one of the leading national health insurance companies offering catastrophic health insurance to people over 65 without examination which covers up to $15,000 of health costs on a noncancellable basis at a premium cost I understand will be around $15 a month.

I placed in the RECORD the data from the most recent Health Insurance Institute study "Source Book of Health Insurance Data"—August 31, 1961, pages A6900–A6901. Among other important data, it shows $1.3 billion paid out in private health insurance benefits in 1950—$5.7 billion in 1960, interpolating this means almost $7 billion for 1962.

One of the best and most comprehensive studies which has recently become available, March 1962, is "Financing Health Care of the Aged—A Study of the Dimensions of the Problem," published by the Blue Cross Association and the American Hospital Association.

There really is no excuse for public spokesmen to ignore what data we have on this subject and speak from ignorance and appeal to prejudice.

FINANCIAL CAPABILITIES OF THE AGED

One of the areas which the Ways and Means Committee looked into was the financial capabilities of the aged. It becomes most important for our people to know what data is available in this area, particularly as the officials of the Department of Health, Education, and Welfare have continued to quote half statistics which conceal from the people the true condition. The Department has failed to gather the information which is available in our Community Chest programs, our municipal and county programs. What statistics it does put out relates only to State effort. Traditionally our society has met health and welfare needs privately, at the local government and church level, not the State level, certainly not the Federal governmental level.

In the 1961 hearings is much valuable data presented by surveys and studies of responsible groups all over the United States. HEW has done little to collect or disseminate this information. An incomplete list of the testimony by page number of the hearings and the State to which it relates is as follows:

Arkansas (p. 416), California (p. 1163), Colorado (p. 1766), Florida (p. 364), Georgia (p. 1234), Illinois (p. 544), Minnesota (p. 1869), Tennessee (p. 955), Texas (p. 1523), Virginia (p. 1520), Washington (p. 1014), Wisconsin (p. 1171), Delaware (p. 1219), Montana (p. 581), Oregon (p. 1531), Vermont (p. 1562), and Texas (p. 1524).

Five surveys, conducted in Delaware, Montana, Oregon, Vermont, and Minnesota contain data on what percent of the persons over 65 pay their hospital bills and how this aged group pay record relates to other age groups pay records in our society. It is no surprise to students of the subject to learn that people over 65 are the best paying of all age groups. Of the people over 65 the Delaware survey shows 13.8 percent having difficulty paying their bills. Montana survey shows 11.4 percent. The Vermont survey shows 7.3 percent, plus an additional 12 percent which the family paid. Minnesota had a questionnaire-type study rather than an actual survey by actual hospital records. It showed only 5 percent stating that they had financial problems in meeting their hospital costs but on the basis of the welfare programs the number needing assistance amounted to 13.7 percent.

I have just recently received two additional surveys. One, Bucks County, Pa., which I am placing in the RECORD after these remarks, which indicates that between 7 and 16 percent of the people over 65 have financial problems in meeting their hospital costs. A study in Greene County, Mo.—Springfield, Mo.—reveals that 15 percent failed to pay their hospital bills, a lower percent, as all surveys show, than any other age group.

The point is this. About 85 percent of our people over 65 not only can but are taking care of their own medical costs. This is true even though almost all of these oldsters reached 65 before the dramatic advances had been made in the health insurance field and in the field of labor management contracts which carry the group medical insurance to employees after they are retired. These survey were mostly made before Blue Cross and Blue Shield programs ceased removing older people from their coverage and before other private health insurance policies removed their cancelable clauses made effective against older people. Now, as everyone knows, Blue Cross and Blue Shield are open to older people, so are most of the other private health insurance programs. The Kennedy compulsory concept seeks to force 85 percent of our people to conform to the needs of the 15 percent even while it does not meet the needs of this 15 percent. The Kerr-Mills Act appropriately relates to the 15 percent and covers whatever their full need may be.

Increasingly older people are being covered by health insurance programs, noncancelable and in some instances prepaid at 65. We do need to move forward in the field of prepaid health insurance, more rapidly I would say than we are now moving, even though the pace is a fast one. It makes economic sense for people to prepay their health insurance for their retired years during their working years. Government by its very nature even if it could avoid compulsion cannot provide prepaid health insurance as adequately as the private sector because prepaid insurance of any sort requires funding. Government must invest its funds in sterile Government bonds. Private insurance invests its funds in the living economy which promotes economic growth and increases in dollar value with whatever cost rise may come about. Some out-of-date scholars have said that private insurance companies cannot offer prepaid health insurance because of the uncertainties of future costs. The answer to this prejudice of theirs is that private health insurance companies are offering this type of coverage in increasing variety and coverage.

May I close out these remarks with an appeal to my colleagues in the House and the Senate? Read or at least scan the four volumes of hearings of the Ways and Means Committee on the subject of health care for the aged.

I am certain you will agree that the committee has done not only an adequate job of research and study but an above the average job. We need your help to resist any untimely and unfair pressures being placed upon us by outside groups to disregard the evidence and the facts and to legislate through ignorance and prejudice. If the administration has new evidence or new arguments that bear on the subject, I am certain the committee would be most pleased to receive and consider them.

All 25 members of the Ways and Means Committee are concerned about the welfare of our older citizens. Our differences of opinion about legislation relative to them stems from the information and arguments we have gathered. Let us direct our attention to this data in carrying on public debate and stop playing up to emotion, prejudice, and ignorance.

We have the greatest health care system of any society in the world. It is based upon freedom. Let us keep it the best in the world by continuing to improve it and extend its benefits even more broadly to our people. We can do this; indeed we are doing this. We must guard against those who, in their haste to bring about progress, would undermine this system by inserting into it the debilitating seed of governmental compulsion. Let us look at their proposal in the light of the evidence we have. Doing so we admire their good intentions, but realize that their proposals constitute a move backward not forward.

ARE OLDER PEOPLE REALLY UNABLE TO PAY THEIR MEDICAL BILLS?

(By Stanley S. Peterson, M.D.)

It is often generalized that people 65 and over are unable to pay their medical bills. Is this really true? Not in my neck of the woods.

The recent controversy over the national administration's attempt to tie medical care to the social security system has led us to do some local surveys. After studying these surveys, I am convinced that our older citizens have no more difficulty—and in certain cases less difficulty—meeting their medical bills than people in other age brackets. Moreover, those in need can already receive financial assistance simply by making their needs known.

If the problem of income maintenance represents a serious threat to the happiness and well-being of our elder citizens, we should seek realistic means for supplementing their personal incomes. But it is a mistake to confuse the need for additional retirement income with the need for adequate medical care.

Greene County, Mo., where I practice, is not the most affluent county in our Nation. Its inhabitants are in the middle-to-low income group, with farming and small manufacturing as the basis of our economy.

In attempting to arrive at an accurate picture of whether our older citizens are truly unable to meet their medical bills, we surveyed the patients of 18 doctors doing mixed family care and specialty practice.

Our study disclosed that patients 65 years and over are responsible for only 9 percent of the unpaid bills among the 18 doctors that we surveyed. The total distribution of unpaid bills, broken down according to age group, was as follows:

	0-21	22-45	46-64	65 and over	Total
Number unpaid bills	95	114	46	26	281
Percent unpaid bills	34	40	17	9	100

We also surveyed a 100-bed, general medical and surgical hospital in our area. A study of unpaid bills at this hospital revealed that the 65 and over group has the best record for payment of hospital bills. The study indicates that of 857 elderly patients treated during the first 11 months of 1961, only 15 percent failed to pay their bills. The total distribution of paid and unpaid hospital bills, according to age group, was as follows:

	0-21	22-45	46-64	65 and over	Total
Total patients	633	914	881	867	3,285
Percent patient load	19	28	27	26	100
Percent who paid	69	78	83	85	80
Percent who did not pay	31	22	17	15	20

Though representing the group with the single largest billing, hospital patients 65 and over were the age-group that paid the highest dollar percentage of their bills—87 percent. The table below indicates the dollar percentage paid by varying age groups on their outstanding hospital bills:

	0-21	22-45	46-64	65 and over	Total
Percent of billing in groups	13	23	30	34	100
Percent of billing collected	71	81	84	87	83
Percent of billing not collected	28	19	16	13	17

Thus, the Greene County survey verifies the recent findings of the Federal Reserve Board:

"The liquid assets of persons 65 and over are up and are growing faster than the assets of any other age group during the last decade."

In Missouri, as elsewhere, statistics show that our old-age assistance rolls are decreasing—rather than increasing—as more people come under social security, private retirement plans, and company-sponsored pension plans. Those who are still on the rolls are receiving increased assistance through our old-age assistance program as well as a growing number of local agencies and other sources of health care. We can anticipate expansion of this aid through State implementation of the Kerr-Mills law.

With the above information in hand, we have come to the conclusion that older people are able to pay their medical bills at least as well—and in some cases better—than the general population. There seems to be no reason for the elderly to be treated in a special manner as is proposed under the social security plan.

There have been 21 major civilizations recorded since the dawn of history. Nineteen of these have perished, because the citizens became overly concerned with abundance and tried to build a system whereby everyone enjoyed the good things of life—whether or not they had earned them.

When handouts became more attractive than paying your own way, the civilization failed.

BUCKS COUNTY MEDICAL SOCIETY,
Doylestown, Pa., May 10, 1962.

Hon. THOMAS B. CURTIS,
Member of Congress, House Ways and Means Committee, House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE CURTIS: I am enclosing a copy of letters from the administrators of Doylestown Hospital, Doylestown, Pa., and Quakertown Hospital, Quakertown, Pa., which summarize pertinent information concerning medical care for the aged.

I believe an important conclusion which may be derived from this study is that 84 to 93 percent of patients over 65 in these areas were able to meet their medical care costs for hospitalization. Is it then necessary or reasonable for a mass compulsory program of social security taxation to be instituted to care for all persons eligible for social security benefits? This would mean that a great number of people well able to pay their own way would be receiving Government benefits for their care. I strongly believe that it is necessary for us to help provide a means for medical care payments to those in need of such financial aid—but do not feel it wise to inaugurate a massive program for the many that are able to pay their own way.

I do not know what the experience of other hospitals in other areas would show as compared to the enclosed studies—but I would venture an opinion that a conservative figure would be 85 percent or better. The important point of information, in my mind, is that there are probably a number of localities throughout the country where the need is limited to a relatively small percentage of the aged. I believe personally that the aged as a group are doing as good, or better, a job in meeting their obligations as the population as a whole.

To meet the problem that exists, I am in favor of encouraging continued and increased utilization of voluntary health insurance programs, together with the use of Kerr-Mills-type of legislation. This latter legislation certainly can be modified or amended when necessary to meet those situations which may not have been anticipated when the bill was formulated. At the present time I do not believe that a reasonable evaluation can be drawn as to the full potential of this legislation.

Sincerely,

CARL M. SHETZLEY, M.D.,
Chairman, Legislation Committee.

DOYLESTOWN HOSPITAL,
Doylestown, Pa., April 9, 1962.

CARL M. SHETZLEY, M.D.,
Buckingham, Pa.

DEAR DR. SHETZLEY: As you requested, we have completed the study on financial arrangements of patients over 65 treated at this hospital from January 1, 1961, through June 30, 1961. The following are the results:

1. During the period of survey we discharged 1,864 patients of all ages, excluding newborns. From this total, 293 patients (15.8 percent) were 65 years of age or over.

2. Based on hospital charges these 293 patients over 65 accounted for 23.3 percent of total hospital billings.

3. In analyzing the billing forms these 293 patients disposed of their hospital bills within 6 months after their discharge as follows: (a) 60.3 percent of the charges were paid by the patients from their private funds; (b) 35.4 percent of the charges were paid on patients' behalf by insurance companies; (c) 4.2 percent of the charges were outstanding at the end of 6 months after discharge (represents 6.8 percent of patients over 65).

(NOTE.—It is very probable that some patients included under (a) above received direct reimbursement from insurance companies and in turn paid us from their own funds. This would increase percentage under (b) and decrease percentage under (a). Since we do not have this information, however, we could not include it in this study.)

I trust this will give you the desired information.

Sincerely yours,

J. MARIK,
Administrator.

QUAKERTOWN HOSPITAL ASSOCIATION,
Quakertown, Pa., April 18, 1962.

Dr. WILLIAM Y. LEE,
President, Bucks County Medical Society, Doylestown, Pa.

DEAR DR. LEE: The following is the information the Bucks County Medical Society asked us to tabulate.

During the period from January 1, 1961, to June 30, 1961, there were 1,031 admissions to our hospital (excluding newborn) of which 15.9 percent were patients 65 years of age or over.

Of the billings for patients 65 years and over 54.2 percent was paid by the patient; 29.4 percent was paid by hospitalization plans and insurance companies. The outstanding balance at the end of 6 months was 5.1 percent of these billings (representing 5 percent of this age group, 8 patients out of 162).

Of the total hospital billings for this 6-month period 27 percent was for patients 65 years of age and over.

Very truly yours,

Albert J. Taylor,
Administrator.

BLARNEY, BILGE AND BALONEY. DISTORTION OF FACTS

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota [Mr. Short] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHORT. Mr. Speaker, they say "Figures don't lie, but liars can figure." Half truths, distortion of facts, promissory illusions—all of these seem to be coming to light in the bitter heights to which the aged medicare issue has now risen.

It is truly dismaying to hear public statements of the nature made by our President and some of the key members of the administration in the "hard sell" job they are attempting to get this King-Anderson legislation across. People are being fooled if they believe that the King-Anderson bill will take care of their health costs—they would still have to pay some 75 percent of them. The King-Anderson plan would provide no coverage for those not on social security.

Tom Curtis, a highly respected, knowledgeable colleague of mine on the House Ways and Means Committee and Senate Leaders Bourke Hickenlooper and Homer Capehart spoke very aptly when they said in effect it was a misnomer to call the administration proposal a medicare bill, for it does not propose to pay any doctors' bills. Mr. Curtis made a fine speech yesterday morning over the radio that I wish all of you could have heard in order to put this whole issue in proper perspective. He pointed out facts and figures as to how the present Kerr-Mills legislation was taking care of our elderly where our welfare programs leave off—in other words, there is not the gap here our political football strategists would have you believe.

All of us want to see those unable to care for themselves given the help they need in getting necessary health, hospital, and medical care—there is no one in my State who is in actual need of medical care who is not getting it, to my knowledge. In our own State of North Dakota, we have a good old-age public assistance program, and this is supplemented by the Kerr-Mills law which has been doing a fine job, and will do even better once it gets a chance to prove its workability. The proponents of the King-Anderson bill are giving the public a distorted image of the problem of medical care for older people and have implied that there is no provision under present law to provide for old folks with limited resources. Thinking people are going to be able to see through this demagoguery that has been going on and refuse to be lulled into the belief that the administration's politically inspired bill will take care of their health problems.

ACTION AGAINST REDS IN CUBA

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Harsha] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HARSHA. Mr. Speaker, this column appeared in the Friday, May 18, 1962, issue of the Washington Evening Star newspaper and it is a very interesting and thought-provoking column which I want to call to the attention of my colleagues.

Like Mr. Lawrence, it is extremely difficult for me to understand why the United States is sending all of these troops into Thailand on the pretext of stopping the Communists from overtaking Laos when we are doing absolutely nothing from stopping the Communists in the building up of what the State Department has described, in effect, as the largest Communist military operation base in the Western Hemisphere, on the island of Cuba, only 90 miles from our shorelines. Certainly, if we can by agreement with SEATO send American citizens into Thailand and Laos to combat communism, under the Monroe Doctrine and the Organization of American States we have every right to send American troops into Cuba to stop the tide of communism and to protect our own shores. The longer we wait, the more costly such an effort will be and eliminating the menace of communism off our immediate shores would seem to me to be much more important to the security of the United States and of Latin America than a last-ditch effort to stop the takeover of Laos.

Following, Mr. Speaker, is the pertinent column which I include:

ACTION AGAINST REDS IN CUBA—U.S. MOVE IN ASIA VIEWED AS JUSTIFYING SIMILAR DRIVE IN CARIBBEAN UNDER OAS

(By David Lawrence)

It's a little hard to understand why the United States is sending 5,000 troops into Thailand—nearly 8,000 miles away—to help keep the Communists from extending into that country the hold they already have next door in Laos, while nothing is being done about rescuing Cuba, only 90 miles away from our shores.

President Kennedy says the American troops were sent into Thailand "to put us in a position to fulfill our obligations" under the treaty of the Southeast Asia Treaty Organization, often referred to as "SEATO," and that other member countries will send troops, too. But if a regional association like this can take action so far away from the United States, it may be asked, why isn't the Organization of American States being persuaded to send troops into Cuba to rid the island of the Communist dynasty that rules there?

Surely, eliminating the menace of communism in Cuba would seem to be all-important to the security of the United States and of the nations to the south of us. It appears to be generally agreed that Fidel Castro really doesn't control Cuba but that alongside him are a set of aides and advisers trained in Moscow who continually carry on hostile activities toward other Latin American countries.

In the last meeting of the Organization of American States, the U.S. Government had a hard time getting acquiesence to a plan for economic sanctions against the Communist regime in Cuba. Little has been heard since as to what the Washington government is doing to mobilize Latin American governments behind a plan to drive the Communists out of Cuba.

This country has a very extensive aid program, known as the Alliance for Progress, which is to cost the taxpayers of the United States many billions of dollars in the next few years. It doesn't seem sensible to be giving money to any Latin American government which is so shortsighted as to fail to see the danger involved in letting the Communists operate from Cuba as a base.

Unquestionably the Kennedy administration can, if it likes, put pressure on the Latin American governments to get some kind of sanction from the Organization of American States for military steps in Cuba.

As a matter of fact, the United States need not wait for the consent of the other states, any more than it did in Thailand. The southeast Asia treaty, for instance, unlike the NATO pact, provides that, where there is danger of aggression in the area, each member shall be governed by its own "constitutional processes." This is but another way of saying that each country shall make its own decision.

The United States is in a similar position as a member of the Organization of American States. It may ask for the cooperation of the other members, but it can make its own decision to protect any Latin American country that has been invaded by a foreign power or where there has been evidence of subversive activities which threaten the political independence of the people.

There is abundant evidence in connection with the Communist operations in Latin America that the Moscow government has infiltrated many parts of the hemisphere and exercises direct control of the government and the national economy of Cuba. Hence, the right under an existing international agreement to take action in Cuba is clear.

It will be contended, of course, that American troops have been landed in Thailand with the permission of the Government of that country and that the purpose is to defend it alone, but everyone realizes that across the Lao border is the real source of the trouble and that there are in Laos American military units which theoretically are only advisory to the anti-Communist forces but which have orders to shoot if attacked.

So there no longer is any doubt but that the United States is using military force to check Communist-inspired operations in southeast Asia and that other members of SEATO have formally recognized America's action and may send their own troops as well. The other members of SEATO, besides Thailand and the United States, are Australia, France, New Zealand, Pakistan, the Philippines, and Great Britain. Some of these countries will not send any troops.

Likewise, if there is any entry into Cuba by military forces of the United States under the sanctions derived from the treaty of the Organization of American States, it would not mean that all member countries would necessarily participate.

The SEATO precedent, however, gives support now to a similar movement of American troops into Cuba or surrounding areas. The purpose would be to cut off all operations by Communist-led forces based in Cuba and aimed at any other country of this hemisphere. Sending American troops to Thailand certainly opens up the question of why the same kind of action in respect to Cuba isn't also justified.

THE ESTES SCANDAL

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BERRY. Mr. Speaker, every American citizen is today confused and anxious about the revelations already brought to light in regard to the Estes scandal. We have urged investigations as the American public deserves more than excuses and evasions. They deserve the full facts of the Estes case, including names, dates, and money involved. Congress owes the American people a precise, searching analysis and answers to many important questions.

We have read the multitude of administration releases indicating no favoritism was shown to Mr. Estes and, if so, we are puzzled by the many facets of the case which Secretary of Agriculture Orville Freeman and others in his Department have not explained.

A few questions which are still unanswered in my opinion are:

First. Why was Emory Jacobs not summarily dismissed but permitted to resign?

Second. Why was Mr. Billie Sol Estes appointed to the National Cotton Advisory Council 2 months after he had paid a $48,000 fine for violating cotton acreage allotment regulations?

Third. Why was N. Battle Hales, the USDA employee who indicated Estes received treatment which would amount to favoritism, subjected to a 3½-hour press conference by USDA officials subsequent to his making certain disclosures to the press?

Fourth. Why did the U.S. Department of Agriculture fail to cooperate with the office of the attorney general of the State of Texas in investigating the entire Billie Sol Estes affair?

These are just a few of the questions which should have been answered weeks ago. With the very integrity of the USDA at stake, the investigations about to commence must be completely objective if the public, particularly the farmers, are expected to retain any confidence in this administration's farm program and administrative policies.

CIVIL SERVICE RETIREMENT ANNUITY INCREASES

Mr. WHITENER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ZELENKO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ZELENKO. Mr. Speaker, I have this day introduced a bill to provide civil service retirement annuity increases in proportion to increases in the Consumer Price Index.

This legislation provides simply that the annuity of each retired individual, subject to civil service retirement or disability, shall be increased from time to time in proportion to increases in the Consumer Price Index of the Bureau of Labor Statistics, Department of Labor. This bill shall also apply to the annuity of a survivor entitled to receive survivor benefits.

The argument for the bill is self-containing. There is no valid or logical reason why individuals, who have devoted their working life to the Federal service, should have their retirement income disappear little by little as a result of a rise in the cost of living, over the years.

On behalf of the civil service annuitants, I ask that you give early and favorable consideration to this legislation.

MEDICAL CARE OF THE AGED

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes, to revise and extend my remarks, and to include an address by President Kennedy.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, yesterday, at Madison Square Garden in New York, in the congressional district which I am proud to represent, 20,000 Americans gathered to support President Kennedy's program of medical care for the aged through social security—the King-Anderson bill.

This tremendous outpouring of concerned citizens in New York and the large audiences at 32 other rallies across the country demonstrate the widespread support which this long-overdue program enjoys.

I urge all of my colleagues to join with them and the President to support health care for the aged through social security.

Mr. Speaker, I know that everyone in attendance at Madison Square Garden was sorry that Mr. Adolph Held, chairman of the Golden Ring Council of Senior Citizens, which sponsored the rally, was hospitalized and unable to be present to see the results of the hard work he devoted to making this rally the success it was.

Mr. Speaker, I should like to congratulate Mr. Held, also Mr. Zalmen Lichtenstein, executive director of the Golden Ring Council of Senior Citizens, for the great success of this rally. Mr. Lichtenstein is a veritable dynamo who has organized our elderly citizens for social action on many fronts.

Now that Congress sees people are mobilized all over the country for this program, I hope the Congress will move rapidly to adopt it and to meet the challenge of the high cost of medical care.

Mr. Speaker, President John F. Kennedy made a stirring speech in support of this program as he rallied the people of this country behind this cause.

As President Kennedy said:

> This effort will be successful, and it will be successful because it is soundly based to meet a great national crisis, and it is based on the efforts of responsible citizens.

Mr. Speaker, the address of President Kennedy to the National Council of Senior Citizens on May 21, 1962, follows:

TEXT OF PRESIDENT KENNEDY'S ADDRESS TO SENIOR CITIZENS' RALLY AT GARDEN

Thank you, ladies and gentlemen. My old colleague in the House of Representatives and friend Aimee Forand, Mr. [George] Meany, ladies and gentlemen, and fellow Americans, I am very proud to be here today at one of over 33 meetings which are being held across the United States. And it is a source of regret to me that the head of the most significant organization here today, Mr. [Adolph] Held, age 77, working on this meeting had a heart attack and was taken to the hospital. I think we should pass this legislation as soon as possible.

I have come to New York because I believe the effort in which we are engaged is worth the time and effort of all of us. I come from Boston, Mass., near Faneuil Hall, where for a whole period of years meetings were held by interested citizens in order to lay the groundwork for American independence.

And while there may be some who say that the business of government is so important that it should be confined to those who govern, in this free society of ours the consent and, may I say, the support of the citizens of this country is essential, if this, or any other piece of progressive legislation, is going to be passed. Make no mistake about it. Make no mistake about it.

Now why are we here? What is the issue which divides and arouses so much concern? I will take a case which may be typical, a family which may be found in any part of the United States. The husband has worked hard for his life, and he is retired. He might have been a clerk or salesman or on the road or worked in a factory, stores, or whatever. He's always wanted to pay his own way.

He does not ask anyone to care for him: he wants to care for himself. He has raised his own family; he has educated it; his children are now on their own. He and his wife are drawing social security. It may run $75, $100, $125 in the higher brackets; let's say it's $100. And he has a pension from where he worked, the results of years of effort.

Now, therefore, his basic needs are taken care of. He owns his house. He has $2,500 or $3,000 in the bank. And then his wife gets sick.

And we're all going to be in a hospital—9 out of 10 of us—before we finally pass away. And particularly when we're over 65.

GRADUALLY INTO DEBT

Now she is sick—not just for a week but for a long time. First, goes the $2,500—that's gone. Next, he mortgages his house, even though he may have some difficulty making the payments out of his social security.

Then he goes to his children, who themselves are heavily burdened because they're paying for their house; and they're paying for their sicknesses, and they want to educate their children. Then their savings begin to go. This is not a rare case.

I talked to a Member of the Congress from my own State a week ago who told me he was going to send his daughter away to school, but because his father had been sick for 2 years, he could not do it. And Congressmen are paid $22,500 a year. And that's more than most people get.

So, therefore, now what is he (the typical case) going to do? His savings are gone, his children's savings—they're contributing, though they have responsibilities of their own—and he finally goes in and signs a petition saying he's broke and needs assistance.

THE SOLUTION

Now what do we say? We say that during his working years he will contribute to social security, as he has in the case of his retirement, 12 or 13 a year.

When he becomes ill, or she becomes ill, over a long period of time—he first pays $90 [of the hospital costs], so that people will not abuse it [the social security program]. But then, let's say, he has a bill of $1,500.

This [legislative] bill does not—that we're talking about, Mr. ANDERSON's bill and Mr. KING's—solve everything. But let's say it's $1,500, of which a thousand dollars are hospital bills.

This [legislative] bill will pay that $1,000 in hospital bills, and then I believe that he and the effort he makes in his family can meet his other responsibilities. Now that does not seem such an extraordinary piece of legislation 25 years after Franklin Roosevelt passed the Social Security Act.

Well, let's hear what some people say. First we read that the AMA [American Medical Association] is against it, and they're entitled to be against it, though I do question how many of those who speak so violently about it have read it. But they are against it, and they are entitled to be against it if they wish.

In the first place, there isn't one person here who isn't indebted to the doctors of this country. Children are not born in an 8-hour day. All of us have been the beneficiaries of their help. This is not a campaign against doctors, because doctors have joined with us. This is a campaign to help people meet their responsibilities.

There are doctors in New Jersey who say they will not treat any patient who receives it. Of course they will. They are engaged in an effort to stop the bill. It is as if I took out somebody's appendix.

The point of the matter is that the AMA is doing very well in its efforts to stop this bill. And the doctors of New Jersey and every other State may be opposed to it, but I know that not a single doctor, if this bill is passed, is going to refuse to treat any patient.

No one would become a doctor just as a business enterprise. It's a long, laborious discipline. We need more of them. We want their help—and generally we're getting it.

The problem, however, is more complicated because they do not comprehend what we're trying to do.

FREEDOM NOT AFFECTED

We do not cover doctors' bills here. We do not affect the freedom of choice—you can go to any doctor you want. The doctor and you work out your arrangements with him. We talk about his hospital bill. And that is an entirely different matter.

And I hope that one by one the doctors of the United States will take the extraordinary step of not merely reading the journals and the publications of the AMA because I do not recognize the bill when I hear those descriptions.

But, instead, to write Secretary Ribicoff in Washington, or to me—and you know where I live—or to Senator ANDERSON or to Congressman KING, if you are a doctor or opposed to this bill, and get a concise explanation and the bill itself and read it.

All these arguments were made against social security at the time of Franklin Roosevelt. They're made today. The mail pours in, and at least half of the mail which I receive in the White House and—on this issue and others—is thoroughly misinformed.

MISINFORMATION SCORED

Last week I got 1,500 letters on a revenue measure, 1,494 opposed and 6 for. And at least half of those letters were completely misinformed about details of what they wrote—and why is that so?

Because there are so many busy men in Washington who write. Some organizations have 600, 700, and 800 people spreading mail across the country asking doctors and others to write in and tell your Congressman you're opposed to it.

The mail pours into the White House, into the Congress and Senator's office. Congressmen and Senators feel people are opposed to it. Then they read a Gallup poll which says 75 percent of the people are in favor of it, and they say, "What has happened to my mail?"

The point of the matter is that this meeting and the others indicate that the people of the United States recognize—one, by one, thousand by thousand, million by million—that this is a problem whose solution is long overdue. And this year, I believe, or certainly as inevitably as the tide comes in, next year, this bill is going to pass.

And then other people say, "Why doesn't the Government mind its own business?" What is the Government's business, is the question. Harry Truman said that 14 million Americans had enough resources so that they could hire people in Washington to protect their interests, and the rest of them depended upon the President of the United States and others.

This bill serves the public interest. It involves the Government because it involves the public welfare. The Constitution of the United States did not make the President or the Congress powerless. It gave them definite responsibilities to advance the general welfare, and that is what we are attempting to do.

And then I read that this bill will sap the individual self-reliance of Americans. I can't imagine anything worse—or anything better—to sap someone's self-reliance than to be sick, alone, broke or to have saved for a lifetime and put it out in a week, 2 weeks, a month, 2 months.

I visited twice today—yesterday—and once today a hospital, where doctors labor for a long time, to visit my father. It isn't easy. It isn't easy. He can pay his bills. But otherwise, I would pay it. And I'm not as well off as he is. [Laughter and applause.]

OLD BATTLES RECALLED

But what happens to him and to others when they put their life savings in in a short time?

So I must say that I believe we stand about where—in good company today, in halls such as this where your predecessors, where Dave Dubinsky himself actually stood, where another former President stood and fought this issue out of social security against the same charges.

This argument that the Government should stay out, that it saps our pioneer stock—I used to hear that argument when we were talking about raising the minimum wage to $1.25.

I remember one day being asked to step out into the hall, and up the corridor came four distinguished-looking men with strawhats on and canes. They told me they had just flown in from a State in a private plane, and they wanted me to know that if we passed the bill providing for time and half for service station attendants who were then working about 55 to 60 hours at straight time, it would sap their self-reliance.

NOT A HANDOUT

The fact of the matter is what saps anyone's self-reliance is working 60 hours at straight time or working at 85 or 95 cents or $1 an hour, or depending upon filling out a pauper's oath and going up and then getting it free. Nobody in this hall is asking for it for nothing. They are willing to contribute during their working years. That is the important principle which has been lost sight of.

I understand that there's going to be a program this week against this bill, in which an English physician is going to come and talk about how bad their plans are. It may be. But he ought to talk about it in England, because this plan—this plan, and what they do in England, is entirely different.

In England the entire cost of medicine for people of all ages, all of it—doctors, the choice of doctors, hospitals, from the time you're born to the time you die—are included in a Government program.

But what we're talking about is entirely different. And I hope that while he's here, he—and Dr. Spock [the pediatrician] and others who have joined us—will come to see what we're trying to do.

The fact of the matter is that what we are now talking about doing, most of the countries of Europe did years ago. The British did it 30 years.

AID TO DOCTORS NOTED

We are behind every country pretty nearly in Europe in this matter of medical care for our citizens. And then [there are] those who say that this should be left to private efforts.

In those hospitals in New Jersey where the doctors said they wouldn't treat anyone who paid their hospital bills through social security, those hospitals and every other new hospital, the American people, all of them, contribute one-half, one- or two-thirds to every new hospital—the National Government.

We pay 55 percent of all the research done. We help young men become doctors. We are concerned with the progress of this country, and those who say that what we are now talking about spoils our great pioneer heritage should remember that the West was settled with two great actions by the National Government.

One, in President Lincoln's administration when he gave a homestead to everyone who went West. And in 1862 he set aside Government property to build our land-grant colleges. This cooperation between an alert and progressive citizenry and a progressive Government is what has made this country great, and we shall continue as long as we have the opportunity to do so.

This matter should not be left to a mail campaign. Where Senators are inundated, or Congressmen, 25,000 and 30,000 letters, the instructions go out: "Write it in your own hand. Don't use the same words." The letters pour in in 2 or 3 weeks—half of them misinformed.

DETERMINATION STRESSED

This meeting today on a hot, good day—when everyone could be doing something else—and at 32 other meetings, this indicates that the American people are determined to put an end to meeting a challenge that hits them at a time when they're least able to meet it.

And then, finally, I had a letter last week saying, "You're going to take care of all the millionaires, and they don't need it." I do not know how many millionaires we are talking about. But they won't mind contributing $12 a year to social security.

And they may be among those who will apply for it when they go to the hospital. But what I will say is that the National Government, through the tax laws, already takes care of them. Because over 65 they can deduct all their medical expenses.

What we are concerned about is the person not who has not got a cent, but those who saved and worked and then get hit. Then there are those who say, "Well, what happens if you die before you're 65?" Well, there isn't—you really don't care—you have no guarantee.

But what we are talking about is: our people are living a long time; their housing is inadequate; in many cases their rehabilitation is inadequate.

We've got great unfinished business in this country.

And while this bill does not solve our problems in this area, I do not believe it is a valid argument to say this bill isn't going to do the job. It will not, but it will do part of it.

Our housing bill last year for the elderly—that won't do the job. But it will begin.

When we retrain workers—that won't take care of unemployment chronically in some areas. But it's a start.

We don't, aren't able overnight to solve all the problems that this country faces, but is that any good reason why we should say, "Let's not even try?" That's what we're going to do today. We are trying. We are trying.

And what we're talking about here is true in a variety of other ways. All the great revolutionary movements of the Franklin Roosevelt administration in the thirties we now take for granted.

OUR RESPONSIBILITY

But I refuse to see us live on the accomplishments of another generation. I refuse to see this country and all us shrink from these struggles which are our responsibility in our time, because what we are now talking about in our children's day would seem to be the ordinary business of government.

So I come here today as a citizen asking you to exert the most basic power which is contained in the Constitution of the United States and the Declaration of Independence: the right of a citizen to petition his Government. And I ask your support in this effort.

This effort will be successful, and it will be successful because it is soundly based to meet a great national crisis. And it is based on the efforts of responsible citizens.

So I want to commend you for being here. I think it's most appropriate that the President of the United States, whose business place is in Washington, should come to this city and participate in these rallies, because the business of Government is the business of the people, and the people are right here.

SUPPORT INVITED

In closing, might we say that on this issue and many others, we depend upon your help. This is the only way we can secure action to keep this country moving ahead; to have places to educate our children; to have decent housing; to do something about the millions of young children who leave our schools before they graduate. Every day I am reminded of how many things were left undone.

Thirty years ago they provided that no drugs be put on the market which were unsafe for hogs and for cattle. We want to take the radical step of doing the same for human beings. Anyone who says that Woodrow Wilson, as great a President as he was, and Franklin Roosevelt and Harry Truman, that they did it all and we have nothing left to do now, is wrong.

We ask you, the citizens of this country, the responsible and thoughtful doctors, the hospitals administrators—all those who face this challenge of educating our children, finding work for our older people, finding security for those who have retired, all who are committed to this great effort and are moving this country forward—come and give us your help.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Hemphill (at the request of Mr. Aspinall), for 20 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. Roosevelt, for 30 minutes, tomorrow.

Mr. Hiestand, for 30 minutes, today.

Mr. Berry, for 1 hour, on Wednesday, May 23, 1962.

Mr. Bailey, for 20 minutes, on tomorrow, May 22, 1962.

Mr. Hiestand (at the request of Mr. Schneebeli), for 30 minutes, today.

Mr. Conte (at the request of Mr. Schneebeli), for 3 hours, on June 13, 1962.

Mr. Kearns (at the request of Mr. Schneebeli), for 30 minutes, today.

Mr. Fino (at the request of Mr. Schneebeli), for 1 hour, tomorrow, May 22, 1962.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Alger.

(The following Member (at the request of Mr. Whitener) to revise and extend his remarks in the Record and to include extraneous matter:)

Mr. Evins.

(The following Members (at the request of Mr. Schneebeli) and to include extraneous matter:)

Mr. Fino.

Mr. Gubser.

SENATE BILLS, JOINT RESOLUTION AND CONCURRENT RESOLUTION REFERRED

Bills, a joint resolution and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 699. An act to amend the act entitled "An act to incorporate the Hungarian Reformed Federation of America," approved March 2, 1907, and for other purposes; to the Committee on the Judiciary.

S. 1074. An act for the relief of Chao Yao Koh; to the Committee on the Judiciary.

S. 1174. An act for the relief of Dr. Kwan Ho Lee; to the Committee on the Judiciary.

S. 1308. An act to incorporate the Sea Cadet Corps of America, and for other purposes; to the Committee on the Judiciary.

S. 1316. An act to improve the land tenure patterns of the Fort Belknap Reservation; to the Committee on Interior and Insular Affairs.

S. 1398. An act for the relief of Erich Hoffinger; to the Committee on the Judiciary.

S. 1524. An act for the relief of Salvatore Spatafora; to the Committee on the Judiciary.

S. 1526. An act for the relief of Joey Kim Purdy; to the Committee on the Judiciary.

S. 1568. An act for the relief of Chiara Palumbo Vacirca; to the Committee on the Judiciary.

S. 1739. An act for the relief of Mrs. Antonia A. Zaccaria Epifani; to the Committee on the Judiciary.

S. 1834. An act to further amend the act of August 7, 1946 (60 Stat. 896), as amended, by providing for an increase in the authorization funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and for other purposes; to the Committee on the District of Columbia.

S. 1882. An act for the relief of Assunta Bianchi; to the Committee on the Judiciary.

S. 1889. An act for the relief of Mrs. Geohar Ogassian; to the Committee on the Judiciary.

S. 1999. An act for the relief of Anna Marie Erdelyi; to the Committee on the Judiciary.

S. 2144. An act for the relief of Alexander Vedeler; to the Committee on the Judiciary.

S. 2179. An act to amend sections 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2198. An act for the relief of Lise Marie Berthe Marguerite De Simone; to the Committee on the Judiciary.

S. 2247. An act for the relief of Elvira Ciccotelli; to the Committee on the Judiciary.

S. 2250. An act to provide for the incorporation of the National Women's Relief Corps, Auxiliary to the Grand Army of the Republic, organized 1883, 78 years old; to the Committee on the District of Columbia.

S. 2309. An act for the relief of Tio Sien Tjiong; to the Committee on the Judiciary.

S. 2310. An act for the relief of H. F. Hsu; to the Committee on the Judiciary.

S. 2355. An act for the relief of Filomena F. Schenkenberger; to the Committee on the Judiciary.

S. 2357. An act to provide for the regulation of credit life insurance and credit accident and health insurance in the District of Columbia; to the Committee on the District of Columbia.

S. 2446. An act for the relief of Wojciech Antoni Drogoszewski; to the Committee on the Judiciary.

S. 2482. An act for the relief of Ronald Whiting; to the Committee on the Judiciary.

S. 2555. An act for the relief of Fong Yee Hin; to the Committee on the Judiciary.

S. 2565. An act for the relief of Michael Najeeb Metry; to the Committee on the Judiciary.

S. 2572. An act for the relief of Merritt-Chapman and Scott Corporation; to the Committee on the Judiciary.

S. 2574. An act for the relief of Constantina Caraiscou; to the Committee on the Judiciary.

S. 2586. An act for the relief of Alexandra Callas; to the Committee on the Judiciary.

S. 2606. An act for the relief of Patricia Kim Bell (Kim Booshin); to the Committee on the Judiciary.

S. 2607. An act for the relief of Lee Hwa Sun; to the Committee on the Judiciary.

S. 2621. An act for the relief of Izabel Loretta Allen; to the Committee on the Judiciary.

S. 2622. An act for the relief of Michelina Lanni; to the Committee on the Judiciary.

S. 2633. An act for the relief of Susan Holt Lerke (Choi Sun Hee); to the Committee on the Judiciary.

S. 2649. An act for the relief of Hamburg Tang; to the Committee on the Judiciary.

S. 2675. An act for the relief of Yiannoula Vasiliou Tsambiras; to the Committee on the Judiciary.

S. 2679. An act for the relief of John Axel Arvidson; to the Committee on the Judiciary.

S. 2696. An act to correct certain land descriptions in the act entitled "An act to declare that the United States holds in trust for the pueblos of Santa Ana, Zia, Jemez, San Felipe, Santo Domingo, Cochiti, Isleta, and San Ildefonso certain public domain lands"; to the Committee on Interior and Insular Affairs.

S. 2709. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel; to the Committee on the Judiciary.

S. 2732. An act for the relief of Yoon So Shim; to the Committee on the Judiciary.

S. 2769. An act for the relief of Renato Granduc and Grazia Granduc; to the Committee on the Judiciary.

S. 2793. An act to amend the District of Columbia Traffic Act, 1925, as amended, to authorize the Commissioners of the District of Columbia to assess reasonable fees for the restoration of motor vehicle operators' permits and operating privileges after suspension or revocation thereof; to the Committee on the District of Columbia.

S. 2795. An act to prohibit the use by collecting agencies and private detective agencies of any name, emblem, or insignia which reasonably tends to convey the impression that any such agency is an agency of the Government of the District of Columbia; to the Committee on the District of Columbia.

S. 2893. An act to declare that certain land of the United States is held by the United States in trust for the Prairie Band of Pottawatomie Indians in Kansas; to the Committee on Interior and Insular Affairs.

S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the St. Cloud Diocese; to the Committee on Interior and Insular Affairs.

S. 2919. An act to authorize certain retired and other personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries; to the Committee on Foreign Affairs.

S. 2990. An act for the relief of Caterina Scalzo (nee LoSchiavo); to the Committee on the Judiciary.

S. 3011. An act to amend section 4 of the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes"; to the Committee on the District of Columbia.

S. 3086. An act to provide for a reduction in the workweek of the Fire Department of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 3156. An act to amend section 142 of title 28, United States Code, with regard to furnishing court quarters and accommodations at places where regular terms of court are authorized to be held, and for other purposes; to the Committee on the Judiciary.

S.J. Res. 60. Joint resolution to establish the sesquicentennial commission for the celebration of the Battle of New Orleans, to authorize the Secretary of the Interior to acquire certain property within Chalmette National Historical Park, and for other purposes; to the Committee on the Judiciary.

S. Con. Res. 69. Concurrent resolution authorizing the printing for the use of the Senate Committee on the Judiciary of additional copies of its hearings on "Constitutional Rights of the Mentally Ill" and "Wiretapping and Eavesdropping Legislation"; to the Committee on House Administration.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 18, 1962, present to the President, for his approval, a bill of the House of the following title:

H.R. 10643. An act for the relief of Gail Hohlweg Atabay and her daughter.

ADJOURNMENT

Mr. BURKE of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 34 minutes p.m.) the House adjourned until tomorrow, Tuesday, May 22, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2080. A letter from the Secretary of the Treasury, transmitting the Annual Report on the State of the Finances, pursuant to section 262 of title 5 of the United States Code (H. Doc. No. 253); to the Committee on Ways and Means and ordered to be printed with illustrations.

2081. A letter from the Director, Congressional Liaison Staff, Agency for International Development, Department of State, transmitting the report on contingency fund use as of April 30, 1962, pursuant to section 451(b) of the Foreign Assistance Act of 1961; to the Committee on Foreign Affairs.

2082. A letter from the Comptroller General of the United States, transmitting a report on the review of the procurement of BW-1 Terrier missiles by the Department of the Navy; to the Committee on Government Operations.

2083. A letter from the Comptroller General of the United States, transmitting a report on the review of repair parts supply for ordnance tank-automotive vehicles of the 8th U.S. Army, Korea; to the Committee on Government Operations.

2084. A letter from the Comptroller General of the United States, transmitting a report on the review of interservice supply management and utilization of selected aircraft engines within the Department of Defense; to the Committee on Government Operations.

2085. A letter from the Chairman, Federal Power Commission, transmitting a draft of a proposed bill entitled "A bill to amend section 14 of the Natural Gas Act"; to the Committee on Interstate and Foreign Commerce.

2086. A letter from the Assistant Secretary of the Interior, relative to an application for a loan by the Roosevelt Irrigation District of Buckeye, Ariz., relating to a project proposal, pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

2087. A letter from the Assistant Secretary of the Interior, relative to an application for an increase in a loan by the Georgetown Divide Public Utility District of El Dorado County, Calif., relating to a project proposal, pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

2088. A letter from the Acting Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend section 131 of title 13, United States Code, so as to provide for earlier taking of the economic censuses"; to the Committee on Post Office and Civil Service.

2089. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report to the Committee on Science and Astronautics of the House of Representatives pursuant to section 1(d) of the act of July 21, 1961 (75 Stat. 216), and submitted to the Speaker of the House of Representatives pursuant to rule XL of the Rules of the House of Representatives; to the Committee on Science and Astronautics.

2090. A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1963 involving an increase in the amount of $210,800,000 for the Atomic Energy Commission (H. Doc. No. 409); to the Committee on Appropriations and ordered to be printed.

2091. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated February 9, 1962, submitting a report, together with accompanying papers and an illustration on an interim hurricane survey of Mystic, Conn., authorized by Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 411); to the Committee on Public Works and ordered to be printed with an illustration.

2092. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated February 9, 1962, submitting a report, together with accompanying papers and an illustration, on an interim hurricane survey of Westport, Conn., authorized by Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 412); to the Committee on Public Works and ordered to be printed with one illustration.

2093. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated April 17, 1962, submitting a report, together with accompaning papers and an illustration, on a review of the reports on Leland Harbor, Mich., requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted February 8, 1957, and July 31, 1957 (H. Doc. No. 413); to the Committee on Public Works and ordered to be printed with one illustration.

2094. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated October 6, 1961, submitting a report, together with accompanying papers and an illustration on a cooperative beach erosion control study of the shore of Sheffield Lake Community Park, Ohio, authorized by section 2 of the River and Harbor Act, approved July 3, 1930, as amended and supplemented (H. Doc. No. 414); to the Committee on Public Works and ordered to be printed with one illustration.

2095. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated January 17, 1962, submitting a report, together with accompanying papers and an illustration on the Great Lakes harbors study—interim report on Conneaut Harbor, Ohio, requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted May 18, 1956, June 27, 1956, and June 3, 1959, respectively. It is also in full response to a resolution of Committee on Public Works, House of Representatives, adopted April 13, 1948 (H. Doc. No. 415); to the Committee on Public Works and ordered to be printed with one illustration.

2096. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 30, 1962, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of the shore of the State of New Hampshire, authorized by section 2 of the River and Harbor Act, approved July 3, 1930, as amended and supplemented (H. Doc. No. 416); to the Committee on Public Works and ordered to be printed with 11 illustrations.

2097. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated April 9, 1962, submitting a report, together with accompanying papers and illustrations, on a review of the reports on Puget Sound in the vicinity of Kingston, Wash., requested by a resolution of the Committee on Public Works, House of Representatives, adopted March 30, 1955 (H. Doc. No. 417); to the Committee on Public Works and ordered to be printed with two illustrations.

2098. A letter from the Secretary of the Army transmitting a letter from the Acting Chief of Engineers, Department of the Army, dated October 5, 1961, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control and interim hurricane survey of

Carolina Beach and vicinity, North Carolina, authorized by section 2 of Public Law 520, 71st Congress, approved July 3, 1930, as amended and supplemented, and Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 418); to the Committee on Public Works and ordered to be printed with illustrations.

2099. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, Department of the Army, dated October 5, 1961, submitting a report, together with accompanying papers and illustrations, on a review of reports on Sandy Slough, Lincoln County, Mo., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 31, 1957 (H. Doc. No. 419); to the Committee on Public Works and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. Senate Joint Resolution 88. Joint resolution authorizing the issuance of a gold medal to Bob Hope; without amendment (Rept. No. 1716). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Fifteenth reprint pertaining to land appraisal practices (Rept. No. 1717). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1718. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 11821. A bill to amend the act of August 27, 1958 (72 Stat. 935) relative to minerals on the Wind River Indian Reservation, Wyo.; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL (by request):

H.R. 11822. A bill to permit applications for entry under the public land agricultural laws to be filed only for lands designated as open to such application, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BAILEY:

H.R. 11823. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries; public elementary and secondary school libraries; and certain college and university libraries; eligible for benefits under that act; and for other purposes; to the Committee on Education and Labor.

By Mr. GEORGE P. MILLER:

H.R. 11824. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries; public elementary and secondary school libraries; and certain college and university libraries; eligible for benefits under that act; and for other purposes; to the Committee on Education and Labor.

By Mr. BARRY:

H.R. 11825. A bill to provide full settlement of the awards for war damage compensation made by the Philippine War Damage Commission by authorizing the payment to the Philippine Government of a sum to be administered as a development grant under title II of chapter 2 of the act for International Development of 1961; to the Committee on Foreign Affairs.

By Mr. GIAIMO:

H.R. 11826. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. HARVEY of Indiana:

H.R. 11827. A bill to amend the Internal Revenue Code of 1954 to impose import taxes on lead and zinc; to the Committee on Ways and Means.

By Mr. LANGEN:

H.R. 11828. A bill creating a commission to be known as the Commission on Noxious and Obscene Matters and Materials; to the Committee on Education and Labor.

By Mr. LIBONATI:

H.R. 11829. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

By Mr. OLSEN (by request):

H.R. 11830. A bill to authorize the withholding from the pay of civilian employees of the United States the dues for membership in certain employee organizations; to the Committee on Post Office and Civil Service.

H.R. 11831. A bill to amend title II of the Social Security Act to assist in compensating for the hazardous and arduous nature of employment in certain occupations, and for the decreased life expectancy of persons engaged in such occupations, and for other purposes; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H.R. 11832. A bill to amend title 38, United States Code, to permit, for 1 year, the granting of national service life insurance to veterans heretofore eligible for such insurance; to the Committee on Veterans' Affairs.

By Mr. ZELENKO:

H.R. 11833. A bill to provide civil service retirement annuity increases in proportion to increases in the Consumers Price Index; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE of Texas:

H. Con. Res. 476. Concurrent resolution providing for additional copies of hearings on Judicial Review of Veterans' Claims, 87th Congress, 2d session; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII private bills and resolutions were introduced and severally referred as follows:

By Mr. HARSHA:

H.R. 11834. A bill for the relief of Peter Wang Hay Yee; to the Committee on the Judiciary.

By Mr. KILBURN:

H.R. 11835. A bill for the relief of Panagiotis Christos Pappas; to the Committee on the Judiciary.

By Mr. LANKFORD (by request):

H.R. 11836. A bill for the relief of James D. Long; to the Committee on the Judiciary.

By Mr. MILLS:

H.R. 11837. A bill for the relief of Inez Humphreys Dixon; to the Committee on the Judiciary.

By Mr. POFF:

H.R. 11838. A bill for the relief of Murvet Karadeniz; to the Committee on the Judiciary.

PETITIONS, ETC.

Under cause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

350. By Mr. JENSEN: Petition of AMVETS Post No. 1, Atlantic, Iowa, to the Committee on the Judiciary.

351. By the SPEAKER: Petition of Vernon W. Coil, city clerk, Torrance, Calif., petitioning consideration of a resolution with reference to expressing opposition to legislation that would subject the income from State and local bonds to a Federal tax; to the Committee on the Judiciary.

352. Also, petition of the City Council, Boston, Mass., petitioning consideration of their resolution with reference to expressing approval of legislation for medical care to the aged under the social security system; to the Committee on Ways and Means.

353. Also, petition of Mongcopa, Alcoran & Villas, Dumaguete City, Philippines, petitioning consideration of their resolution with reference to payment for damage to civilian services in the Philippines during World War II; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

June Dairy Month

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 21, 1962

Mr. WILEY. Mr. President, annually the Nation observes June Dairy Month. The occasion offers an opportunity, first, to pay recognition for the outstanding contribution which the American dairy farmer is making to the health of the American public; second, to promote activities to expand consumption and utilization of high quality, nutritional dairy foods; and, third, to brighten the economic outlook of the dairy farmer.

Over the weekend, I was privileged to discuss possible steps for June Dairy Month activities, aimed toward stepping up consumption and utilization of milk and milk products.

I ask unanimous consent to have a statement in this regard printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Traditionally, dairying has served as a foundation of our Wisconsin economy; as well as helping to put us on the map as the producer of the most famous dairy foods in the world.

For 1962, however, we face a special challenge. The Nation, despite an increase in population and an expected increase in milk production from 125 to 127 billion pounds—of which Wisconsin produces about 18 billion—is experiencing a decline in consumption.

A major target of June Dairy Month promotional activities, then, must be to reverse this trend.

What can be done?

The Nation—spearheaded by the dairy industry, Federal and State Departments of Agriculture, food distributors, restaurants and others—should, I believe, undertake a more effective campaign to: 1, sell the dairy food message to more people; 2, vend milk as a nutritional pickup in more public places; 3, promote milk breaks for working people; 4, discourage policies that undermine public confidence in dairy foods, such as: too exclusive utilization of milk as a measuring stick for strontium 90; overstating the cholesterol case; or attempting to exclude dairy foods from the daily fare of diet-conscious America; and 5, better educate the American family to the nutritional value of dairy foods for snack and mealtimes; as as essential to our health.

Now, what are some additional steps that can, and should, be taken to more effectively utilize dairy products for health and economic progress?

These include, I believe, the following: Carrying forward the special milk program for students, as well as for orphans, aging and other needy; greater utilization of dairy foods as a strategic weapon in our foreign policy—in a hungry world, food can be a more effective persuader than a gun; expand research to find more commercial or industrial ways to utilize dairy products, for example, the establishment of a dairy laboratory at Madison, Wis.—as proposed in the Wiley bill, S. 2414—would be a major step forward in much-needed efforts to explore for commercial-industrial uses for milk and its constituent parts; and generally, a renewed effort to search for outlets and markets for dairy products at home and abroad.

The sales and promotion activities, of course, can go a long way toward increasing consumption of milk. According to surveys, it has been estimated that a swallow a day—think of it—one swallow a day per person in the United States—would balance the supply of milk.

Consequently, I continue to believe that greater consumption of milk and other dairy products by the general public is the best answer to our supply-demand imbalance.

This, then, is a brief look at the dairy picture.

Again, I emphasize that maintaining a healthy economy in dairying benefits not only the farmer but the public and the general economy as well.

The Turkish National Lottery

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1962

Mr. FINO. Mr. Speaker, I would like to acquaint the Members of this House with the success of Turkey's national lottery.

In 1961 the total revenues from the lottery were over $8 million. After prizes and general expenses, $3.4 million was transferred to the Turkish treasury.

For some time, the Turkish national lottery provided the funds for the budget of the Turkish Air Force. These lottery revenues are now simply included in general budget revenues without being specifically earmarked.

Mr. Speaker, the concept of a national lottery has gained happy and profitable acceptance in Turkey. If only we could retreat from hypocrisy and act with the wisdom of most of our foreign friends, we, too, could enjoy a better life. A national lottery in America could produce over $10 billion a year in new revenue which could be used to keep taxes down while at the same time reduce our ever-increasing national debt.

Mr. Speaker, is it not about time that we caught on to the fiscal facts of life?

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of May 19, 1962:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

WORKSHEET FOR CONSERVATIVES—A PRIMER FOR ADVOCATES OF CONSTITUTIONAL GOVERNMENT

The worldwide struggle today, simply stated, government control of people or individual free choice. This struggle is concentrated in the struggle between communism and the United States waged both at home and abroad. Abroad: communism enshrined in Soviet Union with all-powerful state in complete control of the economy, feeding, clothing, housing, providing jobs and basic necessities for the people. At home there are the advocates of the Keynesian theory which uses economic deception as a political credo; the Fabian Socialists sponsoring Federal ownership of basic industries; the ADA urging extension of Federal Government in fields of social welfare, education, medicine, retirement; the Liberals whose philosophy is summed up by Arthur Schlesinger, Jr., aid to President Kennedy—"A welfare state is the best defense against communism * * * a welfare state is one that would provide basic elements for its citizens such as food, clothing, shelter, education, and opportunity." Each of these philosophies constitutes an attack on free institutions and individual freedom of choice (see newsletter last week—Kennedy legislation).

In contrast, what do conservatives believe? We believe our Federal Government is not designed to, nor can it successfully feed, clothe, house, and provide jobs and necessities for the people. Witness productive ability and contrast between standard of living of free American workers and controlled Russian workers (see newsletter of March 19, 1960). Conservatives are traditional constitutionalists who believe in the God-given rights, constitutionally protected, and a republic within a democracy as the best form of government to insure every man the right to life, liberty, and the pursuit of happiness according to the dictates of his own conscience.

Specifically, conservatives propose a positive program to preserve this kind of Government. These are my suggestions:

Domestic:

1. Balance budget annually (Alger bill, H.J. Res. 11)—sound fiscal policy which means the Federal Government spends no more than it takes in, leaving excess to apply on the national debt so that tax burden on people can be eased, as opposed to the negative approach of the Kennedy administration whose policies lead to increased Federal spending, deficit financing with resulting higher taxes and control and regimentation of human beings.

2. Reinstate private enterprise—get Government out of business. Reduce and eliminate subsidies and Government ownership, and operation of business (Alger bill, H.J. Res. 138). Kennedy program embodies more Federal control over private business, increased farm subsidies and direction, enlarged public works programs, kept industries and workers through subsidies called for in President's Trade Expansion Act.

3. Reform and cut Federal taxes (Alger-Baker-Herlong bill and Alger bill, H.R. 11492, to eliminate withholding of income tax from wages and salaries) in an orderly way over a 5-year period making possible tax adjustment in every bracket. The Kennedy tax bill is a hodgepodge of special treatment, further inequities, and injustices threatening private business and endangering full employment of the people.

4. Put labor under antitrust law (Alger bill, H.R. 8407). President Kennedy gives more and more unrestricted power to labor, replacing collective bargaining by Government control, then further imbalancing the economy through bureaucratic dictation, making little effort to control wages while using the full power of his office to hold down prices.

5. Effect electoral college reform to truly reflect the votes of the people in contrast to the present system which makes possible the election of a President by a minority of the voters.

6. Protect U.S. sovereignty, taking into account especially the 9th and 10th amendments.

"IX. The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

"X. The powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States, respectively, or to the people."

Foreign: 1. Firm, bold leadership (to match strength and determination); prevent war by miscalculation and attrition by subversion. Reinstate the Monroe Doctrine (Alger bill, H. Con. Res. 410).

2. Declare war on communism (Pillion-Alger resolutions)—they've declared war on the United States and the free world. The Communists mean to dominate the world by infiltration, subversion, all-out war when ready through apparatus operating in every country.

3. Withdraw recognition of Communist governments. Brand them the outlaws of civilization they are. Do not dignify them through negotiations and making agreements they will never keep.

4. Stop supporting and aiding Communists, Socialists, and neutrals (Alger bill, H. Con. Res. 421). We should provide foreign aid only to our friends and then only on a self-help basis to enable them to build a better country for themselves as they see it. We should provide the know-how and funds on a loan basis with guaranteed repayment.

5. Encourage and help satellites to rebel, but only if we are prepared to support them fully so there will be no blood baths such as Hungary.

6. Increase military superiority. Gear ourselves to win with advanced weaponry, research, massive retaliation, not conventional or limited actions maneuvered by Communists. We choose the time and place for engagement in the full knowledge that strength breeds respect.

7. Preserve a free economy (see domestic program No. 1). It undergirds our military strength and free form of society.

8. Force a showdown in the United Nations (Alger bill, H.R. 9905). Only Communists violate U.N. Charter by subversion. Demand withdrawal for refusing to live up to the charter. We then maintain strong alliances outside the U.N.

9. Protect U.S. lives and property everywhere in the world (Alger bill, H. Con. Res. 410). This is the only way to enforce respect for our sovereignty and provide a formula for victory.

Finally, the basic tenet of a conservative creed in foreign policy as well as domestic: reaffirm our belief in the Constitution and the spirit and intent of the Declaration of Independence as man's last best hope on earth for government which protects the rights of man. References: The preamble to the Constitution; the Declaration of Independence; Washington's Farewell Address; the Gettysburg Address; GOLDWATER's "Why Not Victory?"

The tragedy of our times is that men, both in Congress and aspiring to public office, speak one way and then by their votes or actions follow a different course. The following news item from the Wall Street Journal of May 16, 1962, make all too clear common political practices: "Kennedy's strategists refuse to worry over John Connally's expected ascent to Texas' governorship, despite his conservative campaigning. They reason he turns critical of the administration simply to appease homestate opinion. White House men feel sure he'll help them carry Texas in 1964."

S. 3153

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1962

Mr. GUBSER. Mr. Speaker, a bill currently pending in the Senate, S. 3153, will, if passed, set a very dangerous precedent with respect to the preference provisions of reclamation law. Under leave to extend my remarks, I submit herewith the testimony I gave today before a subcommittee of the Senate Interior and Insular Affairs Committee:

STATEMENT OF CHARLES S. GUBSER, OF CALIFORNIA

Mr. Chairman, I appreciate the opportunity of testifying before this committee which has done so much to promote the cause of reclamation.

I believe in reclamation. I believe in reclamation law, including the principle of preference. Power produced by the people which belongs to all of the people should first be made available to Federal installations and water project pumping, which serve all of the people. I oppose this bill S. 3153 because it does great violence to this preference.

Before elaborating on this, my main point, let me state another objection. This bill gives too much power to the Secretary of Interior. I do not say this in a partisan sense because I would oppose the grant of such unprecedented power to either a Republican or Democratic Secretary.

I hold a copy of S. 3153—on which I have underlined the cases where the bill leaves major decisions to the discretion of the Secretary. Mr. Chairman, this is too much power for any one man.

Regardless of its purpose, the effect of this bill is to deprive California of its present rights—rights which may be very valuable to my district and to California in the future. For this and other reasons, I am opposed to the bill.

This bill (S. 3153) would result in a major distortion of the preference provision of Federal reclamation law. It gives all customers of Bonneville Power Administration, including private companies, preference over preference customers somewhere else.

The Pacific Northwest wants Congress to authorize Bonneville to sell its presently available surplus power so that it can climb out of the red and avoid an increase in the low rates which Northwest preference customers now pay. This is understandable and I might endorse the idea were it not for the fact that California preference customers including the agencies which need power for project pumping (an activity of great interest to my district) are asked to serve as bridesmaids with no chance of ever becoming the permanent bride of Bonneville. Certainly if California is asked to contribute to support of Northwest power it should receive some assurance that a marriage is intended which will last beyond the honeymoon.

Bonneville serves a number of nonpreference industrial customers in the Northwest. These include aluminum plants, investor-owned utility companies and other industries. Some of these customers who have been lured into the Bonneville territory with its low power rates might have located in California, and, perhaps, in my district where they'd be paying unsubsidized rates for power, including the tax component which is not a factor in the lower Bonneville rates. Now the Northwest wants these nonpreference customers to have preference over genuine preference customers elsewhere.

If the preference law is as sacred as its proponents have insisted, that is not the kind of perversion it deserves at the hands of Congress.

First, let's see what the Pacific Northwest is supposed to embrace under the bill: According to this bill it is an area that includes "the region consisting of the States of Oregon and Washington, the State of Montana, west of the Continental Divide, and such portions of the States of Nevada, Utah, and Wyoming within the Columbia drainage basin, and of the State of Idaho, as the Secretary may determine to be within the marketing area of the Federal Columbia River power system, and (2) any contiguous areas, not in excess of 75 airline miles from said region, which are a part of the service area of a distribution cooperative which has (i) no generating facilities, and (ii) a distribution system from which it serves both within and without said region."

Some of these areas are as far, or farther, removed from the Bonneville plants than the California customers the Northwest wants to use temporarily while it denies them any insurance of lasting benefit.

The facts are simply these: Bonneville has some surplus power. Bonneville is operating in the red. If it doesn't get into the black it may have to raise its rates. It can sell surplus power in California. If it sells power to preference customers in California, the Northwest preference customers, and nonpreference customers, might not get it back when they need it in the future. So the Northwest wants to do business in California when it is profitable to do so, but it wants also to keep strings tied to the power to pull it back whenever anybody in the Northwest wants it.

This committee is well aware of the findings of a task force appointed by the Secretary of the Interior last December that a transmission line from Bonneville to southern California is feasible. That finding of feasibility by a Federal agency would presumably extend the Bonneville service area as far south as Los Angeles because the present Bonneville Act provides that preference agencies within economic transmission distance shall have first call on Bonneville power.

I interpret this finding as follows: California preference agencies now have the right to Bonneville power. Therefore this bill asks us to give this right away at a time when it promises to become very valuable to California. And we are asked to give it away for no consideration at all.

Consider, for example, the Federal-State San Luis project in California. A proposed tunnel through the mountains which separate the Central Valley and the Santa Clara Valley in my district, may be an essential part of that project if we are to get water needed for our orchards and to replenish the continually falling underground water table. Pumps will be needed to lift that water through the tunnel near Pacheco Pass, and they'll require vast amounts of power. Congress should recognize a priority of preference for this sort of use over less worthy uses of Bonneville power elsewhere.

Some have made emotional appeals regarding the need for low-cost power for these pumps. We hope their voices will be heard now. Government power will soon be on the line from the Federal Trinity plants. But in the mad scramble by the Bureau of Reclamation to get all this power allocated to so-called preference customers the needs of these pumping plants have been largely forgotten.

It will be some years before the water canals and other facilities which could use this power from the Northwest are completed. But when they are, we may want to exercise our right to this Bonneville power. California cannot afford to give away this right—which this legislation would do. There should be no giveaway with nothing in return.

Let us accept at face value the oft heard plea that Federal power is for all the people. These Bonneville plants were constructed with the Federal taxpayers' money for all the people so why should Congress build a Chinese wall around them and say, in effect, that all the benefits from the vast Federal expenditures shall be reserved in perpetuity to a favored few. This bill would make California a second-class State, insofar as preference is concerned.

Another example: The great linear electron accelerator project at Stanford University, in my area, will require vast amounts of electric power. This will be a Federal project. Its power requirements have been mentioned with concern in congressional hearings. Yet this legislation could cut off this Federal facility paid for by all the people from Federal Bonneville power.

The Ames Laboratory of NASA at Sunnyvale, Calif., a Federal activity in my district, has a tremendous appetite for power. It is now getting only a portion of its power from the Central Valley project. The power needs of this important Government Laboratory have been previously brought to this committee's attention. My good friend, the senior Senator from California, a member of this committee, pointed out to this committee the needs of the Ames Laboratory as one reason why he favored all-Federal development of the Trinity River project in California.

I submit that both Ames and Stanford are Government installations which should be given far greater consideration for Bonneville power than some of the preference and all of the nonpreference customers in the Pacific Northwest, now and in the future.

If Congress builds a fence around the Pacific Northwest, and if the Congress gives nonpreference Northwest customers preference over such thoroughly qualified preference customers as these I have mentioned—and many others in California—Congress would, with this legislation, be abrogating the very principle upon which the preference law is based.

Moreover, were the Congress to adopt this bill, would it not also have to build fences around all the other Federal power installations in the Nation? And if such fences were built, setting up islands of Federal power here and there with "Don't Tread on Me" signs on the fenceposts, what would happen to the dream of the preference clause proponents who advocate a nationwide network of Federal transmission lines so that more preference customers could be given preference?

I submit, Mr. Chairman, and members of this committee, that the preference clause already has been distorted too far. It should not be emasculated so that it can be made to apply willy-nilly to the selfish interests of any region at the expense of the welfare of the Nation and all the people.

Mr. Chairman, if this bill is passed, preference in 5 years will be a thing of the past.

One last point: If this bill is passed, I want to serve fair notice of my future intentions. I shall introduce amendatory legislation at the proper time to provide California power consumers the same right to Northwest power that this bill gives to Northwest customers. This amendment will include California within the charmed circle on an equal basis with the Northwest.

Secretary Rusk, in Addressing Tennessee Symposium on Government and World Crisis, Presented a Six-Point Program To Achieve a Peaceful World Community

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1962

Mr. EVINS. Mr. Speaker, the Honorable Dean Rusk, Secretary of State, recently addressed the third annual University of Tennessee Symposium on Government and World Crisis, which marked the 20th anniversary of the department of political science at the university.

We Tennesseans were very pleased to have Secretary Rusk in our great State and in particular to address this important symposium.

Mr. Speaker, Secretary Rusk used as his theme the goal which he states we, as a nation, are seeking to achieve—"A World Community of Free and Independent Nations Living at Peace."

He pointed out the great contributions made toward fulfilling this aim by the great Tennessean, my predecessor in Congress and Rusk's predecessor as Secretary of State, Judge Cordell Hull.

Elaborating on Secretary Hull's ideas and policies which led to the good-neighbor policy with Latin America and to the creation of the United Nations, Secretary Rusk presented a six-point program to help achieve a peaceful world community of free and independent states.

Mr. Speaker, I believe this speech will be of great interest to my colleagues and others and under unanimous consent I insert Mr. Rusk's remarks in the RECORD.

The address follows:

A WORLD COMMUNITY OF FREE AND INDEPENDENT NATIONS LIVING AT PEACE

(By the Honorable Dean Rusk)

Governor Ellington, President Holt, Professor Greene, distinguished visitors, members, and friends of the University of Tennessee, it is a great personal pleasure for me to be at the University of Tennessee for your symposium to mark the 20th anniversary of your department of political science. As you may know, I was by profession a teacher of political science—though some of my colleagues may consider me something of a fugitive who has fallen from grace. When I left a department of political science to join the Army it was with every intention of returning. That was 22 years ago. Some day I shall yet get back.

The service your own department of political science has rendered during this period deserves the thanks of the Nation as well as all Tennesseans. It has fulfilled its role by helping to prepare thousands of students to become more understanding and effective citizens in an increasingly complex world. Its graduate program is training teachers needed in classrooms throughout the Nation. It has gone beyond these traditional services; through its bureau of public administration and municipal technical advisory service, it provides a wide range of skilled professional help to State, county, and city governments.

The department has added to these invaluable domestic services a pioneering service abroad as the first American institution to provide technical assistance in public administration to Latin American governments as part of the U.S. foreign aid program. Training in public administration is a fundamental need in many developing nations; the work done by this university in Panama and Bolivia helps to show the way for the expanded effort to come as part of the Alliance for Progress.

The theme of your symposium is "Government and World Crisis." You have heard distinguished addresses on the meaning of our democratic government, the role which the United Nations may play in economic development, and the hopes for the Alliance for Progress. Perhaps I can contribute something by discussing the great revolutionary forces which are at work in our era, the crises which they generate, and the central goal which we seek to achieve—a world community of free and independent nations living at peace.

This theme is particularly appropriate at this place and time because two Southern statesmen did more than most to shape our modern concept of such a world community. I think especially of Cordell Hull, of Tennessee, and George Marshall, of Virginia.

That great Tennessean in a long life of magnificent service personally initiated many of the fundamental policies which now guide the course of our country and the world toward the creation of the community of free nations. He was the great proponent of the good neighbor policy with Latin America. He was the apostle of freer and expanding trade. He was the father of the United Nations and the architect of the structure of nonpartisan support for it and for the fundamentals of our foreign policy. He was, with George Marshall, a deserving recipient of the Nobel Prize for Peace.

I. THE AGE OF REVOLUTION

We live in an era when tremendous, often conflicting, forces are pressing for change.

Among these is the force of scientific knowledge, expanding in a progression of endless and breathtaking momentum. We are learning at one and the same time the secrets of the more abundant life and of a more immediate destruction. For the first time in human history there is the possibility that the world can provide adequate resources to feed, house, and educate its people and to maintain their health and welfare. Yet this same science has brought about a radical change in the destructive potential of military weapons—with the power of offensive nuclear weapons for the present far outstripping the defensive.

Against this background of scientific change there are at work three other forces of revolutionary power whose interplay determines that we live in an era of recurring crisis.

The first and oldest of these is the revolution of freedom. It is our own revolution. It is, I believe, without question the strongest political force in the world today.

Its concept is magnificently simple. It was stated by Thomas Jefferson with an eloquence which will never die: "We hold these truths to be self-evident: That all men are created equal, that they are endowed by their Creator with certain unalienable rights; that among them are life, liberty and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; that, whenever any form of government becomes destructive of those ends, it is the right of the people to alter or abolish it, and to institute a new government, laying its foundations on such principles, and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

These words declare the fundamental basis of the community of free nations. It is our belief that governments derive their just powers from the consent of the governed, that it is the right of each people, in establishing their government, to do so in such form as to them seems most likely to effect their safety and happiness.

Although Jefferson's language was in the mainstream of centuries of Western thought, aspiration, and experience, it has meaning in every quarter of the globe—on both sides of the Iron Curtain—and it converges with canons developed independently out of the history and culture of non-Western societies. We should never let ourselves believe that the thrust for human freedom is a peculiar creation and concern of the West.

The revolution of freedom confronts the second great force at work today—the counterrevolution of coercion. Its purpose is to destroy freedom. It does not concede the existence of unalienable rights. Its government is not based upon the consent of the governed but upon the will and force of the governing. It does not concede the right of each people to choose their own form of government, but is determined to impose a monolithic form, based on a historical dogma enshrined as doctrine.

The leaders of international communism are not content to rely on their faith in the inevitability of its victory. They know that what they want must be achieved against the will of the majority and that tight conspiratorial organizations must substitute for popular support if they are to win.

In 40 years they have expanded their power from a small revolutionary party in Russia to control by force of all or parts of 18 nations with some 1 billion people, a third of the world's population.

I have emphasized "to control by force" for it is significant that not a single nation has installed the rule of communism by the free choice of its own people. In not one case have the masters of international communism allowed the people of any nation under their dominion to choose whether they wish to "institute a new government * * * in such form as to them shall seem most likely to effect their safety and happiness."

This is a matter which the peoples of scores of former colonies, given their freedom of choice by the Western nations, must have pondered, for not one of them has passed behind the curtain.

The third great revolution is the revolution of progress. It has long affected the Western World. The industrial revolution, when tempered by social reforms, has brought with it the sharp and increasing rise in Western standards of living; it is a revolution which now attracts the people of the developing nations of Asia, Africa, and Latin America. The intensity of the desire for progress felt by the people of these nations springs from the poverty and misery of their lives. Their average per capita output is only about one-twentieth of ours. A third or fewer may be literate. Their average life expectancy is perhaps one-half our own. These peoples are determined to have economic progress for themselves and their children. They are also determined to have rapid social progress; opportunities for education, for health, for homes, for employment, and for a more equitable share of the products of their labor. And they know that the dignity and status of their nations on the world scene depend ultimately on their capacity to absorb effectively into their societies the fruits of modern science and technology.

The converging forces of the desires for material progress, social justice, and modern nationhood are compelling. Yet the peoples involved do not in many cases yet have the technical and managerial skills or the capital to create the progress to which they understandably aspire. But they will not be denied. They are, therefore, turning to the more highly developed nations for help. The future of the world and our own peace and prosperity will almost certainly depend on the character of our response.

II. AN ERA OF CRISES

I have referred to these revolutionary forces because I believe recognition of them helps us to understand more fully the era of crises in which we live.

These crises are not unrelated. They are the result of the internal stresses and the collisions of the revolutionary forces I have described. With one or two exceptions such as Berlin, the crises of the past decade have arisen in the newly independent or newly developing areas of the world. And the great majority are the result of the efforts of international communism to seize and direct the revolutions of independence and of progress in those nations. The Communists did not create the revolutionary forces at work in the less developed areas; but they aim to exploit them to the full. They aim to isolate, neutralize, subvert, and take over the less developed nations as opportunity and their own ingenuity permit. There is a time, they say, for every fruit to fall from the tree.

III. TOWARD THE COMMUNITY OF FREE NATIONS

These then are the great revolutionary forces and the fundamental crisis of our time. What is our policy to be? It must be to get on with our main task—to move forward to build, protect, and extend a community of free nations. In this task we will find common ground with allied, neutral, and uncommitted nations alike. In this task also we will be true to our own heritage, to the most profound motivations of our history as a people.

Thomas Jefferson's declaration of the rights of all free peoples in 1776 was echoed by Woodrow Wilson who said to the Nation in 1917: "* * * the right is more precious than peace, and we shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own government, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free."

A generation later this fundamental declaration was reechoed by Cordell Hull in the charter of the United Nations. It called for a community of independent nations, each free to create its own form of government, but all committed to work together for progress in peace. It looked toward the strengthening of human rights, the solution of economic and social problems by cooperative effort, the rule of law above the rule of force and, by the limitation and reduction of arms, the freeing of mankind from its most costly burden. Our Nation gladly accepted these principles with the support of an overwhelming majority of our people and a near unanimous vote of our Senate.

The declarations of Jefferson, of Wilson, and of Hull are among the stars by which we chart our course. As President Kennedy said in his message on the state of the Union: "* * * our basic goal remains the same: a peaceful world community of free and independent states—free to choose their own future, so long as it does not threaten the freedom of others. * * * We can welcome diversity—the Communists cannot. For we offer a world of choice, they offer a world of coercion. * * * and freedom, not coercion is the wave of the future."

The President thus calls upon us to resume our leadership in the revolution of freedom and to join with it our leadership in the revolution of economic and social progress.

This is a noble task, worthy of our people. It is the task of uniting the nations into one great family of man. It is the dream of the ages toward which, with energy and devotion, we may make true progress in our lifetimes.

How shall we work toward this goal?

To move forward toward this large objective we are pursuing six basic policies.

First, we must maintain the strength and determination of our own Nation. "America, the hope of the world," was never an idle phrase. It is an image that every American generation must recreate by its own efforts and performance. It is an image which others will not confer upon us, except it be earned.

The world of coercion engages in a ceaseless drumfire of propaganda to convince the peoples of the newly developing nations that communism is the road to progress. The most effective response is to show those peoples what free peoples have achieved and are achieving in freedom—and to work and learn with them how, in their societies, progress and freedom can go forward together.

The advances we have made here in the South, in my own lifetime since I was a boy on a Georgia farm, provide a most impressive example of the progress which can be made in freedom.

Only three decades ago, just before the Tennessee Valley Authority was created, our Southland had many of the characteristics of an underdeveloped area. In the deep depression year of 1933 the average per capita income here in the valley region was $168, or 45 percent of the national average. Now it is $1,490—up to 65 percent of the national average and still growing. In 1933 only three farms in a hundred had electricity—and for most of them this meant only electric lights. Now 98 percent of the farms have electric service with all this means in terms of light, the convenience and sanitation of running water, refrigeration, and its benefit to the family and the commercial storage of food, and farm shops and equipment with their aid to farm production—and I cannot forget some of the burdens which electricity has lifted from our women. In 1933 in malarious areas, one-third of the population was infected, with the consequent effects of misery and impaired ability to farm and work. Now, I understand, it has been over 10 years since a single case of malaria of local origin has been found in the Tennessee Valley.

In this same period there has been a basic revolution in agriculture. The region has moved to a highly diversified agriculture. There has been a steady increase in acreage devoted to hay and pasture and the production of livestock and livestock products. Seedlings initially supplied by the TVA and now by the States—planted by the farmers to replace the thinned out and rundown forests and to protect the waterheads—are now the source of a great and growing forest industry. There is a certain poignancy in the fact that unemployed CCC boys in the 1930's planted seedlings which today are producing new jobs. At the same time, employment in industry has risen from less than 190,000 to over 440,000.

This unfinished process carries lessons of great value to the leaders of scores of nations striving to guide the economic growth of their peoples. It is no wonder that some 3,000 visitors from foreign nations come to your Tennessee Valley region each year to see this process at work.

What they see is a fine example of the American system in action. The people of all our States, acting through the Federal Government, made this investment in the Tennessee Valley Authority to attack the basic problems of the area: particularly water, land, and forests. This was done under our Federal system in a way designed to encourage and strengthen the local governmental institutions and private enterprise in the area. The purpose was to enable them to have an increasing capacity to stand on their own feet and to contribute to the education, health, and social progress of their own people and, through rising incomes and taxable revenues, to contribute strength to the whole Nation and, indeed, to the free world.

We who have day-to-day responsibility in foreign policy count your performance in the Tennessee Valley a major national asset on the world scene.

And what has been done here is only illustrative of the Nation. The increase in the national product of our country in these past 30 years is greater than the entire national product of the Soviet Union today.

We cannot, and I know we will not, rest where we now stand. It is imperative that we increase our present rate of growth, that we increase our productivity and our competitive position; for our world position rests on our ability to maintain a large surplus in our balance of payments to finance our expenses abroad in the defense of freedom.

The second main policy we follow is to maintain our own military strength and that of allied and friendly nations abroad. As tragically wasteful as it is in manpower and resources, a defensive shield is necessary if we are to have freedom of action to move toward the community of free nations. No nation now free could long remain free if the military power and will of free nations, both allied and uncommitted, were not available to deter and counter aggression. On our own part we must maintain great and varied forces, capable of responding to a variety of challenges. We must have not only an effective and flexible nuclear striking force but also conventional forces of great power and mobility and a capability for helping other free nations defend themselves against guerrilla and other subversive attacks. For the Communist assaults against the free nations will continue to be carefully calculated to probe points of weakness—points remote from the centers of free world power where local conditions hold open the opportunity of advantage to be gained by limited, often surreptitious force.

We must not let ourselves be frozen in our choices so that when these remote and varied attacks take place against a member of the free community, we are limited either to submission or to resort to forces of unlimited and uncontrollable destruction.

The defense of the free world should not, however, depend only upon our strength and our will. It must also depend upon the strength and the will of the nations whose freedom is directly threatened.

It is essential, therefore, that the nations along the frontiers of freedom have forces trained, equipped, and available on their own home soil at points where aggression—direct or concealed—may come.

Our foreign military assistance program is the principal means by which we help sustain our worldwide collective security systems and the strength and will of free nations. It is an essential part of our total U.S. defense. We should never underestimate the value of this program. The Chairman of the Joint Chiefs of Staff has declared that no amount of money spent on our own forces could give the United States a comparable asset of trained, well-equipped forces, familiar with the terrain and in a suitable position for immediate resistance to local aggression. I would add that without the confidence which the people of nation after nation have developed from the presence of their own forces to which we have given arms and training, the existing structure of free and independent nations might well have crumbled long ago.

Third, we should press forward with our efforts to strengthen and consolidate the bonds between the already more highly industrialized nations: such as our allies of Western Europe, Canada, and Japan.

In Europe, after the war, we have already taken one of the most daring steps in all history—the Marshall plan. The Marshall plan achieved its goal. It not only made possible the revival of a free and vigorous economy in Europe, it laid the foundation for evident and decisive progress toward realization of a centuries-old dream, a united Europe.

In 1957 six nations of Europe—France, Italy, Germany, Belgium, the Netherlands, and Luxembourg—joined together in the Treaty of Rome creating the European Economic Community. This was a solemn act of great political significance. Although we hear most of the Customs Union, which is rapidly taking shape under it, the Community has far larger political implications. The main force behind the creation of the Community was the desire to lay the groundwork for a unified Europe.

The treaty provides for the creation of an executive, a parliamentary body, and a court of justice. It provides also for a wide range of common action covering all aspects of economic integration, including the free movement not only of goods but of labor, capital, and services.

I stress these larger political implications of the European Community because as it continues to progress, and if the negotiations initiated by Great Britain to join the Community succeed, there will be created on the other side of the Atlantic a great community of states which will embrace a population of about a quarter of a billion people whose gross national products on the basis of the latest figures would approximate $350 billion—a unit larger in population and resources than the Soviet Union.

This new great center of power and commerce and we ourselves will remain deeply interdependent. If their strength is combined through close economic relations, there will be a consolidation of the strength of the great industrial powers of the free world which cannot be matched within the predictable future. We must see to it that trade shall not become a source of difference and discord between us but a cement to bind our policies more closely together.

This is the purpose of the trade expansion legislation which President Kennedy has proposed to the Congress. It is founded upon the same concepts which Cordell Hull declared as the great spokesman of reciprocal trade. Its enactment will provide the opportunity for the President to work out with the Common Market trading arrangements which will serve to consolidate the strength of our two great industrial complexes. It will afford market opportunities for American exporters of a kind unequaled in our history as a trading nation. It will open up to American producers mass markets of a kind hitherto known only in the United States.

On the other hand, if we fail to take advantage of this great political and economic opportunity, that failure can be disastrous. For we have to sell our products over the barrier of a common external tariff while the producers of the same goods within any of the Common Market countries will be able to sell in the entire Common Market without the equalizing tariffs which in many cases now exist. At the same time, we will have put in motion divisive processes which can lead to dangerous weakening of the free world's strength.

We look to cooperation with a united Europe not only in trade but in the other tasks essential to building and defending a free community. These talks cannot be discharged by the United States alone or by Europe alone. We need a strong partner in a close partnership with us. The strong partner will be an integrated Europe. The close partnership will be an increasingly cohesive Atlantic Community, within whose framework we and Europe can work closely together.

While we look to Europe for new strength, we cannot forget that we are a Pacific as well as an Atlantic power. In the Pacific are old and trusted friends—the Philippines. Australia, New Zealand, and the people of free China. In the postwar world new ties have been woven with the peoples of Korea and southeast Asia. And in Japan we have a close and vital partner which, after a period of substantial American aid, has achieved a dramatic economic revival and growth and which has joined with other industrialized nations of the Northern Hemisphere to aid the less developed areas of the world.

The fourth component of our policy is a long-term partnership with the developing nations of Latin America, of Africa, and Asia to assist them in their plans to carry forward the revolution of economic and social progress.

This is a great task and an historic opportunity. It is also immensely complex; and it will take time.

These nations are at different stages along the road to self-sustaining growth. Each has its own special problems. But through them all there runs a determination that their nation shall have a place of dignity on the world scene and that they and their children shall have lives of greater opportunity. They know these large national and human objectives require that they modernize their economies and learn how to grow. It is our purpose to aid them in this massive and intricate historical process.

Many things are required but this above all is true: Our loans and technicians can only help them to the extent that they can use such help. They must set their targets in terms of their aspirations; they must devise their plans and projects; they must mobilize the administrators, foremen, workers to move the earth and build the structures required for a modern economy. At every step of the way we can help—but only marginally.

No amount of American aid can substitute for self-help.

That is why we are shifting our aid program to a long-term development basis where our assistance will flow to those nations who demonstrate a capacity and a will to organize their own resources.

The job will be long—longer than the Marshall plan. Our working horizon should be the decade of development. By the end of a decade the job will not be done, but the bulk of the peoples in the underdeveloped areas should be well along the road to self-sustained growth.

This is the purpose of our programs of foreign aid, of the Alliance for Progress and of the Peace Corps.

It is against this background of thought over a long period of time that the Congress last year gave the administration authority to enter into long-term aid programs and commitments—an essential feature if our resources are to be effectively used.

I would call to your attention one specific aspect of the development task: the role of education. In our own country, we did not wait to become rich before we built our educational system. We created it, and our trained people were then better able to create our wealth. The more we learn about economic growth—in developed as well as underdeveloped societies—the greater the role of education appears to be.

You here at the University of Tennessee are particularly aware of this link. You and 68 other land grant institutions—along with the entire Nation—are celebrating this year the 100th anniversary of the land grant college system. It is almost impossible to exaggerate the effect which this system, originated in legislation offered by Senator Morrill and signed into law by President Lincoln in 1862, has had upon the economic and social progress of our country. It focused the educational system directly on the tasks of a developing nation; for we were at a stage then not very different from that of many nations we are aiding in various parts of the world.

The farm research and extension education conducted by our land grant institutions has transformed American agriculture. When the program was inaugurated in 1862, 55 percent of our population was engaged in agriculture and one farmworker could produce only enough food for four to five other persons. Today only 8 percent work on our farms and each worker is able to produce enough food for himself and some 26 other persons. We have been able to achieve in this peaceful agricultural revolution what the Communist system has not yet been able even to approach, with all the misery of their collectivist experiments.

Many lessons of development cannot be transplanted from one nation to another; but the achievements of the land grant system and of our agricultural extension system carry a lesson of universal significance to the less developed nations.

In our aid to these newly developing nations we believe that we should be joined by all the industrialized nations of the free world. Some of those whom we have aided in the past are now thriving. We can take a large measure of satisfaction that the flow of assistance from our NATO allies and Japan is substantially increasing. They are now providing in the neighborhood of $2.3 billion per year. For some of them the portion of their gross national product which they contribute to this purpose is comparable to our own.

We believe also that the developing nations have and should use the opportunity to help each other. As they learn the lesson of development they may share their knowledge with others traveling the same road.

And finally we are determined that our aid program should be administered as efficiently as possible. The Agency for International Development (AID), in the Department of State in Washington has been reshaped and staffed with vigorous leaders determined to make each aid dollar obtain the greatest possible benefits.

President Kennedy has asked the Congress for funds needed to carry forward our aid program for the coming fiscal year. These funds are essential to maintain economic stability and the gathering momentum for development. The funds he has requested for these economic purposes, together with the necessary military assistance, total $4,878 million, or less than 1 percent of the gross national product of our country. They are less than 5 percent of what the President is requesting for new obligational authority in his budget for the coming fiscal year, yet they are in the most literal sense vital to our security as a nation and to the future prosperity of our people. Without them we cannot carry forward the struggle for the independence of the underdeveloped areas and for progress in freedom.

This fundamental policy of aid to the developing nations is strongly bipartisan in its origins and rests on a firm basis of support by the leaders of both parties. Former President Eisenhower said of our aid program: "We cannot safely confine Government programs to our own domestic progress and our own military power. We could be the wealthiest and the most mighty nation and still lose the battle of the world if we do not help our world neighbors protect their freedom and advance their social and economic progress. It is not the goal of the American people that the United States should be the richest nation in the graveyard of history."

The fifth element in our basic policy is a new concentration on the task of building a widening partnership between ourselves, the other nations of the Northern Hemisphere, and the new nations to the south. The purpose here is to help draw the new nations into a true free-world partnership among equals—thus to strengthen even further the links which bind the free community together. We seek to fulfill this purpose through many organizations which join free nations of the north and south in the common defensive and constructive tasks.

In our own hemisphere its basis is well established in the Alliance for Progress and the Organization of American States. For the Far East we see the Colombo Plan Organization and the United Nations ECAFE in the economic field; we see SEATO and ANZUS in the defense field. In the Middle East, countries with a common concern in the defense of this vital area have come together in CENTO. In Africa we look to a variety of regional and subregional organizations whose activities may transcend the presently Balkanized structure of this emerging continent. And in many of these areas the British Commonwealth and the French community join former colonies and metropoles on a new basis of mutual respect and dignity.

The same principle of common effort for common ends is reflected in a number of specialized agencies in which the problems facing the free community are effectively addressed. The International Bank and its affiliate, the International Development Association, is taking an effective lead in bringing free nations together in aid to less developed areas. The International Monetary Fund helps these areas through fiscal crises, and helps to ensure that the free community makes the most effective use of its total financial reserves. The General Agreement on Tariffs and Trade (GATT) is a useful forum for worldwide trade negotiation in which the United States will continue to press for a reduction in artificial barriers to commerce.

Over and above these specialized agencies is the organization that Cordell Hull did so much to create: the United Nations. Its labors open new vistas of progress and greater stability for all mankind. We shall continue to sustain those labors with utmost determination. We will seek to strengthen the ways in which the U.N. contributes to economic development within the context of the United Nations Decade for Development. We will also make a particular effort to strengthen its peace-keeping machinery, including standby arrangements for the dispatch of U.N. observers or patrol forces to troubled areas.

In all these varied ways—and many that I have not mentioned—we seek to strengthen the organizational arrangements that bind peoples of the Northern and Southern Hemispheres together in the free community.

In these and many other ways the ties between the citizens of these new and old nations are becoming closer as they work together—under public auspices and in many private relationships—to fulfill the whole wide range of other ordinary human activities.

The task of working closely with many peoples to build an evolving community of nations is a relatively new experience in our national history. Yet of all nations ours is perhaps the one best adapted by its own national heritage for this task. We as a nation have received, absorbed in our national life, and lived peacefully with more people from more nations coming to our shores to seek freedom and opportunity than has any other nation of the world. I have no doubt that it lies within our power to apply to the world community the lesson of this unique national experience.

The sixth major element in our effort to build this community relates to our posture toward the countries under Communist rule, which have excluded themselves from its peaceful labors. We want to hold the community of nations open to all men and to seek to draw them into it, if they will abandon their efforts to disrupt it in favor of constructive cooperation.

We have no illusions about the present intentions of the leaders of the Communist bloc and their dedication to the ultimate destruction of the independence of nations and of the freedom of individuals as we understand them. They tell us this plainly and we see it in practice year after year.

Yet the great ideals of human freedom and of national independence are not confined to the peoples of the nations now free. We know that they are alive in the men, women, and children in nations now part of the international Communist system. We have seen that East Germany had to build a wall to prevent its lifeblood of technicians, workers, farmers, and ordinary people from flowing away to freedom into West Berlin. Yet we know that those people of East Germany, now behind barbed wire, still cherish their old cultural values, their aspirations, and their hope of freedom.

The entire Communist bloc is now caught up in a slow-moving crisis. Power is being diffused from the center, for the desire of men for national independence is universal—and no respecter of the Iron Curtain.

The results of this massive and glacial movement cannot be expected soon. But human liberty within nations and independence among nations is based on the diffusion of power.

We cannot tell when or by what means the peoples and the nations still held under Communist domination may move toward freedom. Yet we must always leave the lamp of freedom lighted for them. We recognize them as brothers in the human race and we look to the day when they may join us in common existence in the community of freemen.

Meanwhile, when we are able to find common interests which the free world and the Communist bloc share we must be prepared to talk and negotiate about ways of acting together to fulfill those interests—even if they are narrow. By this slow process we may move toward a dampening of such crises as Berlin, a continuation of our exchange programs with the U.S.S.R., and new ventures of common advantage as in Antarctica, public health, and outer space.

It is on this basis, also, that we are pressing the Soviet leaders to talk seriously about the problems of disarmament Last year the President asked for the establishment within the executive branch of a new Arms Control and Disarmament Agency. Its purpose is to concentrate under one head experts to develop practical and effective plans to bring under control the weapons which threaten the very destruction of mankind.

At the disarmament conference now going on in Geneva, we have tabled the most comprehensive proposal ever prepared for the reduction and control of armaments under proper safeguards. This is unquestionably a proposal of the greatest magnitude, and we do not expect its acceptance without the most thoughtful examination by the Soviet leaders. At the same time, we believe that their reaction to it, after an appropriate time for study, will provide the clearest possible guide to the sincerity of their announced desire for reduction of armaments.

We also believe that the free world and the Soviets have a common interest in preventing the extension of the arms race into space and for the use of space for peaceful purposes. President Kennedy has, therefore, made serious proposals to Mr. Khrushchev that our nations work together on specified projects in meteorology, communications, and other peaceful uses of outer space. The Soviet response to this proposal has been direct and encouraging. Negotiations are now in process, and we can hope that there is a real possibility of achieving a cooperative effort in this dramatic new sphere in which the two nations have shown such scientific skill and heroism.

We are also pressing for limited measures to reduce two key dangers resulting from an uncontrolled arms race. We are seeking such measures as a ban on nuclear testing and the cessation of production of fissionable materials for weapons purposes in order to reduce the risk of nuclear proliferation. And we have proposed such steps as advance notification of military movements and exchange of observation posts, along with an establishment of an International Commission in which the United States and U.S.S.R. could discuss still further measures to reduce the risk of war by accident and miscalculation.

These matters will not move easily. Clearly we do not have such a good chance of success that we can afford to relax our efforts in other directions. But our effort to build a community of free nations could be incomplete if it did not include some steady patient efforts to reduce the hostile confrontation between that community and those who have declared themselves for another kind of world.

These are our goals. I believe they are our destiny.

The basis for my confidence is nowhere better stated than in the final passage of Cordell Hull's memoirs, which are the essence of my message to you this evening: "I conclude these memoirs with the abiding faith that our destiny as a nation is still before us, not behind us. We have reached maturity, but at the same time we are a youthful nation in vigor and resource, and one of the oldest of the nations in the unbroken span of our form of government. The skill, the energy, the strength of purpose, and the natural wealth that made the United States great are still with us, augmented and heightened. If we are willing from time to time to stop and appreciate our past, appraise our present and prepare for our future, I am convinced that the horizons of achievement still stretch before us like the unending plains. And no achievement can be higher than that of working in harmony with other nations so that the lash of war may be lifted from our backs and a peace of lasting friendship descend upon us."

HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

The House met at 12 o'clock noon.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

May 22, 1962.

I hereby designate the Honorable Carl Albert to act as Speaker pro tempore today.

John W. McCormack,
Speaker of the House of Representatives.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

John 17: 3: *This is life eternal, that they might know Thee, the only true God, and Jesus Christ whom Thou hast sent.*

Most merciful God, as we now join in the fellowship of prayer, may there be in our souls a deep longing to know Thee better whom to know aright is life eternal.

Lift and lead our groping and faltering spirits out of the misty lowlands of doubt and darkness into the glorious mountain peaks of the light and liberty of the Son of God.

May we never turn away from Thee in pride and complacency but humbly yield ourselves in loyal consent and consecration to the appeals and quickening power of Thy divine spirit.

Constrain and compel us by Thy grace to always put ourselves on the side of that noblest kind of life which reveals itself in faith and obedience to Thy holy will.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 15, 1962:

H.R. 11413. An act to amend the Agricultural Act of 1961 to permit the planting of additional nonsurplus crops on diverted acreage.

On May 21, 1962:

H.R. 9778. An act to provide for the free entry of certain steel and steel products donated for an addition to the Chippewa County War Memorial Hospital, Sault Ste. Marie, Mich., and to provide for the free entry of records, diagrams, and other data with regard to business, engineering, or exploration operation conducted outside the United States;

H.R. 10643. An act for the relief of Gail Hohlweg Atabay and her daughter; and

H.J. Res. 711. Joint resolution to prescribe names for the several House of Representatives office buildings.

MATTERS OF INTEREST TO MEMBERS OF THE HOUSE

Mrs. BLITCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Georgia?

There was no objection.

Mrs. BLITCH. Mr. Speaker, I am today inserting remarks in the Congressional Record which will, I think, be of interest to all Members, but I think it will be of particular interest to the gentlemen Members of the House. It is with this in mind that I call your attention to the fact that I am making this insertion and ask that you give it very careful consideration.

FORTY-THIRD REPORT TO CONGRESS ON LEND-LEASE OPERATIONS FOR 1961—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 373)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the 43d report to Congress on lend-lease operations for the calendar year 1961.

A number of our World War II Allies have fully discharged their financial commitments to the United States for assistance received under the lend-lease program. Most of the other countries continue to make payments on account in accordance with the terms of their settlement agreements. A few countries thus far have failed to meet their payment obligations.

During 1961, payments and credits on the various lend-lease accounts amounted to $55,028,419.56, including interest. In addition, receipts on the lend-lease silver accounts totaled approximately 11,416,123.20 fine troy ounces.

Detailed information on the status of the various lend-lease accounts and other items of lend-lease interest are contained in the report.

John F. Kennedy.

The White House, *May 22, 1962.*

(Enclosure: 43d report to Congress on lend-lease operations.)

CONSTRUCTION OF NAVAJO INDIAN IRRIGATION PROJECT

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 596 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7596) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. Smith]; pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 596 provides for the consideration of H.R. 7596, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes. The resolution provides for an open rule with 3 hours of general debate.

The construction and operation of these two projects coordinated with the operation of the Navajo Reservoir, which is presently under construction, would enable New Mexico to put to use a major portion of the water of the upper Colorado River system to which it is entitled under the Colorado River compact and the upper Colorado River Basin compact.

The Navajo Indian irrigation project would provide for the irrigation of about 110,000 acres in the San Juan Basin solely for the benefit of the Navajo Indians. The project works would consist principally of canals, pumping plants, and distribution systems. The cost of the Navajo project is estimated to be $134,359,000.

The initial phase of the San Juan-Chama project would provide for the diversion from the San Juan Basin to the Rio Grande Basin of about 110,000 acre-feet of water annually to be used to supply irrigation water to an estimated 121,000 acres of land in the Rio Grande Basin of which only 16,500 are presently unirrigated lands, and to furnish additional municipal and industrial water to the city of Albuquerque. The project works consist of reservoirs, diversion dams, tunnels, and conduits. The cost of the San Juan-Chama project is estimated to be $86 million.

Mr. Speaker, I urge the adoption of House Resolution 596.

Mr. SMITH of California. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, H.R. 7596 authorizes the construction of the Navajo irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project.

Mr. Speaker, this is the first rule that I have presented since being appointed to the Committee on Rules concerning which it is difficult to state positively whether one is for or against this particular bill.

Actually, I have in my possession, as I assume most other Members do, a letter dated February 13, 1962, from the Honorable Edwin L. Mechem, Governor of the great State of New Mexico, in support of H.R. 7596.

I also have in my possession a letter dated February 26, 1962, from the Navajo Youth Conference in support of this particular measure.

On the other side of the ledger I have a letter from Mr. Raymond Matthews, chief engineer, Colorado River Board of California, dated February 9, 1962, in which he states:

> There is not enough uncommitted water supply in the Colorado River Basin for these participating projects and it is therefore recommended that no new projects in the Colorado River Basin be authorized until (1) the U.S. Supreme Court renders a decision in the *Arizona* v. *California* suit, and (2) the Secretary of the Interior prepares and submits to Congress an inventory of the water supplies and water uses in the Colorado River Basin, and for each State therein, that is in sufficient detail to demonstrate that enough water exists to meet project requirements.

Mr. Matthews recommends that authorization of these new projects be opposed at this time and until the situation with respect to water supply and rights thereto be clarified.

As to yesterday, Mr. M. J. Dowd, chairman of the Colorado River Board of California, sent a telegram in which he states substantially the same thing. By way of review, Mr. Dowd indicated opposition to the project and states that we should not do it until we have the decision of the Supreme Court in the Arizona against California suit, and until the Department of the Interior has determined whether or not there is amply supply.

In mentioning these objections from officials of the State of California, one would think that all the members in this distinguished body from California would be opposed to the measure; but that is not so, for I know, as a member of the Committee on Rules, that my distinguished colleague, the gentleman from California [Mr. SISK], is in favor of this measure. Further, I have in my possession a letter from the gentleman from California [Mr. ROOSEVELT], stating that he is in support of the measure.

So, Mr. Speaker, may I state in all sincerity that I do not believe any Member of the House can be criticized for voting for or against this particular measure.

As stated by the gentleman from California [Mr. SISK] House Resolution 596 provides for an open rule with 3 hours of general debate.

According to the proponents this legislation will authorize the Secretary of the Interior to construct, operate and maintain the Navajo Indian irrigation project and the initial stages of the San Juan-Chama project as participating projects of the Colorado River storage project.

The construction and operation of these works, coordinated with the operation of the Navajo Reservoir, which is presently under construction, would enable New Mexico to put to use a major portion of the water of the upper Colorado River system to which it is entitled under the Colorado River compact and the Upper Colorado River Basin compact. The Navajo Indian irrigation project would provide for the irrigation of about 110,000 acres for the benefit of the Navajo Indians. The initial phase of the San Juan-Chama project would provide for the diversion from the San Juan basin to the Rio Grande basin of about 110,000 acre-feet of water annually to be used to supply irrigation water to an estimated 121,000 acres of land in the Rio Grande basin and furnish additional municipal and industrial water to the city of Albuquerque.

As I recall the testimony before the Rules Committee, it is my understanding that the cost is approximately $170 million. The report indicates it is $134,350,000 for the Navajo Indian irrigation project, and further indicates that $18,453,000 is for the Navajo Indian reservoir project and the cost of surveys and investigations is estimated at $974,000. Also, there is $400,000 for minimum recreation facilities, and maintenance and replacement costs are about $346,000 annually.

In the minority report and additional minority views the minority in opposition state that before making this policy decision, the Congress obviously must be fully informed as to the total water supply available, and must weigh carefully the possible effects of any new authorizations upon the supply that would remain available for existing and authorized projects. The construction here will cost between $1,200 and $1,500 per acre. The minority report states that even if the land is adequately developed and supplied with water it is probably worth between $130 and $300 per acre.

The separate views of Congressmen LANGEN, WHARTON, and KYL list the many additional crops that can or will be grown to the extent of some 110,000 acres. With our present surplus crops, our expensive storage, and our efforts to cut back on productive acreage, one cannot help but wonder whether it is advisable to spend this excessive cost per acre to produce more surplus. The argument will undoubtedly be made in the debate that the produce will be used only for feed, but this may be somewhat problematical.

The total appropriations required for these two projects approaches a quarter of a billion dollars. They suggest that these projects are not in compliance with either the agricultural or the economic needs of the Nation.

As far as California is concerned, there are those out there that are a bit concerned from the standpoint of the growth of the State of California. The statement was made that this would not affect our water, but by the same token, with a thousand people a day coming in, we have already obligated our State to $2 billion to try to bring water from northern California to the south for drinking purposes. It may be that with the increase in the population the time will come when we will have to go back and try to have further negotiations in connection with the Colorado River officials with the thought in mind that we may at some time need additional drinking water in California. It is very serious at this time.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from California.

Mr. HOSMER. These two projects are unrelated. For some time they were considered under separate bills. Can the gentleman state whether any explanation was given to the Committee on Rules why they were bundled together in one package and in relationship in the order in which they were placed in this bill, namely, the Navajo first and the San Juan-Chama second?

Mr. SMITH of California. I cannot answer the gentleman's question. I believe the gentleman from Colorado [Mr. ASPINALL] can answer it.

Mr. ASPINALL. These two projects have never been planned separately. The report has been written on them as a unit. The reason they have been divided in this legislation is so that we will know exactly what is before the House.

It so happens that both are participating projects in the upper Colorado River program and they are treated just as if they were separate projects by the Bureau of Reclamation and the Bureau of Indian Affairs.

Mr. SMITH of California. Mr. Speaker, it is not that I am opposed to reclamation. In fact, many reclamation projects certainly are most beneficial. But this one does leave some questions in my mind as to whether or not it is feasible at this time to proceed with this project, with the thought and with the question as to whether or not it will bring the desired results.

Mr. Speaker, I reserve the balance of my time.

CALL OF THE HOUSE

Mr. FINDLEY. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 91]

Addonizio
Andrews
Ashbrook
Ashley
Ashmore
Ayres
Bailey
Baring
Barrett
Bass, N.H.
Bell
Bennett, Mich.
Blatnik
Bonner
Boykin
Brewster
Buckley
Cahill
Carey
Casey
Celler
Chelf
Chiperfield
Clancy
Corman
Curtis, Mass.
Davis, James C.
Diggs
Donohue
Dowdy
Edmondson
Elliott
Fallon
Fascell
Fisher
Flood
Fogarty
Friedel
Garland
Garmatz
Gary
Gilbert
Grant
Gray
Green, Oreg.
Green, Pa.
Gubser
Hall
Halpern
Harris
Healey
Hébert
Henderson
Hoffman, Mich.
Horan
Huddleston
Jensen
Johnson, Wis.
Jones, Ala.
Kearns
Kilburn
Kitchin
Kornegay
Kowalski
Landrum
Lesinski
Loser
Macdonald

Martin, Mass.
Mason
May
Merrow
Miller, N.Y.
Milliken
Monagan
Morrison
Moss
Murray
Nedzi
Nix
Passman
Philbin
Powell
Rains
Reifel
Riley
Rivers, S.C.
Roberts, Ala.
Rosenthal
Rostenkowski
Roudebush
Rousselot
Saund
Scherer
Scott
Seely-Brown
Selden
Shelley
Sheppard
Shriver
Slack
Smith, Miss.
Spence
Springer
Staggers
Stubblefield
Thompson, N.J.
Tupper
Utt
Walter
Watts
Weaver
Whitten
Wickersham
Widnall
Williams
Wilson, Calif.
Yates

The **SPEAKER** pro tempore. On this rollcall 318 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SISK. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to sit during general debate today.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONSTRUCTION OF NAVAJO INDIAN IRRIGATION PROJECT

Mr. SISK. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. Haley].

Mr. HALEY. Mr. Speaker, I want to say briefly that I received, as many of the Members did, a letter written a few days ago from the gentleman from California [Mr. Roosevelt]. That letter would lead me to believe and maybe it led you to believe, too, that one of these projects that we have here today is solely for the benefit of the Navajo Tribe of Indians. I think my record so far as Indians of this Nation are concerned is well known. I want to give them the benefit of all doubt. I might say, too, Mr. Speaker, that this project has the approval of the tribal leadership of the Navajo Indians. But I do want to call your attention to this fact, that there are many benefits that will flow to people other than the Navajo Tribe of Indians.

Also I want to call your attention to the fact that the benefits estimated to flow to the Tribe of Navajo Indians will be equivalent to about $200,000 per Indian family. I want to help the Indians all I can. On the other hand, I wonder, Mr. Speaker, if it would not be wiser, especially when there is some doubt about the sufficiency of the water and about many other things here, for the U.S. Government to put this $200,000 per Indian family into a trust fund, which would provide them with somewhere between $8,000 and $9,000 a year; because I do not believe that this project when it is completed will even gross that much, much less net. I am sure that many of these problems that are worrying you will be discussed in the 3 hours of debate allotted under this rule. But I do want this House to know that it will cost approximately $200,000 per Indian family to assist them down in this great part of our country. And there is some doubt in my mind whether that amount is justified.

Mr. SMITH of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Arends].

Mr. ARENDS. Mr. Speaker, it is apparent to me by the receipt of a letter this morning from a constituent of mine who has been traveling through the country, stopping at motels, a letter written in longhand, that there are untold millions of people in this country who are still doing a lot of good, solid thinking about the future of America. I shall read this letter for the benefit of the membership:

> Dear Representative Arends: I have just seen President Kennedy make an appeal for the King-Anderson bill. I hope that when it comes before the House you will vote against it.
>
> I would like to feel that the U.S. Government will not completely socialize us. At our present rate in this direction it will not be long until it would be easier to just give our entire salary to the Government, and let it give back a monthly allowance for token items.
>
> I gather that it is no longer desirable to want to be self-supporting, but I am one of those people. It is my hope that by my own efforts I may continue to be employed, save and invest my money for the latter years of my life. However, every new deduction, tax, et cetera, makes this just a little harder to do.
>
> We preach the benefits of the capitalistic system around this world. We give millions of dollars away to try to swing other countries in this path. Why are we giving it up for socialism?

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. Avery].

Mr. AVERY. Mr. Speaker, I do not take the floor to oppose the rule today. I think the rule should be adopted. I regret that I feel compelled to say that I think the bill should not pass. It is not easy, may I say to my colleagues, to take the floor and oppose a measure that I realize is tremendously important to individual Members. The Members of this body representing the States of Arizona, New Mexico, and possibly part of Texas I realize are very vitally interested, and understandably so, in this piece of legislation.

Actually, Mr. Speaker, I do not feel that I am opposing this legislation particularly. I feel more that I am taking the floor to defend several million farmers in the Middle West. Basically I have supported water conservation legislation, whether it was from the great Committee on Interior and Insular Affairs or whether it pertained to an authorization recommended by the Corps of Army Engineers which would provide for supplemental water storage. I think that is in the national interest.

I might remind the House that last week the House authorized a water conservation project in the State of our Acting Speaker [Mr. Albert], in the State of Oklahoma, but that project was different from these before the House today because that bill did not carry with it any authorization for supplemental water for irrigation.

Mr. Speaker, I think the economics of this project on a more analytical basis will be brought out in general debate, but I should like to say, and I think the gentleman from Florida touched on this, that there is some inclination on the part of the proponents of this bill to create or develop support, if possible, on a sympathetic attitude for the Navajo Indians. I am also very sympathetic to the economic problems of the Navajo Indians in the very, very arid climate in which they live. Their land is poor initially, and it is in an area where the rainfall, I understand, is as little as 8 inches a year. Certainly their agricultural pursuits are very grim indeed. I am very sympathetic, and I would certainly give consideration toward most proposals to assist them.

That is only one side of the coin. In this bill there is also authorization which would require later appropriations to supply supplemental water on 95,000 acres. This has nothing to do with Indians at all. This is down in the Middle Rio Grande Conservancy District, I do not know how many miles from the Navajo Indian Reservation. In fact, it would provide that 26,000 new acres come into production.

Does this not seem logical: Either the Secretary of Agriculture should not be insisting that his bill, now out of the Committee on Agriculture, which would have the effect of reducing wheat acres all over the United States by another 10 percent, and another compulsory feed grain feature which would reduce feed grains by 20 percent, either we should not have that bill before the House, or we should not have this bill today to provide for new high cost irrigated acres to go into production. How can you justify two measures, one being debated in the other body at this time and a companion bill out of the legislative committee pending before the Rules Committee providing for a mandatory reduction in production in the Middle West, and at the same time have an administration bill before us today providing for new acres to come into production in the Southwest? I just cannot understand such a conflicting and inconsistent program.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I yield to my colleague from Arizona, one of the Members to whom I alluded a while ago when I mentioned this proposal was of vital importance to certain Members from the Southwest.

Mr. RHODES of Arizona. I thank the gentleman for yielding. I want to call the gentleman's attention to a piece of legislation which has become almost a fixture in any reclamation bill. The gentleman from Kansas put it in the upper Colorado storage project. This is the Avery amendment, which the gentleman recalls provides that for 10 years on newly irrigated land crops which are in surplus shall not be grown.

I want to congratulate the gentleman for putting the amendment in on the upper Colorado storage project, and I would ask him if he does not feel its inclusion in this bill in section 6 would obviate all of the difficulties which the gentleman from Kansas has mentioned with regard to crops which are in surplus.

Mr. AVERY. I would reply in this way to my friend from Arizona. I think that we authorized the upper Colorado project in 1956 or thereabouts. I will say if that project was before the House again today instead of asking for 10 years deferment on any supported crop in surplus being produced on land under the reclamation program, I would insist on 25 years because our surpluses have so increased since 1956 that it is inconceivable to me that the production off of this land would be needed to satisfy our national needs and the needs of the countries that are friendly to us or dependent upon us for supplemental food. So I think the Avery amendment was most timely back in 1956 and I would take the same position today except I think the deferment of any agricultural production on new land being put under irrigation should be deferred for a longer time than 10 years.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield further?

Mr. AVERY. If we can arrange for the time. I do have one more observation to make, but I cannot resist yielding to my friend, the persuasive gentleman from Arizona.

Mr. RHODES of Arizona. I am sure the gentleman would agree with me, however, that whether 10 years is right or whether it is wrong, that for 10 years, because of the Avery amendment, there will not be crops grown on newly irrigated lands if such crops are in surplus.

Mr. AVERY. I would hope it would be longer than 10 years because I understand that language has been somewhat modified so that now it reads in most reclamation bills—"10 years after the completion of the project"—which would defer it for a longer time.

If I may, I would like to make one more point and then I will yield to my colleague, the gentleman from Minnesota.

I think the gentleman from Florida also made this point. There is no water conservation in this bill today. We provided for the conservation aspect back in 1956. The Navajo Reservoir was authorized as a part of the upper Colorado project so all we are doing today is taking water through a canal and taking it down to the Navajo Reservation and to the Middle Rio Grande Conservancy District and to enhance production on about 232,000 acres. I cannot quarrel with the Navajo portion to any great extent, but I am pointing out to the House the fallacy of putting the other canal down in the New Mexico Conservancy District and putting into new production 26,000 more acres and supplemental water to 95,000 acres.

Mr. LANGEN. Mr. Speaker, will the gentleman yield?

Mr. AVERY. I am glad to yield to my colleague, the gentleman from Minnesota.

Mr. LANGEN. I thank my colleague for yielding. I have asked the gentleman to yield in order to further correct the Record relative to the matter of surplus crops, raised by our good colleague, the gentleman from Arizona, a few moments ago. It is to be remembered that the amendment of which he speaks relates only to the basic crops which are cotton, peanuts, rice, tobacco, wheat, and corn and it does not relate to any of the other crops that are going to be raised on these lands, and in addition it applies only to the new acres of land coming in and not to the 95,000 acres on which they are adding the supplemental water. I just wanted to make the record clear in that respect.

Mr. AVERY. The gentleman from Minnesota makes a very important point. I certainly appreciate the fact that he has called it to the attention of the House. Let me repeat, in closing, Mr. Speaker, I regret to have to oppose this bill, but in defense of our farmers in the Middle West I can take no other position.

Mr. SMITH of California. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. McVey].

Mr. McVEY. Mr. Speaker, I ask unanimous consent to speak out of the regular order.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McVEY. Mr. Speaker, since the country now seems to be run on "father's advice," I am wondering whether or not anyone thought to ask the President the other night when he said, "When my father, in my formative years, was describing to me his clearly held views on business, he always exempted show business," if he exempted the grain business, too?

At the very least, now would seem to be an appropriate time for the President to demand that his own Secretary of Agriculture cease his advertising campaign for the administration's farm program and commence to do the job that he was appointed to do, which is simply to administer the Department of Agriculture.

Certainly, the Kennedy administration has done much to sell its programs in a fashion which would bring shame to the lesser public relations firms residing on Madison Avenue. Even now, the President is attempting to use the disgraceful Billie Sol Estes scandal to sell his farm bill, saying its defeat would remove the best chance of doing something about conditions which resulted in Mr. Estes' manipulations.

My own inquiries with the Department of Agriculture reveal that this Department is continuing to use Mr. Estes' grain storage facilities, although Federal payments in excess of $1 million on grain storage to Mr. Estes have been held in abeyance since the latter part of March 1962, in order to satisfy any Government claims against Mr. Estes. Presently, the Federal Government has about 33.4 million bushels of wheat stored with Estes at the regular rate of approximately 13½ cents per bushel per year. Even though the Department officials told me today that they are going to move this wheat out of Estes' elevators, largely to meet exports, they said it will take as long as 1 year to do so and they did not tell me the expense involved. The taxpayers should not be fooled by this, however, because it simply means that they will be paying Mr. Estes' claims instead of Mr. Estes himself, for he has already salted away millions of dollars in foreign banks according to newspaper accounts.

I respectfully suggest to the Secretary of Agriculture that he take the same kind of action the commissioner of agriculture took in Texas. The Texas commissioner canceled State warehouse licenses on all grain storage facilities owned by the Estes empire, so that the taxpayers will not have to pay off Billie Sol's creditors through grain storage payments.

Mr. Speaker, I think it might also behoove this body to commence its own investigation of the Department of Agriculture and any other Government departments involved in the Billie Sol Estes scandal, for our own failure to act in the light of this known scandal might make us just as susceptible as some of the administration officials, to charges that we are playing Pollyanna.

In no event can any farm program be better than the department which administers it. For this reason, I have joined my colleague from Kansas [Mr. Dole] in introducing a resolution—House Resolution 636—to provide an investigation of the Agricultural Stabilization and Conservation Service of the U.S. Department of Agriculture by the House Committee on Agriculture. I urge that the majority of this body will vote in favor of this resolution.

Mr. SISK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is somewhat amusing, but I realize that our friends on the Republican side do not have very many issues to run on this coming fall.

I can remember some nasty situations which existed during the Eisenhower administration our friends on the Republican side of the aisle seem conveniently to have forgotten. I remember one having to do with Dixon-Yates and conflict of interest in Government circles; and another with Sherman Adams and Mr. Goldfine and gifts; also about a gentleman named Nixon, who now aspires to be Governor of California, who admitted he was the receiver of some $18,000 in slush funds contributed by certain fat cats over a number of years while he was a U.S. Senator, and a loan from a prominent industrialist to his brother, which is still the subject of court inquiry in which Mr. Nixon's testimony has been kept secret. I also remember hints of scandal surrounding a big nickel promotion in Cuba in which a company headed by President Eisenhower's Secretary of the Treasury was involved. I think the people of the United States remember these things too, and are fully able to make their own judgments.

My good friends on the left side of the aisle are scraping the bottom of the barrel for some campaign issues.

Let me say that I think our President, our Secretary of Agriculture, and the other members of this administration are faithfully and vigorously pursuing their jobs in the best interests of this great Nation and certainly not in a way to bring about any socialistic setup.

Mr. Speaker, this particular bill which we have under consideration today does not happen to be of a partisan nature. The issue before us goes back to the very beginning of reclamation when a great President of the United States, a man for whom I have the greatest respect, and a Republican, by the way, Theodore Roosevelt, the father of reclamation, established the reclamation program in 1902. It has been an outstanding program over the years; it has been a program supported by both our great major parties. It has done a great deal not only for the western part of the United States but also for our Nation as a whole, because it has been building America, making us stronger, developing our great natural resources and serving all our people.

I doubt that it is logical to put a price tag per person on the initial cost phases of a project of this kind. I question some of the figures with reference to the crops in surplus that will be produced on these acres. The facts are, if you will study the long history of reclamation and its effect upon the country, the pattern and types of commodities grown, you will find that irrigation projects in every case have increased the wealth of an area and increased the wealth of the Nation as a whole and have not been used to produce commodities that are in surplus in America, but that they have contributed greatly to reduction of surpluses by making possible diversified farming and shifting of acreage to crops not in surplus.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Kansas.

Mr. AVERY. I would just like to remind my friend from California—I cannot argue with him—that every reclamation project has probably enhanced the wealth and the assessed valuation of the local area, but when we are talking about this situation of surplus, the gentleman is asking the people of Kansas to give up a part of their income to take it down to New Mexico—every farmer in Iowa, every farmer in Indiana, every farmer in Illinois. Is it not obvious to the gentleman why we have to oppose this legislation?

Mr. SISK. I appreciate my good friend's feeling, but I think he is wrong. He knows I have a great deal of admiration for him.

Mr. AVERY. I begin to wonder.

Mr. SISK. But the point is that these projects, when you pursue the long history of them and the development of them, have enriched the district represented by the gentleman from Kansas as they have enriched my constituents in California, as well as the constituents of the Members from Arizona and New Mexico, even the East, the steel mills, the automobile plants all across the Nation, the appliance and farm implement manufacturers, and their increased payrolls and dividends make these millions of citizens able to buy increased quantities of farm products from the farmers of Kansas, Iowa, Indiana, and California and to buy other things that make the wheels go all across America. So when you improve any area of our country, and enrich that area, it enriches all of America. I believe the gentleman will realize that.

Mr. AVERY. Can the gentleman document how this particular reclamation project will enrich the farmers of Kansas? That is the only other question I would like to ask.

Mr. SISK. I remember, as the gentleman knows, having helped to get a project through for Kansas. I understand they need these things. I understand and appreciate the problems of the gentleman, but the Kansas farmers will be enriched by western development, along with other Members from other States.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to compliment the gentleman on his very fine remarks. I also want to associate myself with him. I am heartily in favor of H.R. 7596.

Mr. SISK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. ROGERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7596) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7596, with Mr. Bass of Tennessee in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ROGERS of Texas. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Colorado [Mr. Aspinall], chairman of the Committee on Interior and Insular Affairs.

Mr. ASPINALL. Mr. Chairman, I think it would be well for me at this time to explain to the members of the Committee why it is that the Committee on Interior and Insular Affairs must come before the House of Representatives in its capacity as a Committee of the Whole House on the State of the Union or in the House itself on many different occasions relative to such programs as this.

Mr. Chairman, traditionally, legislation authorizing reclamation projects provides for consideration of one project only. To my knowledge there have been only two exceptions to this general rule; the first having to do with the authorization of the Missouri Basin program, which authorization was a united action of the Public Works and Reclamation Committees, and the second was the upper Colorado River program which provides for an integrated project. The normal procedure for authorizing reclamation projects is quite different from that followed for authorizing other water resources development programs where an omnibus bill is the usual rule rather than the exception. Today we bring before the Committee what amounts in fact to a single authority but in practice will be a two-project construction program. I bring to your attention this difference in the manner of authorizing reclamation programs so that you may more clearly understand the reason why our committee appears before you much more often than committees having similar responsibility for other programs. As most of you know, it has been my purpose, as chairman of the Committee on Interior and Insular Affairs, to try to provide during a congressional term feasible and worthwhile project authorizations in an amount which will provide for a sound and orderly construction program by the Bureau of Reclamation. It would appear at this time that we shall fall somewhat short of our goal during this 87th Congress. However, this should not disrupt the Reclamation construction program to any great extent as we still have a few authorizations on the books for which new starts have not been provided.

Mr. Chairman, the legislation before the House today would authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project. This legislation came to the House after hearings by the Subcommittee on Irrigation and Reclamation on H.R. 2552 and H.R. 6541, predecessor bills introduced in the House, and S. 107, a bill already passed by the Senate. At the conclusion of consideration by the committee my distinguished colleague, the gentleman from New Mexico [Mr. Morris], one of the bill's most ardent sponsors, with the concurrence of the committee, introduced a "clean" bill in the form of H.R. 7596 now before you. This bill incorporates the changes of language and amendments approved by the Committee on Interior and Insular Affairs.

As the title of the bill indicates, each of these projects is an integral part of the comprehensive water resources development plan of the upper division States of the Colorado River Basin that was approved by the 84th Congress when it enacted into law the Colorado River Storage Project Act—act of April 11, 1956 (70 Stat. 105). The coordinated planning report on the Navaho Indian irrigation project and the San Juan-Chama project was prepared jointly by the Bureau of Indian Affairs and the Bureau of Reclamation. This report has been submitted to the Congress, and together with agreements developed between my own State of Colorado and the State of New Mexico and evidence submitted to the committee at hearings on predecessor bills, forms the basis for the committee's approval of the proposed legislation.

I might point out that only in rare instances has any similar legislation received the detailed study, the extremely careful analyses, and the longtime consideration that has been accorded to H.R. 7596 and predecessor bills by the

Committee on Interior and Insular Affairs, the Department of the Interior, the State agencies, and other interested parties. I particularly wish to express my gratitude to my colleagues on the Interior and Insular Affairs Committee who labored so diligently to bring forth all of the facts that are important and pertinent in this type of legislation. It was only after the most careful consideration of every detail that my colleagues on this committee gave solid assurances of approval of this bill.

Although both the Navajo and San Juan-Chama projects are included in section 2 of the Colorado River Storage Project Act, as participating projects to which the Secretary of the Interior was directed by the Congress to give priority in the completion of planning reports, and H.R. 7596 now includes both projects for authorization, these projects are in reality separate and distinct projects. For instance, at the time the sponsors of the Colorado River storage project were considering proposed legislation, and the Upper Colorado River Basin Fund was conceived, it was agreed that a participating project was defined as one that would participate in the use of water apportioned to the upper division States by the upper basin compact and would also participate in the use of revenues that would accrue in the basin fund. The San Juan-Chama project fits this definition.

This project will be partly paid for by basin fund revenues, and water apportioned for use in New Mexico by the upper basin compact will be utilized. On the other hand, the Navajo Indian irrigation project can be construed as a limited participating project because, although compact-apportioned water will be utilized, it will not participate in the use of revenues in the basin fund. Congress provided in sections 4(d) and 6 of the Colorado River Storage Project Act of April 11, 1956, that repayment of Navajo project costs allocated to irrigation and within the capability of the land to repay would be subject to the act of July 1, 1932—47 Stat. 564—and that the costs beyond the capability of such lands to repay, in recognition of the fact that assistance to the Navajo Indians is the responsibility of the entire Nation, shall be nonreimbursable.

In recognition of these factors the first amendment to the original bill adopted by the committee was in the nature of a substitute bill which rearranged the legislation into three parts entitled "Navajo Indian Irrigation Project," "San Juan-Chama Reclamation Project—Initial Stage," and "General." In other words, the two projects proposed for authorization are clearly separated in H.R. 7596. A section authorizing the appropriation of funds is included for each project. The funds for the construction of the Navajo Indian irrigation project will be included in the budget requests for the Bureau of Indian Affairs instead of the Bureau of Reclamation; although the latter agency will have responsibility for the construction. From a monetary standpoint the Navajo Indian irrigation project is completely and effectively divorced from the funding programs of the Bureau of Reclamation and the financing arrangements of the Upper Colorado River Basin Fund created by section 5 of the Colorado River Storage Project Act of April 11, 1956.

Mr. Chairman, I do not propose to present to the House a detailed description of the engineering and construction features of these two projects and the financial and economic aspects. This information will be presented by my distinguished colleague, the gentleman from Texas [Mr. ROGERS], the chairman of the Subcommittee on Irrigation and Reclamation that studied all of the data upon which it based its conclusions. Nor do I intend to devote my presentation today to a report of the dire need for these projects in New Mexico. My distinguished colleagues from my neighboring State to the south, Mr. MONTOYA and Mr. MORRIS, are much better qualified to discuss these aspects of the projects than I am. However, because these two projects are interstate in nature, interbasin in scope, and involve water resources subject to the jurisdiction of the Colorado River compact and the Upper Colorado River Basin compact I feel that it is important and appropriate for me to discuss certain general and somewhat extraordinary aspects of the two projects in order that the Congress may have a full understanding of what is involved.

As many of the Members of Congress are aware, when legislation to authorize the Navajo Indian irrigation project and the San Juan-Chama project was first presented to Congress several years ago certain entities in the western part of my own State of Colorado opposed its enactment on the grounds that it might preclude the future development of the Animas-La Plata project, the bulk of which is in Colorado, but partly in New Mexico, due to overcommitting the water supply of the San Juan River to the Navajo and San Juan-Chama projects. There was also concern that our neighboring State of New Mexico might be unable to finance the repayment of the reimbursable costs from its allocated share of the revenues in the basin fund under the terms of the Colorado River Storage Project Act or might exceed its entitlement to the use of Colorado River system water under the terms of the Upper Colorado River Basin compact. Now I am pleased to be able to report to the House that the terms of H.R. 7596 are consistent with my committee's understanding, as well as my own understanding as a Member of Congress from western Colorado, of agreements reached between representatives of the States of Colorado and New Mexico at the time of the hearings held on May 20, 1960, before the Subcommittee on Irrigation and Reclamation on H.R. 2352, H.R. 2494, and S. 72, predecessor bills of the 86th Congress.

These very important basic agreements between Colorado and New Mexico were not easy to reach due to the fact that there were some elements of disagreement within my own State. Nevertheless the agreements were reached, and the official position of my State of Colorado is in strong support of this legislation. I wish to emphasize that this accord is solidly based upon many financial and hydrologic studies and analyses that are a part of our committee's permanent records. Due to the complexity of the problems involved our committee did not idly accept only proffered testimony. On the points of conflict, financial feasibility, and water supply, our committee requested that special studies be made in addition to those originally submitted to it.

By special request the Department of the Interior made financial analyses based upon conservative estimates of streamflow and power production at the Glen Canyon, Flaming Gorge, and Curecanti storage units, and, on the basis of these studies, departmental witnesses testified that there would be more than sufficient revenues accruing to New Mexico's share of the basin fund during the project payout period to repay that part of the reimbursable costs of the San Juan-Chama project not repaid by the water users. The costs of the Navajo Dam and Reservoir upon which the Navajo and San Juan-Chama projects are dependent for their water supplies are reimbursable under the terms of the 1956 Colorado River Storage Project Act from power revenues of the Colorado River storage project before an apportionment of excess revenues in the basin fund is made to the credit of the various States. The costs of the Navajo Indian irrigation project, under the terms of the Colorado River Storage Project Act of 1956, as I have explained earlier, will not be a charge against the power revenues in the basin fund.

Since the departmental testimony was received by our committee relative to the availability of power revenues for the repayment of costs of the San Juan-Chama project the Department of the Interior, by further direction of the Congress, has negotiated agreements with five major power utilities of the Upper Colorado River Basin with respect to integrated operation of the transmission system for the storage project-generated power. Four contracts have already been executed. As a result of these contracts many millions of dollars more than originally contemplated will accrue to the credit of the basin fund during the project payout period; thus, further assuring the financial feasibility of the projects in H.R. 7596.

The question of the adequacy of the water supply has been thoroughly analyzed. The Interior and Insular Affairs Committee received water supply studies prepared by the State engineer's office of New Mexico, the Colorado Water Conservation Board, both of which are official agencies of their respective States, as well as several studies prepared by the Bureau of Reclamation. In addition, I requested preparation of a completely independent analysis of the water supply of the San Juan River covering the most critically water-short period on record. After all these hydrologic studies were received by our committee they were analyzed and compared in detail by our capable staff director and engineering consultant, Mr. Sidney L. McFarland. The results and conclusions of Mr. McFarland's analyses were published as a staff memorandum and made a part of the printed record of hearings on this legislation.

A summary of his conclusions shows:

First. There were no material discrepancies with respect to the physical data for the San Juan Basin, and the conclusions of the various studies are compatible.

Second. On the basis of the most critical period of streamflow records there will be sufficient water available from the Navajo Reservoir, on a shortage-free basis, after allowing for present uses in the basin and the water requirements for potential developments in Colorado, to meet the requirements of the initial stage of the San Juan-Chama project, the Navajo Indian irrigation project, and the Hammond project and leave at least 126,000 acre-feet available each year for future use, from which could be made releases of water to satisfy present uses in New Mexico that might have to be filled as prior rights from flows of the Animas River.

Third. There is sufficient water from the Animas River, with the Bureau of Reclamation's plan for storage, for the potential Animas-La Plata project in Colorado, and this project can be materially aided by the release of water from Navajo Reservoir to meet existing natural flow rights below the confluence of the Animas and San Juan Rivers.

Mr. Chairman, although hydrologic studies made independently by the Bureau of Reclamation and others resulted in a finding that there is ample water from the Animas River for the potential Animas-La Plata project in Colorado, even under historical conditions of adverse runoff, the language of H.R. 7695, which has been agreed to by Colorado and New Mexico will permit downstream water rights that might be affected by the Animas-La Plata project to be filled by releases from Navajo Reservoir, provided there are contracts covering such releases, and in any years when there are shortages in water supply all projects and contractors benefiting from the operation of Navajo Reservoir would be on parity and shortages would be shared equitably in proportion to diversion requirements. This provision is included in the legislation in order to further insure equitable treatment for future developments in the State of Colorado. Also, under the proposed legislation the Secretary of the Interior is charged with the responsibility for not overburdening the Navajo Reservoir, and he is prevented from entering into contracts in the future which might result in excessive shortages of water.

The Navajo Reservoir, which will provide a regulated water supply for the Navajo and San Juan-Chama projects, is a storage unit of the Colorado River storage project, and, as such, its operation is subject to the terms of the Colorado River compact in making deliveries of water at Lee Ferry to the lower basin, and to the terms of the Upper Colorado River Basin compact in filling apportionments of water among the upper basin States and deliveries under the Mexican Treaty commitment. Thus, Navajo Reservoir is a storage facility for the common good of all four upper division States for river regulation at Lee Ferry on the Colorado River and is a reservoir for the benefit of the States of Colorado and New Mexico on consumptive-use projects such as the Navajo Indian irrigation project, the San Juan-Chama project, and the Animas-La Plata project. Therefore, it became necessary for our committee's engineering consultant, Mr. McFarland, to examine the relationship of the water physically available for use in New Mexico and New Mexico's entitlement to water under the Upper Colorado River Basin compact. New Mexico is entitled to the use of 11¼ percent of the water apportioned to the upper basin by the Colorado River compact. With respect to this relationship of available water and compact entitlement it was concluded in the committee staff study that:

First. Under presently existing flow conditions and without the creation of addition reservoir storage capacity over and above that now existing and under construction in the upper basin there is no assurance that New Mexico's compact entitlement will exceed 692,000 acre-feet.

Additional storage capacity not now contemplated could raise this figure materially when, and if, it is built.

Second. The total annual average streamflow depletions presently existing plus the depletions that will be caused by the projects of H.R. 7596, plus other contemplated depletions including reservoir evaporation losses and plus New Mexico's share of the Animas-La Plata project depletion will amount to 671,500 acre-feet.

From the conclusions of the staff study it is apparent that there is plenty of water available both under the physical availability criterion and under the compact entitlement concept. The problem of compact-entitlement of water to New Mexico can be expected to be present in the future only after the Navajo and San Juan-Chama projects of H.R. 7596 and the proposed Animas-La Plata project are in operation and additional consumptive uses are contemplated. This is not a question before us now, although compact-entitlement is expected to limit the Secretary in contracting for the delivery of storage water from Navajo Reservoir.

Mr. Chairman, the construction of the Navajo Indian irrigation project and the San Juan-Chama project is in the best interests of the local area, the State of New Mexico, and the Nation. I have pointed out to this body on several occasions the tremendous benefits of reclamation. These projects will contribute to the accrual of these benefits, and, in addition, aid the United States to meet its treaty obligations to the Navajo Indians.

President Kennedy in his conservation program message of March 1, this year, stated:

> The leadtime is long in the development of water resources. Years are required to plan and build sound projects. Time should not be lost on those projects which have already been transmitted to the Congress for authorization.

The first project mentioned in the President's list was the San Juan-Chama project of H.R. 7596. This bill, H.R. 7596, is part of the President's program for the development of water resources. I am proud to be able to urge and support its enactment by the Congress of the United States.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. HOSMER. Does the gentleman have any figures of the average annual increase in productivity of the agricultural acreage of the country?

Mr. ASPINALL. I do not have the figures here, but I know it has been somewhat spectacular during the last decade. But there is a point beyond which that cannot go because land can be forced in its productivity only so far and then such land reaches the point from which the returns are not profitable.

The gentleman from Florida [Mr. HALEY], acting under some advice he secured from me before the beginning of the argument, stated that each one of these farm units would cost in the neighborhood of $200,000; that is for the Navajo project. This figure is more correctly $120,000. That is the amount per family for the farm families living on the land. There are two times as many people, as the number of those who will live on the farms, who will benefit directly if the project is constructed. So really the figure should be approximately $40,000 for each one of the 3,360 families which total number of Indians make up one-fifth of the total population presently on the Navajo Indian Reservation.

A $40,000 investment per family may sound like a lot of money. There may be those who would have people, Indians or others, live off the income of such an amount. This of course would be a life of idleness, a nonproductive life, if you please. As for me I would much rather have them engaged in real efforts to make their own livelihood.

Mr. SAYLOR. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we have before us today a bill which is the direct result of the passage of the Colorado River Storage Project Act. At the time the House considered that bill early in 1956, one of the authorized projects was the construction of the Navajo Dam. That act provides:

> Upon completion of each unit, participating project, or separable feature thereof, the Secretary shall allocate the total costs, including expenditures authorized by section 8 of this Act, of constructing such unit, project, or feature, to power, irrigation, municipal water supply, flood control, navigation, or other purposes authorized under reclamation law.

The act further provided that from time to time the Congress could consider and add additional projects.

The bill before you today, as the chairman of our full committee stated, is a dual project. It is the Navajo Indian irrigation project and the San Juan-Chama reclamation project.

I would like to call to your attention one error which I know the chairman of the full committee made unintentionally. The Navajo Indian irrigation project will not be covered by the Leavitt Act. In section 6 of the Colorado River Storage Act the Senator from New Mexico [Mr. ANDERSON] added an amendment which was agreed to in conference, which takes this project out of the Leavitt Act. It provides:

> In the event that the Navajo participating project is authorized, the costs allocated to irrigation of Indian-owned, tribal, or restricted lands within, under, or served by such project, and beyond the capability of such lands to repay, shall be determined and, in recognition of the fact that assistance to the Navajo Indians is the responsibility of the entire Nation, such costs shall be nonreimbursable.

So that the costs above the ability of the irrigators to repay will not be covered by the Leavitt Act but will be a gift by the people of the country to the Navajo Tribe.

I just want to say that I am supporting this project, but I do not want anyone to believe that this country has not been doing anything for the Navajo Indians.

After I received the letter from Mr. ROOSEVELT which was referred to by my colleague, the gentleman from Florida [Mr. HALEY] I checked into the RECORD and I found out just what this Congress has been doing for the Navajo. We have been doing a great deal for them. In the 1950 rehabilitation act, we gave the Navajo Tribe $88,570,000 and in the 85th Congress in the act known as Public Law 740, we gave the Navajo Tribe for roads an additional $20 million. In the 1st session of the 86th Congress in Public Law 505 we amended the law to provide that the Navajo Tribe may now have long-term leasing, and lease their lands for 99 years. So that the Congress, and particularly the House and its Committee on Interior and Insular Affairs, the gentleman from Florida [Mr. HALEY] and the gentleman from South Dakota [Mr. BERRY] have done outstanding jobs in handling the affairs of the Indians, and they have provided care for our other Indians. But, Mr. Chairman, even though these measures have been passed, I believe this project should be approved.

One of the problems that has come to my attention, and which I think should be answered, is the fact that in May 1961, the State engineer and the State water master wrote letters in which they advised certain people that "the waters of the San Juan River are considered to be fully appropriated and no water is available for new development. Therefore, to obtain water for the land in question, it would be necessary that you purchase a valid water right under the Farmers' Mutual Ditch and transfer the same to your land."

I would like to direct a question to the gentleman from New Mexico [Mr. MORRIS] and ask him for the benefit of the members of the committee to explain the statement of the State engineer of New Mexico and the water supervisor of New Mexico.

Mr. MORRIS. Mr. Chairman, I thank my friend and distinguished colleague from Pennsylvania for yielding so that I may explain this letter.

In the first place, all the water in the San Juan Basin is appropriated to the Secretary of the Interior pending action on this project. There is water, but instead of getting it from the State engineer as we normally do in our State, because of this pending legislation, the Interstate Streams Commission of New Mexico passed a resolution and asked the State engineer to turn over to the Secretary of the Interior the water which is involved in the San Juan Basin. So this man could have applied to the Secretary of the Interior and been assigned a water right.

Mr. SAYLOR. I thank my colleague, the gentleman from New Mexico.

I want to say further I am supporting this project because the State of New Mexico, an upper basin State under the Colorado River compact, is entitled to a portion of the waters of the Colorado River and unless this project is approved, as nearly as I am able to determine, it will be impossible for the people of the State of New Mexico to use the water to which they are entitled in the Colorado River.

I might say there is one other small project on the Colorado side of the river that we have been assured not only by the engineers from the State of New Mexico but also by the engineers of the Bureau of Reclamation that there will be sufficient water for the development of that project. I would like to ask my colleague, the gentleman from Colorado, the chairman of the full committee, whether or not this is not correct?

Mr. ASPINALL. The gentleman is correct. The gentleman is referring to the Animas-La Plata which is one of the better unauthorized projects that is left in the upper Colorado River area and all the studies that have been made would assure us there is water available.

All the studies that have been made show us that there is water available.

Would the gentleman yield to me for one other matter?

Mr. SAYLOR. I am happy to yield to the gentleman from Colorado.

Mr. ASPINALL. I do not believe the gentleman from Pennsylvania and the gentleman from Colorado now speaking are too far apart as far as the Leavitt Act goes which I referred to in my original presentation. What the gentleman from Pennsylvania has quoted is a provision in the basic act and its reference to that part of the cost allocations of irrigation for the Navajo project. It is, and I quote, "beyond the capability of the lands to repay." That amount which it has been found they would be able to repay has been fixed at approximately $20 million. What the gentleman from Pennsylvania has said therefore is that there will be $114 million or $115 million which will be a gift for all time regardless of the provisions of any other law.

Mr. SAYLOR. That is correct.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. GROSS. I note in the report that the Bureau of Indian Affairs estimates that the proposed lands to be irrigated now support 5,116 sheep units. It is estimated that after this program is put into effect it will support 436,000 sheep units. I would further remind the gentleman that the Government is now permitting frozen lamb to come into this country to the tune of several million dollars. I am sure the gentleman from Pennsylvania knows that frozen lamb is being imported into this country from Australia and New Zealand. Under that situation what about the support price on wool? What is the cost of the support price on wool going to be? This is not included in this bill, but does the gentleman know that the report seems to indicate it is going to occur from this increased production? Wool, I believe, is now supported at 100 percent of parity or something like that.

Mr. SAYLOR. I could not tell the gentleman what the support price is on wool.

Mr. GROSS. I wonder if some of the sheepmen in the House could enlighten us.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROGERS of Texas. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. ROGERS of Texas. Mr. Chairman, in the State of New Mexico, with its arid climate, water is the limiting factor in economic development. Future water needs far exceed the available supply. Therefore, it has been a difficult problem for New Mexico to allocate its remaining undeveloped water supply between the San Juan Basin, the source of most of the remaining available water, and the Rio Grande Basin, which is already overdeveloped. However, the State of New Mexico made a tentative allocation in 1953 which has permitted the development of plans for the San Juan-Chama reclamation project and the Navajo Indian irrigation project, the two projects which would be authorized by H.R. 7596. It is this relationship of water use between the two basins and the fact that these two projects put to use a major part of the undeveloped water available to New Mexico that it was desirable that these two projects be considered together.

The Navajo Indian irrigation project would provide for the irrigation of about 110,000 acres of Indian lands in the San Juan Basin resulting in a stream depletion of about 280,000 acre feet. The San Juan-Chama reclamation project provides for diverting from the San Juan Basin to the Rio Grande Basin annually an average of about 110,000 acre feet. In other words, these two projects would require about 390,000 acre feet of the Colorado River Basin water, an amount which the Committee concluded, on the basis of the most conservative estimates of future run-off in the Colorado River Basin, would be physically available and within New Mexico's entitlement under the Colorado River compact and the upper Colorado River Basin compact. The water supply for both projects would be derived by the operation of the Navajo Reservoir which is presently under construction on the San Juan River at the boundary between Colorado and New Mexico.

The Navajo project works consist of a main canal, pumping plants, distribution and drainage systems, and a small seasonally operated powerplant. The main canal which would divert from the Navajo Reservoir near the dam would be approximately 152 miles long and would have a capacity ranging from about 2,400 cubic feet per second at the dam to 1,150 cubic feet per second at the end. Electric energy from the 15,000 kilowatt powerplant would be available only during the irrigation season and would be used solely to operate three project pumping plants.

The San Juan-Chama project works consist of three major elements—namely, the diversion facilities, the regulation facilities, and the water supply facilities. The diversion facilities, located in the San Juan Basin above the Navajo Reservoir, would consist of three diversion dams, feeder canals, and the main conduit. The regulation facilities, located across the Continental Divide, would consist of the 400,000 acre-foot Heron No. 4 reservoir and the enlargement of the outlet works of the existing El Vado Dam. The water-use facilities consist of four reservoirs required for the regulation of flows to furnish water directly to the 39,300 acres of land in the four tributary irrigation units in the Rio Grande Basin. In addition to furnishing water, by exchange, to the tributary units, the imported water would also provide a supplemental irrigation supply for about 81,600 acres in the existing Middle Rio Grande Conservancy District and would supply about 50,000 acre feet of additional municipal and industrial water annually to the city of Albuquerque.

The Navajo Indian irrigation project is estimated to cost about $134,359,000, all of which is allocated to irrigation. Under the provisions of the Colorado River Storage Project Act of 1956, all but $20,920,000 would be nonreimbursable in recognition of the fact that assistance to the Navajo Indians is the responsibility of the entire Nation. The $20,920,000 would be subject to the Levitt Act and repayment would be deferred as long as the lands remained in Indian ownership. Economic studies of the Navajo Indian irrigation project show that the annual benefits, including direct and indirect, would be about $8,537,000 and that over a 100-year period of analysis, the annual benefits would exceed the annual costs in the ratio of 1.62 to 1.

The San Juan-Chama project is estimated to cost about $86 million, of which $55,338,000 would be allocated to irrigation, $30,262,000 would be allocated to municipal and industrial water supply, and $400,000 would be for minimum basic recreational facilities. The total amount, except for the $400,000, would be repaid. The amount allocated to the municipal and industrial water supply would be repaid with interest within a period of not to exceed 50 years. The amount allocated to irrigation would be repaid in not to exceed 50 years from payments by the water users amounting to about $8 million and payments from the Colorado River Basin fund amounting to about $47.3 million. The economic study of the San Juan-Chama project indicates that annual benefits including both direct and indirect, will amount to $3,767,000 and that over a 100-year period the annual benefits would exceed the annual costs in ratio of 1.26 to 1.

Mr. Chairman, the subcommittee of which I am chairman, held 4 days of public hearings on H.R. 7596 and studied these two projects in great detail. In addition to the conclusion that water is available for their successful operation, the committee concluded that the projects are engineeringly feasible in all other respects and are economically justified when considered as participating projects of the Colorado River storage project and subject to the provisions of that act.

The Interior and Insular Affairs Committee recommends that H.R. 7596 be approved by the House.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. BERRY].

Mr. BERRY. Mr. Chairman, I have been sitting here listening to the arguments of some who are worried, very seriously worried, about bringing in 112,000 acres for the production of crops in this area. And, I assume that probably 80 percent of those who may vote against this project because of the fact that we are bringing 112,000 acres under cultivation probably have voted for the Reciprocal Trade Act in the past and probably will be voting for the President's so-called Trade Act that will come up here in 2 or 3 weeks.

Mr. Chairman, I want to point out that if the Trade Act passes, you are going to be displacing the production, through imports, of millions of acres rather than a few thousand acres that we are talking about in this bill. Last year, through the importation of beef alone, we displaced the production of 45,735,000 acres. I am basing my figures on the requirement of 20 acres to produce a head of beef, nationwide, whereas the Department of Agriculture now comes up with a figure of 24.7 acres to produce and put on the market a 1,000-pound beef. This is just the imports of beef. Here we are considering 112,000 acres down here on this little old Indian reservation. The importation of beef alone last year displaced the production of over 45.5 million acres.

Now, Mr. Chairman, I have some other figures that I want to give you, too.

I would ask anyone interested in this matter to study these figures.

Mr. Chairman, some Members who have spoken on this matter are worried about feed crops which would be affected by putting 112,000 acres into production. Actually, we are importing all the so-called surplus, barley, oats, and rye. Any surplus that we have in storage today has been imported, because we produced less during the past 10 years of barley, oats, and rye than our disappearance has been.

Mr. Chairman, if anyone is interested they can obtain these figures from the Department of Agriculture on production and disappearance. Under the columns of supplies are included the American production, under disappearance, is included use for food, use for feed, and seed, for industry, for flour, domestic, grain and so forth. The total disappearance of, let us take barley first, for instance, during the past 10 years, we have produced 3,774 million bushels. The total disappearance during that same time has been 3,774,500,000 bushels. In other words, we got rid of more barley in this country than we produced. Yet we have in storage today 37.7 million bushels. Now, I do not know how many acres it would take to produce 37.7 million bushels that have been imported and have been placed in storage, but I am certain that it would require a lot more than 112,000 acres.

Mr. Chairman, with reference to oats we produced during the past 10 years 12,359 million bushels. Our total disappearance during the past 10 years has been 12,586 million bushels, or more than 230 million bushels more than we produced. Where did the rest of it come from? Why, we imported it, and then we are putting it in storage, paying, if you please, some $20 million a year for storage bins.

Mr. Chairman, the same thing is true of rye. We produced during the past 10 years 252 million bushels. Our disappearance was 287 million bushels, 35 million bushels more than we produced. Yet we talk about surpluses. We pass an amendment here known as the Avery amendment to protect the feed grain industry throughout the United States against a little, old 112,000 acres. Yet we open the floodgates for the importation of millions and millions of bushels and the production of millions of acres of agricultural crops.

Mr. Chairman, and if anyone is interested all one has to do in checking these figures is to obtain these sheets from the Department of Agriculture and run an adding machine up through the past 10 years—one is going to be surprised at the results. Now, I mention this simply because I do not believe that bringing 112,000 acres into production down here on this Navajo Indian Reservation is going to amount to anything insofar as the overall agricultural picture is concerned. I would much rather protect American agriculture from exportation from abroad than I would from exportation from the Navajo Indian Reservation.

Mr. Chairman, we worry a great deal about opening up new areas for crop production but we think nothing of opening up the new floodgates for production from abroad coming in to displace the production of millions and millions of acres of good farmland.

Importing grain and putting it into Government storage is apparently all right on the ground that we are keeping some foreign country from going communistic; why would it not be better to provide opportunity for our Indian people, none of whom have ever had any Communist leanings.

Mr. Chairman, I hope this House will support this bill.

Mr. SAYLOR. Mr. Chairman, I yield 9 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, it grieves me and pains me to hear my distinguished chairman of the Committee on Interior and Insular Affairs compare these projects we now have before us with those suggested before the turn of the century, when Governor Pinchot and Theodore Roosevelt were proposing projects. In those days there was some need, and there were some projects that were economically feasible. Today you just cannot find that kind of project any more. We have two examples of such projects before us today that cannot be found any more; namely, projects which are not economic.

It also grieves me to hear my friend, the distinguished gentleman from South Dakota [Mr. BERRY], explain how these agricultural surpluses are disappearing. It grieves me because they are not disappearing at a fast enough rate, and when we can come here to a session of Congress and not have to appropriate many millions of dollars to store these surpluses, then I think his argument will have weight and validity.

Let us take the Navajo project encompassed in this bill first. We are told by my distinguished colleague from California [Mr. ROOSEVELT], in a circular he sent to us the other day, how we must do something for the Indians and how humane we would be if we passed this bill. I have no less compassion for the Indians than the gentleman. Let us examine how compassionate and humane we would be and whether we would do something for the Indians or whether we will be doing something to the Indians under this bill. It has been mentioned that there will be some 1,220 families supported. My chairman indicated that not only would they be supported, but there would be 2 more families supported by the proceeds of these 1,220 farms.

Mr. Chairman, these farms, according to the figures submitted by the Bureau of Indian Affairs, are going to provide somewhere around $3,000 of annual income for the 1,220 Navajo farm families. The other two families must live off that too. If we took $153,786,000 that this is going to cost and put it out at 5 percent interest, we could provide these families with not just $3,000 a year but with an income of $6,000 a year on the interest alone and retain our capital. So the question here is not whether you are going to do something for the Navajo Indians or not, but whether you are going to expend $153 million-plus to tie them down to farms at subsistence income levels and keep them bonded there indefinitely for generations and generations. If we want to do something for the Indians with this amount of money, then we can really do something for the Indians by way of helping them get into an industrial economy, helping them get their educational needs met, helping them with all of their other social and humanitarian needs. But instead of that we are going to take this large sum of money and throw it down a hole to tie them into a subsistence economy.

That does not make sense and nobody can argue with me that we will be doing anything good for the Indians by passing this legislation. If we want to do something good for the Indians, let us find out what we must do and let us put that argument of something good for the Indians behind that kind of program.

Let us take another item that is involved in the bill, the San Juan-Chama. Here we have a project that is supposedly a reclamation project. We hear all the arguments that you usually have in reclamation cases, for this project. But this project is not any more of a reclamation project than putting up the New House Office Building is a reclamation project. This is actually going to turn out to be an $86 million addition to the Albuquerque municipal and industrial water supply. There are 120,000 acres involved here, most of it getting supplemental water and located along the Rio Grande; and everybody who has been up there knows that there is not any agricultural future in that area. Everybody who has been down to Albuquerque knows that there is a great future for the development of an urbanized society down there that is going to take an awful lot of water. Simply what is going to happen in this case is that we will take the $86 million under the excuse of putting up the San Juan-Chama reclamation project, and then the State of New Mexico, according to the hearings, has every right in the world to take these agricultural water rights, buy them up, condemn them, and turn them into the necessary water supply for the city of Albuquerque.

Now, I really have no objections to the city of Albuquerque growing into a vast industrial complex. It is a fine area with a great location for a marvelous future. But if they want to do this with the water they think they are entitled to from the Colorado system, they should not go to all the expense of building irrigation canals and pumping systems and distribution systems which would not be used. They should straightforwardly build a municipal water supply project. They could put in a system of pipes and siphons which would get this done at a reasonable cost and get it done in a reasonable time, and get their municipal water supply. They should not come in under a horse blanket here of some other color with one kind of project when we know they actually want something else.

So much for the merits, or perhaps I should say the demerits, of these two projects. We should not even be talking about them at all at the present time because the water situation of the whole Colorado River Basin is in a state of confusion, not only because of what water it does not leave physically, but water its States do not have by way of legal entitlements. One of the cases now before the Supreme Court is going to produce some clarification on this. The gentleman from Colorado [Mr. ASPINALL] may say this is a case between the States and the lower basin, but in the decision there will be precedents established which will control what happens to these deficits of water, how they are to be allocated, and these precedents will apply to the upper basin as well as the lower basin.

Back in 1922 when the States signed the Colorado River Water Compact they thought there was more water available than there was, and they divided more than there is amongst the seven States. The Supreme Court is going to deal with the problem this has brought about.

Also, there is something we have been trying to get the Secretary of the Interior to do that is pertinent, and that is to make a comprehensive investigation of the Colorado River water supply so we will know the amount of physical deficit to which to apply the legal principles which will be announced by the Court. Until that is done, Congress should not be appropriating for more of these projects. We are simply attempting to divide a pie that does not exist. It may well be that after having spent all these millions of dollars and having these great physical projects sitting there to use water it will turn out that there is no water to put through the canals, to put through the pumps, to put throught the pipes and all of the other works. So we are premature in considering projects in the Colorado Basin until we know what the water situation actually is.

This bill is not going to do anything for the Indians nearly as well as could be done for the Indians in other ways. If you pass this bill, you will be spending $86 million for an Albuquerque water supply which could be purchased much more cheaply. This is going to divide up water that does not exist in an attempt to build structures for the utilization of nonexistent water.

I ask that the measure be defeated. In any case, I have two amendments that I shall offer at the appropriate time.

Mr. ROGERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, the bill we have under consideration today is not a partisan bill nor is it for a provincial project. It is truly national in scope and for the benefit of the entire country, not just for the people of New Mexico. The problem of providing opportunities for our Indian population is a national problem. An adequate water supply for such vital defense installations as Sandia, Kirtland, and Holloman Air Force Bases is a vital element of our deterrent to aggressor nations.

The Los Alamos Scientific Laboratory, whose future water supply would also be assured under the San Juan-Chama project, has designed most of our nuclear weapons in stockpile.

H.R. 7596 is supported by the present Democratic administration and the previous Republican national administration. The legislation has the support of our present State Republican administration, just as it had the support of the previous two Democratic administrations.

I think it can truthfully be said that the only real issue with most Members concerning these projects is the cost. There has been a very careful engineering and economical analysis made by the Bureau of Indian Affairs and the Bureau of Reclamation which has found these projects to be fully justified.

In addition, this is a project which will reduce unemployment and welfare payments. Mr. Paul Jones, chairman of the

Navajo Tribal Council, testified that 16 percent of the individual Navajo's income is derived from welfare and unemployment compensation amounting to about $6½ million a year. Assuming a pro rata distribution of public assistance payments involving over 17,000 Navajo Indians who will be made financially independent by this project, 20 percent of the relief and unemployment payments will be ended with a total saving in excess of $1 million each year. The Federal Government's share of these relief payments is about two-thirds, which would be a direct saving to the Nation of approximately $750,000 per year.

Also, the Bureau of Indian Affairs feasibility report on the Navajo irrigation project—House Document No. 424, 86th Congress, page 279—reflects that the construction and operation of the project would result in an educational cost reduction of $967,000 per year. This reduction in education costs would be brought about by settling a large number of Indians in a compact area on the project farms and in the related trade activities.

In order that you might more clearly understand the impact of the educational feature of this legislation, I would like to call to your attention that the Navajo Reservation is composed of approximately 16 million acres. This is roughly the same area as the State of West Virginia, which has a population of nearly 2 million as compared to a total of 90,000 Navajo Indians.

There are many other direct benefits which will result from this legislation. In addition, there are many facets in this bill for which it is impossible to set a dollar-and-cents value.

For instance, we made a treaty with the Navajo Tribe in 1868. Article 5 of the treaty provides the heads of families desiring to farm would be permitted to settle on 160 acres, which they could cultivate. Also, those persons over 18, but not heads of families, could settle on 80 acres for cultivation purposes.

The only fact our Government failed to point out to the Navajo Tribe at the signing of the treaty was that they were going to be assigned some of the most barren land in this Nation. The average annual rainfall is only 8 inches and, in some years, this all falls in 1 day. So it is absolutely impossible to successfully cultivate land within the reservation except by irrigation.

Can anyone put a dollar-and-cents value on the fact that this Government will—for all practical purposes—carry out the terms of the treaty in this legislation? The planning of this bill was taking place while the Soviet Union was crushing the Government of the Republic of Hungary beneath the treads of the Russian tanks. The U.S. Congress was carefully considering this legislation to help free people while the Soviet Union was building a wall around its sector of Berlin to prevent Eastern Germans from fleeing to join the free world. Who can put a dollar-and-cents value on the favorable reaction which occurs as the United States proves to the world that this Government carries out its commitments to the first Americans?

How can a monetary value be placed upon the dignity and pride of the Navajo Indian resulting when passage of this measure gives him an opportunity to raise his standard of living? His present per capita income is $467 per year, one of the lowest in the Nation.

The area covered by the tributary units of the San Juan-Chama portion of the legislation are in Rio Arriba, Sandoval, Santa Fe, and Taos Counties. All of these counties have been designated as depressed areas under the Area Redevelopment Act and have some of the lowest per capita income in the Nation.

For instance, Sandoval County's per capita income is $456 and Rio Arriba County $890 per year. These people would be assisted by having an opportunity to increase their income through their own efforts.

There have been a few individuals who have questioned the water supply for these projects. They have questioned this item in spite of the fact that studies of the water supply of the Colorado River System have been made by the U.S. Bureau of Reclamation, the Upper Colorado River Commission, the State of Colorado, the State of New Mexico and consulting engineers such as Leeds, Hill & Jeweth. These reports have been analyzed by the Interior Committee staff.

Without exception, these studies show there is adequate water within New Mexico's entitlement under the Compacts for all present and authorized uses, for the projects that would be authorized by H.R. 7596, as well as for the proposed Animas-La Plata project.

According to the Bureau of Reclamation analysis, which assumes only the presently authorized Upper Basin storage capacity, the amount of depletion remaining available to New Mexico would be 20,000 acre-feet annually as measured at Lee Ferry. Translated to depletion at sites of use in New Mexico, the remainder is about 70,000 acre-feet per year. No witness testified before our House Interior Committee claiming there was inadequate water for this project under New Mexico's entitlement.

I think one of the least valid arguments which could possibly be made against these projects is that of crop surplus. This same argument is presented every time a reclamation project is pending before the Congress. Less than 1 percent of crop surplus results from irrigation. In fact, as a result of irrigation, which provides adequate water supply, the farmers have been able to diversify their farming and crop surpluses have frequently been reduced.

On page 205 of the preliminary report issued January 1962 by the Land and Water Policy Committee of the Department of Agriculture, is the following statement:

> By 1980, assuming a medium potential for irrigation, it has been estimated that an increase of about 4.7 million acres of irrigated land for the West, and 2.5 million acres for the East would occur.

On page 110, the report makes reference to a projected increase of 9.4 million acres in irrigated land by 1980.

When it is realized that reclamation facilities were constructed for only 8.1 million acres in the first 58 years of the Federal reclamation program, it is clear that a sustained, strong effort, beginning now, is necessary to meet even the lower projection of 4.7 million acres of new irrigated acreage in the West.

I might add that we sent a telegram to the chairman of the ASC State Committee in New Mexico, inquiring as to the surplus crops which have been raised on lands covered by these projects last year.

This telegram is addressed to Wayne Aspinall and reads as follows:

> Albuquerque, N. Mex.,
> *May 20, 1961.*
>
> Congressman Wayne N. Aspinall,
> *Chairman, Interior and Insular Affairs Committee, Washington, D.C.:*
>
> In reply to your telegram June 20, no CCC loans were made in either of the crop years 1959 and 1960 for wheat, cotton, corn, and grain sorghum in the following counties: San Juan, Taos, Rio Arriba, Bernalillo, Valencia, and Socorro. There were CCC wheat loans in both 1959 and 1960 in Sandoval County in amounts of $8,098 and $3,449 respectively.
>
> New Mexico ASC State Committee.

What this amounts to is that during those 2 years of 1959 and 1960 there were only approximately $11,000 worth of surplus products produced on the entire area that is covered by these projects.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield to my very learned and good friend from California [Mr. Hosmer].

Mr. HOSMER. I would just like to ask how the Los Angeles water supply is going to be assured by this. I fail to see how it can be transported to a high mesa from the river. I wonder how it is contemplated to be done.

Mr. MORRIS. The Los Alamos Scientific Laboratory is within the boundaries of a declared underground basin of the Rio Grande. It gets its water supply out of the same aquifer that the city of Albuquerque gets its water supply. It would get its water supply from pumping from underground in the Rio Grande Basin, which is a vital part of this legislation.

Mr. SAYLOR. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. Langen].

Mr. DURNO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. (After counting.) Forty-two Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 92]

Addonizio
Alexander
Alford
Andrews
Arends
Ashley
Ashmore
Auchincloss
Ayres
Bailey
Baring
Barrett
Bass, N.H.
Bates
Bennett, Mich.
Blatnik
Boykin
Brewster
Buckley
Cahill
Celler
Chelf
Chiperfield
Clancy
Corman
Curtis, Mass.
Dawson
Donohue
Dowdy
Edmondson
Elliott
Evins
Fallon
Fisher
Flood
Fogarty
Friedel
Garland
Gary
Gavin
Gilbert
Grant
Gray
Green, Oreg.
Griffin
Gubser
Hall
Halleck

Harris
Harrison, Va.
Healey
Hébert
Hemphill
Henderson
Hoffman, Mich.
Holifield
Horan
Huddleston
Johnson, Wis.
Jones, Ala.
Kilburn
Kitchin
Kornegay
Kowalski
Landrum
Loser
Mason
Merrow
Milliken
Morrison
Moss
Moulder
Murray
Nedzi
Nix
Passman
Philbin
Powell
Rains
Reifel
Riley
Rivers, S.C.
Roberts, Ala.
Rosenthal
Rostenkowski
Saund
Scherer
Scott
Seely-Brown
Selden
Shelley
Sheppard
Shriver
Slack
Smith, Miss.
Spence
Springer
Stubblefield
Thompson, La.
Thompson, N.J.
Tupper
Walter
Watts
Weaver
Wharton
Whitten
Wickersham
Williams
Yates

Accordingly, the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 7596, and finding itself without a quorum, he had directed the roll to be called, when 324 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Minnesota is recognized for 15 minutes.

Mr. LANGEN. Mr. Chairman, the proposed San Juan-Chama and Navajo Indian irrigation project before us does not serve the best interests of either our national or farm economy, the taxpayer, or the consumer. It rather serves to further strain an already overburdened and deficit budget, aggravates the agricultural problem, and can result only in increased burdens on the taxpayer and increased cost of food to the consumer.

While there are some very serious questions that are still unanswered as to the water supply to accommodate the necessary water appropriations for this project, I shall confine my remarks to the phases previously mentioned.

Let me first explore briefly what the project calls for. It is to be remembered that there are actually two somewhat separate projects included in this bill—the Navajo Indian project which provides for the irrigation of 110,600 acres of land at a cost of $135 million and the San Juan-Chama project which would irrigate 121,000 acres of land at an approximate cost of $85 million—thereby making a total of 231,600 acres of land to be irrigated at a total cost of approximately $220 million. On the Navajo project, there are presently no crops raised and this land is used primarily for the grazing of sheep and cattle. With irrigation water being provided, the 110,600 acres will then be used as follows, as submitted by the Bureau of Reclamation:

	Acres
Alfalfa hay	29,900
Barley	5,600
Oats	3,400
Beans	19,700
Corn	17,000
Irrigated pasture, wild grass, and native hay	29,900
Farmstead and wasteland	5,100
Total	110,600

On the San Juan-Chama project, 95,000 acres are presently irrigated, and additional water will be supplied to those acres and there will be 26,000 acres added which are not now irrigated. The use of this land as identified again by the Bureau of Reclamation will be as follows:

	Without project	With project
Alfalfa	29,200	47,900
Hay and pasture	10,400	----------
Wheat	3,600	3,300
Barley	2,300	24,100
Small grains	5,400	7,200
Corn	3,900	21,100
Orchards	1,900	1,000
Gardens	2,000	7,300
Cotton	2,400	----------
Miscellaneous crops	10,300	----------
Idle or fallow land	14,200	2,300
Farmsteads and wasteland	9,400	6,800
Total	95,000	141,000

Let me take just a moment or two to refer to but three of these crops. The figures just quoted indicate an increased production on 77,800 acres of alfalfa and 51,000 acres of corn. This would be accomplished at a cost of $1,200 per acre in the instance of the Navajo Indian project and from $200 to $1,200 per acre on the San Juan-Chama. These figures alone provide ample proof of the complete folly of these projects, whether considered on the basis of fiscal responsibility or their relation to the taxpayer, the consumer, and the farm problem. No one could possibly deny the folly of these expenditures when we recognize that, in the same State of New Mexico, we now have 759,864 acres in the soil bank which is costing the taxpayer annually $1,139,800 as payment to these farmers not to cut alfalfa or any other hay. Shall we now call upon the taxpayer to spend an additional $9,336,000 in order to put into production 77,800 acres of alfalfa? The same comparison is true with corn, barley, and other small grains.

Let me refer to corn briefly. This would provide for an increased production on 51,000 acres of corn when the 1962 signup under the feed grains program now indicates a diversion of 127,000 acres of corn and grain sorghums at a cost to the taxpayer of over $2,600,000 for this year alone. The overall cost of the soil bank and the feed grains program at the present time is indicated to be over $1,200 million. This to me is the height of fiscal irresponsibility, and I, at the moment, cannot possibly think of a more wasteful and conflicting manner in which we could spend the taxpayer's dollars. This in itself, I suppose, would be sufficient cause for the disapproval of this project, but let me point out further conflicting discrepancies.

The Agriculture Committee, after weeks of hearings and study, has recommended to the House a program that calls for further restrictions, controls, penalties, and payments in an endeavor to satisfy the demand for reduced production and Government expenditures in this field. For the first time there is also included a provision for payments for reducing the production of dairy products. Every farm family, as well as every consumer throughout the entire Nation, is affected adversely by a project of this kind. First, we know that by simple mathematics, if we have any thought of reducing surpluses and expenditures, then the enactment of this project will mean that other farmers in the same State or other States will be compelled to make a comparable reduction in their production if we are even to hold our own in curtailing surpluses.

To the consumer, it is impossible to explain how we can possibly anticipate reduced production costs by expenditures of $1,200 per acre that are completely unnecessary. This can only mean an ultimate higher cost of food to the consumer.

It would be most difficult to justify this project even on the basis of the expenditures that are directly identifiable with the cost of the project. However, there are additional expenditures which of necessity must be given equal consideration in recommending the approval of the project.

First, the moneys that are chargeable to irrigation are interest free, so the total cost to the taxpayer with a repayment period of 50 years, will be more than double the initial cost identified with the project.

Second, the cost of comparably reducing agricultural production would also have to be added to the total cost.

These two factors would more than double, and over an extended period of time would actually triple the cost that can be directly attributed to the overall effect of the project on our national economy. It is not only inconsistent, but almost inconceivable, that Congress on the one hand would appropriate such large sums of money in order to curtail production, and on the other hand appropriate these equally large sums in order to increase production. In my judgment, it is discriminatory for Congress in one instance to demand farm families in proven productive agricultural areas to be subjected to mandatory reductions in their activities enforced by severe penalties in order that other areas should be uneconomically subsidized to further aggravate the entire surplus problem.

What about the Indians? I can truly appreciate the desire to offer benefits and opportunities for the Indians who would be affected by this project. As a member of the Subcommittee on Indian Affairs, I should want to express every desire that proper attention be given to the many and varied Indian problems and that we as a nation live up to all of the commitments that have been made to them in the many treaties over the years. But let us look for a moment at what this bill does as far as the future of the Indians is concerned.

In the first instance, the expenditures are such that it would mean spending almost $200,000 per 160 acres of land or per family. It is to be remembered that this is not money from which the Indians will benefit, but rather represents the cost of construction. The Indians themselves will be required to make additional large investments in order to operate the farms which may be allotted to them. There is no assurance that this will be either an economical or a feasible operation. In fact, the evidence is rather to the contrary. With the restrictions contained in the new farm legislation, it is evident that they would be subjected to controls and a limited acreage which would not permit them to raise sufficient crops to provide them with a justifiable income on which to support their family.

In view of the existing farm problem, it would seem much more logical that we offer to them the same opportunity that is offered to other farmers throughout the Nation, that they be permitted to set aside their land as we have done in the soil bank and receive payments accordingly. The expenditures called for in this bill would provide sufficient moneys with which to make payments of $30 per acre for 40 years, or $20 per acre for 60 years, or any such combinations which would be even more lucrative than the payments now being made to other farmers for not raising the crops that have been designated on these Indian lands. This would better serve both the Indians and the rest of our farm populace.

While these are but a few of my own observations, let me take a moment or two to identify what the President and the Secretary of Agriculture have conveyed to this Congress relative to the existing farm problem.

President Kennedy, in his message to the Congress presenting his agricultural program on January 31 of this year, stated as follows:

> Our two goals, improving income and reducing costs, can both be achieved only if farm output can be reduced below needs for several years and then allowed to increase at a rate equal to the growth in demand.

This statement supports substantially what I have just stated that if we are to improve farm income and reduce the cost to the taxpayer, then farm output must of necessity at this time be reduced.

Let me refer to the Secretary of Agriculture's statement to the House Agriculture Committee on February 7, 1962, and I quote from page 39, part I, of the hearings:

> The best projections we have indicate that in 1980 the food and fiber needs of a population of 245 million people can be met by production from 407 million acres of cropland, which is 51 million acres less than the 458 million acres we classify as cropland today. The urgent problem which requires immediate attention is to find new production uses for cropland. I might say to you that it does not make sense to use lands to produce something that we do not need, and that we have to store, and on which we must pay heavy charges to store and to handle. It is highly inefficient and improper and has put us in the position we are in today.

His proposed legislation would authorize the Secretary to acquire any lands or rights or interest therein which he deemed necessary. Permit me to compliment the Agriculture Committee for having removed some of these unprecedented authorities. However, we must remember that the farm bill as recommended by the Agriculture Committee still contains language which would permit the Department of Agriculture to enter into long-term agreements with farmers for changes in land use.

In addition, the bill provides for the first time for a permanent and mandatory acreage allotment and marketing quota programs for feed grains to be established on every farm in the United States. This will authorize the Secretary to proclaim a national marketing quota for each year equal to the total requirements of corn, oats, grain sorghums and barley. Without going into details of the farm bill as recommended by the Agriculture Committee, the overall effect would be one of greatly expanded restrictions and penalties resulting in a reduced income to farmers throughout the Nation. Secretary Freeman has stated quite correctly that it does not make sense to use lands to produce something that we do not need.

Every Member of this Congress should be aware of the fact that we can not possibly hope that either farmers, taxpayers, or consumers are for very long going to sanction this kind of misappropriation of funds by the Congress. If it is our desire for agriculture to be completely controlled and dominated by the Federal Government, then the quickest way to achieve this objective is to authorize increased production of agricultural commodities at the expense of others. As for me, I have no intention to subject the farmers throughout this Nation to further restrictions and penalties as contained in the pending agricultural bill as long as we are expending funds in this manner to increase the production in other areas.

All of these facts are positive proof that this project can only serve to further aggravate our national economy and the farm problem, and in addition provide increased burdens and costs to farm families, taxpayers, and consumers throughout the entire Nation. These facts, in my humble opinion, are ample reasons why the Congress should reject this project.

Mr. ROGERS of Texas. Mr. Chairman, I yield 9 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, may I first, in opening my remarks, say to the distinguished gentleman from Pennsylvania that if in my letter to my colleagues I seemed to intimate any criticism either of the gentleman from Florida or any members of the committee in their care and zeal for Indian affairs, that was certainly not my intent. My intent was to draw attention to the fact that I believe on a national basis, wherever we can do something constructive and to the direct benefit of the American Indian population of our country, we want to do so. That was all I intended to imply.

I would, however, like to bring to the attention of my colleagues the fact that there seems to be in some quarters a feeling that because of California's interest in the Colorado River we are against the expenditure for any water anywhere unless it comes directly to California. And so I think it would be proper to read at this time from the hearings on this bill a letter which was addressed to my colleague from California, a member of the committee, the Honorable CRAIG HOSMER, directed to him by the Governor of California, Governor Brown. He said:

APRIL 25, 1961.

Hon. CRAIG HOSMER,
Washington, D.C.:

As I stated publicly in a widely reported Washington, D.C., press conference last Wednesday, I am taking the same position as Senators ENGLE and KUCHEL with respect to these projects. We conferred and agreed that while we intend to work to protect California's water supply in every way, we do not wish to take the obstructionist position of opposing all Upper Colorado River projects. We believe each project should be considered on its own merits. It is my understanding that both Senators KUCHEL and ENGLE have already voted on the San Juan-Chama and Navajo projects. They were convinced, as am I, that this does not harm California's position in any way. We are further convinced that an official California stand against all such projects regardless of their merit or their impact on California's water supply would be extremely damaging to efforts to obtain projects, including many designed to assure adequate water supplies for southern California. Letter follows.

Sincerely,

EDMUND G. BROWN,
Governor.

To the best of my knowledge the information which is available to all of us supports the Governor's position, and I would certainly have to say that I hope the majority at least of my colleagues from California will vote for this bill, a bill which does not in any way have any litigation pending, concerning its validity or effect upon California because it is primarily water which has always been allocated to the general New Mexico area.

May I also say to my distinguished friend from California that I am a little bit surprised that he and some other of our colleagues today want to set up some kind of a fund which will provide $6,000 a year just to be handed out to people. I thought they were always for people earning things. I have always heard that they upheld the enterprise system, not the giveaway and handout system. Here they seriously come before this body and want us to set up a fund just to hand out money to American Indians who, after all, in my opinion, are some of the best Americans we could have. I do not think this House wants to do that. I think what it wants to do is what this bill does, give these fine people an opportunity to earn money for themselves in a manner and in a way which is the most direct way, in which they are best trained, to earn on this land which has been so basically theirs for so much of our history. I would certainly hope that the idea setting up a fund, whether it was $40,000 for each family or $120,000, and try to give away $6,000 a year, will not be accepted by many Members of this House.

I also think it is important to note that the committee went very carefully into the agricultural effects of this bill, and I would call attention to the committee's report on pages 8 and 9 in which it discusses this project. Unless I am mistaken, and I am going to ask a member of the committee whether he will affirm that I am stating the correct facts at the present time, as I understand it, the committee adopted amendments which provide for a period of 10 years after completion of construction that no water from either of these projects shall be delivered to water users for production on newly irrigated land of any basic agricultural commodity as defined in section 408(c) of the Agricultural Act. The understanding is it will take 14 years to build this project. Then add 10 years to that. That is 24 years before any water could be spent on this land which would produce surplus crops.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New Mexico.

Mr. MORRIS. That is exactly correct. I might say that the 14-year figure is an optimistic figure, that it is a conservative figure, that it will take to complete this project. It would be 10 years beyond that. So we are speaking of a period at least 25 years in the future.

Mr. ROOSEVELT. I thank my very kind and able friend from New Mexico. I would certainly say, then, I would rather gamble that 24 years from now the increase of population of this country, among other factors, will have wiped out the surpluses, and the national asset which this irrigated land is going to mean to this country is going to be looked on as one of the finest assets we could possibly buy.

May I respectfully say to my friend from Minnesota that while his argument would be true if it were to apply immediately today, I cannot see how it is true if you look at it from the viewpoint of 24 years from now.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Minnesota.

Mr. LANGEN. I asked the gentleman to yield in order that I might point out to him that the provision to which he refers first of all applies only to the six basic crops, cotton, peanuts, rice, tobacco, wheat, and corn; second, that that provision applies only to the new acres and not to the 95,000 acres in San Juan-Chama involved in this project; and third, I should call to his attention the fact that I referred to the statement made by the Secretary of Agriculture that by 1980, which is 18 years from now, we could still raise sufficient food on the 51 million acres less that we now have in production.

In addition, in the very same study, it appears that there are 750,000 acres in the soil bank that are going to come back into production between now and that time, so I point out to the gentleman that the situation is very much apt to be worse by the time the project goes into effect than it is now.

Mr. ROOSEVELT. I am a little amused that the present Secretary of Agriculture has suddenly become the basis on which our friends on the other side are relying for the soundness of their argument, not that I do not think that is right, but it is at least rather amusing. Second, I would have to say to the gentleman that if he will read the report he will find that the things he is worried about are amply taken care of in the report. We are talking about the great surplus, the great amounts of money that are spent on crops today that are put into storage, and these are not the crops which are going to be affected in this particular project. On top of that, I suppose I am an old-fashioned conservative individual, but I note that most of these crops are going to be used primarily on the local farm that we are building here, a family-size farm. I cannot help but feel that is the kind of situation that we in America would like to build. We would like to build the situation where the individual local family farm can become a self-sustaining institution. I think that this bill helps in that way and I hope the bill will be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SAYLOR. Mr. Chairman, I yield 8 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New Mexico.

Mr. MORRIS. I might point out also that the land that the gentleman from Minnesota says is in the soil bank in New Mexico is submarginal land and is not irrigated land. It was put into production during World War II at the request of the Government. It is sown to grass and will be used to raise cattle when it comes out of the soil bank.

Every indication is that it will not be plowed up and put into production.

I might also point out there has been some reference made to the cost of this project, and how much it will cost for each family. If you will look at the Bureau of Indian Affairs' report wherein it is stated that 3,360 families will become self-sufficient under this project, either directly or indirectly, and divide 3,360 into $135 million, we get forty and some odd thousand dollars for each family instead of this other astronomical figure that has been thrown around here in the Chamber today.

Mr. LANGEN. Mr. Chairman, will the gentleman yield since my name was referred to?

Mr. RHODES of Arizona. I do have a message for the House, but I will yield to my friend, the gentleman from Minnesota.

Mr. LANGEN. I am very grateful to my friend, the gentleman from Arizona. I want to take this brief moment to call to the attention of the gentleman from New Mexico, when he referred to the land in the soil bank as not being very productive. Now I do not profess to know the nature of all of this land, but as would be indicated by the payment of over $1 million a year in order to keep it out of production, there must have been something raised on it or else those expenditures must be unwise.

Mr. RHODES of Arizona. I thank both the gentleman from New Mexico and the gentleman from Minnesota for their contribution.

Mr. Chairman, I think it might be well to consider the backdrop of this situation. This consists of the type of Indian tribe, and the type of reservation with which we are dealing. It also consists of the type of project in the great State of New Mexico with which we are dealing, and its effect on the economy of New Mexico and of the United States.

First, let us consider the Navajo Reservation. As has been stated, the Navajo Reservation is larger than the State of West Virginia. The Navajo people have lived on this land for so many years, in that, so far as I know, the memory of man runneth not to the contrary. This is largely a desert land. Recently, it has become noted for its mineral wealth, but basically the Navajo is still an agricultural person and a shepherd. His economy is based largely on that type of activity. The Navajo people have grown in population in the last 20 years from 50,000 to about 90,000. I think it is important that we remember this because the population pressure on the Navajo Reservation has been such that the total productivity of the reservation by the very nature of the situation has had to go down. In fact, I can safely say the Navajo Reservation at this time is about as badly overgrazed as any grazing area in the United States. So what we are trying to do here today is not, as my friend from Minnesota says, to spend a lot of money for unnecessary purposes. What we are trying to do is to lay the keystone of a balanced economy for the Navajo Reservation and the Navajo people. The keystone of this balanced economy must necessarily be water.

The first increment of the balanced economy must be agricultural to begin with. There are industrial developments taking place on the Navajo Reservation; there will be more, but as I say, the type of society is still primarily agrarian. So, to begin with, I think the first thing which must be done for the Navajo Reservation is to provide the agricultural keystone, something which will help to alleviate the very bad situation of overgrazing. This in a nutshell is what we are trying to do with those 112,000 acres which we would put into cultivation.

It has been suggested that we should take this money and set it up in a trust fund for the Navajo and pay him the income from the trust fund. I can say that those who think this should be done are very kind, but they just do not know the situation. They are like the man who looked at the pieces of a jigsaw puzzle and understood the pieces, but could not put the pieces together; they are also a little bit like the man who memorizes the words to a song but does not know the tune. We are not trying to perpetuate the Navajo in a welfare state. The individual Navajo and the Navajo Tribe do not want any trust fund. They want a chance, an opportunity, to develop an economy which will allow the Navajo who stays on the reservation to support himself on his reservation, and which will allow him to aspire to the standard of living which we have developed in some of the other parts of this country. May I also say that I am sure that he aspires to the same standard of living that the American taxpayers' dollars and people are working to produce in so many other areas of the world which we help under the foreign aid appropriations which are voted by the House of Representatives and the Senate each year.

I am not one who says that because we put all this money out in the rest of the world we have to spend similar sums here. If both expenditures are wrong, they do not add up to a right. But I insist that this particular group of Americans is just as entitled to the opportunity to make a decent living, as in any other group of citizens whether they be in this country or around the world.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I shall be glad to yield a little later if I have time.

I might also say that the Navajo is not completely dependent, nor does he want to be completely dependent, on the Government. He is participating in the resettlement program for his surplus population. We have many members of the tribe working in jobs elsewhere. He has also husbanded his many resources, and I think that the Navajo Tribe has a tribal government which is as good, as enlightened, and uses its resources as wisely, as that of any tribe in the United States today; in fact, I might say that these Indians show a quality of statesmanship that could well be practiced in some of the halls of our Government in Washington, D.C.

So this is not a plea for a handout; this is a plea for a chance to realize the aspirations which the Navajo people believe, are justly theirs as citizens of the United States of America.

Now I will be glad to yield to the gentleman from Minnesota.

The CHAIRMAN. The time of the gentleman from Arizona has again expired.

Mr. ROGERS of Texas. Mr. Chairman, I yield the gentleman from Arizona 2 additional minutes.

Mr. LANGEN. I thank the gentleman for being so considerate in yielding to me a second time. I might say to him that I have no quarrel with the statement he makes in reference to the setting up of a trust fund, but by the same token does he agree with me that we should not at the same time be retiring other farm people and putting them on a Federal income basis and taking them out of the business of farming?

Mr. RHODES of Arizona. I am glad the gentleman mentioned that. I forgot to mention it.

It has been said that the Navajo people will put more sheep on this land. That is not possible for the foreseeable future because their land is completely overgrazed. As a matter of fact when the Navajo does get a little bit of irrigated pasture he is going to do the best he can to improve his herd in quality, not increase it in quantity. The herds are of a quality commensurate with their poor surroundings.

I have every sympathy with any farmer who may be forced out of agriculture whether it be in the Midwest or in other areas of the country. But, Mr. Chairman, if these farmers are going to be forced out of agriculture, they will be so forced whether this bill passes or whether it does not. This bill provides only for the Navajo people to keep an agrarian, ovine, economy a grazing economy, which they now have. They are not going to grow crops on the Navajo Reservation that are in surplus. In fact, they will not grow a crop which would hurt one single farmer in Minnesota, Iowa, Kansas, or any of the other areas of the United States. Practically everything they grow will be consumed on the reservation, either by persons or by animals. So that is just not a cogent argument, in my belief, nor a valid objection to the authorization of this project.

Mr. ROGERS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. O'BRIEN].

Mr. O'BRIEN of New York. Mr. Chairman, I would like to compliment the gentleman from Arizona for stating the problem in such a way that we from the East who are not particularly affected can understand what is being attempted here today.

I talked with a group of people representing the Navajos last week, and they emphasized repeatedly that they were not looking for money, that they were looking for an opportunity to make a living with their own efforts in a way which has been traditional with them for many, many years.

I may say also, speaking as a Member from the eastern part of the United States, with comparatively few American Indians in my area, that we from the East have been bombarded for years by people in our area who claim that we have done little or nothing for the American Indian.

I think that today we have the opportunity in rather a dramatic way to demonstrate that we are most anxious to help these people. It is particularly good, from our viewpoint, because this project comes before us with bipartisan support, with the support of the former administration and the present administration, with support from this side of the aisle and support from the other side of the aisle. For those of us who are not directly affected, who have been waiting for an opportunity to demonstrate that we are concerned about the problems of the Indians, here is a remarkably good opportunity to prove our good faith in that respect.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, the respect and admiration which I hold for both the gentleman from Colorado and the gentleman from Texas is well known.

When the chairman suggests that the arguments presented today are the same as those presented 60 years ago, I know he does not intend to infer that all irrigation and reclamation projects are good or they have the same value, nor that we should not debate the merits of each individual case. As a matter of fact, in his consideration in committee, the gentleman has used the same arguments to determine which of these projects should come to the floor. Apparently all those associated with the projects do not share the same high degree of ethics and logic.

I think we should, in each of these instances, try to measure the economic justification for the individual projects.

The Secretary of the Interior, on the other hand, in recommending techniques to a group of people in one area of the United States, recently said this:

> There is also the tactical and political problem of maneuvering bills through Congress. Your Congressmen must support reclamation projects in other parts of the country to expect support on their projects.

Now, I resent that kind of direction by the Secretary of the Interior, because in stating his belief in this fashion, he certainly ignores the fact that each of the decisions should be made on its own merits.

I am politically naive, I admit that, but I am not so personally naive that I do not see through the actions of two department people when they come to me the day before this bill is to come on the floor and say in the first breath, "What kind of opposition are you going to give to this bill" and then before they get their next breath say, "I have, incidentally, taken up this consideration of the park bill that we have talked about in the western part of Iowa, and I am sure we will have some kind of a decision to make on that before long."

I think this is unwarranted; I think it is an indecent use of executive authority for anyone in the Department to make such thinly veiled references to other projects in relation to this and attempt to secure support.

There is one matter that has not been discussed today, and, if I may, I would like to call the attention of the chairman of the subcommittee with particular reference to the cost-benefit ratio and the methods of figuring same.

Now, Mr. Chairman, under the original proposal which the committee discussed, what was the cost-benefit ratio of this project?

Mr. ROGERS of Texas. Are you speaking of the Navajo project?

Mr. KYL. I am speaking of the two projects together as we are considering them now.

Mr. ROGERS of Texas. I think 1.62 on the Navajo and 1.261 on the San Juan-Chama.

Mr. KYL. Was there ever any lower cost-benefit ratio on this project?

Mr. ROGERS of Texas. Not that I know of.

Mr. KYL. Where do we get that figure of 0.82 to 1?

Mr. ROGERS of Texas. That is the 50-year analysis. The cost-benefit ratio that I quoted a moment ago was on the 100-year analysis.

Mr. KYL. That is the point I wanted to get at. Is it true that the Department now has a new basis for figuring cost-benefit ratio, the economic justification for these projects?

Mr. ROGERS of Texas. As the gentleman knows, being a member of the committee and as a member of the subcommittee, and a quite active member, may I say, and one who attends almost every meeting, for which I want to compliment him, there has been a change of the formulas or the yardsticks used in relation to cost-benefit ratios over the years, as I understand, as the testimony by the Department of the Interior and the Bureau of Reclamation shows. Now, as I have understood it, these have all been worked out originally on a 50-year analysis and also on a 100-year analysis, but there has been a shift over to the 100-year analysis basis in recent years.

Mr. KYL. Now, is it not true that this new analysis takes into consideration projections or estimates of what farm crops might be worth 25, 50, or 100 years from now?

Mr. ROGERS of Texas. Let me say this to the gentleman from Iowa: I think it does. As a matter of fact, I think it should, because these are projections into the future.

Mr. KYL. But this is much an ephemeral projection that can be no real, sound economic basis, can there?

Mr. ROGERS of Texas. Of course, that can only be answered by the future. Let me say this to the gentleman, because I think he has been interested more so than I have been in this particular problem.

I do expect to hold additional hearings with relation to how these analyses are made. But, if I recall correctly, we did obtain enough information about this analysis to be the basis of the justification before the subcommittee reported it out.

Mr. KYL. May I ask the gentleman the question in this fashion: With this new method of figuring cost-benefit ratios, does the gentleman anticipate that there will ever be an unfavorable cost-benefit ratio for any project?

Mr. ROGERS of Texas. I think, certainly, there will. I think the gentleman from Iowa [Mr. Kyl] will recall that we made the point with the Bureau of Reclamation that the Congress certainly would not tolerate a practice of adopting any particular formula or yardstick to be used simply for the purpose of making a project economically feasible. That was one reason why we went into such exhaustive detail, as is reflected by the hearings and the report, on this particular bill. I would say this further: Insofar as each project is concerned, I think it is the responsibility and duty of the Congress to see that the departments downtown do not resort to that particular practice. I am sure the gentleman from Iowa agrees with me on that.

Mr. KYL. And I shall thank the gentleman for his diligence in pursuing that thought with the Department people when they appear before the committee.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. KYL. I am delighted to yield to the Chairman of the full Committee.

Mr. ASPINALL. Mr. Chairman, I think we must go a little bit further than we have gone in this particular matter. This is nothing new, as the gentleman from Iowa understands. This has been studied by the representatives of the Department of Interior and the Bureau of Reclamation for a good many years. It so happens that just recently they have come out with this method which to so many of us appears to be a more favorable formula which contains the same information based upon our careful study of it as we have in the old formula; is that not right?

Mr. KYL. I would agree with the gentleman.

Mr. ASPINALL. If the gentleman will yield further, this is largely a question of economics, which is rather difficult for Members of the House—at least, for some of us—to understand, as far as their determinations are concerned.

Mr. KYL. As I remember the summary of this point which was made by the gentleman from Texas, he said that lawyers do not understand engineers and engineers do not understand lawyers, and neither of them understand the economists.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I am happy to yield to the gentleman from California.

Mr. HOSMER. Is this formula, which the gentleman is talking about, one which would show how to grow bananas on Pike's Peak economically?

Mr. ASPINALL. Would my colleague, the gentleman from Iowa [Mr. Kyl], yield to me in order to answer that statement?

Mr. KYL. I shall be happy to yield to the gentleman from Colorado.

Mr. ASPINALL. They are not growing bananas on Pike's Peak as yet, and that was 7 years ago when my friend made the argument.

Mr. HOSMER. You have not gotten the project underway yet?

Mr. ASPINALL. If the gentleman will yield further, not the bananas.

Mr. HOSMER. I am glad to hear that.

Mr. ROGERS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. Rogers].

Mr. ROGERS of Colorado. Mr. Chairman, I rise in support of H.R. 7596 because I believe it is a step in the right direction for orderly development of our arid westlands.

Mr. Chairman, there were arguments made here a moment ago about the insufficiency of the water by the gentleman from California [Mr. Hosmer] together with other arguments that he advanced a moment ago about growing bananas on Pike's Peak.

The gentleman from California knows that when it became necessary to develop the area in southern California, they came to the Congress of the United States and there was adopted the Boulder Canyon project which resulted in a compact that divided the waters of the Colorado River. Proper development was made in California. Now is the time for the proper development of the State of New Mexico.

Mr. Chairman, New Mexico, Colorado, Wyoming, and Utah are a little late in getting into the picture because, in the meantime, developments have gone forward in great strides in southern California. Nevertheless, in that agreement the upper basin States should have had one-half of this water. New Mexico was one of the States. New Mexico allocated a certain amount of water which through this legislation she is going to be able to put to beneficial use, not only for the benefit of the white man in New Mexico but also for the benefit of the Indian.

By this development New Mexico will have the beneficial use of water to which she is justly entitled under the compacts heretofore entered into. Not only that, but it places some water in the Rio Grande Valley area which would not otherwise be placed in that area. New Mexico's ability to make beneficial use of the water to which she is entitled and particularly the application of it to the Navajo Indians in that State makes this a most desirable project, and I am sure you will not make a mistake in casting a favorable vote for this legislation.

Mr. ROGERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. Montoya].

Mr. MONTOYA. Mr. Chairman, at the very outset, in behalf of the people of New Mexico, I want to thank the members of the Committee on Interior and Insular Affairs for giving our constituency and our State attention in this bill, and for the favorable consideration which it received.

Secondly, I want to thank the many Members on both sides of the aisle who have helped us in trying to present this bill in proper focus before this Congress. We are deeply grateful to all these persons, as I know in particular the Navajo Indians who have been here are grateful.

Mr. Chairman, H.R. 7596 has as its primary purpose the authorization of the Navajo Indian irrigation project and the initial stage of the San Juan-Chama diversion project, both of which are New Mexico participating projects of the Colorado River storage project which is currently under construction. The nature and merit and the great need for the Navajo Indian irrigation project and the San Juan-Chama project have been vividly and accurately described in the hearings before the Interior and Insular Affairs Committee. It is to these aspects of the proposed legislation that I now wish to direct your attention.

I cannot emphasize too much that the authorization and construction of these projects are of major importance to the economic welfare of the people of New Mexico. Words almost fail me when I contemplate the dire need that is involved.

I am sure that it is not necessary for me to describe the serious condition of the Navajo Indians to this Congress. Congress has already demonstrated its awareness of the disgraceful conditions existing on the reservation, and, in recognition of the national responsibility to the Navajo Tribe, provided in the Colorado Storage Project Act of 1956 that all of the costs of construction of the Navajo Indian irrigation project would be nonreimbursable as long as the Indians retain title to the irrigated lands.

The Navajo Indian irrigation project as described in the supplemental feasibility report will consist of 110,630 acres of irrigated land for exclusive Indian use in San Juan County, N. Mex. All of the project except 8,915 acres will be on the present Navajo Indian Reservation. The additional acreage will be placed in reservation status and the Navajo Tribe will pay the land acquisition cost. There is a very good reason for adding the additional acres to the project, and to the reservation, because it will make the most compact, practicable, and economically feasible project for Indian use.

Under the proposed plan additional canal capacity will be constructed for delivering water for industrial and municipal use from the reservoir behind Navajo Dam over and above the diversion requirements of the irrigation project. The costs of this additional capacity will be paid by industrial and municipal water users with interest. All water uses from Navajo Reservoir will have equal priority.

The Navajo Tribe has agreed to this manner of developing and using the water by relinquishing its rights under the so-called Winters doctrine for the water necessary to irrigate the Navajo Indian irrigation project in order to provide a feasible and workable plan for the comprehensive development of both the land and industrial resources of the San Juan Basin of New Mexico. The Navajo Tribe has made this very generous and far-reaching concession because the development of these resources is necessary to the very survival of the Navajo people.

Mr. Chairman, allow me to remind you that in 1868 the United States by treaty promised 160 acres to any Navajo Indian head of a family, and 80 acres to any other Navajo Indian of 18 years and who should desire to farm on the Navajo Reservation. At that time, in 1868, there were already about 10,000 Navajo Indians. Anyone who has observed the extreme arid conditions, the barren Southwest desert conditions, that exist on the Navajo Indian Reservation, will immediately recognize that, if the treaty obligation of the United States is to have any significance, irrigation is the only practicable solution. Since 1868 the Navajo population has increased to over 85,000 people. It is currently increasing at the rate of about 2¼ percent per year. The reservation presently consists of about 25,000 square miles or 16 million acres.

In the past, assistance by the Federal Government to the Navajo Indians has almost invariably been in the too-little, too-late category. As a result the reservation is a seriously, economically depressed area. Furthermore, its present state absolutely cannot improve unless such improvement can be derived by the development of agriculture and industry. Both pursuits demand a prior development of the water resources of the San Juan River.

During 1958 the estimated average per capita income of a Navajo Indian was $467 compared with a national average of $1,940 per person. Over 16 percent of the individual Navajo income was derived from welfare, unemployment compensation, and similar sources with only 83.8 percent representing earned income. By year 2000 the population of this tribe is conservatively expected to reach 300,000. Year 2000 is less than 38 years away. It is obvious that we must take far-reaching and important measures at once to improve the conditions for these first citizens of the United States.

The construction of the Navajo Indian irrigation project is exactly such a measure. This project will provide 1,120 family farms. It will provide a living from related service activities to at least another 2,240 families. Thus, it will contribute to a decent living for almost 20,000 Navajo Indians.

The availability of adequate industrial and municipal water supplies in the San Juan Basin, together with abundant natural resources, the large Navajo labor pool and the basic local market, including the 20,000 people to be supported directly and indirectly by the irrigation project will launch a new era of solidly founded economic growth for both the Indians and others in northwestern New Mexico.

In addition to the agricultural benefits to be derived from 110,630 acres of land, the economic value of the Navajo Indian irrigation project is that it also makes possible and practicable the industrialization of substantial areas of the reservation. New industries will provide the Navajos with job opportunities and permanent employment. It should be recognized that the benefits to be derived from the Navajo Indian irrigation project are not benefits of a temporary relief nature, but, in contrast, they are benefits of a permanent nature that will provide a solution to myriads of economic and social problems of this fine and proud segment of our population. Here is a real instance of a people who are not asking for temporary relief. They are only asking for an opportunity, an equal opportunity, to develop into the finest type of American citizens. In order to illustrate the extent to which they are willing and able to aid themselves, I wish to call your attention to the fact that the Navajos have been preparing for a long time for this irrigation project. As a part of their preparation they have instituted a farm training program with their own funds. They have developed a 1,200-acre farm near Shiprock, N. Mex., upon which they have been training young Navajo Indians in modern, scientific, irrigated farming. They have invested $500,000 to $1 million of their own money in this training program. I might add that the operation of this training program has been so efficient that it has actually returned some revenues to the Navajo treasury although it was never intended that it should be a profitmaking enterprise. By means of this training farm program the Indians are already producing fully qualified farmers to operate the individual farm units on the project that we are asking the Congress to authorize today. They are solving in advance many agriculture problems and are truly ready for the project. With such initiative, such enterprise, and such industry can there be any question that the Navajo Indians are both willing and capable of operating an efficient agricultural industry?

The construction of the Navajo Indian irrigation project is part of a broad program of the development of the land and water resources belonging to the Navajo Indian people. Obviously, there is a lack of balance between the rapidly increasing Navajo population and the resources upon which these people depend for their livelihood. The construction of this project will be of great benefit in any sound approach that might be used to a basic solution of the total Navajo economic and social problem. As I have pointed out, the irrigation development will bring many primary and secondary benefits to the Navajo Nation.

In addition to the benefits that would accrue directly to the Navajos who would be settled on the irrigated land, benefits will accrue to many others who must depend on overused grazing lands from which they eke a bare living from the small bands of sheep and herds of cattle. The proposed irrigation project will stabilize livestock operations over the entire reservation and will result in a larger income from the land. As an illustration, the lands proposed for development are now used by individual Navajo Indians under assignment from the tribe to support 5,116 sheep units per year. The same lands under irrigation would support 436,000 units per year. This number represents more sheep units than can be supported on the entire Navajo Reservation at this time.

This is a well-planned project. Only class 1 and class 2 lands will be developed for irrigation. The project lands lie in elevations from 5,580 to 5,950 feet above sea level. The area has a temperate and semiarid climate. The summers are characterized by warm days and cool nights. The frost-free period consists of about 160 days per year. The average annual precipitation is 7.5 to 8.9 inches with about half of the rainfall occurring during the growing season, making irrigation absolutely necessary for successful crop production. Under irrigation, the project lands are ideally suited for the raising of the types of crops normally grown on irrigated lands in the San Juan River Basin. The soils are good, containing only a low salt content which will not interfere with plant growth. Water for the irrigation of the project lands will be supplied from the State of New Mexico's share of the Colorado River water. This water will be stored in the Navajo Reservoir which is presently under construction and is one of the storage reservoirs of the Colorado River storage project, authorized by Public Law 485 of the 2d session of the 84th Congress. Water for the project will be directly diverted from the Navajo Reservoir near Navajo Dam. Simulated reservoir operation studies of the Navajo Reservoir indicate that sufficient water will be available for a full water supply for the project with minimum annual shortages.

The total estimated cost of building the works to serve the Navajo Indian irrigation project is approximately $134,359,000. This estimate does not include $974,000 of prior investigation costs nor any costs of the Navajo Dam and Reservoir, which under the act of April 11, 1956, will be paid from power revenue of the Colorado River storage project. A period of 14 years will be required to complete constructon of the Navajo Indian irrigation project. It should be noted that this period represents more than one-third of the period between now and year 2000 when the Navajo Tribe is expected to consist of 300,000 people as compared with 85,000 at the present time.

Under the act of April 11, 1956, costs of the project within the capability of the land to repay are subject to the act of July 1, 1932—47 Stat. 564—and are not subject to repayment as long as the lands remain in Indian ownership. Costs in excess of the ability of the lands to repay will be nonreimbursable under the terms of the act of April 11, 1956.

Farm operators will be required to pay the annual operation maintenance and replacement costs.

In order that we do not forget that there are two separate and distinct projects to be authorized for construction under the terms of H.R. 7596, the legislation now before you, allow me to also briefly describe the necessity for the San Juan-Chama project. This project will help materially to meet the increasingly pressing needs for additional supplies of water in the Rio Grande Basin where present demands on the water supply have reached a point where they far exceed the water that is available. The needs for water in the Rio Grande Basin widely affect the welfare of more than one-half the population of New Mexico. If these needs are not alleviated in the near future they threaten to place serious limitations upon the economic development of the entire State. The initial stage of the San Juan-Chama project, which is all of this project that is proposed for authorization in H.R. 7596, will provide diversion works for taking 110,000 acre-feet of water from the upper tributaries of the San Juan River into the water deficient Rio Grande Basin. About 30,000 acre-feet per year of this water would be used by exchange on irrigation units in the Rio Grande Basin in northern New Mexico.

These irrigation units are sorely needed to stabilize the agriculture economy of at least three northern New Mexico counties. These counties are included in the rural development program of the Department of Agriculture to attack the problem of low-income farming areas. The seriousness of the situation in these three counties can best be illustrated by stating that about 14½ percent of all of the people are dependent on public assistance payments amounting to about $4.8 million annually. Of this amount more than $3 million is contributed by the Federal Government. The economy of this area is based upon agriculture. It is glaringly obvious that a solution to this problem can be derived from a reliable irrigation water supply from the San Juan-Chama project. About 22,600 acre-feet of the water would be used as a supplemental supply for the Middle Rio Grande Conservancy District where studies have shown that the water supply must be increased to provide sufficient water to meet even present requirements. This increased supply would encourage improved farming practices and would stabilize the agricultural economy of the area. About 57,000 acre-feet of the water would be contracted for by the city of Albuquerque to supplement its domestic and municipal supplies. Construction costs for this municipal and industrial water would, of course, be repayed with interest under the terms of the Reclamation Law. Albuquerque is one of the most rapidly growing cities in the Nation. The present population in the area is about 270,000, and it is conservatively estimated that this will exceed three-fourths million by year 2,000.

As Members of Congress, you know that there are large Government installations at Albuquerque that continue to play a key role in our program of research and development for national defense. An assured water supply is necessary for continuation and possible expansion of these important national defense programs as well as the continued growth of Albuquerque as a trade, industrial, and recreational center.

These two projects are in the nature of Siamese twins by virtue of the fact that our historical intrastate efforts to resolve entitlement under the Upper Colorado River Basin compact have made them so. For many years our State has made many studies as to how best to utilize the waters which have been allocated to us. Many years of consultation, negotiation, and final resolution have been involved in finding sound and equitable approaches to this knotty problem.

New Mexico recognized that the Navajo Indians deserved great consideration and merited some entitlement to these waters. In reciprocity, the Navajo Indians came into these councils armed with the maxim known to most lawyers and dispensers of justice that "He who expects equity must be prepared to do equity." So, with this kind of spirit pervading these important consultations, we became one family satisfied with the final resolution that we would work in behalf of a Navajo Indian irrigation project and the San Juan-Chama project through the approached allocation of waters from our State's entitlement.

This does not constitute an injunction upon the Congress or upon the Federal Government, I must admit. But this historical resolve, we submit, should weigh heavily upon this membership because it represents the most profound and plausible results of a determined officialdom with our State to dispense equity and justice and recommend to this, the highest tribunal, that it give us a vote of confirmation. This is what we do today in asking you to support us. I know that this Congress does not pretend to take away from us within our State the power of allocation of the entitled waters. But such allocation on paper is but an empty gesture—reality must come through the vehicle of Federal participation as provided in the pending legislation. To fully appreciate the significance and importance of our deliberations today, we cannot afford to be provincial or sectional in projecting the impact of our actions. We must look at this legislation through the antenna of national well-being as Theodore Roosevelt did when he launched the great era of reclamation. His philosophy that we must do for the arid and semiarid West, not what is good for this region, but what is good for our Nation, and it was upon this cornerstone of national well-being that our country began to develop.

It was because of this that many great names from our eastern shores became identified with reclamation and conservation. The West became an integral and great part of our Nation. It was no longer its stepchild. Great reclamation projects began to emerge from national thinking. Our friends from the East, Midwest, and South refused to be sectionalized in their thinking because they foresaw reciprocal advantages. The factories of the East and Midwest, the textile plants of the South began to feel the economic impact and influence which our new area began to nurture. The vision of this Congress made it possible for the railroads to extend their limited access to the new found treasures of the West. The steel mills of Pennsylvania, the finished steel products of the East and Midwest began to flow on these railroad cars. The West was paying its way in improving the prosperity of the East and Midwest. The natural resources of the West were crying out from the bowels of the earth waiting to be developed—and they were. They found hospitality in the factories throughout our Nation; in your State, and your State, and in the States of many others. Jobs were created because of the reciprocal advances of national thinking and national perspective. From this mutual effort and nonparochial thinking we were molding a great nation who had its common purpose, collective advancement, and the highest type or caliber of national welfare. The dream of Theodore Roosevelt was now becoming a reality. Our rivers and harbors were opening up new channels of transportation and sound resource development.

The representatives of the West were always ready to respond to the call for concomitant responsibility. That is why I am proud to be a member of this great legislative body, because sheltering us in this very Hall is the ever constant reminder that we cannot afford to be parochial; that our Nation is far greater, and that our actions should always be geared to perpetuating its greatness and building it to greater heights.

Closely and indispensably entwined with the Navajo irrigation project is the San Juan-Chama project which is based upon a different category of economic justification which I have heretofore developed.

So I say to you, Mr. Chairman, that we in New Mexico need this water desperately. This is the only avenue of appropriation which we have, through your support of this very important and vital piece of legislation.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in wholehearted support of H.R. 7596. I was very happy to support this bill in the subcommittee, and later in the full committee, and now on the floor of the House.

I want to commend my colleague from New Mexico [Mr. MORRIS], and my colleague from New Mexico [Mr. MONTOYA] on their zeal and diligence in pushing this project. I have been very much impressed with the unanimity of feeling that prevails in New Mexico on this project. Gov. Ed Mechem of New Mexico is here, and Lt. Gov. Tom Bolack, and other State officials working for this project. Representatives of the Navajo Tribe have been calling on you and I know you have been very much impressed with them.

I want to say that I have been very favorably impressed, as I know you have, with the presentation of this project. I am for this bill for many reasons.

First, it is a reclamation project, and coming from the State of Colorado, a neighbor of the State of New Mexico, I have always supported the reclamation program. I feel that the approval of this project will be beneficial to the country at large. The State of Colorado has given its full support to this project and I wish to quote from the testimony of Mr. Felix Sparks, director of the Colorado Water Conservation Board, when he appeared before our committee:

> We believe that the States of Colorado and New Mexico are in complete accord as far as their official agencies are concerned on these two projects. We in Colorado, therefore, join with the State of New Mexico in urging this committee to pass favorably upon the pending legislation.

The State of New Mexico is using in this project the water that has been allocated to that State under the Upper Colorado River compact. This water belongs to them, and this is the manner in which the State of New Mexico has decided to put this water to beneficial use.

It happens that the Navajo Indian irrigation project is one of the projects which will be the beneficiary of this water. Perhaps it is the project that will receive the largest amount of water of any New Mexico project. The San Juan-Chama project is also a good project, and one which the State of New Mexico feels is vitally important.

Mr. Chairman, this debate seems to hinge largely around the matter of agricultural surpluses that may be involved in this project.

I want to say to the gentleman from Minnesota, who made an excellent speech, that I do not know of a more gracious individual, who has served in this House, than the gentleman from Minnesota. I have the highest personal affection for him. However, he is mistaken in his contention that this project will contribute to our stock of surplus commodities.

He has started off on the wrong premise. He believes in his position and is sincere, but he is absolutely wrong. This project is not going to have the slightest impact on the agricultural surpluses of this country.

You heard the gentleman from South Dakota [Mr. BERRY] a few minutes ago present a most convincing statement in which he demonstrated how this project is not going to have the slightest effect on the surplus commodity situation.

I hope those who are debating how they shall vote on this bill, and who may be hesitating because of the threat of increasing our agricultural surpluses, will resolve their decision in favor of this bill. I am sure if you will study the bill, read the report and the hearings, you will be completely satisfied that this project is not going to have any impact whatever on the surplus agricultural commodities of this country.

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Minnesota.

Mr. LANGEN. Of course I want to thank my colleague for his very fine observation, and for his complimentary remarks about me. May I say to him that certainly the feeling is mutual. The time he and I have spent as members of this committee has been a relationship I know I am going to cherish for a good many years to come.

Mr. CHENOWETH. I appreciate the gentleman's statement. I have greatly enjoyed our association on the committee.

Mr. LANGEN. We happen to differ in opinion on this matter. I cannot understand, may I say to the gentleman, how he can say that 230,000 acres of these crops are not important. I have made specific note this afternoon to the number of times it was stated that surplus crops are not involved. Let me take one of them that has been referred to, alfalfa hay.

Mr. CHENOWETH. I am glad the gentleman mentions alfalfa. I want to say something about that too.

Mr. LANGEN. It is said that hay is not in surplus, when we have 23 million acres on which we are paying farmers several hundred million dollars not to cut hay. We make those payments, I am sure, in sincerity and for the reason that we do not want to aggravate the hay situation or even the dairy products situation which we find as a major part of the new agricultural bill.

Mr. CHENOWETH. I agree we do not want to aggravate that situation and we are not going to aggravate it with this bill. First, it is going to be 24 years at the earliest before there will be any crops produced at all on this land included for development in this project.

I would like to say to the gentleman from Minnesota if he had been in southern Colorado in past years he would have observed, as I have, the trucks transporting hay from Colorado to other States for the livestock people who were in desperate need of that hay. I am sure he would be happy to support any legislation that would increase the supply of hay, especially in years when certain hay-producing areas have a short crop, or no crop at all.

Mr. Chairman, I urge your support of this bill and I hope it will be passed without amendment. I have been happy to give my friends and neighbors in New Mexico my undivided support on this measure.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. DURNO].

Mr. DURNO. Mr. Chairman, I had not intended to speak on this bill this afternoon, but being a member of this committee and having requested to become a member of this committee when I entered the Congress 2 years ago, I feel obligated to do so.

Less than 2 weeks ago I stood on a high, rolling hill at sunset and looked out over the Walla Walla Valley of the Snake River and the Columbia River. I was the guest of a man who had a 3,000-acre spread. He said to me:

> Half of this land is in production. One or two men from the Government are coming out to see me next week and they are going to tell me where I can plant my wheat and what I can harvest this year, and I am going to produce about 45 percent of the capacity of my wheat range.

Well, that struck me with some force, and I thought what a fine world it would be to live in if we could raise 100 percent of the wheat that that land could raise and feed that half of the world which is hungry instead of building missiles.

Now, the connection between all of that and the point I wish to make here today is this: I cannot conceive that putting water on 200,000 acres of land, roughly, and producing either alfalfa hay, which is going to produce cattle or sheep or dairy products, or to raise surplus crops, which are going to increase the surpluses which we are paying for, is smart statesmanship on the part of this House of Representatives.

As I said, I asked to be on this committee, and I wanted to play a part in the development of the West, the arid regions of the West, and I wanted to take part in these irrigation and reclamation projects. I would make yet another point, that this is the first of maybe other projects that are going to appear before this House before this session adjourns, and I would point out to you—and your committee has carefully considered them, I am sure—that some of these are marginal areas and some should be enacted, some should not, and we should carefully consider each and every individual bill on its own merits and not because I am from Oregon or somebody else is from Colorado should we support projects in New Mexico. We should support them on their merits.

My final point is that we are an insolvent Nation and we do not know it. Gold continues to flow out of this country, and I just do not think it is right to further extend the credit of this country in a bill we are considering today in this moment of history.

That is my message to you.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. DOMINICK].

Mr. DOMINICK. Mr. Chairman, I rise in unequivocal support of the San Juan-Chama reclamation project and the Navajo Indian irrigation project. Those of my colleagues who are familiar with Indian affairs are well aware that this Nation assumed certain responsibilities to various Indian tribes more than a century ago when the Indians were moved from lands they occupied and were located on reservations under the terms of treaties which obligated the United States to provide for many of the Indians' needs.

Our Nation assigned the entire population of the Navajo tribe to a reservation in the northwest portion of New Mexico and northeastern portion of Arizona almost a century ago. These reservation lands on which the Navajos have been expected to eke out their living are largely unproductive because of a shortage of rainfall, making it almost impossible for the Navajos to produce enough food to support their growing population.

Certainly, over the years we have spent considerable sums of money to provide for the welfare of the Indians, but the Indians, and especially the Navajos, are a proud people and need to be allowed to develop their own initiative in order to better care for themselves. That is the specific objective of the Navajo Indian irrigation project. In pilot projects, the Navajos have demonstrated their ability to be farmers. Supplying the vitally needed water will permit the Navajo lands to support the cattle and sheep and grow the foodstuffs which the Indians need, and at the same time provide both employment and incentive for the Navajo to assume greater responsibility for his own welfare.

The other project which would be authorized by this bill is equally essential not only to the people in the immediate vicinity of the project, but to the defense needs of our Nation. Located in the area to be served by the San Juan-Chama project are a great number of defense establishments such as the Los Alamos Atomic Laboratories, Sandia Atomic Laboratories, Kirkland Air Force Base, Holloman Air Force Base, and the White Sands Missile Range, to name just a few. The greatest percentage of the water to be provided by the San Juan-Chama project will serve these areas which are a vital part of our Defense Establishment.

Some agricultural benefit will be derived in a part of this area where today the average farm income is less than $400 a year. Water from the project will permit the people in that area to grow commercial vegetable crops none of which, according to the evidence I have, will be in the exportable surplus categories. Furthermore, the type of crops to be produced requires much hand labor, and will provide more local employment to the people of the area, many of whom are fine Americans of Spanish and Indian descent.

Both of the projects authorized by this bill will provide the vital element—water—essential to this entire area. I urge your support in passage of the bill.

Mr. Chairman, I would like to make one further comment on the arguments which were made by the gentleman from Minnesota [Mr. LANGEN] extremely able and extremely logical arguments, but to me they simply do not apply at this time. If one follows his argument to the logical conclusion, then in like manner the Federal Government should not be providing any kind of research for farmers to be able to increase their crops in other areas. The Department of Agriculture should not be going ahead with projects of that kind because this might create an increase in production.

Mr. Chairman, I am sure the gentleman from Minnesota [Mr. LANGEN] does not feel this way. I am sure he has supported the agricultural bills in the past. I would say to the gentleman that there has been no increase as a result of these bills which will fall within the basic crop commodities which require the storage of surplus commodities and the problems connected therewith. I cannot see how one can go on his argument without immediately saying and following through on this same logic—that the Department of Agriculture should get out of all research programs designed to be of any assistance in the agricultural field.

Mr. Chairman, I know that the gentleman from Minnesota [Mr. LANGEN] wants me to yield. So I shall be happy to yield to the gentleman at this time.

Mr. LANGEN. Again, I thank my colleague for yielding. I am happy to have the opportunity of responding to the comments he has just made relative to research. Actually, there is no comparison between the research field of activity and this project. The reason for that is this: That in the scene of research activity this is done as much to provide benefits to the consumer and everyone else, both from the standpoint of raising the right kind of product, a product that will mill and any number of those problems that come into the scene. They are not related problems directly to the establishment of quotas, directly to the area that we are digging into now with the new agricultural bill in which we are moving people off the farm, and limiting their income and in that way providing a double burden to the taxpayers and to the consumers. It is an entirely different matter.

As a matter of fact, I would say this: But for the research the farmers in this area, be they Indians or someone else, would not have been in a position to take advantage of an irrigation project today. Consequently, I think the gentleman ought to be real happy that the research has gone on, because if it had not, those farmers would not have been in a position to operate at all today, water or no water.

Mr. DOMINICK. Mr. Chairman, I thank the gentleman. I want to say I am happy the research is going on. That is the point I was making. Also I would remind the gentleman that one of the projects which goes on, with taxpayers' money, is the draining of wet lands in order to provide an opportunity for more land to be put into production. This, I think, has also been supported by a majority of the Members who are now objecting to the reclamation-type project.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK. I yield to the gentleman from Iowa.

Mr. KYL. Does the gentleman think it will be possible some time in the future that these acres which are being put into production at a tremendous cost will be set aside in some program similar to our soil bank conservation reserve or feed grain programs?

Mr. DOMINICK. I want to say this to my very good friend from Iowa; I do not know whether they will or not, but the water in a dry, arid country is the most vital necessity of life itself. If you do not have water it does not make any difference what else you try to do, you cannot live on it.

Mr. SAYLOR. Mr. Chairman, I have no further requests for time.

Mr. ASPINALL. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of furnishing water for the irrigation of irrigable and arable lands and for municipal, domestic, and industrial uses, providing recreation and fish and wildlife benefits, and controlling silt, and for other beneficial purposes, the Congress approves as participating projects of the Colorado River storage project (Act of April 11, 1956, 70 Stat. 105, as amended, 43 U.S.C. 620–620o) the Navajo Indian irrigation project, New Mexico, and the initial stage of the San Juan-Chama project, Colorado-New Mexico. The Navajo Indian irrigation project and the initial stage of the San Juan-Chama project herein approved are substantially those described in the proposed coordinated report of the Acting Commissioner of Reclamation and the Commissioner of Indian Affairs, approved and adopted by the Secretary of the Interior on October 16, 1957, as conditioned, modified, and limited herein.

NAVAJO INDIAN IRRIGATION PROJECT

SEC. 2. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary of the Interior is authorized to construct, operate, and maintain the Navajo Indian irrigation project for the principal purpose of furnishing irrigation water to approximately one hundred and ten thousand six hundred and thirty acres of land, said project to have an average annual diversion of five hundred and eight thousand acre-feet of water and the repayment of the costs of construction thereof to be in accordance with the provisions of said Act of April 11, 1956, as amended, including, but not limited to, section 4(d) thereof.

SEC. 3. (a) In order to provide for the most economical development of the Navajo Indian irrigation project, the Secretary shall declare by publication in the Federal Register that the United States of America holds in trust for the Navajo Tribe of Indians any legal subdivisions or unsurveyed tracts of federally owned land outside the present boundary of the Navajo Indian Reservation in New Mexico in townships 28 and 29 north, ranges 10 and 11 west, and townships 27 and 28 north, ranges 12 and 13 west, New Mexico principal meridian, susceptible to irrigation as part of the project or necessary for location of any of the works or canals of such project: *Provided, however,* That no such legal subdivision or unsurveyed tract shall be so declared to be held in trust by the United States for the Navajo Tribe until the Navajo Tribe shall have paid the United States the full appraised value thereof: *And provided further,* That in making appraisals of such lands the Secretary shall consider their values as of the date of approval of this Act, excluding therefrom the value of minerals subject to leasing under the Act of February 25, 1920, as amended (30 U.S.C. 181–286), and such leasable minerals shall not be held in trust for the Navajo Tribe but shall continue to be subject to leasing under the Act of February 25, 1920, as amended, after the lands containing them have been declared to be held in trust by the United States for the Navajo Tribe.

(b) The Navajo Tribe is authorized to convey to the United States, and the Secretary shall accept on behalf of the United States, title to any land or interest in land within the above-described townships, susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project, acquired in fee simple by the Navajo Tribe, and after such conveyance said land or interest in land shall be held in trust by the United States for the Navajo Tribe as a part of the project.

(c) The Secretary is authorized to acquire by purchase, exchange, or condemnation any other land or interest in land within the townships above described susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project. After such acquisition, said lands or interest in lands shall be held by the United States in trust for the Navajo Tribe of Indians.

SEC. 4. In developing the Navajo Indian irrigation project, the Secretary is authorized to provide capacity for municipal and industrial water supplies or miscellaneous purposes over and above the diversion requirements for irrigation stated in section 2 of this Act, but such additional capacity shall not be constructed and no appropriation of funds for such construction shall be made until contracts have been executed which, in the judgment of the Secretary, provide satisfactory assurance of repayment of all costs properly allocated to the purposes aforesaid with interest as provided by law.

SEC. 5. Payment of operation and maintenance charges of the irrigation features of the Navajo Indian irrigation project shall be in accordance with the provisions of the Act of August 1, 1914 (38 Stat. 582, 583), as amended (25 U.S.C. 385): *Provided*, That the Secretary may transfer to the Navajo Tribe of Indians the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as he may prescribe and, in such event, the Secretary may transfer to the Navajo Tribe title to movable property necessary to the operation and maintenance of those works.

SEC. 6. For the period ending ten years after completion of construction of the Navajo Indian irrigation project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 7. There are hereby authorized to be appropriated to the Bureau of Indian Affairs such sums as may be required to construct the Navajo Indian irrigation project, including the purchase of lands under section 3, subsection (c), of this Act, but not more than $135,000,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved therein.

SAN JUAN-CHAMA RECLAMATION PROJECT (INITIAL STAGE)

SEC. 8. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary is authorized to construct, operate, and maintain the initial stage of the San Juan-Chama project, Colorado-New Mexico, for the principal purposes of furnishing water supplies to approximately thirty-nine thousand three hundred acres of land in the Cerro, Taos, Llano, and Pojoaque tributary irrigation units in the Rio Grande Basin and approximately eighty-one thousand six hundred acres of land in the existing Middle Rio Grande Conservancy District and for municipal, domestic, and industrial uses, and providing recreation and fish and wildlife benefits. The diversion facilities of the initial stage authorized herein shall be so constructed and operated as to divert only natural flow of the Navajo, Little Navajo, and Blanco Rivers in Colorado as set forth in the supplemental project report dated May 1957. The principal engineering works of the initial stage development, involving three major elements, shall include diversion dams and conduits, storage and regulation facilities at the Heron Numbered 4 Reservoir site, enlarged outlet works of the existing El Vado Dam, and water use facilities consisting of reservoirs, dams, canals, lateral and drainage systems, and associated works and appurtenances. The construction of recreation facilities at the Nambe Reservoir shall be contingent upon the Secretary's making appropriate arrangements with the governing body of the Nambe Pueblo for the operation and maintenance of such facilities, and the construction of recreation facilities at the Heron Numbered 4, Valdez, and Indian Camp Reservoirs shall be contingent upon his making appropriate arrangements with a State or local agency or organization for the operation and maintenance of those facilities: *Provided*, that—

(a) The Secretary shall so operate the initial stage of the project authorized herein that diversions to the Rio Grande Valley shall not exceed one million three hundred and fifty thousand acre-feet of water in any period of ten consecutive years, reckoned in continuing progressive series starting with the first day of October after the project shall have commenced operation: *Provided, however*, That not more than two hundred and seventy thousand acre-feet shall be diverted in any one year;

(b) the Secretary shall operate the project so that there shall be no injury, impairment, or depletion of existing or future beneficial uses of water within the State of Colorado, the use of which is within the apportionment made to the State of Colorado by article III of the Upper Colorado River Basin compact, as provided by article IX of the Upper Colorado River Basin compact and article IX of the Rio Grande compact;

(c) all works of the project shall be constructed so as to permit compliance physically with all provisions of the Rio Grande compact, and all such works shall be operated at all times in conformity with said compact;

(d) the amount of water diverted in the Rio Grande Basin for uses served by the San Juan-Chama project shall be limited in any calendar year to the amount of imported water available to such uses from importation to and storage in the Rio Grande Basin in that year;

(e) details of project operation essential to accounting for diverted San Juan and Rio Grande flows shall be developed through the joint efforts of the Rio Grande Compact Commission, the Upper Colorado River Commission, the appropriate agencies of the United States and of the States of Colorado, New Mexico, and Texas, and the various project entities. In this connection the States of Texas and New Mexico shall agree, within a reasonable time, on a system of gaging devices and measurements to secure data necessary to determine the present effects of tributary irrigation, as well as present river channel losses: *Provided*, That if the State of Texas shall require, as a condition precedent to such agreement, gaging devices and measurements in addition to or different from those considered by the Department of the Interior and the State of New Mexico to be necessary to this determination, the State of Texas shall pay one-half of all costs of constructing and operating such additional or different devices and making such additional or different measurements which are not borne by the United States. The results of the action required by this subsection shall be incorporated in a written report transmitted to the States of Colorado, Texas, and New Mexico for comment in the manner provided in the Flood Control Act of 1944 before any appropriation shall be made for project construction;

(f) the Secretary shall operate the project so that for the preservation of fish and aquatic life the flow of the Navajo River and the flow of the Blanco River shall not be depleted at the project diversion points below the values set forth at page D2–7 of appendix D of the United States Bureau of Reclamation report entitled "San Juan-Chama Project, Colorado-New Mexico", dated November 1955;

(g) the Secretary is hereby authorized to construct the tunnel and conduit works of the initial stage of the San Juan-Chama project with sufficient capacity for future diversion of an average of two hundred and thirty-five thousand acre-fee per annum: *Provided, however*, That nothing contained in this Act shall be construed as committing the Congress of the United States to future authorization of any additional stage of the San Juan-Chama project.

SEC. 9. For the period ending ten years after completion of construction of the initial stage of the San Juan-Chama project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 10. The amount which section 12 of the Act of April 11, 1956, authorizes to be appropriated is hereby increased by $85,828,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved, which increase shall be available solely for construction of the San Juan-Chama project and shall not be used for any other purpose.

GENERAL

SEC. 11. (a) No person shall have or be entitled to have the use for any purpose, including uses under the Navajo Indian irrigation project and the San Juan-Chama project authorized by sections 2 and 8 of this Act, of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries originating above Navajo Reservoir to the use of which the United States is entitled under these projects except under contract satisfactory to the Secretary and conforming to the provisions of this Act. Such contracts, which, in the case of water for Indian uses, shall be executed with the Navajo Tribe, shall make provision, in any year in which the Secretary anticipates a shortage, taking into account both prospective runoff originating above Navajo Reservoir and the available water in storage in Navajo Reservoir, for a sharing of the available water in the following manner: The prospective runoff shall be apportioned between the contractors diverting above and those diverting at or below Navajo Reservoir in the proportion that the total normal diversion requirement of each group bears to the total of all normal diversion requirements. In the case of contractors diverting above Navajo Reservoir, each such contract shall provide for a sharing of the runoff apportioned to said group in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements of all such contracts that have been made hereunder: *Provided,* That for any year in which the foregoing sharing procedure either would apportion to any contractor diverting above Navajo Reservoir an amount in excess of the runoff anticipated to be physically available at the point of his diversion, or would result in no water being available to one or more such contractors, the runoff apportioned to said group shall be reapportioned, as near as may be, among the contractors diverting above Navajo Reservoir in the proportion that the normal diversion requirements of each bears to the total normal diversion requirements of the group. In the case of contractors diverting from or below Navajo Reservoir, each such contract shall provide for a sharing of the remaining runoff together with the available storage in the same proportion as then normal diversion requirement under said contract bears to the total normal diversion requirements under all such contracts that have been made hereunder.

The Secretary shall not enter into contracts for a total amount of water beyond that which, in his judgment, in the event of shortage, will result in a reasonable amount being available for the diversion requirements for the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as specified in sections 2 and 8 of this Act.

No long-term contract, except contracts for the benefit of the lands and for the purposes specified in sections 2 and 8 of this Act, shall be entered into for the delivery of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries, as aforesaid, until the Secretary has determined by hydrologic investigations that sufficient water to fulfill said contract is reasonably likely to be available for use in the State of New Mexico during the term thereof under the allocations made in articles III and XIV of the Upper Colorado River Basin compact, and has submitted such determination to the Congress of the United States and the Congress has approved such contracts: *Provided,* That nothing contained in the foregoing shall be construed to forbid the Secretary from entering into temporary water supply contracts in the San Juan River Basin for any year in which he determines that water legally available for use in the upper basin of the Colorado River system would otherwise not be used there and is not needed to fulfill the obligations of the upper division States with respect to delivery of water at Lee Ferry.

(b) If contracts are entered into for delivery from storage in Navajo Reservoir of water not covered by subsection (a) of this section, such contracts shall be subject to the same provision for sharing of available water supply in the event of shortage as in the case of contracts required to be made pursuant to subparagraph (a) of this section.

(c) This section shall not be applicable to the water requirements of the existing Fruitland, Hogback, Cudai, and Cambridge Indian irrigation projects, nor to the water required in connection with the extension of the irrigated acreages of the Fruitland and Hogback Indian irrigation projects in a total amount of approximately eleven thousand acres.

Sec. 12. (a) None of the project works or structures authorized by this Act shall be so operated as to create, implement, or satisfy any preferential right in the United States or any Indian tribe to the waters impounded, diverted, or used by means of such project works or structures, other than contained in those rights to the uses of water granted to the States of New Mexico or Arizona pursuant to the provisions of the Upper Colorado River Basin compact.

(b) The projects authorized by this Act shall be so operated that no waters shall be diverted or used by means of the project works, which, together with all other waters used in or diverted from the San Juan River Basin in New Mexico, will exceed the water available to the States of New Mexico and Arizona under the allocation contained in article III of the Upper Colorado River Basin compact for any water year.

Sec. 13. (a) The use of water, including that diverted from the Colorado River system to the Rio Grande Basin, through works constructed under authority of this Act, shall be subject to and controlled by the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total quantity of water to the use of which the State of New Mexico is entitled and limited under said compacts, statutes, and treaty, and every contract entered into under this Act for the storage, use, and delivery of such water shall so recite.

(b) All works constructed under authority of this Act, and all officers, employees, permittees, licensees, and contractees of the United States and of the State of New Mexico acting pursuant thereto and all users and appropriators of water of the Colorado River system diverted or delivered through the works constructed under authority of this Act and any enlargements or additions thereto shall observe and be subject to said compacts, statutes, and treaty, as hereinbefore provided, in the diversion, delivery, and use of water of the Colorado River system, and such condition and covenant shall attach as a matter of law whether or not set out or referred to in the instrument evidencing such permit, license, or contract and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the users of water therein or thereunder by way of suit, defense, or otherwise in any litigation respecting the waters of the Colorado River system.

(c) No right or claim of right to the use of the waters of the Colorado River system shall be aided or prejudiced by this Act, and Congress does not, by its enactment, construe or interpret any provision of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, or the Mexican Water Treaty or subject the United States, to, or approve or disapprove any interpretation of, said compacts, statutes, or treaty, anything in this Act to the contrary notwithstanding.

Sec. 14. In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act and the treaty with the United Mexican States in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

Sec. 15. The Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system, to appraise its suitability for municipal, domestic, and industrial use and for irrigation in the various areas in the United States in which it is used or proposed to be used, to estimate the effect of additional developments involving its storage and use (whether heretofore authorized or contemplated for authorization) on the remaining water available for use in the United States, to study all possible means of improving the quality of such water and of alleviating the ill effects of water of poor quality, and to report the results of his studies and estimates to the Eighty-seventh Congress and every two years thereafter.

Sec. 16. (a) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" as provided in article III(d) of the Colorado River compact "not to cause the flow of the river at Lee Ferry to be depleted below an aggregate of seventy-five million acre-feet for any period of ten consecutive years reckoned in continuing progressive series beginning with the first day of October next succeeding the ratification of this compact".

(b) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" to meet their share of the Mexican Treaty burden as provided in article III(c) of the Colorado River compact.

Sec. 17. Section 12 of the Act of April 11, 1956, shall not apply to the works authorized by this Act except as otherwise provided by section 10 of this Act.

Sec. 18. The Act of April 11, 1956, as amended, is hereby further amended as follows: (i) In section 1, subsection (2), after the words "Central Utah (initial phase)" delete the colon and insert in lieu thereof a comma and the words "San Juan-Chama (initial stage)," and after the word "Lyman" insert words "Navajo Indian,"; (ii) in section 2 delete the words "San Juan-Chama, Navajo," from the first sentence; (iii) in section 5, subsection (e), in the phrase "herein or hereinafter authorized" delete the word "hereinafter" and insert in lieu thereof the word "hereafter"; (iv) in section 7 in the phrase "and any contract lawfully entered unto under said compacts and Acts" delete the word "unto" and insert in lieu thereof the word "into".

Mr. ASPINALL (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read in full and printed in the Record; that when we next work on this bill we proceed section by section, beginning with section No. 1.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. SAYLOR. Mr. Chairman, reserving the right to object, I should like to ask the gentleman from Colorado if his unanimous-consent request is granted, whether or not those Members who have amendments to offer to the bill will be given full opportunity to present them and to discuss them?

Mr. ASPINALL. Mr. Chairman, I will say that they will be given that opportunity; but the chairman of the full committee thinks he should have copies of those amendments, if possible.

Mr. SAYLOR. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Chairman, reserving the right to object, is there any qualification of this request that there be ample time to discuss the amendments tomorrow, when they are presented?

Mr. ASPINALL. There is no qualification, I will say to my friend from Iowa.

Mr. GROSS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7596) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes, had come to no resolution thereon.

INCREASE FUNDS FOR RYUKYU ISLANDS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I take this time to announce to the House that on Thursday next H.R. 10937, a bill increasing funds for the Ryukyu Islands will be brought up for consideration. The Committee on Rules has granted a rule allowing 1 hour of general debate.

INCREASING FUNDS FOR RYUKYU ISLANDS

Mr. MADDEN, from the Committee on Rules, reported the following resolution (H. Res. 656, Rept. No. 1725), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10937) to amend the act providing for the economic and social development in the Ryukyu Islands. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

APPORTIONING CASH ASSISTANCE FUNDS UNDER NATIONAL SCHOOL LUNCH ACT

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 657, Rept. No. 1726), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ADMINISTRATION'S FARM BILL

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the farm bill (H R. 11222) now before the Rules Committee would force Corn Belt farmers into the same bureaucratic briar patch that has caused such misery in the land of cotton.

The 30-year effort to help the cotton farmer by means of Government control should be warning enough. It has cut the farmer's efficiency, destroyed his markets at home and abroad, invited synthetic substitutes for cotton, put U.S. textile mills at a disadvantage, led to a discriminatory scheme to rig world cotton textile markets, irritated would-be trading customers abroad, cost the taxpayers a fortune, and opened the gate for the smelly manipulations in cotton allotments by Billie Sol Estes and his pals.

The compulsory features in the feed grains and wheat sections of this bill would create in the Corn Belt the same type redtape thicket in which Estes operated.

The right to grow corn and wheat would be parceled out by Government and quickly acquire a monetary value—to be bought, sold, transferred, adjusted, assigned and reassigned endlessly.

This would lead to a prolific profusion of rules, guidelines, precedents, decisions—and power-laden bureaucrats.

The temptation would be ever-present—just as in the land of cotton—for a Billie Sol Estes to get on an official advisory committee, manipulate allotments, and dicker and deal with politicians and bureaucrats invested with influence or authority over these valuable new property rights.

This is a time for fundamental thinking. We need to get down to basic principles, and decide once and for all whether Midwest farmers are to keep the right to use their own land, talent, and ambition to best advantage or be forced to take this fateful first step down the road of regimentation—a road that has no place to turn around.

If you think that statement is an exaggeration, I invite you to read the long and sorry history of efforts to help the farmer by taking away his freedom.

Cotton, tobacco, rice, peanuts, and sugar have been dominated by Government for nearly 30 years. The controls quickly become a part of the land itself. Government controls are not like a suit of clothes—even an Estes suit of clothes—that can be put on or taken off at will. Once on, they stay on. Indeed, the controls get tighter and more complicated year by year, and the required policing more rigorous.

The Committee on Agriculture is now dealing with a proposed extension of the Government control program for sugar.

In response to a question, Secretary of Agriculture Freeman informed me the Department of Agriculture has no target for ending sugar controls, nor any plan—however distant—for achieving this.

Much as I myself would like to see sugar controls ended, frankly, I had no practical suggestions on how to start.

Controls beget controls, and in cotton, tobacco, wheat, peanuts, and rice—just as in sugar—there seems to be no way to turn around and head back to the free enterprise marketplace system.

When producers vote "yes" to continue these control programs, this action reflects partly their own uncertainty as to how to start back to a marketplace system, and partly a natural instinct to protect a built-in property right representing the right to grow. It would take rare courage for a tobacco farmer, for example, to vote against a program under which his tobacco acreage has acquired an inflated value of, say, $2,000 an acre. This same farmer might well be convinced the tobacco program, all considered, has been a mistake but still feel compelled to vote "yes."

A similar Hobson's choice would face feed grains and wheat farmers if H.R. 11222 is enacted. In the prescribed referendum, they would have to choose between a tough control program, or no program at all, plus the authority for the Secretary of Agriculture to dump Government grain on an unprotected market. Department witnesses themselves testified this would mean corn selling for less than 80 cents a bushel.

Some people have likened the referendum choice to life imprisonment versus execution.

Certainly, we would fly in the face of history and reason if we were to assume—even for a fleeting moment—that the Corn Belt could readily throw off Government controls after a trial run.

In all likelihood, this would be for keeps.

No one can correctly say, "This farm bill does not concern me." This bill affects the well-being of all Americans, because everyone has a stake in the survival of freedom, and everyone is a consumer.

Those most directly concerned are Corn Belt farmers themselves.

Do they want this bill?

The answer is a clear and resounding "No." As the only Illinois Congressman on the Committee on Agriculture, I have received a torrent of protest mail from all parts of the State, and only a trickle of support. Latest count showed over 6,000 separate communications opposing the proposal and only 35 supporting it. I have received petitions bearing 295 names in support, but even these petitions urged substantial changes.

More than 80 percent of the editorials written in daily newspapers have voiced strong disapproval of the administration program.

In a survey by Farm Journal, one of the Nation's most distinguished farm magazines, more than 64,560 responses were received. Only 4 percent expressed a preference for a compulsory quota farm program. Forty-three percent preferred an expanded voluntary land retirement program, and 53 percent would prefer to "get the Government clear out—no controls, no price supports."

The Farm Research Institute at Urbana, Ill., surveying Illinois commercial farmers, reported that 12.7 percent preferred a mandatory production quota program, 14.5 percent preferred a program in which farmers would withhold products from the market in order to increase farm prices, 28.6 percent preferred a program of cropland retirement, and 31.1 percent preferred the elimination of all Government controls and support programs. The remainder of those who replied preferred a variety of different programs.

Samuel Lubell, noted opinion analyst, published a series of articles concerning the administration farm program. His survey findings were substantially the same.

Who, then, really wants this bill?

Certainly not our friends and customers abroad.

This bill goes directly against our avowed goal of a greater degree of free trade.

The controls and subsidies embodied in these programs would have precisely the same effect on world trade as protective tariffs. What is the difference—to paraphrase Secretary of State Dean Rusk—if we "shrink from competition" behind tariff walls or export subsidies. Either way, foreign competitors feel mistreated in our markets.

To compound this contradiction, Dr. Willard Cochrane, architect of this farm control bill, has been dispatched this week by Secretary Freeman to Europe, presumably to sell Common Market countries on the virtues of the free marketplace system in agriculture.

Certainly the consumer does not want this bill. Administrative cost and the inefficiency forced by bureaucratic controls will combine with artificial pricing to heap new price and tax burdens on all Americans.

Not even the House Committee on Agriculture wants this bill. It was pried out of committee by a single vote, and then only after weeks of hot-and-heavy pressure from above.

One member who voted to report the bill announced he would oppose it on the floor, which obviously tips the committee majority against the bill so far as merits of the legislation are concerned.

About the only substantial support for this bill comes from the economic planners, people who have no real confidence in the free enterprise marketplace system anyway.

Even some of the economic planners contradict themselves. The bill was written under the direction of Dr. Willard Cochrane, chief economic adviser to Secretary Freeman. It proposes to manage feed grain supplies by controlling only one input—land.

In 1959, this same Dr. Cochrane, then professor of economics at the University of Minnesota, described such a procedure as a technique of a "backward" agriculture. Here are Dr. Cochrane's own words—Journal of Farm Economics, November 1959:

> Thus, the effective adjustment of supplies to demand at some determined fair price through control over one input, land, seems less and less promising. This is a control technique for a backward, static agriculture, not the dynamic agriculture of the United States in the 1950's and 1960's.

What has happened since 1959 to make desirable the control of only this one factor in production—land?

Has U.S. agriculture suddenly become more backward and static, or has the economics rulebook become outdated?

These, of course, are rhetorical questions as the principles of economics have not changed, and—despite continued interference by Government—U.S. agriculture continues to be dynamic. The difference is that Dr. Cochrane is no longer in the ivory silo and now deals in political facts of life. What is best for agriculture has become secondary to what is best politically.

This bill takes American agriculture in the wrong direction—toward more and more government. Although it covers only wheat, feed grains, and dairy products, it is obvious from earlier administration proposals that other segments of agriculture will ultimately be surrounded, isolated, and forced into a supply-management program.

Once all of agriculture has fallen prey to supply management, the economic planners will probably try to control other productive inputs, such as fertilizer, seed technologies, harvesting techniques, employment of labor and capital.

If the goal of supply management is to manage supply effectively, it is obviously necessary to manage all things which influence supply.

Let us look all the way down the road. If the supply management scheme can be extended to include all these things, it still faces the problem of balancing a managed supply against an unmanaged demand. In the final analysis, consumers regulate demand in the decisions they make in grocery stores. After farmers are told what and how to plant, will the consumers be told what to eat?

This bill will prevent the farmer from adapting his operation to a changing economy. This bill freezes agriculture and ties it to an historical pattern which penalizes the farmer who has been following sound rotation practices and benefits the farmer who has been doing the most to create the surplus which is now held by Commodity Credit Corporation.

If a farmer wants to expand his operation in order to become more efficient, he can do so only if he is able to convince a Government official that he is entitled to a larger quota or more certificates. The farmer's other alternative is to buy land which has an established history and quota. This puts the small farmer who has limited capital at a brutal disadvantage.

In addition to being basically unsound and dangerous, the bill discriminates against Midwest farmers.

The feed grains section would permit the Secretary of Agriculture to exempt so-called deficit feed areas—mostly Southern States—from mandatory cutbacks in planting. This means the full burden of national cutbacks might be forced on the Corn Belt. This, of course, is a flagrant attempt to build up feed grain production in the South at the expense of the Midwest.

The wheat section would establish a rigged pricing scheme, under which excess production in wheat would be dumped at low price for livestock feed, competing unfairly with conventional feed grains. Wheat for flour would sell for $1.90 to $2.20, but wheat for feed would sell for $1.40.

Farmers in the Wheat Belt could use their wheat allotment to plant feed grains, another serious threat to price stability in the Corn Belt. This uncertainty in feed supplies and prices would also create new risks for hog and cattle feeders.

The bill also discriminates against Midwest wheatgrowers. If the small wheatgrower takes advantage of his small farm exemption to plant 13.5 acres, he gets only $1.40—about 60 cents under what he has been getting in recent years. His neighbor with a large allotment would be getting $1.90 to $2.20.

The small wheat farmer's other alternative would be to accept mandatory acreage cutbacks from his established base. His base would be the average of 5 years' plantings. If, because of crop rotation or otherwise, he had not planted wheat during one or more of these years, the average would drop sharply, and the allotment with it.

The wheat section has all the appearance of a scheme to force the small wheatgrower out of wheat production entirely.

Any way you look at it, H.R. 11222 is a bad bill for the Corn Belt.

SAILORS' UNION OF THE PACIFIC

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 30 minutes.

Mr. ROOSEVELT. Mr. Speaker, I wish to report to the House a significant step taken to eliminate discrimination in the Sailors' Union of the Pacific. As you know, Mr. Speaker, the Special Subcommittee on Labor, of which I am chairman, held hearings on discrimination in employment in 1961 and 1962. As a result of those hearings an equal employment opportunity bill, H.R. 10144, was introduced by me and favorably reported by the Committee on Education and Labor earlier this year. It is now pending before the Rules Committee.

As a result of the subcommittee's investigations into discrimination in employment, the Sailors' Union of the Pacific has voluntarily cooperated with the subcommittee to eliminate such practices.

It is most gratifying to me to have received voluntary cooperation of the union to eliminate discrimination and to advance the cause of human rights. I am, therefore, inserting the nondiscriminatory statement of policy which the Special Subcommittee on Labor received from the Sailors' Union of the Pacific on May 18, 1962.

Such cooperation by this forward-looking labor union does not negate the need for a Federal equal employment opportunity law which would have the moral force and sanction of the U.S. Government behind it. Therefore, I urge my colleagues to favorably consider this much needed legislation. The statement follows:

STATEMENT OF POLICY

The Sailors' Union of the Pacific agrees that it will consider and act upon applications for membership or work permits without regard to the race, creed, color, or national origin of the applicant. This policy shall be fully binding on the union's employees, agents, and officers.

The union's membership books are closed. Entrance into membership for a number of years has been confined to permit men who have completed 6 or more years' service with ships under contract with the union and employees taken into membership in connection with organizational activities. The union represents that, in the latter case, the principal qualification for admission is employment by the company the union is seeking to organize.

In filling vacancies temporarily, the right of the union to give preference to members of affiliated or allied unions and to persons who formerly shipped through the union hall is recognized.

In view of the serious and heavy unemployment in the maritime industry on the west coast amongst the unlicensed personnel, this statement of policy is not to be interpreted as requiring the union to issue work permits or membership cards in excess of the needs of the industry. It is understood, however, that in admitting employees into membership or in issuing work permits the union will apply the policies outlined above without discrimination on account of race, creed, color, or national origin.

THE STORY OF THE COAL INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, very few people are aware that the bituminous coal industry exemplifies, better than any other industry in America, the value of the free enterprise system.

It is a story I am very familiar with, Mr. Speaker, and one that I have followed closely. West Virginia is the major coal-producing State in the Nation, and my district is one of the larger coal-producing areas in the State.

It is a dramatic story. Here is an industry that within the last decade lost over one-third of its total business, to light fuel oil and natural gas for use in the home and to diesel oil for power on the railroads. In both these cases, the coal industry could not compete—in the first case because of the convenience of oil and gas in the home, and in the second case because the hard-pressed railroads could materially cut their operating, maintenance, and standby costs on their engines.

After losing one-third of its business, the bituminous coal industry got off the floor; and labor, management, and capital all combined to fight back. Mr. John L. Lewis, the head of the United Mine Workers, recognized the fact that only through increased productivity could labor get higher wages. He advocated, on the one hand, increased mechanization and, on the other hand, he would not condone featherbedding. He wanted for his union members only their share of the machines' profit, to which they are thoroughly entitled.

Over the years, productivity per man and daily wages have substantially increased.

In spite of all this, and the depreciated dollar, the price of bituminous coal has not advanced in 10 years and, in fact, it is slightly lower today than it was 10 years ago. In addition, American bituminous coal can be sold in Germany, England, France, and Belgium—all producers of coal—at from $2 to $4 per ton less than those countries can produce it, and is of superior quality. Every one of these countries protects its home coal industry and either limits or entirely prevents the importation of American coal through quotas, tariffs, government licenses, et cetera. As an example, British steel mills recently petitioned their Government to import American coking coal, as it was $2 to $3 a ton cheaper than British coal and of better quality, but were refused a license.

Now, with this magnificent record, what is this industry confronted with? A waste product left over from the processing of crude oil overseas—well named "residual oil"—that is either thrown away or sold at whatever price it can get. This, of course, is noncompetitive in price, and it could be dumped in this country at less than the cost of producing coal at the mines. To give some protection against this waste product, the President in 1959 ordered a quota established on residual oil because the national security was threatened. Since 1959, however, the quantity of residual oil allowed to be imported under this quota has been increased almost 50 percent, including a recent 10-percent increase by the Secretary of the Interior. Thus the quota continues to be weakened until there is very little protection left in it for the American bituminous coal industry.

The latest 10-percent increase means another 4 million tons of coal lost to residual oil and another large number of miners being put out of work, and for what purpose? To gain further favor with Venezuela, the principal source of residual oil, which is now exporting almost double the amount to this country that it did in 1957. But, of course, it will never be satisfied until it gets all the market. Who are the beneficiaries of these residual oil sales? The international oil companies, Venezuela, and a relatively few large buyers of fuel, principally utilities and others who are able to put in special equipment to burn this type of oil. The householders, of course, cannot burn this type of oil.

Now the administration hopes to retrain the miners who are out of work because of these increased imports of residual oil. It also proposed to retrain the railroad workers, more of whom will lose their jobs because bituminous coal is the best paying and the last of the bulk freight that is profitable to our hard-pressed railroads, and the skilled workers in the plants that make mining machinery. These American workers do not want retraining. They simply want their jobs, regardless of what our State Department, Venezuela or any other country in the world thinks.

Through the cooperation of labor, capital and management, the production of bituminous coal has been increased from 1½ tons per man per day to over 14 tons per man per day. Many new mines far exceed this, and some of the latest deep mines produce as high as 45 tons per man per day. Strip mines, of course, even exceed this high output. If this is not the free enterprise system, what is? After all, it is this system that made America great: the simple formula of paying higher wages to labor and increasing productivity so as to be able to compete in the world markets has paid off.

I think that this system is essential to our country, Mr. Speaker, and must be preserved at all costs. It is ironic, therefore, to see the coal industry limited in its exports, on the one hand, while on the other hand it is being destroyed in domestic markets by unfair competition of an imported waste product which is permitted to enter the country in almost unlimited quantities.

The same situation could, and likely has, developed with other industries. It would seem only prudent and appropriate for our Government to make certain that its actions do not endanger the soundness of our system by permitting uncontrolled competition from questionable sources.

NATIONAL LOTTERY BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. FINO] is recognized for 60 minutes.

Mr. FINO. Mr. Speaker, I have asked for permission to address this House in order to respond to the remarks of the gentleman from New York [Mr. SANTANGELO] who made some wild, reckless, and irresponsible claims, charges, and accusations on this floor last Thursday, May 17.

In view of the fact that I was the sole target of these charges, which did reflect on my integrity, character, and standing in this House, I could not permit them to go unanswered or unchallenged.

I do not know whether the gentleman's remarks were prompted by his interest in my national lottery bill or by pure political motivations. I would be inclined to think it is the latter, especially in view of the gentleman's expressed intentions and hope of seeking the Democratic nomination in my congressional district.

The gentleman from New York would want the Members of this House to know that, because of the many inquiries he had received regarding my bill H.R. 2007, he felt duty bound to communicate with the chairman of the Ways and Means Committee to ascertain the status of my lottery bill. He made such inquiry by letter to the gentleman from Arkansas [Mr. Mills] on April 11, 1962.

Mr. Speaker, in a "Dear Al" letter, dated May 1, 1962, the gentleman from Arkansas [Mr. Mills], as chairman of the Ways and Means Committee, informed the gentleman from New York that hearings on my bill H.R. 2007 had not been requested.

In his speech on this floor on May 17, the gentleman from New York tried to show his great knowledge of parliamentary procedure by telling the Members of this House what they all know, to wit, that unless a request is made no hearings on a bill will be held.

The gentleman from New York, in his remarks, said, "Let us look at the record"; well, let us do exactly that.

Mr. Speaker, the record will show that the chairman of the Ways and Means Committee was in error and conveyed the wrong information to the gentleman from New York. The record will show that I did request hearings and consideration of H.R. 2007 on, not one, but three, occasions during this 87th Congress.

In a letter dated May 3, 1961, addressed to the gentleman from Arkansas [Mr. Mills], as chairman of the Committee on Ways and Means, I wrote as follows:

My Dear Colleague: I appreciate your kind invitation to appear before the Committee on Ways and Means and testify on the President's tax recommendations contained in his message to Congress.

While I sympathize with the President's deep concern over the need for a strong and sound Federal tax system in order to meet the needs of this country, I cannot, in good conscience, support a program which proposes to raise additional taxes. At least, not when other painless and voluntary avenues of taxation are open and available to Congress.

As you well know, for the past 8 years, I have urged your committee to give serious and favorable consideration to my bill to set up a national lottery. This revenue measure which should be treated strictly on its merits would raise $10 billion a year in additional income.

With the present taxes as high as they are and still going higher and with the need for additional revenue to meet our public needs growing, it should be obvious to your committee that this is the time to give serious thought to new ways of raising Government revenue without increasing taxes.

In my opinion which is shared by a majority of our hard-pressed American taxpayers, the most logical and sensible new source of Government income is with a national lottery.

On behalf of our overburdened American taxpayers, I urge that you give immediate and realistic consideration to this fiscal measure. No one in Government, not even your committee, has the right to be careless of the tax and revenue advantages offered by my national lottery proposal.

Again thanking you for your invitation, I am.

Again, on May 10, 1961, I wrote to the gentleman from Arkansas, Chairman Mills, as follows:

My Dear Colleague: The failure and refusal of your committee to give serious and favorable consideration to my bill, H.R. 2007, spells out a reckless disregard of the tax and revenue advantages offered by my national lottery proposal.

While your committee persists in refusing to capitalize on the natural gambling spirit of the American people, many of the foreign countries throughout this civilized world continue to treat and respect gambling as an instinctive human trait. I am sure you are aware of the fact that government controlled and regulated lotteries in all of these countries have brought pleasure to their people and financial benefits to their treasuries.

Recent reports from Canada indicate that there is a public clamor growing for legislation to legalize lotteries in that country. The current feeling seems to be that, if Canadians want to spend money on lotteries, they might as well spend it within their borders. I am happy to note that this is another country which is willing to accept and recognize the fiscal facts of life.

As a matter of fact, all of these countries which have coupled the gambling spirit of their people with the need for government revenue, have recognized the fact that man has a right to quench his thirst for gambling and this right should not be suppressed but rather controlled and regulated by law.

I am certain you will agree that in spite of all the police enforcement and all the laws to stifle in man the desire to bet, gambling still goes on. The only trouble is that we are making criminals out of decent citizens who are forced to go under cover to express their normal urge to take a chance.

This should not be the case. Gambling should be a recreation and a relaxation. Any attempt to curb, prohibit and deny this human desire amounts to an infringement of man's natural rights and freedom. The prohibition law should have taught us the best lesson.

If your committee is honest and sincere in its desire to find new ways of raising Government revenue without increasing taxes, then, I suggest that it give serious and immediate consideration to my bill which would easily pump into the coffers of our treasury $10 billion a year in additional income.

Can you suggest a more profitable, sensible and satisfactory solution to our Government's need for more revenue and the public's cry for tax relief? Of course not.

Mr. Speaker, on May 31, 1961, I received from the gentleman from Arkansas, Chairman Mills, a reply to my request for consideration of H.R. 2007. In his answer, the gentleman from Arkansas [Mr. Mills] said as follows:

Dear Mr. Fino: This is in reply to your letter of May 10, 1961, complaining about the fact that your bill, H.R. 2007, relating to lotteries, has not been favorably considered by the Committee on Ways and Means.

I don't have to tell you that this is a very controversial proposal. To my knowledge, there is no particular general support among responsible groups for this legislation. I have had brought to my attention articles and comments on this bill, but in general this support has not been from substantial sources and groups.

As you well know, this bill has been objected to on moral, religious, and other grounds. It might be that this would be a means of raising substantial amounts of revenue, but it seems to me there are other considerations involved which are far more important in the public interest. I do not have to tell you that the proclivity for gambling has brought sadness and financial ruin to all too many people. I personally do not feel that the Government should condone or encourage this type of activity.

I would guess that you will find little support for your bill among the members of the committee or among Members of Congress. Of course, there are ways which you can use to test whether or not there is general support for your bill in the Congress. Among them is the filing of a discharge petition.

And on June 15, 1961, I answered the gentleman from Arkansas [Mr. Mills] letter of May 31, as follows:

I have your recent letter in answer to my letter of May 10.

I would like to take issue with a number of your points. In the first place, you say that you do not personally feel that the Government should condone gambling activity. May I bring to your attention a decision of the Supreme Court in March 1958? That unanimous decision stated that Federal gambling taxes in effect mandate that for tax purposes a gambling enterprise must be treated just like any other legitimate business. Can you support the Federal gambling tax which the courts hold to have imparted legitimacy to gambling enterprise?

In addition, I have here a copy of a letter sent by you on May 22 to Mr. Harry Jacobson, of Valley Stream, N.Y., in which you state "that it may be useful to continue to explore the possibilities of some type of national lottery." What are your grounds for wishing to continue to consider something that you have previously held immoral—or aren't you sure?

Lastly, I would take issue with your advocacy of my use of a discharge petition in connection with the lottery bill. Is the committee seeking to shirk making a decision one way or the other?

Mr. Speaker, in view of the apparent error made by the chairman of the Committee or Ways and Means, I have brought these communications to the committee's attention so that the record would be kept straight and that the letter to the gentleman from New York, dated May 1, 1962, would be corrected accordingly.

I am now in receipt of a letter from the gentleman from Arkansas [Mr. Mills], dated yesterday, May 21, which read as follows:

Dear Mr. Fino: This is in reference to the telephone conversation of your office with the counsel of the committe, Mr. Irwin, this morning, and it involves the question as to whether or not you have requested hearings on your bill, H.R. 2007, in this Congress.

In your letter of May 10, 1961, to me, as you well know, you expressed concern about the "failure and refusal of your committee to give serious and favorable consideration to my bill H.R. 2007." In my reply to you of May 31, 1961, I pointed out that H.R. 2007 "is a very controversial proposal," and that there appeared to be little support for the bill among members of the Committee on Ways and Means or among Members of

> Congress, and that a method of testing the general support for your bill, of course, would be the filing of a discharge petition.
>
> Although in my May 31 letter I did not so state, I implied that if the committee should at some time decide to consider H.R. 2007 or similar legislation, hearings would be held because of its controversial nature. It is the practice of the committee when it plans to give serious consideration to a proposal to hold hearings if it is controversial.
>
> Technically, your May 10 letter, of course, was not a request for a hearing. However, under the just mentioned policy of the committee, before consideration would be given to H.R. 2007, the committee would undoubtedly want to hold hearings.
>
> I am sending a copy of this letter to Congressman SANTANGELO, who on April 11 asked whether hearings had been requested on your bill, since it is in further elaboration of my letter of May 1 to him which he has now inserted in the CONGRESSIONAL RECORD.

Unfortunately, the gentleman from Arkansas [Mr. MILLS] only refers to the one letter, that of May 10. However, there is not a question of doubt that all of my letters to the chairman of the Committee on Ways and Means spell out not only a request but a demand for consideration of my lottery bill. I certainly did not write to the gentleman from Arkansas [Mr. MILLS] for the sake of writing letters—my purpose, as expressed in all of my correspondence, was to get serious and favorable consideration of H.R. 2007. And, as the gentleman from Arkansas [Mr. MILLS] stated, because of the so-called controversial nature of my proposal, the practice of the committee would be to hold hearings in order to give serious consideration to H.R. 2007.

I can stop here and rest my case but, because of the reckless, irresponsible, and wild charges made by the gentleman from New York, I feel that a complete response must be made to his entire derogatory speech.

In his remarks, the gentleman from New York said that "people today have gotten the notion that the idea of lottery has sprung from the head of the present sponsor." This is not only a ridiculous but foolish statement and the gentleman from New York knows it.

Almost everyone knows that the history of lotteries goes back to Biblical days. The Bible tells us that Moses divided the land west of Jordan by lot. Any schoolchild knows that lotteries are as old as history itself.

I have never claimed to be the originator of the lottery idea although my interest in it goes back to my college days when, as a member of the St. John's University Debating Society, I debated the lottery issue in 1933.

As a member of the New York State Senate—1945 to 50—I introduced several lottery bills for the establishment of a State lottery.

As for previous sponsors of lottery legislation in Congress, I am certain that many Members recall the efforts of former Congressmen for creation of a national lottery in the United States.

As for the New York Daily News, which was also attacked in the May 17 speech, I publicly tip my hat to this great newspaper for its support of my lottery bill and for its many years of campaigning for this proposal. The charge that this newspaper was duped was unwarranted and I believe that an apology to them is in order.

Mr. Speaker, the gentlemen from New York said, in his remarks, that hearings were held on the Kenny lottery bill in 1934 because the sponsor requested a hearing. That is pure and simple nonsense and he knows it. If hearings were to be held on each and every bill introduced in Congress merely by making a request, the machinery of legislative process would come to a complete halt.

Let us also correct the record with the truth. The gentleman from New York in his wild remarks said that hearings on the Kenny lottery bill lasted 2 years. Let the record show that subcommittees of the House Committee on Ways and Means held hearings on April 11, 1934, on H.R. 7316 under Chairman Thomas H. Cullen and on June 28, 1935, on H.R. 8540 under Chairman JOHN W. MCCORMACK. Two days of hearings on both bills—not 2 years.

The gentleman from New York also said:

> Let us stop the hypocrisy, fakery, and quackery of introducing lottery bills and then not moving for their passage or for a report or for a hearing.

Well, in view of the fact that the gentleman from New York was the victim of misinformation, I am willing to forgive and forget his ungentlemanly remarks. I feel certain that had he known the true facts and had he not been incorrectly informed, he would not have uttered such nasty words nor would he have attacked my character, integrity, and standing in this body.

I was amused by the remarks of the gentleman from New York when he said that he would vote for a lottery if it were conducted by a State or local government. First of all, as a national legislator he would have absolutely no voice or vote on any State or local legislation. This the gentleman from New York should know. However, I wonder whether this strong feeling for a State lottery is of recent date? I do recall that when the gentleman from New York served with me in the New York State Senate not once did he give me support, vocal or otherwise, in my fight at that time for a State lottery plan.

Mr. Speaker, I am glad that the gentleman from New York has given due credit to Abraham Lincoln when he quoted the great Emancipator's famous speech about fooling some of the people. The last time the gentleman from New York borrowed a poem he neglected to give due and proper credit to the British poet, Edward Robert Bulwer Lytton—1831 to 1891. I wonder who was fooling whom in the latter instance?

It is unfortunate that the gentleman from New York finds himself in this embarrassing position. He could have avoided this embarrassment if only he had checked with my office. We would have gladly apprised him of the true facts.

Mr. Speaker, it is most unfortunate when a Member of this honorable body should find himself, as a famous poet once said, "whistling in his own graveyard of insecurity, uncertainty, and indecision." This, unfortunately, is the position of the gentleman from New York.

Mr. Speaker, I yield back the balance of my time.

Mr. SANTANGELO. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SANTANGELO. Mr. Speaker, I have asked the gentleman from the 24th Congressional District of New York [Mr. FINO] to yield on several occasions and he has refused.

Mr. FINO. Mr. Speaker, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from the 25th, who is now running in the future 24th.

Mr. FINO. I am glad the gentleman corrected himself. It is the 25th Congressional District.

Mr. SANTANGELO. And, by gerrymandering, it is the future 24th District.

Mr. FINO. I am now representing the 25th Congressional District, and I want the RECORD to so indicate.

Mr. SANTANGELO. Whether the gentleman will represent the district will be determined at the next election.

Mr. Speaker, I asked the gentleman from the 25th to yield on several occasions because of misrepresentations in the statements which he made which have no basis in fact. For example, I made the charge that the sponsors of national lottery legislation made no request for a hearing and, because of that failure to request a hearing, no hearings were held by the Ways and Means Committee and because of the lateness of the session no hearings were held. He claims that I mentioned his name.

Mr. Speaker, the gentleman from the 25th says that his very many letters spelled out a request for a hearing. The gentleman is a college graduate; he is also a lawyer. If a man does not understand how to make a request for a hearing after such education and after 10 years in Congress, it is high time he learned the very simple words "I request a hearing on the legislation which I introduced." Must he leave it to be spelled out? Must he leave it for inference? It is undisputed that no hearings were requested and no hearings were held and none can be held.

For the record to be clear, I made no specific reference to the gentleman by name. I referred to the sponsors.

Mr. FINO. Mr. Speaker, will the gentleman yield?

Mr. SANTANGELO. I certainly would be happy to yield to the gentleman.

Mr. FINO. You are not telling exactly the truth when you say you did not make specific reference to H.R. 2007, because your letter to the gentleman from Arkansas [Mr. MILLS] requested information regarding this specific bill, which is the bill that I introduced.

Mr. SANTANGELO. Apparently the gentleman from the 25th does not understand English. I made the statement that the sponsors made no request for national lottery legislation to be heard.

I did not mention the names of any individuals. I referred to the sponsors of national lottery legislation, of which there are more than one, which includes the gentleman from the 25th. He either misinterpreted what I said or does not know how to express himself, or does not understand when a person speaks.

Let me say this, Mr. Speaker: I did not insult the Daily News. I just asked the Daily News this rhetorical question: Would this great newspaper, which has apparently been duped, give the same publicity in the same manner and the same coverage as it gives when a national lottery bill is introduced in the hopper of Congress or when a release is introduced or when a speech is inserted in the RECORD? I asked the New York Daily News whether that great paper would publicize the failure of the sponsors of a national lottery bill to request a hearing. We know that if a hearing were held it would be given consideration and if it should by chance succeed, there would be no issue for the gentleman from the 25th to talk about in the future.

Mr. Speaker, I also stated further in my speech that 50 States of the Union have outlawed a lottery, and what do I find in the record? The gentleman in his bill, H.R. 2007, states in a section of his bill that children under 21 years of age may not purchase or buy a ticket, and they would not be paid the benefits if they should win. He also has provided in his bill that if the people of a State declared a lottery illegal, no tickets could be sold in that particular State. And what does the record show? The Legislative Reference Library says that the 50 States in the Union, and also the District of Columbia, which I checked with today, have outlawed lotteries. So that the provisions of the gentleman's bill would negate his purpose. There would be no revenue raised, because the 50 States have declared lottery illegal, and his bill provides that lottery tickets could not be sold in a State where lottery is illegal. If his bill became law, where could a bettor be permitted to buy a ticket or where could tickets be sold? Where would he obtain or derive $10 billion of revenue so as to reduce taxes? I say let us stop this hypocrisy, this fakery, and this quackery.

I repeat, Who is guilty of hypocrisy? Is it the Congress which has failed to act because there has been no request, or because there has been no petition to discharge, or is it the committee to which the bill has been referred, when the chairman says that no request has been made? And technically, no request has been made.

Where are we going? Let us not talk about a national lottery unless you are going to take it up and try to have it considered. If the people want it, let us have it. If they do not want it, let us reject it.

I said in my speech that it may be immoral under certain circumstances. I recognize that the gentleman eliminates in his bill children under 21, and so would I. If a person on relief were to buy a ticket and thereby deprive his children of food, shelter, and medicine, then I say it would be immoral.

Mr. Speaker, I did not refer to the gentleman from the 25th District by name. But when the eye looks at you and you have a guilty conscience then you recognize that it has been directed toward you.

Show me one instance in the speech that I delivered on May 7 where I referred to the gentleman of the 25th District by name. I know that the parliamentary procedure prohibits it and I abide by the regulations of this body.

SELLOUT ON CIVIL RIGHTS

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. LINDSAY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LINDSAY. Mr. Speaker, the House Judiciary Committee has just played its prearranged part in the massive sellout on civil rights that is taking place on Capitol Hill. This is one of the emptiest charades that I have ever had the misfortune of witnessing, and all conducted with a straight face on the part of the players.

The committee has reported out a constitutional amendment to abolish the poll tax, in Federal elections only, applicable only to the five States that still have a poll-tax requirement. This is using a cannon to kill a gnat, a sledge hammer to drive a tack. The same result can be reached by statute and the committee, like the Justice Department, well knows this. And this is to be the extent of the civil rights program on Capitol Hill.

Amendments to the U.S. Constitution should be meaningful. They ought not to insult the Constitution. This amendment at the very least should cover all elections, not just Federal elections. It is in local elections that the real rub takes place. But more than this, respect for the majesty of the Constitution and for our heritage should impel the committee, if it is to go through the elaborate, important process of changing the U.S. Constitution, to provide that the right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State or by any person for any cause except inability to meet age or length-of-residence requirements, uniformly applied to all persons within the State; or legal confinement at the time of registration or election. It may be argued that this is too big a step. I will respect that argument even though I cannot agree with it. But what I cannot respect is the refusal to discuss or debate any alternatives. The proposition was presented to the committee on a take-it-or-leave-it basis, in an atmosphere cynically hostile to discussion and with the argument that debate on the merits, one way or the other, would rock some boat, the nature of which has not been defined, or might upset a few Senators. What alternative have we but to conclude that the deal not to present any meaningful civil rights legislation was made long ago? The committee action is a cynical device to cover this over and to mislead the public into thinking that the Congress has taken some meaningful action.

Mr. Speaker, I cannot wait for the last act of this bad show to be finished and for those who have played their parts with straight faces to take their bows, if they still find it possible to do so. As for me, I find it an embarrassingly bad production, and I must write my review accordingly.

OPEN SPACES

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MATHIAS. Mr. Speaker, the subject of conservation should be foremost in the minds of the American people at all times, but it is receiving particular emphasis this week as the White House Conference on Conservation convenes in Washington. The problem of preserving our natural resources is particularly urgent in the Sixth Congressional District of Maryland which contains some of America's greatest natural treasures in the form of rivers, fertile farmland, mountains, woodlands, and wilderness, as well as some of the most rapidly expanding metropolitan areas in the world.

Under these circumstances, I am particularly interested in this problem and have submitted today two measures intended to be of assistance in solving the complex questions presented. The first is a bill to amend the Soil Conservation and Domestic Allotment Act to clarify the authorization of the Secretary of Agriculture to extend the benefits of such act to lands in urban areas.

It is my thought that such an extension would be very valuable from the point of view of agriculture in that lands of exceptional fertility and of great value for farming purposes might be identified and avoided in the path of urban development while lands of less utility for agriculture and related uses could be included in plans for urban development.

The second measure is a concurrent resolution to establish a joint congressional committee to study present conservation and open space programs throughout the Nation. I believe that such a study is necessary in view of the fact that many departments of the executive branch are now engaged in the acquisition and operation of real estate. In many cases, for instance, the objectives of the Department of Agriculture may overlap the objectives of the Department of the Interior. There might well be a correlation of the activities of these two Departments which could concurrently bring about conservation practices, reduction of agricultural production, and creation of recreational and wildlife areas. The Departments of Agriculture and Interior are cited only as examples, and many others could be suggested, including the Department of Defense, Department of Labor, the Housing and Home Finance Agency, and many others.

I hope that the measures introduced today will help to resolve these serious problems.

TRADE PROGRAM

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MATHIAS. Mr. Speaker, many people, including Members of the Congress are concerned about the many misunderstandings which have resulted from statistical information which has been released by the administration in drumming up support for the President's trade program.

Shortly the House will commence debate on the trade bill. During that debate we will undoubtedly hear many of the allegations and assertions which have been launched in their efforts to depict a variety of so-called emergencies which they contend justify the extraordinary authority which the President is seeking over the regulation of our foreign trade.

Mr. Speaker, I have made some efforts on my own part to pierce the statistical facade which surrounds the arguments advanced in support of this trade legislation. On March 8, 1962, CONGRESSIONAL RECORD, page 3758, I called attention to a press release issued by the Secretary of Commerce referring to a so-called State-by-State export survey which purported to show the amount of manufacturing activity in each State which goes into our export trade. On May 2, 1962, daily CONGRESSIONAL RECORD, page A3263, I made available the text of three letters which I had received on this subject from the Department of Commerce. The long and short of these responses is that the Department has, indeed, done a great deal of estimating in assembling the figures which its press release of January 29, 1962, represented to be the result of an actual survey of manufacturers in the various States.

Mr. Speaker, other Members of Congress have also tried their hand in unraveling some of the statistical information which is being used by the administration to demonstrate the need for enactment of the President's trade bill. On February 27, 1962, our colleague, the gentleman from South Carolina, the Honorable WILLIAM JENNINGS BRYAN DORN, placed in the CONGRESSIONAL RECORD an analysis questioning the accuracy of the $5 billion export trade surplus which is constantly referred to by administration spokesmen. The gentleman's analysis raised a question of whether instead of a $5 billion trade surplus, the United States actually has a favorable export trade balance on commercial transactions in international trade of less than $1½ billion. The magnitude of the area of discrepancy on this important point, therefore, is very great.

Mr. Speaker, Congressman DORN's analysis has received respectful attention as the press of this country has become increasingly concerned about the statistics being generated by the administration in support of its trade program. So that there will be available to all Members of this body the serious consideration which the press has accorded this question, I include under unanimous consent articles which appeared in the Greenville News, Greenville, S.C., in March; the New York Herald Tribune issues of April 26 and May 4, 1962; and the Chicago Daily Tribune on Wednesday, May 9, 1962.

I feel that this type of constructive study and analysis of the proposed trade program should be continued in order to clarify and define the problems which are to be met by the trade bill:

[From the Greenville News]

TRADE FIGURES MISLEADING

(By Ray Tucker)

WASHINGTON.—An official and factual breakdown of our highly touted favorable foreign trade balance of $5 billion a year discloses that it is only one-third of that amount, or about $1.7 billion.

In urging Congress to approve President Kennedy's request for greater tariff-cutting authority, every official spokesman has referred to the higher figure. It underlies the contention that we must buy more goods abroad under lower duties at our ports, if we are to continue to have access to foreign markets.

The $5 billion total, however, as analysis shows, includes industrial and agricultural goods shipped abroad under giveaway and subsidized arrangements, or paid for in foreign currencies that cannot be spent in this country.

NEVER-NEVER DATA

This revelation had led influential Democratic Members of Congress to brand the administration's presentation of its tariff-reducing case as a "myth," "deceitful" and based on "fictitious figures."

These strange facts fell out when Senator HARRY F. BYRD questioned a Treasury official at a hearing of the Senate Finance Committee, of which the Virginian is chairman.

Referring to the so-called $5 billion trade surplus, Senator BYRD asked:

"You mean that you include the value of all the wheat we send abroad, and for which we get nothing?"

"That is correct, sir," replied A. Gilmore Flues, Assistant Secretary of the Treasury.

"I think," commented Senator BYRD, "that it is very deceitful to publish figures on a dollar basis, when we don't receive any dollars."

This exchange led Senator ROBERT S. KERR, of Oklahoma, ranking committee member, to apply the "fictitious figures" brand to the Treasury statement.

Representative W. J. BRYAN DORN, South Carolina Democrat, gave a detailed breakdown of export-import totals to the House. Declaring that Washington is a cynical city, where many myths flourish unquestioned, he submitted this analysis of 196 exports:

1. Nonagricultural products shipped under U.S. loans or grants, the U.S. suppliers receiving dollars from our Government—$500,000.

2. Agricultural products paid for in foreign currencies to be used only by the foreign purchasers for internal projects, the U.S. suppliers being paid by our Government—$200,000.

3. Agricultural products donated for famine and emergency relief—$200 million.

4. Sales of cotton at a subsidy of $42.50 a bale, a sum below the amount which domestic mills must pay—$1,400 million.

IKE USED SAME METHOD

These giveaway or subsidized exports total $3,300 million, which places the actual favorable, dollar balance at only $1,700 million. These are official statistics, chiefly from the Departments of Treasury, Commerce and Agriculture. But they form the basis for both White House and State Department arguments.

In fairness, it should be noted that the Eisenhower administration used this same method of calculating foreign trade benefits in asking Congress to extend the Reciprocal Trade Agreement Act on several occasions.

[From the New York Herald Tribune, Apr. 26, 1962]

PLAUSIBLE BUT UNTRUE

(By Donald I. Rogers)

The Commerce Department seems to be casting a fishy eye on our balance of payments and balance of trade figures, and well it might. There is something odd there.

It is doubtful whether the new order for companies to report their international financial transactions will bring this to public attention.

It is quite usual these days, when something is goofed up, that the Government's practices must be called into question.

The President said we sell about $5 billion more abroad than we buy there. Secretary Rusk said exports are about $20 billion; imports about $15 billion.

Sounds comfortable, doesn't it? And the impression is given that foreign aid payments and the expenses of garrisoning the world are all that are involved in turning a $5 billion favorable balance of trade into a $2.5 billion unfavorable balance of payments. And a gold loss of $857 million.

It sounds plausible, but it turns out to be untrue.

That $20 billion of exports includes an unmeasured quantity of American material sold for currencies that are usable only in the country of origin. These are exports that the Government pushes, and payment is in nonconvertible currencies, often with fictional rates of exchange far above their real worth—and no exchange allowed.

Representative WILLIAM JENNINGS BRYAN DORN, of South Carolina, pinpointed this in a piece buried in the CONGRESSIONAL RECORD of February 27, 1962.

He added some other items.

For instance, the wheat we give away is counted as a commercial export.

When Representative DORN got through figuring out how much the Government had included for what amounted to gifts and for merchandise for which we can't collect at all, he had whittled the estimate of the favorable balance of trade from the Kennedy-Rusk rosy figure to the more pallid one of a mere $1.387 billion.

So, when the Commerce Department is worrying about the straight figures, it might try knocking on some Government doors. Representative DORN would probably be glad to accompany Secretary Hodges in his rounds.

Meanwhile, of course, many American companies now will have to contend with more Government paperwork, and have ready the statistics they are required to provide to make an argument against foreign investments when that suits Government purposes.

They also place their trade secrets and market data in jeopardy, because while the Commerce Department says their reports on foreign transactions will be confidential, we now know what that means. Reports to the Census Bureau were supposed to be confidential, too, but the Supreme Court has ruled that the businessman's own copy can be subpenaed and publicized in court.

The Commerce Department knows that the foreign operations of American business are helping, not hurting, the balance of payments. American business has about $37 billion invested abroad, privately. The net return to the United States on this money is about $3 billion a year.

That looks big, and even bigger when you compare it with the $1.387 billion favorable balance of trade Representative Dorn put on record.

All this ought to be kept in mind when Congress considers the new tax bill, which would curb foreign investments by Americans.

It ought also to be kept in mind that we are dealing with some nebulous figures while the Nation is deciding the fate of the important new foreign trade program the President has laid before us.

If a corporation used figures in an annual report as the Government does in reports to its citizens, the SEC would immediately file charges.

[From the New York Herald Tribune, May 4, 1962]

No Cheering Heard

(By Donald I. Rogers)

If President Kennedy awakened red-eyed the other morning with indications that he cried himself to sleep over the cool reception his speech received at the annual meeting of the U.S. Chamber of Commerce, an understanding person can sympathize with him. His intentions were good, he was certainly sincere, and he used the clever touches of eloquence that usually move the naive. He doesn't often flop as a speaker.

But he didn't tell the chamber members what they wanted to hear; he told them some things that they must know aren't so; and he made it plain the Government interference with their businesses is going to increase. The neo-Cabinet members from Hollywood, Frank Sinatra and Peter Lawford, could have warned him that this was no way to win and influence fans.

Let's take up the errors first. They haven't received any attention so far as I can see.

One is his figure of $20 billion for merchandise exports which he used as an example to prove to the chamber members that we have not "priced ourselves out of world markets." This figure, which he has cited before, he contrasted with $15 billion of imports, proving that we have a favorable trade balance of $5 billion.

That figure has been challenged. Representative William Jennings Bryan Dorn, of South Carolina, on February 27 inserted refutation into the Congressional Record, pointing out that the Government includes in the $20 billion export figure the wheat that the Government gives away, and the stuff we sell for block currencies which have no favorable effect on the balance of trade.

Representative Dorn figured out that when the Government's figure is distilled to remove the gimmick, the favorable balance of trade is reduced from the rosy $5 billion figure to a pallid $1.387 billion or a little more than a fourth of what the administration has been saying it is.

The President himself admitted that our export prices have risen 11 percent while our competitors' have remained steady. He must also be aware that the goods we are selling successfully abroad are materials that are still in short production there, plus products with unique design not obtainable elsewhere, plus farm products. Yet he insisted to smart businessmen that we are not pricing ourselves out of the market.

Then the President reasserted that the 8-percent investment credit plan in his tax bill would stimulate investment. The chamber, to whom he was speaking, had testified in great detail at tax committee hearings as to why the administration tax bill would do nothing of the kind.

Moreover, he used an unfortunate word here. Business doesn't want to be "stimulated." Business doesn't need "stimulating." It wants to grow and prosper, as its management thinks best, and not be pushed and pulled by Government into making unwise investments without regard to market forces.

Chamber members, most of them old hands in the competitive vineyard, are wise enough to know that the President's enunciation of his economic policies means more Government control, which is perhaps why they were chilly to the ideas advanced in the President's address. Chilly? Some were indignant.

The tax bill itself increases Government control over business. While the President conceded business opposition to the bill's provisions which would increase taxes in business, he didn't acknowledge even to chamber members, that business is opposing most strongly those provisions that don't cost more money, but which dictate what a business may or may not spend its own money for.

The President told these businessmen that Government doesn't want to fix prices. But the biggest topic of conversation at the meeting was the steel case, where the Government did exactly that.

Did Mr. Kennedy honestly expect the chamber to cheer his declaration that the Government would manipulate the money market to make more capital available cheaper? The members know what this means—an inflationary cheap money policy and more Government agencies lending tax money to selected businesses which either are politically favored, as with Billie Sol Estes, or which fit in with the administration's own plans for the economy.

Chamber members heard nothing from the President to reassure them about many Kennedy-approved bills now pending—bills that they have said frighten them. Among them: Additional steps to federalize unemployment compensation; the bill to levy additional taxes on employers to support medical care for persons already retired; requirements of premerger notification; the plan to bypass the courts on Federal Trade Commission cease and desist orders, and many others.

It is a safe bet that not one member of the chamber of commerce audience would quarrel with the President's sentiments about vigorous antitrust enforcement. What makes them nervous is the use of antitrust laws as political weapons to intimidate companies, such as the threat to dismember General Electric unless it signed a decree agreeing not to charge unreasonably low prices or the impaneling of a grand jury to intimidate steel when it raised its prices.

Most of all, there was nothing in the President's speech to dispel the haunting major fear of most businessmen. Businessmen who think, detect in this administration a planned series of moves to gain for the executive branch of Government working control over the whole economy. No words were uttered by the President to alter their suspicions.

[From the Chicago Daily Tribune, May 9, 1962]

Exports, Yes, but Dollars, No

Mr. Kennedy in two speeches last week spoke in a large way of how the administration's bill for Presidential discretion over tariffs will "increase our export surplus." At New Orleans he said that "this Nation sells more goods abroad than any other nation in the world," but didn't specify a figure. Before the Chamber of Commerce of the United States a few days earlier, he put our "merchandise exports" at more than $20 billion.

Administration spokesmen usually relate this supposed $20 billion in "merchandise exports" to $15 billion in imports show that we supposedly have a favorable trade balance of more than $5 billion.

Last February 27, Representative Dorn, of South Carolina, addressed himself to this thesis and demonstrated that the figures are faked. Yet he quoted the President, the Secretary of State, and other administration sources as habitually claiming a $5 billion favorable balance in world trade.

On examination, said Mr. Dorn, this melted way and became slightly more than one-tenth of the mythical $5 billion. It reduced itself to an actual favorable balance of $587 million.

"We do not receive $20 billion for the American goods we export," the Congressman said, "although we undoubtedly pay $15 billion for the foreign goods we import. These figures are made up by stating the dollar value of all goods which we export as if we received dollars in payment for all such goods.

"We export the goods—we just don't get the dollars."

How is the trick accomplished of showing a purported $5 billion favorable trade balance? Simply by including gifts—not commercial transactions—as sales.

Representative Dorn asserted that the export figures should be revised so as not to include items sold for nonconvertible currencies, which will remain nonconvertible for our lifetime. Nor should these figures include heavily subsidized exports, such as cotton sold below cost and $42.50 a bale below the price to domestic mills. Nor, again, should they include charitable contributions, or equipment given away abroad under foreign aid, or equipment purchased here by American companies for use in their plants and subsidiaries abroad.

Although no one knows how much equipment is bought by American companies for use in subsidiaries abroad, the Department of Commerce estimated in 1957 that the figure was around $1 billion. In 1960, gift equipment shipped under foreign aid amounted to $500 million; agricultural products paid for in nonconvertible currencies cost the United States $1.2 billion, and agriculture products given for famine and emergency relief came to $200 million.

Mr. Dorn submitted that the only practical correction of the problem of an unfavorable balance of international payments was available to the United States at any time, and that was to reduce payments abroad. He offered the judgment as an argument that tariff cutting is no cure-all. That is what we have been saying, too, although we are in favor of freer trade.

THE SOCIAL SECURITY TAX SHOULD NOT EXCEED 10 PERCENT OF PAYROLL

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Curtis] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, one of the key issues in the national debate on the subject of using the social security system to finance part of the health costs of people over 65 on a compulsory basis is what logic leads us to limit the amount of health costs to be covered? To be specific why was the Forand bill approach which covered physicians' fees as well as hospital costs

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cut back to a limited portion of hospital and nursing home costs as in the King-Anderson bill?

In the Congressonal Record of March 6, 1962, pages 3510–3511, I placed an actuarial study of the estimated proportion of the mean gross expenditures in the United States per person age 65 and over for a 12-month period in 1957–58 for the various types of medical services which would have been covered by the King-Anderson proposal were such proposal in effect during this period. It shows that King-Anderson would cover 24.2 percent of average total medical expenses for a person over 65 if certain limiting factors were disregarded. If these limiting factors were considered the percentage falls to 18.7 percent.

In other words between 75.8 and 81.3 percent of an older person's medical bill would have to be paid for by the older person himself even if the King-Anderson bill were law. This is a far different study than the one President Kennedy told the old people at Madison Square Garden May 20, 1962, by the illustration he used.

Secretary of Health, Education, and Welfare Ribicoff and I discussed this issue at some length during the public hearing held by the Ways and Means Committee July 24 through August 4, 1961. These hearings containing over 2,000 pages are published and available to the public. In my remarks appearing in the Record yesterday, pages 8845–8848, I urged my colleagues to become familiar at least through scanning the data and information that is available in these documents. There is no need for the public discussion on this subject to disregard what information has been adduced under cross-examination by the committee.

Secretary Ribicoff said that the limitation of coverage in the King bill resulted from his belief and I read:

> There is a limit to how far you can go in social security taxes. In looking at what this Congress has committed itself to for the future, it is my opinion that you are coming to a situation where you cannot have much more by way of taxes in a social security program. A half of 1 percent brings you up pretty close to 10 percent.

Let me place in the Record at this point the complete colloquy on this point between the Secretary and myself, pages 198–202, volume 1, of the public hearings:

Mr. Curtis. The difference is a very clear difference, I think you will concede. The Kerr-Mills bill deals with a certain group of people. It does not cover every person. And under the social security approach everybody would soon be included.

The benefits that your particular bill proposes—and I know you recognize it—are quite limited. They do not cover, as you point out, doctors' fees. They do not cover medical costs, in other words.

It is entirely reasonable to assume that doctors were left out for political reasons, so that you would not have, possibly, the pressures on their part against this bill, because they were not included.

They were included under the Forand bill, were they not?

Secretary Ribicoff. They were. But the Forand bill was drawn by Congressman Forand, and it was not drawn by Mr. King.

Mr. Curtis. Well, can you tell me a real difference, Mr. Secretary, as to why one part of the older persons' health bill should be taken care of under the social security system and another not? I cannot see any logical reason for distinguishing.

Secretary Ribicoff. From long experience, I usually find that people who are against this kind of program are the first to raise the question: "Why isn't the program greater?"

Mr. Curtis. I am not raising it for that point, Mr. Secretary. I am not trying to criticize it from that standpoint. I am trying to raise the question of what logic would there be that would keep us from extending a program to cover doctors and other health costs that are not included.

Secretary Ribicoff. That is right. In everything you do—and you deal with it every day in this committee, and with every Congressman and every Governor and every President—there is always a line to be drawn. What do you advocate, and what do you not advocate? How much can you afford to pay, and how much can you not afford to pay? We have tried to develop a program that will fit with the capacity of the taxpayer to pay the bill and at the same time take care of basic needs.

You never can take care of all the needs of everybody in any society, no matter what it is.

Faced with this situation, it was my opinion and the opinion of this administration that we could afford a program of about one-half percent. That was practical. This was feasible. That would be one-fourth of 1-percent tax on the employee and one-fourth of 1-percent tax on the employer.

I, for one—and I will say this to you publicly—believe there is a limit to how far you can go in social security taxes. This I publicly state.

In looking at what this Congress has committed itself to for the future, it is my opinion that you are coming to a situation where you cannot have much more by way of taxes in a social security program.

I do believe that what is needed to round out the social security program is medical care for the aging. A half a percent brings you up pretty close to 10 percent. Now, if I have a half a percent to spend, I ask: What are the most important needs of society? What are the most important needs of the aged population? What is the basic problem that they are faced with?

When you analyze the figures, you come to the conclusion that their basic problem is hospital cost. This is the biggest cost. In the overall cost of sickness, physicians' costs come to somewhere between 28 and 29 percent. But the basic costs are the hospital costs. We tried to get a program encompassed within our capacity, within what we thought was a reasonable charge to make for what we were giving. And this is why we arrived at the program we did for the amount that we did.

Mr. Curtis. I appreciate the logic of that, and I am very interested in that. This is the first time I can recall, I think, where we trimmed these programs primarily on the basis of cost rather than on some other logic. But I can see the point.

In other words, you would say that if we got to the point where we could afford more, the logic would take us to including doctors.

Secretary Ribicoff. As far as I am concerned, I am for leaving the doctors out.

Mr. Curtis. We are not talking about you or me or anyone else. What I am trying to get at—we are going to be writing legislation for generations to come, and to the extent that you have reasons for leaving the doctors out, that is important. To the extent that it is just a momentary thing, that is to be considered.

What I am searching for is what logical reasons we have, other than the one you have given—and I submit it is a good reason; you are relating it to cost, and then you are saying within that budget the things most important are hospitals, nursing homes, visiting nurse care, and so on, which I think I am inclined to agree with.

But that logic would also, I think, lead you to say that someday, if we could afford it, we should have the other costs in. Or is there some reason why you think they should not ever be in?

Secretary Ribicoff. I would say this: Every one of us in our personal lives, in our homes, and in the capacity in which we participate in Government, has to draw a line in everything we do. You are asking me what a future Secretary will advocate, or what a future Congress would advocate. I would say when we are dealing in the field of general welfare, there always is a line at any given moment. I have the utmost faith in you and your successor and the successors of everybody around this table and in the Congress of the United States that at any given time it will make the decisions which reflect the basic needs of our country.

Mr. Curtis. That is all very well. But what I am trying to find out is the reasons for the line; because I know darn well we have to draw lines. And sometimes we just draw them, because we say, "Well, they have to be drawn." But when we do it, we recognize it.

Many times we are fortunate in saying, "Here is the logic of drawing the line, here." And what I am trying to explore is: What is the logic? What are the reasons for drawing the line here?

I cannot help but agree that people who are suspicious of the line being drawn all of a sudden are so because they think it is just a case of—and it has actually been so stated—"Let's get this little bit first, because then we can expand it."

I mean that is their intention. And their intention can be the most honorable in the world, because they sincerely believe that the best way to meet health care for all of our people is through a social security system; because I am not unaware of the history of all of this, starting with the Wagner-Dingell bill which covered everybody.

And that did not go. And the Forand bill did not go. So the same proponents are now in here for just this little bit.

And so I ask what I think is a very fair and logical question: Have they abandoned what was their original broad program, or was this their way of being politically astute to get the thing going?

Now, if it is—let me get on to the one point, Mr. Secretary, and then I will yield—if that is so, then there comes to be a great merit in the argument that the AMA and others use in saying: "This is the beginning of socialized medicine."

At least, that is the theory, and I think it merits honest rebuttal rather than just to say they are talking through their hats.

Secretary Ribicoff. When you say "they," I do not even know who you mean by "they." I happen to have ideas of my own, and the President has ideas of his own. And I like to make up my own mind, sir, just like you like to make up your own mind.

When you say, "What they want to do," I do not know who you mean by "they."

Mr. Curtis. Mr. Cohen is sitting right next to you.

Secretary Ribicoff. All I can say about Mr. Cohen is that Mr. Cohen takes his orders from me. I do not take them from Mr. Cohen. And I know what Mr. Cohen was for, but as long as he is working as my assistant, he is taking his philosophy from me, sir.

All of us have philosophies of government. I happen to have a certain philosophy. And the bill that is here, approved by the President, reflects a philosophy that I think is important.

Each man around this table has a philosophy of his own. The reason I love the Congress of the United States—I think it is an instrument of great genius—is the fact that the Congress of the United States is composed of men and women of every shade of political and economic and social thought. The Congress of the United States is composed of people from North, South, East, and West. And it is because of just what you are doing now, the questions that you ask, the questions that your colleagues ask, the debate: In the markup of the bill you arrive at a consensus that represents the will of the people of the United States of America. And I am for that. I think it is good, and I think it is sound.

In every Congress the philosophies that make up that Congress will resolve into a point of view, will come up with a legislative program, that will reflect the majority sentiment of the people of this country.

Now, therefore, when you talk about what they did 5 years or 10 years ago, that was they. They would be a different Secretary of Health, Education, and Welfare. I am a certain kind of Secretary of Health, Education, and Welfare.

Mr. Curtis. I am not trying to personalize this, Mr. Secretary. I am trying to relate it to ideas. And when I speak of "they," I am talking of the people who advanced the theories and the arguments behind these other approaches. And they, the same people, are the ones who are advancing the arguments and theories behind the approach of the King bill. And you have agreed with them to this extent.

As a Congressmen I have to be concerned, in seeing that we are dealing with basic law, as to what it might lead to, because some things are just ad hoc, just the issue itself. Others, we know—we put them in, and we expect them to grow and expand, as we did the social security system itself.

So it becomes important to examine the theory of this. And I do not think the AMA and other people are amiss in saying and arguing that the theory behind this is not to limit it here, but this is only a beginning.

Then I seek to examine with you what logic we can use that would hold it to this position; or whether the logic is to expand it.

Let me go on to one other area.

As I visualize this, if we limit this to people over 65, I would wonder how we could forbid this program to the disabled on social security, who almost by definition would be more in need of medical care than the aged.

And let me add another group—because there are others, too—the widows and the orphans, the dependents on social security.

What logic would there be for us not to extend it to them?

And the pertinency is: Maybe that is logical; we cannot afford it now.

But the theory of adopting this, at this time, would be that we will extend it to these other groups.

Secretary Ribicoff. The pertinency, sir, is my contention on the first page, that this is the most conservative approach. And the reason that it is the most conservative is that it is limited by taxes, because in this program those who will be the beneficiaries will make a contribution of a tax, and they know their dollars are going to pay for this program. Under public assistance or Kerr-Mills the amount that people will pay for their medical care is lost in the general revenues, and you cannot identify it. Under this bill every man and woman knows that there will be taken out of his paycheck one-quarter of 1 percent of his pay.

The things that you advocate, Congressman Curtis, cost a lot of money. And you have the hard reality of raising money. Under this bill there is a direct relationship between the taxes you pay and the benefits you get.

Those who believe in conservative financing of the cost of Government realize that if you identify the benefits with the cost, you have a direct relationship. Under the social security program there is a direct relationship between the cost and the benefits.

Mr. Curtis. Mr. Secretary, let me make this observation. After we got it worked around to the point that I think it was a good program, I supported the provisions for disability in social security. And we definitely put an age limit of 50 on it with the full intention of seeing how it would work. And without trying to kid anybody that if it proved to be workable, we would then be in to remove the age of 50.

And at the time we debated it, we were not trying to say that this was just a bill limited to people over 50. There was no logic that could distinguish between a disabled person over 50 and a person disabled under 50; because disability was the criterion.

And so I raised the proper question: Yes, we have a problem of health care for the aged, but we also have a problem of health care for disabled people. And we have a problem of health care for widows and orphans. And I think this committee has to view this step here from the standpoint of where it would lead to.

It is for these reasons: When you start compulsory programs, including all people over 65, knowing these matters that I have presented, I think people can very properly warn all our citizens to think this over carefully, because this can lead to and would become socialized medicine.

I believe that it would. I believe also that many of the people that support it fully want it to. And I respect those people, because I think their interest is the same as mine, which is to get the best health care for our people.

I just happen to disagree with them fundamentally that that is the way you get better health care. And that is why I was so anxious for this committee to start dealing in some of the information that we should get and get away from the epithets and the language that is being used—on both sides, in my judgment; and I have probably been guilty of some of it myself—but confine ourselves to looking at this thing to see where the problem is.

Mr. Speaker, I must point out a discrepancy in the statement of Secretary Ribicoff. He stated that in deciding what portion of the older person's health bill they should select to be paid for by the one-half of 1 percent social security tax increase plus the increase in the wage base from $4,800 to $5,000—the King bill—$5,200 (according to recent administration statements). The Administration decided upon hospital costs because they were the basic costs and physicians' costs came to somewhat between 28 and 29 percent.

However, the data from the actuarial study I placed in the Record of March 6, 1962, reveals that hospital care is less than physicians' costs—$55 to $49. However, here is the complete statement and table:

Reproduced from page 94 of the hearings in the first column of figures below are the mean gross private expenditures in the United States per person age 65 and over for a 12-month period in 1957–58 for the various types of medical services. Also presented in the second column is the estimated proportion which would have been covered by the King-Anderson proposal were such proposal in effect during the 1957–58 period.

Type of service	Mean private expenditure	Reimbursable by King-Anderson
Physicians	$55	0
Hospital care	49	$36.80
Medicines	42	0
Dental	10	0
Other medical	21	6.00
Total	177	[1] 42.81

[1] 24.2 percent.

The above table does not include amounts spent by private individuals for medical care of the aged in nursing homes and other institutions. Note that the King-Anderson proposal would reimburse expenses only in the categories of "hospital care" and "other medical services."

FACTUAL REPLY TO THE PRESIDENT'S MISREPRESENTATION

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Derounian] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, the Sunday circus is over. Instead of the 150,000 attendance promised throughout the country, at the administration's rallies, only 45,000 persons attended, including the 46 persons who turned up in Charleston, W. Va., in an auditorium seating 3,500. It seems that the hucksters peddling the emotions of people over 65 have been unmasked.

Last night, Dr. Edward R. Annis discussed the glaring deficiencies in the King-Anderson bill to a nationwide television audience—excepting Boston, the home of our President where it was blacked out. I challenge the supporters of H.R. 4222 to show where any of the facts in Dr. Annis' remarks are not so. The program, as reported in the New York Times today, follows:

American Medical Association's Reply to President Kennedy—Broadcast Over NBC

Announcer. The views on the following program are those of the sponsor, the American Medical Association.

Ladies and gentlemen [film scenes were shown here of crowds leaving Madison Square Garden after President Kennedy's appearance Sunday at the medical-care rally] this is a portion of the crowd leaving a famous New York City arena yesterday afternoon.

Addressed by the President of the United States, their reaction to what he said was transmitted to similar organized demonstrations in 32 other large cities. This event also was broadcast to the whole American people over all three national television networks.

This (the film showed an interior panoramic view of Madison Square Garden) is the inside of that same arena as it appeared just a few hours after yesterday's spectacle had ended and the crowds had gone home. The cleanup crews will arrive shortly.

The film showed litter, then displayed rows of seats.

The empty seats calmly await the next event, be it a contest, a show, an exhibition, or the circus. But right now these seats are yours.

There will be no pageant. But there will be an appeal to you from physicians of America.

UNIVERSITY OF MICHIGAN LIBRARIES

Approaching the rostrum to introduce tonight's speaker is Dr. Leonard W. Larson, president of the American Medical Association. The AMA and the vast majority of physicians in this country are firmly opposed to the health-care program known as the King-Anderson bill.

It was to rally support for the King-Anderson bill that President Kennedy appeared on this rostrum yesterday. The AMA and its member-doctors strongly favor other forms of medical care for the aged, including the new Kerr-Mills law, enacted by Congress in 1960. Here is Dr. Larson.

Dr. LARSON. Ladies and gentlemen. The American system of medicine, based upon the private doctor treating the private patient, has in the last 20 years alone added an average of 10 years to the life of every American. Tonight your doctors are asking you to give us back a few minutes.

Time runs out on systems which are obsolete or inadequate. But what about a system—such as our American private system of medicine—which as everyone knows is blazing forth today with new discoveries, new treatments, new cures, miraculous breakthroughs of all kinds? Time does not run out on such a system. Time runs with it. We ask: Why is the whistle being blown?

We ask: Why must our older people now be deprived of that very system of private medicine to which they owe their added years of life? Their doctors have always treated them individually and intimately and known them by their names. Now, all at once, why must they come to us as numbers?

Time has not run out on private medicine's ability to contribute to the medical welfare of these 17 million people. But a whistle is being blown in an effort to make people run on the programs and proposals of private medicine. Tonight you will hear why your doctors are standing firm.

Our reasons will be given to you by Dr. Edward R. Annis, a practicing physician, in Miami. He is the father of eight children and, quite possibly, that may be the reason he is an effective speaker. Dr. Annis.

Dr. EDWARD R. ANNIS. My colleagues asked me: "Would I feel nervous or foolish addressing 18,000 empty seats in this hall?"

My answer: "No. I understand the reason for it."

They said: "But those empty seats won't applaud. Won't the television audience compare that silence with the cheers President Kennedy got yesterday?"

I said: "I'm not a cheerleader. I'm a physician."

What about an audience made up of men and women and children invited here by doctors? People who would gladly, at their own expense, come here out of gratitude for some past but unforgotten act of understanding by their doctor, which no fee could ever cover?

No, we will not trade on this. Let these seats stay empty. It may help us get across to the American people the grossly unfair disadvantage under which we doctors are laboring to make our voices and our reasons heard.

VAST PUBLICITY CITED

Yesterday's mass rally in this very arena—how did it all come to happen? Spontaneously? You and I know better. Let's start in Washington. Whatever a President of the United States says—whatever he opposes or proposes, argues about, worries about, or jokes about—goes out to millions by newspapers, magazines, television and radio.

That kind of publicity goes with the office. And so does the administrative direction over thousands of people in the huge executive branch of the Federal Government.

These people know how to rally votes, rally support, rally crowds and mass meetings. That's quite a bit of machinery to put behind something, isn't it? Who can match it? Certainly not your doctors.

But even with all this—what happens if the proposition being promoted is so bad that, like the King-Anderson bill, it will not stand close scrutiny? In that case funds are available from somewhere—the public isn't told where, we can't find out where—but money from somewhere is made available to certain specialists who know how to manipulate the public mind.

UNFAIR ADVANTAGE CHARGED

Men and women of America, I appeal to your sense of fairness. Nobody—certainly not your doctors—nobody can compete in this unfamiliar art of public persuasion against such massive publicity, such enormous professional machinery, such unexplained money, and such skillful manipulation. Of course, it's unfair when the proponents of King-Anderson—by having the President address their rally—get their story and their show televised over all three networks, free of charge, as a news event.

Of course it's unfair when your doctors, asking for equal time to make reply, got turned down and have to pay for a half-hour on one network to tell you the other side of the story.

Unfair, yes—not to us so much, but to you.

We doctors fear that the American public is in danger of being blitzed, brainwashed, and bandwagoned into swallowing the idea that the King-Anderson bill is the only proposal—the only program that offers medical care for the aged—that there is nothing else. Well, let's put that outrageously false idea on the bandwagon and send it back where it came from.

Just 2 years ago your Congress in Washington enacted into law the Kerr-Mills medical-aid-to-the-aged program. The Kerr-Mills law has already been accepted by 38 States and is being considered by others. It's on the books. It's a brand new national law. Why aren't you hearing more about it? It works.

PATIENT'S COMMENT PRESENTED

Out in Lansing, Mich., at this comfortable little home at 528 Avon Street, Dr. John Packer has asked one of his elderly patients, Mrs. Helen Cole, to tell you what the Kerr-Mills law has meant to her.

[The film showed Mrs. Cole, who said of her treatment under the law that "it was just wonderful, that was all."]

Four thousand dollars in medical assistance to a woman who was really in need. Under the Kerr-Mills law. It works wherever responsible public leaders want it to work. This new law could be doing its job in a lot more States by now, I assure you, if somebody hadn't changed the signals in Washington because they had something else in mind.

The American Medical Association and most doctors in this country supported and do support the Kerr-Mills law, because we see it as a desirable supplement to one of the greatest social advances of our generation—I mean the spectacular growth of private, voluntary health insurance systems, to which million of Americans already belong.

INSURANCE GAINS NOTED

Of our 17 million people past 65, over half—53 percent, or 9 million—three times as many as 10 years ago—already are covered by some form of voluntary health insurance or prepayment plan. This is a spectacular forward movement. Insurance actuaries estimate that by 1970, 80 to 90 percent of the aged will be covered by private programs.

Of course, there will always be a number of people who are truly indigent or who just cannot pay for their medical needs. That is where the Kerr-Mills medical-aid-for-the-aged law comes in.

The worst thing the King-Anderson crowd can find to say about the Kerr-Mills law is that it requires a means test. The charge is made that the means test is degrading and undignified. Well, let's look at that.

When you apply for the low-rent benefit of public housing don't you have to prove that your income is below a certain level? This is a means test. A test of your means.

And when you apply for social security, aren't you asked to prove that your wage earnings are below a certain amount? Is this degrading or undignified? Well, that's a means test, isn't it? A means test for social security itself.

A means test is a desirable protection for those who are really needy, as against those who are merely greedy.

Please, do not be blinded by the scarewords of propagandists.

"X-RAY" OF BILL

Now, let's make an X-ray examination of what they are attempting to sell you—the King-Anderson bill. Let's find out what all the cheering was about. At the same time, you'll find out what this fight is about.

Here it is [holds up copy of bill] the King-Anderson bill—H.R. 4222. Yesterday you heard the President say—well, no, let's listen to his own words.

[Tape insert: "Well let's hear what some people say. First, we read that the AMA is against it, and they're entitled to be against it. But I do question how many of those who speak so violently about it have read it."]

Well, the President may question that we've read this bill, but I will gladly leave the answer up to you as to whether we've read it. Instead of singing along with Mitch, suppose you read along with me.

First I read the title—the "Health Insurance Benefits Act." Is it genuine insurance? No, it is not. The Supreme Court has held more than once that the social security system is not an insurance system. It is the way we have chosen to cushion the general economic needs of old people in this country.

The social security tax collected from those under 65. Why not be honest about it? I say any health program that calls itself insurance and isn't has to be bad to begin with.

Next you can read in here who this bill would cover. It would not cover the 3 million people in this country who are over 65 but not eligible for social security benefits. These people, who receive no benefits from social security—who probably stand most in need of public medical assistance—when they are ill, well, they are out under King-Anderson. Too bad.

Do people under 65 get ill? Does nobody get a serious illness at 60, or 61, or 62? This great humanitarian measure shuts its eyes, turns its back, cares not—says, "Come back when you're 65." And yet the King-Anderson bill would destroy many of those genuine insurance systems which do have provisions taking care of people under 65. Say, that's real progress, isn't it?

And what about those who would be covered—meaning everyone over 65 eligible for social security? That means everyone—the rich, the well-to-do and the comfortable as well as those of low income. Whether they need it or not, whether they want it or not—they'd be in. The American taxpayer, whose payroll tax would be hiked by as much as 17 percent to start with in order to pay for this program, certainly has a right to question the free ride those who do not need these benefits would be taking at the expense of his children.

COSTS OUTLINED

Now, there is some more interesting reading in here for those on social security who genuinely need medical aid. Just what would you get under King-Anderson? You can read it as we did.

For a hospital room containing one, two, or three other people, it would still cost you $10 a day for the first 9 days of your hospitalization. That's $90.

After you left the hospital or nursing home, you would not be eligible for further hospital benefits for at least 3 months. Don't have a relapse or get sick again.

To get into the hospital you'd apply in writing and get the certification of a doctor. You'd have to pay for your doctor, and you'd have to pay for a private-duty nurse if needed.

And you can also read if your illness required hospitalization for more than 30 days, it'd have to be passed on by a special committee who'd have to consider a lot of other people, too, don't you know? After all, the Government has to treat everyone fair and equal, don't you know?

They know all about how to make things exactly alike—like human illnesses. Like a broken toe and cancer. A bed is a bed. Thirty days is 30 days. Your doctor won't decide. The committee will decide—when it meets.

Do you know, my friends, that you'd have to pay the first $20 of each diagnostic study you'd get at the hospital as an outpatient?

DRUG EXPENSES

Do you know, my friends, that the only drugs that would be paid for are those you'd get at the hospital or nursing used today do not appear on the list approved for hospitals, and that a prescription made out by your doctor in his office or your home is not covered by the King-Anderson bills?

Do you know that in order to get into a nursing home for your maximum of 150 "units of service," you'd have to go to the hospital first?

Oh, the poor hospitals—transient centers for people on their way to nursing homes. Where would the sick people go? Where would our already hard-pressed hospitals get the staffs to keep up with the Government redtape and paperwork?

This bill would put the Government smack into your hospitals. Defining services, setting standards, establishing committees, calling for reports, deciding who gets in and who gets out, what they get and what they don't—even getting into the teaching of medicine—and all the time imposing a federally administered financial budget on our houses of mercy and healing.

CRUEL HOAX ALLEGED

Ladies and gentlemen, this King-Anderson bill is a cruel hoax and a delusion. It wastefully covers millions who do not need it. It heartlessly ignores millions who do need coverage. It is not true insurance.

It will create an enormous and unpredictable burden on every working taxpayer. It offers sharply limited benefits.

It will undercut and destroy the wholesome growth of private, voluntary insurance and prepayment health programs for the aged, which offer flexible benefits in the full range of individual needs.

It will lower the quality and availability of hospital services throughout our country. It will stand between the patient and his doctor.

And it will serve as the forerunner of a different system of medicine for all Americans.

Now, maybe some of you are still thinking in the back of your heads, "What are the 'real' reasons the doctors are so dead set against this King-Anderson bill?" You may believe that it must have something to do with doctors' fees—our income. But do you know what? The King-Anderson bill doesn't even cover most private doctor fees. Did you think it did? Doctors would probably make more money, not less, under King-Anderson. Anyone knows there is more money in mass production.

PRIVATE PRACTICE STRESSED

But that is beside the point. The American system of medicine is a system of quality medicine, not mass-production medicine. It is a system of private medicine, practiced by private doctors treating private patients, free to make decisions based on the patient's specific medical needs—and nothing else.

Under King-Anderson let's say your doctor believes you should be in a hospital immediately, but the facilities utilization committee forces you to wait, to go by number instead of by need. What can your doctor do? You are his patient. He is responsible for bringing you back to health. Not the committee.

Why are most doctors so opposed to King-Anderson? Are you beginning to see the truth? Our fees are not involved. Our practice of quality medicine is. Our health is.

If our Government wants to move now toward welfare-state medicine, then let them tell us so honestly. Why sneak it in piece by piece on the backs of old people first?

NATIONALIZED MEDICINE FEARED

The King-Anderson crowd intends to take us all the way down the road to a new system of medicine for everybody—and don't mistake it. England's nationalized medical program is the kind of thing they have in mind for us eventually.

Today, after 14 years of national medicine, more and more people in England are buying health insurance—on top of paying the heavy compulsory tax for government medicine which they don't use. These people want private medical care. That's what we have here.

Doctors, as everyone else, take an interest in public affairs. We know that our young President is popular. Some reports say that he is at the peak of his popularity at the moment. But we ask, do not equate popularity with infallibility.

Yesterday Mr. Kennedy made several references to another President who was popular in office. That President—seasoned by a full term in office, having been overwhelmingly reelected, riding on a crest of popularity that has never been equaled before or since—that President then made a mistake. The mass of people, including millions of his supporters, refused to follow his lead in that error, which involved a fundamental institution of the United States, our Supreme Court.

WISDOM OF PEOPLE

In their wisdom the American people said, "You will not lead us there." But did this refusal destroy that President? No. He went on to win two more elections. Were the people right in staying his hand on that occasion? Well, can you find anybody in either party today, including the leader of either party, who will tell you that our country would be better off today if the Supreme Court had been packed at the time it was attempted?

The people have a right to remind their first servant that his election—even his popularity—does not authorize him to change fundamental institutions that have proved their lasting value through the generations.

Nor should he tamper with fundamental human relationships which are peculiarly sacred in that they involve the creation of human life or the preservation of human life. There are only a few such things which touch so close to God, and the relationship between a doctor and his patient is one of them.

Can you not say, "Let us go slow, let us not be rushed."

Can you not say: "Wait a moment. We are not ready to be led there. Remove the din from our ears. We wish to think. We wish to examine further."

Can you not say: "We hear an opposing voice from those we have always trusted with our lives and the lives of our children, born and unborn. We wish to counsel with those to whom we have gone in our most crucial hours with utmost intimacy and who are sworn, by oath, to do us no willful harm."

CAUTION ADVISED

Such an act of caution would not deny our President his popularity. It would not jar his hand in any of a hundred other programs, projects and activities which he must crowd into his thinking every day.

Now, ladies and gentlemen, allow me a moment and listen while I address a fraction of this television audience—the many thousands of my fellow doctors who, I am sure, are listening.

To them I say: "You know that the American Medical Association has never tried to tell you how to think or vote or speak, particularly on public issues which do not relate to the life and health of our people.

"But in a moment I am going to lay what will be an added burden upon those professional responsibilities of which you already have so many. Please say what you really believe, and do what you see fit to do, doctor, under this added task I am about to place on you. I do not have to emphasize to you its importance."

ASK YOUR DOCTOR

Mr. and Mrs. Siegel [points to chair], you whom I personally sat next to yesterday up there in the second balcony, whom I saw applaud and cheer. Mr. and Mrs. Siegel, did you really know what was being proposed? It is important to you and to your country that you know. Do you want to know? Then ask your doctor.

All of you who occupied these 18,000 seats yesterday—you are at home now. You have time to think. You have time to ask your doctor.

To the millions of Americans who may have a doubt, who may want to take a moment to hear the views of one they know and trust, I implore you as your doctor. Ask your doctor.

Thank you.

Dr. LARSON. Thank you, Dr. Annis. Ladies and gentlemen, our slender half hour with you is over. Thank you for your attention. The men and women who represent you in Congress want to know your views, as expressed in letters and telegrams. Let them know. Write to your Congressman tonight. Good night.

ANNOUNCER [holds up magazine]. This is the current issue of Today's Health, a magazine published by the AMA. This issue is devoted to a full and complete discussion of the question of medical care for the aged. If you would like all the facts on this vital issue, you are urged to write for a free copy of Today's Health.

Send your name and address on a postcard to AMA, Chicago 10, Ill. It will be sent to you promptly without charge.

"Your Doctor Reports" has been brought to you by the American Medical Association on behalf of physicians of America.

AID FOR CHINESE REFUGEES

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. PELLY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PELLY. Mr. Speaker, I commend the distinguished leader of the Republic of China, Chiang Kai-shek, for offering Formosa as a haven for those who are

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fleeing the oppression and starvation of Communist China.

Because reports, almost on an hourly basis, indicate that the situation in Hong Kong is reaching explosive proportions and that the situation may get entirely out of hand at any moment, I have addressed a wire to the President, urging that he take immediate steps to implement a crash program, through the facilities at his disposal in the Far East, to provide transportation to the Republic of China for these refugees and to assist the Taiwan Government in furnishing them food and clothing after their arrival.

I point out, Mr. Speaker, that precedent for such action has been established in our aid to Cuban refugees and to those who have fled the Communist regime in East Germany.

I have consistently opposed making grain available to the Red Chinese regime because it would only help communism succeed in that unhappy land. On the other hand, however, I have urged that our surplus commodities be made available to unfortunate refugees of Communist imperialism everywhere.

Aside from the humanitarian aspects, Mr. Speaker, by furnishing food to the Chinese refugees we can graphically demonstrate the superiority of our free enterprise system over international communism. As I have stated again and again, the Achilles heel of the Marxist system lies in its inability to feed the enslaved people under its control—its inability to provide food, shelter, or any basic necessity of life for the immediate present, nor any hope for the future. While it is an acknowledged fact that man cannot live by bread alone, it is an established fact that the Communists fail to provide even the bread.

Therefore, Mr. Speaker, I hope that the administration will see fit to act with dispatch and immediately initiate the necessary action to alleviate a situation that is hourly becoming more intolerable.

VENEZUELA: SETTING THE RECORD STRAIGHT

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 60 minutes.

Mr. RYAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, early this month the government of Venezuelan President Romulo Betancourt survived a major attempt by Communist elements to overthrow his regime, again giving the lie to those who try to characterize his administration as Communist controlled.

The press has pointed out that the Venezuelan Government has now survived three rightwing attempts to stage a coup d'etat and several leftwing outbreaks before the Carupano revolt of this month.

In this connection, under unanimous consent, I include at this point an editorial from the Washington Post for May 9, 1962:

TEST IN VENEZUELA

President Betancourt has handily put down the uprising in Carupano, a town 300 miles east of Caracas, but Venezuelan democracy is by no means out of danger. The revolt made dramatically clear how Castroite leftists can make common cause with insurgent military officers. When the 400-man marine garrison rose up, it passed out arms to leftist supporters and tried to spread the revolt with Castroite propaganda. But the country's armed forces were both loyal and effective and the outcome was a hands-down victory for Mr. Betancourt.

Yet the alliance for revolution persists and the potential for trouble remains serious. Sadly, the democratic parties in Venezuela are divided and the military restive. These are the ingredients for mischief that led to the fall of President Frondizi's constitutionally-elected government in Argentina. But Mr. Betancourt has not engaged in the kind of factional maneuver that gave Mr. Frondizi a reputation for duplicity. The Venezuelan President has steadfastly pursued a democratic and social-minded course. His downfall would be a tragedy, and not only for Venezuela. Thankfully, this conviction seems to prevail where it matters most—in the barracks around Caracas.

Mr. Speaker, I have also two editorials from the New York Times for May 9, 1962, and from the Washington Star for May 12, 1962, which, under unanimous consent, I append at the end of my remarks.

In my opinion, Mr. Speaker, it is a matter of serious concern that, while President Betancourt is fighting to maintain his country's freedom, he is being undermined here in the United States—even in high places—by those who should be applauding his struggle.

Last September the gentleman from California [Mr. ROUSSELOT] leveled a virulent attack against President Betancourt and his friendly Venezuelan Government. My first reaction was not to dignify the attack with a rebuttal. But upon reflection, I concluded that the record should be set straight. Accordingly, on September 27, 1961, I tried to unravel the many distortions.

The gentleman from California has renewed his attack on the Venezuelan Government in this session of Congress. Had he based his opposition to the Venezuelan regime upon Betancourt's attempts to introduce in Venezuela equitable taxation, land distribution, and social services, then his position would be understandable. Hostility to the use of government—even that of a democratically elected government—for the benefit of society—would be consistent with the views of the John Birch Society to which he belongs.

But my colleague does not direct his arguments along this line. Instead, he attempts to undermine faith in the Betancourt government.

The latest statement contains some of the tired fables of his earlier attempt, plus some additional twists. Since the gentleman from California glibly ignores the facts which I presented in my statement on September 27, 1961, I can only assume that he is not interested in a serious discussion of the merits. His purpose, while it remains obscure, is apparently not to ascertain the facts.

I have decided to answer his latest charges against the Venezuelan Government, as I did on the first occasion, in the desire to get the facts before Congress and the American people.

Only in the past few years have Latin American realities surfaced to the view of the American people. With our attention riveted to crisis areas in the Middle East, Asia and Europe, Latin America's plight went largely ignored.

Beginning with the unfortunate incidents during Vice President Nixon's Latin American tour in 1958, recognition dawned that all was not well below the border. The Castro-Communist takeover in Cuba finally jolted us out of any remaining complacency.

We are now struggling to save Latin America for freedom's camp. Belatedly, we have recognized what such men as Romulo Betancourt, of Venezuela, Lleras Camargo, of Colombia, Haya de la Torre, of Peru, and Jose Figueres, of Costa Rica, have realized for years: Latin America is like a pressure cooker with the lid clamped down. Unless Latin America's impoverished people are provided with a modicum of hope for individual freedom, an end to grinding misery, and a sense of participation in their own governments, that lid will explode and the accumulated hatreds and resentments pour out in an uncontrollable torrent.

To make matters worse, the word "democracy" has been discredited in Latin America. In a very real sense selfish oligarchies and home-grown tyrants—like Trujillo in the Dominican Republic and Perez Jimenez in Venezuela, have paved the way for communism. They cynically ruled in the name of democracy, proclaiming themselves bastions of the free world while defiling everything democracy stands for. At the same time they tarred all opponents of their brutality and venality as "Communists."

Is it any wonder that today millions of long-suffering and unsophisticated Latin Americans are easy prey when agents of international communism equate democracy with despotism? Is it any wonder that many Latin Americans can be persuaded to regard communism, not fearfully, but as a hope of relief?

While the United States continued oblivious to the pressures amassing in Latin America, a handful of courageous Latin American leaders risked their lives to wrest their homelands from oppressive regimes and to install truly democratic governments before it was too late. Their pleas to the United States for understanding went largely unheeded. They fought alone against the combined forces of entrenched privilege, with its vast wealth and power, and militant Communists, backed by the resources of the Sino-Soviet bloc.

Fortunately, the United States has awakened to the peril of abandoning the democratic elements to struggle on alone. Their battle to salvage Latin America is very much our own.

That is the significance of the Alliance for Progress. We have at last joined with fellow democrats in Latin America to accelerate the transition from feudal, unjust societies to modern, democratic communities. It is our only hope of averting tragic blowups in Latin America followed by Communist takeovers.

Among those early freedom fighters in Latin America was Romulo Betancourt, whom our colleague from California for some inexplicable reason is bent upon defaming.

In his remarks the gentleman from California [Mr. ROUSSELOT] claims that President Betancourt is a "Tito-style collectivist." Woven throughout the statement are tortuous distortions designed to lead to his conclusion, which is, and I quote:

> Betancourt is a man who is cleverly shipping up [sic] the passions of Latin Americans against the United States while accepting and demanding our money and posing as our friend. Like the Titos, the Sukarnos, and the Nkrumahs throughout the world—his closest prototypes—he is deadly dangerous to the United States.

To bolster his contention the gentleman from California [Mr. ROUSSELOT] claims that Betancourt has instituted a Communist-type land reform. He asserts that the Betancourt administration is corrupt. He claims that it is responsible for ruining the Venezuelan economy. He further alleges that President Kennedy's visit to Venezuela last December was a complete hoax.

Let us examine the charges of the gentleman from California [Mr. ROUSSELOT] and the peculiar evidence he submits to support them.

First, the gentleman from California [Mr. ROUSSELOT] insists that President Kennedy was tricked by his advisers into visiting Venezuela "to bolster Betancourt's sinking Accion Democratica government." As a matter of fact the purpose of the President's visit to both Venezuela and Colombia which are ruled by constitutional governments was, as the White House announcement declared, "to dramatize and spotlight the cooperative effort being made by the United States and the republics of South America to accelerate the economic and social development of the Western Hemisphere."

If, incidentally, the show of solidarity with Betancourt helped to demonstrate to his enemies—the Communists and the followers of the former dictator, Perez Jimenez—that legitimate democratic governments no longer stand alone in Latin America, all the better.

The gentleman from California [Mr. ROUSSELOT] then asks:

> If Betancourt's rule is so praiseworthy and popular, why was it necessary to declare virtual martial law to protect Betancourt and his distinguished American guest from armed violence from a hostile populace? Why was it necessary for the United States to loan Betancourt two bulletproof automobiles for the Kennedy ride through Caracas? Why was it necessary for a net of American helicopters to fly over the motorcade as it passed through the streets? Why was Betancourt constrained to station 30,000 soldiers, marines and national guardsmen along the route? Why did Betancourt find it necessary to throw over 2,000 opponents in jail before Kennedy arrived, apparently to prevent them from bringing an unfavorable report to the ears of the President?

The gentleman from California [Mr. ROUSSELOT] does grant "in view of former Vice President Nixon's ordeal in Caracas, that there was a need for taking adequate security measures for the President's visit," but he goes on to reach the curious conclusion that "the all-out steps taken by Betancourt indicate that something more than communism is feared." They indicate, deduces the gentleman from California [Mr. ROUSSELOT], "that the whole nation, right as well as left, is determinedly anti-Betancourt."

Further, and I quote the gentleman from California [Mr. ROUSSELOT] in full so that there can be no doubt as to what he said:

> Had the security precautions been exclusively anti-Communist, Betancourt's logical step would have been to paralyze the Communist movement by arresting its leaders. But this was not done. Only the small fry were imprisoned. Indeed, one of the contradictory and curious things about Betancourt's so-called anticommunism is that at no time has he ever placed the actual leaders of the Venezuelan Communist Party, Gustavo Machado, Eduardo Machado, and Jesus Faria, under arrest. They have enjoyed a charmed immunity. In the instance of this Kennedy visit, the top Communist leaders were at liberty throughout the visit to act without restraint.

Let us now unjumble the myth and get to the truth. First, consider conditions in Caracas. Communist strength is centered in Caracas. In the elections which brought Betancourt to the presidency in 1958, the Communists aggressively supported his opponent, Adm. Wolfgang Larrazabal, candidate of the URD Party. It will be remembered that Larrazabal officially welcomed Communist support.

The final tabulation in the three-way race gave Betancourt 49.18 percent of the total vote. Larrazabal received 34.61 percent, and Rafael Caldera, the Social Christian candidate, 16.21 percent. There can be no doubt for whom the Communists voted. In Caracas, the country's major urban and industrial center, where Communist efforts were concentrated, Larrazabal drew 69 percent of the vote to Betancourt's mere 11 percent.

Remnants of the defunct dictatorship, who despise Betancourt for his policy of cutting off their lucrative, venal sources of income, are also entrenched in Caracas.

Our security people, who are charged with the safety of our President, realized that it was impossible for either the Communists or the extreme rightwing to try to create an incident to embarrass and discredit Betancourt and the Alliance for Progress. In view of the violent incidents which had engulfed Nixon in Caracas, serious misgivings for the safety of President Kennedy were natural.

The Communists made no secret of their nefarious designs. On December 14, 1961, several days before the Presidential trip, the Christian Science Monitor reported:

> Reports are sweeping Caracas that hundreds of irate university students headed by a self-admitted Marxist, and U.S.-hating leaders, are planning violent anti-Kennedy demonstrations Thursday and Friday with noise bombs in many parts of the city. The object would be to scare people off the streets so they won't come out to greet President Kennedy Saturday.

Fidel Castro himself took to the air on Havana's powerful radio transmitter to incite Venezuelans to violence. In an emotional speech on December 11, 1961, Castro shouted:

> Kennedy goes to Venezuela and Colombia. Perhaps to defend some idea of justice? Perhaps to defend the workers? Perhaps to defend the students? No. He goes there to defend the policy of repression of the workers, to defend that rotten system, that reactionary system, that system which is against the people, that traitorous and quitter policy.
>
> Kennedy knows that the Venezuelan people are anti-imperialist. Kennedy knows that the Venezuelan people deeply hate the imperialist policy. Kennedy knows that the Venezuelans know how to show, and have known how to show, in a most eloquent manner, their repudiation of imperialism as was proved on the occasion of the visit by Mr. Nixon.

Betancourt did, indeed, as the gentleman from California [Mr. ROUSSELOT] states, "throw over 2,000 opponents in jail before Kennedy arrived." The gentleman from California [Mr. ROUSSELOT] avers that this action was taken "to prevent them from bringing an unfavorable report to the ears of the President." What report does Mr. ROUSSELOT's fecund imagination imply? Does he honestly believe that the Communist agitators wanted to report to President Kennedy that they desired Betancourt's overthrow because his reforms are checkmating communism in Venezuela?

As for the allegation that the Venezuelan security measures were not sincerely anti-Communist, that "only the small fry were imprisoned" while the top leaders remained at liberty, Mr. ROUSSELOT's informers neglected to tell him a key point. The top leadership of the Venezuelan Communist Party has congressional immunity from arrest.

The gentleman from California [Mr. ROUSSELOT] asks why Gustavo and Eduardo Machado and Jesus Faria were not arrested in the roundup of troublemakers. Simple. Constitutionally, Betancourt could not arrest them had he wanted to. The National Secretariat of the Communist Party is cloaked with congressional immunity. The Machado brothers are Congressmen. Faria, the Secretary General, is a Senator. So is Pompeyo Marquez Millan. The other secretariat members are all Congressmen.

Furthermore, it should be noted that the top Communist leadership works behind the scenes. As President Betancourt stated in his annual message to Congress:

> The adult commanders, heroes of the manifesto and the microphone, are protecting themselves in the security of their hideouts while several hundred youngsters drunk on delirious, explosive literature are used as vanguard of the revolutionary attacks against the democratic regime.

What of the bulletproof automobiles and American helicopters which the gentleman from California implies were necessary to protect President Betancourt and President Kennedy from

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armed violence from a hostile populace? Here, had he been interested in the facts, the gentleman from California [Mr. Rousselot] could have picked up a telephone in Washington and checked with the Secret Service.

As a matter of fact, the bubble-top cars are not, I repeat, are not bulletproof. In the second place, the Secret Service takes the cars on all Presidential trips where comparable automobiles are not available. The same type cars went with President Eisenhower on his trip to Argentina and Brazil. In fact, one of the cars on the Eisenhower trip was the very same car which accompanied President Kennedy to Venezuela, while the other was an identical, but newer, car. We have used bubbletops on the European Continent as well. They were used during President Eisenhower's visit to Greece and Italy, for instance.

As for the helicopters, they are part of the security support by which agents can watch from the air to anticipate tieups in traffic or other problems. On the afternoon that President Kennedy attended the opening of the baseball season here in Washington, overhead flew the trusty helicopters. Would the gentleman from California [Mr. Rousselot] deduce from that fact that our President was being unduly protected from the hostile populace of Washington, D.C.?

In any case, on the second day of the President's visit security safeguards were relaxed. In this respect, the New York Times reported:

> People lined the streets and waved goodby as the President's motorcade to Maiquetia International Airport passed the Avenida Sucre area where former Vice President Nixon was attacked by a mob in May 1958.
>
> Yesterday's heavy security measures in that area was reduced (sic) to a handful of soldiers who rested easily on their rifles among the people.

One more matter needs straightening out before we dispense with the Presidential visit to Venezuela. The gentleman from California charges that during the visit our President suffered a pointed rebuff, implying that Romulo Betancourt was behind it. States the gentleman from California [Mr. Rousselot]:

> The municipal council, which is Accion Democratica controlled, voted before the Kennedy coming not to ask him to sign the gold book. The sting of this experience to our President is that on January 13, 1959, Fidel Castro was asked to address a joint session of the congress and to inscribe his name in the gold book.

It is true that President Kennedy was not asked to sign the gold book and that Castro had been asked. After that, any resemblance to the truth ends. The municipal council is most certainly not controlled by President Betancourt's Accion Democratica Party. The composition of the municipal council reflects the political complexion of Caracas, which I discussed earlier.

Of the 22 seats in the municipal council, one-half are held by URD, the party which put up the candidacy of Admiral Larrazabal along with the Communists in the presidential election. Four seats are held by the Communists themselves. This makes a total of 15 out of 22. The remaining seven seats originally were distributed 4 to COPEI, the Social Christian Party which cooperates with the Accion Democratica Party, and only 3 to Accion Democratica itself. Even this bare foothold which Accion Democratica held was reduced by the defection of 2 members who joined the dissident MIR, a group which broke off from Accion Democratica because its members favor closer relations with Castro's Cuba and more radical domestic programs, policies which Betancourt opposed.

The President of the municipal council is a member of the URD Party which is bitterly opposed both to Betancourt and to the United States. The URD's official position was to oppose President Kennedy's trip. The municipal council—with its vast majority of 11 URD members, plus 4 Communists, plus 2 from MIR—stuck to this position.

Let us leave the Presidential visit and proceed to another of the charges of the gentleman from California [Mr. Rousselot]:

According to his February statement:

> Those acquainted with the current Venezuelan situation have become suspicious of the Betancourt labeling of all anti-Government demonstrations as "Communist." This makes good publicity copy to impress Americans that Betancourt is anti-Communist. * * * It is reported that every time an anti-Government demonstration takes place in Venezuela, Betancourt's friends, the Communist Party and the MIR—the leftwing of Betancourt's own party—stage a Communist demonstration and both demonstrations are then reported to the foreign press as Communist. In order to fool Washington there is a studied effort by the Accion Democratica to conceal the fact that an enormous conservative public in Venezuela does not believe Betancourt is anti-Communist.

The above remarks contain as little basis as did the reference of the gentleman from California [Mr. Rousselot] to the municipal council. Let us try to unscramble this canard.

You will note that the gentleman from California refers to his authorities vaguely as "those acquainted with the current Venezuelan situation." He further states, "It is reported," but fails to tell us by whom. It would be interesting indeed if the gentleman from California [Mr. Rousselot] would reveal the sources of his grotesque information.

The Venezuelan Government has been harrassed by conspirators from both ends of the political spectrum. Both leftwing and rightwing extremists would like to reinstitute totalitarian regimes in Venezuela, for their separate reasons, of course.

The gentleman from California [Mr. Rousselot] speaks of an enormous conservative public in Venezuela. Where is it? The truth is that only about 5 percent of the people who own 50 percent of the nation's wealth may be classified as conservatives. The vast majority of Venezuelans, far from wanting to conserve a past in which their government did not concern itself with even the elementary needs of the people, want change.

The result is that there is not a single conservative party in Venezuela today. All the parties are either democratic-reform types, like Accion Democratica or the Social Christians, or leftwing extremists like the URD, MIR, and the Communist Party.

Meanwhile the Communists and fellow travelers, with their emotional appeal for a quick, utopian transformation, are the real menace to representative government in Venezuela. They are engaged in a deliberate effort to mount a Communist overthrow of Betancourt. To this end, they try to keep the situation agitated to create unfavorable business conditions in order to frighten capital out of the country and prevent the government from achieving economic progress.

The revolt early this month at Carupano was an example of the more overt activities which Communists have been organizing in the country.

Competent observers of the Venezuelan scene—and this includes such varied sources as Bertram Johansson of the Christian Science Monitor, Tad Szulc of the New York Times, the Associated Press and United Press reporters, Time, the U.S. News & World Report, the Hispanic American Report—have reported in detail Betancourt's courageous resistance to Communist activities aimed at the overthrow of his constitutional government.

As a result of the abortive Communist-led revolt at Carupano 2 weeks ago, President Betancourt on May 10 decreed a ban on the activities of the Communist Party and its ally, the movement of the Revolutionary Left—MIR. The government charged that these two groups planned to impose a Cuban-type regime in his country.

Later in his remarks the gentleman from California [Mr. Rousselot] quotes a certain Dr. Vitelio Reyes, himself a former member of the Venezuelan Congress, as an authority on Betancourt's alleged attachment to communism. For the record let it be known just who this Dr. Reyes is. His congressional service was rendered during the Perez Jimenez dictatorship, when Congress was a mockery. He was also the official censor in the former dictator's entourage. In view of his position in the dictator's coterie, Dr. Reyes can hardly be considered a competent or unbiased judge.

One final comment before we leave the subject of communism and Romulo Betancourt. In my remarks of September 27, 1961, I presented a detailed account of Betancourt's connection with international communism in 1932 and his subsequent sharp break. Mr. Rousselot returns to his old refrain, this time arguing:

> The refutation of the myth that in 1935 Betancourt became an anti-Communist appears in his own words. Here it is. On February 15, 1937, 2 years after he is supposed to have turned against communism, Betancourt wrote in the Caracas daily LaEsfera in an article signed by himself:
>
> "It is very urgent to determine that the necessary revolution for transforming Venezuela only can succeed if it is conducted, led, and centralized by the Venezuelan Communist Party."

What LaEsfera published in 1937 was a letter allegedly written by Betancourt in 1932—the authenticity of which, by the way, has never been established. The gentleman from California [Mr. ROUSSELOT] tries to make it appear that in 1937, long after Betancourt's break with the Communists, he was writing signed articles urging communism. As a matter of fact, in 1937 LaEsfera was an extremely conservative organ of the Lopez Contreras regime. Betancourt was in hiding. It is sheer nonsense to assert that a man hunted by the dictator for his democratic beliefs would be given space in the regime's mouthpiece to publish signed articles.

I find intriguing the pertinent points which my colleague from California studiously ignores. Why, for instance, does he neglect to mention the fact that at the Punta del Este conference in January 1962, Betancourt's Venezuela played a major role among the nations urging a hard policy toward Fidel Castro's Communist Cuba?

Another of the lines of attach upon Betancourt by which his enemies hope to undermine confidence in him is the argument that his policies are weakening Venezuela's economy. The gentleman from California [Mr. ROUSSELOT], in his earlier indictment, listed the usual charges. On September 27, 1961, I discussed the circumstances underlying Venezuela's present economic situation. Today I will not reiterate my answer but will direct my remarks to several of the new distortions of fact by which the gentleman from California [Mr. ROUSSELOT] attempts to bolster his original argument.

From a virtual debtless condition—

States the gentleman from California [Mr. ROUSSELOT]—

Venezuela has sunk to a state in which the nation now has the highest per capita foreign debt of any country in Latin America.

The statement is false on two counts. The virtual debtless condition is a figment of the dictatorship's imaginative bookkeeping. As the Quarterly Review of the Bank of London and South America for January 1961, points out:

With the overthrow of the dictatorship, hitherto unsuspected economic problems were revealed. Despite the large fiscal revenue from the petroleum industry—which had been swollen in 1956-57 by Bs1,200 million from the auctioning of new concessions, for the first time since 1943—maladministration and extravagance in the public works program had led to the accumulation of obligations estimated at Bs4,500 million.

Contrary to the gentleman from California [Mr ROUSSELOT's] rosy picture of the dictatorship, the Venezuelan debt prior to the constitutional government was tremendous. At the time Perez Jimenez cynically offered to lend $30 million to start an Inter-American Development Bank, he actually owed over $1 billion in short-term debts. If Perez Jimenez had paid off his floating debt, he would not have had a cent in the Treasury.

In passing, it must be noted that part of Betancourt's financial troubles stem from the fact that he has honored Perez Jimenez' debts.

As for Venezuela having "the highest per capita foreign debt of any country in Latin America," wrong again. At the end of 1960, the latest year for which statistics are available, Venezuela's per capita foreign debt was exceeded by those of Chile, Argentina, and Panama. In subsequent years a number of other Latin American countries have borrowed comparatively more heavily than Venezuela, so that it is likely that more nations have now moved ahead of Venezuela.

In any case, rating a country by its per capita foreign debt is specious. What matters most in discussing a nation's foreign debt is its ability to repay. A country with a lower public debt may be in worse financial shape because it has no income with which to make repayments. Venezuela's capacity to service debts, based on foreign exchange earnings, is vastly greater than that of other Latin American countries.

To further undermine confidence in the Betancourt government, the gentleman from California [Mr. ROUSSELOT] claims that Betancourt has spent money not "on public works, which would permanently enrich the nation" but "on socially wasteful but politically rewarding schemes to increase the popularity of the Betancourt regime among the voters of Venezuela."

The gentleman selects the Ministry of Education as his only example of Betancourt's wastefulness. So that there can be no doubt as to what the gentleman from California [Mr. ROUSSELOT] did, or did not say, I quote him:

In my researches I have been able to isolate only one of the Betancourt ministries where it has been feasible to make a partial comparison of the spendings of the present and former regimes and to estimate the waste. This is the Ministry of Public Education. Through information supplied to me by a former minister, I find the following cost situation: In 1957 the total budgeted cost of the national primary school system was Bs75 million. In 1961 it was Bs258 million. Only 1 year before the Betancourt takeover a 5-year plan for the erection of thousands of new schoolhouses had been approved. The Betancourt government has chosen to rent new school space, with all the discomfort and graft that such a system involves. A per-pupil analysis of the cost shows, taking into account swollen operating costs, the annual cost per pupil was Bs87.5 in 1957. The 1961 cost was Bs322.5 per pupil.

Certainly expenditures for education have gone up under Betancourt. Where Mr. ROUSSELOT points with pride at the meager expenditures for education under the dictatorship, most thinking people would cry, "For shame."

Venezuela's chief deterrent to development has been the lack of adequately trained people. The hordes of untrained, jobless youth who roam the streets of Caracas, easy prey for Communist agents, can thank Perez Jimenez for their illiteracy and unfitness for employment in modern society.

Here is what the International Bank for Reconstruction and Development—1961 report on economic conditions in Venezuela—reports on the educational heritage left by Perez Jimenez and, incidentally, by "the former minister" upon whom the gentleman from California depended for his information:

Past governments have not paid sufficient attention to many of those functions which are important for economic development and which involve substantial current expenditures. For example, prior to 1958 expenditures for education and training were not accorded a high priority.

In fact during the school year 1957-58, when the move toward constitutional government took place, only 57 percent of school-age children were actually attending school. Furthermore, retention rates had been so low that relatively few of those who had been in school in previous years had attended for more than a year or two. Thus in 1957 more than half of total enrollment was to be found in the first two grades while only some 6 percent were in the sixth grade.

The present Government has done a remarkable job in rapidly enrolling the backlog of school-age children who were without previous education. By the school year 1959-60 it is estimated that some 400,000 of these backlog children had been enrolled while at the same time in each of the 2 years 1958-59 and 1959-60 more than 200,000, or some 75 percent, of the children reaching 7 years of age had also been enrolled in the first grade. Total primary school enrollment for all grades went up from 751,561 to 1,067,900.

Since the International Bank for Reconstruction and Development report Betancourt's government has persisted in allocating large sums to education, and the number of children receiving the benefits of education continues to rise. At present 86 percent of the school-age population is registered in schools. The number of children in secondary schools, 111,000 in 1958, has jumped to 202,000, an increase of 85 percent.

According to the gentleman from California's logic, the teachers hired to educate Venezuelan children constitute a swollen bureaucracy, while the funds allocated to equip schools represent wastefulness.

I note that the gentleman's home State of California spends an estimated $472 per pupil a year, or over four times that Venezuela under Betancourt is spending. Are we to conclude that the California school system is shot through with waste and graft?

The gentleman from California [Mr. ROUSSELOT] extends his attack on Betancourt's economic policies to include the Venezuelan agrarian reform. To my surprise, the gentleman from California grants that "genuine land reform to better the lot of the farm population" can be necessary and a good thing. However, he implies that Venezuela's program somehow resembles Mao Tse-tung's in China. Nothing could be further from the truth.

Pointing out that the United States developed its agricultural assets by the development of uncultivated land in the West, the gentleman from California [Mr. ROUSSELOT] argues:

Does Betancourt propose to do this in Venezuela with the aid of the agrarian reform millions which President Kennedy promised him? No indeed. Venezuela has enormous stretches of uncultivated and good government-owned land in the provinces of Sucre, Monagas, Anzoategui, and Bolivar. They are served by convenient transportation facilities. For the more distant future

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> it has the empire sweep of the vast area beyond the Orinoco.
>
> Did Betancourt propose an agrarian plan like that of the United States which would open up this abundant government-owned land through an orderly, wealth-producing program. He did not. Instead, he launched a plan to buy up land already in successful cultivation and cut it up into small, uneconomic plots.

Let us again set the record straight. The Venezuelan agrarian reform law was drawn up by experts representing all the different political and economic interests of the country, including the Catholic Church. They spent over a year preparing a bill to be submitted to the Venezuelan Congress, a constitutionally elected Congress, I might add. The only dissenting voices both in the preparation of the bill and in the final vote were those of the Communists, who claimed the bill was too moderate. Under the terms of the legislation there is to be no expropriation of private estates unless they are unproductive. All lands taken over by the government for redistribution are to be paid for in cash or readily negotiable bonds.

The Venezuelan agrarian law, both on paper and in operation, is a far cry from China or Cuba. It is even more considerate of property owners' rights than was the Japanese land reform instigated under U.S. auspices after World War II.

What of the claims that there is plenty of good, easily accessible land in the provinces of Sucre, Monagas, Anzoategui, and Bolivar? Were the lands as inviting as the gentleman from California [Mr. ROUSSELOT] would have us believe, the acquisitive instincts of the few Venezuelans who have grabbed up the better lands would have led them to those green pastures.

Unfortunately for Venezuela, most of the land which the gentleman from California [Mr. ROUSSELOT] would populate is at present very poor agricultural land. Any geography of Venezuela tells the reader about the dismal climatic conditions, difficult terrain, and poor accessibility.

The hard truth is that most of the region is alternately inundated by torrential rains and floods, then baked dry. Dr. Raymond Crist describes the region's climate thus:

> The rivers, except for the largest ones, dry up, the ground becomes dusty and great cracks appear in it, and cattle have difficulty finding water. By April it is extremely hot, the grass is as dry as tinder. * * * Then in May come the big rains. During the rains livestock retreat to the low ridges a few feet above the surrounding plains. * * * In exceptionally wet years, when hundreds of square miles are flooded, ranchers sustain heavy losses, for thousands of cattle drown.

Dr. Preston James adds to the dreary picture:

> Only when the young green shoots of grass appear at the beginning of the rain season or in the stagnant waters of the receding floods can cattle find satisfactory pasturage, and then the native grasses are low in food value. Most of the year the herds barely avoid starvation. * * *
>
> Perhaps no other kind of region is plagued by such a variety of insects as a tropical savanna. Mosquitoes and flies of many species breed in the stagnant waters or the rank grasses. They not only make life extremely uncomfortable for man and beast, but also spread a variety of diseases, some of which are deadly.

During the dictatorship of Perez Jimenez, Venezuela's Development Corporation published a series of studies on the area which the gentleman from California [Mr. ROUSSELOT] blithely recommends that Venezuelans cultivate. According to the corporation's publication on Anzoategui, for instance, that State is far from suitable for agricultural settlement. The publication declares:

> Agriculture on the plateaus presents innumerable problems. While rainfall is not bad, the permeability of the soils causes the water to disappear rapidly from the higher planes to reappear in the ravines * * * or at the foot of the plateaus where they form currents which on joining form the rivers of the region.
>
> The scarce vegetation which covers these lands does not permit the formation of soils rich in organic values. This structure is sandy. In the dry season the humidity of the subsoil is lost rapidly by capillary action through this sandy, whitish cap. * * * The deficiency of phosphorous and potash is obvious.

After many other pessimistic details the study concludes:

> The data explained indicate to us that it is not possible to talk about great agricultural activities in the state.

As for the convenient transportation facilities that the gentleman from California [Mr. ROUSSELOT] would have us believe crisscross the region, any road map of Venezuela indicates that this is a dream.

The Venezuelan Development Corporation studies are more realistic. In the study of the state of Bolivar, for instance, it is pointed out that the torrential rains and topography made roadbuilding and maintenance difficult and exceedingly costly. Even the rivers have proved to be poor arteries in this region of Venezuela. Unlike our mighty Mississippi, Venezuela's Caroni, Caura, and Cuyuni Rivers present many navigational problems. As the Development Corporation's study of the state of Bolivar indicates, navigation on these rivers is reduced to the lightest craft due to the necessity to transport them at intervals by land because of rapids and waterfalls.

I do not doubt that someday man's genius will conquer the present climatic and topographical problems which plague Venezuela's interior lands. But at this juncture of history, with millions of Venezuelans demanding a fair shake, time will not stand still while scientists and agronomists study ways to prevent torrential rains from leaching soil or for engineers to develop less costly methods of road construction through difficult terrain.

Granted there are weaknesses in the administration of the Venezuelan agrarian program. One of the principle impediments is the lack of qualified personnel to administer the plan. Another is the presence of some demagogs; but these always crop up wherever it appears that political advantages can be milked from a situation.

The important thing to remember is that Venezuela has developed an alternative to outright seizures. Even the gentleman from California [Mr. ROUSSELOT] does not claim that Betancourt has resorted to confiscatory measures.

Besides relieving social unrest, the Venezuelan agrarian reform program, far from being a sinister Communist maneuver as the gentleman from California [Mr. ROUSSELOT] implies, promotes private capitalism. Government revenues—principally from oil—purchase underutilized agricultural land for distribution to landless peasants. The payments made to large landholders release capital from Government hands to private citizens. They in turn are free to reinvest in industrial enterprises, which Venezuela badly needs to provide new employment opportunities for its rapidly growing population and to escape from the hazards of a single commodity economy.

While I am on the subject of private investment, it is pertinent to call attention to a fact which my California colleague either does not know or chooses to ignore. Perez Jimenez was in government business in a big way. He initiated the hydroelectric complex on the Caroni. In competition with private industry, his regime got into the petrochemical industry, airlines, telephones, a hotel chain, steel plant, gas pipeline, drydock and shipyards, and sugar refining. Of course, these businesses provided Perez Jimenez with lucrative sources of graft.

Under Betancourt the Government has been divesting itself of some of the dictator's acquisitions. Management of the steel plant has been contracted to U.S. Coppers Co. The Government airline, which was losing money under Perez Jimenez, has combined with private enterprise to form Viasa, in which private capital owns a majority of the stock. The Sheraton Corp. will assume administration of Hotel Guaicamacuto at El Caribe.

Despite leftwing agitation and rightwing machinations to disturb the investment climate, confidence in the Venezuelan Government is also demonstrated by the willingness of U.S. companies to invest directly in Venezuela. Early this year, for instance, the Ford Motor Co. invested over $8 million to set up an assembly plant in Valencia. Ford will go into production in October 1962, employing 700 workers.

One final correction regarding economic matters must be made. The gentleman from California [Mr. ROUSSELOT] asserts that "the Accion Democratica government was successful only in impoverishing the state." In fact, during the period 1959 to 1961 the value of industrial production was Bs27 billion against Bs21 billion during the period 1956 to 1958, an increase of 27 percent. A recent McGraw-Hill department of economics report in its World Business Outlook 1962 series states:

> Venezuela's total output of goods and services climbed about 4 percent in 1961. The outlook for 1962 is equally bright.

To bolster his incorrect contention that the Betancourt regime has impoverished the nation, the gentleman from California [Mr. ROUSSELOT] asserts, and I quote:

> Petroleum production, Venezuela's first industry, has ceased to grow under Betancourt's stifling policies * * *.
>
> Under Betancourt seven countries which before 1958 had bought oil from Venezuela had been lost to the nation.

Not so. Had the gentleman from California consulted his own Government's reliable sources instead of quoting Betancourt's enemies—who have an infinite capacity for invention—he would have discovered the truth. According to statistics compiled by the Office of Oil and Gas, U.S. Department of the Interior, Venezuelan production of crude oil has climbed steadily since 1958; Venezuelan exports of crude oil have climbed steadily since 1958; Venezuelan exports of petroleum products have climbed steadily since 1958. Here are the statistics:

[Thousands of barrels daily]

	1958	1959	1960	1961
Crude production	2,605	2,771	2,846	2,920
Exports of crude	1,884	1,972	1,997	2,037
Exports of products	559	614	688	699

As for the allegation that "under Betancourt seven countries which before 1958 had bought oil from Venezuela had been lost to the nation," this is pure fabrication. Can the gentleman from California [Mr. ROUSSELOT] please enlighten us as to the names of the seven countries? I think not. A search of all available data on the world oil export situation indicates that not only has Venezuela held its own against mounting competition, but has even increased its sales. Despite such unfavorable circumstances as oversupply on the world oil market, the entrance of new exporters such as North Africa and the Soviet Union, Argentina's development of domestic supplies, and Cuba's barter agreement with the Soviet Union, Venezuela's oil exports have climbed.

Finally, what of the gentleman from California [Mr. ROUSSELOT'S] contention that corruption is rampant under Betancourt? The gentleman from California is forced to resort to dubious means to tar Betancourt's regime in this respect.

The gentleman from California [Mr. ROUSSELOT] charges:

> In discussions of the Betancourt regime liberal writers have made much of the argument that the present government is honest while the regime of Perez Jimenez was corrupt. Unfortunately for Betancourt, facts are beginning to come to light which disclose the vast stew of corruption that conceals itself under the "democratic" phrases of the present administration.

What facts does the Congressman from California then divulge to support his broad-brush indictment? Says the gentleman from California [Mr. ROUSSELOT]:

> A startling instance was given in the January 10, 1962, issue of LaEsfera, a Caracas daily newspaper. It revealed that Dr. Alberto Lopez Gallegos, member of the central committee of the Accion Democratica and former governor of the federal district, had received a letter from the construction company Inversiones Albatros, promising him Bs1 million and a monthly fee of Bs3,000 if he would successfully help the company obtain financing for extensive Government contracts from the Banco Obrero. The president of the Banco Obrero is the father-in-law of Dr. Lopez. The company received the financing.

As usual, the gentleman from California's [Mr. ROUSSELOT] facts are amazingly distorted. Dr. Lopez Gallegos occupied no official position in the Betancourt government at the time of the incident. He was in private law practice.

As a matter of fact, the handling of the Lopez Gallegos case in Venezuela reinforces confidence in the democratic regime of that country. In stark contrast to the days when Perez Jimenez and his henchmen squeezed the public treasury dry while the captive press kept silent, the charges against Lopez Gallegos were thoroughly aired in the press and on radio and TV. Dr. Lopez even appeared on TV to answer newsmen's questions.

The Lopez Gallegos case is the only one the gentleman from California submits to support his charge of a "vast stew of corruption." And there is no evidence that the accused was actually guilty.

After submitting the Lopez Gallegos case as his only example of rampant corruption, the gentleman from California [Mr. ROUSSELOT] continues:

> It is commonly whispered in Venezuela that a farmer wishing to secure land under Betancourt's agrarian reform program must first make a payoff of 10 percent to the head of the agrarian reform division of the Accion Democratica. The atmosphere of Betancourt's Venezuela is dense with such stories of widespread official corruption.

"It is commonly whispered," says the gentleman from California [Mr. ROUSSELOT].

I would remind my colleague from California that the Fidelistas and Communists are the principal sources of such rumors by which they hope to undermine the people's faith in Betancourt's democratic reforms in order to prepare the way for a Communist takeover.

The technique is similar to that encountered by our point 4 teams in underdeveloped regions, where Communist agents whisper to ignorant peasants that the DDT which the U.S. crew is using to rid the area of malaria is really designed to sterilize the peasants. If false rumors can pick up enough steam, the effort to bring progress by democratic methods will be undercut.

There is corruption today in Venezuela. But let us put it in perspective. President Betancourt in a speech on February 13, 1962, pointed to the root of the problem:

> There are too few men in this country who have the dedication and training needed for public service. Unfortunately, one of the worst ills bestowed upon this country by the 10 years of despotism is the moral erosion; that utilitarian and egoistic attitude of thinking only about oneself, that is so prevalent in our country.

It will be remembered that the former dictator, when he dashed from Venezuela in his haste to escape the irate Venezuelan people, inadvertently left behind a suitcase crammed with currency, negotiable bonds, and title deeds to real estate in Venezuela valued at $13 million. One suitcase. It would be interesting to know what he managed to take with him and what he has stashed in banks in the United States, Argentina, and Switzerland.

This is the example of administrative probity set by the dictatorship which the gentleman from California [Mr. ROUSSELOT] seems to admire.

The Betancourt administration, detesting everything the venal dictatorship stood for, is trying to establish an honest government. In this respect, President Betancourt's annual message to Congress on March 12, 1962, stated:

> The campaign against the strongholds of administrative corruption that still exist in some places, especially in the intermediary areas of public administration, will continue with a rigor that we hope will be corresponded by the courts. I ask you, citizen Congressmen, that, while discussing the new penal code project which has been submitted for your study, give enough attention—as you will surely do—to the dispositions related to the increased sentences which will be imposed on those who are accused of peculation and use of influence.
>
> We will never be tough enough on the criminals who commit these antisocial and demoralizing crimes. More than once I have made an appeal to public opinion and the honest majority of the public administration to help uproot this evil forever.

We must recognize the difficult row President Betancourt has to hoe. He battles against the psychological heritage of years of dictatorship, with the Communists and Castroites sniping constantly.

Mr. Speaker, if I have dwelled at length in answering the charges made against the Betancourt regime, it is because our relations with Venezuela are too important to permit them to be undermined by misunderstandings and misstatements.

A handful of greedy, immoral men want to return to the days when the Venezuelan treasury was their private happy hunting ground. Their path is blocked by Betancourt, reinforced by the sympathetic cooperation of the United States. The fabrications which the enemies of democracy circulate are clearly absurd when the facts are known. But should any credence be given to them by an unsuspecting American public, the security of the United States would be jeopardized.

Let there be no doubt about it. Venezuela is a prime Kremlin target. Venezuela in Communist hands would give the Soviets a prize beachhead on the South American Continent, with interior lines for subversion and attack to Brazil, Colombia, Ecuador, and points south.

Betancourt stands in the frontlines of battle against the Communist conspiracy in the Western Hemisphere. He fights to save democracy in Venezuela by practicing it, by proving that freemen, through free institutions, can bring social progress and economic growth.

In a very real sense, Betancourt is our comrade in arms against a common, deadly enemy. Only by working together in close harmony for peaceful and democratic development can we hope to build a strong hemisphere, immune to the Communist virus.

Let us then have an end to false statements and distortions which slow suspicion and division.

Mr. Speaker, the New York Times editorial of May 9, 1962, follows:

FERMENT IN VENEZUELA

Like Shakespeare's Octavius, President Romulo Betancourt of Venezuela is "bayed about with many enemies." No Latin American leader has had such a fierce, unrelenting, desperate struggle to stay in office.

Uprisings, attempted assassinations, riots, revolutionary strikes, sabotage, guerrillas in the countryside, political opposition, economic difficulties—these are the day-to-day picture of Venezuela since he was inaugurated in February 1959.

The latest revolt of marines led by leftist officers in Carúpano on the coast has been put down like all the others. Such uprisings can only succeed if there is popular support or military disloyalty in high places. Yet, even when they fail, these attempts leave a highly charged atmosphere. The Government must take measures of defense and repression. The economic situation worsens. The President's dependence on the military remains absolute; without their loyalty he would be out of office within hours.

The enemies who are making nearly all the trouble are on the left—Communists, Fidelistas, the Democratic Republican Party (URD), and the Left Revolutionary Movement (MIR). Among them are many students, teachers, journalists, and other professionals and intellectuals. However, there is also a large working element because some 400,000, or 15 percent, of the labor force are unemployed.

In addition, there are enemies on the right—big business, banking, and landowning interests, small but immensely wealthy, with the ill-gotten gains of ex-President Pérez Jiménez (now in Florida) to help them. They want to return to "the good old days."

Romulo Betancourt has proved himself the most fearless and formidable opponent of the Communists in all of Latin America. He is an admirable example of the "Democratic left" which Governor Muñoz-Marín of Puerto Rico says is the only element in Latin America "that can really make the Alliance for Progress work." This is realized by the Kennedy administration, but it is disheartening that so many influential Americans in Congress, business, and the press are trying to undermine President Betancourt's position. It is hard to think of any American activity more harmful to our Latin American relations and to the hopes of democracy.

The Washington Star editorial for May 12, 1962, also follows:

REVOLT IN VENEZUELA

President Betancourt of Venezuela merits congratulations for the swift and decisive way in which he and his government have put an end to the weekend uprising at Carúpano.

According tc Interior Minister Pérez, this "rebellion"—staged by about 400 marines and 50 military policemen led by a handful of traitorous officers—was inspired by the Communist Party and the Castroite "Movement of the Revolutionary Left" with two main objectives in mind: (1) To set off a countrywide civil war to overthrow the constitutional, left-of-center Betancourt government and (2) to replace it with a Red dictatorship like Fidel Castro's in Cuba.

Well, the plotters have fallen flat on their faces. Although their "revolt" conceivably might have escalated into a thing of serious proportions, they have failed for a variety of reasons. These include, first of all, the government's firm and fast counteraction, and also what Mr. Betancourt has hailed as the armed forces' "loyalty to the flag and their constitutional duty." Further, the rebels found themselves pretty much alone—woefully lacking in popular support, especially among the peasants.

Mr. Pérez thus can make a strong case for his view that the rapid collapse of the Communist plot in Carúpano "proves Venezuela will not be a second Cuba * * * shows Venezuela cannot be Cubanized." Certainly the collapse has been complete enough to indicate that the Betancourt government, which is one of the most forward looking in the Americas and which is an ardent champion of the Alliance for Progress, has strong backing among the masses of people.

At any rate, the Carúpano story obviously has encouraging implications. It should have the close attention of all free American nations threatened by Castroite communism.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THOMPSON of New Jersey (at the request of Mr. WHITENER), for Tuesday, May 22, 1962, on account of official business.

Mrs. RILEY (at the request of Mr. ALBERT), for today and tomorrow, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ROOSEVELT, for 30 minutes, on May 24.

Mr. BERRY, on Thursday, May 24, 1962, for 1 hour, vacating his special order for Wednesday, May 23.

Mr. ALEXANDER (at the request of Mr. WHITENER), for 30 minutes, on Thursday, May 24.

Mr. LINDSAY (at the request of Mr. SCHNEEBELI), for 30 minutes, on Thursday, May 24.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. REUSS in two instances and to include extraneous matter.

Mrs. BLITCH and to include extraneous matter.

(The following Members (at the request of Mr. WHITENER) and to include extraneous matter:)

Mr. ANFUSO.

Mr. KEOGH.

(The following Members (at the request of Mr. SCHNEEBELI) and to include extraneous matter:)

Mr. BRAY.

Mr. VAN ZANDT.

Mrs. CHURCH.

ADJOURNMENT

Mr. RYAN of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Wednesday, May 23, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2100. A letter from the Comptroller General of the United States, transmitting a report on the review of the Treasury Department study of Treasury tax and loan accounts, services rendered by banks for the Federal Government, and other related matters (H. Doc. No. 421); to the Committee on Government Operations and ordered to be printed with illustrations.

2101. A letter from the Secretary of State, transmitting the report on the educational and cultural exchange program of the Department of State during the fiscal year 1961, pursuant to Public Laws 584, 79th Congress; 402, 80th Congress; 265 and 861, 81st Congress; 48, 82d Congress; 480, 83d Congress, and 860, 84th Congress; to the Committee on Foreign Affairs.

2102. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend the act of January 25, 1927, in order to authorize State legislatures to dispose of mineral interests in certain school sections"; to the Committee on Interior and Insular Affairs.

2103. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 999), as amended, and for other purposes"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POWELL: Committee on Education and Labor. H.R. 11537. A bill to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances; with amendment (Rept. No. 1719). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 9522. A bill for the relief of certain members of the U.S. Marine Corps who incurred losses pursuant to the cancellation of a permanent change of station movement; with amendment (Rept. No. 1721). Referred to the Committee of the Whole House on the State of the Union.

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 10265. A bill to authorize the Postmaster General in his discretion to pay increased basic salary to postal field service employees for services performed before the expiration of 30 days following their assignments to duties and responsibilities of higher salary levels, and for other purposes; with amendment (Rept. No. 1722). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 10618. A bill granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes; without amendment (Rept. No. 1723). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 10651. A bill to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes; without amendment (Rept. No. 1724). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 656. Resolution for consideration of H.R. 10937, a bill to amend the act providing for the economic and social development in the Ryukyu Islands; without amendment (Rept. No. 1725). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 657. Resolution for consideration of H.R. 11665, a bill to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes; without amendment (Rept. No. 1726). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H.R. 10308. A bill for the relief of Elizabeth A. Johnson; without amendment (Rept. No. 1720). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 11839. A bill to amend title II of the Social Security Act to increase from $1,200 to $3,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 11840. A bill to limit the liability of shipowners, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 11841. A bill to amend section 7 of the Clayton Act to give full force and effect to the operations of the provisions of that section applicable to certain railroad consolidations and mergers until December 31, 1963, and for other purposes; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 11842. A bill to revise, codify, and enact part II of the District of Columbia Code, entitled "Judiciary and Judicial Procedure"; to the Committee on the Judiciary.

By Mr. GOODELL:

H.R. 11843. A bill to protect postal patrons from obnoxious mail matter; to the Committee on Post Office and Civil Service.

By Mr. KEARNS:

H.R. 11844. A bill to amend the act entitled "An act to create a Recreation Board for the District of Columbia, to define its duties, and for other purposes", approved April 29, 1942, as amended; to the Committee on the District of Columbia.

By Mr. MATHIAS:

H.R. 11845. A bill to amend the Soil Conservation and Domestic Allotment Act to clarify the authorization of the Secretary of Agriculture to extend the benefits of such act to lands in urban areas; to the Committee on Agriculture.

By Mr. RHODES of Arizona:

H.R. 11846. A bill to amend the provisions of title 18 of the United States Code relating to offenses committed in Indian country; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 11847. A bill to amend the Civil Service Retirement Act to increase from 2 to 2½ percent the retirement multiplication factor used in the determination of annuities of certain employees engaged in hazardous employment; to the Committee on Post Office and Civil Service.

By Mr. TOLLEFSON:

H.R. 11848. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ULLMAN:

H.R. 11849. A bill to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALPERN:

H.R. 11850. A bill to authorize a 2-year program of Federal financial assistance for all elementary and secondary school children in all of the States; to the Committee on Education and Labor.

By Mr. MORSE:

H.R. 11851. A bill to amend section 315 of the Communications Act of 1934 to provide that persons defamed during broadcasts by political candidates shall be afforded an opportunity to answer; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIAS:

H. Con. Res. 477. Concurrent resolution to establish a joint congressional committee to study land use and the growth of metropolitan areas; to the Committee on Rules.

By Mr. HARRIS:

H. Res. 651. Resolution providing for the printing of a House document; to the Committee on House Administration.

By Mr. HARRISON of Wyoming:

H. Res. 652. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. MICHEL:

H. Res. 653. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. MOORE:

H. Res. 654. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. SAYLOR:

H. Res. 655. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BREWSTER:

H.R. 11852. A bill for the relief of Henry Bang Williams; to the Committee on the Judiciary.

By Mr. CRAMER:

H.R. 11853. A bill for the relief of Clarence Francis Edge; to the Committee on Armed Services.

By Mr. DENT:

H.R. 11854. A bill for the relief of Marike N. Vatakis; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H.R. 11855. A bill for the relief of Vitantonia Spinelli; to the Committee on the Judiciary.

By Mr. DIGGS:

H.R. 11856. A bill for the relief of Husamettin S. Safak and Sevim Safak, his wife, Firusan Safak and Firuz Safak, their minor children; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 11857. A bill for the relief of Maria Stella Pezzo Calafato; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 11858. A bill for the relief of Francesco Paolo La Franca; to the Committee on the Judiciary.

H.R. 11859. A bill for the relief of Angela Lobianco; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 11860. A bill for the relief of Ligia Paulina Jimenez; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H.R. 11861. A bill for the relief of James F. Seger; to the Committee on the Judiciary.

By Mr. KEOGH:

H.R. 11862. A bill for the relief of Lucia Benistati; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 11863. A bill for the relief of Vernon J. Wiersma; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 11864. A bill for the relief of Robert Murray McIntosh; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 11865. A bill for the relief of Frederick Henry Todd; to the Committee on the Judiciary.

By Mr. MOSHER:

H.R. 11866. A bill for the relief of Kim Chung Shin (Mary Rathbun); to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 11867. A bill for the relief of Dr. Joak Han; to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 11868. A bill for the relief of Mrs. Sandra Bank Murphy; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H.R. 11869. A bill for the relief of Joseph Monaco and his wife Josephine Monaco; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

354. Mr. LANE presented a petition of the Boston City Council in favor of legislation for medical care for the aged in the social security system, which was referred to the Committee on Ways and Means.

SENATE

TUESDAY, MAY 22, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Rev. Peter M. Kemper, pastor, First Baptist Church, Pittsfield, Maine, offered the following prayer:

Eternal God, our Heavenly Father, we thank Thee for Thy blessings of the past and Thy promise that Thou wilt be with us this day and all the days of the future.

May Thy continued blessing rest and abide upon each Member of the Senate. Give to them the wisdom that can come only from Thee. Be Thou their strength, their guide, and their helper, through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 21, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 21, 1962, the President had approved and signed the act (S. 1595) to amend the Natural Gas Act to give the Federal Power Commission authority to suspend changes in rate schedules covering sales for resale for industrial use only.

REPORT ON LEND-LEASE OPERATIONS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 373)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the forty-third Report to Congress on Lend-Lease Operations for the calendar year 1961.

A number of our World War II Allies have fully discharged their financial commitments to the United States for assistance received under the lend-lease program. Most of the other countries continue to make payments on account in accordance with the terms of their settlement agreements. A few countries thus far have failed to meet their payment obligations.

During 1961, payments and credits on the various lend-lease accounts amounted to $55,028,419.56, including interest. In addition, receipts on the lend-lease silver accounts totaled approximately 11,416,123.20 fine troy ounces.

Detailed information on the status of the various lend-lease accounts and other items of lend-lease interest are contained in the report.

JOHN F. KENNEDY.

THE WHITE HOUSE, *May 22, 1962.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H.R. 5546. An act to amend the Federal Seed Act, as amended, with respect to screenings of seed;

H.R. 6664. An act to authorize the commandant of the Judge Advocate General's School to award appropriate graduate legal degrees and credits;

H.R. 8333. An act to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes;

H.R. 9844. An act to waive section 142, title 28, United States Code, with respect to the U.S. District Court for the District of Connecticut for holding court at Bridgeport;

H.R. 10012. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Tennessee holding court at Winchester, Tenn.;

H.R. 10016. An act to waive section 142 of title 28, United States Code, with respect to the holding of court at Decatur, Ala., by the U.S. District Court for the Northern District of Alabama;

H.R. 10389. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Texas, Marshall Division, holding court at Marshall, Tex.;

H.R. 10595. An act to facilitate the sale and disposal of Government stocks of extra-long-staple cotton;

H.R. 10617. An act providing that the U.S. district courts shall have jurisdiction of certain cases involving pollution of interstate river systems, and providing for the venue thereof; and

H.J. Res. 688. Joint resolution providing for the designation of the week commencing October 14, 1962, as National Public Works Week.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 5546. An act to amend the Federal Seed Act, as amended, with respect to screenings of seed; and

H.R. 10595. An act to facilitate the sale and disposal of Government stocks of extra-long-staple cotton; to the Committee on Agriculture and Forestry.

H.R. 6664. An act to authorize the commandant of the Judge Advocate General's School to award appropriate graduate legal degrees and credits; and

H.R. 8333. An act to amend title 10, United States Code, to provide that members of the Armed Forces shall be retired in the highest grade satisfactorily held in any armed force, and for other purposes; to the Committee on Armed Services.

H.R. 9844. An act to waive section 1942, title 28, United States Code, with respect to the U.S. District Court for the District of Connecticut for holding court at Bridgeport;

H.R. 10012. An act to waive section 142, of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Tennessee holding court at Winchester, Tenn.;

H.R. 10016. An act to waive section 142 of title 28, United States Code, with respect to the holding of court at Decatur, Ala., by the U.S. District Court for the Northern District of Alabama;

H.R. 10389. An act to waive section 142 of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of Texas, Marshall Division, holding court at Marshall, Tex.; and

H.R. 10617. An act providing that the U.S. district courts shall have jurisdiction of certain cases involving pollution of interstate river systems, and providing for the venue thereof; to the Committee on the Judiciary.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the Foreign Relations Committee and the permanent Subcommittee on Investigations, of the Committee on Government Operations, were authorized to meet during the session of the Senate today.

On request of Mr. HUMPHREY, and by unanimous consent, the Stockpiling Subcommittee of the Committee on Armed Services was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. HUMPHREY, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the nominations on the calendar will be stated.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

THE COAST GUARD

The Chief Clerk read the nomination of Vice Adm. Edwin J. Roland, U.S. Coast Guard, to be Commandant of the U.S. Coast Guard, with the rank of admiral.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

LEASE OF CERTAIN PUBLIC SPACE FOR PUBLIC PARKING IN THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to authorize the Commissioners of the District of Columbia to lease certain public space under and in the vicinity of 10th Street SW., for public parking (with an accompanying paper); to the Committee on the District of Columbia.

INVESTMENT OF FUNDS OF INSURANCE COMPANIES ORGANIZED WITHIN THE DISTRICT OF COLUMBIA

A letter from the Chairman, National Advisory Council on International Monetary and Financial Problems, Washington, D.C., transmitting a draft of proposed legislation to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the Inter-American Development Bank (with accompanying papers); to the Committee on the District of Columbia.

Report on Educational and Cultural Exchange Program of the Department of State

A letter from the Secretary of State, transmitting, pursuant to law, a report on the educational and cultural exchange program of that Department during the fiscal year 1961 (with an accompanying report); to the Committee on Foreign Relations.

Report on Review of Treasury Department Study of Treasury Tax and Loan Accounts, Services Rendered by Banks for the Federal Government, and Other Related Matters

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of Treasury Department study of Treasury tax and loan accounts, services rendered by banks for the Federal Government, and other related matters, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Authorization for State Legislatures To Dispose of Mineral Interests in Certain School Sections

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of January 25, 1927, in order to authorize State legislatures to dispose of mineral interests in certain school sections (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Repeal of a Portion of the Second Supplemental National Defense Appropriation Act, 1943

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 999), as amended, and for other purposes (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Mississippi, commending Senator EASTLAND of that State for his recent speech in the Senate with respect to certain decisions of the Supreme Court of the United States, and also commending Senator STENNIS, his colleague, for his defense of Senator EASTLAND; which was referred to the Committee on the Judiciary.

A resolution adopted by the city council of the city of Torrance, Calif., opposing the enactment of legislation to provide a Federal income tax on income derived from public bonds; to the Committee on the Judiciary.

MEDICAL CARE FOR THE AGED—RESOLUTION OF CITY COUNCIL OF BOSTON, MASS.

Mr. SALTONSTALL. Mr. President, on behalf of myself and my colleague, the junior Senator from Massachusetts [Mr. SMITH], I present a resolution adopted by the city council of the city of Boston, Mass., favoring the enactment of legislation to provide medical aid for the aged under the social security system.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the Boston City Council, in meeting assembled on May 14, 1962, do hereby memorialize Congress in favor of legislation for medical aid to the aged under the social security system.

Attest:

J. M. DUNLEA,
Assistant City Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Banking and Currency, with an amendment:

S. 3327. A bill to make certain federally impacted areas eligible for assistance under the public facility loan program (Rept. No. 1519).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated May 4, 1962, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG of North Dakota:

S. 3334. A bill to amend the Soil Bank Act so as to permit the Secretary of Agriculture to make conservation reserve payments directly to assignees of such payments; to the Committee on Agriculture and Forestry.

By Mr. METCALF:

S. 3335. A bill to redesignate the Big Hole Battlefield National Monument, to revise the boundaries thereof, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. METCALF when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 3336. A bill for the relief of Lazaro Loyola Arinque, Jr.; to the Committee on the Judiciary.

By Mr. LAUSCHE:

S. 3337. A bill for the relief of Evangelia Georges Tsounos; to the Committee on the Judiciary.

REVISION OF BOUNDARIES OF BIG HOLE BATTLEFIELD NATIONAL MONUMENT

Mr. METCALF. Mr. President, I introduce, for appropriate reference, a bill to revise the boundaries of Big Hole Battlefield National Monument, and to redesignate it as a national battlefield.

At dawn on August 9, 1877, a command of 182 U.S. Army troops and volunteers headed by Col. John Gibbon plunged across the Big Hole River and attacked the sleeping Indian village of Chief Joseph's Nez Perce band. What followed was one of the most dramatic and tragic battles in the long struggle to confine the Indians to reservations and force them off the land wanted by the white men.

Chief Joseph was the leader of a band of Nez Perce Indians who refused to be bound by the treaty which confined them to the Wallowa Valley in Oregon Territory. In May 1877 they were given 30 days to cease their nomadic ways and remove to a reservation in Idaho Territory. Following several skirmishes with settlers they refused. After the Battle of the Clearwater in Idaho Territory, in which Chief Joseph extricated his band from a numerically superior force, the Indians decided to flee by way of the Lolo Trail and Lolo Pass across the Bitterroot Mountains to the buffalo country of Montana Territory. The pass was blocked by a small military force, and rather than surrender their arms and horses, they bypassed the fortifications and proceeded without conflict up the Bitterroot Valley to the Big Hole Valley.

Here on the night of August 8, 1877, the pursuing troops of Col. John Gibbon located the Indian camp. At dawn the next morning his command rushed the camp and in the attack women and children were not distinguished from warriors. Recovering from their shock the Indians made the soldiers' position untenable in the valley as they fired from all directions—the brush, the creek bank, the trees, the prairie, and the distant hills. The soldiers retreated back across the river and hastily dug rifle pits with bayonets on a forested neck of land that provided a good defensive position. Indian sharpshooters tied down the soldiers while the main body of Chief Joseph's band left the area, embittered, to turn south and east and later north to be caught at last in the Bear Paw Mountains a short distance from their long-sought refuge across the Canadian border.

Losses of the attacking troops consisted of 31 killed and 38 wounded. Officials reported 89 slain Indians on the battlefield, of which more than 30 were women and children. The loss in men, supplies, and lodges proved to be a great handicap to Chief Joseph in his retreat toward the international boundary. On October 5, 1877, he surrendered at Bear Paw Mountain in the northern part of Montana Territory just short of his goal.

A monument to the troops whose lives were lost was placed at the battlefield, and in 1910 President Taft ordered 5 acres set aside "for military purposes for use in protecting said monument." In 1939 the commemorative area was enlarged by Presidential proclamation to encompass part of the area to which the soldiers retreated, a total of 200 acres.

It has long been known to historians and other interested persons that the area now within the Big Hole Battlefield National Monument does not contain all of, or even the most important, action sites of the Battle of the Big Hole, but precise location of the boundaries depended upon adequate historical information. Deficiencies in basic historical knowledge of the area have now been largely eliminated. Studies by the National Park Service, which administers the monument, have shown that the present 200-acre national monument actually encompasses only the site to which the troops retreated and where they entrenched during the battle. Not within the monument area are the following key battle sites: First, the Twin Trees, from which an Indian sharpshooter punished the retreating troops severely, and still standing a few hundred feet north of the monument boundary; second the site of the Nez Perce encampment where occurred the surprise attack by 7th Infantry troops on the Indian village and where the Indians rallied to drive the troops out of the partially destroyed village; third, the howitzer pit where, on the mountain side above the Nez Perce camp, soldiers directed several rounds of 12-pound shot at the surprised Indians before they—the soldiers—were outflanked; and fourth, the area between the Indian encampment and the Gibbon entrenchment where a running fight occurred in the retreat of the soldiers to their defensive position. This same ground also was the route of advance and deployment in the surprise attack on the Nez Perce village.

The boundary of the monument should include these areas if the story of the Battle of the Big Hole is to be properly told and the historic site preserved. In recent years between 9,000 and 10,000 people have visited the battle site annually. The Park Service has at present only limited facilities to handle these visitors. In addition to including the above-mentioned historical area within the monument, this proposal would provide the space needed for expansion of visitor-use facilities. Presently the only space available for development is too near important battle areas and encroachment upon the historically significant lands would result. The additional land which would be included within the monument—about 306 acres—is therefore needed not only for its historical association with the battle, but to provide for location of adequate visitor facilities as well.

We are proud of our historical heritage in Montana. We have, in the story of the Battle of the Big Hole, a significant chapter in the settlement and development of old Montana Territory. The battle is important too to all Americans as a reminder of the valiant, though futile, attempts of the Indians to escape from an imposed white man's civilization. This area seems, therefore, more aptly termed a national battlefield than a national monument, and this bill would redesignate the battlefield accordingly.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3335) to redesignate the Big Hole Battlefield National Monument, to revise the boundaries thereof, and for other purposes, introduced by Mr. Metcalf, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

HEALTH CARE INSURANCE FOR CERTAIN AGED INDIVIDUALS—AMENDMENTS

Mr. JAVITS. Mr. President, I submit an amendment to S. 2664, to provide a program of health care insurance for individuals 65 or over who are retired, which will cover the cost of insuring an estimated one-half million beneficiaries of the Railroad Retirement Act of 1937. These persons are presently eligible for health care benefits under my bill even though they are outside the social security system and costs for them would otherwise have come from general revenue. The contribution for these beneficiaries will be determined annually by the Secretary of Health, Education, and Welfare and the Railroad Retirement Board and be paid out of the Railroad Retirement Fund and added to the Federal Medical Insurance Trust Fund.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Finance.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—AMENDMENT

Mr. PELL. Mr. President, on March 19, 1962, I introduced S. 3028, a bill to amend the Immigration and Nationality Act. This bill provided, among other things, that 80,000 visas be allotted toward annual national quotas on the basis of the proportion which the number of inhabitants in each quota area represents of the world population. In order to facilitate computing the amount of quota numbers allotted to a country under this particular provision of the bill, I submit the following amendment to Senate bill 3028, and ask that it be printed and appropriately referred.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on the Judiciary.

FOOD AND AGRICULTURE ACT OF 1962—AMENDMENTS

Mr. EASTLAND submitted amendments, intended to be proposed by him, to the amendments lettered "5-21-62—A," intended to be proposed by Mr. Ellender, to the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. McCARTHY (for himself, Mr. Humphrey, and Mr. Metcalf) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. PROXMIRE submitted amendments, intended to be proposed by him, to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO CREDIT FOR INVESTMENT IN CERTAIN DEPRECIABLE PROPERTY—AMENDMENT

Mr. KEATING. Mr. President, I send to the desk an amendment to H.R. 10650. This amendment relates to the tax exempt status of the pension plan of Local Union 435 of the International Hod Carriers' Building and Common Laborers Union of America. It was introduced as a separate bill (S. 2953) on March 8.

A favorable report was received from the Assistant Secretary of the Treasury, Stanley S. Surrey, on April 26. This report gives a full explanation of the bill and the several precedents for its enactment.

Mr. President, I ask unanimous consent that the text of my amendment and the report from the Treasury Department appear at this point in the Record.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the desk; and, without objection, the amendment and report will be printed in the Record.

The amendment and report are as follows:

At the end of the bill add the following new section:

"Sec. 22. Miscellaneous.—The pension plan of Local Union Numbered 435 of the International Hod Carriers' Building and Common Laborers' Union of America, which was negotiated to take effect May 1, 1960, pursuant to an agreement between such union and the Building Trades Employers Association of Rochester, New York, Incorporated, and which has been held by the Internal Revenue Service to constitute a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and to be exempt from taxation under section 501(a) of such Code, shall be held and considered to have been a qualified trust under such section 401(a), and to have been exempt from taxation under such section 501(a), for the period beginning May 1, 1960, and ending April 20, 1961, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust has not in this period been operated in a manner which would jeopardize the interest of its beneficiaries."

Treasury Department,
Washington, D.C., April 26, 1962.

Hon. James O. Eastland,
Chairman, Committee on the Judiciary,
U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: This is in reference to a request by your committee for the Treasury Department's views on S. 2953, "Relating to the tax-exempt status of the pension plan of Local Union No. 435 of the International Hod Carriers' Building and Common Laborers' Union of America."

The Internal Revenue Service has ruled that this plan, which was established under a collective bargaining agreement, meets the requirements for qualification under section 401 of the Internal Revenue Code for taxable years ending after April 19, 1961. However, the plan does not so qualify for prior taxable years, although the collective bargaining agreement specified that employers were to make contributions under the plan as of May 1, 1960. This is because it was not until April 20, 1961, that a specific pension plan, indicating such features as the size of the benefits to be paid to retired employees and the eligibility requirements, was actually established.

S. 2953 would extend retroactive qualification under the Internal Revenue Code to the plan from May 1, 1960, the date from which the collective bargaining agreement provided for employer pension contributions, until April 20, 1961. The objective of the bill is to give the employers concerned the right to deduct contributions, made to the plan before it qualified under the Internal Revenue Code, in the year such contributions took place. In addition, the bill seeks to grant the plan exemption from tax on its investment income during this prequalification period.

In previous years the Congress adopted legislation extending to a number of negotiated pension plans retroactive qualification under the Internal Revenue Code for periods in which they did not qualify under the provisions generally applicable. Such retroactive qualification for specific plans was provided by Private Law 85-540 approved August 8, 1958, by Public Law 86-781, approved September 14, 1960, by Public Law 86-779, approved September 14, 1960, and by Public Law 87-59 approved June 27, 1961.

The Department has no objection to the adoption of S. 2953.

The Bureau of the Budget has advised the Treasury Department that there is no objection from the standpoint of the administration's program to the presentation of this report.

Sincerely yours,

STANLEY S. SURREY,
Assistant Secretary.

NATIONAL CITIZENSHIP COMMISSION—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of May 9, 1962, the name of Mr. HARTKE was added as an additional cosponsor of the bill (S. 3271) to establish a National Citizenship Commission, and for other purposes, introduced by Mrs. SMITH of Maine on May 9, 1962.

AMENDMENT OF SMALL RECLAMATION PROJECTS ACT OF 1956—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of May 17, 1962, the names of Mr. ENGLE and Mr. CARROLL were added as additional cosponsors of the bill (S. 3323) to amend the Small Reclamation Projects Act of 1956, introduced by Mr. MOSS (for himself and other Senators) on May 17, 1962.

THE END OF THE BATTLESHIP "MASSACHUSETTS"

Mr. SALTONSTALL. Mr. President, next week, on June 1, the battleship U.S.S. *Massachusetts* will end her career as a vessel of the U.S. Navy. She has been a grand ship, and I cannot let this occasion pass without paying tribute to her accomplishments.

This great 35,000-ton battlewagon is the sixth ship of the U.S. Navy to carry the name of Massachusetts. The first was built in the Boston Navy Yards in 1845—a 765-ton screw steamer, to be used as a troopship for the Army. The present vessel is one of the last of the great men of war intended for classic naval action between ships. Moving at a speed of more than 27 knots, she had a crew of 2,500 men and carried 9 16-inch guns.

I have always had a special feeling for the ship. I was Governor of Massachusetts when she was being built at the Fore River Yard, in Quincy; and I was present at both her christening and her commissioning. I remember those occasions well. She was christened on September 23, 1941, a few months before Pearl Harbor, by Mrs. Charles Francis Adams, the wife of one of America's most famous sailors, who served as Secretary of the Navy under President Hoover.

Affectionately called "Big Mamie" by her crew, the U.S.S. *Massachusetts* was commissioned on May 12, 1942. I was aboard her when she passed through the nets in Boston Harbor, and I stayed aboard through her first night out, when she anchored in Casco Bay.

Within 6 months after the *Massachusetts* was commissioned, she fought a gun duel with the new French battleship, *Jean Bart*, during the landing of our forces at Casablanca. The Vichy-French fleet attempted to escape, but was driven back into port. Before the day was over, the *Jean Bart* was silenced and afire; and three other French battleships, four destroyers, and eight submarines were sunk. The *Massachusetts* was hit twice.

The following year, 1943, the U.S.S. *Massachusetts* went to the Pacific. There she participated in the great bombardments that supported our operations at Tarawa, Nauru, Kwajalein, Hollandia, Ponape, and Iwo Jima. She took part in one of the most decisive naval battles of the Pacific war—the battle for Leyte Gulf. She supported carrier task forces making some of the most important air strikes. In protecting the carriers, her antiaircraft batteries brought down many enemy planes. On one occasion her crew had to remain at battle stations for two straight days, while under repeated air attacks. The Japanese were not the only danger; the ship weathered three terrifying typhoons.

Finally the *Massachusetts* steamed with the 3d Fleet to participate in the last great offensive action of the war—the bombardment of Japan itself. Shortly after noon on July 14, 1945, people along the coast near Kamaishi, the Empire's largest iron and steel production center, saw the imposing sight of a line of big, fast, U.S. battleships moving swiftly in from the sea. They say that the *Massachusetts* came so close that it seemed as though some of her crew were about to toss a line ashore. Then she and her sister ships opened fire. The U.S. Navy, after sweeping all opposition from the Pacific, had penetrated to the very shores of Japan.

September 1, 1945, brought the end of the war; and because of her long period of duty in the war zone, the *Massachusetts* was one of the first to be given orders to head for home. Though she had participated in some of the most important battles of the war, she had not lost a man in action. Hers is, indeed, a proud record.

Because I was present when she was built, and am now a Senator from Massachusetts at the time when, 23 years later, she is to be sent to her grave, my special feeling for this great ship can well be understood. Having fulfilled her purpose, she will now pass into the history of the U.S. Navy. We of the State whose name she carried with such honor about the world may be pardoned for voicing a sentimental "Well done, *Massachusetts*."

Mr. SMITH of Massachusetts. Mr. President, I wish to associate myself with the remarks of my distinguished senior colleague.

It was with regret, tinged with a great deal of pride, that I learned of the Navy's decision to decommission the U.S.S. *Massachusetts.*

This giant of the seas has had a long and honorable history in the service of the U.S. Navy. She saw action in the Mediterranean, in the Coral Sea, the Gilbert Islands, the Marshall Islands, Kwajalein, the Carolines, and the Ryukyus and finally in the attack on the Japanese mainland. There was almost no area where American troops saw action in the Pacific where they were not backed up by the mighty guns and the brave men of the U.S.S. *Massachusetts.*

Many fine sailors from Massachusetts served aboard this ship, and their performance added lustre to our State's proud tradition of seamanship.

Since the war, the *Massachusetts* has been in inactive status with the Atlantic Reserve Fleet, in Norfolk, resting from her labors and revered because of her glorious days of action.

All of us in the Commonwealth are proud of this great ship, of the men who served aboard her, and of the U.S. Navy, under whose tradition this ship performed so nobly.

The U.S.S. *Massachusetts* was the sixth naval vessel to bear into battle the proud name of Massachusetts. I hope she will soon be replaced by another U.S.S. *Massachusetts*, and I believe it would be most fitting to have the new ship built at the Fore River Shipyard, in Quincy, the same fine shipyard where the vessel which we honor, with reverence, today was built.

I may say that I recall very well the day when I saw the U.S.S. *Massachusetts* on her maiden voyage. At that time my distinguished senior colleague was Governor of Massachusetts. I witnessed that great sight from another naval vessel; and how proud all of us were, that day, to have so fine a ship named after our State—the U.S.S. *Massachusetts*—and on her way to fight in that great war, for our great country.

Mr. SALTONSTALL. Mr. President, my colleague and I are very proud of the battleship U.S.S. *Massachusetts.*

AMERICA AND EUROPEAN DEFENSE

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "America and European Defense," which was written by Walter Lippmann, and was published today in the Washington Post. In the article there is, I believe, much commonsense which will be of value to all of us.

There being no objection, the article was ordered to be printed in the Record, as follows:

AMERICA AND EUROPEAN DEFENSE

(By Walter Lippmann)

One of the main reasons why our relations with General de Gaulle are seriously disturbed is that the Kennedy administration has decided not to alter the established policy, which is not to share with France, as we do with Great Britain, the know-how and the facilities of nuclear power. At first glance the cure for the trouble would seem to be to invite the French into the Anglo-American nuclear club.

But the problem becomes more complicated when we realize, as the British now do, that although they have a considerable nuclear power of their own, always assuming the overall protection of the United States, it is a power which is on the way to becoming obsolete. Because it is impossibly expensive, the British have already retired from the race in missiles, and they know that when the bombers become obsolete, say within the next 10 years, Britain will cease to be a nuclear power in its own right.

Thus our "special relation" in nuclear affairs is destined to disappear within a period of time. The time will not be much longer than it would take France, which is now far behind Britain, to make itself as strong in nuclear power as Britain is today.

The fact that Britain has already retired from the missile race and that it realizes that it has an obsolescent nuclear power, proves that the whole British effort was a mistake in the first place. We allowed ourselves to be persuaded to support the mistake by an amendment to the McMahon Act. The question today is whether to make compensation to France for that mistake, which time is curing anyway, by repeating the same mistake with France.

After much debate and soul searching the administration decided, I think rightly, that the original principle of the McMahon Act is sound, that within the Western Alliance the ultimate responsibility in nuclear affairs must be in one capital, not in two or three. For the United States the predicament would be intolerable if the key to the use of our strategic nuclear forces were not in Washington.

We have this power because we had to build it. Our nuclear power is, as a matter of fact, the core of the defense of Europe and of the West. We cannot allow this power to be set in motion by others. We must keep the ultimate right to decide whether and when it shall be used. A weak and independent nuclear force within the Western Alliance, a force which could start a world war but could not finish it, would be a danger to the peace of the world and to our own national security.

Not for a moment do I believe that the British would dream of committing a gross betrayal of the United States, which would be to buy admission to the Common Market by offering to France the nuclear know-how acquired from us. Nor do I share the view that the British have no other card, except betrayal of the United States, to play against General de Gaulle.

There is a very strong card, which is at once British and American, in what has been called the grand project. This looks to the admission of Britain and some other European States to the Common Market, to an association with it of the European neutrals, to a friendly accommodation with the Commonwealth, and with all this the partnership of the United States in a great open and low tariff trading area.

It must be understood in France and Germany, as I believe it is in Belgium, the Netherlands and Italy, that the grand project is not a utopian contraption, nor is it an insidious American attempt to control Europe. It is based on the hard condition of the postwar world. The United States needs this large liberal trading area if it is to expand its trade and thus be able to earn the hard money to finance its military and civilian commitments overseas. For this reason, if Paris and Bonn wreck the grand project, there is almost certain to follow a severe retrenchment in our dollar commitments overseas.

There should be no illusions about this, particularly in Bonn. If the European Economic Community becomes a closed, restrictive and exclusive society, the United States will not be able to earn the costs of defending that community on the ground in Europe. The United States will be compelled to insist that the defense of this restricted Europe be paid for by the restricted Europe. With our dollar deficit what it is, with our mounting obligations in this hemisphere and in Asia, we shall not be able to go on subsidizing the local and tactical defense of the European continent.

We must see to it that this is understood in the places where the final decisions will be taken about the admission of Great Britain and about the partnership with the United States. I am confident that it will be understood.

OPPOSITION BY MINNESOTA STATE BOARD OF HEALTH TO USE OF HEALTH REQUIREMENTS AS A TRADE BARRIER, AND SUPPORT OF THE NATIONAL MILK SANITATION ACT

Mr. McCARTHY. Mr. President, one of the many problems facing the dairy industry is that of artificial barriers to the movement of milk in interstate commerce.

Milk of high sanitary quality is being excluded from some areas by the use of special sanitary controls. There is a need, of course, for strict sanitary controls of fluid milk; and the exercise of such controls to protect the public health is primarily the responsibility of State and local governments. But there is no justification for special sanitary and health controls imposed for economic reasons to reduce competition.

The Minnesota State Board of Health, at its regular meeting on April 9, 1962, unanimously adopted a resolution opposing the use of health requirements as a trade barrier, and expressed its support of the National Milk Sanitation Act, a bill (S. 212) which I have joined my colleague, Mr. Humphrey, in sponsoring.

I ask unanimous consent that the report of the Minnesota State Board of Health, which I received from Dr. Robert N. Barr, secretary and executive officer, be printed at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

State of Minnesota,
Department of Health,
Minneapolis, Minn., May 15, 1962.

From: Robert N. Barr, M.D., Secretary and executive officer.

Subject: Federal milk legislation. H.R. 50 and S. 212, the National Milk Sanitation Act.

At its regular meeting on April 9, 1962, the Minnesota State Board of Health unanimously adopted the following statement and directed that the secretary furnish a record of the action to the entire congressional delegation from Minnesota:

"The State board of health is opposed to the principle of using health requirements, as such, as a trade barrier in the movement of milk, and for that reason is in favor of the proposed legislation (National Milk Sanitation Act)."

Although the sanitary regulation of milk production, processing, and transportation is, in Minnesota, a function of the commissioner of agriculture, the State board of health is familiar with the problems resulting from a lack of uniform standards of practice and acceptance. The proposed legislation provides a satisfactory means of applying such standards to the benefit of both importing and exporting areas and of the public health.

MISERY OVER CHINA

Mr. KEATING. Mr. President, the exodus of refugees from Communist China has attracted world attention. When the British Government first undertook to return the refugees to China, there was an outcry of rage from the rest of the world, but until yesterday, there was no offer to help. The invitation now extended by the Chinese Nationalist Government in Taiwan should provide a welcome for these unfortunate souls, driven from their homes by the scourge of hunger, one of the hallmarks of a Communist state.

Although the action of the British in turning back the refugees is deeply regrettable, it has certainly served one good purpose: It has publicized more widely than would otherwise have been possible the desperate conditions in China, the utter lack of hope which these refugees personify, and the miserable failure of the Communist promises for China.

Unfortunately, refugees from Communist tyranny are no longer news. There have been so many over the last decades that we are used to it. What is news is the refusal of even the British, who have such a truly magnificent record in Hong Kong, to accept more refugees. With the assistance of Nationalist China, some restrictions can perhaps now be raised. Other nations may also make some efforts to help, now that the need is so overwhelmingly clear.

This mass exodus from Red China should be widely publicized throughout the free world, in the rest of Asia, in Africa, in the Middle East, in Latin America, and everywhere that Communist propaganda rings loud.

We should tell with equal force the bitter truth about communism in China. The story should be spread through the villages of Laos and South Vietnam, where too many free are still apathetic about communism. It should be spread by radio and other media to all the corners of the world where the voice of America can be heard.

I would hope also that the impact of the refugee problem in Hong Kong would be felt here in the Congress of the United States, here where there has been consistent refusal to reform our own immigration laws so that we might better help some of these people.

Two years ago the distinguished Senator from Hawaii [Mr. FONG] offered an amendment which would have permitted up to 50,000 refugees to enter the United States. This humanitarian measure was passed by the Senate, but, unfortunately, the House of Representatives refused to take it and it was deleted in conference.

At present, the Senator from Michigan [Mr. HART] and myself, with a number of other Senators, have a bill that would also provide a specific 50,000 quota for refugees. These measures are long overdue.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. KEATING. I ask unanimous consent that I may have 1 additional minute.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KEATING. The United States should move ahead in this area, to insure that the talents and skills, even the lives of these people, are not wasted. Congressional action along these lines would not only help these unfortunate people who need help so desperately; it would also focus the added glare of world publicity on the complete failure of the Chinese Communists to look out for the lives and welfare of the people of China.

THE AGRICULTURE BILL

Mr. WILEY. Mr. President, the agricultural bill beginning on page 69 contains a very important provision: "Title V—Industrial Uses of Agricultural Products." I have a few words to speak on that subject.

I have mentioned before, and I say again, that in the State of Wisconsin we produce about 18 billion pounds of milk. The farmers are getting $3.02 a hundredweight for it.

I assert that the solution to the milk problem is to be found in three different channels: First, added consumption. We should drink more milk. When I say that, I mean the people of this country should consume more milk. There are children in this very city who need milk. There are children in other cities who need milk.

That point brings up another solution: More adequate distribution. We in Wisconsin cannot even send our milk to this city. Milk barriers have been built against us. In my humble opinion, more consumption and better distribution are needed.

Then I come to the third solution: industrial uses. In dairying, for example, I have long recommended—and now have a bill in the Senate, S. 2414, for carrying out—expanded research to find industrial uses for dairy products.

Although title V does not specify particular uses, the bill, significantly affirming my recommendations for dairying, does state that—

> (d) Basic research in agricultural products and their uses is essential in any long-range program of benefit to agriculture;
>
> (e) Research programs to develop new and improved uses for farm products and new farm products have potentialities for providing outlets for a larger volume of farm production and greater stability of the prices of farm commodities;
>
> (f) Public and private research agencies, including the Departments of Agriculture and Commerce, the land-grant colleges, other universities and research institutions, as well as private firms, can and should be utilized for an all-out attack on development of new and improved uses, and new and extended markets and outlets for farm products and byproducts. Research, pilot plant, development and trial commercialization work and corollary economic and related studies should be devoted to the expansion of industrial uses for agricultural commodities in surplus, and to any food and feed uses and replacement crops that can make substantial contributions toward the solution of the surplus problem. Facilities should be established as needed to permit adequate experimentation and testing, and production and market development, of promising new uses and new products;

For peanuts and corn, for example, a number of uses have been found for these products—not just for food, but for industrial purposes. The road then, is marked—providing a precedent for chemical research centers to find further utilization of the constituents of milk. Of course, people smile and laugh, and say, "You can't do it with milk." That is what some people said about peanuts and about corn.

In my humble opinion, if we are going to solve this problem, it will not be simply by waiting until the population catches up to production, but by better distribution, more consumption and the utilization of the constituent parts of milk for industrial uses.

WEST BERLIN'S INDUSTRIAL PRODUCTION

Mr. HUMPHREY. Mr. President, in this morning's New York Times there is a very interesting article, with the headline "Berlin Industry Shows a 9-Percent Rise." My colleagues will recall that only a few months ago voices were being raised in this country, and elsewhere, to the effect that Berlin was a dying city. I am sure my colleagues will recall the news dispatches from Berlin and other European capitals stating that industry was leaving the city because of the wall erected by the Soviets and their East German puppet government. I am sure my colleagues will recall the stories about large numbers of moving vans which were operating in the city of West Berlin, taking household furnishings of families to other parts of Germany.

In other words, a mass exodus was reported from West Berlin. There were those pessimists who said the economic future of the city was doomed.

I am happy to put in the RECORD a report from Berlin which states that—

> West Berlin's industrial production rose by 9 percent last year despite the closing of the border by the Communists and the loss of East German workers, the Chamber for Industry and Commerce said in its annual report today.
>
> The report stressed that a growing shortage of labor and the need for intensified capital investment were the two main long-range problems Berlin's economy must solve to forestall stagnation.
>
> The experts in the chamber believe that, unless industrial production expands to make Berlin one of Europe's largest production centers, the city is destined to lose more and more of its manpower and attraction over the years.

But the encouraging note is that the great city of West Berlin has moved ahead again at a startling rate of industrial production. I think our Government can take some sense of justifiable pride in this accomplishment, because it was the prompt action of the President of the United States in July of last summer, and subsequently in September, that really protected the lifelines of West Berlin and gave the people of that city a new spirit of confidence.

The Vice President of the United States went to that great city, met with its officials, addressed an audience of hundreds of thousands of people, and greeted the first new troops of our Government and country coming to West Berlin. All of that had a very salutary effect.

I congratulate the people of West Berlin, their Government, their leaders in industry, commerce, and labor, for this demonstration of political vitality and moral coverage and complete support of the principles of economic and political freedom.

I ask unanimous consent that the full text of the article from which I have quoted be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 22, 1962]

BERLIN INDUSTRY SHOWS A 9-PERCENT RISE—U.S. PRESSES DRIVE TO GET MORE BUSINESS FOR CITY

BERLIN, May 21.—West Berlin's industrial production rose by 9 percent last year despite the closing of the border by the Communists and the loss of East German workers, the Chamber for Industry and Commerce said in its annual report today.

The report stressed that a growing shortage of labor and the need for intensified capital investment were the two main long-range problems Berlin's economy must solve to forestall stagnation.

The experts in the Chamber believe that, unless industrial production expands to make Berlin one of Europe's largest production centers, the city is destined to lose more and more of its manpower and attraction over the years.

TRAINING CENTER WEIGHED

Senator Karl Schiller, head of the Economic Department in West Berlin's Government, said one answer for the labor shortage that is being contemplated by U.S. planners is the establishment in Berlin of an international training center for automation and modern operations.

Dr. Schiller, an economics professor, spoke at a news conference on his return from a 10-day visit to Washington and New York. He discussed economic projects for Berlin with President Kennedy and U.S. economic experts.

Dr. Schiller said he was deeply impressed by the knowledge and interest shown by President Kennedy and by the enthusiasm with which American policy planners were responding to the Berlin challenge.

To illustrate Washington's urgency, Dr. Schiller recounted how he was called to a special meeting one night to discuss investments in Berlin with the chairman of a large business concern.

The businessman told him, Dr. Schiller said, that he had lunched with the President the day before and that Mr. Kennedy had urged him to see whether his company could start operations in Berlin.

Gen. Lucius D. Clay, the President's former representative in Berlin, and other U.S. officials communicated with about 70 U.S. corporations to urge them to set up plants in Berlin. About 10 have expressed interest in the idea.

Dr. Schiller said it was not a question at first of large or costly operations, but mainly a demonstration of American businessmen's faith in the soundness of Berlin's future.

The Berlin Industrial Chamber said in its report that orders for Berlin industry continued to pour in at a satisfactory, and in some fields at a high rate. In general, Berlin companies had orders for the next 8 to 9 months, the report said.

REVENUE SHOWS RISE

The revenue of Berlin's industry last year topped 9,500 million Deutsche marks (about $2,400 million), rising by 870 million marks ($207,674,000) over 1960.

The chamber's report noted that the increase in production was 3 percent higher in Berlin than in West Germany. In West Germany industrial output increased by only 6 percent.

In the talks in Washington, Dr. Schiller discussed a number of German-American proposals to strengthen Berlin's cultural and economic assets.

One proposal calls for the establishment of an institute for urban development. Still another would set up a training center for technicians from underdeveloped countries who would be sent to Berlin through United States or German grants.

TO PRESERVE OUR FREEDOMS WE MUST DEFEND OUR COURTS—ADDRESS BY CHARLES S. RHYNE

Mr. HUMPHREY. Mr. President, I invite the attention of my colleagues to a recent address by Charles S. Rhyne, former president of the American Bar Association, entitled "To Preserve Our Freedoms We Must Defend Our Courts."

In this address Mr. Rhyne takes vigorous issue with the organized assaults on our Supreme Court and on some of the individual members of the Court. I know of no man who is more qualified to speak on this subject than Charles S. Rhyne, a most respected attorney.

Mr. Rhyne reminds us forcefully and eloquently that our freedom and the preservation of individual rights is dependent upon an independent judiciary. Mr. Rhyne notes that it is one thing to disagree with particular decisions of the Court, but entirely another thing to make destructive assaults upon the institution itself and to question the loyalty and integrity of the members of the Court.

I quote one paragraph from Mr. Rhyne's address:

> There is a true saying that "evil grows when good men do nothing." A great evil is abroad in our land due to recently organized assaults on our Supreme Court and especially some of its members. Particularly is this true of such things as the recently conducted essay contest allegedly seeking reasons for impeachment of our great Chief Justice. The false implication that such reasons exist makes this kind of attack most reprehensible. We of the bar who follow every word uttered by the Justices most carefully—as we must to present cases there—know how false this innuendo is but we have trouble in getting any newspaper to print our defense of the Court and its members. Charges are "news"—defense and denial are evidently not.

Mr. President, we are indebted to Mr. Rhyne for his fine defense of the Supreme Court as an institution of freedom. I hope that his address will be widely read, especially by our high school and college students who are now studying the operations of our Government.

Mr. President, I ask unanimous consent that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TO PRESERVE OUR FREEDOMS WE MUST DEFEND OUR COURTS

(By Charles S. Rhyne, past president, American Bar Association, Washington, D.C., before Churchmen's Washington Seminar, Washington, D.C., Lutheran Church of the Reformation, Feb. 28, 1962)

I am highly honored to be privileged to speak to you about the role of the Supreme Court of the United States in our system of government. In doing this I will follow the suggestion of your program chairman and relate my remarks up to critical attacks leveled against the Court in the recent past.

Our whole system of government can be summed up in the three words "rule of law" and the great paramount purpose of our system in the four words "individual liberty under law." We pride ourselves on the fact that we have a government of laws and not of men, but men are required to run our Government. The acts and actions of men are constantly examined and measured against our constitutional guarantees. It is our courts which do most of this examination and measuring. Our courts are therefore the most important organ in the maintenance of our whole system of government. When personal freedom and individual liberties diminish and disappear in other nations one always finds this to occur in proportion to the decline in independence of the courts. This stark fact underlines the tremendous importance to all of us of our courts, especially our Supreme Court of the United States.

But no discussion of the fundamentals of our system of government or our great national purpose is realistic without a recognition of the fact that our rule of law which guarantees individual liberty under law is based upon deeply felt religious principles. From America's inception, religion has been emphasized and utilized as a moral standard for our law. King Ferdinand and Queen Isabella in their commission to Christopher Columbus stated that it was given "by the grace of God" and recited that "it is hoped that by God's assistance some of the continents and islands and oceans will be discovered."

Nowhere is there better evidence of our Nation's regard for religion than in the field of law. Many things demonstrate this. The form of legal oath, the laws respecting observance of the Sabbath, the special consideration given to churches and church organizations under the law, and many others. Looking back at the history of our Nation two things stand out: The first is that we are a religious nation, and the second is that we are a "law-ful" nation.

The first colonial grant to Sir Walter Raleigh in 1584 stated that it as from Elizabeth "by the grace of God." The first charter of Virginia granted by King James I in 1606 was "by the providence of almighty God." Language of similar import is found in the subsequent charters of other colonies. The celebrated compact made by the Mayflower Pilgrims in 1620 recited that their voyage and colonization was "for the glory of God and the advancement of the Christian faith."

The Declaration of Independence recognizes the presence of God in human and governmental affairs in such references as the endowment of men "by their Creator with certain unalienable rights" and "appealing to the Supreme Judge of the world for the rectitude of our intentions" and "with firm reliance on the protection of Divine Providence." State constitutions and the Constitution of the United States contain common declarations "prohibiting any law respecting an establishment of religion or prohibiting the free exercise thereof." Along with these expressions of religious belief went similar expressions on the respect of our forefathers for the law. There is a universal concept pervading all of the basic law, and documents of our Government that ours was to be and is both a religious nation and a nation under the rule of law.

No one can study the history of law as we understand it without realizing that law was religion for centuries. It is no digression for me to remind you of the inextricable intertwining of our system of law and religion as my basic thesis tonight is our need to return to basic fundamental principles our Government.

Those principles established beyond question the importance of our courts to every man, woman and child in America. They make it crystal clear that they, who by their actions weaken or undermine our courts, are undermining the very foundations of our system of government.

Recognizing the firm links of law and religion in our country, we lawyers deeply appreciate the interest of you religious leaders in our system of government under law and we seek your continuing help in defending that system. Ours is a system of government which in spite of the size of the Nation, and the necessary complexities of its organization, assures for the average citizen more vigorous protection for life and person, more widespread justice, more equality under law, more effective protection for individual rights, more evenly distributed economic opportunity, more security in person and property, and greater personal freedom than any other system yet developed in all the history of mankind. Our system stands as a beacon of light to oppressed peoples throughout the world.

But our system of government is dependent upon and no stronger than our courts. And our courts are no stronger than the strength of the public's confidence in them. The current irresponsible criticism directed at the Supreme Court makes this a most appropriate time to seek your help in maintaining public confidence in our courts as an institution of government. It is unfortunate that this criticism is often of such a scurrilous character that if left unrefuted it may lead to disrespect and loss of confidence in all law, all courts and our entire system of government under law.

There is a true saying that "evil grows when good men do nothing." A great evil is abroad in our land due to recently organized assaults on our Supreme Court and especially some of its members. Particularly is this true of such things as the recently conducted essay contest allegedly seeking reasons for impeachment of our great Chief Justice. The false implication that such reasons exist makes this kind of attack most reprehensible. We of the bar who follow every word uttered by the Justices most carefully—as we must to present cases there—know how false this innuendo is but we have trouble in getting any newspaper to print our defense of the Court and its members. Charges are "news"—defense and denial are evidently not.

The preamble to the "Canons of Professional Ethics" as promulgated by the American Bar Association provides:

"In America, where the stability of courts and of all departments of government rests upon the approval of the people, it is peculiarly essential that the system of establishing and dispensing justice be developed to a high point of efficiency and so maintained that the public shall have absolute confidence in the integrity and impartiality of its administration."

Our Government was established with three separate branches specifically to create a balance of power. The checks which each of these branches has on the others are our best insurance that the absolute power necessary to form a tyranny will never vest in any one branch. If the American public loses its respect for our courts, one-third of our governmental system of checks and balances will be stripped of its power. This is axiomatic, for no organ has power absent either respect or fear; and fear has never been an arm of democracy. If one of our three branches of Government may be destroyed, none are safe.

Unless our court system can maintain its position of dignity and respect in the eyes of our public, the foundation of our way of life is in danger. The truth inherent in this reasoning is sufficiently grave to merit our thoughtful, objective consideration. Personal reactions and personal judgment as to any individual decision of any court must be laid aside and the grave problem of the current situation considered.

It is deeply disturbing that the current organized nationwide attack on the Supreme Court by the so-called right wing has gone beyond criticism of individual decisions to the hurling of personal insults and vilification at Justices of that Court. This attack often uses falsehood and false innuendo resembling Hitler's "big lie" technique. It has reached the point where the confidence of the public in our Supreme Court as an institution of government may become impaired unless thoughtful men rise up and defend the Court and its members.

I call to your attention the fact that self-imposed judicial ethics and traditions forbid any response by the judiciary to attacks upon it no matter how false, or how personal, or how unwarranted those attacks may be.

Canon No. 1 of the American Bar Association's "Canons of Professional Ethics" provides in part:

"It is the duty of the lawyer to maintain towards the courts a respectful attitude, not for the sake of the temporary incumbent of the judicial office, but for the maintenance of its supreme importance. Judges, not being wholly free to defend themselves, are peculiarly entitled to receive the support of the Bar against unjust criticism and clamor."

Judges of our courts speak publicly only in the discharge of their judicial function. These men have given up the right to criticize in order that the rest of us might be secure in that right. But we have no such restraint upon us. It is, therefore, up to us to speak up in defense of our courts as an institution of government. Our duty is to see to it that our people have the correct facts and a proper appreciation of the place of the courts in our system of government.

We cannot be content merely to note the comforting fact that an institution which has survived the petulance and displeasure of a Jefferson, a Jackson, a Truman, and two Roosevelts—to say nothing of the tirades of lesser men—almost certainly has the strength and vitality to survive present attacks. We have our own obligations to discharge, and it is important that we not fail in those obligations.

It is not my purpose either to defend or to criticize any particular decision of any court. My basic point is our duty and responsibility to maintain the confidence of the public in our courts. Such confidence is essential to our whole system of government. We must never allow that system to be impaired or destroyed by such unwarranted attacks as those which we read about in the press that certain members of our courts should be impeached when we know those charges are groundless and that the assailed judges are outstanding patriotic Americans entitled to the admiration and respect of our people for the outstanding manner in which they perform their duty.

We as a people may talk loud and strong of our rights and liberties, but our rights are as nothing without a redress and protection in the courts. Chief Justice Marshall so truly said: "The judicial department comes home in its effects to every man's fireside, it passes upon his property, his reputation, his life, his all."

Recall also that the preamble to our Constitution recites that one of the purposes for which our Nation was created was to "establish justice." Certain it is that the judiciary, as one of the three great branches of our government, has always played a basic role in the lives of our people. Our people have a right to justice, soundly and properly administered. And we have a duty to make the people secure in their rights.

The American people have not hesitated to rebuke powerful and popular Presidents who struck out against the courts and especially the Supreme Court of the United States. Our people are not likely to be swayed by the hysterics of the lunatic fringe and its sympathizers. But when the Court is assailed and not defended by sensible and well-intentioned citizens, citizens perhaps who have let their disagreement with individual decisions lead them into unthinking antagonism against the Court as an instrument of Government, then it is time to pause and rethink the fundamentals of our system of government.

You men of religion may feel deeply about past, present or future court decisions on such questions as use of public tax money for religious schools, bible reading in public school classrooms and any of a vast multitude of decisions which the Supreme Court must make in interpreting Federal and State constitutional prohibitions that State legislatures or "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." Under our system of government the Court must decide these and other great issues upon which our people are often greatly divided. And do not therefore be shocked that the Court itself is just as often divided. These men though Justices are human beings. They have wives and children just as we do. They experience human reactions to the ups and downs of life just as we do. They even make mistakes as we do. Do not expect their judicial robes to transform them into supermen.

The important thing to put in proper focus is that under our system of government decisions must be made if that system is to operate, and the Court is our organ of government to make those decisions. Recall the paralysis of our country under the Articles of Confederation due in part to absence of an organ to decide great issues. Look at the impotency of the United Nations today due in part to lack of acceptance and use of the World Court. Then ponder the sucess of the European Economic Community where the European Court of Justice is deciding over 50 cases a year, thus insuring progress and avoiding the stagnation of stalemate which flows from lack of such a decision-making process.

But let me confine my remarks tonight to the United States rather than the world community. In this area we have plenty to discuss. Certain issues which have come before the Supreme Court recently have been highly controversial. The Segregation cases, regardless of their resolution, were bound to offend the convictions of an appreciable portion of our population. The Internal Security decisions grappled with the basic conflict between the rights of the individual and the necessary powers of the sovereign in the field of security. Again public opinion was bound to be divided. But what case in the Supreme Court is not highly controversial and highly important?

There are no easy cases in the Supreme Court of the United States. It gets only the most difficult of all cases. But the more important the case, the more nicely balanced the conflicting interests involved, the more essential it is that criticism and debate concerning the ultimate decision be conducted on a high plane.

I pause to point out that the Supreme Court considered some 2,000 cases per year. It hears oral argument and writes extensive opinions in more than 100 of these cases. Because of its important position at the apex of our system for the administration of justice it is esential that the Court confine itself to the great issues, the most important cases, and not waste its time on cases of no great consequence or otherwise it would not have adequate time to devote to its great function of deciding the major issues which come before it in a steady flow and which must be decided if our system of government is to work. We have 50 State supreme courts and 11 Federal circuit courts of appeal, as well as many other intermediate appellate courts in our country, where everyone is assumed of an opportunity to have alleged errors of our thousands of trial courts corrected. So please understand that not every case can be, or should be, considered or heard orally by the Supreme Court. I believe the Court does an outstanding job of selection of the cases it should hear.

Defense of our judiciary as an institution of government must not and should not interfere with or impair the right and duty of any man to express reasoned criticism of any decision of any court he believes to be erroneous. There is certainly nothing wrong with criticism of judicial decisions. Many great advances in our jurisprudence have stemmed from the reasoned criticism of judicial decisions. It is well to recall the opening sentence of Mr. Justice Brandeis' landmark opinion in *Erie Railroad Company* v. *Tompkins*. "The question for decision," he wrote, "is whether the oft-challenged doctrine of *Swift* v. *Tyson* should not be disapproved." Whether you agree or disagree with his conclusion, you must concede that Mr. Justice Brandeis' scholarly opinion was a tribute to the constructive criticism and searching historical evaluation to which the doctrine of *Swift* v. *Tyson* had been subjected. And that the Court should from time to time reexamine the basis of some of its decisions and reverse long standing precedents is not surprising. It would be surprising if the Court did not. As the Court itself has said, "Repeated error is still error." And the Court has never claimed to be infallible. I would say that the instances of such reversals of precedents are extremely rare. The stability of our law flowing from its decisions as precedents is therefore not impaired by those rare instances.

It is not at all disturbing that large numbers of intelligent persons should disagree with the legal reasoning of the Court, the authorities cited, or lack of them or the ultimate decision. One finds dissents to almost every decision from members of the Court itself. My complaint is against the personal insults hurled at members of the Court in place of criticism directed at their decisions. One may disagree with an opponent, and yet respect him and his motives. Disagreement is a sure sign of intellectual activity—the freedom of thought which is essential to democracy. But when that disagreement runs rampant in the form of malicious charges directed toward undermining and smearing the reputation of an opponent, this is cause for freedom loving men to become alarmed. For this type of attack cares little for the virtue of truth. Especially when engaged in against those who cannot reply without endangering the Court of which they are members.

All of us are somewhat familiar with the overall history of the Supreme Court of the United States. In its decisions one can trace most of the significant social, political, and economic trends and developments of our Nation. The Court began its role as a resolver of great national issues in the classic case of *Marbury* v. *Madison*. The majority opinion by Mr. Chief Justice John Marshall stated that conflict between a Federal statute and our Constitution must be resolved in favor of the Constitution, the supreme law of the land. Although this declaration was actually mere dictum, it was widely accepted as controlling on the power of the Court to rule on the validity of Federal statutes.

Opponents lashed out at the language of the opinion. Many eminent men, among them President Jefferson, were extremely critical. They took the position that each branch of the Government had the exclusive power to pass on its own authority. Rational grounds were advanced for this argument. Certainly many persons must have considered the decision that the judiciary could overrule the legislature to be a violent misuse of judicial authority. Yet, now we look upon *Marbury* v. *Madison* as the very cornerstone of constitutional law. Absent this review of constitutionality of Federal legislation, the basic rights and freedoms we prize would be unprotected. The "gross usurpation of 1803" is the "genius of John Marshall" today.

McCulloch v. *Maryland* introduced a line of decisions in which the Court established the supremacy of the Federal Government in certain areas of power. Each infringement of States' activity and each addition to Federal powers brought forth a new barrage of criticism. So vehement and bitter were the feelings that several plans were suggested to limit or transfer the appellate jurisdiction of the Court, where validity of statutes were involved. A number of eminent persons, including Senators and Representatives, joined in this crusade; but, fortunately, wiser heads prevailed. We now recognize the value of most of these decisions. All sections of our great Nation have pulled together in time of emergency. Our commerce has not been hampered by duties, taxes or retaliatory measures between our States. The Court's interpretations of our Constitution, even in the face of violent opposition at the time when made, have made us nationally strong today.

The equality of man has always been a contentious issue. Every American reads in grade school how the Supreme Court returned Dred Scott to slavery. The hue and cry which arose from the abolitionists then was equal to any modern attack by segregation forces. President Lincoln was extremely displeased with the decision. But he made a statement which we would all do well to ponder. He said: "We know the Court that made it has often overruled its own decisions and we shall do what we can to have it overrule this. We offer no resistance to it."

This was the position of a man willing to shelve his personal disappointment rather than lead an attack as he said against "* * * our whole republican system of government—a blow which if successful would place all our rights and liberties at the mercy of passion, anarchy, and violence."

This must be our position as thoughtful Americans. We must take the lead in upholding respect for our judicial system. Fight particular decisions if you believe they are erroneous. Endeavor to have them overruled. But we must not disparage the status of our courts as an institution of government by blanket attack upon the courts as an institution and especially by personal attacks upon justices or judges.

It is needless to continue tracing the history of the Supreme Court in support of the thesis herein stated. It is well known to all. Never a decade has passed that some great controversial economic, political, or moral issue has not been resolved by the Court. Time has proved many of the decisions to be not only correct but brilliant. Others were later seen to be shortsighted or shallow and were overruled. But would we have it otherwise?

Would it be better to have as our High Court of Justice a board of nine pacifiers whose chief function is to concede some basic value here (and withhold a little justice there) in an effort to appease a minimum of, say, 90 percent of the public? Or would we have nine legal minds, human men, not gods, who wrestle with the great judicial issues of our day and resolve them to the best of their ability?

Is our first concern that every decision be correct, important as this is? The answer is clearly "No." It is more important that we have independent judges, free to decide unfettered by outside pressures. If unpopular decisions can result in loss of appellate jurisdiction or irresponsible charges of impeachment against judges, how can we hope that fear of consequences of decisions—or what is even worse, political corruption—may not seep into and rust the scales of justice?

These are critical times. The forces of communism are constantly trying to undermine our institutions. One of their principal goals is to create distrust and dissension within our Nation—to make us doubt our way of life. Certainly this is no time for our own people to add impetus to the Communist attack. And let us never forget that no institution in our government is so directly opposed to the concept of a supreme state as our courts. The rule of law and the supreme state cannot coexist. Supremacy of law over government insures freedom of man. That supremacy is insured by our independent judiciary. Destroy that independence and our freedoms are dead.

All Americans must be reminded of our priceless heritage of freedom under law. In our daily life we see the great principles of democracy applied by our court system. We tend to take them for granted. But whenever we stop and think, we must recognize that not one of our priceless freedoms—speech, religion, press, even criticism of government—would be safe without the final safeguard of the courts. The Supreme Court has been our bulwark of ultimate protection for the weak, the oppressed, the minorities, and the unpopular. Our whole future as a nation, and as a people, depends upon the maintenance of this independent judiciary to preserve the rights of our people.

In closing it is well to stress again that I am not here urging that our court system or our Supreme Court is above censure. No organ of government is. None of our institutions are perfect, including our courts. As Mr. Justice David Brewer of the Supreme Court said in 1898: "It is a mistake to suppose that the Supreme Court is either honored or helped by being spoken of as beyond criticism."

But there is a vast difference between criticism stemming from constructive analysis of particular decisions and the uninformed, misleading statements and insults which are sometime being hurled currently. As President Lincoln suggested, time spent in ranting and raving would be better used working to establish the fallacy of the unpopular holding. But no degree of disagreement justifies degrading the foremost protection of our finest heritage—freedom under law—a protection only the courts can guarantee.

Public understanding of our courts and their supreme importance to each American is vital to the future of our Nation. Our American people have traditionally been ready to respect their courts and to look to them as the ultimate guardians of the liberties of our people. We must maintain that tradition to maintain those liberties. "Justice" as Daniel Webster said, "* * * is the greatest interest of man on earth. It is the ligament which holds civilized nations together. Wherever her temple stands, and so long as it is duly honored, there is a foundation for social security, general happiness, and the improvement and progress of our race."

To insure justice in our land, we must do all in our power to preserve the respect of the public for our courts. The stake of the public at large in this matter is tremendous. A respected and strong judiciary is essential to maintain our system of freedom under law. Maintenance of that freedom is essential to the continued liberty of our people and the continued liberty of our people is essential to the future of free peoples everywhere.

THE CHALLENGE OF UGLINESS—ADDRESS BY AUGUST HECKSCHER

Mr. HUMPHREY. Mr. President, this past month August Heckscher, Special White House Consultant on the Arts, spoke in New York under the auspices of the New York chapter of the American Institute of Architects. The title of his address was "The Challenge of Ugliness."

I ask unanimous consent that Mr. Heckscher's address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHALLENGE OF UGLINESS

(By August Heckscher, Special White House Consultant on the Arts: Address prepared for delivery April 3 at the Conference on Aesthetic Responsibility; under the auspices of the New York chapter of the American Institute of Architects)

Mr. Chairman, ladies and gentlemen, let me say, first of all, that it is a pleasure to be here, in this company, and concerned with this subject. Since being named by the President, I have received many good wishes and many encouraging expressions of support, not only from individuals but from groups and organizations. I am glad to be able to acknowledge them and to say how much they have meant to me and to others involved in this work. The New York chapter of the American Institute of Architects has been particularly considerate and cordial. I thank them especially.

Now it seems to me that the "Challenge of Ugliness" is a good topic to begin on, for in declaring myself against ugliness I am certain to be on safe ground. In denouncing ugliness roundly and resolutely, I am hardly likely to lose any of these new-found friends. And I really don't want to lose them: I am going to need them all as we go forward along a path where troubles and perplexities are bound to accumulate. Indeed, I trust that as the work progresses I may continue to earn your good will.

Having said this, I should perhaps conclude and sit down. But I am constrained to confess that opposition to ugliness is not the whole of my platform, nor is a simple declaration the end of my discourse. I believe that our 20th century American society is entering upon a new phase, where the concerns and controversies of the past several decades are going to be muted or supplanted and a whole new range of interests is going to excite the public. Leaving aside the ever-present problems of the cold war, what has been the central preoccupation of our common life? It has been welfare. It has been the satisfaction of the private desires of the citizenry: the increase in their comforts and the multiplication of their possessions. But there is surely an end of the state more noble and enduring than welfare. The old measures in this field have reached a point beyond debate; new measures may still divide us, but they are destined to take their place, in one form or another, in the anthology of accepted reforms. Meanwhile the people begin to look beyond the acquisition of private possessions and indulgence in personal pleasures.

It is hard to know how to formulate these new and larger interests. I have used elsewhere the phrase "the public happiness." I like to think that this in some sense describes the satisfactions men find significant when they reach out beyond the search for security and for material benefits.

The arts and cultural activities form an important part of this realm. The widespread, lively interest in the development of the arts—you can discern it in the press, you can feel it amid the public and even in the Congress—is a symptom of a deep movement in public opinion, one of those transformations in our habits and ways of thinking which, once in a generation or so, create wholly fresh demands and possibilities.

Sometimes this enthusiasm for culture seems a little overwhelming. One fears that where such winds are blowing nice distinctions are going to get lost and the highest standards will prove difficult to maintain. The difference between the excellent and the second-rate, between the genuine and the spurious, between the artist and the amateur, are perhaps now in more danger of becoming blurred than in periods when the arts are neglected.

But the capacity to appreciate and enjoy, and the energy to create, certainly exist in a high degree among us. They may yet bring us out into an age of cultural achievement such as our country has not known before.

Now I would like to maintain today, before this audience, that the maintenance of beauty and fitness in the environment—a sort of comeliness in the world around us—is wholly as important as other forms of culture in determining the quality of a society. The things that are created by men working together, consciously or unconsciously, are the most durable facts about a civilization. They outlast the living generation; they carry forward, to be modified by time and by new men, the body of an age. Where we find that men have built meanly, without common purpose or a sense of the ideal, we can be sure that they lived meanly also—or at the very least that they lived with a disproportionate emphasis on the private sphere of life, neglecting the influences which can make a civilization out of an accumulation of individual existences.

What, after all, do we mean by a civilization? It is surely not the accumulation of private things. Nor is it, necessarily, the building of public things. In the "Republic," Plato complained of those who had heaped up physical structures and yet missed the most important aspects of a true civilization. They have filled the city, Plato complains, "full of harbors and docks and buildings and all that," and have "left no room for temperance or justice." Many of those arguing today that we have overdeveloped the private sector while neglecting the public sector fall into this fallacy; they seem to suggest that money spent in the public realm is necessarily and in all circumstances a boon.

Granted there are public needs poorly met and some not met at all, still a transfer of funds from the private to the public budget is no assurance of a higher degree of maturity and civilization. A civilization requires temperance and justice at the core—an inner sense of values in the light of which decisions are made. It implies an external order of things which are not only beautiful in their own way but correspond to a people's intrinsic sense of what is good.

The next decades will be a period of vast building and of great physical transformations of the American scene. It is not only that goods will pour from the factories. New highways will criss-cross the country. Cities will be torn down and rebuilt. The countryside will be made over into new forms of urban and suburban communities. Yet all this activity will not in itself mean that a civilization is being shaped. A civilization begins to manifest itself when men and women have begun to take thought about what it is they construct, and why, and to what end. It begins to be a living whole when the idea of beauty has found its place alongside the pressure of utility and the spur of need.

In the past history of this country, the outward pattern of things has, to an extraordinary degree, been left to chance—to the haphazard actions of special interests and groups. Sometimes it has seemed that as a nation we simply did not concern ourselves with the face of the land. The American Continent was so huge, its resources of land and forests and water so unbounded, that though men chopped away at them with only their own interests in mind we trusted that the great bulk of things would remain unspoiled. Sometimes we have assumed that private interests working competitively would create their own kind of fitness.

In strange ways this has often happened. The farming landscape, whether tightly knit in New England or spread across the mid-Western miles, has its peculiar beauty. The New York skyline reveals a spirit that no sculpture could have matched. But there are limits beyond which this faith in automatic artistry cannot be pushed. Where these limits are passed over, as in the sprawling roadside slums or the monotonous housing developments, the results have often been appalling. And the public has appeared to stand by helplessly.

Public agencies undertaking to mold the landscape or drastically alter the environment, have most frequently acted with a single interest in mind—to speed up traffic, to stop floods, to put roofs over needy people. All these separate things may be to the good. But the fact that these interventions were the work of lonely enthusiasts, or of bureaucratic experts, suggests that something has been amiss. Where was there a concern for harmony? Where was that sense of the whole which alone can give beauty and meaning to what men accomplish by their common toil?

When we look about us at the natural environment today we are struck by the degree to which it is subject to human designs. No part of it is safe from the bulldozer, from the land speculator, from the engineer and road-builder. When Theodore Roosevelt and Governor Pinchot started the conservation movement in 1908, their problem was essentially that of preserving a few key areas, or of instituting practices which allowed natural resources to endure and to reproduce themselves. Since then, the power of man over nature has increased enormously. The great advances in human organization, in science and technology, have literally put into our hands the fate of a vast continental expanse. What we do with it is for us to decide. The forests that sheltered our grandfathers, we now shelter and preserve. The land that kept them is now in our keeping. We possess the earth as in no sense could it have been said of any previous generation.

Alas, what we do with it is often discouraging enough. The natural scenery may survive in its grander aspects; the great parks and mountains have been preserved and are appreciated yearly by increasing numbers of citizens. Elsewhere, however, the rash of cities spreads ominously from what were once tight and focused settlements; the roads bring their burden of stretched-out, undefined structures and habitations. These suburbs and strip cities, seen from within, bear out the disturbing impression gained from the sky: Too often they are defilements of the natural scene, wasteful desecrators of what have been free space and green land.

On sentimental journeys, on campings and outings of a summer season, the Americans show themselves still affectingly aware of the values implicit in a noble environment. If only they could heed as attentively the landscape which surrounds them through the rest of the year. It is one thing, they seem to feel, to retreat into the silence and loneliness of a forest (at least as much silence and loneliness as their ever-increasing numbers afford) but another thing to expect beauty or fitness in their everyday surroundings. They want a national park 3,000 miles away; they do not seem to care—or to care enough—if there is no park to which they can motor on a Sunday, or one to which they can walk in their lunch hour. They want the wilderness to be forever wild; but they seem unheeding if the roadsides are forever cluttered with billboards.

Judged by the apparent attitude of too many present-day Americans, there is doubt whether we shall ever be able to extricate ourselves from a descending spiral of ugliness and irrationality. What is required is readiness to undertake on a large scale the kind of public works which are truly public—in the sense that they serve the highest interests of the citizenry; and truly works; in the sense that they are made to indure and to be judged by future generations. Yet it is this kind of undertaking for which it is often most difficult to muster support among the people. No foreign threat is so intangible but it can evoke a readiness to sacrifice and even a positive enthusiasm for the ordeal. No project, however costly or tenuous its returns, will be seriously challenged by the public if it can be shown that undertaking it will increase our material power. But if it is proposed that something be done by the people for their own delight and for the enhancement of their common life, a dead silence ensues. If someone suggests elegance in a public building, the matter is hushed up as if it were a scandal.

We have been prepared to call on the best architects in the country when it has been a matter of building abroad. The embassies and consulates that have been constructed in various countries over the past decade remind us what the United States can do—and what Government can do—when it sets beauty and excellence as a goal. The cultural center built by the Nation for the people of West Berlin shows that we are not unmindful of the value of a setting in which great public events can be fittingly held. At home, however, the story is different. We still wait to see accomplished a national cultural center in Washington. We might well feel impelled to ask, in regard to our own public buildings, whether we consider ourselves to be so backward or uncivilized that we cannot enjoy the kind of beauty which we prepare for others.

We feel impelled to ask such a question—and yet in some dim way we sense an answer more hopeful than the face of things might seem to warrant. For there is certainly an influence taking shape which promises for the America of tomorrow a more sane appreciation of the true values which make a civilization. The environment can be man's greatest work of art; and it cannot be that while we strive for excellence and beauty in specific forms of culture—in painting, in sculpture, in literature, in poetry and music—we shall permanently minimize the significance of the outward world which surrounds us from our birth and insensibly makes us what we are.

Yet I would remind you in closing of the other side of the coin. It would be all too easy to fall from the error of underestimating the importance of beauty in the environment to the opposite error, assuming that environment by itself creates men and citizens. In "The City in History," that monumental book which has just won for Lewis Mumford the National Book Award, the author has some interesting things to say about the outward aspect of Athens in the classic age of Pericles and Plato. The picture we have in our minds, he says, is of a town with "a marmoreal chastity, a purity and rationality." This did not exist in fact. If the polis existed in this form it was afterward, in the third century B.C., when the impetus of the great age had been spent and men were settling down into an existence no longer fired by ardor and creativeness.

The Greek mind at the top of its bent possessed, besides its love of abstract perfection and its strong inner order, "the violent, tormented and irrational aspects * * * one finds in the tragic dramatists or in the rule horseplay and barnyard smut one encounters in Aristophanes." The Greek city reflected all this.

No one has been more scathing than Mr. Mumford in his denunciation of modern ugliness; yet Athens, he reminds us, kept in the period when life was at its highest development a casual jumble and sprawl. "The visible, tangible city," Mr. Mumford tells us, "was full of imperfections: the disorders of growth, the fermentations and secretions of life, the unburied refuse of outlived forms, not yet decently removed, the relics of rural ways not yet adjusted to the continued ordeals and challenges of urban life." Yet the Acropolis crowned it all, its serene form reaching above the town below, finding completion as part of the landscape of rock and blue sky.

In this tension between the old and new, between the perfection of the isolated form on the hill and the seething city below—between, as it were, earth and sky—Greek life found its moment of fulfillment. When that moment passed, Mr. Mumford tells us, "buildings began to take the place of men."

Let us make sure, as we build for ourselves, that men and their cities prove of equal worth. It is not, after all, only beauty itself, but also the striving for beauty that lifts up men and makes a civilization. We shall strive in our own way, as this second half of the century moves toward its meridian. Who shall say that the striving will not bring its own rewards? Who shall know where the greatest achievement will ultimately lie—within ourselves, or upon the enduring face of the things we have created?

Mr. HUMPHREY. Mr. President, Mr. Heckscher notes that in the past several decades government has been preoccupied with providing more adequately for the private desires of the citizenry, the increase in their comforts, and a greater degree of security in their lives. As important as these welfare measures are, Mr. Heckscher calls attention to the neglect of government in the area of the arts and cultural activities. Mr. Heckscher states:

> Judged by the apparent attitude of too many present-day Americans, there is doubt whether we shall ever be able to extricate ourselves from a descending spiral of ugliness and irrationality. What is required is readiness to undertake on a large scale the kind of public works which are truly public—in the sense that they serve the highest interests of the citizenry, and truly works; in the sense that they are made to endure and to be judged by future generations. Yet it is this kind of undertaking for which it is often most difficult to muster support among the people. No foreign threat is so intangible but it can evoke a readiness to sacrifice and even a positive enthusiasm for the ordeal. No project, however costly or tenuous its return, will be seriously challenged by the public if it can be shown that undertaking it will increase our material power. But if it is proposed that something be done by the people for their own delight and for the enhancement of their common life, a dead silence ensues. If someone suggests elegance in a public building, the matter is hushed up as if it were a scandal.
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> We have been prepared to call on the best architects in the country when it has been a matter of building abroad. The embassies and consulates that have been constructed in various countries over the past decade remind us what the United States can do—and what government can do—when it sets beauty and excellence as a goal. The cultural center built by the Nation for the people of West Berlin shows that we are not unmindful of the value of a setting in which great public events can be fittingly held. At home, however, the story is different. We still wait to see accomplished a national cultural center in Washington. We might well feel impelled to ask, in regard to our own public buildings, whether we consider ourselves to be so backward or uncivilized that we cannot enjoy the kind of beauty which we prepare for others.

Mr. President, I would like to commend Mr. Heckscher for this excellent address. There is no doubt in my mind that our institutions of government at the city, county, State, and Federal level have done little if anything to promote the arts and to encourage cultural achievements. I am pleased to note, however, a definite and ever-greater interest in this area. The progress at times is sparingly slow. To date, for example, we are still unable to get through this Congress such a modest measure as an Advisory Council on the Arts. I am nevertheless convinced that we will make progress and that there is ever-growing support for the Government taking a positive and active interest in the cultural quality of our society.

DEMOCRACY VERSUS COMMUNISM

Mr. MUNDT. Mr. President, the Van Nostrand Co., of Princeton, N.J., has brought out a second edition of Dr. Kenneth Colegrove's great book entitled "Democracy Versus Communism." This book by highly regarded Professor Colegrove is being widely used by colleges and high schools either as a textbook or as required reading as a reference source. In addition, numerous chambers of commerce and patriotic organizations are distributing "Democracy Versus Communism" to important people in their communities who are molders of public opinion and community leaders.

So that those in and out of Congress who may not have had an opportunity to read this book can learn more about it, I ask unanimous consent to have printed at this point in the Record an interesting and informative book review of it, which was prepared by Professor Bouscaren, of LeMoyne College, Syracuse, N. Y.

There being no objection, the book review was ordered to be printed in the Record, as follows:

Review of Book Titled "Democracy Versus Communism," by Kenneth Colegrove—Van Nostrand Co., Inc., Princeton, N.J.

(Reviewed by Anthony T. Bouscaren, professor of political science, LeMoyne College, Syracuse, N.Y.)

Prof. Kenneth Colegrove is one of America's most distinguished political scientists, and has made important contributions to our Republic in educational, governmental, aid research capacities. He has made notable contributions to better understanding of the Communist threat, especially in the Far East. His work in helping bring to light the facts about the Institute of Pacific Relations was particularly valuable.

This is the second edition of his textbook for use in high schools, ably edited by Hall Bartlett, and supported by the Institute of Fiscal and Political Education. Until this textbook appeared, there was very little available in the high schools that was truly authoritative, which explained the Communist movement and the U.S.S.R. Nor was there very much sound information available in textbook form explaining the nature of our free-enterprise economy.

There were some criticisms of the Colegrove text based on the first edition. These criticisms concentrated mainly on the treatment of democracy, and to a lesser extent on the explanation of our economic system in the United States. The second edition meets these criticisms, and brings up to date the material found in the first edition.

Whenever anyone asks me to recommend a text for the high schools dealing with Americanism and communism, I always recommend the Colegrove text. The second edition contains important improvements, and I hope that as a result it will be even more widely adopted.

Some conservatives may well quibble here and there with Professor Colegrove on minor points. But it should be remembered that the purpose of the text is to reach as many people as possible. It is not designed to state matters so baldly and defiantly as to antagonize persons who might otherwise never learn what communism and the American system are all about from one so authoritative as Professor Colegrove. I have reviewed many high school texts, but I cannot think of any which do as good a job explaining communism and the American system. Such things as Communist influence in the Institute of Pacific Relations and its impact on our Far Eastern policy, Communist influence in the anticongressional investigating committee riots in San Francisco in 1960, etc., are discussed, to the best of my knowledge only in the Colegrove book.

My chief criticism of the textbook is its organization. Because of the topical method which is used, each chapter covers much historical ground. Thus, one will read about the Bolsheviks in an early chapter, and then, several chapters later, the author comes back to them and their activities. I would have chosen a more strictly chronological discussion of the United States and Communist systems, saving the comparisons until the end.

The book is attractively put together, with excellent charts and photographs. The "capsules and vignettes" on special aspects of Communist and U.S. life and personalities are especially well done. There is, unfortunately, no bibliography.

SPECIFIC CRITICISMS

Page 5: The author says that Soviet Russia started revolutions in the countries of east-central Europe during World War II. Actually it was a matter of supporting (and inducing the United States and United Kingdom to support) Communist-dominated resistance groups. The Soviets gained control of these countries through diplomacy (Teheran, Yalta, Potsdam), and through military invasion (sometimes called "liberation") in 1944–45. Then the Soviet followed up with the establishment of puppet regimes.

Page 14: Excellent tables showing Soviet record on treaty violations.

Page 16: The author should distinguish between neutral (Sweden, Switzerland, Austria) and "neutralist" (India, Ghana, Burma, Indonesia).

Page 16: The author states that the Soviet Empire encompasses 13 million square miles. As I add it up, it is 16 million.

Page 38: Although this may be too sophisticated for high school students, I think an effort might be made to distinguish between the British system (democracy-majority rule throughout) and the U.S. system (law-limited government based on checks and balances). Later on, page 84, Professor Colegrove does discuss very ably the U.S. system and its characteristics. But inasmuch as he uses the term "democracy" to describe both systems, it might be desirable to emphasize more clearly that there are different types of democracies (not only direct and representative).

Page 39: "The Indonesian people have had trouble maintaining a stable democratic government." In 1957 Sukarno choked off the remnants of constitutionalism with "guided democracy" (i.e., government guided by Sukarno and his handpicked advisers).

Page 53: The description of how the Communists won in Russia might include reference to the decisive aid given the Bolsheviks by the German Government.

Page 84: Excellent description of the U.S. system emphasizing that ours is a law-limited government.

Pages 116, 117: Excellent table of Communist aggressions, 1917–1961.

Pages 234, 235: Mention might be made that the Russian Socialist Federated Soviet Republic preceded the U.S.S.R. Important from view of non-Russian nationalities.

Page 244: Good (and rare) discussion of war in China, 1945–49.

Page 379: The discussion of Soviet-Communist conquest should include meaning of "national wars of liberation" and the Communist differentiation between "just" and "unjust" wars.

Page 390: Discussion of Communist strength in Italy might point out to the student that in addition, the Italian Socialist Party is scarcely indistinguishable from Communists. Thus, almost half of Italian Parliament is a Moscow first group.

Page 398: Discussion of the United Nations effort in Korea should mention the outcome of the war: negotiated peace rather than military victory.

Page 401: Any subsequent edition will have to point out that neutralist (especially Indian) domination of the U.N. Congo force has helped Soviet and Communist influence to return to the Congo.

Page 407: The author writes: "This refusal to recognize the Soviet Union raised many difficult problems." He should point out what difficult problem the United States encountered prior to recognition of the U.S.S.R.

Page 417: Unusual and excellent discussion of Communist front groups, and the Institute of Pacific Relations.

Page 418: Mention should be made that Supreme Court decisions have all but nullified impact of the Smith Act.

NATIONALIST CHINESE TO ACCEPT REFUGEES FROM RED CHINA

Mr. MUNDT. Mr. President, freedom loving people around the world were thrilled and encouraged yesterday by an Associated Press dispatch emanating from Taipei, Formosa, in which it is stated that the Nationalist Chinese Government has announced it is ready to accept all refugees from Red China wishing to come to Formosa from overcrowded Hong Kong, where thousands of hungry fugitives are being herded back across the border. I commend the Government of free China on this constructive decision.

I am sure the British Government is beginning to heed the worldwide protest against the unconscionable practice of sending these refugees from Red China back from Hong Kong to certain death behind the Iron Curtain.

We learn from the dispatch that from 6,000 to 7,000 refugees were rounded up last weekend and sent back to Red China by the Hong Kong government.

Mr. President, I submit that to send human beings to a "blood bath" in Red China, merely because of economic pressures which are placed upon Hong Kong, is one of the most atrocious international acts in recent history. I am highly gratified by the compassionate and cooperative attitude taken by the Nationalist Government of China, which has said, "We are willing to accept all these refugees"—except, of course, those who are Communist agents and Communists—"and will resettle them in Formosa."

The Chinese Nationalist Cabinet also announced a decision to allocate 1,000 tons of rice for immediate emergency relief for refugees now in Hong Kong.

Mr. President, I call upon the administration in the White House to work through its food-for-peace program; to take steps immediately, first, to make available from our surplus food stocks those foods which are necessary to help the British feed the refugees in Hong Kong; and, second, to make available to the Government in Formosa additional surplus foods required to supplement the foods they will be called upon to supply to feed the refugees they are now accepting from Hong Kong. This is, indeed, the purpose of the food-for-peace program. This is something we can do. We should do it and proclaim it immediately.

I should like to see our President present a sterling message which would be hurled around the world, which would say, "We will also establish the policy of making our food-for-peace surpluses of our American food commodities available to other countries around the world who are willing to accept these refugees from Hong Kong."

Mr. President, the people in Brazil are seriously considering accepting some of these refugees. I am sure many other countries will do the same.

I can think of nothing which could be done which would more encourage freedom fighters everywhere, including those in southeast Asia, in Laos, and Thailand, than to have a manifestation by the President of the United States that we will participate in the feeding of these refugees, whether they are in Hong Kong, whether they are transferred to Formosa, or whether they are accepted by some other non-Communist country of the world.

I visited the refugee centers in Hong Kong 2 years ago. I recognize the problem the British confront there. But I submit that it is not an adequate, nor a logical, nor a humanitarian, nor a Christian answer to send the refugees back, to put them on the bayonets of the Red Chinese. The world is properly astounded at that approach by the British. It is properly rallying to a great expression of global disapproval of that kind of attitude. I hope and believe the British Government will rescind its decision to send Chinese refugees home to certain death. I think our Government should assure the British of our support in meeting the very serious refugee problems it confronts. Providing extra food from our food-for-peace supplies would be an important start in the right direction and we should also express our official disapproval of the policy of sending the refugees back home.

I should like to see our Government today take the leadership in making available our surplus foods in order that this kind of mass destruction will not occur because the British are turning back at bayonet point those who escape, and actually turning over to the Communists in Red China those who have crossed the border secretly.

Mr. President, I ask unanimous consent that the Associated Press dispatch may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONALIST CHINA READY TO TAKE ALL REFUGEES

TAIPEI, FORMOSA, May 21.—Nationalist China announced today it is ready to accept all refugees from Red China wishing to come to Formosa from overcrowded Hong Kong, where thousands of hungry fugitives are being herded back across the border.

World criticism has rained down on Nationalist China and British authorities in Hong Kong alike because of the human tragedy of hungry Chinese being forced to return to Red China after escaping.

The United Nations and various countries have contended the refugees should go to Formosa. And the British, who say they simply cannot handle any more refugees, have been assailed on all sides for sending them back behind the Bamboo Curtain.

The Chinese Nationalist Cabinet announced the decision and allocated 1,000 tons of rice for immediate emergency relief for refugees now in Hong Kong.

ASK FOR HELP

At the same time, however, the Government decided to ask other countries welcoming refugees, such as Brazil, to help handle the tide of refugees.

Nationalist China has taken some of the refugees after careful screening since the influx into Hong Kong began shortly after the Red Chinese conquered the mainland in 1949.

The Free China Relief Association's agents in Hong Kong are now screening 1,000 refugees for resettlement in Formosa. But taking 1,000 refugees will make hardly a dent in the thousands upon thousands of refugees in Hong Kong.

It may take some time before any substantial number of refugees arrives in Formosa.

The Government plans security measures to safeguard against any influx of Communist agents trying to come to Formosa in the guise of refugees.

A joint meeting of Chinese Nationalist interior ministry officials and the Free China Relief Association decided to expedite plans for reception and resettlement of refugees in Formosa.

WANT U.S. SURPLUS

The meeting also decided to initiate negotiations with the United States for allocation of surplus U.S. farm products for emergency relief for refugees.

Still another decision was to seek the support of Red Cross, religious and other organizations to induce the Hong Kong government to halt repatriation to Communist China of refugees escaping to the British colony.

This flow is continuing despite efforts of Hong Kong police and British troops to cut it off at the border of Red China.

From 6,000 to 7,000 refugees were rounded up last weekend and sent back to Red China, reports from Hong Kong said.

Mr. HUMPHREY. Mr. President, I am pleased to hear the remarks of the Senator from South Dakota. I intended to comment today on the announcement of the Nationalist Chinese Government that it is prepared to accept all refugees from Communist China who wish to come to Taiwan, which gives us new hope that effective assistance can be rendered to the tens of thousands of suffering Chinese refugees.

I take this opportunity to commend the Nationalist Chinese Government for this humanitarian offer, which will make it possible, at long last, for other nations, including our own, to render assistance to the refugees of Red China.

Up to this time, our hands have been virtually tied because of the refusal of the Red Chinese Government to express a willingness to discuss this problem or to express any interest in obtaining assistance for its starving people.

But now, with the offer by the Nationalist Chinese Government to accept the Chinese refugees, we have an opportunity to offer our food as well as other forms of material assistance to these unfortunate people.

Indeed, this is the purpose of one of the titles of the Food for Peace Act, relating to charitable contributions.

We have the food. We have the means of distribution. What is more, in Formosa or Taiwan, where the Nationalist Government of China is in control, the means of distribution for foodstuffs are well established. This matter has always been a problem, but that problem is nonexistent insofar as the present situation is concerned.

We also have a friendly government in that area. We have American missions there that can work with the friendly government to supervise the proper distribution of whatever foodstuffs or other items we may wish to share with the needy refugees. We have an opportunity to demonstrate our generosity, our compassion, and also our desire for the freedom from Communist China of people from the Asian mainland. Those who seek escape from behind the Bamboo Curtain are suffering. Our assistance, however, must be an all-out effort, not piecemeal. We must open our hearts wide. We must put the machinery of the distribution of supplies at work at once, without the encumbrances of redtape or delay. We must recognize this as an opportunity to share with less fortunate human beings who have been the victims of cruel oppression at the hands of the Red Chinese regime.

I, too, was distressed by the action at Hong Kong, but as Americans we must recognize that we have a very exclusive policy with relation to the admission of Asians into our own country. We do not permit many Asian refugees to come to the United States. Therefore we ought not to point our finger too strongly at Hong Kong, which has accepted more than a million refugees in a limited area. I think it is extremely important, however, that we make it clear to any government that we are prepared to assist in the resettlement of the refugees, in terms of food, medical supplies, and clothing. The suffering people will need a number of items. The figures we have seen relating to the refugees reveal that they are lucky to escape from the mainland of China with the clothes on their backs. They have no material possessions or supplies. Therefore, just as we have aided refugees from East Germany, under the Communist puppet government, to come into West Berlin and West Germany—and millions came—we now have an opportunity to aid the people of China, who are basically friendly to the United States.

The other day I noticed that even the Chinese Ambassador of the Communist government of China at Warsaw commented that there was a feeling of friendship among the people of China for the United States.

I was very much displeased, disturbed, and unhappy about the comments of our Ambassador, who could not think of anything more to say than, "Well, we will have to think about that." What kind of diplomacy is that? What kind of public relations is that? Whenever an opportunity is presented to an Ambassador of the United States, particularly an Ambassador behind the Iron Curtain, when a representative of a Communist government frankly admits that the people of that country are friendly to the United States, I think that Ambassador ought to seize upon such an opportunity to point out that the desire of the Government of the United States is for friendship with people who have free governments. What an opportunity.

The failure to take advantage of such an opportunity permitted the timidity of traditional diplomacy to prevail. Our country stood almost mute and silent. Even silence would have been better. We stood there showing confusion through our representative. I hope that the Ambassador and representatives of the State Department will read my comments. I thought it was an unpardonable act to refuse to take advantage of an opportunity to express the traditional friendship of the people of the United States for the people of China. There is a great deal of friendship for that country.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MUNDT. I should like to associate myself with the very fine statement made by my friend the Senator from Minnesota. I had in mind commenting upon the very point the Senator has made so eloquently and persuasively about what our Ambassador said and what he failed to say. But, if such observations came from this side of the aisle, they might be brushed off as partisan criticism. Coming from the other side of the aisle from a Senator of the reputation of the Senator from Minnesota, I am sure that no one would call it partisan criticism. It is common sense criticism. We are all Americans. Though I am sure it was unintentional, yet a great opportunity was muffed. It shows the tendency of our soft approach on the diplomatic front, which is injurious to our interests.

While I am on my feet, I wish to add that I am happy to find myself associated with the Senator from Minnesota in the effort to call to the attention of the world the fact that there is a great opportunity here to strike a blow for freedom.

I am sure that if President Kennedy, with his great worldwide audience, supported by the reputation of America, will issue a clarion statement to the effect that the abundance and surplus of America will be made available through the food-for-peace program, to the British in Hong Kong to help feed the refugees temporarily, to the Nationalist Chinese in Taiwan to help the resettlement of the Chinese, and to other countries which accept Chinese refugees, he may encourage other countries, such as Brazil to render assistance, in order that patriotic, freedom-loving Chinese who have escaped from behind the Iron Curtain may not be sent back to be put to certain death by the Communists, who are now unhappily in charge of the mainland.

Mr. HUMPHREY. I thank the Senator.

There is no doubt in my mind that our Government will respond promptly. The subject has been discussed with high officials of our Government. It has been discussed with the director of the food-for-peace program and with representatives of the State Department. The bipartisan emphasis today ought to be clear evidence to the administration, and particularly the State Department, that there is desire for prompt action.

Let it never be said that any refugee from a Communist country who sought a haven of rest, comfort, and assistance was rejected by free people in free countries. We are now prepared to cooperate with our neighbors, and with the Nationalist Government in Taiwan, so that those people can have an area of freedom.

I think it will be a wonderful experience for people behind the Iron Curtain to see the difference between a society on the mainland of China and a society with the social, economic, and political structures that are at work in Taiwan, in Nationalist China.

It will be a great experience for refugees who come to Taiwan to see the difference between Soviet foreign aid on the mainland and American foreign aid in Taiwan. Men pray for that kind of experience. This is a natural opportunity for our foreign policy, and our purposes of national security. Also, in the present instance there is a natural opportunity to demonstrate again that basically the United States of America seeks peace and justice. We are prepared at all times to share our bounty and abundance with those who seek freedom.

I point out again that it did not turn out so bad that we had an extra supply of food in our granary. Time after time our Government has tried to help people. Time after time needy people have been on the verge of starvation and famine. Time after time the abundance of our food and fiber, which some people condemn, has saved the lives of millions of people. It has saved countries. It has saved freedom in country after country.

As we approach the debate on the farm bill and on proposed farm legislation, let us never jeopardize that abundance, which is one of the vital factors in our strength today. Today the margin of strength on our side may very well be the abundance of food and fiber that our country possesses, compared with the rest of the world. What a great opportunity we have for doing good.

I ask unanimous consent that an article from today's New York Times on the Nationalist Chinese offer to accept the Hong Kong refugees, as well as an editorial on this subject from the New York Times and an editorial from this morning's Washington Post, be printed at this point in the RECORD.

There being no objection, the article and editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 22, 1962]

TAIWAN OFFERS TO ACCEPT REFUGEES FROM RED CHINA

TAIPEI, TAIWAN, May 21.—Nationalist China offered today to help solve the refugee problem in the British colony of Hong Kong, saying it was ready to accept all refugees from Communist China who wished to come to Taiwan.

This would furnish no quick solution, however. Moving the mainland refugees to this island would be a slow and costly process and many of the Chinese in Hong Kong do not want to come to Taiwan.

The refugees from Communist China have overloaded facilities in Hong Kong and since May 1, it is estimated, the British police and soldiers have sent 32,000 back. This action has brought world criticism, but Hong Kong officials have said no one has offered to help with the problem.

Chinese villagers in Hong Kong pushed their children in front of trucks taking refugees back to China in an effort to halt the repatriations. Two children and a policeman were hurt.

OFFER TO COOPERATE

Criticism also has fallen on Nationalist China because it has taken only 15,000 of the 1,500,000 Chinese who have fled to Hong Kong since the Communists seized China in 1949.

A statement issued after a Cabinet meeting here said the National Government was willing to cooperate with all governments and relief agencies in tackling the problem. The Nationalists also expect to urge other governments to find homes for the refugees.

A special committee headed by Vice President Chen Cheng, who also is Premier, was set up to deal with the matter.

After the Cabinet meeting, Interior Minister Lien Chentung met with officials of the Free China Relief Association, which has been helping some of the Hong Kong Chinese to resettle on Taiwan. The meeting decided to speed up plans to bring Chinese to Taiwan, but the program is expected to be slow and costly.

All who have been accepted from Hong Kong so far have been screened.

Mr. Lien was reported to have told a secret meeting of Parliament, Friday, it would cost $375 to bring each refugee here. Others estimate the cost at $500 to $750 a person.

How many will come to Taiwan is unknown. The Human Rights Council of Hong Kong has suggested 100,000 as a starter.

The Cabinet here decided to allocate 1,000 metric tons of rice as emergency relief for the Chinese in Hong Kong, but this would be only a start.

Mr. Lien and the aid officials also decided to ask the Red Cross, religious and other organizations to urge Hong Kong to halt the forcible repatriation of the refugees.

[From the New York Times, May 22, 1962]

THE HONG KONG REFUGEES

The Chinese Nationalist Government's announcement that it will accept any of the refugees from Communist China now pouring into Hong Kong who want to go to Taiwan is certain to have far-reaching repercussions. It may, for one thing, mean such a propaganda loss of face for Peking that the Chinese Communists will take drastic steps to stem the flow.

On Taiwan itself, where population density is one of the highest in the world, the actual arrival of a large number of refugees would create acute resettlement difficulies.

Meanwhile, the transfer of refugees from Hong Kong to Taiwan would very probably ensnarl the colony in a crossfire from both Peiping and Taipei; and for Hong Kong now to continue its present procedure of pushing hungry escapees back into Kwangtung would bring an intensification of criticism already heard in many parts of the world.

As for the United States, the Nationalist move points up our involvement too. Congress could, as we suggested the other day, approve a proposal to increase the number of Chinese eligible to enter this country as immigrants.

The primary responsibility, of course, is Communist China's. The terrible privations that are causing the refugee flow are the result mainly of colossal Communist mismanagement of agriculture. The afflicted Chinese people could now get relief from the United States and many other countries if the Peking regime would signify its readiness to receive such aid.

[From the Washington Post, May 22, 1962]

FAMINE IN CHINA

Famine, that dread and ancient enemy of man, is again abroad in the world, stalking the vast plains of China, afflicting its teeming city masses, and hurling multitudes of starving men, women, and children against the barricades of Hong Kong.

The statesmen of this country, and of other countries which have food to give, have many reasons why they cannot act to meet this dreadful scourge. This country does not have relations with Red China. Red China has not asked for help. There is no room at all in Hong Kong. There is little room on Taiwan. There is no room anywhere. These are persuasive reasons; but they are not persuasive enough. They are not as persuasive as hunger.

They are not the answer to hunger. Hunger admits of no armistices, delays, treaties, or compromises. Diplomacy has not a good answer for it. Science has no answer. Politics and diplomacy and science are all very complicated. Hunger is very simple. And there is only one answer to it. That answer is food.

Sooner or later the West in general and the United States in particular will make that answer. The conscience of this country will not permit it to withhold any help it can give if the people of China continue to flood toward the barricades of Hong Kong. We may devise a reason a day why we cannot act. But the hordes beyond the barrier will produce 10,000 reasons a day why we must act. And the American people will be moved by these reasons. They will not understand why there must be hungry people at Hong Kong while there are granaries bulging with food in the United States. They will begin by blaming Red China for this dreadful calamity; but if we do nothing to avert it, they will end by blaming redtape. For all of our logical, plausible, tenable political reasons will sound like redtape if we let the dead pile up like so much debris along the Hong Kong barricade.

The world is face to face with another famine, like the terrible famines that have scourged mankind since the dawn of history. It is a famine that somehow seems more terrible because it is happening in a generation when man has dared even to attempt the conquest of space. How strange if such a generation cannot cope with this ancient foe. Perhaps it is partly because we have forgotten what sheer hunger is like. Maybe we need to hear old witnesses to its horror, witnesses like Laurence Binyon who contemplated the great famines of World War I and wrote in the London Nation for December 1918 these lines:

"I come among the peoples like a shadow
I sit down by each man's side.
None sees me, but they look on one another,
And know that I am there.

"My silence is like the silence of the tide
That buries the playground of children;
Like the deepening of frost in the slow night,
When birds are dead in the morning.

"Armies trample, invade, destroy,
With guns roaring from earth and air.
I am more terrible than armies,
I am more feared than cannon.

"Kings and chancellors give commands;
I give no command to any;
But I am listened to more than kings
And more than passionate orators.

"I unswear words, and undo deeds.
Naked things know me.
I am first and last to be felt of the living.
I am Hunger."

The Government of Nationalist China, by offering to accept Hong Kong refugees, has taken a step that will make it possible for others to take useful actions. The way may now be opened for vast and effective operations that hitherto could not have been so readily accomplished. The world outside of Red China has, as yet, only the faintest intimations of the dimensions of the tragedy. However great it is, we have great resources at hand to meet it.

Let us rejoice that we have the means to turn back this ancient enemy of man. Let us embrace the opportunity to send food and blessings to Asia, as well as soldiers and weapons. Let us embark upon a great mission of mercy. Let us live up to our most honorable traditions. Let us demonstrate anew our historic friendship for the Chinese people. Let us send succor to those who beg for food at the barbed wire barricades of Hong Kong.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. I wish to associate myself with the distinguished Senator from South Dakota and the distinguished Senator from Minnesota with regard to supplying food to the starving Chinese who are trying in every way they can to get into communities where we can be of help.

I was pleased that the Senator from Minnesota mentioned that we must preserve our agricultural production so that we will be in a position to act in this connection.

I am seriously concerned about the proposal before the Senate today with respect to a reduction of the production of food which is so essential to help feed a starving world. I sincerely hope that as we proceed with the debate on the proposed farm legislation we will not jeopardize this great ability of ours to take care of these people. There is danger of it, because we are suffering in some areas through the reduction of the production of wheat by reason of drought.

I would say also that the United States today is probably the only wheat nation in the world. Argentina no longer is. Canada is practically out in that regard. If we are going to supply these people with food—and I am heartily in favor of it—we should have the food available.

I should like to mention also that there is a fine organization of people in Kansas, known as the Kansas Freedom from Hunger Committee, which has circulated petitions in our State and in other States, urging the supplying of food to Red China. Any such action would be rather difficult because we do not have diplomatic relations with Red China, and that government has not asked us to supply food. Therefore this situation is not so easy, diplomatically, to solve and handle as one where we are elsewhere confronted with starving people. We have an opportunity, and we have the food. I sincerely hope that we will take advantage of it and use it at this time.

I believe that an editorial which appeared in the Washington Post this morning—"Famine in China"—is so timely with respect to this subject that I would have offered it if the Senator from Minnesota [Mr. Humphrey] had not already done so.

THIS IS NOT THE TIME TO CUT THE NATIONAL GUARD

Mr. YARBOROUGH. Mr. President, I am continuing to receive protests from government, civic, and business leaders, and other well-informed persons in Texas, protesting a reduction in force of the Texas National Guard.

In a statement on the Senate floor on May 3, 1962, I voiced my own opposition to such a reduction, and described the mounting concern in Texas and throughout the Nation at a move that many responsible people believe will weaken the important ready citizen military force.

Texas, always appreciative of its National Guard, became increasingly aware of its importance in time of crisis last year when guardsmen helped in the evacuation and care of some 200,000 persons fleeing before the devastation of Hurricane Carla. The troops stayed at the scene at great peril to protect that property. That was the greatest mass exodus in the face of disaster in a short time, in the history of this country.

As I have stated before, American troops are presently in danger zones at many points in the world and this is a perilous time to embark on a move to reduce our country's readiness.

There is every likelihood that such a reduction in force will be viewed with alarm by our allies, just as it is by many small and large communities throughout the country.

In support of my statement, I ask unanimous consent to have printed at this point in the Record the following resolutions from Texas:

A resolution from the City Council of Robstown, in Nueces County; a resolution from the commissioners court of DeWitt County; a resolution from the commissioners court of Galveston County; a resolution from the Chamber of Commerce of Houston, Harris County; a resolution from the City Council of Clarksville, Red River County; a resolution from the Brownfield Chamber of Commerce of Brownfield, Terry County; a letter from Mayor Ralph E. Seitsinger, of the city of El Paso, El Paso County, and a resolution from the Chamber of Commerce of Stephenville, Erath County.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

Resolution of City of Robstown, Tex.

Whereas it has been proposed by the Department of Defense to realine the Reserve components of the Army so as to eliminate approximately 22 National Guard units in the State of Texas; and

Whereas on numerous occasions in the past, the Guard Unit stationed in Robstown has lent assistance in times of local disaster, the value of which is immeasurable: Now, therefore, be it

Resolved by the City Council of the City of Robstown, Tex., That this council go on record as officially opposed to any action which would either eliminate or seriously curtail the effective service of the National Guard in this city, and that this resolution be spread upon the official minutes and copies of the same be furnished to Hon. Ralph Yarborough, Hon. John Tower, and Hon. John Young.

Passed and approved this 14th day of May, A.D., 1962.

B. D. Berry, *Mayor.*

Resolution by Commissioners' Court of DeWitt County, Tex.

Whereas the National Guard has for 150 years provided the vital corps of this Nation's defense in time of war; and

Whereas the National Guard has likewise been the chief instrument of protection and recovery in times of natural disasters affecting our local communities; and

Whereas the National Guard provides the only means whereby the best of our young men may serve both their country and their communities: Therefore be it

Resolved by the commissioners' court of DeWitt County, Tex., That the commissioners' court of DeWitt County is unalterably opposed to the Defense Department's plans to reduce the size of the National Guard and of its local companies and that the Vice President of the United States, Senator Ralph W. Yarborough and Congressman John Young be requested to exercise their best efforts to prevent such reduction.

Adopted this 16th day of May 1962 at Cuero, Tex.

Stephen P. Hebert,
County Judge.
Dave W. Weber,
Commissioner, Precinct No. 1.
T. J. Ward,
Commissioner, Precinct No. 2.
Joe R. Gras,
Commissioner, Precinct No. 3.
Fred Di Dear,
Commissioner, Precinct No. 4.

Attest:

Ray Gipa,
County Clerk, DeWitt County, Tex.

Resolution by Commissioners Court of Galveston County, Tex.

Whereas the local and State units of the Texas National Guard have rendered invaluable assistance to the County of Galveston and State of Texas in time of war and in time of natural and emergency disaster; and

Whereas immediately following the Texas City disaster in 1947, the Texas National Guard performed many heroic tasks to alleviate suffering and keep order in the city of Texas City, Galveston County, Tex.; and

Whereas immediately following Hurricane Carla, the men of the Texas National Guard at great personal sacrifice helped in the emergency clearance of debris and in the maintenance of order throughout Galveston County: Now, therefore, be it

Resolved, That the county commissioners court of Galveston County do hereby go on record commending the Texas National Guard for the many services rendered to the people of the County of Galveston in both war and peace; and be it

Resolved, That the commissioners court of Galveston County does hereby urge the Congress of the United States to do everything possible to perpetuate and strengthen State and local units of the Texas National Guard; and be it further

Resolved, That copies of this resolution be sent to the Honorable Ralph Yarborough, U.S. Senator, the Honorable John Tower, U.S. Senator, and the Honorable Clark W. Thompson, Member of the House of Representatives.

Passed this the 14th day of May 1962.

Peter J. La Valls,
County Judge Galveston County.
Irvin P. Dantin,
County Commissioner, Precinct No. 1.
Jimmie Vacek,
County Commissioner, Precinct No. 2.
Paul Hopkins,
County Commissioner, Precinct No. 3.
Jack Lawrence,
County Commissioner, Precinct No. 4.

Attest:

John R. Platte,
County Clerk.

RESOLUTION BY HOUSTON CHAMBER OF COMMERCE

Whereas in these unsettled times we live in an era fraught with continuing danger to our position of leadership in the affairs of the nations of the world and by virtue of this danger must constantly maintain adequate military security to assure the freedom of ourselves and our posterity; and

Whereas the Department of Defense now seeks to substantially reduce the manpower and units of the Army National Guard and the Army Reserve thereby dissipating personnel and organizations which through devotion to duty have attained a high degree of military skill valuable to the defense of our country; and

Whereas the President of the United States has expressed a desire to raise the level of effectiveness of the Army National Guard and Army Reserve; and

Whereas since World War II, a great conflict in political ideologies, communism as against the free world, demands that we strengthen our military posture; and

Whereas the proposal of the Department of Defense to reduce the strength of the Army National Guard and the Army Reserve by 58,000 trained men and more than 800 organized units is not consistent with the pronouncements of the executive department of our country that we must expect to live under the stress of the cold war for many years, and even more especially since in our opinion the cold war is a device to weaken our resistance to the point that a hot war may be successfully waged against us; and

Whereas in numerous instances the Army National Guard and Army Reserve have acted as local security forces for their communities and the elimination or weakening of any such unit in any community will deprive that community of a security and protective force with consequent loss in the capabilities of the States to carry out vital security and recovery missions, including the disaster period which could follow thermonuclear attack; and

Whereas the loss of Army National Guard units will seriously limit a community in its constitutional rights to the protection of a State militia as set forth in the second amendment of the U.S. Constitution; and

Whereas testimony has been presented before the current House hearings that the Department of Defense, failing to gain approval of its plan by the Army General Staff Committee on National Guard and Army Reserve Policy and the Reserve Forces Policy Board of the Defense Despartment, did bypass these two Reserve Policy Boards created by law to advise the Department of Defense, in the making of the decision referred to herein. Furthermore, that when the plan was first presented to these Boards, the Reserve Forces Policy Board disapproved it and the General Staff Committee asked for delay in its execution: Now, therefore, be it

Resolved by the Houston Chamber of Commerce:

1. That any reduction in personnel or units of the Army National Guard and Army Reserve at this time be vigorously protested;

2. That Congress strongly and actively oppose any action by the Department of Defense which would reduce the number of Army divisions currently allotted to the National Guard of the United States and Army Reserve component troop basis, and that Congress prevent a decrease in the number of both personnel and units of the Army National Guard and the Army Reserve by establishing a minimum requirement at the present manpower and troop basis level;

3. That the entire preamble hereof be read in the light of and constitute a distinct count of this resolution;

4. That a copy of this resolution be delivered to—

(a) Hon. John F. Kennedy, President of the United States.

(b) Hon. Lyndon B. Johnson, Vice President of the United States.

(c) Hon. Robert S. McNamara, Secretary of Defense.

(d) Hon. Elvis J. Stahr, Secretary of the Army.

(e) Hon. Ralph W. Yarborough, senior U.S. Senator from Texas.

(f) Hon. John G. Tower, junior U.S. Senator from Texas.

(g) Hon. Richard B. Russell, U.S. Senator, chairman, Senate Armed Services Committee.

(h) Hon. Carl Vinson, chairman, Armed Services Committee, House of Representatives.

(i) Hon. F. Edward Hébert, subcommittee chairman, House Armed Forces Committee.

(j) Hon. Albert Thomas, Member of the House of Representatives, Eighth Texas Congressional District.

(k) Hon. Bob Casey, Member of the House of Representatives, 22d Texas Congressional District.

(l) All other Texas State congressmen.

(m) Hon. Price Daniel, Governor of Texas.

(n) Maj. Gen. Thomas S. Bishop, the adjutant general, State of Texas.

(o) Rear Adm. John E. Highland, USN, national president, Reserve Officers Association of United States.

(p) Maj. Gen. William H. Harrison, Jr., president, National Guard Association of United States.

(q) Hon. Charles L. Bacon, national commander, American Legion.

(r) Maj. James Rose, president, National Guard Association of Texas.

(s) Cmdr. Oliver Majors, USNR, president, Texas department, Reserve Officers Association of United States.

(t) Hon. Lewis Cutrer, mayor, and the City Council of the City of Houston, Tex.

(u) Hon. Bill Elliott, county judge, and commissioners court of Harris County, Tex.

Adopted this 15th day of May 1962, to evidence which the signatures of the president and executive vice president of the chamber of commerce of Houston, Tex., are hereby affixed.

MANUN HUSKY,
Executive Vice President.
GEO. I. MORSE,
President.

RESOLUTION CONCERNING NATIONAL GUARD BY CITY OF CLARKSVILLE

Whereas the Department of the Army's National Guard Bureau has announced that Texas will lose about 10 percent of its company sized units under its new plan; and

Whereas we, the City Council of the City of Clarksville, Tex., fear that our unit here might be one of those lost, and we further fear that decreasing the strength of the National Guard is not wise public policy; and

Whereas the unit stationed here is of considerable economic value to the community as well as being of great value in time of disaster and other public danger; and

Whereas we consider our National Guard unit a great asset in a number of ways and think that our views should be communicated to our Senators and our Congressman: Now, therefore, be it

Resolved by the City Council of the City of Clarksville, Tex., That we respectfully request that the National Guard not be reduced in size as is now planned; that copies of this resolution be sent to Senator RALPH YARBOROUGH, Senator JOHN TOWER, and Congressman WRIGHT PATMAN.

Adopted at the regular May 1962 meeting of the City Council of the City of Clarksville, Tex., this May 14, 1962.

Approved:

MAURICE WOOLEY,
Mayor.

Attest:

RUTH OWEN,
City Clerk.

RESOLUTION BY BROWNFIELD, TEX., CHAMBER OF COMMERCE

Whereas the Secretary of Defense proposes to reorganize the National Guard, which reorganization provides for reduction in personnel and loss of many units of the National Guard; and

Whereas such proposed reorganization and reduction will in effect weaken and lessen the effectiveness of the National Guard as an organized force for ready action; and

Whereas our National Guard is our strongest line of defense from forces which might strike from without; and

Whereas our National Guard is a force frequently used and always prepared and ready to act in local or national uprisings from within and to use in preserving law and order and protecting and preserving life and property in local or national emergencies such as floods, tornados, fires, storms, and hurricanes; and

Whereas our National Guard is a force which has its life and support on a local or grassroot basis; and

Whereas the attempted reorganization of the National Guard will in effect further centralize and over centralize our national defense, and take from the local communities and States the privilege to participate in the defense of our country; and

Whereas the unit of our National Guard located at Lubbock and surrounding towns, including the unit at Brownfield, represent forces ready to defend, preserve, and protect the people and industry of this rapidly expanding area and its rapidly expanding industries and population, and any reduction of the units of the National Guard, if made, should be in areas where declining populations and declining industries might possibly justify: Now, therefore,

The Brownfield Chamber of Commerce, Inc., of Brownfield, Tex., wish to make it known we oppose the proposed reorganization and reduction of personnel and units of our National Guard, and we request our duly elected representatives of our State and National Government give their immediate attention to this matter and that they use their energy, influences, and offices to oppose and prevent such proposed reorganization and reduction.

Passed and adopted by Brownfield Chamber of Commerce, Inc., at meeting in Brownfield, Tex., the 4th day of April 1962, and as requested a copy hereof is herewith forwarded to our governmental officers suggested.

A. C. BISHOP.

THE CITY OF EL PASO, TEX.,
May 4, 1962.

Hon. RALPH YARBOROUGH,
Senator from Texas, Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: It concerns us greatly that there would be any reduction in force in the Texas National Guard. It has always meant a great deal to our community and to our State as evidenced during World War II. We in El Paso feel that this worthy group should be continued for the benefit of our country as well, because there are few instances where such a Ready group has not upheld the peace and honor of our country. We feel that National Guard is one of our country's greatest assets and that they benefit each community and State. Thereby our Nation.

We respect the views of our national leaders, and we know that they have a better view of defense in Washington than we do at this level. However, we hope that every consideration will be given our request for continuation of this unit in our community and in our State. We will appreciate any consideration given to this request.

Sincerely,

Ralph E. Seitsinger,
Mayor.

Stephenville Chamber of Commerce,
Stephenville, Tex., May 17, 1962.

Senator Ralph Yarborough,
House of the Senate,
Washington, D.C.

Senator: Enclosed is a copy of a resolution, regarding our Stephenville National Guard unit, which our board of directors unanimously adopted recently. We noticed in the paper where the Department of Defense is going to move slower in this cutback operation than first anticipated.

We believe the National Guard is a vital part of our defense evidenced by the quick mobilization of the 49th for the Berlin crisis. We had a public meeting recently at our local National Guard unit, and we had approximately 300 turn out who were vitally interested in Stephenville's keeping its unit.

We know that you are already working for our behalf, but, naturally, we are very interested in Stephenville's maintaining their unit. The enclosed is a resolution giving you a little more data about the Stephenville unit.

Thank you again for all your past considerations.

Brad Thompson, *President.*
Tommy Lochridge, *Manager.*

Resolution by City of Stephenville and Erath County, Tex.

Resolved, That the board of directors of the Stephenville Chamber of Commerce unanimously stands behind our local National Guard unit; and be it further

Resolved, That the new armory building and quonset-type vehicle storage building are located on 13 acres of land given the Texas National Guard Armory Board by the City of Stephenville; and be it further

Resolved, That the two buildings were constructed jointly by the State of Texas and the Federal Government at a cost of approximately $150,000. This figure includes the paved parking area around the new armory, but does not include the value of the land; and be it further

Resolved, That the new armory was landscaped by the members of the company, in cooperation with Fair Nursery, at a cost of approximately $500. Classroom tables, metal lockers, office chairs, pool table, cook stove, and day room furniture were also purchased by members of the company; and be it further

Resolved, That the company recently planted a pecan orchard on the north side of the new armory and shade trees on the south side of the armory at a cost of approximately $500; and be it further

Resolved, That the city of Stephenville and Erath County hauled fill dirt and caliche for areas adjacent to both buildings. The city of Stephenville laid a sewer line to the new armory at a cost of approximately $3,000; and be it further

Resolved, That at our 1961 Federal inspection, the Inspector General stated that the Stephenville Armory and grounds were the most attractive and best kept building and grounds in the three-State area he covered; and be it further

Resolved, That the local National Guard unit employs one full-time man. His salary plus utilities, other expenditures by armory board, and including annual payroll for the members of the company amounts to approximately $40,000 per year; and be it further

Resolved, That Company E has always enjoyed the reputation as one of the best trained units in the Texas National Guard. Capt. Billy F. Stafford has recently returned from active duty after completing the associate infantry officer career course at Fort Benning, Ga., and is one of the few National Guard officers qualified in nuclear weapon employment; and be it further

Resolved, That for 14 years the strength of the local unit has averaged 70 enlisted men with a full complement of officers. The unit has always worked closely with the ROTC at Tarleton State College with many college students earning extra money through membership in the National Guard.

And, be it further pointed out that the National Guard serves the surrounding towns, Dublin, Hico, Granbury, Tolar, Glen Rose, Proctor, Lingleville, De Leon, Morgan Mill, Lipan, Huckaby, Comanche, Bluff Dale, Nemo, Alexander, and Carlton, by having a place for our young men to train and fulfill their military obligation.

Brad Thompson,
President, Stephenville Chamber of Commerce.

COMMUNION BREAKFAST ADDRESS BY SENATOR PASTORE

Mr. PELL. Mr. President, my colleague, the gentleman from Rhode Island [Mr. Pastore] had the honor of addressing the first annual communion breakfast of the Catholic Apostolate of Mass Media, composed of men and women of the Washington area, following their mass at historic St. Patrick's Church on Sunday, May 20.

Commissioner Robert E. Lee of the FCC presided at the breakfast which was held at the Presidential Arms.

CAMM, as the apostolate is familiarly known, was organized under the auspices of Archbishop Patrick A. O'Boyle and had as its honored guests the Most Rev. Philip M. Hannan, auxiliary bishop of Washington; Rev. Msgr. Timothy Flynn, of New York, moderator of CARTA, the Catholic Apostolate of Radio, Television and Advertising, the parent group; Rev. David J. Coffey, of Providence, head of the National Catholic Broadcasting Association; Rev. William P. Anderson, moderator of CAMM; Rev. Daniel Powers, S.J., of Georgetown University; Donald H. McGannon, president of Westinghouse Broadcasting Co., who assisted in the formative period of CAMM; James A. Stabile, president of CARTA and vice president of National Broadcasting Co.; Attorney Thomas H. Wall, treasurer of CAMM; Joseph E. Baudino, vice president of CAMM and vice president of Westinghouse Broadcasting Co., of Washington; Hon. J. Howard McGrath, former Attorney General of the United States; Mrs. Gertrude G. Broderick, Educational Media Specialist in the Office of Education, HEW, and Senator Pastore.

Senator Pastore's address on "The Image of America" is of such timely inspiration and real merit that I request that it be included in the body of the Record at the conclusion of these remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of U.S. Senator John O. Pastore, of Rhode Island, at the First Annual Communion Breakfast of the Catholic Apostolate of Mass Media, Presidential Arms, Washington, D.C., May 20, 1962

Fellow Americans, I deeply appreciate the honor of sharing in the very first annual communion breakfast of the Catholic Apostolate of Mass Media. This honor is enhanced by the sincerity of your fellowship. Indeed, your little brochure reveals your sense of responsibility.

There is honor and there is humility as we join, as Catholics, in this morning of peace and reconciliation. For we are Christians and Catholics not on our own terms—but as we accept the truths laid down by the First Teacher over 1,900 years ago. These were the truths compiled and communicated by the first apostolate. Theirs was a miracle of communication.

In those days few could read. So the Gospel—the good news—had to be shouted in the markets and preached upon the streets. The apostles raced all over the known world on their mission—and their work lives after them.

Theirs was a humble beginning. Before the first Christian Pentecost with its gift of tongues there were some 120 disciples. Today in America alone 43 million Catholics will be making their way to the sacrifice of the mass.

Around the world today some 537 million Catholics will hear the same message of justice and joy. But, at this hour, justice and joy will have little meaning for much of mankind.

Put your finger blindly on any map of the world and you touch a trouble spot. The passions of the people are ready to burst into flame.

Berlin, Indochina, Suez, Iraq, Cuba, Algeria, the Congo, Bizerte, Goa, Rhodesia, Angola, Laos, Vietnam, West New Guinea, the Dominican Republic and most of Latin America.

It is almost a rollcall of revolution. It seems the world map has been redrafted into an atlas of anxiety, anger, and antagonism.

Extend your hand to help any of them and some other nation is waiting to be hurt.

There is just one overtone as these new nations raise their voices to be heard. Each and all want the modern miracles of science—they demand those miracles as the basis for a better life. Upon those material blessings they are determined to build national independence and individual dignity.

There is just one undertone—which way shall they turn for their goals? Will they be with the East or the West? Their decision is fraught with danger for us. Where shall we find a balance of people to match a balance of power?

It is tiresome to deal in forecasts and figures—but not if the forecast is your future and mine—and not if the figures are so many human beings made in the image of the Creator we acknowledge this morning.

The forecast gives us something to think about.

Optimists dare to think in terms of the year 2000—40 years from now. That's not too far—40 years ago seems only yesterday.

In the year 2000 even if Communist territory doesn't expand one single square inch—their subject-people will outnumber us two and a half to one. The Communists will then have 5 billion people.

The Western nations will then possess 2 billion souls.

Where shall we find the safety cushion of 3 billion people?

We must find them in these new underdeveloped nations. They are mostly non-whites knocking on the door of opportunity. Make no mistake—a major part of the problem will be America's, for we have the most to give—and, likewise, we have the most to lose.

How shall we persuade these new people that our way leads to self-determination and freedom—and the other way lies slavery?

How shall we communicate the character of our country? How shall we project the image of America?

That is the challenge of our times.

I feel that time works in our favor.

Wherever new nations may turn they see that the kiss of communism has meant hunger and the savagery of the police state. Only 90 miles away, the object lesson of Cuba forces that picture of poverty and peonage on our vision.

What is the image of America from the outside? A Minister of France expressed it the other night. No nation could ask a happier endorsement.

"For culture—for an Atlantic civilization—for the freedom of the mind," he said, "I offer a toast to America—the only nation that has waged war but not worshiped it—that has won greatest power in the world but has not sought it—that has wrought the greatest weapon of death but has not wished to wield it—may it inspire men with dreams worthy of its action."

This is fine language—but that is also the fact of history. We have not worshiped war or sought revenge. We forgave Japan for the butchery of Bataan—and helped a fallen foe to its feet. We have never prostituted victory nor retained conquered territory. At this hour we defend Berlin with our lives.

Out of our nuclear power we have endowed the world for peace. Atoms for peace is our pledge—and we go more than our share of the distance to disarmament.

And we dare to dream, as Americans. We dare to deserve opportunity and to grasp it. We dare to rise with no restriction of race, religion, color or creed.

We dare to dream because we possess the image of America within us—the creed of our creators—for which they pledged their lives, their fortunes, and their sacred honor.

We are Americans—not on our terms, but on the eternal truths for which they fought and died. These truths shall never be trite. We dare not hold them cheap.

Life, liberty, and the pursuit of happiness—all men are created equal—endowed by their Creator with certain unalienable rights.

These words roll like music from the lips of the schoolboy—and they must find rest and respect in the heart of every loyal citizen.

These truths shall become threadbare only as we stain their sincerity with racial distinctions—as we soil their fiber with treason—only if we foul the image of America with deeds and designs unworthy of our heritage of dignity and decency.

This must never happen. That is the responsibility of us all. But some of us bear a special responsibility because of our place in society—our place and our power.

The scientist has his responsibility—the priest—the teacher—the doctor—but none has greater responsibility than those involved in the mass media of communication.

I commend you for your understanding of that responsibility.

The spoken and written word—the idea—the advice—the philosophy—the diversion—the entertainment—the reflection of our democratic life—the communication of all these has attained new dimensions and new dangers.

Newspapers and magazines of massive circulation—the radio and television now reaching into space—all these are searching out the hearts and minds of men everywhere.

Mass communication is the master teacher. At home it molds public opinion and private life. It can inspire or impair the individual—and national character is largely in its keeping.

It helps man to know the nature of the vital struggle he is in—a struggle in which the future of freedom is the prize.

Abroad, communication sends the message of our kind of civilization—the spiritual, moral, and material advances possible under a rule of human freedom under God.

It is the tragedy of our times that science has risen to its highest and noblest at an hour when human understanding and communication are at their lowest.

We know that science has an answer for most of the problems that have always divided man. Science has a remedy for all the reasons for which nations fight.

If man wills, poverty, hunger, and disease can be plagues only of the past. There can be food aplenty for billions more. Health is to be had for the asking. There is elbowroom for all humans—material happiness—and peace.

This is our good news—our gospel. We send our Peace Corps—our food for peace—our material aid—our money—our scientists— our teachers—and we send our deeper message of hope and help as we send the image of America.

In the companionship of this morning we venture to define the American credo as recognition of God and practical love of neighbor. It is the rule of reason—it is intelligence fortified by a sense of moral responsibility.

We dare to believe that Chinese walls and iron curtains could crumble before it. We remember that the Roman Empire retreated before the Twelve.

We know that the dawn of peace will come to the world only with the sunrise of moral responsibility by men and nations.

That the world can be made moral is more than a utopian dream. It must be the goal of man. That divine command is as old as the Christian era—it is as new as the sacrifice of this morning.

That is our faith. To lose faith in that is to lose all. It is a struggle. It is a battle that cannot be fought in secrecy. It needs to be told. It needs to be shouted in the marketplace. It needs to be preached in the streets. It needs to arch the heavens to hidden hearts. It needs communication—it needs you.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Is there further morning business? If not, morning business is closed.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOOD AND AGRICULTURE ACT OF 1962

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Mr. President, I call up the amendment designated "5-21-62—C" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, it is proposed to strike out line 17.

Beginning with line 20 on page 29, strike out all through line 9 on page 30, and beginning with line 11 on page 54, strike out all through line 6 on page 66.

Mr. HUMPHREY. Mr. President, I ask the Senator from Louisiana if this amendment pertains to the section of the bill which relates to the plans for wheat-production controls.

Mr. ELLENDER. Yes.

Mr. HUMPHREY. What does the amendment do? Does it strike out one of the options?

Mr. ELLENDER. Yes. As the Senator from Minnesota knows, the Committee on Agriculture and Forestry adopted, with some amendments, the provisions which were submitted by the administration. Then an optional provision was placed in the bill which would give the farmers the opportunity to vote either for the revised bill affecting wheat or to extend the emergency provision of the wheat law for 2 years.

If the farmers decided that they did not desire the new wheat law, as proposed, they could vote for the optional plan. In a nutshell, that would mean an expenditure by the Government for the next two wheat crops after this year of almost $350 million a year to be paid for diverted acres. That amount might be increased, depending upon the number of acres which would be diverted. At the end of the 2 years, the old law, which has given so much trouble, would then become the law again. In other words, the optional plan would not be permanent legislation by any means but would be temporary legislation. At the end of 2 years, the law which has given so much trouble in the past would be reinstated.

Before the Senate is called upon to vote on this amendment, it will be my purpose to explain again to the Senate the import of the amendment as well as to make an explanation of the new permanent program which would be in effect should the administration's proposal, as modified by the committee, be enacted.

Mr. HUMPHREY. I thank the Senator from Louisiana for his explanation. Whatever might be the Senate's action concerning this proposal, the RECORD ought to indicate now, so that there may be proper consideration of the amendment, the purpose of the amendment.

Do I correctly understand that, ultimately, the main objective is to put the wheat proposal into the bill along the lines proposed by the Senator from Louisiana at the time of the introduction of the bill?

Mr. ELLENDER. With some modifications, the Senator's statement is correct. That proposal is now in the bill.

Mr. HUMPHREY. Yes; as one of the options.

Mr. ELLENDER. As one of the options; exactly. However, as I stated before the committee, I feel confident that the wheat farmers will be prone to vote for the so-called Mundt option, which would pay them to divert acres for 2 more years, as is the case in the emergency bill, and then to revert to the old law, which has given so much trouble.

In time, also, I hope to offer an amendment in respect to the feed grain provisions of the bill. As Senators know, and as I explained yesterday, the committee simply extended the emergency feed grain law for another year following this year; whereas, the proposal which I hope to present to the Senate will provide permanent feed grain legislation. That proposal I hope to present after the Senate has acted upon the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. HOLLAND. Mr. President, I was not advised that the distinguished chairman of the committee, the senior Senator from Louisiana [Mr. ELLENDER], had intended to call up the amendment which he has now had made the pending business, and therefore I am not prepared to speak on that amendment. In fact, I first saw it only a few minutes ago.

At this time I should like to speak in regard to title I of the bill, or a portion of that title, because I have very deep convictions in regard to part of that title. I believe it would be very unwise for Congress to enact into law the part of title I which relates to the Bankhead-Jones Farm Tenant Act. That part of Senate bill 3225 is to be found beginning in line 26, on page 4, and continues through line 22, on page 6.

Mr. President, one vice of this bill which I shall mention briefly, in passing, is that it is an omnibus bill which covers so many different features of the agricultural laws of the Nation that it is very apparent that the bill employs a method which I had hoped had been sufficiently discredited last year, when another and even larger omnibus bill for agriculture was very badly treated by both the Senate Committee on Agriculture and Forestry and the corresponding committee of the other body. I had hoped that treatment had discouraged the introduction, especially so soon thereafter, of another omnibus bill covering the many different fields of agriculture which are within the purview of Senate bill 3225.

Mr. President, the objections to procedure through such an omnibus bill will occur to every Senator, I am sure. Such bills leave each Senator in the position of finding in them measures which he would like to support—measures which he thinks wise, measures which he thinks beneficent—but also finding included in such bills measures which he believes hopelessly unwise; and, therefore, every Senator is left under the dilemma of deciding whether the wise exceed the unwise, or vice versa; and such procedure does not enable each Senator to vote on the basis of the merits of each particular issue of great importance to agriculture in the Nation—as has been the custom heretofore, in most instances.

The introduction of such an omnibus bill is in the nature of offering a carrot on a stick to each Senator, in hopes that his avid hunger for something good in the carrot may persuade him to shut his eyes to other features of the bill which he believes unwise and which he believes should not be enacted into law.

Mr. President, there is no better illustration of the lack of wisdom of the omnibus approach than title I, to which I shall address my remarks.

Title I is called "Land-Use Adjustment"; and Senators who have studied the bill know that this title involves important proposed amendments to three major agricultural laws now on the statute books—some of them having been utilized for many years.

The first major amendment proposed by means of this title is offered in section 101 to the Soil Conservation and Domestic Allotment Act, as amended; and this part of the bill proposes further amendments to that act. Mr. President, in my remarks I shall not concern myself primarily with that particular proposal, because I have no special objection to it, as such.

The second proposal in this title is to amend important provisions of the Bankhead-Jones Act. I believe I should state for the RECORD that those provisions begin in line 26 on page 4 of the printed copy of the bill; and I shall return to a discussion of those particular features of the bill, which propose to amend the Bankhead-Jones Act, because I object very strongly to them.

The third, and still different, series of amendments proposed in title I is to be found in section 103 of that title, beginning in line 23 on page 6 of the bill; and those proposed amendments relate to the Watershed Protection and Flood Prevention Act, as amended.

Mr. President, there could not be a better illustration of the fact that this bill constitutes an omnibus or shotgun approach to the entire field of agriculture than that to be found by a mere inspection of title I, which proposes important amendments to three very important agricultural laws under which our people have received valuable services for long periods of time, and by which a great deal of good has been done.

I now return to a brief discussion of the amendments proposed to the Bankhead-Jones Farm Tenant Act, because I believe these provisions of title I of the bill are particularly unwise, and because I believe strenuous objection to them should be voiced.

Without attempting to outline all the provisions of the Bankhead-Jones Act, let me state that Senators will remember that it has been a very helpful act. Originally, it was designed to help tenant farmers become freeholders and have farms of their own. Later, it was extended to such allied subjects as the rural housing problem of farmers who could not obtain credit from the ordinary sources, and to similar fields of activity.

I shall not here attempt to outline all the fields of activity covered by the Bankhead-Jones Act and related legislation. For instance, I have not even mentioned the field of disaster loans, in which submarginal credits are still being dealt with, because when houses are washed away or when other serious damage is done by hurricanes, storms, or floods, those who have suffered that damage are frequently unable to obtain credit from the normal sources. So without attempting to list all the fields presently covered by the Bankhead-Jones Act, I merely wish the RECORD to show at this point that that act has served very, very well in the field of extending help to those who need help, but who cannot obtain credit from the ordinary sources—whether those be commercial banks and institutions or institutions of the Farm Credit Administration; and those persons needed some special help if they were to remain independent.

By means of the amendments to the Bankhead-Jones Act which are included in title I of the bill, it is proposed to branch out into a completely different field—namely, the field of promoting the development of fishponds, dancehalls, restaurants, motels, bowling alleys, and similar activities which have to do with public recreation; and it is proposed to extend into this new field, not only in title I of the bill, but also in title IV, which makes the farmers themselves eligible to receive loans for those purposes. But the provision in title I is by far the more objectionable—making public units eligible to receive such loans for such recreational uses on a very large scale.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield to the Senator from Mississippi.

Mr. EASTLAND. Is it true that swimming pools could be built with Federal money?

Mr. HOLLAND. It is true that swimming pools could be built with Federal loans.

Mr. EASTLAND. Golf links?

Mr. HOLLAND. Yes; they would be included, I think, within the range of recreational activity.

Mr. EASTLAND. Dancehalls; motels?

Mr. HOLLAND. I have already stated I think both those activities would be included within the purview of the bill.

Mr. EASTLAND. The bill provides that they be open to the public. Is that correct?

Mr. HOLLAND. The Senator is correct; those are the words used in the bill.

Mr. EASTLAND. Is it not true that, under the interpretation which the Supreme Court places on the Constitution, these recreational facilities will be racially integrated facilities?

Mr. HOLLAND. The Senator from Florida so believes and would have no hesitancy in saying that is the case. He remembers that only yesterday, when the distinguished Senator from Vermont [Mr. Aiken] was speaking on the bill, a similar question was addressed to him by the distinguished Senator from Mississippi and was answered by the distinguished ranking members of the minority on our committee by saying he had no doubt in the world that integration would result, and in his opinion, that is what should result. The Senator from Florida does not go that far.

Mr. EASTLAND. Is it not true that we would have the U.S. Government putting up money and promoting integrated swimming pools, dance halls, and other integrated facilities all over the country?

Mr. HOLLAND. The bill, if enacted in its present form as S. 3225, would so permit. There is no question about that fact at all.

May I say, since the Senator from Mississippi has brought up this point, that the Senator from Florida had, a few years ago, some experience in this very field which he would like to relate for the Record at this time. The Senate had been considering an FEPC bill, and the Senator from Florida had very stoutly, along with other Senators, opposed the enactment of that bill, and it was not enacted.

Immediately after adjournment the Senator from Florida went home to the little town in Florida where he was born and still lives. Within a day or two he had a call from the chamber of commerce which is organized by and serves the Negro community in the little hometown of the Senator from Florida, and the request was made that the Senator from Florida have a conference with a committee from the Negro chamber of commerce relative to the so-called civil rights field. Of course, I was glad to grant that request.

I am very frank to say I expected to receive some friendly castigation or complaint because I had opposed the FEPC bill, which had been our business immediately prior to adjournment. To the contrary, the 3 elderly Negro citizens who comprised the members of that committee, all very fine men, whom I have known all my life, when they came to me, approached the matter from a completely different point of view.

They said, in substance, "Judge"—they still call me judge down there, Mr. President—"we are very much disturbed about one of the proposals in the civil rights program, and we want to talk it over with you." I said, "All right. I am very glad to discuss it with you. Which one is it?" They said—and here is where the surprise came to me—"It is the proposal that all public recreational and service facilities such as restaurants, hotels, pool rooms, and dance halls shall be open to people who wear the uniform of the armed services, regardless of their color or race; and, Judge, we are very much disturbed about that, because we think it will mean that our pool halls, bowling alleys, swimming pools, and other facilities of that kind will be invaded by some of the wearers of the uniform"—and I must say that they called them "poor white trash"—"and we are just as sure that when we are invaded by some of the uniformed men of the white color, what will follow will be trouble. For instance, they may have been drinking a few beers; they will try to cut in on some of our girls who are dancing with our young men; or they will have an altercation of one kind or another, and a fight will ensue, and nobody can tell, Judge, where that kind of fight will end up. And what we are afraid of is that the people who will finally have to bear the brunt of it will be the old, established colored people who live here and who have their homes here, and whose children's homes are here, and who have found this little town a good place for our own lives and a good neighborhood to live in. We think we will be the ones who will suffer because of the trouble. We do ask you—and they made it just as plain as they could that their heart was in the request—"that you oppose in every way that you can enactment of that civil rights legislation," which was a part of the recommendation of the Civil Rights Commission, which reported, as Senators will recall, to President Truman; and a bill was subsequently offered to enact that measure into law.

I merely want to make it clear by citing this illustration that citizens whose color is not white realize the difficulties of recreational mixing of the races. Anybody who has been keeping up with troubles that have developed in the interracial field in recent years knows how many of them have come up in connection with biracial use of swimming pools and of other recreational facilities which have been used by members of both races under the integration program which is under way.

Mr. President, I had not meant to go so fully into this matter, but I do appreciate the fact that the Senator from Mississippi brought it up.

Let us come back now to the consideration of the Bankhead-Jones Farm Tenant Act, which would now be thrust into a field highly controversial, highly welfare in its implications, quite different from the matter of serving submarginal farmers and people who have suffered from natural disaster; but, instead, which comes into the field of what the Secretary of Agriculture called, in his testimony before us, "rural renewal."

Mr. President, in his testimony before us, Secretary Freeman made a fine witness. I commend him and compliment him upon his frankness, his fairness, his willingness to answer all questions, and to make it very clear just what was the original bill which S. 3225 has replaced, and upon which he was testifying before our committee.

He made it completely clear what he meant by the term "rural renewal," which in his testimony he compared with urban renewal going on in the cities; and which he regarded as an important objective of this particular part of the bill that proposes to amend the Bankhead-Jones Farm Tenant Act. He was reminded such an amendment would carry the bill into a completely different field, and he admitted very freely, as did his counsel who was with him, and who also testified at that meeting and later admitted, that their intention was to extend the purview and coverage of this beneficient legislation, which has benefited so many people who needed help, into the highly controversial field of development of recreational facilities and the promotion of fish, game, and wildlife.

I am speaking now of wildlife from the game concept, Mr. President, and not from the other concept, which may disturb some of the people when they think about integrated recreational facilities.

I think it would be helpful to have the Record show what the Department of Agriculture hoped to get, instead of what is in the bill under consideration.

I commend the distinguished Senator from Louisiana, the chairman of the committee, and the other members of the committee. The chairman introduced the proposed legislation, I am sure, at the request of the Department of Agriculture. The chairman and other members of our committee after we had seen how far the proposed legislation would have gone, turned thumbs down on it. The bill was rewritten generally and generously. In this particular field the rewriting was particularly generous.

Mr. President, I wish to make it very clear that the Senate has a right to consider what are the permanent objectives toward which the Secretary of Agriculture and the Department of Agriculture are working. Where are they trying to lead us? What is the motive or objective in the proposed amendment to the Bankhead-Jones Farm Tenant Act? What is it they have in mind?

I think that can be best shown first by quoting from the original bill some of the applicable provisions, because I wish to have them preserved in the Record; and, second, by quoting from the text of the remarks of the Secretary of Agriculture and of his able counsel, Mr. Bagwell, some statements before the Senate committee in the public hearing upon the original proposed measure.

Mr. President, I have already said that the original bill names Title I by the name "Land-Use Adjustment." Without going into any features of it except those dealing with the proposed amendment to the Bankhead-Jones Farm Tenant Act, I wish to read into the Record the two proposed amendments to the Bankhead-Jones Farm Tenant Act which were suggested and offered with administration blessing and testified to by the Secretary of Agriculture and by his able counsel before our committee.

Section 102 of the original bill, which was S. 2786, deals with the Bankhead-Jones Farm Tenant Act, and reads in part as follows:

> Sec. 102. Section 31 and subsections (a), (b), (c) and (e) of section 32 of title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525), as amended, are amended to read as follows:
>
> "Sec. 31. The Secretary is authorized and directed to develop a program of land conservation and land utilization, including the more economic use of lands and the retirement of lands which are submarginal or not primarily suitable for cultivation, in order

> thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation, providing public recreation, preserving natural resources, protecting fish and wildlife, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands, health, safety, and welfare."

That terminates the proposed section 31. I think it might be appropriate at this time to read the portion of the hearings which deal directly with section 31. That will be found beginning on page 135 of the printed hearings of the committee. The chairman recognized the Senator from Florida to address some questions to the learned Secretary of Agriculture. I proceeded as follows:

> Mr. Secretary, I have before me sections 31 and 32 of the Bankhead-Jones Act, which are proposed to be amended by the provisions of the pending Senate bill. I want to ask you some questions as to what seems to me are the departures in those two sections from the present law.
>
> First, with reference to section 31, I find only three additions of new words to section 31.

The reference is to the existing section 31.

> I ask that counsel, Mr. Bagwell, follow this carefully.
>
> On line 12 of the copy of the Senate bill, the words "including the more economic use of land" are new. Second, on line 16, the words "providing public recreation" are new. Third, on line 17, the words "protecting fish and wildlife" are new.
>
> Am I correct in my understanding that those are the only three changes proposed to be made in section 31 of the present law?

Mr. Bagwell answered, rather than the Secretary, at that time. He stated:

> That is correct, sir.

I continue with the next question I asked:

> Am I correct in my understanding that those changes would bring about three additions to the present law? First, instead of limiting the program to "the retirement of lands which are submarginal or not primarily suitable for cultivation" which are the applicable words in the present law, you would include the general use of the words "including the more economic use of lands."
>
> Mr. BAGWELL. That is right. Any lands.

I then asked an additional question:

> Any lands—whether they were submarginal or not, whether they were the best agricultural lands in the community or not.
>
> Mr. BAGWELL. That is correct.
>
> Senator HOLLAND. In the second, the second addition, is the addition of the words "providing public recreation."
>
> Mr. BAGWELL. Yes, sir.
>
> Senator HOLLAND. That would be a new function under the Bankhead-Jones Act not now provided.
>
> Mr. BAGWELL. A new purpose, yes.
>
> Senator HOLLAND. And that would apply both to submarginal lands and to any and all lands.
>
> Mr. BAGWELL. Yes, sir.
>
> Senator HOLLAND. And third, the words "protecting fish and wildlife" would be a description of part of what would be provided under the provision for providing public recreation; is that correct?
>
> Mr. BAGWELL. Yes, sir.
>
> Senator HOLLAND. Mr. Secretary, do you agree with counsel that those are the three proposed changes of section 31 of the present law?
>
> Secretary FREEMAN. Yes, sir.

I then proceeded to ask questions about section 32.

Mr. President, I now resume the reading of the provision from the original bill, S. 2786, which proposed amendments to section 32 of the Bankhead-Jones Farm Tenant Act. I quote beginning on line 22, page 4, of the print of S. 2786:

> SEC. 32. To effectuate the program provided for in section 31 of this title, the Secretary is authorized—
>
> (a) to acquire by purchase, gift, or devise, or by transfer from any agency of the United States or from any State, territory, or political subdivision, any lands, or rights or interests therein, which he deems necessary to carry out the purposes of this title. Such property may be acquired subject to any reservations, outstanding estates, interests, easements, or other encumbrances which the Secretary determines will not interfere with the utilization of such property for the purposes of this title: *Provided*, That the land purchases hereunder shall be limited to those which the Secretary determines would not have a serious adverse effect on the economy of the county or community in which the land is located;

Mr. President, I wish to have the RECORD show that I am not concluding the reading of the proposed new section 32. There are other provisions in it which any Senator may examine if he wishes. I have read only those which directly relate to the proposed change in functions of the Government, as I understand them, which would have been made by the proposed amendment to section 32 of the Bankhead-Jones Farm Tenant Act.

Mr. President, I shall resume reading from the printed record of hearings, at page 135. Secretary of Agriculture Freeman and his counsel, Mr. Bagwell, were questioned freely, and answered freely, with reference to what was intended in section 32 as proposed to be modified by his bill:

> Senator HOLLAND. Now, with reference to section 32, which I have before me, there are more places where changes occur, as I see it, but I think the principal place will be found in the two bottom lines on page 4, and the three top lines on page 5. They read as follows:
>
> "(a) To acquire by purchase, gift, or devise, or by transfer from any agency of the United States or from any State, territory, or political subdivision, any lands, or rights or interests therein, which he deems necessary to carry out the purposes of this title."
>
> That is not limited to submarginal lands.
>
> Mr. BAGWELL. No, sir; that is where you get authority for any lands.
>
> Senator HOLLAND. That means that any lands, whether belonging to State, city, county, or individual may be acquired by the Secretary.
>
> Mr. BAGWELL. That is right.
>
> Senator HOLLAND. And am I also correct in my understanding that the general terms used there "to acquire by purchase, gift, or devise," when coupled with other provisions of the Bankhead-Jones Act, allow the use of condemnation by the Secretary for the purpose of such acquisition?
>
> Mr. BAGWELL. They would permit the Secretary to invoke the general condemnation statute, as is true today for authorized acquisitions.
>
> Senator MUNDT. Is that the meaning of the word "devise"?
>
> Senator HOLLAND. No, devise is by will. But the point I am making, if I may say, is that these words, part of them are already in the present law, along with title III of the present law, and allow the use of condemnation in carrying out the purposes of the present law.
>
> The big difference, however, appears after that place. The present law limits that acquisition in the following words: "Land not primarily suitable for cultivation." In other words, any acquisition that could be accomplished under the present law would be land not primarily suitable for cultivation; whereas under the proposed law, the words are "any lands or rights or interests therein which he deems necessary to carry out the purposes of this title."
>
> Am I correct in my understanding that this section 32 would permit in a complete way the carrying out of the purposes outlined in section 31?
>
> Mr. BAGWELL. That is correct.

Mr. President, I shall not impose upon Senators or encumber the RECORD by quoting more fully from the record, except as to one point. I think it is important to understand that the able Secretary, in going into this subject, had no understanding at all to the effect that he had the right of condemnation. That point came out freshly in the hearings following questions asked by the distinguished junior Senator from Georgia [Mr. TALMADGE].

As shown on page 123 of the record, the Secretary had just reached the discussion of the Bankhead-Jones Farm Tenant Act changes. The Senator from Georgia [Mr. TALMADGE] interrupted, with the approval of the chairman:

> Senator TALMADGE. May I interrupt at that point and ask a few clarifying questions. Is it proposed to give the Secretary the right of eminent domain in this bill—could he condemn certain farms as he sees fit?
>
> Secretary FREEMAN. No, sir; I do not think that is authorized. I am corrected by general counsel.
>
> Senator TALMADGE. In other words, he could condemn farms and acquire title thereto. Do you have any idea how much land may be acquired under such authority?
>
> Secretary FREEMAN. I think that it would be very, very little. What we are oriented toward in this primarily is an effort at some pilot projects directed toward rural renewal possibilities.
>
> I have been intrigued, Senator, with observing what has been done in some of the big cities in urban renewal, which is done through local governmental units with Federal assistance—slum clearance. It has appeared to me that it would be highly desirable if the same kind of purchase redevelopment and resale could be done in rural areas by way of renewal, as well as urban. We would like to experiment with this on a pilot basis.

On the following page, page 124, the question arose as to what purpose may be served under the loans to be made:

> The CHAIRMAN. Well, Mr. Secretary, under that title, is there any limitation as to the amount of land that could be designated by one landowner? In other words, could he develop all he had, or is there any limitation as to amount that could be loaned to him for carrying out the purposes of title I?
>
> Secretary FREEMAN. The limitation is directed to the provision that land should not be acquired by the Government that would have an adverse effect on the community in question. To read specific language——
>
> The CHAIRMAN. I understand that. But I am talking about as to what you can do for a particular farmer.

Secretary Freeman. No, there is no set limitation as to what could be done for a particular farmer.

The Chairman. Now, would it be possible for the Government to loan to a farmer money so that he can build, let us say, swimming pools, golf courses, artificial lakes, summer resorts, hunting lodges, and things of that kind?

Secretary Freeman. It would be possible as a part of an overall program that a farmer might develop just as he goes in for an FHA loan now. In other words, it would be a proposal that would be consistent with the income objectives and the economic operation of that farm, and if there was assurance of proper management and repayment of the loan—and of course that the funds were not available from private sources.

The Senator from North Dakota [Mr. Young], whom I am glad to see present in the Chamber, then made a very great contribution to the record in this case by a question:

Senator Young of North Dakota. Mr. Chairman, may I ask this question: How much land do you contemplate taking out of production?

Secretary Freeman. The goal that we had set, that we have estimated, Senator, would be that by the year 1980, on a 20-year basis, it is our best estimate that we will need 50 million acres less in cropland than we have today. This would be a long-term program which contemplated initially, as the President's message pointed out, that there would be some pilot projects on a very limited basis, to see just how this would work, and then to expand it proportionately with the goal of directing to alternative uses, by 1980, approximately 50 million acres.

Senator Young of North Dakota. Would this 50 million acres be in addition to what we already have out of production under the soil bank and under the present retirement programs, under the feed grain and wheat programs? Would this be in addition?

Secretary Freeman. It would be in addition to the conservation reserve. It would not be in addition to the land which has been directed to soil-conserving purposes under the emergency programs.

Senator Young of North Dakota. That would be in the neighborhood of about 80 million acres, then.

Secretary Freeman. If you included the conservation reserve, it would be about 80 million acres, yes, sir.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. LAUSCHE. Am I correct in my understanding that there are approximately 28 million acres of land in the conservation reserves?

Mr. HOLLAND. I think that figure is substantially correct. I believe that the Senator from North Dakota [Mr. Young] referred to it as substantially 30 million acres. The Senator is present in the Chamber. I shall be glad to yield to him, if I may, so that he may answer the question.

Mr. YOUNG of North Dakota. The number of acres in the conservation reserve last year was approximately 30 million. There is land coming out of soil bank now and more will come out unless the law is extended.

Mr. LAUSCHE. It is envisioned to get 50 million acres into the new program.

Mr. HOLLAND. In addition to the 30 million. What the Secretary was talking about was the overall elimination from production. Within that figure is included whatever was his direct objective under the act. I would not want the Record to make it appear that he said that the 50 million acres was to be handled solely under the Bankhead-Jones Tenant Act, which is only one of the measures under which the proposed law would function.

Mr. ELLENDER. I am sure the Senator will concede that the power of the Secretary to purchase this land has been entirely removed; it has been taken out.

Mr. HOLLAND. I am glad to concede it. Only a few minutes ago, when the Senator from Louisiana was called out of the Chamber, I stated for the record that he was one of those who were actively insisting that the power of condemnation be stricken out of the bill. I also stated that the bill now before us, S. 3225, represents a rather complete rewriting of the original bill, which was S. 2786. I also stated that perhaps the most generous rewriting of all was done with reference to title I. I am ready to be corrected on those statements if they are not correct.

I stated it was my belief that probably the most generous rewriting of all by the committee staff, under the direction of the chairman, was with reference to title I.

However, I am going to show what I think are the very bad things still in title I. I have already called attention to the fact that we are deliberately beginning a program, if we pass the bill, which envisions this immense empire of recreational facilities to be developed and operated by the Secretary of Agriculture, as was shown in the original bill. While the rewriting of the bill has clipped spurs very greatly, nevertheless, if we proceed here in the way it is proposed that we proceed, we are letting the camel get its nose under the tent flap, with the full knowledge of just what the Department of Agriculture wants to do and what it envisions it can do in this field if it is given the authority for which it originally asked, a part of which would be left to the Department under the pending bill.

Mr. ELLENDER. Mr. President, will the Senator yield so that I may make a little correction?

Mr. HOLLAND. I am glad to yield.

Mr. ELLENDER. The Senator does not mean, of course, that the Department of Agriculture would operate it. In the bill it is provided that the local interests would do it, not the Department of Agriculture. The Department is out of it altogether.

Mr. HOLLAND. The Senator from Louisiana is correct in so far as the operation goes, under the rewritten bill. I have already stated that the rewriting of title I was a very generous rewriting. I am stating, and I stand on this statement, that we know what the objectives of the Secretary of Agriculture are, because they were stated in the original bill. They were stated by his testimony and the testimony of the general counsel for the Department of Agriculture, from which statements I have read as they appear in the record. If we begin this greatly modified, greatly abbreviated part of the original program, we are doing so with firm knowledge of the fact that we are granting only a first step on the stairway which leads a great deal further up than our committee has been willing to recommend we go. We are doing it with knowledge of the fact that when we once give one of these administrative agencies one part of what they are asking for, knowing what the general objective is, we are embarking on a very dangerous course of action.

I say that because they will have a chance to develop and recommend and to show a beautiful showcase of something that they believe amply justifies what they have attempted. We know so clearly what has happened in the past.

I call the chairman's attention to the Small Watershed Act, for example. We were careful in the original hearings on that act; and in the original discussion in our full committee and in the passage of the original act, to restrict quite greatly the size of the program and the kind of contributions to the program which would be required from local people before small watershed proposals could be developed.

That original objective has been departed from so greatly in both respects, both as to the size of the projects and the amount of the contribution now required, that I believe it is a fair illustration of how we drift when once we start into a program and turn it over to administration by a bureau which wants to go a great deal further.

Mr. LAUSCHE. I do not know whether my questions will be germane to the subject that the Senator from Florida is discussing, but there are some questions that I should like to have answered.

Mr. HOLLAND. I yield.

Mr. LAUSCHE. How many acres were taken out of production under the corn and feed grain program?

Mr. HOLLAND. My answers would be only approximate, because I am not prepared to give exact figures. I ask unanimous consent that I may yield to the able chairman of the committee, who has the figures in hand, so that he may answer the question of the Senator from Ohio.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Does the Senator refer to corn and other feed grains, as well as wheat; both together?

Mr. LAUSCHE. Yes.

Mr. ELLENDER. The figures are in the report. For corn, the final diverted acres for the 1961 feed grain program were 19,141,067 acres.

Mr. LAUSCHE. What was the average cost per acre?

Mr. ELLENDER. Thirty-one dollars, plus.

Mr. LAUSCHE. Getting to the conservation reserve program, in which there are 30 million acres, what was the average cost per acre of those 30 million acres?

Mr. ELLENDER. That was more in the nature of rental.

Mr. LAUSCHE. That is right; rental.

Mr. ELLENDER. I believe the rental was about $11-plus.

Mr. LAUSCHE. That is, on 30 million the cost was $11 an acre to take them out.

Mr. ELLENDER. Yes.

Mr. LAUSCHE. On the 19 million acres the cost was what?

Mr. ELLENDER. $31 an acre. That is, on diverted acres. That is to repay the farmer for the profits he would have made had he planted the corn.

Mr. LAUSCHE. What is the difference between the two?

Mr. ELLENDER. With respect to the diverted acres, the farmer had no right to plant any commodity that was in surplus. However, it was specifically stated in the act that he could plant certain crops. They were safflower, guar, sunflower and other commodities that were not in surplus but that were needed. The diverted acres had to remain idle otherwise.

Mr. LAUSCHE. Under the old conservation reserve program, what was the situation?

Mr. ELLENDER. Grasses or other vegetative cover had to be planted, or trees had to be planted, or the land had to be put to other conserving use, depending on the contract entered into between the farmer and the Government.

Mr. LAUSCHE. And not used at all for production?

Mr. ELLENDER. That is correct.

Mr. LAUSCHE. Is it true that under the new program greater latitude is given to the farmer than was given under the conservation reserve program?

Mr. ELLENDER. I would not say that. It is not greatly different. He could not plant any kind of crops that were in surplus. He could not make hay on it, or anything else which might impair the program. He could not plant grain of any kind. He could not graze.

Mr. LAUSCHE. He could not do that under the conservation reserve program, either.

Mr. ELLENDER. That is correct. Just grass and other conserving uses. Of course, as far as planting crops is concerned, he could not do that either.

Mr. LAUSCHE. Why is there that difference in cost, between $31 per acre and $11 an acre?

Mr. ELLENDER. The $31 rate was for diverting acres from feed grains, so as to cut the surpluses in the production of corn and other feed grains. Of course, in order to induce farmers to take that step it was necessary to pay more than under the conservation reserve program, which was more or less on a rental basis and which took out of cultivation lands that were not as productive as the land, which was taken out under the corn and other feed grain program, and which did not require the farmer to reduce his feed grain acreage.

Mr. LAUSCHE. Initially the very sparsely cultivated land was put in these programs. As that sparsely cultivated land ran out——

Mr. ELLENDER. That is what happened in the conservation program. That is what happened. It was intended that that should happen. But in the programs to divert land from the production of wheat, corn, and other feed grains, some of the best farmland is being diverted. In order to induce the farmer to divert his land from production, the program must be made attractive.

I may say in passing that I have been opposed to an extension of the program for another year, particularly as it affects wheat and as it will affect corn and other feed grains. I have pending an amendment which will make permanent the proposal which was originally in the bill and will do away with the expensive special emergency programs.

(At this point Mrs. NEUBERGER took the chair.)

Mr. LAUSCHE. What was the total cost to the Government of taking the 18 million acres out of production?

Mr. ELLENDER. About $782 million, plus $43 million for administration.

Mr. LAUSCHE. So the farmers received about $800 million?

Mr. ELLENDER. Just under $800 million.

Mr. LAUSCHE. How much was farm income increased this year over last year?

Mr. ELLENDER. About $1,500 million gross.

Mr. LAUSCHE. Of the $1,500 million, practically $800 million of the taxpayers' money was put into the program?

Mr. ELLENDER. The Senator is correct; but I point out that 421 million fewer bushels of corn and sorghums were produced, and barley, oats, and rye production decreased by 180 million bushels; so more storage would have been required except for the program. Except for the program, it might have been necessary to store as many as 800 million or 900 million bushels.

Mr. LAUSCHE. How much was the soybean production increased?

Mr. ELLENDER. 137 million bushels.

Mr. LAUSCHE. Was there an increase in the production of some other farm products?

Mr. ELLENDER. No, not that I know of. At least not in any of the feed grains. Of course, the Farm Bureau, as was stated by the Senator from Florida yesterday, added soybeans to the corn, which is unrelated to what the committee originally tried to do. When I say "unrelated," it is because the Secretary of Agriculture could accomplish what he desired without any further legislation in regard to soybeans.

Mr. LAUSCHE. I thank the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Ohio. So far as the Senator from Florida is concerned, he merely wished to point out by quoting rather liberally from the original act and by quoting from the testimony of the Secretary of Agriculture, and his able General Counsel, exactly what the objective is.

We shall move only partially to that objective by means of the bill reported by the committee, but by no means unanimously reported from the committee. I think the Senate is entitled to know that this is a first step toward a grandiose scheme. I do not mean that that is intended by the chairman and the majority of the committee who support the bill, but that this grandiose scheme is in part broken down, and that this is the first step, which I am sure the able chairman of the committee hopes will be the last step we take. Perhaps he hopes we will not take enough steps in the first stage to approach the grandiose objective which was unfolded to the committee in the original bill and in the testimony on it.

Let us go back to the committee bill, S. 3225, again with the statement that it by no means represents the attitude of the full committee. My own feeling is that if the amendment offered by the distinguished chairman of the committee with reference to the feed grain program and the wheat program were adopted, it would represent the views of a minority of the committee. As reported, and containing the provisions relating to feed grains and wheat, the bill represents a substantial majority feeling of the committee. As I recall, only four members of the committee opposed it; but a majority of the committee had already stricken from the bill substantial provisions which are sought to be reincorporated by the amendment now offered by the chairman of the committee relative to feed grains and relative to wheat.

Mr. ELLENDER. I may say to the distinguished Senator from Florida, just to keep the record straight, that I have criticized emergency programs in the discussion I had with the distinguished Senator from Ohio. The first amendment which the Senate will be asked to pass upon would eliminate the extension of the emergency programs now in the bill. As Senators know, these have been very costly.

Included in the wheat provisions of the bill is an optional plan which would include the so-called emergency program, which costs about $350 million a year. This would be an extension for 2 more years; then there would be a reversion to the same old law that has given so much trouble. I am trying to have the Senate adopt a permanent wheat program, a program which will do away with the excessive production of wheat which now exists.

If the Senator from Florida will read the RECORD, he will learn from the statement I made yesterday that in 1938 an amendment was placed in the law which prevented the Secretary of Agriculture from setting the national allotment under 55 million acres regardless of stocks. I am trying to be more realistic and to have that acreage reduced to conform to present needs. That is the purpose of the amendment which is pending before the Senate.

Mr. LAUSCHE. Was the statement just made by the Senator from Louisiana in connection with the discussion in the RECORD that the bushelage production per acre was about 14 bushels——

Mr. ELLENDER. Thirteen point three bushels per acre in 1938.

Mr. LAUSCHE. And it is now what amount?

Mr. ELLENDER. It is now 26.2 bushels, and the minimum number of acres has not been changed. I am trying to reduce the minimum. I am proposing that, instead of using acreage, the Secretary of Agriculture may fix a minimum quota of 1 billion bushels, which is about what is needed for domestic uses and export sales.

Mr. CARLSON. Madam President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. CARLSON. Madam President, in view of the chairman's statement concerning a permanent wheat program, I desire to make a short statement. I think it is a matter of record and is well known by all that for many years I have been trying to have adopted a domestic parity price program which would be a permanent program. I still hold to that position. I sincerely hope that a program of that kind can be included in the bill.

Coming from a State which produces one-fourth of the wheat grown in the Nation, I question seriously and with sincerity the desirability of a permanent wheat program such as that proposed by the Senator from Louisiana. Wheat is now being harvested in the Middle West. In 10 days, Kansas wheat will be on the market. Optimistic as the chairman might be, he does not expect this bill to be passed within another 2, 3, or 4 weeks.

In my opinion, a new permanent program will require much education. I do not say there should be a 2-year program or a choice between two programs; but I sincerely hope the farmers of the Nation may be given some time to consider the proposal. If the present program is continued for another year, it will be possible to sell the new program to the farmers of the Nation. They simply cannot learn the complexities of the bill in a short time. The new proposal is too complicated to be put into effect without some time for study. That is one reason.

The second reason is that we in the Middle West have had some outstanding years of wheat production. In the 4 years 1958, 1959, 1960, and 1961 Kansas grew more than 1 billion bushels of wheat, or an average of 250 million bushels a year. This year Kansas is suffering from a dought. I sincerely hope it will not be a serious condition, but present indications are that the production of wheat will be reduced probably to less than 200 million bushels. I think it is well to remember that sometimes we grow short crops; and when Kansas grows short crops of wheat, so does Oklahoma, so does Nebraska, and so even does North Dakota.

In 1917, Kansas grew 42,785,000 bushels of wheat. In 1918, we grew 97 million bushels of wheat; in 1923, 83 million bushels; in 1925, 80 million bushels; in 1933, 66 million bushels; in 1934, 84 million bushels; and in 1935, 64 million bushels.

I sincerely hope that does not happen again; but if it does, the 1,300 million bushels of wheat we are talking about now will disappear very rapidly.

Today, Canada is practically out of the world market for wheat; and Argentina is out of it.

Today, appeals have been made to Senators, in the interest of providing wheat to starving Chinese. I am very much in favor of providing wheat for that purpose.

But, Madam President, I conceive grave danger to our food supply if we do not provide some kind of adjustment; and I sincerely hope the farmers of the Nation will be given an opportunity, as provided by the committee, to have a choice as between these two programs.

But, if not, I hope they will be given 1 year during which to decide whether to come under this program. In fact, the Senator from Florida will remember that in 1954 we passed, by a vote of 54 to 32, a parity bill which we had introduced in the Senate. So I am not unfamiliar with this field.

I should like to have a parity program established; but it would be disastrous to put the farmers under a program with which they cannot become familiar in a month or two. They will soon start planting their wheat seed beds; and, first, they should know about this program.

So I wish to point out, first of all, the grave danger to the food basket of the country; and, second, I wish to state that if we are to have a start made on a new program, the farmers should be given an opportunity to learn of its ramifications, and should be given time to become educated in regard to it.

I favor a new program.

I thank the distinguished Senator from Florida for yielding to me.

Mr. HOLLAND. I thank the Senator from Kansas. He has made a great contribution to the discussion of this matter, not only in connection with the wheat question, which he has discussed with such wide knowledge and clear grasp, but also in connection with the point I made at the beginning of my remarks—namely, that such an omnibus approach to this matter is dangerous and is not fair to those concerned.

Madam President, S. 3225 contains several different approaches. One is in regard to wheat, and now it is proposed to be amended by means of the amendment of the Senator from Louisiana. The wheat provisions are completely different from the feed-grains provisions and so on, through the bill. This procedure is nothing but the use of the carrot on the stick technique—and I emphasize that I am not referring at all to the amendment of the Senator from Louisiana—in an effort to get Senators to support provisions which they know are not acceptable to their constituents, or which they believe will not operate to the good of the Government.

Madam President, I should like to refer now, briefly, to Senate bill 3225, as reported by the committee. I believe it very clear that, except in two particulars, the bill provides merely a different approach to the title I provision of the original bill, which I have already discussed at some length.

There are two particulars in which title I of the committee bill, S. 3225, puts to rest some very bad features of the original bill. One of them is in regard to the condemnation acquisition of property. That was provided by the original bill, but is done away with in this rewrite.

The second is the operation of the recreational units by the Secretary of Agriculture, according to his sole discretion. That, too, is done away with by the new proposal.

The third deals with the amounts which can be used in the program. A little later, I shall discuss this in more detail.

If Senators will turn to page 4, line 26, of the committee bill, S. 3225, they will find, beginning there with section 102, provisions which modify the same sections of the existing Bankhead-Jones Farm Tenant Act as those which were intended to be modified by the original bill—namely, sections 31 and 32. In other words, there is no abandonment of the principle that the Bankhead-Jones Act is to be amended so as to cover the development of recreational facilities along a very generous line, although not to be obtained by condemnation—at least, not by the Federal Government—and not to be operated under the sole discretion of the Secretary of Agriculture. Those two changes are made, and they are very useful changes. I have already commended the distinguished chairman of the committee for making them, and I do so again. But once more I call attention to the fact that that proposed departure in objective from the very salutary objectives heretofore served by the Bankhead-Jones Farm Tenant Act still remains in the rewritten sections 31 and 32.

The rewritten section 31 begins in line 3, at the top of page 5; and the rewritten section 32 begins in line 17, on the same page.

Madam President, I wish to state—and here I pause, in order to provide an opportunity for the distinguished chairman of the committee to correct me if I am at all in error in making this statement—that the original objective of changing land use, and of changing it particularly from the standpoint of the development of recreational activities, which are just as broadly defined in this version of the measure as in the original measure—is not abandoned, but it is continued under the present modified sections 31 and 32 in the committee's version of the bill.

If Senators wish to check on that matter, they will find that in lines 5 and 6, on page 5, in addition to providing for "the retirement of lands which are submarginal or not primarily suitable for cultivation," as provided in existing law, there are also included the words "including the more economic use of lands." And Senators will find, later on, the words "to correct maladjustments in land use"; those words are to be found in lines 7 and 8.

Then the provision for public recreation is amended—and I commend the Senator from Louisiana [Mr. ELLENDER] for the amendment—so as to confine the Secretary of Agriculture to "enabling local public authorities to provide public recreation"—whereas the original bill endowed the Secretary of Agriculture with that power, to be exercised on his own initiative; and the words "protecting fish and wildlife," which were in the original measure, still are retained.

If Senators then will turn to section 32(e), as proposed to be modified by means of the committee version of the bill—it begins on page 5, in line 17—they will find that the section is rewritten so that the objective shall be—"to cooperate with Federal, State, territorial, and other public agencies in developing plans for a program of land conservation and land utilization, to assist in carrying out such plans by means of loans to State and local public agencies designated by the State legislature or the Governor, to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title, and to disseminate information concerning these activities."

Without reading the rest of the proposed modified section 32, Madam President, I wish to call attention now to the fact that the Secretary of Agriculture will still have the power, on his own initiative—and now I refer to lines 24 and 25 and the following—to initiate the surveying of projects and the working up of projects, so that, in turn, the local public agencies can be interested in them.

I quote the words that have that meaning—"to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title, and to disseminate information concerning these activities."

In other words, there is taken away by this rewritten bill the power of the Secretary to condemn and to operate, but there is still left in the Secretary, by the use of Federal funds, the power to make surveys at any place where there are appropriate sites for what he calls rural renewal, and for development of an economy that is different from that which prevailed in the community, by adapting lands to recreational use or the propagation of fish, wildlife, and the like.

I do not think we have to guess what the activities of the Department of Agriculture will be under that sort of arrangement. The Department will be developing plans and programs and propagandizing them, because it will be specifically authorized not only to make the surveys, but, once made, to disseminate information concerning them. I can see the agents and advocates of "rural renewal," as the Secretary calls it, developing programs in various rural communities of this Nation, and then endeavoring to sell the local public authorities upon the wisdom of undertaking those activities.

That is a power we should not give; and, if we give it, we should do so knowing that it is a long step toward the fulfillment of the objective so clearly announced by the Secretary and by the original bill. So far as the Senator from Florida is concerned, he will never vote for this bill with that provision remaining in it.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. LAUSCHE. To which specific part does the Senator from Florida object? To section 31 or section 32, or both?

Mr. HOLLAND. I object to both, I may say to the able Senator, but the point I was making at that time was that I particularly object to leaving to the Secretary the power of initiative to send his surveyors and agents out and to conduct surveys; if I may read the language of the bill as reported by the committee "to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title, and to disseminate information concerning these activities."

All this is to be at Federal expense.

Incidentally, such amounts might be appropriated as may be necessary to carry out the purposes and objectives of these sections. There is no limit on the amount.

Mr. LAUSCHE. Will the Senator yield further?

Mr. HOLLAND. I yield to the Senator from Ohio.

Mr. LAUSCHE. After the Secretary conducts these "surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title," and after he disseminates the information concerning these activities, is there then vested in the Secretary of Agriculture the power to lend money to carry out what the Department thinks ought to be done by way of making this land available?

Mr. HOLLAND. The answer is "Yes." Of course, the loan would be made by the Farmers Home Administration, which is one of the agencies in the Department of Agriculture, and be made subject to a condition, and I think this should appear in the RECORD, and I will read the next sentence:

> Loans to State and local public agencies shall be made only if such plans have been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over such plans, or by the Governor if there is no such State agency.

In other words, after the plans have been adopted and after the propaganda has been devised, the propaganda is submitted then to the State agency, or, if there is not such an agency, to the Governor, and if it is not turned down within 45 days, the Secretary is released to make the loans allowed for under the act.

I was just getting down to the amounts of those loans. That comes in the next sentence:

> No appropriation shall be made for any single loan under this subsection in excess of $250,000 unless such loan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives.

In other words, the Secretary can lend up to $250,000 in the event the loans were not disapproved within 45 days by the approved State agency, or by the Governor. In any event, he could lend up to $250,000 to the local public unit or State for the purpose of going forward with the development. After the fulfillment of those conditions, the loan is apparently unlimited. The amount of the loan would be unlimited except by the amount of the appropriations which would have been made available to the Secretary of Agriculture.

Here is another point in the bill which I want every Senator to understand—that while loans up to $250,000 can be made by the Secretary in his own judgment and without submission to anybody, unlimited amounts of loans, limited only by the appropriations and amounts available, can be made for one of these objectives. We are talking about public units and States, and not of private individuals, farmers or land owners.

I understand the provision means just that, and I am so advised by able counsel for the Committee on Agriculture and Forestry.

Mr. ELLENDER. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. ELLENDER. The Senator has been discussing the authority given to the Secretary to make these plans. That is not new authority. The Secretary now has the right to cooperate in developing plans, and to conduct surveys and investigations. If the Senator will look at page 60 of the report, at the bottom of the page, he will note, under (e), the words "to cooperate"—that is, the Secretary—"with Federal, State, territorial, and other public agencies in developing plans for a program of land conservation."

That is already the law. What we have added here is included on page 59 of the report, under section 31, appearing in italics. We have added, on the second and third lines, "the more economic use of lands and," and in the sixth line, "enabling local public authorities to provide public recreation."

It will be noted the Federal Government has the right to provide any kind of plans in order to find a proper program for conservation and utilization with respect to submarginal lands. That is already included in the law. I wanted to call that to the attention of the Senator.

Mr. HOLLAND. As the Senator has just pointed out, the change made in section 31 increases the authority of the Secretary under section 32 to make plans. That is my point. I am advised by our counsel for the committee that the provision which the Senator has just read from the existing provision of section 32 is now limited by the existing language of section 31 to, and I quote section 31, "lands which are submarginal or not primarily suitable for cultivation"; whereas under rewritten section 31 no such limitation exists. That is one of the reasons for my objection.

Mr. ELLENDER. But the authority for plans and programs is already provided for in the law, again I point out. The right to form them is already provided by law. That is in section 32(e). We would not change that. That would still be in the law. But in the future they could be made with respect to lands which are not submarginal.

Mr. HOLLAND. Yes, planning authority now extends only to submarginal lands and lands not suitable for conservation, whereas under the law proposed it would not be so limited. A local agency which wished to have a program and required money for the acquisition of lands—whether for the acquisition of the best nursery in the community at a desirable spot, or a small industry, or residences of people who have lived there for many years—could make plans which could encompass the inclusion of such territories. Then the Secretary of Agriculture would be permitted to lend up to $250,000, without submitting the proposal to the committees of the Congress; and there would be no limitation upon the authority other than the amount of appropriations if the committees of the Congress approved.

Mr. ELLENDER. But the Senator will concede that the loans are to be made to State or local agencies.

Mr. HOLLAND. Of course.

Mr. ELLENDER. Under the conditions the Senator has related.

Mr. HOLLAND. That is correct.

Mr. ELLENDER. And they are to be secured, and the going rate of interest is to be paid to the Federal Government.

Mr. HOLLAND. The Senator is correct. The difference between that and the present law is that the present law deals—and very rightly so—with a limitation to submarginal lands. I am glad that the Bankhead-Jones Farm Tenant Act has been limited to dealing with submarginal lands and people who cannot go to the regular banks for their credit, who cannot go to the Farm Credit Administration to get loans. Such people frequently own the submarginal lands. The present law is confined to the less attractive credits, to the less attractive lands, and the less stable people.

It is proposed by the bill to completely convert the coverage of the Bankhead-Jones Farm Tenant Act to go into the new field in such a way as, I think, to give promise before very long of going as far as the Secretary suggested and recommended and testified to in the hearing before our committee, and as included in the original bill.

I hasten to add again that the able Senator from Louisiana, with a majority of the committee, has insisted upon very generously rewriting the original bill so as to make the bill now before us less dangerous than the original form.

Mr. LAUSCHE. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Ohio.

Mr. LAUSCHE. To what purpose may the money be put? Would it be used for the development of facilities, or could the money be used for the acquisition of land?

Mr. HOLLAND. It could be used for development, or for the acquisition of lands indirectly. Let us suppose that the unit had enough money to acquire all the other lands it needed except for some most valuable portion. The bill as presented to us would permit the lending of an unlimited amount, which might be approved by the committees, out of money already appropriated, for the purpose of perfecting the program and going ahead with it.

What would be withheld is the right of Federal condemnation. There would be no withholding of the right of local condemnation through the local agencies. Condemnation might have to be resorted to. There is to be no attempt to deal with that, and there should not be.

Mr. LAUSCHE. Then, if the Senator from Florida is correct, the money might be used for the development of facilities or for the acquisition of land, either from private owners or from the land owned by the Federal Government now.

Mr. HOLLAND. Yes; or from land owned by the State, or by the city, or by the community. The Secretary of Agriculture clearly testified, as did his counsel, that the wording of the original bill—that part of the wording is in the rewritten bill—would permit the acquisition of lands from various local units of government.

Mr. LAUSCHE. I thank the Senator very much.

Mr. HOLLAND. I thank the Senator from Ohio for his questions.

Madam President, I have adverted to two of the very dangerous things which are proposed to be left in the section 32, after calling attention to the fact that section 31 as rewritten in the committee bill would retain all the objectionable features of the original section 31 except for operation by the Federal Government.

With reference to loans which can be made to the individual farmers, I understand that subject is covered by a different section of the bill, appearing at pages 66 and 67, in General Provisions. The reason for that is that the loans to ordinary farmers under the Bankhead-Jones Farm Tenant Act have been transferred under the bill which was enacted only last year, which was a very great liberalization of the Farmers Home Administration authorities, called the Consolidated Farmers Home Administration Act of 1961. I understand from counsel for the committee that $60,000 is the maximum amount of any loan which can be made to an individual under that provision. Direct loans can be made to associations under that provision, with a limit of $500,000. The limit on the loans to an association which may be insured is $1 million.

We are talking about big money. We are talking about grandiose plans. We are talking about setting on the road toward an objective which was fully disclosed and frankly disclosed to our committee. It is a program which, if given this beginning, which is a sizable one, will, I think, rise to plague the country and to plague everyone who votes for it.

Madam President, I have not sought to deal in these brief remarks with the other provisions in the bill having to do with feed grains, having to do with wheat, having to do with the surplus disposal program, having to do with other aspects of the agricultural laws of our Nation.

I think the bill is the most perfect example since last year of the vice of attempting to deal, through an omnibus bill, with unrelated and numerous different provisions of agricultural law, not all applicable to the same persons or to the same groups, but applicable in their entire coverage to almost all the citizens of this country. I do not think that is a reasonable way to deal with the law.

So far as the Senator from Florida is concerned, he has dealt in his discussion only with the proposed enlargement and the proposed change in direction of the Bankhead-Jones Farm Tenant Act and its successor in certain fields, the Consolidated Farmers Home Administration Act of 1961.

I think there are enough troublesome points arising in connection with these items alone in the bill to justify every Senator's rejecting the bill and insisting that the measures be approved in a regular way, through bills which deal separately with great agencies which are spending or investing literally hundreds of millions of dollars of the public money a year.

Madam President, the Senate Committee on Agriculture and Forestry has been very generous in its treatment of the Farmers Home Administration. The Senator from Florida happens to be the chairman of the subcommittee which deals with that subject. Another member of the subcommittee on the floor at this time is the distinguished Senator from Kentucky [Mr. COOPER]. Our subcommittee on two occasions in the recent past studied the subject and reported very real liberalizations and enlargements of the coverage of the Farmers Home Administration Act. I am glad we did. I think those changes made it more serviceable.

I have no doubt that other changes will be expected, as our country moves along, and they may be made in the regular way. If a bill is offered and studied by the subcommittee and by the full committee, I think the administrators will find that they will have the sympathy of those who will pass upon the measures before they reach the floor of the Senate or of the other body.

Madam President, I object strenuously to a shotgun approach by which we would try to cure ills in a dozen different fields of agriculture by amendments stuck together in one bill. It is not possible to reach sound results with that kind of approach.

I yield the floor.

Mr. MAGNUSON. Madam President, I wish to direct a question to the distinguished chairman of the Senate Committee on Agriculture and Forestry. I understand that he has proposed, will propose, or has filed, three amendments to the bill. Is that statement correct?

Mr. ELLENDER. I have offered two amendments, one which would affect wheat, and the other corn and other feed grains.

Mr. MAGNUSON. One would reinstate the choices in the wheat referendum.

Mr. ELLENDER. The Senator is correct.

Mr. MAGNUSON. Under the proposed program, if farmers in a referendum should oppose the certificate plan, price supports would then be not in excess of 50 percent of parity.

Mr. ELLENDER. The Senator refers to the amendment now pending, which would affect the wheat program.

Mr. MAGNUSON. Yes.

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Mr. ELLENDER. The amendment would remove from the bill the so-called emergency program, and would write into the law permanent wheat legislation.

Mr. MAGNUSON. The second amendment would replace the temporary extension of the feed grain program with a permanent feed grain program.

Mr. ELLENDER. The Senator is correct. That proposal will be presented later. It is now lying on the table. I hope to present it after the Senate completes consideration of the amendment relating to wheat.

Mr. MAGNUSON. Will the Senator from Louisiana propose an amendment which would reinstate the provision for growing wheat on feed grain acres and feed grain on wheat acres?

Mr. ELLENDER. Yes. Instead of dealing with the question separately, it is already covered in my feed grain amendment.

Mr. MAGNUSON. A great number of people in the Pacific Northwest who are active in farm organizations such as the Grange and the Farmers' Union have consulted my colleague [Mr. JACKSON] and me. He joins me in this statement because he could not be present at this time. We have been urged to support the so-called Ellender amendments. After discussion with various interested groups, we intend to do so.

I ask unanimous consent to have printed at this point in the RECORD a letter addressed to the Secretary of Agriculture and signed by 26 Senators from wheat-growing States, which in the main sustains the approach of the Senator from Louisiana in the wheat program field. The letter follows out a suggestion made by us in a letter to the Secretary of Agriculture several weeks ago.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: The necessity to include temporary stopgap wheat legislation in the Agricultural Act of 1961, clearly demonstrates the need for early consideration by Congress of a permanent wheat program for the 1963, and succeeding crop years.

We recognize the problems which were faced by the Congress at the start of this session, which justified the necessity for such a temporary program.

It is our firm conviction, however, that it is of paramount importance that recommendations for a workable, permanent wheat program be submitted to Congress by January 1, 1962, in order that the Congress will have time to develop such a program prior to the time wheat producers start making their plans for fall seeding.

It is our understanding that by April 1, seedbed preparations are under way in much of the wheat-producing area. Therefore, any program to be effective must be enacted by that date.

Many of us jointly sponsored a bill in the 86th Congress, S. 3159, which we believe is the answer to the perennial wheat problem. This bill would establish wheat quotas on a bushel basis, instead of an acreage basis, as has been the custom in past years.

Such an approach has many advantages over the acreage approach. First and foremost, it provides a mechanism for an orderly reduction in CCC stocks, and shifts the responsibility for storage of any surplus production from the Commodity Credit Corporation to the individual producer, thus resulting in significant savings to the American taxpayer.

Secondly, and almost of equal importance, it will encourage the production of higher quality wheat. Under present acreage programs, a producer has a market for all of the production on his allotted acres—either to the trade or the Commodity Credit Corporation. Thus his incentive is to produce the maximum number of bushels on his allotment. In contrast, under the bushel program, each producer has a limited number of bushels to sell into the market for food and export. Thus his incentive is to produce the highest quality possible in order to receive the most dollars for this limited quantity.

In a similar manner, since only a limited volume of wheat will flow through trade channels, warehousemen and subterminal operators will tend to select the highest quality possible to ship forward to mills or exporters. This would be a big step forward in upgrading the wheat moving into world markets, and thus increase demand for U.S.-grown wheat.

For these reasons, we strongly urge that your Department develop, under the procedures provided by the Agricultural Act of 1961, recommendations for a comprehensive long-range wheat program, embodying the principles of the bushel program, in sufficient time to submit your recommendations to the Congress by January 1962.

Respectfully.

(The letter was signed by a bipartisan group of 26 Senators from wheat-growing States.)

Mr. ELLENDER. Madam President, I am glad to say that the Senator from Washington was one of the original proponents of a two-price system.

Mr. MAGNUSON. Yes.

Mr. ELLENDER. He has been working for many years on such a program. I am hopeful that the Senate will adopt the program now before it as a permanent program. It would make no sense to require that farmers vote on an option plan which, 2 years hence, might make us go back to the old law, which has given us so much trouble.

Mr. MAGNUSON. Operation under the provisions of the old law is or would be much more costly than under the present proposal.

Mr. ELLENDER. It is. There is no question about it.

Mr. BURDICK. Madam President, it is my belief that the amendments proposed by the Senator from Louisiana [Mr. ELLENDER], dealing with feed grains and a wheat certificate plan, should be adopted.

The feed grain amendment would give producers the right to choose a supply management program that would bring stability to their farming operations at reduced cost to the Government.

As for wheat, the deletion from the bill of the option to continue the present temporary program is necessary, because it could defeat the goals of improving farm income and reducing Government costs.

Under the Benson farm programs and policies of the 1950's the farmer saw his net income decline steadily—year after year—even though in each succeeding year he worked harder, planted more acres, milked more cows, spent more money for fertilizer, and improved seed and machinery. In productivity and efficiency, the American farmer became the envy of a world where lack of adequate food and fiber prevents the peoples of most countries from achieving the industrial activity that would bring a higher standard of living.

We in the United States have been most fortunate. Our economy firmly based on our family-farm system of agriculture, has brought us the highest standard of living in the world. The farmers, themselves, have not benefited equitably in this standard. They are the ones caught in a vicious circle, for as the level of farm productivity has risen, their income has fallen.

In 1952, the Government had on hand about $2.5 billion in farm produce, a reasonable level of commodities to meet emergencies and to bring stability to the market.

In the 8 Benson years, costs of supporting farm income soared, until by the end of 1960 the Government had a $9 billion inventory of farm commodities on hand. Carrying charges alone on wheat and feed grains had mounted to $900 million annually by 1961. And farm income had progressively declined.

This was not the fault of the farmer. It was the fault of the Benson programs forced upon the farmer. Statistics on production, consumption, and Government costs during the 1950's indicate that overall farm policies were faulty. Carryover stocks of feed grains at the beginning of the 1961 marketing year had reached an alltime high of nearly 85 million tons—more than four times those of 1952.

In 1961, under the emergency feed grain program, we made the first step in reducing the carryover to a more reasonable level. By the end of the 1961–62 marketing year, total carryover stocks are expected to be down by nearly 7.5 million tons. This is indeed an achievement. Members of this Congress who voted for the improved legislation can be proud of the success of the temporary feed grain program of 1961 and the prospects for continuing success in 1962.

But this success carries a high price tag because it does not include all producers. More than 25 million corn and grain sorghum acres were diverted to conserving uses by the 40 percent of the farms that chose to participate, at a cost of something more than $780 million. At the same time, those producers who did not sign up for the program planted 6 to 7 million additional acres of corn and grain sorghum, thus offsetting 25 percent of the diversion made by the cooperators. These producers got a free ride—they produced additional grain which they sold on a market where the price was protected by the efforts of the voluntary compliers.

The willingness of producers to participate in the voluntary feed grain programs is a clear indication that they know full well that the existence of the surplus is the cause of price weakness. Those who did not sign up are aware of this, too, but they figured there was an advantage that could be taken under the program.

Under the feed grain program proposed in the amendment before us, feed grain producers would be given the opportunity to choose a long-range program that would bring them good income at reduced Government costs, and without increasing the consumer prices for food.

Wheat producers repeatedly have endorsed supply management programs. The second Ellender amendment to the committee bill would enhance the prospects for a wheat certificate program, a concept which I have favored for many years.

A wheat certificate program, in place of the statutory national acreage allotment, would substitute authority for the Secretary of Agriculture to set a national quota, based on the requirements for wheat—domestic and export needs, including requirements for needy people at home and in friendly nations.

Despite the merits of both the wheat and feed grains proposal before the Senate the question has been raised whether farmers voting in a referendum will approve them. In the State of North Dakota quota referendums have been approved by margins greater than 90 percent for years. Certainly farmers will vote for the wheat marketing certificate program if given the opportunity. The feed grain and wheat programs are designed to complement each other—to go hand in hand. This becomes apparent when we look at the provision which would permit wheat to be planted on the feed grain allotments and feed grain to be planted on wheat allotments. This would give farmers a flexibility in planting which is much needed without increasing supplies of wheat or feed grains.

With these amendments, the Agriculture Act of 1962 would greatly strengthen the agricultural economy of our Nation; also, it provides the basis for sharply curtailed expenditures of the U.S. Treasury and reduces carryover. As I stated earlier, it provides the basis for increased farm income. The Agriculture Act of 1962, with the amendments cited, is worthy of the support of Members of the U.S. Senate, whatever geographical area they may represent.

Mr. ELLENDER. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCARTHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. Madam President, I submit an amendment, on behalf of myself, the senior Senator from Minnesota [Mr. Humphrey], and the junior Senator from Montana [Mr. Metcalf], to the Food and Agriculture Act of 1962, S. 3225. I ask that the amendment be printed and lie on the table; and I ask unanimous consent that the text of the amendment be printed in the Record.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

> On page 4, between lines 25 and 26, insert the following:
>
> "(6) by adding a new subsection at the end of section 16 of said Act to read as follows:
>
> "'(g) The Secretary of Agriculture shall not enter into an agreement in the States of North Dakota, South Dakota, and Minnesota to provide financial or technical assistance for wetland drainage on a farm under authority of this Act, if the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed on that farm by such drainage and such finding, identifying specifically the farm and the land on that farm with respect to which the finding was made, has been filed with the Secretary of Agriculture within ninety days after the filing of the application for drainage assistance: *Provided*, That the limitation against offering such financial and technical assistance shall terminate (1) one year after the date on which the adverse finding of the Secretary of the Interior was filed unless during that time an offer has been made by the Secretary of the Interior or a State government agency to lease or to purchase the wetland area from the owner thereof as a waterfowl resource, (2) five years in any event after the date on which such adverse finding was filed, and (3) immediately upon any change in ownership of the land with respect to which such adverse finding was filed. The provisions of this subsection shall become effective July 1, 1962.'"

Mr. McCARTHY. Madam President, the purpose of the proposed amendment is to provide a procedure for reconciling the disagreements which have arisen over the administration of two important and well-established Federal programs: that of financial and technical assistance for wetland drainage, carried out under the authority of the Secretary of Agriculture, and that of preservation of wildlife habitat, under the authority of the Secretary of Interior.

The difficulties of administration are concentrated in the prairie pothole region of Minnesota, North Dakota, and South Dakota, and my amendment applies only to the wetlands in these three States.

There are, of course, a number of ways in which Minnesota and the neighboring Dakotas make a special contribution to the national welfare, but in this case it is the preservation of ducks and other migratory waterfowl. The duck hunters and the wildlife conservationists of the Nation are greatly indebted to the farmers and to the wildlife agencies of these three States for the preservation of waterfowl habitat, since the migratory waterfowl nesting areas in the United States are primarily in these States.

At the same time the farmers of these areas have a proper interest in making the most efficient use of their land and in cooperating with the agencies of the Department of Agriculture in the long-range conservation program. The problems arise in the borderline cases where experts may nonetheless disagree on whether the interest of the farmer and of conservation are better served by drainage of wetlands or by establishing them as refuges.

From the beginning the Soil Conservation Service has recognized the value of wildlife conservation.

Over the past 20 years the Soil Conservation Service has issued a number of regulations and entered into agreements with Federal and State wildlife agencies in an attempt to resolve this problem. A summary of the wildlife and drainage policies of the Department of Agriculture, 1935–61, has been prepared by the Soil Conservation Service and I believe the report is evidence of the conscientious efforts to solve this problem and evidence, also, of the need for legislative action now.

The officials of both the Department of Agriculture and the Department of Interior have reached agreement on the desirability of legislation. Bills were introduced in the last session and hearings were held by the Committee on Agriculture of the House of Representatives, and on September 13, 1961, the House approved a bill to deal with the problem (H.R. 8520).

In the statement of the Department of Agriculture before the House Committee, Gladwin E. Young, Deputy Administrator of the Soil Conservation Service, stated:

> We wish to make it clear that the Department of Agriculture recognizes wildlife as a valuable asset * * * national policy has given definition to public interest in both efficient farming and wildlife. A solution to conflict between these two major uses of land cannot be found, therefore, merely by giving one type of use complete priority over the other.

In a letter to Representative Poage, chairman of the Conservation and Credit Subcommittee of the House, Mr. D. H. Janzen, Director of the Bureau of Sport Fisheries and Wildlife of the Fish and Wildlife Service of the Department of Interior, stated:

> We are no more anxious to withhold drainage assistance from farmers, where such drainage will not adversely affect wildlife, than is the Department of Agriculture. With review of projects as contemplated by this measure, and with judicious appraisal of the wetland values involved, we see no reason to anticipate that our Department would deny assistance in any case except where significant wildlife values exist. The Department of Agriculture has many times gone on record supporting this position and has done so in their statements on this bill.

Briefly, under the provisions of H.R. 8520, the Secretary of Agriculture cannot approve assistance to farmers for wetlands drainage if the Secretary of Interior finds that wildlife preservation would be harmed thereby. The Secretary of Interior must file his finding with the Secretary of Agriculture within 90 days of the application by a farmer for assistance, or else the prohibition will be lifted. The limitation may also be terminated within 1 year after the filing by the Department of Interior of an adverse finding unless the Secretary of Interior or a State government agency offers to lease or purchase the wetland as a waterfowl resource.

H.R. 8520 was referred to the Subcommittee on Soil Conservation and Forestry, of which the Senator from Mississippi [Mr. Eastland], is chairman and I am a member. Questions were raised about the procedure under the House bill. In particular, the objection was made that the bill left one situation inconclusive. If the Secretary of Interior makes an offer to lease or purchase, but the farmer finds the terms

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unacceptable, there is no provision in the House bill for a final solution of the disagreement.

Several months ago I took up with Secretary Freeman certain questions and objections which had been raised. I believe that his reply reflects both the spirit of cooperation by the Department of Agriculture with wildlife preservation objectives and the need for some perfecting language in the House bill. I ask unanimous consent that the Secretary's letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McCARTHY. Madam President, the amendment which I shall offer to the farm bill retains the substance of the House bill, which is to give the Secretary of Interior the right to make a finding and to offer to purchase or lease the wetlands for a waterfowl habitat, but it provides that the limitation against the Secretary of Agriculture's offering financial and technical assistance shall terminate under any one of three conditions: First, 1 year after the date on which the adverse finding of the Secretary of the Interior was filed unless during that time an offer has been made by the Secretary or a State agency to lease or purchase the wetland; second, 5 years, in any event, after the date on which the adverse finding was filed; and third, immediately upon any change of ownership of the land involved.

The effect of my amendment is to provide an orderly procedure in cases where the governmental wildlife agency and the owner cannot reach agreement. It provides a negotiation period of up to 5 years, which I believe is a very generous time period. Under this provision both the farmer and the wildlife agency are given an incentive to reach agreement, but at the same time it prevents the possibility of an indefinite impasse by which farmers in these three States could be permanently denied an opportunity to secure the financial and technical assistance available to farmers in other States of the Nation.

In conclusion, I should like to emphasize that the amendment refers only to grants and expenditures under Government programs. It does not require any farmer to lease or sell his land or otherwise interfere with his use of it. He would be free at any time to drain at his own expense or to make any use of his land he chooses. The amendment is limited to questions involving the use of Government funds, either by the Department of Agriculture for financial or technical assistance or by the Department of Interior or a State wildlife agency to establish a wildlife habitat.

Proposed legislation to deal with this problem has received strong support from groups interested in the preservation of migratory waterfowl. The Department of Agriculture, after many years of attempting adjustments through administrative action, favors legislation. So does the Department of Interior. The House of Representatives has already approved a bill.

It is my opinion that the amendment which I have submitted, and which will be called up at the appropriate time, resolves the major procedural question involved. I believe that the adoption of the amendment, which is an amended version of the House bill, will permanently solve the problem.

EXHIBIT 1

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 21, 1962.

Hon. EUGENE J. McCARTHY,
U.S. Senate.

DEAR SENATOR McCARTHY: Your letter of February 12, 1962, relative to the engrossed bill, H.R. 8520, now before your Senate Committee on Agriculture and Forestry, has been given careful consideration. You have raised several pertinent questions that do need clarification for the benefit of those who will administer and participate in this proposal as it becomes law.

The U.S. Department of Agriculture has vigorously promoted the proper use of land for several decades. We have recognized—and have been joined by millions of farmers in this—that wildlife habitat is an important resource of the private lands of the Nation. In the three-State area referred to in H.R. 8520 there has been a long-term and determined effort to evolve an equitable arrangement that recognizes the unique features of this "pothole area" for migratory waterfowl habitat. However, the highly competitive demands and potentials of the proper land use in this pothole area suggests that legislative policy would be desirable.

The following discussion will be an attempt to answer the questions you raised. You may want to request the Department of the Interior to comment on some of these questions. We have worked closely with their officials on this matter, and we assure you that we will continue to do this in the future.

The purpose of H.R. 8520 is to give statutory authority for a cooperative arrangement between the Agriculture and Interior Departments somewhat similar to but not identical with the agreement which is now in effect on a trial basis. The bill goes much further to define responsibilities. The agreement now leaves the final decision in the hands of the Department of Agriculture's county ASC committees. There is now no well-defined responsibility on the part of the Department of the Interior to offer the farmer a reasonable alternative if their finding is against drainage. We have no information as to the extent that farmers have been offered a lease or purchase agreement in such cases.

There are about a dozen counties in which the present cooperative arrangement is in effect. It will be desirable to have a uniform policy and procedure in the 89 pothole counties in the two Dakotas and Minnesota, and the Department of Agriculture offers no objection to the enactment of this measure especially if certain interpretations are agreed to as stated in our testimony on this bill to the House Agriculture Committee.

You have raised two points that definitely need clarification prior to enactment of H.R. 8520:

1. As you point out, the bill might be interpreted that if the present owner finds the offer made by the Secretary of the Interior unacceptable, he will from that time on indefinitely be denied assistance on the land in question. While we had not considered this to be the case, it would certainly seem reasonable that H.R. 8520 should not be designed or interpreted to create situations that would remain unresolved indefinitely.

It would be reasonable to make this point clear in the legislative history or to change the bill to provide that a new owner of the land be given full opportunity to renew the total process, including that of applying for drainage assistance, if he so desired. It would also seem reasonable that provision should be made to provide that if the present owner finds the offer unacceptable, that after a period of 5 years or so the owner would have a right to file an application with the county ASC committee for reconsideration of his request for Federal assistance for drainage of the specific area.

2. Your question calls attention that the bill does not give the Department of Agriculture authority to join with the Department of the Interior in determining what is a reasonable offer. Nor does it provide the owner with an opportunity to appeal to the Department of Agriculture if he thinks the offer to lease or buy is unreasonable. The legislative history made during the debate in the House dealt briefly with the term "reasonable offer." It would seem to us that as the Department of the Interior administers their program for land acquisition for protection of waterfowl habitat it will seek the cooperation of several agencies—Federal, State, and local in setting standards, but it would seem correct to leave the final administration with the Department of the Interior. Success of an accelerated program of land acquisition for this purpose will naturally depend primarily on favorable response from farmers and ranchers who now control this land. Landowners will probably be somewhat reluctant to participate unless the offers are reasonable.

We will help in any way we can to resolve these few unanswered questions, and appreciate your interest in this entire matter.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

Mr. PROXMIRE. Madam President, will the Senator from Minnesota yield?

Mr. McCARTHY. I yield.

Mr. PROXMIRE. I congratulate the Senator for offering the amendment. I am interested in studying it further. I know it will be very interesting and helpful to the objectives of two Representatives from my State, Representative REUSS and Representative JOHNSON, who are most desirous to secure action on this proposal.

I think the attention of the Senate should be called to the taxpayer implications and the national responsibility implications of the amendment.

As I understand, one difficulty is that farmers now can receive Federal payments for draining wetlands on their property, while at the same time public moneys are expended for creating wetlands to enable the preservation of wildlife. Is not that correct?

Mr. McCARTHY. The Senator is correct; yes.

Mr. PROXMIRE. Often the land which is drained is ideal and helpful for the preservation of wildlife, has been used for this purpose for years, and provides great recreational value.

The Senator from Minnesota has said that the amendment would affect farms in his State and in the States of North Dakota and South Dakota. Is that correct?

Mr. McCARTHY. The bill in its present form is confined to three States.

Mr. PROXMIRE. I think that indicates characteristic statesmanship on the part of the Senator from Minnesota. The amendment affects the farmers of his own State. I know some persons have objected to the proposal on the ground that farmers would be deprived of Federal payments or, at least, because Federal payments might be held up. The fact that the Senator from Minnesota himself offers an amendment and has distinguished cosponsors indicates that this is a matter of national concern.

As I understand, if the Secretary of the Interior finds that the payment by the Secretary of Agriculture to a particular farmer might result in the destruction of wetlands, then he would be able to make an adverse finding, and could then permit one of three courses to take place. Under the first finding, the payment could be held up for 1 year.

Mr. McCARTHY. For 1 year; that is correct.

Mr. PROXMIRE. At most, for 5 years. Under no circumstances could it be for more than 5 years. Is that correct?

Mr. McCARTHY. The Secretary could hold up payment for 1 year simply by a finding and by putting a "hold" on the land. If within that 1 year no effort had been made by the Department of the Interior or by a State agency concerned with wildlife preservation, the farmer could renew his request for Government aid, and his application would again be given consideration.

The action then would depend entirely on the authorities of the Department of Agriculture. At that time they would have acknowledged the "hold" by the Department of the Interior and have given that Department a year to take action. If the Department of the Interior had not taken action, the Department of Agriculture could again consider the farmer's request for participation in the Department of Agriculture program.

However, if within that year an offer to lease or purchase were made by the Department of the Interior or by a State agency, the farmer could refuse it, but he could not turn to the Department of Agriculture again until approximately 5 years had elapsed.

I assume he could be released at any time by the Department of the Interior if that Department said its offer no longer stood. Then the farmer could go back again to the Department of Agriculture and say, "The Department of the Interior is no longer interested in this offer; therefore, I should like to have Department of Agriculture assistance."

Mr. PROXMIRE. The Senator from Minnesota has submitted his proposal as an amendment to the pending bill and expects to call it up, does he?

Mr. McCARTHY. Yes. The amendment is an amendment to the House bill, which will be offered as an amendment to the pending bill. The problem with the House bill was that there was no provision by which a farmer could really at any point say, "I now want to go back to the Department of Agriculture for aid under the existing agricultural program." Once the Department of the Interior had said, "No," that was a kind of final, absolute "No."

The amendment attempts to establish a sort of statute of limitations which will run against the Department of the Interior and other wildlife agencies by providing that they will have to act within these limitations.

Mr. PROXMIRE. Do I correctly understand that both the Department of Agriculture and the Department of the Interior favor the proposal and have had an opportunity to consider the amendment in relation to the program?

Mr. McCARTHY. Both Departments have had an opportunity to consider the amendment. It is my understanding that there is no objection to it on the part of either Department.

The letter from Secretary Freeman to me does not give his absolute endorsement of it, but he states, in part:

> 1. As you point out, the bill might be interpreted that if the present owner finds the offer made by the Secretary of the Interior unacceptable, he will from that time on indefinitely be denied assistance on the land in question. While we had not considered this to be the case, it would certainly seem reasonable that H.R. 8520 should not be designed or interpreted to create situations that would remain unresolved indefinitely.
>
> It would be reasonable to make this point clear in the legislative history or to change the bill to provide that a new owner of the land be given full opportunity to renew the total process, including that of applying for drainage assistance, if he so desired. It would also seem reasonable that provision should be made to provide that if the present owner finds the offer unacceptable, that after a period of 5 years or so the owner would have a right to file an application with the county ASC committee for reconsideration of his request for Federal assistance for drainage of the specific area.

The amendment I propose provides a 5-year limitation which, the Secretary indicates in his letter, would not seem to be unreasonable. He states:

> It would also seem reasonable * * * that after a period of 5 years or so—

And so forth.

Mr. PROXMIRE. So the amendment of the Senator from Minnesota seems to comply with the requirement therein set forth in the letter of the Secretary of Agriculture, does it?

Mr. McCARTHY. Yes, I think this letter from the Secretary of Agriculture and the response by the Department of the Interior can fairly be interpreted as recommendations of this amendment or statements in support of such an amendment.

Mr. PROXMIRE. I thank the Senator from Minnesota.

Mr. McCARTHY. I thank the Senator from Wisconsin.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PELL in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFUGEES FROM COMMUNIST CHINA

Mr. JAVITS. Mr. President, earlier today the distinguished Senator from South Dakota [Mr. MUNDT] and the distinguished deputy majority leader [Mr. HUMPHREY] spoke about the situation of the refugees who have come from Communist China into Hong Kong. At this time, I should like to discuss that subject.

Mr. President, the problem of refugees has interested me greatly ever since I have been a Member of Congress. I have sponsored many pieces of legislation in order to deal with it. Furthermore, in 1947, when I first came to Congress, I served on the first committee of the other body to investigate the problem of the refugees and escapees who then were in the displaced persons camps in Germany and Austria; and I had some hand in the legislation, subsequently enacted, to deal with that subject. So I have a very deep interest in the subject, and I qualify that interest in the ways I have just now stated.

Mr. President, I would agree, first, that our U.S. authorities should make available the food for possible allocation to the authorities of the Chinese Nationalist Government on Taiwan, in order to enable them to care for the greatest possible number of Chinese refugees coming from Communist China into Hong Kong; and I add my voice to those raised here earlier today in urging that that be done. Of course I shall cooperate fully, in every way open to me, toward that end.

Second, Mr. President, it is shocking that those who seek to escape from communism to freedom should be turned away; and it is almost too awful to contemplate that they should be transported back, behind the Communist border from which they have escaped. Yet that is exactly what has happened in Hong Kong.

Of course, Mr. President, we have had quite complete experience with such situations, in connection with the border between East Germany and West Germany and the situation existing between the East German Government and the Government of the German Federal Republic, until very recently.

Mr. President, I hail with satisfaction the fact that the Chinese Nationalist Government now appears to be agreeing to take a substantial number of these refugees from Communist China; and I speak with the greatest unhappiness in regard to any thought of returning them or transporting them back, as the British have thought they had to do, from Hong Kong.

But let us understand that the responsibility for this situation applies to the entire world, not only to the British in Hong Kong.

Mr. President, I have been in Hong Kong, and I realize only too well the absolutely impossible physical conditions under which Hong Kong labors, and also the fact that it is not beyond the possibilities that the Communist Chinese would open wide the floodgates, in order literally to inundate Hong Kong, in order to destroy it—a technique which is entirely within the inhumanity and brutality, in terms of the treatment of human beings, of which the Chinese Communist regime would be capable.

In addition, we know that that regime is having tremendously great problems because of famine and the shortage of food—which constitute all the more reason why that regime would be anxious, on political grounds, to unload as much

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of the human problem as possible on Hong Kong.

So, Mr. President, much as we hail the action of the authorities on Taiwan in taking these refugees, and also much as we commend our own authorities for making surplus food available in order better to enable that to be done, at the same time we must point out that there is not only a breakdown of the processes of freedom in Hong Kong, but also a breakdown which faces the entire world; and we must demonstrate a willingness to resettle the refugees from Communist China—subject to all our procedures for screening, and so forth, with which we are familiar—just as we have demonstrated our willingness to do that for the refugees from behind the Iron Curtain in East Germany, because the whole world will expect all the nations of the world, including our own country, to make an equal approach to the problems of humanity herein involved, and also an equal approach to the winning of the cold war, which also is here involved, regardless of the color of the skins of the persons involved—whether they be white, as in the case of the refugees from East Germany, or whether they be yellow, as in the case of the refugees from Communist China.

So, Mr. President, in addition to the second point, which is the reception by the Nationalist Chinese of the Chinese refugees from Communist China and the help given by our country to those refugees, by means of making food available, the third point in connection with this situation is that it calls for a concert of the nations, perhaps through the auspices of the United Nations, so that—just as was done in the case of the displaced persons problem and other problems in connection with refugees of this character—all the countries of the world will bear their equal share of the responsibility, in accordance with their capability for bearing some of this burden.

In short, Mr. President, this problem is not confined to Taiwan and Hong Kong. Instead, it is a problem for all the world, because all of us are engaged in this struggle.

So the third point would be that the United States perhaps might well take the initiative in raising it as an international question, and, either by the extension of the work of the High Commissioner for Refugees of the United Nations, if that can be accomplished, or by an ad hoc meeting of the nations of the world which have the capability for absorption of some of these refugees, to seek to allocate the burden and responsibility on a fair-share-per-nation basis.

Fourth, we have an organization called the International Rescue Committee, which has already looked into this matter, and of which the distinguished occupant of the chair [Mr. PELL], if my memory serves me correctly, is a very important official. This organization has called it to the attention of the world. It is organized and able to utilize privately contributed funds for the purpose of helping to alleviate the very dreadful condition of these refugees.

So, Mr. President, I urge my fellow Americans to consider giving support to the International Rescue Committee. I might tell the Chair that, as I am in the habit of practicing what I preach, I am sending a check to the International Rescue Committee, myself, today, in order to produce, in the fastest possible way—and that is the fastest possible way—additional resources for the care which we solicit here and in other places for these refugees from Communist China.

Finally, let us not ever overlook for a moment the tremendous significance of the kind of an exodus the flight of these refugees represents; and it is an exodus, apparently, of very significant moment from a Communist country, especially a Communist country which has been as bitter and intransigent in its hate-America campaign as has the regime of Communist China.

Just as we are inclined to look with considerable gratification on the fact that no country we know of, once free, has turned Communist, and that some of them, although they have veered in that direction, have retraced their steps very hurriedly—except for the dreadful example which we have in Cuba, right off our shores—so we have a right to take considerable satisfaction from the fact that we have had no exodus from the free world to the Communist world. Even those very few who have even thought of the idea have in many cases turned right around and retraced their steps. We had an instance of that only a few days ago.

Mr. President, this is an acid test for mankind. While we talk about spending billions and billions of dollars of our treasure for defense—which is right, and which we all support—and the tremendous sacrifices which our young people must undertake, such as the Marines are making now in the new and extremely dangerous area of the Thai-Laos border, we must also remember there are other places in which the Communist danger and the totalitarian threat to mankind can be broken.

One of them can be illustrated, as the refugees themselves are demonstrating, not only by the delusion, but by the downright tragedy and illness, in social terms, which exist in those Communist lands. Of course, the exodus from those lands is the most eloquent testimony on that score.

So, Mr. President, here is a four-point program which I strongly urge my colleagues to support and which I myself support: First, resettlement in Taiwan, in response to the offer which has already been made, and for which we should give all due credit to the Nationalist Chinese authorities, President Chiang Kai-shek and those who work with him. Second, the offering of food from our country, under our food-for-peace program. Third, some international action to allocate these refugees to those countries that are able to absorb numbers of them, on the traditional fair-share theory which we employed so effectively with other groups of displaced persons and refugees. Fourth, again the expression of the bountiful heart of our country in terms of private benefaction for which we are noted throughout the world, and of which I, for one, and many other Americans, are very proud; in this case through the organization of the International Rescue Committee, which has already taken notice of the situation and called it to the attention of the world, and which has the machinery and the ability to utilize such resources as may be made available to it in a really effective way.

This idea is not original with me. The Senator from South Dakota [Mr. MUNDT] spoke of it, as did the Senator from Minnesota [Mr. HUMPHREY]; but I think it is desirable to have a number of us join in so desirable an objective, both from the standpoint of humanity and our free society and the free world, and from the standpoint of the iron rigor of the struggle in which we are engaged with the Communists.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I commend my colleague for the very thoughtful remarks he has made and the program he has enunciated.

Earlier today I spoke on one phase of this subject, which is the international action to allocate these refugees, and I spoke specifically of the obligations of the United States.

I am sure my colleague remembers when we adopted here in the Senate the amendment offered by the distinguished Senator from Hawaii [Mr. FONG] which would have permitted 50,000 such refugees to be absorbed in this country. No action was taken on the amendment in the other body, unfortunately.

We now have before us an immigration bill sponsored by the Senator from Michigan [Mr. HART], and I believe my colleague from New York [Mr. JAVITS], myself, and other Senators, which would in truth make just a small dent in this problem. It is incumbent upon us not simply to shed tears about this problem because it is a tragic situation, but also to gear ourselves to doing something about it.

I hope very much the appropriate subcommittee of the Committee on the Judiciary will hold hearings on this legislation or other legislation which would touch on this unique Hong Kong problem, as well as the larger immigration issues.

The United States could take only a very minuscule percentage of the millions on millions who want to flee from communism to freedom, but if we did that, and did it promptly, it would be a sincere token of our feelings. It would also yield rich returns internationally, particularly among those of our non-Communist friends of Asian extraction.

Of course, the natural place for many of these refugees to go would be to join their countrymen in Formosa. I must commend, as did the Senator from South Dakota [Mr. MUNDT], the Government of Taiwan for offering to take, I believe, unlimited numbers of those who may be brought to their shores.

The Nationalist Government should recall the magnificent job which Israel has done in saying, "We will open our doors to the Jews of any nation, even though we now have plenty of other problems with our own people." That policy has already yielded rich dividends to Israel in economic resources and skills. The long-range gains will be greater still. I hope the same thing would be true here. The suggestion of the Senator from South Dakota [Mr. Mundt] for increased use of American surplus food through expansion of the food-for-peace program is an excellent one. I join with him in commending that project to the Government. This is a situation which has deeply touched the hearts of Americans.

The idea of locking innocent people behind a wall and not allowing them freedom is abhorrent to Americans.

I think some modest share on the part of the United States in the resettlement of the refugees would be well received by the American people. It is my hope that the remarks made today by a number of Senators will have the result, among other things, of expediting hearings on proposed legislation which many of us are sponsoring.

I thank my colleague.

Mr. JAVITS. I thank my colleague. I point out that my colleague who serves on the Committee on the Judiciary in the other body and my colleague who serves on the Committee on the Judiciary of the Senate both serve on committees which can deal with the problem, as the Senator has properly said. I am grateful to my colleague also for highlighting the point, which, of course, gets confused in these discussions, that no one is asking for an inundation by these refugees into the United States. As my colleague says, a very modest number would set the tone for the rest of the world, where there may be more congenial surroundings and relationships for the great number of these people.

If we are not ready to take a fair share, an earnest of our good faith, it is very hard to ask others to do so. I am glad my colleague has made that point, because Americans should understand clearly that no one is asking the impossible within the context of our national life. All that is asked is a demonstration of our willingness to do our fair share, in a reasonable and decent way.

GIFT OF CYLDE B. AITCHISON PAPERS TO THE UNIVERSITY OF OREGON LIBRARY

Mr. MORSE. Mr. President, I am pleased to announce the very valuable gift of the Clyde B. Aitchison's papers to the University of Oregon Library.

The papers of a great American, Clyde B. Aitchison, have been presented to the University of Oregon Library by his daughter, Beatrice Aitchison. It is my privilege to make this announcement on her behalf. As Senators know, Commissioner Aitchison, who died last January at almost 87, was a member of the Interstate Commerce Commission for 35 years. He was appointed originally in 1917 by President Wilson and served until his retirement in 1952, when he went into private practice of law for the first time in almost half a century.

Before Mr. Aitchison went on the Commission, he had helped to draft the original legislation and served brilliantly on the Oregon Railroad and Public Service Commissions, and during this period earned a master of arts degree from the University of Oregon.

After some years on the Interstate Commerce Commission he registered as a graduate student at the American University and in 1932 was awarded a doctor of philosophy degree in economics, on a thesis which traced the evolution of transportation regulation in Great Britain and showed how each step in that country foreshadowed action in this Nation. He taught a course in administrative law for several years at that university.

In response to Senate Resolution 334, 69th Congress, and Senate Resolution 17, 70th Congress, Commissioner Aitchison was requested by the Commission to compile the Federal laws relating to the regulation of carriers subject to the Interstate Commerce Act, with annotations, tables and indexes. This he did in 5 monumental volumes, followed almost immediately by 3 more. By now, there are 18 volumes of "Annotations," published originally as a Senate document, invaluable to anyone concerned with the regulation of transportation.

As a former law professor of legislation with emphasis in the course placed upon constitutional law and administrative law, I consider Clyde B. Aitchison to be the outstanding scholar and authority in the field of interstate commerce regulation of this generation.

The selection of the University of Oregon Library as the depository of the papers and writings of Commissioner Aitchison is an invaluable contribution to the many future scholars in this field of administrative law who, in the years to come, will do their research among the papers in the Aitchison collection. Before his death, Commissioner Aitchison authorized his daughter, Dr. Beatrice Aitchison to select the University of Oregon. Prior to his death, the University of Oregon had asked for his papers and assured Commissioner Aitchison and his daughter, Dr. Beatrice Aitchison, that the collection would be maintained in accordance with the efficient library procedures essential to scholars who will do their research among the Aitchison papers.

The value of these papers simply cannot be measured in terms of dollars for the obvious reason that reference sources for almost unlimited research in any field of knowledge are priceless. However, measured in terms of library budgets for research materials, this is a very valuable collection of papers.

Clyde Aitchison made a deliberate choice of public service as a career and not as a stepping stone. He never regretted it, and we are glad of that. Men of his ability, energy and integrity give the Nation much more than they receive. Now his career goes on. Instead of being destroyed or packed away to gather dust, the records of 70 years of productive activity along many lines are made available to scholars, historians, those seeking light to throw on present and future problems—"The more things change, the more they are the same." A useful life continues to be concretely helpful to those who follow.

The outstanding public service performed by Commissioner Aitchison during his many years on the Interstate Commerce Commission left an indelible print on Federal legislation. He was a witness many, many times over the years before the various committees of the Congress when interstate commerce legislation was under consideration. On the Interstate Commerce Committee of the Senate, it came to be a commonplace question when interstate commerce legislation was before the committee, "What is the position of Commissioner Clyde Aitchison on the bill?"

His scholarly knowledge, seasoned by his abundance of good commonsense, made him the most influential witness who would be called before the Interstate Commerce Committee on any piece of interstate commerce legislation. There was a common saying, "If Aitchison is against it, look out; if he is for it, you have clear sailing." Of course, the Commissioner would be the first to deny that he exercised any such influence on legislation, because he was a modest man. Those of us who knew him and leaned upon him for expert advice on interstate commerce legislation can bear witness to the imprints of his brilliant mind on one piece of legislation after another.

As a Senator from Oregon, I am deeply moved and highly honored to be able to make the announcement today that the Aitchison papers are going to live on as a great reservoir for research study in the library of the State university of my State. In behalf of the University of Oregon, the government of the State of Oregon and the people of the State, I want to express to Dr. Beatrice Aitchison, daughter of Commissioner Clyde B. Aitchison, and to Bruce Aitchison, son of Commissioner Clyde Aitchison, my sincere thanks for the assistance and cooperation which they have extended to the University of Oregon in making available to the university this wonderful collection of their father's papers.

It is my hope that the Aitchison collection will be joined by other lifetime records, especially from those in the transportation field, and that far across this country which developed so rapidly because of transportation we will have a truly outstanding center of source material for the future.

I ask unanimous consent that the university library's description of the papers be printed in the Record, as evidence of the depth and breadth of the collection.

There being no objection, the description was ordered to be printed in the Record, as follows:

Inventory of the Clyde Bruce Aitchison Papers

Clyde B. Aitchison (1875–1962) attorney and Interstate Commerce Commissioner, was born in Iowa, educated at Hastings College, the University of Oregon, and American University. He began the practice of law at Council Bluffs, Iowa, 1896, and removed to Portland, Oreg., 1903. He was commissioner of the Railroad Commission of Oregon, and its successor, the Public Service Commission, 1907–16, and solicitor for the National Association of Railroad Commissioners, 1916–17.

From 1917 to 1952 he was Commissioner, Interstate Commerce Commission. After he retired he engaged in a private law practice.

The Clyde B. Aitchison Papers cover more than a century: 1853 to 1961. They arrange into eight natural parts.

Part 1: (Box 1–2) consists of various sets of correspondence and documents of the Aitchison family, beginning with Agnes Aitchison and John Young Aitchison, the grandmother and father, respectively, of Clyde Aitchison. In this part the most important series is the letters, documents, sermons, and copybooks of John Young Aitchison, Baptist clergyman, educated in Scotland, who had a wide reputation in the Middle West as a speaker, lecturer, and pastor. A second important series is the letters of William E. Aitchison, brother of Clyde Aitchison, whose letters from the University of Wisconsin (1880–84) are important to the history of education and to that university. The originals of this series are in the Wisconsin Historical Society, copies in this collection.

Part 2: (Box 3–5) begins the career of Clyde Aitchison, first as a student at Hastings College, Hastings, Nebr., as an attorney in Iowa and Oregon, and as Oregon railroad commissioner. Correspondence in this part includes a series between Clyde Aitchison and his mother, and with other members of the family. The most important letter series in this part consists of a long exchange (1915–29) between Clyde Aitchison and Joseph Teal, Portland attorney and public figure. This series refers to Portland politics and social affairs in a most intimate and informed way.

Part 3: (Box 7–14) commences with Aitchison's appointment as Interstate Commerce Commissioner in 1917. It includes all outgoing correspondence from 1919 to 1952. With the official correspondence are official memorandums and certain personal correspondence. This series of 89 volumes, labeled "Pink File" by Aitchison, is chronologically arranged, with a name index in each volume. There is in addition a series of miscellaneous loose letters, some official, some personal, both received and sent, 1915–52, arranged by correspondent.

Part 4: (Box 15–21) continues the file of Aitchison as Commissioner. This file group contains the various memorandums of the Commission. Box 15 includes only the conference and general memorandums. Boxes 16 to 21 contain legislative memorandums. These are the memorandums, accompanied by correspondence and documents, occasioned by congressional legislation affecting the work of the Interstate Commerce Commission. Each bill introduced in Congress was carefully examined for its effect on Commission activities, and "position papers" were prepared in support of or in opposition to proposed legislation. Included in this part is a long series of records relating to the Attorney General's Committee on Administrative Procedure (1939–49).

Part 5: (Box 22–30) continues the file of Aitchison as Commissioner. It consists of various Interstate Commerce Commission cases, with the correspondence and documents relative to each case. The file commences with railroad valuation cases, and follows with certain ex parte and docket numbered cases. In most instances the files include transcripts of testimony and similar working papers.

Part 6: (Box 31–33) concludes the file of Aitchison as Commissioner. It consists of the records of special projects undertaken by Aitchison. The first project deals with Federal control of railroads, particularly in wartime. The second involves a longtime study of British railroad experience, particularly in the matter of legislation and regulation.

Part 7: (Box 35–39) relates to Aitchison's career as a private attorney after retirement from the Interstate Commerce Commission in 1952. It consists of his case files. The files include his services for the Board of Transport Commissioners for Canada, for the National Traffic Committee, and for the National Motor Freight Traffic Association, among others. Many of these cases were before the ICC.

Part 8: (Box 40–43) consists of personal miscellany between 1952 and 1961, including a chronological file of all personal and business correspondence, Aitchison's diaries and memo books (1913–60) and a collection of his public addresses and publication.

INVENTORY OF THE PAPERS OF CLYDE BRUCE AITCHISON

Box 1: Aitchison family genealogy and biography. Aitchison family photographs. Agnes Aitchison, letters received and sent, 1859–79. John Young Aitchison, letters received and sent, 1853–1905. John Young Aitchison, legal and personal documents. John Young Aitchison, sermons, addresses, copybooks.

Box 2: John Young Aitchison, copybooks. John Young Aitchison, letters concerning the death of John Young Aitchison, 1906. William Aitchison, Jr., letters sent, 1865–1908. Aitchison family, miscellaneous correspondence, 1873–1907. William E. Aitchison, letters received and sent, 1880–84, while a student at University of Wisconsin. (Typed copies only. Originals in Wisconsin Historical Society.) William E. Aitchison, letters sent, 1885–89.

Box 3: Clyde Aitchison. School mementos: Hastings High School. Hastings College. Legal documents and records as attorney before Iowa Supreme Court, 1898. Records and documents relative to Idlewild addition to Hood River, Oreg., 1907–47. Letters received from Mrs. John Y. Aitchison, 1906–24. Letters sent, including those of Bertha Aitchison, to Mrs. John Y. Aitchison, 1906–18. Letters received from members of Aitchison family, 1917–21.

Box 4: Clyde Aitchison: Letters received from members of Aitchison family, 1921–24. Letters and documents relative to election as Oregon railroad commissioner, 1908–13. Letters concerning reelection as Oregon railroad commissioner, 1913. Documents prepared as Oregon railroad commissioner, three briefs and one manual. Manual and documents as solicitor, valuation committee, National Association of Railway Commissioners, 1915–16. (See also valuation case documents, box 22.)

Box 5: Clyde Aitchison: Correspondence with Joseph Teal, 1915–29. Correspondence concerning appointment as Commissioner, Interstate Commerce Commission, 1916–17.

Box 6: Clyde Aitchison: Correspondence concerning reappointment as Commissioner, Interstate Commerce Commission, 1921, 1928, 1935, 1942, 1949.

Box 7: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, March 17, 1919, September 30, 1921, 10 volumes in 7. "Pink file," volume "O" consists of memorandums preceding the "Pink file," volumes self-indexed.

Box 8: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, October 5, 1921–July 6, 1930, 15 volumes in 6. "Pink file," volumes self-indexed.

Box 9: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, July 7, 1930–38, 24 volumes in 7. "Pink file," volumes self-indexed.

Box 10: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, 1939–42, 18 volumes in 7. "Pink file," 1942 volume in 2 parts: Part 1, memorandums; part 2, correspondence, volumes self-indexed.

Box 11: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, and memorandums, 1943–46. Miscellaneous memorandums, 1947, 10 volumes in 8. "Pink file," volumes self-indexed.

Box 12: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, and memorandums, 1947–52, 8 volumes. "Pink file," volumes self-indexed.

Box 13: Clyde Aitchison: ICC Commissioner Aitchison, outgoing correspondence, 1951–52, one volume. Personal correspondence, 1945–52, three volumes. Miscellaneous correspondence, 1932–52, A–R, including major files, 1915–32; Marshall Dana, Winthrop M. Daniels, Carl V. Elmquist, Richard T. Ely, Herschel A. Hollopeter, T. W. Jacobs, Wilbur LaRoe, Jr., Lewis A. McArthur, William C. McCulloch, Wayne L. Morse, Felix J. C. Pole, Mark W. Potter, Clyde M. Reed, Robert P. Reeder.

Box 14: Clyde Aitchison: ICC Commissioner Aitchison, miscellaneous correspondence, 1932–52, S–Z, including major files, 1915–52: I. L. Sharfman—C. E. R. Sherrington—Max Thelen—Luther Walter—Daniel Willard. Memorandums, Chief Counsel, ICC, 1917–25, three volumes, indexed.

Box 15: Clyde Aitchison: ICC memorandums, conference and general memorandums, 1920–44. ICC memorandums, legislative memorandums, 63d Congress (1914), 78th Congress (1938), including Eastman plan.

Box 16: Clyde Aitchison: ICC memorandums, legislative memorandums, 78th Congress (1938), House bills, 80th Congress (1947–48), House bills.

Box 17: Clyde Aitchison: ICC memorandums, legislative memorandums, 80th Congress (1947–48), House bills, 81st Congress (1949–50), general memorandums, Senate.

Box 18: Clyde Aitchison: ICC memorandums, legislative memorandums, 81st Congress (1949–50), Senate bills, 82d Congress (1951–52). ICC memorandums, concerning freight forwarder bills, 1939–41.

Box 19: Clyde Aitchison: ICC memorandums, legislative memorandums, concerning freight forwarder bills, 1941–51. ICC memorandums, legislative memorandums, concerning Phillips bill, to provide for review of orders of the ICC. Includes correspondence and working papers.

Box 20: Clyde Aitchison: ICC memorandums, legislative memorandums, concerning Attorney General's Committee on Administrative Procedure. Includes reports, bills, hearings, and statements, 76th to 79th Congresses, 1939–45.

Box 21: Clyde Aitchison: ICC memorandums, legislative memorandums, concerning Attorney General's Committee on Administrative Procedure. Includes correspondence, working papers, reports, and publications, 1939–49.

Box 22: Clyde Aitchison: ICC cases and allied documents, valuation cases. Federal valuation of the railroads in the United States, Philadelphia, 1915, one volume. Association of American Railroads, valuation committee, report, 1916, one volume. National Association of Railway Commissioners, valuation committee, bulletins, and documents, 1916–17, one volume. ICC cases on procedure, evidence, and valuation of railroads, two volumes. ICC valuation case memorandum with respect to valuation, one volume. ICC digest of decisions in valuation cases, 1932, one volume. ICC report of recapture board, three volumes, includes index.

Box 23: Clyde Aitchison: ICC cases and allied documents. ICC valuation docket 1, 2, 3, 4, 5: (1) Atlanta, Birmingham & Atlantic Railroad; Georgia terminal; Atlanta Terminal Railroad; (2) Texas Midland Railroad; (3) New Orleans, Texas & Mexico Railroad Co.; (4) Kansas City Southern Railway Co.; (5) Winston-Salem Southbound Railway Co. (briefs, hearings, 1917–20, nine volumes). ICC bibliography on valuation, one volume.

Box 24: Clyde Aitchison: ICC cases and allied documents. Ex parte No. 57, "15-percent rate case," documents and testimony, 1917. Ex parte 71, In re section 422 of the Federal Transportation Act, hearings, 1920,

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one volume. Docket No. 13293, general rate investigation before ICC briefs, two volumes; summary of testimony and arguments, one volume, 1921–22. Docket No. 15100, depreciation charges of steam railroad companies, hearings, 1923, one volume.

Box 25: Clyde Aitchison: ICC cases and allied documents. Ex parte 87, Docket No. 17000, rate structure investigation. Revenues in western district, summary of testimony, 1925, four volumes. Ex parte 115. Increases in freight rates, fares, and charges. Before the ICC abstracts of testimony, arguments, correspondence, and forms, four volumes, 1934–37.

Box 26: Clyde Aitchison: ICC cases and allied documents. Ex parte 115 (continued and concluded), six volumes.

Box 27: Clyde Aitchison: ICC cases and allied documents. Ex parte 123 and 125, increases in rates, fare, and charges. Before the ICC, 15-percent case. Correspondence, abstract of testimony, abstract of argument, 6 volumes, 1937–38.

Box 28: Clyde Aitchison: ICC cases and allied documents. Docket 2600, general rate level investigation before the ICC. Summary of testimony and argument, 1 volume, 1933. Ex parte 126, express rates, letters, and telegrams, 1 volume, 1938. Dockets 28300, 28310, MC–C–150. Class rate investigation, 1939. Consolidated freight classification, 1939. Motor freight classification, 1939. (Correspondence, documents, 2 volumes). Ex parte 148, 162, 166. Increased railway rates, fares, and charges, 1942, 1946. Letters and telegrams, 2 volumes. Dockets 29663, 29664, 29708. In the matter of transcontinental rail rates (29633). Intercoastal water rates (29664). All-water, water-rail, and rail-water rates between Pacific coast ports and interior points (29708), 1947. Transcript of testimony, volumes 1–8.

Box 29: Clyde Aitchison: ICC cases and allied documents. Docket 29663, 29664, 29708 (continued and concluded), volumes 9–77. Dockets 29721, 29722, 13457. In the matter of all-rail commodity rates between California, Oregon, and Washington (29721) Pacific coastwise water rates (29722). Pacific coast fourth section applications (13457). Hearings, transcripts of testimony, 1949, 14 volumes.

Box 30: Clyde Aitchison: ICC cases and allied documents. Dockets 29663, 29664, and concluded), 1949–51. Dockets 30416 and 30660. In the matter of class rates, Mountain-Pacific territory, and transcontinental rail rates. Correspondence, exhibits, testimony, 1951. Federal control of railroads, World War I, studies, documents, correspondence.

Box 31: Clyde Aitchison: Federal control of railroads. Freight rate controversy, 1923, correspondence, memorandums. Coal crisis of 1923, correspondence, memorandums. War Policies Commission, 1931, reports, correspondence. Federal Coordinator of Transportation (Eastman) speeches, memorandums. Federal Coordinator of Transportation. Foreign Experience with Transportation Control (official study, mimeographed). World War II (including Office of Price Administration), 1946–50. Correspondence, memorandums.

Box 32: Clyde Aitchison: Special projects of Commissioner Aitchison: (1) Study of railway rate regulation in Great Britain; (2) study of the regulation of transportation in Great Britain, 1914–34. Notes, correspondence, source material, memorandums, 1932–52. (See also C.E.R. Sherrington correspondence, box 14.)

Box 33: Clyde Aitchison: Special projects of Commissioner Aitchison: (1) Federal Bar Association, Committee on Administrative Law, correspondence, memorandums, reports, on reform of administrative procedure, 1938–39 (see also Attorney General's Committee on Administrative Procedure, box 20, 21); (2) Brazil trip, 1944–45, correspondence, literature, and report to Director, Office of Inter-American Affairs; (3) judicial conference, Advisory Committee on Administrative Procedure, correspondence, memorandums, reports, 1950–51 (see also Attorney General's Committee on Administrative Procedure, box 20, 21); (4) postwar planning report to the President, by Aitchison and Porter, report and working papers, 1943; (5) course outline and notes for course in administrative law, American University, Washington, D.C.

Box 34: Clyde Aitchison: Case files, Board of Transportation Commissioners for Canada, correspondence, judgments, orders, memorandums, 1953–61.

Box 35: Clyde Aitchison: Case files, ICC docket MC–C–1762, *Seattle Traffic Association* v. *Consolidated Freightways, Inc.* (on behalf of deferment), briefs, correspondence, exhibits, and documents, 1954–60.

Box 36: Clyde Aitchison: Case files, ICC docket MC–C–1762 (continued and concluded).

Box 37: Clyde Aitchison: Case files: (1) ICC docket 31660, Arkansas intrastate freight rates and charges (on behalf Reynolds Metal Co.), correspondence, briefs, documents, 1955–56; (2) ICC I and S docket 7151, guaranteed rates, Sault Ste. Marie, Ontario, to Chicago (agreed charges) (on behalf National Motor Freight Traffic Association), correspondence, briefs, memorandums; (3) ICC docket 32290, increased less-than-carload rates in official territory (on behalf National Motor Freight Traffic Association), 1958–59.

Box 38: Clyde Aitchison: Case files: (1) ICC docket 6062, petroleum in north Pacific coast territory (on behalf Pacific Inland Tariff Bureau, Inc.), correspondence, documents, 1952–54; (2) ICC MC–C–1796, *Portland Freight Traffic Association* v. *M. & M. Fast Freight* (on behalf the association), 1956; (3) ICC *Ex parte 212*, increased freight rates (on behalf North Pacific Lumber Co.), 1958; (4) ICC I and S docket 7250, contract rates—rugs and carpeting (on behalf National Motor Freight Traffic Association), 1959–60; (5) *Grace Line, Inc., et al.* v. *Panama Canal* (in consultation with and for C. Dickerman Williams), 1957–58; (6) CAB FFI docket 5947, indirect carriage of property (on behalf American Airlines), 1953–56; (7) Middle Atlantic Conference, correspondence, memorandums, documents, 1952–54; (8) Southern Motor Carriers Rate Conference, correspondence, memorandums, documents, 1952–61; (9) American Trucking Association, memorandums, statements, documents concerning H.R. 6161 and other omnibus transportation bills, 1955–56.

Box 39: Clyde Aitchison: Case files: (1) National Traffic Committee, bulletins, reports, correspondence, memorandums, 1953–58 (includes file on "piggyback" transportation); (2) National Motor Freight Traffic Association, minutes, bulletins, reports, correspondence, memorandums, 1955–60 (see also specific cases on behalf the association).

Box 40: Clyde Aitchison: Personal and business correspondence, outgoing, 1952–61 (chronologically arranged, third copies). Personal miscellany; Hasting College correspondence, 1930–60; interstate male chorus and other music groups, correspondence, programs.

Box 41: Clyde Aitchison: Diaries, account books, memo books, 1913–60.

Box 42: Clyde Aitchison: Diaries, account books, memo books, 1913–60. Addresses and publications.

Box 43: Clyde Aitchison: Addresses and publications.

ORDER OF BUSINESS

Mrs. NEUBERGER obtained the floor.

Mr. AIKEN. Mr. President, I ask unanimous consent that the Senator from Oregon may yield to me without losing her right to the floor.

Mrs. NEUBERGER. Mr. President, I yield to the Senator from Vermont.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. AIKEN. Mr. President, the matter before the Congress is, of course, the agriculture bill. The bill was reported by the Committee on Agriculture and Forestry of the Senate. However, we find on our desks, having arrived today, 72 pages of amendments to that bill. They are extremely far-reaching amendments.

The wheat amendment, if approved, conceivably could raise considerable hob with the feed grain growers of this country, yet I do not believe that the feed grain growers even know the amendment is proposed.

There is a proposed dairy amendment, which would provide what the Committee on Agriculture and Forestry rejected, that the Secretary of Agriculture might take quotas from one part of the country and transfer them to another. Apparently the talented gentleman from Texas who has been so successful in manipulating cotton allotments has inspired others to feel that efforts successful in respect to cotton might be even more successful in respect to the dairy business. But the dairy people do not know about the amendment.

Most of the Members of the Senate have not seen the amendments. It is true that they were printed at 10 o'clock this morning and made available, but most Senators have not seen them yet.

I understand that the White House and the Department of Agriculture are undertaking to do a "snow job" on the Congress, to have the amendments acted upon before the people back home, who may be made or broken by the adoption of the amendments, become aware of what is being proposed to affect their fortunes. So I sincerely hope that there will be no effort to force a vote on the amendments, which many Senators have not yet seen. I have only barely seen them. I have not had an opportunity to study them. I ask that the vote be delayed until ample time has been given to those who will be most seriously affected to know what is contained in them.

I think the point is extremely important. We are also occupied in the study of other questions, which were scheduled for consideration previous to the proposal of the amendments. The amendments were submitted late yesterday and not made available until earlier today.

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The Committee on Foreign Relations is trying to mark up the foreign aid bill. The Senator from Iowa [Mr. HICKENLOOPER], who is usually a spokesman for the feed grain people, is involved in consideration of the foreign aid bill. He cannot be present in the Chamber. I am sure that he is intensely concerned with the pending business, which is a wheat proposal. I would not consider it in the least fair to undertake to press any of the amendments to a vote until Senators who would be affected by them have full opportunity to read and submit them to the people at home for analyses and to have the benefit of their judgment.

Mr. MUNDT. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. MUNDT. I should like to associate myself with those portions of the remarks of the Senator from Vermont which indicate that we need a little time to discuss the proposed amendments to the measure before the Senate. The amendments are sweeping in nature and far reaching in consequences.

Earlier today I talked with a representative of the Cattlemen's Association from the State of Texas, who was greatly concerned about the report that an amendment will be offered to reinstate the compulsory feed grain section. According to that visitor, that would be highly detrimental to the livestock industry. I happen to know that that is a position shared by the livestock industry of my own State. The man with whom I talked said it was highly important that a little time be given so that the livestock industry of the country generally might recognize the far-reaching consequences of a compulsory feed grain program, which would consequently result in a production control program, if not a price control program, for livestock.

So I hope that we may consider this subject in an orderly and deliberate fashion. I should like to recommend to the committee chairman and to the acting majority leader that some kind of unanimous-consent proposal be presented which would be agreeable to Senators generally, so that we could be assured that there would be no precipitate vote on any of the amendments, and so that the country could be assured that all the facts would be available before the Senate votes.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mrs. NEUBERGER. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I assure the Senator from South Dakota that no attempts will be made for precipitate action. When the Senator from Louisiana, the distinguished chairman of the Committee on Agriculture and Forestry, presented his amendments today, I alerted Senators on the Republican side of the aisle and suggested that they bring Senators to the Chamber. There is no more important business of the Congress than the agriculture bill that is now before the Senate.

Mr. MUNDT. The Senator is correct.

Mr. HUMPHREY. It is difficult to get Senators to come to the Senate Chamber. I spent an hour and a half this morning trying to get Senators to come to the Chamber.

I would be the last one to want to force precipitate action on any proposals as important as the amendments which are before the Senate. I think the Senator knows that. The majority leader wishes to consult with Members on the minority side of the aisle as well as those on this side of the aisle with regard to some kind of unanimous-consent agreement. I think that would be helpful. I know the Senator from South Dakota has other responsibilities. The Senator from Iowa [Mr. HICKENLOOPER], the Senator from Vermont [Mr. AIKEN], and I have other responsibilities.

Mr. MUNDT. Most Senators have.

Mr. HUMPHREY. We would like to regularize the procedure. I shall cooperate toward that end.

Mr. MUNDT. I was sure that the Senator would make that statement, and I am sure that the chairman of the committee would not say otherwise. The pressure would be removed if we could know in advance of the time that we were reaching the voting stage.

Mr. ELLENDER. As the Senator from Minnesota stated, debate on the bill was started yesterday. It is difficult to bring Senators to the Chamber to listen. So far as I am concerned, the two amendments that I have proposed reveal nothing new. The subject was discussed in the committee. Hearings were held on the proposals for several weeks. I am satisfied that the cattle industry, as well as all others interested in the proposed legislation, know full well all about the amendments which I, in my own right as chairman of the committee, have offered.

The Senator from South Dakota knows very well that in respect to his proposal to have an alternate plan in the wheat provision of the bill, I stated that when the time came—perhaps not at the time, but soon thereafter—I would move to strike that option from the bill. That is what I am attempting to do now. That is the pending question. Insofar as the so-called feed grain proposal is concerned, there is nothing new in it. It is worded along the lines discussed when the bill was before the committee.

Mr. MUNDT. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. MUNDT. The Senator is quite correct. He announced publicly that he would offer the two amendments. The livestock industry is primarily interested in a compulsory feed-grain proposal. A great many wheat farmers are vitally affected and interested in the proposal now before the Senate. As the Senator from Minnesota has pointed out, if the proceedings could be regularized so that all Senators would know when voting would begin, and that voting would not start at least until Senators who are absent attending to other duties have an opportunity to read the debates in the RECORD, I think we could move to dispatch the business of the day.

It is very difficult to keep Senators in the Chamber during general debate. When the stage is reached when a vote is imminent, and the intention as to the time for voting is announced in the RECORD, interested Senators will make an endeavor to be present.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. HUMPHREY. I ask the attention of the Senator from South Dakota [Mr. MUNDT] and the attention of the Senator from Vermont [Mr. AIKEN]. We can consider the amendments one at a time. We know that two key admendments will be voted upon. As the Senator from Vermont has said, there are some additional amendments, but the two key amendments are the wheat amendment, which was presented by the Senator from Louisiana [Mr. ELLENDER], and the feed grains amendment. Those are the two most controversial amendments. It seems to me that we might arrive at some kind of unanimous consent agreement which would give Senators who are vitally interested in the question time for study, and the advance notice required for orderly debate. I know that the majority leader is keenly interested in the proper procedure. He is interested in proceeding with the debate so that we may have a schedule next week, in which Memorial Day occurs, that would be helpful to our colleagues in the Senate. If Senators will give me some suggestions, I shall be happy to convey them to the Senator from Montana [Mr. MANSFIELD], who is a reasonable man.

Mr. AIKEN. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. AIKEN. I had hoped that action on the bill could be concluded this week. However, up to this time most Senators do not know what discussion has taken place in the Committee on Agriculture and Forestry. I am afraid they do not know what the amendments provide. I am sure that they will want to consult with the people back home who are most affected in the various lines of agriculture. I suggest that we receive assurance that there will be no precipitate vote due to lack of speakers. Some Senators have not spoken because they do not yet know on what subject they should speak. They must read the amendments to find out what to speak on. Perhaps tomorrow we could consider the question of the time to start voting. Personally, I would hope it could be Thursday. Of course, I am in no position to speak for anyone else. I would hope it could be Thursday, and that we could conclude by Friday night.

Mr. HUMPHREY. That was the thinking of the majority leader, that possibly we could come to a vote by Thursday. With respect to the two amendments, the wheat amendment and the feed grains amendment, I do not believe there is any lack of understanding as to what those amendments mean. There are other amendments that are different, of course. I am sure that Senators will want to have some discussion of those amendments. I understand that there are dairy amendments and other amendments to be offered. Much will be said about those amendments, and I can assure the Senator from Vermont that we will have all the time in the world to discuss those amendments. As to the wheat amendment and the feed grains amendment, I believe that after some reasonable hours of debate we ought to be prepared to come to a vote on those amendments. I will talk it over with the majority leader. Perhaps we can agree to vote early Thursday on those amendments, and possibly first discuss them with the Senators involved.

Mr. MUNDT. Speaking as one who has an amendment before the Senate now on a vital part of the wheat program, I am prepared to agree to let us start to vote on Thursday, with a reasonable amount of time allowed to discuss both sides of the amendment. I would assume that probably it would not require too lengthy a discussion once we can get the Senators here, because the issues with respect to it are not complicated. They are quite generally understood. All Members would probably be prepared to vote sometime after the morning hour on Thursday, after we had had an hour's debate, or so, on each side, and to such a proposal I would have no objection. It would be much better to do that than to have everyone agitated and worried about a vote coming sometime before he had a chance to confer with the various commodity groups and his constituents.

Mr. ELLENDER. I assure every Senator that it was not my purpose to rush to a vote. I want to give Senators every opportunity in the world to discuss the amendments. I have tried to do that in the committee.

Mr. MUNDT. The chairman has always been fair. However, if we run out of speakers, and an amendment is before the Senate, there must be a vote, in spite of the patience of the chairman.

Mr. ELLENDER. I hope the distinguished Senator from Vermont, as well as the distinguished Senator from South Dakota, will cooperate with us to the end that we may be able to get to an end of the debate sometime this week.

Mr. MUNDT. I would like to see this result.

Mr. AIKEN. I am in favor of getting through with the discussion of the bill this week, if it is humanly possible. However, I believe that Members of the Senate ought to be reasonably well alerted as to when there would be a vote. When we run out of speakers, as we have almost run out of speakers today, a vote is in order, unless someone is in the position to block action. No one wants to do that. It is better to have a time set for voting.

Mr. HUMPHREY. We may be able to consummate an agreement as to time. Merely as a preliminary discussion at this time, could we possibly begin thinking about agreeing to vote on the wheat amendment, let us say, at 2:30 on Thursday, and that 2 hours later, after the wheat amendment is disposed of, vote on the feed grain amendment, using the time in between now and that time for general discussion of these matters?

Mr. AIKEN. Just as a general discussion now with reference to such an agreement?

Mr. HUMPHREY. I merely wish to toss this out, because I know the majority leader has said that he wants very much to come to this kind of agreement, because it is a more orderly procedure to follow.

Mr. MUNDT. I may say that such an arrangement would be within the realm of reasonableness so far as I am concerned.

Mr. HUMPHREY. Such an agreement would not cover the other amendments, such as the one in which the Senator from Vermont is very keenly interested. We would have to discuss this matter separately.

Mr. MUNDT. They should be incorporated in one unanimous-consent request.

Mr. HUMPHREY. Yes.

Mr. AIKEN. We should achieve an orderly method, such as the one suggested by the Senator from Minnesota. Of course, I am in no position to agree at this time. In fact, I have no authority to agree, anyway. The people who are concerned should have an opportunity to prepare their arguments if they have any, and alert their people at home. That would mean at least 24 hours in which to make known the contents of these amendments to the people who are most concerned.

Mr. HUMPHREY. I agree with the Senator.

Mr. AIKEN. After that, possibly before tomorrow night, we might take up the question with the majority leader and the minority leader as to when we might start to vote.

Mr. HUMPHREY. My only purpose in making the suggestion is to get some thinking about it tomorrow, after our colleagues have read the RECORD. The sooner we can come to an agreement, the more we could guide the debate so that there would be an equitable sharing of the time.

Mr. AIKEN. I was a little bit upset at the number of calls that have been made and the persons I have seen around on the Hill. I do not want anyone to think that it was all settled and that we might as well vote.

Mr. HUMPHREY. The Senator is right. When one steps out into the hall he gets buffeted both ways.

Mr. AIKEN. Yes.

Mr. JAVITS. Mr. President, will the Senator from Oregon yield?

Mrs. NEUBERGER. I am glad to yield to the Senator from New York.

Mr. JAVITS. I should like to make the point that if the Senator from Minnesota could fix the time for voting at either 2 or 3 o'clock, it would suit me much better. The hour of 2:30 happens to be very bad for me. I make that as a personal request.

Mr. MUNDT. I would suggest that the Senator from Minnesota confer with the majority leader and consider coming before the Senate after a quorum call later this afternoon, to see if we can finalize the unanimous-consent agreement.

Mr. HUMPHREY. I appreciate that statement very much.

Mrs. NEUBERGER. Mr. President, the Senator from Vermont commented that we had run out of speakers. It did not seem that way to the Senator from Oregon.

Mr. AIKEN. I might say that I had prepared my extemporaneous remarks before I knew that the Senator from Oregon was going to speak.

Mrs. NEUBERGER. All joking aside, I have enjoyed the exchange which I have been privileged to hear, because the Senator from Oregon had a different reason, perhaps, from that expressed by the Senators who have spoken, for hoping that we would not come to a precipitate vote on the farm program.

Mr. President, it is the custom of the Senate to listen to the report of the committee which has deliberated upon the bill for as long as our committee has deliberated on the pending bill, and which has listened to the testimony, both pro and con, from all the organizations and groups involved, and to accept the report of the committee.

I am glad that we will have time to discuss the bill on the floor, because I believe that particularly those Senators who represent large urban areas should not take the report of the Committee on Agriculture and Forestry at face value, but should consider some other aspects of the bill.

Therefore I believe we have come to an agreement that we will proceed in an orderly fashion. There never was any intention to do a snow job or to have a precipitate vote on the bill. I wish to comment particularly on a few facts with respect to the cost of the program.

If we exclude the costs of war from the national budget—the costs of past wars and the expense of preventing future wars—the largest remaining budgetary item is agriculture. Next year, our agricultural programs will consume $5,836 million—$4,585 million for price supports alone.

During each congressional campaign there comes a moment when the candidate speaks out on the farm problem. To the accompaniment of rousing cheers, he delivers one of several traditional farm slogans—slogans with a full sound but a hollow meaning: "Let's Get the Government Out of the Farm Business," or "I Want To Help the Little Farmer."

And as the mouthing of slogans continues, the price of our farm program mounts ominously and omnivorously.

President Kennedy and Secretary Freeman have proposed rational permanent farm legislation—legislation as fair to the consumer and the taxpayer as to the farmer. The administration offered the farmer supports adequate to maintain farm income at past levels, and asked only that the farmer accept the conditions dictated by realism.

The administration offered the farmer a choice: "Tell the Government to get out of the farm business and we will get out—but if you want supports, accept the necessary controls."

Yet the very critics who vigorously call for the elimination of Government intervention in the farm market fought just as vigorously in committee to retain existing programs. As a result, the committee bill has been stripped of adequate controls.

Voluntary programs can no more serve to reduce our farm surpluses than traffic lights without policemen could serve to generate traffic safety.

Voluntary programs tend to accentuate the upward trend in yields. Not only would cooperators attempt to make higher yields per acre; so would noncooperators as the price situation improved. With ability to stay out of the program 1 year and participate the next, producers can obtain the benefits of regular crop rotation—with pay.

Inability to require cross-compliance as a condition for price-support eligibility under a voluntary program places a definite handicap on the successful administration of other commodity programs. This is particularly true as between wheat and feed grains, but also applies to other allotment crops.

In addition to the hazards of emergency program continuation, the bill as reported by the committee has others—one of them connected with wheat. As now written, the bill would give farmers a choice in the wheat referendum, a choice they cannot fully understand.

Two choices would be offered to producers. One would be the program long in effect, as modified for the 1962 crop. It involves a reduced acreage allotment and voluntary land retirement. The other would be the wheat certificate program proposed by the President this year—a program similar in many respects to those advocated for years by the National Association of Wheat Growers, National Grange, and National Farmers Union.

If a majority of farmers chose the certificate plan, it would become a permanent wheat program. If a majority favored the 1962 program, it would be in effect for the 1963 crop.

But these are not the only choices farmers would have to make next summer. They would also vote on establishment of marketing quotas—the usual choice in wheat referendums. A two-thirds vote would be required to put marketing quotas into effect under either of the two programs. The trouble is, when a farmer is asked whether or not he favors marketing quotas for the 1963 crop, he does not know whether he is voting for marketing quotas under the certificate plan or under the emergency program. This is an impossible choice on short notice.

Congress should—Congress must—decide now on the permanent wheat program. We must consider not only the interests of producers, but the interests of the taxpaying public, as well. The emergency wheat program in effect this year is costly and cumbersome. Diversion payments to farmers for reducing plantings under the 1962 program will run between $325 and $350 million. Diversion payments under the proposed certificate plan would fall somewhere between $200 and $250 million. Further, the certificate plan will provide wheat growers with flexibility they have seldom had in planning farm operations of recent years. It would permit them to grow wheat on their feed grain acreage allotments. This cannot be done under the present program and could not to be done in 1963 under an extension of the 1962 emergency program.

Like the certificate program for wheat, the acceptance of a mandatory program for feed grains will result in substantially smaller budgetary expenditures than a voluntary program, and still accomplish desired results. This is due to two of the advantages of the mandatory over the voluntary program: First, the amount of payments for land diversion will not be as large; second, it would not be possible for increases in planted acreage by nonparticipants to offset any of the reductions made by participants. This applies to dairy as well as to feed grains. I believe that farmers should be made to choose between controls and price supports and nothing.

Payments for diversion of acreage under the program provided by the Food and Agriculture Act of 1962 are estimated for the marketing year for the 1963 crop to be possibly less than half of those required for the 1962 marketing year under the emergency, voluntary program. Depending on the support prices established, and the extent to which use is made of the grazing privilege in return for no diversion payment, estimated payments under a mandatory 1963 program will amount to between $400 and $500 million. This contrasts with payments in the neighborhood of more than $800 million under the 1962 emergency program.

The absence, under a mandatory program, of feed grains produced on expanded acreages by noncooperators would decrease the quantity placed under loan and acquired by Commodity Credit Corporation below that which would occur under a voluntary program. This cut in CCC acquisitions would result in a large reduction in the net acquisition cost for 1963-crop feed grains from the 1962-crop figure.

Other items of current expenditure would be approximately the same under either a mandatory or voluntary program. However, there would be a slightly greater decrease in carrying charges under a mandatory than a voluntary program due to smaller amounts placed under loan or acquired.

Thus, a mandatory feed grains program would result in substantially less impact on the budget while at the same time accomplishing at least as great a reduction in carryover stocks with the resultant large savings in carrying charges over a long period of years ahead.

Mr. President, in the general welfare, I remind the Senate of the President's request for a comprehensive, long-range program to replace the present patchwork of shortrun emergency measures.

Mr. President, I wish to comment especially on the fate of the dairy program, because in the committee I was one who voted to retain the $3.40 a hundredweight support price, even though I knew our storage supplies were being built up. I did so because I felt that a cutback to $3.11 would only reduce the income of the farmer and would not result in any benefit to the consumer, who would see no change in the price of a quart of milk, and thereby would benefit only the middleman.

However, I believe the report of the Department of Agriculture with respect to the storage of dairy supplies should give us all pause for thought. Storage space for butter is an urgent problem. The Department of Agriculture says it now has 310 million pounds of butter in storage and expects to have more than 500 million pounds in storage by the end of the present dairy year, next March 31. The Department of Agriculture is now having to ship butter out of producing areas in order to find refrigerated storage. This means backhauling for packaging before the butter can be distributed on school lunch and relief programs, thus entailing more Government expense.

The Department of Agriculture is making an analysis of storage space for the long pull. If the dairy program continues as now, the question will arise as to whether the Government will have to pay for building more refrigerated storage. This lends urgency to the dairy situation. Failing this year, the administration will push for showdown action on dairy price supports next year. I say let us save the expense of storing several million pounds of butter and milk by adopting an amendment to the farm bill.

The Department of Agriculture is moving all the surplus butter it can. It is interesting to learn that people on relief are getting more butter than are the cash customers. A person on relief is getting about 12 pounds of butter as compared with 6 pounds for a person who buys for cash.

Mr. President, the time has come to adopt a realistic Food and Agriculture Act of 1962. Let us accept the responsibility for a meaningful choice and give farmers the opportunity to chart a course of action which will enable them and consumers alike to live equitably with abundance.

Mr. President, I ask unanimous consent to have printed at this point in my remarks the text of a resolution I have received from a number of farm organizations, expressing their opinion of the proposed Agriculture Act.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

LEGISLATIVE MESSAGE CONCERNING AGRICULTURAL ACT OF 1962

To Members of the U.S. Senate:

Passage of the Food and Agriculture Act of 1962 as reported by the Senate Agriculture Committee would be a step toward the development of a farm program that will lead to a sound agriculture economy.

Its enactment would strengthen farm income and curb the cost to the Federal government.

However, to further these goals, the following amendments are needed:

1. Reinstate more realistic choices in the wheat referendum.

2. Replace the temporary extension of the feed grain program with permanent program.

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3. Reinstate the provision that would allow wheat to be grown on feed grain acres or feed grain on wheat acres.

We respectfully request your support of the Food and Agricultural Act of 1962 with these amendments.

NATIONAL GRANGE.
NATIONAL FARMERS UNION.
NATIONAL ASSOCIATION OF
WHEAT GROWERS.
MISSOURI FARMERS ASSOCIATION.
NATIONAL FARMERS ORGANIZATION.

Mr. ELLENDER. Mr. President, on May 21, I received from the Secretary of Agriculture a letter in which he analyzes the two amendments I have offered, and indicates the difference between the cost of reinstating the old program and the cost of proceeding under the new program.

The administration's long-range program for 1963 would cost, for feed grains, $644 million, as compared with the cost of $1,200 million if the 1961–62 program were extended. In so far as wheat is concerned, the cost under the administration's long-range program is estimated at $1,188 million, in contrast to a cost of $1,217 million for the emergency law now in effect, if it is merely extended.

Mr. President, I ask unanimous consent to have the letter and the attached data printed at this point in the RECORD, as part of my remarks.

There being no objection, the letter and tables were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, May 21, 1962.

Hon. ALLEN J. ELLENDER,
U.S. Senate.

DEAR MR. CHAIRMAN: At your request I have considered the amendments you propose to S. 3225, as reported by the Senate Committee on April 27, 1962. I believe the amendments to title III, subtitle A and B would be of enormous consequence to American agriculture, to farmers, to the consumers of food, and to taxpayers. They reconstitute the legislation more nearly as you introduced it in the Congress at the request of the administration on February 2, 1962.

These amendments would provide for a long-range feed grain supply management program in which all producers would participate, if, in a democratic referendum, they chose to do so; and a choice for wheat producers between a wheat program of a permanent nature or no supply adjustment just as the referendum in the feed grain amendment and in existing programs for tobacco and other commodities.

The long-range feed grain amendment will cost the Government about $4 billion less over the next 4 crop years than extension of emergency programs as proposed in S. 3225.

Government cost of alternative programs for 1963 crops

[In millions]

	Feed grains	Wheat	Feed grains and wheat
Long-range program	$644	$1,188	$1,832
Extension of 1961–62 emergency programs	1,200	1,217	2,417
Return to 1960 programs	1,372	1,465	2,837

The long-range program will reduce surpluses at far lower cost because all producers would participate to bring production in line with needs. Diversion payments under the long-range amendments would be far lower than with the temporary programs.

Diversion payments under alternative programs

[In millions]

	1963 crop	1963–66 crops
Long-range program	$750	$1,825
Voluntary programs (S. 3225)	1,245	4,980
Difference	495	3,155

In addition to lower costs and faster surplus reduction, farm income will be increased, benefiting the total population by bringing more money into the economic bloodstream of the Nation. Consumer prices for food—stable during the past year—would not increase.

The amendment on the wheat referendum is clearly needed since the voting provision now in S. 3225 would place the responsibility of choosing a wheat program on the shoulders of the wheatgrowers when such responsibility, I believe, should be borne by the administration and the Congress. The decision which should be placed before the wheatgrowers is whether they desire a supply adjustment program with adequate supports or unlimited production with limited supports. Further considerations on this subject are contained in the attached memorandum.

In view of these facts I strongly concur in your amendments and believe they deserve the full support of all who are interested in a realistic and meaningful farm program.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

MEMORANDUM ON S. 3225

The farm programs of the 1950's cost far too much, and they left larger carryovers which committed the Government to continued high costs. Total budget expenditures for all programs administered by the Department of Agriculture rose from $2.9 billion in the fiscal year 1954 to $7.1 billion in 1959, and to $7.2 billion in the current fiscal year, largely because of price support, acreage diversion, storage, and surplus disposal outlays occasioned by excessive production of major farm commodities. Carrying charges alone on wheat and feed grains mounted to $900 million annually in 1961.

A steady increase in budget expenditures was certain to occur if the pre-1961 programs had been continued for 1961 and 1962 crops. If such programs were again effective beginning with 1963 crops, carryover stocks would increase by the end of the 1966 marketing year to about 4.3 billion bushels of corn and grain sorghums and 2.1 billion bushels of wheat. Annual CCC expenditures for carrying charges on these three grains would exceed $1¼ billion by the fiscal year 1967.

In contrast, the long-range programs would reduce CCC stocks of corn and grain sorghum to about 1.1 billion bushels and wheat stocks to about 655 million bushels during the same period. Carrying charges on the three grains would be reduced to $280 million annually by the 1967 fiscal year—nearly $1 billion less than if the old programs were to operate again.

The 1961–62 emergency feed grain program and the 1962 wheat program have reduced costs compared with a continuation of 1960 programs. But they are responsible programs only as temporary expedients. They were clearly better—for farmers and for taxpayers—than the programs in effect prior to 1961. But they are costly, and their results are uncertain compared with the long-range programs proposed.

Two key amendments to S. 3225 are needed to assure producers of good farm programs and taxpayers of materially lower Government costs.

1. The 1-year extension of the 1962 feed grain program should be replaced by the permanent, mandatory program about as recommended by the President and as considered by the Senate committee, possibly with some minor amendments.

2. The wheat marketing certificate program should be adopted, and the referendum choice between a 2-year extension of the temporary 1962 wheat program, and the marketing certificate program, should be deleted.

REASONS FOR THE AMENDMENTS

1. The voluntary programs are too costly.

(a) The additional cost to the Government of operating the voluntary feed grain and wheat programs in S. 3225 for the 1963 crops, compared with the long-range programs, would be about $600 million (table 1).

(b) If the voluntary programs were extended further, through the 1966 crops, the cumulative additional cost would be about $4 billion. This amount is equal to the average yearly Federal income tax payments of nearly 5 million taxpayers; would build 27,000 miles of modern highways; would complete 4,000 watershed projects.

(c) Future budget savings, associated with avoiding new acquisitions of grain and with stock reduction, are far higher under the long-range programs than under the temporary programs (table 2).

(d) Diversion payments alone would be half a billion dollars less in 1963, and more than $3 billion less for 4 crop years, than with the voluntary programs (table 3).

2. The voluntary programs provide no assurance that stocks will be reduced. In the voluntary feed grain program, noncooperators offset much of the acreage reduction made by cooperators. In 1961, noncooperators increased their plantings by 6 to 7 million acres, offsetting about one-fourth of the acreage reduction diverted and paid for on farms of cooperators. In the voluntary wheat program, smaller carryovers depend on acreage diversion beyond the mandatory 10 percent reduction from 1961 allotments. In both programs, farmer participation is uncertain, and is dependent on crop conditions.

3. The mandatory feed grain program is fair to farmers and the public. It would provide producers a reasonable choice—between good prices and incomes with production restrictions and no production restrictions and low price supports.

(a) Producers of cotton, tobacco, rice, wheat and peanuts make this choice nearly every year. Feed grain producers—like other producers—should have an opportunity to approve or reject their program in a referendum. The value of feed grain production plus diversion payments under the program in 1963 would be about $6.6 billion. If the program were defeated in the referendum, so that price supports were at a level not higher than 50 percent of parity, the value of feed grain production would be less than two-thirds that level.

(b) Feed grain producers outside primary commercial feed grain areas would be largely exempt. From two-thirds to around 90 percent of the producers in most of the States in the Southeast and the Northeast could be exempt from the program because they would have allotments smaller than 25 acres (table 7). Even in States like Wisconsin and Michigan, a sizable percentage of farms could be exempt from the program because their acreages are small. Producers

who chose to be exempt could not vote in the referendum.

If all of these producers eligible chose to be exempt and to plant their 1959-60 acreages, feed grain output would not be increased materially, since so little total acreage is involved. No one can predict how many of the eligible producers would like to be exempt. But surely those producers with small acreages who elected to be subject to the program could be expected to vote in favor of it in the referendum.

(c) Many feed grain producers also have cotton or tobacco allotments. They vote to adopt a program for these crops by 90 to 95 percent majorities each year, because they know the value of a program in which all producers participate.

4. Further reasons for amendments to the wheat section of S. 3225. S. 3225 would provide a choice between a 2-year extension of a familiar program and permanent adoption of the marketing certificate program, which has not been in effect before.

The main fault is that it would provide a possibility of producers choosing a costly program, while turning down the less costly, more flexible certificate program.

The central advantage of the marketing certificate program over the price support program now in effect, apart from lower cost to the Government, is greater flexibility for farmers. The marketing certificates make it possible to limit the price support obligation of the Federal Government. They provide a means of distinguishing between wheat for food and export to be supported at the higher price, and wheat for feed, or for export without a subsidy cost to the Government.

The certificates provide, therefore, a practical means for continuing an attractive price support permanently on wheat consumed for food, and of keeping the door open for reducing the subsidy on exports gradually over time.

The Secretary of Agriculture has indicated his intention of issuing marketing certificates in connection with the 1963 crop on about 925 million bushels—approximately 85 percent of the estimated national marketing quota. CCC stocks reduction under the marketing certificate program would be an estimated 170 million bushels, while it would amount to only about 100 million bushels under the voluntary program.

The provisions permitting wheat planted on feed grain allotments to be considered as a feed grain should also be reinstated in the Senate bill. This provision would:

(a) Provide farmers with much needed flexibility to produce wheat on feed grain allotments.

(b) Provide a larger supply of quality wheats from which millers and exporters could select their supplies.

(c) Not add to feed supplies, since wheat planted on feed grain acreage would displace other grains.

Detailed comparisons of program costs, ultimate savings, and returns to producers under the alternative programs are in attached tables.

TABLE 1.—*Feed grains and wheat: Major elements of CCC costs by crop years*

[In millions of dollars]

	1961		1963			
	With 1960 program	Emergency program	With 1960 program	With 1961-62 program	With long-range program	With cropland retirement program
Feed grains:						
Cost of acquisitions	880	865	750	932	123	107
Proceeds from dispositions	−379	−1,069	−300	−1,285	−550	−429
Export subsidies	46	52	45	52	54	23
Carrying charges and interest	593	505	710	419	335	335
Public Law 480, excluding export subsidies	186	186	167	182	182	167
Subtotal	1,326	539	1,372	300	144	203
Payments for land diversion		782		[1] 900	[2] 500	[4] 1,175
Total	1,326	1,321	1,372	1,200	644	1,378
Wheat:				*1962 program*		
Cost of acquisitions	375		592	153	100	138
Proceeds from dispositions	−417		−420	−454	−425	−547
Export subsidies	410		375	313	430	13
Carrying charges and interest	300		310	252	225	243
Public Law 480, excluding export subsidies	580		608	608	608	608
Subtotal	1,248		1,465	872	938	455
Payments for land diversion				[1] 345	[3] 250	[4] 705
Total	1,248		1,465	1,217	1,188	1,160

[1] Based upon an assumption that the price support would be $1.20 per bushel for corn and $1.80 per bushel for wheat. The Department of Agriculture has indicated only that the corn price-support level would be between $1.20 and $1.30 if the mandatory feed grain program were in effect in 1963, and that the wheat price-support would be about $2 per bushel if the marketing certificate program were in effect.

[2] Diversion payments of $500 million would be associated with $1.20 per bushel price supports for corn; payments of approximately $400 million would be made if the price support level were at or near $1.30 per bushel.

[3] Payments of $225 million in the wheat program have also been indicated in some reports.

[4] Estimated total payments of $1,880 are attributed to feed grains and wheat even though some of the acreage is diverted from crops not in surplus supply.

TABLE 2.—*Feed grains and wheat: Estimated ultimate net savings from supply management programs compared with returning to 1960 programs*

[In millions of dollars]

	1961, emergency program	1963			
		With 1960 program	With 1961-62 programs	With long-range program	With cropland retirement program
Feed grains:					
Acquisition costs avoided—net	353		341	376	376
Carrying costs and interest avoided	1,054		980	1,005	1,005
Diversion payments incurred	−782		−900	−500	[1] −1,175
Additional administrative expense incurred	−42		−35	−37	−74
Net savings	583		386	844	132
Wheat:			*1962 program*		
Acquisition costs avoided, net			207	267	220
Carrying costs and interest avoided			335	450	374
Diversion payments incurred			−345	−250	[1] −705
Additional administrative expense incurred			−13	−13	−42
Net savings			184	454	−153

[1] Estimated total payments of $1,880 are attributed to feed grains and wheat even though some of the acreage is diverted from crops not in surplus supply.

TABLE 3.—*Difference in cost to the Government of diversion payments under long-range proposal compared with continuation of 1962 voluntary feed grain and wheat programs under S. 3225 as reported Apr. 27, 1962*

[In millions]

Crop and program	Wheat	Feed grains	Total
1963 crop:			
Administration proposal	[1] $250	[2] $500	$750
S. 3225	345	900	1,245
Difference	95	400	495
1964 crop:			
Administration proposal	[1] 200	[2] 400	600
S. 3225	345	900	1,245
Difference	145	500	645
1965 crop:			
Administration proposal	[1] 175	[2] 300	475
S. 3225	345	900	1,245
Difference	170	600	770
1966 crop:			
Administration proposal			
S. 3225	$345	$900	$1,245
Difference	345	900	1,245
1963–66 crops:			
Administration proposal	625	1,200	1,825
S. 3225	1,380	3,600	4,980
Difference	755	2,400	3,155

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[1] Diversion payments at approximately these levels would apply with the price support for certificate wheat at $2 per bushel. The declining schedule of payments indicates a general policy position only, not a determination of the level of payments in future years.

[2] These payment rates would apply if the price support for corn was $1.20 per bushel. If the corn price support were around $1.30 per bushel, payments would range from approximately $400 million to $200 million from 1963 to 1965.

TABLE 4.—*Feed grains: Estimates for various programs, by crop years*

	1961		1963			
	With 1960 program	Emergency program	With 1960 program	With 1961–62 program	Long-range program	Cropland retirement program
Acreage (thousand acres):						
Diverted:						
Soil bank	13,943	13,943	12,029	12,029	12,029	12,029
Special programs		25,215		29,500	33,000	33 000
Harvested	124,100	106,763	125,100	105,800	101,500	98,000
Yield (tons per harvest acre)		1.32		1.37	1.37	1.42
Supply (million tons):						
Beginning stocks	84.8	84.8	70.4	70.4	70.4	70.4
Production	163.0	140.6	166.0	144.6	139.1	139.2
Imports	.5	.5	1.0	1.0	1.0	1.0
Total supply	248.3	225.9	237.4	216.0	210.5	210.6
Utilization (million tons):						
Domestic	137.4	134.9	141.5	138.1	135.0	[1] 135.0
Export	13.3	13.3	14.0	14.0	14.0	14.0
Total use	150.7	148.2	155.5	152.0	149.0	149.0
Carryout (million tons)	97.6	77.7	81.9	64.0	61.5	61.6
Increase (+) or decrease (−) in carryover during year (million tons)	+12.8	−7.1	+11.5	−6.4	−8.9	−8.8
Payments for land diversion (million dollars)		782		[2] 900	[3] 500	[4] 800
Season average price to farmers for corn	$0.98	$1.07	$0.98	[2] $1.07	[3] $1.23	$1.13

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[1] Assumes 3,000,000 more tons of wheat used for feed.

[2] Estimates of diversion payments and average prices received by farmers are based upon an assumption that the price support in 1963 would be $1.20 per bushel if the 1961–62 programs were extended. Since program costs would be more than 500,000,000 higher than under the mandatory program, the level of price support would have to be reviewed with a view to reducing program costs.

[3] Diversion payments and average prices received by farmers are based on an assumption that the support price would be around $1.20 per bushel. The price support for corn in 1963 has not been set, but the Department has indicated that under the mandatory program it would be set between $1.20 and $1.30 per bushel.

[4] Represents only that part of 1,880,000,000 in payments which can be specifically ascribed to feed grain acreage.

TABLE 5.—*Wheat: Estimates for various programs, by crop years*

	1961 program	1963			
		With 1961 program	With 1962 program	Long range	Cropland retirement program
Acreage (thousand acres):					
Diverted:					
Soil bank	3,163	2,729	2,729	2,729	2,729
Special programs [1]			14,000	13,000	
Planted [1]	55,648	57,000	48,300	45,800	51,000
Harvested	51,620	53,500	43,100	40,600	47,000
Yield (bushels per acre)	23.9	25.0	25.5	25.5	25.5
Supply (million bushels):					
Beginning stocks	1,412	1,295	1,295	1,295	1,295
Production	1,235	1,340	1,100	1,035	1,200
Imports	8	8	8	5	5
Total supply	2,655	2,643	2,403	2,335	2,500
Utilization (million bushels):					
Domestic	590	603	585	585	700
Export	685	625	625	625	625
Total use	1,275	1,228	1,210	1,210	1,325
Carryout (million bushels)	1,380	1,415	1,193	1,125	1,175
Increase (+) or decrease (−) in carryover during year	−32	+120	−102	−170	−120
Payments for land diversion (million dollars)			[3] 345	[2] 250	[3] 110
Season average price to farmers [4]	$1.84	$1.75	[2] $1.80	[2] $2.05	$1.35

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[1] Estimates take into consideration "small farm" base acreages of about 6,000,000 acres under Administration proposal but about 11,000,000 acres under the 1962 program.

[2] Diversion payments and average prices received by farmers are based upon an assumption that the 1963 price support for wheat would be $1.80 if the 1962 wheat program were extended to the 1963 crop, but that the price support would be about $2 if the marketing certificate program were in effect.

[3] Represents only that part of $1,880,000,000 in total payments which can be specifically ascribed to wheat acreage. If all payments are prorated to wheat and feed grains, this becomes $705,000,000.

[4] Feed and seed wheat value assumed to be $1.40 per bushel, except under cropland retirement program.

TABLE 6.—*Estimated value of production of wheat and feed grains under various programs, by crop years*

	1961		1963			
	With 1960 program	Programs	With 1960 programs	With 1962 programs	Long-range programs	Cropland retirement program
Wheat:						
Season average price per bushel to farmers [1]		$1.84	$1.75	$1.80	$2.05	$1.35
Value of production (millions) [1]		2,228	2,310	1,940	2,057	1,620
Payments for land diversion (millions)				345	250	[2] 110
Total value plus payments (millions)		2,228	2,310	2,285	2,307	1,730
Feed grains:						
Season average price to farmers for corn:						
Per bushel	$0.98	1.07	0.98	1.07	1.23	1.13
Per ton	35.00	38.20	35.00	38.20	43.95	40.35
Value of production of all feed grains, basis price per ton of corn (millions)	5,705	5,372	5,810	5,525	6,127	5,609
Payments for land diversion (millions)		782		900	500	[2] 800
Total value plus payments	5,705	6,154	5,810	6,425	6,627	6,409

[1] Wheat used for feed and seed is computed at $1.40 per bushel except for the cropland retirement program.

[2] Represents only that part of $1,880,000,000 on total payments which can be ascribed specifically to wheat or feed grain acreage. The remainder would apply to land diverted from other crops.

TABLE 7.—*Feed grains: Estimated applicability of 25-acre exemption under the provisions of the administration feed grain program* [1]

State	Estimated number of farms with bases of 25 acres or less [2]	Percentage of farms with 25-acre base or less	Feed grain acreage represented by farms with 25 acres or less (thousands)	Acreage on exempt farms as percent of total acreage
Maine	1,079	96	8.5	81
New Hampshire	906	93	8.1	74
Vermont	3,482	90	37.1	60
Massachusetts	1,684	88	17.4	61
Rhode Island	240	83	3.0	54
Connecticut	1,802	85	21.9	58
New York	31,045	81	319.8	49
New Jersey	3,608	64	44.9	26
Pennsylvania	56,586	81	857.2	69
Ohio	57,907	55	649.2	17
Indiana	39,056	39	476.1	9
Illinois	25,749	20	296.4	3
Michigan	46,283	63	545.0	26
Wisconsin	64,528	61	796.0	28
Minnesota	28,001	25	357.6	5
Iowa	18,164	12	236.8	2
Missouri	46,584	48	512.5	12
North Dakota	2,375	6	31.7	1
South Dakota	2,872	7	22.4	1
Nebraska	4,231	6	52.4	1
Kansas	16,690	24	173.5	4
Delaware	1,840	80	22.3	14
Maryland	11,099	66	113.9	23
Virginia	56,386	89	463.4	59
West Virginia	20,063	96	101.3	75
North Carolina	128,926	88	1,059.6	54
South Carolina	50,241	87	426.4	51
Georgia	45,508	60	453.4	17
Florida	6,079	51	69.0	12
Kentucky	82,526	82	686.4	40
Tennessee	79,944	82	661.9	43
Alabama	62,844	73	642.9	31
Mississippi	82,176	89	722.1	58
Arkansas	31,121	91	210.7	57
Louisiana	31,061	91	259.2	56
Oklahoma	9,131	34	61.1	7
Texas	28,442	36	264.1	4
Montana	3,899	25	59.3	3
Idaho	4,937	54	58.7	10
Wyoming	1,098	39	13.2	10
Colorado	390	10	3.0	1
New Mexico	474	20	5.8	3
Arizona	301	23	2.3	2
Utah	5,538	70	53.6	30
Nevada	216	54	2.3	15
Washington	2,334	35	21.9	3
Oregon	4,734	53	45.7	10
California	1,352	18	22.6	1
United States	1,204,532	54	11,976.5	12

[1] The exemption applies to base acreage in H.R. 11222 and to acreage allotments in the section which was deleted from the Senate bill (S. 2786) before it was reported as S. 3225.

[2] Includes corn, grain sorghums and barley. If oats is included, as in H.R. 11222, the number and percentage of farms would be smaller in most States.

Mr. ELLENDER. I also ask unanimous consent to have printed in the RECORD a letter and attached tabulations from the Secretary of Agriculture to the Senator from Wisconsin [Mr. PROXMIRE].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HON. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROXMIRE: This is in reply to your letter of May 11 in which you raised some questions about pending feed grain legislation. I appreciate your concern over the merits of the program of the administration, but I cannot agree with your analysis of the results of that program.

You cited two main problems in connection with the administration's feed grain program compared with an extension of the existing voluntary program:

1. You believe that farmers would turn the administration program down in a referendum this year, and therefore, that it ought not be passed now;

2. You believe the existing voluntary program, with amendments, can be made materially less costly to the Government, and ought to be extended for a year.

Choice of the mandatory program would not prove to be "tragic" as you state, whether farmers approved the program in a referendum or not. Producers of cotton, tobacco, rice, and peanuts take the risk of a referendum each year. They vote—freely and democratically—for a program which supports farm income while protecting the Government against excessive costs, or a program which would virtually terminate production adjustment and price support operations in the particular commodity. The alternatives to providing producers an opportunity to choose a supply management program are continued excessively high costs to the public, or an end to effective price supports for feed grains.

I have great confidence in the judgment of American farmers. I believe that they would choose wisely between alternative feed grain programs if they have the opportunity. Under the administration proposal, they can elect to reduce their plantings in order to continue good and stable prices, or they can elect to plant without limit and to take the very low market prices which must result. We may disagree with their choice if they reject the program, but we should not deny them the right to make it.

Your concern that the feed grain program would fail in the referendum is based primarily on the claim that producers in deficit areas would vote heavily against the program, thus denying the program to those producers most affected—in the Midwest and Plains. This claim ignores the fact that most of the producers who would vote are in the Midwest and Plains, and it goes against all experience in referendums for other commodities.

Two key facts stand out:

1. Most producers in the Southeast and Northeast, and up to half the producers in some Western States would have the option of continuing to plant their historic feed grain acreage, or to participate in the program in order to be eligible for price support, conservation payments, and to vote in the referendum.

2. Producers in deficit areas who either have larger acreages, or who voluntarily elect to participate with their small acreage, would have good reasons, based on their farm situation and on experience in other programs to favor the program.

There would be about 2.2 million farms with feed grain base acreage under the provisions of the mandatory program as considered but not approved by the Senate committee, a program applicable to corn, barley, and sorghum. Of these farms, 1.2 million, or 54 percent, would be subject to the program only if they deliberately elected to participate (see attached table). They would be ineligible for price support, but would benefit materially from the price support program, and could harvest an acreage equal to their feed grain base acreage.

Some of these small producers would choose to be subject to the program, and would become eligible to vote in the referendum. Having elected to participate, they would surely vote for the program in the referendum. It is unbelievable that any substantial number of producers with small acreages would sign up to participate in a program from which they would otherwise be exempt, in order to vote "no" in the referendum.

Two immediate conclusions follow: (1) Most producers with small acreages will not vote in the referendum; (2) those who do, will vote "yes." Clearly, they must be in favor of the program in which they voluntarily decided to participate.

You expressed concern in your letter that producers outside the main feed grain producing areas would carry undue weight in any feed grain referendum. A tentative distribution of total feed grain farms is shown in the attached table, broken down by farms with over 25 acres, which could be exempt. Clearly, the bulk of the eligible voters in a referendum would be heavily concentrated in the Midwest and the Plains (col. 1 below).

	Percentage distribution of farms with more than 25 acres	Percentage distribution of eligible farms if ¼ of farms with less than 25 acres chose to participate
Northeast (11 States)	3.0	4.4
Southeast (12 States)	15.7	24.3
Midwest (8 States)	52.7	47.2
Plains (7 States)	25.2	20.9
Mountain (10 States)	3.5	3.2

Together, eight Midwestern and Plains States which produce most of the corn, oats, and sorghum grain and a large share of the barley, would have about 78 percent of the voters certain to be eligible for the referendum.

If one-fourth of all producers with less than 25 acres of feed grains chose to participate, the Midwest and Plains would still have 68 percent of the eligible voters (column 2 above). And in this case, they would have the support of the producers in other areas who had voluntarily elected to participate and would probably vote almost solidly for the program. In the Southeast, up to one-third of the feed grain acreage will be diverted this year. Similar heavy voluntary participation by producers with small acreages under the mandatory program would add significantly to the prospects for a favorable vote in the referendum.

Further assistance in assuring a favorable vote in the feed grain referendum would result from the fact that many tobacco and cotton producers, who know the value of farm programs, would be voting. Similar overlapping of allotments will be found also in wheat areas, where referendum votes have had large majorities.

A factor often ignored is that even in feed-deficit areas, many producers sell all or a large part of the grain they produce. Like Corn Belt producers, they would be concerned with the effect on market prices of failure of the referendum. About half the corn grown in North Carolina and Georgia is sold from the farm; one-fourth to one-third of South Carolina, Kentucky, and Alabama corn is sold by farmers.

Relatively little of the barley produced in the West is fed on the farms where it is grown. About 90 percent of California production, three-fourths of Oregon and Washington production, and far the larger share of the barley produced in all major States, is marketed by producers. They would be concerned with barley prices in the event the program did not carry, just as they are concerned with wheat prices when they vote in the wheat referendum.

The same is true for sorghum grain. Nearly 90 percent of Texas production, and two-thirds or more of Kansas and Nebraska production is marketed. In most cases, it is marketed by a producer who votes "Yes" regularly in a cotton or a wheat referendum, because he knows the value of price support.

Your contention that a voluntary feed grain program could be made less costly to the Government by some amendments to the present program, if that were the only course of action open at this time, has little validity. If price support for all commodities were available only to those producers who participate in the feed grain program, and if other programs of the Department were limited to cooperators, no substantial additional incentive for participation or any large savings in costs would be realized. The primary incentive in a voluntary program must necessarily be payments offered by the Government. If the participation necessary to make a voluntary program effective is to be secured, Government costs could be reduced only nominally by requiring producers to participate in the feed grain program in order to get technical assistance, loans, and price supports for other commodities. Government payments must be reduced sharply and immediately. They cannot be continued indefinitely, as they must be under a voluntary program.

Compared with the nominal cost reductions which could possibly be made in the voluntary program, the mandatory program is expected to make it possible to reduce the payments to $400 to $500 million in the 1963 crop year—50 percent below present levels—and to terminate payments beginning with the 1966 crop. The difference in payments and other public costs, for extension of the voluntary feed grain program compared with the mandatory program would be approximately $3 billion in only 4 years—1963 to 1966.

Your concern that if the feed grain program were rejected in the referendum this year, it would be rejected again in 1963 is not well grounded. The price support of $1.20 per bushel for corn announced for the 1962 marketing year would support cash prices during part of the 1962 marketing year, even if there were to be a much lower price support in 1963. But the prospect of a large 1963 crop and a very low support level would put severe pressure on cash and futures prices in the spring and summer of 1963. Prices would be weak, and farmers would be expecting extremely low market prices in mid-summer 1963, when the second feed grain referendum would be held.

Your other proposal, to tie the wheat, feed grain, and possibly cotton and tobacco referendum votes together, so that a vote for one would be a vote for the other, might help somewhat, since it may bind some producers to a favorable feed grain vote who might otherwise oppose feed grains. But it would not be in keeping with the long precedent in producer referendums, and it would severely limit the freedom of choice of producers. Cotton, tobacco, wheat, rice, and peanut programs have passed dozens of referendums on their merits. The feed grains program can do the same.

You indicated also your support for the wheat marketing certificate program, although you coupled it with an extension of the voluntary feed grain program. The wheat program is very similar to the marketing certificate program approved by the Congress in 1956. It provides a better wheat program for producers and for taxpayers at the same time. The wheat program, however, simply does for wheat what we have proposed to do also for feed grains in the administration program. The two mandatory programs should be kept together.

I hope you will support efforts to amend S. 3225, to make it an effective instrument of the farm policy.

Sincerely yours,

ORVILLE L. FREEMAN.

Estimated distribution of feed grain farms in a mandatory program applicable to corn, sorghum grain, and barley[1]

State and region	Estimated number of farms		
	Total	With 25 acres or less	With more than 25 acres
Northeast:			
Maine	1,126	1,079	47
New Hampshire	970	906	64
Vermont	3,878	3,482	396
Massachusetts	1,911	1,684	227
Rhode Island	291	240	51
Connecticut	2,114	1,802	312
New York	38,304	31,045	7,259
New Jersey	5,643	3,608	2,035
Pennsylvania	69,804	56,586	13,218
Delaware	3,694	1,840	1,854
Maryland	16,890	11,099	5,791
Total	144,625	113,371	31,254
Midwest:			
Ohio	105,817	57,907	47,910
Indiana	99,891	39,056	60,835
Illinois	132,133	25,749	106,384
Michigan	72,239	45,283	26,956
Wisconsin	105,809	64,528	41,281
Minnesota	112,305	28,001	84,304
Iowa	155,791	18,164	137,627
Missouri	97,771	46,584	51,187
Total	881,756	325,272	556,484
Plains:			
North Dakota	39,192	2,375	36,817
South Dakota	41,063	2,872	38,191
Nebraska	71,409	4,231	67,178
Kansas	69,186	16,690	52,496
Oklahoma	27,082	9,131	17,951
Texas	78,837	28,442	50,395
Colorado	3,869	1,098	2,771
Total	330,638	64,839	265,799
South and Southeast:			
Virginia	63,032	56,386	6,646
West Virginia	20,907	20,063	844
North Carolina	146,918	128,926	17,992
South Carolina	57,609	50,241	7,368
Georgia	75,293	45,508	29,785
Florida	11,905	6,079	5,826
Kentucky	101,117	82,526	18,591
Tennessee	96,965	79,944	17,021
Alabama	85,778	62,844	22,934
Mississippi	92,308	82,176	10,132
Arkansas	34,322	31,121	3,201
Louisiana	34,265	9,131	25,134
Total	820,469	654,945	165,524
West:			
Montana	15,638	3,899	11,739
Idaho	9,209	4,937	4,272
Wyoming	2,820	1,098	1,722
New Mexico	1,813	474	1,339
Arizona	1,297	301	996
Utah	7,912	5,538	2,374
Nevada	399	216	183
Washington	6,754	2,334	4,420
Oregon	8,862	4,734	4,128
California	7,658	1,352	6,306
Total	62,362	24,883	37,479
United States	2,239,850	1,183,310	1,056,540

[1] Based on rough estimates, since no comprehensive tabulation exists at this time, and could be made only when the program became effective.

Mr. ELLENDER. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a table from the Commodity Credit Corporation, which indicates the carrying charges—in fact, all charges merely in order to handle the various commodities which that Corporation has on hand at the

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present time. For the fiscal year 1961, the total cost—which includes transportation, storage, interest and other carrying charges—is $1,154 million; and 78 percent of that huge cost is attributable to wheat, corn, and other feed grains.

No matter what analysis is made, the plain fact is that the programs for the feed grains and for wheat have been extremely costly.

Price support losses for corn alone since the beginning of the program amount to $2,188,789,461. For wheat $1,798,261,275 is the amount of price support losses, $557,837,104 for export subsidies because the domestic price is higher than the world price, and if I remember correctly, over a billion dollars for export subsidies under the International Wheat Agreement.

Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a tabulation showing carrying charges, including storage, handling, transportation, and interest costs on Commodity Credit Corporation stocks for the fiscal year 1961.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Commodity Credit Corporation carrying charges, reseal loan payments, and imputed interest, fiscal year 1961

[In millions of dollars]

Item	Transportation cost	Storage handling cost	Other carrying charges	Total carrying charges	Imputed interest [1]	Total carrying charges and interest	Reseal loan payments	Total carrying charges, interest, and reseal payments	Allocation of loan collateral settlements to— Storage and handling	Allocation of loan collateral settlements to— Reseal loan payments	Adjusted total, carrying charges, interest, and reseal loan payments
Basic commodities:											
Corn	$28.1	$149.0	----------	$177.1	$108.5	$285.6	$53.1	$338.7	$3.2	$8.6	$350.5
Cornmeal	(²)	(²)	----------	(²)	.8	.8	----------	.8	----------	----------	.8
Cotton, extra long staple	(²)	.3	----------	.3	.6	.9	----------	.9	----------	----------	.9
Cotton, upland	.3	22.6	----------	22.9	36.1	59.0	----------	59.0	----------	----------	59.0
Peanuts, farmers' stock	.1	1.4	$1.5	3.0	.3	3.3	----------	3.3	----------	----------	3.3
Peanuts, shelled	.4	1.1	1.7	3.2	.8	4.0	----------	4.0	----------	----------	4.0
Peanut butter	----------	----------	----------	----------	.3	.3	----------	.3	----------	----------	.3
Rice, milled	1.0	.5	----------	1.5	1.9	3.4	----------	3.4	----------	----------	3.4
Rice, rough	.3	1.9	----------	2.2	.8	3.0	----------	3.0	----------	----------	3.0
Tobacco	----------	----------	----------	----------	13.4	13.4	----------	13.4	----------	----------	13.4
Wheat	92.9	176.4	(²)	269.3	112.6	381.9	14.3	396.2	----------	----------	396.2
Wheat flour	(²)	(²)	----------	(²)	3.2	3.2	----------	3.2	----------	----------	3.2
Total, basic	123.1	353.2	3.2	479.5	279.3	758.8	67.4	826.2	3.2	8.6	838.0
Mandatory nonbasic:											
Butter	1.0	2.3	1.8	5.1	3.6	8.7	----------	8.7	----------	----------	8.7
Cheese	.1	.1	.2	.4	3.	.7	----------	.7	----------	----------	.7
Milk, nonfat dry	6.8	2.0	----------	8.8	1.8	10.6	----------	10.6	----------	----------	10.6
Milk, fluid	----------	----------	----------	----------	1.0	1.0	----------	1.0	----------	----------	1.0
Subtotal, dairy products	7.9	4.4	2.0	14.3	6.7	21.0	----------	21.0	----------	----------	21.0
Honey	----------	(²)	----------	(²)	(²)	(²)	----------	(²)	----------	----------	(²)
Barley	6.8	9.6	----------	16.4	4.3	20.7	6.4	27.1	----------	----------	27.1
Oats	.8	1.3	.7	2.8	1.1	3.9	4.1	8.0	----------	----------	8.0
Rye	.9	.7	----------	1.6	.4	2.0	(²)	2.0	----------	----------	2.0
Sorghums, grain	17.2	88.9	----------	106.1	33.5	139.6	3.1	142.7	3.5	3.0	149.2
Tung oil	(²)	.1	----------	.1	2.0	2.1	----------	2.1	----------	----------	2.1
Total, mandatory nonbasic	33.6	105.0	2.7	141.3	48.0	189.3	13.6	202.9	3.5	3.0	209.4
Other nonbasic:											
Beans, dry edible	.6	.8	.4	1.8	.2	2.0	----------	2.0	----------	----------	2.0
Flaxseed	(²)	(²)	----------	(²)	(²)	(²)	----------	(²)	----------	----------	(²)
Naval stores:											
Rosin	----------	----------	----------	----------	(²)	(²)	----------	(²)	----------	----------	(²)
Turpentine	----------	(²)	----------	(²)	(²)	(²)	----------	(²)	----------	----------	(²)
Soybeans	.1	1.3	----------	1.4	1.2	2.6	----------	2.6	----------	----------	2.6
Vegetable oils	----------	.1	----------	.1	.1	.2	----------	.2	----------	----------	.2
Total, other nonbasic	.7	2.2	.4	3.3	1.5	4.8	----------	4.8	----------	----------	4.8
Strategic and critical materials	6.7	1.7	1.1	9.5	1.4	10.9	----------	10.9	----------	----------	10.9
Total, price support program	164.1	462.1	7.4	633.6	330.2	963.8	81.0	1,044.8	6.7	11.6	1,063.1
Storage facilities program	----------	----------	----------	----------	5.7	5.7	----------	5.7	----------	----------	5.7
Supply and foreign purchase program	(²)	(²)	----------	(²)	----------	(²)	----------	(²)	----------	----------	(²)
Special milk program	----------	----------	----------	----------	1.6	1.6	----------	1.6	----------	----------	1.6
Administrative and nonadministrative expenses	----------	----------	----------	----------	2.9	2.9	----------	2.9	----------	----------	2.9
Interest	----------	----------	----------	----------	13.2	13.2	----------	13.2	----------	----------	13.2
CCC capital stock	----------	----------	----------	----------	3.5	3.5	----------	3.5	----------	----------	3.5
Certificates held by banks	----------	----------	----------	----------	11.6	11.6	----------	11.6	----------	----------	11.6
Public Law 480:											
Title I	----------	----------	----------	----------	43.8	43.8	----------	43.8	----------	----------	43.8
Title II	----------	----------	----------	----------	2.5	2.5	----------	2.5	----------	----------	2.5
International Wheat Agreement	----------	----------	----------	----------	1.8	1.8	----------	1.8	----------	----------	1.8
National Wool Act	----------	----------	----------	----------	4.0	4.0	----------	4.0	----------	----------	4.0
Loans to Secretary	----------	----------	----------	----------	.3	.3	----------	.3	----------	----------	.3
Total, CCC	164.1	462.1	7.4	633.6	421.1	1,054.7	81.0	1,135.7	6.7	11.6	[3] 1,154.0

[1] Includes interest on prior years' unreimbursed losses.

[2] Less than $50,000.

[3] Wheat, corn, grain sorghum; 78 percent of this for carrying charges only; $500,000,000 for corn and grain sorghum.

Source: USDA.

Mr. ELLENDER. Mr. President, earlier this afternoon we were discussing the costs of the present emergency feed-grain program as compared to the costs of the conservation reserve program which has been in effect since 1956.

Under the emergency feed-grain program the total cost amounted to $825 million, of which $43 million was for administrative costs and $782 million for payments to farmers for diverted acres.

The payment to farmers was for the diversion of corn and grain sorghum acreage, and averaged $31 per acre. The average payment per acre for all contracts under the conservation reserve program amounted to only $11.85 per acre. However, the type land taken out of production under this program, generally, was less productive than that land taken out under the emergency feed-grain program.

This is adequately borne out by the payments for land diversion under the now expired acreage reserve program of the soil bank. Under that program the average payment amounted to $31 per acre for the 50.7 million acres diverted from the production of crops.

In this connection, I would like to place in the RECORD at this point a table showing a multitude of facts concerning the so-called soil bank program.

There being no objection, the table is ordered to be printed in the RECORD, as follows:

Costs of the soil bank program

Payments made to farmers through June 30, 1961:	*Million*
Acreage reserve	$1,549
Conservation reserve	923
Total	2,472
Payments to be made to farmers after June 30, 1961, under outstanding conservation reserve contracts	1,755
Total payments to end of program	4,227

Per acre payments made on voluntary acreage reserve

Increase each year:	*Per acre*
1956 program	$21
1957 program	29
1958 program	41

Average for aggregate of 50.7 million acres placed in reserve over 3-year period was $31 per acre.

Payments on conservation reserve contracts to end of program ($2,678 million on 28.7 million acres) will average $93 per acre.

Cost of administering all soil bank programs:	*Million*
Through June 30, 1961, totaled	$158.5
Highest fiscal year cost was in 1958	50
Total soil bank cost to June 30, 1961 (payments plus expenses)	2,600
Total cost to end of program (1971)	4,400

History of acreage reserve

Corn acreage signed up:

In 1956, 5.3 million acres—average of 16.9 acres per agreement.

In 1957, 5.2 million acres—average of 16.2 acres per agreement.

In 1958, 6.7 million acres—average of 18.7 acres per agreement.

Total of $644.8 million spent on corn or an average of $38 per acre.

Average rate per acre:	
1956	$33.80
1957	37.53
1958	42.39

Maximum rates 1958 program:	
Iowa	64.00
Illinois	69.00

Wheat acreage signed up:

In 1956, 5.7 million acres—average of 51.1 acres per agreement.

In 1957, 12.8 million acres—average of 54.9 acres per agreement.

In 1958, 5.3 million acres—average of 30.3 acres per agreement.

Total of $377.0 million spent on wheat or an average of $16 per acre.

Average rate per acre:	
1956	$7.89
1957	18.06
1958	19.87

Maximum rates 1958 program:	
Kansas	31.00
Washington	52.00

CONSERVATION RESERVE RENTAL RATES

The figure of $11.85 per acre is frequently used as the cost of the conservation reserve program annual rental. This was the average for all contracts entered into during the life of the program (1956 through 1960).

However, on contracts signed up in the last 2 years of the program (19.3 million acres), the average was $13.31 per acre.

In major corn-producing States the rates were considerably higher:

State	Rental rate	
	1960 contracts	1956–60 contracts
Iowa	$18.70	$18.12
Illinois	17.23	17.24
Indiana	18.42	18.40
Ohio	17.40	17.23
Minnesota	13.42	11.23
Nebraska	12.81	12.00
Missouri	14.94	14.14
Wisconsin	14.12	13.77

On all acres signed under the CRP, the total rental and conservation practice assistance paid under contracts to their expiration date will average $93 per acre.

PUBLIC WORKS PROJECTS IN MINNESOTA, NEW JERSEY, NORTH CAROLINA, NORTH DAKOTA, TENNESSEE, AND VIRGINIA

Mr. GRUENING. Mr. President, last Thursday, I stated my intention, when S. 2965 was considered, to propose an amendment increasing the amount authorized to be appropriated for an emergency program of public works. My amendment would increase the amount authorized to be appropriated to "the same amounts authorized to be appropriated for foreign economic assistance under the provisions of sections 202—for the fiscal year 1963—212, 401, and 451 of the Foreign Assistance Act of 1961." This would increase the total authorized to be appropriated from $600 million to $2,645 million for a one-shot emergency program of public works aimed at getting back to work the unemployed in the 933 pockets of economic distress scattered across the Nation.

As I indicated in my remarks last Thursday, some of my colleagues on the Senate Public Works Committee expressed doubts as to whether the sum of $2,645 million could be economically utilized. In order to allay these fears, I telegraphed the Governors of all the States, asking them to advise me of the amounts which can economically be expended in their States for public-works projects that can be completed in 27 months.

I reported, on Thursday, that I had heard from 12 States which indicated that more than $1.5 billion could be utilized profitably in those States, alone.

Since then, I have received additional responses from the States of Minnesota, New Jersey, North Carolina, North Dakota, Tennessee, and Virginia, indicating they have ready public works projects to employ the unemployed in distressed areas, totaling at least an additional $212 million, bringing to over $1.7 billion the total, so far, from the 17 States having distressed areas which have responded.

In the areas suffering from prolonged high rates of unemployment, we must be prepared to act effectively, and now. Let it not be said of us that we responded with too little supplied too late to the pleas of the unemployed.

We have responded magnificently and with munificence to the pleas of the unemployed in the underdeveloped countries abroad. We cannot afford to be less generous with our own unemployed.

I ask unanimous consent that the additional replies referred to by me today be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF MINNESOTA,
EXECUTIVE OFFICE,
St. Paul, Minn., May 18, 1962.
Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: This is in reply to your wire requesting a list of public works projects for distressed areas in Minnesota.

The results of a community survey, in the form of an itemized list of projects, are attached. I would appreciate being kept advised of developments.

Cordially yours,

ELMER L. ANDERSEN,
Governor.

State of Minnesota public works projects for distressed areas

Community	Amount	Nature of project	Employees	27-month complete?	Match funds?
Aurora	$40,000	Curbs; gutters; sidewalks; public parks and picnic grounds; hockey rink; and blacktop streets.	125	Yes	Yes.
Buhl	400,000	Street and alley paving; sewerline installation and repairs; steam tunnels.	50	Yes	Very small portion.
Chisholm	1,750,000	Water works; interceptor sanitary sewers; streets and sidewalks, buildings and grounds.	100	Yes	For part of project.
Hibbing	900,000	Incinerator; resurfacing sewer for water; sidewalks, curbs, gutters, street widening, and street paving.	200	Yes	For any combination of projects.
Tower	2,500	Improve Hoodoo Point at Lake Vermilion campgrounds	10	Yes	$1,000.
Ely	380,000	Street improvements; sewer construction; water main construction; park improvements.	40 for each	Yes	Partly.
Virginia	500,000	Curb and sidewalk repairs and replacements; storm and sanitary sewer repairs; creek improvement.	100	Yes	No.
Fayal Township	85,000	Town hall and garage; blacktop and ditching township roads; rebuild sewage system in township location; build new roads.	100	Yes	Yes.
Biwabik	25,000	Blacktop streets; gutter work, curb and storm sewers; cemetery expansion; repair buildings; fire alarm system; city drainage and repair septic unit.	Indefinite	Yes	Yes.
Gilbert	60,000	Repair sidewalks, curbs, gutters, and storm sewers	Indefinite	Yes	Yes.

State of Minnesota public works projects for distressed areas—Continued

Community	Amount	Nature of project	Employees	27-month complete?	Match funds?
Eveleth	508,500	New sidewalks and repair sidewalks, streets, hippodrome roof, curbs, and gutters, storm sewers, waterplant, waterline and greens at Eveleth Golf Course; clean out drain line at Virginia-Eveleth Airport; clean sanitary sewer lines and new waterline to serve St. Mary's Lake.	10,850 man-days	Yes	No.
Mountain Iron	120,000	Street repairs, sidewalks and alleys; life station; repair water and light plant; repair two steam boilers and water and steam and power lines.	25	Yes	Minimal.
McKinley	7,000	New compressor and water pump (deep well) for community	Indefinite	Yes	No.

Additional distressed area projects:
Beltrami County road construction to employ Indian labor; cost, approximately $500,000.
Construction of Duluth Arena-Auditorium; cost, approximately $25,000.

STATE OF NEW JERSEY,
OFFICE OF THE GOVERNOR,
Trenton, N.J., May 17, 1962.

Hon. ERNEST GRUENING,
U.S. Senator,
Washington, D.C.

DEAR SENATOR GRUENING: At your request I am sending you a tabulation of public works projects in economically distressed countries of New Jersey and those counties which would qualify under the proposed public works legislation.

Applications for planning these projects were made to the Community Facilities Administration under the terms of the program for assistance to public works planning, section 702 of the Housing Act of 1954. All are in various stages of planning or construction. It appears that most could be completed within a period of 27 months.

In addition to these projects, there are various public works projects which are constructed without the benefit of Federal aid and others which are deferred for lack of financial resources. These would be greatly aided by the proposed Federal program.

Not included in this tabulation is an estimated $75 million which will be required for the construction of a protective buffer strip along the entire coast of the State to provide protection from storms such as that which inflicted severe damage on March 6, 1962.

Sincerely yours,
RICHARD J. HUGHES,
Governor.

County and municipality	Type of project	Estimated cost of project
*Atlantic County: Pleasantville	Sanitary sewer system	$750,000
Burlington County:		
Pemberton Township	Sanitary sewer treatment plant	628,000
Medford Township	Sanitary sewers	991,330
Burlington Township	Storm sewers	213,543
Mount Holly	do	101,350
Palmyra	High school	990,000
Medford Township	Sanitary sewers	324,500
Camden County:		
Lindenwold	Sewer system treatment plant	1,733,750
Camden (city)	Storm sewers	1,037,000
Collingswood	School facilities	1,482,000
Pine Hill	Sewer and water system	1,500,000
Camden (city)	Incinerator	3,000,000
Clementon	Sewerage plant and system	1,157,940
Lawnside	Sewerage treatment plant	520,000
Camden (city)	Storm sewers	2,473,000
*Cape May County:		
Ocean City	Sewerage	1,050,230
Wildwood	Incinerator	386,000
*Cumberland County: None.		
Essex County:		
Essex County Board of Freeholders.	Administration building	18,863,000
East Orange	Addition to elementary school	(?)
Gloucester County: National park (borough).	Sanitary sewer system	707,825
*Monmouth County:		
Union Beach	Sewer system and treatment plant.	1,500,000
Englishtown	Water supply and distribution system.	365,000
Little Silver	Sewer system treatment plant	1,000,000
Asbury Park	Sanitary trunk sewer	615,690
Morris County:		
Wharton	Sanitary sewer system	(?)
East Hanover	Water system	(?)
Randolph Township	Water supply	(?)
Netcong	Sanitary sewer system plant	(?)
Butler	do	372,000
Chatham Township	Sewerage facilities	1,990,000
Morris County—Continued		
Roxbury Township	Sewerage system	$2,826,000
Parsippany-Troy Hills Township.	Sanitary sewer system	3,100,000
Denville	Sewer system	1,473,000
Lincoln Park	Sewerage system	1,262,000
Do	Water supply	197,000
Butler	Water system	981,000
Roxbury Township	do	1,345,000
*Ocean County:		
Lakehurst	Extensions and additions to sanitary sewerage collection.	428,165
Dover Sewerage Authority	Comprehensive sanitary sewer system.	3,165,000
Long Beach Township	Water system, new water sources.	255,000
Plumsted Township	Comprehensive sewer system	800,000
Lakewood Township	Engineering study of water problems.	559,000
*Passaic County:		
Little Falls	Alterations and additions to existing sewerage treatment plant.	359,000
Passaic Valley sewerage commissioners.	Sewerage facilities	2,280,000
Pompton Lakes	Sanitary sewer system treatment plant.	1,725,000
Paterson	Urban renewal site sewer and storm drains.	581,395
Passaic Valley sewerage commissioners.	Pumping station	(*)
Totowa	Sewage treatment plant	705,900
Passaic (city)	Redesign of downtown Passaic	1,990,380
Wayne Township	Sanitary sewerage system treatment plant and pumping station.	1,266,000
Totowa	Sewage disposal plant	947,424
Union County:		
Scotch Plains	Sanitary sewer system	2,000,000
New Providence	Storm sewers	1,000,000
Elizabeth	Library	750,000

*Counties designated as redevelopment areas under Public Law 87-27.

RALEIGH, N.C., *May 18, 1962.*

Re Standby Public Works Act.
Senator ERNEST GRUENING,
U.S. Senate,
Washington, D.C.:

Replies from about 20 percent of communities in North Carolina counties qualified under Area Redevelopment Act indicate willingness to spend approximately $7 million for immediate public works on 50-50 matching basis. Greater proportion of Federal money would undoubtedly increase total which could be spent.

GEORGE M. STEPHENS,
Governor's Office.

STATE OF NORTH DAKOTA,
OFFICE OF THE GOVERNOR,
Bismarck, N. Dak., May 17, 1962.

Hon. ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I regret the delay in responding to your telegram of April 18, inquiring about the public works projects that could be used in North Dakota.

While we certainly could use approximately $100 million in North Dakota alone, I think some of the more feasible projects have been cited to me by Hans Walker, Jr., the executive director of the North Dakota Indian Affairs Commission. In addition, we have pending construction of dams and reclamation projects totaling $65 million.

I am forwarding to you a copy of the letter I have received from Hans Walker for your information.

With kindest regards, I am,

Sincerely yours,
WILLIAM L. GUY,
Governor.

NORTH DAKOTA
INDIAN AFFAIRS COMMISSION,
New Town, N. Dak., May 1, 1962.

Re public work projects.
Gov. WILLIAM L. GUY,
Capitol Building,
Bismarck, N. Dak.

DEAR GOVERNOR GUY: This is in reply to your letter of the 25th regarding possible public work projects, the estimated costs and man hours of work which might be provided.

It would seem that the projects which might be carried on under this act would be those similar to the projects carried on under the old CCC rather than those under the PWA where projects included public auditoriums, etc. Suggestions made herein for projects are for those which might be carried on with Indian labor on reservations; however, some could be carried on outside reservations also.

As you know, Indian reservations were designated as distressed areas under the Redevelopment Act (OEDP). The type of project which might be carried on under that act, however, is quite different from those which may be carried on under this public works bill. The OEDP is designed to provide work on a permanent basis through the development of an industry or an enterprise. Some of the projects, therefore, which are possible under this public works bill are not possible under OEDP. The objection to some projects has been that they do not alleviate underemployment or unemployment on a permanent basis. It seems therefore that funds under this bill would be necessary to provide immediate employment while efforts can be continued to development of more permanent employment.

The enclosed telegram requests possible projects, cost estimates, and man-hours of work which might be provided. There is submitted for your consideration projects as follows:

1. Project to clear driftwood from Garrison Reservoir: The Garrison Reservoir area was heavily wooded and was not cleared prior to flooding. The driftwood lying on the beaches and floating creates a definite hazard to boating and recreation. It is also a hazard to the machinery at the outlet of the dam. The Army Engineers, I understand, expend funds each year to keep this wood away from the dam outlet. The wood gathered could be stockpiled for use by needy Indians to use for fuel.

One hundred men could commence work immediately with flat barges and power saws. It is estimated that the work could be completed in 260 working days. This would involve 208,000 man-hours and labor at $1.15 per hour would be $239,200. Other costs (boats, equipment, and so forth) are estimated at $60,000.

Such a project would be beneficial to the public, the Army, and, of course, to those needing work.

2. Planting shelterbelts: There are many areas on the reservations and off where shelterbelts would be desirable. Since I have no definite project in mind, I make no estimated cost of work which would be provided.

3. Reforestation: Reforestation projects could be carried on both at Turtle Mountain and at Fort Berthold. At Turtle Mountain some thought has been given to the idea of clearing 10 square miles of the scrub brush and reseed the area with pine. The pine could be sold for Christmas trees, thus providing income for the tribe and labor for members. The Turtle Mountain project would involve 928,000 man-hours and cost slightly over a million dollars for labor. There would be in addition to this a cost of about 3 cents per tree. About 2000 trees per acre would be required. The cost for trees would be about $38,400.00 or $384,000 for 10 square miles. Total costs approximately $1,384,000. Perhaps these projects are far in excess of the costs contemplated under the act and if so could be cut down accordingly. The Turtle Mountain area, however, is one where there is much unemployment and there some project under this bill should be undertaken.

The reforestation (or forestation) project at Fort Berthold would be on a much smaller basis. It is estimated that a successful project could be carried on in 52,000 man-hours at a cost of $60,000.

4. Development of recreation areas on lake: Such a project would include the landscaping, cleaning, building entrance roadways, building restrooms and otherwise developing picnic areas along the lake for the benefit of local people and tourists. Such a project could be as large or small as is feasible. But to give some figures, such a project could be carried on with 50 men for 1 year involving 104,000 man-hours at a cost of $121,600 for labor.

5. Lake development at Turtle Mountain: It has been proposed that there could be five dams and gateways built to build up and connect the lakes on the Turtle Mountain Reservation. It is my thought that such a project could be carried on for a cost similar to the project listed above (4).

6. Summer youth camp at Fort Yates: This has been proposed as a camp for carrying on youth programs for Indians in the Aberdeen area. It would include 10 cabins, a mess hall, toilets, etc., and the estimated cost is $75,000.

7. Swimming pool at Fort Yates: A swimming pool has been proposed and it is estimated that the cost would be approximately $75,000.

8. Clearing land on proposed dam in the Walhalla area: If it is determined that a dam is to be constructed the brush and trees should be cleared using the laborers in the area. The area, I understand, is approximately 15 miles long and 1 mile wide. Estimated cost would be somewhat less than the proposed clearing of the 10 square miles at Turtle Mountains.

The above are only estimates made by one not qualified, but since the telegram indicated that estimates were wanted these are submitted for consideration. You may want to revise the estimates. It may be advisable to check with the Army Engineers at Riverdale on the cost of the project of removing driftwood from the Garrison Reservoir.

Sincerely,

Hans Walker, Jr.

Nashville, Tenn., *May 19, 1962.*

Senator Ernest Gruening,
Washington, D.C.:

In Governor Ellington's absence from the city, I am taking the liberty of replying to your telegram of May 16. The Governor has previously made a statement in support of legislation favoring the public works program and preliminary information from Tennessee reveals that the State has approximately $45 million in projects which could be constructed providing approximately 13 million man-hours. I hope this information will be helpful.

Harlan Mathews,
Commissioner, State of Tennessee, Finance and Administration.

Commonwealth of Virginia,
Governor's Office,
Richmond, Va., May 18, 1962.

Hon. Ernest Gruening,
U.S. Senate, Washington, D.C.

Dear Senator Gruening: In response to your telegraphed request I am enclosing a list of urgently needed water supply and sewage treatment facilities in areas of Virginia which have been declared eligible for aid under the Area Development Act.

This is a hastily assembled list and its submission, of course, does not constitute endorsement of the proposed emergency public works legislation.

Very truly yours,

Albertis S. Harrison, Jr.,
Governor.

Public sewage treatment projects needed in areas eligible for aid under Area Redevelopment Act [1]

Place	County	Estimated cost	Grant requested under Public Law 87-88
Appalachia	Wise	$244,000	
Arno	do	61,000	
Big Stone Gap [2]	do	287,000	$150,000
Cleveland	Russell	89,000	
Clintwood [2]	Dickenson	147,000	68,700
Coeburn [2]	Wise	198,000	35,010
Derby	do	54,000	
Deel	Buchanan	89,000	
Dorchester	Wise	134,000	
East Stone Gap	do	134,000	
Gate City [2]	Scott	198,000	98,162
Grundy	Buchanan	198,000	
Honaker	Russell	89,000	
Hurley	Buchanan	37,000	
Independence [2]	Grayson	89,000	119,400
Jonesville	Lee	89,000	
Norton [2]	Wise	328,000	163,800
Pennington Gap [2]	Lee	147,000	57,065
Scottsville	Fluvanna	(?)	16,767
Weber City [2]	Scott	(?)	93,811
Wise [2]	Wise	(?)	53,010
Total		2,612,000	

[1] The costs listed above are for sewage treatment facilities only. In most of these communities additional expenditures are needed for construction of sewage collection systems.

[2] Requests for grants under Public Law 87-88 (Federal Water Pollution Control Act) have been filed from these localities with the State water control board in the amounts listed.

May 18, 1962.

WATER SUPPLY IMPROVEMENTS URGENTLY NEEDED FOR MUNICIPALLY OWNED SYSTEMS IN FOLLOWING COUNTIES

Buchanan County, town of Grundy: Additional source, treatment, distribution mains, and storage.

Carroll County, Galax: Town already has under construction project to bring system up to needs.

Dickenson County, Clintwood: New source of supply, pumping stations, force main, modernization of filter plant, distribution mains, and storage.

Grayson County, Independence: Additional source, distribution mains, and storage.

Lee County:

Jonesville: Additional source, treatment, pump station, force main, distribution mains, and storage, $150,000.

Pennington Gap: New source, purification plant, force main, distribution mains, and storage, $434,000.

Russell County:

Honaker: Distribution mains and storage.

Lebanon: Additional source, treatment, mains, and storage.

Cleveland: New source, purification plant, mains, and storage.

Scott County:

Dungannon: Additional source, treatment, force main, and pump station, mains, and storage.

Gate City: Additional mains and storage.

Nickelsville: Additional source, treatment, mains, and storage.

Weber City Sanitation District: Addition to filter plant, additional mains, and storage.

Wise County ($388,000):

Big Stone Gap: New filter plant, additional mains, and storage.

Coeburn: New source, filter plant, pump station, force main, distribution mains, and storage, $452,812; alternate, $283,820.

Norton: Enlargement of filter plant, distribution mains, and storage.

Pound: Additional source, treatment, transmission main, distribution mains, and storage.

St. Paul: New filtration plant, distribution mains, and storage, $250,000.

Wise: New source, filtration plant, force main, distribution mains, and storage.

Cumberland County and Fluvanna County: No municipal or county owned water supplies in these counties.

(NOTE.—Where cost figures are given, these were taken from consulting engineers' preliminary report and estimate.)

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MUNDT. Mr. President, as I believe is now generally understood by Members of the Senate, later today there will be submitted a request for unanimous consent that voting on the amendments to the bill shall begin, following reasonable debate, on Thursday, in the expectation that the Senate can conclude its action on the bill on Friday. Certainly that will be a satisfactory schedule, insofar as I am concerned.

When we have finalized that proposed agreement, and when the attention of the Senate is immediately directed to the amendment now at the desk, I expect to discuss with greater emphasis and greater elaboration than I shall now the reasons why I believe the Ellender amendment should be rejected.

But at this time, before we come to discuss the particulars of the amendment, I wish the RECORD to show that I believe that, on the whole, the Senate Committee on Agriculture and Forestry did a very constructive piece of work, this year, in its handling of the so-called Kennedy-Freeman farm bill. It came to us with a determined effort on the part of the administration to extract from the farmers and from Congress the authority and the power of self-determination, and to delegate to the Department of Agriculture the control of agriculture. To me, that would be manifestly unwise. To me, it would be unwise, in the first place, because I believe the job of the Department of Agriculture has already become so colossal and its responsibilities already have become so great that failures and cracks in the structure are becoming apparent to all Americans—so much so, that even if we take the very kindest attitude toward what is wrong, toward developments which have led to instances such as the Estes scandal, for example, the kindest comment which could be made would be that the octopus of the Department of Agriculture has become so large that it is impossible for men who have good intentions to properly police and control and operate the Department prudently, honestly, and wisely.

Because, Mr. President, I like human beings generally, I dare hope that when our investigation is concluded, we shall arrive at that conclusion. However, the conclusion actually to be reached may be altogether different. Moreover, Senators may be sure that the McClellan committee will follow the facts, regardless of where they may lead; and if, instead of the reasons I have attributed for this collapse of administration, it develops that there are other reasons, much less savory and much more undesirable, certainly our committee will expose them, and the public will learn of them, and the necessary corrective steps will be taken.

At any rate, Mr. President, I doubt that anyone will deny that a prodigious job has been assigned to the Department of Agriculture, from the standpoint of the authority it is now attempting to exercise, in the area of farm legislation; and if we were to add to those great burdens and problems the power and the controls and the decisions originally called for by the Kennedy-Freeman bill—which I presume was written by Dr. Cochrane, although at least we have to attribute it to those who have presented it and who have approved it—we would be expanding the authority of the Department of Agriculture so greatly that the cases—including that of Billie Sol Estes—which now are attracting the attention of the country would be increased immeasurably.

Mr. President, we must take steps to see to it that the people working on the farms will receive a fair price for a full crop; and we must solve the surplus problems to such an extent that they will not be burdens on the market and will not cause the commodities to sell for less than a parity price.

So, Mr. President, although I must disagree, as regards some features of the bill and the amendments, with the distinguished chairman of the committee, nevertheless I believe that, in the main, the committee did a constructive job in proceeding to remove from the bill most of the provisions which would have provided additional amounts of authority and power for the bureaucrats and additional areas in which determinations would be made by the bureaucrats, instead of by those who are actively engaged in the farming business.

I think it is good to know that, while title 1, in my opinion, still has some deficiencies, we have improved it tremendously. As I recall, we improved it with the support of the chairman. I am not sure. I am not trying to say we did it or not with his approval. But we improved it, because we took away the requested right of the Department of Agriculture, if you please, to dispossess any or every farmer in America from the land he owns and tell him he has to move off, and sell out, at a price to be determined by a board of arbitration, whether he desires to continue to be a land-owning farmer or not. That provision has been eliminated from the bill.

We are talking about a farm problem we have had before us for a long time, and I think we have made some progress in the direction of solving it.

I fail to see the validity in the argument of the Department of Agriculture which now seeks to disclaim the program which it supported just a year ago. When it supported the feed grains program, it made a lot of attractive predictions as to what would occur. They did not all occur to the extent the prophets indicated, but some progress was made in reducing surpluses in this country, without reducing the prices and income received by the farmers.

I notice the Wall Street Journal for today, for example, points out that the storage of grains must be down to less than 1 billion bushels, because it states that we had 1,800 million bushels in storage in 1960 and that over 800 million bushels were sold since October 1, 1961.

That is progress. That is moving in the right direction. It is moving in the right direction without giving bureaucrats the right to whiplash every farmer to be in compliance with a bureaucratic order.

If we were to adopt the amendment, which I feel sure the chairman of the committee is disposed to introduce and support, for a compulsory feed grains program that will take away the latitude and freedom on the part of the farmers, it would put the bureaucrats in Washington in control. I hope we reject that proposal. When it comes time to offer it, I shall discuss the amendment in specific detail at that time.

May I point out also that, according to the Department of Agriculture publication of April 30, the signup for the feed grains program to divert over 29 million acres from corn and grain sorghums has been completed. This exceeds by about 3 million acres the 26 million acres-plus which were voluntarily signed into retirement a year ago.

That is also progress.

Also, we are told, 6½ million acres of sorghums have been diverted, and 3½ million acres of barley production have been diverted.

Our committee, which reported the bill, proposes to continue and improve the programs which are beginning to operate, and to resist any attempt to displace them and substitute for them a complete program of controls and directives from the Department of Agriculture, under a compulsory piece of legislation.

With regard to corn, I hold in my hand the commodity page of today's issue of the Wall Street Journal, which points out that—

> Buying of corn was sparked by the reduced volume of corn held by the Government, lighter receipts, and a strong cash market. In the week ended May 11 the Government sold 12,786,000 bushels of corn for domestic use and export. This brought total Government sales of corn for the season that started October 1, 1961, to 818,726,000 bushels, up from 184,788,000 bushels in the like period a year ago. In recent weeks sales of corn by the Government have exceeded 20 million bushels weekly.

This is also progress in the direction of decreasing the problem of surpluses. This is also progress in the direction of coming to a long-term solution of the farm problem. It, too, was done without any compulsion, without any coercion, without forcing the farmers of America to abandon their freedom and to delegate their fate to the decisions, good, bad, or indifferent, of men either honest or corrupt, efficient or inefficient, in the Department of Agriculture.

> The corn glut—

Says the same issue of the Wall Street Journal, on page 1—

> held by Uncle Sam shrinks fast. The price-support pile of corn owned by the Government fell to 729 million bushels May 1, down 138 million bushels from a month earlier and far below the 1.4 billion held a year before.

I would think that normally an administration that had supported a program which is beginning to operate and which is beginning to reduce surpluses, and which has not seriously, let me say, cut back farm income, and which has retained the freedom of the individual farmer, would come to Congress with some minor suggestions for correction, some lessons from experience, and would say, "Let us continue the program, which is beginning to work."

It is very hard for me to understand the motive of a Secretary of Agriculture, or of a President, or of a professor from the University of Minnesota, whose idea this is, that this program, which is really just getting tried in its first year, should be abandoned in favor of a program yet to be prescribed and yet to be defined, tucked away in the mind of some bureaucrat, which would tell the feed grain farmers, "You have got to do what we say you must do."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. Of course.

Mr. ELLENDER. The Senator is aware, is he not, that when the emergency program for feed grains was put on the statute books, it was done to give us time to write a permanent program? The Senator remembers that, does he not?

Mr. MUNDT. Yes. I think the original act, passed in 1938, was enacted in order to give us time to write a permanent program. We have been trying to write one ever since.

Mr. ELLENDER. The program which the Senator is criticizing was an emergency program for 1 year, in order to give us time to present a permanent program.

Mr. MUNDT. May I correct the Senator? He said I was criticizing the program. I said it was beginning to work. I was not criticizing the program.

Mr. ELLENDER. The Senator was criticizing the administration.

Mr. MUNDT. For wanting to change it.

Mr. ELLENDER. For wanting to change it. We have had it in operation for 2 years, instead of 1, at tremendous cost. The program will cost the Government, as I pointed out yesterday, over $900 million this year. It strikes me that this is an extravagant program, and a permanent program of this kind is not what I would want to see.

Mr. MUNDT. The chairman of the committee does something which is not really compatible with his normal behavior, because he is a great advocate of human freedom—and I respect him for it—and he wants to give the people the right to vote to solve their problem—and I respect him for that—and he believes in protecting the right of the States—and I respect him for that. So I think he wears uncomfortably this new cap which he now has when he introduces a program to knock out my wheat proposal, which simply says, "Let us give the wheat farmers the right to vote, at long last, between two attractive programs for handling the wheat problem."

I do not know how the farmers are going to vote. I must say in my own State of South Dakota, which is a great wheat State, I get a great confusion of counsel from producers of wheat. I get some wheat farmers who are not dedicated to the proposal that we should continue the present proposal for a year or two longer to determine whether the progress being made under it will continue.

There is another group of fine wheat producers dedicated to the so-called wheat certificate program, the two-price proposal, which is the proposal advocated by the Department. These men are equally honest. They are equally desirous of solving the wheat problem.

It seems to me logical, sensible, and profoundly American to follow the guidance provided by the committee bill, which would say to the farmers in South Dakota and elsewhere all across the length and breadth of America, "You are the people who are most vitally interested in this problem. You are the people whose future and fortune will depend upon success in the agricultural business and in the production of wheat. Here are two proposals, each with commendable advocates. We shall give you an opportunity in a national referendum, in good American style, to vote in an honest and fair election, in which the voting will be carefully conducted and the votes carefully counted to determine which of the two programs you wish to follow."

In a second referendum, perhaps a week or two or even 3 weeks later, the same wheat farmers will be given an opportunity to determine whether the farm program on wheat selected by a majority of the wheat producers voting in this country should then become the law of the land.

I can see no valid reason whatsoever for denying to the wheat farmer a right to vote on the program which is going to determine his future and his fate. That is what the Ellender amendment would do, in reality. It would knock out the option. It would knock out the choice. It would disfranchise the wheat farmer as a voter in America on one of the most important economic problems confronting the farmers. It is as simple as that.

I am sure my good friend will not deny that. He would couch it in prettier words, but the result will be, if we enter into a unanimous-consent agreement to that effect, that the Senate will vote on Thursday on that simple issue when we vote on the Ellender amendment.

Our committee does not know whether the wheat certificate program will work or not. A couple of years ago, my good friend who is the chairman will recall, we voted that provision in. Then there was a sort of second thought, we got some different counsel, and we voted the provision out. We never did get it to the Senate at that time.

The wheat proposal of the administration has a lot of support. The wheat certificate program is the so-called two-price system. It has antecedents which go back as far as the McNary-Haugen bill. Its history goes back to the early 1920's. There have always been farmers in America who have felt, "This is the answer."

I do not know whether it is the answer or not. I am persuaded by the arguments. I am perfectly willing to give it a trial, provided the farmers of America wish to try it. However, I see no reason why we should tell the farmers of America, all at once in 1962, "This is the program you must have."

The committee bill now contains my amendment which says: "Let us give the farmers an opportunity to vote. Let us find out what the fellow whose life, fortune, and family depend upon a proper decision, has to say as a result of his right to vote and to make a decision."

I see nothing wrong with that. That is compatible with all farm legislation which, in the final analysis, gives to the farmer an opportunity to choose between a given program and another program.

The only thing which is novel about the Mundt proposal is that it would give to the farmers of America who are raising wheat an opportunity to choose between two programs; each of which has its own attractive features, each of which has its own body of supporters, each of which has its own economic figures, statistics, facts, and predictions with which to bolster its arguments.

I should like to find out which program the farmers favor. I do not think the Senate is so wise that very many Senators will wish to go to the farmers in their own States and say, "Look, Chum, a fellow from South Dakota wanted to give you an opportunity to vote on which of these programs you wanted, but I knew that you were so dumb that you would not vote intelligently, so I decided what was good for you."

That is what Senators will have to tell their constituents, if they vote for the Ellender amendment. They will find a more senatorial manner in which to tell them. The language will be a little happier than that language, but the fact is that is what the farmers will know the Senators are telling them, because Senators are being asked to deny to the farmers of America a right to vote and to state their opinions on the program.

Those who will support the committee language will say, "We have confidence in the American farmer." Those who will vote for the Ellender proposal to strike out the option will say, "We do not have any confidence in the American farmers. We know more than they do. We will tell them what they have to do."

I submit that is not only bad legislation but also a bad approach to any problem under a democratic system such as ours.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. ELLENDER. I am sure the wheat farmers of the Nation are very much in favor of their present program. They have a bonanza, as it were.

Mr. MUNDT. It is not a bonanza. The wheat farmers are not getting parity.

Mr. ELLENDER. There is a minimum acreage, under the law, of 55 million acres, and the Secretary of Agriculture cannot do anything about it. He is powerless to act. When that minimum acreage was put into the law production per acre was 13.3 bushels per acre. Now production is 26.2 bushels per acre. And the minimum acreage is still in the law. Of course, the farmers will vote for that.

Mr. MUNDT. Well, if the farmers will vote for that, then the Senator is not supporting a very popular program.

Mr. ELLENDER. What I am seeking to do is to enact a permanent program which will do justice to the wheat farmers but which will not do violence to the farm program as a whole. It is my considered judgment that if the program continues to cost the taxpayers as much as it cost last year for wheat, corn, and other feed grains and for dairy products—in excess of $2 billion—all farm programs may well be repealed. There is no doubt about that in my mind.

Mr. MUNDT. Is the Senator saying that he proposes to impose upon the wheat farmers of America a program they do not want?

Mr. ELLENDER. No.

Mr. MUNDT. It sounds that way. The Senator said the farmers would not vote for it.

Mr. ELLENDER. They can vote for the program. We have provided that they may vote it up or down.

Mr. MUNDT. Yes; but what will happen if the farmers vote it down? "Down" is the proper term. Down is where their prices would assuredly go.

Mr. ELLENDER. Then the farmers will not get price supports in excess of 50 percent of parity.

Mr. MUNDT. If they vote it down, then down, down, down will go the price of wheat.

Mr. ELLENDER. They will not get price supports in excess of 50 percent of parity.

Mr. MUNDT. That is correct; they will not get realistic price supports. It really will be a voting down all right.

Mr. ELLENDER. It strikes me, Mr. President, that a farmer who expects his government to support the price of a commodity should also be willing to trim down the acreage so that production will be in line and in keeping with what the country needs. No man on the Senate floor knows better than the Senator from South Dakota [Mr. MUNDT] that the American farmers have been producing, for the past 5 or 6 or 7 years, more wheat than the country needs. The same thing is true with respect to corn and the other feed grains.

As I said yesterday, it strikes me as almost immoral for the corn farmers of this country to expect price supports and yet not be willing to curtail acreage so that production would be in keeping with the requirements of the country. That is what I am seeking to accomplish.

Let the farmers select whether they wish to have fair price supports or low price supports. If they desire to have price supports, then let them cut their acreage down so that production will be in keeping with requirements. Certainly that is something which ought to be done. I see nothing wrong with it.

Mr. MUNDT. It is very true that the farmer will get a second vote either way, after he has selected which of the two programs he prefers.

Mr. ELLENDER. That is correct.

Mr. MUNDT. He could vote to extend the present program for another 2 years, which I presume he would do under those circumstances. If the farmers select in the first referendum the wheat certificate plan, the farmers could vote for the trial with that. I suspect they would have to do so, because, as the Senator has pointed out, the alternative is, "Take the wheat certificate program as submitted by the administration or you will get nothing. Vote 'yes' or starve. Vote 'yes' or go broke. Vote 'yes' or go out of business."

That is not the kind of voting we prefer in this country. We believe in giving a man a valid choice between two attractive propositions. We do not believe in the kind of voting which is conducted in Communist countries, where a person votes "da" or goes to jail, or the kind of voting under a Hitler government, where a person votes "ja" or goes to jail.

We do not believe in giving a man a choice which is a choice in name but not in fact, a choice between taking what he is offered or going broke. That would be the alternative presented, if the Senate were to adopt the Ellender amendment.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. ELLENDER. The farmer would have a choice to obtain price supports by voting for the program we have incorporated in the bill. What is that choice? The production of at least 1 billion bushels of wheat. The acreage to produce that amount—or a little in excess of what is needed—would be distributed among farmers according to what they had planted in the past.

Mr. MUNDT. Without price supports.

Mr. ELLENDER. They would receive price supports, of course. That is the point. The alternative program that they would vote upon, if the provisions of the Mundt amendment were rejected, would not only give the farmers the choice of voting for a program in which they would be permitted to produce 1 billion bushels of wheat or more and obtain price supports, but also on diverted acres they would be paid up to 50 percent of what they would produce if they were permitted to plant the acreage. What is wrong with that?

Mr. MUNDT. If the Mundt amendment were eliminated, as suggested by the Senator from Louisiana, the farmer would be given a choice of voting for the wheat certificate plan or a plan without price supports under which he would have no alternative protective device. My amendment would provide a choice of voting for the wheat certificate plan or a continuation of the present program.

The program is not some nefarious Republican program. It is a choice between the administration's latest idea and the administration's idea of a year ago. It would continue the present program.

Mr. ELLENDER. Mr. President, as the Senator pointed out a while ago, if the farmers voted for the wheat certificate program, they would then have to vote again as to whether or not they wanted to live under that program.

Mr. MUNDT. The Senator is correct.

Mr. ELLENDER. They certainly would have the right to vote for the program to obtain price supports. In my judgment, because they would be paid on diverted acres, their income would certainly not be disturbed for at least 3 years.

Mr. MUNDT. What the Senator has said is partially true. If the Mundt amendment is eliminated, farmers will be given the choice of voting for the wheat certificate program and production without price supports. They would have an opportunity to vote as to whether they wanted to live under the wheat certificate program. The other half of the story is that they could live under the wheat certificate program or die under a jungle dilemma of economics in which they would receive no price supports whatever, and would be confronted with already large surpluses of wheat, which would constantly depress the price of wheat in the market place.

Mr. ELLENDER. Mr. President, will the Senator yield further?

Mr. MUNDT. I yield.

Mr. ELLENDER. If the Mundt plan, which is an extension of the 2-year emergency program, were adopted and the old program were reinstated after 2 years, farmers could vote themselves out of that program. But the Senator from South Dakota knows that they would not.

Mr. MUNDT. No; they would not.

Mr. ELLENDER. Of course they would not, because the program has proved to be a bonanza. Every year farmers have been permitted to produce hundreds of millions of bushels of wheat which we do not need. Yet, Uncle Sam has been supporting this excessive production. I do not want that to continue.

Mr. MUNDT. Mr. President, I submit that no program is a bonanza which continues to compel the wheat farmer to sell his product below parity. Even parity would not be a bonanza. Parity is equity. Parity is justice. Parity would give the wheat farmer the same kind of equitable treatment that we try to give the rice farmer, the cotton farmer, the tobacco farmer, and any other farmer who is getting along all right. It is not a bonanza.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. ELLENDER. The Senator well knows that 3 years ago Congress enacted programs affecting the cotton and rice industries in the same manner that we are trying to apply to wheat. At one time the production of cotton was far in excess of our requirements. What did the farmers do? They voted to limit acreage so that production would be in keeping with our requirements.

The same thing occurred with respect to the tobacco industry. I see the distinguished Senator from Kentucky [Mr. Cooper] is in the Chamber. The tobacco growers have curtailed acreage planted in tobacco in keeping with the production that is necessary.

The same statement applies to those engaged in the rice industry. But that is not the case with wheat. As I have said, wheat growers have been especially privileged in that the Secretary of Agriculture is powerless to reduce the national allotment below 55 million acres. He cannot act.

Mr. MUNDT. Mr. President, the distinguished chairman of the committee can well anticipate what I shall say in rejoinder to his statement, because he has heard me make the statement many times in the committee. He knows that the wheat farmer confronts an altogether different situation from the one that confronts the cotton farmer. The cotton farmer is a happy individual who lives in a salubrious climate in which all his competitors enjoy the same kind of climatic conditions in the same general area of the country. When the cotton farmers vote to reduce their cotton acreage, they are pretty well satisfied that no one in North Dakota, South Dakota, or Nebraska will move in and start to raise cotton. So they have been able to devise for themselves, and have supported, a cotton program which is working pretty well. I am ready to vote to help to make it work even better. I shall follow the guidance of those in the cotton area in that connection. The program has worked pretty well in the cotton industry because the problem is unique.

How about the wheat farmer? When the wheat farmer does not raise wheat and starts cutting back, what happens? Farmers in Louisiana, Arkansas, and other States start raising it. Wheat can be raised almost anywhere, and farmers have been doing it. The production of wheat in our country which is no longer being raised on the rich black soil of South Dakota, North Dakota, and elsewhere, is migrating into other areas. It is being raised on acreage that has been idle from the normal production of other crops. In addition, there are small wheat plats all over the country that are not affected at all.

The situation has been captured in the statement that "one man's medicine can be another man's poison." We cannot take a formula that has worked well for cotton—and I am glad it has—and say that it will also work for wheat and corn. We are dealing with crops which are national in character, and which can be raised across the length and breadth of our country. As a consequence, we must deal with it in a different type of legislation. It would be easy to solve the farm problem if we could make the formula which has worked for rice or tobacco work equally well for all other farm products. Unhappily, we must abide by the controls of nature. Unhappily we must abide by the geographic facts of the earth. So we must deal with the problem separately.

I do not wish to discuss the point in detail today, but just prior to the voting stage I wish to reaffirm the fact that the Senate will be voting, in a yea-and-nay vote, upon a simple question which can be stated as follows: "Are you sure, Mr. Senator, that you are so much wiser than the farmers on the farms of your State that you want to deny them the right of free choice and monopolize it for yourself? If you are, vote against the Mundt committee amendment. Vote for the Ellender amendment. But be mighty sure that you can convince your farmer constituents that their stupidity is as great as you assume it is, and that they attribute to you the mental capacities which you assume you have."

I am merely saying that at long last we should give the farmer himself an opportunity to vote. Let us quit trying to push programs down his throat. Let us stop trying to pretend that we are wiser than we are. Let us give farmers an opportunity to decide which of the two programs they prefer. After they decide that, let them determine whether to accept or reject the program. Let us, in short, vote against the pending Ellender amendment.

I yield the floor.

PRESENT VOLUNTARY FEED GRAINS SURPLUS REDUCTION PROGRAM SHOULD BE EXTENDED AND STRENGTHENED, NOT ABANDONED

Mr. PROXMIRE. Mr. President, the pending farm bill, S. 3225, as reported by the Senate Agriculture Committee, provides for a 1-year extension of the successful feed grains program that has been in operation during the past year. This program is voluntary. It has reduced the surplus and cut costs to the Government. It has increased farm income. It is popular with farmers. It should not be abandoned now, at a time when surplus stocks are still high as a result of the costly price support—no control law of the Benson period. Especially it should not be abandoned in favor of the mandatory program now backed by the Department of Agriculture, in view of the near certainty that if such a program is enacted by Congress, it will not receive the requisite approval by two-thirds of feed grains producers nationally voting in the required referendum.

I have analyzed the specific reasons why the referendum will not carry in my statements of April 17, May 17, and May 21, and in my letter to the Secretary of Agriculture of May 11, all of which appear in the Congressional Record. I urge Senators with a serious interest in the welfare of our Nation's farmers to read these statements and judge for themselves whether in fact it is not a near certainty that a vote for the mandatory feed grain program now being offered with the backing of the administration is not a vote against any reasonable farm programs at all.

It is both cynical and misleading to say "If farmers do not vote for quotas, they should not have price supports," without at the same time carefully analyzing which farmers are voting, and whose price supports are involved.

TWO-THIRDS OF THOSE VOTING DO NOT MARKET FEED GRAINS

Such analysis will show that some two-thirds of the feed grains producers specifically eligible to vote in the referendum do not sell feed grains for cash, but feed all their crop to livestock and dairy cows on their own farms. Far from being sellers of grain for cash, and thus amenable to the discipline of the marketplace, this two-thirds of feed grain producers are buyers of grain. It is very hard for them to understand why they should vote for a program which, first, limits and reduces the acreage of feed grains they can grow; second, raises the dollar cost of the feed they have to buy; and third, offers no guarantee of higher prices on the livestock or milk or other farm commodity that they sell.

Milk producers in particular will have no reason whatsoever to support such a program.

Mr. President, I am very conscious of this feeling, because I have talked literally to hundreds of dairy farmers in my State about this problem.

NO INCENTIVE FOR DAIRY PRODUCERS TO FAVOR MANDATORY FEED GRAIN PROGRAM

The price of milk in the areas of heaviest production is set by the support level. A mandatory feed grain program as proposed will not raise that level. But it will raise the price of feed, and so will raise costs to dairy farmers, who already are among the most hard pressed of the Nation's agricultural producers.

Even if a dairy income improvement program, such as I have offered, with the cosponsorship of the senior Senator from Minnesota [Mr. Humphrey], our able majority whip, is adopted—and I intend to press hard for this—dairy farmers will have little reason to vote for a program that raises their costs. If a mandatory feed grains program is enacted, then my dairy income improvement program becomes a must. Otherwise dairy farmers will be chained to 75 percent of parity milk, which is $2.85 per hundredweight of 3.5 percent butterfat, with the prospect of a sharp acreage cut and a rise in the price of the feed they buy. But it must be recognized that whether a dairy program is enacted or not, it will be difficult to convince dairy producers who do not sell grain that it is in their monetary interest to vote for the mandatory program of marketing allotments on feed grains.

Mr. President, just imagine a typical dairy farmer in Wisconsin who may have, perhaps, 50 acres of corn and feed grain on his farm and, as is done by virtually every other feed grain producer in my State, he feeds it all to his cows. If this provision goes into effect, it means that he will be mandated, ordered by the Secretary of Agriculture, if it carries in the referendum, to cut back his production from 50 acres to 40 acres. Therefore he will either have to reduce his production of milk or he will have to go out into the market and buy feed grain.

There is no possibility that if he votes in favor of this proposal the milk price will be higher. It will not be higher. It will $3.11, or $2.85 for 3.5-test milk. Under these circumstances it is perfectly predictable what the farmer is going to do. We know that many farmers will sit down with pencil and paper before they vote on this proposal and figure out, "Do I gain or do I lose?"

Any dairy farmer who does this is bound to come to the conclusion that he will lose. He will therefore vote "No." The fact is that a very large number of farmers who will vote in this referendum will be dairy farmers. A very large number of the farmers will be dairy farmers who do not sell a nickel's worth or a bushel of feed grain. These farmers predictably will vote "No."

Incidentally, I have talked with officials in the Department of Agriculture about this, to independent experts, and to the staff of the Committee on Agriculture and Forestry, and they all say this line of reasoning is correct.

I challenge any Senator and I challenge the chairman of the Committee on Agriculture and Forestry to give me any reason why a dairy farmer should not vote "No" under those circumstances.

Oh, there may be a broad-scale view of the whole farm program that may make a farmer consider the welfare of the corn farmer of Iowa, and so forth, and under those circumstances he may in good conscience feel that a wise vote is to cut the production of feed grain on his own farm by 20 percent, and substantially increase his costs.

However, I do not believe there is any genuine reason, no definite, no specific reason for such farmers to vote "Yes." They will vote "No."

HOG, CATTLE PRODUCERS OPPOSE MANDATORY PROGRAM

Hog, beef, and other livestock producers also feel they have no reason to vote for a program that raises their costs with no sure prospect of an increase in the commodity prices of what they market. To be sure, the careful studies of the Department of Agriculture and many other experts at land-grant colleges and elsewhere have demonstrated the relation between feed prices and beef and hog prices. Cheap feed means cheap hogs and cheap cattle, and farm income plummets. But it must be recognized that these analyses are not universally accepted. There is a very widespread feeling among livestock producers that their prices and marketings and income have been satisfactory because of the absence of any Government programs for what they sell. In this conviction they have the stanch support of many farm organization officials as well as farm newspapers and periodicals.

In addition, as I have explained previously, in my statements on May 17 and April 17, feed grain producers who also raise tobacco or cotton, and who receive a substantial cash income from these crops, have little interest in a marketing quota program which will restrict the amount of feed grains they can plant. It is the opinion of a distinguished agricultural economist from a Southern State that producers in his area would never favor a marketing quota plan for feed grains, no matter how often it was offered, or how low feed prices fell. Increasing education and understanding would not help, since these producers will continue to feel that allowing expansion of their feed grains production is very much in their interest. So it is not unlikely that southern feed producers would oppose a mandatory feed grain program by an even greater vote the second time around than the first. This would be especially true if the payments proposed are lowered after the first year.

Granted a bandwagon psychological effect might raise the level of approval the first time around. But as I have shown, it is extremely doubtful that this would be enough to offset the deeply ingrained opposition of many, many farmers in many parts of the country to a mandatory supply management program for feed grains, an opposition in which they will be encouraged by many farm organizations and local farm leaders. What is more, there will have been no experience of a free market in feed grains to prove the correctness of the studies showing what will happen to farm prices and income if supply adjustment and price support programs are abandoned.

PROGRAM LIKELY TO MEAN END OF PRICE SUPPORTS

It is one thing to say that price supports without production limitations cannot be justified.

But it is quite a different thing to offer a mandatory supply limitation program on which hundreds of thousands of farmers with sharply differing, and even conflicting, interests will have to vote—and using this as a justification for abandoning the price supports that are the only guarantee of reasonable prices and incomes for the main feed grain producers, price supports which in a situation of great surplus provide the only sound basis for stability in agriculture.

So let it be very clear that a vote in the Senate for a mandatory feed grain program will be a vote against any price supports for feed grains. It will be a vote for an abandonment of price supports on by far the largest crop in the Nation. It will be a vote that, to be sure, will result in a sharp reduction of Government costs, but at a fantastic price—and the price must be recognized.

Mr. President, abruptly ending the feed grain price supports in a period of substantial surplus will mean a certain, great overproduction of feed, and a predictable drop in the price of corn to 75 cents a bushel. It will mean distress beef prices, 9-cent hogs, and a greater-than-ever dairy surplus. It will mean a serious drop in agricultural income at a time when farm income already is far, far lower than in any other sector of our generally prosperous economy.

The predictable costs of picking up the pieces after the Nation's farmers are in such a situation will be very high, higher, indeed, by far than the cost of continuing the present successful feed grains program. It will mean high costs in welfare payments and in the redevelopment of rural areas where incomes will be sharply reduced.

PRESENT PROGRAM CAN BE IMPROVED, EXTENDED

With modifications that I have suggested, the present feed grains program, backed by the administration last year, can be made to work even better. Its real costs are already substantially lower than the bookkeeping costs, since most of the payments in kind represent grain that otherwise would be used in surplus disposal programs which bring no dollar returns.

I feel strongly that there should be modifications which will require a greater degree of cooperation and that can sharply reduce the cost of the program, although we know that the program is sure to cost less, because we are very unlikely to get the kind of excellent weather we had last year—the best weather in many years.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table spelling out in detail the cost of the present program.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1961 feed grain program results

Acreage diverted under the program:	
Corn ____ millions of acres__	19.1
Sorghum grain ____ do__	6.1
Total ____ do__	25.2
Estimated cost of program payments:	
Corn ____ millions of dollars__	645.0
Sorghum grain ____ do__	137.0
Administrative costs ____ do__	42.8
Total ____ do__	824.8
Cost per acre ____ dollars__	31

DEPARTMENT'S ESTIMATED SAVINGS RESULTING FROM 1961 FEED GRAIN PROGRAM

Element of cost:	*Total savings (millions of dollars)*
1. Acquisition costs avoided	353
2. Carrying costs avoided	843
3. Interest savings	211
Total	1,407
Cost of program:	
1. Land retirement payments	782
2. Administration costs	42
Total	824
Net savings to Government	583

DEPARTMENT'S ESTIMATE OF EFFECT ON FARM INCOME

1961: Value of production of all feed grains, basis price per ton of corn	5,372
Payments for land diversion	782
Total	6,154
1960: Value of production of all feed grains, basis price per ton of corn	5,705
Increase in gross returns	449

Mr. PROXMIRE. Mr. President, this is a program which will work. It is a practical program. It has been tried.

Mr. President, specifically to strengthen the program, I offer an amendment to encourage cross-compliance under the voluntary feed grain program as provided in the farm bill, S. 3225. I ask unanimous consent that the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table; and without objection, it will be printed in the RECORD.

(The amendment is as follows:)

On page 17, between lines 15 and 16, strike out the quotation marks and insert the following:

"(4) Notwithstanding any other provision of law, the Secretary may require producers of corn, grain sorghums, or barley, as a condition of eligibility for any benefit under this or any other law administered by the Secretary, to participate in the special agricultural conservation program under this subsection to the extent prescribed by him (except that a producer of Malting barley, or a producer of barley on a summer fallow farm, as described in section 105(c)(6) of the Agricultural Act of 1949 shall not be so required to participate in the special agricultural conservation program for barley)."

Mr. PROXMIRE. My amendment provides that as a condition of eligibility for other farm programs that provide financial benefits to producers, the Secretary may require participation in the diversion feature of the voluntary feed grains program—with the obvious qualification that the farmer be a producer of feed grains.

This is based on a simple and easily understood principle, one which I know from my own experience most farmers accept and, indeed, strongly approve.

That is, farmers who choose not to comply with a voluntary production reduction program should not be permitted to benefit from other Federal assistance or subsidy programs of other types.

This adds a sensible, easily understood incentive to back up the generous inducement offered farmers already to gain compliance with the feed grain program. Those farmers who want the freedom to continue to plant all they want could continue to do so, but they could not at the same time continue to receive lucrative subsidies of various kinds also offered by the Department of Agriculture.

IF MANDATORY FEED GRAIN PROGRAM ADOPTED, SIMULTANEOUS REFERENDUMS SHOULD BE HELD ON WHEAT AND COTTON

Mr. President, I turn now to a different point. One of the reasons why a mandatory feed grain program is likely to lose in a referendum is because there is no provision for simultaneous cross-compliance votes. It is not enough, it seems to me, to propose a mandatory feed grain program without offering a method by which a favorable vote could be achieved. Such a program is likely to be defeated in large measure because, for example, it will be opposed by farmers who vote in a cotton marketing quota program to reduce acreage, but then want to use the additional land to grow feed grains, which they will feed to cattle or hogs. This is not theory; this is what has happened in the past. In order to overcome this possibility, I suggest another approach.

REQUIRE CROSS-COMPLIANCE IN REFERENDUM

It is widely recognized that many producers who vote for marketing quotas on their major money crops may vote against marketing quotas on feed grains. These producers want to use acreage diverted from their major money crop, as well as other acreage, to raise feed grains which form the basis of their livestock program. Therefore, they may be reluctant to support a mandatory marketing quota on feed grains which has the effect of restricting their acreage and raising the price of any feed they have to buy.

In view of the fact that feed grain producers in all parts of the country will be voting in the required referendum, if a marketing quota program for feed grains is enacted, it makes sense to provide for simultaneous referendums for the feed grains, cotton, and wheat programs. This is a minimum precaution that should be adopted.

As I have explained in detail, the cards are stacked against two-thirds producer approval of a mandatory feed grain program in any circumstance. At least, requiring simultaneous referenda on the three main marketing quota programs will unstack the deck a bit.

Mr. President, I therefore send to the desk, and ask to have printed, my amendment requiring simultaneous referenda for mandatory marketing programs on cotton, wheat, and feed grains. This is an amendment to the amendment designated "5-21-62—A" which was submitted by the Senator from Louisiana [Mr. Ellender] and is supported by the Department of Agriculture. I ask unanimous consent that the amendment be printed at this point in the Record.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table; and, without objection, it will be printed in the Record.

(The amendment is as follows:)

On page 13, beginning with the new sentence in line 17, strike out all down through line 4 on page 14, and insert in lieu thereof the following:

"Notwithstanding any other provision of law, whenever a referendum is conducted pursuant to the provisions of the first paragraph of this section for the purpose of determining whether farmers favor or oppose marketing quotas for feed grains, the Secretary shall at the same time conduct referendums to determine whether farmers favor or oppose marketing quotas for wheat and cotton. The eligibility requirements for voting shall be determined in the case of feed grains by the provisions of the first paragraph of this section, in the case of wheat by the provisions of part III of subtitle B of this title, and in the case of cotton by the provisions of part IV of subtitle B of this title.

"Whenever referendums for feed grains, wheat, and cotton are conducted at the same time as provided herein, any farmer eligible to vote in more than one such referendum shall only be permitted to vote in favor of marketing quotas for all commodities with respect to which he is eligible to vote or against marketing quotas for all commodities with respect to which he is eligible to vote.

"In determining the results of a referendum conducted under this section, the votes cast in favor of or against marketing quotas in the case of feed grains, wheat, and cotton, respectively, shall be counted separately.

"The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in any of the referendums conducted voted against marketing quotas for the commodity concerned, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop or crops of that commodity with respect to which the referendum was applicable. If the Secretary determines that, in the case of the feed grain referendum, two-thirds or more of the farmers voting approve marketing quotas for a period of two or three marketing years, no referendum with respect to feed grains shall be held for the subsequent year or years of such period.

"If the Secretary determines that the date prescribed in the first paragraph of this section is too early or too late to conduct simultaneous referendums as provided herein, he may advance or delay the conducting of such referendums by publication of the change of date in the Federal Register."

Mr. PROXMIRE. Mr. President, I do not favor the enactment of the mandatory feed grains program proposed by the Senator from Louisiana [Mr. Ellender], and the Department of Agriculture. But if such a program is enacted and put to a producer referendum, I feel very strongly that the minimum precaution of simultaneous referendums on wheat and cotton should be provided.

Each producer who grew one or more of these crops would have to vote for or against marketing quotas on all the crops he grew. He could not vote for quotas on one crop and against quotas on the others.

The votes for each crop would then be counted separately. For each crop where two-thirds or more of the producers voting favored supply management, a program would be put into effect. If one-third or more of the producers of any one crop voted "no," no program for that crop would be put into effect.

I sincerely hope my amendment will be adopted.

I yield the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Burdick in the chair). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I have a unanimous-consent request to offer, which I think has been cleared by all Senators interested. I will read it at this time, because it may be difficult for the clerk to put it together:

Ordered, That effective at 12 o'clock noon on Thursday, May 24, 1962, debate on the Ellender wheat amendment or any amendment thereto shall proceed until 2 o'clock p.m., to be equally divided and controlled by Mr. Ellender and the minority leader; that at said hour a vote shall be taken on said amendment or any amendment, motion, or appeal relating thereto, except a motion to lay on the table; that following a vote on said amendment or amendments, 2 hours, to be equally divided and controlled as above, be allotted for debate on the Ellender feed grains amendment or any amendment thereto; on any other amendment, motion, or appeal, debate shall be limited to 2 hours, to be equally divided and controlled by Mr. Ellender and the minority leader: *Provided*, That no amendment that is not germane shall be received.

Ordered, further, That on the question of final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Louisiana [Mr. ELLENDER] and the minority leader: *Provided*, That the Senator from Louisiana [Mr. ELLENDER] and the minority leader, or either of them, may from the time under their control on the passage of said bill allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I think the Senator has one error in the request, and that is that the time on an ordinary amendment should be controlled by the movant and the Senator from Louisiana [Mr. ELLENDER], rather than by the minority leader and the Senator from Louisiana [Mr. ELLENDER].

Mr. MANSFIELD. I accept that suggestion. I thought the minority leader, as a matter of courtesy, would honor such considerations.

I amend my unanimous-consent request accordingly.

The PRESIDING OFFICER (Mr. PEARSON in the chair). Is there objection?

Mr. MUNDT. Mr. President, reserving the right to object—and I shall not object—I should like to ask for the yeas and nays on the Ellender amendments on wheat and feed grains.

Mr. HUMPHREY. On the wheat amendment?

Mr. MUNDT. On both the wheat amendment and the feed grain amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. MANSFIELD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is the request for the yeas and nays on both amendments?

The PRESIDING OFFICER. The Senator is correct.

The yeas and nays were ordered.

Mr. HICKENLOOPER. Mr. President, I should like to inquire whether the majority leader has made any determination as to the time the Senate should convene on Friday. It is of some importance. I heard that the Senate might meet at 10 o'clock on Friday. I understand it is tentatively considered that the Senate will meet at 11 o'clock on Thursday.

Mr. MANSFIELD. I should like for the Senate to convene at 10 o'clock on Thursday.

Mr. HUMPHREY. Could the Senate meet at 10 o'clock on Friday, also?

Mr. MANSFIELD. Yes.

Mr. HICKENLOOPER. There are one or two Senators who have some commitments late Friday evening.

Mr. MANSFIELD. I shall ask that the Senate meet at 10 o'clock on Friday morning.

Mr. HICKENLOOPER. I understood that, with the vote at 2 o'clock on the wheat amendment, it would not be necessary to convene at 10 o'clock on Thursday. I have no objection to it.

Mr. MANSFIELD. The time will be 10 o'clock on Friday morning.

Mr. HUMPHREY. And 10 o'clock on Thursday morning?

Mr. MANSFIELD. Ten o'clock on Thursday morning.

Mr. HICKENLOOPER. Ten o'clock on Thursday morning and 10 o'clock on Friday morning.

Mr. MANSFIELD. Yes; and 12 o'clock noon tomorrow.

Mr. HICKENLOOPER. Is that agreeable to all?

Mr. MANSFIELD. Yes. I shall make the request as soon as action is taken on the pending unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and without objection the order is entered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That effective at 12 o'clock noon on Thursday, May 24, 1962, debate on the Ellender wheat amendment or any amendment thereto shall proceed until 2 o'clock p.m., to be equally divided and controlled, respectively, by Mr. ELLENDER and the minority leader; that at said hour a vote shall be taken on said amendment or any amendment, motion or appeal relating thereto, except a motion to lay on the table; that following the vote on said amendment or any amendment thereto, 2 hours, to be equally divided and controlled as above, shall be allotted for debate on the Ellender feed grain amendment or any amendment thereto; that on any other amendment, motion, or appeal, except a motion to lay on the table, debate shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the provisions of the said bill or the wheat and feed grain amendments shall be in order.

Ordered further, That on the passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal. (May 22, 1962.)

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations tonight it stand in adjournment to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT ON WEDNESDAY UNTIL 10 A.M. THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations tomorrow it stand in adjournment to meet at 10 o'clock on Thursday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT ON THURSDAY UNTIL 10 A.M. FRIDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations Thursday evening it stand in adjournment to meet at 10 o'clock on Friday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO THE LATE FRANK C. BYERS

Mr. MILLER. Mr. President, the dean of the Iowa Legislature, the late Senator Frank Byers, of Marion, Iowa, recently passed away. It was my pleasure to serve in the Iowa Senate with the late Senator Byers, who was beloved by all his colleagues and recognized as one of the foremost members of the Iowa Legislature in the history of the State.

In a recent issue of the Des Moines Register appeared an editorial entitled "The Gentleman From Linn," honoring the late Senator Byers. I ask unanimous consent that the editorial may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE GENTLEMAN FROM LINN

Former Senator Frank C. Byers, of Marion, who died Thursday at 78, was an example of the fact that personality is a very useful ingredient in the work of Government and legislation.

His service of 32 years in the legislature was not the only thing which made him known to and will make him missed by all those who served in or watched the general assemblies of the last three decades.

His physique would not command attention. He was small and slight, but his influence as a leader of the urban bloc and as chairman of the smoothly run Judiciary Committee No. 2 of the senate was great. He had a flexibility which permitted him, in his last years of senate service, to act as adviser and counsellor for the freshmen, the new members, in their effort to form a bloc of their own.

He dressed immaculately and wore pince-nez glasses for years. His carnation was a badge of personality. He did not speak often but when he did it was with gentleness and humor that left no sting and no resentment. He retired from the membership but not the memory of the senate 2 years ago.

He was called for many years "The Gentleman from Linn." It was a title which characterized him.

THE INSIDIOUS CAMPAIGN TO SILENCE ANTI-COMMUNISTS

Mr. MILLER. Mr. President, in the latest issue of the Reader's Digest appeared an article entitled "The Insidious Campaign to Silence Anti-Communists," written by William R. Kintner.

The article points out that the rather superficial attempt to silence anti-Communists, by those who like to call themselves anti-anti-Communists, actually is playing into the hands of the Soviet and Communist propaganda machine. I believe the article could be read with interest and could be of considerable help to everyone, and I therefore ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

THE INSIDIOUS CAMPAIGN TO SILENCE ANTI-COMMUNISTS

(By William R. Kintner[1])

An insidious, Moscow-fed campaign to bleed the life out of anticommunism in America is now beginning to pay off. Within the past year it has created such a climate of distrust and confusion that scores of reputable anti-Communist authorities find themselves tainted, suspect, under vicious attack.

The newest target for exploitation by the Reds is the extremist hysteria currently evident in America. Millions of Americans have become discouraged by the years of confusion, contradiction, and empty posturing that have marked our efforts against communism. Out of a growing sense of frustration some have gathered into wrongheaded extremist cults such as the John Birch Society. Yet, instead of removing the cause of frustration on which such movements feed,[2] some of our highest officials are attacking not just Birchites but experts on the Communist challenge. As a result, a deplorable set of double standards has developed. Persons who voice anti-Communist thoughts are reprimanded, while those who plead accommodation are rarely rebuked.

For example, in Okanogan, Wash., U.S. Forest Ranger Don Caron was forced to resign because he wrote anti-Communist articles for the local newspaper. His superiors said his writings were "controversial" and "reduced his effectiveness."

Yet when Supreme Court Justice William O. Douglas publicly argues against U.S. policy to resist Red China's admission to the United Nations there is no censure, although the prestige of our highest Court is injected into foreign-policy matters outside its jurisdiction.

Last July the U.S. Navy was so wary of pressures against anti-Communists that it wouldn't even let one of its bands play at a Santa Monica, Calif., anti-Communist rally sponsored by 53 civic and service organizations, including the American Legion.

Many of the same people who a few years ago quite properly decried Senator McCarthy's "guilt-by-association" techniques in labeling persons pro-Communist now employ these same tactics to smear all anti-Communists as Birchite "extremists." No sooner was it disclosed that Maj. Gen. Edwin Walker belonged to the John Birch Society than numerous high-ranking military men found themselves subtly stamped with the Birchite-Walker label. The New York Times referred to Walker as just "the most conspicuous example" of officers with theories akin to those held by Birchites. Much in the same vein, a report to the Fund for the Republic lumps such respectable publications as National Review and U.S. News & World Report with the discredited Birch Society's own journal.

Aided by such loose reporting, this drive which discourages and reprimands anticommunism in the United States not merely serves Russia's aims; it has its roots in Moscow's psychological and propapanda specialists. The Reds have fastened onto the extremist hysteria as a handy vehicle for mounting a well-laid campaign to split the United States in two and discredit both liberals and conservatives who urge toughminded realism in dealing with communism.

The zeal with which the Reds are going about this is a tribute to a movement which had its beginning in 1955, when 1,000 educators, businessmen, and scientists assembled in Chicago for the first national Military-Industrial Conference to devise ways of meeting the Soviet technological challenge. The parley was so successful that it became a yearly event supported by eight universities, dozens of professional societies, labor unions, business groups and several U.S. Government departments. Moreover, it was put under the direction of a civilian-run, year-round organization, the Institute for American Strategy.

Meanwhile, alarmed by Communist intrusions and psychological gains, the White House urged that the public be better informed about cold-war problems. As a result, the University of Pennsylvania's Foreign Policy Research Institute was called upon to set up a 2-week seminar for 210 highly qualified military reservists.

In the summer of 1959, college presidents, deans, editors, members of Congress, Governors, lawyers, teachers, and businessmen gathered at the National War College and heard lectures by 55 top experts. Deeply moved by what they learned, many participants felt urged to alert their own areas. With the guidance of such organizations as the Institute for American Strategy, they organized weekend strategy seminars for which nearby Army posts made available their dormitories and assembly halls.

In the last 3 years, more than 50 of these forums have brought together 60,000 persons for intensive education about the enemy's methods and goals. In rare instances, speakers have slipped off the track into intemperate remarks—but this has happened only because the discussions have been carried on in such a frank and free atmosphere.

The public's understanding of communism was further sharpened by revelations made in congressional committees. Defectors from Russia's intelligence system appeared before our legislators and explained the Kremlin's sordid techniques of blackmail and murder. The Federal Bureau of Investigation unveiled the plans of the U.S. Communist Party members, obeying Moscow orders, to infiltrate and influence American youth.

As a result of all this activity, anticommunism developed into dynamic enlightened force in America—a movement so powerful that Khrushchev had to try to destroy it.

Evidence of the Kremlin's concern was a meeting held in Moscow in late 1960. Eighty-one Communist chieftains huddled for close to a month, then issued a startling manifesto which described the anti-Communist movement as "the principal ideological weapon" of Communist opponents and called on Communists around the world to participate in exposing anticommunism.

On January 6, 1961, Khrushchev summoned before him the elite of communism's psychological warfare experts. He told them that the rising anti-Communist movement had to be destroyed and stressed the necessity of establishing contacts with those circles of the bourgeoisie which gravitate toward pacifism. His most revealing words: "We must use 'prudent' representatives of the bourgeoisie."

Khrushchev was confident that his international brainwashing apparatus could carry out these orders. From disclosures by defector MVD Col. Vladimir Petrov before the Royal Australian Commission and from congressional testimony of the CIA, we know how this apparatus operates. Dossiers in Moscow's espionage headquarters were combed for the names of unsuspecting persons in the United States who might do the Kremlin's work. Search was made for political leaders of our extreme left who might fall for a made-in-Moscow line, for ultraliberal newsmen who would innocently echo Communist-inspired interpretations. Finally, the Kremlin experts on America screened conservatives, singling out extremists whose intemperance could be counted on to discredit all anti-Communists.

Such Communist use of legitimate liberals, conservatives and pacifists should be a matter of concern, not blame. They are equally victims of the devious mechanism which 60 years of Communist experience have perfected for moving the party's ideas deep into free societies. This transmission system functions through four rings, which are like ripples from a stone dropped in water, as one expert puts it. Ring one consists of actual Communist fronts linked closely to the Kremlin. Ring two is made up of blind pacifists and fuzzy intellectuals who occasionally aid Red aims. Ring three nears the mark that Moscow wishes to hit, the innocents: respected citizens who have influential connections but who are often professional protesters and crusaders, career cause people whose idealism is both genuine and naive. Ring four is composed of opinion-makers: editorial writers, news analysts, commentators, preachers, editors, educators. The ultimate objective of all this attention is the general public.

By the time the ripples from a counterfeit idea dropped in the middle of Ring one finally lap up on the shores of public opinion, it becomes virtually impossible to separate the innocent carriers from the knowing purveyors. The public at best is confused, at worst actually hostile to anticommunism. In either case, Moscow scores a clear gain.

The primary target is the Pentagon. For, as Senator Frank Lausche, a Democrat from Ohio, has explained: "If I had to advance communism in the world, I would urge the destruction of U.S. public confidence in our military men."

Last spring the Reds were handed a perfect opening wedge: discovery by the press of the extremist John Birch Society, plus a later revelation that one U.S. general was a member. This was enough to set some of our most influential newspapers off on a chase to show, with slim pickings for proof, that numerous officers were indoctrinating their commands and the civilian population with Birchite-type theories. This in turn was all that Gus Hall, boss of the U.S. Communist Party, needed to thunder that "even the Pentagon had to admit recently that it was worried over the extent of Birchite and similar influences among the ranking officers of the military services."

The controversy over rightwing extremists mounted. Often the shooting missed the main target and strafed legitimate anti-Communists and educational programs with a spray of guilt by association. Among those to be hit were the strategy seminars.

The furor reached its peak last summer when none other than the influential chairman of the Senate Foreign Relations Committee, William Fulbright, dispatched a memorandum to the Pentagon castigating the seminar program.

As a result of all this, any effective seminar program was doomed. Unofficially, word flashed down from the Pentagon through the officer corps to go easy on public "anti-Communist" remarks. In recent months, the sponsors of a proposed Louisiana-Arkansas-Texas session in Shreveport, La., on the Communist threat were told that "the Defense Department cannot participate in your seminar in any manner." In Virginia, a training program on communism for active-duty National Guardsmen had to be postponed. Throughout the Nation, citizens' groups wanting to learn more about our own strategy have been denied military cooperation.

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[1] William R. Kintner is deputy director of the Foreign Policy Research Institue and professor of political science at the University of Pennsylvania. A West Point graduate, he served successively from 1950–61 as a Central Intelligence Agency planning officer, a staff negotiator at the Panmunjom armistice talks, and adviser at the White House on cold war operations, chief of long-range planning in the Office of Chief of Staff, U.S. Army. He is a coauthor of "Protracted Conflict" and "A Forward Strategy for America." His latest book, "The New Frontier of War," an analysis of Communist psychopolitical warfare, will be published this month.

[2] "This public responsiveness to the extremists' views is not without cause. There is a mounting sense of frustration over the trend of the cold war and the conviction that we are always on the diplomatic defensive. The way to disarm extremism is not to lecture the extremists but to remove the sense of frustration on which extremism feeds. The truth is that the West has been on the diplomatic defensive since the end of World War II" (Roscoe Drummond in New York Herald Tribune).

Isn't it time we stopped such senseless suppression of responsible education about Khrushchev's plan to bury us? Unless the American people can realistically analyze together this total Communist threat, the Kremlin will watch its plan to paralyze us succeed, as we divide into a bitter civil war of words that will wreck our national unity. We must regain the real balance needed to allow all citizens to study Communist maneuvers and learn how to cope with them intelligently and forthrightly without being silenced or smeared. For when the day comes that we are prevented from fully comprehending why growing Communist power imperils freedom, and when we cannot discuss frankly what should be done to combat it—on that day our cause will be lost.

TRUMAN'S FARM VIEWS

Mr. MILLER. Mr. President, in the April 29 issue of the Des Moines Register is an editorial entitled "Truman's Farm Views."

The editorial cites the recent statement by the former Democrat President, Mr. Truman, to the effect that farmers are "the biggest yellers in the country."

Mr. President, I can understand why farmers might be yelling rather loud, in view of some of the recent activities in the Department of Agriculture, and in view of some of the proposals to place them under further Federal controls, but I cannot understand why a former President should make such a statement, even in an off-the-cuff remark.

I ask unanimous consent that the editorial may be printed in the RECORD, because I believe that our farmers are interested in knowing what the former Democratic President has to say about them.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> TRUMAN'S FARM VIEWS
>
> Former President Harry Truman was in Des Moines last week and he said something about farmers being "the biggest yellers in the country." Because of the farmers' peculiar ability to yell louder than anyone else they will be able to take care of themselves in the face of increasing city strength in Congress, he said.
>
> This is the same Harry Truman who came to Des Moines and Dexter on September 18, 1948. He seemed to be a very sympathetic man then. He said the farmer had "saved millions of people from starvation" by ability to produce. He actually encouraged a little yelling provided, of course, that the yelling was at the Republicans.
>
> "How many times do you have to be hit on the head before you find out what's hitting you?" he asked the farmers. "Are you going to let another Republican blight wipe out your prosperity?" He also said that Congress had "stuck a pitchfork in the farmer's back." In most barnyards a pitchfork in the back is regarded as justifiable grounds for real first-class country hollering.
>
> If anyone has any trouble reconciling the Truman attitude of 1948 and that of 1962 the answer may be found in something else he said in Des Moines Wednesday. He was asked if he is running for any office now. He said he isn't.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MILLER. Mr. President, I rise in opposition to the amendment of the distinguished Senator from Louisiana [Mr. ELLENDER], numbered 5-21-62, known as the wheat amendment.

This amendment would strike from the bill, S. 3225, as reported by the Senate Committee on Agriculture and Forestry the second alternate program upon which wheat farmers would be permitted to vote in a referendum.

The result of the Ellender amendment would be to give our wheat farmers a choice of voting for nothing—no acreage controls, no price supports, nothing except disaster—or for a 2- or 3-year national marketing quota programs, as determined and proclaimed by the Secretary of Agriculture; a quota, moreover, which would take into account any withdrawals of Commodity Credit Corporation stocks which the Secretary deems to be excessive, accompanied by a national acreage allotment also to be proclaimed by the Secretary of Agriculture.

Without the Ellender amendment, our wheat farmers would be given a choice of voting for something—a continuation of the 1962 program with a 10-percent reduction in acreage on each farm, to be reimbursed by cash or in-kind payments, with present price supports; or a 2- or 3-year national marketing quota and acreage allotment program, such as I have previously described.

It seems to me that it is unfair to our wheat farmers to offer them a choice of disaster on the one hand or complete regimentation under control of the Secretary of Agriculture on the other hand. Indeed, the Secretary of Agriculture has too much power and control already without adding to it, as the Ellender amendment would do.

I am confident that our wheat farmers would reject the choice, if it can be so termed, of a completely federalized and federally controlled agricultural program in favor of a sensible program of reduced acreage to be paid for in cash or in kind. Moreover, properly administered, I am confident that the latter program would result in a substantial reduction in production of excessive stocks of wheat.

The argument has been made that producers of cotton, rice, tobacco, and peanuts have been under Government controls for a long time, so why not do the same thing for wheat and feed grains? It is not quite as simple as that. Special circumstances differentiate these crops from wheat and feed grains. Tobacco and cotton are not used in livestock production, for example. Acreage involved in production is only one two-hundred-and-thirtieth that in wheat, feed grains, and oil seeds. Rice and peanuts are small acreage crops localized in their production.

Moreover, the program of controls which the Ellender amendment would practically force our wheat farmers to vote for is not the same as the program for these other agricultural commodities. If producers of cotton, rice, or peanuts voted against controls, those who nevertheless controlled their production would still be entitled to price support of 50 percent of parity and to protection against disposal of Commodity Credit Corporation stocks at less than price supports.

As a matter of fact, Mr. President, I doubt that the producers of tobacco, rice, cotton, and peanuts would ever have voted for their programs—indeed, I doubt that the Members of the Senate would ever have given them such a choice—if these had been so restrictive and harsh as the regimentation to which our wheat farmers would be subjected under this bill, if it is amended as the Senator from Louisiana recommends.

Mr. President, I yield the floor.

CANADIAN TAX INCENTIVES IN THE MINING INDUSTRY

Mr. HUMPHREY. Mr. President, few public statements which I have seen in recent months have so vividly dramatized the impact of the Canadian tax incentives in drawing American investment dollars north of the border, as an article in the Wall Street Journal of May 17, by Mr. Harlan S. Byrne reporting from Ottawa.

Mr. Byrne reports as follows:

> U.S. businessmen and investors have a huge stake north of the border. At the end of 1960, U.S. investments in Canada totaled $16.9 billion, up 64 percent from 5 years earlier. U.S. interests owned or controlled 44 percent of Canada's manufacturing industry, 53 percent of mining and 69 percent of petroleum.

As respects my own State of Minnesota, where traditionally American steel industry has found its chief supplies of iron ore, during the period when United States investments in Canada were rising by 64 percent, to a point where U.S. interests own or control 53 percent of the entire mining industry of Canada, there have been sharp cutbacks in iron mining in Minnesota and in iron mining investments in many areas of the State of Minnesota.

As I recall, the two exceptions—the Reserve Mining and Erie Mining—have established what we call taconite plants and have proved that the type of processing of taconite ore carried on there is not only feasible, but it is competitive in the steel markets. I compliment these splendid companies on their initiative and willingness to develop the new process.

In other words, decisions were made by the boards of directors of the major steel and iron mining companies in this country to shift their iron ore production north into Canada out of the United States. This was done, clearly, in response to the heavy incentives offered by Canada, including a 3-year complete tax forgiveness feature for new iron mining installations.

The truth is that the State of Minnesota could not, if it wished, compete with the kind of tax incentives that the friendly nation to the north has been offering to our mining industry, and which have been so eagerly seized upon by our iron and steel industry leaders. What is required is a U.S. counter for such remarkable tax incentives as we face from other nations, and secondly, a determination on the part of the American iron and steel industry leaders that it is better business in the long run to maintain at least a reasonable balance in mining from American mines than foreign mines.

I note again that despite whatever our own State may do—and we have done much in terms of offering incentives, particularly in the taconite industry—we stand helpless as a single State in the tax structure unless changes are made in the Federal tax structure which at least would offer some competition to the incentives that are being offered by our neighbor to the north.

I am hopeful that the President's tax bill, together with what I hope will be additional incentives in the form of more rapid tax depreciation schedules for our mining equipment, will combine to persuade the iron and steel industry leaders that they should resume their policy of investing in the traditional areas of American iron ore mining.

Mr. President, I ask unanimous consent to have printed at this point in the Record the portion of the article entitled "Canada's Election" from the Wall Street Journal, May 17, written by Harlan S. Byrne.

There being no objection, the portion of the article was ordered to be printed in the Record, as follows:

Canada's Election—Liberal Party Copies Kennedy Tactics as It Tries To End Tory Rule—Pearson Forces Use Polls, Hit Stagnation—Economic Upturn Aids Conservatives—Curbs on U.S. Investments?

(By Harlan S. Byrne)

Ottawa.—Campaign promises to "get the economy moving again" and "restore our lost international prestige"; thrusts at "wasted years" under the party in power; private polls to learn voter attitudes.

Remind you of John F. Kennedy's U.S. presidential campaign? As a matter of fact, they're fairly authentic reproductions by Canada's Liberal Party. The Liberals hope to profit from the lessons of the Kennedy victory as they seek to unseat the ruling Progressive Conservatives, or Tories, in Canada's general election June 18.

Liberal leader Lester B. Pearson and the party's other candidates for Parliament are widely copying Kennedy campaign techniques 'and vote-catching phrases. Party professionals are all but using as a handbook Theodore H. White's "The Making of the President, 1960," the Pulitzer Prize winning book that analyzes the Kennedy campaign methods. "They're practically following White's book page by page," says a Tory strategist.

The fortunes of the Liberals in recent years suggest they could use a few pointers. When Parliament was dissolved last month in preparation for the election, they held only 51 of the 265 seats. The Tories had an overwhelming 203. Eight of the remaining seats were held by the Cooperative Commonwealth Federation, a minor farm-labor group now rechristened the New Democratic Party, and three were vacant.

A RECORD MARGIN

Five years ago, in June 1957, the Tories ended 22 years of Liberal rule by winning 112 seats to the Liberals' 105. Since the Conservatives had fallen short of a majority of the seats in Parliament, Prime Minister John G. Diefenbaker followed precedent and called a new election for March 1958. His government was swept back in by the widest margin in Canadian history.

Though it's highly risky to predict the outcome of this year's election, informed political guessing is that the Liberals will make sizable gains. In fact, the latest Gallup Poll, out last week, shows the Liberals in front. Of the voters interviewed who said they had an opinion, 45 percent favored the Liberals, 38 percent the Tories, and 17 percent other parties. However, a sizable group of voters—21 percent of those polled—were still undecided.

Whatever the outcome, the election will be watched closely by Americans. U.S. businessmen and investors have a huge stake north of the border. At the end of 1960, U.S. investments in Canada totaled $16.9 billion, up 64 percent from 5 years earlier. U.S. interests owned or controlled 44 percent of Canada's manufacturing industry, 53 percent of mining, and 69 percent of petroleum. Trade between the United States and Canada is important, too, with each nation being the other's biggest customer. Last year the value of the two-way flow exceeded $7 billion.

IMPACT OF OTTAWA'S POLICIES

Economic and fiscal policies of the Canadian Government have an effect on U.S. investments and trade with the next-door neighbor, and the next month of campaigning could provide clues to policy changes. The recent pegging of the Canadian dollar at a level seven and a half cents under the U.S. dollar, following nearly a year of monetary juggling, provided a solid example of the international repercussions of Ottawa's policies.

One purpose was to improve Canada's trade balance by making Canadian goods cheaper to buy abroad, in terms of other currencies, and by making it more costly for Canadians to import goods. Liberals are attempting to make devaluation a campaign issue by claiming the Tories bungled the handling and timing of the move. Yet the Liberals are committeed to improving Canada's trade balance. So, whichever party is in power after the election, U.S. businessmen will be finding Canadian goods more competitive in foreign markets, and it will be tougher in the future to sell goods in Canada.

For years, U.S. domination of Canadian business has annoyed many Canadians. Politicians have not been loath to fan anti-American sentiment in past elections. Mr. Diefenbaker's 1957 and 1958 campaigns had a strong anti-U.S. flavor. While subsequent legislative moves to curb U.S. influence on Canadian industry have been much tamer than election promises of the past, the threat is still there. Currently Mr. Diefenbaker is resurrecting past proposals for a law requiring part Canadian ownership of subsidiaries of foreign companies. Liberals are not as openly antagonistic to foreign ownership as the Tory leader, but they haven't taken a contrary stand.

FOOD SHORTAGE IN DAHOMEY, WEST AFRICA

Mr. HUMPHREY. Mr. President, under the dateline of May 19, Rome, there appeared the following article in the Washington Post on May 20:

Africans Crawl in Food Search

Rome, May 19.—Famine-stricken villagers in Dahomey, West Africa, are crawling on their hands and knees to towns in search of food, the United Nations Food and Agriculture Organization reported here.

Armand Defeber, FAO information officer, said in a report issued last night after a visit to northern Dahomey, that food disappeared from village markets some weeks ago.

Pitiful village reserves had also been exhausted by early May, when the full effects of the famine began to be felt. No deaths had so far been reported.

After seeing that quotation in the Reuters dispatch from Rome, I inquired of the food-for-peace office and the State Department as to what the facts were relating to our assistance to that country.

In August of 1961 a food pilot program of 200 tons of rice and 50 tons of flour to assist a use resettlement project in agricultural cooperatives and other economic development projects involving labor components was approved.

These commodities were shipped in September and October. Satisfactory completion of the pilot program demonstrated the feasibility of a larger program so that in November of 1961 a program of 2,950 tons of cornmeal, rice, and bulgur was approved. At the request of the Dahomey Government, shipments of these commodities started in January and are continuing at a rate of 300 tons per month. On March 22 a free distribution program was approved to supply 5,000 tons of cornmeal, flour, milo, and milk for famine relief. Severe drought in north Dahomey have caused the exhaustion of food supply and famine conditions were expected to exist at the end of March 1962, and for 5 months until the next harvest. An estimated 80,000 persons require assistance, an average of one pound of food per day. The Government of Dahomey is financing the internal distribution costs. The government requested 10 shipments of each commodity at 2-week intervals beginning in mid-May. In fiscal 1962 in addition to approximately 8 million pounds of food provided in title II—which is the grant provision of Public Law 480—approximately 11 million pounds of food are being donated to CRS—Catholic Relief Service—under title III, for distribution to 257,000 individuals including families, refugees, and persons in schools, institutions, and summer camps. In fiscal 1963 almost 17 million pounds will be provided including the balance of 10½ million pounds to be shipped under title II, which again I say is the famine relief title, and 6½ million under title III, which is the charitable gift item.

The CRS title III program itself will supply food for 200,000 persons.

Any hunger existing today in Dahomey is not attributed to "parsimonious" attitude on the part of the U.S. Government administration in the food-for-peace program. Since supplies of food are moving in there at a rate adequate to fully meet the needs as based on advice of embassy personnel as well as the Dahomey Government, local areas of extreme distress in hunger can only be attributed to transportation difficulties and this would occur only in the most remote areas.

I note that, because one of the problems in the food-for-peace program in areas where transportation is inadequate, is the problem of distribution. Frequently when food is made available, it does not answer the human problem of famine and hunger merely because the distribution system is not immediately adequate to the task. I wish to make it quite clear that the host government is attempting to remedy that distribution problem in cooperation with the Government of the United States.

In other words, food is being moved in as fast as the Government can accept it. We have nothing to indicate the inadequacies of the supply being made available under the food-for-peace program. International limitations and port limitations are to blame. There is no scarcity over there that is attributed to the redtape here.

Mr. President, I have read this statement because I am deeply concerned about the food-for-peace program. It is very close to my heart. I have had a great deal to do with developing the program and sponsoring it. I wanted to make sure, when I read this particular article, that every effort was being made by our Government to help needy people.

The record will now demonstrate that we have moved. We moved a year ago in an experimental pilot program. We have been moving ever since March of last year. We have increased the supplies. We now have planned a big program for the fiscal year 1963.

In the farm bill which is now before us there are provisions relating to the food-for-peace program, called Public Law 480, in technical terminology. The program is possibly one of our most effective instruments of national policy. As such, it should be carefully guarded and promoted. I am hopeful that the efforts that were made today relating to the Chinese refugees will be heeded by the administration and that there will be a program of delivering food to these needy persons.

ADJOURNMENT

Mr. HUMPHREY. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 41 minutes p.m.) the Senate adjourned, under the previous order, until tomorrow, Wednesday, May 23, 1962, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22, 1962:

POSTMASTERS

ALABAMA

Virginia H. Phillips, Tuskegee Institute.
Hortense C. Quarles, Tyler.

ALASKA

Thomas L. Jackson, Sr., Kake.
Bertha A. Bousley, Metlakatla.

ARKANSAS

DeWitt C. Henry, Beebe.
Robert E. Russell, Bentonville.
John P. Lamb, Brookland.
Martha L. Rakes, Cave Springs.
Earl L. Pryor, Greenwood.
Ray M. McCarty, Helena.
Ava D. White, Mount Ida.
Mary E. Benbrook, Norfork.
Corbit White, Strong.
Fred L. Sullivan, Wickes.

CALIFORNIA

Marshall O. Clayton, Corcoran.
Lorna J. Evovich, Hickman.
John T. Little, Mill Valley.
Donald V. Lee, Orosi.
F. Clay Fisher, San Bruno.

FLORIDA

Eugene R. Nelson, Bushnell.
T. Grayson Screws, Fellsmere.
William M. O'Cain, Jasper.
Allen F. Kendall, Jensen Beach.
Stanley P. Nalls, Lutz.
R. Louise Cox, Montverde.
Dale W. Campbell, Roseland.

GEORGIA

Henry S. Dickson, Lilburn.
Elizabeth B. Minton, Pine Mountain Valley.
Hazel J. Shellhouse, Willacoochee.

IDAHO

Anna G. Bailey, Grand View.
James E. Jensen, Shelley.

ILLINOIS

Russel W. Miller, Ashley.
Raimason F. Smith, Galva.
Frank P. Yost, Godfrey.
Charles H. Roberts, Salem.
Thomas D. Neal, Sandoval.

INDIANA

Carl F. Cloyd, Clinton.
Dale Hardeman, Lynn.

IOWA

Edward E. Nugent, Decorah.
Joseph F. Whelan, Elberon.
Deane A. Darrow, Fontanelle.
Ross B. Garrett, Glenwood.
Thomas E. Higby, Lehigh.
Chester B. Judd, Lineville.
John F. Loetz, Marquette.
Cornie J. Huigen, Monroe.
Eva M. Harman, Plymouth.
Edward E. Monteith, Seymour.

KANSAS

Norbert F. Eisenbarth, Corning.
Ted H. French, Jamestown.
Adolph H. Goetz, La Crosse.
George I. Althouse, Jr., Sabetha.
John C. Burton, Syracuse.

KENTUCKY

Bernell D. Gifford, Eubank.
Joe W. Treas, Fulton.
Manville H. Fryman, Germantown.
Marguerite S. Crume, Mount Eden.
Harry Moberly, Richmond.
S. Orbin Stallard, Science Hill.

LOUISIANA

Cora E. Johnson, Boyce.
Kermit M. Pinsonat, Livonia.
Carrie E. Doughty, Tullos.

MARYLAND

Samuel U. Phillips, Hebron.
Oran R. Wilkerson, Lexington Park.

MASSACHUSETTS

Edward C. Berube, Fall River.
Frank W. MacLaughlin, Gloucester.

MICHIGAN

Reo E. Sievert, Ashley.
Clyde H. Schrock, Bellevue.
Arthur E. Fleetwood, Beulah.
Daniel J. Brosnan, Dowagiac.
Charles G. Osborn, Hart.
Clifford B. Brown, Jr., Stephenson.
Leo G Ealy, Stanton.
John D. Wenzel, Sturgis.
Francis J. Donohue, Union Lake.
William J. Marinelli, Vulcan.
Oliver C. Ley, Williamston.

MINNESOTA

Dayle E. Ray, Barrett.
Marie L. Moore, Castle Rock.
Earl C. Mittag, Eagle Bend.
Lawrence V. Niehoff, New Ulm.

MISSISSIPPI

Lura A. Johnson, Glen Allan.
Horace S. Polk, Greenville.
Mary A. Thomas, Greenwood Springs.
James A. Raigins, Jr., Prairie.
Jack D. Mullen, State College.

MISSOURI

Stanley H. Crain, Boonville.
William R. Burk, Canton.
Glynn J. Evans, Carthage.
William W. Evans, Center.
Mildred B. Vick, Deering.
William C. Blair, Jefferson City.
Truman R. Taylor, Neelyville.
Lloyd E. McMullen, Slater.

MONTANA

Alice S. Fjell, Birney.

NEBRASKA

Thomas E. Dowd, Boys Town.
Charles E. Churchill, Fairbury.
Ignatius A. Polski, Loup City.

NEW HAMPSHIRE

Charles J. Beaudette, Alton.
Richard W. Taylor, Londonderry.

NEW JERSEY

Charles H. Schubert, Allendale.
Carl A. Brueckner, Allenhurst.
Ruth M. Visick, South Dennis.
James P. DeMaio, Sr., Cedar Grove.
Norman Anderson, Flemington.
C. Wesley Barclay, Ocean City.

NEW YORK

Robert J. Skebey, Horseheads.

NORTH CAROLINA

Lemuel V. Young, Candler.
Wilson L. Fisher, Elizabethtown.
G. Smith Shaw, Ivanhoe.
J. Frank Smith, Lexington.
Edward L. Clayton, Tarboro.
John A. Harrelson, Whiteville.

OHIO

Joseph M. Bellissimo, Avon Lake.
William F. Wetzel, Jr., Clayton.
William Lawson, Geneva.
M. Kathryn Swank, Lewisburg.
Karl A. Krendl, Spencerville.
Mary L. Walker, Sugar Grove.
Claude M. McGee, Wilberforce.
Lewis E. Bales, Xenia.

OKLAHOMA

Ellen F. Kingery, Billings.
Dale A. Brenner, Blackwell.
Romaine S. McGuire, Crescent.
Willie B. Peacock, Fletcher.
Frankie G. Morrow, Konawa.
Marvin F. Anderson, Moore.
John H. McCasland, Oklahoma City.
Harris R. Underwood, Waukomis.

PENNSYLVANIA

Paul S. Weaver, Blain.
Frank Tulak, Finleyville.
Marie J. Schoppy, Locust Gap.
Robert J. Faust, Tower City.
Ernest S Glatfelter, York.

TENNESSEE

Charles P. Carroll, Kingston.
Dorothy M. Barker, Readyville.
William R. Payne, Shelbyville.
Tom C. Morris, Waverly.

UTAH

Carmela P. Peterson, Castle Gate.
Grace H. Parker, Hooper.
Robert Q. Strong, Provo.

VIRGINIA

Wilson L. Coleman, Bowling Green.
Lillie M. Lowman, Iron Gate.
Jimmie G. Orr, Sr., Pennington Gap.
Lankford D. Malbone, Princess Anne.
Joseph T. Crosswhite, Jr., Virginia Beach.

WASHINGTON

Marvin J. Robbins, Burien.
Edward B. Pulice, Concrete.
Harold F. Evans, Coulee City.
James P. Daley, Zillah.

WEST VIRGINIA

Marvin L. Johnson, Logan.

WISCONSIN

Clarence J. Mashak, Bangor.
Robert G. Colburn, Benet Lake.
Ralph G. Kadau, Big Bend.
Robert J. Amo, Black River Falls.
William A. Sikora, Bonduel.
Robert M. Tabat, Dousman.
Blanche M. Huggett, Fall River.
Arnold B. Clausen, Granville.
Elgin F. Pacl, Hillsboro.
Patrick J. Shereda, Medford.
Chester J. Skelly, Milton.
Jack Rantz, Minocqua.
Walter A. Post, Mount Horeb.
Benedict C. Krause, Oak Creek.
John B. Ver Weyst, Stanley.
Allen E. Houle, Wabeno.
Carl H. Wolff, Wales.

WYOMING

Clarence L. Campbell, Buffalo.
Thomas A. Sawyer, Sheridan.

U.S. COAST GUARD

Vice Adm. Edwin J. Roland, U.S. Coast Guard, to be Commandant of the U.S. Coast Guard with the rank of admiral.

EXTENSIONS OF REMARKS

Speaker McCormack, Secretary of the Treasury Dillon, Honor Chairman Brent Spence for 32 Years of Devoted Congressional Service

EXTENSION OF REMARKS
OF

HON. HENRY S. REUSS

OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 22, 1962

Mr. REUSS. Mr. Speaker, this week members of the House Committee on Banking and Currency were privileged to attend a luncheon ceremony honoring the beloved chairman of the committee, the gentleman from Kentucky, Mr. SPENCE, who is retiring after service as member or chairman of the committee for 32 years. The luncheon was given in the Speaker's dining room in the Capitol. Moving tributes to Mr. SPENCE were paid by Speaker JOHN W. MCCORMACK and Secretary of the Treasury Douglas Dillon.

The formal remarks of Secretary Dillon follow:

Mr. Speaker, Mr. Chairman, Mrs. Sullivan, and gentlemen, on March 4, 1931, our guest of honor, Chairman BRENT SPENCE, was sworn in as a Member of Congress from the Sixth District of Kentucky. In that Congress he was assigned to the Banking and Currency Committee and has served either as a member or as chairman of this vitally important committee for 32 years. There has been no period in the history of the United States when his service to our country could have been more valuable.

In 1931, the United States was sliding toward the bottom of the cruelest depression in our history. Financial institutions were in grave jeopardy, confidence in the security markets was failing, and we were approaching a crisis in our gold reserves. That was a time of crisis, a time of uncertainty, and a time when the financial structure of our Nation was near collapse.

It was against this background that BRENT SPENCE took his seat as a member of the Banking and Currency Committee. The legislative record of this Committee over the past 32 years reflects the manner in which our Nation met the crisis of 1931 and took subsequent steps against its recurrence.

The Federal Deposit Insurance Corporation was created to insure the deposits in our commercial banks. This legislation has eliminated the specter of bank failures and the consequent loss to depositors which had plagued the United States since the days of the first Secretary of the Treasury. The Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation were created to bring order and assurance into the affairs of our thrift institutions. The Federal Reserve System was given a thorough examination in the thirties and its authority and structure were overhauled by the Banking Act of 1935.

These three legislative developments—the creation of the Federal Deposit Insurance Corporation and the Home Loan Bank Board and Federal Savings and Loan Insurance Corporation, and the Banking Act of 1935, effectively restored confidence in our financial institutions and gave them a solid base for constructive growth.

In the forties, fifties, and sixties, the emphasis on many of our financial problems shifted from the domestic to the international scene. In 1945, as chairman of the Banking and Currency Committee, BRENT SPENCE was a delegate to the Bretton Woods Conference, which created the International Bank for Reconstruction and Development (commonly referred to as the World Bank) and the International Monetary Fund. You all know the part the World Bank has played in rebuilding the shattered economies of Western Europe and Japan and more recently, its efforts to improve the economic situation of the newly developing areas of the world. The International Monetary Fund has had an equally impressive record of achievement. Since 1959, most of the great industrial nations of the free world have made their currency freely convertible. This has laid a solid financial basis for an amazing increase in world trade since that time and for the rapid development of Western Europe and Japan.

The success of these two international financial organizations led to the creation of the International Finance Corporation, International Development Association, and Inter-American Development Bank. All of these organizations were designed to supplement the authority and resources of the World Bank and to bind together the free nations of the world in their attempts to bring some measure of economic hope to the less developed areas of the world.

I shall refer only briefly to other areas of responsibility carried by the Banking and Currency Committee and by Chairman BRENT SPENCE. This committee developed the Federal Housing Administration, the Federal National Mortgage Association, the Small Business Administration; developed the first attempts toward urban renewal and, during World War II and the Korean war, was responsible for developing a system of wartime controls to keep our economy within bounds.

With all these achievements in mind, we in the Treasury have tried for the past month to devise an appropriate citation for Chairman SPENCE. What could we say—what could we do for a man who has dedicated 32 years of his life to the service of his country and more especially to its financial institutions and practices? We decided that a dollar bill signed by the President of the United States and the Secretary of the Treasury would be most symbolic of the career of this remarkable man.

For the President and myself, I am delighted to present this dollar signed by both of us to you, Chairman SPENCE, with grateful appreciation for your services to this Nation.

Irresponsibility of the Motion Picture Industry

EXTENSION OF REMARKS
OF

HON. IRIS FAIRCLOTH BLITCH

OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 22, 1962

Mrs. BLITCH. Mr. Speaker, I should like to call the attention of my colleagues to a situation which I believe is a matter for action by the gentlemen Members. I speak, therefore, not as a representative of the people of the great and sovereign State of Georgia, but as an average American mother—yes, even a grandmother, who was raised to believe in God, the sanctity of marriage, and the responsibilities that come with it, and the now supposedly old-fashioned principles of morality and fairplay upon which this great Nation was founded.

Throughout our glorious history the American woman, in spite of many hardships that often demanded all the courage she could muster, held fast to these same basic tenets and nurtured a nation that became the hope and envy of the world. It was not by sheer accident that she held its respect and admiration. Her reputation was above reproach. She was honored. American men would fight to protect that honor. The family was sacred.

It is quite true that the chaos of the war years and the great technological advances of the postwar years did create a slight moral lag in some areas. I suppose a certain amount was inevitable. After all, Americans are only human beings. But, thanks to the efforts of many conscientious Americans, morality is once again on the upswing. It is the duty of each of us, particularly those in a position to influence great numbers, to see that it continues to rise. It is the hope of not only America, but of the free world.

In a position of the highest responsibility is the motion picture industry. Let us see how well it is fulfilling it.

As an example, we can examine a few of the byproducts of the $30-million "Cleopatra" production currently being filmed in Rome under the shadow of the Vatican, a holy city. From some very familiar newspaper headlines, we get the following: "Sybil Off to London"; "Eddie Off to New York"; "Sybil Returns—Demands Dick Choose"; "Burton Cooks Truces With Wife and Liz"; "Burt Kisses Wife, Dashes to Liz"; "Sybil Off to London"; "Liz: Pressures Burton To Get Free"; "Eddie: Vows Fight for Their Children"; "Burton: Wed Liz? It's All in Fun."

Other than the unanimous cries of outrage heard throughout the civilized world as a result of the actions behind these headlines, what are some of the uglier effects?

First of all, from a humanitarian point of view we must consider the eight children of the principals. On his coast-to-coast broadcast of May 13, syndicated Columnist John David Griffin, of the New York Mirror and Mutual Broadcasting System, in discussing the Rome situation, which he submitted was not without its commercial applications, sadly pointed out that—

> While I don't give a tinker's damn about the hanky panky of their illustrious parents, I do think the lamentable spectacles we've seen made by the children of other scandal-ridden film figures, sets an ugly precedent for their futures.

Secondly and unjustly, the prestige of the American woman abroad has been lowered. Newspaper and television editorials have testified to that.

Thirdly, the damage accorded our good will abroad has been severe—we only have to point to the signs in Rome that say "Liz and Richard Go Home" and the demand of the Italian newspapers that these two people be declared persona non grata.

This is how the producers of "Cleopatra" are fulfilling their obligations. Within the industry they are not alone, and among these are the same people who cry out in eloquent indignation about the shames and injustices of the entire South. Among these are the same people who cry out in the name of human dignity—the same people who cry out for godly charity. We are all to familiar with their numerous motion pictures exposing the shocking immoralities of a typical small southern town. Oh yes, the motion picture people are the first to claim a striking blow in the name of freedom and morality. But truth belies this claim. And I do not mean the so-called truth of box office—and box office is truth as far as the producers of "Cleopatra" are concerned.

The real truth of the matter is that the producers of "Cleopatra," in their overzealous quest for box office exploitation have been derelict in their duty not only to the people, but to God and country as well. As for our people's injury, I fear the least—for the American people are not as stupid or gullible as the motion picture industry would have us believe. But injury to God and country is something else.

To make a mockery, for profit, out of that which is ordained by our Lord, is a blasphemy of the highest order. Once again, may I quote from the front page of a New York newspaper:

> "Wed Liz? No. It's all in fun"—Burton. And the publicity has hard cash value, he also admitted. I mentioned that his agent is now asking $350,000 per picture for him, his former price was $50,000, based on his new public image as a great lover. He laughed. "Maybe I should give Elizabeth 10 percent," he joked.

And to think Judas sold out for a mere 30 pieces of silver.

By allowing what has been termed, "the world's most assiduously publicized piece of sexual vulgarity," the producers have not only lowered the prestige of American womanhood abroad but in doing so have played into the hands of the Communist foe. Communists chuckle because the Roman spectacle seems to prove their thesis that capitalists are unscrupulous, depraved, wanton, and decadent, and that capitalism breeds these undesirable traits. Logically, to them, it sows the seeds of its own destruction, thereby rendering communism the winner.

While this view may not seem logical to the American mind, the problem must be viewed from that of the rest of the world—particularly the undeveloped nations on whom the United States has spent and continues to spend billions to win over. Thanks to our unscrupulous profiteers, the "ugly American" image gained a further boost. There cannot be any doubt that our foreign aid program has been directly affected by this revolting fiasco.

I ask then that the Congress serve notice on both the free and enslaved world that the American people do not condone such behavior by their nationals and those under their responsibility—that American womanhood is not depraved and wanton as depicted—that marriage and the family are still sacred institutions in these United States. And that the producers apologize to the American public for this great insult and injury perpetrated upon it. For the producers to disclaim responsibility for the aforementioned would only add further insult to the injury of the people. Let this further serve as notice to the entire motion picture industry.

I should particularly like to point out that although as Americans we wholly believe in the freedoms so wisely guaranteed by the Constitution, it must be recognized that those freedoms are not absolute. The freedom to enrich one's coffers at the cost of public welfare, public decency, and national security is not included. However, it is our right to ostracize those who show no concern for either flag or people—particularly innocent children, or show no respect for either cherished institutions or God. It is my prayerful hope that at the proper time the American people will in the name of everything for which our glorious traditions stand make the proper decision.

Furthermore, since it has been called to my attention that Miss Taylor has stated that she may never return to the United States, it is my hope that the Attorney General, in the name of American womanhood, takes the measures necessary to determine whether or not both Miss Taylor and Mr. Burton are ineligible for reentry into the United States on the grounds of undesirability.

Armed Forces Week Observance at Tamaqua, Pa., Highlighted by Colorful Parade and Veterans Rally, May 16, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mr. VAN ZANDT. Mr. Speaker, Armed Forces Week, May 14 to May 19, was observed in a fitting manner by veterans organizations in Tamaqua, Pa. The churches of all denominations opened the week with evening prayer services May 14 for the protection of all members of the Armed Forces.

The week's celebration reached a climax with an Armed Forces dinner Wednesday, May 16, followed by a colorful parade of which my colleague, Hon. IVOR D. FENTON, Representative of the 12th Congressional District, was grand marshal. Mr. John Melley headed the Armed Forces Week committee, and he and his associates deserve great credit for the success achieved.

Following the parade on May 16 a veterans rally was held at the Pennsylvania National Guard Armory at 9 p.m. at which time it was my privilege to deliver the following address:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE ARMED FORCES WEEK OBSERVANCE AT TAMAQUA, PA., ON MAY 16, 1962

> It is a pleasure to have a part in your celebration of Armed Forces Week, by participating in the interesting events of today's program.
>
> I wish to congratulate the officers and members of VFW Post No. 1091 of Tamaqua for sponsoring this weeklong celebration and for the fine success achieved.
>
> I am pleased to learn of the splendid cooperation rendered Post No. 1091 by Tamaqua Barracks No. 2591, Veterans of World War I, United States of America, Inc., and

other veterans' organizations in the Tamaqua area.

The spirit of cooperation manifested by the local veteran population is proof of the fact that in peace, as in war, the veteran is always ready to serve the Nation, whether it is on farflung battlefronts or taking an active part in the community programs that proclaim love of God and country, and respect for the dignity of mankind.

Therefore, I salute the members of the Veterans of Foreign Wars, the Veterans of World War I of the U.S.A., the American Legion, the Disabled American Veterans, and the Spanish-American War Veterans, all of whom are interested in Tamaqua's appropriate observance of Armed Forces Week.

One of the highlights of today's program that proved interesting and nostalgic was the presentation by the Veterans of Foreign Wars of a flag carried through France in 1918 by the 103d Engineers, 28th Division, AEF.

This is a noble gesture and signifies the enduring link that binds in comradeship America's veterans regardless of the war in which they fought.

I am pleased to learn that there are present here at this time members of the Society of the 28th Division to whom I extend greetings.

All of us have deep pride in the fact that we are privileged to call Pennsylvania our home State and that it is regarded as one of the most important and most beautiful in the Nation.

We are reminded that 300 years ago the great Commonwealth of Pennsylvania consisted of millions of acres of virgin timber, roving bands of Indians, large herds of buffalo and deer, millions of flocks of turkeys, vicious packs of wolves, wildcats, beaver, just about every form of wildlife native to America.

The early settlers, with a courage almost unparalleled in history, moved westward with each passing year, facing the danger of Indian attacks, starvation, and disease.

They possessed an indomitable will and a determination to make a new home on the frontier of what was to become the greatest civilization in the history of mankind.

Their only protection was a musket, commonsense, initiative, courage, and above all, an abiding faith in Almighty God.

Each succeeding generation of Pennsylvanians has faced new types of challenges from the Indian wars of the 1700's to the war for Independence in the American Revolution, the invasion of Confederate forces in the Civil War, the Spanish-American War, and the sacrifices of the sons and daughters of Pennsylvania in the three wars of our generation.

In 1945 the atom bomb exploded over Hiroshima and Nagasaki.

At some future date historians may well point to this event as the beginning of a new era in the history of our world.

Today, mark you, no nation, no town, no village, no acre of the world, is safe from destruction by a determined enemy.

The former protection of vast oceans on both sides of our continent has now become the almost impenetrable camouflage for missilebearing submarines and the atmosphere above us can become the avenues of missile attacks bearing atomic and hydrogen warheads that have the capability of destroying all of mankind.

For the first time in the history of civilization man has developed the capacity to bring about world destruction.

No generation until now has been faced with a challenge of this magnitude.

National defense, indeed world peace, now takes on a significance unparalleled in history.

Thus every American citizen must have a vital concern in our national defense.

And every American citizen is entitled to be fully informed of the status of our national defense, for not only is our way of life, our system of free enterprise, and our institutions, at stake, but indeed the very existence of our Nation and the survival of our people.

As a senior member of the House Committee on Armed Services for the past 15 years and as a member of the Congressional Joint Committee on Atomic Energy, I have spent a considerable amount of time studying the problems of national security.

I have seen our Department of Defense created, organized, and reorganized.

After serving in World War I, when we became involved in World War II I found myself a part of our armed services when they became the finest fighting machine in the history of the world, with a force of nearly 12 million men and women.

After World War II I also watched that same military machine dwindle in size to the point where aggression on the part of the Communists was almost at our invitation.

In 1950 we had reduced our armed strength to approximately 1½ million.

At that point the Communists invaded South Korea.

We responded with men, money, and lives.

We again built up our Armed Forces to meet this threat and when that war terminated in an uneasy truce we again reduced the size of our regular forces.

This reduction continued until the Berlin crisis occurred last August.

So again we responded to this Communist-inspired crisis by building up our Armed Forces, only this time it became necessary to extend enlistments involuntarily and order more than 150,000 Reservists to active duty in a manner which left much to be desired.

Our military reaction is always at the beck and call of the Soviet Union.

They invariably make the first move and we respond.

We have developed amazing new techniques of warfare. We have produced fantastic weapons. We continue to modernize our Armed Forces. But we have not yet learned how to plan for the inevitable crises that occur from time to time.

We have not learned how to take the initiative.

Had we maintained an armed force in the regular establishment of sufficient size in 1961 it would not have been necessary to disrupt the lives of thousands of reservists.

Had we possessed an intelligent plan for the recall of these reservists last August the grave errors that were committed then could have been avoided.

I sincerely hope that we have now learned our lesson, for a second time, and that this time we will profit by the mistakes of the past.

I am hopeful, but I am not convinced, that we will put these lessons to good use.

National security is our most expensive necessity.

There are no short cuts to survival.

Our greatest single defense against attack is to maintain an armed force of sufficient size to prevent anyone from initiating an attack in the first place.

I do not wish to give the impression that today we are powerless, for that would be absolutely incorrect.

In fact we now have tremendous strength in landbased missiles; we have missilebearing submarines; we have carriers and ships at sea; we have ready forces in the Marine Corps capable of fighting in a matter of hours; we have aircraft of the Strategic Air Command on an alert basis; and we have an Army of 16 divisions.

Our NATO allies continue to improve their armed forces.

But national defense, unfortunately, involves a constantly changing technology.

We cannot afford to be second in any aspect of our national security.

We have made great strides forward in the development of the intercontinental ballistics missiles with many in place and others being constructed, the Polaris submarine—of which there are now 8 at sea, and 33 more on the way—is undoubtedly the most valuable weapon in our arsenal.

In addition we are developing solid propellants to be used in the Minuteman missile which eventually will give us a tremendous land-based missile power.

But at the same time we cannot afford the luxury of concentrating our defenses in one type of warfare.

We must be ready to fight any type of war. Above all we must be versatile.

But the key to every weapons system, the key to every missile, the key to every ship, every submarine, every gun, every piece of equipment, is the man in uniform who stands ready to use that equipment in the defense of our Nation.

The greatest weapon we possess today is the moral fiber, the patriotism, the courage, the determination, the intelligence, the good commonsense, and the loyalty of the men and women who make up our Armed Forces.

We set aside Armed Forces Day to pay tribute to these men and women, but ofttimes we are prone to praise them today and condemn them tomorrow.

Certainly our Armed Forces make mistakes, but the things they do right, and the things they do well, far outweigh the relatively small mistakes that are made.

If I could be granted one wish on this day I would wish that the fine sounding phrases that will be sung throughout the Nation with regard to our Armed Forces would be continued the day after Armed Forces Day, and the days after that.

But the challenge that faces America is not limited to that of military aggression.

Today we face other challenges that must be met and solved if we are to continue as a free nation.

We have a national debt in excess of $300 billion. The interest charge on that debt alone far exceeds the entire budget for the annual cost of the Federal Government any one year in the decade following World War I.

To make matters worse, the outflow of gold from the United States is dangerously high.

From the standpoint of foreign trade the Common Market, now moving into high gear in Europe, poses an economic challenge to America.

We made possible that European Common Market through the Marshall plan, the Mutual Security Act, the Greek-Turkish loan, and all of the other aid programs that were paid for by American citizens.

In plain words, we have restored the economy of Europe and the free world and now the competition that we created for the preservation of the free world could well bring about economic disaster in America.

Therefore, wise leadership is needed today more so than ever before in our history.

The manner in which we meet these challenges may well determine whether you and I will continue to live in a land where free enterprise and personal initiative are the keystone of our success.

But the challenge to the economy of our Nation through the European Common Market is only a part of the troubles that face us.

The Monroe Doctrine, for practical purposes, is dead.

In 1823 this Nation proclaimed as its national policy our determination to resist the extension into this hemisphere of a despotic political system.

Yet communism thrives in Cuba, but 90 miles from the coast of Florida, and we appear helpless to resist in the eyes of the world.

We have committed ourselves to the United Nations because it is the only international organization where debate and words are a substitute for guns and bullets.

Fifty nations formed that organization in 1945. Today 104 nations comprise the United Nations, more than double the number since its origin.

We must realize that one day in the years ahead we may be outvoted by this international organization, and if this happens it may well be due to the fact that we have espoused the cause of small nations and the theory of self-determination.

It would be wise for us to remember that the Communists have learned their lessons from Roman history. They have learned the theory of divide and conquer.

Each new small nation that comes into existence in the world today brings to the United Nations its problems, its needs, and its demands.

And somewhere along the line we must reappraise the philosophy of supporting every new nation that appears on the scene.

Many of these nations, and some of the old ones, profess to be neutrals.

I say to you that in a world divided into two antagonistic philosophies there can be no neutrals.

And we should make it clear to those who accept our aid that they must be for us, and with us, or announce their subservience to communism.

Certainly no one can look at a world map today and not be acutely aware of the fact that we live from one keg of gunpowder to the next—Laos, Berlin, the Congo, Goa, Korea, South Vietnam, Algiers, Israel, Syria, China, Taipei—to name but a few of the places in the world where a shot could be fired that might well reverberate around the world.

Yes, my friends, the early settlers of Pennsylvania faced the problems of their day with fortitude and determination. But if ever there was need to emulate those courageous men and women of yesteryear it is now.

We have men and women in our Armed Forces today who stand ready to meet every military challenge that confronts us. But all of us, each and every one of us, must be ready to meet the challenge of economic and military survival.

And we won't do it by reducing our production, working shorter hours, seeking greater luxuries or to use a timeworn expression, "Let George do our worrying for us."

Frankly speaking, our way of life is threatened.

Now is the time when every American must stand ready to exert his every effort in the defense of freedom and in the preservation of the American way of life.

Today, as we pay tribute to the members of our Armed Forces, let us remember that today every citizen must be a soldier in the cause of freedom.

We are challenged on every front, military, economic, and political. How we respond to these challenges now will determine whether we survive as a nation.

The courage, the initiative, the good commonsense, the will and the faith that enabled our forefathers to build this, the greatest Nation in the world, must undergo a rebirth in this Nation.

We must respond to these challenges as we always have in the past.

I believe Americans want courageous leadership and stand ready to back those who advocate this kind of leadership.

In short, it is evident that in meeting the grim challenge to the American way of life we know not what storm or tempest the clouds of the future may bring to threaten the existence of this glorious Republic.

Nevertheless, I am firmly convinced that we Americans can rest assured that no matter how dark future clouds may lower, or how high the angry waves surge with foam-beaten crests, as the ship of state ploughs onward seeking a haven of contentment and prosperity, when the keeper of the watch cries out across the troubled waters and the stirred heavens, "Watchman, what of the night?"

The answer will come back in clear tones, ringing with full appreciation of the blessings of liberty and freedom, "All's well—all's well—American blood is on guard."

Response to Public Opinion Poll

EXTENSION OF REMARKS

OF

Hon. MARGUERITE STITT CHURCH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mrs. CHURCH. Mr. Speaker, the 13th District of Illinois, with a population now estimated at over 1 million, has again evinced its keen interest in issues facing the country through an unprecedentedly large volume of response to my 1962 public opinion poll. Thinking that the answers hold significant interest, indicative of the direction and extent of opinion in my area, I am herewith appending the complete tabulation of the questionnaires which were signed and returned before April 20, 1962.

The tabulation follows:

	Percent		
	Yes	No	No opinion
1. Do you feel that fiscal responsibility now demands that—			
(a) Nondefense Federal spending be cut?	73.3	12.4	14.3
(b) Taxes be increased to finance desired Federal programs?	11.3	69.8	18.9
(c) The budget be balanced and national debt reduced?	83.7	5.6	10.7
2. Would you approve gradual transfer back to States and local communities of complete responsibility for local needs (slum clearance, sewage treatment plants, etc.) if some Federal tax sources are also transferred to States?	80.0	15.3	4.7
3. Do you approve Federal aid to education—			
(a) For school construction?	43.3	51.9	4.8
(b) For teachers' salaries?	23.3	69.4	7.3
(c) To private and parochial schools?	14.6	79.2	6.2
4. Which plan of medical care for the aged do you prefer:			
(a) Compulsory medical care financed by increase in social security taxes?	19.1	56.4	24.5
(b) Expansion of the present voluntary Federal-State medicare program administered by the States?	31.2	37.6	31.2
(c) Proposed Blue Cross plan whereby Federal Government would pay premiums for persons below certain income level?	36.2	38.8	25.0
5. Do you favor proposed administration tax changes:			
(a) Withholding on dividend and interest payments?	24.3	62.4	13.3
(b) Repeal of the 4-percent dividend income credit?	17.1	53.8	29.1
(c) Limitations on expense account deductions?	67.7	22.9	9.4
(d) Tax credit for business expansion outlays?	68.8	17.1	14.1
(e) Taxation of savings and loan associations on substantially the same basis as commercial banks?	67.8	17.3	14.9
(f) Taxation of mutual insurance companies on substantially the same basis as stock companies?	62.8	16.9	20.3
(g) Elimination of tax incentive now given American firms to encourage plant expansion abroad?	41.0	42.8	16.2
6. Should the President be given standby authority to impose tax cuts—subject only to veto by Congress—and speed up Federal public works spending if he deems that economic conditions call for such action?	34.7	60.1	5.2
7. Do you favor repeal of the present statutory requirement that Federal Reserve notes be backed by at least a 25-percent gold reserve?	15.8	65.0	19.2
8. Should nationwide standards be set up for State unemployment compensation programs?	48.5	40.7	10.8
9. Should the differential in wages and working conditions between this Nation and foreign countries be taken into account in formulating our foreign trade policies and regulations?	71.2	16.3	12.5
10. Should the President be given requested authority to make across-the-board cuts in tariffs on major groups of commodities in return for cuts abroad on U.S. products?	46.3	43.3	10.4
11. Should the Federal Government provide adjustment assistance to domestic industries and their employees if adversely affected by the proposed cuts in tariffs?	39.3	46.1	14.6
12. Would you approve such assistance in the form of—			
(a) Tax credits for modernization?	51.9	23.3	24.8
(b) Accelerated amortization?	40.9	24.1	35.0
(c) Funds and facilities for retraining labor?	45.6	32.1	22.3
(d) Extended unemployment compensation?	17.7	56.7	25.6
(e) Financial aid to employees moving to other areas where employment is available?	32.5	42.9	24.6
(f) Increased small business loans?	51.5	24.2	24.3
(g) Aid to communities affected?	34.3	37.5	28.2
13. Do you approve the administration's proposal for stricter controls on agricultural production and marketing?	20.4	68.8	10.8
14. Should the Federal Government assume financial responsibility for construction of public fallout shelters?	22.7	67.3	10.0
15. Do you see need for a Federal drug law to regulate prices and testing of drugs?	59.2	34.1	6.7
16. Do you approve Federal grants to States for mass vaccination programs of children under 5?	48.7	45.1	6.2
17. Do you favor—			
(a) Private ownership of the proposed communications satellite system? or	51.3		9.2
(b) Establishment of a Federal Space Communications Authority?	39.5		
18. Do you approve the proposed expansion of national park and recreational areas at a cost that could amount to $2,500,000,000 over 8 years.	47.0	44.4	8.6
19. Do you favor the present U.S. embargo on trade with Cuba?	93.1	3.9	3.0

	Percent		
	Yes	No	No opinion
20. Would you favor unilateral military action against Cuba to protect U.S. interests?	73.0	17.4	9.6
21. If a Communist takeover could be prevented only by sending in U.S. troops, would you favor doing so in—			
(a) Southeast Asia?	49.8	34.4	15.8
(b) Latin America?	77.0	12.1	10.9
22. Do you favor U.S. aid to Communist-satellite countries?	7.8	85.7	6.5
23. Do you favor U.S. recognition of Communist China?	16.2	77.6	6.2
24. Should the United States cooperate with U.S.S.R. in space exploration?	45.6	43.6	10.8
25. Do you approve of the President's decision to resume nuclear testing in the atmosphere?	83.0	11.5	5.5
26. Should atomic tests be permanently abandoned without a guaranteed inspection system?	4.9	90.5	4.6
27. Should the United States purchase $100,000,000 worth of the proposed $200,000,000 U.N. bond issue?	28.8	52.7	18.5
28. Do you approve of the U.N. action for a unified Congo?	44.3	29.7	26.0
29. Should the U.N. Charter be revised to grant votes to each nation in proportion to its population, rather than the one vote apiece given the 104 member nations?	31.3	50.9	17.8
30. Do you favor the proposed Big Four summit conference?	47.0	40.1	12.9

May 1962.

Amending the Farm Bill To Prevent Farm Drainage Harmful to Wildlife

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mr. REUSS. Mr. Speaker, H.R. 11222, the Food and Agriculture Act of 1962, will shortly come before the House. I intend at that time to offer an amendment to end further Federal subsidy of farm drainage harmful to wildlife in the "prairie pothole" States of North Dakota, South Dakota, and Minnesota.

This three-State region is the last important duck factory in the United States. Its potholes once produced some 15 million ducks a year. Even in normal years it still produces some 3 million ducks, mainly mallard, black duck, pintail, and teal.

Ducks bred in the "prairie pothole" area migrate to almost every State in the Union, as well as to Canada, Central America, and South America.

In the past 20 years, the indiscriminate drainage of wetlands in the Dakotas and Minnesota, spurred by Federal subsidies under the agriculture conservation program, has been responsible for destroying almost 6 million acres of valuable wetlands in the Dakotas and Minnesota alone.

Today the waterfowl population on the North American continent is at its lowest point in 11 years. The 1962 survey by the Fish and Wildlife Service of the Department of the Interior shows that mallard and pintails have recorded a 9-year low, and that the number of black ducks observed is the lowest since 1950. Our continental waterfowl population is down 14 percent from 1961, and 9 percent from the 1950–62 average. In the central flyway, which includes the prairie pothole area, waterfowl this year are down 22 percent over 1961.

The Federal subsidies paid for farm drainage throughout the Nation has steadily increased in recent years. Cost-sharing assistance for farm drainage has increased from $7,350,000 in fiscal 1954 to $8,301,000 in 1955; $10,743,000 in 1956; $11,141,000 in 1957; $12,117,000 in 1958; $16,247,000 in 1959; $16,054,000 in 1960; $18,053,000 in 1961.

While the Department of Agriculture has been busy draining wetlands valuable for wildlife at the public expense, the Department of Interior has embarked upon a crash program of buying or leasing wetlands so as to preserve them. This Congress, in its last session, passed Public Law 87–383, approved October 4, 1961, providing for a crash program of acquiring wetlands "in order to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of important wetlands and other waterfowl habitat essential to the preservation of such waterfowl."

During my first term in Congress, in July 1956, I participated in hearings conducted by the General Government Operations Subcommittee of the House Committee on Government Operations, under the chairmanship of the gentleman from North Carolina [Mr. FOUNTAIN] into the question of farm drainage. These hearings conclusively established that if subsidized drainage of farm wetlands valuable for wildlife continued unchanged, the end of waterfowl bred in the continental United States could be foreseen.

As the result of these hearings, I introduced H.R. 10641, 85th Congress, on February 10, 1958, to deny subsidized assistance for farm drainage where the Secretary of the Interior found that wildlife preservation would be materially harmed. The bill also directed the Secretary of the Interior to make a good-faith attempt to acquire such wetlands by purchase or lease from the farmer whose application for drainage assistance was thus turned down.

H.R. 10641 was unfortunately not accorded a hearing. Neither were similar bills that I have introduced in every Congress since then.

A similar measure, in the form of an amendment to the Agriculture Appropriation Act, 1962, which I proposed on June 6, 1961, was defeated by a rollcall vote of 196 to 184. A month later, in July 1961, I proposed, and the House adopted, a similar amendment to the agricultural bill of 1961. Unfortunately, the Senate did not concur, and the provision was deleted in conference.

The House then acted again, on September 12, 1961, by unanimously passing H.R. 8520, authored by my distinguished colleague the gentleman from Wisconsin [Mr. JOHNSON]. H.R. 8520 was unanimously reported out by the House Committee on Agriculture, after hearings in which the Department of Agriculture and the Department of Interior strongly supported it.

H.R. 8520 adds a new section to our basic farm legislation as follows:

> The Secretary of Agriculture shall not enter into an agreement in the States of North Dakota, South Dakota, and Minnesota to provide financial or technical assistance for wetland drainage on a farm under authority of this Act, if the Secretary of the Interior has made a finding that wildlife preservation will be materially harmed on that farm by such drainage and such finding, identifying specifically the farm and the land on that farm with respect to which the finding was made, has been filed with the Secretary of Agriculture within 90 days after the filing of the application for drainage assistance: *Provided*, That the limitation against offering such financial and technical assistance shall terminate one year after the date on which the adverse finding of the Secretary of the Interior was filed unless during that time an offer has been made by the Secretary of the Interior or a State government agency to lease or to purchase the wetland area from the owner thereof as a waterfowl resource. The provisions of this subsection shall become effective July 1, 1962.

After passing the House on September 12, 1961—CONGRESSIONAL RECORD, volume 107, part 14, pages 19121–19124—the bill was referred to the Senate Committee on Agriculture and Forestry. As recently reported in newsletters of the National Wildlife Federation, the Senate Committee on Agriculture and Forestry has declined to report the bill out, or even to give it a hearing. H.R. 8520 will, of course, die with the adjournment of the present 87th Congress if it is not acted on by the Senate.

It is thus vitally important to get to the floor of the Senate the language of H.R. 8520. This I intend to do by presenting, as an amendment to H.R. 11222, the farm bill about to come before the House, the language contained in H.R. 8520, as set forth above.

The language of H.R. 8520 is well suited to accomplish the purpose of blocking further subsidized farm drainage harmful to wildlife. Under it, the Department of the Interior is directed to make a prompt survey of any application for subsidized farm drainage in the "prairie pothole" area. If the Department of the Interior makes a finding that wildlife preservation will be materially harmed by the proposed drainage, and makes "an offer * * * to lease or to purchase the wetland area from the owner thereof as a waterfowl resource" within 1 year, no drainage subsidy can be given by the Department of Agriculture.

The provision in H.R. 8520 requiring the Secretary of the Interior to make "an offer" for the land within 1 year, if the drainage subsidy is to be denied, is a fair one. The Department of the Interior has been endowed by Congress with the power and the financial means to lease or purchase wetlands for waterfowl preservation. Under Public Law 87-383, of October 4, 1961, the Secretary of the Interior has been told to step up his program of acquiring wetlands, with the proviso that wetlands shall not be acquired "unless the acquisition thereof has been approved by the Governor of the State." It should be noted that the Governor of the State, by withholding his consent, can stop the acquisition of wetlands in his State by the Secretary of the Interior; but, of course, this does not prevent the Secretary of the Interior from making "an offer" to lease or purchase the land, and thus stop the granting of a drainage subsidy, as provided in H.R. 8520.

The best evidence of the need for the farm drainage amendment which I shall offer is contained in the recent history of what has happened in the "prairie pothole" area of Minnesota and the Dakotas. Since July 1, 1960, the Department of the Interior has been inspecting proposed examples of farm drainage to be subsidized by the Department of Agriculture, and recommending against the drainage where the Department of the Interior concludes it would materially harm wildlife preservation. What is shocking is that in the great majority of cases where the Department of the Interior has said, "Stop the drainage—it will harm wildlife, and wastes the taxpayers' money," the Department of Agriculture, and its local agriculture conservation program committees, has gone merrily ahead and subsidized the drainage anyway. The Department of the Interior has reported that during the period July 1-December 30, 1960, in 12 counties in the "prairie pothole duck factory" region of Minnesota, North Dakota, and South Dakota, Department of Agriculture subsidies for draining wetlands were given in 77 percent of 553 cases where the Interior Department had recommended that financial assistance be denied.

A second Department of the Interior report, made public in February 1962, covers the period January 1-November 30, 1961, in 10 counties, 2 less than in the 1960 inspection program. The 10 counties include Lacqui Parle, Swift, and Big Stone, Minn.; Stutsman and Wells, N. Dak.; Day, Edmunds, Hand, Marshall, and Roberts, S. Dak. The report shows that the Department of Agriculture disregarded the Interior Department's recommendation, and granted a subsidy for farm draining in 86.9 percent of the 527 cases recommended by Interior for denial of financial assistance for drainage. Thus the disregard of wildlife conservation appears to be getting worse.

The February, 1962, report shows that the Department of Agriculture proposed 1,345 wetlands for drainage; that the Department of the Interior found that 527 of these were valuable for wildlife, and recommended that drainage subsidies be denied; but that the Department of Agriculture heeded the plea of Interior in only 69 of these cases. Of these 69 cases, in 8 instances the farmer went ahead and drained the wetlands anyway, without subsidy, leaving a net total of 61 wetlands—containing only 157.9 acres—saved.

With the future of our North American wildlife at stake, it is of the utmost importance that the farm drainage amendment be enacted into law this session.

Scientific Education of America's Youth

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mr. ANFUSO. Mr. Speaker, under leave to extend my remarks, I wish to insert into the RECORD, the text of an address I delivered last Friday, May 18, 1962, at the 156th annual convention of the Medical Society of the State of New York at the Statler-Hilton Hotel in New York. My subject of discussion was the need for expanding scientific education of our youth. The address was as follows:

ADDRESS BY CONGRESSMAN VICTOR L. ANFUSO, OF NEW YORK, TO THE MEDICAL SOCIETY OF THE STATE OF NEW YORK, 156TH ANNUAL CONVENTION, MAY 18, 1962

Distinguished guests, ladies and gentlemen, I feel privileged to be here with you at the annual meeting of your eminent society.

It is my good friend, Dr. Constantine Generales, who is responsible for my presence here today. I appreciate his good intentions.

It was suggested that I speak to you about our space programs. As a ranking member of the House Committee on Science and Astronautics, I am well aware of the growing interest in what we are doing in space exploration, especially since the epic flight of Col. John Glenn. Space is adventure. Space is glamour. Space is the new physical frontier that has captured the imaginations of people everywhere.

I could speak to you about space medicine and the research programs that will help make it possible for men to go to the moon and beyond. As physicians, I am sure it would be an absorbing subject for you. I feel, however, that I could add little to what you already know on the subject.

In connection with space medicine, I want to come back for a moment to Dr. Generales—particularly to a very interesting thought which he recently projected. Dr. Generales warned that we should not overlook the possibility that some time in the future an astronaut might bring back a new virus from outer space which could prove dangerous to humanity. A virus of this kind, which is unknown to medical science, could present a grave and serious problem. This is a field which I should like to see the medical profession pursue. for it is here that you could render a great service to mankind. If necessary, I am certain that our Government would back you to the fullest extent. But let me turn to my subject.

I want to talk to you instead about a subject that is fundamental to progress in every aspect of human endeavor. I refer to the education of our young people who are to meet the rising demands of our society for professional competence. This is a basic necessity, if we are to achieve our national objectives.

The problem of professional education of our youth is highlighted by the need to maintain our dynamic rate of progress in social and economic development that has produced the unprecedentedly high standard of living in this country which is the envy of the world.

You have heard people describe this era as the space age, or the atomic age, or the age of communications. What is really meant by those catchwords? Man has experienced many eras—for example, the Renaissance, the age of great explorations—that have been characterized by vast surges of human effort to reach goals that man could not even envision before.

We, too, are caught up in a worldwide surge of peoples driving hard to achieve their personal or national aspirations in today's world of science and technology. The incredible growth of industrial output in recent years, made possible by the translation of scientific discovery into applied technology, has created social problems of such complexity that hold within them the possible destruction of civilization as we know it.

In the struggle to cope with the social eruptions occurring in every quarter of the globe, the nations of the Western World are confronted with the problem of insuring the survival of Western society by converting the results of scientific research and development into powerful instruments of defense and international influence.

In hard, simple terms, it means that the organization of our national energies for defense and international influence is directed against the archenemy of freedom in the world today—the Soviet Union. It became evident some years ago that Russia could attain military and economy superiority over the United States only through technological progress. This would provide the means by which all other nations, one by one, could be brought under the domination of Moscow. It could be done by increasing significantly the number of scientists, engineers, and technicians available to the Soviet economy.

Following World War II, the scientific-educational programs of the U.S.S.R. received such emphasis that Russia is today producing two or three times as many scientists, engineers, and technicians as we are. In 1959, of the total graduates from Soviet institutions of higher learning, 57 percent took degrees in science, engineering, and applied sciences. Only 24 percent of our graduates took degrees in these fields. We graduate presently about 90,000 science and engineering students; the Soviet Union, about 190,000.

There is no doubt that the U.S.S.R. intends to accelerate this educational effort, making it unquestionably clear that its objective is to dominate the world by military strength created through scientific research, development, and technology.

A recent report of the National Science Foundation revealed the interesting fact that the average schooling of the Russian people is about 4 years—compared to 11 years in the United States. This is because in the

Soviet Union only 7 percent of the students are permitted to advance to higher institutions, contrasted with 12 percent of our youngsters who have the means available and elect to do so.

Although the total number of graduates in the United States is about double the Russian total, the Soviet Union has a larger number of professionals in scientific and engineering fields. Its rate of growth in these fields is more than triple that of the United States. All available information supports an estimate that the U.S.S.R. will be producing professional graduates at the rate of 250,000 a year before the end of this decade.

To give you some idea of the rates of growth in these fields in the two countries, let's take a look at the United States. In 1959 we had 1,096,300 scientists and engineers employed in our whole civilian economy. By 1970, it is estimated we will need 2,032,000 people in these highly developed fields. This is an increase of about 85 percent, or 936,000 graduates over the 11-year period (1959–70)—which means we must have an average of 85,000 graduates every year.

While college registration last year increased by 12.4 percent over the previous year, the truth of the matter is that the number of freshmen enrolling in science and engineering actually decreased. The percentage of science and engineering majors in the total enrollment is, therefore, getting smaller and the rate of growth needed to produce the scientists and engineers for our economy during the next decade is simply not occurring.

Thus, you can clearly perceive the nature of the challenge that is facing this Nation in the years to come. It is useless to rationalize that Soviet standards of professional competence are lower than ours. Their technological achievements of recent years have discredited any such ostrichlike thinking on our part. The thousands of papers published in Soviet professional journals attest conclusively to their scientific competence.

The Russian professional may be more narrowly trained than ours. His personal development is probably more restricted. But we will delude ourselves if we conclude that such an environment makes the Soviet scientist less capable than his American counterpart.

Make no mistakes about it. The Soviet educational system is producing professionally trained scientists and engineers whose every effort will be directed toward furthering the national aims and the ideological objectives of the Soviet Union.

Contrast this with our system. We are free from all Government limitations in the selection of a career. Our graduates must find their own place within the framework of our economy. Individual talents, whether in the arts or the sciences, can be developed with nearly equal opportunity, and their usefulness is governed by the demands of the community. I think it should be heartening to us that under our system, dignified by the freedom of choice and notwithstanding its many flaws, our educational institutions have made a major contribution in attaining the highest levels of technological and scientific achievements in history.

We are becoming increasingly aware, however, that our present level of achievement is not an end objective. We live in a society that must continue to be dynamic through the application of well-trained people to a progressively productive economy. There is a growing demand by our Government and industry for new and special knowledge, skills, and inventiveness in all fields of science.

Consider also this. We are heavily committed to expand our military capabilities, to pursue a vigorous space program, and to satisfy American consumer requirements for industrial goods. We are committed to exploit to the fullest extent our scientific resources, in order to realize our national potentials. Our success in meeting those commitments will be measured by the variety of skills and talents available to us. Hundreds of thousands of men and women, with the education, the talents and the know-how will be needed—and needed soon.

What is being done to increase the number of scientists and engineers we must have in the near future? How is this problem being attacked by our Government?

The President has taken vigorous action by directing his scientific advisers to study the whole problem. They are to report to him at an early date what steps the Government and civilian agencies can take to reverse this trend and to increase the number of scientifically trained people in the shortest possible time.

The National Science Foundation is utilizing its extensive experience in analyzing the problem and producing cogent information for the guidance of such agencies.

The Department of Health, Education, and Welfare will continue to assist educational systems throughout the country to broaden the opportunities for scientific training and to awaken student interest.

In Congress many bills have been introduced to bring method and direction to programs designed to enhance scientific education. For instance, I was joined by some of my colleagues in sponsoring legislation to establish a National Science Academy. Under the auspices of my committee, the National Aeronautics and Space Administration and the National Science Foundation have been active in provided financial support in the form of grants and fellowships to science graduates at many universities.

Thus, both the administration and Congress are actually aware of the pressing need for increasing the number of scientists and engineers. But no order of the President and no act of Congress, per se, can actually resolve our needs or reduce the trend of students flocking to other fields. The most the Government can do is to urge young men and women to seek education in the sciences, to persuade them to make their individual choices on the basis of real needs.

You, as physicians, know this well. Your reasons for freely choosing to become doctors and medical researchers were based on your own convictions, and were not limited by Government fiat. The task of implanting the desire in qualified young people to become physicists, chemists, engineers, or physicians must begin in the communities, in the schools, and in the homes.

As I see it, three principal factors are necessary to increase the enrollment of new science and engineering students. First, the promise of a rewarding career must be made clearly evident. Second, means must be found to eliminate economic obstacles existing in many families to higher scientific education. And third, the faculties of all schools at the community level must be made aware of our national needs and they must encourage more young people to enter the fields of science and engineering.

It is in the local community that the principal influences and desires for careers are created in the minds of our young people. It is there that these ambitions can be molded and stimulated. This is where early steps should be taken to organize school curricula to qualify promising students for college standards which must produce the people trained to meet the technological demands of our economy.

Whatever Government action may be taken, whatever may be the effect of local efforts to direct students toward the sciences, the result will be more than just achieving a solution to an immediate problem. It will also be an investment in the intellectual growth and development of our children, who will have as their heritage the right to govern themselves.

You and I are aware of the enormous challenges we must face and the tremendous burdens we must shoulder, if we and the free nations associated with us are to achieve a peaceful world in which to live. For this reason, I urge you to think about the problems I have outlined. I urge you to communicate your ideas, not just to one another, but also to those who represent you in Congress, to the organizations in which you may be active, to the press, and to any other forum of expression molding American public opinion.

Science has become a great energizing force of human relationship, at home and between nations. It can make possible the greatest benefits for all mankind, but it also can prove to be the evil force of mankind's destruction. Much depends on the men and women who labor in its vineyards and the nations who stand behind them. Scientific progress in the United States must reflect our determination to seek the betterment of all mankind and to gain the security of the free world. We cannot default through indifference or lack of action on the obligations we owe to ourselves, to our children, and to our ideals.

Expropriation and Foreign Aid Funds

EXTENSION OF REMARKS

OF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mr. BRAY. Mr. Speaker, millions of Americans were shocked a few weeks ago when the Brazilian State of Rio Grande do Sul expropriated a subsidiary of the International Telephone & Telegraph Corp.

This subject is discussed with great clarity and insight by my colleague, the Honorable E. Ross ADAIR, representing Indiana's Fourth District and a Member of the Committee on Foreign Affairs, in an article in the Public Utilities Fortnightly of April 26, 1962. The article follows:

EXPROPRIATION AND FOREIGN AID FUNDS

(By the Honorable E. Ross ADAIR, U.S. Representative from Indiana)

On February 15, Gov. Leonel Brizola, of the Brazilian State of Rio Grande do Sul—with calculation and forethought—expropriated the Companhia Telefonica Nacional, a subsidiary of the International Telephone & Telegraph Corp., whose headquarters are in New York City. This calculation and forethought were demonstrated by the seizure of the U.S. property by Brizola, which was illegal even under provisions of Brazilian law. The Brazilian Constitution requires that notice of such impending action be given and that a court hearing be held. No notice was given. No hearing was held.

The state government deposited in cruzeiros the equivalent of $400,000 in a local bank which was supposed to be acceptable to company officials for the property which was valued 2 years ago—by local appraisers—at more than $7 million. And this was not the first piece of American property expropriated by this local politician. Swift & Co. lost its Brazilian plant, and in 1959 Brizola seized a power company belonging to the American & Foreign Power Co., Inc., at Porto Alegre.

A brief outline of the expropriation of the Companhia Energia Electrica Rio Grandense (a subsidiary of the American & Foreign Power Co.) may be appropriate at this point. Should proper action fail to be taken regarding the seizure of the International Telephone & Telegraph property, the case of the American-owned electric company may provide a gloomy forecast of the future of I.T. & T. holdings as well as other interests in South America.

The electric company's concession for electric operations expired on May 5, 1958. Under Brazilian Federal law, electric concessions are automatically extended, pending the granting of a new concession. However, the concession gave the right to the state, in this case Rio Grande do Sul, to acquire properties on the basis of intrinsic value, which right was not suspended by Federal law. With this in view, Governor Brizola on September 10, 1957, asked that a commission be appointed to determine the valuation of the company's properties. American & Foreign Power cooperated fully in this valuation but it was never permitted to see the final valuation figures. The study was completed on May 30, 1958.

On July 31, 1958, the valuation was approved by the Minister of Agriculture. The company asked for reconsideration but was refused on May 5, 1959. Included in the valuation was retroactive calculation of the company's earnings from 1941. On this basis, after making adjustments to earnings, expenses, and capital accounts, most of which American & Foreign Power considered unjustified, the Brazilian commission arrived at an excess earnings figure which was found to be substantially in excess of its valuation of the properties and therefore it was concluded that not only was American & Foreign Power not entitled to any compensation but should be required to refund excess earnings in excess of the value of properties as determined by the commission.

In March of 1959, Governor Brizola offered to negotiate with American & Foreign Power, and company representatives indicated a willingness to enter into such talks. On May 8, 1959, the National Council of Waters (the basic regulatory group) declared it to be convenient and opportune to recapture the services and properties by the state and further stated that the Governor was free to acquire such properties, being obliged to pay any compensation which might be legally required. As a result, on May 11, 1959, Governor Brizola issued a decree of recapture and expropriation by the state energy commission. On the same day the commission filed a recapture and expropriation suit with the court offering to pay 1 cruzeiro for the properties and demanding immediate possession.

American & Foreign Power countered this action by filing a complaint alleging that the expropriation proceedings were illegal and unconstitutional, and opposing granting of possession pending final decision by the court. The court denied the company's request and granted the state energy commission possession, but required the deposit of 20 million cruzeiros. The company appealed the decision to the state's highest court. On May 23, 1959, company representatives met with Governor Brizola and broke off all negotiations.

The state tribunal of justice denied the company's earlier appeal on June 15, 1959, and American & Foreign Power then appealed to the Federal Supreme Court; the matter is still pending before that body, and the appeal does not suspend further proceedings in the lower court. The lower court appointed an expert, assisted by two advisers, one named by each of the parties to make a valuation of the properties. American & Foreign Power appointed one adviser and so did the state; however, the state adviser never took part in the valuation. On September 30, 1960, the court's expert filed a value at date of expropriation of 2,568,121,600 cruzeiros.

COMPENSATION VALUES CHANGE

It is somewhat difficult to state what this value represents now in dollars due to varying and multiple exchange rates. Experts found that imported equipment and materials had a value of $4,761,900 in U.S. dollars and local materials, equipment, and labor, a value of 2,091,931,600 cruzeiros. However, an award in an expropriation suit must be fixed in local currency so experts converted the dollar component at the then official rate of 100 cruzeiros to a dollar to arrive at total value above set forth. If this figure of 2,568,121,600 cruzeiros is converted to dollars at free market rate at time of expropriation of 132.50 cruzeiros to the dollar, it represents about $19.5 million in U.S. dollars.

If only the cruzeiro component is converted to dollars at the then free market rate and the result added to the dollar component, the equivalent in dollars is about $20,560,000 in U.S. dollars. However, if the cruzeiro component is converted to dollars at the present free market rate of about 320 cruzeiro to the dollar, the result is approximately $11.3 million in U.S. dollars, while if total award in cruzeiro is converted into dollars at the present free market rate the result is approximately $8 million in U.S. dollars. This proves the injustice of the long delay in fixing and paying the fair compensation due, unless a correction is to be made for depreciation of the cruzeiro occurring since the date of expropriation.

Since the filing of the expert's valuation nearly a year and a half ago, no further proceedings in the expropriation suit have been taken. The next step should be for the court to consider the expert's valuation, approving or modifying it. This is the unhappy state of affairs as it now stands in relation to the holding of the American & Foreign Power Co. in Brazil. Today—almost 3 years later—the state of Rio Grande, which is running the power system, has let the service deteriorate so rapidly that the people are without power for a few hours every day. And what about American & Foreign Power? It has not received a nickel for its property. It is problematical as to when and how much the company will get. Similar actions have remained in the Brazilian courts for many years. Another American company, United Fruit, fearing expropriation, is rushing to get rid of its banana-growing properties in Latin America. So far there have been few takers because labor unions, fearing lower wages and loss of fringe benefits, are lobbying against local businessmen buying up the properties.

In view of these actions, how can we give billions of dollars of foreign aid funds to Latin American countries with one hand and condone expropriation of American property with the other? "How can those in charge of the Alliance for Progress program justify to the American taxpayer," a Brazilian newspaper asks, "the granting of long-term financing which, in the final analysis, will be used to pay for the expropriation of American investments in Brazil?" I do not know the answer to that question, but I do know that we had better do something about the unwarranted seizure of U.S. investments abroad and do it fast.

I.T. & T. EXPROPRIATION

I should like to give a "blow-by-blow" description of how a Latin American country, or one of its states—it really does not seem to matter—practices what, for want of a better name, we will call creeping expropriation. The case I am about to document refers to the most recent seizure in Latin America, that of the American-owned telephone company in Rio Grande do Sul, Brazil. From what I have been able to learn, this case is rather typical, sadly reminiscent of American & Foreign Power's plight.

For several years, the state of Rio Grande do Sul has fixed this telephone company's rates at a level which would not permit the recovery of depreciation, let alone a fair return on investment. The company tried, on numerous occasions, to work out a proper basis of rate regulation which would permit a fair return and give the company the ability to raise funds for the expansion of its service. This was never possible and the rate base permitted the company at the time of expropriation was less than one-sixth of replacement value. Does anyone wonder why the service could not keep up with the demand?

In 1960, the Governor, Leonel Brizola, proposed an appraisal of the property to determine its fair value in connection with his suggestion that the owners consider the formation of a mixed company. Two appraisers, one appointed by the Governor, agreed on $7.3 million as a fair value. The Governor then, on June 12, 1961, proposed that the appraisal be accepted by both parties as a basis for the formation of a mixed company. He did not, however, indicate the basis on which the mixed company would be formed or who would control it. He did say, however, that the I.T. & T. subsidiary would have no more than a 25-percent interest in the mixed company he intended to form. Nine days later, the company replied that it could neither agree nor disagree to formation of a mixed company until it knew the terms. It also offered five alternative solutions, including sale of the company at fair value to the state. No reply was ever received from Governor Brizola. And now the documentary gets more interesting.

On July 28, Governor Brizola, in radio broadcasts, announced a plan for a pilot company (mixed company with state control), stating:

"It is expected that equipment from Iron Curtain countries will be obtained and installed * * * the state no longer wants anything to do with the company or the holding company * * * the state is not going to expropriate the American-owned company, nor does it consider it convenient to buy it out with the state holding its obsolete materials."

Three weeks later, the Governor, in a 2-hour conference with law students, declared that "if the United States is really interested in helping Latin Americans, I advise the U.S. Government to help Brazil expropriate and expel the foreign companies now exploiting its people." It was at this time that President Quadros' resignation brought on profound politico-military disturbances. Three military ministers in Quadros' Cabinet opposed Joao Goulart as President because of his extreme leftist leanings. The 3d army in Rio Grande do Sul, Santa Catarina, and Parana states, joined a movement led by Governor Brizola in support of his brother-in-law, President Goulart.

On September 2, Goulart arrived in Porto Alegre in an atmosphere of near civil war. Frantic negotiations were being conducted in Brasilia, the nation's capital, negotiations which resulted in changing the powers of the President by a constitutional amendment from presidentialism to parliamentarianism.

The memorandum was approved September 3, and Goulart accepted the new formula and went from Porto Alegre to Brasilia. Is there any doubt which way the wind was blowing?

Toward the end of September, still in 1961, Governor Brizola in radio and television broadcasts at Rio de Janeiro talked again to students and journalists with the theme song:

"Without pretending to declare the Soviet Union innocent of what is accused, we must have the courage to affirm that the problem of our liberation is linked to the need for elimination of the spoliatory process exerted on our people by the capitalist world, with its polarizing center, today, in the United States."

Another nail in the coffin of private enterprise.

On September 27, in the absence of Brizola, Acting Gov. Helio Carlomagno told a group of U.S. consultants that their proposal for a mixed company "would not be accepted as negotiations with countries of the Socialist block, especially East Germany, had more chance for a satisfactory conclusion, as we [the state government] do not hold anything against them, while we have grave reservations regarding the North American capitalist." Another nail.

COMMUNIST INFLUENCE DENOUNCED

Two weeks later, the Porto Alegre archbishop, Dom Vincente Scherer, in two letters to Brizola, denounced Communist infiltration in the state government and similarly denounced statewide distribution given to a pamphlet on guerrilla warfare prepared by the Cuban Communist leader, Che Guevara. State Agriculture Secretary Alberto Hoffmann publicly admitted the archbishop's denunciations were justified.

Meantime, one of the largest communities which would be affected by the proposed mixed company proposal—the community of Novo Hamburgo—began expressing doubts as to the execution of the project. It began publishing weekly reminders of its telephone needs and talked of government apathy and evasiveness. On November 20, Brizola appointed an incorporator for his mixed company.

Early in December, four of my distinguished colleagues, Senators CLAIR ENGLE, STEPHEN YOUNG, FRANK MOSS, and GALE MCGEE, personally heard Governor Brizola make a bitter attack on the behavior of American companies operating public utilities in Brazil. The governor assured them, however, there was no danger of communism in South America, only restlessness created by poverty and underdevelopment. I guess it depends to whom the leftist is talking.

Shortly afterward, Brizola signed a telegram to the Federal Senate expressing his full support of legislation controlling remittances of funds to foreign countries. This legislation requires nationals and foreigners to register all foreign holdings, requires government authorization for all future transfers, and allows banks to operate only if their respective governments give reciprocal privileges. This has now been approved by the chamber of deputies. Another nail.

On December 22, Brizola made his move to solicit subscriptions for the mixed company. He hoped to complete the capitalization within 30 days. However, the citizens of Rio Grande do Sul did not buy the program. Early in February, despite heavy propaganda, only 27 percent of the shares offered were subscribed for. The Governor, with his back to the wall, then took over the American company and offered to pay the owners 5 percent of its value. Can this, by any stretch of the imagination, be called adequate compensation?

U.S. STATE DEPARTMENT PROTESTS

This is the history of but one of the many crimes perpetrated on an American company by a foreign government. We cannot stand idly by and do nothing. If we do, we can rest assured that petty tyrants will be forever encouraged to grab American property and equipment with impunity. Are we forever to be plundered by little men who despise our private enterprise society while, at the same time, they stake out their insolent claims to our foreign aid? Hardly a day has gone by in the last 6 months when some new aspect of American foreign aid to Brazil has not been brought to light. At the very moment of the seizure of the American telephone company in Brazil, the U.S. Government was considering allocations to Brazil of more than $700 million.

Is there not a mockery in the high-sounding phrases we embodied in the policy enacted into law last year as a part of the aid bill? Did we really mean it when we said, in the preface to the act for international development of 1961, "It is the policy of the United States to strengthen friendly foreign countries by minimizing or eliminating barriers to the flow of private investment capital"? Can anyone believe that Castroism on the rampage can be a spur to new private investment in Latin America? Can anyone deny that this new Marxist seizure will retard and stifle needed capital contributions to Latin American development?

I recognize that our Department of State has protested the seizure of the American property which took place in Brazil. In its protest, the Department of State recognized that every government has an inherent right to acquire the ownership of private facilities upon the payment of adequate compensation. No doubt this is all proper and logical. But where will it all end? Are we prepared to espouse state ownership as the rule rather than the exception?

All of these unhappy considerations are highlighted once again by the action taken in Brazil on February 15. They raise grave questions for the Congress of the United States. The ink is hardly dry on our aid declarations of last year. Yet, already it appears that the high hopes for the Alliance for Progress may be "whistled down the wind" unless we take action to make our laws more responsive to the needs of our time. It is true that I have been directing my comments toward Latin America and particularly Brazil. That is because of the recent takeover there. But who can say that this same method of unwarranted seizing of American property won't happen tomorrow and tomorrow and tomorrow in another part of the world?

It seems to me that our Government has no policy regarding seizure of American property abroad and—what is more important—no policy guaranteeing adequate compensation. If we do have a policy, then what is it? The Foreign Assistance Act of 1961 encourages the investment of private capital. What is our policy of protecting this investment? How can we expect American capital to be invested abroad without a definite plan for protection of this capital? We cannot, and American businessmen are not fools. Private capital flowing to Latin America has been reduced to a trickle.

CONTROLLING LEGISLATION INTRODUCED

We need a strong tool if we are to encourage American investment abroad. That tool could be the withholding of aid funds to all countries that seize American property and do not pay its owners just compensation. Legislation must, therefore, be passed to establish a policy which will protect American investment abroad and encourage such investment in the future. To do this, I have introduced H.R. 10527 which will amend section 620 of the Foreign Assistance Act of 1961 to prohibit assistance under that act to the government of any country which has not established equitable procedures for compensating U.S. citizens for loss of property by expropriation. I might add that a number of my colleagues, both Democratic and Republican, have given their support to this proposal. Legislation of a similar nature has also been introduced in the Senate by Senators LONG (Democrat, of Louisiana), GRUENING (Democrat, of Alaska), SMATHERS (Democrat, of Florida), and ERVIN (Democrat, of North Carolina).

If the Brazilian Federal Government cannot accept responsibility for what happens inside Brazil, how can it accept responsibility for the distribution of aid funds from the United States? This question, I believe, should be answered before further aid is sent to any country where there appears to be little respect for the rights of private property. And this applies equally to all other areas of the world which receive U.S. foreign aid dollars.

I have been greatly encouraged by the response to my thinking on this subject. Numerous newspaper editorials have commended my position while abhorring the apparent flouting by the State of Rio Grande do Sul of any equitable settlement arrangements.

PRESIDENT DISAGREES WITH PROPOSAL

At a recent press conference President Kennedy stated that he could think of nothing more unwise than barring aid to Brazil because an unfriendly governor of one of its states had expropriated a U.S.-owned telephone company without full compensation. Of course, I cannot agree with the President's position on this matter, and I should like to quote the remarks of Representative ALGER, Republican, of Texas, regarding the Chief Executive's stand:

"In his press conference the President assailed those of us who dared to challenge the action of a Governor in one of the states of Brazil in seizing an $8 million property belonging to the International Telephone & Telegraph Corp. The President claims we should not be critical of the Government of Brazil because of the actions of one of its Governors. I am confounded by such naivete on the part of our Chief Executive. Perhaps his attitude explains the failure of our foreign policy. Evidently he has no intention of pursuing policies which will protect American lives and property anywhere in the world. Evidently he believes that regardless of any illegal or immoral action against the United States or its people (it) should be ignored because it may offend some part of the Government responsible for such action.

"I believe the time has come * * * for Congress and the American people to let our President know that we are no longer in a mood to sacrifice honor and prestige, the only real guarantees for peace, for sniveling acquiescence in Communist takeover of country after country."

Here the matter rests for the moment. Will we stand by with pocketbooks ever open, inviting governments to take our foreign aid money with one hand, while seizing property of Americans with the other? Is there not something basically immoral about perpetually giving without demanding allegiance and respect in return? In this reference I intend to press for the enactment of my bill H.R. 10527 which will insure that such actions as the expropriation of property owned by American citizens will not be entered into by foreign governments, without their first considering that such action may influence the flow of foreign aid dollars into their economy. This, I feel, is the very least that can be done to assure the American taxpayer that his hard-earned tax dollars are not being dumped into an unappreciative bottomless drain.

Senator Anderson Speaks on the Bill

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 22, 1962

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the Record, I include the following address by Hon. Clinton P. Anderson to the Community Services Institute of the New York City Central Labor Council—AFL–CIO—at the Hotel New Yorker, New York City, on May 19, 1962, on the important subject of health care for the aged through social security.

The address follows:

Remarks of Senator Clinton P. Anderson, Community Services Institute of the New York Central Labor Council, AFL–CIO, Hotel New Yorker, New York City, May 19, 1962, 12:15 p.m.

I welcome the opportunity to come to this city on the eve of an important address by President Kennedy. He will be talking about the need for a program of health care for the aged through social security. Tomorrow, while he speaks in Madison Square Garden, I will be deep in the heart of Texas talking to another large audience on this vital issue.

This audience needs no argument that the needs of our elderly are real and urgent. Nor do you need selling on the soundness of meeting a large part of these basic health needs through the social security system.

For in this fight on behalf of millions of Americans over 65, our stanchest ally, our good right arm, and our loyal friend has been the American labor movement. Men like George Meany, Walter Reuther, Andy Biemiller and Nelson Cruikshank have worked diligently for this legislation. They have my grateful appreciation.

It is not surprising to find the great labor unions of this country so deeply concerned about the health care of the Nation. Union members and their immediate families represent over 40 million individuals. Through health plans established by collective bargaining, through the fine HIP program here in New York, through clinics operated by union locals, through hospital centers such as established by the United Mine Workers, and other programs, labor is buying billions of dollars worth of health and medical services. You want to make sure that this care be both available and of high quality.

The effort to help lighten the burden of unpredictable and expensive medical expenses did not begin this year or last. For some time men in public life have been concerned about the realities of the problem. Senator Herbert Lehman, Senator Wagner—whose son carries on a tradition of valuable public service—and Manny Celler, all steadfastly proposed the social insurance approach to the problem.

In trying to bring about a major national program, we often see legislation considerably altered, provisions added or subtracted, many years spent in hearings and debate, and in writing and rewriting. But I say with some confidence that we have reached the point where we can expect Congress to pass a health law that will be in harmony with the very best that a free and dynamic society can offer its citizens. There may be some modification of the King-Anderson bill as it moves from the House Ways and Means Committee to the House floor for a vote; there may be some changes in the Senate. But we will not stand idly by and watch it shorn of its basic principles. We will have health care for the aged through social security—on that we will stand.

Nothing is surer indication of approaching decision on a critical issue than an outpouring of counter proposals. We have reached that point with health care for the aged. Like spring flowers, the alternatives bloom and blossom: the Bow bill, which the Republican National Chairman, William Miller likes, the Lindsay bill, which your Governor, Nelson Rockefeller, likes, the revised Javits bill, the Durno bill—you name it, we have it.

Let's call the roll of these alternatives. The Durno bill simply says a study should be made of the whole problem—and the study group's recommendations must follow specified lines. Congressman Durno happens to be both a Republican and physician, so you can guess the line the recommendations must take.

Thirty-two of Congressman Bow's Republican colleagues in the House sponsored his bill following the request of Congressman Miller. The Republican Party had to hurry when it suddenly found something was needed to combat the mounting support for the King-Anderson bill. There is a story that Charlie Halleck, the House Republican leader and a great admirer of the Kerr-Mills program, was so put out by Miller's action that he walked out of the Capitol and kicked the tires of his car. There is no telling what he would have kicked if Chairman Miller had been nearer; because, in effect, the Bow bill is an outright gift of up to $125 from Uncle Sam to every person over 65 to apply on the purchase of private health insurance.

The Bow bill would cost over $2 billion in general revenue funds from a heavily burdened Federal Treasury in the first year and more thereafter. It would be a very poor investment of Federal funds because individual health policies buy so little in terms of the cost-benefit ratio. According to the "Accident and Sickness Review" 1961 survey number, only 39 percent of the premiums on noncancellable and guaranteed-renewable accident and sickness insurance were returned to beneficiaries in the form of benefits. Obviously the insurance industry could gain more from this bill than the beneficiaries.

And, moreover, it would not meet the real need. Under any cash indemnity plan, the gap between actual cost of service and the amount paid from insurance sources can be both great and unpredictable. Costs and fees tend to rise—already average hospital costs range around $35 a day—and there is no way this bill can assure a given amount of protection or even, in some cases, any protection at all to those covered.

When Congressman Lindsay introduced his bill, he indicated that the measure represented the thinking of Governor Rockefeller. I was gratified to hear the Governor later declare that this problem of the aged "is too important a matter of human concern for political maneuvering." I agree. Let's say that the Governor, despite the fact that he is a candidate for reelection this year and may even have aspirations beyond Albany, does not seek political gain in the Lindsay bill.

But the Governor criticized what he called three flaws in the King-Anderson bill which he said are hurting its chances of enactment. I want to talk about those.

He said: 1. It does not provide for a separate trust fund, but would merge the separate trust funds of the social security program with the health insurance program;

2. It provides compulsory health insurance, without any option of coverage under a private health insurance policy or plan;

3. It leaves nearly 3 million persons ineligible because they are likewise ineligible for social security or railroad retirement benefits.

Well, let's take a look. While my bill does not establish a separate trust fund for health benefits, it does establish a separate account which would be administered as a separate fund. The Governor's attack on this part of the King-Anderson plan is merely a play of words. The only difference between a separate trust fund and a separate account is that in the separate fund there would be bonds earmarked for health insurance. In the case of a separate account, all money for all accounts would be invested, as in a bank, without identifying some bonds as being for one account, and some for another, but the account would not be mixed with general social security money. If, however, this provision is disturbing, there would be no objection on the part of the legislative sponsors of this legislation or the Department of Health, Education, and Welfare if a completely separate trust fund is created. We were merely attempting to simplify the administration of the program, but if it will make everyone happy we can certainly change the name applied to the account or fund. That one is easy.

Next the Governor criticizes the compulsory aspects of the King-Anderson bill, and the absence of an option of coverage under a private plan.

Of course, our plan has never been intended to stand alone in the field of health care for the aged. It is a basic health plan that can be supplemented or complemented by private and group health plans. But to get wide coverage and low basic costs, all elderly who are eligible under the Social Security and Railroad Retirement Acts must be blanketed in; not just the good risks, but all risks.

The plan advanced by Governor Rockefeller through Congressman Lindsay presents a real threat that by "adverse selection" the Government would be forced to carry only the most expensive recipients because their needs would undoubtedly be greater. By "adverse selection," I refer to the situation where private carriers pick the good risks and exclude the poor risks. This kind of option would prove unworkable from the standpoint of the Government, because the burden would be heaviest on one party, the Government.

I don't know where the Governor found this demand for options. I have received a heavy volume of mail from the aged, and none of them has suggested a desire to receive an option to choose commercial insurance. What is needed, and will be worked out, are plans designed to complement the basic, backbone health benefits provided in the King-Anderson plan. This would let a private carrier build around what we have provided and do so at a reasonable price to the insured.

Finally, Governor Rockefeller is concerned about what he terms the "3 million persons ineligible" because they are not covered under the Social Security or Railroad Retirement Acts. We admit that there is a gap where some people are not covered under our bill.

I do not know precisely how big the gap is, and I doubt if Governor Rockefeller does. But I think it can be bridged. By January 1964, there will be almost 18 million people over 65. Of these, almost 15 million would come under King-Anderson. What about the rest? Well, retired Government employees with health insurance account for about a quarter million; about half a million are Veterans Administration cases, and about 1¼ million are on old age assistance. That leaves about a million, and they are a definite minority of the aged whom we thought we were covering by passage of the Kerr-Mills Act. So, in one way or another, the gap shrinks quite a bit.

The Governor may not approve of the Kerr-Mills Act, but by his own admission, New York alone has benefited by having 60 percent of all the Kerr-Mills money spent in this State. New York has only 10 percent of the Nation's population, so it is doing pretty good.

Let me give you a brief description of what, if I were a football coach, I would call the Kerr-Mills shift. It has been used by a few of the wealthier States to roll over most of the other States.

I do not want to burden you with a dry recitation of figures, but I think we owe it to ourselves as Federal taxpayers to audit the books.

New York began its Kerr-Mills program in October 1960. Under this program total monthly payments, both for cash assistance and medical vendor payments, were $4.2 million higher in December 1961 than in September 1960, the month before Kerr-Mills started. State and local funds spent for this program increased $700,000, but the Federal share jumped $3.5 million. In Michigan, the same thing happened: Federal funds increased $700,000, while State and local funds went up only $200,000.

But in Massachusetts it was open season on the National Treasury. Federal funds involved there increased $1.6 million, while State and local expenditures decreased $1.1 million. This is the shift I'm talking about, a shift of the big share of the burden from the State to the Federal Government.

In New York, during the 15 months, October 1960 to December 1961, 41 percent of the 55,000 cases opened under the Kerr-Mills program of medical assistance for the aged were transfers from State expense. But in Massachusetts in that period, 63 percent of the 29,000 cases opened were transfers from what previously had been a State expense. I think the other States are beginning to spot the Kerr-Mills shift and I don't think they are going to continue to let themselves be its victim.

My distinguished colleague, Senator JAVITS, has a bill which he said he put forward as a compromise to test whether the administration is willing to make concessions in order to gain wider support.

It was just about a year ago that I discussed this matter with him on the floor of the Senate. I stated that I would be very willing to listen to any suggestions aimed at improving the administration bill. We, the supporters of the administration bill, stood open to proposals which would produce a better program. But we, of course, did not intend to trade away the basic principles of the King-Anderson bill. The Javits bill, while it partly relies on social security financing, has some major drawbacks which make it, in my estimation, unfeasible and unrealistic.

Nevertheless, I repeat that we always welcome the assistance of the senior Senator from New York.

I would not want to leave this discussion of counterproposals without mentioning the Blue Cross-Blue Shield announcement last January that they had a program for meeting the high hospitalization and medical costs of the aged. We anxiously awaited details of the program. And we are still waiting. What was hailed as a program turned out to be a press release.

With these alternatives before us, the Bow bill, the Lindsay-Rockefeller bill, the Durno do-nothing bill, the Javits bill, and the will-o'-the-wisp Blue Cross-Blue Shield plan—I say take the King-Anderson bill. Accept no substitutes. Insist on the genuine article.

The opponents of the King-Anderson bill are waging a campaign aimed at creating fear, confusion, and distrust. To the aged they say, "Your right to choose your physician and hospital will be taken away." To younger Americans they say, "This is a plan to tax the workingman to pay the medical bills of the rich." And to all who will listen they say, "The bill is just a political vote-catching scheme."

Since they cannot muster facts, they conjure up fancies, hoping that if they shout long enough and loud enough, some will hear and believe.

I was the target of this sort of tactic recently in my own State. The president of the State medical society went on radio and said he wasn't going to give people a lot of figures and statistics about the health care matter. Rather than bore his audience with facts, he said he would discuss the issue in terms of socialistic trends. The physician urged his listeners to bombard with letters a certain Senator who had socialistic leanings. Well, the bombardment never came off because the people in New Mexico know me, and as Secretary Ribicoff so aptly put it, they know a horse chestnut from a chestnut horse. But I give the doctor E for effort.

Across the Hudson in New Jersey, a number of doctors have declared that they will not take on patients whose hospital bills are paid with social security dollars. This threat could be dismissed as nonsense if it did not reveal a rather frightening attitude on the part of some physicians. Perhaps they should become acquainted with the observation of the late Dr. Alan Gregg of the Rockefeller Foundation that: "Most doctors have for so long been surrounded by sycophantic interns, obsequious nurses, and frightened patients that they get themselves confused with God." Now those of us who are politicians—a nasty word as far as the AMA goes—don't have that problem. We get enough rough fan mail to keep from confusing ourselves with the Almighty.

It is not the doctors' insistence on preserving the jurisdiction of his profession to which we object. What worries us is their denial of the right of other groups, especially the consumer, to determine how professional services and other health expenses shall be paid.

Doctors don't refuse patients under the medicare program which pays them for caring for servicemen's dependents. They don't reject direct payments of public funds under old-age assistance programs. They don't reject Federal payments to care for Veterans' Administration cases. They don't reject Federal funds for construction of their hospitals. They just draw the line on King-Anderson.

The doctors' lobby would have people believe that if the King-Anderson bill becomes law the Federal Government would take its first steps into health care. Our Government has long been concerned about health, and rightfully so. It is spending over $2 billion a year to buy personal health services—and that does not include the military or 170 Veterans' Administration hospitals which serve 114,000 patients daily with medical care of a high order. The Government is spending upward of $700 million for the National Institutes of Health. The research accomplishments of these Institutes have far-reaching effects and the physicians are glad to have them.

There are a great many doctors who work 60 and 70 hours a week; who still keep the long night watch over acutely ill patients; and who keep faith with their Hippocratic oath that "Into whatever house I enter I will go into them for the benefit alone of the sick." I would not want us to lose sight of the irreplaceable contributions of these thousands of physicans. They are medical men; not public relations men.

Sometimes I have the feeling the ghost of Mayor Big Bill Thompson, of Chicago, must be writing the AMA's material. He ran on a platform to "punch King George on the snoot." Apparently the AMA hates King George also. One of the AMA's favorite arguments is that health care standards in Great Britain are frightful because medicine there is socialized. Therefore, they say that King-Anderson is socialized medicine, and hence our standards will suffer. That just isn't so, and if you hear that, stand up and fight back.

Under my bill the Government would not pay a single doctor or dentist bill but would only help people finance the costs of their health care as they center in the hospital. There are specific guarantees that the Government would in no way control, regulate, or interfere with the practice of medicine.

My proposal is designed to provide insurance protection for the poorest risks, the elderly, and to exclude the good risks—and by that I mean the younger members of our population for whom private insurance protection is available at a price they can afford to pay.

Twenty-seven years ago opponents of social security said its establishment would inhibit the growth of private pension plans and annuities and would destroy the business of life insurance. Yet during the past quarter century these plans have grown hand-in-hand with social security. Between 1940, when old-age and survivors insurance benefits were first paid, and 1960, the last year for which I have records, the number of workers covered under private pension and deferred profit-sharing plans increased from 4 million to 22 million and the number of annuities in force increased from about 1½ million to about 6 million. During the same period, life insurance in force grew from $115 billion to $586 billion and life insurance per family grew from $2,700 to $10,200. Was life insurance hurt?

There is really nothing surprising about the fact that social security has stimulated the growth of insurance. This is just what it was expected to do. That is because social security benefits are paid without regard to the supplementary protection that a person has been able to build up for himself and his family in the form of savings, pensions, investments, private insurance, and other resources; hence they serve as a base upon which people are encouraged to build such supplementary protection.

If it were not for social security, many of the private pension plans that exist today would never have been established. With the basic job being done through the social security system, a little private pension money goes a long way, and employers are encouraged to establish supplementary plans.

There is really no reason to believe that if health insurance for the aged is provided under social security the results will be any different. Rather, the aged can be expected to build upon this basic health insurance protection just as they have built upon the old-age, survivors, and disability insurance protection now provided under the social security system.

I repeat my beliefs. I believe the King-Anderson bill is going to become law this year. I believe the medical profession will come to accept it and work effectively to heal the aged ill covered by its protection. I believe the private and group insurance people, using the social security program as a foundation, will move in to fill the remaining gaps in health-care coverage.

And when the history of this legislation is written, the role of organized labor will make you all proud of the part you have played.

SENATE

WEDNESDAY, MAY 23, 1962

The Senate met at 12 o'clock meridian, and was called to order by Hon. BENJAMIN A. SMITH II, a Senator from the State of Massachusetts.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal Spirit, with bowed heads and reverent hearts we pause in the midst of the day's demanding duties, lifting up our souls to Thee, unto whom all hearts are open, and from whom no secrets are hid. Even in the turmoil of these days in which our lives are enmeshed, we need Thee; every hour we need Thee.

Burdened by many anxieties and responsibilities, tempted to be cynical because of human evil, of faint hope because of human folly, and fretted by small problems, we are in danger of being blown off our course by the social storms that are sweeping the earth. We pray for ourselves, while the tempest still is high, that we may not increase the dissensions and divisions of these times by our own ill temper, but that we may widen every area of good will our influence can reach, as we help to heal the open sores of the earth in this great and challenging day.

In the Redeemer's name we ask it. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 23, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. BENJAMIN A. SMITH II, a Senator from the State of Massachusetts, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. SMITH of Massachusetts thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 22, 1962, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Paul E. McNamara, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N.Y., which was referred to the Committee on Finance.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Acting President pro tempore:

S. 1915. An act for the relief of Orsolina Iallonardo, Mrs. Chow Chuiha, and Giuseppe Aniello;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the Saint Joseph Division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H.R. 1349. An act for the relief of Fong Chun Hong;

H.R. 1372. An act for the relief of Rocco Cambrea;

H.R. 1435. An act for the relief of Jacinto Machado Ormonde;

H.R. 1533. An act for the relief of Lee Kyong Ja;

H.R. 1588. An act for the relief of Fong Kai Dong;

H.R. 1604. An act for the relief of Spencer E. Hewitt;

H.R. 1650. An act for the relief of Irene Kemeny;

H.R. 1697. An act for the relief of Viola Borwick Warbis;

H.R. 1701. An act for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn;

H.R. 1703. An act for the relief of Maximo B. Avila;

H.R. 1918. An act for the relief of John D. Morton;

H.R. 2687. An act for the relief of Miss Helen Fappiano;

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation;

H.R. 3005. An act for the relief of Sister Mary Aurelia (Chiara Di Gesu);

H.R. 3148. An act for the relief of Maddalena Haas;

H.R 3696. An act for the relief of Gertrude M. Kaplan;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 4380. An act to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana;

H.R. 4563. An act for the relief of Abraham Gelb;

H.R. 5610. An act for the relief of Pierino Renzo Picchione;

H.R. 5686. An act for the relief of Mrs. Willie Mae Brown;

H.R. 5689. An act for the relief of Felicja Saulevicz;

H.R. 6344. An act for the relief of Mon (Fred) Young;

H.R. 6464. An act for the relief of Cecil D. Rose;

H.R. 6772. An act for the relief of Hendrikus Zoetmuler (Harry Combres);

H.R. 6773. An act to repeal the act of August 14, 1957 (Private Law 85-160);

H.R. 7477. An act to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects;

H.R. 7671. An act for the relief of Louanna L. Leis;

H.R. 7752. An act to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes;

H.R. 7777. An act for the relief of Elisabetta Piccioni;

H.R. 8030. An act to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions;

H.R. 8195. An act for the relief of Ronald L. Mutter;

H.R. 8482. An act for the relief of Paul J. Pericle;

H.R. 8515. An act for the relief of James R. Banks;

H.R. 8628. An act for the relief of Joseph A. Tedesco;

H.R. 8916. An act to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia;

H.R. 8941. An act to authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt;

H.R. 9060. An act for the relief of Rhea G. Burgess;

H.R. 9097. An act to authorize the Secretary of the Interior to sell certain public lands in Idaho;

H.R. 9188. An act to relieve Theodore A. Anderson from loss of agricultural conservation program benefits;

H.R. 9409. An act for the relief of Mrs. Iris Ann Landrum;

H.R. 9596. An act for the relief of Daniel E. Moore;

H.R. 9597. An act for the relief of James N. Tull;

H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes;

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

H.R. 9753. An act to amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities;

H.R. 9805. An act to change the name of Whitman National Monument to Whitman Mission National Historic Site;

H.R. 9830. An act for the relief of John B. Hogan;

H.R. 10098. An act to authorize the exchange of certain lands at Antietam National Battlefield site;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the United States Air Force Academy;

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium; and

H.J. Res. 576. Joint resolution to designate calendar year 1962 as Cancer Progress Year.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Upon request of Mr. HUMPHREY, and by unanimous consent, all committees of the Senate were authorized to meet until 12 o'clock noon tomorrow.

Upon request of Mr. Humphrey, and by unanimous consent, the permanent Subcommittee on Investigations of the Committee on Government Operations and the Subcommittee on Stockpiling of the Committee on Armed Services were authorized to meet during the session of the Senate today.

On request of Mr. Talmadge, and by unanimous consent, the Subcommittee on Constitutional Amendments of the Judiciary Committee was authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Humphrey, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Morning business is in order.

LIMITATION ON CERTAIN EXPENSES RELATING TO DEPARTMENT OF DEFENSE APPROPRIATION BILL FOR 1963

The ACTING PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, proposing the removal of limitation on indirect expenses connected with research grants in the pending Department of Defense appropriation bill for fiscal year 1963; which was referred to the Committee on Appropriations.

PROTECTION FOR THE GOLDEN EAGLE—RESOLUTION

Mr. CARLSON. Mr. President, the Fraternal Order of Eagles is supporting House Joint Resolution 489, which affords protection to the golden eagle, and indirectly increases protection of the bald eagle. The eagle is the emblem of this fraternity.

Newton Aerie 2516, Fraternal Order of Eagles, Newton, Kans., has adopted a resolution in support of this proposed legislation.

I ask unanimous consent that the resolution be printed in the Record, and referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

Resolution for the Protection of the Golden Eagle

Whereas the purpose of House Joint Resolution 489, now pending in the House of Representatives of the Congress of the United States, is to afford protection to the golden eagle, and indirectly to increase protection of the bald eagle, the emblem of our country and the emblem of our fraternity; and

Whereas up to 4 years of age, the bald eagle and the golden eagle are virtually indistinguishable and, as a result, many young bald eagles have been slaughtered by hunters who have mistaken them for golden eagles; and

Whereas the numbers of bald eagles and of golden eagles have been declining year by year, and there is grave danger that both species will completely disappear, becoming as extinct as the dodo; and

Whereas at the present time the golden eagle is protected by legislation in 43 States and the bald eagle is protected by Federal legislation, the Bald Eagle Act of 1940: Now, therefore, be it

Resolved, That our aerie, as a local aerie of the Fraternal Order of Eagles and in support of the "keep 'em flying" program of our fraternity, urge the enactment of House Joint Resolution 489, and respectfully request the Representative of our district in the Congress of the United States to support the enactment of House Joint Resolution 489.

Morris A. Seger,
President,
Melvin E. Grubb,
Secretary.

Dated this 2d day of May 1962.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. 3266. A bill to amend section 2 of the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes," approved March 3, 1925, as amended (2 U.S.C. 158), relating to deposits with the Treasurer of the United States of gifts and bequests to the Library of Congress and to raise the statutory limitation provided for in that section (Rept. No. 1520);

S. Res. 37. Resolution to amend rule XIX relative to the transgression of the rule in debate (Rept. No. 1521);

S Res. 337. Resolution increasing the limit of expenditures by the Committee on Appropriations;

S. Res. 341. Resolution to print a list of proposed amendments to the Constitution, 69th Congress through 87th Congress (Rept. No. 1522);

S. Res. 342. Resolution to print as a Senate document an agreement relating to the use and development of water and related land resources (Rept. No. 1523);

S. Res. 343. Resolution to print as a Senate document, with an illustration, a report entitled "Functions of the General Accounting Office" (Rept. No. 1524); and

S. Res. 344. Resolution authorizing the printing for the use of the Committee on Appropriations of additional copies of Senate Document 5, 87th Congress, entitled "The Proposed 23d Amendment to the Constitution To Repeal the 16th Amendment to the Constitution, Which Provides That Congress Shall Have Power To Collect Taxes on Incomes" (Rept. No. 1525).

BILL AND JOINT RESOLUTION INTRODUCED

A bill and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GOLDWATER:

S. 3338. A bill to incorporate the American Symphony Orchestra League; to the Committee on the Judiciary.

(See the remarks of Mr. Goldwater when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S.J. Res. 189. Joint resolution requesting the President to proclaim the week of July 15 to 21, 1962, as "National Drum Corps Week"; to the Committee on the Judiciary.

INCORPORATION OF THE AMERICAN SYMPHONY ORCHESTRA LEAGUE

Mr. GOLDWATER. Mr. President, I introduce, for appropriate reference, a bill to incorporate under a Federal charter, the American Symphony Orchestra League.

Mr. President, the American Symphony Orchestra League is the only organization in existence devoted exclusively to the needs of symphony orchestras, their related organizations and arts councils. It is a nonprofit, research, service, and educational association. Its membership consists of symphony orchestras and arts councils, business firms, educational institutions, libraries, individuals representing women's associations and symphony boards, as well as composers, conductors, concert artists, artists' agents, orchestra managers, and musicians—all representing 1,200 symphony orchestras. These range from the smallest college and community orchestra to the largest of the major orchestras. It is maintained solely for the purpose of assisting orchestras and arts councils to strengthen their work, stabilize their financial base, expand their cultural services within their own communities, and upgrade their artistic standards.

The league's activities and services are many and varied. Its official publication, the Newsletter, reports on the work, problems, research, and activities of orchestras, women's associations, arts councils, and other related arts activities. It issues special publications including authoritative studies of legal documents of symphony orchestras, governing boards of orchestras, survey of arts councils, summary of music critics workshops, conductor study and training opportunities, and report on recording projects. Other special memorandums are issued periodically, devoted to various aspects of orchestra work and research.

Each year, comparative financial and statistical reports are compiled and issued to participating orchestras within three budget categories—the metropolitan orchestras, the large budget community orchestras and the small budget community orchestras. Over 100 orchestras participate in the league's monthly exchange of information on concert attendance in relation to the type of concert and specific artist presented. Nearly 200 orchestras participated in a survey on support of orchestras by municipal, county, and State funds. The publication of the 1960 to 1962 concert calendar includes concerts of 203 league member orchestras listing dates, orchestras, conductors, assisting artists, and world premieres.

The league talent pool serves orchestras, musicians, managers, and conductors, and is designed to assist organizations in finding needed personnel. Its individual service program enables members to request and receive advisory service on employment and on special problems.

The league's study and training activities have provided opportunities to enter into cooperative projects with other organizations. For example:

The Rockefeller Foundation has assisted in many of its research and training projects with approximately one-half million dollars in grants over the last 6 years;

The U.S. Government selected the league to develop the work and organization of the music committee of the people-to-people program;

Broadcast Music, Inc., has assisted extensively in presenting musicians study projects at its national conventions. The American Society of Composers, Artists, and Publishers and other business firms have assisted in other projects;

The Avalon Foundation has made a grant to the league for the purpose of developing an in-service training program in orchestra management;

The Music Critics Association and Community Arts Councils, Inc., have selected the league to serve as their administrative agency. The World Music Bank is administered by the league;

The league serves as the coordinating agency for the Alice M. Ditson Fund whose orchestra awards this year were presented to conductors of only four orchestras; and

The league each year conducts an orchestra management course which is the only such training program offered on a professional level anywhere.

Its conductor study programs continue to be in such demand that it cannot accommodate the scores of conductors wishing to attend.

Its advanced conductors study has proved of enormous interest and help in making available the funds, background education, and training opportunities necessary to the advancement of talented young conductors.

Mainly as a result of the league alerting members and nonmembers of the possible discontinuation of the 1960-61 CBS radio broadcasts of the New York Philharmonic, CBS received 11,000 letters, and the programs were presented for the 31st consecutive year.

The league is represented on the advisory committee for the National Cultural Center for the Arts in Washington, D.C., by its president, Mr. John Edwards. Its executive secretary, Mrs. Helen Thompson, represents the league on the Council of Arts in Government, on the editorial board of Musical America, on the executive committee of the National Music Council and contributes to the forum lecture programs broadcast throughout the world by the Voice of America, and will be a judge for the Liverpool competitions.

The league has introduced to the orchestra world a retirement income plan for conductors, orchestra, and arts council managers, and administrative employees. The plan was under study by the league board for 3 years, and is covered under a group annuity contract issued by the Equitable Life Assurance Society of the United States. The plan, I might add, has been adopted by the Phoenix Symphony Association.

The league introduced a regional management project for orchestra operating on small budgets from $20,000 to $30,000 a year. This makes it possible for orchestras within a geographical area to obtain the services of a skilled professionally trained orchestra manager.

The league also concerns itself with the problems and solutions of full-time employment for orchestra musicians and conductors.

The league is being financed, through the aid of Mrs. John D. Rockefeller, Jr., for a second year, in a plan to send leading critics to the home cities of younger American conductors. Their concerts are criticized on a strictly professional basis with special emphasis on the performance of the conductor. The reviews are printed as the lead article in Musical America.

The league's hope for a permanent headquarters establishment has become a reality. It has received many flattering offers and invitations from organizations and leading educational institutions across the Nation.

A short time ago, a gift was made to the league by Mrs. Jouett Shouse, of Washington, D.C., of 40 acres of beautiful, rolling woodland just 20 minutes from the Nation's Capitol. Edward Durell Stone, world-renowned architect, is preparing the plans for its national headquarters to be known as Symphony Hill.

The league's 17th national convention will be held this summer in Chicago, June 20 through June 23. Held simultaneously will be the fourth metropolitan managers conference, and the eighth Community Arts Council, Inc., conference. Every facet of symphony organization will be represented.

Mr. President, the league's activities are nationwide and constitute a contribution to the cultural life of our country which is so great as to be immeasurable. Presently incorporated under the laws of Michigan and West Virginia, the league's members feel strongly that their important national activities would be more appropriately carried on under a Federal charter. I fully share this sentiment, and for that reason I sincerely hope that this bill will become law.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3338) to incorporate the American Symphony Orchestra League, introduced by Mr. GOLDWATER, was received, read twice by its title, and referred to the Committee on the Judiciary.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS—AMENDMENT

Mr. LONG of Missouri. Mr. President, in a few minutes I will submit an amendment to S. 2965 which would make it clear that some of the funds authorized by the bill should be used for the construction and repair and improvement of prisons, juvenile training schools, and institutions for youthful offenders. This is one type of public works for which our States and the Federal Government have a particularly critical need.

Crime rates are climbing and virtually every penal and correctional institution in the United States is seriously overcrowded. Further, they are typically aged, run down, and long outmoded in terms of modern correctional programs. As chairman of the Judiciary Committee's Subcommittee on National Penitentiaries, I am extremely concerned about the conditions of overcrowding, plant deterioration, and general physical inadequacy common to the institutions of the Federal prison system. The past reports of this subcommittee, and the one which I shall file within a few days, describe these conditions in some detail.

The subcommittee's forthcoming report will also contain a projected plan for the orderly development of the system which was prepared by the Attorney General at the request of the subcommittee. Before submission to the committee, it received the full approval of the Bureau of the Budget. The plan reveals a tremendous backlog of immediate construction needs, which totals about $65 million. It is a most conservative plan and is designed only to enable the Federal prison system to catch up during the next 5 years on its most urgent requirements for more adequate facilities for the confinement and treatment of Federal prisoners.

A part of this plan involves the construction of new institutions, many of which will be placed in depressed areas where they will be well located for their purposes. Near the top of the construction schedule, for example, is the replacement of the disgracefully rundown National Training School for Boys, which has been operated here in the District of Columbia ever since the Civil War. I am informed that if funds are made available for the construction of a replacement, the $8½ million project will be undertaken somewhere in West Virginia.

The schedule also includes the construction of an institution in the Midwest for the care and treatment of 500 youthful prisoners. This is a $7½ million project which I am informed can be built in some distressed community in or near Indiana, Illinois, or Missouri. The Federal system needs new facilities in virtually every major region of the country, and I am confident its problem of overcrowding can be met by carrying out the proposed construction almost entirely in economically depressed communities. The facility planned for the treatment of aged prisoners and alcoholics can be placed in a stricken New England community. The southeastern youth unit can be placed in any one of a number of States in that area, and the contemplated adult correctional institution can be situated in a State such as Pennsylvania which has thousands of unemployed. Similar flexibility exists with respect to the other institutions contemplated in this 5-year plan.

A second part of the contemplated plan outlines the pressing requirements for repairing and expanding existing Federal institutions in such States as Ohio, Michigan, Connecticut, Kentucky, West Virginia, and Indiana. As the past reports of the National Penitentiaries Subcommittee indicate, the Federal institutions are rapidly deteriorating and an ambitious program of plant improvement must be financed soon if the usefulness of these facilities is to be preserved. The materials and labor needed to carry out these projects, immediately aggregating $15 million and estimated at $35 million over the next 5 years, can contribute to the economic regeneration of distressed communities and industries in such States as I have mentioned.

The Subcommittee on National Penitentiaries in its reports for the past several years has repeatedly called attention to the critical and mounting needs of the Federal prison system for institutional construction and repairs. But, as we must concede, prison systems have traditionally held a low priority in the competition of Government agencies for available funds. S. 2965 offers an excellent means of accomplishing two highly worthwhile purposes. If a portion of the funds authorized for immediate aid to areas of substantial unemployment can be used to construct new Federal and State institutions and to repair the old institutions, we can avoid the threatening crisis resulting from jamming more and more prisoners into already inadequate facilities. At the same time, we can contribute to the economic regeneration of many communities which are now suffering from intolerably high unemployment rates and meet every interest of S. 2965. The major purpose of the bill in providing additional employment in distressed areas is in itself completely worthy of our support, but I wish to point out that in accomplishing this purpose it can also achieve other objectives which contribute importantly to the Nation's welfare.

Mr. President, I submit an amendment which would include prisons, training schools, and youth correctional facilities in the definition of the term "public works" as used in S. 2965. I ask unanimous consent that the amendment be printed and ordered to lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

FOOD AND AGRICULTURE ACT OF 1962—AMENDMENTS

Mr. YOUNG of North Dakota submitted amendments, intended to be proposed by him, to the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. YOUNG of North Dakota also submitted amendments, intended to be proposed by him, to the amendment proposed by Mr. ELLENDER, designated as "5-21-62—A," to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted an amendment, intended to be proposed by him to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS of Delaware submitted an amendment, intended to be proposed by him to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT submitted amendments, intended to be proposed by him, to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

Mr. MORTON submitted amendments, intended to be proposed by him, to Senate bill 3225, supra, which were ordered to lie on the table and to be printed.

Mr. KEATING (for himself, Mr. SCOTT, Mr. JAVITS, and Mr. CASE of New Jersey) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY. Mr. President, the Congress has consistently been concerned with the use of our abundant production. Planks in both the Democratic and Republican platforms in 1960 were a full acknowledgment of our responsibility and our ability to feed the hungry at home and to provide the developing countries of the world with needed food and fiber.

One of the first acts of Secretary of Agriculture Freeman was to set underway a study—an analysis of world food needs and world food resources. This study was completed in October 1961. For the first time all of the available information on population, growth, and changes in dietary needs and deficits on agricultural productivity potential have been brought together in one publication.

This is not a conclusion. This is the beginning. This administration is pledged to fulfill its human responsibilities. The agricultural programs transmitted to the Congress by the President last year and this year were designed to bring balanced abundance, not scarcity.

The title of the bill under consideration should be noted; the expressed intent to "provide adequate supplies of agricultural commodities for domestic and foreign needs" is to be taken seriously.

I would also bring the Senate's attention to the wheat section of the measure before us, S. 3225, section 332(b)(iv)(B), if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the act: Provided, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: And provided further, That the national marketing quota for wheat for any marketing year shall be not less than 1 billion bushels.

A quota of 1 billion bushels—safeguarded by this language that would permit the Secretary to increase the quota if need appeared—is certainly not a scarcity provision.

The Secretary has indicated in hearings that about 3 or 4 years of orderly carryover reductions are ahead under this wheat program. If wheat stocks are brought down from present levels at the rate of 150 to 175 million bushels a year—the rate possible under the bill—we would have about 700 million bushels in storage by 1967. And 700 million bushels represent about 50 percent more than the present accelerated food for peace use.

I send to the desk an amendment which will authorize the Secretary of Agriculture and direct him to make a determination annually of the food and feed needed in the next succeeding year, to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

I ask unanimous consent that the amendment be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the desk; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 69, between lines 16 and 17, insert a new section as follows:

"SEC. 405. (a) The Secretary of Agriculture is authorized and directed to make a determination annually of the amount of food and fiber needed in the next succeeding year to meet the domestic requirements of the United States, including amounts necessary to meet the requirements of

"(1) the national school lunch program (carried out under the National School Lunch Act) and the special milk program for children (carried out under the Act of July 1, 1958 (72 Stat. 276));

"(2) food allotment program under which the nutritional needs of low income persons, the unemployed, the aged, and the handicapped will be more adequately fulfilled; and

"(3) a national security reserve of food and fiber products designed to protect people of the United States against shortages of such products in the event of war or other national emergency.

"(b) The Secretary shall also make a determination annually of the amount of food and fiber needed by the United States in the next succeeding year to meet its obligations under the Food for Peace Program (carried out under Public Law 480, 83d Cong.), the Freedom From Hunger Program (administered by the Food and Agricultural Organization of the United Nations), and other similar programs in which the United States participates in order to aid the needy peoples of foreign nations.

"(c) The Secretary shall submit the annual determinations made by him pursuant to subsections (a) and (b) of this section to the Congress not later than February 1 of each year together with an analysis of such determinations and with any recommendations he may deem appropriate."

Mr. FULBRIGHT. Mr. President, I send to the desk an amendment to S. 3225, which I ask be printed and lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. FULBRIGHT. Mr. President, this is a simple amendment, to which there should not be any objection. The purpose of the amendment is to make fish farmers eligible for loans from the Farmers Home Administration on the same basis as other farmers. This is an effort to eliminate the existing discrimination against fish farmers who are not looked upon as farmers for FHA credit purposes.

I ask unanimous consent to have printed at this point in the RECORD a letter which I have received from Mr. John A. Baker, Director of Agricultural Credit, on this question.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., May 18, 1962.

Hon. J. W. FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: In response to your inquiry of April 17, 1962, concerning the availability of credit through the Farmers Home Administration to finance fish farmers, we submit for your consideration the following explanation.

The Consolidated Farmers Home Administration Act of 1961 authorizes the Secretary to make real estate loans, operating loans and emergency loans to "farmers and ranchers" to finance land acquisition and improvement and farm operating expenses. The provisions of title V of the Housing Act of 1949, as amended, authorize the Secretary to make loans to the owners of farms and the owners of other real estate in rural areas to construct and improve dwellings and related facilities and other buildings adequate for the farming operation. We are not aware of any legislative history of these or prior loan authorities of this Department which sheds any light on whether persons engaged in the production of fish could be construed as "farmers or ranchers." Consequently, under the general rule of statutory construction, the terms "farmers and ranchers" are given their normally accepted meaning in the context of the credit legislation. Loans have, therefore, been limited to persons engaged primarily in the production of food and fiber from crops and livestock.

There is some case law which might support a broader definition of the term farmer as used in certain other legislation. For example, fish farming has been recognized as being a farming enterprise, under certain conditions, for the purpose of applying the provisions of the Bankruptcy Act.

In the event Congress defines these terms as used in the credit legislation administered by this Department so as to embrace fish farmers, provisions could be made to extend credit to such operators on a similar basis to that now extended to the producers of crops and livestock.

If we can be of any further assistance in connection with this problem, please let us know.

Sincerely yours,

JOHN A. BAKER,
Director, Agricultural Credit.

Mr. FULBRIGHT. Mr. President, I presented this amendment to the distinguished chairman of the Committee on Agriculture while the farm bill was under consideration, but he advised me that there was no good opportunity for committee consideration of the amendment. He did advise me that he did not believe there would be any objection to the amendment if it were offered on the floor.

I ask unanimous consent to have my letter to the chairman printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 7, 1962.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I know that you and other members of your committee are familiar with the fish farming industry. This industry is becoming increasingly important to the economy of my State. Many farmers in Louisiana also raise fish in reservoirs for commercial use. It was recently estimated that some 13 million acres in Arkansas, Louisiana, Mississippi, Missouri, and Texas are suitable for rotation of fish and field crops. The importance of this new phase of agriculture to my State is shown by the fact that last year about $12 million worth of minnows alone were produced and sold by Arkansas farmers. I have no doubt that this industry will continue to grow in the areas where there is suitable land and an abundant water supply, if these farmers are given fair treatment.

Arkansas fish farmers pioneered in this business and have, on their own, solved many problems. Unfortunately, this activity is not looked upon as farming by some Government agencies, including the Department of Agriculture. In spite of the fact that these farmers use soil and water to cultivate a crop as another farmer would in cultivating corn or cotton, they are denied certain assistance available to other farmers through the Department of Agriculture.

I hope that this discrimination will be eliminated through certain changes, and establishment of legislative history in connection with the pending farm bill. I realize that the committee is already well along in its consideration of the farm bill and I regret that it was necessary for me to bring this problem to your attention at this late date. However, this matter has just been brought to my attention.

The overall objective of the farm bill is to bring agricultural production more in balance with consumption, and one of the President's major proposals relates to taking land out of production and putting it to some other use, such as for recreational purposes. The conversion of additional acres to fish farming would certainly be in keeping with this goal. In fact many farmers in my State have already lost their acreage history for rice and cotton by producing fish on their allotted acreage for a number of years continuously. Others would undoubtedly try fish farming if they were able to receive the assistance from the Department of Agriculture available to other farmers.

One of the major problems facing fish farmers is their ineligibility for certain ACP cost sharing practices, including construction of fish ponds. The authority contained in section 101(e)(1) of S. 2786 appears to be broad enough to authorize ACP assistance in the construction of fish ponds and other practices which would assist fish farmers. A member of the staff of the General Counsel in the Department of Agriculture has advised my office that in view of the existing official attitude toward fish farming, it would probably be necessary for some legislative history to be made that would clearly indicate the Congress' intent to include fish farming under the provisions of this section. I certainly hope that it will be possible for the committee to include language in the committee report indicating that fish farming is covered under the expanded authority.

Since fish farming is not officially considered as farming, agricultural credit under the Farmers Home Administration is denied to fish farmers in many instances. The General Counsel's office advises that section 501 of S. 2786 would not broaden the FHA loan program authority sufficiently to cover fish farmers. If FHA funds are to be made available for encouraging conversion of farm land to recreational use, I can certainly see no justification for denying this type of credit to fish farmers. The legislative counsel has prepared the attached language as a suggested amendment to section 501 to insure that fish farmers are eligible for FHA credit. I hope that the committee will give this proposed amendment serious consideration.

The Congress could do a great deal to encourage the development of fish farming by insuring that fish farmers are legally classified as farmers and treated accordingly for purposes of being eligible for assistance under our agricultural programs.

With kind regards, I am,

Sincerely yours,

J. W. FULBRIGHT.

Mr. FULBRIGHT. Mr. President, by way of background, I might point out that fish farming, although relatively new in this country, is an ancient practice which has been pursued for centuries in many countries, especially those in the Far East. Farmers in my State pioneered in this new type of farming and have encountered many problems hindering the development of the full potential of this new branch of agriculture. The Congress has already indicated its sympathy with the difficulties facing fish farmers by authorizing the establishment of an experiment station to help them find solutions to some of the peculiar problems involved in this type of fish production. The main unit of the station, which is located in my State, is nearing completion. The Senate Appropriations Committee has also recommended the sum of $225,000 in the Interior appropriation bill to develop a second unit which will insure an intensified attack on fish farming problems.

We are making some progress in the effort to bring about fair treatment for fish farmers and to have this type of farming considered as a phase of agriculture, as it should be. Earlier this year the Department of Agriculture modified its regulations to permit fish farmers to receive ACP cost-sharing assistance in the building of reservoirs under certain conditions. The Committee on Agriculture in its report on the pending bill included language which left no doubt that fish farmers would be eligible for long-term conservation contracts authorized in the bill. I appreciate the committee's recognition that our fish farmers are entitled to participate in this new program.

The adoption of my amendment will go a long way toward putting fish farmers on an official par with other farmers. I hope that there will be no objection to it and that it will be adopted unanimously.

Mr. MORTON. Mr. President, there is one particular aspect of the section in the bill dealing with national wheat marketing allocation which I feel, as it now stands, does not permit sufficient flexibility in the production of some wheats.

I send to the desk an amendment to be proposed to section 379b. I ask unanimous consent that the text of the amendment be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 42, line 18, strike out "(1)."

On page 43, lines 3 through 12, change the comma after "subtitle" in line 3 to a period; strike out the remainder of the sentence and all of the next sentence, and insert in lieu thereof the following: "The national wheat allocation shall be apportioned among the various classes of wheat; namely, Hard Red Winter wheat, Hard Red Spring wheat, Soft Red Winter wheat, White wheat, and Durum wheat, and distributed to farms on the basis of farm acreage allotments, the percentage of the wheat acreage on each farm that is normally devoted to the producton of each class of wheat and normal yields as determined by the Secretary."

Mr. MORTON. Mr. President, many people have a misconception about wheat. They believe that wheat is wheat, without recognizing that there are various classes of wheat whose qualities limit their utilization to specific purposes.

Wheat is not a uniform commodity. The surplus position of some types of wheat is more serious than for others. For instance, on the basis of a 5-year average using the 1956–60 crop years, the average annual production of Hard Red Winter wheat was 625 million bushels, some 83 million bushels in excess of average domestic and export requirements.

At the same time, Soft Red Winter, for example, was in deficit production by a million bushels. The carryover of Hard Red Winter was 1,109 million bushels on July 1, 1961, as compared to only 12 million bushels of Soft Red.

I ask unanimous consent that two tables prepared on production, consumption and carryover of wheat for the 1956–60 crops be inserted in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Production and use of wheat, by classes, 5-year average, 1956–60 crops

[Million bushels]

Class	Average production	Average domestic use	Average exports	Average total utilization	Average increase or decrease in stocks	July 1, 1961, carryover	July 1, 1961, carryover as a percentage of 1956–60 average utilization
							Percent
Hard Red Winter	625	251	291	542	83	1,109	204.6
Soft Red Winter	176	131	46	177	−1	12	6.8
Hard Red Spring	184	141	41	182	2	237	130.2
Durum	31	25	4	29	2	16	55.2
White	163	47	135	182	−19	38	20.9
Total	1,179	595	517	1,112	67	1,412	127.0

Mr. MORTON. Mr. President, the purpose of my amendment is to provide that wheat marketing certificates be distributed among the producers of the various types of wheat—Hard Red Winter, Soft Red Winter, Hard Red Spring, White and Durum—in accordance with estimated national requirements for each class for the uses for which marketing certificates are required.

Under the bill, as reported, situations can arise where certificated supplies of some classes of wheat are inadequate to meet the demand. In such cases, buyers would have to buy wheat unsuited for their needs.

While it would be possible to buy desirable uncertificated wheat and substitute it for undesirable certificated grain, this would mean that some producers would receive a subsidy on wheat that was not used for domestic human consumption or exports, while other producers would be producing wheat needed for such uses without subsidy.

The proposed amendment is designed to correct this situation.

EXTENSION OF TIME FOR GRANTING NATIONAL SERVICE LIFE INSURANCE TO CERTAIN VETERANS—ADDITIONAL COSPONSORS OF BILL

Under authority of the orders of the Senate of May 14 and 16, 1962, the names of Senators LONG of Missouri, YARBOROUGH, METCALF, GRUENING, CARROLL, CAPEHART, DOUGLAS, FULBRIGHT, KUCHEL, LONG of Hawaii, MANSFIELD, MCGEE, NEUBERGER, PASTORE, HUMPHREY, MORSE, BYRD of West Virginia, PELL, BIBLE, CLARK, SCOTT, DODD, CASE of South Dakota, RANDOLPH, AIKEN, KEATING, BEALL, MUSKIE, BARTLETT, BUSH, HART, JOHNSTON, MAGNUSON, SYMINGTON, YOUNG of North Dakota, ENGLE, JAVITS, and BUTLER were added as additional cosponsors of the bill (S. 3289) to amend title 38, United States Code, to permit, for 1 year, the granting of national service life insurance to veterans heretofore eligible for such insurance, introduced by Mr. LONG of Louisiana on May 14, 1962.

AMENDMENT AND EXTENSION OF PROVISIONS OF SUGAR ACT OF 1948—ADDITIONAL COSPONSORS OF BILL

Under authority of the orders of the Senate of May 14, 16, and 17, 1962, the names of Senators MAGNUSON, MOSS, DWORSHAK, JACKSON, HART, TALMADGE, HICKEY, MCGEE, CHURCH, BIBLE, SMITH of Massachusetts, KUCHEL, YOUNG of North Dakota, BARTLETT, BUTLER, BUSH, SALTONSTALL, MUSKIE, and SCOTT were added as additional cosponsors of the bill (S. 3290) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. ELLENDER (for himself and other Senators) on May 14, 1962.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, May 23, 1962, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1915. An act for the relief of Orsolina Iallonardo, Mrs. Chow Chui, and Giuseppe Aniello;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S. J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy; and

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction of the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LONG of Missouri:

Address entitled "American Agriculture as an Influence in World Affairs," delivered by Senator SYMINGTON before the World Food Forum, in Washington, D.C., on May 15, 1962.

PROFITS ESSENTIAL TO JOBS

Mr. GOLDWATER. Mr. President, in reading the newspaper this morning, I came across what I believe to be one of the most astounding statements I have ever seen with regard to the employment situation in this country. My reference is to a challenge issued by AFL-CIO President George Meany for businessmen to show how profits can create jobs.

Mr. President, I believe that if Mr. Meany has any serious doubt on this score, the labor organization he represents would do well to look for another president. It certainly cannot get along for very long with a man who lacks the most fundamental knowledge of our economic system and the place of business profits and losses in the employment picture.

We might ask Mr. Meany how, in the name of heavens, does he believe that jobs could be created without profits. The first job Mr. Meany or anyone else in the labor movement ever held was made possible by profits. If it were not for business profits, there would be no AFL–CIO in existence today. If it were not for business profits, the American unions would never be able to seek a raise for their members at the bargaining table.

We also might ask Mr. Meany, how any business—no matter how big or how small—is ever going to be able to expand, create new facilities, and require the services of more workmen, if it does not have profits. It is fairly basic that without profits, no corporation, no business, no enterprise of any kind, is going to grow and expand and add to the economic growth of this Nation and the creation of more and more job opportunities.

Mr. President, in conclusion, let me merely state that if Mr. Meany really needs to be told the relationship of business profits to business growth and the creation of more jobs, he is perhaps the worst informed man in the labor movement today.

I ask unanimous consent that the article to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 23, 1962]

MEANY CALLS ON NAM TO SHOW HOW HIGH PROFITS CREATE JOBS

(By Bernard D. Nossiter)

George Meany challenged a business leader yesterday to demonstrate how bigger profits would create more jobs.

Breaking through the ritualistic public speeches at the White House conference on national economic issues, the burly AFL–CIO president declared:

"I don't care how high profits will go if you tell us how this is going to be transferred into jobs, not higher salaries for executives, or stock options—legalized larceny practiced by some of these corporations."

Meany delivered his challenge to Charles R. Sligh, Jr., executive vice president of the National Association of Manufacturers.

Sligh had told the more than 200 business, labor, and academic leaders in the State Department auditorium that falling profits are behind the Nation's unemployment problem.

REPLIES TO MEANY

In reply to Meany, Sligh promised to send the labor leader what he said was the NAM's detailed plan on how job opportunities can be created. He quarreled with Meany's assertion that most Americans think profits are too high. But he would not answer from the floor Meany's demand for the link between profits and jobs.

Meany's angry outburst highlighted the closing session of the 2-day conference. Delegates agreed that the public sessions shed little light on economic problems. But most of them said it was useful to keep on talking and said they hoped there would be more tripartite meetings of this kind.

The Meany-Sligh exchange repeated some history. After the AFL and CIO merged in 1955, the two men debated right-to-work laws at an NAM luncheon. Sligh, a former furniture manufacturer, was then chairman of the NAM's board.

HITS SHORTER WEEK

In his formal address, Sligh had said that automation was no cause for concern, that programs to spread work through shorter hours and other plans for social action would merely burden business with inceased costs.

"Whatever restricts profits opportunities is bound to reduce our national rate of economic growth and create an employment problem," he said.

This brought Meany to his feet.

"We are meeting here because we are in trouble," Meany said. "We could accept the law of the jungle if we didn't have a national problem."

This he defined as inadequate growth and "a creeping unemployment rate."

DEMANDS NAM SOLUTION

"It's not enough to tell us that industry will make jobs and things will take care of themselves," he shouted. "Let the NAM say how they would handle it. If they can show me, I'm for more profits."

Meany's reference to stock options concerned a form of compensation enjoyed by most of the corporate executives in the room. The corporations they run allow them the option or choice to buy certain amounts of the company's stock at fixed prices. If the price of the stock goes up, they exercise the options, buy the stock and can cash in their profits at the 25-percent capital gains rate. If the stock price doesn't go up, they lose nothing.

NEW ECONOMY SEEN

Earlier in the day, the delegates heard John T. Dunlop, chairman of Harvard's economics department, describe what he said was a new economy. It will be marked, he said, by much more international competition and technological change and by new responsibilities imposed on collective bargaining.

In this world, he said, the Government must not be limited to the alternatives of regulation or noninterference but must explore a middle ground between them.

On the unemployment front, Dunlop warned that the Nation faces an unparalleled split between the demands for skills and the supply of skills possessed by the labor force.

Other conference speakers included Vice President Lyndon B. Johnson, Treasury Secretary Douglas Dillon, Defense Secretary Robert S. McNamara, and Commerce Secretary Luther H. Hodges.

THE DISGRACE OF DISTRICT OF COLUMBIA SCHOOLBOOKS

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have 10 minutes to make a statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, last Friday six bright, intelligent, responsible, polite, and modest high school students visited my office. I had a wonderful talk with them and was greatly impressed with their sense of maturity and social responsibility. But I will confess that I was shocked and outraged at what they told me and what they showed me. These young people brought with them their District of Columbia schoolbooks.

I have on the desk before me an exhibit of just a few of the books that are provided in the District of Columbia for the students in this great Capital City of the United States of America. It is rather difficult to explore with my colleagues the condition of these books, unless they can come close to see them; but, needless to say, these books are falling apart. Pages and chapters are missing, covers are falling off, bound by string or rubberbands. They are old, obsolete, antiquated. They do not qualify for the respectable title of "Ancient History."

Here is a book, "Elements of Electricity." I think this is pre-Thomas Edison.

All I know is that no school which calls itself modern would in any way consider for a moment having such a book, unless to show the early stages of scientific exploration into what is known as electrical energy.

Here is a book entitled "Making Sure of Arithmetic"—beat up, battered, torn, pages missing, dirty, old, and not even modern in terms of teaching techniques.

Here is a book on "Modern Physics" that was modern prior to the atom bomb, which leaves out the atomic age completely, and yet is a standard textbook in the District of Columbia for modern physics. Is it any wonder we have a shortage of scientists for modern technology?

As I said, these youngsters came to me on their own. I have never met finer, more attractive, more considerate, more polite, and I might add, more intelligent, people than these young high school students.

They brought with them books so dirty, battered, tattered, aged, and worn that they have to be held together with rubberbands. And the schools are filled with these. This is but a sampling—books with pages, and even whole sections, missing after years of hard use, books which are obsolete now and which were obsolete 10 years ago.

One of the girls in the group showed me a book called "Modern Physics" used by seniors at Spingarn High School which tells how "melting ice" chills food in "modern refrigerator boxes." I remember my grandmother telling me about that. There is not 1 home in 10 that uses a "modern refrigerator box" with "melting ice." This exemplifies the teaching of modern physics in the Capital City of the greatest Nation on the face of the earth, the United States of America.

I do not have to tell you, Mr. President, there is nothing at all about nuclear physics in this "Modern Physics" book. It is not mentioned. This book was printed in 1938. I wonder how many of our badly needed physicists will come out of this high school. I wonder how many are going to enter a university that has high standards for its entrance requirements?

A boy in the group showed me a sixth-grade book used at Benning Elementary, titled "The United States and Its World Relations." It contains this remarkable information:

> Airplanes are gradually conquering the earth. Airplanes have not only sailed over the oceans, but they have sailed around the earth. Of course, stops were frequently made for gasoline and oil.

That is revealing information. There is not a 7-year-old child who does not know this without ever having looked at a book.

I wonder what Colonel Glenn's daughter or son—or, in fact, any of my colleagues' children—would think on reading this. What startling information. What a revelation of our modern technology. How it really portrays the image of modern America, the jet and supersonic plane.

Another of the youngsters showed me a book, "Elements of Electricity," which is used at McKinley High School and which was printed in 1925. I gave it a brief description a moment ago. Pity the poor McKinley pupil who wants to be a scientist or engineer, or even wants to use a "do it yourself" kit at home to hook up electricity.

And pity poor America, which cannot see why it should afford, in the Nation's Capital, books on elements of modern electricity which go beyond 1925.

This is only a sample of what the District of Columbia is providing our children in the space age, in the atomic age, an age in which we are mighty worried about keeping ahead of the Russians. Well, we do not have to worry about that. A Washington youngster has enough trouble keeping up with the advances of America in the 1930's. As the young people showed me these broken down, gone-to-pieces, outmoded, outdated books, I wondered what kind of study and homework incentive they presented. But at least the students I met are allowed to take school books home.

At some schools, such as Chamberlain, the pupils cannot take their books home after school. There are not enough books to go around.

There is enough money in this city to build new hotels, cocktail bars, racetracks, and a stadium. There is enough money in this city to give it one of the highest per capita income ratings in the world. But there is not enough money in this city to buy even simple arithmetic books for 10-year-old children.

It seems to me it is about time that the Congress became outraged about some things going on in this city. This is a Federal City. I think the city deserves home rule. We in the Congress are not doing anything to give it home rule. No other modern American city would tolerate these conditions overnight. But the PTA's and the citizens of the District of Columbia are helpless because Congress does not take care of the business of this city. The best way for the Congress to take care of the business of the city of the District of Columbia is to let the city of the District of Columbia take care of its own business through home rule.

Mr. President, all of this is only half of the sad, tragic and disgraceful story.

The other half—and not the better half, either—is the District of Columbia's equally appalling school library situation. To put it bluntly, Washington, D.C., has the worst school library system in the Nation compared to cities of its size. In fact, it brings up the rear in comparison to cities of almost any size.

We tell everyone else in the world how to act. We do more sermonizing, we spout more pious platitudes to tell people how to act than any other city. We criticize people in India, in Africa, and in Latin America. We worry about illiteracy in other parts of the Nation.

I think before we criticize anybody else we should start putting things in order in this city.

Miss Olive De Bruler, superintendent of libraries in the District's schools, tells me the national standard for school libraries is an expenditure of $3 a year for books per child.

Washington, D.C., spends a paltry 58 cents for each junior high school student, 76 cents for each high school pupil, and nothing, a great big "goose egg," zero, for each elementary pupil.

Is it any wonder that costly private schools flourish in the District of Columbia? Is it any wonder that public education is in trouble in the District of Columbia?

The ACTING PRESIDENT pro tempore. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, this is a city which has a very high per capita consumption of alcoholic beverages. This city spends more money on cigarettes than it does on education.

Mr. President, the national standard is only $3 a year for libraries, and yet this city spends 76 cents on the average for libraries for high school students and 58 cents on the average for junior high school students and nothing for the thousands of children in elementary schools.

As long as the Congress is the city council for the city of the District of Columbia, I intend to act like a councilman today. I was once the mayor of the city of Minneapolis. I would not have tolerated these situations 15 minutes, nor would the city of Minneapolis have tolerated them. The aldermen would have been dismissed, as would the mayor if they had permitted such conditions to exist.

This is one of the few city councils outside of the Soviet Union in which the people have nothing to say about the conditions in their city. We equate with the Russians in this regard. It is totally unrepresentative government. There is not a single representative from the District of Columbia on the city council—the Congress—governing the city.

If ever there was an example of colonialism and its ugly evils, we have it here.

Mr. President, there are no libraries at all in Washington's elementary schools. Some of the newer ones have library rooms—this is a great advance—but they are stocked only with furniture, not books.

The land of the free. The home of the brave. The age of enlightenment. A little furniture, but no books.

We have made great progress, Mr. President, if I may say so in a rather cynical tone.

It is in the elementary grades that a child begins to read and, in the sixth grade to read more than he will at any other time during his school life.

It is in the elementary grades that a child gets into the habit of reading or the habit of not reading.

All major cities, I am told, spend some funds on elementary school libraries, except Washington.

I am happy to say that the little rural town in which I live in Minnesota, 39 miles out of Minneapolis, a city of 300 people, spends more money on elementary school libraries than does the city of Washington, D.C. I can tell Senators that the city of Minneapolis, where I served as mayor, spends hundreds of thousands of dollars on its libraries.

But that is not all. My young visitors told me, for example, that the youngsters at Sousa Junior High School cannot take books out of the library to their homes. They also told me the District's five vocational high schools do not have librarians.

They told me, too, that Spingarn High School, built 10 years ago, still has only the bare bones of a library. And it has this only because private groups have donated a rudimentary collection.

And they told me something else, which typifies the whole sad state of the District's school libraries: Washington got its first library superintendent—Miss De Bruler—only 5 months ago, and then only because the junior league agreed to pay her salary.

Mr. President, shocking perhaps is not the best word for all this.

It is disastrous. It is disgraceful. It is outrageous. It is unbelievable. It is incredible.

We all know that many of Washington's schools are substandard physically. We all know there is a perpetual teacher shortage. This regrettably is true throughout much of the country.

A boy or girl attending such schools does not have the best chance to learn. But he still will have a good chance if he has decent books.

But take away the opportunity for good, decent, helpful, stimulating books—modern textbooks—and there will be almost no chance left for him.

The simple truth is that reading is the basis for all education. And if the opportunity for reading is not there, neither will education be there.

The young people who visited me are members of a group they formed themselves and call High School Students for Better Education. They are trying to improve conditions in their own schools.

What a wonderful thing that is. These are young students pleading with the Congress. They have come to the Congress to testify. They are working on a voluntary basis, with their own leadership.

Instead of trying to get out of school, they are trying to stay in school and improve school facilities.

In a day when our youth wears a black eye in many quarters for apathy and delinquency, it is refreshing that these youngsters are doing their best to wipe away the black eye that we, their elders, are sporting. I cannot commend them too highly. They want the tools to improve their city, their Nation, and their own lives—tools which are not being denied the youth of neighboring areas.

Those tools should have been given to the students years ago. If this Senator has anything to say about it, they will be given to them this year. We are not going to be voting on defense programs, foreign aid programs, and agricultural programs and new buildings for Congress until we get some books in the schools of the District of Columbia. So get ready for trouble. I for one cannot feel very good about being a U.S. Senator and knowing that we have closed our eyes to the glaring reality of the inadequacy and obsolescence of these teaching tools.

The youngsters I met have completed a thorough inventory of the school textbook situation. That is a project that ought to have been undertaken by the Congress. They ask that the per student expenditure of $5 for textbooks and all educational materials be increased to $10 in order to make a start in overcoming this lag and blight in our District of Columbia schools.

Mr. President, the per student expenditure in the District of Columbia for all teaching materials, including books, films, blackboards, and maps, is $5 per student—the price of five martinis.

If these young people were asking three times the amount I would be tempted to go along. There is no excuse for condemned books to be in use because there are no others.

On the library front $26,500 a year is being spent on the District school libraries; $83,000 would be required to raise the expenditure to $1 a child in the high schools and junior high schools and 50 cents in the elementary schools. Even with that expenditure the amount spent per pupil in the District of Columbia schools would be $2 to $2.50 a pupil below the national standard. But it would represent at least a start.

I have been looking into this question for several weeks and have been waiting for this occasion to speak about it.

Last year I found some rather disgraceful conditions at Freedman's Hospital in the District of Columbia. I went through the hospital and returned to the Senate and spoke about those conditions, not once, but many times. I will do the same thing with reference to the present question. I shall conduct a one-man crusade on this subject until something is done. I warn my colleagues that I do not intend to drop it after one angry speech. The first thing that is needed is for the House and Senate Committees on the District of Columbia to receive full reports from school officials on the need for text and library books. Then the appropriate subcommittees and the full Committees on Appropriations should take action.

Our children deserve a minimum allotment of the basic school tools. They are our children. Every Senator and every Representative is responsible for their education. We govern the District of Columbia. Or should I say "misgovern" it?

It will be a tragedy—the children's, America's and ours—if this astonishingly decrepit situation is not corrected now.

HOMESTEAD ACT CENTENNIAL STAMP

Mr. HRUSKA. Mr. President, this past weekend it was my privilege to participate in ceremonies at Beatrice, Nebr., in connection with the first day of issue of the postage stamp commemorating the centennial of the Homestead Act.

These ceremonies were held near the site of America's first homestead, claimed a few minutes after midnight on January 1, 1863, by a Union soldier named Daniel Freeman. The site is now a national monument.

The citizens of Beatrice and Nebraska are understandably proud of the role their city and State have played in the opening of the West to settlement and in keeping alive the memory of the hardy homesteaders who made it possible.

The ceremonies of Sunday were the first in a series of events which will run through June 16, and I wish to salute those who are making these events so successful. They include Mr. G. E. Switzer, president of the Homestead Centennial Association; Mr. Charles H. Harman, chairman of the commemorative stamp committee; Beatrice Mayor W. W. Cook and his predecessor, Mayor Blaser; Mr. Leigh F. Coffin, postmaster of Beatrice; and a long list of hard-working Beatrice and Nebraska citizens.

We were pleased to have as a featured speaker on Sunday the Honorable J. Edward Day, Postmaster General of the United States.

I ask unanimous consent to have inserted in the RECORD the remarks of Postmaster General Day and those of the Senator from Nebraska, together with an article from the New York Times magazine of May 20, "They Lived the American Dream," by Hal Borland, a grandson of a Nebraska homesteader.

There being no objection, the remarks and article were ordered to be printed in the RECORD, as follows:

REMARKS BY J. EDWARD DAY, POSTMASTER GENERAL

Last Tuesday I was privileged to attend a dinner of the World Food Forum which marked the 100th anniversary of the Department of Agriculture. A distinguished international gathering of scientists, educators, and administrators was present.

A message addressed to the assembly by President Kennedy contained the following passage:

"One hundred years ago today, President Lincoln signed the act of Congress creating the U.S. Department of Agriculture. In the months that followed, there was also enacted into law the Homestead Act, opening our hinterland to settlement, and the Morrill Act, creating a system of land grant colleges. These three acts signaled the beginning of the rich traditions of American farm life which we know today. As we move into the next century of development, those traditions will serve as the basis for the ultimate conquest of hunger—man's oldest, persistent enemy."

The three measures mentioned by President Kennedy and the institutions that developed under them, are largely responsible for turning this Nation's agricultural economy from one of scarcity to one of unprecedented abundance. The remarkable progress that has been made in scientific farming equals in significance our greatest discoveries in atomic energy and outer space.

We have developed an agricultural system in this country that is envied throughout the world and is universally acknowledged as one of the great marvels of the 20th century. One hour of farm labor in the United States today produces seven times as much food and fiber as it did in 1870, three times as much as in 1940, and twice as much as in 1950. Whereas, a century ago 1 American farmworker produced enough food to support himself and 4 other people, today he produces enough for 24 other people.

This astounding agricultural progress has not only presented our people with an abundance of food and fiber, it has also contributed markedly to economic growth in other segments of our economy. To the emerging nations of the world now desperately seeking the industrial development that is the hallmark of a mature economy, the contributions of American agriculture to economic growth provide a significant example.

The most dynamic contributions to economic growth that American agriculture can make in the future will be in the less developed areas of the globe. The "revolution of rising expectations" represents one of the most important aspects of today's rapidly changing world. Only a fraction of the world's population lives in countries the economies of which are able to provide an adequate standard of living.

A good many of these new nations have not yet settled such questions as land tenure and ownership. Most of them face difficult problems in their search for agrarian reform.

The newly developing nations feel compelled to choose the system of landownership and cultivation that can bring about the productivity increases they must have.

At the same time they confront a rising demand by those who till the soil for fulfillment of their age-old dream of landownership.

This one aspect of economic development—the question of individual ownership of the land by those who till it—may hold the key to the whole political and economic complexion of the emerging nations.

Over a century ago, Daniel Webster said that "A republican form of government rests not more on political constitutions than on those laws which regulate the descent and transmission of property."

Like Daniel Webster, I am convinced that if land tenure reform follows the pattern of individually owned and operated family farms, free institutions will be enormously strengthened.

All the evidence we have indicates that both capital formation and increased agricultural productivity will be enhanced if this course is followed.

The incentive of ownership has shown itself to be a powerful mechanism for the creation of capital from labor in an undeveloped economy by such means as digging wells and ditches, clearing land, building roads and dwellings, and raising livestock. Underemployed labor is turned into capital. The same incentive is lacking in cases where the farmer has no opportunity to gain from his added effort.

Conversely, recent history is rife with illustrations of lagging productivity and hunger when individual incentive and ownership were destroyed.

The act to which President Abraham Lincoln signed his name exactly 100 years ago, and which we are commemorating today, provide that "* * * any person who is the head of a family, or who has arrived at the age of 21 years, and is a citizen of the United States, or who shall have filed his declaration of intention to become such * * * shall from and after the first of January 1863, be entitled to enter one-quarter section or a less quantity of unappropriated public lands."

The Homestead Act allowed an individual who settled on a tract of land of up to 160 acres belonging to the public domain, and who built a house on the land and farmed a portion of it, to become its owner after 5 years.

The law's contribution to the settlement and development of the vast central portions of our country is impossible to overstate.

The act provided the incentive for great numbers of Europeans to emigrate to America. The lure of free land not only brought large numbers of new settlers to the new world, it everywhere became symbolic of the aspirations and dreams men had for beginning a new life in a new, undeveloped, but richly fertile, country.

The Homestead Act brought about an expansion that must have exceeded the most sanguine expectations of such early proponents as Senator Thomas Hart Benton, of Missouri. Benton opposed the sale of government land to the highest bidder as "a false policy" and believed that "gratuitous grants to actual settlers was the true policy, and their labor the true way of extracting national wealth and strength from the soil."

Over 1.6 million persons have claimed homesteads on 270.2 million acres of public land in the century since the act became law. This is an area over five times the size of Nebraska. The homesteaders faced great hardships and often tragedy as well as success and fruition in hacking farm land out of the wilderness.

Homesteading continued as a great force of development well into the 20th century. In fact, about two-thirds of all homesteading was done in the first 30 years of this century. It is still going on in Alaska and even in my home State of California.

It helped to lay the basis for the miraculous agricultural abundance which America enjoys today, an abundance which is unequalled anywhere on the globe.

Beatrice is a fitting location for this significant ceremony. Four hundred and eighteen persons filed entries on the day the act went into effect—January 1, 1863. The first man believed to have filed was Daniel Freeman, of Beatrice, who persuaded the U.S. Land Office at Brownsville, Neb., to open at midnight. Freeman is a fortunate name for this first homesteader. A man who owns his own farm is the very essence of a free man. And Freeman is the name of my distinguished Cabinet colleague who has his heart and soul in helping the farmer.

The Homestead National Monument stands on the ground of Daniel Freeman's claim.

I am pleased that the Post Office Department is able to play a part in honoring the homesteaders here today.

We receive each year hundreds of suggestions for stamps to commemorate significant people and events.

We refer these suggestions to our Stamp Advisory Committee, which, composed of distinguished historians, artists, philatelists, and other citizens, represents a wide background of interests and experience. In this way, we have obtained the best possible guidance in choosing subjects and events worthy of commemoration.

Beginning last year, we drastically reduced the number of commemorative stamps issued each year so that the event celebrated by a special stamp will become known to more people than before.

The stamp we are issuing today was designed by Mr. Charles Chickering of the Bureau of Engraving and Printing. It shows a sod hut, with a doorway, brightly lit, against the background of a bleak and wintry sky. A settler with his shovel, the combination that produced the hut, is pictured in the foreground. His wife, dishpan in hands, stands beside the open doorway.

The sod hut was the classic house of the prairie, built of blocks of matted earth. It was not an ideal dwelling. During the rain the roofs leaked badly and during dry spells the dirt cracked and chipped off in chunks. Insects and small animals found it an ideal nesting place.

But because they were cheap and easy to build, held the heat in winter and were cool in summer, and filled the Homestead Act's requirement for a dwelling, they were the most popular dwelling erected by homesteaders in the plains.

The stamp is blue-gray in color, representing a late evening scene and emphasizing the bleakness of the plains. In the lower righthand corner is the wording "The Homestead Act" and the dates "1862, 1962."

Mr. Chickering says the treatment of his design "while extremely realistic, was obviously symbolic—symbolic of all the present day homes on the plains of which this was the forerunner."

We hope that this stamp will remind millions of Americans of the courageous and enterprising men and women, who, in the memorable phrase of William Jennings Bryan (quoted earlier by Mr. Baker), "gave the world more than they took from it."

[From the New York Times magazine, May 20, 1962]

THEY LIVED THE AMERICAN DREAM

(By Hal Borland)

Daniel Freeman got his furlough the last week in December 1862, went home to Nebraska, and borrowed a horse and an ax. Blue overcoat flapping in the bitter wind, he rode 70 miles west from Brownville on the Missouri River, cut an armload of stakes, paced off and marked 160 acres of good bottom land on Cub Creek, and returned to Brownville. There he persuaded the Register to open the Government land office for a few minutes just after midnight on New Year's Day, when the new Homestead Act went into effect, and filed a claim to the land he had staked.

Then Daniel Freeman went back to his regiment. Nobody knows which regiment, nor just who Daniel Freeman was, but he made history. His homestead, the first on record, is now a national monument. In a sense, he launched the opening of the West, the conquest of America's last big frontier. The homesteaders who eventually followed him took title to public lands totaling more than seven times the area of all New England, created a dozen big Western States, and shifted the whole political and economic balance of the Nation.

The free-land Homestead Act had been passed by Congress 8 months earlier and President Lincoln had signed it, almost offhand, on May 20, 1862. Lincoln was preoccupied by his search for a dramatic stroke that might bring the Civil War to a quick end. The stroke he chose a few weeks later, the Emancipation Proclamation, did not end the war, but by coincidence it became effective the same day as the Homestead Act, and at the time free slaves seemed more important than free land.

Contrary to popular belief, America has not always been a place of free land for all comers. The earliest settlers did receive free homesites, but most of the land belonged first to the colonizing companies, then to the Colonies, and after the Revolution, to the States and the Federal Government. It was sold only in large parcels and wealthy speculators bought most of it. The Louisiana Purchase in 1803 added another million square miles to the public domain, but the laborer and the small farmer still couldn't own any of it.

By the 1850's free land was a hot political issue. The East opposed it because it would drain off the cheap labor supply, the South because it would create new antislave States. But war pressures relaxed the East's opposition, and, in addition, the new Republican Party needed popular support, and the restless, expanding landless class included several million voters.

Except for an occasional Daniel Freeman, there was little homesteading until after the war. Not that there were any difficulties in becoming a homesteader. Anyone who was married or over 21 could file on a homestead for a few dollars' fee. Then all he had to do was build a house, farm part of the land and live there for 5 years. If he had been a soldier, his time in service was subtracted from the 5 years. Eventually this requirement was cut to 3 years and under certain conditions one could homestead as much as 640 acres—a square mile.

But if, in terms of dollars, the land was free, in human terms it was bought with sweat and hardship, courage and dogged determination. The first big wave of settlement began in 1866. That wave took most of the good land east of the 98th meridian, which includes the eastern third of Kansas, Nebraska, and the Dakotas. This was well-watered country, with streams and a good deal of timber, and the homesteaders there followed the classic pattern of pioneering. They built log cabins, burned wood, cleared fields, drank spring water, ate venison, built towns and mills in river valleys. They turned the clock back 200 years to a way of life the East had outgrown and almost forgotten. That phase of homesteading soon passed, however. By the 1870's the frontier had moved on west, onto the high plains. That is where the classic traditions of homesteading took shape, the resolute, bearded men and the brave, sunbonneted women living in sod houses on the high, dry, lonesome land so long possessed by the buffalo, the Indian and the cattleman.

Those traditions evolved in the 19th century, and some historians say the frontier was gone and free land was a thing of the past by 1900. But the records show otherwise. Two-thirds of all the homesteading, incredible as it may seem, was done between 1900 and 1930, and most of it was on these high plains. My own boyhood, in fact, was spent on a typical plains homestead in Colorado in the second decade of this century.

Because of conditions, the plains homesteaders had to devise a wholly new kind of pioneering. The plains had scant rainfall, few live streams, almost no trees, and were officially termed a desert, unfit for habitation, as late as 1876 when the homesteaders were already settling there.

All previous pioneers had been woodsmen, but the ax was almost as useless as a rowboat on the plains. Instead of log cabins, the homesteaders there had to learn to build houses and barns of the tough sod. Instead of wood, they learned to burn the dried dung of buffalo and cattle. Instead of deer and wild turkeys they had to eat jackrabbits. Without streams to float their crops to market, they had to haul or herd them overland. With no springs and few creeks, they had to dig wells and harness the wind to pump water.

They did have a few new tools in their favor, if they could afford them. They had John Deere's steel plow, and they had Cyrus McCormick's reaper. They also had Joseph Glidden's barbed wire with which to begin choking the big cattle ranches to death.

But they still had to sweat and freeze and starve, fight Indians and cattlemen, endure grasshoppers and drouth that took two crops out of three. There was a wry saying that you bet Uncle Sam your life against 160 acres that you could live there 5 years without starving to death. Perhaps half those who took plains homesteads won the bet. The others were starved out, drouthed out, lonelied out, or just plain quit and went back "to live on the wife's folks."

My grandfather was one of the first wave of homesteaders. He went from Indiana to eastern Nebraska in 1867 and took land not far from Daniel Freeman's claim. A blacksmith and millwright, he helped organize a county and build the town where my father was born in 1879.

Change had come so swiftly there that my father grew up in a community almost as staid and settled as a small town in eastern Ohio. He became a printer on the local newspaper. But he had an itching foot and land hunger. In 1910, when he was 31 years old, he took my mother and me to eastern Colorado and filed on a homestead 30 miles south of the Platte Valley town of Brush.

We went to Colorado by rail, not in a covered wagon. By then Denver had been settled 50 years and even a small town like Brush had electric lights, municipal water, and a sugar factory.

But our homestead was 100 miles from Denver, 30 miles from Brush and, in basic conditions, even more primitive than eastern Nebraska when my grandfather was a homesteader. The nearest road ended 10 miles from our land. It was 15 miles to a telephone, 30 miles to a doctor. Trickling Beaver Creek with its few stunted cottonwoods, the nearest flowing water and the nearest trees, were 12 miles from us. Our nearest neighbor was 2 miles away. Buffalo bones still littered the hills, but the only Indian was a halfbreed homesteader 5 miles from us, a former cowboy.

My father and I built a small sod house and barn. We dug a well with a posthole auger. We plowed a few acres and planted corn, which range cattle soon raided. Our first team of horses ate a poison weed and died and the last of my father's meager capital went for another team and for fence posts and barbed wire. The second winter my father became seriously sick and we lived on cornmeal mush and jack rabbits. Times were so hard my mother hesitated to write a letter because postage stamps cost 2 cents each.

For 2 years there was no school. Then the neighboring homesteaders built a one-room sod schoolhouse and hired a girl just out of high school to teach a 3-month term. There was no church, but in good weather the neighborhood families gathered at someone's house once a month and sang hymns, read the Bible and thanked God for small favors. Everybody came, including the German-Jewish family and the Irish-Catholic family.

When there was a prairie fire, everybody helped fight it. When a baby was born, there were volunteer midwives. If a man was hurt or sick at haying time, his neighbors cut and stocked the native grass for him.

For the most part, the homesteaders lived on what they could grow. They swapped butter and eggs for salt and flour and coffee. Now and then a man went to town and worked a few months in the sugar factory to get cash for new overalls or shoes or another cow, or to pay a doctor bill. Their common asset was hope. Next year was always going to be better.

Actually, the years didn't vary a great deal for the homesteaders except that now and then they had a good crop. When they did, prices always were low for what they had to sell. But they did have more to eat. The periodic panics and depressions back East always sent new waves of homesteaders West—the jobless and the dispossessed. There had been surges in the seventies, the eighties, the nineties and, after the depression of 1907, the last big surge around 1910.

Then came the First World War. It set off a boom that was felt even on the plains in the form of $2 wheat. But by then the greater part of the pioneering was done. When that boom died away into the big bust, with the depression and the dust storms of the thirties, a new social and economic order had begun to take over. For good or bad, the old days were gone. The pioneer homesteader was a person of the past.

What were the homesteaders like, as people? The modern sociologist probably would call them underprivileged, but they were a cross section of the small-town folk and landless farmers of their time. They had little capital, but they weren't afraid of work. They were more venturesome, more determined to get ahead, more insistently individual than their neighbors back home, but they had typical American faults and virtues.

Some were bigots, some were fanatics, some were crackpots. Some were chronic complainers and ne'er-do-wells. But far more of them were intelligent and levelheaded, and some were natural leaders. Nearly all were literate, some had a fair amount of education, and all wanted schooling and better opportunities for their children. Their common demand was for a chance to build their own security, to stand on their own two feet.

In the main, they distrusted bankers and hated Wall Street, big business and the railroads. They were suspicious of politicians. They had their own politicians, and their demagogues, and at times they frightened the East with their ideas. But a good many of those radical ideas now are the law of the land—election of U.S. Senators, a graduated income tax, control of Wall Street and big business and the railroads. They even pioneered in granting women's suffrage.

One aspect that seems to baffle historians was the paradox of rugged individualism in personal conduct and opinion, and an equally strong spirit of cooperation in meeting common problems. But frontier life seems always to have been marked by that contradiction. The homesteaders revived it from the Nation's early years. Perhaps because the homestead experience is so recent in our history, its pioneer culture and viewpoint still form a baffling element in our national thinking, a kind of thorn in our conscience.

In a sense, the homesteaders represented the most recent expression of the old, old American dream, the vision of a time and place where a man could build his own security, speak his mind, stay out of debt, and work out his own salvation, both spiritual and material. It was based on the old virtues—work, thrift, justice, self-respect. A good part of it was summed up in the classic advice of a homesteader to his children: "Tell the truth, stay out of debt, don't be afraid of work, and remember when you pray that God helps those who help themselves."

Times have changed, and so have many values. Today we talk of cutting the work week to 30 hours or less, and at the same time we worry about what to do with our leisure. Debt has become almost universal. We have millions of idle teenagers and a juvenile delinquency problem. We build obsolescence into our machines to keep our factories busy. With a glut of farm products, we pay farmers to let their land lie idle. With social security, old-age pensions, and imminent public medical care, we still worry about tomorrow and wonder about our own strength and sanity.

A few years ago, when I wrote a book about my own part of the homestead era, I was surprised at the number of letters I received from onetime homesteaders. Fewer than a half-dozen of them regretted the hardships of the homestead experience; most expressed pride in the achievement.

I took vicarious pride in the far larger number of letters from men and women who had grown up as homestead children. Again and again those letters expressed gratitude for the grit and gristle bred into them by the pioneer experience. Most of them had traveled quite a way, in every sense. They were scattered all over America, and many of them were professional people—doctors, teachers, lawyers, public officials, preachers. Two were college presidents. Repeatedly they wished there were some way to revive the spirit and revitalize the dreams they remembered from the homestead frontier.

Only a few days ago I received such a letter from a woman whose parents homesteaded in Colorado in 1908. It was a letter full of memories of hard work, crop failure and stubborn persistence, but it also recalled dreams dreamed on summer evenings "when we took the kitchen chairs outdoors to watch the blazing red and gold sunset fade and the big stars come out." It concluded: "Now I realize that we were a part of the history of this country, and I am proud of it."

That chapter of history is now closed. But the homestead era in many ways summarized three centuries of American pioneering and growth toward maturity, and the homesteaders' experience has become a part of our common inheritance. The hopes, the dreams and the verities that sustained them on the sod-house frontier persist in our memories. Those things are old-fashioned now, and sometimes are called as out of date as the Conestoga wagon. But they did help to shape the American pattern, and we still haven't found anything to take their place.

LICENSING FEE PROPOSED TO BE CHARGED AMATEUR RADIO OPERATORS

Mr. HRUSKA. Mr. President, I have recently received several letters opposing the proposed $5 licensing fee to be charged amateur radio operators by the Federal Communications Commission. This matter is known as FCC docket 14507, and is entitled "Establishment of Fees for the Commission's Licensing and Regulatory Activities."

My correspondents make logical arguments against this proposed rule. Some of them are as follows:

First. These amateur radio operators should not be required to pay any fees because of services rendered to the country, such as providing emergency communications in time of disaster.

Second. Even when there is no disaster, amateurs provide a most useful service by annually sending thousands of messages, free of charge, across the Nation and around the world. For example, there is an amateur radio station at the South Pole.

Third. If the FCC plans to decrease the number of radio amateurs, it should do so by raising the standards of its examinations, not by imposing financial requirements.

Fourth. The fee would be an onerous burden for any operator who frequently moves, as the $5 fee would be charged him for every change of address.

Fifth. Many Federal agencies do not charge any licensing fees, even for commercial purposes; therefore, the FCC should not levy any fees upon amateurs.

Mr. President, I ask unanimous consent to have printed in the Record a resolution from the Lincoln, Nebr., Mars Club, Inc., signed by Larry G. Keating, as well as letters from Paul Ackerman, of Milford, Nebr.; Robert H. Fricke, of Ashland, Nebr.; and John F. Zimmer, of Lincoln, Nebr. All of them state well and effectively their reasons for opposing this proposed $5 licensing fee.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Lincoln Mars Club, Inc.,
Lincoln, Nebr., April 13, 1962.

SIR: By unanimous legislative action on the part of the Lincoln Mars Club, Inc. (a nonprofit, educational corporation), the following resolution was passed on the night of April 13, 1962:

"*Resolved*, That the Lincoln Mars Club, Inc., is against the charging of fees for amateur license application."

The following reasons are hereby given for our opposition to the amateur fees proposed in FCC docket No. 14507.

1. It charges both amateurs and commercial stations without realizing the gross difference existing between the two.

(a) Commercial stations operate at a profit, and are allowed certain tax deductions.

(b) Amateur radio stations operate at a loss since the amateur radio operator is not allowed to charge any fee for his services, even though the amateur uses his equipment for civil defense, Red Cross, and other such public services, he is allowed no tax deductions on his radio equipment. In fact, in the State of Nebraska, and in other States, a personal property tax is leveled against his equipment.

2. Because of the great benefit to this Nation, and the public at large due to amateur radio services, it should be the public at large's charge to maintain the FCC along with fees derived from stations of commercial nature.

(a) The Radio Amateur Civil Emergency Service is the backbone of civil defense communications, yet the fee ruling would apply to those stations supporting this vital program.

(b) Radio amateurs have proved over and over again their need to the Nation by providing emergency communications in floods, tornadoes, etc., with no financial profit to themselves.

3. This fee would discourage prospective citizens from becoming amateurs.

(a) As a professor at the University of Nebraska has stated, this fee would be heaviest upon those of the younger generation, and those working themselves through college. It would, in fact, decrease the number of people going into ham radio, and thus decrease the number of electrical technicians, and engineers which are so vitally needed today.

(b) $5 may not seem like much, but it is a great deal to the younger generation, especially considering the high cost of amateur equipment.

(c) It would decrease the number of young people entering the armed services with prior electronic training.

4. If the FCC wants to cut down the number of radio amateurs, it should do so by raising the standards of its examinations rather than letting the rich in, and the poor out.

5. This fee would be a terrific expenditure for anyone who does a lot of moving inasmuch as the $5 fee would be charged him everytime he happened to move, and apply to have this change of address known to the FCC. A very large number of Government employees fall in this category.

6. Every year amateurs send thousands of messages, free of charge, across the Nation, and across the world. Also amateur radio has provided a means by which servicemen overseas can talk to their families back home (there is an amateur radio station at the South Pole for instance). This is a very great morale booster provided to the Armed Forces by amateurs.

7. Even members of the Military Affiliate Radio System would have to pay this fee. This would mean that if the proposed fee was to be adopted, the FCC would be taxing an activity sponsored by the Federal Government which is vital to our national defense.

8. Through such organizations as the American Radio Relay League, amateurs help the FCC to police the amateur bands, thus amateurs save the FCC a great deal of money every year.

9. There are many radio business concerns which would be hurt because:

(a) A decrease in the number of amateurs would decrease the number of customers that they have.

(b) The $5 fee would be $5 less for the amateur to spend on radio equipment.

Neither of the two conditions would help any of the many industries associated with the manufacturing of radio equipment, and it isn't entirely impossible that such conditions could raise equipment prices contributing to the already upward spiraling price trend.

10. A great number of scientific advances have come about through the efforts of amateur radio. Why in any way try to hinder these efforts?

11. Many already existing Government agencies at the present time charge no license fee, even for commercial purposes. For instance, are airlines charged to support the FAA budget? Are marine and water carriers charged for coastal and river control? Does it cost you a fee to take a civil service examination? Of course not. Then why should radio amateurs be charged a fee just so that they can perform this great Nation a great, and needed service?

In conclusion, we of the Lincoln Mars Club, Inc., are against the proposed fee for amateur radio operator applications (FCC docket No. 14507) as we believe that it would not be in the best interest of amateurs, nor the people of the United States of America. Amateur radio, our country's biggest diplomat, should be helped not hindered.

The FCC has established May 16, 1962, as the deadline to contact the FCC concerning this matter. In order to file a comment with the FCC you must send your original comment in writing along with 14 copies of it (1 for each commissioner) to: Federal Communications Commission, Washington 25, D.C.

We, along with the American Radio Relay League and amateurs all over the country would appreciate any opposition to FCC docket No. 14507 that you can provide.

Respectfully,
Larry G. Keating,
Special Secretary.

Milford, Nebr., *May 8, 1962.*
Senator Roman L. Hruska,
U.S. Senate, Washington, D.C.

DEAR SENATOR HRUSKA: I have been informed by the newspapers of a proposed change in the issuance of amateur radio license procedures and the establishment of certain fees for a license. This new change is now being considered in Federal Communications Commission docket No. 14507 which is now up for hearings.

Senator HRUSKA, I firmly believe this license fee arrangement is another encroachment by the Federal Government and its regulatory agencies upon the citizens of this country. I am opposed to this fee being charged for this type of license. If it were possible, I believe this activity should be encouraged and expanded. It is the amateur electronic experiments which have helped to develop the electronic field which we have today. This change is also being opposed by the American Radio Relay League which is almost a clearinghouse for the thousands of radio "ham" operators in the United States.

Your assistance and efforts in opposing this measure before the FCC will be greatly appreciated. If I can assist you in any way, do not hesitate to contact me.

Sincerely yours,
Paul L. Ackerman.

Farmers & Merchants
National Bank,
Ashland, Nebr., May 9, 1962.
Hon. Roman H. Hruska,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HRUSKA: We need your assistance in opposing FCC Docket No. 14507 in the matter of establishment of fees for the Commission's licensing and regulatory activities. The FCC has extended to May 16 the date for filing comments on this proposal.

As an amateur radio operator, I am opposed to FCC docket No. 14507 for the following reasons:

1. A considerable amount of the Commission's work concerning amateur radio operators is done by the amateurs. The FCC is authorized to prescribe such fees and regulations determined to be fair and equitable but cost analysis shows that the proposed fees to be paid by amateur radio operators will more than pay for the FCC's services to the amateurs. This makes it a tax.

2. Is the Government planning to charge the airlines for the FAA budget, the marine and waterway carriers for coastal and river control, etc?

3. The number of licensed amateur radio operators would undoubtedly decrease, meaning fewer applicants for RACES (Radio Amateur Civil Emergency Services) and MARS (Military Affiliate Radio System). Also many future electrical engineers, military electronic technicians, etc., get their start as amateur radio operators.

4. The amateur radio operator, by law, may not accept pay of any kind for his services. The commercials, however, do charge for their services and count any repairs to their equipment as tax deductions.

Further information is contained in the April 1962 issue of QST magazine. The American Radio Relay League, West Hartford, Conn., has filed against this docket. Any assistance in opposing FCC Docket No. 14507 will be appreciated.

Yours very truly,
Robert H. Fricke,
Amateur Radio, WOPOL.

KOKKV,
Lincoln, Nebr., May 8, 1962.
Hon. Roman L. Hruska,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HRUSKA: The writer took up amateur radio as a hobby after a coronary in November of 1953 and a repeat in June of 1954, and he has spent many happy hours on the air talking to other hams in this country and elsewhere in the world.

One of the things which has impressed me as a newcomer to the hobby is the dedication of the amateur radio operator to his hobby and the pains he goes to to provide public service when regular communications facilities are out of order.

Perhaps the most impressive feature of amateur radio is that it is a readymade emergency service available on a minute's notice throughout the entire United States and elsewhere in the world. To provide communications facilities even one-tenth as effective as amateur radio would cost billions of dollars.

Many amateur radio operators are youths. Many electronic engineers of today started out with amateur radio. Many amateur radio operators are of limited means.

There is a bill pending before Congress to charge a fee of $5 for an initial license or for a change of address or for other changes in an amateur's license.

The writer has always felt that Federal services, insofar as is possible, should pay their own way, and this fee would in no way interfere with the writer's operation of amateur radio frequencies; however, this should be the last facility on which a charge is made, not among the first, because it will discourage or actually make it impossible for a large number of future amateur radio operators as well as for present operators. In our opinion, the harm from the passage of this bill in the reduction of these communications facilities would be very serious.

The American Radio Relay League has voiced its opposition to this proposal and the writer would like to voice his opposition also. We think it is a serious mistake to consider this charge for the amateur radio license.

There is another piece of legislation which has to do with permitting nationals of other countries to operate amateur radio in this country. The writer has traveled extensively in Europe, including Russia, and Canada, and expects to travel in Mexico and Central America this fall. In many areas, he is denied the use of the air waves simply because our laws prevent the nationals of that country from the use of our amateur radio facilities.

This particular bill seems to be buried under a mass of confusion and it seems to us that we might be missing a source of world relations in denying use of the amateur frequencies to visiting amateur radio operators from many other countries. We cannot see that this refusal to operate does the slightest bit of good. If a radio operator intended to use radio for a clandestine operation, it would be so easy to do so that it is ridiculous, in our opinion, to continue to refuse the bona fide visitor to America who is an amateur radio operator the use of our air waves.

The writer would personally appreciate your voting against a charge for a license fee for the amateur radio operator and for the proposed bill to permit visiting nationals of other countries who are amateur radio operators the use of amateur frequencies in this country.

Very sincerely,

JOHN F. ZIMMER, Jr.

THE PRESIDENT'S TRADE PROGRAM

Mr. **FULBRIGHT**. Mr. President, before the end of this session the Senate will consider the legislation to implement the President's trade program. The fundamental issues involved in this measure are the most important to come before the Congress in recent years.

The consideration of this measure requires an objective appraisal and understanding of the operation of the European Common Market if we are to have the kind of trade program under which international trade will be expanded on a beneficial, fair, and truly reciprocal basis.

The United States has supported the concept of the European Economic Community in the belief that closer economic cooperation may ultimately lead to Western European political union. Because of our desire to support the welding of the European nations together into a greater and stronger force, we should not blind ourselves to Common Market policies which are detrimental to our vital interests and harmful to the European Economic Community itself. We must take a realistic attitude which recognizes the dangers as well as the promises of this trading bloc.

Although the European Common Market may enhance the possibility of closer political union between the six-member countries, it is emerging as more than just a European arrangement. The Secretary of State pointed out recently that it will be the center of a trading system which branches out into Africa and other continents. It has associated with it some 16 independent countries and a number of areas of varying degrees of dependency which constitute what is now known as the Associated Overseas States. These states have free access to the Common Market.

The United Kingdom, the hub of a world trading system of more than 60 countries and territories, with a total population of three-quarters of a billion people, and a system built upon tariff preferences in the sterling area, is currently negotiating for an association of its system with the Common Market. Other nations have applied or indicated an intention to apply for membership in the Common Market. Denmark and Ireland have applied and Norway is following suit. Sweden, Austria, and Switzerland have announced their intention to seek "association" with the Common Market. No one can predict with certainty the eventual scope of the trading system that will be embraced within, or associated with, the EEC. It is obvious, however, that the establishment of such a far-flung preferential trading system will bring about fundamental changes in world trading patterns. It is of the utmost importance that we fully understand these changes and that we adopt positive policies to assure the establishment of trading principles which will allow U.S. goods equitable access to this market. If trade is to be mutually beneficial it must be equitable. It must be based on sound economic principles. Free competitive trade, established on the basis of comparative advantage, should be the goal of both U.S. and Common Market trade policies. Such a system will promote the economic growth of all nations by bringing about a better allocation of resources and promote the strength and security of the free world.

The Common Market policies on certain agricultural commodities do violence to the principle of comparative economic advantage. The Common Market movement to impose a system of variable levies on some of our farm products, including wheat, corn, rice, and poultry, is a giant step toward protectionism. This policy not only adversely affects the United States but will also work against the long-range interests of the European Economic Community.

The Common Market farm policy on these farm imports does not measure up to the professed objectives of the European Economic Community. It is inconsistent with the principles which the Common Market countries pledged to observe under the General Agreement on Tariffs and Trade. They are protectionist in nature and the antithesis of free and fair trade. These proposals represent, with respect to agriculture, a return to isolationism that tends to destroy the progress that has been made toward liberalization of trade under GATT in this area. The proposed trade barriers could be destructive of a large segment of our agricultural export trade, regardless of how competitive our products may be. These barriers are far more dangerous than similar barriers that have been imposed in the past by individual nations. Bloc action will bring bloc results. It is imperative that our Government maintain a position against such restrictive measures. Tools must be provided to give the President bargaining power to prevent these new barriers from being established against U.S. goods, and to insure reasonable access for our agricultural products to the European Common Market area.

The EEC trade barriers which will have the effect of keeping many of our agricultural products at a permanent disadvantage take the form of "gate prices," "equalization fees," "preferential duties," and similar devices. As an indication of how this polcy will operate to keep our farm products out let me illustrate their application to poultry products.

Poultry and egg products constitute a major agricultural item in the United States. These products are the third largest producer of cash farm income. They are produced and marketed freely and competitively without subsidy or price support. Our poultry is competitive in foreign markets. The export potential for our poultry is expanding rapidly. In only 5 years our poultry exports have increased from almost nothing to the point where we are the leading nation in foreign poultry sales. Our exports to the Common Market area in 1961 were over 150 million pounds. These exports are a substantial source of dollars.

It is estimated that the new Common Market barriers if fully imposed could more than double the existing duties and almost equal our on-the-farm price. These duties are already high. Germany, the principal poultry importer in western Europe, is currently imposing a duty on poultry of 15.9 percent, amounting to some 5 cents a pound when applied against the current export price. In contrast, our import duty on frozen broilers is 3 cents per pound or about 10 percent ad valorem.

The obvious effect of these Common Market restrictions will be to exclude U.S. exports and to preempt unto the Common Market countries themselves as much of the market as they choose—despite the competitive position of our products or the uneconomic nature of their domestic production. The Common Market by these proposals intends to exclude competition and create a captive market rather than expand trade. This is not trade liberalization, it is trade strangulation.

The consequences of this agricultural policy are grave and far reaching. This approach endangers the spirit of western unity which we have encouraged as the goal of the Common Market. If such policies are looked upon by the EEC as legitimate instruments of international trade to be used against our competitive agricultural products, the fabric of western unity will suffer. It is only logical to assume that demands will grow for retaliation against EEC products that are competitive in our market. The Germans would, I am sure, be outraged if we imposed a system of variable levies on their Volkswagens.

Our agricultural export markets are vital to the national economy as well as to farmers. These exports are a source of dollars which are an important factor in ameliorating our balance-of-payment difficulties. The agricultural products on which the EEC wants to keep us at a permanent disadvantage make up about $400 million in trade with these nations. If these exports are cut off, as they could be under the proposed policy, our balance-of-payments problem will become even more difficult. There is no assurance that these or other exclusionary measures may not be employed against other U.S. exports. If such unilateral action, in violation of the spirit of GATT, can be taken with impunity against these farm products it can also be used against other products.

The issue involved here is one of principle and a reasonable and fair solution must be reached if our relationship with the Common Market is to grow and flourish.

The loss of agricultural exports which may result if the Common Market agricultural proposals are imposed on our agricultural products will weaken our ability to carry the heavy financial burden which the United States now assumes in the effort to protect and strengthen the free world.

The barriers proposed by the Common Market would destroy the competitive position our farm products have gained through efficiency. They are the antithesis of freer trade and can only operate to create frictions within the free world.

I understand that our negotiators have not accepted the principle proposed by the EEC that would insulate their producers from U.S. competition even though the policy on poultry is scheduled to be placed in effect on July 1. The way has been left open for further negotiation, and we must insist upon full exercise of our rights and privileges under GATT. Our officials should press vigorously for full compliance by the EEC with both the letter and the spirit of GATT. It would be belittling for the United States to make further concessions in an effort to buy the reduction or the elimination of these barriers.

We are at the point now where the representatives of our Government must exert greater effort to impress on our friends in the EEC that if we are to progress toward a mutually beneficial trade partnership and a more open trading world in which our most efficient industries—theirs as well as ours—can share in expanding markets, we will not stand by and permit the establishment of new and more restrictive trade barriers against our products. The demands of the new trading world will undoubtedly require many adjustments—but such adjustments must be designed to promote efficiency and to expand trade—not to contract it.

Passage of the President's trade bill is essential to reaching a solution to this problem. It will give us flexibility and strength for bargaining purposes that we do not have under the Trade Agreements Act which expires at the end of this fiscal year. Any agreement we reach with the Common Market must provide assurance that our farm products will have reasonable access to the Market. There must be no agreement which would help one segment of our economy at the expense of another.

The challenge to freedom posed by Communist imperialism is grave and is likely to remain so throughout the lifetime of the present generation of Americans. The growth of an Atlantic community, of which the President's trade program is a vital element, is compelling evidence that time, if we use it wisely, is on the side of freedom, not communism. The prospect of an enlarged European Economic Community represents a formidable challenge to the United States—a challenge which we can confidently accept—and it also represents an unexampled opportunity. Western Europe is moving toward the attainment of a mass consumption economy comparable to our own. The adjustments will not be easy. The Common Market move toward protectionism in agricultural trade is a disturbing development. The failure to follow the law of comparative advantage in agriculture is not in their economic interests or ours. If the full potential of the Common Market for promoting Western strength and unity is to be achieved they must adopt a more realistic attitude toward agricultural trade.

TRIBUTE TO DR. ARTHUR C. MAGILL

Mr. LONG of Missouri. Mr. President, few men have what can honestly be described as distinguished careers in their chosen field. And, Mr. President, it is an extremely rare occurrence when a man chalks up not one—but two outstanding records of accomplishment during his span of working years.

But, just such a man, Dr. Arthur C. Magill, outstanding educator and devoted public officeholder, announced last week in Cape Girardeau, Mo., that he will retire from public life at the end of this year. He has given more than 60 working years to his fellow Missourians and to his fellow Americans, as a schoolteacher, college professor, research scientist, and then, at a time when most go into retirement—Dr. Magill launched a new career that took him to the Missouri State Legislature and county government.

Such a record is a truly inspiring example of devotion to public service. Most men must be content to settle for much less, and even so, account well for their lives. But, not Dr. Arthur Magill, for there is a part of the story that has not yet been told. The good doctor's love of his fellow man, and burning desire to spare others the grief, pain, and tragedy that struck his family in the typhoid plague of the early 1900's, spurred him to another career which paralleled all these other labors. Vowing to give all possible of his training, education and efforts to eradication of dread typhoid, he has given nearly three score years to the development of better water testing methods and the introduction of chlorination in his section of Missouri. His services have always been availeble—without charge—to all who sought them. Though his public life is ending, his war against typhoid will continue.

That, briefly, has been the life of Dr. Arthur C. Magill—educator, scientist, politician, and humanitarian. Although his name may not ring with familiarity in future generations, human lives will forever bear the mark of charitable love from this man, whose life is true greatness.

Mr. President, so that my colleagues and other readers of the CONGRESSIONAL RECORD may know more of this great man, now in the ninth decade of a full and wonderful life, I ask unanimous consent that a personal sketch of Dr. Magill, from a recent issue of the Hannibal, Mo., Courier-Post, now be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OCTOGENARIAN TO LEAVE PUBLIC SERVICE AT END OF THE YEAR

(By Don Gordon)

CAPE GIRARDEAU, MO.—A young Missouri schoolteacher in 1908 answered personal tragedy with a dedication that has outlasted his two careers and spared countless families from the sorrow he knew.

For Arthur C. Magill—retired educator and active public officeholder—never forgave the typhoid plague which had killed his brothers, crippled his sisters.

The Cape Girardeau octogenarian at the end of this year will leave the public service with which he filled six decades, but he is not abandoning his original vow to do everything possible to combat typhoid fever.

"There was nothing altruistic about it," Dr. Magill explains. "I just didn't like the idea of other people suffering the same grief I had."

The fever invaded the Magill home in rural Ray County, striking down Dr. Magill's mother, three sisters, and two brothers. The boys, aged 18 and 21, died, and two of the sisters were left with twisted spines.

Dr. Magill, already 7 years into a teaching career that would span half a century, was the principal of the school at Bonne Terre.

There and then began Dr. Magill's personal vendetta against typhoid.

As his family had burned with fever, so he burned with the determination to fight back.

The testimony as to how well he fought is this:

He introduced chlorination to southeast Missouri; he helped develop a better method of water testing and he put it into practice by testing about 35,000 samples of suspect water.

He performeed this service without charge for any who asked. He showed them the way to purify their water supply.

Of the early samples, he recalls, about 75 percent contained typhoid germs. In later years, few were infested with the bacteria, probably the best summation of the outcome of Dr. Magill's grudge fight against the disease.

While this private war was going on, Dr. Magill was rising from rural school rooms to become head of the science department at Southeast Missouri State College. This post he took in 1924.

He joined the faculty as a science teacher in 1909 and it was here he was able to work against the disease which had robbed him of his loved ones.

He began by developing a system of purifying the Cape Girardeau city water supply, through settling basins and chlorine. Chlorination was perfected in 1918 and a better system has never been devised.

To the present time, Dr. Magill has looked after the city's water supply, keeping watch on its purity.

Upon his retirement from the college faculty in 1952, he went immediately into politics.

A Democrat, he was elected to two consecutive terms in the Missouri House of Representatives and is serving his third term as a member of the Cape Girardeau County Court.

He will not be a candidate for reelection this year and the second of his two careers will have ended.

Dr. Magill was educated at the University of Missouri, Washington University in St. Louis, and George Peabody College in Nashville, Tenn.

He and his wife live in Cape Girardeau but their eight children are scattered throughout the country. One son died 10 years ago.

Before Dr. Magill retired, Southeast State College built a monument to him, a new science hall bearing his name.

This was high tribute, indeed, but perhaps the greatest monument to Dr. Magill are those untold, unidentified, living people who because of his efforts have never known the scourge of typhoid fever.

NEED FOR CONSTRUCTIVE FARM LEGISLATION

Mr. LONG of Missouri. Mr. President, the farmers in my State, even with the emergency agriculture programs now in effect, are not receiving net income commensurate with other segments of our economy.

Farmers in Missouri realize that elimination of all governmental programs as they relate to price support and supply management could lead only to chaos, bankruptcy of farmers and eventual bankruptcy of our entire country.

It is on this premise that I wish to speak in favor of constructive farm legislation embodying supply management and price supports as recommended by President Kennedy and Secretary Freeman.

I have conferred with Mr. Fred V. Heinkel, president of the Missouri Farmers Association in our own great State of Missouri, who has served and is now serving as Chairman of the National Advisory Committee on Feed Grains and Wheat. Mr. Heinkel advises me that he and the farmers he represents are well satisfied with the results, including the upward of $1 billion increase in farm income, of the 1961 feed grains program.

I know that Missouri farmers in general feel this same way. But, it is Mr. Heinkel's firm belief the Food and Agriculture Act of 1962 should be adopted by this Congress to provide long-term, constructive farm legislation, incorporating into such legislation mandatory supply management provisions backed up by adequate price supports, and to become effective only when the producers of the various commodities have voted by two-thirds majority to accept the supply management principle.

It is estimated by competent economists that the productive capacity of American farms has only begun to be developed, and by the year 1980 there will be upward of 51 million acres of productive land in the United States which will be surplus to the needs of our country in producing food and fiber for domestic consumption, the food-for-peace program, in which we aid our friendly neighbors abroad, and the maximum export of agricultural products.

I am convinced that the farm problem as we have it now can be corrected; that production can be brought more nearly in line with consumption; and, in so doing, net farm income can be materially increased and our national economy stabilized.

I can detect among Members of Congress representing large metropolitan areas a feeling that they cannot much longer support agricultural bills which continue to pile up costly surpluses, and undue burdens on the taxpayers.

This problem of continuing surpluses has always struck me as being economically wrong for both the farmers and the Nation. As both a farmer and a businessman, I cannot but compare this situation with that of the merchant who badly overstocks his store. That merchant might be able to battle his way out of one such mistake, but he cannot continue his error year after year without going broke. He must use good supply management—which the agriculture program proposes—in order to be a success. The farmer should have this same opportunity.

This legislation, if enacted into law, will serve to alleviate this problem also.

The bill also provides gradual adjustment which will permit stabilizing the entire economy and will not allow grass to grow in Main Street of our Missouri towns. In fact, it should help insure good business in our towns because farmers would be sharing in the national prosperity.

It is my opinion that the Congress of the United States is dutybound to enact this legislation, which, in effect, is only enabling legislation and will become effective only when farmers themselves have had the opportunity to vote by commodities whereby they accept or reject these programs as permitted under this legislation.

VOICE OF THE PEOPLE

Mr. WILEY. Mr. President, as a republic—dependent upon, and guided by, the will of the people—we are, today, witnessing a great battle of the airwaves, and of the mails, to influence public thinking on national issues.

Realistically, this is a fundamental process of our system. Nevertheless, we must, in my judgment, attempt to maintain balances and perspective.

Unless this is done, first, the will of the people will not be accurately expressed; and second, significant issues may be submerged in a propaganda war.

My newsletter this week contains an article reflecting upon the need for "keeping our heads" in this situation. I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VOICE OF THE PEOPLE

In a republic of government "of, by, and for the people," progress depends not only upon the consent, but also the support of the governed.

As citizens of a free country, we are blessed with a dual heritage: (1) Of a secret ballot voice for election of servants of the people and (2) opportunity to influence, for example by petition, day-to-day policymaking in the Nation.

A recognition of the powerfulness of the voice of the people, however, is encouraging ever greater efforts, governmental and nongovernmental, to influence public thinking on national issues. This, too, is a legitimate right under the Constitution. An educated citizenry, moreover, is necessary for successful working of our system. Realistically, there can be strong, honest, convictions, even though conflicting, on significant aspects of issues. As targets of a barrage of irrefutable facts on both, or several, sides of an issue, however, Mr. and Mrs. Citizen, like legislators, face the need, obligation, and responsibility of: Sifting the propaganda from the facts; weighing valid, and sometimes counterbalancing, factors; objectively evaluating the proposed remedy in relation to the need; and, finally, making a decision to best serve the people and the country.

As a free nation, we depend upon you, Mr. and Mrs. Citizen, for independent, well-informed judgments, not parroting of would-be influencers, to make the right decisions to meet the challenges of the times.

PROPOSED WITHHOLDING OF TAXES ON DIVIDENDS AND INTEREST—TAX CREDIT FOR BUSINESS INVESTMENT IN MACHINERY AND EQUIPMENT

Mr. THURMOND. Mr. President, the distinguished and able senior Senator from Virginia [Mr. BYRD] is a man who attracts attention when he speaks, not only because of his important position as chairman of the Senate Finance Committee, but also because of the great prestige he has attained as a stanch advocate of sound fiscal policies and as an expert on revenue matters. Last weekend Senator BYRD issued a statement on two aspects of the pending tax legislation, the proposals to withhold taxes on dividends and interest and the proposal to grant a tax credit for business investment for new machinery and equipment. His statement has already drawn strong praise by the eminent news columnist and magazine editor, Mr. David Lawrence, and also from the editors of the Sunday Star. I ask unanimous consent, Mr. President, to have the column by Mr. Lawrence entitled "BYRD's Stand on Two Tax Proposals" which was printed in the Evening Star on May 21 and the Sunday Star editorial entitled "Mr. BYRD Opens Fire" which was printed on May 20 to be printed in the RECORD following these remarks.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

MR. BYRD OPENS FIRE

Chairman BYRD of the Senate Finance Committee has dropped a real blockbuster on administration hopes for two of its favorite tax proposals—a withholding levy on dividends and interest, and a credit for business investment in new machinery and equipment. Mr. BYRD opposes both.

There are special reasons, of course, why the firm position of a single Senator signifies more in this instance than is normally the case. Over a long period of years, the Virginia Democrat has become recognized as an outstanding authority on fiscal legislation. As such and as chairman of the committee handling this legislation, he is quite influential in Senate consideration of measures in this field.

In taking his position against the withholding plan, Mr. BYRD subscribes to vigorously expressed criticisms. In brief, they are that administration of the plan would be complex, if not impracticable and unworkable; that it would overtax people least able to afford it for extended periods, and impose hardship or inconvenience upon taxpaying citizens, the businesses charged with the tax-collecting chore and even upon the Internal Revenue Service itself in handling exemption claims, refunds and so forth. Instead of embarking upon this highly questionable experiment, or at least before doing so, the Senator recommended a full trial of the automatic data processing system which the IRS already is installing. In this connection, Mr. BYRD cited earlier Government testimony that use of this system "would increase Federal revenue by $5 billion."

On the investment credit plan, Mr. BYRD referred to the broad range of opposition—including that of industry itself. He emphasized particularly that it would be discriminatory in many respects, including a gift of benefits to companies that happened to be willing or able to make capital investments at the right time as against those lacking investment funds or having no valid business reason to expand or modernize production facilities. In its uneven application, the Senator said the plan would result in a tax windfall to some companies and nothing to others. As the alternative in this instance, he urged reliance upon liberalization of depreciation allowances—already promised by the Treasury Department.

This opening shot by the Finance Committee chairman is, to say the least, bad news for the Kennedy administration. But we think the Senator is right.

BYRD'S STAND ON TWO TAX PROPOSALS

(By David Lawrence)

A Democratic Senator who has spent the major part of his career of nearly 30 years in Congress studying taxes and finance has come out against two important provisions of the Kennedy administration's tax bill—the withholding of taxes on dividends and interest and the proposed 7- or 8-percent credit on new machinery and equipment.

The Senator is HARRY F. BYRD, of Virginia, chairman of the Finance Committee, which has just finished comprehensive hearings on the bill.

Over the weekend the position taken by Senator BYRD was briefly reported. But the exact words he used in announcing his differences with President Kennedy are significant and worthy of careful examination by both sides in the controversy. He said:

"I oppose enactment of the withholding proposal at this time for numerous reasons, including:

"1. Withholding taxes on interest and dividends cannot be compared with withholding taxes on salaries and wages. Its administration would be terribly complex, if not impracticable and unworkable.

"2. It would, by its inherent deficiencies, overtax people for extended periods, and impose hardship or inconvenience not only on taxpaying citizens, but also on institutions and businesses used by the Government to collect the taxes.

"3. Respect for our tax system must be maintained. It is necessarily complex enough. Unnecessary confusion must be avoided. The agitating characteristics of this proposal are already clear from public reaction. Tax evasion cannot be condoned, but this withholding proposal should be enacted only as a last resort.

"4. An alternative is available, and it should first be given full trial. The Internal Revenue Service is now assigning numbers to taxpayers to eliminate identification difficulties, and at the same time it is installing computers to show currently what taxpayers owe the Government, and vice versa. This combination should and will provide information for effective curtailment of tax evasion."

Now, the foregoing is directly opposite to some of the statements made by President Kennedy at his press conferences recently, but it does represent a rapidly developing sentiment among members of both parties in the Senate.

The administration has stressed the fact that some people evade taxes, but it has ignored the practical difficulties that face those honest citizens who would be unlawfully deprived of the use of their income that is really not due as taxes but would be withheld by corporations and savings banks as a result of new laws compelling such steps. It is the problem of overwithholding that really has caused the furor. Likewise, the alternative plan of helping tax collection through a wider system of informational reporting to the Government of payments of interest and dividends would seem to be adequate for the Treasury's purposes.

What is perhaps just as significant in Senator BYRD's remarkable statement is his argument against the so-called incentive credit to which the administration has pointed as an example of its friendliness toward business.

The Virginia Senator says he opposes the incentive credit also for numerous reasons, including the following:

"1. It is wrong in principle. It is in the nature of a Government payment before the fact instead of a credit for an accomplished fact.

"2. It is a subsidy in the nature of a windfall to be given to businesses which comply with a Government policy.

"3. It is discriminatory in its application among various businesses, even among those similar in kind. Incentive is a stated purpose of the proposal, but it would be retroactive to last January 1, and it is difficult to understand how the provisions would be an incentive for investments made before it is enacted. It would be a bonanza for certain corporations which would reach $600 million.

"4. An alternative is available. The Government has the authority, and belatedly is now taking action, to modernize Internal Revenue regulations to provide realistic depreciation credit for plant and equipment."

Despite all the talk of what the investment credit plan would do, Senator BYRD points out that a recent McGraw-Hill survey found the investment credit would boost investments by only 1 percent, or $300 million. There would be windfalls by which some corporations would gain a great deal. While the United States Steel Corp., for instance, might get a credit of from $5 to $6 million, a different company in another field might receive a $350 million credit in a single year. This is why the measure is attacked as discriminatory.

Most businessmen also would prefer a permanent system, and not a plan that can at any time be revoked, since it is designed primarily as an antirecession measure. The managers of America's enterprises like to plan their expansion or modernization over a 5- or 10-year period. The viewpoint expressed by Senator BYRD is unquestionably upheld by the business world today.

AMERICAN PRISONERS OF WAR IN KOREAN CONFLICT

Mr. FULBRIGHT. Mr. President, time and the tide of subsequent events have largely laid to rest the passions and anxieties that beset us a decade ago when we were engaged in the bloody but indecisive conflict in Korea. But time lends perspective as well as forgetfulness, and there is much about the Korean conflict that we can understand better now than we could 10, or even 5, years ago. Many aspects of the Korean war caused us anguish and frustration. It was something new in American experience—a limited war fought for limited purposes in which strategy was a function more of political than of military considerations.

One of the many aspects of the war in Korea that caused us great anguish and self-doubt was the behavior in captivity of the American prisoners of war. It has been said that the collaboration by a few American soldiers with their Chinese Communist captors evidenced shocking moral decay, reflecting not only on the individuals involved but on the entire society in which they were bred. Conversely, it has been contended that these men were the helpless victims of fiendish scientific techniques of brainwashing.

As we look back from a vantage point in time of several years, we can discern two rather striking things about the discussion in the mid-1950's of the behavior of our POW's: first, that we sought answers in bizarre and exotic theories—such as brainwashing and moral decay—without considering motives and stimuli that might lie within the spectrum of normal, if not noble and heroic, human behavior; second, that we were preoccupied, almost morbidly, with the behavior of the small minority of POW's who collaborated and the still smaller minority who offered genuinely heroic resistance to their captors, while we paid scant attention to the behavior—or nonbehavior—of the vast majority who "played it cool" and passive, offering neither cooperation nor resistance to the Communists.

In an article that appeared in the Washington Post on May 13, Mr. Julius Segal, a psychologist with the National Institute of Mental Health, who has given careful study to the behavior of American prisoners of war in Korea, offers a new and enlightening perspective. Mr. Segal's thesis, as I understand it, is that the behavior of the collaborators and "resisters" alike, and the behavior of the passive majority as well, can be largely understood in terms of the normal human drives and motives that spring from American life and society, without reference to draconic theories of brainwashing or moral decay. Mr. Segal concludes from his study that "the only shameful element of the entire episode" was "our readiness to sit in uninformed moral judgment on our repatriated POW's."

Mr. President, I ask unanimous consent that Mr. Segal's article, which examines a painful episode of our recent history with perception and compassion, be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE POW FAULTS THAT WE HATED WERE OURS

(By Julius Segal)

(NOTE.—A psychologist with the National Institute of Mental Health in Bethesda, Segal spent 7 years in psychological warfare research as a staff member of Army contract research groups at Johns Hopkins and George Washington Universities. His article is based in part on those studies, but the conclusions are his own.)

It is now 7 years since the Korean fighting was stilled. Among the elements of that strange conflict that are best remembered today, the behavior of our prisoners of war stands out. Relatively few citizens continue to feel much involvement in the Truman-MacArthur unpleasantness, or in the variables affecting our decision to cross or not to cross the Yalu, or even in the fateful commitment to stand fast on that peninsula in the first place.

The POW episode, however, with its new and painful lexicon of human behavior, brainwashing, collaboration, "give-up-itis," remains fresh in our memories and still evokes strong feelings and opinions. The more recent spectacle of an American civilian pilot confronted before a world audience by his Soviet captors renewed our concern with the stance of Americans, in uniform and out, who find themselves on the front lines of the cold war. And congressional inquiries into troop indoctrination procedures have further intensified public interest in the question of POW behavior.

Eugene Kinkead, reporting the results of his long look at official files and intensive Pentagon interviews, concluded that our prisoners in Korea piled up "a sad and singular record." More recently, a newspaper columnist summarized the views of an MIT psychologist close to the problem. "Americans who were prisoners of the Red Chinese in Korea," he wrote, "are victims of a giant 7-year-old smear campaign."

The social scientist is awed that two such divergent assessments could be made of the same episode. Evaluators can be found along a broad spectrum—from those who indict all our POW's (together with their delinquent parents and teachers who never bothered to prepare the kids for an encounter with Chinese Communist interrogators), to those who seem equally intent on proving that all of our men did the impossible (military historians, please stand back) and came marching out of the prison compounds as a cohesive, spit-and-polish, high morale group that had thwarted the captor at every turn.

The myriad responses we at home have made to the American POW versus Communist captor drama are in many ways much more potent in their cold war implications than the spectrum of behaviors evidenced by the captives themselves. In the Korean compounds, as much, perhaps, as in the Warsaw ghetto, John Hersey's conviction that "events are less important than our responses to them" rings true. From the denial of any national responsibility for collaboration to self-blame strangely akin to Communist-inspired confessionals; from the smug rationalization of all possible misconduct to the attribution of guilt to virtually all segments of American society; from a blanket endorsement of the efficacy of Communist brainwashing techniques to a frantic searching for answers in obscure personality traits—all of these responses, and more, have been played out on the American scene as a result of the showing of our prisoners of war.

During the internment of Francis Gary Powers we saw among ourselves the same varied attempts to explain the behavior of an American under the hot stresses of the cold war, attempts that lay bare significant value systems and social perceptions of many Americans. The responses of our citizens to the personalized drama of the East-West psychological war provide a kind of national Rorschach of aspects of the American personality.

What are the facts, as far as scientific inquiry can define them, to which we have responded with such variability and heat? What did the Chinese Communists try to achieve by manipulating their captives in Korea? What techniques of human exploitation did they use, and how successfully? What factors led some of our men to yield to the enemy's demands while others resisted?

Most of the "factual" answers to these questions available today are hardly that. Unfortunately, rigorous and meaningful social science data cannot be produced from the comfort of an armchair, nor can complex human motivations be clarified solely through introspection, at whatever level.

In this essay, descriptions of the events that transpired in Korea are derived from the results of a 2-year research project by a team of social scientists directed by me at George Washington University. While distortions of the data reported in popular magazines, lectures, and learned journals have naturally occasioned a degree of professional chagrin, it is clear in retrospect that these very distortions carry potent meaning when viewed against the backdrop of events that inspired them. They are clearly symptomatic of a nation in some pain, of a society made uncomfortable and defensive by the light reflected from that lonely Pacific peninsula.

When our POW's left their shabby compounds for Panmunjom and freedom, there began among us a search for an appropriate stance to adopt toward the 3,400 hollow-eyed repatriates and toward the world we knew was watching us and them. To begin with, no one could say for sure how extensively our men had collaborated with the enemy. Word had gotten through that some of our POW's had behaved in ways friendly to the Chinese Communists and inimical to our interests. But how many?

The question continues today to find a startling number of answers. Estimates, some of them quite categorical, uninformed and unsupported by data, have varied from "a few" to "all but a few," from 3 percent to 90 percent. It is likely that the Communist world has been as gratified by the national consternation and anguish reflected in this numbers game as it was by whatever human weaknesses it may have exploited in the bleak Korean prison camps.

The difficulty lies, of course, in the variability of our definitions of collaboration and in the fact that many who have mouthed the most finely chiseled statistics on this score have done so without even so much as a vague anchor in mind. Do we regard, do we want to regard, as a collaborator any soldier who speaks words to his captor other than his name, rank, and serial number? If so, it can be safely said that virtually all of our men were guilty; they talked (although many talked back) to their Chinese Communist interrogators.

Or was the collaborator the soldier who, without understanding the real ramifications of his behavior, contributed even one item (a radio broadcast, say, or a petition) to the enemy's propagandistic arsenal, under whatever pressure? In that case, nearly three-fourths of our men were collaborationist, among them, incidentally, a sizable number who were subsequently decorated for their overall resistive behavior. Or do we assign the term only to those who were ideologically influenced by their indoctrinators? The proportion here would sink to a handful at most.

The most meaningful criterion for categorizing returning POW's, it seemed to us in doing our research, was an administrative one, based on the intensive review of each prisoner's case history then (late 1954) underway by the Army's legal experts. Using judgments freshly made by these authorities, three distinct groups of POW's were isolated.

Fifteen percent were identified as "participators"—a word coined to avoid using the term "collaborator," already emotionally toned and laden with value judgments. These were men whose behavior in POW camps had led at that time either to their court-martial or dishonorable discharge, or who were being considered for such action, or who would have been so considered had they not already been discharged from the military service.

(Had our research taken place at a later point in time, the percentage of men in this category would have been considerably lower, for many men slated for administrative action were exonerated. Indeed, only a handful of repatriated POW's have since been found "guilty" by military-legal criteria.)

Five percent were termed "resisters"—those who had been either decorated or recommended for decoration as a result of meritorious behavior in captivity.

The remaining 80 percent, identified simply as a middle group, was made up of men against whom the Army had little or no derogatory information, or about whom there was sufficiently conflicting information to preclude placing them in either of the extreme groups.

Only after this trichotomy was established did we plunge into the prisoners' files, containing the verbatim transcripts of the Army's intelligence interviews, medical histories and psychiatric evaluations, and codify the data for purposes of dispassionate statistical analyses.

Many of the results ground out of the computing machines ran counter to our own hypotheses and to popular misconceptions. It soon became apparent, however, that these misconceptions were too well entrenched to be shaken even by contrary evidence drawn from research data. Here were malignantly faulty interpretations of events that (not unlike the neurotic's private distortions) are, at a national level, symptomatic of a somewhat pathological state.

The widespread conviction and fear, for example (still unresolved in many quarters), that large numbers of our men were ideologically converted by exotic brainwashing techniques, was nowhere in evidence from that data. Eighty-eight percent of the returning POW's gave no indication of having accepted even a shred of the propagandistic material fed them in captivity. Among those who did, more than half returned with only the mildest understanding of communism or an affinity for the captor's ideological pronouncements and persuasions. Yet the brainwashing myth gained ever-increasing momentum during the post-Korean decade, even among those quite familiar with the contrary results of a number of studies.

By accepting out of hand the fact that the enemy drew magical tricks out of its arsenal of exploitative techniques and used them indiscriminately on our men, we managed to rationalize what must be a nagging fear that many Americans are not altogether well tuned in on our national and political ideals.

In the phenomenon of brainwashing, an extremely specialized and clinical technique that can be applied only to individual cases, we found a ready mechanism for assuaging our guilt over the ideologically inept behavior of our incarcerated GI's—guilt, it turns out, that our POW's had little reason to bear, a kind of neurotic, projected guilt that we neatly foisted on our POW's, only to wash them (and us) clean again by crying foul over the supposedly uncommon powers of the enemy.

In focusing on ideological concerns, we managed also to display a classic exercise of denial as a neurotic defense mechanism. In our obsession with brainwashing, we avoided admitting into our collective consciousness one aspect of our values that was quite clearly reflected in the behavior of some of our POW's: a readiness to act on material inducements.

On a number of occasions, the validity of our research findings was challenged because they showed the importance of material concerns as a prime motive for whatever collaboration had taken place. This, unfortunately, was not consonant with the preconceived convictions of many on the matter. Cooperative activity, it was argued, must have been ideologically inspired and there are some who, sharing this belief, maintain today that we can strengthen the fiber of our warriors (in Korea their average education was the ninth grade) only by teaching them the virtues of Jeffersonian democracy as against the dialectic errors of Marxist communism.

There is in operation here a perverse denial of a modus vivendi that, in the post-Korean decade, was abundantly apparent on the American scene, one that was necessarily part of that part of us we sent to do battle in Korea. Although we at home are often clearly moved more by things than ideas, we evidently would wish our soldiers, quite miraculously, to do otherwise—even in the sordid and deprived conditions of captivity, where an extra cigarette, a pass into town or a warm blanket takes on a psychologically ravishing meaning that few of us can begin to appreciate.

Our statistics made clear that collaborative behavior in the Korean compounds can be understood in terms that are altogether of this world, and not of a magical one in which brains are laundered wholesale.

The Chinese Communists viewed their prisoners primarily as a rich source of potent propaganda materials. In exchange for petitions, for confessions, for radio broadcasts (to name just a few of the propaganda bullets our men were put upon to manufacture), the enemy offered the kind of material rewards all of us can understand and appreciate: creature comforts and freedom from fear and the threat of pain.

Those few POW's who made the bargain were quite frank in describing it when they came home. In a world of barbed wire blanketed by fear, a world in which the enemy's goals were obscure and difficult to comprehend, it was susceptibility to material inducements, our results showed, that best explained the behavior of that very small proportion of our men who "collapsed" before the enemy's psychological onslaughts.

Those who failed to gain comfort from the brainwashing myth turned instead to an equally inappropriate defense against their projected guilt—a kind of cathartic confessional of grievous sins (whether real or not) committed by our men, an exercise that often amounted to national self-debasement. In the anguish of introspection that followed the release of our POW's, there arose in the breasts of many Americans the conviction that the behavior of our men was uniquely shameful, a disgrace to our Nation's heritage and history. What is more, we said so unabashedly to the world.

The responses of our POW's to uncommon stress were seen as symptoms of a growing moral and spiritual decadence of the military, of the decay of what one self-righteous military psychiatrist called American "buts." Clearly, a materialistic strand in the fabric of our Nation was showing, and we meant to envelop only our soldiers with it.

Nowhere was this perverse attitude better crystallized than in Eugene Kinkead's book, "In Every War But One." Korean, Kinkead would have us believe, was unique; in no other war did American POW's behave so poorly. Like many others, he completely confused stimulus with response. The Korean POW episode was, indeed, unique—not in the behavior of our men, but in the machinations of the enemy that produced it. Never before were our POW's put upon in such a methodical and intensive fashion to provide tangible contributions to an enemy's propaganda effort; never before was such a subtle blend of rewards and punishments so cunningly mass administered to captives.

The responses of some of our men to inducements of preferential treatment and freedom from fear were hardly new, either to POW's or to the American scene. They can be found in operation from sea to shining sea—in politics and business, for example—a fact that renders our excessive shame and recriminations over the bedraggled POW's not only poignantly misplaced, but strongly suggestive of a collective, neurotic guilt complex.

Moreover, each American (or so it seemed) had his own pretentiously psychoanalytic diagnosis pinpointing that single aspect of American life which paved the way to collaboration with the enemy. Interestingly enough however, each theorist managed to defend himself from guilt—a clear case of psychological dissociation.

I have heard religious leaders lay the blame on educators, educators put the finger on permissive parents and parents decry the soft life that the electronic age has tendered us. In every instance, the suggested hypothesis served to relieve its originator from guilt. Everyone—yet no one—was guilty.

As numerous as the value judgments pontifically pronounced over the heads of the repatriates were the attempts made to pinpoint the single factor that might differentiate the soldier who collaborates from one who resists. Here, again, our discomfort was apparent, and again, lack of data was no deterrent to those with strong opinions.

During the many reports given to military and scientific groups, listeners inevitably expressed their own and often strange hypotheses to explain why one American would yield in an encounter with the Communists, while another would resist. One psychologist insisted, for example, that if only he had the data, it would show that the middle child is likely to be a collaborator, the youngest child a resister. A tall lieutenant believed that it was all a matter of body build with the shorter men more likely to yield. Many, of course, insisted that the collaborator, like the delinquent, springs from the old bugaboo of the amateur sociologist, the broken home. These were—all of them, I am convinced—projections of the listeners' own private concerns.

The data are clear. No demographic or biographic characteristics of the usual kind distinguished the few extreme collaborators from the resisters. Their ages, their intelligence quotients, their geographic origins, the solidity of their home backgrounds, their military ranks, the religious affiliations emblazoned on their dog tags—none of these, our research showed, were differentiating factors. Our need for simple explanations of complex phenomena could not be satisfied here. The Army's Korean POW's were clearly composed of men not unlike the members of any random American group—city slickers, country folk, the rich, the poor, the devout, the pagan—an amazingly small number of whom took the avenue of least resistance when the going got rough enough.

In the final analysis, the behavior of an American POW in Korea bespoke a response to awful stress that springs from the very fabric of one's being, from all of the intricate and intertwining personality traits and value systems that are incorporated by us all through a process of psychological osmosis.

What, for example, motivated a few of our POW's in Korea to inform on their fellows? Eleanor Roosevelt saw here a direct reflection of the quality of American education; the collaborator, it follows, suffered inadequate education, while the resisters profited from superior training. Perhaps so; I rather doubt it. Nor am I convinced, as others claimed, that the POW statistics demonstrate that our religious leaders have let us down, or our athletic directors, or, indeed our pathogenic mothers and fathers.

Psychoanalytic explanations are inappropriate here. The behavior we regarded as so repulsive to our conscience might be understood, for example, in purely contemporary terms, as only geographically distant from a society in which those refusing to point the finger of guilt in the direction of their fellows ran the risk of punishment. The era of McCarthyism, it should be noted, did not pass unexploited by the captors of our men.

In searching for the answer, a penchant for seeing the world in black and white came through clearly. Our tendency to see all issues in unqualified terms, all dramas as peopled by the good guys and the bad guys, stood out in bold relief in the national consternation over our repatriated POW's. Our concern was almost entirely with the participator and the resister—equated in the public mind (though not in reality) with the moral and ideological weakling and the selfless hero.

The fact that these two groups of prisoners together comprised less than 20 percent of the returning prisoner population was somehow disregarded. Forgotten was the bulk of our men—the middlemen, or "fence sitters," as they were called—men less intelligent than either the collaborators or resisters, men who blended with the scenery, "played it cool" and rode out the storm without committing themselves to any action. Here were thousands of Americans, it would seem, who represented an extension behind barbed wire of those millions of us who make up the lonely crowd—the inert, the inactive, the indifferent, the uninformed.

Our evidence is that the middle men differed considerably from both of the extreme groups, the latter being strangely alike in some basic ways. Psychological test data, for example, suggested that both the collaborator and resister had greater latent psychopathetic proclivities than fence sitters. They were men, that is, who had to act on their conflict, in any direction, whether it was by making a propaganda broadcast or by punching a Chinese guard.

The great mass of our men, on the other hand, simply withdrew as best they could. They resisted only little, seldom collaborated and received neither the preferential treatment of the collaborator nor the punishments of the resister. And, interestingly, there is evidence that they went into the Army with a propensity for inaction, a tendency to avoid close social contact of any sort and to bypass conflict situations. There were, for example, more single men among them than among the remaining prisoners, and their histories show less frequent participation in athletics and clubs.

It seems clear that most of the men sent to Korea were without a strong capacity for self-commitment, without either a well-defined pro or a con in their being. In terms of military training, the challenge would appear as much to arouse the soldier as to deter him from negative action, and our lack of emotional concern with the fence-sitter group bespeaks a strange and frightening regard of inaction as an acceptable mode of behavior. There is a strong suggestion here that the withdrawal of personal involvement in issues of national importance was a way of life so much a part of us that its reflection in Korea raised nary an eyebrow.

With our national defense mechanisms shorn away, it becomes clear that the Communists laid bare in their barbed-wire laboratory a spectrum of American behavior—from collaboration to fence sitting to resistance—along which each of us can find a place. These were not 7,000 rare and strange men; they were part of us. They were part of a decade in which informing on one's fellow, even under the television lights in a Senate hearing room, could be a piece of behavior to be rewarded; in which the safest, most acceptable action was often to join the lonely crowd and sit, uninvolved and uncommitted, on the sidelines, and in which assertive resistance to threat and blackmail—as in the air space over Berlin or in Korea itself—was not only possible but fruitful.

Our readiness to sit in uninformed moral judgment on our repatriated POW's was, I believe, the only shameful element of the entire episode. None of us can fairly condemn the men who suffered the indignities and privations of Korean captivity. Yet many did, without even secretly questioning how they would have cast their lot.

The dawn of the orbital age does not yet eliminate the possibility that future Koreas will be encountered in our Nation's struggle for equilibrium with the East; new chapters in the psychological conflict between Communist and American human beings may yet be written. Whatever the merits of the arguments now being set forth about military information and education programs, we cannot expect our uniformed leaders alone to transmit, de novo, the knowledge and the values that make for excellence in the citizen soldier. Before we dare again to point the finger of guilt at those of us whom we send to do battle—hot or cold—we must strive collectively to understand the motives and the goals of our potential adversaries.

As Marine Commandant Shoup has suggested, we must expect our military leaders to train soldiers not so much to hate as to fight, with all the skills and cleverness that any kind of confrontation may demand. Our men trapped in Korean captivity could have better used a repertoire of techniques for escape and evasion than an aggressive textbook on comparative political ideologies. Most important, the stance of self-sacrifice so prized in battle must be born of us all.

PROVIDENCE PRESERVATION SOCIETY

Mr. PELL. Mr. President, I invite attention to a wonderful and courageous work on the part of the Providence Preservation Society. More than 900 public spirited citizens labored together for 6 years to restore historic Benefit Street to a semblance of its former beauty. These historical and architectural gems had been almost destroyed by time and inattention. More recently, while many restorations have taken place in the College Hill district, no project has been as spectacular as the rescuing of this northern section of Benefit Street.

"A Mile of History" is justly applied to Benefit Street and adjoining North and South Main Streets, and it is with pardonable pride that Rhode Islanders point to the houses of those responsible for the early development of our State. Of particular interest are such homes as that of John Howland, a close friend of Paul Revere and a leader in the movement to establish free public schooling on this continent. Perhaps the most imposing residence in the north Benefit Street area was the home of Thomas Dorr, leader of the 1842 Dorr Rebellion to establish universal male suffrage.

However, I would like to emphasize that the work of the Providence Preservation Society has more than local significance because, through its efforts, new conceptions in urban renewal and historic preservation have come about. The College Hill Study, which was made possible by a grant from the Federal Government, led to the new interpretation that, in urban renewal, all buildings need not be torn down. The principle was established that, when such buildings are significantly historical, restoration may take place and the work may still fall under the urban renewal program. Naturally, the structure's architectural merit, relationship to its surroundings and physical condition, would also be taken into consideration.

Mr. President, let me state that all of us in Rhode Island are greatly indebted to the endeavors of such leading citizens as John Nicholas Brown, Mrs. William Slater Allen, Mrs. D. Eldredge Jackson, Jr., Washington Irving, and Mrs. Antoinette F. Downing. Through their hard work and civic pride and enthusiasm, the symbols of the past are being restored for everyone to see, that we may be reminded of the glorious heritage and the grave responsibilities that are ours.

It is my fervent hope that in the years ahead, the Providence Preservation Society will not only continue the great work it has done in the past, but may even accelerate its program of restoring historical Providence. It is my belief that all Rhode Islanders, yes, all Americans, should take pride in the history of Providence and that they will join with those who are working directly in these projects in bringing the ideas of the Providence Preservation Society to full fruition.

PRIVATE ENTERPRISE ENTHUSIASTICALLY SUBSCRIBES TO EXPORT-IMPORT BANK OFFERING

Mr. JAVITS. Mr. President, within the last month a heartening but little-noted event has demonstrated the great reservoir of U.S. private enterprise interest in and support for the program of the Export-Import Bank under President Harold F. Linder. I refer to the recent development by the Bank, in an attempt to stimulate greater participation of commercial banks in the business of the Export-Import Bank, of a portfolio fund, which permits commercial banks to invest in the program and thereby reduce the amount of Treasury borrowing by the Export-Import Bank.

The portfolio fund consists of a pool of maturities falling due over the next 10 years. During April the Bank invited the more than 70 commercial banks in the United States which had previously joined in the Bank's financing operations, to purchase certificates representing interests in the fund. The certificates bear annual interest at the rate of 4¼ percent, and the initial offering was in the amount of $250 million.

It is extremely gratifying for those of us who are convinced of the private enterprise potential of this Nation that the offering was oversubscribed three times. A total of $300 million in certificates was in fact issued. This is indeed a striking demonstration of the confidence of the commercial banking community in the Bank's program and in the great export potential of the United States.

I ask unanimous consent to include in the Record the Export-Import Bank's announcement.

There being no objection, the report was ordered to be printed in the Record, as follows:

The First Eximbank Portfolio Loan Fund

A new departure in providing funds to finance the Bank's operations and to increase the participation of commercial banks in export financing was initiated last month. Eximbank created a $250 million pool of loans which it had outstanding of approximately 10 years' maturity and offered commercial banks which previously had joined Eximbank in export financing the right to buy participation certificates bearing interest at the rate of 4¼ percent. In turn, these participations may be sold by the commercial banks to their correspondents. Eximbank has made provision to repurchase at the end of 2½ years, and at semiannual intervals thereafter, the certificates sold; at the same time the Bank has reserved the right to call the certificates on corresponding dates.

The Bank undertook to fill all subscriptions up to $2.5 million to enable the smaller banks to participate fully. The issue was substantially oversubscribed and since the Bank reserved the right to allot up to 20 percent more than the original $250 million offering, subscriptions to the extent of $300 million were accepted.

In commenting on the offering of the participation certificates, Eximbank President Harold F. Linder stated that it was consistent with the congressional mandate of Eximbank which requires the Bank to supplement and encourage private capital. The Bank portfolio fund was established within that spirit, to make possible a broader participation by commercial banks in Eximbank lending operations. It is believed, Mr. Linder also stated, that the distribution of these certificates will result in a broadening of interest among U.S. commercial banks in facilitating the export of our industrial products, thus contributing significantly to our national objectives.

The PRESIDING OFFICER (Mr. Burdick in the chair). Is there further morning business? If not, morning business is closed.

FOOD AND AGRICULTURE ACT OF 1962

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is S. 3225.

Without objection, the Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. EASTLAND. Mr. President, before the debate is over, I will offer an amendment to the proposed Ellender amendment on feed grains which will provide that a farmer can grow on his own land feed grains for consumption on that land without price support.

It appears to me that we should not deprive a man with a herd of cattle of the right to grow feed for his own cattle. I do not believe that the Senate is prepared to further adopt the Russian system. That is what is involved in the mandatory feed grain provision.

The amendments of the committee chairman, for whom I have the highest regard, are supported by a minority of the Committee on Agriculture and Forestry. In fact, these amendments, after weeks of testimony and about 2 weeks of deliberations by that committee, were stricken from the bill. They were found by the majority of the committee to be not in the public interest.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. Does the Senator from Mississippi have any idea, even a remote idea, that the majority of the committee would have reported the bill favorably if the provisions in the original bill affecting feed grains and wheat had not been stricken or largely changed by a majority action before the final vote?

Mr. EASTLAND. There is no question about the fact that the bill would not have been reported to the Senate with those provisions in it. If a committee ever studied and worked hard on a proposal, the Committee on Agriculture and Forestry worked on these proposals and defeated them.

The Department of Agriculture says that 75 percent of the feed grain production in this country is consumed on the farm. Eighty-five percent is consumed on the farm in the localities where it is grown. These are farmers that grow part of their feed grain requirements, and then buy a few bushels on the outside. Why put them into a straitjacket? Why destroy them in order to get at the 15 percent who are overproducing? That is where the problem is.

Mr. President, I am opposed to the proposed amendment that would strike the voluntary feed grain provisions currently in operation and extend them for 1 year in this bill and that would substitute permanent mandatory feed grain provisions.

First, the provisions of this bill were submitted to Congress by the U.S. Department of Agriculture and enacted into law for the 1961 crop year. The administration hailed this program as a success and recommended its extension. At their request the provisions were extended to this crop year and the results are even more impressive. The farmers understand this program, they are participating in it, and apparently they like it.

The idea of compulsion, which we find in the amendments that will be offered, is foreign to the American system. Mr. President, I say to you, sir, that we should have a voluntary program, which is now the law.

It is said, "We have a 6-month supply of feed grains ahead of us." What is a 6-month supply, Mr. President? We ought to have a 6-month supply. It is in the national interest that we do have a 6-month surplus on hand.

The Department reports that on April 12, farmers had signed up to put in 43.2 percent of their feed grain base. Out of a total of 2,763,795 farms producing both corn and grain sorghum, 1,194,077 were entering the program. This million farmers signed up to reduce their corn plantings by 22,321,800 acres and grain sorghum farmers signed up for 6,653,100 acres, for a total of 28,874,900 acres. This is an increase in the number of farms signing up and in the number of acres retired for both corn and grain sorghum over the previous year.

The effectiveness of this program has been stated by the Department of Agriculture to the effect that feed grain supplies will be reduced approximately 200 million bushels. This was brought about by a reduction of approximately 500 million bushels in total production from the retired acres. I agree that this program is effective. In any year in which we can reduce our feed grain supplies by 7½ million tons we have made substantial progress. The increased acreage retired this year would indicate that even more progress will be made. This is an encouraging outlook because of the increasing consumption of feed grains in our livestock and poultry industries, which I will discuss later.

Mr. President, this amendment would provide a mandatory program of feed grain reductions with penalties applied against the farmer on production above his allotment assessed at 65 percent of the parity price on his normal production. This penalty would coerce farmers into compliance with the program if it passed in a referendum. In a great many instances it would prevent farmers from growing the necessary feed grains for the livestock on their farms. Farmers could not afford to grow their feed grain requirements, incurring the costs of production and then paying a penalty of its market value in dollars.

I submit, and I will cite figures later to show it, we have a great number of work stock on the farms in every area of the United States. In many instances, if compulsory feed grain legislation is enacted farmers will be unable to grow the grains necessary to feed their own livestock, their own work stock.

The adoption of this amendment, then, would force farmers who have previously grown their own feed to reduce their cattle, hog, dairy and poultry production to the same extent that they would be coerced into reducing feed production.

When we grow less feed grain, fewer cattle will be produced. Then what happens? The price goes up. When the price goes up, what happens? Imports come into the country. Cattle and meat products come in from Canada and Mexico in tremendous numbers, as I am going to show in a minute.

Cattle and other livestock from those countries are not fed the feed grains produced in the United States. In fact, the proposal would tend further to aggravate the surplus in those commodities.

The farmers' only alternate would be to enter the market and purchase the feed, that under this program they could not produce, at the market price, plus freight and handling costs. This would necessarily increase their livestock production costs and at the same time would deny them the full use of their capital investment in land, production equipment, livestock facilities, and marketing facilities. These increased costs would necessarily be passed on to the consumers, or the alternative would be to further reduce the farmers' margin of profit, which is now the lowest of any segment of our economy. I am reasonably sure that those farmers who have signed up to reduce their grain production are commercial grain producers. The farmers who are growing livestock have not entered this program, or if they have, they have had to sell off part of their livestock.

Mr. President, I object to this amendment because the application of it would freeze the production of feed grains on and to present farm operations. New farms would be deterred from producing feed grains. Those with allotments would have to plant that allotment in order to protect the right to produce in the future. Voluntary reductions in feed grain production could not be made. The rotation of crops could not be fully practiced for the purpose of developing and conserving our soil and water resources.

In the South, in the past several years, 28 million acres have been taken out of cotton. That land has largely gone into the raising of livestock. There is in this country a continuing demand for livestock. The feed grain amendment would stop dead in its tracks the expansion of the livestock and dairy industry into the South. There is a demand—there is a necessity—that livestock production in the United States be increased.

Mr. President, I further object to the amendment because its application would also work an extreme hardship in the Southern areas of the country. In the South farmers rotate soybean and oat production. This is necessary because with our climatic and soil conditions oats cannot be grown on the same land continuously. Small grain fields, after the second year, tend to become infested with vetch and other winter cover crops and with murdock and other obnoxious weeds. After the second year in small grains the land must be put into row crops that are clean cultivated in order to eradicate these broadcast crop pests.

It is not uncommon for a farmer in the South to switch his oat production to soybeans at fairly regular intervals. The adaptability of the land, drainage problems and other factors will cause a variation in the amount of small grains and soybeans planted from year to year. Normally after 2 years of clean cultivation, land can be put back in small grains where it provides grazing during the winter and contributes both grazing and grain to livestock production.

The freezing of crops to the land that would be brought about by this amendment would be a deterrent to our changing agriculture. The ability of our farmers to shift crop production to meet market demands here at home and abroad has constituted one of our greatest strengths in dealing with international problems. The use of agricultural commodities through Public Law 480 sales for economic developments in foreign friendly countries has done as much to cement those friendships as has our progress in atomic weapons. The freezing of crops to the land would prevent our farmers changing from grains to grass and other crops as new and improved and adapted varieties are developed to fit our climatic and soil conditions.

An allotment becomes capitalized in the land. It affects the value of a farm. I know that in many instances crops which are under allotment—for example, cotton and rice—are planted solely because the farmers desire to protect and preserve their allotments. That is what would happen if the feed grain amendment were adopted.

Mr. President, I am convinced that the program envisaged in this amendment would produce more grains. The allotments would become capitalized in land values as the right to produce becomes restricted. We have seen this happen with crops under acreage controls. This is particularly true in the case of tobacco and cotton, and in some instances in the case of rice. I know that in the case of cotton, farmers have bought adjacent land in order to obtain a larger cotton allotment for more economic and profitable production. I think the combining of cotton, grain, and cattle farms throughout the Nation is a result of this need on the part of our farmers. In the case of cotton farms, they can be combined where farms are leased for long periods of time and the allotment worked on the better land.

Farms in the cotton and tobacco producing areas without allotments are worth considerably less than those with substantial allotments on a per-acre basis. In many instances where the entire farm cannot be bought or leased, farmers lease the cotton or tobacco allotments separately from the rest of the farm at very high rentals.

In cotton, we have endeavored to avoid forcing the producer to plant his allotment in order to protect his right to plant. Some years ago we provided that a cotton farmer could surrender his allotment to the county committee for reallocation and protect his history of planting for allotment purposes. Under this provision the farmer must plant a measurable amount of cotton once every 3 years in order to retain the allotment for his farm and to retain the value of the allotment for future years.

No such provision for surrendering allotments and protecting them for history purposes is contained in this amendment.

WILL GET MORE GRAIN

It follows, therefore, that the grain farmer with an allotment would have to plant it and produce the grain. This is not the way to obtain reduced production in crops that are in surplus. Much land which would be planted to grain crops would otherwise be switched to crops for which there was a higher market demand, and on which could be realized a greater profit.

A further objection to this amendment, arising out of the conditions I have just discussed, is that it would increase the farmer's costs of production and would aggravate the cost-price squeeze in which he finds himself. First, the reduced volume of production would have to bear an amount of taxes and capital invested in farm machinery and facilities equal to that which the present base now bears. Mr. President, it is perfectly obvious, from my own personal experience, that the smaller the acreage in a revenue-producing crop, the higher the per-unit cost of production; and a higher unit cost of production will offset a moderate increase in price. In fact, it will not increase the farmer's net profit. The only saving the farmer might make would be in labor costs. The larger farmer who requires outside labor could take advantage of this one adjustment. The family farmer who provides his own management and labor would simply find himself further unemployed. This condition would further stimulate the combining of farms and the movement of farmers to urban areas, seeking industrial employment.

Under the voluntary provisions of the bill, the farmer would have a choice: Those with livestock could produce according to their needs. Those producing for sale could reduce their production, as they are doing now, and thus contribute to the solution of our surplus grain problem.

Adoption of the proposed amendment would bring about two very unpleasant situations: First, it would increase the farmer's costs and would lower his net income, as I have just pointed out; second, it would increase consumers' prices, and thus would raise the cost of living. It is my understanding that we want to avoid both of these conditions. Certainly this is my purpose, and is the basic reason for my support of the provision of the bill which has so graphically demonstrated that it can reduce our surpluses, maintain farmers' income, and permit farmers to exercise a choice in the utilization of their land and capital resources.

Mr. President, we have been told that to adopt this amendment, with its restrictive provisions and controls, would simply be to apply to feed grains the same methods that currently are being applied to cotton, tobacco, rice, and peanuts. These commodities do have mandatory programs. They are suffering from some of the ills I have mentioned previously, such as capitalizing the allotments in the land. We have been told that farmers are satisfied with these programs; and this is partially true. However, when the rest of our cropland is placed under mandatory control programs, and when the farmers' ability to use their land base to produce crops for the markets is reduced, we shall run into opposition. To further restrict their base of operations would affect their production of livestock and livestock products, and would so straitjacket agricultural production for the future that I believe farmers would rebel. It would prohibit farmers from exercising their judgment and from utilizing research information to develop new crops and varieties which have enabled the farmers to produce so abundantly to meet our needs and those of the countries allied with us in our effort to preserve human freedom.

I know that cotton farmers in Mississippi who visit me while I am at home and who come to Washington annually, or who through their organizations make their petitions concerning cotton acreage allotments and price supports, do not want the remainder of their land regimented in this manner.

I wish to point out a further difference between feed grains and these controlled commodities: The combined acreage of cotton, tobacco, rice, and peanuts is less than that planted to either oats or barley. The combined acreage is less than half of that planted to corn; and in dealing with the feed grains, we are talking about an acreage more than four times as large as that involved in all these controlled crops.

There is another substantial difference between feed grains and these crops. All of the cotton, corn, tobacco, rice, and peanuts are produced for the commercial market and are consumed off the farm. We are told by the Department of Agriculture that 75 percent of the feed grains produced are consumed by livestock on those farms. Eighty-five percent of all feed grains are consumed in the immediate area of production. Only 15 percent of the production, then, moves into commercial channels of trade outside of the immediate production area. So the production lies with that 15 percent. Certainly, Mr. President, all farmers who produce feed grains should not be put in a straitjacket, should not be placed under bureaucratic control, in order to reach the 15 percent who have created the problem. Instead, we should deal directly with the 15 percent. This is the reason why mandatory controls have never been applied to feed-grain production. Grain farmers who feed all of their production, and oftentimes buy additional grain, would be opposed to this program. I am not at all sure but that these farms representing 75 percent of feed-grain production, would vote down these mandatory controls, along with the coercive restrictions their land and capital utilization would receive. This is a danger we must assess before we vote such restrictions into law.

I have already pointed out that enactment of this amendment would prevent further expansion of livestock production in the southern areas of the country. I should like to document the exodus from cotton restrictions to more profitable farming enterprises in the South. I should like to start with my own State of Mississippi, to illustrate what is happening. I have before me the 1961 Annual Report of the Copiah County ASC Committee. This report states that the cotton allotment for the county in 1961 was 9,495 acres, to be allocated to 1,673 eligible farms. Eight hundred and eighty-six of these farms released all or part of their allotments. This was done by more than half of them, and they released a total of 4,304.5 acres; 1,293.8 acres of these allotments were reallocated to the farms in the county, and 2,663.6 were released to the State ASC committee, for reapportionment to other counties requesting acreage.

This is an amazing transition of cotton allotments moving from farms in south Mississippi, until we look at the alternatives that farmers are choosing. The same report indicates that 117 farms used ACP money to establish permanent pastures on 682 acres of land. This utilized over 12 percent of the available ACP funds in the county. Nine hundred and six farms used these funds to improve 7,896 acres of existing pastureland, which used 73 percent of the ACP funds. A total of 85 percent of the available ACP funds in this county were used to establish or improve pastures on over 1,000 farms during the year, at the same time when these farmers released 4,300 acres of their cotton allotment.

This transition is not taking place in Mississippi alone. Last year the farmers in North Carolina released 17.9 percent of the State's allotment, or 90,600 acres. These acres were reallocated to other farmers within the State. However, the farmers who planted cotton underplanted their allotments by 10.2 percent, or 51,800 acres. It is not amazing that these same North Carolina farmers who underplanted their cotton allotments increased their cattle numbers by 12,000.

Throughout the States of the Southeast last year, as cotton was underplanted, there was a direct relationship between that fact and the increase in beef cattle production, because it takes three to three and a half to four acres of land on which to pasture a cow.

I submit again that the adoption of the amendment will be a very disruptive blow to a further expansion of livestock production in the southern States, and that we are taking no one's market when we enter this field, because consumption is constantly increasing both because of per capita consumption and the increasing population of the country.

In South Carolina cotton farmers released 85,100 acres, which were reapportioned within the State. The farmers who had cotton planted on their farms underplanted by 111,200 acres, or 14.3 percent of their allotment. During this same year they increased their livestock numbers by 15,000.

Georgia cotton farmers released 140,300 acres, which were reapportioned within the State, but the farmers planting cotton underplanted by 181,100 acres, or 19.1 percent of their allotment. During this same year, they increased their cattle numbers by 55,000.

There is a direct relationship between underplanting of cotton and putting the land to the more profitable production of livestock; and the farmers must be able to expand their feed grain production in order to do that.

Alabama farmers released 151,000 acres, which were reallocated in the State, but the farmers planting cotton underplanted by 127,000 acres, or 11.7 percent. During this same year they increased their cattle population by 35,000 head.

In other words, it takes 3 to 3½ to 4 acres of land to maintain a cow. Such production gives the farmers a higher standard of living. If we adopt this amendment, in my judgment we destroy the expansion of livestock production in the Southern States.

This shifting of livestock and crop production to meet consumer needs in the marketplace is not new. I know that farmers prefer to produce for the market rather than for Government storage. However, the farmer produces for a profit, because his production constitutes his livelihood. Farmers do seek those market outlets that will provide them the greatest continuing opportunity to use their agricultural plant. This has brought about a shift in our agriculture toward livestock and poultry production in recent years.

I ask unanimous consent to have placed in the RECORD at this time a table which shows this growing production and market.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1950 [1]

	Production	Consumption	Per capita
	Million pounds	*Million pounds*	*Pounds*
Beef	9,534	9,529	63.4
Pork	10,714	10,390	69.2
Chicken	3,174	3,097	20.6
Turkey	615	612	4.1

[1] Population figures: 150,200,000 people.

1961 [2]

Beef	15,250	15,826	87.8
Pork	11,475	11,293	62.6
Chicken	5,800	5,447	30.2
Turkey	1,550	1,386	7.7

[2] Poultry items: Ready-to-cook basis. Beef and pork: Carcass weight. Population figures: 180,300,000 people.

INCREASES AND DECREASES FOR 12-YEAR PERIOD

Beef	+5,716	+6,297	+24.4
Pork	+761	+903	−6.6
Chicken	+2,626	+2,350	+9.6
Turkey	+935	+774	+3.6

Mr. EASTLAND. This table, with the information obtained from the Department of Agriculture, shows that beef production increased from 9,534 million pounds in 1950 to 15,250 million pounds in 1961, for an increase of 5,716 million pounds. This increased production, however, did not keep step with demand. Consumption increased from 9,529 million pounds in 1950 to 15,826 million pounds in 1961, for a gross increase of 6,297 million pounds. This demand exceeded the production increase. It was brought about partially by the 30,100,000 increase in our population. However, the greatest increase was brought about by the net increase of 24.4 pounds in per capita consumption. This increase in per capita consumption was made possible because the relative cost of beef as measured by the consumer's income was favorable. Livestock farmers are producing profitably at these favorable prices and are demanding that we not interfere with their free production and market situation.

The most amazing development in this 12-year period has been the increase in the production of chickens and turkeys, both of which have increased their production and consumption nearly 100 percent. Many of the small farmers of the South have now abandoned their cotton production for grain and are now marketing it through chicken brooder houses on the farms. Per capita consumption of chickens has increased from 20.6 pounds to 30.2 pounds, and total consumption has increased from 3 billion to 5½ billion pounds annually during the period. This is an operation quite comparable to that of the feed grain producer in the Midwest marketing his production through beef cattle, hogs, and dairy cattle. It provides a method of increased income for these small farmers who are trying to stay on their land.

The effects of the passage of this amendment would be to reduce feed grain production to the extent that prices to livestock and poultry producers would be substantially increased. Livestock convert feed grains into beef, milk, pork, and poultry. These meats provide a major portion of the proteins in the American diet. With increased feed grain costs, livestock products would necessarily increase in price to the consumer, or the producer would be forced out of business, resulting in diminishing supplies. The price-cost squeeze in which he finds himself would be increased to the point that the farmer could no longer operate.

In either case, whether we drive him out of business or increase his costs, the price of beef, pork, milk, and poultry for the table would be increased. The consumer would have the alternative of meat imports or of using grains themselves for their protein requirements. Regardless of the consumer's choice, the consumption of feed grains would be substantially reduced and our feed grain problem would be further aggravated.

I would like to point out that there is competition for the market basket dollar. There is competition between livestock products and the cereals. There is also competition between domestic livestock producers and foreign producers. Price is the determining factor. In 1952, when our livestock numbers were plentiful and our prices reasonable, manufactured beef imports into the United States amounted to only 31,500,000 pounds. Beef cattle prices were low in relation to feed grain prices, and our farmers began liquidating excess cattle. By the end of 1959 our livestock numbers had been decreased, and our prices had advanced to the point that imports of over 600 million pounds came into the country. Imports will always come in to prevent our prices from getting out of line, but when they do they displace U.S. production and income to the U.S. farmer. They reduce production and they reduce income of the feed grain farmers.

The same price detriment applies to live cattle. Most of the imported beef animals into the United States come from Mexico and Canada. When our cattle numbers were high in this country in 1956 our imports from both Canada and Mexico of live animals, primarily for our feed lots, amounted to 175,000 head.

After the liquidation of our excess breeding cattle and our prices had recovered in 1958, the import of feeders from these two countries was over a million head.

Mr. President, this foreign manufactured beef and these foreign cattle, until the time of their import, did not consume American-produced feed grains nor did they contribute to the agricultural income of U.S. farmers. Price can export a production opportunity of farmers for meat products and for grain markets. Price can also cause consumption in this country to shift between food products. In any event, the income of American farmers in 1958, due to the import of manufactured and live cattle, was not what it could have been. I cannot vote to sentence grain farmers, ranchers and consumers to a lower income and to higher prices through the adoption of the proposed amendment.

In order that the Record may be clear and informative, I ask unanimous consent to have printed in the Record at the conclusion of my remarks two additional tables.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. EASTLAND. Mr. President, the first table pictures the cattle situation by States, including beef cows, beef cattle and all cattle combined for the years 1961 and 1962 on January 1. These figures were obtained from the U.S. Department of Agriculture by the American National Cattlemen's Association.

The second table shows the number of farms and the number of horses and mules by States according to the Census of Agriculture taken in 1959. Combined here we have the work stock for production and the beef and milk plant on which we must depend for the animal products in our diet.

Mr. President, I say that, if the proposed amendment is agreed to, in many instances farmers will be unable to grow on their own farms the grain to feed the livestock which work that farm.

Mr. ELLENDER. Mr. President, would the Senator mind yielding for a question?

Mr. EASTLAND. Not at all.

Mr. ELLENDER. How does the Senator come to that conclusion? Evidently the Senator is not familiar with the amendment I intend to offer with respect to feed grains. As the Senator knows, there is to be an exemption of 25 acres for each farm.

Mr. EASTLAND. Yes.

Mr. ELLENDER. In the State of Mississippi that would include 82,176 of the total of 92,308 feed grain farmers. These would not be affected at all.

Mr. EASTLAND. I know. There are in Mississippi 140,930 horses and mules on farms. I think I know something about the situation. I know there are many farms which will not be able to grow grain to feed that work stock.

Mr. ELLENDER. The Senator is also familiar with the fact that the bill would not affect pastures in any manner, is he not?

Mr. EASTLAND. A farmer cannot work a mule or a horse off a pasture. I think it is obvious the horse or mule has to be grain fed if he is going to pull a plow.

Mr. ELLENDER. The Senator has mentioned pastures as though they would be affected by the passage of the bill.

Mr. EASTLAND. Of course the pastures would not be affected. I made no such statement. What I said was that the amendment, by limiting feed grain production, would drastically curtail the expansion of the livestock industry in the South. I pointed out that the land which was going out of production of cotton was going into pasture.

Mr. ELLENDER. I understand that. That has caused the cattle industry to increase in the South, particularly in the State of Mississippi. As I have indicated before, the bill would not prohibit the planting of oats in any quantity a farmer desired. The farmer could also plant all the rye he desired, or wheat for grazing also.

Mr. EASTLAND. Yes. Oats are not nearly as efficient as corn or barley as a feed.

Mr. ELLENDER. The Senator will remember that he objected to the inclusion of oats in the committee.

Mr. EASTLAND. Yes; I objected to oats.

Mr. ELLENDER. I had the Senator in mind in this regard, when I drew up my amendment.

Mr. EASTLAND. I objected to oats in the committee. I also objected to corn, to barley, and to rye. I objected to this amendment, and the committee rejected this amendment.

Mr. ELLENDER. In respect to barley, the Senator also knows there is no prohibition against planting all the barley a farmer desires, for grazing. In this case, though, a farmer must come into compliance within 30 days of harvest time. The farmer cannot harvest that barley.

Mr. EASTLAND. I know, but a farmer cannot establish a livestock industry on grass and pasture. It takes some grain.

Mr. ELLENDER. The Senator indicated a while ago, and it has been said by quite a few Senators, that 85 percent of the feed is fed in the vicinity where it is grown.

Mr. EASTLAND. There is a demand for that increased production.

Mr. ELLENDER. I ask the Senator why it is that as many as 85 million tons of this commodity accumulated and now the Government has over $3 billion invested. The accumulation is what I am trying to stop.

Mr. EASTLAND. May I answer the Senator's question?

Mr. ELLENDER. Surely.

Mr. EASTLAND. It has accumulated over the past 11 years.

Mr. ELLENDER. Yes.

Mr. EASTLAND. I know.

Mr. ELLENDER. That is the argument against it.

Mr. EASTLAND. Eighty-five percent of it is consumed locally. Seventy-five percent of it is grown on the farms. Why should we hit every farmer, when only 15 percent are involved?

Mr. ELLENDER. The exemptions to be provided in the amendment are such that the proposal would not affect the Senator's State, in my humble judgment, to any appreciable extent.

Mr. EASTLAND. In my humble judgment it would. It would be a sledge hammer.

As I said, we have produced milk for the New Orleans milkshed. We have produced milk for the Memphis milkshed. I cannot see why a farmer who has a herd of cattle, who owns tractors and owns equipment, cannot produce the grain he needs for his own cattle. Instead, the proposal would put the farmer under the bureaucrats. It would put him in a straitjacket. I think the whole proposal is manifestly unfair.

Mr. ELLENDER. May I ask my good friend another question?

Mr. EASTLAND. The Department of Agriculture says the present program has worked. The Department says it has been successful. Why not continue it?

Mr. ELLENDER. The Department said it was successful in reducing somewhat the surpluses from what they would have been.

Mr. EASTLAND. I think the program reduced the surpluses substantially.

Mr. ELLENDER. But not to the extent estimated in the beginning. The Senator knows that.

Mr. EASTLAND. I think the program has substantially reduced the surpluses. I favor a voluntary program.

I still cannot understand, since there are 85 percent who are not offenders and only 15 percent who are offenders, why we should bring the house down on the 85 percent who are not offenders in order to hit the 15 percent who are offenders. I do not see the justice in that, Mr. President.

Mr. ELLENDER. How can the Senator justify having the Government pay support prices to a farmer to grow commodities the country does not need?

That is what we are trying to strike at.

Mr. EASTLAND. The point to hit is at the place where the commercial man operates and not where a man grows it on his own farm and markets it through livestock. Where is the justice in hitting at him? He has not done anything that he should not have done. He has not stored a bushel at the expense of the U.S. Government. All he has done is to grow for his own use, as any free American citizen should have the right to do.

Mr. ELLENDER. Much the same arguments were advanced when the cotton law was enacted, as my good friend knows.

Mr. EASTLAND. Cotton is an industrial commodity.

Mr. ELLENDER. I know that.

Mr. EASTLAND. It is an industrial commodity that is used off the farm. Rice is not consumed on the farm. The State of the distinguished Senator, my leader in agriculture, and my State are both interested in the production of rice. Production in my State is much more limited. But the Senator knows that there is all the difference in the world between the two products. The point is that cotton, rice, and tobacco are all grown for the market. Eighty-five percent of feed grains are grown for use on the farm to make the beef, pork, and animal products that our country needs.

Mr. ELLENDER. However, as I have pointed out, there was an accumulation of 85 million tons, most in Government hands, at a cost of $3 billion. The amount of corn and other feed grains and wheat on hand today accounts for 78 percent of the $1,150 million that it cost to keep such commodities in Government hands during the past year.

Mr. EASTLAND. The distinguished Senator has said—and I think he is correct—that we have on hand a 6 months' supply of feed grains. It is a godsend to our country that we have it. It is a national asset. I hope that in these troubled times we keep surpluses on hand to feed this country and to feed our allies in case of emergency.

I remember that at the conclusion of the World War there were more than 14 million bales of cotton in storage in our warehouses. That cotton served the interests of our country in a very fine way a few years after the war. We followed then exactly the road that is now being proposed with reference to feed grains; namely, curtailment of production.

Mr. ELLENDER. It worked, did it not?

Mr. EASTLAND. It worked.

Mr. ELLENDER. Of course, it did. The proposed program will work, also.

Mr. EASTLAND. It worked? Cotton went to a price above 50 cents a pound. We had to embargo the export of cotton. We lost markets all over the world. The price went so high that foreigners went into production of cotton. The program did anything but work.

Mr. ELLENDER. My good friend from Mississippi voted for that program, as I did, did he not? A situation developed that none of us could foresee. But the Senator would not say the cotton program has not worked, would he?

Mr. EASTLAND. Of course, the cotton program has worked.

Mr. ELLENDER. Certainly.

Mr. EASTLAND. The Senator from Louisiana had a half-dozen programs. The present program worked. The program that we had before 1958 certainly did not work. The program we had before 1956 certainly did not work. The point I make is that we cannot haggle about a 6 months' supply of feed grains. We need that supply.

Mr. ELLENDER. We never had it before.

Mr. EASTLAND. We never had such conditions in the world as we have now.

Mr. ELLENDER. The record will show that we have about four times more feed grains on hand than our normal carryover. I believe that such an expense to the Government, if we do not do something about it, might affect all the other good farm programs on the statute books.

Mr. EASTLAND. The distinguished Senator from Louisiana is chairman of the Committee on Agriculture and Forestry. He handles his committee very ably. Hearings were held for weeks. We considered the bill for 10 days or 2 weeks. The distinguished Senator must realize that the committee, after mature consideration, voted down his amendments. I do not believe that a year's wheat supply is too much. I want insurance for my family. I want insurance for other Americans. One bad drought could get us into trouble.

Mr. ELLENDER. The Senator wishes to let Uncle Sam carry the bag, and I do not.

Mr. EASTLAND. Uncle Sam is not carrying any bag. It is a national asset.

Mr. President, the Committee on Agriculture and Forestry considered this entire subject. The committee voted down the proposed amendments and reported the bill. I hope the Senate will follow the same course.

EXHIBIT 1

State rankings for cattle, Jan. 1, 1962 (Hawaii and Alaska not available)

[In thousands]

1962 rank	All cattle			Beef cattle			Beef cows		
		1962	1961		1962	1961		1962	1961
1	Texas	9,660	9,379	Texas	8,712	8,423	Texas	4,496	4,374
2	Iowa	6,654	6,460	Iowa	5,250	5,036	Oklahoma	1,622	1,490
3	Nebraska	5,414	5,134	Nebraska	4,911	4,612	Nebraska	1,569	1,535
4	Kansas	4,881	4,562	Kansas	4,300	3,958	Kansas	1,383	1,254
5	Wisconsin	4,339	4,296	Oklahoma	3,230	3,074	South Dakota	1,327	1,288
6	Missouri	4,304	4,099	Missouri	3,195	3,011	Missouri	1,126	1,131
7	Minnesota	4,258	4,094	South Dakota	3,053	2,914	Montana	1,126	1,131
8	California	4,232	4,207	California	2,836	2,787	Iowa	1,028	905
9	Illinois	3,862	3,901	Illinois	2,829	2,862	California	858	851
10	Oklahoma	3,654	3,513	Colorado	2,130	2,066	Louisiana	851	834
11	South Dakota	3,460	3,327	Montana	1,990	2,028	Mississippi	838	810
12	Colorado	2,333	2,482	Minnesota	1,943	1,805	Colorado	803	795
13	Ohio	2,249	2,272	Mississippi	1,501	1,463	Florida	713	699
14	Kentucky	2,242	2,115	North Dakota	1,441	1,447	Illinois	695	681
15	New York	2,174	2,152	Louisiana	1,407	1,396	North Dakota	694	667
16	Montana	2,112	2,155	Indiana	1,400	1,386	Alabama	691	669
17	Mississippi	2,107	2,107	Kentucky	1,398	1,276	New Mexico	669	631
18	Indiana	2,103	2,103	Florida	1,272	1,265	Kentucky	628	586
19	Tennessee	1,991	1,914	Alabama	1,269	1,234	Tennessee	573	526
20	Pennsylvania	1,971	1,951	Tennessee	1,205	1,143	Oregon	572	555
21	North Dakota	1,881	1,881	Oregon	1,157	1,146	Arkansas	569	567
22	Louisiana	1,818	1,818	New Mexico	1,155	1,106	Wyoming	550	545
23	Michigan	1,752	1,718	Georgia	1,126	1,071	Georgia	540	506
24	Alabama	1,669	1,656	Ohio	1,126	1,126	Virginia	403	384
25	Florida	1,596	1,596	Wyoming	1,079	1,055	Idaho	397	385
26	Georgia	1,481	1,438	Arkansas	1,014	1,030	Minnesota	383	356
27	Oregon	1,435	1,435	Idaho	983	1,013	Indiana	362	355
28	Virginia	1,422	1,408	Arizona	957	962	Arizona	355	337
29	Arkansas	1,374	1,388	Virginia	840	818	Washington	311	300
30	Idaho	1,359	1,401	Washington	830	776	Nevada	280	272
31	Washington	1,268	1,208	Michigan	597	578	Ohio	272	268
32	New Mexico	1,221	1,174	Wisconsin	546	539	Utah	260	256
33	Wyoming	1,126	1,104	Utah	531	530	North Carolina	211	203
34	Arizona	1,041	1,047	Nevada	490	494	West Virginia	160	159
35	North Carolina	907	898	Pennsylvania	430	428	Wisconsin	130	123
36	Utah	698	698	North Carolina	433	421	Michigan	117	114
37	South Carolina	553	542	South Carolina	371	356	Pennsylvania	100	94
38	Nevada	532	527	West Virginia	332	330	Maryland	60	40
39	West Virginia	530	535	Maryland	152	157	New York	46	40
40	Maryland	498	508	New York	148	138	Maine	9	9
41	Vermont	445	436	Maine	28	20	New Jersey	5	4
42	Maine	200	200	Vermont	19	18	Vermont	4	3
43	New Jersey	196	198	New Jersey	15	14	Delaware	4	4
44	Massachusetts	153	156	Delaware	12	10	Massachusetts	3	3
45	Connecticut	150	153	Massachusetts	11	11	Connecticut	3	3
46	New Hampshire	101	100	Connecticut	10	11	New Hampshire	2	2
47	Delaware	51	53	New Hampshire	8	8	Rhode Island	----	----
48	Rhode Island	20	20	Rhode Island	1	1			
	Total	99,500	97,319	Total	69,695	67,371	Total	28,111	27,028

1959 Census of Agriculture

	Number of farms	Number of horses and mules
Alabama	49, 966	93, 148
Arizona	3, 295	51, 151
Arkansas	35, 656	76, 644
California	20, 148	77, 313
Colorado	13, 940	64, 826
Connecticut	1, 197	3, 609
Delaware	1, 134	3, 093
Florida	10, 529	26, 536
Georgia	39, 023	70, 500
Idaho	13, 844	49, 806
Illinois	25, 762	73, 898
Indiana	18, 533	52, 928
Iowa	30, 240	87, 284
Kansas	28, 196	67, 746
Kentucky	69, 482	144, 663
Louisiana	38, 120	87, 390
Maine	3, 853	7, 730
Maryland	5, 762	15, 259
Massachusetts	1, 730	4, 771
Michigan	14, 430	36, 443
Minnesota	23, 325	58, 560
Mississippi	63, 529	140, 930
Missouri	43, 216	101, 625
Montana	15, 600	86, 380
Nebraska	23, 641	68, 281
Nevada	1, 588	19, 074
New Hampshire	1, 540	3, 695
New Jersey	1, 975	6, 993
New Mexico	8, 468	43, 388
New York	18, 485	47, 371
North Carolina	84, 517	145, 101
North Dakota	19, 069	57, 472
Ohio	25, 961	73, 664
Oklahoma	33, 680	90, 025
Oregon	11, 366	44, 402
Pennsylvania	19, 446	58, 141
Rhode Island	187	693
South Carolina	38, 644	68, 407
South Dakota	16, 049	61, 013
Tennessee	67, 757	139, 380
Texas	77, 203	237, 373
Utah	9, 220	29, 894
Vermont	4, 094	9, 351
Virginia	41, 412	84, 293
Washington	12, 377	37, 517
West Virginia	19, 590	37, 587
Wisconsin	24, 728	59, 219
Wyoming	6, 441	49, 423
Total	1, 137, 958	2, 953, 902

Mr. MANSFIELD. Mr. President, a good workable farm program is essential to the economic prosperity of the State of Montana. The farm bill submitted to the Congress by the administration is designed to meet the problems of overproduction, unmanageable surpluses, depressed farm income, and expanded markets for farm porducts. It is a program nationwide in scope. Montana has a very significant farm economy and I wish to comment briefly on several unusual circumstances that now exist in the State. I also wish to address several questions to the distinguished chairman of the Senate Agriculture Committee, whose answers are of vital interest to my colleague the Senator from Montana [Mr. METCALF] and myself.

First of all, Montana finds itself in a difficult position at this time. The State has been plagued with a serious drought in the past several years, thus reducing production within the State. An expanding livestock feeder industry in the State has utilized the vast majority of the feed grains produced, contributing little to the feed grain surplus. Montana is a major producer of the Hard Red Spring wheat variety which is not now in great surplus. Naturally many Montana farmers wonder why we need a farm program in Montana because of these factors. They would like to produce more wheat because of the favorable market and they would like to increase feed grain production within the State to supply the expanding markets within the State.

I realize we cannot make exceptions in dealing with a national problem but I did want to briefly comment on the Montana situation.

Mr. President, I should like to ask the distinguished chairman of the Committee on Agriculture and Forestry the following question:

During the discussion of the proposed farm legislation in the committee, what was the consensus with reference to elimination of acreage controls on wheat and conversion to production control on a bushelage basis and on the farm storage at the individual farmer's expense?

Mr. ELLENDER. That question was discussed. We have provided that the Secretary of Agriculture should proceed in fixing the acreage by using a bushelage basis, with a minimum of 1 billion bushels.

With respect to farm storage, let me say that if farmers now produce in excess of allotments, they must store at their own expense in order to avoid penalty. The amendment makes no change in this respect.

Mr. MANSFIELD. What was the minimum?

Mr. ELLENDER. One billion bushels. What we are trying to do in the bill is to keep production in line with our requirements for both export and domestic use. There are several provisions in the bill to protect the producers of wheat that may be in short supply. The Secretary of Agriculture has the right under the wheat provisions to increase allotments for wheat in short supply.

Mr. MANSFIELD. Is that for the Hard Red Spring wheat?

Mr. ELLENDER. That is for any wheat that is in short supply. Under the bill, the Secretary of Agriculture would have the right to look into the situation and provide more acreage to meet the demand for any wheat that is in short supply.

Mr. MANSFIELD. I thank the Senator.

Mr. ELLENDER. However, in saying to a farmer that he may plant more acreage of wheat of a kind that is in short supply, the amendment provides that the farmer must then plant his entire increased allotment to that kind of wheat.

Mr. MANSFIELD. If the Senator will yield further, as he knows, the establishment of yields has been the subject of considerable discussion in Montana. As recommended by the committee, what years would be used in determining yields under the 1963 feed grain program?

Mr. ELLENDER. The years 1959 and 1960 would be used.

Mr. MANSFIELD. Would the same yields be used if the administration's feed grain proposal were adopted?

Mr. ELLENDER. Under the administration's program, as it has been developed and embodied in my amendment, the normal yield for a farm would be the average yield per acre of such feed grains on the farm during the 5 calendar years immediately preceding the year in which such normal yield is determined, adjusted for abnormal weather conditions and trends in yields.

Mr. MANSFIELD. That would be true if the administration's present feed grain program proposal were adopted. Is that correct?

Mr. ELLENDER. The Senator is correct.

Mr. MANSFIELD. Montana grows principally Hard Red Spring wheat, a high protein quality wheat. Carryover of Hard Red Spring, according to the committee report on S. 2335, will be down to 180 million bushels next month, as compared with 237 million bushels last June 30. It is my understanding this new farm legislation offers incentives to the producers of high quality, high demand wheat such as Hard Red Spring. As you know, due to certain factors Montana grain production is somewhat limited to wheat and barley.

While a farmer would receive certificates for his bushel quota, the additional wheat which is legally produced either on his wheat or feed grain acreage allotment could be picked up in the open market by those interested and in need of the higher quality milling variety at premium prices. Also, I understand that the administration proposes that wheat be permitted to be grown as a feed grain, thus quality demand wheat which is produced on feed grain allotments might then be placed in the feed grain market and purchased by those interested in the quality grains at the premium prices. Is this a reasonable interpretation of this proposal?

Mr. ELLENDER. Yes. In addition I point out that the Secretary would have the right to increase the acreage of wheat which is in demand.

Mr. METCALF. Mr. President, will the Senator yield for a moment, so I may clarify one point for my own benefit?

Mr. MANSFIELD. Certainly.

Mr. METCALF. I understood the chairman of the committee to say that if the pending bill were enacted, the feed grain allotments would be determined on the basis of yields of the past 2 years. If the bill which is before the Senate is enacted, the past 2 years will be used. Is that correct?

Mr. ELLENDER. 1959 and 1960. Those 2 years, yes.

Mr. METCALF. If the Ellender amendment, which is the administration bill, is adopted, the feed grain proposal will be based on the past 5 years?

Mr. ELLENDER. The normal yield would be based on the preceding 5 years. Allotments would be based on the average acreage during the base period. For the first 3 years of the program the base period would be 1959 and 1960. Thereafter it would be the 2 most recent years for which statistics are available. I may have misunderstood the Senator when I spoke to him a while ago.

Mr. METCALF. I was not quite sure, but I wanted to clarify the situation.

Mr. MANSFIELD. I thank my colleague from Montana for clearing up that point.

During the course of the committee's extensive studies of these problems, has there been any indication that there is a direct relationship between the market price for livestock and the price for feed grains?

Mr. ELLENDER. Yes; that relationship has been established. Several witnesses testified to that effect. Mr. Cushman S. Radebaugh, president of the American National Cattlemen's Association, testified that whatever happens in the case of feed grain prices has a direct effect on what happens to beef cattle prices.

It has been my contention for the past 25 years, ever since we have been dealing with price supports, that fixing a price on grain has a direct effect in stabilizing the price of cattle products as well as poultry products.

Mr. MANSFIELD. Would the chairman say that this is a fair statement? When the price of feed grains goes down, the price of livestock subsequently correspondingly declines; that when the price of feed grains is up, the price of livestock correspondingly rises?

Mr. ELLENDER. That is right. That would be my interpretation. I believe a study of the situation would indicate that that is true.

Mr. MANSFIELD. If the Senator will yield further, I should like to point out that there has been a tremendous discussion about the Nation's agricultural surplus. Insofar as wheat is concerned, in terms of the Nation's needs, how large a supply do we now have on hand and for how many years?

Mr. ELLENDER. We have on hand 1,300 million bushels, which is more than a year's supply—just a little bit more.

Mr. MANSFIELD. Just a little bit more?

Mr. ELLENDER. Yes. Of course, when we say supply it means not only for domestic use, but for export also.

Mr. MANSFIELD. Would the Senator state in this respect who is our best customer in the export of wheat?

Mr. ELLENDER. Today it is India.

Mr. MANSFIELD. How about Japan?

Mr. ELLENDER. Japan is a big customer, but India, of course, through the Public Law 480 program has increased its imports.

Mr. MANSFIELD. India gets it on a gift or loan basis.

Mr. ELLENDER. Yes.

Mr. MANSFIELD. So far as an actual cash customer is concerned, I mean.

Mr. ELLENDER. Japan would be as big a cash customer as any.

Mr. MANSFIELD. It is also a good cash customer, and our best customer with respect to cotton, soybeans, and tanned hides, as well as wheat; is that correct?

Mr. ELLENDER. That is correct.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. PASTORE. I am very much interested in the agricultural problem. I want to lend whatever support and assistance I can to any possible program which in the long run will save the taxpayers of this Nation the great amount of money that is now being paid for storing the surpluses.

I have been told that the Ellender amendment embodies a certificate plan, which is, in fact, a bread tax; is that correct?

Mr. ELLENDER. No.

Mr. PASTORE. I am told that the plan provides that all wheat used for breadmaking will be subject to certificates valued at about 82 cents a bushel. This means that before a miller can grind wheat into flour, he must purchase a certificate for each bushel he mills. The American Bakers Association and others estimated that this will add perhaps as much as 1½ cents to every loaf of bread. Has the Senator any comment to make on that point?

Mr. ELLENDER. Of course, as the Senator knows, and as I stated yesterday, the Secretary of Agriculture has been attempting since he took office to increase the price of the commodities grown by the farmers. It is contemplated that if the program goes through, namely, the certificate plan to which the Senator refers, the price of wheat will be about $2 for all wheat that will be grown by that farmer for domestic use, and likewise the farmer will receive $2 a bushel for that portion of the production which will be shipped abroad for which certificates are issued.

Personally, I do not believe it will have any effect whatever on the cost of bread, for the simple reason that the cost of wheat this year is about the same—that is, $2 a bushel. Under the bill, it is not contemplated that the cost of wheat to the miller will be increased at all, so there will be no reason for him to have to increase the price of bread.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. Generally speaking, is it not true that over a period of years the price of wheat has been around $2 a bushel?

Mr. ELLENDER. That is correct; it has been around that price.

Mr. MANSFIELD. But what has happened to the price of bread in the meantime? It is not the farmer who causes a rise in the price of bread, because the price of wheat has not increased in proportion to the price of bread.

Mr. ELLENDER. I was about to suggest to the Senator from Rhode Island that what the farmer gets out of the price of a loaf of bread is about 2.4 cents. The price of bread has risen considerably in the last 7 or 8 years, even though the cost of wheat has stayed, more or less, at a normal price.

Mr. PASTORE. The contention that is made—and it may well be so—that the increase in the price of wheat might increase the price of a loaf of bread by 1½ cents, and I envision that there will be some increase. Naturally, if the price support is raised, then somewhere along the line that action will be reflected in the cost of bread, unless someone absorbs the cost.

Mr. ELLENDER. We are not proposing to raise the price of bread; we are simply assuring that that price will be what it is now.

Mr. PASTORE. Was not the price of wheat $1.78 a bushel last year?

Mr. ELLENDER. Yes.

Mr. PASTORE. As I understand, the plan of the Senator from Louisiana calls for a price of $2.04 a bushel.

Mr. ELLENDER. No; next year it will be $2 a bushel, in round figures.

Mr. PASTORE. That is an increase of 22 cents, is it not?

Mr. ELLENDER. I understand; but the price for this year's crop, under the program which we voted upon last year, will be $2. So the plan we now propose will not raise the price higher than that.

Mr. PASTORE. One final question of the Senator from Louisiana, who is very proficient in this field: What has the Rhode Island consumer to look forward to in a promising way as between the bill which was reported by the committee and the bill if it is perfected by the so-called Ellender amendment? What does the consumer in Rhode Island have to look forward to in any promising fashion?

Mr. ELLENDER. If the proposal I am suggesting should be enacted, we will have a new approach in our price support program for wheat. Under the present law, the Secretary of Agriculture is unable, legally, to proclaim a national allotment for wheat of less than 55 million acres regardless of the stocks which have accumulated. When that law was enacted in 1938, the yield of wheat per acre was 13.3 bushels. Now the yield is 26.2 bushels, but the same minimum acreage is required by law.

My amendment would establish an acreage so that the amount of wheat to be produced will be more in keeping with our requirements. This would mean that the Federal Government would take over less wheat thus saving a large amount of storage and handling charges. As I pointed out yesterday, the handling charges for the commodities which are now in storage—for all commodities—amounted to $1,154 million during fiscal 1961. Wheat, and feed grains accounted for 78 percent of that huge cost. What we are trying to do is to reduce the production of wheat, and we are saying to the farmers, "We are willing to protect you in price provided you curtail your acreage in keeping with the requirements." That is all the amendment proposes to do. If that proposal should be adopted, it will mean less production and less costs to be assumed and paid for by the Government. Besides, during the transition period, payments will be made to farmers for the diverted acreage.

Mr. PASTORE. Is it fair for me to assume that if the program is initiated and carried through to fruition, the ultimate result will be that less wheat will be produced and less wheat will have to be bought by the U.S. Government with the taxpayers' money, and that less of the taxpayers' money will have to be paid in order to store the surplus?

Mr. ELLENDER. The Senator is exactly correct. The same principle applies to my corn amendment. Feed grain carryover today amounts to about 75 million tons. It cost the Government in the last fiscal year $535 million to store that surplus. I am trying to tell the corn farmer that the Government is willing to support the price of his corn at a certain level provided he is willing to curtail his acreage and produce only what is needed.

But the way the law now reads—that is, the law which was enacted 3 years ago—a farmer can plant any amount of corn he desires, or any amount of sorghum, oats, barley, or rye that he desires, and get price support for it. There is no way under the law by which the Secretary of Agriculture can control corn and feed grain acreage; he must support the price irrespective of the amount of grain which the farmer produces.

The second amendment I shall propose to the Senate will simply mean that if the farmers of the country want to produce corn and other feed grains, then in order to get a Government support price to help them to get a fair return on corn and other feed grains, they will have to reduce the number of acres they plant, so that the amount of grain produced will be in keeping with the amount required. That will save the taxpayers quite a large sum of money, and as a matter of fact, also improve farm income.

As I pointed out to the Senator from Mississippi [Mr. EASTLAND] a few minutes ago, the Government has on its hands at this moment 2.4 billion bushels of corn and other feed grains worth $3 billion.

Mr. PASTORE. I thank the Senator from Louisiana.

Mr. CARLSON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. CARLSON. The Senator from Rhode Island has very properly raised the issue as to what this proposal may cost the consuming public. After all, our great Nation is comprised both of producers and consumers. At no time in our Nation's history have the consumers received their food at a lower percentage of their wages than they are now.

It is interesting, when we talk about costs, to note that in 1959, with 13 percent more consumers and a 13 percent higher per capita income, 16 percent more food was utilized. In other words, a 13 percent greater population having a 13 percent higher income increased its food consumption by 16 percent.

In 1959, the farmers received $100 million less for their food, and the consumer paid $10 billion more in charges.

I think this is one of the important issues, because when we start dealing with the problem of the whole record of food costs in this country based upon percentage of wages, the market basket of domestically produced food for a family of three as reported by the U.S. Department of Agriculture, cost 23 percent of the average factory worker's income in 1959.

Ten years earlier, the cost of food alone was 35 percent higher; 20 years earlier, it was 41 percent higher. So it can be definitely proved that the consumers are getting their food at a lower percentage cost of their wages than at any time in the Nation's history.

Mr. PASTORE. Does the Senator from Kansas agree with the position taken by the American Bakers' Association that if the Ellender amendment shall be adopted, the cost of the certificate plan will be increased, and that the cost of each loaf of bread sold in the United States will be increased by a cent and a half?

Mr. CARLSON. I do not agree with that statement, because I do not believe that will be the result of the amendment. The cost of bread may be somewhat increased, but very little, because the price of wheat has been $2 a bushel, it has been $2.22, and it has been $1.79 with very little if any change in price. There would not need to be any difference in the cost of a loaf of bread, because the price of bread is very little affected by the price of wheat.

Mr. ELLENDER. The price of a loaf of bread is not directly tied to the price of wheat.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Louisiana yield, so that I may respond to the Senator from Rhode Island?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. Under this bill—and I should like to have the chairman of the committee correct me if I am wrong—the price support of wheat would be dropped from approximately $2 a bushel—the price support at the present time—to about $1.40, or to the feed value equivalent of corn. The cash price would probably be somewhat above $1.40; but one could hardly expect the cash price to be above the present price of good milling wheat, which is about $2.50 a bushel. So the price millers would pay would be less than at present.

The miller would have to buy the certificates; but even if the overall cost of his wheat was 20 cents a bushel more than now—which would be the most it could cost him—that would mean that the additional cost of a loaf of bread would be less than half a cent a loaf, inasmuch as the wheat content of a loaf of bread is today approximately 17 percent, or probably a little less now, as more substitutes for wheat are used.

Mr. PASTORE. Is there any way to determine percentagewise what the effect would be, as between the formulas being proposed here? I think that should be ascertained, because the consumers should be told that. If the estimate of 1½ cents a loaf as the increased cost is incorrect, I believe it should be corrected for the RECORD.

I am not challenging or questioning anyone; but if there is any way to determine in authoritative fashion, for the RECORD, just what will be the effect of the program on the price of a loaf of bread, I believe it should be stated for the RECORD.

Mr. YOUNG of North Dakota. I think that can be done; I think there are economists in the Department of Agriculture who can give those figures.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. ELLENDER. I yield.

Mr. AIKEN. I should like to inform the Senator from Rhode Island of the purpose of the Department's plan: It is to require the farmer to reduce his production; to increase farm income; to lower the burden on the taxpayer; and to keep prices to the consumer at least as low as they are now. That is very simple when we say it: force the farmer to reduce his production; and when he reduces his production, increase his income; then lower the costs to the taxpayers; and, finally, keep the prices to the consumers where they are now, or get them lower.

I wish the Senator from Rhode Island, who is excellent at statistics, would figure out just how that could be done. But that is what is claimed for this proposed legislation—just as simple as that, if it is simple.

Mr. ELLENDER. Mr. President, in view of the questions asked by the Senator from Rhode Island, I should like to read into the RECORD a statement by the House committee; the statement appears on page 28 of Report No. 1691:

> There is nothing in the proposed wheat agreement which would add to the cost of flour to bakers or to the cost of bread to consumers. USDA miscellaneous publication 712, "Marketing Margins for White Bread," says: "Farmers' prices don't govern bread prices." The committee has been assured that there would be no material increase in wheat support levels under the program in 1963. From 1948 to 1960, the cost of wheat and other ingredients in a loaf of bread declined 18 percent at the farm, while processing and marketing margins increased 71 percent. Thus, in the 12-year period, the cost of a loaf of white bread increased from 13.9 cents to 20.3 cents, as a national average, or 46 percent, while the price of a bushel of wheat declined from $1.98 to $1.76, or 11 percent.

Mr. TALMADGE. Mr. President, it is clear that Congress can no longer postpone affirmative action to curb the overproduction of feed grains.

From 1952 to 1961, the total feed grain carryover rose from 20 million to nearly 85 million tons, and the cost of storing surplus corn and grain sorghum alone reached the staggering total of half a billion dollars during the 1961 fiscal year. Although the carryover will have been reduced to some 72 million tons by this October, it can be expected to shoot up again unless Congress is willing to finance indefinitely a billion-dollar-plus-a-year voluntary acreage diversion program.

Our experience has proved that neither lowered price supports nor voluntary land retirement is the answer to the problem. The former serves only to stimulate increased production; and the latter effects only temporary relief, and that only to the extent of the amount of funds made available to provide incentive payments.

That leaves us, then, with but two choices: either to impose a system of effective controls, or to cut 3½ million farmers loose, to "go it alone." The certain ramifications of the second make it too alarming even to contemplate. It would result in a disastrous drop in farm income, which would bankrupt thousands of farmers and would touch off a crippling agricultural depression which would spare no segment of the national economy.

There is nothing startlingly new or different about the procedure set forth in the proposed amendment. Essentially, it would bring feed grains under the same type of mandatory controls which have been successfully employed for years by the producers of cotton, rice, peanuts, and tobacco. And, as in the case of those commodities, the controls would be imposed only upon the direct vote of the farmers concerned.

This program has been designed to reduce surplus stocks of feed grains to a manageable level within 5 years. And, instead of offering the prospect of ever-increasing costs, the outlays it would require would decrease by almost $300 million a year by 1965. The indicated first-year saving over the present emergency program alone would be $565 million.

Some concern has been expressed in the Southeast—which is a deficit area for the production of feed grains—about the effect of the mandatory procedure. I am please to be able to report that there would be no adverse effect, as southeastern farmers would be able to grow more feed grains under the mandatory program than they would under the present optional arrangement.

That would be the case because the proposed program provides for the exemption of farms with base acreages of 25 acres or less, and the retirement payment rate per acre under the mandatory program would be less than that under the current voluntary plan. In my State of Georgia, for example, 22 percent of the feed grain base acreage is being diverted this year, while projections show that under the proposed mandatory program the diversion next year would be only 16 percent.

Mr. President, it is time that the farmers of the United States realized that they cannot expect continued high price supports without agreeing to effective production and marketing controls. They cannot have both high supports and few, if any, controls. It must be one way or the other.

There have been growing evidences of taxpayer resentment of farm programs which cost billions and accomplish nothing with respect to their basic purpose—that is, to bring supply into line with demand. It should be obvious to all concerned that a continuation of procedures which pile up costly surpluses will jeopardize continued public support for all farm programs.

During the more than 5 years it has been my privilege to serve in this Senate, I have consistently advocated and sought the enactment of realistic and meaningful farm legislation to solve the problems of American agriculture. The Talmadge farm plan which I have offered during the 85th, 86th, and 87th Congresses has attracted widespread favorable reaction throughout the Nation.

Mr. President, I personally would prefer to see the enactment of a program of free enterprise farming bolstered by a system of compensatory payments on domestic consumption along the lines I have proposed. I think it would be the best thing for the Nation as a whole if such a formula could be applied to all basic agricultural commodities. Unfortunately, however, I recognize that the opposition of certain farm organizations and of the large, corporate-type farms has foreclosed its favorable consideration—at least, at this time.

I, therefore, Mr. President, support the pending amendment as the best possible acceptable solution to the pressing problem which faces the American economy with respect to runaway feed grain production.

Failure to impose mandatory controls over such production, Mr. President, can only have the result of placing in grave jeopardy our entire farm program. And every American with a knowledge of elementary economics knows, Mr. President, that in an economy where labor has the protection of the minimum wage and collective bargaining and business has the protection of the tariff and various subsidies, the consequences of leaving the farmer without equivalent protection would be disastrous.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. TALMADGE. I am glad to yield to my distinguished senior colleague.

Mr. RUSSELL. My distinguished colleague is a member of the standing Committee on Agriculture and Forestry and had an opportunity to sit in the committee during the hearings. I heartily commend him for his realistic approach to an exceedingly thorny problem. I too would prefer to see enacted the farm bill which my colleague has introduced, but we both know that is completely out of the question in the present circumstances.

The approach that is offered in the Ellender amendment seems to me to be the only chance we have to save any farm program, particularly for the farmers of the Southeast, and Georgia farmers especially.

Mr. President, I have seen the balance of power shift in this country during the time I have been a member of the Senate. When I first came here I think some 37 or 38 percent of the people of this country lived on farms or were engaged in agriculture. It has now reached the point where only 8 or 9 percent of the people derive their livelihood from farming; and the political power of the farmer has been further diluted by events other than the mere shifting of the population from the farms to the cities.

There is no question in my mind that the people in the cities would soon resent and strike down any farm program whatever—and they would not be able to differentiate between those programs that cost a great deal of money and those that do not—unless Congress took some steps to stop the tremendous accumulation of grain surpluses, which cost us $1,400,000 a day just for storage in this country.

If that should happen, the whole farm program would collapse. That would be the end of the individual farmer in this country. We could depend on the factory-type farm, but it would mean the extinction of the family farm in this country. In my opinion, it is up to us to do what we can to slow down that movement in order to retain the great values the family farm has in the strength of our Nation, both spiritual and otherwise.

My colleague knows, as well as I, that these grains are the only farm products that have not been under marketing quotas.

Mr. TALMADGE. They have had price supports.

Mr. RUSSELL. They have had price supports and no marketing quotas. In other words, the producers have had their cake and have been eating it, too, since 1935, whereas other commodities, such as cotton, tobacco, rice, and a number of others, have been under rigid controls, involving great penalties if they have been overplanted by so much as one-half an acre.

In my judgment, if we are to retain any farm program in this country, we must follow the suggestion made by my distinguished colleague. I commend him for it.

While I have some grave misgivings about some features of the program, under all the circumstances I think the long-range interests of such farmers as are left in the United States will be served by the adoption of the Ellender amendment.

Mr. TALMADGE. I thank my able colleague for his invaluable contribution. I agree with him wholeheartedly in everything he has said. In my judgment, if we do not reduce the $3 billion surplus of feed grains, it will be the weapon which will be utilized to strike down every farm program we have, good as well as bad. For that reason, I support the Ellender feed grains amendment.

Mr. President, I yield the floor.

Mr. FULBRIGHT. Mr. President, I heartily commend the junior Senator from Georgia for his comments. The circumstances in his State are much like those in mine, and the effects will be similar. I think what he has said is most persuasive. In addition, many of the scandals which we have been reading about in the papers recently have grown out of the very problems that arise out of the excessive accumulation of surpluses.

Mr. PROXMIRE. Mr. President, the distinguished chairman of the Committee on Agriculture and Forestry has been exceedingly patient in our consideration of the various provisions of the proposed Food and Agriculture Act of 1962. I appreciate the fairness with which he has dealt with each member of the committee. I have only the greatest admiration for his effort and his ability.

I now would like to indulge his patience by asking him a few questions. I note that often he has referred to corn as "the little blue-eyed girl of our farm program."

I assume by that he means that corn producers have received favorable treatment.

He now proposes that on less than 3 months' notice they become subject to mandatory controls or have their price supports reduced to 50 percent of parity or less.

I am sure that our distinguished chairman knows that 19,500,000 acres have been diverted out of wheat production since 1952, 11,300,000 acres have been diverted out of tobacco production since 1951, and 600,000 acres have been diverted out of tobacco production since

1952. Does not the distinguished Senator from Louisiana agree that a large part of these diverted acreages have been shifted to the production of feed grains and soybeans? Is that not true?

Mr. ELLENDER. I would say that principally soybean production has increased in the South. Insofar as the feed grains are concerned, the South has been growing those all along. Of course, there has been a little increase in the acreage in wheat production because of knowledge of a variety which would grow better in the South. There is no doubt that the cotton farmers of the South have increased the production of crops which used to be produced as cash crops principally in the North.

Mr. PROXMIRE. I do not mean to ask the question in any prejudicial or regional sense.

Mr. ELLENDER. I understand.

Mr. PROXMIRE. The point is true with respect to wheat also. Farmers to some extent have gotten out of the production of wheat and have diverted 19.5 million acres, which is more than has been diverted out of cotton production, and much of the acreage has gone into the production of feed grains.

Mr. ELLENDER. Not as much as the Senator would imagine.

I say to my good friend that when there were acres diverted from cotton, from rice, and from other commodities in the South, there were no payments on the diverted acres; but in this case we seek to provide for the payment on diverted acres to all corn farmers, to all sorghum producers, and to all wheat producers.

Mr. PROXMIRE. I shall come to that.

Mr. ELLENDER. This payment program will go along for 3 years, if the bill is passed with my amendment.

Mr. PROXMIRE. I understand. I would like to come to consideration of the provisions of the bill.

Mr. ELLENDER. Yes.

Mr. PROXMIRE. First, I wish to consider the present plight of the corn farmer. It is my conclusion, on the basis of detailed analysis, that the feed-grain surplus is in large part the result of the previous wheat and cotton programs. We had to have wheat and cotton programs before. I am not saying that the wheat and cotton farmers are responsible for the situation. I merely say it is hard and difficult, and it seems to me unfair, to blame the corn farmer for his production, because it is a fact that the wheat and cotton programs of the Federal Government have pushed more acreage into feed grain production.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. There has been a considerable reduction in wheat acreage, particularly in the commercial wheat-producing States during the last 15 years. The reduction in acres has been about 35 percent. During the same time there has been an increase in wheat acreage in the corn areas, particularly east of the Mississippi River, because of the 15-acre exemption provision. The farmers throughout the area east of the Mississippi River have increased their wheat acreage, while the commercial wheat farmers have had to decrease about 35 percent.

Mr. PROXMIRE. I agree with the analysis of the Senator from North Dakota, but I maintain that this is part of the results of the wheat and cotton programs, which have caused a diversion of some land.

Our chairman and the administration cite the high cost of operating the current voluntary feed grain program as the main reason for forcing farmers to approve a mandatory program or be content with price supports at 50 percent of parity or less. They do not say that the current program is ineffective.

PRESENT VOLUNTARY FEED GRAIN PROGRAM IS EFFECTIVE

I was greatly encouraged by the fine defense of this program which the chairman offered to the Senate the other day when he was defending the present voluntary feed grain program. They, as well as I, take pride in its effectiveness. They do not say it is more costly than the ill-conceived 1958 program which it replaces. In fact, they, as well as I, take pride in the real savings it is achieving as compared with continuing the Benson program of 1958.

They claim only that if a mandatory program is approved in a referendum even further savings can be made. This is almost the only argument advanced for a mandatory program at this time. Yet when value of the marketings is considered, the real Government costs of the current voluntary program are not out of line with costs of the two other major programs, wheat and cotton. The annual value of feed grains produced in the United States is more than twice the value of either cotton or wheat. In 1959–61 the average annual value of the feed grains produced was $5.6 billion; the value of wheat and cotton marketed was $4.6 billion. Even though feed grain price supports cost more than wheat and cotton price supports combined, they would be costing only their pro rata share of the total farm program.

I ask our distinguished chairman: Does he have any information to suggest that feed grain price supports in the past have cost more than the combined costs for wheat and cotton?

Mr. ELLENDER. It is my recollection that the price support losses for corn alone was $2.2 billion since the advent of the program.

As I pointed out today and yesterday, the Government has about $3 billion invested in the feed grains. Of course, that is not a loss by any means, but Uncle Sam's money is tied up in that much corn and other feed grains.

Mr. PROXMIRE. Is it not true, although we have far too much of the feed grains in storage, as the Senator has said several times, and correctly, that the present feed grain program even in the greatest bumper year we ever had, in terms of weather, did reduce the surplus?

Mr. ELLENDER. It reduced the production of corn and sorghums by 421 million bushels, though we anticipated a reduction of 700 million bushels.

In all justice, if there had been no program at all, instead of having a surplus of 85 million tons we would have seen an increase of about 600 million or 700 million more bushels of corn. That is why I have contended throughout that even though the emergency program appears to be costly, if we consider the additional corn and other feed grains which it would have been necessary to store over the years, in the long run the program will save money.

As the Senator no doubt remembers, the emergency feed grain program was placed on the statute books supposedly for 1 year, in the hope that the Congress could draft permanent legislation. That is what the committee has tried to do.

Unless the amendment which I have offered to the Senate is agreed to, we will revert to the old program which has cost us so much. I venture to say that the extension of the corn and other feed grains program for the current year will cost about $900 million. If weather conditions are as good as they were last year we may see an increase in the production of corn and of other feed grains of as much as 500 million bushels over last year.

Mr. PROXMIRE. If weather conditions are less excellent than they were, the Government will save even more money, and the cost of the program will be even less.

Mr. ELLENDER. Of course.

Mr. PROXMIRE. So that the program was tested under the most adverse circumstances, or nearly the most adverse circumstances, in view of the excellent weather. The program worked. It reduced the cost of the farm program substantially. It was a popular program. It increased farm income.

Is that a correct statement?

Mr. ELLENDER. Of course that is true. The program we now envision would not in any manner decrease the income of the farmers, because we have incorporated into the proposed program a provision which would pay the farmer for diverted acres. In effect a program similar to the emergency program we now have will cover the next 3 years.

Mr. PROXMIRE. I shall come to that subject in a minute. My contention, on the other hand, is that if the amendment is agreed to, judging from all the evidence I have seen—and I have an abundance of evidence—there will be no feed grain program at all, because the program will be voted down. I shall come to that subject in a minute.

Mr. ELLENDER. I cannot agree with the Senator from Wisconsin that the farmers would vote down price supports.

Mr. PROXMIRE. Yes, it will be voted down, because two-thirds of the farmers who will vote on the program will not be the farmer who will sell the feed grains.

Two-thirds of the farmers who will vote in the referendum use feed grains only on their farms. They do not sell feed. So those farmers would have every reason to vote again the program and no reason to vote for it.

Mr. ELLENDER. The Senator is partially correct. But I am sure thousands of farmers in Wisconsin would be exempted from the program if they had 25 acres or less. They would not be required to vote.

Mr. PROXMIRE. Those are the farmers who concern me most. The program would be extremely unfair to those farmers. They would have to make a choice as to whether or not to vote in the referendum. Whether or not they chose to vote in the referendum, they would be limited. They would be mandated to limit production to what they produced in their base year. They could not go 1 square foot higher even in the production of corn silage.

Mr. ELLENDER. The Senator is correct.

Mr. PROXMIRE. They would not have to vote.

Mr. ELLENDER. We would permit them to grow silage if they wished to do so.

Mr. PROXMIRE. Then they would have to take a cut.

Mr. ELLENDER. That is correct. They could become members of the voting family only if they would take the cut that the others take.

Mr. PROXMIRE. What kind of proposition would that be for a farmer? I can imagine how infuriated a Wisconsin farmer would be if he had to face such a choice.

A farmer might say, "Senator PROXMIRE, do you mean to say that the Senate passed a bill that would enable us to vote, but if we vote, we must cut our production by 20 percent? If we do not vote, we shall be limited anyway. No matter what happens, we will not receive a nickel more for our milk. We cannot possibly gain from the program. It cannot but affect us adversely."

Mr. ELLENDER. My guess is that farmers who have a base of 25 acres or less, and who in the past had produced most of the grain or feed they desired, might not wish to join. They might not want price supports because they do not sell the commodity. In my judgment, the bill is directed mostly to those who plant an abundance of corn and sorghum far above their requirements.

Mr. PROXMIRE. More than 20,000 farmers now grow over 25 acres of corn and feed grains. Those farmers would be in a position in which they would be restricted by the program, whether they voted or not. A farmer who produced only 5 acres would still be limited to his base. He would be limited on his corn silage. He could not increase his feed-grain production. He would have a limitation and would not have a vote.

Mr. ELLENDER. He could pasture all he wished. He could plant all the oats he desired to plant, since oats would not be included in the feed grain program. He could plant barley for grazing.

Mr. PROXMIRE. The Senator from Louisiana knows perfectly well that the dairy farmers will feel that in order to have any kind of efficient operation, they should be able to feed the proper amount of corn or corn silage—corn silage primarily—and they cannot increase their production of corn silage. They are limited with respect to it.

Mr. ELLENDER. They would be limited to what they had planted on a historic basis.

Mr. PROXMIRE. A farmer who had only 15 cows would find that he could not increase his herd to a reasonable size without buying feed at a higher price. He could not grow a fraction of an acre more.

Mr. ELLENDER. The Senator knows that we shall probably not have a milk program this year. We are now producing milk in quantities far above what we need. I do not believe the Senator's suggestion would be very encouraging to the farmers who desired to produce more milk.

Yesterday I had printed in the RECORD a table, which appears on page 8943, indicating the estimated distribution of feed grain farms. Of the 2,239,850 farms in the United States, 1,183,310 would not be affected—almost one-half.

Mr. PROXMIRE. They would all be affected. Every last one of them would be limited in the amount of feed grains that they could produce. They might not be cut back, but they would be limited. They could not increase their feed grains or silage.

I have found over and over again in Wisconsin—and I am sure it is true of Louisiana—farmers who have a herd of approximately 15 cows. They want to make a living. They cannot do so with that size herd. So they try to build it up. Inspired by the history of freedom and growth in our country, they have a desire to increase their production. At least they want the freedom to do so.

If they are to be limited, at least they would want a vote in a democratic referendum. If the Ellender feed grain amendment were adopted, they would be limited but have no vote.

Mr. ELLENDER. They could vote if they would take the cut, as any other farmer could.

Mr. PROXMIRE. The Senator is correct. So the farmer has an option to vote. If he votes, he must take a cut of 20 percent. If a farmer does not vote, he cannot increase his production at all.

Mr. ELLENDER. The farmer could put in all the pasture acreage he desired.

Mr. PROXMIRE. Yes.

Mr. ELLENDER. He could plant all the oats and barley he desired. He could graze his acreage of barley. The only thing he could not do would be to harvest it.

I believe that if my amendments are agreed to the bill would do justice to the small farmer. I do not see that any farmer would suffer.

Mr. PROXMIRE. I ask the Senator from Louisiana if he can give me a single reason why a farmer who is exclusively a dairy farmer would vote in favor of the plan in the referendum. Why would he not vote "no"? I ask the Senator to give me one reason.

Mr. ELLENDER. Am I to understand that such a farmer would not want a program at all? Would he want price supports of any kind? If he did not want price supports, all he would need to do would be to vote the program out.

Mr. PROXMIRE. But the dairy farmer is tied to the present low price supports whether he votes for or against this program. The feed grain program will not affect milk prices in any event. The dairy farmer sells milk and receives the low support price. He does not get more or less than that, no matter what happens. He is chained to that price.

Mr. ELLENDER. The price of feed for livestock would affect the farmer's income. I am sure that the Senator from Wisconsin would not want the price of corn and other feed grains to go down to 50 cents a bushel—half of what it is now—would he?

Mr. PROXMIRE. That is exactly the situation that the dairy farmer would find himself in at the time of the referendum. He is a buyer of feed grains, not a seller. Therefore he has an interest in seeing the price go down under circumstances in which the price of milk is fixed. If the price of feed grains goes down, his costs would be less and so, of course, he would vote "no."

Mr. ELLENDER. In my judgment, he would vote "yes," in order to stabilize the price of livestock feed.

As I pointed out yesterday and today, and the RECORD is replete with this evidence—when the feed grain price is stabilized, it means that prices of meat, dairy, and other products are likewise stabilized.

Mr. PROXMIRE. But this cannot possibly affect the price of milk. I think the Senator is correct in his economic theory, and all experts agree with him with respect to beef and hogs. But because there is a price support for dairy products and because the farmer is getting $3.11 a hundredweight—which is $2.85 for 3.5 butterfat test milk—there is no question that on dairy products there would be every reason for the farmer to vote "no," and no reason for him to vote "yes." A great number of dairy farmers are eligible to vote. The economic positions of many farmers would require them to vote "no", and they will vote "no." Many hog and beef farmers, of course, would also vote "no," although there is an economic reason for them to vote "yes." But so far as concerns the price at which the farmer sells his beef or hogs, many farmers do not believe there is a direct connection. So they will vote "no," because they do not see any direct connection between the price supports for feed and the price of his beef or hogs.

I say this not because I want to see the plan defeated, but simply to make clear the terrible risk in enacting the mandatory program at this time. As sure as night follows day it will be defeated in the producer referendum. So what Congress will do if it enacts this program is, in fact, to abolish any feed grains program.

Maybe that is what some Senators want. But let us be very clear that this will be the very likely result.

Mr. ELLENDER. I do not know what the dairy farmers of Wisconsin will do. I do not know whether they will wish to continue producing milk at a loss, as the Senator has pointed out on many occasions.

Mr. PROXMIRE. The Senator is correct.

Mr. ELLENDER. They cannot be losing much because they remain in business.

Mr. PROXMIRE. There is nothing else for them to do. They are locked into the farm operation.

Mr. ELLENDER. I understand.

Mr. PROXMIRE. Their only alternative is to sell, get out, and join the unemployed.

Mr. ELLENDER. As I have pointed out on many occasions, something must be done in order to control production of feed grains as well as wheat. I shall include milk and other products. As the Senator knows, the committee did all it could recently to incorporate a milk program in the bill.

As the Senator knows, the milk producers of this country can produce all the milk they desire to produce without limitation. The price support ranges from 75 percent to 90 percent of parity. This program was put on the statute books in 1949. I have the most recent figures isued by the Department of Agriculture, indicating that the milk program costs the Government—including purchases, during last year, for butter and cheese and dried milk, and programs for schoolchildren and so forth—since 1949 through February 28, 1962—$3,980 million, or almost $4 billion. Such programs as these, if they continue without any controls, in my humble judgment will mean that they will affect good programs that are on the statute books. I do not want that to happen.

Mr. PROXMIRE. The Senator has produced some interesting figures. He has said that the cost has been nearly $4 billion, for a period of approximately 12 years.

Mr. ELLENDER. That is right.

Mr. PROXMIRE. That is less than $300 million a year, which is the amount the administration now says it is desirable to spend to purchase dairy products for constructive purposes, including school lunch, armed services, veteran programs, donations and welfare, and so forth.

Mr. ELLENDER. I am not complaining. The point I make is that, as the Senator points out, the average is $300 million, but, last year alone, as I pointed out in committee, the cost was $626 million.

Mr. PROXMIRE. I share the feeling of the Senator from Louisiana. We have to do something about the problem. I am offering an amendment to that effect. I am hopeful the Senator from Louisiana will give it consideration when the amendment is under consideration on the floor.

Mr. ELLENDER. Mr. President, will the Senator from Wisconsin permit me to place in the RECORD the table to which I have referred?

Mr. PROXMIRE. Yes; this would be a good place to insert it in the RECORD.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the table to which I have referred may be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE, COMMODITY CREDIT CORPORATION

Acquisitions, dispositions, expenditures, realized losses, and sec. 32 costs

SUMMARY OF ALL DAIRY PRODUCTS

Marketing year beginning Apr. 1	Quantity (millions of pounds)				Expenditures by U.S. Government (millions of dollars)						Net realized losses and sec. 32 costs [1] (millions)
	Purchases	Sales	Donations	Inventory at end of marketing year	CCC purchases	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	
1949				414							
1950	519	592	237	104	$144	$10				$154	$118
1951	53	117	12	28	8	1	$4			13	15
1952	282	53		257	110	1	2			113	22
1953	1,262	187	113	1,219	432	21	9			462	197
1954	[2] 1,292	1,037	434	1,040	[2] 387	42	2	$34	$1	466	345
1955	[2] 1,132	367	1,254	551	[2] 249	50		21	9	329	584
1956	1,430	612	1,004	365	295	35		51	13	394	367
1957	1,851	395	1,404	417	344	30	9	62	25	470	437
1958	1,502	517	1,229	173	226	23	25	80	23	377	378
1959	1,564	344	1,163	230	216	14	7	78	23	338	312
1960	1,505	370	1,028	337	201	12	3	85	24	325	322
1961 (through Feb. 28, 1962)	1,972	299	1,307	703	426	17		81	21	545	307
Total	14,364	4,890	9,185	703	3,038	256	61	492	139	3,986	3,404

BUTTER

Marketing year beginning Apr. 1	Purchases	Sales	Donations	Inventory at end of marketing year	CCC purchases	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	Net realized losses and sec. 32 costs [1] (millions)
1949				87							
1950	126	134	69	10	$75	$3				$78	$44
1951	(3)	5	5		(4)	(4)				(4)	4
1952	106	11		95	71	(4)				71	17
1953	326	75	16	330	212	7				219	75
1954	294	115	154	355	175	17				192	134
1955	172	91	322	114	98	20				118	300
1956	161	146	101	28	95	7				102	103
1957	197	106	37	82	117	4				121	89
1958	168	171	37	42	98	5				103	88
1959	135	50	83	44	78	4				82	87
1960	153	107	18	72	90	4				94	129
1961 (through Feb. 28, 1962)	333	119	47	239	201	6				207	37
Total	2,171	1,130	889	239	1,310	77				1,387	1,107

CHEESE

Marketing year beginning Apr. 1	Purchases	Sales	Donations	Inventory at end of marketing year	CCC purchases	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	Net realized losses and sec. 32 costs [1] (millions)
1949				22							
1950	109	102	29	(3)	$35	$2				$37	$25
1951	1	1			(4)	(4)				(4)	(4)
1952	40	1		39	16	(4)				16	1
1953	317	23	14	319	122	6	$6			134	28
1954	319	148	83	407	115	13				128	40
1955	151	29	234	295	52	19				71	129
1956	202	135	156	207	73	19				92	91
1957	240	58	201	188	88	16				104	118
1958	52	116	113	11	18	10				28	73
1959	52	25	26	12	18	2				20	19
1960	(3)	12			(4)	(4)				(4)	(4)
1961 (through Feb. 28, 1962)	123	(3)	64	50	47	2				49	26
Total	1,606	650	919	50	584	89	6			670	550

U.S. DEPARTMENT OF AGRICULTURE, COMMODITY CREDIT CORPORATION—Continued

Acquisitions, dispositions, expenditures, realized losses, and sec. 32 costs—Continued

MILK, DRIED

Marketing year beginning Apr. 1	Quantity (millions of pounds)				Expenditures by U.S. Government (millions of dollars)						Net realized losses and sec. 32 costs [1] (millions)
	Purchases	Sales	Donations	Inventory at end of marketing year	CCC purchases	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	
1949				305							
1950	284	356	139	94	$34	$5				$39	$49
1951	52	111	7	28	8	1	$4			13	11
1952	136	41		123	23	1	2			26	4
1953	619	89	83	570	98	8	3			109	94
1954	602	766	181	225	94	12	2			108	136
1955	581	184	480	142	98	11				109	122
1956	750	331	431	130	127	9				136	100
1957	811	231	563	147	139	10	9			158	143
1958	719	230	516	120	110	8	25			143	114
1959	812	269	489	174	120	8	7			135	105
1960	775	251	433	265	111	8	3			122	84
1961 (through Feb. 28, 1962)	1,017	180	697	405	178	9				187	142
Total	7,158	3,039	4,019	405	1,140	90	55			1,285	1,113

[1] Net realized losses are on a marketing year and sec. 32 costs are on a fiscal year basis.
[2] Includes collateral acquisitions of whey.
[3] Less than 500,000.

Acquisitions, dispositions, expenditures, and realized losses by marketing year

MILK, FLUID

Marketing year beginning Apr. 1	Quantity (millions of pounds)				Expenditures by U.S. Government (millions of dollars)						Net realized losses (millions)
	Purchases, armed services milk	Sales	Donations	Inventory at end of marketing year	CCC purchases	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	
1950											
1951											
1952											
1953											
1954	16		16					$34	$1	$35	$35
1955	218		218					21	9	30	30
1956	317		317					51	13	64	64
1957	603		603					62	25	87	87
1958	563		563					80	23	103	103
1959	565		565					78	23	101	101
1960	577		577					85	24	109	109
1961 (through Feb. 28, 1962)	499		499					81	21	102	102
Total	3,358		3,358					492	139	631	631

WHEY

Marketing year beginning Apr. 1	Quantity (millions of pounds)				Expenditures by U.S. Government (millions of dollars)						Net realized losses (millions)
	Collateral acquired	Sales	Donations	Inventory at end of marketing year	Collateral acquired	Carrying charges	Sec. 32 purchases	Special milk program	Armed services milk	Total outlay	
1950											
1951											
1952											
1953											
1954	61	8		53	$3	(1)				$3	(1)
1955	10	63			1	(1)				1	$3
1956						(1)					(1)
1957											
1958											
1959											
1960											
1961 (through Feb. 28, 1962)											
Total	71	71			4	(1)				4	3

[1] Less than 500,000.

FEED GRAINS NOT COMPARABLE TO TOBACCO, COTTON, WHEAT

Mr. PROXMIRE. I wish to emphasize what I am trying to bring out. I believe the distinguished chairman and the administration overlook two points when they propose a program for feed grains essentially similar to the mandatory programs for wheat, cotton, tobacco, rice and peanuts.

The first is that about two-thirds of the feed grain growers voting in a referendum produce feed grains solely or primarily to feed their dairy herds and other livestock. They are interested primarily in the price of their livestock products and only secondarily in the price of feed grains. About one-third of those voting in the referendum will have fewer than 50 acres of feed grains and fully half of the voters will be far more concerned with the size of their livestock feed base than with the price support level for feed grains.

The second is that many producers who vote for marketing quotas on their major money income crops may vote against marketing quotas for their supplementary feed grains crops, which are the basis of their livestock programs. There are about 235,000 farms in the major wheat-producing States excluding Texas and Oklahoma, which also are important cotton-producing States, and 292,000 farms in major cotton- and tobacco-producing States growing over 25 acres of feed grains and eligible to vote in a feed grain referendum. This is almost half of the producers who will be eligible to vote.

It is true that those who sell their feed grains will have the same interest in feed grain quotas as in quotas on other crops. But only a minority sell their feed grains. Those who feed their grains to livestock in the feed-deficit areas more typically oppose restrictive quotas on feed grains, while favoring quotas on their cash crops.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ELLENDER. The Senator was discussing, I believe, the large increase in acreage of feed grains which took place in the South.

Mr. PROXMIRE. I did not say that there was a large increase in the South, specifically. What I said was that there was acreage in cotton which had been diverted out of cotton, and that there had been wheat acreage which had been diverted out of wheat, and so forth.

Mr. ELLENDER. According to the Department of Agriculture's pamphlet entitled "Wheat, Feed, Livestock, Feed Grains—Changes in Harvested Acres, Yields, and Production, by Regions, 1940, and 1942 to 1956 and 1958,"—which is about the time when all of this decrease took place in acreage of cotton, rice, and other supported crops—the table I have before me shows that in the Southeastern States there was a decrease of 31 percent in feed grain acreage, and that in the delta States, which include my State and Mississippi and Alabama, there was a decrease of 49 percent. Where the feed grain acreage increase took place was in the Mountain States, where there was a 21-percent increase, and in the Pacific Northwest where the increase was 62 percent.

Mr. PROXMIRE. I did not specifically refer to the South, and I did not try to attack any region of the country. I said that they had diverted acreage, and most of it was out of wheat.

As the Senator knows, wheat is not a crop of the South, generally. It is generally a crop of the North. This is where the biggest diversion took place. It was out of wheat and out of cotton.

Mr. ELLENDER. There are quite a number of cotton States that did plant wheat as a feed grain.

Mr. PROXMIRE. Yes.

Mr. ELLENDER. Will the Senator permit me to put this table in the RECORD in connection with our discussion?

Mr. PROXMIRE. Yes.

Mr. ELLENDER. Mr. President, I ask unanimous consent that table No. 9, appearing at page 22 of the pamphlet I hold in my hand, be printed at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 9.—*Feed grains: Changes in harvested acres, yields, and production, by regions, 1940–42 to 1956–58*

Region	Percentage change			Actual change		Percentage of total production, 1956–58
	Harvested acres	Harvested yields	Production	Harvested acres	Production	
	Percent	*Percent*	*Percent*	*Million acres*	*Million tons*	*Percent*
Northeast	−9	40	27	−0.5	1.2	4.0
Lake States	2	37	40	.4	6.5	15.9
Corn Belt	1	29	30	.5	13.8	41.8
Appalachian	−27	49	9	−2.8	.6	5.4
Southeast	−31	109	44	−3.4	1.7	3.8
Delta States	−49	51	−23	−3.4	−.7	1.8
Southern Plains	−9	56	42	−1.2	2.6	6.0
Northern Plains	0	33	33	0	5.4	15.2
Mountain	21	45	76	1.0	1.9	3.1
Pacific	62	40	126	1.7	2.4	3.0
United States	−5	40	33	−7.9	35.4	100.0

Mr. PROXMIRE. I have talked to a number of distinguished Senators, including Senators from the South and other areas, who say they are going to vote for the feed grain amendment. In some cases they are not very enthusiastic about it. They say they are in a position where they have to do so, but many of them tell me that their farmers are going to vote against it.

MANY PRODUCERS WILL VOTE "NO"

Reports have come to me from the Southern States indicating the probability that feed grain quotas would fail to win the necessary two-thirds approval in the first year. Further, in subsequent referendums the favorable votes would be even fewer, especially if the acreage diversion payments are reduced after the first year.

In addition to the 527,000 eligible feed grain producers in the wheat and cotton areas, there are about 215,000 farmers in the dairy States from Wisconsin eastward, who grew more than 25 acres of feed grains. All reports from these States indicate fewer than a majority of these producers, will favor marketing quotas for feed grains.

I believe that is a very conservative statement. I have tried to point out in my colloquy with the Senator from Louisiana that there is no reason why a dairy farmer should vote "Yes." The dairy farmers will vote "No." Some of them may be in favor of the program because they approve of the Secretary of Agriculture and of the President of the United States, and want to support them. There are people like that. They are fine people. They may do so because they feel that in the long run it will help. However, the majority of these farmers will sit down with pencil and paper and in a hardheaded way figure out, "What's in it for me?" They are expected to do that.

REPLY TO SECRETARY

At this point I ask unanimous consent that my reply to the letter I received from Secretary Freeman dated May 21 be printed in the RECORD. The Secretary's letter, which responded to my earlier letter of May 11, appears in yesterday's RECORD. My letter of May 11 appears in the RECORD of May 17.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 23, 1962.

Hon. ORVILLE FREEMAN,
Secretary of Agriculture.

DEAR MR. SECRETARY: I have studied your reply to my letter of May 11, with much interest. There are several crucial points, however, which you overlook when you propose a program for feed grains similar to the mandatory programs for wheat, cotton, tobacco, rice, and peanuts.

The first is that two-thirds of the feed grain growers voting in a referendum produce feed grains solely or primarily to feed their dairy herds and other livestock. They are interested primarily in the price of their livestock, and only secondarily in the price of feed grains. In addition about one-third of those voting in the referendum have less than 50 acres of feed grains, and fully half of the voters will be far more concerned with the size of their livestock feed base than with the price support program for feed grains.

I note you include Wisconsin, Michigan, and Ohio, in the Midwest States, that have a direct interest in feed grain price supports similar to the Central Corn Belt and Plains States. By this grouping you found that 78 percent of the feed grain producers were located in the Midwest and Plains States where interest in feed grain price supports is highest.

It simply is not true that Wisconsin, Michigan, and Ohio have an interest in feed grain price supports similar to that of the cash grain producing areas. If these States are shifted to the other group, you will find, by your own data, that only 67 percent of the voters are located in the Central Corn Belt and Plains States.

Second, you state it is "unbelievable" that small producers would participate in the referendum and vote "no", because these producers would be exempt from the program if they didn't vote.

Small feed grains producers would not be exempt from the program. They would be restricted by law to growing not one square foot more silage or feed grains than they planted in 1961. Since many of these small producers buy feed to feed their livestock, they would also not be exempt from having to pay more for the feed they buy.

Far from being exempt from the program, they are sharply restricted by it and their costs may be raised by it. They would have a substantial monetary reason to vote in the referendum and vote "no".

Third, many producers who vote for marketing quotas on their major money income crops may vote against marketing quotas for their supplementary feed grain crops which are the basis of their livestock programs. It is true that those who sell feed grains will have the same interest in feed grain quotas as in quotas on other crops. But only a minority sell their feed grains. Those in the feed-deficit areas who feed their grains to livestock oppose restrictive quotas on feed grains, while favoring quotas on their cash crops.

A distinguished agricultural economist from a Southern State said recently that it is doubtful that a referendum on feed grain

> quotas would be approved in the Southern States by a two-thirds majority the first year. Further, in his opinion, with more education, in the subsequent referendums fewer southern feed grain producers would favor mandatory quotas than in the first referendum. This especially would be true if the payments are lowered after the first year.
>
> After reviewing the analysis you have presented, and all other information available to me, I reluctantly conclude that if a mandatory program for feed grains is to have a reasonable chance of success over a period of years, we must either develop a more acceptable mandatory program, or we must arrange for simultaneous referendums on at least the three major crops—feed grains, wheat, and cotton—with each farmer casting one vote either for or against marketing quotas on all quota crops on his farm.
>
> Sincerely,
>
> WILLIAM PROXMIRE,
> *U.S. Senator.*

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. AIKEN. I notice that the Secretary of Agriculture seems to take exception to the contention of the Senator from Wisconsin that the farmers will vote down the feed grain proposal. I believe there is a letter from the Secretary which the Senator from Wisconsin inserted in the RECORD yesterday.

Mr. PROXMIRE. If I could reply at that point I would like to say that the letter was inserted by the chairman of the committee. I have an answer to the letter, which I have just inserted in the RECORD. I am delighted that the Senator has brought up this point.

Mr. AIKEN. The Secretary of Agriculture gives his reasons why farmers, even though they might vote against it during the first year, will not do so in the second year. He says:

> The price support of $1.20 per bushel for corn announced for the 1962 marketing year would support cash prices during part of the 1962 marketing year, even if there were to be a much lower price support in 1963. But the prospect of a large 1963 crop and a very low support level would put severe pressure on cash and futures prices in the spring and summer of 1963. Prices would be weak, and farmers would be expecting extremely low market prices in midsummer 1963, when the second feed grain referendum would be held.

How does the Senator from Wisconsin interpret that? It looks as if the Secretary of Agriculture planned that if the farmers voted against the program once, he would put support levels at a place where the farmers would vote for them the next time—or else. Is that the interpretation which the Senator puts on the letter?

Mr. PROXMIRE. It is hard for me to interpret that letter, when my question was directed to the effect on dairy farmers especially, but also to the effect on beef and hog farmers, because the dairy farmers would still have an incentive to vote against the program for high feed prices, since their support price is established at a low level.

Mr. AIKEN. I was seeking an interpretation of the Secretary's language which, on its face, looks as if he felt that supports would be put so low and the downward pressure on prices and income would be such that the farmer would have to vote for it. I do not agree that the Secretary's theory would work out in practice, any more than I understand that the theory of the Senator from Wisconsin would; but I am surprised that the Secretary even intimated that this kind of pressure would be used.

Mr. PROXMIRE. I have faith in the Secretary of Agriculture.

I think he is an able man and an outstanding public servant, having an excellent record. I am sure he believes in the farmer and will do all possible to keep his income high. I do not believe that, if he could possibly avoid it, he would permit a situation of low farm income to result.

Mr. AIKEN. I do not believe the Secretary of Agriculture is the kind of man who would put undue pressure on farmers, to force them to do what he wanted them to do in every case. I suppose he must have read this letter, having sent it to the Senator from Wisconsin; but it does seem to have somewhat peculiar wording.

Mr. PROXMIRE. I thank the Senator from Vermont.

Mr. President, in the past few days I have several times pointed out that, in view of these facts, if a mandatory feed grain program is to be approved in a referendum, it is imperative that we arrange for simultaneous referendums on the major quota crops—feed grains, wheat, and cotton—with each farmer casting one vote either for or against all quota crops on the farm.

I call the particular attention of the Senator from Louisiana to this proposal, because I expect to call up tomorrow the amendment I have offered to his feed grain amendment, and I hope I will have the Senator's consideration of the proposal.

SIMULTANEOUS REFERENDUMS A MUST

The reason for simultaneous referendums is that where there are overall examples of diversion, we know perfectly well there will be a tendency on the part of some farmers to vote for, let us say, a cotton program which will limit their acreage, but against the feed grain program. Under those circumstances, they would then be free to go ahead and plant as much of their acreage as they wished in feed grain, and have the benefit of the cotton program, a high price support, and a subsidy as well. So it seems to me that this kind of a proposal would make sense, and it would secure what I have been trying to plead for on the floor of the Senate, day after day, for some time, namely, a better chance for a favorable vote on the referendum and a much better incentive for farmers to vote for the program, and not against it.

Returning, now, to the amendment which the chairman of the committee proposes to offer, I note that it would include a national minimum quota of 110 million tons of the feed grains: corn, grain sorghums, and barley. Can the chairman advise me how this compares with the production in the base period 1959–60? How much of a cut in base acreage would be involved if the quota was set at this national minimum?

Mr. ELLENDER. In 1960, if I remember correctly, production of all feed grains amounted to about 155.6 million tons. Production of corn amounted to 109.4 million tons; barley, 10.3 million tons; oats, 18.5 million tons; and grain sorghums about 17.4 million tons.

Mr. PROXMIRE. This proposal, then, is for 110 million tons?

Mr. ELLENDER. One hundred and ten million tons is the minimum.

Mr. PROXMIRE. So the cut could be as much as 46 million tons, or a reduction of approximately 43 or 44 percent—at least, more than 40 percent.

Mr. ELLENDER. The total production figure I quoted, of course, included oats and rye. Under the law, oats and rye are out.

Mr. PROXMIRE. Then the reduction would be in the order of perhaps 30 or 35 percent?

Mr. ELLENDER. Yes; less whatever the rye and oats amount to.

Mr. PROXMIRE. I note that the amendment does not include oats in the feed grains to be controlled; and if the producer wished, an acreage for silage up to the acreage in the base period would not be counted in computing the farm allotment. This tends to make the program more acceptable in my State.

However, the provision that a marketing quota for the following year must be proclaimed by June 20, and a referendum held not more than 60 days later, limits the administration to less than 3 months to prepare for a referendum and to conduct the educational programs which are so necessary for a successful first referendum.

This appears to me to be a wholly unsatisfactory situation. Yet I realize that the referendum must be conducted in time to permit winter barley producers to make their plans accordingly.

SMALL FARMERS DISFRANCHIZED

Several Senators and other individuals have indicated their concern about the small acreage provisions of the proposed mandatory program. This is one of the most controversial sections of the amendment of the Senator from Louisiana. As I understand, any producer having 25 acres or fewer of feed grains may elect to participate in the program if he chooses.

If he elects in writing to participate, he may vote in the referendum; and if quotas are approved, he must plant within his allotment and is eligible for price supports. Is that correct?

Mr. ELLENDER. That is correct.

Mr. PROXMIRE. If he elects not to participate, he cannot vote in the referendum. Yet if the referendum is approved, he cannot exceed his acreage of feed grains in the base period without being subject to a heavy penalty. I ask the Senator from Louisiana: Do I understand this provision correctly?

Mr. ELLENDER. That is correct; that is the way it ought to be.

Mr. PROXMIRE. That is hard for me to understand. Is it not true that there are about 1,200,000 feed grain producers having fewer than 25 acres?

Mr. ELLENDER. I gave the figure to the Senator from Wisconsin a while ago.

Mr. PROXMIRE. I believe that figure is correct.

Is there any precedent in any farm program for restricting the right of

1,200,000 small farmers to produce feed grains without giving them an opportunity to vote in the referendum without serious economic penalty?

Mr. ELLENDER. That is done with wheat. The Senator from Kansas can tell us about that. A 15-acre provision was included in the wheat bill. Any farmer could join in the program and plant up to 15 acres. He could not vote, but he could do what he wanted to do with his production; he was not penalized. The Senator from Kansas can tell more about that situation than I can. In my humble judgment, it was a grave mistake to include such a provision in the wheat law.

Mr. PROXMIRE. I think it is a great mistake to include it in this bill.

Mr. CARLSON. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield to the Senator from Kansas.

Mr. CARLSON. The Senator from Louisiana is absolutely correct. It is a problem which has had a serious effect on the wheat production of the Nation. We might as well be practical. It is the only way in which legislation can be passed. It was necessary to do something in order to get the bill approved, because legislation was necessary.

Mr. ELLENDER. So far as the wheat producer is concerned, whether the grower had a history or not, he could simply plant 15 acres. But under my amendment to the corn and other feed grains bill, the farmer must have a history; he cannot just plant. The amendment does not permit new growers to come in without an allotment. That is the difference. We have tried to protect the situation in contrast with what the situation was with respect to wheat.

Mr. PROXMIRE. In other words, under this provision, the farmer who grows no feed grain now can grow none in the future. That was not true of wheat.

Mr. ELLENDER. He becomes a new grower. As the Senator knows, under the law there is a certain percentage of the entire overall acreage which is allotted to farmers which is set aside for new growers. He would get his proportionate share of that.

Of course, as the Senator knows, the same thing applies to wheat, to cotton, and to all the other basic crops which are under price supports.

Mr. PROXMIRE. This is certainly the first time when such a tremendous number of farmers—1,200,000—have been placed in a position where they cannot increase their production and cannot vote; or if they choose to vote, they have their production reduced as much as 20 percent.

Mr. ELLENDER. I think the amendment is in their favor. If the Senator wants cheap feed grain for his producers, now is the time to get it.

CHEAP FEED NOT THE ANSWER

Mr. PROXMIRE. The Senator from Wisconsin does not want cheap feed grain. He knows that cheap feed grain means cheap milk. It results in a terrible problem for all farmers. But there will be cheap feed grain, if the Senator's amendment is adopted because it will not be possible to get a two-thirds vote on the referendum. Then there will be real chaos and tremendous overproduction.

Mr. ELLENDER. I wish I could agree with the Senator from Wisconsin, but I cannot conceive of farmers voting against any kind of price supports in view of the fact that there is so much feed grain now in the hands of the Government.

Mr. PROXMIRE. Let us come back to the fundamental proposition, which is that two-thirds of the farmers will not be voting against price supports. There are no price supports on hogs or beef, and the dairy price supports will not be affected by the vote in the referendum. Therefore, they will be voting for freedom to produce as much feed grain as they wish or to buy cheaper feed grain, without any direct effect which they can see on the price of what they sell.

This will be the first time we have ever had such a referendum. Sam Lubell, whose professional reputation is excellent, whose samplings of public opinion have been found to be accurate over and over again and who has talked to thousands of farmers has written reports that they are overwhelmingly against this program. I have not seen any survey which indicates other than that they will vote "no." The Department of Agriculture has a theory that they will vote "yes," but I have shown very clearly that this is in error.

So it seems to me that there is a very strong chance that if the Senate adopts the amendment, since it does not affect a provision in the bill as passed by the House, there will be no basis in conference to drop this amendment and the Senate amendment will be the final provision. So this is the crucial step that may mean no price supports.

Mr. ELLENDER. No, Mr. President; there is a difference between the two versions, and there will be a conference.

Mr. PROXMIRE. But there will be no conference in regard to whether there will be a mandatory feed grain program; and the provisions of the two versions are roughly similar, although there are some exceptions and differences.

But my point is that the vote to be taken in the Senate tomorrow will be fateful; and, according to all the objective expert evidence we have, that would mean that there would be no supports for corn or other feed grains and no controls within a few months from now, when the program fails to get two-thirds approval in the referendum.

Mr. ELLENDER. Let me say that there is not a basic commodity that has received the treatment that corn has.

Mr. PROXMIRE. My position is that it has received bad treatment——

Mr. ELLENDER. No, Mr. President, in some way the corn producers have had the power and have had enough votes to keep themselves from being subjected to controls of any kind. They have had good backing from some source, although I do not know what it is. But I have said many times on this floor that I do not think it is right for a farmer to expect the Government to support the price of the crops he produces, unless he is willing to reduce his production in keeping with our requirements.

Mr. PROXMIRE. Mr. President, I accept that as a principle.

Mr. ELLENDER. And that is all my amendment does.

Mr. PROXMIRE. But that is not the question the farmer is asked to vote on. I am sure that if the only farmers who would be voting would be the commercial feed grain producers, there might well be a two-thirds approval in favor of the proposed program. But the dairy farmers will vote "no." The dairy farmers I have talked to in Wisconsin generally agree that they will vote "no." And many others will vote "no."

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. Is it not possible that the reason why Congress and the country generally have never required acreage controls for feed grains is that more than 80 percent of the corn produced is consumed either on the farms where it is produced or in their immediate neighborhood, but the same is not true as to cotton, tobacco, or any of the other price-supported commodities?

Mr. PROXMIRE. That is correct.

Mr. HOLLAND. And does not the Senator from Wisconsin think that that situation has justified a real distinction between the handling of those crops and the handling of wheat, cotton, tobacco, rice, and the like?

Mr. PROXMIRE. Absolutely so, and that distinction is enormously important, because if we state that because this arrangement works with tobacco, cotton, peanuts, and so forth, it will work with feed grains, we are deceiving ourselves, because, as the Senator from Florida has pointed out, some 80 percent of these farmers feed on their own farms all the grain they produce, and they have no apparent incentive to be in favor of voting to limit their production.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield further to me?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. I wish to call the Senator's attention to the fact that, as to many States and many areas, not just 80 percent or 85 percent of the feed grains produced on the farms are consumed on the premises or in the immediate neighborhood, but the entire amount produced there is consumed there, because so many of the areas do not produce all the feed grains they need. For instance, my own State, which is a large producer of livestock and a sizable producer of poultry and a sizable producer of corn and hogs, not only produces a great deal of feed grains, all of which it uses, but also imports large quantities of feed grains from the areas where it is produced, and imports them at a much higher price than would be paid if those feed grains were imported from nearby areas, because Florida is so far removed, geographically, from the large producing areas.

So what possible reason is there to require a reduction in the production acreage in a State such as Florida.

Mr. PROXMIRE. Or in the State of Wisconsin.

Mr. HOLLAND. Or in other States which can be mentioned, when such a situation exists, and is well known to the committee and to the public and to everyone else who knows anything about the facts.

Mr. PROXMIRE. And what the Senator from Florida has said about Florida is also true of Wisconsin and of many, many other States.

The fact is that Wisconsin is primarily a dairy State, but Wisconsin is also a corn and hog producing State, but produces no feed grains, to speak of—probably less than 2 percent for commercial sale. So the farmers in Wisconsin have no reason to vote affirmatively on this program. Some of the farmers will do so because they have strong support for the Secretary of Agriculture and for the President of the United States, and will follow them. But by and large the overwhelming number of farmers in Wisconsin who sit down with a pencil and paper will vote "no"; and what is true in Wisconsin is also true in Michigan, and tends to be true in Ohio and in New York and in State after State after State. No matter what affirmative vote is received in States in which corn is produced in large quantities—for instance, in Iowa—the affirmative votes cast in those States cannot possibly be enough to carry the referendum; and every independent expert agrees with that statement. The Department of Agriculture disagrees—but disagrees on theory, not on the basis of actual surveys. And their theory, too, does not stand up under detailed analysis, as I have shown.

Mr. HOLLAND. Does the Senator from Wisconsin think there is any fairness in imposing acreage controls and reducing production in States, such as Wisconsin and Florida, where the amount of feed grains produced is not sufficient to feed the stock, but at the same time to have knowledge of the fact that the feed grain which the farmers in those States will import—and this is more true in Florida than it is in Wisconsin—must be sold at a considerably higher price than the feed grains produced locally, because of the large transportation cost involved. Is there any fairness in such a program?

Mr. PROXMIRE. It is not just a question of fairness. The individual farmer who produces less than 25 acres has the option of either voting in the referendum and agreeing to accept a cutback or not voting at all. But either way he faces a limitation on the amount of corn and silage and feed grains which he can produce. There are 1,200,000 farmers who will be in that position—who have less than 25 acres, and who may have no vote, but who will have their production limited. I certainly do not look forward to having to explain that situation to the farmers in Wisconsin; that will be a very tough one to explain—to explain how they can be told by the Department of Agriculture that they cannot increase their production, even though they did not vote.

Mr. HOLLAND. Is it not true that substantially the same program as to feed grains was voted down by a majority of the Senate Committee on Agriculture and Forestry, and that the bill could never have been reported to the Senate with a favorable vote by a majority of the committee, except for the fact that that amendment was voted down in the committee?

Mr. PROXMIRE. I think that is correct; I believe it would have been much more difficult to get the bill reported if the amendment had not been rejected in the committee.

Mr. ELLENDER. Well, Mr. President, I disagree; but I shall not now state why.

Mr. PROXMIRE. Mr. President, believing as I do, it should be abundantly clear that my opposition to the proposed mandatory feed grains progfram is in no sense based on any hostility to the Department of Agriculture or its able Secretary, my good friend, Orville Freeman.

In spite of the attacks on Secretary Freeman, including the very recent attacks, I have the greatest admiration and respect for him and his staff. They have been doing an excellent job under difficult and trying circumstances.

But as I made plain in my statements in the Senate on April 17, and again on May 17, which appear in the Congressional Record on pages 6762 and 8722, I cannot bring myself to vote for a program that demonstrably will result in income devastation for by far the largest group of farmers in our country—the feed grain, dairy, and livestock producers.

RELATIVE COSTS FOR FEED GRAINS NOT HIGH

On page 8939 in the Record for May 22 Chairman Ellender inserted a table showing the Government costs of alternative programs for 1963 crops. I ask that it be printed again at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

Government cost of alternative programs for 1963 crops

[In millions]

	Feed grains	Wheat	Feed grains and wheat
Long-range program	$644	$1, 188	$1, 832
Extension of 1961-62 emergency programs	1, 200	1, 217	2, 417
Return to 1960 programs	1, 372	1, 465	2, 837

Mr. PROXMIRE. Mr. President, the figure of $1.2 billion projected cost for an extension of the present feed grain program, as provided in the committee bill, is misleading.

First. This is a bookkeeping cost for payments in kind. Real value of grain in storage is far less. Most of it would be disposed overseas eventually for no dollar returns.

Second. Real cost depends on weather and crop yields. It is the cost of taking over the new crop. If we have average weather and yields, rather than bumper crop of last year, actual costs will be about half: $600 million.

The figure of $1,188 million for wheat under administration-backed long-range program is almost equal to the unrealistic bookkeeping cost projected for extension of feed grain program.

But the value of the wheat crop produced in the United States runs less than 40 percent of feed grains. If costs of price supports are related to total values of crops—the only fair comparison—then feed grains under any program are entitled to substantially more support, on the order of $2.5 billion.

I am certainly not advocating this. But since the real cost of the feed grains extension in the coming year is likely to be about $600 million, which is half the projected cost of the proposed wheat program and less than one-fourth the cost of expenditures for feed grains that would be comparable to the wheat program, it certainly is misleading to call the feed grains extension a wasteful, costly plan.

Indeed, the cost of extending the present successful voluntary program for 1 year, as I recommend and as the Senate Agriculture Committee approved, could in all likelihood be less than the $644 million outlay projected for the mandatory feed grains program, a program which I have shown over and over again is likely to be rejected in the producer referendum, with the devastating results of no price supports, vast overproduction of feed, distress livestock prices, and a greater than every dairy surplus.

SUMMARY

I want to summarize by saying that every farmer should realize the tragic risk in the administration-backed mandatory feed grain proposal.

If enacted by Congress it would be subject to two-thirds approval in a nationwide referendum. All independent studies and polls show that a substantial majority of the 1.2 million farmers who grow 25 acres or more of feed grains would vote "no" on a mandatory acreage quota program, so it would be defeated.

The result: no price supports, no output controls, vast overproduction of feed, low feed prices, and the grim consequences of 9-cent hogs, distress beef prices, and a greater than ever dairy surplus.

This would be tragic for Wisconsin farmers, who even at present price levels earn an average of less than 60 cents an hour for their labor, though they have an average investment of $40,000 in their farms and have increased their labor enormously.

What is more, in voting on the mandatory feed grain program, dairy farmers would have every reason to vote against it.

Dairy farmers will be chained to $3 11 per hundredweight, 75 percent of parity milk—$2.85 for 3 5 milk—and will have every reason to reject a plan which will limit the amount of feed and silage they can grow on their own land and increase the price of the feed they buy.

Even farmers who grow less than 25 acres of feed grain who do not vote in the referendum would be prevented from growing more than their 1960 base acreage.

The Senate Agriculture Committee wisely rejected the Department of Agriculture's mandatory program and voted for the Proxmire amendment, which extends the present successful voluntary feed grain surplus reduction program proposed by the administration last year.

I want to emphasize that this is not a matter of simply rejecting the administration's proposal. It is a matter of rejecting a mandatory proposal for a voluntary program which I agree is an interim proposition, and which I agree should stay on the books for perhaps only 2 or 3 years, but recognizing the fact that it has been a successful program and that to continue the program is the safe and sane and practical thing to do.

This program has increased farm income, reduced the surplus, and cut the cost to the taxpayer. It is popular and it is working. It should be strengthened and extended, not abandoned for a dangerously risky and cumbersome mandatory plan.

In the event the Ellender amendment is not rejected, I shall offer an amendment to tighten up the program, which would require compliance on a substantially broader basis and which will sharply cut the cost of the program.

MANDATORY WHEAT PROBLEM HINGES ON APPROVAL OF FOOD GRAIN REFERENDUM

Mr. President, I apologize for detaining the Senate further, but I would like to ask the chairman of the committee a question.

Is it not true that the proposed long-range mandatory marketing quota programs for wheat and feed grains are interlocked, so that if one is rejected in a referendum, the other cannot work?

Mr. ELLENDER. They are somewhat related, but each could work by itself.

Mr. PROXMIRE. Specifically, the key feature of the wheat program, from the viewpoint of the wheatgrowers, is that wheat may be grown on diverted feed grain acres, at the Secretary's discretion.

Mr. ELLENDER. And vice versa.

Mr. PROXMIRE. But, as a matter of fact, if the wheat program is rejected in the referendum—and I have been arguing for a month that it is going to be rejected—this will not be permitted. The Secretary cannot then permit wheat to be grown outside wheat allotments.

So if the mandatory feed grains program is rejected in a referendum, the key to a successful wheat program is lost, as all wheatgrowers know and have repeatedly stated.

However, if the present successful voluntary feed grains program is extended, then it will be possible to permit wheatgrowers to grow wheat on their diverted feed grain acreage.

In view of the likelihood that a mandatory feed grains program will be defeated in a referendum, wheatgrowers should recognize that it will be far less risky to extend the present voluntary feed grains program.

I want to emphasize that, while I have been opposing the Ellender amendment, I recognize that the Senator from Louisiana is not only able, energetic, and hard working, but that he is taking a position which is always difficult. Anybody who proposes a constructive farm program is "shot at." I would like to say that, in the general principles he is following, he is right. I think we are going to have to have supply management for feed grains and milk, but I think we ought to design a program which will work and get an affirmative vote. I think once we provide such a program for dairy and it is successful, then such food grain acreage which is entirely consumed on the dairy farm can be exempted. This will help get an affirmative vote.

The second amendment I have, provides for simultaneous referendums on all farm programs, so they would be voted on together, so that it would be impossible for a cotton farmer to vote "yes" on a cotton program and "no" on a feed grains programs. Under those circumstances, we might have a far better chance of getting an affirmative vote.

It seems to me both these proposals will go a long way toward making it possible to see that the feed grains farmer, the dairy farmer, the beef farmer, and the hog farmer will be benefited and that there will not be a collapse of markets, which I think will ensue if the Ellender amendment is adopted, because the referendum will not be approved.

MILWAUKEE JOURNAL PRAISES LAND USE ADJUSTMENT

Mr. President, in conclusion I ask unanimous consent that an article which appeared a few weeks ago in the Milwaukee Journal be printed at this point in the RECORD. Written by the Journal's able out-of-doors writer, Mel Ellis, the article praises the land use proposals contemplated in title I of the pending farm bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMERS CAN HELP NATION'S SPORTSMEN—AGRICULTURAL GROUP ASKS THEM TO COOPERATE BY HELPING PROVIDE FACILITIES

(By Mel Ellis)

Farmers across the Nation are neglecting a major crop. While they harvest more food and fiber than we can use at home and abroad, they overlook an outdoor-hungry crowd which is ready and willing to pay for fresh air, sunshine, and relaxation.

How many thousands of potential farm ponds await only an assist from the bulldozer and the dragline? How many thousands of acres of woodlands need but picnic benches and outdoor fireplaces to make them recreational havens? Marginal lands which would support game with proper habitat management lay neglected. Streams which could support trout and warm water fish need only an assist to make them productive.

AMONG TOP NEEDS

Adequate outdoor recreational facilities are among our most crying needs. Public lands can't begin to absorb the throngs looking for a place to play. The farmer is in a position to meet the public's demand.

This is no supposition of some wildlife agency, but a conclusion of the U.S. Department of Agriculture. In what surely is a surprise about-face, this division of Government has forgotten for the moment to push for record crop yields, more drainage, etc., and issued a pamphlet urging farmers to make outdoor recreation a "major product of American farms."

The pamphlet reads, in part: "Even in 1980, our farms will be able to produce all we need on about 50 million fewer acres than are available for crop use today.

"Why not use these acres for products we do need—more new areas for picnicking, camping, and hiking, and more wildlife and fish, more water for fishing, swimming, boating, and hunting?"

SEVERAL LEAD WAY

Some farmers have been in the business of selling outdoor recreation. In West Virginia 157 farmers offer hunting and fishing in exchange for room and board. In many Southern States farm ponds are fished regularly for a fee. Ranchers in the West conduct hunting parties across their acres after the summer season. Some farmers in the North have installed ski tows and opened hills to skiers. Others, with lake property, have provided access and improved swimming beaches.

"The increased leisure time," according to President Kennedy, "enjoyed by our growing population and the greater mobility made possible by improved highway networks have dramatically increased the Nation's need for additional recreational areas."

And the farmer, the man who owns three-fourths of the Nation's surface, is in a position to meet this need.

Mr. CARLSON. Mr. President, the discussion today seems to center around the proposed feed grains legislation. Really, there is a wheat amendment pending before the Senate, but I also have an interest in the feed grains amendment, and I wish to discuss it rather briefly.

I wish to say most sincerely that it is difficult for me to oppose the views of our distinguished chairman, the Senator from Louisiana [Mr. ELLENDER]. I know of no one who is more dedicated to working out a farm program, who gives more of his time, who is more familiar with the subject, than the Senator from Louisiana.

I am concerned, as was mentioned by the Senator from Wisconsin, about an affirmative vote on a program which I do not believe the farmers of Kansas will accept. I say that for two or three reasons.

First, the voluntary program is working satisfactorily. The 1961 program resulted in the first reduction in feed grain stocks in 9 years. With average weather the reduction in stocks will be even greater this year.

Second, farmers like this program. Participation and the acreage diverted from feed grain production will be higher this year than last.

Latest reports indicate that 59 percent of the feed grain producers in my State of Kansas are now participating in this voluntary program. The participating farms account for 67 percent of the corn base acres in Kansas and 71 percent of the grain sorghum base acres.

Last year, on an acreage basis the participation was even higher. The participating farms accounted for 73 percent of the corn and 83 percent of the grain sorghum base acres.

With a continuation of this voluntary program we can confidently look forward to reducing our stocks to desirable levels in another 2 or 3 years.

Mr. ELLENDER. Mr. President, will my friend yield for a question?

Mr. CARLSON. I am glad to yield.

Mr. ELLENDER. I point out to my good friend from Kansas that if the proposal I have submitted is agreed to there will be, for the next 3 years, the same program the Senator now says is a good program. The only difference would be that the program would apply to all farmers. In other words, farmers would receive virtually the same income, and they would be paid for diverted acres. It would be almost the same program as that we now have.

I wish to say also to my good friend that under the amendment we would have a permanent program, and we would not return to that part of the present program which permits the planting of all feed grains a farmer desires and the getting of price supports without any controls.

Mr. CARLSON. As usual, our distinguished chairman knows what he is talking about. I think he is absolutely correct on a program.

However, this enters into a situation in respect to which the individual farmers in my State and in other States have grave concern. Some farmers have not gone into the program. There have been farmers in Kansas and in other States who have not participated. Even though the Commodity Credit Corporation forced out grains on the market, to keep prices lower, those farmers made more money than the folks who went into the program. The farmers are concerned about a mandatory program. That is why I think it would be a mistake to do what is proposed.

We have had unusually favorable weather for the past 4 years. The weather in 1961 was perhaps the most favorable for any year on record for feed grain production. It is unlikely that such favorable weather will be repeated soon. If weather is only average, the real Government costs of continuing the voluntary program will be much lower than they were in 1961 because stocks will be drawn down more rapidly. Also, fewer bushels from the current crop will be placed under price support loans if per acre yields are lower.

In view of these considerations, and in view of the evidence presented indicating the probable failure of a feed grains marketing quota referendum, I believe we should continue the voluntary program for another year or two.

I believe I know the feelings of the farmers of Kansas. I have visited with many of them. My mail indicates they will not vote for a program of the type proposed.

I share the view of the Senator from Wisconsin [Mr. PROXMIRE] that it would be disastrous if we did not have some price support program. It not only would be an economic disaster for the farmers, but also would have a serious effect on our Nation. It would have such an effect on our Nation at a time when we are experiencing a recession. I do not believe we can afford to tinker further with the economic machinery of this Nation. I think we face some real difficulties.

But, Mr. President, I have another important reason for wanting to see the voluntary feed grain program continued rather than shifting to a mandatory program.

Although Kansas is an important feed grain producing State, it is an even more important wheat producing State. For this reason I am perhaps more interested in the sections of S. 3225 dealing with wheat than I am with those dealing with feed grains. But these two programs are interlocked in such a way that one cannot succeed if the other fails. This is especially true of the provisions for the substitution of wheat acreage for feed grain acreage.

James Dyess, executive vice president of the National Association of Wheat Growers, in his May 18 letter to his members, comments on the amendments to be offered to S. 3225 by the distinguished chairman of the Committee on Agriculture and Forestry. He says:

> The feed grain amendment also contains the substitution clause permitting wheat to be grown on feed grain acres, or feed grain to be grown on wheat acres. This is the key to a successful wheat program.

The real purpose of my taking the floor this afternoon is to warn my fellow Senators who are primarily interested in the wheat sections of S. 3225 that if a mandatory feed grain program is substituted for the voluntary program and the referendum fails, they will have lost "the key to a successful wheat program."

If a feed grain referendum fails, it appears most unlikely to me that the Secretary of Agriculture would permit the planting of wheat for livestock feed outside the wheat acreage allotments. I do not believe that Corn Belt farmers would accede to such an interpretation of the authorizing section in the proposed amendment if they were receiving only 50 percent of parity price supports.

I personally am supporting a continuation of the voluntary feed grain program because I think it will be best for both the feed grain and for the wheat producers. By adding a simple authorization, any wheat produced who also is a feed grain producer, if he cooperates in the voluntary program and diverts at least 20 percent of his feed grain base acres to conserving uses, could be allowed by the Secretary to substitute wheat on his remaining feed grain acres.

A provision such as this would meet the needs and desires of the wheatgrowers. It also would tend to increase participation in the voluntary feed grain program. I hope that the administration's amendment providing for a mandatory feed grain program will be defeated and that a wheat acreage substitution section will be made operative in the voluntary feed grain program. I hope and believe that the Senators primarily interested in the wheat sections of S. 3225 will join me in this action.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A PROGRAM DANGEROUS TO AGRICULTURE

Mr. BENNETT. Mr. President, I have followed the action of the Committee on Agriculture as it gave consideration to the various proposals dealing with the agricultural problem. I am sure that every member of Congress wants to be helpful in developing a program designed to help encourage and keep agriculture in a healthy economic condition.

Despite changes in relative trends, agriculture is still one of Utah's most important industries. In 1961 the cash receipts from farm marketings amounted to $156,193,000. About $125 million of this income from agriculture came from livestock. Utah is also an important producer of wheat. Dairying plays an important part in the income of Utah agriculture. Thus, I have a special interest in the main features of this bill.

I hope that the Senate and the House will not be stampeded into hasty action with regard to agricultural legislation. I recognize that the continued pileup of surplus agricultural commodities in the hands of Commodity Credit Corporation is not in the best interest of the farmers, the taxpayers, and certainly, the Treasury of the United States; however, we should move with extreme caution and make sure we do not jump out of the frying pan into the fire. For example, I understand that it is the intention of certain of my colleagues to offer an amendment to the pending bill that would lead certainly to milk marketing quotas in another effort to direct from Washington the production of one of our most basic foods.

I hope that my colleagues will think seriously about this matter and that we will reject the imposition of these stringent controls on American dairy farmers. I know that in Utah dairy farmers unanimously disapprove compulsory cow quotas, and I am sure most dairymen throughout the country feel the same way.

With regard to wheat I recognize too that we are continuing to pile up surpluses of wheat; however, I would point out that under the basic law that is currently on the books the present Secretary must be held accountable for what happened in 1961. At that time wheat price supports were at 75 percent of parity—roughly $1.78 a bushel. The Secretary of Agriculture, in spite of the almost 16 months' supply on hand, increased the price support to $2 per bushel. Is it any wonder that farmers produced wheat?

Then, the Senators will recall that in 1961 the Secretary of Agriculture recommended an emergency wheat program, which was designed to pay farmers not to produce wheat. It was a program that was destined to fail from the beginning, because we put ourselves in the position of bidding with farmers to take out land at the same time we were offering them an increased incentive price to produce.

The two choices for wheat farmers offered in this legislation now under consideration are both bad choices. Instead of starting out on another uncertain road with regard to wheat, I suggest that the Secretary of Agriculture exercise his authority under the law by reducing the Government guaranteed price support for wheat.

As to feed grains, I think we must be extremely careful as we consider this matter, because about two-thirds of our farm income is derived from livestock and livestock products. Feed grain is used to produce this income. I recognize that the bill currently under consideration as reported by the committee, S. 3225, simply extends the so-called emergency feed grain program. But again, I call to your attention the permanent provisions of law dealing with feed grains. Many of my colleagues will remember the long hours of debate on the Agricultural Act of 1958. The emergency feed grain program was superimposed on this permanent provision of the law. Again, the Secretary of Agriculture increased the price support from roughly $1.05 a bushel for corn to $1.20 a bushel; and at the same time we asked farmers to retire acreages of corn.

In 1961 the story is very clear. This program cost in the neighborhood of $850 million; and Secretary of Agriculture Freeman himself now admits that we only got a net reduction of about 200 million bushels of corn. This is at a cost of more than $4 per bushel.

The bill now before the Senate would give Washington much greater control over agriculture, and experience has shown that this is a dangerous direction in which to go. In Utah, for example, we have recently had several examples of arbitrary actions on the part of agricultural officials. The most notable case was one last year involving Under Secretary of Agriculture James T. Ralph, who was recently dismissed from the Department because of his involvement in the Billie Sol Estes case. Testimony before the Permanent Subcommittee on Investigations of the Committee on Government Operations last August revealed that Mr. Ralph had threatened reprisals against a group of Utah cattlemen who had indicated their opposition to the administration's omnibus farm bill.

The question of placing increased power in the hands of men such as Mr. Ralph will be particularly important if the Ellender amendment is approved, repealing the 1958 Act and superimposing a strict control system and high price support program. This program will involve both blackmail and bribery. It plans for giving farmers a supposedly democratic vote on whether to accept Government marketing regulations, but they really will have no voice in the matter. The program provides that if they reject the program, price supports will be lifted, and the Government will dump surpluses on the market which, of course, would have disastrous consequences. Thus, the surpluses created by unwise Government programs in the past would be used to coerce farmers into accepting the proposals for even tighter controls over marketing and acreage.

I recommend that the Senate allow the temporary law to expire, reject the Ellender amendment, and allow the 1958 law to go into effect with regard to feed grains.

The Billie Sol Estes scandal, which has shaken the faith of many Americans in the soundness of the programs and administration of the Department of Agriculture, has caused some people to want to push the "panic button." But if there is anything to be learned from this experience, it is the danger of placing additional bureaucratic powers in the hands of those who would control agriculture. We must make sure that any legislation we pass this year will not further regiment farmers and ranchers, leading to further Government domination and low farm income.

Mr. President, I ask unanimous consent to have printed in the Record at this point the testimony of Robert Murphy and Howard J. Clegg, secretary and president, respectively, of the Utah Cattlemen's Association.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Robert Murphy and Howard J. Clegg

Mr. Murphy. Bob Murphy, and I am secretary of the Utah Cattlemen's Association, Salt Lake City.

The Chairman. Very well, will you give your address for the record.

Mr. Murphy. 1221 Newhouse Hotel.

The Chairman. Will you identify yourself for the record, please.

Mr. Clegg. Howard Clegg, C-l-e-g-g. I am president of the Utah Cattlemen's Association, and I reside in Tooele, Utah.

Mr. O'Donnell. Mr. Clegg, did you attend an informal meeting on the administration's farm bill in Salt Lake City on May 17, 1961?

Mr. Clegg. Yes, sir.

Mr. O'Donnell. Was a prominent official there, Assistant Secretary James T. Ralph of the Department of Agriculture?

Mr. Clegg. Yes, sir.

Senator Mundt. Who had called the meeting, Mr. Ralph or you fellows?

Mr. Murphy. The meeting was arranged by the extension service of Utah State University, Carl Fresnick, director.

Mr. O'Donnell. Who was present at the meeting, generally?

Mr. Clegg. Myself, Mr. Murphy, and the president of the Utah Woolgrowers' Association, Carl Fresnick, the director of the extension service, and Jess Tuttle and John Gillman of the State ASC committee, and Glade Alread, the administrator of the State ASC.

Mr. O'Donnell. Making a total number of approximately how many people?

Mr. Clegg. Approximately eight people.

Mr. O'Donnell. This meeting was in the evening?

Mr. Clegg. No, it was starting in the morning and then they had some other appointments and then it was reconvened in the afternoon.

Mr. O'Donnell. Were any minutes made of the meeting, was any recording taken?

Mr. Clegg. No, sir.

Mr. O'Donnell. Were any notes made?

Mr. Clegg. Not to my knowledge.

Mr. O'Donnell. Then there is no record of the meeting as such?

Mr. Clegg. Only our recollections.

Mr. O'Donnell. Now what to your recollection was stated by Mr. Ralph which would indicate that he might take, or means might be taken by the Agriculture Department, as a reprisal against the cattlemen?

Mr. Clegg. I wrote an editorial for a cattlemen's association magazine, and this was written the following day, and I wrote, to my recollection, what was stated in the meeting for the magazine—that is, the next day following the meeting.

The Chairman. As I understand it now, the next day after the meeting, at which he made statements, you wrote an editorial for the cattlemen's association paper?

Mr. Clegg. Yes, sir; and I have what I wrote here but it wasn't published.

The Chairman. It was not published?

Mr. Clegg. Yes, sir. We decided that it might be political and might be interpreted by the membership of the cattlemen's association as a political move, so that on the advice of other members we didn't put it in the publication.

The Chairman. Do you have what you wrote at that time?

Mr. Clegg. Yes, sir.

The Chairman. You wrote that the next day?

Mr. Clegg. Yes, sir.

The Chairman. The incident and what had occurred was fresh in your mind?

Mr. Clegg. Yes, sir.

The Chairman. Did you undertake truthfully to record therein in a general way, or whatever comments you made, what had occurred?

Mr. Clegg. Yes, sir; truthful as I could.

Senator Mundt. Have you read that?

Mr. Murphy. I am the editor, and it was at my intervention that I and other members of the association decided it would be better not to publish it at this time.

Senator Mundt. You have read it?

Mr. Murphy. Yes, sir; I have.

Senator Mundt. My question was, having sat in at the meeting and having read the editorial, did the editorial faithfully reflect what took place at the meeting as you remember it?

Mr. Murphy. I believe it does to the best of my recollection; the statements in general relayed the tempo and the feeling of the statements that were made to us by Mr. Ralph.

Senator Mundt. The reason you did not publish it was not that it was not factual, but because you felt it might be considered political by some of your members?

Mr. Murphy. That is exactly right and that was the purpose of our not having it in the magazine at that time.

Senator Mundt. How soon after it was written did you first read the statement?

Mr. Murphy. I had it in our office the following day, after I got it in the office the evening after the meeting was held in Salt Lake, on May 17, and that would make it on May 18.

Senator Mundt. The next day, and he said he wrote it the next day.

Mr. Murphy. The following day after that I received it.

Senator Mundt. The evening of the day following the meeting?

Mr. Murphy. That would be on May 19.

Senator Mundt. So your memory was fresh, then, when you read it as to what had occurred?

Mr. Clegg. I wrote it the following day but before I got it into the magazine, it is dated May 22, so it was within 3 or 4 days that it was sent in to him.

The Chairman. In other words, you wrote it and it was sent in to him, some 2 or 3 days after.

Mr. Clegg. Yes, sir.

The CHAIRMAN. But anyway, it was very shortly after the incident occurred, and the article was written that you first read it?

Mr. MURPHY. That is right.

The CHAIRMAN. Did you find anything in it at that time, when your memory was fresh about it, that you would want to correct or modify or change as to what the facts were?

Mr. MURPHY. No.

The CHAIRMAN. Very well.

Senator MUNDT. I suggest the witness read the editorial, Mr. Chairman.

The CHAIRMAN. The whole editorial may be printed in the record at this point.

(The editorial referred to is as follows:)

UTAH CATTLEMEN'S ASSOCIATION,
Salt Lake City, Utah, May 22, 1961.

DEAR FELLOW CATTLEMEN: A timely subject for this month's letter is this so-called "omnibus" farm bill, H.R. 6400 and S. 1643. I have attempted to acquaint myself by reading the bill, by studying a digest of it written by DON L. SHORT, a cattleman Representative to Congress, by studying the American National Association's statements regarding it, and through conferring with Assistant Secretary of Agriculture James T. Ralph. Assistant Secretary Ralph was in Salt Lake May 17 and spent 1½ hours discussing the bill and its effects on livestock with Mr. Welby Aagard, of the Utah Woolgrowers' Association, Bob Murphy, and myself of our association.

The bill is long and complicated and is subject to wide interpretation by different groups. The ANCA has appeared before both the House and Senate Agriculture Committees and asked that the cattle industry be exempted from coverage by the bill. They also made a few other specific objections. The ANCA expressed considerable concern that the bill would give increased power to the Government to control the numbers and marketing of cattle. Mr. Ralph states that the ANCA is completely wrong in this interpretation and that the bill is intended as implementing legislation for each commodity group to take the action that they may desire to control the production and marketing of their product. One of the provisions of the act requires a national referendum of bona fide producers before any commodity program can be put into effect. The ANCA objected to the method of selection of the national farm advisory committees. The bill states that the county ASC committees will nominate two-thirds of the committee and that the other one-third will be nominated by the farm organizations. Since cattlemen have not had a major interest in the ASC program, it is not felt that they are properly represented on the county committees. Mr. Ralph contended that this could be taken care of by amendment to the bill to insure proper industry representation.

Mr. Ralph contends that the cattle industry is the only major commodity group that has not been able to produce considerably beyond the amount that consumers are willing to buy at a reasonable price. Also, he states that cattle numbers have been held in check by the slow increase rate and by the low prices during the high-production phase of the cycle. He states that cattlemen have been content to take the low prices because they know that they could make it back on the high side of the cycle. He believes that in the future there may not be much of a high side due to the tremendous increases in imports. My personal feeling on the matter of future cattle numbers is that we have a greater potential for increase than we are recognizing. It is my feeling that the increased demand for lighter weight animals with less waste fat and the sharp price reduction of yearling feeders compared with calves will liquidate the yearling phase of our cattle business. The range, pasture, and supplementary feed used by these yearlings is going to be used for cow and calf operations. With the large feed supply produced by our farmers, this change could bring about a much greater beef supply than we have been considering.

After considerable discussion and disagreement on the various parts of the farm bill the question was asked regarding the attitude of the new administration toward the cuts of livestock usage on the national forests. Mr. Ralph answered that if the cattlemen insist on being free enterprisers that he would be in favor of removing all livestock from the public ranges. He further stated that he would welcome all of the beef imports that South America, New Zealand, and Australia care to send until the cattlemen get all the free enterprise they want. He had previously explained that there was a difference between free enterprise and private enterprise and that it was private enterprise that this administration was interested in maintaining.

The vindictive attitude of Mr. Ralph was a considerable shock to me. There was a dinner and a large meeting in the evening, attended by many of the agricultural and political leaders of the State. Mr. Ralph needled the cattlemen present several times for being "rugged individualists" and "free enterprisers."

Mr. Ralph claims that the only organized opposition to the bill is from the American Farm Bureau Federation and the American National Cattlemen's Association. He claims that the Farm Bureau is against it because it uses the commodity approach and as such violates a basic principle of the Farm Bureau—the claim that the Bureau should represent all of agriculture. Mr. Ralph holds that the opposition of the AFBF and ANCA could not stop this legislation, but that the undercover opposition by the retail grocery and packing industries might stop it.

Many sections of the bill such as the extension and amendment of Public Law 480, the extension of the Wool Act, and the revision of the agricultural credit program, etc., are receiving considerable support from most of agriculture.

Since many of the proposals in the bill are new, this association has no directions from the membership to follow. No formal action regarding this bill has been nor will be taken by this association at this time. The new administration's attitude is that now is the time for some far-reaching legislation to put agriculture on an even basis with other large industries in bargaining power and production control. With an inevitable continued decline in the agricultural population this is undoubtedly true.

The intent of my comments has not been to take sides either for or against this legislation. My personal feeling is that some is good and some is questionable. I suggest that each of you contact our congressional delegation and inform them of your feelings regarding this legislation.

Yours very truly,

HOWARD CLEGG.

The CHAIRMAN. Now if you care to read excerpts from it, you may do that.

Mr. CLEGG (reading):

"After considerable discussion and disagreement on the various parts of the farm bill, the question was asked regarding the attitude of the new administration toward the cuts of livestock usage on the national forests. Mr. Ralph answered that if the cattlemen insist on being free enterprisers that he would be in favor of removing all livestock from the public ranges. He further stated that he would welcome all of the beef imports South America, New Zealand, and Australia care to send until the cattlemen get all of the free enterprise they want. He had previously explained that there was a difference between free enterprise and private enterprise and that it was private enterprise that this administration was interested in maintaining.

"The vindictive attitude of Mr. Ralph was a considerable shock to me, and there was a dinner and a large meeting in the evening attended by many of the agricultural and political leaders of the State. Mr. Ralph needled the cattlemen present several times for being rugged individualists and free enterprisers."

The CHAIRMAN. He did what several times?

Mr. CLEGG. Needled.

The CHAIRMAN. His attitude was kind of needling them because they wanted to be independent and self-reliant, and free enterprise people?

Mr. CLEGG. Yes, sir. We were the only two cattlemen there, at the dinner they had, a dinner for leaders, and everybody was introduced, and he called their attention to the fact that we were free enterprisers at that time.

The CHAIRMAN. Singled you out?

Mr. CLEGG. Singled us out.

The CHAIRMAN. What other groups were introduced that he didn't call free enterprisers?

Mr. CLEGG. All of the other groups.

The CHAIRMAN. Name some of them.

Mr. CLEGG. The milk federation and the Farmers Union and the Farm Bureau.

Mr. MURPHY. There were members of various granges there.

The CHAIRMAN. He introduced the representatives of them without such reference to them?

Mr. MURPHY. Yes, sir.

The CHAIRMAN. When he got to you two, he singled you out?

Mr. MURPHY. Yes, he did.

The CHAIRMAN. And he identified you as free enterprisers?

Mr. MURPHY. Yes, sir.

The CHAIRMAN. He did it in a complimentary way, did he?

Mr. CLEGG. It wasn't interpreted as a compliment by the rest of the group.

The CHAIRMAN. It was not so interpreted, and it apparently was not intended to be so?

Mr. CLEGG. It wasn't intended; no, sir.

The CHAIRMAN. Did you feel any embarrassment by being thus singled out in that situation?

Mr. MURPHY. The word is "indignation."

The CHAIRMAN. You were not embarrassed as much as you were indignant?

Mr. MURPHY. That is right.

The CHAIRMAN. All right.

Senator MUNDT. Have you read all of the pertinent parts of the editorial now?

Mr. CLEGG. There are several other parts of it. I think this is all that is pertinent to the inquiry here. The rest of the article talks about the farm bill, but that was the only place.

Senator MUNDT. The whole editorial has been made a part of the record. You have a newspaper clipping. Was that involved in this?

Mr. MURPHY. The newspaper clipping is not a part of this editorial. The newspaper clipping in front of me is taken from the Deseret News, Salt Lake City, Thursday, June 29.

The CHAIRMAN. What does it refer to?

Mr. MURPHY. If you don't mind, I would like to read a very small portion of it to you.

The CHAIRMAN. The whole thing may be submitted for the record and you may read excerpts from it.

Will you submit it for the record?

(The editorial referred to is as follows:)

"[From the Deseret News, Salt Lake City, Utah, June 29, 1961]

"ARE FARMERS BEING THREATENED?

"A prompt and thorough investigation should be made into reports, which vary from rumors to outright charges, that Agriculture Department officials have threatened reprisals against farm groups that do not support the Kennedy-Freeman farm bill.

"In Utah, private reports have it that a high Agriculture Department official indicated to a cattleman's group that grazing rights on Federal land might be in jeopardy if stockmen fail to support the bill. If true, this is about the same as making a threat on a merchant's business license.

"Similar charges are being made elsewhere in the Nation, the New York Herald Tribune and the Chicago Daily Tribune have said the charges include:

"That cotton warehouse operators were warned that the Agriculture Department would ignore their request for higher cotton storage rates if they opposed the farm bill. However, the group went through with its plan to testify against it.

"That Agriculture Department personnel have been ordered to sell the program or resign.

"That the poultry industry was told its products would be removed from school lunch program menus if it did not support the legislation.

"The Chicago Tribune also quoted Charles B. Shuman, president of the American Farm Bureau Federation, as saying he has heard of reports of similar threats for several weeks.

"The sheer number of these charges, as well as their seriousness, amount to a lot of smoke that could indicate the presence of a fire. Certainly they warrant more than just routine denial that was forthcoming from the Department of Agriculture.

"These accusations are lent at least a degree of credence by the fact that the Kennedy-Freeman farm bill is encountering extremely tough sledding in Congress. The bill would authorize farmers themselves to draft and adopt a new series of crop-by-crop farm marketing control programs that, in the bill's original form, would have been subject only to congressional veto. In an attempt to make the measure more politically palatable, it has been revised to give Congress a bigger voice in formulation of such marketing programs. But the economics of the proposal are still hard to swallow.

"In any event, the facts should be investigated. There is a line where pressure that is justifiable leaves off and outright blackmail begins. Congressional investigators should determine whether that line has been crossed.

"If it has been crossed, or even if the rumors and accusations are allowed to persist unchallenged, then the Department of Agriculture's reputation and the morale of the agriculture industry are sure to suffer.

"If true, the alleged threats could represent vicious abuse of authority not in the American tradition of fairplay.

"If false, the charges are an unfair attack on the Agriculture Department and should be laid to rest once and for all.

"Whatever the case, the farm bill should be passed or defeated strictly on its merits. The objectivity that is needed for intelligent congressional discussion of the bill will be hard to obtain as long as the issue is obscured by threats or suspicions of threats."

Senator Mundt. When was this? How long after it was this taken?

Mr. Murphy. This was published in the Deseret News on June 29.

Mr. Clegg. We didn't pick any issue of this and we were not anxious to be interpreted as making a political issue, and they called us every day and asked us to tell what happened and we never did, either one of us, and so that the information that they have did not come from us.

The Chairman. What did they publish?

Mr. Clegg. A prompt and thorough investigation should be made into reports which vary from rumors to outright charges, that Agriculture Department officials have threatened reprisals against farm groups that do not support the Kennedy-Freeman farm bill. In Utah, private reports of it that a high Agriculture Department official indicated to a cattlemen's group, that grazing rights on Federal land might be in jeopardy if stockmen failed to support the bill. If true, this is about the same as making a threat on a merchant's business license; similar charges have been made elsewhere in the Nation.

Senator Mundt. They got their information from some of the other people who attended the meeting, rather than from you?

Mr. Murphy. This information, as near as I have been able to determine, has come back to the Deseret News directly from Washington.

The Chairman. You mean it probably came from news reporters?

Mr. Murphy. Here in Washington, back to their news reporting service, by way of memos through their organization.

The Chairman. Were newsmen present at this meeting?

Mr. Murphy. There were not.

The Chairman. No newsmen were present?

Mr. Murphy. No, the secretary of the association should have been keeping notes, but this was an informal meeting.

The Chairman. The secretary of what association?

Mr. Murphy. The Utah Cattlemen's Association.

The Chairman. He was keeping notes?

Mr. Murphy. He should have been, but I didn't. We didn't take notes of any kind.

The Chairman. You didn't keep notes?

Mr. Murphy. No, I did not.

The Chairman. How would newsmen here in Washington know something about it to report to this paper out there?

Mr. Murphy. It is quite possible through the chain of events that followed the meeting that was held in Salt Lake City.

The Chairman. What chain of events?

Mr. Murphy. The events that happened elsewhere in the country.

The Chairman. You mean some other comment about these things. I don't see how they could know what happened there, though, and report it if they were not there.

Mr. Murphy. This is just a newspaperman's snooping around and finding out what is going on.

Mr. Clegg. I think, actually, the comments to the paper must have come through the Farm Bureau, and we did talk to them that night. The Farm Bureau was at the same meeting that he singled us out and they asked us what was the trouble.

Senator Mundt. This was not an off-the-record meeting and your fellows who were indignant very logically would have communicated to some of our associates as to what took place at the Ralph meeting, wouldn't you?

Mr. Clegg. That is right.

Senator Mundt. There was no security secrecy involved, and you certainly told someone what took place, and from them the newspapermen could very readily have picked up the information.

Mr. Murphy. That is exactly correct.

The Chairman. I don't see how they would get it out in Washington.

Mr. Murphy. That is where their memo came from, right through their top end of their newspaper business.

The Chairman. Here in Washington?

Mr. Murphy. Apparently, that is as near as I have been able to check it out.

The Chairman. But they got it?

Mr. Murphy. Yes, sir.

The Chairman. They didn't get it directly from either of you?

Mr. Murphy. No; and it was a difficult task to hold this off and keep out of the newspapers as long as we did.

The Chairman. Why did you want to keep it out?

Mr. Murphy. We felt, as we said before, that it was rather a "hot potato" political issue at that time, and we did not care to involve our association as such in a political controversy since we represent the cattlemen of Utah who are of all political philosophies.

The Chairman. All right. Is there anything further?

Mr. O'Donnell. I have one thing. I have here an affidavit which I would like to have each of you identify because it is submitted jointly and I would like to ask a question concerning it.

The Chairman. Is that your original affidavit that you submitted to the committee?

Mr. Murphy. Yes, sir.

Mr. Clegg. Yes, sir.

The Chairman. The affidavit will be printed in full in the record.

(The affidavit referred to is as follows:)

Utah Cattlemen's Association,
Salt Lake City, Utah, June 16, 1961.

Mr. Donald O'Donnell,
Chief Counsel, Senate Committee on Investigations, Senate Office Building, Washington, D.C.

Mr. O'Donnell: The undersigned wish to submit the following information in connection with certain statements that were made to us during an informal discussion with Under Secretary of Agriculture James T. Ralph while he was visiting in Salt Lake City on May 17. We wish to point out that since this was an informal discussion, no notes or recording of the conversation are available. We have recalled, to the best of our ability, what, in our opinion, is the essence of Mr. Ralph's statement when asked a question regarding the new administration's attitude toward reduction of livestock usage of the grazing on the national forests.

Mr. Ralph answered that as the cattlemen insist on being free enterprisers that he would favor removal of all grazing privileges on the national land reserve and further would welcome all beef imports from South America, New Zealand, and Australia until the cattlemen get all the free enterprise they want.

It is a matter of record that the American National Cattlemen's Association has diligently represented the cattle industry in hearings before congressional committees in an effort to follow the wishes of the industry to maintain their position of remaining free of Government control and regulation. This free enterprise stand of the cattle industry has long been a matter of pride with the industry. It was shocking to us to learn of the administration's apparent policy to take reprisals against any group that would take an opposing stand on the omnibus farm bill.

We believe this matter is a serious threat on our freedom to express our views. We bring it to your attention with the feeling that our opinion of what was said will be given your consideration.

Howard J. Clegg,
President.
Bob Murphy,
Secretary.

State of Utah
County of Salt Lake, ss:

Subscribed and sworn to before me this 16th day of June 1961.

Jeannette C. Day,
Notary Public.

My commission expires March 19, 1961.

Mr. O'Donnell. The second last paragraph of that affidavit, you state in the last sentence, that—

"It was shocking to us to learn of the administration's apparent policy to take reprisals against any group that would take an opposing stand on the omnibus farm bill."

Is that correct?

Mr. Murphy. Yes.

Mr. O'Donnell. Were these statements that were made by Ralph directed to you, insofar as testimony in connection with the farm bill was concerned?

Mr. Murphy. If I may speak, I interpret Mr. Ralph's statements to us in front of the State ASC committee, this afternoon meeting, prior to the banquet, at which time we were called together to meet with Secretary Ralph and to discuss the administration's farm program, the principal topic of our discussion at that time was the various aspects of this bill as related to the livestock industry, specifically.

The CHAIRMAN. That was the whole purpose of the meeting, to discuss the bill, was it not?

Mr. MURPHY. That is right. Interpreting the remarks that were made at the meeting in the afternoon, together with the indignation that was caused by Mr. Ralph King's singling Howard and me out of a group of 180 or 200 people as free enterprisers, it was pretty obvious to Howard and me that this is an infringement on our basic rights to oppose legislation that we do not feel is of benefit to our people.

Mr. O'DONNELL. But the point I am making is that apart from reprisals of pressures that may have been brought by the Department of Agriculture, in connection with the farm legislation, was anything directed specifically to your attention, either one of you, as to testifying against the proposed farm legislation? Was any reprisal made in that vein?

Mr. CLEGG. I would say not. It wasn't directly made like you mentioned.

Mr. MURPHY. Not specifically, no. In general, I would say that the implications were there.

The CHAIRMAN. There is an implication if you folks opposed the bill these privileges would be taken away.

Mr. MURPHY. The tariff embargo on dressed meat coming into this country.

The CHAIRMAN. And you could have a lot of competition.

Mr. MURPHY. From imported beef and from the use of national land reserves, for grazing of beef animals.

The CHAIRMAN. That was the implication of it.

Mr. MURPHY. That is correct.

Senator MUNDT. You say in your affidavit: "We believe this matter is a serious threat on our freedom to express our views." You made that statement on June 16, 1961. Today, do you still hold to that position?

Mr. MURPHY. I am sorry. I don't understand your question.

Senator MUNDT. You said in your affidavit dated June 16, at the bottom, the last paragraph:

"We believe that this matter is a serious threat on our freedom to express our views." That was obviously your opinion at that time. Do you still hold to that opinion as of today?

Mr. MURPHY. I feel it is, personally.

Senator MUNDT. How about your companion?

Mr. CLEGG. Inasmuch as we have said that he didn't make a direct threat, I would have to probably back down on that a little bit, and say that I question whether that is a statement of policy at this time.

Senator MUNDT. Would you say that again. I don't quite understand you.

Mr. CLEGG. I would have to say that I don't consider that there was a serious threat to our freedom at this time.

Senator MUNDT. Did you consider it a serious threat at the time you heard the statement made?

Mr. CLEGG. I was irritated at that time, yes, and I did at the time we had the meeting and I was irritated, but I can't say that at this time that I hold any malice toward them.

Senator MUNDT. That is not holding malice, and I wondered whether you signed the affidavit on June 16.

Mr. CLEGG. Yes, sir; I signed it.

Senator MUNDT. And that reflected your feeling at that time?

Mr. CLEGG. Yes, sir.

Senator MUNDT. All right.

The CHAIRMAN. Is there anything further? Thank you, gentlemen.

Mr. MURPHY. I would like to express my thanks for our opportunity to express our views in this matter and I think it is of vital importance to our industry that we be heard and we appreciate it.

The CHAIRMAN. All this committee is interested in doing is finding out the truth if we can. We have had problems of people making statements and then saying that they were misunderstood and so forth. It is pretty hard to get possibly the whole facts. That is all we are trying to do. Obviously, some statements were made that got out into the press and got folks all exercised, and then when we try to trace them down and find out who is responsible, we have difficulty doing it. That is all we are trying to do, just to get this record and get the truth into the record.

Mr. MURPHY. We feel it was an unfortunate circumstance, and certainly it merits your consideration.

The CHAIRMAN. Thank you, gentlemen.

Mr. McCARTHY. Mr. President, the debate on the farm bill has raised many questions. In evaluating them I believe we must keep in mind the record and the experience with farm programs over the past 30 years.

I wish to commend to the Members of the Senate an article by Dr. Gilbert C. Fite, research professor, university of Oklahoma, "American Farm Policy Since 1933."

This article is based on a lecture Dr. Fite gave last year at Concordia College, one of the excellent liberal arts colleges in Minnesota, and it appeared in the spring issue of Discourse, a quarterly review published at Concordia College under the editorship of Dr. Walther G. Prausnitz.

Mr. President, I ask unanimous consent that the article by Dr. Fite be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A QUARTER-CENTURY OF POLITICAL AND ECONOMIC FRUSTRATION: AMERICAN FARM POLICY SINCE 1933

(By Gilbert C. Fite)

No domestic question has been so constantly before the American people during the last quarter century as the farm problem. It has been impossible for any literate person to avoid this issue. The agricultural press, country weeklies, metropolitan dailies, and the national magazines, all have dealt in one way or another with this vital issue. Just to trace the literature and ideas devoted to the thorny farm question would take more volumes than Gibbon used to write "The History of the Decline and Fall of the Roman Empire." Certainly, there is no comparable domestic problem which has received equal attention by scholars, statesmen and ordinary citizens, and yet which seems further from a satisfactory and acceptable solution after more than 25 years. Despite the plans tried and others proposed, one is reminded of the story of a foreign diplomat who came to the United States in the 1920's and was offered a drink of grape juice. He remarked: "It looks good. It tastes good, but does it accomplish anything?"

What we know today as the farm problem is really a multitude of related problems. Moreover, if it is any consolation, it should be emphasized that the questions involved are nearly as old as American history itself. Virginia and Maryland planters sought to cut tobacco output in the 17th century as a means of reducing production and raising prices. Despite their failure, the action of 17th-century tobacco growers makes it clear that farmers recognized surpluses as the heart of their problem.

Throughout the late 19th century, the relationship between the supply of farm commodities and prices received was clearly apparent. Contemporaries recognized that big crops usually meant low prices, and that smaller output often brought farmers more actual money than bountiful harvests. However, farmers themselves seldom admitted that they produced a surplus and argued that so long as millions of people throughout the world did not have enough to eat there could not be too much food. Most of the farm groups, including the Populists, declared that monopoly control and expansion of the currency would solve their main economic difficulties.

As agriculture became more highly commercialized, the question of price assumed commanding importance. It makes little difference whether wheat brings 30 cents or $3 a bushel so long as a farmer makes his own flour. Whatever the price, it provides the same amount of food. But when a farmer sells his wheat and buys bread, machinery, and other commodities the relation of the price of wheat to the prices of nonfarm products is of utmost importance. Thus it is not surprising that attempts to cut surplus production were first made among the most highly commercialized farmers of 17th century America, namely, the Tidewater tobacco planters. Moreover, it was the most highly specialized and commercialized farmers in the late 19th and early 20th century who made the loudest demands for government aid. Increased commercialism of all aspects of American agriculture, the thrusting of farmers more deeply into an exchange economy, has been at the heart of farm problems.

It was not until the 1920's that farmers began to demand Government intervention on a broad scale for the purpose of raising agricultural prices. Senator George Norris suggested in 1921 that the Federal Government loan money to needy nations abroad so they could buy American surpluses and stimulate farm markets. Many other schemes which involved Government action were also proposed, including outright price fixing. However, the most popular plan was advanced by the Illinois farm machine executive, George N. Peek. Peek's ideas of surplus control were incorporated in the twice-vetoed McNary-Haugen bill which was before Congress in various forms almost constantly between 1924 and 1928.

The protracted and bitter fight over the McNary-Haugen legislation was of utmost importance in developing broad Federal farm policy. The most significant contribution of Peek and his followers was planting and nurturing the idea of parity prices, a concept which has formed the basis of all price support legislation since 1933. The McNary-Haugenites impressed upon farmers the need for compulsory cooperation if they hoped to achieve parity price. Thus by indoctrinating farmers with the idea of compulsory cooperation and group action, the McNary-Haugen campaign helped to break down the traditional individualism of farmers and assisted in ushering in the era of collective action among agriculturists. Moreover, the Federal Government was viewed as having a fundamental responsibility to help agriculture gain a larger share of the national income. The farm fight of the 1920's also pointed up the surplus question which has been periodically considered by farmers during the preceding three centuries. This in turn aroused discussion of acreage restriction as a means of cutting surpluses and raising prices. Most farmers and their spokesmen opposed any forced acreage reduction in the 1920's, but many conservatives, including Herbert Hoover, advocated voluntary decreases in production. It was only a short step from voluntary to compulsory, or near compulsory, acreage reduction which became a basic part of the AAA of 1933.

The Agricultural Marketing Act, passed in June 1929, was the first peacetime law in the history of the United States which placed any responsibility upon the Federal Government to help farmers deal with the problems of surpluses and low prices. Congress sought to place agriculture on a basis of economic equality with other industries, a principle taken from McNary-Haugenism. The law provided finacial aid to cooperatives, plus permitting the establishment of Government-financed stabilization corporations as a means of maintaining prices in the face of unusual surpluses and market declines. The new law, administered by the Federal Farm Board, began operations at a most inopportune time. Under the impact of nationwide depression, farm prices tobogganed downward and the Farm Board soon found itself in a losing struggle to maintain prices. By June 1931, the National Grain Corporation held 257 million bushels of wheat, and the Cotton Stabilization Corporation owned a great deal of cotton. Throwing up its hands in despair, the Board announced that it would make no further effort to place artificial props under farm prices.

Despite the sharp decline in prices, farmers continued to produce record corps. By 1932 wheat prices had dropped to as low as 20 cents a bushel at some interior markets and cotton to as little as 4 and 5 cents a pound. Other prices declined in similar proportion. The years 1930, 1931, and 1932 indicate that low prices do not discourage high production of farm commodities, despite all of the arguments to the contrary which have been advanced in the 1950's. As an aside, it might be pointed out that low prices may have exactly the opposite effect as they did in 1932 and 1933 before the restrictions of the Agricultural Adjustment Act were imposed. Farmer reasoning is fairly simple. If the price is lower it takes more units of a product to bring in the necessary income. Income is determined by units times price. Thus if prices are low pressure grows to raise more units in order to earn the same amount of money. When a farmer increases his output in face of lower prices, he intensifies the surplus problem and prices drop even lower. The whole picture is confused and contradictory because, while a decision to increase production may help an individual farmer, it may damage the welfare of agriculture as a whole. In other words, the welfare of farmers as a group and as individual producers is not identical. This is why it is important to obtain group action and adopt some means whereby all farmers, at least all of those producing a particular major crop, are brought together so they can make a collective decision. The McNary-Haugen bills were aimed at this problem, as was the AAA.

Under the pressure of depression prices, mounting farm debt and bankruptcy, and growing agrarian radicalism, there was widespread agreement by 1932 that extensive governmental intervention was necessary to restore farm purchasing power and attain a degree of prosperity. Although most of the ideas finally incorporated in the AAA were well developed by 1932, no legislation could be achieved because of the deadlock between a Democratic Congress and President Herbert Hoover, However, when Franklin D. Roosevelt moved into the White House, he was committed to an extensive legislative program designed to help farmers.

When President Roosevelt signed the AAA on May 12, 1933, a 12-year campaign to obtain Federal farm relief had come to an end. The objectives of the AAA were not new, only the means of achieving them. The main purpose of the law was to "establish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period." Except for tobacco, this period was 1909 to 1914.

The principal means of achieving this goal of parity prices were to reduce production of basic agricultural commodities through acreage restriction and to make benefit payments to cooperating producers. Provisions were also made for marketing agreements as a means of raising prices. Here was a great experimental measure in national planning placed under the direction of the Secretary of Agriculture. President Roosevelt, who was among the millions of Americans deeply imbued with the principles of agrarianism and agricultural fundamentalism, declared: "I tell you frankly that it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture."

The administration considered the AAA a vital part of its broad program of economic recovery. Supporters of the legislation considered it good strategy to attack the depression in the farm sector because of agriculture's importance to the economy as a whole. Moreover, the AAA program was based on an economy of scarcity which underlaid most of the early New Deal efforts to bring about recovery.

A number of Senators and Representatives supported the bill only because of the extremely critical situation in agriculture. Senator Cotton Ed Smith, of South Carolina, said he didn't like the bill, but would vote for it anyway. "There comes a time in the lives of men," he said, "when they must rise above principle." Republican Joseph Martin, of Massachusetts, complained of what he considered dictatorial powers in the bill and said: "We are on the way to Moscow." However, Democratic Representative Samuel Pettengill, of Indiana, told his colleagues in the House: "We cannot have a 'New Deal' from the President unless we give him the cards." Congress considered that the new farm law was an important card in the New Deal deck and passed the measure handily.

Secretary Wallace and AAA Administrator George N. Peek moved quickly to implement the law. By the end of 1933, 1,032,000 cottongrowers had signed contracts to reduce acreage and they plowed up 10,497,000 acres of growing cotton. Wheatgrowers signed contracts to cut their acreage in 1934 and 1935 in return for allotment benefit payments of around 28 cents a bushel. By September, Government checks were beginning to grace rural mailboxes, and by October 9 Secretary Wallace reported that the dispersing office had sent out 750,000 checks. Benefit payments to wheat raisers in 1933–34 amounted to $98,600,000, and reached $101,508,000 in 1934–35. This was about 26 percent of total cash income from wheat. There may have been a few southern farmers who said: "Sir, I cannot accept a U.S. grant" but under various rental and benefit payment plans, cottongrowers received $169 million in 1933 and $129 million in 1934. Producers of other basic commodities also received Government payments. In the late summer of 1933 a Russian visitor was being shown through a section of the AAA offices where around 1,500 people were employed. They were operating adding machines, checking farm contracts, and running checkwriting devices. As a Department employee explained what was going on, the Russian threw up his hands and exclaimed: "Good Lord! This is a revolution." And so it was.

Nothing like this had ever happened before in American history. As the Federal Government became enmeshed in the farm program, the spirit of Calvin Coolidge must have shaken the sod at Plymouth, Vt. At least it is known that Herbert Hoover was beginning to take pen in hand and explain how this was part of "The Challenge to Liberty."

What were the arguments to justify such extensive Federal action behalf of agriculture? What reasons were given for interference with free market prices as determined by supply and demand? Answers to these questions must be given before the rationalization behind Government intervention in the agricultural sector of the economy since 1933 can be understood.

In the first place, it was argued that farming was highly competitive while business and industry had greatly reduced competition by combining and cooperating. In other words, industrialists sought to gain a large measure of control over the price of their products through agreement and combination, and eliminated the downward pressures on prices which competition normally produced. For example, farm machine and motor vehicle prices dropped only between 6 and 16 percent between 1929 and 1933 while production was cut 80 percent. With no control over price or production, the prices of agricultural commodities declined 63 percent and production only 6 per cent in the same period. As a result of this condition, it was argued that farmers were in a poor bargaining position with other segments of the economy. The farmer neither controlled the prices which he received for his products nor those which he paid for nonfarm goods. For example, when he sold wheat at the elevator he took prices set by someone else; when he went to buy a plow or wagon he paid a price fixed by the manufacturer. Many friends of the farmer argued in the 1920's and early 1930's that only if farmers were brought together in a great cooperative effort could they strengthen their overall bargaining position in the economy.

Moreover, it was claimed that farmers deserved Government help because so many other groups were feeding at the Federal trough. Tariffs helped manufacturers, the Government gave subsidies to shippers, the ICC permitted the railroads to charge high enough rates to bring them a fair return on investment, and newspapers and magazines were subsidized by cheap mailing rates. Since others in the economy obtained help from Washington, why should farmers be left out?

Government aid was also justified on the basis that the prosperity of farmers was basic to national welfare. Henry C. Wallace wrote in his book, "Our Debt and Duty to the Farmer" (1925), that "Our great superstructure of industry, transportation, and commerce was built upon the foundation of agriculture and can stand without injury only so long as the foundation is secure." This idea was repeated thousands of times in the 1920's and early 1930's. The stated purpose of the Agricultural Adjustment Act was to "relieve the existing national economic emergency by increasing agricultural purchasing power." Thus national self-interest alone, it was said, warranted Government aid in restoring agricultural prosperity. It was further argued that farmers represented a stabilizing political balance and that undue hardship would force otherwise conservative farmers into the ranks of un-American radicals. Of course, the immediate desperate conditions among hundreds of thousands of farmers after 1930 was also cited to justify Government aid to agriculture.

For three seasons the first AAA struggled to get on top of the farm surplus situation. Wheat, cotton, and tobacco acreages were cut and hundreds of millions of dollars were paid directly to farmers from the U.S. Treasury. A corn-hog program was inaugurated in 1933 which reduced the production of both commodities. The AAA bought and slaughtered over 8 million hogs in an effort to bring supply into line with effective demand, and the killing of the poor litle pigs remained an emotional political issue through a number of campaigns.

But surpluses continued and, while prices of most farm commodities rose, they were far from parity, the defined objective of the law. By January 1936 wheat prices were 83 percent of parity, corn 65 percent, and cotton 71 percent. Part of the difficulty in trying to achieve parity prices was the huge carryovers of wheat and cotton from the period before 1933. Some 395 million bushels of wheat and 12.5 million bales of cotton were on hand when Roosevelt took office. Furthermore, exports were low because of the depression abroad, and partly because higher American domestic prices discouraged foreign purchases. Continued unemployment and business stagnation also provided a weak domestic market for farm products. Finally, farmers tended to take their poorest land out of production which meant that acreage restriction was less effective than anticipated, and productivity of land left in cultivation was increased by adding more fertilizer. Nonetheless, by early 1935 wheat was bringing 90 cents a bushel compared to about 35 cents in 1932. This price increase, however, was caused more by drought in the Great Plains than by any Government program. Cotton was supported at around 10 cents a pound; and hog prices reached $8.35 a hundred compared to only $3.50 3 years earlier. Total net farm income was $4.6 million in 1935, of which $600 million came directly from the Federal Government. In 1932 net farm income had been only $1.9 billion. Farm problems were far from solved, but farmers in 1935 had their best year since 1929. Price increases and Government payments combined much more than offset the losses resulting from acreage curtailment.

Despite considerable improvement in agriculture, as well as in other aspects of the economy, new and serious problems of both a political and economic nature caused farm planners sleepless nights. Political pressures were felt in the program almost from the beginning. For example, under the original law only seven commodities were included for benefit payments. However, as time passed, additional crops were added to the list of basics, not because they were basic to American agriculture, but because they were important politically. By 1935 eight commodities, including peanuts, grain sorghums, and potatoes, had been added to the list. The political pressure which caused these crops to be included in the production control program brought even greater involvement of Government in agriculture and departed from the original idea of including only a few crops whose price was largely determined by the export market.

Furthermore, political pressure was sometimes exerted to get the Department of Agriculture to set loan rates higher than was warranted by the economic facts of the situation. In 1934, for instance, cotton loans were made at 12 cents a pound. This might have been justified for the current crop, but a provision of the law made old cotton in the hands of producers eligible for a 12-cent loan, although the loan price the year before had been only 10 cents. Farmers could make 2 cents a pound simply by restoring their cotton for another year. The longer the program operated, the more of these problems arose.

Farm planners also found that production controls led to a demand for even greater restrictions. It became evident shortly after the AAA was inaugurated that noncooperators might expand their production and benefit from higher prices created by the Government program. If contract signers curtailed acreage to stimulate prices, those outside the program would receive benefits at no expense to themselves. Consequently, Congress heeded the pleas for universal controls on cotton and tobacco producers. The Bankhead Cotton Control Act and the Kerr-Smith Act were passed in 1934. These measures placed strict penalties on those farmers who produced above their quota. The administration disliked compulsory controls but it became a vital part of the program. Chester Davis, the AAA's second administrator, said that "Although it was an unwanted child, they learned to love it all the same."

Although by 1933 farmers felt that the old system of laissez faire in the production and marketing of farm commodities had become obsolete and inadequate, they accepted production control reluctantly and under protest. There was something repugnant to farmers in the idea of limiting output or destroying commodities such as occurred in the hog and cattle slaughter programs. The files of the Secretary of Agriculture are full of letters protesting acreage restriction and production control. One farmer wrote Wallace on May 17, 1933, that "you will have a hard task convincing the farmer that overproduction of farm produce is the cause of low prices while 8 million farmworkers are idle." Another writer said it was against all laws of economics and religion to cut down production forcibly. Several writers quoted Scripture and urged the AAA to hoard surpluses as Joseph had done in Egypt.

For a time in early 1936, it appeared as though the controversy over acreage restriction would become purely academic. On January 6, 1936, the Supreme Court declared the AAA unconstitutional because (1) the processing taxes were illegal, (2) the plan was in fact compulsory rather than voluntary, (3) and contracts to reduce production were outside the scope of Federal power. Farming was a local business and not subject to controls from Washington. The Supreme Court won the first battle, but lost the war as Congress moved quickly to patch up substitute legislation. After all, 1936 was a presidential year.

By February, Congress had passed the Soil Conservaton and Domestic Allotment Act. Under this law, farmers who substituted soil-conserving crops for soil-depleting crops (the main cash crops considered in surplus) were eligible for Government payments. Thus objections of the Court were circumvented by ostensibly making conservation, a long recognized Government function, the law's major objective, rather than crop reduction. Under the new law, payments were not only made for diverting to soil-conserving crops like grass and legumes, but also for some 78 soil-building practices. This permitted farmers to earn payments who did not raise the so-called basic crops. Government help in soil conservation was based on the idea that conservation was a social good, but that it was too expensive for individual farmers to undertake. By 1938 the Federal Government was spending $444 million annually on its conservation program.

Extremely large crops in 1937 demonstrated that the enticement offered by soil conservation diversion payments was by no means adequate to keep surpluses under control. The 1937 cotton crop amounted to 19 million bales, the largest on record. Corn production reached 2,700 million bushels and wheat output jumped 40 percent. Consequently, cotton dropped to 8 cents a pound, wheat declined to 56 cents and corn to 48 cents a bushel, the lowest since 1932. In this emergency, the President somewhat reluctantly agreed to support sagging cotton prices through the Commodity Credit Corporation in return for a promise by Congress that a new farm program, including strict production controls, would be enacted at the next session.

The AAA of 1938 which, although much amended, is still our basic agricultural law, again sought to assist farmers "to obtain, insofar as practicable, parity prices * * * and parity income." The 1936 law had sought to achieve parity incomes for farmers, probably a sounder economic goal but one extremely hard to achieve. The chief beneficiaries of the new legislation were to be producers of wheat, cotton, corn, rice, and tobacco, the main cash crops in surplus. Acreage allotments were provided for, and in case supplies still got out of hand, marketing quotas could be imposed after two-thirds of the producers of a commodity voted favorably. Moreover, the soil conservation features of the 1936 law were continued, and Henry Wallace's ever-normal granary plan was put into operation. This scheme simply provided loans to farmers, permitting them to store their crops in order to keep large surpluses from depressing market prices. The law also authorized direct payments, so-called parity payments to raisers of basic commodities when prices fell below parity. However, these payments were only to bring returns up to 75 percent of parity in 1939 and 1940. Ultimately some $2 billion was distributed in parity payments.

The 1938 law went much further than the original AAA in extending governmental control over agricultural production and prices. Yet, when all of these methods were used huge surpluses and relatively low prices continued. In 1938, for example, the Government loan program brought 4.5 million bales of cotton into Government storage. To intensify the cotton problem there was nearly a 14-million-bale carryover from previous years which hung like a sword of Damocles over prices. In 1939 the Government resorted to subsidies to move cotton into export markets, and in the spring of 1940, nearly 8 months after the outbreak of war in Europe, the U.S. Government held some 10.5 million bales of cotton.

The picture for wheat was no better. Although export subsidies were contrary to the New Deal reciprocal trade agreements program, President Roosevelt and Secretary Wallace turned to this method of stimulating wheat exports as well as those of cotton. The Federal Government had 278 million bushels under loan. The surplus situation had become so critical that marketing quotas were inaugurated to curb excess production for wheat, cotton, tobacco, and peanuts.

Despite extensive Government activity, parity prices for most basic commodities had not been achieved by 1940. Cotton was selling at only 77 percent of parity and food grains at 84 percent. Surpluses continued to accumulate and were not removed until 1941 and 1942. In other words, the increased demands for farm commodities created by World War II saved a farm program which was wallowing in surpluses and low prices after 6 or 7 years of Government efforts to bring supply into line with effective demand.

World War II was an important milestone in the development of current farm policy. In the first place, it gave farmers a real taste of prosperity which they subsequently have been reluctant to give up. Moreover, it was during World War II that the high, fixed parity rate not only became widely accepted but fully expected. This had not been true in the 1930's, despite inclusion of the principle in the agricultural adjustment legislation. In the 1930's parity was more of something to shoot at rather than an objective which Government would help farmers to achieve at once.

Under the influence of defense and wartime demands, farm prices shot upward until by September 1941, agricultural prices reached 101 percent of parity. However, once farmers had tasted this degree of prosperity, the pressure on Washington was to permit even greater price increases. When inflation and rising prices began to assume a real threat to the war effort, President Roosevelt called for price controls. The Emergency Price Control Act of January 30, 1942, was the first big step taken to curb prices during World War II. But farmers were strong enough politically to keep all they had gained and achieve even more. The law provided that no ceiling should be established on farm prices at less than 110 percent of parity. This was a clear victory for agricultural spokesmen in Washington.

As food prices increased throughout 1942, there were greater demands to hold the line on prices. In October, Congress passed the Stabilization Act but even this legislation left farmers in a highly favorable position. No price ceilings could be applied to farm commodities at less than parity, or the highest price paid between January 1 and September 15, 1942. Prices of some agricultural commodities were much above parity and continued to remain high. Section 8 of the Stabilization Act of 1942 was very important because it provided for postwar agricultural supports. Fearful that they might be left holding the bag as they had been after World War I, farm leaders got a commitment that loans would be made at 90 percent of parity for 2 years after the war on cotton, corn, rice, wheat, tobacco, and peanuts. This meant that prices would be supported at 90 percent of parity through 1948.

The wartime legislation went a long way to establish the rigid parity formula which many farmers and their supporters have been demanding since 1948. The problems which this legislation might help to create in the future were given little consideration during the prosperous war years. Production was high, prices and incomes were good, and, on the whole, things had never been so favorable for farmers. Per capita farm income rose 220 percent between 1939 and 1945. As price controls were lifted in 1946 and demand both at home and abroad increased sharply, farmers were exceedingly prosperous. In 1948 net farm incomes reached more than $20 billion, the highest point in history.

Congress took a new look at its farm program in the presidential campaign year of 1948. As finally passed in July, the 1948 law looked toward abandoning the high, fixed supports which had become customary during the war and immediate postwar years.

The idea of flexible supports provided that the price of basic commodities would be supported at between 60 and 90 percent of parity, depending upon supply. For example, if supply was as much as 130 percent of normal for a commodity, supports would be limited to 60 percent of parity. In other words, farmers were to be encouraged to cut excessive output by the threat of lower support prices. Although the principles of flexible supports were inaugurated, political pressures, particularly from cotton and tobacco representatives, postponed the effective date until January 1, 1950. Meanwhile, 90 percent of parity prices were to prevail on basic commodities.

In 1949 Congress again postponed inaugurating flexible supports and extended 90 percent of parity prices through the 1950 crop year. It seemed practically impossible to get enough backing in Congress to abandon the wartime legacy of high, fixed support prices. The pressure to change or greatly modify current policies was mitigated considerably by the continued heavy demand for farm products occasioned by oversea shipments and the Korean war. The Government, even under high price supports, was not acquiring excessive amounts of surplus farm commodities. In fact, between October 17, 1933, and December 31, 1952, the Commodity Credit Corporation losses amounted to only $1,064 million.

Nonetheless, there was a growing demand, even among some farm groups, to abandon high rigid supports and adopt the flexible scale which had been talked about since 1948. The chief advocate of this policy was President Eisenhower's Secretary of Agriculture, Ezra Taft Benson. Benson and his supporters argued that lower supports would discourage production and help to cut unmanageable and costly surpluses. This policy was based on the erroneous belief that lower prices would cause farmers to reduce their output. Thus in 1954, the Republican Congress, with strong backing of the American Farm Bureau Federation, passed a flexible price support law.

However, surpluses increased, agricultural prices declined, and farm income dropped. The situation became so serious that in 1956 Democrats attempted to restore the 90 percent of parity program abandoned in 1954. However, Eisenhower vetoed this bill and Congress was forced to go along in an election year and enact the soil bank measure which made liberal payments to farmers who would withdraw land from production. Under his discretionary power, Secretary Benson continued to lower price supports and loosen production controls, and surpluses, especially in corn and wheat, built up to record levels, and CCC losses mounted to unprecedented heights. By June 1960, the Federal Government had $8,525,237,000 invested in price support operations, or an increase of about $7 billion in 7 years. More than half of the total amount, or $5.8 billion, was invested in wheat and corn.

As a result of this situation, a hue and cry has arisen to abolish the entire farm program. A book by William H. Peterson on "The Great Farm Problem" (1959) argued that all major farm troubles stemmed from governmental intervention, and he insisted the mess could not be corrected until the Federal Government got completely out of the agricultural picture. Late in 1959, Life magazine carried a series of articles centering around the theme that the Government should abandon its controls. Reliance on the free market, said the writer, was the solution to the agricultural problem which had sprouted into a national scandal. In the midst of widespread controversy Representative PERKINS BASS of New Hampshire, argued in 1958 that the farm support program had been an expensive failure. He said that "most Americans would be astonished and deeply shocked at what it costs them to carry on this price support program." Politicians, farm organization leaders, farmers themselves, and even professional economists were badly divided. To modify an old saw slightly, it might be said that if all farm advisers were laid end to end they would not reach a conclusion. What, then, is the answer?

In the first place, a most elementary but extremely important observation should be made. Actually, there is no completely satisfactory solution to the farm problem, which, as was emphasized earlier, is really a multitude of problems. Although former President Eisenhower declared that "no cure can be brought about rapidly," most political leaders have been either too fearful or ignorant to admit this situation. This fact undoubtedly accounts for the reason why so many people have become angry, frustrated, and bewildered. Twenty-five years ago it was assumed that most farm problems would vanish when prosperity was restored. People said in the 1930's that if the United States achieved full employment and high consumer purchasing power, the agricultural surplus problem would soon take care of itself.

But these predictions did not take into account the tremendous increase in agricultural productivity after World War II. Using 1947–49 as 100, the index of production per acre rose from 97 to 123 between 1950 and 1960, and from 112 to 189 on the basis of productivity per man hour. Consequently, even a prosperous domestic economy and abnormally heavy sales abroad could not absorb all that American farmers could produce at profitable prices, and problems and maladjustments continued. Many Americans then began looking for a devil on which they could blame the situation. The devil found by Peterson, the writers for Life, and many others was the Government agricultural programs. These critics invariably argue backwards. They say huge wheat, cotton and other surpluses exist because of Federal intervention. This, of course, is not true. The Government farm programs were inaugurated to solve a surplus problem which already existed. Forgetting completely what had happened to farmers prior to 1933 when prices were determined by the free market place, and what would happen again to farm prices if the Government programs were abandoned, these critics would throw out the baby with the bath water. This is rather characteristic of the American temperament. Americans not only like, but demand, absolute, and definite answers to their problems. They chafe under half-answers or partial solutions. When final and satisfactory answers are not forthcoming, they tend to become disillusioned, frustrated, and impatient. This condition could be illustrated in the field of foreign policy as well as with the subject under discussion.

While it seems as though there is no completely satisfactory answer to the farm question, there are several things, none of which are essentially new, which would gradually make the agricultural program less expensive and at the same time be of continued help to farmers.

In the first place, Congress should inaugurate genuinely effective acreage and allotment controls in the major surplus crops until the worst surpluses are reduced. Because of political pressures, Congress and the Department of Agriculture have never tried to enforce allotments which would materially cut the surpluses of cotton, corn, and wheat. Strict cross-compliance should be enforced. That is, farmers should not be permitted to plant idled acres to crops which will produce surpluses in other commodities. For example, idle corn acreage should not be planted to soybeans or sorghums. The soil bank or feed grain program could be extended to help with this adjustment, and changes within these programs might well be worked out to provide greater benefits to smaller farmers.

Also benefits should be greater for actual farmers than for absentee landlords. In the past many nonfarm people have bought farms primarily for the privilege of leasing the land to the Federal Government under one of the agricultural programs. This has been tightened up somewhat, but many abuses resulted under the original administration of the soil bank law. Moreover, reclamation of arid lands for agricultural purposes should be stopped. The cotton surplus problem would be much less serious today if California, Arizona, and New Mexico had not greatly expanded their acreage and production, mostly since 1940. In 1939 those three Western States produced 741,000 bales of cotton compared to 2,536,000 in 1957. Only politics can explain a program for expanding allotments in those States when the Nation already had too much cotton. To do some of the things suggested here would mean taking the farm program out of partisan politics. This may be impossible, but it should be honestly tried.

But, you ask, if farm prices are kept up by effectively curtailing production, when will consumers get cheaper food? The answer is that Americans probably will not get cheaper food, price supports or no price supports. Food is more expensive because of the growing costs between the farmer and the consumer. In July 1961, the farmer got about 39 percent of the consumers' food dollar, compared to 47 percent in 1936. During 1959 most food prices advanced while farm prices generally declined. Retail pork prices are a good example of the situation. Hog prices dropped from about $20 a hundred to around $12, a decline of about 40 percent, but pork at the butcher shop dropped only slightly.

Secondly, the American people should eat up more of the perishable surplus like meat, milk, cheese, butter, and fruits. The wheat surplus cannot be even dented by eating more bread, but this is not true of fruits, vegetables, dairy products, and meat. For these products, the Brannan approach should be tried. Let prices fall to their market level, a condition which would encourage greater consumption; then make direct compensatory payments to farmers. This would provide more and better food to the 7 million low-income families and besides save the cost of storing surplus butter, cheese, and similar products. Net losses by the CCC on dairy products from 1933 up to June 30, 1959, totaled $1,760 million, far more than for any other commodity. If this surplus food is properly distributed there need be no social loss at all. Moreover, oversea exports of food and fiber should be continued and expanded under Public Law 480. In other words, production of certain crops must be curtailed against price-ruinous surpluses and at the same time consumption must be expanded as much as possible. These objectives are not incompatible. In other words, Congress and the U.S. Department of Agriculture must keep chipping away at the farm problem, not with the idea of achieving a completely satisfactory solution but with the objective of rewarding efficient farmers amply for producing abundant food supplies.

The long-range situation is perhaps more encouraging. With a rapidly growing population, more food will be needed. Furthermore, it is not likely that farm production will rise as fast in the next 15 or 20 years as it did between the beginning of World War II and 1955 when total agricultural output increased 35 percent with no expansion in acreage. At the same time, a great deal of land is being taken out of production. About 1 million acres are being absorbed annually in urban expansion, highway building, and other nonfarm uses. Therefore, it is logical to assume that the ever-increasing burden of surpluses will begin to taper off before too long. In fact, it already appears as though the situations in cotton and dairy products are improving. Meanwhile national policies must be followed which will give agriculture, a vital part of the whole economy, fair treatment. Lawmakers and the general citizenry should not become panicked by charges that price-support programs have become unbearable. Total losses of the Commodity Credit Corporation for price-support operations up to June 30, 1960, amounted to $8.5 billion. The U.S. Government spent about $814 billion between 1946–59. In other words, price-support operations have cost approximately 1 percent of the Federal expenditures in that period. To throw out the farm program without substituting anything constructive for it is to admit that a free people cannot solve their economic problems. This is an indictment of representative government which intelligent Americans must refuse to accept.

COOPERATION OF STATE'S AGENCIES IN ITS ECONOMIC DEVELOPMENT

Mr. HICKEY. Mr. President, during the last 18 months I have been privileged to serve the people of Wyoming from back here in the Senate by working with the Wyoming Natural Resources Board. As Governor of Wyoming, I participated in the development of the Opal project of the El Paso Natural Gas Co., the pilot stage of the Food Machinery Co. plant in Kemmerer, the initial phases of the Geneva Steel Co.'s steel development in the South Pass, Lander-Riverton area of Wyoming which is fast approaching completion, and the Green River-Trona explorations, together with many other projects now contributing to Wyoming's economy. The board, through its director, Mr. J. A. Buchanan, who is presently in the Capital City working on additional projects for Wyoming's future, invited me to a luncheon today, which was called a congressional luncheon, given by the Association of State Planning and Development Agencies.

The Wyoming Natural Resources Board is a member of this organization. The principal address at the luncheon was given by the Honorable BENJAMIN A. SMITH II, the Senator from Massachusetts, and I ask unanimous consent that Senator SMITH's address be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit I.)

Mr. HICKEY. Senator SMITH's address impressed me particularly because of a statement contained therein which stressed the need for participation by the local, State, and National Governments in the development of an individual area. He pointed out the advantages realized from the efforts of the universities and colleges in a State when these are directed toward the development of the State's economy.

I consider especially important this statement by Senator SMITH, "If we are to maintain the strength of our economy, we must begin today to bring tomorrow's industries to the State."

This particular challenge given in the address by Senator SMITH I know will be heard by our Wyoming Resources Board. This agency, in cooperation with my alma mater, the University of Wyoming, I am sure will provide the same type of climate in Wyoming as the Massachusetts group, working in cooperation, has provided there, and thus permit us to obtain some of the research and development contracts for Wyoming which can be justified economically, by reason of the location there of the Atlas missile site and the forthcoming Minuteman missile site, with their electronic requirements. Future operations might well be located in various cities throughout the State not now participating in such programs.

EXHIBIT I

ADDRESS BY SENATOR BENJAMIN A. SMITH II

President John T. Burke, on behalf of my colleagues in the House of Representatives and in the Senate, I wish to extend to the directors of the 50-State economic development and planning agencies a most hearty welcome to the U.S. Capitol. It is most fitting that you who have the direct responsibility for the economic development and planning of your respective States should meet with your elected representatives in the National Capital.

Each one of us sitting in the House and Senate has a dual responsibility. It is first to make the laws for our Republic, and second to aid the economic development of our particular State or district. In the latter role we accept a very broad concept of economic development, as distinguished from the rather narrow plant location phase.

At the Federal level almost every program has an important bearing on the economic development of the States. From the Federal highway program to the Army civil works program—from the small business loans to the defense procurement program—from the space program to area redevelopment—all play a role in State economic development.

We, on Capitol Hill, are your partners in the comprehensive job of development. Together we shall stimulate the economic growth rate of the Nation and our respective State economies to new and unprecedented levels.

Your national association under the leadership of our highly esteemed Massachusetts commissioner of commerce, John Burke, and your able executive vice president, Paul Menk, is recognized here in Washington as an authoritative voice on national economic development. From Capitol Hill to the White House the counsel of your association leadership is eagerly sought.

During the time I have been in Washington, I have been privileged to work on a number of projects to help the economy of my own State of Massachusetts.

These included bringing the Army Quartermaster Research and Development Laboratory to Natick, securing assistance for the cranberry growers from the Department of Agriculture, and getting electronic firms to consider locating plants in areas of substantial unemployment within the State.

These projects, ranging from agriculture to electronic, span a wide range of industries. They also indicate the variety of problems which confront all of us today in our efforts to build the economies of our States and districts. Two other projects which I worked on show, I feel, two areas which will be of particular importance in the future.

One of these was to convince the National Aeronautics and Space Administration that they should locate space projects in the greater Boston area. This area has one of the top concentrations of scientific and academic manpower in the country in its colleges and universities. It also has a good transportation network, rapid connections to other parts of our country and the rest of the world, and ready access to the ocean. All of these are of primary importance in bringing space age industries to a community.

I spoke personally to the Space Administration on this matter. I also helped form a Massachusetts Citizens' Committee for the Location of Project Apollo's Moon Research Laboratory in the Bay State, composed of business and civic leaders. We were unable to get the Apollo laboratory in Massachusetts but our efforts brought other Apollo contracts to the State. Recently, Raytheon and the A. C. Sparkplug Division of General Motors were given a contract to build the Apollo guidance system. I feel confident that we will get first consideration in the future for more of this work because of the efforts we have made to sell NASA on Massachusetts' qualifications for space age industry.

This industry is the Commonwealth's investment in the future. In recent years, the towns and the State government have done an excellent job of building our economy by using Massachusetts' resources of skilled manpower and education to attract electronics and other industries. We cannot, however, afford to stand still. Massachusetts still has areas of substantial unemployment. If we are to get rid of these and maintain the strength of our economy we must begin today to bring tomorrow's industries to the State.

One other project which I have worked on that I know is of importance to all of us here today has been to arrange conferences in Washington between local officials from Massachusetts and the Federal agencies they must deal with.

These agencies are playing an increasingly large role in the economies of our States and districts. Earlier, I mentioned some of the Federal programs which affect our communities. Under the Kennedy administration, Congress has passed two new programs to help preserve the economic strength of the country. These are the Manpower Development and Retraining Act passed this year and the Area Redevelopment Act. Both are of primary importance to my own State as well as many others across the Nation.

I invited local and town officials from all parts of Massachusetts to come to Washington and learn firsthand what the Federal agencies could do to help them. Through roundtable discussions with department officials they were able to learn in 1 day of a variety of different programs which could help their communities.

This is the type of Federal-State cooperation which will become increasingly important in the future. The means to build stronger communities and through them, a stronger United States, are in all of our hands. It is up to us to see that we get together and use them.

THE U.S. AND THE U.N.: AN AFFIRMATIVE VIEW—ADDRESS BY SENATOR JAVITS

Mr. COOPER. Mr. President, today the distinguished senior Senator from New York [Mr. Javits] delivered a speech before the National Press Club. The subject of his speech was "The U.S. and the U.N.: An Affirmative View."

I have had the pleasure of reading it, and I hope all other Members of the Senate will take advantage of the opportunity to read the speech in the Record. I am sure many persons throughout the country will read this excellent address with interest. It sets out in perspective the purposes of the United Nations, its operations, its functions, and the possibilities it holds for the future.

The subject has been of concern and interest to the people of the country for a long time, particularly this year, when some have expressed opposition to the United Nations and its functions. This very fine speech will enable Members of the Congress and people throughout the country to have a better understanding of the United Nations and its functions in the world, and also the possibilities it holds for our country and its aspirations.

I ask unanimous consent that the speech be printed in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

The U.S. and the U.N.: An Affirmative View

(By Senator Jacob K. Javits)

If the radical rightists have even come close to achieving any of their misguided aims today, it is this: they have shaken the faith of many Americans in the United Nations.

I do not believe this is an overstatement. Indeed, history may prove that I may be understating the case.

I express this concern not because the radical right is increasing its attack on the United Nations and demanding our withdrawal from it or because of the number of such letters which have begun to come into congressional offices. This, in itself, is expected and might not be so dangerous, but along with it, there is an increasing tendency among some of our most responsible public officials to downgrade the United Nations.

There is a feeling that somehow the United Nations is a necessary evil and that we're stuck with it. We have begun to hear more and more the assertion that the U.N. is only one aspect of our foreign policy structure; and that because it has fallen short of our expectations, we must look elsewhere to some new "concert of free nations"—perhaps an exclusive club—leaving out the Communist bloc or the neutralists.

There are responsible Americans who are expressing this position—among them some of my Senate colleagues. Even the State Department has on occasion been on the defensive on the United Nations, seemingly more interested in trying to justify our membership in it than in demonstrating militancy about our support of it.

I believe that to downgrade the U.N. is not only damaging to the U.N., but also to our national interest and to our long-range strategy of peace leadership and victory in the cold war.

I consider it sad that even the friends of the U.N. today hesitate to say that the U.N. is our best hope for peace. I say that today with no ifs: The U.N. is our best hope for peace.

We live in a highly combustible world and we all know it. We live amid mounting crises, complex challenges, clashing ideologies, a spiraling arms race, real and intangible walls, wars and revolutions. The easiest approach is to abandon our long-range goals, cut down on our aspirations, rely on our defenses and our defense alliances, and operate from crisis to crisis. The simplest way to avoid frustration—and our responsibilities—is to withdraw from the United Nations.

But that is the course of cowards.

I believe Americans have the courage to pursue a more difficult strategy in the cold war—a strategy geared to a continuing struggle of enormous proportions, involving many facets over a long period.

The United Nations is an integral part of that strategy. It represents the vision of tomorrow, the symbol of the world law we seek; it is the basis of prestige and responsibility for the newly formed nations in Africa and Asia; it is the best guarantee against precipitate territorial change, the most direct cause of major war; and it is the best instrument and auspices for ultimate disarmament with inspection and control.

If we begin to dilute or lower or compromise our aspirations for the U.N. today, we cannot expect an effective world organization tomorrow.

Of course, we must rethink the U.N.'s function from time to time. As circumstances change, so must institutions. And the past 16 years have wrought changes unforeseen by those at San Francisco who drafted the U.N. Charter in 1945, even at the time admitting that it was an imperfect world organization.

The U.N. has changed, to be sure, but it remains indispensable. It is by now a truism that the U.N. is not a collective security system on a world scale—though it has settled and avoided enough conflicts which could have grown to major proportions to justify its existence on that ground alone. But it is now a world parliament capable of rousing the world where it cannot defend it against aggression or injustice—the basis for a rule of law and the prime influence inspiring responsibility as well as authority to the world's new nations, which will determine whether freedom or communism prevails in the world.

Who can say whether this new role is not even more important—indeed, I believe it is—than the collective security role designed in 1945 and based on a Security Council conceived as an instrument of unity "in spirit and in purpose" with our allies in World War II? This was undone by Soviet use of its veto in a way never contemplated in 1945.

In rethinking the U.N.'s function, we must not lose sight of our own objectives. We must not forget that the success of the U.N. and the success of U.S. foreign policy objectives is one and the same. President Eisenhower made this historic pledge before the U.N. General Assembly in September 1960 and President Kennedy backed it up in September 1961.

The challenge is not to find ways to rely less on the U.N.; but to find the means to rely more on the U.N., as it becomes ready for new tasks.

The notion that the U.N. must be used only if it fits special circumstances or only when we can predict what action it will take is neither consistent nor constructive. The U.N.'s job is peacekeeping, and it cannot select only those trouble spots which seem easiest to handle, because the trouble spot on which it may turn its back, whether in Africa or southeast Asia, may be the very one to bring on world disaster. If a situation involving international peace shows signs of deteriorating to war, it would be unthinkable not to give the U.N. a chance at it.

Where it needs improving and strengthening, let us determine what changes we believe to be best, propose them, and do our best to sell them to the world. If we believe that the U.N. must have a permanent well-trained, carefully selected peacekeeping force, let us press for one. If we believe the U.N. needs better machinery to manage peacekeeping forces and for mediation and observation, let us make specific proposals to this end. If we do not feel the "one vote, one member" rule in the General Assembly is just, let us seek to change it and call for weighted voting. Let's be affirmative, not negative.

Those who raise questions about the U.N., and suggest no answers, and then rush to cast their lot wholly with institutions less broad in purpose or coverage, fail to see beyond today's crises. I support alliances for security and regional cooperation—and so does the U.N. Charter. But we cannot fool ourselves into thinking that these alliances alone will fulfill our long-range hopes and purposes. By the very nature of their limitations, they cannot. They can and do play a vital role in maintaining some balance of power in a world which has not yet accepted the disciplines of the rule of law, but they cannot provide us with permanent peace other than the standstill of the balance of terror.

One leading critic of the U.N. has said that the U.N. is just a dream, that we must have more modest aspirations. What kind of spirit is influencing America today that makes some of our most distinguished citizens afraid to reach for a difficult goal—to seek the realization of a great dream? As the poet Arthur O'Shaugnessy said, "Each age is a dream that is dying, or one that is coming to birth."

It is important to examine some other charges made against the United Nations, indeed, some of which were made from this same platform.

1. It is alleged that the executive branch has sometimes tried to shift the role of decision-making to the United Nations.

No one has yet been able to back this charge with any evidence. No one has shown a single case in which the United States has asked the U.N. to do something which the United States by itself could not do better. The record thus far indicates that only on rare occasions has this country been unhappy with the results of a U.N. vote. It has been in the implementation of U.N. decisions that we have often felt frustrated. The affirmative approach is to concern ourselves not alone with the decisions, but with ways of improving the ability of the U.N. to implement decisions once made.

2. It has been said that the "cold war" may destroy the United Nations if that organization becomes one of its main battlegrounds.

The fact is that we and the Russians have used the forum of the U.N. as a battleground for the cold war since its inception. The pressure is on the side of terminating the bickering in favor of constructive progress like that made in the treaty on Antarctica and the peaceful uses of the atom, in fields such as economic development, outer space, disarmament, and human rights. What is sorely needed are attitudes and proposals which rise above the cold war and transcend it, such as the outer space treaty first proposed by President Eisenhower or the peace race proposal by President Kennedy last fall.

3. It is said that we should not push the U.N. into the fireman's suit unless we are sure the alternatives are worse.

The fact is that in the two cases where the U.N. has mounted a fire brigade operation (Suez and the Congo), the alternatives were worse. In the Suez dispute, it was not the U.N. Middle East force that got the British, French and Israelis to withdraw, but it was the fact of the availability of a U.N. force that allowed such a withdrawal. After they decided to withdraw, the U.N. force was set up to give them a means of withdrawing without having to deal directly with President Nasser. The United States made its decision on Suez independently of the U.N. Was there an alternative other than allowing the occupation of Suez with an inevitable, undesirable Algerian-type guerrilla war? There was an alternative of U.S. intervention. But this would clearly have been worse. The trouble with Suez was that we failed to exact from President Nasser an adequate commitment for an open Suez Canal and an end to boycotts, blockades and provocations.

In the Congo, the evidence was incontrovertible that the Soviet bloc was ready to move in. What was the alternative to U.N. action? The only alternative was direct U.S. intervention. That surely would have been more costly than a U.N. operation and it would have resulted in a dangerous confrontation between the two superpowers analogous to the Spanish Civil War of the 30's. Let us remember, for instance, that the confrontation in Korea cost the U.S. $18 billion and tens of thousands of casualties.

What we ought to be doing is to ask ourselves what lessons are to be learned from the Suez and Congo operations. Does it make sense to wait until the crime has been committed before we organize the police force? Is peacekeeping so simple that we can afford to assemble volunteers hastily and throw them into a hot spot solving the problems of supply, transportation, recreation, pay scales, language, authority, and financing as we go along? Contrast this with the time, men, money, and training that go into maintaining a constant state of readiness of our U.S. Forces. Rather than bemoan the inadequacy of past and present U.N. peacekeeping operations, we ought to be carefully determining for ourselves what we feel would be better next time and proposing it to our fellow members of the United Nations.

4. It is charged that there are too many votes on too many issues in the U.N.; and that everyone talks too much.

This is the most curious of complaints, especially in view of the fact that the United States has never suffered defeat on any vital vote in 16 years. But more than that, the complaint fails to recognize that as a world forum, a political arena, the U.N. is the closest thing we have to a parliament of man. We can no more discourage discussion than we can make the U.N. go away by ignoring it—or disband the U.S. Senate for the same reasons.

5. It is said that the U.N. gets a disproportionate amount of press, radio, and TV coverage in the United States.

To an audience of journalists, I am probably treading on ticklish ground, but I submit that with notable exceptions, there is actually less than enough analytical and interpretive coverage of the affairs of the U.N. as contrasted with events in Washington. Indeed, coverage of the many constructive social and economic programs of the U.N.'s specialized agencies hardly measures up to the great international efforts involved.

Admittedly, there might be fewer headlines in U.S. papers if the U.N. were moved from New York to say, Geneva. But there would not be fewer headlines in the newspapers of member countries, especially Afro-Asian countries, who consider the U.N. as their principal means of self-expression, and their principal status position in the world. Moreover, their speeches would not be reduced, if the U.N. were abolished. They could and would still gather at Bandung or Belgrade—with results much less helpful to our side.

6. It has been said that our U.N. delegation plays a larger role in policymaking than our representatives to NATO or to major capitals.

It seems to me patently absurd to say that a representative who is in constant contact with official representatives of 104 nations should have no greater role than those who deal daily with but one of the 104. Our Ambassador to the U.N., whether it is Henry Cabot Lodge or James J. Wadsworth or Adlai Stevenson, speaks for the United States to 103 nations and must maintain diplomatic relations with the 103 nations rather than one alone.

An ambassador to an organization dedicated to "saving succeeding generations from the scourge of war" can hardly be accused of playing too large a role in shaping our national policy. One must have a fuzzy perspective to make that charge without recalling the warning of President Eisenhower regarding the influence of the military-industrial complex in shaping our national policy.

7. It is charged that we have given too much weight to world opinion in our decisionmaking to the detriment of our ties with the Atlantic community.

I suggest the opposite has more often been the case. On the colonial issue, until recently, we voted with our allies or abstained despite the overwhelming sentiments against colonialism in this country and despite the adverse effect that our votes had on public opinion in a very large part of the world. Where we have differed with our allies, it was because they did not have tenable long-term positions, as in Suez, the Congo, Algeria, and Angola. To say that we have permitted the neutral nations to influence our policy and alienate our old allies is to say we should give our NATO partners a blank check and that we must support their foreign policies, regardless of whether they are inconsistent with our national interest and objectives. Even Britain and France can on occasion indulge the luxury of standing aside; given our world responsibilities and the new balance of forces in the world, we cannot.

World opinion is certainly a factor in policymaking, but it can and should never transcend our national interest. We have recently resumed atmospheric testing of nuclear weapons—a decision I supported—despite what we know to be adverse world opinion. And let us remember that the U.N. is only one forum from which such opinion is heard. Shutting down the U.N. would not mute protests, for example, over atomic weapons testing.

Here again there is an affirmative side. Modern communications have democratized the processes of government both internally and externally. This is a healthy development. Rather than bemoan the challenge of world opinion, we should recognize this new dimension of international relations and utilize the communications talents for which we are well known to win men and women around the world to the principles for which we stand.

8. It is said that the voting system in the General Assembly is inequitable.

I share this view. Certainly, when nations the size and power of the United States, the United Kingdom, and the U.S.S.R. can be outvoted by four tiny nations, it does not conform to our ideas of proportionate representation or to the power realities of the world. Moreover, although the U.N. Charter assigned power to the Security Council and gives the General Assembly merely recommendatory power, the years since San Francisco have seen a decline in the use of the Security Council and a growth of the General Assembly's influence—witness the sweeping change introduced by the Uniting for Peace resolution of November 3, 1950.

Nevertheless, imperfect institutions have often shown surprising viability—take our own Senate, where 1 voter in Alaska has the weight of 80 voters in my State of New York in electing 2 Senators. The proof of the pudding is in the eating; and on virtually all the issues of great moment, especially in the cold war, the United States has found itself in the company of the great majority in the General Assembly.

As long as our basic aims are seen by them as being compatible with their own—as those of the U.S.S.R. are not—this should remain true. It will be possible one day to rationalize the voting system in the General Assembly, making it more equitable and possibly more effective, but meanwhile, it is only fair to say that the present system has not yet operated to our disadvantage in the 17-year history of the U.N.

What we should go about doing is working out a new two-thirds majority with the Afro-Asian bloc, the Latin American bloc, and the Western bloc, even if there be excluded entirely the Communist and neutralist blocs. There are still enough nations to do this whose ideas are in the generally same frame of reference as far as the United Nations mission is concerned.

9. Finally, there is the argument that we should not exaggerate the U.N., that it should be downgraded in our foreign policy structure.

This is the most pernicious because it represents a concession to the radical right; and indeed, to the radical left, too, which is just as interested in seeing the United Nations undercut.

Downgrade the U.N.? How can one downgrade an organization which represents the one and only institution today binding together, no matter how imperfectly, most of the family of man? How can one exaggerate an institution that brings together 14 specialized agencies dealing with such fields as world food, labor, health, trade, and finance?

It is expected that 60 nations will have pledged by the end of this year $100 million to the U.N. bond issue. Can we fail to acknowledge that in the whole history of collective security, nothing could represent a more tremendous demonstration by the various countries of their faith in the United Nations, and their aspirations for a world rule of law?

It strikes me as rather tragic that the United States, which was the first to ratify the U.N. Charter, will possibly be the last to make its pledge to the U.N. bond issue. Those of us who take pride in the role of United States as peace leader of the world have reason to question whether we have forthrightly accepted the mantle of moral leadership.

At the time of Senate ratification of the U.N. Charter, Senator Vandenberg said: "You may tell me that I have but to scan the present world with realistic eyes in order to see these fine phrases often contemptuously reduced to a contemporary shambles, that some of the signatories to this charter practice the precise opposite of what they preach even as they sign, that the aftermath of this war seems to threaten the utter disintegration of these ideals at the very moment they are born. I reply that the nearer right you may be in any such gloomy indictment, the greater is the need for the new pattern which promises at least to try to stem these evil tides. If the effort fails, we can at least face the consequences with clean hands."

MEDICAL CARE FOR THE AGED

Mr. HUMPHREY. Mr. President, in this morning's Washington Post and New York Times, there appear two editorials supporting the King-Anderson medical care for the aged bill which I ask be placed in the RECORD at the conclusion of my remarks.

The Washington Post editorial takes exception to the attack that was made on the King-Anderson bill by the American Medical Association in its television broadcast of this past Monday evening. The Washington Post comments that the American Medical Association condemns the King-Anderson bill for not providing enough medical hospital care when in fact the American Medical Association wants it to provide none at all.

Now, Mr. President, the American Medical Association is certainly entitled to vigorously oppose the King-Anderson bill. But I maintain that it cannot play it both ways. It cannot argue that the bill does not go far enough and does not cover enough people and does not cover physicians while at the same time arguing that we do not need any bill at all and that there is no need for such legislation. No one is maintaining that the King-Anderson bill is the complete answer. Admittedly, it does not cover all of our elder citizens or provide for complete payment of hospitalization care. But it would definitely go a long way toward meeting the acute problem that exists today and which plagues hundreds of thousands, indeed millions of our older citizens who live in fear of the day they may have a prolonged illness and see their hard-won earnings wiped out practically overnight.

In this connection, I ask unanimous consent that at the conclusion of my remarks there also be placed in the RECORD a short summary as to the number of our elderly citizens, the medical costs they face, and what the King-Anderson bill provides.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. The American Medical Association in its Monday television program said speaking through its President, Dr. Leonard W. Larson, that the administration's medicare proposal would deprive older people of "the American system of medicine, based upon the private doctor treating the private patient."

Mr. President, this statement of Dr. Larson's is simply not true. The King-Anderson bill has nothing to do with the services of physicians. Dr. Larson knows this and the American Medical Association knows it. I cannot understand why they continue to preach such falsehoods instead of making an argument based on the facts, not on wild figments of their imagination.

As a matter of fact, there is a provision in the bill which expressly and specifically states that there shall be in all of these matters freedom of choice. Particularly is it true in terms of hospital and nursing-home care.

The bill does not apply to physicians' fees, or any relationship between the physician and patient, except insofar as the patient's stay in the hospital is concerned. The period of the stay shall be governed by the advice and the action of the doctor. This is to make sure that there is no abuse of the system of hospitalization or nursing-home care. The patient will be under the professional services and observation of the patient's own doctor. The patient must pay the doctor's bill. The King-Anderson proposal does not provide for the payment of doctors' bills. It provides for the payment of hospital bills and diagnostic services and for nursing-home care and home services.

Mr. President, the medicare bill does not provide for payments to doctors nor does it have anything whatsoever to say about which doctor an elderly person receiving social security benefits shall go to. This is a matter for the individual citizen to determine. Congress has no bill before it which would deprive the American citizen of this right to choose his own physician. And we do not intend that this shall be the case at this time or at any time in the future.

I might add that when the so-called Kerr-Mills bill was before the Senate I attempted to make sure that there would be no denial of freedom of choice with respect to the physician or other members of the healing arts, by offering such an amendment. I regret to say that the legislation passed by Congress at that time, known as the Kerr-Mills Act, did not give that assurance. There are many patients today being cared for under the terms of that legislation, which is now vigorously supported by the opponents of the King-Anderson bill, who are not given freedom of choice either with respect to the hospital or the doctor.

I am sorry that the AMA is throwing up such smokescreens and refuses to debate the bill on its merits.

Rather than taking my word as the final testimony on the subject, I suggest that the editorial to which I have referred, published in the New York Times, and the editorial published in the Washington Post, stand as additional evidence of the accuracy of my comments.

I particularly call attention to this paragraph from the Washington Post editorial:

> We think there is no justice at all, however, in the attack on the King-Anderson bill made by the AMA on Monday night. The AMA condemns the bill for not providing enough medical and hospital care when in fact the AMA wants it to provide none at all. There is nothing to support the AMA argument that this proposal "will lower the quality and availability of hospital services throughout our country. It will stand between the patient and his doctor. And it will serve as the forerunner of a different system of medicine for all Americans."
>
> The President was careful to say on Sunday that "this bill does not solve everything." Indeed it does not.

The quotation I have read from Dr. Larson appeared in an AP dispatch under date of May 21. It reads as follows:

> Dr. Leonard W. Larson of Bismarck, N. Dak., association president, said the administration's program would deprive older people of "the American system of medicine, based upon the private doctor treating the private patient."

Mr. President, I submit most respectfully that that statement is not correct. I know the distinguished doctor referred to. There is nothing in the bill which would deprive the patient and the doctor of their privacy or their intimate relationship, or the right of the patient to choose his own doctor.

Such misleading statements should not go unchallenged. We are talking about a system of social insurance which has its own limitations. Someone might wish to attack the proposal on the ground, I suppose, that it is a difference of judgment as to whether this kind of insurance program is desirable, or on some other ground. However, to try to indicate that this program deals with doctor's service in one breath, and then in the next say one of its weaknesses is that it does not cover physicians' costs and care, it seems to me shows the weakness of the whole argument.

I ask unanimous consent that the editorials be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

FACTS ON MEDICARE

Citizens over 65: Today there are 17½ million. By 1967 there will be 20 million. By 1972 there will be 23 million.

Older citizens face high medical costs: Nine out of ten people over 65 will be hospitalized. Two out of three people over 65 will be hospitalized two or more times. Older people use almost three times as much hospital care as younger people.

Hospital costs rising: Hospital cost averaged $9 a day in 1946. Today it averages $32. Average stay for those over 65 is 15 days.

King-Anderson provides full hospital coverage up to 90 days a year with patient paying $10 a day for first 9 days; full nursing home coverage up to 180 days after patient has left hospital; outpatient diagnostic services done at hospital with patient paying $20 for each study; full payment for visiting and home health services up to 240 visits a year.

Cost of King-Anderson: Increase of one-fourth percent in social security tax by employees and employers on first $5,200 of income (tax is currently on first $4,800 of income). Cost to average worker would be $12 a year.

Coverage: Covers immediately 14.7 million persons now over 65 who are receiving social security benefits. Would cover 95 percent of today's wage earners on reaching 65.

"Poverty-oath" assistance not the answer: Only covers very poorest. Requires humiliating poverty test. Danger of poor facilities due to limited State tax resources. No free choice of hospital or doctor in many States. Most States have not adopted program under Kerr-Mills. Most of existing State programs are meager. Heavy drain on Federal budget—$280 million in fiscal year 1961 which will rise to estimated $412 million is fiscal year 1963.

EXHIBIT 2

[From the Washington Post, May 23, 1962]

RALLY FOR HEALTH

The 33 monster rallies held all over the country on Sunday to promote a social security program of health care for the elderly—linked together by television and addressed by the President of the United States who personally attended the biggest of them all in Madison Square Garden, New York—afford an object lesson in the way the democratic process works in the United States. A visitor from Mars or from Soviet Russia could learn more about American politics from this phenomenon than from a score of textbooks on political theory. For good measure, he might also study the television riposte by the American Medical Association.

These appeals to public opinion illustrate the degree to which government by the consent of the governed is dependent upon the mobilization of consent through leadership. In prodding the public to move in a direction he believes consistent with the general welfare, Mr. Kennedy is discharging the first function of the Presidency. Leadership is no less vital in a democracy than in a dictatorship; the difference is that it must be exercised through persuasion rather than coercion, and it leaves ample room for opposition. The AMA, according to its lights, was displaying leadership, too.

The President began his speech by reminding his audience that he comes from Boston, near Faneuil Hall, "where for a whole period of years meetings were held by interested citizens in order to lay the groundwork for American independence" and went on to say "it's most appropriate that the President of the United States, whose business place is in Washington, should come to this city and participate in these rallies, because the business of government is the business of the people, and the people are right here." He ended by asking for popular support—the indispensable condition for democratic progress.

There were some 17,500 persons crowded into Madison Square Garden in Sunday's sweltering heat, most of them in their sixties and seventies. There was plenty to remind them of the hysterical hopes raised for the elderly by Dr. Francis Townsend a quarter-century ago. The failure of those hopes made political realism a moral imperative for the President. Considering the emotional atmosphere of the occasion, the political overtones of the controversy and the recklessness of the attack made by the AMA on the administration's health care program, the President's extemporaneous speech was singularly free from demagogy.

Nevertheless, there is a measure of justice in the Republican reproach—voiced on Sunday, for example, by Senator BOURKE B. HICKENLOOPER in his capacity as chairman of the Senate Republican policy committee, that the administration is "flying under false colors" by plugging its proposal as a "medical care plan." Terminology presents a tricky problem in this controversy, as this newspaper learned to its sorrow the other day when it fell into one of the terminological pitfalls.

We think there is no justice at all, however, in the attack on the King-Anderson bill made by the AMA on Monday night. The AMA condemns the bill for not providing enough medical and hospital care when in fact the AMA wants it to provide none at all. There is nothing to support the AMA argument that this proposal "will lower the quality and availability of hospital services throughout our country. It will stand between the patient and his doctor. And it will serve as the forerunner of a different system of medicine for all Americans."

The President was careful to say on Sunday that "this bill does not solve everything." Indeed it does not. It covers most people but not all people over 65. It is based on a system of prepayment through taxation during working years for benefits to be received as a matter of right in old age but it is not, strictly speaking an insurance program. It provides among its benefits hospital care up to 90 days with a requirement that the patient pay for the first 9 days at $10 a day, nursing-home services up to 180 days and home health services up to 240 visits a year; it includes in the hospital care X-ray and laboratory tests and the services rendered in the hospital by interns, residents, pathologists, radiologists, anesthesiologists and physical medicine specialists but it does not cover ordinary charges by private physicians and surgeons.

What shall we call this limited, inadequate, cautious approach to one of the critical problems of old age? It is a far cry from complete protection against the hazards and expenses of illness. It is a far, far cry from "socialized medicine," that perennial bugaboo of the AMA. The best that can be said about it is what the President has said—"it will begin."

[From the New York Times, May 23, 1962]

THE CASE AGAINST MEDICARE

Curious contradictions mark the arguments the American Medical Association and the Republican congressional leadership have put forward against the administration's program of medical care for the aged through social security. The White House bill is criticized for covering too many elderly persons and for covering too few. The part of total health bills it will pay is derided as inconsequential; its potential costs are called too heavy to be borne.

The one charge that emerges with clarity is the common belief of its foes that the program is intended to open the door to socialized medicine. If this is the real objection, it would apply with greater force if the plan covered physicians' fees, instead of being limited as it is to payments for hospitals and nursing homes.

Fifteen million of the country's 18 million aged would be eligible for benefits if the King-Anderson program became operative at the start of 1964. Its payroll tax system of financing would not interfere with continued care of the indigent under the present Kerr-Mills law. The inadequacy of that measure as a total answer is demonstrated by the fact that it provided benefits for only 86,000 persons—three-quarters of them in four States—in March, a year and a half after it went into effect.

We see no more reason to believe that the application of social security principles to the health needs of the aged will prove a hoax than the basic Social Security Act did when the same term was applied to it by the opposition in 1936. An option for cash benefits to those who preferred private health insurance coverage might have merit, if this could be done without leaving all the poor risks in the Government fund and thus upsetting its cost estimates. Governor Rockefeller has proposed such an option, but his plan is an orphan so far as the Republican members of the House Ways and Means Committee are concerned. They appear split between the Kerr-Mills law, with its means test, and the much worse Bow bill, a lineal descendant of the something-for-nothing Townsend plan of 30 years ago. The King-Anderson bill is preferable to either.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORTON. I am pleased that the Senator is making this statement. It is an important point to get across, namely, that the bill does not cover doctor's fees.

Mr. HUMPHREY. That is correct.

Mr. MORTON. The Senator has put in the RECORD as a part of his remarks an editorial published in the Washington Post.

Mr. HUMPHREY. Yes.

Mr. MORTON. About 2 weeks ago the Washington Post published an editorial entitled "Pay Doctor's Fees." It was editorial support for the proposed legislation. If the editors of the Washington Post are so confused that they think the bill would pay the doctor's bills, then indeed the people must be confused. The Senator has done a great service in pointing out that it does not provide for paying doctor's bills. I appreciate very much the comments of the Senator.

Mr. HUMPHREY. I may say that the Senator from Minnesota has been pointing this out for 13 years.

Mr. MORTON. The editors of the Washington Post did not catch it until 2 days ago.

Mr. HUMPHREY. Not only did the editors of the Washington Post not catch it, but a great many other people did not want to catch it either. If a person is going to oppose a proposal, he should at least know what is in it. That does not mean that one needs to understand it fully; but he ought at least to be able to relate it or articulate it. What the senior Senator from Minnesota has said in meeting after meeting, speech after speech, radio broadcast after radio broadcast, and bill after bill, is that the proposed program is a hospital and nursing-home care program. It is what we call a home services program. It offers diagnostic service.

It does not provide for the payment of doctors' bills—and that, according to the opposition, is one of its limitations. It does not provide for full payment; it provides for partial payment of even hospital costs. For the first 9 days, the patient must pay $10 a day. Likewise, for diagnostic studies, the first payment of $20 must be paid by the patient. There are other payments involved which are required to be paid by the patients. These are some of the limitations of the bill. However, I think they were included in the bill to make certain that there would be no abuse of the system, and also because it is our view in this country that people ought at least to make a determined effort to pay their way.

This is not a charity program; it is a program of insurance, exactly like any other program of insurance. It is similar to a provision in an automobile insurance policy which we call the $50 deductible provision. The person pays the first $50 himself; then, if he is covered by the policy, his insurance company will make good the amount above $50.

The health insurance program is, in a sense, a kind of deductible program. If those who are critics of the program wish to make a valid criticism, this is one place where the criticism might rest.

Mr. MORTON. The Senator from Minnesota has made a good contribution to the discussion of the subject, which will be hotly debated. I appreciate his saying what he has said. I hope his remarks will receive wide publicity.

Mr. HUMPHREY. I thank the Senator from Kentucky.

Mr. GORE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Yes, I am happy to yield to my good friend from Tennessee.

Mr. GORE. What limitations are there in the Kerr-Mills law, if it is fully implemented by the State legislatures?

Mr. HUMPHREY. Only the limitations of eternity and outer space.

Mr. GORE. Can the Senator from Minnesota name a single ailment, predicament, malady, injury, or person who would not be eligible under the Kerr-Mills law?

Mr. HUMPHREY. I think the Senator from Tennessee has covered the field completely. The Senator is correct. Under the legislation passed 2 or 3 years ago—3 years ago, I believe it was—which is now so fully supported by the opponents of the President's hospital and nursing-home care program, a person has available to him a wide-open ticket. It covers any and all things from chilblains to cancer; from an ingrown toenail to a brain concussion; and from an aching back to an aching stomach.

Mr. GORE. Does not the Kerr-Mills law provide that doctors' bills will be paid by the Government?

Mr. HUMPHREY. It certainly does. Yet those who are opposed to the social security approach, under which the individual would pay his bill through a social insurance system, the opponents of the King-Anderson bill, holler "socialized medicine"; yet they are the same ones who support the other proposal, known as the Kerr-Mills Act, which provides for a system of "Come and get it," which is a complete Government payment.

Mr. GORE. I believe the Senator, from his family experience, knows that babies sometimes get their days and nights mixed up; they cry all night and sleep all day.

Mr. HUMPHREY. Yes; I can recall that. It has not been so long since we had a youngster of that age around the house.

Mr. McCARTHY. Even in the change to daylight saving time, children become upset.

Mr. HUMPHREY. Yes.

Mr. GORE. To hear this subject debated by mature men and women, one would think that day has become night, and night has become day.

Mr. HUMPHREY. There are none so blind as those who do not wish to see.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McCARTHY. I commend the Senator for stating the case so clearly again; but I could not compliment him for having done so for the first time, because he has been trying to make the situation clear for many years.

Mr. HUMPHREY. I have.

Mr. McCARTHY. Some Senators who are opposed to the bill feel that it is a kind of revolution; yet it is what we have been talking about for 4 years.

Mr. HUMPHREY. The Senator is entirely correct. Every once in a while someone comes forth and says, "I am pleased to hear someone explain what is in the bill." Of course, there is no rule against the opposition reading the bill; it is not even wrong to try to understand it.

Mr. McCARTHY. The opponents of the King-Anderson bill say, "Now you admit that the potential of the Kerr-Mills law is great." We always did admit the potential; it was the actuality we were concerned about, was it not?

Mr. HUMPHREY. The Senator is correct. I can recall statements made in the debates on the Kerr-Mills bill that the cost of its operation could run into astronomical figures. In fact, even with limited participation for the coming year, I believe the budget request for fiscal 1963 is more than $400 million.

Mr. McCARTHY. That is correct. Now the opponents of the King-Anderson bill say that that bill is a cruel hoax because it is not proposed to pay doctors.

Mr. HUMPHREY. The Senator means that the opponents of the King-Anderson bill characterize it as a cruel hoax.

Mr. McCARTHY. Yes. We knew all the time that it was not proposed to pay the doctors. We knew it was proposed to try to do some good.

Mr. HUMPHREY. When the first misrepresentations were made about the King-Anderson bill, there were those who said, "Aha. You are trying to impose socialized medicine and put all the doctors under Government domination and direction." Yet the proponents of the bill spelled out in capital letters, neon lights, and phosphorescent tape that doctors were not included; that no physician's costs were to be paid; that the physician and patient were to be separate and intimate in their relationships; a freedom of choice of doctor and a freedom of choice of patient on the part of the doctor.

After we have pointed that out, the same people who at first accused us of including doctors now say "It is a cruel hoax, because you are not including physicians' costs."

Mr. McCARTHY. The opponents say, "There are 2,500,000 persons who will not be covered." Well, we knew that all the time. The question is whether to try to take care of 2,500,000 by some other means and take care of some 16 million by this program. But it is said that because it is not proposed to do anything for 2,500,000, nothing should be done about the other 13 million or 14 million. Does that seem like a reasonable proposition?

Mr. HUMPHREY. Of course not. It is not a reasonable proposition. It is exactly like saying, "If you cannot get 100-percent coverage on all automobile accidents, you should not have any coverage."

Mr. McCARTHY. What would be the status of social security today if this argument had been heard when social security was first presented?

Mr. HUMPHREY. It would have the status which the opponents of the King-Anderson bill want now for that measure, because they had the same attitude at the time when social security was first considered. They make the same argument now in opposition to the King-Anderson bill.

Mr. McCARTHY. They say it does not cover everybody.

Mr. HUMPHREY. The same people who said social security did not cover everybody said that by not covering everybody, it would ruin morale.

Mr. McCARTHY. Those who were in opposition to another bill some years ago said that it was all right for a starter, but it went too far.

Mr. HUMPHREY. The Senator is so correct.

I am pleased that we have had a chance to exchange views on so important a piece of proposed legislation as the hospital and nursing-home care program for the aged under the program of social security, because the subject continues to be one of the more important issues before Congress and before the public.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. HUMPHREY. Mr. President, the bill pending before the Senate is the Agricultural Act of 1962, S. 3225, a bill reported to the Senate by the Committee on Agriculture and Forestry. It is a bill to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The bill was reported to the Senate on April 27, 1962. It was introduced by the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER].

It should be noted that the bill was discussed at length in committee. It surely has had long, generous, and full debate, discussion, and consideration by those who have the responsibility for conducting the hearings and taking the testimony, namely, the members of the Committee on Agriculture and Forestry.

Mr. President, from 1953 to 1961 I served on the Committee on Agriculture and Forestry; and that service gave me some understanding of the legislative problems relating to agricultural policy. I hope it also gave me some understanding of the problems of agricultural production, distribution, marketing, and prices—the prices farmers receive for what they produce, as compared with the prices farmers pay for what they must buy. During those 8 years of service on the Committee on Agriculture and Forestry, I attempted to fulfill with care and with diligence my responsibilities as a member of the committee.

Today, I wish to discuss, in rather broad, general terms, agricultural legislation as developed by the Congress, past agricultural policy, and what we project for the future.

Mr. President, back in the 17th century, planters in Virginia and Maryland got together to discuss their tobacco acreages, with the aim of increasing the price by decreasing the production.

Whether they contemplated having this idea incorporated in legislation to be passed by Parliament and approved by the Crown, history does not say. My point is that as long as 300 years ago, American farmers realized that too much in terms of production was reflected in too little in terms of price.

The supply-price formula discussed by the 17th century Virginia and Maryland tobacco farmers was put into feed grains terms by a later farm leader in the Midwest, who advised producers at that time to "raise less corn and more hell."

From the very beginning of our society, there has been a clear relationship between the supplies of agricultural commodities produced and the prices paid to farmers for them. And at the heart of all demands for cooperative farmer action, or cooperative farmer-Government action, has been supply management, in terms of increased consumption, decreased production, or a combination of the two.

Forty years ago the late beloved and distinguished George Norris suggested to the Senate that loans be made from the U.S. Treasury to needy nations abroad, so they could buy American food surpluses. As he was in so many fields, Senator Norris was first in advancing the philosophy of what we now call Public Law 480, the food-for-peace program.

Also in the 1920's, George Peek, one of the great agricultural leaders of that period, advanced theories for agricultural surplus control that saw life in the twice-vetoed McNary-Haugen bill.

My first interest in agricultural legislation, when I was a very young man, was related to the debates in Congress on the McNary-Haugen bill. My father, who was a merchant in the Midwest, and was in very great measure dependent upon agricultural income for his business income, was keenly interested in the provisions of the McNary-Haugen bill, and was a strong supporter of that measure in that day. I believe we are very much indebted to those discussions for enlightening the American people on the subject of agricultural policy as between the Government and the private farm producers. Even those who opposed the compulsory aspects of that legislation, including President Hoover, still called upon the farmers to reduce their output of food and fiber, as a means of increasing the income of the farm producers.

The first law passed in peacetime to bring the Federal Government into the high-supply, low-price farm picture was the Agricultural Marketing Act of 1929, administered by a Federal Farm Board. Two years later, this Board gave up in despair, buried under an avalanche of abundance. Senators will recall, as they read the history of that period—and some may recall it from personal experience—that the Federal Farm Board was like a huge national agricultural sponge. It sought to sop up or dry up all the extra production of the American agricultural plant. In other words, it sought to bring about a better market price by purchasing supplies from the agricultural producers—but with no controls or marketing regulations applying to producers. We then learned a lesson, or we should have learned a lesson; namely, that it is impossible to buy as rapidly as producers can produce, and that such a program lends itself to the abuse of everyone and everything—abuse of the land, which is overused and overtaxed, in terms of the production of crops; abuse of the farmers, because their crops produce less and less real income; and surely abuse of the Federal Treasury, which is only another way of saying it was an abuse of the taxpayers, because there was no end to the cost of the program.

The next major legislative step came in May of 1933, when the Congress passed the Agricultural Adjustment Act. That act related to some means of regulation or management of supply, and not merely the stabilization or underpinning of price.

Through the years since 1933, a number of Congresses have been passing and a number of Presidents have been signing legislation which had its roots in the discussion among the Maryland and Virginia tobacco planters of the 17th century.

The fact that through three centuries attention has been regularly focused on ways to manage the products of good farmers tilling good earth—on ways to enable producers and consumers to live prosperously together—emphasizes the importance of farmers and food to each generation.

The fact that through three centuries, despite economic and social and natural hazards, farm families have never lost sight of their obligation to produce abundantly, and have removed from our land the specter of hunger that haunted all the previous history of man, is a vivid tribute to their concern, their compassion, their high sense of responsibility, and their ability as producers and entrepreneurs.

Every American has the right to ask: "Why should I do anything for the farmer?" Yet in all fairness he must add another question: "What has the farmer done for me?"

We have always had some sort of farm problem. We have always tried to solve it. And while the record is filled with failures and frustrations, it is also marked by progress and remarkable successes.

In the Congress and out, hope is regularly expressed for a formula that will solve the farm food problem for all time.

Such a hope implies that the McGuffey Reader solved for all time the problem of education; that the First World War solved for all time the problem of war and peace; that the Wagner Act solved for all time the problem of labor relationships; and that the first antitrust legislation solved for all time the problem of business and industry relationships. However, the fact is that there are no permanent solutions. The world is changing, and the economy is changing. Therefore, it is the duty, and also the opportunity, of the Congress to examine and to reexamine, on a periodic and systematic basis, the agricultural policy. We must seek to relate this agricultural policy to the economic and social realities of the day in which we live and the years that we can see ahead.

We cannot go from here to eternity with a single formula for food and agriculture or for any other facet of the general welfare. We can only concentrate on the situation which exists here and now, with the hope our actions will create a sound foundation from which succeeding generations of Americans can effectively meet change with change.

The situation here and now is this:

Agriculture is moving again. During the past year Americans continued to buy more of a wider variety of quality foods at less cost in hours of work than any other peoples in the world, while at the same time returns to farmers for making this achievement possible went up—by a billion dollars. This brought about an impressive, and greatly needed, revival of the entire rural economy and was reflected in the factories and plants and wholesale houses of metropolitan areas.

Mr. President, what I have just stated is a fact for 1961 and into early 1962. The 1961 emergency feed grains program and the 1962 wheat program are responsible programs. Indeed, even though admittedly expedients, they were clearly better for farmers and for the taxpayers than the programs in effect prior to 1961, which increased grain carryovers and budget expenditures year after year. But I remind my colleagues that emergency programs are costly compared with longer range programs such as those proposed by the President in his message of this year.

Improvement in the farm programs cannot stop with gains made in the first few months of this administration. Costs of price supports can and must be cut, not just in comparison with pre-1961 programs.

Today these two key amendments to S. 3225 are needed, as they have been offered by the distinguished chairman of the committee [Mr. ELLENDER]. First, the extension of the 1962 feed grains program now in the bill should be replaced by the mandatory program as presented by the Senator from Louisiana in his amendment, upon which we shall vote tomorrow; second, a referendum in which producers would choose between a permanent wheat certificate program, which would reduce Government costs substantially, and a costly 2-year extension of the 1962 wheat program should be changed to provide wheat producers a choice between the supply management certificate program recommended by the administration, and by the Senator from Louisiana, and no production limitations, with price supports not to exceed 50 percent of parity.

These will be the two issues before this body on Thursday.

The reasons for adoption of these amendments, as I see them, are quite simple and direct. First, the total additional cost to the Government in 4 years, of voluntary feed grains and wheat programs as the committee had recommended them, would be nearly $4 billion. The cost to the Government for the 1963 crop—which is not the same as the 1964 fiscal year—is estimated to be three-quarters of a billion dollars greater under the voluntary programs than under the Ellender amendment and the program suggested by the administration.

For example, diversion payments alone under the administration program, as presented by the Senator from Louisiana [Mr. ELLENDER], would be almost $3½ billion less for the 4 crop years 1963 through 1966 than under the voluntary programs.

I wish our colleagues would examine these figures, because not a day goes by in this Chamber that someone does not rise and remind us of the budget, that someone does not say we must stop this deficit spending.

I am going to watch the votes on the Ellender amendment, because anyone who wants to curb deficit spending—and let the taxpayers and the public know this—who wants to cut down on the cost of Government, who wants to bring the budget into balance, will desire to save approximately $3½ billion in the wheat and feed grains programs in the next 4 years, and at the same time there will be a better price for these commodities to producers, and more than adequate supplies for all the needs which can be projected for the immediate future.

A large part of these savings would come as a result of putting an end to increases in acreage of noncooperators, which tends to offset the effects of acreage reduction in voluntary programs.

If we are going to have price support programs which provide a reasonable degree of economic stability and income for the producers of food and fiber, it is not wrong, it seems to me, for the rest of the community of American citizens who are consumers to ask that there be some regulation of the supply, or production. Farmers are willing to have this—that is, the majority of them are. This has been proven in the case of cotton, tobacco, wheat, and rice. Farmers have complied because they could see that the prices they would receive for their commodities would be fair in terms of their investment, work, and the risks and hazards of their occupational agricultural activities.

We have a group of people in agriculture, as well as in other parts of our economy, who like a "free ride." We call them noncooperators. They are the people who want to get the advantages of the price support program, but do not want to take any of the responsibilities. They are the ones who want to get $1.50, let us say, for a bushel of corn, but do not want to cut production. Those are the noncooperators. That is the problem under any voluntary program.

I am going to continue to remind my colleagues of the fallacies of the way of this administration's predecessors in the farm program.

It was in 1956, I believe, and again in 1958, that the previous administration recommended a low price support of 65 percent of parity on feed grains. Corn is the biggest item; grain sorghums is another great feed grain. There was a price of about $1.10 a bushel on corn in Minnesota and Iowa. The farmers were told, "Go ahead and plant all you care to. We will give you a low price support of 65 percent of parity and no controls"—the theory being that, if the price support were low enough, farmers would not produce, and thereby production would be cut—a theory that has not one scintilla of fact to prove it. It just does not work at 65 percent of parity.

The theory works when the price support goes to 50 percent of parity. Then production is cut. But when it stays at 65 or 70 percent of parity, production is not decreased, unless there are some other incentives to cut production.

The Secretary of Agriculture, in testifying on this bill, pointed out the very things I am talking about now. He testified in reference to a bill, H.R. 10060, which I believe was presented by the Farm Bureau. The Secretary stated he opposes this bill because it would cost farmers nearly $1 billion loss in income and would cost the taxpayers another billion dollars in increased Government costs, and even at those costs it would offer no permanent solution to the problem of surpluses.

This particular proposal was one which supposedly would have taken land out of production. It was a kind of soil bank proposal.

Madam President (Mrs. NEUBERGER in the chair), we have learned the hard way. Let us quit kidding ourselves. We went up the hill and down the hill, through the bank and out of the bank called the soil bank, with the previous administration in its programs for agriculture. What did they do? Surpluses continued to mount. The Commodity Credit Corporation became the largest corporation in the world. The investment by the Government of the taxpayers' money amounts to billions of dollars. Production continues to grow. However, farm prices went down. Farmers left the land. In 1961, we found American agriculture in one of its most serious periods of recession.

Fortunately, as a result of emergency action taken a year ago, we were able to stem the tide of recession and to restore some farm income. The net realized income of farmers increased about a billion dollars in 1961, from an estimated $11.7 billion in 1960 to an estimated $12.7 billion in 1961. This represented a gain of over 8 percent in income from farming available to U.S. farmers for family living and investment.

Madam President, I think it should be noted that in 1952 farm income was approximately $15 billion, net. Since 1952, the population of the United States has increased by approximately 20 million people. Despite the increase in population, which results in a greater demand for food and a greater consumption of food, farm income went down on an average of a half billion dollars a year, with the result that in the fiscal year 1961 there was a net income to farmers of only $11.7 billion. It took considerable effort and emergency legislation in the past year to raise that income by a billion dollars for the entire agricultural economy.

Madam President, the $12.7 billion realized net farm income in 1961 was estimated to be the highest since 1953 and well above the 1954-60 average.

I point out to the critics of the administration's farm policies that the arithmetic, in terms of net farm income, is on the side of this administration. The statistics, in terms of net farm income, surely do not support the policies laid down by the previous administration as the agricultural policies for this country.

Madam President, the administration's wheat and feed grain programs in my mind are specifically designed to be of constructive help to the farmers and to the public. I am hopeful that these programs, which provide for referendums along the lines of those provided for the cotton, tobacco, rice, and peanut programs for many years, will be passed. I hope this kind of program will be applied to the wheat producers and to the feed grain producers.

At a later time during the debate it is my intention to go into some of the details or the specifics as to how these programs will operate, even though I do not think this is absolutely necessary, since the chairman of the committee [Mr. ELLENDER] has gone into great detail in his presentation to the Senate.

Mr. McCARTHY. Madam President, will the Senator yield to me on one specific point?

Mr. HUMPHREY. I am happy to yield to my colleague, who serves on the Committee on Agriculture and Forestry.

Mr. McCARTHY. The Senator knows that a number of Members of the Senate have spoken about what they consider to be a special problem which might arise in respect to some segments of the dairy industry, at least unless a dairy price support program is approved. Those Senators feel that unless a dairy price support program is approved, to raise the prices of dairy products, the feed grain program as proposed by the chairman of the Committee on Agriculture and Forestry, if accepted by the Senate, would be of great disadvantage to all of the dairymen.

There seem to be some misconceptions in this point of view. One should take into account the modest increase in prices which would result. One should take into account the existence of great surpluses of feed grains. This is particularly true if we include in the figures for the feed grains of surplus a lot of wheat still listed as being suitable for milling which in fact has reached the point of deterioration that we shall be lucky if a lot of it is good feed. One should consider the entire dairying program—not merely 75 percent of parity for manufacturing milk, which my colleague and I agree is too low, but also the total milk picture, even in respect to marketing areas and prices paid for milk in many cases much higher than 75 percent of parity. Certainly, in the name both of equity and of justice for feed grain producers in relation to dairy farmers, the proposals made in the Ellender amendment are, it seems to me, modest and within reason.

Mr. HUMPHREY. I suppose one might expect, after only a surface study or a very limited understanding of the feed grains proposal, that there might be individual dairy producers in the East, or in what we call the feed deficit areas, who would register disapproval of the feed grains provision. As the Senator has pointed out, when one studies the real facts then there ought not to be any opposition from the dairy producer of the East, or of the Southeast, or elsewhere.

The Senator has cited the fact that the increased price to the feed grain producer will not be extravagant. It will be modest. It is long overdue.

Secondly, the program which is contemplated for feed grains is not a scarcity program. It will not mean a rigging of the market to force up prices dramatically and drastically.

More important, as my colleague from Minnesota said, the supplies of feed grain in the Commodity Credit Corporation represent approximately 5 to 6 months of supplies of the regular feed grains, along with a tremendous supply of corn over and above what we call the normal feed grains, plus the wheat.

I am glad the Senator brought up the subject of wheat and the other grains, because, of course, this is the cushion which prevents any inflation in prices and which should remove any fears of the dairy producers in the so-called feed deficit areas. The wheat to which the Senator refers, in my mind, should be reclassified or redefined.

Mr. McCARTHY. Declassified.

Mr. HUMPHREY. Or declassified. The Senator is correct.

There is a large amount of wheat owned by the Commodity Credit Corporation which is not milling wheat. The Senator and I both know that milling wheat is at a premium. One does not need a price support for milling wheat now, particularly. Milling wheat is selling far above the price support level. It is a premium priced commodity.

Mr. McCARTHY. The millers themselves have requested an expansion of the production of milling wheat, or have requested that Congress permit an expansion of production of that kind of wheat.

Mr. HUMPHREY. That is correct. I think the bill before the Senate would provide authority for doing so.

Mr. McCARTHY. There is a provision with respect to the types of wheat in which increased production is considered necessary.

Mr. HUMPHREY. As I recall, my colleague was instrumental in getting that section put into the bill. With respect to the type of wheat used for milling purposes—for bread purposes in the American market in particular; and for the purpose of spaghetti and macaroni, which require high quality wheat—there would be discretionary authority to adjust the supply.

I believe the Senator worked with the Senator from North Dakota [Mr. YOUNG] on that provision.

Mr. McCARTHY. The Senator is correct.

Mr. HUMPHREY. I wish to give credit where credit is due, because I think this is an important amendment.

The kind of wheat to which my colleague [Mr. McCARTHY] referred earlier is a feed grain. It is not really a milling wheat.

Mr. McCARTHY. The Senator is correct.

Mr. HUMPHREY. We speak about billions of bushels of wheat. I think it is fair to say that over half of that wheat may not be suitable for milling purposes.

Mr. McCARTHY. Estimates run from 800 to 900 million bushels that are basically unsuitable for milling purposes.

Mr. HUMPHREY. The Senator reminds us that 800 to 900 million bushels are not suitable for milling purposes. The average citizen in our country, speaking of wheat, thinks of wheat for bread, flour, pastries, and the sort of thing that we get for the kitchen, when, in fact, much of our wheat stocks today are not suitable for such use.

Mr. McCARTHY. We moved somewhat away from the feed grain program in relation to the dairy problem. But the point the Senator has made in reference to wheat has significant bearing on another amendment which the chairman of the committee intends to offer. The amendment would strike out of the proposal one of the choices given with reference to wheat. The amendment would get to that very point. It would attempt to bring about a reduction in the production of the kind of wheat that is not necessary for feed, and certainly not necessary to supply the milling needs of our country.

Mr. HUMPHREY. I believe the Senator is absolutely correct. As it has been described by the chairman, and discussed in the committee, the Ellender amendment together with the amendment we have discussed, which is sponsored by the Senator from Minnesota and the Senator from North Dakota, is the sensible approach to the problem of wheat production.

Mr. McCARTHY. The Senator is correct. I would like to make two observations with regard to the question of the price of feed grains and the dairy industry. The argument made by spokesmen for certain areas of the country is that they are both big milk producing areas and deficit feed grain producing areas. They need inexpensive or cheap feed. The argument is not particularly sound since for the most part those are areas in which milk marketing orders stand.

Mr. HUMPHREY. Would the Senator mind explaining the difference between a milk marketing order with reference to price and the regular price support program?

Mr. McCARTHY. The milk marketing orders have the effect really of setting up a kind of controlled price within a given area.

Mr. HUMPHREY. A much higher price.

Mr. McCARTHY. A much higher price than the $3.11 that is paid for manufacturing milk. As the Senator knows, in many of the marketing areas, particularly in the East and the northeastern area, by arrangement, about half the milk produced under the marketing orders is now sold as manufacturing milk, whereas the original intention, for the most part, was to protect consumer interests and assure a supply of high grade milk.

In order to qualify within a marketing order, a producer must produce high grade milk. Having produced and delivered the milk, it is in a sense declassified, too. Even though it is produced and handled at a relatively high cost, in order to qualify as grade A milk under a marketing order, it is then sold as manufacturing milk. We would then have a very uneconomical operation. In some areas the cost of feed runs as much as $20 a ton more than the cost in Minnesota and Wisconsin. The cost is part of the total bill which is paid in those areas. But those producers have the advantage over those covered under a marketing order, in that they can afford to produce almost twice as much fluid milk as is needed for the market at $20 a ton more than it would cost them if they produced manufacturing milk close to the source of feed. Yet they would have the advantage that they had overproduced by nearly 100 percent in order to get the advantage that comes from being covered in the marketing order. Certainly producers in areas of that kind, or the people who speak for them, cannot make a justifiable argument for keeping feed prices low so that they can continue that uneconomical method of producing manufacturing milk.

Mr. HUMPHREY. An excess supply.

Mr. McCARTHY. An excess supply, particularly of manufacturing milk.

Mr. HUMPHREY. The Senator speaks of areas in which there is already an excess supply and where feed grain production is the normal pursuit of the farm community.

Mr. McCARTHY. In the first place, they are better able to pay proper prices for feed because they have a guaranteed price. They operate in a protected market. Second, they have no economic justification for continuing the system, if we can call it a system. On the other hand, in the Midwest we are concerned about the movement of milk production to areas in which it is not really economical to produce milk. It would be to the advantage of producers in such areas to raise the price of feed grain so that the uneconomic advantage which goes with the marketing order areas in the

East would not be altogether eliminated, but at least reduced.

Mr. HUMPHREY. The Senator has given a very concise and clear explanation of some of the differences in dairy production costs and marketing practices, between what we call the surplus dairy production areas and the so-called marketing order eastern areas. He has described for us what the feed grain proposal would mean to those respective areas of production.

I would boil the argument down by saying that if we wish to have a fixed good price under the marketing order, the producer ought to be able to pay a reasonable price for feed. If a producer is going to maintain a fixed good price in the marketing order area, and at the same time produce more milk than can be marketed for the consumer in terms of the delivered product of wholesome milk for daily use, we ought not to ask the feed producer in the Midwest further to subsidize that kind of operation with cheap feed prices.

I might even add that the program that is suggested and recommended by the Ellender amendment and by the administration will not drastically increase feed prices so that anyone would be driven out of the dairy business, but at least it would require those who are in the marketing orders and working under them in some of the highly concentrated, densely populated areas to pay a fair price for their feed. At the same time they would receive a fair price for their dairy products.

Mr. McCARTHY. As the Senator has said, it may tend to produce a double subsidy, in effect. First, one would come from the marketing order, which affords price protection; second, one would come from cheap feed.

Mr. HUMPHREY. The Senator is correct. I do not believe that either of the Senators from Minnesota are protesting the use of marketing orders.

Mr. McCARTHY. Not at all.

Mr. HUMPHREY. To the contrary, marketing orders are an orderly way of maintaining proper marketing practices. But if we are going to have marketing orders that provide a fair price—and sometimes a very good price—producers ought to be willing to pay a reasonable price for their feed.

Mr. McCARTHY. And when we have substantial evidence that twice as much milk is being produced in an area than is needed to meet the demands of consumers of fluid milk in that area, then there is some reason to question the operation.

Mr. HUMPHREY. I thank the Senator.

Mr. McCARTHY. After we have finished considering the question of the common market, I hope the Senator will join with me in giving some attention to developing a common market in the United States.

Mr. HUMPHREY. On such questions as dairy production.

Mr. McCARTHY. The Senator is correct.

Mr. HUMPHREY. I think that would be a worthy experiment, and would be the first stage in our becoming more closely associated with the common market.

Mr. McCARTHY. As evidenced today by our common purpose.

Mr. HUMPHREY. Our common purpose for a common market.

Mr. McCARTHY. In the United States.

Mr. HUMPHREY. I thank my colleague.

Madam President, there are a few facts that remain with us that no one can ignore.

Production of some agricultural commodities—mostly feed grains, wheat and dairy products—exceeds the volume that can be sold or given away to consumers here and abroad, channeled into industrial uses, or stored for future use.

The cost of present programs related to these commodities is too high in terms of benefits realized by farmers, consumers and taxpayers.

The rewards being experienced by farmers for making this the best-fed, best-clothed Nation in the world are still too low.

Now, Government and people, working together, can meet these problems if they will, but the initiative must come from the Congress. No one can act with authority and purpose until the Congress acts to change the law.

The bill before the Senate, and the amendments which will be proposed, have their origin in the A-B-C-D farm policy proposals made to the Congress by President Kennedy last January.

The President called for legislative action that will—

First. Make maximum use of our productive abundance.

Second. Achieve balance between production and demand that will avoid waste of private effort and public resources.

Third. Provide for conservation of land and water resources.

Fourth. Create programs for the development of human resources and renewal of rural communities.

In other words, a balanced abundance, the conservation of human and natural resources, and the development of human resources in rural communities.

The President rejected the concepts of price through scarcity, of balance through idling land and people—rather he called for maximum use of abundance—maximum utilization of human and natural resources—maximum efficiency in expenditures of Federal funds—maximum effort in the development of new opportunities.

This Congress need only open the A-B-C-D gate. There is within our people, in every community of the land, the will and the energy and the know-how and the determination to utilize the opportunities offered by a positive approach to abundance, balance, conservation, and development.

Food abundance, without utilization, is waste, disgraceful waste of human and natural resources.

We achieve maximum utilization by:

Making food available in retail stores at prices that enable average-income families to achieve healthful diets and remain able to budget fair shares of their salaries for other needs.

Making food available to low-income or no-income families and individuals through grants or gifts, or partial or total subsidy.

Making food available through school milk and school lunch programs so that all children will have a measure of equity in nutritional as well as educational opportunity.

Making food available to those of our neighbors around the free world who are hampered by hunger in seeking the dignity and the decency that are inherent in the well-being of man. As Agriculture Secretary Freeman pointed out in a plea for food utilization at the recent world food forum, which was held here in Washington last week:

> Let it never be said that, in these critical years of the scientific revolution, we were able to send men into space—but unable to put bread and milk into the hands of hungry children. Let it never be said that we had the scientific knowledge and the technical skill to produce power sufficient to destroy civilization, but that we did not have the ability, the vision, and the will to use that knowledge to produce and distribute the abundance that science and technology now offer to a world at peace.

Madam President, I heard that message. The Secretary outlined in it the manifold achievements of American agriculture during these many years. He told us particularly of the most recent 100 years, and how American agriculture had increased production and permitted people to leave the land to work in our cities. He told us of the great contribution that American agriculture has made to the scientific and technical and industrial progress of the United States. Madam President, in the United States today there is a very small minority of our people, less than 10 percent, on the land as farm producers. Yet each one of these people produces a large amount of food and fiber, in amounts sufficiently large to feed and clothe the people of this country better than any other country of the earth, and permit this Nation to have vast exports of agricultural commodities, thereby increasing the economic strength of America. At the same time American agriculture permits this Nation to use food and fiber as an integral and important part of our national security program.

It is a remarkable record. This record deserves the commendation of Congress and, indeed, it deserves the favorable consideration of a legislative policy to permit the producers of food and fiber to share equitably in the national income.

The legislation before the Senate can strengthen and widen these avenues of availability; can make abundance more meaningful; and can make certain their will be a maximum utilization of our abundance.

For 300 years we have been cognizant of the relationship between price and supply in farm commodities. This has not been an entirely selfish recognition, because the relationship between supply and waste has always been a factor, too.

We have been experiencing waste—waste in land use, waste in labor, waste in seed and machines—by producing some commodities beyond our capacity for utilization through sale, through gift, and through industrial use. Principal among these have been feed grains and wheat.

The waste of land and human resources in overproduction has resulted in unnecessary expenditures of tax resources.

Total outlays for farm programs advanced from $2.9 billion in fiscal 1954 to $7.1 billion in fiscal 1959, and to $7.2 billion this fiscal year. By 1961, as a result of the previous supply management programs of the previous 8 years, costs of carrying surpluses of wheat and feed grains had reached $900 million annually. That is not the cost of the commodities. It is the cost of carrying these surpluses.

Responsibility for the current lack of balance belongs to all Americans—not just farmers. And the developments of 8 years cannot be reversed overnight, and in the national interest an immediate reversal should not be attempted.

The legislation proposed for feed grains and wheat programs provides for transition toward balance, not a plunge. It provides for a sharing of responsibility for supply adjustment among producers, with a sharing of diversion payments to help cushion the transition, along with supported prices—hinged, of course, to their approval of all such processes in a referendum.

Madam President, the referendum I refer to is one that will be conducted throughout the land on programs of supply and management, and if two-thirds of the farm producers of a commodity approve a program, then, and only then, does it become operative. In other words, the program will be designed to meet the needs of the Nation, the economic requirements of the producers, and the needs and the economic requirements of the consumers.

Above all, it will be a program that will go into effect only when an overwhelming majority of the producers agree to it. It will be a program that will be self-imposed by farm producers. What Congress does is authorize this type of referendum.

With these programs it is estimated that Government stocks of corn and grain sorghum could be reduced to around 1.1 billion bushels by the end of the 1966 marketing year, while wheat stocks in Government hands were being reduced to 655 million bushels. We would still have substantial reserve supplies in the Commodity Credit Corporation inventory, while carrying charges were dropping to $280 million a year as compared with the current $1 billion a year.

Madam President, I repeat what I said earlier. I want to see adequate supplies of food and fiber produced, but I also want to have the cost of the program reduced, so the taxpayers of this country will not rise up and revolt against an uncontrolled, poorly managed, and unlimited program of agricultural assistance.

The President of the United States has been trying to make this clear. He is a friend of agriculture. The Secretary of Agriculture is a friend of agriculture. He is a friend of farm producers. He is a farmers' Secretary.

But, Madam President, it has been said that unless some reasonable balance and restraint can be brought into this program, we run the risk of having no program, because of a disgusted and discouraged American public.

Now I wish to say a word about the necessity of adequate reserves. The Secretary of Agriculture, in talking about our abundance, said:

> In every case, the balance would be sought in terms of maximum use of our abundance of food and fiber, both at home and abroad.
>
> It is my deep conviction that this Nation can live up to its moral obligations and its leadership responsibilities only if we do our utmost to see that no one in the United States lacks a nutritionally adequate diet, and to make maximum effective use of our abundant agricultural productivity to relieve suffering and promote economic development abroad.
>
> This past year has witnessed a notable expansion of programs for increased utilization of food.
>
> Eighty-five thousand schools, child care centers and camps are receiving more fresh milk than ever before. Eight hundred thousand more children enjoy a hot school lunch. Both the quantity and the variety of food distributed to more than 6 million needy persons has been stepped up. A pilot food stamp program in eight communities has brought such encouraging results that its expansion in a further trial period is justified and will be carried out.

I digress to remind the Senate of the fight we had about that proposal in 1958. I led the fight in the Senate for a food stamp plan. Finally we were able to get a trial pilot plan. That program works. It is a success. One of the pilot projects is in my home State of Minnesota. Others are in Michigan, Pennsylvania, West Virginia, and other States. The report on the food stamp program is encouraging.

The Secretary of Agriculture went on to say:

> We have likewise expanded our use of food in the foreign aid program under Public Law 480. Last year the Congress passed amendments extending and improving that act. In order that our food-for-peace program can be made even more effective, the bill provides for further changes that will enable us to make greater use of the abundant production of our farms for the development of future markets for U.S. farm commodities and in support of our overall foreign aid program.

So this Senator, together with the Secretary of Agriculture, is not advocating a program of scarcity. We are advocating a program of maximum wise use of our production and of our abundance.

I will send to the desk, to be printed, an amendment which I shall ask to have incorporated in the text of the proposed legislation. It will outline and describe what is meant by commodity reserves. I speak of a program to determine and maintain stocks of farm commodities in quantities and in locations needed as an integral part of the supply management program. I shall, at the appropriate time, when the amendments are called up, address myself to the objectives of the commodity reserve program.

The purpose of the amendment is to protect against fluctuation, to protect against unusual, unexpected swings in demand as a result of international tension, famine, or disaster, and to try to provide for defense needs. The proper management of these stocks requires that the Department have additional flexibility in acquiring farm commodities, since the reserve needs vary from time to time.

The Department of Agriculture, in its report entitled "Food and Agriculture—A Program for the 1960's," makes the following statement:

> The Department proposes to maintain a continuous review of production and demand conditions and to determine periodically desirable public reserve levels for the major commodities. These would enter into acreage allotment considerations and would be a guide to safe limits to reductions in public stocks, as well as indicating commodities for which carryovers should be increased. The feed grain and wheat program outlined earlier would bring carryovers approximately to needed reserve levels by 1967. Preliminary studies indicate that current stocks are now far above reserve needs for these commodities and for dairy products.

I have a feeling, from what I have heard in the debate, that some Senators will say that the Ellender amendments, the administration's farm program, endanger supplies, or the availability of supplies, for the food-for-peace program and for the national security reserves, in the kind of troubled world in which we live. This is not so. In order to make positively certain that such will not be the case, I will submit an amendment which, at the appropriate time, I shall call up. It will provide for what we call our needed food reserves.

I have been concerned about this subject for a long time, because the Agricultural Act of 1956 requires that the Department of Agriculture operate its price support programs to liquidate its stocks as rapidly as possible. That amendment, enacted back in 1956, if strictly interpreted could leave our security reserves nonexistent. We now have an abundance of evidence indicating that current stocks of food in the United States, as I have said earlier this afternoon, are larger than necessary to meet any conceivable emergency, including crop failure, as well as sharply increased needs. We also have evidence that the maintenance of such large stocks is an unnecessary financial burden on the taxpayer that offers no corresponding benefit to the farmer. We ought to be considering programs, and we are considering programs, which would reduce these stocks and the accompanying high costs, and at the same time maintain farm income.

As these programs go into operation, the time will come when we must decide what are the minimum necessary reserves of food that should be maintained. I think that time has come now; in fact, I have thought so for some time, and have submitted amendments for that purpose.

Our present abundance of food and fiber has been acquired through the operation of price support programs which were designed primarily to increase farm income. In most cases, the quantities of food and fiber in Commodity Credit Corporation stocks bear little relation to actual or anticipated requirements. We should examine now our needs for food reserves and the ability of the U.S. farmer to meet these needs. I have preliminary estimates of food reserve requirements.

These estimates are based upon an analysis of reserve needs by the following categories: first, a defense reserve; second, a reserve for price stabilization; third, a reserve for food distribution programs both domestic and foreign; and, fourth, a reserve for commercial market requirements to maintain at all times an abundance of food for the American consumer.

These estimates referred to are based upon conceivable needs for food stocks assuming that we may some day expect a very poor crop year in the United States that could be preceded or followed by a moderately poor year.

This is not a ridiculous assumption. Other nations have experienced poor crop years as a result of drought and bad weather. We in this country have been blessed for the past 10 or 15 years, on a national basis, with reasonably good weather. But every old-timer knows—and we always hear from the old-timers—that there are seasonal fluctuations and weather cycles. We can have every reason to expect that we might ourselves be the victim of such an adverse weather cycle.

A very poor crop is taken as one typical of the worst 5 individual years out of the last six decades. These estimates do take into consideration the possibility of sharply increased emergency needs in particular areas of the world. At the same time, however, the estimates recognize that the food-for-peace pipeline to many countries is relatively full, and could be relaxed slightly for short periods of time, to meet emergency needs elsewhere.

I call attention to the following table:

Recent carryovers, compared with needed stocks, selected agricultural commodities

Crop	Unit	Carry-over, end of marketing year 1960-61 [1]	Goals for total stocks [2]
Wheat	Million bushels	1,411.0	600.0
Rice, rough	Million hundredweight.	10.0	11.0
Cotton, all	Thousand bales	7,200.0	6,200.0
Peanuts	Million pounds	867.0	450.0
Feed grains	Million tons	84.0	40.0
Soybeans	Million bushels	6.0	100.0
Sugar	Million tons	[3] 1.7	2.3
Nonfat dry milk.	Million pounds	305.0	300.0
Butter	do	[4] 116.0	100.0

[1] Calendar year for dairy products. Annual average for sugar.

[2] Public and private.

[3] Distributors' stocks in December 1961 were about 2.3 million tons.

[4] On May 1, 1962, stocks were 318 million pounds.

Needed reserves for wheat are estimated at about 600 million bushels, which is a quantity less than half of recent carryover levels. As a matter of fact, I believe that is a very modest figure, and it might very well be increased. A reasonable goal for feed grains is indicated at 40 million tons, compared with 84 million tons at the beginning of the current year. Stocks of feed grains are particularly large, in relation to conceivable food-for-peace outlets. In value terms, about one-third of total U.S. reserves of agricultural products are now in the form of feed grains. On the other hand, we can expect in the next few years a maximum of only 15 to 20 percent of our food-for-peace commodities to be programed in the form of feed grains both for direct human consumption and for animal feeding. It thus appears that public funds appropriated to maintain the present level of stocks of feed grains would serve no public purpose.

Let me emphasize that these are preliminary estimates of required stocks of agricultural products. However, this is a matter of greatest national and international importance. It is a subject that demands further study and evaluation at the highest levels of public service. What are the criteria that should be used in evaluating the various categories of potential food needs and the probabilities that these needs can be met either from current production or from stocks accumulated at Government expense? I believe it is essential that we provide for a public Commission responsible to the President, and reporting through him to the Congress, to study this whole subject of necessary reserves of food. This Commission can greatly assist the Congress in establishing legislative guidelines to the Secretary of Agriculture on the management of supplies in the national interest and in the interest of the free people of all nations. The Commission I propose is not one which would be manipulated by any special interest group; it is not one which would be composed of only farmers or departmental employees. It would be a public Commission to study the need for certain strategic reserves for the purposes declared.

Assuming, for the moment, that such a Commission might reach conclusions similar to those set forth in the table to which I have referred just now, what would be the cost involved? At present, the Commodity Credit Corporation expenditures for carrying charges are running in excess of $1 billion a year. If we find that necessary reserves are, on the average, about one-half of present stock levels, it would still cost about $500 million a year to maintain and rotate these stocks. But this expenditure would serve the public interest, by guaranteeing the availability of food for domestic emergencies and priority food for peace programs.

Inherent in the health of a society is its concern for natural resources—for their conservation, and their utilization.

We have long familiarity with, and a rather respectable record for, the conservation of soil and water, for future use. We have a growing need to conserve them and use them simultaneously—use them for healthful, outdoor recreation and use them to grow wildlife and fish. As the urban populations increase, the need for grass and for trees and for flowers and for accessible lakes and streams grows, as well—and the public supply is running short of the public need.

I know that this part of the farm bill has taken a certain amount of journalistic "razzing"; but let me say to those who poke fun at such uses that with the vast growth of urban areas, the great growth of the population, and the wall of steel which we call the automobile, which extends from one end of the country to the other, the need for recreational areas, open spaces, and places for wholesome outdoor recreation will increase; and surely the only source of such land is rural America. Therefore, this program takes note of this need, and provides a way to assure healthful outdoor recreation and all it means.

Just as we have both free and for-pay indoor entertainment and recreation, we can have free and paid-for outdoor recreation.

The legislation before us recognizes this potential, in providing at least a start toward making both loans and technical assistance available to individuals and public bodies for recreational facilities.

Just as voluntary supply-management programs tend to bring a dropoff in participation prior to the achievement of the objectives, a program calling for compulsory management involves a risk. Farmers voting in the referenda could terminate collective-bargaining agreements with government.

I have never subscribed to the theory the farmer does not need the cooperation of an understanding and appreciative government. The very nature of the family farm and the marketing system under which farmers must function require this cooperation in terms of price, of credit, of services, and in fair distribution of the responsibility for soil and water conservation.

Such cooperation is never a subsidy. It is an investment in the general welfare for today and tomorrow. It could be terminated—and perhaps I would find it difficult to concede to farm families a right that must in all honesty be conceded—namely, the right to be wrong.

Yet, in fairness to all of our society, and in realization that we must explore new ways of doing things in a complex and changing nation and world, I must accept the fact the time is here for clear-cut decision on farm policy.

We must redefine the terms of relationship; and we must also, as I have said before, in an address to the Senate, redefine what we mean by adequate farm credit, because this, too, is a part of the legislation which is before us.

I am confident that our farmers have the intellectual, economic, moral, and political courage to help write the definition.

FARMERS HOME ADMINISTRATION

Under the insured loan program, private investors provide funds to help eligible farmers enlarge, develop, and buy family farms, to refinance debts, and to develop community water systems. The loans are made and serviced by the Farmers Home Administration.

The Government collects the principal and interest payments, when due, and forwards the receipts to the lenders, after retaining one-half of 1 percent for insurance. The lenders agree to hold the notes for at least 3 years. If the borrowers default, the Government agrees to make the payments. The loans return 4.5 percent to the lender, and the farmers pay 5 percent interest. Principal investors are banks, pension funds, insurance companies, and trust funds.

The insured loan program was started in 1947. Since that date, more than $390 million has been invested. The repayments of principal have totaled more than $100 million. The losses have amounted to less than one-tenth of 1 percent.

Applications for insured loans are made at the county offices of the Farmers Home Administration; and supervision in farm management is provided by the FHA. Insured loans are made only when a farmer is unable, from other sources, to obtain the credit he needs. The insured-loan program has many merits. The farmers who receive the loans are able to strengthen their operations. The rural communities in which the loans are made are fortified, not only by the improvements made with the loans, but also with the increased trade that is brought about by the expenditure of the loan funds. In addition, the use of insured funds, rather than appropriated funds, lessens the strain on the U.S. Treasury.

The current difficulty lies in the ceiling that is set on the amount of insured loans that may be made in a fiscal year. Currently, this ceiling for farm ownership and soil and water conservation loans is $150 million. The demand for insured loans is so great that the ceiling was reached on May 11 of this year. In the next fiscal year, because of the large number of unfilled applications currently on hand, and because the demand for this type of credit will continue, and perhaps will intensify, the ceiling will be reached by December 31.

Nearly 20,000 applications for these loans were on hand in Farmers Home Administration offices on March 31. The number of applications for farm ownership loans during the first 9 months of the present fiscal year increased 16 percent over the same period in the previous year.

The rising demand comes from young farmers who have bought farms on terms they could not handle, and who need to have their debts refinanced on more manageable terms adapted to their ability to repay; and the rising demand also comes from small farmers who are seeking to enlarge their holdings, from farmers and rural residents who need to develop a clean, fresh water supply for household use, and from family farmers who are developing and improving their farms and farm homes, to keep pace with the changing times.

For the past several months, insured loans were committed at a rate of $25 million monthly, or $300 million annually.

In my opinion, the ceiling for the amount of insured loans that can be made in one fiscal year should be raised to $300 million; and I have at the desk an amendment—which at the proper time I shall call up—to accomplish this objective.

The funds are available. One of the most progressive of our labor unions has offered to invest $100 million in these loans over a 4-year period. The funds of this organization, as well as those of the banks and other lenders that are investing in insured farm loans, will be diverted to other markets, unless prompt action is taken. My amendment does not provide for the appropriation of more funds. It provides that there shall be insured loans up to the amount of $300 million. Those loans will not cost money; instead, they will make money. What a wonderful business—to loan money; it is one sure way to make money.

The need is apparent. Unless action is promptly taken, thousands of family farmers will be deprived of the credit they need if they are to continue and to strengthen their operation.

If action in raising the ceiling were to be delayed until the next Congress meets, there would be a period of several months when credit of this type would not be available, and this period would occur at a time of the year when the funds are most needed.

Tomorrow, I shall also offer an amendment which will reconfirm the longstanding policy of the Government of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directing the Secretary of Agriculture and the Commodity Credit Corporation to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation; to encourage the orderly marketing of farm commodities through private, competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

In other words, I want to see the Commodity Credit Corporation be a supplement to the private economy, not supplant it. I want to see the Commodity Credit Corporation work through the normal channels of trade, working with and cooperating with our cooperatives and our private grain trade and agricultural enterprises. I do not want to see the Commodity Credit Corporation take over the business of marketing agricultural commodities. I said this before; and I say it now. There is a normal tendency in government, whenever it gets its hands on a large business operation like the Commodity Credit Corporation, to start to run it, not only as a business, but as the only business.

I repeat that when Mr. Benson was Secretary of Agriculture I stood on the Senate floor and said, "I want to see the Commodity Credit Corporation maintain its operations within the terms of the charter of the Commodity Credit Corporation. I want to see the Commodity Credit Corporation be a supplement to, an aid to, private industry, private trade, to the farmer, to the farmers' cooperatives, to the cooperatives and the noncooperative enterprises. I do not want to see the Commodity Credit Corporation take over the grain business, the dairy business, the cotton business, the tobacco, wool, rice, or any other kind of business. I want to see the Commodity Credit Corporation only as a helping hand—supplementing, not supplanting; aiding, not taking over.

So let these words of warning be on the record, because every once in a while I see something happening that indicates some people cannot differentiate between the words "supplement" and "supplant." "Supplement" means to help others; "supplant" means to take over.

The Agricultural Act of 1949, as amended, and the Agricultural Act of 1938, and other acts, do not provide for the Commodity Credit Corporation to be in the business of agriculture; they provide for the Commodity Credit Corporation's assisting in orderly marketing of agricultural products.

I am confident we can pass good legislation here.

I conclude by commending the members of the committee. The vote on the controversial items was close in the committee.

I personally feel the amendments offered by the distinguished chairman of the committee, who has such a brilliant record of service to American agriculture, are worthy of support. It is my intention to support the wheat and feed grains amendments offered by the Senator from Louisiana [Mr. ELLENDER].

It is my intention to offer amendments relating to insured loans, to the Commodity Credit Corporation and its operations, and also calling upon the Secretary of Agriculture to treat farmer associations as he would treat farm individuals in the operations of the Commodity Credit Corporation.

These and other amendments will be before us. I am confident our farmers under this program can have a better economic future, and I am confident our country, under the amendments being proposed, and under the bill before us, can have a stronger agricultural economy, and that it will enable us to fulfill our duties at the same time.

I am confident our farmers have the intellectual, moral, and political courage to help write the new definition that is required in terms of what our agricultural policies should be for the 1960's.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON REVENUE ACT OF 1962

Mr. HUMPHREY. Madam President, I ask the Chair to lay before the Senate an amendment of the House of Representatives to Senate Concurrent Resolution 68.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 68) to print additional copies of hearings on the Revenue Act of 1962 which was, in line 3 after "thousand" insert "five hundred".

Mr. HUMPHREY. Madam President, all the amendment does is to increase by 500 copies, to a total of 1,500, the allowance for the printing of additional copies of hearings on the Revenue Act of 1962. I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. HUMPHREY. I thank the Senator from North Carolina [Mr. JORDAN], for his patience.

While I am on my feet, I wish to thank him for his service to agriculture, not only as a member of the Committee on Agriculture and Forestry of the Senate, but as one who has contributed as a member of this area of our economy and who in his private life is engaged in this field.

Mr. JORDAN. I thank the Senator. I may add that if a Senator has no patience, he had better not be a member of the Committee on Agriculture and Forestry, because being on that committee requires patience.

Madam President, North Carolina has either the largest or the second largest number of small farmers in any one State. There has been some argument as to which State has the largest number of small farmers. At any rate, North Carolina ranks very near the top of the Nation in the number of small farmers and small farms located in any State.

Agriculture is a vital part of the economy of North Carolina. Last year agriculture contributed about $1,100 million to the economy of our State. So one can readily understand that it is a very important part of our economy.

In the Committee on Agriculture and Forestry, on which I have the pleasure of serving, we have been at grips with this problem for many days. It has given me a great deal of concern. We have spent a great many hours discussing it, and listening to farm leaders, people from our home States, and people from all over the Nation, in an endeavor to work out a farm program that would best deal with the problems facing us in our farm economy at the present time.

We have come to the point where we must deal effectively with some of the basic problems confronting agriculture or see the disintegration and destruction of our farm economy.

I do not think the Congress has ever had a more difficult or far-reaching domestic problem to solve than the current farm problem. Because of its seriousness and complexities, any solution will of necessity be most difficult to agree upon.

But we have no choice, and I think the reason we have no choice is because too many years have already passed without our coming to grips with a realistic solution.

I would like to say with all sincerity that no man has more completely dedicated himself and his energies to the tedious task of finding a solution than has the chairman of our committee, the senior Senator from Louisiana [Mr. ELLENDER].

I know that he feels, as I feel, that we do not propose a perfect solution. We know there are imperfections in it, but it is the best possible solution and the most realistic one that we have been able to find.

Realizing that we can never get all we want, so to speak, in any legislative measure, I hope the Senate will approve the amendments proposed by Chairman ELLENDER.

Basically, four courses are open to us in dealing with the vast problems we have in grains:

First. We can have no program at all—no price supports and no production controls, and I think everyone will agree that this will lead to chaos in view of the fact that all other segments of our economy are to some extent controlled.

Second. We can have no production controls accompanied by price supports. We have had experience under this type of program and it has resulted in low farm income and unmanageable and burdensome surpluses.

Third. We can continue the voluntary retirement program we now have. Experience under this program has shown very clearly that we take the less productive land out of production at high costs and continue to produce surplus stocks.

Fourth. We can have a program of reasonable production controls and reasonable price supports. These two must go together and we cannot successfully have one without having the other if our farm economy is to prosper without undue burden on the taxpayers.

In considering the proposals before us I think we must of necessity come to the conclusion that we must have production controls if we are to have price supports on grains. The process of elimination and the experience we have had with other approaches to the problem show very clearly that this really is the only course open to us.

Madam President, my remarks are largely confined to the feed grains and the wheat program.

I fully realize that any production control program brings with it its own problems, but I do not think that they are insurmountable ones.

A great deal has been said in my State and in other Southeastern States about the need to leave farmers plenty of elbow room to diversify their operations. I agree wholeheartedly that this must be done insofar as humanly possible, not only in my area but in all areas of the United States.

North Carolina is classified as a deficit feed grain State—our production of feed grains is far less than our consumption. I think the facts will show that we in North Carolina have had bitter experience under programs that let production go unlimited with low price supports and programs of voluntary land retirement.

When we have had programs of unlimited production with low price supports our farmers have not been able to compete, and when we have had programs of voluntary retirement our production has dropped to the point that we had to pay excessive prices to bring needed grain into the State.

In the past year, under the present voluntary program, over 600,000 acres were taken out of production of corn and feed grains in North Carolina. That has helped to reduce the surplus stocks in storage very little, but at the same time it has cut down the availability of feed grains which are needed in our State. Therefore, it has been necessary to bring in feed grains from other parts of the country at extremely high freight rates. That has been a high penalty to be paid by the livestock producers, the hog producers, the chicken producers, and all others who must purchase feed grains.

The same thing happened this year in respect to wheat production. I believe North Carolina acreage is at the lowest point in our history. There will be fewer acres of land planted to wheat this year in our State than at any time in the history of the program, since statistics have been kept.

Although the voluntary program has brought a certain amount of income to a great many of our farmers, which is a good thing, on the other hand it has cut the production of feed grains and wheat, so badly needed in our own State. Our livestock production, hog production, chicken production, and other production needs to expand, and if it is to do so there must be a larger proportion of the needed feed grains grown in our State than is now grown under the voluntary program.

Judging from the best information I can obtain, under the mandatory program which is proposed there is a provision in the Ellender amendment that a deficit area such as ours will be taken care of by the Secretary of Agriculture when he finds the area is in a deficit position. That will be an improvement. The Secretary, I understand, has the discretion and power to give some leeway in that regard.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. HUMPHREY. I am happy that the Senator from North Carolina is bringing out that point. As can be seen from the tenor of the debate in the Senate, it is not well understood.

There is a helpful protective feature in the Ellender amendment, which has the support of the administration. The feature is that if an area has a serious feed deficit, which would impede the normal economic agricultural development of the area, the Secretary would have the discretion to permit plantings for the purpose of feeding on the farm the animals and poultry necessary for a balanced farm operation and the economic growth of the area. Is that not correct?

Mr. JORDAN. I appreciate the Senator's comment. If this provision were not in the amendment I could not support it.

Mr. HUMPHREY. I understand.

Mr. JORDAN. Otherwise there would be a hamstringing of the production of livestock, poultry, other products in our State. We badly need to expand, rather than to contract.

Mr. MILLER. Madam President, will the Senator yield?

Mr. JORDAN. I yield.

Mr. MILLER. In that connection, does the Senator imply that the Secretary of Agriculture would use the discretion in a manner which he believed would take care of the problem?

Mr. JORDAN. To begin with, if the program is adopted there will be more acres under production than would be under production under the voluntary program under which we are now working.

In addition, in answer to the Senator's question, the bill points out the necessity for taking care of the deficit areas. The Secretary could, and he should—and I think he would—make allowances for those areas. Those areas include the entire eastern seaboard.

None of our eastern seaboard States produces sufficient feed grains for local use.

This was the section of the bill for which I held out in the committee. It was finally adopted. Under this provision the ensilage which is raised on the farm and fed on the farm is to be exempted from the quotas. The dairy farmers to a large extent have big silos and store their ensilage. There is also the question of the feeding of cattle. Those are the two main points.

That provision in the amendment makes a vast difference in the amount of feed a farmer can produce for consumption on his own farm.

Mr. MILLER. I say to my good friend from North Carolina that I do not have too much difficulty with that point. However, when I heard the colloquy between the Senator and my friend from Minnesota [Mr. HUMPHREY], which indicated to me that we might be opening up a program under which the Secretary of Agriculture would have unbridled discretion to reduce production which normally would occur in the State of Minnesota or in the State of Iowa, and to permit some other area, at his discretion, to make up the difference, I began to wonder about it.

Mr. HUMPHREY. Madam President, will the Senator yield, to permit me to make a comment on this point?

Mr. JORDAN. I yield.

Mr. HUMPHREY. I know the Senator does not wish to misinterpret my remarks. We have a sufficient amount of trouble trying to explain a complicated piece of legislation, without becoming involved in an unnecessary misunderstanding.

Under no circumstances would the Secretary alter the 1959–60 base. I believe that is correct.

Mr. JORDAN. That is correct.

Mr. HUMPHREY. There is a provision in the amendment, in section 360k, as follows:

> Notwithstanding any other provision of this part, in any area (county, State, or region) in which the Secretary determines (1) that the application of the provisions of this Act would result in hardship to producers in such area, would unduly increase the price of feed grains in such area relative to other areas, and would disrupt normal farming practices in such area, and (2) that the exception provided by this section would not impair the effective operation of this Act, he may provide in accordance with such regulations as he may prescribe that no farm marketing quota (that is, production on the acreage allotment) for any crop of feed grains shall be applicable to any farm in such area, if the acreage of such crop of feed grains does not exceed the farm base acreage determined for the farm.

Mr. JORDAN. That refers to 1959–60.

Mr. HUMPHREY. That is included in the act.

Mr. JORDAN. That is included in the act. The Secretary could not go above the 1959–60 farm base acreage. If the amendment were not agreed to, the Secretary could cut the acreage 10 percent, 12 percent, or whatever might be applicable, across the board.

Mr. HUMPHREY. It is a safety valve.

Mr. JORDAN. It is a safety valve, as the Senator has pointed out, in which the quota of 1959–60 is the average.

Mr. HUMPHREY. I recognize that the Senator from Iowa has a legitimate concern. Coming from a corn and feed grain producing area, I would have one, too. His question is, If there were to be some exemptions and exceptions given to an area such as North Carolina, would such exceptions cut into business in our part of the country? Would we in turn be required to compensate? The answer is "No"; we would not have to compensate.

Mr. JORDAN. The Senator is entirely correct.

Mr. MILLER. I should like to ask the Senator from Minnesota whether or not there is a possibility of cutting into our business under the provision for commercial areas.

Mr. HUMPHREY. No; it is my understanding that there is no such possibility.

Mr. JORDAN. No authority is provided in the bill for cutting into commercial areas.

Mr. MILLER. There may be areas that are exempted from the definition of a commercial area, may there not?

Mr. HUMPHREY. The Senator is correct.

Mr. MILLER. If that is so, do I correctly understand that the exempted areas would be called deficit areas?

Mr. JORDAN. The Secretary would have to define them as deficit areas.

Mr. HUMPHREY. Only if they were deficit areas.

Mr. JORDAN. If in the previous year they did not produce enough feed of whatever description to take care of the domestic needs of the past year, and the result was a substantial price differential.

Mr. HUMPHREY. The criteria are listed, as I pointed out, in the Ellender amendment designated "5-21-62—A." On page 24 of the amendment the definition of a deficit area is laid down explicitly.

Mr. MILLER. I wish to ask another question. I understood the Senator from Minnesota to say that the definition is explicit.

Mr. HUMPHREY. Yes.

Mr. MILLER. What concerns me is how to interpret some of the words that are in the definition. For example, the words "would result in a hardship to producers" appear. In the next line, the words "unduly increase the price of feed grains" appear. As I understand, that would be up to the length of the foot of the Secretary of Agriculture. It seems to me that we might be a little more explicit than to use such words as "hardship" and "unduly."

Mr. HUMPHREY. It is very difficult to find words that are more revealing than good judgment. By the way, it is not a section which I added to the bill, but it was added by committee members and is contained in the regular bill. If I am not mistaken, at least it was proposed and discussed in the committee.

Mr. MILLER. It is my understanding that it is not in the regular bill now.

Mr. HUMPHREY. At least I know it was discussed in the committee. I am no longer a member of the committee. I know that the deficit area concept was discussed at some length by members of the committee.

Mr. JORDAN. A great deal of discussion about that very portion of the bill took place. We tried to arrive at some provision that would not disrupt the entire national program, but would offer some relief to deficit areas such as North Carolina, South Carolina, Georgia, Florida, Louisiana, and Mississippi. Those areas are deficit areas.

I will state a specific instance. During the past year corn went to $1.43 a bushel in North Carolina. The Secretary of Agriculture used his authority to move grain out of Government storage into that area.

Mr. HUMPHREY. Under section 22.

Mr. JORDAN. Under section 22, under the lower freight rate provision. Grain was brought to North Carolina, bringing the price down to a price little higher, of course, but comparable to the price in the area in which the grain was produced.

Mr. HUMPHREY. In our part of the country we did not like that one bit.

Mr. JORDAN. I heard that.

Mr. HUMPHREY. The rumor got through to the Senator, I am sure. In case the Senator did not know it, I want him to know that despite my great friendship, respect, and affection for him, I protested as vigorously as I could but to no avail. That indicates the great control I have over the Department. But I believe the provision which the Senator has worked out would alleviate part of the problem. Some of us in our part of the country have felt there was discriminatory action on the part of the Commodity Credit Corporation, and also in getting a special ruling through the Interstate Commerce Commission to cut sharply freight rates for the Commodity Credit Corporation but not for our private grain trade and our cooperatives. That is what I was complaining about at the time.

That section would permit the individual farm producer, so long as he does not violate his base and so long as he is not permitted to participate in a referendum on quotas—which is another provision—to grow a certain amount of feed grain in the area if there is hardship in the area due to a deficit of feed grains. I think that is a more equitable provision than competing with a private market and using the Commodity Credit Corporation as a sort of big business operation against the rest of the agricultural economy.

Mr. MILLER. On that point, the Senator from Minnesota was joined by the Senator from Iowa in his concern about the shipment of Commodity Credit Corporation grain out of Iowa elevators into some of those areas. But at the same time I fail to understand how that would improve the situation. I see nothing in the definition of "deficit areas" which would tie down the unlimited discretion of the Secretary of Agriculture. When we speak of hardship, what is hardship in our minds may be different from what is hardship in the mind of the Secretary of Agriculture. What are normal farming practices? I defy anyone to define what a normal farming practice is so that every Senator would be satisfied.

I am also satisfied that we might nail the definition down a little more explicitly so as not to turn over unlimited discretion to the Secretary of Agriculture. That is a practical problem. I am sure that when the Senator from Minnesota and I were faced with the transfer of stocks, and we went to the Department of Agriculture to try to obtain some relief for our grain elevator people, we were told that it was just too bad. The decision had been made under the discretion which the Secretary of Agriculture had been previously given by the Congress.

What I am concerned about is that we continue to do the same thing under the "deficit area" definition.

I hope my friend from North Carolina realizes that we want to be reasonable. I venture to say that the Senator from North Carolina and the Senator from Iowa would have no difficulty in getting together on what is a deficit area so that there would be a reasonable interpretation of that term.

Mr. HUMPHREY. That is the point.

Mr. MILLER. I must say that after some of the things that have occurred in the Department of Agriculture—and I am pleased to know that my friend from Minnesota has not always been satisfied with what has happened over there—I am not happy to turn over more discretion to the Secretary of Agriculture. I would rather see the provision tied down a little more.

Mr. JORDAN. I thoroughly agree with the Senator. A great many decisions have been made in the Department with which I was not happy. I was not happy with a decision this week about certain phases of the tobacco program. Many farmers in my State were not happy about it. But I shall be glad to discuss the question with the chairman of the committee, and if we can tie down the definition in a reasonable manner, I shall be happy to see it done.

I should like to see as many guidelines put in the bill as possible in order to make it the kind of bill I would like to have enacted. As I said in the beginning, I am not entirely satisfied with the bill, but we had to accept the best bill upon which we could agree. I think we must pass a feed grain and wheat bill this year or the entire program will go by default. It will not be too long, I am afraid.

Mr. MILLER. I recognize that the Senator from North Carolina has a problem. If I were in his position, I would be fighting to see that that problem is taken care of. He has a problem, as do the Senator from Minnesota and the Senator from Iowa, in protecting the interests of the people they represent.

Mr. JORDAN. There is no question about that.

Mr. MILLER. It seems to me that reasonable people can get together. But I think that reasonable people in the legislative branch of the Government ought to get together instead of leaving it to the discretion of those in the Department of Agriculture. That is what the Senator from Iowa is advocating.

Mr. HUMPHREY. I assure the Senator that I shall work with him. The Senator knows that our area is not a feed surplus area. The price of feed is important to the economy of our area, and even more so in the State of Iowa. Southern Minnesota and the State of Iowa have production purposes that are pretty much alike. I feel that we could tie the language down more explicitly. I assure the Senator that in the discussion tomorrow and prior to the vote on the amendment, I shall do what I can to work with the Senator from Louisiana and the Senator from North Carolina to see if we can improve the language and lay down more definite criteria.

I believe the Senator would be interested in another amendment that I have which would circumscribe the operations of the Commodity Credit Corporation, so that it does not go springing off into the southeast and northeast and acting as though it was the business of agriculture. I will submit my amendment to the Senator from Iowa. If I can get his help, we may be successful.

Mr. JORDAN. I believe that the biggest complaint with respect to the transferring we were discussing came from the men who own the grain elevators.

Mr. HUMPHREY. Of course. Those men were losing business. It meant a great deal to them.

Mr. JORDAN. The farmer who had the product there was not getting $1 out of it.

Mr. HUMPHREY. This problem is not insurmountable. I can understand the concern of the Senator from North Carolina. I believe that the advances which have been made in his State in the field of improved agriculture are some of the finest that have been made in the Nation. The work that has been done there can almost serve as a model of what can be done to revitalize the agricultural economy. The Senator will get my cooperation.

Mr. JORDAN. I appreciate those remarks very much. I am very glad that I can agree with him. My predecessor, former Senator Scott, when he was Commissioner of Agriculture in North Carolina, started a program of diversification. Our farmers could not live on peanuts, tobacco, and cotton. Those were the principal crops in our State. He started preaching dairying. It has moved up to the place now where we are almost self-sufficient in our dairy consumption. What we do not want to do is lose the advances that we have made thus far in the dairy and cattle production. We have made great progress in those fields. We do not want to slip back under a program under which we cannot live.

Mr. HUMPHREY. It would be very easy for any Member of the Senate to plead the cause of his own particular area. For example, for many years Minnesota has been a feed grain producing State. It has been one of the largest producers of barley, rye, oats, and corn. However, some big changes have been taking place. Soybeans are becoming one of the big cash crops. Poultry and turkey production is becoming as big an industry as feed grain production, or if not bigger.

That is the point I have been trying to make in the message I gave the Senate today. We have reached the place in agriculture where we need to take a new look at our laws relating to agriculture, because the agriculture of the 1960's is not the agriculture of the 1940's.

Mr. JORDAN. The same thing is happening in North Carolina. We are now second or third in the production of broilers.

Mr. HUMPHREY. Yes. Twenty years ago it was little or nothing in the Senator's State.

Mr. JORDAN. Commercially, it was practically nothing.

Mr. HUMPHREY. It seems to me what we have to do with respect to this problem is to provide in the program some remedial authority so that we can adjust our production and our quotas and allotments to meet the needs of a changing agricultural economy. That is why I believe some flexibility is required in the law.

While I can understand that a provision such as the Senator has referred to, relating to feed deficit areas, might seem at first glance to be detrimental to feed producing areas which have surplus production, it is not in fact detrimental. It will be successful if properly worded and administered, and will be an advantage to North Carolina and Minnesota and Iowa and every other part of the Nation.

Mr. JORDAN. There are those provisions under the Ellender proposal which I feel sure will give farmers in the

Southeast plenty of elbowroom for their future operations. They are the provisions dealing with silage, the provisions dealing with the small farm exemption, and the provisions dealing with the deficit area problems.

Under the present program, our feed grain production in North Carolina is about 30 percent under the 1959-60 base period. Under a mandatory program, I am sure the reduction would be far less than 20 percent of the 1959-60 base period.

I think it should be remembered that even though we know such a program as a mandatory program, it is not mandatory at all unless the two-thirds of the farmers themselves vote to invoke mandatory controls.

Through the years we have developed sound and effective mandatory programs to control the production and prices of tobacco, cotton, peanuts, and rice, and I think the facts will show that well over 90 percent of the farmers producing these commodities repeatedly vote to continue the mandatory type program. The programs we have in these four basic commodities have not come to us easily, and neither will similar programs come to us easily in wheat and the feed grains, but we have reached the point where we must make a start if we have any hope of preserving any of our programs, and I think the Ellender proposals are the best possible starting point.

Madam President, North Carolina is one of the largest tobacco-producing States, if not the largest. Our peanut production is a large cash income crop in North Carolina. Cotton is a vital part of our farm economy. Those three commodities are under price control and acreage control. In my best judgment, if wheat and feed grains are not controlled in similar fashion, and we continue the terrific losses that are mounting with respect to carrying these products in storage, sooner or later the whole farm program will collapse, and with the collapse will go the controls that we have, and chaos will develop in the whole farm program.

This is not a perfect program. It does not suit me in its entirety. It does not suit my farmers in its entirety. However, so far as I can see, it is the best solution that we can make at the present time.

I hope we can pass the bill. If it can be improved by amendments, I will be glad to support them.

ADDRESSES BY THE SECRETARY OF THE TREASURY

Mr. CLARK. Madam President, I ask unanimous consent that two recent speeches by Secretary of the Treasury Douglas Dillon be included in the RECORD.

The first was presented before the American Bankers Association at Rome, Italy, on May 18, 1962. Secretary Dillon analysed the balance of payments posture of the United States. This comprehensive and illuminating coverage of the subject should be recommended reading for all of us. In the second speech given, I am happy to say, at the University of Pennsylvania on May 21, 1962, Secretary Dillon emphasized the importance of the average individual in influencing public policy.

It gives me great pleasure to present these two speeches.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY, AT THE NINTH ANNUAL MONETARY CONFERENCE OF THE AMERICAN BANKERS ASSOCIATION, ROME, ITALY, MAY 18, 1962

I am delighted to join with you in this ninth annual monetary conference, which has brought together so many of those who, as public officials or private citizens, share responsibility for the financial policies of the free world. Our common objective of a durable international payments system, capable of supporting and nourishing economic growth and expanded trade, cannot be achieved by nations working in isolation. Lasting progress depends upon concerted action by all of our governments and by labor, business, and finance within each country. Such cooperation can flourish only in an atmosphere of frank discussion—the sort of atmosphere provided by this meeting. The opportunity which we Americans have had to meet in such pleasant surroundings with our eminent European colleagues has been most useful in giving us a clearer appreciation of our common problems. I am thankful to the American Bankers Association and to our Italian hosts for making this possible.

The free world's monetary system, as it has evolved since World War II, rests inescapably on the full acceptability of the dollar as a supplement to gold in financing world trade. No practicable alternative is in sight. This means that the dollar holdings of central banks must continue, in the future as in the past, to be readily convertible into gold upon demand at the fixed price of $35 an ounce.

It further means that all of us—every nation with a stake in a stable international financial mechanism—have a strong interest in the elimination of the lingering U.S. payments deficit.

The chief responsibility for righting that deficit rests, of course, with the United States. We recognize this responsibility, and we are prepared to do what is necessary to eliminate the deficit and to preserve the value of the dollar. But the nature of the eventual solution—and the speed with which it is reached—also depends upon the degree to which the surplus countries of Western Europe accept a complementary responsibility.

Recognition of the need for coordinated, cooperative action has been apparent in many areas over the past year. This provides solid ground for confidence as we look ahead. Nevertheless, much remains to be done. And this is nowhere more true than in one area of direct concern to everyone in this room: The arrangements for raising and distributing credit and capital in world markets. Potential investment funds are still too often dammed up behind national boundaries by legal restrictions or institutional barriers—even when any need for these restrictions has long since passed. Capital does not—as it should—flow freely from those with ample resources to the points of greatest need. Benefits and burdens often bear little relationship to current patterns of trade or to the underlying payments position of a country.

This is reflected in the fact that most governments or businesses, when raising funds outside their own country, still look to the United States as the only readily available source. Conversely, American investors, unlike those in most other countries, have both the facilities and freedom to place their funds abroad without restriction, on a basis comparable to—and sometimes even more favorable than—domestic investment.

These conditions are an anomaly in a world of convertible currencies—a world in which barriers to trade have been steadily reduced—a world characterized by American deficits and European surpluses. I am not suggesting that the United States, as the richest and most productive nation on earth, should cease to export capital. Nor do I suggest that action to free the flow of investment funds from other countries would relieve the United States of its responsibilities for vigorous and effective action in other directions to reduce its payments deficit. But progress toward a broader, more fluid international market for capital does seem to me to be an essential part of our American effort to achieve and sustain international payments equilibrium. At the same time, more effective means of mobilizing the huge potential for savings implicit in the dramatic economic expansion of Western Europe must be developed if Europe is to fulfill its hopes for continued rapid economic growth in the years ahead.

Western Europe is in a period of economic growth that can and should lead to standards of living comparable to those in the United States. But we in the United States would not have been able to achieve our present standard without the development of a capital market whose breadth and flexibility remain unparalleled. The plain fact is that Western Europe will not be able to approach the American standard of living until it develops ways and means of mobilizing its own extensive savings and capital that are fully as effective as those of the New York market. This is an area where the interests of the United States and Western Europe coincide completely. Western European economic growth will require an enormous mobilization of capital. Because of balance-of-payments realities, as well as our own competing domestic needs, the amount of capital that we will be able to furnish is simply not enough to go around. If Europe is to have adequate funds for the expansion that is now within its grasp, it must develop up-to-date mechanisms to mobilize its own capital resources—mechanisms that do not exist today in most of continental Europe.

To return to our balance of payments and to put it into proper perspective, let me review the broad strategy that lies behind all of our efforts to restore a balance in our international accounts.

As you know, spending for the defense and economic support of the free world imposes a uniquely heavy burden on the U.S. balance of payments. The annual dollar cost of our defense expenditures overseas has been roughly $3 billion in recent years, substantially more than our average basic payments deficit. I would like to emphasize that the $3 billion figure is the balance-of-payments impact—not the budgetary cost to the United States, which is several times higher.

Approximately $2 billion of this is spent in NATO countries. Our dollar costs for defense are heaviest in Germany, where they amount to about $700 million a year. In France, they are more than $300 million per year; in the United Kingdom about $250 million, and in Italy, about $100 million.

These expenditures represent the dollar cost of maintaining U.S. forces overseas, and the heavy expenditures in NATO countries result from the fact that our largest overseas troop deployments are here in the NATO area.

There can be no doubt of the necessity to maintain large U.S. forces overseas for our own security, for that of our NATO allies, and for the entire free world. Nor can there be any doubt of our firm determination to meet in full our responsibilities for the defense of NATO and the free world. As

President Kennedy has stated, the United States is prepared to make any sacrifice necessary for free world security. We are prepared to maintain fully effective military forces overseas—wherever necessary and for as long as needed. Even as we meet today, American troops are deploying in Thailand in response to a request for assistance by the Royal Thai Government as a result of renewed Communist aggression in Laos. But at the same time that we fulfill these military responsibilities we must exercise all prudence to insure that the adverse impact on our balance of payments is minimized.

The United States must trim all nonessential foreign exchange expenditures from its defense programs. Therefore, we are emphasizing U.S., rather than foreign, procurement. We are economizing in manpower wherever possible without loss of military strength and we are encouraging our forces to hold down the level of their personal expenditures overseas. But this can only accomplish a relatively small part of the job.

More important is our effort to work out arrangements in cooperation with our NATO allies for offsetting our defense expenditures by increasing their procurement of military equipment and services from the United States. This not only assists the U.S. balance of payments—it also strengthens the military capabilities of our allies, for we are usually in a position to produce the needed equipment faster and at less cost than it can be produced in Europe.

As a first and most important step in this effort, agreement has been reached on the establishment of a cooperative logistics system whereby the armed forces of the Federal Republic of Germany will increase the level of military procurement in the United States and will utilize American supply lines, depots and maintenance and support facilities. By this means the Federal Republic of Germany will fully offset the dollar costs of maintaining U.S. troops in Germany during 1961 and 1962. Discussions are underway, or will soon be initiated, with certain of our other NATO allies. Our objective during 1962 for total military cash receipts is approximately $1.2 billion. I believe that we will be successful in attaining this objective.

It is our view that such military offset arrangements are both equitable and mutually beneficial. They provide a means whereby our allies can strengthen their own military forces at minimum cost and in ways that often would not otherwise be possible, while at the same time offsetting the dollar costs which we incur in maintaining our forces on their territory in the joint defense of the precious heritage of freedom. Thus, these agreements, at one and the same time, build up both the military and economic defenses of the West.

The dimensions of the actual drain on our balance of payments from economic aid—while important—are currently much smaller than many have assumed. A sizable fraction of our $4 billion expenditure for aid—over two-thirds in 1961—is furnished in the form of U.S. goods and services. And in terms of the funds being committed at the present time, the portion furnished by our own goods and services is even higher and is still increasing. But just as in the case of defense spending overseas, there are limits to the further dollar savings that can safely be made in this area. The needs of the developing countries are likely to rise in the years ahead, not decline. Hence, much remains to be done in sharing this burden more equitably among all the countries able to bear it. I am hopeful that continued progress can be made along those lines this year.

On balance, a realistic appraisal of actions now underway suggests that the total drain on our balance of payments from aid and defense will be reduced by something over a billion dollars a year, to a figure on the order of $3 billion.

This means that the United States must have a continuing surplus of about $3 billion a year in the other elements of our basic balance—trade, services, and long-term capital movements if we are to achieve a balance in this account which, as you know, does not include short-term capital flows. This is a tall order. But it is one we can, and must, achieve. Last year, when circumstances were particularly favorable for our trade account, our commercial trade surplus amounted to $3 billion. This reflected the abnormally low imports of the first 6 months of 1961, which resulted from the slowdown in our economy. We must, however, accept this as a minimum target for the future and strive to do even better. Such a target will not be easy to achieve. But it is feasible and realistic—if we Americans continue to apply ourselves to the task with all the vigor and imagination it requires.

I will not review in detail here all the measures we have undertaken to make Americans export conscious as never before, to support industry with short-term credit insurance comparable to that available in other industrialized countries, and to provide comprehensive and speedy information on foreign markets. I am certain, however, that all of you here will see visible results from these efforts in the months and years ahead, as American businessmen move more aggressively to participate in growing world markets.

All of this effort will, of course, avail us nothing if American industry cannot or does not deliver its goods at attractive prices. Restraint on costs and stable prices must lie at the very heart of American efforts to sharpen our competitive drive in world markets.

Our overall approach to this objective is, I believe, clear: The thought that price stability depends on keeping wage rates in line with national trends in productivity is hardly new. But never before has an American administration assumed the responsibility for defining that principle in such clear terms—and never before has an American administration so carefully spelled out its implications for collective bargaining and pricing decisions. The object is simply this: To insure that labor and business alike, in weighing all the complex pressures that enter into any wage-price decision, are also fully aware of the overall national interest.

The past year has seen some success in these efforts. Despite our economic recovery the very significant fact is that wholesale prices in the United States are lower today than they were a year ago. They have now remained stationary for 4 years. This price stability has served to improve the competitive position of the United States versus our friends in Europe, reversing the trend of earlier years. We will continue to do everything in our power to see that this new trend continues. Important among our efforts is the promotion of a more favorable environment for investment. An investment tax credit, included within a broader program of tax reform now before our Congress, is a key element in our approach. And updating and simplification of outmoded depreciation guidelines to take full account of the impact of swiftly changing technology on the useful life of equipment is another. Together, these measures will provide incentives for investment in new equipment comparable to those that have long existed in other leading industrialized nations.

Monetary and debt management policies are being conducted in a manner to insure that ample funds are available, at reasonable cost, to finance new capital outlays. Fiscal policy, too, has been closely attuned to the need to encourage investment, and to avoid the sort of demand pressures that could menace price stability.

As you know, we have succeeded this year in keeping the deficit in our Federal budget far below the level of fiscal year 1959—the last similar recovery period. This has been of major assistance in our effort to forestall any significant tightening of the credit markets, with Government draining off resources and funds that might better be devoted to productive investment. For the fiscal year beginning next July, we have programed a balanced budget on the presumption that the economy will continue to expand vigorously, approaching full employment by the end of the fiscal year.

Under such conditions, our budget would gradually, and quite properly, exert increasing restraint on demand as the year progresses. This is better illustrated by the projected surplus of $1.8 billion in the overall cash account which, in contrast with the administrative budget, reflects all the activities of the Federal Government.

Whether or not our budget target will, in fact, be reached, cannot be foretold with certainty today. We won't know the answer until time has tested the basic assumptions that underlie the revenue estimates. But as you all know, Government receipts in the United States are very sensitive to business conditions because of the heavy reliance on the income tax. I can assure you that expenditures are being kept within the limits of the revenue estimates. I would be less than frank if I did not admit that our first quarter results were disappointing, although the shortfall was not so great that it cannot be made up in the months ahead. Certainly my own readings of the latest business news and profits figures suggest that it is still premature to conclude that we cannot attain our goal.

Whatever the precise budgetary outcome 14 months hence, the really crucial fact is that the economic effect of any particular surplus or deficit can be judged only in the context of the existing business environment. If our economy fails to sustain the momentum we anticipate, labor will remain freely available and industry will continue to operate well below capacity. Under such circumstances, experience shows that a moderate deficit would not be inflationary, just as the rather substantial deficit of the past 12 months, with manpower and goods in ample supply, has not been inflationary—and, for that matter, just as the much larger deficit in fiscal 1959 was not accompanied by any general price increase. And here I would like to say that our deficit for the current fiscal year ending on June 30 is today estimated at $7 billion, exactly the same as our official estimates of last October and last January.

The fact that there is no automatic relationship between budgetary deficits and price inflation, or between budget deficits and the balance of payments, is brought home forcefully by a recent study comparing the budgets of the United States with those of the three largest European countries. I do not recommend it for light reading. It is a highly technical statistical exercise designed to adjust the data to a common basis so that they accurately reflect the net impact of Central Government operations. But the conclusion stands out clearly and unambiguously: Britain, France, and Germany have all been more deficit-prone than the United States. Converting European budgets to the more rigorous standards of American budget accounting, we find that Germany, for example, has had a deficit ever since defense spending became a significant portion of its budget 4 years ago, and that France has had a deficit in every year of the past decade. Moreover, the deficits of all three of these European countries have, much of the time, been considerably larger, relative to gross national product, than that of the United States.

What is one to conclude in view of the fact that two countries—France and Germany—which, using our basis of budgetary accounting, have had relatively large budgetary deficits in recent years, have also had the largest surpluses in their international accounts?

Certainly not that large deficits are the road to salvation.

We all know that the wrong deficit at the wrong time can pave the road to inflation. But, in discussing budget policy, we too often fall into the trap of forgetting that it is inflation which is the real enemy. We should always bear in mind that moderate budget deficits incurred during periods of inadequate demand and which do not exert upward pressures on price levels—are quite different in their economic effect from deficits incurred when the economy is operating at full capacity.

In this connection, the relationship of the Federal debt to the gross national product—in other words, the ability of the national economy to carry the debt burden—is also pertinent. In this area, the record of the United States has been and continues to be very good. From a situation at the end of the war when the Federal debt amounted to about 125 percent of our gross national product, the percentage has continually declined and today stands at about 53 percent. This compares with a ratio of 56 percent just 1 year ago, and a ratio of about 50 percent in 1941, before wartime expenditures sent our debt soaring. The addition of our growing State and local debt would modify these percentages only slightly. The general picture would not be changed.

Price stability—investment in modern machinery—an export-minded government and industry—these are the keys to an expanding trade surplus for the United States in the years ahead, a surplus achieved not by retreat to controls or deflation, but firmly grounded in the ability of American business to pour out into world markets new and improved products at attractive prices. Our trade surplus is already large. But it is not quite large enough to cover our commitments for defense and aid, as well as our current volume of private investment abroad. However, the needed margin is within reach—and reach it we mean to do.

The preliminary results from the first quarter of 1962 clearly show that our efforts are beginning to bear fruit. Despite an increase of $550 million in our imports as compared to the unusually depressed level of the first quarter of 1961—an increase that is the natural reflection of our economic recovery—our overall deficit for the quarter was just $100 million larger than in the same quarter last year. Leaving imports aside this represents a solid improvement of $450 million in all the other elements of our balance of payments. Overall, these results show an improvement of a billion dollars over the deficit incurred during the fourth quarter. During the first quarter of this year our basic deficit ran at an annual rate of approximately $1.2 billion, and our overall deficit at an annual rate of $1.8 billion. The continuing and growing effect of our various efforts to correct our balance of payments should serve to maintain or improve these results as the year progresses.

We should not, however, center all our attention and all our efforts on our trade balance. A danger will remain so long as the United States stands virtually alone in providing a free and effective capital market, absorbing the bulk of the marginal demands for funds from other countries, surplus and deficit alike. Then the dollars saved in defense and aid, and the dollars earned in trade, could too easily be drained away in an accelerating outflow of American capital.

I am not referring to sudden and massive shifts of liquid funds in response to interest rate differentials, to speculative considerations, or to other factors. That difficult problem has already received much attention, and our mutual defenses are being strengthened. I am referring to the basic world market for long-term capital.

This long-term capital market has two major factors: direct investment and portfolio investment. It is the latter, or rather a portion of the latter, which is my chief interest today, although I will say a few words first on the subject of direct investment.

The United States has consistently favored free capital movement, the ability of individuals or companies to invest their funds where they will. There has been no change in that view. We are, however, asking our Congress to end the tax inducements to American investment in other industrialized countries, particularly the inducements which flow from the mushrooming use of so-called tax havens. The object is not to discourage capital from going abroad in search of higher gross return. That sort of investment will, in the long run, serve the investor, the United States, and the recipient country alike. We recognize that the great bulk of our foreign investment is of this type and is not tax induced. We do, however, want to make sure that our tax system does not unwittingly—and artificially—spur this outflow. We wish only to eliminate marginal foreign investment that is induced primarily by tax considerations. While there is no expectation that such action will dramatically reduce the outflow of direct investment funds from the United States, it will be of some help—and every bit counts in the effort to eliminate our payments deficit.

In the field of portfolio investment, I am not interested in the purchase of foreign equities by American investors, a process that is an essential element of free capital movement. What I am concerned with is the increasing use of the various mechanisms of the New York capital market by European borrowers to raise funds for their own internal purposes. Today, the plain fact is that underwriting and distributing facilities in the industrialized countries of continental Western Europe, are generally inadequate to meet the foreseeable needs of domestic borrowers—much less those from abroad. That is not a healthy environment for long-term domestic growth. It inevitably means higher borrowing costs and a shortage of funds for firms and industries that lack their own internal sources of capital. And, when combined with controls and restrictions on capital movements lingering on from earlier days, it has the incongruous effect of shunting to the New York market new issues from the surplus countries, even as we in the United States are endeavoring to erase deficit.

While the current relatively favorable interest rates in the New York market are, of course, attractive to foreign borrowers, there is plenty of evidence that a large part of the current European borrowing in New York is as much a reflection of the greater and more ready availability of funds in the New York capital markets as it is of interest rates. In other words, the indications are that many of the current European borrowers would be coming to New York even if our interest rate structure were somewhat higher. They would be coming because they find it more difficult to raise the needed funds in Europe than in New York. A case in point is the current $25 million borrowing by the European Coal and Steel Community.

This does not seem to me to be a very efficient use of the world's capital resources. The years to come will certainly see a growing demand for capital from countries which cannot be expected to develop their own capital markets. Such countries have traditionally looked to the capital markets of New York and London to raise their funds. This is a normal procedure and should continue. But it will be more difficult for these countries to meet their needs if they must compete in the New York market for necessarily limited funds with continental European borrowers who, given fully adequate European capital markets, should normally be able to find the needed funds without having to cross the Atlantic.

It is true that a large proportion of the European issues that have been publicly floated in New York have ultimately been taken up by European investors, which among other things, shows that these investors are prepared to lend their money long-term at lower rates than are currently quoted in their own capital markets. Thus, the burden on our international accounts has not been as large as it may have appeared from a simple total of the volume of new issues sold in New York. But the burden is nonetheless real. And so long as the imbalance in facilities and controls remains, so will the threat that an accelerating flow of these issues could undermine our efforts in other directions. And as long as continental Western Europe continues to operate with inadequate and outmoded capital markets it can have no solid assurance that the capital required to insure steady and rapid growth will, in fact, be available. I am glad that the OECD has now recognized the importance of this problem and has commenced to work actively in this field. We should all of us give this effort our full support.

I recognize that progress toward relaxing some of the formal controls on external capital flows is already evident in most industrialized countries. Nevertheless, residents of only a few Western European countries have freedom today to invest abroad wherever they may wish, and in whatever form they may desire. Some type of official authorization and approval is still commonplace, and outright prohibition is not infrequent. The volume of foreign bonds offered in Western European countries in recent years has, except in one or two of the smaller countries, been negligible—and in some countries, nonexistent. And, it still appears that bank funds are readily available to foreign borrowers, in substantial volume and without ties to exports, only when they are in the form of U.S. dollars.

Thus, we have a long way to go before we can be satisfied that our arrangements for raising and distributing capital within the free world are in step with our progress toward freer trade and higher standards of living. I, for one, shall be uneasy so long as virtually all the world—surplus and deficit countries alike—those capable of generating a high level of savings internally and those operating close to subsistence levels, must look to the United States as their principal, if not only, source of marginal capital.

Progress in this area cannot come with dramatic speed. Markets have been insulated too long. The whole psychology of a generation of investors must be changed. New institutional structures must be developed. But as I look at the development of Western Europe from a distance, it seems to me that the logic of internal growth and development points in this direction.

More efficient capital markets will be essential to sustain growth, and should themselves tend to reinforce other factors that could bring about a lower level of long-term interest rates more in line with those typical of the American market. Already, some tendency in that direction has developed. In this interdependent world of ours, I would expect that tendency to continue.

I am not calling today for any radical new departures in policy. I am asking only that we willingly accept the logic of our evolving world economy, and press ahead with all our vigor to cast off those restrictions that still impede the free flow of capital, both within and between nations. This is clearly not a job for governments alone, but for banking leadership and banking statesmanship as well. I submit it as a special challenge for all of you who have a vital interest in expanded trade between nations, growth at home, a durable payments system, and a strong free enterprise economy.

REMARKS BY THE HONORABLE DOUGLAS DILLON, SECRETARY OF THE TREASURY, AT THE UNIVERSITY OF PENNSYLVANIA, PHILADELPHIA, PA., MAY 21, 1962

It is a pleasure to meet with you today and to join the alumni of this distinguished university. I am delighted to share in these honors with my old friend, President Houphouet-Boigny of the Republic of the Ivory Coast. He is a wise leader who has brought his people into nationhood and has made his country a beacon of hope for the future of Africa. His presence here today is a reminder that a great university knows no national boundaries, for peoples from every corner of the earth share in its work and contribute to its life.

Those of you who are departing this university to embark on your careers will find that our constantly changing world will become increasingly complex in the years ahead. I can assure you that there are vast challenges awaiting you.

Overriding all others is the military power, supported by a growing economy and a passionate ideology, of the Communist bloc. This power requires us to constantly strengthen the defenses of the free world. At the same time, the nature of nuclear weapons demands that we do all we can to lessen international tensions and to seek ways of minimizing existing frictions. We must negotiate while maintaining our preparedness for the worst. We must employ strength, patience, and diplomatic skill.

Another great challenge is presented by the growing economic strength of our European allies. While we are naturally pleased with their progress, we must recognize that we now have competition in the markets of the world such as we have not known for more than a generation. We must improve our competitive abilities so that we may earn, through our exports, enough to support both our oversea military establishments and our much-needed programs of aid to less developed countries. That is the basic reason behind President Kennedy's programs of trade expansion, of export promotion, and of tax incentives to stimulate the constant modernization of our industrial plant.

A third great challenge is represented by the yearnings of the peoples of the less-developed world for a better life. Nearly 50 new countries have entered the family of nations in your lifetime. Their struggles and those of all the developing lands will do much to shape the pattern of the world for decades to come. The importance of the nations of Africa alone—as President Houphouet-Boigny can testify—cannot be overestimated, either during their present striving toward a better tomorrow or as a potentially major force in international affairs. In Latin America, too, there is impatience with the slow pace of advancement. Our Alliance for Progress, designed to speed development throughout the hemisphere, may—if we and our Latin partners work hard enough at it—become a model of collective aid and self-help for the entire developing world, including Africa and Asia.

These vast, complex problems are among the greatest ever faced by our country. They will not become any easier during your lifetimes. Their solution will require the best efforts of men and women trained in universities such as this. They will provide plenty for you to do.

Let us look for a moment at our domestic scene, where we have a great deal of unfinished business:

Our economy badly needs strengthening. It must grow faster in order to support our Defense Establishment, to improve our competitive position in the world's marketplaces, to meet essential needs in our own country, and to help the peoples of less fortunate nations to raise their living standards.

We cannot tolerate unemployment at present levels, not only because it entails human suffering, but because it represents unused manpower. We must speed up the growth of our economy to provide the needed jobs. We must also keep our prices stable, since inflation would seriously affect the welfare of all in our society who depend on savings, and would threaten our ability to compete in today's highly competitive world. To resist inflation, business, labor, and Government must all exercise self-restraint.

We must strive for greater efficiency by applying new methods, fresh research, and the fruits of the laboratory, to the development of a better industrial plant—and must raise the level of investment, for investment creates jobs, incomes, and consumer demand.

We must also improve the ways in which we care for the poor, the aging, and the sick. Here we can take a major step forward in the next few months by enacting legislation to assure adequate medical care for the aged through our tried and proven social security system.

Above all, our educational system needs strengthening. We need more classrooms, more and better paid teachers, more laboratories—more educational facilities of every kind to keep pace with our expanding population. For in the last analysis, our strength lies not in machines, but in our people, who must be given maximum opportunity to develop their latent talents.

Finally, no catalog of our wants can exclude the need to improve the rights and opportunities of all our citizens. For our Nation is distinguished by our adherence to the principle of individual liberty, by the overriding importance which we attach to the individual citizen.

The vast changes taking place in our civilization have had one thing in common. They have often seemed to reduce the efforts of the individual citizen to insignificance. For this is certainly the age of the mass market, the mass media, the mass civilization. Out of this age, two great dangers have arisen—mass ignorance and mass apathy.

As the industrial era has accelerated, it has been the specialist—the market analyst, the computer systems designer, the neurosurgeon, the nuclear scientist—in short, the expert—who has become important. Experts are indeed necessary. But with their increasing importance, we too often are tempted to say, when considering matters of public policy, "What do I know about it? I'm no expert."

I say to you that the individual, despite indications to the contrary, is more important than ever, and that the ability of our citizens to influence public policy is also more important than ever.

In our system, it is how much the ordinary citizen knows—and even more important, how much he cares—that will determine the outcome of large issues. Experts of course are necessary, and their advice should be heard, but in the end, it is often the nonexpert who must make the decisions.

POLITICAL REALITIES AND ASSUMPTIONS

Mr. CLARK. Madam President, on several occasions during the past few months I have taken the opportunity to suggest that there was a certain amount of lack of reality in the attitude of some of us in the Senate toward pressing current, modern problems. The position which I have taken in this regard appears in far better form than I could present it myself in a column which appears in this morning's New York Times, written by the distinguished commentator James Reston, entitled "Present Political Realities and Past Assumptions."

I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESENT POLITICAL REALITIES AND PAST ASSUMPTIONS

(By James Reston)

WASHINGTON, May 22.—The most serious problem in Washington today—because it affects all other problems—is the gap between present political realities and past political assumptions.

In a revolutionary time, the facts change, often with bewildering rapidity, but the attitudes of the antagonists remain the same or lag behind.

This is the root of President Kennedy's difficulties, not only with the Russians and the Chinese Communists, not only with President de Gaulle, Chancellor Adenauer, and Prime Minister Macmillan, but with Roger Blough of United States Steel, George Meany of the AFL–CIO, and with the Congress, the doctors, the press, and the other prominent contestants in the major contemporary controversies.

It is even the major problem within the Kennedy administration itself, for there, as in the President's outside battles, the conflict is between those who want to act on the basis of the facts and those who cannot liberate themselves from the past and cling stubbornly to the familiar routines and arguments and policies of another time.

This was what President Kennedy was talking about—almost pleading with the leaders of business and labor to think about—in this week's economic conference at the State Department.

THE COMFORTABLE ATTITUDES

"How can we look at things as they are," the President asked, "not through party labels or through position labels, but as they are?"

It is a good question. The Russians and the Chinese know that the world has changed, even that the United States has changed, yet they go on spouting the ideological cliches of the past about capitalist conspiracies to wipe Moscow and Peiping off the map.

President de Gaulle knows all about the economic and military weakness of the national sovereign state, yet risks the movement toward European unity and Atlantic partnership by emphasizing the importance of restoring the grandeur of France.

Chancellor Adenauer sees the division of Germany more sharply than anybody else, yet argues against any American contact with the East Germans while approving day to day contact with them in his own state.

Roger Blough of United States Steel is well aware of the growing competition from foreign exporters and new products, but stumbles into an awkward controversy with the White House on the assumption that the President has no right or responsibility to concern himself with prices.

Finally, big labor, accustomed to the support of Democratic administrations in the past, ignores the changes of fact which compel the administration to concern itself with keeping wages in line with production and assumes, quite wrongly, that it can continue to count on Kennedy's support in every labor-management conflict.

It does not follow from this that Kennedy is always arguing from the realities of the present and his opposition from the outmoded assumptions of the past. The heart of his problem with the French, for example, is that he continues to have the old special relationship with Britain on atomic matters, while denying equal treatment to De Gaulle.

Also, his expenditures and attitudes today in Korea and Taiwan are not, even on the analysis of his own experts, based on present realities but on past political assumptions.

Nevertheless, he has at least recognized the important problem and begun arguing, not only to labor and management but to his own associates in the administration, for a hard pragmatic look at realities.

This will take a long time, both within the Government and its relations outside, but he has begun. "What do you think we ought to do?" he asked his visitors yesterday. "If you don't like our proposals—those of you who are in business abroad—on taxes, what are your suggestions, and what are they specifically, and not in a general way?"

Almost as soon as he had finished, most of those who followed him addressed the same audience in terms of the old assumptions. The familiar themes of big labor and big business had been written in advance and were repeated as if he had never spoken.

BALDWIN'S EXAMPLE

Yet the President has launched a new debate in the country, and urged all institutions not merely to rely on the extreme pronouncements of their spokesmen, but to make sure that their representatives are truly representative and in touch with the facts of the day.

Maybe the invitation won't be accepted, but it was a good try. This is what Stanley Baldwin did in Britain in the twenties, when, with the help of responsible leaders of business and the statesmanship of Ernest Bevin, he finally got both sides to sit on the same side of the bargaining table and consider the national interest. Before policies can be changed, attitudes must be changed, Baldwin argued, and this is about what Kennedy has been saying here this week.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MILLER. Madam President, I oppose the amendment designated "5-21-62—A," offered by the distinguished Senator from Louisiana [Mr. ELLENDER] to the farm bill, S. 3225.

The amendment would put into effect the Kennedy-Freeman plan for a controlled agriculture insofar as our feed grains farmers are concerned and would, in its ultimate effect, lead to controls over poultry and livestock production.

I find it difficult to understand why the administration persists in trying to force such a program on our farmers. All they need to do is read the results of polls taken around the country, including particularly the one recently concluded by the Farm Journal, in which 64,000 ballots were tabulated. Then they would know that farmers are overwhelmingly against compulsory quotas. In fact, the Farm Journal results show that only 4 percent of the farmers favor them.

It will not do to say that farmers will be given a referendum under such a program. Their choice is between the loss of their farms and the loss of their freedom. The Ellender amendment provides that if two-thirds of the farmers vote for the program of marketing quotas and acreage allotments, it will go into effect. If less than that number vote for them, there will be no program at all. Some wealthy farmers might survive; but surveys made at Iowa State University reveal that an abrupt abandonment of a farm program would be catastrophic to most farmers. So I repeat: this proposal gives farmers a choice between loss of their farms and loss of their freedom. It is a cruel and unjustifiable choice.

Without the Ellender amendment, there would be a continuation of the present feed grains program. This is what the bill provides. This is not satisfactory either. We know that Secretary of Agriculture Freeman has said that this program was a "smashing success," but it was not successful enough for him to recommend that it be continued.

As a matter of fact, the March 1962 issue of "Farm Income Situation," published by the Economic Research Service, U.S. Department of Agriculture, discloses that farmers just about marked time under the current feed grains programs. They received $12.7 billion net income for 1961 compared with $11.7 billion net income for 1960, or $1 billion more. Of this amount, $700 million came from increased Government payments for land retirement. This really amounted to an acceleration of income from 1962 into 1961, because without the present program farmers would have produced grain on the land they retired under the program, and the grain would not have been sold until 1962. Instead, it was merely shifted from 1962 into 1961 and received in the form of land retirement payments. That is why the Secretary of Agriculture does not expect any improvement in farm income this year.

The President has alleged that the 1961 crop was 800 million bushels smaller than it would have been without the program. The Secretary of Agriculture has claimed that the 1961 crop was 700 million bushels smaller than it would have been without the program. Both figures are gratuitous. It is gratuitous to assume that Congress either had to pass the emergency feed grains program or do nothing. It is gratuitous to assume that if Congress did nothing, farmers would have grown feed grains on acres which they retired under the program, and that they would have had the same yield per acre as they had on the nonretired acres.

However, gratuitous or not, it is evident that the USDA budget covering feed grains will be from half a billion to $1 billion more for the current fiscal year than for the previous fiscal year. This is probably the principal reason why the administration does not ask for a continuation of the present program.

I believe it would be infinitely better to continue the present program instead of giving farmers a choice between disaster and loss of their farms, on the one hand, and loss of their freedom, on the other. Indeed, Wallaces' Farmer, in the May 5 issue, has recommended the continuation of the present program in preference to the marketing quota and acreage allotment program of the administration. Improvements in the present program are also recommended, including a requirement of participation for ACP payments, storage facility loans, and any other USDA assistance.

We could also improve and extend our land retirement program. This, of course, is the essence of the cropland adjustment plan recommended by the American Farm Bureau Federation. It should be implemented in a manner which would limit the amount of productivity that could be retired in a township, to protect the purchasing power needed in small communities, and in a manner which would protect tenant farmers. If the amount of acreage proposed in the cropland adjustment plan appears to the administration to be excessive, certainly a reasonable compromise could be worked out so that some real progress could be made toward bringing production and consumption into balance.

Madam President, in this connection, I ask unanimous consent that an editorial entitled "There's a Better Way," published in the March 1962 issue of Farm Journal, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THERE'S A BETTER WAY

The chief impression one gets from the Kennedy-Freeman farm program is that it was designed more for consumers and taxpayers than for farmers. It makes pretty good reading in cities. Toward farmers it is amazingly tough: "Take this or else."

Agriculture is in chaos and inefficient, says the President, which will be news to most farmers. Two million of them often possess too little skill and managerial ability. Agriculture is costing taxpayers an unconscionable amount, and this can't go on. Voluntary farm programs have been failures. Too many farmers don't participate, and those who do somehow always outwit the Government. Enough of this. Now, by golly, we'll put the feed grain and dairy farmers under compulsory controls, along with the farmers already there. The Government will give them a ticket, as it were, allowing them entry into the farm arena, then it will tell them how much they can farm.

The Secretary of Agriculture will pay them something for the land they retire. He will set their support prices. He will take over from Congress the determination of how many acres of certain crops we'd have, and each farmer would get his historic share. The only way a producer could grow would be to buy another farm, with quota or allotment attached. A young man trying to get started would have one more thing to buy—a quota.

Feed grain acreage would be cut back 20 percent to 25 percent below 1959–60 levels and wheat 20 percent below 1961, the Secretary says, although he could set different figures later.

There's to be a two-price plan for cotton and a three-price plan for wheat (one for domestic food, one for export, one for feed). Cotton, rice, and tobacco acreage would likely expand.

So goes the administration's thinking. All of this goes into effect if two-thirds of the farmers who vote favor such plans. If more than one-third don't approve:

Wheat and feed grains would get no supports at all. That's right, none. Never before has there been a threat to abolish supports on these crops. Dairymen would probably get supports but sharply cut. Nor is this all. The Secretary would be empowered to dump on the market, at any rate he chose, 10 million tons of CCC feed grains and 200 million bushels of wheat a year.

That's what the administration calls choices. The President says the program would give farmers maximum freedom, a claim we'll let farmers judge for themselves. He says it will increase income. Yet USDA's own estimate is that under such program farm income would go up by only $425 per family, and that not until 1965. Do you think it's worth it? We've done better than that over the last 4 years.

Farm Journal agrees that painful adjustments have to come in feed grains and wheat. But we don't concede that compulsion is the only way, or the best way, to accomplish them. Dairy products are overproduced only 5 percent—we certainly don't need to put dairymen under Government controls to cure that. If the Secretary had not increased supports a year ago we wouldn't have even this much problem. The administration proposes retiring 50 million acres of land, and that's good provided we let farmers do it voluntarily rather than take the land by decree. Let's retire another 25 to 50 million acres of cropland and we'd have no problem. Farmers could then decide how to farm the rest. Our only "failure" with this approach has been in not going far enough.

This might cost a half billion dollars a year more than the administration's program, by the time we got done paying the large costs of administering and enforcing the latter. We favor it. We believe Congress would agree that the difference would be worth paying to avoid putting farmers under Government controls no urban citizens are being asked to accept—or would accept. That's not too much to pay to leave farming in farmers' hands.

Mr. MILLER. Madam President, the point is made that marketing quotas and acreage allotments are in effect for cotton, rice, tobacco, and peanuts, and that therefore there is no reason why the same approach should not be used for feed grains. There is a great deal of difference. Feed grains are used for the production of livestock, dairy products, and poultry. It is relatively easy to enforce marketing quotas when the products can only be sold or disposed of directly. It is another thing when such products can be fed into livestock and poultry. Enforcement problems in this area would be tremendous, although if the idea is to relieve unemployment by hiring more Federal employees, the proposal would contribute in that respect.

As was pointed out in my colloquy with the distinguished junior Senator from North Carolina [Mr. Jordan], such nebulous terms as "normal farming practices" and "hardship" are left to the complete discretion of the Secretary of Agriculture for definition.

The proposal contained in the Ellender amendment to permit the establishment of a commercial area leaves complete discretion in the Secretary of Agriculture both to define the commercial area and to determine whether or not one should be established. The effect of establishing a commercial area would be to grant an exemption to producers located outside this area, thus encouraging the expansion of noncommercial production at the expense of those in the commercial area.

I might point out that legislation authorizing marketing quotas for corn was on the books from 1938 to 1954. During this time, five different Secretaries of Agriculture, representing both political parties, refused to put them into effect. Finally, the authority was repealed in 1954 because it had not been used and was recognized to be impractical to administer and contrary to the wishes of the vast majority of farmers.

In conclusion, title V of the bill provides for the establishment of an Agricultural Research and Industrial Use Administration. Properly funded and administered, this holds promise of long-term results that can be highly beneficial in helping to bring production and consumption into balance. I hope that this title will be left in the bill and that a substantial appropriation will be made for this activity. I note that in the proposed budget for the fiscal year ending June 30, 1963, some $170 million is allocated to Agricultural Research Service, but it does not appear that any portion of the expenditure would be applied to intensive efforts to develop industrial uses for agricultural products.

Mr. DWORSHAK. Madam President, in the debate on the farm bill, S. 3225, it has become fairly apparent that efforts are currently being made by the Department of Agriculture to place rigid controls on American agriculture. The Senate Committee on Agriculture has met this challenge and has endeavored to draft legislation which will stabilize the industry and prevent trends which ultimately will prove disastrous.

It is reassuring to note that this bill does not have as many rigid controls for most of the agricultural industry as did the original Freeman bill, which had the support of the administration. Farmers in my own State believe that the least possible controls will offer the best answer to balancing our agricultural production to requirements.

During the past year there has been considerable apprehension in Idaho over proposals to impose marketing and acreage controls on potatoes.

Last fall, when the potato industry faced many marketing problems and depressed prices, the National Potato Council requested the appointment of a National Potato Advisory Committee to make recommendations to the Secretary of Agriculture concerning whether a national marketing agreement and order regulating the handling of potatoes would tend to effectuate the declared policy of the act.

Assistant Secretary Ralph, who no longer is in the Department, acted as Chairman of the Advisory Committee which drafted a proposed marketing agreement and order regulating the handling of potatoes, and requested hearings thereon in various parts of the country. The hearings were on marketing orders promulgated by the Department of Agriculture pursuant to the Agricultural Marketing Agreement Act of 1937, and the proposed order was printed in the Federal Register under date of February 15, 1962.

The hearings were designed for the purpose of receiving evidence with respect to the economic and marketing conditions which related to the provisions of the proposed marketing agreement. These hearings were held in New York, Toledo, Minneapolis, Pocatello, Bakersfield, Amarillo, and Atlanta. The testimony at the Idaho hearing very clearly reflected widespread opposition to the use of marketing agreements and orders.

When the final hearing was recessed at Atlanta, Ga., on April 21, 1962, the hearing examiner announced that the hearings would be reconvened at a time and place to be announced later.

It was reported last month in some Idaho newspapers that Secretary Freeman would ask the National Potato Advisory Committee to reconsider its previous recommendation in support of the marketing order and the possible inclusion of quantity marketing controls. However, when I checked with the Office of the Secretary of Agriculture, I could not verify this report; and I was advised that there was no plan to request the Advisory Committee to reconsider its previous recommendations.

I was also advised by the Secretary's office that the hearings are expected to be reconvened, so that the testimony can be carefully evaluated. It is also obvious that with the recessing of the hearings at Atlanta in April, it would not be possible to formulate any policies which might affect the 1962 potato crop. It would be late this year if the hearings were resumed and decisions made based upon the findings, and a referendum ordered. What actually is taking place is that there is no plan for any action by the Department of Agriculture during this interim, when so many other political and personnel problems are pending in the Department.

It is interesting to note that in February 1962, the U.S. Department of Agriculture drafted a statement containing 50 questions and answers dealing with the proposed potato marketing agreement and order which had just been announced. Many of those statements were distributed throughout Idaho and, I presume, throughout other potato-producing States. I ask unanimous consent to have inserted in my remarks at this point this official statement by the Department of Agriculture.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Questions and Answers on Proposed Potato Marketing Agreement and Order

1. Question. Why has a national marketing order been proposed for the potato industry by the Potato Advisory Committee?

Answer. Because the Committee thought the economic tools for market stabilization included in enabling legislation for marketing orders provide a means for the industry to bring supply more in line with demand,

and to offer a way to both increase and stabilize producer income.

2. Question. Is this the only approach recommended to the Secretary of Agriculture by the Committee to resolve what industry leaders consider a critical problem of overproduction?

Answer. No. The proposed national marketing order is one portion of a three-part program recommended by the National Advisory Committee. The other suggestions were that legislation be asked from the Congress for national acreage allotments and for producer marketing quotas.

3. Question. Is legislation needed for a national marketing order?

Answer. No. The Marketing Agreement Act of 1937, as amended, gives authorization for marketing orders for various vegetables, including potatoes. There are nine regional marketing orders for potatoes at the present time, with six of them active.

4. Question. Would a national marketing order affect the regional orders?

Answer. The effect of a national marketing order on the regional orders will depend on the nature of provisions which may be incorporated in a national order on the basis of the hearing record.

5. Question. What general provisions for market stabilization are proposed in the potato marketing order?

Answer. Regulations could be issued for volume control; for grade, size, quality and maturity (by varieties, regions or outlets) standards; for container standards; for labeling standards, and for inspection.

6. Question. What other provisions are proposed?

Answer. A provision is included to establish marketing research and development projects designed to assist, improve or promote the marketing, distribution and consumption of the potatoes.

7. Question. Is there a cull regulation proposed?

Answer. Yes. A national cull regulation of U.S. No. 2, 1½ inch, is proposed on all potatoes for fresh market use, except that U.S. No. 2, size C, may be handled in some circumstances. A further regulation is proposed that potatoes contracted before planting, and intended for processing, would meet a U.S. No. 2 processing grade: 1½-inch minimum. Exceptions to the national cull regulation could be authorized by the administering agency.

8. Question. Who would administer the proposed marketing order?

Answer. The marketing order would be administered by the National Potato Administrative Board, assisted by seasonal committees representing the various seasonal marketing groups. In addition, the Board would be advised by special committees representing such groups as chippers, processors, and shippers, and by a National Potato Committee composed of members of the seasonal and special committees.

9. Question. Would the Board, or any of the committees, issue regulations?

Answer. No. By law, final authority and responsibility in issuing and carrying out provisions of a marketing order rests with the Secretary of Agriculture. Recommendations would be made to the Secretary by the national board for application of any or all regulations provided for in the marketing order.

10. Question. Why does this authority have to be vested in the Secretary of Agriculture?

Answer. The Agricultural Marketing Agreement Act of 1937, as amended, in authorizing the use of marketing orders at the request of and for the benefit of producers, provides for the use of a substantial regulatory power, and its application to one segment of the industry (handlers) for the benefit of another segment of the industry (producers). The marketing orders authorized are unique in these respects, and particularly because the persons to be benefited are given the opportunity to participate in a substantial way in administering programs which carry an exemption from the antitrust laws. Congress provided for protection of the public interest, including that of the consumer, by placing responsibility on a Government official, the Secretary of Agriculture, for exercising general supervisory authority over the board or committee administering an order.

11. Question. How would the National Potato Administrative Board in the proposed marketing order be made up?

Answer. The initial Administrative Board would be made up of 46 members selected from all commercial potato production areas. All members must be producers, except those members representing processors, chippers, and shippers. The initial Board would give consideration to areas and seasons (1) for producers; (2) to Idaho for processors; (3) to Maine for shippers, and (4) for chippers.

12. Question. Are there any other administrative agencies proposed in the marketing order?

Answer. Yes. It is proposed that seasonal committees, special committees, and a National Potato Committee be established upon recommendation of the Board and approval by the Secretary. At least three-fourths of the membership of each seasonal committee would have to be producers. Seasonal committees would be established for the winter and early spring group; the late spring group; the early summer group; the later summer group, and the fall group. Special committees would be established for the processor group, the shipper group, and chipper-chip industry. For the special committees, at least three-fourths of their membership would be composed of persons in the industry represented, with not less than two producer members also serving. The proposed National Potato Committee, to advise the Administrative Board, would be made up of members of the seasonal and special committees.

13. Question. What is the proposed term of office for members of the Board and of the committees?

Answer. Three years, the term to begin and end on dates recommended by the Board and approved by the Secretary. Terms would be arranged so about one-third of each agency's membership would terminate each year. Board members would not succeed themselves, except members of the initial Board could serve on the next succeeding Board.

14. Question. What would constitute a quorum for voting purposes for the Board or committees?

Answer. A majority of each. At assembled meetings all votes would be cast in person and a majority of those present would be necessary to pass any motion or approve any action.

15. Question. In event of a market or supply emergency, is there consideration for action by the Board or committees other than by called meeting?

Answer. Yes. It is proposed that agencies may meet by telephone, telegraph, or other means of communication, and any vote cast, confirmed in writing, would be valid. Approval by three-fourths of all members voting would be required to approve any action.

16. Question. Would any regulatory provisions issued apply to all segments of the industry?

Answer. No, only to the handler. The producer is not regulated in his production, and a retailer is not bound by the order in his capacity as a retailer. Regulations would be reflected on the producer, however, by the limitations placed upon the volume; or grade, size, quality or pack, that may be handled in any or all regions.

17. Question. What "potatoes" would be regulated by the marketing order?

Answer. All varieties of Irish potatoes.

18. Question. Who would be a potato handler?

Answer. A "handler" is synonymous with "shipper" and means any person, except a common or contract carrier of potatoes owned by another person, who handles potatoes. Handling would mean to purchase, acquire, package, transport, sell, or in any way to place potatoes in the current of commerce, or so as to directly burden, obstruct or affect the current of commerce.

19. Question. Who would be a producer of potatoes?

Answer. Any person producing in excess of 2 acres of potatoes for market.

20. Question. When would regulations for market stabilization be issued?

Answer. The handling of potatoes could be limited by regulations issued by the Secretary upon recommendation by the Board when he found they would tend to effectuate the declared policy of the enabling legislation. Regulations, when issued, would recognize the major types of market outlets for raw potatoes and would distinguish between the outlets.

21. Question. What provisions could be included in regulations issued for potatoes for the fresh market?

Answer. Regulations could limit the handling of particular grades, sizes, qualities or packs, of any or all varieties of potatoes during any period. The regulations could limit in the same manner for different portions of the Nation, for different outlets, for different containers, or for any combination of these. Regulations could require that containers be labeled to show the grade, name, and address of the handler responsible for the grade of potatoes in the container, and identification of the State or area where the potatoes were grown. Regulations could fix the size, capacity, weight, dimensions, or pack of any container (or containers) used in handling potatoes, and these could be different for different varieties and different outlets.

22. Question. Could other regulations be issued for potatoes handled for the fresh market and for food processing?

Answer. Yes. Regulations could fix the total quantity of potatoes which could be handled during any season or crop year by all handlers. This would be done by allotting, or providing the methods for allotting, the amount of potatoes (or any grade, size, or quantity thereof) which handlers could purchase from (or handle on behalf of) any and all producers during any season or crop year.

23. Question. Could these regulations be issued for different quantities established separately for different seasons and portions of the country?

Answer. Yes.

24. Question. Would the allotments apply by seasons or periods?

Answer. Yes, for the winter and early spring, the late spring, the early summer and the late summer seasonal groups. For the fall seasonal group, volume regulations may not be used that require handling during any specific period.

25. Question. Would volume regulations apply to potatoes for food processing? (Enabling legislation does not authorize regulation of handling of potatoes for canning or freezing.)

Answer. Yes, but marketing could be limited only by seasonal total.

26. Question. If volume regulations were used, how would they be applied?

Answer. By allotting the amounts of potatoes which handlers could purchase from any or all growers in any or all portions of the country during any designated period.

27. Question. How would the amount of potatoes sold by any or all producers be determined?

Answer. The initial base period for producers would be 1959, 1960, and 1961. The highest 2 years would be used in determining producers' respective participating bases. After 1962, the base period would be the average of the production of the best 2 of the 3 years immediately preceding the year for which volume regulation were contemplated, excluding 1962 from each base period.

28. Question. Could volume regulations be based upon the quantity, established prior to a marketing season, that would be considered necessary to meet market requirements?

Answer. Yes.

29. Question. Could volume regulations be based upon a percentage of the current quantities available during any marketing period?

Answer. Yes.

30. Question. Would each producer be expected to gear his marketing of potatoes to those quantities established as needed for a particular period?

Answer. Yes. There would be an established allotment for the period fixing the amount that handlers could acquire from the producer for shipment to market. When volume regulations would be applied, each producer would have a participating base. This base would be fixed on the amounts sold in a prior representative period, or upon the current quantity he held available for sale. Dependent upon the marketing policy announced by the Board, the quantity of the producer's potatoes that handlers could acquire would be a percentage of his base—either higher or lower than the base.

31. Question. How does a producer participate in the amount allowed to be handled under volume regulations?

Answer. The producer submits a written application to the Board for a participating base under the volume regulations. Forms would be prescribed by the seasonal committee. Time of filing the application would be announced, with due consideration to the planting and harvesttime for potatoes in each area, for each season, so that producers would have opportunity to plan and manage production relating to the allotments.

32. Question. How would a producer know the quantity of potatoes that he could market under volume regulations based upon past marketings?

Answer. The Board would establish methods for determining the amount of potatoes sold by each producer during the base period and for fixing a participating base for each producer. The Board would then establish a percentage of producer's allotment bases that could be handled during the season in question, and notify producers of their base and percentage that could be handled.

33. Question. How would a producer's participating base be established if volume regulations were announced on current quantities available?

Answer. Each producer's participating base would be his proportion (based on estimates of his currently available supplies) of the total current amounts available by all producers during the specific week, month, or other period of regulation.

34. Question. When the quantity of potatoes to be marketed during any season, or portion of a season, is limited by allotting the amounts which handlers may purchase from producers, how would the allotments be established?

Answer. They could be established by the following methods (or a combination of them): (1) when allotments are based on amounts sold by producers in a base period, the Board would determine the total of all producers' participating bases, and recommend the percentage of that total necessary to provide an adequate supply of potatoes. The allotment applicable to each producer would be fixed by multiplying his participating base by the announced percentage. (2) When allotments would be based on current quantities available for sale by producers during a specified period, the Board would determine the quantities available for sale during the period of regulation and recommend the total amount of potatoes which handlers could purchase or handle. The quantity of potatoes which could be handled during the period would be fixed and the percentage of the total amounts available which could be purchased by handlers from producers would then be established. Each producer's allotment would be established by multiplying the total amount of allotments by the producer's respective proportion of all participating bases.

35. Question. When could the producer know the allotment applicable to him?

Answer. The Board would give evidence to each producer of the allotment, as issued on a historical base, prior to normal planting time. For allotments based on current quantities available, evidence would be given the producer as soon as practicable. The evidence would be in the form of certificates to market, or other practical means of identification of individual producers and the respective allotments.

36. Question. What would be the purpose of the certificates?

Answer. No handler could purchase from producers, or handle, any potatoes unless they were identified as within the producer's allotment, and each handler would have to record his purchases, or other handling, on the producer's certificates.

37. Question. Could regulations under the order relating to handling for specified purposes be modified, suspended or terminated by the Secretary of Agriculture?

Answer. Yes, when he deemed it necessary to facilitate shipments of potatoes for purposes specified in the proposed marketing order, and when he found it would tend to effectuate the declared policy of the enabling legislation. Purposes included are for grading, storage or planting within local areas under established safeguards; for export; for manufacture or conversion into starch, flour, alcohol, and other specified products; charitable purposes; livestock feed, and other purposes which may be approved.

38. Question. When shipments of potatoes are regulated, may inspection and certification be required?

Answer. Yes. Regulations may be issued to the effect that no handler would be able to ship potatoes unless each shipment were inspected and certified by an authorized representative of the Federal or Federal-State Inspection Service, or any other inspection service as designated.

39. Question. Could inspection requirements be different between handling at shipping point and handling in receiving markets?

Answer. Yes.

40. Question. Could a handler, where inspection is required, ship potatoes after they have been regraded, re-sorted, repacked, or in any other way further prepared for market and still use the initial certification?

Answer. No. Regrading, re-sorting, or repacking any lot of potatoes would invalidate prior inspection certificates. If such were done, each shipment would have to have new inspection.

41. Question. Could inspection regulations be waived?

Answer. Yes, under certain circumstances, and when recommended by the Board and approved by the Secretary. These would include potatoes handled for special purposes (see question 37) on minimum quantities less than customary commercial transactions, and when it was decided that inspection would no longer tend to effectuate the declared policy of the enabling legislation.

42. Question. Would any further certification be required on shipments?

Answer. Yes. The handler would have to certify with his manifest that the potatoes handled by him met the requirements of the marketing order at the time of acquisition for processing potatoes (other than chips), and also at the time of shipment of potatoes for processing, for chipping, or shipment to fresh market.

43. Question. Are any exemptions to provisions of the proposed marketing order provided?

Answer. Yes. Exemptions in special circumstances are provided for both producer and handler. Any producer whose potatoes have been lost or damaged by acts beyond his control (disease, weather, etc.) and who would suffer hardship by being prevented from shipping during the season (or a portion of the season) as large a proportion of his crop as the average percentage shipped by all producers in his immediate area of production, could apply to the Board or seasonal committee for exemptions to the regulations. Any handler who had storage holdings of ungraded potatoes acquired during or immediately following the harvesting season that were lost or damaged by acts beyond the handler's control and who was prevented from shipping as large a proportion of his storage holdings of potatoes as the average proportion shipped by all handlers in his immediate area, could apply to the Board or seasonal committee for exemptions.

44. Question. Does the producer or handler apply for exemption to the Board or seasonal committee?

Answer. Either. The Board or committee, if the applicant's claims are justified, could issue a certificate of exemption which would permit the recipient of the certificate to ship the potatoes.

45. Question. Are records required to be kept by the Board, the committees, and all handlers?

Answer. Yes. Records to be maintained are listed in the proposed order.

46. Question. How would expenses be paid for administration of the proposed marketing order?

Answer. After the beginning of each fiscal period, the Board would prepare an estimated budget of income and expenditures for all administrative agencies necessary for the administration of the order. The budget would be presented to the Secretary of Agriculture, with an accompanying report showing the basis for calculations. To meet proposed expenditures, the Board could recommend a uniform rate of assessment which could not exceed one-half cent per hundredweight of potatoes (except upon recommendation of the National Potato Committee, but in no event could the maximum exceed 1 cent per hundredweight). Provision is included also to adjust the maximum rate in the proportion of which the index of prices farmers pay as of October 15, 1962. Handlers would share expenses upon a pro rata basis for each fiscal period. Each handler's share would be proportionate to the ratio between the total quantity of potatoes handled by him as the first handler during a fiscal period and the total quantity of potatoes handled by all handlers (as first handlers) during that fiscal period.

47. Question. What if there is an excess of funds at the end of a fiscal period after expenses are met?

Answer. The Board could establish a reserve, with the total held not to exceed approximately one fiscal period's operational expenses; or each person entitled to a proportionate refund could be credited with the refund against the operation of the following fiscal period, or if a person entitled to refund demands repayment it would be paid to him.

48. Question. When could the Secretary of Agriculture terminate the proposed marketing order?

Answer. The marketing order could be terminated by the Secretary at the end of a current marketing period whenever more than 50 percent of the producers, who produced during a representative period more than 50 percent of the volume of potatoes, requested a termination. The order could also be terminated, or suspended, when the Secretary found it obstructed or no longer tended to achieve the declared policy of the enabling legislation. The proposed marketing order also has provision that the Secretary shall, during the third year after issuance and prior to December 10 of that year (if issued), conduct a referendum to find out whether continuance of the order were favored by producers. Such a referendum would be held prior to December 10 of each succeeding year. If less than two-thirds of those voting approve continuance of the marketing order, then grade, size, quality, maturity, and volume regulations would be suspended.

49. Question. Can the proposed marketing order be amended?

Answer. Yes, under the same procedure involving public hearing and producer approval as applies to original issuance of orders.

50. Question. If a provision of the proposed marketing order is declared invalid, would the remainder of the order be invalid?

Answer. No.

Mr. DWORSHAK. Madam President, the second development which accurately reflects the trend toward drastic controls of the potato industry occurred on March 22, 1962, when the Senator from Maine [Mr. MUSKIE] introduced, on behalf of himself and several other Senators, as cosponsors, S. 3050, a bill to amend the Agricultural Adjustment Act of 1938, to provide for marketing quotas on Irish potatoes, through establishment of acreage allotments.

Senate bill 3050 contains 24 pages of intricate descriptions of various phases of potato production and marketing. The key provision provides for a national marketing quota. The Secretary is authorized to proclaim a national marketing quota applicable to the crop of potatoes produced for marketing in any year when he determines that the total supply of potatoes for the next marketing year will, in the absence of a national marketing quota, be likely to exceed the normal supply of potatoes for such marketing year. Another section of this bill provides for a national acreage allotment. The national marketing quota for any marketing year shall be converted to a national acreage allotment from the crop of potatoes produced for market in such year; and the bill gives the Secretary complete authority and jurisdiction to administer the program, and also to make acreage allotments for the farms in each county.

Senate bill 3050 contains a section on "compliance," reading as follows:

> Whenever farm marketing quotas are in effect for any crop of potatoes, the producers on the farm shall be subject to a penalty on the farm marketing excess at a rate equal to $3 per hundredweight of potatoes.

Any potatogrower who might inadvertently violate the acreage allotments would face the penalty of having his entire crop of potatoes made subject to a lien in favor of the United States, for the amount of the penalty.

The Senator from Maine [Mr. MUSKIE] inserted the text of S. 3050 in the CONGRESSIONAL RECORD of March 22, 1962; and at that time the Senator said:

> The bill which I am introducing today is part of a two-pronged attack on the very serious economic problems confronting the potato industry. This approach is the result of recommendations by the National Potato Advisory Committee, a 29-member group drawn from all segments of the potato industry and all areas of the country. The fact that the industry has reached a substantial agreement on a national potato program is a remarkable achievement in and of itself.
>
> I want to take this opportunity to commend Secretary of Agriculture Freeman for establishing the committee and the potato industry for its cooperation in working out a proposal for the potato economy. I am proud of the role my State's representatives have played in its deliberations.

After the Senator from Maine referred to the expansion of the marketing agreement program, he said:

> The second part of the program involves supply management through acreage allotments if approved by farmers in a referendum. The bill which I have introduced today is the supply management part of the package.

Although Senate bill 3050 was introduced 2 months ago, apparently the Department of Agriculture has made no official report on this proposed legislation. I am not advised when hearings will be held by the Senate Committee on Agriculture. Because there has been a tremendous increase in the production of potatoes in Idaho during the past few years, I have endeavored to provide factual information on these developments which could seriously curtail acreages. I am confident that Idaho potatogrowers and their spokesmen are eager to stabilize this industry, but not at the expense of accepting acreage and marketing controls to be administered by the Department of Agriculture.

During the consideration of and the debate on the pending farm bill, it is all too evident that the basic trend is toward complete Federal domination of agriculture. Insofar as potatoes are concerned, there may be an armistice in effect during this election year of 1962. However, it is abundantly clear that determined efforts are being made to place the potato industry under drastic controls in the production year 1963. I am sure Idaho growers do not favor this program.

LEGISLATIVE PROGRAM

Mr. HUMPHREY. Madam President, immediately after the Senate convenes at 10 a.m. tomorrow, I shall ask unanimous consent that the Senator from Massachusetts [Mr. SMITH] be recognized to address the Senate for whatever period of time he may choose, but not to exceed 1 hour and 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. HUMPHREY. Madam President, under the order previously entered, I move that the Senate now adjourn until tomorrow, at 10 o'clock a.m.

The motion was agreed to; and (at 6 o'clock and 7 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, May 24, 1962, at 10 o'clock a.m.

NOMINATION

Executive nomination received by the Senate May 23, 1962:

COLLECTOR OF CUSTOMS

Paul E. McNamara, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N.Y.

* * *

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 23, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 73: 24: *Thou shalt guide me with Thy counsel, and afterward receive me to glory.*

Eternal God, our Father, during this day wilt Thou give us Thy divine inspiration and guidance, touching our hearts with noble desires and teaching our minds to make Thy wiser will our own.

Help us to see and understand that if our present and future days are to be radiant and triumphant then we must cultivate the larger life of faith in Thee and of obedience to Thy leading.

Endow us with a greater wisdom and skill in discovering and developing those glorious affinities and possibilities which are resident in the soul of mankind everywhere.

May we be partners in the building of a world where truth and righteousness shall reign supremely, and love and peace shall be victorious over hatred and strife.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

> S.J. Res. 149. Joint resolution authorizing the President of the United States to designate the week of June 25, 1962, as "International Castings Week."

PLANNERS OF KENNEDY TRADE PROGRAM WOULD PROFIT FROM READING WASHINGTON'S FAREWELL ADDRESS

Mr. BETTS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BETTS. Mr. Speaker, on April 24 and 25, 1962, the State Department conducted a regional briefing conference at Toledo, Ohio. During a workshop discussion of the Kennedy trade program in connection with the conference, one of the State Department representatives said that U.S. businessmen should "stop living in the shadow of Washington's Farewell Address."

One of the Toledo television stations broadcast this statement as part of its news report on the evening of April 25. I wrote the station and asked for verification and also the name of the person who made it. The reply to my letter confirmed the statement but said that the rules of the "workshop permitted newsmen to quote comments made by the briefer but not to identify him by name."

On May 7, 1962, I wrote Assistant Secretary of State Frederick G. Dutton asking his consent to secure the name of the briefer. To date I have received no reply.

All of these facts lead me to make three observations:

First. The Kennedy trade program as originally planned was based on a complete departure from firmly established principles such as those enunciated by President Washington in his Farewell Address.

Second. The conferences of the State Department ought not to be clouded with secrecy. True, the meetings were open to the public. But those of us who could not attend ought to know who said what.

Third. To abandon the principles of Washington's Farewell Address is difficult to rationalize with the custom of reading it in the House of Representatives every February 22. If we follow the reasoning of the State Department, we should give up the practice. However, in my opinion I feel we should continue it and it might be well to require the policymakers of the State Department to sit in the front row of the gallery and listen to it.

CALL OF THE HOUSE

Mr. ASPINALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Addonizio
Alexander
Alford
Andrews
Ashmore
Avery
Baring
Bass, N.H.
Bennett, Mich.
Blatnik
Boykin
Brewster
Bromwell
Buckley
Cahill
Celler
Chelf
Chiperfield
Corman
Curtis, Mass.
Dowdy
Elliott
Fisher
Flood
Fogarty
Gonzales
Grant
Gray
Green, Oreg.
Hall
Halpern
Harrison, Va.
Hébert
Henderson
Hoffman, Mich.
Huddleston
Jones, Ala.
Kearns
Kilburn
Kitchin
Kornegay
Landrum

McMillan
Mason
Merrow
Milliken
Moulder
Murray
Passman
Peterson
Powell
Rains
Reifel
Riley
Roberts, Ala.
Rostenkowski
Rousselot
Saund
Scherer
Scott
Shelley
Sheppard
Short
Smith, Miss.
Stratton
Stubblefield
Watts
Whitten
Wickersham
Wilson, Calif.
Yates

The SPEAKER. On this rollcall, 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONSTRUCTION OF NAVAJO INDIAN IRRIGATION PROJECT

Mr. ROGERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7596) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7596, with Mr. Bass of Tennessee in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement of yesterday, the bill was considered as having been read and opened for amendment section by section, beginning with section 1.

Mr. ROGERS of Texas. Mr. Chairman, I ask unanimous consent that the bill H.R. 7596 be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOSMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hosmer: Add the following new section 13(d) following line 3, page 17:

"(d) None of the waters of the Colorado River system shall be exported from the natural basin of that system by means of works constructed under authority of this Act, or extensions and enlargements of such works, to the Rio Grande River Basin for consumptive use outside of the State of New Mexico, and no such waters shall be made available for consumptive use in any State not a party to the Colorado River compact by exchange or substitution; nor shall the obligations of the State of New Mexico under the provisions of the Rio Grande River compact (53 Stat. 785) be altered by any operations of any project for transmountain diversion of Colorado River system water into the Rio Grande Basin."

Mr. HOSMER. Mr. Chairman, this amendment is an addition to section 13 which now has three subsections and it would prohibit the use of any Colorado River water outside of the State of New Mexico. The counterpart of this subsection was adopted by the Interior Committee in connection with the Fryingpan-Arkansas legislation, which has been given a rule and which will be before the House shortly. It would merely put this in line with what is in the Fryingpan-Arkansas bill. Essentially what it does is this, and all we are asking in this amendment, Mr. Chairman, is that should New Mexico be given this water that it not, in turn, be allowed to export it on to Texas. The State of New Mexico for a number of years has had water deficits in its deliveries of Rio Grande water to Texas, and we think it is only fair that if they are going to take this water through the mountains and out of the Colorado River Basin and take it over to New Mexico that it only be taken in such amounts as can be consumptively used in New Mexico and not sent on elsewhere beyond New Mexico to another State for use there.

Some of the gentlemen who oppose this amendment will say, "Well, what we are essentially trying to do is to prevent them from commingling this Colorado River water with this Rio Grande water and making these projects impossible to operate." The effect of the amendment is not such. It permits the commingling of the water so long as the water being transported into New Mexico is for use in New Mexico. It prevents the Secretary of the Interior from transporting water into New Mexico and commingling it for use elsewhere. Other than that is not intended by this amendment and is not the purpose of this amendment. This subsection added to section 13 will make it clear that the water is to be used consumptively in New Mexico and will in all respects operate fairly both to New Mexico and to the other States of the Colorado River Basin that are on the west side of the Great Divide.

I ask that the amendment be accepted.

Mr. ROGERS of Texas. Mr. Chairman, I rise in opposition to the amendment.

Let me say, Mr. Chairman, that this is a rather simple amendment—it would not do anything but kill the bill. The gentleman from California is noted for his great fight to preserve the water for his great State of California; and for that I commend him. But, I would point out in this particular situation the adoption of this amendment would effectively reduce this bill to nothing. And if you are going to try to kill the bill, it ought to be done on a straight vote on the bill itself. It must be remembered by the members of the committee that this bill has been worked out for the purpose of permitting the State of New Mexico to utilize the water which it is entitled to as an Upper Colorado River Basin State and use the power revenues incident to the Upper Colorado Basin. One of the methods by which this is done is in the exchange of water on the upper reaches of the Rio Grande River where this water first goes after it is diverted from the San Juan River. The irrigators in the upper reaches of the Rio Grande River get water that otherwise would flow down the Rio Grande, water to which they are not now entitled, but water to which they will become entitled because the water from the San Juan will be exchanged for that water.

In relation to the remarks of the gentleman about the State of Texas getting some of this water, let me say I would be most happy for the State of Texas if we could get some water. But, as the gentleman knows, the water involved in this particular bill will never get near Texas, there just is not enough. If you have three times the water that is involved in this bill the chances still are that none of it would ever get to Texas because it would be utilized before it got there.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield.

Mr. HOSMER. Is it the gentleman's hope that it might get to Texas that causes him to oppose my amendment?

Mr. ROGERS of Texas. No; I do not expect to vote for his amendment.

Let me tell you this about the substitution of water. The point was made in general debate about the possibility of taking irrigation water away from people in the Rio Grande and passing it on to the city of Albuquerque as a metropolitan area for municipal and industrial use. That simply is not going to be done; and if it is done, or if this should come about, it would be to the benefit, insofar as earlier recovery of the money involved in this bill is concerned, to all the taxpayers of the United States, because that water in these irrigation projects must be delivered under a contract satisfactory to the Secretary of the Interior. So, if the State, or city of Albuquerque, condemns these water rights to take them over for municipal purposes, the Secretary of the Interior could simply refuse delivery until a new contract is made, and that contract under reclamation law would require the city of Albuquerque to pay not only the cost of the water associated with it, but also interest on that cost.

So it would be my hope that we not try to hamper this measure with an amendment of this kind, and we permit the State of New Mexico to use the water to which it is rightfully entitled in the manner that has been worked out after long and exhaustive study of this measure.

Mr. Chairman, I yield back the balance of my time.

Mr. SAYLOR. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the committee now has under consideration this bill which calls for a transmountain diversion from the Colorado River. Within a very short time we shall have another bill involving another State calling for a transmountain diversion from the same Colorado River. The Interior and Insular Affairs Committee in its wisdom decided that the project that we do not have before us today should have this amendment added to it. I believe, in order to make sure that the States in the upper basin are all treated equally, this amendment should be adopted. One of the principal worries of the people in the lower basin States is that the water that will be diverted by this transmountain diversion from the Colorado River will be used by the State of New Mexico to make up their deficit to the State of Texas. I have no quarrel with and do not want to involve this bill in any differences between the State of New Mexico and the State of Texas, but their water problem should not be solved by any transmountain diversion from the Colorado River.

I hope the amendment will be adopted. This is particularly true in the light of the master's report which has been filed and which in all probability will be adopted by the Supreme Court in the case of Arizona against California. I think this amendment will improve the bill.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPINALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the matter which is being considered at this time has no germaneness at all to a similar amendment attached to the bill which will follow in 2 to 3 weeks, to which the gentleman from Pennsylvania made reference. It is a fact that in that bill we have a transmountain diversion, and I would like to advise everyone in the Committee that there is not a State I know of in reclamation West that does not have some transmountain diversion; but in the particular bill there is no necessity for the exchange of waters, the principle to which the gentleman from Texas [Mr. ROGERS] made reference. Accordingly, the amendment was in order for that bill, and those of us who understand what such an amendment would do accepted it for the Colorado project. In the particular project under discussion at this time, however, the gentleman from Texas [Mr. ROGERS] is absolutely right.

One of the benefits a procedure that has value in this project is the ability to exchange water of similar amounts and values with other waters for use in different areas. It does not make any difference what water is used and what water goes down to lower users, as long as the value of the water and the amount of the water is kept intact. The right to the use of this water is in New Mexico. Accordingly, New Mexico should have the right to use it without any objection by anyone as to where New Mexico uses it as long as the use is in New Mexico. There is no danger in this legislation as to any legitimate interests of southern California. Southern California has her priorities which cannot be violated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOSMER].

The amendment was rejected.

Mr. HOSMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOSMER: Add the following new section 16 after line 6, page 18:

"SEC. 16. (a) All patents, grants, contracts, concessions, leases, permits, licenses, rights-of-way, or other privileges from the United States or under its authority, hereafter executed, necessary or convenient for the use of the waters of the Colorado River or its tributaries flowing within New Mexico, shall be upon the express condition and with the express covenant that such privilege shall not be utilized to effect either directly or indirectly, the diversion of such waters out of the natural drainage basin of the Colorado River in New Mexico beyond an annual quantity which, together with all other existing or authorized diversions out of that basin in New Mexico, equals 25 per centum of the apportionment of beneficial consumptive use of Colorado River system water to which the State of New Mexico may be entitled pursuant to article III(a) of the Upper Colorado River Basin compact.

"(b) The conditions and covenants referred to herein shall be deemed to run with the land and the right, interest, or privilege therein and water right, and shall attach as a matter of law, whether set out or referred to in the instrument evidencing any such patent, grant, contract, concession, lease, permit, license, right-of-way, or other privilege from the United States or under its authority, or not, and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, and the users of water therein or thereunder, by way of suit, defense, or otherwise, in any litigation respecting the waters of the Colorado River system."

Mr. HOSMER. Mr. Chairman, the portion of the amendment that has been read so far would limit the transmountain diversions to 25 percent of the beneficial consumptive use of the waters of the Colorado River, to which the State of New Mexico is entitled.

Subsection (d), which was not read, would make that a condition and covenant on the land in order to make the limitation effective.

Yesterday, in a very eloquent address to this body, the distinguished gentleman from Colorado [Mr. ROGERS] had this to say:

> The gentleman from California knows that when it became necessary to develop the area in southern California, they came to the Congress of the United States and there was adopted the Boulder Canyon project which resulted in a compact that divided the waters of the Colorado River. Proper development was made in California. Now is the time for the proper development of the State of New Mexico.

I quite agree with the proper development of the State of New Mexico. But I would remind the gentleman from Colorado and the Members of this body that when the Congress passed the Boulder Canyon Project Act, which resulted in the magnificent development of the Hoover Dam and the lower reaches of the Colorado River, it passed that act conditioned upon the State of California passing a law limiting the amount of water it would use from the Colorado River. In its wisdom, by the passage of the Boulder Canyon Act, this body recognized it was necessary for the States using the Colorado River to place upon themselves certain limitations.

This is what is being asked by this amendment, merely that the State of New Mexico limit its beneficial consumptive use, outside the Colorado River Basin, of the waters to which it may be entitled from the Colorado to 25 percent, a reasonable figure, a figure which, if there is, in fact, water to support the projects sought here, would permit them to operate. It would make it impossible for them to take away from the Colorado River Basin waters in excess of that amount, because those waters being taken away from the basin would never flow downstream where they are required for use by other States along the river.

Mr. Chairman, this is a reasonable proposition. This is a proposition which will enable us to live with each other along the river, and I believe it is hardly a proposition to which the gentlemen from New Mexico, particularly, should object, inasmuch as they have assured us that this is practically the only water that they are ever going to ask for out of their Colorado River entitlement which is to come outside the basin. They can live with it. And, it does offer us on the west side of the Rockies the protection or assurance we need so that the projects we now have in being will not, in fact, become useless because of the lack of water, and it will establish a precedent for living and letting each other live along the banks of this river.

Mr. Chairman, I hope, indeed, that this body will see fit to enact this amendment.

Mr. ROGERS of Colorado. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the gentleman from California would do violence to all water laws in the western part of this country; not only would it do violence to the water laws of the respective States, but it would ask you to violate every compact that has been entered into between these respective States throughout the last 35 years.

May I point out, as I did yesterday and as the gentleman from California so nobly stated a moment ago, before the Boulder Canyon Act was approved it became necessary for at least six States to approve the compact, and by that compact California limited herself to certain uses of that water. Now, we did not say in that compact that southern California would be the only one that could use it. That is what this amendment says. This amendment in effect says to the State of New Mexico that you cannot use the water that we of southern California agreed that you could use in the compact that brought about the enactment of the Boulder Canyon Project Act.

Now, after that compact was approved by the Congress of the United States there was also approved the upper Colorado River compact, prior to the enactment of the upper Colorado River legislation. And, may I point out to the House that under no circumstances has the U.S. Government ever attempted to dictate to a State how it should dispose of its own waters.

Now, the effect of this amendment is that the State of New Mexico—and it would equally apply if it was applied to any project in the State of Colorado—is prohibited from making use of the water according to the laws of New Mexico and according to the compacts that they have heretofore entered into.

Therefore, it does violence and is in contradiction of every planned process that this Nation has had in its reclamation development.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Colorado. I will be glad to yield to the gentleman.

Mr. HOSMER. I think the gentleman is in error when he indicates that the Colorado River compact of 1922 limited the States in the use of water. The compact allocated a certain amount of water for consumptive use among seven States.

Unfortunately, they allocated more than was there. Then a number of years later along came the Boulder Canyon Act, and that had the self-limitation feature that I have asked to be placed in this bill through this amendment. I therefore cannot accept the gentleman's statement that there is anything the matter with this kind of self-limitation feature, since Congress has already established the precedent that there shall be limitations in these specific situations where we do have water deficits and they are needed for the protection of States along a common stream.

Mr. ROGERS of Colorado. The gentleman is in error in this respect: The Colorado River compact disposed of 15 million acres of water, of which 7.5 million acres were to be used in the upper basin States, and then 7.5 million to be used in the lower basin States. At the time the compact was drawn the engineers estimated that there would be at least 17 million acre-feet of water in the river. The State of California, in order to get Congress to approve this compact, did not put any limitation as to where she should use her water, but this amendment would say to the State of New Mexico that it cannot use this water allocated under this compact any place that it so desires. You want to put New Mexico at a disadvantage, and not give her the same privilege that you have exercised for more than 35 years in the State of California. Hence, if this becomes a policy, it will ruin every western reclamation State that recognized the appropriation of water for domestic and agricultural use. Hence I believe that the House should reject this amendment.

Mr. ASPINALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, supplementing the remarks which have been made by my colleague, the gentleman from Colorado [Mr. Rogers], I wish the Committee to know just exactly what this amendment would do. The gentleman from Colorado [Mr. Rogers] is absolutely correct in his statement that as far as the compact is concerned each one of the States in the Colorado River drainage area is entitled to certain percentages of water in the Colorado River. New Mexico is entitled to approximately 692,000 acre-feet a year; 25 percent of that amount is 173,000 acre-feet a year.

Mr. Chairman, if the amendment of the gentleman from California [Mr. Hosmer] is adopted, it will mean that New Mexico could only receive in any year the maximum amount of 173,000 acre-feet. However, the Colorado River is a variable stream. In other words, it has good years, and sometimes it has rather dry years, as the gentleman from California [Mr. Hosmer] has said. The amount of water which is to be diverted under the legislation now pending before the Committee is an average annual diversion of 110,000 acre-feet. However, in order to reach that annual diversion it may be necessary in the wet years of the Colorado River to divert up to 200,000 or 210,000 acre-feet in order to arrive at the average annual amount necessary for the project.

Mr. Chairman, the amendment of the gentleman from California [Mr. Hosmer] would do damage to this project, and would make it unfeasible because so much water is necessary to go into the Rio Grande Valley which, over a term of years, is figured on an average annual amount, just as is the annual amount of water that the State of California is entitled to, or the State of Colorado, or any other State. The reason we have come before Congress heretofore asking for the large storage reservoirs is to have the reservoir storage water available in order to take care of the first draft upon the Colorado River and those people entitled to such priority deliveries.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I shall be glad to yield to the gentleman from California.

Mr. HOSMER. Would the gentleman object to the amendment if it covered, say, the annual average over any consecutive 10-year period?

Mr. ASPINALL. The gentleman from Colorado now speaking objects to any amendment on the part of the gentleman from California wherein the gentleman from California would try to tell the State of New Mexico or the State of California or the State of Utah or the State of New Mexico or Colorado or Wyoming how they shall use their own water.

The gentleman from California knows that our entitlement is such under the compact that we have the right to use it and use it for our benefit and not for the benefit of the gentleman's area in the southern part of California. That is what the gentleman is trying to do. I do not blame him for trying to protect his rights; but he will get the amount of water to which he is entitled in spite of anything that can be done in the operation of the section proposed in this legislation.

Mr. HOSMER. Mr. Chairman, would the gentleman be favorable to an amendment to the Boulder Canyon Project Act eliminating California's necessity of self-limitation?

Mr. ASPINALL. The Boulder Canyon Project Act carries a limitation, but it does not state where the State of California is to use their share of Colorado River water. The State of California can take that water over to the Imperial Valley, it can take the water over to the gentleman's area around Long Beach, or it can take it over the Tehachapi Range, if it sees fit. The gentleman understands that.

Mr. SAYLOR. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I would like to get the record straight on this amendment. I have before me section 4(a) of the Boulder Canyon Project Act. It provides among other things that the act should not be effective until the compact has been ratified by all seven States or until it has been ratified by California and five other States and—I will read:

> Until the State of California, by act of its legislature, shall agree irrevocably and unconditionally with the United States and for the benefit of the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming, as an express covenant and in consideration of the passage of this Act, that the aggregate annual consumptive use (diversions less returns to the river) of water of and from the Colorado River for use in the State of California, including all uses under contracts made under the provisions of this Act and all water necessary for the supply of any rights which may now exist, shall not exceed 4,400 million acre-feet of the waters apportioned to the lower basin States by paragraph (a) of article III of the Colorado River compact, plus not more than one-half of any excess or surplus waters unapportioned by said compact, such uses always to be subject to the terms of said compact.

This bears out just what the gentleman from Colorado, the chairman of the House Committee on Interior and Insular Affairs, stated, that there was a limitation in the Boulder Canyon Project Act but it did not tell the State of California where they were to use their water.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield.

Mr. HOSMER. I think a hard and fast blanket limitation or prohibition concerning taking water out of the river to use any place is certainly a much more harsh, a much more severe, a much more restrictive provision than this moderate request that I have made, merely to make sure that when New Mexico uses water from the river, that there is a fair opportunity for return flows to go back into the same basin that produces the water, in order that those States downstream can have a fair opportunity to get the water that has been divided up and assigned to them by agreement with the various States of Colorado and New Mexico, whose Representatives are now opposing this. This, to my mind, is a fair provision for "living" and "letting live" along the river.

Mr. SAYLOR. Mr. Chairman, I might say to my colleague that the principal defect in his amendment is that if adopted it will make the working of this project absolutely infeasible. It is necessary to have more than 25 percent of the water allocated to New Mexico to make this project feasible. For that reason, the gentleman's amendment is not realistic.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am glad to yield to the chairman of the committee.

Mr. ASPINALL. Is it not a fact that the first call upon the river after the satisfaction of the 1½-million-acre-foot delivery to Mexico, the next draft upon the river, 7½ million acre-feet, is to the lower basin of which the State of California has her proportionate share. And, before the upper basin can use any water the lower basin must be assured of that amount?

Mr. SAYLOR. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOSMER].

The amendment was rejected.

Mr. KYL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. KYL: On page 6, line 12, strike out all of section 8.

Mr. KYL. Mr. Chairman, in this bill there are two projects, separate and distinct. The San Juan-Chama project has come to us under a Navajo blanket. I fear the ancient Navajo symbol of authenticity, the great horned moon, has been counterfeited through attachment of these two proposals.

In our discussion Theodore Roosevelt has been brought far from famed San Juan Hill to the banks of the San Juan River. Even though our rhetoric has made the desert bloom and the cities prosper, the force of genuine logic in favor of the San Juan-Chama program has been spotted as the Navajo pinto pony.

I seek to divide these two items, leaving the Navajo in the bill, but deleting the San Juan. I seek to preserve the Navajo project, even though I fear the realities of farming, meeting the bills, and all other exigencies could make the irrigated reservation lands a "land of disenchantment."

What is the argument in favor of the amendment?

First, it should be realized that there are two separate projects in the bill. On page 20 of the hearing, in a colloquy between the committee chairman and the Governor of New Mexico, the chairman stated:

> You have the project which is tied directly to the upper Colorado program in such a way that it is entitled to receive basin funds. Then you have the Indian project which is tied directly to the upper Colorado River as having been designated a participating project and entitled to water to which the State of New Mexico is entitled, but completely separate so far as the monetary consideration is concerned.

The chairman continued:

> Now what makes this project rather difficult—and I want to be perfectly honest—is that we have a rather questionable benefit-cost ratio.

This is on page 20 of the hearings. I want you to read it because in the interest of time I cannot read the entire report and I do not want to take the quotation out of context.

Second, I would point out how much of this water in the San Juan project is going to city use. On page 22 we find this comment:

> Governor, this San Juan-Chama project takes about 52 percent of the water for use for domestic and industrial purposes; is that correct?

And Governor Meecham of New Mexico answered:

> That is right.

We had considerable discussion in committee and elsewhere about treaties with the Navajos and about our obligation to the Indians, and certainly we have to be cognizant of these things. But, if this is a valid argument, we should heed the suggestion that original treaties gave all rights to the Navajos, not just part of the water.

There is another aspect. There have been many studies. These studies and further opinions vary as to the amounts of water actually available. On page 59 of the hearings and again on page 146, there is testimony that there is not sufficient water available for both these projects. And bear in mind, under State law, which has been amply stated this afternoon, all of the water could be diverted to municipal use if it were so desired.

What would this project do to the rest of the area, to the San Juan Valley, and to the county which bears the name? Perhaps you will argue with the testimony on page 49 of the hearings, but there we have individuals pleading against establishment of the San Juan project in the interest of the people in the basin.

Finally, we note that the State of New Mexico already owes water to Texas. Yet we are diverting additional water to enlarged or new projects in New Mexico.

It is my candid opinion that this section of the bill could never have passed without the glamorizing of the Navajo project. I think it would be prudent to separate the two programs and let each stand on its own merits.

Mr. ROGERS of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would again call the attention of the Members to the fact that this measure, as drafted, is a measure which is designed to do three things—one of which is to help the Navajos. I think we are indebted to them. Some people may disagree with me about that, but I feel we are indebted to them and that we do have a responsibility to meet.

This is what has been done. I think the State of New Mexico and the Department of the Interior should be commended for the manner in which they have worked out the program which is outlined in the measure now under consideration. If you strike the San Juan-Chama project out of this bill, you are going to do exactly what you refused to do when you voted against the previous amendment. You are going to deny the State of New Mexico the right to use this water the way it wants to. There was a great hue and cry which went up yesterday about the economics of this project. It is in that particular that I think the State of New Mexico and the Department of the Interior ought to be commended for what they have done. They have worked this situation out so that there will be a payback of a substantial part of the money involved in this bill by tying together the San Juan-Chama project with the Navajo project. I think that should be done. The subcommittee went into that exhaustively and understood the entire basis and the reason for tying these two projects together. I think we would do damage not only to the State of New Mexico but we would also create an additional burden on the taxpayers of the United States if we separate these projects and put the Navajo project by itself.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the distinguished gentleman from Oklahoma.

Mr. EDMONDSON. I think it is also noteworthy and significant that the Navajos themselves who have been realistic about the necessity for getting a practical overall project have supported and are firmly supporting this project in its present form.

Mr. ROGERS of Texas. I think the Navajos should be commended for that. I think they have shown a desire to cooperate and to work with the people of the United States and the people of that general area for the benefit of the entire community and the entire area. I think we ought to recognize them for that.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Iowa.

Mr. KYL. On the point under discussion, it is also true, as I remember it, that those who opposed the San Juan-Chama portion of this project spoke in favor of the project for the Indians.

Mr. ROGERS of Texas. I think that is correct. I do not think there is any question about that. But I do think you have a local situation there in that particular which generated some of that argument, that is, people who do not want some of the water taken out of the San Juan and diverted to the Rio Grande because of the local situation involved where they wanted that water themselves. I think this is a matter for the entire sovereign State of New Mexico to determine, and I think the sovereign State of New Mexico ought to be recognized as the authority to make the decision with regard not only to the water to which they are entitled under the Upper Colorado Basin project, but also with regard to the power revenues coming from that project.

Mr. Chairman, I hope this amendment will be defeated.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from New Mexico.

Mr. MORRIS. Mr. Chairman and members of the Committee of the Whole, I would like to point out one thing in the San Juan-Chama that probably has not been brought to your attention otherwise. We have other Indians in the State of New Mexico besides the Navajos and involved in the San Juan-Chama project are 18,179 acres of Indian land which belong to the 19 Indian pueblos on the Rio Grande. $10,400,000 was the total of the $86 million involved in this portion of the bill of which every nickel will be repaid and which will go for the benefit of these Indian lands.

I want to say to this Committee again that I would not be supporting this bill if it were not in the interest not only of the Indians but also of all the people of New Mexico and the Nation.

Mr. HOSMER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I wish to take issue with both the gentleman from Texas and the gentleman from New Mexico who attempt to equate the present amendment with the one I previously offered.

This amendment to eliminate the San Juan-Chama will in no way—I emphasize that, will in no way—interfere with the right of New Mexico to do with this water what it wants to. As I explained yesterday, the State of New Mexico desires—and it has showed what it wants—in connection with this 110,000 acre-feet of water, not to irrigate a few new acres of farmland, not to supply supplemental water for a few acres of land that is already being farmed. The desire of the State of New Mexico is to obtain and use this water for industrial and municipal purposes in the Albuquerque metropolitan complex.

Insofar as the State of New Mexico desires to do this—and it is a worthy purpose—I have no objection. The point I am making is that $86 million is being requested here for the purpose of erecting works connected with irrigation of the land and that, as a matter of fact, those works will be used for that purpose but for only a short time, then they will have to be converted for municipal water use.

The economic and the wise thing to do is for the State of New Mexico to come in and build this municipal water supply system from the ground up, from the beginning. It will cost much less than $86 million, it will cost much less than proceeding this way; and, for that reason, the amendment of the gentleman should be passed by this House. Then New Mexico will come in and utilize this water with the proper kind of equipment for the purpose it will be using this water, namely, municipal and industrial uses; namely, the use of piping and siphoning which would eliminate the pumps, eliminate the canal, eliminate the operations involved therewith, and provide them with what they need when they need it.

I yield to the gentleman from Texas.

Mr. ROGERS of Texas. I thank the gentleman.

If there were plenty of water the gentleman's amendment might be sound, but we agree that there are only limited water supplies in every State in the West.

With relation to the equating of this situation with the amendment previously offered by the gentleman, the gentleman will admit that if his amendment had been adopted then the State of New Mexico would have been limited to the use of the water they were entitled to, within a small portion in the northwest areas of the State of New Mexico.

Mr. HOSMER. The gentleman from California will admit no such thing.

Mr. ROGERS of Texas. Well, 74 percent then.

Mr. HOSMER. The gentleman from California will admit only that the State of New Mexico would by accepting this amendment that I propose offer the rest of the States along the Colorado a reasonable opportunity for second and third use of this water rather than transporting it out of the basin, rather than utilizing its claim to appropriate this water for exchange purposes with Texas to make up other deficits outside of the basin, and as I say doing what it will with the water, come what may, irrespective of the effect, the deleterious effect, it might have on its sister States. There is one other point I would like to make.

We have heard of a lot of blood dripping in this Chamber for the Navajo Indians in connection with this project. We have heard that the project will give them about an income of $3,000 annually on a subsistence level for 1,220 families.

I would like to point out that at the present moment the Navajo Indians are receiving each month the sum of over a million dollars in oil royalties which is providing each and every Navajo family with at least $1,000 a year income. If those royalties go up to $1½ million, the oil income will go up accordingly to $1,500 annual.

May I ask how many families who are going to have to pay off these projects have that kind of income to back them up?

Mr. ROGERS of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply want to point out the previous amendment has created the situation where the State of New Mexico would be forced to use 75 percent of the water to which it is entitled in a small northwest quarter of that State, that portion of the State which is west of the Continental Divide. The present amendment denies to the State of New Mexico the right to use its water on the eastern side of the Continental Divide. Actually, it is that simple.

In what we are doing here today we should not interfere with the right of New Mexico to use that water to which it is justly entitled in any manner that it sees fit.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Texas [Mr. ROGERS] commented on the costs of these projects a little while ago.. I would like to bring the costs together in one place, if I can.

Perhaps the gentleman from Minnesota [Mr. LANGEN], a member of the committee, who spoke on this subject yesterday, can inform me and the other Members of the House who may be interested in the price tag. After all, the taxpayers must be considered in deals such as these.

What is the Navajo project going to cost?

Mr. LANGEN. I am happy to respond to my able and dedicated colleague from Iowa that the actual dollars and cents cost is $220 million.

Mr. GROSS. Is this for both or one project?

Mr. LANGEN. This is for both projects. It is $135 million for the Navajo project and $85 million for the San Juan-Chama project.

Mr. GROSS. How much of this $220 million is reimbursable?

Mr. LANGEN. The report indicates that the irrigators on the San Juan-Chama project will probably be able to pay about $8 million.

Mr. GROSS. Only $8 million out of the $220 million?

Mr. LANGEN. Right. Nothing as far as the Navajo project is concerned. The additional money of the San Juan-Chama project is going to be provided out of power revenue.

Mr. GROSS. What interest will be paid on this money?

Mr. LANGEN. I am sure the gentleman knows that money dedicated to the cost of irrigation is interest free. So consequently there is no interest calculated on these moneys. When we add the interest, this is going to more than double the cost, if we consider that in addition to the appropriation. That is, as far as the taxpayers are concerned.

Mr. GROSS. Are these projects in the budget for this year?

Mr. LANGEN. No. These projects will still have to have approval by the Committee on Appropriations and the money appropriated for them.

Mr. GROSS. I am talking about the budget.

Mr. HOSMER. I think I know what is worrying the gentleman. I will assure him I understand the administration is sending up another bill to raise the debt limit so they will be able to take care of these expenses.

Mr. GROSS. Here is a question from one of the President's numerous messages that have come to Congress this year. This is what the President stated in his special message on urgent national needs:

> It will be necessary to hold tightly to prudent fiscal standards, and I must request the Congress in this respect to refrain from adding programs, desirable as they may be, to the budget.

What does this mean? Must we approve these projects this year when we are confronted with a deficit of $7 billion and another deficit projected into the next fiscal year? Where is the money going to come from to pay for this?

Mr. ROGERS of Texas. Is the gentleman asking me?

Mr. GROSS. Yes. I will be delighted to have some information.

Mr. ROGERS of Texas. Let me say this, this is an authorization. Our committee is the authorizing committee and we take up these projects as they come to the committee and study them out and try to proceed in an orderly fashion. When the project is commenced will depend on what the Committee on Appropriations does, and it must be remembered also that the projection of the Navajo project is about 14 years, so the money necessary to build these projects would be spread out over whatever period it takes to construct them.

Mr. GROSS. Just like this business: We are now holding hearings on a so-called pay reform bill for Federal employees which will cost a billion dollars at the end of a 3-year period. Do you know that the New Frontiersmen who have come before our committee say that this is not inflationary because it is spread out over 3 years? But, when they are asked whether the spreading of increased steel prices over a period of 3 years and increasing steelworkers' pay over the same period would be inflationary they begin to squirm and wiggle and use every device to crawl out from under what they have previously said about the noninflationary aspects of the pay reform bill that is going to cost another billion dollars.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes, I yield.

Mr. ROGERS of Texas. Let me say this to the gentleman, that I, of course, am deeply interested in the fiscal affairs of this country. However, I would think, knowing his great contribution to the protection of Americans, that this project should appeal to him, because these Indians we are talking about are American Indians; they are not Indian Indians. And, you will recall that so much of this money has been going overseas that it occurred to me that this was an excellent opportunity for us to at least do something for the home folks.

Mr. GROSS. The trouble with that argument is that we are not shutting off the water for Nehru and Krishna Menon's Indians. If we could get enough votes in the House to cut off hundreds of millions in handouts to Nehru's Indians, we might be able to do something for the people of this country. We cannot ship billions of dollars abroad and still spend in this country without eventual bankruptcy.

Mr. ROGERS of Texas. That is just the point. We better get something here before Nehru gets it all.

Mr. GROSS. That will not stop the printing presses, you know.

Mr. ROGERS of Texas. I will join the gentleman in protecting the American Indians.

Mr. GROSS. Does the gentleman think the President meant what he said when he made the statement to which I have referred to the Congress of the United States?

Mr. ROGERS of Texas. I do not know, because I have not read it. That is a side issue; I mean, it is not this bill.

Mr. GROSS. But it is in the report accompanying this bill to the House floor.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Iowa.

Mr. KYL. The point is that this does not cut off the water, and I am trying to preserve the water.

Mr. GROSS. I am talking about trying to cut off the water, in the form of huge handouts to Nehru's Indians.

Mr. ASPINALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to set the RECORD straight. The gentleman referred to $135 million for the Navajo project, the Indian project. Of course, that is largely a grant; we recognize that. Twenty million dollars of it may be paid back sometime, but if it is it will be under the provisions of the Leavitt Act. But, under the San Juan-Chama project, I do not want this Committee to be left with the idea that only $8 million of the total amount is to be paid back.

The facts of the matter are that there are $30,262,000 to be repaid with interest at the rate that Uncle Sam has to pay interest. Then, of the remaining amount, $53.4 million will be repaid without interest. This is the cost allocation to irrigation. Eight million dollars of this will be repaid by the users themselves, and $47,338,000 will be taken out of New Mexico's entitlement from the basin fund.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. Yes, I yield to the gentleman from California.

Mr. HOSMER. With respect to the $18 million plus that is the design amount against the Navajo project for the construction of the Navajo Reservoir, is that in the same nonpayback category?

Mr. ASPINALL. The amount of the cost of construction of the Navajo Reservoir is paid entirely as a first draft upon the basin fund. Each State has its own investment in the cost of the construction of the Navajo Reservoir.

Mr. HOSMER. Of course, then, the design allocation to the Navajo project is being handled differently than the cost of the balance of the works and appurtenances connected therewith?

Do I understand it to be that way?

Mr. ASPINALL. I do not understand my friend.

Mr. HOSMER. Pardon?

Mr. ASPINALL. I do not understand my friend.

Mr. HOSMER. When you take the $135 million that you want to use here and, in order to find the cost of the project, you have to take the proportionate cost of the Navajo Reservoir into the calculation, which has been specified at $18 million. You are not going to charge that against the Indians, are you?

Mr. ASPINALL. That is not charged against the entitlements. That is as I said, an investment made by the upper basin States themselves in the Navajo Reservoir.

Mr. HOSMER. If the gentleman will yield further, the upper basin States do not own that fund. It is in the nature of a revenue fund, but the money belongs to the taxpayers of the United States of America.

Mr. ASPINALL. Mr. Chairman, I yield back the balance of my time.

Mr. LANGEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time in order that we might get back to the subject of the amendment that is now pending before the Committee at this time, which is one of striking from the bill the language which relates to the San Juan-Chama project.

Mr. Chairman, I pointed out yesterday to this Committee the fact that the entire measure and these expenditures do not serve the best interests of our national economy, our agricultural economy, or the taxpayers and the consumers.

Now, here the Committee has an opportunity of at least improving to this extent the elimination of 121,000 acres that are going to be irrigated, as well as the expenditure of $85 million.

Mr. Chairman, we have heard within the past several minutes a very detailed discussion of what this bill means to our national economy, the national debt, our budget deficit, and so forth. Here is an opportunity to serve each of these causes in a very commendable fashion.

Mr. Chairman, I hope the amendment is adopted.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LANGEN. I shall be glad to yield to the gentleman from Iowa.

Mr. GROSS. At the same time production of agricultural products is being increased by virtue of this legislation the New Frontier is asking Congress to pass a farm bill that would cut production, on the part of farmers and land already in production, by 20 percent; is that not correct?

Mr. LANGEN. The gentleman is so correct. The Committee on Agriculture has already recommended to the House of Representatives a bill which has in it provisions for reduction, restrictions, and penalties, the likes of which we have never experienced before. This, of course, comes about because of the agricultural surplus problem, the storage costs, and so forth, that go with it, as well as the demands of the people to reduce the expenditures in these fields.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. KYL].

The question was taken; and on a division (demanded by Mr. KYL) there were—ayes 35, noes 73.

So the amendment was rejected.

Mr. SMITH of Iowa. Mr. Chairman, I have always supported reasonable legislation to improve the standard of living and living conditions of American Indians.

We have much unfinished work in this area. I think we should do everything possible to find some way for the Navajo Indians to increase their opportunity to earn a better standard of living; however, there must be some way to do this without being inconsistent with other land-use policies. Bringing newly irrigated land into the production of storable basic crops is especially inconsistent with national land-use needs.

We have enacted reclamation projects where the money invested would be repaid and the newly irrigated lands could not be used to produce surplus crops. Some areas do need more land for vegetables and direct-use crops. This bill is only partially consistent with national land-use needs and policies.

I know the Interior Committee has labored long and hard in an effort to answer the problem and deserves great credit, but surely a more feasible plan can be found that is more consistent with other national land-use policies and that can produce desired results more quickly. Whether this bill passes or fails, we should continue work on this problem and hope improvements in this legislation can be made before it finally sent to the White House.

Mr. NYGAARD. Mr. Chairman, much has been said pro and con in regard to the authorization of the San Juan-Navajo irrigation project in New Mexico. This project has two very prime purposes for its enactment. The one purpose being that of providing irrigation waters for the Navajo Tribe of Indians in New Mexico. The bill will provide for the irrigation of 110,000 acres of land. The irrigation of 110,000 acres will have far-reaching benefits to the Navajo Tribe of Indians. This will permit them to grow forage and grain crops to provide for a sizable herd of livestock, which in turn will be used primarily, if not entirely, for food for these people.

As has been true in most instances when land was set aside for any tribal Indians the land which was set aside for their use was not highly productive land and consequently the manner of providing food for their families has been a very serious problem to them. It is true that this is not going to provide employment for the approximately 90,000 Navajo Indians, however, because of these Indians being very adept at handicraft and work of that nature, most of the tribe will still be employed in these crafts. However, it will provide employment in the agricultural field and allied businesses for a sizable number of these people.

Therefore, my feeling in regard to the adoption of the authorization of the Navajo portion of this project will serve as a basis of providing a livelihood for our Indian population which will have the tendency of carrying out the original intent of our treaties with the Indians in providing for them the reservations on which they were permitted to live and call their own.

The San Juan-Chama portion of the project will provide irrigation waters for similar acreage to that of the Navajo portion. Besides that, it will provide water supplies for the city of Albuquerque and other smaller communities. With this being a low rainfall area the practice of dry farming is extremely hazardous. Therefore, the provisions of this bill will provide a means of assuring feed and forage for the livestock industry in these areas. By that measure they will be able to stabilize the size of their herds of cattle and sheep, and know that should there be a drop in seasonable rainfall, that they will have a backlog storage of feed and forage that can tide them through these drought periods. The overall benefits of these two projects, therefore, will be difficult to measure entirely. However, those measurable values are of great enough consequence that this measure should warrant the support of the membership of this body.

Mr. ANDERSON of Illinois. Mr. Chairman, I am obliged to register my opposition to the proposed San Juan-Chama and Navajo Indian irrigation project. I do so only after a very careful consideration of the earnest arguments that have been made by highly respected Members of this House who have spoken on both sides of this bill. I feel certain that it can be readily conceded that there is a need to do something for the Navajo Indians. However, I am far from convinced that this irrigation and reclamation project constitutes a practical means of bringing about that highly desirable result. The end result of this project would, of course, be to bring into agricultural production more than 231,000 acres of land at a time when we are annually spending in the neighborhood of $1 billion to store agricultural surpluses. While it is true that not all of the crops that are proposed to be raised on this reclaimed and irrigated land would be crops presently in surplus, some of the acreage would undoubtedly be used in the production of commodities which are, or will, become surplus. At a time when we are concerned with the preservation of the family farm and the ability of the average small farmer to continue to earn his living from the soil, it seems highly unwise for the Congress to further jeopardize the economic position of the family farmer by raising up still more competitors.

I think also that we should consider the fact that the total cost of these projects amounts to something in excess of $220 million. We certainly do not need to labor the point that in view of our chronic deficits and the continuing loss of gold that we cannot afford to so lightly undertake further commitments of almost a quarter of a billion dollars.

In conclusion, although I sympathize deeply with the plight of the Navajo Indians and believe that steps should be taken to improve their economic status, I am not convinced that the projects called for in this bill will accomplish their economic rehabilitation either efficiently or economically. Further, I am compelled to the conclusion that this bill is not in the public interest in view of the present state of our agriculture and the condition of the U.S. Treasury.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BASS of Tennessee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7596) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes, pursuant to House Resolution 596, he reported the bill back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

CALL OF THE HOUSE

Mr. EDMONDSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 94]

Addonizio
Alexander
Alford
Andrews
Ashmore
Auchincloss
Baring
Bass of N.H.
Bennett, Mich.
Blatnik
Boykin
Bromwell
Buckley
Cahill
Celler
Chelf
Chiperfield
Corman
Curtis, Mass.
Diggs
Doyle
Elliott
Fisher
Flood
Fogarty
Frazier
Garmatz
Grant
Green, Oreg.
Hall
Hébert
Henderson
Hoffman, Mich.
Huddleston
Jones, Ala.
Kearns
Kilburn
Kitchin
Kornegay
Landrum
McMillan
Mason
Merrow
Milliken
Morrison
Moulder
Murray
Passman
Peterson
Powell
Rains
Reifel
Riley
Roberts, Ala.
Rostenkowski
Saund
Scherer
Scott
Selden
Sheppard
Smith, Calif.
Smith, Miss.
Steed
Stratton
Stubblefield
Watts
Whitten
Wickersham
Willis
Wilson, Calif.
Yates

The SPEAKER. On this rollcall, 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONSTRUCTION OF NAVAJO INDIAN IRRIGATION PROJECT

The SPEAKER. The question is on the passage of the bill.

Mr. HOSMER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 107) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of furnishing water for irrigation of irrigable and arable lands, municipal, domestic and industrial uses (and for other beneficial purposes), providing recreation and fish and wildlife benefits, controlling silt, the Congress hereby approves as participating projects of the Colorado River storage project the Navajo Indian irrigation project, New Mexico, and the initial stage of the San Juan-Chama project, Colorado-New Mexico as conditioned, modified, and limited herein. Principal engineering works of the Navajo Indian irrigation project shall be a main gravity canal, tunnels, siphons, pumps, and powerplants for project purposes, laterals, drains, distribution systems and related works. The initial stage of the San Juan-Chama project facilities shall be comprised principally of regulating and storage reservoirs, collection, diversion and conveyance systems, and associated works.

The Navajo Indian irrigation project and the initial stage of the San Juan-Chama project herein approved are substantially those described in the proposed coordinated report of the Acting Commissioner of Reclamation and the Commissioner of Indian Affairs, approved and adopted by the Secretary of the Interior on October 16, 1957, as conditioned, modified, and limited herein.

SEC. 2. Pursuant to the provisions of the Act of April 11, 1956 (70 Stat. 105), the Secretary of the Interior is authorized to construct, operate, and maintain the Navajo Indian irrigation project for the principal purpose of furnishing irrigation water to approximately one hundred and ten thousand six hundred and thirty acres of land, said project to have an average annual diversion of five hundred and eight thousand acre-feet of water, the repayment of the costs of construction thereof to be in accordance with the provisions of said Act of April 11, 1956 (70 Stat. 105), including, but not limited to, section 4(d) thereof.

SEC. 3. (a) In order to provide for the most economical development of the Navajo irrigation project, the Secretary of the Interior is hereby authorized and directed to declare by publication in the Federal Register that the United States of America holds in trust for the Navajo Tribe of Indians any legal subdivisions or unsurveyed tracts of federally owned land outside the present boundary of the Navajo Indian Reservation in New Mexico in townships 28 and 29 north, ranges 10 and 11 west, and townships 27 and 28 north, ranges 12 and 13 west, New Mexico principal meridian, susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project: *Provided, however,* That no such legal subdivision or unsurveyed tract shall be so declared to be held in trust by the United States for the Navajo Tribe until the Navajo Tribe shall have paid the United States the full appraised value thereof: *And provided further,* That in making appraisals of such lands the Secretary of the Interior shall consider their values as of the date of approval of this Act, excluding therefrom the value of minerals subject to leasing under the Act of February 25, 1920, as amended (30 U.S.C. 181–286), and such leasable minerals shall not be held in trust for the Navajo Tribe and shall continue to be subject to leasing under the Act of February 25, 1920, as amended, after the lands containing them have been declared to be held in trust by the United States for the Navajo Tribe.

(b) The Navajo Tribe is hereby authorized to convey to the United States, and the Secretary of the Interior is hereby directed to accept on behalf of the United States, title to any land, or interest in land within the above-described townships, susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project, acquired in fee simple by the Navajo Tribe, and after such conveyance said land or interest in land shall be held in trust by the United States for the Navajo Tribe as a part of the Navajo Indian irrigation project.

(c) The Secretary of the Interior is hereby authorized and directed to acquire by purchase, exchange, or condemnation any other land or interest in land within the townships above described susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project. After such acquisition, said lands or interest in lands shall be held by the United States in trust for the Navajo Tribe of Indians and the price of such lands or interest in lands or of the land given in exchange therefor by the United States shall be charged to funds of the Navajo Tribe of Indians on deposit in the Treasury of the United States.

SEC. 4. In developing the Navajo Indian irrigation project, the Secretary is authorized to provide capacity for municipal and industrial water supplies or miscellaneous purposes over and above the diversion requirements for irrigation stated in section 2 of this Act. But such additional capacity shall not be constructed and no appropriation of funds for such construction shall be made unless, prior thereto, contracts have been executed which, in the judgment of the Secretary, provide satisfactory assurance of repayment of all costs properly allocated to the purposes aforesaid with interest as provided by law.

SEC. 5. Payment of operation and maintenance charges of the irrigation features of the Navajo Indian irrigation project shall be in accordance with the provisions of the Act of August 1, 1914 (38 Sta[illegible] 582, 583), as amended by the Act of Aug[illegible] 7, 1946 (60 Stat. 867): *Provided,* That the Secretary of the Interior in his discretion may transfer to the Navajo Tribe of Indians the care, operation, and maintenance of all or any part of the Navajo Indian irrigation project works, subject to such rules and regulations as he may prescribe, and, in such event, the Secretary may transfer to the Navajo Tribe title to movable property necessary to the operation and maintenance of project works.

SEC. 6. Pursuant to the provisions of the Act of April 11, 1956 (70 Stat. 105), as amended by section 9 of the Act of June 27, 1960 (74 Stat. 277), the Secretary of the Interior is authorized to construct, operate, and maintain the initial stage of the San Juan-Chama project, Colorado-New Mexico, for the principal purposes of furnishing water supplies to approximately thirty-nine thousand three hundred acres of land in Cerro, Taos, Llano, and Pojoaque tributary irrigation units in the Rio Grande Basin, about eighty-one thousand six hundred acres of land in the existing Middle Rio Grande Conservancy District, and municipal, domestic, and industrial uses, and providing recreation and fish and wildlife benefits. Said construction and operation of the diversion facilities of the initial stage authorized herein shall include only natural flow of the Navajo, Little Navajo, and Blanco Rivers in Colorado as set forth in the supplemental project report dated May 1957. Principal engineering works of the initial stage development involving three major elements, shall include diversion dams and conduits, storage and regulation facilities at the Heron Numbered 4 Reservoir site and enlargement of outlet works of the existing El Vado Dam, and water use facilities consisting of reservoirs, dams, canals, lateral and drainage systems, and associated works and appurtenances. The construction of recreation facilities at the Nambe Reservoir shall be contingent upon the Secretary's making appropriate arrangements with the governing body of the Nambe Pueblo for the operation and maintenance of such facilities, and the construction of recreation facilities at the Heron Numbered 4, Valdez, and Indian Camp Reservoirs and shall be contingent upon the Secretary's making appropriate arrangements with a State or local agency or organization for the operation and maintenance of those facilities; *Provided,* That—

(a) the Secretary of Interior shall so operate the initial stage of the project authorized herein that diversions to the Rio Grande Valley shall not exceed one million three hundred and fifty thousand acre-feet of water in any period of ten consecutive years, reckoned in continuing progressive series starting with the first day of October after the project shall have commenced operation;

(b) the Secretary of Interior shall operate the project so that there shall be no injury, impairment, or depletion of existing or future beneficial uses of water within the State of Colorado, the use of which is within the apportionment made to the State of Colorado by article III of the Upper Colorado River Basin compact, as provided by article IX of the Upper Colorado River Basin compact and article IX of the Rio Grande compact;

(c) all works of the project shall be constructed so as to permit compliance physically with all provisions of the Rio Grande compact, and all such works shall be operated at all times in conformity with the Rio Grande compact;

(d) the amount of water diverted in the Rio Grande Basin for uses served by the San Juan-Chama project shall be limited in any calendar year to the amount of imported water available to such uses from importation to and storage in the Rio Grande Basin in that year;

(e) details of project operation essential to the accounting of diverted San Juan and Rio Grande flows shall be cooperatively developed through the joint efforts of the Rio Grande Compact Commission, the appropriate agencies of the United States and of the States of Colorado, New Mexico, and Texas, and the various project entities. In this connection the States of Texas and New Mexico shall agree, within a reasonable time, on a system of gaging devices and measurements to secure data necessary to determine the present effects of tributary irrigation, as well as present river channel losses: *Provided,* That if the State of Texas shall require, as a precedent to such agreement, gaging devices and measurements in addition to or different from those considered by the Department of the Interior and the State of New Mexico to be necessary to this determination, the State of Texas shall pay one-half of all cost of constructing and operating such additional or different devices and making such additional or different measurements which are not borne by the United States. The results of the action required by this subsection shall be incorporated in a written report transmitted to the States of Colorado, Texas, and New Mexico for comment in the manner provided in the Flood Control Act of 1944, before any appropriation shall be made for project construction;

(f) the Secretary of the Interior shall operate the project so that for the preservation of fish and aquatic life the flow of the Navajo River and the flow of the Blanco River shall not be depleted at the project diversion points below the values set forth at page D2–7 of appendix D of the United States Bureau of Reclamation report entitled "San Juan-Chama Project, Colorado-New Mexico", dated November 1955;

(g) the Secretary of the Interior is hereby authorized to construct the tunnel and conduit works of the initial stage of the San Juan-Chama project with sufficient capacity for future diversion of an average of two hundred and thirty-five thousand acre-feet per annum, and to recognize the cost of providing such additional capacity as a deferred obligation to be paid at such time as the additional capacity may be required: *Provided, however,* That nothing contained in this Act shall be construed as committing the Congress of the United States to future authorization of any additional stage of the San Juan-Chama project.

Sec. 7. (a) No person shall have or be entitled to have the use for any purpose, including uses under the Navajo Indian irrigation project and the San Juan-Chama project authorized by sections 2 and 6 of this Act, of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries originating above Navajo Reservoir to the use of which the United States is entitled under these projects except under contract satisfactory to the Secretary of the Interior and conforming to the provisions of this Act. Such contracts, which, in the case of water for Indian uses, shall be executed with the Navajo Tribe, shall make provisions, in any year in which the Secretary anticipates a shortage taking into account both prospective runoff originating above Navajo Reservoir and the available water in storage in Navajo Reservoir, for a sharing of the available water in the following manner: The prospective runoff shall be apportioned between the contractors diverting above and those diverting at or below Navajo Reservoir in the proportion that the total normal diversion requirement of each group bears to the total of all normal diversion requirements. In the case of contractors diverting above Navajo Reservoir, each such contract shall provide for a sharing of the runoff apportioned to said group in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements of all such contracts that have been made hereunder: *Provided,* That for any year in which the foregoing sharing procedure either would apportion to any contractor diverting above Navajo Reservoir an amount in excess of the runoff anticipated to be physically available at the point of his diversion, or would result in no water being available to one or more such contractors, the runoff apportioned to said group shall be reapportioned as near as may be among the contractors diverting above Navajo Reservoir in the proportion that the normal diversion requirements of each bears to the total normal diversion requirements of the group. In the case of contractors diverting from or below Navajo Reservoir, each such contract shall provide for a sharing of the remaining runoff together with the available storage in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements under all such contracts that have been made hereunder.

The Secretary shall not enter into contracts beyond a total amount of water that, in his judgment, in the event of shortage will result in a reasonable amount being available for the diversion requirements for the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as specified in sections 2 and 6 of this Act.

(b) In the event contracts are entered into for delivery from storage in Navajo Reservoir of water not covered by subsection (a) of this section, such contracts shall be subject to the same provision for sharing of available water supply in the event of shortage as in the case of contracts required to be made pursuant to subparagraph (a) of this section.

(c) This section shall not be applicable to the water requirements of the existing Fruitland, Hogback, Cudai, and Cambridge Indian irrigation projects, nor to the water required in connection with the extension of the irrigated acreages of the Fruitland and Hogback Indian irrigation projects in a total amount of approximately eleven thousand acres.

Sec. 8. (a) None of the project works, or structures authorized by this Act shall be operated by the Secretary of the Interior so as to create, implement, or satisfy any preferential right in the United States or any Indian tribe to the waters impounded, diverted, or used by means of such project works or structures, other than contained in those rights to the uses of water granted to the States of New Mexico or Arizona pursuant to the provisions of the Upper Colorado River Basin compact.

(b) The Secretary of the Interior shall operate the projects authorized by this Act so that no waters shall be diverted or used by means of the project works, which, together with all other waters used in or diverted from the San Juan River Basin in New Mexico, will exceed the water available to the States of New Mexico and Arizona under the allocation contained in article III of the Upper Colorado River Basin compact for any water year.

Sec. 9. In the operation and maintenance of all facilities, authorized by Federal law and under the jurisdiction and supervision of the Secretary of the Interior, in the basin of the Colorado River, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, and the treaty with the United Mexican States, in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

Sec. 10. Section 12 of the Act of April 11, 1956 (70 Stat. 105), shall not apply to the works authorized by this Act. There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, such funds as may be required to carry out the purposes of this Act, but not to exceed $221,000,000 (January 1958 prices) plus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indexes applicable to the types of construction involved therein and, in addition thereto, such sums as may be required to operate and maintain the projects.

Sec. 11. The Act of April 11, 1956 (70 Stat. 105), is hereby amended as follows: (i) In section 1, subsection (2), after "Central Utah (initial phase)" delete the colon and insert in lieu thereof a comma; (ii) in section 5, subsection (e), in the phrase "herein or hereinafter authorized" delete the word "hereinafter" and insert in lieu thereof the word "hereafter"; (iii) in section 7 in the phrase "and any contract lawfully entered unto under said compacts and Acts" delete the word "unto" and insert in lieu thereof the word "into".

Mr. ROGERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rogers of Texas: Strike out all after the enacting clause of S. 107 and insert the provisions of H.R. 7596 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, read the third time, and passed.

A similar House bill (H.R. 7596) was laid on the table.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this measure be permitted to revise and extend their remarks and that all other Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LAYING OF CORNERSTONE OF RAYBURN OFFICE BUILDING

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time, again, to advise the House that on tomorrow the cornerstone of the additional House Office Building, to be known as the Rayburn Office Building, will be laid at 10:30 in the morning at the northeast corner of the building located at South Capitol Street and Independence Avenue. The President of the United States and the Speaker will be present and participate in the program. It is urged that all Members that can possibly do so be present on this important occasion.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may be permitted to sit this afternoon during general debate.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AUTHORIZING APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 648 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Astronautics, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume, after which I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, House Resolution 648 provides for the consideration of H.R. 11737, a bill to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes.

Mr. Speaker, the amount of money involved in this bill is $3,742,162,000. This, of course, is for NASA. Involved are the Project Mercury, the advanced manned space flight, aerospace medicine project, the Gemini project, the Apollo project, the Saturn C-1 project, and many others.

Mr. Speaker, since the merits of the bill will be fully covered by the Committee on Science and Astronautics, I shall not go into the details of that at this time. The bill provides for 4 hours of general debate under an open rule.

Mr. Speaker, I urge the adoption of the rule.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from New York [Mr. DELANEY] has explained, this rule makes in order the consideration of H.R. 11737, a bill authorizing certain appropriations for the National Aeronautics and Space Administration, for research, and other purposes, under 4 hours of general debate.

Mr. Speaker, in behalf of most of the Members of the House, I would like to express the hope that the entire 4 hours given for general debate will not be taken upon this particular measure, because, while it is a very important bill and while it does carry an authorization for appropriations of $3,742,162,000, there seemingly are very few Members of the House—and I suspect very few citizens of this country—who know for a certainty whether the amount contained in this bill is the proper one.

I point out that this is simply an authorization bill, and that the National Aeronautics and Space Administration will have to appear later before the Appropriations Committee of the House of Representatives, and later of the Senate, in justification of any appropriation that may be made for the purposes contained in, and authorized under, this measure.

Mr. Speaker, of course $3,742 million is a great deal of money. I, of course, know but little of this measure and the programs it would authorize, and I suspect, as I said a moment ago, few Members of the House are well acquainted with it. I do know that many great scientists differ among themselves in their views and opinions as to the sort of space programs or activities in which we should engage. I do know also that the people of the Nation differ in their views and opinions on these matters.

I do realize, as I am sure most of the Members realize, there are other avenues of scientific research and exploration that may be just as important to the future of the human race as these particular space programs. I do know that the expenditures authorized under this bill are in addition to those which will be authorized and expended for missile research, and other similar activities conducted by our National Defense Establishment, as well as by by other governmental agencies.

So I feel we are faced, very frankly, with a situation here in the House of Representatives where we must accept this legislation on faith because programs of this type—some of them at least, if not all—must go forward. We must accept them on faith and hope that the expenditure of these huge funds authorized in this bill will be in the best interests of the American people and the world peace that we all seek.

Mr. Speaker, I have no further requests for time.

Mr. DELANEY. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The **SPEAKER.** The question is on the resolution.

The resolution was agreed to.

Mr. GEORGE P. MILLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11737, with Mr. INOUYE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, it is significant that we begin our consideration of the National Aeronautics and Space Administration authorization bill on the eve of our second orbital flight into space. Tomorrow Astronaut Scott Carpenter is scheduled to make a three orbit flight similar to that of Astronaut Glenn's recent great flight. I can report as of now that all systems are "go" and that the chances are about 60 to 40 that the flight will be made. There are always certain conditions that arise in connection with these flights that make it impossible to set a specific time and date when they will take place.

Mr. Chairman, I want to impress upon the members of the committee that these flights are not a show, they are not an act put on to amuse and gratify the people of this country. They are serious scientific experiments and they are not to go until the conditions are optimum surrounding the takeoff.

We have been very successful in our flights to date. But I also want to warn you and tell the people of this country that some day we will have to accept losses in this field. It is inevitable that one of the brave astronauts who will go into space will meet disaster, and when you realize that this is the mode in this field it is not surprising. In the first place, every time you develop a new airplane, the record shows that about two test pilots are lost. If it were not for the sacrifice made by these men the airplane industry would not be where it is today. That is unfortunate, but we must be prepared for that sacrifice.

Mr. Chairman, the bill scheduled for consideration today is H.R. 11737, the NASA authorization bill for fiscal year 1963.

The overall total of the bill is $3,742,162,000. Of this figure, $3,671,162,000 represents the committee approved authorization for fiscal year 1963, and the balance of $71 million is a supplemental authorization for fiscal year 1962.

The committee combined the two measures to avoid reporting two separate authorization bills to the House.

I intend to take a few moments to explain the highlights of the bill, and I will be followed by the subcommittee chairmen, and the minority members of the committee, who will explain the program in greater detail.

The Rules Committee, at our request, granted us a 4-hour rule. We asked for this time in order that an ample opportunity be given to fully explain the bill, and, we hope, to your complete satisfaction.

At the outset, let me say that this is a unanimous report—not one vote in our committee in opposition.

We all recognize that the authorization is large. Because of this and the importance of the program from a national viewpoint, the bill has received the most careful and searching scrutiny.

At the beginning of the hearings, the bill was divided into four logical programs, and one each assigned to a subcommittee. These subcommittees met for 11 weeks of almost continuous hearings. They took 2,298 printed pages of testimony. The hearings comprise not one or two, but five complete volumes. The full committee and subcommittees received testimony from 85 witnesses, and I wish to say in all sincerity that, in the years I have been in Congress, no legislative measure with which I have been associated has received so much study and attention.

I do not recount these matters for the purpose of attempting to establish a record for committee action in the number of hearings, witnesses heard, or pages of testimony taken, but rather to impress on you that the committee has taken its responsibility most seriously.

This becomes immediately apparent when you are privileged to witness Members of Congress, with all of their pressing duties, sitting day after day, week after week, for long hours, with near-perfect subcommittee attendance, going over each of the programs and items with a dedication to searching out the facts so that the Science and Astronautics Committee—as your representatives—could bring to you this most thoroughly studied legislative measure.

The committee report alone is 149 pages in length—about half the size of a standard book. It was weeks in preparation, always with the view of making it as complete and thorough as possible. It was written not only so that each item was thoroughly explained for the Members of Congress, but so it could be used in years to come as a guide and an adequate legislative history of the bill.

Now, it has been said that because we are laymen, and these authorizations pertain to scientific matters and astronautics, we must take a budgetary request of this nature largely on faith alone. Perhaps in some very technical areas this is true, but, generally speaking, the extent and thoroughness of the hearings guarantee that the members of the committee did not accept this authorization request only on faith. In areas where it was difficult to understand, witnesses were recalled, not once, but several times, and the items were reviewed over and over until an understanding was reached.

As a result, the committee recommends the following authorization:

For "Research, development, and operation," $2,934,961,750. This is a $33,316,250 reduction in the NASA request.

For "Construction of facilities," $736,200,250. A reduction of $82,797,750.

For fiscal year 1962 supplemental, to be used for the acquisition of land at Cape Canaveral and the Mississippi test site facility, $71 million. No reduction.

Therefore, the overall committee-recommended reduction is $116,114,000.

Now, in our reduction we attempted to be very selective, and I can assure you we did not reduce any NASA request merely for the sake of cutting. On the contrary, most of the reductions, such as the elimination of the lunar Prospector program, were made in programs to be implemented so far in the future, we believed that NASA should wait until next year or perhaps later before undertaking these programs. In the meantime, our advances in the state of the art may be such that these items can be eliminated from our future planning, or at least be reassessed.

We reduced the construction program in those areas where we were not reasonably certain that the facility was essential and the funds could be expended in the next fiscal year. Thus the committee deleted the request for $60,630,000 for the construction of the Nova launch complex at the Atlantic Missile Range. In the next year or two, if we meet with success in the orbital rendezvous technique, we will want to take another hard look at the Nova program to see if this vehicle is really needed for manned space flight explorations.

I have said before, and I will reiterate, that I am fully cognizant of the tremendous cost of the space program. This authorization request, of course, is only a part of the overall 10-year program designed to eventually land men on the Moon and accomplish their safe return to Earth. But the decision has been made on behalf of the Nation to accomplish this within the decade, and if we are to be successful in the program, we must be prepared to pay the price.

But we must not overlook the other areas covered by the bill. This is not just a lunar program, but one that will give tangible benefits to all mankind. Satellites for communication, weather, navigation, for scientific experiments—all are covered by the funds requested in this bill.

We must also recognize the significance and impact the space program is having and will continue to have on our domestic program. Consider if you will the economic and technological developments. The advances in scientific knowledge and the effect on education. All of these are direct fallouts from our space program.

In addition, I am the first to say we must not overlook our national security programs. Actually, we have little choice but to explore space. We must conquer it to insure our own national defense, for I am certain that as sure as I stand in the well of this House, there is not a Member of this body who would not agree that if we do not pursue a vigorous and calculated and successful space program, other nations will do so. And if we allow a potential enemy to control space because of our inability or our reluctance to get on with the job, we will bring down on our citizens the most serious national defense consequences.

Mr. Chairman, the space program is not cheap. This is a large authorization, but the rewards which we will receive, in my opinion, justify the expenditure of funds the committee recommends.

So, Mr. Chairman, I hope I can speak for the House when I say that we want Astronaut Carpenter to know that he flies tomorrow with our prayers and hopes for a successful flight and a safe return.

Mr. FULTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to compliment the chairman of our committee, the gentleman from California, on his excellent statement. I wish to commend him for his broad view of this space program and of the necessary effort in science, research, and development that is so needed in order to establish good, efficient programs. I believe that the Science and Astronautics Committee has done a real job.

I want to commend, likewise, every member of the committee, regardless of party. I want to start out by saying that I compliment the chairman. Further, one of the finest members we have on the committee is our own Congressman, the gentleman from Massachusetts, JOSEPH MARTIN. With this small introduction, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I am happy to rise in support of this legislation. It is, as the chairman has well stated, a unanimous report from the committee. We had a very difficult problem to deal with. We know this bill represents a lot of money and we would like to make it less, were it possible, but we have no alternative but to accept the huge amount. The administration and NASA have set forth a program which they say is necessary if we are to maintain our lead in the conquest of space.

The committee has been unusually careful in its work on this bill. They spent hours examining the subject. The have not taken everything for granted that was told them but checked with their own scientists, who are not involved in the program. They checked with others interested in our space efforts, and out of the product of these different interested groups comes the committee's recommendation. As our chairman said, we have made a few cuts where we thought it would be safe to do so. We eliminated some features that might well be deferred.

We deliberated on the question of whether all of the money could properly be spent in the fiscal year. We tried to separate that which is immediately necessary and delayed that which could come at a later time. But we have granted all the money they can wisely spend this year, as above all we must be safe. We cannot permit this country to lag behind in the battle for space supremacy.

I repeat, I am in favor of the legislation. I believe the committee has done a good job. I believe it has been very careful in bringing to you a program which will assure that we do not get behind in this race for the conquest of space which means so much to our country. It means not only that we maintain our military progress, but it also means much for our own economic progress. Civilian use of space in the future should be of tremendous value.

We also took into account the fact that this is an authorization bill only. The appropriations will come later after the Appropriations Committee has had a chance to again screen the expenditures. But above all we want to make sure that we are not so niggardly in our spending that through any fault of our own we find we lose our space supremacy. Above everything else, to me, above whatever money we spend, is the thought that we have got to have full security. The money necessary to make us secure is the price we pay for freedom and liberty. All the people of the free world look to the United States to meet this space challenge. We must not fail them.

Mr. FULTON. Mr. Chairman, this bill has been carefully screened. I want to assure the Members of the House and also the members of the Appropriations Committee, that, at the present time, we have not only looked into the programs but also into the number of dollars that have been authorized for the respective programs.

We want to assure the House that we feel the funds are needed. They are necessary and they are worth while. Each of these programs has been gone over, not only in the committee hearings with adequate witnesses, but I would say most members of the committee, have gone to the installations themselves.

As you probably know, I have gone to Cape Canaveral many, many times, and have followed the programs there and stayed with the people working on those programs.

Last fall, I spent almost a week visiting space installations, both civilian and military in California. Other members have visited the major facilities existing elsewhere in the country. Thus, we would have basic knowledge, so that we could come back to the House and logically evaluate these very technical programs, and express our judgment they should be imitiated and pursued to a successful conclusion.

I agree with the remarks of the chairman of the committee [Mr. MILLER].

Second, I agree with the remarks of the honored and revered Member from Massachusetts, the Honorable JOE MARTIN, with whom we all like to work. He realizes the necessity for moving ahead in this new field of scientific research and development. We in America need science and research and development. These programs are not undertaken for military purposes. That is not the principal motivation. The main purpose is, through research and development, to exploit the benefits we will get from space exploration.

Vice President JOHNSON, in speaking before the Goddard dinner at the National Rocket Club, in the Sheraton-Park Hotel, Washington, D.C., recently stated that we expect to get immediately from such development space programs as weather satellites, navigation satellite and communication satellites, $2 for every dollar we invest in the peacetime use of space.

When we members of the committee speak of conquering space, we do not mean in a military sense. To me, conquering space is simply learning how to use space. When we learn how to use space, we should use it for peaceful purposes, as far as possible, we must explore space for peaceful purposes. Space should be entered with peaceful vehicles. I agree with the bill and the act which was passed unanimously in 1958 by this Congress that the emphasis of the National Aeronautics and Space Agency should be on the peaceful uses of our space.

I have asked Dr. Hugh Dryden, Deputy Administrator of NASA, when the United States and the U.S.S.R. would finalize their agreement on the international weather satellite program.

Dr. Dryden states, as of now, there is no agreement between the United States and Russia for a joint meteorological satellite program. What has happened in the last few days is that the World Meteorological Organization (WMO) has been asked by the U.N. Committee on the Peaceful Use of Outer Space for recommendations regarding the utilization of data produced by the meteorological satellite. The secretary of the WMO has asked the United States and Russia each to furnish an expert to draw up joint recommendations. The U.S. expert is Mr. Harry Wexler, of the Weather Bureau, and his counterpart is Mr. V. Bugaev, of the U.S.S.R. These gentlemen have drawn up a draft which they propose to present to the WMO next Monday, May 28, 1962, for consideration. Dr. Dryden stressed that this draft only covered the utilization of data and did not in any way apply to the satellites themselves.

Dr. Dryden further stated that in the near future he and his counterpart, Mr. A. A. Blagonravov, will tackle the problem of trying to work out a joint program for launching meteorological satellites within the framework of the Kennedy-Khrushchev correspondence. If they do, presumably, this agreement will have to be ratified by the U.S. State Department and the Russian Foreign Office. The agreement will involve the number of satellites to be launched by each country and include a plan for the distribution of the data to all nations of the world that wish to participate.

Recently one of the Soviet Union's leading scientists, Academician A. A. Blagonravov of the Academy of Sciences, said his country plans to continue medical and biological experiments with manned satellites during the coming year. Without mentioning the four Cosmos satellites that have been launched since the first of the year, Blagonravov disclosed that a series of artificial earth satellites will also be launched in 1962.

Blagonravov gave these sketchy plans for the Soviet Union's 1962 space program in an address before the opening session of the Committee on Space Research—Cospar—fifth plenary meeting and space science symposium. The former artillery officer, who is often referred to as the outstanding space engineer of the U.S.S.R., confirmed that Vostoks I and II were designs that were proven by the experience gained with the five instrumented and animal-carrying spaceship satellites—Korabl sputniks—which were tested in the interval between the Lunik III and the first Vostok. He said Titov's spaceship was similar to Gagarin's with but minor changes in instrumentation and additional chemical agents needed for environmental control. Blagonravov, vice president of Cospar, said that although Gagarin made but one orbit of the earth, more orbits were possible. The retrorockets for Gagarin's reentry were fired 8,000 kilometers from the point of recovery.

The U.S. delegate, Dr. Richard W. Porter, representing the National Academy of Sciences, summarized in statistical form the accomplishments of the U.S. space program during the past year. During the period January 1, 1961, to December 31, 1961, he said the United States launched more than 300 high-altitude balloons; 866 synoptic meteorological rockets—to altitudes between 60 and 100 kilometers—from 8 different stations on the North American Continent: 70 larger scientific rockets, ranging from Nike Cajun to the Javelin and the Scout; 31 instrumented artificial earth satellites and deep space probes; 7 successful recoveries made from satellite orbit—which included the recovery of Discoverer satellites launched by the Air Force. Porter added that, during the first 3 months of 1962, seven successful launchings of earth satellites or space probes had been completed as well as two successful recoveries from orbit.

Porter discussed briefly the little-publicized information on types and results of experiments with the Discoverer satellite series. The major portion of these experiments was concerned with the radiation effects found at the Discoverer orbiting level, ranging from 300 to 570 kilometers. Emulsion blocks recovered after 1 to 4 days' exposure indicate that cosmic ray activity at the "relatively low altitude of 300 kilometers is about double the rate expected." He said this may be interpreted as meaning that very high level magnetically trapped radiation dips as low as the 300-kilometer level. Also, recovered lead samples are being analyzed for tritium content, "which thus far is smaller than expected."

In the future—through 1962 and into early 1963—the United States will launch several more Tiros weather satellites—at approximately 4-month intervals—and the first of a series of Nimbus stabilized weather spacecraft. Several more attempts will be made to photograph the moon with the Ranger spacecraft—one more in 1962—in addition to the two Mariner-R Venus near-approach missions. The Venus spacecraft will carry instrumentation for studies of magnetic fields, particles, plasma, meteoric dust, and infrared and microwave radiometers for observations of the atmosphere, clouds, and surface of the planet.

Porter explained that launching announcements of U.S. scientific satellites and space probes are being distributed through Spacewarn, an international network recognized by Cospar. He said the United States will continue to look to Cospar for organizing international space cooperation. Porter said Cospar leadership will be an inevitable necessity during the World Magnet Survey and the International Year of the Quiet Sun scheduled for the 1964–65 period.

Tomorrow afternoon the pioneer astronauts of the U.S.S.R. and the United States will meet for the first time and exchange summaries of their flights into space. This first public meeting will be limited to formal prepared statements relating to the flight of each. Maj. Gherman Titov will be preceded by V. Parrin of the U.S.S.R., who will discuss the experience gained by Soviet scientists on the effect of the space environment on man and other living organisms. Titov will limit his remarks to the preparation of his orbital flight and the results of the 17-orbit mission.

UNITED STATES AND SOVIET START SPACE TALKS

On the 27th of March the United States and the Soviet Union held their first talk today on cooperation in space research. The preparatory and exploratory meeting lasted 1 hour and 20 minutes. The participants were Dr. Hugh L. Dryden, Deputy Administrator of the National Aeronautics and Space Administration, and Dr. Anatoli A. Blagonravov of the Soviet Academy of Science. They met at 10:40 a.m. at the U.S. mission to the United Nations. U.S. sources refused to reveal details of the meeting. However, the two scientists were to have taken up a wide range of possible areas of space cooperation mentioned this month in an exchange of letters between President Kennedy and Premier Khrushchev.

President Kennedy's letter suggested that the discussions consider such joint projects as the establishment of a satellite system to provide global weather data, radio tracking stations on each other's territory, mapping of the earth's magnetic field in space, experimental communications by satellites and space medicine.

In his reply, Mr. Khrushchev proposed broad cooperation that included in principle the projects offered by Mr. Kennedy. But he did not commit the Soviet Union to a detailed program.

WOULD EXPAND TALKS

At a meeting of the United Nations Committee on the Peaceful Uses of Outer Space this afternoon, the U.S. representative, Francis T. P. Plimpton, suggested that the United States-Soviet talks might be broadened to include other countries.

> Although these discussions start out by being bilateral—

He said—

> we hope that cooperative projects will emerge from them in which many other nations will wish to play a part.

Mr. Plimpton also urged the committee to set specific tasks for Acting Secretary General U Thant that would make the United Nations a "clearinghouse" for information on space activities.

One would be the creation of a comprehensive directory of organizations and research institutions concerned with outer space matters—including information on their purposes, officers, facilities and activities.

S–51 PRESS KIT

An outstanding example of international cooperation in space is the world's first international satellite, carrying experiments prepared by the United Kingdom to acquire more knowledge of the ionosphere and its complex relationships with the sun.

The National Aeronautics and Space Administration launched the 132-pound scientific spacecraft, designated "S–51," into a planned elliptical orbit ranging from 200 to 600 statute miles above the earth, by a three-stage Delta rocket vehicle.

The U.S. spacecraft built by NASA's Goddard Space Flight Center, Greenbelt, Md., carried six British experiments in an integrated assault of the unknowns of the ionosphere, the radio reflective layer which begins some 35 miles above the earth where the atmosphere is extremely tenuous. In this region, incoming high energy radiations from the sun—X-rays and ultraviolet—collide with air molecules and atoms, freeing electrons and leaving positively charged atoms or ions.

These clouds of free electrons and charged ions form a succession of electrically charged layers that extend up to where the earth's atmosphere merges with outer space. The ionosphere filters out dangerous sun radiations and at the same time acts as a mirror to radio waves making communications across international distances possible.

S–51 carries three ionospheric experiments to measure electron density and temperature and the composition of positive ions. Two experiments will attempt to monitor the intensity of radiation from the sun in the ultraviolet—Lyman-Alpha line of the sun-surface, or chromosphere—and X-ray bands of the solar corona. The sixth experiment will attempt to measure cosmic rays. This experiment will be supported by simultaneous measurements of cosmic rays from the ground and by aircraft and balloon flights.

The spacecraft was launched from the Atlantic Missile Range at Cape Canaveral, Fla., with a planned inclination of 55° to the equator. The planned orbital period is approximately 100 minutes.

The international spacecraft will be tracked by 13 stations of NASA's Minitrack Network in 8 countries. Besides the United States and England, the countries cooperating in the network on this project are Chile, Peru, Ecuador, Union of South Africa, Australia, and Newfoundland.

The program involving the S–51 originated in a U.S. proposal to representatives of Cospar—Committee on Space Research of the International Council of Sicentific Unions—in March 1959. At that time the U.S. Government offered to launch individual experiments or entire payloads designed by foreign scientists, when such experiments were of mutual scientific interest. The United Kingdom was one of the first to accept this offer. Scientific information coming from the S–51 program as well as all other NASA scientific endeavors will be made available to the world scientific community, in conformance with the American concept of conducting an open space program.

Scientific direction for this joint United States-United Kingdom project is provided by Dr. Homer E. Newell, Director, Office of Space Sciences, NASA Headquarters, Washington, D.C., who represents the United States, and Prof. Sir Harrie Massey, Chairman of the British National Committee on Space Research, London, who represents the United Kingdom.

Each country has an S–51 project manager, project coordinator, and project scientists. All working decisions are subject to the approval of the project managers. Responsibility for the coordination of the program rests with the project coordinators. Project scientists are responsible for the proper functioning of the various experiments. Overall policy matters are decided by the NASA Administrator for the United States and by the Chairman of the British National Committee for Space Research for the United Kingdom. Lines of authority and responsibility are shown in the attached chart.

U.S. responsibilities for the project are being carried out by the NASA's Goddard Space Flight Center, which provided some 112 man-years for the project. It was responsible for the design, fabrication, and testing of the spacecraft structure, power supply, telemetry, command receiver, temperature control, and data storage. Goddard's Field Projects Branch provided necessary launch facilities at the Atlantic Missile Range; and the NASA's Langley Research Center provided a 62-foot vacuum test sphere for payload system test and checkout.

The United Kingdom responsibilities are being carried out by the Imperial College, London, which has a cosmic ray experiment abroad and will make aircraft measurements of the intensity of secondary cosmic rays; the University of Birmingham, which has an electron density experiment; the University College, London, which has the electron temperature, solar ultraviolet emission—Lyman-Alpha—solar hard X-ray spectrum, ionosphere composition experiments, and the payload aspect sensor; and the University of Leicester, which is participating in the X-ray experiment.

In general, the United Kingdom had responsibility for the design, fabrication, and testing of all flight sensors and their associated electronics up to the telemetry encoder input. The United Kingdom also handles data analysis and interpretation.

The United States was responsible for all spacecraft subsystems except the experiments, and for launching the satellite into orbit. The United States performs tracking, data acquisition, and data processing at the Goddard Space Flight Center. The United Kingdom will assist in the acquisition of telemetered data.

Individual experiments relating to those in the S-51 have been performed in other sounding rocket and satellite launchings. However, S-51 represents a combined assault to study the ionosphere and the sun's radiations at one time.

The primary purpose of S-51's cosmic ray experiment is to investigate time variations of heavy nuclei in the primary cosmic radiation using a thin-walled omnidirectional counter.

The purpose of the X-ray and ultraviolet measurements is to obtain more detailed knowledge of ionizing radiations from the sun.

Solar X-rays were first quantitatively measured in 1949, utilizing thin beryllium-window photocounters in a V-2 rocket flight. The Lyman-Alpha line of hydrogen was first detected in 1952. Since that time, there have been several dozen measurements of the solar X-ray and hydrogen Lyman-Alpha intensities utilizing various rockets including Aerobee-Hi—with solar pointing controls—Nike-Deacon and Nike-Asp.

In addition, the U.S. Orbiting Solar Observatory currently is making measurements in the X-ray, gamma ray, and ultraviolet portion of the sun's electromagnetic spectrum.

S-51 PROJECT PARTICIPANTS

The S-51 project utilizes a management concept of a joint United States-United Kingdom working group with various ad hoc committees named as required.

The basic S-51 working group members are:

UNITED KINGDOM

University of Birmingham: electron density; Prof. J. Sayers, project scientist.

Imperial College, London: cosmic ray; Dr. H. Elliot, project scientist, and Dr. J. J. Quenby, alternate.

University of Leicester: X-ray experiment; Dr. K. A. Pounds, project scientist.

University College, London: all other experiments—electron temperature, solar ultraviolet, X-ray, ionosphere composition, payload aspects; Dr. A. P. Willmore, project scientist; Dr. R. L. F. Boyd, alternate; Mr. M. O. Robbins, United Kingdom project manager; and Dr. Dorling, United Kingdom coordinator.

UNITED STATES NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

NASA headquarters: Dr. J. E. Naugle, program chief; Mr. M. J. Aucremanne, project officer.

Goddard Space Flight Center: Mr. R. C. Baumann, project manager; Mr. R. E. Bourdeau, project scientist; Mr. J. T. Shea, coordinator; Mr. H. J. Peake, telemetry radio frequency; Mr. R. W. Rochelle, telemetry coding; Mr. P. T. Cole, data storage, Mr. C. L. Wagner, mechanical design; Mr. F. Yagerhofer, power supply; Mr. M. Schach, thermal design; Mr. W. Hord, environmental testing; Mr. J. Turkiewicz, electrical systems integration; Mr. C. H. Looney, tracking systems; Mr. John H. Berbert, tracking operations; Mr. Albert G. Ferris, data reduction; and Mr. Anthony Buige, operations control.

I also notice that President Kennedy stated:

> The tasks are so challenging, the costs so great, and the risks to the brave men who engage in space exploration so great that we must in all good conscience try every possibility of sharing these tasks and costs and of minimizing these risks.

With this preface did President Kennedy outline the first "specific" proposals of space cooperation to the Soviet Union:

First. Joint establishment of a weather satellite system. The United States would launch one satellite and Russia one in near-polar orbits in planes approximately perpendicular to each other to photograph cloud cover and provide services to all nations.

Second. Establishment of operational tracking services by both nations in each other's territory. The United States would provide the equipment for a tracking station in Russia and train Soviet technicians to operate it, and the Soviets would do likewise in the United States.

Third. Joint establishment of a geodetic satellite system. Two satellites would be launched, one by the United States and one by Russia; one in near orbit the other more distant, to map the earth's magnetic field.

Fourth. The Soviet Union is invited to join in a project already initiated by the United States in experimental communications by satellites.

Fifth. Joint efforts and exchange of knowledge in the field of space medicine in connection with manned space flight.

> Beyond these specific projects, we are prepared now to discuss broader cooperation in the still more challenging projects which must be undertaken in the exploration of outer space—

The President affirmed in a letter to Soviet Premier Khrushchev.

The President revealed that he has named U.S. technical representatives who would be prepared to meet with Russian counterparts to follow on with the U.S. proposals. He suggested that the representatives meet privately during sessions of the U.N.'s Space Committee, which reconvenes this week.

In his recent speech before the United Nations, President Kennedy said:

> We shall urge proposals extending the United Nations Charter to the limit of man's exploration in the universe, preserving outer space for peaceful use; prohibiting weapons of mass destruction in space and on celestial bodies, and opening the mysteries and benefits of space to every nation. We shall propose further cooperative efforts between all nations in weather prediction and eventually in weather control. We shall propose, finally, a global system of communication satellites linking the whole world in telegraph and telephone, and radio and television.

THE PRACTICAL PAYOFF OF OUR U.S. SPACE PROGRAM

Security: Department of Defense has a need for NASA research and development output for application in space.

Education: NASA programs are producing challenges to technical educational institutions to produce students qualified to meet the constantly rising criteria that results from the advances in scientific disciplines utilized by NASA.

Employment: In addition to the large number of industries presently supporting NASA and the increased employment in these industries, thousands of new firms employing wide varieties of skills have come into being as a result of NASA's programs. Five and one-half billion dollars is being spent annually in research and development. About 90 percent of that will be through contracts with civilian firms.

Specific—Meteorological satellites: Titans I through IV have produced better than 90,000 weather photographs for the benefit of our meteorologists and those of other cooperating nations.

Communication satellites: These devices are intended to supplement not replace international surface communications. They will handle in 1 hour the traffic presently experienced over a 24-hour period. In addition they will provide global television from synchronous orbital altitudes.

Navigation satellites: By providing accurate navigational fixes for ships and aircraft, particularly those aircraft in the Mach two to three performance capabilities, there will result a substantial economic savings of operational costs to the Government and to the international carriers. These satellites will also provide increased safety factors to international travel.

High-speed computer technology: High-speed computers have been dramatically exploited in application and drastically reduced in size through miniaturization and microminiaturization. They have become indispensable for operations requiring quickly the results of complex computations.

Thermoelectric devices: Solar cells, small sources of power originally developed for space satellites.

Heat resistance materials: These materials originally used for insulation of payloads reentering the atmosphere from space are now being used for pots and pans and kitchenware, and so forth.

Medical research: Space medicine is providing much greater detail knowledge of bodily functions, physiological reactions and anatomical resistance to stress under unusual environments.

Electronics: Space research has produced advances in electronic applications now being used in bioastronautics, radar systems, radio and video transmission, surveying, infrared, and many others.

Miscellaneous derivatives: Novel techniques and applications in space research can be found in air conditions, insulations, heating, welding, mining, information processing and retrieval, pumping equipment, remote automation.

A compilation of NASA appropriations follows:

NASA—Total 1962 appropriation, $1,671,750,000

Apr. 30:	
Committed (85 percent)	$1,422,000,000
Obligated (70 percent)	1,176,000,000
Expended (34 percent)	562,000,000
June 30 (estimated):	
Committed (100 percent)	[1] 1,671,750,000
Obligated (93 percent)	1,550,000,000
Expended (49 percent)	812,000,000
Unobligated (majority is construction of facilities)	121,000,000
Total authorized for 1962	1,784,300,000
Total appropriated for 1962	1,671,750,000
Difference	112,550,000

[1] All of 1962 funds.

NASA will be authorized, as of July 1, 1962, 525 positions excepted from Civil Service Commission control. Of this number, NASA has filled 354 positions. NASA wants 115 more, but they have not as yet been approved by the Bureau of the Budget. These positions are used and needed to employ outstanding scientists and engineers, of whom there are very few available for Government employment.

I have raised the question: What is NASA doing about checking on prime contractors to be sure there is no exorbitant fee on fee?

NASA answered by stating that they are concerned with the fees paid to all contractors. In establishing a contractor's fee on research and development contracts, a fixed amount is negotiated on the basis of what is considered to be the total contribution of the contractor to the project. Many factors are considered in arriving at a fair and reasonable profit or fee. Some of the important factors are: the extent to which the prime contractor directly performs the contract work; the nature and extent of any subcontracting; the extent of the contractor's managerial efforts and responsibility and risk as to the subcontracted work; and the extent to which the subcontracting results in a better performance or product at less cost.

A relatively large amount of subcontracting does not necessarily make for the negotiation of a lesser profit or fee. The character and circumstances of the subcontracting and the effect on the prime contractor's costs must be taken into account.

As a result of substantial subcontracting, the prime contractor's managerial effort is reduced, technical contribution is lessened, and responsibility and risk are, in effect, shifted to subcontractors. In this instance the amount of profit or fee of the prime contractor on the subcontracted work is less than where the prime contractor performs the work directly and assumes substantial risk.

So long as the prime contractor's services are necessary to assure compatibility of subsystems and major components and functional performance of the integrated system, and such subsystems and components are included in the prime contract, recognition of the prime contractor's responsibility and managerial and technical contribution requires that he receive a reasonable profit or fee for such services. A profit or fee by both the contractor and subcontractor is justified as long as the profits or fees represent a fair return to the contractors in the performance of their work. Whenever it is determined to be technically feasible and desirable to procure subsystems and components directly from the basic source of supply, such supplies are procured by direct contract with these sources, and fee or profit is thereupon paid only to the basic supplier.

Further, NASA has developed policies and procedures in the subcontracting area for the evaluation, review, and approval of prime contractors' make-or-buy programs and proposed subcontracts.

A make-or-buy program submitted by the prospective contractor is carefully reviewed and evaluated on the basis of many factors, which include the following questions:

What will be the effect of the contractor's plan to make or buy on price, quality, delivery, and performance?

Does the contractor plan to broaden his base of subcontractors through competition?

Does the contractor or major subcontractors propose to do work in plant which differs significantly from their normal in-plant operation or for which they are not historically suited?

Will new facilities be required and will the Government be asked to furnish such facilities?

If Government facilities are requested, is there additional capacity elsewhere which is competent in quality, delivery, and overall cost?

Negotiations are conducted with a prospective contractor to effect whatever changes are considered necessary in his proposed make-or-buy program. When agreed to, the program is incorporated into the contract. In accordance with contract provisions, the contractor is required to notify the contracting officer in writing of any proposed change in the program and submit justification in sufficient detail to permit evaluation of the proposed change. This permits the contracting officer to assess the change and object if warranted.

In addition to the review and approval of the contractor's make-or-buy program the contractor is also required to obtain the consent or approval of the contracting officer before placing certain subcontracts. This requirement takes effect whenever cost or cost-plus-fixed-fee contracts and fixed-price contracts exceeding either $25,000 or 5 percent of the total estimated cost of the prime contract are involved and permits a review of the fee arrangements intended with subcontractor.

During the life of a contract, adherence to the negotiated terms, including fee, are controlled through the contract administration function. This latter process includes procurement, technical, audit, and legal review and determination concerning contraction actions. Such contract administration may be performed by NASA personnel at the NASA installation, at the contractor plant, or by DOD personnel for NASA where DOD has cognizance of contractor's plants involved. NASA is currently increasing the efforts of its in-house audit and contract administration staff.

I have also asked NASA what is the average profit made by firms doing business with NASA, such as Aerospace Industries?

The answer is that the profit the aerospace firms receive on NASA contracts must be derived within fees which are individually negotiated for each contract, based upon the particular work the contractor undertakes. During the last half of calendar 1961, the total fees on all NASA awards averaged 6.56 percent of the estimated contract costs. The actual range ran from 3.41 to 9.35 percent on awards made during that period. The profit retained by the company within this fee will vary depending upon the extent to which the company incurs costs other than those which the Government will reimburse as reasonable and allocable under the contract cost principles set forth in the armed services procurement regulation.

A very important question that is of urgent importance to our space program is the impact on the NASA space program of labor strikes in installations either from an operational standpoint or construction viewpoint.

The answer is that a protracted labor strike could have very serious impact on the NASA space program. The particular area which NASA watches with special care is labor relations in connection with construction of facilities such as launching pads and test stands. These long lead time items are the critical pacing items in our ability to organize and carry through our flight missions on schedule.

As reported to me by NASA letter of May 11, 1962, up to the present time NASA has not encountered protracted work stoppages on its programs. For example, from April 1961 to the present the NASA construction work at the Atlantic Missile Range resulted in 227 man-days lost due to strikes and shutdowns; however, the individual shutdowns resulting in this lost time were relatively short and only one specific item, a helium installation at the Saturn launch pad, was directly delayed approximately 3 days in its completion. Early in 1961 NASA appointed a labor relations specialist located in Huntsville who works closely on problems of interest to the President's Missile Sites Labor Commission. In practice this means he spends a substantial share of his time on the major construction sites of the NASA—at this time located at Cape Canaveral and shortly to be expanded to the Mississippi Delta area.

This labor situation is one which needs to be watched very closely as evidenced by the fact that we were threatened until midnight last night—May 22, 1962—by a serious stoppage through strike of the transportation workers—Teamsters Local No. 986, Los Angeles, Calif., against Crow Transportation Co., subcontractor for Lindy Air Products Corp.—hauling liquid propellants for our engine and vehicle requirements to the desert test areas. Our people were involved personally in relieving this situation and we have been advised that the threatened 72-hour strike notice was withdrawn.

A HANDFUL OF QUIETNESS

As we earthbound creatures proceed to the exploration of the great universe, we do need to sit down for contemplation and study with a good handful of quietness. The silence of the universe is simply the silence to earthbound ears and atmosphere trained hearing.

A meaningful quote to space enthusiasts and researchers is the verse from the Bible:

> Better is a handful of quietness than two handfuls of oil and a striving after wind. (Ecclesiastes 4: 6.)

My recommendation today is that we sit down and restudy the overall purposes, parameters of our many space projects and programs, and restate the philosophy of the area of reference and background within which these programs are placed. Are we proceeding with our research development and exploration programs with two handfuls of oil and a striving after wind? This is a serious and meaningful challenge.

The adoption by President Kennedy of the manned flights to the moon as a national goal is one example in fitting many lesser programs into an integrated longer range target. But in consideration of the universe and the challenge of space, the moon flight, in terms of space, is simply a journey to a suburban community. Let us face the fact: a journey to a suburban community which takes 60 hours must be looked at as far from efficient and simply too long in time, and the effort with present boosters, present chemical fuels, and payload capacity is completely out of proportion for practical purposes for the future.

Let us look at the proposal for the Nova rocket with the innocence of a child on a bright spring morning. We see a tremendous metal rocket as tall as a 30-story building, with the proportions of an elephant's body and the payload as big as a rabbit's head. A well proportioned dinosaur with a daily diet of herbs, foliage, and grass would crack a big smile not only because of the ungainly proportions of the Nova rocket, but also because of the low-yield chemical fuels and intricate plumbing for its insides. I have described the present-day liquid-fuel boosters as plumbers' nightmares, but the Nova rocket plans are really plumbers' nightmares in the big economy size. From the proposals already being made by our scientists and research workers, the costs of building and maintaining a string or a stable of Novas will dwarf the size of all other U.S. projects put together. The total U.S. budget of $2 billion annually for public works becomes lost in the budget shuffle and as can be seen, such as a space change in the U.S. budget for one purpose alone, regardless of all the other research and development work, throws the U.S. Government's budget completely out of proportion.

I have been one of those people who has been a big booster for space and space programs for a number of years, and agree completely with the concept that the exploration, research, and development of the universe is not only the industrial revolution but the opening up of the continents of the world multiplied many times. We have not yet felt the real impact of space and the space programs. My deep concern is that the space programs adopted be well thought out and placed in the proper perspective and philosophy, so that we do not wake up having shot a meaningless and expensive bolt into space, of high mass and velocity, but of bitterly low productivity and practical results.

Already we can see that the flight of 60 hours each way on a moon journey is too long practically and probably hazardous as well. While we are making radiation studies, we must remember that our moon programs are scheduled for the late 1960's when the solar storms and radiation can be expected to be at peak. The 11th year cycle of solar storms and radiation will be at its most stormy peak in the late 1960's, so that a suburban trip, even to the moon, must be looked upon with new parameters.

Looking at the proposals for the advanced Saturn programs and the Nova rocket programs, we might be well advised to remember the warning on September 1, 1901 of Dr. Simon Newcombe writing in McClures for September 1901:

> The first successful flier will be the hard work of watchmaking and will carry nothing heavier than an insect.

While we are setting again the space targets ahead in ascending magnitude we should pause to take a survey on the platform where we now stand in space. We in the United States and the free world have a good platform to start into space. I have denied all along that there was a space or missile gap between ourselves and any other countries, and I believe present knowledge now bears out this fact. Back in 1959 and 1960 those of us who steadfastly maintained this point of view were often looked upon as being pedestrian and lacking imagination but sufficient it is to see that some of the statements of the pundits with whom we have argued now are classed in the nature of the ludicrous and cause a slight snicker because of the political overtones that were in evidence at the time.

We must remember that the Mercury manned space flights have been $99\frac{44}{100}$ percent successful so that of the three planned coming Mercury flights, at least one flight will probably be canceled as not necessary. We should not forget that the Thor booster has set a reliable record of 95 percent in 1960 space shots. We have thus come to the time when manned space flight becomes training and navigation and orbiting any satellite becomes highly efficient operational programing.

My recommendations for the new parameters of space are as follows: Plan for booster complexes and speeds of 1 billion pounds thrust and 100,000 miles per hour. For these parameters the present projects and plans are clearly inadequate. Taking the problem of speed, if we extrapolate the increase of speeds from 1909 to 1962, we can see what has been accomplished in the same proportion that I am suggesting. For example, Glenn H. Curtis at the First Bennet International Airplane Race at the first international flying meet at Rheims, France, flew at a speed of $45\frac{7}{10}$ miles per hour, and took the prize. For the X–15 present level of accomplishment, Major Walker, Neil Armstrong, Scott Crossfield, and Maj. Robert White are bringing within realization speeds of 4,200 miles and upward per hour and 250,000 feet altitude—and this is for a plane operating in what we know as the atmosphere. Using this hundredfold increase of speed in planes as the method of calculating speeds to come in space, we find some amazing figures. We find speeds of 100,000 miles per hour only 4 times the present planned escape speed of 25,000 miles per hour, which would shorten the moon trip to 2½ hours each way. But we find by extrapolation that 100 times the 25,000 miles per hour escape speed now planned becomes for the future 2,500,000 miles per hour. Such parameters of speed likewise force us to raise our parameters of distance because we are then planning out of the suburban or moon area as such speeds cannot be used and have burst the bounds of suburban moon travel.

I recommend strongly to the National Aeronautics and Space Administration and the Department of Defense:

Increased emphasis on research and development of high-energy propellants and fuels such as boron and fluorine. This will reduce the size of the boosters and increase the capacity of the payload. I do not believe that hydrogen can be depended upon for extended space missions such as the Apollo program to the moon because of its low boiling point and necessity for high insulation and increases in the demands of weight and room in the space vehicle. Borons and fluorine are space storable and do not require such insulation. Because of their high specific impulse, combination of these high-energy propellants would greatly increase payload.

I strongly recommend an increase of the NASA budget for boron fuels. Boron fuels fall under the Office of Research and Technology. The directorship of that office is now vacant, with only an acting director, Thomas F. Dixon, Associate Administrator of NASA. Within that office is the Propulsion and Power Generation Office, which was also without a director until recently. These gaps in NASA organization hold back progress.

It is impossible to find the specific project for boron fuels in the fiscal year 1963 budget because many projects are lumped together in a general research and advanced technology budget. Reprograming of funds within NASA is the usual way in which one project is built up and others deemphasized. Advanced technology for liquid propulsion includes many research programs besides boron fuels and, with a limited amount of money, the competition results in less of an effort in boron fuels than, I understand, even NASA would like. Therefore, to increase boron fuels work, the total advanced technology for liquid propulsion budget will have to increase.

The following table illustrates the situation:

	Fiscal year 1962	Fiscal year 1963
Total request 1963 budget of NASA for liquid propulsion		$163,102,000
NASA budget request for analysis and experimental development for liquid propulsion	$7,000,000	13,700,000
Industry proposal to develop oxygen difluoride-diborane space storable propellant	400,000	[1] 4,000,000
Maximum possible to prudently spend		20,000,000
NASA intent with respect to above industry proposal	200,000	

[1] Includes propellants.

I believe at least $500,000 should be added to fill the blank for fiscal 1963, in addition to regularly budgeted NASA funds.

NASA argues they do not know enough about diborane yet to decide whether it can be used as a fuel. The potential of diborane has been obvious for 2 years and yet now NASA has no experimental programs to try to answer their own questions, nor will the $200,000 planned go very far in getting answers. Also, at least one major rocket company is sure enough of diborane to put their own money into preliminary tests.

The Air Force plans to make a "go ahead or abandon it" decision on pentaborane by December 1962. It is most urgent that NASA try to gear its diborane work to this schedule so that NASA will have some idea of future requirements at that time. Then, the future scheduling could be done in the light of a coordinated national requirement.

The NASA has concentrated, in the high energy fuel field, on liquid hydrogen which may prove satisfactory for many space propulsion missions. However, it is equally certain that liquid hydrogen will not be satisfactory for all missions, this is due to its low boiling point which makes impossible space storability without special provisions which impose weight penalties.

Much work is needed to improve space-storable fuels. State of the art combinations, such as hydrazines and nitrogen tetroxide, do not allow payloads equal to liquid hydrogen. Advanced, high energy, space storable fuels, such as boranes and fluorine compounds, offer even higher payload capability than liquid hydrogen and are storable without special provisions. In addition, the development of these advanced propellants will allow increase system simplicity—reliability—ease of handling, and minimum vehicle size.

Chemical fuels and oxidizers have developed from the alcohol-oxygen system of the German V-2 to the exotic boranes and fluorine compounds available today. The specific impulse and payload capability has increased markedly as these new propellants have changed from test-tube curiosities to tank-car reality.

However, the adoption of superior fuels by the systems engineers has been slow. In addition to specific impulse and physical characteristics, evaluation includes logistics, economy, launch operations, mission characteristics and spacecraft systems. Economy has dictated the recent U.S. standardization on kerosene and liquid oxygen for big boosters—the H-1 engine in the Saturn, and so forth. The huge amount of fuel used during the boost phase requires the lowest possible cost per pound, even at some sacrifice in specific impulse.

In upper stages, fuel quantities are less and performance is the principal criteria. Several years ago, liquid hydrogen and liquid oxygen were thought to be the ultimate propellant combination from the standpoint of specific impulse, and so all of our upper stage propulsion work was centered about this system. It is a big gamble and the outcome still cannot be predicted because no person can presently assure practical operational feasibility of the liquid-hydrogen engine in extended space missions.

Even if the liquid-hydrogen engine is technically successful, its utility for some space missions is in doubt. The very low boiling point of liquid hydrogen means that appreciable amounts will be lost through evaporation as time goes on, even in the cold of outer space, and especially near the moon or planets where sunlight is reflected to the vehicle. The penalty of much or appreciable heavy insulation cannot be afforded.

An important plan for space flights involves caching of supplies on the moon. Liquid hydrogen simply would not stay put. Thus the need for a truly space storable propellant is demonstrated.

Fortunately, such materials are available. The combination of diborane and a relatively new oxidizer would provide substantially the same impulse has hydrogen-oxygen and actually greater payload in such missions as lunar landing and takeoff. The diborane system is completely storable without insulation, in space and on the moon. Simple reflective coating of the tank is all that is necessary.

Concerning this boron system, Dr. Hugh Dryden, Deputy Administrator of NASA, said recently:

> Analysis has shown that a new propellant combination holds considerable promise for certain applications. A test program will be initiated.

Much work needs to be done and the United States must avoid single approach solutions to the problem of space exploration. The missions of the future will be so varied and complex that no one propellant can best meet every requirement. We must have an arsenal of rocket engines to choose from; to minimize mission cost and to maximize the chances for success.

It appears that the United States has a substantial lead over Russia in this area of high energy propellants. While they concentrated on big boosters, we see no evidence of the capability of Russian chemical industry to produce these intricate boranes and fluorine compounds. Upper stages using high energy fuels can help overcome the booster gap. We should exploit this lead.

An aggressive program, coordinated between NASA and the DOD, could make a high energy fueled rocket engine a reality in several years. The United States would have unrivalled flexibility in upper stage selection for each mission. We can afford nothing less than the best that our amazing American technology can give us.

I recommend strongly the moving up in time and broadening the base of the nuclear propellant programs. The U.S. space programs should emphasize reactor development as there are plainly not enough reactors in being or currently planned to handle even a slightly expanded program. In my opinion these reactors are not adequate even for the present contemplated programs. Nuclear power is an absolute necessity for extended space probes by space vehicles, and I disagree with those people who place the practical use of nuclear propellant systems behind the development of the advanced Saturn and Nova chemical systems. Experienced friends in the nuclear propellant field agree with this accelerated timetable.

When speaking of the performance of an automobile or an airplane, one frequently uses such terms as horsepower and rate of gasoline consumption. As we know, in the rocket business, the usual term for efficiency or merit is specific impulse, the pounds of thrust per pound per second of fuel consumed. Our best chemical rockets have specific impulse of around 300 seconds. The nuclear rocket however has a specific impulse about three times as high. This means that about two to three times as large a payload can be put in orbit using the same weight rocket engine.

A single Saturn with a nuclear third stage is adequate for manned lunar mission with no need for rendezvous. A first stage booster using five 1½-million-pound thrust, F-1 engines would be sufficient. For the more ambitious missions, such as to the planets, the advantages are even greater.

Obviously there is much development to be done on the nuclear rocket engine, but just because it is nuclear and unfamiliar, let us not overestimate the difficulty, let us get on with the job. The development required can, I believe, be accomplished in time for the nuclear engine to become a part of the Apollo program.

I strongly recommend increased emphasis on the solid propellant development programs and believe that the projected time for such development more nearly coincides with the statements of the companies engaged in this field, rather than the extended times estimated by various segments cf the National Aeronautics and Space Administration and the Department of Defense.

I strongly recommend that increased emphasis be placed on new systems development. For example, ion engine development for outer space, economical and high-speed navigation, and the four most important direct conversion methods now under research.

Progress in microminiaturization and molecular electronics has been amazingly rapid. Electronic packages which go into space have been and are being reduced in size drastically. Unfortunately, development of the advanced power packages which must supply electricity to these systems and to the other systems in our space vehicles and land and sea craft has not kept pace. Greater emphasis must be placed on these systems to achieve the size and efficiencies which appear possible.

Let us examine some of the systems which could and should provide radical improvement in these areas. First, magnetohydrodynamic power generation where the moving solid conductor of a conventional electric generator is replaced by a jet of ionized gases. The theory is simple and feasibility has been demonstrated, but much work needs to be done before magnetohydrodynamics can take its place as a competitive power generator. Methods must be found to improve the electrical properties of refractories at high temperatures. Extracting power from the gas stream presents additional problems. Materials are the key and research should lead to direct conversion at an efficiency 50 percent better than the very best powerplants now available. The possibility of such improvement for large-scale power generation is not the only attraction. Solution of the problems could lead to efficient magnetohydrodynamic generation of electricity from exhaust gases in jet and rocket engines.

Thermionic power generation shows striking possibilities for extremely lightweight power packages for space and its possible use in conjunction with nuclear reactors may lead to tremendous improvement over the present-day nuclear systems. Here again, just as with magnetohydrodynamics, inadequate materials are the major problem. We need to find better methods of counteracting the space charge. Fabrication techniques suitable for the extremely small tolerance involved must be devised. Solving these problems appears entirely feasible but research must be concentrated in these problem areas.

Thermoelectricity has been with us longer. The familiar SNAP generators have rendered useful service. Thermoelectric devices, however, have by no means lived up to their early promise. Materials again are the problem. There are surely thermoelectric materials with higher figures of merit than any we have found so far. We must search these out, particularly in the higher temperature ranges to give us increased efficiency and smaller size.

I have mentioned three direct conversion methods. In each case, inadequate materials are the problem. Concentrated materials research can and should lead to drastic improvements enabling the fulfillment of the high promise shown by these systems for both space and terrestrial uses.

The other direct conversion system which should be mentioned is fuel cells. Large-scale development is underway for the Apollo system. The U.S. Navy is also developing such systems for possible submarine propulsion. Progress has been excellent to date in the hydrogen-oxygen fuel cell, but is the hydrogen-oxygen fuel cell the ultimate? Are there any other fuels and oxidants which might give better efficiency and greater power density? Can we utilize a hydrocarbon directly? These answers must be found through research, whose success could have a tremendous impact, not only on our space and defense efforts, but in all aspects of our everyday life.

Finally, I strongly recommend that increased study and attention be paid to various types of rendezvous systems, whether earth orbital, direct flight, or moon orbital or moon located. We must make sure that the efficiency that can be obtained through proper rendezvous procedures is not lost through emphasis on the Nova big booster and direct ascent type of program.

In conclusion, I strongly recommend development of constructive and alternate programs as a broad base of approach, with great emphasis on R. & D. in high energy fuels, chemical and nuclear, and new power systems in the now basic research field, which in the long run will reach the most efficient and economical result. As we look ahead to our approach to the productive limit on the size of the earth launch boosters and vehicles, we must carefully plan, or our space methods will be looked upon as Egyptian pyramids by the generations of the future—a fine idea, a monumental task but how useful and how productive to the progress of mankind, the advance of civilization and the disciplines of research, development, and exploration of the universe.

TIMETABLE FOR CARPENTER'S TRIP

Here is a handy timetable for reference when the 37-year-old Navy lieutenant commander blasts off from this spaceport:

At 0—liftoff: Rocket starts rising 3 seconds after engine ignites.

At 0:05—5 minutes after liftoff: Spaceship is 500 miles over Atlantic and 100 miles high; rocket will shut down in 5 seconds; 3 seconds later, Commander Carpenter will know whether he has been boosted into orbit.

At 0:15—15 minutes after liftoff: Nearing Canary Islands; pilot tracking burned-out rocket, which has separated from his ship, to see how well spacemen will be able to rendezvous with orbiting vehicles en route to moon.

At 0:30: Northeast of Stanleyville, Africa; in 2 minutes, ship will slant south across Equator above Kenya; pilot steering by hand.

At 0:45: Over Indian Ocean, and it is night. Commander Carpenter may release multihued balloon and shower of confetti to check on color vision in space and how much braking effect earth's atmosphere still exerts on ship as it crests about 171 miles up.

ONE HOUR ALOFT

At 1—1 hour after liftoff: Over southeast Australia, seeking to spot ground flares to determine how much earth's atmosphere interferes with spaceman's ability to see land-based signals. It is now the "next day," but still dark. A postmidnight snack is on the menu.

At 1:15: Over Pacific, approaching Christmas Island; pilot has been tracking stars and photographing peculiar earth haze layer Astronaut John H. Glenn detected on his February 20 flight. In few moments, Commander Carpenter may turn his ship around to face rising sun and see whether he can spot the mysterious "space fireflies" Colonel Glenn observed.

At 1:30: Over eastern edge of Gulf of California, heading for Texas. Ship is traveling backward again.

About 1:45: Between Bermuda and the Canary Islands, over Atlantic, in second orbit. Balloon will be released now if it has not already been, and radar in Bermuda will try to track it from ground.

At 2—2 hours after liftoff: Over Congo, navigating by the stars and getting ready to take a sugar pill to test body's absorption of food during weightless condition.

SPACEMAN STUDIES STARS

At 2:15: Over Indian Ocean, and it is night again. Pilot observing stars, moon, and earth.

At 2:30: Over Australia, looking for more ground flares. It is "tomorrow" again.

At 2:45: Crossing International Dateline near Howland and Baker Islands, to reenter "today." Ready to eat and drink second meal.

At 3: Near San Diego, after viewing another sunrise.

At 3:15: Over Atlantic, in third orbit, after tumbling ship above Charleston, S.C., to fly upside down for a while.

At 3:30: Approaching southwest coast of Africa; night is falling again.

At 3:45: South of Madagascar, after seeking to pick out lighted cities at night.

At 4—4 hours after liftoff: Over west coast of Australia, looking for ground flares and lighted cities. It's "tomorrow" again.

At 4:15: Over Pacific, approaching Marshall Islands. It soon will be "today" again, and another sunrise in store.

At 4:30: Nearing west coast of United States and all set to fire reverse rockets which will start ship on its 4,000-mile-long descent into the Atlantic recovery zone. On his way down, Commander Carpenter will observe behavior of liquid under weightless and low-gravity conditions.

At 4:45: Over the Bahamas, fireballing through the earth's atmosphere. Landing chutes will start opening in several minutes.

At 5—5 hours after liftoff: In the ocean, awaiting pickup crews.

BRIEF HISTORY OF THE X-15 PROJECT

In the spring of 1952, the National Advisory Committee for Aeronautics, predecessor of NASA, recognizing the need for research leading to manned space flight, directed its laboratories to initiate studies of the problems that might be encountered. Under consideration were wind tunnel and other laboratory techniques, use of rocket boosters and manned aircraft.

Some 2 years later the NACA stepped up its efforts, studying more specific areas such as high-temperature structures, hypersonic aerodynamics, stability and control and piloting problems.

At that time, it was decided that the program should be expedited and a period of about 3 years would be allowed for the design and construction. This virtually precluded the development of new materials and construction techniques.

Based on earlier surveys, the NACA recommended a manned aircraft capable of a speed of 6,600 feet per second—about six times the speed of sound at altitude—and an altitude of 250,000 feet. It was assumed the airplane would be air launched similar to the existing research planes X-1, D-558-II and X-2. This decision limited the vehicle to about 50 feet length and maximum gross weight of 30,000 pounds. At that time, the only available aircraft capable of air launching such weight and size was the B-36.

On July 9, 1954, a joint NACA-USAF-Navy Committee met in Washington, to consider the need for such a research vehicle and to discuss other hypersonic airplane concepts proposed by the Air Force and the Navy. The NACA proposal was accepted for further study and NACA was asked to take the initiative in obtaining approval from the Department of Defense.

The first obstacle in the new project was the problem of obtaining a suitable rocket engine. No existing engine possessed the reliability and controllability required for a manned aircraft. The committee decided to postpone selection of a propulsion system until the requirements could be more clearly defined.

Later in 1954, the National Research Airplane Committee agreed on methods of originating and coordinating design requirements for eventual contract competition. A formal memorandum of understanding signed by the NACA, Air Force, and Navy completed initial organization of the X-15 project. This memorandum assigned technical direction to the NACA, with the advice and assistance of the Research Airplane Committee, comprised of representatives of all three agencies. The Navy and Air Force agreed to finance the program with the Air Force administering the design and construction phases. Upon acceptance of the aircraft from industry, it would be turned over to NACA for research.

On December 30, 1954, the Air Force forwarded invitation-to-bid letters to 12 prospective contractors. The contractors were briefed on the project requirements on January 18, 1955.

Lack of a suitable engine for the project was still of real concern. Therefore, on February 4 four prospective engine contractors, Reaction Motors, General Electric, North American, and Aerojet, were asked to submit engine proposals as early as possible.

After lengthy studies of proposals by the 12 airframe competitors, the Research Airplane Committee selected the bid of North American Aviation. A letter contract was awarded on November 18, 1955, and the contract negotiations were completed the following year.

In September 1956, a contract for the rocket engine was awarded to Reaction Motors, Inc., now a division of Thiokol Chemical Corp., which agreed to deliver an engine capable of 57,000 pounds of thrust, in-flight thrust variation from 30 to 100 percent, and an operating duration of 90 seconds at full thrust.

By July 1956 the X-15 configuration was formalized. In the fall of that year, the project's first industrywide conference was held at the NACA Langley Aeronautical Laboratory, Langley Field, Va. Technical papers were presented by engineers and scientists of NACA, North American, and Reaction Motors. The conference was primarily concerned with design and construction problems and areas to be investigated once the flight program got underway.

During this period, it was determined the X-15 would be equipped with a side-located aerodynamic controller, designed for use during periods of high acceleration. In another action, it was decided to provide a series of ground tracking stations to assist the pilot with information and guidance. This complex of stations, later known as the X-15 High Range, stretches from Wendover, Utah, to Edwards Air Force Base, Calif., comprising radar stations at Ely and Beatty, Nev., and a master station at Edwards. The range was designed to aid in locating the aircraft and pilot in the event of an emergency.

Other systems considered at this time included an inertial guidance system to provide data of velocity, altitude, and pitch, roll and yaw; an escape system for the pilot—later successfully tested to speeds of mach 4 and altitude of 120,000 feet—and a cockpit pressurization system, supplied by gaseous nitrogen and capable of pressurizing the X-15 cabin at the 35,000-foot level.

Development of the single-chamber, liquid propellant engine continued the main concern, primarily because of the research and development required for use in a manned system. In January 1958, the project management decided to continue the development of the 57,000-pound thrust engine but to use a small engine as the powerplant for initial X-15 flights. The small engine, the XLR-11, develops 8,000 pounds thrust. These engines, giving a total of 16,000 pounds in pairs, powered the X-15 during its first year of flight tests to a maximum sped of 2,275 miles per hour and altitude of 136,500 feet.

While work was proceeding on the X-15 airframe and its rocket engine, several NACA, Air Force, and North American research pilots completed a program in the human centrifuge at the Naval Air Development Center, Johnsville, Pa. Participants in the dynamic simulation program included Capt. Iven Kincheloe and Capt. Robert M. White, USAF; Joseph A. Walker, Neil Armstrong and John B. McKay, NACA; and A. Scott Crossfield and Alvin S. White of North American Aviation. This program was devised to assess the pilot's ability to make emergency reentry into earth atmosphere following control damper failures and to determine pilot limitations in accomplishing safe recovery from extremely high altitudes. The studies revealed no difficulties in either case.

The second X-15 technical conference was held in the summer of 1958 in Los Angeles, Calif. Several technical papers were presented describing the developmental status of the X-15 and other subjects such as stability and control, simulator testing, pilot considerations, mission instrumentation, and so forth.

The first X-15 was completed by the contractor on October 15, 1958. The aircraft was transported the following day to Edwards and here preparations were begun for the first captive flight. A series of captive missions to check out systems was completed during March, April, and May. On June 8, 1959, Crossfield made the first glide flight for the contractor demonstration trials. This initial powerless flight lasted about 5 minutes. Most of the aircraft's systems performed satisfactorily.

Meanwhile, X-15 No. 2 was undergoing ground runs at Edwards in May and June. During July and August, several attempts at powered flight were canceled because of leaks in the auxiliary power units and malfunctions caused by propellant-tank pressure regulators.

On September 17, 1959, Scott Crossfield successfully completed the first powered flight in the X-15-2. He attained a speed of mach 2.1—1,350 miles per hour—and an altitude of 52,341 feet.

The third flight in the contractor's demonstration program occurred on November 5, 1959. Following launch from the B-52 carrier plane at 44,000 feet, an explosion in the X-15 engine during the starting sequence blew off the last few inches of one of the rocket chambers. After shutting down the engine, the pilot jettisoned his remaining fuel and headed for a landing on Rosamond Lake, west of Rogers Lake at Edwards main base. The front landing gear failed at touchdown, causing the X-15 virtually to break in two just aft of the instrument bay. The fuselage skidded about 1,500 feet, causing extensive damage to the aircraft, which was returned to North American Aviation for repairs.

Early in 1960, after additional contractor flights in X-15 No. 1, this airplane was delivered to the Air Force and turned over to NASA to begin its research flight program. The first Government flight was completed on March 25, 1960, with Walker as pilot.

X-15 No. 3 was now at Edwards being subjected to a series of ground systems checks. On June 8, 1960, during its first ground engine run, this aircraft was blown apart on the test stand when a fuel pressure valve failed to operate, overpressuring the tank and causing an explosive rupture. The airplane was rebuilt by the contractor and returned to the project in the fall of 1961. In the process, an adaptive flight control system was installed to replace the standard stability-augmentation system. NASA's Neil Armstrong flew this airplane on its maiden flight December 20, 1961. All systems functioned satisfactorily.

Since the Government initiated the research program with the large—XLR-99—engine on May 7, 1961, a series of flights gradually explored the research vehicle's performance capabilities. In orderly steps, flight speeds were increased gradually until Major White flew at maximum throttle to burnout and attained a speed of 4,093 miles per hour on November 9, 1961. White thus essentially completed the X-15 maximum speed effort. During this flight, and in a prior mission in the same aircraft, windshields failed. Extensive modifications have since been completed to eliminate this problem.

Other research missions during 1961 with the 57,000-pound-thrust engine were designed to provide aerodynamic heating information and to study control problems in the event of damper failures. By the end of 1961, project officials estimated about 50 percent of the X-15 research objectives were achieved. The remaining data to be attained essentially involved high-altitude flight and missions at higher angles of attack to assess reentry problems.

In January 1962, while attempting his last flight in the project, the Navy X-15 pilot, Cmdr. Forrest S. Petersen, safely completed an emergency landing in the X-15 at Mud Lake, Nev., about 200 miles northeast of Edwards Air Force Base. After two unsuccessful attempts to start the engine, Commander Petersen jettisoned his fuel and landed the X-15 without incident, the first such remote landing since the project began. The engine failure was caused by a faulty pressure switch.

Of the six pilots originally assigned to the X-15 project, four remain: Walker, Armstrong, and McKay, of NASA; and White, Air Force. White assumed the role as Air Force primary pilot when Capt. Iven C. Kincheloe, Jr., was killed in the crash of an F-104 in 1958. Maj. Robert M. Rushworth, USAF, became White's alternate. Commander Petersen, designated by the Navy to X-15 duty, was reassigned to command a fighter squadron last March.

During the first 3 months of 1962 the flight program was delayed because of unusually heavy rain and snow on the base at Edwards. Project officials took this opportunity to make a number of engineering changes and modifications to the three X-15 airplanes.

Of primary concern was the potential hazard in the lack of the stability-augmentation in the event the system failed during reentry from high altitude. An auxiliary system has since been installed in X-15 Nos. 1 and 2. It is an independent unit which can be energized manually or automatically by the pilot in the event of a SAS failure.

The problem of pressurization failures during a number of flights in 1962 was eliminated by the installation of a pressure-sensing unit to supplement the standard temperature-sensing control. No pressurization failures have been experienced since this change.

X-15 ASSIGNED NEW FOLLOW-ON RESEARCH ROLE

The hypersonic X-15 will become a service airplane to carry out new experiments in aeronautical and space sciences, in a program planned to make use of its capabilities for extremely high speeds and altitudes beyond the earth's atmosphere. The new program adds at least 35 flights to the schedule set originally for X-15 research objectives, and may take 2 years to complete.

The National Research Airplane Committee, representing NASA, Air Force, and Navy sponsors of the X-15 project, has approved a group of experiments to be carried out as soon as equipment and modifications can be completed. Some of the new studies will be conducted on research flights scheduled for the X-15's basic studies of aerodynamic heating, operational and control problems, biomedical data on pilots, hypersonic aerodynamics and structures, and problems of exit and reentry to the earth's atmosphere.

Dr. Hugh L. Dryden, Deputy Administrator of NASA, said the decision to utilize the X-15 in additional research effort was logical in view of its capabilities demonstrated since it first took to the air in 1959. Designed for speeds over 4,000 miles per hour and altitudes above 250,000 feet, it has already flown to 217,000 feet. Much higher altitudes are anticipated.

> The X-15 is the most successful research airplane ever built—

Dr. Dryden said—

> It has made repeated flights above 125,000 feet and faster than 2,000 miles an hour. As a test bed and platform for carrying out new studies in aeronautics and space, it is unique. I believe the X-15 program, since its inception in 1954, has been a prime example of orderly step-by-step progress in research, and the new program should be very productive.

Dr. Dryden has been Chairman of the Research Airplane Committee since it was first formed. Other members are: Maj. Gen. Marvin C. Demler, for the Air Force, and Vice Adm. W. F. Raborn, for the Navy. The NASA Office of Aeronautical Research conducts the overall X-15 research program and the flight program is managed by the Flight Research Center, at Edwards, Calif., in cooperation with the Air Force.

All of the follow-on experiments approved now are sponsored by NASA and the Air Force and will be funded by the two agencies. Some of the more complex equipment will not be ready for many months but necessary modifications will be made soon to two of the three existing X-15's.

Work has started on one of the primary projects, an experiment in ultraviolet stellar photography. The University of Wisconsin, under contract awarded by NASA's Office of Astronomy and Solar Physics, will devise and conduct the study in photographing the stars from altitudes above 40 miles.

Drs. A. D. Code and T. E. Houck of the university's space astronomy laboratory hope to test current theories pertaining to the origin and makeup of stars by using this method.

On the ground and at moderate altitudes, ultraviolet rays of the sky and stars are obscured by ozone in the earth's atmosphere. Main advantage sought is the X-15 pilot's ability to orient the aircraft to face the stars above the ozone layer, plus the aircraft's capability to return and repeat the experiment.

The instrumentation for the "star tracker" consists of a ginballed platform containing four cameras, to be mounted in the X-15 instrumentation bay behind the cockpit. Clamshell doors atop the airplane will be opened as the airplane arches over its long ballistic trajectory and is maneuvered by the pilot to give the cameras a clear view of distant stars, thus making possible a continuous, simultaneous series of photographs in different ultraviolet wavelengths.

Sounding rockets have been used for this purpose but their spinning action, required for stabilization, generally does not permit precise orientation for selected targets. Occasionally, too, the photo information is lost when the payload fails to be recovered.

By similar method, a horizon scanner will be used for study of light across the spectrum. The objective is to obtain information on means for accurate sensing of the horizon, to develop improved attitude and guidance references for earth orbiting spacecraft.

An alphatron ionization gage will be mounted in a small wing-tip pod for density measurements of the atmosphere above 100,000 feet, and a similar pod will house equipment for measurement of micrometeorites. Several other Air Force experiments will investigate infrared and ultraviolet data at the extremes of the X-15's higher altitude capabilities.

Besides these studies, the program will involve evaluation of advanced vehicle systems and structural materials. The Air Force will test an electric stick controller for possible application in manned spacecraft, and an airborne letdown computer to enable the pilot to plan his landing approach from reentry to touchdown on the ground.

So far, according to Paul Bikle, Director of NASA's Flight Research Center, about half of the original research mission has been completed with the airplane. X-15 No. 3, which was rebuilt following a ground explosion in 1960, is now equipped with a self-adaptive control system which aids the pilot by sensing airplane motions and automatically adapting the airplane performance to these conditions. The system will aid the X-15 pilot in flights above its design altitude of 250,000 feet.

The other two airplanes have undergone extensive modifications in preparation for advanced flight work. Most important change has been installation of a backup stability augmentation system for complete pilot control in event the primary system fails during a high-altitude flight. X-15 No. 1 is currently being prepared for a flight to a new official world altitude record of 250,000 feet. NASA Research Pilot Joseph A. Walker will make the flight. Maj. Robert M. White, USAF, set both the current speed and altitude records last year. Neil Armstrong, of NASA Flight Research Center, last week made the third checkout flight in the X-15 No. 3. Other pilots in the program are Maj. Robert Rushworth, USAF, and John B. McKay, NASA.

Prime contractor on the X-15 project was North American Aviation, Inc. Reaction Motors Division of Thiokol Chemical Corp. produced the 57,000-pound thrust—XLR-99—rocket engine which now powers the aircraft. Early flights were conducted with two smaller RMD—XLR-11—engines of a total of 16,000 pounds of thrust.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

WASHINGTON, D.C.

Release No. 62-95. April 13, 1962

X-15 flight log

Date	Flight No.[1]	Pilot	Mach No.	Maximum altitude (feet mean sea level)	Remarks
June 8, 1959	1-1-5	Crossfield	0.79	37,550	Planned glide flight.
Sept. 17, 1959	2-1-3	do	2.11	52,341	First powered flight.
Oct. 17, 1959	2-2-6	do	2.15	61,781	
Nov. 5, 1959	2-3-9	do	1.00	45,462	Engine fire; fuselage structural failure on landing.
Jan. 23, 1960	1-2-7	do	2.53	66,844	
Feb. 11, 1960	2-4-11	do	2.22	88,116	
Feb. 17, 1960	2-5-12	do	1.57	42,640	
Mar. 17, 1960	2-6-13	do	2.15	52,640	
Mar. 25, 1960	1-3-8	Walker	2.00	48,630	1st Government flight.
Mar. 29, 1960	2-7-15	Crossfield	1.96	49,982	
Mar. 31, 1960	2-8-16	do	2.03	51,356	
Apr. 13, 1960	1-4-9	White	1.94	48,000	
Apr. 19, 1960	1-5-10	Walker	2.56	59,496	
May 6, 1960	1-6-11	White	2.20	60,938	
May 12, 1960	1-7-12	Walker	3.19	77,882	
May 19, 1960	1-8-13	White	2.31	108,997	
May 26, 1960	2-9-18	Crossfield	2.20	51,282	
Aug. 4, 1960	1-9-17	Walker	3.31	78,112	2,196 miles per hour.
Aug. 12, 1960	1-10-19	White	2.52	136,500	
Aug. 19, 1960	1-11-21	Walker	3.13	75,982	1,986 miles per hour.
Sept. 10, 1960	1-12-23	White	3.23	79,864	2,182 miles per hour.
Sept. 23, 1960	1-13-25	Petersen	1.68	53,043	
Oct. 20, 1960	1-14-27	do	1.94	53,800	
Oct. 28, 1960	1-15-28	McKay	2.02	50,700	
Nov. 4, 1960	1-16-29	Rushworth	1.95	48,900	
Nov. 15, 1960	2-10-21	Crossfield	2.97	81,200	1st flight with XLR-99 design engine.
Nov. 17, 1960	1-17-30	Rushworth	1.90	54,750	
Nov. 22, 1960	2-11-22	Crossfield	2.51	61,900	1st restart with XLR-99 design engine.
Nov. 30, 1960	1-18-31	Armstrong	1.75	48,840	
Dec. 6, 1960	2-12-23	Crossfield	2.85	53,374	
Dec. 9, 1960	1-19-32	Armstrong	1.80	50,095	1st hot nose flight.
Feb. 1, 1961	1-20-35	McKay	1.88	49,780	
Feb. 7, 1961	1-21-36	White	3.50	78,150	2,275 miles per hour; last LR-11 flight.
Mar. 7, 1961	2-13-26	do	4.43	77,450	2,905 miles per hour; first Government XLR-99 flight.
Mar. 30, 1961	2-14-28	Walker	3.95	169,600	2,760 miles per hour.
Apr. 21, 1961	2-15-29	White	4.62	105,000	3,074 miles per hour.
May 25, 1961	2-16-31	Walker	4.90	107,500	3,300 miles per hour.
June 23, 1961	2-17-33	White	5.27	107,700	3,603 miles per hour.
Aug. 10, 1961	1-22-37	Petersen	4.11	78,200	2,735 miles per hour.
Sept. 12, 1961	2-18-34	Walker	5.25	114,300	3,614 miles per hour.
Sept. 28, 1961	2-19-35	Petersen	5.30	100,800	3,600 miles per hour.
Oct. 4, 1961	1-23-39	Rushworth	4.30	78,000	2,830 miles per hour; flight made with lower ventral off.
Oct. 11, 1961	2-20-36	White	5.21	217,000	3,647 miles per hour; outer panel of left windshield cracked.
Oct. 17, 1961	1-24-40	Walker	5.74	108,600	3,900 miles per hour.
Nov. 9, 1961	2-21-37	White	6.04	101,600	4,093 miles per hour; outer panel of right windshield cracked.
Dec. 20, 1961	3-1-2	Armstrong	3.76	81,000	2,502 miles per hour; 1st flight for X-15 No. 3.
Jan. 10, 1962	1-25-44	Petersen	.97	44,750	645 miles per hour; emergency landing on Mud Lake after engine failed to light.
Jan. 17, 1962	3-2-3	Armstrong	5.51	133,500	3,765 miles per hour.
Apr. 5, 1962	3-3-7	do	4.06	179,000	2,830 miles per hour.

BOX SCORE

	B-52/X-15 flights	X-15 launches
Aircraft 1	44	25
Aircraft 2	37	21
Aircraft 3	7	3
Total	88	[2]49

[1] Flight activity code: 1st number, X-15 airplane number; 2d number, flight number for specified airplane; 3d number, X-15/B-52 airborne mission number.

[2] Includes 2 glide flights without power.

NOTE.—Project officials estimate mission primary objectives were attained on 46 of 49 X-15 flights.

X-15 PILOTS

A. Scott Crossfield, North American Aviation, Inc.; Joseph A. Walker, research pilot, NASA Flight Research Center; Maj. Robert M. White, U.S. Air Force; Comd. Forrest S. Petersen, U.S. Navy; John B. McKay, research pilot, NASA Flight Research Center; Capt. Robert A. Rushworth, U.S. Air Force; and Neil A. Armstrong, research pilot, NASA Flight Research Center.

It is thrilling for the younger generation to feel the emphasis that is placed by the United States of America on the peaceful uses of outer space.

May I say also on the various activities that many of us have entered into, that I have become a member of the National Rocket Club National Board. I am a member of the American Rocket Society, following up on the programs not only as a Congressman but as one of the amateurs and one of the dedicated enthusiasts of space research development and exploration.

It should be emphasized that many on the committee have given a tremendous amount of time to learn about the pertinent scientific disciplines, to learn about the space programs and procedures, to learn the technical terms necessary to do the job of evaluating and arriving at valid judgments on space research programs.

We should always remember that space is not a place. Space is the extension of the dimension we know as height. We should therefore have the same rules, or as many as we can, in space as we have on the earth's surface, such as the rules that we observe on the high seas and under the seas.

In that particular context, I am one of those who agrees with Grotius, the old Netherlands philosopher, who wrote in "Mare Liberorum," that the seas are free. I disagree thoroughly with John Selden of Great Britain who wrote the book advocating the control of the seas. Unless we people of the United States realize that space can be a source of great benefit to the whole world and work with other nations of the world to make its advantages and its benefits available to everybody, then we are losing the opportunity of our civilization.

I urge this Congress to continue the support of the peaceful uses of outer space for both economic benefits and scientific benefits as well.

We must remember, too, that the Air Force is being given $1.5 billion this year for programs in space. They are good ones, but the National Aeronautics and Space Administration is receiving this year for fiscal year 1963, including $71 million deficiency funds, $3,742,160,200. That is a tremendous amount of money. It has gone up more than $2 billion in 1 year, from $1,376,900,000 for fiscal 1962.

I do have criticism. I feel that instead of going to bigger and bigger rockets, we should plan for successful alternatives. For example, we should learn how to rendezvous two vehicles in space. Likewise we should research high energy fuels other than kerosene, hydrogen and oxygen.

I would point out that there were delays encountered in the Centaur booster program. We have had delays because of fuel storage problems and trouble with handling liquid hydrogen. Hydrogen is a very hard material to handle in space, it is not space-storable. I have emphasized many times that we need the development of high energy fuels with high specific impulses, such as fluorine and borane. Those compounds are high-energy fuels that we are doing some research on. We need to do more, likewise, in other liquid fuels and in solid fuels. We must keep these programs moving to give us successful alternatives.

I have also urged, and I am sure everybody on the committee has urged, that we cooperate fully with the military. In the various programs, whether military or civilian, we must have the advantage of the most recent developments and the breakthroughs that are occurring every day.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. The gentleman mentioned the fact that the Air Force was going to spend $1.5 billion and that we are spending $3.7 billion. I wonder if the gentleman would point out that we vigorously examined the various R. & D. proposals that are not specific defense programs, to make sure that there is no duplication between NASA and the Department of Defense, that they are working in complementary, not in different fields.

Mr. FULTON. Yes; that is an excellent point. I would point out that in the subcommittee hearings we have had, particularly the ones that I have read—and I have read them time and time again—that specific point was brought up. The chairman has alluded to the fact that we make sure we are getting good direction, getting good efficiency, and getting good results for every space dollar spent.

Are we not a fortunate nation to have a man like John Glenn and the six other astronauts? Think what that has done for the American image abroad. Think what it has done for our young people to have a hero, a real-life, honest-to-goodness hero to put upon a pedestal.

Mr. Chairman, I would like to compliment the teenagers of this country. At the beginning of our space studies and hearings a large percentage of the audience at the sessions of the Science and Astronautics Committee, as well as the previous Select Committee on Space, were from the teenage group.

Our chairman, I think, would concur that it is amazing the amount of interest, knowledge, and technical competence our people of grade school, high school, and college institutions are showing in this space field.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I shall be happy to yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to express to the gentleman the appreciation of one Member of this body who has very sincerely felt for him and for the distinguished chairman of this committee and for the entire membership of this very competent and hard-working committee of the House of Representatives, a great appreciation not only for the very thorough work and study which is revealed by this report, but also for the continuing effort which the chairman and other members of the committee have made to make it possible for other Members of the House of Representatives to have the opportunity to keep informed about the developments in this very important program. I think the effort made by this committee to make it possible for other Members of this body to have access to information, to get a chance to meet with and listen to representatives of NASA, and to follow as closely as possible the developments of this highly critical program, are something for which all of us are very deeply grateful to this committee.

Mr. FULTON. I thank the gentleman. I would like to compliment the gentleman also. He has been one of the most ardent guests at the committee. We have been glad to have him. I want to say this to the membership of the House: We committee members are very glad to explain these programs to you any time you see us if you so desire. Some of you have asked various committee members to appear on your home district radio programs and TV programs. I am sure I, for myself, will volunteer further, as I did today, in serving such a need.

The members of the committee are very interested in the development of these new experiments in space. We can help you in your districts to tell your people all of the good things encompassed in the national space program.

Mr. Chairman, I shall finish with one point, and then I am through.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I am glad to yield to the gentleman from New York.

Mr. LINDSAY. I do not think anyone could possibly disagree with the gentleman's statements about the stature and rectitude of the astronauts and the desirability to have the teenagers of the country uplifted by their performance. But I think we would be enlightened if we could hear some discussion of the bill, what is in it, how much, what for, where we are going, and the timetable.

Mr. FULTON. I thought we had had a good bit of that discussion from the chairman. I want to give you some more, if you would like.

On request, I shall give you some more. I have before me a memorandum which reflects the total amount requested, the amount authorized by the committee, and the reductions in each program. I shall submit this table for the Record at this point.

The table referred to follows:

Memorandum

May 15, 1962.

To: Hon. George P. Miller, Chairman.
From: Charles F. Ducander.
Subject: Breakdown of NASA authorization for fiscal year 1963 and supplemental authorization for fiscal year 1962.

	Requested	Authorized	Reduction
I. Total authorization	$3,858,276,000	$3,742,162,000	$116,114,000
A. Research, development and organization (RDO)	2,968,278,000	2,934,961,750	33,316,250
B. Construction of facilities (C. of F.)	818,998,000	736,200,250	82,797,750
C. Supplemental (C. of F.)	71,000,000	71,000,000	----------
1. Cape Canaveral	55,000,000	55,000,000	----------
2. Mississippi	16,000,000	16,000,000	----------
II. Breakdown by programs (fiscal year 1963):			
A. Manned space flight	2,259,970,000	2,178,840,000	81,130,000
1. RDO	1,624,870,000	1,623,870,000	1,000,000
2. C. of F	635,100,000	554,970,000	80,130,000
B. Advanced research and technology	617,224,000	617,224,000	----------
1. RDO	504,675,000	504,675,000	----------
2. C. of F	112,549,000	112,549,000	----------
C. Space sciences	558,280,000	525,963,750	32,316,250
1. RDO	543,761,000	511,444,750	32,316,000
2. C. of F	14,519,000	14,519,000	----------
D. Applications and tracking and data acquisitions	360,577,000	357,909,250	2,667,750
1. RDO	294,972,000	294,972,000	----------
2. C. of F	65,605,000	62,937,250	2,667,750

Mr. FULTON. Mr. Chairman, I am glad the gentleman from New York [Mr. Lindsay] brought up these questions. The answers point up the fact that the Committee on Science and Astronautics is watching the money. We are not abdicating our responsibility by saying to another committee, the House Committee on Appropriations, that "we are establishing the programs and you take care of the money." Each one of these items has been gone over carefully and argued. I would say that at every one of these installations there has been at least one person from the committee seeing the work right on the site as it was being carried out, checking with the personnel. We had them come before us if there were any questions.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. LINDSAY. I would like to know what the timetable is on the Gemini project.

Mr. FULTON. Mr. Chairman, I am going to let some of the other Members go into the details. I shall try to answer the gentleman's questions with some details of this program.

NASA has asked Congress for authority to transfer $8.5 million from its construction of facilities program for fiscal 1962 to speed development of Project Gemini.

Two million six hundred thousand dollars will be used to accelerate modification of Titan I launch complex at AMR to Titan II capability to meet Gemini schedule.

Four million seven hundred and forty thousand dollars for modification of certain facilities at the Michoud operations.

Six hundred and sixty-five thousand dollars for construction of a vertical assembly facility at Michoud.

Five hundred thousand dollars for construction of a hydrostatic facility at Michoud.

Borrowed funds will probably be returned to original programs through additonal authorization requests by NASA in fiscal 1963.

I should like to yield to the distinguished chairman of the committee, the gentleman from California [Mr. GEORGE P. MILLER], or to the gentleman from Texas [Mr. TEAGUE], to give you an answer as to the timetable.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. The chairmen of the subcommittees who have heard these details will answer those questions.

Mr. LINDSAY. Mr. Chairman, I thank the gentleman.

Mr. FULTON. Mr. Chairman, the NASA program figure for the fiscal year 1962 of $1,376,900,000 has jumped to $3,742,162,000 for the fiscal year of 1962. The reason for this sizable increase is not due primarily to new programs. On the contrary, it is due to the maturity of our existing programs. We are now at a stage where these large projects are becoming operational and therefore require large sums of money to realize and insure their successful execution.

The committee made a very careful and detailed study of this year's NASA program and listened to many witnesses, not only from NASA but from the Department of Defense, industry and many other agencies. As a result of these hearings, it was the unanimous decision of the committee to support the NASA 1963 program, except for a few modifications. As has been stated by the chairman, these modifications amount to a reduction of $116,114,000. It is the consensus of the committee, which I heartily support, that these changes will not in any way retard the U.S. space program nor prevent the achievement of the U.S. stated national goals for space exploration. During the review of the NASA space program there were areas which the committee felt must be strengthened, particularly in the field of management. It has been very heartening to notice that NASA has already initiated corrective action, but at this date it is too early to make a judgment on how effective this action will be.

It was the feeling of the committee that there are a few project areas which may have to be reevaluated or even reoriented before the related projects can be successfully carried to completion. The committee felt, rather than take corrective action through legislation, that NASA should be given an opportunity to make the necessary suggested adjustments. The new management concept being implemented within NASA places the program managers in a position of authority over everyone involved in his particular program area except the Administrator, the Deputy Administrator, and the Associate Administrator. The committee agrees with NASA that if this concept, from a management standpoint, is successful the corrective action will be forthcoming without making other major changes. It is the intent of the committee to watch the progress very closely to see that no stone is left unturned in making sure that the U.S. space program moves forward rapidly. In the areas of specific development the committee felt that NASA should place more emphasis on stimulating research for large solid boosters and high energy fuels. It is very questionable whether NASA's solid development program is in keeping with the President's desire for a solid booster development program parallel to the large liquid development program producing NOVA. In the field of high energy fuels such as derivatives of boron and fluorine it is evident that little is being done. To help stimulate further activity in this area the committee provided additional funds in this year's NASA program.

The last area in which the committee felt additional emphasis should be focused is in the field of coordination with other government agencies, particularly the Department of Defense. Even though the Aeronautics and Astronautics Coordination Board has been set up to provide NASA and the Department of Defense with a medium for exchanging views, it is felt that more use should be made of this medium to insure that maximum utilization of existing facilities is made by both agencies. The United States cannot afford to finance two major space programs which provide undesirable duplication. The American taxpayers will not stand for two man-in-space programs.

I want to compliment the chairman, GEORGE P. MILLER of California, for the excellent job in guiding our committee through these hearings. By his leadership the committee was able to work very smoothly and harmoniously in coming to grips with the many problems confronting them and coming up with what I consider a very acceptable solution. I want to compliment the subcommittee chairmen, particularly the chairman of the subcommittee on which I served—the manned lunar landing program—the gentleman from Texas, Congressman OLIN TEAGUE. He very diligently allowed every member of his subcommittee to explore in detail their various areas of interest until all of the evidence had been made available. It was a very rewarding experience. The whole membership of the Science and Astronautics Committee has worked hard and each member is to be complimented on a fine and patriotic job. I heartily support and endorse the committee's recommendation and urge that you support H.R. 11737.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. TEAGUE], chairman of Subcommittee No. 1, the Manned Space Flight Subcommittee.

Mr. TEAGUE of Texas. Mr. Chairman, I expected to say very little until the gentleman from New York [Mr. LINDSAY] made his comment. It seems rather obvious from the attendance on the floor that the membership of the House is going to accept the recommendations of this committee. However, since the gentleman from New York asked the question, I should like to take a few minutes and cover a point or two.

The first point I would like to cover concerns our hearings. Our committee met for approximately 30 days. We heard approximately 100 witnesses. We took approximately 1,200 pages of testimony. If there is any question concerning this space program that is not answered in our hearings, I do not know what it is. They cover everything from how a constituent should go about getting a job with the space agency to how a small company in your district can get a contract or be considered for a contract with the space agency.

It considers the relationship between Government and private industry as far as personnel is concerned. It covers the relationship between agencies within our Government as to whether there is duplication, and so on. But I think every question you could possibly ask is answered in these hearings.

I should like for the sake of emphasis for the Members of the House to mention these three models, to show you where we are today and where we are going. I think these models give a very graphic picture of it. This very small model is the one we are working with today, the Atlas with the Mercury capsule on top. This is the model that Scott Carpenter will be involved with. We have three more flights of this type, possibly one more besides the Carpenter flight if it is a complete success, and after that we will go to a 1-day flight for further information toward our Gemini and then our Apollo program. Then after this program is completed we go to the Gemini flight, which is the capsule 10 inches larger in diameter, practically a third heavier in weight, which will include two men for up to a week's flight in the earth orbit, the same orbit that Colonel Glenn has gone through, and the orbit we hope Scott Carpenter will go through.

The Gemini flight may be with two men, a man and an animal, or may be with a man and further instruments in the capsule. Of course, that will give us more information toward the Apollo program.

The gentleman asked about the time schedule. If he will turn to page 8 of the report, where Gemini starts, it will take each program and give you the general schedule. The actual dates for our flights are classified, but they are generally given first this year, that year, and so on.

The Atlas has a thrust of approximately 360,000 pounds. To show you what a jump we are making, the next model is the Saturn, of which we have fired two, both of them complete successes. It has a 1,500,000-pound thrust. Then the advanced Saturn, that will be used in the Apollo program, in the rendezvous program that the gentleman from Pennsylvania [Mr. FULTON] mentioned, has a 7,500,000-pound thrust. Then the next model, which would be much larger and which is approximately two-thirds the size of the Washington Monument, will have approximately a 12-million-pound thrust. That is our program for the next few years as far as the manned space program is concerned.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. Knowing that perhaps this would come up, to give you some idea of the size of the Saturn, the lower portion of the Saturn is over 60 feet long and 33 feet in diameter. I called the office of the Architect of the Capitol and asked what the height of the ceiling in this House Chamber is. I was told that from the lower part of the ceiling to the floor is 35 feet 6 inches. So if you take a circle which is about 2 feet below that, you could just about get it into this room. It is overall about 160 feet in length, so that is almost the length of this room. It shows you one of the problems we are up against with vehicles of this size. I think that dramatizes it for you.

Mr. TEAGUE of Texas. The budget for the manned space program this year was $2,260 million. Our subcommittee cut approximately $80 million off this program. We are convinced this will not slow up the program in any way. We have told NASA that if they can show where they can use this money they can come back in January and we will be glad to hold another hearing toward getting the money that they need.

In this program we have the Marshall Space Flight Center at Huntsville, Ala., the Michoud Plant at New Orleans, La., the Manned Space Center at Houston, the Launching Center in Cape Canaveral, and the Mississippi Test Center. Your spacecraft, or where the men are, would be developed in Houston, Tex. I think you should never forget that everything we develop is tested on earth to the degree that it will be tested in flight. By that I mean, a spacecraft going to the moon must be able to stand 250° below zero and 250° above zero. So we will build a laboratory where we can test that spacecraft before it ever leaves the earth and test it in every way as to what it would run into on its way to the moon.

In Huntsville, Ala., they develop the vehicle. In the Michoud Plant in New Orleans they fabricate the vehicle. At the Mississippi Test Center they test the vehicle. Of course, at Cape Canaveral they launch the vehicle.

The gentleman from Pennsylvania [Mr. FULTON] mentioned rendezvous. None of the vehicles here are powerful enough to take 150,000 pounds to the moon. But, the advance Saturn can place in earth orbit approximately half of that. Another advance Saturn can place the other half of that amount. For example, the first half would be a load of fuel. After that capsule is in orbit and they have had a chance to check it out, another advance Saturn would be launched with the capsule containing the men. They would rendezvous in orbit. Through the radar and through the men in the machine, they would get together. Then the machine would take off for the moon.

The other approach we have for going to the moon is the direct ascent from earth to moon. That is the reason for the Nova which would have a 12-million-pound thrust and that is powerful enough to send 150,000 pounds to the moon. As to the capsule going to the moon, about 50,000 pounds of it is the weight of the capsule that will come back. The other 100,000 pounds is necessary to go there, to slow down, and land on the moon.

Mr. RIEHLMAN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I am glad to yield to my colleague.

Mr. RIEHLMAN. I would like to commend the gentleman for the statement he has made with respect to the program and the different phases that we are going through to accomplish the objective in this space program. I also want to commend him for the diligent work he did as chairman of our subcommittee, particularly in these areas that most of us are not very familiar with. I do not think there was ever a time when we had questions by the committee members that the people appearing before us were not able to give us the answers at the time. Where we were in doubt we asked them to come back a second and sometimes even a third time so that the committee was completely conversant with every phase of this program. I want to say again I appreciate the sincerity on the part of the chairman, the gentleman from Texas [Mr. TEAGUE], on the thorough manner in which he conducted these hearings.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I am glad to yield to the gentleman.

Mr. JENSEN. I want to commend the gentleman from Texas [Mr. TEAGUE] for the great interest he has taken in this space program. It was my pleasure to be in the gentleman's company at Cape Canaveral a couple of weeks ago when the Saturn was launched.

There, for the first time, I had the pleasure of meeting and visiting with Dr. von Braun and Dr. Debus, two German scientists who are possibly the greatest authorities on missiles and space exploration in the world. Whenever the gentleman from Texas [Mr. TEAGUE] has a day to spare, he is there visiting and getting more information about this great space program. I compliment the gentleman most highly for the great interest he has taken and for the fine presentation he has just made, which I am sure is of the greatest importance to the future of our country.

Mr. TEAGUE of Texas. I thank the gentleman.

Mr. Chairman, I would like to say in closing, a word about people. This has been the most interesting assignment I have ever had since coming to the Congress. One of the most interesting parts of this assignment has been people. I have never seen a subcommittee more diligent in their attendance and in their work in trying to get the answers to questions. I personally have been very thrilled to meet our Americans that we have in this whole space program. There are many people working for the Government who could make considerably more money outside the Government if they chose to do so, people in our military service who are doing jobs for the Government that they could do for a lot more money outside of Government.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FULTON. Mr. Chairman, I yield the gentleman from Texas 4 minutes.

Mr. TEAGUE of Texas. Mr. Chairman, the people we have contacted in this program have made me very proud to be an American.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I am going to ask a question of the gentleman from New York, if the gentleman will permit. The gentleman from New York asked about Project Gemini. The gentleman will recall that after the completion of Colonel Glenn's flight on February 20, 1962, three more Mercury flights were scheduled. If the flight now scheduled for tomorrow goes off well, there is a possibility we may skip the seven-orbit flight and go to a 24-hour orbital flight in Mercury. My recommendation is that, if that goes off well, we go right to the Gemini program, the two-man space flight.

The present schedule would be about 120 days from now, which as the gentleman realizes would be the beginning of the bad weather season in Florida. We might have to move that up to August. So there is a chance the preliminary flights leading to Project Gemini going either in August or a little later on when we get better weather.

Mr. LINDSAY. I would just like to thank the gentleman for his excellent explanation in detail of the program, and also for his very fine explanation of the whole program.

I would like to ask the gentleman one other question and that is how long is it estimated an astronaut can stay in space under present conditions with present equipment? Do you plan a 3- or 4-day orbit? Can a human being stand that kind of confinement in a space suit?

Mr. FULTON. After the next Glenn-type flight there will be a 1-day flight. Of course, after that we could expect to see the Gemini flights which could last as much as several days. Until that has been tried, I doubt if anybody can answer the gentleman's question. In the present type of capsule flight, man in space has a probable 48-hour survivability.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield for one further question?

Mr. TEAGUE of Texas. I yield.

Mr. LINDSAY. Can the gentleman state what the timetable might be in the Soviet Union with respect to their Gemini-type program, the two-man orbit in space?

Mr. TEAGUE of Texas. Mr. Titov was in orbit 24 hours in their present-type capsule. As far as the booster is concerned I would think that the evidence would indicate they were ahead of us in that field.

Mr. FULTON. Mr. Chairman, if the gentleman will yield I will answer the gentleman's question.

Mr. TEAGUE of Texas. I yield.

Mr. FULTON. I have here a report dated May 22 from Tokyo, Japan:

> Soviet Cosmonaut Maj. Yuri Gagarin said yesterday the Soviet Union would put its third manned spaceship around the earth within this year.
>
> Gagarin, who arrived in Tokyo yesterday for a 1-week visit, said the spaceship would carry either one man or "more than two," depending on the type of vehicle used.
>
> He told newsmen earlier that he believed the Soviet Union or the United States would land a man on the moon within 5 years.
>
> But he said that one of the major obstacles confronting Soviet scientists in a moon flight was the question of man's ability to undergo long periods of weightlessness in space.

And that is the question the gentleman from New York raised.

Mr. TEAGUE of Texas. Mr. Chairman, there is not any question that we are putting a very large amount of money into this space program, and I am forced to admit that there are still quite a few people in this country who do not see why we are doing it.

I will suggest to them and to this body, however, that anyone who takes the trouble to inquire into the space program with more than just a superficial interest can find out why we are doing it and find out in short order.

This is in spite of the fact that our space program is a tremendously complex subject. It involves almost every scientific discipline that is known to man and it sweeps across the entire industrial spectrum that exists today—from transistors to ceramics, from stainless steel to lasers. No matter what it is, you name it and we will find it for you being used in the space program. In addition, of course, there are more new techniques and new ideas being developed in the space program than can be counted, many of them so technical and esoteric that there may be only a handful of people in the country who understand them.

Right now I am not planning to comment on just what our space program consists of and exactly what this money is going for. That is being done elsewhere here today, but I do want to talk for a minute about why we are doing all this—why we are sending up dozens of sounding probes, why we are putting satellite after satellite into orbit, why we are developing systems for putting a man on the Moon, and why we hope someday to get a close look at Venus and Mars.

All of this is not just a series of stunts; this is no spatial circus. There are good and hard reasons for this program. Let me call some of them off for you.

In general terms, the tangible reasons for this program are these: First, the security of the Nation is thoroughly bound up in what we are doing in our space program. There is no entity in the United States, government or civil, which has a greater interest in our space program or is following it more closely or is more actively concerned with it than the Department of Defense. Second, the space program is acting as a gigantic spur to our educational system. It is having a very pronounced effect on the trend and quality of scientific education. Third, our space program is stimulating employment to a degree little recognized by most people. While we cannot estimate with any high degree of accuracy exactly how many people are working today because of our space program, we do know that it runs into hundreds of thousands, and maybe even millions if you include not only the space program per se but various educational and industrial jobs which are related to the space program or which have been produced by it. Fourth, the scientific fallout from our space program is already incalculable. The benefits that we expect to get from our weather satellites, our communication satellites, our navigational satellites, from future techniques such as rocket cargoes and from space-related products developed for everyday living—these are here today and they will be greater tomorrow.

Aside from these tangible benefits, the intangible benefits may turn out to be even more important. Space exploration is an outlet for a civilization that is becoming dangerously cramped and limited by its confines to this planet. I think that everybody knows in his heart that man must keep on progressing or he is going to die out. We are pushing the limits of knowledge which can be obtained here on earth, and we are just beginning to realize that our world need not be thus limited, but that it can be understood and explored by men throughout the solar system—and perhaps beyond. Also in this same vein, it is axiomatic that all knowledge pays dividends in the long run, whether or not we can see any immediate advantage to it.

I feel confident that there is no program operating at the present time, public or private, which is producing knowledge faster, in greater quantity, or of finer quality than is the space program.

Now let me amplify somewhat on these things.

SECURITY

There is no longer doubt that space exploration holds genuine significance for the security and well-being of the United States as a nation.

It does so in at least three ways. One results from the uses which our Armed Forces can make of the knowledge gained from space exploration. A second results from the influence and prestige which America can exert within the world community because of her prowess in space exploration. A third results from the possibility that space exploration, eventually, may prove so immense and important a challenge that it will channel the prime energies of powerful nations toward its own end and thus reduce the current emphasis on developing means of destruction.

The first two values definitely exist. The third seems to be a reasonable hope.

From the beginning it has been recognized that space exploration, the research connected therewith, and the ability to operate therein is of more than passing interest to the military.

Congress recognized the fact when it passed the National Aeronautics and Space Act of 1958 and directed that "activities peculiar to or primarily associated with the development of weapons systems, military operations, or the defense of the United States shall be the responsibility of, and shall be directed by, the Department of Defense."

It is possible to argue, and indeed it has been argued, that ballistic missiles such as IRBM's and ICBM's are not really space weapons, that they are simply an extension of the traditional art of artillery. The argument appears to be largely a semantic one. Such missiles do traverse space, they are guided through space, and they employ the same engines and principles which are presently used for purposes of scientific space exploration. While more advanced space weapons may evolve in the future, the missile as we know it today cannot very well be divorced from our thinking about space and its practical uses.

It is important to note, in connection with military matters, that pure rocket power is not the only avenue to success in space use. The American Atlas missile, for example, which can carry a nuclear warhead and which operates on considerably less thrust than the powerful Soviet boosters thus far demonstrated, has nevertheless shown the capability of negotiating a 9,000-mile trek and landing in the target area. This is about 1,500 miles farther than any Soviet shots revealed to the public in the 3-year period following the first sputnik. It is also a sufficient range to permit reaching almost any likely target on the globe.

From the military point of view, the meaning thus brought out is that sophistication of missiles together with reliability and ease of handling may be more important than pure power. For this reason, American advances in solid propellent fuels—such as that used by the Army's Pershing, the Navy's Polaris, and the Air Force's Minuteman—are significant indeed.

When we begin to consider both the civil and military aspects of space use in the decades ahead, however, rocket power acquires fresh importance. It is, as one expert says, "the key to space supremacy." Not only is much heavier thrust required for ventures farther out into space, but probably thrust developed by different means as well, such as atom, ion, or even photon power.

This suggests the possibilities of weapons which today are considered to be "way out" or "blue sky"—in short, farfetched. Yet they include the ideas of men with solid scientific training as well as vision. For example, Germany's great rocket pioneer, Prof. Hermann Oberth, has proposed that a giant mirror in space—some 60 miles in diameter—could be used militarily to burn an enemy country on earth. For peaceful purposes, however, such a space mirror could be used to melt icebergs and alter temperatures. Another reputable German scientist who has been working for a number of years on photon—electromagnetic ray—power as a source of propulsion, declares that if such power is possible so is "the idea of a death ray, a weapon beam which burns or melts targets, such as enemy missiles, on which it is trained. The idea has been familiar in science fiction for a long time and has been scorned often enough. Yet, if the photon rocket is possible so is the ray gun."

Still another proposal, one made to the Congress, involves use of the moon as a military base.

Ideas such as these are difficult for the person who is neither a scientist nor a military expert to judge. One is inclined to recall, though, the treatment received by Gen. Billy Mitchell for his devotion to nonconventional bombing concepts; the fact that the utility of the rocket as developed by America's pioneer, Dr. Robert H. Goddard, was generally ignored during World War II; the fact that it took a personal plea by Albert Einstein to President Roosevelt to get the Manhattan project underway.

Yet today the bomber, the missile, and the nuclear weapon form the backbone of our military posture.

In other words, history seems to support the proposition that no matter how remote or unlikely new discoveries and approaches may first appear, the military eventually finds a way to use them.

Will it be any different with space technology?

ECONOMIC VALUES

From the point of view of economic stimulus and continued commercial dynamism, space exploration is proving to be highly beneficial.

It is impossible to arrive at accurate figures which might help indicate the extent of this effort in dollars and cents. But we do know that the U.S. Government is presently putting about $5.5 billion annually into the research and development phases. How much more may be going into the purchase of completed space hardware is difficult to say; certainly it is a higher figure still. The National Aeronautics and Space Administration, in presenting its future plans to Congress indicated that this agency alone expects to average between $3 billion and $5 billion a year during the next decade.

The amount of effort going into space-related programs on the part of private industry, measured in dollars, again can only be roughly estimated. But it is a sizable figure and is known to be growing. It may amount to half the governmental research and development outlay.

These figures add up to a very important segment of the national economy, and the fact that they represent a highly active and progressive segment is particularly heartening to the economic experts of the Nation.

Inasmuch as other nations, those which generally have lagged behind the United States in technical know-how, are now rapidly bringing their technology up to date—this windfall from our space program is especially opportune. It is providing the incentive to American industry to remain in the world's technological van. And it is emphasizing that economic leadership is a dynamic thing, that U.S. mass-production techniques which have enabled the Nation to compete so well in foreign markets are no longer, of themselves, sufficient guarantee of superior economic position.

While America's space exploration program, on a formal basis, came into being as recently as October 1958, its impact on the national economy has probably been sharper than that of any single new program ever conceived. For there are now at least 5,000 companies or research organizations engaged in the missile-space industry. And more than 3,500 different space-related products have been required and are being produced to date.

One can only speculate on the economic effect which the space program is having on investments or on investors who have no other connection with it. It seems significant, however, that the stock market pages in recent months have come to devote a good deal of attention to space issues. Financially speaking, space has thus become a major category. That it has done so in such a short period would seem to have marked implications for the future.

EDUCATION

No enterprise has so stirred human imagination as the reach of man toward the exploration of space. New worlds to explore. New distances to travel—3,680 million miles to Pluto, the outermost planet of our solar system, 8 years journey at 50,000 miles per hour when we attain such a capability. Innumerable problems ahead. New knowledge needed in almost every branch of science and technology from magneto fluid dynamics to cosmology, from materials to biology and psychology.

"New knowledge needed" means better and stronger education is essential. And not only in the physical sciences. In the social sciences and the arts as well.

Moreover, the technical and management aspects of the space program involve collaboration with nonscientific persons such as businessmen, bankers, and public officials in assessing worthwhile objectives and in judging the technical and economic feasibility of projects designed to accomplish these objectives. Consequently each type must educate the other in his own specialty if an effective, stepped-up space program is to be achieved.

Apparently the demand for specific formal education in the science of astronautics is increasing faster than it is being supplied. Although many colleges and universities have been setting up courses dealing with astronautics, the state of the art has only recently crystallized to the extent that it permits fashioning a career in the field at the educational level. This situation appears to be intensifying as the grassroots demand brings about increased academic curricula in astronautics.

Meanwhile, the availability of work for persons with a background in space-related subjects can be gaged to some extent by observing the variety of personnel requirements on major space exploration projects.

A single American firm, for example, uses 49 different professional specialists in its work for the National Aeronautics and Space Administration and in its space work for the Department of Defense. Multiplied by the thousands of companies which are doing similar work, the list gives an idea of the astronautic demand confronting the Nation's educational institutions: Acoustician, aerodynamicist, aeronautical engineer, agricultural engineer, astrodynamicist, astronomer, astrophysicist, biochemist, biophysicist, ceramics specialist, mathematician, mechanical applications engineer, mechanical engineer, mechanisms specialist, medical electronic engineer, metallurgical engineer, methods engineer, nuclear physicist, oceanographer, organic chemist, chemist, computer specialist, crystallographer, development engineer, doctor of medicine, electrical engineer, electronic engineer, experimental physicist, flight engineer, gyroscopics specialist, hydraulic engineer, information theory analyst, inorganic chemist, logical designer, magnetic device engineer, physical chemist, pneumatic engineer, process engineer, production engineer, project engineer, psychologist, reliability engineer, sociologist, solid state physicist, structural engineer, system analyst, theoretical physicist, thermodynamicist, transducer engineer.

There is no reliable way to gage the number of Americans who are employed today because of the national space effort, nor to estimate accurately the number who are likely to be employed in the years ahead. This much can be said, though. They already number in the hundreds of thousands.

The National Aeronautics and Space Administration presently employs about

24,000 persons. But in spite of the size of this organization, it is estimated that from 75 to 90 percent of the NASA budget is expended through contracts with industry, educational institutions, and other nongovernmental groups.

Thus the number of persons privately employed who are working on NASA projects is, of itself, a high figure. The number employed in, by, or for the Department of Defense on missiles or space-related projects is undoubtedly higher.

In addition to these must be added the men and women employed by private industry in a capacity not directly related to the space program but whose jobs have been created nonetheless by its stimulus.

Industrialist Ralph Cordiner comments this way:

> The fact is that the military and peaceful needs of the space program are already employing a significant percentage of the industrial work force, and will make up an even larger proportion of total employment and production of the country as the years go by. The aircraft industry, for example, is broadening its scope to include missile and space technologies. Much of the electronics industry is devoted to missile and space needs. The communications, chemical, and metallurgical industries are increasingly involved. These industries are already among the largest employers in the United States, and they are the major employers of the Nation's technical manpower. Hence we are not speaking of a minor element in the national economy, but of its leading growth industries.

This phase of the space program's value should not be eyed merely from the standpoint of scientists and the labor market. It has major significance for the professions—for doctors, lawyers, architects, teachers, and engineers. All of these will be vitally concerned with space exploration in the future. The doctor with space medicine and its results; the lawyer with business relations and a vastly increased need for knowledge in international law; the architect with the construction of spaceports and data and tracking facilities; the teacher with the booming demand for new types of space-engendered curricula.

As for the engineer, Dr. Hugh Dryden points out:

> In this pyramid of scientific and engineering effort there will be found requirements for the services of almost every type of scientist and engineer to a greater or lesser degree. In the forefront, of course, are the aerospace and astronautical engineers but the development of the Saturn launching vehicle has also enlisted the cooperation of civil, mechanical, electrical, metallurgical, chemical, automotive, structural, radio, and electronics engineers. Much of their work relates to ground handling equipment, special automotive and barge equipment, checkout equipment, and all the other devices needed to support the design, construction, testing, launching, and data gathering.

TECHNOLOGICAL BENEFITS

This category of the practical uses of the space program is impressive indeed.

Most of us are familiar with the plans which the United States has for using artificial satellites in ways which will be beneficial to all mankind. These include the satellite used for worldwide communications, for global television, for quick and accurate navigation, and for much improved weather prediction and weather understanding.

Here, however, is a summary of space-related developments about which the American public has heard considerably less.

First, there is the high-speed computer. Developed initially to meet military demands for faster calculation, the computer is an integral part of American industry, making it possible to do many operations with a high degree of efficiency and accuracy. Thermoelectric devices for heating and cooling, now adapted for commercial applications were originally designed to provide energy sources for space vehicles. The glass industry, as a result of work done during and after the Second World War on lenses and plastics, promises substantial gains in the consumer fields of optics and foods. Pyroceram, developed for missile radomes, is now being used in the manufacture of pots and pans. Materials suitable for use in the nuclear preservation of food may make us even better fed than we already are.

Medical research, and our health problems, can use such things as film resistance thermometers. Electronic equipment capable of measuring low-level electrical signals is being adapted to measure body temperature and blood flow. In a dramatic breakthrough, illustrating the unexpected benefits of research, it has been found that a derivative of hydrazine, developed as a liquid missile propellant, is useful in treating certain mental illnesses and tuberculosis.

Of course, the aeronautics industry has benefited tremendously. Engines, automatic pilots, radar systems, flight equipment, capable of meeting the high standards required by space vehicles, represent a great improvement over our already excellent aircraft.

A plasma arc torch has been developed for fabricating ultrahard materials and coatings by mass production methods. The torch, an outgrowth of plasma technology, develops heats of 30,000° and can work within tolerances of two-thousandths of an inch. Another application from the missile field, which shows real possibilities, is a reliable flowmeter that has no packings or bearings. This was first developed for measuring liquefied gases and should have a very wide industrial usefulness. It may even lead to improvements in marine devices for measuring distance and velocity.

Ground-to-air missiles that ride a beam to their targets must measure the distance to the target plane with an accuracy of a few feet in several miles. This principle, now being applied to surveying techniques, has revolutionized the surveying industry.

The solenoid valve, which seats itself softly enough to eliminate vibration, has been applied very satisfactorily to home-heating systems.

The use of the jet drilling for mining is another, and worthy of amplification. Missile techniques are already working the economically unminable taconite ore of the Mesabi Range, have helped build the St. Lawrence Seaway, and are bringing down costs in quarrying.

It is estimated that taconite will be supplying about a third of our ores in less than 20 years. Until 1947 we were unable to mine this very hard rock, and then suitable rotary and churn drills were produced. Jet drilling, now available, cracks and crumbles stone layers by thermally induced expansion and is somewhere between three and five times faster than rotaries.

Jet piercing can take us far deeper into the earth than we have been able to go so far, to new sources of ore and hydrocarbons.

In stone quarrying, jet spalling and channeling are proven techniques. Stone quarrying has been expensive and wasteful heretofore. Rocket flame equipment allows cutting along the natural cleavage planes, or crystal boundaries—hence cuts stone thin without danger of cracking and, in addition, produces a fine finish that cannot be obtained when cutting by steel or abrasive tools.

Infrared has come into its own through missile electronics. Infrared—since it cannot be jammed—appears to be challening radar for use in guidance devices, tracking systems, and reconnaissance vehicles. Infrared is being used industrially to measure the compositions of fluids in complex processes of chemical petroleum refining and distilling. Infrared cameras are used in analyzing metallurgical material processing operations, to aid in accuracy and quality control. The entire infrared field should be significantly assisted in its growth and application through our missile-space programs.

Another very promising outcome from missile development is a computer converter that can quickly transform analog signals—such as pressure measurements—into digital form.

In the near future, when guidance devices permit soft landing, rocket cargo and passenger transport will become feasible. Mail may become almost as swift as telephone.

We are making rapid progress in the economics of space travel: payload costs for Vanguard were about $1 billion a pound; for the near future launchings, payload cost should be about $1,000 per pound. When payload costs are about a hundred dollars a pound we may expect commercial space flight.

FUNDAMENTAL KNOWLEDGE

Everything learned from space exploration thus far indicates that the knowledge lying in wait for those who manage to observe the universe from outside earth's atmosphere will be far grander than any thing uncovered to date.

We may finally learn the origin of our universe and the method of its functioning. A good part of this knowledge may be no farther away than the next 3 to 5 years. Satellite telescopes now under construction are expected to elicit far more information than even the 200-inch giant at Mount Palomar. One such observatory satellite, to be launched in 1963 or before, "will permit a telescope of about 10 feet in length to point at heavenly bodies within a tenth of a second of arc for periods up to an hour.

Present plans call for an orbit between 400 and 500 miles, as a lifetime of at least 6 months is required to observe the entire celestial field."

Perhaps, and sooner than we think, we shall find a clue to the destiny of all intelligent life.

Perhaps the theory advanced by a noted eastern astronomer will turn out to be true—that biological evolution on the habitable planets of the universe may be the result of contamination left by space travelers arriving from—and leaving for—other worlds. In other words, the fruition of life on the various planets of the millions of solar systems might be the product of a wandering group of astronautic Johnny Appleseeds who leave the grains of life behind them.

The notion seems fantastic.

But when we look clear to the end of earth's road—and assuming the astrophysicists are right in their theories about the evolution and ultimate death of our solar system—we know that earth will one day become uninhabitable. Life on earth must then perish or move elsewhere. If we further assume that mankind will not want to die with his planet and if we acknowledge that other worlds may have been through this entire cycle in eons past—perhaps the notion is not so unreasonable after all.

Whatever the truth is on this score, space exploration will certainly be of practical value to our descendants when that dim, far-off day arrives.

Long before the arrival of that millennium, however, the knowledge and understanding awaiting us through the medium of space exploration is certain to have profound effects on the human race psychologically and spiritually.

It already has had effects on humans of all ages.

Adults, who are paying the taxes to support the space exploration program and reaping its practical values, are also thinking of themselves, their country, and their world in broader, more knowledgeable terms.

In a sense, children may be even more deeply involved.

The psychological and spiritual changes necessitated by this evolution may be at a cost far beyond dollars—because many of us will be hard put to negotiate them, especially if they come too rapidly.

Nevertheless, negotiating them must also be placed in the category of practical values—for in the long run it seems to be an essential part of the maturing of mankind.

MERCURY

A. OBJECTIVES

Project Mercury is designed to (1) place a manned spacecraft in orbital flight around the earth with a duration up to three orbits; (2) investigate the effects of space flight on man, including his ability to perform useful functions; and (3) recover the spacecraft and the man safely.

B. DEVELOPMENT EFFORT

The work of Project Mercury requires the services of many groups of people and many installations. The major contributors to this program are:

	Personnel
DOD, mission support (using the MA–6 figures) (supported by NASA funds to a very minor extent)	18,000
Spacecraft contractor (McDonnell at St. Louis, 50 percent; subcontractors, 50 percent)	5,500
Launch vehicle contractor (Atlas) (partially supported by NASA)	13,000
General Dynamics, California, and subcontractors at Cape Canaveral	130
Launch vehicle contractor (Redstone) for suborbital flights	5,000
Chrysler Corp. (Little Joe booster for early tests of the escape system)	170
North American Aviation (radar range, worldwide network of tracking systems)	1,070
Western Electric Co. (Cape Canaveral support, range stations and data handling):	
Pan American	70
Burroughs	80
NASA:	
Manned Spacecraft Center	550
Langley Research Center (Little Joe)	150
Goddard Space Flight Center (data reduction)	25
Lewis Research Center (Big Joe spacecraft)	50
Marshall Space Flight Center (Huntsville, LOD, Redstone)	310
Wallops station (Little Joe)	50
Wind tunnel testing (several centers)	125
NASA subtotal	1,260
Grand total	44,280

C. COST SUMMARY

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Advanced technical development	$2,737,000	$2,258,000	
Flight program:			
Spacecraft, equipment, and services	60,474,000	30,215,000	$7,560,000
Tracking data acquisition and control network	25,254,000		
Flight operations		4,091,000	2,490,000
Recovery operations	5,029,000	12,833,000	3,200,000
Launch vehicles	30,836,000	18,881,000	
Total	124,330,000	68,278,000	13,250,000

D. ACCOMPLISHMENTS

In Project Mercury, far more has been learned than was anticipated—far more than merely the determination of man's capabilities in space. A knowledge of how to design, develop, and manufacture a craft specifically engineered for man's flight into space has been gained. It has been learned how, through an intensive ground and flight test program, such a spacecraft can be developed to carry out its assigned mission. Ways have been determined to modify existing launch vehicles, designed for other purposes, to make them suitable for manned flight. The development of an abort sensing system, together with the most stringent quality control, has permitted the use of the Atlas missile in a program for which it was not designed or developed.

A knowledge of how to implement an extensive network of tracking stations, a network which is unique in that it makes use of real-time data transmission and real-time computing, and thereby permits real-time flight control, has been gained.

Ground rules have been established for recovery from space. It has been learned how ships and aircraft, with information provided by the tracking network, can locate and retrieve a spacecraft after it has landed.

Some of the items that were developed for Project Mercury will find use in other fields. For example, the new lightweight survival equipment might well be used by air-rescue services throughout the world. The biomedical instrumentation for measuring respiration rate, temperature, activity of the heart, and blood pressure and for transmitting these quantities over long distances may also find uses in fields other than the exploration of space.

Extensive training and simulation has been found to be an absolute requirement. The training of the pilots has, of course, received a great deal of attention. Equally important is the extensive simulation of flights carried out by all persons involved in an actual operation. All the flight controllers and the network computer and communications experts have performed literally hundreds of practice missions wherein every conceivable emergency was simulated. Through these exercises, they have learned to work together as a well-functioning team, a team that supports the pilot throughout his mission.

Most important of all, it has been learned that a well-trained pilot, like Shepard, Grissom, or Glenn or like the other astronauts, can perform a mission in space just as well as he can perform a mission in the earth's atmosphere.

ONE-DAY MISSION

A. OBJECTIVES

The progress of the Mercury program has led to a reorientation of the total resources of the project. Effort has been initiated in fiscal year 1962 and will continue in fiscal year 1963 to modify four Mercury spacecraft to carry astronauts on 1-day missions of about 18 orbits around the earth. This modification effort will extend the time that a Mercury spacecraft will support a man in orbit from the current 4½-hour mission to a 24-hour mission.

The objectives of the manned 1-day mission include the achievement of space flight for the longest period possible at the earliest date possible; the collection of data on man's reaction to zero gravity and to the space environment for extended periods of time; the collection of data on the functioning of spacecraft subsystems over extended periods of time; and the realization of the maximum potential of Project Mercury. Information from these longer duration flights will be of value to both the two-man spacecraft development, Project Gemini, and the three-man spacecraft development, Project Apollo.

Mercury-Atlas launch vehicles similar to those used on Project Mercury flights will be used for the manned 1-day missions as will the Project Mercury ground support equipment. The Mercury tracking network, augmented in fiscal year 1962 specifically for this purpose, will be used to support these 1-day flights.

B. DEVELOPMENT EFFORT

Flight operations

This activity includes test and checkout of the launch vehicles, the tracking network and the mission control system to insure adequate preparation for flight. This also includes such items as meteorological support provided by the U.S. Weather Bureau flight monitors by the Philco Corp., and the acquisition of telemetry data by the Federal Electric Corp. Funds support these organizations for services to be performed through completion of the 1-day missions.

Recovery operations

Funds budgeted in this category are required for spacecraft recovery services. Recovery services for the 1-day mission will be provided by the U.S. Navy, as has been done for Project Mercury. Ships, planes, and helicopters will be deployed in a number of areas to pick up the spacecraft and pilot. These areas include Cape Canaveral to cover the possibility of an abort when the vehicle is just off the pad, near Cape Canaveral for an abort during the early stages of flight, the entire flight path from Cape Canaveral to beyond the predicted landing point in case of a late abort, and the regular impact areas for recovery from orbit. Funds requested cover these services through completion of the planned 1-day missions.

The spacecraft and launch vehicle contractors, the supporting agencies, and the NASA management group are essentially the same as in Project Mercury, except that those agencies concerned with the Redstone and Little Joe boosters are no longer involved.

In terms of manpower, the major contributors to this program are:

Spacecraft contractor (McDonnell at St. Louis, 50 percent; subcontractors, 50 percent)	5,500
Launch vehicle contractor ((Atlas) General Dynamics and subcontractors)	[1] 13,000
Cape Canaveral	130
Radar range (worldwide network of tracking systems), Western Electric Co.	1,070
Cape Canaveral support (range stations and data handling):	
Pan American	70
Burroughs	80
NASA:	
Manned Spacecraft Center	550
Goddard Spacecraft Center (data reduction)	25
NASA subtotal	575
Grand total	20,425

[1] Supported by NASA and USAF contracts.

C. COST SUMMARY

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Manned 1-day mission:			
Spacecraft, equipment and services			$4,500,000
Flight operations			1,480,000
Recovery operations			6,200,000
Total			12,180,000

GEMINI

A. OBJECTIVES

Project Gemini represents a planned program of 12 manned space flight missions beginning in 1963. It is an intermediate step between the 18-orbit one-man Mercury Project and the three-man lunar Apollo Project. The two primary objectives are to gain the experience and knowledge of prolonged space flights necessary to extended missions and, secondly, to develop the techniques of orbital rendezvous.

Long-duration flights

It is recognized that for extended missions a multiman crew is essential. Gemini flights of several days or a week with two-man crews will help determine the physiological and psychological reactions and the performance capabilities in this extended space environment.

Rendezvous

The rendezvous and docking maneuver in space may be compared to aerial refueling in that it makes possible the resupply of a vehicle in space and thus extends its mission capabilities. This maneuver makes it possible to put a much larger effective payload in space with a given booster. Some of the problems associated with space rendezvous that Project Gemini is designed to explore are:

Launch window: The second vehicle involved in the rendezvous must be launched very close to a prescribed time if the operation is to be economical in terms of time and propulsion requirements. This requires a major simplification of the countdown procedure and high reliability of equipment.

Navigation: Means must be developed for accurately locating the two vehicles in space relative to each other so that appropriate maneuvers can be initiated to bring them together.

Guidance and control: Guidance and control technique must be developed for maneuvers in space, using information supplied by the navigation system.

Docking: Rendezvous is not effective until the docking maneuver is accomplished. The space environment makes this operation quite a bit different from the same type of operation within the earth's atmosphere and hence considerable work in developing suitable techniques is necessary.

Operations: Another area of investigation to be initiated with Gemini is the landing operation. The water landing technique used in Mercury involves considerable expense and is a burden to the naval forces, both in time and ships. As the frequency of space operations increases and with them, recovery operations, it is mandatory that land landings become the accepted mode of operation. This requires that the landing dispersion be reduced to a very low figure and a satisfactory method of touchdown developed.

Astronaut training: Although much can be accomplished by ground simulation training for astronauts, there does not seem to be any real substitute for actual experience in space. This would involve both the actual training of the spacecraft operators and, even more important, the determination of the extent to which the pilots can assist in the task of insuring a successful mission.

B. DEVELOPMENT EFFORT

The plan of development calls for extensive usage of Mercury technology and components for the Gemini spacecraft and, for that reason, the McDonnell Aircraft Corp. of St. Louis, Mo., was selected as the prime contractor.

Arrangements have been made through the Air Force Systems Command and the Space Systems Division to procure modified Titan II launch vehicles from the Martin-Marietta Co. The Air Force is also procuring for NASA the Atlas launch vehicles from General Dynamics/Astronautics and Agena B target vehicles from Lockheed Aircraft Corp. to be used as part of the rendezvous program.

A project office has been established at the Manned Spacecraft Center to give technical direction to the program.

The Marshall Space Flight Center is rendering assistance on the Atlas-Agena launch vehicle.

NASA Flight Research Center at Edwards, Calif., assists in testing the flight recovery paraglider system, which is being developed by North American Aviation.

Aerospace Corp., through the Space Systems Division of the Air Force is rendering service on the Titan II and Atlas-Agena launch vehicles.

NASA-DOD coordination

The responsibilities of the Department of Defense in the development of the Gemini will include:

1. Acting as the NASA contractor for the Titan II launch vehicle, and for the Atlas-Agena vehicle used in the rendezvous experiments.
2. Assistance in provision and selection of astronauts, as required by NASA.
3. Provision of launch, range and recovery support, as required by NASA.
4. Technical supervision, under NASA Operations Director, for launch of the Titan II and Atlas-Agena vehicle.

Manpower [1]

	Present
Aerospace Corp	12–14
Space Systems Division, Air Force (anticipated: 30 people)	7
Martin-Marietta:	
Engineering	446
Factory support	177
Cape Canaveral (there will be about 1,700 in fiscal year 1963, including 800 in fabrication)	120
Corps of Engineers	
Construction contractor, Cape Canaveral	500
General Dynamics/Astronautics Atlas (only partly supported by Gemini Project)	13,000
McDonnell Aircraft Corp.:	
Engineering	678
Fabrication	131
Cape Canaveral	15
Manned Spacecraft Center	77
Lockheed Aircraft Corp.	50
Marshall Space Flight Center	26
North American Aviation	80

[1] Information on the effort level by subcontractors has not yet been compiled. The above figures only represent the initial efforts. For example, Lockheed will reach a peak of 1,500 people.

C. COST SUMMARY

	Fiscal year 1962	Fiscal year 1963
Gemini:		
Spacecraft development:		
Engineering	$7,900,000	$22,500,000
Fabrication	26,100,000	86,000,000
Flight test support		2,150,000
Operational support	699,500	15,200,000
Supporting development		5,500,000
Total	34,699,500	131,350,000

APOLLO

A. OBJECTIVES

The NASA advanced manned space flight program is designed to achieve manned lunar landing through the progressive and orderly buildup of the necessary technology. Project Mercury and Project Gemini are successive steps in this buildup. Project Apollo is designed to land man on the moon and return him safely to earth.

B. DEVELOPMENT EFFORT

Basically, four elements are required for the execution of this mission. They are: first, a spacecraft or vehicle to carry the astronaut crew safely to the moon and back; second, a launch vehicle or booster to lift the spacecraft out of the earth's atmosphere and to propel it toward the moon with the precise heading and velocity required; third, a ground operational support system with which to ready, launch, track and recover the spacecraft; and fourth, a management system to integrate the first three elements and to assure the accomplishment of the mission and the safety of the crew.

1. Spacecraft

The Apollo spacecraft flight program development is composed of the following developments: Command and service modules, lunar landing module, guidance and navigation, instrumentation and scientific equipment, operational support (see ground operational support), and supporting development.

(a) Command module: This is the capsule which houses, supports and protects the three-man astronaut crew during launch, space flight, lunar landing and takeoff, and during reentry. It is the only part of the Apollo spacecraft to be recovered after the flight. The following spacecraft systems are wholly or partially contained within the command module: crew systems, electrical power, environmental control, stabilization and control, earth landing and recovery, instrumentation and scientific equipment, guidance and navigation, and telecommunications. The exterior of the command module will be covered with a heat shield for thermal protection during reentry. A launch escape or tower system similar to that employed by Mercury will be attached to the command module for abort protection during launch.

(b) Service module: This module is mounted directly below the command module and provides certain vital services for the crew, using equipment which can be jettisoned prior to reentry and, hence, does not need to be contained within the command module. The service module is principally a propulsion stage. It contains the rocket engines and propellants used for lunar takeoff, course correction on the way back from the moon, and for certain emergency abort conditions. The service module will also contain a reaction control system for attitude control during these same phases of flight. Other systems contained wholly or partially within the service module are telecommunications, environmental control, electrical power, scientific instrumentation, and attitude and rendezvous radar.

(c) Lunar landing module: This module, like the service module, is a propulsion module. It will be used to make course corrections and for attitude control on the way out to the moon, for slowing the vehicle down into orbit around the moon and, finally, for braking the spacecraft to a soft landing on the lunar surface. The lunar landing module is also used as a launch pad for the rest of the spacecraft for takeoff from the moon.

(d) Guidance and navigation, instrumentation, and scientific equipment: These spacecraft components are major technological developments required to execute the extremely complex lunar missions with the precision and reliability necessary to assure the success of the mission and the safety of the crew.

(e) Supporting development: This item represents the development of technical data and design criteria required as a technological base for the development of the various modules and the many operating components.

Locations and numbers of organizations and persons actively engaged in prime phases of the Apollo spacecraft development are listed below. No attempt was made here to include the myriad of subcontractors and companies expected to be indirectly engaged throughout the United States in supplying components, materials, and support to the prime contractors and the various subcontractors. The number of persons engaged in such support activities is expected to equal or exceed the total engaged in the primary efforts outlined below:

Program management:	
NASA headquarters, Washington, D.C.	30
NASA Manned Spacecraft Center, Houston, Tex., Los Angeles, Calif.	200
Command and service module:	
Prime contractor, design, manufacturing, support, North American Aviation, Los Angeles, Calif., Fort Worth, Tex., Houston, Tex., Cape Canaveral, Fla., Columbus Ohio	4,000
Launch escape propulsion, Lockheed Propulsion Co., Redlands, Calif.	100
Command and service module—Con.	
Escape tower jettison propulsion, Thiokol Chemical Co., Elkton, Md.	60
Electrical power, primary supply, Pratt & Whitney Corp., E. Hartford, Conn.	550
Stabilization and control system, Minneapolis-Honeywell Corp., Minneapolis, Minn.	1,200
Service module reaction control system, Marquardt Corp., Van Nuys, Calif.	250
Environmental control system, Air Research Mfg. Co., Los Angeles, Calif.	450
Earth landing recovery systems, Radioplane, Northrup Corp., Van Nuys, Calif.	150
Telecommunications systems, Collins Radio Corp., Cedar Rapids, Iowa, Dallas, Tex., Newport Beach, Calif.	700
Crew systems (not contracted): Not determined.	
Service module propulsion system (not contracted): Not determined.	
Altitude and rendezvous radar (not contracted): Not determined.	
Heat shield, Avco Corp., Wilmington, Mass.	400
Lunar landing module, prime contractor (not contracted): Not determined.	
Guidance and navigation:	
Prototype, design, development, hardware, MIT Instrumentation Laboratories, Cambridge, Mass.	150
Production hardware manufacturing (not contracted): Not determined.	
Instrumentation and scientific equipment:	
Design and prototype development, NASA Manned Spacecraft Center, Houston, Tex.	150
Special equipment (not contracted): Not determined.	
Supporting development: Design, tests and subsystems, NASA Manned Spacecraft Center, Houston, Tex.	1,600
Ground operational support (not contracted): Not determined.	

C. COST SUMMARY

Apollo spacecraft development

[In thousands]

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Command and service module		$35,800	$345,000
Lunar landing module		3,250	123,100
Guidance and navigation system		4,900	32,400
Instrumentation and scientific equipment		1,600	11,500
Operational support		1,100	2,500
Supporting development		2,150	3,000
Total		48,800	517,500

SATURN

A. OBJECTIVE

To develop a large multipurpose space booster vehicle of approximately 1.5 million pounds of initial thrust, using available (H–1) engines. The vehicle configuration currently under development (designated Saturn C–1) can be used for both manned and unmanned orbital missions with a payload capability of about 20,000 pounds in a 300 n.mi. orbit.

B. DEVELOPMENT EFFORT

1. MSFC, Huntsville, Ala: Overall technical direction of Saturn. Systems intergration and launching. Design development, fabrication, assembly and testing of the S–I (first stage) R. & D. vehicles. Approximately 4,000 NASA and 1,100 local contractor personnel will participate in this effort in fiscal year 1963.

2. Chrysler Corp., space division, NASA Michoud Operations, New Orleans, La.: Fabrication, inspection, checkout and test of operational S–I (first stage) vehicles. Approximately 2,500 contractor personnel will be employed in this area by the end of fiscal year 1963.

3. Douglas Aircraft, Co., Santa Monica and Sacramento, Calif.: S–IV (second stage) design, engineering and development, fabrication assembly, test and checkout. Approximately 1,500 contractor personnel will be involved in this effort in fiscal year 1963.

4. North American Aviation, Rocketdyne Division: The H–1 engines for the first stage (S–I) are supplied by this company utilizing approximately 170 people at Canoga Park, Calif., and 225 people at Neosho, Mo.

5. United Aircraft Corp., Pratt & Whitney Division: The A–3 engines for the second stage (S–IV) are supplied by this company utilizing approximately 2,000 people at West Palm Beach, Fla., and 500 people at East Hartford, Conn.

6. Sperry-Rand Corp., New York, N.Y.: Development and fabrication stable platform equipment for the guidance system for Saturn. Approximately 450 people are required.

7. International Business Machine Corp., Military Products Division, Oswego, N.Y.: Development and fabrication of computers for the guidance system for Saturn. Approximately 200 people are required.

8. In addition to the prime contractors listed above, there are a number of other subcontractors and suppliers from all parts of the United States contributing to this program.

C. COST SUMMARY

[In thousands of dollars]

Total program	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Vehicle development	116,156	182,106	155,533
Engine development	33,823	39,993	36,743
System support	23,929	60,094	56,961
Total	173,908	282,193	249,237
Vehicle development:			
Development engineering:			
S–I stage	33,231	42,882	27,586
S–IV stage	19,840	22,310	23,512
Guidance system	3,620	9,437	7,425
System integration	5,509	12,047	14,922
Total	62,200	86,676	73,445
Flight and expendable hardware:			
S–I stage	45,157	61,410	47,569
S–IV stage	4,428	19,768	18,809
Guidance system	3,683	10,552	9,075
System integration	688	3,700	6,635
Total	53,956	95,430	82,088
Total, vehicle development	116,156	182,106	155,533
Engine development:			
Development engineering:			
H–1 engine	7,518	6,164	5,176
A–3 engine	12,560	9,749	18,224
Total	20,078	15,913	23,400
Flight and expendable hardware:			
H–1 engine	11,434	11,766	5,750
A–3 engine	2,311	12,314	7,593
Total	13,745	24,080	13,343
Total, engine development	33,823	39,993	36,743
System support:			
Development engineering:			
Ground-support equipment	4,449	7,287	4,410
System instrumentation	1,670	4,456	1,967
Launch operations	104	7,518	3,551
Total	6,223	19,261	9,928

C. COST SUMMARY—Continued

[In thousands of dollars]

Total program	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
System support—Continued			
Flight and expendable hardware:			
Ground-support equipment	9,231	16,383	17,642
System instrumentation	4,050	8,897	7,867
Launch operations	100	5,910	10,652
Propellants	4,325	9,643	10,872
Total	17,706	40,833	47,033
Total, system support	23,929	60,094	56,961

ADVANCED SATURN

A. OBJECTIVE

To develop a multipurpose three-stage vehicle system of approximately 7.5 million pounds of initial thrust, whose payload is sufficient to permit the accomplishment of manned lunar landing with a single rendezvous and to provide manned circumlunar and manned lunar orbit missions which are a prelude to the first manned lunar landing. This vehicle also will permit the accomplishment of unmanned lunar and planetary explorations, both for those already planned and for future requirements. Operating as a two-stage vehicle, the Advanced Saturn will be used for large advanced earth orbital satellite missions. In addition, this vehicle is planned for accommodating a nuclear powered upper stage.

B. DEVELOPMENT EFFORT

1. Marshall Space Flight Center, Huntsville, Ala.: Overall technical direction and systems integration of Advanced Saturn. Design, development, fabrication, assembly, and testing of the initial first stage (S-IC) R. & D. ground test vehicles. Approximately 1,500 NASA personnel will participate in this effort in fiscal year 1963.

2. The Boeing Co.: Detail design, fabrication, inspection, test, and checkout of the remaining first stage (S-IC) vehicles. Boeing's personnel assigned to this effort will be approximately as follows:

Michoud operations, New Orleans, La.	3,500
Huntsville operations, Huntsville, Ala.	800
Wichita division, Wichita, Kans	1,000
Aero-Space division, Seattle, Wash	200
Total	5,500

3. North American Aviation, Space and Information Systems Division, Downey, Santa Susana, and Seal Beach, Calif.: Design, engineering, development, fabrication, assembly, test, and checkout of second stage (S–II) vehicles. Approximately 5,000 contractor personnel will be employed in fiscal year 1963.

4. Douglas Aircraft Co., Santa Monica and Sacramento, Calif.: Design, engineering, development, fabrication, assembly, test, and checkout of third stage (S–IVB) vehicles. Approximately 1,500 contractor personnel will be employed in fiscal year 1963.

5. North American Aviation, Rocketdyne Division, Canoga Park, Calif.: The F–1 engines for the first stage (S–IC) and the J–2 engines for the second (S–II) and third (S–IVB) stages are supplied by this company. Approximately 2,475 people are engaged in the development and manufacture of F–1 and J–2 engines.

6. Bendix Aviation Corp., Eclipse-Pioneer Division, Teterboro, N.J.: Development and fabrication of stable platform equipment for the guidance system for the Advanced Saturn. Approximately 300 people are required.

7. International Business Machine Corp., Military Products Division, Oswego, N.Y.: Development and fabrication of computers for the guidance system for the Advanced Saturn. Approximately 200 people are required.

C. COST SUMMARY

[In thousands]

Total program	Fiscal year 1961	Fiscal year 1962[1]	Fiscal year 1963
Vehicle development	$623	$26,712	$273,042
Engine flight hardware		300	28,995
System support		750	33,135
Total	623	27,762	335,172
Vehicle development:			
Development engineering:			
1st stage		10,367	68,174
2d stage	312	7,500	59,052
3d stage		500	15,911
Guidance system		751	7,188
System integration		3,568	12,637
Total	312	22,686	162,962
Flight and expendable hardware:			
1st stage		1,951	41,118
2d stage	311	1,700	38,689
3d stage			9,752
S-I stage			12,000
Guidance system		375	3,081
System integration			5,440
Total	311	4,026	110,080
Total, vehicle development	623	26,712	273,042
Engine flight hardware:			
F–1 engine[2]		300	16,497
J–2 engine[2]			12,498
Total, engine flight hardware		300	28,995
System support:			
Development engineering:			
Ground-support equipment			6,840
System instrumentation		500	2,708
Launch operations			1,531
Total		500	11,079
Flight and expendable hardware:			
Ground-support equipment			6,839
System instrumentation		250	2,707
Launch operations			510
Propellants			12,000
Total		250	22,056
Total, system support		750	33,135

[1] Does not include supplemental request.

[2] This funding covers only the procurement of engines for flight stages. Engine development is funded under the liquid-propulsion program.

NOVA

A. OBJECTIVE

The purpose of the Nova program is to develop a launch vehicle with sufficient payload carrying capability to achieve a manned lunar landing with the Apollo by direct ascent from the earth's surface; and to provide a basic high performance vehicle required for future space missions.

B. DEVELOPMENT EFFORT

Requests for proposals have been submitted to industry for a preliminary design and development planning effort. It is anticipated that contracts will be signed in mid-May. The preliminary design effort is funded out of the R. & D. fiscal year 1962 authorization and will be under the technical direction of the Marshall Space Flight Center. The total number of personnel involved in the fiscal year 1962 effort will be approximately 500 people (MSFC and contractor personnel). At the conclusion of this effort, approximately 6 months, the hardware development program will be initiated. This effort in fiscal year 1963 will involve approximately 9,900 people at various locations as follows:

1. Marshall Space Flight Center, Huntsville, Ala.: For program management and system integration. Approximately 90 people will be required.

2. Prime contractors and locations for first and second stage development have not been determined. Approximately 4,500 people will be required for first stage effort and 3,300 people for the second stage.

3. Aerojet-General Corp., Sacramento, Calif.: For development and fabrication of the M–1 engine for the second stage, approximately 2,000 people will be required.

C. COST SUMMARY

[In thousands]

Total program	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Vehicle development	$297	$6,322	$131,916
Engine procurement			3,165
System support			28,493
Total	297	6,322	163,574
Vehicle development:			
Development engineering:			
1st stage		2,750	65,956
2d stage			46,963
3d stage			
Guidance system		822	2,639
System integration	297	2,750	5,804
Total	297	6,322	121,362
Flight and expendable hardware:			
1st stage			6,333
2d stage			3,166
3d stage			
Guidance system			
System integration			1,055
Total			10,554
Total, vehicle development	297	6,322	131,916
Engine procurement:			
F–1 engine[1]			2,110
M–1 engine[1]			1,055
J–2 engine[1]			
Total, engine procurement			3,165
System support:			
Development engineering:			
Ground-support equipment			18,997
System instrumentation			2,110
Launch operations			1,055
Total			22,162
Flight and expendable hardware:			
Ground-support equipment			6,331
System instrumentation			
Launch operations			
Propellants			
Total			6,331
Total, system support			28,493

[1] This funding covers only the procurement for flight stages. Engine development is funded under the liquid-propulsion program.

LAUNCH OPERATIONS CENTER

Description: The Launch Operations Center is located on Cape Canaveral and Merritt Island. Facilities supporting Army space programs were transferred to NASA with the programs in 1959. These facilities were located on land of the Atlantic Missile Range. The expansion of the space program necessitated the procurement of additional land on Merritt Island. Approximately 73,000 acres are now under procurement.

Mission: NASA uses the National Range as its primary site for launching space vehicles into nominal earth orbits, deep space highly elliptical orbits, and deep space probes.

Fiscal years 1963 construction of facilities requirements: Modifications are required to existing Saturn launch complexes No. 34 and No. 37 to accommodate the additional requirements of the operational vehicles. (Fiscal year 1963 costs are $4,915,000.)

New launch complexes are required to accommodate the Advanced Saturn and Nova. (Fiscal year 1963 costs are $256,050,000.) Support facilities and increase in existing utility system are required to meet the demands of the accelerated space program. Utility systems must be installed in both areas to support new construction. (Fiscal year 1963 costs are $25,800,000.)

Support facilities are required for the Advanced Saturn and Nova facilities to house personnel, equipment and instrumentation. (Fiscal year 1963 costs are $39,121,000.)

A launch complex is needed for solid suborbital vehicles to provide an inexpensive means of qualifying Apollo systems and components. (Fiscal year 1963 costs are $1,717,000.)

A spacecraft operations and checkout facility is required for assembly, checkout, modification, and preflight testing of the Apollo spacecraft. This building is the heart of the Apollo operational test program and the major structure of the Apollo mission support facilities. (Fiscal year 1963 costs are $22,510,000.)

A static test facility is required for static firing and checkout of the propulsion systems for the lunar landing module and the service module. (Fiscal year 1963 costs are $5 million.)

Modifications to the Mercury control center for Gemini and early Apollo flights are required. (Fiscal year 1963 costs are $5 million.)

The existing Titan I launch pad must be modified for launch of the Titan II for the Gemini space vehicle system. (Fiscal year 1963 costs are $2,400,000.)

Personnel: By end fiscal year 1963, it is estimated that approximately 700 NASA personnel will be working at the center.[1]

Administration: The director is Dr. Kurt Debus.

Marshall Space Flight Center

Description: The center is located at Huntsville, Ala., within the Army's Redstone Arsenal on 1,617 acres of land furnished NASA by permit. Building space under occupancy as of July 1, 1962, is approximately 1,840,000 square feet.

Mission: To develop and provide launch vehicle systems as an integral part of NASA's manned and unmanned space flight programs; to develop and procure engines for the related propulsion systems; to perform advanced studies and research and development in the general field of astronautics.

Fiscal year 1963 construction of facilities requirements: The Advanced Saturn program dictates the need for expanding existing technical facilities for computation instrumentation components testing, etc. It also requires modification to certain test stands. (Fiscal year 1963 costs are $20,620,000.) In addition certain utility expansion is necessary as well as the construction of a number of support facilities. (Fiscal year 1963 costs are $12,817,000.)

Personnel: Approximately 6,500 civil service people will be employed at this location by the end of fiscal year 1963. In addition, there will be approximately 2,000 contractor personnel working on various programs at Marshall Space Flight Center.[2]

Administration: The director of the center is Dr. Wernher von Braun.

Manned Spacecraft Center

Description: The center is located approximately 15 miles southeast of Houston, near Clear Lake. The land area totals 1,620 acres.

Mission: The mission of the center is to develop manned spacecraft and to execute manned spaceflight missions.

Fiscal year 1963 construction of facilities requirements: A flight acceleration facility is required to train and maintain the proficiency of the astronauts as part of the overall instruction program. It will also serve in performance and physiological studies and at times for component testing. (Fiscal year 1963 costs are $10,630,000.)

Thermochemical test facilities are required for the evaluation and development of active spacecraft subsystems. These systems form an integral part of the Apollo and other manned spacecraft programs. (Fiscal year 1963 costs are $6 million.)

The lunar landing simulation facility is to provide for simulating spacecraft response within lunar gravitational environments. It will be used to investigate problems, develop techniques, develop equipment and train crews in lunar landing, staging mechanics, lunar launch, space docking and transfer of personnel and cargo. (Fiscal year 1963 costs are $6,500,000.)

In addition to the facilities mentioned above, there is a requirement for additional site development and basic utility installations. (Fiscal year 1963 costs are $7,625,000.)

Personnel: End year personnel figures are as follows: Fiscal year 1962, 1,640; fiscal year 1963, 2,700.

Administration: Dr. Robert Gilruth is center director.

Michoud Operations

Description: The plant is located about 15 miles east of downtown New Orleans, La. and about one-half mile south of U.S. Highway 90. The physical plant, including support buildings, contains over 2,300,000 square feet of space under roof of which approximately 1,800,000 square feet can be classified as manufacturing space. Although the plant required extensive modifications to meet NASA requirements, its availability made possible a great savings to the Government and its early occupancy contributed to a savings of time.

Flight Center

Mission: The plant will be used by the Chrysler Corp. in the production of the Saturn launch vehicle stages and by the Boeing Co. in the production of the Advanced Saturn launch vehicle stages. The Saturn launch vehicle is programed for testing and orbiting the Apollo spacecraft.

Fiscal year 1963 construction of facilities requirements: Modifications to the Michoud plant are required to adapt the plant for the fabrication and assembly of the Saturn stage and to adapt a portion of the plant for the manufacture and minor assembly of components for the stage of the Advanced Saturn program. (Fiscal year 1963 costs are $11,400,000.)

A high pressure test facility is to be constructed to perform tests on nitrogen and helium tanks as well as high pressure tubing used in the Saturn stages. This facility will be of extra heavy construction for protection against blast during failures. Intricate test instrumentation will be used. (Fiscal year 1963 costs are $1 million.)

A hydrostatic test and cleaning facility is to be constructed for use in major subassembly of fuel tanks. This building will be approximately 90 feet high. (Fiscal year 1963 costs are $3 million.)

A vertical assembly building is to be constructed for assembling the Advanced Saturn booster stage. This 200-foot-high building is required for the final assembly of the stage. (Fiscal year 1963 costs are $3 million.)

Personnel: About 300 people are in the plant now, and it is planned that up to 6,000 will be employed at this site by the end of calendar year 1963.

Administration: The test site is a subsidiary of the Marshall Space Flight Center operations.

Mississippi Test Facility

Description: The MTF is located on the border of Mississippi and Louisiana adjacent to the Pearl River. It is approximately 35 miles from New Orleans, La. The site encompasses approximately 13,500 acres in land to be acquired by fee purchase and approximately 128,400 acres in easements to provide a sound buffer zone for noise generated by booster testing. The location for this site was greatly influenced by the location of the Michoud plant in New Orleans which had been selected by NASA as a manufacturing and assembly site for large boosters.

Mission: The facilities at the Mississippi test site will be used for the purpose of both development and acceptance testing of large production launch vehicle stages.

Fiscal year 1963 construction of facilities requirements: The Advanced Saturn stage test facilities are required for acceptance static testing of the first stage boosters which will be manufactured at the Michoud plant, New Orleans, La. (Fiscal year 1963 costs are $36 million.)

The Nova stage test facilities will consist of two positions for the first stage booster developing 12 million pounds of thrust. One position will be required for developmental testing funded in fiscal year 1963, and one for production acceptance testing to be funded in fiscal year 1964. There will be two positions required for the second stage booster, developing 4 million pounds of thrust. Again, one position for developmental testing will be required in fiscal year 1963 funding and one position for production acceptance testing will be required in fiscal year 1964 funding. (Fiscal year 1963 costs are $43 million.)

Support facilities and utilities necessary to support the proposed facilities are included in this program. (Fiscal year 1963 costs are $13,500,000.)

Personnel: About 10,000 people will eventually be employed at this location and the Michoud operations, since many of these people will have duties at both locations. The majority will work full time at Michoud. The Mississippi test facility will probably not exceed 1,200 persons at any time.

Administration: The test site is a subsidiary of the Marshall Space Flight Center operation.

Mr. FULTON. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. Van Pelt].

Mr. VAN PELT. Mr. Chairman, I rise in support of the bill H.R. 11737, the NASA authorization bill for the fiscal year 1963.

I want to commend and compliment the chairman of our Subcommittee No. 3, the gentleman from Minnesota [Mr. Karth] for the fine manner and the businesslike way that our hearings were conducted.

This bill authorizes the expenditure of a very large amount of money, and provides for a substantial increase over the funds authorized for fiscal year 1962. Yet this should not come as a surprise to anyone. The national space program is just beginning to hit its stride, and any program of this magnitude is bound to be expensive.

In my opinion, the Congress must support this great effort in space. I believe our security as a nation is dependent upon our progress in this field. We must not permit any potential enemy to surpass us in modern scientific and technological developments which may have military applications, and I am certain that many of our advances in space technology will have military applications.

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[1] The 700 people for LOC are included in the total of 7,200 people for the Marshall Space Flight Center in fiscal year 1963.

[2] The planned personnel level for Marshall in fiscal year 1963 is 7,200 versus the 6,500 shown. The remaining 700 people are for the launch operations center at Cape Canaveral.

In addition, the national space effort has an evergrowing influence on the Nation's economy. Our free enterprise system has responded quickly to the challenge of the space age. Already there are scores of new businesses of all types supporting the national space effort. Thousands of people are employed in industries whose products and services are needed in the space program. The stimulation of business is only one of the many benefits which will flow from this great endeavor. Our people will soon reap rewards from many of our space programs, such as improved communications, weather forecasting, and navigation, as direct products of some of our important and practical space programs.

As has already been pointed out, work on this year's authorization bill was divided among four subcommittees. Virtually continuous hearings were held beginning in February, and extending into the month of May. Speaking for the Subcommittee on Space Sciences, of which I am a member, I can attest to the diligence with which our group pursued its work. We received detailed testimony from responsible officials of NASA with respect to all the programs assigned to the Office of Space Sciences.

Now I would like to say a few words about the work of the Office of Space Sciences whose programs our subcommittee reviewed in detail. Space sciences is basic research in a broad spectrum of scientific disciplines. The accomplishments of the scientists in the Office of Space Sciences will support the advances made in some of the more glamorous programs, such as manned space flight. In fact, extensive manned space flight will be feasible only after much of the information sought by these scientists has been acquired. Furthermore, practical applications such as communications and weather satellite systems are also dependent to a large extent upon the soundness and effectiveness of the space sciences program. In a very real sense, the information which the Office of Space Sciences seeks through its space probes and orbiting scientific satellites will provide an essential foundation for a large part of NASA's total program.

One of the least expensive but most productive programs which NASA conducts is the sounding-rocket program. These small, relatively inexpensive rockets probe out to a few hundred miles altitude and then fall back to earth. A wide variety of experiments are conducted in the atmosphere and near space with these devices.

Scientific satellites provide a means for continuing scientific investigations in space over long periods of time. Important information is gathered about the Van Allen radiation belts, solar flares, cosmic rays, and a variety of other unknown phenomena. As I stated earlier, much of this information must be achieved before extensive manned flight can be undertaken. I might add that this program has opened the door to international cooperation with a number of friendly countries whose scientists have participated in developing scientific payloads and interpreting resulting data.

NASA's lunar and planetary exploration programs involve scientific probes to investigate chemical, physical, and other properties of the Moon and the nearby planets of Mars and Venus.

Finally, the Subcommittee on Space Sciences considered NASA's request for funds for the small- and medium-size launch vehicle development programs. The reason that these development programs fall under the cognizance of the Office of Space Sciences is because that Office is expected to be the primary user of the vehicles once they become operational.

The Scout vehicle is a small, relatively inexpensive solid propellant rocket. This development program will be virtually completed during fiscal year 1963. The Delta launch vehicle development program is all but completed at the present time, and NASA's request for fiscal year 1963 is very modest. Finally, the Centaur launch vehicle, a high-energy upper stage utilizing liquid hydrogen as a propellant, has just begun its test series. This program is considered essential to the accomplishment of the lunar and planetary exploration programs of NASA, and is intended to become a workhorse for many future space missions. In addition, successful manned space flight is dependent upon the successful development of the Centaur vehicle, since upper stages of Saturn will utilize engines and other components developed for Centaur.

As has already been stated, the Subcommittee on Space Sciences made a unanimous report to the full committee, and its recommendations were unanimously accepted. The subcommittee voted to approve the requests of NASA except for elimination of the Prospector program, and a modest reduction of 5 percent for the remainder of the lunar and planetary exploration programs, plus a 5 percent reduction in the scientific satellite program. It was the belief of the subcommittee that the essential features of these programs could be accomplished within the amounts voted.

Mr. Chairman, I reiterate that it is essential that this authorization for our national space program be supported by the Congress.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. ANFUSO], chairman of Subcommittee No. 2.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. ANFUSO. I yield to the gentleman from California.

Mr. BELL. I would like to compliment the chairman of Subcommittee No. 2 for the excellent job that he did as chairman of that subcommittee, for bringing out very many important facts and for his efforts in developing and bringing to the attention of all, the importance of the solid fuel rocket.

Mr. ANFUSO. I thank the gentleman very much.

Mr. Chairman, first of all I want to commend the general chairman of the House Science and Astronautics Committee, the gentleman from California, the Honorable GEORGE P. MILLER, for the great wisdom which he has shown in dividing this work into four different subcommittees, thus giving every member of each subcommittee the opportunity of expressing himself and bringing out in detail what otherwise would have taken many more days and many more months to develop.

Mr. Chairman, as chairman of the Subcommittee on Advanced Research and Technology, I will deal here primarily with the nine program areas considered by my subcommittee, including the 23 construction projects related to these program areas. The nine research, development, and operations items considered by my subcommittee call for a requested authorization in the total amount of $504,675,000, and the construction items will authorize construction in the amount of $112,549,000.

Advanced research and technology is the very basis for all NASA programs. Without advance planning no program can succeed. Considering the complex technology of the world today and especially the space program, the rapid advances very quickly consume and use up man's knowledge. Continuous planning and constant research are the order of the day to replenish the store of knowledge in order that our space program will continue to advance with the rapidity that is characteristic of all of the endeavors of the people of the United States. Advanced research, new technology, must be available for our NASA scientists to enable them to take advantage of the scientific breakthroughs in the space program that were formerly a rare phenomenon but are today becoming more and more a commonplace occurrence. This will be done only if there are provided the necessary funds, facilities, and personnel to enable the farsighted scientists to proceed with testing, researching, and developing new materials and new ideas commensurate with the rapidly advancing space program.

While the 1963 requests show an increase in each of the advanced research and technology programs, in only four cases are these major increases. For example, spacecraft technology calls for an increased authorization from $37.1 million to $54 million. The launch operations development program shows an increase of approximately $20 million, and that primarily attributable to operations at the Cape Canaveral complex of the Atlantic Missile Range, due mostly to the expanded activity and the increase in the area under development.

The liquid propulsion request calls for an increased authorization of approximately $33 million, and nuclear systems technology for an increase of approximately $70.5 million.

I would like to address my remarks for the next few moments to these four mentioned increased requirements. The increased authorization in spacecraft technology is primarily for flight testing. These funds are required for the preparation of scientific payloads, launch vehicles, and the actual launching of the vehicle. These flight tests will be conducted in research areas that are required in order to provide for spacecraft design for both manned and unmanned flights, not only to the moon but to the planets beyond, and other space missions. In the past, ground-based facilities have been adequate, but by virtue of the increased scope of our research and the knowledge resulting therefrom, ground-based facilities will no longer suffice. Certain research programs require a space environment and the effects from actual flight tests which cannot be duplicated properly in a laboratory. These flight experiments planned under this authorization involve research into reentry heating, heat shield materials, micrometeorite damage as well as protection from micrometeorites and reentry at speeds of about 25,000 miles per hour, which is the speed associated with lunar return.

The increased requested authorization in the liquid propulsion program reflects the cost of moving from study and advanced design into a full development program. NASA is engaged in the development of three major new engines to support the launch vehicle requirements for the manned lunar exploration mission. These are: the F–1 engine, which is the 1½-million-pound-thrust, liquid oxygen-kerosene engine for the first stage of the Advanced Saturn and Nova; the J–2, a 200,000-pound-thrust, liquid oxygen-liquid hydrogen engine for the second and third stages of the Advanced Saturn; and the M–1, the million-pound-thrust, liquid oxygen-liquid hydrogen engine for the second stage of the Nova.

The increase in these engine programs is a prime example of the cost of full development programs, for example: In the case of the F–1, the engine system design effort began in fiscal year 1959 and will be terminated in fiscal year 1963 with the completion of the preliminary flight rating test. The J–2 engine was initiated in September 1960 and will receive impetus under this authorization for 1963 in the area of engine design, fabrication, and testing of engines leading to completion of preliminary flight rating test in late fiscal yar 1963. The M–1 engine is an entirely new development and it constitutes a critical leadtime element in the Nova development schedule. Nineteen hundred and sixty-two funds were used primarily to provide necessary fabrication and test equipment as well as design and development of the engine components. Funding under this authorization bill will enable the component work to be continued and will provide for the first initial testing of the full-scale engine.

The increased authorization in nuclear systems technology for 1963 calls for increases in the three major items—the nuclear rocket, the nuclear electric power conversion systems, and the application of nuclear electric power systems to nuclear electric propulsion. This area is a joint program between the Atomic Energy Commission and the National Aeronautics and Space Administration. The AEC has the responsibility for reactor development while NASA has the responsibility for complete power generation systems and the integration of these systems with their respective nuclear reactors into the final flight package. The funding requirements requested here will lead to an initial series of flight tests in the 1966–67 period. Approximately $34 million of the funds here requested is earmarked for flight programs. For example, development testing during this fiscal year will provide the data for subsequent testing of flight prototype systems. These funds will also provide for vehicle integration with the reactor and the flight test stage development and the testing of the upper stage incorporating the Nerva nuclear rocket engine.

The increase in the program of launch operation development, as mentioned earlier, is primarily attributable to the increased operations at Cape Canaveral. This, of course, is due to the manned lunar landing program, and the funds requested include the requirements for supporting vehicles, equipment and supplies for the range together with salaries, rents, utilities, and contractual services and support. I would like to call to your attention, however, that the funding here will support more 1963 spacecraft flights on the Saturn C–1 vehicle and will provide a buildup for the Advanced Saturn and later for the Nova launch vehicle.

A review of personnel requirements for the entire agency for fiscal year 1963 calls for an increased authorization of 4,393. Of this number, however, only 1,320 are required for the programs under the Office of Advanced Research and Technology. Of the nine programs under this heading, major personnel increases are found in only four, each of which has a requirement for approximately 200 additional personnel. These program areas are spacecraft technology, launch vehicle technology, nuclear systems technology, aircraft and missile technology. These increased personnel requirements are commensurate with the stepped-up research and development program requirements in those areas, and should therefore be authorized to permit the complete and full programed studies and research to be accomplished.

The total construction of facilities request as it pertains to the advanced research and technology portion of this authorization bill is in the amount of $112,549,000. Although the items here were for 24 construction projects, approximately one-third of these were not new but are for additions to existing facilities or construction to replace substandard facilities. For example, the combination engineering, mechanics, and office building at jet propulsion laboratory is urgently needed to house personnel for technical programs presently being conducted in 144 trailers. Not only is such an operation substandard, but the rental on the trailers was found to be extremely high—approximately $350,000 a year.

The largest portion of the construction of facilities request in this area is for the Nuclear Rocket Development Station in Nevada. These facilities include stage static test and maintenance facilities, stage maintenance and disassembly facilities, radiation effects facility, and testing and supporting facilities in connection with the operations. Certainly these facilities are necessary to assure the successful development of a nuclear rocket program.

During the course of this debate we hope to be able to discuss and to present to you the tremendous benefits of space exploration; the reasons, for example, for going to the moon and other planets, and how space has created a brand new and flourishing industry which has provided employment for almost 1 million people. Also the benefits to the consumers, to farmers and all the people of the earth as a result of this space age.

I congratulate the committee and also NASA for the manner in which it has moved into this brandnew area which I think provides hope for the safety and the future security of all mankind.

Mr. MOELLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MOELLER. Mr. Chairman, I wish to add my approval to H.R. 11737, which authorizes appropriations for the National Aeronautics and Space Administration for fiscal year 1963. I have been a member of the Committee on Science and Astronautics since its creation, beginning with the 86th Congress, and I have participated in each authorization bill acted upon by the committee since that time. This is the largest authorization bill requested by NASA, but, by the same token, this bill has received the closest review and appraisal, in my opinion, of any bill in NASA's history.

I served as a member of the Subcommittee on Advanced Research and Technology. This subcommittee was assigned nine areas of research and technology, for which there was requested for research, development, and operation in these areas, a total of $504,675,000. In addition, the subcommittee heard testimony in relation to the request for the authorization of construction of facilities items, a total of 24, to be located at 8 research center locations. These construction of facilities items total $112,549,000. The subcommittee heard testimony from 19 witnesses, and the printed hearings before the subcommittee totaled more than 550 pages. In order to satisfy ourselves that these programs actually required the funding requested, we not only heard testimony from NASA's program directors and technicians, but we went beyond that and heard testimony from experts in specialized fields of technology. This was to satisfy ourselves that the program requirements were comparable to the time frame requirements placed upon NASA and that the funds requested could be spent in an orderly development with the program requirements as established in the program offices of NASA. In many instances it is difficult to spell out dollars and cents for a research program with any degree of certainty, and in my support of the authorization bill I would like to take a few moments to discuss some of the program requirements for the advanced research and technology that is of concern in the area of spacecraft technology.

In the first place, the NASA requirement for this area is $54,084,000. The research programs are proposed to be carried out at three centers of NASA, together with certain administrative personnel at two other locations. In support of these programs there is requested a total of 11 construction of facilities items at 3 research centers. Some typical program areas under spacecraft technology are the determination of the space environment, studies of materials, research in power generation, and electronics and control.

One of the most difficult problems in the study of environment of space is the protection of the spacecraft and its occupants against damage from meteoroids. This poses two problems. The first is to determine what is the meteoroid content of space, how many meteoroids are there in a given region of space, how big are they, how fast do they travel. The second problem is that, once the nature and the speed of meteoroids are known, then there must be researched the problem of defense against them and devising of structures that they cannot penetrate. To seek a solution to these problems NASA proposes to send up probes or satellites to measure the meteoroid content of space. One method of doing this will be the paraglider device that will be shot outside the earth's atmosphere. On the way up it will unfold, proceed into space and then drop down and glide to earth. The glider will have a large surface area and when the meteoroid or micrometeoroid penetrates the surface, this penetrating power will be recorded. The paraglider will be so constructed that its recovery will permit examination of the actual meteoroid that has become imbedded in the material. The other method of research here will be the satellite experiment, which will utilize sensors consisting of layers of stainless steel, plastic foam and plastic glass cloth. These satellites will be placed in orbit for a sufficient length of time to permit the sensors to record the striking of the meteoroids and thus to determine the meteoroid content of space.

Of the $54,084,000 requested for spacecraft technology, $32,894,000 is requested for advanced research and technology, and $23,190,000 for flight programs.

A well balanced program of research and testing of such programs as I have just outlined utilizes current facilities and laboratory tools to their maximum extent. And yet, for obvious reasons these research programs will require space flights, as in the case of the meteoroid studies, for the space environment and effects cannot be properly duplicated in the laboratory. For example, in 1962 the funds in this program area were used for work in wind tunnels on the paraglider I have just described. In addition, there have been limited flight experiments at the Langley Research Center on the paraglider's efficiency, its operational characteristics, and its actual deployment. Now, however, in this budget funds are being requested to actually fly and get flight experience with these inflatable paragliders.

Let us examine for a moment some of the flight test programs that are being conducted in the spacecraft technology area. The micrometeoroid probes that I have just mentioned are scheduled for four flights with the developed paraglider, which will permit exploitation of the previously developed technique so that it will enable NASA scientists to secure impact and penetration data. These data will have direct application to the design of the various elements of spacecraft which will be sensitive to damage from micrometeoroids.

Flight experiments under this program also call for two satellites in the micrometeoroid study, which will use Scout launch vehicles. These likewise will investigate the phenomena in detail as a fallout to the research initiated with the micrometeoroid satellite which was funded in fiscal year 1962. Other flight programs call for use of two Scout launch vehicles in the development of spacecraft payloads that will test materials and structures, and flight experiments with an Apollo-shaped spacecraft with the use of the Atlas-D launch vehicle, which will be used primarily to investigate the heat environment of a reentry object such as the Apollo capsule, at 37,000 feet per second. Not only will this flight project investigate the heat transfer problem but will provide research into the area of hot air radiance as well.

Space programs are complex, they are highly technical, and they are very costly. This is particularly true in those areas which will require the actual flying of satellites and probes necessary to complete the studies begun in ground-based environments. But if the space program is to proceed in an orderly fashion these flight programs must be conducted and the funds for them must be authorized. We believe our space program is showing the marked progress that we believe it should, but we also believe that unless NASA is granted the funds to complete its current programs and the funds to develop research and technology required for the follow-on programs, our space program cannot proceed with the success that we all desire for it.

Mr. FULTON. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in support of H.R. 11737, a bill authorizing appropriations for the National Aeronautics and Space Administration for the next fiscal year.

I take this opportunity to congratulate the chairman of the full committee, the gentleman from California [Mr. GEORGE P. MILLER], for the splendid manner in which he has handled the affairs of the committee and in appointing the subcommittees. I feel it has been a most efficient operation, and it has been a great pleasure to serve on this committee with my distinguished colleague from California.

I also want to congratulate the chairman of Subcommittee No. 2, on which I have the pleasure of serving, the gentleman from New York [Mr. ANFUSO], who has just addressed you. He certainly has been most diligent and zealous in his efforts to obtain all of the facts concerning a very technical and very complicated matter—that of advanced research and technology. He has explained the work of the subcommittee to you in detail.

I have greatly enjoyed serving on this subcommittee with Mr. ANFUSO and the other capable members. I refer particularly to the gentleman from California [Mr. BELL], who has been most diligent in calling the attention of the committee to certain developments in space research which perhaps might have been overlooked. I have also enjoyed my association with the gentleman from Ohio [Mr. MOSHER], the gentleman from Utah [Mr. KING], the gentleman from Ohio [Mr. MOELLER], and the gentleman from California [Mr. CORMAN], all of whom are important members of the subcommittee, and have contributed greatly to its work.

I feel that the committee as a whole is most alert to the needs of our space age. We are in a new field. We might be considered to be on an exploratory expedition in many ways. There are no charts, no signposts, no compass to guide us. It means we have to rely upon the ingenuity and the experience and devotion of those who are conducting these inquiries. The committee has made every effort to obtain full information concerning many varied space activities. I recognize, as you do, that we must depend upon the good faith and integrity of those who come before our committee—scientists, technicians, and others who are in charge of these operations.

We cannot check the expenditure of every dollar which they request. This is a large appropriation we are authorizing here today, $3,742 million. It means someone has to give diligent effort to determine whether or not all of these items are justified. I feel that the committee has done everything within its power to ascertain that these expenditures are necessary.

We hear a great deal about whether or not we are ahead of Russia in this space age and what our relative positions are. I personally feel that we are ahead of Russia and we must stay ahead. To do that, large expenditures are necessary and that is why we are here with this bill today.

Our attention has been called to the great thrill we enjoyed in this country recently when Colonel Glenn made his historymaking orbital flight. In Colorado we have a personal interest in the next flight, which is scheduled for tomorrow. Commander Carpenter is scheduled to make that flight. He is a native of Colorado, and was born in Boulder, Colo. He attended school there, and his parents still reside in Colorado. So we are watching with great interest the flight tomorrow, and we certainly want to wish Commander Carpenter a successful flight.

We are reaching for the moon in this space program. There are those who raise some question about the necessity for such a project. They cannot understand the necessity for spending the amount of money contained in this bill. However, we have no alternative if we are to compete in the space effort.

This bill authorizes appropriations to the National Aeronautics and Space Administration for fiscal year 1963; authorizes for research, development, and operation the sum of $2,934,961,750; and for construction of facilities it authorizes projects totaling $736,200,250. This is an increase, it is true, over the authorization for fiscal year 1962. It is approximately double the authorization for 1962 for research, development, and operations, and the construction of facilities request is approximately three times as great as that requested in 1962. These figures appear to be rather large by way of comparison. I would like to direct your attention to those areas where the greatest increases occur.

For example, research and development program requirements for advanced manned space flight go from $122 million to $800 million, and the advanced Saturn program moves from $21 million to $314 million. The request for the Nova program increases from $2 million to $155 million. In other words, concentration of the effort is in the lunar program, and the research and development programs in this bill that call for increases are those necessary to support a successful manned lunar flight.

Mr. Chairman, I want to close by urging support for this bill. The bill has received careful consideration both by the subcommittees and the full committee. No one will contend that we can account for every penny contained in this bill. We cannot do that. We must rely upon the good faith, good judgment, and integrity of those who are in charge of the space program. I have confidence in Mr. Webb and the other NASA officials, and feel they are doing a good job.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CHENOWETH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Mr. Chairman, I would like to compliment the gentleman from Colorado [Mr. CHENOWETH] on his excellent work on the committee. To make Astronaut Carpenter's shot a success, I know that your good work has contributed a really worthwhile part.

Mr. CHENOWETH. I thank my colleague, the distinguished gentleman from Pennsylvania [Mr. FULTON], for his kind remarks. He is one of the most important members of our committee, and I want to commend him on his outstanding contribution to the success of the committee.

Colorado is anxiously awaiting the flight of Commander Carpenter tomorrow. We want to give him the same honors that Colonel Glenn received from his native State of Ohio. We are very proud of this fine American. We pray his flight will be successful.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KARTH], chairman of the subcommittee.

Mr. KARTH. Mr. Chairman, I do not think I am going to take the full 10 minutes. However, I do join the distinguished chairman of the full committee, the gentleman from California [Mr. GEORGE P. MILLER], in speaking briefly not as a scientist but as a layman who has had the privilege of listenting to the greatest scientists in the world during the last 3½ years and carefully, I might say, listened to the reasons why they feel it is important and why they feel it is urgent that we pursue with the utmost speed the Nation's space effort.

I should like, Mr. Chairman, at this point, to thank the members of the subcommittee for being the hardest working members I have had the pleasure of serving with. They have been very diligent in their efforts to attend every subcommittee hearing and have sat through many long hours of what was very complicated, scientific, and technological information which, I am sure, on many occasions we did not properly understand. But we did accept the judgment of the experts who were giving that information to us. So I want to thank the gentleman from New Hampshire [Mr. BASS], and the gentleman from Wisconsin [Mr. VAN PELT], and the three members of the majority; the gentleman from Texas [Mr. CASEY], the gentleman from Missouri [Mr. RANDALL], and the gentleman from Virginia [Mr. DOWNING].

Mr. Chairman, the gentleman from Wisconson [Mr. VAN PELT] has already given to us the explanation of the purpose, or the purposes, and objectives of the Office of Space Sciences. So I will be very brief and merely give the specific dollar amounts involved in the four program areas that were assigned to Subcommittee No. 3.

Before I do that, Mr. Chairman, I should like to point out, however, that the Soviet Union today is pretty much following, or shall I say, falling in the footsteps of the U.S. space program by paying more attention to the scientific satellite programs and not so much attention to the spectacular feats—which heretofore was not true. And I think it lends credence to our position that basic as well as applied research must be done in many fields before we can engage upon more sophisticated programs other than the orbital missions about the earth.

Mr. Chairman, the program of research in the space sciences provides the foundation of knowledge for all other U.S. programs dealing with the exploration and use of outer space. It is therefore the fountainhead of all future U.S. developments in astronautics, including some military as well as civilian developments. In addition, scientific investigation is itself a principal purpose of our national space activities.

The Committee on Science and Astronautics is keenly aware of evidence that the Soviet space program has recently changed direction from spectacular feats toward scientific research. In particular, the Soviet Union has recently launched four successful unmanned satellites within a period of weeks. This indicates the new significance attached by the Soviet Union to research in the space sciences. It emphasizes that our own space science program deserves encouragement and strong support. In fact it lends credence to our position that basic as well as applied research must be done before sophisticated missions beyond earth orbital missions can be undertaken.

In the current fiscal year, the funds available to NASA for this program amount to $387,816,000. The request for fiscal year 1963 is $558,280,000. The committee concluded that a reduction of $32,316,250 would not endanger the basic objectives of the program, and therefore recommends authorization of $511,444,750. In addition, the committee considers the request of $14,519,000 for construction of facilities for the Office of Space Sciences to be reasonable and essential to the operations involved.

The NASA Office of Space Sciences has as its functions the investigation of the phenomena and properties of the earth, the atmosphere, near space and our solar system, from the vantage point provided by orbiting satellites and space probes. Scientists in this Office, conduct basic research, designed to advance our knowledge and understanding of the innermost workings of the universe. To a large extent, the success of the manned spaceflight program depends on the soundness and effectiveness of certain projects conducted by the Office of Space Sciences.

The space science program comprises four distinct parts:

First. The sounding-rocket program; second, the scientific satellite program; third, the lunar and planetary exploration program; and fourth, the development of the launch vehicles Scout, Delta and Centaur.

Mr. Chairman, my subcommittee carefully analyzed the budget requests for each of these component programs. We gave special attention to certain problem areas, including the Centaur launch vehicle upon which we have just temporarily concluded some hearings, and the Prospector lunar spacecraft. I believe that our recommendations, which were adopted by the full committee, reduced the budget items to the lowest levels at which the space science programs can be carried out effectively.

Allow me to begin with sounding rockets.

First. The Office of Space Sciences conducts many experiments with small rockets, which return data over a wide range of low to medium altitudes. These rockets are relatively cheap and reliable. An important byproduct of the program is the training it provides young scientists in propulsion, guidance, instrumentation and launch techniques In fiscal year 1962, NASA was allocated $14,261,000 for this program. The request for the coming fiscal year is $19,157,000, largely for the procurement of 160 sounding rockets. The committee considered this request to be reasonable and necessary, and therefore recommends authorization of the full amount.

Second. Earth-orbiting satellites offer a means of conducting comprehensive scientific experiments in space over long periods of time. They can directly measure geophysical, solar and other astronomical phenomena. In particular, they can obtain information about the Van Allen radiation belts, solar flares, cosmic rays, high intensity rays beyond earth's atmosphere, that continually bombard earth, cause ionization of earth's atmosphere, and other hazards to manned spaceflight.

In fiscal year 1962, NASA was authorized $117,618,000 for this program. The request for fiscal year 1963 is $175,165,000. After carefully reviewing the plans for scientific satellites, the committee reduced this amount by 5 percent to $166,406,750, convinced that the objectives of the program can be achieved by the establishment of priorities.

Third. The first American lunar spacecraft is Ranger, a comparatively simple device designed to "rough land" on the Moon, to send back television pictures as it approaches, and to transmit other data following impact. Nine Rangers in all are scheduled for launching in 1962 and 1963. It is expected that near the end of 1963 they will be succeeded by the more advanced Surveyor lunar spacecraft. During the 3 years following, five Surveyors are expected to orbit the Moon, transmitting pictures of the surface, and another seven are planned for "soft landings."

In addition, NASA has requested $10,400,000 in fiscal year 1963 for a study of another lunar spacecraft known as Prospector. The time schedule for Prospector is estimated to lie in the latter part of this decade. Estimates of the total cost, range from $180 million to $300 million. Prospector is envisioned as a mobile spacecraft, able to land anywhere on the Moon and to inspect particular areas prior to landing.

After careful consideration, the funds requested for further study of Prospector were eliminated, for the following reasons:

First. The extensive Ranger and Surveyor programs, which precede the Prospector program, are designed to accomplish similar objectives.

Second. The manned lunar exploration program scheduled for roughly the same time period as Prospector may render the Prospector program unnecessary.

Third. Basic technical and administrative decisions have yet to be made as to whether the Prospector program would be under the management of the manned lunar landing program or under the Office of Space Sciences.

Fourth. The projected time schedule will permit a reevaluation of the Prospector program. If and when the technical and administrative decisions are made, and if the need can be clearly established, the Prospector program can again be presented to Congress.

Planetary exploration will start with the Mariners, which will fly by Mars and Venus. Beginning in 1965 or 1966, Voyagers will land on these planets, and will conduct surface experiments similar to those which Surveyor is expected to make on the moon.

In addition to eliminating the $10.4 million requested for Prospector, the committee reduced the remainder of the NASA request for lunar and planetary exploration by 5 percent. In the committee's opinion, this reduction will not hamper the lunar and planetary exploration programs in any of their essential features, but should have the effect of requiring the Office of Space Sciences to establish a system of priorities. Thus, the total request for these programs is reduced from $273,560,000 to $250,002,000 for fiscal year 1963.

Lastly, the committee recommends authorization of the full amounts requested for the launch vehicles Scout, Delta, and Centaur. Funds in the amount of $8,947,000 are required to complete the development of Scout as a reliable, relatively inexpensive vehicle of modest capabilities for general space research. The Delta has greater capabilities than the Scout, and has compiled an excellent record of reliability. Funds in the amount of $268,000 will complete the requirements for the 12-vehicle Delta program. Centaur—a high-performance, high-energy upper stage using liquid hydrogen and liquid oxygen—has had a record of failures and delays which the committee investigated carefully. The committee believes that the full amount requested for fiscal year 1963—$66,664,000—should be authorized. There is reason to expect that with greater depth of management penetration under MSFC the Centaur development program will be completed satisfactorily. Furthermore, Centaur occupies a position of key significance to a variety of space programs, including Surveyor, Mariner, and Advent—the military communications satellite.

In closing, may I say to the House that the committee has carefully analyzed the necessity and the cost of these programs. It has also considered the availabilities of technically trained manpower and other scarce scientific resources. I believe that our recommendations are fully supported by the facts in the light of our collective experience.

In conclusion I would like to submit the following summary of our recommendations in the fiscal year 1962 and fiscal year 1963 programs.

The matter referred to follows:

SUMMARY

Budget requests, Office of Space Sciences

Category	Fiscal year 1962	Fiscal year 1963	Subcommittee approves—
I. Research, development, and operation:			
Sounding rockets	$14,261,000	$19,157,000	$19,157,000
Scientific satellites	117,618,000	175,165,000	166,406,750
Lunar and interplanetary exploration	169,964,000	273,560,000	250,002,000
Small and medium launch vehicles	85,973,000	75,879,000	75,879,000
II. Construction of facilities		14,519,000	14,519,000
Total		558,280,000	525,963,750

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I yield.

Mr. FULTON. Mr. Chairman, I want to compliment the gentleman from Minnesota and his subcommittee on their hearings, especially on the Centaur booster, also on the Prospector program. I believe the action of the gentleman's subcommittee on the Centaur booster program has brought about a new awakening amongst various people as to what this program is going to mean to our Nation and caused them to take a good look to see that it gets efficient management. I compliment the gentleman and his subcommittee.

Mr. KARTH. I thank the gentleman from Pennsylvania.

Mr. DOWNING. Mr. Chairman, will the gentleman yield?

Mr. KARTH. I yield to the gentleman from Virginia.

Mr. DOWNING. As a member of the subcommittee which handled this phase of the program I would like to take this opportunity to compliment our chairman, the gentleman from Minnesota [Mr. KARTH], for a magnificent job on subject matter so technical as sometimes to be almost beyond understanding. But our chairman exhibited a rare and unusual intelligence, and he dealt efficiently and expeditiously with the hearings. I congratulate you, sir, on a job well done.

Mr. KARTH. I thank the gentleman.

Mr. FULTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. RIEHLMAN].

Mr. RIEHLMAN. Mr. Chairman, at the outset I would certainly like to commend the chairman of our full committee, the gentleman from California [Mr. GEORGE P. MILLER], for the diligent and constructive manner in which he managed the hearings this year. Also I have alluded to the chairman of the subcommittee of which I am a member, and what I have to say about the gentleman from Texas I am sure are the sentiments of the other members of the committee as well.

We were charged with the responsibility of carrying out a certain portion of this bill which we have before us.

I also notice that the Speaker of the House has just returned to the floor. I would like to say a word about his interest in this field of exploration of space. It does not go back solely to January 1959, the original date this committee was instituted. It goes back to some years ago when the distinguished Speaker and I served together on a committee concerned with studying research and development in the Department of Defense, an area of interest which we have followed, through the years, with a great deal of concern. I am sure that what we have accomplished up to this time, and what we will accomplish in years ahead, will be of tremendous interest to him. A great deal of credit must go to the distinguished Speaker for following this program as carefully and thoroughly as he has.

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. RIEHLMAN. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. I am afraid my good friend from New York has stolen my thunder. I have some notes to pay my compliments to the Speaker of the House for the sterling leadership he gave this committee as a select committee in getting it off to a proper kind of start. Everything we have done reflects on him, and I want to thank the gentleman for what he said about me. He is a great individual in his own right.

Mr. RIEHLMAN. I thank the gentleman. He knows I would not endeavor to steal any thunder from him. I have developed a high respect for the gentleman who is now our Speaker through my association with him through the years. What I am going to say certainly is not different, I do not expect, from what you have heard to some degree here today.

Mr. Chairman, the bill before us represents a thorough effort on the part of the Committee on Science and Astronautics to become as knowledgeable as possible about our vast space program; to be as wise and responsible as possible in providing financial support for that program; and to be as helpful and effective as possible in providing legislative guidance for NASA's efforts.

A particularly thorough effort was made by our subcommittee on manned space flight, under the able leadership of our chairman, the gentleman from Texas, Olin Teague.

No one could have been more effective and resolute than the gentleman from Texas in ferreting out essential information relative to the requests presented to our subcommittee.

The bill before us authorizes a considerable expenditure, and I think we realize that it represents only a beginning.

We are only laying the groundwork now for tremendous efforts and tremendous costs in future years.

It is proper, in fact essential, therefore, that we take stock of our efforts and our direction at every turn.

I think our committee fully appreciates and has effectively exercised its responsibility to give continuing legislative direction to the space program.

The question is always raised as to what justification there can be for spending nearly $4 billion a year on space exploration.

The justification has been dealt with several times over by other Members here today.

First are the obvious benefits which I feel are very compelling.

First are the obvious benefits which will accrue to mankind as a result of our space ventures.

We have already made great strides forward in the fields of communications, navigation, anticipating and coping with weather problems, and in the field of medical and related benefits.

The most compelling of these two justifications, and the most convincing answer that I can give to the question of "Why this tremendous effort?" is that maintenance of a space capability equal to or greater than that of the Russians is nothing less than a matter of survival.

Great emphasis has been placed on the exploration of outer space for peaceful purposes, and I only wish that this could continue to be the dominant theme of our efforts.

But we cannot fool ourselves into thinking this is the only reason the program exists.

The military implications of the space race are too obvious to be ignored, and we cannot permit ourselves to ignore them.

The probability that any nation which can dominate outer space can in turn dominate the earth, is not to be taken lightly.

Dr. Edward Teller has remarked that the nation which controls the moon also controls the earth.

There is more than a grain of vision and truth in such an observation.

In considering why we must spend these huge sums of money we must never lose sight of the fact that every scientific and engineering development, every technological breakthrough in the exploration and utilization of outer space is a contribution to the survival of this country.

I would like to point out one specific portion of this bill which I feel will be of interest to the Members.

At my request, the full committee included an amendment in this bill requiring NASA to utilize the established design criteria and construction standards of either GSA, the U.S. Navy Bureau of Yards and Docks, or the U.S. Army Corps of Engineers until such time as NASA develops its own.

There is a lot of construction in store under the space program—nearly three-fourths of a billion dollars worth provided for in this authorization—and testimony before our subcommittee revealed that NASA does not have any uniform approved design criteria or construction standards.

They are following a policy established under the old NACA which allowed the particular architect-engineering firm engaged to perform engineering design and supervision of construction to establish themselves the necessary design criteria and construction standards for the particular work they were hired to do.

This does not always result in construction of austere and simple facilities.

NASA will eventually have to establish standards of its own similar to those provided for its guidance in this bill.

Due to the increasing costs of the NASA space effort, it appears mandatory that all NASA facilities be designed and constructed on an austere basis, and that is what this bill provides for.

I might even go so far as to suggest that NASA adopt as its watchword in this area "spartan simplicity—less 50 percent."

Our subcommittee heard testimony from those in charge of the man-in-space program at NASA., representatives of the General Accounting Office, industry representatives, and representatives from all the armed services.

From industry we endeavored to get an appraisal of the managerial ability of NASA, looking directly at its lines of authority, so that it would be in the best possible position to supervise all of its various programs in house and under contract with industry and educational institutions.

From members of the armed services we searched for areas of duplication both in research and development efforts and in the use of facilities.

From the General Accounting Office we endeavored to obtain a report of their investigation of certain activities carried out by NASA, particularly in the field of contracts and procurement procedures.

From the testimony and information gathered from these groups, we were in a much better position to recommend any necessary changes in the managerial and contractual procedures, and certainly eliminate or defer authorization for any programs which we felt involved duplication of effort and could be cut back without endangering the space program.

We have seen fit to make certain adjustments and cuts in several areas.

There are still some differences of opinion and areas of doubt, but as in past years, the complicated nature of the space program and the lack of previous experience on which to base judgments, have made it necessary that we take many of NASA's recommendations on good faith.

Exploration of the unknown is beset by many uncertainties, and it is essential in many instances that we have faith in the judgment and capacity of the NASA people.

This faith has certainly been amply rewarded in the past.

Some reductions were made: $1 million in the research, development, and operations portion of the bill; $80,130,000 was cut from the requests for facilities construction.

This left total authorizations in our subcommittee's sphere of activity, of $1,623,840,000 for research, development and operations in the field of manned space flight and $554,600,000 for construction of facilities in support of manned space flight.

The changes and reductions made and the amounts recommended are based on a conscientious and objective appraisal of our studies and those of the members of our staff.

I want to say to the Members in closing, that in my opinion this is a good bill, a bill which has had the best efforts and attention of every member of this Committee on Science and Astronautics. It deserves the support of the Members of the House.

Mr. DADDARIO. Mr. Chairman, will the gentleman yield?

Mr. RIEHLMAN. I would be glad to yield to the gentleman from Connecticut.

Mr. DADDARIO. Mr. Chairman, I would like to commend the gentleman from New York [Mr. Riehlman] for the fine statement he has made and for the work he has done on the committee, together with the other members of the Subcommittee on Manned Space Flight, which is headed by the gentleman from Texas [Mr. TEAGUE], who gave each and every one of us every opportunity to investigate each detail of this part of the program.

Mr. Chairman, I am going to comment at the moment, because of some of the remarks made by the gentleman from New York [Mr. RIEHLMAN] with reference as to the direction toward which our manned space program is going, and to the justification for the money expended. I think this has been touched on time and time again but it is important that we talk about the management concepts which we did look into, and which I know were of great interest to the gentleman from New York in particular.

Mr. Chairman, as a result of these hearings and because of the activities which have gone on in the past, the Air Force can obtain great benefit from the civilian space program, and is establishing a commander of manned space flight to keep in constant touch with the developments in this program. This is a great step ahead on the part of management, because it brings together the civilian and military personnel so that they might help each other to cross some of the important scientific bridges which will be gapped.

Mr. Chairman, I would also like to make reference to the use of facilities which the gentleman from New York [Mr. RIEHLMAN] mentioned. We have seen to it that there is being developed by the NASA and the Department of Defense and agreement so that the bioastronautic facilities now in existence in this country, totaling some $50 million, and including a very scarce type of personnel of which we are admittedly in short supply. This will be an agreement for the development of these facilities and will be on a cooperative basis from this time on. It is in our report that this agreement be reached at the earliest possible time.

Mr. Chairman, there is no question but that there has been a big financial jump ahead. It is justified. But it has been justified by past performance within this program. Certainly those of us on the Manned Space Flight Subcommittee headed by the gentleman from Texas [Mr. TEAGUE] saw to it that the management people who came before us not only had justified themselves by past performance but also by their grasp of the management problems involved in the enlarged program ahead.

Mr. Chairman, I also want to thank the gentleman, the chairman of the full committee [Mr. GEORGE P. MILLER], for having given all of us the opportunity to look so closely into this program.

A year ago the Congress and the American people responded enthusiastically to President Kennedy's call for a massive expansion of the national effort to investigate outer space and to land an American on the moon within this decade. Since then the U.S. space program has grown at an incredible pace. The number and capacity of the scientific satellites which we have placed in orbit have given us reason for confidence in our ability to perform useful functions in this hostile new environment.

The Explorer series and related satellites have provided us with discoveries about the radiation hazards in outer space, as well as with other important data. Transit satellites have demonstrated their usefulness as novel instruments to improve navigation at sea and in the air, regardless of weather conditions.

Tiros weather satellites have already begun to transmit highly valuable meteorological information, including reports on the weather from previously inaccessible areas. The Tiros satellites have enabled us to discover an unexpectedly large degree of organization in cloud systems within the atmosphere. This could lead to a truly global system of weather reports and the information we need to secure weather modification. One of these same satellites, Tiros III, is credited with having discovered the storm which we came to know as Hurricane Esther. Such a discovery is a phenomenal accomplishment for an experimental program.

Of greatest significance during these 12 months was the success enjoyed by our Mercury manned space flights. All of us must take pride in the safe launching and return of Shepard, Grissom, and Glenn, our first three astronauts in space. This venture was so heroic and memorable as to defy comparison with any scientific undertaking of the past.

These brief remarks serve only to illustrate the broad advances made by the Nation's space scientists since the President's historic call for a more vigorous effort in this new field. When the President made his proposal to the Congress, he noted that there would be no use starting an enlarged space effort unless the United States is willing to follow through over an extended period. He made it clear that, if Congress approved his plans in this field, we would properly be expected to support the program with the necessary authorizations and funds to accomplish the stated goals. During the current fiscal year the Congress has responded by appropriating more than $1.7 billion for the National Aeronautics and Space Administration.

For fiscal year 1963 NASA will require a major increase in its budget if it is to continue its research and development program at a pace which will insure the necessary progress in space science and technology. After long study and refinement of the NASA budget request for the coming fiscal year, the Committee on Science and Astronautics has recommended an authorization bill which provides $3,742,162,000 to the civilian space agency. This is the major portion of the entire U.S. space program. Related expenditures by the Department of Defense, the Atomic Energy Commission, the Weather Bureau, and the National Science Foundation will bring the total national investment in space-related activities to approximately $5½ billion for fiscal 1963. As plans stand now, the NASA budget requirements will rise during fiscal 1964 to between $5 and $5½ billion, remaining at about that plateau through most of the remainder of the decade.

Those of us who are members of the committee have studied the NASA proposals thoroughly to determine our capacity as a Nation to accomplish its projected ends. In my opinion NASA has demonstrated its ability to guide a program of such magnitude and I wholeheartedly endorse H.R. 11737 and urge the House to lend the NASA authorization its full support. In doing so I want once more to stress the true nature and importance of the space program.

The American space effort at present is entirely a research and development program. Operational communications satellites, weather satellites, navigational satellites—all these and many other applications of the knowledge we are now gaining will come in the future. But right now and for many months to come we shall be engaged in preliminary research and development to enable us to move into outer space, to learn things there, and to do useful things beyond the earth's atmosphere. The direct applications which will emerge from these efforts will undoubtedly have repercussions of immense significance for the United States and all mankind. But the indirect benefits are already proving themselves to be fully as valuable.

The basic value of the space effort is the stimulus which it is giving to overall scientific and technological improvement. The skills and techniques, the materials and devices, the basic insights into the composition and operation of the universe—these necessary ingredients of a successful space program will provide our Nation with unprecedented scientific and technological vigor. There has never been an undertaking to equal our planned venture into space in this respect. Even the Manhattan Project is dwarfed by comparison with the endeavor which we have now begun.

I spent several days recently in Great Britain as a participant in the European-American Assembly on Outer Space. Many of Europe's leading scientists, statesmen, and businessmen attended.

I was struck by a recurrent theme in their comments about the American space program and their own concern about the scientific and technical capabilities we are developing as a result. We must not overlook the central fact that scientific and technological strength is a principal element in our economic vitality and of definite benefit in the field of commercial competition. This fundamental asset is greatly enhanced by our investment in the space program.

One area of concern to me, as our committee studied the NASA requests for 1963, has been the plans for research and development in the area of bioastronautics. This field merits special attention for a number of reasons. First of all, it is from our expanded research in bioastronautics that we can expect some of the most immediate and significant public benefits here on earth. One of the major lessons of our work in aviation and space medicine since the end of World War II has been that discoveries here find frequent and important application in other medical fields.

Already the developments in medical instrumentation which have come out of bioastronautics in its earliest phases are proving to have multiple uses. The techniques and equipment which are used to telemeter vital information about the physical conditions of astronauts in flight are beginning to be incorporated in modern hospitals. Tiny electrodes and other instruments are transmitting essential data about heart patients to a central console, permitting a single nurse or technician to maintain continuous surveillance over many patients far more effectively than several nurses could have done the job previously. Instantaneous detection of danger signals will enable the doctor to move more rapidly than ever before to help prolong the lives of cardiac victims.

From research into the biological hazards of space flight, new drugs are being identified which alleviate motion sickness and reduce the adverse effects of radiation. Other chemical developments are helping in the treatment of some forms of mental illness and even tuberculosis. Restraint techniques perfected in antigravitational space suits are finding a role also in certain cases of deficient blood flow. Dental patients are benefiting from use of the so-called air turbine drill, a device which does its work with remarkable speed and a minimum of pain and which stems in part from space-related research.

Many advances and improvements in various aspects and pursuits in American life can be attributed to studies, research, or technical development undertaken by aerospace medical specialists and the biological and physical scientists and engineers who work with them. These include advances in commercial aviation, education, civil defense, highway safety and so on. I have visited laboratories where advanced research is in progress relating to brain activity and the heart, and seen what we are doing as we conduct experiments on living beings under extreme stress. I believe these offer great possibilities of new knowledge that will benefit mankind. That is one reason why bioastronautics is a major area of interest in the national space program.

But bioastronautics is a crucial area for other reasons as well. The wise allocation and efficient utilization of the Nation's resources in this field are especially important because the necessary personnel and facilities are in critically short supply. It is in an area such as this that the Congress must demand and obtain maximum efficiency by the operating agencies. Moreover, by careful attention to a complicated field such as bioastronautics the Congress can learn a great deal about the administrative capacity of an executive agency to meet the toughest management problems. This is one reason why I have studied NASA's bioastronautics effort so closely.

The fact is that by far the largest number of facilities and qualified personnel in this field are found in the Department of Defense, which has its own bioastronautics requirements. It is clearly in the national interest to make certain that NASA does not undermine the DOD program by siphoning off scarce personnel and does not waste funds by duplicating facilities which are available in the Defense Department to support the civilian space effort. At the same time we must protect the DOD capacity to fulfill its essential functions in the military area. Fortunately, the basic bioastronautics research and development needs of NASA and DOD, aimed at supporting man in space, are sufficiently similar to permit and to encourage cooperative projects.

It is essential that coordination between NASA and the DOD in the field of bioastronautics, as elsewhere, be smooth, continuous, and effective. While recognizing NASA's need for in-house competence in bioastronautics, the committee has properly insisted that "all facilities, wherever found, be used to the maximum extent and that all available bioscience manpower and talent be utilized as effectively as possible." NASA and the Defense Department are now working on an agreement to bring this cooperation about. Our report indicates that this should be accomplished at the earliest possible date.

We all must recognize that an integrated national program is an economic and political prerequisite to success in the space age. The civilian and military space efforts must advance in tandem and the progress of one must contribute to the progress of the other. Just as the military services have supported and must continue to support NASA, so the civilian agency must feed its information and technology back into the system of national defense. Unless and until we are able to work out realistic agreements to internationalize outer space and to prevent its use for hostile military activities, the security of the free world depends to a significant degree on our pursuit of technology adequate for any foreseeable military roles in space.

Our establishment of and emphasis on NASA are a measure of our earnest desire to reserve this new arena for peaceful purposes, but none of us would argue that this commitment requires our unilateral self-denial of research and development essential to national security. Present world conditions force us to move forward on many fronts in quest of the elusive goal of a peaceful, prosperous, and secure world. As Dr. Edward Welsh of the National Aeronautics and Space Council has said so eloquently, "We must build our space power to enable us to keep the peace and to help us live better at peace."

Man's advance into space will contribute much to our knowledge of the basic sciences, physical and life, which will increase our understanding of the universe and of life itself. The national investment in space exploration has provided new materials, metals, alloys, fabrics, and compounds which have gone into commercial production. We are confident that the space program will advance the fight against cancer through better instrumentation developed through research in bioastronautics. Addison M. Rothrock, who is associate director in the office of plans and programs evaluation at NASA, has expressed his conviction that men cannot effectively work on the space challenge without developing their intellects and their capabilities to the limits.

These are some of the benefits of the program which the United States is supporting. As in every instance of a federally directed program, it has been important to screen the proposals to determine if they are practical, realistic, and within our capabilities.

The Committee on Science and Astronautics has scrutinized and adjusted the NASA budget to insure that the civilian space agency fulfills its designated role as America's primary instrument for exploration and exploitation of outer space. NASA's scientists and administrators have earned our confidence as they have accomplished certain objectives and as they have prepared themselves to meet the challenges of our increasingly larger programs. I hope the House will record its strong approval of the space agency's performance to date and its firm support of NASA's plans for the future by favorable action on the present authorization bill, H.R. 11737.

Mr. RIEHLMAN. Mr. Chairman, I want to thank the gentleman from Connecticut for his remarks. I want to reassure him—and I am sure I do not have to do so—and the Members of the House that under the leadership of our subcommittee chairman we are going to see that this managerial program is carried out. We are going to keep a close eye on the activities, not alone in NASA, but also on the possibility of duplication of agreements between the Department of Defense and NASA in the future.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. RIEHLMAN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I want to say that the gentleman from New York [Mr. RIEHLMAN] has done good and constructive work, and it has been very effective.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, this has been a very exciting experience. I want to thank and compliment the chairman of the full committee, the gentleman from California [Mr. GEORGE P. MILLER], for his able and energetic leadership. I also compliment my colleagues on the subcommittee, the gentlewoman from New York [Mrs. WEIS], the gentleman from Washington [Mr. PELLY], the gentleman from Indiana [Mr. ROUSH], the gentleman from Georgia [Mr. JOHN W. DAVIS], and the gentleman from Louisiana [Mr. WAGGONNER].

Mr. Chairman, I would add only one small note of warning here. It has been all sweetness and light here this afternoon in the consideration of this authorization bill. In perhaps a few minutes we will be able to pass with an overwhelming vote an authorization bill of some $3.7 billion. It seems to me that in order to replenish the well springs of our talent, we must devote additional emphasis to educating, to producing the scientists and engineers to enable this country to move forward in the space program. I only sound this note of warning because of the great ease with which we pass this great bill, but do not consider the amount of emphasis which we must place on education in order to keep America strong not only in space but in all phases of development.

Mr. Chairman, this authorization bill includes $51,185,000 for weather satellites, known in the trade as meteorological satellites; $85,377,000 for communication satellites; and an authorization of $158,410,000 for tracking and data acquisition networks.

WEATHER SATELLITES

Weather satellites offer exciting possibilities. Economically, weather satellites will be able to produce data which will provide vast benefits, not only to our own people, but to peoples everywhere.

Starting 2 years ago, we have launched four Tiros meteorological satellites, the most recent of which, Tiros IV, was launched February 8, 1962. These four Tiros satellites have transmitted back to earth about 100,000 photographs which have provided a wealth of information promising to advance dramatically the science of meteorology.

What do these satellites examine? They can observe cloud cover, storm location, precipitation, temperature, wind direction, heat balance, water vapor, and other constituents of the atmosphere. We are already making steps toward more adequate warnings which protect life and property from weather disasters, safeguard transportation, aid in crop planning and protection, and aid in industrial planning.

The main division of responsibility between the National Aeronautics and Space Administration and the Weather Bureau is that NASA develops and launches the spacecraft, develops the ground stations, and provides for data acquisition from these weather satellites. Then the Weather Bureau comes along with the responsibility for actually processing, interpreting, analyzing, and disseminating the data obtained from these satellites.

A big chunk of these authorization funds for weather satellites for NASA goes into the flight program. A little over 75 percent of the funds are for the flight program itself. The balance of the funds are for advanced technical development and advanced research, in a constant, restless effort to improve the sensors on these satellites, the television cameras, the infrared detectors, radar, the data storage and transmission, and the whole technique of unlocking the secrets of the atmosphere and transmitting these secrets back to earth.

Up to now, our knowledge of the weather affecting about 90 percent of the world each day is either extremely scanty or nonexistent. There are many people taking weather soundings from the land masses of the world, but there is so little that we know about the vast sea areas of the earth which are the breeding grounds of the hurricanes and typhoons that annually destroy thousands of lives and millions of dollars' worth of property.

What are we really aiming to do by investing these millions of dollars in meteorological satellites? By this means we hope to have a capability for worldwide coverage. By 1965 or 1966 we hope to have the capability of covering all of the earth in a comprehensive way.

Before the end of the year, there will be three more Tiros launchings. Then NASA will move on to launch a new type of weather satellite called Nimbus. The Nimbus satellite will be stabilized in such a way as always to point toward the earth. The sensory systems will be developed and improved. The first Nimbus will be launched at the end of 1962 and will be able through infrared devices to view nighttime cloud cover among other things.

In order to achieve a really effective capability with these weather satellites, NASA will work on the development and flight-testing of earth-stabilized satellites for polar orbits 500 to 1,000 miles high, and also stationary satellites for equatorial orbits at an altitude of 22,300 miles. Such satellites will enable worldwide coverage. These satellites will, of course, have a unique vantage point above the atmosphere, and make new measurements possible, in contrast to the coverage of 5 to 10 percent of the earth which we now have.

Up to this point, I have discussed the satellite program. I would also like to add that a portion of this authorization will go for what are known as sounding rockets. We recognize the advantage of obtaining weather data beyond that we have been able to obtain by sending up balloons. Above 20 or 25 miles in height you reach the limit of data you can obtain from balloons. Likewise, at about 100 miles in altitude a satellite reaches its lower limit and it is difficult to collect any more data. That is the basic reason for sending up exploding rocket grenades to cover this intermediate area.

Several series of successful firings have been held at Wallops Island and Fort Churchill, permitting calculation of wind and temperature. About 30 launchings are planned in fiscal 1963 with the current authorization.

These meteorological satellites and sounding rockets have both military significance and international implications. Improved weather information is a great weapon of freedom as it enables all peoples to improve their welfare through a better knowledge of weather conditions, and their predictability.

Naturally, the data we can obtain on weather can and does have great military significance. Actually, the Tiros program was first developed by the U.S. Army Signal Corps before being turned over to NASA in 1959. There has been established a Joint Meteorological Satellite Advisory Committee to coordinate research and development activity in meteorological satellite development; and the Department of Defense which is represented on that committee has expressed its approval of the operation of that committee in terms of fulfillment of military requirements.

Since weather satellites furnish such a dramatic example of how we can get a rich return on our investment, I want to elaborate on this point. Let us take one of our weather satellites, Tiros III, sometimes called the hurricane hunter satellite. On more than 50 separate occasions, Tiros III photographed tropical cyclones in all stages of development. Five hurricanes and one tropical storm were seen in the Atlantic; two hurricanes and a tropical storm were seen in the eastern Pacific. Typhoons Kathy through Tilda, nine storms in all, were followed in the central and western Pacific. A total of 50 advisories on these storms were phoned or radioed to Guam, Honolulu, San Francisco, San Juan, the Japanese Meteorological Agency, New Orleans, Manila, Hong Kong, and Taipei. In several cases, the Tiros photographs uncovered severe weather situations which the conventional methods failed to detect.

We are all interested in the cost-benefit ratio of what we are putting into the space program, although you cannot get your yardstick out of the way the Corps of Engineers do with our rivers and harbors. My Weather Bureau friends tell me that scientific research has already improved forecasting techniques so that warnings of hurricanes have reduced the average annual loss of life from such storms in coastal areas of this country to less than one-fiftieth of the average losses 2 dacades ago.

Improved weather forecasts for agriculture could provide great reductions in cost for such items as spraying and dusting as you can improve predictability of showers. Seasonal forecasts could lead to very large savings in seed, fertilizer and equipment in years when crops are destroyed by late freezes, spring flooding, et cetera. Airline operations would be greatly assisted by improved forecasts. You can use data to compute minimal flight paths to provide appreciable savings. For example, a recent flight path from Wake Island to San Francisco was planned for a decided departure from the great circle route, but with a savings of $1,350 for this one flight. Planning by use of better weather data can also reduce the number of flights circling and waiting for instructions to land.

Direct use of satellite observations to measure snow cover in mountainous areas where data are extremely sparse could help improve estimates of snow and future release of water. Satellites can also give information about ice coverage in polar and subpolar navigational waters. The complete picture of weather over oceans would improve ship routing techniques. For example, the Military Sea Transportation Service tentatively estimates that each hour saved in cargo ship operation is a saving of $200 to them alone.

COMMUNICATIONS SATELLITES

This bill provides for an authorization of $85,377,000 for communications satellites. As with the meteorological satellites, the bulk of this amount is for the flight program, that is getting these satellites up and into orbit; $80,216,000 of the $85 million-plus is for the flight program, and the balance of the authorization is for advanced research and advanced technical development.

Right now we use high-frequency radio and submarine cables for our worldwide communications system. The high-frequency radio communication depends for its use on the ionosphere which varies greatly seasonally and geographically, and is also affected by the 11-year sunspot cycle.

Communications satellites offer the possibility of microwave communication over long distances by providing relay stations at altitudes where they can be viewed simultaneously from all points within vast areas of the earth's surface. The capacities of the existing systems which connect major population areas are at the point of saturation. The communication satellite system promises to expand our international communications by more than 20 times.

For instance, it is the judgment of many experts that a working communications satellite system will be able to handle in 1 hour all the present communication traffic we are experiencing each day. In addition, worldwide television will be possible for the first time, and this will be significant in breaking down the cultural and political barriers between nations with which we are presently confronted.

A good deal of advanced research and technical development is still needed to perfect a worldwide communications satellite system. For example, we still have to learn more from our scientific investigation about how orbital developments affect satellite use, what is the technical advantage of various communications satellite systems, and how best to locate earth terminals for worldwide service. This authorization will also investigate the applicability of nuclear power supplies, such as Snap-8, to communications satellites.

We started out in this communications satellite business with what are called passive reflector satellites. That is a satellite which does not carry with it any power supply receiver or transmitter and is in effect a radio mirror in the sky. We are now developing active repeater satellites which carry receivers, transmitters and sufficient power supply so that the message to be transmitted is received, amplified and transmitted to the far terminal.

If you use a low orbit, you need a greater number of communications satellites to cover the earth. We are working toward the development of a very high altitude system which will allow three orbiting communications satellites at an equatorial orbit at 22,300 miles' altitude to cover the earth.

NASA is also studying techniques for launching a number of satellites into orbit from a single booster vehicle. This multilaunch concept will, of course, save a great deal of money necessary for launch vehicles, which constitutes such a heavy cost.

Various private concerns interested in the communications satellite development have estimated that it might be possible to have an operational communications satellite system by 1965. NASA officials have made a more sober estimate of the timing of an operational communications satellite system, and have made the prediction that it would more likely be 1967 or 1968 before we have enough hardware and experience to term the system operational. Limited operation might take place earlier, however.

The funding of the communications satellite system in 1961 was $33.8 million, in fiscal 1962 it rose to $48.4 million and for fiscal 1963 we are requesting an authorization of $85.3 million. Because larger launch vehicles will be used and somewhat more complex satellites, plus additional ground system support, the funding will probably rise somewhat for a year or two and then level off. Even with the work being done by the various private concerns now interested, active and responsible in the communications satellite field, we will still need Federal funds for the expensive launch vehicles and the necessary research and development to move forward in this vital area.

TRACKING AND DATA ACQUISITIONS

This bill includes an authorization of $158,410,000 for tracking facilities, data acquision and data computations. Of this amount, $74,645,000 would be expended for equipment and components; $67,815,000 for network operations; and $15,950,000 for systems development.

The worldwide network of tracking and data acquisition stations is of course the critical element in getting information back to the managers of a mission. These stations are linked together with the NASA data centers by a communications net. They receive and record telemetered data, track the spacecraft in order to determine its position, and transmit command signals as required. Of course each flight mission has its own requirements for tracking accuracy, signals and ground instrumentation. As the number and complexity of planned space missions increases, the capabilities of the ground instrumentation must be augmented.

In the satellite network, there are 12 optical stations operated by the Smithsonian Astrophysical Observatory, and 14 electronic stations operated by the Goddard Space Flight Center. In the current authorization we are considering, there are funds to provide additional support to meet the requirements of the first launches of communications satellites Relay and Syncom, the weather satellite Nimbus.

The manned space flight network consists of 16 prime stations that provide information concerning the location of the manned spacecraft, status of the equipment on board and, most important, the condition of the astronaut. For Project Gemini and Project Apollo, it will be necessary, of course, to expand the capability of the tracking network.

Among the items in the current authorization bill is $14,250,000 for the construction and installation of an advanced antenna system to be used for deep space vehicle tracking and communication, at Goldstone Station, Barstow, Calif. This is a big dish 85 feet in diameter. It is one of the stations needed to obtain tracking and telemetry data from, and to send commands to, space vehicles at lunar and interplanetary distances. You need for this purpose very high gain, large parabolic antennas, along with the most advanced receiving and detection equipment available.

In conclusion, I want to express the pride of our committee in the progress which our Nation is making in the space program. I want to pay tribute to the tremendous personal courage and patriotism of the astronauts, the genius of our scientists and engineers, and the determination of everyone associated with this program that America must and will take the lead in the worldwide efforts to explore space.

Mr. Chairman, there follows an account prepared by the Weather Bureau entitled "Economic Benefits To Be Expected From Meteorological Satellite Input Into National Storm Warning System":

> The Nation's growth in population, economy, and technology has brought about increasing dependence on weather information. For weather forecasting for the United States it is necessary to have synoptic reports from all over the globe. At present our data for the vast ocean areas which cover 70 percent of the earth's surface are limited mostly to points along the principal sea and air lanes. These data limitations permit only the broadest kind of hemispheric weather charting and this only for the Northern Hemisphere. Very little is known of the relationship between the weather of the two hemispheres and the effect of the high atmosphere on the weather observed in man's present environment.
>
> Earth satellites serve as global weather observing platforms. The satellite makes possible for the first time a truly worldwide survey of clouds and storms. Clouds are visual indicators of atmospheric motion and make possible the detection and location of most high- and low-pressure areas and storm centers. This information will contribute greatly to weather forecasting, particularly over the important ocean and sparsely populated land areas from which few observations are now received, and in coastal areas.
>
> Satellite observations furnish a wealth of new data in blindspots, blank areas where we now need information and do not have it. Weather satellites have already discovered and fixed locations of tropical disturbances (hurricanes) more accurately and pictured their configurations and movements more clearly than could be done by any other available means.
>
> There are many benefits to be gained through space satellites that cannot be evaluated in dollars. In the past, scientific research has improved forecasting techniques so that warnings of hurricanes have reduced the average annual loss of life from such storms in coastal regions of this country to less than one-fiftieth of the average losses two decades ago. Property losses have been greatly reduced by advanced preparations made possible by earlier warnings. In most parts of the world these methods of storm detection and warnings are not yet available. In the United States much more will be gained through protection based on further advances in forecasting other weather anomalies and atmospheric disturbances. Satellite observations will contribute much to these advances. Eventual benefits will depend also on the extent to which weather modification may be found possible. Although no firm estimates of cost-benefit ratio can be given now for meteorological satellites, surveys of the many uses of weather reports and forecasts in this country show that reduction in losses from storm and bad weather damage by virtue of preparedness based on forecasts in this country, now exceeds a billion dollars annually in

addition to large savings in human lives, and it is reported that more definite forecasts longer in advance would double or treble the benefits. These figures refer to this country. The total would be many times greater if technical advances were applied to meteorological services all over the world which would gain from satellite observations.

The international aspects of meteorological satellites have been stated by President Kennedy and others responsible for international relationships. The significance of these matters with respect to human welfare and national prestige is incalculable.

Examples of economic benefits:

1. Recent studies show that the value of improvements in forecasts can be very large. In one case history, a 100-day study concluded that full use of currently available weather information could cut losses caused by weather for a trucking company by a third, while improved forecasting could cut remaining losses another 80 percent if the information were supplied efficiently.

2. Research studies of the heat budget of the earth and of the atmosphere would be greatly helped by satellite radiation observations. The development of longer range, including seasonal, forecasts is believed to be dependent upon an improved knowledge of this heat budget. Long-range weather forecasts would have practical applications in so many hundreds of activities and occupations that the benefits and savings are incalculable. They would certainly run into the billions each year.

3. Airline operations would be greatly assisted by improved forecasts. Use of weather data to compute minimal flight paths can provide appreciable savings. As an example, a recent flight path from Wake Island to San Francisco was planned for a decided departure from the great circle route, but with a saving in estimated flight time of 1½ hours with a resulting estimated saving of $1,350 for this one flight. Planning by use of weather data can also reduce the number of flights circling and awaiting instructions to land. Acceptance rates can be geared to the weather at a given terminal and takeoffs at origination points controlled accordingly.

The planning of airline schedules so that large numbers of planes are not grounded in areas of widespread inclement weather is also an important economic factor.

4. Improved weather forecasts for agriculture can provide very large reductions of costs. In 1959 it was estimated that 312 million acres were under forms of cultivation that could require spraying or dusting schedules. The saving of only one application of spray or dust each season to this overall area through improvement of shower probability forecasts would result in savings of many millions, probably hundreds of millions of dollars a year for the world as a whole. Of course, many agricultural activities other than spraying would be served through an improved weather service. Seasonal forecasts could lead to very large savings in seed, fertilizer, and equipment costs in years when crops are destroyed by late freezes, spring flooding, etc. Seasonal forecasts would serve optimum use of multiple-purpose dams, and more efficient use and realistic planning for storage of fuels.

5. Direct use of satellite observations to measure snow cover in mountainous areas where data are extremely sparse could help improve estimates of snow and future release of water for power, for agricultural purposes, etc. The measurement of surface temperatures by satellites also appears feasible and could contribute to estimates of snowpack melt and runoff.

6. Satellites give information about ice coverage in polar and subpolar navigational waters. Through complete ice reconnaissance by satellites it has been estimated that the United States and Canada together could save $1¾ million per year in aircraft and ship reconnaissance operations.

7. The complete picture of weather over oceans would improve ship routing techniques. The Military Sea Transportation Service tentatively estimates that each hour saved in cargo ship operation is a saving of $200 to them. On the basis of average savings of 14.5 hours for both oceans combined, these figures would result in an average saving of $2,900 per ship crossing. On passenger ships the cost of meals for passengers, etc., would be added to this estimated savings.

8. Global observations by Nimbus satellites will provide a better record of storm tracks. These would help support better estimates of probability of storms along coasts. This information used together with estimates of roughness of the seas derived from satellite observations spectral images of the sun reflected from the sea surface, could provide improved estimates of storm surges on coasts. Lives as well as economic factors are at stake here.

9. The locating of tropical storms in sparse data areas is one of the most important contributions that is available for improvement of weather services through use of satellite observational data. Of special significance are the areas in western Gulf of Mexico, off the west coast of Mexico, and in the vicinity of the Hawaiian Islands. Other areas where great loss of life occurred in recent years with undetected typhoons includes the Bay of Bengal and Indian Ocean. There would be reductions in the present expenditures for aerial reconnaissance to discover hurricanes.

10. Since the Armed Forces must operate in the air, on land, and on and under the sea, they are particularly interested in environmental conditions. In the past, the lack of adequate weather information in a theater of military operations has all too frequently resulted in loss of life, loss of millions of dollars, crippling damages, disruption of plans, and the reduction of readiness and effectiveness. Adequate weather information of the type required is most difficult to obtain over inaccessible areas such as the vast oceans and certain land areas of the world. Satellites can be used to obtain much of this information, which would otherwise not be available and which can be the controlling factor in deductions of far-reaching importance.

These are only a few examples of the many possible economic contributions. Ahead lies new knowledge of the atmospheric environment that will lead to great economic gains.

Mr. ROUSH. Mr. Chairman, I wish to compliment my distinguished colleague from West Virginia [Mr. HECHLER] for the outstanding leadership he has given as chairman of our subcommittee. Those of us who have served under the gentleman from West Virginia [Mr. HECHLER] have been inspired by his imaginative spirit, but most of all we have been impressed by his very practical approach to the problems confronting the subcommittee. I would also like to echo the sentiments expressed here concerning the diligent efforts of our committee chairman and the inspiration of Speaker McCORMACK.

Since the launching of sputnik in 1957, attention of the entire world has been focused on the efforts of the scientists of the world to seek out the secrets of the universe which had previously seemed untouchable. The moon, the stars, and the planets of the universe have become more than the object of the astronomer's lesson. They have become suddenly reachable and accessible. In these brief few years of endeavor, new discoveries have been made. Knowledge has been acquired which has led to more knowledge, and, within the broad spectrum of this knowledge, much has been used to develop programs which have practical application and which are of great benefit to mankind.

Those of us who come from the great State of Indiana are practical and are always wondering if anything good is going to come from any program which involves the expenditure of money and effort. I would like to discuss very briefly only a couple of these programs. My distinguished colleague from West Virginia [Mr. HECHLER] has very ably discussed many of these practical results; however, there are certain programs which I believe do, and will, affect the people of the Fifth District of Indiana.

It is not difficult for us to know that weather prediction is no easy matter. Despite the millions spent over the world, despite elaborate scientific equipment, despite the employment of thousands of scientists and technicians in the business of weather prediction, we still cannot predict with certainty whether or not it will rain tomorrow. We still cannot discover and trace every hurricane, storm or tornado that may originate over some remote sea. This was emphasized by the recent storm which ravaged the east coast. An effective weather satellite system, such as the proposed Nimbus program, would have provided a means of detecting this storm, traced it and would have made possible a warning which would have reduced property damage and saved lives.

Accurate long-range forecasts will be of substantial value to public utilities where they program their production and distribution of fuels based on expected weather conditions.

If my Indiana farmer can know rather precisely, say for a month in advance, what the weather will be, he will be better able to plan his operation so as to take advantage of the weather. He will plant with assurance, taking advantage of good weather, and prepare realistically for bad weather. He will know how to plan his harvest and how to protect and care for his livestock in the event of predicted bad weather. This type of planning will be realistic as the weather satellite becomes operational, for as the atmosphere is viewed in its entirety, as instruments are refined and as space communications continue to improve, we will be able to predict weather several weeks ahead with considerable accuracy.

The travel and shipping industry will be greatly benefited by this same program. An observing satellite can do more than determine turbulent areas, it can also determine routes through icebound channels, not only determining open channels but also determining weak places in the ice where travel by ship would be possible. Planes leaving Indiana with far-distant destinations could more accurately determine economical routes. Passengers could have more timely warnings of possible delays.

Of course, of all the demands made for weather information, the most commanding and important is that made by our armed services. These Armed Forces must operate in the air, on the sea, and over the land. Satellites can be used to secure much of the information needed to guide and direct the movement of these forces.

Being an inland State, Indiana is interested in keeping in touch with the rest of the world. We are told that our present communications are not adequate. We know of their limitations. In my hometown of Huntington we cannot get good TV reception from Indianapolis, which is only 90 miles away. The southern part of my district cannot get good reception from Fort Wayne, which again is within a couple of hours' travel time from this area. We are told that, with the development of the communications satellite, those of us living in Huntington, Ind., or any other city of my district, will be able to receive, instantly, TV transmission from any part of the world. This is, of course, just one example.

We are interested in the development of worldwide television, worldwide radio, and the development of a communications system which will bring my State and the States of my colleagues into a closer contact with the rest of the world. Through this closer contact, we are given a great opportunity to reach the peoples of the world with our firm belief in freedom and democratic principles. Our leadership in the development of the communications satellite and weather satellite demonstrates to the world our sincerity in the development of peaceful applications of space which will benefit mankind.

Mr. Chairman, I support this bill and urge its acceptance by the House.

Mr. JOHN W. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. HECHLER. I yield to the gentleman from Georgia.

Mr. JOHN W. DAVIS. Mr. Chairman, I should like to commend my subcommittee chairman, the gentleman from West Virginia [Mr. HECHLER], and to say that I think he is due the congratulations of the entire membership of the subcommittee as well as of the full committee because of the conscientious, energetic and diligent manner in which he conducted the investigations into the fields of inquiry to which our committee was assigned.

Mr. Chairman, also I would like to say at this time that while I think it was most appropriate that our committee spent most of last year in what might be called posture hearings—speaking personally, it was a great boon to have the broad field of the space effort laid before me—I think it has been a wonderful thing this year to go in for a degree of specialization. As a result of that, within the particular area of Subcommittee No. 4 which was applications and tracking and data acquisitions, I have been astonished to learn the intricacies of that field alone, leaving out manned space flight, the space sciences, and advanced research and technology. I think it has been a wonderful thing. I want to compliment our chairman for having drawn up and put into effect the subcommittee structure which has resulted in this degree of specialization this year. I think it is one of the finest things that could have happened to our committee. I feel safe in saying that our committee has now become probably one of the strongest committees in the House of Representatives. While the specialty of each committee member is confined to an area which represents about one-fourth of this field of legislation, in no other way could the membership of the committee have covered the broad scope of the committees' jurisdiction.

Mr. Chairman, included in the bill now before us is an authorization of $136,562,000 which will help bring soon to the people of America and the world the wonders of space communications, improved weather forecasting, and even weather control.

Someday man will go to the Moon, to Mars, to Venus, and beyond. But that is still years in the future. Much closer at hand are operational satellite communications and meteorological systems that will bring to the world benefits undreamed of only a few years ago.

This year an experimental television program is scheduled to be broadcast across the Atlantic from Europe. It will appear on American television screens, tangible evidence of the progress made in space in the short 4 years since the first satellite was launched into orbit around the earth.

This will be but the beginning. In a few more years, worldwide television will be as commonplace as a broadcast between Washington and Boston, or between New York and San Francisco. And, not only television, but transoceanic telephonic communications as well will be revolutionized by satellites which will whirl in space high above the earth.

The savings in dollars and cents and the added convenience of this new mode of communications will be tremendous. At present, all transoceanic communications are by cable, which is costly to install, or by shortwave radio, which is easily disrupted by solar storms. Television cannot be beamed more than a few hundred miles because the wavelengths required to carry it will not bend around the earth and will not bounce off the region of the atmosphere known as the ionosphere.

To solve this knotty problem, satellites will serve as high-flying radio relay stations. Several suitably equipped and properly spaced satellites will be able to receive TV signals from any point on the globe and relay them directly to any other point. Powered with solar batteries, these relay stations in space should be able to keep working for many years.

In the field of meteorology also tremendous benefits to the United States and the world are expected from a weather satellite system, another part of our space program where the payoff can be expected shortly. The first operational weather satellite is scheduled to be sent aloft next year in the wake of highly successful experimental Tiros satellites.

It has been conservatively estimated that an operational meteorological satellite system will mean tremendous savings to the United States alone and protect many people from death and injury. The National Aeronautics and Space Administration believes that even a 10-percent gain in the accuracy of weather forecasting would save the Nation billions of dollars every year.

The benefits to be derived from improved capabilities in meteorology are numerous. They include protection of life and property from weather disasters; safeguarding transportation; crop planning, control, and protection; industrial planning of weather-dependent products and outdoor enterprises; convenience in planning personal activities; eventual limited weather modification and control; and good will in return for providing up-to-date global meteorological data to other nations. In addition, the same meteorological data required for worldwide civilian needs can, with proper handling, meet specialized military needs as well.

These benefits, and many more, will someday be commonplace. They are an outgrowth of the time, the effort, and the money which have gone into the space program in the past 4 years. The world will be a better place to live in because of them.

Mrs. WEIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. WEIS. Mr. Chairman, my colleagues on the Science and Astronautics Committee, including our distinguished chairman, have already covered, in considerable depth, the specific items in this year's NASA appropriations authorization bill. I do not want to retrace ground which has already been covered and I shall, therefore, make my remarks very brief.

I do want to say a word, however, about the chairman of this committee, Representative GEORGE P. MILLER, of California, and the outstanding job he has done since the untimely death of the late Overton Brooks. Chairman MILLER has brought to the chairmanship of the committee a wealth of experience, an enormous capacity for hard work and a sense of dedication and fairplay which have won for him the respect and high regard of committee members of both parties. I count it a great privilege to serve with Chairman MILLER on this committee.

In like manner, I should also like to mention and compliment Representative KEN HECHLER, the chairman of the Subcommittee on Applications and Tracking and Data Acquisition, for the fine work that he has done. It was a pleasure for me to serve with Representative HECHLER on this subcommittee, which was responsible for examining in detail the budget of the meteorological satellite program, the communications satellite programs, and tracking and data acquisition activities.

As a percentage of the total amount of money—$3,742,162,000—which the committee is recommending for authorization today, the funds requested by NASA and scrutinized by our subcommittee for the meteorological and communications satellite program and for tracking and data acquisition are small. In my judgment, however, these projects are among the most significant in our entire space effort. Over the long run, in fact, they may well turn out to be the most rewarding of all our space programs, and I am convinced that the relatively small amount of money which we have recommended is fully justified.

A year ago, when the 1961 authorization was under consideration in the House, I spoke at some length regarding the importance of moving ahead immediately with our communications satellite program. At that time, I emphasized the importance which I attached to private ownership of the communications satellite system. I have been extremely gratified by the actions which both the administration and the Congress have taken on this matter since last year, and I think it is significant that within the month the American Telephone & Telegraph Co.'s first experimental communications satellite is scheduled to be launched. If we stay on schedule, there appears to be sound reason to believe that we will achieve a significant first in the communications satellite field.

Just a final word in conclusion: We have been in the space age for only a very short time and we are just now still on the threshold of a vast and largely unknown universe. This past year has been a truly great one for America's space efforts and there is much of which we can be justifiably proud. At the same time, success has not been uniform and there are some areas in which we are not doing nearly so well as we should be doing. I am hopeful that these shortcomings can be corrected during the course of the coming year.

It is my belief that this legislation is sound and adequate to the task and I urge its adoption.

Mr. FULTON. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. BELL]. I am glad to be able to point out that the gentleman from California has on hand his wife as a big booster to him to make sure that this fine speech goes properly into orbit.

Mr. BELL. Mr. Chairman, I rise to support H.R. 11737, the National Aeronautics and Space Administration Authorization Act for fiscal year 1963. I have been asked by the House Science and Astronautics Committee to make to you a presentation of the unanimous judgment of the committee concerning two features of this authorization:

First. Nuclear and electric systems technology—described in the report in sections beginning on pages 39, 124, 30 and 110—calling for expenditures totaling $226,517,000.

Second. Aircraft and missile technology—described in the report beginning on page 41—calling for expenditures of $52,588,000.

These two technology allocations constitute part of both the long-range and short-term research programs of the National Aeronautics and Space Administration, which I will hereafter refer to as NASA.

Mr. Chairman, it is in such areas as the granting of allocations for research on aircraft and missiles and on nuclear and electric thrust systems that one of the heaviest of burdens is placed upon the shoulders of Congress. It is in these areas that we deal not with the here and now but with speculation about the future. In business or in Government, research investment can prove to be tragically wasteful. In business or in Government, failure to make research investments can have a devasting effect upon the course of events 5, 10, or even 20 years later. Sensing this burden of responsibility, then, and with the information gained from a review of more than a year's testimony before our Science and Astronautics Committee, I will urge Members to support these programs and proceed now into a more specific discussion of them.

The approximate quarter of a billion dollars of the nuclear and electric systems technology division of this budget can be broken down as follows:

First. Component research and development at a hydrogen heat transfer facility located at the Plum Brook Station at the Lewis Research Center, Cleveland, Ohio, in the amount of $2,400,000.

Second. Modernization and reconditioning of the Plum Brook service facility at the Lewis Research Center, Cleveland, Ohio, in the amount of $1,508,000.

Third. Space propulsion facility located at Plum Brook Station at Lewis Research Center, Cleveland, Ohio, in the amount of $25,500,000.

Fourth. Nuclear rocket development station facility located at Jackass Flats, Nev., in the amount of $40,000,000. This is broken down into 5 separate projects described on pages 124 to 127 in your report.

Fifth. Nuclear rocket dynamics and control facility located at Plum Brook Station, Lewis Research Center, Cleveland, Ohio, in the amount of $3,500,000.

Sixth. Component research and development for the arc jet, ion jet, and plasma jet, within the framework of our Snap 8—space nuclear auxiliary power—electrical systems program, $30,647,000.

Seventh. Nuclear systems research combining study and development of engine systems and components, advanced concept studies on a variety of reactors, power generation, reactor tests connected with the combined efforts by NASA and the Atomic Energy Commission in which NASA has the responsibility for supplying and developing nonnuclear components, nuclear rocket engine development, propellants, and certain additional aspects of the Snap 8 electrical system, $122,196,000.

Mr. Chairman, NASA's aircraft and missile technology program—the other section of the report about which I am to speak—provides for a budget of $52,588,000. NASA's job is to produce advanced research information necessary for the following:

First. Development of an economically competitive supersonic commercial air transport.

Second. Several types of short takeoff and landing aircraft.

Third. The means for progress through multimission combat aircraft.

Fourth. Hypersonic aircraft such as the X-15 and the Dyna-Soar.

Fifth. Technology supporting both military and civil aircraft procurement.

Sixth. Technology supporting the missile programs of the Department of Defense.

Mr. Chairman, essential to the honest advocacy of so considerable a sum of money is the evaluation of possible objections to the expenditures. It is my purpose at this time, therefore, to review certain of the objections which conceivably could be directed to these programs in general or at individual projects connected with them.

Programs of nuclear research can be expected to arouse immediate interest from the standpoint of individual and public safety. Let the record be clear that no part of the programs which I am presenting can in any way be related to nuclear explosions. Limited in risk but nevertheless sufficiently hazardous to merit brief mention is the radiation danger inevitably connected with this field. One of the reasons such a considerable number of facilities have been established as part of this program, and have been located in such remote sections of the country, is that the members of the Science and Astronautics Committee and NASA are themselves concerned with the maintenance of the highest safety standards. Thorough review of this problem has convinced us that the proposals we are making balance perfectly the need for immediate individual physical safety whenever nuclear research is being continued on the one hand, and the greater and more complex concept of safety in an age when economic and military competition threatens the citizens we represent.

Equally easy to answer is the question which any conservative would raise with respect to an appropriation request: Can this money be spent better on some other program? The answer is, of course, that in the area of long-range space research there is no other program. It rests with us simply to have the faith and the vision to support the appraisals of our scientists who make their judgments about the future from their grasp of facts known at the present. Congressional wisdom in supporting the visionary proposals for development of a nuclear submarine some years ago has been demonstrated and stands today as a success which should encourage all of us in the making of similar far-reaching scientific investments.

Meticulous study of any overall Federal budget reveals evidences of overlapping which are painful to us. It must be said in all fairness that in at least two instances in the proposals which I am making, the National Aeronautics and

Space Administration is involved in joint ventures with other agencies of Government. Careful investigation has convinced me that this mutual participation covers functions which are clearly defined and necessary, and will not result in duplication of Federal service.

Mr. Chairman, it is difficult to describe the scope of the legislation we are considering today: Today's problems of sonic boom and jet noise which seem to plague every new advancement in our aircraft capacity; tomorrow's problems involving our ability to use larger and faster jet aircraft within a small landing area, capable of serving smaller populations in this country and in the world; problems a decade and two decades hence which can only be understood by looking back at a 30-year record of man's advancement up the avenue in the skies.

Many of the Nation's hopes for similar progress in the future fall within the jurisdiction of NASA research. Much of what must be done is undramatic, constituting the small, tedious, and expensive prerequisites to mighty onstage adventures such as occurred this year in the flight of Lieutenant Colonel Glenn.

Dramatic or undramatic, it is my belief that the conditions of our time and the fairness and the order and the efficiency with which these allocation requests have been made and studied constitutes sufficient reason for Members to support not only the two aspects of the budget about which I have spoken but, indeed, all of the provisions of H.R. 11737, the 1962–63 NASA budget.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. ANFUSO. I would like to commend the gentleman from California on the very excellent job he has done on the committee with his research. I think without him we would never have been able to accomplish the work we did. I sincerely congratulate him.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. LINDSAY. I would like to join with my colleague from New York and compliment our distinguished colleague from California on the outstanding service he has rendered on this Space and Astronautics Committee.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I compliment my friend from California as well as my friend, the gentleman from New York [Mr. ANFUSO], and my friend, the gentleman from Connecticut [Mr. DADDARIO], on their excellent work. In fact, it is work of intelligence and imagination that makes our committees so worth while. I realize also that the gentleman from California has done research and development work himself in the field of nuclear and atomic energy. I compliment the gentleman on his presentation today.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I wish also to compliment the gentleman from California on the fine job he has done, especially in the section of nuclear propellant systems. Can he tell us whether they are working on other systems?

Mr. BELL. There is no other nuclear propellent system that NASA is working on. The Air Force is working on the Orion project which is a nuclear propulsion system. This system is an R. & D. project of the Air Force, which will reportedly propel a vehicle by a series of nuclear explosions.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. KING].

Mr. KING of Utah. Mr. Chairman, I think those on the floor at this time who are not members of the committee, and who have heard the talks given by members of the committee, have concluded that our work on the committee must be one continuous symphony of concord and harmony; and, as a matter of fact, that is substantially correct.

The reason is that the members of the committee, Republicans and Democrats alike, are unanimously and wholeheartedly behind this great space program, which I think speaks for itself. In that spirit I should like to pay tribute to the distinguished chairman of Subcommittee No. 2, the gentleman from New York [Mr. ANFUSO]. I have had the opportunity of working with him for 2 or 3 years rather closely. I have seen the great courage he has displayed, especially in bringing out facts relating to solid fuel propellants. It is not easy to follow a course which is contrary to the dominant current thought, but the gentleman from New York has done this. For this I have great admiration for him.

Mr. Chairman, I rise in support of the NASA authorization bill now before this committee. No one doubts that $3¾ billion, approximately, is a lot of money, and it is. Too many people believe, however, that all of it is spent by the Government in-house, in paying fancy salaries to Government employees. The facts are that approximately 85 percent of this money is paid directly by NASA to private industry, or to universities, or to other research institutions. In other words, most of the work performed, and materials acquired, by virtue of this large appropriation, will be by private industry, and according to accepted free enterprise procedures. Naturally NASA will not contract out all of its work, because experience has shown that in this type of activity, it is necessary for the Government to develop and retain its own in-house knowledge and technology, in order to properly understand the nature of the work which it requires its subcontractors to perform. Were NASA to contract out all of its work, it would never have enough knowledge to know whether or not the work was being properly performed by its contractors.

There are still a few voices heard from time to time, plaintively asking why we should spend so much money in trying to get to the moon. There is no question but what the effort we shall be putting forth to achieve a manned lunar mission will be prodigious. Hundreds of thousands of men and women—scientists with Ph. D. degrees, engineers, machinists, clerks of all types, will be mobilized within NASA and industry to achieve this great national objective. Many thousands of individual firms will be involved.

Time will not permit an answer to this question, but, in passing, I quote from the words of former Vice President Richard M. Nixon, in his recent publication "The Challenge We Face," in which he said:

> The comment we sometimes hear, "Why should anybody want to go to the moon?" is a sad commentary on the mental attitude of a people who share the splendid heritage of the early settlers and pioneers. If that attitude had prevailed 300 years ago, New England would have never been settled; 100 years ago, and the West would never have been opened. We could also add that if Columbus and his contemporaries had felt that way, America would not have been discovered in the first place.

I am happy to see that the pendulum in space activity is now definitely swinging in our direction. For a while it seemed that we were doomed to trail the Russians in space exploration, and that the leadtime they had acquired was almost beyond our capacity to overcome. The tremendous effort which we have put forth during the past year or two, however, is distinctly bearing fruit. I am not suggesting for a moment that we have reached the point where the Russians no longer constitute a threat. Let it be remembered that the Atlas missile which carried Col. John Glenn into space developed a thrust of in the neighborhood of 360,000 pounds. Maj. Gehrman Titov recently made the claim that his first stage booster developed a thrust of in excess of 1 million pounds. Our own intelligence corroborates his statement, at least to the extent that it indicates a substantial superiority in thrust over our own. But conceding, as we must, that the Russians are still ahead of us in at least the area of rocket thrust capability, the undeniable facts are that our own country has taken the play away from them during the past year. This is a tribute to our splendid NASA organization, and to the fact that the Nation, by and large, has backed them up, and has indicated its willingness to pay the bill.

As a member of the subcommittee in charge of advanced research and technology, it was my privilege to listen to many expert witnesses discuss the various line items constituting the total figure of $504,700,000, covering advanced research and technology. I am convinced that this figure is fully justified by the requirements of the program. The figure $112,549,000, representing the total of all amounts allocated to defray the cost of construction of facilities, relating to advanced research and technology, was found by the subcommittee to be justified and necessary.

It will be noted that, whereas liquid-propulsion requirements in the proposed budget are in excess of $163 million, solid-propulsion requirements call for only an appropriation of $10 million, approximately. The subcommittee was concerned lest this relatively meager allowance for solid-fuel development might not be adequate to do the job. Several members of the subcommittee, as well as of the full committee, felt strongly that the development of the solid-fuel propellent program was entitled to a full and maximum effort, parallel to and comparable to the effort being put into the liquid-fuel program.

May I state at this point that in my opinion it was unfortunate that this country, several years ago, took the position of supporting only the liquid systems as large space boosters, leaving the advancement of solid-rocket technology unfinanced by the Government. Fortunately, several companies were willing to advance the state-of-the-art with private corporate capital. These efforts have been highly successful—so successful, in fact, that according to some experts large, solid-propellent rockets can be made available for use in space flight within the current timetable. Without the private support of these companies and the conviction and beliefs of certain individuals, this would not have been possible.

The testimony by NASA witnesses, as well as Department of Defense witnesses, indicated, however, that the Department of Defense is requesting approximately $149 million for the fiscal year 1963 for the purpose of carrying out a parallel solid-fuel booster development effort, and that the Department of Defense has every present intention of using this sum for that purpose. No lesser witness than Gen. Bernard Schriever, of the Air Force Systems Command, gave to our subcommittee full assurance that the Air Force intended to push the solid-fuel propellent research program as fast as it could be pushed, and that adequate funding for such effort would be requested by the Air Force.

The subcommittee felt, therefore, that the $10 million requested by NASA, added to the $149 million to be requested by the Department of Defense, would enable our country to forge ahead with a solid fuel program second to none on the face of the earth.

The testimony was further to the effect that NASA would cooperate closely with the Department of Defense in the solid fuel program, to the end that the former might be fully apprised of the latter's progress, and in order that it might have a voice in its development.

In order to insure that the solid fuel development program go forward as indicated, NASA has been requested to furnish to the committee a statement which carries the concurrence of the Department of Defense that, in fact, the Department of Defense does intend to carry out this proposed research and development effort for large solid boosters. In addition, NASA has been instructed that if at any time the Department of Defense fails to maintain its scheduled development effort adequate to meet its commitments to NASA, the latter will immediately notify the committee and request a supplemental authorization for the necessary funds to insure that this program not delay our space exploration effort. Based upon the above information the subcommittee did not feel it was necessary at this time to provide additional funds in NASA's solid fuel research, development, and technology program for the fiscal year 1963.

Mr. Chairman, I urge the House to enact this bill.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. KING of Utah. I yield to the gentleman from New York.

Mr. ANFUSO. Mr. Chairman, I would like to commend the gentleman from Utah, especially for the research he has made in the field of solid propulsion versus liquid propulsion. I think we have advanced in this space program by at least 2 years through the gentleman's efforts, and I commend him.

Mr. KING of Utah. I thank the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KING of Utah. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Mr. Chairman, the gentleman from Utah has done excellent work, and I would like to commend the gentleman for his efforts.

Mr. KING of Utah. I thank the gentleman.

Mr. FULTON. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. ROUDEBUSH].

Mr. ROUDEBUSH. Mr. Chairman, service on the House Committee on Science and Astronautics is certainly a unique experience. I commend the members of that committee for their individual contributions and diligence in directing our Nation's space program.

I would also like to commend its distinguished chairman, the Honorable GEORGE MILLER of California, and those who served as chairmen of the subcommittees and who have done such a fine job in directing their individual committee hearings.

My particular assignment is on the Subcommittee on Manned Space Flight, which has as its chairman the Honorable OLIN TEAGUE, of Texas, whose understanding and dedication have been an inspiration to all of us.

It is easy for a person to get rather far afield in this space business. So many stories have appeared in newspapers and magazines, as well as on television and radio, that I think there is a tendency to lose perspective in considering the scope of the program.

Many would have you believe that soon—certainly within the lifetime of some of us—man will have the capability, technical excellence, and knowledge to explore a large part of the universe. I would like briefly to dispel this rather prevalent idea, for certainly this is far from the truth.

The universe has been defined as "outer space and everything that is in it." This astronomically huge area called space is so great that it defies human comprehension of its size and area. The distance between objects for the most part is so great that it cannot be measured in miles but rather the scientists must resort to measuring in light-years.

A beam of light travels at the fantastic speed of 186,000 miles per second. A light-year is the distance a beam of light would travel in 1 year, or about 6 trillion miles.

To show the futility of the belief and hope that man someday will explore all the universe, let us assume that we could build a spacecraft that would travel at the speed of light, 186,000 miles per second. Of course, this must be a hypothetical spacecraft which could travel at such a tremendous speed.

On this hypothetical spacecraft, it would be possible for us to go to the moon in just 2 seconds. Or we could reach our large, burning star, the sun, in about 8 seconds. We could go to our companion planets that orbit the sun in a matter of minutes.

But it would take us 4½ years to reach our nearest star, Alpha Centauri. Just to go across the tremendous expanse of our Milky Way, of which the earth is a part, would take 20,000 years. And to travel from one end of the Milky Way to the other would require 100,000 years—on board our hypothetical 186,000-mile-per-second spacecraft.

Our galaxy is just one of millions in untold thousands of constellations.

From this, I think you can see the futility of those outer space dreams.

We speak of going to the moon, and what a tremendous scientific innovation such a trip would be. We speak of visitations to our neighboring planets, and the fact that man is on the threshhold of our universe. But to go to the moon and return, or visit our neighboring planets would, in comparison, be about like dipping one cupful of water from the Atlantic Ocean, or removing a grain of sand from the Grand Canyon.

Then why do we pursue this program of outer space? There are many benefits to man from this. There are many good, sound business reasons for our exploration of outer space and the continuation of spending billions of dollars in our space effort.

To name a few, just a few weeks ago we considered communication satellites on the floor of this House. Certainly within the next few years radio, television and telephone communications will be carried to other continents by means of communication satellite systems.

And we cannot forget the tremendous value of navigation satellites in providing—for the first time in man's life—an absolutely accurate method of navigation for both aircraft and ships at sea.

Weather satellites would give us accurate information concerning the birth of storms and other disturbances. Such systems have already saved thousands of lives by making such information available to man long before the conventional methods could have done so.

From a nonmilitary standpoint, the possibilities for the use of outer space are unlimited.

I am often asked why we want to go to the moon. Certainly from the standpoint of peaceful use of outer space a voyage to the moon would provide a great deal of scientific data to our scientists concerning the formation of our universe, and would provide a tremendous store of geological discoveries.

But I do not feel that outer space can be considered by this House from the standpoint of its peaceful uses alone, or from the standpoint of scientific exploration and man's desire to ascend to heights never before attained by man.

I think we would be foolhardy indeed if we did not recognize a great threat to our own safety through the use of outer space by unfriendly nations. Certainly I think our great adversary, the Soviet Union, clearly understands the military significance of space exploration and experimentation with vehicles in outer space.

In December of 1961 Premier Khrushchev stated in Moscow that—

> You do not have 50 and 100 megaton bombs. We have bombs stronger than 100 megatons. We placed Gagarin and Titov in space, and we can replace them with other loads that can be directed any place on earth.

I think, too, we must recognize that the requirements of military space missions and those of peaceful exploration are almost identical in many ways. We must continue our experimentation to perfect the ability to orbit and maneuver, the ability to reenter and land at a given place, the ability to transfer men and materials between spacecrafts in a fixed orbit, and the ability to navigate and guide our spacecrafts, along with the ability to support long and sustained manned space flights.

The possibility that Premier Khrushchev mentioned in his December statement is certainly a startling one. Any nation capable of placing a vehicle in orbit is likewise capable of placing atomic warheads in orbit—and I think this is clearly apparent to all of us.

It is most clear to me that civilian space investment has served and will continue to serve our national security and the safety of our people to the greatest possible extent.

The development of our large booster rockets, of nuclear propulsion engines, of rendezvous techniques, are all truly significant to our national defense. And even though these techniques are developed for the peaceful exploration of space, certainly they will be of utmost value should our Nation become involved in military conflict.

We cannot take lightly the implication of the Soviet advances in space. If these advancements were used for purposes other than peaceful, they would be serious and a great threat to our people.

The very scope and extent of this national emergency requires that we have an extensive space program.

I am pleased to have been a part of the committee responsible for our space budget. May I say that the amounts recommended by our committee represent the best possible job a group of men can do in delving for the most part into an unknown field of advancement and endeavor.

Unquestionably this budget contains items which could be deleted if we had a greater factual knowledge of the unknown quantities of the program we are undertaking. But may I recommend that this legislation which authorizes the money for our Nation's space effort be considered favorably. It has been arrived at after weeks of careful consideration by a group of Members of this House who have been dedicated to our Nation's welfare, and it provides the best possible approach to the problem as we observe it.

May I also say that this budget represents a complete lack of partisan politics in working for our Nation's best interests. I hope the Members of this body will approve this bill with the same kind of unity.

Mr. FULTON. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, as a member of the Committee on Science and Astronautics, I voted in committee to report out H.R. 11737.

Frankly, my support of this legislation to authorize $2.9 billion for research and $736 million for facilities in connection with the National Aeronautics and Space Administration program was not without some personal reservations. Actually, I was tempted to vote "present" because being new on the committee I did not feel familiar enough with the program to justify voting in favor of it.

On the other hand, I did feel my colleagues who had been on the committee longer than I have were extremely conscientious and knowledgeable. A great deal of my support arises from the confidence that I have gained in working with other members of the committee.

The explanation of H.R. 11737 has been made, I think, and there is nothing that I can particularly add in the way of throwing light onto this matter.

Rather, I think that I can contribute to this debate more by pointing out that the vast sums involved often tie in with the urgency and acceleration with the various projects. I, myself, think we are proceeding, for example, in the weather satellite program in a way that gives every promise of paying off for the extra cost of acceleration as far as the investment of the taxpayers' money is concerned. I do not see that any slowing down of the program is justified because it seems reasonable to assume that when we are able to track storms and give 24-hour vigilance so far as weather is concerned great benefits and savings will come.

I think this is a fascinating project and I am convinced that the time will come when storms and hurricanes in early stages can be modified and great loss of life and property can be minimized or eliminated.

On the other hand, when we talk about a spending program to land a man on the moon and trying to beat the U.S.S.R. in space exploration, I myself wonder if the prestige is worth the extra costs. Certainly, the costs of a stepped-up program in order to gain world prestige, if the excessive extra spending is necessary, has to be charged to the national debt and future generations.

The time schedule that this administration has called for has resulted in expenditures of a vast amount of money and I simply say that I hope that the Appropriations Committee of the House will weigh the value of acceleration as against balancing the budget and the funds available.

In this connection, Mr. Chairman, in supporting H.R. 11737 I am reserving the right to support any reductions recommended by the Appropriation Committee, but I am frank to say that this is not the sort of program which lends itself to the usual appropriation procedures.

Obviously the projects covered by this bill are in the pioneering field. There is no experience on which to base accurate estimates. The agency cannot even use competitive public bidding and it is a more or less open-end authorization to go ahead and spend what is necessary in order to keep the various projects going.

In this regard, Mr. Chairman, I wish to mention that during the discussions of the committee I expressed the hope that the General Accounting Office would do a thorough auditing job.

My point was that since there was no experience to go on and because of the necessity to negotiate contracts the Committee on Science and Astronautics was not able to obtain much in the way of detailed justification for amounts requested; therefore, I urged that the operations of the agency be very carefully scrutinized and that the General Accounting Office be asked to review them and report to the committee.

To my great disappointment and surprise, when I raised this point one of my colleagues on the committee said that a General Accounting witness had informed his subcommittee that they could not do much of an auditing job.

I mention this because, after all, this authorizing legislation is not based on detailed figures or estimates; it is what you might call a "blank check" authorization, and I was gratified to have our distinguished chairman, the gentleman from California [Mr. MILLER] assure the members of our committee that it was his intention that all subcommittees review the programs under their jurisdiction carefully after they had been completed.

At this point, Mr. Chairman, I would like, personally, to express my high regard and respect for the chairman of our committee, the gentleman from California [Mr. MILLER]. I think that it was on account of my confidence in him, as much as anything, that I voted to report this bill out. Also, of course, I have great confidence in the ranking members that sit on both sides of the chairman and likewise the subcommittee chairmen.

So, all in all, Mr. Chairman, I support this bill and intend to vote for the authorization although, as I stated earlier, I have some misgivings for the reasons stated and because the amounts involved are so vast.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MOELLER].

Mr. MOELLER. Mr. Chairman, the hour is getting late, and Members of the Committee have been patient. You have heard possibly what some of you might have thought was a mutual admiration society, as the members of the Committee on Science and Astronautics praised the efforts of fellow members. I think these men made some of these statements primarily because they recognized how hard the members of this committee actually did work; that they very prodigiously went about doing the things they had to do in reporting out a piece of legislation involving as much money as this bill does, $3.7 billion. This matter has been gone over with extreme care, with a fine-toothed comb, in order to make sure that we were getting down to basic figures, and that we were doing the things that were actually necessary to do in order to advance the cause of the space program. I think particularly of the efforts put forth by our own subcommittee headed by the gentleman from New York [Mr. ANFUSO] and to whom I would like to pay tribute for the manner in which he handled the various assignments that came to us relative to advanced research and technology.

Mr. Chairman, this is an area that is very, very new to us. As you recall, just a few years ago we were sort of caught off guard when we saw the sputniks begin flying in space. In order to be prepared for what is coming for the remainder of this decade and in the next decade, we need to do the necessary planning now and need to do the necessary funding now to see that this Government remains in a strong leadership position for tomorrow.

Mr. Chairman, there are a number of aspects in the entire space program that have caused concern among many people, and they have caused many serious questions to be asked. For example, there is this question relative to time. It appears that in the minds of some people we, perhaps, do not have the technological know-how and that we are not a match for the Soviets.

I am sure, if you look at the record, you will see that we have done a remarkable, a phenomenal piece of work in the United States.

Of course, we place a great deal of emphasis on the most precious cargo that goes out into space, and that is the human being. Everything must be in absolute order before these rockets are launched. There is so much involved in the instrument, the vehicle, in which the passenger is riding. For example, I am sure you would be surprised to know that in the simple Redstone-Mercury combination in which Alan Shepard and Gus Grissom made their suborbital flights there are 175,000 parts. So that it requires a tremendous length of time to check everything out, to make sure that everything is in good order and in proper shape for the launch.

Mr. Chairman, I think another thing ought to be said. Much has been presented with reference to the technological aspects and all the efforts put forth by the committee. I think we of America today should always be prepared for something else. We have had a very successful flight on the part of Colonel Glenn. The astronauts themselves recognize that they are the test pilots of the day. We are spending huge sums of money for research and development in space. The day may come when we will have to spend more than just money. It may be that some human life will be spent. This we hope may never occur, but it may occur as this program moves on. We of America, in all test programs, must keep courage, we must keep faith with the generations to come; that, in spite of these losses that might come to us, we need to continue with a forward-moving space program to keep the leadership in the space program that I am sure we possess today; for if we keep this we can also make sure that space is going to contribute to our efforts for peace.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MOELLER. I yield to the gentleman.

Mr. FULTON. Mr. Chairman, we on the committee are proud of the gentleman's good work and we are proud that both he and Colonel Glenn come from the great State of Ohio.

Mr. MOELLER. I thank the gentleman very kindly; we are mighty proud of Glenn.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, the House has now heard descriptions of the manned space flight program, the plans for satellite applications, and other space programs that are obviously dramatic and glamorous. By comparison, the space sciences program may at first seem commonplace. Yet, it is at the worst only an ugly duckling which sympathetic eyes on a second glance can recognize already as a raving beauty. I believe the space sciences can be shown to be the heart and soul of the space program, with profound implications for the future of mankind as well as their own glamour and intrinsic value. I have time for only a few examples. Let me start with the vital importance of the space sciences as an indispensable prerequisite of manned space flight.

A large part of the program involves the scientific satellites and lunar spacecraft. All these vehicles will provide essential information for Project Apollo—the manned lunar landing program, announced just about a year ago by President Kennedy. How can we land a man on the moon until we know what the lunar surface is like? At present, we know very little except that it is not green cheese. As the gentleman from Minnesota [Mr. KARTH] has told you, scientific satellites can obtain information about the Van Allen radiation belts, solar flares, cosmic rays, and other hazards to manned space flight. Solar flares, for example, are currently considered the greatest hazard to man in space. On March 7 of this year, NASA successfully launched the first Orbiting Scientific Observatory—OSO-1. The main purpose of this satellite is to study solar flares with a view to predicting safe and dangerous periods for manned flights into deep space.

Next, take planetary probes, which, at first glance, may seem way out and visionary. If the scheduled fly-bys of Mars and Venus verify some current scientific thinking, they may lead to spectacular results. A recent article in Science magazine speculates that Mars may have a flourishing plant life and even some mobile forms like our own plant-eating animals.

> From there it is but one more step—

Writes the author—Prof. Frank B. Salisbury, of Colorado State University—

> to intelligent beings.

These speculations are supported by new experimental evidence. Martian infrared spectra, recently observed through the big Mount Palomar telescope, showed absorption bands like those found in living organisms on the Earth. This discovery has been hailed as—and I quote Prof. Gerard de Vaucoulers, of the University of Texas:

> The most direct evidence of life on another planet yet offered although a narrow margin of doubt remains until proof is obtained by direct exploration of the Martian surface.

We will never know whether life exists on Mars or other planets until we get there. The Mariner fly-bys scheduled for 1964 will carry entry capsules to probe the planetary atmospheres and will be equipped with instruments to detect the existence of life.

Planetary probes are also necessary to prepare for the day, no longer greatly distant, when men first set foot on other planets.

In conclusion, let me say to the House that committee recommendations by no means put a rubber stamp on the NASA requests. We made a number of cuts and in some places we cut deep. Every request for funds has undergone a searching committee scrutiny. On the basis of my own experience, and from the wealth of evidence brought forth in the hearings, I feel convinced that the space sciences programs of NASA and the funds recommended by the committee are fully justified.

In an authorization bill as complex as H.R. 11737 which is in itself a clean bill embodying many changes made in H.R. 10100 which was superseded, we are in a somewhat comparable situation as the Armed Services Committee, where, because of the different branches of the service subcommittees must specialize in small areas of the overall authorization. That is certainly true with the Committee on Science and Astronautics or the House Space Committee. You have heard from some of the subcommittee chairmen and there are yet others to be heard from.

In his wisdom, the chairman of the full committee has divided the work into subcommittees on, first, manned space flight; second, advanced research and technology; third, space sciences; fourth, applications, tracking, and data acquisition. Our assignment was to Subcommittee No. 3—space sciences—which has legislative oversight of the National Aeronautics and Space Administration's Office of Space Sciences. NASA's Office of Space Sciences and the work of our subcommittee has to do with the investigation and phenomena of properties of the earth, the atmosphere, our solar system, near space—which includes the moon and our well-known planets—outer space—concerned with stars, galaxies—and life in space. Each of these can and must be studied by orbiting satellites or some sort of space probe.

NASA's Office of Space Sciences had earlier submitted budget requests for, first, sounding rockets; second, scientific satellites; third, lunar and planetary exploration; fourth, small and medium-sized launch vehicle development programs.

Very early in our hearings we tried to find out what were the real objectives of the space science program. We soon learned that the true objectives of the program were: First, world leadership in science; second, to sow seeds for future applications; third, support other activities including the man-in-space program and equally important military needs.

The distribution of harmful radiation in space and the influence of magnetic fields upon the radiation hazard are all problems which must be solved before we can safely proceed to send men out into space. First, there must be an unmanned investigation, an exploration, of the surface of the moon which will give us data needed in the engineering of lunar landing craft and for planning a landing operation.

Continued investigation of the atmosphere is essential if we are going to realize the best benefits from our weather satellites. There is much we do not know about the influence of radiation on communications equipment, and while this authorization bill concerns itself primarily with the peaceful uses of space, our space sciences program will continually support the development of military applications of space, not only for communications but for reconnaissance and surveillance and other uses.

The first job of our committee was to consider the authorization for sounding rockets. These are small rockets which probe a few hundred miles into the atmosphere or into near space, seeking a variety of data. There is a wide choice of these rockets which make it easy to tailor a selection to a specified need. Unlike satellite vehicles, they are not so expensive that you can afford to have only a limited number.

In general, a sounding rocket is a vertical, or near vertical, probe that rises no higher than one earth's radius, while rockets that go far out into space are referred to as deep space or lunar probes, or solar probes. The subcommittee approved the administration's request for fiscal 1963 for 160 sounding rockets and recommends authorization of the full amount as one of the most economical means to get a lot of scientific data for reasonable cost and from angles that would not be possible with an orbiting satellite. Because with a rocket you can sound the immediate environs of the earth in the same sense the mariner sounds the ocean's depths with his leadline.

Coming to the matter of scientific satellites we became concerned with this program because this is the program which obtains information about the Van Allen radiation belt, solar flares, cosmic rays, and other potential hazards to man's space flights. The importance of these probes is that there is an 11-year sunspot cycle condition which must be observed on a day-to-day basis and which may not again be duplicated during the remainder of the decade. The committee believes that these experiments should be pursued during the cycle with established priority.

While sounding rockets weigh only 50 to 200 pounds and range from no longer than from 50 to 1,000 miles, there is a whole wide range of scientific satellites starting with those similar to Explorer XII. Up the ladder into heavier categories are OGO—Orbiting Geophysical Observatory—and then OSO—Orbiting Solar Observatory. OGO will be a complex spacecraft with ability to point continuously at the earth or sun and to perform simultaneous experiments—say 20 or more—at the same time as to geophysical phenomena.

OSO, of course, has no previous history, is equally complex and is designed to obtain a basic understanding of sun-earth relationships. Every effort will be made to obtain a 1-year lifetime for the observatory. Our own Explorer XI was the first satellite experiment in astronomy, but OSO will be our major emphasis hereafter.

Before proceeding I think we should emphasize for all the members the importance of OSO and OAO. Its real importance lies in the fact that all of our earthbound observatories—and even the finest we have today with all the great investment that has been made in the huge telescopes that rest upon the earth—are giving us at the best but a distorted, unclear view of the moon, the planets, the stars, and the galaxies. The reason for this distortion is our own atmosphere. It has clouded our vision since the beginning of time, but by transplanting a powerful telescope from its earthly foundation out beyond the distortions, clouds, and mists of our atmosphere we can for the first time since the dawn of history get a clear, unimpaired direct look at our neighbors in space. With OSO and OAO will come new astronomical techniques such as making a detailed map of the sky in ultraviolet light and transmit and receive ultraviolet light from the stars. All ground-based observatories were blinded to ultraviolet by the earth's atmosphere.

In the field of scientific satellites, NASA had requested $175 million for fiscal 1962, or almost a 50-percent increase. The subcommittee unanimously decided that the objectives of this part of the space science program could be achieved by reduction to $166,406,750, and this reduction was recommended.

Looking on to another subdivision of our work, we come into the lunar and planetary exploration program, which is the unmanned exploration of our own solar system. Here the emphasis is upon discovering as much as we can about interplanetary space, the moon, the planets, and the sun. If we are to ever succeed in manned space flight, we must know something about the environment of space and learn the real characteristics of the moon and planets before we send our man into space and as byproducts as we go along each step of the way, we extend our spacecraft technology.

I think we might say that the Moon represents the first space island to which we can venture with manned spacecraft. We must first get a detailed survey of the lunar surface and determine its chemical and mineral composition. Because it will be from knowledge of this type that we may unlock the secrets of the formation of the solar system. It is even conceivable that early life forms may be preserved in the lunar dust which has been collected over the billions of years of the Moon's existence. Mars and Venus are two planets that will receive our early attention. Both are very interesting; Venus because of its mysterious clouds and our lack of knowledge about it, and Mars because of the appearance of certain qualities indicating the possibility of life and even a climate not hostile to man.

The Sun will always be a major object of study because of its controlling influence on life as we know it. It is a dynamic body and its effects on our daily lives are far reaching. Now, specifically, what has your subcommittee proposed for fiscal 1963 as to lunar and planetary explorations?

We examined Ranger, a comparatively simple device designed to rough land on the Moon and send back pictures of spacecraft approaches to the Moon and other data following impact. I suppose that every Member of this House knows that in our second attempt we were able to make a successful shot to the Moon but because of electronic defects, data could not be returned.

Six remaining launches are planned in 1962 and 1963.

Following Ranger will be a series known as the Surveyors, which call for a soft landing on the Moon from whence will be launched orbiting lunar craft. Surveyors are expected to orbit the Moon and transmit pictures of the surface and another seven launches are planned for a soft landing to perform experiments on the chemical and physical structure of the Moon. In fiscal 1963, NASA had requested $10,400,000 for a paper study of still another Moon investigation program called Prospector which would be a mobile spacecraft capable of moving from place to place on the lunar surface conducting scientific experiments and transmitting the results back to Earth. Educated guesses on the total required for the Prospector program in future years would be from $60 million to $300 million. Our subcommittee voted unanimously to recommend nonapproval of the requested Prospector funds for several reasons, but chiefly because we felt the earlier programs of Ranger and Surveyor might accomplish some of the results intended to be learned from Prospector, and the manned lunar program might make the unmanned Prospector program unnecessary. We further felt that there was some indecision as to whether Prospector should be included under the manned lunar program or within the Office of Space Sciences program and felt that a reevaluation should be made and again presented to Congress.

Turning from lunar exploration to planetary exploration the committee made a study of the Mariner series, which should be followed by the Voyager series in 1965 and 1966.

Our first effort at planetary exploration will be our Mariners in a fly-by of Mars and Venus, the two planets closest to our Earth. On the other hand, Project Voyager will call for landing on these planets to conduct similar experiments to those Surveyor is expected to make on the Moon.

The committee was surprised to learn that even with some slight delay in these projects, there will be no major damage to the program because data now being received from our lunar and planetary exploration probes are not being interpreted for from 6 months to a year or longer after the experiments have been flown. We found this meant that there is such an advanced state of the art in exploration that the thinking power is unavailable to interpret the findings. This simply means that there is a roadblock which can only be solved by more efficient computers. It is possible this may be found in the field of molecular electronics smaller than today's transistor computers and with more scientists and engineers to run these computers to avoid such a timelag. Your subcommittee noted that $170 million was authorized for fiscal 1962 and, while over $273 million was requested for fiscal 1963, the subcommittee cut the amount to $250 million—over 5 percent less than was requested. We feel certain that the lunar and planetary exploration program will not be hampered by this reduction if the Office of Space Sciences establishes a system of priority and encourages efficiency.

One of the reasons why your subcommittee did not vote for a larger reduction is because there are only selected times when we can make even a possibly successful planetary probe. At its very closest, Venus is about 28 million miles from the Earth and opportune times for flying from the Earth to Venus occur about once every 19 months. While Venus orbits between the Earth and the Sun, Mars orbits out beyond the Earth at a distance of about 35 million miles at its closest approach and with Mars it is not a question of 19 months but an opportunity to launch is available only about once every 26 months. At all other times, the amount of energy required and the communication distances between Earth and a spacecraft on arrival at the planet would be prohibitive on the basis of our current knowledge. Even when these opportunities are available, they last for a period of only 1 or 2 months and it is imperative that we are ready when the time presents itself.

Next, the Subcommittee on Space Sciences was charged with oversight of the small and medium-sized launch vehicle development program—that is Scout, Delta, and Centaur. We found that the reason these development programs are supervised by the Office of Space Sciences is that this Office will be the chief authority in the exclusive use of these vehicles when they become operational. The Scout is a relatively cheap solid fuel rocket of modest capabilities, used primarily for launching scientific satellites. We learned this is the last year any substantial amount will be requested for development and the $8 million requested for this year is only slightly more than for last year's allocation. The subcommittee economically recommended authorizations for the full amount requested for both Scout and Delta because Delta has been all but completed. Only $268,000 has been requested for fiscal year 1963.

Coming to Centaur, we had much more of a problem. The development program of Centaur at once appears both good and bad. It started under ARPA and DOD and then was transferred to the Air Force and then in 1959 was passed back to NASA. Now it is under the Von Braun group at Marshall Space Flight Center at Huntsville, Ala. There have been a lot of delays and the only way it can be explained is that it involves an altogether new technology; namely, the use of liquid hydrogen as a propellant.

The committee concluded that management failures in General Dynamics-Astronautics had come about because personnel were drawn from various divisions to work on the Centaur. But we have been assured that in the future, personnel required in the program will be assigned to it exclusively. Last year NASA estimated the total completion cost of Centaur would be $260 million. This year they estimate completion costs at $3,975,000 or a total of $41.5 million in additional costs. We pinpointed one $5 million loss in the Mariner A program which had to be reoriented because Centaur was not available on schedule. We learned that Secretary of Defense McNamara has announced that future DOD research and development contracts should be cost-plus-fee-incentive type contracts in which performance and cost incentives are to be included. The committee believed that poor performance on a contract should be accompanied by poor profits or perhaps losses, whereas excellent performance should be reflected in a better profit picture for the contractor.

The committee did not reduce NASA's request of $66,444,000 for Centaur for fiscal 1963 because of the importance of Centaur to a variety of programs including Advent, Surveyor, and Mariner and only for this reason authorized the full amount of the funds requested.

Our subcommittee approved requests for construction of facilities of $14,519,000 at the Atlantic Missile Range, the Goddard Space Flight Center, and at the Jet Propulsion Laboratory. We considered these requests to be reasonable and essential to the programs involved. Personnel increases were also approved in the number of 539. These appeared justified and reasonable to support an expanding program.

In conclusion, our subcommittee worked within the budget request from NASA of $558,280,000 for all of the activities of the Office of Space Sciences for fiscal 1963. The subcommittee recommended authorization of $525,963,750, which means the committee pared off $32,316,250 from the request of the NASA budget.

At the opening of our remarks about the importance of the work of the Office of Space Sciences, which of course devotes its entire efforts to unmanned space probes, the expression was used that it might now appear to be an ugly duckling, but on a later, more sympathetic second look, it will appear to be a raving beauty.

To put the matter just a little differently, the devoted effort in the space sciences is to find out what is out there, beyond the limits of our thin layer of atmosphere, going on out into ionosphere, exploring the Van Allen radiation belts, then those areas of violent sun flares, solar storms, electronic magnetic fields, and even the possibility of the existence of life in some form as we know it on some of the planets in the solar system—all these things may not be as glamorous as manned space flight nor rate as many headlines, but as this program proceeds along quietly and unheralded it is very much like the hard-working lineman, the tackle, the guard, those unpublicized stalwarts of a football team who seldom get their hands on the ball, but because of their constant methodical efforts make it possible for the backfield star to have room to carry the ball down the field. I suppose the headlines will always go to stories of manned space flights and that is as it should be, but just as there is a growing tendency for sports writers to recognize linemen in the Sunday issue of their papers, so should we of the Space Committee, and all the Members of the House, never forget it is the work in the field of space science that paves the way for manned space flights by first discovering the hazards and plan to avoid or bypass these danger areas in outer space before we can safely send our astronauts to the Moon or on other space missions.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Ryan].

Mr. RYAN of New York. Mr. Chairman, I, too, should like to join in the tributes which have been paid to the distinguished chairman of the Committee on Science and Astronautics, the gentleman from California [Mr. George P. Miller], and the chairman of the Subcommittee on Manned Space Flight, the gentleman from Texas [Mr. Teague]. I believe that all the members of this committee, on both sides of the aisle, have worked diligently and hard over a long period of time in thoroughly scrutinizing the request which has been made and in working on the report and coming before the House today prepared to present this authorization bill.

I think that most of the details of this bill have been thoroughly discussed by other Members. I should like to direct the attention of the House to one aspect of this program which I do believe is important and which I think we must look at carefully and about which I have some reservations. That is the tendency of the National Aeronautics and Space Administration to engage private corporations to assist in the making of policy and managerial decisions. This is evidenced by two particular contracts. One of these is with a wholly owned subsidiary of American Telephone & Telegraph, and Western Electric, known as Bellcomm, and the other involves General Electric.

The contract with Bellcomm provides systems engineering advice at a cost of some $10 to $15 million per year; and the contract with General Electric at an estimated cost some $30 to $40 million per year provides for integration and development of checkout equipment. I have serious reservations about these contracts and their implications.

Systems engineering competence is necessary for the proper management of our various space programs. NASA must develop this competence in-house in order that the job be done as economically and efficiently as possible. I am advised that NASA can do the necessary systems engineering with 75 in-house people. Instead it has entered into a cost-plus-fixed-fee agreement for the establishment of an A.T. & T. corporate subsidiary organization containing not 75 but some 200 to 400 people. Moreover, this contract was presented to the committee by NASA as a fait accompli. I might point out that there was no competitive bidding.

A.T. & T. itself will provide 50 of the 200 to 400 people contemplated and will have to recruit the rest. This recruiting will be at Government expense at the same time that NASA itself will be trying to recruit people to develop some in-house competence.

As a matter of fact, NASA has not even asked Congress for the necessary authority to hire the necessary people without going outside. This contract means the fostering and subsidizing of the development of a monopoly of technical competence in an area where NASA needs its own competence. It makes no difference whether that outside organization is A.T. & T. or any other, although subsidizing this giant monopoly in the creation of an additional monopoly of vital competence can hardly be in the public interest. The most important thing, however, is that we should not foster this concentration of vital know-how outside NASA. As the Budget Bureau advised the President in its report dated April 30, 1962:

> The management and control of such programs must be firmly in the hands of full-time Government officials clearly responsible to the President and the Congress. With programs of the size and complexity now common, this requires that the Government have on its staff exceptionally strong and able executives, scientists, and engineers, fully qualified to weigh the views and advice of technical specialists, to make policy decisions concerning the types of work to be undertaken, when, by whom, and at what cost, to supervise the execution of work undertaken, and to evaluate the results. (Report to the President on Government contracting for research and development, p. 2, April 30, 1962.)

We must also remember that A.T. & T. is a vast hardware manufacturer. Although we are told that no conflict of interest will develop, there is no certainty of this.

The contract with General Electric, which has been chosen as the checkout systems integrator, hardly makes for optimism in the conflicts area. As the New York Times reported this past Sunday, General Electric is being put in a position where it can favor its interests in setting up the requirements for the system. Moreover, in order to develop a proper integrated checkout system, it will have to oversee all the work done in the project and will thereby be in a position to acquire all the other suppliers' know-how even though these same suppliers are its competitors.

This contract was also made without any advance notice, without competitive bidding and, so far, with no real protection for the public interest; it has, to quote the New York Times report, "created surprise and consternation among General Electric's competitors who fear that General Electric would obtain an unfair advantage."

It is vital that we proceed at top speed in the development of manned space flight. It is equally vital, however, that we not put some contractors in a position where, as with Bellcomm, they can develop a monopoly of indispensable technical competence at Government expense and contrary to NASA's own interests in developing economical and efficient in-house competence. And, as with the General Electric contract, we must not put one contractor in a position where it cannot only favor itself in procurement but can also obtain access to its competitors' trade secrets.

Mr. Chairman, I point out the implications of concentrating within one corporation this kind of technical know-how and the results which may very well flow, over a period of years, as the result of such high concentration.

Mr. Chairman, NASA justifies these contracts, particularly the one with Bellcomm, on the ground that NASA simply does not have enough basic talent within its own organization. But this does not necessarily make the arrangement sound. I doubt that a private corporation should be making policy decisions in a Government enterprise of this nature. The Government agency should be competent to make its own determinations and thus remove any doubt of its ability to get the job done—and also remove any doubt of its independence and impartiality in contract relations with private industry.

Mr. Chairman, the NASA officials say they expect to phase out the Bellcomm contract as NASA acquires the necessary skilled personnel.

I am compelled, however, to ask why it was necessary to do this in the first place. A part of the answer lies in the lack of enough positions which pay salaries comparable to those paid in industry. This whole matter of Federal pay scales, particularly where exceptional experience is required, should be reviewed by proper authorities in Congress and the executive branch without delay. Out of about 2½ million Federal employees only about 1,000 are paid as much as $17,500 within the regular civil service system. Of course, some excepted positions are allowed, and NASA probably has more of these than most agencies. Even so, the Space Agency to date has been authorized only 290, which is not enough to permit NASA to acquire sufficient capability to operate this very complex program as it should.

This situation must be corrected. NASA must be able to offer salaries comparable to industry to obtain the outstanding, trained, mature personnel, engineers, and scientists necessary to run its own show and build the necessary in-house capacity. Then there will be no excuses for contracts similar to the Bellcomm situation.

Mr. GEORGE P. MILLER. Mr. Chairman, I yield 5 minutes to the distinguished Democratic floor leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, the debate on this matter has been exhaustive. It has been of a high order. I have no desire to detain the House, but I do want to say that I regard this as one of the most important pieces of legislation that will be considered by the Congress during this session.

I rise also to compliment the distinguished gentleman from California [Mr. GEORGE P. MILLER] whom I have known ever since he and I served together 16 years ago on the Committee on Post Office and Civil Service. I knew then and I am even more convinced now that this country has no finer, abler or more courageous or devoted public servant than GEORGE P. MILLER.

Mr. Chairman, I compliment this fine committee for the wonderful job it has done.

Mr. Chairman, we have before us today a matter of the greatest significance to the future of the United States, to our national security, and to our position as a leader in science and technology in the world. As legislators we have the opportunity for wise leadership, with vision and courage, in the exploration of man's newest frontier, space.

It is hard to recognize history in the making amid the busy turmoil of our time, the anxiety of a cold war, and the varied problems of individual and national life whose solution seems so difficult. Nevertheless, we are living in one of the few periods of human history which mark a turning point in the affairs of man and his society. Since October 4, 1957, man has sent many artificial moons into orbit around the earth and some into orbit about the sun. Man himself has left the earth to journey in space, in orbit about the earth at a speed of 5 miles per second—from San Francisco to New York in 10 minutes.

We can see the future of the exploration of this new frontier but dimly. We are in the same position as those persons who watched the early flights of the Wright Brothers nearly 60 years ago who attempted to foresee the significance of that new invention to the human race.

Many in our day are like that editorial writer in the journal, Engineering News, in 1908 who said and I read:

> There is a good deal of misconception as to the probable field for successful aerial

> navigation. To the lay mind anything is possible, and the navies battling in the blue appear a reasonable probability of the future. The engineer, however, realizes the inherent dangers and difficulties of any form of air navigation. No invention or ingenuity can neutralize the danger to a body poised in midair and dependent only upon the supporting power of the air to save it from a disastrous fall to the earth. No invention or ingenuity can make safe the navigation of a medium subject to such commotions as hurricanes and tornadoes. By no possibility can carriage of freight or passengers through midair compete with their carriage on the earth's surface. The field, then, for aerial navigation is limited to military use and for sporting purposes.

There were others of greater vision, such as W.E.I., writing in the Aeronautical World, 1902, as follows:

> As the speed of aerial transit may reach several miles a minute, man will practically be able to annihilate space and circumnavigate and explore the whole surface of this globe with independence, ease, dispatch, and economy, or travel from pole to pole, or wherever his fancy may dictate, unhampered by restrictions of any kind.

The optimist was correct, as we now know with the benefit of 60 years' experience. I am confident that the next 50 years of the exploration of space will bring accomplishments far beyond those of the airplane and that these developments will produce still greater changes in our way of life on this planet and the greater repercussions on human thought and aspiration.

We cannot deal directly with the future, but our actions today determine the role of this Nation in achieving that future. When President Kennedy took office 16 months ago, he initiated a reappraisal of the 3-year history of the civilian space program. Just a year ago before a joint session of the House and the Senate in this Chamber, he recommended that the program be expanded. Certain of his words at that time are very important to the issue before the House today. He said:

> Let it be clear—and this is a judgment which the Members of the Congress must finally make—let it be clear that I am asking the Congress and the country to accept a firm commitment to a new course of action—a course which will last for many years and carry very heavy costs, $531 million in the fiscal year 1962 and an estimated $7 to $9 billion additional over the next 5 years. If we are to go only halfway, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all. This is a choice which this country must make, and I am confident that under the leadership of the space committees of the Congress and the Appropriations Committees it will consider the matter carefully. It is a most important decision that we make as a Nation; but all of you have lived through the last 4 years and have seen the significance of space and the adventures in space, and no one can predict with certainty what the ultimate meaning will be of the mastery of space. I believe we should go to the Moon. But I think every citizen of this country as well as the Members of Congress should consider the matter carefully in making their judgment, to which we have given attention over many weeks and months, as it is a heavy burden; and there is no sense in agreeing, or desiring, that the United States take an affirmative position in outer space unless we are prepared to do the work and bear the burdens to make it successful. If we are not, we should decide today.

The Congress accepted the responsibility thus defined by the President. This House, again by unanimous vote, authorized the President's new civilian space program. The other body also passed the new authorization bill by a unanimous vote.

We are here today to look at the second phase of the task we undertook and authorized last year. The Committee on Science and Astronautics has examined closely the request of NASA and of the President. It recommends the action proposed in H.R. 11737. This is a sound program; it meets the meticulous standards of your committee. It falls somewhat short but certainly is consistent with the spirit of the President's recommendations.

The accelerated space program has major significance for the economic development of the Nation. The attainment of the goal set by the President will require the most advanced engineering and technological developments of our time at the frontiers of knowledge. These developments in electronics and communications, new materials, energy sources and energy-conversion devices, data collection and handling, computers, knowledge of the behavior of the human body under stress, protective environment for man, and many other areas are transferable to other applications in industry. Just as the automobile is largely responsible for the development of alloy steels, new fuels, synthetic rubber, and quick-drying finishes, and the development of aviation has brought us great supplies of aluminum for use in building lightweight trains, buses, and ships, and for many applications in the home, so the exploration of space will catalyze our whole industrial and technological development.

The accelerated space program has major significance for the national defense and security. It is the hope of the free world that the great power of nuclear energy for destruction will not be applied to space weapons systems. However, lacking international agreement and enforcement systems to this end, we must be expert in the scientific and technological developments to avoid technological surprise.

The exploration of space has inspired a movement to reexamine and improve the teaching of science and engineering in colleges and universities and to review the teaching of science, mathematics, and English in elementary and high schools. One of the most interesting effects to me has been the recognition of the presence of various levels of intellectual ability among our school population and the vital national resource represented by students of unusual intellectual competence. Steps are being taken to adapt the content of the curriculum, teaching method, and the rate of progress to the needs of the several groups.

There is a growing recognition of the widespread educational opportunities which are inherent in the prosecution of the accelerated space program. The space program furnishes both a means and a motivation to graduate education in science and engineering to keep our country abreast of the new age of science and technology. Research and development are the keys to almost everything we do in space at this early stage. The space program is bringing a new partnership among universities, government, and business leaders to make possible the attainment of our goals. The university as the institution for training scientists and engineers, with a sophisticated understanding of the basic laws of nature and of phenomena at the frontiers of science and technology, and as the principal agency for conducting basic research at the frontiers, must find a closer relationship with the business community, which is the group actually conducting the greatest percentage of the technological developments, and the application of knowledge to reach the objectives of the space program. This same partnership, in my opinion, is a necessity in the economic growth of the Nation.

I have followed the phenomenal progress of the space agency with much interest. The wise policy of the Congress in creating the new agency by the assembly of highly competent groups already in the Government service enabled the program to get off to a running start. I am pleased to see that the agency has made great progress in the mobilization of all the resources of the country, industry, university and other governmental agencies in shouldering its heavy burden of responsibility. Rather than creating new agencies, it has used existing ones. It has used the services of the Corps of Engineers of the Army, and of the Navy Construction Corps in undertaking its great construction programs. It has relied on and obtained enthusiastic cooperation from the Air Force and Navy in its space operations. With the cooperation of the Secretary of Defense and the services it has called upon experienced officers to assist in its heavy management responsibilities. It has relied for scientific advice on the Space Science Board of the National Academy of Sciences and has brought scientific consultants from universities into an effective relationship. I have found the agency innovative in its organization methods, and able to learn from experience, ready to make changes as experience dictates. I believe we have built an agency of which the country can be proud, and I wish to express my confidence in it, its Administrator, Mr. James E. Webb, a fellow citizen of Oklahoma, and in the dedicated staff. In my judgment no agency of the Government has performed its mission better or made a greater contribution to our people or done more to bolster their pride and confidence in their country than the Space Agency under the inspired and dedicated leadership of Jim Webb. The tremendous accomplishments of the agency in such a short period of time are a tribute indeed to the leadership which Mr. Webb has given it.

The program before you is not a partisan program. Four years ago under the leadership of the great American who is now Speaker of the House this House passed unanimously the bill that became the National Aeronautics and Space Act of 1958, thus creating the framework for the civilian space program.

I wish also again to extend my congratulations and compliments to the members of the Committee on Science and Astronautics, to its chairman, George Miller, to the chairmen of the four subcommittees, Messrs. Teague, Anfuso, Karth, and Hechler, and to all the members. The members of the committees spent many days hearing testimony from many members of the staff of NASA, examining in detail every project and program of the agency, its management procedures, its relationships with the Department of Defense and other Government agencies, and every aspect of the justifications presented. In addition, members of the committee made many visits to the research centers of the agency and to Cape Canaveral to discuss various matters on the spot with working level personnel.

Mr. Chairman, I have heard many comments on various aspects of the program presented by NASA to the Congress. For myself I am convinced that this is a program essential to our national security and prosperity, that it has been carefully examined by men among us in whom we have confidence, and that the officers and employees of NASA are men of high purpose and patriotism. Mr. Chairman, I am proud to support this legislation.

Mr. FULTON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I wish to compliment the leader of the majority for the excellent statement he has made and join with him in his expression of confidence in the National Aeronautics and Space Administration, Mr. James Webb, Administrator; Dr. Hugh Dryden, Deputy Administrator; Dr. Robert Seamans, Associate Administrator; Dr. Brainerd Holmes, director of manned space; Dr. Wernher von Braun, Dr. Homer Newell, Dr. Debus, and a host of others on the fine NASA staff, Col. John Glenn and his six fellow astronauts, the space contractors, and the men on the launching pads, control centers, communications, and tracking stations. NASA from the very beginning, with Dr. Keith Glennan, Administrator, and now with Administrator James Webb, under both President Eisenhower and President Kennedy, has been a real success.

I now yield the gentleman from New York [Mr. Ostertag] 4 minutes.

Mr. OSTERTAG. Mr. Chairman, I join with the committee in applauding the program of the Aeronautics and Space Administration. I believe, too, that the NASA organization has done an excellent job ever since its inception. As a member of the Appropriations Committee and one of the Members who must deal with the appropriations for the space agency, may I point out that it has been reliably estimated that within the next 10 years we will have expended more than $50 billion for this program. I note in the authorization bill the item for research and development and operation amounts to more than $2,900 million. I would like to ask a member of the committee, perhaps the gentleman from Pennsylvania, the reason for lumping together research and development, and operations. "Operations," of course, will include salaries, expenses, and all the administrative costs, and normally and ordinarily in the consideration of appropriations and in the consideration of appropriations and authorizations, research and development stands out by itself. I am wondering why it is necessary and why it has been deemed desirable or necessary to include "Operations" with the overall authorization for "Research and development."

Mr. FULTON. Mr. James E. Webb, the Administrator of the National Aeronautics and Space Administration, appeared before our committee on February 27, 1962, and in his statement to the committee said this:

> If I may begin by saying that the budget this year is presented in a different form than previously. Under a policy requested by the President and the Bureau of the Budget we have presented the budget this year under two titles, "Research, development, and operation," with approximately $2,968 million requested under that title; the second title, "Construction of facilities," with the sum $818 million under that title.
>
> The reason for the departure from the previous breakdown that involved the classification of salaries and expenses and the conventional budget nomenclature of the past, is that under "Research, development, and operation," the salaries and expenses are related directly under the research and development work in progress.
>
> The salaries and expenses and construction of facilities items are for the purpose of carrying out these research and development programs, and we believe the programmatic type of presentation gives the representatives of the people in Congress a better opportunity to know what is involved in each of these programs.

Could I add, some of us were interested and asked Mr. Webb why. He stated to us the Bureau of the Budget was the one that requested the presentation be made in this form this year and that the budget of the Bureau hereafter for all departments would likewise program the salaries, expenses and these items of research and development and operation.

Mr. OSTERTAG. It may very well be that in dealing with research and development for space or the space agency there might be some difference in the research and development in many other areas. But it is rather difficult to see what you have and what you are doing and separating responsibilities in areas and the use of funds by the lumping of operations with research and development. I am not objecting to the program, I am sure you understand. It is merely a technical means of orderly procedure in the appropriation of funds.

Mr. FULTON. The gentleman must realize these operations are for scientific purposes. They are not operating, for example, a communication system for public use.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman still does not have an answer to his question why?

Mr. FULTON. The Bureau of the Budget is a very good reason.

Mr. GROSS. Why does the Bureau of the Budget ask that research and development and operations be lumped together?

Mr. FULTON. May I read that again?

Mr. GEORGE P. MILLER. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. You must realize that NASA has no product it is trying to develop. In the Air Force you may have research and development brought out for the development of a certain type of plane. Then you go into production of that plane. The Army may want a certain type of tank. There is research and development, and then they go into production. We do not have a production here. All of our work is in the field of research and development. It is very hard, therefore, to separate these into their several functions. I might say it would be impossible. You might say they are all research.

Mr. OSTERTAG. I believe I am correct when I say previous to this year such a separation has been in order and has been so authorized and appropriated.

Mr. GEORGE P. MILLER. That is true, but we think this is a much more realistic and a more honest approach to the matter.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. I may say to the gentleman that here are the books that came from NASA. Last year we tried to go through the books to be sure that the money was not duplicated, and it was somewhat impossible. This year we can take these books apart and present man's space flight. We knew just exactly what money was going into that program. As far as the committee is concerned, it was a great improvement, and that is true as far as I am concerned.

Mr. OSTERTAG. In other words, putting together salaries, expenses, and administrative costs with research and development is a more practical way to do it?

Mr. TEAGUE of Texas. As far as the man-space program is concerned, yes.

Mr. OSTERTAG. The man-space program is only a part of this.

Mr. TEAGUE of Texas. It is a big part.

Mr. GEORGE P. MILLER. Mr. Chairman, I ask unanimous consent that the gentleman from Louisiana [Mr. Waggonner] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAGGONNER. Mr. Chairman, I rise in support of H.R. 11737 which authorizes appropriations to the National Aeronautics and Space Administration for fiscal year 1963.

Let me first commend the committee chairman, the gentleman from California [Mr. George P. Miller] on a job masterfully done. No committee chairman in this House could have done more.

I commend, too, my subcommittee chairman, the gentleman from West Virginia [Mr. HECHLER] for a job well done.

This authorization concerns the appropriation of $3,742,162,000 and that is a lot of money, even to the U.S. Congress.

The course this committee has charted in expending this money is sound and well chosen and in the best interests of all our people, of that I am sure.

The fruits of these labors and undertakings have both peaceful and military applications. We cannot, if we look to the future, fail to support this program.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration the sum of $3,742,162,000, as follows:

(a) For "Research, development, and operation", $2,934,961,750.

(b) For "Construction of facilities", $736,200,250, as follows:

(1) Ames Research Center, Moffett Field, California, $14,439,000.

(2) Atlantic Missile Range, Cape Canaveral, Florida, $296,333,000.

(3) Facility planning and design not otherwise provided for, $5,000,000.

(4) Flight Research Center, Edwards, California, $1,807,000.

(5) Goddard Space Flight Center, Greenbelt, Maryland, $23,746,250.

(6) Jet Propulsion Laboratory, Pasadena, California, $10,347,000.

(7) Langley Research Center, Hampton, Virginia, $8,081,000.

(8) Lewis Research Center, Cleveland, Ohio, $43,833,000.

(9) Manned Spacecraft Center, Houston, Texas, $30,755,000.

(10) Marshall Space Flight Center, Huntsville, Alabama, $33,431,500.

(11) Michoud Plant, New Orleans, Louisiana, $18,400,000.

(12) Mississippi Test Facility, Mississippi, $81,000,000.

(13) Nuclear Rocket Development Station, Nevada, $40,000,000.

(14) Various locations, $124,741,750.

(15) Wallops Station, Wallops Island, Virginia, $4,285,750.

(c) For "Supplemental authorization for fiscal year 1962," $71,000,000.

(d) Appropriations for "Research, development, and operation" may be used (i) for any items of a capital nature (other than acquisition of land) which may be required for the performance of research and development contracts, and (ii) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities; and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research, development, and operation" pursuant to this Act may be used for construction of any major facility, the estimated cost of which, including collateral equipment, exceeds $250,000, unless the Administrator or his designee notifies the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

(e) When so specified in an appropriation Act any amount appropriated for "Research, development, and operation" and for "Construction of facilities" may remain available without fiscal year limitation.

(f) Appropriations other than "Construction of facilities" may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

(g) Until such time as the National Aeronautics and Space Administration shall establish uniform design criteria and construction standards for facilities authorized pursuant to this Act, the National Aeronautics and Space Administration shall utilize for such facilities design criteria and construction standards established either by the General Services Administration, the United States Navy Bureau of Yards and Docks, or the United States Army Corps of Engineers.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in subparagraph (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (14), or (15) of subsection 1(b) may, in the discretion of the Administrator of the National Aeronautics and Space Administration, be varied upward 5 per centum to meet unusual cost variations, but the total cost of all work authorized under such subparagraphs shall not exceed a total of $736,200,250.

SEC. 3. Not to exceed 3 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with $30,000,000 of the funds appropriated pursuant to subsection 1(b) hereof, shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations until the Administrator or his designee has transmitted to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost thereof, including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest. No such funds may be used for any construction, expansion, or modification if authorization for such construction, expansion, or modification previously has been denied by the Congress.

SEC. 4. The Administrator is hereby authorized to transfer, with the approval of the Bureau of the Budget, funds appropriated pursuant to this Act, to any other agency of the Government whenever the Administrator determines such transfer necessary for the efficient accomplishment of the objectives for which the funds have been appropriated. Not more than $20,000,000 of the funds authorized by this Act may be transferred by the Administrator under this section, and no transfer in excess of $250,000 shall be made under this section unless the Administrator has transmitted to the Committee on Aeronautical and Space Sciences of the Senate and to the Committee on Science and Astronautics of the House of Representatives a written statement concerning the amount and purpose of, and the reason for, such transfer, and (1) each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to that transfer, or (2) thirty days have passed after the transmittal by the Administrator of such statement to those committees.

SEC. 5. (a) Section 1 of the Act of July 21, 1961 (75 Stat. 216), is amended as follows:

(i) Strike out "$1,784,300,000" in the first sentence, and insert in lieu thereof $1,855,300,000";

(ii) Strike out "$252,075,000" in subsection (c), and insert in lieu thereof "$323,075,000";

(iii) Strike out "$49,583,000" in subsection (c)(8), and insert in lieu thereof ", including land acquisition, $104,583,000"; add a new subsection after subsection (c)(11) as follows:

"(12) Land acquisition, Mississippi Test Facility, Mississippi, $16,000,000. Real estate acquired by the United States for the use of the National Aeronautics and Space Administration pursuant to this subsection shall remain under the control and jurisdiction of that Administration, unless it is disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended."

(b) Section 2 of the Act of July 21, 1961 (75 Stat. 216, 217), is amended by striking "or 11" and inserting in lieu thereof "11, or 12."

(c) In computing the amounts which may, under the authority of section 3 of the Act of July 21, 1961 (75 Stat. 216, 217), be transferred and/or used for purposes set forth in said section, there may be disregarded any amounts so transferred and/or used for land acquisitions at the Atlantic Missile Range, Cape Canaveral, Florida, and the Mississippi Test Facility, Mississippi, which have been reported to the Congress, in accordance with the provisions of said section, prior to the enactment of this Act.

SEC. 6. Section 203(b) of the National Aeronautics and Space Act of 1958, as amended (72 Stat. 429, 431), is amended by (i) striking out the word "and" where it appears after the semicolon at the end of section 203(b)(12); (ii) striking out the period at the end of section 203(b)(13) and inserting in lieu thereof a semicolon and the word "and"; and (iii) adding at the end thereof the following new subsection:

"(14) to reimburse, to the extent determined by the Administrator or his designee to be fair and reasonable, the owners and tenants of land and interests in land acquired on or after November 1, 1961, by the United States for use by the Administration by purchase, condemnation, or otherwise for expenses and losses and damages incurred by such owners and tenants as a direct result of moving themselves, their families, and their possessions because of said acquisition. Such reimbursement shall be in addition to, but not in duplication of, any payments that may otherwise be authorized by law to be made to such owners and tenants. The total of any such reimbursement to any owner or tenant shall in no event exceed 25 per centum of the fair value, as determined by the Administrator, of the parcel of land or interest in land to which the reimbursement is related. No payment under this paragraph shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages incurred, is submitted to the Administrator within one year from (a) the date upon which the parcel of land or interest in land is to be vacated under agreement with the Government by the owner or tenant or pursuant to law, including but not limited to, an order of a court, or (b) the date upon which the parcel of land or interest in the land involved is vacated, whichever first occurs. The Administrator may perform any and all acts and make such rules and regulations as he deems necessary and proper for the purpose of carrying out this paragraph. All functions performed under this paragraph shall be exempt from the operation of the Act of June 11, 1946, as amended (5 U.S.C. 1001–1011), except as to the requirements of section 3 of said Act. Funds available to the Administration for the acquisition of real property or interests therein shall also be available for carrying out this paragraph."

SEC. 7. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act for the fiscal year 1963".

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hesitate to barge into this mutual admiration meeting that has been going on all afternoon, but there are a couple of questions I would like to ask concerning the bill. How much is this authorization this year over that of last year?

Mr. GEORGE P. MILLER. Approximately $2 billion.

Mr. GROSS. Approximately $2 billion?

Mr. GEORGE P. MILLER. Yes.

Mr. GROSS. I would like to ask another question with respect to construction. There is some $736 million in the bill for construction. Do these sites as listed in the bill represent all of the construction, all of the sites where the money is to be expended?

Mr. GEORGE P. MILLER. At the present time that is correct. You will notice there are certain locations there costing about $124 million. These are sites overseas, sites that are classified, for radio stations and television stations that must be established around the world.

Mr. GROSS. In reading the report I notice amounts set aside for construction, but for some it gives no location as to where the money is to be expended.

Mr. GEORGE P. MILLER. In the report and in the hearings these are very well brought out, because they are all very well designated in the backup books.

Mr. GROSS. I am intrigued by the fact that most of the construction money contained in the bill is going into the Southern States. Is there some particular reason for that?

Mr. GEORGE P. MILLER. I am very glad the gentleman brought that up, because this is a matter of geography. The gentleman from New England the other day raised this very question, too, as to why were some of these things being put down in Texas, in Mississippi, and in Louisiana. I told you a minute ago about the size of the first stage of the satellite missile which is so large that it could just about get into this Chamber. It cannot be transported by rail; it cannot be transported by truck. It can only be transported by water, the easiest way to transport it. Therefore, the assembly must be near water. It is, therefore, an accident of geography that the firing site be at Cape Canaveral. There are canals along the gulf coast, and these things can be handled more economically and more cheaply that way than any other way.

As far as Cape Canaveral is concerned, we have to fire to the east because the world is turning in this direction and you gain about 11,000 seconds when you fire in that direction. You want to get as near the equator as you can. There are a number of firings down range that make it more economical to fire out of Cape Canaveral than any other place. And, it is just an accident of geography that this takes place.

Mr. GROSS. How about the research and development laboratories? They are not related to the physical firing of space craft and so on and so forth.

Mr. GEORGE P. MILLER. I think these are pretty well scattered throughout the country. I think that one of the ones that we depend a great deal on, that the Government is going to have to spend some money on very shortly, is in the gentleman's own State of Iowa, because of the presence there of most knowledgeable men in the field of the ionosphere, and to have new laboratories to get the full effect will be financed by the Government at the University of Iowa.

Mr. GROSS. But it is not by design that most of this money is being spent in comparatively a few Southern States and in California?

Mr. GEORGE P. MILLER. No, it is not. This money is being spent in other States. You just heard complaint that part of it was going to be spent by an organization set up by the Bell Telephone Co. They are using these people as their advisers and technicians to work out these things. Some of it is being done in New Jersey. I will say this to the gentleman, that there are certain parts of the country where there is a very good climate for scientists, and the tendency is to follow where these scientists are located.

Mr. GROSS. Let me ask the gentleman this question.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. I ask the gentleman this question: Does the Space Agency make substantial use of contract organizations to provide information?

Mr. GEORGE P. MILLER. If the gentleman will yield, the Space Agency contracts most of its work for information. It deals with universities, with nonprofit organizations and with profit organizations in the matter of obtaining scientific data and other material.

Mr. GROSS. Is the gentleman's committee monitoring the salaries being paid by these contract organizations, many of which are 100 percent Government subsidized? Are you watching the salaries being paid there?

Mr. GEORGE P. MILLER. We are watching these things today, but when we want to get a piece of work done, we go to the best people and best places where you can get it done. We can either meet the salaries or get mediocre people to do it, or we do not have to go to these people.

If we could pay the salaries in Government, we could do it in-house. But we cannot do it in-house. The matter is worthy of the best you can get, and that is the private enterprise system. We are not going to throw the private enterprise system out the window even in the field of science, even though it may not meet the ideas of someone else.

Mr. GROSS. By the same token, why take the lid off and let these contract outfits pay any salaries that they want to pay?

Mr. GEORGE P. MILLER. I do not think they are going to pay any salaries they want to pay. I think the market determines that pretty much. The organizations which are profit-making organizations will not make a profit if they go overboard in paying salaries that cannot be earned by the people employed by them.

Mr. GROSS. I want to say to the gentleman that I have no detailed knowledge of the justification for the huge spending in this bill and I doubt that very many Members do. I have not heard too much discussion of the bill itself here this afternoon. But it would be my hope that if and when we do get to the moon we will find a gold mine up there because we will certainly need it.

By the way, how much is it going to cost, or is there any new estimate on how much it is going to cost to get to the moon?

Mr. GEORGE P. MILLER. No; not now. No one could put a definite figure. I remember that the gentleman expressed that very thought before, and I am sure the committee will keep in mind the gentleman's interest in this matter.

Mr. GROSS. I hope the gentleman will do that.

Someone spoke this afternoon of the interest which the young men and women of this country are taking in the space program. I hope they will continue to take a real interest in it, because they are going to have to pay the mortgage for this spending. I also hope we will have a better experience from this spending than we are having with the $47 billion to $50 billion a year which is spent by the Department of Defense. I hope this will be true, because I read in today's newspaper a dispatch which says that one U.S. battle group now in Thailand does not even have live ammunition. If true, this is a mighty sad commentary on those to whom we have entrusted our Armed Forces.

Mr. GEORGE P. MILLER. I can assure my friend from Iowa that this committee will to the best of its ability monitor all these things in the future, as it has in the past.

Mr. GROSS. Mr. Chairman, I am going to vote for this bill on faith but with

great misgiving. I hope the House Appropriations Committee will demand absolute justification for the $2 billion increase over spending for this purpose last year. I want the space program to progress but I have a suspicion this is getting out of hand in some respects. No matter how much appeal the space program has there is no room here for waste and extravagance and I certainly will vote against the appropriation bill if there is any indication that such is the case.

Mr. FULTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in answer to the gentleman from Iowa [Mr. GROSS] I point out that on page 127 of the committee report there is the explanation of the various locations of NASA which carry a figure of $124,741,750. If the gentleman will look at page 144, the gentleman will find the cuts that the committee has made in the authorized funds for various NASA locations that have just been cited.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. INOUYE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes pursuant to House Resolution 648, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that the "ayes" had it.

Mr. FULTON. Mr. Speaker, I make the point of order that a quorum is not present and object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 343, nays 0, not voting 94, as follows:

[Roll No. 95]

YEAS—343

Abbitt
Abernethy
Addabbo
Albert
Alger
Andersen, Minn.
Anfuso
Arends
Ashbrook
Ashley
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Barry
Bass, Tenn.
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Blitch
Boland
Bolton
Bow
Brademas
Bray
Breeding
Brewster
Bromwell
Brooks, Tex.
Brown
Broyhill
Bruce
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Carey
Casey
Cederberg
Celler
Chamberlain
Chenoweth
Church
Clancy
Clark
Coad
Cohelan
Collier
Colmer
Conte
Cook
Cooley
Corbett
Cramer
Cunningham
Curtin
Daddario
Dague
Daniels
Davis, James C.
Davis, John W.
Davis, Tenn.
Denton
Derounian
Derwinski
Devine
Dingell
Dole
Dominick
Donohue
Dooley
Dorn
Dowdy
Downing
Doyle
Dulski
Dwyer
Edmondson
Ellsworth
Everett
Evins
Fallon
Fascell
Feighan
Fenton
Findley
Finnegan
Fino
Flynt
Ford
Forrester
Fountain
Frelinghuysen
Friedel
Fulton
Gallagher
Garland
Gary
Gathings
Gavin
Giaimo
Gilbert
Glenn
Gonzalez
Goodell
Goodling
Granahan
Gray
Green, Pa.
Griffin
Gross
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison, Va.
Harrison, Wyo.
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hechler
Hemphill
Herlong
Hiestand
Hoeven
Hoffman, Ill.
Holifield
Holland
Hosmer
Ichord, Mo.
Inouye
Jarman
Jennings
Jensen
Johansen
Johnson, Calif.
Johnson, Md.
Jonas
Judd
Karsten
Karth
Kastenmeier
Kearns
Kee
Keith
Kelly
Keogh
Kilgore
King, Calif.
King, N.Y.
King, Utah
Kluczynski
Knox
Kowalski
Kunkel
Kyl
Laird
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
Lipscomb
Loser
McCulloch
McDonough
McDowell
McFall
McIntire
McVey
Macdonald
MacGregor
Mack
Madden
Magnuson
Mahon
Mailliard
Martin, Mass.
Martin, Nebr.
Mathias
Matthews
May
Meader
Michel
Miller, Clem
Miller, George P.
Miller, N.Y.
Mills
Minshall
Moeller
Monagan
Montoya
Moore
Moorehead, Ohio
Moorhead, Pa.
Morgan
Morris
Morse
Mosher
Moss
Moulder
Multer
Murphy
Natcher
Nedzi
Nelsen
Nix
Norblad
Nygaard
O'Brien, Ill.
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill
Osmers
Ostertag
Patman
Pelly
Perkins
Pfost
Philbin
Pike
Pilcher
Pirnie
Poage
Poff
Powell
Price
Pucinski
Purcell
Quie
Randall
Ray
Reece
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Rosenthal
Roudebush
Roush
Rousselot
Rutherford
Ryan, Mich.
Ryan, N.Y.
St. George
St. Germain
Santangelo
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Scranton
Shelley
Shipley
Short
Shriver
Sibal
Sikes
Sisk
Slack
Smith, Iowa
Smith, Va.
Springer
Stafford
Staggers
Steed
Stephens
Sullivan
Taber
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thomson, Wis.
Thornberry
Toll
Tollefson
Trimble
Tuck
Tupper
Udall, Morris K.
Utt
Vanik
Van Zandt
Vinson
Waggonner
Wallhauser
Walter
Weaver
Weis
Westland
Whalley
Wharton
Whitener
Widnall
Williams
Willis
Wilson, Ind.
Winstead
Wright
Young
Younger
Zablocki
Zelenko

NAYS—0

NOT VOTING—94

Adair
Addonizio
Alexander
Alford
Anderson, Ill.
Andrews
Ashmore
Baring
Barrett
Bass, N.H.
Bennett, Mich.
Blatnik
Boggs
Bolling
Bonner
Boykin
Broomfield
Buckley
Chelf
Chiperfield
Corman
Curtis, Mass.
Curtis, Mo.
Dawson
Delaney
Dent
Diggs
Durno
Elliott
Farbstein
Fisher
Flood
Fogarty
Frazier
Garmatz
Grant
Green, Oreg.
Griffiths
Hall
Hébert
Henderson
Hoffman, Mich.
Horan
Huddleston
Hull
Joelson
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Kilburn
Kirwan
Kitchin
Kornegay
Landrum
McMillan
McSween
Marshall
Mason
Merrow
Milliken
Morrison
Murray
Norrell
Passman
Peterson
Pillion
Rains
Reifel
Riley
Roberts, Ala.
Roosevelt
Rostenkowski
Saund
Scherer
Schwengel
Scott
Seely-Brown
Selden
Sheppard
Siler
Smith, Calif.
Smith, Miss.
Spence
Stratton
Stubblefield
Thompson, Tex.
Ullman
Van Pelt
Watts
Whitten
Wickersham
Wilson, Calif.
Yates

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Adair.
Mr. Kitchin with Mr. Reifel.
Mr. Landrum with Mr. Smith of California.
Mr. Garmatz with Mr. Hoffman of Michigan.
Mr. Farbstein with Mr. Durno.
Mr. Fogarty with Mr. Curtis of Missouri.
Mr. Rostenkowski with Mr. Scherer.
Mr. Stubblefield with Mr. Wilson of California.
Mr. Alexander with Mr. Merrow.
Mr. Sheppard with Mr. Seely-Brown.
Mr. Hull with Mr. Curtis of Massachusetts.
Mr. McMillan with Mr. Schwengel.
Mr. Kirwan with Mr. Bass of New Hampshire.
Mr. Morrison with Mr. Van Pelt.
Mr. Stratton with Mr. Horan.
Mr. Baring with Mr. Milliken.
Mr. Blatnik with Mr. Broomfield.
Mr. Yates with Mr. Kilburn.
Mr. Corman with Mr. Anderson of Illinois.
Mr. Kornegay with Mr. Hall.
Mr. Passman with Mr. Mason.
Mr. Delaney with Mr. Bennett of Michigan.
Mr. Dent with Mr. Siler.
Mrs. Green of Oregon with Mr. Pillion.
Mr. Roosevelt with Mr. Chiperfield.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill today may revise and extend their remarks and include extraneous matter and tables and also that all other Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

TAX RATE EXTENSION ACT OF 1962

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday, May 26, to file a report on the bill H.R. 11879, the Tax Rate Extension Act of 1962.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

There was no objection.

WILLIAM BURNICE JOYNER

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1348) for the relief of William Burnice Joyner, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the Postmaster General is authorized and directed to pay to William Burnice Joyner, of Palatka, Florida, the amount of $1,531.08. This sum represents the amount due as retroactive compensation for services rendered the United States Post Office, Palatka, Florida, during the period September 1, 1946, to and including September 1, 1948: *Provided*, That no part of the amount appropriated in this Act in excess of ten per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000".

The **SPEAKER.** Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LINDSAY REFUGEE RELIEF BILL

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, suddenly the world has become conscious of the Chinese refugee problem. Hong Kong is flooded with newly arriving escapees and refugees.

A year ago I examined firsthand and in great detail the refugee problem in Hong Kong. The Hong Kong government has done a superb job in attempting to cope with the problem, but Hong Kong has reached the saturation point.

Our own refugee laws are not adequate. Neither are the refugee laws of most other Western countries. There is no excuse for a do-nothing attitude on the part of the United States or any other free country that is not in the position of a country of first asylum. In this modern day all free countries should consider themselves first asylum countries. That is why I urge that the United States take the lead on refugee legislation.

The U.S. Refugee Relief Act, which expired at the end of 1957, was replaced in 1960 by the very limited U.S. escape program. This program is confined almost entirely to Europe and to Europeans, excluding the Far East and the Middle East from any direct participation.

In the last session of this Congress I introduced an omnibus bill that takes an approach entirely different from the piecemeal ad hoc approach of the past. This bill would grant broad new authority to the President for an indefinite period. Under it, he could admit up to 10,000 refugees a year, or, in the event of an overriding emergency, an unlimited number. There would be no restrictions as to geographic or ethnic origin. In addition, to meet specific unfulfilled goals of the World Refugee Year, a special number of 20,000 would be admitted in the first 2 years.

The President would thus be given flexible authority to accept refugees, year by year, from the areas of most pressing need. However, for purposes of maintaining ultimate legislative authority, the bill would allow the Congress, by joint resolution, to veto the admission of any individual or group proposed by the President.

Such a program would represent a significant effort by the United States to accept its fair share of responsibility for the world refugee problem. Legislation of this nature, moreover, would provide a sincere and concrete example that would make it possible for this Nation to exercise persuasive influence on other free nations to accept a share of the responsibility.

In each of the two broad lines of action—the enhancement of efforts by the United Nations and the liberalization of national immigration policies—it is incumbent on the United States to take the lead. We are the leader of the community of free nations. In the problem of refugees as in all world problems, it is our responsibility, by example and by persuasion, to point the way toward workable solutions.

Mr. Speaker, I urge the Judiciary Committee of the House, without delay, to take up the subject of refugee legislation, and I recommend consideration of the approach contained in the Lindsay bill.

I am glad that the President has urged Americans to "identify ourselves with the quest for human dignity," in his reference yesterday to the Hong Kong refugee problem. But he made no specific recommendations. Words are one thing; action is another. Nothing can be done in the absence of legislation, and I must assume that the President will back me up in pressing the Congress to change its restrictive immigration and refugee laws. I would like to be able to assume also that he will endorse the Lindsay bill.

It is important to note that the 1960 refugee and escapee program was deliberately designed to exclude Orientals. I pointed to this at the time of the floor action on this bill and have mentioned it many times since. Why is it that it takes a crisis such as the one that now appears in the Far East to persuade people of the inequity involved in that bill?

I note also that recently a distinguished Member of the Senate has recommended changes in the immigration laws. I am delighted that he has shown his concern in this important area. I believe, however, that the Lindsay bill would accomplish more and faster.

Next, Mr. Speaker, I would urge that the Intergovernmental Committee on European Migration—ICEM—broaden its activities to include the problem of Chinese refugees. The United States is by far the biggest contributor to ICEM and ICEM has built up elaborate and effective machinery for the transportation of refugees. But its work has been confined to Europe or to European refugees. If the United States wishes to take the lead, it would not be difficult to broaden the ICEM efforts to include a substantial number of Chinese refugees.

Mr. Speaker, the second part of the refugee problem in Hong Kong is the immediate one of hunger and clothing. The President should without delay undertake the immediate shipment of sufficient surplus foods and food products to give relief to the refugees and to assist the government of Hong Kong in meeting the crisis that it has before it. I urge the administration, within its discretionary powers, to do what is necessary in this regard.

PRESIDENT'S APPEAL FOR THE KING-ANDERSON BILL

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, while President Kennedy was addressing a Madison Square Garden rally Sunday in support of his medical care plan, 200 persons, most of them elderly, were meeting in Memorial Auditorium in Buffalo, N.Y. We were very fortunate to be included as one of the 32 cities to hear the President's appeal for the King-Anderson bill on television.

Our local meeting, sponsored by the Niagara Frontier Citizens Council for Hospital Care Through Social Security, was chaired by Mr. James L. Kane, president, Buffalo Council, AFL-CIO. The invocation was delivered by the Very Reverend James A. Healy. Miss June Duell sang the national anthem, which was followed by remarks of Mr. Kane, the chairman.

Dr. William A. Sawyer, of Rochester, N.Y., spoke on the medical aspects of the King-Anderson bill.

Entertainment was provided by Mr. William Giambra, of the Canisius College Students for Medicare.

Chairman Peter J. Crotty, of the Erie County Democratic Committee, addressed the audience in support of this medical care plan. This was followed by a presentation of 60,000 signatures, in bound volumes, to the Honorable James M. Quigley, Assistant Secretary of Health, Education, and Welfare. These volumes were submitted by: Mrs. Lenora Onasch, registered nurse, Allison Nursing Homes; Mr. John F. Campbell, Buffalo & Erie County Retired Men's Club; Mr. Jack Kirisits, president, UAW Retired Workers Council; Rev. George Leake, Durham Memorial Zion Church; Mr. Harold Troidl, regional director, UAW; and Miss Frances Przemliewski, University of Buffalo College Students Committee.

Assistant Secretary Quigley then addressed the meeting, emphasizing the important work that is being done in this field by this administration.

The meeting was concluded with a speech delivered by Mr. Roy Reuther, director, citizenship department, UAW. Under leave to extend my remarks, I include his speech, which follows:

ADDRESS BY ROY L. REUTHER, AT MEDICAL CARE RALLY, MAY 1962

This is a great day for the American people, a great day for all generations of Americans, a great day for the young, for the middle aged, for the elderly.

Today, people like ourselves are rallying in halls and auditoriums all across the country to make their voices heard on a matter of deep concern to the American people. Today, the voices of the American people will be heard loud and clear in their demand for health insurance for the aged under social security.

The people of America are united on this simple premise: Old people should not be left to shift for themselves when they are sick and suffering. They should be provided with the health services they need and they should receive these servies in dignity and self-respect. They should not be forced to exhaust their resources and throw themselves on charity to get these services.

They should have these services as a matter of right. This is vitally important to them, and it is important to their children and grandchildren.

This can be done easily, efficiently, effectively by simply adding health insurance protection to the present economic protection afforded by the time-tested social security system.

This is the plan—now before the Congress in the King-Anderson bill—that President Kennedy is vigorously supporting and that people all over the country want. This is what we want and this is what we are going to keep demanding until we get it.

The social security system is one of the greatest things that ever happened to this country. It's good for the country, and it's good for its individual citizens, young and old. Now we need to use this sound and practical system to guard against one of the greatest of all economic hazards—the high cost of illness in old age.

Every day another 1,000 people are added to the ranks of the aged. This year, there are 17,500,000 people over 65 in the United States. Five years from now there will be 20 million.

This is one of the blessings of the past half century of progress which has increased our lifespan by 20 years. The question is how are these additional years to be spent? For many, it means a longer period of retirement, a longer rest after leaving the office, store, or factory. It means an opportunity to pursue long-deferred interests for which there was little or no time during the working years.

But let us face the fact that, in far too many instances, these dreams never come true after a lifetime of hard work and careful planning. Old age brings with it a reduced income for most. Even if this is enough for the daily necessities, there is little or no margin in most retirement budgets to meet the sudden costs of serious illness.

The plain fact is that people over 65 have twice the medical costs of younger people, and only half the income. This is not just an idle statistic. It's something that millions of older people live with and worry about. Half of all aged couples will require hospitalization at least four times during their remaining years. How the cost will be met when the time comes is a haunting fear.

When an older person goes to the hospital, his medical expenses for the year will likely soar to more than $800; yet half of the Nation's aged people who are living alone have a yearly income of less than $1,000, and half of the couples have less than $2,500 a year to live on.

These are the facts. They spell out one thing. Most of the Nation's older people have a hard time making ends meet without unusual expenses. But a bill for health services can wreck the most carefully prepared budget, the best laid plans, and leave the older person not only without money, but heavily in debt. This is a worry that the aged have to live with every day of their lives.

We are here today in recognition of the fact that the greatest single threat to the economic security of retired people is the unpredictable cost of illness. It is this fact that lead President Kennedy to propose a system of health insurance for the aged under social security.

It has been well over a year now since the President presented his recommendations to the Congress. It is high time that the Congress acted. All legitimate arguments against the King-Anderson bill have been presented, repudiated, and laid to rest as far as logical people are concerned.

A massive propaganda campaign has been launched by the American Medical Association to try to persuade the American people that health insurance for the aged is socialized medicine. To label the President's proposal as "socialized medicine" is not commonsense. It is nonsense.

The King-Anderson bill clearly and forcefully spells out: "There shall be no Federal control over or intervention in the free practice of medicine." The patient is free to choose his own doctor and the doctor is free to work in the hospital of his choice.

Health insurance through social security is no more like socialized medicine than are Blue Cross or other insurance plans that pay medical bills.

Today the American Medical Association calls health insurance socialized medicine—you must remember that they also opposed the original social security bill in 1935 calling it socialism.

The most mystifying of all arguments against health insurance for the aged are these: On the one hand, we are told that older people are not doing without the care they need—on the other, that should a method of payment of care be provided, the aged would overcrowd the hospitals.

Now, if older people already receive all the care they need, where would the crowds of older patients suddenly come from? But there is a half-truth in these seemingly contradictory claims. Although it is not true that the elderly are receiving the health care they need, when they need it, it is true that passage of the King-Anderson bill undoubtedly will increase the use of hospitals by older folks to some extent. That's the reason we are working so hard to get the bill passed—so older folks who need health care can get it.

We say that older people who have put off getting the care they need because they are reluctant to dip into their meager savings; because they don't want to burden their sons or daughters who are raising their own children; or because they are unwilling to ask for charity or a public handout—we say these older people should not be left to shift for themselves.

Without doubt, once the King-Anderson bill becomes law, there will be some increase in the use of hospitals. That's what hospitals are for—to give people the medical care they need. And if the hospitals become overcrowded, the answer is not to keep people needing care out, but to build more hospitals.

Another argument raised by our opposition is that the social security system is going broke. Ask the more than 17 million people now receiving social security checks totaling more than a billion dollars a month about that. Unsound? Unworkable? Not exactly.

When other arguments fail, we are told that the Kerr-Mills program will do the job. This, as you will recall, is legislation passed in 1960 which made Federal matching funds available so that the individual States could establish programs of medical assistance for those of the aged who could prove, through a means test, that they were "medically indigent."

There are two main reasons why the Kerr-Mills program hasn't worked: For one thing, most States just don't have the money to pay their share of the costs. For another, our people don't want and are reluctant to ask for charity when they need help. They would rather help themselves. This is the basic reason Kerr-Mills can't solve the major problem.

Some critics say, "Let the old people buy their own health insurance. That would be fine, if they could do it. But insurance is not something for nothing. The premium for an insurance policy has to be high enough to meet the costs the person is insured against; pay the insurance people; and in some cases, turn a profit over to the owners of the company. This means that older people, with their high medical costs and high risk of illness, are offered either little protection at reasonable costs or the protection they need at a cost they cannot afford.

And how about the other 50 percent, the people who don't have any health insurance? Why? Well, some of them, because of their present health, just can't buy a policy for love nor money. Many older people, with their limited income, just cannot afford even a small premium. It's all they can do to provide themselves with the necessities of everyday living.

Commonsense tells us there is only one way health insurance can be provided for us when we become 65. That is through social insurance—social security. This is the only way around the stubborn fact of cost. Under this approach, the costs would be financed over the entire working lifetime of each person.

This is the way past benefits for retirement and disability are financed under social security. A worker pays while he is working and receives benefits when he has retired or is unable to work. By that time he's all through paying into the plan, and he is entitled to all the benefits the plan provides for the rest of his life.

This is the commonsense way to handle the problem.

This, President Kennedy has proposed, and the King-Anderson bill will provide health insurance for the aged under social security—a spread-the-cost and share-the-risk insurance program on a national scale.

It would work like this. The American people while they are still working would pay an additional social security tax, amounting to about $1 a month. In return, people over 65 would receive paid-up health insurance. This paid-up health insurance would also be extended to the parents, the grandparents, and to aunts and uncles of today's workers—the people already 65 and over.

This health insurance under social security will provide:

Payment for up to 90 days of hospitalization for a single illness, over and above a charge of $10 a day for the first 9 days.

Payment for up to 180 days of skilled nursing home care immediately after discharge from the hospital.

Payment for certain hospital out-patient diagnostic services and for up to 240 home health care visits a year.

I have stressed the word "pay" because that is just what the plan would do. Under the plan, no services are provided—they are just paid for. Each person would have the same freedom of choice of physician and hospital that he does today.

Moreover, there would be no supervision or control over the practice of medicine by any physician or over the operation of any hospital.

The King-Anderson bill would permit social security to do what Blue Cross has been doing for years—pay hospital bills without interfering in hospital operation.

Thus, what has been proposed, really, is that the social security system simply give extended protection. It has proven a sound way to provide workers and their families with protection against loss of income because of old age, death, or disability. Under the same system, we can also insure ourselves against expensive health care costs in old age.

The journey to provide health insurance for the aged has been a long and hard one. Poll after poll shows an overwhelming majority of Americans want health insurance for the aged through social security.

We are now in sight of our goal. By the end of the summer, the King-Anderson bill will be law. Health insurance for the aged under social security will be a fact, not a proposal.

But let us not falter in the home stretch. Rather, we must all renew and double our efforts to make sure that victory, so nearly within our grasp, does not elude us.

This rally is not an end, but rather a beginning. Let us all leave this meeting resolved that each of us shall go into our neighborhoods and talk to our neighbors and friends and urge them to write their Congressmen urging a favorable vote for the King-Anderson bill. And remember, be sure you and your neighbors are registered to vote, and vote for Congressmen or candidates for Congress who have actively demonstrated they were in favor of the King-Anderson bill.

Make your voices heard, your views known. You have the best ammunition in the world—facts. Use your facts and your voices to make sure the health insurance for the aged becomes a fact.

We can win; we must win; we will win—if we all go to work.

PERSONAL EXPLANATION

Mr. JOELSON. Mr. Speaker, on rollcall No. 95, which was just taken a few moments ago, I arrived in the Chamber a few seconds too late. However, I would like the Record to indicate that had I been present I most certainly would have voted in favor of the bill.

HEALTH CARE FOR THE AGED THROUGH SOCIAL SECURITY

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, more than 25 years ago many dire predictions were made as to what would happen if the Democratic proposal to establish a social security program were adopted. Republican opponents warned that it would regiment and enslave the American people and bankrupt the Nation.

Since the time of its adoption by the New Deal administration of President Franklin D. Roosevelt, the social security has become an important part of our American way of life. It has contributed much to the Nation's progress and prosperity. It has brought security, dignity and respect to millions of our retired citizens.

More than 64,000 people in the new Sixth Congressional District of Pennsylvania, which comprises Berks, Schuylkill, and Northumberland Counties, received $51 million in social security benefits in 1961. Approximately 17 million people of our country received social security benefits last year.

The increase in those covered by social security and the many improvements in the program which have been made over the years reflect the success of Democratic-sponsored amendments.

The Kennedy administration and its supporters are dedicated to the task of making further improvements in the social security program.

The President's proposal to include medical care is perhaps the most controversial amendment since the program was launched a quarter of a century ago.

The dire predictions of regimentation, bankruptcy, and disaster that are being made today are like an echo from the dead past. Opponents of the social security approach for medical care for the aged contend that this is an attack on the medical profession. However, many of the Nation's most prominent physicians support the Kennedy proposal.

There is not, I am sure, a single Member of Congress who seeks to harm the medical profession and the Nation's physicians whose services have kept our country and its people healthy and strong.

On both sides of the controversy many are not fully informed about the proposal. This is the cause of much confusion which results in friction and disunity.

There can be honest differences of opinion on legislation of this kind. There is no doubt about President Kennedy's sincerity and his desire to do what is best for the people and for our country. Many of his opponents in the medical profession are equally sincere in their opposition.

But some appeals are designed to fool or frighten people. Arguments are often made to confuse and deceive rather than to inform and enlighten.

It is quite evident, Mr. Speaker, that the big increase in our aged population and the serious problems which confront most of our old folks are cause for the growing interest and desire for an expansion in the social security program to meet the needs of our senior citizens.

I have had many letters, Mr. Speaker, from my constituents on this question, the majority of which expressed support for H.R. 4222. Others have opposed the bill. Many are seeking information and want to know more about the proposal. For that reason, Mr. Speaker, I am inserting with my remarks various letters, editorials, and articles in answer to recent questions which were raised against the bill.

First, I wish to include an editorial from the Harrisburg Patriot in its issue of May 19, 1962.

The Patriot, one of the State's leading daily newspapers, had this to say:

DOCTORS' SCARE CAMPAIGN: MEDICAL CARE FOR THE AGED DESERVES BETTER TREATMENT

If the Nation's doctors, as represented by the American Medical Association, gave to medicine the same objective reasoning they are giving the President's medical care for the aged plan, we'd all be in a sad state of health.

This is not to say all the propaganda and political pressure are on one side in this heated issue. The Kennedy administration and its friends are pulling the stops out in a campaign that will reach a peak this weekend in a series of razzle-dazzle rallies across the country. And it wouldn't be surprising to find a lot more said for the King-Anderson bill than it's able to do.

But the AMA has gone far beyond noise and occasional exaggeration. The very heart of what it is saying to the public is a calculated attempt to distort the meaning of the bill and to play on fears. For this reason it is sad to see the Dauphin County Medical Society, in a message signed "Your Doctor," echoing this line to residents of the Harrisburg area.

The seven objections the message leveled against the King-Anderson bill go from the true but obvious all the way up to the preposterous. Take them one at a time:

1. "It calls for a double increase on payroll taxes—an increase in the percent of tax take, plus an increase in tax base. Employees and employers each would be paying more tax than they pay today."

Aside from the twice-as-much implication. this is true. But the increase—one-fourth of 1 percent in the social security tax rate and an extra $400 in the amount of a worker's income to be taxed—is well known by now. And what's with it? Somebody's got to pay. And pay-as-you-go social security financing offers the most conservative solution for old-age hospital insurance.

2. "It would compel wage earners to pay for medical care for millions of the aged who don't need help—but the proposal does nothing for millions not covered by social security—the group most in need."

This needs sorting out. Actually, the entire working population would be paying in advance for the health protection it will need after retirement. It can be debated just how many of the Nation's 14 million elderly people who would get immediate protection don't really need it. But the proportion is small. The exclusion of the 2.4 million persons not covered by social security is a weakness that should be corrected by a supplementary program, not used as a weapon against the bill.

3. "It is a compulsory, Federal Government-controlled plan which would place a

third party—Washington bureaucrats—between the patient and the physician. It would place politics at the bedside of the ill."

Up through the word "plan," this says what's obvious. After that, it's nonsense. To paint the administrators of the social security system as an army of bedside bogeymen is the scare technique pure and simple. And it is baseless. Federal Hill-Burton funds for years have been helping build hospitals, and there has been no political tampering with the medicine practiced within them.

4. "It would limit the patient's free choice of hospital and physician."

Also baseless—unless, of course, the hospitals and physicians decided on a strike à la the threat of some 200 New Jersey doctors.

5. "It would eliminate the privacy of the patient-physician relationship—making it possible for Government clerks to examine the most intimate personal health records—records that now are a private matter between patient and physician."

The old scare game, just like point 3. Since the King-Anderson bill covers hospitalization, not doctor bills, the medical profession has nothing to fear. If there's a possibility of the Government's intruding in medical practice, it's more likely to come through the AMA-backed Kerr-Mills program. This program, for which the medical society explained its support in a subsequent message, requires direct Federal tax funds on top of State money. It is presently inadequate, but if ever revised to do what the bulk of the Nation's aged require, it would become a giant welfare program of the type organized medicine has always fought.

6. "It would definitely lower the quality of medical care."

There isn't a shred of concrete evidence to support this.

7. "It would be the first step toward socialised medicine in this country—a system that has resulted in the deterioration of medical care wherever it has been tried."

The AMA has a long record of crying "first step." There have been so many "first steps" to socialism, socialized medicine and communism that even the AMA would be hard pressed to make a count. But they include the original social security system, extensions of it, voluntary health insurance and even such early, innocuous Government programs as the Federal grants to State health departments to help reduce the death rate among mothers and children. And here we are at another "first step."

As so often in the past, the opposition presented here is built of horrifying conclusions based on flimsy or nonexistent premises. It reflects neither compassion nor reality. And there is cause for wonder just how many physicians in Dauphin County and elsewhere, including those who have sincere reservations about the broadside King-Anderson bill, actually subscribe to this.

Mr. Speaker, on May 23, 1962, the Washington Post, the leading newspaper in the Nation's Capital, editorialized on the social security health care issue, as follows:

RALLY FOR HEALTH

The 33 monster rallies held all over the country on Sunday to promote a social security program of health care for the elderly—linked together by television and addressed by the President of the United States who personally attended the biggest of them all in Madison Square Garden, New York—afford an object lesson in the way the democratic process works in the United States. A visitor from Mars or from Soviet Russia could learn more about American politics from this phenomenon than from a score of textbooks on political theory. For good measure, he might also study the television riposte by the American Medical Association.

These appeals to public opinion illustrate the degree to which government by the consent of the governed is dependent upon the mobilization of consent through leadership. In prodding the public to move in a direction he believes consistent with the general welfare, Mr. Kennedy is discharging the first function of the Presidency. Leadership is no less vital in a democracy than in a dictatorship; the difference is that it must be exercised through persuasion rather than coercion, and it leaves ample room for opposition. The AMA, according to its lights, was displaying leadership, too.

The President began his speech by reminding his audience that he comes from Boston, near Faneuil Hall, "where for a whole period of years meetings were held by interested citizens in order to lay the groundwork for American independence" and went on to say "it's most appropriate that the President of the United States, whose business place is in Washington, should come to this city and participate in these rallies, because the business of government is the business of the people, and the people are right here." He ended by asking for popular support—the indispensable condition for democratic progress.

There were some 17,500 persons crowded into Madison Square Garden in Sunday's sweltering heat, most of them in their sixties and seventies. There was plenty to remind them of the hysterical hopes raised for the elderly by Dr. Francis Townsend a quarter century ago. The failure of those hopes made political realism a moral imperative for the President. Considering the emotional atmosphere of the occasion, the political overtones of the controversy and the recklessness of the attack made by the AMA on the administration's health care program, the President's extemporaneous speech was singularly free from demagogy.

Nevertheless, there is a measure of justice in the Republican reproach—voiced on Sunday, for example, by Senator BOURKE B. HICKENLOOPER in his capacity as chairman of the Senate Republican policy committee, that the administration is "flying under false colors" by plugging its proposal as a "medical care plan." Terminology presents a tricky problem in this controversy, as this newspaper learned to its sorrow the other day when it fell into one of the terminological pitfalls.

We think there is no justice at all, however, in the attack on the King-Anderson bill made by the AMA on Monday night. The AMA condemns the bill for not providing enough medical and hospital care when in fact the AMA wants it to provide none at all. There is nothing to support the AMA argument that this proposal "will lower the quality and availability of hospital services throughout our country. It will stand between the patient and his doctor. And it will serve as a forerunner of a different system of medicine for all Americans."

The President was careful to say on Sunday that "this bill does not solve everything." Indeed it does not. It covers most people but not all people over 65. It is based on a system of prepayment through taxation during working years for benefits to be received as a matter of right in old age but it is not strictly speaking an insurance program. It provides among its benefits hospital care up to 90 days with a requirement that the patient pay for the first 9 days at $10 a day, nursing-home services up to 180 days and home health services up to 240 visits a year; it includes in the hospital care X-ray and laboratory tests and the services rendered in the hospital by interns, residents, pathologists, radiologists, anesthesiologists and physical medicine specialists but it does not cover ordinary charges by private physicians and surgeons.

What shall we call this limited, inadequate, cautious approach to one of the critical problems of old age? It is a far cry from complete protection against the hazards and expenses of illness. It is a far, far cry from socialized medicine, that perennial bugaboo of the AMA. The best that can be said about it is what the President has said—"it will begin."

Mr. Speaker, on May 20, 1962, two Maryland physicians, in a letter to the editor of the Washington Post, said this:

TO EARN MEDICAL SECURITY

As responsible physicians and as human beings, it is our duty to examine the issues which underlie the administration's proposal for financing medical care for the aged.

There are 17 million people in the United States who are over 65. By 1980 this figure will climb to 24.5 million, which will constitute at least 10 percent of the population. Spectacular advances in medicine have made possible the lengthening lifespan; but the chronic diseases of the aged still can seldom be cured and usually require increasing treatment for longer years. Unfortunately this need becomes pressing just as financial resources ebb, whether through lack of employment opportunities or ill health or both.

More than half of the 17 million Americans who are over 65 have annual incomes of less than $1,000. Even if a few of them may have accumulated some assets, it is clear that the aged in the United States are for the most part economically underprivileged in the face of mounting medical expenses.

Today the young, the old, and the disabled survive longer than used to be the case and in spite of any uncured disabilities, because of the lessened frequency of deaths from infections and other complications. Therefore the average wage earner who supports these older citizens is at the same time supporting more young dependents because of reduced mortality rates in early years, and also more disabled mature dependents who are not employable. Consequently during his earning years a man carries an increasing burden of longer lived dependents.

Because of modern technological advances the age of retirement has been declining simultaneously with a dramatic increase in the average number of years of life after retirement, when health problems become greater and income is generally reduced. Consequently with earlier retirement and with more years spent in school during youth and adolescence, the relative duration of the span of a man's earning years is shrinking steadily. At the same time because of changes in technology and in economics and the increasing population, the span of a man's earning years has shrunk relative to the magnitude and duration of his burdens, and will contract even more sharply in the future.

The costs of medical, and especially hospital, care have risen sharply (over 50 percent in the last decade), and they will continue to rise. Since World War II medical costs have led all others in the Consumer Price Index. From 1945 to 1959 all prices rose 62 percent, but the costs of medical care increased 81 percent.

Some form of prepaid insurance is the only way to meet these rising and long-lasting expenses. Yet from one individual to another the costs vary enormously. One older person dies suddenly of his first coronary; another lives on for decades as a semi-invalid. The economic drain can be evened out and thereby reduced for all only by spreading the risks, through the widest possible participation.

In the last decade all efforts by large industries and unions to use voluntary private insurance to cover the costs of caring for the disabilities of old age have failed completely, and this in spite of vigorous recruitment campaigns.

Social security already provides the financial understructure that supports the majority of the aged. In the foreseeable future it will protect virtually every aged American. In civilian life this will be the equivalent of what the Government already provides for members of the armed services.

No serious observer of the American economic system considers this socialistic. Nor is there valid reason to attach the label "socialized medicine" to the King-Anderson bill. It involves no interference with the individual's right to choose his own doctor for home-care or his own hospital or nursing home. Under the plan embodied in the King-Anderson bill the Government neither provides nor administers medical, hospital, or nursing service. At most it defines simple, basic, minimal standards. This bill merely incorporates into the social security system a method of prepaying medical care by making it possible for every citizen to save with dignity during his earning years for the protection of his health in later years. To make health insurance inexpensive by spreading its base does not make it socialistic.

Finally, in the absence of a link to social security there is a tendency constantly to broaden the definition of the indigent aged, who received assistance as a handout through welfare with destructive social and morale effects. This contrasts sharply with the self-respect and dignity of earning it over a lifetime through social security.

LAWRENCE S. KUBIE, M.D.
ROBERT E. COOKE, M.D.

TOWSON, MD.

Mr. Speaker, on May 18, 1962, this letter to the editor appeared in the Reading Times:

MEDICARE

EDITOR, THE TIMES:

Today we speak of new frontiers and even a resurgence of morals and ethics; our scientists are broaching new planets but still the American Medical Association and its members hold to antiquated practices.

The honorable Governor of New Jersey suggests that the current tide of medical thinking is not in keeping with the Hippocratic oath.

I believe this is one of the few times a public official has come to the forefront with an open criticism of one of the few remaining all-powerful "guilds."

Seldom have any sociomedical conflicts been brought to the public's attention. Today the medical professional has become stodgy, despite the tremendous strides made in the basic sciences.

The honorable doctor in Point Pleasant stated in an interview that medicare will overtax the medical facilities of the country, among other things.

I have heard a doctor ask a patient who was seeking the answer to a difficult medical problem why he was so persistent. "After all," the doctor blandly stated, "if everyone sought the answer to all their problems the doctors and hospitals would be overtaxed."

Thus the problem is not medicare or Government versus the individual, but rather the state-of-the-art in medical care. Then let us deal with the problem and provide the American public with the wherewithal to obtain the finest in medical attention. Then if there are not enough facilities to provide this care let us examine that problem next.

Is it that the medical profession fears that at last the secret will be revealed? Does it fear that its own failure to close the gap between the needs of the public and the supply of well-paid and trained personnel and facilities will become too evident and that the Government will have to assert itself in this phase also?

At the advent of social security, all in the insurance field despaired; they feared collapse of the industry and the intervention of the Government. Yet, today, thousands of young men walk the streets selling nothing more than information about social security benefits and the need for additional insurance.

Let the medical profession take heart. Progress comes in many different ways.

HENRY SCHENCK.

MILVALE MANOR, WEST LAWN.

Mr. Speaker, in an advertisement sponsored by the Retired Ladies' Club of Central Pennsylvania, this open letter to "Dear Doctor" appeared in the Harrisburg Patriot of May 19, 1962:

AN OPEN LETTER

DEAR DOCTOR: The next heart you listen to should be your own.

Do you really agree with the ad run in last Wednesday's paper by the Dauphin County Medical Society?

Would you really refuse to treat me (as 200 doctors in New Jersey have threatened) if I had some of my hospital expenses paid through social security insurance?

I doubt it. I think you're a good doctor. In fact, when it comes to my health, I put my life in your hands.

But when it comes to my pocketbook, I think I know more about it than you do. I don't think you should try to tell me how to pay my hospital bills, any more than I would try to tell you what medicine to give me.

The ad said, "Let's keep politics out of medicine." I agree. But, also, "Let's keep medicine out of politics." Do you know that the King-Anderson bill for health care insurance specifically prohibits the Government from interfering in the practice of medicine? And that it has nothing to do with paying doctor bills?

Do you know the position the American Medical Association has taken in the past?

In 1930 it condemned Federal grants to aid States to reduce infant and maternal mortality as "unsound, wasteful, extravagant, unproductive of results, and tending to promote communism." (Digest of Official Actions, 1846 to 1958, American Medical Association, p. 92.)

In 1939, the platform of the American Medical Association said this about social security: "Indeed all forms of compulsory security even against old age and unemployment represent a * * * step toward either communism or totalitarianism." (Journal of the American Medical Association, Dec. 30, 1939, p. 2428.)

Concerning voluntary health insurance, the American Hospital Association commented, "It is a sad fact that throughout the 1930's and early 1940's the American Medical Association did not believe in voluntary sickness insurance and did almost everything possible to prevent its development." (Hospitals, Journal of the American Hospital Association, December 1949, p. 60.)

Did you know that the AMA Journal has refused to print an ad submitted by a group of doctors to explain the King-Anderson bill? Have you seen or read the King-Anderson bill?

If you are interested in this important issue, you, your patients, and the general community are invited to an open meeting to hear both sides presented, Wednesday, May 23, 7:30 p.m., at the forum.

(This message sponsored by Retired Ladies' Club of Central Pennsylvania, Minnie Botts, president.)

Mr. Speaker, no matter what views a person may hold, the differences of opinion should be held on a high level. Everybody loses when efforts are made to confuse and when deceptive appeals are made to fear and hate.

We live in an age of potential plenty and in a strong and prosperous nation. We have the know-how, the ability, and the means to ease the suffering and distress of our aged fellow citizens.

President Kennedy has a program to meet this great challenge. He has the courage to fight for what he believes right and just, and for what is in the public and national interest.

For this reason his proposal deserves the study and serious consideration of every American citizen.

It was President Franklin D. Roosevelt who said, "We have nothing to fear but fear itself."

FAIR DEBATE: THE BASIC CIVIL LIBERTY

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, last weekend the President of the United States was given free air time to urge the enactment of a specific legislative proposal, health care for the aged under social security. The networks which had given free time for the airing of one side of this controversy refused the request of those on the other side to have equal time to reply to the statement of the President.

In a society such as ours, in which the policy decisions are made in the political marketplace of freely discussed ideas, it is important that we promote the discussion of ideas, the discussion of both sides of important issues. The act of the major networks in denying equal facilities to both sides of the health care argument was commented on, and decried by the American Civil Liberties Union. The ACLU, known for its nonpartisan approach to the questions centered in the civil liberties field and taking no sides in the substantive question involved in this issue, took a significant step toward bringing a better realization of the importance of fair debate as the basic civil liberty in its comment.

The following is quoted from the article by Marjorie Unter which appeared in the New York Times, Wednesday, May 23, 1962:

> In another development, the American Civil Liberties Union said that the three major networks should have granted a request by the AMA for free time to answer President Kennedy's televised address.
>
> John de J. Pemberton, executive director of the ACLU, said that his organization took no stand on the legislation. But he said that the usual methods of television rebuttal—panel programs and interviews—were inadequate when a President had attacked one organization exclusively and devoted a half hour to promoting a bill.
>
> The union suggests, he continued, that "equitable time" be granted. The President enjoys a "much enlarged advantage in the opportunities to reach the public," he noted.

THE ESTES SCANDAL

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Roudebush] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ROUDEBUSH. Mr. Speaker, as I informed my constituents in my weekly newsletter, the mushrooming Billie Sol Estes scandal has captured much interest in the Capitol.

Startling revelations point clearly to a major fraud involving the Department of Agriculture. Among the disclosures has been the admission that 5.2 million bushels of grain were shipped last year across commodity district lines from Kansas to be stored in Texas bins owned by Estes.

Obvious favoritism and darker hints of huge payoffs, strange deaths, secrecy, influence peddling, crop allotment manipulation, and political contributions are among the ramifications of the case.

Congress and the administration should have started investigations immediately, but much feet dragging has been evident. One-party control of the entire Federal investigative machinery is to blame. The American people deserve to know the entire sordid story, regardless of who is involved. There has already been too much time elapsed for records to be destroyed and tracks to be covered up.

The recent decision of the Department of Agriculture to remove all grain from Estes-controlled storage facilities is an admission by the Department that their past policies have been tinted with favoritism and apparently against the best interests of the Nation.

THE TRADE EXPANSION BILL MUST BE CHANGED TO PERMIT BARGAINING EUROPEAN COMMON MARKET TARIFFS DOWN TO ZERO, WITHOUT WAITING ON BRITAIN'S JOINING IT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Reuss] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. REUSS. Mr. Speaker, the trade bill, H.R. 9900, has won wide support primarily because many have become convinced that we must have a way now to reduce drastically or even to eliminate the highly discriminatory European Common Market tariffs against our principal industrial exports. We have been led to believe that the much-publicized special authority for European Economic Community in chapter 2, section 211, of H.R. 9900 will provide the necessary power, once the bill is enacted into law.

I regret that chapter 2, as it now stands, will do nothing of the kind. In fact, as now written, chapter 2 is largely meaningless.

THE LANGUAGE AND LIMITATIONS OF PRESENT CHAPTER 2

Chapter 2 now says:

> Sec. 211. Basic Authority.
>
> (a) If the President determines that the United States and the European Economic Community together account for 80 percent or more of the aggregated world export value of all the articles within any category, he may, in carrying out any trade agreement with the European Economic Community under this title, issue proclamations as to articles within such category without regard to the limitation expressed in section 201(b) of this Act.

This language will not now permit us to enter into special negotiations with the EEC to reduce tariffs by more than the 50 percent generally authorized by the bill. The reason is simple. The United States and the six countries which are now members of the EEC do not account for 80 percent of world exports in any significant broad category of industrial trade, except perhaps for aircraft.

This means that the present formula would not permit special down-to-zero bargaining in such vital categories of U.S. exports as automobiles, trucks, and buses; metalworking machinery; mining, construction, and other industrial machinery; agricultural machinery, including tractors; organic chemicals; other chemicals, including plastics and insecticides; office machinery; power-generating machinery; other electrical machinery; and rubber manufactures.

It appears that chapter 2 will in fact not be usable over a broad range of product categories until and unless the United Kingdom and some other European countries formally join the Common Market. A widely distributed list, prepared by the Department of Commerce, shows that 26 major categories of trade would be eligible under chapter 2—but only if the United Kingdom, Denmark, Greece, Ireland, and Norway all succeed in joining the EEC.

SOME UNDESIRABLE CONSEQUENCES OF CHAPTER 2

If chapter 2 is left as it is, and if the Six is not in fact expanded, our chapter 2 bargaining power would turn out to be a nullity. Serious injury to U.S. exports will follow if we do not quickly eliminate as much as possible of the Common Market external tariff. We cannot afford to wait while possibly protracted negotiations are conducted by third countries with the Common Market. Moreover, there is always the chance that the EEC will not expand beyond its present size.

By delaying tariff negotiations with the Common Market, we will also be subjecting the European neutral nations to unnecessary hardship. These countries—Sweden, Austria, Finland, and Switzerland—are no less a part of Europe than other countries which have applied for membership in the EEC. Their economies are interdependent with others in Western Europe. But because they wish to preserve political neutrality, they cannot become full members of the EEC. The EEC now says that only countries which are willing to go on to full political union are acceptable as members. The position of the neutral countries could be greatly eased, if not eliminated, if EEC tariffs could be substantially reduced.

Finally, the rest of the free world faces an equally bleak prospect for export expansion in the Common Market if we cannot act. The formula, as it now stands, announces to the world that the United States wants to have its hands tied until several other countries join the Common Market. This will not be good news for those who are looking to us for leadership. The delay will be exploited by the Soviet bloc to tie up more areas in bilateral arrangements. The Soviet Union has already stepped up political pressure on Finland. It is telling the Iranians in special broadcasts that they had better look to the Soviet Union, since Europe is closing its doors to them.

Those who have repeatedly and convincingly been told that our balance-of-payments problem must be remedied, and remedied quickly, by the removal of obstacles to a large expansion of U.S. exports, particularly in the Common Market, will naturally ask, "Why, in the name of reason or logic, are we being asked to approve a provision which we cannot now use, and which announces to the world that the United States wants to have its hands tied until several additional countries join the Common Market?"

I am afraid that chapter 2, as it now stands, regards the solution of U.S. trade and balance-of-payments problems as secondary to an objective which appears to dominate our foreign economic policy. This overriding objective is to get Britain into the Common Market. And, if we were to attempt and to succeed in bargaining down the EEC tariff now, Britain might be distinctly less interested in getting inside that tariff wall.

Therefore, says chapter 2, whatever the consequences for our exports and our balance of payments, we must maintain pressure on Britain by putting into cold storage the power to eliminate Common Market tariffs. Presumably we are to adhere to this stand even if it takes years for Britain and the EEC to work out mutually agreeable terms of Britain's membership.

If the worst happens and Britain decides not to join the Common Market, chapter 2 will become "all sound and fury, signifying nothing."

A Wall Street Journal reporter, in a May 18, 1962, story from London on Britain's negotiations to enter the Common Market, quotes an American official as saying, and I read:

> All the steam will go right out of Kennedy's trade program if these negotiations

fall through. For one thing, some of the provisions are predicated on British membership in the Common Market such as the one that permits cuts to zero tariffs on products where 80 percent of world trade is between the United States and the Common Market. It's only with Britain inside that such a provision would have any point.

THE LANGUAGE OF CHAPTER 2 CAN AND MUST BE CHANGED

Mr. Speaker, I do not agree that this absurd dilemma of our own making is necessary.

In a speech to the House on May 17, I set forth at length why I think the basic policy of bludgeoning Britain into the Common Market is mistaken. I gave my reasons for believing the advantages of this policy to be largely illusory. I also outlined the many real disadvantages of the policy for the United States. Quite apart from the serious effect which it may have on our balance of payments position, persistence in this policy could damage our relations with virtually the whole of the free world outside the six counties of the European Common Market.

Technically, it is very simple to work our way out of the trap. In addition to the words of chapter 2—"If the President determines that the United States and the European Economic Community together account for 80 percent or more"—there could be inserted after "United States", ", the European Free Trade Association,". Appropriate parallel changes to take account of the European Free Trade Association can be made in the remainder of chapter 2.

This small change of language would permit us, at any time after enactment of the trade bill, to do what we cannot now do until and unless Britain and other countries join the Common Market. It would let us bargain with the present EEC, Britain, and other members of EFTA without waiting for them to joint the Common Market.

The change would be in complete accord with the basic rationale of chapter 2: Where the United States and the advanced European industrial economies have already demonstrated their ability to take over 80 percent or more of the world market, the presumption is that they could stand up to competition in those commodities without the crutch of tariff protection.

I testified before the Ways and Means Committee in favor of the proposed change on April 4, 1962.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Roosevelt, for Thursday, May 24, to Monday, May 28, on account of official business of the Committee on Education and Labor.

Mr. Baring (at the request of Mr. Byrne of Pennsylvania), for the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Saylor, for 45 minutes, tomorrow, May 24, 1962.

Mr. Ellsworth (at the request of Mr. Schneebeli), for 2 hours, on June 14, 1962.

Mr. Carey (at the request of Mr. Albert), for 5 minutes, tomorrow, May 24, 1962.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. Schneebeli) and to include extraneous matter:)

Mr. Dague.
Mr. Dooley.
Mr. Fino.
Mr. Kearns.
Mr. Alger.

(The following Members (at the request of Mr. Albert) and to include extraneous matter:)

Mr. Brewster.
Mr. Downing.
Mr. McDowell.
Mr. Celler.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 149. Joint resolution authorizing the President of the United States to designate the week of June 25, 1962, as "International Castings Week"; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1349. An act for the relief of Fong Chun Hong;

H.R. 1372. An act for the relief of Rocco Cambrea;

H.R. 1435. An act for the relief of Jacinto Machado Ormonde;

H.R. 1533. An act for the relief of Lee Kyong Ja;

H.R. 1588. An act for the relief of Fong Kai Dong;

H.R. 1604. An act for the relief of Spencer E. Hewitt;

H.R. 1650. An act for the relief of Irene Kemeny;

H.R. 1697. An act for the relief of Viola Borwick Warbis;

H.R. 1701. An act for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn;

H.R. 1703. An act for the relief of Maximo B. Avila;

H.R. 1918. An act for the relief of John D. Morton;

H.R. 2687. An act for the relief of Miss Helen Fappiano;

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation;

H.R. 3005. An act for the relief of Sister Mary Aurelia (Chiara Di Gesu);

H.R. 3148. An act for the relief of Maddalena Haas;

H.R. 3696. An act for the relief of Gertrude M. Kaplan;

H.R. 4365. An act for the relief of Sp5c. Daniel J. Hawthorne, Jr.;

H.R. 4380. An act to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana;

H.R. 4563. An act for the relief of Abraham Gelb;

H.R. 5610. An act for the relief of Pierino Renzo Picchione;

H.R. 5686. An act for the relief of Mrs. Willie Mae Brown;

H.R. 5689. An act for the relief of Felicja Saulevicz;

H.R. 6344. An act for the relief of Mon (Fred) Young;

H.R. 6464. An act for the relief of Cecil D. Rose;

H.R. 6772. An act for the relief of Hendrikus Zoetmulder (Harry Combres);

H.R. 6773. An act to repeal the act of August 14, 1957 (Private Law 85–160);

H.R. 7477. An act to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects;

H.R. 7671. An act for the relief of Louanna L. Leis;

H.R. 7752. An act to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes;

H.R. 7777. An act for the relief of Elisabetta Piccioni;

H.R. 8030. An act to amend the act admitting the State of Washington into the Union in order to authorize the use of funds from the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions;

H.R. 8195. An act for the relief of Ronald L. Mutter;

H.R. 8482. An act for the relief of Paul J. Pericle;

H.R. 8515. An act for the relief of James R. Banks;

H.R. 8628. An act for the relief of Joseph A. Tedesco;

H.R. 8916. An act to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia;

H.R. 8941. An act to authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt;

H.R. 9060. An act for the relief of Rhea G. Burgess;

H.R. 9097. An act to authorize the Secretary of the Interior to sell certain public lands in Idaho;

H.R. 9188. An act to relieve Theodore A. Anderson from loss of agricultural conservation program benefits;

H.R. 9409. An act for the relief of Mrs. Iris Ann Landrum;

H.R. 9596. An act for the relief of Daniel E. Moore;

H.R. 9597. An act for the relief of James N. Tull;

H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes;

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

H.R. 9753. An act to amend sections 3(7) and 5(b) of the Internal Security Act of 1950, relating to employment of members of Communist organizations in certain defense facilities;

H.R. 9805. An act to change the name of Whitman National Monument to Whitman Mission National Historic Site;

H.R. 9830. An act for the relief of John B. Hogan;

H.R. 10098. An act to authorize the exchange of certain lands at Antietam National Battlefield Site; and

H.J. Res. 576. Joint resolution to designate calendar year 1962 as Cancer Progress Year.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1915. An act for the relief of Orsolina Iallonardo, Mrs. Chow Chui Ha, and Giuseppe Aniello;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the western division of the western district of Missouri to the St. Joseph division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy; and

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1349. An act for the relief of Fong Chun Hong;

H.R. 1372. An act for the relief of Rocco Cambrea;

H.R. 1435. An act for the relief of Jacinto Machado Ormonde;

H.R. 1533. An act for the relief of Lee Kyong Ja;

H.R. 1588. An act for the relief of Fong Kai Dong;

H.R. 1604. An act for the relief of Spencer E. Hewitt;

H.R. 1650. An act for the relief of Irene Kemeny;

H.R. 1697. An act for the relief of Viola Borwick Warbis;

H.R. 1701. An act for the relief of Mrs. Kikue Yamamoto Leghorn and her minor son, Yuichiro Yamamoto Leghorn;

H.R. 1703. An act for the relief of Maximo B. Avila;

H.R. 1918. An act for the relief of John D. Morton;

H.R. 2687. An act for the relief of Miss Helen Fappiano;

H.R. 2838. An act to exempt from taxation certain property of the Army Distaff Foundation;

H.R. 3005. An act for the relief of Sister Mary Aurelia (Chiara Di Gesu);

H.R. 3148. An act for the relief of Maddalena Haas;

H.R. 3696. An act for the relief of Gertrude M. Kaplan;

H.R. 4365. An act for the relief of Sp5. Daniel J. Hawthorne, Jr.;

H.R. 4380. An act to quiet title and possession to an unconfirmed and located private land claim in the State of Louisiana;

H.R. 4563. An act for the relief of Abraham Gelb;

H. R. 5610. An act for the relief of Pierino Renzo Picchione;

H.R. 5686. An act for the relief of Mrs. Willie Mae Brown;

H.R. 5689. An act for the relief of Felicja Saulevicz;

H.R. 6344. An act for the relief of Mon (Fred) Young;

H.R. 6464. An act for the relief of Cecil D. Rose;

H. R 6772. An act for the relief of Hendrikus Zoetmulder (Harry Combres);

H.R. 6773. An act to repeal the act of August 14, 1957 (Private Law 85–160);

H.R. 7477. An act to repeal section 409 of the Public Buildings Act of 1949, requiring the submission of a report to the Congress concerning eligible public building projects; H.R. 7671. An act for the relief of Louanna L. Leis;

H.R. 7752. An act to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes;

H.R. 7777. An act for the relief of Elisabetta Piccioni;

H.R. 8030. An act to amend the act admitting the State of Washington into the Union in order to authorize the use of funds for the disposition of certain lands for the construction of State charitable, educational, penal, or reformatory institutions;

H.R. 8195. An act for the relief of Ronald L. Mutter;

H.R. 8482. An act for the relief of Paul J. Pericle;

H.R. 8515. For the relief of James R. Banks;

H.R. 8628. For the relief of Joseph A. Tedesco;

H.R. 8916. An act to authorize grants for planning and carrying out a project of construction for the expansion and improvement of the facilities of George Washington University Hospital in the District of Columbia;

H.R. 8941. An act to authorize acceptance of the gift made to the United States by the will of Esther Cattell Schmitt;

H.R. 9060. An act for the relief of Rhea G. Burgess;

H.R. 9097. An act to authorize the Secretary of the Interior to sell certain public lands in Idaho;

H.R. 9188. An act to relieve Theodore A. Anderson from loss of agricultural conservation program benefits;

H.R. 9409. An act for the relief of Mrs. Iris Ann Landrum;

H.R. 9596. An act for the relief of Daniel E. Moore;

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H.R. 9647. An act to authorize the Secretary of the Interior to enter into an amendatory contract with the Burley Irrigation District, and for other purposes;

H.R. 9699. An act to authorize the Commissioners of the District of Columbia to sell certain property owned by the District of Columbia located in Prince William County, Va., and for other purposes;

H.R. 9752. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Greece in 1963, and for other purposes;

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H.R. 9805. An act to change the name of Whitman National Monument to Whitman Mission National Historic Site;

H.R. 9830. An act for the relief of John B. Hogan,

H.R. 10098. An act to authorize the exchange of certain lands at Antietam National Battlefield Site; and

H.J. Res. 576. Joint resolution to designate calendar year 1962 as Cancer Progress Year.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p.m.) the House adjourned until tomorrow, Thursday, May 24, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2104. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the July 1961-March 1962 report on Department of Defense prime contract awards to small and other business firms, pursuant to section 10(d) of the Small Business Act as amended; to the Committee on Banking and Currency.

2105. A letter from the Chairman, National Advisory Council on International Monetary and Financial Problems, transmitting a draft of a proposed bill entitled "A bill to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the Inter-American Development Bank"; to the Committee on the District of Columbia.

2106. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to authorize the Commissioners of the District of Columbia to lease certain public space under and in the vicinity of 10th Street SW., for public parking"; to the Committee on the District of Columbia.

2107. A communication from the President of the United States, relative to expressing serious concern about the limitation on indirect expenses connected with research grants included in the pending Department of Defense appropriation bill for fiscal 1963; to the Committee on Appropriations.

2108. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend section 3552 of the Revised Statutes, as amended, to provide that the proceeds from the distribution and sale of uncirculated coins shall be reimbursed to the appropriation from which the expenses of manufacture and distribution were paid"; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POWELL: Committee on Education and Labor. H.R. 11707. A bill to amend the act of August 30, 1890, to eliminate the provisions thereof authorizing Federal contributions for the maintenance of schools of higher education in which racial segregation is practiced; without amendment (Rept. No. 1727). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. Senate Joint Resolution 151. Joint Resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming; with amendment (Rept. No. 1728). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 11870. A bill to amend the Sherman Act to make unlawful certain restrictive practices; to the Committee on the Judiciary.

H.R. 11871. A bill to amend the Sherman Act to make unlawful harmful use of dominant economic power; to the Committee on the Judiciary.

H.R. 11872. A bill to amend the Sherman Act to make unlawful the exercise of monopoly power by one or more persons; to the Committee on the Judiciary.

H.R. 11873. A bill to amend the Internal Revenue Code of 1954 to provide uniform tax treatment in cases of divestiture pursuant to orders enforcing the antitrust laws, and for other purposes; to the Committee on Ways and Means.

By Mr. HALEY:

H.R. 11874. A bill to amend section 902(a) of title 38, United States Code, to authorize payment of an additional $100 to cover the cost of acquiring, opening and closing, and complete servicing of the burial plot; to the Committee on Veterans Affairs.

By Mr. KEOGH:

H.R. 11875. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLS:

H.R. 11876. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. RAINS:

H.R. 11877. A bill to amend title V of the Housing Act of 1949 to authorize direct and insured loans to provide housing for elderly persons and families in rural areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. SLACK:

H.R. 11878. A bill to extend the apportionment requirement in the Civil Service Act of January 16, 1883, to temporary summer employment, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MILLS:

H.R. 11879. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes; to the Committee on Ways and Means.

By Mr. HAYS:

H.R. 11880. A bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PUCINSKI:

H.R. 11881. A bill to amend the act of March 2, 1944, defining "nonfat dry milk", in order to include within that term nonfat dry milk to which vitamin A or D has been added; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL:

H.R. 11882. A bill to confer jurisdiction in certain cases on the Secretaries of the military departments to authorize payment from appropriated funds of the military departments of amounts determined to be owing to contractors under armed services housing contracts; to the Committee on Armed Services.

By Mr. TOLLEFSON:

H.R. 11883. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. ZELENKO:

H.R. 11884. A bill to prohibit professional associations from using the regular dues and fees to attempt to influence the passage or defeat of legislation by the Congress; to the Committtee on House Administration.

By Mr. MONAGAN:

H.R. 11885. A bill to provide that any alien brother, sister, married son, or married daughter of a citizen of the United States, who is eligible for a quota immigrant status under the provisions of section 203(a)(4) of the Immigration and Nationality Act on the basis of a petition filed with the Attorney General prior to July 1, 1961, shall be held to be a nonquota immigrant; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 11886. A bill to amend the Civil Service Retirement Act so as to provide for recomputation of annuities where persons designated to receive survivor annuities predecease the annuitants; to the Committee on Post Office and Civil Service.

By Mr. RUTHERFORD:

H.R. 11887. A bill to provide for the conveyance of all right, title, and interest of the United States reserved or retained in certain lands heretofore conveyed to the city of El Paso, Tex.; to the Committee on Armed Services.

By Mr. THOMPSON of New Jersey:

H.R. 11888. A bill to improve the quality of elementary and secondary education; to the Committee on Education and Labor.

By Mr. RYAN of Michigan:

H.R. 11889. A bill to provide social security coverage as self-employed individuals for process servers in Wayne County, Mich.; to the Committee on Ways and Means.

By Mr. SCHWEIKER:

H.R. 11890. A bill to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to schools for the mentally retarded, schools for the physically handicapped, educational television stations, and public libraries; to the Committee on Government Operations.

By Mr. MATHIAS:

H.J. Res. 720. Joint resolution to designate September 17, 1962, as Antietam Day, and for other purposes; to the Committee on the Jndiciary.

By Mr. CAREY:

H. Res. 658. Resolution creating a select committee to conduct an investigation and study of the production, publication, distribution, merchandising, and exhibition of objectionable motion pictures and related advertising; to the Committee on Rules.

By Mr. GRAY:

H. Res. 659. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. MORGAN:

H. Res. 660. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

Mr. WHALLEY:

H. Res. 661. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mrs. KEE:

H. Res. 662. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H.R. 11891. A bill for the relief of Jack Starr; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 11892. A bill for the relief of Guiseppe Napolitano; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 11893. A bill for the relief of Yuk Wan Tam; to the Committee on the Judiciary.

By Mr. MOELLER:

H.R. 11894. A bill for the relief of the Frick-Gallagher Manufacturing Co.; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H.R. 11895. A bill for the relief of Wieslawa Marianna Borczon; to the Committee on the Judiciary.

By Mr. RYAN of Michigan:

H.R. 11896. A bill for the relief of Dr. Elisa B. Cancino; to the Committee on the Judiciary.

H.R. 11897. A bill for the relief of Mr. and Mrs. Alfredo Crisci; to the Committee on the Judiciary.

H.R. 11898. A bill for the relief of Wadieh Yousif Mansor Denha; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

355. By the SPEAKER: Petition of Philip W. Crampton, department commander, Veterans of Foreign Wars of the United States, Honolulu, Hawaii, petitioning consideration of their resolution with reference to requesting that they be recorded as being opposed to any National Guard cut, and particularly to the disbanding of the National Guard Engineer Battalion in Hawaii; to the Committee on Armed Services.

356. Also, petition of Eileen H. Henry, city clerk, Hidden Hills, Calif., relative to being opposed to a Federal tax on income derived from State and local bonds; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

American Agriculture as an Influence in World Affairs

EXTENSION OF REMARKS

OF

HON. EDWARD V. LONG

OF MISSOURI

IN THE SENATE OF THE UNITED STATES

Wednesday, May 23, 1962

Mr. LONG of Missouri. Mr. President, on May 15 a world food forum convened in Washington to inaugurate the centennial of the U.S. Department of Agriculture. The forum received messages from the President, the Secretary of Agriculture, distinguished Members of the Congress and leaders of many of the free nations of the world.

My distinguished colleague, Senator STUART SYMINGTON, delivered the opening address of the first plenary session. More than 1,400 eminent scientists, educators, and administrators attended the forum and heard Senator SYMINGTON's address. It set the stage for the plenary session which followed on agriculture as it relates to the economic, scientific, social, and political structure of all nations.

I ask unanimous consent to have the address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN AGRICULTURE AS AN INFLUENCE IN WORLD AFFAIRS

(An address by Senator STUART SYMINGTON, before the World Food Forum, Washington, D.C., May 15, 1962)

It is a privilege to speak to such a distinguished group of the leaders of world agriculture; and it is rare that such an accumulation of knowledge of agriculture has been gathered under one roof.

Today marks the opening of the centennial celebration of the creation of our Department of Agriculture. One hundred years ago today President Abraham Lincoln signed the bill establishing this Department.

The fruits of this act have benefited not only the people of this country, but people all over the world. It is fitting that the centennial celebration is opening on this international theme.

Farm problems are common to all nations. The United States is no exception, as Secretary Freeman can testify. Hunger is no respecter of national boundaries.

I have the advantage of viewing the role of agriculture in world affairs from two distinct, but not incompatible positions.

As a representative in the Congress from one of the major agricultural States, I know the value to our farmers of foreign markets for farm products.

As a member of the Committee on Foreign Relations, I have observed the problems and tensions which arise among nations due to lack of food and fiber, and the importance of agriculture in the field of foreign affairs.

You all recognize the significance of food and fiber as a force in world politics or you would not be here today.

Historically, food has been a source of friction between the "haves" and the "have nots."

From earliest recorded history, clans, tribes, and nations have struggled and fought with their neighbors for possession of productive crop and grazing land.

Food as a factor in world politics is no less significant today. Lack of food can drive nations to desperate acts.

In the world in which we live, with the threat of nuclear destruction hanging over us, we must comprehend the role that food can play in keeping the peace and relieving international tensions.

Agricultural trade was the source of substantial funds for the development of this Nation's embryo economy. With the coming of the steamship, exports of our farm crops became even more important. As early as 1839 we exported $80 million in agricultural commodities.

The westward expansion of our Nation was financed to a great extent by capital obtained through export of agricultural products. As late as 1897 they were 70 percent of our total exports.

Today they are about 26 percent of total exports.

American farmers have traditionally looked beyond the Nation's boundaries. The market for farm products, like the market for industrial goods, is not limited by national borders. It is as wide as the world itself.

U.S. farm products today are being shipped all over the free world—to Canada and Latin America, to Europe, to Africa and the Middle East, to south Asia and the Far East.

As markets have expanded, the value of goods sold has increased. Last year our farm exports reached a record total of nearly $5 billion. This was equal to about one-sixth of total cash receipts from farm marketings.

The significance of our agricultural exports in the international food picture is seen by the fact that we supply one-fifth of the total volume of world agricultural exports.

Cotton, often the most important cash crop in my State of Missouri, is the biggest dollar earner of all agricultural exports. Nearly 50 percent of the 1960 crop was sold abroad.

Because the American farmer's market is worldwide, his interests are closely tied to international economics and politics.

He is affected by the outcome of tariff negotiations in Geneva under the General Agreement on Tariffs and Trade. Tariffs can decide the export fate of our farm products.

He is affected by the level of price supports established by the Common Market. Unduly high, protected Common Market agricultural prices means reduced sales of U.S. commodities.

He is affected by droughts, floods, and other natural calamities. Nearly every part of the world is periodically afflicted by these natural disasters. They cut crop production, and thereby increase demand for U.S. food and fiber.

Our world faces a tragic paradox. While relatively few countries are burdened with the problem of agricultural surpluses, a far greater number live under the shadow of hunger and famine.

These contrasts in food resources have been summarized by the Department of Agriculture as follows:

"Diets are nutritionally adequate in the 30 industrialized nations in the temperate northern area, which accounts for one-third of mankind, more than 900 million people. Their production of food and things they can trade for food assures their food supply; now, and for the foreseeable future.

"For most of the 70 less developed countries in the semitropical southern area, diets are nutritionally inadequate, with shortages in proteins, fats, and calories. These countries contain over 1.9 billion people. In most of them, population is expanding rapidly, malnutrition is widespread and persistent; and there is no likelihood that the food problem soon will be solved."

The industrialized countries of the free world cannot afford, from either a political or humanitarian point of view, to let widespread food shortages persist in the less developed countries.

These countries, most of them still politically unstable and uncertain, are impatient with the rate of their economic development; and are seeking the capital and technical assistance needed to help them create jobs and purchasing power. They are impatient with the shortage of teachers and schools, of doctors and hospitals. Above all they are impatient at the lack of the fundamentals, especially food and housing.

Hungry and destitute people are seldom rational about politics or anything else. Hunger breeds discontent and this works against establishment of a sound and stable society.

The United States has been using its great agricultural productive capacity to help meet the needs of the less developed countries.

Through the food for peace program, we are supplementing the agricultural resources of over 100 countries, with a combined population of more than 1.3 billion.

Food for peace exports in 1961 had a value of $1.5 billion, out of the total $5 billion for agricultural exports.

Since 1954, when the basic authority for this program was enacted, food for peace shipments have amounted to approximately $10 billion out of total U.S. farm exports of about $30 billion, one-third of our entire agricultural exports.

Food for peace is performing two functions. Its primary purpose is to combat hunger by the use of agricultural commodities which, because of our productive capacity, we have in abundance.

But it is also promoting economic development, which promises long-range benefits for the recipient countries, as well as for the rest of the free world.

It also furthers understanding of the United States, an awareness that our country wants to help others, because, using President Kennedy's phrase, "it is right."

Sound as it may be, however, the food for peace program is not a permanent solution to the problem of world food imbalances. It is unsound, both morally and economically, to place part of the world on a permanent dole.

The food for peace program has been an important means of meeting a special situation. It may continue to be needed for some years; but it is a palliative rather than a cure.

If the serious food imbalances now existing in the world are to be corrected, the countries that are not producing sufficient food for their needs must develop their own agricultural systems, or export other products for the currencies which will purchase their needed food and fiber. These countries must either step up their output through increased productivity of agriculture, or industrialize to the point where they can purchase their needs.

We hope that one day they will become "genuine customers" for the farm products which we can produce more efficiently than they.

Our domestic development programs have always been geared to the creation of purchasing power and economic independence. This was the end result of the Marshall plan in Western Europe, and we trust it will be the result of the Alliance for Progress and our other assistance programs.

Today over 1,200 United States agricultural specialists are assisting and training foreign agricultural leaders, scientists and technicians in over 50 countries. Thousands of foreign agriculturalists are coming to the United States, to find out why our farmers are so efficient.

Not only does this association provide for sharing of the skills necessary to develop their agricultural systems; it is also an important means for furthering international understanding and good will.

Through these technical assistance programs, United States agriculture exerts a strong and favorable influence on international relations. In the past 100 years we have built up a vast reservoir of agricultural know-how. When we share our knowledge with other countries, we can help them develop the full potential of their resources and create a better life for their peoples.

In addition, our agriculture has considerable influence on the economies of the "have" countries. For example, we are a reliable source of supply for commodities such as cotton and soybeans, which are not produced in substantial volume in Western Europe or Japan. By exporting to countries short of these commodities we raise their standard of living as well as our own.

The developed countries have a direct stake in helping us attain a satisfactory balance in our international payments.

The United States is spending large sums for the defense of the free world. Our agricultural exports to the economically developed countries, especially Western Europe, help provide the resources which enable us to maintain their security, and also the economic stability of the free world. Obviously, without these exports we could not maintain indefinitely armies in Europe and Asia.

Our best cash customers for farm products are Canada, Japan, the Common Market Countries, the United Kingdom, and the other Western European countries.

But we are also selling substantial quantities for cash to many other countries, including Mexico, Venezuela, Australia, and New Zealand.

In 1961 we sold these cash buyers farm products valued at $3.5 billion.

International markets are now recognized as a partial solution to our problem of overproduction; and we are becoming increasingly concerned with our ability to compete for them. Although our agricultural export trade has been important since tobacco was first grown in the colonies, all too often we have taken a passive approach to exports. If foreign countries needed our products, and we had surpluses on hand, we exported. Too often we left the initiative to the buyer.

I have a feeling that in following that policy we abandoned a good many markets to countries which took the initiative as sellers.

The need for a positive and aggressive program to promote exports is now fully recognized. We are making active, intelligent efforts to sell; and we are setting new export records. We have found that America is well able to compete in world markets on many farm products. Only on a few items are our exports in some degree subsidized.

We are paying increased attention to quality. We can and do produce high quality products, and it is essential that we maintain this quality.

In spite of our success in recent years, there is cause for concern as regards the future. Foreign trade barriers erected by a great many of the economically developed countries of the world do not give our products a fair chance to compete. Barriers being erected by the European Economic Community are of particular concern to us.

The Common Market area is a densely populated, highly developed industrial complex. As a group, it is the world's leading importer of agriculture commodities.

In 1960, the countries making up the Common Market bought $1.1 billion of U.S. farm products. It is imperative that these great industrial countries pursue trade policies which will expand, and not contract, international trade.

The United States has negotiated fixed tariffs with the Common Market on a substantial part of our agriculture trade, some $700 million worth. On some items such as cotton, soybeans, and certain fruit and vegetable products, we have been able to obtain reasonably favorable fixed tariffs. On these items we know where we stand, and we hope to expand their export.

For another group of items, principally grains, and certain livestock products, including poultry, the Common Market is moving toward a variable levy system. This means that its import fees can be adjusted, upward, or downward as necessary, to protect domestic producers.

The items in this group constitute about $400 million worth of our agricultural exports to the Common Market. We have been trying to get assurance that we will be granted access to this market on a reasonable basis, and although we have not yet received that assurance, the way is still open for further negotiations. Of course we are hopeful that we and our European allies can find a satisfactory solution to this vital problem.

Poultry is a prime example of the problems we face in negotiating with the Common Market. The recently established Common Market policy on poultry would raise the tariff on poultry exported to West Germany, by far the largest importer, from about 6 cents a pound to an estimated 12 or 13 cents a pound. Such an increase will obviously encourage uneconomic Common Market production, and keep our poultry at a permanent disadvantage.

I am disappointed by this move toward protectionism exhibited by the Common Market. The United States in large measure financed the economic rehabilitation of Western Europe. We encouraged the development of the Common Market because it represents urgently needed economic, and ultimately, we hope, political unity for that area.

U.S. support of the Common Market, however, has been predicated on the theory that trade policies of the market would encourage trade expansion across the board, as well as common political and security policies.

The proposed variable levy proposal departs drastically from the freer trade spirit of the general agreement on tariffs and trade to which the Common Market and the United States has subscribed in the past.

An immediate problem in our negotiations with the Common Market is the inadequacy of the existing Trade Agreements Act which expires on June 30.

The President proposes to replace it with the Trade Expansion Act of 1962. The new legislation would give us flexibility, and greater strength at the bargaining table. Our negotiators can then offer the inducement of deeper and broader tariff cuts than is currently possible, with the proviso that United States concessions would be fully matched by reductions in trade barriers on the part of the negotiating countries.

Our trade problems with the Common Market will not be solved without this authority. It is imperative, however, that any agreement with the Common Market, or an individual country, provides assurances that reasonable terms of access will be provided for U.S. farm products. I would not favor any kind of package arrangement which helps one segment of our economy at the expense of another.

The concern on the part of the Common Market nations for the interests of their farmers is understandable. But Europe also has many nonfarmers, people who man the area's rapidly expanding industries.

Europe's high-priced, relatively inefficient agricultural system should not be protected at the expense of her total economic development. A fair measure of the relative efficiency of U.S. farmers can be made by an examination of the expenditures made for food here, and in Europe.

Food expenditures as a percentage of total private expenditures ranged in 1960 from a low of 26 percent in Denmark, to a high of 43 percent in Italy.

For the United Kingdom the figure was 30 percent and for France 32 percent.

In the United States our people in 1960 spent only 22 percent of their private outlays for food.

I suggest Government agencies find a way to disseminate within the Common Market and Western Europe generally America's views on the meaning and advantages of liberal trade. Commercial groups, especially those cooperating with the Government in market development work, can play a very real part in this public relations effort.

The development of a sound case so as to influence public opinion in the Common Market on the merits of lessening trade restrictions on agricultural commodities would most certainly be mutually beneficial.

The Common Market maintains an information office in the Nation's Capital, dedicated to the job of presenting their story to the American people. A mutual exchange of information between peoples, rather than between diplomatic missions and negotiating teams, would help to form closer ties between the Common Market and the United States.

If we can work out a closely working partnership between the European Economic Community and the United States, we will increase enormously the strength and resources of the entire free world.

The ultimate result of so great an increase in Western strength may be the break in the cold war stalemate that has, thus far, eluded us.

U.S. agriculture is a world influence by its example and its success; and we can be justly proud of our achievements. The American farmer is one of the strongest pillars of our economic system.

The ingenuity of our farmers consistently confounds the best plans of our Government farm experts. The trouble in some crops is that our farmers are too resourceful, and manage to produce more on less land whenever they are confronted with production controls.

The most revealing contrast between our economic system, and that of the Russians, is seen in agriculture.

It has been said that the Communists are poor farmers because Karl Marx was a city boy. In any case, the performance of the Communists is very, very poor from any angle of comparison in the field of agriculture. We produce 60 percent more food than Russia, which has a land mass 2½ times ours and 40 percent more cropland.

Forty percent of the Russian labor force is employed in agriculture, compared to 8 percent in the United States.

The United States worker spends about 20 percent of his take-home pay for food, compared with 50 to 60 percent for the average Russian worker.

We know that Red China, following several successive crop failures, has had to change drastically the course of her social and economic development; and Premier Khrushchev, by his own statements, has left little doubt about the shortcomings of Soviet agriculture.

The inherent weaknesses of a totalitarian system of government are well illustrated by performances in agriculture. Under both the Russian and Red Chinese agricultural systems the individual has no incentive to produce. By their emphasis on collective and State farms, they have retreated to a feudalistic approach, which the Western world discarded centuries ago.

They fail to recognize that man is not merely a cog on a wheel turned by the state, and that individual initiative, stimulated by incentives of personal advantage, are basic to man's achieving his full productive potential.

The Communists are seriously embarrassed by food shortages. The less developed countries that are trying so hard to improve their agriculture can make comparisons, they recognize efficient and inefficient agriculture when they see it.

The Reds have what has been called by horticulturists a "grey thumb." By way of contrast, the United States has the biggest "green thumb" in world history.

We feed and clothe 185 million people, ship a huge volume of farm products to other countries, and still end up with surpluses. Such a contrast must surely impress the less developed nations.

We in America have justification for pride in our ability to produce food and fiber. The fertile soil of our country, in the hands of our efficient and ingenious farmers, has created a productive capacity which is, and will continue to be, an effective ingredient of our foreign policy.

Much has been accomplished to relieve hunger and privation around the world through use of our agricultural abundance; and continuous efforts are being made to improve the effectiveness of this foreign policy instrument.

American agriculture has set an example which, if followed and adapted to the peculiar requirements of the less developed nations, will be a potent force for achieving the age-old goal of eliminating hunger from the world. This in turn will be no small contribution to the achievement of what we all hope for more than anything else, permanent world peace.

The President Should Take Politics Out of His School Program

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. KEARNS. Mr. Speaker, as ranking member of the House Education and Labor Committee and a former superintendent of schools, I am appalled at the shameful conditions in the public schools in the Nation's Capital.

Many of the schools are firetraps and are overcrowded. It is only a miracle there have been no fires with loss of life.

The White House has failed to provide leadership in securing impacted aid funds for the 38,000 federally connected children in the District of Columbia. The Congress would provide money if the President took politics out of his school program. The District schools should be the best in the world, a model for our entire country.

They have been shortchanged by $40 million since 1952.

In preparation for their national convention this week in Portland, Oreg., the District of Columbia Congress of Parents and Teachers knocked for weeks on the White House door without getting an answer or a word of encouragement to their plea for impacted aid funds for the District of Columbia.

The Democrats are in control of the White House, they control the Senate 2 to 1, they control the House 263 to 174.

Now, in all commonsense, why no Presidential action on impacted aid for the District of Columbia? Impacted aid funds go to 3,700 school districts in 50 States, Guam, and the Virgin Islands. The District of Columbia is part of the United States too. It is as much entitled to impacted aid funds as Guam and the Virgin Islands.

I include here as part of my remarks some related items.

The articles follow:

[From the Washington Post, May 10, 1962]

STILL IN THE UNITED STATES OF AMERICA

Denied the right of self-government it may be, but the District of Columbia is indubitably a part of the United States. Thus it is as much entitled as any other community in the country to a share in the program of Federal aid to education designed to help those school systems which have been heavily burdened by the children of Federal employees. No community exemplifies this plight more conspicuously than the National Capital. Here, moreover, a great many of the Federal employees exempt themselves from payment of the District income tax.

Representative CARROLL KEARNS, a steadfast friend of the public schools everywhere and of the principle of general Federal aid to education, has introduced a bill to amend the impacted area school-aid bill passed by Congress some time ago to bring the District of Columbia into line for the bill's benefits. Senator MORSE introduced a similar amendment in the Senate some time ago. Elementary justice, we think, dictates the adoption of such a measure.

REPUBLICAN STATE COMMITTEE
FOR THE DISTRICT OF COLUMBIA,
Washington, D.C., May 2, 1962.

Hon. CARROLL D. KEARNS,
Member of Congress, House Office Building,
Washington, D.C.

DEAR CARROLL: Your bill, similar to S. 2830, to provide impacted area aid for District of Columbia schools will be much appreciated by many people in our community, particularly the Negro group who are most affected.

Also, your provision to prohibit transfer of funds from the general fund to the highway fund will be equally well received, as there is a great deal of opposition in the Negro community to the highway program because some 8,000 homes, including about 25,000, will be destroyed, and most of them are Negro homes. They do not think they can get comparable housing in terms of price, location, and quality in the metropolitan area, and will be denied the opportunity for individual home ownership as a result of the highway program.

Sincerely yours,
CARL L. SHIPLEY,
Chairman.

DISTRICT OF COLUMBIA CONGRESS OF PARENTS AND TEACHERS, BRANCH OF THE NATIONAL CONGRESS OF PARENTS AND TEACHERS,
Washington, D.C., April 30, 1962.

Hon. CARROLL D. KEARNS,
House of Representatives,
New House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: It is with sincere appreciation for your interest in the financial plight of the District of Columbia that I write to you to thank you for your sponsorship of the bill in the House of Representatives to include the District of Columbia in the program for impacted aid for this Nation's Capital.

The equities of the case alone would cry out that the District of Columbia should participate in the moneys provided under appropriation for impact aid.

The year 1961 marked the beginning of the second decade of Federal financial assistance for operating schools in those districts where large numbers of federally employed families are residing. The District of Columbia has never participated in this program.

The funds gained from this law are available for operating expenses of the schools for all the children in these federally impacted school districts. This money is presently being spent for the education of nearly 11 million children or about one-third of the Nation's children in attendance in school. The District of Columbia does not participate in this program, to our financial regret.

The Congress of the United States enacted Public Laws 815 and 874 and their extension is recognition of the Federal responsibility for the impact Federal activities had on various school districts. Since 1950 funds have been appropriated to 3,700 communities under the Federal aid impact program, but not the District of Columbia.

Public Law 874 provided that a district which wished to be allocated financial assistance must fulfill any of four qualifications: If revenues available to a school district from local sources have been reduced as the result of the Federal acquisition of territory; if this district provided education for children whose parents are employed on Federal property; or if there has been or will be a sudden and substantial increase in the school attendance as the result of Federal activities, a school district will be allotted funds. The District of Columbia meets these requirements and therefore should be allowed to participate in this program.

The financial needs of the schools of the District of Columbia are compelling and the District of Columbia should not be excluded from the program of impact aid.

The policy of the National Congress of Parents and Teachers supports the use of Federal funds to augment State and local support for schools in federally impacted areas.

The District of Columbia Congress of Parents and Teachers has voted to request the National Congress to include in this policy specifically support for the District of Columbia under the aid to federally impacted areas program. This matter is to be taken up at the national board of managers meeting prior to the national convention of the National Congress of Parents and Teachers to be held in Portland, Oreg., on May 20, 21, 22, and 23, 1962. A strong representation will be made at that time as it appears that certainly the District of Columbia should share with the other districts and on the same basis as other impacted districts, moneys under the impact aid program.

Congress should not neglect the District of Columbia schools system. There is a gross lack of classrooms, instructors and even the bare essentials of teaching materials such as textbooks, etc.

Only recently the House of Representatives voted $15.7 million to allow increases in the 1962 aid payments to school districts that serve large numbers of Federal employees' children, but again the District was not included. The House in the appropriation bill for the Department of Health, Education, and Welfare included $50 million more in impacted area school money than the administration asked. The impacted school funds included about $11 million for school districts in the Washington area whose enrollments have been increased by children of

Federal employees. Once more it is noted that the District of Columbia was not granted any moneys under this appropriation.

Thirty out of 100 children in the District of Columbia schools are children of parents who live or who work on federally owned property. There are some 34,000 of these children in the school population of 115,000 pupils in the elementary and secondary schools of the District of Columbia.

The percentage of Federal impaction which results in payment to the school districts in almost every case, with only one exception, is less than the impact percentage of federally connected children of the District of Columbia.

We look forward to the immediate passage of this bill to include the District of Columbia in the impact aid program and thank you for your interest.

Very truly yours,

FRANCES C. BLACKLOW
Mrs. Arthur M. Blacklow,
President, District of Columbia Congress of Parents and Teachers.

H.R. 11496

A bill to amend the Act providing financial assistance for local educational agencies in areas affected by Federal activities in order to provide educational assistance under the provisions of such Act to the District of Columbia and to make the change in the District of Columbia motor fuel tax law needed to insure that such assistance will be fully effective

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9(8) of the Act entitled "An Act to provide financial assistance for local educational agencies in areas affected by Federal activities", approved September 30, 1950 (20 U.S.C. 244 (8)), is amended by inserting "the District of Columbia," after "Guam,".

SEC. 2. The last sentence of the second paragraph of the first section of the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (D.C. Code 47–1901), is amended to read as follows: "Except as permitted under the District of Columbia Motor Vehicle Parking Facility Act of 1942, no revenues of the District of Columbia other than those derived under this section shall be used for the purposes described in clauses (1), (2), and (3) of this paragraph."

CRISIS IN NATION'S CAPITAL SCHOOL SYSTEM

Congressman CARROLL D. KEARNS (Republican of Pennsylvania) today charged that, "the present crisis in the public schools of the Nation's Capital, directly caused by the political maneuvering of some liberal Democrats in the Congress and the White House, will not be solved by an interest-free grant of $120 million as proposed by Dr. Carl Hansen. In the first place, the Congress is unlikely to provide it. Secondly, the crisis would not have arisen if the liberal Democrats in control of the Congress were willing to actually do something about our school problems instead of just talking about what needs to be done."

Congressman KEARNS has introduced a bill, H.R. 11496, which has been endorsed by the 50,000-member District of Columbia Congress of Parents and Teachers. The National Congress of Parents and Teachers is expected to back this up with similar action at its annual convention this week in Portland, Oreg. The national PTA's strongly support impacted aid for school districts of the country. This program is now in its 11th year, and Congressman KEARNS said the District of Columbia's school crisis was the result of its exclusion from the operation of Public Laws 815 and 874. He said, "The District has been shortchanged about $40 million over the 10 years this program has been in effect. The District has been getting highway funds, and welfare funds and it is not realistic to argue, as some do, that the Federal payment makes impacted aid funds unnecessary. If they are unnecessary, then highway funds and welfare funds are also unnecessary."

The Kearns bill has been endorsed by School Superintendent Carl F. Hansen; Carl Shipley, chairman of the Republican State Committee of the District of Columbia; Mrs. Eugene Meyer, and the Washington Post.

Congressman KEARNS said today that:

"Shameful conditions exist in the public schools of the Nation's Capital, largely as a result of neglect.

"The White House has failed miserably to provide the leadership needed to correct the situation. The President says he is deeply committed to aid to education. Here is the place to prove it, right in the Nation's Capital.

"Impacted aid funds go to 3,700 school districts in 50 States, Guam, and the Virgin Islands. The District of Columbia is part of the United States, too. It is as much entitled to impacted aid funds as Guam.

"Thirty percent, or about 38,000 of the 128,000 children in the District's schools are federally impacted within the meaning of Public Laws 815 and 874.

"Many liberal Members of Congress and the administration Democrats—who are directly responsible for the continued neglect of the District of Columbia—where its schools are concerned—send their children to private schools in the District or Virginia or Maryland.

"The conditions of the District's schools add up to a scandal. They are overcrowded, and many of them are firetraps. It is only a miracle that there have been no disastrous fires with loss of life.

"The fair words of the Democrats regarding education have a hollow sound in the Nation's Capital.

"If the President raised his voice in this matter as strongly as he did in the recent steel crisis, the Congress undoubtedly would vote impacted aid funds for the District's schools.

"The District PTA's have tried for weeks to get an affirmative statement in support of impacted aid funds out of the White House without success."

Guatemala

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. CELLER. Mr. Speaker, Guatemala, our ally to the south, is presently facing a grave crisis. Its elected President, Miguel Ydigoras, whose term runs until 1964, although facing great odds, has thus far weathered all storms and has succeeded in warding off leftist forces joined at times by extreme rightists' efforts to depose him. He needs our moral and economic help. He brings to bear upon his office determination to fend off communism. His task is made all the more burdensome by Fidel Castro who, from Cuba, seeks to create as much unrest in Guatemala as possible.

The bearded and despicable Cuban Communist dictator sends his aids and infiltrators into Guatemala. He seeks revenge. He has not forgotten that the President of Guatemala is not only a good friend of the United States but made his country available for the training of Cuban rebels prior to their unfortunately unsuccessful invasion of Cuba last year.

The Fidel Castro movement in Guatemala tries to cash in on the popular clamor of youth for a higher standard of living and for better social justice. Cleverly organized riots of confused students were staged in Guatemala City and certain misguided professional men joined the forces of disorder against the President. In myopic fashion, they opposed the new tax bill advanced by President Ydigoras to defray the expenses of a higher living standard and more social reforms. These taxes were proposed in pursuance of the principles of the American Alliance for Progress. They involve direct income taxes, including lawyers, doctors, architects and so forth, who resent such exactions for the nation's good. Most of these professional men have heretofore, regardless of amount of income, paid a toll of but $4 annually as individual income tax.

It is highly significant that one of the leaders of the leftist Revolutionary Party, the former President, Juan Jose Arevalo, who plans to run for election in 1964, has forbidden his supporters to join the attack on the duly elected President Ydigoras declaring that Communist elements have taken a prominent role in those attacks. The Catholic Church, which had suffered so much under the Communist inspired Arbenz regime, came out with a pastoral letter in support of the constitutional government warning of the dangers of communism which are behind the attacks against the President.

It is charged that President Ydigoras easily gets excited, has a low boiling point. Many of us are so endowed. Is that so serious? I, too, get righteously angry in face of unfair frustration and difficulties. That is hardly a reason to oust him.

This is his main difficulty: the higher middle classes and upper classes generally are against his reforms, prompted, as they are, by the Alliance for Progress.

Happily, his opponent, Arevalo, spoke out in opposition to use of any force or violent overthrow of the Government and desires to win from Ydigoras the Presidency of Guatemala in a fair election. He desires office through ballots, not bullets.

Some in government complain that the government of President Ydigoras has not endowed his country with enough social benefits. They admit he has gone far, but not far enough. The facts indicate that more schools have been built, more land has been redistributed among small farmers during the 4 years of President Ydigoras' regime than in any time in the history of Guatemala. Modern labor laws have been introduced and the social security system has been improved. It has not progressed far enough, but given a comparatively short time more, it shall be adequate.

The standard of living of the large Indian population, representing about 54 percent of the entire population has been measurably heightened. There has been an introduction and increase, to a great extent, of the model rural extension service. This is no small achievement among an illiterate Indian population, of whom 40 percent do not speak even Spanish. Many still speak in native Indian tribal language, unintelligible to all but neighboring tribes.

Economic difficulties are exacerbated by Guatemala's single crop—coffee—70 percent of all products grown is coffee.

There are inadequacies, shortcomings, difficulties, inequalities—but it is unrealistic to visit all the sins of the country upon one man—President Ydigoras. The solution takes time. At least the President desires solution and is doing all and sundry to remove these evils and bring his country into some semblance of economic and political security.

I herewith submit some interesting facts, furnished me by the Embassy of Guatemala and which clearly indicate great progress:

> School construction: 307 schools with a total of 1,450 classrooms have been built in this administration, which is more than the classrooms built during the past 50 years and the cost per classroom is less than one-third of the cost of the previous ones built.
>
> Housing construction: 3,210 houses have been built and distributed among low-income families at a per unit cost of $2,738, including land, urbanization, and overhead administrative costs. The living area is of 600 square feet and consists of 3 bedrooms, living-dining room, kitchen, and bathroom.
>
> Land settlement: 26,000 parcels of land have been distributed (there is no problem whatsoever in the land distribution as the Government has big holdings of it; the problem lies in the economic side as there are not enough funds to start the recipient persons in the building of their homes, schools, hospitals, and supervised credit).
>
> New laws in effect: (a) Rent law: which protects the low-income people from paying excessive rent, fixed at no more than 6 percent of the value of the property per month; (b) labor law: this law protects the workers in their respective jobs and to be fired without proven justification and which also entitles the worker to claim 1 month of salary per each year worked in the same firm. The representatives of the syndicates cannot be fired; (c) FHA law: is in operation since the beginning of 1953.
>
> List of projects of law submitted for approval to the National Congress of Guatemala:
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> 1. New agrarian reform law.
> 2. Penal code project.
> 3. Guarantee investment.
> 4. Law creating the free port of Matías de Gálvez.
> 5. Civil service law.
> 6. Labor benefit's bank.
> 7. Project of law concerning unproductive lands.
> 8. Project of law on family patrimonies and parceling of land.
> 9. Project of law creating the National Institute of Agrarian Transformation.
> 10. Project of law concerning agrarian development zones.
> 11. Income tax law (approved in its third reading at Congress).
> 12. Project of law on territorial tax.
> 13. Project of law creating the Housing Institute.
>
> Potable water program: 110,000 persons have benefited with the introduction of potable water to small villages (this does not cover the capitals of the Departments (States)).
>
> Malaria eradication program: Great advances have been made in this respect and we can show that in 1958 we had 37 percent of positive cases while in 1962 we only have less than 1 percent of positive cases.
>
> It can be said that Guatemala is one of the few countries in Latin America which has been striving to give its people the needed social and economic reforms. It is also trying very hard to obtain loans from different institutions in the United States to carry out those programs. It is hoped that the loans will be granted, especially those that fall under the Alliance for Progress program, in order to expedite the reforms so badly needed and deserved by the Guatemalan people.

Much has been written about Guatemala's agriculture. Glenn Hopper in the Fort Lauderdale News last February 4, wrote about her new agrarian reform saying:

> Guatemala, under the able leadership of President Ydigoras Fuentes, is dramatically demonstrating to the rest of Latin America what can be accomplished in the field of agrarian reform under a democratic form of government and in a free society. A report from that Central American nation tells of a recent ceremony in which titles to 208 homesteads, carved out of one of the Government's plantations, were distributed to landless farmers. This brings to 22,090 the number of land parcels distributed under the Government's agrarian reform and land-resettlement program, a plan which is rapidly swelling the ranks of independent small farmers throughout the country. In addition to the property, the landowners are entitled to receive supervised credit with which to work their farms. The Guatemalan agrarian reform is a pleasant contrast to Fidel Castro's haphazard and mercenary land distribution program—one which has violated individual rights, sneered at free enterprise, and disrupted the whole economy of Cuba.

Guatemala, upon the above showing, has obtained a loan, under the Alliance for Progress from the International Development Bank, of $3½ million. This loan was granted about 3 months ago.

I believe this loan will be productive not only of economic gains but of good will between the United States and Guatemala.

We should continue our support of the present Government of Guatemala—a Government that desires to forge ahead, that wants to remain democratic, and that seeks to check the spread of communism in Latin America.

The National Lottery of Brazil

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. FINO. Mr. Speaker, today I would like to tell the Members of this House about the national lottery of Brazil.

The gross annual receipts last year amounted to almost $17½ million. The net income to the Government, which was treated as ordinary revenue, amounted to over $6 million.

Mr. Speaker, the United States would be immensely better off if it had the wisdom of our South American neighbor. A national lottery in this country could easily, painlessly, and voluntarily, produce over $10 billion a year in new income which could help to cut our high and burdensome taxes and also start to reduce the gigantic national debt.

Mr. Speaker, is it not time that we removed the blinders and faced the fiscal facts of life?

Rescue Squad Week

EXTENSION OF REMARKS

OF

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. DOWNING. Mr. Speaker, the Governor of Virginia, the Honorable Albertis S. Harrison, Jr., has officially proclaimed May 20–26 as Rescue Squad Week. This is a fitting tribute for the courageous men and women who volunteer their services for the benefit of mankind.

Last Sunday I was privileged to make an address concerning the observance of Rescue Squad Week in Virginia, and perhaps some of the interesting history of this organization may be of interest to my colleagues.

Under leave to extend my remarks, I wish to insert in the Record the Governor's proclamation and the text of this address delivered in Tappahannock, Va., on May 20, 1962:

Rescue Squad Week

> Members of the Virginia Association of Rescue Squads stand by for emergency calls, day or night, throughout Virginia. Every year these volunteer groups, trained in first aid and rescue operations, respond to hundreds of calls and are responsible for saving many lives. In addition, they serve as an adjunct of the State civil defense system, and as such, are available in the event of a national emergency.
>
> It is appropriate that the people of Virginia salute these rescue squads by the observance of the period May 20–26 as Rescue Squad Week. They merit our continuing support.
>
> A. S. Harrison, Jr.,
> *Governor.*

Rescue Squads in Virginia

> I am pleased and honored to have been invited to participate in the dedication of this fine new building, the home of the Tappahannock Rescue Squad; it is a particularly appropriate way to open the observance of Rescue Squad Week in Virginia.
>
> This is the eighth anniversary of the establishment of Rescue Squad Week in Virginia. I am told that the idea for this observance originated here in Tappahannock, Va. Mr. J. B. Taliaferro, Jr., the capable past treasurer of the International Rescue and First Aid Association and the editor of the First Aid Bulletin of the Virginia Association of Rescue Squads, was the moving force, I understand, in the issuance of the Governor's proclamation in 1959 which established the annual observance of Rescue Squad Week in Virginia.
>
> Let me say, just here, that the development of rescue squads in Virginia, throughout the country, and now even on an international basis is, in these times, a magnificent lesson of what can happen when the

germ of a single good idea goes into action. Two important ingredients of the rescue squad movement are that it depends on voluntary community action, and that it is an idea which is concerned with the welfare of man's fellow citizens.

I am told that the germ was planted on a May afternoon in 1909 when a boy on the bank of the Roanoke River watched helplessly while two men struggled in the water. The bystanders shouted advice, and threw branches into the river—but the two men drowned because nobody knew what else to do.

The memory of this scene haunted the boy and, 19 years later, in May 1928, as a grown man Julian S. Wise, with nine other volunteers, organized the Roanoke Lifesaving and First Aid Crew. At first the crew had a difficult time overcoming public indifference. Scoffers pointed out that it was usually called too late to save a life and therefore arrived only to help recover a body.

But, gradually the public began to learn that the crew members not only knew what they were doing but that they were dedicated men who would work long hours on the faintest hope of pumping life back into someone apparently dead. And then one day the city council contributed $300 for an early type of inhalator for gas and smoke victims. A few grappling poles were donated. A community-education program was launched to promote the idea of calling the crew promptly at any time of the day or night.

And then, in 1931, the crew made a sensational rescue. A 16-year-old Negro boy went down in a lake. The crew had its boat in the water 11 minutes after the boy disappeared, and 12 minutes later he was regaining consciousness. The public was convinced. The result was that the crew was kept busy on all kinds of calls—to the scene of accidents, to help in epidemics, and to supply needed equipment.

Asked one day to explain how he had managed to recruit a crew of volunteers for his project—the number then had risen to 25 men—who were willing to risk their lives without any compensation to themselves, Julian Wise gave the answer: "It's hard to explain," he said, "but once you feel a human life come back under your own hands, that's all the reward you could ask."

Here, I think, is the quality of spirit which has made rescue squads the kind of imaginative, responsible, and dedicated groups they are today. It is a volunteer spirit which is always seeking new kinds of community service to meet current needs and to prepare for new conditions. Polio, for example, did not stop the Roanoke crew. In 1940 they got a call one rainy Sunday afternoon that an iron lung was needed—and quickly. The crew's squad car took off. At road's end the men had to lug the 750-pound machine across a creek and up a muddy bank. They found an 11-year-old boy gasping for breath. Fifteen minutes later the respirator began its steady swish-swish. The crew's iron lung stayed in the home for 6 months and, shortly, the boy was back in school.

I have stayed with the Roanoke story for some minutes not only because it is early history, but more particularly because it illustrates the spirit which, I am sure, lies behind the activities which each of you perform each day. It is this spirit of inventiveness and adventure which has made your activities so diverse as you respond to the needs of particular communities.

I must point out, however, that it is contagious. But surely this is the kind of contagion we need more of. The idea took fast root in other Virginia communities so that it soon became statewide from Tidewater to the southeast Virginia mountains. When a member of a Virginia rescue squad moved to southern Alabama, he carried the germ of a good idea with him. Here, again, it was contagious. He organized a squad in the Alabama community and soon other communities were adopting it. Once again the operations of each unit were varied and inventive.

Rescue squads are sometimes part of the volunteer fire department, sometimes of a municipal fire department—sometimes they operate independently—sometimes they are industrial units, sometimes they are units devoted exclusively to a particular type of rescue operation, such as underwater diving units. But always two very important and very basic concepts are there: the volunteers must be well trained for their job, and they must be on the scene of crisis as soon as possible, regardless of the hour of the day or night.

The rescue squad movement has come a long way since its dramatic beginnings in our State. Today you have an international association with headquarters in Alexandria, Va., and members in most of the States and in Canada and other foreign countries.

The rescue squads of today are performing tasks as varied as the climates in which they are located. They operate on land and sea and in the air. There are ski patrol squads in northern localities and skin divers where water rescue work is needed. Air rescue services are provided in places which the ambulance and rescue squad truck cannot penetrate.

Rescue squads are called upon to furnish the best medical facilities available in areas far remote from the nearest hospital. And they do. They are often called upon to perform unpleasant tasks in connection with accidents and disasters. No one likes to do these jobs but someone has to. The volunteers of the rescue squad perform them without a murmur.

The State of Virginia is a leader in the civil defense aspects of rescue squad preparedness, as well as in its peacetime aspects.

Over the past 20 years the Federal Government has prompted civil defense and has received valuable cooperation and assistance from the rescue squads in this work. It has also, to a limited degree, offered some assistance in return to the local rescue squads.

Federal assistance in this direction has been limited largely to providing rescue training and technical and operational guidance to local rescue squads. For example, you are most likely familiar with the handbooks and manuals of rescue work published and made available by the Office of Civil Defense and its predecessor agencies.

You all have heard of, or some of you may have attended, the National Rescue Instructors Training School at Olney, Md., just north of Washington, D.C. Although the training school has not been in operation since 1958, the facilities at Olney are still made available to and are used by local rescue squads. There were, at one time, around 20 Federal rescue training facilities in different areas of the country.

The role of the Federal Government in supporting local rescue squad efforts and activities would be further expanded by a bill now pending before Congress. This is the bill introduced by my colleague from the Ninth Congressional District of Virginia in the westernmost reaches of the State, Congressman PAT JENNINGS. Under this bill rescue squads and volunteer fire departments would be eligible for the first time to receive donations of surplus property from the Federal Government.

Congressman JENNINGS has introduced similar legislation in the two preceding Congresses. None of the bills has received any action, principally because they have not been supported by the agencies in the executive branch that would have to administer them.

I feel, however, that a good case can be made for the proposal contained in these bills. What better use could be made of surplus public property than in rescue and first aid work? These are certainly functions that are performed in the public interest.

I am, then, concerned that the Federal Government encourage your activities in any way that is appropriate. But I emphasize the word "appropriate." The essential strength of the rescue crew idea is that it is the epitome of individual responsibility for our fellow men—of voluntary community action to meet a community need. This is a message which reaches out far beyond your own community for all of America and, indeed, for all of the peoples of the world. We read in our papers, too often I think, of man's inhumanity to man. It is good to know, as well, that each day and each night the men who have committed themselves on behalf of their fellow men to rescue crew membership are the kind of people who had made this commitment out of their own conscience rather than because any law required them to do it.

It appears to me personally that the rescue worker combines the noble and heroic features we associate with the minuteman in our early history and the good Samaritan. Like the minuteman, they are on call day and night, at a moment's notice. Like the good Samaritan, they are ready to go out of their way to help when a fellow human being is stricken by illness or injury.

Rescue squads stand as an ever-present reminder that there are still people in America who believe that they are their brother's keepers. In an age of growing cynicism and ruthless pursuit of solely personal goals, the rescue squad movement reemphasizes those ideals so important to the growth of our society and Nation: That there is real worth and meaning in voluntary uncompensated service of man for his fellow man.

We Must Feed the Chinese Refugees

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. DAGUE. Mr. Speaker, I am not normally greatly moved by the propaganda bits that parade across the pages of our daily newspapers. The heartrending picture of a Chinese family in hysterical tears being turned out of Hong Kong and forced to return to their famine-stricken homeland, however, is something else and it kept me awake last night and has been hounding me ever since.

I have been adamant in my resistance to any program whereby our surplus foodstuffs would be given to Communist governments and thereby relieve that much of their economy for military production and further aggression. In the present instance, however, these poor people have been expelled or allowed to leave mainland China and it is an indictment of our Christian faith if we do not do something to save them from the starvation which must be their lot if they are forced to return to the wasted land from which they came.

I note with satisfaction that Chiang Kai-shek has offered the limited facilities of Formosa as a refuge for these wanderers. I also note with considerable annoyance the usual tactics of the anti-Nationalist lobby in attempting to downgrade Chiang's offer. In any event his proposal is something tangible and I certainly think it should be fully explored before it is rejected out of hand. Certainly if a mere hundred starving people can be saved it will be worth the effort.

I can only speak for myself but I do know that I have never been really cold or hungry. And I do know that we have billions of dollars of surplus food in storage which is going to waste. And I know, too, that we have literally poured billions down a lot of idealistic ratholes. Here at last is something that we can do which, even if it does not fully redeem us in the eyes of those who condemn us as materialistic, will at least give us a bit of inner satisfaction that we have not entirely ignored the Master's injunction to feed His sheep. I shall continue to resist these global spending schemes that seem to reward the despots and ignore the distressed. But hungry people—and especially hungry kids—are something else and we should get on with this discharge of our basic humanitarian responsibility.

The Cost of the President's Medical Aid Plan May Be More Than the People Can Stand

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks I would like to include an article from our able colleague, the gentleman from Missouri, THOMAS CURTIS, which exposes what the bill to include medical care for the aged under social security will cost the American people, in more ways than one:

WHAT PRICE MEDICAL CARE FOR THE AGED?

(By Representative THOMAS B. CURTIS, of Missouri)

One of the most emotion-packed, high-pressure campaigns ever witnessed in the United States is nearing its climax. Its aim: Government medical care for the aged through increased taxation, under the social security system.

The stakes are staggering. If passed by Congress, the administration's plan promises to be the most expensive single piece of welfare legislation in history. Cost estimates—for the first year alone—vary from the Government's sanguine $1 billion to an insurance company's $4 billion. Two things are sure: the cost will be tremendous, and it will come out of your paycheck and mine.

Nevertheless, an incredible drumbeat, much of it inspired by vested interest groups and newly formed lobbying organizations, is mounting to help ram this far-reaching legislation through the House and Senate. These factions are trying to flood Washington with letters and telegrams. Across the country support has been whipped up through a series of rallies, capped by a huge gathering in New York's Madison Square Garden with President Kennedy as the featured speaker.

The problem of proper medical care for the aged is real and increasing. During the past 50 years, modern medicine has made reality of man's age-old dream of long life. Yet, as people age, they need more and better medical care—in many cases far beyond their means.

Somehow we must find a way to guarantee this expensive care for those who need it. But before it is too late, before we suddenly wake up to a financial nightmare of miscalculated costs and skyrocketed taxes, it is imperative that the pitfalls in the proposed plan for medical care be fully understood.

Ponder the thought that the new plan, added to already scheduled increases in the social security tax for old-age benefits, will boost the cost above what many wage earners will pay for all other Government services through Federal income taxes. By 1968, under the proposed plan, the total social security tax for a man who makes $4,000 a year and has three dependents will be $380, but he will pay only $245 in income taxes.

Government-sponsored medical care for the aged has been a flaming issue for decades. In 1943 President Roosevelt lost his battle for nationwide compulsory health insurance financed by a Federal payroll tax. President Eisenhower tried a bill that would provide Government contributions from general tax funds to voluntary health plans. It, too, was turned down. Then, in the fall of 1960, Congress enacted the Kerr-Mills bill, which granted Federal funds to medical care—to be matched by the States. There is an important proviso in Kerr-Mills: this money is to be extended to persons whose incomes fall below certain prescribed ceilings.

Already 28 States and three territories, with well over half our aged population, have passed legislation to secure Kerr-Mills money from Washington. Four other States and one territory are in the process of passing legislation. But this success has not pleased those politicians who want the Federal Government to assume total control of medical care; hence the drive for enactment of the proposal now before Congress, known as the King-Anderson bill.

This bill calls for the granting of hospital services immediately to the 14,250,000 elderly Americans who are now receiving benefits from either social security or the Railroad Retirement Act, and eventually to all those participating in the social security program, regardless of need, when they reach 65.

The bill's essential provisions: payment for bed and board during a 90-day hospital stay, including nursing, diagnostic services and certain drugs (the patient, however, must pay $10 a day for the first 9 days); nursing-home services for 180 days if the patient has first been treated in a hospital; hospital outpatient benefits (less a $20 diagnostic charge to be paid by the patient); and 240 visits a year by a visiting-nurse service.

This is a bountiful river of generosity. But below its surface lie snags that should be brought to light. Consider just how this plan was put together.

Soon after President Kennedy was elected, he appointed a special task force headed by Wilbur Cohen, Assistant Secretary of Health, Education, and Welfare, to draw up new medical-care legislation. The result: a bill whose provisions require hiking the social security tax base from $4,800 to $5,000 to pay for its benefits. It was put into the congressional machinery by Representative CECIL R. KING, Democrat, of California and Senator CLINTON P. ANDERSON, Democrat, of New Mexico.

Early in 1961 the bill was submitted to the Social Security Administration for a review of its financial structure. Chief Actuary Robert J. Myers and his staff reached a startling conclusion: It wouldn't work. The benefit payments would exceed incoming taxes.

This was the situation when the House Ways and Means Committee began public hearings on the King-Anderson bill on July 24, 1961. First to face the committee was HEW Secretary Abraham Ribicoff, who quickly suggested as a result of Myers' findings that the tax base of $5,000 be raised to $5,200 so the plan could pay its own way.

But would this tax boost actually pay for all the benefits? And just how solid were the facts and figures that the Government had collected to estimate the cost of medical care? Judge for yourself.

Chief Actuary Myers went over the figures supplied by experts at HEW and discovered that from them it was impossible to judge how extensively people would use hospitals if they had insurance. The data were simply incomplete. Furthermore, Myers pointed out that all the fringe costs of the bill—administrative expenses of recordkeeping imposed on hospitals, and the setting up by employers of new taxpayment schedules—had not been taken into account.

Bad as this was, it seemed mild next to HEW's method of estimating hospital costs. The Department's figures, Myers discovered, were based not on actual records, but on the reports of interviewers who had visited some 5,000 beneficiaries of social security insurance and asked them if they remembered what their recent hospital costs had been. (A Surgeon General's office survey has revealed that people over 65 understate their worst illnesses to interviewers by 33 percent.)

Yet good solid information is available. No better data exist than insurance-company claim experiences. Example: in 1958 the department of insurance for the State of New York spent a year analyzing hospital costs, especially where elderly persons are concerned. Insurance-claims records of 13,114,000 people were studied. Participating in the study were 205 insurance companies, the Blue Cross and Blue Shield and 36 self-administered labor-management welfare plans.

It was with this study in hand that an insurance executive, H. Lewis Rietz, went to Washington last summer to challenge the Government's cost estimates on the King-Anderson bill. He came before the Ways and Means Committee representing 583 organizations which handle 90 percent of all the health-insurance policies written in the United States and Canada.

Rietz minced no words. Instead of hospital and nursing-home expenses costing $1 billion in 1964 as HEW figured, the initial cost, he said, would be 150 percent higher—or $2.5 billion; and by 1983, he added, the program would cost $5.4 billion, more than twice the amount of the Government estimate. Should these increases become reality, Rietz said, social security taxes would have to be raised to about 11 percent. Any further cost increase would raise the tax even higher.

Even more incredible has been HEW's self-delusion over future hospital costs. About these costs HEW glibly says that they "will level off." Yet its own figures show a 123-percent increase since 1949. (The average daily hospital bill rose from $14 in 1949 to $32 in 1960.) And HEW Assistant Secretary Wilbur Cohen told Congress in 1959 that "in my estimation, hospital costs in the United States are going to rise 5 to 10 percent a year indefinitely."

A significant fact the Department has largely ignored is that every extension of insurance coverage has stepped up people's use of hospitals, thus raising the cost of benefits. The same would be true with the proposed Federal-aid program.

One of the weakest elements in the Government's cost estimates relates to the future cost of nursing-home services. It is difficult to arrive at an estimate because no data are available from insurers. But if the Government had calculated nursing-home costs on the same basis as hospital costs, it would have come up with a figure 10 times higher than the one presently predicted.

The question of financing the plan was not the only one to confuse last summer's Ways and Means hearings. Why, some asked, offer tax-supported Government help to everybody at 65, when many people will be able to take care of their own needs? Many committee members felt that the bill would be only the first step to complete Federal control of the medical profession. Speaking on the House floor, Representative DURWARD HALL, Republican of Missouri, and I have also explained that the bill would provide in most cases less than 25 percent of the care needed for an aged person. And, as HALL pointed out, when a person is unable to pay his medical bill under King-Anderson, he must then apply for relief from Kerr-Mills—the very bill the administration is trying to suppress. Eventually, the committee decided not to approve the legislation, and the issue died for the time being.

Then later in the summer the White House sponsored a new organization called the National Committee of Senior Citizens for Health Care Through Social Security. Dr. Blue Cartenson resigned his post at HEW to run the Senior Citizens staff. Campaigns were organized across the Nation, especially in the home districts of members of the Ways and Means Committee, to promote the proposed legislation. Secretary Ribicoff and Assistant Secretary Cohen addressed White House regional conferences in Los Angeles, St. Louis, San Francisco, Madison, Detroit and New York City. Pro King-Anderson newspapers, such as the Senior Citizens Sentinel, appeared and were mailed to old people across the country.

The big push was on—obviously inspired by more than just a desire to provide medical assistance. Medical-care legislation appeals to many of the Nation's 16,500,000 elderly people, who represent 15.3 percent of the Nation's total voting strength. Any party that can win a sizable bloc of elderly citizens will have a large cushion of voting power. Hence, when the Ways and Means Committee meets later this summer to reconsider the medical-care bill, every member will be under enormous pressure. For if they approve it, the bill almost certainly will be turned into law, no matter how inadequately it has been researched or what it may do to the Nation's tax structure.

How unsound this legislation is can be seen in a speech prepared last November by one of HEW's top researchers. In it, he reported that HEW's cost estimates for old-age medical insurance were about one-fourth of probable costs. The researcher's speech was canceled, and his full report was never issued. But HEW was unable to stop circulation of an abstract of it.

In all the furor, sensible solutions to the problem have been ignored. There are ways of providing proper medical care for older people without adding more billions to those now being spent by the Federal Government.

First, taxpayers should get a break for paying any part of their parents' medical costs, including medical insurance. Today's income-tax laws permit the taxpayer no deduction unless he furnishes over half the parent's total support. If a person is in a nursing home for the aged, the cost of lodging is not deductible.

Second, the King-Anderson plan is compulsory. But people should be free to choose the type of insurance that best suits their needs. Two bills which would help people pay for such voluntary insurance (sponsored by Senator JACOB JAVITS, Representative FRANK BOW and Representative JOHN LINDSAY) have been placed before Congress. Other voluntary proposals have been made.

Third, more and more people are insuring themselves. In 1952 few insurance companies offered policies for people over 65, but today practically all insurance companies do so. In 1961, 9 million, or 53 percent of the aged, held such insurance. The Government could encourage this trend by allowing insurance companies to pool their funds to provide lower-cost group medical insurance for elderly people. To do so now would violate present antitrust laws. But last summer Connecticut gave its insurance companies the right to create such pool funds; the result was the highly successful Connecticut 65 plan, providing comprehensive major medical insurance. This plan covers all medical expenses ($500 deductible) in or out of the hospital up to $10,000, at a cost of $10 a month, and is open for enrollment regardless of past or present health status.

Fourth, every effort should be made to learn how each community now solves its problems of providing medical care for the aged, throwing the spotlight of publicity on those that shirk their responsibilities. There is no such information available now.

Fifth, we should make it easier for elderly people to pay doctors' bills. Recently Blue Shield in Illinois began a new insurance program for people 65 and over which covers the cost of doctor and surgeon fees in hospitals and nursing homes. The cost for a married couple with less than $4,000 yearly income: only $38.40 per person per year.

Finally, private pension funds should be allowed to provide medical insurance for their own members. These funds are estimated to be worth nearly $50 billion, and today they cover 15 million wage earners and their families. Present tax laws allow employers to deduct from corporation taxes the money they pay into pension funds only if the funds do not provide health benefits along with the pension. I recently introduced a tax-law amendment to change this.

From these sources and from many others yet untapped, this country is well able to care for its own—of all ages. There is no need for the Federal Government to rush headlong into a program as untried and as demonstrably unworkable as this one. To do so would be to give evidence that the administration is more interested in generating votes than in keeping the country in sound financial health.

The basic truth is that the King-Anderson bill would set up yet another fantastically expensive branch of the Federal Government—one that can never pay for itself, one that the people do not need and the Nation cannot afford.

What the American People Must Do To Get Ratification of the Genocide Convention

EXTENSION OF REMARKS

OF

HON. DANIEL B. BREWSTER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. BREWSTER. Mr. Speaker, on Thursday, July 27, 1961, it was my privilege to insert in the CONGRESSIONAL RECORD a resolution adopted by the Baltimore City Council urging the Senate of the United States to ratify the Genocide Convention.

In view of the great interest in the ratification of the Genocide Convention, I feel it appropriate to call to the attention of our Nation both the address of Louis E. Shecter before the biennial convention of the American Jewish Congress, and also a letter received by Mr. Shecter from Senator WILLIAM PROXMIRE.

The letter and the address follow:

U.S. SENATE,
Washington, D.C., April 26, 1962.

Mr. LOUIS E. SHECTER,
Baltimore, Md.

DEAR LOUIS: Thank you for sending me your magnificent statement on genocide.

It is incredible to me that the administration would not vigorously support, that the Foreign Relations Committee would not promptly act on, and finally, that the Senate would not overwhelmingly approve, the Genocide Convention.

I am grateful to you for calling latest developments in this situation to my attention. I will certainly follow this up.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

(Address by Louis E. Shecter, National Cochairman, Commission on International Affairs, American Jewish Congress, Friday, April 13, 1962, Waldorf Astoria Hotel, New York, American Jewish Congress National Biennial Convention)

WHAT THE AMERICAN PEOPLE MUST DO TO GET RATIFICATION OF THE GENOCIDE CONVENTION

The purpose of my appearance is to review the facts regarding ratification of the Genocide Convention. That report could be condensed to five words. Frustration. Bitter disappointment. Inexcusable delay.

I urge you to distill a ray of hope from the shocking evidence of the moment that those of us who battled for a new frontier of brightness may have inherited an Eisenhower State Department in this area of ratification. So my remarks today are expanded to "What the American People Must Do To Get Ratification of the Genocide Convention."

The greatest massacre of helpless humanity in our lifetime, the butchering of millions by the Hitler killers, resulted in a historic act by the United Nations. By a unanimous vote the U.N. passed the Genocide Convention establishing that mass murder is an international crime.

The American delegation participated in this unanimous vote. The next step in the procedure to make this treaty effective is ratification by the nations. Sixty-seven nations have ratified this extension of international morality.

American ratification calls for approval by the Senate.

President Truman, in June 1949, strongly urged the Senate to ratify. At the hearing by a subcommittee of the Foreign Relations Committee, Dean Rusk, representing the State Department in 1950, asked for favorable action by the Senate.

The subcommittee of the Foreign Relations Committee voted for ratification. The full Foreign Relations Committee, during the 8 years of the Eisenhower administration, probably with the full blessing of the Eisenhower State Department, has kept the convention bottled up in committee to the amazement of the civilized world.

So now we have a new administration. What is the news for the first 15 months of the Kennedy administration?

Senator FULBRIGHT on January 17, 1962, wrote me as follows:

"DEAR MR. SHECTER: Your letter of January 12, 1962, and its enclosure, relating to ratification of the Genocide Convention, have been read with interest.

"I would like to make one comment only. I do not believe that the convention would be approved by an overwhelming majority in the Senate, unless the full weight and support of the administration is thrown behind it. To date, the administration, which, following custom, is reviewing treaties submitted to the Senate by previous administrations, has not made its wishes known with respect to the Genocide Convention.

"Sincerely,

"J. W. FULBRIGHT, *Chairman.*"

In answer to a request for information about the State Department's position on the Genocide Convention, Assistant Secretary of State Harlan Cleveland wrote to Senator CLAIBORNE PELL on March 17, 1962, as follows:

"As indicated in the Foreign Relations Committee memorandum of December 1961 the Genocide Convention has been pending before the Committee on Foreign Relations of the Senate since 1949. Of this Government's dedication to the convention's purpose of outlawing the international crime of genocide, there can be no question.

"This administration shares the sentiment that prompted submission of the convention to the Senate in 1949. However, no decision has been reached concerning further action on this matter. Warmest regards.

"Sincerely,

"HARLAN CLEVELAND."

Now you take the two important sentences. Those are grand words and music by Harlan Cleveland.

"Of this Government's dedication to the convention's purpose of outlawing the international crime of genocide, there can be no question.

"This administration shares the sentiment that prompted submission of the convention to the Senate in 1949."

Fine. A beautifully worded appraisal of the American position on genocide. Then the final sentence of the letter. "However, no decision has been reached concerning further action on this matter."

A high-ranking official of the State Department tells Senator PELL, an important member of the body that must ratify the treaty, Nothing.

Senator ESTES KEFAUVER in a speech to the American Jewish Congress in New Rochelle in November of 1961, called the delay of ratification an Alphonse-Gaston game between the Senate and the State Department.

I'm warmly devoted to Senator KEFAUVER and I'm positive he will work hard for ratification but I believe he is too kind to the State Department in his appraisal of the situation.

Mr. Cleveland's letter to Senator PELL convinces me that the State Department of 1962 is as indifferent to ratification as the Eisenhower State Department was from 1952 to 1960. And I think Americans ought to press for an answer from the administration. Certainly the 70 million Americans who voted in the November 1960 election ought to be told why the Government that supported the convention so vigorously before the United Nations in 1948 is still delaying confirmation today, 13 years later.

And I, representing your body, would like to know why a government of the people, for the people and by the people cannot tell, even its Senators, why the first major advance in international morality this century has seen must be delayed and delayed and delayed.

The bitter struggle for peace is absorbing the whole free world. There has never been a greater challenge to life, liberty, and civilization. Late in 1961, my wife and I returned from a trip around the world where we found that the hopes and the prayers of the entire free world are centered on the efforts of this new administration and the earnest dedication of our President to maintain American leadership in morality and in freedom.

But how can this Nation be the leader of morality if we are unwilling to join with the United Nations in establishing that mass murder is an international crime?

The dangers that confront the United States and the world will not be diminished because we fail to participate in the first united effort to prevent the repetition of the unspeakable massacres of innocent millions so vividly documented at the Eichmann trial.

Is there some sunshine in this picture? I don't go along with the fuzzy-minded pessimists who believe we are flogging a dead horse.

You and I who in our own lifetime witnessed the most excruciating example of mass murder in the history of mankind refuse to believe that the elected Senators of this great Nation can marshal enough forces to defeat the ratification of the Genocide Convention.

If we are to believe that there are such things as good and evil, as morality and immorality, as decency and indecency, then we must believe that in this all-enlightened, all-civilized United States there can be only one action by the high-minded and dedicated men in the U.S. Senate, and that is ratification of the Genocide Convention, and that possibly in the present session.

Next to the defeat of Hitler, the ratification of the Genocide Convention by the United States is the most affirmative act of strengthening international morality in world history.

American inaction doesn't speak well for American leadership or for the otherwise courageous Democratic administration. The brilliant observer of the American scene and famous writer Gerald Johnson wrote to me:

"The failure of the U.S. Senate to ratify the Genocide Convention is more than a scandal. It is an injury to this country because it exposes us to charges of canting hypocrisy at a moment when confidence in our good faith is necessary to our safety as well as to our prosperity."

The Senators who can be counted upon to genuinely support the genocide treaty are Senator ESTES KEFAUVER, Senator HUBERT H. HUMPHREY, Senator THOMAS J. DODD, Senator PAUL H. DOUGLAS, Senator JOHN O. PASTORE, Senator PRESCOTT BUSH, Senator PAT MCNAMARA, Senator PHILIP A. HART, Senator MARGARET CHASE SMITH, Senator WILLIAM PROXMIRE, Senator EUGENE J. MCCARTHY, Senator KENNETH B. KEATING, and Senator CLAIBORNE PELL, all of whom have written me expressing their deep interest.

In addition, at least 30 Senators have promised to give full consideration to this desperately needed declaration.

Not a single Senator has said he would oppose ratification.

What to do? This situation calls for democracy in action.

The American Jewish Congress must join forces with the 58 national organizations that appeared before the Senate subcommittee urging ratification. All these groups should make their views known to the Government.

This moment in the spiritual history of our Nation must not become a black moment. Our State Department must be made to understand that the time to fight Hitlerism of tomorow or its counterpart is prior to its arrival.

I like the way Assistant Secretary of State Ernest Gross expressed himself in a speech to the General Assembly in 1948. He said:

"It seems to the U.S. delegation that in a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My Government is eager to see a genocide convention adopted at this session of the Assembly, and signed by all member states before we quit our labors here."

Why can't we have the 1962 State Department talk that way?

Woodrow Wilson once said, "What good is the success of a party, unless it serves a great national purpose?"

I would like to paraphrase that magnificent quotation and say "What good is the success of the American Jewish Congress unless it rolls up its sleeves to serve a great humanitarian purpose?"

New School at Dover Air Force Base Honors War Hero

EXTENSION OF REMARKS

OF

HON. HARRIS B. McDOWELL, JR.

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. McDOWELL. Mr. Speaker, Armed Forces Day in Delaware was the occasion for memorable ceremonies dedicating the Dover Air Force Base Dependent School in honor of one of the great American military heroes of World War II, Maj. George S. Welch.

Citizens of Delaware proudly gathered to honor one of the State's own sons. Major Welch was born in Wilmington, Del., on May 10, 1918, the son of Mr. and Mrs. George L. Schwartz. He was educated at Friends School, Wilmington High School, and St. Andrew's School, in Delaware.

In my speech at the dedication ceremonies I declared:

We can all be proud of the fact that—although a small State—Delaware is so well represented in the halls of American military heroes.

Each great war, every national emergency, has seen our men and women respond to the call to action.

Its sons have honored this State, and our Nation, on the battlefield, on the oceans, and in the air.

There must be something in the earth and the air of the first State that has made our people stand out.

Doubtless the traditions established by authentic heroes such as Capt. Robert Kirkwood, of the Revolutionary War, and Maj. George S. Welch, of the Second World War, have helped to nurture our young people and inspire them to great deeds.

In the final analysis, it is quality—and not quantity—that counts.

By every standard, Major Welch is one of the great military heroes of all time, and not just of our own country.

The special qualities that were brought together and distilled in Major Welch should concern all of us.

His initiative, his presence of mind, his coolness under fire against overwhelming odds have earned him the Distinguished Service Cross, the Silver Star, the Distinguished Flying Cross, the Air Medal.

Earlier this year, I wrote to Air Force Secretary Eugene Zuckert suggesting that the Dover Air Force Base or a facility here such as the Air Base School be dedicated in honor of Major Welch.

I should like to read a letter I received from his parents, George and Julia Schwartz, who have come from Santa Monica, Calif., to be with us today on this special occasion:

SANTA MONICA, CALIF.,
March 9, 1962.

HON. HARRIS B. MCDOWELL, Jr.,
House of Representatives,
Washington, D.C.

DEAR SIR: Recently a friend from Delaware sent us a clipping from a Wilmington paper stating that you have taken action toward naming a building at the Dover Air Force

Base for our son, Maj. George S. Welch. We wish to thank you for your remembrance and interest in George. So often boys who have given their lives to their country are soon forgotten. We, his parents, review in our minds, each day his boyhood in Delaware and his enthusiasm for life. You probably know that he left the Air Force, to better serve it by testing newer planes, and flying more dangerous and hazardous missions. He thus advanced the power of this country's Air Force at a very critical time. We regret that a technicality makes him ineligible for the higher honor of naming the Dover Base for him.

General LeMay, who was head of the Strategic Air Force at the time of George's death, sent us a telegram in which he emphasized the critical importance of the work that George was doing for the Air Force when he was killed. The information that was obtained by this last fatal flight advanced the Air Force program many years and saved many others.

You might be interested to know that George's older son, Giles Welch, is now a student at George's old school in Middletown, Del. (St. Andrews).

We are indeed grateful to you and to those others from his native State who wish to honor him.

Sincerely yours,

GEORGE and JULIA SCHWARTZ.

PROGRAM FOR THE DEDICATION OF DOVER AIR FORCE BASE SCHOOL, MAY 19, 1962, 11 A.M.

Master of ceremonies: Maj. Homer E. Brown, information officer, 1607th Air Transport Wing.

9:30–11: Tour of Armed Forces Day display area for distinguished visitors.

11: The National Anthem—Caesar Rodney High School Band.

11:05: Invocation—Chaplain, Gen. Charles I. Carpenter, U.S. Air Force, retired.

11:10: Welcome address—Col. W. C. Mauldin, commander, 1607th Air Transport Wing.

11:15: Introduction of guests—Immediate family of the late Maj. George S. Welch.

Remarks: Hon. JOHN J. WILLIAMS, U.S. Senator; Hon. HARRIS B. MCDOWELL, JR., U.S. Representative.

11:25: Reading of citation of dedication—Dr. Harry G. Neese, president, board of education, Caesar Rodney School District.

11:30: Dedication address—Gov. Elbert N. Carvel.

11:35: Flyover of F–101 Voodoo jet fighters—98th Fighter Interceptor Squadron.

Benediction: Chaplain, Capt. George R. Connelly, U.S. Air Force.

America: Caesar Rodney High School Band.

11:40–12:10: Tour of Dover AFB School for distinguished visitors.

Mr. Speaker, on February 2, 1962, I wrote to Air Force Secretary Eugene Zuckert requesting him to redesignate the Dover Air Force Base in honor of Maj. George S. Welch.

I include herewith my letter and Secretary Zuckert's reply indicating that a technicality prevented him from naming the Dover Air Force Base in honor of Delaware's great son.

I include, too, letters I subsequently wrote suggesting that the Dover Air Force Base Dependent School or the Dover Air Force Base Hospital be named in honor of Maj. George S. Welch, together with replies thereto.

FEBRUARY 2, 1962.

Hon. EUGENE MARTIN ZUCKERT,
Secretary, Department of the Air Force, Washington, D.C.

DEAR MR. SECRETARY: I have been advised that one of the major objectives of the Air Force memorialization program is to honor the memory of deceased Air Force personnel, and, also, that this program is one of the few procedures by which lasting recognition can be provided to a growing list of Air Force heroes.

Therefore, in line with this memorialization program, I would like to request that you take such steps as may be necessary to redesignate the Dover Air Force Base at Dover, Del., in honor of Maj. George S. Welch. By every standard Major Welch, of Delaware, is one of the few top Air Force heroes of our country, and he is highly worthy of such memorialization. Decorations received by Major Welch include the Distinguished Service Cross, the Silver Star, the Distinguished Flying Cross, the Air Medal, two Oak Leaf Clusters, and one Oak Leaf Cluster to the Air Medal, and four Battle Stars.

Major Welch, following World War II, was chief engineering test pilot for North American Aviation. He was killed on October 12, 1954, in a test dive of an F–100 Super Sabre. The flight on which he was killed was the last in a series of slow buildups to the maximum structural test called for by U.S. Air Force contractual specifications for the Super Sabre.

Surely, the name "Dover Air Force Base" does nothing more than indicate that this great Air Force facility is located at Dover, Del., a city which is already sufficiently recognized since it is the capital city of the State of Delaware.

Naming the Dover Air Force Base in honor of Maj. George S. Welch would advance the objectives of the Air Force, the Defense Department, and of our country and would honor one of the great heroes of our country.

I have enclosed for your information and ready reference material on Major Welch which I have obtained from the Delaware State Public Archives. I would appreciate it very much if you would designate Dover Air Force Base in honor of Major Welch and I shall look forward to hearing from you on this matter.

Sincerely,

HARRIS B. MCDOWELL, Jr.,
Member of Congress.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE SECRETARY,
Washington, February 23, 1962.

DEAR MR. MCDOWELL: This is in reply to your recommendation that Dover Air Force Base, Del., be redesignated in honor of the late George S. Welch.

Air Force installations may be named after deceased Air Force members of established preeminence who have made a major contribution to the mission of the Air Force, and who died while on active duty or in a retired status. Mr. Welch made substantial contributions to his country and to the Air Force. He was released from active duty in 1944 to become a civilian test pilot for North American Aviation, Inc., and in 1953 he discontinued his commission in the Air Force Reserve. Unfortunately, since Mr. Welch did not have Air Force status at the time of his death, he is ineligible for the recommended memorialization honor.

The Air Force memorialization program does, however, permit the naming of streets, buildings, and recreational facilities located on major installations in honor of deceased Air Force military personnel, who have a record of heroism or outstanding duty performance, regardless of military status at the time of their deaths. We are pleased to add the name of Mr. Welch to the list of individuals eligible for these memorialization honors. His name will be considered by the commander of Dover Air Force Base in any future memorialization plans.

Your interest in renaming Dover Air Force Base and in the Air Force memorialization program is appreciated.

Sincerely,

EUGENE M. ZUCKERT.

MARCH 1, 1962.

Col. ROBERT H. STUART,
Commanding Officer, Dover Air Force Base, Dover, Del.

DEAR COLONEL STUART: On February 2, 1962, I wrote Secretary Eugene Zuckert, of the Department of the Air Force, concerning the memorialization program designed to honor the memory of deceased Air Force heroes. As the copy of my letter to Secretary Zuckert indicates, I had recommended that the Dover Air Force Base be redesignated in honor of a distinguished Air Force hero, Maj. George S. Welch, of Delaware, now deceased.

By every standard, Major Welch, of Delaware, was one of the few top Air Force heroes of our country and he is highly worthy of such memorialization. Decorations bestowed to Major Welch during World War II included the Distinguished Service Cross, the Silver Star, the Distinguished Flying Cross, the Air Medal, two Oak Leaf Clusters, and one Oak Leaf Cluster to the Air Medal, and four Battle Stars. As the attached printed brochure issued by the Delaware Archives Department on the occasion of the showing of the portrait of Maj. George S. Welch at the State capital in 1944 indicates, one of the citations explained his "extraordinary heroism in action over the Island of Oahu" on December 7, 1941; moreover, his "initiative, presence of mind, coolness under fire against overwhelming odds in his first battle, expert maneuvering of his plane, and determined action, contributed to a large extent toward driving off this sudden, unexpected enemy air attack" at Pearl Harbor.

Following World War II, Major Welch made further contributions to American aviation. He became the chief engineering test pilot for North American Aviation, Inc. He was killed on October 12, 1954, in a test dive of an F–100 Super Sabre, an aircraft which was at that time in the last stages of structural tests called for by the U.S. Air Force contractual specifications for the Super Sabre.

I am attaching a copy of Secretary Zuckert's letter of February 23, 1962, in response to my initial recommendations. As you will note, the Secretary agrees that Major Welch made substantial contributions to his country and to the U.S. Air Force. In 1953, Major Welch discontinued his commission in the Air Force Reserves and unfortunately, this deprived him of Air Force status and consequently precludes eligibility for the recommended memorialization honor. However, Secretary Zuchert states that the Air Force memorialization program "does * * * permit the naming of streets, buildings, and recreational facilities located on major installations in honor of deceased Air Force military personnel who have a record of heroism or outstanding duty performance, regardless of military status at the time of their deaths. We are pleased to add the name of Mr. Welch to the list of individuals eligible for these memorialization honors."

I, therefore, recommend that consideration be given to the memorialization of the following installations at the Dover Air Force Base in honor of the late Maj. George S. Welch of Delaware: (1) The Dover Air Force Base Dependent Schools or, (2) the Dover Air Force Base Hospital.

If these memorial recommendations meet with the approval of the Air Force officials at the Dover Air Force Base as well as the officials of the Caesar Rodney School District, the memorialization of the base dependent schools in honor of Major Welch would certainly provide our young people with a fine and selfless example of dedication to duty and devotion to country.

Since the Dover Air Force Base Dependent Schools are under the current jurisdiction of the Caesar Rodney School District, I am writing to Dr. Harry G. Neese, Jr., president of the board of education of the Caesar

Rodney Special District and Dr. F. N. Postlethwait, superintendent of the district, regarding this proposal. Delaware's citizens have made extraordinary contributions in the service of Nation and State from time to time and I feel that Maj. George S. Welch, a Delawarean, deserves to be honored. Certainly, naming one of the installations cited above would advance the objectives of the Defense Department, the U.S. Air Force, and our Nation and at the same time honor one of the great heroes of World War II.

I shall be pleased to have your comments on this matter.

Sincerely,

Harris B. McDowell, Jr.,
Member of Congress.

Headquarters, 1607th Air Transport Wing, U.S. Air Force,
Dover Air Force Base, Del., March 8, 1962.

Subject: Request for memorialization.

Hon. Harris B. McDowell, Jr.,
House of Representatives,
Washington, D.C.

Dear Mr. McDowell: I returned from several days' temporary duty to find your letter of March 1 and our answer dated March 2 regarding memorialization of one of our major base facilities in honor of Maj. George S. Welch. I appreciate your suggestion in this matter and agree that it would be most appropriate to have our major facilities named in honor of local heroes.

We have already initiated the necessary administrative actions which were indicated in our letter of March 2. I trust I can report definite progress to you in this matter very shortly.

Sincerely,

W. C. Mauldin,
Colonel, U.S. Air Force, Commander.

I include some facts on Maj. George S. Welch:

When the Japanese Air Forces struck Pearl Harbor on December 7, 1941, Lieutenant Welch and a fellow officer raced by automobile from Wheeler Field, where the planes and hangars were being destroyed, to Haleiwa Field, about 10 miles away. He took off in a plane armed only with .30 caliber machineguns and accompanied by only one other pursuit ship, immediately attacked an enemy formation of 12 planes and shot down an enemy dive bomber. It was then he discovered that one gun was jammed and an incendiary bullet had struck the baggage compartment just to the rear of his seat. Then he climbed above the clouds, checked his plane for damage, returned to the attack and seeing a Japanese plane running out to sea, shot it down. No more enemy planes being in sight, he proceeded to Wheeler Field to refuel and reload ammunition. Before his jammed gun could be repaired, a second wave of 15 planes approached low over Wheeler Field. His citation states, "Three came at him and he immediately took off, headed straight into the attack and went to the assistance of a brother officer who was being attacked from the rear." This enemy plane he shot down in flames, but not before his own plane was struck by three bullets, none of which hit him. The attacking wave having disappeared, he returned to the vicinity of Ewa and discovered an enemy plane going seaward. He pursued it and shot it down about 5 miles offshore. The citation with the award of the Distinguished Service Cross states, "For extraordinary heroism in action over the island of Oahu" when his "initiative, presence of mind, coolness under fire against overwhelming odds in his first battle, expert maneuvering of his plane, and determined action, contributed to a large extent toward driving off this sudden, unexpected enemy air attack."

Following a trip to the White House to meet the President and a countrywide tour to aid the war plant production rallies and war bond drives, he returned to combat service in Hawaii. From there he was transferred to the New Guinea theater of operations. Here, on the first anniversary of Pearl Harbor, Lieutenant Welch in a P-40 shot down three of the eight Japanese planes destroyed in a 10-minute duel. Meanwhile, he was promoted to the rank of captain and designated as an "ace" in the southwest Pacific area. On June 21, 1943, while flying a P-38 in the New Guinea area, he shot down three Zeros and on August 21 he added two more Zeros to his score. It was on September 2 that Major Welch had one of his most spectacular battles. With only 10 hours' experience in piloting a P-38 plane, he led his squadron against 30 Japanese fighters who were trying to intercept American bombers over Wewak. Our fighters dove to the attack, and in the ensuing battle 14 Zeros were shot down and 7 were probably hit, the rest escaping in the clouds. None of the American planes were lost, and Major Welch added 3 Zeros and a bomber to his score which now totaled 16 planes destroyed. During his service in New Guinea, he was credited with 218 operational flights over enemy territory in which combat with enemy planes was probable. These flights included strafing enemy troops, motor transports, and planes on the ground during the campaigns of Kokoda Pass, Papuam, and Buna.

The decorations received by Major Welch are the Distinguished Service Cross awarded at Pearl Harbor, the Silver Star for his exploits at Buna in the New Guinea area, the Distinguished Flying Cross for Milne Bay and Wewak, and the Air Medal for Milne Bay. Two oak leaf clusters have been added to the Distinguished Flying Cross for Wewak and one oak leaf cluster to the Air Medal for Milne Bay, in addition to four battle stars being awarded for Pearl Harbor, Kokoda Pass, Papuam campaign, and Buna.

Statement of Military Service of George S. Welch (AO398557), Born May 10, 1918, Wilmington, Del.

(By General Services Administration, Air Force Section, Military Personnel Records Center, St. Louis, Mo.)

Flying cadet, February 9, 1940; second lieutenant, Air Reserve, October 4, 1940; first lieutenant, Army of the United States, September 30, 1942; first lieutenant, Officers' Reserve Corps, October 2, 1942; captain, Army of the United States, Air Corps, October 16, 1942; captain, Army of the United States, July 28, 1943; major, Army of the United States, Air Corps, September 20, 1943; major, Army of the United States, June 10, 1944; major, Air Reserve, November 29, 1945.

Schools attended: Primary Flying School, Glendale, Calif., May 1940; Basic Pilot Training School, Randolph Field, Tex., August 1940; Advanced Pilot Training School, Brooks Field, Tex., October 1940.

Rating: Pilot.

Duties and assignments:

He enlisted in the Regular Army February 9, 1940, at Fort Benjamin Harrison, Ind.

Flying cadet, Air Corps Training Detachment, Glendale, Calif.; Aviation Cadet Detachment, Randolph Field, Tex.; Brooks Field, Tex., to October 4, 1940.

Honorably discharged October 4, 1940.

Fighter pilot, engineering officer, 55th Fighter Squadron, 20th Fighter Group, Hamilton Field, Calif., to February 7, 1941.

Departed the United States February 1941 for duty in Hawaii.

Fighter pilot, supply officer, engineering officer, intelligence officer, 47th Fighter Squadron, 15th Fighter Group, Hawaii, to February 1942.

Fighter pilot, flight leader, 46th Fighter Squadron, 15th Fighter Group, Hawaii to August 16, 1942.

Flight commander, engineering officer, 72d Fighter Squadron, 15th Fighter Group, Hawaii to October 4, 1942.

Flight leader, operations office, 36th Fighter Squadron, 8th Fighter Group, New Guinea to June 12, 1943.

Operations officer, 80th Fighter Squadron, 8th Fighter Group, New Guinea to August 31, 1943.

Operations officer, Group Headquarters, 8th Fighter Group, New Guinea and Australia to November 25, 1943.

Returned to the United States November 27, 1943.

Operations officer, Headquarters and Headquarters Squadron, Army Air Forces Tactical Air Command, Orlando, Fla., to April 2, 1944.

Project officer, Aircraft Division, 3d AAF Base Unit (Army Air Forces Board), Orlando, Fla., to November 12, 1944.

Honorably relieved from active duty November 12, 1944.

Major Welch continued in a commissioned status in the Air Force Reserve (not on active duty until April 1, 1953. His commission in the Air Force Reserve was terminated April 1, 1953, by operation of law.

Decorations and awards: Distinguished Service Cross; Silver Star; Distinguished Flying Cross with two Bronze Oak Leaf Clusters; Air Medal with one Bronze Oak Leaf Cluster; American Defense Service Medal; Asiatic-Pacific Campaign Medal with one Bronze Service Star; World War II Victory Medal; Distinguished Unit Citation with two Oak Leaf Clusters; Air Force Longevity Service Award Ribbon; Aviation Badge Pilot.

J. D. Kilgore,
Chief.

Congressman Walter Inspires Patriotic Americans

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 23, 1962

Mr. DOOLEY. Mr. Speaker, Francis E. Walter, a great Congressman and an outstanding American, addressed an audience at Villanova University, Pennsylvania, on the occasion of the America Beloved Day rally on May 20, 1962.

Among the guests on that occasion were M. Leonard Jones, pastor of the Zion Baptist Church, Ardmore, Pa., who rendered the benediction; Joseph Kelly, secretary-treasurer of the Philadelphia Council, AFL-CIO; the Honorable David E. Groshens, judge of Pennsylvania's Montgomery County court; and the president of the university, Rev. John A. Klekotka, O.S.A.

Others present included Warren F. O'Donnell, deputy of the Pennsylvania State Council, Knights of Columbus; the Norristown Musicians' Association, Local No. 341; the Lower Merion High School choir; and the military band of the Norristown Musicians' Association. Thomas J. Burke, Esq., served as master of ceremonies.

Before this completely heterogeneous group, Congressman Walter delivered a speech which brought the audience to its feet several times and epitomized succinctly what America means to him and to others who are proud of their heritage.

The speech must have been very touching to Reverend Klekotka, who heads the university, and who has the distinction of having been born of Polish immigrant parents.

I take pleasure in incorporating in the RECORD the speech by the Congressman, entitled "Americanism Versus Communism."

AMERICANISM VERSUS COMMUNISM

(Address by Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, America Beloved Day rally, Villanova, Pa., May 20, 1962)

During the 29 years I have served in Congress, I have been invited to participate in hundreds of patriotic events. They have involved many thousands of miles and hundreds of hours of travel time. Yet, I have found that these programs refresh and strengthen me rather than drain my energy.

Occasionally, I find myself a guest witness to an event of truly inspirational character. This is such an affair, as I knew it would be 5 months ago when I first learned of its theme, "America Beloved," a theme so wonderfully refreshing in these days of cynical materialism.

I want you to know, in all sincerity, that I feel deeply honored to have been invited to participate in this program which, if for no other reason than its title, is a stirring reminder that ours is truly a land that has earned and fully deserves the devotion of its citizens. Because you have reminded me of these facts, I would indeed be insensitive if I did not return to Washington with a revitalized will to do all in my power to help preserve these United States as the land we all love.

Th cold war, without doubt, is the most significant issue of our day, yet too many people do not fully appreciate what it is all about. Basically, since the United States and the Soviet Union are its major protagonists, a good definition of the cold war is "Americanism versus Communism." This is a proper definition, I think, because (1) communism is the greatest threat to Americanism, and (2) Americanism is the best hope for thwarting communism.

Defining this grave issue, however, is easier than understanding it, and understanding it is far easier than resolving it. Let me give you an illustration of why the cold war—the death struggle between Americanism and communism—is sometimes so hard to understand and so difficult to resolve.

Last year a nationwide television news program showed a film of several visiting reporters talking to the editor of a newspaper. They were making inquiries about the possible effects of a new legal document upon some of the editor's friends. After making it clear he was in no mood to answer questions, the editor invited the reporters to leave the premises. When they didn't do so immediately, the editor asked, "Don't you have any respect for private property?" or words to that effect.

Now this was not a surprising question, because private property rights are basic to American principles and traditions. All Americans have a right to invoke them on such occasions. Nevertheless, this incident must have surprised millions of television viewers for this reason: the private property concerned was the office of the Worker, official Communist Party newspaper published in New York, and the man who asked that his private property rights be respected was James Jackson, editor of the Worker. Offhand, can you think of anyone in this country who is really more opposed to the right of private property than the man who not only edits Moscow's voice in the United States, but also serves as a member of the national committee of Moscow's fifth column on American soil, the U.S. Communist Party?

If you think this is hard to follow, then contrast Jackson's claim of private property rights with the view expressed by a fellow Red, Hyman Lumer, the educational director of the Communist Party, in an article about sit-in demonstrations which appeared in an issue of the Communist magazine, Political Affairs. In this article, Lumer blasted the Southern States which had passed antitrespass laws—laws, wrote Lumer, "forbidding anyone to remain on any premises after being asked to leave" by the management.

Yes, the cold war becomes more than just a little confusing when one Communist attacks those who don't respect private property rights while another Communist attacks legislation protecting those same rights. And the confusion is compounded when each of the two Communists claims to be speaking as a defender of the Constitution of the United States, while at the same time belonging to a foreign-directed conspiracy that would tear our Constitution to shreds at first opportunity.

The true Communist doctrine on private property, of course, has been clear and unchanging since the collective writings of Marx and Engels gave birth to the Red conspiracy. In 1850 they wrote: "For us the issue cannot be the alteration of private property but only its annihilation. * * *"

In line with this teaching, James Jackson most assuredly wants to eliminate from the American scene all private ownership of property and all rights of privacy that go with it. Nevertheless, like any other Communist caught in a pickle, Jackson not only found that he could temporarily "coexist" with a despised principle, but that he could even play the role of its champion.

So although the James Jackson newsfilm story was in itself of little importance, it did dramatize an extremely important point: A Communist will, at a moment's notice, adopt any principle—including one to which he is violently opposed—in order to further the cause of communism. Also, he will forsake any principle—no matter how loudly he has proclaimed it—if it will further the cause of communism. Remember Stalin's 1939 "nonaggression" pact with Hitler that shocked the world, and was actually a pact for mutual aggression against Poland?

To say the least, a Communist is a hypocrite and totally lacking in morality, as we know it. Communism depends not only upon subversion and coercion, but lies and doubletalk to achieve its ends.

As Lenin said: "We do not believe in eternal morality, and we expose all the fables about morality. * * *

"We repudiate all morality that is taken outside of human, class concepts. * * * Our morality is entirely subordinated to the interests of the class struggle. * * *"

This is why non-Communists who echo or sympathize with the Communist Party line, and thus materially aid the conspiracy, are called dupes. A man is a dupe when he falls for something which has been misrepresented to him, which stands for something other than what he has been led to believe it stands for. "Dupe" is about the kindest word that can be used to describe a person who, having been misled to believe that communism works for the betterment of mankind, diligently carries out the Communist blueprint for the enslavement of mankind. Unfortunately, Communist poison is no less poison when administered by a dupe than when administered by the dupester.

If the Communist conspiracy were always forthright about its true objectives, of course, it would have no dupes serving its cause. It would have only adherents and enemies. The fact that the vast majority of persons who break with the Communist Party claim that they were duped into joining is incontestable evidence that the party employs deceitful and immoral tactics on a vast scale to build its strength and to advance its devilish schemes.

"Immoral" is a particularly fitting description of Communists, though this old-fashioned term is seldom applied to them these days. Never in our history has so large a group of so-called U.S. citizens been so disloyal, so immoral, to "America Beloved." Never has a group in this country so blatantly abused the freedoms which have made America the envy, and wonder, of the world. Never have the laws and the law enforcement organizations of this land been the objects of such contempt as has been exhibited for them by the members and the dupes of the Communist Party. Never has the divine guidance upon which this Nation was founded been so forsaken, and defied, as it has by the Communist conspirators and their dupes who parade under the name of Americans.

For all of these reasons, for the first time in the history of America, it is impossible on occasions to distinguish the propaganda of some citizens of this country from that of the most mortal foreign enemies the United States has ever had.

Recently I read an article about certain alleged emotional needs of the Latin American people which were fulfilled by Fidel Castro's victory in Cuba. The author wrote with obvious enjoyment: "And one of those needs, perhaps the most satisfying, was to be able to stand straight up and spit flush in Uncle Sam's angry red face."

That sounds like a statement that could have been made by Nikita Khrushchev, doesn't it? Well, it wasn't. It was written by an American named Saul Landau, a member of the editorial board of Studies on the Left, a new journal which claims significant influence in some of our academic and intellectual circles. Landau's words appeared in the March 1962 issue of Monthly Review, another American journal which enjoys all of this country's privileges relating to freedom of the press.

Isn't there something immoral about a person who accepts the privileges that go with being an American and then writes, with apparent glee, about how somebody could "spit flush in Uncle Sam's angry red face"?

Listen to these words: "Beware, Africa, America bargains for your life."

They were spoken a few years ago in the capital of Red China. Were they the words of Mao Tse-tung? No. Unfortunately, they were the words of Dr. W. E. B. DuBois, an American citizen who had defied the regulations of this country to make an unauthorized trip into that Communist nation.

And during his stay in Red China, DuBois wrote the following verse, entitled "I Sing to China":

"Down then, religion and church, temple
    and pagoda;
Away myth and miracle, creed and dogma.
Rejoice, honesty, God lives again.
But not your God, Europe and America.
Not that, not that;
No Christ to kill, no faith to fan—
What China worships is a man.
A workingman."

Another occasion that moved Dr. DuBois to poetry was the trial of Julius and Ethel Rosenberg, U.S. citizens who were later executed for having conspired to commit wartime espionage against their own country, our America beloved. At that time, DuBois wrote the following lines about America and her people—about you and me, and our people:

"We are murderers hurling mud,
We are the witchhunters drinking blood."

Whenever anyone dares to criticize persons such as Landau and DuBois for mouthing such hate-America remarks, he is immediately attacked by the liberal leftists in this country as trying to suppress speech. There is room for every type of expression in the marketplace of ideas in the United

States, say the leftist liberals, and even the Communists and their adherents make an important contribution to our society. Furthermore, they claim there is nothing to worry about when people in this country start talking like the men in the Kremlin, for if it ever comes to a showdown in a shooting war, all Americans will rally 'round the flag. Haven't they always done so in the past?

Well, my friends, the answer to that question is an unequivocal "No." Let me give you some examples of how the Communists and their dupes in this country "rallied 'round the flag" during the Korean war.

In the July 12, 1950, issue of the Daily Worker, the late William Z. Foster, then head of the Communist Party of the United States, described America's role in the Korean war as "a naked policy of aggression against the great masses of Asian peoples. * * *"

And, Foster added: "If general war can still be avoided it will only be because of the basic peace policy of the Soviet Union and China."

In this same article, Foster compared the U.S. role in Korea to the Japanese imperialism which ignited the Pacific phase of World War II.

In another article in the Daily Worker 5 days later, Foster wrote: "In their imperialist conceit the bigwigs who shape policy in this country assumed, when they provoked the Korean war, that the mere mention of the fact that the United States was about to take a hand in the war would suffice to make the North Koreans * * * abandon the struggle overnight. But precisely nothing of the kind has happened. Instead, the North Koreans, with good equipment, fine discipline, and excellent generalship, have gone right ahead, giving a marvelous display of military strength * * * and administering heavy defeats to the invading U.S. troops."

This statement can be interpreted in no other way than as "Three cheers, our country's enemies are winning and we are losing." Foster wrote these words at a time when the situation was exceedingly grave for the American and South Korean troops who were being pushed dangerously near the sea.

Do you honestly believe that words such as these contribute anything to the "marketplace of ideas" in our country?

In 1951, the Communist-controlled Mine, Mill & Smelter Workers Union called the first strike in history against the big four firms of the copper industry, halting 95 percent of the Nation's copper production. At that time, copper was in the shortest supply of all strategic materials vital to our Korean war effort.

In 1954, a parade of former prisoners of the Korean war testified before the Senate Internal Security Subcommittee about how they had to undergo 6 to 8 hours a day of pro-Communist and hate-America indoctrination by their Chinese captors.

Do you know what source material the Chinese Reds used for their classes? So-called American publications, authored and edited by so-called American citizens. They used such newspapers and magazines as the Daily Worker, People's World, Masses and Mainstream, and Political Affairs—all U.S. Communist Party publications—and also the China Monthly Review and books by William Z. Foster and Howard Fast.

The China Monthly Review, published in Shanghai by American citizen John W. Powell, contained such vicious anti-American propaganda that the U.S. prisoners of the Korean war who read it refused to believe that Powell really existed, or that, if he did, he was actually an American citizen as the Chinese Reds claimed.

What would you have believed if you had been an American prisoner of the Chinese Communists and had had to read such anti-U.S. vitriol as the following which appeared in an editorial of John W. Powell's China Monthly Review for March 1952?

"With millions of civilian dead and homeless in Korea as a direct result of the deliberate U.S. campaign of extermination, the latest American crime to come to light has been the launching of bacteriological warfare in Korea. Not content with the wiping out of entire cities and towns by napalm bombings, massacres of military and civilian prisoners, and campaigns such as Operation Killer, the Americans have resorted to one more bestiality in their frantic efforts to conquer the Korean people and extend their aggression in Asia.

"Proceeding in a vein which surpasses the savagery of Hitler Germany and Hirohito Japan in the last war, the American invaders, by a systematic spreading of smallpox, cholera, and plague germs over North Korea, have shocked and horrified the entire world."

Witnesses testified before the Senate subcommittee that some American prisoners endured such severe punishment, rather than read and endorse such lies about America written by Americans, that it led to their death. And yet, my friends, do you know what Powell did after the Korean war? He returned to the United States and went on a lecture tour as an expert on the Far East, receiving helpful publicity in some U.S. newspapers while doing so.

It is hard for me to decide sometimes whether it is to America's credit or shame that treasonous Communist activities have been permitted on such scale for so many years without more vigorous effort being made to end them.

Knowing the evil Marxist-Leninist doctrine for what it is, however, I can readily understand why its American adherents abuse every freedom our great Nation provides, and do so to help a foreign-directed conspiracy destroy those same precious freedoms which make the United States the natural, eternal enemy of the cause they espouse, totalitarian communism.

In 1909, Lenin said: "Marxism is materialism * * * it is * * * relentlessly hostile to religion."

Fifty years later Nikita Khrushchev said: "Public education, the dissemination of scientific knowledge, and the study of the laws of nature, leave no place for belief in God."

Yes, there is no room for God—and therefore no room for any fixed, unchanging morality—in communism. There is no room for any ethic, except that of advancing the Communist cause by any means, no matter how immoral—mass murder, enforced starvation of millions—or even betrayal of mother, father, sister, brother, wife, husband or country. There is not even room for love in communism—love of your fellow man, love of your family or love of your country.

And it is here that we come to the essence of the difference between Americanism and communism, the essence of the cold war.

Not only is there room for God, for morality, for fixed ethical standards, for love and patriotism in Americanism, but Americanism demands these things, they are all part of the American tradition.

As recently as 1954, Congress saw fit to insert the phrase "under God" in the Pledge to the Flag. "In God We Trust," the official motto of the United States, does not date back to the time of Jefferson. It was adopted by Congress in 1956, only 6 years ago.

This official recognition of God, and thus of morality as opposed to Communist immorality, is not a new concept in our land. Our Nation actually came into being with the signing of the Declaration of Independence by the Continental Congress on July 4, 1776. And what did our Founding Fathers say in that document?

They stated in their opening paragraph that the "laws of nature and nature's God"—"God" with a capital "G"—entitled this country to independence.

They went on in the very next sentence—the first one in the second paragraph of the Declaration—to proclaim the source of all your basic rights and mine, of the rights of every American, of every human being on earth—"all men * * * are endowed by their Creator with certain inalienable rights."

In the final paragraph of the Declaration, they appealed to "the Supreme Judge of the world" for the rectitude of their intentions, and then closed the Declaration by expressing their "firm reliance on the protection of divine providence."

What a contrast these statements make with the atheistic, hate-filled Communist manifesto, the words of Lenin, Stalin, Khrushchev, William Z. Foster, and of all Communists everywhere. Here is the real difference between communism and Americanism, the fundamental issue of the cold war.

Communism says man is a thing. Such "rights" as he may have at any time are given him by the bosses of the Communist Party, and can therefore be taken away from him by them at any time for any reason.

Americanism says that Divine Providence, God, the Creator of man, gave man his basic rights, and that those rights are "inalienable"—they cannot be taken from him by anyone at any time—neither by kings, commissars nor presidents. They are man's forever.

Today, the United States with its philosophy of man stands as a symbol both to the free world nations and the Communist conspiracy that would engulf them. To those parts of the globe which still enjoy freedom, the United States represents the great hope of protection against enslavement. To the men in the Kremlin, the United States is the major enemy, and represents the power they must destroy for the triumph of wrong over right, of deception over truth, of man over God, of the minority over the majority.

The people of the United States can fulfill the hopes of the free world and smash the totalitarian dreams of the international gangsters of communism.

To do it we must keep ourselves militarily prepared to discourage armed assault from without and to be able to meet and defeat the enemy anywhere and anytime it becomes necessary. We must also take such steps as are necessary to protect our institutions, our traditions and our Government, and ourselves, from being subverted by internal enemies.

Most important of all, however, we must always keep before us, clear in our minds and hearts, the basic difference between Americanism and communism—God and morality.

Only if we do this will we be able to meet the final test, the giving of all, if need be, for what we believe in.

We must face the fact that, as evil as their philosophy, system, and goals are, atheistic Communists are intensely devoted to them. They have proved over and over again their willingness to risk all, to die for them, even though this life is all they believe in and its end means the end of everything for them.

If we of the United States, with our philosophy, traditions, and principles of religion, God, and an afterlife, are not willing to risk as much, we may well lose "America beloved" and all that it means to us and to the world.

Will it be communism or Americanism? For the answer let me, in closing, commend to you words of the father of our country. These words are the spirit of Americanism,

and as long as they are the spirit of our people there can be no doubt about what the outcome of this struggle will be.

On June 12, 1776, in times not unlike these, George Washington wrote to his cousin, Lund Washington: "Heaven knows how truly I love my country; and that I embarked in this arduous enterprise on the purest motives. But we have overshot our mark; we have grasped at things beyond our reach; it is impossible we should succeed; and I cannot with truth say that I am sorry for it; because I am far from being sure that we deserve to succeed.

"Our want of skill, our want of ammunition, in short, our want of everything which an army ought to have, are all, no doubt, exceedingly against us; but they are all nothing to our want of virtue. * * *

"There are not a hundred men in America that know our true situation; three-fourths of the Congress itself are ignorant of it. * * *

"If it be the will of God, that America should be independent * * * and that this be the season for it, even I and these unhopeful men around may not be thought unworthy instruments in his hands. And should we succeed, we are heroes, and immortalized beyond even those of former times; whereas, disgrace only, and intolerable infamy await our retreat. In this persuasion I resolve to go on, contented to save my country, or die in the last ditch."

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 24, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Job 28: 28: *And unto man He said, behold, the fear of the Lord, that is wisdom; and to depart from evil is understanding.*

O Thou who art the inspiration of every noble thought and every worthy achievement, may we accept and lay hold of the tasks and responsibilities of each new day with a radiant and responsive spirit and cast aside all resentful and rebellious tempers of mind and heart.

We earnestly beseech Thee to sustain us in all our struggles to preserve and perpetuate those blessings of freedom and democracy which our forefathers found so hard to win and which we are now finding so difficult to hold.

Kindle within us a sincere desire and a resolute determination to follow the ways of Thy spirit and may we be cheered and comforted with the assurance that Thou wilt enable us to be strong and steadfast in this time of crisis and confusion.

Hear us in the name of the Captain of our Salvation. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 68. Concurrent resolution to print additional copies of hearings on the Revenue Act of 1962.

RAYBURN HOUSE OFFICE BUILDING—LAYING OF THE CORNERSTONE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the proceedings at the laying of the cornerstone of the Rayburn House Office Building this morning be printed at this point in the RECORD, and that it may include a copy of the program.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROCEEDINGS AT THE LAYING OF THE CORNERSTONE OF THE RAYBURN HOUSE OFFICE BUILDING, WASHINGTON, D.C., THURSDAY, MAY 24, 1962

The program of ceremonies follows:

PROGRAM OF CEREMONIES AT THE LAYING OF THE CORNERSTONE OF THE RAYBURN HOUSE OFFICE BUILDING, WASHINGTON, D.C., THURSDAY, MAY 24, 1962

PROGRAM

Introductions	Hon. J. George Stewart, Architect of the Capitol.
Invocation	Rev. Bernard Braskamp, D.D., Chaplain of the U.S. House of Representatives.
Introduction of the President of the United States.	Hon. John W. McCormack, Chairman.
Address	Hon. John F. Kennedy, the President of the United States.
Reading	Dr. Norman Gerstenfeld, Rabbi of the Washington Hebrew Congregation.
Laying of the Cornerstone.	Hon. John W. McCormack, Speaker of the House of Representatives.
Benediction	The Very Reverend Monsignor Edward J. Herrmann, Assistant Chancellor of the Archdiocese of Washington.

The proceedings commenced at 10:30 o'clock, a.m.

Mr. STEWART. Mr. President, Mr. Speaker, honored guests, ladies and gentlemen, we have met today to lay the cornerstone of the Rayburn House Office Building. I welcome each of you to the ceremony, and express the hope that in the years to come those who labor in this building will pause occasionally and pay tribute to the Honorable Sam Rayburn, whose great leadership and foresight made this structure possible.

At this time I will ask the Reverend Bernard Braskamp, D.D., Chaplain of the House of Representatives, to offer the invocation.

INVOCATION

Dr. BRASKAMP. Let us pray.

O Thou who art the Supreme Ruler of the Universe and the guiding intelligence in the life of men and of nations, encouraged by every gracious invitation in Thy holy word, we are approaching Thy throne of grace through the old and familiar way of prayer which is never closed to those who come unto Thee with a humble spirit and a contrite heart.

We have assembled to lay the cornerstone of this building, erected here on Capitol Hill and designated in a resolution offered by Speaker MCCORMACK, adopted unanimously by the Members of Congress, and signed by President Kennedy as the Rayburn House Office Building.

As we share in this significant and joyous ceremony we find ourselves going up and down the courts of memory and calling to mind with gratitude and affection the noble life and character and ministry of the beloved Speaker, Sam Rayburn, who will always be remembered among those who do justly, love mercy, and walk humbly with the Lord.

Grant that the chosen Representatives of our Republic, engaged in the business of statecraft, although holding different political philosophies as made known in their deliberations and decisions, may daily go forth from this office building to the House Chamber in the Capitol girded with that spirit of fairmindedness and justice which considers and weighs the convictions of their colleagues alongside of their own without bias or prejudice.

Hear us in the name of the Prince of Peace. Amen.

Mr. STEWART. I now have the great honor to introduce to this assembly the Honorable JOHN W. MCCORMACK, Speaker of the House of Representatives, and also Chairman of the House Office Building Commission. Speaker MCCORMACK. [Applause.]

REMARKS BY SPEAKER M'CORMACK

The SPEAKER. Mr. President, Mr. Chief Justice, reverend clergy, my distinguished colleagues of both branches of the Congress, ladies and gentlemen:

As great Americans of the past have contributed to the making and stabilizing of our Constitution, now the oldest Constitution on earth, a living, dynamic organism representing the hopes and the national objectives of our people, so did our late friend, Speaker Sam Rayburn, make his contributions during his long and honored public career.

Sam Rayburn was not only a great man, but he was also a good man; gentle, kind, understanding, possessed of wisdom gained from experience. Sam Rayburn gave unsparingly of his extraordinary talents in the service of our country. He possessed all of the gentle qualities and virtues of a good man, and all of the strong qualities evidenced by a great man.

This building will always be a living monument to his memory, a constant reminder to present and future legislators that Speaker Sam Rayburn was a legislator's legislator.

We are signally honored in having with us today the Chief Executive of our country, a former colleague of ours, and a personal friend and strong admirer of Sam Rayburn. Under our Constitution the President represents and symbolizes the hopes and aspirations of our people and the national objectives of our country. With the wisdom he gained by his service in both branches of the Congress, the people have complete confidence in him and his courageous qualities of leadership. How happy is Sam Rayburn in the Great Beyond in the knowledge that President John F. Kennedy is with us on this occasion.

I have the great honor and personal privilege of presenting to you the President of the United States. [Applause, the audience rising.]

REMARKS BY THE PRESIDENT OF THE UNITED STATES

The PRESIDENT. I thank you.

Mr. Speaker, Mr. Chief Justice, Members of the House and Senate, I appreciate very much the opportunity to join you in dedicating this building today to Speaker Sam Rayburn. We say in this country that ours is a Government of laws, and not of men; and it is in that sense that we strive for equality and integrity in the administration of Government and of justice. But this is also a Government of man, and it needs men of particular talents to make this system of ours work.

Our Founding Fathers, concerned about the centralization of authority, which they were revolting against, wrote very careful safeguards, checks, and balances into the American constitutional system. This provides great protection for individual liberty and right, but it also places a heavy burden upon the men and women who must make this system operate. The division of powers between the Executive, the Congress, the courts, the division between the National Governnment and the State governments requires the greatest comity between the various bodies if our system is to function effectively.

Sam Rayburn understood this perhaps as well as any man in the history of our country. Presidents of both parties paid equal tribute to him. While his devotion to his own party was never questioned, nevertheless he saw in a larger sense the need for harmonious relations between various branches of Government; and, therefore, I would be joined by all of my predecessors with whom he served, I know, in paying tribute to him and to the traditions which have followed with such distinction by others in his wake in attempting to make this system of ours work to protect the individual, but also to make the Government function. This was his great skill and his lasting contribution, and I think sets the most powerful example before us all.

This ceremony, this edifice, this assembly of public servants from all branches of Government, all States, and all parties pay homage to the memory of Speaker Sam Rayburn.

No monument, no memorial, no statue would please him half so much, I believe, as to have his name preserved here in this fashion on Capitol Hill. The Congress was his life, the House was his home. He served far longer than any who preceded him, but with distinction and wisdom as well. He preferred to preside over this body to any place of prestige or power.

As a former Member of the House of Representatives, I join with all of you in saying that while he may be long missed, he will not be forgotten. Our task is to carry on the work to which he was so deeply dedicated.

Thank you. [Applause, the audience rising.]

A READING

Mr. STEWART. At this time Dr. Norman Gerstenfeld, rabbi of the Washington Hebrew Congregation, will give a reading. Dr. Gerstenfeld.

Dr. GERSTENFELD. Mindful of our experience at the last inaugural, I have attempted extreme brevity. This is a reading, this is not a prayer; this is a reading from the morning service of the Union Prayer Book, even though it is in the form of a prayer in our ritual:

Fervently we invoke Thy blessing upon our country and our Nation. Guard them, O God, from calamity and injury; suffer not their adversaries to triumph over them, but let the glories of a just, righteous, and God-fearing people increase from age to age. Enlighten them with wisdom and sustain with Thy power those whom the people have set in authority—the President, his counselors and advisers, the judges, lawgivers and executives, and all who are entrusted with our safety and with the guardianship of our rights and of our liberties. May peace and good will obtain among all the inhabitants of our land, may religion spread its blessings among us and exalt our Nation in righteousness. Amen.

THE LAYING OF THE CORNERSTONE

Mr. STEWART. We will now proceed with the laying of the cornerstone.

Thereupon, at 10 o'clock and 40 minutes a.m., the Speaker of the House, the Honorable JOHN W. MCCORMACK, laid the cornerstone.

BENEDICTION

Mr. STEWART. The Very Reverend Monsignor Edward J. Herrmann, assistant chancellor of the Archdiocese of Washington, will pronounce the benediction.

Monsignor HERRMANN. As we conclude these rites, O Lord, and seal this stone, we ask that the spirit of the prayers which have been uttered to Thy holy name may be a lasting inspiration to all who will gather under this roof in years to come. May Your divine protection be with all the representatives of government who will labor here as the guides and sentinels of the destiny of this Nation.

To that end, we beseech Thee, our Lord and God to give them prudence in all their actions; justice in all their relations with their fellow men; fortitude in every undertaking; temperance and moderation in all things. Armed with these cardinal virtues may they, and we as well, so live in this life that our judgment may be in no wise at variance with Thee and in the life to come may we and they attain to everlasting rewards for deeds well done. We commend them and all our fellow citizens to Thy divine providence, dear Lord. Amen.

Mr. STEWART. This concludes the ceremony. I thank you all for coming.

Thereupon (at 10 o'clock and 49 minutes a.m.) the ceremony was concluded.

CORNERSTONE OF THE RAYBURN HOUSE OFFICE BUILDING

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

Mr. SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, the copper box that will be sealed into the cornerstone of the Rayburn House Office Building will be placed in the Speaker's Lobby on May 28, 29, and 30, 1962, and during that period Members of the House of Representatives may deposit in the box any message, signature, or other writing which they wish to have preserved for posterity, in an envelope not to exceed the size of a postal card.

It is requested that each Member deposit only one message.

ASTRONAUT LT. COMDR. SCOTT CARPENTER

Mr. ALBERT. Mr. Speaker, yesterday this House unanimously passed a bill authorizing appropriations of more than $3.7 billion for the National Aeronautics and Space Administration for fiscal year 1963.

Early this morning Lt. Comdr. Scott Carpenter was rocketed into space as millions of Americans watched this dramatic event on television.

As we meet here now, Astronaut Carpenter's *Aurora* 7 capsule circles over earth, a triumph of man in harmony with the forces of nature. We pray to God that our knowledge of nature will not fail us now but will return this brave American safely to earth.

Mr. Chairman, Astronaut Carpenter's flight is not a defeat of nature but an unleashing of the forces which comprise nature. In our democratic society, one of the forces of nature that is speeding Astronaut Carpenter over our heads is the consent of—nay, the emphatic willingness—of the American people to invest their earnings, through taxes, in this venture.

Our unanimous vote yesterday of a record authorization for appropriations for the National Aeronautics and Space Administration represented the unleashing of further forces of nature, forces which will soon speed teams of Americans around our earth and eventually land an American on the moon.

We are in competition, Mr. Chairman, with others who would beat us in this race into the spaces. But we shall win. Our effort is mightier. We are unlocking forces of our entire people, and our competitor has overlooked this force. Our entire Nation is in competition with a handful of scientists and bureaucrats, and their power could never match that of our own.

May God protect Astronaut Carpenter and the spirit of the American people.

FOREIGN TRADE POLICY

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, on one night last week the President of the United States delivered a major address on the foreign economic and foreign trade policy of the United States. In that address he praised the work of the chairman of my Committee on Ways and Means, the gentleman from Arkansas [Mr. Mills]. I should like to reiterate the praise the President gave Chairman Mills, particularly for the outstanding job he has done on this piece of legislation, which will be reported by the Committee on Ways and Means this afternoon.

Mr. Speaker, I ask unanimous consent that the text of the President's address be printed in the body of the Record at the conclusion of the legislative business today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. GARMATZ. Mr. Speaker, yesterday, when rollcall 95 was taken on the passage of the bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities, and for other purposes, I was unavoidably absent. Had I been present I would have voted "yea."

NATIONAL LOTTERY

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, on May 17, I wrote to President Kennedy urging him to support a national lottery as the only means of raising new revenue for a tax cut.

The White House through its Treasury Department replied as follows:

> Dear Mr. Fino: There are numerous problems of administration, fairness, and ethics involved in the establishment of such a lottery. Perhaps the simplest explanation why a lottery is not used in this country as a revenue source is that it is not an acceptable proposal to the majority of people.
>
> We appreciate the spirit in which you have made your suggestion and we are glad to have an opportunity to consider it. However, we do not believe that a national lottery is an acceptable substitute for taxation as a means of providing revenues for the Federal Government.

Mr. Speaker, while the contents of this reply reflect the opinion of this administration, it certainly does not express the feelings of the American people.

From time to time, reliable groups, magazines and newspapers have conducted polls on the lottery question and the results have always shown a substantial majority of the people favoring a national lottery as a means to cut taxes.

The most recent survey was conducted by the Police Gazette, a national magazine which conducted a presidential poll in 1960 and predicted Kennedy's victory by a razor-thin margin.

Mr. Speaker, the results of this magazine's national lottery poll show 97½ percent of the participants in favor of a lottery and only 2½ percent opposed. The tide of prolottery votes surged through every State of the Union.

This survey produced, Mr. Speaker, the heaviest response in the 116-year history of this magazine. According to the Police Gazette, three times as many ballots were mailed in as in their 1960 presidential poll. And, more importantly, according to this magazine, "the most frequently mentioned reason for backing a lottery can be summed up in two words: 'high taxes.' "

Mr. Speaker, in view of the present feelings of this administration which certainly does not reflect public sentiment, I urge the chairman of the Committee on Ways and Means to give favorable consideration to H.R. 5574, a bill to conduct a national referendum on the question of a Federal lottery.

A national referendum will give the American voters an opportunity to express their wishes on this issue. An expression of approval by a majority of the voters will be a clear-cut mandate to the Congress to enact a national lottery in the United States.

PERSONAL ANNOUNCEMENT

Mr. ROOSEVELT. Mr. Speaker, on rollcall No. 95 I am recorded as being absent. I was unavoidably absent on an important mission. If I had been present, I would have voted "aye."

DELIVERING WATER TO LANDS, THIRD DIVISION, RIVERTON FEDERAL RECLAMATION PROJECT, WYOMING

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 151) permitting the Secretary of the Interior to continue to deliver water to lands in the third division, Riverton Federal reclamation project, Wyoming.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not object since I have discussed this matter with the gentleman from Colorado and also with the gentleman from Pennsylvania [Mr. Saylor], I would appreciate it if the gentleman would kindly explain exactly what is involved here and whether or not it has been completely cleared by the committee.

Mr. ASPINALL. If the gentleman from Illinois will yield, I might say that this has been cleared by the committee and it came out of the committee unanimously. This provides that certain users in the Third Division of the Riverton project in Wyoming who desire water for the year 1962 would be given the water with the payment of certain charges and that those users who do not wish to have water do not have to take it for the year 1962 and shall not be penalized for not using water during 1962. The report goes on record as asking for a report from the Bureau of Reclamation on this particular project before January 1, 1963.

Mr. ARENDS. I thank the gentleman.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I wish to direct an inquiry to the chairman of the full committee. There is a difference between the House version of this resolution and the Senate version; namely, that the House limits its action to 1 year. Is it my understanding from the chairman of the full committee that if the other body will not agree to this that the House will insist upon it, if we have to go to conference?

Mr. ASPINALL. If the gentleman from Illinois [Mr. Arends] will yield to me again, I would answer that the gentleman from Pennsylvania is correct.

Mr. SAYLOR. And if I may ask the chairman a further question, we expect the Department of the Interior and the Bureau of Reclamation to comply with the request we have made in our report that there be prepared for us by January 1, 1963, a report of what he intends to do on this project?

Mr. ASPINALL. My colleague from Pennsylvania is correct once again.

Mr. SAYLOR. I thank the gentleman.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. Aspinall]?

There was no objection.

The Senate joint resolution is as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pending completion of a repayment contract the Secretary of the Interior is authorized to continue to deliver water to the lands in the Third Division, Riverton Federal reclamation project, Wyoming, during the calendar years 1962 and 1963, as under the provisions of section 9, subsection (d)(1), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1195; 43 U.S.C. 485h(d) but without regard to the time limitation therein specified. Water shall be furnished upon individual applications accompanied by payments of an amount per acre to be irrigated equal to the estimated average per irrigable acre cost of operation and maintenance of the Third Division, whether or not all of the irrigable area is irrigated. Rates of charge for water delivery shall be $4 per acre for the first three acre-feet per acre with water in excess of that amount at $2 per acre-foot. The portion of the operation and maintenance costs applicable to lands for which water service is not requested is hereby declared to be nonreimbursable and nonreturnable.

With the following committee amendment:

Page 1, lines 6 and 7, strike out the words "years 1962 and 1963," and insert in lieu thereof "year 1962,".

The committee amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ECONOMIC AND SOCIAL DEVELOPMENT IN THE RYUKYU ISLANDS

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up H. Res. 656, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10937) to amend the Act providing for the economic and social development in the Ryukyu Islands. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Indiana is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE] and yield myself such time as I may need.

Mr. Speaker, House Resolution 656 provides for the consideration of H.R. 10937, a bill to amend the act providing for the economic and social development in the Ryukyu Islands. The resolution provides for an open rule with 1 hour of general debate.

The purpose of H.R. 10937 is to increase from $6 million to $25 million the amount authorized to be appropriated in any fiscal year for obligation and expenditure in accordance with programs approved by the President for certain activities within the Ryukyu Islands. The basic law which would be amended by this bill was originally approved by President Eisenhower, July 12, 1960.

The basic law which would be amended by this bill was designed to establish a basis in law for U.S. programs for the promotion of economic and social development in the islands. In essence that law did not change the situation that then existed in the Ryukyu, but rather gave legal sanction to a de facto situation.

The United States has but one reason for continuing to exercise in the Ryukyu those plenary rights of administration granted by article 3 of the Treaty of Peace with Japan. This reason is the Ryukyu Islands' singular strategic value to the security of the United States and the free world. These islands, centrally located with respect to vital areas of the Far East, provide a major link in our forward defense barrier in the Pacific. Our base on Okinawa is essential. The presence of our military base there provides us the capability to bring our military power to bear rapidly in the event of aggression.

The armed strength deployed at bases such as the Ryukyu Islands is of the greatest importance in maintaining our deterrent power in the face of threats to the peace in the Far East. It is for this reason that we must continue to maintain the integrity of our administrative authority over the islands.

Mr. Speaker, I urge the adoption of House Resolution 656.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 656 makes in order the consideration of H.R. 10937. This is an open rule and provides for 1 hour of general debate. I do not believe there is much objection to the bill; in fact, I am reasonably certain that it will pass as do most bills that come from the Committee on Armed Services. I would, however, like to bring out one consideration which to me is important, although I realize it is not of general importance to the House.

It seems to me that the raising of the figure in this bill from $6 million to $25 million is rather excessive. It is four times the original amount. In the report it is stated, and quite properly so, that the purpose of H.R. 10937 is to increase from $6 million to $25 million the amount authorized to be appropriated in any fiscal year for obligation and expenditure in accordance with programs by the President for certain activities within the Ryukyu Islands which are detailed later in this program.

Then on page 2 we see this paragraph:

As the result of the deep concern of the High Commissioner, an interdepartmental task force was established last August to investigate the extent to which economic and social conditions contribute to the dissatisfaction of the Ryukyuans, and to determine what steps were necessary to improve the position of the United States in the Ryukyus.

Mr. Speaker, we come back to our usual solution. We raise the ante by four. I do believe that we should give a little consideration to cutting down on some of these matters.

Mr. Speaker, I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question.

CALL OF THE HOUSE

Mr. BOW. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 96]

Addonizio
Alford
Andrews
Ashmore
Bailey
Baring
Bass, N.H.
Bennett, Mich.
Blatnik
Blitch
Boykin
Brademas
Brown
Buckley
Byrnes, Wis.
Celler
Chelf
Chiperfield
Corman
Curtis, Mass.
Davis, Tenn.
Dent
Derounian
Devine
Dowdy
Dwyer
Elliott
Farbstein
Fisher
Flood
Fogarty
Frazier
Fulton
Grant
Gubser
Hall
Halleck
Halpern
Harrison, Va.
Harsha
Hébert
Henderson
Hoffman, Mich.
Horan
Huddleston
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Kilburn
Kitchin
Kornegay
Landrum
McMillan
McSween
Magnuson
Mason
Merrow
Miller, Clem
Miller, George P.
Miller, N.Y.
Milliken
Moeller
Murray
Norrell
Nygaard
Passman
Peterson
Powell
Rains
Randall
Reifel
Riley
Roberts, Ala.
Rostenkowski
Rousselot
Scherer
Scott
Seely-Brown
Selden
Shelley
Sheppard
Smith, Miss.
Stubblefield
Taber
Tollefson
Van Pelt
Watts
Wharton
Whitten
Wickersham
Willis
Wilson, Ind.
Yates

The SPEAKER. On this rollcall, 341 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ECONOMIC AND SOCIAL DEVELOPMENT OF THE RYUKYU ISLANDS

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain rules.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

DISTRICT OF COLUMBIA

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3157) to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, I shall not object because the gentleman has discussed this with me and with other members of the committee, but I would appreciate it if the gentleman would give a brief explanation of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481, 40 U.S.C. 607 (a)) is hereby repealed.

SEC. 2. Subsections (b) and (c) of section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607 (b) and (c)) are hereby redesignated as subsections (a) and (b), respectively, of such section.

Mr. WRIGHT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT: On page 1, after line 9, add the following:

"SEC. 3. Section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607) is amended by adding at the end thereof the following new subsection:

" '(c) With respect to any lands located south of Independence Avenue, between Third Street Southwest and Eleventh Street Southeast, in the District of Columbia, no such land shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the House Office Building Commission created by the Act of March 4, 1907 (34 Stat. 1365).

" 'With respect to any lands located in the area extending from the United States Capitol Grounds to Eleventh Street Northeast and Southeast and bounded by Independence Avenue on the south and G Street Northeast on the north, in the District of Columbia, no such lands shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the Architect of the Capitol.' "

Mr. WRIGHT. Mr. Speaker, H.R. 11145, as reported by the House Committee on Public Works, and S. 3157, as passed by the Senate and sent over to the House, in repealing subsection (a) of section 8 of the Public Buildings Act of 1959, grants the Administrator of General Services authority to acquire sites for public buildings—other than buildings for the House, Senate, or the Architect of the Capitol—anywhere in the District of Columbia.

The only restriction is that the site must be for a public building approved by the House and Senate Committees on Public Works.

This means that any property bordering, adjacent to, or in the vicinity of the Capitol Grounds, the Library of Congress, the Senate and House Office Buildings, the Supreme Court Building, or any other building or grounds under the Architect of the Capitol can be acquired by the Administrator of General Services so long as such property is to be used as a site for a building project approved by the House and Senate Committees on Public Works, and necessary appropriations are provided therefor.

Under existing law, the Administrator of General Services is required to consult with the National Capital Planning Commission in the preparation of construction plans, in the interest of orderly city planning.

Under my amendment, in the interest of orderly planning, the Administrator of General Services would be required to consult with the House Office Building Commission before acquiring any lands located south of Independence Avenue, between 3d Street SW., and 11th Street SE., in the District of Columbia.

This would conform to the provisions of the Additional House Office Building Act of 1955—69 Stat. 41—which authorizes the Architect of the Capitol to acquire properties in the District of Columbia located south of Independence Avenue in the vicinity of the U.S. Capitol Grounds approved by the House Office Building Commission for the purpose of additions to the U.S. Capitol Grounds or of construction of additional facilities for the House of Representatives. I feel strongly that the House Office Building Commission should be consulted with respect to the selection of sites in the area specified in my amendment.

Under my amendment, in the interest of orderly planning, the Administrator of General Services would likewise be required to consult with the Architect of the Capitol before acquiring any lands located in the area extending from the U.S. Capitol Grounds to 11th Street NE. and SE., and bounded by Independence Avenue on the south and G Street NE. on the north, in the District of Columbia.

The Architect of the Capitol is the officer or agent of Congress who for many years has acquired properties and constructed buildings and other accommodations for the Congress and in the interest of sound and coordinated planning, he should be consulted with respect to the selection of sites in the area specified in my amendment.

Mr. BALDWIN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. BALDWIN. I would just like to say this was reported out of the committee by unanimous vote and has the approval of all interested groups including the Architect of the Capitol and the House Office Building Commission. I think this amendment will be a very helpful amendment.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from California.

Mr. COHELAN. I wonder if the gentleman could enlighten me and tell me whether or not this is in accordance with the requirements of the National Capital Planning Commission.

Mr. WRIGHT. The National Capital Planning Commission is not involved in either the Senate bill or the amendment that I have offered.

Mr. COHELAN. In other words, this does not permit anyone to go down and build in that area without the usual checks and limitations?

Mr. WRIGHT. No, indeed. The usual and ordinary checks and limitations still would apply, after consultation with the House Office Building Commission and the Architect of the Capitol. The General Services Administration then still would be required to follow the procedures now required to be followed, including the submission of prospectuses to the House and Senate Committees on Public Works. The only limitation lifted in the Senate bill is the geographic limitation.

Mr. COHELAN. I thank the gentleman.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Florida.

Mr. CRAMER. Could I ask the gentleman the reason for acting on this so expeditiously since it just came out of our committee a few minutes ago? Is there any justification for acting on this legislation in this very quick fashion?

Mr. WRIGHT. The General Services Administration is desirous of the enactment of this legislation. Its enactment is necessary in order to permit the construction by the General Services Administration of certain buildings which are presently planned and which are not within the area presently prescribed by law.

Mr. CRAMER. I will not object, but I think the gentleman knows the reason why I have made this inquiry. I do intend to object to some other improper actions under the rules of the House taken by the Public Works Committee this morning.

The SPEAKER. The question is on the amendment offered by the gentleman from Texas [Mr. WRIGHT].

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all Members desiring to do so may extend their remarks immediately prior to the enactment of the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PROMOTION OF ECONOMIC AND SOCIAL DEVELOPMENT IN THE RYUKYU ISLANDS

Mr. PHILBIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10937) to amend the act providing for the economic and social development in the Ryukyu Islands.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of H.R. 10937, with Mr. KLUCZYNSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Massachusetts [Mr. PHILBIN] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. ARENDS] for 30 minutes.

The gentleman from Massachusetts is recognized.

Mr. PHILBIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill, H.R. 10937, which relates to the promotion of economic and social development in the Ryukyu Islands was reported unanimously out of subcommittee and unanimously out of the full Armed Services Committee.

First, and in order to place the bill in an understandable context, I would like to review briefly the history of this legislation.

Since 1945, the United States has exercised full power over most of the Ryukyu Islands of which Okinawa is by far the largest and most important.

While I realize that all of you are familiar with the importance of our bases in Okinawa and of the importance to Okinawa in our overall military capability, you might wish to refer to page 25 of the committee report on which is set out a map showing the relative location of Okinawa to Red China, Korea, Japan, the Philippines, Indonesia, and the Laos and South Vietnam areas.

It is immediately evident from this map that Okinawa is a military base which is unique in its strategic importance.

Prior to the war, the Ryukyu Islands were an integral part of Japan but after Japan surrendered, they were treated as a separate and distinct territory for the purposes of occupation.

Japan was occupied under allied authority, the occupation of Okinawa was solely under American control.

During this period, 1945–52, the occupation was purely a military one.

In 1952, the treaty of peace with Japan was ratified. The treaty provided that—

> The United States shall have the right to exercise all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of these islands.

At this point a civil administration was introduced to take the place of the military occupation which had preceded it. Even though it was called a civil administration, it was, and is, in fact headed by a U.S. military officer.

Necessarily during the whole period from 1945, through 1952 and up to 1960, the date of Public Law 86–629—which is the act this bill would amend—it was necessary to carry on governmental functions in Okinawa.

These functions, however, were carried out in many instances under the rather broad authority of the treaty of peace with Japan.

Appropriations were made by the Congress from time to time but on occasion they were subjected to points of order. It became evident, therefore, that some basis in law should be provided not only to support the appropriations but to permit the retention and expenditures of revenues which arose in Okinawa itself. And these revenues accrued to both the local government, known as the GRI, or Government of the Ryukyu Islands, and also to the civil administration of our own country.

Actually, Public Law 86–629 did not change anything, but gave legislative sanction to a de facto situation.

I have mentioned that Public Law 86–629 sanctioned the retention and expenditure of funds arising in Okinawa. It also placed a limitation of $6 million on the amount of money which could be appropriated annually for the Ryukyus.

I think I should note particularly at this point two matters of importance which I brought up and stressed during our hearings.

First, I think it is important to quote the preamble to the basic law relating to Okinawa. It reads as follows:

> That, in the exercise by the President of the authority over the Ryukyu Islands granted the United States by article 3 of the Treaty of Peace with Japan, every effort shall be made to improve the welfare and well-being of the inhabitants of the Ryukyu Islands and to promote their economic and cultural advancement, during such time as the United States continues to retain authority over the Ryukyu Islands.

I have read that to place in context this further statement: Although the $6 million authorized for annual appropriations has, in fact, become a limitation as our responsibilities have increased, it was by no means intended to be a limitation at the time of its enactment.

On the contrary, it was intended to spur and encourage a greater level of expenditure in Okinawa and although it is phrased in the law as a limitation, and has actually become a limitation, it was intended to represent what was then thought to be a reasonable level of expenditure.

The first question which would arise in anyone's mind is : If $6 million were considered a reasonable level of expenditure only 2 years ago, why does that need to be increased to $25 million. The reason is this:

The United States has only one reason for continuing to occupy Okinawa and to exercise the rights which it has under the treaty of peace with Japan. That reason is that Okinawa has a most important strategic value to the security of the United States and the free world. We all know its location with respect to vital areas in the Far East and the fact that it provides a major link in our forward defense barrier in the Pacific. Our base in Okinawa is essential and there can be no doubt about this.

Recently the President himself stressed this fact when he said:

> The armed strength deployed at these bases is of the greatest importance in maintaining our deterrent power in the face of threats to the peace in the Far East. Our bases in the Ryukyu Islands help us assure our allies in the great arc from Japan through southeast Asia not only of our willingness but also of our ability to come to their assistance in case of need.

I think that all of us concede the importance of Okinawa and the necessity for our continued occupancy of it. So, how has the situation changed to require this higher level of expenditure?

The committee was told that there is an increasing concern on the part of our responsible officials for the stability of our military security in the U.S. position in Okinawa. One witness said that there are "discernible portents of developing conditions which could seriously impair the freedom of military mobility which we enjoy in that area under our sole jurisdiction."

He went on to say:

> There are evidences of growing dissatisfactions among the Ryukyuan people, indications that we might be taking for granted that we will continue to enjoy unimpaired that degree of voluntary cooperativeness and international acceptance of our administration which we have experienced since the end of military occupation.

Indeed, this concern mounted to the point where the President appointed a special task force headed by a member of his staff to study this problem.

The task force did several months of work here in Washington and then spent several weeks in Okinawa making an on-the-spot investigation.

Actually, this bill is a result of that task force study. So, we can see that this matter is by no means a routine piece of legislation but is one which has had the attention of the President himself.

I think I should explain that it is not expected that the $25 million upper limit will be reached in the near future. For example, for fiscal year 1963, the Department has requested $6 million in accordance with basic law and will request only an additional $6 million should this bill become law. This is a total of $12 million for fiscal year 1963.

Generally and briefly, these funds would be expended in the following fashion:

First. About $1 million to reimburse the Ryukyus for services provided our troops and other people—this is in the area of public health, public safety, and so forth;

Second. About $9.5 million as contribution to Government projects. This relates to promotion of the economic and social development of Okinawa through contributions to provide additional and improved educational facilities, teachers pay, public health and medical programs, social welfare activities, and general economic development. Also, $4 million of this amount would be for capital augmentation of two public credit institutions;

Third. About $1 million for disaster relief;

Fourth. Three hundred thousand dollars for technical education and training and a number of other smaller amounts.

Our relationship with Okinawa is unique in our history and our responsibilities are similarly unique. We have absolute control over these islands and, therefore, we have a special obligation to see to it that our administration of the islands is not less than should be expected from the United States. Okinawa has been a propaganda weapon before and will continue to be. We must counter this propaganda.

Twenty-five million dollars is, of course, a great deal of money but when we stop to think that we have a capital investment in Okinawa of over $1 billion and equipment and supplies totaling even more billions of dollars, $25 million becomes a pretty small amount as insurance to cover our investment. It approximates, I suppose, the price of two B–52 airplanes or a few more of our new fighter airplanes.

I would like to point out that the committee report goes into a great deal more detail than I have in this statement. I believe that a perusal of the report will be rewarding in that virtually every aspect of our unusual relationship with Okinawa is brought out and discussed in detail.

I submit that the same unanimous response which this bill met in the Armed Services Committee should be matched by a similar unanimous response by the House.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield to the gentleman from California.

Mr. COHELAN. I would like to compliment the gentleman on his fine statement, and I would like to take this opportunity to thank the gentleman, the distinguished subcommittee chairman, for the opportunity that he gave me, as a member of the general committee, to participate in the hearings. As the gentleman knows, I was out in Okinawa this past fall and I observed conditions there very carefully, and it is my feeling, as a result of the hearings, that this bill is very badly needed and it has my hearty support.

Mr. PHILBIN. I thank the able and distinguished gentleman for his comments.

Mr. NORBLAD. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield to the gentleman from Oregon.

Mr. NORBLAD. I would like to commend the gentleman on his fine statement and say, as the ranking minority member of the subcommittee, that I approve of his position.

Mr. PHILBIN. I thank the gentleman very much.

Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, all of the essential elements of the bill have been well covered by the gentleman from Massachusetts [Mr. PHILBIN], chairman of the subcommittee which handled this matter. There is also available a very complete and detailed report on this legislation. Therefore, I shall not repeat any of the details which the gentleman from Massachusetts [Mr. PHILBIN] had covered. I would like to say, however, that I have maintained a strong interest in Okinawa for some 7 years now.

In 1955 I headed a subcommittee which studied the serious land problem in Okinawa. We traveled to Okinawa and spent some time there talking with the people, holding public hearings, and discussing every aspect of Okinawa with both the U.S. officials and the officials of the Government of the Ryukyu Islands.

I have mentioned the personal interest which I have in Okinawa. This is based at least in part upon my realization of the very great importance of Okinawa to us and the very great responsibilities that we have to the Ryukyuan people. It was for this reason that I introduced the original bill in 1959, the bill which became Public Law 86–629. This is the law which would be amended by the bill we are considering today.

It was a continuation of the same interest which again prompted me to introduce H.R. 10937.

Our occupancy of Okinawa since World War II has posed a series of problems over the years. Until recently, at least, the greatest of these problems was the land problem. Okinawa covers an area of only 290,555 acres. In this small area live 750,000 people, not counting our own military forces and others who are not Okinawans. Obviously any place as densely populated as Okinawa necessarily would have a land problem—a problem that was greatly intensified by our occupancy and by the relatively large areas which it was necessary for us to use for military purposes.

I am happy to say that through the efforts of the subcommittee of the Armed Services Committee, this problem was finally solved and eliminated as an element of dissension between us and the Ryukyuan people.

But as time has gone on, other problems have—I suppose quite naturally—arisen and we are faced with one of these problems right now.

I would not for a moment want to create the impression that there has ever been any great dissension between the United States and the people of Okinawa. There has been agitation now and again for the return of the islands to Japan. Our occupancy has been used as a propaganda weapon by the Communists. And there have been minor conflicts now and again which I imagine are inevitable under the circumstances.

By and large, however, our relationship has been a warm and friendly one based largely, in my opinion, on two factors; one of these is the natural friendliness and cooperative attitude of the Okinawan people and the other has been the enlightening and efficient administration which the United States has afforded Okinawa.

Even though this relationship has been a very fine one for the reasons I have cited, there has been a growing feeling on the part of the Okinawan people that they have lost their identification—or as one witness put it, they feel that they are neither fish nor fowl. The people are Japanese but are not under the control of the Japanese Government. They are under the complete control of the United States but they are not citizens of the United States. In a very real sense, the Okinawans are not the beneficiaries of those things which normally flow from being a part of a sovereign government.

This has naturally caused some feeling of unrest, some disquiet. Although it is somewhat of a conjecture on my part, I think it entirely possible that the Okinawans believe that in view of the burgeoning economy of Japan, they would be better off if they were under Japanese control. Whether it is true that they would, in fact, be better off economically is actually entirely beside the point. The feeling does appear to exist, and conceivably might have some validity, and this bill is designed to alleviate the pressures which have grown by reason of this feeling.

I cannot stress too much the fact that we owe a very special responsibility to the Okinawans. One might say that we beat Japan in the war and the occupancy of Okinawa is a mere consequence of that defeat. This is factually true but it fails to recognize that Okinawa is geographically far separated from Japan. It has, in many ways, its own ancient culture. The Okinawans were never true enemies of the United States. They were the unhappy victims of a war in which they had little or no part or interest.

The eyes of the world, and particularly the eyes of the Communist world, are constantly turned on Okinawa. Every small mistake—and who does not make them—that we have made on Okinawa has been the subject of widespread comment in the Communist press. Indeed, the Communist press has manufactured mistakes which actually were never made. Charges of imperialism have been thrown at the United States and every other device used to cause dissention in Okinawa and to use Okinawa as a focal point for anti-U.S. feeling throughout the world.

From my own background knowledge of Okinawa and from the very fine hearings which were held by the Armed Services Committee, I am convinced that many or all of the difficulties which have been encountered and others which appear imminent can be rectified by enactment of this bill.

We have a responsibility; this bill is an instrument whereby we can meet that responsibility, and I most earnestly urge that the bill be not only passed, but passed by a vote which will indicate to the world just how we feel about our responsibility to the Ryukyuan people.

Mr. NORBLAD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I should like to compliment the gentleman from Illinois [Mr. PRICE], the author of this bill, for his fine statement; also the gentleman from Massachusetts [Mr. PHILBIN]. I join them in the sentiments they have expressed. I think all of us on the Committee on Armed Services and particularly those of us who have been in the Okinawan area, realize that this bill is absolutely essential to our defense posture in the Pacific and Asiatic areas.

It has been pointed out, but I should like to mention it again, that this bill was passed out of the subcommittee unanimously. There was no adverse testimony offered. It was passed out of the full committee unanimously, and the same is true of the Committee on Rules.

Nowhere in the whole world is there a single military base which is more important to the United States. It has been mentioned that we have invested some $1 billion in capital investments on the island, and have other billions of dollars in military equipment and weapons on the island.

We must stay there, and we must stay there under the most favorable conditions that we can achieve. It has not been mentioned but it might be well to bear in mind that the Okinawans, although subjects of Japan during the war, were never actually at war with the United States. They are essentially a peace-loving people who were caught in the middle, so to speak, between Japan and the United States.

Their island even then constituted a tremendously important area for attack. It was necessary that we take the island in order to further our military advances in that area. The Okinawans, to the best of my knowledge, offered no resistance to the invasion by our troops. It was only the Japanese troops who did that.

But here we find ourselves today with what is essentially a liability and an asset at the same time. Paradoxical as this sounds, it is true. Okinawa is a liability in that we have obligations which we have incurred and which we must satisfy; obligations to a foreign people who bear a strange relationship to the United States. A relationship that has been stated as being unique in our history. We have absolute control over the Okinawans, and with this control comes the responsibility to which I refer.

Okinawa is obviously an asset in that it is strategically located with respect to so many important areas in the Far East. It is within easy flying distance for virtually any airplane from Japan, the Philippines, Red China, and even Laos and South Vietnam. This fact has been mentioned but I think it bears repetition.

I would hate to think of what would be involved in money and effort if Okinawa were suddenly removed from our control. I have asked myself where would we position our troops and our weapons in the Far East. This question if pursued far enough tends to involve classified material which, of course, I cannot go into here. But I suggest that each Member of the House when deliberating on this bill give very real and serious thought to this question.

The best that we could expect if we did not have Okinawa would be a movement of our military striking ability for many hundreds and possibly thousands of miles from this area. The effect of this is obvious.

As to our tenure in Okinawa: I will not go into this in any detail, I will only refer the Members of the House to pages 6, 7, and 8 of the committee report. On these pages are contained the many statements that have been made by our responsible officials from 1953 up to 1962 as to our intentions with respect to remaining in Okinawa.

All of these statements can be summarized very simply that we will remain there until we have no more requirement to remain there. When that requirement will cease, no one knows.

Concededly, the bill which is being considered is an unusual one. It is not military aid, or foreign aid, or actually anything of this kind. In essence, it represents an expenditure which has two major elements. A military one in that we must spend the money in order to remain in the islands under the proper circumstance. And second, in the eyes of the world we have a very definite obligation toward the people of Okinawa. It is an obligation which we assumed under the Treaty of Japan and one which we must fulfill.

The bill is a sound one and a necessary one, and I urge your wholehearted support of it.

Mr. NORBLAD. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I would like to be sure that I understand this bill. As I understand, we are now spending $6 million a year; is that correct?

Mr. PHILBIN. Yes, that is correct; that is the legal limit. We are spending less than that.

Mr. GROSS. That is, on the support of the Ryukyuan people. This bill would increase that amount to a ceiling of $25 million.

Mr. PHILBIN. That is correct.

Mr. GROSS. What support are we now giving these people in addition? Are there any enterprises operated by the Ryukyuan people on Okinawa?

Mr. PHILBIN. We are supporting the Ryukyuan local economy. The funds are being spent there for various purposes which are outlined in the report, which I take it the gentleman has read. For example, in the fields of reimbursement for government services, contributions to government projects, and disaster relief.

Mr. GROSS. Is there no economic benefit to the people of the Ryukyus from the money expended by our very substantial Armed Forces and civilians that are in the Ryukyus?

Mr. PHILBIN. Yes; that is true.

Mr. GROSS. How much is it estimated to be?

Mr. PHILBIN. We are limited at the present time to $6 million. We propose to step that up to $25 million.

Mr. GROSS. I am talking about the contribution made to the economy of the Ryukyus by the substantial forces we have stationed there. Are they not deriving income from the pay of our military and civilian personnel in the Ryukyus?

Mr. PHILBIN. Yes; that would be true. There is some benefit.

Mr. GROSS. How much would that amount to?

Mr. PHILBIN. In the neighborhood of $150 million a year.

Mr. GROSS. How much of this finds its way into the Ryukyuan economy?

Mr. PHILBIN. Undoubtedly some of it finds its way into the Ryukyuan economy.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. VINSON. Wherever you have a military base it naturally follows that the local community derives some benefit from the expenditure of that money. That is what the gentleman is driving at, I assume?

Mr. GROSS. That is right.

Mr. VINSON. I would say anywhere from $150 to $200 millions is involved in maintaining the Military Establishment in Okinawa. Much of the pay of the military, of course, stays right here in the United States. Naturally, the local community gets the benefit of the trade carried on in connection with expenditures made there. But let me call the gentleman's attention to this: This cannot be labeled in any sense as foreign aid. Here is a military base. Some 750,000 people live on the island. We must maintain this base. We must aid those people and assist them so that we will have friends in the area in which we have this large military base. This is absolutely essential and it is our obligation. It is the most important base in the whole Pacific. The basic law put a limitation on the direct contribution of $6 million. Only $6 million has been requested for fiscal year 1963. If this bill becomes law, another $6 million, for a total of $12 million, will be requested.

Mr. GROSS. Yes, but this is a pretty substantial increase. Did the gentleman give any consideration to sending the Peace Corps over there to help these people?

Mr. VINSON. I do not know about that. We have fighting men over there and we want to keep those fighting men over there to preserve the peace.

Mr. GROSS. There is no help from the United Nations with their social and economic affairs?

Mr. VINSON. I would say no.

Mr. GROSS. I would think that if they were really interested and capable of doing anything worthwhile the United Nations and the Peace Corps could make a contribution. We are supporting so many of these organizations that it is becoming harder and harder each day to find any money to carry out the alleged purposes of this bill.

Mr. VINSON. We have complete control over Okinawa. We have military control. This bill has no relation to mutual security or foreign aid. That is not at all in the picture. It is very different from that.

Mr. GROSS. The gentleman very well knows that when we occupied Japan we were pouring money in there.

Mr. VINSON. We are expending it here on a different basis. Okinawa is under the jurisdiction of the United States, absolutely. There is nothing comparable to this anywhere else in the world.

Mr. GROSS. I understand that. What I am trying to bring out is that we are spending money until it is becoming difficult to find additional money for purposes of this kind. The U.S. Treasury is busted. This Government will again be some $7 billion in the red at the end of next month when the current fiscal year ends. It seems that the United States alone is called upon to man the ramparts against communism. It is inevitable that the day will come when the taxpayers of this Nation cannot carry the burdens that have been heaped upon them, and their sons and daughters will not be able to meet the mortgages in the form of debts that have been passed on to them.

Mr. VINSON. The organic law said this:

> There is hereby authorized to be appropriated not exceeding $6 million in any fiscal year for obligation and expenditure in connection with the program approved

by the President for (a) promoting the economic development of the island and improving the welfare of the inhabitants thereof.

And then it enumerates what it is for. Of course, the money that we spend in the armed services does help the community, but it is not sufficient to meet the whole situation.

Mr. GROSS. All I have heard here this afternoon is that we have got to increase this spending in order to assuage the feelings of the Ryukyuan people; that they do not have the proper feeling toward us. Whenever some people somewhere say that we are imperialists, are we going to continue to rush out with a bag full of money and say: "Look, we will give you a few more million of dollars but you must stop calling us imperialists?"

Mr. VINSON. May I call to the attention of the gentleman that the Secretary of Defense disburses the money and it is not disbursed by the Department of State.

Mr. GROSS. Well, it is going to be disbursed, that we know.

Mr. NORBLAD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Oregon.

Mr. NORBLAD. The gentleman must remember and realize that the U.S. Army and Navy and Air Force have taken over large acreages in Okinawa and we had to do something like this by way of giving assistance and employment to the people.

Mr. GROSS. I agree with that. We have been giving them $6 million a year plus the other contributions to their economy. I have no quarrel with that, but this business of saying that we can hand out an additional $19 million a year and buy the friendly feelings of these people is something I cannot quite absorb.

Mr. NORBLAD. It is not a question of feelings. It is a case of doing a lot of things that are necessary such as, for instance, putting in a sewer system.

In the biggest city they have some open sewers and this is just one of the things needed.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. BOW. Did the gentleman say whether or not any of this money is going into the powerplant that was built over there at our expense and which is now owned by a private company which is distributing the power and being paid for it?

Mr. PHILBIN. None of this money goes into the powerplant.

Mr. BOW. The gentleman knows that we did build this big powerplant over there for the armed services and then turned it over to a private company and they charge any rate that they want to. That is part of the economy over there and they get a good bit out of that powerplant.

Mr. PHILBIN. None of this money is going into the powerplant, and I might say that only the distribution of power is in private local hands.

Mr. VINSON. May I say in reply to the gentleman that the powerplant is under military control. The whole island is under military control.

Mr. GROSS. Yes, but that, apparently, does not change the facts as set forth by the gentleman from Ohio [Mr. Bow] that we built the powerplant over there and that it is now in the hands of private ownership and they are charging any rate, apparently, that they want to charge.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ARENDS. I think the chairman of our committee put his finger exactly on the spot. This island is under military control. I talked with the military administrator, the High Commissioner, about this for a long time and as long as it is kept under military control, it is fine but, if and when somebody softens up and this business gets outside of the military, then I wonder what might happen. That is my concern.

Mr. GROSS. But did not the situation that the gentleman from Ohio brings to our attention develop under the system of military control?

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. PRICE. The reason for the construction of the powerplant there was that the power was needed for our military installations as well as for civilian use. Secondly, the rates for power are now under the strict control of our civil administration. As a matter of fact, just recently the rates were reduced.

Mr. GROSS. There is one other question I would like to ask. Is there any ammunition on Okinawa?

Mr. PRICE. Quite a bit, I would say.

Mr. GROSS. Do you suppose the Defense Department could get some of it over to the battle group that is without ammunition in Thailand?

Mr. PRICE. I will say to the gentleman that we are not discussing that particular problem on the floor of the House at this time; if indeed it is a real problem.

Mr. GROSS. I am glad we have this base on Okinawa, and I hope that if there is any ammunition there it is shipped immediately to Thailand, because I cannot think of anything more futile than a soldier with an empty rifle or machinegun when confronted by an enemy.

Mr. Chairman, I do not believe a good case has been made for the $19-million-a-year increase as proposed in this bill, and I hope the Appropriations Committee will scrutinize it very carefully before making available the full amount of the requested increase.

Mr. PHILBIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Hawaii [Mr. INOUYE].

Mr. INOUYE. Mr. Chairman, shortly after Hawaii was granted its long-cherished dream of statehood in 1959, and after I was duly sworn into membership to this honorable body, I was privileged with an invitation extended by the Department of Defense to visit the people and country of the Ryukyu Islands. As the representative of Hawaii, I had the honor of representing thousands whose ancestral homes originated in the Ryukyu Islands—principally from the island of Okinawa. I have known them from childhood, and anyone in Hawaii can and will vouch, as I do, for their extreme loyalty to the United States, which is equaled by their outstanding characteristic of industriousness. I was quick, therefore, to grasp the opportunity of visiting the lands of their forefathers, and may I say, at this time, that I am thankful for having done so.

Hardly had the amenities been dispensed with upon my arrival at Naha Airport when I was immediately cornered by an officer of the Ryukyuan Government and was very politely asked: "Will you support the Price bill?" I was honestly caught by surprise because I was not, at that time, familiar with nor had I even heard of the existence of such a bill. Although my visit to the Ryukyus was relatively a short one, I was confronted with this question over and over again—so much so that I was convinced that the Price bill represented to the people of the Ryukyus a symbol for their economic salvation.

Upon my return to Washington, I took it upon myself to study the provisions of the Price bill—H.R. 1157—and based upon my observations and experiences was satisfied that the greatest thing that the U.S. Congress could do for the people of the Ryukyus was to put its stamp of approval on the measure. Accordingly, I appeared before the committee and testified in support of its enactment. I was deeply gratified when both the House and the Senate approved it and was subsequently signed into law, Public Law 86-629, by the President.

The 890,000 people living in the Ryukyus are confronted with an economic plight which is perhaps not too uncommon in the Orient. However, by virtue of our relationship with the Ryukyu Islands over which we exercise full power of government, and because of its strategic value to the security of the United States and the free world, it is incumbent upon the United States to view their economic plight with more than just passing concern. Since the cessation of World War II, the people of the Ryukyus have had great difficulty in improving their standard of living. They lack the necessary industries to support 890,000 people. Much of the land, because of its topography and soil condition, is not suited for agricultural purposes, but every square foot of arable and usuable land is being employed for the sustenance of these people. Let me assure you that the passage of Public Law 86-629 has, in great measure, provided an alleviation of the problems confronting the Ryukyu Islands. But more than that, it has, in a very concrete manner, demonstrated to the inhabitants of these islands the good intentions and good faith of the Government of the United States.

It has been said that our presence in the Ryukyus will be for an indefinite period of time. Let it not be said by the Ryukyuans, or those who would be quick to take advantage of political propaganda to our detriment, that the

United States took but gave nothing in return.

In my testimony before the House committee on H.R. 1157, I stated that the authorized appropriation of $6 million, as contained in section 4 of the bill—for obligation and expenditure in accordance with programs approved by the President, first, for promoting the economic development and improving the welfare; second, for reimbursement to the Government of the Ryukyus for services performed for the benefit of the Armed Forces of the United States; and, third, for emergency purposes—would not solve all the economic problems of the Ryukyu Islands, but that it would serve to demonstrate our good intentions and our good faith.

I note that the task force, which was established in August of last year, and headed by Dr. Carl Kaysen, has concurred somewhat in that observation, for its report recommended the urgent need to increase our economic assistance to the Ryukyu Islands above the $6 million limitation of Public Law 86-629. As a result, the second Price bill was introduced in this 2d session of the 87th Congress, calling for an amendment to the first Price bill to increase the $6 million limitation to $25 million.

H.R. 10937 gives meaningful and realistic effectiveness to our earlier overture of brotherly assistance to the people of the Ryukyu Islands. It is of major importance not only to these people but to the image of the United States in its aspirations for world peace, understanding, and freedom. I heartily endorse its passage and respectfully urge my colleagues to give it their favorable consideration.

Mr. PHILBIN. Mr. Chairman, I have no further requests for time.

Mr. NORBLAD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Act of July 12, 1960 (Public Law 86-629; 74 Stat. 462), is amended by striking out the figure "$6,000,000" and inserting the figure "$25,000,000" in place thereof.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. KLUCZYNSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10937) to amend the act providing for the economic and social development in the Ryukyu Islands, pursuant to House Resolution 656, he reported the bill back to the House.

The SPEAKER pro tempore (Mr. ALBERT). Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore (Mr. PRICE). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM FOR BALANCE OF THIS WEEK AND NEXT WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, may I ask the majority leader if he can inform us as to the program for next week.

Mr. ALBERT. Mr. Speaker, this concludes the business for today and also for the balance of the week. It will be our purpose to ask unanimous consent that the House adjourn over until Monday.

Next Monday is District Day. There is no business.

There are various primaries on Tuesday. We have no business scheduled for that date.

Wednesday is Memorial Day. There will be no session on that day.

In view of that fact, it will be the intention of the leadership on Monday next to ask unanimous consent that the House adjourn over from Monday until Thursday.

For Thursday next and the balance of the week, the House will consider H.R. 11665—revise formula—School Lunch Act.

Conference reports may be brought up at any time, and any further program will be announced later.

ADJOURNMENT UNTIL MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

INVESTIGATION OF BILLIE SOL ESTES

Mr. LATTA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LATTA. Mr. Speaker, I would like to read to the Members of the House UPI report No. 109 that just came over the wire:

> FRANKLIN, TEX.—Texas Attorney General Will Wilson announced today that Agriculture Secretary Freeman refused to provide a grand jury with a full report on an investigation of Billie Sol Estes that Henry A. Marshall made before he mysteriously died last June.
>
> The death of Marshall, 52, the first agricultural official to investigate Estes, is officially recorded as suicide. But the grand jury is investigating to determine whether the cause of death actually was murder.
>
> A pathologist who performed an autopsy on the exhumed body of Marshall Tuesday said he thinks Marshall was a murder victim.
>
> Marshall suspected there was something illegal about the way Estes got supplementary cotton acreage allotments for his farms and investigated.
>
> Wilson and District Attorney Bryan Russ subpenaed William Elliott, chief of the investigative division of the Agricultural Stabilization and Conservation Service, and ordered him to bring before the jury the report Marshall wrote of his investigations.
>
> Wilson said today that Agriculture Secretary Freeman classified the document as "one that would be improper to produce." He said Freeman told U.S. Attorney Barefoot Sanders in Dallas that he is willing to produce selected parts of the report but not the whole thing.
>
> Sanders and Elliott will appear before the grand jury Monday. At that time, the jury can decide whether it wants to accept limited portions of the report.
>
> Wilson said Sanders told him that if the grand jury presses for the whole report, then the Government will take steps to quash the subpena. And if Elliott is cited for contempt, Wilson said, Sanders will go to Federal Court for a writ of habeas corpus.

Mr. Speaker, I think the American people want Mr. Freeman to produce that report in full, and I call upon the President of the United States to direct Mr. Freeman to produce that report to this grand jury in full.

Mr. CRAMER. Mr. Speaker, will the gentleman yield ?

Mr. LATTA. I yield to the gentleman from Florida.

Mr. CRAMER. Further, in connection with this matter, Mr. Speaker, it has been of considerable interest and, I might say, of concern to me in that Mr. Marshall was a Government employee. It should have been of considerable concern to the Justice Department in the past, when this matter occurred, instead of not showing any interest in it. It is my understanding, as a matter of policy, that any time there is a matter of death of an official Government employee or there is a case of assault and battery, that the Justice Department investigates to make certain there is no foul play involving the Federal Government. And I think the Attorney General should explain to the people of this country and to this Congress as to why his Department did not, at the time death occurred of this important Federal official, investigate and why the FBI did not conduct a thorough investigation and why the

Department of Justice did not carry out its responsibility under the Federal statutes in protecting Federal employees. It appears to me that an answer is justified.

SMALL BUSINESS ADMINISTRATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, since small business comprises more than 95 percent of the U.S. business population, its problems perforce merit special attention. That was the reason for the creation by both the Senate and the House of Representatives of select committees in each house on small business.

The committees have found that the problems facing the small business segment of this Nation's economy have become more acute and that small business is now fighting a battle for survival. The Honorable Wright Patman, chairman of the House Select Committee on Small Business, and I, as Chairman of its Subcommittee on Distribution Practices, have in such capacities, learned first hand of the serious plight of small business, just as Senator Sparkman, the distinguished chairman of our committee's counterpart in the Senate, has.

Both Representative Patman and I have become fully cognizant of the great difficulties and discriminations encountered by small businessmen in obtaining locations in the growing number of shopping centers. It is a matter of common knowledge that the modern shopping centers with their attractive stores, free and ample parking spaces for the customers, generally having branches of banks, public utilities, and so forth, act as a magnet for shoppers near their homes. Small wonder then that spaces for stores are preempted by big businesses and that the small man is not able to obtain any store. The owners of such shopping centers, because of the large financial investment entailed in the construction, generally require that prospective tenants have AAA-1 credit ratings or a net worth of $1 million or more. Because of this, the small concerns are placed at a substantial competitive disadvantage impairing their growth and development, thus weakening the competitive free enterprise system and preventing the orderly development of the national economy.

The Honorable Wright Patman and I have, therefore, each introduced bills in the House, authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals in leases of commercial and industrial property. These bills are identical with the one which the Honorable John J. Sparkman, the distinguished chairman of the Senate Select Committee on Small Business, introduced today. I strongly urge that favorable action be taken on these sorely needed measures, lest the small business segment of an economy be irreparably damaged, to the detriment of our Nation.

MEDICAL CARE FOR THE AGED

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Speaker, under leave to extend my remarks in the Record, and at the request of my very good friend, Mr. Edward F. Toohey, executive director of the Committee on Political Education, Philadelphia Branch, AFL-CIO, I would like to insert the following resolution adopted by Machinist Local No. 528, IUE Local No. 142, Iron Workers Local No. 13, and the Amalgamated Clothing Workers Locals Nos. 165, 170, and 791, calling upon the 87th Congress to enact S. 909 and H.R. 4222 to provide medical care for the aged.

The points set forth in the resolution prove without doubt the need for an adequate medical care program is urgent and immediate.

The resolution follows:

RESOLUTION CALLING UPON THE 87TH CONGRESS TO ENACT S. 909 AND H.R. 4222

> Whereas one of the most serious domestic issues of our time is the health of more than 17,500,000 Americans over 65 years of age, a great majority of whom are financially unable to personally meet the rising costs of medical care in their advancing years; and
>
> Whereas we all share the responsibility to our parents, recognizing the fact that the cost of medical care has spiraled tremendously from a cost of $9.39 per day in 1946 to $32.33 in 1960; and
>
> Whereas 90 percent of our people over the age of 65, according to the most authoritative surveys, are constantly faced with the prospect of entering hospitals with little or no money; and
>
> Whereas most people over 65 have hardly enough money to support themselves—their average income is $1,300 a year; and
>
> Whereas few of us can afford the increasing cost of raising and educating our children properly and, at the same time, carry the full burden of costly medical care for our parents; and
>
> Whereas under social security, the King-Anderson bill would have us contribute 2 or 3 cents a day to build health insurance protection upon our retirement at 65; and
>
> Whereas there is now before Congress a bill introduced by Senator Clinton B. Anderson and Representative Cecil King and cosponsored by many of their colleagues in both Houses, H.R. 4222 and S. 909. This bill would help to alleviate the hardship and suffering of many of our senior citizens by providing hospitalization for approximately 14½ million now receiving social security: Therefore, be it
>
> *Resolved*, That we call upon the Congress of the United States to give prompt and favorable consideration to this bill without delay, so this serious threat to the economic and moral strength of our Nation will be swiftly met and that the conditions above described can be corrected.

ILGWU COOPERATIVE HOUSES

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include an address by President Kennedy and an address by the president of the International Ladies' Garment Workers' Union.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, on Saturday, May 19, 1962, President John F. Kennedy dedicated ILGWU Cooperative Houses, the Penn Station South project in Chelsea, located in Manhattan's 20th District which I have the honor to represent. David Dubinsky, president of the International Ladies' Garment Workers' Union, presided at the ceremonies which marked the opening of this $40 million development which consists of ten 22-storied buildings containing 2,820 units.

Built under title I of the Housing Act of 1949, this project demonstrates my long held conviction that title I subsidies can and should be used for middle income housing, not luxury housing. In this cooperative housing the equity or downpayment is $650 per room. Monthly carrying charges vary from $19.60 to $27.45 per room with an average of $24 per room.

Long-term mortgage financing was provided by the ILGWU in the amount of $17 million, the New York State teachers' retirement system for $10 million and the Dry Dock Savings Bank for $3 million. Through the National Housing Act the reserves of funds won through collective bargaining to protect garment workers in ill health, old age, and job severance have been used for the benefit of the entire community. This is the second such development sponsored by the ILGWU. It shows what progressive and enlightened union leadership can accomplish in furtherance of the general welfare of our society.

Mr. Speaker, I include at this point the speech of President Kennedy at the dedication:

> Dave [David Dubinsky], Mrs. Roosevelt, Governor Rockefeller, Mayor Wagner, Mr. [Luigi] Antonini, distinguished city officials, distinguished Mayor, George Meany, Alex Rose, ladies and gentlemen, I want to register an official protest with the International Ladies' Garment Workers of the sweatshop conditions under which we're working today.
>
> I'm not sure that this represents 50 years of progress. It is true that your distinguished president invited me to come to speak on November 3 as we were heading to a meeting which he was sponsoring 3 days before election. I would have agreed to anything.
>
> But in any case, I'm delighted I agreed to come here because this is most impressive. And I think what Dave Dubinsky said and what George Meany said both carry very important messages for this union, for the labor movement as a whole and for the United States.
>
> Because what they were saying was, "What can a union now do to contribute to the welfare of its own members and to the welfare of the country?"
>
> We read frequently that one of the great problems that you face in organized labor is how to maintain the same fervor, the same spirit, the same zeal which motivated this and other unions in their early days of the great struggle to provide decent working conditions and pay for their members.
>
> We still have great areas of effort which are left to this union in protecting the welfare of its members. But it is also important to emphasize—and there is also a great opportunity open to all unions across the

> country to participate in—the strengthening of their country.
>
> And that's what this union has done on this occasion as well as so many others. The work available for organized labor in the United States today is just as important—in many ways more important—than it was 25 years ago.
>
> ### PRAISES LEADERSHIP
>
> The unfinished business of our society still lies stretching before us, and this housing project demonstrates what labor with good, effective progressive leadership, and the cities and the States and private groups and the Federal Government together in cooperation can do for this city and this country.
>
> And that's why I think it most appropriate to come here today with your distinguished leaders and tell you that this union has done a good job, and to ask that other unions across the country imitate your example.
>
> The unfinished business of this country is your business. And I can assure you after being in the Presidency only 16 or 17 months that the progress of this country will depend in a great measure on the sense of public responsibility of members of organized labor.
>
> If you want to have equal opportunity for all Americans, if we want to rebuild our cities, if we want to provide transit in and out of our cities, if we want to educate our children, if we want to have colleges and universities to which they can go, if we want to have medical schools to train our doctors, if we want to make this country as wonderful a place as it can be for the 300 million who will live in this country within 40 years, then we have to do our task today. It is the task of every generation to build a road for the next generation.
>
> This housing project, the efforts we're making in this city and State and in the National Government, I believe can provide a better life for the people who come after us, if we meet our responsibilities.
>
> There are those who say that the job is done, that the function of the Federal Government is not to govern, that all the things that had to be done were done in the 30's and 40's and that now our task is merely to administer. I do not accept that view at all. Nor can any American who sees what we still have left to do.
>
> So this is a great effort by you. This union deserves the heartiest commendations. I hope others will follow your example. And I come here today and ask you to continue to work as you have in the past, and as free labor organizations must do all over the world for the kind of progress upon which our ultimate security depends. We believe that there is much left to do. And I come here today and ask you to join us in doing it.
>
> About 30 years ago a distinguished French marshal asked his gardener to plant a tree and the gardener said that tree won't come to flower for 100 years. He said, in that case, plant it this afternoon. Well, that's the way I feel about all the tasks left undone in this country which will not be finished in our time. But we ought to do something about it this afternoon.

Mr. Speaker, I also want to call to the attention of my colleagues the remarks of David Dubinsky, president of the International Ladies' Garment Workers' Union, which express the spirit behind the development of ILGWU Cooperative Houses:

> For the second time in 7 years it is my privilege to preside at a ceremony dedicating new homes in this city, sponsored by the International Ladies' Garment Workers' Union.
>
> We in the ILGWU are not in the real estate business. We are in the business of improving the lives of workers, of lifting up not only their material standards but also the spiritual values of thir lives. And better schools, better health care, better housing are basic elements of a better life.
>
> The dreams and the hopes that brought thousands of immigrants to these shores, early in the century, never died. They survived the challenge of the slums and the sweatshops. They were the ammunition of ILGWU pioneers who marched on picket lines—hungry but determined. Back in their minds they held on to the daring thought that the time would come when there would be a civilized length to the workday, a humane standard of pay, decent conditions of work, and when they would live in homes surrounded by space and sunshine and green things.
>
> In that bitter time, many of our members were compelled to turn to the community for help. Now we are gathered here to balance the accounts, to return to the city and the community the fruit of that freedom that made it possible for us as a union to grow and flourish and achieve our present position.
>
> Labor today has passed beyond an exclusive concern with wages and hours. We have passed beyond the only question of what can we get. In this spirit, we have created health centers which are an aid to communities. We have undertaken widespread community service for our workers and only last month, in recognition of how we are dependent one upon another, the ILGWU made funds available to the U.S. Department of Agriculture to extend loans to farmers of this Nation under a farm mortgage program. In this way, a trade union extends a helping hand not only to American agriculture but also to our entire national economy.
>
> Today, American labor is concerned as much with what it can give as it is with what it can get.
>
> These towering modern air-conditioned buildings stand as solid and dramatic symbols of what free and responsible labor can accomplish in a free and democratic society.

ADDRESS OF THE PRESIDENT ON THE FOREIGN ECONOMIC AND FOREIGN TRADE POLICY OF THE UNITED STATES

Mr. BOGGS. Mr. Speaker, last Thursday, May 17, President Kennedy spoke to the Conference on Trade Policy on the subject of his proposed "Trade Expansion Act of 1962." This group consists of leading business, farm and labor groups throughout the country. It was an appropriate forum in which the President could pay tribute to the unequalled leadership of the Honorable WILBUR D. MILLS as chairman of the Committee on Ways and Means.

I would dare say that President Kennedy has not only leaned on WILBUR MILLS for advice and guidance, but for leadership in spearheading specific major legislation in the Congress, more than he has any other Member of the House and Senate in this Congress. In WILBUR MILLS the President and the country, and his State and District, have a champion the likes of which few of us have had or will have the privilege of knowing in all of our political life.

There are of course, as is always the case, reasons why WILBUR MILLS has reached a position of such importance in the affairs of this country. In a few words, "he has worked at it." I have heard his staff say that WILBUR MILLS is one chairman who is a better technician than the staff. It is a pleasure for us who are members of the Committee on Ways and Means to work for a man who is so knowledgeable in the various fields of legislation within our jurisdiction.

This alone would make it a happy experience to be on the Committee on Ways and Means, but in addition to this talent, WILBUR MILLS has many, many others. He is personable, he is considerate, he is respected by people from all walks of life he is dedicated to serving his country when we all know that it is at a tremendous financial sacrifice compared to what he would be paid in private industry he has an uncanny ability to sense the temper of the Congress in framing legislation that is acceptable to the House. He is possessed of a modesty which is always the mark of a great man, and he is interested in the welfare of all classes of people in our society.

President Kennedy, fully recognizing that without the respect in which WILBUR MILLS is held and without his ability to keep in mind the interest of individuals as well as the country, gave due credit to WILBUR MILLS last Thursday night in a nationwide television broadcast for his developing the President's proposed "Trade Expansion Act of 1962" in such a way as to not only satisfy the President but to also satisfy many segments of American business and labor, small and large, who have such divergent interests in the subject of foreign trade.

It is indeed a pleasure for me to have served under the guidance of WILBUR MILLS for these many years. He has been my friend, my confidante, and my teacher. There are few men I have ever known for whom I have as great a respect.

Mr. Speaker, I would like to insert in the RECORD at this point the speech of the President last Thursday night. It was a notable one. It concerned American policy toward the Atlantic community and the role of the President's Trade Expansion Act in that policy.

It was a statement of major importance at a time when the Atlantic alliance has shown some growing pains and when the future of that alliance has been called into question in some quarters. It was most timely for the leader of the Atlantic community and the free world, the President of the United States, to speak out so clearly and constructively. He said:

> I am confident that Atlantic unity represents the true course of history—that Europe and the United States have not joined forces for more than a decade to be divided now by limited visions and suspicions. The direction of our destiny is toward community and confidence—and the United States is determined to fulfill that destiny.

The President's foreign trade program is one of the essential elements in the construction of the road to an effective Atlantic community, marked by an open and constructive partnership between the United States and the European Economic Community. The action of the Committee on Ways and Means on the Trade Expansion Act of 1962, marks a critical step in the development of this policy.

The full text of the President's speech follows:

REMARKS OF PRESIDENT KENNEDY TO THE CONFERENCE ON TRADE POLICY, SHERATON-PARK HOTEL, MAY 17, 1962

Congressman Mills, Mr. Taft, Ambassador Lodge, Senator Humphrey, ladies and gentlemen, I want to express my great appreciation to WILBUR MILLS who has seen and taken advantage of a unique opportunity to serve his State and country and the whole free world by the untiring efforts that he is now applying, with the greatest possible skill, and courage, and diligence, to securing the passage of an effective trade bill. If he can't do it, no one else could.

And I am grateful to all of you—to Mr. Taft who has labored in this field for so long—to Ambassador Lodge who has rendered invaluable service in this great effort in countless ways—to Mr. Clayton and Christian Herter who I do not believe are here, but who helped lay the groundwork for a great national effort, wholly separate from the parties and to all of you. I hope that in this effort in which you are engaged, at this meeting and on other occasions, you appreciate how vital and significant your efforts are. If we are making progress in this area this year, as I believe we are, it has been due to the enormous work done by countless citizens, many of them anonymous, who recognize that the idea and the hour and the opportunity have all struck.

When I submitted to the Congress the Trade Expansion Act of 1962, I called it "the expression of a nation, not of any single faction or section." And that is true, and it is indicated by the fine messages of President Hoover and President Eisenhower and President Truman of the support that has been given this, by Vice President Nixon and Alf Landon and others, who recognize this as a national challenge and opportunity, and not that that belongs to any party.

The trade of a nation expresses in a very concrete way its aims and its aspirations. When the people of Boston in 1773 threw cargoes of tea into the harbor, the American Revolution was in effect underway, symbolized by this revolution against a tariff—a tariff which meant taxation without representation. When our Nation turned, in the 19th century, to its own protective tariffs as an aid to industrial development, they symbolized a policy on noninvolvement and of isolation, of detachment, from the affairs of the world. When protectionism, in spite of the efforts of President Hoover, reached its zenith in the Smoot-Hawley Tariff, it reflected a national lack of confidence and growth. And then, in 1934, under the leadership of Cordell Hull, the United States started on the long road back both from protectionism and isolationism.

As the reciprocal trade program was renewed and refined through 11 acts of Congress, under the successive leaderships of President Roosevelt, President Truman, President Eisenhower, it became more and more an expression of America's free world leadership—a symbol of America's aim to encourage free nations to grow together, through trade and travel, through a common defense, through aiding the development of poorer nations, and through an increasing exchange of capital and culture.

And now the time has come for a new chapter in American trade policy—a chapter that symbolizes our new great aspirations: for greater growth at home, greater progress around the world, and above all, the emergence of a greater Atlantic partnership.

In recent days some doubts have been heard about the reality of this concept of Atlantic partnership. Fears have been expressed on this side of the Atlantic that the United States may be excluded from the councils and the markets of Europe. And fears have been expressed on the other side of the Atlantic that the United States may some day abandon its commitment to European security.

But I want to emphasize tonight, to all the peoples of the Western Alliance, that I strongly believe that such fears are folly. The United States cannot withdraw from Europe, unless and until Europe should wish us gone. We cannot distinguish its defenses from our own. We cannot diminish our contributions to Western security or abdicate the responsibilities of power. And it is a fact of history that responsibility and influence—in all areas, political, military, and economic—ultimately rise and fall together. No nation can long bear the heaviest burdens of responsibility without sharing in the progress and decisions—just as no nation can assert for long its influence without accepting its share of these burdens. And our policies in Europe today are founded on one deep conviction: that the threat to Western Europe and freedom is basically indivisible, as is the Western deterrent to that threat.

The United States, therefore, is committed to the defense of Europe, by history as well as by choice. We have no wish to join, much less to dominate, the European Community. We have no intention of interfering in its internal affairs. But neither do we hope or plan to please all of our European allies, who do not always agree with each other, on every topic of discussion—or to base those decisions which affect the long-run state of the common security on the short-term state of our popularity in the various capitals of Europe.

Let us remember that we are working with allies, with equals—and both our allies and ourselves have a responsibility to speak frankly as well as constructively on all issues affecting the West. If the Alliance were to stand still, if we were to pursue a policy of merely patching over the status quo with the lowest common denominator of generalities, no doubt all disagreements could be avoided or postponed. But dissent does not mean disunity—and disagreement can surely be healthy, so long as we avoid, on both sides of the Atlantic, any ill-tempered or ill-conceived remarks which may encourage those who hope to divide and conquer.

We cannot and do not take any European ally for granted—and I hope no one in Europe would take us for granted either. Our willingness to bear our full share of Western defenses is deeply felt—but it is not automatic. American public opinion has turned away from isolation—but its faith must not be shattered. Our commitment, let it be remembered, is to a common united defense, in which every member of the Western Community plays a full and responsible role, to the limit of his capability and in reliance on the strength of others—and it is that commitment which will be fulfilled. As long as the United States is staking its own national security on the defense of Europe, contributing today 425,000 men at an annual cost—in the balance of payments, and therefore in dollars, and therefore potentially in gold—of $1,600 million to Europe, and calling up 160,000 men—at a budgetary cost of $3,500 million since last July—in a far greater effort than that of any other country in response to last summer's crisis, we will continue to participate in the great decisions affecting war and peace in that area. A coherent policy cannot call for both our military presence and our diplomatic absence.

I am confident that Atlantic unity represents the true course of history—that Europe and the United States have not joined forces for more than a decade to be divided now by limited visions and suspicions. The direction of our destiny is toward community and confidence—and the United States is determined to fulfill that destiny.

Far from resenting the rise of a united Europe, this country welcomes it—a new Europe of equals instead of rivals—a new Europe, born of common ideals, instead of the old Europe, torn by national and personal animosities. We look forward to its increased role, as a full and equal partner, in both the burdens and the opportunities of aid, trade, finance, diplomacy, and defense. We look forward to the strengthening of world peace that would result from a European Community in which no member could either dominate or endanger the others. And surely, may I add, each member would find in the fabric of European unity and Atlantic partnership an opportunity for achievement, or grandeur, and for a voice in its own destiny, far greater than it would find in the more traditional and vulnerable fabrics of disunity and mutual distrust.

The debate now raging in Europe echoes on a grand scale the debates which took place in this country between 1783 and 1789. Small states are sometimes fearful of big ones. Big states are suspicious for historical reasons of one another. Some statesmen cling to traditional forms—others clamor for new ones. And every eye is on the hostile powers who are never far away. All this reminds us of our own organic deliberations.

But whatever the final resolution of today's debates, Western unity is not an end in itself. Collective security and deterrence are not enough. The time and the opportunity that they afford us are not worth the risk and the effort they require if we do not use them for constructive ends. If there is to be a new Atlantic partnership, it must be a partnership of strong, not weak, economies—of growing, not declining, societies. And the great attraction of trade expansion for the United States is not only its contribution to a grand design of Atlantic partnership, but its practical benefits to our own economy as well.

For today we wish to step up our growth—and trade expansion, by increasing exports as well as imports, and providing new outlets and new jobs, will help exand that growth.

We wish to avoid inflation—and trade expansion, by inspiring American business to modernize for competition abroad, and by introducing new import competition here, will help to prevent that inflation.

We wish to improve our balance of payments—and trade expansion, by increasing our export surplus, will enable us to correct this deficit without imposing new restrictions or reneging on our security pledges.

We wish to increase investment at home—and trade expansion, by putting American businessmen on an equal footing with their European counterparts in terms of access to the Common Market, will help make it unnecessary for our industries to build new plants behind the Common Market wall instead of here at home.

We wish to increase the American standard of living—and trade expansion, by enlarging the supply of goods from abroad and stretching the consumer's dollar further, will help every American family.

There are many more gains that could be mentioned. Trade expansion will help spur plant modernization, it will turn the attention of the government and industry to how to make our plants more competitive, and how to put them on a basis of equality with those goods that are being imported, it will help provide outlets for our farm surpluses, and even help reduce existing budget costs—by lessening the costs of imported raw materials, for example, for our national defense, and ultimately the cost of foreign aid to those nations now denied the opportunity to earn foreign exchange for their own development.

We have prospered mightily during this period of the reciprocal trade program. Our exports, a meager $2 billion a year during the 3 years before the enactment of the first Trade Agreements Act in 1934, have increased tenfold to some $20 billion. Every American is richer because of this great effort.

And yet, until recently, and this remains one of our most serious problems today in the Congress, most Americans were largely unaware of the benefits of foreign trade. Many can see an import—but very few could see an export. While both labor and management in other nations—such as Britain and Japan—recognize that they must trade or die, we have for a long time remained, in both labor and management, largely unconcerned.

Today I believe all this is changing, but it's not, obviously, changing fast enough. American businessmen are determined to share in the phenomenal growth of the Common Market, but we want every American businessman to be looking all around the world for a place in which he can participate successfully in private investment. The Japanese economy as well is growing at the spectacular rate of 8 percent a year or more. Over the past 5 years Americans have sold in Japan $1½ billion more than we have bought from Japan.

In short, this trade expansion program can benefit us all. I don't say that there won't be some changes in our economy which will require adjustment. But we will be producing more of what we produce best, and others will be producing more of what they produce best. There will be new employment in our growth industries—and this will come mostly in our high wage industries which are our most competitive abroad—and less new employment in some others. But these shifts go on every week in our lives, in this country, as the result of domestic competition. At the very most, the number of workers who will have to change jobs as a result of this new trade policy will not in a whole year equal the number of workers who have to change jobs every 3 weeks because of competitive changes here at home. And yet for these workers we are planning special assistance.

There may be a few cases—a very few cases—where individual companies or groups of workers will face genuine hardships in trying to adjust to this changing world and market, and lack the resources to do so. Our bill seeks to take out an insurance policy for these cases called trade adjustment assistance, which has worked so well in the Common Market. It is a constructive, businesslike program of loans and allowances tailored to help firms and workers get back into the competitive stream through increasing or changing productivity. Instead of the dole of tariff protection, we are substituting an investment in better production.

In addition, we have made special arrangements for such industries as textiles and oil. And finally, we are retaining an escape clause for those emergencies where an entire industry requires the temporary relief of tariff protection as the result of abrupt changes in trading patterns.

But let us not miss the real point: let us not focus ourselves so much on these insurance policies that we forget the great new positive opportunities opened to us in trade. To falter now or become afraid of economic challenges in this country which has been second to none in all of our history in our ability to compete, or become impatient in the face of difficult and delicate diplomatic problems, or make it impossible for those Americans who represent us in these negotiations to effectively speak for this country because of provisions written into bills which make it impossible for them, even though they bear the responsibility, they do not bear the authority if these powers are too circumscribed, so that we will end with an illusion of a tool to serve us, but not a reality. Unless we can concentrate our attention on what is an historic opportunity, we could well undo all the great achievements of this Nation in building this great Atlantic Community.

There is an old Chinese saying that each generation builds a road for the next. The road has been well built for us, and I believe it incumbent upon us, in our generation, this year of 1962, to build our road for the next generation. And I believe that this bill is it.

Thank you.

PLIGHT OF THE AMERICAN LUMBER INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from South Dakota [Mr. BERRY] is recognized for 60 minutes.

Mr. BERRY. Mr. Speaker, I rise, in righteous indignation of the handling of a situation that has developed, and demand action now instead of providing flowers for the burial of a great industry.

My indignation is directed not at individuals, nor at any personal affront I have suffered, but at a system of government which lavishes attention upon the transgressor of our laws and traditions and ignores the legitimate interests of law-abiding, contributive citizens.

The newspapers and news magazines have lately been filled with stories concerning alleged misconduct by some individuals within the Department of Agriculture concerning privileges improperly granted to a Texas entrepreneur. Both bodies of Congress have launched full-scale investigations of the situation to ferret out those who have contributed to this scandal. Presumably the Department of Agriculture has turned loose innumerable personnel to search the files and develop the evidence necessary to bring these malefactors to justice and retribution.

And yet I received last week a copy of a wire from another Texan addressed to the President of the United States respectfully soliciting his intervention to win positive Government action to deal with legitimate requests to resolve the problems facing our American lumber industry. Arthur Temple, Jr., of Diboll, Tex., is a patient man, far more patient than I would have been under the circumstances.

Let me cite those circumstances so that this body can join me in wonderment at the cavalier treatment accorded this fundamental American industry, employing 3 million citizens, by an apparently disinterested corps of Federal officials.

On February 21 of this year, Mr. Temple headed a delegation of 55 lumbermen, representing all regions of the country, to a meeting with the Secretary of Agriculture. The discussion was considered of such interest that more than 45 members of both Houses of Congress either attended the conference personally or were represented by their senior staff assistants. At that meeting the lumber industry sought four moderate revisions to present timber management and sales policies of the U.S. Forest Service to alleviate conditions in the forest industries, where there are now 200,000 workers unemployed. As of today, the lumber industry has received no reply from the Department of Agriculture although the proposed changes lie well within the province of the Secretary of Agriculture. The U.S. Forest Service employs 30,000 workers. Are they all so fully occupied with distributing Smokey the Bear commercials that they cannot reply to a legitimate inquiry from the industry which provides them with $130 million a year in timber sale revenues? Must 3 months elapse before a letter can be transmitted?

On March 22 of this year the lumber industry asked the businessman's friend, the Secretary of Commerce, to arrange an early conference between representatives of the United States, of Canada, and of the softwood lumber industries of each nation, to work out a mutually acceptable solution to the real threat of present high level Canadian lumber imports to this country. Two months later there has been no formal reply to this request. There has been a 10-minute conversation between Secretary Hodges and lumber leaders after one of our members alerted the White House to the evident disinterest of Commerce on this matter, but polite conversation has never put one man to work, to say nothing of 200,000.

The State Department has advised the lumber industry that more study of the problem is needed before any international conference can be arranged. We arrange cultural, educational, agricultural, scientific—and I might add, social exchanges with nations throughout the world—friendly and unfriendly, but when our industrial people seek a sanction for friendly talks with their counterparts in the neighboring county to the north, they are told that the problem needs further study.

Here, Mr. Speaker, is an industry which seeks no subsidy, which seeks no retraining program for its unemployed, which seeks no tax relief, which seeks no special privilege, being denied the attention it deserves through its fundamental right of petition.

The industry has conducted itself with grace and dignity throughout this official run-around. It has demonstrated its maturity and its good judgment by behaving with responsibility. But, I for one, am not content to demonstrate such forbearance. I want action for my constituents who are affected by the very issues which the lumber industry is seeking to have resolved. I want government to be as responsive to legitimate business requests as it is to the needs of touring foreign delegations. I want action to strengthen the economy of all timber-growing regions in the United States. There is no State in the Union which does not produce lumber. There is no industry which has deeper roots in the heritage of this country. It has demonstrated its responsible stewardship for our Nation's only renewable resource. It deserves consideration, and so do those citizens, and communities, dependent upon it for their continued existence in economic comfort.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Speaker, I would like to join the gentleman in expressing concern over the plight of the lumber industry. We, in the part of the country I represent in the State of Washington, have suffered grievously. Many of our lumber mills are closed down. We have our workers in those industries unemployed. We, too, are hopeful that the Government will do something to try and bring about better economic conditions in the industry.

Mr. Speaker, I do not think there is any one cure for the problem. Many different solutions have been offered, but I want to take this opportunity to commend the gentleman for raising this issue here today and to say that there are a great many of us who have lumber industries in our congressional districts who agree with him, and who are hopeful that perhaps some action can be taken to try to bring about some voluntary agreement on the part of the Canadians so that they will cut down their exports into the United States. Underselling American mills in America and thereby putting American workers out of work is causing ill will and serious economic hardship.

Mr. Speaker, I join the gentleman in expressing the hope that our Government will do something and commend him for speaking up today in this way.

Mr. BERRY. I thank the gentleman from Washington.

Mrs. MAY. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield to the distinguished gentlewoman.

Mrs. MAY. Mr. Speaker, I asked my distinguished colleague to yield so that I may associate myself with him in his remarks.

Many of the conditions that have brought about the present unemployment of 200,000 persons formerly employed in the forest products industry, the increasing rate of mill shutdowns, and the resulting problems to our Nation's forest-based communities are the direct or indirect result of Government policies and actions. These conditions cannot be remedied by the private action of the forest products industry, its employees, or the citizens in the communities dependent upon the lumber industry. Remedies can only come through a change in the policies and actions of our Government.

The lumber industry is firmly committed to a course of action that will bring about changes in Government policies and programs to permit the industry's continued existence as a vital force in our national economy. The industry is rightfully determined to take all necessary action to achieve this essential goal.

Specifically the industry regards quota action as urgently needed to stave off disaster threatening the American lumber industry by Canadian imports flooding into this country on cheap dollars, rail and water transportation advantages, and Canadian Government-subsidized timber.

Although I represent a State in which approximately one-third of the economy is directly tied to the forest products industry, the problem of lumber exports affects not only the Pacific Northwest but many other parts of our Nation. The Southern States, for instance, are also suffering loss of markets for our lumber producers.

As a direct result of Canadian lumber shipments by water, through the Panama Canal, and into our normal trading areas I am told by lumbermen in my district that last year 7 out of every 10 feet of lumber shipped into eastern ports originated in Canada. I am further advised that 1 of every 7 board feet of lumber shipped anywhere within the United States originated in Canada.

The United States has always been considered a timber country, proud in its ability to fulfill the needs of its people with its vast forest resources while at the same time perpetuating those forests for the use and enjoyment of future generations. If forest operations become economically unfeasible for private industry throughout the country, as a direct result of markets lost to imports, not only will additional thousands be thrown out of work, but more importantly, perhaps, the careful management of commercial forests will necessarily deteriorate since industry will simply not have the funds nor the incentive to grant them the tender care and attention they now enjoy as the Nation's main renewable resource.

American lumbermen want no handouts or subsidies. They, along with many concerned Members of Congress, have pleaded with Federal agencies for 16 months to respond to problems which are creating widespread unemployment in forest-dependent communities. No helpful response has been forthcoming from these agencies. Recent cheapening of the Canadian dollar has created an intolerable competitive situation in our domestic markets. The industry proposes that Canadian softwood lumber imports be reduced to that nation's 10-year average of rail and water shipments to the United States. This is requested as a temporary quota to be imposed until long-range agreements on sharing the American market can be negotiated with Canada.

Immediate action is mandatory, and the responsible Government officials must assume their responsibilities and act in the best interests of the United States.

I thank the gentleman from South Dakota for calling this serious situation to the attention of our colleagues in this body.

Mr. BERRY. Certainly I want to thank the gentlewoman from Washington for her contribution and for the work she has been doing for the industry in her years here in Congress; also for bringing to light the facts and figures on this import problem, as well as the problem that is created because of the differential in value of the Canadian dollar.

Mr. DOWDY. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield to the gentleman from Texas.

Mr. DOWDY. The flagrant disregard of legitimate inquiry cited by the distinguished gentleman from South Dakota has also been called to my attention, not only through the copy of Arthur Temple's moderate appeal for White House action but through letters and personal visits from constituents. I might add that Diboll is in the district I have the honor to represent, and Mr. Temple is my constituent.

Generally speaking, lumbermen are not wealthy holders of vast areas of forest land which they convert to their own use. They are, mostly, practical businessmen, many of whom, the little sawmill operators particularly, are obliged to turn to the U.S. Forest Service to purchase the timber needed to keep their mills operating. This is particularly true in my district, because vast areas of the Seventh District of Texas are in the national forest. If they cannot obtain timber at a competitive price to meet the inroads of foreign imports in the American market they are obliged to suspend operations. When a lumber mill shuts down often the whole community shuts down. I have seen it happen on more than one occasion. The location of the vast areas of forested lands controlled by the Forest Service isolates these communities dependent upon the forest resources and makes them wholly dependent upon continued lumber production for their very existence. There are no alternative jobs available to loggers and sawmill workers; lumber producers must have access to timber under reasonable conditions if they are to keep the commodity competitive at all. A profit is not the question here under consideration, but rather, access to raw material from which marketable products can be manufactured. The executive departments should be and ought to be responsive to these requests for fair treatment; if they fail to respond the Congress must make it unnecessary for the lumber industry to deal with them by passing corrective legislation. When a Government agency fails to fulfill its responsibilities to the citizens it is designed to serve, it has outlived its usefulness. It cannot be too often repeated that the Government is the servant, not the master, of the people. Every effort must be exerted to keep Government in its proper role, not only in this instance but in all others.

Mr. BERRY. I thank my colleague from Texas for his contribution. Certainly the lumber industry is a great industry in his district, but I know from his record in the Congress that he would be interested in this problem even if he did not have any lumber in his district; the gentleman from Texas is one of the valuable Members of this body.

Mr. WESTLAND. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield to the gentleman from Washington.

Mr. WESTLAND. Mr. Speaker, I want to thank the gentleman from South Dakota for calling the attention of the House to a situation which I never thought could exist here in these United States of America. In my opinion, it is unthinkable that responsible agencies of the Government, agencies for which we are asked to appropriate approximately $15 billion in this coming fiscal year should practically ignore the appeals of an industry responsible for the employment of some 3 million people. I think we should ask these agencies to account for the callous manner in which they have handled the requests of our forest products industries. These are not selfish, frivolous, or senseless requests. These are not Republicans or Democrats making these requests. This is the most bipartisan approach to a problem that I have seen in my 10 years in the Congress. These are the requests of an industry that is beset by the unemployment of some 200,000 people.

Now what are the requests this industry has made of the Government—their Government? They are simply these. First, they ask that the Department of Agriculture consider a revision of the policies that govern the sale of national forest timber so as to remove inequities and discriminations that make it almost impossible for lumbermen to buy such timber and convert it into lumber at a profit.

Second, they have asked the Departments of State and Commerce to take some kind of action to permit American lumbermen to remain in business in the face of the mounting imports of softwood lumber from Canada, imports which the Canadians are able to sell in this country at an advantage of more than $10 a thousand. The recent action of the Canadian Government further reducing the value of the Canadian dollar to 92½ cents—but if anyone would take a look at the exchange rates in the Wall Street Journal, they will find that the Canadian dollar is selling for less than that—just makes it practically impossible for the lumber industry to compete.

The question is—are these unreasonable requests? I think not, Mr. Speaker. But there is something very unreasonable and something very much amiss when the agencies of government to which this industry appeals gives such little notice and shows such little sympathy to the needs of our people. We hear a great deal these days about the Government assuming more and more functions affecting the life of the individual citizen. We all know it is true. We also know if this trend continues, it will destroy private initiative and individual responsibility to the same extent that such foundations of the private enterprise system have been destroyed in other planned-economy nations. With all the efforts that this administration is making to combat unemployment, you would think they could see that by expeditious handling of these requests, the administration could almost immediately relieve a great pocket of unemployment.

I, again, ask here on the floor of the House of Representatives, as I have asked in letters to these agencies, that immediate action be taken.

Mr. BERRY. I want to express my appreciation to the gentleman from Washington not only for his comments but also for the work he has been doing in an honest effort to get sympathetic consideration from the Department of Agriculture and from the Department of Commerce on these problems. Certainly they cannot be solved unless serious, sympathetic consideration is given to them. This is what we are again today demanding and I thank the gentleman from Washington again for his contribution.

Mr. BERRY. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. McSWEEN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McSWEEN. Mr. Speaker, I want to assure the House that this issue is not a partisan political matter. I had the privilege of presiding not long ago at a meeting in the New House Office Building where 61 Congressmen of both parties gathered to discuss one problem we all had in common, the plight of the forest-based economies. Each of us had firsthand knowledge of the needs of our forest industries from letters and discussions we had had with workers, management, and community leaders in areas where the principal source of community revenue is trees. This was not a caucus for the purpose of determining policy; it was a meeting to examine ways and means to combat the dilatory attitudes of the executive departments with respect to the problems of industries dependent upon forests for their existence.

We note how actively the National Park Service and the Forest Service are vying to fulfill the recreational needs of 187 million Americans. I earnestly solicit the help of this body in winning similar zealous interest among Federal agencies for another need of our citizens—jobs.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield.

Mr. LAIRD. Mr. Speaker, I share with my colleagues the feeling that what has happened to the lumber and woodworking industries is incongruous with the manner in which our Government should serve the people.

What is especially difficult for me to understand is the apparent inconsistency of the Kennedy administration with regard to Government forest policies.

Just a short time ago we were witness to the spectacle of the Government exerting every force at its disposal to force a major industry—steel—to rescind a price hike.

At that time, the Vice President told us:

> It is not enough to sit back and let the law of economics slowly solve things.

Whether or not we agree that it was proper for the President to pressure the steel industry into backing down on a price increase—whether or not we feel that a price boost was justified—we can all agree, I believe, that the pressures of inflation were relieved somewhat when steel prices were returned to their former level.

But what manner of logic is it that tells the Government, on the one hand, it should hold down the price of steel and, on the other hand, use its monopoly position to exact the highest possible dollar for timber—Federal timber—and put wage earners out of jobs? This is not the way the Canadian Government handles the problems of its forest products industry, and it is one of the reasons they are getting an ever-increasing share of U.S. lumber markets.

To me, that does not make good dollars-and-sense.

To me, that suggests we have a Government that is inclined to tell our people: "You can charge only *x* number of dollars for your product, but we—the Government—intend to charge whatever the traffic will bear."

In other words, the old story: "Don't do as I do; do as I say."

I submit, Mr. Speaker, that this is coming dangerously close to the way they do business—state-controlled business—in countries whose philosophy is alien to ours.

Just a moment ago, my colleague from South Dakota explained how, under present policies of the U.S. Forest Service, national forest timber offered to private purchasers could be bid up to artificially high levels by the pressures of government monopoly, scarcity, speculation and related factors.

While I was listening to this explanation, it occurred to me that here we have a situation just as serious, just as potentially inflationary, as the steel price hike.

Obviously, the conditions for harvesting Federal timber will have an important bearing on the cost of lumber, millwork, flooring, and the other wood products manufactured from that timber, our only renewable natural resource.

I tell you, Mr. Speaker, that the Secretary of Agriculture is in a most strategic position. He controls more than one-third of our Nation's wood supply. He can by the stroke of a pen—or by his failure to take up that pen—make us pay a higher raw material price for scores of the products basic and essential to our daily life.

The matter of timber supply must be a two-way street.

If the Government decides it must use pressure to keep one American industry competitive with foreign producers—as it said was necessary in the steel case—then, clearly, it has a responsibility to allow other industries to remain competitive with oversea producers.

I submit, Mr. Speaker, that the issue before us has many ramifications, many angles, that it behooves us all to study.

In furtherance of this idea, I intend to offer a resolution asking the appropriate committee of this body to conduct a special hearing at which officials of the Department of Agriculture, the Department of Commerce, the Department of State, representatives of the lumber industry, and other interested parties may be heard. Let us investigate the policies and dilatory methods of these agencies and find out whether or not they are serving the American people or themselves.

Mr. BERRY. Mr. Speaker, I thank the gentleman from Wisconsin for his comments. Certainly he has a great interest in this industry and in seeing that the industry is maintained. He has been most diligent in his efforts and most forceful in presenting the problems of the industry to the various executive branches of Government.

GENERAL LEAVE TO EXTEND

Mr. BERRY. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks on this subject at this point.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. BERRY. I yield to my colleague from Missouri.

Mr. CURTIS of Missouri. I had not known that the gentleman from South Dakota and his colleagues were going to take the floor on this very important subject, but I am happy that he is. I would simply like to comment that this matter became of concern to the Ways and Means Committee in our public hearings on the President's proposal on H.R. 9900 to extend the reciprocal trade act; and this specific problem of lumber, recently Canadian and our domestic lumber industry, became a point of illustration that I used myself to try to demonstrate that when we talk about increasing foreign trade we have to talk about fair trade, which means reciprocity, which means that if another nation uses licenses, or quotas or monetary exchange, or governmental subsidies, that that becomes an issue in itself. It is not fair trade to expect American industry to compete with that kind of operation from a foreign competitor. One of the things I think we must bear in mind if we are going to have a reciprocal trade bill on the floor in the ensuing weeks is whether or not enough attention has been paid to this very important factor of fair trade. It seems quite clear in the instance of lumber that Canada in effect has a governmental subsidy on the lumber products that are then turned over to the private concerns. In our own country we run into the same proposition, but any time that occurs it is a fact that must be weighed.

I will follow this particular problem of the lumber industry with a great deal more interest than I have previously shown because of the fine work the gentleman from South Dakota has done in bringing this out more clearly. I was using it as an example without having gone into the matter in full detail. Having listened quite closely to the gentleman's remarks, I am convinced this is an even more of an example of what I was trying to demonstrate. There is no sense in putting straitjackets around our people if they are going to permit foreign competition to be conducted in a manner which really is not fair.

Mr. BERRY. I thank the gentleman from Missouri for his observations and for his comments. There is probably no one in the House who has made a greater study of economics, imports, and the result of imports on our economy than has the gentleman from Missouri. I know the gentleman is right that trade must be fair trade, a situation we do not have in connection with Canadian lumber because the Canadian Government has different standards for stumpage rates than we do in this country. There is no question but what their stumpage is sold at a much lower rate. Their access road requirements are much less, the requirements on their mills are a great deal less rigid than ours.

Certainly it is not fair. These are some of the things we have been asking the Department of Agriculture to consider but the only answers we have been getting is such replies as the memorandum of Chief Forester Cliff to Secretary Freeman and Secretary Freeman's letter to the northwest Senators in which he said in part:

> Part of the cause of recurrence of the same issues is refusal of industry representatives to accept decisions which the Forest Service considers to be the resolution of an issue.

Is this a disclosure of the true feelings of the Department? Is Congress to be placed in the same category? Are their decisions and rulings to be considered binding upon Congress too?

I think it is abundantly clear that there is no question of the need for relief in this industry, and there is no question about the urgency of this need.

Only a few of the Members have taken part in this special order today, but I know they speak for all 437 Members of the House and Members of the other body as well who are vitally interested in the future of this fourth largest segment of our economy.

Mr. Speaker, we demand attention for this great industry, we demand action from the various branches of the executive department. This is not a political issue, as has been pointed out here by a number of Members. The problems of the lumber industry have been gradually worsened regardless of the political affiliation of the executive branch. It is an economic problem that needs immediate and nonpolitical attention. This, Mr. Speaker, is our demand.

Mr. Speaker, I include, as a part of my remarks at this point in the RECORD, a telegram from Mr. Arthur Temple, Jr., president, National Lumber Manufacturers Association, to the Honorable John F. Kennedy, President, dated May 9, 1962, and a copy of a telegram from Eugene P. Foley, Deputy Assistant Secretary, Department of Commerce, under date of May 21, 1962, both of which have been referred to in comments here today:

LOS ANGELES, CALIF.,
May 9, 1962.

Hon. JOHN F. KENNEDY,
The White House,
Washington, D.C.:

Representatives of the lumber industry throughout the United States have been meeting here in Los Angeles the past week in an effort to find answers to the many problems with which it is confronted. Intensive consideration has been given to plans and programs designed to improve our products, expand our markets, both at home and abroad, increase the value of our services to our customers, and to provide full employment and economic stability for the thousands of communities in our country dependent upon a healthy and prosperous forest products industry.

Our industry ranks fourth among American manufacturing industries in the number of people employed. The forest products industries employ over three million employees in the United States.

Many of the conditions that have brought about the present unemployment of 200,000 persons formerly employed in our industry, the increasing rate of mill shut-downs, and the resulting problems to our Nation's forest-based communities are, we believe, the direct or indirect result of Government policies and actions. These conditions cannot be remedied by the private action of our industry, its employees, or the citizens in the communities dependent upon the lumber industry. Remedies can only come through a change in the policies and actions of our Government.

On February 21 of this year, we met with the Secretary of Agriculture and presented a four-point program to modify the timber management and sale policies and procedures of the U.S. Forest Service so as to improve the utilization of our Nation's major renewable natural resources—trees. Implementation of this program is well within the authority of the Secretary of Agriculture. As yet, we have no response from the Secretary on our proposals.

On March 22 of this year, we requested the Secretary of Commerce to arrange an early conference between representatives of the United States and Canadian softwood lumber industries to work out a mutually acceptable solution to the very serious problem arising from sharp increases, during the last several years, of exports of Canadian softwood lumber to the United States. Increasing imports from Canada are undermining the economic security of our forest-based communities. As yet, we have no formal reply to our proposal.

Representatives of the Department of State have advised us that more study of the problem is needed. They have stated that a high level interdepartmental task force will be formed to study the problem over the next few months. We are very grateful for this action, but we believe prompt action is imperative. The action last week of the Canadian Government in further reducing the value of the Canadian dollar to 92.3 cents, as compared to the U.S. dollar, gives Canadian softwood lumber an advantage of approximately $5 per thousand board feet over U.S. lumber in our country. We hope this further manipulation of exchange is not an indication of the attitude of the Canadian Government toward the reasonable offer of our industry to work toward an amicable solution. However, we believe it makes it imperative that immediate action be taken by the U.S. Government to impose a temporary quota on the flood of softwood lumber from Canada on a quarterly basis to remain in effect while a long-term solution is being explored by the several agencies of Government involved.

Mr. President, the lumber industry is firmly committed to a course of action that will bring about changes in Government policies and programs that will permit our continued existence as a vital force in our national economy. We are determined to take all necessary action to achieve this essential goal.

It is within your powers to direct policy changes within the various affected Government agencies which will immediately afford an opportunity for the millions of American people directly involved in our industry to achieve both community stability and full employment.

We earnestly request that you exercise those powers to serve the needs of our industry, our employees and our neighbors in forest-based communities.

ARTHUR TEMPLE, Jr.,
President, National Lumber Manufacturers Association, Washington, D.C.

WASHINGTON, D.C., *May 21, 1962.*

ARTHUR TEMPLE, Jr.,
President, National Lumber Manufacturers Association:

The President has asked me to reply. The Department of Commerce and other agencies of Government have been requested to conduct a complete study of the industry problems with a view to making recommendations for Government consideration and action.

EUGENE P. FOLEY,
Deputy Assistant Secretary, Department of Commerce.

PRESIDENT'S ADVISORY COUNCIL ON EDUCATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. LINDSAY] is recognized for 30 minutes.

Mr. LINDSAY. Mr. Speaker, I am today introducing for appropriate reference a bill to establish a President's Advisory Council on Education. The purpose of the bill is to improve the quality of education in the United States by giving to the subject of education a national prestige which is sadly lacking, plus a sense of urgency.

There is at the present time a need for unity of effort and a pulling together of some of the unraveled threads that make up the education cloth of the country. We have seen, sadly, the demise, at least for the time being, of all proposals for Federal assistance to primary and secondary schools. There has been a rash of political crossfires and, I am sorry to say, religious controversy that has divided the Congress and divided the Nation. No one that I have talked to sees any hope for a modus vivendi within the reasonably near future.

Meanwhile, it seems to me criminal neglect that we should allow the subject of number one importance in the United States to drift without proper correlation with national goals.

Whether we know it or not we are competitors in the field of education. The Nation would not take lightly a sudden discovery that the Soviets had outstripped us in respect of quality of education, particularly in the sciences, humanities, and languages.

This being so, it seems to me essential that something be done rather than nothing be done. I am sure we have all noted with approval the success over the years of the President's Science Advisory Committee. This Committee has made remarkable contributions toward the advancement of science in the United States. One reason it has been able to do so is that it is at the Presidential level. It has status and prestige. It has acquired members who have been willing and anxious to serve.

The same is needed in the field of education. I note with disapproval the proposal of the Secretary of Health, Education, and Welfare that there be such a council on education connected directly with the Department of Health, Education, and Welfare. This is the wrong emphasis. It would have insufficient status and it would be just another temporary committee.

The kind of high-level Presidential council that I have in mind would perform very special functions. Among them would be the making of an annual assessment of goals and progress of education in the United States—in our public and private schools, colleges and universities. It would recommend to the President legislative proposals that have behind them the best thinking of leaders in the field in the whole United States. At the same time, it would propose action that can and should be taken by the States. It would act as a high-level board to correlate Federal departments and agencies presently concerned with education. Lastly and most important of all, it would provide national leadership to stimulate proper awareness of educational shortcomings. It would be able to do this because it would be a council directly under the President of the United States.

The bill provides for nine members to serve without compensation, except for expenses. The number nine is not sacred, but on the other hand I would emphasize the importance of not having too large a body. I am sure everyone has had experience indicating that smaller committees work better than large committees.

The members of the Council would be appointed by the President and would have to be confirmed by the Senate. The bill stipulates that they should be leaders in the field of education. The appointment is for 4 years. The President will designate the Chairman from among the members.

The most important aspect of this whole proposal goes to the caliber of the individual members of such a council. No Presidential council can serve a useful purpose unless the membership consists of the best. This is not easy, but it can be done.

This same proposal was made by Senator JOHN SHERMAN COOPER in a bill introduced by him in June of last year, which was modeled on an earlier proposal by him in September 1959. His efforts in this regard are deserving of support and praise. He was farsighted. It seems to me now that the proposal takes on special significance in view of the circumstances surrounding all other proposals for Federal assistance to education in the U.S. Congress.

In introducing the bill in the Senate, Senator COOPER pointed out that there have been dozens of surveys and studies by various committees and conferences and foundations, but that no decisive action has been taken to raise the quality of education. What is needed now is to put these studies and surveys to use in decisive action on the part of States and communities and the Federal Government to improve the quality of education throughout the United States. This can be done only through the prestige of the President and through the prestige that will surround such a council at the Presidential level.

I am delighted to note that Dr. James E. Allen, Jr., the distinguished commissioner of education in the State of New York, has long favored such a proposal.

I am pleased to report also, Mr. Speaker, that the distinguished gentleman from Connecticut [Mr. GIAIMO], has has joined me today in introducing this bill. Mr. GIAIMO is a member of the Committee on Education and Labor and has long been concerned about the future of education in the United States. This bill, then, is bipartisan in its support and I hope will be considered on that basis.

Mr. Speaker, I urge the Members of the House to give careful and thoughtful study to this proposal that we may have action on it before the expiration of the 87th Congress.

PUBLIC POWER—GALLOPING SOCIALISM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 45 minutes.

Mr. SAYLOR. Mr. Speaker, the Congress has a very serious question of basic national policy to decide and we might just as well face it.

Do we—as representatives of the people—want our electric power industry socialized?

If the present trend continues it is inevitable. As a member of the Interior and Insular Affairs Committee, I have been very close to this issue and have discussed it with you several times on this floor and am going to discuss it again with the hope that my colleagues will recognize the seriousness of the situation and reverse the trend before it is too late. Public power can no longer be referred to as "creeping socialism"—is it now "galloping socialism."

In order to bring the facts on this subject up to date, I would like to discuss some of the recent activities of TVA and then the Bureau of Reclamation, the Interior Department, the Army Engineers, REA, SEPA, SWPA, and FPC.

Recently I received two very revealing newspaper clippings—one from Norton, Va., and another from Cumberland, Ky., which substantiates the fact that when TVA bond legislation was passed with its area limitation clause, TVA's ambitions for expansion was not stopped—it was just encouraged.

Congress relinquished a major part of its control over that agency and permitted it access to money through revenue bond financing. Now it is not required to convince the Congress of the necessity for expenditures. We can expect TVA to continue building generating plants until it is busting at the seams with capacity and looking for places to expand.

According to the information in these two newspaper articles, and I believe it is correct, the TVA Board has been meeting with officials from cities outside the TVA area and encouraging them to put pressure on the Congress to lift present area limitations; offering the help of the Board and the assistance of their General Counsel in these efforts. They even go so far as to advise municipalities against renewal of franchises with existing suppliers of electricity.

Mr. Speaker, has the Congress, which, according to the Constitution is a coequal arm of the Government, become so impotent that it will stand idly by and let Federal employees flout its will? Did we mean what we said when we decided TVA should be kept within certain bounds or were we legislating with tongue in cheek, using the limitation provision temporarily to reduce opposition? Unless the Congress takes direct action to curb the excesses of TVA, it is going to continue to be a source of irritation to the Congress and the investor-financed electric companies operating around it. I will have more to say on this subject later.

Mr. Speaker, I have always been a strong supporter of the orderly economically sound development and preservation of our natural resources. I have in the past and will continue supporting reclamation of our lands by soil conservation, flood prevention, and irrigation programs. I have and will continue to support protection of our great forests from fires, insects, and wasteful exploitation. I have fought hard for legislation that will set aside and preserve a reasonable amount of our wilderness areas for the enjoyment of future generations.

No one can rightfully accuse me of being anything but a true friend of honest reclamation. I have made a study of reclamation, and I know what it is. I have served on the Interior and Insular Affairs Committee of the House, the committee charged with the responsibility of approving our reclamation programs for a good many years. With my background of experience I feel I am as well qualified as any Member of this Congress to recognize true reclamation, but I am just as well qualified to recognize a phony when I see it. The Bureau of Reclamation as it is now functioning is a phony, and I will use the findings of one of its supporters to prove it. On page A3367 of the daily CONGRESSIONAL RECORD of May 8, 1962, there appears an article written by a Mr. Bert Hanna which appeared in the Denver Post. The article was inserted in the RECORD by the Honorable JOHN A. CARROLL, of Colorado, another strong supporter of the Bureau. The article says in part:

> In its early decades, the reclamation program was utilized almost 100 percent for development of irrigation water required for the West's agricultural economy.
>
> But since the 1930's, the program has been altered to a larger and larger extent to meet other multiple-purpose water resources needs of the modern West—such as flood control, hydroelectric power, municipal and industrial water, fish and wildlife propagation, water recreation.
>
> For the current year, for example, only 37 percent of the moneys appropriated for construction are for irrigation works and during the next fiscal year the percentage will drop to 28.7 percent.

Mr. Speaker, Mr. Hanna's article verifies what I have been saying for several years. The Bureau of Reclamation is no longer a Federal agency for reclaiming and irrigating arid lands of the West. It is now primarily a Government agency devoting most of its time, attention, and money to development of Government electric power. It is also becoming more involved in developing municipal water supplies and is developing some projects solely for that purpose.

Of course, the Committees on Interior and Insular Affairs in both Houses are comprised largely of representatives of the reclamation States. We cannot expect those Members to object too strenuously to what the Bureau is doing—they are getting the projects.

Many of our colleagues from other sections of the country have generally been going along with these reclamation programs thinking they were helping the farmers in these arid regions. I am sure they have not realized that we are being asked to approve some fantastic "boondoggles" that actually have little relationship to reclamation. Where there happens to be some irrigation in these Bureau projects the taxpayers are spending up to thousands of dollars per acre to put water on land—several times what the land is worth even after it is irrigated.

If we are going to put up with that kind of shenanigans, Mr. Speaker, as I have said before and say again, there is no reason why the rest of the country should be discriminated against. If this Federal Bureau is going to develop hydroelectric power, domestic and industrial water supplies, and fish and wildlife propagation, let us not confine it to the States west of the 100th meridian, let us open it up so all the States can get their hand in this "grab bag." My constituents like to fish, too.

Mr. Speaker, I could spend the rest of the week discussing the machinations of the Bureau of Reclamation, that is if you believe as I do that its primary function should be the reclamation of land. It is long past time for Congress to take some corrective steps. The Bureau should either go back to its intended functions of reclaiming arid lands in the 17 reclamation States or extend its activities to the remaining 33 States as an electric power and municipal and industrial power supply agency.

However, I am only going to take a moment to discuss a few of the latest activities of the Bureau and show how it is working with other agencies of Government to promote public power.

One project the Bureau has been strongly promoting for several years is the Burns Creek development on the Snake River in Idaho. I have strenuously opposed this project in committee because it has no reclamation in it. It is a power project pure and simple and not a good one at that. It will not stand on its own feet but has to have help from a good reclamation project—the Palisades—to show any semblance of economic feasibility. That project was before the House Interior and Insular Affairs Committee for 5 years. It was introduced under the subterfuge of reregulating and irrigation development. I have discussed that project on the floor before so will not go into it now.

Our committee gave it every consideration after extensive hearings over the years. This past February the committee rejected it by a substantial vote. It should have been rejected the first time we looked at it but the length of time we took substantiates the full consideration it received.

One would think that after the committee to which it was logically assigned rejected it that that would be the end of it. Apparently, however, this is not the case, Mr. Speaker, for we now find the project has been turned over to the Army Engineers and that after a very cursory examination they have accepted the Bureau's findings and are recommending it for inclusion in the big "pork barrel" rivers and harbors omnibus bill. In that way it will go before another committee of the Congress. The project would still be constructed by the Bureau, but they are trying to ignore the action taken by the Interior Committee by having it included in the corps' authorization request. Are we going to establish the policy of shifting projects for one committee to another until we find one that will approve them? Such a devious attempt should be abhorent to every Member of Congress. It could happen to your committee, too.

Now the Army Engineers admit they have not examined the project. They have not had the time. Furthermore, I do not think they want to find out what a sorry project it is. I, along with several others, wanted to appear before the Review Board of Engineers for Rivers and Harbors to give testimony against it, but there will be no hearings. In other words, the Army Engineers have received orders from higher up to approve the project. This is a political and not an engineering or economic consideration. How can we respect any future Army Engineer findings if this is the way they go about approving projects? They are prostituting their profession.

One other interesting thing about the Army Engineers report—I understand they are recommending the project be built and operated by the Bureau of Reclamation in conjunction with the Palisades project—the very thing our committee said should not be done.

Another Bureau of Reclamation project that should never have been approved is the upper Colorado River storage and participating project. As an irrigation development it is a monstrosity. The taxpayers are spending up to several thousand dollars an acre for a supplemental water supply on land to raise hay—land that will not be worth more than $200 or $300 per acre after it is irrigated.

I said at the time we were considering the project that it was nothing but a Government power project and everything that has happened since has proven I was right. Five electric companies offered to wheel the power produced by the project to the Government's preference customers at a price that would not raise the cost to the purchasers over what it would be if the Government did the job. Under this arrangement, the Government would have only to build the bus tie lines between generating plants at a cost of about $51 million. This did not suit the Bureau or its public power customers. They wanted an all-Federal transmission system. The Congress appropriated the money for an all-Federal system but the Senate Committee on Appropriations, in its report, instructed the Bureau to negotiate with the companies.

The Bureau did negotiate and announced, with great fanfare, that it had reached an agreement with four of the five companies. This sounded like the

Bureau had been very reasonable—that they had worked out an agreement with four of five companies but could not get together with the unreasonable fifth company. But that does not begin to tell the story, Mr. Speaker.

After working out a deal with four of the five companies the Bureau still expects to spend $151 million for transmission line construction—$100 million more taxpayer dollars than would have been required if it had worked out an agreement along the lines of the original five-company offer. But that does not tell all of the story either, Mr. Speaker. Under the five-company offer the electric companies would have furnished steam generated power to supplement the Bureau's hydropower for the Government's preference customers. In order to make feasible the plan the Bureau has finally worked out, an REA-financed generation and transmission cooperative has to build a steam electric generating plant in Colorado. This plant will start out with 150,000 kilowatts of capacity at a cost of about $22 million of REA funds and is planned for an ultimate capacity of 600,000 kilowatts at a cost of $120 million which will also come out of the taxpayers' pockets. This means that the Bureau's refusal to work out the comprehensive plan with all five companies is going to require $220 million more from the Treasury.

The public power proponents were even dissatisfied with this solution. They wanted an all-Federal system and severely criticized Interior for working out an agreement with the four companies.

Now we have another Bureau of Reclamation "boondoggle" pending before the Congress—the Fryingpan Arkansas project. This project has been pending before the Interior and Insular Affairs Committee for several years, but this year—an election year, of course—the proponents have managed to squeeze it out so that it will be considered by this Congress. It includes hydroelectric power also which makes it highly desirable to the Bureau. The Bureau's fantastic appraisal of benefits and payout would not stand the light of an honest engineering and economic examination.

The Bureau of Reclamation is the marketing agency for power produced at Bureau and Army Engineer dams on the Missouri River. It has built an extensive transmission line network in the Missouri River basin—many lines for which there was absolutely no necessity. This system extends into the States of Montana, North Dakota, South Dakota, Nebraska, Iowa, and Minnesota. When completed as now planned, the system will be comprised of some 6,000 miles of high voltage lines and appurtenant works. The ultimate investment in the Missouri basin, exclusive of Federal funds advanced for G. & T. cooperatives, will be in excess of $6 billion, of which electric power will be expected to repay $3.6 billion.

Twelve electric companies, a public power district, and the Dairyland Power Cooperative made an offer to the Department of Interior recently to supplement the Federal hydroelectric power in the basin with their steam power on an exchange basis. This would have permitted the Bureau to market about 650,000 additional kilowatts of firm power without any additional expense to the Government. It would have provided about $10 million of additional revenue per year.

Mr. Speaker, believe it or not, the Bureau turned down this offer and made a deal with the Basin Electric Power Cooperative Association to supplement the Federal power by building a 200,000-kilowatt steam plant. Of course, the basin co-op steamplant will be financed with tax funds from the Treasury. Simultaneously with the Bureau's announcement of the deal with the co-op, REA announced a loan of $36.6 million to the co-op to build the steam plant.

Mr. Speaker, this loan to the basin co-op is just a beginning. REA will be lending tax funds to this and possibly other G. & T.'s to build additional steamplants in this system from now on. This is all tax money that need not have been spent and still the administration talks about balancing the budget. I am surprised that the electric companies wasted their time preparing a proposal to the Bureau. With Assistant Secretary of the Interior for Water and Power, Kenneth Holum, making the decision, the companies should have known their proposal would receive no consideration irrespective of how good it was.

This Missouri basin Federal power situation is an unholy mess as it is without the Government throwing millions upon millions of additional tax dollars into it. The price of power from the Federal dams was set years ago before anyone had a realistic idea of what the dams were going to cost. Costs have far exceeded the estimates on which power rates were based, so the Government is already facing a tremendous loss on the sale of this power without throwing away additional tax money. It would seem that those responsible for marketing the Federal power would be seeking ways to save additional Federal investment in this development instead of seeking ways to spend additional Federal funds.

The Bureau has announced that it will build a high-voltage transmission line to tie the Missouri basin system into the Southwestern Power Administration, another Interior power-marketing agency that has been losing millions of dollars each year since it has been in operation. This line is not necessary because it parallels electrically existing company lines that could do the job.

In addition to its other ventures into the electric utility business, the Bureau is making studies of interconnections between all of the Interior Department power marketing agencies. It has already received some funds and is requesting more for this purpose. The Assistant Commissioner of Reclamation has talked of transmission lines that would create ties from the Bonneville Power Administration all of the way to the east coast.

To indicate what little respect they have for spending Federal funds, they are asking us to appropriate funds for the Bureau of Reclamation to make studies for tying together all Federal power marketing agencies; while, at the same time, the Federal Power Commission is in the process of making a national power survey that would determine transmission line construction, interconnections and the location and size of generating stations needed for a national power grid. All of this is in addition to a study, which took 2 years, that the Edison Electric Institute, an association of electric companies, has just completed. It was an extensive and very conclusive study. Mr. Speaker, what does such a study by the Bureau of Reclamation have to do with the reclamation of lands?

Oh, yes, I understand the Bureau of Reclamation study also gets into the proposed line from Bonneville to the southern part of California, a study in which Bonneville Power Administration has also been participating. The Bonneville-southern California line is something else the Federal Government should stay out of. Electric companies are already working on a line that will make a substantial tie between these two areas, a tie that will be increased as fast as economically justified.

Mr. Speaker, it seems to me that these Government power agencies are just looking for places to throw away taxpayer's money and are expecting the Congress to acquiesce with their schemes by appropriating the funds.

The President has also instructed the Interior Department to restudy the Passamaquoddy project in Maine. That thing has been kicking around since the New Deal days of the early 1930's. It was no good then, and it is still no good. A special commission recently completed a study of it and reported it as no good and yet Interior has made a new study which, I understand, supports it. It looks like Interior will support anything as long as it involves Government spending for more electric power.

Mr. Speaker, before we leave the subject of the Department of the Interior and the Bureau of Reclamation, I want to call your attention to a UPI ticker item of May 17, 1962.

Interior Secretary Udall asked Congress to loosen the purse strings and allow him to spend $395 million on far-ranging plans to develop the Nation's power and water resources. You will notice the ticker item did not say hydropower, it just said power.

The Secretary wants this money to cover the widespread activities of the Bureau of Reclamation, Bonneville, and the Southwestern and Southeastern Power Administrations. He was certainly right when he said widespread activities of these organizations. They have spread their activities far beyond what the Congress intended.

You will notice he wants to explore the possibilities of developing the Hanford steamplant; the development of pumpback storage hydroelectric plants; and transmission lines. The entire program emphasizes Government electric power.

The article follows:

WASHINGTON.—Interior Secretary Udall today asked Congress to loosen the purse strings to allow him to spend $395 million on far-ranging plans to develop the Nation's power and water resources.

> The request, made before the Senate Public Works Appropriations Subcommittee, was for $85 million more than appropriations for the current fiscal year.
>
> The funds, for the year beginning July 1, would cover the widespread activities of the Bureau of Reclamation and the three Federal power marketing administrations—Bonneville, Southwestern, and Southeastern.
>
> The key activities, Udall said, would be:
>
> Exploration of possibilities for use of waste steam at the Hanford, Wash., atomic reactor for the production of power by a public power organization.
>
> Continued exploration of the use of off-peak power to pump water to higher elevations for use in producing power during periods of peak use of electricity.
>
> Advancement of plans for the Pacific Northwest-California and Missouri River Basin-Southwestern Power Administration power interties, and the beginning of studies for interconnecting the Missouri basin system with the Pacific Northwest.
>
> Completion of negotiations with private power companies for sharing in the five-State Colorado River storage project transmission system authorized by Congress as an all-Federal system.

Now let us have a look at REA. This is a Government agency that was set up for the purpose of extending central station electric service to rural areas, intended for the farmers that could not otherwise get it. I am satisfied that 90 percent of the Congress and 98 percent of the public still look upon REA as a farm program. However, nothing could be further from the facts. Even REA admits that better than 97 percent of the farms have been electrified. In fact, all of the rural areas that want electric service, with the possible exception of a few isolated ranches and maybe a few remote hunting lodges, have been electrified. To arrive at the less than 3 percent that are not getting electric service, you have to count abandoned farms and some tenant houses that could have service if they wanted it. For all intents and purposes, rural America is electrified. Five out of six new connections are nonfarm consumers. They are industrial, commercial, and new nonfarm rural residences, including suburban developments. Almost one-half of rural cooperative customers are now nonfarm users, and yet we are going along giving REA all of the money it asks for thinking we are doing something for the farmers. The rural cooperatives are making money—REA's statistics show this. They are borrowing money from the Federal Treasury at 2 percent and paying no income taxes, either Federal or State.

They usually pay much less than investor-financed companies would pay in local and State property taxes. Instead of repaying the Government the money borrowed at 2 percent interest as fast as they can, they invest their funds in higher interest rate securities, including Government bonds and make a profit on them while the taxpayers are subsidizing them with below cost money. Besides that they are lending money to industries that will locate in their service areas. They lend money at a lower rate than the industries could obtain otherwise and the co-ops still make a profit on the transaction. An example is the loan to a much publicized ski resort in Illinois for snowmaking equipment. There are many other examples that could be cited.

In authorizing the REA program it was the intent of the Congress that money should be loaned to the cooperatives only for the purpose of extending service to rural areas, really meaning farmers, that could not otherwise get central station service. The purpose of authorizing loans for generation and transmission of power was to assure the distribution cooperative of an adequate power supply at reasonable cost. The present REA Administration has completely disregarded that criteria. It will lend money for G. & T.'s if the co-op considers the electric company from which it is buying power antagonistic to the cooperative. In other words, there is really no criteria for making a loan for a G. & T. REA will lend the money if the G. & T. wants it. Real justification for the loan is beside the point. Loans are being made for G. & T.'s when there is adequate power available to the co-ops from companies at lower cost than the G. & T.'s can possibly sell it.

This REA program has gotten completely out of hand. It has been a "sacred cow" for many years because we considered it a farm program. It is time for us to recognize that we are no longer dealing with a farm program.

We are lending taxpayer's money at below cost to nontaxpaying electric systems distributing electric power to industrial, commercial and residential consumers who are quite able to pay the full market value of the power they are consuming including full cost of money and taxes. The Government put these electric systems in business at a time when they probably needed some financial assistance but that time has long passed. They are now going businesses and quite capable of standing on their own feet. If they are to get out and compete with electric companies for business, then they should be put on the same basis as electric companies and be subject to the same regulations, financing and taxes.

REA has stepped completely out of character in another way. It is now being used by other power producing and marketing agencies of Government to construct through G. & T.'s steam generating plants and transmission lines that the Congress would never approve for the agencies. While discussing the Bureau of Reclamation, I told you of two instances where the REA and the Bureau had joined hands to develop a hydroelectric and steam electric generating and transmission system—one in the Upper Colorado River System and one in the Missouri River Basin. Another instance of a joint operation is one now developing between Southeastern Power Administration and a G. & T. in Kentucky.

The plan is for SEPA to recapture power from TVA that is being generated at three Army Engineer dams on the Cumberland River and use a Kentucky G. & T. to transmit the power to municipalities now being served by the Kentucky Utilities Co., thus taking business away from this heavily taxed private industry.

There is no question in my mind but that this is a scheme which has been hatched out by TVA, SEPA and the REA or the Kentucky G. & T. it financed. TVA has been buying the power from SEPA at below cost.

I understand TVA has been paying under 3 mills for the power which is cheap in anybody's book. It is below fuel cost in many sections of the country. TVA is under contract to buy this power for a good many years to come. Now TVA has decided it is not interested in buying the power. Of course by mutual agreement TVA and SEPA can cancel the contract and make this power available for sale elsewhere by SEPA.

It does not take a soothsayer to see through this scheme. TVA has wanted to invade territory served by Kentucky Utilities as I told you before, but the Congress limited its service area. Now by working with SEPA and the REA-financed G. & T., it will accomplish the same purpose. It releases power it has been using to SEPA. SEPA, working with the G. & T., uses the power to raid the company's territory. When the company's customers have been taken over by SEPA there is no longer any need for the TVA area limitation. The restrictions can be raised so that TVA can expand north and take over the State of Kentucky.

I have not brought FPC into the picture as yet, but, headed by public power proponents, it has its plans in the making also. It has started a power survey to determine where transmission lines should be built and where and what size generating stations should be constructed. Of course, it has invited the electric companies to participate in the study but that is just window dressing. The electric companies have recently completed a similar study so there is no need for another one. I do not know what this new study is going to show but rest assured, after it has been completed, the pressure will be on for construction of Government transmission lines and generating stations. Consider also that within a few years licenses for hydroelectric developments now owned and operated by electric companies will start expiring. The Government can take these plants over. If it does, that will bring on agitation to build Government transmission lines to connect them up and Government steamplants to firm up the power. Then we would in fact be well on the way toward complete nationalization of the power industry.

The present Chairman of FPC was one of the leading masterminds behind the conversion of TVA into the giant Federal power monopoly it is today. I have no doubts but that his thinking far exceeds the regulating duties of FPA. He has always been a strong Government power advocate and I have seen no indications of any change.

The Army Engineers are active, too. They are dragging out their projects for the big pork barrel rivers and harbors omnibus bill. Among other things they are recommending the Devils Jumps project on the Cumberland River in Tennessee. It is a hydroelectric power project in a depressed coal area. They are also recommending the Raystown project on the Juniata River up in my section of the country. It too is planned as a big hydroelectric project in a depressed coal area. As I told you before the Engineers have approved the Burns Creek project in Idaho, a no-good hydroelectric development that the Interior and Insular Affairs Committee of the House has already thoroughly studied and emphatically disapproved.

I have not tried to cover all of the Army Engineers activities but have cited the above three projects to show you some of their efforts in this Government power picture.

Mr. Speaker, I am convinced that we are facing a plan, and a well-conceived one at that, by the present administration which could lead to the nationalization of the electric power industry. Mr. Arthur Schlesinger, Jr., one of the most influential members of the President's brain trust wrote in 1947 as follows:

> If socialism is to preserve democracy it must be brought about step by step.

Mr. Schlesinger has been faced with this statement recently and there has been no indication that his thinking has changed.

This "step by step" approach has been used for the past three decades in the electric utility field, but I am afraid that too many of us have not been aware of it. In the last year the "step by step" has been increased to a "jump by jump," as witnessed by the alliances being formed by the Federal agencies dealing in electric power.

As I have mentioned in some detail here today, we find TVA, SEPA, and REA planning the invasion of Kentucky with the Army Engineers joining with the proposal for more hydro for SEPA. The Bureau of Reclamation and the Army Engineers have joined and worked a plan to promote Burns Creek, something the Bureau could not accomplish on its own. The Bureau of Reclamation and REA have joined hands to promote steamplants in two of the Bureau's marketing systems which for all intents and purposes are Federal steamplants, as they will be federally financed and operated for the benefit of the Bureau of Reclamation. The Bonneville Power Administration and Atomic Energy Commission are working out a scheme with a public power agency in the State of Washington to use Government credit to build the Hanford atomic energy plant, something that the Congress, by a resounding majority, said "No" to last year. The Federal Power Commission and the Bureau of Reclamation are both working on studies aimed at the national grid, and I have no doubt but that it is a national Federal grid they are thinking of.

Mr. Speaker, a person would have to be both blind and deaf not to recognize what all of this is leading up to. If this move is not stopped and reversed immediately we are going to end up with a nationalized electric industry before we know it. The irony of the whole thing is that if there ever was an industry financed by private investors that needed no prodding, that needed no Federal financial help, it is the electric utility industry. Our existing electric companies are ready, willing, and able to take care of all of our future power requirements, furnishing ample amounts of low-cost electricity to all consumers.

With our country completely electrified, all that continued Government building and financing of electric facilities can accomplish is further inequities between consumers of electricity until such time as the industry is nationalized.

Mr. Speaker, with our unbalanced budget, our overwhelming national debt, our near confiscatory taxes on both individuals and businesses, I ask you, in the name of commonsense and justice, why does the Congress permit our Federal bureaucrats to go along spending hundreds of millions of tax dollars each year doing something that can be done better and with greater equity to all of our citizens by funds acquired from private investors? The answer will be found in ideology—not in economics.

MEDICAL CARE FOR THE AGED

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I am primarily taking this time because I am going to put in the RECORD a list of the attendance at the President's medicare rallies throughout the country last Sunday. It shows a list of the cities, the attendance, and the capacity of the crowds, and the rallies which were canceled.

I might also say that I placed in the RECORD yesterday an article from the New York Times where it was pointed out that those who were promoting these rallies had estimated that 150,000 people would attend, and according to their estimates, 100,000 people did attend, but this listing that I am placing in the RECORD indicates that it was less than 50,000.

Now, this matter has some significance, and the significance is this: For several years now the press, particularly the Washington media, has been reporting the fact that the old people were on the march in regard to this problem of health care for the aged. Two years ago, I think it was, I took the floor of the House to make a speech entitled "Lobbying Reporting: The Future Representative Government in the United States," in which I pointed out that the press was inaccurately reporting what actually was the situation; that really what was going on was a public relations program primarily by the AFL-CIO and others who were trying to bring this about but had been unsuccessful in doing so. And, there have been reports going around as to how much the people of this country want this particular program that the President is supporting, the King-Anderson bill.

The point that I want to drive home is this, that the Committee on Ways and Means held public hearings on this matter for 9 days. We sat there on some days until 7 o'clock in the evening listening to the witnesses. We heard all of the administration witnesses. We listened to the people from the AMA, we listened to people from the labor unions, we listened to people from hospital groups, we listened to people from the health insurance field. We listened to every citizen who thought he had something of importance or information that would bear on this very important issue of health care for the aged, so that out of knowledge, not ignorance, out of reason, not prejudice, we could come up with whatever was a correct solution of how we should move forward in this area.

The testimony of the administration witnesses, of course, was subjected to cross-examination, and so was the testimony of the people from the American Medical Association subjected to cross-examination; in fact, all witnesses were, and their data were examined. There are four volumes of hearings covering 2,000 pages of data and information on this subject available to the Congress of the United States, available to the President and the executive branch of the Government, and available to the people. There is no excuse for this exchange of ignorance that is going around the country on this issue, led, I regret to say, by the President. People who want to know, as best we can, what knowledge we have on this subject can refer—do not take my word and do not take President Kennedy's word and do not take anyone else's word—to these hearings.

They are well indexed. The data is there. Then let us see if the data is incomplete. That is important because, of course, we can get more information if the data has been contested or ought to be contested. Let us direct our attention to that.

Mr. Speaker, the Ways and Means Committee I am sure would be very glad to get any further information or arguments that the President or his representatives might want to present to that committee on this subject. But no one has said that the Ways and Means Committee has not done an adequate job of studying this problem and that we do not have the information. There is no excuse for the President of the United States going directly to the public, over the head of the Congress, unless the Congress or its committee has been derelict in its duty. But, there has been no indication that such is the case.

Mr. Speaker, I should be like to get back to this process of the President himself lending his Office to the technique of trying to rally support for what turns out to be nothing more than a promotional campaign. A campaign by certain people who think that this might be a good program for our society, but these people are not the older people, nor is there great fear apparently that this needs to be done. One of the things we said in the hearings, and I repeat here today, is this: Is there any person in our society, old or young, without adequate medical care, and whose situation has been called to the attention of the proper people, who would be without medical care? Of course, the answer is, "There is none." Why, heavens, if there were one, it would appear on the front page of the newspaper in that community. Occasionally we do have a report like that, and it will be headlined as "Young" or "Old Person Found in Their Little Home in Such-and-Such Condition," not because of lack of means, not because of lack of humanitarianism on the part of people around, not because there were not the facilities, but because the problem of this person had not been called to the attention of those who could and would do something about it.

So we say, Mr. Speaker, the exposure, almost, of this situation by these rallies that were supposed to have been conducted around the country was not necessary. In my own town of St. Louis they did pay me the honor of sending the Vice President of the United States to speak; 1,100 people attended; the hall had a capacity there of 3,000. Of course, there are halls in St. Louis which will accommodate 10,000 people. But note this: No attempt to have anyone on these programs to express a contrary point of view was made.

This was a one-sided presentation in the same fashion that the so-called White House conferences held this fall around the country were conducted. Again, in my own city of St. Louis, among others, was there an honest presentation of both sides of the issue? Oh, no. This was for the administration witnesses to present their case. While this was going on, these four volumes of public hearings of the Ways and Means Committee lay unpublished and unavailable to the people of this country. I have asked this question: Who sent the orders to the Public Printer not to have these documents published? I ask that because usually within 2 or 3 weeks we have our hearings printed and available. But for 4 months, not until December 15, was this data available to the people of this country.

Mr. Speaker, the Ways and Means Committee right now is in executive session on the Reciprocal Trade Act. We held public hearings that lasted a month, beginning around March 1, and we have the printed hearings in front of us as we have been going through executive sessions. Of course, the hearings on health care could have been printed and available. I daresay had they been available in the communities throughout the country where the White House Conferences for the Aged were being held, the spokesmen for this point of view would have been challenged and someone would have said, "Well, look; you said that before the Ways and Means Committee back in July and August, and on cross-examination did you not have to say this, or did you not say this which does not jibe with what you said." Or they would have said "how about the testimony of so and so before the Ways and Means Committee which was in contradiction to what you said, and how do you reconcile that?"

This is public debate that is bringing the people into these things; and not once in his Madison Square Garden speech did the President even intimate to the people that the Committee on Ways and Means had done this work. He did not say, "Don't take my word, people, read the documentation, read the committee hearings; here is what Secretary Ribicoff said, here is what the American Medical Association officials said, here is what other people said on this issue; make up your own mind as to what you think are the facts in the case." No, that was not done.

Yesterday I put in the RECORD—and I want to call attention to this—a very fine statement by the American Civil Liberties Union, calling attention to the fact that a very basic civil liberty was involved in the fact that the networks gave free time to the President of the United States, who was not appearing as the President of the United States, but who was appearing as the leader of the Democratic Party to try to present a point of view. Certainly I am glad that he did present it. But as the American Civil Liberties Union pointed out, if the people are going to be brought into this national debate, equal time should be granted to those who have a different point of view. So I want to commend the American Civil Liberties Union for pointing out this fact.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman.

Mr. GROSS. Mr. Speaker, I want to commend the gentleman for the statement he has made. I wonder if today's newspapers give us any additional information as to the Member of Congress from the State of Massachusetts who President Kennedy said was in such dire financial circumstances that he could not provide schooling for his children and take care of those allegedly afflicted in his family. I am awaiting with great interest for the President to identify that individual.

Mr. CURTIS of Missouri. I do not know; apparently the President made up something out of whole cloth; maybe not out of whole cloth, but certainly no one fits the picture. The one Congressman who seemed to, his family indicated it could not be he to whom they were referring.

And I might say to the gentleman that this is not the only instance where the President has used a case that was supposed to demonstrate a point and when we got into the details we found that he was not accurate. During the campaign there was some person, I believe from Kentucky, who was supposed to have presented a pitiful situation and appeared on television with the then candidate for President. The record shows that that was an inaccurate presentation.

The gentleman in Congress from the city of Dallas [Mr. ALGER] and I, ran down this story of some person in Gonzales, Tex., concerning whom one of the Members of the other body had put in a statement in the RECORD as a pitiful situation, but when we got the details we found that it was not accurate.

The President in his address at Madison Square Garden tried to give as a typical example a case citing hospital bills and other medical costs, and it was not typical at all. The data that we have, even the data from the Department of HEW, demonstrates that hospital costs are less than physicians' and surgeons' costs. The latter are around 28 or 29 percent of the fees and the hospital's would be 25 or 26 percent. So I do not think that the public should take my word, or the President's word or anyone else's.

We try to be accurate, but it behooves me and it behooves the President or anyone to point to the record as best we can get it together. Here is volume 1 of the record, that I hold in my hand here, where this testimony was brought in. The data is there for anyone to contest it or add to it.

Mr. GROSS. There is also the matter of a Federal statute, which provides that moneys appropriated by Congress shall not be used to carry on a campaign for or against legislation pending before Congress.

Mr. CURTIS of Missouri. I want to say to the gentleman there is no question in my mind there has been a violation of the actual word of the law, and there certainly has been a violation of the spirit of the law. This undermines our very form of representative government.

Mr. Speaker, I ask unanimous consent to include this table in my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The table referred to follows:

Attendance at J.F.K. medicare rallies

City	Attendance	Capacity
Charleston, W. Va	46	3,500
Indianapolis	300	1,200
St. Louis	1,100	3,000
Sault St. Marie	6	50
Salt Lake City	250	1,000
Kansas City	700	1,200
Wilmington	100	1,400
Washington, D.C	800	850
Baltimore	275	400
Houston	500	1,200
Detroit	2,000	3,500
Columbus	700	1,400
Cincinnati	900	3,000
Seattle	320	1,200
San Diego	191	2,400
Los Angeles	700	3,000
Milwaukee	2,000	6,000
Chicago	1,450	3,000
Knoxville	400	4,000
Boston	375	3,500
Miami Beach	4,000	4,000
Cleveland	1,200	1,200
Youngstown	500	2,100
Peoria	37	2,000
Rock Island	300	3,500
New York City	17,550	18,300

Rallies canceled at—
Denver.
Philadelphia.
Dallas.
San Francisco.
Louisville.
Atlanta.
Birmingham.

Data for New York City and 25 others having rallies; 7 cancellations.

CRAMER BILL (H.R. 11794) FOR MEDICAL CARE FOR THE AGED THROUGH FREE ENTERPRISE ON A VOLUNTARY BASIS, WITHOUT GOVERNMENT CONTROL

Mr. SCHNEEBELI. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CRAMER. Mr. Speaker, on May 17, I introduced H.R. 11794, a bill to provide for medical care for the aged through free enterprise on a voluntary basis, without Government control entitled "A bill to provide for the medical and hospital care of the aged through a system of voluntary health insurance, and tax credits, and for other purposes." On that same date I discussed the bill, comparing it with the King-Anderson social security compulsory bill, as appears in the RECORD on page 8603.

Many House Members have expressed interest in my bill and many inquiries have been made. In order to clarify what the Cramer bill does and to compare it with the King-Anderson and Bow bills, I submit the following.

My bill, which is printed in full starting on page 8603 of the RECORD, provides, briefly, as follows:

First. A tax credit for citizens over 65 of $125 each—$250 for a married couple—for those who pay taxes or for their near relatives to be applied against medical bills paid or against health care insurance premiums paid.

Second. A tax credit for employers who provide protection against medical costs for their retired employees 65 or over equal to premiums actually paid, not to exceed $125 per person.

Third. For nontaxpaying citizens over 65, a certificate worth not to exceed $125—$250 for married couple—with which to pay premiums for health insurance coverage to be acquired, or to pay a premium on an existing policy by merely filing a simplified return showing no tax due or less than $125 tax due and by advising the Secretary of the Treasury on this form of his intention to purchase a qualifying policy for health care or to pay the premium on an existing policy.

Fourth. Establishes minimal policy coverages required for insurance carriers to provide, to qualify, to collect on certificates or to permit the taxpayer to qualify for credit against taxes. This coverage includes broader areas than King-Anderson, including doctors' bills, prescriptions, nurses' fees, and so forth, as set forth in greater detail in table No. 2 following.

My bill differs from the Bow bill—H.R. 10981—in the following respects:

First. It permits a tax credit for the person over age 65 or his near relative if he pays the bill for actual medical expenses paid not to exceed $125. Thus, this is not a compulsory health insurance bill, but is fully voluntary. The Bow bill gives a credit only for insurance premiums paid.

Second. It permits policies in existence to remain in full force so long as "the benefits under the program are substantially equivalent to the values of the benefits under qualified medical care insurance programs for the aged"—as defined in the bill as minimum coverage. Thus, senior citizens who have health insurance in effect, many times as the result of taking it out in earlier years with the resultant better rates and coverage, or who have group policies or special coverage that they wish to keep, can do so. This also prevents the elimination of noncertificated carriers from being included in the program.

Third. In plan 1 of the minimum coverages required for an insurance carrier to qualify for the program, my bill includes the doctor's bills. In the Bow plan No. 1, the doctor's bills are omitted. I included this in all plans as minimal coverage because more people over 65 have doctor calls or call on doctors for advice and treatment than go to the hospital. Any meaningful program, if it is to meet the real need of senior citizens, should include the most basic cost of the doctor. Of course, King-Anderson does not cover this cost at all. Bow covers it in plan No. 2.

Thus, I believe my bill is a freedom-of-choice and voluntary bill to the maximum extent possible, letting a person or his relative in his behalf pay the actual medical bills, and thus insure himself or have a near relative do it for him. Many people express themselves to me that they do not want the Government or insurance companies telling them how to take care of their medical expenses. This permits such individualists to pay their own bills without being penalized for doing so.

Also, my bill permits wider choice by the senior citizen or a relative on his behalf to keep a health insurance policy in force that is presently in existence so long as its coverage as a minimum substantially complies with obviously needed minimal coverage as set out in my bill.

My bill recognizes the basic need for the services of a doctor under our free enterprise system, avoiding Government control and socialized medicine under either the established doctor-client-insurance carrier method or just under the doctor-client relationship that has avoided the injection of the Government into medical treatment which must be avoided if freedom of choice and quality service are to be preserved.

To compare my bill generally with the King-Anderson bill, I submit the following table:

General comparison of King-Anderson and the Cramer bills (H.R. 11794)

	Cramer bill	King-Anderson bill
Pays doctor bills	Yes	No.
Pays surgeon	Yes	No.
Pays dentist	Yes	No.
Pays nurses' fees	Yes	No.
Pays for drugs (outside the hospital and nursing homes)	Yes	No.
Gives exclusive choice of diagnostic physicians	Yes	No.
Gives choice of coverage or noncoverage (noncompulsory)	Yes	No.
Preserves private enterprise and avoids Government control	Yes	No.
Avoids risk of socialized medicine	Yes	No.
Pays hospitalization without patient payment of initial cost	Yes	No.
Spreads cost burden over all taxpayers instead of least-able-to-pay wage earners	Yes	No.
Further cost burden on shaky social security fund avoided	Yes	No.
Covers all citizens over 65	Yes	No.
Encourages relatives who are able to pay insurance or medicare costs	Yes	No.
Cost of administration minimal	Yes	No.
Total cost is less in long run	Yes	No.
Prevents the wealthy from getting large unneeded benefits	Yes	No.
Total cost can be more easily determined	Yes	No.
Avoids Government decision on benefits	Yes	No.
Prejudice of present insurance policyholders avoided	Yes	No.
Avoids pauper's oath	Yes	Yes.
Avoids overcrowding of hospitals when such treatment unneeded	Yes	No.
Avoids Government control of hospitals, nursing homes	Yes	No.

To compare my bill as to specific provisions with King-Anderson, I submit the following table:

Comparison of specific provisions of Cramer and King-Anderson proposals for medical care

	Cramer bill		King-Anderson bill
Who is covered	Everyone who reaches age 65 who wishes health insurance		OASDI eligible persons age 65 and over, including employed aged; also includes railroad retirees; 13.75 million OASDI beneficiaries and 0.5 million railroad retirees.
How many	17 million (as of 1962) everyone over 65		14.25 million (as of 1963).
Benefits	Medical care insurance under a choice of policies, the minimum benefits of which are described as plans 1 and 2. Tax credits for others.		Hospitalization, nursing home, and diagnostic care subject to deductible charges enumerated below.
	Cramer plan 1 (payment of all charges made by the insurance carrier)	Cramer plan 2 (subject to a deductible feature with not to exceed 25 percent coinsurance) [1]	
Hospitalization	Hospital room and board up to $12 per day, and up to $1,080 in a calendar year; other hospital charges, including charges for surgical or emergency outpatient treatment, up to $120 in any calendar year.	Hospital room and board equal to charges, for semiprivate accommodations; other hospital charges, including charges for surgical or emergency outpatient treatment.	90 days per benefit period, with $10 per day deductible required for 1st 9 days, with a minimum deductible of $20.

[1] Payment of benefits may be subject to either (1) a deductible of not more than $100 in a calendar year and a lifetime maximum of not less than $5,000; or (2) a deductible of not more than $200 in a calendar year and a lifetime maximum of not less than $10,000.

Comparison of specific provisions of Cramer and King-Anderson proposals for medical care—Continued

	Cramer bill		King-Anderson bill
Nursing homes	Convalescent hospital room and board up to $6 per day, and up to $186 in any 1 calendar year, following discharge from hospital.	Convalescent hospital room and board up to $6 per day, and up to $540 in any 1 calendar year, following discharge from hospital.	180 days per benefit period, or 2 days for each unused hospital day up to a total of 150 units of service.
Home health service	None	None	240 visits a year; 2⅔ visits for each unused hospital day; includes therapy and homemaker services; medical social work, etc.; no prior hospitalization required.
Nurses' fees	None	Up to $16 per day for registered nurse, and up to $480 in any 1 calendar year.	None.
Surgeons' and physicians' fees	Surgical charges according to a fee schedule with a $300 maximum, and $5 per call for other than surgery or postoperative care.	Surgical charges according to a fee schedule with a $300 maximum, and $5 per call for other than surgery or postoperative care.	None.
Diagnostic, laboratory, and X-ray services.	When hospitalized as above	Diagnostic X-rays and other diagnostic and laboratory tests; X-ray, radium, and radioactive isotope treatment.	Provides only for necessary laboratory tests and X-rays in a hospital, either on inpatient or outpatient basis, but requires $20 deductible for each diagnostic study on an outpatient basis.
Drugs and related requirements.	Drugs used in hospitals	Charges for drugs and medicines which require a doctor's prescription; blood or blood plasma not donated or replaced; anesthetics and oxygen; rental of durable medical or surgical equipment such as hospital beds or wheelchairs.	Only drugs used in hospital.
Financing method	Through tax credits for individuals who pay their own bills or premiums or are covered by insurance or bills paid for by near relatives or former employers, and through issuance of "medical care insurance certificates" for all others.		Increases OASDI taxable wage base from $4,800 to $5,000 beginning with 1962; provides for rate increase beginning in 1963 of ½ of 1 percent of 1st $5,000 of employee wages; ⅜ of 1 percent of 1st $5,000 for self-employed.
Total costs (estimate)	Cost estimated to be less than other legislation, but difficult to predict because of lack of (a) precise information on amount of deductions now taken by or for individuals over 65 which would be an offset against cost of tax credit; (b) knowledge concerning probable degree of participation; (c) savings in Kerr-Mills, State and local matching programs.		$1.1 billion, 1st year cost, estimate by sponsors; Health Insurance Association of America say $2.4 billions.

BILL OF RIGHTS FOR THE MEDICAL AND OTHER PROFESSIONS

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ZELENKO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. ZELENKO. Mr. Speaker, I have introduced H.R. 11884, a bill to prohibit professional associations, such as the American Medical Association, from using any of the compulsory dues and fees received by the associations to attempt to influence directly or indirectly the passage or defeat of any legislation by the Congress of the United States.

Although this bill applies to all professions, it is particularly aimed at the American Medical Association. It is a bill of rights for doctors. Its purpose is to cut through the surgical steel curtain erected by the American Medical Association, which is effectively coercing doctors to be silent and preventing thousands of physicians from expressing their approval of the King-Anderson bill, President Kennedy's plan for medical care for the aged under social security. My bill is simply a preventive measure, and will protect the rights of all professional men and women.

The American Medical Association has from the beginning opposed the concept of social security and any implementation thereof. Behind its vituperative and misleading barrage of propaganda, lies the heavy hand of the insurance company lobby, a known and strong contributor to those forces opposing social security. It would be most revealing if the American Medical Association were to disclose the list of its contributors. Hundreds of doctors who have expressed their approval of the King-Anderson bill are now faced with economic and clandestine pressures from organized medicine forcing them into silence.

Recently the American Medical Association Journal refused to accept an advertisement in favor of the King-Anderson bill presented by a number of AMA members for publication in their own Journal.

A group of doctors in the State of New Jersey have even threatened to refuse to treat their patients under the King-Anderson bill if it becomes law. This vicious and inhumane propaganda, distributed by these doctors, has caused distress and anguish in millions of American homes and constitutes a threat against the American people in general, for the public is fearful that it will not continue to receive its traditional medical attention and care from its family doctor. In my own constituency, folks have told me that they wanted reassurance from their physicians that they would be continued to be treated regardless of whether or not King-Anderson is passed.

Thousands of physicians in this country are being placed in an untenable position because of the power and control of the American Medical Association, as it carries the ball for the insurance lobby. A number of physicians in my district have told me that they fear to express their opinion in favor of this legislation for obvious reasons.

In too many jurisdictions membership in the American Medical Association is tantamount to retaining a license to practice. This is so, because if a physician refuses to join the association or refuses to pay AMA dues, because of personal opposition to the association's politics and legislative activities, he would, in these jurisdictions, be denied or forfeit his local medical society membership.

My bill will advance the true intent of physicians and surgeons who join medical associations for professional purposes and not for engagement in political propaganda and lobbying activities. In addition, the bill will in no way retard the avowed purpose of the American Medical Association recorded in its recent registration statement under the Lobbying Act:

> The advancement of science and art of medicine and improvement of the public health.

Since the AMA intends to engage in the field of propaganda, politics, and legislation, it should do so by voluntary contributions and not by coercing those physicians in honest and sincere opposition to its politics, to pay for the propaganda and lobbying activities of the American Medical Association through compulsory dues.

I trust this bill will receive the favorable consideration of my colleagues, thus assuring early passage of this necessary legislation.

FEDERAL HOME LOAN BANK BOARD

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, as you are aware, I have been acutely concerned with the operations of our Government agencies and departments for many years. One of the agencies that has elicited my special interest has been the Federal Home Loan Bank Board, which has regulatory authority over more than 4,000 savings and loan associations. As a member of the Special Subcommittee on the Home Loan Bank Board of the

House Committee on Government Operations I have participated in the intensive study and investigation being made by that subcommittee under the chairmanship of my able colleague from California, the Honorable John E. Moss.

We have sat through many, many days of public hearings since the subcommittee was constituted in 1960. As a result of testimony heard, we have become greatly concerned that there is a great void if not complete lack of adequate rules and regulations to serve as guidelines for this increasingly important segment of our national economy. This has resulted in practices and actions by the staff of that Agency which are open to serious questions of propriety. We have hopes that the present members of the Federal Home Loan Bank Board, under the chairmanship of Joseph P. McMurray, will chart a course which will provide appropriate guidance and prevent recurrence of the errors of the past.

On Tuesday, May 22, 1962, Chairman Moss was the principal speaker at the annual convention of the Texas Savings and Loan League held in Brownsville, Tex. I feel strongly that all Members of the House will find Congressman Moss' address both interesting and informative and I ask permission to include it at this point in the Record.

Excerpts From an Address by Congressman John E. Moss, Chairman, Special Subcommittee on the Federal Home Loan Bank Board, Before the Texas Savings and Loan League, Brownsville, Tex., May 22, 1962

I am delighted to meet with the representatives of the savings and loan institutions in the State of Texas to discuss items of mutual concern. It is always a pleasure to visit the great State of Texas which has contributed so many outstanding leaders to our Government. All Texas can take great pride in its contributions to better government—to the economic, political, and cultural development of our Nation.

As chairman of a Special Subcommittee of the House Committee on Government Operations—the Special Subcommittee on the Home Loan Bank Board—I have an interesting and challenging assignment which, in topsylike fashion, just grew and grew. The subcommittee was established in 1960 by Congressman William L. Dawson, Chairman of the Government Operations Committee, to make an inquiry into the seizure of Long Beach Federal Savings & Loan Association. I was told the inquiry would occupy very little of my time and take only 2 or 3 days of hearings. What happened makes interesting history. The 2 or 3 days of hearings stretched into 16 days of the most difficult and frustrating hearings which I have encountered in my 14 years of legislating. The testimony of the then chairman of the Federal Home Loan Bank Board, Albert J. Robertson, was an almost unbelievable performance. I became alarmed over his disclosure of the policies being pursued by the Board and gravely concerned about the identity of those who were, in fact, making policy.

The published hearings for this initial phase of the subcommittee's inquiry make interesting reading. On the basis of the hearings, the subcommittee filed a report containing 13 findings and 8 recommendations. The Committee on Government Operations approved the report, supporting completely the finding that the seizure of Long Beach Savings & Loan Association had been illegal and unnecessary. The report, accordingly, recommended that the Bank Board restore the association to its former management.

A very tedious and discouraging period followed the adoption of this report. The dispossessed management of the Long Beach Association and the then members of the Federal Home Loan Bank Board in 1960 undertook negotiations for the settlement of their problems. However, subsequent subcommittee hearings disclosed that the negotiations were not undertaken in good faith by Chairman Robertson.

In 1961 when a new administration assumed responsibility for Government in Washington, Joe McMurray was appointed as the new chairman of the Federal Home Loan Bank Board. I pay tribute to the good faith, the determination and the effectiveness of Chairman McMurray. With the full cooperation of Bank Board members Dixon and Williams he succeeded in bringing about the settlement of the Long Beach case and the return of that institution to its shareholders. Chairman McMurray recognized that continuation of the situation which resulted from the Long Beach Association seizure probably would mean the Federal operation of this institution until it wasted away to insignificance or was merged with some other association.

Neither course would contribute to the economic welfare of the community of Long Beach.

It is clearly my judgment—and in the official reports it is the judgment of the House Government Operations Committee—that the Long Beach Association should not have been seized in the first place. Its management was not charged with specific violations of rules, regulations, or statute. It had never been subject to specific supervisory instructions calling for correction of management practices. The committee was gravely concerned with the failure of the Board to follow the procedural due process provided by law, and we were concerned about what the Long Beach case disclosed about the overall operations of the Federal agency responsible for regulating the savings and loan industry.

The basic question to be considered is whether this important and sensitive segment of our economic system is to be regulated by the appointed Board members under properly promulgated rules and regulations or statute, or is it to be regulated capriciously and arbitrarily on the whims of a few long-time administrative employees who are supposed to be subordinate to the Board itself?

As a result of the Long Beach hearings the subcommittee has received information from many other institutions, both federally and State-chartered, complaining of the actions by the Federal Home Loan Bank Board's Division of Supervision. We have held hearings on three of these cases—one in Atlanta, another in Clovis, N. Mex., and another involving a member of your association, a State-chartered institution at Alice, Tex.

Let me assure you that I have very clear opinions on the type of regulations to which you should be subjected, notwithstanding the highly misleading and somewhat prejudiced report which was printed in a banking trade journal during the hearings on the Clovis, N. Mex., Association. Possibly the author of the report was not present at the hearings long enough to gain an objective understanding of the purposes of the hearings, for I was accused of presenting preconceived conclusions that the staff of the Bank Board had acted with impropriety. Neither I as chairman nor any of the subcommittee members have arrived at conclusions based on anything less than hour after hour of sworn testimony, day after day of investigation, all adding up to a record of clear facts.

My role as subcommittee chairman is to help find the answer to this question: Are the practices sanctioned by the Bank Board, as the regulatory authority, spelled out clearly enough so that a member association knows with reasonable exactness what its conduct must be or are the associations regulated by the personal views and convictions of the Board's supervisory staff? One system is part of our traditional pattern of government by law; the other is the antithesis of our whole concept of government, for it is a substitution of men and their ofttimes capricious views, their arbitrary and prejudiced convictions, for the orderly process of law. I favor strong, clear, and unequivocal regulation, but I cannot approve regulation under standards so ill-defined that they cannot even be identified.

During the Alice hearings, I had an exchange with Mr. John Wyman, the Director of the Federal Home Loan Bank Board's Division of Supervision, in an attempt to define self-dealing and conflict of interest. He informed me that they can be defined in terms of the principles, the responsibility, the duties, that rest upon persons in a fiduciary position. Then he said, "I doubt that they can be defined by regulation." So I asked Mr. Wyman how a new Board member could become familiar, rather quickly, with his duties and responsibilities and with the policies of the Board. To this he replied: "I would do my best to discuss with and to obtain from my staff the character of actions and procedures, the reasons for them, the basis for them." This is exactly what I have been talking about. Previous Boards have failed to produce clearly defined policy, nor have they issued rules and regulations in support of policy.

A case in point is the experience of the Clovis, N. Mex., Savings & Loan Association. The Board's Director of Supervision, Mr. Wyman, was told to meet with officials of the Clovis institution. Let me quote his instructions from the Board's minutes: "The Board instructed the Director to fully advise the board of directors of the Clovis association as to the matters of supervisory concern arising from its management and operations and to request the board of directors to provide the association with sound management and sound practices, and to request that the board of directors select a committee of three from among their members who will be acceptable to the Director and who will be authorized and directed promptly to develop a program which will correct said matters of serious supervisory concern and provide for the sound management and operation of the association in a manner acceptable to the Federal Home Loan Bank Board."

Bear in mind what Mr. Wyman was instructed to do. Now let me read you part of the letter summarily served upon the directors of the Clovis association by Mr. Wyman on May 21, 1959:

"It is imperative that conclusive steps now be taken to put an end to the unsafe or unsound operation of the association and to the self-dealing relationships and practices which are the cause and the dominant policy of that operation. Therefore, we must insist that the directors, at this meeting, give us a letter over their individual signatures committing themselves to take the following actions promptly upon their return to Clovis and in any event not later than May 31, 1959:

1. Adopt a resolution immediately abolishing the agency at Hereford, Tex.

2. Adopt and confirm by appropriate resolutions the directors' action at this meeting establishing a committee of five directors and designating as members thereof persons who are unobjectionable to the undersigned, and directing such committee to prepare a program for the future management, policies, and operation of the association.

"This program shall include the employment of a new managing officer vested with authority fully consonant with that position; and an increase in the number of directors from 7 to a least 11 and the election to the additional positions thus created of responsible citizens of the community, each of which persons, including the new managing officer, shall have been found acceptable by and to the supervisory agent prior to his appointment or election." Let me emphasize Mr. Wyman's instructions. He was told:

> To advise the board of directors of the association as to the matters of supervisory concern;
>
> To request the board of directors to provide the association with sound management and sound practices; and
>
> To request the board of directors of the association to select a committee of three, from among their members, acceptable to him, to develop a program to correct the matters of supervisory concern and provide for sound management and operation of the association in a manner acceptable to the bank board.

Not only did Mr. Wyman make demands which exceeded his specific authority, but he did so in a most summary manner.

The board of directors of the Clovis association were called to Little Rock to meet with Mr. Wyman and the supervisoy agent. At this meeting they were read a nine-page letter setting forth accusations of unsafe or unsound policies and practices. Without giving them time to discuss this lengthy letter, they were told to sign a letter committing themselves to full compliance with the corrective action demanded. Mr. Wyman demanded. This is very clear. He did not request as he was instructed. Mr. Wyman demanded, and his actions exceeded the specific instructions imposed upon him by his superiors, the members of the Federal Home Loan Bank Board.

As a result of this highhanded action, one man was injured in his community and removed from his membership on the board of directors of an association to which he had admittedly made very constructive contributions over a period of many years. He violated no rule or regulation, he never failed to heed a supervisory instruction—nevertheless he was injured by this action. He had even requested a hearing called for by law. His request was never honored, even though the man who was then chairman of the bank board assured a Member of Congress that, when a conclusion is reached as to the proper action, and I quote—"the association's board of directors will be duly apprised and the action taken will be in accordance with applicable law and regulation"—he was without recourse. Is this the type of regulation we are to countenance?

In the past there has been a succession of weak, sometimes disinterested boards. Thus, strong staff men moved into the vacuum which was created. These strong-willed staff supervisors are dependent upon the field reports of examiners, and the record of the subcommittee hearings on some of the examiners' reports approaches the limits of fantasy.

Mr. Mullen, your colleague from the Alice Savings and Loan Association, can enrich your knowledge of how some of the examiners operate. It is my judgment that in some instances they have gone beyond the law, delegating unto themselves the power to go on hunting expeditions not sanctioned by any provision of law, rule or regulation. On the contrary, it would appear that their actions were specifically prohibited.

Let me make it very clear that I believe an examiner should have access to every record required by the Board to be kept by any association either federally chartered or federally insured. But I do not believe the examiner can without the specific approval of the Board, seek out by devious means other records in an effort to build a case. If there is evidence indicating a violation of law may have occurred, there are appropriate means for other agencies, specifically charged with the law enforcement, to undertake a further investigation. They are empowered to seek further evidence in an effort to protect the American investing public.

Let me outline what the subcommittee's study of the Alice case disclosed. An inexperienced examiner was placed in charge of the examination of this State-chartered institution. It was his first such assignment, and he was given special instructions which immediately removed it from the realm of a regular examination. He went through the records of hundreds of houses involved in six separate subdivisions to seek the possibility of secondary financing. To do this he had to go to records outside the association for which he criticized the institution while admitting that their records were complete and in accordance with requirements.

During the course of the examination he came across a completely proper action by the board of directors of the association, one which was completely set forth in the minutes of the board. Not satisfied with the statement in the minutes, he called in the FBI to get additional information to satisfy this curiosity. This led to a request by the examiner for over 100 Federal income tax returns of individuals and corporations who had some—no matter how remote—connection with the association. These tax returns actually were obtained by the U.S attorney and turned over to the bank Board examiners—in apparent violation of rules and regulations governing such matters and in total disregard of the intent of Congress that tax returns enjoy the highest type of confidentiality.

From the testimony in subcommittee hearings to date, I am firmly convinced that the recruiting, training and supervision of examiners must be improved substantially, and there must be a tightening up of the guidelines under which they operate.

The new Board recently announced the formation of some staff committees to help the Board. This might be a disturbing trend, if it permits staff officials to take over even more functions which the Board, itself should be carrying out. Chairman McMurray also announced the establishment of some Board committees to study general problems. These study committees, composed of three or four bank presidents along with some staff members, may well come up with the necessary guidelines to improve examination and supervision activities.

I have talked, so far, about those officials responsible for regulating the savings and loan industry, but they do not deserve all the blame. Isn't it time for this industry to throw its weight behind the efforts of the present Board to achieve definitive guidelines for those charged with supervising your activities? I know of the sincere desire of the present Board members to chart a course which will provide appropriate guidance and prevent recurrence of the errors encountered in the Clovis, Alice, and Long Beach cases.

Generally, the savings and loan associations of this country can be very proud of their achievements in fostering thrift and homeownership. Of course, we have cases like those developing in Maryland where all government must accept responsibility for the shocking developments. But in the main we are dealing with a group of people who are dedicated to the economic life of their community. They have a right to be treated fairly—a right to know what is expected of them and it is the responsibility of the Home Loan Bank Board to honor this right. They should not be hailed in, in a summary fashion with a threat of economic life-or-death hanging over them. When evidence of wrongdoing or of improper or unwise conduct arises, the Board should call them to task and put them on notice that improprieties must not continue. But the Board should not accumulate a myriad of charges which, at some future date, can be lumped together as an excuse for arbitrary action. If a practice is wrong you deal with it upon discovery. You give management the opportunity to take the immediate steps necessary for correction. If this fails, you then proceed to make sure that the questionable practices will not continue. But objectionable activities are not black or white in all cases. Sometimes it is in an area of gray where the Board needs more information—where it should ask management for an explanation.

It is my judgment that the original law regulating the savings and loan industry, as it has been amended over the years, gives the Federal Home Loan Bank power to regulate in a sound, reasonable and completely equitable fashion, protecting shareholders and clients and letting management know the course which must be followed to be above suspicion or criticism. If the Board believes that it is lacking in legislative authority to regulate properly, it is its duty to request of Congress proper amendments to the Act.

The Special Subcommittee on the Federal Home Loan Bank Board is continuing the study of a few additional cases. We hope to finish this year and file a report with overall findings on the operation of the Board and with specific recommendations. The report will be objective and I believe it will prove helpful to the new Board which, I have every confidence, desires to build a record which will meet the needs of the investing public while meeting the approval of all segments of the industry.

MINIMUM WAGE LAW FOR THE DISTRICT OF COLUMBIA

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST. GERMAIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. ST. GERMAIN. Mr. Speaker, the minimum wage bill which I introduced today provides a living wage for the citizens of the District of Columbia. It provides for a wage that will enable the citizens of the District to earn enough per week to keep their families supplied with the essentials of life.

This bill establishes a minimum wage of $1.25 in the District without regard to sex. It also provides for a 40-hour workweek with time and one-half for overtime. This is not an extravagant bill, it is not an innovation, it does not foretell great economic upheaval for the District with places of business closing because the wage scale of the area is too high. This bill provides just and long overdue benefits for the working force of the city. This bill will provide what we have already provided for those engaged in interstate and foreign commerce; it does what State after State throughout the Nation has done.

The need for this legislation can be seen in the fact that a man earns less by working for a living than if he goes on the already crowded relief roles of the city. Working for 50 or 60 hours a work for $1 an hour or less not only provides a less than adequate income but it saps the strength, morale, and will to work of even the best of our citizens.

Many of the problems of the District can be traced to the lack of a wage scale that is equitable and adequate. This bill is designed to see that all of the people of the District have a minimum livable wage, and hours of work that are fair for the employer and fair for the individual.

Mr. Speaker, the time has come for the Congress to take action in this field. Let us not delay providing a decent income for the people of the District. Let us not delay in expressing our concern for the problems of the District. Let us not delay taking appropriate action and realizing that a family cannot live on an income of $1 or less per hour. This is 1962, Mr. Speaker, and we must see to it that employers pay their employees wages commensurate with the economic conditions that prevail in the Nation today.

AIR FORCE PROCUREMENT

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Kastenmeier] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I call to the attention of the House the April 17, 1962, report to the Congress by the Comptroller General of the United States. The report is titled: "Examination of Procurement of 1,700 Gallons Unassembled Jettisonable Fuel Tanks by the Department of the Air Force Under Negotiated Fixed-Price Contracts With Beech Aircraft Corp., Wichita, Kans., and Fletcher Aviation Corp., Rosemead, Calif."

I am sorry to say that this report details sloppy business habits, costing $1,537,000, topped off with delaying tactics, buckpassing, and failure to meet responsibilities by the Air Force.

The Comptroller General shows in detail how $1,537,000 of taxpayers' money was wasted by the Air Force in procurement of jettisonable fuel tanks for B-47 bombers. The record shows that failure to make tests before beginning production meant a waste of time, money, and material on this project.

Although the Air Force had preproduction plans ready 4 months before contracts were awarded, their records show that no one was aware that plans showed that the tanks could not fit into the containers made for them. When the Comptroller General asked about this, the Air Force attempted to pass the buck to the Fletcher Aviation Corp. by saying that design changes after the contracts had led to the inability to match tanks with containers. This is simply false.

I would like to quote from page 17 of the Comptroller General's report:

> Air Force records indicate that the Air Force was not aware that it was impossible to package the unassembled tanks in the metal shipping containers until the first container was delivered to Fletcher in October 1956, about 20 months after the Air Force received and accepted the drawings from Beech, 16 months after the first production contract was awarded to Fletcher, and 8 months after the second production contract was awarded to Beech. Further, the Air Force did not determine until November 1956 that the unassembled tank, which, according to the development contract was to be capable of being assembled in 3 man-hours, could not be assembled by experienced mechanics in 3 days. Had the Air Force made a timely determination that procurement of unassembled tanks was not feasible, the contracts could have been awarded to provide for production of assembled tanks, as was provided by contract amendments after this determination eventually was made, and unnecessary costs to the Government of about $1,537,000 could have been avoided. There seems to have been adequate time, during the development contract and during the period between acceptance of the drawings and award of the first production contract, for the Air Force to make a determination as to whether unassembled tanks and metal containers, made in accordance with the drawings furnished by Beech, would meet Air Force specifications and requirements.

When proper procedures to prevent such foulups in future were recommended, the Air Force failed to inform the Comptroller General of any steps it planned to take.

In these circumstances, Mr. Speaker, there is nothing to do but recommend that the Secretary of Defense himself require the Air Force to institute adequate businesslike procedures to save useless wastes of millions of dollars.

PRESIDENTIAL ADVISORY COUNCIL ON EDUCATION

Mr. GIAIMO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I am privileged to join my distinguished colleague from New York, the Honorable John Lindsay, in sponsoring legislation to establish a Presidential Advisory Council on Education. I feel strongly that such a Council would give needed emphasis to the serious problems facing our educational system and our efforts to solve them.

The multiplicity of arguments surrounding the issue of education threatens to obscure and confuse the true magnitude of the problem. I am sure I need not remind my colleagues that the future of our civilization and our philosophy is dependent upon the excellence of our educational systems. Unfortunately, the need to assure such excellence has been overshadowed by the arguments for and against the forms of aid which should or should not be offered to education on any level. There is diversity of opinion on scholarship provisions, on the need for classrooms, on the proper treatment of increases in teachers' salaries. There is intense discussion on the providing of aid to public and/or private schools, on programs to assist institutions of higher learning, on proposals to meet the needs of technical and scientific education, on the nature of improving the quality of our educational systems.

Mr. Speaker, much of our country's foundation is based on reverence for education. The increasing complexity of our world requires high-level concentration on the problems of our educational system. We can benefit from the refreshing, distinguished approach which would be provided by a Presidential Advisory Council on Education. This Council would advise the President on matters concerning all levels of education. The members would be selected on the basis of their understanding of educational requirements and interest in and experience with our entire educational system. The Council would also make recommendations for the correlation and coordination of the many Federal activities now concerned with education. The Council's recommendations would be valuable guideposts in our work as well as in the work of the executive branch.

We must draw on the talents and experiences of every American who can assist us in our concerted efforts to bring our educational institutions to the high level of performance that is demanded by our times. This Council's work would be invaluable, and its contributions immeasurable.

Mr. Speaker, I am pleased to join with my colleague in sponsoring this proposal.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. Riley (at the request of Mr. Albert), for an indefinite period, on account of illness.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. Roosevelt, to transfer his special order for 30 minutes, today, to Monday, May 28, 1962.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Santangelo and to include extraneous matter.

Mr. Fino.

Mr. Rhodes of Arizona in two instances and to include extraneous material, including Mr. Rhodes' questionnaire and its results.

Mr. Pucinski.

Mr. George P. Miller.

(The following Members (at the request of Mr. Giaimo) and to include extraneous matter:)

Mr. King of California.

Mr. Toll.

Mr. Kastenmeier.

(The following Member (at the request of Mr. Schneebeli) and to include extraneous matter:)

Mr. Bow.

ADJOURNMENT

Mr. GIAIMO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until Monday, May 28, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2109. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1963 involving a net decrease in the amount of $2,111,000 for the Department of the Interior (H. Doc. No. 422); to the Committee on Appropriations and ordered to be printed.

2110. A letter from the Comptroller General of the United States, transmitting a report on the review of the development and procurement of similar-type helicopters within the Department of Defense; to the Committee on Government Operations.

2111. A letter from the Director, Administrative Office, U.S. courts, transmitting a draft of a proposed bill entitled "A bill to amend section 1391 of title 28 of the United States Code relating to venue"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THORNBERRY: Committee on Rules. House Resolution 667. Resolution for consideration of H.R. 5532, a bill to amend the Armed Services Procurement Act of 1947; without amendment (Rept. No. 1736). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 668. Resolution for consideration of H.R. 8845, a bill to amend chapter 73 of title 18, United States Code, with respect to obstruction of investigations and inquiries; without amendment (Rept. No. 1737). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 315. An act for the relif of Dr. Ting-Wa Wong; without amendment (Rept. No. 1729). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1962. An act for the relief of Kenneth David Wooden; without amendment (Rept. No. 1730). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2011. An act for the relief of Antonia Longfield-Smith; without amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2099. An act for the relief of Tina Jane Beland; without amendment (Rept. No. 1732). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2143. An act for the relief of Mrs. Eva London Ritt; with amendment (Rept. No. 1733). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2147. An act for the relief of Felipe O. Pagdilao; without amendment (Rept. No. 1734). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1609. A bill for the relief of Demitrios Dunis; with amendment (Rept. No. 1735). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS of Texas:

H.R. 11899. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for a Federal telecommunications fund; to the Committee on Government Operations.

H.R. 11900. A bill to provide that the Federal Government shall assume the risks of its fidelity losses; to the Committee on Post Office and Civil Service.

By Mr. BURKE of Massachusetts:

H.R. 11901. A bill to amend section 4142 (relating to the definition of radio and television components) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. GIAIMO:

H.R. 11902. A bill to establish a President's Advisory Council on Education; to the Committee on Education and Labor.

By Mr. GARMATZ:

H.R. 11903. A bill to amend the act of August 1, 1939, chapter 409, as amended, to provide for the registration of professional nurses as staff officers in the U.S. merchant marine; to the Committee on Merchant Marine and Fisheries.

By Mr. LINDSAY:

H.R. 11904. A bill to establish a President's Advisory Council on Education; to the Committee on Education and Labor.

By Mr. MORGAN:

H.R. 11905. A bill to establish the Capitol Hill National Historical Park and to provide for the protection and preservation of its historic character, dignity, and environment; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H.R. 11906. A bill to strengthen the competitive system by assisting qualified small-business concerns to obtain leases of commercial and industrial property, where stringent credit requirements to exclude such concerns, by authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals under such leases; to the Committee on Banking and Currency.

By Mr. PUCINSKI:

H.R. 11907. A bill to provide for payment for hospital services, skilled nursing home services, and home health services furnished to aged beneficiaries under the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. PURCELL:

H.R. 11908. A bill authorizing the reconstruction of the Lake Kemp Dam on the Wichita River, Tex., in the interest of flood control and allied purposes; to the Committee on Public Works.

By Mr. ROOSEVELT:

H.R. 11909. A bill to strengthen the competitive enterprise system by assisting qualified small-business concerns to obtain leases of commercial and industrial property, where stringent credit requirements tend to exclude such concerns, by authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals under such leases; to the Committee on Banking and Currency.

By Mr. ST. GERMAIN:

H.R. 11910. A bill to amend the District of Columbia minimum wage law to provide broader coverage, improved standards of minimum wage and maximum hours protection, and improved means of enforcement; to the Committee on the District of Columbia.

By Mr. WALTER:

H.R. 11911. A bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens; and for other purposes; to the Committee on the Judiciary.

By Mr. BROYHILL:

H.J. Res. 721. Joint resolution to provide for the preservation and protection of certain lands in Arlington and Fairfax Counties, Va., and Montgomery County, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KING of New York:

H. Con. Res. 478. Concurrent resolution expressing the sense of the Congress with respect to participation by the United States with foreign nations or international bodies in a program for the utilization and exploratory of space; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. Res. 663. Resolution to provide additional funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. COOK:

H. Res. 664. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. KING of New York:

H. Res. 665. Resolution to establish a House Committee on the Captive Nations; to the Committee on Rules.

By Mr. SILER:

H. Res. 666. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Massachusetts:

H.R. 11912. A bill for the relief of Mr. Ng Ying-Lung and Mrs. Ng Lau Kwen; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 11913. A bill for the relief of Pierre Eli Dokhan, also known as Pierre Eli Dokan; to the Committee on the Judiciary.

By Mr. WALTER:

H.R. 11914. A bill for the relief of Charles Gambino; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

357. By Mr. COHELAN: Petition of University of California Young Democrats urging enactment at this session of the Congress of the King-Anderson health care bill, and also urging that the deductible provision of this bill be deleted; to the Committee on Ways and Means.

358. By Mr. NIX: Petition of Retail, Wholesale & Department Store Union, Locals Nos. 362, 375, and 1034, AFL–CIO, favoring the Anderson-King bill to alleviate the hardship and suffering of many of our senior citizens by providing hospitalization; to the Committee on Ways and Means.

359. By the SPEAKER: Petition of Ruth A. Mendenhall, corresponding secretary, the California State Association of Emblem Clubs, Downey, Calif., petitioning consideration of their resolution with reference to requesting that they be placed on record as urging an unending fight against communism; to the Committee on Un-American Activities.

SENATE

THURSDAY, MAY 24, 1962

The Senate met at 10 o'clock a.m., and was called to order by Hon. J. J. HICKEY, a Senator from the State of Wyoming.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal God, who hast been the hope and strength of all generations, and who hast breathed into Thy earth-children, made in Thy image, the passion to seek Thee and, in seeking, to surely find Thee: To Thy servants here dedicated to the welfare of the state, grant, we beseech Thee, a clearer vision of the unlimited resources which await those who walk in the way of Thy will.

As we stand on these ramparts of freedom, with all mankind—the free and the enslaved—looking and listening to that which is said or done here, let all bitterness and wrath and intemperate speaking be put away, with all malice; and may we be kind to one another, tenderhearted and forgiving, even as Thou, our Father, forgivest our trespasses against Thy love and against the welfare of Thy other children.

We pray in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 24, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. J. J. HICKEY, a Senator from the State of Wyoming, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. HICKEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 23, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 107) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 1348) for the relief of William Burnice Joyner.

The message further announced that the House had passed a bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 11737) to authorize appropriations to the National Aeronautics and Space Administration for research, development, and operation; construction of facilities; and for other purposes, was read twice by its title and referred to the Committee on Aeronautical and Space Sciences.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. HUMPHREY, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the Public Lands Subcommittee of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

On request of Mr. HUMPHREY, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

LEAVE OF ABSENCE

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin [Mr. WILEY] be permitted to absent himself from the Senate today and tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Amendment of Section 3552 of the Revised Statutes, Relating to Proceeds From Distribution of Certain Coins

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 3552 of the Revised Statutes, as amended, to provide that the proceeds from the distribution and sale of uncirculated coins shall be reimbursed to the appropriation from which the expenses of manufacture and distribution were paid (with accompanying papers); to the Committee on Banking and Currency.

Report on Prime Contract Awards to Small and Other Business Firms

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on Department of Defense prime contract awards to small and other business firms, for the period July 1961–March 1962 (with an accompanying report); to the Committee on Banking and Currency.

Report on Review of Development and Procurement of Similar-Type Helicopters Within Department of Defense

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of the development and procurement of similar-type helicopters within the Department of Defense, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force (Rept. No. 1527).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 2107. A bill to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity (Rept. No. 1528); and

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949 (Rept. No. 1529).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 3016. A bill to amend the act of March 2, 1929, and the act of August 27, 1935, relating to loadlines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes (Rept. No. 1530).

By Mr. ENGLE, from the Committee on Commerce, with amendments:

S. 1184. A bill to conform the provisions of section 802 of the Merchant Marine Act, 1936, with those of section 510 thereof as amended by Public Law 86–575, approved July 5, 1960, and for other purposes (Rept. No. 1531).

AMENDMENT OF COMMUNICATIONS ACT OF 1934—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 1526)

Mr. PASTORE. Mr. President, from the Committee on Commerce, I report favorably, with an amendment, the bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus, and I submit a report thereon.

I ask unanimous consent that the report may be printed, together with minority views of the Senator from Maryland [Mr. BUTLER] and the Senator from New Hampshire [Mr. COTTON].

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed as requested by the Senator from Rhode Island.

ADDITIONAL FUNDS FOR COMMITTEE ON ARMED SERVICES—REPORT OF A COMMITTEE

Mr. SYMINGTON, from the Committee on Armed Services, reported an original resolution (S. Res. 345); which was referred to the Committee on Rules and Administration, as follows:

Resolved, That S. Res. 295, agreed to February 22, 1962, authorizing a study by the Committee on Armed Services on strategic and critical stockpiling, is amended on page 2, line 14, by striking "$30,000," and inserting in lieu thereof "$80,000."

REPORT ENTITLED "SMALL BUSINESS LEASE GUARANTEES"—REPORT OF A COMMITTEE—INTRODUCTION OF BILL (S. REPT. NO. 1532)

Mr. SPARKMAN. Mr. President, I am pleased to file a report of the Senate Small Business Committee entitled "Small Business Lease Guarantees." Concurrently, I introduce, for appropriate reference, a bill intended to carry out the principal recommendation of this report. Joining me in the report and as cosponsor of the bill are Senators HUMPHREY, WILLIAMS of New Jersey, LONG of Louisiana, MORSE, BIBLE, RANDOLPH, ENGLE, BARTLETT, and MOSS.

I ask unanimous consent that it lie on the table for 10 days.

I am also pleased to announce that counterpart bills are being introduced in the other body today by the gentleman from Texas [Mr. PATMAN] the distinguished chairman of the House Small Business Committee; and by the gentleman from California [Mr. ROOSEVELT], the able and vigorous chairman of that committee's Subcommittee No. 5, which works in the field of distribution problems affecting small business.

For some time, Mr. President, the Senate Small Business Committee has been concerned with the difficulties encountered by many seasoned small businesses in obtaining leases of choice commercial and industrial locations. In 1959, under the leadership of Senators HUMPHREY and WILLIAMS of New Jersey, our subcommittee on retailing and distribution practices conducted public hearings on the situation in suburban shopping centers.

Those hearings revealed that, not only in shopping centers but in other properties, downtown, and suburban, the small businessman was often being prevented from negotiating leases that not only he but his prospective landlord felt to be in their mutual best interest. This situation prevailed and still prevails because of the requirement of mortgage lenders that developers seeking loans must have leases with a sufficient number of tenants having triple A-1 credit rating to cover all mortgage payments.

Last December, at hearings of the full committee, we explored the question whether it would be feasible and desirable to remedy this situation through a program in which the Federal Government, through the Small Business Administration, would participate with the private surety industry in issuing guarantees of rental payments under the leases of qualified and experienced small businessmen. Such a guarantee would make the lease of a small businessman as safe an investment for a developer and his mortgage lender as the lease of a triple A-1 credit-rated big business.

The conclusion of the entire committee, Mr. President, is that the existence of a severe small business problem has been demonstrated. The conclusion and recommendation of the majority of the committee is that a Federal program for participating and, if necessary, direct lease guarantees by the Small Business Administration, is feasible and desirable. A minority of the committee—Senators SALTONSTALL, JAVITS, COOPER, SCOTT, PROUTY, and COTTON—feels that it is within the capability of the private surety industry to deal with this problem and that, accordingly, no new Federal program should be created until that industry has had more time to attempt a solution entirely within the framework of private enterprise.

The majority's recommendation, and the bill we are introducing today, would authorize the Small Business Administration to issue lease guarantees in participation with private surety companies only if no entirely private guarantee were available. Direct, entirely Federal guarantees would be authorized to be issued, only if no participation guarantees were available. The program, in this respect, would follow the pattern of the well-established SBA loan program.

I ask unanimous consent that there be printed in the RECORD, at the conclusion of my remarks, the text of the bill and a summary, taken from the committee's report, of seven criteria met by the recommended legislation.

The ACTING PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Alabama; and the bill will be received and appropriately referred, and without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from Alabama.

The bill (S. 3345) to strengthen the competitive enterprise system by assisting qualified small-business concerns to obtain leases of commercial and industrial property, where stringent credit requirements tend to exclude such concerns, by authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals under such leases, introduced by Mr. SPARKMAN (for himself, and Senators HUMPHREY, WILLIAMS of New Jersey, LONG of Louisiana, MORSE, BIBLE, RANDOLPH, ENGLE, BARTLETT, and Moss), was received and read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Small Business Investment Act of 1958 is amended by adding after title III of a new title as follows:

"TITLE IV—LEASE GUARANTEES

"Policy and purpose

"SEC. 401. The Congress finds that small business concerns, even though well-established, sound, and successful, often cannot obtain leases of commercial and industrial property because of the requirements (particularly the minimum net worth requirement) imposed with respect to prospective lessees by the interested lending institutions. Such concerns are therefore placed at a competitive disadvantage, impairing their growth and development, thus weakening the competitive free enterprise system and preventing the orderly development of the national economy. It is the purpose of this title to assist qualified small business concerns to obtain leases of commercial and industrial property, where unduly stringent credit requirements for prospective lessees exist, by authorizing the Small Business Administration to guarantee, directly or in participation with others, the payment of rentals under such leases.

"Authority of the Administration

"SEC. 402. (a) The Administration may, whenever it determines such action to be necessary or desirable in furtherance of the purposes of this title, and upon such terms and conditions as it may prescribe, guarantee the payment of rentals under leases of commercial and industrial property entered into by qualified small business concerns, to enable such concerns to obtain such leases, and any such guarantee may be made or effected either directly or in cooperation with any qualified surety company or other qualified company through a participation agreement with such company. The foregoing powers shall be subject, however, to the following restrictions and limitations:

"(1) No guarantee shall be issued by the Administration (A) if a guarantee meeting the requirements of the applicant is otherwise available on reasonable terms, and (B) unless the Administration determines that there exists a reasonable expectation that the small business concern in behalf of which the guarantee is issued will perform the covenants and conditions of the lease.

"(2) The Administration shall, to the greatest extent practicable and consistent with the purposes of this title, exercise the powers conferred by this section in cooperation with qualified surety or other companies on a participation basis.

"(b) The Administration shall fix a uniform annual fee for its share of any guarantee under this section which shall be payable in advance at such time as may be prescribed by the Administrator. The amount of any such fee shall be determined in accordance with sound actuarial practices and procedures, but in no case shall such amount exceed two and one-half per centum per annum of the minimum annual guaranteed rental payable under any guaranteed lease: *Provided,* That the Administration shall fix the lowest fee that experience under the program established hereby has shown to be justified. The Administration may also fix such uniform fees for the processing of applications for guarantees under this section as the Administrator determines are reasonable and necessary to pay the administrative expenses that are incurred in connection therewith.

"(c) In connection with the guarantee of rentals under any lease pursuant to authority conferred by this section, the Administrator may require, in order to minimize the financial risk assumed under such guarantee—

"(1) that the lessee pay an amount, not to exceed one-fourth of the minimum guaranteed annual rental required under the lease, which shall be held in escrow and shall be available (A) to meet rental charges accruing in any month for which the lessee is in default, or (B) if no default occurs during the term of the lease, for application (with accrued interest) toward final payments of rental charges under the lease;

"(2) that, upon the occurrence of a default under the lease, the lessor shall, as a condition precedent to enforcing any claim under the lease guarantee, utilize the entire period, for which there are funds available in escrow for payment of rentals, in reasonably diligent efforts to eliminate or minimize losses, by releasing the commercial or industrial property covered by the lease to another qualified tenant, and no claim shall be made or paid under the guarantee until such effort has been made and such escrow funds have been exhausted;

"(3) that the guarantor(s) of the lease will become successor(s) of the lessor for the purpose of collecting from a lessee in default rentals which are in arrears and with respect to which the lessor has received payments under a guarantee made pursuant to this section; and

"(4) such other provisions, not inconsistent with the purpose of this title, as the Administrator may in his discretion require.

"Powers

"SEC. 403. Without limiting the authority conferred upon the Administrator and the Administration by section 201 of this Act, the Administrator and the Administration shall have, in the performance of and with respect to the functions, powers, and duties conferred by this title, all the authority and be subject to the same conditions prescribed in section 5(b) of the Small Business Act with respect to loans, including the authority to execute subleases, assignments of lease, and new leases with any person, firm, organization, or other entity, in order to aid in the liquidation of obligations of the Administration hereunder.

"Fund

"SEC. 404. (a) There is hereby established a revolving fund for use by the Administration in carrying out the provisions of this title. Initial capital for such fund shall consist of not to exceed $50,000,000 allocated to that purpose by the Administrator from the fund established under section 4(c) of the Small Business Act. Into such fund there shall be deposited all receipts from the guarantee program authorized by this title. Moneys in such fund not needed for the payment of current operating expenses or for the payment of claims arising under such program may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as initial capital for such fund shall be returned to the fund established by section 4(c) of the Small Business Act, in such amounts and at such times as the Administration determines to be appropriate, whenever the level of the fund herein established is sufficiently high to permit the return of such moneys without danger to the solvency of the program under this title.

"(b) Section 4(c) of the Small Business Act is amended—

"(1) by striking out '$1,200,000,000' each place it appears and inserting in lieu thereof '$1,250,000,000'; and

"(2) by striking out '$325,000,000' and inserting in lieu thereof '$375,000,000'."

SEC. 2. The table of contents of the Small Business Investment Act of 1958 is amended by inserting after the analysis of title III the following:

"TITLE IV—LEASE GUARANTEES

"Sec. 401. Policy and purpose.
"Sec. 402. Authority of the Administration.
"Sec. 403. Powers.
"Sec. 404. Fund."

The summary presented by Senator SPARKMAN follows:

1. The Small Business Administration (SBA) would be authorized to "guarantee the payment of rentals under leases entered into by qualified small business concerns of commercial and industrial properties to enable such concerns to obtain such leases." The SBA would be required, to the greatest extent practicable, to issue such guarantees in participation with qualified surety or other companies; but it would have power to issue full guarantees directly, if no private participation could be found.

2. A guarantee could be issued only upon a showing that no comparable guarantee was available from private sources, and that the applicant small business might reasonably be expected to perform the conditions and covenants of its lease.

3. The program would be set up on sound actuarial principles and should be fully self-supporting; however, the Administration would be limited to a maximum fee of 2½ percent per annum of the minimum guaranteed annual rentals, and would be required to charge the lowest fee that experience justified. Reasonable and necessary fees for processing applications would be authorized.

4. The SBA would be authorized to require small businesses receiving guarantees to make a deposit of 3 months' advance rental, to minimize risk of loss. The deposit would be utilized to pay rentals for any month in which a default occurred. At the end of the lease term, the deposit, if not needed to meet defaults, would be applied, with accrued interest, to meet final rental payments under the lease.

5. The lessor's first claim, in the event of default, would be upon the lessee's 3-month advance-rental escrow fund. During the period covered by the escrow, at least—and longer if the lease provided—the lessor would be obligated to endeavor to re-lease the premises. No claim against the guarantor(s) would be entertained until the escrow was exhausted and the effort to re-lease for the specified time, had been made. The guarantor(s) would be subrogated to the lessor's rights against the lessee, once any claims of the lessor against the lessee had been met by the guarantor(s).

6. The SBA would be authorized to establish additional rules, regulations, and limitations.

7. A $50 million separate revolving fund would be established to meet initial administrative costs and claims. All fees, both for guarantee premiums and for application processing, would be deposited into the fund.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Lucius D. Battle, of Florida, to be an Assistant Secretary of State;

Wymberley DeR. Coerr, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Uruguay;

Seymour M. Peyser, of New York, to be Assistant Administrator for Development Financing, Agency for International Development;

Mrs. Eugenie Anderson, of Minnesota, to be Envoy Extraordinary and Minister Plenipotentiary to Bulgaria; and

Adm. Alan G. Kirk, U.S. Navy, retired, of New York, to be Ambassador Extraordinary and Plenipotentiary to China.

By Mr. EASTLAND, from the Committee on the Judiciary:

Louis C. LaCour, of Louisiana, to be U.S. attorney for the eastern district of Louisiana;

Ben Hardeman, of Alabama, to be U.S. attorney for the middle district of Alabama;

Roland S. Mosher, of Arizona, to be U.S. marshal for the district of Arizona; and

Edward Hussey, Jr., of Delaware, to be U.S. marshal for the district of Delaware.

By Mr. CANNON, from the Committee on Armed Services:

Maj. Gen. Theodore William Parker, Army of the United States (brigadier general, U.S. Army), to be assigned to a position of importance and responsibility designated by the President, to serve in the rank of lieutenant general;

Lt. Gen. John Honeycutt Hinrichs, Army of the United States (major general, U.S. Army), to be placed on the retired list; and

Maj. Gen. August Schomburg, U.S. Army, to be assigned to a position of importance and responsibility designated by the President, to serve in the rank of lieutenant general.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. THURMOND:

S. 3339. A bill for the relief of Robert Murray McIntosh; to the Committee on the Judiciary.

By Mr. CHAVEZ (by request):

S. 3340. A bill to repeal a portion of the Second Supplemental National Defense Appropriations Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. CHAVEZ when he introduced the above bill, which appear under a separate heading.)

By Mr. BARTLETT (for himself and Mr. GRUENING):

S. 3341. A bill to authorize the transportation of privately owned motor vehicles of Government employees assigned to duty in Alaska; to the Committee on Government Operations.

By Mr. CHURCH (by request):

S. 3342. A bill to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (by request):

S. 3343. A bill to amend section 14 of the Natural Gas Act; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON (by request):

S. 3344. A bill to authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. HUMPHREY, Mr. WILLIAMS of New Jersey, Mr. LONG of Louisiana, Mr. MORSE, Mr. BIBLE, Mr. RANDOLPH, Mr. ENGLE, Mr. BARTLETT, and Mr. MOSS):

S. 3345. A bill to strengthen the competitive enterprise system by assisting qualified small-business concerns to obtain leases of commercial and industrial property, where stringent credit requirements tend to exclude such concerns, by authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals under such leases; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT (by request):

S.J. Res. 190. Joint resolution authorizing the acquisition of certain property in the District of Columbia and its conveyance to the International Monetary Fund, on a full reimbursement basis, for use in expansion of its headquarters; to the Committee on Foreign Relations.

(See the remarks of Mr. FULBRIGHT when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

ADDITIONAL FUNDS FOR COMMITTEE ON ARMED SERVICES

Mr. SYMINGTON, from the Committee on Armed Services, reported an original resolution (S. Res. 345) to provide additional funds for the Committee on Armed Services, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. SYMINGTON, which appears under the heading "Report of a Committee.")

RELIEF OF CHINESE REFUGEE PROBLEM

Mr. DODD (for himself, Mr. HUMPHREY, Mr. DOUGLAS, Mr. ENGLE, and Mr. MUNDT) submitted a resolution (S. Res. 346) to express the sense of the Senate on relieving the Chinese refugee problem, which was referred to the Committee on Foreign Relations.

(See the above resolution printed in full when submitted by Mr. DODD, which appears under a separate hearing.)

REPEAL OF PORTION OF SECOND SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION ACT, 1943

Mr. CHAVEZ. Mr. President, by request, I introduce, for appropriate reference, a bill to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, and for other purposes. I ask unanimous consent that a letter from the Administrator, General Services Administration, requesting the proposed legislation, be printed in the RECORD, including the bill.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter, including the bill, will be printed in the RECORD.

The bill (S. 3340) to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, and for other purposes, introduced by Mr. CHAVEZ, by request, was received, read twice by its title, and referred to the Committee on Public Works.

The letter, including the bill, presented by Mr. CHAVEZ, is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., May 21, 1962.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith, for referral to the appropriate committee, a draft bill prepared by this agency "To repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, and for other purposes."

This proposal is part of the legislative program of General Services Administration for 1962.

The language to be repealed constitutes section 317 of title 40 of the United States Code, which relates generally to the purchase and installation of air-conditioning equipment in Government-owned or leased buildings in the District of Columbia, and reads as follows:

"All electric fans, water-cooling units and air-conditioning equipment procured by a Federal activity, except Government-owned corporations, and which are now, or may hereafter be, installed in Government-owned or leased buildings in the District of Columbia and area adjacent thereto, operated by the Administrator of General Services, shall be and remain in the custody and under the control of said Administrator without exchange of funds and irrespective of the appropriations from which such items were procured or the source from which they were obtained, and existing appropriations or, unless specifically so provided, future appropriations, other than appropriations to the Administrator of General Services, shall not be available for the purchase or installation of the equipment enumerated herein in such buildings, such restrictions shall not apply, however, to ventilating and temperature and humidity control equipment for special laboratory, scientific, and research purposes, the cost of the purchase and installation of which may be borne from the appropriations of the particular Federal agency utilizing such equipment, but such installations shall be subject to approval by the General Services Administration and subsequent to its installation the equipment shall be maintained and operated by the General Services Administration and shall remain under the custody and control of such Administration without exchange of funds."

This act has been the subject of much misinterpretation and misunderstanding on the part of the tenant agencies and has been the source of friction between representatives of General Services Administration and other agencies for the reasons stated below. The need for this act has long since run its course, since regulations issued pursuant to title II of the Federal Property and Administrative Services Act of 1949, as amended (63 Stat. 377), require General Services Administration's approval of air-conditioning equipment in buildings operated by it and provide for the installation to be made by General Services Administration on a reimbursable basis.

In this age of mechanization air conditioning has become almost a necessity, largely because of the requirement therefor in the installation and operation of electronic data processing and other heat-emitting or constant temperature machines. General Services Administration cannot possibly foresee and budget for air conditioning essential to the operation of such machines, which may be installed at any time. Under the present law we can accept reimbursement for air conditioning and similar equipment in the District of Columbia only if it is determined to be for special laboratory, scientific, and research purposes, language so vague as to make the determination extremely difficult in many instances, but at the same time too narrow to cover many purposes for which electronic data processing equipment is now being used.

In addition, the present trend toward block-type building design and the use of interior space in other types of buildings create a particular problem when heat-emitting equipment is used in nonventilated space. The normal design does not provide sufficient cooling to compensate for process equipment necessitating supplemental air-conditioning equipment, the need for which General Services Administration cannot anticipate. Unless we are permitted to accept reimbursement for this equipment, it may render the space unusable for the purposes intended.

The entire subject of reimbursement from the various departments and agencies which General Services Administration services has recently undergone a thorough analysis and a series of guidelines have been established which are more than adequate to cover the problem of accepting reimbursement for air conditioning in the District of Columbia.

For the reasons stated above, prompt and favorable consideration of the enclosed draft bill is recommended.

Enactment of this legislation will not increase the budgetary requirements of the General Services Administration.

The Bureau of the Budget has advised that from the standpoint of the administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,
BERNARD L. BOUTIN,
Administrator.

S. 3340

A bill to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 999), as amended, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That that portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942, in the second paragraph under the heading "Federal Works Agency, Public Buildings Administration" (56 Stat. 999), beginning with the words *"Provided further"* in line 9 and ending with the words "in such buildings" in line 22 of such paragraph, as amended by the Act of October 26, 1949 (63 Stat. 930, c. 757), be and the same hereby is repealed.

AMENDMENT OF SECTION 14 OF NATURAL GAS ACT

Mr MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 14 of the Natural Gas Act. I ask unanimous consent that a letter from the Chairman of the Federal Power Commission, requesting the proposed legislation, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3343) to amend section 14 of the Natural Gas Act, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter presented by Mr. MAGNUSON is as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., May 17, 1962.
Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith for the consideration of the appropriate committee of the Senate 20 copies of a draft bill to amend section 14(a) of the Natural Gas Act so as to give the Commission broad powers to conduct investigations and collect information with respect to the gas industry similar to those now conferred upon it with respect to the electric industry by section 311 or the Federal Power Act, but without impinging upon the existing authority of other Federal agencies in areas under their jurisdiction.

There are now more than 34 million natural gas consumers. Although a great deal of the Commission's work involves rates for natural gas in the field and at the city gate, we have very little information on what the ultimate consumer pays and so far as we know this information is not available anywhere. Of all the information we publish, the annual compilation of typical bills for household electric rates arouses the most interest and has probably been the most effective instrument in spotlighting out-of-line rates and stimulating better performance by the power industry with resulting benefits to consumers. We think that the information technique is equally applicable in the natural gas field. In his message of March 14, 1962, on protecting the consumer interest, the President recommended that the Congress enact legislation to enable the Commission to provide this information.

The Commission does not have complete authority to secure information relating to all segments of the natural gas industry. The result is that neither the Federal Government, the natural gas industry, nor the consuming public can turn to any single agency and obtain comprehensive information. In contrast, the Federal Power Commission is in a position to provide complete data concerning the electric power industry. Although the trade associations compile some statistical information on the industry as a whole, it is inadequate to meet the needs of the Commission and does not afford the detailed information desired by Members of Congress, other Government agencies, and the general public.

This amendment was recommended by the Commission in its 41st annual report to the Congress for the fiscal year ended June 30, 1961. The Bureau of the Budget advises that enactment of this legislation would be in accord with the program of the President.

Respectfully,
JOSEPH C. SWIDLER,
Chairman.

EMPLOYMENT OF ALIENS IN A SCIENTIFIC OR TECHNICAL CAPACITY

Mr. ANDERSON. Mr. President, by request, I introduce for appropriate reference, a bill to authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity.

This bill was submitted by the Department of the Interior, and I ask unanimous consent that the letter from the Assistant Secretary of the Interior accompanying the draft of the proposed legislation be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3344) to authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity, introduced by Mr. ANDERSON, by request, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The letter presented by Mr. ANDERSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 14, 1962.
Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill, "To authorize the Secretary of the Interior to employ aliens in a scientific or technical capacity."

We suggest that the bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The bill would extend to this Department authority to employ aliens of any country in a scientific or technical capacity. The Secretary of the Interior is precluded by the General Government Matters Appropriation Act from using appropriations to compensate aliens whose post of duty is in continental United States unless certain statutory requirements are met. Section 502 of the General Government Matters Appropriation Act, 1962 (Public Law 87-125), provides in part:

"Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, (3) is a person who owes allegiance to the United States, or (4) is an alien from Poland or the Baltic countries lawfully admitted to the United States for permanent residence * * *. That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies."

Among the agencies that have authorities to employ and compensate aliens of any country are the National Aeronautics and Space Administration and the Atomic Energy Commission. S. 2236, 87th Congress, which would authorize the Secretary of Commerce to employ aliens in a scientific or technical capacity, passed the Senate on September 1, 1961, and is presently pending before the House Interstate and Foreign Commerce Committee.

The proposed legislation would enable this Department, in the absence of qualified U.S. citizens, to broaden its area of recruitment in searching for talented personnel with unique technical and scientific skills, regardless of the country of origin of an individual being considered. It would remove the anomalous situation whereby individual scientists of outstanding ability and experience, who are citizens of neutral countries may not be offered employment, unless they are employed on projects for which funds can be transferred from agencies that do have authority to hire such specialists.

The authority will be used to fill vacancies in current research and investigations programs that require qualified scientists and engineers with a depth of training and experience or a special combination of unusual abilities not commonly available in a single person. Lack of qualified applicants to fill present vacancies may result in postponement of needed research programs.

Examples of the kinds of specialists currently being sought include nuclear scientists skilled in mass spectrometer techniques and experienced in the absolute dating of rock specimens for geochronological studies (most of whom are Swiss nationals), scientists experienced in Arctic or Antarctic exploration with sufficiently broad training to extract maximum information from fieldwork performed at high cost under the most severe working conditions, including work performed on limited time schedules at points of observation where access is difficult, as in certain areas of Alaska (such specialists are few in number and are principally Scandinavian or Canadian nationals, of which Swedish and Finnish scientists cannot currently be employed). Other examples include scientists with technical training and linguistic ability in the central European, Asiatic, and other less well known languages, and with geographic familiarity with areas not currently accessible to travel, who would act not as translators as such, but provide scientific interpretations of materials produced in the geographic areas they know.

These specialists would be employed "* * * subject to such investigations as he (the Secretary of the Interior) may determine to be appropriate." This provision is in no way intended to permit lower investigative standards for aliens than for citizens. Rather, this provision would enable the Secretary to apply higher investigative standards for aliens if, in his discretion, he determined that such higher standards were necessary from the standpoint of the national interest.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,
D. OTIS BEASLEY,
Assistant Secretary of the Interior.

ACQUISITION AND CONVEYANCE OF CERTAIN PROPERTY TO THE INTERNATIONAL MONETARY FUND

Mr. FULBRIGHT. Mr. President, by request, I introduce a joint resolution to authorize the acquisition of certain property in the District of Columbia, and its conveyance to the International Monetary Fund on a full reimbursement basis, for use in expansion of its headquarters.

This joint resolution is being introduced at the request of the Secretary of State. I ask that a letter addressed to the President of the Senate by the Secretary of State under date of April 19, 1962, which sets forth a statement of justification for this proposal, be inserted in the RECORD as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 19, 1962.
Hon. LYNDON B. JOHNSON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I am transmitting herewith a draft of a proposed joint resolution authorizing the acquisition of cer-

tain property in the District of Columbia and its conveyance to the International Monetary Fund, on full reimbursement basis, for use in expansion of its headquarters.

The International Monetary Fund was established in 1946 to promote international monetary cooperation through a permanent institution providing machinery for consultation and collaboration on international monetary problems. Pursuant to the Bretton Woods Agreements Act the United States became an original member of the Fund. At present 75 countries have adhered to the articles of agreement of the Fund. In addition, there are pending 11 applications for membership. The Fund's headquarters were established in the District of Columbia in acordance with the requirements in the Fund's articles of agreement that the site of its principal office be located in the territory of the member country having the largest quota in the Fund. The Fund rented quarters from 1946 to 1958. In 1958 it constructed, out of its own earnings, the building which it now occupies at 19th and H Streets Northwest. At that time its membership consisted of 64 countries.

On August 1 of last year, the Managing Director of the Fund, the Honorable Per Jacobsson, addressed a request to the Governor of the Fund for the United States and Secretary of the Treasury, the Honorable Douglas Dillon, requesting the assistance of the U.S. Government in acquiring certain adjoining properties necessary for an expansion of its headquarters. Mr. Jacobsson noted that the growth in the membership and activities of the Fund necessitated the construction of an addition to the present building in order to provide adequate office space to carry on the Fund's activities. He stated that some of the land necessary for the addition had been acquired, but that efforts to acquire two needed properties had met with utter failure.

The Secretary of the Treasury thereupon transmitted the request to me with a statement of his support. He noted that the Fund provides an important part of the international facilities which are essential to its members and recommended that the Department of State request the General Services Administration to assist the Fund.

On August 8, 1961, the Department, pursuant to section 405 of the Public Buildings Act of 1949, as amended (40 U.S.C. 298b), requested the General Services Administration to furnish the desired services to the Fund on the basis of full reimbursement. Representatives of the General Services Administration have sought to purchase from the interested parties the properties located at 701 19th Street, NW., and 1831 G Street, NW. The General Services Administration has reported failure in such attempts and has recommended that in the circumstances authority to permit the public taking of the properties is necessary.

It is my view that it is in the interest of the United States that legislation be enacted auhorizing the General Services Administration to acquire the said property by purchase, condemnation, or otherwise, for conveyance to the International Monetary Fund on a full reimbursement basis. The Secretary of the Treasury concurs in this view. It is our hope that the Congress will be able to take early action on this matter.

A similar communication is being sent to the Speaker of the House of Representatives.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress.

Sincerely yours,

Dean Rusk.

Mr. FULBRIGHT. Mr. President, the subject matter of this joint resolution, according to the Parliamentarian, would normally require its referral to the Committee on Government Operations. It is my understanding, however, that the chairman of that committee has no objection to having this joint resolution referred to the Committee on Foreign Relations in view of the fact that it involves indirectly our relations with the International Monetary Fund.

Under these circumstances, I ask unanimous consent that this joint resolution be referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 190) authorizing the acquisition of certain property in the District of Columbia and its conveyance to the International Monetary Fund, on a full reimbursement basis, for use in expansion of its headquarters, introduced by Mr. Fulbright, by request, was received, read twice by its title, and referred to the Committee on Foreign Relations.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS—AMENDMENT

Mr. CASE of South Dakota (for himself, Mr. Cooper, Mr. Prouty, Mr. Fong, and Mr. Boggs) submitted an amendment, in the nature of a substitute, intended to be proposed by them, jointly, to the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies, which was ordered to lie on the table and to be printed.

FOOD AND AGRICULTURE ACT OF 1962—AMENDMENTS

Mr. HUMPHREY submitted amendments, intended to be proposed by him, to the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. CURTIS submitted an amendment, intended to be proposed by him, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

Mr. McCARTHY submitted an amendment, intended to be proposed by him, to Senate bill 3225, supra, which was ordered to lie on the table and to be printed.

EXTENSION AND IMPROVEMENT OF PUBLIC ASSISTANCE AND CHILD WELFARE SERVICES PROGRAMS OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. HARTKE submitted amendments, intended to be proposed by him, to the bill (H.R. 10606) to extend and improve the public assistance and child welfare services programs of the Social Security Act, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

NOTICE OF HEARINGS ON S. 1363 AND S. 3096, GOVERNMENT CONSTRUCTION SET-ASIDES FOR SMALL BUSINESS

Mr. PROXMIRE. Mr. President, as chairman of the Subcommittee on Small Business of the Committee on Banking and Currency, I wish to announce that the hearings previously scheduled on bills S. 1363 and S. 3096, to amend the Small Business Act to provide that the program under which Government contracts are set aside for small business shall not apply in the case of contracts for maintenance, repair, or construction, have been rescheduled for Thursday, June 7, 1962.

The hearings will begin at 10 a.m., in room 5302, New Senate Office Building.

All persons who wish to appear and testify on these bills are requested to notify Mr. Reginald Barnes, assistant counsel, Senate Committee on Banking and Currency, room 5300, New Senate Office Building, telephone Capitol 4-3121, extension 3921, at the earliest possible date.

NOTICE OF HEARING ON S. 3203, TO EXTEND THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Mr. ROBERTSON. Mr. President, as chairman of the Committee on Banking and Currency, I wish to announce that a hearing will be held on Tuesday, June 5, 1962, on the bill, S. 3203, to extend the Defense Production Act of 1950, as amended, and for other purposes.

The hearing will begin at 10 a.m., in room 5302, New Senate Office Building.

All persons who wish to appear and testify on this bill are requested to notify Mr. Matthew Hale, chief of staff, Senate Committee on Banking and Currency, room 5300, New Senate Office Building, telephone Capitol 4-3121, extension 3921.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. HUMPHREY:

Address delivered by Secretary of the Treasury Dillon, before the White House Conference on National Economic Issues, on May 22, 1962.

BIRTHDAY CONGRATULATIONS TO SENATOR ROBERTSON

Mr. STENNIS. Mr. President, in the morning hour, in order that I may make some remarks regarding one of our colleagues, I ask unanimous consent that I may speak for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. STENNIS. Mr. President, next Sunday, May 27, will mark the 75th birthday anniversary of our colleague and friend, the distinguished junior Senator from Virginia [Mr. ROBERTSON].

He was first elected to public office in 1915, when he was chosen to represent in the Virginia State Senate the counties of Rockbridge and Bedford.

After service in World War I, he resumed his place in the Virginia State Senate; and from 1922 to 1926 he served as Commonwealth's attorney of Rockbridge County, Va.

In 1926 he was appointed by the then Governor HARRY F. BYRD as chairman of the Virginia Department of Game and Inland Fisheries; and he served in that capacity for 6 years.

In 1932 he was elected Congressman at large for the State of Virginia; and from 1934 until 1946 he represented the Seventh District, which is known as the Valley District of Virginia, in the House of Representatives, where he served for 10 years as a member of the Ways and Means Committee.

He is now a member of the Senate Appropriations Committee. He is chairman of the Joint Committee on Defense Production; and is also chairman of the Senate Banking and Currency Committee, in which position he has served since February 1959.

Typically, Senator ROBERTSON is, at this moment, hard at work presiding over a morning hearing of the Defense Appropriations Subcommittee, of which he is acting chairman. I regret that my remarks are being made at a time when he is unable to hear them in person.

Mr. President, one of the great good fortunes I have had is that when I became a Member of the Senate, I was assigned a seat next to that of Senator ROBERTSON. His long and distinguished public career, which I have just now enumerated, did not merely happen; it was caused by many things. But I think one of the basic reasons is his fine and intense dedication to the public interest and to the public service, based upon his high principles of honor and integrity. During all these years he has had the mounting confidence of his own people; and just 2 years ago he received the largest popular vote ever cast in his State for a public officer in a statewide race. That fact in itself reflects the utmost and absolute confidence of his people—which is the basis, after all, for his long tenure of service.

I know, too, Mr. President, from my associations with the people of Virginia, extending over a great number of years, even before I came to this body, that the people of Virginia love Senator ROBERTSON; and their love of him is based upon the intense trust and confidence they have in him.

All of us know, too, that his colleagues here respect him very greatly. They are influenced by him. Furthermore, all of us very much enjoy our associations with him. He has a fine sense of humor. He gives us wonderful flights of oratory. He has the gift of quick repartee in debate, and he has a comprehensive knowledge of history.

In addition to his other qualities, Senator ROBERTSON is a studious man of the most remarkable scholarly attainments.

Mr. President, I recount these characteristics of our colleague in order to point out just some of the virtues and merits which go to make up a great man and a great public servant.

All of us know that his political philosophy is based in large part upon his fine knowledge of and his study of the writings of Thomas Jefferson, Woodrow Wilson, and Cordell Hull. Not only does he preach their principles, but he actually practices them.

Furthermore, Mr. President, Senator ROBERTSON is and has always been a tower of spiritual light, strength, and inspiration to his fellow men.

I am one of the 99 other Members of the Senate who hope that he will be active and will serve for many, many more years; and I extend to him our heartfelt greetings of appreciation and congratulations on his 75th birthday anniversary next Sunday.

I may say in closing that Senator ROBERTSON represents the Senate at its best.

Mr. DIRKSEN. Mr. President, I have heard with pleasure the observations of the distinguished Senator from Mississippi about our great colleague from Virginia. I understand that Senator ROBERTSON will be 3 score and 15 years old on Sunday of this week. It is of more than passing interest to me, because I recall my first ventures with WILLIS ROBERTSON in the House of Representatives. He antedated me there slightly, but I became quickly acquainted with him and fond and appreciative of this lanky, homespun Virginian, first, because of his courage, second, because of his devotion to his country, and, third, because of his complete candor.

He is one of the great public servants of our time. In all those years my respect and affection did not diminish one bit.

As I joined him in service in this body, I took particular note of his performance, which was consistent with his record in the House in all the years we were together.

So I pay testimony to a great American and to a great public servant from a great State that has been known in the history of the Republic to have nurtured and nourished so many great men, so many great minds, and so many persons with a singular devotion to the perpetuity of this great Republic.

Mr. TALMADGE. Mr. President, I desire to associate myself with the remarks of the distinguished Senator from Mississippi.

In my short service in the Senate, the intimate associations and friendships with my colleagues have been a source of particular enjoyment to me.

During this period of time I have had the very great pleasure of close association with the distinguished junior Senator from Virginia [Mr. ROBERTSON]. Along with the Senator from Mississippi [Mr. STENNIS], I have experienced the leadership of Senator ROBERTSON in our breakfast meetings on Wednesday mornings. Undoubtedly the junior Senator from Virginia is the foremost Bible scholar in the U.S. Senate.

Senator ROBERTSON is outstanding in his knowledge of history. He is an authority on the Constitution of the United States. He ranks in the forefront of those who have defended the foundations of our Republic from assault.

In addition to that, I have had the privilege of hunting and fishing with him; and in those ways one really gets to know a man.

Never in my life have I met one for whom I have greater respect or in whom I have greater confidence. I salute the distinguished junior Senator from Virginia on his forthcoming birthday; and I commend my friend, the Senator from Mississippi [Mr. STENNIS], for calling it to the attention of the Senate.

Mr. MANSFIELD. Mr. President, I join my colleagues in extending our hearty congratulations to the junior Senator from Virginia [Mr. ROBERTSON].

These congratulations are well deserved. During the past 20 years I have had the opportunity to serve with him in both the House and the Senate, and to know that he exemplifies, in the best traditions of the Senate, the faithful performance of the duties of a Senator.

Senator ROBERTSON is cooperative and understanding. He is diligent and faithful in the carrying out of his duties.

I am delighted to join the distinguished Senator from Mississippi [Mr. STENNIS] and the distinguished Senator from Georgia [Mr. TALMADGE] and other Senators, who, I know, will join in paying this tribute, in extending congratulations to one who has proved himself to be an outstanding Member of the House of Representatives and a fine and great Member of the Senate of the United States.

Mr. HUMPHREY. Mr. President, I wish to join in these expressions of congratulations to the distinguished junior Senator from Virginia [Mr. ROBERTSON], who is one of the most able and most conscientious Members of this body. I join our other colleagues in saluting Senator ROBERTSON for his years of public service and his fine accomplishments in both public and private life.

Mr. HOLLAND. Mr. President, I desire to express my affection for the Senator from Virginia [Mr. ROBERTSON].

After having followed him in the course of fishing trips, I cannot believe that he is approaching age 75.

Mr. HILL. Mr. President, I want to join my colleague the Senator from Mississippi [Mr. STENNIS] in warmly congratulating our colleague the Senator from Virginia [Mr. ROBERTSON] on his 75th birthday. It was my pleasure and privilege a few years ago to be in Staunton, Va., on a fine public occasion with WILLIS ROBERTSON and it was a source of pride and inspiration to me to see the great affection and appreciation in which he is held by the people of Virginia, the State that has given to our country so many of her noblest and greatest men. "The glory of man," said Solomon, "is strength," and WILLIS ROBERTSON is one of our country's strongest men—strong physically as attested by his health and vigor on his 75th birthday—strong intellectually—behold his works and his leadership in this body—strong morally—see his devotion to truth and justice and righteousness and his inflexible adherence thereto. On this day we proudly salute Willis Robertson, the friend, the patriot, the statesman, and the great and dedicated servant of our country.

Mr. ROBERTSON subsequently said: Mr. President, I am told that during the morning hour today several of my friends extended congratulations and good wishes to me on the approach of my 75th birthday, next Sunday.

Because I was presiding over an Appropriations Subcommittee hearing at the time, I was unable to respond to the kind words of my friends. I wish now to express my heartfelt gratitude to each of my colleagues for the thoughtfulness and friendship that prompted their comments.

I should like to add my own expression of hearty good wishes and warm congratulations to 13 other of my colleagues whose birthdays fall in the month of May. They include, in alphabetical order, Senators J. Caleb Boggs, Prescott Bush, Norris Cotton, Thomas J. Dodd, Vance Hartke, Hubert Humphrey—whose birthday and mine fall on the same date—Henry Jackson, Jacob Javits, Kenneth Keating, James B. Pearson, Alexander Wiley, John Williams, and Stephen Young.

Again, Mr. President, I wish to thank my colleagues; and I extend to all of them my warmest congratulations upon their approaching anniversaries. They have not had as many birthday anniversaries as I, but I hope they will live far longer than I, and will enjoy long life, health, and happiness.

ORBITAL FLIGHT OF LT. COMDR. MALCOLM SCOTT CARPENTER

Mr. HUMPHREY. Mr. President, at 7:45 a.m. today a man by the name of Lt. Comdr. Malcolm Scott Carpenter was projected into outer space in an orbital flight from Cape Canaveral, our great missile, rocket, and space operations base in Florida.

This was a wonderful sight to behold. Of course, we are all deeply indebted to television, radio, and the press, the news media, for recording this flight for us and giving us intimate contact with these fantastic, incredible technological developments that are related to the exploration of orbital flights and space itself.

As I understand, Lt. Comdr. Malcolm Scott Carpenter is now completing his first orbit. He is over the United States, and will soon be entering into the second orbit of this history-making flight.

The radio and television reports tell us that his space capsule will vary from approximately 85 to 150 miles from the earth in the orbital flight pattern.

The particular space capsule in which Lieutenant Commander Carpenter is now flying is known, I believe, as *Aurora 7*. It was thrust into orbit by an Atlas space booster. Everything was, as they say at Cape Canaveral, "A–OK."

What a remarkable experience it is to hear the voice of Lieutenant Commander Carpenter coming back out of the orbit on tape recording and played on radio and television, so that we here in the States and people around the whole world can hear his reports.

This is another step forward in America's experimentation in scientific exploration and manned flights in orbit and in space.

I commend all those who are responsible for this spectacular achievement. I am sure I speak for every Member of the Senate when I say the eyes of the world are on each and every effort we make, and when these efforts are successful, as this one is today—and pray God it may continue to be a complete success through the entire planned operation—and when triumph crowns our efforts, every American feels a little stronger, a little better, and a little more confident.

I believe every member of a free society feels that these achievements are not just ours; that they belong to the world; indeed, they belong to all those who seek to live a better day and to explore an uncertain future.

I commend and congratulate Lt. Comdr. Malcolm Scott Carpenter upon his courage, bravery, skill, and fitness for his task, and I join every American in wishing him well.

Mr. DIRKSEN. Mr. President, I join in the observations of my distinguished colleague from Minnesota [Mr. Humphrey] with respect to what we hope and pray will be a completely successful orbital flight.

Surely, all who have participated, all who by patience and devotion have made this a success, merit the commendation of the entire country and the gratitude of our people.

So our hopes and prayers will be with them, in the belief and in the deep conviction that this flight will be a great contribution to the advancement of mankind as we begin to reap the benefits of space exploration.

BENEFITS TO MEMBERS OF ARMED FORCES SERVING IN FAR EAST

Mr. DIRKSEN. Mr. President, on April 25 I introduced Senate Joint Resolution 180. It deals with wartime benefits for members of the Armed Forces who are subject to hostilities in any foreign country, and for other purposes.

I introduced the joint resolution after it came to my attention that there were several helicopter casualties in Vietnam and that, since it was not regarded as a combat area, those persons could not share in benefits for servicemen, and, in fact, did not merit the customary decorations.

I have noticed that since that time there have been other casualties, and I think four officers and an enlisted man have been injured just within a few days in a helicopter crash in Vietnam.

I was glad, therefore, that the Republican policy committee on May 22 took judicial notice of the fact that American troops in Thailand and Vietnam were eligible for the Purple Heart and adopted as a policy that these be entitled also to the other benefits, and that the resolution which I introduced be quickly considered.

I ask unanimous consent to have printed in the Record the entire statement of the Republican policy committee and, in connection therewith, a statement by Ray Henle in his "Three-Star Extra" program.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Republican Policy Statement

Whereas American troops are now stationed in the areas of South Vietnam and Thailand, in which regions they have been, and may further be, subjected to hostilities; and

Whereas these troops stationed in these areas are not now eligible for benefits granted to troops serving in World War I, World War II, and in the Korean conflict except for eligibility to receive the Purple Heart; and

Whereas on April 25, 1962, Senator Everett Dirksen, Republican, of Illinois, introduced Senate Joint Resolution 180, a joint resolution to provide benefits for members of the Armed Forces of the United States who are subjected to hostilities in any foreign country and for other purposes; and

Whereas said resolution has been referred to the Senate Committee on Armed Services:

The Senate policy committee therefore recommends that the Senate Armed Services Committee consider as rapidly as feasible legislation to provide appropriate benefits to members of the Armed Forces of the United States who are subjected to hostilities in any foreign country.

Bourke B. Hickenlooper,
Chairman, Republican Policy Committee.

Statement by "Three-Star Extra"

The Republican Senate policy committee resolved today that giving the Purple Heart to members of the American armed services who are subjected to hostility in the operations in the Far East is not enough and that our forces should also be given the benefits which accrue to men in war.

Senator Hickenlooper announced that the policy committee feels President Kennedy's recent action in making our men in the Far East eligible to receive the Purple Heart does not begin to meet the requirements.

The policy committee called on the Senate Armed Services Committee to forthwith recommend for favorable action by Congress the bill recently introduced by Senator Dirksen, of Illinois, the Republic Senate leader. This bill would make members of the armed services who are subjected to hostilities in the Far East eligible to receive education, survivor, and other benefits which present law extends in time of hot war and police actions such as Korea.

SOIL AND WATER STEWARDSHIP

Mr. TALMADGE. Mr. President, I have the privilege of serving as chairman of a Special Watershed Subcommittee of the Senate Committee on Agriculture and Forestry. In this capacity, I should like to draw the attention of the Senate to the fact that next week will be observed throughout our Nation as Soil Stewardship Week. It is sponsored by the 2,900 local soil conservation districts, their national association, and cooperating church groups. The theme of this year's observance is "The Stream of Life—The Water That Sustains Us."

Throughout our land next week hundreds of thousands of church observances will be held to reflect the close relationship between the teachings of the Bible and the conservation, development, and proper use of soil, water, and related resources.

We are indebted to the 15,000 soil conservation district leaders who have for 8 years inspired this annual observance. I salute, also, the thousands of clergymen in all faiths who use this observance to gain understanding of the concept of soil and water stewardship by their members and the Nation.

This point was underscored by Donald A. Williams, Administrator of the Soil Conservation Service, in a statement he issued in connection with Soil Stewardship Week observances. He said:

> Soil Stewardship Week is a time to renew our awareness of the blessings of soil and water in our daily lives. Water will be our friend or our enemy, depending largely on how we treat and manage the land on our farms and ranches and in our watersheds. For water stewardship and soil stewardship are one and the same. As we practice so shall we reap.

I salute Mr. Williams on this fine statement. I request unanimous consent to place his full statement in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

A Time for Stewardship

(By Donald A. Williams, Administrator, U.S. Soil Conservation Service)

Soil Stewardship Week, being observed across the Nation May 27 through June 3, is a time to renew our awareness of the blessings of soil and water in our daily lives. The observance is sponsored by the National Association of Soil and Water Conservation Districts cooperating with national church organizations.

This year's theme, "Water: The Stream of Life," is of special significance, for water is vital to all living things. How many times a day are we dependent on this priceless gift for necessities and for pleasures?

Water for commonplace things such as drinking, bathing, or sprinkling our lawns. Water for major purposes such as farm, city, power, or industry. Water for pleasures such as swimming, boating, or fishing.

We can enjoy the handiwork of water, our friend, in the green pastures after a soft, spring rain, the healthy crops in the field, or the flower garden in our backyard. We know that without water they could not be.

We can dread the power of water, our enemy, when we see the flooded streams and the destruction they leave behind them.

Water will be our friend or our enemy, depending largely on how we treat and manage the land on our farms and ranches and in our watersheds. For water stewardship and soil stewardship are one and the same. As we practice so shall we reap.

God gave us the gifts of soil and water to be used and enjoyed. He also gave us the responsibility for their care. One has only to see a muddy stream, a gullied hillside, or a dust storm, to know how great man's responsibility is. One has only to see a landscape of beauty, or taste pure, sparkling water or good food to know that our responsibility is worth fulfilling.

As our population expands and our cities overflow into once-rural areas, we become more conscious of the importance of water. New homes, highways, airports, shopping centers, recreational areas, and factories dramatize the increasing competitive demands we make of our remaining land and water resources.

Thousands of dedicated leaders of the Nation's more than 2,900 soil and water conservation districts have given unselfishly of their time and energy in accepting their responsibilities as stewards of soil and water in their communities. They are stewards for us all. New horizons in land use today give nonfarm people a greater opportunity than ever before to practice stewardship. Many townspeople are joining farmers and ranchers in multiple resource development of small watersheds for community development. They are accepting the challenge of stewardship. Their rewards will be great—a better and more prosperous life for all and the knowledge that they are building for the generations to come the heritage that is rightfully theirs.

Soil Stewardship Week is a time for all of us to pause and reflect on the blessings of soil and water. It is a time to remind ourselves that these blessings bring responsibilities. It is a time to remember that as man cares for the soil and water, so God intended that the soil and water should care for man.

STOCK MARKET VOTES NO CONFIDENCE

Mr. GOLDWATER. Mr. President, in the past few days the stock market appears to have climaxed a massive vote of "no confidence" in the ability of the present administration to produce a climate healthy and productive for American business. This trend has been abundantly clear ever since the Government resorted to punitive tactics in the recent steel price dispute. No matter how the New Frontier economists try to explain the stock market's behavior, there can be no doubt that the President and his advisers triggered the present slide which has sent the market to a 16-month low.

Yesterday what the newspapers described as a "near tidal wave of selling" hit the New York stock market. The Dow-Jones industrial average dropped to 626.52 points—or more than 108 points below its high in December of last year. Reliable estimates show that on the New York Stock Exchange alone losses have run over $50 billion since the first of the year. Almost half of these losses are believed to be directly attributable to the Government's high-handed tactics in the steel dispute.

The stock market today reflects—more accurately than any other indicator—the feelings of American business investors. It is sensitive to the slightest change in business climate. It reacts swiftly and drastically to governmental actions which serve either to encourage or discourage business activity and economic growth.

We know now that the American business community is not to be persuaded easily. The steady stream of reassurances stemming from administration sources are not producing the desired effect. The action of the stock market shows the fear, the indecision, and the confusion which now run rampant through the ranks of American business. It points up the need for the speedy adoption of sound fiscal policies, and actions by the Government to renew the business confidence so necessary to our national future. Words, it seems, are not enough in the present situation. The administration cannot speak loud enough to drown out the noise of governmental interference.

MEDICAL CARE FOR THE AGED

Mr. MILLER. Mr. President, the threat to our character as a people which is inherent in various welfare proposals is too often obscure. The so-called benefits of a proposed social program are made to sparkle with such brilliance that people are blinded to the fact that the "benefits" actually are injurious. Occasionally, along comes a person whose eyesight is not so blinded. Such a person is C. W. McManamy, associate editor of the Council Buffs Nonpareil. In a column titled "One of These Days Why Work at All?" which appeared in the December 12, 1961, issue of the Nonpareil, Mr. McManamy has seen through the shining "benefits" of the medical-care-for-the-aged plan and viewed the injurious effect such a program would have on our character as individuals and as a nation. Furthermore, Mr. McManamy has reported on this ominous view in down-to-earth terms that make the picture clear to all who are willing to look upon the facts of life. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

One of These Days Why Work At All?

One of the pet projects of the present administration is a medical-care-for-the-aged plan. This program is the foot in the door it seeks in its long-range goal of a national medical and hospital aid plan.

In order that all of this welfare might seem to be something for nothing, proponents would tack it on to the present social security program.

From the bureaucrats standpoint this social security program is ideal. It takes its bite from the paycheck before the employee gets that check and so he seldom misses that bite. Moreover, the program is so complicated in all of its details that few people really understand much about it. The little they think they know about their social security usually turns out to be far to optimistic.

Before anyone agrees to having anything more hooked on to this deduction scheme he will do well to take a look at what social security presently is taking and what it contemplates within the next few years.

At the moment there is a 6-percent payment on every salary up to $4,800 per year. Of this the employee pays 3 percent. The employer pays the other 3 percent, adds it into the cost of business and the employee, in the role of consumer eventually pays this 3 percent, also.

On January 1, 1962, this deduction will be increased to 6¼ percent. This will be divided 50–50 between employee and employer. By January 1, 1966, the deduction will be up to 8½ percent and by January 1, 1968, it will have risen to 9¼ percent.

All of this is simply the present social security program without any additional load. Just what the proposed medical aids would cost is anybody's guess but current estimates are centered around 3 to 4 percent.

If the social security pattern is any indication these 3-to-4-percent estimates are conservative. Granting that they are about right we could expect our deduction for this expanded program to be up to almost 15 percent by 1968.

If we couple this 15 percent with the minimum income tax take of 20 percent we find that in these two fields alone some 35 percent of our wages will be lifted from us before we ever see them.

If we then add on the multitude of hidden, and not so hidden, additional taxes it is not unreasonable to expect that 40 to 50 percent of our earnings will someday soon be going for taxes.

At about that point, or perhaps even sooner, one of the facts of socialism, which its proponents do not care to talk about, begins to catch up with us.

If a person is only to have a fractional portion of his earnings left to him in any event, and if the various and sundry welfare programs are ready and eager to care for him, then why work at all?

As more and more people adopt this philosophy it will mean higher and higher taxes on those who are working until the whole thing falls of its own weight.

Someday, just for fun, I should like to talk to a dyed-in-the-wool believer in this welfare state business just to see how he rationalizes this eventual ending.

Mr. MILLER. Mr. President, also with respect to the medicare debate which currently is being waged from Madison Square Garden and other points in the United States, in the Monday, May 21, 1962, issue of the Christian Science Monitor there was published a lead editorial entitled "The Medicare Bill Bluff," which merits the attention of all concerned. I ask unanimous consent that it may be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Medicare Bill Bluff

The administration is pretending to be much more sure than anyone can be that its particular bill for hospital care financed under the compulsory formula of the social security system will pass.

President Kennedy twice took this posture in his speech on the subject in New York. The bandwagon appeal is a familiar political campaign tactic. In this case it is being used as if the bill could be enacted by a kind of hypnotic reiteration. The tactic will not succeed if the opposition is alert.

The President objects to what he describes as misinformation in the campaign of the American Medical Association and others against the social security tax method of accomplishing what all agree is a desired objective.

The objective is to assure that all those past retirement age who encounter overwhelming health care costs shall have help in bearing what would be tragic burdens for them and their families.

This kind of help already is being given extensively by public and private health facilities, by voluntary insurance plans of many kinds, and by State and local welfare departments under the Kerr-Mills Act adopted by Congress 2 years ago.

Proponents of the King-Anderson bill for blanket coverage under the social security system and with an added social security tax seem often to imply that this problem is being wholly neglected and that any who disagree with their particular method of meeting the need are cold-heartedly unsympathetic to the "old folks" of the Nation.

The President and others speak scornfully of any methods based on need as involving a pauper's oath. This is misrepresentative of the state of welfare administration in the United States.

Two or three generations ago persons of wealth objected to invasions of their privacy by the income tax. Is it any more unreasonable for people who deserve and should receive help to make a statement of their resources than for others to file a tax return?

The means test need not involve any public obloquy. Most States permit relief recipients to obtain a helpful amount of property, and any charge against this can be in the form of a lien enforceable only after the owner is gone.

Mr. Kennedy noted the objection that the King-Anderson bill would pay benefits even to those of ample means. He was sure, he said, that millionaires would not mind paying the small social security tax for this purpose.

That is not the point. The person who should be concerned is the small salary or wage earner who will be paying this tax for many years, financing the benefits for two generations of millionaires—those of his own age and those who are now retired—in order to obtain eventual protection for himself.

If there is widespread misunderstanding of the proposal for social-security-type hospital care, this is no more attributable, if as much, to those who oppose the bill than to its advocates. If the American people take pains to inform themselves reliably on the whole subject, we believe they will reject compulsory processes for voluntary ones, and resist blanket expenditures in favor of more carefully directed ones.

Mr. MILLER. On the same subject, Mr. President, in the Washington Evening Star for May 23, 1962, there appeared another one of the timely and appropriate articles by the distinguished columnist David Lawrence, entitled "The Method of Medical Care," which I ask unanimous consent to have printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Method of Medical Care—The Goal Is Advocated by All Sides, but Financing Plan Is at Issue

(By David Lawrence)

Everybody is for medical care for the aged. Republicans and Democrats, critics and advocates of specific legislation alike—all recognize that the sick must be cared for always.

The real debate is over what method, what plan, what means of financing shall be adopted. Demagoguery will not help to find the solution.

President Kennedy's speech on Sunday was not an adequate outline of the basic issues. He talked off the cuff on a television hookup and said some things he never would have said if he had prepared his speech in advance. There were, for instance, sentences like these:

"I visited twice, yesterday and once today, a hospital, where doctors labor for a long time, to visit my father. It isn't easy—it isn't easy. He can pay his bills, but otherwise I would be. And I'm not as well off as he is. But what happens to him and to others when they put their life savings in, in a short time?"

It so happens that the elder Kennedy is reportedly worth more than $100 million, and the President, himself, it has been estimated in the press reports, is worth a sum up in the millions—some say $10 million.

The above quotation might give the impression that the President was worrying about hardship upon the wealthy. Actually, he wasn't. Later on, in the same speech, he said the millionaires would not mind contributing $12 a month to social security and that, anyway, "the National Government, through the tax laws, already takes care of them, because over 65 they can deduct all their medical expenses."

The President certainly wasn't describing a situation analogous to that which confronts many people. His plan calls for an increase in social security taxes—in some cases by as much as 17 percent. The new tax will apply to 74 million persons under social security.

All this is designed to take care of the minority who may get sick in old age and have to go to a hospital or nursing home. The new project, however, doesn't provide payments for doctors' bills, but only hospital costs and nursing care over and above the first $90. Opponents insist that the needy can be taken care of by a direct appropriation by Congress each year without raising the social security taxes. The objection of the President to this is that it requires a means test, or what he called in his Sunday speech a pauper's oath.

But the fact is that the document signed by the patient would be confidential. It's like his income tax return, which certainly is not open to public view.

Many persons who go on relief have to sign certain papers. They don't seem to mind a means test. The Government could, of course, designate by another name the money to cover the needy. It could be called a refund on previously paid taxes. Persons who are 65 years of age or over and who now are without means would hardly object to a refund of what they have paid before over the years to cover a variety of social-welfare programs of the Government that didn't benefit them directly.

There's a law on the statute books now to take care of the aged who are sick. It is called the Kerr-Mills Act, passed in 1960. It matches funds put up by the States to care for those who cannot pay their medical bills. It covers doctors and nursing as well as hospital bills. It is in operation in many States.

Funds for hospital bills for the aged can be provided through private insurance or from general taxes and thus avoid another cut in take-home pay for the workers of America. The average employee realistically considers his take-home pay as the net amount available to him for current expenses, whether he or she is 21 years old or 60.

The added social security tax for medical care for the aged is estimated at $1.6 billion for the first year and would rise to $1.9 billion in 5 years. This means that the total take-home pay of the employee and the profits of corporations will be cut by that amount. For the employer pays half of the extra social security tax increase.

Also, when an item of $1.6 billion is added to wage costs in the national economy, it is eventually reflected in higher wages and higher prices. Workers are promptly told by the labor unions that the cut in take-home pay will be offset by an increase in wages.

A direct appropriation by Congress could eventually mean less expense than the social security levy. It could be imposed through the general tax structure on those who could best afford to pay it.

The administration plan, moreover, doesn't cover everybody. There are, for instance, 9 million persons in the labor force, including the self-employed, who are not covered now by social security. Also, about 3 million individuals already 65 years of age or older are not eligible for social security benefits and would receive no medical-care aid under the Kennedy plan.

So it isn't a case of hardhearted folks opposing medical care for the aged. Everybody is in favor of this benefit. But it is a case of hardheaded financing that will put the least burden on the middle-aged and the young, so many of whom for long years ahead are going to be paying to the Government money for some things their families may never need. Systems of voluntary insurance are popular nowadays and are gradually covering more and more people.

There is supposed to be political mileage, however, for the administration in raising the issue of medical care for the aged and giving the impression that the critics are cruel persons who are opposed to providing such care.

THE LIBRARY OF CONGRESS

Mr. PELL. Mr. President, at my request, Mr. Douglas Bryant, associate director of Harvard University Library, has recently prepared a memorandum on the subject of the Library of Congress and connected library matters.

To my mind, there is considerable merit in many of the comments he has to make. I am hopeful that these proposals will be widely discussed, and that some constructive thought will be given to this field, which has not lately received much attention.

Mr. President, it is my impression that we have tended to take for granted our Library of Congress—our basic working tool which underlies all our useful scholarship, the responsible work of our Congress, and the very culture of our Nation. It is essential that the libraries function efficiently.

The time is here when we should concern ourselves with these matters and should attempt to develop a well-coordinated and forward-looking plan.

I ask unanimous consent that this very interesting memorandum be inserted in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

HARVARD UNIVERSITY LIBRARY,
Cambridge, Mass., May 1, 1962.

To the Honorable CLAIBORNE PELL:

INTRODUCTION

The purpose of this memorandum, prepared in response to your request, is to consider what the Library of Congress does and what it ought to do for the Government and the Nation generally. The Library of Congress has major responsibilities for an area in which the Nation urgently needs wise and vigorous leadership. Consequently, other agencies with closely related functions will be taken into account, and some attention will be given to the whole question of Federal participation in the affairs of American research libraries, both public and private.

The present program of the Library of Congress and related agencies will be outlined, and reasons will be given for regarding it as inadequate. Specific suggestions will be made for improvements in the present program and for additions to it that clearly seem to be in the national interest. Finally, questions of administrative machinery will be examined.

THE PRESENT PROGRAM OF THE LIBRARY OF CONGRESS AND RELATED AGENCIES

The major functions of the Library of Congress might have been assigned to three or four separate agencies. Though an explanation of why they have been combined would call for a study of history rather than of administrative logic, the results appear to be reasonably satisfactory.

First, of course, it is the Congressional Library as its name proclaims. Provision of superlative reference service to the legislative branch of the Government is paramount; indeed, a special department, the Legislative Reference Service, has been responsible for this function since 1915.

Second, it serves as the general library for the Federal Government as a whole. Scores of working libraries must be maintained by Federal agencies of all kinds, but the Library of Congress is the central collection to which all may turn for library materials and reference assistance. Coordination of Federal libraries can prevent needless duplication of facilities and improve the service that is provided; this calls for continued effort by the Library of Congress, which has a clear responsibility for leadership.

Third, it has long been evident that the Library of Congress, despite its anachronistic name, is the National Library of the United States. It has received American publications by copyright deposit for more than a century, and, in the national interest, it has built up the largest collection of books in the country, going far beyond the probably direct needs of Federal agencies. Service, moreover, has been given on a national basis; the Library is open to scholars who visit Washington, it lends books in great numbers to libraries throughout the country, and it makes thousands of photographic reproductions to serve research needs everywhere.

Fourth, it has become a national bibliographical center and the keystone in a national system of research libraries. The National Union Catalog, which records the location of books in research collections throughout the country, is an indispensable feature of the machinery of interlibrary cooperation that aspires to enable all scholars to draw upon the holdings of all American research libraries. Printed catalog cards have been sold by the millions, thus avoiding great expenditures by American libraries for duplication of cataloging. The development and publication of its system of classification and subject headings have benefited libraries everywhere, as have numerous bibliographical publications and other projects, many of them handled by the Library of Congress under contract with other Federal agencies.

Finally, the National Library's functions are not confined to the collection, cataloging, and circulation of books; there are many other ways in which it enriches the cultural life of the Capital City and of the Nation as a whole. This calls for particular emphasis in view of the fact that the American Government has not concerned itself with cultural affairs to the extent that many others have done. Washington would be poorer artistically and intellectually without the concerts and lectures that are provided by the Library of Congress. Among the members of its staff are leaders in many fields of research, and the program for consultants and fellows has given recognition to achievement in literature and music as well as in scholarship. The Library is a major collector and publisher of recorded folk music. Its Hispanic Foundation, bringing together and emphasizing resources in an area of particular importance, has genuinely contributed to cultural relations with the countries of Latin America.

It has been indicated that activities of some other Federal agencies are closely related to those of the Library of Congress. Indeed, the Department of Agriculture Library and the National Library of Medicine, now recognized as the national libraries in their fields, maintain the national research collections in their two important subjects, and collecting policies of the Library of Congress reflect this.

The Office of Education in the Department of Health, Education, and Welfare compiles useful statistics of libraries of all kinds. It administers the program of grants for rural public library development under the Library Services Act of 1956, as well as library aspects of the National Defense Education Act, but it has been chiefly concerned with public and school, rather than research, libraries.

An account of Federal activities directly affecting libraries would be incomplete without mention of the fact that the Government is a major publisher. In addition, many of its libraries serve the general public to some extent, though not on the same scale as the Library of Congress and the national research collections in agriculture and medicine, and many of its agencies sponsor important bibliographical work, some of which, as has been noted, is done under contract by the Library of Congress.

Interlibrary cooperation has been mentioned, and it ought to be emphasized that libraries work together and share their resources to an extraordinary degree. Federal libraries, university and other research libraries whether tax-supported or private, major State and municipal libraries, and special libraries maintained by great business and industrial firms—all have tried to make their holdings known to one another and to scholars generally through the national bibliographical machinery of which the National Union Catalog is the major feature, and all have cooperated by means of loans and photographic reproduction. Sixty research libraries, under a specialization agreement known as the Farmingtor plan, have tried, in the national interest, to insure more comprehensive and coordinated coverage of current foreign publications. The Midwest Inter-Library Center in Chicago is a regional collection cooperatively managed and supported by member libraries, and there are several regional bibliographical information centers. Research libraries throughout the country draw upon the Library of Congress and other Federal institutions; they also contribute, both directly and indirectly, to supplying the Federal Government's needs for research materials.

WHY THE PRESENT PROGRAM IS INADEQUATE

Libraries are not ends in themselves. The present research library system of the country has grown up in response to the needs of scholars; during recent years, however, as it has become evident that research is essential to national survival, needs have increased more rapidly than libraries have been able to meet them. It is hardly necessary to dwell upon the importance of research, but it may be worth while to point out that the materials it requires are growing enormously in complexity and in bulk. American libraries are not collecting enough. The world of scholarship was once relatively small; now it embraces every country and draws upon material in nearly every language. The printing press, moreover, has been supplemented by a variety of inexpensive devices for reproducing and disseminating the written word.

It is not enough to collect the output; bibliographical apparatus must be provided if the scholar is to know what has been published, whether it is likely to be pertinent, and where it can be obtained. Scholarship no longer moves at a leisurely pace; the needs are urgent. Bibliographical machinery has failed even more seriously than library collecting to keep up with the current flood of publications relevant to serious investigation and research. There is evidence that the present systems are breaking down, and electronic remedies have yet to be proved generally feasible.

A scarcely less serious problem confronts libraries in the form of disintegrating paper. Most of the books published during the past century have been printed on paper that cannot be expected to last for another hundred years; it will be necessary to reproduce millions of books, presumably by microphotographic means, if their content is to be preserved.

The present program of American research libraries is not good enough, and it cannot be made adequate without materially increased Federal participation. The foundations, particularly the Council on Library Resources, support experiments, but not the long-term programs that must be undertaken if libraries are to collect all they should, to provide satisfactory catalogs, indexes, and other bibliographical tools, and to preserve for posterity as much of the record of our civilization as ought to be preserved. Cooperation by libraries has great achievements to its credit, but the strong libraries, which are always taxed most heavily by cooperative efforts, cannot spend great sums in the national interest if they must do so at the expense of their own constituencies whom they are not serving adequately. It is not enough to share resources if their total is inadequate.

WHAT SHOULD BE DONE BY THE LIBRARY OF CONGRESS AND OTHER FEDERAL AGENCIES

Strong and imaginative leadership is a prime need. Library service to research is a national concern, the major research libraries are already functioning as national institutions, and only planning on a national basis can hope to accomplish what must be done. Leadership in such planning and in moving toward its objectives ought to come—not exclusively, to be sure, but in generous measure—from the National Library.

New Federal programs are needed in at least five specific areas:

1. Research and experimentation should be undertaken on a large scale in the application of modern technology to library purposes. Applications of mechanical techniques to bibliography and mechanical methods of information storage and retrieval appear to be so promising, at least in some fields of study, and the benefits to American research of a breakthrough here would be so great, that a more ambitious effort is justified than the uncoordinated experiments now underway.

2. The underdeveloped countries should be assisted in creating or strengthening their own national libraries and bibliographies listing their current publications. This will benefit scholarship throughout the world, will contribute to friendly and fruitful cultural relations with such countries, and will directly aid American libraries in building up their resources without wasteful and expensive duplication of bibliographical work.

3. Our responsibility for preservation of research materials on disintegrating paper calls for both a national plan of action by American libraries and encouragement to other nations in efforts to preserve their own publications. The material that deserves to be preserved must be identified and selected, large-scale photographic reproduction must be undertaken, adequate bibliographical apparatus must be provided, and machinery for dissemination should make what is reproduced available to scholars everywhere. If the effort fails, large segments of the useful record of civilization will be lost; if it succeeds, libraries will be enabled to serve scholarship better than every before. The costs will be large, and some Federal support is essential for the Nation's well-being.

4. Federal support for research libraries in the form of grants-in-aid is needed, just as support for scientific research and the training of scientists has been needed during recent years. Indeed, unless libraries are helped to meet their growing obligations, there is a danger that their strenuous efforts to serve the urgent requirements of science will cause them to neglect other fields. Furthermore, it should be recognized that non-Government institutions, such as the Midwest Inter-Library Center, have an integral part in the national research library system, and they should be federally supported through contracts or other appropriate means.

5. Research libraries are encountering a serious shortage of qualified personnel; at the same time they require special skills in languages and in subject fields as never before. A program of scholarships and fellowships is needed to recruit and train professional librarians; unless such aids to training and recruitment are available, there are real risks of siphoning off too high a proportion of talented young people into science technology, and other disciplines that are critically dependent upon our ability to mobilize the pertinent literature effectively.

Emphasis on the new programs that have been described above should not be allowed to obscure the importance of improving or extend a number of programs to which the Library of Congress is already committed.

1. The scope of its acquisitions programs should be considerably broadened, to assure adequate growth of the collections, both in retrospective publications and in the vastly increasing world output of research materials. It should also actively assist other research libraries to develop satisfactory channels for the procurement of materials otherwise unusually difficult to obtain, such as the official government documents of other nations and microfilms of archival materials.

2. Library of Congress holdings and Library of Congress cataloging will not serve the Nation as effectively as they should until extensive backlogs of uncataloged materials have been incorporated into the regular collections, and the Library has been provided wih manpower sufficient to catalog current acquisitions promptly.

3. Funds should be appropriated to eliminate the current arrear in recording the holdings of American libraries in the National Union Catalog. This is the most comprehensive bibliography in existence; it should be edited, extended, and published in book form. Current additions are being issued in printed volumes, and the practicability of the project has thus been demonstrated.

4. The current National Union Catalog should be mechanized (by the use of punched cards or other electronic techniques) in order to facilitate its use for subject bibliography, to reduce duplication of effort in research library cataloging, and to provide more efficient service in locating research materials.

5. The Library's currently limited program of specialized subject and other scholarly bibliographies should be greatly expanded.

6. Interlibrary loan and photographic reproduction services ought to be improved; what the Library of Congress does in these fields is so useful that it is worth doing very well indeed.

7. Service to research is not the sole mission of the Library of Congress; it should initiate and develop other appropriate activities contributing to American cultural life. Its concerts and lectures, consultants and fellows, and recordings have been mentioned, as well as the Hispanic Foundation. A review of such activities seems to demonstrate that they have been undertaken and subsequently supported only when private gifts or foundation grants were made for the purpose. Private benefactors are welcome, but it should not be necessary for the National Library to depend upon them. Late in 1959 the Carnegie Corp. made a grant to establish a small Africana section and to assist in the development of the Library's African resources. This is clearly a governmental responsibility, however, and if the Library now ought to go further and establish an African Foundation, public funds ought to be made available for the purpose.

HOW CAN THE FEDERAL PROGRAM BE ADMINISTERED?

The Federal Government is now participating in research library affairs almost entirely through the Library of Congress, and it is evident that most of the activities that have been proposed here would also directly involve that institution. It should be recognized officially as the National Library (without necessarily changing its name), and its national responsibilities should be stated explicitly enough to make it clear that the Congress will henceforth recognize an obligation to support work that the Library must undertake in order to carry out this mission. Any such legislative statement ought, of course, to be formulated very carefully; the following language is offered only as an indication of the approach that might be desirable:

"The mission of the National Library is to collect, preserve, and disseminate the word's recorded knowledge for the benefit of mankind. It should inform the American people of its holdings and facilitate their use. It should supplement the collections and further the work of other libraries in the United States, taking the lead in efforts to provide American scholarship with library service of the high quality that it deserves and that the national interest requires. It should stimulate and enrich the cultural life of America and its cultural interchanges with other nations."

The proposed legislation should also recognize the special status of the two national research collections for agriculture and medicine, and provide for the possibility of other similar collections in the future.

As in the past, the success of the Library will depend significantly on the interest and understanding of the members of the joint committee. In the future it will be even more important that joint committee members be legislators genuinely concerned with the well-being of research and scholarship throughout the Nation.

A National Library Advisory Board should be created. It is of the utmost importance that the executive branch have an agency—and one in which it has full confidence—to advise it on library affairs and to speak for it. The officers of a great institution, particularly one that is not a part of the executive branch, cannot serve this purpose; they inevitably become identified with their institution, while the administration needs objective advice on this institution and its relations with others. Likewise, it is essential that those for whom research libraries are created and maintained, the scholars, be well represented at top levels of the national library planning.

The Board, then, should be appointed by the President and should be given responsibility for reviewing policy and operations and for advising the President and Federal agencies on the planning and execution of national library programs and on interdepartmental library matters within the Federal establishment. Its members, perhaps 10 or 12 in number, should include leaders in research, scholar-administrators such as university presidents and deans, librarians of major research libraries, Members of the Congress, and other distinguished citizens. It should work closely with the Librarian of Congress as the head of the major Federal agency operating in this field, but should have a small staff of its own.

From what has been said already it is evident that, while the Legislative Reference Service of the Library of Congress is appropriately attached to the legislative branch of the Government, the Library's other functions—the Copyright Office, services to agencies of the Government generally, and services as the National Library—logically ought to be attached to the executive. If, however, it was thought that a proposal for transferring the Library of Congress from the legislative branch to the executive would encounter serious practical difficulties, it would not be essential to pursue it.

There is a need for an executive agency to be responsible for leadership, planning, and coordination in the research library field. The decision to recommend an independent advisory board was reached after a variety of possibilities had been considered. At first sight there might appear to be alternatives, and these ought to be mentioned here even though the first two are regarded as thoroughly unsatisfactory, the third would not meet national research library needs, and the fourth is probably unfeasible.

1. An Office of Library Affairs might be established in the Department of Health, Education, and Welfare; this would supplant the Library Services Branch that is now within the Office of Education and would be coordinate with that Office. Health, Education, and Welfare, in any case, presumably should administer grants to research libraries if they are made on the basis of a simple formula. Departmental bureaucracy, however, does not seem to promise the sort of leadership in research library affairs that is needed.

2. The Smithsonian Institution might seem a logical agency for coordination of Federal library programs and development of national research library resources. It is chartered, after all, as an establishment for the "increase and diffusion of knowledge among men," it includes such institutions as the National Gallery, and is an independent agency in the executive branch with a high-level Board of Regents. Such an assignment, however, would not be in line with its present scope of activity, and could not be recommended.

3. It might someday be desirable to establish a Department of Cultural and Scientific Affairs and transfer to it such agencies as the Office of Education, the Smithsonian Institution, and the National Science Foundation. This would not be a good place for either the Library of Congress or the Advisory Board, and in any case it appears that now is not the time to advocate a new Cabinet Department in this field.

4. In many ways, the proposed Federal participation in research library affairs resembles the work of the National Science Foundation in its area (though the financial magnitude of the library program would be small by comparison), and there would be advantages in establishing, instead of the National Library Advisory Board that has been recommended, a National Research Library Foundation. Such an organization would use existing agencies and machinery insofar as possible, contracting with the Library of Congress and other governmental and nongovernmental organizations for specific purposes, but would have funds of its own with which to make grants for work undertaken in the national interest. The major argument against this is that public sentiment might not favor the establishment of a foundation in a field that lacks the broad appeal of science. The Advisory Board offers a more cautious, but probably more feasible, approach.

The Library of Congress differs significantly from other governmental agencies. It is a great institution with special responsibilities to its Government, but it also serves individual scholars and other libraries of all kinds throughout the Nation. In addition, it is the major instrument through which the Government participates in research library concerns. Furthermore, the Library of Congress is anomalous because of the historical accident of its attachment to the legislative branch of the Government.

Though it would be desirable, it is not essential to transfer the Library of Congress to the executive; but it is essential that legislation recognize officially what the Library is and what it ought to do, and that a National Library Advisory Board (if not a National Research Library Foundation) be established in the executive branch.

The Federal Government must lead, not by imposing a program upon the Nation's research libraries, but by encouraging scholars and librarians to formulate their needs and to plan nationally. Leadership calls, above all, for appointment of the best men available to the Advisory Board and for a Librarian of Congress who is determined to make the Library all that it ought to be, both within the Government and in its role as the leading library of the Nation. The Librarian of Congress must be a man who can administer an extremely diversified and organically complex institution; in addition, he must make important decisions on technological innovations in bibliography profoundly affecting the access of scholars to information, supervise the building up of enormous research collections, exercise imaginative leadership nationally, and take advantage of the Library's unique opportunities for contributing to American cultural life. Even an ideal Librarian would require the support and counsel of a strong advisory board.

Appointing a board and defining a program will accomplish little, however, unless continued support for the Board and its program can be enlisted from the Congress, the numerous nongovernmental institutions that must participate, and from the public generally. The Library of Congress and America's other major research libraries are large and complex; the Nation must make sure that they are also strong enough to keep up with the growing requirements of both Government and modern scholarship, and agile enough even to anticipate these demands.

Respectfully submitted.

DOUGLAS W. BRYANT.

HEALTH INSURANCE FOR AGED PEOPLE UNDER THE SOCIAL SECURITY SYSTEM

Mr. ANDERSON. Mr. President, in his article in the May 14 issue of Newsweek magazine "Who Would Pay For It?" Raymond Moley discussed the administration's proposal to provide health insurance for aged people under the social security system.

Mr. Moley discussed at some length the alleged limitations of the social security approach to health care costs, but his own recommendation for solving the problem of the costs of health care of the aged is not set forth until almost the end of the article. He recommends a study of the facts. If the facts show that the health needs of the aged are not now being adequately met by private and philanthropic sources, then "Government should help." Mr. Moley makes no presentation which suggests the facts are not available—as they are—or have not been studied—as they have. He omits mentioning that Marion Folsom and Arthur Flemming, the Secretaries of HEW under President Eisenhower, and every person who has held the office of Commissioner of Social Security under any administration—the very people who had the responsibility to make such studies—are unanimous in their conclusions. Not only do they all find a great need but they all find that basic health insurance for the aged under social security is the most appropriate solution.

In point of fact, Mr. Moley is about 170 years late in raising his question about whether "Government should help." Since 1793 when the Congress provided for health care aid to some members of the merchant marine, the Federal, State, and local governments have continued to carry on health care programs of various kinds. For the health care costs of the aged population, Government sources already contribute over $1 billion annually, one-quarter of their total expenditures for health care. No reputable student of the subject believes that the medical care of the aged can be met without some Government programs. The question is obviously then not "whether" but "how" it shall be done.

Mr. Moley suggests help to the aged through "private insurance, philanthropy, the doctors themselves and relatives." It has been well established that aged people, living on small retirement incomes—mainly social security benefits—cannot afford the high premiums necessary to buy adequate private health insurance protection. The premiums for their insurance must necessarily be high to cover the costs of the higher rate of illness of aged people. The children and other relatives of the aged must, of course, raise and educate their own children; often, they can pay for the cost of their parents' serious illnesses only at sacrifices to the third generation. Philanthropy and the doctors themselves are helping, but no one believes that charity—no matter how well intended—is, or should be, a solution. Doctors cannot pay hospital bills for their patients, and the practice of undercharging poor patients and overcharging rich ones is possible only for those doctors with rich patients. This Robin Hood method of charging is not an appropriate solution to the problem.

Mr Moley's specific objections to the social security approach are confusing. He expresses his concern that health insurance under social security would not provide enough—it would not provide enough health services, it would not cover enough aged people. Would he favor it if it covered more? He suggests he is countering "extravagant claims" about the proposal, but indicates nowhere who made such claims. The administration has made it clear that the proposal would cover costs of hospital care and some related services—outpatient diagnostic services, posthospital nursing-home care and visiting nurse and similar home care. The proposal concentrates on the cost of serious illness where hospitalization is needed and the cost is often catastrophic. Does Mr. Moley suggest it should concentrate on routine day-to-day health expenses?

Mr. Moley also alleges that the proposal "does not cover all the old people who may need help." In 1964, the first full year the proposed program would be in effect, 5 out of 6 aged persons would be immediately eligible under the proposal. The number will continue to rise in the future until 95 percent—or more—would be eligible. Of the relatively few not covered, most would be eligible for health care under other public programs—from which they are often already receiving cash payments—such as the Federal employees' retirement program, the veterans' program and old-age assistance. Retired physicians would generally not be covered. Would Mr. Moley favor the plan if it were broadened to include all these groups?

Mr. Moley tells us that "the worker can easily calculate what he will pay" under the health insurance proposal and concludes that "it is a lot of money." However, he omits to say what the cost of health insurance to the worker would be; instead he gives the cost for the entire social security program. The answer is that an employee earning $4,800 a year would pay $1 a month for health insurance. The employee earning over $4,800 would pay slightly more—because of the proposed increase in the social security earnings base from $4,800 to $5,200—but he would receive in return not only health insurance but increased cash monthly old-age, survivors, and disability insurance benefits protection based on his higher covered earnings.

The increase in taxes which Mr. Moley discusses is, in major part, the increase already provided for in law to finance the present social security program. His complaint that the social security tax is "discriminatory" since it falls only on those protected under the program also applies to the present program. He apparently objects to the basic principle of social security—protection only for those who contribute. His thesis—unspoken though it may be—is therefore one of opposition to the social security program in general. Does he propose the abolition of social security?

Mr. Moley believes that the additional taxes under the King-Anderson bill will not be sufficient to meet the benefit cost. He tells us that "the total cost to which I have referred must be a vague guess," because the plan must deal with "psychological imponderables." Such "psychological imponderables"—if they existed—might, of course, mean that the cost of the proposed program might be overestimated—but Mr. Moley is sure it would be the other way.

There is nothing mysterious about figuring the cost of health insurance benefits. If this were true, no private insurance company or Blue Cross organization could provide health insurance for the aged. These costs have in fact been calculated, but the premium rates for adequate private insurance are too high for most aged people to afford. The estimate of the cost of the administration's proposal was prepared on a sound basis, after careful study of all available data including several national surveys of aged people and the experience and records of private insurance carriers. The "competent actuaries" who made the higher estimates, to which Mr. Moley refers, are those in the employ of health insurance companies where some self-interest may be present and may influence the figures. The Government actuary who made the estimates used for the proposed program is a nationally and internationally known authority whose competence is unquestioned in the profession. Does Mr. Moley have evidence to the contrary?

The vague charges about "imponderables" are reminiscent of the charges leveled in 1956 at the cost estimates for the proposal to provide disability insurance benefits under social security. Five years of actual experience with the disability program has proved beyond a doubt that the estimates were not too low, but instead included a substantial safety margin. The same actuary who made the disability estimates is now making the health insurance estimates.

Mr. Moley seeks evidence from British experience for his charges that the administration's cost estimates are too low. Of course, the proposed health insurance program has no resemblance whatsoever to the British National Health Service, which owns the hospitals and employs the doctors, covers people of all ages, and is financed mainly from the General Treasury rather than through social insurance. Furthermore, the British experience over a period of years shows that the cost of their health services has been a very stable percent of gross national product, so that costs do seem predictable. Even if British experts could not prepare good estimates it would not show, as Mr. Moley says, "That no Government experts could safely estimate" the costs. Is Mr. Moley suggesting that experience—which he inaccurately describes—with one estimate in one country, for a different kind of program, is the kind of fact that is needed to evaluate the proposal to include health insurance for aged persons in our social insurance program?

In another article, in the May 21 issue, "A Word to the Elderly," Mr. Moley again discusses the health insurance proposal and states we must "consider the subject in the light of clear reason." As mentioned above, in his previous article he has said that we need a "real examination of the facts" to determine "if Government should help." One week later, he has apparently decided unequivocally that there is "a grave public problem" and "that problem is the individual, personal plight of an indeterminate number of elderly Americans." He is unfamiliar with the facts about the number of the aged who face financial crises because of ill health—apparently he is unaware that the average person attaining 65 can expect two or three hospital stays before he dies and a couple can expect twice as many. How many aged couples can face 4, 5, or 6 hospital stays without fear of financial catastrophe? Fifty percent of the aged have less than $1,000 in the bank or in bonds or similar assets.

Mr. Moley also has arrived at a solution to the grave problem of health care. The word to the elderly is that their health care should be provided on the basis of a means test—that there should be no objection to the pauper's oath. He alleges that "without such tests there can be no solution for the real crises that some Americans must face as the shadows darken in the twilight years of life." Does Mr. Moley suggest that these elderly Americans will find their twilight years brightened through means-test investigations of their personal financial affairs—or, as many States require, an investigation of the financial status of their adult children and their families to determine if they should pay their parents' medical bills? Is Mr. Moley suggesting a reversal of the decision made in 1935 that social insurance without a means test should be the basic system used to provide security against the fear of dependency upon charity and public assistance in old age?

I ask unanimous consent to have printed at this point in the RECORD two articles from Newsweek by Mr. Raymond Moley, the first, under date of May 14, entitled "Who Would Pay For It?" and the second entitled "A Word to the Elderly," under date of May 21.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Newsweek, May 14, 1962]

WHO WOULD PAY FOR IT?

(By Raymond Moley)

The idea of Government medical care for the aged under social security was not new in 1960. But in that year there were exhaustive congressional hearings and debates, and the subject was a campaign issue. Since then it has been a leading subject of discussion everywhere.

Considering this full educational coverage, the wonder rises that, even with the cynicism concerning public intelligence which is so characteristic of political life, extravagant claims are now made about the King-Anderson bill, claims as to cost and also benefits. The matter is not complex when we limit ourselves to who would pay for it and how much and how long, and who would receive and what they would get.

Under the proposal, there would be added to the present and future rates of social security taxes, in 1963 and thereafter, one-fourth of 1 percent on employer and employee alike. Employees are told that this will buy protection in their old age. That protection would be up to 90 days of hospitalization, up to 180 days of skilled nursing-home services, home health services not exceeding 240 visits a year, and outpatient hospital diagnostic services. The patient would pay $10 a day for 9 days for hospitalization. Also, $20 for diagnostic service. There would be no free medical or surgical services by physicians, and the kind of drugs, etc., would be limited. For every beneficiary there would have to be a 90-day wait before a repeat.

LOW GUESSES

That is what the workers would get when he is old enough. He can easily calculate what he would pay for this future benefit. It is a lot of money. And it has nothing to do with his own protection meanwhile, or his children's, or his wife's.

Under the present law the social security tax will rise and rise. In 1962 it is $3\frac{1}{8}$ percent on employer and employee alike. In 1963–65 it will be $3\frac{5}{8}$ percent. In 1966–67 it will be $4\frac{1}{8}$ percent on each. In 1968 it will be $4\frac{5}{8}$ percent. If the King-Anderson bill passes, one-fourth of 1 percent would be added in 1963 and thereafter. The self-employed would pay higher percentages all along. And the base pay subject to tax would be raised from $4,800 to $5,200.

This tax bite for social security (including the King-Anderson addition) for both employer and employee would in 1968 amount to $507, or $21.12 a month each—an increase of 76 percent from 1961.

All this is based upon the estimate of the Government that the plan would cost $1 billion a year for a while. But like all Government guesses, this is probably too low. Competent actuaries put the figure at two or more times that amount.

INEQUITABLE COVERAGE

This tax is discriminatory. It falls on only those who pay social security taxes, excluding all others. It is compulsory. But the need is alleged to be a national responsibility, and if that be so it should be paid by all, not some, of the taxpayers.

And consider the small businessman with a few employees. He cannot generally increase his prices to cover this expense. His plight is already obvious. It would be much greater under the King-Anderson plan.

There can be no argument about the fact that there is a national obligation to make sure that no elderly person shall lack medical and nursing care. This country is rich enough, and its people are humane enough to recognize that. Help is and should be provided by private insurance, philanthropy, the doctors themselves, and relatives. If, after a real examination of the facts, this is proved to be inadequate, the Government should help. But the King-Anderson bill is not really protection for the aged. It is inequitable because it does not cover all the old people who may need the care.

The total cost to which I have referred must be a vague guess, because the plan must deal with psychological imponderables. It is not based upon demonstrated need, and it was shown in Britain that no government experts could safely estimate the number of those who would avail themselves of something free.

Next week I shall consider the plan from the standpoint of the present and probable aged population.

[From Newsweek, May 21, 1962]

A WORD TO THE ELDERLY

(By Raymond Moley)

It is unfortunate, not to say tragic, that the problem of medical care for the aged may be resolved in a climate of blazing emotion. And so it will be well to consider the subject in the light of clear reason.

This is not merely a scramble for votes by the President on the one hand and the organized medical profession on the other. It should not be regarded as a test of Presidential or party prestige. Nor as a preliminary to the autumn elections. Nor as a game of matching statistics.

It is the determination, perhaps for all time, of the answer to a grave public problem. That problem is the individual, personal plight of an indeterminate number of elderly Americans. There has been no way to determine the identity and number of elderly people who are in need of medical care which they are unable to get. There is also an indeterminate number of people over 65 or approaching that age who, because of a physical or financial crisis, may be in need in the future. Many an individual who is presently enjoying the best of health and is well protected by savings may face difficulties because of the onset of illness or the withering away of savings because of Government-promoted inflation. These are the people we must think about. And a solution of the problem in Congress should be such as to make sure that such cases shall be helped.

TOO MUCH, NOT ENOUGH

The King-Anderson bill is not such a solution. Its roots go back to a foolish and demogogic political slogan. There should be, as it was shouted from hundreds of platforms, no pauper's oath. This meant that there should be no consideration of need in providing medical benefits for the elderly. Such tests of need, it was said, are degrading. The orators said that there should be no prying eye of authority into the personal affairs of Americans. And so the answer was to spray the bounty over everyone getting social security payments.

Such an atomization of the resources of government would not be a solution to the individual problems which I have mentioned above. It would give too much for many and not enough for some. It would make available to certain millions a number of days in a hospital and/or a nursing home. But the recipients would have to pay certain initial costs. It would not supply surgical or medical care by a practicing physician. The drugs available would be limited. And because of the heavy demands for unnecessary care, there would certainly be a deterioration of the services to the most needy cases. After 10 years of experience with generalized medical services in Britain, it was shown that with the influx of the less needy, the more needy were getting less than before the plan was initiated.

MANY CIRCUMSTANCES

The Federal Government would be spending a great deal of money for such a shotgun approach. Proponents estimate the cost at $1 billion a year. Competent authorities put the figure at more than twice that amount. And experience shows that such Government estimates are almost always too low. After a few years, the costs rise higher and higher. Consider the costs of OASI benefits. In 1949 we were told that the OASI cost would not reach $12 billion until 1999. But in the 10 years that followed, the cost rose to $11 billion. Meanwhile, it was necessary to raise social security tax rates threefold, and by 1968 the tax bite on employer and employe together will be more than 9 percent without the tax raise required by the King-Anderson proposal.

It is also obvious that the people over 65 are alike only with respect to age. Four million are working. Four million pay income taxes. Some millions are getting pensions or annuities in addition to social security benefits. And there are between 2 million and 3 million people over 65 who would not be eligible under the King-Anderson plan. Also, among all the elderly there is an infinite variety of healthfulness, productivity, and physical and mental vigor.

There are, in fact, needs tests now for practically every benefit given by the Government. Without such tests there can be no solution for the real crises that some Americans must face as the shadows darken in the twilight years of life.

TWENTY-FIFTH ANNIVERSARY OF THE SUPREME COURT DECISION UPHOLDING THE CONSTITUTIONALITY OF THE SOCIAL SECURITY ACT

Mr. ANDERSON. Mr. President, 25 years ago today the Supreme Court of the United States upheld the constitutionality of the Social Security Act. In delivering the opinion of the Court, Justice Cardozo wrote:

> Needs that were narrow or parochial a century ago may be interwoven in our day with the well-being of the Nation. What is critical or urgent changes with the times. The hope behind this statute is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near.

Justice Cardozo went on to say:

> The number of persons in the United States 65 years of age or over is increasing proportionately as well as absolutely. What is even more important, the number of such persons unable to take care of themselves is growing at a threatening pace. The problem is plainly national in area and dimensions. Only a power that is national can serve the interests of all.

A quarter century after this decision, the contributory social insurance program has grown to be the largest and most important source of retirement income for the aged of this country. For more than half of the aged social security beneficiaries, the benefits paid under this program are the only significant source of regular income, and for most of the others it is their major source of income. Social security now provides the economic base for retirement planning for practically everyone. Eighty-seven percent of the people now becoming 65 are protected under the program and in the future this percentage will rise to 95 percent or more. Seventeen million beneficiaries—aged people, the disabled, widows, and orphans—are receiving $1 billion monthly in benefits.

Although social insurance was little known in the United States at the time of the Supreme Court's decision in 1937, today it represents a vast investment in economic security for practically every American family. The younger generation takes its social insurance protection for granted as much as it takes for granted public education or a Government-operated postal service. And this wide acceptance has been earned. Twenty-five years of operation of the program has shown that social insurance has been successful in protecting the families of America against the poverty that would otherwise result from the old age, disability or death of the family breadwinner in a modern industrial society. The basic soundness of this program has been affirmed time and again.

Only recently—in 1960—the Supreme Court spoke again on social security:

> The social security system may be accurately described as a form of social insurance, enacted pursuant to Congress power to "spend money in aid of the general welfare," whereby persons gainfully employed, and those who employ them, are taxed to permit the payment of benefits to the retired and disabled, and their dependents. Plainly the expectation is that many members of the present productive work force will in turn become beneficiaries rather than supporters of the program. But each worker's benefits, though flowing from the contributions he made to the national economy while actively employed, are not dependent on the degree to which he was called upon to support the system by taxation. It is apparent that the noncontractual interest of an employee covered by the act cannot be soundly analogized to that of the holder of an annuity, whose right to benefits are bottomed on his contractual premium payments.

Does the Supreme Court suggest in these words—indicating clearly as they do that there is not a contractual right to benefits—that the program is therefore unsound and unable to meet today's needs? Not at all. The Court goes on to say:

> To engraft upon the social security system a concept of "accrued property rights" would deprive it of the flexibility and boldness in adjustment to ever-changing conditions which it demands. It was doubtless out of an awareness of the need for such flexibility that Congress included in the original act, and has since retained, a clause expressly reserving to it "the right to alter, amend, or repeal any provision" of the act. That provision makes express what is implicit in the institutional needs of the program.

And the Court went on to say:

> The interest of a covered employee under the act is of sufficient substance to fall within the protection from arbitrary governmental action afforded by the due process clause.

We have had, then, 23 years after the Court's original decision, a reaffirmation by it of the validity, the vitality, the insurance character and the reality of the benefit rights of our social security program.

In spite of this clear and unmistakable record, there are still those who say that this program, so successful in meeting the problems to which it has been applied, and so able to adjust "with flexibility and boldness to ever-changing conditions," should not be applied to the emerging problems of today.

The words of Justice Cardozo still ring true today. His description of the challenge we face in providing for the aged is as valid now as it was 25 years ago. He might well have been speaking of the extension of the social security program to cover the risk of expensive illness in old age when he said:

> What is critical or urgent changes with the times. Only a power that is national can serve the interests of all.

POLICIES OF NEW ADMINISTRATION IN THE PHILIPPINES

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an address delivered by Ambassador Emilio Abello at the Far East America Council on May 2, 1962, dealing with the policies and aims of the new national administration in the Philippines.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY AMBASSADOR EMILIO ABELLO, AT THE FAR EAST AMERICA COUNCIL, MAY 2, 1962

The year 1962 will be an eventful and crucial year for my country. A new national administration has just taken over in the Philippines; and even now, barely 120 days after the assumption of office by our new President, Diosdado Macapagal, a few decisions have already been taken and policy directions have already been announced which, I am certain, will revolutionize the economic and social order in the Philippines and affect or cast an influence on events in the Philippines for many years to come.

President Macapagal has set five tasks or goals for his administration, and three of them are economic or have socioeconomic implications or impact. He has pledged:

1. The attainment of self-sufficiency in the staple foods of our people; namely, rice and corn;

2. The creation of conditions that will provide more income for our people—income for those who have none and more income for those whose earnings are inadequate for their elemental needs; and

3. The launching of a bold but well-formulated socioeconomic program that will place the country on the road to prosperity for the benefit of all our people.

Underlying the above goals or tasks is the desire of President Macapagal to return to the regime of free and private enterprise, because, as he said in his inaugural speech last December 30, he "strongly believes in placing the burden of economic development in the hands of private entrepreneurs with the least government interference while making the government assume the full responsibility for implementing the social and public welfare program."

When the new administration took over last December 30, it found a country faced with serious monetary, fiscal, exchange, and economic problems.

The Philippines in 1948 was faced with the need to choose between devaluation and the maintenance of the prewar exchange rate. It chose the latter and found it necessary to introduce the entire gamut of restrictions, from import and exchange controls to a formidable array of credit and taxation measures, without which the exchange rate could not have been constrained within the narrow limits deemed necessary.

At the same time, in the effort to industrialize and industrialize fast, new industries were given all the assistance the Government could grant, such as guaranteed foreign exchange quotas, exemption from all taxes and duties, highly protective tariffs, and credit assistance.

Measured by the usual statistical yardsticks of per capita income and output, rates of increase of production units, and even employment ratios, the choice of this avenue of development appeared sound. In fact, the annual rate of growth of industrial output reached levels comparable to those of Japanese industry during the "take-off" period of the Japanese economy so that it was believed the Philippine economy had also taken off and that we could look forward with complacency to a period of self-sustaining growth.

Whether it did or not, the fact remains that, by December 30 of last year, it was abundantly clear that the country had fully exhausted the potentialities for growth offered by the policies enunciated and followed from 1948 clear through the decade of the 1950's. The impetus to investments which exchange controls, an overvalued peso, and various tax incentives had provided, had worked itself out. In other words, the measures which had been adopted had outlived their usefulness and, in fact, had become a major source of moral deterioration in public administration and in private business and trade. In the meantime, our population was growing at the rate of 3.2 percent per year, one of the highest in the world, with the labor force growing at the rate of about 360,000 every year.

There was need for a new approach, for new methods, for bold measures, and for extra courage to face the challenge of the new era in our national life—an era which our President has dedicated to effectively provide for the needs of our people and to transform our country "at an early time into a land of abundance not only for a favored few but for each and every Filipino."

So, the President, within 1 month after assumption of office, did the following:

1. With a view to attaining self-sufficiency in our staple foods—rice and corn—he recommended to our Congress the creation of the Rice and Corn Administration, upon recommendation of the Presidential Rice and Corn Committee, which even now, pending the creation of the Rice and Corn Administration, has evolved and is implementing a new plan not only for increasing productivity in these basic foods but also for making a more effective Government buying program, assuring to the producer a fair price as an inducement to greater productivity and to the consumer, a price within his means.

2. To solve the problem of unemployment, he recommended to our Congress the creation of an Emergency Employment Administration which would undertake a program to assist private enterprise in the creation of job opportunities, like land resettlement, forest conservation and reforestation, and public works which would directly promote economic growth.

3. He authorized the abolition of exchange controls so as to make the peso seek its own level in a free market and make the peso freely convertible, thereby permitting also the remittance of profits; all of these, in order, in the words of President Macapagal, "to remove an important source of corruption and to unshackle the economy so that through its innate vigor it may propel its expansion in free enterprise."

4. He authorized the adoption of safeguards to cushion the immediate impact of full decontrol on prices and local industries and curb inflation, by establishing credit restrictions, revising the tariff, and negotiating a stabilization fund.

5. He submitted to our Congress a 5-year integrated socioeconomic program, the objective of which, again in his own words, being "the attainment of our main goal of a better life for our people."

6. He has given impetus to every measure designed to expand credit facilities for productive investments by strengthening the financial position of, and providing funds to, the Development Bank of the Philippines and throwing his full support behind the establishment of a new private development or investment bank. At this very moment, steps are being taken both in Manila and in Washington to make the dream of a private development or investment bank a reality, with initial lendable funds of over a hundred million pesos, equity capital to be contributed by Filipinos and foreigners at the ratio of at least 60 percent by the former and 40 percent by the latter and the balance to be loaned to the bank by the Agency for International Development of the United States and by the World Bank for Reconstruction and Development, at low rates of interest and repayable over a long period of time.

The 5-year integrated socioeconomic program formulated and recommended to our Congress by President Macapagal envisages an economic development for the Philippines which will increase employment opportunities for our people, solve our unemployment problem, raise the overall standard of living, provide the country with essential public services, and meet the essential requirements of housing, health, and education for our growing population.

It is planned to increase our gross domestic product over the 5-year period at a compound rate of 6 percent, the annual growth rate to rise from 5.5 percent between 1962 and 1963 up to 7 percent from 1966 to 1967. To meet this target, we have to channel into gross domestic investments during the next 5 years an average of 16.1 percent of our gross domestic product; our gross domestic savings, including reinvestments of foreign earnings in the Philippines, must reach from 13 percent of gross domestic product in 1963 up to 16 percent in 1967; our export earnings must total $3.7 billion during the period or an average of $740 million annually; and we must attract to the Philippines a total net inflow of new foreign capital of about $860 million during the 5-year period.

The program gives priority to the production of import substitutes such as integrated iron and steel, basic chemicals, pulping plants, expansion of agricultural food production and processing, the development of the cattle and dairy industries, the improvement of water supply, the construction of roads, highways and irrigation systems, the development of power, and the expansion of railroad lines and of telecommunications. The total program will be financed entirely from non-inflationary sources: from domestic savings and foreign loans and investments.

Our President's socioeconomic program has been studied carefully by his economic advisers and personally by him. Its feasibility has been checked with the result of an economic survey that has just been completed by a team of experts from the World Bank which made a very careful study of our economic potentialities and the requirements for a well-balanced economic development of the Philippines within our means.

The implementation of the program will naturally depend largely on the honesty, sincerity, and effort which our own people will expend; but our own selfless dedication and our own mighty strivings will not and cannot suffice. We are realistic enough to admit that we need the assistance and help of our friends abroad, especially our friends in this country.

What can we offer to you and what do we need from you?

We have abundant natural resources—rich lands, virgin forests, untapped mineral deposits, and seas and rivers teeming with fish and other marine products.

The industrial, commercial, and technical advance of the West has been ascribed mainly to three factors:

First, the existence, in fairly large numbers, of entrepreneurs who, with their initiative, enterprise, and even daring, have welded together diverse forces responsible for production, distribution, and servicing. It has been said that Western capitalism owed its existence to these entrepreneurs, who sparked and gave life to the abstract notion of economic development and actually set in motion the new processes toward that development. What motives inspired them and drove them to action—whether it was purely a spirit of adventure, or of restlessness, or of gain and profit or even of love for their fellow men—the desire to see them live and grow and prosper is beside the point. What is important to bear in mind is that this search for new economic ventures, and the study, planning, and aggressive implementation of the blueprint drawn in order to insure the success of the venture, have been, in the main, responsible for the economic and technical advance of Western society.

Secondly, an efficient and cooperative labor force, which man the factories and other centers and instruments of production, distribution, and servicing. The condition of underdevelopment of our part of the world has been blamed on the absence of such a labor force. There are millions of idle hands; but it has been charged that their attitude is one of apathy and unconcern for worldly goods, indifference to learning and applying themselves assiduously to the work at hand.

This has not been so with the worker in the highly or moderately developed countries. His acquisitive spirit, the wage incentive, the feeling of satisfaction felt when the foreman compliments him for a work well done, have invariably spurred him to a steadily rising productivity.

The third factor responsible for the high degree of economic development of Western countries is and has been the existence of capital, whether indigenous or foreign, with which to finance new or expanded enterprises. As my good friend and former associate, Mr. Leo Virata, has very beautifully expressed it, it is capital which brings about a wedding between natural resources and an adequate labor force. Without capital, he says, no amount of natural resources and no labor, however efficient and cooperative, can bear fruit.

The class of entrepreneurs and of managerial personnel exists in the Philippines. Trained, competent, and honest managerial personnel have been developing during the last several years through inservice training, the IDC, and Management Institutes.

With respect to entrepreneurs, we have lately seen groups of young businessmen and technical men who have shown, by their initiative, enterprise, daring, and inspired and high-minded leadership, that we are coming of age in this respect.

The bleak picture of a labor force, uninspired and unspurred by the acquisitive spirit, the wage incentive and the will to work and work well, or of a labor force which has not learned and is disinclined to learn, to which I have referred in another part of my speech, does not exist in the Philippines. We can say that efficient and cooperative labor is available there or, if not actually existing, can be created and trained in a very short while. Labor in the Philippines has shown an adaptability that is amazing.

We have also seen how men and women working with us have spared no effort to learn and become proficient in their jobs; how they have, the 8-hour labor law notwithstanding, stood by their lathe and sat at their desks, to render overtime work and thus earn a few more pesos to add to their take-home pay, many a time at the risk of their lives and physical well-being. True, there are still vestiges of indolence among a few of our people, the vice against which our national hero, Dr. Jose Rizal wrote; but, by and large, we have an adequate, able, and cooperative labor force, both skilled and unskilled, to support an economic development program of a magnitude much higher and more massive than we have mounted so far.

So, we offer you natural resources, entrepreneural and managerial personnel and a cooperative labor force, skilled and unskilled. What we need from you is capital; and the magnitude of this, during the next 5 years, is $860 million. The climate in the Philippines is propitious for foreign investment.

We have a stable government, a working democracy. Remember that we are in a part of the world where the democratic way of life is not known or very little understood. As a matter of fact, in some places in our area, representative government, as we know it, still yields from time to time to the exigencies of military power or still accepts the iron rule of a dictatorship by whatever name called. Yet, in the Philippines, since 1946, popular elections have been held with clock-like regularity, and the results of the elections have been accepted by the losers in the best of grace. Since 1946, we have had a succession of national administrations; and to the credit of our democracy and as evidence of the political maturity of our people, the opposition party won in the national elections of 1946 and again in 1953 and once again in our election, just last year.

The national election of last year is especially interesting. The incumbent President was running for reelection. He had behind him his entire party, a majority in both Houses of our Congress, the Government machinery, entrenched political authority, funds for expenses, and all the other valuable aids in an election contest. The opposition party had none of these. It was a hotly contested election. The issues were well defined after several months of campaigning on the part of both parties. The preelection forecasts were that the incumbent President and his team would win. The elections came; and the people voted for the opposition candidates for President, Vice President, and six of eight seats in the Senate, but the majority in the lower House of our Congress went to the candidates of the then Government party. I have gone to some length in describing our last national election, because it proves, in my opinion, that our voters in the Philippines have come of age in that they exercise their right of suffrage with evident discrimination, freely and without fear. It also proves that a change of government takes place in the Philippines without the violent upheavals that attend changes of government in many parts of the world. This is something of a triumph in Asia, for which all free peoples should rejoice.

To the American investor, we offer another very solid basis for confidence. We have, through the years, demonstrated that we are your best friends in the world today, one of your staunchest allies. Only a few days ago, we again proved to you and to the whole world the identity of purpose that animates us and the close link of amity and understanding that binds our two countries and peoples together. Immediately after you started your new series of nuclear tests, many people in many countries which you have considered as your friends and allies and which you have assisted during these many years have mounted massive demonstrations protesting against the tests. My country is among the very few where no such unfriendly exhibitions have taken place and our Government came out immediately with an official declaration where we expressed our regret for the circumstances that made it necessary for you to resume the tests, and openly justified it as indispensable for the security not only of the United States but also of the entire free world.

One of the great deterrents to foreign investment in the Philippines is the absence of guarantees against non-business risks. President Macapagal is now urging on our Congress the enactment of a Foreign Investment bill which seeks to encourage and protect certain foreign investments and offers them several incentives. The bill makes available to foreigners specific areas of investments, which shall include (but is not exclusive) basic metal manufacture, metal products, basic chemicals, fertilizer, drug manufacture from basic materials, food processing, wood products, textile manufacture, electrical industries, cottage industries and deep sea fishing.

It grants to qualified foreign investments certain rights which the Government guarantees irrevocably, among them being the preclusion of any form of capital levy, the repatriation of capital, and the remittance of profits. It assures to these foreign investors that no Government business which will compete with a qualified foreign enterprise will be established. These investors will be permitted to employ foreign nationals in administrative, supervisory, technical, and advisory positions, except that at least 90 percent of those employed in the Philippines would have to be Filipino nationals. Various tax incentives are given to these foreign enterprises, the principal one being the exemption from income tax for 5 years from the date of the commencement of the business.

In what form the foreign investment bill will finally be approved by our Congress remains to be seen; but whatever it may be, there is every reason to expect that, under it, foreign investments will be encouraged and facilitated.

One deterrent to foreign investments during the last several years was the announcement and implementation of the "Filipino first" policy. We have always believed in the Philippines that nationalism is a legitimate national feeling and that it is not an unusual phenomenon. It exists and has existed in all countries and among all peoples. Usually, it is a smoldering fire, and erupts into an open flame only in the face of crisis, economic or political. However, the "Filipino first" policy, even to ardent nationalists among our people, has not altogether been acceptable. As one knowledgeable columnist in the Philippines has said: "We have not been enthusiastic about 'Filipino first' because we have always believed that legislating a people into business never worked."

A business writer in the Philippines, known for his nationalist views, has declared: "Undoubtedly, the said trade policy, as it was implemented, was too faulty and jingoistic. It not only caused a moral disintegration among our people in private and public life; it also caused much alarm among foreign traders already with us and among alien investors." He added, however, that "regardless of its fault, the fact remains that it caused the proliferation of industries in our midst—industries which would not have thrived under different conditions. Local investors plunged into new investments because they had the assurance of market protection." He admitted that "Filipino first" spawned weak industries.

Before the members of the Philippine-American Chamber of Commerce and their guests, meeting in New York over a week ago, I said that the new Philippine administration has dropped the "Filipino first" slogan, because the new administration believes that the country's economic development cannot be advanced within the narrow context of that slogan. However, I wish to state that while we have dropped this slogan, yet the new administration will give every opportunity to the Filipino to assume a larger and more important role in the economic development of our country. We will exert every effort so as to prevent wresting from Filipino citizens and enterprises owned by Filipino citizens their supremacy over our own economic affairs, protecting our nationals in their legitimate aspirations, but insuring the just treatment of aliens and alien capital.

Ample credit assistance will be given to Filipino enterprises, something which they have not received during many years and which accounts for the failure of Filipinos and Filipino enterprises to occupy their legitimate place in the national economy. Filipino traders and Philippine businesses, whether owned by Filipinos or jointly by Filipinos and aliens in whatever proportion, will be protected from unjust and unfair foreign competition. It is on the foregoing basis that the new administration believes it can drop the "Filipino first" slogan, without endangering the interests of our own nationals.

I have attempted to explain the accomplishments of the new national administration in the Philippines during its first 100 days, in the fields of economic development and the advancement of the welfare of the masses of our population and have indicated the measures which have been or will be taken in those fields in order to promote the social and economic progress of our nation. We feel very strongly that the initiative and responsibility for achieving the ends that we pursue rest primarily on our Government and our people. The stakes are fundamentally ours but you, our friends, have also a stake in the success of our endeavors. To extend and spread the blessings of liberty and freedom to the masses of our population, under the regime of the free enterprise system, is a function of every democracy, and if we failed in this task, then the people will despair of democracy and the free enterprise system, and might embrace another—something in which you, as the leaders of democratic thought and the democratic way of life, have as much at stake as we have. Therefore, as I spread before you our program for the socio-economic development of our country, I extend to you a combined invitation and challenge: the invitation to engage in a profitable enterprise and to join a worthy cause, the cause of helping the Philippines methodically to banish want from the masses of our people; and the challenge to prove that the free, private enterprise economy is the far more rewarding way of life than all the other systems inimical to it. I wish to express the hope and the prayer on this day that you will accept both the invitation and the challenge.

The ACTING PRESIDENT pro tempore. Is there further morning business? There being no further morning business, morning business is closed.

THE BILLIE SOL ESTES CASE

Mr. MANSFIELD. Mr. President, in this morning's Washington Post and Times Herald there was published a letter written by our distinguished colleague, the senior Senator from Texas [Mr. Yarborough], the title of which is "Not Beholden." It is an answer by the Senator from Texas [Mr. Yarborough] to an editorial which was published in the Washington Post and Times Herald on May 21 concerning the Senator, with respect to which he, in his usual frank and forthright manner, finds discrepancies and faults.

I believe the Senator from Texas has laid his cards on the table so that the people of Texas and the United States will know where he stands in respect to the matters which have been called to the attention of the press.

Mr. President, I ask unanimous consent that the letter to the Washington Post and Times Herald by our distinguished colleague may be incorporated in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Not Beholden

Your editorial of May 21, concerning me, is a masterpiece of omission and misrepresentation.

In a five paragraph attack, you say in one sentence that "In one instance Senator Yarborough obtained $1,000 from Mr. Estes to pay for 10 tickets to a Democratic National Committee dinner celebrating President Kennedy's birthday," and in effect you charged that that opened the door to corruption.

Do you feel the same way about the other millions of dollars worth of tickets to fundraising dinners sold each year by both the Republican and Democratic Parties?

Do you know that each Democratic Senator is asked to sell tickets for each of these party fundraising dinners in Washington? Certainly you must know that in a broad based appeal to many persons, some will volunteer support, who, like Mr. Estes, later fail to live up to their public reputation. When one makes an appeal to all of the people, as the Democratic Party does, one always runs a danger of finding some contributor who does not turn out well later on. Neither I nor the Democratic Party has found it possible to screen contributors with a lie detector, or look in a crystal ball to see how they will turn out in the future.

You feigned shock that I had a radio fund to report weekly to the people of Texas. That fund is common public knowledge among those participating in politics in Texas because support for it has been openly sought in letter solicitation and, by friends, by advertisement in a newspaper.

You publish a newspaper here in Washington. Do you claim that you didn't know of these radio and TV reports by members of Congress until I reported that Mr. Estes contributed to mine in 1960 and 1961? A copy of each of my broadcasts so labeled was mailed weekly to The Washington Post news desk and a copy was also delivered to the Senate Press Gallery for the benefit of all correspondents.

Following my election to the Senate in 1958, it was apparent to me that if I were to be able to keep my constituents informed in Texas, I would have to resort to the radio to do so, because I could not depend on the newspapers in Texas to do the job for me. I am told that Franklin D. Roosevelt once estimated that 92 percent of the newspapers opposed him. I must be on the right track because my percentage must be even higher.

Of the approximately 125 daily newspapers in Texas, not over 7 ever endorsed me for public office in one race. Of the 12 large population centers in Texas, in only 1 has a daily newspaper endorsed me. I discovered that, in one instance, a newspaper publisher who has a chain of newspapers in Texas instructed their Washington correspondent never to file a story with my name in it unless it was "derogatory." I found out that in another chain of Texas daily newspapers, instructions were given that my name was to be removed from syndicated columns and syndicated news stories out of Washington, and this policy has been followed religiously by this chain for the past 4 years.

This being the situation, in talking with my supporters in the State, I determined that the only way I could get any of my reports on the issues to the public was to resort to a weekly report on radio. It costs $1.50 per tape at the Senate recording studio for a 4½-minute tape; or roughly $5,000 per year for the 100 or so stations carrying the programs. We set out to raise the money publicly through public subscription. Public committees were set up and solicitations were made annually by the committees, by mail, or in person, or in ads, with some 15,000 letters being sent out one year by the radio fund committees in the State in connection with public fund raising dinners to help raise money for these reports. One year, newspaper ads were used with coupons, inviting people to contribute to the radio fund. The cost of this program since January 1, 1959, has been approximately $24,400. I had paid $20,384 on this amount, and now owe the Senate recording studio $3,982.90.

I have long felt that all political contributions, as well as income of any type, to or through an elected official should be made, by law, a matter of public record, as the Washington Post suggests. However, so long as a segment of the press continues in a frenzy to impute "guilt by association" to anyone who ever knew Billie Sol Estes, I see no reason why these other innocent persons who contributed to my radio fund should be dragged into the Estes case.

I have been a candidate for statewide public office in Texas five times since 1952. In those campaigns, over 10,000 Texans have contributed to my campaigns, and thousands of others contributed their time, sweat, tears and labor. These campaign contributions are a matter of public record on file with the secretary of state at Austin, Tex., as required of all candidates by law.

I campaigned in Texas unaided by any large newspapers. I conducted my campaigns in the traditions of Jim Hogg and Jimmie Allred, under whose banner I enlisted and trained. Texas is larger than each of 78 of the 104 independent nations on this earth; it has a larger population than each of 72 of those nations. Campaigning in Texas creates in a native son a dedication not attainable in a critic's easy chair. It burns deep in a man ideals never learned in easier ways. But time to stop and fly-speck every citizen and every contributor isn't there.

I hold my office in the tradition of Sam Houston, Thomas J. Rusk, John H. Reagan, and Tom Connally, and with as much independence of choice of position as any of them. I reject as puerile and weak slander any hint, suggestion or subtle slur that I am beholden to anyone, big contributor, or small contributor, honest man or one who turns out dishonest. I feel my votes over the last 5 years are proof of the truth of my statement. You, or anybody else, who hints that I improperly used one bit of power of my office for Mr. Estes, lies. With your innuendo of guilt by association, go burn your incense before Joe McCarthy's image—you owe him an apology for having opposed him.

If the Senate is composed of the band of weaklings contemplated by your editorial owned by whoever made a campaign contribution, then God help this Republic.

Ralph W. Yarborough,
Senator From Texas.

Washington.

Mr. GOLDWATER. Mr. President, will the Senator yield to me?

Mr. MANSFIELD. I shall yield to the Senator after a brief additional comment.

I wish to say I am delighted that an investigation of the Billie Sol Estes case is being undertaken by the Committee on Government Operations, under the chairmanship of the distinguished, fair-minded, and determined Senator from Arkansas [Mr. McClellan]. I know that the Senator from Arkansas has been diligently pursuing the matter, through the sending of investigators to Texas during the past 3 weeks. I know the Senator decided long ago that he would undertake no action unless and until he had the facts on which to base his action. For that reason he sent something in excess of a score of "bird doggers" to Texas to look into the question.

I am glad the Senator has announced that thorough hearings will be held; as chairman of the Committee on Rules and Administration, I assure the distinguished Senator from Arkansas, that if he desires any additional funds to carry on this or any other investigation all he will have to do, so far as I am concerned personally, is to make his request, and it will be granted.

I now yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am very glad that the distinguished majority leader has seen fit and proper to introduce into the Record the letter of the Senator from Texas [Mr. Yarborough] in answer to what I consider to be a very poorly timed and poorly written editorial in the Washington Post.

As the distinguished majority leader knows, for many years I have been chairman of the Republican Senatorial campaign committee. I know what it is to try to raise money for Senators and for campaigns. I can see nothing wrong in the acceptance by the Senator from Texas of money from Mr. Estes long before there was any indication or inkling that Mr. Estes was engaged in wrongful practice. From my knowledge of the case, the Senator from Texas was merely doing his duty for a constituent, such as we do every day, when our constituents ask us to intercede here, there, or elsewhere on their behalf. Unless proven to the contrary—and I do not think it will be—I think that the distinguished Senator from Montana has done for the Senator from Texas an act of justice.

This week in Dallas I was asked by the press what I thought about the Senator's accepting money from Mr. Estes. I said I could see nothing wrong with it because at the time he accepted it, which was long ago, nothing had been disclosed on Mr. Estes.

I recall that in my own career I was approached by a relative to see if I would be interested in receiving a check. Well, I had never seen a man in politics who is not interested in receiving a check. I did not know the man to whom my relative referred. I had never heard of his name. I did not meet him until the campaign was over. Then I found him to be a very notorious individual. Had I known that previously, I probably would have refused the check. But under the circumstances I took it. I point that out because all of us engaged in politics have that problem to solve. It is almost an unsolvable one when we are dealing with money during a campaign. I think the Senator has done a justice to everyone running in politics or participating in politics.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from Arizona for what he has just said. As usual, he has shown his fairmindedness and awareness that there is a problem, and I think he has performed a service in making his remarks today.

Mr. KEFAUVER. Mr. President, many of us who are friends of the senior Senator from Texas [Mr. Yarborough] have read with sympathetic understanding his letter which was published today in the Washington Post.

I had intended to request unanimous consent that the letter be printed in the Record; but I understand that the majority leader has already made that request.

Mr. President, we need no reassurance in regard to the character and the integrity of Ralph Yarborough. We know him; we have worked with him; we have watched him in his devoted service to the people of Texas and to the people of the United States.

Ralph Yarborough's record speaks for itself. It needs no defense.

THE SS "HOPE"

Mr. HUMPHREY. Mr. President, the good ship *Hope*, our noblest American vessel, is now in Latin American waters, to repeat the miracle it performed in southeast Asia in 1960 and 1961.

The SS *Hope*, a unique yet typically American venture, will bring the best American medical expertise, teaching, supplies, and help to Peru, a friend who needs them badly.

If anyone has any doubts about the merits and the outlook for success of the SS *Hope* in its first Latin American visit, let me pass along what Dr. William B. Walsh, *Hope's* founder and president, has told me already about the Peruvian mission.

As Senators may know, Peru invited the SS *Hope* to visit Salaverry, the port for the city of Trujillo, last year.

And in April, an advance unit of 25 of our top doctors, dentists, and nurses went to Peru to plan for the arrival of the mercy ship.

As my colleagues know, there have been a number of activities in the Nation's Capital and throughout the United States to help finance the operation and program. To the people who have engaged in those activities, I wish to pay my tribute and thank them for what they have done in terms of their generosity and cooperation.

Preliminary planning indicated 130 doctors and dentists, 35 nurses, and a dozen technicians would meet the needs outlined by Peruvian medical experts.

But news stories about *Hope's* coming soon blossomed throughout Peru and Latin America. These were not angry "Yankee go home" stories, but elated "*Hope* is coming" accounts.

The reception was overwhelming. Other Latin American countries immediately put in their bids for the SS *Hope*. Physicians in other areas of Peru brought forth their needs and their requests. And now *Hope* must also visit Huancayo, Oroya, Tarma, and Piura.

For these Peruvian cities are areas of critical need, too.

So now it is estimated that 250 doctors and dentists, rather than 150, will be needed to fulfill the Peruvian mission.

What will happen in Peru, a country beset by the tyranny of poverty and the slavery of disease that communism feasts upon, is this:

First and foremost, each of the American doctors, dentists, nurses and technicians will train a Peruvian counterpart in each port of call.

The Peruvians will learn American surgical and medical techniques through hundreds of lectures, seminars, clinics, and closed circuit television of operations. They will learn also through donations of medical journals, drugs, and supplies.

Thousands of children will be inoculated against such ancient killers as diphtheria, typhoid, tetanus, and pertussis. Thousands will be vaccinated against smallpox. And local vaccination teams will be trained and supplied to repeat the process throughout the whole country.

Thousands will be X-rayed for tuberculosis. Hundreds of major operations will be performed. Oral hygiene will be introduced to thousands who never knew the words.

There is a new medical school in Trujillo, which *Hope* will help staff and develop. There is also an old hospital in the same city, where there are 500 beds, but only 16 sparsely trained nurses and no sterilizers. When *Hope* leaves, this will have been remedied.

These are just some of the things *Hope* will accomplish in Peru.

I do not think it can be stressed enough that the SS *Hope* is a private, really all-American endeavor. It is the American people, and American business, industry, and labor, who make it work.

The doctors, dentists, nurses, and technicians have all volunteered their services, without pay. And they are among the best we have. For example, there will be at least 30 full professors from American schools aboard the *Hope* this year.

The drugs, medical supplies, surgical instruments, food, and fuel for the ship are the result of private donations.

It is, as Dr. Walsh has said, a demonstration of the heart of America.

But it is a costly demonstration, of course. It cost the American people $3.5 million to operate the SS *Hope* during its year-long maiden voyage to Indonesia and South Vietnam.

The U.S. Government played no part in the Indonesia mission, except to help rehabilitate and refit the ship.

The SS *Hope* needs help, continuing help, from all of us.

Dr. Walsh feels now that if the Government could give some help toward the operating funds of the ship, *Hope* could divert all of its private contributions to its expanding medical program.

I support his request, and I trust our Government will provide that aid.

For the SS *Hope* flies the American flag. And no ship, no American program, flies the American flag higher or more proudly than the *Hope*.

And the people in Peru, who are not able to read, nevertheless recognize that flag and understand what it and the ship mean.

As our President once said:

> To these people in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves for whatever period is required—not because the Communists are doing it, not because we seek their votes, but because it is right.

The SS *Hope* is a dramatic, tangible expression of what is right in America.

HAITI

Mr. YOUNG of Ohio. Mr. President, State Department officials are to be applauded for their action in ordering the return to Washington of our Ambassador to Haiti, Raymond Thurston, and his deputy, Philip Williams, for consultations. This may be regarded as a repudiation of Haitian Dictator Francois Duvalier and his claims that our Nation is backing his regime.

Tuesday of this week was designated as the "Day of National Sovereignty" by this Caribbean despot. It was also the first anniversary of his declaring himself reelected for a term of office ending in 1967. His legal term was to have expired in May 1963. Let us hope that the absence of our ambassador will demonstrate to the people of Haiti that the United States is not supporting Duvalier's dictatorship.

State Department officials are also to be commended on the strong protest sent to Duvalier after his speech to the Haitian Legislature on April 16 in which he seemed to equate American economic aid with support of his regime. It is time that we took action to be sure that this tyrant and others like him will never be able to insinuate that our assistance signifies our approval of totalitarian forms of government.

Our experience has taught us that foreign-aid programs have been a basic influence in building and preserving the strength of the free world. But experience has also shown that foreign aid can be subverted and used to strengthen undemocratic and authoritarian regimes.

Mr. President, the situation in Haiti merits our close attention and consideration. Since the early years of the Eisenhower administration the United States has given Haiti more than $85 million in aid. Since 1956, we have paid more than $4 million in military aid. I take a dim view of President Duvalier and of our giving him military aid.

May I express every sympathy for the unfortunate men, women, and children living in squalor, misery, hunger, and idleness in this nation so close to our shores and in a land richly endowed by nature.

What result can really be claimed by us as an accomplishment of our aid over the years? We have spent millions of dollars of taxpayers' money. At the present time we are about to loan Haiti $3.4 million for construction of a road and $2.6 million for an airport. This in addition to our regular assistance program there. We shall undoubtedly continue this spending to the year 2000 and beyond.

At this time we have in this little poverty-stricken island nearly 200 American officials and employees. Over the years we have had approximately this number, year after year, sometimes more, sometimes less.

Presently in our State Department there are approximately 30 American officials and employees. In addition, of course, there are native employees.

In our Agency for International Development program there are 75 people, including 14 executive officers and staff members. Then, in addition, the U.S. Information Agency has a group of officials in Haiti. There is the U.S. Army, and then, believe it or not—and this is astonishing—we have a U.S. air mission of approximately 10 officers and enlisted men presumably engaged in training air fighters for the dictator running that little country. In addition, there is a U.S. naval mission of approximately 50 officers and men.

When the time comes for appropriations for foreign assistance, we should give a sharp look in connection with disbursements for Haiti.

What has been accomplished by the millions of dollars spent and the hundreds of Americans in that unfortunate country? If this is continued, where will it lead?

Today the people of Haiti live in an abysmal poverty. Four million people live in an area approximately the size of Maryland. Ninety percent of the people are illiterate. The per capita income is less than $70 per year. Malnutrition, tuberculosis, and malaria are widespread. Medical and sanitation facilities are almost nonexistent.

Today some families try to survive with less than one-fortieth of an acre of fertile land. Coffee, the major money crop, often grows wild in the mountains and is handpicked basket by basket and carried down to the local marketplace mostly by hardworking and undernourished women and children.

The man chiefly responsible for this misery and suffering is President Francois Duvalier. Millions of dollars of American aid plus American arms and military training have been sent to Haiti. What happens to this money and military support? The weapons go to Duvalier's armed forces, which he uses as a combined army-police force, primarily to control and tyrannize the populace.

Part of the aid supports the national budget which in turn supports Duvalier who spends these funds in secrecy to strengthen his own position. The rest of the aid is aimed at economic development. Here again Duvalier and his clique intervene with inefficiency and dishonesty at the expense of his own people.

Last year a $350,000 program sent American light weapons and munitions to the Haitian army. A 50-man U.S. naval mission has been training Haitian troops since 1959. Though the arms may seem modest and the mission small, they have served Duvalier well by implying American approval of his regime and by training his army and police force.

Duvalier, like Castro, Khrushchev, and Franco, is a ruthless dictator. He maintains his own terror group. This secret police force is made up of about 10,000 wandering shoeshine boys, taxi drivers, waiters, and sundry ruffians. By day this group of hoodlums spreads out in civilian garb to spy, eavesdrop, and blackmail the citizenry.

At night they carry out the more violent Duvalier missions. Since May 1958, a state of seige has been in effect in Haiti. Homes are searched without a warrant and people are imprisoned without a trial. Freedom of the press has been obliterated. Three newspaper printing plants have been ransacked and dynamited. Editors have been jailed or have fled into exile. Labor unions have been destroyed. The working class knows the most degrading misery without power to protest. A union president was arrested, tortured, drenched with gasoline, and set on fire because he opposed the Duvalier regime.

Mr. President, can we afford to contribute to a budget which allows for such military expense? Is this foreign assistance, or is it blackmail to a ruthless dictator and his henchmen?

What else has been done with our money? The Arbonite River Valley which sweeps across central Haiti is a would-be garden spot which could some day feed the whole country. In a concept similar to our own TVA 80,000 acres could be irrigated and a hydroelectric plant could be built. Construction of such a project began in 1953. It is still to be completed. Cost estimates climbed from an original $6 million to $32 million by 1956. Delay, waste, mismanagement, and corruption have been the hallmarks of this project.

Are there any good reasons for our policy in Haiti? There is no military advantage as we have no bases in Haiti. Politically there is no advantage. We are supporting a dictator who is blackmailing us with threats to turn his people over to the Communists. There are no sizable private American investments which demand our protection.

Not having any good reasons to justify our aid to Haiti's dictator, we have adopted bad ones. Fear is the main reason for our aid. Fear that the Dictator Duvalier will turn to the Communists or refuse to support us in the United Nations and the Organization of American States.

Many policymakers argue that, if Duvalier should go, a Castro-like catastrophe might take place. I hold this view to be completely backwards. The Castro-type revolution will be more likely to come if Duvalier stays. If we think back to the Batista era in Cuba, we can see the parallel.

In 4 years' time Duvalier has had thousands killed. Countless others have disappeared. Still others rot undefended in jail. Duvalier even depletes his own camp. He practices a perpetual purge of his cabinets, the Army, and his own political party. He will do anything to prevent anyone from gaining power and becoming a threat. The man in the street walks in fear of arrests and beatings.

Mr. President, intervention may be an offensive word in our hemisphere, but we are already intervening on behalf of

Duvalier instead of the people of Haiti. Let us for once decide to give aid constructively or not at all.

When asked what we could do to help Haiti, Duvalier, instead of thinking of the millions in his country living in squalor and hopelessness, asked for more jet bombers for his air force.

If U.S. aid to Haiti were ended, the Duvalier regime would surely fall. Duvalier realizes this. We should insist that he hold a free election supervised by the Organization of American States before we grant any more aid.

Mr. President, the Republic of Haiti is the first free Negro state in modern times and the only one in our hemisphere. Its language is French and it is the one country in the Western Hemisphere not joined to the Latin American bloc by ties of language and culture. These people have inherited a heavy burden of poverty and distress from the past. They are a friendly, kindly, good people. Their history and tradition proves they are a liberty-loving people. Let us not add to their misery by supporting a harsh, ruthless, tyrannical dictator who seeks only to increase his own power and wealth.

We should stop a policy which aids and abets the dictatorship of Francois Duvalier, and direct our efforts to securing freedom and democracy for the people of Haiti. We should ask members of the Organization of American States to cooperate with us. Aid to needy and deserving people is something that all Americans support. Aid to a greedy, bloody dictator is something all Americans abhor.

IMPRESSIVE PLEAS FOR COURT-SUPERVISED WIRETAPPING

Mr. KEATING. Mr. President, the Senate Committee on the Judiciary has conducted extensive hearings on the subject of wiretapping over a period of several years. These hearings are still in progress, but it is expected that they will be concluded in the near future.

Last week the committee heard the testimony of two widely experienced and very thoughtful witnesses, Judge Pecora, a leader of the New York bar, and Francis Biddle, the former Attorney General of the United States. The careers of both these men attest to their deep concern with civil liberties and individual rights. They have been devoted to the cause of justice and brought to this difficult problem of wiretapping insights based on decades of personal experience in the highest echelons of Government.

Both men strongly supported legislation to permit wiretapping by law enforcement agencies under court supervision. The common theme of their presentations was that wiretapping under the aegis of a judicial warrant was in harmony with constitutional limitations and was essential to any effective fight against the awesome power of organized crime.

Judge Pecora spoke extemporaneously and a copy of his statement is therefore not available. Former Attorney General Biddle, however, did have a prepared statement. Since very few Members of the Senate had the privilege of hearing his testimony, I ask unanimous consent that its text be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Former Attorney General Francis Biddle

I am inclined to think that my experience, both as Special Assistant U.S. Attorney for the eastern district of Pennsylvania, from 1922 to 1926, and as Attorney General of the United States from 1941 to 1945, and my active interest in the defense of civil liberties, both in writing and in trial work, entitles me to speak on the subject of wiretapping before your committee. As U.S. attorney during prohibition I saw the widespread corruption and violation of the law that was perhaps the beginning of modern organized crime. Lord Acton said that all power tends to corrupt, and absolute power corrupts absolutely. The immense sums of money at stake, cheerfully furnished by a complaisant public, who insisted on buying their liquor at any cost, necessitated the formation of a vast criminal network which could afford to bribe public officers at almost every level. The bootleggers bribed the prohibition agents, and even reached up to the U.S. marshals and other officials, and pulled in many politicians who took their cut in campaign contributions. We did not use wiretapping in those days. I have no doubt that interception of telephone conversations would have greatly strengthened our hand in getting the leaders of this criminal ring to jail. But, as usual, we caught some small fish now and then, but almost never the big shots.

Twenty years later I was confronted with the problem of wiretapping immediately before I was confirmed as Attorney General. At a hearing of the Senate Judiciary Committee considering my nomination, witnesses for Harry Bridges, the west coast labor leader, whose deportation I later directed as a Communist, testified that they had watched an FBI agent through binoculars from a neighboring building tap Bridges' telephone wire in New York City. The agent had left a letterhead identifying him with the FBI as he made a hasty escape. The Bridges group demanded that I make clear my position on wiretapping. Senator Tom Connally, the chairman of the committee, said to me that it was unnecessary for me to take the stand. I could be confirmed at once. But I insisted on testifying for the record. My position then was as it is today.

I testified that I would permit wiretaps in certain investigations, particularly espionage, and subversive activities, but only on my written approval, given on written requests from the head of the Federal Bureau of Investigation, until the Supreme Court of the United States ruled that the action was illegal. Most of the taps were on suspected German and Russian espionage agents. I occasionally turned down a request, but granted most of them, as I had confidence in Edgar Hoover's integrity and judgment. My action was taken in pursuance of a confidential memorandum from President Franklin Roosevelt to my predecessor, Bob Jackson, on May 21, 1940, as follows:

"I am convinced that the Supreme Court never intended any dictum in the particular case which it decided to apply to grave matters involving the defense of the Nation.

"It is, of course, well known that certain other nations have been engaged in the organization of propaganda of so-called fifth columns in other countries and in preparation for sabotage, as well as in actual sabotage.

"You are, therefore, authorized and directed in such cases as you may approve, after investigation of the need in each case, to authorize the necessary investigating agents that they are at liberty to secure information by listening devices direct to the conversation or other communications of persons suspected of subversive activities against the Government of the United States, including suspected spies. You are requested furthermore to limit these investigations so conducted to a minimum and to limit them insofar as possible to aliens.

"F.D.R."

I have said that I had taken an active interest in civil liberties. I was brought into the notorious Emerson Jennings case by Arthur Garfield Hays, then counsel for the American Civil Liberties Union, in 1935. Emerson Jennings who, in Wilkes-Barre, Pa., had made a nuisance of himself by standing up for the underdog, and continually preaching his constitutional rights, was framed by the local police. He was tried and convicted on a charge of dynamiting an automobile from which the daughter of one of the local judges had just descended. The record was full of perjury, and on appeal to the Superior and certiorari to the Supreme Courts of Pennsylvania, Jennings was cleared. Part of the testimony was in a doctored record of a wiretap by the police on Jennings. I had a vivid example of how viciously the police and county detectives could act.

To legalize wiretapping involves a serious decision between two conflicting principles, each fundamental to our American system, and each of great importance, the one to protect society, the other to defend the individual. Weighing one against the other I have come to believe that a carefully drawn wiretapping bill should be adopted by the Congress, that authorizes the Attorney General of the United States to intercept wire communications, permits the States to adopt similar legislation, makes it criminal to tap except by officials specifically authorized to do so, under court orders, makes any other tapping criminal, and provides a system of centralized Federal reporting that will show how these powers and prohibitions are being obeyed. I have come to these conclusions for three reasons, based, as I see it, on such facts and information as we have: (1) wiretapping is not only useful in most criminal cases, but indispensable in uncovering organized crime; (2) our evidence of wiretapping, particularly in the city of New York where it has been chiefly used under a permissive State statute, does not show abuse by the district attorney or police; and (3) because of the present uncertainty as to the legal status of wiretapping, and the resulting indiscriminate tapping that probably results therefrom.

The chief evidence on which I rely is that of Frank S. Hogan, district attorney of New York County, backed by similar evidence of the district attorneys of Queens County and Kings County, N.Y. Frank Hogan has had 26 years' experience in investigating crime and convicting criminals in New York City, and has been district attorney since 1942. He is nationally known for his extraordinary success in this field. He is able; he is honest; and above all he is a humane liberal.

Frank Hogan believes, without any reservation, that "telephonic interception is the most valuable weapon in the fight against organized crime." (Senate hearings, May 9–12, 1961, p. 430 and following.) To show this, he instanced the unearthing of the widespread bribing in college sports, the breaking up of a crooked gambling policy ring, the facts about the fake charity racketeers, and the conviction of the waterfront labor bosses, Mike Clemente, Saro Mogavero, and Louis Gaccione, and of six leaders of the Teamsters Union.

You may remember that Senator McClellan, who had learned something about the spread of organized crime as chairman of the select committee investigating improper and criminal activity in the field of labor, said: "In many cases, prosecution and investigation of crimes would be completely thwarted and would collapse, were wiretapping to be denied to the law enforcement agencies."

And the taps in New York were certainly not excessive—about 75 a year, when Hogan was handling an annual average of 34,000 cases. Usually 25 to 30 interceptions were going on at one time. At present, in the area of organized crime, law enforcement is crippled because interceptions are forbidden, particularly, for instance, in the narcotic field—and drug peddling has spread into Westchester County—when it comes to a choice between protecting schoolchildren from narcotics, and protecting the public who use public telephones from having their conversations occasionally overheard by law enforcement officials—I prefer to protect the children.

Stephen P. Kennedy, former police commissioner of New York, testified before the Commission of New York State investigating wiretapping that in the city of New York over an 8-year period between 1952 and 1959 the police department obtained only 290 court orders a year on the average (transcript of public hearings, Apr. 5 and 6, 1960, p. 129)—less than 60 a year for each borough.

We have the testimony of Edward H. Silver, district attorney of Kings County, Brooklyn, which shows that in operating under the New York statute for 20 years there has not been a single instance where the district attorney has abused his right. (Senate hearings, p. 22. Sam Dash's testimony was almost entirely based on hearsay and guessing as to police infringements.)

Frank O'Connor, the district attorney of Queens County, testified that we would never be able to prosecute criminal abortion cases without the assistance of wiretapping (Senate record, p. 327); and that although he gets frequent complaints about police corruption and refusal to enforce the law, he has never had a complaint "that private rights have been invaded by illegal wiretapping."

Directing your attention to S. 2813, the bill sponsored by the Attorney General, I have a few suggestions for changes. On the whole the bill seems to me to give sufficient authority to the Attorney General of the United States and the State enforcement authorities, and to limit and protect their wiretapping activities so far as is consistent with their effective use.

In section 5(a) the Attorney General is permitted to authorize the Federal Bureau of Investigation to intercept wire communications without any court order in crimes of espionage, sabotage, treason, sedition, and subversive activities where obtaining a court order would be "prejudicial to the national interest." This is a loose phrase, but pretty obviously means where it is feared that the information contained in an application for a court order is secret, and a leak is feared. I think such fear is unnecessary, and the provision overcautious. I should take my chance on trusting it to the judge, and treat (a) and (b) together, requiring court authority for all proposed wiretaps.

I should add gambling to the crimes for which wiretapping may be authorized. Gambling, narcotics and prostitution are the stakes of organized crime, the chief field of their activities, the trades from which the greatest profits arise. Perhaps prostitution should not be added out of some illogical fear that the lesser crimes should not be opened to taps, but only the more serious ones.

The opponents of wiretapping complain that it should not be used to pick up information, should be strictly held to the discovery of the crimes enumerated, citing the analogy of search warrants, where criminal evidence of other violations of law, against which the warrant is not levelled, cannot be used. But I do not admit the analogy. Wiretapping is not entering a man's house and seizing his effects—it is far more like the use of spies and stool pigeons, a dirty business if you like, but legal. To limit excessive wiretapping, the technique of court orders, as in search and seizures, is used. But that does not make a wiretap a search or a seizure. And it must be remembered that the phrase "a dirty business" was used by Mr. Justice Holmes not, as is generally believed, to characterize intercepting telephone messages, but to describe the use by the prosecuting attorney in a California case of evidence which had been illegally obtained by wiretapping.

And now a word about the reporting of wiretaps (sec. 9(a))—that each court order shall be reported (within 30 days) seems to me another paper burden that is unnecessary. I suggest that the judge transmit once or at most twice a year the orders, but not the applications for orders, which contain highly secret material, the names of the suspected criminals and the specific crimes suspected or perpetrated. All the reported information is useless unless made public for discussion and possible amendment to the act; and there is little point in reporting secret information. The reports should be ample, and the administrative office permitted to require information from the law-enforcement officers under regulations to be promulgated by it. It is to the enforcement officers that we must look for information, not to the courts, who usually know nothing more than what has appeared in the petitions. Section 9(b) contains no provision requiring reports by the prosecuting official and police.

The section also is inadequate since it is confined to obtaining only the numbers of applications, orders, etc. But other information is far more important, such as the number of arrests and convictions resulting from wiretaps, the number of cases in which information obtained by wiretaps was used in court, the information leading to the discovery of crimes not set forth in the application, and the disposition of any resulting prosecutions, the number of any illegal wiretaps by police officers and by other individuals. and the disposition thereof, and any other pertinent information. This section seems to me to be the weakest in the bill.

I think the bill needs tightening and clarifying here and there. For instance, section 5(a) speaks of "reasonable ground for belief," and 8(c) uses the expression "probable cause for belief." The latter clause has, I should think, been more frequently construed by the courts, and follows the language of the fourth amendment.

In finishing I think it worth pointing out that the British and, I believe, the Canadian Governments permit wiretaps. The British public is as insistent on protecting individual rights as we—perhaps more so. When there is any alleged police brutality or infringement of individual rights, a dozen members of the House of Commons are on their feet at once to challenge the Prime Minister and Home Secretary to explain—and to make an immediate investigation. Yet, although they believe strongly in individual rights, the British are equally insistent on law enforcement. They give their officials great powers—but if their powers are misused they at once demand appropriate action. I once asked my friend, the late Lord Birkett, who was the English alternate at the Nürnberg trials, had been the leading barrister of his day, and was then on the Court of Appeals, whether wiretapping by the police was permitted. He answered that it was, as a matter of course, and he had never heard it questioned.

NORTH CAROLINA HISTORICAL EVENTS

Mr. ERVIN. Mr. President, I should like to call to the attention of my colleagues in the Senate a series of historical events that recently occurred in North Carolina. On Sunday, April 29, 1962, three separate events took place, which I feel are not only of importance and interest to North Carolinians, but to all of the people of the United States. One of these was the dedication of the battleship U.S.S. *North Carolina* in Wilmington as a living and permanent memorial to U.S. servicemen. The saving of this ship from destruction, after the announcement by the U.S. Navy of plans for scrapping her, is in some ways akin to her dramatic and proud record during World War II. Upon learning of the Navy's intention, the North Carolina Battleship Commission, under the leadership of Mr. Hugh Morton of Wilmington, N.C., was established to save the great vessel. The commission took its mission to the people of our State and the people responded. Among the many contributors are listed 700,000 school children who gave to the effort to bring the battleship *North Carolina* home for her new assignment.

I ask unanimous consent that two articles, published in the April 30, 1962, edition of the Wilmington Morning Star concerning the dedication ceremonies, be placed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Wilmington (N.C.) Morning Star, Apr. 30, 1962]

Battleship "North Carolina" Is Dedicated

(By Bob Garsson)

With thousands of persons looking on from all parts of the ship and from the parking lot, the U.S.S. *North Carolina* was dedicated Sunday as a permanent and living memorial to U.S. servicemen.

Adm. Arleigh A. Burke, former chief of naval operations, made the dedicatory address and other remarks were made by Gov. Terry Sanford, Secretary of Commerce Luther H. Hodges, former Tar Heel Governor, and Adm. Claude V. Ricketts, vice chief of naval operations.

Much tribute was paid to Hugh Morton, chairman of the North Carolina Battleship Commission, and to countless others who helped with the work of raising funds to bring the battleship to the State and to prepare her for visitations by the public.

Hodges outlined the preliminary work done to bring the battleship here, which began under his administration, and said "It is an historic moment in the history of our State because here today we are launching this great battleship on a second cruise of duty as a permanent memorial located in our great State."

At the same time, Hodges said, "We give recognition to the people of North Carolina whose contributions made it possible to save this great ship for its new assignment here as a permanent memorial."

Hodges said an early report recommended not bringing the ship back to the State, but "knowing the capacity of North Carolinians to tackle the difficult goal, I appointed an advisory committee to see what could be done."

From this point on, Hodges said, plans progressed well and the ship was eventually saved from the scrap pile and brought "home."

Hodges said many people helped with the work but "it always takes the active leadership of a good man to direct such a campaign. We are fortunate to have the creative energy and determined drive of Hugh Morton, a remarkable North Carolinian who has done so much for our State."

Sanford said the State is "grateful to many people for making this day possible. My 5-minute talk would last until sundown if I were to list the people to whom we owe our gratitude so I must deal in generalities."

The Governor paid tribute to the Department of Defense, the Battleship Commission, the 2,200 admirals of the North Carolina Navy and the more than 700,000 schoolchildren who contributed to the fund drive.

"We thank from the bottom of our hearts," he said, "the men and women of all of the U.S. military forces who served in World War II. They won the war, and we dedicate the U.S.S. *North Carolina* Battleship Memorial to them today."

In appreciation for what so many people have done toward the project, Sanford said, "I pledge to you today * * * that no stone will be left unturned to the end that this will be the greatest World War II memorial in the United States.

"This is an exciting prospect, this chance to preserve within our shores what is perhaps North Carolina's most historic link with World War II. We are determined to do it the way it should be done."

Ricketts said the Navy is "happy that the citizens of North Carolina have wanted this battleship permanently stationed in their waters, that they have made the sacrifices necessary for her to be here, that they have dignified her dedication by an inspiring program and that future plans provide for a proper use and respect for this shrine."

Ricketts said the hull and weapons of the ship may represent a "bygone era in the story of naval power and naval tactics, but her spirit remains modern and she will thereby continue to contribute in a great measure to the security of the United States and to the moral fiber of her citizenry."

Special awards were presented to many persons during the ceremony, most of them consisting of a color photograph of the ship's arrival here signed by commission members.

The awards were presented by commission Chairman Hugh Morton to Sanford, Hodges, Mrs. Craig, whose late husband James was one of those who originated the idea of bringing the ship to the State; Capt. B. M. Burriss, pilot who brought the ship up the river from Southport; Ricketts, Burke, Adm. William S. Maxwell, battleship memorial superintendent; Adm. Henry J. Wuensch, 5th District Coast Guard commandant; Voit Gilmore, head of the U.S. Travel Service; the State highway commission, the VFW, Navy Reserve Training Center, State Parent-Teachers Association, Corps of Engineers, Sunny Point Army Terminal, Mayor O. O. Allsbrook, who heads the Navy League chapter here, the American Legion, and many others.

Morton's son, Jimmy, who was poster boy for the fund drive last year, presented a signed copy of the poster to Sanford on behalf of the State's schoolchildren.

The Right Reverend Thomas Wright, bishop of the Episcopal Diocese of East Carolina, gave the invocation, the Reverend Charles J. O'Connor, pastor of St. Mary's Catholic Church, gave the dedicatory prayer, and Rabbi Samuel Friedman of B'nai Israel Synagogue pronounced the benediction.

The program ended with maneuvers by minesweeping boats from Charleston, S.C., and flyovers by military aircraft.

Following the ceremonies, refreshments were served to guests on board the ship.

[From the Wilmington (N.C.) Morning Star, Apr. 30, 1962]

ADMIRAL CAUTIONS AGAINST APATHY TO RED MENACE

Adm. Arleigh A. Burke warned Sunday that this Nation's "greatest danger lies in apathy (and) indifference" to Communist attacks on the American way of life.

Burke, former chief of naval operations, made the major address at ceremonies marking the dedication of the U.S.S. *North Carolina* as a permanent memorial to U.S. servicemen.

"This great battleship," Burke said, "has been dedicated many times in the past—dedicated to our country and to our way of life. It has been dedicated under fire. The men who served aboard this ship, who worked and fought and died for the United States, dedicated the *North Carolina* many times to the cause of freedom.

"That is why it would be more precise to say that we are here to rededicate her now to the memory of brave North Carolinians who died, not just at sea, but in all the battlefields and theaters of World War II."

The battleship, Burke said, is "berthed here in Wilmington as a reminder that those who, like this ship, will never fight again, are not forgotten. Their courage, their gallantry, their hard work and their sacrifices are not forgotten and this ship is a fitting memorial because her record is also a record of courage and gallantry, a record of hard work and sacrifice.

"In her first battle, her first combat action, the *North Carolina* sent up such a fierce barrage of antiaircraft fire that the carrier *Enterprise* sent the message: 'Are you on fire?'

"And it was this ferocity, this fighting spirit, that the *North Carolina* took into the battle in those days after Pearl Harbor when perhaps at no other time in our Nation's history were our fortunes, our morale, and our hopes at such a low ebb."

Burke outlined the many points in the Pacific where the battleship left her mark during the war and told of the bombardment of Iwo Jima, which he had watched.

"We dedicate this ship," he said, "to the memory of the war dead (but) we should not forget that the battle stars and battle scars of the *North Carolina* are really the stars and scars of strong men, of Americans from every State, from every walk of life.

"We should hope that no one, whether old man or child, should fail to appreciate and remember the courage that ordinary Americans took into every combat zone. And we must not forget, especially, those who did not come back.

"We would do well to remember also those who were willing to die, but were not called upon to do so. Over 370,000 North Carolinians were in the services during World War II. Many thousands were wounded and many of them will never be the same.

"This mighty ship is no less dedicated to them."

Burke said the battleship "as she fought face to face with the enemy was truly backed up by the citizens at home and she would not be afloat here today if this same devotion to duty, this acceptance of responsibility by so many thousands at home, had not been behind her once again.

"Just as the credit for bringing this ship here is shared by many Americans who contributed toward the effort, so are the freedoms and liberties which this ship and its men fought to preserve shared by Americans everywhere.

"The responsibilities that walk hand in hand with freedom are shared by all of us and they are grave responsibilities. For today the challenges to our Nation are greater than ever before, even greater than the challenges of World War II."

Burke said we live "in a sober moment when history is being decided at its deepest level. The tide of conflict runs high and any thoughtful citizen cannot but be impressed by our problems.

"The insidious specter of communism * * * is particularly dangerous to us because the challenges often bring no sudden Pearl Harbor to galvanize our selections. This threat is a slow deliberate force that threatens every area.

"And our greatest danger lies in apathy, indifference to these attacks" on the American way of life.

"It lies in our wishful belief that the threat has gone and that communism and democracy can coexist.

"The most dangerous threat is our own unwillingness to act—our own indifference. And individual interest and positive action will continue to be America's greatest need in the years to come. For time does not wait. Destiny moves with the sun.

"We have survived against odds before. Hard times are nothing new to Americans.

"But we must continue to guard against a great danger within our own Nation, within our own minds. We must demonstrate our willingness to be not just Americans, but good Americans, responsible Americans.

"To some," Burke said, "the challenges of our times are not sharp and pointed. They are dull and blunted from repetition and easy living. We learn to put up with the challenges and they inch forward, gradually, and with our permission. That is why it is our own resolve that must be maintained and strengthened."

In the years ahead as thousands of persons visit the battleship, Burke said, "let us hope that these visitors remember not only those who died, but why they died. And from this memory let us all strengthen our own resolve to protect and preserve the blessings of freedom at whatever the cost may be.

"I am confident *North Carolina* will succeed in her mission and in doing so once again earn a 'well done' from our Navy and our Nation."

Mr. ERVIN. Mr. President, some 150 miles west of Wilmington, near Durham, N.C., transpired the second event of the day. This commemoration was based on an incident of an earlier war than the one in which the battleship *North Carolina* won her fame. Here, near a monument to unity, was located the humble homeplace of James Bennett where two generals met to sign the surrender in the second and last major stage in the peacemaking process of the War Between the States. Gen. Joseph E. Johnston's signing of this Civil War surrender to Gen. William T. Sherman, undoubtedly saved countless lives on both sides of the line and prevented further destruction. The Bennett place has been a North Carolina memorial park since 1923 but had been devoid of any buildings since a fire destroyed the original house in 1921.

At the dedication on April 29, 1962, of the replicas of the Bennett place house and kitchen, Mr. R. O. Everett of Durham, N.C., a member of the Bennett place commission since it was created by the State legislature in 1921, and chairman of that commission for the past 38 years, presided. It was largely through his interest in preserving this historic site, where the Civil War came to an official end April 26, 1865, and national unity was reborn, that the 1923 General Assembly of North Carolina, of which Mr. Everett was then a member, accepted the generous offer of the family of the late Samuel Tate Morgan to donate the Bennett place grounds to the State of North Carolina, and to erect there a monument to the cause of national unity.

I ask unanimous consent to have Mr. Everett's remarks at the 1962 dedication printed at this point in the Record:

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Dedicatory Exercises, Remarks of R. O. Everett, April 29, 1962, Durham Civic Center

Ladies and gentlemen, it is a privilege and, indeed, a pleasure to welcome you here as participants in these exercises. There is no precedent, indeed there could be no precedent, in American history for such an occasion; and only a sense of its fitness could have brought together such a gathering of so truly interested and distinguished people. The historic background of the Bennett place, and the family relationship of many of you to the principal figures whose acts made the Bennett place famous gives a feeling that we are again in the making of history.

There are two avowed purposes of this meeting: First, to take part in the national observance of the century of peace; and secondly, the dedication of the Bennett place house and kitchen to the cause of national unity. These two purposes, a century of peace and national unity, are quite distinct and may be obtained in entirely different ways, one without the other; for it is possible to have peace without unity. For example, the greatest period of peace in classical or modern history was the Pax Romana—the Roman peace. Yet this peace was maintained solely by the Roman legions, and when the legions of Rome were gone, the entire Roman world collapsed. The world peace of today—the Pax Americana—is maintained largely by the nuclear warheads of the United States and her allies, with all of its uncertainties and forebodings.

The American century of peace which we are now observing began at the Bennett House April 26, 1865, at the point of a sword, as we all well know, when General Johnston surrendered his army to General Sherman, and President Davis and the Confederate Government, then in Greensboro—three cabinet members of which had been at the Bennett House during the negotiations—collapsed and scattered. Yet, in the very act of surrender and disintegration of the Confederate Government, General Sherman and General Johnston undertook to avoid for America a Roman peace based on force; and zealously sought to reinclude the Confederate States in the Union, and establish a government based on national unity where there would be a developing feeling of mutual interest among all the States in maintaining the social order.

This plan on the part of General Johnston and General Sherman, contained in the convention signed at the Bennett House April 18, 1865, authorized by President Lincoln March 28, 1865, and approved by President Davis, provided that upon the surrender of the Confederate armies and the taking of the oath of allegiance to the Constitution of the United States, the Confederate States should resume their functions and place in the Union. However, this effort by General Sherman and General Johnston was frustrated by the assassination of President Lincoln, whose death was reported to General Sherman on his way to the Bennett House, and instead of a government based upon national unity, there was precipitated an aftermath of reconstruction with all its suppressed bitterness and disappointment.

However, the seed sown by General Sherman and General Johnston took root in our soil and began to bear fruit, both commercially and emotionally, for it was realized that the war had been inevitable; that the social revolution inaugurated by Jefferson's ideals of equality had been blocked by the Southern States under the absolute power and right contained in the U.S. Constitution itself; and that the issue raised between the Declaration of Independence and the Constitution of the United States was so deep and fundamental that only the sword could, and did, settle it. Therefore, the only sensible course was to follow the example of General Sherman and General Johnston at the Bennett place in their mutual friendship and to seek to build a desire for national unity within the framework of the amended U.S. Constitution. The sentiment for this course had so far advanced in our State that the General Assembly of North Carolina, in 1921 and 1923, authorized the acceptance of the offer by the Samuel Tate Morgan family of Virginia—natives of Durham County—to donate to the State of North Carolina the Bennett place grounds, and to place a monument thereon dedicated to the cause of national unity. The general assembly appointed the Bennett Place Memorial Commission to carry out the plans, and this commission has been in existence since, and in April of each year the Bennett Place Memorial Commission has held commemorative exercises to promote the cause of national unity.

The obvious reasons for the choice of the Bennett place for the memorial site were that it was the scene of the closing of the Civil War; the beginning of a century of peace; and here was given the inspiring and fruitful example of friendship between former enemies which developed there during the negotiations of peace.

This act by the State of North Carolina and by the Morgan family 40 years ago in behalf of national unity was the first of its kind in the South, where alone it would have been significant, or in the Nation, and has been followed by contributions from within and without the State until we have arrived at this day, for the dedication of the Bennett House and the Bennett kitchen, both erected in the spirit of national unity. We are deeply grateful to Mrs. Magruder Dent, of Connecticut and North Carolina, for her contribution of the replica of the Bennett House, and to Mr. Samuel Tate Morgan, Jr., of Richmond, Va., and the late Mrs. Robert Cabell and Mrs. Gourmajenko—both of whom died since the completion of the kitchen—for their contribution of the Bennett kitchen, and to Mr. J. J. Freeland of Hillsboro for his contribution of the smokehouse, in process of construction, given in memory of his father.

The cause of national unity during the past 40 years has so far progressed that we have in this audience today persons whose ancestors were on opposing sides, and whose presence with us makes this truly a national event of significance. We welcome each of you, whether from the North or the South, and hope that as many of our local citizens as possible will have an opportunity to meet and talk to you at the tea at the Bennett place following this meeting, where you will enjoy patriotic music from the 50-piece band of the 82d Airborne Division sent to us from Fort Bragg for that purpose by Gen. Hamilton H. Howse.

May I express my appreciation for the services of the Dedication Committee, and the Restoration Committees, and House Furnishing Committee, and to each person who has made a contribution to the Bennett place, whether in material gifts or in time and work. We have truly been most fortunate, and we thank each of you.

May I introduce to you Mr. H. C. Bradshaw, chairman of the Bennett Place Dedication Committee, who will present to you some of our distinguished guests. Mr. Bradshaw.

Mr. ERVIN. Mr. President, in order that additional background material on these historic events may be available to interested persons, I ask unanimous consent that a feature article, entitled "Old Bennett Farmhouse Saw the Curtains Drawn on Confederacy," from the April 29, 1962, edition of the Raleigh News & Observer, and the proclamation of National Unity Day by Durham's Mayor E. J. Evans, that appeared in the Durham Sun on April 28, 1962, be printed at this point in the Record.

There being no objection, the article and proclamation were ordered to be printed in the Record, as follows:

[From the Raleigh (N.C.) News & Observer, Apr. 29, 1962]

Old Bennett Farmhouse Saw the Curtains Drawn on Confederacy

(By Perry D. Young)

(A ceremony today on the grounds of a restored farmhouse west of Durham will mark the dedication of one of North Carolina's simplest yet most significant historic landmarks. There, in April 1865, Johnston surrendered to Sherman and there descendants of the two generals will join in commemorating the part James Bennett's place played in bringing the war to an end. The author has commuted from Chapel Hill every weekend since September to work at Bennett place and says his article presents "a guide's eye view" of the story.)

James Bennett's farm, 3 miles west of Durham on old U.S. 70, was and is a very simple place. The building and land, a tract of over 200 acres, were valued in 1860 at only $500. And the building was rebuilt for a mere fraction of the cost of any of North Carolina's other historic sites.

Plain though it may be, the Bennett place is a landmark in history. There in 1865 Gen. Joseph E. Johnston surrendered his army to General Sherman and the curtains were drawn on the Confederacy.

Gen. William Tecumseh Sherman and his men, some 60,000 strong, marched through Georgia "to the sea" and up into the Carolinas—leaving a path of destruction, in some places 50 miles wide. Plantations and even whole cities were left in ruins.

But North Carolina's capital—though squarely in Sherman's path—escaped the fates of Atlanta and Columbia and dozens of other cities in Georgia and South Carolina.

AS THE SOUTH CRUMBLED

The last resistance to Sherman's march was at the Battle of Bentonville, 18 miles southwest of Goldsboro. Johnston, with less than 30,000 men, fought from March 18 to 21 to destroy the left wing of the Union line, but even this failed and the Rebels were forced to retreat.

After this battle, with his men camped near Goldsboro, Sherman left for talks with President Lincoln. With victories at Bentonville, Petersburg, and Richmond behind them, the Union men talked of surrender terms and how they would treat the defeated Rebels.

Sherman returned to his troops on April 10. That same day, news of Gen. Robert E. Lee's surrender reached him—and also General Johnston, who was in Greensboro. The Union men were already on their way to Raleigh. The Confederate general was asking President Jefferson Davis and the cabinet for authority to surrender.

Lee's surrender affected both actions. Davis had wanted a renewed offensive until John C. Breckenridge, Secretary of War, brought confirmation of the surrender at Appomattox.

And in the Morehead house in Greensboro, the Confederate cabinet gave Johnston the "authority" to surrender all of the men then in the field from North Carolina to the Rio Grande.

A PROPOSAL FOR PEACE

Meanwhile, Serman's army met no resistance and reached Raleigh on April 13. Gov. Zebulon B. Vance had sent a peace delegation to the Union commander offering to "surrender the State upon his promise to help terminate hostilities and to recognize the State government." But Vance was gone before they occupied the city—and the Union general spared his city anyhow.

Johnston wrote to Sherman asking for "a temporary suspension of active operations in order for the civil authorities to enter into the needful arrangements to terminate the existing war." He also proposed April 17 as a meeting date and it was accepted.

Just before he left Raleigh for the meeting, General Sherman received a dispatch from Secretary of War Stanton. It read, "President Lincoln was murdered about 10 o'clock last night in his private box in Ford's Theater. * * *"

Sherman saved North Carolina's capital city by his treatment of this message; he made the telegrapher promise not to tell anyone about Lincoln's death until he had returned from the meeting with Johnston.

A GENTLE CONQUEROR

That the Union men would have taken their vengeance out on Raleigh is not mere speculation. One soldier wrote (after the men were told of the assassination) that "the army is crazy for vengeance. If we make another campaign it will be an awful one," he said. "God pity this country if he (Johnston) retreats or fights us."

Bruce Catton, perhaps the most distinguished of all Civil War historians, describes this meeting at the Bennett Place: "It was a strange meeting, in a way, even without the overtone that went with Sherman's secret knowledge. Here was Sherman, whose very name had come to mean unrelenting wrath and destruction. In his own person he seemed to embody everything that a defeated South had to dread from a triumphant, all-powerful North. Yet as he went to see Johnston—they met in a little farmhouse between the lines—he was oddly gentle."

Though the two generals were both West Point men, they met for the first time on the old Hillsboro Road, near James Bennett's farmhouse. Inside the house, Sherman showed Johnston the telegram and "beads of sweat came" on the Confederate general's forehead.

General Sherman first offered the same terms Grant had given Lee at Appomattox. But when Johnston unexpectedly offered to surrender the entire Confederacy—both political and military—the talks took on a different tone.

TERMS FOR SURRENDER

From his talk with Lincoln, Sherman felt that a broad surrender was what the President had wanted. So the next day, April 18, he signed an agreement which provided for: an armistice terminable in 48 hours; recognition of the State governments when the oaths of allegiance had been taken; a general restoration of political rights and franchises as well as rights of person and property; a promise of general amnesty.

But the Government in Washington was far from accepting any sort of broad surrender terms—especially relating to political questions.

Secretary of War Stanton, who had all but stepped into Lincoln's very shoes, went into a "public tantrum." He denounced Sherman and set off bitter criticism of him in the northern press.

Gen. U. S. Grant was sent to Raleigh to take over the negotiations, but he was not to "discuss, concur or confer on anything of a political nature."

So a second meeting was arranged for April 26. Jefferson Davis opposed the new demand and Johnston actually disobeyed orders by going to the Bennett Place.

The agreement was a simple military surrender, carrying the same terms as Lee's surrender. There were two Confederate armies still in the field after this—Gens. E. Kirby Smith and Richard A. Taylor surrendered to Gen. E. R. S. Canby on May 4 and May 26. But Johnston had surrendered by far the greatest share of the Confederate armies—more than all the others combined.

RESTORED FOR HISTORY

After the war, the old farmhouse stood until 1921, when all but the chimney was destroyed by fire. Samuel T. Morgan of Richmond, Va., had bought the place some time before the fire from Broady Duke.

After Morgan's death, his wife and children gave the property for a State park and money to erect the "Unity" monument.

Until 1958, the monument, the chimney and part of the old well were scant reminders of the historic meeting. But with the revived interest in Civil War sites caused by the centennial preparations, a move was started to rebuild and furnish the Bennett place.

And Mrs. Magruder Dent of Greenwich, Conn., provided the money for the "big house," where the papers were signed. Then the children of Morgan gave money to rebuild the log kitchen.

The houses are being furnished in farm pieces of the period. Though two descendants of Bennett own several pieces that were in the original house, they feel "obligated to keep them in the family."

Relatives of both generals will be on hand for the formal dedication. Mrs. Frederick Cauldwell of Groton, Conn., is Sherman's granddaughter. Johnston's grandnieces and nephews will come from Richmond and Norfolk, Va., Mrs. Dent and Morgan Reynolds, a grandson of Samuel T. Morgan, will also take part.

The dedication program will begin at 2:30 o'clock this afternoon at the Durham Civic Center and will move from there to Bennett place for an open house and tea.

The reunion of the two families will, in itself, be a commemoration. For Johnston and Sherman corresponded for many years after the war. And even in the final chapter of both men's lives there is something "oddly gentle."

Joe Johnston died in 1891 from pneumonia he had contracted while he stood (as a pallbearer) in the rain at the funeral of his friend, William T. Sherman.

[From the Durham (N.C.) Sun, Apr. 28, 1962]

Unity Day Is Decreed Tomorrow—Bennett Place Observance Set for Afternoon

Mayor E. J. Evans today issued a proclamation in which he named tomorrow, Sunday, April 29, as Day of National Unity in Durham in honor of the signing of the surrender of the last major Confederate army in the field on April 26, 1865, at Bennett place, just west of Durham.

The annual Bennett Day observance will be held here tomorrow, with a special program at 2:30 p.m. at the Central Civic Center, with an open house and tea following, at the Bennett place.

The proclamation is as follows: "Whereas on April 26, 1865, Gen. Joseph E. Johnston surrendered the last major Confederate army in the field to Union Gen. William T. Sherman at the Bennett place not far west of Durham; and

"Whereas this surrender both brought to an end effective Confederate resistance and helped to mark the beginning of the reunion of the Northern and Southern States; and

"Whereas the site of the Bennett place has been preserved since 1923 as a historic shrine, and a monument and other gifts made to mark the site; and more recently the buildings there have been restored through private munificence as they were at the time the events took place there which molded the Nation's history; and

"Whereas a program of dedication of the restored buildings at the Bennett place has been planned for Sunday, April 29, 1962;

"Therefore, I, E. J. Evans, mayor of the city of Durham, do proclaim Sunday, April 29, 1962, as a Day of National Unity to be observed in the city of Durham, and do commend to the citizenry the spirit of national unity exemplified by this shrine."

Mr. ERVIN. Mr. President, the third and final dedication of the day was one to gladden the hearts of all, but especially those members of the Methodist Church in our State and throughout the Nation. A magnificent new building, which will house the official headquarters of the North Carolina Methodists, has been erected in our State capital city of Raleigh. I rejoice in this fine edifice and the achievement it represents of North Carolina Methodists. And I ask unanimous consent that there be printed at this point in the Record an article which appeared in the April 30, 1962, edition of the Raleigh News & Observer.

There being no objection, the article was ordered to be printed in the Record, as follows:

Methodists Dedicate New Headquarters

North Carolina Methodists dedicated a new headquarters building on Glenwood Avenue Sunday afternoon and heard Bishop Paul N. Garber, of Richmond, Va., say: "We are adapting our program to modern times."

Bishop Garber, presiding episcopal head of the Richmond area, led the consecration service in the assembly room of the new Methodist Building.

"We consecrate this building as a symbol of the upreach of the church of God in faith, and the outreach of the church in service to our fellow men through the conference boards and agencies which shall be housed here," he said.

More than 200 persons attended the services and hundreds more toured the new building's open house which followed the services.

The new $650,000 headquarters building houses the offices of the boards of education, evangelism, missions and church extension, Christian higher education, the conference of lay leaders, conference treasurer, the Methodist Foundation, Inc., the department of gifts and wills, the Raleigh district superintendent, and the television, radio, and film commission.

GENERAL WEDEMEYER'S VIEWS

Mr. CURTIS. Mr. President, Gen. A. C. Wedemeyer, U.S. Army, retired, is one of America's top soldiers. Few individuals, if any, have had a greater training or wider experience. His motives are unselfish and patriotic. He is a statesman whose judgment is worthy of attention.

On May 14, 1962, General Wedemeyer wrote a letter to our colleague, the Honorable Henry M. Jackson, which, in my opinion, merits the consideration of the Congress and the Executive. I ask unanimous consent to include that letter in my remarks. I have informed Senator Jackson of my intentions and he has no objection.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 14, 1962.

Dear Senator: The views you expressed on the television program yesterday concerning our policies and actions in the Far East, particularly Laos, are, in my judgment, sound and in the best interests of the United States as well as of other free nations, including those in that turbulent area. If my knowledge of and experience in the Far East and also my exposure to global strategy prior to and during World War II qualify me in your opinion to express views or make suggestions, I certainly heartily endorse what you said.

Years ago when SEATO was organized, I was still in uniform and had planning responsibilities in the Department of the Army. I urged my then chiefs, both civilian and military, to insist upon the inclusion of Japan, Nationalist China, and South Korea in that Organization, for obviously they had equal stakes in the future of the Far East region. But more to the point, Senator, those three countries had proven their capability and their resolution to fight against the spread of communism. I did understand one objection voiced by a friend in the State Department to the admittance of Nationalist China since the British, who were members of SEATO, had already diplomatically recognized (1949) Red China. However, the Peiping regime had not exchanged diplomatic amenities with the British, so if they had joined us in extending an invitation to Nationalist China, it would not have been a breach of international propriety. Furthermore, it was my experience that realism must strongly influence our policies and actions in the international arena.

It is my considered opinion that it is not too late to invite those countries (Japan, Nationalist China, and South Korea) to join SEATO. But even if this is not done, I am confident that the following ideas are realistic: I believe that the nations geographically situated in the Far East, including southeast Asia, should be given the primary responsibility of maintaining the military security and economic stability of the region. Nations remote geographically from the area but maintaining strategic interests there should guarantee moral and material support. This might include limited technical advisers. But, Senator Jackson, it is, again in my humble opinion, unrealistic to believe that white men should be sent into this region on punitive or so-called defensive missions. I might add that this statement has equal application in Africa. One should note that very few white Communists are found in the area, yet the orders emanating from Moscow are being carried out diligently—at times fanatically—and with inexorable success.

This letter is written in a constructive spirit. Both of my sons were in the Korean war—one a lieutenant of infantry and the other a jet pilot. I was told that both of them gave an excellent account of themselves, and I am sure they are prepared to do so again if circumstances require it. But having commanded large numbers of men and having given orders which require men to go forth—some of them to die, others to be maimed—in defense of American principles which you and I believe in, I think that I can speak for thousands and thousands of parents and loved ones of those boys who may now be called upon again to go forth and make similar sacrifices for similar principles.

In submitting these views to you, I do not do so in a critical vein, and I am not questioning the loyalty of responsible officials, military or civilian, but I am, of course, by implication questioning judgments.

Faithfully,

A. C. Wedemeyer,
General, U.S. Army (Retired).

FOOD AND AGRICULTURAL ACT OF 1962

The ACTING PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the unfinished business, which will be stated by title.

The Legislative Clerk. A bill, S. 3225, to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

A PROGRAM FOR OUR FISHERIES

Mr. SMITH of Massachusetts. Mr. President, this spring, a fleet of over 100 Russian fishing vessels has been operating as close as 15 miles from Cape Cod, Mass., on Georges Bank. This fleet is fishing our coastal waters with the most modern equipment yet developed anywhere in the world. Fish are brought through the stern of the Russian trawlers at up to 75,000 pounds a haul. This catch is processed on board ship with a minimum of waste and spoilage.

This is the second year that the Soviets have fished these waters, and they are here earlier this year than last. They have also 150 to 200 fishing vessels off Alaska in the Bering Sea where they have been fishing since 1959. This fleet has already taken 50 percent more herring than called for in its 1962 winter plan. These ships are all part of a mammoth state enterprise which has recently placed Russia ahead of the United States in world fishery production.

I would like to speak today about our own fishing industry, in the light of recent strides by the Soviets. I do so not to suggest that our security is in danger, nor that we imitate their every move. I bring up Russian achievements—and I shall talk about those of other nations as well—to emphasize the fact that the United States has a third-rate fishing fleet by world standards. The march of technology, which has transformed agriculture and so many other industries, has hardly brushed our fisheries. American fisheries desperately need to modernize, and this modernization cannot take place without the help of the Federal Government.

The fisheries, as I shall use the term, comprise all the separate operations which take fish from water, process it into food, and bring it to market. Fishing is our oldest commercial industry. It stretches back to 1602, when the Englishman Bartholomew Gosnold made the first commercial fishing expedition off the Massachusetts coast, and was so impressed by the abundance there that he named the area Cape Cod.

The fisheries have been most important to the economic development of our country. They are a significant industry today in almost all the 23 States that border on our great oceans and the Gulf of Mexico, not to mention many inland States that have fresh-water fisheries. Fisheries employ, directly and indirectly, 540,000 American workers. They are a major industry in my State of Massachusetts. Both the past fame and the present distress of my home town of Gloucester are largely attributable to this industry.

I speak today on the problems of our fisheries for all these reasons. And I would add one more: that if I, as a freshman Senator, am going to take the floor of the Senate, it should be on a subject I know well; and all my life has been spent in this industry.

The fisheries in America are in very serious condition. The total catch of fish landed in the United States last year was 5,100 million pounds. This was less than was landed 20 years ago, even though our population increased during this period by 45 million people. In the last 10 years the number of fishermen in the United States has dropped by 31,000; the number of fishing boats by 16,000. More and more of the fish consumed by Americans is imported. Imports have doubled since 1949, and in 1961 accounted for 44 percent of our total consumption. We import more fish than does any other country in the world. Distress in the fisheries is especially severe in New England. At the end of World War II the fleet operating out of Boston had 120 trawlers. Now it has 61. At the end of the war, the Gloucester fleet had over 400 boats. Today it has only about 100, and almost every month another fishing boat gives up and goes out of business.

Salmon production in the Northwest has been declining for many years. The Alaskan salmon pack, which averaged 5,900,000 cases in the 10-year period from 1936 to 1945, was reduced during the 10 years of the 1950's to 2,800,000 cases. The Columbia River pack for the 1936–45 period averaged 327,000 cases. During the 1950's it dropped to 157,000. The low abundance of salmon is aggravated by the fact that other countries take on the high seas fish that originate in Alaskan waters. It is estimated that the Janpanese alone may take 2 million Alaskan salmon this year.

The tuna fleet operating out of San Diego has declined in the last 10 years from 833 to 210 vessels. The sardine industry in Maine is plagued by wide fluctuations in the catch. Last year, Maine sardine canners experienced their worst season in years, as landings dropped by nearly 100 million pounds.

Water pollution and the invasion of the lamprey have virtually wiped out our $8-million-a-year trout industry in the Great Lakes. Fishermen of this region who used to bring in pike, whitefish, and other valuable species, in addition to trout, are now reduced to trying to market smelt, carp, and lesser value fish.

A serious shortage of shrimp has developed in our traditional fishing grounds in the Gulf of Mexico. The domestic shrimp catch from the Gulf of Mexico in 1961 was 72 million pounds lower than in 1960. As a result of this, imports of shrimp rose last year to over 50 percent of domestic consumption.

Mr. TALMADGE. Mr. President, will the Senator from Massachusetts yield?

Mr. SMITH of Massachusetts. I am happy to yield to the distinguished Senator from Georgia.

Mr. TALMADGE. Mr. President, I wish to commend the distinguished junior Senator from Massachusetts on the very able statement which he is making with regard to the depressed condition of our domestic fishing industry and the need for some corrective action. Although my own State of Georgia does not have nearly so large a fishing industry as does Massachusetts, fishing is a substantial industry along Georgia's coast—particularly shrimp fishing. I am sure that the many problems which the Senator has enumerated are equally applicable to the situation in my area.

Even before the serious shrimp shortage which developed on the Atlantic coastline and the Gulf of Mexico last year, our domestic shrimp industry was in a serious condition because of excessive foreign imports.

Shrimp may be caught in virtually every country of the world that is not landlocked. More than 50 foreign countries ship shrimp into the United States, which is the world's largest and most important market. These imports have grown at an increasingly higher rate during the past few years; and as the Senator from Massachusetts has stated, imports accounted for over 50 percent of our domestic consumption last year. I, along with 10 other Senators, cosponsored proposed legislation in the 2d session of the 86th Congress which would have set up a country-by-country quota system to control excessive imports of shrimp. This proposal, if adopted, would have provided for a stable and adequate supply of shrimp and at the same time would have granted annual increases to the foreign suppliers on an equitable basis. Unfortunately, we were unable to obtain favorable consideration of the proposed legislation, and the lot of our domestic industry has grown steadily worse.

Again, I wish to compliment the Senator for bringing this matter to the attention of the Senate, I hope that it will receive the very careful attention of our colleagues.

Mr. SMITH of Massachusetts. I thank the distinguished Senator from Georgia for his excellent contribution to this discussion. I realize that the shrimp industry of Georgia has been an important part of the economic life of that area and that it is experiencing serious difficulties at this time.

While unutilized species of shrimp have been located in deeper waters, most boatowners cannot afford the navigation instruments, bigger engines, and extra wire required to fish these grounds.

Oyster production has declined in the last 10 years by 19 million pounds, primarily due to depreciation of stocks by parasites, predators, and diseases. Oystermen are having trouble finding suitable oysters to market or sufficient oyster seed for planting. Many oyster companies on Long Island Sound, Delaware Bay, and Chesapeake Bay have gone out of business.

The result of this accumulation of difficulties in various of the fisheries is that America, after many years as the world's second largest producer of fish, has been displaced by Russia. In 1960, we actually fell to fifth place behind Japan, Russia, Red China, and Peru.

Mr. President, I ask unanimous consent to have printed at this point in the Record a table showing the catch of fish by leading nations of the world from 1951 through 1960.

There being no objection, the table was ordered to be printed in the Record, as follows:

World catch of fish, crustaceans, mollusks, etc., by leading countries, 1951–60 (live weight basis)

	Million pounds
1951:	
Japan	8,100
United States	5,200
U.S.S.R.	4,400
Norway	4,000
China (mainland)	2,900
1952:	
Japan	9,937
United States	5,270
U.S.S.R.	4,162
Norway	4,002
China (mainland)	3,748
1953:	
Japan	9,875
United States	5,374
U.S.S.R.	4,372
China (mainland)	4,167
Norway	3,433
1954:	
Japan	9,803
United States	5,967
China (mainland)	5,057
U.S.S.R.	4,978
Norway	4,560
1955:	
Japan	10,831
United States	6,152
China (mainland)	5,551
U.S.S.R.	5,512
Norway	3,998
1956:	
Japan	10,500
United States	6,590
China (mainland)	5,820
U.S.S.R.	5,776
Norway	4,853
1957:	
Japan	11,903
China (mainland)	6,878
United States	6,084
U.S.S.R.	5,578
Norway	3,869
1958:	
Japan	12,136
China (mainland)	8,951
United States	5,972
U.S.S.R.	5,776
Norway	3,172
1959:	
Japan	12,973
China (mainland)	11,067
United States	6,373
U.S.S.R.	6,085
Peru	4,745
1960:	
Japan	13,652
China (mainland) [1]	11,067
Peru	7,785
U.S.S.R.	6,724
United States	6,216

[1] Data are for 1959.

Note.—Data reflects latest information published in "Yearbook of Fishery Statistics," Food and Agriculture Organization of the United Nations.

Source: U.S. Department of the Interior, Bureau of Commercial Fisheries, Branch of Statistics, March 14, 1962.

Mr. SMITH of Massachusetts. Mr. President, the basic problem pervading every part of our fisheries is backwardness of technology. It is technology, even more than wages, that allows fishermen of other countries to undersell us in our own ports. It is our dependence on old methods and obsolete equipment which makes costs so high that many fishing-boat operations no longer pay. If there is to be any improvement of the fisheries in this country, it will only come about through the application of modern scientific technology.

Fish is a highly perishable item, traditionally caught a long distance from where it is sold. The voyage from port to fishing grounds and back involves heavy expenditures for fuel, maintenance, and wages. The secret of economical operation, therefore, is to make the largest possible catch on a single trip and to process the catch as soon as possible to avoid spoilage.

The Russians have solved this problem through a considerable investment in a modern fishing fleet. Russian fleets are built around large "factory ships" 250 to 300 feet long, weighing 2,500 gross tons or more. These ships have complete facilities for filleting and freezing the catch. As many as one-half million pounds of processed fillets can be stored on such a ship at one time. This means the Russian trawlers do not have to journey to and from Russian ports. They operate from the mother ship. While almost all American vessels are forced to operate within a few hundred miles of home port, the Russian fleet can go almost anywhere and stay away from port for many months. The Russians have at least 100 trawler factory ships in operation and plan to have 160 more by 1965. We have none.

The Russians have also considerably outdistanced us in trawlers, the ships that pull the fish from the sea. The average trawler in use in the New England fleet is over 25 years old. Most Russian trawlers have been built in the last 10 years. Our fishermen, using traditional methods, must cast their nets over the side of the boats and haul in the catch either by hand or by winches. Nets that can be used in this way are strictly limited in size. Many Russian trawlers are of the more advanced stern chute variety, which can use much larger nets operated by machine. As a result, it can take a small New England trawler an entire week to take in as much fish as a stern chute trawler gets in one haul. The Russians also have combination factory trawlers with processing facilities on board. Their large trawlers can fish in the kind of weather in which a New England trawler cannot even leave port.

The Russians have also mobilized the most advanced technology for the improvement of fishing methods. They are preparing to equip their boats with electronic computers, which will adjust the depth of the trawl to the depth at which the fish are concentrated. Last November the Russians launched a whaling ship with facilities for all types of processing and canning the catch. The ship also had a helicopter for aerial spotting of whales and schools of fish.

Other nations have also modernized their fishing fleets. The Japanese have trawlers comparable in size to those of the Russians. Japanese fleets, with integrated facilities for catching and processing fish at sea, go regularly to many areas of the world. Japanese tuna boats have, on the average, a carrying capacity 60 percent larger than American boats.

A large Polish factory ship, able to process 30 tons of fish a day, was in Boston Harbor for repairs last year.

Canada is proceeding with expansion and modernization of its fleet. With the help of subsidies and loans from the National and Provincial Governments, the groundfishermen have replaced many of their old, small boats with larger, more mobile vessels.

Three hundred and twenty-four new vessels have been built with the assistance of the Government's subsidy. This in turn has helped improve the economic position of over a thousand fishermen. This fleet now accounts for more than 20 percent of the total groundfish landings on the Atlantic coast.

Peru increased its catch from 124 million pounds in 1950 to nearly 8 billion pounds in 1961. Even as underdeveloped a nation as Ghana, only 5 years independent, has trawlers much more up to date than ours.

The antiquity of our fleet is at the root of the problems of our fisheries. The number of new fishing boats built in the United States has been declining steadily. Last year's total was less than half that of 12 years ago.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum on the new fishing vessel documentations in the United States in the years 1947 to 1961.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

New fishing vessel documentations in the United States, 1947–61

1947	1,300
1948	1,184
1949	1,002
1950	812
1951	780
1952	675
1953	729
1954	717
1955	418
1956	521
1957	601
1958	684
1959	479
1960	408
1961	430

Mr. SMITH of Massachusetts. Mr. President, outmoded trawlers cannot return to port with a large enough catch to pay their way. They cannot control the quality of the fish as well as modern boats.

The backwardness of our technology explains why many of our processors find it cheaper to import fish in frozen blocks than to buy domestic fish, whose cost may be inflated by poor handling methods and equipment.

Outmoded trawlers cost more to repair. They cost more to insure. In fact, they involve such a great insurance risk that in New England a few years ago no company would insure fishing vessels. Now, a few companies will cover them; but their rates have soared as the trawlers have aged.

That is why last year we imported over twice as much groundfish, fillets and blocks, as we caught ourselves: a record 195 million pounds.

From the trend of imports and the economic state of the industry, I think it is clear that American fisheries must either adapt to modern methods or slowly die. It has been estimated that by 1980, the Nation will be using 3 billion pounds more fish. But as long as other nations are able to produce a better product at less cost, they will increase their share of our domestic market, and will reap the benefit of any increase in consumption here in America.

Modernization, then, is the key to progress. But the fishing industry's ability to modernize is severely limited by the economic troubles experienced in the last few years. The vast majority of owners of fishing vessels have a net worth of less than $500,000. When we consider that a modern groundfish trawler costs $450,000 to construct in the United States; a 450-ton tuna clipper, $740,000; a factory processing ship, $8 million, we can see that almost none of these owners is in a position to modernize on his own. The new boats that are being built are of conventional types, without necessary modern equipment.

The precarious financial condition of the industry also makes it hard for owners to get bank credit for modernization. Nor have companies with large resources been known to enter the fishing industry in recent years, as current prospects do not make it an attractive field for investment or diversification.

Other industries seeking to modernize have the option of purchasing abroad. Modern boats, with modern equipment, could be obtained abroad at considerable savings—about 50 percent for steel vessels, and almost as much for wooden. But this option is not open to our fisheries. A Federal statute passed in 1792 prohibits any boat not built in the United States from landing fish in an American port. This law is unique in its field. No other industry is forbidden to use foreign capital equipment. This law operates harshly on our fisheries; but it has strong support in Congress, and cannot be changed at this time. Nevertheless, the effect of this statute makes it all the more important that ways be found to encourage the building of modern boats in the United States.

The American fishing industry suffers not only from outmoded equipment, but also from backward techniques of harvesting, preserving, producing, and marketing. Fish competes for the consumer dollar with poultry, meat, and eggs. For many years now these segments of American agriculture have been in the midst of a technological revolution. We have learned to grow more food on less acreage, to prepare and package it better, to develop new foods, and to keep the costs at stable levels.

Take, for example, the poultry industry. It competes directly with fish as a low-cost, high-protein food. This industry has made phenomenal scientific advances. Chickens used to be fed in the barnyard, killed at the chopping block, and sold fresh at local markets. Today, they are born in incubators, fed on assembly lines, killed and frozen by machine, and shipped all over the world. American poultry can now underprice French poultry in France. Exports of poultry products last year amounted to $94 million. Exports of edible fishery products amounted to $19 million. Fifteen years ago, exports of edible fishery products amounted to over $40 million.

Technological backwardness is most prevalent in the following areas:

(1) FINDING AND HARVESTING THE FISH

A number of advanced fishing methods are under development in various parts of the world to take the uncertainty and unnecessary expense out of catching fish commercially. The traditional method, still used by almost all American fishermen, is to cast nets at random in an area where fish have been known to feed. This method involves a large measure of chance and a good deal of wasted time and effort.

The Japanese and Russians carry on extensive exploratory operations for fish in all parts of the world. Research vessels precede their fishing fleets to scout promising areas and test the abundance of fish in various locations.

Underwater sonar equipment is used by other nations to a much greater extent to spot schools of fish. Some Russian factory ships are equipped with aircraft for this purpose. With modern telemeter it is possible, once the school is located, to determine its depth with sonar and to adjust the depth of the trawl to that of the fish. Other methods are being developed to herd fish toward nets by means of electric shocks. In the Caspian Sea, fish are attracted by lights and then sucked up into boats with suction pumps. This method could prove most useful to us, for example, in the Maine sardine industry, where thousands of bushels are lost each year because antiquated seining gear cannot be used off the rocky coast.

While a few of our fisheries, notably tuna, have taken steps to modernize locating and harvesting of fish, most fishing boats are deprived of valuable catch because of adherence to traditional methods. Looking beyond these methods, it will be necessary in the future to explore the possibility of salt and fresh water farming of fish. Many parts of the sea, most convenient to our ports, attract few fish because little food grows in them. Scientists have proposed a number of methods for enriching these areas, many of which would vastly benefit our fisheries. With proper treatment large schools could even be attracted to shore areas. Eventually, fish could be grown and harvested in one operation and at a minimum of expense.

(2) CONTROL OF QUALITY

Many of our fisheries are also deficient in controlling the quality of their product. Fish is a highly perishable item. Because of this, its appeal to consumers is greatly affected by small variations in color and looks. Many of our fishing boats, especially in New England, lack adequate facilities to guard against spoilage during the long trip back to port. The common preservative is ice, but it is bulky and expensive to carry for so many days. As a result, it is difficult to keep high fish quality standards. This, in turn, hinders efforts to increase consumption.

Although the Federal Government has set up quality standards for various species, they are not mandatory. In the breaded frozen shrimp industry, for example, processors that comply with these standards are at a competitive disadvantage with those that do not.

(3) MARKETING

At a time when other foods are marketed through effective mass distribution techniques, fish marketing is characterized by disorganization. If the income of fishermen is inadequate, it is partly because the prices they receive bear no stable relationship to the retail market price.

In my hometown of Gloucester, fishermen are receiving 1½ to 2½ cents for a whiting, which retails for 26 cents a pound a few blocks away. Schrod haddock fillets, which bring between 5 and 10 cents ex-vessel, retail for 55 to 59 cents a pound.

The unstable price situation occurs partly because the industry is selling a very perishable product. If some method could be devised to catch the fish and economically preserve it at sea, like freezing it on board the vessel as soon as caught, it would be possible to sell fish in a more stable market.

Fishermen and vessel owners, like farmers, are supplied with market information daily so that they can plan their marketing. Even with this help, however, the high perishability of the product and variations in quality adversely affect the marketing of fish and shellfish at the point of landing. Fishermen and vessel owners can make ends meet at present only by going out and bringing back all they can catch. If supplies are large, prices drop to low levels because the product cannot be stored until market conditions improve. On the other hand, if supplies are light or scarce, prices become abnormally high.

(4) PROCESSING

The spread between the price at which fishermen sell and that which housewives buy is largely a matter of processing costs. These costs are necessarily high because of the way Americans like their fish. They like them individually cleaned, usually frozen and packaged, and often precooked. When preparing a fish for eating, two-thirds of its weight is frequently discarded.

In order for our industry to successfully compete with imported products and lower their costs, it will be necessary for it to modernize. Experience in Gloucester with processing of ocean perch showed that mechanization is the only way that our plants could successfully compete with imports. Jobs were actually saved by machines in this case. I am convinced that in the present economic situation, better processing machines, instead of reducing the number of workers, would lower prices and expand markets, and thus enhance employment opportunities in the industry.

These are the problems of our fisheries as I see them. The trend has been against us. The outlook is grim, but not hopeless. I believe that if the industry follows a prudent course, the downward trend could be stopped and our fisheries could obtain a larger share of the American market. But I am firmly convinced that in its present financial condition the industry cannot modernize without Goverment assistance. I therefore intend to outline specific measures our Government should take for the fisheries.

The fishing industry has not abused its constitutional right to petition the Federal Government for assistance. In fact, they have received less help from the Government than other basic foods. In the upcoming fiscal year our Government plans to spend $35.4 million on programs for the fishing industries. This compares with $5.8 billion on agricultural programs. Of course, agriculture is a much bigger industry, but even discounting this fact, our Government is spending over three times as much money on agricultural programs per dollar of product produced than on fisheries.

I ask unanimous consent, Mr. President, to have printed in the Record at this point a table entitled "Ratio of Federal Expenditures to Gross Value of Product, 1959."

There being no objection, the table was ordered to be printed in the Record, as follows:

Ratio of Federal expenditures to gross value of product, 1959

AGRICULTURE	
(a) Federal agricultural expenditures	$3,222,265,000
Dollar value agricultural products	32,700,000,000
FISHERY	
(b) Federal commercial fisheries expenditures	11,102,200
Dollar value of fish and shellfish landings	360,000,000

$$(a)\ \frac{3,222,265,000}{32,700,000,000}=.09854$$

$$(b)\ \frac{11,102,200}{360,000,000}=.03084$$

The Federal Government spent 9.854 cents or nearly 10 cents on agricultural programs for every $1 of product produced. A little over 3 cents for each $1 of fishery products produced is spent by the Federal Government on work programs for the fishing industry. Approximately the same ratios were believed to exist for the 1960–61 period.

Mr. SMITH of Massachusetts. Mr. President, I do not begrudge our farmers one dollar of this expenditure. Their problems are great and the returns over the years have been meager. I merely make this comparison to show that greater Government support for fisheries would not be excessive by comparison with competing products.

In other nations—even those which practice private ownership—governments have taken important steps to help their fisheries modernize. Fisheries in these nations operate under elaborate systems of price supports, subsidies, tariffs, import quotas, and favored tax treatment. Britain, Canada, Finland, West Germany, and Ireland help fishermen pay their interest on money borrowed for modernization of vessels. The Governments of Malta, Ireland, and France make outright grants for this purpose, equal to up to 50 percent of the cost. Norway has a price support program for fish. When market prices drop below a certain level, fishermen are compensated out of an equalization fund. In Canada a fisherman can build a $150,000 boat for $9,000 down. He receives a subsidy from the Canadian Maritime Commission of 40 percent of the cost. His Province will also provide an interest-free loan for the bulk of the remainder. In Quebec the loan can go up to 90 percent of the cost remaining after the subsidy. Little wonder the conditions are so good in Canadian boatyards, as indicated in an article published in the Boston Herald, which I ask unanimous consent to have printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

News of the Maritimes—Boatyards Boom in Nova Scotia

(By Al Savage)

Halifax.—Major Nova Scotian boatbuilding yards are bulging at the seams with orders for several million dollars worth of wooden fishing vessels in the 100-foot class.

The boom could push the $10 million mark by the end of this year and is expected to create an estimated 1,000 new jobs ashore and afloat.

And while steel shipbuilding yards aren't sharing in the boom they expect to climb aboard the gravy train in the not too distant future when Nova Scotian fishing companies will begin contracting for steel draggers.

Halifax Shipyards, Ltd., is working on contracts valued at between $8 and $12 million. It is working at about 75-percent capacity.

UPSURGE SEEN

The situation at Ferguson Industries, Ltd., in Pictou was described as only fair—the work force was only slightly better than half of full capacity—and business at Steel and Engine Products, Ltd., in Liverpool was reported slack, operating with a work force of about 140 compared to 300 last fall.

But officials of all three steel shipbuilding yards were optimistic of an upsurge in business within 6 weeks. At least one, if not all three, was actively engaged in negotiating for construction of steel fishing vessels.

Mr. SMITH of Massachusetts. Mr. President, it is ironic and instructive that while our fishing fleet decays, many nations are building up their fleets from money they receive from us.

Since World War II $115 million in American foreign aid of various types, and $182 million in counterpart funds have been used by friendly nations to build up their fisheries. This sum of $297 million exceeds—by about $88 million—the sum our Government has spent on our own commercial fishing industry during the same period. I think we can do better than that.

We need a thoroughgoing program We must assist the fisheries in the same way as the Government assists agriculture—at every phase of the operation from the raw to the marketed product. The fishing industry has deteriorated too far to be helped by any quick spot solution.

The loss of our fishing industry would cost our country dearly. One-half million people would be added to the rolls of the unemployed. The price of fish to consumers would be set outside the country. Millions of consumer food dollars, which should be staying in this country, would go abroad. This is already happening. Last year per capita fish consumption in this country rose one-half pound. This was a substantial gain, but it was completely absorbed by rising imports.

Congress has set up a number of assistance programs for the American fishing industry. They are administered by the Bureau of Commercial Fisheries. The Bureau gives help in every phase of fishing, from exploring the waters to marketing the finished product and finding new uses for fish. The Bureau issues marketing reports, runs voluntary quality control programs, builds fish ladders to save salmon, and develops poisons to kill lampreys.

The Bureau has done an excellent job with the tools it has, in introducing modern methods to an old-fashioned industry.

At this time I wish to pay tribute to the able leadership of the Director of the Bureau of Commercial Fisheries, Don McKernan. The tasks faced by Mr. McKernan and the Bureau are enormous, compared to the funds available for the work. The Bureau is short of badly needed, advanced equipment. In the whole North Atlantic, for instance, it only has one exploratory vessel of its own. All too often the Bureau, like the fishermen, must spend its money simply keeping its vessels up to date.

The fishermen also receive assistance through the Fisheries Loan and Mortgage Acts and the Vessel Subsidy Act.

The Fisheries Loan Act, passed in 1956, authorized a $13 million loan fund for repairing fishing and boat gear and for financing or refinancing the operators. Under this program, 560 loans totaling over $13½ million have been made to vessel owners and operators. It has been most successful where it has helped fisheries such as the tuna and salmon fishermen on the west coast buy newer, more efficient equipment. It does not, however, help build new vessels.

The Vessel Mortgage and Insurance Act, passed in 1960, provides Government insurance for mortgages for building or reconstructing fishing boats. This program has been in operation for about a year and a half. It is helpful in fisheries where the price of boats is not prohibitive. It is of no use, however, to fishermen who cannot afford to buy new vessels in this country.

The Vessel Subsidy Act, passed in 1960, provides a maximum Government subsidy of one-third the cost for vessels built for fisheries hurt by import competition. It has not been effective, and later I shall offer several ways it should be changed.

These programs represent a step in the right direction. They have not, however, done the job of putting the industry back on its feet.

Our fishermen must convert quickly to modern techniques or they will not survive. In order to do this, they must have both immediate and long-term assistance. I think Congress should pass a program that will help save the industry from further decline and enable it to compete with foreign producers. In addition, the Government should take steps to make our fisheries an effective weapon in our battle against hunger in the underdeveloped nations of the world. I, therefore, propose the following 7-point program:

1. OVERHAUL OF THE VESSEL SUBSIDY ACT TO ALLOW GREATER GOVERNMENT PARTICIPATION IN SUBSIDIES TO BOATOWNERS AND TO MAKE A GREATER SEGMENT OF THE FISHING INDUSTRY ELIGIBLE FOR ASSISTANCE

Vessels are at the heart of the fishermen's problems. At best the American fishermen can keep his present equipment up to date and in good repair. At worst, he cannot do this and the vessel deteriorates. Yet even if his equipment is in good condition, it is still far poorer and older than any being used by his principal foreign competitors.

If Congress will not let our fishermen shop on the open market, in any country, for the best vessel their money can buy, it should amend the Vessel Subsidy Act to make it truly effective. Since the act was passed, only one payment has been made under it. Although other applications are now pending, it is clear that this law is too restrictive to provide the fishing industry with the strong ship construction incentive and assistance it needs. A vessel built with this assistance must always carry at least half a cargo of the fish for which it is getting the subsidy. Yet, fish in this category make up only 7 percent of the domestic catch.

The terms of the act should be broadened to make a greater portion of the industry eligible for its help. It should also allow a subsidized vessel greater flexibility in the catch it may take. The procedure for applying for a subsidy should be simplified. The applications must now be approved by three different Government agencies. It often takes several months to clear them, and vessel costs rise while the applicant waits for the paperwork to be finished. The procedure also discourages the boatbuilders from trying new or different designs. Instead they use the same old ones, the ones that have been approved before.

The present maximum possible subsidy on steel-hulled vessels is 33⅓ percent. The actual price differential, however, between American and foreign shipyards for these vessels is now 40 percent to 50 percent. Since the American fishermen are, in effect, being forced to subsidize our boatyards by not being permitted to buy their vessels at the best possible prices, they should be paid the full difference whenever necessary. For this reason, Congress should increase the subsidy maximum to 50 percent.

2. WE SHOULD PROVIDE FEDERAL LOANS TO FISH PROCESSORS TO HELP THEM MODERNIZE THEIR PLANTS

New processing machinery has shown in several instances that it will not only pay for itself but can revolutionize the industry. Yet the processors, like the fishermen have not been attracting private capital. And the Small Business Administration, which is supposed to handle loans rejected by commercial sources, has approved only three loans to New England fish processors in the last 9 years.

Congress should set up a loan program to help the processors purchase new equipment. This could be done either by amending the Fisheries Loan Act to include processors, or by inaugurating a separate program under the Small Business Administration.

3. WE SHOULD EXPAND RESEARCH INTO THE FINDING, CATCHING, PROCESSING AND MARKETING OF FISH BY ENLARGING PRESENT RESEARCH PROGRAMS, AND PROVIDING NEW EQUIPMENT FOR THE BUREAU OF COMMERCIAL FISHERIES

A strong exploratory fishing program, which could pinpoint known locations of fish, would take much of the guesswork out of present fishing methods. This alone would greatly improve the economics of the industry. More exploratory fishing could also locate new sources of fish. From Maine to the Gulf and Alaska, major fisheries have been badly hurt through loss of stocks. Yet scientists estimate our coastlines hold, in locations yet undiscovered, an additional 7 billion pounds of fish a year—double our present catch.

The Bureau of Commercial Fisheries' exploratory fishing program has produced excellent results in the past. It should be broadened and strengthened in order to locate new and unused stocks. Congress should provide the Bureau with funds for new research vessels, to cover our present fishing grounds more thoroughly and to explore more distant oceans.

Congress should also support research on new equipment for the fisheries. One example of this is the proposed program of the Atomic Energy Commission to build two new portable food irradiators, machines which destroy bacteria in food through low-level radiation and allow the food to be kept fresh at room temperature at long periods of time. Perfection of such equipment would help solve the present problem of extensive spoilage.

It would thereby create large new markets for fresh fish in areas of the country distant from the oceans. The funds for this program will, I hope, be approved by Congress this year.

4. WE SHOULD STRENGTHEN STATE COMMERCIAL FISHERIES PROGRAMS BY A SYSTEM OF FEDERAL MATCHING GRANTS

State assistance is needed particularly for research in conservation, and in onshore waters, where the Bureau of Commercial Fisheries does little work. A worthwhile bill to give assistance to the State fishing groups has already been introduced by my colleague, the Senator from Alaska [Mr. GRUENING], and I hope hearings on it will be reopened.

5. WE SHOULD CONSTRUCT A MODERN STERN-CHUTE FACTORY-TRAWLER FOR PROCESSING FISH AT SEA

There is at the present time a bill before Congress to appropriate funds to the Bureau of Commercial Fisheries to build a modern, stern-chute trawler and factory ship for research purposes. No such fishing vessel has ever been built in an American shipyard. Yet, if our fishermen hope to compete on an equal basis with foreign fleets, they must have larger, more modern vessels of this type. The proposed vessel to be operated by the Bureau would carry the most modern freezing, filleting, canning, and other machinery aboard for processing fish at sea. It would give both the American fishermen and boatyards an economical laboratory in which to test and evaluate advanced fishing methods.

A bill to construct this trawler for operation in the Bering Sea and northern Pacific Ocean has been introduced in the Senate by my colleague the Senator from Washington [Mr. MAGNUSON]. I would hope amendment would be in order to permit the vessel to operate in the Atlantic Ocean as well.

6. WE SHOULD OBTAIN APPROVAL OF FISH PROTEIN FOR DOMESTIC CONSUMPTION BY THE FOOD AND DRUG ADMINISTRATION

Our fishing industry can play a vital part in the worldwide battle against hunger. In the underdeveloped areas of the world, the most critical health problem is protein malnutrition. This is a disease which affects an estimated 500 million people—1 of every 4—on this planet.

The means to alleviate this problem lie in the seas off the nations of Africa, Asia, and South America. While almost all these nations are within easy reach of the oceans, with few exceptions, none have developed modern fishing industries. They lack the capital and the technical know-how. Many of these countries are in tropical climates, but they have no method of preserving fish and consequently cannot use them to feed the people. Lake Chad in Nigeria, for example, contains sufficient fish to supply the entire country. They spoil, however, even before they are brought ashore.

The nation that can catch fish off the shores of these countries, process them, and make them available to the people cheaply will have tapped major new markets and also created a strong weapon in the cold war. Russia, through its trawler-factory ships has the means to do just this. We do not. We do, however, have one advantage: that there has been developed, in this country, the means to manufacture from fish an inexpensive high protein food additive called fish protein. A few cents' worth of this powder added daily to a person's diet can supply him with all his protein needs. Fish protein can be produced for as little as 15 cents a pound, and can be stored indefinitely in any climate without spoiling.

The value of American fish protein has been established in feeding experiments throughout the underdeveloped nations of the world. The United States has achieved a clear lead in this field by developing a finished, tested product ready for large-scale manufacture. This product is of great potential benefit to our fisheries. It is an excellent example of what modern technology can do for the fishing industry.

Full promotion of fish protein, however, has been hindered by the Food and Drug Administration ruling that, for "esthetic" reasons, it cannot be sold in the United States for human consumption.

This decision has been discussed on this floor previously by a number of distinguished Senators, including my colleague from Massachusetts [Mr. SALTONSTALL], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Rhode Island [Mr. PELL]. This is a shortsighted decision and does not represent, to our thinking, the type of cooperation which the industry should receive from the Government when it has made a significant breakthrough in new products and technology. A hearing will be held on this problem in the near future, and I hope that fish protein concentrate will, as a result, gain approval on its own merit.

7. WE SHOULD CONSTRUCT A PILOT PLANT FOR MANUFACTURE OF FISH PROTEIN ON LAND AND AT SEA, ABOARD SHIPS

Congress appropriated $50,000 last year for a worldwide study of fish protein manufacturing methods. In order that this country may receive the full benefits of fish protein, I propose Congress appropriate funds to set up a pilot plant operation to determine the most economical way of producing fish protein on a large scale. With this support, we could design a plant to manufacture fish protein at sea aboard ships.

Once this is done, I hope the plant can be placed aboard a surplus freighter and sent to produce fish protein in those areas of the world where it is needed. Thus the United States could show dramatically its deep concern for feeding the world's hungry people. We must, however, do this as soon as possible. The Russians can easily convert the fishmeal processing machinery aboard their factory ships to produce fish protein. And we know that they are already working to develop a fish protein manufacturing process of their own. We should not let our lead in this field go to waste.

Fish protein has received the support of many prominent Government officials, including the Secretary of the Interior, Mr. Stewart Udall, and Director of Food for Peace, Mr. George McGovern. I hope my colleagues in Congress will join me in supporting the effective use of this valuable product.

Recently, the Peace Corps received requests from Brazil, Venezuela, and Togo, for volunteers with expertise in the fisheries. A fisherman from my hometown of Gloucester, Michael Ruggiero, of the Bureau of Commercial Fisheries, volunteered to help the Corps recruit the people it needed for this work. The interest the Peace Corps has shown in our fishermen indicates to me that they are a skilled and valuable resource to our country—a resource we cannot afford to lose. They were the first commercial workers in the United States. There were times when only their skill saved the early settlers from starvation. They still represent an invaluable asset to this Nation, providing us with a valuable food product and showing the needier nations of the world the way to combat hunger.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Peace Corps Discovers Gloucester," published in the Boston Globe.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PEACE CORPS DISCOVERS GLOUCESTER

With Soviet trawlers on Georges Bank, the Sacred Cod, hanging above the speaker's chair in the Massachusetts House of Representatives, has replied in character by joining the Peace Corps. Long the symbol of the fishing industry that gave this commonwealth its start, this cod now stands for a contribution to the effort to help "people struggling to break the bonds of mass misery." Three countries, Brazil, Venezuela, and Toga in West Africa, have asked for expert American fishermen to teach them their trade.

This project's chief promoter, Michael Ruggiero, specialist at the U.S. Bureau of Commercial Fisheries office in Gloucester, already has three recruits, an Essex shellfish expert, and two Gloucester fishermen also skilled in making, repairing, and handling nets. The oldest is a grandfather of 46, the youngest 30. Their ages, far greater than those of other Peace Corps members, are significant.

Young people are not going into fishing nowadays because there is more money to be made ashore.

If the skills of three centuries should become lost, there would remain little real meaning in the Sacred Cod. That would be unfortunate, for this has long been widely used as a symbol, in early colonial days on coins, stamps and seals, and, in our own time for years, on automobile number plates. Peace Corps fishing experts abroad might help keep these skills alive. They might even discover ways to rebuild here a waning industry, which is achieving great growth in foreign countries. Such a development is long overdue.

The Peace Corps effort is admittedly a pilot project. But so was Massachusetts. When James I was told that the Pilgrims were to sail for this continent, he asked how they would support themselves here. "By fishing," was the reply. That there is a demand for the skills of the Bay Colony's earliest industry is heartening. Somehow, the Peace Corps would not seem complete without a contribution from Massachusetts fishermen.

Mr. SMITH of Massachusetts. Mr. President, the fishing industry, through 300 years, has often faced adversity. Today, another dawn is breaking. I hope my fellow Members of Congress will join me in giving this industry the assistance it so richly deserves.

We have a great opportunity in this field. We can begin today to rehabilitate our fisheries and regain our rightful place among the nations of the world. The benefits, to our economy and our foreign policy, will greatly exceed the costs.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. SMITH of Massachusetts. I yield to my distinguished colleague from Massachusetts.

Mr. SALTONSTALL. I should like to suggest to my colleague from Massachusetts that this is the most thorough study and analysis of the fishing situation in industry that I have ever heard. As one who has worked on this subject for many years, as my colleague knows, I commend him on his position and appreciate what he has said.

In substance, as the Senator and I know, the important question is the modernization of our equipment and the modernization of our fishing fleets, and then, finally, to stimulate a greater marketing of our fishing products. The Senator and I have been working on the fish protein flour. Certainly we should get it as a food product here in the United States.

I should like to ask the Senator two questions. First, is it not true that we are not meeting the competition of other countries in modernizing our fishing fleets? Not only are we failing to replace obsolete vessels, but virtually no larger vessels are being constructed. For example, no trawler over 100 feet in length has been added to the Boston fleet in more than a dozen years, and it has been 7 years since a 100-foot boat was built in the Senator's home city of Gloucester. In addition, it is very difficult for the industry to attract young people. It is my understanding that in 1959 nearly 70 percent of the Boston fishermen were over 51 years of age, and less than 10 percent were less than 41 years of age.

Mr. SMITH of Massachusetts. The Senator is correct. For years it was the practice for young boys out of school to go into the fisheries, to join the fishing fleet. Today, as the Senator says, they are not attracted to this industry. It has become an occupation for elderly people.

Mr. SALTONSTALL. Today they find something else more attractive.

Mr. SMITH of Massachusetts. Certainly.

Mr. SALTONSTALL. If we had more modern equipment, young people would be attracted to the industry, to find a living in it for years.

My second question is this. In our State, employment on trawlers has dropped nearly 60 percent since 1949. If something is not done soon to revitalize this important industry there is every reason to believe that it will cease to be a factor in world fishing circles and we will become dependent on the fishing industries of other countries to supply us with fish products. Is that not correct?

Mr. SMITH of Massachusetts. The Senator is correct. Not only that, but I think we are losing a great opportunity in this country to help underdeveloped countries throughout the world by not keeping up our technology and building up our fleets so that they can move throughout the world on peaceful missions.

Mr. SALTONSTALL. As the Russians do now. They are coming off Nantucket and onto the Grand Banks.

Mr. SMITH of Massachusetts. Yes. They go where the fish may be found.

Mr. SALTONSTALL. I have one final question. It relates to the question of the tariff, which we are going to consider very shortly. It is my opinion that we can never get a tariff that will protect the fishing industry in this country. Rather than relying on the tariff, we should modernize our equipment and modernize our method of marketing through research and other means.

Mr. SMITH of Massachusetts. The Senator is correct. We should help build up our own fisheries constructively, rather than depend on the tariff.

Mr. SALTONSTALL. I thank the Senator for his contribution, which is a very valuable contribution indeed, to this subject which means so much to us in Massachusetts.

Mr. SMITH of Massachusetts. I thank the distinguished Senator for his kind remarks. I know full well of his many years of diligent work for the fisheries, both as Governor of Massachusetts and as a Senator. One of the most important pieces of legislation affecting the fisheries, the Saltonstall-Kennedy law, has helped considerably in the fishing industry.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. SMITH of Massachusetts. I yield.

Mr. YOUNG of Ohio. Throughout the major address made by the distinguished junior Senator from Massachusetts, the junior Senator from Ohio listened with rapt attention. I feel the Senator from Massachusetts has rendered a distinct national service in making the outstanding speech he has made today.

One might wonder why a Senator from a central State, from what is considered an interior State of the United States, should be so interested in this subject were it not that each of us is a Senator of the United States as well as a Senator from his own State.

The facts are that we in Ohio, since the construction of the great St. Lawrence Seaway, also front upon what is now a seacoast, Lake Erie. The waters of Lake Erie may now be used for direct transportation of products of farms and factories of the Middle West to the ports of the world.

The fishing industry, which has been declining, would further contribute to the welfare of the people of our own country and certainly to the welfare of the underprivileged people throughout the world if something could be done about the problems that affect it. The junior Senator from Massachusetts has certainly rendered a great service to the Nation by the immense research that he must have made personally on this subject, and by the delivery of this magnificent statement to the Senate.

I know that tomorrow, as a service to my constituents in the great cities of Cleveland, Lorain, Sandusky, Toledo and other ports of the State of Ohio, it is my intention to send out marked copies of today's Congressional Record containing the Senator's address. I feel that the people of this Nation should be informed on the statements that the Senator has made.

If, for emphasis, I were to pick out one subject that the Senator has dealt with, it would be the one in regard to having the fish protein concentrate approved and produced and processed in all of the places in the United States where there is a fishing industry. Here is something that our Government should do, where taxpayers' money will not be wasted, and which will help raise the standard of living throughout the world. In that way we would also promote the welfare of our great fishing industry, which is now on the decline. If we could send modernized fishing fleets out of our ports, following the suggestions made by the Senator in his address, a great accomplishment will have been made for the welfare of all Americans and people everywhere.

Mr. SMITH of Massachusetts. I thank the Senator from Ohio for his kind remarks and for his contribution to the discussion.

Mr. LONG of Hawaii. Mr. President, will the Senator yield?

Mr. SMITH of Massachusetts. I yield to the Senator from Hawaii.

Mr. LONG of Hawaii. Mr. President, I wish to commend the junior Senator from Massachusetts for the comprehensive and challenging study that he has presented to the Senate this morning. I come from a State which at one time had a rather important fishing industry. In common with most other areas in the Nation, the importance of that industry has declined. I believe that the statement the Senator has presented to us outlines completely the problems and the possibilities of the industry, and will have great value if we follow through on it.

I was impressed, and to an extent shocked, by the statement that since World War II our Government has spent $88 million more in aiding fisheries in foreign countries than it has in our own country.

I hope that the seven points which the Senator has presented will be taken seriously, and that something constructive can be done.

Mr. SMITH of Massachusetts. I thank the Senator from Hawaii. The 50th State to enter the Union certainly has more ocean surrounding it than has any other State and, therefore, should be in an outstanding position to be one of the great fish-producing States of the country.

Mr. LONG of Hawaii. I hope we may take advantage of our position.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield?

Mr. SMITH of Massachusetts. I yield to the Senator from Oregon.

Mr. MORSE. Not only do I wish to commend the Senator from Massachusetts for the able, soundly factual speech which he has presented to the Senate this morning, but on behalf of my State of Oregon and the fish economy of my State I wish to thank him for making a case on the floor of the Senate that needs to be made in the interest not only of the fish economy, but, through the fish economy, of the best interests of the economy of the country as a whole.

I was not able to hear all of the Senator's speech, because while he was speaking I was testifying before a subcommittee of the Committee on Appropriations concerning the plight in which the Nation's private shipbuilding and ship repair yards find themselves. I believe the Senator from Massachusetts and I engaged in a little reciprocity this morning, because while he was pleading the interests of the fish economy of my State and his, and other States, as well which rely so heavily upon income from fisheries, I was pleading his case before the Committee on Appropriations, because Massachusetts and many other States, as well, have deep concern about what is happening to the Nation's private shipyards.

I have now read the Senator's entire speech, having heard a part of it, and I thank the Senator from Massachusetts because, in my judgment, he has laid out and analytically documented the case in support of the need for the U.S. Government to give some support and consideration to the fishing industry at once.

The Senator from Hawaii [Mr. LONG] referred to a part of the Senator's speech which I had already marked, I may say to the Senator from Hawaii. I wish to enlarge upon his comment by repeating what the Senator from Massachusetts said and then commenting upon it. On page 10 of his manuscript, the Senator from Massachusetts says:

> Since World War II, $115 million in American foreign aid of various types, and $182 million in counterpart funds have been used by friendly nations to build up their fisheries. This sum of $297 million exceeds—by about $88 million—the sum our Government has spent on our own commercial fishing industry in the same period. I think we can do better than that.

I think that is an understatement on the part of the Senator from Massachusetts; but that is typical of his modesty, it is typical of his caution, and it is typical of his recognition that it is better to understate than to overstate.

Rather than say, "I think we can do better than that," I suggest we say, together, "We must do better than that." The people of the country, as well as the fishing industry, are entitled to have their Government do better than that. Then the Senator from Massachusetts continues:

> We need a thoroughgoing program. We must assist the fisheries in the same way as the Government assists agriculture—at every phase of the operation from the raw to the marketed product. The fishing industry has deteriorated too far to be helped by any quick spot solution.

In making these comments, I wish to underscore every point which the Senator from Massachusetts has made. But I should like to dwell for just a moment, with the Senator's permission, upon the implications of the important fact which the Senator from Massachusetts brought out when he said that $115 million in U.S. foreign aid of various types and $182 million in counterpart funds have been used by friendly nations to build up their fisheries. The Senator from Massachusetts says that the sum of $297 million in foreign aid really is some $88 million in excess of what the United States has spent in our own self-interest in connection with our fisheries.

There are those who are becoming more and more critical of our foreign aid program; and their number is increasing, and the Senator from Massachusetts and I, and other Senators, have to answer them with increasing frequency. I do not share their point of view. I take the position that if political freedom is to be maintained in the world, it is necessary to strengthen economic freedom, for there can be no political freedom in any country unless its people all enjoy economic freedom. Our country's whole foreign aid program has been devised to strengthen economic freedom in those countries in which the people are willing to come over to the side of freedom. So I am not arguing against foreign aid.

But what I am arguing for is that we must recognize that the greatest defense weapon we have is our own economic freedom—and I think that it is implied in the argument of the Senator from Massachusetts, and rightly so. It is well that we strengthen economic freedom elsewhere, but we cannot justify strengthening it elsewhere if we weaken it at home. That is the burden of the argument of the Senator from Massachusetts on this point, as I see its implication. I think he is unanswerably correct that it is proper to help to build up the economic institutions, including fisheries, of other countries so long as we do not at the same time tear down our own economic institutions.

In my judgment, the treatment which American fisheries have been receiving at the hands of our Government cannot be justified in light of the preferred treatment which foreign fisheries have been receiving. So I quite agree with the Senator from Massachusetts that we must consider our fishery problem in the same category that we consider our other food production industries in the various segments of agriculture, because there is a need for the Government to enter in to enable them to compete with the fisheries which our Government assists by way of the foreign-aid program.

Mr. SMITH of Massachusetts. Exactly.

Mr. MORSE. We ought to do it. That will strengthen the whole front of economic freedom everywhere—both here and abroad.

I am so glad the Senator from Massachusetts has raised this point. He has brought it out over and over again. I can speak with knowledge of the needs of the fisheries of my own State, because my State is a great fisheries State.

Mr. SMITH of Massachusetts. It certainly is.

Mr. MORSE. There is a need for the modernization of our fisheries. They are confronted with credit problems. The Senator from Massachusetts has mentioned that. He has not dwelt on it at any great length, and I shall not, except to support the reference which the Senator has made in his able speech. Our fisheries are having serious credit problems. It is hard to get loans. The banks are shying away from granting credit to the fisheries, and the only reason why they are shying away is that they see the steady growth of foreign fisheries, which are placing our own fisheries at a competitive disadvantage. We do not like to admit it, but it is true that many fisheries in the United States can no longer compete successfully with the more modernized fisheries of foreign countries, some of which we have helped to modernize with our economic aid. Again, I do not say that we should propose to withdraw such aid. I do not say we should not have granted it. However, we ought to have been of greater assistance to our own fisheries than we have been.

So I support the position of the Senator from Massachusetts that it is in the interest of the people that credit be made available and that the type of support be given to our own fisheries which we give to various segments of agriculture. In some instances, as the Senator knows, such aid can be on a loan or a credit basis, which will pay off; and because of the increased number of tax dollars the taxpayers will invest in our fisheries, there will flow eventually into the Treasury an increased number of tax dollars to pay for the investment of the taxpayers in the economic strengthening of the Nation's own fisheries.

There is one point upon which the Senator did not dwell, but which I think, in support of his speech, I ought to emphasize as I close my comments. I address this remark to the State Department. I believe the State Department needs to take a long, hard look both at some of the existing treaties in the field of world fisheries and at the need, undoubtedly, to start to attempt to negotiate some new treaties. I say this because there are many complaints, as the Senator from Massachusetts knows, at least alleging that some of the foreign governments are invading our fishing waters, and thereby our fishing rights, by sending in fishing fleets in competition with American fishing vessels.

Does the Senator from Massachusetts agree with me that the State Department should review our international fishing problems as they involve other nations, and should give careful consideration to the complaints of American fisheries, as regards the need for greater treaty protection of the American fishing industry?

Mr. SMITH of Massachusetts. Mr. President, I agree completely with the Senator from Oregon on this matter. The United States now participates in a number of treaties and conventions with other nations in both the Atlantic and Pacific Oceans to conserve fishery stocks and to protect species such as salmon which originates in our own waters. Foreign fishing fleets, however, have increased their activities enormously in recent years and, as the Senator from Oregon [Mr. MORSE] said, are pushing further and further into our tradition fishing grounds. Thirteen nations alone now fish in the North Atlantic. Furthermore, many of them are fishing these areas far more thoroughly than we. Massachusetts fishermen who have watched Soviet fishing fleets in action off New England have been particularly impressed by the efficiency with which the Russians clean out the areas they are working in.

Because of these developments, I feel the Interior and State Departments should be doubly careful to see that American fishing rights are properly protected off our shores.

I might mention that American representatives are leaving soon for the annual June convention in Moscow of the 13-nation International Convention for Northwest Atlantic Fisheries. There they will take up a number of matters of prime importance to our fishermen including the extension of net regulations to species not now protected. This is a conservation measure which protects undersized fish and allows them to grow to a marketable size. I feel we should make every effort to extend regulations such as these and to protect our fisheries through the work of international fisheries groups.

Mr. President, I thank the Senator from Oregon for his fine suggestions concerning the fishing industry. I know of the problems which the Oregon fisheries have, and I am hopeful that the program which I have outlined today will provide the fisheries of his State and mine with the assistance they both need and deserve.

Mr. HOLLAND. Mr. President, I wish to thank the Senator from Massachusetts [Mr. SMITH] for his remarks, and to say to him, in speaking for my State, that we are greatly beholden to him, coming, as he does, from Gloucester, which for nearly three centuries, I believe, has been the center of the fishing industry in the Northeast. We appreciate his friendship, and the thorough way in which he has gone into this matter. I commend him for his scholarship, and for his suggestions, all of which I approve.

Mr. President, in supplement to the statement made by the Senator from Oregon, I wish to say that I believe the State Department has a real task to perform. I believe that some years ago, at the conference at Geneva, the question of control of the Continental Shelf lands, for the developments for oil, was worked out in such a way that it has now become part of our international law. I only wish they had been equally diligent and equally successful in working out something in relation to the field of fisheries, because a large part of our troubles in connection with the shrimp fisheries comes from the disputed question of how far out the jurisdiction of the respective States bordering on the Gulf of Mexico and the Caribbean extends, insofar as the shrimp fisheries are concerned.

I thank my distinguished friend, the Senator from Massachusetts, and congratulate him; and I promise him my support.

Mr. SMITH of Massachusetts. I thank the Senator from Florida and also the Senator form Oregon for their kind remarks and also for their most helpful contributions to this debate.

Mr. ROBERTSON. Mr. President, I commend the Senator from Massachusetts [Mr. SMITH]; and I wish to state that although the fishing problems of the South Atlantic States are somewhat different from those of the North Atlantic States, we are much interested in what the Senator from Massachusetts is proposing to do.

Mr. PELL. Mr. President, I congratulate the distinguished Senator from Massachusetts on his remarks, and I thoroughly concur in them.

I, too, am very much interested in fisheries, since fishermen have sailed and steamed out of my home city of Newport, the city by the sea, and our whole Narragansett Bay area for hundreds of years. Moreover, the Senator from Massachusetts [Mr. SMITH] has well demonstrated his substantive analysis of the problems of this vital industry with which, to my mind, he is more familiar than any other man in the Senate.

I am especially in agreement with his statement that—

> Our fisheries desperately need to modernize, and this cannot take place without the help of the Federal Government.

In my own State of Rhode Island in 1950 there were 1,875 commercial fishermen. Yet, 10 years later in 1960 there were only 1,475 so employed. In the year 1950 there were 1,438 commercial fishing motorboats and small boats, while in 1960 this had declined to a total of 967 such craft. Let me further state that while even in 1960 the fish and shellfish industry in Rhode Island grossed $3,846,324, in just one year this had declined to $3,196,227.

Mr. President, if this trend is allowed to continue, my own State's small, but vital, fishing industry will shrivel up in a few years as will that of our whole Nation. The Senator from Massachusetts [Mr. SMITH] has cogently pointed out that our fishermen, our individualistic farmers of the sea, cannot afford to continue to work in the fishing industry unless they receive support and help from the Federal Government as is envisaged in Senator SMITH's seven-point program.

Technical obsolescence and the strong competition we are receiving from the Communist bloc has put our fishing industry on the defensive. Within the last few years the United States has dropped from second place in the world fish production to fifth place, with Japan, Russia, Red China, and Peru producing more than our country.

In the last 10 years New Bedford is the only New England fishing port that has not had a large decrease in the amount of fish landed each year. No new large trawler has been built in New England since 1954. And, as you know, Mr. President, the U.S.S.R. has 87 factory ships operating in the North and South Atlantic, 75 of which are stern trawlers, a type of vessel we have never even built. This startling statistic alone graphically points out the need for a complete modernization of our fishing fleets. This can be done mainly by an expansion and streamlining of the Vessel Subsidy Act and by strengthening of State commercial fisheries programs by a system of Federal matching grants.

To my mind the Bureau of Commercial Fisheries has been of great assistance in helping to slow the decline of our fishing industry. However, this has not been enough. It would appear that there should be a substantial increase in the amount of funds which the Bureau uses in order that it can be of more assistance to our American fishing industry.

I, along with many other Senators, have continually fought for the approval of fish protein concentrate for domestic consumption. If the Food and Drug Administration reversed its previous ruling and allowed the sale of fish protein concentrate domestically, it is my belief that this would open up the great foreign market in the underdeveloped nations. This would serve a twofold purpose: First, an increase in the exports of our industry; and, second, an extension of our policy of aid to those friendly underdeveloped nations.

Mr. SMITH of Massachusetts. Mr. President, I thank the Senator from Rhode Island for his contribution to this presentation.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The ACTING PRESIDENT pro tempore. The hour of 12 o'clock noon having arrived, the unanimous-consent agreement previously entered into becomes effective.

Under the unanimous-consent agreement, the Senator from Louisiana controls the time available to those who favor his amendment; and the minority leader, the Senator from Illinois [Mr. DIRKSEN], controls the time of those who are in opposition to the amendment.

NO SEGREGATION UNDER THE FARM BILL

Mr. KEATING. Mr. President, the distinguished minority leader [Mr. DIRKSEN] is temporarily absent from the floor. For the time being, he has delegated to me control, of the time available to those in opposition to the Ellender amendment.

Mr. President, on that basis I now yield myself 10 minutes of the time available to those who oppose the amendment of the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 10 minutes.

Mr. KEATING. Mr. President, many of us have protested over and over again the expenditure of vast amounts of Federal revenues on segregated schools, hospitals, housing, and even research projects. I believe it is unconscionable as well as unconstitutional to use Federal taxes to foster Jim Crow facilities. Federal officials have no more right than do State officials to approve such grants.

I have been concerned about the absence of any express safeguards in title I of this bill against the use of Federal funds to develop racially segregated parks and similar recreational facilities. It would certainly be unfortunate if this program were marred by such racial practices. In order to preclude such a situation, I prepared an amendment to title I of the bill, requiring guarantees that any public facilities developed with public assistance be available to all persons without discrimination on account of race. This amendment was sent to the desk last night, and it is now on the table. It consists of only one sentence, which is proposed to be inserted as section 104, on page 8, in line 20, as follows:

> SEC. 104. No agreement or payment shall be made under this title unless the Secretary determines that any public facilities which may be developed with Federal assistance will be available to all persons without discrimination on account of race.

The amendment was proposed on behalf of myself, the Senator from Pennsylvania [Mr. SCOTT], my colleague from New York [Mr. JAVITS], the Senator from New Jersey [Mr. CASE], and the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. President, such an amendment on this subject should be unnecessary. The Constitution is part of every one of our enactments. Its commands cannot be ignored by officials in the executive department sworn to uphold the law, just because the particular statute they administer does not reiterate all the controlling constitutional limitations on their actions.

I considered that this amendment might be necessary only because in recent months several key officials have expressed a different view on the relevancy of the Constitution to their actions. They have asserted, in effect, that their hands are tied and that without a congressional mandate they cannot enforce the guarantees of equal protection. Mr. President, that is nonsense. No statute can override constitutional requirements, and their mandate to act comes directly from the fundamental law.

Fortunately, the debate on this measure has made this clear. Both those in favor of title I and those opposed to title I have stated unequivocally that under its provisions, the Federal Government would have to take steps to assure that any public facilities developed with Federal funds would have to be operated on a nonsegregated basis.

For example, the Senator from Mississippi [Mr. EASTLAND], who I believe, opposes this title, posed this question to the Senator from Florida [Mr. HOLLAND]:

> Is is not true that, under the interpretation which the Supreme Court places on the Constitution, these recreational facilities will be racially integrated facilities?

Senator HOLLAND replied:

> The Senator from Florida so believes and would have no hesitancy in saying that is the case.

I recognize that it was not the purpose of that colloquy to reassure the junior Senator from New York that these Federal funds would not be used to build racially segregated facilities. Nevertheless, I do find the colloquy very reassuring since it will provide a clear expression of legislative intent to those charged with administration of this program. Our intent will be especially clear, since these expressions are uncontradicted and, as I have indicated, they are supported by those who favor title I. The Senator from Vermont [Mr. AIKEN], for example, has made remarks to the same effect. Under these circumstances, perhaps no such amendment is needed. The debate up to this point precludes any misunderstanding of the congressional intent, and leaves no room for any argument that because this statute is silent on this point, it is intended to overturn constitutional safeguards. On the contrary, this is one Federal grant-in-aid program which will have to be administered in complete conformity with constitutional requirements.

This will not be a case in which the Department of Justice will have to sue the Department of Agriculture for the purpose of seeing that the Constitution is carried out, and no long and expensive litigation to open these facilities to all members of the public will be required.

The duty of those charged with the administration of the act has been made crystal clear by the debate to this point, and there will be no excuse for any inconsistent course of action.

I hope we can set a precedent here which will serve far beyond the recreational facilities provided under this title. The principles involved here affect every Federal grant-in-aid program. It would be indeed gratifying if this debate and program caused a complete reconsideration of the administration's position on this issue and resulted in its insisting henceforth on a nondiscriminatory policy for all projects supported by Federal funds.

The President not only has the authority, but the responsibility, to make certain that all executive departments comply with the Constitution. It is incredible that a principle so self-apparent and compelling should continue to be widely compromised in practice.

If this legislative intent is not seriously challenged in the debate and it continues to be clear that funds can be used under the bill, as worded, only for public facilities which will be made available to all persons without discrimination on account of race, it will not be necessary to press the amendment which is at the desk. On the other hand, if it becomes necessary to clarify the issue beyond any question, my amendment will be offered.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

Mr. ROBERTSON. Mr. President, will the Senator from Louisiana yield for one or two questions?

Mr. ELLENDER. I yield.

Mr. ROBERTSON. How would the grain amendment affect Virginia and the Southeastern States?

Mr. ELLENDER. I think it would affect Virginia very little, if at all.

Mr. ROBERTSON. Three of the national farmers' organizations operate in Virginia. The National Grange says it favors the Senator's amendment because it is stated it will save $500 million. The Farmers Union favors it because it wants high rigid supports and knows it cannot have them without production controls. It is not favored by the Farm Bureau Federation because it wants controls taken off the farmer and wants to be free of controls and cut down on production by putting land into the soil bank.

Will a wheat farmer in Virginia be able to grow the same amount of wheat he has been growing?

Mr. ELLENDER. There is a provision in the feed grains program that makes it possible for the farmer to plant wheat on feed grain acreage, or vice versa. There is the 25-acre minimum, which makes it possible for a farmer who in the past has planted less than 25 acres of feed grains to be able to continue to plant the same as he did in the past with no reduction at all. If he wants to come in under the program, he can do so, provided he takes the same reduction the larger farms take.

Mr. ROBERTSON. Then I understand a wheat farmer, if he wants to continue to grow wheat, can grow it. If he wants to use some of this land for feed grains, he can grow them on that land?

Mr. ELLENDER. He can grow feed grains. We exempt rye——

Mr. ROBERTSON. If he wants to grow wheat as a feed grain, he can do so?

Mr. ELLENDER. He can do it under the optional plan in the feed grain program.

Mr. ROBERTSON. The Senator from Georgia said yesterday that in the Southeastern States, including Georgia, more feed grains could be grown under the amendment of the Senator from Louisiana than are now grown.

Mr. ELLENDER. The reason for that is that many farmers have chosen not to plant this year in order to qualify for payments under the emergency feed program. In order to qualify for payments they have voluntarily taken out more feed grain acreage than they would be required to take out under this amendment.

Mr. ROBERTSON. What is the Senator's estimate as to what will be the reduction in cost if we adopt his two amendments?

Mr. ELLENDER. Let me answer in this way: Last year the wheat program alone cost in excess of $600 million. The program for corn and other feed grains cost in excess of $800 million. It is my belief those costs will be cut, probably in half or more, and as time goes on, when we get controls and have production in keeping with our requirements, the program should carry itself, almost as in the case of cotton, tobacco, and rice.

Mr. ROBERTSON. Is it not true that under the present program, where we have given farmers price supports but no controls, we have accumulated surpluses of 75 million tons of corn and other feed grains?

Mr. ELLENDER. It was 85 million tons a few months ago. It has been reduced to 75 million tons. That is about four times as much as our ordinary carryover.

Mr. ROBERTSON. Is it the purpose of the Senator's feed grain amendment to hold production down to normal demand?

Mr. ELLENDER. That is the purpose of it.

Mr. ROBERTSON. There are many dairy farmers and poultry and turkey producers in Virginia. Will they have to pay more for their feed, or will this measure stabilize prices?

Mr. ELLENDER. I think this provision will lead to stabilized prices. As the Senator has pointed out, we have on hand about 75 million tons of grain. The program the administration has in effect now has raised the price of feed grains a little. I do not believe this program will raise it any higher than it now is.

Mr. ROBERTSON. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield for a few questions?

Mr. ELLENDER. I yield.

Mr. MORSE. Mr. President, the senior Senator from Louisiana, as chairman of the Senate Committee on Agriculture and Forestry, has earned our commendations for his clear and lucid presentation of a very complex and most important agricultural measure. I have reviewed his statements in the CONGRESSIONAL RECORD for the past 3 days with great care. His arguments, in my judgment, for the bill as he proposes it be amended are most compelling. I am strongly inclined at this point to support his position, on the basis of the case he has made.

I am pleased particularly to note from his colloquy with the Senator from Washington [Mr. MAGNUSON] that his wheat amendment follows the general approach developed in the letter to the Secretary of Agriculture, which the Senators from Oregon joined in signing. Since that letter was sent, I have received strong support for the proposals from a number of Oregonians and representatives of the wheat farmers of my State. In a letter dated May 17, the Oregon Wheat Growers League, for example, informed me that it is the desire of wheat producers that there be permanent legislation as they are finding it most difficult to operate upon a year-to-year basis. They also approve of eliminating the 2-year extension option in the referendum.

The feed grain amendment of the distinguished senior Senator from Louisiana, since it includes, as I understand it, provisions permitting wheat to be grown for feed on feed grain acres, and feed grain to be grown on wheat acres, has also received the strong support of Oregon wheat farmers.

Mr. President, I ask unanimous consent that at the conclusion of my colloquy with the Senator from Louisiana there be printed several representative letters and telegrams I have received in connection with the bill.

The PRESIDING OFFICER. (Mr. BEALL in the chair.) Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, concern has been expressed to me by representatives of Oregon livestock producers in Malheur, Baker, and Wasco Counties among others about authority in the bill which would permit grazing on grain acres which have been diverted.

One wire reads, "Urge you oppose bill permitting grazing on soil bank acreage," from the Wasco County Livestock Association. One from a farmer in Malheur County states that if the provision were enacted into law many new producers "would be attracted into livestock production. This would cause greater surplus in livestock, bringing the livestock producer under unneeded controls."

It is my understanding that no more authority in this respect is contained in the bill than is contained under existing law, which, if I am correctly informed, is limited to emergency situations. But these cattlemen do not think so. Can the Senator clarify this point for the legislative record?

Mr. ELLENDER. As a matter of fact, it is left to the Secretary. As the Senator well knows, we passed special laws lately in order to permit grazing; but under the act as now presented, the Secretary would have the right to permit grazing if he saw fit.

Mr. MORSE. Would not the chairman agree that this discretionary authority vested in the Secretary to permit grazing ought to be exercised with great caution and be limited to emergency situations?

Mr. ELLENDER. Yes.

Mr. MORSE. Mr. President, I thank the Senator.

Mr. Elmer E. Peterson, president of the Oregon Association of Soil Conservation Districts, has informed me as of May 1, 1962, that his organization favors titles I and V of S. 2786 for the reason that, if enacted, the legislation would materially speed up the watershed, soil and water conservation work as well as flood prevention work, in the 59 soil conservation districts in Oregon. Am I correct that these titles have survived in a materially unchanged form in the pending bill?

Mr. ELLENDER. They have, except that a limitation has been placed in the bill as to the amount of money to be spent. We have stricken from title I the authority of the Federal Government to purchase any land. The Secretary of Agriculture could, of course, cooperate with local agencies, including soil conservation groups, to carry out certain programs which would be planned.

There would be retained, under the terms of the bill, contracts not exceeding 15 years, which could be entered into with farmers. That provision would be unchanged.

Mr. MORSE. Mr. President, again I thank the Senator for his helpful response.

The able chairman of the committee may be interested to know that the executive board of the Oregon-Washington Farmers Union last March 31 by resolution stated:

> We hereby express our approval of the principles embodied in the new farm program and endorse its passage as a practical means of reducing surplus, of regulating production, and of securing a fair price for our commodities.
>
> We would prefer a plan of unit measure. We are thoroughly disillusioned with a system that has moved thousands of our farmers off the land and these proposals offer some answer.
>
> Low prices and increasing production costs have forced many of those who remain into a precarious position of overcapitalization, in the race for more land, more machinery, and more fertilizer; to produce more for less.
>
> Farm prices in equality with the rest of our economy are not only fair but a vital necessity, that should be, and we believe is, a matter of real concern to both producer and consumer.
>
> Much has been said about loss of liberty and freedom and we are not unappreciative. But freedom to bankruptcy and liberty to leave the land are not our goals.
>
> To be practical and objective, any plan must have enforceable controls. Such plans can be democratically developed, and we are not needlessly frightened by the sound of our own voice.
>
> The job needs to be done and now.
>
> We endorse the farm program as set out in the principles of H.R. 10010 and urge its passage.

Mr. President, with the indulgence of the distinguished chairman of the committee, I turn now to a further point which was brought to my attention by representatives of the Oregon-Washington Pea Growers Association. The association represents growers farming about 35,000 acres of green peas in northeastern Oregon and southeastern Washington. They indicate that they oppose any legislation which would permit the production of green peas for processing to be grown on acreage diverted from wheat production. Could the chairman comment upon the provisions of the bill to give an indication that it is not the intent of the committee to impose an economic hardship upon our green pea growers?

Mr. ELLENDER. There is no intention to impose any hardship on the green pea growers. No crop in surplus or which would impair the program could be planted on diverted acres. I would assume that green peas probably could not be planted.

Mr. MORSE. The farmers could not plant them on diverted acres?

Mr. ELLENDER. No; not if that adversely affected the program.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana may proceed for 5 more minutes.

Mr. MORSE. Mr. President, I thank the Senator most wholeheartedly for his courteous response. In closing, I should like to bring to the attention of Senators the viewpoint of Senator Loyd Key, a member of the Interim Committee on Agriculture of the Oregon State Legislature, who on May 7 sent the following telegram to Secretary Freeman:

> HON. ORVILLE FREEMAN,
> *Secretary of Agriculture,*
> *Washington, D.C.*
>
> Your very able handling of the questions presented to you by the press, possibly a hostile press, during the "at the source interview" relating to the administration's farm bill deserves the praise of all enlightened people engaged in agriculture and allied industries of agri-business. Your program for wheat embodies all of the features that growers in eastern Oregon and Washington have been seeking for 30 years. The certificate provision allowing growing of wheat for feed grain on feed grain acreage is particularly desirable to growers here, as it permits entering two markets, comparable to having some beef cuts for the carriage trade and hamburger for the lower priced purchaser.
>
> I wish you success in enacting the program.

Mr. President, Senator Loyd Key has expressed the point of view which is shared, judging from my correspondence, by most sectors of Oregon's agricultural community. To be candid, not all Oregon farmers agree with him, as evidenced by a number of telegrams which I have received from representatives of the Oregon Farm Bureau Federation.

Although, as I have indicated, the presentation made by the chairman of the committee has impressed me to the point where I intend to support his position on the amendments and on the bill, in fairness to those Oregon farmers who are seriously disturbed about the proposals which they feel will give to the Secretary more power than these citizens deem wise, I feel it proper to bring to the attention of Senators the points which have been raised. I, therefore, will include in the representative group of communications for which I have already received insertion approval a number of such communications.

One of them, in particular, from Mr. and Mrs. Leland Mayhew, of Maupin, Oreg., states in part:

> I was raised on a farm and my husband was born and raised on this farm which has been in the family for 50 years. We had hoped one of our children would also carry it on, but there is no incentive left for them.
>
> Originally we had 550 acres of wheat land a year. With the last cut, it went to 318 acres. Another 20 percent cut would not even make farm expenses, let alone a living for our two families.
>
> Expenses continue on at an ever climbing rate with repairs, replacements, gas, fertilizer, taxes, etc., but income keeps dropping. Have been keeping books on our family living, and find we are spending under $200 a month, not buying except for essentials, so this isn't the high living we are accused of.
>
> A good many will have to leave the farm if the present plan goes into effect taking jobs away from other men or going on welfare in many cases. I wonder, too, how much thought has been put to how this will affect other industry, such as tire and equipment dealers, and the loss of revenue from income tax.
>
> The farmer has always been dedicated to his work. He has to be or he wouldn't stick it out with the poor pay and long hours—in our case 12 hours a day, 6½ days a week.
>
> We have sold our wheat on the open market for several years—so the Government is not supporting us. Our wheat in the West certainly has no surplus from recent years. We can't diversify because of lack of water.

I would very much appreciate the comments of the able committee chairman with respect to the safeguards in the bill which are designed to help the family-sized farmer in a situation such as faces Mr. and Mrs. Mayhew, and many others who have written me to similar effect.

Mr. ELLENDER. Of course, one of the purposes of the bill is to stabilize and to increase farm income. Necessarily, if that is done it will help the smaller farmers.

We are trying to keep the farmers in business. The Senator must not overlook the fact that should the wheat acreage be cut under the terms of the proposal the farmer would be paid for the diverted acres for at least 3 years after the law becomes effective. In the meantime, the farmer could adjust himself to the new situation. After the 3 years no doubt surpluses will be reduced to manageable levels and perhaps allotments will be increased.

Mr. MORSE. The farmers could grow other feed grains?

Mr. ELLENDER. Surely; they could grow all the oats they wished to, or they could grow all the rye they wished to. They could grow feed grains for pasture for their cattle. There is no restriction on that at all.

Mr. MORSE. I thank the Senator for his usual courtesy.

EXHIBIT 1

LEGISLATIVE MESSAGE CONCERNING AGRICULTURAL ACT OF 1962

To Members of the U.S. Senate:

Passage of the Food and Agricultural Act of 1962 as reported by the Senate Agriculture Committee would be a step toward the development of a farm program that will lead to a sound agriculture economy.

Its enactment would strengthen farm income and curb the cost to the Federal Government.

However, to further these goals, the following amendments are needed:

1. Reinstate more realistic choices in the wheat referendum.
2. Replace the temporary extension of the feed grain program with the permanent program.
3. Reinstate the provision that would allow wheat to be grown on feed grain acres or feed grain on wheat acres.

We respectfully request your support of the Food and Agricultural Act of 1962 with these amendments.

NATIONAL GRANGE.
NATIONAL FARMERS UNION.
NATIONAL ASSOCIATION OF
WHEAT GROWERS.
MISSOURI FARMERS ASSOCIATION.
NATIONAL FARMERS ORGANIZATION.

MAY 21, 1962.

NATIONAL ASSOCIATION OF
WHEAT GROWERS,
Washington, D.C., May 7, 1962.

HON. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: The Food and Agriculture Act of 1962, S. 3225, as reported by the Committee on Agriculture and Forestry provides a vehicle for the establishment of a sound agricultural program.

As you are aware, the National Association of Wheat Growers has long advocated a bushel management plan for wheat, and has endorsed the principles of supply control on a commodity by commodity basis.

The fundamental principles of the bushel management plan are contained in S. 3225, but there are three major amendments which should be adopted if the program is to be effective in maintaining farm income and reducing the costs to the Federal Treasury.

Briefly, these needed amendments are:

1. Eliminate the referendum choice between a permanent certificate program and a 2-year extension of the 1962 emergency wheat program.
2. Replace the temporary extension of the feed grain program with a permanent mandatory feed grain acreage control program.
3. Reinstate the substitution clause permitting wheat to be grown for feed on feed grain acres, or feed grain to be grown on wheat acres.

For your convenience there is attached a copy of the association's recommendations in respect to these amendments, together with our reasons for making them.

If you desire further information concerning these amendments, I will be happy to discuss them with you at your convenience.

We respectfully request your support of these amendments, and of S. 3225 after these amendments are adopted.

Very truly yours,

JAMES B. DYESS,
Executive Vice President.

RECOMMENDATIONS OF THE NATIONAL ASSOCIATION OF WHEAT GROWERS WITH RESPECT TO THE FOOD AND AGRICULTURE ACT OF 1962, S. 3225

The Food and Agriculture Act of 1962 as reported by the Senate Committee on Agriculture and Forestry would keep the door open for substantial progress towards the goals of returning to agriculture its rightful place in the Nation's economy. However, the bill as written will not be sufficiently effective in maintaining farm income and reducing the costs to the Federal Treasury.

In order to more fully accomplish the purposes of the act, we believe the following three amendments are essential:

1. Amend section 316 of the bill by deleting all of section 336(b), and delete all of sections 326, 327, and 328.

This amendment would permit wheat producers, by referendum, a clear choice between a program which would balance supply with demand, at a fair return to the grower, or no program, with price supports limited to not more than 50 percent of parity to cooperating farmers.

The alternative proposals provided in the committee bill force producers to choose between the supply management program contained in sections 310 to 325 of the committee bill, or a 2-year continuation of the present inadequate wheat-control program as provided in sections 326 to 328 of the bill. This will create confusion in the minds of the producers, and could result in failure of the act to accomplish its purposes.

It is evident from the following facts that the present emergency wheat program will not meet the needs of the wheat growers or of the Nation as a whole. By comparison with the bushel management program provided by sections 310–325, the present program is wholly inadequate because:

(a) It is far more costly to the Federal Treasury since rental payments would be at least $100 million higher.

(b) There is no assurance that wheat marketings will be in balance with needs.

(c) There is no guarantee of a reduction in CCC stocks.

(d) Net farm income could not be improved.

Under the committee bill, the million or so eligible voters would be called on to make a choice between a known program and one with which many of them are not familiar. If, due to lack of understanding on the part of many voters, the present program were to be selected in this popularity contest, the wheat problem would still be with us, and the Congress at the end of 2 years would once again be faced with the problem of providing constructive wheat legislation.

A year ago when the emergency wheat program was being considered by the Congress, our association reluctantly endorsed the provisions of this program, only because we recognized the urgency of reducing supplies and raising farm income. We stated then, and we now reaffirm, that this emergency type program was inadequate to meet the needs of the wheat producers and the Nation.

We do not believe an inadequate program such as this should be offered as one choice in a referendum.

2. Amend title III, subtitle A, to provide producers a choice between a permanent feed grain program with mandatory acreage controls which will balance supply with de-

mand, at a fair price, or no controls with prices free to seek their own level.

Most wheat producers are also feed grain producers, although the volume of feed produced on wheat farms is only a fraction of the total feed grain production.

The problem of surplus productive capacity is equally as serious with feed grains as it is with wheat. The stringent control of wheat acres, without similar controls on feed grain acres will not solve the entire grain problem.

As in the case of wheat, the emergency type feed grain program is inadequate to meet the needs of producers, or the Nation. The land retirement payments needed to divert sufficient acres to effect a reduction in supplies is quite costly, and with only a voluntary land retirement program, cooperating producers must make a greater reduction than would otherwise be the case to offset the increased acreage on noncooperating farms. Typical of this is the fact that in 1961, noncooperating farmers increased their feed grain acreage by about 5 million acres, thus offsetting much of the effect of the acreage reduction on cooperating farms.

Feed grain producers have long enjoyed the privilege, denied producers of other surplus commodities, of unlimited production with guaranteed prices. It is almost tantamount to class legislation to continue to offer feed grain producers such privileges and require producers of wheat, cotton, rice, tobacco, and peanuts to make a choice between strict controls with guaranteed prices, or no controls with no effective price guarantees. This is especially true since the CCC stockpile of feed grains is larger than of any other commodity.

3. Amend the proposed act to permit the substitution of wheat on feed grain acres, or feed grain on wheat acres.

Under the terms of sections 310 to 325 of the proposed legislation, the use to which wheat is put is the primary determinant in the price level. Wheat for human food is priced at one level, and wheat for seed, feed, and industrial uses is priced at a lower level. Since this is the case, each producer should be given the opportunity to determine which feed grain he desires to produce on his own farm. Some producers undoubtedly will prefer wheat for feed instead of barley, corn or grain sorghum. Such a substitution, however, would not increase the total output of feed on the farm, but would simply provide each grower with more freedom of operation on his own farm, and at the same time limit the total output of feed grain.

The National Association of Wheat Growers strongly urges that you support these amendments to the Food and Agriculture Act of 1962, and after these amendments have been adopted, that you support the passage of the bill.

Oregon Wheat Growers League,
Pendleton, Oreg., May 17, 1962.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: It is my understanding that the Senate is to start debate on the farm bill Monday, May 21. We are again sending Don Woodward to Washington in regard to this bill and I have requested Don to contact you upon arrival.

Our executive committee meeting will also be held Monday, May 21, and no doubt you will receive a telegram from me on that day pertaining to any action the committee might take on the farm bill. The Umatilla County Association has gone on record favoring the bill passed by the House, and I believe the league will do the same. We are particularly interested in amendments that should be added to the Senate bill. It is our understanding that the substitution clause permitting wheat to be grown for feed on feed grain acres, or feed grain to be grown on wheat acres must be in the Senate bill. The growers in the Pacific Northwest feel that this is a must.

Two other points that will come up for discussion, which I think the league will favor, will be to eliminate the referendum which will give a choice between a permanent certificate program and a 2-year extension of the 1962 emergency wheat program.

The third point will be acted on and I will notify you Monday in regard to our action. This deals with the feed grain program. We think at present that we should replace the temporary extension of the feed grain program with a permanent mandatory feed grain acreage control program.

In talking to many of our wheat producers, it is their desire to have permanent legislation as they are finding it most difficult to operate on a year-to-year basis.

You will hear from me either Monday evening or Tuesday morning in regard to the league's actions on Senate legislation, after our meeting on Monday.

Very truly yours,

John H. Welbes,
Executive Vice President.

Pendleton, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Oregon Wheat Growers League executive committee endorsed the House committee version of the farm bill dealing with wheat and feed grain. We definitely feel the substitution clause must be in the Senate bill along with a mandatory cut in feed grain acreage.

John Welbes,
Executive Vice President,
Oregon Wheat Growers League.

Resolution of Oregon-Washington Farmers Union, Salem, Oreg.

The executive board of the Oregon-Washington Farmers Union in session, March 31, 1962, passed unanimously the following resolution:

"We hereby express our approval of the principles embodied in the new farm program and endorse its passage as a practical means of reducing surplus, of regulating production and of securing a fair price for our commodities.

"We would prefer a plan of unit measure. We are thoroughly disillusioned with a system that has moved thousands of our farmers off the land and these proposals offer some answer.

"Low prices and increasing production costs have forced many of those who remain into a precarious position of overcapitalization, in the race for more land, more machinery and more fertilizer; to produce more for less.

"Farm prices in equality with the rest of our economy are not only fair but a vital necessity, that should be, and we believe is, a matter of real concern to both producer and consumer.

"Much has been said about loss of liberty and freedom and we are not unappreciative. But freedom to bankruptcy and liberty to leave the land are not our goals.

"To be practical and objective, any plan must have enforceable controls. Such plans can be democratically developed, and we are not needlessly frightened by the sound of our own voice.

"The job needs to be done and now.

"We endorse the farm program as set out in the principles of H.R. 10010 and urge its passage."

R. J. Elkins,
President.

Pendleton, Oreg., *May 17, 1962.*

Senator Wayne Morse,
Washington, D.C.:

The farmers of this area will appreciate your effort to amend S. 3225, to restore administration feed and grain and wheat program as they were introduced in the original Ellender bill.

W. C. Rosewall,
President, Morrow County Farmers Union.

Petition—Food and Agriculture Act of 1962

Hon. Wayne Morse,
Senator from Oregon,
Washington, D.C.:

We the undersigned respectfully urge you to support, with our recommended changes, the Kennedy administration's Food and Agriculture Act of 1962.

We support these supply management proposals because we feel they will (1) bring a balance between production and use of farm commodities, (2) reduce the expenditures of the Department of Agriculture, and (3) more effectively utilize and conserve our land.

We urge, however, that the legislation be strengthened by providing for full parity of income goals by 1965; that the interests of family farm operators be more fully clarified in the transfer of allotments; that only one type of certificate accompany all wheat consumed domestically or exported; that no fixed value be placed on wheat certificates so that producers would receive the benefit of any increase in prices above the support level; and that a 10-year base be used for arriving at individual producer allotments.

We feel that these changes are only fair consideration for providing our Nation and much of the world with an abundance of food. We sincerely seek your interest and help in this appeal because the welfare of thousands of farm families is at stake.

M. J. Vanderzanden, Bernard W. Gent, Karl Schaefer, Joe A. Jaross, Pauline E. Wambaugh, Lela M. Plass, Mrs. Karl Schaefer, Cecilia F. Gent, Mrs. Dora Vanderzanden, S. D. Smith, John Plass, R. E. Wambaugh.

Ontario, Oreg., *May 19, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Malheur County Livestock Association views with alarm the section in farm bill allowing grazing of acres which have been idled because of provisions of this bill and for which payment is being received. Strongly urge this section be deleted.

William G. Ross,
President.

Baker, Oreg., *May 18, 1962.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Livestock producers here oppose grazing acres diverted under farm program. Places majority producers at disadvantage. Urge you oppose this feature H.R. 11222.

John S. Osborn,
President, Baker County Livestock Association.

The Dalles, Oreg., *May 22, 1962.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please oppose bill permitting grazing on soil bank land.

Bill Ruper,
President of the Wasco County Livestock Association.

Baker, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Why are you permitting livestock to graze growing crops on diverted grain acreage? We don't mind supporting grain growers once, but as a cattleman I object to this potentially destructive second subsidy. Do you think this kind of insanity will make it easier for us to work for Kennedy in 1964?

Bob Steward.

ONTARIO, OREG., *May 21, 1962.*

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: I am opposed to this bill as it would allow land that is idled under the wheat and feed grains provision to be grazed. As many as 60 million acres could be idled under the proposed bill.

If such a provision were enacted into law many new producers would be attracted into livestock production. This would cause a greater surplus in livestock, bringing the livestock producer under unneeded controls. This competition seems to me to be an unwise move for the Government to make.

Yours truly,

CARL E. HANSON,
Diversified Farmer.

MAY 7, 1962.

Hon. ORVILLE FREEMAN,
Secretary of Agriculture,
Washington, D.C.:

Your very able handling of the questions presented to you by the press, possibly a hostile press, during the "At the Source Interview" relating to the administration's farm bill deserves the praise of all enlightened people engaged in agriculture and allied industries of agribusiness. Your program for wheat embodies all of the features that growers in eastern Oregon and Washington have been seeking for 30 years. The certificate provision allowing growing of wheat for feed grain on feed grain acreage is particularly desirable to growers here, as it permits entering two markets, comparable to having some beef cuts for the carriage trade and hamburger for the lower-priced purchaser.

I wish you success in enacting the program.

LOYD KEY,
Senator, District No. 19.

(Copy to Senator WAYNE MORSE.)

LEXINGTON, OREG., *May 22, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Oppose passage farm bill, S. 3225. Recommended amendments on floor in line with H.R. 11222.

NORMAN NELSON.

PENDLETON, OREG., *May 22, 1962.*

Hon. WAYNE L. MORSE,
U.S. Senate,
Washington, D.C.:

I have a ranch in Morrow County, Oreg., on which I grow wheat and cattle. I am opposed to the feed grain restrictions in H.R. 11222. I am in favor of the feed grain amendment proposed by Senator ELLENDER, which would favor raising wheat on feed grain acres and feed grain to be grown on wheat acres.

I would like to see the northwest wheat farmers on a competitive basis with midwest corn and milo growers.

I feel any controls on feed grains is a step toward controlling cattle feeding. The cattle business has survived the last several decades without control. I would like to see it continue this way.

I appreciate your efforts toward helping stockmen and hope you continue to do so. Thank you.

Very truly yours,

STEPHEN THOMPSON.

SARVIS SPRINGS RANCH,
Echo, Oreg., May 1, 1962.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: There are two items that I would like to bring to your attention:

First and foremost I would urge you to support the three amendments that the National Association of Wheat Growers have recommended for the administration's farm bill:

1. Eliminate the referendum choice between a permanent certificate program and a 2-year extension of the 1962 emergency wheat program.

2. Replace the temporary extension of the feed grain program with a permanent mandatory feed grain acreage control program.

3. Reinstate the substitution clause permitting wheat to be grown for feed on feed grain acres, or feed grain to be grown on wheat acres.

Secondly, I do not think that H.R. 10650 that is being considered in the Senate is fair and I would urge you to work against it.

Very truly yours,

HARRY PROUDFOOT.

OREGON ASSOCIATION OF
SOIL CONSERVATION DISTRICTS,
Eugene, Oreg., May 1, 1962.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: Thank you for your letter of March 28, 1962, and the comments of Assistant Secretary of the Interior Kenneth Holum on our resolution No. 1.

Our State association will no doubt again consider this resolution at our forthcoming State meeting on November 8 and 9 at Eugene, Oreg., and incorporate various suggestions received.

Incidentally, I note that many proposed amendments to Public Law 566 are now incorporated in H.R. 11222 (S. 2786) under title I. Our State association, at their recent meeting on April 27, 1962, went on record as supporting title I and title V of this bill.

Attached is a copy of a letter which I sent to each of our Representatives, asking them to support this proposed legislation.

It is my understanding that the Senate committee has already reported favorably on this S. 2786. Your continued support for this proposed legislation will be appreciated.

Again, I wish to thank you for your interest and prompt attention to matters relating to our soil and water conservation work in Oregon.

Sincerely yours,

ELMER E. PETERSON,
President.

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION,
Washington, D.C. May 18, 1962.

Hon. WAYNE L. MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: Two parts of the Food and Agriculture Act of 1962 which you have under consideration are of direct concern to rural electric systems throughout the country. One provision is the REA direct loan account which was contained in the administration's proposal and which is a part of S. 3225. Other provisions are those which would implement the rural areas development program.

At our annual meeting in March, members of the National Rural Electric Cooperative Association stated their position on these two segments of the farm bill. Copies of these resolutions are enclosed for your information. We would appreciate your support of our position on these issues.

Sincerely yours,

KERMIT OVERBY,
Director, Legislation and Research Department.

RESOLUTION ON RURAL AREAS DEVELOPMENT ADOPTED BY THE DELEGATES TO THE ANNUAL MEETING OF THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION IN ATLANTIC CITY, N.J., MARCH 5-8, 1962

RURAL AREAS DEVELOPMENT

Whereas rural electric systems have always been in the forefront of the struggle to improve conditions in rural America; and

Whereas more than half the poverty in America is to be found among rural residents, although they make up less than one-third of the Nation's population; and

Whereas a massive assault is required before any permanent improvement in the economic and social conditions in many low-income rural areas can be expected; and

Whereas the interests of rural electric systems are inseparable from those of rural America; and

Whereas rural electric systems are already actively supporting present Government programs to help rural areas improve their economies: Now, therefore, be it

Resolved, That we urge Congress to support those provisions of the Food and Agriculture Act of 1962 which would implement the comprehensive, closely coordinated rural renewal approach to revitalizing rural America as recommended in President Kennedy's recent farm message and by Secretary of Agriculture Freeman, and in addition, would strengthen and expand existing USDA rural area development programs.

RESOLUTION ON REA DIRECT LOAN ACCOUNT ADOPTED BY THE DELEGATES TO THE ANNUAL MEETING OF THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION IN ATLANTIC CITY, N.J., MARCH 5-8, 1962

REA DIRECT LOAN ACCOUNT

Whereas the Food and Agriculture Act of 1962 as introduced in the Senate and the House contains in title V an amendment to section 3 of the Rural Electrification Act of 1936 which would create an REA direct loan account; and

Whereas the proposed direct loan account would reflect more clearly than present procedures the fact that the REA program is a loan program, not a program of Government grants or expenditures: Now, therefore, be it

Resolved, That we support the amendment of the Rural Electrification Act to create the direct loan account; and be it further

Resolved, That we strongly oppose any attempts to add any crippling amendments to this provision.

OREGON-WASHINGTON
PEA GROWERS ASSOCIATION,
Milton-Freewater, Oreg., March 1, 1962.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The Oregon-Washington Pea Grower's Association represents 35,000 acres of green peas for canning and freezing in northeastern Oregon and southeastern Washington. This is approximately 60 percent of the free tonnage of this crop in the area.

This association is opposed to any legislation or regulation which will permit the production of green peas for processing on those acres which will be set aside from wheat production, as written in the proposed Food and Agriculture Act of 1962.

We realize that these acres are at present intended for soil conserving purposes, or are to be taken out of production of any commodity that may be in or near a surplus situation. It is in this light that we would like to emphasize the fact that should these acres, either by administrative action or regulation, be made available for the production of green peas, it would most likely be detrimental to the well-being of pea producers.

Your consideration and attention to this matter will be greatly appreciated. Will you please keep us informed of further developments.

Sincerely,

ORLO S. CARVER,
Executive Secretary.

HERMISTON, OREG., *May 23, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

We urge you to support Ellender amendments to S. 3225.

HARRY PROUDFOOT.

ECHO, OREG.

GERVAIS, OREG., *March 9, 1962.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: As cooperative members, we are entirely in agreement with the intent of the 1951 Revenue Act and urge legislation to that effect.

We favor the continuation of the agricultural conservation program.

We favor the proposed wheat and feed grains program. Production must be brought into balance with use, before farmers will get a fair return for their efforts.

We have farmed in the Willamette Valley for 39 years.

Thank you for your good work for the creeping red and chewings fescue committee before the Tariff Commission.

We enjoy reading your letters. Good luck in November.

Very truly yours,

ROBERT M. HARPER.
VERA P. HARPER.

ATHENA, OREG., *May 22, 1962.*

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: As a farmer-rancher and one of your supporters who doesn't spend much time in politics, I want to put myself and my family (about 40 of us more or less) on record as opposing the new feed grain restrictions in House bill 11222.

We are already at the mercy of the Midwest on feed grain availability and prices. Our land the Government spent so much for so long to conserve is eroding away because it is supposed to be left out of production. What we need is to allow wheat as a feed grain as the Wheat League wishes and be allowed unrestricted planting of feed grains.

I hope you can do something for us.

BILL JOHNS.

IONE, OREG., *March 11, 1962.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR MR. MORSE: This letter concerns Senate bill 1786, The Food and Agricultural Act of 1962.

As a grain farmer in the Pacific Northwest, in northeastern Oregon, I would like to have your utmost support for this bill. I am a member of the Oregon Wheat Growers League and feel that their recommendations for this bill is necessary to this area.

I am also a Farm Bureau member and I can say that I cannot go along with their national farm program or the farm program Senator BOURKE B. HICKENLOOPER has introduced.

I am also concerned about the 30 million bushels of Pacific Northwest white wheat that the CCC is planning as a carryover. We feel approximately 15 million bushels would be sufficient. This would give us 15 million more bushels for export and also cut down on the surplus.

Sincerely,

ROBERT H. JEPSEN,
Public Relation Chairman, Oregon Wheat League.

MCMINNVILLE, OREG.

Hon. WAYNE MORSE.

DEAR SENATOR: I am writing you in regard to the Kennedy-Freeman farm bill. The version sent to the Senate floor by your Senate Agriculture Committee isn't so bad, but it undoubtedly will be changed back to try and conform to the one on the House floor (H.R. 11222) and that bill I feel we can't live with. It will completely stifle the initiative and ability of a farmer to get ahead, and will make just another Government hired hand out of him. Inasmuch as you own a farm yourself, I felt you should be in a position to see the danger in this sort of approach to the farm problem.

Respectfully,

M. E. TOLIVER.

LA GRANDE, OREG., *May 19, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Opposed to agricultural bill S. 3225. Favor S. 2786 as revised.

DALE CARSON,

SUMMERVILLE, OREG.

VALE, OREG., *May 19, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Please oppose Senate bill 3225 or any amendments from Senate bill to S. 2786.

JOHN G. TUCKE,
President, Malheur County Farm Bureau.

VALE, OREG., *May 19, 1962.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Please oppose Senate bill 3225 or any amendments from bill S. 2786. This is bad policy for farmer.

KAY NAKAMOTO,
Chairman,
Willowcreek Farm Bureau Center.

PENDLETON, OREG., *May 17, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Please amend S. 3225 to its original feed grain bill.

ORVIL CUTSBORTH.

MAUPIN, OREG., *May 14, 1962.*

Hon. WAYNE MORSE,
Washington, D.C.

DEAR MR. MORSE: We are writing to you to see if you can give us any help on the farm bill proposal. We understand it has passed the Agriculture Committee by only one vote. Naturally we are against any more cuts in acreage allotments for wheat by reason that the average family will not be able to survive with another cut. There will be no choice, but for the farmer to vote "yes" when we are told that the Government will ruin the market otherwise.

I was raised on a farm and my husband was born and raised on this farm which has been in the family for 50 years. We had hoped one of our children would also carry it on, but there is no incentive left for them.

Originally we had 550 acres of wheatland a year. With the last cut, it went to 318 acres. Another 20-percent cut would not even make farm expenses, let alone a living for our two families.

Expenses continue on at an ever-climbing rate with repairs, replacements, gas, fertilizer, taxes, etc., but income keeps dropping. Have been keeping books on our family living, and find we are spending under $200 a month, not buying except for essentials, so this isn't the high living we are accused of.

A good many will have to leave the farm if the present plan goes into effect taking jobs away from other men or going on welfare in many cases. I wonder, too, how much thought has been put to how this will affect other industry, such as tire and equipment dealers, and the loss of revenue from income tax.

The farmer has always been dedicated to his work. He has to be or he wouldn't stick it out with the poor pay and long hours—in our case 12 hours a day, 6½ days a week.

We have sold our wheat on the open market for several years—so the Government is not supporting us. Our wheat in the West certainly has no surplus from recent years. We can't diversify because of lack of water.

When we are dictated to at every turn and cut and cut then this is no longer the free country we believed it to be.

Sincerely,

DONA L. MAYHEW,
Mr. and Mrs. Leland Mayhew.

ENTERPRISE, OREG., *May 23, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Wallowa County Stockgrowers Association vigorously oppose the present administration farm bill.

HOWARD M. JOHNSON.

VALE, OREG., *May 20, 1962.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Please vote against bill S. 3225.

ALBERTA and DON DELONG.

SALEM, OREG., *May 21, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Polk County Farm Bureau members, we protest the passage of bills S. 2786 and S. 3225.

Mr. and Mrs. ROLLIN BEAVER,
Publicity and women's chairman.

MAUPIN, OREG., *May 21, 1962.*

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.:

We strongly urge you to oppose S. 2786.

MEMBERS, SOUTH WASCO COUNTY FARM BUREAU.

ONTARIO, OREG., *May 19, 1962.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Please oppose S. 3225 or any amendment from S. 2786. Very poor bill for farmers.

RUSSELL FULLETON.

ONTARIO, OREG., *May 19, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Please oppose S. 3225 or any move to substitute provisions of S. 2786. Important to we farmers.

JOE and IRENE HOBSON.

THE DALLES, OREG., *May 21, 1962.*

Hon. WAYNE MORSE,
U.S. Senate, Senate Office Building,
Washington, D.C.:

DEAR SIR: In expressing the wishes of North Wasco County Farm Bureau it is our hope that your vote will be "no" on the farm bill, S. 2786.

Sincerely,

ALBERT FRANCOIS.

SALEM, OREG., *May 21, 1962.*

Senator WAYNE MORSE,
Washington, D.C.:

Please for America and freedom defeat S. 3225 and S. 2786. Pass voluntary cropland retirement program.

WAYNE HEIBENTHAN,
President, Polk County Farm Bureau.

BAKER, OREG., *May 21, 1962.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

No compulsory farm legislation. We are not in favor administration's bill over amended form S. 3225.

PETE SCHOENINGH,
President, North Powder Center Union County Farm Bureau.

Ontario, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Vale Farm Bureau Center urges you oppose farm bill S. 3225.

Ben Justus,
Chairman.

Ontario, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Washington, D.C.:

We urge you to oppose farm administration bill, S. 3225, calling for tighter farm control.

Mr. and Mrs. Ford Nelson.

Vale, Oreg.

La Grande, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Urge vote against Senate bill 3225. Unfair.

F. M. Kovach.

Holdhill, Oreg., *May 22, 1962.*

Senator Wayne Morse,
Washington, D.C.:

We do not favor Senate bill 3225 and amendment or substitute.

Ernest Radomske,
Chairman, County Farm Bureau.

Imbler, Oreg., *May 12, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Union County Farm Bureau opposes return of administration amendments to Senate farm bill S. 3225.

H. Clayton Fox.

Baker, Oreg., *May 21, 1962.*

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

Not in favor compulsory farm regulations, especially administration's bill. Prefer S. 3225, or better, Benson plan.

Jack Wilson,
Chairman, Livestock Committee, Northpowder Center Union; County Farm Bureau, Northpowder, Oreg.

Yamhill, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Get the Government out of agriculture. Vote "no" on S. 3225.

Waldron Johnson.

Hood River, Oreg., *May 21, 1962.*

Hon. Wayne Morse,
Washington, D.C.:

We urge you to minimize Government control in S. 2786 as much as possible.

Robert O. Tallman.

Hood River, Oreg., *May 20, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Violently oppose S. 2786, counting on you to vote "no."

Sidney Babson.

Parkdale, Oreg.

Hood River, Oreg., *May 20, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Urge you to vote "no" on S. 2786. It is step in wrong direction.

R. W. Arens.

Parkdale, Oreg.

Hood River, Oreg., *May 20, 1962.*

Senator Wayne Morse,
Washington, D.C.:

Please vote "no" on S. 2786. It gives Secretary of Agriculture too great power.

J. P. Booper.

Parkdale, Oreg.

La Grande, Oreg., *May 21, 1962.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I oppose S. 3225, and all of the neighbors I have contacted are definitely opposed.

Bernal Hug, Jr.

Elgin, Oreg.

La Grande, Oreg., *May 23, 1962.*

Senator Wayne Morse,
Washington, D.C.:

I and others in community are strictly against farm bill S. 3225. Must eliminate controls.

R. K. Waller.

Elgin, Oreg.

Yakima, Wash., *May 23, 1962.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Am against farm bill's compulsory quota provision regards feed grain and poultry. Maintain free enterprise.

Frank and Marie Densel.

Hermiston, Oreg.

Union County Farm Bureau,
Island City, Oreg., March 28, 1962.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Mr. Morse: Union County Farm Bureau legislative committee representing the members here oppose S. 2786 because such rigid controls of production and marketing as proposed would reduce farm efficiency and remove much of their incentive.

This bill calls for a major extension of Government efforts to fix farm prices and restrict or ration the right to produce farm products. Individual farmers themselves should be left the opportunity to make adjustments for changing conditions.

Generally, we oppose the excessive power or authority this bill would grant the Secretary of Agriculture. Specifically, we oppose the power to determine the amount of national marketing quota and national acreage allotment; the amount the national quota is to be reduced to permit disposal of CCC stocks; the portion of estimated exports to be covered by export certificates and the value of such certificates, and the levels of price support for the three kinds of wheat—domestic, food-export and noncertificated.

The controls proposed by S. 2786 would lead to inefficiency rather than efficiency. The future of agriculture lies in producing for the market, in producing the things for which consumers indicate a preference by the way they spend their money in the marketplace. This means that the price system must be allowed to guide changes in production and consumption.

With these points in mind the members of Union County Farm Bureau strongly urge your support in opposing this bill.

The following is a brief outline of a program which we feel would make for a more free and prosperous agriculture:

Farm Bureau favors a practical, voluntary land retirement program to accelerate the adjustment of farm production to effective market demand.

It would call for legislation to:

1. Provide opportunity for the renewal of expiring conservation reserve contracts.

2. Authorize new long-term contracts for cropland retirement on purely voluntary, competitive basis.

3. Remove from production the additional cropland, if any, necessary to balance output and market demand on an annual contract basis, as a qualification for price support on certain commodities.

Very truly yours,

Clayton Fox.
Chairman, Legislative Committee.

Summerville, Oreg., *May 19, 1962.*

Hon. Wayne Morse,
Washington, D.C.

Dear Sir: I urgently ask you to oppose Senate bill 3225, the administration farm bill.

I sincerely believe this drastic approach to our farm problem could do nothing but entirely upset our farm economy.

Again, I urge your opposition to this bill.

Respectfully submitted.

Henry W. Fries.

Summerville, Oreg., *May 19, 1962.*

Hon. Wayne L. Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: We sell 650 market hogs each year and we do not feel the Government is honest or fair competition. I am opposed to compulsory Government control of farming, particularly the proposed administration feed grains section of Senate bill 3225.

This country was built through private enterprise initiative and we should do nothing to kill this drive by private citizens willing to risk everything they own in order to produce food and fibre.

We feel the wheat allotment program has not proven flexible enough to allow farmers here to take advantage of the need for soft white wheat. We are aware that we could produce more soft white wheat if it weren't for rigid Government controls.

Therefore, I am opposed to the proposed compulsory farm program as recommended by the present administration.

Vote "no" to S. 3225 (formerly S. 2768).

Thank you,

Grant Henderson.

Alicel, Oreg., *May 21, 1962.*

Hon. Wayne L. Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: Senate bill 3225, the blueprint for socialized farming, is not in the best interest of the farmers.

Other countries who are suffering under government control of food production are an example that we would be taking a backward step if we were to approve of the administration's proposals for agriculture.

Your help in defeating this bill will be appreciated. The farmers can and will adjust to the law of supply and demand if given a chance to operate freely.

For instance, I have a large family (seven children) to support. It would be impossible for me to provide even the necessities for them if we are forced to curtail even a small part of our farming. The wheat problem is an example of what happens when government dictates what, where, and how much we can plant. Let's leave it up to the managers (owners) of the land to use it as they feel practical. We do not need socialism in America.

Please vote "no" to S. 3225 (was S. 2768).

Yours truly,

Howard J. Henderson.

Hermiston, Oreg., *May 20, 1962.*

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: The following is in reference to the Senate farm bill S. 3225. I sincerely hope you will direct your efforts to the defeat of this bill as it is not good for the overall agriculture program or the public's interest.

1. This bill is in direct opposition to the basic desire of a farmer. Most farmers wish to be independent businessmen and produce from the soil the crops best fitted to their soil and those they can produce most efficiently.

2. Because of continued additional acreage cuts and restrictions most wheat farmers are now operating inefficiently. We have a great deal invested in equipment which

is not being used to capacity and many cannot maintain their help full time. We are gradually being squeezed down to the point that we can't stay in and we can't get out.

3. Because of the high support price on wheat many acres in nontraditional wheat areas are now producing wheat with very high yields due to the use of fertilizers and irrigation. This bill will not eliminate these areas and their production accounts for the majority of our surplus.

4. This bill does not treat equally the traditional wheat areas, which use summer fallow, with those areas which have an annual crop. For this reason, the choice between a 2-year extension of the present emergency program and a wheat certificate program is no choice. To properly farm summer fallow areas our costs and operations are the same as if cropped but without the crop income.

I believe Senate bills S. 2823 and S. 2822 are more sound and would be more realistic in solving our agriculture problem. I have thought of you as one who has always stood for the rights of individuals and I believe now is the time for you to take a definite stand against strict Government-controlled agriculture as opposed to the farmer's individual rights. I feel that the threat by Government to farmers to conform to their program or face bankruptcy because of surplus dumping is intolerable.

I feel that any attempt to put strict production controls on the dairy farmer would not only be unworkable but would be disastrous to this industry.

I sincerely hope you will consider the above comments and I again recommend defeat of Senate bill S. 3225.

I would appreciate receiving a copy of the 1962 Yearbook of Agriculture, "After 100 Years," if you still have any available.

Sincerely yours,

S. Harold Beach.

Imbler, Oreg., *May 20, 1962.*

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: I was surprised to learn yesterday that S. 2225, which I believe is the number of the administration farm bill, had been reported out of committee and was scheduled for consideration on the Senate floor tomorrow. I have read this bill and have read much of the comment and argument both for and against it. I believe this to be an extremely dangerous piece of legislation. That is why I was surprised it came out of committee and was scheduled for such speedy floor action.

This program takes us in the wrong direction. First, it freezes the production of each commodity that comes under the allotment program right where it is. We have already had too much of this. Example: (1) The Northwest could sell more white wheat, but we can't produce it and we are prevented selling what we do have by the Secretary of Agriculture. The allotment program effectively keeps the Northwest from producing wheat that is wanted and keeps other regions producing wheat that is not wanted. (2) Cotton: The same process is working. When Mr. Nehru was here 6 months or so ago he tried to buy a substantial amount of quality cotton, but while we have lots of cotton our Secretary of Agriculture had to tell Mr. Nehru that we were short of good cotton and could not fill his order. As with wheat, the areas that can produce the kind of cotton Mr. Nehru and most of our own industry wants is held down and the areas producing the less desirable kinds on today's markets are helped stay in production. Both commodities are froze where they are with no chance of making necessary adjustments to meet changing markets and demands. Suppose some years back we had required every manufacturer who had a history of making farm wagons or harness for draft horses during a given period to continue with those products instead of changing to something that was needed more. Ridiculous comparison, perhaps, but the same idea.

Second, it puts each farm in a straitjacket. My own operation consists of 50 to 60 Hereford cows, 150 to 200 hogs per year, wheat has run 112 to 118 acres since allotments became effective, most years about 50 acres of seed peas grown under contract, with hay, pasture, and feed grain to match the livestock. About half our land is subject to flood some years, only part of it is satisfactory for pasture because of the location of the water, and about half of it is unsatisfactory for peas. Now, put all the grain crops under allotment; figure out a nonsoil depleting base to be kept just right (it has to be big enough but you are afraid to let it go over the minimum, especially when you are already high as I am; because you never know what year will be picked for a base for some new version of a program); decide where you can put your diverted acres to raise the least hell with things if you get a flood or some other unpredictable thing happens (and in my instance the diverted acres will have to be fenced hog tight because our hogs have the run of the ranch from about August 15 until spring). Add all these circumstances together and you can see why farmers are objecting to this "straitjacket" type of program.

I agree with Mr. Freeman that the size of our agricultural plant must be cut. I do not agree that the best way to get all the cut is to cut a corner off each farm. This retires the land but leaves the other factors of production, labor, and capital, to be applied to the remaining land thus partly nullifying the expected results of the cut. I think a large part of the reduction could be obtained voluntarily if whole units were allowed to go out. This would retire all the factors of production—not just one. It would leave remaining units more efficient.

Third. This legislation places too much power in the hands of the Secretary of Agriculture. Reflect for a moment the power that office has over our entire food supply, in the production and marketing fields, under this type of legislation. I am not questioning the integrity of anyone, but I do question the ability of any human mind to administer such a far-reaching program as is contained in this bill without developing more and more of the inequities and dislocations we have seen develop under our previous farm programs—much less complicated than this one. I am enclosing an article appearing in a recent farm magazine which illustrates these points better than I can.

If you have read this far, Senator Morse, I wish to apologize for not writing more briefly. However, I feel very strongly about this. I think there is more reason for the farmer to be discouraged today than there was in the 1930's. At that time we always had the feeling that we would work our way out to something better. But today it looks like we are sure to go under the hammer of big Government bureaucracy where all our business and economic problems will be drug through the quagmire of political bickering. From this there is no return. I am mindful of the many good things that has been accomplished with the aid of Government in the field of agriculture. But when Government tries to concern itself with individual farm and commodity detail to the extent envisioned in the pending agricultural legislation I see nothing but trouble for everyone.

Sincerely yours,

Ben L. Robinson.

Cove, Oreg., *May 19, 1962.*

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

My Dear Senator Morse: The administration's farm program is in reality offering the farmer an ever devaluating dollar in return for the freedoms his forefathers fought and died for. Which do we value, our freedom or an easy dollar?

The farm products that the Government has interfered with are the ones that are in trouble today. The farm products that have not been tampered with are in a more healthful economic situation. The Government should ease the surplus and ease away from supports and controls.

Sincerely,

M. M. Lewis,
Rancher, Wheat and Cattle.

Enterprise, Oreg., *May 20, 1962.*

Senator Wayne Morse,
Washington, D.C.

Dear Sir: Farming offers a man such a freedom as no other form of life. Now some officeworkers have come up with a plan to destroy the farmer's freedom.

Let's have supply and demand. The cattleman makes a good living without price supports and allotments.

We are opposed to the proposed Freeman farm bill in its entirety.

Sincerely,

Norman and Dolores Beach.

Mr. ELLENDER. Mr. President, I wish to say only a few words with respect to the pending amendment and the reason for it.

For the past 5 years the Committee on Agriculture and Forestry has been attempting to strike from the present law the 55-million-acre minimum which was fixed in 1938 when the wheat law became effective. As the law now reads, the Secretary of Agriculture is prevented from curtailing the production of wheat below the minimum national allotment of 55 million acres.

When that law was enacted in 1938 the production of wheat was 13.2 bushels per acre. Today the production of wheat has increased to 26.2 bushels per acre. We are still confronted with the same minimum acreage provided in the law. That, to my way of thinking, has accounted for the enormous surpluses of wheat which have been facing our country for quite some time.

Since the war the United States has been accumulating wheat to the point that today there are on hand 1.2 billion bushels, a little more than a year's supply. The money tied up in the wheat now on hand aggregates $2.5 billion.

The PRESIDING OFFICER. The time of the Senator from Louisiana has again expired.

Mr. ELLENDER. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 more minutes.

Mr. ELLENDER. What we seek to do is to provide for a new approach on the wheat program. We are desirous of changing the present law.

There is proposed some permanent legislation referred to as the two-price system, which I believe will work. An amendment was submitted by the distinguished Senator from South Dakota [Mr. Mundt] to give an option to farmers, to vote either for the permanent program which we seek to provide under the terms of the bill, or for a continuation of the emergency program, which is in effect this year, for 2 years thereafter. At the end of those 2 years we would revert to the old law which has given us so much trouble.

The object of my amendment is to strike out that alternative, because to me it would be senseless for us to authorize the temporary program for 2 more years, since it would cost the taxpayers, according to the most recent estimate $333 million per year to reduce wheat production by about 100 million bushels. In other words, it would cost the Government $3.30 per bushel to curtail production of 100 million bushels of wheat per year.

The emergency program, under the Senator's proposal could be extended for 2 more years. Worst of all, after the 2 years had elapsed with very little reduction in our surpluses of wheat we would revert to the old law which has caused us such expense.

Senators should by all means vote for a permanent program. They did so in the past. Three or four years ago we succeeded in passing a law which would have reduced the minimum acreage from 55 million to as low as 42 million, but unfortunately the bill was vetoed by the President. The next year, in 1960, the Senate passed another bill that would have had the same effect, but somehow our friends across the Capitol did not favor it, and I understand that much pressure was exerted through certain channels not to bring the wheat bill up. So the effort of the Senate to reduce acreage in keeping with what we believe is necessary to produce what we need has failed. Now we have ample opportunity to accomplish that objective and thereby decrease the cost of the program.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I should like to take a few minutes to squeeze some of the fantasy out of the administration's proposals for new farm programs. I should like to devote myself particularly to the promises that the program would cost less and less, until it would cost nothing further. The administration might as well go further and say that eventually the program would bring in enough money to the Treasury to pay the national debt, because their conclusions and proposals are that fantastic.

The administration's proposal would require all of our wheat and feed growers producing over a certain amount to go into the program. Last year more than 40 percent of the feed grain producers participated in the program for feed grains. Next year all farmers would be required to participate. Last year the program cost $825 million in payments and administrative expenses alone. We can conclude that if it cost $825 million to bring in 40 percent of the farmers, it would cost a great deal more to bring in nearly all of the farmers.

But the administration goes further than that. We are told, "Next year we will make generous payments to the farmer for not producing, not only for 1 year, but for 3 years." What would the increased cost be? In the first place, thousands of police would be required to handle the program, to police most of the farms of America, at least half to two-thirds of all farms. Several thousand employees would be required in order to begin to do the job of policing the farms, the handlers, and the processors. Certainly those employees would not quit their jobs at the end of the 3-year period. They would be in office for life. The proposal is one for job perpetuation. Under the program which was in effect from 1958 to 1961 the Department was beginning to find that there were many employees whose services were not necessary, so the proposed program would not only perpetuate all the jobs now in the Department but would also create a need for many thousands more.

Generous payments were promised to the farmers. Last year the Department paid the growers of grain sorghum and corn alone $782 million. To that amount should be added probably $50 million in administrative costs.

It is estimated that under the proposed program corn and feed grain farmers would be paid $500 million the first year, $400 million the second year, and $300 million the third year, which would be 1965. The wheatgrowers would be paid $250 million for 1963, $200 million for 1964, and $175 million for 1965 for diverting acreage.

If $782 million did not suffice for corn and grain sorghum last year, how would $1,200 million suffice for the next 3 years?

Of course, the answer is that the producers would receive a steadily increasing price for the commodity.

But how would that program fit in with the pledges of the administration to the consumer that costs are not to be raised? It is assumed that no costs of the dairyman and poultryman and livestock producer would be raised, although the farmer would receive a much higher price for his wheat, his corn, his sorghum, and his oats. The fact is that the dairyman, the poultryman, and the beef producer would pay a much higher price for his feed. It is said that the consumer would not pay any more. That statement is sheer nonsense. The entire proposal is so fantastic that it is almost impossible to analyze it.

Anyone wtih a primary school education—he would not even have to have a sixth-grade education—would realize how fantastic is the proposal.

The amendment would require all the giveaway wheat and all wheat sold under Public Law 480 to be included in the primary market. With such wheat included in the primary market, it could not help but mean an added cost, because certificates eventually paid out of the Federal Treasury would be issued for all of the giveaway export wheat.

It is the announced intent of the proponents of the plan to get the price as near as possible to 90 percent of parity, or $2.20 a bushel. Obviously that would also cause the certificate to cost more. After certificates are issued for the export wheat, then under the Government giveaway programs the Government would proceed to give the wheat away; and the higher value placed on the wheat under the program would mean a material addition to the export costs. The added export cost could run into several hundred million dollars of expense.

The way to judge the promises of persons or departments is to look at past performances. Let us look at last year's performance under the special emergency feed grain program. We were told that there would be a 500-million-bushel reduction in the carryover of corn and sorghum, but on January 25 of this year the Department had to admit that the carryover of corn and sorghum would probably be reduced about 210 million bushels.

On April 1, 1961, the Commodity Credit Corporation had commodities with a book value of $5.7 billion. A year later, on April 1 of this year, the book value of the commodities being carried was $6.1 billion. Besides, last September, in order to hold down apparent costs, it was decided, in order to make the transaction look better, to discontinue the practice of carrying storage and other charges as a part of the value of the commodity.

The Department points this year toward selling 785 million bushels of corn and feed grains out of CCC stocks. What is not emphasized is the fact that it expects to take into Commodity Credit holdings this year 800 million bushels of corn and grain sorghum from the 1961 crop.

But the real joker is that the public is not told that the 785 million bushels of corn and feed grains being sold was taken in at a cost of $1.06 a bushel for corn, and the 800 million bushels that will be taken in this year are costing $1.20 a bushel for corn, with a corresponding higher rate for grain sorghum.

Furthermore, some may think that we are foolish or ignorant enough to assume that it does not cost anything to move the commodities in and out of storage. I do not believe that transportation and handling are free yet. Certainly, the shipment of 34 million bushels of wheat from Kansas to Texas to be stored was not a free job. Shipping 20 million bushels of sorghum to the California coast to be put into permanent storage was not done free of cost to the Government. So we would have to add the cost of moving grain in and out of Government storage to the cost of the 1961 program. The estimates of savings over the previous program are inaccurate and misleading.

They are based on what would have been produced, rather than on what actually was produced. They ignore the fact that farmers had indicated an intention to plant several million acres less of corn, and they use such estimates for purposes of convincing Congress. They also use the same acres twice. Corn acreage was used for the production of soybeans, and then, in the estimate of savings to the Government that was supposed to result, the Department includes the same acres as if they had been planted to corn.

How they can get anyone to believe it, I do not know. Certainly they cannot get me to believe it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. I yield myself 1 more minute.

The program last year resulted in a big increase in farm income, it is claimed. However, those people who make that claim failed to inform the public that that big increase in farm income came during the months of January, February, and March, before they had a chance to upset the previous program, which was working, and put into effect a program that will not work.

The 1961 feed grain program failed. If I had time, I would submit a great many figures to show where they have been misrepresenting to the public. I do not want to take the time away from my colleagues in the Senate. I merely wish to say that this program which is now being proposed for wheat and for feed grains will cost infinitely more than the old program, or a simple extension of the program which was in effect last year.

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. CARLSON. I yield 1 minute to the Senator from Iowa.

Mr. HICKENLOOPER. I think it would be of great interest to anyone who is interested in the farm program to read an excellent article entitled "A Farm Plan That You Run," written by Claude W. Gifford, in the June 1962, issue of the Farm Journal. It is an exposition of a substantial land retirement program. It shows the economics of it and clearly sets out that this is the most feasible and proper plan before us at this time. I ask unanimous consent that it may be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Farm Plan That You Run

(By Claude W. Gifford)

Do farmers have to take compulsory quotas, as the administration is suggesting? Or is there another way to cut production and improve incomes?

There is, say three Purdue farm economists. They are the main authors of a remarkable publication in which no less than 23 State agricultural colleges were involved. The three economists are: J. Carroll Bottum, John O. Dunbar, and Richard L. Kohls. The publication is called "Land Retirement and Farm Policy."

The method they suggest is a voluntary land-retirement program, in which the Government would make it attractive enough for farmers to retire 80 million acres.

We've dabbled at land retirement before, but never really in earnest. The acreage reserve became a drouth relief program. The conservation reserve didn't bite deep enough to be effective. The feed grain program isn't getting long-range adjustments.

The voluntary plan that the Purdue economists propose is outlined at the top of this page. It is so significant that Farm Journal sent me to ask the questions you yourself would ask.

Then you believe that we have to really cut production in order to have higher farm prices and farm incomes?

Kohls. Most everyone agree on that. The argument is over four ways of doing it: with a free market, compulsory quota controls, mandatory land retirement, or with a voluntary land-retirement program.

We think the voluntary land-retirement program should be seriously considered. It is the least painful, the cheapest, and keeps the most freedom.

How much would the payments run per acre in a voluntary program?

Bottum. We retired 28½ million acres in the conservation reserve with a national average cost of $11.85 per acre. And farmers offered another 3½ million acres at the time. If we had taken all 32 million acres, this would have cost $379 million per year. But you have to take more acreage to be really effective.

Dunbar. We could retire an additional 50 million acres by offering $16 to $18 per acre rent. People would stand in line to get in. That would cost the Government about $850 million—a total of $1¼ billion for the 82 million acres. To be safe, let's say it would cost $1½ billion to retire 80 million acres and get it into grass, timber, watershed development, and recreation.

But wouldn't the Government just get low-producing land; wouldn't you have to retire some good, high-producing land, too?

Bottum. Yes; you take out poor land first. But that's not bad. You not only retire the most production at the lowest cost—but this is the land that should be retired and put into other uses.

In a voluntary land-retirement program, farmers can either raise the crop or rent the land to the Government. They'll do what they think is best for them. In Indiana, it costs about $46 per acre to plant and harvest a corn crop on 50-bushel land. On 90-bushel land, the cost is around $56. Figuring corn at $1.10 a bushel, the net return on the 50-bushel land would be $9 per acre; the net on 90-bushel land, $43.

It takes about a five-times-larger rental payment to get the 90-bushel land into the program. So, with other things equal, you can retire around 5 acres of the lower producing land (about 250 bushels of production) for the same cost as retiring each acre (90 bushels of production) of the better land.

What kind of crops would be retired on the 80 million acres?

Dunbar. It would follow somewhat the same pattern as the 28½ million acres that were put in the conservation reserve. About 15 million of those 28½ million acres, or 53 percent, came out of feed grain and soybeans; 17 percent out of hay and pasture; 11 percent out of wheatland; 9 percent was idle and summer fallow land; and 3 percent came out of southern allotment crops—cotton, peanuts, rice, and tobacco.

If you went up to 80 million acres, you'd get a large proportion of the high-profit crops. For instance, the 3 million acres of wheatland that were retired in the 28½ million in the conservation reserve would increase substantially. You'd also take a much bigger bite out of southern allotment crops.

How much would this cut overall production? And would this reduce the surplus crops—or all crops?

Bottum, Dunbar, and Kohls. We estimate that it would reduce farm output about 5 to 8 percent a year. This is ample when you consider that the CCC accumulated about 2½ percent of our yearly production between 1953 and 1959.

Farmers would soon adjust voluntarily from one crop to another, keeping supplies and prices in reasonable balance. Even a strict control program wouldn't come up with precise adjustments commodity by commodity.

Would the bidding be similar to what was tried in some States in the 1958 conservation reserve?

Dunbar. It would be an improvement in that the county committee would suggest a "fair" rental so that you would have a guide. You could then bid your farm in lower than this if you wanted to.

We'd suggest a premium for signing whole farms and for longer sign-ups. The same land should be retired for the life of the contract. The idea is to get land into other uses, not just rotate it around in a crop program.

Why take out whole farms rather than part farms across the board as in the feed grain program?

Bottum. You retire more production at lower costs when you take out whole farms; and you help more people make changes. Some farmers would retire from farming earlier; others would use their land-retirement payment as security while getting located in a job or in a small business.

The free market, or tight controls, would both force people out of farming. With a voluntary program, you help those people who want to leave.

Would acreage payments have to be boosted each year to keep up with increased yields? And would this program call for perpetual cost, year after year, with no chance of shucking it?

Dunbar. We'd expect that after the major adjustments were made, we could gradually reduce the cost.

It will be easier for the Government to ease out of this program than out of quota controls.

As an individual, you can stay out of a voluntary land-retirement program—or you can sign up and leave when your contract expires. You decide, not the Government.

What about the charge that retiring whole farms is hard on local businesses, and ties up land that young fellows want to buy or rent?

Bottum. Young fellows can see the land sitting idle and, of course, this irritates them. But if someone doesn't retire land, no one will make much money, and young farmers will have a harder time getting started. Under a voluntary land-retirement program, the owner often will retire earlier and will sell his land sooner than he otherwise would.

Slightly more than 70 percent of the 28½ million acres in the conservation reserve was from whole farms. For social and political reasons, the total land in any one county could be limited.

Kohls. Local businesses in some areas will have to adjust under any program, or under none.

On the optimistic side, a voluntary land-retirement program will put more money in rural communities—from payments and the overall desirable effect on farm prices and incomes.

What does this program do for the man who doesn't go in the program—and for livestock farmers?

Dunbar. Every bushel of grain that you take out reduces the supply by that much—and this reduces the competition for the man who doesn't go in the program. Since some pasture and roughage land would be retired, this will reduce the number of cows and help dairymen and beef raisers all across the country.

Livestock farmers who also raise crops would benefit from land-retirement payments and from higher crop prices. Higher feed prices will indirectly reduce livestock numbers and raise livestock prices.

Some city folks say that land retirement is paying farmers for doing nothing—a payment for "rocking on the porch." How could you convince them—and Congress—that we ought to put up the money for this program?

Kohls. Land retirement is "readjustment compensation" for some farmers—similar to unemployment compensation for city people. It's in the same category as urban renewal in the cities, slum clearance, job retraining, and aid for businesses and labor that are hurt by lower tariffs.

Agriculture is already doing a great deal on its own. Through its tremendous efficiency and willingness to earn less, it is giving society its food at low cost.

Nowadays, society says—and Congress concurs—that we as individuals no longer have to pay the entire cost of adjusting to economic forces beyond our control.

Bottum. Congress is going to have some kind of farm program. Let's hope that it will be one that will now help the problem—instead of making it worse, as in the past. There wouldn't be so many complaints if the money spent really helped solve the problem.

You believe, then, that voluntary land retirement would help preserve farmers' freedom?

Kohls. Yes; and that's important. Managerial freedom is what runs the efficient, high-producing "engine" in our agriculture. Russia and Red China wish they had it. Ours isn't the result of just monetary incentive; it's the freedom incentive that's important.

If we don't save that, all the land that we have in this country won't be enough for the future.

Mr. CARLSON. I yield 5 minutes to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, I have long favored farm price supports. I believe that as a nation we long ago came to recognize that they are necessary to preserve some semblance of balance in our economy. Back during the 1930's, we had a very bad imbalance in income. In 1929 the farm economy collapsed. Shortly after that we had a great national depression.

Farm supports were talked of long before this time. In the 1920's, the first farm price support legislation ever passed by Congress was legislation sponsored by Senator McNary, then chairman of the Senate Committee on Agriculture, later Republican leader of the Senate, and still later our party's candidate for Vice President.

On the House side, Congressman Haugen, a Republican, then chairman of the House Agricultural Committee, jointly sponsored the same legislation.

I am proud of their record as Republicans.

The first price support program ever put into effect was that under the Hoover Farm Board. It was under the Hoover Farm Board that the price of wheat and corn was first pegged. It was an attempt to do something about low farm prices. I cite this only as an example of the need for this kind of legislation. I believe that when we have programs such as these and we build up surpluses, farmers must accept some controls. However, I believe that we should use controls sparingly and only when absolutely necessary.

One of the features of the wheat certificate plan now pending before the Senate is that it would impose considerable controls. I am not opposed to this part of the plan. I do believe that the plan goes farther than it should in controls and is much more complicated than it should be. Had the bill we are considering today been the program sponsored by the Grange, the simple two-price system, I would gladly and wholeheartedly support it, and we would have little trouble getting such a program through Congress today. While the proposed pending certificate plan has many fine features, it is difficult to explain to the farmers of the Nation.

It is for that reason that I doubt the wisdom of trying to present this plan to the farmers in this very short remaining time between now and their wheat referendum, which could not possibly be held later than the middle of July.

I am opposed to the present motion by the chairman of the committee, the Senator from Louisiana [Mr. Ellender], which would eliminate the choice that farmers would have of choosing between the program now in effect for another 2 years or the wheat certificate plan. I do not believe it is unreasonable to give farmers this choice. The corn farmers had almost exactly the same choice some 4 years ago, when they chose between the present law and the plan that was proposed at that time. In the referendum the farmers chose the program now in effect that allows 65 percent price support and no production controls. This law has temporarily been set aside for the feed grain program now in effect.

I do hope that the motion of my good friend from Louisiana, the chairman of the committee, will be rejected, because I feel in the short time between now and the referendum the farmers would not have an opportunity to acquaint themselves with the complicated wheat certificate plan. As I said, it does have a great deal of merit, and I would like to see it tried out sometime. However, it would be in the best interest of the country if the farmers could have the choice now in the bill and more time to consider the wheat certificate plan.

Mr. AIKEN. I yield 5 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I have no argument with the distinguished chairman of the Committee on Agriculture and Forestry when it comes to a permanent wheat program. I have for years advocated a permanent wheat program. I really have no argument at all.

My difference in view, however, so far as it relates to a difference between him and myself, lies in the fact that I do not believe that the proposed certificate plan in the bill can be put into effect without a great period of education. For that reason I shall support the committee proposal and vote against the chairman's pending amendment.

The certificate plan is not the same plan we introduced originally, for which I secured the approval of the Senate by a vote of 54 to 32 in 1936. It has many fine features. It can be sold to the wheat producer, but I do not believe it can be sold if the bill is not enacted until after July 1. I can see some reason why it might be considerably later than July 1. To spring this on the wheatgrowers of this Nation, as they are preparing the ground for seeding, would be most unfortunate, if we are really interested in giving them a permanent program. That is the reason why I am taking this time today to discuss this program in this section of the wheat bill, in which, as I have said, I have been greatly interested for many years.

I am hopeful that permanent wheat legislation can be enacted. The chairman has brought out some excellent features. I have no doubt that after an experience of a year or so, some changes will be proposed, and I am confident that the chairman will work with us to make whatever changes may be necessary.

I return to the section relating to the educational program. It is in the interest of the Department of Agriculture, as I know it is in the interest of the State ASC committees and the county committees, to enable farmers to have sufficient time in which to become thoroughly acquainted with the provisions of the bill.

Yesterday, in the debate on the feed grain amendment, the question of substituting wheat on feed grain acres or feed grain on wheat acres was discussed at considerable length. At that time I pointed out that in case a mandatory feed grain program were defeated in a referendum, it appeared most unlikely that the Secretary would permit the seeding of wheat on feed grain acres, but that with a voluntary feed grain program the Secretary undoubtedly would permit such a substitution on farms participating in the feed grain program.

However, a strict interpretation of the substitution clause contained in the proposed feed grain amendment, would not preclude the Secretary from permitting this substitution in special or peculiar circumstances upon his determination that the objectives of the program would not be jeopardized.

I ask unanimous consent to have printed at this point in the Record some views of farmers of Greeley County, Kans., and also a letter signed by hundreds of farmers in the western part of Kansas regarding some of the problems with which they are confronted in an area which has summer fallow and limited acreages for feed. The letter discusses the benefits of the substitution clause.

There being no objection, the items were ordered to be printed in the Record, as follows:

Greeley Farmers' Views in Congressional Record

Chester Johnson wrote a letter giving some of his views on farm legislation, and George Stafford, secretary to Senator Carlson, asked for comments on a State committee's reply. This led to an impromptu meeting on Thursday evening, March 29, at the courthouse in Tribune, to ascertain opinions of those present with regard to the present Federal farm programs as they apply to Greeley County.

There were representatives from all parts of the county present, although many who had conflicts could not be present, said Johnson. All who attended were actual farmers. There were about 25 present, and State Representative Jess Taylor and Robert Brunswig presided.

The minutes of the meetings were sent to the two Kansas Senators, and the two Representatives from this area.

The minutes of the meeting in Tribune were printed in the April 10 issue of the Congressional Record after Senator Carlson made a short speech and said, "Mr. President, as this session of Congress considers farm legislation, I think it is important that we get the views of actual farm operators who work and cooperate with the programs day in and day out." He then asked that the minutes of the meeting be made a part of the RECORD, and they read as follows:

"It is believed that a large majority of those present were agreed as follows: That the present acreage allotments for Greeley County are inequitable for two reasons:

"(A) By 1951 it had become a standard practice in Greeley County to summer fallow nearly all land which was to be planted to wheat. Therefore, the acreage available to wheat had been reduced by approximately one-half before the period used for apportionment started. Other areas have adopted the practice at a later period and thereby increased their production on the larger bases apportioned to them.

(B) Drought conditions and early spring rainouts materially curtailed feed grain production on many farms in the country during the years 1959 and 1960 which were the years used as a basis for feed grain program allotments.

This point might be summarized by stating that in this particular area the feasibility of planting any particular crop during any particular growing season is dependent upon the vagaries of the weather. This statement is much more true in western Kansas than it is in eastern Kansas. Because of the well-known wind erosion problem farmers in Greeley County need more flexibility than is permitted under the present program.

It is believed that the above-mentioned inequities could be corrected and the desired flexibility obtained by adoption of the following:

First. Readjustment of feed grain base, using Greely County ASC records on the 10 years preceding the first year of feed grain controls.

Second. Combining the wheat and all feed grain bases, including milo, barley, rye, silage or feed, after readjustment of feed grain base.

Third. Permit the planting of any crop or combination of crops on the combined base. Only one harvest of the base acres to be permitted in 1 year. But, for example, if entire base is planted to wheat and wheat were destroyed before feed grain planting time, feed grains could be planted on base acres and harvested.

Fourth. It is believed that there is no surplus of the quality of wheat that is normally produced in Greeley County. Therefore producers should be permitted to plant all of their combined base acres to wheat if they desired to do so. They would then be permitted to sell the wheat produced on their wheat base on the open market under price supports. However, if production on the wheat base acres falls below the established Greeley County average they will be permitted to market enough of the wheat produced by them, on non-wheat-base acres, to bring them up to the normal Greeley County average. Other non-wheat-base acre wheat could be sold at feed grain prices and under feed grain price supports, or carried over under bond or certificate to be sold in a future crop failure year as milling wheat under the county average quotas.

5. That because of the size of normal operations and the large number of nonresident landowners, each farm should be considered to be a separate unit for the purposes of determining compliance in any program. In other words, some landowners may desire to participate in the program and some may not.

6. That the combined base should not go below 50 percent of the total cultivated acres of any farm.

7. That since wheat harvest in Greeley County normally does not start until around July 1, the plow-up date on excess acreage under the existing wheat program should be extended to June 1.

It is believed the above would:

1. Permit operators to engage in many more desirable soil conservation practices.

2. Permit operators to plan ahead because the suggested program is far less complicated.

3. Reduce problems of administration.

4. Reduce cost to the Government.

5. Not increase surplus.

Congressmen BREEDING and DOLE indicate that it will be some time after Easter before the farm bill is passed.

In a letter, George Stafford remarked that he thought most of the suggestions as reported by the Greeley County group would be incorporated into the wheat bill when it is finally passed.

OAKLEY, KANS., *April 6, 1962.*

Senator FRANK CARLSON,
U.S. Senate, Washington, D.C.

DEAR SIR: This letter is to express our opinions on the administration farm bill which is being presented to Congress. We believe this program contains many very good points and could become a definite benefit to the western Kansas area. There are some things in the bill that we feel should be more definite and some additions that could be made. We will attempt to explain our stand and would appreciate having your comments on the same.

First of all, we are very much in agreement with the interchangeable base of wheat for feed grains and feed grains for wheat. This would allow us to return to a more normal farming practice and still not be contributing as much surplus of all grains as we have been. In reality, this area would no doubt return to wheat. We realize that we would receive a lower price support for part of our wheat production based on a feed-wheat support price. It is our belief that we can farm wheat more economically than feed grains. This same interchanging base proposition would allow the return of feed grain production to the feed grain area, as it should be. Our concern is the wording in the bill that the Secretary of Agriculture may allow wheat to be grown on a feed grain base. The wording in the pamphlet received by our local ASCS officials stated on page 12, under statement No. 12 that "Wheat could be planted as part of feed grain allotment." We feel that the bill should be worded as the pamphlet and that we be assured of this system. There is no doubt that this would be a contributing factor to favorable support of this bill and if enacted, a favorable vote in the referendum. Examples will follow of why we think interchangeable bases will be a key to the program as it concerns us.

We have the problem of our farms with either a very low feed grain base or none at all. We realize this was caused from the overseeding of wheat in the 2 base years of 1959–60. This was not an uncommon practice in western Kansas and was certainly permitted under the law then existing. Since we do have a very low wheat allotment and wheat is our most profitable crop, it was not surprsing that farmers resorted to this system. Our basis for believing we do have a very low wheat allotment is backed by reference to our example 3, which shows a wheat allotment of 113,111 acres in 1961 compared to a total cropland of 362,134 acres. This reflects a percentage of 31 percent when a comparison is made of allotment to farmland. We believe there are relatively few areas of commercial wheat producers that have less. Our periodic and regular drought periods also contributed to this situation since many producers elected to have excess wheat to cover the year they would not be able to raise a crop or at least a very short crop. We are now faced with a situation that causes these same farmers undue hardship since they followed this route during years it was not an uneconomical thing to do. With the advent of the 1961 feed grain program and now with the new program coming up, we feel something must be done to give our producers a way to participate and exist in their chosen field. It is also understandable and agreed that the overseeder should not be given a better deal than the compliers. We would like to follow a method partially based on the recent change in normal conserving adjustment procedure for Kansas and a plan that the excess wheat farmer did establish a base when he was overseeding.

We do not believe he should receive wheat allotment for overseeding but should receive a feed grain base since the wheat he now has in storage could be considered for all practical purposes as feed grain. An example, using our county as a guide, could be a method of determining the number of acres needed to give farmers an equal chance under the new program and not create additional headaches of more excess wheat being produced, will follow.

The information that has been made available to us concerning this bill has been rather derogatory. It seems that everyone wants to concentrate on the penalty provisions and few expressions are made of what the bill actually contains. We realize that not all things concerning farm legislation can be exactly as we would like to see it. The Farm Bureau bill as presented to Congress seems a rather prohibitive substitute for one that will guarantee us much more and will maintain the businessmen in our small towns. We feel the Farm Bureau bill might put as much or more money in our pockets if we could retire all of our farms but we cannot feel "good" about pushing practically all of our merchants out of business.

Our stand is this—the administration farm bill will work to our advantage, will not increase costs to consumers or taxpayers, will reduce surplus commodities, will give us more freedom to farm as we did before acreage controls, will return us to a normal farming system, will move feed grain and wheat to their appropriate areas and it will not lower our income; in fact, it could increase our income and lower our expenses.

We are signing this as farmers and businessmen and not as members of one particular political party. We believe this is a farm program that can work and ask you to support it and also our requests to make it a better program.

Thanking you for your consideration, efforts, and assistance.

Yours very truly,
FARMERS AND BUSINESSMEN OF LOGAN COUNTY AND NEARBY WESTERN KANSAS COUNTIES.

Please refer your comments and questions to the following individuals if you cannot reply to all those signing:

A. B. Kruse, Oakley, Kans.
Delton W. Hubert, Monument, Kans.
Jack Lewallen, Winona, Kans.
(See examples 1, 2, and 3 following:)

EXAMPLE 1—INTERCHANGEABLE BASES

All examples based on a 600-acre farm:

	Acres
Wheat allotment	200
Feed grain base	200
Summer fallow (normal conserving)	200
Wheat allotment	200
Reduction—20 percent	40
Balance	160
Diverted	40
Feed grain base	200
Probable choice of most of our farmers—30 percent	60
Balance	140
Diverted	60

Normal conserving plus diverted would equal 300 acres. This allows a farmer to plant on our old system of half wheat and half summer fallowing.

160 acres times farm wheat average times 90% times high support price for wheat
10 percent balance at feed grain price or store
140 acres times feed grain price or store for future bad years
Diverted payment:
40 acres times wheat payment
60 acres times feed grain payment

This is our understanding of the proposed legislation and if we are in error, please inform us at once.

EXAMPLE 2—OVERSEEDED FARM IN EITHER 1959 OR 1960

This farm had a 200-acre allotment in 1961.

The 1959 history: 200-acre wheat; 400-acre summer fallow.

The 1960 history: 400-acre wheat; 200-acre summer fallow.

Normal conserving equals 300-acre (unadjusted):

	Acres
Wheat allotment	200
Reduction—20 percent	40
Balance	160
Diverted	40
Can be planted	160
Summer fallowed for next years wheat	160
Cannot be utilized due to cross compliance	280

This man would need 340 acres for his normal conserving and his diverted but would have 440 acres in actual normal conserving.

Since this farm may be adjusted, the normal conserving and his diverted would be 240 acres but with the cross-compliance provision, he still has very little opportunity to produce a crop of any kind.

The above example may seem extreme but we do have cases of this type and quite a few not quite so severe. A very sad situation exists in that he may have overseeded in just the one year and complied in all other years.

EXAMPLE 3

This is a summary of Logan County and what we feel we need to rectify the situation.

Year 1961 used in some cases since wheat allotments will be based on that year and 1962 in some cases since we have actual figures:

1961 total cropland in county	362, 134
1961 wheat allotment	113, 111
Summer fallow—based on normal conserving adjustment procedure using 36.7 percent of total cropland—36.7 percent represents county average	132, 903
1962 feed grain base—using the 5 percent increase allowed under regulations	67, 364
1962 barley base	8, 865
1962 corn base	1, 394
Items below based on CSS–532's:	
Sweet sorghum for dry feed	2, 466
Rye	633
Dry edible beans, estimated	250
Oats	35
Total cropland acres	362, 134
Total acres in crops and summer fallowing	327, 021
Balance	35, 113

The above balance would be the feed grain acres needed to bring our farmers into workable units. It goes without saying, that we would settle for less. Since, as our letter states, the excess farms should be willing to settle for something below the farmers in compliance.

This information was obtained from our local ASCS office at the request of the farmers.

Mr. CARLSON. Mr. President, the present bill would provide a wheat acreage allotment which would produce sufficient wheat for domestic food, seed, and export requirements, and the normal amount of wheat being used for feed. Certificates will be issued authorizing the sale of wheat into the domestic food and export markets at a fair price of about $2 per bushel. Wheat used for seed and feed will be supported at a much lower price—competitive with other feed grains.

After the farmer has made his required land diversion, he will have his feed grain acres to produce feed. Now, under the certificate plan, with feed wheat priced competitive with other feed grains, it makes no difference in the total feed picture whether the feed grown is barley, grain sorghum, corn or wheat. Thus, the substitution clause is really a key to the successful operation of the certificate wheat plan, because it leaves the farmer free to choose the type of feed his land and equipment is most adapted to produce.

The other major difference between the present bill and the bushel management plan is in the pricing policy. Under this bill, certificated wheat will be supported at between 75 and 90 percent of parity. It is my understanding that the Secretary has stated his intentions of supporting the price of certificated wheat for 1963 at $2 per bushel, and with the limited quantity of producer's wheat which can be sold into the primary market, and with the resale price from CCC stocks at $2.10, the return to growers will be about $2.05 per bushel.

Under my bill, the price support for certificated wheat would have been 75 percent of parity, but the resale price of CCC stocks would have been fixed at parity. Thus, under the bushel plan, returns to growers would approach full parity on the certificated wheat.

These are the only major differences between the wheat section contained in the present bill, and the bushel management plan which was introduced last fall by Senator NEUBERGER and me, and cosponsored by 15 other Senators from the major wheat States.

As I said at the beginning, I am pleased to have an opportunity once again to support a certificate plan on the floor of the Senate. With the one amendment, permitting the substitution of wheat on feed grain acres, or feed grain on wheat acres, this bill will provide a good, long-range solution of our perennial wheat problem.

Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield 10 minutes to the distinguished senior Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, all of us are aware that there are three chief issues before the Senate in connection with the farm bill. One relates to wheat, and is the matter of concern in the pending amendment. Another relates to milk. The third concerns feed grains. These issues were also before the Committee on Agriculture and Forestry, of which I have been a member for 3 years.

In committee, I opposed, as did almost all the other members of the committee, the administration program to impose allocations and quotas on the sale of milk by farmers. I did so because there have never been compulsory controls on the amount of milk which a farmer may sell. I opposed this proposal also because dairy farmers have shown in the past that they can balance the production of milk with the sale and use of dairy products. I opposed the provision, third, because I believe the administration's policy, last year—its unnecessary increase in the support price of milk—was the first cause of the increased production and the present surplus of milk and dairy products.

I mention milk and feed grains because I want to draw some distinctions between them and wheat.

The second question before the Senate will be limitation of the production and sale of feed grains proposed by Senator ELLENDER's amendment, which is the administration proposal. I voted against this proposal in committee, and it was rejected in committee by a 9 to 8 vote. Congress has never imposed compulsory acreage allotments and quotas on feed grains. I oppose the feed grain amendment for if it should be adopted, it would prohibit many farmers from producing grain to be fed out and used on their own farms. It is a radical approach and ought not be adopted by the Congress without much more thought and debate than has been given to it. It is a a serious thing to tell farmers by legislative fiat that they may not produce grain for their own farm needs.

The committee revised the wheat proposal contained in the administration plan which was sent to us. It was modified and improved largely through the efforts of the chairman. The Senator from South Dakota [Mr. MUNDT] then offered an amendment, which was adopted by the committee, which would offer farmers a choice.

The amendment of Senator MUNDT provided that farmers could vote for either the revised administration wheat certificate proposal, or for a 2-year extension of the 1962 emergency wheat program. I voted against the Mundt proposal in committee. I shall vote against it today, by supporting the Ellender amendment.

I draw a distinction between wheat and the other items I have discussed, on these grounds: First, there have been no controls on the production and prohibitions against the sale of livestock feed grains and milk. But the whole history of the wheat program since 1938 has been one of mandatory acreage allotments and quotas. They have been approved year after year by wheat farmers voting in the annual referendums.

I do not believe there would be a very clear choice for farmers between the administration's wheat certificate proposal, as modified by the Committee on Agriculture and Forestry or extension for 2 years of the 1962 program, for both include mandatory allotments and quotas. However, as between the two alternatives, I think the likelihood is that farmers would vote for the program they have now, which is a failure. The national minimum acreage of 55 million acres for wheat, now in the law, below which acreage cannot be reduced, makes the wheat program a built-in failure.

It is argued that we should give wheat farmers a choice. But I believe that after all these years, during which there has been the experience of the present program, perhaps there has been enough experience. We can make the decision that the 1962 emergency program cannot do anything except to continue a failure with the additional cost of land diversion payments, and that we must come to grips with the wheat situation.

A certificate plan was voted by Congress in 1956. Twice since then, in 1959 and 1960, the Senate has adopted modifications of the wheat program designed to reduce acreage by 20 to 25 percent and increase wheat support prices. But the existing program, with its old troubles of surplus production, increasing Government stocks and high costs has dragged on. It would likely be continued under the Mundt proposal.

I summarize my position, which is the position I took in committee: I oppose any compulsory programs for milk or for feed grains because such control programs would be a radical departure from our traditional agricultural practices and philosophy. I think these proposals express an overweening desire on the part of the administration to control farmers completely.

The history of the wheat program has been one of acreage allotments and marketing quotas since 1938, but the program has not worked because of the guaranteed total of 55 million acres. As I see it, the choice offered farmers in the bill as reported would be between a certificate plan which might solve the wheat problem—whether it will or not, I do not know—and the present program, which is a failure and will remain a failure for 2 more years, and which if chosen by farmers would raise great opposition to the whole agricultural program.

For myself, I shall vote for what I believe is the lesser of two evils. I expect to vote for the Ellender amendment.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. MORTON. I concur in the statement of the Senator from Kentucky, especially his comment concerning the lesser of two evils. If the Ellender amendment is adopted—and I intend to support it—I expect to offer a further amendment, which will differentiate among the types of wheat. Unfortunately, wheat is thought of simply as wheat. But there are various types which have different end uses.

I am hopeful that the Senate will be sympathetic to a proposal which will differentiate the various types of wheat, because some types are actually in short supply today. Durum and soft wheat are in short supply, and their acreages should not be cut 20 percent, 30 percent, or whatever percentage is necessary in the overall picture, because such varieties have different end uses.

When the proper place is reached in the parliamentary procedure, I hope I shall have the support of my colleague from Kentucky.

Mr. COOPER. The junior Senator from Kentucky has had extensive experience in farming, and also in considering wheat problems from the miller's standpoint. I know he has vast practical knowledge of this subject.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I yield 10 minutes to my good friend, the Senator from Minnesota [Mr. McCarthy].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. McCARTHY. Mr. President, I support the amendment of the distinguished chairman of the committee, Senator Ellender.

First, I wish to commend him for the great patience he has shown in handling farm legislation this year, and also through the many years during which he has tried to work out a satisfactory agricultural program. He has worked not only for the crops which are of a special interest and importance to the people of his own State, but also he has taken responsibility for agriculture throughout the country. His approach has been a balanced one and a responsible one.

Through recent years he has tried many times to secure the enactment of what we hopefully call a permanent wheat program. However, I am not of the opinion that we can develop a permanent wheat program very soon; that development probably will have to extend through the years. But because of the dedicated work of the chairman of the committee, the distinguished senior Senator from Louisiana, we have come much closer to establishing a sound formula and a sound procedure by which the solution of such problems, particularly the problem of wheat production, may be reached.

I wish to call particular attention to the table which appears on page 18 of the committee report, especially as it relates to the carryover and to the production and the consumption of wheat during the years between 1952 and 1962. The record shows very obviously that we have had a continuing increase in wheat production; and it also shows that there has not been a comparable increase in the use of wheat in the United States.

The record in regard to exports appears to be somewhat encouraging, on its face; but if we consider the fact that much of the exports of wheat have been subsidized—some of this very necessary and desirable in terms of the economics of the problem—we realize that the figures on the export of wheat really reflect a situation which is the result of the enactment of Public Law 480. So, Mr. President, it is clear that we need a program which will result in a reduction of wheat production.

Our concern here is not with milling wheat, inasmuch as in the judgment of some millers this kind of wheat is in short supply. A year or two ago we made special exemptions for Durum wheat; and in this bill we give the Secretary of Agriculture authority to provide sufficient acres and authority to arrange for the production of all the milling wheat necessary in the United States.

The wheat with which we are concerned here is that which on the whole is not used as milling wheat; it is wheat which tends to end up as feed for animals. This is the wheat which, for the greater part, is going into storage bins around the country. It is the production of this kind of wheat which we are attempting to reduce.

I believe that the choice offered by the Senator from Louisiana, the distinguished chairman of the committee, is a fair one. It is one to which the wheatgrowers can respond, taking into account all the economic problems involved and their own rights as producers and as farmers who have devoted their lives and their capital and their efforts to wheat production, and at the same time realizing that they have some public responsibility and duty.

I believe the proposed referendum will have the effect of reducing the production of wheat and reducing the storage costs the Government must now bear; and I believe that when all these factors are taken into consideration, a sound choice will be made by the wheatgrowers and also by the Members of Congress.

It is interesting to note that when this administration took office last year, it proposed that commodity programs be developed and submitted to the farmers and that they be allowed to pass judgment on them by means of indicating their preference; but a great outcry arose over that proposal. It was said that such an arrangement would be almost unconstitutional, and there was comment to the effect that such procedure would mean that Congress would be virtually abdicating its responsibility in connection with the matter.

This year the Secretary proposed specific programs for wheat, feed grains, and dairy products. But now it is said that the farmers must make the choice—even though last year it was said that that should not be done. Now it is suggested that the situation be cluttered up by means of the addition of four or five additional propositions, and that in the meantime the surplus should be allowed to accumulate, the cost to the Government should be allowed to grow, and the time for arriving at a sound program should be postponed.

Mr. President, I say that the amendment of the Senator from Louisiana is a worthy one which deserves the support of the Senate.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, and that the time required for the quorum call be divided and charged equally to both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

The PRESIDING OFFICER (Mr. Burdick in the chair). Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, while awaiting one member of the committee who wants to be heard before the time is up, I thought I would address a few observations to the general concept of land adjustment that is carried in the bill. There is an emphasis on the whole question of recreation and the development of recreational facilities by adjusting land out of tillage and making it possible for public bodies, with whatever help is offered, either by dipping into the Bankhead-Jones Act or subsequently into other funds, to make that kind of development possible.

I think, first of all, it is conceded that, as time goes on, a great deal more will have to be done in the field of recreation and recreative land use by the Federal Government. I say that mainly because at some time we are going to have to address ourselves seriously to the general philosophical problem of the constructive use of leisure time.

For a good many years now the general retirement age for people in all walks of life has been steadily becoming lower. I think I can appreciate the time when nobody thought too seriously about retiring until he had reached the age of 75; but as the States and the Federal Government dipped into this field, and as we witnessed the development of private pension funds, we saw that age drop; and there are pressures presently, not only upon industry but upon government as well, for a further lowering of the age.

It was last year or the year before that Congress undertook, in the case of women under social security, to drop the age from 65 to 62. It is proposed now that, with the sacrifice of some benefits, the retirement age for men be lowered to 62 also. There is pressure on the Congress today to lower the retirement age in the case of railroad workers. I think we see it in other industries as well.

As a result, there is coming an increasing population of retirees who must have some constructive way to employ their leisure. It may seem proper simply to say, "That is the easiest thing that confronts humanity," but I think people have discovered that the sudden transition from a rather busy and fruitful life into a life of leisure is not quite so easy as it seems. So something must be done to provide what, for lack of another term, might be called the moral equivalent of work, for then, and only then, can those who have leisure be kept rather happy.

I think the step proposed is one in the right direction, but I am afraid it is in the wrong place. It seems to me when we deal with recreational pursuits, and land use for it, we are dealing in a predominant way with urban appeal and with urban people. As a consequence, it departs somewhat from what a measure of this kind, a farm bill, ought to pursue. That is the reason why I say I think the provision is in the wrong bill. In addition, I believe that if we are to attack the problem seriously it ought to be done on a coordinated and integrated basis.

On occasion I have thought of introducing, and I probably shall yet do so in the future, a proposal to set up in the Department of the Interior a Bureau of Recreation. It should be in the Department of the Interior, because related activities come under that Department.

In the Department of Interior there is the management of public lands. In the Department of Interior there is the authority for the general disposition of public lands and of nearly everything that relates to them. In the Department of the Interior there is the Bureau of Commercial Fisheries, and the Fish and Wildlife Service. In that Department also is found the Park Service.

All these in one way or another are related to the outdoors. I can easily see how one could coordinate them and bring them all together so far as a recreational program is concerned, then transferring from other agencies and departments of government, if necessary, the related activities to give the program an integrated and coordinated basis. Of course, the program would have to be implemented with the necessary amounts of money. This would be a direct approach which would be predicated on direct appropriations.

So far as the problem relates to land adjustment, for the purpose of achieving certain agricultural gains and certain agricultural goals, obviously cooperation could be effected between the Department of the Interior and the Department of Agriculture. The bill indicates it is essentially designed to subserve the recreational needs of the people. It speaks of reservoirs and other things which we identify with recreational pursuits. It probably would have little real agricultural effect. To be sure, some land would be taken out of cultivation. I would rather put that land in the hands of a department or a bureau properly staffed with people who have the necessary background and the necessary touch and talent in this field, thus making them responsible for a program which would work. They could put all the emphasis on it, and could secure whatever other cooperation was necessary in order to make it quite a feasible program.

I believe it should be pointed out, with respect to the adjustment and removal of tillable land and placing it into the hands of public bodies for recreational purposes, that, among other things, the land is to be removed from the tax rolls of the communities involved. That is a fact which must never be forgotten.

That is conjoined with all the other interests which would make this a coordinated program.

In my judgment, the general land adjustment program would fit better into the Department of the Interior. There could be a cooperative effort to bring about whatever goals we must achieve insofar as supply management and the reduction of acreage and production is concerned. I hope that if that is done, certainly it will be done on an entirely voluntary basis.

Compulsion is one of the things which I find difficult to accept in the pending bill. I have not familiarized myself too thoroughly with the wheat provisions of the bill, but we are approaching a kind of compulsory attitude now which is certainly anything but to my liking, and which is a retreat from what I had always hoped would be the real goal, that is, the free market goal for agriculture and its preservation as a way of life for the farmers of the country.

It is rather amazing that it was 30 years ago when I first encountered the word "parity." I remember when the first Agricultural Adjustment Act was considered by the Congress, "parity" was an entirely unknown term on the horizon of the country and in our agricultural lexicon. Other terms came along with it.

That first measure was considered by the Congress when Henry Wallace was Secretary of Agriculture. It was hoped then that perhaps the supply could be geared to the use of agricultural products and that, by striking something of a balance, it would be possible to give the necessary leverage to the price mechanism in a free market. After 8 or 9 years that problem was not solved. A substantial income for agriculture had not been achieved. Meanwhile, vast sums of money had been expended on the continuing program.

There came a solution, Mr. President, but it was an unhappy solution indeed, for it was the solution of blood which came in 1941. We could then pretty well forget everything we had learned in the field, all the formats and all the formulas, and we could think only in terms of the "spanking" of the tillable acres of the country; on the ground that we were pursuing a very persuasive thesis, that food would win the war. It was food not only for our own people but also for our military forces. It went further than that; it was food for the military forces of other countries with whom we were allied in that struggle, whose manpower had to be taken from the fields of those countries.

So there was a solution, but at long last that struggle had to come to an end; and it had to be followed by some kind of an adjustment, in the hope that catastrophe in the agricultural field would not descend upon us.

I remember the struggle at that time to find a compromise formula, in the hope that we could somehow extricate ourselves from the distortions of war which affected every segment of the economy, including agriculture. It was hoped we could let ourselves down very easily and resume some kind of normal course.

But we quickly found that the old format, like Banquo's ghost, came back to haunt us. We were in the serious business of trying to equate acres or bushels or bales on the one side with our needs both in the domestic and in the export field on the other. After a long effort, 30 years after having first ventured into that field, we find ourselves confronted with the same old problem and with the same general kind of proposal except for one addition, which is that now we speak a little more lightly when we discuss the so-called compulsive feature.

I think it is one reason why not only Members of both the House and the Senate but also, more importantly, the farm producers of the country find themselves inhospitable to what is before us. How easy it was to talk about compulsion when they were talking about turkeys, the possibility of setting a base and an allotment, and putting it on a national scale. I recall being in Chicago when the turkey raisers were in convention. I know the bile and hostility with which they considered that matter.

Then came the dairy proposal as first submitted by the administration in the original bill. What hostility it created, not to speak of the severe penalties and recordkeeping which was required.

I remember the Secretary's answer when the Senator from Iowa [Mr. HICKENLOOPER] and he were discussing the question on a TV panel. He passed over the question very lightly by saying that evidently some rather overenthusiastic young gentleman in his shop had written that penalty language into the bill. That is rather cavalier treatment for language of that kind. Such attitude and approach have now descended upon us.

Compulsion is easily come by. But I am sure it will not set well with the farmers and generally with the people of the country. I know how easy it is to say that all of this can be done only if there is a referendum and if farmers vote themselves into it. It would be a kind of self-enslavement. It is pointed out that those who produce peanuts or tobacco have no particular animus toward referendums and toward putting limitations upon their productive efforts.

I believe it should be pointed out, first, that those crops are not generically food products. Second, I point out that only a very limited amount of acreage is involved. If we consider for the moment tobacco acreage, it is a little over 1 million acres, as against 240-odd million acres that are considered in the whole feed grain and wheat field. That is quite a difference. The competitive factor is not involved. So we could hardly draw an analogy there. But compulsion seems to come to the end of the tongue very lightly; and for myself, if that is the best we can do, I want no part of any compulsive effort. I propose, after my feeble observation, to register myself against the measure that is now before us.

Mr. President, I inquire how the time stands.

The **PRESIDING OFFICER.** The Senator has 10 minutes remaining.

Mr. **DIRKSEN.** Mr. President, I reserve the remainder of my time.

Mr. **ELLENDER.** Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. **HUMPHREY.** Mr. President, yesterday it was my privilege to comment in some detail upon the amendments offered by the Senator from Louisiana. I support those amendments, the first being called the wheat amendment and the second the feed grain amendment. I do so particularly in the first instance—the wheat amendment—because I think the choices that ought to be offered to the wheat producers, in light of the current supply of wheat, should be narrowed to a program of allotments and a certificate plan, as compared to no allotments and no certificates under an open planning or open acreage program with a maximum of 50 percent of parity price supports.

Some people have said that is a rather tough choice to have to make. My response is that it is a choice that in the long run will be beneficial to the farmer, surely beneficial to the taxpayer, and at the same time will meet the requirements of our domestic consumption of cereal grains, the requirements of our commercial exports, and the requirements of our international commitments.

If such is the case—and the statistical information presented to us by the Department of Agriculture indicates that my statement is true—I believe that the Ellender amendment, which would strike out one of the alternatives in the so-called Mundt proposal in the committee bill, ought to be adopted.

Furthermore, while the voluntary programs which we inaugurated a year ago have been helpful, they have been costly and have not fully met the problem. Under the voluntary programs we have the problem of the so-called noncomplier. He is the one who gets the benefit of a better market because of the cooperation of the cooperators—those who are the compliers—but the same noncomplier who gets the benefit of a better market price, because he is under no obligation due to his failure to sign up, proceeds forthwith to expand his acreage. That is what happened in the feed grain program last year, and it is what has happened in the wheat program.

Another way of putting it is that even though a voluntary program under emergency provisions last year did reduce the overall cost of handling the quantities of feed grains and wheat that we had, and even though the voluntary program did bring increased income to the individual farm operator, that program was limited in its effectiveness in part because the noncomplier—the one which did not cut back his acreage, the one who did not sign up under the provisions of the program—was able to get a free ride. He did not do anything but increase his acreage. He planted more, harvested more, and took a price that was favorably affected by the compliance of the cooperators.

The Ellender amendment seeks to remedy that condition. I think it is the sort of amendment which, if given an opportunity, could and should be exceedingly helpful.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **ELLENDER.** I yield 3 additional minutes to the Senator from Minnesota.

Mr. **HUMPHREY.** The central advantages of the marketing certificate porgram proposed by both the administration and the chairman of the committee are lower cost to the Government—which is another way of saying to the taxpayer—and greater flexibility for the farmers. The marketing certificates make it possible to limit the price support obligation of the Federal Government by providing a means of distinguishing between wheat for food and export, to be supported at the higher price, and wheat for feed or for export without a subsidy cost to the Government.

The present proposal has been before the Senate in one form or another on other occasions. I am hopeful that Senators who voted for it on other occasions will find it possible to vote for it now.

The certificate provides a practical means for continuing an attractive price support permanently on wheat consumed in this country while keeping the door open for gradually reducing the subsidy on exports over a period of time. That would be done by limiting the volume of marketing certificates issued, as provided in the amendment offered by the Senator from Louisiana. As long as the 1962 wheat program, which is the emergency temporary program, is continued, there will be little prospect of reducing the export subsidy cost to the Government. Nor is there any prospect that farmers can grow wheat as a feed grain in place of sorghum or barley, as both of the key advantages could be gained only by means of the marketing certificate program.

The basic quantity and income comparisons for the wheat marketing certificate program in 1963, compared with the old program in 1961, are as follows: The support price in 1961 was $1.79 a bushel. Under the voluntary program the support price under the certificate plan was about $2 a bushel.

The volume of production will come down substantially. In other words, there will be a saving from $2,228 million to $2,106 million. The carryover will be dropped approximately 200 million bushels. I believe this is the kind of program that we ought to embrace. I conclude on this note, and I ask my chairman if I am right. This program will bring about an orderly reduction in our carryover. It will not bring about a sudden cutoff, but by about 200 million bushels less than the first year, which means less cost for storage, which means less loss on inventory damage, which means less waste of our land resources. Over a period of 3 or 4 years we will reduce our carryover, and at the same time insure adequate reserves for our needs, especially reducing the cost to our taxpayers while at the same time providing a minimum price support of $2 a bushel.

Mr. **DIRKSEN.** Mr. President, I yield the remaining time on this side to the Senator from South Dakota.

Mr. MUNDT. Mr. President, how much time is involved?

The **PRESIDING OFFICER.** Ten minutes.

Mr. MUNDT. In the ten minutes remaining I should like to direct the attention of the Senate to the issues which are involved in the forthcoming vote. We have had a great deal of discussion about the advantages of the so-called certificate plan for wheat; very little about the basic issue involved in the Ellender amendment.

As I said in my discussion of this subject in Tuesday's RECORD there are a great many wheat farmers who believe that there are advantages in the plan. At the same time, there are also a great many wheat farmers and a great many agricultural economic authorities who believe the plan is not satisfactory or acceptable.

The issue before us is whether we are going to permit the wheat farmers of America themselves to decide whether or not they wish to subject themselves to the functions, to the requirements, and to the authorities of a new proposal.

I confess that I am unable to follow the arguments of those who say, "This is a wonderful program, and this will be a great thing for the wheat farmer, it would protect his income and preserve his freedom, and this is a very attractive program, but we are afraid to submit it together with the present wheat program to a vote of the wheat farmers because we are convinced they will vote it down."

I cannot understand that kind of logic.

It seems to me such a sensible thing to say, "Let us present the program, with all its fine adjectives, and with its attractive statistics, and compare it with the alternative of continuing the present program, which has been working satisfactorily from the standpoint of reducing surpluses, and which has been protecting at least to a reasonable degree the income of the wheat farmer, although still inadequate and still below parity. What in the world is wrong with telling the wheat farmer that he can choose between two alternatives? Why should we tell the wheat farmers that we cannot trust their judgment? Why should we tell the wheat farmer, "We doubt your ability. We think you are too stupid and too selfish and too shortsighted to choose wisely between two possible programs for wheat"?

I am among those Senators who believe that we should not try to run everything from Washington. I say to my southern friends, who are determined to impose these new restrictions upon us, who suddenly have become infatuated with the idea of strict Government controls, that they are flirting with a dangerous undertaking which is certain to come back to plague them later. I say to them, "You may be able to get the votes on this amendment. You may be able to deny the wheat farmers of the North an honest chance to decide which program they want. You may compel them to face the ugly alternative of taking a program that you want them to take or have no price supports. You can do that, but you cannot do it and remain immune from what is going to follow."

I notice already some amendments among this great pile of amendments on my desk, which provide, so far as title I is concerned, "All right; so you want to involve the Federal Government in making recreational areas out of farm lands.

These amendments insist, in that case, that these areas be integrated areas." So far as I am concerned, I believe they should be. So far as I am concerned, we cannot spend public money, collected from all the taxpayers generally, and deny the advantages of these areas to any segment of the population.

That is inherent in the bill, because we are talking in terms of trying to develop additional Federal controls, because our southern friends are trying to tell us, "You cannot let people make any decisions." They are reversing themselves in this field, in this philosophy, from their usual stand, and are trying to force people to succumb to direction from Washington. They cannot do it and long remain immune from the other consequences.

It seems to me that when we open up the pasture and let the stalking horse of Federal control loose, we are not going to be able to put the bit in its mouth and tell it where it is to go, or whom the horse can kick and how hard.

The question is, "Do you trust the farmers, or don't you? Do you honestly believe that because you have been elected to the Senate you are so wise that you can tell the farmers that they cannot even have the right to vote as to which of the proposals they prefer?" If we go that far here we certainly are trying to arrogate to ourselves a wisdom and an omnipotence and an authority which we should be most reluctant to exercise.

If I know the farmers of America—and I think I know them well—they are not going to welcome the fellow who comes to them after the recess and addresses them and tries to explain to them why he did not trust their judgment and why he thinks he is so much wiser that he will not even give them a choice between two fairly attractive programs. I do not know how the farmers of South Dakota would vote on the certificate plan. They might vote for it, or they might vote against it. Speaking as one Member of the Senate, I have a great deal more confidence in the judgment of the wheat farmers of my State to solve this problem than I do in ability of the cotton farmers of the South, when they try to tell us what to do about wheat legislation. Normally those of us who represent the farming areas of the North have relied upon the judgment of the cotton people of the South to work out programs which are advantageous to the cotton industry. What they now propose is a poor kind of reciprocity, it seems to me. There will come a time when all the areas of the country are heard from, not only those that represent the cotton industry.

We are told, "Unless you take this program, something will happen to the cotton program sometime later." We spent all last week debating what should be done about cotton. We tried to say, "While you are saving the cotton farmer by tariff action, why do we not also do something for the poultry producer and the beef producer?"

The reply was, "No, we have got to take care of this cotton problem now. We will take care of you later."

So here we are again this week. Here we have the same representatives from the cotton States who tasted blood and success, saying, "We have this scheme for the wheat farmer, which is so bad that we know it would be rejected if the farmers had a chance to vote on it as an alternative to existing programs. However, we have the votes in the Senate to force it on the wheat farmers."

Perhaps they have the votes, Mr. President, but they are flirting with a dangerous philosophy. It is the kind of game that can be played on both sides of the line. I do not believe it is proper legislation, when we have a chance to act on behalf of the producers of the country, whose livelihood depends upon a good wheat program, not to offer them a choice between two workable alternative programs. I think we act in poor grace when we, as Senators, say, "We are going to deny you the right of franchise; we are going to deny you the right to vote as between two attractive programs concerning wheat. We are going to hold a pistol to your head. We are going to submit a new program and then we are going to put a pistol at your head and tell you how to vote. Either you vote on the administration's proposal or you lose all price supports.

I hope the Ellender amendment will be rejected.

Mr. ELLENDER. Mr. President, I yield myself the remainder of the time.

I have listened with much interest to the distinguished Senator from South Dakota. What he is now suggesting is not a choice between two new programs. The question is whether some old program which has caused so much trouble will be retained.

The bill contains a program for a two-price system, one which has been worked over for the past 20 years. The Senate should know about it and how it works. After the Committee on Agriculture and Forestry voted for the two-price system, it was then that the Senator from South Dakota said, "let us give the farmers an alternate plan." What is that alternate plan? It is to let the present emergency program continue for 2 more years, and at the end of 2 years, after hundreds of millions of dollars have been spent, to revert to the old program, a program which has, I repeat, given us so much trouble and has been so costly. That is what the Mundt proposal means.

If my amendment is adopted, the farmers will have the right to vote either for or against a new program, a program which, I believe, will inure in the long run to their benefit, because if the program which is now on the statute books continues, I have no doubt that the whole farm program will be endangered.

I have placed in writing a few of the losses which were sustained in recent years by the Government through the wheat program. Let us not forget that for the past several years we have tried in vain to change the program. Congress passed a bill in 1959 which was vetoed by President Eisenhower. That bill would have reduced the 55-million-acre minimum as it would be reduced in the bill before the Senate. Do not forget that the minimum acreage fixed in the law is 55 million, and the Secretary of Agriculture cannot deal with the wheat problem when the wheat acreage needed is less than 55 million acres. What we are seeking to do is to reduce that acreage so that production will be more in keeping with the requirements.

The distinguished Senator from Minnesota [Mr. HUMPHREY] pointed out the huge amount of wheat which has been made available under the Public Law 480 program.

Title I agreements as of December 31, 1961, have been signed for the sale of 2,322,770,000 bushels of wheat with an export market value of $3.8 billion; but the cost to the Commodity Credit Corporation was $6.3 billion. The rest was loss. That occurred under the program which we have been trying to get rid of for the past 4 or 5 years.

In addition, the Government has donated hundreds of millions of dollars worth of wheat and flour to the peoples in underdeveloped countries under titles II and III of the same act.

While the export market values of the wheat sold for foreign currencies amounted to $3.8 billion, the Government had invested in the same wheat $6.3 billion. In other words, the Government actually lost $2.5 billion on these sales.

Mr. President, the permanent wheat program that we now have on the books has been a very costly one. In my estimation, it must be changed to a more realistic program such as the wheat certificate plan now included in the pending bill.

Carrying charges alone for wheat in the last fiscal year amounted to $399.4 million. These carrying charges include storage, handling, and interest on investment. Yesterday I placed in the record a table showing these costs in detail.

As that record shows, of the $1,154 million which was paid last year for the storage, handling, and all other costs of wheat and other feed grains, 78 percent of that huge amount is chargeable to wheat, corn, and other feed grains.

The wheat program in effect for this year is only an emergency expedient which is costly and does not get to the root of the problem. The Department estimates that payments under this emergency program will amount to about $345 million. These payments will be in addition to the normal carrying charges that are incurred by the Government in storing the huge quantities now owned by them. Both the payments to farmers and the carrying charges are in addition to the export subsidies of about 60 cents per bushel that is paid on every bushel of wheat moving into export, whether it be for dollars or for sales for foreign currencies.

Mr. President, in my opinion, it is imperative that we take steps at this time to correct the inequities that exist in the permanent wheat law.

Under the price support program, losses on wheat from the beginning of the program through December 31, 1961, amounts to $1,798,261,275. The export subsidies paid amounts to $557,837,104. In addition, the export subsidy payment under the International Wheat Agreement amounts to $1,215,021,000. Section 32 funds, which were used for export payments during the interim periods when the International Wheat Agreement was unsigned, amounts to $24,232,000 for a total Commodity Credit Corporation cost of $3,595,351,379, excluding Public Law 480 costs.

No one can doubt that this is a costly program. This program needs to be changed in all good conscience. The Senate should act now to correct the situation by adopting my amendment and substituting for the present costly program a more equitable program which we call the Wheat Certificate Plan. Under this program, production will be brought in line with requirements, the cost to the Government will be minimized, because we will not have to acquire and store huge quantities of wheat which are neither needed nor necessary, and farm income of producers will in the long run be improved immeasurably under a realistic program.

For the first 3 years while Commodity Credit Corporation is getting rid of its stocks, farmers will receive payments of up to 50 percent of the normal production on diverted acres. At the end of this period, it is anticipated that stocks will have been reduced to reasonable levels and that acerage allotments could then be increased.

This program will be good for the farmers and be good for the Government and be good for consumers. It is imperative that we act now by adopting my amendment.

Mr. President, I ask unanimous consent that this table be inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COST OF WHEAT PROGRAM

	Dollars
Price support losses October 17, 1933, through December 31, 1961	1,798,261,275
Other costs, including export subsidy	557,837,104
International Wheat Agreement export subsidies	1,215,021,000
Section 32 funds used	24,232,000
Total CCC costs	3,595,351,379

Mr. ELLENDER. Mr. President, all I am trying to do is to bring to an end the huge losses which are being suffered by the taxpayers. I maintain that the two-price system of the wheat program will do no harm to the farmers, because in the next 3 years they will be paid for diverted acres. They will have their fair share of the billion bushels that will be required. In fact, in the law, as Senators know, the minimum is 1 billion bushels, and farmers will have their fair share of that production.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. Is it not true that the price support on what the farmer produces under the certificate plan will be approximately $2 a bushel?

Mr. ELLENDER. That is what the Secretary of Agriculture says. It is in the record.

Mr. HUMPHREY. Is it not true that the program will reduce the supply by about 200 million bushels a year?

Mr. ELLENDER. Approximately so. It is believed that in 3 or 4 years there will be almost the normal carryover. That is the purpose, I am sure.

Mr. HUMPHREY. And the diverted acres will be paid for under diversion?

Mr. ELLENDER. Yes; exactly.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment of the Senator from Louisiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HICKEY (when his name was called). On this vote I have a pair with the Senator from Colorado [Mr. CARROLL]. If the Senator from Colorado were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. GRUENING], the Senator from Oklahoma [Mr. KERR], and the Senator from Wyoming [Mr. MCGEE] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL] and the Senator from South Carolina [Mr. JOHNSTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. GRUENING] would vote "yea."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Oklahoma would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Wisconsin would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from California [Mr. KUCHEL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from California would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from Texas would vote "nay," and the Senator from Oklahoma would vote "yea."

On this vote, the Senator from Wisconsin [Mr. WILEY] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Wisconsin would vote "nay," and the Senator from Wyoming would vote "yea."

The result was announced—yeas 53, nays 36, as follows:

[No. 57 Leg.]

YEAS—53

Anderson
Bartlett
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Chavez
Church
Clark
Cooper
Douglas
Ellender
Engle
Ervin
Fulbright
Gore
Hart
Hartke
Hayden
Hill
Humphrey
Jackson
Jordan
Kefauver
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McNamara
Metcalf
Monroney
Morse
Morton
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Russell
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Williams, N.J.
Yarborough
Young, Ohio

NAYS—36

Aiken
Allott
Beall
Bennett
Boggs
Bush
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Cotton
Curtis
Dirksen
Dworshak
Eastland
Fong
Goldwater
Hickenlooper
Holland
Hruska
Javits
Keating
Lausche
Miller
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—11

Butler
Carroll
Dodd
Gruening
Hickey
Johnston
Kerr
Kuchel
McGee
Tower
Wiley

So the amendment was agreed to.

Mr. **ELLENDER**. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. **HUMPHREY**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **ELLENDER**. Mr. President, I send to the desk amendments identified as "5-21-62—A," and I ask unanimous consent that the reading of the amendments be dispensed with.

The **PRESIDING OFFICER** (Mr. PELL in the chair). Without objection, the amendments will be printed in the RECORD.

The amendments offered by Mr. ELLENDER are as follows:

Beginning with line 6 on page 11, strike out all through line 15 on page 18, and substitute the following:

"SUBTITLE A—FEED GRAINS

"SEC. 301. Subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting after part VI a new part VII as follows:

"'*Part VII—Marketing quotas—Feed grains*

"'Legislative Findings

"'SEC. 360a. The production of feed grains is a vital part of the agricultural economy of the United States. Feed grains move almost wholly in interstate and foreign commerce in the form of grains, livestock, and livestock products.

"'Abnormally excessive and abnormally deficient supplies of feed grains on the national market acutely and directly burden, obstruct, and affect interstate and foreign commerce. When the available supply of feed grains is excessive, the prices of feed grains are unreasonably low and farmers overexpand livestock production to find outlets for feed grains. Excessive supplies of feed grains cause the marketing of excessive supplies of livestock in interstate and foreign commerce at sacrificial prices, endanger the financial stability of producers, and overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in feed grains, livestock, and livestock products is directed. Deficient supplies of feed grains result in substantial decreases in livestock production and in an inadequate flow of livestock and livestock products in interstate and foreign commerce, with the consequence of unreasonably high prices to consumers and loss of markets for producers.

"'Although certain feed grains are better suited for production in some areas than other feed grains, in general, one of several feed grains can be grown on the same land. A marketing program which provides for a single quota applicable to feed grains and which permits producers to determine, within the quota, which feed grains they shall produce will tend to effectuate the policy of the Act and will permit producers the maximum amount of freedom of choice consistent with the attainment of the policy of the Act.

"'The conditions affecting the production and marketing of feed grains are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively provide for a balanced supply of feed grains and the orderly marketing of feed grains in interstate and foreign commerce at prices which are fair and reasonable to farmers and consumers.

"'The national public interest and general welfare require that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. Feed grains which do not move in the form of feed grains outside of the State where they are produced are so closely and substantially related to feed grains which move in the form of feed grains outside of the State where they are produced, and have such a close and substantial relation to the volume and price of livestock and livestock products in interstate and foreign commerce, that it is necessary to regulate feed grains which do not move outside of the State where they are produced to the extent set forth in his Act.

"'The diversion of substantial acreage from feed grains to the production of commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage would burden, obstruct, and adversely affect interstate and foreign commerce in such commodities, and would adversely affect the prices of such commodities in interstate and foreign commerce. Small changes in the supply of a commodity could create a sufficient surplus to affect seriously the price of such commodity in interstate and foreign commerce. Large changes in the supply of such commodity could have a more acute effect on the price of the commodity in interstate and foreign commerce and, also, could overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in such commodity is directed. Such adverse effects caused by overproduction in one year could further result in a deficient supply of the commodity in the succeeding year, causing excessive increases in the price of the commodity in interstate and foreign commerce in such year. It is, therefore, necessary to prevent acreage diverted from the production of feed grains to be used to produce commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage.

"'National marketing quota

"'SEC. 360(b). (a) Whenever prior to June 20 in any calendar year the Secretary determines that the total supply of feed grains in the marketing year beginning in the next succeeding calendar year will, in the absence of a marketing quota program, likely be excessive, the Secretary shall proclaim that a national marketing quota for feed grains shall be in effect for such marketing year and for either the following marketing year or the following two marketing years, if the Secretary determines and declares in such proclamation that a two- or three-year marketing quota program is necessary to effectuate the policy of the Act.

"'(b) If a national marketing quota for feed grains has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 or later than June 20 of the calendar year preceding the year in which such marketing year begins. The amount of the national marketing quota for feed grains for any marketing year shall be an amount of feed grains which, during such marketing year, the Secretary estimates (i) will be utilized in the United States in the production of the volume of livestock (including poultry) and livestock products determined to be needed to meet domestic consumption and export requirements, (ii) will be utilized for human consumption in the United States as food, food products, and beverages, composed wholly or partly of feed grains, (iii) will be utilized in the United States for seed and industrial uses, and (iv) will be exported either in the form of feed grains or products thereof; less (A) an amount of feed grains equal to the estimated imports of feed grains into the United States during such marketing year and, (B) if the stocks of feed grains owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of feed grains determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of feed grains in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the national marketing quota for feed grains for any marketing year shall be not less than one hundred and ten million tons.

"'(c) If, after the proclamation of a national marketing quota for feed grains for any marketing year, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for feed grains, the national marketing quota should be terminated or the amount thereof increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for feed grains. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such national marketing quota shall be so increased or terminated. In case any national marketing quota is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage.

"'National Acreage Allotment

"'SEC. 360c. Whenever the amount of the national marketing quota for feed grains is proclaimed for any marketing year, the Secretary at the same time shall proclaim a national acreage allotment for the crop of feed grains planted for harvest in the calendar year in which such marketing year begins. The amount of the national acreage allotment shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with the expected production (1) on increased acreage resulting from exemptions pursuant to sections 360f and 360k, and (2) of silage on acreage excluded from the acreage of feed grains pursuant to section 301(a)(11), make available a supply of feed grains equal to the national marketing quota for feed grains for such marketing year.

"'Apportionment of National Acreage Allotment

"'SEC. 360d. (a) The national acreage allotment for any crop of feed grains, less a reserve acreage of not to exceed 1 per centum thereof for use as provided in subsection (b)(2) of this section, shall be apportioned by the Secretary among the several States on the basis of the base acreage of feed grains for each State. The State base acreage of feed grains shall be the average acreage of feed grains in the State during the base period, adjusted pursuant to subsection (d) of this section.

"'(b)(1) The State acreage allotment for any crop of feed grains, less a reserve acreage of not to exceed 3 per centum thereof for use as provided in subsection (c)(2) of this section, shall be apportioned by the Secretary among the counties in the State on the basis of the base acreage of feed grains for each county. The county base acreage of feed grains shall be the average acreage of feed grains in the county during the base period, adjusted pursuant to subsection (d) of this section.

"'(2) The reserve acreage established pursuant to subsection (a) of this section shall be used by the Secretary to make increases in county acreage allotments on the basis of the relative needs of counties for an additional share of the national acreage allotment because of reclamation and other new areas coming into the production of feed grains.

"'(c)(1) The county acreage allotment for any crop of feed grains shall be apportioned by the Secretary, through the county committee, among the farms in the county on the basis of the base acreage of feed grains for each farm. The farm base acreage of feed grains shall be the average acreage of feed grains on the farm during the base period, adjusted pursuant to subsection (d) of this section.

"'(2) The reserve acreage established pursuant to subsection (b)(1) of this section shall be available:

"'(A) For apportionment to farms which were eligible to receive farm acreage allotments under this part, but which through error did not receive such allotments;

"'(B) For making increases in farm acreage allotments on the basis of any one or more of the following factors: tillable acres, type of soil, topography, established crop-rotation practices on the farm, hardships, inequities in allotments, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm acreage allotments; and

"'(C) For apportionment to farms for which farm acreage allotments were not determined because there were no acreages of feed grains on such farms during the base period on the basis of the following factors: the suitability of the land for the production of feed grains, the past experience of the farm operator in the production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm acreage allotments.

"'(d) In determining the State, county, and farm base acreages—

"'(1) the base period shall be the calendar years 1959 and 1960 for the purpose of determining acreage allotments for the 1963, 1964, and 1965 crop of feed grains; and for the purpose of determining acreage allotments for subsequent crops of feed grains, the base period shall be the two most recent calendar years during which a marketing quota program was in effect for which statistics of the Federal Government are available;

"'(2) the Secretary shall make such adjustments as he determines are necessary for abnormal conditions affecting the acreage of feed grains planted for harvest, land which is regarded as devoted to the production of feed grains under Federal farm programs, acreage diverted from the production of feed grains under this part, established crop-rotation practices on the farm, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable base acreages;

"'(3) the acreage of feed grains on the farm in excess of the farm acreage allotment shall be excluded in determining the average acreage of feed grains for the State, county, or farm, except that in the case of a farm which is exempt from the farm marketing quota under the small-farm exemption in section 360f, or under the exemption in section 360k, the acreage on the farm in excess of the farm acreage allotment but not in excess of the farm base acreage, shall not be excluded.

"'(4) the acreage of wheat produced on the farm in excess of the farm acreage allotment pursuant to the exemption provided in section 335(f), in effect prior to the enactment of this part VII, shall be considered as an acreage of feed grains in determining the average acreage of feed grains for the State, county, or farm, and shall not be considered as an acreage of wheat in determining the small-farm base acreage for wheat pursuant to section 335.

"'Geographical Applicability

"'SEC. 360e. This part VII shall be applicable to the continental United States excluding Alaska.

"'Small Farm Exemption

"'SEC. 360f. Notwithstanding any other provision of this part, no farm marketing quota for any crop of feed grains shall be applicable to any farm with a farm acreage allotment of less than twenty-five acres if the acreage of such crop of feed grains does not exceed the smaller of (A) the farm base acreage determined for the farm, or (B) twenty-five acres unless the operator elects in writing on a form and within the time prescribed by the Secretary to be subject to the farm acreage allotment and marketing quota. If the operator of any such farm fails to make such election with respect to any crop of feed grains, (i) for the purposes of section 360h, the farm acreage allotment for such crop of feed grains shall be deemed to be the smaller of (A) the farm base acreage, or (B) twenty-five acres, (ii) the land-use provisions of section 360j shall be inapplicable to the farm, and (iii) such crop of feed grains shall not be eligible for price support.

"'Referendum

"'SEC. 360g. If a national marketing quota for feed grains for one, two, or three marketing years is proclaimed, the Secretary shall, not later than sixty days after such proclamation is published in the Federal Register, conduct a referendum, by secret ballot, of farmers to determine whether they favor or oppose marketing quotas for the marketing year or years for which proclaimed. Any producer who has a feed grain base shall be eligible to vote in any referendum held pursuant to this section, except a producer who has a farm acreage allotment of less than twenty-five acres shall not be eligible to vote unless the farm operator elected, pursuant to section 360f, to be subject to the farm acreage allotment and marketing quota. The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in the referendum voted against marketing quotas, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop of feed grains produced for harvest in the calendar year following the calendar year in which the referendum is held. If the Secretary determines that two-thirds or more of the farmers voting in a referendum approve marketing quotas for a period of two or three marketing years, no referendum shall be held for the subsequent year or years of such period.

"'Compliance

"'SEC. 360h. (a)(1) The farm marketing quota for any crop of feed grains shall be the actual production of the acreage of feed grains on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal production of the acreage of feed grains on the farm in excess of the farm acreage allotment for such crop: *Provided,* That the farm marketing excess shall be an amount equal to the actual production of the number of acres of feed grains on the farm in excess of the farm acreage allotment for such crop, if the producer, in accordance with regulations issued by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of feed grains on the farm: *Provided further,* That if there is an acreage of more than one feed grain on the farm, in determining which acreage is in excess of the farm acreage allotment, the acreage of the feed grain or grains which has the highest value, based on the normal yield of the feed grain on the farm multiplied by the basic county support rate for the feed grain, shall be considered as the acreage in excess of the farm acreage allotment.

"'(2) For the purposes of this section, (i) "actual production" of any number of acres of a feed grain on a farm means the actual average yield of such feed grain on the farm multiplied by the number of acres of such feed grain, and (ii) "normal production" of any number of acres of a feed grain on a farm means the normal yield of such feed grain on the farm multiplied by the number of acres of such feed grain. The normal yield of any feed grain for a farm shall be the average yield per acre of such feed grain on the farm during the five calendar years immediately preceding the year in which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the normal yields for similar or adjacent farms, and the yield in years for which data are available.

"'(3) In determining the farm marketing quota and farm marketing excess, (i) any acreage of a feed grain remaining after the date prescribed by the Secretary for the disposal of excess acres of such feed grain shall be included as an acreage of feed grains on the farm, and the production thereof shall be appraised in such manner as the Secretary determines will provide a reasonably accurate estimate of such production, (ii) any acreage of any feed grain classified as wheat acreage pursuant to section 360l shall not be considered feed grain acreage, and (iii) any acreage of feed grains disposed of in accordance with regulations issued by the Secretary prior to such date as may be prescribed by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess, and (iv) any acreage of barley disposed of by grazing not later than thirty days prior to the date the harvest of barley normally begins in the county or the area within the county as determined by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess. Marketing quotas for any marketing year shall be in effect with respect to feed grains harvested in the calendar year in which such marketing year begins notwithstanding that the feed grains are marketed prior to the beginning of such marketing year.

"'(b) Whenever farm marketing quotas are in effect with respect to any crop of feed grains, the farm marketing excess of any feed grain shall be regarded as available for marketing, and the producers on a farm shall be subject to a penalty on the farm marketing excess of feed grains at a rate per bushel on the amount of feed grains in the farm marketing excess equal to 65 per centum of the parity price of the particular feed grain involved as of May 1 of the calendar year in which the crop is harvested. Each producer having an interest in the crop of feed grains on any farm for which a farm marketing excess of feed grains is determined shall be jointly and severally liable for the entire amount of the penalty on the farm marketing excess.

"'(c) If the farm marketing excess is adjusted downward on the basis of actual production as heretofore provided, the difference between the amount of the penalty computed upon the basis of twice the normal production and as computed upon the basis of actual production shall be returned to or allowed the producer.

"'(d) Until the producers on any farm pay the penalty on the farm marketing excess of any crop of feed grains, the entire crop of feed grains produced on the farm and any subsequent crop of feed grains subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty.

"'(e) Until the penalty on the farm marketing excess of feed grains is paid, each bushel of feed grains produced on the farm shall be subject to the penalty specified in subsection (b) of this section, and such penalty on each bushel of feed grains which is sold by the producer to any person within the United States shall be paid by the buyer, who may deduct an amount equivalent to the penalty from the price paid to the producer. If the buyer fails to collect such penalty, such buyer and all persons entitled to share in the feed grains marketed from the farm or the proceeds thereof shall be jointly and severally liable for such penalty.

"'(f) The persons liable for the payment or collection of the penalty on any amount of feed grains shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"'Substitution of wheat and feed grains

"'SEC. 360l. Notwithstanding any other provision of law, the Secretary shall permit producers of wheat to have acreage devoted to the production of wheat considered as devoted to the production of feed grains, and producers of feed grains to have acreage devoted to the production of feed grains considered as devoted to the production of wheat, to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of this subtitle B.

"'Land Use

"'SEC. 360j. (a)(1) During any year in which marketing quotas for feed grains are in effect, the producers on any farm (except a farm for which a farm acreage allotment is established pursuant to section 360d(c)(2)(C)) on which any crop is produced on acreage required to be diverted from the production of feed grains shall be subject to a penalty on such crop, in addition to any marketing quota penalty applicable to such crop, as provided in this subsection, unless (i) the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section, or (ii) no feed grains are produced on the farm, and the producers have not filed an agreement or a statement of intention to participate in the payment program formulated pursuant to subsection (b) of this section. The acreage required to be diverted from the production of feed grains on the farm shall be an acreage of cropland equal to the amount by which the base acreage of feed grains for the farm exceeds the farm acreage allotment for feed grains. The actual production of any crop subject to penalty under this subsection shall be regarded as available for marketing and the penalty on such crop shall be computed on the actual acreage of such crop at the rate of 65 per centum of the parity price per bushel, as of May 1 of the calendar year in which the crop is harvested, of the feed grain determined by the Secretary to be the principal feed grain produced in the county, multiplied by the normal yield for such feed grain as defined in section 360h(a). Until the producers on any farm pay the penalty on such crop, the entire crop of feed grains produced on the farm and any subsequent crop of feed grains subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty. Each producer having an interest in the crop or crops on acreage diverted or required to be diverted from the production of feed grains shall be jointly and severally liable for the entire amount of the penalty. The Secretary may require the penalty on the production of crops on the diverted acreage to be collected by the purchaser of feed grains produced on the farm. The persons liable for the payment or collection of the penalty under this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"'(2) The Secretary may require that the acreage on any farm diverted from the production of feed grains be land which was diverted from the production of feed grains in the previous year, to the extent he determines that such requirement is necessary to effectuate the purposes of this subtitle.

"'(3) The Secretary may permit the diverted acreage to be grazed in accordance with regulations prescribed by the Secretary.

"'(b) The Secretary is authorized to formulate and carry out a program with respect to the 1963, 1964, and 1965 crops of feed grains under which, subject to such terms and conditions as he determines are desirable to effectuate the purposes of this section, payments may be made in amounts not in excess of 50 per centum of the estimated basic county support rate on the normal production of the acreage diverted, taking into account the income objectives of the Act, determined by the Secretary to be fair and reasonable to producers with respect to acreage diverted pursuant to subsection (a) of this section. The Secretary may permit the producers on the farm to divert from the production of feed grains an acreage, in addition to the acreage diverted pursuant to subsection (a), equal to 20 per centum of the farm acreage allotment for feed grains: *Provided*, That the producers on any farm may, at their election, divert such acreage, in addition to the acreage diverted pursuant to subsection (a), as will bring the total acreage diverted on the farm to twenty-five acres. Such program shall require (1) that the diverted acreage shall be devoted to conservation uses approved by the Secretary; (2) that the total acreage of cropland on the farm devoted to soil-conserving uses, including summer fallow and idle land but excluding the acreage diverted as provided above and acreage diverted under the land-use provisions for wheat pursuant to section 339, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm during the base period used in determining the farm acreage allotment adjusted to the extent the Secretary determines appropriate for (i) abnormal weather conditions or other factors affecting production, (ii) established crop-rotation practices on the farm, (iii) participation in other Federal farm programs, (iv) unusually high percentage of land on the farm devoted to conserving uses, and (v) for other factors which the Secretary determines should be considered for the purpose of establishing a fair and equitable soil-conserving acreage for the farm; and (3) that the producers shall not knowingly exceed (i) any farm acreage allotment in effect for any commodity produced on the farm, and (ii) except as the Secretary may by regulation prescribe, the farm acreage allotments on any other farm for any crop in which the producer has a share: *Provided*, That no producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess of wheat is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty: *And provided further*, That no producer shall be deemed to have exceeded a farm acreage allotment for any crop of wheat or feed grains if the farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k. The producer on any farm for which a farm acreage allotment is established pursuant to section 360d(c)(2)(C) shall not be eligible for payments hereunder. The Secretary shall provide for the sharing of payment among producers on the farm on a fair and equitable basis. Payments may be made in cash or in feed grains.

"'(c) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under subsection (b) of this section.

"'(d) Not to exceed 50 percentum of any payment to producers under subsection (b) of this section may be made in advance of determination of performance.

"'(e) The program formulated pursuant to subsection (b) of this section may include such terms and conditions, in addition to those specifically provided for herein, as the

Secretary determines are desirable to effectuate the purposes of this section.

"'(f) The Secretary is authorized to promulgate such regulations as may be desirable to carry out the provisions of this section.

"'(g) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this section and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

"'(h) Notwithstanding any other provision of law, performance rendered in good faith in reliance upon action or advice of an authorized representative of the Secretary may be accepted as meeting the requirements of this section, or of subsections (c) and (d) of section 16 of the Soil Conservation and Domestic Allotment Act, as amended, and payment may be made therefor in accordance with such action or advice to the extent the Secretary deems is desirable in order to provide fair and equitable treatment.

"'Deficit Areas

"'SEC. 360k. Notwithstanding any other provision of this part, in any area (county, State, or region) in which the Secretary determines (1) that the application of the provisions of this Act would result in hardship to producers in such area, would unduly increase the price of feed grains in such area relative to other areas, and would disrupt normal farming practices in such area, and (2) that the exception provided by this section would not impair the effective operation of this Act, he may provide in accordance with such regulations as he may prescribe that no farm marketing quota (that is, production on the acreage allotment) for any crop of feed grains shall be applicable to any farm in such area, if the acreage of such crop of feed grains does not exceed the farm base acreage determined for the farm. If the Secretary so provides, (i) for the purposes of section 360h, the farm acreage allotment for such crop of feed grains shall be deemed to be the farm base acreage, (ii) the land-use provisions of section 360j shall be inapplicable to the farm, (iii) such crop of feed grains shall not be eligible for price support, and (iv) the producers on such farm shall not be eligible to vote in any referendum on marketing quotas for such crop.

"'Authority To Exempt Malting Barley

"'SEC. 306l. Notwithstanding any other provision of this part, if with respect to any crop of barley the Secretary finds that there is not likely to be production of a sufficient quantity of malting barley to satisfy the demand therefor, subject to such terms and conditions as the Secretary shall prescribe, the farm marketing quota or farm acreage allotment for any crop of feed grains shall not be applicable to malting barley on any farm, if (i) the operator elects in writing on a form and within the time prescribed by the Secretary to have malting barley exempt therefrom, (ii) such operator has previously produced a malting variety of barley, plants barley only of an acceptable malting variety for harvest during the crop year, and does not knowingly devote during such crop year an acreage on the farm to barley in excess of 110 per centum of the acreage devoted on the farm to barley in 1959 and 1960, or such later two-year period determined by the Secretary to be representative, and (iii) the farm base acreage and the farm acreage allotment for such crop of feed grains are adjusted downward by such amount as the Secretary determines appropriate to reflect the exclusion of such barley from the farm acreage allotment.'

"SEC. 302. Section 2 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out 'and' immediately following the last semicolon, by changing the period at the end therof to a semicolon, and by adding immediately following such new semicolon the following: 'and to reduce the annual carryover of feed grains, to stabilize the supply of feed grains, and to provide for an adequate and balanced flow of feed grains so that the prices of feed grains are fair to producers and consumers and the total supply of feed grains available for utilization for livestock feed is maintained at a level which is consistent with the production of the quantities of livestock and the products thereof that will be consumed and exported at prices which are fair to producers and consumers.'

"SEC. 303. Section 301 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended as follows:

"(1) Subsection (a) is amended by adding at the end thereof the following new items:

"'(10) The term "feed grains" means corn, grain sorghums, and barley.

"'(11) The term "acreage of feed grains" means acreage of feed grains planted for harvest (including self-seeded feed grains), but excluding the acreage of feed grains harvested for silage not in excess of the acreage of feed grains harvested for silage during the base period as defined in section 360d(d) if the operator of the farm elects in writing to have such feed grains harvested for silage excluded. The review provisions applicable to marketing quotas in sections 361–367 shall apply to the determination of the acreage of silage exempt under this subsection.

"'(12) The term "crop" as applied to "feed grains" means all of the crops of the agricultural commodities which comprise feed grains and which are produced for harvest in the same calendar year.'

"(2) Subsection (b)(6)(A) is amended to read as follows:

"'(6) (A) "Market", in the case of cotton, rice, tobacco, wheat, and feed grains, means to dispose of, in raw or processed form, by voluntary or involuntary sale, barter, or exchange, or by gift inter vivos, and, in the case of wheat and feed grains, by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of.'

"(3) Subsection (b)(7) is amended to read as follows:

"'(7) "Marketing year" means, in the case of the following commodities, the period beginning on the first and ending with the second date specified below:

"'Barley, July 1–June 30;
"'Corn, October 1–September 30;
"'Cotton, August 1–July 31;
"'Grain sorghums, July 1–June 30;
"'Peanuts, August 1–July 31;
"'Rice, August 1–July 31;
"'Tobacco (flue-cured), July 1–June 30;
"'Tobacco (other than flue-cured), October 1–September 30;
"'Wheat, July 1–June 30.

"'"Marketing year" means, in the case of "feed grains", the marketing years for the agricultural commodities comprising the feed grains.'

"SEC. 304. Sections 361, 362, and 363 of the Agricultural Adjustment Act of 1938, as amended, are hereby amended as follows:

"(1) Section 361 is amended by adding 'feed grains,' after 'wheat,', and by changing the period at the end of the section to a comma and adding the following: 'and to the review of land-use penalties assessed pursuant to sections 339 and 360j.'

"(2) Section 362 is amended by adding at the end thereof the following: 'Notice of the land-use penalty assessed pursuant to section 339 or 360j shall be mailed to the farmer.'

"(3) Section 363 is amended by adding 'or land-use penalty' after the word 'quota' wherever it appears in such section.

"SEC. 305. Section 372 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding 'feed grains,' after 'wheat,' in subsection (a) thereof.

"SEC. 306. Sections 373, 374, and 375 of the Agricultural Adjustment Act of 1938, as amended, are hereby amended by deleting 'corn' wherever it appears and by substituting in lieu thereof 'feed grains'; and subsection (b) of section 375 of the Agricultural Adjustment Act of 1938, as amended, is further amended by striking out the period at the end of the sentence and inserting at the end thereof the following: 'or to effectuate the provisions thereof.'

"SEC. 307. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by inserting in the first sentence after 'Soil Conservation Act payment,' the following: 'payment under section 360j,'.

"SEC. 308. The amendments to the Agricultural Adjustment Act of 1938, as amended, made by sections 301 through 307 of this Act shall be in effect only with respect to programs applicable to crops planted for harvest in the calendar year 1963 or any subsequent year and to the marketing years beginning in the calendar year 1963 or any subsequent year.

"SEC. 309. The Agricultural Act of 1949, as amended, is amended as follows:

"(1) By amending section 105 by deleting subsections (a) and (b) and substituting the following:

"'(a) Notwithstanding the provisions of section 101 of this Act, beginning with the 1963 crop—

"'(1) if marketing quotas for any crop of corn, grain sorghums, and barley are not disapproved by producers, price support for corn of such crop shall be made available at such level, not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate after consideration of (i) the factors specified in section 401(b) of this Act, (ii) the supplies of feed grains that would be available during the marketing year at prices approximating the support prices of feed grains, and (iii) consumption goals during the marketing year for livestock and livestock products, taking into consideration consumption under special governmental programs, and imports and exports of livestock and livestock products.

"'(2) if marketing quotas for any crop of corn, grain sorghums, and barley are disapproved by producers, price support for corn of such crop shall be at such level not to exceed 50 per centum of the parity price therefor as the Secretary determines appropriate after consideration of the factors specified in section 401(b).

"'(3) price support for each crop of barley and grain sorghums, respectively, shall be at such level as the Secretary determines is fair and reasonable in relation to the level at which price support is made available for corn, taking into consideration the feeding value of such feed grain in relation to corn and the other factors specified in section 401(b) of this Act.

"'(4) price support for corn, grain sorghums, and barley shall be made available only to cooperators.

"'(5) if marketing quotas are in effect for the crop of corn, grain sorghums, and barley, a "cooperator" with respect to any such feed grain produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for feed grains or any other commodity on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment on any other farm for any commodity in which he has an interest as a producer, and (ii) complies with the land-use requirements of section 360j of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. If marketing quotas are not in effect for the crop of corn, grain sorghums, and barley, a "cooperator" with respect to any crop of corn, grain sorghums, and barley produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for feed grains. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess of wheat is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such farm marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k of the Agricultural Adjustment Act of 1938, as amended.'

"(2) By amending section 105 by redesignating subsection (c) thereof as subsection (b).

"(3) By amending section 401 by inserting after the comma before '(2)' the following: '(2) the income needed to provide a farm operator and his family with a return for his labor and investment equal to the return earned by comparable resources in other occupations', and by renumbering (2), (3), (4), (5), (6), (7), and (8) as (3), (4), (5), (6), (7), (8), and (9), respectively.

"(4) By adding at the end of section 407 the following: 'Notwithstanding any other provision hereof, (i) if a marketing quota for feed grains for any marketing year is disapproved by producers, the Commodity Credit Corporation may sell for unrestricted use from its stocks during such marketing year not to exceed ten million tons, or the equivalent in bushels, of feed grains at not less than 2 per centum above the current support price for such commodity, plus reasonable carrying charges, (ii) if a marketing quota for wheat for any marketing year is disapproved by producers, the Commodity Credit Corporation may sell for unrestricted use from its stocks during the marketing year not to exceed two hundred million bushels of wheat at not less than 2 per centum above the current support price for such commodity, plus reasonable carrying charges.'"

On page 34, beginning with the period in line 13, strike out through the period in line 18, and insert a colon and the following: "*And provided further*, That no producer shall be deemed to have exceeded a farm acreage allotment for any crop of wheat or feed grains if the farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k."

On page 45, beginning in line 2, with the word "No", strike out through line 6, and insert the following: "No producer shall be deemed to have exceeded the farm acreage allotment for feed grains on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f or 360k."

Beginning on page 53, in line 24, with the word "No", strike out all through line 3 on page 54, and insert the following:

"No producer shall be deemed to have exceeded the farm acreage allotment for feed grains on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k."

Mr. DIRKSEN. Mr. President, will the chairman of the committee yield for a parliamentary inquiry?

Mr. ELLENDER. I yield.

Mr. DIRKSEN. It is my understanding that, under the consent request, the next vote would come on the amendment now pending, offered by the distinguished chairman of the committee, and would come at 4 o'clock. Is that correct?

The PRESIDING OFFICER. The Senator from Illinois is correct, unless an amendment is offered to it prior to that time.

Mr. DIRKSEN. It was my understanding that if a vote came on the feed grains proposal and it was adopted, it would be impossible to further amend the Ellender amendment. Is that correct?

The PRESIDING OFFICER. Deletions could not be made; additions could be made.

Mr. DIRKSEN. A further parliamentary inquiry. The distinguished Senator from Mississippi talked to me the other day about it, and I conferred very briefly with the majority leader at that time, but the amendment of the Senator from Mississippi would be amendatory of the proposal of the distinguished Senator from Louisiana. I am not quite clear whether it would be a deletion or an addition, but I thought I ought to raise the question to make sure that that amendment might be in order, for if it were not, then it would require unanimous consent to make it in order. That would be equally true of an amendment that the distinguished Senator from Wisconsin [Mr. PROXMIRE] has.

The PRESIDING OFFICER. The amendment would be in order.

Mr. DIRKSEN. The Proxmire amendment would be in order?

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin would be in order, as would any other amendment which would amend the substitute.

Mr. DIRKSEN. Mr. President, would the amendment of the distinguished Senator from Mississippi [Mr. EASTLAND], which proposes to authorize, without paying support prices, the use of wheat grown on a particular farm for feeding on that farm, be in order?

Mr. EASTLAND. Feed grain consumed on the farm.

The PRESIDING OFFICER. The amendment, if germane, would be in order; and the Chair considers it germane.

Mr. DIRKSEN. Then, within the limitations of time, the Eastland amendment could be offered, and the Proxmire amendment could be offered?

The PRESIDING OFFICER. The Senator from Illinois is correct.

Mr. DIRKSEN. There is also an amendment to be offered by the distinguished Senator from Kentucky, which would be actually an addition and not a deletion. My query is: Would that be in order as an amendment to the Ellender amendment?

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. There is a parliamentary inquiry pending.

The PRESIDING OFFICER. That amendment would be in order. The Ellender amendment can be amended to one further degree, so that amendment would be in order.

Mr. DIRKSEN. I yield to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from Louisiana [Mr. ELLENDER] has the floor.

Mr. YOUNG of North Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. YOUNG of North Dakota. I have three amendments to offer to the pending feed grain amendment. Would they be in order? Would the Senate still vote at 4 o'clock?

The PRESIDING OFFICER. It would be in order to offer the amendments when no other amendment is pending.

Mr. YOUNG of North Dakota. Would the Senate still vote at 4 o'clock?

The PRESIDING OFFICER. There is a 2-hour limitation on all debate for all amendments to the Ellender amendment. The 2 hours would expire about 4:15.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. As I read the unanimous-consent agreement, it says:

> Two hours, to be equally divided and controlled as above, shall be allotted for debate on the Ellender feed grain amendment or any amendment thereto.

It does not say, "and all amendments thereto."

It seems to me a clear reading of the unanimous-consent agreement provides for 2 hours of debate for any amendment to the feed grains amendment.

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. I think the Senator from South Dakota has put his own interpretation on this particular agreement. Certainly that was not the intent of the distinguished minority leader [Mr. DIRKSEN], of the Senator from South Dakota [Mr. MUNDT], of the Senator from Vermont [Mr. AIKEN], of the Senator from Louisiana [Mr. ELLENDER], or other Senators, when that proposal was made. If that were the consensus, it would have been useless, in my opinion, to offer the unanimous-consent agreement.

I invite the attention of the Presiding Officer to what I consider to be the intent at the time the agreement was entered. There are Senators present in the Chamber who were consulted, who can prove or disprove what I have stated.

Mr. CASE of South Dakota. Mr. President, if the Presiding Officer will indulge the Senator from South Dakota, according to my recollection, when the Senate makes an overall time agreement the customary language used is "2 hours on such amendment and all amendments thereto."

When the language is used with the conjunction "or" and it is said, "2 hours on the Ellender feed grain amendment or any amendment thereto," the "or" gives 2 hours for any amendment thereto.

The PRESIDING OFFICER. The written agreement differs from the memory of the Chair of the verbal agreement.

Mr. CASE of South Dakota. Mr. President, I am reading from the unanimous-consent agreement as printed on the front page of the Calendar of Business for Thursday, May 24, 1962.

The **PRESIDING OFFICER.** The word "and" was in the original agreement which was agreed to.

Mr. CASE of South Dakota. The word "and" was used? Does the RECORD show that?

The **PRESIDING OFFICER.** That is what the Chair rules actually happened.

Mr. CASE of South Dakota. A parliamentary inquiry, Mr. President. How can the Presiding Officer make a ruling which runs contrary to the printed text of the unanimous-consent agreement?

Mr. HUMPHREY. Mr. President——

Mr. ALLOTT. Mr. President——

The **PRESIDING OFFICER.** The Chair is informed that there was an error in the printing of the agreement and that the word "and" should have been written into the agreement.

Mr. CASE of South Dakota. Then, Mr. President, I at least comment that the observation of the Senator from South Dakota was not capricious or anything like that, but was taken directly from the language of the agreement as printed on the front page of the calendar for today. I do not know, but I assume that would be the same as the agreement on the blue cards which went around.

The **PRESIDING OFFICER.** The Chair understands that and regrets the error.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The **PRESIDING OFFICER.** The Senator from Colorado will state it.

Mr. ALLOTT. I have no particular desires with respect to the outcome of this matter, but I should like to know upon what basis the Presiding Officer can rule that the printed unanimous-consent agreement on the calendar, which is the official unanimous-consent agreement, does not mean what it says, but means what somebody else says?

If we are to start utilizing this kind of a procedure in the Senate, we had better take a look at our "hole cards," because it might lead to a bad situation. Everyone knows that in any legislative body one cannot alter the legislative record except by a motion or by consent. Neither one of these has been attempted.

No matter what was said at the time, or what was supposed to have been said at the time, what the RECORD shows is that the word "or" is used, in the disjunctive. Therefore, there can be no question that, until the Senate changes it, the agreement is what should govern the procedure of the Senate.

Gentlemen and ladies, we are making a very serious mistake. As I have said, I have no interest in which way we do this, but we are making a very serious mistake to set a precedent in the Senate of deciding that what the RECORD says is not what somebody said or meant 2 or 3 days ago.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Louisiana has the floor.

Mr. CASE of South Dakota. Mr. President, a further parliamentary inquiry.

Mr. ELLENDER. Mr. President, I yield to the Senator from Kentucky [Mr. MORTON].

Mr. MORTON. Mr. President, off this serious subject, I wish to say that the Air Force has reported a life raft sighted, with Lieutenant Commander Carpenter, the astronaut, in it. [Applause.]

Mr. CASE of South Dakota. Mr. President, may I invite the attention of the Presiding Officer to the printing of the unanimous-consent agreement in the RECORD for May 22?

The **PRESIDING OFFICER.** The Senator is correct in the point he makes, but the Chair is informed by the Parliamentarian that the word "and" was used at the time, and there is an error.

Mr. CASE of South Dakota. Mr. President, the RECORD does not show that. The RECORD, at page 8953, shows that the distinguished majority leader read the proposed unanimous-consent agreement, and later shows the agreement printed on the same page. In both instances the word "or" is used.

I further invite the attention of the Presiding Officer to the fact that in the center column the majority leader [Mr. MANSFIELD] said:

> Mr. President, I have a unanimous-consent request to offer, which I think has been cleared by all Senators interested. I will read it at this time, because it may be difficult for the clerk to put it together.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. There follows the proposed agreement. The word "or" is used.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I will yield in just a moment.

Subsequently, when the Presiding Officer put the request to the Senate, he said:

> Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and without objection the order is entered.
>
> The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

In both texts the word "or" is used.

I do not know how Members of the Senate could be put on notice as to what was in someone's mind in any other way than by what is shown in the RECORD, what is shown on the blue cards which were sent around, and what is shown on the front page of the calendar for today.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I do not believe that the RECORD can be changed except by unanimous consent.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. MANSFIELD. I have endeavored to give to the Senate the intent behind the unanimous-consent request, which was offered with the concurrence of all Senators concerned who could be reached day before yesterday. The reason I read the unanimous-consent agreement myself was because it was in disjointed shape, and I felt that I had to present it in the manner I adopted in order to make it as plain as possible. The Senator from South Dakota is correct in what he has said as to the language in the RECORD, in the cards distributed, and on the outside page of the calendar. But I hope that in view of the situation, the Senator from South Dakota and other Senators will agree to a unanimous-consent request that the word "and" be incorporated in the unanimous-consent request now under consideration.

Mr. CASE of South Dakota. Mr. President, the Senator from South Dakota has no amendment ready at this time to offer, but he had considered the possibility of offering one, depending upon the fate of some of the amendments that have been printed and proposed. He had relied upon the language on the blue card, which would indicate that if we had an amendment to offer, he would be allowed 2 hours of debate on it.

Mr. MANSFIELD. Mr. President, I wish to submit a unanimous-consent request, but before I do so, I assure the distinguished Senator from South Dakota that under the unanimous-consent agreement, 2 hours are allowed on other amendments, 1 hour to a side. So I think perhaps the Senator from South Dakota could offer his amendment. I am not certain that if the amendment should involve a feed grains proposal it would be proper. But if it is on something else, I think there would be no question. If it were on a feed grain proposal, I assume that it would be in the same category as other amendments of that type.

Mr. CASE of South Dakota. Mr. President, the distinguished majority leader has been courteous to me on many occasions, and I am reluctant to object to any request he may make. But I think we ought to let the debate continue for a little while, to see how it develops. I feel that if I were offering an amendment, I would be entitled to 2 hours on it. If the issues are sufficiently presented by the other amendments that will be offered, and they can be taken care of in 2 hours of time, perhaps the whole discussion is without any practical effect. But I hope the Senator will not press his unanimous-consent request at this time, before we see the fate of some of the other amendments.

Mr. MANSFIELD. Of course, I would not.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. HUMPHREY. My only observation on the question is that I helped to draft the unanimous consent agreement. I discussed the subject with several other Senators. I regret that the RECORD does not show the discussion. I believe the Senator from Iowa [Mr. HICKENLOOPER] was present. We were concerned about the fact that earlier in the day, when we had discussed the unanimous-consent agreement, the Senator from Iowa [Mr. HICKENLOOPER] was not present. We wanted to make sure that his interests were safeguarded on the subject of feed grains. The discussion proceeded as follows: We would vote at 2 o'clock on the wheat amendment. We would vote 2 hours after we had completed the yea-and-nay vote on any other matters relating to the wheat amendment. So there was a considerable amount of argument on the floor of the Senate—where the discussion is in the Record, I do not know—to the effect that we would not necessarily vote at 4 o'clock.

The Senator from New York [Mr. Javits] was present when we discussed the situation. We agreed that the Senate would vote 2 hours after we had completed the tally and the announcement of the vote on the wheat amendment, which, it was indicated at that time, might occupy the time until about 4:30 p.m.

The reason for the discussion was that certain Senators had other obligations and duties. It was then agreed that we would vote on the so-called feed grains amendment and any and all amendments thereto 2 hours after the yea-and-nay vote had been taken and tallied on the wheat amendment. A specific time could not be set. It was said that it might be about 4:15. Someone else said no, it would be about 4:30. The Record is obviously not complete. Anyone who was present knows what took place. The whole question was discussed in some detail, privately off the floor, publicly on the floor, and personally with several Senators.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CASE of South Dakota. Under the traditions of the Senate, particularly on questions of reconsideration, it is customary to recognize that a Senator might not be present, and if within the proper time he enters a motion for reconsideration, if reconsideration has not been denied, his right is protected for 24 hours. Obviously the leadership could not discuss with every Member of the Senate the question whether or not he had an amendment on the point. I believe any Senator would be entitled to look at the Record, look at the calendar, look at the blue card, and feel that he had adequate protection on the face of the Record.

Mr. HUMPHREY. Mr. President, I think the Senator's interpretation of what the printed record shows is accurate. I say to him only that I was present and was involved in the discussion. The Senator from New York [Mr. Javits], the Senator from Iowa [Mr. Hickenlooper], and other Senators were present. We discussed fully the desire to dispose of the two Ellender amendments before 4:30. At least we were hopeful of doing so. At first it was thought that perhaps the Senate should convene at 11 o'clock. Then it was suggested that the hour of meeting be 10 o'clock.

All that took place in a general discussion among Senators.

The Senator from New York [Mr. Javits] then said that he preferred to have a vote on the wheat amendment at sometime between 2 and 3 o'clock. It was then agreed that 2 o'clock would be a good time.

Subsequently it was said that 2 hours later we could vote on the so-called feed-grain amendment. The question was then raised by one of our colleagues, "Two hours later than what? Two hours later than 2 o'clock or 2 hours after the yea-and-nay vote and the tally were completed?"

The point I wish to make, to avoid misunderstanding, is that it was clearly understood at that particular time that the Senate would vote on the feed grain amendment and all amendments thereto by 2 hours after the yea-and-nay vote.

Mr. CASE of South Dakota. It was probably so understood by those who were present and participated in the discussion.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Assuming that the distinguished Senator from Louisiana now begins discussion on his amendment, when will the vote take place?

The PRESIDING OFFICER. The vote would begin at 4:20 p.m.

Mr. DIRKSEN. Mr. President, I now ask the distinguished chairman of the committee, the Senator from Louisiana [Mr. Ellender] to yield 1 minute to the Senator from Colorado.

Mr. ELLENDER. I yield 1 minute.

ASTRONAUT LT. COMDR. SCOTT CARPENTER

Mr. ALLOTT. Mr. President, we have just received word that Lt. Comdr. Scott Carpenter has been found, apparently in good condition, in a life raft alongside his capsule. We in Colorado, of course, are particularly proud of Scott Carpenter. I am sure the world is proud of him. All Americans are proud of him today.

I wish to pay my own tribute to him and say to Senators that in the long struggle for scientific advancement and achievement there are those who have such a deep sense of loyalty to this cause and to their own Government, our own United States, that they are willing to risk their lives to advance that cause. At this point we do not know what went wrong to make impossible a quick recovery; but we do know that the incident points up the fact that in every such flight each of the men involved puts his life on the line for scientific advancement and for the glory of our country.

I thank the distinguished minority leader and the chairman of the committee for yielding me this time.

FUNDS FOR THE RS–70

Mr. ALLOTT. Mr. President, the 1963 budget provided $171 million and the House provided $223.9 million for the RS–70. The President and the Secretary of Defense sequestered during the past year $514½ million for long-range bombers, which has not been used. The distinguished senior Senator from Arizona [Mr. Hayden], the chairman of the Committee on Appropriations, has signified his intention of offering an amendment that would increase the RS–70 program by $514½ million.

He has also signified his intention of holding to 700,000 the combined strength of the Army National Guard and the Army Reserve. He set this forth specifically in his statement before the Defense Department Subcommittee on Appropriations.

I ask unanimous consent that his statement, with which I concur wholeheartedly, may be made a part of my remarks in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Carl Hayden, Chairman, Committee on Appropriations, U.S. Senate, Before the Department of Defense Subcommittee of the Committee on Approppriations, U.S. Senate

During recent weeks I have had an opportunity to review some of the major issues involved in the Department of Defense Appropriation Act for fiscal year 1963. There are a number of complex and vital issues that the subcommittee must consider; but two of these are matters of such great importance that I feel I should take this opportunity to make my position known. I do not believe that either the sum of $171 million requested in the President's budget, or the $223.9 million included in the bill as it passed the House of Representatives, is adequate for the development of the RS–70 weapons system; nor do I feel that it would be wise to reduce the strength of the Army National Guard and the Army Reserve as proposed in the budget.

DEVELOPMENT OF THE RS–70 WEAPONS SYSTEM

Mr. Chairman, the last of the B–52's and B–58's will come off the production line late in the fall of this year; and, as you are aware, we will not be producing any manned bombers after this time. This is a mistake, in my opinion. It is also a mistake in the opinion of Gen. Curtis E. LeMay, Chief of Staff of the U.S. Air Force and the former commander of the Strategic Air Command. You will recall that during the hearings of this subcommittee on the Department of Defense Appropriation Act for the current fiscal year I asked General LeMay the following question: "Would you recommend that the Congress provide additional funds for the procurement of more B–52 and B–58 bombers?"; and the general replied, "* * * It is my personal opinion that we should not close down our bomber lines at this time."

Mr. Chairman, we all know what happened. The Congress appropriated an additional $514,500,000 and provided that these funds "shall be available only for the procurement of long-range bombers." However, on October 27, 1961, the Secretary of Defense advised in a letter to the chairman of this subcommittee that the additional funds provided for the procurement of long-range bombers would not be utilized. The President's budget for fiscal year 1963 requested that these funds be made available to finance the 1963 aircraft procurement program. As I stated, the budget program does not include any funds for the procurement of additional long-range bombers. In acting on the bill now before this subcommittee the House Appropriations Committee recommended, and the House concurred, that the additional $514,500,000 provided in the 1962 act be rescinded.

Mr. Chairman, the record is clear. The decision to close down the B–52 and B–58 production lines was made by officials of the executive branch of the Government, over the strong objections of the legislative branch.

As General LeMay has stated, it is too late to reconsider this decision on the part of the executive branch to stop the production of manned bombers. We must now consider what we should do in view of this decision.

We are all pleased with the progress we have made in our missile program. The Atlas, the Titan, and the Minuteman are proving themselves to be good weapons systems. But they each have limitations—they cannot think. As good as these systems are we cannot abandon the manned systems. With the missile systems you have absolutely no flexibility in the use of your weapons. You can either shoot, or not shoot. This is not true with the manned-bomber systems. General LeMay stressed this importance of flexibility in the manned-bomber systems during our hearings last year when he said:

"With the manned systems, you can maneuver them, you can change their position; you can threaten with them. You can launch them and recall them, and you have all the flexibility in the world necessary to do things that might well prevent the war from ever starting."

It is my view that the new missile systems complement our existing manned-bomber force and that these missile systems should not be considered as replacements for our manned-bomber systems.

As I stated earlier, Mr. Chairman, the question for this subcommittee is, What course do we take in view of the decision of the executive branch of the Government to discontinue the production of the B–52's and B–58's? During the course of the hearings last year, I addressed the following question to General LeMay: "Do you feel that a manned bomber will be required as a follow-on to the B–52 and B–58 even if our missiles continue to develop at a satisfactory rate?" And General LeMay replied, "Yes sir; I do. We want the missiles. They are coming along; they will take a place in our inventory and give good account of themselves.

"However, it is our feeling, and always has been, that we must have a mixture of manned and unmanned systems if we are properly going to defend the country."

Mr. Chairman, the production of B–52's and B–58's will be completed shortly. What will be the manned system to continue the missions of the present B–52's and B–58's? The answer, of course, is the RS–70 weapons system.

This committee has devoted a considerable amount of time to the RS–70, formerly known as the B–70. The change in designation is merely more descriptive of the mission to be performed and does not involve any major changes in the basic aircraft. The RS–70 weapons system would provide the Strategic Air Command with an aircraft that has a speed of three times that of sound, that could fly at 80,000 feet for a distance of 6,000 miles without being refueled. This aircraft equipped with air-to-surface missiles and advanced radar and communications systems will provide the Strategic Air Command with a capability to observe and report the condition of the enemy during and after the initial strikes; would give an increased assurance of destruction of priority targets; could seek out and destroy unique targets, which would include the extremely hard, the mobile, and the imprecisely located; and would maintain the precision, discrimination, and flexibility which is an inherent part of our strategic capability, and which is obtainable only in the manned systems.

You will recall, Mr. Chairman, that the Congress provided an additional $180 million for the development of the B–70 in the Appropriation Act for the current year. However, as in the case of the B–52's and B–58's, the executive branch of the Government decided not to use these additional funds.

The question of the rate of development of the RS–70 weapons system was considered by the Armed Services Committees of the House of Representatives and the Senate in connection with the Defense Procurement Authorization Act for fiscal year 1963. Both of these committees recommended, and both Houses of Congress concurred therewith, a development program of $491 million, compared to a program of $171 million requested by the executive branch of the Government. The Department of Defense appropriations bill, 1963 (H.R. 11289), as it passed the House includes $223.9 million for this program—an increase of $52.9 million over the budget request.

On May 16, General LeMay appeared before this subcommittee at the invitation of the chairman to give his personal views on the RS–70. At this time he indicated that, in his opinion, an appropriation of approximately $491 million—the amount included in the Defense Procurement Authorization Act for fiscal year 1963 was needed.

Mr. Chairman, at the appropriate time during the markup of this bill in the executive sessions of the subcommittee, I will offer an amendment to provide a total of $491 million, less any reduction suggested by the Air Force, for the development of the RS–70 weapons system. At that time, I will suggest to the subcommittee the possibility of utilizing the $514.5 million included in the Department of Defense Appropriation Act, 1962, solely for the purpose of procuring long-range bombers for the development of the RS–70 program. These funds were provided for the purpose of continuing the production of manned bombers, and it logically follows that if the funds are not going to be used for the original purpose, they should be used for the development of the follow-on weapons system—the RS–70. I submit the following amendment to the bill, as it passed the House, to accomplish this purpose:

On page 25, in lines 11 through 13 strike out "that funds restricted to procurement of long-range bombers in this appropriation for fiscal year 1962 shall not be available for obligation after June 30, 1962", and insert "that the sum of $514,500,000 made available in this paragraph in the Department of Defense Appropriation Act, 1962 (Public Law 87–144) for the procurement of long-range bombers, shall also be available for the production planning and long lead-time procurement of the RS–70 Weapons System."

Mr. Chairman, this suggested amendment is in accord with the provisions of the Defense Procurement Authorization Act, 1963 (Public Law 87–436).

PROPOSED REDUCTION IN ARMY NATIONAL GUARD AND ARMY RESERVE

In regard to the Army Reserve and the Army National Guard, the budget as submitted requested funds to support a combined paid drill strength of 670,000. This was a reduction of 30,000 from the amount previously provided by the Congress to maintain the Army Reserve at 300,000 and the Army National Guard at 400,000. On April 2, 1962, a revised proposal from the executive branch brought the total request down to 642,000. The House committee when it reported the bill stated that it was not in sympathy with either the original reduction or the later reduction, and provided the funds to support an Army Reserve component strength of 700,000.

I wish to wholeheartedly support the action of the House. This committee has for a number of years refused to permit these large-scale reductions in the Reserve and guard and has provided funds to maintain the combined strength at 700,000. At times it has had the assurance of the executive branch that the wishes of the Congress would be honored if the funds were provided. At other times it was deemed advisable to place mandatory language in the bill. It is my understanding that no such assurance has as yet been given.

The strength of the Reserve components is directly related to the reorganization which the Department of Defense now proposes. This realinement, as it is called, will, according to the National Guard Association, eliminate four Army National Guard divisions, for which brigades will be substituted, and 424 company-size units which will be completely eliminated as units. The Army Reserve will similarly lose four divisions, to be replaced by brigades. Obviously the Congress will not desire to hamper any modernization of the Reserve components, but I am sure that when it considers the matter it will recall that the Reserve and guard have been reorganized frequently in the recent past. It will recall even more vividly the outstanding history of the National Guard who have been called upon in emergency to serve in the first line of defense at least five times since the turn of the century. For these reasons I shall support an Army Reserve component strength of 700,000.

THE WITHHOLDING OF TAX ON INTEREST AND DIVIDENDS

Mr. **WILLIAMS** of Delaware. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an open letter written by me to Secretary Dillon, in which I comment upon his recent analysis of the 20-percent withholding provision on interest and dividends as proposed in H.R. 10650.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 23, 1962.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Washington, D.C.

MY DEAR MR. SECRETARY: A few days ago I received from you a letter, apparently addressed also to every other Member of the Senate, enclosing a memorandum regarding the pending proposal for withholding of tax on interest and dividends. A copy of this memorandum was inserted in the CONGRESSIONAL RECORD for May 16, 1962, by Senator DOUGLAS (pp. 8577–8578).

A study of the memorandum compels me to reply.

I

Early in the memorandum it is stated: "The withholding proposal has been grossly misrepresented and distorted by those who have their own selfish reasons for wishing to see it defeated. They have fostered widespread misunderstanding of the plan and aroused baseless fears."

Without attempting to pass judgment upon the motives of all the many opponents of the plan, I think it only fair to say that many persons of good will, including many Members of Congress, have given the proposal much objective study and have concluded that it would be unwise to enact it at this time. The vast outpouring of heartfelt handwritten letters from citizens throughout the Nation cannot be dismissed by a wave of the hand as flowing entirely from misrepresentation and distortion. Nor does a study of the testimony of numerous witnesses before the Senate Finance Committee, including several Members of the Senate, indicate that they have fallen prey to "widespread misunderstanding" or have fostered it. Their testimony indicates to me that they understand it full well and are convinced that it is filled with complexities, difficulties, and hardships.

If all members of the public do not exhibit a complete comprehension of the proposal, I think they may well be forgiven. Let us not forget that the proposal covers 46 pages of highly technical language in the bill, and that in the past year the proposal has been frequently modified in basic essentials—particularly as regards the right to file exemption certificates and quarterly refund claims.

Moreover, the process of change in the position of your Department still continues. As recently as May 10, in a prepared statement before the Senate Finance Committee, you again suggested a further broadening of the scope of these procedures. This has been done despite the fact that in the original prepared statement of your Department before the Ways and Means Committee a year ago it was recommended that withholding "be universally applied to all interest and dividend recipients" except certain foreign persons, stating "any further extension of exemptions would complicate the withholding procedure and would be burdensome for payers."

Yet now that your Department embraces amendments authorizing a flood of literally millions of exemption certificates, the memorandum sent to me lightly dismisses the obvious complications and ignores the burdens your own Department pointed out.

In short, I believe opposition to your Department's proposal should not be met by impugning the motives of its opponents. Those who have no base motives but who simply differ with you on a highly debatable proposal will not take kindly to such personal criticism. I would urge you rather to understand that it is at the very least a matter on which reasonable men of good will may differ.

II

Your Department's memorandum states that the "misconceptions" of opponents of the proposal "deserve to be cleared up."

The first "misconception" it deals with by pointing out that "This is not a new tax. Withholding is merely a method of collecting taxes which are owed the Government but, because of ignorance or intentional deceit, are not now being paid. Dividends and interest are income and, as such, have always been subject to tax."

Certainly every Member of the Senate is aware that dividends and interest are income, and that the withholding proposal is not a new tax for those who owe at least 20-percent tax on such amounts. But as to those who, because of their personal exemptions or deductions, owe no tax or less than the 20 percent withheld, we must recognize some basis for their feeling that this is a new tax even though all or part of it may later be refunded. Even the bill itself refers to it as a "tax." It requires that every person who pays interest or dividends shall "deduct and withhold * * * a tax equal to 20 percent of the amount thereof" (secs. 3451(a) and 3461(a)); and for those entitled to quarterly refunds it provides that "the tax deducted and withheld * * * shall * * * be promptly refunded to him as an overpayment of tax" (sec. 3484(a)). Thus even the bill acknowledges that before the tax is refunded it is in fact a tax. How then can one criticize those citizens who suffer overwithholding when in laymen's terms they refer to it as a new tax?

III

The memorandum deals with the next "misconception" by saying: "Withholding will impose no hardship and little inconvenience on taxpayers. People who have such low incomes that they do not owe any taxes can easily prevent withholding by signing a simple form certifying that fact. Those under 18 can be exempted from withholding whether or not they owe any tax."

As noted earlier, a year ago you pointed out that such exemption certificates "complicate the withholding procedure." Whether they will entail a mountain of redtape, as some assert, or merely a complication, as you concede, may not be too significant. All agree that there will be millions of such certificates to be signed, processed and taken into account by payers.

The present bill requires that all nontaxable persons over 17 file the certificates with each payer every year, making this an annual chore for all concerned. You indicated before the Finance Committee on May 10 that your Department would agree to making "exemption certificates remain valid until revoked by the filer instead of requiring annual refiling." If, as you maintain, there is a widespread failure today to report dividends and interest, I think we may safely assume there would be a widespread failure to notify every payer that the taxpayer's right to exemption from withholding had expired. Since no withholding receipt would be given by the payer to the payee, confusion would be rampant.

In saying that people who owe no tax may easily prevent withholding, the memorandum fails to note, as the bill provides, that no exemption certificates may be filed for persons who receive their interest and dividend income through estates of deceased husbands or other relatives, or through trusts set up under a will or deed of trust; nor that the certificates may not be filed for interest-bearing U.S. obligations or interest-bearing obligations of corporations; nor for dividends on stocks held for convenience in a broker's name; nor except as may be provided in regulations, on securities held in joint names, et cetera.

In sum, the memorandum's dismissal of the obvious complications of the exemption certificate procedure leaves considerable question as to whether your Department or the public is operating under a "misconception."

I might also note that some persons, particularly those in small communities, who are not fortunate enough to have sufficient income to owe a tax have misgivings about their being forced by the withholding procedure to disclose their income tax position to persons outside the Government. The extent to which a citizen owes an income tax has generally been regarded as a confidential matter between the Government and himself. I think it should remain so.

IV

The memorandum then deals with another alleged "misconception" by saying: "Elderly couples, widows and others who may owe a little tax but less than the amount withheld, can get quarterly refunds by filling out a simple refund slip which will be available at banks, post offices and other places."

On this "simple" refund slip as I read the bill, the claimant must calculate his "refund allowance." According to Section 3484(b) of the bill, "* * * the refund allowance of an individual as of the time the claim for refund is filed is an amount equal to the excess, if any of—

"(1) an amount equal to 22 percent of—

"(A) the total of the deductions which, on the basis of facts existing at the time the claim for refund is filed, such individual would be allowed for the taxable year under section 151 (relating to deductions for personal exemptions), plus

"(B) in the case of an individual who, at the time the claim for refund is filed, reasonably expects that he will be allowed a credit under section 37 (relating to retirement income) for the taxable year, the amount which, at such time, such individual reasonably expects to be the amount of his retirement income (as defined in section 37(c) and as limited by section 37(d)) for the taxable year, less

"(C) the amounts (other than amounts on which tax is required to be deducted and withheld under this chapter) which, at the time the claim for refund is filed, such individual reasonably expects to be includible in his gross income for the taxable year; over

"(2) the amounts of tax with respect to which an allowable claim for refund has been previously filed under this section during the taxable year."

Mr. Secretary, do you really believe that this will prove "simple" for "elderly couples, widows and others" to understand and calculate?

For those who master the calculation, it will have to be revised each quarter if their income fluctuates. And for the fourth calendar quarter in each year no refund can be obtained until the final return for the entire year has been filed, at which time the quarterly refund claims start all over again.

Moreover, the memorandum fails to note that the bill does not permit filing of quarterly refunds for a single individual who reasonably expects to have "gross income"—not net income, but gross income—of $5,000 or more; nor for a married couple with gross income of $10,000 or more. A widow with $5,100 of gross income and substantial medical expense deductions would be denied quarterly refunds although she might owe only a small tax. Or a widow with $3,000 of gross income would forfeit her right to quarterly refunds if she realized a capital gain of $2,000 on the sale of her residence or a stock, even though it might be offset by a capital loss or other deductions.

I believe the quarterly refund provisions are quite arbitrary in their application and will cause substantial misunderstanding. I realize that in your statement of May 10, you recommended that itemized deductions be permitted to be taken into account for quarterly refund purposes; but while this would ameliorate some of the hardships, it would increase the complications of quarterly accounting to the Government of the taxpayer's income and deductions.

V

In urging that no hardships are involved, the memorandum refers to the case of an elderly couple, both over 65, one of whom receives the maximum social security benefit of $2,178 and the other of whom is entitled to a tax credit on retirement income (I would think it unusual to find this combination). You point out that they could receive $3,199 of interest or dividend income and still relieve themselves of withholding by filing exemption certificates.

This is true. But, to say the least, the case cited is not necessarily typical. Let us consider also the case of a widow, aged 60, with $2,400 of interest income and no social security benefit. She would have withheld from her $480 for the year, or $120 a quarter, although by reason of medical expense or other deductions she might owe a final tax for the year of only $50. The point I wish to make is that the withholding system operates in arbitrary fashion, and its impact upon the elderly, the widowed and others cannot be judged by any single illustration. It affects different persons with different degrees of hardship, and this I believe is responsible for many of the letters of protest flowing from all sections of the country.

The memorandum suggests that persons with income in these ranges are "well-to-do" because, if we assume the income represents a 4-percent return, there must be a substantial principal amount available. For example, income of $2,400 in the case I cited might indicate at 4 percent that the widow owned a principal amount of $60,000. Yet this is by no means necessarily so. Not only might her return be greater than 4 percent, but she might receive the income as the income beneficiary of a trust under the will of her deceased husband, without any right to invade the principal; or she might receive the interest on his life insurance, without right to the principal.

Even if the principal is at her disposal, she has doubtless been lectured at length as to the imperative need of preserving her principal to make it last for the rest of her lifetime. She must protect it at all costs against the inroads of illness or emergencies, or watch her income dwindle as principal is used. Thus we must understand that she views with alarm the suggestion of the Treasury Department that she invade the principal as an incident of a new withholding procedure. She is not "misled"; she is merely understandably concerned at the immediate loss of income and the necessity for compensating for it by use of principal.

VI

The memorandum states that: "The maximum additional tax that the Internal Revenue Service could collect effectively with ADP and a reasonable enforcement effort is $200 million" (out of the $800 million "which are now being evaded each year").

I fail to understand how a flat statement to this effect can be made. Automatic data processing (ADP) has scarcely begun to operate. On September 29, 1960, the able Deputy Commissioner of Internal Revenue, Bertrand M. Harding, said in a prepared statement that automatic data processing "gives us a tool for a much more effective matching of information documents (particularly from Form 1099) with tax returns so as to enable us to tighten up enforcement and thereby reduce very substantially the gap between dividend and interest payments, on the one hand, and the amounts of such income reported on returns, on the other hand."

And subsequently, when the Senate considered and passed in September 1961, the taxpayer account number legislation to go along with ADP, Senator BYRD reported to the Senate: "This legislation, the Treasury testified, would result in closing loopholes so that those who are now avoiding the payment of taxes would be compelled to pay by operating this new number system through computing machines. The tax revenue, the Treasury testified, would be increased by $5 billion * * *."

I fail to understand why the new electronic system and the account number system, which were so highly and so recently praised, are now considered to be so ineffectual before they have scarcely been placed in operation.

VII

The memorandum further states: "In addition, there is no ADP system fully in operation as of now—and won't be until 1966."

Considering that the withholding proposal would require payers and payees to put the entire withholding procedure, with its millions of exemption certificates, into operation by January 1, 1963, and that the ADP system has been in development since at least 1960 and is already partially in operation, would it not be possible for the Treasury to expedite the completion of the system well in advance of 1966? Can it not be installed in less than 6 years? If the energy, determination, and ingenuity which has made America great were brought full square into the expedition of this program, I have no doubt it could be brought to fruition long before 1966.

VIII

For the sake of reasonable brevity, I have confined my remarks to only a few of the points made in the memorandum. In his forthright statement before the Senate on May 21, Senator BYRD has dealt in greater detail with the considerations involved, and has concluded that the ADP-account number system should be given a reasonable trial—and given it as promptly as possible—before withholding, with all its complexities and difficulties, should be instituted as a last resort. I subscribe wholeheartedly to his conclusion.

Yours sincerely,

JOHN J. WILLIAMS.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Mr. President, I yield myself 10 minutes.

A few days ago I placed in the RECORD a full explanation of the pending amendment. I ask unanimous consent that that explanation be printed in the RECORD at this point in my remarks, in connection with the statement that I am about to make.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF FEED GRAIN AMENDMENT

This amendment would strike out that portion of the bill which provides for a 1-year extension of the 1963 feed grain program; and would provide for a permanent marketing quota program for corn, sorghum, and barley. The minimum national quota would be 110 million tons. Acreage diverted from the feed grains covered by the program could not be planted to crops in surplus or which might impair the diversion program. For the first 3 years, 1963, 1964, and 1965, payments could be made for such diversion at not to exceed 50 percent of the support rate for the normal production of the acreage diverted. The price support level for corn would be 65 to 90 percent of parity if marketing quotas were not disapproved, and not more than 50 percent of parity if quotas were disapproved. Barley and grain sorghums would be supported at fair levels in relation to corn, and oats and rye could be supported at zero to 90 percent of parity.

This amendment is the same as the administration feed grain proposal contained in S. 2786, except for the following:

1. Under the amendment marketing quotas are limited to corn, barley, and sorghum, whereas the original proposal would have also covered oats, and, at the Secretary's discretion, rye.

2. The amendment provides for a minimum national quota of 110 million tons.

3. The provision for a commercial area to be fixed by the Secretary would be omitted but the program would be limited to the continental United States, excluding Alaska.

4. The farm normal yield for penalty purposes would be based on past farm production instead of past production in the local area.

5. Excess barley acreage could be disposed of by grazing up to 30 days before harvest.

6. The provisions of S. 2786 for substitution of wheat acreage for feed grain acreage and feed grain acreage for wheat acreage have been consolidated into a single provision, and the direction to the Secretary to permit such substitution has been given a slightly more mandatory color.

7. Diverted acreage payments would be limited to not more than 50 percent of the estimated support rate for the normal production of the acreage diverted, and producers would have the election to increase their diversion to 25 acres, instead of 20, if their diversion would otherwise be less than 25 acres.

8. The amendment permits price support for corn, sorghum, and barley at up to 50 percent of parity when quotas are disapproved, and in such case producers would have to comply with their feed grain allotments as a condition of price support, but would not be required to cross-comply with allotments for other crops, or on other farms, or with land diversion requirements.

9. A producer would not lose eligibility for price support or land diversion payments by reason of planting up to his wheat or feed grain exemption on another farm.

10. Instead of authorizing the sale for unrestricted use from Commodity Credit Corporation stocks of up to 10 million tons of feed grains and up to 200 million bushels of wheat at market prices if quotas for those commodities are disapproved, the amendment would authorize such sale at 102 percent of the current support price plus reasonable carrying charges.

11. An exempt feed grain producer would not lose history by taking advantage of his exemption.

12. The excess acreage planted to wheat in past years under the existing feed wheat exemption (which would be repealed by the bill) would be counted as feed grain acreage toward a feed grain allotment.

13. If the producer so elected, acreage harvested for silage up to the acreage harvested for silage in the base period would not be counted as feed grain acreage, and the base period silage acreage would not be counted in computing the allotment.

14. In deficit areas the Secretary could permit producers to plant their full base acreage, but they would then lose eligibility for the feed grain diversion program, feed grain price support, and the feed grain quota referendum.

15. An exemption has been provided for Malting barley, modeled after the exemption contained in the 1962 feed grain program, but applied to quotas and allotments.

16. The amendment also makes minor corrections in the small farm exemption and other provisions.

Mr. ELLENDER. Mr. President, as reported from the Committee on Agriculture and Forestry, S. 3225 would extend the 1961 and 1962 emergency feed grain program for another year.

This action, in my humble judgment, only puts off for another year a decision that should be made by Congress today. The emergency feed grain program treats the symptom and not the cause of the problem in feed grains. And this type of treatment is very costly.

I wish to remark that when the emergency feed grain program was agreed to last year, it was an emergency program, to give the Committees on Agriculture and Forestry of the House of Representatives and the Senate an opportunity for a complete study of the feed grain program, so that permanent legislation could be enacted.

We have such a bill before us. I may say that the purpose of the bill, in a nutshell, is merely to curtail production of corn, sorghum, and barley in keeping with our requirements. The way that that would be accomplished is by acreage controls as well as marketing quotas. The bill does not differ at all, in the way it operates, from what is in effect with respect to cotton, rice, and tobacco—in fact with respect to all basic commodities which are protected. It happens that the corn program is the only one under which farmers have been able to produce without any marketing quotas since the program has been on the statute books.

The emergency program that was placed on the statute books was a mere stopgap. It turned out that the cost of the program was a great deal more than the proponents anticipated. However, I wish to say that in the long run the cost to the Government will not be as great as it would have been had the 1958 permanent law on feed grain been pursued.

I am proposing an amendment as a substitute for subtitle A—1963 feed grain program, of title III of S. 3225. The amendment I am proposing is essentially the feed grain program originally proposed by the administration, which was in the bill when I presented it to the Senate in the early days of February. However, a few changes, most of which were suggestions of members of the committee, have been included in the amendment.

The administration proposed a mandatory marketing quota and acreage allotment program for corn and other feed grains, similar in nature to the programs now in effect for cotton, rice, tobacco, and peanuts.

Mr. President, there is no denying the fact that the programs in effect for these four commodities have worked well and that they are heavily favored by the producers of these commodities. In the last referendum held, 96.9 percent of the cotton farmers voting were in favor of the program; 94.2 percent of the rice farmers voting were in favor of the program; 98.2 percent of the tobacco farmers voting were in favor of the program; and 94.9 percent of the peanut farmers voting were in favor of the program.

These four programs which I have mentioned are working fairly well.

Under the law the Secretary has the right under certain formulas written into the law to determine the number of acres necessary in order to produce the amount of these commodities that we actually need for domestic consumption, for export sales, and for a reasonable carryover.

What my amendment seeks to do is to apply the same method to corn, sorghum, and barley.

The reason these programs work well can be attributed to the fact that they are realistic in their approach to the management of supplies, and when weaknesses develop, the laws are changed. Generally speaking, when supplies become excessive, acreage allotments are reduced. When supplies are short, acreage allotments are increased. The Secretary has been given authority, for example, with regard to cotton and rice to set price supports at between 65 and 90 percent of parity and to set acreage allotments at a level designed to prevent undue accumulation in Government hands of stocks that are neither necessary nor needed.

Just a few years ago the carryover of rice was in excess of 34 million hundredweight. This is more than a year's needs for domestic use. However, through realistic administrative management and the cooperation of rice growers, these stocks have been worked off and the anticipated carryover this August 1 at 6.5 million hundredweight is now considered inadeqaute. As a result, the rice acreage allotment this year was increased by 10 percent.

The same degree of good management has been applied to cotton. Last year the national allotment was increased by over 2 million acres in excess of the minimum because of anticipated supplies and demand. This year the national allotment is 1.8 million acres in excess of the minimum. Next year, under the supply management program in effect for cotton, the allotment can be either increased or decreased depending upon carryover and estimated requirements.

The law applicable to these commodities has the flexibility so necessary to the successful operation of a program, and the Department is managing the program in a manner designed to benefit not only the cotton producers but the industry, as well.

The realistic supply management programs in effect for cotton, rice, tobacco, and peanuts are beneficial to producers in a number of ways. Prices have been stabilized and assured. Under these programs, producers have been able to plan their operations more thoroughly. They have been able to apply technology. They have been able to become more efficient.

The industry itself is also benefited to the extent that it can better plan based upon stable prices and known supplies. Organizations which provide services and supplies for farmers are also benefited through the knowledge regarding price, acreage, income, and stocks.

Consumers are benefited through abundant and stable supplies at fair and reasonable prices.

Had a realistic supply program been applied to the feed grains along the same lines of the programs that had been applied to the commodities previously mentioned, we would not today be faced with the situation wherein huge stocks had accumulated in Government warehouses, and the costs of the program would not have been nearly so high.

However, we have never applied a realistic program to the feed grains. We have tried a number of programs and all of them have been failures or, as in the case of the emergency feed grain program, so expensive that in all good conscience it should be discontinued.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 more minutes.

I would never advocate controls simply for the sake of controls. However, in my judgment, this Government cannot continue to expend huge sums of tax money because a few farmers do not wish to be covered by a program. I honestly feel that if feed grain producers knew all of the facts, they, too, would be aghast at the costs and would insist on a program which would be designed to keep supplies in line with requirements. I want to give them this choice.

As of March 31 of this year, Commodity Credit Corporation had $3.0 billion invested in 2.4 billion bushels of feed grains.

Price support losses, and other related costs, experienced by the Commodity Credit Corporation in disposing of feed grains amounted to $2.2 billion as of December 31, 1961.

Carrying charges, that is, storage, transportation, handling, and interest, on corn and grain sorghum alone had reached a half billion dollars a year by the fiscal year 1961.

The permanent price support law now on the books covering feed grains was enacted in 1958. It provides for price supports for corn at 65 percent of parity or 90 percent of the 3-year average, whichever is higher, with comparable levels for the other feed grains and permits unlimited production.

Prior to 1958 price support laws treated corn differently from the other feed grains. For grain sorghums, oats, barley, and rye price supports were permissive at from zero to 90 percent of parity as determined by the Secretary, and unlimited production was permitted.

Corn, however, has always been considered a basic commodity and as such has received mandatory price support in the same way that other basic commodities subject to marketing quotas under the Agricultural Adjustment Act of 1938, as amended, have been supported, except that marketing quotas have never been made effective for corn. In fact, they have never been imposed.

Acreage allotments were established for corn, except for war years, beginning in 1938; but marketing quotas were never proclaimed. Then in 1954, the law was amended so as to exempt corn from the marketing quota provisions of the law.

From 1954 to 1956 price support was made available in the commercial area only to those who complied with allotments, but no marketing penalties were imposed on those who exceeded allotments. As a matter of fact, in 1954 about 40.2 percent complied with allotments; in 1955, 51.4 percent; and in 1956, 43.9 percent complied. Of course, the fact that a large proportion of the crop was entitled to price support and could move into Government storage provided a so-called umbrella effect on market prices to protect those who did not comply.

Under the program of acreage allotments, with price supports available only to compliers, but without marketing quotas, Commodity Credit Corporation holdings of corn increased from 857.6 million bushels to 1 billion 109.2 million bushels in September of 1956.

In 1956 the Department of Agriculture, under Mr. Benson, further aggravated the situation in corn by providing price supports not only to those who complied with allotments but to noncompliers as well. This opened the flood gates, and production jumped from 2.9 billion in 1955 to 3.4 billion bushels in 1958. Commodity Credit Corporation holdings also increased from 1.1 billion to 1.4 billion bushels.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Mr. President, I yield myself 5 more minutes.

This tremendous increase in production came about in spite of the fact that the so-called soil bank acreage reserve program was in effect. In 1956, 5.3 million acres of corn in the commercial area were placed in the acreage reserve program at a cost of $179.7 million. In 1957, 5.2 million acres were placed in the soil bank at a total cost of $196.4 million, and in 1958, 6.7 million acres were placed in the soil bank at a total cost of $282.3 million.

As I indicated earlier, in 1958 the price support laws for corn and the other feed grains were changed. Support prices for corn and the other feed grains were made mandatory at 65 percent of parity or 90 percent of the latest 3-year average farm price, whichever was higher, and all restrictions on production were removed. Corn production soared to 3.9 billion bushels in 1960. In other words, the Government handed the feed grain growers a blank check to grow all they wanted, with the assurance that any excess production would be taken over by the Government and stored. This program was in effect for the crop years 1959–1960. During these 2 years, Government investment in feed grains, that is, corn, oats, sorghums, barley, and rye increased from $3,306 million to $4,202 million, an increase of $896 million. From these two crops of corn alone, Commodity Credit Corporation acquired over 700 million bushels at a cost of $770 million.

Last year, at the request of the administration, an emergency program for corn and sorghums was put into effect for 1961, and subsequently a similar program for corn, sorghums, and barley was enacted for the 1962 crop. The program was requested by the administration so as to give them time to develop a realistic long-range program for the feed grains.

This we have developed. It is now up to the Senate to vote it up or down. I hope the Senate will vote for it, because there is dire need of a program to curtail production in keeping with our requirements.

Under the so-called temporary program in effect in 1961 production of corn and grain sorghums decreased by 421 million bushels below 1960 levels. As a result there will be a longrun savings to the Government.

However, the most recent figures provided by the Department of Agriculture indicated that the costs of payments to farmers under the 1961 program amounted to $782 million and administrative costs were about $43 million, for a total of $825 million.

Further, estimates by the Department of Agriculture indicate that based upon the final signup figures for the 1962 program, payments to farmers may run as high as $896 million if the intended diverted acres materialize and the total cost of the program may well be in excess of $900 million when administrative expenses are included.

While there is no doubt that a substantial reduction in the production of feed grains will occur again this year and that there will be longrun savings to the Government, the fact is that these temporary programs are extremely costly and cannot in good conscience be long continued.

Mr. President, it is my hope that the Senate will face up to the realities and adopt a permanent program for the feed grains that on the one hand will be less costly than programs previously in effect for these commodities, and on the other hand be of greater benefit to farmers and consumers.

As I indicated earlier, we have tried a voluntary allotment program, a voluntary land diversion program, and an open end program coupled with price supports. All of these have not come to grip with the essential features of a desirable program.

My amendment provides for mandatory controls coupled with price supports. It is designed along the same lines as the programs now in effect for cotton, for rice, for tobacco, and for peanuts. Everyone knows that these programs have worked well, and all who are affected by the programs wish to maintain them.

I fear that unless we make permanent changes in these other costly programs that the good programs now on the books will be affected adversely. I am sure that Senators would not want this to happen. I know that farmers would not want this to happen. Therefore, in my estimation, it is imperative that the Senate act today to correct the inequities that exist under the unrealistic program in effect for the feed grains.

There are a number of other reasons why a realistic program should be adopted for the feed grains.

First, the cost to the Government will be significantly less than under either the voluntary feed program or the program authorizing unlimited production with price supports. The Department estimates that payments alone would be about $400 million less; under a realistic program than under the emergency feed program. Further, acquisition costs would be materially less, because of a realistic allotment in light of our requirements.

In addition, a realistic program would get the Government out of the storage business, by setting allotments at levels designed, over a few years, to reduce Government stocks to a minimum. In my estimation, this is a "must," if other programs are to be continued.

The PRESIDING OFFICER. The time the Senator from Louisiana has yielded to himself has again expired.

Mr. ELLENDER. Mr. President, I yield myself 2 more minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 more minutes.

Mr. ELLENDER. Mr. President, second, a realistic program would be fair to all producers. Under the voluntary programs, about half the producers must take the brunt of acreage reductions, while those who do not participate receive the benefits of increased production and the umbrella protection of price supports. If all producers are to participate, all will share alike in accepting small acreage reductions, in exchange for substantial cuts in production by some producers. In this way Government stocks of grain can be reduced more rapidly and with less cost to the Government.

Third, under a realistic program for feed grains, prices will be stabilized and farm income will be improved.

Fourth, this program will be permanent, and will give the farmers a realistic choice between fair and reasonable support prices with production limited at a level with our requirements, on the one hand, and, on the other hand, the choice of unlimited production, with support prices set at levels that will not result in the accumulation of excess stocks in Government hands.

I may add that this program is not being imposed upon farmers, nor are they being forced to accept it. Farmers will vote for the program they desire. If two-thirds of the farmers vote in favor of a realistic supply program then and only then will it go into effect.

Feed grain producers cannot "have it both ways." They cannot expect the Government to guarantee prices by accumulating stocks that are unneeded.

In my humble judgment, the Congress must face up to the fact that this Government cannot continue to purchase excess stocks of feed grains or other commodities because of unrealistic programs.

Here producers are given a clear choice between a realistic supply management program or unlimited production.

It is my hope that the Senate will give farmers the opportunity to make this choice.

Mr. YOUNG of North Dakota. Mr. President——

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 10 minutes.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment identified as "5–23–62—L," and ask that it be stated; and I ask unanimous consent that the names of the two Senators from Minnesota [Mr. HUMPHREY and Mr. McCARTHY] be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be stated.

The amendment submitted by Mr. YOUNG of North Dakota, on behalf of himself, Mr. HUMPHREY, and Mr. McCARTHY, was read, as follows:

On page 23, between lines 18 and 19, insert the following:

"(e) The Secretary may permit the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at the rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage."

Renumber the remaining subsections accordingly.

Mr. YOUNG of North Dakota. Mr. President, let me direct the attention of the chairman of the Committee on Agriculture and Forestry to the fact that this amendment would authorize the Secretary to permit acreage diverted from feed grains in 1963, 1964, and 1965 to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage. The amendment is identical to the amendment to the 1962 wheat acreage diversion program as enacted by Public Law 87-451, which I sponsored in the Senate. As in the wheat program, feed grain producers devoting their diverted acreage to such crops would not be eligible for price supports on those crops, and could not be paid more than one-half of the rate for acreage diversion which would otherwise be applicable if such acreage were devoted to conservation uses.

Mr. ELLENDER. Mr. President, if the Senator from North Dakota will yield, let me say that I understand that by means of this amendment he is attempting to apply to this feed grain program the same requirement which was included in the 1962 program—or almost the same.

Mr. YOUNG of North Dakota. That is correct, with the addition of flax.

Mr. ELLENDER. Yes.

Mr. MANSFIELD. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG of North Dakota. I yield.

Mr. MANSFIELD. I was about to raise the same point which the chairman of the committee has made, because the only addition is flax and the Senator from North Dakota was responsible for getting it approved and included, a few weeks ago. Is not that correct?

Mr. YOUNG of North Dakota. Yes.

Mr. MANSFIELD. So the amendment would result in a continuation of what is now in effect, would it not?

Mr. YOUNG of North Dakota. Yes. That is correct.

Mr. HICKENLOOPER. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG of North Dakota. I yield.

Mr. HICKENLOOPER. Can the owner or operator get credit for the diverted acres and also be paid for raising the crops, under this provision?

Mr. YOUNG of North Dakota. He will be entitled to receive a payment, at the discretion of the Secretary, of up to 50 percent of the diversion payment.

Mr. HICKENLOOPER. What is the justice of permitting payment for the diverted acres and then permitting crops to be raised on them?

Mr. YOUNG of North Dakota. Because these crops are in short supply, and the producers need some encouragement to increase their production.

What the Senator from Iowa has stated would be allowed, but only up to 50 percent of the regular payment. Of course, none of the crops grown on diverted acres are entitled to price supports.

Mr. HICKENLOOPER. But the farmers would be entitled to receive payments for the land they have taken out of production, and they also would be permitted to grow crops on them. If those crops are in short supply, the price should be made sufficiently attractive to result in the desired amount of production, so that it would not be necessary to rely upon production on the land being taken out or diverted.

Mr. YOUNG of North Dakota. But I think this will be a better incentive than increasing price supports, which method we sometimes use to encourage the added production.

Mr. ELLENDER. Mr. President, as I understand, under the amendment the crops would be planted under rules and regulations to be issued by the Secretary of Agriculture, and the Secretary must indicate that these crops are not in surplus supply.

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. And the Secretary may make no payments at all, if he does not see fit to make them; or he could make them in varying amounts, ranging from zero to 50 percent of the payments he would make under the law, could he not?

Mr. YOUNG of North Dakota. Yes, and that is true with respect to flax. The Secretary put that into effect about a week ago.

Mr. ELLENDER. And also under your amendment he could put it into effect for the next 3 years, as I understand.

Mr. CASE of South Dakota. Under the order of the Secretary, I think there were a few items on which he would arrive at a payment of somewhat less than 50 percent. No payment would be made on flax or on safflower.

Mr. ELLENDER. That would be according to the Secretary's discretion.

Mr. CASE of South Dakota. It would be under the order of the Secretary, after the signing of the bill.

Mr. HRUSKA. I understand that the amendment includes only the crops which now are included under the present plan, with the exception of flax.

Mr. YOUNG of North Dakota. That is correct.

Mr. HRUSKA. Is that also true as regards the provisions for payment provided for by the amendment—in other words, that they are to be the same as those now provided under the existing arrangement?

Mr. YOUNG of North Dakota. That is exactly correct.

Mr. ELLENDER. I understand that it will be the same as the 1962 program, and the Secretary of Agriculture will be able to make payments of up to 50 percent of the normal payments on the diverted acres.

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. Mr. President, I would have no objection to that amendment; and I agree to accept it.

Mr. HRUSKA. Mr. President, if the Senator from North Dakota will yield, let me say that it seems to me that, on the one hand, we would subsidize a farmer for not raising a crop, and, on the other hand, we would subsidize him for raising the crop. In addition, Congress would be saying that it would step aside and would permit the Secretary of Agriculture to run the entire show in his own discretion and according to his own judgment.

Mr. YOUNG of North Dakota. But these are crops which are in short supply, and for which no price supports would be provided for that portion grown on the diverted acreage. Instead of these diverted acres being idle, my amendment would result in their utilization for increasing the production of these needed crops.

Mr. LAUSCHE. Mr. President, will the Senator from North Dakota yield to me?

Mr. YOUNG of North Dakota. I yield.

Mr. LAUSCHE. From the debate just now had, am I to conclude that even though the agricultural commodity is in short supply or even though there may be a scarcity of it, the Secretary of Agriculture would have the power, according to his own discretion, to make the awards as an inducement to grow that crop?

Mr. ELLENDER. No; he could permit the planting of these commodities on diverted acreage—that is all it means—and reduce the payments on the diverted acres if the farmers exercised the right.

Mr. LAUSCHE. Reduce it on other acreage?

Mr. ELLENDER. No; on diverted acreage. Under the law, the Secretary has the right to pay up to 50 percent of the normal yield on diverted acres. This amendment simply provides that if the Secretary sees fit—and the commodities named are not in surplus—they could be planted and the farmers' payments would be reduced.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. I yield.

Mr. ALLOTT. Does not this mean, in substance, that a farmer could divert certain acreage, or that certain acreage could be diverted, and under the provision the farmers would be entitled to not to exceed 50 percent?

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired.

Mr. YOUNG of North Dakota. Will the Senator yield me 10 more minutes?

Mr. MANSFIELD. I yield 10 more minutes to the Senator from North Dakota.

Mr. ALLOTT. Therefore, a farmer would be paid up to 50 percent for the diverted acreage on which he was growing a crop which supposedly was in short supply, and which would demand a good price. I have been opposed to phases of measures that give the Secretary the choice of what he will pay. We do not know what he will pay. Granted that we have done a lot of foolish things in farm legislation, it does not seem to make commonsense to me to pay a man for diversion of acres and then permit him to grow a crop on those acres which is in short supply.

Mr. YOUNG of North Dakota. It does not make sense to curtail production of crops that are in short supply. We should encourage the production of such crops.

Mr. ALLOTT. That is perfectly all right, but why should the farmer be paid in addition for producing crops which are in short supply and which should demand a good market price?

Mr. YOUNG of North Dakota. I pointed out earlier that in the case of flax the Secretary did not permit any diversion payment. This proposal would require that no price supports would be available to the farmer for that portion produced on diverted acres.

Mr. ALLOTT. Would the Senator be willing to modify the amendment to the extent that the farmer would receive no payment for diverted acres?

Mr. YOUNG of North Dakota. He is already losing price supports on that portion raised on diverted acres. Surely, the Senator does not think we should go all the way and penalize him for planting crops which are in short supply. I would rather lose the amendment than do that.

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. MANSFIELD. Mr. President, what happened to the amendment of the Senator from North Dakota?

Mr. ELLENDER. I accepted the amendment. I have no objection to it.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. HICKENLOOPER. Mr. President, I am not going to object to the amendment of the Senator from North Dakota, but the Senator from Louisiana made the flat statement that if, under that amendment, the farmers planted flax or some other authorized crop on diverted acres, then the payment for the diverted acres should go down. I submit that is not the case; that the Secretary has the discretion to keep up the full payment for retiring the acres and also permit the planting of these crops. It is within his discretion.

Mr. ELLENDER. The Senator is in error. The Secretary under the amendment could only make payments of up to 50 percent. He could pay only 1 percent if he so chooses.

Mr. HICKENLOOPER. I understand, but all I am saying is that the Senator from Louisiana made a flat statement that if these crops were planted on diverted acres, the payments for diverting the acres should go down. I submit that is not the case; that it is within the discretion of the Secretary whether they go down; he can hold the payments up; and I submit he would do it if it were politically expedient.

Mr. ELLENDER. The record will speak for itself.

Mr. YOUNG of North Dakota. Mr. President, may we have a vote on the amendment?

The PRESIDING OFFICER. Is there objection to the modification of the amendment?

Mr. MANSFIELD. Not the modification; the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. MANSFIELD. The amendment is agreed to?

The PRESIDING OFFICER. The amendment is agreed to.

Mr. ALLOTT. Mr. President, I want the Record to show that I object. I want the amendment to go to a vote. At least I want my objection to this amendment recorded.

Mr. President, what I have stated for the Record is sufficient for my purposes. I wanted to make my own position clear on this amendment.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment to the Ellender amendment designated "5-23-62—M."

The PRESIDING OFFICER. The amendment of the Senator from North Dakota to the amendment of the Senator from Louisiana will be stated.

The Legislative Clerk. It is proposed, on page 20, line 24, to strike out all through line 2, on page 21, and insert the following:

> (3) The diverted acreage shall not be grazed unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing.

Mr. YOUNG of North Dakota. Mr. President, the amendment would prohibit the grazing of acreage diverted from the production of corn, grain sorghum, and barley under the proposed marketing quota program unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. This provision is identical to that contained in both the acreage reserve and conservation programs, as enacted in 1956.

I know this amendment is more controversial than the previous one. It is one with which the dairy industry and the cattle industry to a considerable extent is concerned. If we permit grazing of these diverted acres, it is bound to result in increased production of these commodities affected, and probably some trouble in the future pricewise.

Would the chairman of the committee be willing to take this amendment?

Mr. ELLENDER. I will take it to conference. It incorporates in the law the same provisions that prevail now on conservation acres. Am I correct?

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. I am willing to take it to conference.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. I yield.

Mr. HRUSKA. Is it this section in the present law that was broadened to enable harvesting of hay and other products on the land to be used in drought situations?

Mr. YOUNG of North Dakota. I may say that this amendment will put diverted acreage in the same category with the conservation reserve lands. They could be grazed if an emergency were declared by the Governor and Secretary of Agriculture.

Mr. HRUSKA. But it is limited to grazing and not cutting of any crops?

Mr. YOUNG of North Dakota. Grazing is permitted now under the soil bank conservation reserve, but only in time of drought or disaster and then only after approval of the Governor of the affected State and the Secretary of Agriculture. Under this bill as it now stands, diverted acres could be grazed with no limitation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Dakota to the amendment of the Senator from Louisiana.

Is there objection? Without objection, the amendment is agreed to.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment designated "5-23-62—K."

The PRESIDING OFFICER. The amendment of the Senator from North Dakota to the amendment of the Senator from Louisiana will be stated.

The Legislative Clerk. It is proposed on page 8, line 1, strike out "(1)".

On page 8, beginning in line 2 with the comma, strike out through the comma in line 4.

On page 27, line 9, after "barley", insert a comma and the following: "excluding any such grains harvested for silage".

On page 27, beginning in line 12 with the comma, strike out through line 20.

Mr. YOUNG of North Dakota. Mr. President, this amendment would exempt any feed grain harvested as silage from marketing quotas for feed grains as proposed in the amendment offered by the Senator from Louisiana [Mr. Ellender] and designated as "5-21-62—A." This amendment would authorize any producer to plant and harvest whatever acreage he needed for silage. Under the amendment, acreage devoted to the production of silage would not be counted in computing the feed grain base acreage for purposes of acreage allotments, and would not be considered in the establishment of future allotments.

We had an amendment similar to this in the Committee on Agriculture and Forestry which would exempt all corn and feed grains for silage. I understand the amendment now proposed by the Senator from Louisiana would limit the amount of silage only to the acres a farmer had in the past planted to these silage crops. A new farmer getting started would not enjoy this exemption, or if he built a silo last year and needed corn to fill it, he would not be able to plant it. Silage is not in surplus. I believe it would be helpful to the bill if this exemption were provided.

Mr. ELLENDER. Madam President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mrs. Neuberger in the chair). The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. I am opposed to the amendment because it would, in my opinion, kill the whole provision in regard to feed grains. It is my belief that we have included in the proposal as it stands sufficient language to protect those who in the past have planted corn for silage.

In other words, if a farmer has a history of planting 50 acres of silage each year, or 75 acres, under the amendment as I have presented it he could continue to plant corn for silage in a similar amount.

Madam President, the proposal made by the Senator from North Dakota would open the door wide and would permit anybody to plant corn for silage purposes and then to sell his dry corn and have Uncle Sam support it. It strikes me that we have provided in the bill sufficient language to protect the smaller farmer, which I understand to be the purpose of my good friend from North Dakota.

As I have stated, in the bill there is the 25-acre small farm exemption. If a farmer has been planting 25 acres or less of any grains in the past, he would be exempt from the program. Or, he could choose to go under the program if he desired to cut back the same percentage that others who would come under the program would cut.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ELLENDER. Madam President, I yield myself 2 more minutes.

There is also in the bill a provision which would give the Secretary of Agriculture the right to permit the planting of corn and of other feed grains in deficit areas. Since there are such provisions as I have mentioned, I believe those whom the Senator from North Dakota is trying to protect would be amply protected.

There is still another provision whereby a farmer could plant all the oats he desired or all the rye he desired without penalties. I understand those are good feed grains and are grown in abundance in many areas.

Also, there would be no prohibition under my amendment to the planting of wheat, barley or oats for pasture, provided that the grain is grazed by the cattle while on pasture; that is, before maturity.

Madam President, the small farmers, as well as the beginning farmers, would be well protected.

There is another provision which would take care of new farmers. As Senators know, the law provides that a certain percentage of the national quota or acreage shall be set aside to take care of new farmers. There is also a certain percentage set aside on the county level to take care of new farmers.

The complaint which has been lodged by the Senator from North Dakota in relation to the effect the amendment I have offered would have against new farmers and also against those who produce cattle, I believe is not well founded. Those people will be well protected. As I stated yesterday, about 50 percent of the farms which plant grain will be affected. In other words, almost 50 percent of the farmers would come under the 25-acre exemption.

Mr. EASTLAND. Madam President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. EASTLAND. Is it the meaning of the amendment that silage be exempted? Is that the meaning of the amendment?

Mr. ELLENDER. That is my understanding.

Mr. CASE of South Dakota. Madam President, will the Senator yield for some questions?

Mr. ELLENDER. I yield for a question.

Mr. CASE of South Dakota. I did not quite hear the answer to the question asked by the Senator from Mississippi. Would corn grown for silage be counted in the feed grain base?

Mr. ELLENDER. Let us presume that a farmer has planted 100 acres of corn and under his history has used 50 acres of the 100 acres for silage. That farmer has a history of 50 acres of silage. He could continue to plant the 50 acres of corn for silage without restriction and without cutting back under the program. However, the other 50 acres would be subject to the quota provisions of the bill.

Mr. CASE of South Dakota. If he wished to do so, would it be possible for a farmer who had 100 acres planted to corn, 50 of which was used for silage and 50 of which was harvested for grain, to put the whole 100 acres into silage corn?

Mr. ELLENDER. The farmer would be cut back only on 50 acres.

Mr. CASE of South Dakota. He would be cut back on 50 acres?

Mr ELLENDER. Only on the 50 acres. In other words, any acreage which has been planted by the farmer in the past and used exclusively for silage would not be affected under the amendment I have offered.

Mr. CASE of South Dakota. I had not found that in the amendment, but I am glad to have the Senator on record as stating it.

There is a further question which relates to the years to be used for the base period. On page 10, of the Ellender amendment, at the bottom, it is stated that the base period shall be the calendar years 1959 and 1960.

Mr. ELLENDER. 1959 and 1960, that is correct.

Mr. CASE of South Dakota. For the purpose of determining acreage allotments for the 1963, 1964, and 1965 crops. Why did not the Senator include the crop year of 1961, and provide for the three most recent calendar years to be the base?

Mr. ELLENDER. The idea is to have the exact amount; 1961 would be added as the program goes along.

Mr. CASE of South Dakota. It would be added, but the trouble is that in areas which have fluctuating crops, 1959, in some portions of the country, was a very unfortunate year; 1960 would hardly give a reasonable average; 1959, 1960, and 1961 would give a more truly average production.

The Senator's amendment would make it possible for a proclamation to cover 3 years and for an election to cover 3 years. It seems to me that the base period should be at least 3 years in order to get a more true average.

I should like to have the Senator consider, in line 20, page 10, adding "and 1961" and in line 24, changing the "two" to "three."

Mr. ELLENDER. Madam President, I am informed that that would penalize quite a few farmers who went into the emergency program which is now on the statute books. They have cut back under the law.

Mr. CASE of South Dakota. They have cut back, but the problem remains.

Mr. ELLENDER. We would have to write into the law something to take care of that situation. In my humble judgment it would complicate matters.

Mr. CASE of South Dakota. In many areas in which a drought occurs, farmers could be denied relief, for one drought year could be placed against a normal year. It would give a base that would be discriminatory.

The PRESIDING OFFICER. The Senator from Louisiana has 11 minutes remaining.

Mr. DIRKSEN. Madam President, I yield 1 minute to the Senator from Vermont [Mr. AIKEN].

Mr. EASTLAND. Madam President, I ask the Senator to yield so that I may ask the Senator from Vermont a question.

Mr. DIRKSEN. Madam President, I am glad to yield 2 minutes to both Senators.

Mr. EASTLAND. Madam President, may I ask the Senator from Vermont a question?

Mr. AIKEN. I should like to make a brief statement first and then, if there is time, I shall be glad to respond to the question.

The Committee on Agriculture and Forestry voted 11 to 4 to exempt silage, rye, and oats from the provisions of the compulsory feed grain bill. Silage crops receive no price supports and should not be subjected to the same penalties as crops which receive direct Government support.

I yield to the Senator from Mississippi.

Mr. EASTLAND. Is it not true that it has been stated time and time again on the floor of the Senate that grasses and pasture are not affected by the bill?

Mr. AIKEN. The Senator is correct.

Mr. EASTLAND. Is it not true that silage is nothing but a filler, a carrier, and a substitute for grass?

Mr. AIKEN. It is used for the same purpose. If the growing of silage were restricted, farmers would have to go out of business or raise grass that would yield 15 or more tons to an acre.

Mr. EASTLAND. We know that an animal cannot be produced with silage. It is nothing but a substitute for grass.

Mr. AIKEN. And a farmer cannot produce milk profitably and efficiently on silage alone.

Mr. DIRKSEN. Madam President, I am in difficulty in the matter of time. I ask unanimous consent that I may raise a parliamentary inquiry without the time being charged to either side. I think there has been some confusion. My understanding now is that when the hour of 4:20 p.m. is reached, all discussion on all amendments to the feed grain provision of the bill automatically will come to an end, and though amendments may be offered, they may not be discussed.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **DIRKSEN**. So at 4:20, all debate on all amendments to the Ellender amendment, or that section of the bill, come to an end.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **PROXMIRE**. Madam President, will the Senator yield on that point?

Mr. **DIRKSEN**. Madam President, may I first have a ruling on my unanimous-consent request? I am rationing time with a teaspoon. I wish to be sure about the ruling on the parliamentary inquiry. I wish unanimous consent to raise the inquiry without having the time charged to either side.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Illinois?

Mr. **PROXMIRE**. Madam President, reserving the right to object——

Mr. **ELLENDER**. Madam President, a parliamentary inquiry.

The **PRESIDING OFFICER**. The Senator will state it.

Mr. **ELLENDER**. What was the request of the Senator from Illinois?

Mr. **DIRKSEN**. I am trying to have a parliamentary situation straightened out without having the time charged to me in my attempt to do so. I must recognize Senators who have perfecting amendments, if they are to have any time.

Mr. **ELLENDER**. That is about a minute and a half.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Illinois?

Mr. **CASE** of South Dakota. Madam President, what is the request?

The **PRESIDING OFFICER**. The Senator will restate his request.

Mr. **DIRKSEN**. I merely asked unanimous consent to raise a parliamentary inquiry without having the time necessary to make the inquiry charged against the time available on the Ellender amendment, so that we might straighten out the confusion with respect to other amendments that must be offered before 4:20 p.m.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

Mr. **PROXMIRE**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. I yield.

Mr. **PROXMIRE**. The Senator from South Dakota indicated that he would like to hold up final agreement to a unanimous-consent request to reach a vote at 4:20 and limit debate on all amendments to the feed grain amendment of the Senator from Louisiana. The Senator from Wisconsin understands that the situation is still as follows:

If the Senator from South Dakota or any other Senator should object to such a unanimous-consent agreement because of the way the previous unanimous-consent agreement was written, was repeated in the RECORD and also appears on the front of the Calendar, it would still be possible for a Senator to offer an amendment to the amendment of the Senator from Louisiana, and he would have 1 hour on his side, and 1 hour would be available for the other side. Is that statement correct?

Mr. **MAGNUSON**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. Madam President, I am glad to yield.

The **PRESIDING OFFICER**. The Chair has not answered the inquiry of the Senator from Wisconsin. The Chair believes that, as originally stated, all debate on all amendments must be concluded by 4:20.

Mr. **CASE** of South Dakota. Madam President, I appeal from the decision of the Chair. When I raised the question earlier in the day it was stated by the majority leader, the Senator from Montana [Mr. MANSFIELD], that the language in the RECORD was clear. I conferred with the distinguished Senator from Georgia [Mr. RUSSELL], who is one of the outstanding parliamentarians in the Senate. He said that on the basis of the printed RECORD, the unanimous-consent agreement clearly gave 2 hours to the amendments. The language read "or amendments thereto." If the Chair is to make the kind of ruling he has announced, I am obliged to appeal from the decision of the Chair, because I think it would be unfortunate if Senators could not rely upon the unanimous-consent agreements as printed on the calendar and on the blue cards that are distributed to Senators.

Mr. **HOLLAND**. Madam President——

Mr. **DIRKSEN**. Madam President, I believe I have the floor.

The **PRESIDING OFFICER**. The Senator from Illinois has the floor.

Mr. **DIRKSEN**. Has the Senator from Wisconsin finished his inquiry?

Mr. **PROXMIRE**. The Senator from Wisconsin has finished his inquiry. It is his understanding that the Senator from South Dakota has stated exactly what the majority leader agreed to, but the Presiding Officer has ruled otherwise.

Mr. **DIRKSEN**. The ruling is that at 4:20 p.m. all debate on the Ellender amendment, and all amendments thereto, will come to an end.

Mr. **CASE** of South Dakota. Madam President, I appeal from the decision of the Chair.

Mr. **HOLLAND**. Madam President——

The **PRESIDING OFFICER**. The Senator from Illinois has the floor.

Mr. **HOLLAND**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. I yield.

Mr. **HOLLAND**. While I agree with the Senator from South Dakota as to the rightness of his position, the question need not cause grave concern, because the last paragraph of the unanimous-consent agreement specifically provides:

> The said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Which means 4 hours of available extra time would be allotted on any of those questions. I cannot conceive of any Senator wanting to utilize more time than that.

Mr. **DIRKSEN**. Madam President, it is my understanding that if I desired to yield to the distinguished Senator from Florida on the bill, which I would be glad to do, I could not do so after 4:20 and still give him an opportunity to discuss the Ellender amendment before it is voted upon.

Mr. **MAGNUSON**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. Madam President, I should like to have an answer to my inquiry.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **DIRKSEN**. If I gave the Senator time on the bill, he could not discuss the Ellender amendment because the vote would occur before that time. Debate on the amendment would be shut off.

Mr. **EASTLAND**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. I yield.

Mr. **EASTLAND**. Did not the previous occupant of the chair, at the request of the minority leader, rule that amendments to the Ellender amendment—specifically the amendment of the Senator from Wisconsin and the amendment of the Senator from Mississippi—could be offered after the vote on the Ellender amendment?

Mr. **DIRKSEN**. No; I think they could be offered if they were germane, but I thought they had to be offered before the vote on the Ellender amendment.

Mr. **EASTLAND**. No; that would fly in the face of the ruling.

Mr. **DIRKSEN**. I gather that time is running.

Mr. **MAGNUSON**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. I yield.

Mr. **MAGNUSON**. I have an amendment which I intended to offer, but after looking it over, I believe it should be offered only if the Ellender amendment is agreed to. Would I be excluded from offering the amendment after the Ellender amendment was agreed to?

Mr. **MANSFIELD**. Madam President, will the Senator from Illinois yield?

Mr. **DIRKSEN**. I yield.

Mr. **MANSFIELD**. The amendment could be offered. Two hours of debate, 1 hour on each side, would be allowed.

Mr. **DIRKSEN**. But if the Ellender amendment were adopted, the question would arise as to whether it could be perfected. Many of the proposed amendments are perfecting amendments.

Mr. **HUMPHREY**. I should say yes.

Mr. **DIRKSEN**. I wish to be sure.

Mr. **PROXMIRE**. Madam President, will the Senator yield?

Mr. **DIRKSEN**. I yield.

Mr. **PROXMIRE**. If the amendment should strike out any part of the Ellender amendment, the amendment could not be offered after the Ellender amendment had been adopted. My amendment would strike it out. Therefore my amendment must be offered before the Ellender amendment is voted upon.

Mr. DIRKSEN. The Senator would be unable to do so, so far as debate is concerned, after 4:20.

The Senator from South Dakota has raised a new point with respect to an appeal from the ruling of the Chair.

Mr. MAGNUSON. I can save a little time if the Senator will answer my further question.

Mr. DIRKSEN. I yield.

Mr. MAGNUSON. My amendment would add to the Ellender amendment if the Ellender amendment were adopted. May I offer it after 4:20 p.m.?

Mr. DIRKSEN. If the Senator can get time to offer it; but who will give him time? The minority leader will have to give him time, but his problem is how to provide time for Senators who have amendments.

Mr. MAGNUSON. I mean after 4:20.

Mr. DIRKSEN. The amendment would be a perfecting amendment in the form of an addition to the Ellender amendment. I believe the Senator should have a ruling from the Chair now as to whether, after the vote on the Ellender amendment, he is still in court.

Mr. MAGNUSON. There is no purpose in presenting the amendment unless the Ellender amendment is agreed to. Then I want an oportunity to present my amendment.

Mr. DIRKSEN. Let me state the question as unequivocally and simply as I can. Will any perfecting amendment which is germane and adds to the Ellender amendment be in order after the vote on the Ellender amendment?

Mr. MANSFIELD. Madam President——

Mr. DIRKSEN. I yield the floor.

Mr. MANSFIELD. I wish to make a unanimous consent request to the effect that the vote on the Ellender amendment and all amendments thereto be at 5 o'clock instead of 4:20.

The PRESIDING OFFICER. Is there objection?

Mr. MILLER and **Mr. WILLIAMS of Delaware** addressed the Chair.

Mr. MANSFIELD. I should like to amend that request to change the time to 4:45.

The PRESIDING OFFICER. Is there objection?

Mr. MILLER. Reserving the right to object, may I ask the majority leader a question?

Mr. MANSFIELD. I yield.

Mr. MILLER. The question is whether or not, after 4:45 p.m. an amendment to make an addition to the Ellender amendment, if it should be adopted, would be in order.

The PRESIDING OFFICER. The Chair rules that it would not be in order.

Mr. CASE of South Dakota. Would it not be in order as a new paragraph or a new section elsewhere in the bill?

The PRESIDING OFFICER. An amendment may be offered to any part of the farm bill not embraced in the feed grain amendment which is the pending Ellender amendment.

Mr. AIKEN. Does not the majority leader feel that the easy solution is to defeat the Ellender amendment?

Mr. MANSFIELD. The Senator from Vermont is asking the question of the wrong man. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I wonder if the Senator from Montana would modify his unanimous-consent request to allow 10 minutes of debate on each side on any amendment that is offered to the Ellender amendment. Then we can start at 4:20. At least we will know what we are voting on at the time we are voting on the amendments.

Mr. MANSFIELD. I agree. I make that a part of my request.

Mr. EASTLAND. What is the request?

The PRESIDING OFFICER. The unanimous-consent request is to extend the time to 4:45, with 10 minutes on each side on each amendment that is offered.

Mr. EASTLAND. No.

The PRESIDING OFFICER. May the Chair ask the Senator from Delaware what his request was?

Mr. WILLIAMS of Delaware. My suggestion was that if debate is to be shut off at 4:20, we should allow 10 minutes to speak on each amendment to the Ellender amendment so we can vote first on the amendments, after a brief explanation of them, to be followed by a vote on the Ellender amendment. In that way we would know what we were voting on.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. I raise one question. There will be a demand for a yea-and-nay vote on one of these amendments. If debate is shut off at 4:45——

Mr. WILLIAMS of Delaware. It will not be shut off. We would take whatever time was required.

Mr. DIRKSEN. Does the Senator from Wisconsin desire to offer his amendment now? If so, I will yield him 5 minutes.

Mr. PROXMIRE. I would, under the unanimous-consent agreement just arrived at, or as proposed by the Senator from Delaware, if I could get 10 minutes to discuss it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is agreed to.

Mr. DIRKSEN. One further inquiry. It is my understanding that the amendments offered by the distinguished Senator from North Dakota [Mr. YOUNG] are the pending business.

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to the amendments of the Senator from North Dakota [Mr. YOUNG]. [Putting the question.]

Mr. ELLENDER. I suggest the absence of a quorum.

Mr. MANSFIELD. Madam President, will the Senator withhold that suggestion?

Mr. ELLENDER. I withhold it. I ask for the yeas and nays on the Young amendments.

The yeas and nays were ordered.

Mr. HUMPHREY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the amendment of the Senator from North Dakota [Mr. YOUNG] designated "K." The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ELLENDER. Madam President, do I not have time for debate on this amendment?

The PRESIDING OFFICER. The time for debate on this amendment has been concluded. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. McGEE], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL] and the Senator from South Carolina [Mr. JOHNSTON] are necessarily absent.

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Texas would vote "yea."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Connecticut would vote "yea."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from California would vote "yea."

On this vote, the Senator from Wyoming [Mr. McGEE] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Wyoming would vote "nay," and the Senator from Wisconsin would vote "yea."

I further announce that, if present and voting, the Senator from Georgia [Mr RUSSELL] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from California [Mr. KUCHEL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

On this vote, the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from California would vote "yea," and the Senator from South Carolina would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from Wisconsin [Mr. WILEY] is paired with the Senator from Wyoming [Mr. McGEE]. If present and voting, the Senator from Wisconsin would vote "yea," and the Senator from Wyoming would vote "nay."

The result was announced—yeas 36, nays 53, as follows:

[No. 58 Leg.]

YEAS—36

Aiken
Allott
Beall
Bennett
Boggs
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Church
Cooper
Cotton
Curtis
Dirksen
Dworshak
Eastland
Fong
Goldwater
Holland
Hruska
Javits
Keating
Lausche
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—53

Anderson
Bartlett
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Chavez
Clark
Douglas
Ellender
Engle
Ervin
Fulbright
Gore
Hart
Hartke
Hayden
Hickenlooper
Hickey
Hill
Humphrey
Jackson
Jordan
Kefauver
Kerr
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McNamara
Metcalf
Miller
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—11

Bush
Butler
Carroll
Dodd
Gruening
Johnston
Kuchel
McGee
Russell
Tower
Wiley

So the amendment was rejected.

Mr. ELLENDER. Madam President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Madam President, I should like to ask the majority leader about the plans for the rest of the day. As I understand, there are still 25 amendments on the desk, and I thought the majority leader might like to advise the Senate how late the Senate may continue in session tonight.

Mr. MANSFIELD. Madam President, I think, first, I should ask the indulgence of Senators in bearing with the leadership in the prolongation of the rollcalls, because I understand the bells are not working, and I think we should give consideration to Senators caught in that predicament.

Relative to the question raised by the distinguished minority leader, I wish to say, after considering the question with him, it is anticipated that we may very well be in session until 7 or 8, or thereabouts, tonight. The purpose is to bring to a conclusion final passage of the bill perhaps late tomorrow night, and then take up the public works authorization bill. If we finish those two bills by Tuesday, it is the intention of the leadership to go over until the following Monday or Tuesday, with a pro forma meeting probably a week from tomorrow, with no votes to be considered.

This is not a carrot being held out, but it is a way of telling the Senate about the business before the Senate. If we can do it, fine; if we cannot, we shall have to consider other procedures.

Mr. DIRKSEN. Has an hour been set for convening tomorrow?

Mr. MANSFIELD. Yes; 10 o'clock in the morning. After completion of action on this bill will come the public works authorization bill. Sometime after we return, after Memorial Day, we will take up the Interior Department appropriation bill.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. CASE of South Dakota. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. During the colloquy earlier in the day, when we were raising questions about the unanimous-consent agreement, I appealed from the decision of the Chair, but did not press the appeal at that time, because a conversation with the distinguished majority leader indicated that he would ask for a modified request which would allow 10 minutes to a side on amendments. I told the Senator that in that event I would not press the appeal. I wish to have the RECORD show this, and to show, in effect, that I did withdraw the appeal.

Mr. MANSFIELD. Madam President, I wish to say to the distinguished Senator from South Dakota that hereafter we shall be extra careful in presenting unanimous-consent requests.

Mr. PROXMIRE. Madam President, I call up my amendment to the pending amendment numbered "5–22–62—F" and ask unanimous consent that the reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

The amendment is as follows:

Amendment proposed by Mr. PROXMIRE:

On page 13, beginning with the new sentence in line 17, strike out all down through line 4 on page 14, and insert in lieu thereof the following:

"Notwithstanding any other provision of law, whenever a referendum is conducted pursuant to the provisions of the first paragraph of this section for the purpose of determining whether farmers favor or oppose marketing quotas for feed grains, the Secretary shall at the same time conduct referendums to determine whether farmers favor or oppose marketing quotas for wheat and cotton. The eligibility requirements for voting shall be determined in the case of feed grains by the provisions of the first paragraph of this section, in the case of wheat by the provisions of part III of subtitle B of this title, and in the case of cotton by the provisions of part IV of subtitle B of this title.

"Whenever referendums for feed grains, wheat, and cotton are conducted at the same time as provided herein, any farmer eligible to vote in more than one such referendum shall only be permitted to vote in favor of marketing quotas for all commodities with respect to which he is eligible to vote or against marketing quotas for all commodities with respect to which he is eligible to vote.

"In determining the results of a referendum conducted under this section, the votes cast in favor of or against marketing quotas in the case of feed grains, wheat, and cotton, respectively, shall be counted separately.

"The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in any of the referendums conducted voted against marketing quotas for the commodity concerned, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop or crops of that commodity with respect to which the referendum was applicable. If the Secretary determines that, in the case of the feed grain referendum, two-thirds or more of the farmers voting approve marketing quotas for a period of two or three marketing years, no referendum with respect to feed grains shall be held for the subsequent year or years of such period.

"If the Secretary determines that the date prescribed in the first paragraph of this section is too early or too late to conduct simultaneous referendums as provided herein, he may advance or delay the conducting of such referendums by publication of the change of date in the Federal Register."

Mr. HUMPHREY. Madam President, may we have order in the Chamber? The debate is under a limitation of time.

The PRESIDING OFFICER. The debate is under a limitation of 10 minutes to each side. The Senator from Wisconsin may proceed.

Mr. PROXMIRE. Madam President, I yield myself 10 minutes.

Madam President, I am opposed to the Ellender feed grains amendment for a number of reasons. The principal reason is that all available evidence indicates that if the Ellender amendment is agreed to and if it goes into the law, in the referendum which would follow there would be a negative vote, and the program would not come into effect. Two-thirds of the farmers involved would not vote in favor of the program.

The reasons for this are many. They are not based on theory. They are based on some very careful surveys by professionals who universally agree that this would be the situation.

One of the reasons for this is that two-thirds of the farmers involved do not sell their feed. The farmers feed it on their farms. They do not have any direct incentive for voting themselves a reduction in production. If the program went into effect the farmers probably would have to cut back their production of feed grains by 20 percent. If the farmers wished to maintain dairy production, the production of beef or of hogs, they would have to buy feed grains and they would have to buy them at higher prices. For this reason many farmers would vote "no."

There is another very important reason. With respect to the major money crops, what has happened in some areas of the country is that the farmers who have produced cotton, who have produced wheat, and who have produced other products of the kind with respect to which the farmers have supported marketing allotments—by very heavy votes, as the Senator from Louisiana has indicated—have then taken the acreage diverted out of cotton and out of wheat and have planted it to feed grains.

COTTON, WHEAT FARMERS HAVE DIVERTED TO FEED GRAINS

I made that point yesterday, and I was challenged by the chairman of the committee. Today I wish to point out that in Texas, Oklahoma, and California, for example, cotton and wheat acreage was reduced by 6.3 million acres between 1952 and 1960, and during those same years feed grain acreage increased by 4.4 million acres. It is very clear that there is a pattern of diverting acres to feed grains. This is a big factor in causing the present surplus. And it is another reason why the experts are convinced that there will be a negative vote on a mandatory feed grain program. What would happen is that the farmers would vote in favor of limiting cotton acreage, in favor of limiting wheat acreage and acreage of other commodities, but the farmers would then vote against limiting themselves in the production of feed grains on their diverted acres.

In the third place, Madam President, the fact is that many farmers do not recognize the connection between the prices they get for hogs and beef and the price of corn. Economists recognize it. Experts recognize it. But thousands of farmers do not recognize it, and some farm organizations do not. Because this opinion is so widely shared, it is all the more reason why farmers will vote "no," feeling that they will be limiting production but getting no return for it.

DAIRY FARMERS WILL VOTE "NO"

Finally, dairy farmers will have no reason to support the program. I challenged the chairman of the committee yesterday to give me a single reason, and he did not come up with any. Dairy farmers will have no reason to vote in favor of this program, because the dairy farmer will be in the position that he will get $3.11 per hundredweight for his milk. He will get 75 percent of parity, regardless. If he should vote in favor of the program, if the program is approved by the referendum, he would have to take a reduction in feed grain production. He would have to pay more for feed. He is now suffering from a very low support price, a support price which in my State at least drives farm income down below what is needed to maintain a bare minimum standard of living.

Virtually every expert agrees that if the referendum is voted down there will be chaos in farming, and a very bad situation in America. It will be the worst kind of situation possible.

That is not the opinion merely of liberals. The Farm Bureau Federation, which is the great conservative farm organization of America, agrees that the situation would be impossible if land were not taken out of production or if something were not done, if price supports are abandoned. We would have a situation in which the farmers would be able to produce as much as they wished to, with no controls at all; with from zero to 50 percent price supports. There would be vast overproduction of feed, and distress prices for beef and hogs, as well as a greater than ever dairy surplus.

This is the reason I have offered the amendment. I ask the chairman of the committee to consider it seriously.

AMENDMENT PROVIDES SIMULTANEOUS REFERENDUMS

What the amendment would provide is that with respect to feed grains, wheat and cotton, any time there is a feed grain referendum held, the cotton and wheat producers who also grow feed grains and also are eligible to vote would be required to vote simultaneously for controls on all crops or controls on none.

It seems to me that this would be only fair. This would make sense. This would provide a real opportunity and a real incentive to get the program into effect.

The chairman of the committee pointed out that some votes have been as high as 94 to 98 percent in favor of quota programs. I think there is no question that the farmers still would wish to have a limitation, but in all fairness to the Midwest producing areas of feed grains, if we are to permit the cotton farmers and the wheat farmers to have a program with higher prices then we ought to demand also that they support a marketing quota program for feed grains.

When the referendums were tallied they would be tallied separately. It seems to me this would not prejudice the cotton program or the wheat program, but it would give the feed grain program a far better chance of approval.

Mr. LAUSCHE. Madam President, will the Senator yield to me?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. LAUSCHE. I wish to invite the attention of the Senate to the vote taken by the farm journal, which recorded the votes of 64,560 farmers. The compulsory quotas were supported by 4 percent of the 64,560. Land retirement was supported by 43 percent; and 53 percent said to have the Government "clear out."

These figures offer great support to what the Senator from Wisconsin has said. Only 4 percent of the 64,560 expressed their support of compulsory quotas.

The argument made by the Senator from Wisconsin is emphasized by the fact that the compulsory reduction would apply to the farmer who is trying to grow enough products to feed his cattle.

One of the staff members told me a moment ago that 85 percent of the feed grains are not moved from the farm; or, if they are moved, are moved to the immediate vicinity and are not placed in the commercial market.

Mr. PROXMIRE. The Senator is correct. I agree that there is a great deal of sentiment on the farms for this proposal.

I think most of us are aware that if this is put into effect overnight, all of a sudden, and there is an end to the whole program for feed grains without any gradual provision, there would be chaos and an extremely serious situation. It would be a disaster not only for the feed grain farmers but also for the hog farmers, the beef farmers, and eventually the dairy farmers.

Madam President, I reserve the remainder of my time.

Mr. CASE of South Dakota. Madam President, will the Senator yield?

Mr. PROXMIRE. I prefer to reserve the remainder of my time. I have only about 2 minutes remaining, and I would prefer to have the chairman of the committee use some of his time.

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I cannot as yet determine what is the purpose of my good friend from Wisconsin. It strikes me that each of these programs should stand on its own feet.

What would be gained by requiring the wheat farmer, the feed grain farmer, and the cotton farmer to vote the same for the three programs? I cannot understand it. The law as it now applies to the commodities mentioned, that is, wheat and cotton, have been on the statute books for some time. It strikes me that the voting on those programs should be separate. For the life of me, I cannot see what advantage would be gained by combining the three commodities in one vote.

The amendment to the mandatory feed grain program amendment provides for simultaneous referendums on feed grain, wheat and cotton marketing quotas, and would require any producer eligible to vote in more than one such referendum to vote the same way in each such referendum. Thus, a cotton farmer wishing to vote for cotton marketing quotas, would be required to vote affirmatively for feed grain quotas, if he were also eligible to vote in the feed grain referendum. The purpose of the amendment is to prevent producers from voting for cotton and wheat quotas and against feed grain quotas, and then diverting acreage from cotton or wheat to feed grains.

The amendment is similar to the tie-in sales that were so objectionable during the price control days. In order to get something he wants the producer will be required to take something he does not want. I believe that two-thirds of the voters in a feed grain quota referendum, if permitted a free choice, would approve quotas. But I do not believe that they should be forced to vote one way or another against their best judgment.

The amendment would introduce considerable administrative difficulties. The ballot is by law a secret ballot. But how can the Secretary determine that a producer voting "yes" in the feed grain referendum has also voted "yes" in the cotton referendum and still protect the secrecy of the ballot?

July 24 is at present the latest date on which the wheat referendum may be held. The testimony before the committee was that the farmer should know whether there will be quotas or not much earlier than this in order to make his plans. The committee in the permanent wheat provisions of the bill made the latest date for the wheat referendum about June 13. It must be within 60 days of the quota proclamation, which must be made before April 15.

Cotton quotas need not be proclaimed until October 15 under existing law and the referendum need not be held until December 15.

Under the feed grain amendment I have proposed, the quota could be proclaimed as late as June 19 and the referendum could be held as late as 60 days later in October.

All these dates have been worked out carefully to give the Secretary adequate time to obtain as current information as possible and still give the farmer as much time as he needs to plan his production. The holding of simultaneous referendums would, of course, upset this balance.

I ask the Senate to reject the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. In order to clarify the RECORD with reference to one or two points, first, the argument that 85 percent of feed grains are fed on the farm or used in the area nearby still does not tell the whole story about the situation relating to feed grains. How much feed grain is there in the Commodity Credit Corporation warehouse at the present time?

Mr. ELLENDER. I am amused every time I hear that argument, because I wonder how in the world the large quantity of feed grain now on hand got into the Government's possession. We now have on hand $3 billion worth of feed grain.

Mr. HUMPHREY. How many bushels?

Mr. ELLENDER. We now have on hand 2.4 billion bushels of feed grain.

I cannot follow the argument that 85 percent of the grain is fed on the farm or on farms nearby.

Mr. HUMPHREY. There must be a big farm in the Commodity Credit Corporation.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. I quoted figures which were secured from members of the staff. They indicate that 85 percent of the feed grain products of the farm are used on the farm or in the immediate vicinity thereof, and are not fed into the commercial market. The members of the staff are the authors of the statement. I suggest that there be some reconciliation of opinions between those in control of the committee staff and members of the committee.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ANDERSON. I suggest that the figure may be correct as to each year's annual consumption. Eighty-five percent of that amount is consumed by farms or on farms nearby. It would not apply to the enormous stockpile. But I believe the figures used by the Senator from Ohio are correct.

Mr. HUMPHREY. The point I attempted to make is that those figures do not tell the whole story. The fact is that, despite the figure, there is still $3 billion worth of feed grains owned by the Government, and in any man's language, that is a great deal of feed.

Mr. LAUSCHE. Mr. President, I think it merely proves that for many years we have been playing the part of Don Quixote in Congress by trying through legislative fiat to cure something that has demonstrated its incurability.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CASE of South Dakota. On the question of supply and consumption, a copy of the Wall Street Journal dated May 22, 1962, was handed to me in which the following article appears:

> Corn glut held by Uncle Sam shrinks fast. The price-support pile of corn owned by the Government fell to 729 million bushels May 1, down 138 million bushels from a month earlier and far below the 1.4 billion held a year before.

Mr. ELLENDER. I stated that the carryover last year was 85 million tons. Now it is about 78 million tons.

Mr. PROXMIRE. Mr. President, it is my understanding that I have 3 minutes remaining. In view of the fact that the chairman will not accept my amendment and that it would have no chance, I shall not request a yea-and-nay vote. However, I wish to use the remainder of my available time to speak against the basic amendment, the Ellender amendment.

The main point, which I have not yet made, is that in effect the amendment would disenfranchise 1,100,000 small farmers. It would do so in the following manner: The amendment provides that if farmers grow 25 acres or less of feed grains, they have a choice. What a choice. They have a choice of voting in the referendum. If they vote in the referendum against limiting their production, they are subject to a limitation of their production. Then they must lose 20 percent or more of their production.

But if they do not vote in the referendum, they still have a limitation on the amount of feed grain they can produce. I am convinced that there are hundreds of thousands of farmers in this country who will deeply resent it when they are told by the Department of Agriculture that although they cannot vote without incurring a sharp economic loss, nevertheless they cannot produce one more acre—or even one more square foot—of feed grain.

That is wrong; and there will be deep resentment if the amendment is agreed to. I do not think Senators realize what the amendment would do. Its effect would be very serious. I would not like to go back to Wisconsin and explain to a dairy farmer that he will not receive any more money for his milk, but that he cannot grow another foot of corn for silage, or any kind of corn or sorghum. That is exactly the provision of the amendment. It seems to me that Senators should realize that, in effect, the amendment would disenfranchise 1,100,000 small farmers.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a brief observation?

Mr. ELLENDER. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The great difference between the current law and the bill is that under the corn law the farmer himself can either sign up or not sign up; and if quotas are voted under the bill, every farmer in effect has signed up.

Mr. PROXMIRE. The Senator is correct. Furthermore, unless a farmer signs up, he cannot vote. If they vote, they must take a terrific cut, one that they cannot afford to take. It means that they cannot vote, and that they are in a position to be limited.

Mr. President, I yield back the remainder of my time.

Mr. COOPER. Mr. President, is there any time remaining on the Ellender amendment?

The PRESIDING OFFICER. The Senator from Louisiana has time.

Mr. ELLENDER. Does the Senator from Kentucky wish me to yield?

Mr. COOPER. If there is any time left on the basic Ellender amendment.

The PRESIDING OFFICER. Twenty minutes remain on the Ellender amendment.

Mr. COOPER. Mr. President, may I have some time?

Mr. PROXMIRE. Will the Senator from Kentucky permit the Senate to finish consideration of my amendment?

Mr. COOPER. Certainly.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. PROXMIRE] to the amendment of the Senator from Louisiana [Mr. ELLENDER].

The amendment to the amendment was rejected.

Mr. MILLER. How much time does the Senator from Kentucky desire?

Mr. COOPER. Three minutes.

Mr. MILLER. I sent to the desk an amendment to the Ellender amendment and ask that it be read.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. Amend the Ellender amendment by striking out lines 8 through the word "Act" in line 15 on page 6 and insert "products thereof, less (if the stocks of feed grains owned by the Commodity Credit Corporation are determined by the Secretary to be excessive) an amount of feed grains determined by the Secretary to be a desirable reduction in such marketing year in such stocks, but not in excess of 10 percent of such stocks, to achieve the policy of the Act".

Mr. MILLER. I yield 3 minutes to the Senator from Kentucky.

Mr. COOPER. I shall not now speak on the amendment offered by the Senator from Iowa, but on the Ellender feed grain amendment. Earlier today I spoke briefly on the Ellenuer wheat amendment. I voted in favor of it. In the short time that I spoke, I tried to point out the reasons which led me to support the wheat amendment proposed by the Senator from Louisiana, and the reasons which impel me to vote against the feed grain amendment.

I agree wholly with the argument of the Senator from Ohio and other Senators when they say that it is doubtful that everyone in this body has thought about the consequences of this amendment, and whether the people of the country have thought about the consequences which would follow if the feed grain amendment should be adopted. I point out that there are great differences between the wheat amendment and the feed grain amendment. Wheat has a long history of compulsory acreage allotments and marketing quotas for which farmers have annually voted. Yet, the existing wheat program cannot work, because by law reductions in wheat acreage cannot be made below 55 million acres. Further, wheat is the crop in greatest surplus, and in which the Government has the greatest investment.

In contrast, corn and other feed grains have never had this experience and history of compulsory controls. I believe that if the feed grain amendment is adopted, it will have these consequences:

Many farmers who now grow corn and sorghum and barley for use on their own farm as feed for their livestock and poultry will find themselves in the position where they cannot grow enough feed for the livestock and poultry enterprises best suited to their farms. Certainly, they would not be able to expand their production to meet the changing needs of livestock operations on their own farms. That is a very radical proposal to impose upon farmers who have always been able to produce for their own feeding needs.

The distinguished Senator from Louisiana has pointed out that there are rather large stocks of feed grain on hand. However, if we study the tables in the committee report we find that the surplus stocks of these feed grains are very small compared with the consumption in a year.

With respect to corn, it is about a half year's supply. It is just about enough for use in one-half year. For other feed grains the supply is less. To take the step proposed by the Ellender amendment, with no chance for farmers to consider fully its consequences, is wrong.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. I yield 1 more minute to the Senator from Kentucky.

Mr. COOPER. Furthermore, I believe the adoption of the amendment will lead eventually to controls being placed directly upon livestock. Some administration witnesses who came before our committee admitted that it could logically lead at some time to controls on livestock. I believe the Senate has gone far enough, and that Congress will have gone far enough if we meet the wheat problem. Wheat is the pressing farm problem.

I hope my colleagues on the other side of the aisle, on the Democratic side, will not, by legislative fiat, say to farmers, "You cannot raise feed for your own use." It is in line with the thinking of some people in the Department of Agriculture. It is not in line with the thinking of the farmers of this country or the people of this country. I hope the amendment will be voted down.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. Mr. President, how much time remains on my amendment?

The PRESIDING OFFICER. Four and a half minutes.

Mr. MILLER. I yield myself 3 minutes.

Mr. MILLER. Mr. President, my amendment relates to page 6 of the Ellender amendment. It seeks to eliminate the provision in the Ellender amendment which would take into account imports of feed grains that cut down on the national allotment. Furthermore, it would modify the Ellender amendment by taking into account the reduction in stocks of the Commodity Credit Corporation, in such amount as may be determined by the Secretary of Agriculture. Instead, if my amendment is adopted, it will altogether eliminate from consideration the imports of feed grains. I believe that is a practical and sensible and fair thing to do. We do not want to have imports of feed grains, if our situation is such that we must cut down on the amount of production of our own farmers.

Furthermore, it seems to me to be fair and practical to put a limitation on the amount the Secretary of Agriculture can take out of the Commodity Credit Corporation stocks.

The Ellender amendment would give him unlimited discretion in that connection. Under my amendment he would be limited to taking out not in excess of 10 percent of the stock in any one year.

It seems to me that if we are to take into consideration the Commodity Credit Corporation stocks, we ought to do it on a gradual basis, instead of giving discretion to the Secretary of Agriculture to take out more than 10 percent in any one year.

I shall be very happy to yield for questions. I have not had an opportunity to discuss the amendment with the distinguished Senator from Louisiana. I believe it is a fair amendment. I hope he will accept it.

Mr. ELLENDER. Mr. President, I am opposed to the amendment. Under my amendment, the Secretary of Agriculture would use the same yardstick as he uses for other basic commodities in determining what the domestic needs will be, what the export needs will be, and what will be needed for a sufficient carryover. Under my amendment, the Secretary could not go under 110 million tons of feed grains. He could go above that amount if he desired to do so. But the purpose of the amendment of the Senator from Iowa is to prevent him from going deeper than 10 percent into the huge carryover we now have.

As I have pointed out, there are on hand today 2,400 million bushels of corn and other feed grains, in which the Government has invested about $3 billion. Under the Senator's amendment it may take forever to get rid of this surplus. There is no doubt that so huge a surplus dangling over the market has an adverse effect on prices. I should much prefer to leave it to the discretion of the Secretary to reduce this huge stock as soon as he can and go back to a carryover which I would consider to be normal.

SUCCESSFUL CONCLUSION OF ORBITAL FLIGHT BY COMDR. SCOTT CARPENTER

Mr. KERR. Mr. President, will the distinguished Senator from Louisiana yield me 1½ minutes?

Mr. ELLENDER. Mr. President, I yield a minute and a half to the Senator from Oklahoma.

Mr. KERR. Mr. President, the breathtaking and successful conclusion of Comdr. Scott Carpenter's orbital flight has thrilled all America and the free world. His success points up once again the great progress being made in our space program, and the magnificent teamwork of the more than 30,000 persons directly involved in the Mercury manned space flight project.

This flight has provided an important continuation of the flow of scientific information which is so vital to the ever-growing capabilities of man in space.

Commander Carpenter has further enhanced the superb traditions of skill, dedication, and faith which his predecessors in Project Mercury space flights have established.

The determination of the United States to explore and develop space for peaceful purposes once again has been exhibited openly to all people throughout the world.

To Commander Carpenter, to our great space agency and its distinguished leaders, Mr. Webb, Dr. Dryden, Dr. Seamans, and to the thousands of determined and inspired workers in science and industry who have made this additional scientific knowledge and progress possible, I join all America in saying heartiest congratulations for a job well done. [Applause.]

I thank the Senator from Louisiana for yielding.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MILLER. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MILLER. Did I correctly understand the Senator to speak of a surplus of 3 billion bushels of feed grains?

Mr. ELLENDER. No; a surplus of $3 billion worth of feed grains.

Mr. MILLER. A $3 billion surplus of feed grains?

Mr. ELLENDER. Yes; feed grains now on hand.

Mr. MILLER. Feed grains?

Mr. ELLENDER. Yes; that includes corn, sorghums, and oats. The Senator is correct. The figure is as of March 31, 1962.

Mr. MILLER. May I comment on that statement?

Mr. ELLENDER. The Senator from Iowa has a minute and a half of his own time remaining in which to do so.

Mr. MILLER. It seems to me that a 10-percent reduction every year is a reasonable maximum. We are not trying to cut down the surplus overnight; in fact, we are not trying to eliminate it. I think it would be a mistake to eliminate all the surplus. The Senator well knows that there ought to be a strategic reserve of feed grains. I do not believe we should talk about eliminating all the surplus.

Mr. President, I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 5 minutes remaining.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield me 1 minute?

Mr. ELLENDER. I yield the Senator from Minnesota 1 minute.

Mr. HUMPHREY. Mr. President, the RECORD ought to show clearly that under any program of controls or allotments we do not conform strictly to what is called a supply-and-demand formula, because the supply, as interpreted by the proposal before us, includes normal use, the export factor, plus the international requirements, plus the normal carryover for safety at home. All this is included in our definition of supply.

I spoke on this subject last evening. I have an amendment, which will be more specifically set forth, to direct the Secretary along this line and to so define "supply" in the proposed legislation.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. MILLER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa to the amendment of the Senator from Louisiana [Mr. ELLENDER].

The amendment to the amendment was rejected.

Mr. EASTLAND. Mr. President, I offer my amendment designated "5-22-62—C," to the Ellender amendment, and ask for its immediate consideration. I ask unanimous consent that the reading of the amendment be waived.

The PRESIDING OFFICER. The amendment to the amendment will be identified.

The LEGISLATIVE CLERK. The amendment is designated "5-22-62—C."

The PRESIDING OFFICER. Without objection, the amendment to the amendment will be printed without reading.

The amendment to the amendment is as follows:

On page 12, line 11, strike out "SMALL FARM EXEMPTION" and insert in lieu thereof "EXEMPTIONS".

On page 12, line 12, insert "(1)" immediately after "SEC. 360f.".

On page 13, between lines 3 and 4, insert the following:

"(2) Notwithstanding any other provision of this part, the Secretary shall, upon application made pursuant to regulations prescribed by him, exempt producers from the requirement of paying any penalty under section 360h with respect to any farm for any crop of feed grains on the following conditions:

"(A) that none of such crop of feed grains is removed from such farm;

"(B) that such entire crop of feed grains is used for seed on such farm or fed on such farm to livestock (including poultry) owned by any such producer, or by a subsequent owner or operator of such farm; and

"(C) that such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing condition.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this part shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to feed grains in excess of the farm acreage allotment for the crop covered by an exemption hereunder shall be considered in determining any subsequent feed grain acreage allotment or marketing quota for such farm. No price support shall be made available on any feed grains produced on any such farm in any crop year for which an exemption is requested under the authority of this paragraph."

On page 19, line 15, strike out the period after the word "section", insert in lieu thereof a comma and the following: "or (III) the producers on such farm are exempted pursuant to paragraph (2) of section 360f."

Mr. EASTLAND. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. EASTLAND. Mr. President, the amendment simply provides that a man may grow on his own land, without price supports, whatever feed is necessary for consumption on his property. Suppose a man owns a herd of cattle. The way the bill now reads, he may not grow enough grain to feed his own cattle on his own property.

I submit that before Mr. Khrushchev takes over, we should get back to some of the fundamentals upon which this country was founded. A man owns his soil to derive the fruits thereof. Suppose he owns a farm and has invested thousands of dollars in tractors and other farm equipment with which to raise grain to feed his livestock. There cannot be any reason why he may not grow on his own property the necessary grain to feed his own livestock.

Several million workhorses and mules are on the farms of this country. Unless my amendment is adopted, there will be many instances in which farmers will not be able to grow the grain to feed their own livestock on their own property.

My amendment would not cost the Government a dime. It would not result in an addition to the surplus. Not a bushel of the grain would go into a Government warehouse. The amendment would merely permit the farmer to grow the feed necessary for consumption on his own farm, without price support. The amendment should be adopted.

Mr. McCARTHY. Mr. President, will the Senator from Louisiana yield me 2 minutes?

Mr. ELLENDER. I yield 2 minutes to the Senator from Minnesota.

Mr. McCARTHY. The amendment of the Senator from Mississippi takes on a fine moral tone; but if we move over into cotton, should the farmer be permitted to plant whatever amount of cotton he needs? Or should he be permitted to grow as much tobacco as he wishes, if he grows tobacco?

Mr. EASTLAND. Is the Senator asking me a question?

Mr. McCARTHY. No; I have been yielded time by the Senator from Louisiana. I was merely commenting.

Mr. EASTLAND. The Senator from Minnesota knows that cotton and tobacco are industrial commodities and are not consumed on the farm.

Mr. McCARTHY. If the Senator wishes to limit his proposal to having the farmer raise all the corn he needs to feed his cattle and to feed himself on the farm, that is another question; but livestock is a commercial product and can be taken to the stockyards.

Mr. EASTLAND. A man who owns a herd of cattle should be permitted to grow on his farm the products necessary to feed the cattle.

Mr. McCARTHY. Should a man who raises cotton be permitted to raise all the cotton he can gin on his farm?

Mr. EASTLAND. Of course, if he owns a gin.

Mr. McCARTHY. If he owns a gin, he can gin the cotton and market it.

Mr. EASTLAND. The average cotton farmer grows 10 or 15 bales. A gin will gin several bales.

Mr. McCARTHY. If he gets a bigger gin, should he be given a bigger quota?

Mr. EASTLAND. He would have to own more land. He would have to be a rich man. He could not gin a large quantity of cotton if he had a small farm.

I am trying to help the small farmer who owns a herd of cattle to grow on his own land the grain necessary to feed the cattle. What does he own the land for?

Mr. McCARTHY. Does the Senator from Mississippi want the quota to go with the gin?

Mr. EASTLAND. Mr. President, what does the farmer own the land for, or what does he own the tractors for, or what has he made that big investment for? His purpose is to be able to feed his own livestock.

Mr. McCARTHY. He can raise on his farm all the feed he wants to raise to feed to all the livestock he will be able to eat, but not enough to feed to livestock to be sold commercially and put on the market.

Mr. EASTLAND. But that is his right, as an American citizen.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. Following the remarks of the Senator from Mississippi, I wish to say that two very important factors are involved. One is the freedom of the farmer and the individual; the other is the cost to the Government.

The administration's proposal is a long start toward depriving the American farmer of the right to operate his own business, and it will be definitely more costly than the program we now have, taking into consideration the fact that the Department of Agriculture has not been trying to administer the present program in a manner calculated to make it economical.

Mr. KEATING. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. First, I rise to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. EASTLAND. How much time remains under my control?

The PRESIDING OFFICER. The Senator from Mississippi has 7 minutes remaining under his control, and the Senator from Louisiana has 8 minutes remaining under his control.

Mr. HOLLAND. Mr. President, will the Senator from Mississippi yield to me, for a question?

Mr. EASTLAND. I yield for a question.

Mr. HOLLAND. Is it not true that for years, by action of the Congress, there has been a 30-acre exemption as to the production of wheat on the farm, for use on the farm?

Mr. EASTLAND. It has been either 25 or 30 acres.

Mr. HOLLAND. I wonder why there is a difference and what the reason is for the distinction between the 30-acre exemption for wheat and the lesser exemption for feed grains.

Mr. EASTLAND. There is this difference: Most of the wheat is sold on the market and is used for commercial purposes. But I am saying that an American farmer should be able to grow on his own farm whatever amount of feed he needs for his own livestock, whether it be beef cattle, dairy cattle, horses, mules, or billygoats. As an American citizen, he has that inherent right.

Mr. KEATING. Mr. President——

Mr. AIKEN. Mr. President, will the Senator from Mississippi yield 1 minute to me?

Mr. EASTLAND. I yield.

Mr. AIKEN. Mr. President, I yield that minute to the Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, I wish to comment on the remarks made by the distinguished Senator from Vermont [Mr. AIKEN].

The Senator from Mississippi [Mr. EASTLAND] and I find ourselves in disagreement on some issues; but I must say that on this issue I am completely in agreement with the Senator from Mississippi. I know the poultry farmers and the dairy farmers and other groups of farmers deeply resent being restricted as to the amount of wheat and feed they may grow on their own farms for their livestock. It has always seemed to me to be very dangerous to have such a provision in our law.

This is a good illustration of what our farm programs will lead to. This kind of control is frightening in the extreme. To limit what a man can grow and consume on his own land is the last word in regulated agriculture. It is the farmer in chains. What will it lead to next? Will the shopkeeper, the workingman, the clerks, and teachers be subject to controls like this?

Mr. President, this amendment goes to the very heart of this entire issue. I am happy to support the amendment of the Senator from Mississippi in this matter.

Mr. LAUSCHE. Mr. President, will the Senator from Mississippi yield 2 minutes to me?

Mr. EASTLAND. Mr. President, I yield 2 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 2 minutes.

Mr. LAUSCHE. Mr. President, I wish to emphasize the point already made—namely, that the pending proposal has far-reaching ramifications. I definitely concur in that statement.

I anticipate that before the year is over, many of us will receive complaints from farmers who will find that they have planted more than the law allows them to plant, even though they have done that for the purpose of feeding their own livestock and managing their own small farms—with the result that these farmers will be brought into court and will be charged with crime. Then the farmers will write to their Members of Congress, and will ask, "What has become of my liberties as a farmer? I own this small farm, and I have some hogs and some cattle and some billygoats, and I need the feed grains to keep this farm running. But the great and powerful sovereign Government of the United States has declared by law that in my humble efforts to run this farm, I shall not be permitted to grow the crops that are needed for this humble operation."

Mr. President, the far-reaching ramifications are beginning to manifest themselves.

The PRESIDING OFFICER. The time yielded to the Senator from Ohio has expired.

Mr. LAUSCHE. Mr. President, will the Senator from Mississippi yield 2 more minutes to me?

Mr. EASTLAND. If I have any time remaining, I am glad to yield it to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Mississippi has 2 minutes remaining under his control.

Mr. EASTLAND. I yield that time to the Senator from Ohio.

Mr. DIRKSEN. Mr. President, will the Senator from Ohio yield to me?

Mr. LAUSCHE. I yield.

Mr. DIRKSEN. The Senator from Ohio has not yet heard of the Freeman-Cochrane axis, has he? I concur in everything the Senator from Ohio has said; but he has not yet heard of the Freeman-Cochrane axis, has he?

Mr. LAUSCHE. Mr. President, I shall not comment on that point.

I merely wish to state to the Senate that probably there is not one Senator who has not gone through his State on Decoration Day or the Fourth of July or Constitution Day, proclaiming the goodness which comes with the liberties provided by our Constitution and our Declaration of Independence. But, Mr. President, I ask this question of my colleagues: What is becoming of the liberties of the American farmers, when it is proposed to put this harness and this shackle upon them?

Mr. STENNIS. Mr. President, at this point will the Senator from Ohio yield for a question?

Mr. LAUSCHE. I yield.

Mr. STENNIS. Is it not true that throughout the rural communities, for many decades the American farmer has been taught day in and day out by the agricultural experts to grow what he needs on his farm—to grow what he needs in order to feed his livestock—his cattle, his work stock, and so forth—and that the only way he will be able to make ends meet is to live at home and produce his necessities there? Has not that been taught as being fundamental to our agriculture?

Mr. LAUSCHE. Yes.

On this floor I have heard arguments in favor of protecting the little farmers. But where is the protection for them in the pending measure? This measure contemplates, in effect, destroying the small farmers.

Aside from any other reason for voting against this measure, I shall vote against it because I subscribe to the perpetuation of the freedom and the liberty of the citizens of this country; and I hope all my colleagues who believe in that principle will give thought to it and will recognize the far-reaching impact of the pending proposal.

The PRESIDING OFFICER. All time under the control of the Senator from Mississippi has expired.

Mr. ELLENDER. Mr. President, I have listened to the dramatic speech made by my good friend the Senator from Ohio. I am sure that he is opposed to the feed-grains bill. However, the difficulty is that he has failed to read the bill, for small farms up to 25 acres are exempted from this measure. If in the past the small farmers have planted 25 acres or less, those acres are not covered by this bill; and, in addition, the farmer is at liberty to plant all the oats he desires to plant, because oats are not covered by this bill, and neither is rye.

Mr. President, my purpose here is to provide that if corn farmers expect the Government to support the price of the corn they produce, then they must curtail production in line with our requirements. Or if they vote not to curtail production, then price supports will be set at market price levels.

Mr. EASTLAND. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I do not yield now.

Mr. President, in the past 15 years the great difficulty has been that the corn grower has been exempt from all of these controls. The corn grower has been able to plant all he desired, with price supports. Even marketing quotas were removed from the corn producer. I say it is unfair to the taxpayers of the Nation to permit corn producers to grow all the corn, sorghum, and barley they wish, and let Uncle Sam carry the surplus. That is what it amounts to.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I do not yield at this time; I have only a short time.

We have gone far to exempt from my amendment the people the Senator from Ohio is crying about. I am for the small farmer as much as he is, or as much as any other Member of the Senate, and in the bill we have exempted those who produce on less than 25 acres.

In addition, we have said to the farmer, "If you planted corn for silage in the past, you have a history for it, and you can plant it without any penalties." We have done everything possible to assist the small farmer for whom my good friend from Ohio has been pleading.

I would be the last man on earth to do anything to injure farmers, but when a farmer plants 50 or 60 or 75 acres to corn and then lets Uncle Sam buy the corn from him and store it, that is where I want to draw the line.

As I pointed out before, controls have been in effect on all other basic crops. The program has worked well on cotton, rice, tobacco, and other basic commodities. But in those cases the farmers themselves voted for programs which gave the Secretary of Agriculture the right to curtail acreage so that production would be in keeping with our requirements.

We have also provided for the deficit areas. Under the provisions of the bill, the Secretary of Agriculture, wherever there is a deficit area of feed production, may exempt such areas.

So we have done all possible to assist small farmers.

I repeat, because it needs repeating, that up to March 31 we had $3 billion worth of feed grains on hand, which represents 2.4 billion bushels. I want to get rid of these surpluses. If this amendment is adopted, it will kill the corn provision now before the Senate, because it will mean that a farmer can grow any amount of feed he desires, or any crop he desires to grow on the land, provided it is fed on the farm. That, to my way of thinking, means the killing of this bill.

Mr. GORE. Mr. President, will the Senator yield?

Mr. ELLENDER. How much time does the Senator wish?

Mr. GORE. Two minutes.

Mr. ELLENDER. I yield 2 minutes to the Senator from Tennessee.

Mr. GORE. I have not been able to enter into the debate, but this is a subject about which I have some knowledge. In my considered opinion, adoption of the amendment would nullify the effectiveness of the provision offered successfully by the senior Senator from Louisiana.

If we accepted the proposition that a producer can produce without limit so long as he feeds it on his own farm, I ask the senior Senator from Louisiana, whether, in his opinion, that would not be an open invitation for a corporate combination of corn land and the feed lots?

Mr. ELLENDER. There is no question about it. It would really kill the bill.

Mr. GORE. It would kill the bill.

Mr. ELLENDER. Yes.

Mr. GORE. As the Senator from Mississippi has said, it is the same thing as permitting a farmer to produce all the cotton he can gin on his farm. If a farmer can produce all the corn he can feed, there will be an open invitation for a corporate combination of corn land and the feed lots.

Mr. EASTLAND. The Senator from Tennessee would not misquote the Senator from Mississippi; would he?

Mr. GORE. If I misquoted the Senator, I did not mean to do so. I withdraw the statement.

Mr. HUMPHREY. Mr. President, will the Senator yield to me for a question?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. Senators constantly talk about the feed-grain provision as if it represented a drastic cut. Supply is to be related to the needs, to the reserves, to the consumption requirements, and to the export requirements. Under the terms of the bill there is to be established a minimum of 110 million tons of feed grains. The Secretary can have no quotas or allotments below that. He could go higher. If there were a shortage, instead of reducing the acreage he could increase it.

A certain degree of flexibility has been provided. What has been provided is a program of "no free riders." That is what the Senator from Louisiana is talking about.

I think the point was well made by the Senator from Tennessee [Mr. GORE] and by my colleague from Minnesota [Mr. McCARTHY], that a provision which permits a farmer to feed all he can produce on the farm, regardless of his historic base, might well result in promoting one of the biggest combines of feeder lots, hog production, and corn production that one could ever hope to see, and might help to do away with the family farm. Senators should think about that for a moment.

Protections have been written for the small farm, for the deficit areas, and with respect to the adequacy of supplies.

I point out that in 1958 farmers produced 22.4 million tons of oats, which is a good feed, which has a feed equivalent to corn of about 60 to 65 percent. That 22.4 million tons is exempt. Farmers can produce 40 million tons of oats, and it will be exempt. It is good hog feed. It is good chicken feed. It is good turkey feed. It is good beef feed. Yes; and it is good horse feed, if there are any horses left.

In 1959 farmers produced only 107 million tons of corn, so the proposal is not one which should shock someone to death. What is really sought is to shock the Treasury. I say, as a friend of agriculture, that the time has arrived when the friends of agriculture had better make up their minds whether the public will become so discouraged and disgusted with the cost of the farm program that there will not be any program.

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. HUMPHREY. We are at that point now, Mr. President.

Mr. ELLENDER. Mr. President, I yield 2 minutes from the time on the bill to the Senator from Missouri [Mr. SYMINGTON].

The PRESIDING OFFICER. The Senator from Missouri may proceed.

FOOD AND AGRICULTURE ACT OF 1962

Mr. SYMINGTON. Mr. President, I have listened to this discussion with interest. The basic trouble with respect to the current farm programs in this country today is found in excessive inventories. Excessive inventories probably have killed more businesses than any other single factor. And they will ruin the entire farm program unless we face the problem now in the Senate.

In my opinion, the position of the distinguished Senator from Louisiana is correct. The farmers of this country cannot have it both ways. If they believe in price supports—and I would hope they would and would get fair price supports—they should be willing to have their production controlled. That is what we are talking about.

I shall oppose the amendment, for the reasons I have stated, and vote for the Ellender amendment.

As a representative of a State where agriculture is still the No. 1 business, I want to pay tribute to the members of the Committee on Agriculture and Forestry for their many long hours of work on the Food and Agriculture Act, and especially to the able and experienced chairman of that committee, Senator ELLENDER.

I do not agree entirely with the committee majority; but their report explains the bill fairly and well. With the supplemental views presented, it gives us an excellent basis for appraising the current operations of the farm program as it has been operating; and also for deciding what the farm program should be.

I hope we will consider this act as a business matter because any agriculture problem can only be solved through the application of sound business principles.

American farmers are not lacking in independence and self-reliance. On the contrary, they are among the most independent and self-reliant people in the Nation. But at times it has been necessary for them to have support from their Government, support comparable to tariff protection for business and minimum wages for labor.

The number of farmers has been steadily decreasing. American agriculture, however, is still made up of some 3.7 million individual units, most of them family owned and operated.

It is hard for American farmers, scattered all over the country, and with diverse but closely related interests, to get together nationally to solve the problems of their industry. Hence they look to their Government for advice, and at times assistance, on the two major aspects—production and marketing.

New machinery and new chemicals, along with improved management, has increased our agricultural productivity to an extent once unimagined. As example, whereas in 1938 wheat yields per acre averaged 13.3 bushels, by 1960 yields averaged 26.2 bushels per acre.

The "Food and Agriculture" booklet published by the Department of Agriculture, reports the average yield of cotton has risen from 270 pounds per acre in 1950, to 438 pounds in 1961. A further increase to 500 pounds is expected by 1967.

Average yields for the four major feed grains have risen from less than a ton per harvested acre in 1950 to 1.32 tons in 1961. A further increase to about 1.5 tons is expected by 1967.

In 1980 this Nation will have a population of 245 million people, 60 million more than today. But our food and fiber needs will be met on 50 million less acres of cropland than are now in use.

Over the years price supports have prevented economic disaster for our farmers. But without truly effective production controls these price supports can only lead to unnecessary and expensive surpluses.

At the close of the 1951 marketing year, the feed grain carryover was 20.1 million tons. By 1961, however, this carryover had increased to 84.7 million tons.

The wheat situation is quite comparable. The carryover has been increased from 256 million bushels at the close of the 1951 marketing year to 1,412 million bushels at the close of the 1960 marketing year.

Following an increase in dairy price supports—without production control—at the same time there was a heavy drop in consumption, the surplus of dairy products multiplied to where, at the end of March, the CCC had some 280 million pounds of butter.

Nor is the price support reduction of last April expected to cut production; in fact, it may result in an increase, because milk farmers will try for maximum production in effort to meet costs.

This is the problem—large surpluses which must be handled, because, as of March 31, the Commodity Credit Corporation owned $4.5 billion of surplus farm products, and had loans on $2.9 billion more.

Let us also remember that the carrying charges for these surpluses now amount to over $1 billion a year.

Buying and storing farm commodities far beyond our needs is an expensive way of temporarily avoiding the issue; and makes any solution all the more difficult. Therefore, if we are to support prices, we must have production controls; acreage controls alone are simply not enough.

American farmers have a long and cherished tradition of independence. They do not relish being told how much they can produce, or on what terms. But the thinking man of agriculture knows that is the price which must be paid for any meaningful price support program.

Those who advocate price supports without adequate production controls are no friends of the farmer. Such a course can only increase the already staggering surpluses, which must be stored at additional cost to the Government.

Let us hope, therefore, that the Senate will vote the farmers the right to a realistic and honest choice.

Let us give the farmers of America an honest choice between an unsupported market on the one hand, and price supports with meaningful production controls on the other.

If the latter program is adopted, it is my considered opinion that not only the large farms but also the efficient family size farms, will be able to live and prosper in the American tradition.

Mr. AIKEN. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I have been intrigued by the reference to 2.6 billion bushels of corn on hand, as if that were a terrible calamity. I understand that figure was as of the 1st of April.

Mr. President, we utilized corn at the rate of 3.8 billion bushels last year, or 320 million bushels per month. There are 5 months before the new corn crop will come in. By the 1st of October there will probably be a billion bushels of corn left on hand, which will represent a 3 months' supply.

I say to Senators, "For Heaven's sake, do not take chances with the security of this country by cutting our feed grain supply below a 3 months' supply or our wheat supply below a year's supply. It would be a terrible thing to reduce the food supply of this country below a safe level.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Mississippi.

Mr. EASTLAND. I will need only 1 minute.

Mr. DIRKSEN. Mr. President, I yield the Senator 1 minute.

Mr. EASTLAND. Mr. President, the statement that the amendment would promote corporate farming is a fantasy. The amendment would not do any such thing. It would give to every farmer in the United States, without cost to the Government of the United States, the right to grow feed for his own livestock on his own farm. Senators have been conjuring up ghosts.

My distinguished friend from Louisiana has criticized the corngrowers. Statements have been made about people living off the Treasury. Nothing like that is involved in the amendment, because no price support is involved. The feed grains will be grown for consumption without price supports.

Is it not in the very best tradition of our country that a man may be permitted to grow on his own land that which is necessary for consumption by his own livestock and by his own family?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi.

Mr. LAUSCHE. Mr. President, will the Senator yield me some time?

Mr. DIRKSEN. Mr. President, I yield the Senator 3 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 3 minutes.

Mr. LAUSCHE. Mr. President, I am familiar with the provisions identified by the Senator from Louisiana concerning the discretionary power sought to be vested in the Secretary of Agriculture, to take such action as will conform to the solutions conceived for what are called deficit areas. I am familiar with that, but based upon what I have seen happen in the Government, I should like to get away from a reliance upon discretionary power of individuals and an abandonment of reliance upon law, immutable and clearly written.

Congress can continue to enact legislation abdicating the power of Congress and surrendering it to boards and departmental heads, but I am not willing to rest content with that type of government.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. LAUSCHE. I yield.

Mr. EASTLAND. The statement has constantly been made that the U.S. Government will be picking up the check for price supports on feed grains. Under the proposed amendment how would it be possible for the U.S. Government to pick up any check?

Mr. LAUSCHE. I shall not answer that question directly. Since I have been in the Senate I have heard arguments made each year about the final solution of this problem. At the end of each year I have found that we were in worse condition than during the preceding year.

Mr. EASTLAND. Under the proposed amendment the cost to the Treasury would be nothing.

Mr. LAUSCHE. We had a conservation reserve program. Thirty million acres were acquired under it at a cost of $11 per acre, in the form of annual payments.

Last year we passed a bill which was supposed to be the panacea. Under that bill it cost us $31 an acre to take land out of production. For $1 spent under the conservation reserve $3 was spent under the bill passed last year.

Something has been said about the farmers being allowed to plant oats to feed cattle. I have heard the argument made that cattle need some solid foods, and that the mere allocation of the right to feed them with oats does not answer the question of providing a well rounded diet, under which the farmer could strengthen and fatten his cattle, and thus procure for himself the greatest return.

I hold the Senator from Louisiana in the highest of esteem. I know of his concern about the expenditure of the taxpayers' money. I yield to no other Senator in the desire to lessen the tax burden on the people of this country. I contemplate fighting for that principle so long as I have any power. There are other aspects of our responsibility which are of equal importance, however.

I come back to the proposition that it is sought to put a harness and shackles upon the little farmer of my State.

I will not stand for it. I will not subscribe to it. I will vote against the amendment, and finally against the bill.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Mississippi [Mr. Eastland] to the so-called Ellender amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Connecticut [Mr. Dodd], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Louisiana [Mr. Long], the Senator from Wyoming [Mr. McGee], and the Senator from Georgia [Mr. Russell] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from South Carolina [Mr. Johnston], and the Senator from New Mexico [Mr. Chavez], are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Mr. Long] and the Senator from Georgia [Mr. Russell] would each vote "nay."

On this vote, the Senator from Colorado [Mr. Carroll] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Colorado would vote "nay'" and the Senator from Texas would vote "yea."

On this vote, the Senator from New Mexico [Mr. Chavez] is paired with the Senator from Arizona [Mr. Goldwater]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from Alaska [Mr. Gruening] is paired with the Senator from Connecticut [Mr. Bush]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Connecticut would vote "yea."

On this vote, the Senator from South Carolina [Mr. Johnston] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from California would vote "yea."

On this vote, the Senator from Wyoming [Mr. McGee] is paired with the Senator from Wisconsin [Mr. Wiley]. If present and voting, the Senator from Wyoming would vote "nay," and the Senator from Wisconsin would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. Bush], the Senator from Maryland [Mr. Butler], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Wisconsin [Mr. Wiley] is absent by leave of the Senate.

On this vote, the Senator from Connecticut [Mr. Bush] is paired with the Senator from Alaska [Mr. Gruening]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from Arizona [Mr. Goldwater] is paired with the Senator from New Mexico [Mr. Chavez]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from South Carolina [Mr. Johnston]. If present and voting, the Senator from California would vote "yea," and the Senator from South Carolina would vote "nay."

On this vote, the Senator from Texas [Mr. Tower] is paired with the Senator from Colorado [Mr. Carroll]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from Wisconsin [Mr. Wiley] is paired with the Senator from Wyoming [Mr. McGee]. If present and voting, the Senator from Wisconsin would vote "yea," and the Senator from Wyoming would vote "nay."

The result was announced—yeas 40, nays 45, as follows:

[No. 59 Leg.]

YEAS—40

Aiken
Allott
Anderson
Beall
Bennett
Boggs
Byrd, Va.
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Eastland
Fong
Hickenlooper
Holland
Hruska
Javits
Keating
Kerr
Lausche
McClellan
Miller
Monroney
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Stennis
Thurmond
Williams, Del.

NAYS—45

Bartlett
Bible
Burdick
Byrd, W. Va.
Cannon
Church
Clark
Douglas
Ellender
Engle
Ervin
Gore
Hart
Hartke
Hayden
Hickey
Hill
Humphrey
Jackson
Jordan
Kefauver
Long, Mo.
Long, Hawaii
Magnuson
Mansfield
McCarthy
McNamara
Metcalf
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—15

Bush
Butler
Carroll
Chavez
Dodd
Fulbright
Goldwater
Gruening
Johnston
Kuchel
Long, La.
McGee
Russell
Tower
Wiley

So Mr. Eastland's amendment to the amendment of Mr. Ellender was rejected.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the amendment to the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to table was agreed to.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the senior Senator from New York.

Mr. JAVITS. Mr. President, I shall vote against the Ellender feed grain amendment because it is a permanent, mandatory marking quota program which will necessarily adversely affect dairy, livestock, and poultry farmers and those who are purchasers or users of feed grains. I emphasize the word "permanent," for that is why I also voted against the Ellender wheat amendment. There is a more rational solution to the problem of farm surplus, and we should not close the door on it by freezing ourselves into permanent programs of this sort. Perhaps it would be equitable to ask these farmers who purchase feed grain to accept the obvious disadvantages to them under the Ellender feed grain amendment if we could point to equivalent or offsetting advantages for them, either as farmers, as consumers, or as taxpayers. But I cannot see any real prospect of advantage to dairy, livestock, and poultry farmers in the Ellender amendment. On the contrary, I see positive economic disadvantage to them as farmers, for their feed costs will be fixed at a high level, even as other costs of farm production continue to mount (an increase of more than $500 million in 1961), and yet, speaking particularly of dairy farmers, they are not offered the prospect of a penny more in the price of their product. As for benefit to these farmers, consumers, I have yet to hear any prediction that the price of milk or foodstuffs will be lowered as a result of this amendment. And, as for benefit to them as taxpayers, it is all well and good to speak of reducing surpluses and thereby storage costs, but I have yet to hear an actual estimate as to how much American taxpayers will realize in net savings by reason of a program which employs a compulsory program to reduce storage costs of certain feed grains on the one hand but increases other agricultural outlays on the other.

By opposing the Ellender amendment I do not wish to support by implication the present emergency feed grain program which was first enacted last year, for all its proponents claim for this emergency program is that it cut somewhat the costs of storage of some feed grains, while conceding that other storage costs have increased. In this connection, I agree with the distinguished senior Senator from Vermont and ranking Republican member of the Agriculture Committee [Mr. Aiken], when he made the following comment:

> It has been said that had it not been for the program farmers would have produced 500 or 600 million bushels more feed grains. But those who made that statement forget that, according to a report showing the intention of farms to plant, issued by the Department of Agriculture in March 1961, even before the program was enacted, farmers had announced their intention to plant several million fewer acres of corn than they had planted the year before. So I do not think the argument holds water very well.

I do not think that program worked. Although we are providing for extending it for another year or two, it ought not to continue.

I predict, Mr. President, that before the end of 1962 we shall see sharp increases in the price of feed grains, and it will be the dairy farmer, and other purchasers of feed grains, who will pay that price. This is too much to ask of an already hard-hit segment of our agricultural economy.

HEALTH CARE PROPOSALS FOR THE AGING

Mr. JAVITS. Mr. President, interest in the issue of health care for the aging has resulted in valuable legislative proposals being put before both bodies of

COMPARISON OF MAJOR HEALTH CARE INSURANCE PROPOSALS FOR THE AGING, 1962

KERR-MILLS PROGRAM (PUBLIC LAW 86-778)	ADMINISTRATION BILL (87TH CONG.), S. 909 (SENATOR ANDERSON AND OTHERS), H.R. 4222 (REPRESENTATIVE KING)	JAVITS BILL (S. 2664)
Coverage: Approximately 10 million persons over 65 might meet the eligibility requirements. The number actually affected will depend upon the number of States participating, and the eligibility standards formulated by such States. (S. Rept. 1856, 86th Cong.) [1]	*(As of January 1963, see effective dates below)* *Million* OASI eligibles .... 14.4 Railroad Retirement eligibles .... .6 Total 15.0	All persons 65 and over who meet the retirement qualifications [1] and who are not beneficiaries of medical care under old-age assistance or other Federal assistance medical programs.
How many benefit: Each State could formulate its own eligibility standards within the State plan, except that benefits must be provided for residents of the State who: (1) have attained age 65, and (2) are not recipients of old-age assistance, but whose income and resources are insufficient to meet the cost of the medical services listed below. Persons under age 65 or persons receiving old-age assistance could not be made eligible under the State plan. The State plan may not require an enrollment fee as a condition of eligibility or impose a lien on the property of a beneficiary during his life or that of his surviving spouse.	All persons would be eligible for medical benefits who— (1) are age 65 or over; and (2) are eligible to receive social security or railroad retirement benefits.	12.3 million (as of 1963) estimated out of total age population of 16 million (est.)
Benefits: The State plan for medical assistance for the aged may specify medical services of any scope and duration, provided that both institutional and noninstitutional services are included. The Federal Government would share in the expense of providing the following kinds of medical services: (1) inpatient hospital services; (2) skilled nursing home services; (3) outpatient hospital or clinic services; (4) physicians' services; (5) home health care services; (6) private duty nursing services;	Benefits would consist of payments to medical facilities for services rendered to eligible individuals. Such payments may be made for the following kinds of services: (1) inpatient care —90 days per benefit.[1] subject to a deductible of $10 per day for the first nine days, but not less than $20; plus, (2) skilled nursing home care after transfer from a hospital—120 days per benefit period plus an extra two days of nursing home care for each unused day of hospital care, total nursing home care for each benefit period not to exceed 180 days [2], plus,	Eligible individuals may choose one of three optional programs; (1) preventive, diagnostic and short-term illness benefits with specified services; (2) long-term illness benefits with specified services; (3) private insurance benefits, under which the cost of a private insurance plan, up to a maximum of $100 per year, is paid for. Benefits specified under the preventive short-term care plan; (1) 21 days of hospital care; (2) 63 days of nursing care less any days of hospitalization at a ratio of 3 nursing home days per hospital day; (3) physicians serv-

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[1] A benefit period commences with the first day a person receives hospital benefits and ends 90 days after he has ceased to be an inpatient in any hospital or nursing home.

[2] Thus, if an individual uses 60 days of hospital care, or less, in a benefit period, he will be entitled to 180 days of nursing-home care after leaving the hospital. If he uses 70 days of his hospital benefit he will have 160 days of nursing-home care. If he uses 80 days of the hospital benefit, he will have 140 days of nursing-home care.

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[1] An individual would be "retired" if: (i) his income for Federal income tax purposes did not exceed $3,000, or $4,500 in combined income with his spouse, in his last taxable year; or (ii) he files a sworn statement that for taxable year in which he applies for health care insurance benefits, his income for Federal tax purposes will not exceed $3,000, or $4,500 for a married couple; or (iii) he had attained age 72.

This bill contains basically the same benefit, administrative and eligibility features as S. 937, which provides for general revenue financing. I introduced S. 937 on February 13, 1961, with Senators COOPER, SCOTT, AIKEN, FONG, COTTON, KEATING, KUCHEL, PROUTY, and SALTONSTALL as cosponsors.

Source: Senator JAVITS' office.

the Congress. The major and distinctive features of these bills have been set forth side by side in a concise, objective manner that has proved instructive and helpful to all who have been fortunate enough to have this table. This excellent document was prepared by Cordelia B. Markarius of the staff of the Republican policy committee, under the direction of Staff Director David S. Teeple, and offers a valuable guide through the major health care proposals before us.

I ask unanimous consent to have printed in the Record with my remarks this comparison table.

There being no objection, the table was ordered to be printed in the Record, as follows:

COMPARISON OF MAJOR HEALTH CARE INSURANCE PROPOSALS—Continued

BOW BILL (H.R. 10981)	LINDSAY BILL (11253)	BLUE SHIELD-BLUE CROSS SENIOR CITIZENS PROGRAM (Endorsed by the American Medical Association)
Everyone who reaches age 65 who wishes health insurance.	OASDI eligibles and over; also railroad retirees. 14.4 million OASDI beneficiaries and 0.6 million railroad retirees; also subject to State action and State eligibility standards, all those not covered by OASDI may be made eligible (about 2.9 million).	Blue Shield: All 17.9 million persons age 65 and over, their spouses, and any children under 19 years of age. Blue Cross: All 17.9 million persons age 65 and over and surviving dependents.
Medical care insurance under a choice of policies, the minimum benefits of which are described as plans 1 and 2.	Minimum of 15.0 million as of end of 1963; subject to State action and State eligibility standards, any portion or all of an additional 2.9 million could benefit, or for a total of 17.9 million of the entire aged population.	Same as above.
Bow plan 1 (Payment of all charges is made by the insurance carrier) Hospital room and board up to $12 per day, and up to $1,080 in a calendar year; other hospital charges including charges for surgical or emergency *Bow plan 2* (Subject to a deductible feature with not to exceed 25 percent coinsurance)[1] Hospital room and board equal to charges for semiprivate accommodations; other hospital charges including charges for surgical	*Benefits* I. OASDI eligibles have an option to choose between (1) protection under a "Government plan," with same benefit structure as the King-Anderson bills (S. 909 and H.R. 4222), and (2) the right to a monthly cash payment provided that the individual is covered by a private health insurance policy or voluntary prepayment plan which has an actuarial value at least equal to that of the Government plan. Any individual electing the private health benefits	Blue Shield: surgery either in a hospital or doctor's office; in-hospital visits up to 70 days per admission, up to 30 days of in-hospital doctor visits per year for tuberculosis and mental patients; anesthesia performed by physician who bills for services; nursing home care and one physician visit per week for 13 weeks for patients (other than tubercular or mental) who transfer from hospital to nursing home; diagnostic X-rays of accidental injuries taken in doc-

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[1] Payments of benefits may be subject to either (1) a deductible of not more than $100 in a calendar year and a lifetime maximum of not less than $5,000; or (2) a deductible of not more than $200 in a calendar year and a lifetime maximum of not less than $10,000.

Source: Representative Bow's bill (H.R. 10981) and chart from Mr. Bow's office on page 4309, CONGRESSIONAL RECORD, Mar. 15, 1962.

COMPARISON OF MAJOR HEALTH CARE INSURANCE PROPOSALS—Continued

KERR-MILLS PROGRAM—Continued	ADMINISTRATION BILL—Continued	JAVITS BILL (S. 2664)—Continued
(7) physical therapy and related services; (8) dental services; (9) laboratory and X-ray services; (10) prescribed drugs, eyeglasses, dentures, and prosthetic devices; (11) diagnostic, screening, and preventive services; and, (12) any other medical care or remedial care recognized under State law.	(3) home health services—240 visits per calendar year; plus, (4) outpatient diagnostic services—no durational limit, but subject to a deductible of $20 per diagnostic study. **Effective Dates** Inpatient hospital services: October 1, 1962. Outpatient diagnostic services: October 1, 1962. Home health services: October 1, 1962. Nursing home services: July 1, 1963.	ice for 12 days; (4) first $100 of costs for ambulatory diagnostic, laboratory and X-ray services; and (5) 24 days of visiting nurse or other home health care services. Benefits specified per year under the catastrophic long-term or chronic illness plan—80 percent of the following costs, after payment of the first $125 of medical expenses: (1) 120 days of hospital care; (2) surgical service, drugs and appliances, provided in a hospital; (3) 360 days of nursing home services less any days of hospitalization at a ratio of 3 nursing home days per hospital day; (4) full home health care services. Private Insurance benefits—payment to insurance carrier of premiums on a renewable private health insurance policy of which an eligible individual is beneficiary, up to $100 per year.
Administration: Participating States would be reimbursed for part of their expenditures under federally approved State plans providing medical services to aged persons who are not recipients of old-age assistance, but whose income and resources are insufficient to meet the cost of necessary medical services.	Would provide medical benefits through the social security (OASI) mechanism for persons 65 or over who are eligible to receive OASI benefits, or railroad retirement annuities.	By State under agreement with Secretary of HEW, or by the Secretary if he is unable to conclude an agreement: States to be reimbursed; they can augment benefits under same administration if they assume added costs.
Financing: Federal sharing in State expenses under plans for medical assistance for the aged would be determined according to an equalization formula based on State per capita income in relation to the national average and would run from 50 to 80 percent. There are no dollar limits beyond which no matching will apply. The States would receive in addition an amount equal to half of their administrative expenses under plans for medical assistance for the aged.	The cost in percent of the estimated level premium payroll ($5,000 wage base) would be 0.66 percent. This cost would be met in two ways: (1) The amount of annual wages and earnings subject to social security payroll taxes would be increased from $4,800 to $5,000, effective in 1962; and, (2) Social security and railroad retirement payroll taxes would be increased by 0.50 percent of taxable earnings, effective in 1963. (Increase equals 0.25 percent on employers, 0.25 percent on employees, and 0.375 percent on the self-employed.) These changes in the tax structure would derive revenue equal to 0.60 percent of the present estimated level premium payroll ($5,000 wage base).	Benefits would be paid from a Federal Medical Insurance Trust Fund. (1) Payroll taxes of employees and employers are increased one-fourth of 1 percent of first $4,800 wages in 1963 each and one-eighth of 1 percent in 1972; for self-employed, three-eighths of 1 percent in 1963 and three-sixteenths of 1 percent in 1972. These increases derive the equivalent of 0.70 percent of payroll on a level premium (long run) basis. (2) For other retirees, by appropriation from general revenue.
Total cost first year: Estimated costs for the first year were as follows: [In millions of dollars] Federal .... $60 State .... 56 Total (S. Rept. 1856, 86th Cong.) .. [1] 116	The estimated total cost of providing medical benefits would be about $2 billion per year on a level premium (long run) basis. The cost for early years would be slightly over $1 billion.	$1,230 billion.

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[1] As of January 1962, 25 States and 3 jurisdictions had established MAA programs as follows: Arkansas, Hawaii, Idaho, Illinois, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, New Hampshire, New York, North Dakota, Oklahoma, Oregon, Puerto Rico, South Carolina, Tennessee, Utah, Virgin Islands, Washington, West Virginia, Alabama, California, Connecticut, Guam, Maine, Pennsylvania, and Vermont.

Source: Department of Health, Education, and Welfare. Press release, Mar. 28, 1962.

COMPARISON OF MAJOR HEALTH CARE INSURANCE PROPOSALS—Continued

BOW BILL (10981)—Continued		LINDSAY BILL (11253)—Continued	BLUE SHIELD-BLUE CROSS SENIOR CITIZENS PROGRAM—Continued
Bow plan 1—Con.	*Bow plan 2*—Con.	*Benefits*—Continued	
outpatient treatment up to $120 in any calendar year. Convalescent hospital room and board up to $6 per day, and up to $186 in any 1 calendar year, following discharge from hospital. No home health services or nurses' fees. Surgical charges according to a fee schedule with a $300 maximum. Diagnostic, laboratory, and X-ray services when hospitalized as above. Drugs used in hospitals.	or emergency outpatient treatment. Convalescent hospital room and board up to $6 per day and up to $540 in any 1 calendar year, following discharge from hospital. No home health services. Up to $16 per day for registered nurse, and up to $480 in any 1 calendar year. Surgical charges according to a fee schedule with a $300 maximum, and $5 per call for other than surgery or postoperative care. Diagnostic X-rays and other diagnostic and laboratory tests; X-ray, radium, and radioactive isotope treatment. Charges for drugs and medicines which require a doctor's prescription; blood or blood plasma not donated or replaced; anesthetics and oxygen; rental of durable medical or surgical equipment such as hospital beds or wheelchairs.	option would receive a monthly cash payment of $8 per month (to be increased if actuarial value of benefits under Government plan increases). He may choose any qualified private health insurance policy or private prepayment plan. He may assign his monthly cash payments to the carrier of his private health benefits plan. II. Individuals who are not covered by OASDI (including public assistance recipients) may be made eligible for the benefits of the Government plan if their States wish to "buy-in" to the Federal program for them. A particular State would specify the eligible class of persons (setting whatever eligibility standards it wishes). When an eligible person enters a hospital or nursing home he will be treated in the same way as an OASDI beneficiary. Each State would reimburse the Federal Health Insurance Trust Fund periodically for the aggregate amount paid out in respect of its non-OASDI beneficiaries. States would be aided in reimbursing the Trust Fund by Federal grants from general revenues. These grants would be paid under the same formula as in the Kerr-Mills law, except that the Federal percentage share of the grants would be 5% greater than under the Kerr-Mills formula.	tor's office or hospital out-patient department within 72 hours of accident, also diagnostic X-rays for hospital patients when ordered by attending physician, consistent with condition for which patient was hospitalized and performed by physician who bills for services; radiation therapy performed by physician; laboratory and pathological examinations done by attending physician. Blue Cross: 70 days of hospital care in rooms of 3 or more beds including room and board, general nursing service, drugs, dressings; emergency accident care within 72 hours in out-patient department for surgical procedures, X-ray and radiation therapy. Care in chronic and rehabilitation hospitals and skilled nursing homes and visting nurse service at home.
Secretary of Treasury.		(1) For Government plan: by Secretary of Health, Education, and Welfare, making agreements with providers of services and utilizing State agencies to determine qualification of services. (2) For private health benefits option: State insurance commissioners determine qualification of private health benefits plan for the monthly cash payment, under agreements with the Secretary of HEW; the Secretary issues regulations prescribing standards for determining actuarial equivalence. State "buy-in": States determine eligibility; administration for the eligible class is same as for Government plan. All phases: Secretary consults with Health Insurance Benefits Advisory Council, which includes at least four outstanding private health or prepayment plan experts.	Blue Shield and Blue Cross.
		Financing	
Through tax credits for individuals who pay their own premiums or are covered by insurance paid for by near relatives or former employers, and through issuance of "medical care insurance certificates" for all others.		For OASDI eligibles: Same as S. 909 and H.R. 4222, except that H.R. 11253 creates a separate health insurance trust fund rather than merging the two existing funds and the new health insurance programs. For non-OASDI beneficiaries made eligible under State "buy-in": A combination of Federal, State and local general revenues. Federal percentage share of the cost in any State same as under Kerr-Mills law plus 5 percent. Costs depend entirely on action taken by States.	Blue Shield: paid in full for single persons with an annual income of $2,500 or less, and for husband and wife whose combined income is under $4,000. Others above income limit, pay any costs above those allowed for particular services. Estimated cost for plan: single person $3.20 per month, husband and wife $6.10 per month. Blue Cross: paid for by individuals at an estimated cost of $10 to $12 per month.
Cost estimated to be comparable to other legislation, but difficult to predict because of lack (a) precise information on amount of deduction now taken by or for individuals over 65 which would be an offset against cost of tax credit; (b) knowledge concerning probable degree of participation. Estimated first-year cost: $1.6 billion.		$1.1 billion for OASDI beneficiaries.	No estimate for either plan.

UNCERTAINTY IN THE BUSINESS COMMUNITY

Mr. CAPEHART. Mr. President, Senators have heard me say many times on this floor that no economy can withstand a constant beating the brains out of private enterprise.

Never was there a more appropriate time to repeat that statement than right now. Lessons of the past apparently mean little to persons in whose judgment, power, and attitudes rests the destiny of America.

The destiny of America depends on jobs which provide a good life for workingmen and their families—jobs which cannot exist or continue unless the places where they work make enough money to meet their payrolls, keep their plants modern to meet competition, and yield a profit sufficient to justify continued investments by the people who finance them. That is basic economics.

We cannot interfere with that basic process and have a sound, growing economy. In my opinion, that process is now being interfered with. Thus, we not only are not making the progress some foresaw, but there are economic signs that such interference may stall us in our tracks and throw us into stagnation or serious reverse.

When I say we must not beat the brains out of private enterprise, I mean either of the two basic ingredients of the private enterprise system—labor and/or business. When one is hurt, both are hurt, despite the fact that, for one reason or another, we appear to favor one against the other. If we destroy the confidence of one or the other, we hurt both.

It is this kind of basic economics, Mr. President, which the Wall Street Journal dealt with in an article which appeared May 24, 1962, about conditions in the city of Fort Wayne, Ind. The headline of the article reads "Uncertain City—Kennedy's Efforts To Reassure Business Show No Results in a Midwest Community."

Because the article tells the story so well, I ask unanimous consent that it be included at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNCERTAIN CITY—KENNEDY'S EFFORTS TO REASSURE BUSINESS SHOW NO RESULTS IN A MIDWEST COMMUNITY

(By Edwin A. Roberts, Jr.)

FORT WAYNE, IND.—There is some evidence in this city that President Kennedy has induced in the business community an attitude of uncertainty deeper than most people suspect. It runs so deep, in fact, that it's resisting current efforts of administration leaders to eliminate it.

The President has brought this about, according to businessmen here, through his strong-arm tactics in the steel affair, by showing less enthusiasm for restraining unions than for restraining management, and by pressing for legislative programs that hark back to the New Deal. But he has done it most of all by convincing Fort Wayne businessmen that he doesn't understand the workings of a free economy.

The resulting attitude is not one of personal hatred for the President such as existed in some quarters during the Franklin Roosevelt era. It is rather a feeling that Mr. Kennedy's fondness for flaunting Executive power and what is believed to be a demonstrated antibusiness bias, make it hazardous to do anything except sit tight.

Although it has been clear that Presidential actions in recent weeks have dampened the mood of business throughout the country, the extent of the uncertainty comes into sharp focus when one examines the attitudes of proprietors and managers in a representative industrial city—in this case Fort Wayne.

DIVERSE INDUSTRY

Fort Wayne is especially well suited to such an investigation; it is a growing, prosperous, progressive community that boasts a solid base of diversified industry. With a population of 161,776, Fort Wayne has an unemployment figure of 3.6 percent of the work force, well below the national average. Local plants include those of General Electric, B. F. Goodrich, International Harvester, International Telephone & Telegraph, Magnavox, Dana Corp., Phelps Dodge, Fruehauf Trailer, and various makers of auto parts, pumps, and precision instruments.

In early April of this year, more than 50 percent of Fort Wayne's major industries were engaged in or had just completed plant expansion programs. Until April, there was an atmosphere of great business confidence. Since April—the month Mr. Kennedy lowered the boom on United States Steel—the atmosphere has changed.

"If you want our company's reaction to Mr. Kennedy" says an executive with a national company here, "you'll have to check with our board of directors, but I'll tell you this. We planned a multimillion-dollar addition to this plant. Now all I know is it's been shelved. Maybe this was in reaction to the steel business and maybe it wasn't. I've been told that the company wants to wait till the dust settles. Anyhow, nothing's going to be done this year."

Russell M. Daane, executive vice president of the Fort Wayne National Bank, declares: "Businessmen here are certainly concerned. They still can't get over the President's methods in dealing with the steel companies. That smacked too much of the Gestapo, what with FBI's night visits to reporters' homes, Mr. Kennedy is apparently against all monopoly except the monopoly of Presidential power. Yes, Fort Wayne businessmen are very concerned."

Along with the uncertainty produced by the steel affair, there is a widespread belief among industrial leaders here that the President is playing politics at the expense of business. Why, it is asked, did Mr. Kennedy play down his interest in holding the wage line when he addressed the United Auto Workers in Atlantic City earlier this month? Why didn't he say that what happened to steel would happen to a union that refused to bow to the administration's wishes?

"Kennedy has been less than honest," claims one executive. "It's bad enough when he threatens both business and labor and throws a clinker in the whole free enterprise system, but when he pounds on business and then pussyfoots when it comes to unions, I think it's rotten."

Nor are Fort Wayne labor leaders entirely happy with the administration's growing intrusion into collective bargaining. "I think in general that there's good business ahead," says Howard Minier, president of the AFL–CIO Council for Fort Wayne and Allen County, "but I'm worried about the effect of a wage-price freeze on national growth. You need a little inflation to raise living standards and you're not going to get it by a policy of rigidity. Also, I don't think the Government should get involved in collective bargaining unless it's invited."

What one businessman here described as "just plain discouraging," is the President's current legislative program which features a variety of New Dealish measures that "cannot help but burden business further." The idea of withholding taxes on dividends and interest, for instance, is anathema here. "This bill alone would raise our costs 90 cents to $1 per account," says Fort Wayne National's Mr. Daane.

"The President's methods and programs dealing with business have caused great concern," comments Clyde E. Flowers, senior vice president of Lincoln National Bank. "Mr. Kennedy's behavior reflects the fact that he's had no experience in business. He doesn't understand business."

"I don't think business has to apologize for being business," declares a vice president of an electronics firm. "Mr. Kennedy doesn't realize that it's not through public works programs that the Nation can achieve sound economic growth. It is very frankly through providing a climate in which business can prosper that we will move ahead. All the President has to do to keep the lid on inflation is to balance the budget. But that would take more political courage than Mr. Kennedy is interested in displaying."

Earl S. Ward, executive vice president of the Fort Wayne Chamber of Commerce, says that the anxiety of the business community in the wake of the steel affair is evident whenever businessmen gather. "I was in Washington for the chamber meeting that Kennedy addressed. In all my life I've never seen a public official get such a cold reception from businessmen. Around Fort Wayne the administration's attitude toward business is a leading topic. Nobody is sure just how far Kennedy will go in holding back business and nobody is anxious to find out. But I know of instances where planned expansions here have been postponed or canceled because of the uncertainty the President has created."

Another indication of how deep business resentment runs is the reaction to the administration's proposal to make the tax depreciation allowance more favorable. "That's like throwing a dog a bone after you've hit him on the head with a rock," declares a plant manager for a national company. "Of course we need whatever better tax break we can get but if Kennedy thinks he can restore confidence with another one of his gimmick's he's crazy. He gives you a lollypop with one hand while he keeps slamming you with the other. For Pete's sake don't use my name or we'll have FBI men all over the place and I'll get canned. That's probably an exaggeration, but who can be sure of anything anymore?"

ON THE OLD FRONTIER

Such apprehension is not a normal part of the character of Fort Wayne, a city with sturdy old-frontier origins and principles. It is situated at the juncture of the St. Marys, St. Joseph, and Maumee Rivers and its history goes back to the 17th century when the French established a trading post on the site.

The post changed hands several times as the French, Indians, and English battled over it, and the site was controlled by the Indians even after the American Revolution. President Washington sent out three expeditions to capture the post for the United States and the first two ended in a rout by the redmen. Finally Gen. "Mad" Anthony Wayne overwhelmed the Indians and built a wooden stockade known as Fort Wayne.

The community which grew up around the fort was incorporated in 1829. The city's population is 90 percent native-born white and largely of German extraction. Some 70 percent of the families own their own homes. Fort Wayne has spent $15 million on new schools on a pay-as-you-go basis in the last 5 years. Cultural activities include a philharmonic orchestra and a ballet company supported by public subscription.

"We're a pretty good city," says the chamber's Mr. Ward, "and ordinarily we'd have every reason to be optimistic."

A PROVED BREED OF WATCHDOGS IS AVAILABLE

Mr. PELL. Mr. President, I ask unanimous consent to insert in the body of the RECORD an excellent column by Arthur Krock in today's New York Times, concerning the desirability of a joint congressional watchdog committee to supervise the Central Intelligence Agency.

A year ago, there was a general consensus that intelligence collection and covert operations should be separated. Yet, today, they remain under one and the same roof. And that roof, incidentally, is a pretty large one, since it covers an establishment containing 5,700 windows. I continue to hope in this connection, that hearings may soon be held on Senator McCARTHY's Senate Joint Resolution 77, which seeks the creation of a committee along the lines so well and ably advanced by Mr. Krock.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

A PROVED BREED OF WATCHDOGS IS AVAILABLE

(By Arthur Krock)

WASHINGTON, May 23.—The recent crop of critical books and articles on covert operations of the Central Intelligence Agency, principally with respect to the U–2 flight, which was downed in Soviet Russia, and the invasion of Cuba, which was repulsed by Premier Castro, has nourished proposals for a congressional watchdog committee of the CIA. Its new Director, John A. McCone, who took office, after these events, has already told Congress he has no objection to the establishment of this committee, having worked very well with one when he was Chairman of the Atomic Energy Commission.

Presumably, therefore, unless President Kennedy should object to a CIA watchdog group of Congress, and if the formula of its selection were also satisfactory to the President and to Director McCone, there would be no insurmountable administration obstacles if Congress chose to create this new special committee. And one formula of its selection that is being discussed seems well suited to the basic requirements of the two branches of the Federal Government involved.

Under this formula the House and the Senate would each supply a watchdog committee of nine members. The two would act separately in general and jointly when this was found desirable by both. The House group would be composed of the chairmen of the Committees on Foreign Affairs, Armed Services, and Appropriations, the ranking majority members of these three and the ranking minority members. The Senate group would be formed of the chairmen of Foreign Relations, Armed Services, and Appropriations, plus the ranking majority and ranking minority members. This, as in the case of the joint committee that watchdogs the AEC, would give control to the party majority in each branch, which currently is Democratic.

The product of this formula, in the present makeup of these committees, would be two groups of the highest caliber and seniority in Congress, with memberships of proved discretion and great influence. In the nature of the assignment, these legislators would be restrained from passing on secret information to the other members of the committees from which they were recruited. But when these parent committees were dealing with matters in which CIA activities were involved, they would have authoritative guidance now denied them. The beneficial effects of this on major legislation are obvious.

THE PERSONNEL

If the nine-member groups were chosen on the formula under discussion, only two members would encounter a problem of choice growing out of their present committee assignments. These two are Senators RUSSELL of Georgia and SALTONSTALL of Massachusetts. RUSSELL, being currently chairman of Armed Services and ranking majority member of Appropriations, would have a double eligibility of service on the CIA watchdog committee. So would SALTONSTALL, because he is the ranking minority member on both Appropriations and Armed Services.

The indicated solution would be for Senators BYRD, of Virginia, and STENNIS, of Mississippi, who rank after RUSSELL on Armed Services, to become its two majority members on the watchdog group. And SALTONSTALL's choice would be between his two ranking minority memberships, making room thereby for either Senator YOUNG, of North Dakota, or Senator SMITH, of Maine.

The watchdog committees would then be composed of the following: (House) Chairman CANNON, Representatives MAHON and TABER, from Appropriations; Chairman VINSON, Representatives RIVERS and ARENDS, from Armed Services; and Chairman MORGAN, Representatives ZABLOCKI and CHIPERFIELD, from Foreign Affairs. (Senate) Chairman HAYDEN, Senator RUSSELL, and either Senator SALTONSTALL or YOUNG, from Appropriations; Senators BYRD, STENNIS, and either Senator SALTONSTALL or SMITH, from Armed Services; and Chairman FULBRIGHT, Senators SPARKMAN and WILEY, from Foreign Relations.

Either Senate combination, and the House group which encounters no similar problem of selection, would provide two CIA watchdog committees of exceptional quality. And the sense of "mission" that the creation of such committees imparts would be a shield against uniformed criticism that CIA greatly needs, and a filter of the information Congress should have in the public interest.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MAGNUSON. Mr. President, I offer an amendment, but I am willing to withdraw it to save time.

The PRESIDING OFFICER. Will the Senator send his amendment to the desk?

Mr. MAGNUSON. My amendment proposes on page 27, line 9, after the period, to insert the following:

> The term "feed grain" shall also include rye in areas designated by the Secretary.

For the purpose of the RECORD, I wish to ask the Senator from Louisiana a question with regard to this situation. Farmers and producers in my area have suggested to me that the amendment be included in the bill because, they say, due to climatic conditions and the necessity for soil conservation in certain dryland wheat production areas, it has been necessary to plant rye in lieu of barley, in recent years. They suggest that unless the language in the proposed law is amended, producers who planted rye during the 1959 and 1960 base years will be denied a feed grain base, while their neighbor, who was able to plant barley, would have established a feed grain base in that program.

In my State there are many producers who, because of their desire to follow soil conservation practices, have been planting rye. Those farmers desire to participate in the feed grain program to the greatest extent possible; and they believe that unless the amendment is adopted they will be denied that privilege.

In other words, I suspect they can, if they have been planting rye when it has been necessary due to the conditions which existed in 1959 and 1960. They could not shift back and participate by planting barley. The situation poses an inequitable problem. Apparently because of the dryland areas, in some years rye has been a better crop.

Mr. ELLENDER. The amendment now before the Senate covers corn, barley, and grain sorghums; that is all. Rye is excluded, so farmers can plant all the rye they desire.

Mr. MAGNUSON. What they are getting at—and there was a conference on the subject—is that if they had planted rye during the 1959 and 1960 base years, and then desired to plant barley, so as to participate in the feed grain program, they would be denied the right to make that shift because they had been planting rye. But they planted rye instead of barley only because of the climatic and soil conditions.

I suppose that what they are contending is that they cannot shift from one grain to the other, because barley is included in the program and rye is not. They can continue to plant rye.

Mr. ELLENDER. That is true. That is why I say I do not quite understand the purpose of the amendment.

Mr. MAGNUSON. They can continue to plant rye and qualify under the base period.

Mr. ELLENDER. But so far as the production of rye is concerned, there is no limitation; a farmer can plant all the rye he wishes.

Mr. MAGNUSON. If they had been planting rye during the base period 1959 and 1960, as many farmers did, and wanted to get into the feed grain program and limit themselves to planting barley, they would have no base.

Mr. ELLENDER. That is right if they did not plant barley, corn, or sorghum in the base period.

Mr. MAGNUSON. That is correct; but it was necessary for them to plant rye instead of barley due to climatic conditions in those particular years.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. Rye was considered to come under the feed grain base, was it not? Rye was considered to be a feed grain in the 1959 and 1960 period.

Mr. ELLENDER. No; rye is not included in my amendment. In the original administration bill it was included at the discretion of the Secretary.

Mr. HUMPHREY. As a feed grain?

Mr. ELLENDER. Yes.

Mr. HUMPHREY. Might it not be, then, that the acreage which was planted in rye could be considered for the purpose of feed grain allotments, which are now included in the bill as grain sorghums? Rye acreage would have been included in the 1959–60 base.

Mr. ELLENDER. Under the original administration proposal it could.

Mr. MAGNUSON. The rye farmers could come into the program. I think they want to get into the program.

Mr. HUMPHREY. They want to make certain that they are not excluded from the base of 1959–60. They had 50 acres of rye, which was considered as a feed grain under the discretionary authority of the Secretary. They want to make certain that the 50 acres are not denied them for purposes of corn, barley, and grain sorghums, which come under the feed grain category in the bill.

Mr. MAGNUSON. I feel certain the committee wants to handle this problem fairly, so I withdraw the amendment. I understand this proposal is covered in the House bill.

Mr. ELLENDER. It is included in the House bill.

Mr. MAGNUSON. It will not be in the Senate bill. This question can be taken up for consideration in conference.

Mr. ELLENDER. That is correct.

Mr. MAGNUSON. On the basis that the Senator from Louisiana says that there is language in the House bill which includes rye, and that if it is kept out of the Senate bill, it will be possible to go to conference and arrive at an arrangement so that equity will be done in this particular instance.

Mr. McCARTHY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. McCARTHY. There is a problem, since it is not possible under the act to produce rye on converted acres. I am certain the chairman will work on this problem in conference, so that there will not be a situation in which rye acres will be counted as a base and the farmer will be paid for taking his acres out of production, and then will switch around, because the act provides that rye may be grown on converted acres. I am sure the chairman will arrive at a proper adjustment.

Mr. MAGNUSON. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Washington withdraws his amendment.

Mr. MILLER. Mr. President, I have at the desk amendments to the Ellender amendment which I ask to have read.

The PRESIDING OFFICER. The amendments to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to amend the Ellender amendment as follows:

Strike the word "hardship" in line 23 on page 24 and insert in lieu thereof the following: "an average loss of 20 percent gross income".

Strike the word "unduly" in line 24 on page 24 and insert following the word "increase" the following: "by 25 percent".

Insert following the word "area" in line 1 on page 25 the following: "based on 1959–1960 operations".

The PRESIDING OFFICER. Does the Senator from Iowa desire that his amendments be considered en bloc?

Mr. MILLER. Yes.

Mr. President, first I yield half a minute to the Senator from New Jersey, and then I will yield 2 minutes to the Senator from South Dakota. I ask unanimous consent that their remarks follow the action on my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, I read the following language at the end of page 3 of the amendments intended to be proposed by the Senator from Louisiana, and I shall then ask a question. Beginning on line 16, the language reads:

> The national public interest and general welfare require that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. Feed grains which do not move in the form of feed grains outside of the State where they are produced are so closely and substantially related to feed grains which move in the form of feed grains outside of the State where they are produced, and have such a close and substantial relation to the volume and price of livestock and livestock products in interstate and foreign commerce, that it is necessary to regulate feed grains which do not move outside of the State where they are produced to the extent set forth in his act.

Does the distinguished chairman of the committee feel that by that declaration in the legislative findings it is made constitutional for the Federal Government to regulate and control feed grains which do not move outside the State and do not enter into interstate commerce directly? In other words, does the chairman believe that that kind of declaration in legislative findings makes grain which is wholly consumed, wholly used, and wholly handled within a State come under the commerce clause of the Constitution and makes such locally used and locally handled grain interstate commerce?

Mr. ELLENDER. This provision is in the existing law.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. MILLER. Mr. President, I yield myself another minute.

Mr. ELLENDER. I presume that cattle, which eat feed wholly within the State, could then be moved into commerce.

Mr. CASE of South Dakota. But suppose the cattle are butchered locally. Suppose they are butchered on the farm and the meat used on the farm. Or suppose the cattle are butchered in a local shop or packing plant.

Mr. ELLENDER. We have been operating under the same language and getting along with it for quite awhile. It is merely a declaration of policy.

Mr. CASE of South Dakota. It is a legislative finding. Moreover, in my State there has been some problem with respect to elevators which are locally owned and are not members of any chain. The operators have even wondered whether they should be under regulations of the Interstate Commerce Commission.

Mr. ELLENDER. As I have just now stated, the identical language was included in the 1938 act.

Mr. CASE of South Dakota. The identical language?

Mr. ELLENDER. Yes; this is copied from the 1938 act.

Mr. CASE of South Dakota. The 1938 act did not provide for control of feed grains from a mandatory point of view, however.

Mr. ELLENDER. No; but it provided for supports, and it provided marketing quotas. But, unfortunately, they were never put into effect.

Mr. CASE of South Dakota. But the farmer could sign up or could stay out, as he chose.

Mr. ELLENDER. Yes, since quotas were never proclaimed.

Mr. CASE of South Dakota. However, in this case, if quotas are voted by two-thirds of the eligible farmers, the quotas will be applicable to all farms, regardless of whether the farmers have signed up.

Mr. ELLENDER. I may say similar language applied not only to corn and feed grains but also to all the commodities covered by the 1938 act—which were five in number: Corn, wheat, cotton, tobacco, and peanuts.

Mr. CASE of South Dakota. But the problem arises because if such blanket coverage is voted by two-thirds of the farmers, all farmers will be subjected to the restrictions.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MILLER. Mr. President, my amendment has to do with the deficit-area provisions on page 24 of the Ellender amendment. Under that amendment it is provided that this law will not apply to deficit areas; and the application is to be determined by the Secretary of Agriculture as follows: First, that the application of the provisions of this act would result in hardship to producers. However, the bill does not establish any guidelines in connection with the Secretary's determination of what "hardship" means. It seems to me we ought to define "hardship" and ought to state what it means. It seems to me that Congress should lay down the necessary guidelines in that connection; and I believe that a fair test of "hardship" would be what my amendment proposes—namely, an average loss of 25 percent of gross income.

Then the Ellender amendment reads: "To producers in such area would unduly increase the price of feed," but there is no guideline as to what "unduly" means.

It seems to me it is for Congress, not for the Secretary of Agriculture, to determine that. So my amendment provides that a 25-percent increase in the price of feed grains would be "undue."

Finally, the Ellender amendment reads: "and would disrupt normal farming practices in such area."

But, again, no one knows what "normal farming practices" are. Therefore, my amendment would require that determination to be based on 1959-60 operations.

I believe my amendment is fair. It takes from the Secretary of Agriculture unlimited discretion.

Last evening we had a colloquy between the distinguished Senator from North Carolina, the distinguished Senator from Minnesota [Mr. HUMPHREY], and myself; and in that colloquy it seemed to be the feeling that some guidelines should be set forth, to cover this provision of the Ellender amendment.

Mr. ELLENDER. When would the loss to which the Senator has referred—"an average loss of 25 percent of gross income"—occur? Would it be an anticipated loss?

Mr. MILLER. It could be anticipated. But how else could the Secretary of Agriculture determine what "hardship" would be?

Mr. ELLENDER. The purpose of this part of the amendment is to allow the Secretary of Agriculture to have the privilege of deciding, as to an area which he would describe, whether there was a deficit of feed grains. This provision would give him the right to deal with that, and of course that would be left to his discretion.

It is my belief that he could better determine that under the circumstances existing at the time, instead of our trying to tie him down by means of guidelines such as the ones the Senator from Iowa is now proposing.

How could the Secretary of Agriculture figure that out? It would certainly require a guess on his part, if he were instructed to determine whether the gross income of the farmer would be decreased by 25 percent.

Mr. MILLER. Let me suggest to the Senator, who is so much concerned about all the surpluses, that this part of his amendment opens up a gap as wide as a tunnel, for the Secretary of Agriculture to determine the purposes of the Senator's amendment. All I am trying to do is tie it down, so the purposes of his amendment cannot be defeated.

The Senator from Louisiana says the Secretary of Agriculture would make a guess, under the amendment I have submitted. But what kind of guess does the Senator from Louisiana think the word "hardship" would require the Secretary of Agriculture to make?

This amendment will define the word "hardship"; and I should think the Secretary of Agriculture would prefer to have a little guidance in that connection.

Furthermore, the provision in regard to the 25 percent provides some definition of the word "undue." When words such as "hardship" and "undue" are used, they are meaningless unless some provision for their definition is made.

I should like to have the Senator take my amendment to conference and see what can be done there. Perhaps the percentage set forth in the amendment is high; but certainly I believe some such guideline should be established.

Mr. ELLENDER. Well, I would have no hesitation about taking the amendment to conference.

But I return to the proposition that the Secretary of Agriculture would have to peer into the future quite some distance, in order to find out whether the average loss of gross income would be 25 percent. I wonder how he could determine that. It would require a big guess.

Mr. MILLER. But the Secretary of Agriculture is dipping into the future all the time.

Mr. ELLENDER. However, I am willing to take the amendment to conference; and it may be that the conferees can draw up additional guidelines, in order to do what the Senator from Iowa seeks to have done.

Mr. MILLER. Then may I offer my amendment with the understanding that the Senator from Louisiana will not object to it?

Mr. ELLENDER. I understood that the Senator from Iowa had already offered the amendment.

The PRESIDING OFFICER. That is correct; the pending question is on agreeing to the amendment of the Senator from Iowa.

Mr. MILLER. Mr. President, I yield back the remainder of the time under my control.

Mr. ELLENDER. Mr. President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

Mr. MILLER. Mr. President, I offer my last amendment, and ask that it be stated. I now send it to the desk.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The LEGISLATIVE CLERK. It is proposed to amend the Ellender amendment by striking out lines 11 through 25, on page 12; and by striking out lines 1 through 3, on page 13.

The PRESIDING OFFICER. Without objection, these amendments will be considered en bloc.

Mr. ELLENDER. Mr. President, none of these amendments have been printed; so it is rather difficult to keep up with them.

Mr. MILLER. Mr. President, let me address myself to my amendment.

First, I wish to apologize to the Senator from Louisiana for not having this amendment printed. However, I wish to point out that not until the Eastland amendment was rejected did I know whether this amendment should be offered.

My amendment simply removes from the bill the exemptions for the small farmers. I realize that a great deal of emotion can be attached to the small farms of 25 acres or less; but I invite the attention of the Senate to the fact that there are approximately 300,000 or 400,000 of these small farms; and if the Senator from Louisiana is genuinely interested in reducing the surpluses, I suggest to him that the quota and the allotment should be applied across the board, because if an exemption is made of the 300,000 or 400,000 small farms, the cutback in production and the cutback in the surpluses which are sought by the Ellender amendment will not be attained.

Mr. HICKENLOOPER. Mr. President, will my colleague yield to me?

Mr. MILLER. Of course.

Mr. HICKENLOOPER. I merely wish to say that I commend my colleague for offering this amendment. It is thoroughly and utterly practical. It is the way to attain such reduction, if Senators want it attained.

The exemption contained in the Ellender amendment would go far toward defeating the very purpose the sponsors of the Ellender amendment claim they seek to attain.

If we wish to have a reduction made, let us eliminate the exemptions and let us have the requirements of the bill apply across the board to the entire field of agriculture. Let us see whether we want to reduce production in this country or whether we prefer to have the bill apply to a special area or to make possible a special discretionary operation by the Secretary of Agriculture.

Let us meet the issue head on. Let us meet the issue squarely. My colleague's amendment will do just that, and that is the issue in his amendment. He has an excellent amendment. It is in keeping with the announced purpose of many Senators in connection with this bill and amendment. I think it is a square issue. I congratulate him for offering the amendment. I shall certainly support it.

Mr. MILLER. I thank the Senator from Iowa.

Mr. President, I reserve the remainder of my time.

Mr. ELLENDER. Mr. President, I am, of course, against this amendment. We have tried to protect the small farmers to the best of our ability. The 25-acre provision means that the farmer must have a base up to 25 acres if he is to obtain an exemption. It does not work in the same manner as the wheat exemption worked, under which a 15-acre exemption was given to the farmer, whether he had a history or not. In order for a farmer to be able to obtain an exemption of as many as 25 acres, he will have to show that his base acreage was up to 25 acres. It cannot be in excess of that amount.

As I have argued for quite a while with my good friend, the Senator from Ohio, we are trying to protect the small farmer and trying to make it possible for him to grow at least as much feed on his farm, as he did in the past.

I do not agree to support the amendment. I ask the Senate to vote down the amendment.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. Does the Senator realize that, granted that a historical base must be shown under his amendment, we are talking about 250,000 or 300,000 small farms?

Mr. ELLENDER. I think the Senator should be talking about almost 1 million farms throughout the country. I pointed out yesterday that the number of farms throughout the country producing 25 acres or less of feed grains was 1,204,532, and not the 600,000 figure to which the Senator has referred.

Mr. MILLER. May I ask the Senator how many of those are feed grain producers?

Mr. ELLENDER. I understand they are grain producers on the basis of 25 acres or less.

Mr. MILLER. If the figure is over 1 million, instead of 250,000 the Senator from Iowa is even more reinforced in what he has said. I cannot understand how the Senator from Louisiana can express such concern over the glut and surpluses that we have and at the same time in his amendment provide for an avalanche of exemptions. One million small farms are proposed to be exempted from the acreage and market allocations.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HUMPHREY. I am somewhat intrigued by the argument of the Senator from Iowa, because only a short time ago he was trying to exempt all farms in America that produced feed grains—big, little, or medium.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MILLER. I want us to be consistent. Either we ought to exempt them all, as the Eastland amendment would have done, or we ought to exempt none, as the Miller amendment would provide.

Mr. HUMPHREY. That is simple logic, but not very convincing or sound. What the Senator from Louisiana is proposing is that every consideration be given to the very small producer and the small farmer by establishing a feed grain basis in the crop years 1959 and 1960.

What are the reasons for it? One of the reasons is administrative, because of the vast number of farms involved. Another is simple equity and social justice for the small farmer himself.

I suggest that the idea of saying that, if one is exempted, all ought to be exempted has very little relevancy in the application of any rule in any area of human activity. For example, we have provided that if a person does not make over $600 a year, he not have to pay an income tax. So what the Senator from Iowa is saying is that if a person not making over $600 a year is exempted from paying an income tax, all persons should be exempted.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MILLER. On that point, the Congress has said, as the Senator well knows, that everybody gets a $600 exemption. It is an across-the-board provision. I submit that is a perfect analogy for what we are trying to do. This is an across-the-board provision. If we do not make it that way, it will literally destroy the objective of the Senator from Louisiana. I think the Senator has made my case when he points out that there are 1 million small farms.

Mr. ELLENDER. I point out that these exemptions merely give farmers the opportunity of planting grain, but they do not get price supports. They can plant grain, and I presume they will feed it on the farm, but under no conditions are such farmers to obtain price supports unless they are willing to cut their acreage in the same percentage that the larger farmers' acreage would be cut by the Secretary. Only in that case could such farmers get the protection that the larger farmers received who had to reduce production.

In other words, if the farmer has a base of 25 acres or less, he can plant as he has planted in the past, without price supports; but if he desires to get under the program, and if he wants to vote on the program, he can take the cut, enter into the program, and obtain price supports and payments, and vote on the program.

Mr. MILLER. That is a valid point, but the only difficulty is that it is not the whole story. The Senator well knows that those farmers are not interested in price supports on small acreage. As the Senator pointed out, most of it is fed. It does not make any difference where the feed grains are, whether they are in the bin, on the farm, or in the bellies of livestock. If they are in the total crop on hand, that is what counts, and it is the glut of the market that can result from exempting these 1 million farmers that will destroy the Ellender amendment.

I yield back my time.

Mr. ELLENDER. I yield back my time.

The PRESIDING OFFICER. All time on the amendment is yielded back. The question is on agreeing to the amendment of the Senator from Iowa [Mr. MILLER] to the amendment of the Senator from Louisiana [Mr. ELLENDER].

The amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the Ellender amendment as amended. The yeas and nays have been ordered, and the clerk will call the roll——

Mr. AIKEN. Mr. President, I want to yield some time on the bill. First, I yield 5 minutes to the senior Senator from Iowa [Mr. HICKENLOOPER].

The PRESIDING OFFICER. The Senator from Iowa is recognized for 5 minutes.

Mr. AIKEN. And then I wish to yield to one more Senator.

Mr. HICKENLOOPER. Mr. President, I shall be very brief. I think the step that is being proposed in the amendment now being considered can well be, if it becomes law, the death blow to free American agriculture. It is a bill that places complete control over the agriculture economy of this country, over the latitude and freedom of the farmer, in the hands of the Secretary of Agriculture, subject to his whimsical operations. Not only is it a bill with general control, but if the Senate accepts the amendment proposed by the Senator from Louisiana, so far as price, acreage allocations, marketing controls, and penalties are concerned, it is as full of discretionary authority.

The amendment is a complete control amendment. Make no mistake about it, it is the most rigid and far-reaching proposal to subject what has always been the great bastion of freedom in our American economy—agriculture—to controls, to dictation, and to stifling.

If the amendment goes onto the statute books, we shall find that though agriculture may have a certain amount of freedom, it will not be freedom as a matter of right, but freedom only to such a degree as the grace of the Secretary of Agriculture sees fit to grant. That is what will occur, and make no mistake about it.

What has been proposed? A bitter choice has been proposed. A shotgun has been placed at the head of the feed grain producers in this country, with the statement, "You will either take what we put on you, when we saddle full controls over all producers, by voting in favor of it by two-thirds; or, if you do not, we threaten you with economic disaster by destroying supports, by destroying the program, by dumping 10 million tons of feed grains on the market at approximately the support price."

The farmer is not to be given a choice, except the bitter choice between practical slavery or extinction. That is approximately the choice he would have under the amendment. He would not be given a choice as to whether to take the program which is proposed or to accept a substantial land retirement program. That provision could not be driven into the proposal with a mallet. The farmer would be given a choice as to whether he would support a voluntary substantial land retirement program, and be otherwise free to operate the farm, or the present proposal.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. AIKEN. Mr. President, I yield 2 more minutes to the Senator from Iowa.

Mr. HICKENLOOPER. In addition, the amendment, involving discretionary power and responsibility in the Department of Agriculture, would make it possible to go into every farm and onto every acre of every farm in the feed producing area, and would produce a new horde of Government employees in the Department of Agriculture, much like the locusts, which, it is said, will increase this year in Washington and on the eastern seaboard.

There will be a great new expansion of bureaucracy. Government agents will be in the feed lots, in the corn fields, in the bean fields, and in the sorghum fields of every farmer of America. Government agents will be looking over the shoulders of the farmers, to see what they plant, where they plant it, and how much they get for it, and to measure their land as never before. That is what will happen.

Then there will be penalties. If two-thirds of the farmers should vote for this program, under compulsion and under the threat of economic ruin if they do not take it, even though they do not really want it but have no real choice, what will happen? Penalties will be assessed, if by inadvertence a farmer should exceed the allotment.

The penalties go even further, in what is quite an innovation. Anybody who purchases feed grains from anybody who has violated the allotment will also be stuck for the penalty under the penal provisions. Who will be able to buy from a farmer, unless he suffers the hazard that the farmer from whom he buys may have violated the provisions of the law or the regulations of the Secretary? If that farmer has violated them, the one who buys from him had better look out, because he can be assessed penalties.

The PRESIDING OFFICER. The Senator's time has again expired.

Mr. HICKENLOOPER. May I have 1 more minute, please?

Mr. AIKEN. Mr. President, I yield 1 minute to the Senator from Iowa.

Mr. HICKENLOOPER. If the amendment goes into effect I doubt that the free farmers of America will accept the program by a two-thirds vote. Secondly, if the farmers feel bludgeoned into accepting it, by compulsion, because the only other alternative is economic depression if it is enforced, it will be a sorry day for freedom, liberty, and opportunity of agriculture in this country.

I thank the Senator from Vermont.

Mr. AIKEN. Mr. President, I yield 10 minutes to the senior Senator from Florida [Mr. HOLLAND] from the time on the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. HOLLAND. Mr. President, I thank the Senator from Vermont.

We have heard a great deal of talk about the tender feelings of Senators for the small farmer. I remember that the Senate voted down an amendment, by a vote of 45 to 40—three changed votes would have changed the result—which would have permitted the farmer to raise grains on his farm to operate the farm. This applied mostly to the small farmer. This Senate voted down that amendment.

Before I speak about the feed grains amendment I wish to invite attention to another remarkable act of tenderness toward the small farmers. The bill before the Senate would knock out a provision of law which has been in existence for a long time, granting a 30-acre exemption to wheat farmers under section 335(f) of the existing law. There is a complete exemption of 30 acres, under the following provision:

> (1) This condition shall not apply to farms operated by and as a part of State or county institutions or religious eleemosynary institutions;
>
> (2) That none of such crop of wheat is removed from such farm except to be processed for use as human food or livestock feed on such farm and none of such crop is sold or exchanged for goods or services.

There has not been a realization during the course of this debate that the 30-acre exemption is to be eliminated, but it is to be eliminated. I want the farmers to know that the Senate, if it votes for the measure before the Senate—and I hope it will not—will be voting to destroy a very precious right which poultry farmers all over the Nation have asked for and have received in earlier years, and have enjoyed for many years. This is the right to produce up to 30 acres of wheat for the purpose of feeding their poultry, their own people, and their children living on the farms.

That provision is to be eliminated from the law, under the terms of the bill.

Next I wish to speak of the feed grains provision. The chief vice in this provision is that it does not recognize the laws of nature in the feed grain business, under which all States do not have a surplus and all areas do not have a surplus.

To the contrary, many States and many areas which are substantial producers of livestock, of dairy products, of poultry, and the like, do not raise enough feed for their own use; yet those areas and States would be required, under the provisions of the bill before the Senate, to take the same cut which is provided against the heavy commercial areas.

I shall consider the deficit area provision in a moment, if I may. That is the only thing which might prevent such a result; and it will not prevent it. I shall discuss that point in a moment.

Mr. President, my own State is a very great deficit area. We produce tens of thousands of livestock each year, tens of thousands of hogs, poultry in immense quantities, and milk in vast quantities. We raise sizable quantities of grain, and we are trying to raise more, because we are the most remote State in the Union from the heavy producing areas of feed grains. Therefore, we have to pay more for feed grains than any other producers in any other State have to pay, except perhaps those in New England.

Mr. President, the facts are very clearly shown. I have the record of the Department of Agriculture, which shows that in my State production has been heavy. For example, in the 1961 crop, there were 9.6 million bushels of corn, of which only 150,000 was even put under loan—about 1½ percent. My belief is that none entered into the Government surplus.

The year before that the quantity was 8.9 million, with about 1½ percent placed under loan, or 139,000 bushels. Either none or an infinitesimally small amount went into Government surplus. We have been producing corn because we need it. We need it for our own livestock and our own needs. We would be discriminated against if we were prevented from producing it. Why? Because we are a long way from the fertile fields of Iowa, Illinois, and other places where feed grains are produced in large amounts. We would be required to pay higher transportation costs. Our dairy farmers, poultry farmers, livestock farmers, and hog farmers all have a definite stake in being allowed to raise that which they need and have been raising, and with which we have been building a great industry down in our State. Shall we be permitted to continue to build that industry? The Senate, if it adopts the feed grain amendment, would say "No." It would not permit the continuation of that effort to take care of our own needs and feed our own stock, without imposing on the Federal Government under any price-support program or in any other way.

Let us get back to the deficit area provision, which I promised to talk about. The deficit area provision in the amendment is nothing but a carrot on a stick, because it does not mean a thing in the world. It provides:

> DEFICIT AREAS
>
> SEC. 360k. Notwithstanding any other provision of this part, in any area (county, State, or region) in which the Secretary determines (1) that the application of the provisions of this Act would result in hardship to producers in such area, would unduly increase the price of feed grains in such area relative to other areas, and would disrupt normal farming practices in such area, and—

This is the real meat in the coconut—

> (2) that the exception provided by this section would not impair the effective operation of this Act, he may provide in accordance with such regulations as he may prescribe that no farm marketing quota (that is, production on the acreage allotment) for any crop of feed grains shall be applicable to any farm in such area, if the acreage of such crop of feed grains does not exceed the farm base acreage determined for the farm.

We all know perfectly well that when we consider all the States that are deficit areas, we have a clear showing that all the New England States are deficit areas. Many of the States along the seaboard are deficit areas. All the States of the Southeast are deficit areas. When we realize that such is the case, we know perfectly well that the Secretary, even if he were completely partial to the idea of exempting areas which were deficit areas, could never find that the exception provided for by the section would not impair the effective operation of the act, because it would impair it.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HICKENLOOPER. I know that the Senator's time is limited. I should like to ask the Senator if he agrees that marketing quotas in feed grain areas have never worked and never will because of the nature of the operation—the raising of the feed and the feeding on the farm.

Mr. HOLLAND. I do agree. Some people see no difference between feed grains which are fed—85 percent of them—either on the farm where they are produced, or nearby, and do not enter into the commercial handling of grains, and, on the other hand, tobacco, cotton, or rice, which certainly are not consumed on the farm. It is idle to put them in the same category because they are not. Mr. President, when we talk that way, we have our tongues in our cheeks, because we know perfectly well that the feed grains are consumed, in the main, on the farms where they are produced or in the nearby areas.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for one more question?

Mr. HOLLAND. I yield.

Mr. HICKENLOOPER. Will the Senator confirm the fact that the amendment, in effect, though it has been very slightly modified, was rejected by the Committee on Agriculture and Forestry after the committee heard the evidence and the facts?

Mr. HOLLAND. The Senator refers to the entire feed grains provision.

Mr. HICKENLOOPER. The feed grains provision.

Mr. HOLLAND. The feed grain amendment was rejected. In my judgment the bill could not have been reported if the amendment had not been rejected. It was rejected because of the great difference between feed grains and other great crops, and because of the differences in various areas of the Nation in connection with feed grain production.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Ohio.

Mr. LAUSCHE. I preface my question with the statement that Ohio produces in feed grains about what it consumes. It is not a deficit production State from the standpoint of feed grains. If the Secretary of Agriculture should determine that he will grant special privileges, in his discretion, to the deficit States—and I am thinking of the New England States, Florida, and similar States—how could he ever come to the conclusion that the granting of such exemptions would not impair the efficiency of the general program?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. I yield another 3 minutes to the Senator from Florida.

Mr. HOLLAND. The Secretary could not possibly come to that conclusion. That is exactly the point which I am making. If Senators will turn to page 9 of the report of the committee, they will find a clear picture of what happens in deficit States. The first six States listed are the New England States, in each of which there is a deficit. Under the last voluntary program, they hardly accepted at all the opportunity to divert acres and take them out of production. Why? Because they needed every bushel they could produce. The highest diversion of the six States that did divert was only 4.1 percent of its farms. The lowest was New Hampshire, which did not divert acreage on any of its farms. The State of Vermont, which is well represented here by the senior Senator from Vermont [Mr. AIKEN], diverted acreage on 2.2 percent of its farms. In the State of Massachusetts 0.6 percent—less than 1 percent—of its farms showed any diversion. The State of Rhode Island showed 0.3 percent.

Mr. President, we can see what happens in any area in which there is a deficit. Farmers hold on dearly to the right to produce all they can. They did so even in the face of an offer of a large bonus for nonproduction which was made last year and is offered again this year.

Mr. President, in the case of the States in the Southeast, every one of them is well below the national average, which is 40.1 percent of the grain farmers in the Nation. That is, a little over 40 percent of them diverted part of their acres. Every State in the Southeast is well below that figure. The States which diverted heavily are the heavy producing States, as Senators can see from the list, such as 70 percent, 60 percent, and various other large percentages of diversion, as shown in the list. I shall not call the names of the States.

Mr. President, is it proper to take away the right to produce what the people in a State need? I say it is not. Any law based upon such a premise is found to fall because any such law must have the approval and support of the people who depend upon the production which is affected by the law, and must commend itself in such a way that it will live and serve.

I hope that the amendment will be rejected, because if the amendment had been retained, the bill would have been prevented from reaching the floor of the Senate, in my judgment. It should be rejected now. After long study, the committee felt that it was a wrong thing for us to do. That is the reason that we took the action that we did in the committee. I hope the Senate will reject the feed grain amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. AIKEN. Mr. President, we have no more speakers.

The PRESIDING OFFICER. Without objection, all time is yielded back. The question is on agreeing to the Ellender amendment, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FONG (when his name was called). I have a pair with the junior Senator from Missouri [Mr. LONG]. If he were present and voting he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. LAUSCHE (when his name was called). On this vote I have a pair with the Senator from Alaska [Mr. GRUENING]. If he were present and voting he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. HICKEY (when his name was called). I have a pair with the junior Senator from Colorado [Mr. CARROLL]. If he were present and voting he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. MCGEE], and the Senator from Missouri [Mr. LONG] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from New Mexico [Mr. CHAVEZ] are necessarily absent.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Texas would vote "nay."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Louisiana [Mr. LONG] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Wisconsin would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL], and the Senator from Texas [Mr. TOWER] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

If present and voting, the Senator from Connecticut would vote "nay".

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from Louisiana would vote "yea."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from California would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Texas would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Wisconsin [Mr. WILEY] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Wisconsin would vote "nay," and the Senator from Wyoming would vote "yea."

The result was announced—yeas 46, nays 37, as follows:

[No. 60 Leg.]

YEAS—46

Bartlett
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Dodd
Douglas
Ellender
Engle
Ervin
Gore
Hart
Hartke
Hayden
Hill
Humphrey
Jackson
Jordan
Kefauver
Kerr
Long, Hawaii
Magnuson
Mansfield
McCarthy
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Russell
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Williams, N.J.
Yarborough
Young, Ohio

NAYS—37

Aiken
Allott
Anderson
Beall
Bennett
Boggs
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Church
Cooper

Cotton
Curtis
Dirksen
Dworshak
Eastland
Hickenlooper
Holland
Hruska
Javits
Keating
McClellan
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—17

Bush
Butler
Carroll
Chavez
Fong
Fulbright
Goldwater
Gruening
Hickey
Johnston
Kuchel
Lausche
Long, Mo.
Long, La.
McGee
Tower
Wiley

So Mr. ELLENDER'S amendment, as amended, was agreed to.

Mr. PROXMIRE obtained the floor.

Mr. DIRKSEN. Mr. President, will the Senator from Wisconsin yield, without losing his right to the floor?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield to the distinguished minority leader without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader, in view of his announcement earlier today, whether the action just taken on the Ellender amendment will conclude the business for today, after the amendment of the distinguished Senator from Wisconsin [Mr. PROXMIRE] has been set as the pending business for tomorrow.

Mr. MANSFIELD. Yes. There will be no further votes tonight. Of course, any Senator who wishes to speak may do so. But at the first available opportunity, the leadership will move that the Senate adjourn until 10 o'clock tomorrow morning, under the order previously entered, and I express the hope that the Senate will be able to conclude action on the bill tomorrow.

Mr. DIRKSEN. I thank the distinguished majority leader.

Mr. PROXMIRE. Mr. President, I offer my amendment designated "5-21-62—J," and ask that it be made the pending business. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. The amendment will be identified.

The LEGISLATIVE CLERK. The amendment is designated "5-21-62—J."

The PRESIDING OFFICER. Without objection, the reading of the amendment will be dispensed with, and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 66, between lines 6 and 7, insert the following:

"SUBTITLE C—DAIRY INCOME IMPROVEMENT PROGRAM

"Legislative finding

"SEC. 330. Milk is a basic source of the Nation's food supply. Dairy farming, which is carried on in every State of the Nation and is an important source of farm income, constitutes a vital segment of the agricultural and national economy. It is in the national interest that there be adequate and balanced supplies of milk. Surpluses of milk result in low prices to producers and impair their purchasing power; shortages result in unreasonably high prices to consumers and the loss of markets for producers. Recurring shortages and surpluses cause undesirable fluctuations in prices to producers and consumers, unstable farm income, and disorderly marketing practices. The general welfare requires that interstate and foreign commerce be protected from the harmful effects of imbalances in the supply of milk and dairy products. All marketings of milk and dairy products are either in the current of interstate and foreign commerce or directly affect such commerce. The intrastate marketing of milk and dairy products is in competition with the marketing of milk and dairy products in interstate and foreign commerce. Milk and dairy products which enter directly into the current of interstate and foreign commerce cannot be effectively regulated without regulating that part marketed within the State of production. The conditions affecting the production and marketing of milk and dairy products are such that, without Federal assistance, farmers individually or in cooperation cannot maintain a flow of an adequate and balanced supply of milk in interstate and foreign commerce at prices fair and reasonable to producers.

"General definitions

"SEC. 331. For the purposes of this subtitle—

"(a) The term 'interstate commerce and foreign commerce' includes the movement of milk and dairy products in commerce between any State or the District of Columbia and any place outside thereof, or within the District of Columbia.

"(b) The term 'affect interstate and foreign commerce' means, among other things, to burden, obstruct, impede, or otherwise affect interstate and foreign commerce, the free and orderly flow thereof, or the production, storing, processing, marketing, or transportation of milk and dairy products for or in such commerce or after transportation therein.

"(c) The term 'Secretary' means the Secretary of Agriculture.

"(d) The term 'milk' means bovine milk, including any classification, type, or grade thereof.

"(e) 'Producer' means any person who is engaged in the production of milk or butterfat for market.

"(f) The term 'person' means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any other business entity.

"(g) 'First processor' means (1) any person, other than a retail store or establishment serving food for consumption on the premises, who receives, purchases, or acquires milk or dairy products from a milk producer for disposition in any form to others, and (2) any producer who disposes of milk or dairy products directly to consumers, retail stores, and establishments serving food on the premises.

"SEC. 332. In order to afford producers the opportunity and the means by which they can (i) on a compensated basis voluntarily adjust their marketings of milk during the marketing years ending March 31, 1963 and 1964, more nearly to equal demand, thus increasing their net returns and reducing Government purchases under its price support program, and (ii) receive prices for such marketing years at rates determined pursuant to section 337 of this Act for milk marketed within their normal marketing levels but receive prices which have been adjusted, through surplus marketing fees, to reflect a lower level of price support for milk marketed in excess of their normal marketing levels, thus stabilizing dairy farm income for milk marketed within normal marketing levels while reducing costs to the Government in supporting the price of milk marketed in excess of normal marketing levels and discouraging overexpansion in the production and marketing of milk, the Secretary is hereby authorized and directed, through the Commodity Credit Corporation and other means available to him, to carry out for the marketing years ending March 31, 1963 and 1964, a dairy income improvement program as set forth in the following sections of this subtitle.

"Surplus reduction payments

"SEC. 333. The Commodity Credit Corporation is hereby authorized to make surplus reduction payments to producers in the continental United States, excluding Alaska, who agree to reduce, during any one or more quarterly marketing periods of the marketing years, ending March 31, 1963 and 1964, their marketings to a level not (i) less than 10 per centum, or (ii) more than the larger of 25 per centum, or seven thousand five hundred pounds of milk below their normal marketing levels established pursuant to section 334 of this Act for such quarterly marketing period or periods: *Provided*, That surplus reduction payments shall be made to a producer only with respect to the reduction in his marketings which are below the lower of (i) the producer's normal marketing level, or (ii) the level of marketings which the Secretary estimates would be marketed by the producer during the period covered by his agreement with Commodity Credit Corporation if he continued marketing at the rate of his marketing when he entered into the agreement, adjusted for seasonal variations: *And provided further*, That Commodity Credit Corporation shall, to the maximum extent practicable, limit such agreements so as not to effect reductions in excess of 10 per centum of the total normal marketing levels for the marketing year established for producers within any one dairy district. For this purpose, the Secretary shall divide the continental United States, excluding Alaska, into fifteen dairy districts each having therein approximately the same proportion of total milk production. Commodity Credit Corporation may utilize surplus marketing fees paid to it under this Act, together with any other funds available to it for the purpose of price support, for the making of surplus reduction payments pursuant to such agreements. Such payments (1) shall not exceed $2.80 per hundredweight of milk, basis 3.82 per centum butterfat content, or exceed such rates as the Secretary determines will effectuate voluntary reduction in marketings by producers, and (ii) shall be less than the cost of acquiring such milk in the form of dairy products had such milk been marketed. A producer who fails to reduce his marketings to the extent required by such agreement shall be entitled to the surplus reduction payment on the quantity by which he actually reduced his marketings, but the amount of such payments shall be reduced by an amount equal to 20 per centum of what would have been the payment on the quantity of milk which he failed to reduce. Agreements entered into hereunder may contain such terms and conditions as the Secretary determines necessary to effectuate the purposes of the dairy income improvement program.

"Normal marketing level

"SEC. 334. If producers by referendum approve of the institution of a program as provided in this subtitle, the Secretary shall establish a normal marketing level for the marketing years ending March 31, 1963 and 1964, for each producer in the continental United States, excluding Alaska, who on the effective date of this Act was engaged in the production of milk for market. Such normal marketing level shall be the number of pounds of milk, or the number of pounds of milk fat, or such units of dairy products as the Secretary may deem appropriate for the administration of this subtitle, which the producer or his predecessor disposed of in commercial channels during the marketing year 1961–1962: *Provided, however*, That in no event shall a normal marketing level be established for less than fifteen thousand pounds of milk. The Secretary shall make such adjustments in a normal marketing level established hereunder as he deems necessary for abnormal conditions affecting production or marketing including but not limited to flood, drought, disease of herd, personal health, and the fact that the producer may have commenced production and marketing after April 1, 1961. A producer's normal marketing level for the marketing year shall be apportioned by the Secretary among quarterly marketing periods thereof in accordance with the producer's marketing pattern in 1961, subject to such adjustments as the Secretary determines necessary to enable the producer to carry out his herd management plans for the marketing year. The quantity thus apportioned to a quarterly marketing period shall be the producer's normal marketing level for such period.

"Sec. 335. The Secretary shall prescribe such conversion factors as he determines necessary for use in determining the quantity of milk marketed by producers who market their milk in the form of farm-separated cream, butterfat, or other dairy products.

"Sec. 336. The quantity of milk reduced by a producer pursuant to his agreement under this subtitle shall be considered as having been produced and marketed by him for the purpose of determining his production of marketing history under any farm program in which such history may become a factor. A producer may, to such extent and subject to such terms and conditions as the Secretary may prescribe, transfer his normal marketing level, or any part thereof, to any other producer or prospective new producer who agrees to utilize such base for the disposition in commercial channels of milk, butterfat, or dairy products, produced in the same State as that in which the transferor engaged in production, or any State adjacent thereto. A producer who moves from one area to another and there engages in the production and marketing of milk may take with him all or any portion of his normal marketing level. The Secretary may utilize funds available for purchase or loans on dairy products under the price support program to purchase and cancel bases at a price not exceeding the amount of surplus reduction payments which Commodity Credit Corporation would make for an equal reduction in marketings.

"Producer referendum and price support levels

"Sec. 337. Not later than February 1, 1963, the Secretary shall conduct a referendum, by secret ballot, of producers who during the marketing year 1961–1962 marketed not less than fifteen thousand pounds of milk to determine whether producers approve the institution of a dairy income improvement program for the marketing years ending March 31, 1963 and 1964. Producers shall be deemed to approve such a program if the Secretary determines that two-thirds of the producers who voted in the referendum or that producers who voted in such referendum and who marketed not less than two-thirds of the total quantity of milk which was marketed during the marketing year ending March 31, 1962, by all producers who voted in such referendum approve the institution of a dairy income improvement program. If producers approve a dairy income improvement program, the level of price support during such marketing years for milk and the products of milk shall, notwithstanding any other provision of the law be at 90 per centum of the parity price therefor as of the beginning of the marketing year. If producers do not approve a dairy income improvement program, the level of price support for milk and the products of milk, notwithstanding any other provision of law, shall be at a level not less than 75 per centum of the parity price therefor as of the beginning of the marketing year.

"Sec. 338. Whenever normal marketing levels are established under this Act, notwithstanding any provision of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.), any order issued under section 8c thereof may in addition to the provisions in section 8c (5) and (7) contain provisions for an adjustment in the uniform price for producers receiving surplus reduction payments for marketings below their normal marketing level. Under such provisions the total payments to such producers under an order shall be equal to (1) the uniform price multiplied by their normal marketing level minus (2) the lowest class price under the order multiplied by the amount by which such producers have reduced marketings below their normal marketing level. In the computation of the uniform price there shall be included, at the lowest class price, the volume of milk upon which producers will be entitled to marketing adjustment payments. For the purposes of this section a producer's normal marketing level shall be apportioned on a monthly basis. In the case of a producer part of whose normal marketing level is based on marketings which were not subject to regulation under the order during the representative period the Secretary shall apportion such producer's normal marketing level in accordance with his deliveries of milk in such representative period and the reduction in deliveries from the amount apportioned to the marketing area shall be considered in the calculation of the uniform price and payment under such order. The incorporation of provisions in an order hereunder shall be subject to the same procedural requirements of the Act as other provisions under section 8c.

"Surplus marketing fees

"Sec. 339. (a) The marketing of milk in the continental United States, excluding Alaska, either in the form of whole milk or of a product of whole milk during any quarterly marketing period of the marketing years ending March 31, 1963 and 1964, by a producer in excess of his normal marketing level for such marketing period, or by a producer who has no normal marketing level if normal marketing levels are established pursuant to this subtitle, shall be subject to a surplus marketing fee at a rate equal to the rate of the surplus reduction payment for similar milk established pursuant to section 333 of this subtitle: *Provided, however,* That no marketing fee shall be due on any milk or product thereof marketed during a quarterly marketing period commencing before the effective date of this Act.

"(b) The surplus marketing fee shall be paid to the Commodity Credit Corporation by the first processor who acquires milk or milk products from a producer in excess of the producer's normal marketing level, but an amount equivalent to the surplus marketing fee shall be deducted from the price paid by the first processor to the producer: *Provided*, That in case any milk or milk product is marketed directly by the producer to any person outside the United States the surplus marketing fee shall be paid and remitted by the producer. For the purpose of this section, a first processor who is also a milk producer shall be deemed to have acquired that portion of his production which he markets in excess of his normal marketing level. Such surplus marketing fee shall become due and payable within fifteen days following the marketing period in which the first processor receives from any producer milk or dairy products in excess of his normal marketing level or at the end of such other period of time as the Secretary may prescribe. The first processor and the producer shall be jointly and severally liable for any default in the payment of the surplus marketing fee and for interest thereon at the rate of 6 per centum per annum from the date such fee becomes due until the date of payment thereof except that the producer shall not be liable for any such default if the amount of the fee was deducted by the first processor from the price paid to the producer.

"(c) The Commodity Credit Corporation shall refund to persons determined by the Secretary to be entitled thereto the amount of surplus marketing fees determined by the Secretary to have been erroneously paid to Commodity Credit Corporation.

"(d) In case any person who is entitled to a surplus reduction payment or a refund or surplus marketing fee dies, becomes incompetent, or disappears before receiving such payment or refund or is succeeded in law by another, the payment or refund shall, without regard to other provisions of law, be made as the Secretary may determine to be fair and reasonable in all circumstances. The basis for, the amount of, and the persons entitled to receive a surplus reduction payment or a refund of a surplus marketing fee from Commodity Credit Corporation, when determined in accordance with regulations prescribed by the Secretary, and the amount of any surplus marketing fee established by the Secretary, shall be final and conclusive.

"Review and use of committees

"Sec. 340. The normal marketing level established for a producer shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in the county in which such producer resides and in the county or counties in which his dairy herd or herds are maintained. In establishing and apportioning marketing levels, the Secretary may utilize the services of local county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act and of agencies established to administer milk marketing orders issued under the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended. Notice of the normal marketing level shall be mailed to each producer as soon as practicable after its determination. Any producer who is dissatisfied with his normal marketing level may, within fifteen days after the date of mailing to him of the notice thereof, have such normal marketing level reviewed by a local review committee in accordance with standards prescribed by the Secretary. Such review committee shall be composed of three producers, appointed by the Secretary, from one or more of the counties in which the producer maintains his dairy herd or herds or counties adjacent thereto. Such committee shall not include any member of any other committee which determined the normal marketing level for such producer. Unless application for review is made within such period the original determination of the normal marketing level shall be final and conclusive.

"Miscellaneous

"Sec. 341. The provisions of section 364 (relating to review committee), section 365 (relating to the institution of proceedings), section 366 (relating to court review), and section 367 (relating to stay proceedings and exclusive jurisdiction) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1364–1367), shall be applicable to reviews and proceedings under this subtitle. The provisions of subsections (a) and (b) of section 373 of the Agricultural Adjustment Act of 1938, as amended, relating to reports and records of processors and farmers shall be applicable to each first processor and to each producer, respectively, under this subtitle. The provisions of section 388 (relating to utilization of local agencies) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1388), shall be applicable in the administration of this subtitle. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this subtitle. If and when the Secretary shall so request, it shall be the duty of the several district attorneys, under direction of the Attorney General, to institute proceedings to collect surplus marketing fees provided in this subtitle. The remedies and surplus marketing fees provided for herein shall be in addition to and not exclusive of any other remedy under law.

"Sec. 342. (a) The Secretary shall prescribe such regulations as are necessary for the enforcement and the effective administration of this subtitle.

"(b) Costs incurred in the carrying out of the provisions of this subtitle, except section 338 hereof, shall be borne by the Commodity Credit Corporation and shall be considered as nonadministrative expenses of the Corporation."

Mr. PROXMIRE. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield to the distinguished Senator from Illinois, without losing my right to the floor.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. DIRKSEN. Mr. President, it has been indicated that a number of committees will seek permission to meet tomorrow during the session of the Senate. I am quite distressed to do so, but I feel, under the circumstances, that I must object to such requests, if action on the bill is to be concluded tomorrow. So I now must object to any request that committees may meet during the session of the Senate tomorrow.

Mr. MANSFIELD. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Would the Senator from Illinois make an exception for the Committee on Government Operations, which is conducting hearings that have entailed the bringing of witnesses from a long distance?

Mr. DIRKSEN. Yes, I will, because that committee meeting will involve no markup of any kind. I make an exception for the Committee on Government Operations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Government Operations may meet tomorrow during the session of the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

OPPOSITION TO APPROPRIATIONS FOR NEW "FORRESTAL" CARRIER AND B-70

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed at this point in the Record a statement made by me this morning before the Subcommittee on Defense Appropriations of the Committee on Appropriations in opposition to the proposed appropriation for a new conventionally powered *Forrestal*-class aircraft carrier.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator William Proxmire Before the Subcommittee on Defense Appropriations of the Senate Appropriations Committee, May 24

I am appearing before this committee at my own request primarily to urge that the proposed appropriation for a new conventionally powered *Forrestal*-class aircraft carrier not be approved.

The cost estimates for the carrier range from $340 to $280 million, depending on whether it is built in a private or Government shipyard. If past experience is any guide, the higher estimate will turn out to be accurate no matter where the ship is built.

Yet a third of a billion dollars is only a downpayment on an aircraft carrier. Testimony provided by the Navy to the House Appropriations Committee stated that the cost of one aircraft carrier with supply and refueling ships, antiaircraft armament, and airplanes is "in excess of $1 billion." The chairman of the Senate Armed Services Committee, Senator Russell, Democrat, of Georgia, confirmed this estimate in response to my question on the Senate floor.

Almost as large as the U.S. Capitol—the length of three football fields—with a top speed of about 30 knots, confined to the surface of the ocean, with none of the advantages of hardened protection or underwater concealment, an aircraft carrier is an inviting target to enemy attack. It cannot squeeze through the Panama Canal.

A carrier can be knocked out of commission by even a nonnuclear attack. One conventional bomb or torpedo accurately placed could destroy its usefulness for military action.

Active research and development is in process on an antimissile missile to hit an object that could be as small as a typewriter 300 miles up moving at 17,000 miles an hour. Seen from that perspective, an aircraft carrier represents a frighteningly easy target.

The carrier requested in this appropriation won't be delivered in any event until late 1966. Further developments in weaponry make its vulnerability then all the more likely.

According to Navy testimony, the new *Forrestal* carrier will not increase the size of our attack carrier fleet, but will simply replace an *Essex*-class carrier which they describe as "obsolescent." I want to examine what that word means.

Is the *Essex* carrier obsolescent compared to Soviet or other potential enemy carriers? This cannot be the case, since no other nations are acquiring new carriers. The Soviet Union has none.

Fundamentally, the *Essex* carrier is obsolescent in concept: it is slow and unprotected in an age of high-speed missiles and massive nuclear and nonnuclear weapons.

This is genuine obsolescence, for which there is no cure except a gradual phasing out of carriers.

But simply building a brandnew carrier to be delivered in 1966, a little bit longer, a little bit faster, a little more advanced in equipment—and a lot more expensive—cannot cure this kind of obsolescence.

We already have 16 aircraft carriers in operation, plus a 17th new one due to be completed in 1965. These are the nuclear-powered *Enterprise*, seven conventionally powered *Forrestals*, three of the *Midway* class, and six of the *Essex* class. This represents a substantial investment in aircraft carrier capability.

Far from enlarging our attack carrier fleet, it is proposed to reduce it to 14. Several *Essex*-class carriers are to be retired.

Yet for the limited war situation in which aircraft carriers contribute to a show of strength, the *Essex* carriers provide impressive capability. It is such limited conflicts that provide the only possible justification for aircraft carriers. In the case of all-out war, neither the seasoned *Essex* nor the newest *Forrestal* would be much use.

With the exception of the *Enterprise* all our carriers including the proposed new one have a serious fuel problem. Extensive planning and coordination is required to supply them with fuel oil and aviation gas. Like the carriers themselves, these supply lines are highly vulnerable to nonnuclear enemy attack, even in limited war situations.

The Navy testified to the House Appropriations Subcommittee that aircraft carriers can play an especially important role in the western Pacific-southeast Asia area. Yet this is the area which obviously poses the most difficult supply and fuel problems.

In the 1959 debate in the Senate on acquiring the nuclear-powered carrier, several Senators, respected for their understanding of military affairs, stated that to acquire a conventional carrier would be to "buy obsolescence." I believe this argument had considerable force at that time, when it was stated in support of the nuclear carrier.

The statement is obviously more valid today. To buy a conventional aircraft carrier in an age of nuclear submarines, intercontinental rockets, supersonic airplanes, and sky-to-ground missiles, is to invest in obsolescence.

I fully recognize that this committee and the U.S. Congress are committed to make adequate provision for our national defense. Since the new aircraft carrier has been requested by the Navy and the Secretary of Defense, and included in the President's budget, a decision to disallow it will not be easy and must be based on hard, sober analysis.

But the decision to appropriate some $300 million and more for an aircraft carrier is ours. The final judgment and responsibility belong to Congress. To abdicate this responsibility by freely approving all Defense Department requests runs counter to the spirit of the Constitution and in practice can have most unfortunate consequences. It is we who must weigh and analyze and, finally, decide for ourselves what shall be done.

B-70 PROGRAM

Regarding the B-70 and its more recent cousin, the RS-70, I urge this subcommittee to accept the considered judgment of the Secretary of Defense, as endorsed by the President, and not provide additional funds above the budget request.

Dr. Harold Brown, Director of Defense Research and Engineering at the Pentagon, testified before the House Appropriations Committee that funds already appropriated for the B-70 program are ample for continued development in the coming fiscal year. The Defense Department expects to spend the very considerable sum of $171 million, out of the extra $180 million appropriated by Congress last year above administration requests. In total more than $1 billion has been made available for development of the B-70.

This year's authorization provides for an additional $491 million. A few days ago General LeMay appeared before this subcommittee to support an appropriation of that amount. The House-passed bill provides $223 million plus an additional $53 million for development of radar equipment for the RS-70—a total of $276 million, which is $105 million above the administration's budget request.

It is my hope that the Senate will endorse the considered judgment of the Secretary of

Defense and Director of Research and Development, based on rock-solid logical and factual analysis, by not appropriating any additional funds for the B-70.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that any time consumed on my amendment tonight be not charged to the time allotted to the amendment. My request is for tonight only.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield to the distinguished junior Senator from Minnesota, without losing my right to the floor.

Mr. McCARTHY. Mr. President, I thank the Senator from Wisconsin. I send to the desk an amendment which I intend to offer as a substitute for the amendment offered by the Senator from Wisconsin [Mr. Proxmire], and which has been made the pending business of the Senate.

The PRESIDING OFFICER. The amendment of the Senator from Minnesota will be received and printed, and will lie on the table.

Mr. McCARTHY. Mr. President, my amendment contains the provisions which are in the bill reported by the House Committee on Agriculture—although the bill has not been acted upon by the House itself—and also one additional provision; namely, that the Secretary of Agriculture be permitted to use the production payment method and to make supplemental payments to producers of milk for manufacturing who agree to reduce production, in addition to the surplus reduction payments made to such producers. I intend to offer my amendment as a substitute for the amendment which has just been offered by the Senator from Wisconsin and which has been made the pending business of the Senate.

VIEWS OF DR. EARL J. McGRATH, OF COLUMBIA UNIVERSITY, ON HIGHER EDUCATION

Mr. MORSE. Mr. President, Dr. Earl J. McGrath of the Institute of Higher Education at Teachers College of Columbia University, in an address at the University of Pennsylvania last January 25, 1962, has expressed himself quite forcefully upon a number of points concerning higher education which deserve careful consideration.

As an educator, Dr. McGrath is rightly concerned with the concept of educational excellence. Although there may be many in the field to whom his comments will serve as an irritant, in my judgment his forceful presentation should serve to clarify the discussion by pinpointing the issues.

Mr. President, it is my belief that many Senators will find these comments by Dr. McGrath helpful as they come to consider the broad field of educational legislation in the months ahead.

Since the conferees of the Senate expect to enter into a conference with Members of the House on the education bill in the next few days—and it will be an important conference—and since I believe Dr. McGrath's views are pertinent to the subject, I ask unanimous consent that the Benjamin Franklin lecture at the University of Pennsylvania, to which I have alluded, be printed at this point in the Record.

I particularly hope that members of the conference committee on the higher education bill will read this excellent address by Dr. McGrath.

There being no objection, the address was ordered to be printed in the Record, as follows:

Observations on the Meaning of Academic Excellence

(Benjamin Franklin lecture given by Earl J. McGrath at the University of Pennsylvania on January 25, 1962)

Academic excellence is the motif on which many current discussions of American higher education are orchestrated. The contrapuntal embellishments in these compositions include such subthemes as more science and languages in the high schools, higher college admission requirements, enriched content in all fields, greater stress on theoretical instruction, more searching examinations, higher criteria for scholarship assistance, honors courses for superior students, and a host of other devices calculated to raise the quality of learning. To those who have observed the supermarket practices of some institutions of higher education, the catering to the importunities of the uninformed, and the limited accomplishments of students, these themes rightly have a harmonious sound.

The levels of achievement in our colleges and universities have been unjustifiably low. The same can be said of the lower schools. Many students have neither been stimulated nor required to work up to their full intellectual capacity. College teachers properly complain that entering students have not mastered such high school subjects as English, mathematics, history, or chemistry while instructors in the graduate schools often find similar deficiencies in the products of the colleges. Parents and employers swell the chorus of criticisms within the profession. We would all agree that efforts to raise the standards of academic performance deserve applause and support.

Under the circumstances it may appear boorish to dub a few discordant notes into the present popular theme of academic excellence, but that is what the circumstances require to stir us to a keener awareness of the significance and direction of present developments. Current discussions tend to be sharply focused on subject matter, students, buildings, and finance, and too indistinctly on basic social and educational philosophy. Too often they completely overlook two tenets of American higher education. The first is the revolutionary idea that all citizens in a democracy should have the opportunity to develop their abilities to the fullest, not only as a personal right, but as a social necessity. In applying this principle to higher education we differ from other nations which reserve the privileges of advanced learning to the social and the intellectual elite. The other equally uncommon doctrine holds that institutions of higher education have a responsibility to create and disseminate knowledge related to all aspects of modern man's multifaceted world. Hence, unlike other nations which limit instruction to the liberal arts and older professional disciplines, our colleges and universities offer a great variety of instruction and conduct research in agriculture, business administration, pharmacy, home economics, accounting, medical technology, food marketing, and dozens of other fields.

The first of these policies—equal opportunity for higher education—has opened the doors of colleges and universities to an ever-increasing percentage of American youth. In the the 18th and 19th centuries only a small minority enjoyed the advantages of an advanced education. As Brubacher observes, high fees, especially in the older institutions on the east coast, "tended increasingly to restrict such institutions to the well-to-do and to give them a fundamentally patrician character."[1] Even as late as 1900 only 4 percent, 1 in 25, of the young people of college age attended such an institution. But between 1900 and 1960 this percentage rose from 4 to 37.8.

Ronald B. Thompson, who in the early fifties so accurately predicted present college and university enrollments, has recently issued new projections indicating that if the percentage of the age group attending college remains constant, 1970 enrollments will rise to 5.4 million.[2] If the percentage rises, as is more likely, 6.8 million students will have to be accommodated. Even if these figures should shrink by several hundred thousand the task of assimilating the additional students will require our stoutest national effort.

A basic fact on which any realistic discussion of academic excellence in American higher education must rest is, therefore, the uncurbable determination of our people to open wider the doors of higher education. Accordingly, as far as our Nation is concerned, academic excellence cannot be defined in terms of the intellectual capacities of 10 or 15 percent of the population. In this connection it is instructive to observe that Western European countries are moving away from their earlier selective policies toward American practice.[3] In any event no useful social purpose will be served by envisaging a program of American higher education in terms of a narrowing of the abilities now represented in institutions of higher education as a whole because our citizens have irrevocably decided otherwise. Indeed, the evidence indicates that a wider range of abilities and interests will be represented in the future college-going population. The 37.8 percent of the age group now attending a college or university will rise during the next decade, perhaps as high as 50 percent. The newcomers will undoubtedly include many very superior students who do not now continue their education beyond high school, but there will also be a much larger number of only modest academic ability. Taxpayers and private benefactors will insist that institutions of higher education accommodate all these students with their highly varied abilities and interests.

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[1] John S. Brubacher and Willis Rudy, "Higher Education in Transition," Harper & Bros., New York, 1958, p. 40.

[2] Ronald B. Thompson, "Enrollment Projections for Higher Education 1961–1978," Ohio State University, Columbus, Ohio, September 1961, p. 6.

[3] See Phi Delta Kappan, "Reform in Post Primary Education of Western Europe," November 1961, vol. XLIII, No. 2.

Faced with this situation one may well ask how the concepts of academic excellence and equal educational opportunity can be reconciled. One obvious device would be institutional differentiation of function. That is, an increasing number of institutions might serve only students of high scholastic achievement while a smaller number catered to the needs of the less able. On a small scale this arrangement has much to commend it.

Some sorting out of college and university students is inevitable. Already some institutions are accepting only students who stand in the upper 10 or 15 percent of their high school classes, and demanding more of those admitted. Other institutions have already begun to imitate their more prestigious sisters. Even State colleges and universities have begun to adopt policies which exclude those of average ability and flunk out a considerable percentage of those accepted. A few community colleges are adopting similar policies of exclusion. When the whole enterprise of higher education is considered, however, these practices raise a serious question of national policy: While the general public intends to extend the opportunity for higher education to a considerably larger percentage of young people, can the colleges and universities become more selective in their admission practices? In concrete terms this question becomes: If by 1970 institutions generally decide to limit admissions even to the upper third of high school graduates, where are the other hundreds of thousands of students to obtain a higher education?

The general public will doubtless take the view that the large majority of our over 2,000 colleges and universities should accept and educate these hundreds of thousands of youth who do not stand in the upper 15, or even 30, percent of their high school classes. This being so, most institutions will be acting more realistically if they conceive of academic excellence positively by considering how their educational practices can be improved to provide a better education for the upper 50 percent rather than negatively in terms of excluding those who cannot meet ever-rising scholastic standards. Institutions which take the positive view can convince the public of their quality by demonstrating that their students in the larger sense of individual and social worth compare favorably with the products of the so-called prestige institutions.

Even institutions which strive for excellence by selecting their students primarily on the basis of high test scores and by demanding superior performance in course work may not be making their fullest social contributions. One of the most perceptive analysts of the issues involved in academic excellence, Wilbur J. Bender, formerly dean of admissions of Harvard University, has recently questioned the validity of increasingly selective admissions policies. He asks: "Does Harvard want a student body selected solely on the basis of apparent relative academic promise, or are there other considerations, largely nonacademic, which should influence the selection."[4] Dean Bender then answers his own question in the following words:

"The single-factor selection policy might work if we knew better how to identify real, as distinguished from apparent, intellectual power and creativity at the secondary school level. At present we rely basically for our evaluation of academic ability on test scores and rank in class, but there are increasing doubts whether these two items measure anything except the probability of getting certain kinds of grades in college. The student who ranks first in his class may be genuinely brilliant. Or he may be a compulsive worker or the instrument of domineering parents' ambitions or a conformist or self-centered careerist who has shrewdly calculated his teachers' prejudices and expectations and discovered how to regurgitate efficiently what they want. The top high school student is often, frankly, a pretty dull and bloodless, or peculiar, fellow. The adolescent with wide-ranging curiosity and stubborn independence, with a vivid imagination and desire to explore fascinating bypaths, to follow his own interests, to contemplate, to read the unrequired books, the boy filled with sheer love of life and exuberance, may well seem to his teachers troublesome, undisciplined, a rebel, may not conform to their stereotype, and may not get the top grades and the highest rank in class. * * *

"There are many kinds of aspects of intelligence which are important (admitting that not all kinds are relevant to a college), and grade-getting and test-scoring intelligence is not necessarily the most important, even for purely intellectual pursuits. Judgment is important, and curiosity and independence and honesty and courage and sensitivity and generosity and vitality. Energy may well be the most important x factor in determining the future contribution of an individual. The 10 percent of extra energy is probably worth at least 150 points on the scholastic aptitude test score. And judgment may be worth 200."[5]

Regrettably, there is little definitive information concerning the complex of intellectual and nonintellectual factors other than test scores involved in academic achievement, to say nothing about the much more complicated variables in professional success and a worthy personal life. Certain it is, however, that test scores constitute only one component in the complex of factors which determine human accomplishment and worth. As George B. Smith of the University of Kansas has shown,[6] some students in the lower half of their high school classes make quite creditable and, in some instances, distinguished university records. Henry S. Coleman, director of admissions of Columbia College, questioning the predictive reliability of scores on tests set up by the college entrance examination board, and high school percentile ratings, has observed that they cannot measure the staying power of the student, the intensity of his desire to learn or the contribution he could make to American society. In support of this opinion he reports that "most of the 15 freshmen with the poorest midsemester grades scored well up on their entrance board examinations."

Another commentator on selective practices in institutions of higher education, Christopher Jencks, in discussing a "suitable" education for American youth observes that:

"In many cases 'suitable' is merely a euphemism for 'intellectual' or 'bright.' The advocates of such plans would emulate the Europeans by confining higher education to those who have already demonstrated their academic gifts. Yet research has repeatedly shown that great numbers—perhaps a majority—of the most talented young people show very little scholastic promise while still in high school. Hence if every American college accepted the definitions of suitability which govern admission to Yale, Caltech, or Bryn Mawr, a very substantial proportion of our country's intellectual manpower would go down the drain."[7]

Moreover, recent research on recipients of National Merit Scholarships shows that many do not possess unusual imagination or creativity. Conversely, some of the most successful practitioners of the various arts and sciences having IQ's of 120 or above did not stand in the upper levels of their high school, college, or professional school classes. These contrasts in scholastic ability and originality of mind suggest that even those who satisfy all the requirements for distinction may lack some of the essential qualities for creative intellectual endeavor, a quality of obvious value in all phases of contemporary life. The factors in achievement on which existing knowledge sheds little light doubtless account for the fact that many persons with modest academic records succeed in later praiseworthy endeavors. They also explain in part why thousands of graduates of the colleges and universities of limited national prestige each year go on to achieve real distinction either in advanced studies or in their chosen occupations.

The results of recent research brought together in the publication, "The American College," by Nevitt Sanford[8] suggests that as institutions raise their admission standards and revise their educational objectives and procedures, they ought to give more attention to the degree in which students of equal ability vary in attitudes, intellectual curiosity, interests, values, vocational goals, social conscience, and personality structure. Faculties ought to possess much more information than they do at present about how their own prospective students differ from others in these characteristics. They ought likewise to be aware of the significant research findings concerning the impact of various institutional characteristics outside as well as inside the classroom on intellectual development and personality structure.

As they consider raising academic standards in terms of grades on subject-matter tests, faculties ought to ask themselves the following questions the answers to which have great significance for the individual and for society. Is it educationally efficient and socially defensible to select students solely on the basis of scholastic ability and achievement? What is the desirable student "mix" in terms of ability, personality, and values? What are the relationships between various traits of personality and character, and academic success as conventionally determined? Do present institutional practices cultivate or inhibit critical, independent, and creative thinking? How do individual students with different social and family backgrounds fit into student populations with distinctive social, intellectual, and vocational characteristics? Those who seriously try to answer these questions in the light of available knowledge and the broad purposes of higher education will wonder whether institutions which visualize the achievement of academic excellence only in terms of raising present admission standards and requiring greater mastery of subject matter are discharging their full moral responsibility either to the individual student or to the Nation.

A reconsideration of the quality of higher education will also lead to questions concerning the validity of the present stress on intellectuality. Again one must admit that present practices permit too many students to acquire degrees without adequate knowledge of the subjects they have studied, the intellectual procedures involved, or any persistent interest in things of the mind. In all these respects, more exacting demands can be made on students in all types of institutions. But higher education of quality ought to concern itself with something more than the acquisition of knowledge and intellectual competence. In evaluating our current efforts to improve higher education it is appropriate to recall Gibbon's crowning judgment on Constantine that "as he gradually advanced in the knowledge of truth, he proportionately declined in the practice of virtue."

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[4] Wilbur J. Bender, "The Top-1-Percent Policy," Harvard Alumni Bulletin, Sept. 30, 1961, p. 21.

[5] Ibid., pp. 22–24.

[6] George B. Smith, "Who Would Be Eliminated?" Reprinted from "The Coming Crisis in the Selection of Students for College Entrance."

[7] Christopher Jencks, "The Next 30 Years in the Colleges," Harper's magazine, October 1961, p. 122.

[8] Nevitt Sanford, "The American College," John Wiley & Sons, Inc., New York, 1962.

The equating of academic excellence solely with intellectual accomplishment is a relatively recent feature in the evolution of Western education. Since the days of the Greeks, educational philosophers have stressed the cultivation of traits other than intellectual competence. Though knowledge and intellectual skill were central in the educational views of Plato and Aristotle, both considered these qualities as instrumental in producing the virtuous citizen in the good society. Prof. R. C. Lodge, a distinguished classical scholar, observes that in Plato's conception of the purposes of education:

> "The citizen is not a man set apart from the general life of the community: to cultivate his talents in abstracto. His learning is not book learning: to be written down on paper, kept on shelves and passed around from hand to hand. His knowledge is not the science of the specialist, the technical expert who knows everything about some one thing and nothing about civic life in general. His wisdom is not the wisdom of the great scholar, a professor whose profundity in his own field is an object of admiration to the simple but who does not himself remember his own street address. The citizen's learning is a part of the citizen's life, as he learns by action each day to be more of a citizen. * * *
>
> "The life of culture is always conceived as arising out of, and intimately related to the ordinary, biosocial life of humanity; and however abstract and remote the techniques of mathematics and dialetic may at times appear, when viewed from the outside they are essentially, for Plato, the intellectual skeleton of the arts which animate human life and make it more human, more alive."[9]

Plato's view of superior education clearly embraced much more than current conceptions. In his hierarchy of values he placed personal and civic worth above intellectual achievement. These views are restated by a distinguished contemporary British scholar who, in commenting on the present plight of civilization, argues that unless higher education today concerns itself with values its other accomplishments will be of little avail in preventing mankind's descent into savagery or annihilation. Sir Richard Livingstone believes that:

> "Human progress depends on a double advance—increase in knowledge and the discovery of higher values. We concentrate mainly on the first, but the second is far more important. Increase of knowledge may lead to nothing but elaborate barbarism; as indeed our own age shows. The applied science and technology of which we are always demanding more will give us comfort and even luxury, but if we want a great civilization we must look elsewhere. The ultimate importance of any nation is estimated not by its conquests, commerce or comfort but by the values which it has brought into the world and the degree to which they are embodied in its life."[10]

The proposal that higher education should concern itself with values implies neither that it neglect the cultivation of the processes of abstract reasoning or the transmission of knowledge. Nor does it suggest that the student should be subjected to a given interpretation of the universe, or a dogmatic view of the nature and destiny of man. On the contrary, enduring values ought to be nurtured through the teaching and the example of scholars capable of perceiving the meaning of their subjects in terms of the larger context of life, and through their personal influence on the values, the ideals, and the basic motivations of students. But Prof. Philip Jacob's report suggests that with notable exceptions institutions of higher education have little influence on the values of their charges.

Young people today search earnestly for meaning in their world and in their own lives. Behavioral aberrations, even among those of unusual intelligence and academic accomplishment, reflect their inability to organize their thoughts around and to pour their emotions into activities which they believe merit their commitment. Higher education will fail to discharge a primary responsibility if it considers personal values and social responsibility extraneous or antithetical to intellectual training.

Current proposals to raise the intellectual level in colleges and universities may result in more competent engineers, physicists, historians, medical technologists, businessmen, and social workers, though some thoughtful educational leaders doubt this outcome. But efforts to strengthen and improve higher education by raising standards of performance within traditional patterns can hardly be expected to meet the larger needs of our time.

The difficulty in enlarging the conception of academic excellence arises out of the lack of reliable measures of growth in qualities other than knowledge and a limited range of intellectual abilities. Hence, advancement up the ladder of achievement in the world of learning depends largely on performance relatively easy to appraise. An immense amount of research is required on the whole complex of faculties, traits, and motivations which make up various forms of human excellence. If only an infinitesimal portion of the funds now being spent on a projected excursion to the moon were available for the needed research, the concept of academic and human excellence could be clarified and the lot of mankind incalculably improved.

Thus far the discussion has been concerned with the extension of educational opportunity, the types of students to be served, and the broad objectives of higher education. No less important in any consideration of academic excellence is the character of the instruction offered. It was observed earlier that a second major distinguishing feature of American higher education is in great diversity. The unmatched range and variety of instruction are in part a consequence of the doctrine of equal opportunity for higher education, for education in a dynamic society of social equals must meet the varied needs, abilities, and aspirations of all of its citizens.

But diversity also reflects the American conviction that many varieties of education, general and vocational, are worthy of a place in the house of learning. Contemporary American higher education differs basically in this respect from that in other countries, and indeed from its ancestors on this continent. In the early days of the Republic the curriculum of the liberal arts colleges, patronized largely by the upper classes, reflected its British prototype designed to prepare your men for positions in the state, the church, and in managerial affairs. Though there were minor variations, the almost uniform course of study consisted of the classical languages, philosophy, religion, and mathematics. After the turn of the 19th century abortive efforts were made to disestablish the primacy of traditional studies. The conservative Yale Report of 1828 buttressed the position of the entrenched subjects and postponed any substantial change until after the Civil War.

Two forces then broke the stranglehold of conventional learning. The Morrill Act of 1862 gave concrete expression to the democratic idea that the sons and daughters of the farming and artisan classes, no less than their socially and economically better-favored contemporaries, should have the advantages of higher education. It also profoundly influenced the type of instruction all colleges and universities were to offer in the future. The Morrill Act established the view that the subjects of instruction needed to prepare these new students for their occupational and civic responsibilities were as meritorious as the older liberal arts and professional disciplines.

These extramural demands for an enriched and expanded curriculum were soon reinforced by the importunities of scholars who imported new subject matter from the German universities. The admission into the college curriculum of the living languages and literature, the burgeoning natural sciences, and the incipient social sciences soon undermined the view that there was only one road to intellectual competence and liberal learning. Moreover, the general acceptance of the principle of the equality of subject matter enabled more technical and professional subjects such as agriculture and engineering to accompany the newer liberal arts disciplines into the halls of academia. Later this motley company propagated their kind until single courses grew into departments and schools. Their increasingly diversified and specialized curriculums now include hundreds of different undergraduate programs.

This fragmentation and differentiation of the undergraduate curriculum was paralleled and indeed in part caused by the initiation and expansion of graduate work. The first genuine graduate education offered at Johns Hopkins University in the 1870's soon found favor elsewhere. By their very nature graduate programs reflected the specialized intellectual interests of their faculties. Still later the junior college and its younger sister institution, the community college, further diversified American higher education by providing a greater array of instruction than that available in the 4-year programs.

These multiform institutions and their even more variegated offerings confirm the fact that this country has adopted the policy that a growing, adaptive, democratic society must have an ever-changing, expanding, and heterogeneous system of higher education. Consequently, the liberal arts colleges offer hundreds of different courses in the older disciplines such as English, history, physics, and sociology; the undergraduate professional schools provide a comparable richness of vocationally related instruction such as accounting, ventilation engineering, drugstore management, and psychiatric nursing; the graduate schools furnish an infinite variety of theoretical and applied subject matter such as microbiology, urban sociology, and personnel management; and, the community colleges supply a limitless range of general as well as occupational instruction for the auto mechanic, dental hygienist, X-ray technician, legal secretary, heat treater, and hundreds of other technical and semiprofessional workers. There is hardly a phase of life—personal, civic, or vocational—for which a person wishing to increase his understanding and improve his competence cannot find instruction in some institution of higher education.

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[9] R. C. Lodge, "Plato's Theory of Education," Harcourt, Brace & Co., New York, 1947, pp. 227, 232.

[10] R. W. Livingstone, "The Rainbow Bridge," Pall Mall Press, London, p. 131.

Those concerned with academic excellence often voice the opinion that this proliferation of instruction has adulterated higher education. The idea that new subject matter deserved a place in the traditional curriculum has undoubtedly facilitated the admission of some instruction of questionable substance and dubious intellectual quality, as, for example, courses in flycasting, the manufacture and distribution of mobile homes, and other equally bizarre subjects. Even liberal arts colleges offer instruction excessively concerned with methodological exercises, technical skills, and specialized and detailed fact. If such instruction serves a need in American society, agencies other than colleges and universities ought to provide it. A reassessment of the quality of all types of higher education is both appropriate and timely.

As such an appraisal is made, however, social advance requires that the old and accepted not be ipso facto considered good, and the new and unknown, worthless. In the past, obscurantism in the established disciplines barred from the commonwealth of learning almost every subject now considered legitimate. Even such reputable subjects as French and chemistry were once the victims of the derogation which some of their present devotees pour on more recent claimants for a place in the academic sun. An early Harvard committee, for example, concluded that even though French might have some practical value, it was not worthy of a place in the curriculum. The committee proposed, therefore, that parents who wished their sons to acquire a command of the language might pay a tutor privately for such instruction. When Charles W. Eliot came to the presidency of Harvard, his own subject, chemistry, had little standing among his associates there or elsewhere. Even as late as the turn of the century the following catalog statement illustrates the invidious disparagement of the sciences:

"In the opinion of the faculty this [the classical course which leads to the A.B. degree] is the course which is best fitted to give the most symmetrical development to the mind, and the broadest culture; and it is the one which they would earnestly advise every young man seeking an education to choose."

Our present, more inclusive conception of the purposes and content of higher education has been a boon to American society. In spite of some attendant evils it has produced a more informed citizenry and workers of specialized competence either totally missing in other lands or trained merely in the routines of narrow technical efficiency. The rapid growth and the successful operation of our enormously varied economic, governmental, professional, and cultural enterprises result largely from the diversification of higher education.

The individual has also been benefitted by the opportunity to choose from a variety of courses of study. New educational programs have attracted many high school graduates who would otherwise not have continued their formal schooling. Students of uncommon intellectual gifts and strong motivations who might have made indifferent or failing records in a traditional curriculum have excelled in others more akin to their interests.

All signs indicate that in the future American higher education should, and will, be more, rather than less, differentiated. The vocational index now lists over a thousand occupations requiring some type of education beyond the high school, and the number increases at the rate of about 10 a year. As emerging knowledge is organized in teachable materials, new educational programs will appear. Even in liberal arts colleges, vocational goals obviously influence the curricular interests of most students. The usual majors in the traditional disciplines, most of which are vocationally oriented toward a life of scholarship, are already being augmented by such others as those in Russian, Chinese, international affairs, Near East studies, church music, social work, and medical technology. Comparable proliferations in undergraduate professional schools produce degree programs in hospital pharmacy, food marketing, hotel management, labor relations, and landscape design. Graduate schools, responding to similar academic, social, and economic demands, are adding a great variety of specialized instruction. Northwestern University, for example, within recent weeks has inaugurated a new program in biomedical engineering, as the announcement said, to provide a new interdisciplinary specialty in which medical specialists and electrical engineers work together to improve the practice of medicine by using the latest electrical theory and electronic instruments.[11] In the future additional curricular innovations may confidently be expected in all branches and at all levels of our system of higher education as the work of scholars penetrates unexplored terrain and as an increasingly complex society demands new types of training.

Some evidence indicates that those who oppose these developments by equating only nonvocational, theoretical instruction with excellence have already had an adverse effect on professional education. Some spokesmen for professional education question whether the steady raising of admission standards and an increasing emphasis on theory and research are not producing graduates with little interest in the everyday activities of the very professions they originally contemplated entering. These educators acknowledge the need for an adequate theoretical grounding in engineering, business administration, medicine, theology, and the liberal arts disciplines pursued in preparation for teaching. But they consider building bridges, treating patients, ministering to the spiritual needs of parishioners, and instructing undergraduates to be occupations quite different from those concerned with the pursuit of scholarship.

Commenting on recent trends in engineering education, for example, Dean Merritt A. Williamson of the School of Engineering at Pennsylvania State University observes that students who originally intended to become engineers, under the influence of those interested in research and the theoretical developments in physics, chemistry, and mathematics, end up by preferring to pass their lives in the library or laboratory rather than in the factory or the field. In concluding his plea for the realistic training of engineering students for their future professional responsibilities, Dean Williamson says:

"I think we, the engineering educators, should be vitally concerned that we are not derelict in turning out students who are imaginative, but practical, and also sensitive to persons through whom engineering efforts come into reality. Let us not, with all the magic surrounding the words science, research, high-powered mathematical analysis and so on, shove into the background of our thinking the concepts that go along with application, utility, economy, and professionalism, for these latter are the essence of engineering design and there is nothing old-fashioned, outdated, or subintellectual about them. Much as we need the boys on cloud nine, no type of educational institution other than ours is ever going to produce the highly intelligent, highly devoted, highly cost conscious, truly professional person that society needs. We must not fail to meet this obligation by taking any easy ways out."[12]

Likewise, some churchmen take the view that the institutions established and supported by religious bodies to fill their pulpits with preachers produce instead theologians more interested in the esoteric learning of the scholar than in ministering to the needs of confused and troubled parishioners yearning for spiritual guidance and personal counsel. And many college presidents believe that the graduate schools, the necessary source of teachers of undergraduates, too often turn out men and women primarily interested in, and only prepared for, the activities of research and the reproduction of their own academic kind.

Recent proposals calculated to raise the quality of programs in schools of business administration exemplify the need to consider the abilities of prospective students and the requirements of industry and commerce. The authors observed that some schools attract students of only mediocre ability and narrow vocational interests, and offered much specialized subject matter in accounting, insurance, retailing, management, and finance. They suggested that many students of lesser ability not be admitted and that specialized instruction be eliminated or moved into the graduate schools. An unexpressed assumption underlying such proposals is that the graduates of schools of business generally are going to occupy executive positions. If the foregoing proposals are intended to apply to all schools of business, even a casual examination of the structure of American business enterprise reveals that they are unrealistic. Thousands of employees of college grade do not now and many never will occupy high-level managerial posts. They can, however, serve efficiently and happily in somewhat lower echelons of business and industry. To try to educate them to do otherwise may delude them and actually fit them less well for the positions they can obtain. Schools of business ought to differ in the students they serve as well as in the instruction they offer. The same can be said about liberal arts colleges and other professional schools.

In liberal education the concern for academic excellence has been as partial as in professional programs. Emphasis in the various disciplines has been placed on the early identification and intensive training of future scholars and changes in the college programs have revealed a reversion to the earlier lack of concern for the nonmajor student who seeks a general knowledge of the subject. The professors measure institution's excellence by the number of students their several departments send on to the graduate schools much more than by their contribution to the general education of the whole college population. Tangible evidence of this change in emphasis can be found at the University of Chicago, the University of Minnesota, Harvard, and Columbia to mention only the most prominent examples where the promising programs of general education have been emasculated by the specialists' interests. Whether the liberal arts colleges will now turn out more competent physicists, historians, and philosophers remains to be seen, but that the general education of the average student will be narrower and more fragmentized is obvious. Christopher Jencks describes the recent preoccupation of teachers in liberal arts colleges in the following terms:

"In practice, if not always in intention, undergraduate instruction at great universities like Harvard is primarily a device for training—or simply recruiting—academicians. If the freshman is to justify the money and energy expended on him, many faculty members assume that he must become an amateur chemist, economist, philosopher, or the like. If he is really talented, moreover, he is expected to go on to a Ph. D. and a research career. Professors often seem to judge their own undergraduate programs by the number of graduates who undertake doctorates." [13]

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[11] "Biomedical at Northwestern," Journal of Engineering Education, January 1962, p. 228.

[12] Merritt A. Williamson, "Are We Educating Scientists or Engineers," Journal of Engineering Education, November 1961, p. 101.

Hence the meaning of the term academic excellence as applied to liberal arts colleges deserves as critical a reexamination as in its use in professional education. If the primary purpose of these institutions is the identification and preliminary training of scholars and scientists that is one thing; if on the other hand these institutions as the name implies have the social responsibility of providing a broad, genuinely liberal, nontechnical education for the intelligent discharge of the comprehensive responsibilities of life outside of a profession, that is another. The present discriminatory selection of students, the narrowing of college objectives in practice if not in declaration, and the professionalization of the liberal arts curriculum all cause thoughtful observers to question the meaning of academic excellence.

A proper redirection of higher education can only occur as the concept of excellence is related to all the varied intellectual qualities, skills, personality traits, and the factual knowledge involved in vocational competence, civic responsibility, and personal effectiveness. It must be based on the assumption that American society will require colleges and universities as a whole to offer a broad range of instruction for students of greatly varying abilities and interests. It is proper that the courses of study in some of these institutions should be highly theoretical, related to the older academic disciplines and long established professions, and designed for students of unusual scholastic aptitude. But proposals which disregard the hard, bare fact that the enterprise of higher education must soon accommodate 6 million young Americans from all stations in life, with an infinity of abilities, and many equally worthy though different vocational goals, are unrealistic and not in the national interest. The conclusion an objective observer must draw from an analysis of many of the current proposals for improving the quality of American higher education is that they are inadequate in several fundamental respects.

As steps are taken to improve the quality of higher education, those devoted to the task ought to keep three considerations foremost in their minds. These matters can be most graphically expressed in the form of questions:

1. What kind of human being is a given educational program designed to produce? This query ought to be answered in comprehensive behavioral terms, which should of course include intellectual processes. In recent years faculties have not been unconcerned about the objectives of various types of higher education; indeed much time and effort have been spent devising such lists of goals. For two principal reasons, however, they have often been ineffective in altering educational policies or practices. Typically faculties have expressed these aims in such general and academic terms that they have little relationship to the actual behavior of human beings as, for example, the statement that a particular college program produces graduates acquainted with the origins and development of Western civilization. Little attempt is made to determine whether the students who have been the beneficiaries of such an educational experience have greater respect for the rights of their fellow citizens, endorse and practice freedom of expression, read and enjoy the pertinent literary classics, or participate even as an observer in any branch of the fine arts.

The other shortcoming in such declarations of purpose relates to the failure of the teacher to organize his subject and choose his methods so as to achieve the goals he and his colleagues have presumptively endorsed. It is no exaggeration to say that usually the approval of such a comprehensive statement of objectives leaves the content and the methodology of teaching in individual courses undisturbed. In practice, therefore, the revised goals constitute only a set of ideals which, except for those related to the acquisition of knowledge, do not govern the activities of the classroom. Hence insofar as his behavioral characteristics go, the student remains unaffected by the impressive catalog of concerns the faculty declares it has for his intellectual, social, and spiritual development.

2. The question, What is intellectualism? points up the second major consideration in the upgrading of higher education. Even among the academically sophisticated, the common conception of this human characteristic is unimaginatively narrow. Generally, intellectualism is equated with intellectual accomplishment, and the latter with test scores, grades in course, class standing, and memberships in honor societies. And in spite of broader coverage of intellectual qualities included in the more recently devised instruments of academic evaluation, they still excessively reward those with the capacity to recall specific knowledge and to solve problems by the mechanical application of accepted formulas. Too many examinations penalize the nonconformist, original, inventive student who can visualize a variety of solutions to a given problem, or who sees the impossibility of giving any clearcut answer to the questions as they are stated.

The greatest weakness in present evaluations of the outcomes of education relates to a trait not closely connected with the acquisition of knowledge. It is concerned with the degree to which instruction has, or has not, aroused and cultivated an abiding interest in things of the mind. Some of the so-called late bloomers, the students with mediocre or poor high school records, who were intellectually awakened by an interested and inspiring college teacher, dramatically highlight the need to appraise the outcomes of such teaching. But to what extent consuming intellectual interests customarily result from the experiences of the college years, we do not know. Indeed the reading and other leisure time activities of those who have had a higher education strongly suggest that whatever else they may have acquired in knowledge or skill, the habitual practice of intellectual self-enlargement has not been a residual effect of their academic experiences. Before we freeze out academic practices in patently indefensible forms, the whole concept of intellectualism requires detailed and critical exploration. After this has been done methods of evaluation should be devised to assess the complex of mental and emotional qualities whose discrete elements and intricate interrelationships create lasting intellectual vitality.

Though the factors involved cannot now be described with precision, prominent among them is a compulsive interest in ideas, in things of the mind, in all aspects of the world and of man. Other faculties and qualities which deserve analysis and assessment include: (1) The constant pursuit of new knowledge; (2) the capacity to perceive subtle relationships between seemingly unrelated facts or events; (3) an urge to play with ideas unrestrained by the tenebrific forces of pedantry and the intimidating pontifications of established authority; (4) the suspension of judgment in all situations in which one is not intellectually at home; (5) a reasonably wide acquaintance with basic theories, principles, and key ideas in the major branches of learning; and (6) the ability and the desire to read steadily and widely throughout life. A review of even this incomplete catalog of traits indicates that though no one can be an intellectual without possessing average intelligence and a body of reliable knowledge, learning and intelligence should not be confused with intellectualism. Perhaps the sine qua non in the mosaic of intellectualism is an interest in ideas and their consequences in the history, the present conditions, and the future welfare of mankind.

Most present plans for raising the standards of performance among college and university students give little consideration to these matters which are much more important in human excellence and the raising of the intellectual level of American life than test scores and the diligent pursuit of knowledge within prescribed precincts. If these more comprehensive criteria were employed in the evaluation of academic excellence many of those who hold degrees, even Ph. D.'s, would come far from breaking the intellectual 4-minute mile, and their trainers might even be moved to revise their methods. Many graduates of our colleges and universities even with demonstrable high technical competence in a limited field of knowledge could hardly qualify as intellectuals. Too frequently they read nothing except their professional journals, the newspaper, and the vade mecum of the dilettante, the weekly news magazine. They are indifferent to, and often bored with, discussions of contemporary problems with the solution of which the future of the race is indissolubly connected. In the teaching profession this misnamed intellectual is typically more concerned with the technical training of the few students who may be persuaded to become candidates for advance degrees than with the thousands of others who ought to acquire a modest knowledge of, but an absorbing and continuing interest in, the subject.

The proposal that the foregoing qualities, and others which research could disclose, ought to be considered in assessing either individual or institutional academic excellence does not imply any depreciation of measures of the accumulation of knowledge and the more common skills of reasoning. It does mean that current suggestions for the raising of educational standards exhibit an excessive and dangerously narrow concern with factors in achievement which may be of secondary importance in the scientific, cultural, social, political, and artistic development of our people.

3. The third question concerned with the raising of academic standards is related to the second. What reliable knowledge exists concerning the educational practices which do or do not produce given traits of mind, personality and character? Present discussions of academic excellence are insufficiently illuminated by the authentic findings of imaginative research with respect to the total institutional impact on the individual. Compared with the scientific knowledge which undergirds our space program, some current proposals for educational improvement rank with Leonardo da Vinci's understanding of aerodynamics. They exhibit misinformation, (even with respect to the few data which exist) snobbery, subjectivity, and a perilously impatient desire to do more efficiently what we have been doing in higher education even though that may have been faulty. A fanatic has been humorously defined as one who redoubles his efforts when he loses sight of his objective. To a degree this witticism describes our present efforts to achieve academic excellence.

What is required now is a clarification of the intellectual, personality, character, physical, spiritual and civic qualities we expect various types of American institutions of higher education to produce. To be practically effective these efforts to define educational goals in terms of a broad conception of human excellence should be accompanied by a massive research program to determine which educational practices and general conditions of college and university life nurture various human qualities. Some very fruitful and suggestive investigations have recently been reported in "The American College."[14] But in terms of the area of unexplored ground, and the potential social consequences of our ignorance, the present program of research is niggardly. If a modest portion of the enormous sums now being spent on the projected exploration of the moon were diverted to the exploration of the factors involved in academic and human excellence we might move further into outer space more expeditiously. More importantly, by that time perhaps we could preserve and so enhance the lives of many American citizens and their contemporaries abroad that they might, under the circumstances, be satisfied to remain behind on this presently confused globe.

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[13] Christopher Jencks, "The Next 30 Years in the Colleges," Harper's magazine, October 1961, p. 123.

THE HONG KONG REFUGEE SITUATION

Mr. DODD. Mr. President, I submit, for appropriate reference, a resolution urging concerted action to help alleviate the tragic situation of the Chinese refugees in Hong Kong.

In submitting this resolution, I am honored to be joined by my distinguished colleague, the deputy majority leader [Mr. HUMPHREY], by my good friend, the very distinguished senior Senator from Illinois [Mr. DOUGLAS], by the very able junior Senator from California [Mr. ENGLE], and by the very distinguished Senator from South Dakota [Mr. MUNDT].

Mr. President, we have all been deeply moved by the press accounts of the mass influx of Chinese refugees into Hong Kong and by the heartrending stories about the many thousands of refugees who have been obliged to return to Red China because it is physically impossible for Hong Kong to provide accommodations and sustenance for refugees in such large numbers.

When the American press printed a photograph of a refugee girl sobbing her heart out because she was about to be returned, the American people responded overnight with thousands of offers of adoption. Our people want to help in this tragic situation. I am sure we shall be speaking for all of them if we now commit ourselves to a generous program of assistance to the Chinese refugees now fleeing from Communist rule, in consultation and cooperation with the British authorities.

This latest outpouring of refugees constitutes another dramatic demonstration of the bankruptcy of communism. The British administration in Hong Kong has already granted asylum to 1,500,000 refugees from Red China and, by and large, it has up until now pursued a generous and humane refugee policy. But without assistance from other countries and without serious possibility of resettlement in other countries, there is a physical limit to the number of refugees that can be absorbed by Hong Kong's tiny territory.

I saw something of the Chinese refugee problem when I was in Hong Kong a year ago. The British authorities have spent hundreds of millions of dollars on housing projects and schools, retraining and job creation projects for the refugees. They have built and built until there is pathetically little ground left for any housing projects even on the hillsides of Hong Kong. But even with all this, the refugees are crowded five and six in a single room.

Until recent weeks, the rate of influx has averaged about 100,000 refugees a year, or just over 8,000 per month. But 2 weeks ago, this river of human refugees grew into a flood, which poured into Hong Kong, by land and by sea, at a rate of 4,000 or 5,000 each day.

These refugees are giving up their homes and are fleeing from Communist rule, in part because they are hungry, in part because they are terrified at the prospect of even more severe famine, in part because they do not wish to live any longer under that regime of coercion and oppression and hunger.

Many of the refugees make their ways to Hong Kong under perilous conditions and without the consent of the Communist border authorities. But the evidence is that, for some strange reason, the Communists have eased up on their border controls, so that people who wish to leave for Hong Kong could do so. This morning's news indicates that the Communist authorities have reconsidered their position, and are now tightening up their controls at the Hong Kong frontier.

Apparently the Communists are now worried over the political implications of this mass outflow of refugees. And they have every reason to be worried, because nothing more clearly demonstrates the failure of the Communist regime and the scope of popular dissaffection inside Red China.

Meanwhile, the British authorities in Hong Kong have been confronted with the heartbreaking problem. Hong Kong cannot possibly accommodate an influx of more than 100,000 refugees a month. And, as the British authorities have pointed out, if they did accommodate them this month, next month there would be twice that number clamoring for admission. Under the circumstances, they have endeavored to strike a compromise, granting asylum to those who can clearly demonstrate that they have suffered political persecution or are in danger of suffering political persecution, but returning all those who cross the border with permits or who have fled from China for reasons that are considered primarily economic. Applying these criteria, the British administration has been returning under guard as many as 4,000 refugees per day, some of them caught in the frontier area, some of them rounded up from the hillsides and teeming refugee quarters of Hong Kong.

The trouble with this criterion is that it is virtually impossible to draw a sharp dividing line between those refugees who seek sanctuary for political reasons and those who flee for primarily economic reasons. The fact is, that every political refugee, whether in Europe or in the Far East, reaches the big decision to give up his home and his homeland because of a combination of reasons—political, economic, social, and others. However these reasons may be weighted in any individual case, it all boils down to the fact that people become refugees because they find life under communism intolerable.

Many of these so-called economic refugees have wept bitterly at the point of being returned. Others have offered physical resistance. Still others have jumped from moving trucks to escape from their British guards. And the refugees in Hong Kong, sympathizing with the plight of these newly arrived refugees are apparently doing everything in their power to protect them and to prevent their capture by the British police. Yesterday, for example, it was reported that refugee families shoved their children into the paths of trucks loaded with refugees being returned to mainland China.

I do not wish to criticize the British administration in Hong Kong, because I know how heavy the burden has been and how truly generous and humane their attitude has been until now. I feel constrained to say, however, that I have been worried by certain press items dealing with the matter of involuntary repatriation.

According to one report, a group of soldiers who had come over in their uniforms were returned to the Chinese Communist authorities. My own feeling is that, however lax the border officials were when these soldiers escaped, the soldiers will certainly be confronted with harsh punishment on their return.

According to another report, one of the refugees recently sent back had been in Hong Kong several years. When his wife and child crossed the frontier recently to join him, the entire family was rounded up and returned.

Perhaps such individual tragedies are unavoidable when so many thousands of people are involved and when the authorities in charge are so harried and exhausted.

Rather than complain from the sidelines about any failure on the part of the British authorities in Hong Kong, I believe that we in the United States must first recognize, in far more generous measure, our own responsibilities in the Chinese refugee problem.

The fact is that the problem of refugees from communism is the collective responsibility of the free world, and it should be recognized as such. And because of the great power and wealth of the United States in the free world community, this responsibility is preeminently our own.

I believe that we have done our share in coping with the postwar refugee situation in Europe, with the Hungarian refugee situation, and with the Arab refugee situation; but in the case of the Chinese refugees in Hong Kong, I feel we have permitted the British administration to carry an exceedingly heavy burden with comparatively little American assistance. This is one of the reasons why they are obliged to take such stringent measures today.

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[14] Nevitt Sanford, "The American College," John Wiley & Sons, Inc., New York, 1962.

In the programs of the United Nations High Commissioner for Refugees and of the International Committee on European Migration, it has traditionally been estimated that a fair share for the United States stands at approximately one-third of the total cost of the operation. I should like to propose, Mr. President—and this is part of the purpose of my resolution—that we apply the same criterion to the refugee situation in Hong Kong. I should further like to propose that we take a series of measures, within the framework of existing legislation, designed to alleviate this tragic situation.

I believe the proposals contained in my resolution are realistic, that they represent a minimum rather than a maximum, that these proposals are within our means, and that they could, if implemented, give effective assistance to our British friends and help them to keep the doors to freedom as generously ajar as possible.

Mr. President, I ask unanimous consent to have the text of my resolution printed at this point in the RECORD.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 346) was referred to the Committee on Foreign Relations, as follows:

Whereas within the past several weeks scores of thousands of Chinese refugees from Communist China have been pouring into Hong Kong by land and by sea; and

Whereas the British Administration in Hong Kong, which has already granted asylum to 1,500,000 refugees from Red China, and which has heretofore pursued a generous and humane refugee policy, is now turning back large numbers of refugees because it finds it physically impossible to receive, accommodate, and arrange resettlement for the 5,000 refugees who are daily seeking asylum in Hong Kong; and

Whereas this mass outpouring of refugees constitutes another dramatic demonstration of the bankruptcy of the Chinese Communist regime; and

Whereas the problem of refugees from communism should ideally be treated as the collective responsibility of the free world; and

Whereas human, moral, and political considerations all demand that the free world apply the most liberal and generous criteria in granting asylum to all those who seek sanctuary from Communist terror and oppression: Therefore be it

Resolved, That it is the the sense of the Senate—

(1) That the administration, in consultation with the British authorities, should convene a conference of nations interested in the Chinese refugee problem, based on the concept that this problem should be treated as a collective responsibility of the free world;

(2) That the President use the powers conferred upon him by Public Law 86-648 to parole into this country 5,000 Chinese refugees in Hong Kong, giving preference to family reunion cases, to those who have already applied for admission to the United States, and to professionals, specialists, and skilled workers who can make a significant contribution to American society;

(3) That the question of resettling Chinese refugees in other countries of the free world be raised at the conference proposed in paragraph 1;

(4) That, in addition, the American delegation be instructed to raise the question at the forthcoming meeting of the OAS in the hope that each of the member States will agree to accept a small but significant quota of Chinese refugees;

(5) That to help the British in Hong Kong cope with the immediate pressure of this vast new refugee influx, the President should immediately make available to the British authorities in Hong Kong whatever quantity of American surplus food these authorities may consider necessary;

(6) That, in line with the one-third formula that has become customary in the financing of United Nations and international refugee projects, the United States should assume responsibility for one-third of the cost of the Chinese refugee program in Hong Kong, employing for this purpose the funds that have already been made available for appropriation, on a discretionary basis, under the terms of the Foreign Assistance Act of 1961, as amended.

(7) That at the conference referred to in paragraph 1, the American delegation be instructed to explore the possibility of arranging for the resettlement of a portion of the Hong Kong refugees in some of the unpopulated islands of the Pacific Ocean, leasing these islands, if possible, on a long-term basis, to the Nationalist Chinese Government, so that the refugees resettled will retain Chinese nationality;

(8) That, following the precedent established at the time of the Hungarian refugee crisis, the administration should make available American military transports for the purpose of resettling refugees from Communist China in Taipei or in the Americas or on unpopulated Pacific islands;

(9) That, to support the mass resettlement program in Taiwan which the Chinese Nationalist Government has now proposed, the administration should substantially increase its surplus food program in Taiwan and should offer to meet half the cost of resettlement and rehabilitation, up to a maximum of $50 million, this money also to be taken from the funds that have already been made available for appropriation, on a discretionary basis, under the terms of the Foreign Assistance Act of 1961, as amended;

(10) That for the implementation of this entire program, the administration should use, and if necessary expand, the existing facilities of the Far Eastern refugee program of the Department of State, in cooperation with the American voluntary agencies.

Mr. HUMPHREY. Mr. President, if the Senator from Connecticut will yield, I wish to commend him for his initiative and his leadership in connection with this matter. He was so kind and considerate as to invite a number of his colleagues to join him, if they desired to do so, in the submission of the resolution; and I consider it a privilege and an honor to be a cosponsor of the resolution of the Senator from Connecticut. I believe his proposal is very much needed; and I propose to do my part in seeing that what it calls for—which I believe is very much needed—is done.

Mr. DODD. I thank the Senator from Minnesota.

Mr. MUNDT. Mr. President, if the Senator from Connecticut will yield to me, let me say that I, too, wish to congratulate him for his initiative in submitting the resolution, which I have been very happy to join in sponsoring. In fact, the resolution pretty well carries out part of the suggestions the Senator from Minnesota [Mr. HUMPHREY] and I made last Tuesday——

Mr. HUMPHREY. Yes; it does.

Mr. MUNDT. Immediately upon the receipt of news from Taipei that the Nationalist Chinese Government was willing to accept many of the refugees from Hong Kong. But the resolution goes further, and calls for the establishment of a council or conference to deal with the refugee problem, in trying to work out an overall arrangement so that these refugees can receive equitable and humanitarian treatment.

The resolution also provides that the United States shall accept 5,000 of these refugees from Hong Kong. I am sure our country will be happy to open its arms to these unhappy refugees from Communist China. So far as my own State is concerned, I am sure it will be most happy to welcome its share of them. Our State has some distinguished Americans of Chinese ancestry; they are splendid citizens. So we would welcome additional members of this group.

The resolution emphasizes the point that we should expedite the action, in terms of arriving at all possible procedures designed to attain the end in view, so as to make food available not only to Hong Kong, but also to Taipei and to all other countries willing to participate in the program.

I am glad the Senator from Connecticut has had the resolution printed in the RECORD, because it seems to me the resolution should be acted on with expedition by the Senate.

This is not a complicated measure. The resolution expresses the sense of the Senate; and I hope that within the week the Senate will act affirmatively on the resolution.

It seems to me the resolution calls for a manifestation of good faith insofar as freedom-loving people around the world are concerned.

The resolution demonstrates our desire to cooperate with the British, who are confronted with this specific problem. All that we ask is cooperation by the British in not barring the door to freedom to these people, who are escaping from the dungeon of communism, and in not condemning the refugees who already have left Red China or those who may leave in the future to the certain death which would face them if they were returned to the mainland.

We ask the British to be patient until the purposes of the resolution can be implemented.

Mr. President, I have been intrigued by a headline appearing today in the Washington Post. The headline is followed by the byline of Robert H. Estabrook. I am not sure whether the item to which I refer is a news article or amounts to editorial comment. However, I am not particularly concerned as to which is the case.

The headline is: "British Reply to MUNDT: Put Up or Shut Up."

Mr. President, that is the kind of language which we in the West understand, and I do not resent its use. It is the kind of straightforward talk that should be used among English-speaking people.

So I submit that under the resolution of the Senator from Connecticut, those of us who are associated with him in the submission of the amendment and he, himself, propose to "put up"; we propose to provide this additional assistance and we propose to provide cooperation.

So in reply to the British officials who made the statement about my allegation that they were forcing the refugees to engage in suicidal attempts, by pushing them back into Red China, I submit to Colonial Secretary Reginald Maudling, whom I have never had an opportunity to meet, and to anyone else who joined in directing the statement to me, that we have now "put up"; and now it is up to the British to cooperate, or else to stand condemned before world opinion for a shocking disregard of the equities and the humanities involved.

We are willing to "put up." We ask the British to cooperate and to keep open the door to freedom, and not to condemn these refugees to certain death.

If the British will do that, I am sure that they and the Americans, working together, can accomplish a great deal in aiding these unfortunate escapees, who are running away from godless communism and are seeking freedom.

I hope that in the meantime the British officials will not countenance the return by force of a single refugee to the certain death awaiting such refugees if they are compelled to leave Hong Kong and return to the dungeon of Red China.

Mr. CASE of South Dakota. Mr. President, if the Senator from Connecticut will yield to me, let me say that my colleague [Mr. MUNDT] has, with his customary clarity, expressed exceedingly well the situation.

It seems to me this is one challenge which the people of the free world need to meet head on. If people are forced either by political conditions or by economic conditions to flee Red China, I believe that the least we can do is try to find food for them and try to find for them a place where they can go.

Inasmuch as the Nationalist Chinese Government in Formosa has indicated its readiness to receive many of these refugees, I believe we should join in supplying the necessary food until the refugees can be located.

Certainly, that would be one of the best uses of the so-called food-for-peace program that has been proposed.

I am not insensible to the fact that it is possible, in any mass movement of people, to have an infiltration of Communists. I would assume, of course, that proper steps would be taken to screen the refugees, to be sure there were no agents or provocateurs among them. I think those in charge of a program like this should also take steps to guard against black marketing. I am not insensible to the fact that when large quantities of food or other products are made available, even though most persons involved may have honest motives, people can engage in black marketing in those goods.

With those two cautions, the need for protection against infiltration of Red agents and against the possibility of black marketing, I strongly urge that the food-for-peace program be utilized to give assistance to persons who are trying to get out of Red China. In fact, the desperation of their movement reflects the love they have for a different kind of system than the one under which they have been forced to live.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Wisconsin yields to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I wish to commend the Senator from Connecticut for the submission of the resolution. I feel privileged in joining as one of the cosponsors. I think all of us have been somewhat concerned as to what our duty was toward the starving of China.

I have felt it would be inadvisable for us to send food to China for distribution in that country, because there was no means by which we could control its distribution. There was always the probability—indeed, almost the certainty—that the Chinese would use our food as a political weapon against us.

The migration from China, stimulated at least in part by mass hunger, puts a different aspect upon the problem. In the first place, as previous speakers have said, it is clear evidence of the breakdown not only of the Chinese system of agriculture, but the Chinese system of industry and the heartless way in which they have treated their people.

It also permits us to demonstrate our humanitarian desires by feeding a considerable number of these people, taking care of a considerable number of refugees, and doing so outside of the control of Communist China.

I think the program which the Senator from Connecticut has suggested is both humanitarian in its nature and very practical in its application, and I hope it may be speedily adopted by Great Britain and this country and put into effect.

The Senator from Connecticut has made a great contribution. We are very much in his debt.

Mr. DODD. I am very grateful to the distinguished Senator from Illinois [Mr. DOUGLAS], both distinguished Senators from South Dakota [Mr. MUNDT and Mr. CASE], and the distinguished Senator from Minnesota [Mr. HUMPHREY] for their support and their encouragement. I am confident this resolution will be favorably acted upon in the Senate. I am glad it has been suggested that we get to it as quickly as we can. I think it is an urgent matter and that we should proceed with it. I hope the leadership will help us do so.

OUTDOOR RECREATION FROM UNUSED FARM LANDS

Mr. HARTKE. Mr. President, I should like to comment on the need of outdoor recreation and how it can be met, to a great extent, by developing facilities on our Nation's farm and ranch lands.

The crying demand for the out of doors is encountered wherever we go. Public recreational facilities in many areas are already overtaxed. Attendance at our National Parks has surpassed even the most liberal projections made a decade ago. Last year 102 million people visited our national forests, an increase of 340 percent in 10 years.

The pressures on these and other recreational facilities will continue to grow as our population grows and our people have more free time.

In seeking the out of doors, most people seek simple pleasures—they want to hike, drive, picnic, fish, and swim. Others want to hunt and camp, go boating and waterskiing. Sites on which to carry out these activities are limited. They will become more limited as our population increases.

This is a problem, and, indeed, a serious one. Fortunately, we have much privately-owned land that can be developed for recreational purposes. That land now lies in the farms, ranches, and woodlands that make up three-fourths of our land area—land that is presently producing more food and fiber than we can use at home and market abroad. Why not ease both situations somewhat by taking land out of the production of food and putting it to recreational uses?

This would accomplish far more than just a reduction in surplus crops. It would mean that recreational areas could be developed near our highly populated urban complexes where the need is the greatest. It would mean a new source of revenue for the farmer and more business in hard-pressed rural areas. It would create new job opportunities.

Converting farmland to recreation areas is not something new or untried. It has already met success in many areas where enterprising landowners or organizations have seen the need. It can be as simple as a farm pond stocked with fish and opened to the public on a fee basis, or as extensive as a small watershed project lake, encompassing several hundred acres, developed for use by thousands of people a year who desire to boat, fish, swim, and camp.

The trouble with these enterprises—successful as they are—is that they are too few in number. Outdoor recreation can be a major product of American farmland, but help is needed to accomplish the goal if we are to even come near filling the need.

HOSPITAL CARE FOR THE AGED

Mr. HARTKE. Mr. President, today I rise to speak in behalf of our Nation's senior citizens, whose problems have been the subject of much talk but little action. Specifically, I am concerned today with the problem of providing adequate health care for our aged.

That this problem does exist is no longer a matter for debate, even by opponents of the King-Anderson bill, for it is widely acknowledged that the health of our elderly is indeed a serious problem, deserving nationwide attention. The rise in hospital costs from an average of $9.39 per day in 1946 to $32.28 per day in 1960; the higher incidence of hospital use by the aged, which is about 2½ times that of the below-65 group; the longer periods of hospital care required by the aged; the difficulty of obtaining adequate low-cost health insurance; all these factors, combined with the low incomes of those over 65, act to place our senior citizens in a very disadvantageous position, to say the very least. For the typical aged couple, attempting to live on an income of less than $2,500 per year, is simply not in the position to pay the large medical bills which threaten them more and more as they grow older. No, Mr. President, clearly the issue is no longer one of whether or not there is a problem, but the issue is one of what we are going to do about this situation.

In 1960, as Senators know, one attempt at the solution of this problem was made. I am, of course, referring to the Kerr-Mills legislation, which, it is asserted in some quarters, is providing the answer to the problem. Mr. President, I think that the facts show just the opposite—that the Kerr-Mills program is not doing the job. For instead of creating an orderly, systematic method of providing medical assistance to the aged, we have created a potpourri of programs; a race in which a few of the participants run the full length of the course, some of the participants cut the corners and end up running half the distance, and a majority of participants do not run at all. No wonder, then, that we have the situation confronting us today under the Kerr-Mills legislation, in which only 21 of the States, as of October 1961, were providing medical assistance programs, and in which during the month of January 1962, three States were making 92 percent of the payments made under the program. Clearly, such a program is not meeting the needs of the great majority of our senior citizens. Something else is needed.

It has often been charged by certain elements in our society that the King-Anderson bill is socialistic; that it will lead to exorbitant taxation and ever-increasing coverage. If I believed that such allegations were true, I would not have become one of the cosponsors of the bill. However, it is obvious that the King-Anderson measure is far from being socialized medicine. Hospitals are not to be nationalized; doctors are not to be paid by the Government; freedom of choice in regard to the selection of hospital or physician will not be impaired; and the doctor-patient relationship, which has been so important in our system of medicine, will not be endangered. In fact, the King-Anderson bill, unlike the Kerr-Mills law, does not even provide for payment of doctor's services, nor does it provide the extensive, expensive all-encompassing medical care which the States may provide under the open-end system of Kerr-Mills. On the contrary, the King-Anderson proposal is merely a means by which the elderly can meet the expenses of hospital and nursing-home care in a dignified manner, through their contributions to social security; contributions which will be at the most $17.60 per year for a worker making $5,200 per year or more. This is a small cost indeed for the knowledge that one's old age will not be spent undergoing humiliating means tests, doing without needed medical care, or being forced to sell possessions earned through many years of labor in order to meet the cost of medical bills.

But, my distinguished colleagues, you are well aware of these facts, and I am confident that when the crucial time comes—when we must decide whether or not we shall move to correct this situation—this august body will not hesitate in making the decision which will help our senior citizens enjoy the benefits of their years of labor, and allow them to enjoy in peace and security the rest earned by them through many years of toil.

SILVER ANNIVERSARY OF SOCIAL SECURITY

Mr. HARTKE. Mr. President, I rise to call attention to the fact that today is a special day—a day which should not go unnoticed. Just 25 years ago on May 24, 1937, the Supreme Court of the United States declared that the social security system was constitutional.

This was a glorious day 25 years ago, for it meant that Americans had recognized the needs of her elderly citizens; that America was concerned about her aged; and that America was the humane country that the rest of the world believed her to be.

Our great Nation has vastly grown during the past quarter century when the greatest tribunal of a free society, the Supreme Court, handed down this history-making decision. We have seen our country in the throes of a devastating Second World War; we have seen her on the battlefields of Korea; and we have seen her cross the threshold of space, and now search for answers to greater mysteries in the heavens. During this quarter century when many American lives were lost in the field of battle, we still have seen our population grow and explode.

Today, every day, 1,000 people are added to ranks of the aged—that is, those 65 and over. We now have 17,500,000 men and women in the United States who are 65 and older. Five years from now, there will be 20 million, and by 1972, there will be 23 million.

This is a blessing—not a curse. And, thank God, our Congress and Senators of a quarter century ago had the foresight to establish a program which would allow our senior citizens to live in respect and dignity in their twilight years, when perhaps they no longer would be able to work, or when they might wish to step aside and make available a job for a young man so he could provide for his young family.

Thank God the Congress of 25 years ago realized the need to allay the fears of our aged who felt they no longer were wanted or needed.

Today, I regret to see that half of the persons over 65 living alone have less than $1,000 per year income and half the couples over 65 have less than $2,500 in income. From this fact is seems to me that these senior citizens are able to provide themselves with merely the bare necessities of life.

Two years before the Supreme Court upheld the constitutionality of the social security system, opponents of the program said its establishment would turn us to socialism. Bugaboos were raised such as the one that we would all have to wear our social security numbers tattooed on us. They said then that social security was a cruel hoax.

The country was told social security would destroy life insurance and stop the growth of private pensions plans and annuities. Yet, for some reason, all of these have grown.

Old-age and survivors insurance benefits began in 1940. During the next 20 years the number of workers in private pension and deferred profit-sharing plans grew from 4 million to 22 million. The number of annuities in effect rose from 1½ million to 6 million. Life insurance grew from $115 billion to $586 billion. Life insurance per family grew from $2,700 to $10,200.

There is no mistake that the social security program has made Americans insurance and pension conscious. It has stimulated the growth of private and company pension programs and boomed the insurance business. It is a base upon which those who are able are encouraged to build.

Under social security, assistance has been given to the handicapped, the disabled, the blind. The Senate Finance Committee just recently held hearings on a bill to provide greater benefits for these people, and I am proud today to have just introduced four amendments to assist our blind citizens in this country.

Undoubtedly, because of social security the welfare costs have been reduced since our elderly are able to better provide for themselves under social security.

My colleagues, I am proud to be a member of the Democratic Party which had the foresight to institute our social security program, and, moreover, I am proud to be an American, for only in America are the social ills of a great and free society solved through the democratic process as democracy speaks with a loud and free voice.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. HARTKE. Mr. President, in accordance with the previous order, I now move that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 15 minutes p.m.), under the order of Tuesday, May 22, 1962, the Senate adjourned until tomorrow, Friday, May 25, 1962, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 24, 1962:

U.S. CIRCUIT JUDGE

Oliver Seth, of New Mexico, to be U.S. circuit judge for the 10th circuit, vice Sam G. Bratton, retired.

IN THE ARMY

The following-named officer for appointment in the Regular Army of the United

States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

To be major general, Medical Corps

Brig. Gen. Achilles Lacy Tynes, O18916, Medical Corps, U.S. Army.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Maj. Gen. James Hedges Forsee, O18265, Medical Corps, U.S. Army.

Brig. Gen. Chester William Clark, O41908, U.S. Army.

Brig. Gen. Frank Thomas Mildren, O21992, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. James Abner Richardson, 3d, O29906, U.S. Army.

Brig. Gen. Richard John Meyer, O19147, U.S. Army.

Brig. Gen. Thomas Heber Lipscomb, O19371, U.S. Army.

Brig. Gen. George Allen Carver, O19122, U.S. Army.

Brig. Gen. Ferdinand Thomas Unger, O20734, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. William Hutcheson Craig, O19526, U.S. Army.

Brig. Gen. George Stafford Eckhardt, O19766, U.S. Army.

Brig. Gen. John Joseph Lane, O19021, U.S. Army.

Brig. Gen. Achilles Lacy Tynes, O18916, Medical Corps, U.S. Army.

Brig. Gen. John Frederick Thorlin, O19067, U.S. Army.

Brig. Gen. David Parker Gibbs, O19189, U.S. Army.

Brig. Gen. Roland Haddaway del Mar, O29917, U.S. Army.

Brig. Gen. William Allen Harris, O18976, U.S. Army.

Brig. Gen. Harry Lester Hillyard, O19524, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frank Joseph Sackton, O30553, Army of the United States (colonel, U.S. Army).

Brig. Gen. Hugh McClellan Exton, O19780, Army of the United States (colonel, U.S. Army).

Brig. Gen. Frederick Carlton Weyand, O33736, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Norman Basil Edwards, O19936, Army of the United States (colonel, U.S. Army).

Brig. Gen. Eugene Albert Salet, O30790, Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert George Fergusson, O20267, Army of the United States (colonel, U.S. Army).

Brig. Gen. Austin Wortham Betts, O19373, U.S. Army.

Brig. Gen. William Pelham Yarborough O20362, Army of the United States (colonel, U.S. Army).

Brig. Gen. Douglass Phillip Quandt, O20605, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Edward Leon Rowny, O23744, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Arthur William Oberbeck, O20569, Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Samuel Edward Gee, O19251, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harry Jacob Lemley, Jr., O19756, Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles Billingslea, O20367, Army of the United States (colonel, U.S. Army).

Brig. Gen. Harry Herndon Critz, O19786, Army of the United States (colonel, U.S. Army).

Brig. Gen. James Howard Skeldon, O20831, Army of the United States (lieutenant colonel, U.S. Army).

To be brigadier generals

Col. Donald Gilbert Grothaus, O20221, U.S. Army.

Col. Allen Thomas Stanwix-Hay, O51759, U.S. Army.

Col. John Daniel Hines, O38900, U.S. Army.

Col. William Leslie Calhoun, O42664, U.S. Army.

Col. John Arthur Goshorn, O31465, U.S. Army.

Col. Lawrence Pierce Jacobs, O31556, U.S. Army.

Col. Kelley Benjamin Lemmon, Jr., O20816, Army of the United States (lieutenant colonel, U.S. Army).

Col. Allen Douglas Hulse, O21238, Army of the United States (lieutenant colonel, United States Army).

Col. Frank Carter Norvell, O19471, U.S. Army.

Col. Robert Hall Safford, O20244, U.S. Army.

Col. John David Torrey, Jr., O20217, U.S. Army.

Col. George Madison Jones, O19965, U.S. Army.

Col. Thomas Nelson Sibley, O21277, Army of the United States (lieutenant colonel, U.S. Army).

Col. George Edward Pickett, O21938, Army of the United States (lieutenant colonel, U.S. Army).

Col. Lawrence Bernard Markey, O38826, U.S. Army.

Col. John Gottfried Gramzow, O30735, U.S. Army.

Col. Michael Shannon Davison, O22051, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Bradford Smith, O22113, Army of the United States (lieutenant colonel, U.S. Army).

Col. Steve Archie Chappuis, O20899, Army of the United States (lieutenant colonel, U.S. Army).

Col. Eads Graham Hardaway, O20855, Army of the United States (lieutenant colonel, U.S. Army).

Col. Kenneth Joe Hodson, O43268, Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald Vivian Bennett, O23001, Army of the United States (lieutenant colonel, U.S. Army).

Col. B J Leon Hirshorn, O51762, U.S. Army.

Col. Kenneth Irwin Curtis, O19790, U.S. Army.

Col. Roland Bennett Anderson, O21108, Army of the United States (lieutenant colonel, U.S. Army).

Col. Lawrence Edward Schlanser, O19886, U.S. Army.

Col. Robert Runyan Linvill, O40305, Army of the United States (lieutenant colonel, U.S. Army).

Col. Stanley Lauriston Harding, O32134, Army of the United States (lieutenant colonel, U.S. Army).

Col. Patrick Francis Cassidy, O32809, Army of the United States (lieutenant colonel, U.S. Army.

Col. Frank Milton Izenour, O21263, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Gilbert Turner, O31414, U.S. Army.

Col. Gordon Talmage Kimbrell, O20851, Army of the United States (lieutenant colonel, U.S. Army).

Col. Clarence Carl Haug, O19736, U.S. Army.

Col. William Braden Latta, O21119, Army of the United States (lieutenant colonel, U.S. Army).

Col. Charles Robert Meyer, O20762, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Kenneth McCormick, O31982, Army of the United States (lieutenant colonel, U.S. Army).

Col. Justin William Stoll, O30483, U.S. Army.

Col. Bernard Sanders Waterman, O19746, U.S. Army.

Col. Melville Brown Coburn, O19973, U.S. Army.

Col. Fillmore Kennady Mearns, O21106, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Thomas Corley, O21325, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Clifton Dalrymple, O31509, U.S. Army.

Col. Raymond John Harvey, O20116, U.S. Army.

Col. Walter Edward Lotz, Jr., O21090, Army of the United States (lieutenant colonel, U.S. Army).

The following-named officer for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. Robert Ludwig Schulz, O42115, U.S. Army.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

To be major

Cosby, Warren G., O65710.
Hackett, Edward J., O82019.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

To be first lieutenants

Aamodt, Ludvig J., O87000.
Abrahamson, James L., O87001.
Abramson, Lawrence, O91145.
Abrams, Harry C., O87002.
Acuff, Joseph D., O86980.
Adams, Charles M., 3d, O85812.
Adams, Hunter W., O85814.
Adams, James W. R., O87003.
Adams, Joseph F., 3d, O85815.
Adams, Melvin M., O85816.
Adams, William K., O85817.
Adamson, Henry K., 3d, O87004.
Addison, Charles S., O87991.
Adelmann, Walter J., O85818.
Adkins, Kenton L., O91735.
Agee, Damon W., Jr., O85819.
Ailles, Craig R., O85820.
Albertson, William D., O85821.
Allingham, Edger B., O89669.
Amidon, Bert C., O85830.
Anderson, Barrie W., O85831.
Anderson, Frederick D., O87005.
Anderson, Jay E., O85832.
Anderson, Morris D., O85834.
Anderson, Richard J., O85835.
Anderson, Thomas W., O90169.
Anderson, William J., O91150.
Angolia, John R., O85838.
Anslinger, Raymond W., O94985.
Arbogast, Alfred A., Jr., O85840.
Arflack, Kenneth B., O88325.
Argrett, James H., Jr., O85842.
Armistead, John W., O87996.
Arrisgado, Maurice M., O87468.
Aucoin, Alvin S., O85843.
Austin, Robert E., Jr., O88328.
Auyong, Stephen K. H., O85845.
Bagdonas, Edward, O87006.
Bair, Arthur H., Jr., O87007.
Baker, David G., O85848.
Baker, Dorsey L., O87008.
Baker, Larry A., O86989.
Baldwin, Alan W., O87009.

Baldwin, Ronald C., O87010.
Ballenger, Kenneth D., O88332.
Ballenger, Thomas H., O87011.
Banyas, Michael, O88002.
Bareiss, David A., O85849.
Barmore, Frederick E., Jr., O85851.
Barnett, John R., O85855.
Barnhart, David S., O94911.
Barr, Grady W., O86991.
Barratt, Richard H., O85856.
Barrett, Peter J., O85857.
Barrett, Richard J., O85858.
Barrington, David, O85860.
Barros, John J., O85861.
Barry, Robert M., O87012.
Barton, Charles D., O85864.
Bassett, Lowell R., O85865.
Batcheler, George E., O85866.
Bates, John H., Jr., O85867.
Baugh, Raymond C., O87014.
Beach, David R., O85871.
Beach, Dwight E., Jr., O87015.
Beal, William R., Jr., O86993.
Beale, Robert W., 3d, O87016.
Beard, Charles T., O89930.
Beard, Louin L., O87017.
Beasley, John D., 3d, O85873.
Beasley, Rodney S., O91249.
Bechthold, Wayne H., O87018.
Bechtler, Alfred N., O85876.
Becker, John B., O85877.
Beech, Gary D., O87019.
Behie, Edward H., O85878.
Behannon, Hollis P., O86994.
Bell, Arleigh T., Jr., O87020.
Bell, David A., O85880.
Bell, Randall W., O87021.
Benagh, William E., Jr., O87022.
Bennett, Richard C., O87023.
Bennett, Stuart N., O87024.
Benson, Frederick S., 3d, O85882.
Bentley, Robert G., O94272.
Benwitz, Richard A., O85883.
Berg, Dwayne P., O86996.
Bergeron, Gary P., O86997.
Berta, Thomas L., O85886.
Bertils, Bertel R., O87025.
Bertolett, Craig R., O87026.
Besson, Frank S., 3d, O87027.
Best, David M., O85888.
Bettencourt, Ronald G., O85889.
Beurket, Raymond T., Jr., O87028.
Bichler, Herman J., O91756.
Bickford, James E., O89815.
Bicknell, Hilton B., O85890.
Biddle, David L., O94987.
Birrane, John H., O85895.
Bisbey, Jay B., O85896.
Bishop, Edward L., O85897.
Bishop, John C., O85898.
Bizic, Peter, Jr., O88008.
Black, Joe D., O88009.
Blake, Billy N., O85900.
Blank, Richard A., Jr., O88012.
Blasco, Andrew P., 085901.
Blevins, Virgil E., O85903.
Boerschel, August P., O85905.
Boggs, Haymon H., 2d, O87029.
Boginis, James W., O82431.
Bohi, Robert Y., O91555.
Bohman, Jack E., O87030.
Bolick, Thomas G., O87031.
Bond, John A., O85908.
Borlund, Thomas V., Jr., O87032.
Boston, Louis J., O85913.
Boterf, Chester A., Jr., O85914.
Bowen, Guy P., O88579.
Bowers, Robert F., O87033.
Bowser, William H., O85916.
Boyd, James R., O85917.
Boyd, Thomas, 3d, O87034.
Boyle, Clarence E., O85918.
Boyle, Conrad L., O87035.
Boyle, Russell T., Jr., O87036.
Bradley, Bruce R., O87037.
Braithwaite, David A., O85921.
Branscome, Dexter A., 3d, O85922.
Brass, Ronald W., O87038.
Bray, Robert F., O90397.
Breeding, Joel W., O91770.
Breedlove, Joe J., O85925.
Breen, William W., O87039.
Breslin, Frederick C., O85927.
Bretsch, Kenneth P., O90454.
Breuel, Albert A., 3d, O87040.
Briggs, Harold L., Jr., O87041.
Brigham, Donald F., O85929.
Brokaw, Robert P., Jr., O91170.
Broocke, Nathan I., O87042.
Brooks, Joseph J., Jr., O85931.
Brooks, Lawrence E., O88593.
Brooks, Richard L., Sr., O94444.
Broome, Donald F., O88344.
Broome, John M., O91171.
Broullon, Anthony J., O85932.
Brown, Melvin H., O85937.
Brown, Patty E., O85938.
Brown, Roy E., O91559.
Brown, Walter T., Jr., O87043.
Brownfield, Boyd J., O85943.
Bruner, William M., O85945.
Bryer, John E., Jr., O87044.
Buchanan, William J., Jr., O85948.
Buckley, Benjamin C., Jr., O85949.
Buell, William C., 5th, O87045.
Buff, Max LaD., O87697.
Buffaloe, Laurence W., O85951.
Buford, Alfred E., O94446.
Burba, Edwin H., Jr., O87046.
Burchell, Larry E., O87047.
Bures, Raymond A., O85955.
Burke, Joseph M., 088346.
Burkholder, Robert D., O85957.
Burleson, Willard McK., Jr., O87048.
Burley, Earl B., O85958.
Burroughs, Robert H., O87049.
Burwell, James M., O87050.
Bush, William A., O87051.
Butt, Herbert H., Jr., O88021.
Byrd, Charles R., O85962.
Cacolice, John P., O88022.
Cagle, Charles H., O91175.
Cahoon, John L., O88348.
Callahan, Joel T., O85965.
Calvin, John H., O85967.
Camp, Junious W., Jr., O88023.
Campbell, Douglas N., O87052.
Campbell, James T., O91785.
Campbell, J. Frank, O87053.
Campbell, John R., Jr., O85968.
Campbell, Ronald E., O88024.
Campi, Francis V., O85969.
Canales, Fred, O88025.
Cannon, Richard M., O87054.
Carberry, James A., O88026.
Carlisle, Allen D., O85971.
Carlisle, Robert M., O85972.
Carlson, Carl E., O89800.
Carolan, James M., O88027.
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Merski, Norman R., O86517.
Metcalf, Ronald C., O86518.
Meyer, Richard J., Jr., O87262.
Meyrick, Joseph S., O86520.
Mikelonis, Eugene C., O87263.
Mikytuck, Robert, Jr., O86523.
Miller, Carl J., O86525.
Miller, James H., O87264.
Miller, Joseph, Jr., O87854.
Miller, Ronald A., O86528.
Miller, Terry M., O88153.
Miller, Thomas H., O86529.
Miller, Thomas H., O94946.
Millick, Charles A., O87265.
Mills, Gary L., O86530.
Mills, Jerry C., O87266.
Milton, John F., O87267.
Miner, Russell M., Jr., O87268.
Miner, William H., O88838.
Minnich, Lawrence E., O87269.
Mitchell, Charles C., O86532.
Mitchell, John R., O86533.
Moeller, Lawrence B., O86534.
Moellering, John H., O87270.
Monroe, DeWitt T., Jr., O87271.
Montagne, Ernest R., Jr., O88447.
Montgomery, David B., O86535.
Montgomery, Horace, O86536.
Moody, John W., Jr., O88157.
Mooney, Thomas R., O87272.
Moore, Claude P., O86537.
Moore, Emmett, O88158.
Moore, John E., Jr., O94116.
Moore, John W., O86540.
Moore, Riley R., 2d, O87273.
Moorehead, John H., O86541.
Moorhead, Thomas L., O87274.
Morales, Michael, O87275.
Moraski, Leon K., O87276.
Morefield, Alvin J., O87277.
Moreland, Harry W., O86544.
Morgan, Harold D., O87858.
Moriarty, Joseph T., O87278.
Moritz, Thomas W., O86547.
Morrissey, Dennis J., Jr., O87279.

Moses, Johnny M., O86553.
Mosher, Robert L., O86556.
Moss, Marvin F., O87280.
Motley, James B., O86557.
Moulton, William E., Jr., O87860.
Mountel, William E., O86558.
Mueller, Harold B., O86560.
Mullen, Cassius J., O87281.
Mullen, William J., 3d, O87282.
Mullman, Raymond P., O86561.
Munz, Thomas C., O82783.
Murray, William B., O88453.
Murry, William V., O87284.
Myers, Marvin O., O86565.
Nally, Michael J., O88455.
Nash, Charles J., Jr., O86566.
Nash, John M., O87285.
Neal, John O., Jr., O87286.
Nelson, Carl W., O86570.
Netzloff, Edwin A., O87287.
Newberry, Milton S., O87288.
Newman, Glen E., O87289.
Nichols, William W., Jr., O86575.
Nickerson, John M., O93065.
Noack, Richard R., O88462.
Noga, Gerald W., O87290.
Nolen, James T., O86578.
Nordgren, Alfred E., Jr., O87291.
Norman, Kenneth G., O87292.
Novogratz, Robert M., O87293.
Nugent, Richard O., O86580.
Nunn, Lee R., Jr., O87294.
Oakes, William E., O86581.
O'Brien, James J., O87295.
O'Brien, John A., O87296.
O'Connor, Hugh T., O87297.
O'Connor, John P., O86586.
O'Connor, Patrick M., O95076.
Offutt, Edward W., O86587.
Ogden, Gregory T., O86588.
O'Hara, Thomas C., O92106.
O'Keefe, Edward T., Jr., O86590.
Oldham, Theodore H., O86591.
Oliver, Eugene L., Jr., O87301.
Oliver, Homer D., O86592.
Olson, Kenneth R., O86594.
O'Meara, Andrew P., Jr., O87298.
O'Meara, William J., O87299.
O'Neill, Kevin J., O87300.
Oppenlander, Robert W., O86596.
Orndorff, John F., O87302.
Orr, John B., O86597.
Orr, Paul F., O86598.
Orth, Richard C., Jr., O86599.
Ott, John S., O86600.
Owens, Augustus L., O86602.
Palmer, Laurence J., O87303.
Palsha, Robert J., O86603.
Pangman, James K., O86604.
Panko, John, Jr., O87304.
Pappas, Constantine P., O86607.
Paquette, Roger K., O87305.
Pare, Clermont P., O86608.
Paris, John M., O86609.
Parker, Robert W., O86611.
Parker, Wendell G., O82866.
Parkhurst, Henry A., O90369.
Parolini, George W., O87306.
Parr, Gary K., O94329.
Paschall, Jim R., O87307.
Passarella, Patrick F., O87308.
Pastella, Donald R., O87874.
Patterson, Joseph M., O95079.
Patterson, Robert J., O94881.
Pattison, John A., O86614.
Patton, Joseph D., Jr., O88468.
Payne, Herbert M., Jr., O86618.
Pearce, Carl A., O86622.
Pearson, John E., Jr., O94949.
Peffenbach, Richard R., O87309.
Pendarvis, Donald R., O90378.
Perry, Lloyd M., O86624.
Perry, William R., O94632.
Peterson, Roger W., O87583.
Petric, John A., O86627.
Peyton, John H., O86628.
Pfann, Bruce W., O86629.
Phillips, Alan B., O87310.
Phillips, Joseph A., O87311.
Piatak, John R., O95081.
Pierce, Harlan L., O86633.
Pietrowicz, Stephen R., O86637.
Pihl, Donald S., O86638.
Pike, Gerald D., O86639.
Pike, James C., O86640.
Pike, Thurston E., O86641.
Pingry, Thomas E., O86643.
Pipia, John F., O86644.
Pishon, Nicholas E., O86645.
Pistole, Robert G., O86646.
Pistone, Ronald A., O87312.
Pitts, Walter E., Jr., O94333.
Plassmeyer, Martin L., O87313.
Plummer, Thomas F., Jr., O87314.
Poe, Thurel J., Jr., O86652.
Pokorny, Anthony G., Jr., O87315.
Pollock, William C., Jr., O87316.
Polzello, Carmine R., O88178.
Pool, Russell F., O88474.
Poole, Buddy J., O86657.
Poole, William J., O87317.
Pope, John L., O87887.
Porter, Bruce A., O87318.
Porter, Norman A., O89575.
Posey, Dudley M., O86659.
Post, Richard B., O88475.
Powell, Jamo C., O94636.
Powers, James S., O86662.
Preetorius, Charles D., O88476.
Prisk, Courtney E., O87319.
Proe, John D., O86664.
Quimby, Robert W., O88479.
Quinn, Roger A., O87320.
Race, Gary L., O88481.
Raffaele, Eugene J., O86666.
Rafferty, Joseph V., O86667.
Ramsey, Raymond R., Jr., O87321.
Ranalli, Robert J., O87322.
Ranch, Lewis C., O87323.
Ranney, Thomas A., O94335.
Rapaport, Benjamin, O86668.
Rask, Richard H., O87893.
Rasmussen, Robert B., O86669.
Ratcliffe, John P., O86670.
Ravan, Jack E., O87324.
Ray, Harry D., Jr., O86671.
Ray, James F., O87325.
Recher, Ronald R., O87326.
Redding, Frank J., 3d, O87327.
Reinhard, Donald R., O87328.
Renalds, Hugh H., O87329.
Reuter, Neil G., O86674.
Rewerts, David G., O86675.
Reynolds, Buddy L., O86676.
Reynolds, Sonny D., O88305.
Rhein, Reginald W., Jr., O87330.
Rhoads, Milton D., O86677.
Rhynsburger, Robert B., O86679.
Rice, Bert L., O88187.
Rice, Howard P., Jr., O91499.
Richard, Virgil A., O86680.
Richards, Arthur E., 3d, O86681.
Richards, Donald R., O88484.
Riley, Frank J., O89350.
Riordan, Robert W., Jr., O87331.
Rizzi, Robert D., O87332.
Roberts, Forrest E., Jr., O86687.
Roberts, James E., Jr., O86688.
Roberts, Joel E. L., O86689.
Roberts, Richard O., O87333.
Roberts, Thomas DuV., 2d, O87334.
Robertson, James A., O94127.
Robertson, Wyman D., O86691.
Robinson, Charles D., O88901.
Robinson, Edward C., O87335.
Rochester, James V., O90431.
Roesler, Gilbert E., O87336.
Rogers, David H., O87337.
Rogers, James H., O90185.
Rogers, Richard E., O87338.
Romboski, Lawrence D., O86699.
Rose, Claude H., Jr., O86702.
Rose, John B., O84261.
Rosner, Norman H., O87339.
Ross, Lawrence C., O87340.
Roth, Robert W., O87341.
Rothblum, Richard A., O87342.
Rounseville, Richard G., O86706.
Rourke, John M., O87343.
Roush, David L., O87344.
Rowe, James C., O87345.
Rowe, William G., O87346.
Rowland, Jerry D., O95093.
Roy, Daniel S., O94338.
Rushton, Pierce A., Jr., O87347.
Russell, Thomas B., O87348.
Ruth, John H., Jr., O87349.
Ryan, Robert H., O87350.
Rydberg, Carl R., O88908.
Sabia, Donald M., O86711.
Sadler, Richard C., O86713.
Salomon, Leon E., O91678.
Salter, Ronald H., O87351.
Salvatore, Frank M., Jr., O87352.
Samilton, Lawrence B., Jr., O87907.
Sanaker, John M., O92538.
Sandfort, Phillip L., O86718.
Santer, Richard A., O88195.
Santos, Melecio Z., Jr., O87353.
Satterwhite, James J., O87355.
Savas, Ronald D., O86721.
Scarangella, Frank H., O88196.
Schaubach, George E., Jr., O86723.
Schepps, Winston M., O87356.
Schiano, Louis J., O86725.
Schlapak, Benjamin R., O86726.
Schlemmer, Roger B., O87357.
Schley, Robert L., O86727.
Schlievert, James W., O86728.
Schmacker, Bruce E., O87358.
Schmid, Karl F., O86729.
Schmidt, Jackie E., O88197.
Schmidt, Peter B., O87359.
Schneebeck, Gene A., O86731.
Schnick, Ronald L., O87361.
Schonblom, James E., O86733.
Schor, Stephen H., O86734.
Schow, Robert A., Jr., O87362.
Schroeder, Louis J., O87364.
Schumaker, Theodore A., O86735.
Schuster, Jon N., O86736.
Schutz, Ronald C., O86737.
Schwartz, Daniel, O86738.
Schwartz, William L., O87365.
Scott, Ernest K., O88198.
Scott, Walter S., O86739.
Scott, Warden M., O88491.
Scott, William A., O86740.
Seaver, James R., O86741.
Sefton, Douglas W., O87366.
Seitz, John A., 3d, O86743.
Sellers, Robert P., O88199.
Servis, Hubert T., O87367.
Seybold, Thomas K., O87368.
Shain, Robert G., O87369.
Shalikashvili, John M. D., O92121.
Sharkey, William P., O86750.
Shaw, David L., O87612.
Shaw, Gene C., O88200.
Shaw, Terrence L., O86752.
Shea, Joseph M., O87371.
Sheaffer, Phillip G., O87372.
Sheedy, Louis W., O86753.
Sheehan, John P., Jr., O87373.
Shelton, Ronald T., O87374.
Shepard, Phillip G., O86754.
Shephard, David A. C., O86755.
Shilling, Jack C., O87913.
Shine, Joseph P., O88930.
Shock, John P., Jr., O87375.
Shouse, Delbert F., O86758.
Shroyer, Phillip M., O86759.
Siciliano, Arthur J., O87377.
Sillers, Bruce D., O86762.
Silva, Warren R., O86763.
Simon, Benjamin J., O88205.
Simpson, Donald T., O87378.
Simpson, Felix D., O94342.
Simpson, John D., O87379.
Simpson, Le Oren, O86765.
Simroe, Theodore W., Jr., O87380.
Sisson, Brooks H., O87381.
Skamser, Harold P., Jr., O86769.
Skinkle, LeRoy W., O86771.
Skowronek, Richard P., O87382.
Slayton, Emmett, Jr., O86774.
Slifer, Richard D., O86775.
Smart, Donald L., O87383.
Smith, Charles E., O86778.
Smith, Gary N., O93079.
Smith, Glenn A., 2d, O86780.
Smith, Jack C., Jr., O87384.
Smith, James E., O86782.
Smith, Jarvis E., O86783.

Smith, John R., O91575.
Smith, Paul R., O95103.
Smith, Richard A., O94500.
Smith, Warren S., O87385.
Socks, Hugh J., Jr., O87386.
Soland, Donald J., O86789.
Soli, Thomas R., O87387.
Solliday, Charles W., O94963.
Soriano, Felician P., O86791.
Sorini, Laurence F., Jr., O86792.
Southworth, James V., O91625.
Souvenir, Melvyn L., O86793.
Sovine, Leroy K., O86794.
Spanjers, Leonard J., O87920.
Spann, Juan W., O94893.
Sparks, Ralph A., O86795.
Spears, James W., O86797.
Speck, Gerald E., O87921.
Speer, Richard L., O87922.
Sper, Paul N., O87388.
Spera, Francis P., O86799.
Spillane, Robert B., O95106.
Springer, Anthony T., O87927.
Springfield, Bruce W., O86802.
Sroka, Richard M., O86803.
Stadler, Gerald P., O87389.
Stanley, Frederick J., O87627.
Stansell, Ernest L., Jr., O86805.
Starr, Frank C., O86808.
Stauch, Edward G., O87390.
Stebbins, Allen F., O86810.
Stebbins, Ronald S., O86811.
Steele, James H., Jr., O87932.
Steinberg, Sherwin L., O87391.
Stephens, Donald L., O94649.
Stevens, Eulin L., O86814.
Stewart, Randall J., O86816.
Stiepock, Robert C., O86818.
Stiles, Howard J., O87392.
Storey, Arthur L., Jr., O88502.
Street, Russell K., O87394.
Streeter, William F., O86823.
Strickland, Darwin T., Jr., O86824.
Stroh, George C., O86825.
Stromberg, Peter L., O87395.
Strother, James O., O86826.
Struble, Lawrence A., Jr., O87396.
Stuart, Robert L., O86827.
Stults, Claude L., Jr., O86828.
Sullenberger, Louis E., Jr., O87397.
Sullenger, Lawrence W., O86831.
Sullivan, Joseph H., O87398.
Summers, William E., O86833.
Sumner, John H., O86834.
Sundt, Richard S., O87399.
Svendsen, Don F., O87400.
Sweeney, Robert F., O86837.
Sweet, Wayne A., O88213.
Swindells, John E., O86838.
Symons, John W., O82149.
Szustak, Frank G., O86842.
Tarbet, Kenneth D., O91526.
Taylor, James E., O86845.
Taylor, James R., O87941.
Taylor, Robert P., O87942.
Taylor, Vernon K., O94351.
Temple, William E., O87401.
Tennant, Charles E., O87402.
Terhune, Robert B., O88506.
Terry, Norman D., O86849.
Terseck, Richard J., O86850.
Thomas, Bobby F., O91706.
Thomas, James E., O84143.
Thomas, Marvin L., Jr., O87403.
Thomas, Phillip J., O86853.
Thompson, Benjamin W., Jr., O88507.
Thompson, James P., Jr., O86856.
Thompson, Paul F., 2d, O86857.
Thompson, Vernon D., O86858.
Thorstad, Ronald C., O86859.
Thudium, Christian C., Jr., O87404.
Thurin, John P., O92025.
Tillar, Donaldson P., Jr., O87405.
Todaro, Joseph E., O87406.
Tomiczek, Paul W., Jr., O87407.
Tompson, John C., O86864.
Toothaker, Thomas R., O86866.
Toskey, William M., O87408.
Tozier, Robert E., O87644.
Train, William F., 3d, O87409.
Traver, Donald J., O87952.
Tritaik, Wayne A., O86871.
Tritz, James W., O87410.
Tucker, John DeF., O86873.
Tully, Walter B., Jr., O87411.
Tulp, David P., O87412.
Tuma, Jimmy W., O86876.
Turley, Jesse D., 3d, O87877.
Turner, Robert A., O87413.
Tweddale, C. Thomas, O89392.
Tyler, Erven S., O87414.
Uhler, Robert G., O86880.
Ulrich, Joe D., O86881.
Vaglia, James E., O88511.
Vanek, David V., O86886.
VanHorne, Marvin L., O86887.
VanLoben Sels, James W., O87415.
VanZee, James L., O88988.
Vargosko, Michael A., O88219.
Vaughn, Emmet P., Jr., O86890.
Veidt, John H., Jr., O87416.
Vender, Roger D., O86891.
Venzke, Gene A., O86892.
Vermette, Robert E., O94901.
Versace, Humbert R., O87417.
Vinci, Joseph F., O86894.
Vines, Charles A., Jr., O86895.
Volponi, Anthony A., O88221.
Wacloff, Robert L., O86898.
Wait, William M., O86900.
Walczak, Sylvester, Jr., O86901.
Walker, James M., O87962.
Wall, William J., Jr., O86904.
Wallace, Malcolm K. R., O86905.
Waller, Calvin A. H., O86906.
Walls, Richard B., O86907.
Walsh, Daniel P., O86908.
Walsh, James E., Jr., O87418.
Walter, Dennis I., O87419.
Walters, Harry N., O87420.
Walters, James P., O87421.
Wands, Donald R., O87422.
Ward, Jerido, O88518.
Ware, Roger B., O87423.
Warren, Warren J., O78424.
Watkins, Wayne C., O87657.
Weand, David M., Jr., O88519.
Weatherly, Emory D., Jr., O88998.
Weaver, Carl A., Jr., O87425.
Weaver, Charles R., O87965.
Webb, Earl E., O92606.
Webb, James M., Jr., O86913.
Webb, Jesse H., Jr., O86914.
Webb, Waldo R., O86915.
Weber, Bowman H., O89001.
Weber, Ralph P., O87426.
Weber, William R., O87427.
Webster, Carl S., O87428.
Webster, Dan M., Jr., O87429.
Weekley, Robert M., O87430.
Weeks, Joseph P., O86916.
Weeks, William J., Jr., O86917.
Weening, Otto, O86918.
Weisenseel, Gerald E., O87431.
Weisler, Julian E., 2d, O87432.
Welch, Richard D., Jr., O87433.
Wells, James L., O86922.
Wells, Theodore D., O87434.
Welsh, Gary P., O86924.
Werbel, Stephen K., O87435.
Wesneski, Carl A., O89005.
Westgard, William C., O86927.
Wharton, William T., O88525.
Wheeler, David R., O87436.
Wheeler, Joseph W., Jr., O87437.
Wheeler, Robert A., O87438.
Wheeler, Roger, J., Jr., O86928.
White, Donald R., O91720.
White, Thomas H., O87439.
Whiteside, Jerry E., O86930.
Whitley, Henry G., Jr., O86931.
Whitworth, David C., O86933.
Whorton, Billy L., O92608.
Widder, David J. W., O86934.
Wilder, William B., Sr., O86936.
Wiley, Larry N., O87440.
Wilkerson, Edwin A., O86937.
Wilkins, Robert E., O86938.
Willey, Frank G., Jr., O87668.
Williams, Cary E., O89011.
Williams, David K., O92046.
Williams, Donald B., O87441.
Williams, Joe E., O87442.
Williams, John S., O88229.
Williamson, Alan R., O86940.
Williamson, John D., O87973.
Willis, Jerry T., O88231.
Wilmoth, Frederick L., O87443.
Wilson, John S., O87444.
Wilson, Loren D., Jr., O86944.
Wilson, Martin L., O86945.
Windham, Carter LeR., O87670.
Winebarger, Marion C., O86947.
Winford, Billy G., O86948.
Winn, David S., Jr., O86949.
Winter, Maurice G., O86950.
Wolf, Wilbur E., Jr., O86951.
Womack, Willard A., O86954.
Woodhouse, Donald L., O86955.
Woods, Lawrence D., O92051.
Wooldridge, Marshall, O87445.
Workman, Willard M., Jr., O86958.
Worthington, Wayne L., O87980.
Wosicki, Walter J., O87446.
Wray, Duane P., O94664.
Wright, William W., O87447.
Wrigley, John B., O86961.
Yateman, Sidney H., O87448.
Yates, Cecil E., Jr., O86962.
Yates, Richard P., O86963.
Yeats, Philip L., O87449.
Yeatts, Frederick L., O87985.
Yelverton, Rush S., O87450.
Yeosock, John J., O86964.
Yersky, Ronald E., O86965.
Yon, Frank E., O86967.
Young, Thomas O., O87451.
Young, Troy R., O87672.
Zachary, James L., O92149.
Zagalak, Stanley J., O87452.
Zajac, Stephen G., O86974.
Zaldo, William T., 3d, O87453.
Zierdt, William H., 3d, O87454.
Zoller, Harvey F., O88237.
Zukowski, Albin T., O87675.

To be first lieutenants, Women's Army Corps

Ball, Elizabeth C., L600.
Burbank, Arlene G., L597.
McCord, Patricia A., L595.
Slater, Suzanne, L603.

To be first lieutenants, Medical Service Corps

Belcher, David R., O85879.
Black, Baxter F., 3d, O89321.
Braddock, Thomas E., O89185.
Brown, Thomas J., O89770.
Carnahan, Robert P., O94279.
Cohen, Meyer W., O87710.
Cygan, Herbert E., O84971.
DeLos-Santos, Carlos, Jr., O91574.
Danhouser, David C., O88251.
Derrickson, William B., O93035.
Dupuy, Lloyd C., O86099.
Ellingson, Mayo K., O89474.
Elsarelli, Leon E., O95015.
Field, Richard W., O86137
Frate, Joseph A., O89331.
Greenhalgh, Donald L., O95026.
Hale, Arnold W., O91594.
Hansen, Louis J., O86221.
Harris, Jon N., O86229.
Hatfield, William K., O94759.
Heitzman, Lawrence J., O94760.
Henry, John D., O91602.
Higgs, Richard H., O86256.
Hill, Walter B., O89507.
Hill, William R., O86259.
Howell, Lawrence C., Sr., O94469.
Huff, William H., 3d, O94935.
Jackson, Thomas C., O86311.
Jessen, Gary C., O89228.
Kane, Charles F., Jr., O93048.
Kennan, James S., O86356.
Kielman, Roger W., O86362.
LaValley, John W., O94481.
Mallory, Lloyd M., O88426.
McCurley, Robert L., O89359.
Merritt, Thomas E., O89258.
Miller, Roger C., O90806.
Morgan, Robert E., O89362.
Moseley, Robert R., O91946.
Norton, George T., O94120.
Paul, C. Peter, O87875.
Payne, John C., O86619.

Peacock, James L., O95080.
Pedersen, Edward R., O90377.
Penick, Norman D., O91973.
Pittman, Thurman M., O86648.
Plaatsman, James P., O89370.
Pollock, Archie D., Jr., O86655.
Reuter, LeRoy H., O91498.
Sandleback, Eugene J., O95095.
Schlaak, James R., O88915.
Scott, Gordon W., O87609.
Sides, John P., Jr., O87915.
Simpson, Calbrieth L., Jr., O86764.
Sisler, Gary L., O86767.
Sobocinski, Philip Z., O94962.
Solomon, Richard C., O89385.
Thompson, George E., O90547.
Travis, Edward E., O92138.
Trumbla, Thomas E., O92028.
Tucker, Tracy W., O86874.
Webb, Byron D., Jr., O91414.

To be first lieutenants, Army Nurse Corps

Gosling, Bernadine J., N3042.
Vineys, Eugenia A., N3062.

The following-named person for reappointment to the active list of the Regular Army of the United States, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be colonel

Cron, Lucius N., O18411.

The following-named persons for appointment in the Regular Army by transfer in the grades specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3292, and 3294:

To be lieutenant colonel, Judge Advocate General's Corps

Picciotti, Romulus A. (Signal Corps), O79951.

To be captains, Medical Corps

Feagin, John A., Jr. (Artillery), O72048.
Lenio, Paul T. (Infantry), O72123.

To be captain, Medical Service Corps

Guthrey, William L. (Artillery), O78327.

The following-named persons for appointment in the Regular Army by transfer in the grades specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

To be major

McCoy, John P. (Medical Service Corps), O84323.

To be first lieutenant

Hopkins, Richard L. (Medical Service Corps), O88743.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

To be captains

Benton, Arthur L., O1120620.
Brown, John P., O1885499.
McDonald, John F., Jr., O4006740.
Parker, Velma F., O2269151.
Stewart, Richard K., O4009589.
Wereszynski, Henry J., O4005282.

To be first lieutenants

Crider, Terence A., O4071284.
Crosby, Theodore F., Jr., O5301954.
Hackett, Gerald R., O5203771.
Hale, Charles A., O4058786.
Hazen, William C., O5001163.
Janosko, Eugene S., O5702852.
Johnston, Robert L., O5405142.
Keel, Frank W., O4049494.
Pelot, Lynwood M., Jr., O5405159.
Pollock, Robert T., O5202164.
Smith, William G., O5002395.
Thompson, David E., O4058063.
Walling, James B., Jr., O4085089.
Williams, Russell L., O5307295.

To be second lieutenants

Blondell, John V., O5209443.
Brooks, Milton D., 05312251.
Cooper, Kenneth D., O5704927.
Dekeyrel, Burdette L., O5312365.
Halford, John R., O5402673.
Jones, Dean C., O5408157.
McIlhaney, Richard G., O5404342.
Mulvihill, William M., O5209566.
Musmanno, Francis J., Jr., O5006774.
Naumann, Walter E., O5307631.
Schwartz, Michael P., O5005112.
White, Jerry A., O5210360.
Wilson, John F., Jr., O5311296.
Zebarth, Roger L., O5509739.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, 3294, and 3311.

To be captains, Dental Corps

Brady, John M., O4015041.
Deegan, Alan E., O2296065.
Kau, Leong Y., O5518126.
Paul, Charles L., O5202606.

To be captains, Medical Corps

Bannister, Gary L., O2298008.
Blair, Lawrence, O5206199.
Bump, Robert G., O1938619.
Evans, William N.
Greenfield, Robert T., Jr., O2290164.
Jensen, Owen C., O2297987.
Lackey, Dixon A., Jr., O5301408.
Levy, Michael, O4053391.
Marsh, Frank G., O996737.
Mehlhop, Fred H., O5206575.
Stubbs, Joe C., Jr., O2305799.
Swearingen, Robert L., O5312931.
Winkler, William P., Jr.

To be captain, Medical Service Corps

Heath, Charles V., O1882457.

To be captain, Veterinary Corps

Parker, Royce C., O5301283.

To be first lieutenant, Army Medical Specialist Corps

Lucas, Mary E., M2298014.

To be first lieutenant, Army Nurse Corps

Currigan, Mary B., N5407053.

To be first lieutenant, Dental Corps

Bohanan, Jack R., O2305075.

To be first lieutenants, Medical Corps

Allen, Bohn D., O2300721.
Bean, Stuart K., O4045300.
Brainard, William C., O2305102.
Cocke, Joseph G., Jr., O5300716.
Conte, Robert R., O5202014.
Felger, Charles E., O2305082.
Harris, Martin E., O2305186.
Helmus, Wilbur F., Jr.
Hughes, Robert P., Jr., O5201966.
Jensen, Walter L., Jr., O2300351.
Jones, Charles B., Jr., O2305065.
Ladner, Calvin N., O4084256.
Lawrence, Donald J., O2300691.
Martin, Jerry R., O5702271.
McLean, Robert B., O5201236.
Painter, Milford R., Jr., O2305010.
Pitkethly, David T., O5301317.
Quarantillo, Edward P., Jr., O5203623.

To be first lieutenants, Veterinary Corps

Clark, William H. H., O2300957.
Hagberg, Mylo M., O2305370.

To be first lieutenant, Women's Army Corps

Hodges, Mae E., L2295641.

To be second lieutenants, Medical Service Corps

Angiolelli, Ralph, O5002741.
Collyer, William M., O2306231.
Galietta, Enrico M.
Gustat, Mathew P., III, O5214772.
Herber, William E., Jr., O2298771.
Kendall, Marius W., O5705277.
Lassiter, Charles S., O5307931.
Lerro, Richard M., O5213835.
Marine, Wayne E., O5509094.
McCollum, John P., Jr.
Rosenbleeth, Milton H.
Savage, Linnaeus B., O2305773.
Sommer, Eugene C., O2307776.
Sorber, Charles A., O2305804.

To be second lieutenant, Women's Army Corps

Albright, Barbara L., L2302242.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, and 3290:

To be second lieutenants, Medical Service Corps

Arends, Robert C.
Dyball, David C.
Gillespie, Richard L., Jr.
Gilliam, Frank H., Jr.
Hacker, Helmut F.
Klemperer, Walter M.
Land, Mickey L.
Steele, John M.
Tauscher, Gary L.

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, and 3288:

Adams, William E.
Amundson, Roger E.
Askins, William M., O5707116
Ator, Richard D.
Bachman, William H.
Ball, Elwyn J., 2d
Bean, Roger K.
Beim, Alexander
Bible, Paul A.
Bila, Ronald V.
Bombel, George A.
Brothers, Dale R.
Castle, Eugene H., Jr.
Caynon, Jackie L., Jr.
Charrin, Jack R.
Clement, Samuel A., Jr.
Clinchard, Adam G.
Cummings, Walter B.
Darcy, Edward J., III
Dingwall, Bennett T., III
Docter, Kenneth G.
Dodge, Francis N.
Dodge, Steven B.
Erber, Peter J.
Fischer, John A.
Fosbrook, Geoffrey A., Jr.
Geeck, Philip F.
Giese, Paul A.
Gordon, Charles L.
Gursky, Robert S.
Hartsel, James E.
Hawes, Samuel D.
Herdrich, Richard C.
Higgins, Dennis R.
Hightower, Edward G.
Huntley, Donald P., Jr.
Hurst, Lawrence
Jankowski, Walter J.
Jellett, James M.
Kuhl, Herbert D.
Kurka, George J.
Lowrance, Jerry M.
McCassey, Everett S.
Meyers, Frederick F., Jr.
Miller, Robert A.
Moore, Donald W.
Moore, Marvi D.
Murdock, Don H.
Nelson, Peter G.
Noel, Harlan M.
Norell, Stephan G.
Paul, LeRoy W.
Perry, Ronald J.
Prusinovski, Louis H.
Quick, Errol A.
Ratford, Ray L.
Redner, Daniel B.
Rodgers, Joseph A.
Rohn, Gordon F.
Rowell, John O., Jr.
Ryall, William F.
Salter, Douglas N.
Scamahorn, William E.
Schumaker, Robert F.
Shegog, James H.
Shepard. John D.
Shulman, Carl D.
Skinner, Brian K.
Smith, James A.
Smith, William L.
Stancil, Brian M.
Struthers, Allen B.
Swanson, Lawrence E.
Thomas, Steven A.
Turner, Nathaniel P., III
Wadham, Thomas A.
Walgren, William E.
Wallace, Jim B.
Williams, Jerome S.
Williams, Larry D.
Wills, Edward L.
Wormsbaker, Virgil T.
Youngblade, Walter

The following-named cadets, graduating class of 1962, United States Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353:

Acklin, James M., III
Adams, Keith E.
Ailinger, Lawrence G.
Alcala, Raoul H.
Alt, Jeffrey C.
Amon, Lawrence R.
Anderson, Charles C., Jr.
Andress, James G.
Andrews, Robert P.
Andrews, Roger C.
Armstrong, Chalmers H., III
Armstrong, David A.
Arnold, Steven L.
Babb, Donald N.

Bachelor, Larry D.
Bailey, Ellis M.
Baltes, Paul A., Jr.
Barry, Richard A.
Bartelme, Michael J.
Batt, Howard C.
Baughman, Harold D.
Bauman, Robert D.
Baxter, Gene E.
Benchoff, Dennis L.
Bergeron, Donald N.
Bergman, Todd L.
Bernitt, Charles F.
Biddison, Alan M.
Bilafer, Martin F.
Blumhardt, Glen A.
Blundell, James D.
Blynn, David M.
Bode, John T.
Bondshu, Arthur F.
Boozer, Wilburn L.
Borrello, Ronald A.
Bothwell, Frederick C., III
Boyd, Harry R., Jr.
Boyle, James F.
Brewer, Thomas C.
Brogi, Robert P.
Broom, Thad A., Jr.
Broshous, Charles R., Jr.
Brown, Athur S.
Brown, Charles E.
Brown, Gary L.
Brown, Harold L., Jr.
Brown, Morris E., Jr.
Brown, Roger A.
Brown, Walter B.
Browning, Philip Y., Jr.
Bryde, Walter J., Jr.
Buck, Thomas E.
Burke, Paul W.
Burns, Donald A.
Burns, Philip J.,
Burns, William C., Jr.
Burr, Ralph R., Jr.
Buttolph, Dan D.
Butzer, Charles B.
Byers, John W.
Byrd, William A.
Cacioppe, Richard C.
Calhoun, William R., Jr.
Campbell, John H.
Canary, Patrick L.
Carlson, Richard I.
Carnes, George P.
Carr, Sammie T.
Carroll, Robert C.
Carter, Benjamin F., Jr.
Casp, Michael A.
Caufield, Frank J.
Cauthen, William A., Jr.
Chadbourne, Glenn A.
Chafetz, Donald A.
Chandler, Charles R.
Chegar, Richard D.
Chisholm, Ronald J.
Chladek, Richard M.
Christopher, William G.
Chrobak, Walter J.
Clark, Daniel D.
Clark, Winston B., Jr.
Cobb, Tyrus R., Jr.
Cole, Roy W., III
Comello, Jerome J.
Comer, Frederick E., Jr.
Cooper, Robert S.
Cooper, Walter A.
Costain, Phillip A.
Cowles, James H.
Coyne, Robert C.
Crabtree, Michael A.
Crane, Lawrence R.
Cross, William M.
Crow, Rufus C., Jr.
Crowell, Arthur N.
Culp, Robert S., Jr.
Culp, Thomas D.
Culver, Thomas R.
Curren, Grindley C.
Currin, James M.
Dargle, John W.
Darrah, John W., III
Darrell, Charles C.
Daugherty, William F.
Davis, Thomas R.
DeAmico, Anthony R.
DeJardin, Alan R.
DeSapri, Donald A.
DeVore, John E.
DeVries, Robert K.
DeVries, Russell, Jr.
Dean, Kenneth L., Jr.
Degenhardt, Jacob R., Jr.
Denison, Dan L.
Denton, Donald A.
Dickinson, Robert C.
Dieal, William J., Jr.
Dilley, John H., Jr.
Dobbins, Paul J.
Dodd, James W.
Dolson, Kenneth R.
Dominy, Charles E.
Doten, Frederick S.
Douglas, Robert E.
Downing, Wayne A.
Duncan, George R.
Dunmyer, James W.
Dupuy, Trevor N., Jr.
Dworsak, William F.
Dwyer, Edward J., Jr.
Easterbrook, John E.
Eccleston, Thomas F.
Ellis, James R.
Ellis, Robert L.
Evans, John G.
Evans, William A.
Faley, Thomas E., Jr.
Fee, John E.
Feldman, David A.
Ferguson, John P., Jr.
Finlayson, John D.
Finn, Bertram P.
Fintel, Arthur T.
Fiore, Francis A. N.
Fishburne, Elliott G., III
Fisher, Charles L., Jr.
Flint, Dennis D.
Florence, John P.
Foss, Ardeen R.
Fox, Ralph M.
Francis, David P.
Franck, John L.
Franke, Roger W.
Franks, Clifton R.
Fraser, Harry L.
Froeschle, Joel D.
Fuellhart, Robert H., Jr.
Galanti, Philip J., Jr.
Garrett, Robert P.
Gartrell, Barry L.
Garvey Richard E., Jr.
Garvin, David E.
Gavan, William H.
Geiss, Charles G.
Gilligan, Richard M., Jr.
Girardi, Alfred F.
Gleason, James M.
Godshall, Michael L.
Godwin, John T.
Goldberg, Bertram
Goode, Robert H., Jr.
Gorden, Fred A.
Grahn, Norman D.
Gramzow, Richard H.
Grebe, Michael W.
Green, Roger W., Jr.
Greenwalt, Robert D.
Griffith, Thurston A., Jr.
Grimshaw, John M.
Gross, Joseph E., III
Guarino, Joseph L.
Gunderman, George L.
Habblett, John S.
Hagerty, Harry E., Jr.
Hameister, Herbert H.
Hamilton, Edward A., Jr.
Handy, George W.
Hansen, Kraig U.
Hard, Donald W.
Harkins, David V.
Harrington, James S.
Harris, Harold E.
Harrison, Willard E., Jr.
Hartman, Allison R., Jr.
Havercroft, Roger V.
Heigl, James J., Jr.
Heldman, James R.
Helmuth, Richard E., Jr.
Henderson, Leonard C.
Henderson, Ronald R.
Hendren, Ed W.
Henn, Karl M.
Herre, Thomas A.
Herring, Kenneth D.
Hertel, Herbert C., Jr.
Hickey, John J., Jr.
Higinbotham, Lewis
Hillyard, Frederick J.
Hilton, Roger T.
Holcomb, Cornelius C., Jr.
Holderness, Stephen W., Jr.
Holeman, Robert E.
Hoos, William A., Jr.
Horoschak, Peter P.
Howard, Malcolm J.
Hueman, Thomas P.
Hufschmid, Robert G.
Hughes, William M., Jr.
Hurst, Nicholas R.
Hyde, Clinton O., Jr.
Irwin, Richard W.
Ishoy, Kenneth V.
Ivy, Charles H.
James, Richard A.
Johnson, Cal D.
Johnson, Joe S., Jr.
Johnson, Marshall B.
Johnsson, Erik G., Jr.
Jones, David M.
Jones, John W., Jr.
Jones, Paul M.
Jordan, Robert W.
Kambrod, Matthew R.
Kamm, Ervin F., Jr.
Karrer, Donald
Kays, James L.
Kelly, John J.
Kelly, Patrick O.
Kendall, John F.
Kent, Richard S.
Keuker, Christopher H.
Kieffer, Joseph S., III
Kilmartin, Thomas J., III
Kimsey, James V.
Kinard, William H., III
King, John H.
King, Peter G.
Kirby, John J., 3d
Kirkegaard, Paul J.
Kirschenbauer, George W.
Kling, Thomas R.
Kobayashi, Roy S.
Kohler, Johann R. W.
Kosco, William G.
Krause, James E.
Krause, Robert G.
Kriesel, Melvin E., Jr.
Krukowski, Edward E.
LaRoque, Fred R., Jr.
Lair, Don L.
Landry, John R.
Lane, Ronald L.
Lape, Jerry V.
Larsen, Arnold L., Jr.
Lawson, Anthony B.
Learish, Dean L.
Lee, Roger C.
Lembo, Richard A.
Lilley, Robert J., Jr.
Lindsey, James L.
LoPresto, Raymond J.
Logan, David W.
Loupe, Sylvain M.
Lovgren, Arthur A.
Lurker, Ralph L.
Lynch, Albert F., Jr.
Lynn, Jon V.
Madden, Richard G.
Maidt, Honald N., Jr.
Malley, James H. M.
Martin, Bernard M.
Martin, James R.
Mayo, Richard E.
McCarthy, Jefferson B.
McCarthy, Terrance C.
McCrorey, James K.
McDonnell, Roger N.
McDonough, James M., Jr.
McDowall, Raymond G., Jr.
McElhose, Alan F.
McEnany, Brian R.
McGarry, Thomas W.
McGurk, Robert S.
McKay, James F., Jr.
McKeithan, Clifford M.
McKinley, Brian V.
McLaughlin, David R.
McMahan, Thomas E., Jr.
McNamara, Paul D. D.
McQuillen, James F.
McRae, Wilton D.
Meade, William C., III
Meehan, John F., III
Meeth, Harry, III
Mengel, Larry L.
Mennie, Thomas L.
Menning, Walter R.
Merriam, Charles S., II
Meyer, Samuel S., III
Middaugh, Thomas R.
Miller, Allen Z.
Miller, Frank D., Jr.
Miller, William L., Jr.
Minson, David C.
Moore, David W.
Moore, Michael
Moore, Thomas J.
Mooring, Laurence G.
Morgan, Douglas W.
Morin, Carl R., Jr.
Mount, Jimmy D.
Mumford, John B.
Mundt, David L.
Munsch, Robert C.
Murphy, Paul T.
Murphy, Vincent E.
Murray, Charles A.
Murray, Thomas E., II
Nahlen, Charles L.
Nau, John F., Jr.
Needs, Larry R.
Nelson, Phillip E.
Neumann, David C.
Nieuwboer, Harry W.
Noake, David A.
Norwood, Marvin P.
Novotny, John L.
Nunnelee, Joseph D., II
Nydegger, Neil K.
O'Brien, Michael T.
O'Neal, John W.
Oldfield, Peter J.
Ord, Robert L., III
Ostenberg, Thomas F.
Pakula, Kenneth R.
Pardi, Livio F.
Parker, Wayne B.
Parmenter, Larry W.
Parsons, Bruce B.
Pattarozzi, Anthony A., Jr.
Paxton, Gary L.
Pearson, Thomas D., Jr.
Pendergraft, Joe E.
Pendleton, Raymond A.
Perdew, Eldon L.
Peterson, James C.
Petrolino, Joseph A., Jr.
Petty, William D.
Pfeifer, Bill P.
Phillips, David J.
Phillips, Robert L.
Pons, Philip E., Jr.
Porter, John D., Jr.
Porter, Joseph G., Jr.
Poulsen, Waldemar P.
Price, Donald A.
Prince, Howard T., II
Pryor, Ralph W.
Reach, William T.
Reavill, Jackson C.
Redmond, James L.
Redmond, Robert A.
Reeves, Stacy E., 3d
Regan, John S.
Reich, Russell O., Jr.
Reid, Robert L.
Reimer, Dennis J.
Remener, Lawrence J.
Remington, Will M.
Renaghan, Kevin G.
Richardson, Lawrence C.
Ricks, Robert E., Jr.
Rigby, Joe W.
Riggs, David K.
Rintz, Robert E.
Rishel, Waide N., Jr.
Robb, Allan D.
Robbins, Christopher R.
Rohrbacher, Richard
Rose, Jerry D.
Rosenberg, Michael J.
Ross, William L., Jr.
Rowe, Dorsey E.
Rucker, Jack L.
Rumph, Robert R.
Rushatz, Alfred S.
Ryan, James C.
Sarran, George C.
Sayers, Ronny J.
Sazama, Francis J., Jr.
Scarsella, Alan N.
Scharpf, Francis R.
Scheewe, Lawrence R.
Schein, George, II
Scherr, William A., III
Schmidt, James K.
Schmidt, John L., Jr.
Schmidt, Marlin E.
Schmidt, Rodney J.
Schott, Paul D.
Seay, Jerry J.
Selby, John R.
Shaw, Charles L.
Sheaffer, Frederick E.
Sherard, Stewart, Jr.
Sholly, David J.
Shope, Walter R.
Shuey, Robert D.
Shutes, Stanford W., Jr.
Siedzick, Peter
Sikorski, Robert J., Jr.
Simcox, Thomas A.
Simoneaux, Joseph A.
Skarupa, Ronald A.
Sklar, Richard R., II
Skown, Bernard
Slater, Duane L.
Sloan, John N.
Smith, Dale F.
Smith, Larry D.
Smith, William F.
Snider, Don M.
Snover, Ralfe E.
Snow, Wayne A.
Spangler, David R.
Spencer, James J.
Sperman, Stephen D.
Spivey, Christopher B.
Spradling, Eldon H.
Sprague, Harold E., II
Sprouse, Derek G.
Spurlock, James E.
Stanley, Warner D., III
Starbird, Edward A.
Steele, Samuel L.
Steinke, Richard R.
Stephenson, Dan T.
Stephenson, Richard C.
Stewart, Donald E.
Stewart, Phillip R.
Stong, Todd D.
Storat, Richard E.
Street, Donald R.
Strohmeyer, James A.
Stroup, Theordore G., Jr.
Sweeney, Denne A.
Sweet, George B., III
Swick, Charles D.
Symanski, David E.
Szwarckop, Joseph D.
Szymczak, Robert W.
Tarbet, Robert M., Jr.
Taylor, John L.
Taylor, Leonard C.
Taylor, Walter D., Jr.
Teed, Dan G.
Telenko, George J., Jr
Thomas, Billie N.
Thomas, Robert B.
Thompson, Stanley E.
Tindale, Alan C.
Tinnemeyer, Charles W.
Tomlinson, Gene B.
Treadwell, David O.
Tumelson, Ronald A.
Tumlin, Ronald W.
Tumpane, James R.
Tysver, Gerald A.
Ulmer, John M.
Urna, Henry D.
Voss, Donald J.
Vranish, John M.
Waggoner, Ivan L.
Wagner, John H., II
Wagner, Steventon
Walker, John B.
Walker, Thomas E., II
Wallace, Kenneth M.
Wallace, Roy V., Jr.
Ward, Windsor E.
Warner, Stephen D.
Wasaff, Samuel K., Jr.
Waters, Lawrence E.
Webb, Arthur M.
Webb, Ernest L.
Weinfurter, Robert J.
Weiss, James W.
Welper, Francis E., Jr.
Wertz, Paul F.
West, Steven G.
Westfall, Francis D., Jr.
White, William D., Jr.
Whitehead, William C., Jr.
Whitmore, Stanley E., Jr.
Wilcox, John G.

Wilhelm, Alfred D., Jr.
Wilkerson, Benjamin R., Jr.
Williamson, Donald L.
Willis, Wayne D.
Windom, David L.
Winkler, John C.
Withers, Geoffrey D.
Witzel, Ronald W.
Woeber, Donald H.
Wong, Robert Y.
Worthington, Henry W.
Worthington, James M., Jr.
Wuerpel, Charles L.
Wylie, Richard W.
Zabik, Robert D.
Zenker, Ernest G.
Zinn, Ronald L.
Zmuida, Paul T.

The following-named midshipmen, graduating class of 1962, United States Naval Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provision of title 10, United States Code, sections 541, 3284 and 3287:

Bird, William J.
Dewey, Victor O.
Gezelman, Allen D.
Harper, Robert E.
Hunsicker, John E., III
Lane, Joseph H.
McDonald, Robert L.
Racouillat, Richard N.
Rice, Richard B.
Rose, Uldis R.
Trapnell, Philip B. S.
Tremaine, Myron D.

The following-named cadet, graduating class of 1962, United States Air Force Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 541, 3284 and 3287:

Keyes, August L.

EXTENSIONS OF REMARKS

Persecution of Jews in the U.S.S.R.

EXTENSION OF REMARKS

OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. KASTENMEIER. Mr. Speaker, in a letter to the New York Times on May 15, 1962, Representative WILLIAM FITTS RYAN, of New York, clearly points out that the mere existence of a law prohibiting discrimination against a minority group is useless unless a Government actively promotes and protects individual rights. He rightly points out the disgraceful treatment the Soviet Union has given to its Jewish citizens and he urges the free interchange of information and personnel from the world and Soviet Jewish communities.

His letter and his suggestion deserve the consideration of the House:

SOVIET JEWS' PERSECUTION—INTERCHANGE OF RELIGIOUS LEADERS TO REFUTE CHARGES SUGGESTED

TO the EDITOR OF THE NEW YORK TIMES:

On May 9 the Times published a letter from Mikhail Strogovich, a Moscow law professor, which attempted to refute the charge that the Soviet Union was persecuting Jews. The reed on which the professor rests his argument is the Soviet Constitution and Soviet law.

While it may be true that Soviet law prohibits religious persecution, it is a well-known fact that any law is only as good as those who administer it. History has taught that the mere existence of a constitution and laws—no matter how fair on their face—does not prevent the establishment of a ruthless dictatorship.

As a Congressman who is deeply concerned with discrimination against all minorities, I have received evidence of widespread discrimination in the Soviet Union. The evidence shows discrimination against Jews in employment, in schools, in the Russian press and during the recently reported trials. In addition, there seems to be a deliberate effort on the part of the Soviet Government to eradicate Jewish customs and cultural institutions.

Reports of such persecution have been widely publicized in the United States. Instead of pious pronouncements and citations of dead-letter law, it would be far more convincing if the Soviet Government would allow contact between the worldwide Jewish community and Jews in the Soviet Union.

Both the United States and the U.S.S.R. have exchanged programs of musicians, singers, ballet dancers, scientists and others. Both countries would benefit if religious leaders were included in the exchange program. If the well-documented reports of religious persecution can be refuted, then why does not the Soviet Union allow, indeed encourage, a free interchange of personnel and information with her Jewish religious community?

WILLIAM FITTS RYAN,
Member of Congress,
20th District, New York.

Nationwide Press Reaction to New Jersey Doctors' Boycott

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. KING of California. Mr. Speaker, under leave to extend my remarks, I wish to quote from the reaction to the threat of 44 doctors at Point Pleasant, N.J., Hospital early this month to refuse to care for patients under President Kennedy's plan for health care through social security which has resulted in a nationwide wave of shock and dismay among other physicians, public officials, the press and the public.

National reaction variously termed the threat "shocking," "incredible," and "political blackmail."

The 44 New Jersey doctors, according to Dr. J. Bruce Henriksen, leader of the group, signed a resolution that stated flatly:

> We the undersigned * * * do refuse to participate in the care of patients under the provisions of the King-Anderson bill or similar legislation.

Dr. Caldwell Esselstyn, chairman of the Physicians Committee for Health Care Through Social Security, said in behalf of the committee that it was "incredible that a group of physicians would deny a sick person the right to pay his hospital bills by contributing to social security a little every month during his working years so he wouldn't have to accept charity in his old age."

New Jersey's Governor Hughes condemned the doctors' boycott threat, terming it a political device at variance with the vows of the Hippocratic oath.

> It is a source of great regret to me—

He said—

> that such a proposal originated in New Jersey.

Secretary of Health, Education, and Welfare Ribicoff accused the New Jersey doctors' group of "trying to blackmail the Congress and the American people" and charged:

> They are violating the Hippocratic oath which they took before they began the practice of medicine.

He pointed out that—

> It should be absolutely no concern to a physician where a patient gets the money with which to pay his hospital costs.

Secretary of Labor Goldberg called the action of the New Jersey doctors a "disgrace to the country."

Following is a sampling of editorial opinion across the Nation:

New York Times:

> The threat of a group of New Jersey physicians to boycott patients seeking care under the administration's proposed program of medical care for the aged is an attempt at political blackmail degrading to their profession * * *. Certainly physicians have a right to publicize their objections to any social security approach to the financing of medical care * * *. The one thing they do not have a right to do is to threaten to make the sick the victims of their political dissent by depriving them of lifeguarding services.

New York World Telegram and Sun:

> Such a boycott of the sick would amount to a medical atrocity.

New York Herald Tribune:

> New Jersey's rebellious doctors have not added to their stature by their revolt, nor have they enhanced the dignity of the medical profession's opposition to the King-Anderson bill * * *. King-Anderson, after all, would not pay doctors' fees; it would only pay a part of the patient's hospital bill * * *.

Pittsburgh Post-Gazette:

> We are sorry to see medicare for the aged reduced to the absurdities rampant in New Jersey. The doctors should repel adherents by their own silliness.

St. Petersburg, Fla., Times:

> One of the most shocking—and certainly the least tenable—positions any doctors' group has taken against social security medicare is that which has stirred up so much controversy in Point Pleasant, N.J.

St. Louis Post-Dispatch:

> Incredible is a mild word.

Milwaukee Journal:

> Such a readiness to violate their professional oath because they don't like the kind of health insurance a patient carries is shocking.

Denver Post:

> The American Medical Association * * * should say that such tactics presently constitute blackmail and potentially represent

an attempt by a special interest group to dictate national policy to the American people.

San Francisco Chronicle:

It has been suggested that the new Jersey movement is a trial balloon, sent up by organized medicine to frighten the public away from support of the King-Anderson bill. If so, it will doubtless accomplish half its purpose before being shot down in flames. It will frighten the public—not against the medicare program, but against that segment of the medical profession that would prescribe so violent and desperate an antidote.

Arizona Elks Club Convention Speech by the Honorable John J. Rhodes

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. RHODES of Arizona. Mr. Speaker, the Arizona Elks Convention met in Mesa, Ariz., on May 11, 1962 at my home lodge. I was honored by being designated to give the memorial address.

The speech follows:

Arizona Elks Convention Speech, Mesa, Ariz., May 11, 1962

Once again, at the hour of 11, we meet to honor the memory of those brethren who have passed from our midst into the great beyond. It is altogether fitting and proper that we should do this. Under the fatherhood of God, they were flesh of our flesh. Under the brotherhood of our order, they are of our hearts and of our spirits. They lived as we lived, and have passed beyond the great curtain, which will be drawn for us all, one day.

With their departure, we feel a great sense of loss. Although there are many hands to take up the torch they relinquished, the sum total of our accomplishments will be lessened, and the particular quality each of them brought to our order will be absent. To say that they will be missed is to understate the case.

But Elkdom always seals off its wounds, closes the circle, and proceeds in pursuit of its great objectives. Our departed brethren would have us do nothing less. To these objectives they gave a lifetime of devotion. We honor them most completely when we rededicate our own lives to the furtherance of the great purposes and aims for which our order ever strives.

On our altar is the flag of our country. All of our members have taken an oath of allegiance, not once but many times, to that flag, and to the Republic for which it stands. Today that flag and that Republic are beset by forces from within and without which would destroy them, because they stand as bastions against the domination over the minds and bodies of men which those forces seek. To them man is subservient to the state, and the desires—even the lives—of individuals are as nothing when compared to the needs of the monolith they have created and dubbed, "the state."

Whence came this "state"? In the Bible, temporal power is recognized, but it is always implicit in this recognition that such power does not run counter to the fatherhood of God. Our Creator has bestowed upon us the power to govern ourselves. We may delegate this power to governments of our own choosing, but the ultimate power to govern always resides in us as a gift of our Creator.

But those who would destroy us do not believe in a Supreme Being. They believe that there was nothing before this life, and that there is nothing after it. Their ideology is based completely on materialism. Since the existence of man is both the alpha and the omega, his lifespan should be made as useful as possible, and they are just the people to determine how he is to be used. Originally, the Communist theorist was preoccupied with bettering the life of man, and this is still preached by the Communist propagandist. But the Communist elite has long since recognized that they need not believe their own propaganda—that communism was and is a vehicle by which they and their heirs would ride to temporal power.

They found early in the struggle that their domination of the people required the creation of a fiction to which homage could be paid. Therefore, out of limbo, they created "the state." From the state flowed all power, and to the state was owed one's allegiance, obedience, and even one's life.

To the Communist mind, the state is a substitute for God. Their minds have never delved the mysteries of the origin of the power of the state. They accept its presence without questioning its genesis. How could a materialistic atheist do otherwise?

As a contrast, our Republic was founded by us to protect the rights of the individual and of our society. But we did not give the Republic all power—we delegated only specific powers, reserving the rest.

We can make further delegations of power, if we desire to do so. Our forefathers wisely made it difficult to amend our Constitution, but it can be amended. But we must be ever vigilant in guarding the powers we have reserved against summary usurpation or gradual dilution. May I say again—and emphasize—it is our faith and our conviction that these powers were given us by our Creator. The recipients of such a gift should ever guard it in a manner worthy of the great Giver.

We have delegated to our Republic the power to defend our land from attack from without. In exercise of this power, we have builded mighty Armies, Navies, and an Air Force second to none. We are on the threshold of being able to leave this earth on a vehicle built by us and travel to the moon and the distant stars. We are able to unleash the basic power of our universe in the shape of mushroom clouds and with destructive force which defies imagination. In the task of deterring attack from without, our Republic has been true to its trust. Only a maniac or an imbecile would accept the losses which would be his if he were to attack us in a general war.

Yet the foe we face is a subtle foe, who attacks in many ways. He not only plays on our weaknesses, but like the practitioner of judo, he turns our greatest strength against us. He uses our fears for his own advantage. He is an artist at decoy and masquerade, and continually tries to attract our attention in one sector while he pursues his subversive purposes in another.

Our sense of charity toward all is one of our greatest strengths. Yet by chicanery and the stimulation of poor judgment in our Government, he has caused us to give gifts which strengthen those who would destroy us. Forbearance is one of our virtues, but he has exploited this phase of our character by moving one of his minions into power 90 miles from our shores.

He makes feints in Berlin, and attacks in South Vietnam. He talks peace in Geneva, and makes war in Laos. He talks about banning nuclear tests, and prepares to test. He makes treaties with one hand and breaks them with another.

On the domestic scene, he uses the desire we all have for the well being of our fellow American to tempt us to embark on social experiments before our economy can afford them. His obvious hope is to use our own charitable virtue as a lever to make us ruin our own economy. Thus he would fulfill the prophecy of Lenin that we would fall "like an overripe plum" into their laps.

Against such a powerful and resourceful enemy, how can we best carry on the work that our departed brethren have "thus far so nobly advanced"? The answer does not lie in reacting to their every action. The answer certainly does not lie in fostering suspicions and doubts between loyal Americans. The forces of negativism may deter the expansion of overt communism, but something positive is needed to utterly defeat communism in all its facets.

That positive force is found in rededication to the conviction that each man is a child of God, and is therefore a brother of every other man.

As men who are recipients of the great gift of self-government from our Creator, we have delegated some of our powers to a Republic, but we have reserved all other powers. One of the powers we have reserved is the power to perform acts of brotherhood for our fellow men in our individual capacities. May we always keep this power and guard it jealously, allowing the Republic to do only those things which we cannot do ourselves.

In rededicating ourselves to these principles, let us also remember that the free enterprise system of economy is the best system yet devised by man, and will continue to be as long as it is operated by persons who are conscious of their responsibilities to their fellow men and to society. Let us remember that overregulation by government, overindulgence by government, and competition by government are equally destructive of free enterprise, and that the role of government should be to protect individuals and the society against predators—we will have them as long as humans are human. Let us also remember that the natural habitat of man—that climate in which he prospers mentally, spiritually, and physically—is a society in which he is free—free to get as big as he is big enough to get as long as he does not hurt society—or free to fall flat on his face, if fortune and his abilities so decree.

We will continue to be helpful to our fellow men, at home and abroad, but only in a manner they can understand, and which will aid, not deter, their moral and physical development. But we will also remember that the greatest asset of the free world is the free American economy—the free American society. If these fail, the lights go out all over the world. If they succeed, then all these good things we desire for our fellowman will, in God's good time, be theirs, inevitably.

If we here so rededicate ourselves, then our brethren who have passed from among us will not have lived and worked in vain, and we shall have been true to their memory, and to our order and its great principles.

First District of Arizona Questionnaire Results

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. RHODES of Arizona. Mr. Speaker, under leave previously granted, I wish to include in the Record the tabulated results of the questionnaire which was mailed to my constituents on March 30. Of the approximately 25,000 which were sent out, 5,664 were completed, representing about a 22.5-percent return. Those who replied live in the First District of Arizona, Maricopa County, which includes the Metropolitan Phoenix area:

	Percentage results		
	Yes	No	Not sure
1. Do you believe that the United States should purchase $100,000,000 worth of United Nations bonds?	11.5	81.8	6.7
2. Is another summit conference between the President and Khrushchev advisable at this time?	5.1	86.8	8.1
3. Do you favor additional Federal aid to education?	20.6	76.3	3.1
If your answer is "Yes", should it be for—			
a. School construction?	44.6		
b. 'Teachers' salaries?	18.8		
c. Student grants?	36.6		
4. Is the House Committee on Un-American Activities performing a useful function?	70.3	8.7	21.0
5. Are you in favor of military aid to countries which are friendly, but who do not have the economy to maintain an adequate defense force?	73.6	15.3	11.1
6. Should antitrust laws apply to organized labor?	88.4	5.0	6.6
7. Do you favor the Congress delegating authority to the President to adjust income taxes?	7.7	88.9	3.4
8. In general, do you favor the U.N.'s Congo operation?	13.0	72.2	14.8
9. Should Communist China be admitted to the United Nations?	5.9	89.4	4.7
10. Should the United States have halted the erection of a wall between East and West Berlin, even at a risk of an armed conflict?	65.6	20.0	14.4
11. Do you favor a program of Federal medical aid to the aged?	32.4	60.4	7.2
If we have such a program, should it be financed by—			
a. An increase in social security taxes (the social security trust fund is generally agreed to be inadequate to meet future demands on it)?	37.4		
b. A matching grant program with the States?	62.6		
12. Would you be in favor of establishing a special labor court to settle labor disputes which pose a threat to the Nation's security?	62.3	21.6	16.1
13. Do you favor the Peace Corps program?	32.3	45.9	21.8
14. An Indonesian attack on Dutch New Guinea poses a threat to Australia's safety. Should the United States come to the aid of the Dutch and Australia if such an attack occurs?	71.5	12.0	16.5
15. Should the Federal budget be balanced, even though certain Federal services may have to be curtailed?	85.9	8.1	6.0
16. Should Communist pilots (primarily from Yugoslavia) be permitted to train in the United States?	4.7	90.2	5.1
17. Do you favor giving the President authority to reduce tariffs below present levels?	18.1	72.1	9.8
18. Is it possible for the free world to exist side by side with Communist nations?	16.7	74.7	8.6
If your answer is "No," which general policy, if any, should we pursue to insure victory over communism:			
a. "Hard"—resist all types of Communist advances, including military ones?	75.0		
b. Seek gains by negotiation and concentrate primarily on an economic cold war?	12.6		
c. Encourage reforms within the Communist system in the hope that it will eventually be modified?	12.4		
19. Should we continue economic aid to—			
a. So-called national Communist countries (i.e., Poland)?	6.6	87.8	5.6
b. Neutral countries? (such as India)	21.7	65.5	12.8
c. Friendly nations?	75.3	16.9	7.8
20. Do you believe that the civil liberties of all people regardless of race, creed, or color, should be protected?	96.0	2.3	1.7
If "Yes," should vote-counting frauds which deprive white people of their rights (i.e., recently in Chicago and St. Louis) be considered a violation of civil liberties?	94.4	2.1	3.5
21. Should States have more voice in the public land disposal policies of the Federal Government?	84.7	6.9	8.4
22. Is a free southeast Asia (which includes Laos and Vietnam) important to the security of the Western World?	76.9	6.3	16.8
If so, should we pursue a policy which—			
a. Backs only pro-Western governments?	82.7		
b. Seeks to create a neutral buffer between East and West?	17.3		
23. Should the voting age be lowered to 18?	21.7	72.4	5.9
24. Do you feel that the United States must overthrow the Castro regime?	86.7	8.2	5.1
If your answer is "Yes," would you advocate—			
a. The use of any means to topple that government?	55.9		
b. A policy limited to severe trade embargoes?	27.5		
c. Action only in conjunction with other OAS nations?	16.6		
25. Are you in favor of United States-Russian space cooperation?	19.2	70.6	10.2
26. Is an adequate international inspection system necessary for safe disarmament?	90.5	5.7	3.8
27. Do you feel that the chance that other Castro-type revolutions can be prevented by the Alliance for Progress (with its emphasis on aid to Latin American countries willing to undergo internal reform) justifies the expenditure of massive funds in that area?	26.2	50.6	23.2
28. Do you think that the Kennedy administration consistently takes the best possible course of action to insure our triumph over communism?	10.2	78.7	11.1
29. In general, do you consider yourself a political—			
"Liberal"?	5.6		
"Conservative"?	71.1		
"Or neither"?	23.3		

The National Lottery of Haiti

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the national lottery of Haiti.

Haiti, as we all know, is a tiny and poverty-ridden republic in the Caribbean. Revenue sources are few and the Haitian Government is thus well aware of the fiscal merit of a national lottery.

In 1961, the gross receipts of the national lottery of Haiti came to over $2¼ million. The net income to the Government was over $660,000 which were utilized for social assistance and scholarships.

The Government of Haiti has wisely realized that a national lottery can be an effective means with which to advance the social welfare of its people.

Mr. Speaker, it would seem to me that we here in the United States could benefit from the use of lottery money on behalf of similar goals. A national lottery in the United States could raise over $10 billion a year in additional revenue which could be used to cut our personal income taxes and reduce our big and ever-growing national debt.

Mr. Speaker, why can we not profit from the example of our foreign neighbors?

Curtis Bok

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. TOLL. Mr. Speaker, the city of Philadelphia, the Commonwealth of Pennsylvania, and our country as a whole suffered an immense loss this week in the death of Curtis Bok—an extraordinary citizen, who did his work in a modest manner, without the benefit of fanfare.

I first observed the work of Curtis Bok when he became an assistant district attorney in Philadelphia. He was a fair prosecutor in an office where the rights of the accused could be overlooked. His next public position of orphans court judge in Philadelphia County also showed his great interest in principles and not picayune items. Although he served but a short time, he contributed much to the high regard in which the Philadelphia Orphans Court is held.

I had the opportunity to practice before Judge Bok when he became presiding judge of the court of common pleas No. 6. He was one of the greatest judges I have observed in my 32 years as a member of the Philadelphia bar. His opinions were lucid and frequently of literary vintage. His ability to see behind the presentation of facts and arguments was uncanny. I recall that in his courtroom hung a tapestry with the motto, "Eyes and ears are poor witnesses when the soul is barbarous." For over

20 years he served on the common pleas bench with his colleagues, Judges Flood and Leventhal, and created a feeling for litigants and lawyers that his tribunal was the most eminent in fairness and in justice.

It was my privilege to have had numerous talks with Judge Bok in his chambers. Later I campaigned with him when he was a candidate for the supreme court. I can report that he never indicated any change in his fair, modest, and considerate attitude at any time, under any circumstances.

Justice Bok was a model for legal behavior, manly behavior, courageous behavior. He was a rare example of modesty, fairness, and industry in the face of wealth, learning, and high office.

We have lost an unusual man, but we have learned much from his conduct and the way in which he lived.

Care for the Aged

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. BOW. Mr. Speaker, Advance magazine, a journal primarily concerned with Republican political thought, has published a symposium on medical care for the aged including articles by Dr. Arthur Larson, Roswell B. Perkins, and myself. Dr. Larson's article has appeared in the RECORD, and I include with my remarks my contribution to this Republican symposium.

The article follows:

THE ALTERNATIVE: FREE, VOLUNTARY, PRIVATE

(By Representative FRANK T. BOW, of Ohio)

Several million elderly Americans need assistance with the problems of medical care for the aged, and I believe it should be provided by the Federal Government, on a voluntary basis, through the medium of the private enterprise insurance industry of the United States. I have introduced legislation (H.R. 10981) to accomplish this purpose through a system of outright Government assistance to those least able to bear the expenses of illness, and tax credit incentives for those who can underwrite all or part of the cost.

The problem, it seems to me, is a transient one and should not be the basis for the establishment of a new Federal agency and a permanent Federal bureaucracy as is proposed in other legislation. Men and women who are 65 or over now, or will reach that age in the next few years, have had an unusual experience. Many of them were impoverished during the years when they should have enjoyed their greatest earning power. When they returned to work during and after the war, high taxes and inflation made it difficult, if not impossible, for many of them to make proper preparations for retirement and old age. In my opinion, this problem will become less serious in the next decade when those who retire will have had the benefit of many years of prosperity, as well as the recently developed pension and annuity programs.

In any discussion of the health problems of the aged, consideration must be given to the rapid development of health insurance in recent years. Both private companies and nonprofit carriers have been developing insurance protection designed for the special needs of the aged, and several hundred such policies are now available. Fifty-three percent of the 17 million Americans aged 65 or over now have some health insurance protection. The carriers have had experience with the problem, hospitals and physicians are cooperative, and citizens have expressed their confidence in this method of underwriting the costs of illness.

I believe a tax incentive to encourage elderly people who wish to have insurance protection should be the foundation of any Federal Government health program. The 17 million who are over 65 can be divided into four general categories. There are those relatively well-to-do who are self-insured, or are able to buy the kind of health protection they desire. There is a great middle group, perhaps 7 or 8 million individuals, who have sufficient income to live comfortably, if modestly, but are not able to meet the cost of prolonged or major illness. And there are several million with inadequate resources who are now dependent upon relatives or public assistance. Tax incentives will assist the majority in the first two groups if they wish to obtain health insurance. Tax incentives will encourage relatives and former employers to provide health protection for a great many others. The remainder must have outright Federal assistance.

The basic requirement of my plan is that every citizen who wishes to participate must file a Federal income tax return.

If the return indicates that the individual has no Federal income tax liability, I would have the Treasury Department issue him a "Medical Care Insurance Certificate" which he could present to the insurance carrier of his choice as payment of premiums upon a health insurance plan. The certificate would be redeemed from the carrier, by the Treasury, for cash equal to the cost of the premiums, up to $125.

If the income tax return of an individual indicates that his Federal income tax liability is in excess of $125 and that he has paid the premiums on a qualified health insurance plan, my bill provides a tax credit equal to the cost of the premiums, up to $125. To avoid misunderstanding, let me point out that a tax credit is a sum subtracted from the tax an individual owes the Government. It is not a tax deduction. All medical expenses of taxpayers over 65 are deductible in computing tax liability.

For those who fall between these groups, my bill proposes a combination of tax credit and outright assistance. For example a man whose tax is $50 would receive credit in that amount, together with a medical care insurance certificate, with a maximum value of $75. He could use the $50 he has saved from taxes and his certificate to buy the same basic coverage available to the others.

In each case, a married couple would receive a $250 credit or certificate, or combination of the two.

The bill also provides incentives for relatives to take care of those who cannot afford health insurance. The same $125 credit would be given any relative who buys protection for an elderly member of his family, whether or not the elderly member is his dependent.

There is a growing trend in the United States toward providing health insurance coverage for retired employees. My bill encourages this trend by providing the employer the tax credit that is available to a relative.

On the advice of insurance experts, I decided upon a credit or certificate valued at $125 because this is the amount that is required to purchase a health insurance plan sufficiently comprehensive to cover the major medical expenses of elderly people.

The bill establishes minimum coverages of two kinds. Plan A is first dollar coverage, which means that the insured individual can receive its benefits even if he is penniless. He is not required to contribute to the cost of the care covered by the bill. Plan A includes 90 days hospitalization, ancillary charges in connection with surgery or emergency outpatient treatment, convalescent care, and surgical charges according to a fee schedule with a $300 maximum.

Plan B is a more comprehensive protection designed for the individual who is able to contribute something to the costs of illness. The individual would be required to pay 25 percent of the costs of hospitalization, ancillary charges, surgeon's fees, physician's calls in home or office, registered nursing services, and other related expenses Plan B also requires the individual pay the first $100 of medical expenses in a calendar year.

Insurance experts advise me that any carrier can offer policies including these basic requirements for about $125 per year, regardless of the previous medical history of the individual, and on a guaranteed renewable basis. There will be little, if any, profit to the carrier at this price. However, opening so large a market to a competitive industry assures that benefits superior to the minimums in the bill will be offered elderly people if my legislation becomes law.

I believe this is a proposal that can lift the issue of medical care for the aged out of the stalemate in which it has been for many months. It should be a program upon which all can agree.

I believe it is superior to the King-Anderson bill in that it is voluntary, it covers everyone rather than only those who are social security or railroad retirement annuitants, and it places the burden upon the entire society rather than upon those workers who are paying social security taxes. Many people object to the compulsory nature of King-Anderson.

My bill provides benefits superior to those provided in the King-Anderson bill, particularly in that it does not require a $90 payment by the patient for the first 9 days of hospitalization, and it offers surgical services not available in the social security approach.

Most important, my bill eliminates the controversy surrounding socialized medicine. Critics of King-Anderson are justified in raising the issue of socialized medicine. King-Anderson requires elaborate Federal regulation of hospitals, which entails regulation of the people who serve in hospitals, including resident physicians and interns. Further, Mr. Aime J. Forand has made it clear that the King-Anderson bill is only a foot in the door. Admitting that the benefits are limited and inadequate, he assures his supporters that the benefits will be increased and broadened in succeeding sessions of Congress if this small beginning can be enacted into law. Thus, the Forand proposal means the establishment within the social security system of a giant new Federal health program. Once established, it will grow and flourish.

I am convinced that the standards of medical care in the United States will decline under Federal supervision of this nature, and future advances will be inhibited.

Many argue that the Kerr-Mills Act is the solution to the problem of medical care for the aged. It is not the solution in my State, because Ohio, along with more than a dozen others, has refused to implement the Kerr-Mills Act. Furthermore, Kerr-Mills cares for only the indigent aged and does nothing to help the large middle group of elderly Americans whom I have mentioned—the men and women of modest means whose resources can be wiped out by a major illness.

The basic cost of my proposal, if everyone over 65 were to take advantage of it, would be $2.1 billion. This amount would be offset, however, by various savings inherent in the program. For example, 1,400,000 people over 65 deducted $926 million in medical expenses in their 1959 returns, the last year for which figures are available. We may assume that these deductions were reflected in tax savings of about $200 million. This amount may be considered an offset against the apparent cost of my bill. No statistics are available concerning the number of persons over 65 who are listed as dependents by other taxpayers, nor the amount of medical deductions taken for such dependents, but we may safely assume that the tax savings in this category are at least comparable. In addition, to the extent that my proposal will pay for medical care now paid by Kerr-Mills or other State welfare programs, there will be a saving to Federal, State, and local governments. Considering these factors, I believe the actual cost of my program will be about $1.5 billion. Estimates of the cost of the King-Anderson program range from $1.1 billion first-year cost, the figure of the Department of Health, Education, and Welfare, to $3 or $4 billion, the estimates of insurance company actuaries.

My proposal, in summation, is a voluntary medical care program for all aged Americans, using the facilities of an existing Government agency and of existing free enterprise insurance organizations, protecting completely the self-respect and independence of each citizen, and placing the burden of solving a national problem upon all the tax sources of the Federal Government.

I hope sincerely that this proposal will be accepted as a constructive alternate, offered by a Member of the minority who recognizes the existence of a problem and is not satisfied with the solutions proposed by Members of the majority. It is a sound program which merits the consideration of all who are interested in making progress in this field. Introduction of identical measures by 30 of my colleagues indicates that it does have appeal.

Memorandum on the Launching of the Nuclear Submarine U.S.S. John Marshall

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 24, 1962

Mr. GEORGE P. MILLER. Mr. Speaker, I was privileged to visit the Newport News Shipbuilding & Dry Dock Co. last Monday when the nuclear submarine U.S.S. *John Marshall* was commissioned. It was a great occasion, highlighted by a fine address by Mrs. Robert F. Kennedy, who sponsored the U.S.S. *John Marshall* when it was launched last summer on July 15, 1961. As was fitting, the Chief Justice of the Supreme Court, the Honorable Earl Warren, was present for the commissioning. He, too, had the privilege of witnessing the launching of the *John Marshall*. As usual Chief Justice Warren delivered a fine address, appropriate to the occasion putting into commission a ship named after one of his great predecessors.

I have asked the Navy to furnish me a memorandum on this subject that I make part of these remarks so that my colleagues may enjoy them.

The memorandum follows:

MEMORANDUM FOR THE HONORABLE GEORGE P. MILLER, U.S. HOUSE OF REPRESENTATIVES

On May 21, 1962, the U.S. Navy accepted the U.S.S. *John Marshall* (SSBN-611) from the Newport News Shipbuilding & Dry Dock Co., at which time the *John Marshall* was placed in commission and accepted by Vice Adm. Wallace M. Beakley, USN, Deputy Commander in Chief, Atlantic Fleet, as a unit of the Atlantic Fleet. Vice Admiral Beakley made the official acceptance for the U.S. Navy, followed by a few words from Mr. William E. Blewett, Jr., president of the Newport News Shipbuilding & Dry Dock Co. Comdr. R. W. Stecher, USN, Blue Commanding Officer, assumed command and Comdr. R. D. Donavan, USN, Gold Commanding Officer, also spoke. Both Blue and Gold crews were present and will alternate in manning the ship on its patrols.

Attorney General Robert F. Kennedy and Rear Adm. I. J. Galantin, USN, Director of Special Projects of the Bureau of Naval Weapons (and now responsible for the Polaris program) also were introduced. Mrs. Robert F. Kennedy, who sponsored the *John Marshall* when launched last summer on July 15, 1961, made the following remarks:

"This last week an eminent historian was discussing the character of one of the country's greatest legal minds. He described him as having learned his law in Virginia and of having a most stern, intense, inflexible nature with a deeply serious and intellectual personality. I thought he was speaking of the Attorney General. He was, in fact, discussing our hero, John Marshall.

"As you know, John Marshall's rigid adherence to what he believed was right and just contributed tremendously to the constitutional government we now enjoy. President John Adams said, after appointing him to the Supreme Court: 'My gift of John Marshall to the United States was the proudest act of my life.'

"I know that in the very old naval tradition the grace and good fortune of the sponsor are supposed to be imbued in the ship. In this case though, for all our sakes, I hope tradition reverses itself and that the courage of John Marshall and the loyalty, bravery, and excellence of the fine men serving in the U.S.S. *John Marshall* be infused in her sponsor.

"It is my prayerful hope that the missiles locked within her may never be released. Instead of the weapons of war, the combined goodness and strength of all her men will radiate outside her hull for all the world to see and admire.

"Good luck and Godspeed."

The Honorable Paul B. Fay, Jr., Under Secretary of the Navy, introduced the principal speaker of the day, Chief Justice Earl Warren, whose remarks follow:

"This occasion, upon which we commission this fine ship the *John Marshall*, causes us to focus a reflective eye upon the pages of our national history and, as we do, we cannot but be struck by the emergence of great figures to meet the occasion at every critical juncture.

"Justice Story, in speaking of his longtime friend and associate, said:

"'Chief Justice Marshall was the growth of a century. Providence grants such men to the human family only on great occasions to accomplish its own end. Such men are found only when our need is the greatest.'

"And, as we reflect, we are also struck by the frequency with which Virginia has produced other great men and women to occupy leading roles in the unfolding and development of American civilization. It is not too much to say that the founding, expansion, and independence of our country largely finds its sources in the history of Virginia.

"The first permanent English settlement in America was made at Jamestown in 1607 and only 12 years later, in 1619, the first legislative body in the colony met at Jamestown, almost 200 years before the adoption of the American Constitution—making the Virginia General Assembly the oldest lawmaking body in the Western Hemisphere. Then, in 1634, the Syms Free School opened at Hampton, and the Eaton Free School began 15 years later. These were the first free schools in what is now the United States, and as early as 1646 the Virginia General Assembly provided funds for public education.

"Even our country's geographical expansion can be traced to the time in 1778, during the Revolutionary War, when a Virginia army, led by George Rogers Clark, won for the United States the Northwest Territory from which several large States were later carved.

"The vast region between the Mississippi River and the Rocky Mountains was purchased through the wisdom of Thomas Jefferson.

"Merriweather Lewis and William Clark explored the great Northwest leading to its settlement. Stephen F. Austin led American settlers into Texas; San Houston won independence for Texas from Mexico, and John Tyler laid the groundwork for the admission of Texas into the Union. The victories of Generals Zachary Taylor and Winfield Scott in the Mexican War resulted in the addition of Arizona, California, Nevada, New Mexico, Utah, and parts of Colorado.

"All of these men were Virginians.

"American independence itself was greatly the work of George Washington, Thomas Jefferson, George Mason, James Madison, John Marshall, and James Monroe, all of whom were among a brilliant group of Virginians who devoted their lives and their fortunes to their fledgling nation. Four of the first five Presidents—Washington, Jefferson, Madison and Monroe—were Virginians, and other Presidents were William Henry Harrison, John Tyler, Zachary Taylor, and Woodrow Wilson.

"During the formative stage of our Government, some of the world's finest writings in politics and government were composed by Virginians. Thomas Jefferson wrote the Declaration of Independence; George Mason authored the Virginia Declaration of Rights, a model for the first 10 amendments of the Constitution of the United States; and James Madison was called the father of the Constitution because of the great part he played in writing it and in securing its adoption.

"These were the men, immortal in U.S. history, with whom John Marshall lived, worked, and served in colonial United States. Whether they agreed in politics or not, they all had great minds, were passionately devoted to their own political philosophy, and each sharpened the minds of the others either through friendly acquaintance or political debate. Marshall was the beneficiary of these associations as much as any American of those days, and the inspiration saw him through service as a soldier in the War for Independence, as a Congressman, a diplomat of outstanding ability, and Secretary of State.

"But, his own reputation most firmly rests on his service as Chief Justice of the United States. It was in this office that his character, wisdom, and his great insight into the requirements of free government were established as a shining example for all future members of his profession.

"He served at a time when the truth about the nature of the Union and the purposes that joined the widely separated States into one Republic—about the Constitution and the application of its principles to the problems of the times—was obscured by sectionalism and selfish interests and narrow loyalties. Through a generation, he expounded these matters and formulated decisions of such clarity and vigor that he is now recognized as the foremost leader in developing and maintaining the unity and stability of the United States. Thus, he made of the Constitution a vital, dynamic, and a lasting charter for free and orderly living in our country.

"Today as we commission this fine ship, our minds are necessarily upon a responsibility that is global, rather than primarily national. Even so, I believe that John Marshall's life and his works have for us a profound significance as we chart our position among the nations of the world and as we determine the course of our national conduct.

"In the world we live in today, there exist two great philosophies of man and of government—ideologies which disagree violently on the proper relationship between the individual and the state and in which there is a constant struggle for the minds and hearts of men. We and other free countries are endeavoring to demonstrate that freedom and dignity for all constitute the only sound basis for world peace. We are ranged, on the one side, with those who seek attainment of human goals through a government of laws administered by men—rooted in moral law, reflecting a religious faith that man is created in the image of God and that the energy of the free individual is the most dynamic force in human affairs.

"On the other side, there are those who are committed to the belief that human goals are most satisfactorily met by a government of men who rule by edict. Their edicts are grounded in an ideology that rejects man as a spiritual being, and establishes the all-powerful state as the prime source of advancement and progress.

"The case of the competing ideologies is on trial before the bar of world opinion. Each claims that it seeks, above all else, an enduring peace and each strives to identify itself with the best interests of mankind. But the final judgment on both sides—and it may be years in coming—will depend as much on the pace of human progress evident within their borders as on peaceful relations with foreign countries.

"In this period of history, when the eyes of a critical world are constantly upon everyone, the power of example is far more colorful than that of precept.

"If the world is made to see that the provisions of our Constitution guaranteeing human rights are living things, enjoyed by all Americans, it will do much to turn the tide in our favor and, therefore, toward peace. This is what Jefferson had in mind when, in the Declaration of Independence, he wrote 'of a decent respect to the opinions of mankind.' Both of these great Americans recognized that there cannot be a stagnant peace. Change is the law of life, and unless there is peaceful change there is bound to be violent change.

"John Marshall's experience and sufferings as a Revolutionary soldier led him to equate peace with strength. He knew that peace could exist only by a people prepared and willing to fight for its preservation. 'The United States will only arm to defend their own rights,' he said. 'Neither their policy nor their interests permit them to arm in order to compel a surrender of the rights of others.'

"John Marshall's view of military preparedness—represented today by the commissioning of this submarine—was simple and direct: He envisioned the United States as a great and, with respect to her self-defense, a powerful nation. He believed her able to maintain her independence and, in terms that admonish us even today, believed that she must deserve to lose her independence 'if she permitted it to be wrested from her.'

"It is fitting, therefore, that the *John Marshall* should join the other vessels of the ballistic missile fleet named for Virginians—the *George Washington*, the *Patrick Henry*, the *Robert E. Lee*, the *Thomas Jefferson*, the *James Monroe*, and the *James Madison*—and lend further meaning to our determination not only to insure our own independence, but to obtain in the long sweep of history freedom and justice for all men."

That fleet and this ship are evidence of our intention to accomplish that mission. Both represent the will of the American people to enable freedom to grow and prosper wherever on this globe it is cultivated. They will pursue this cause in the tradition of the American Navy—in the spirit of John Paul Jones and his Bon Homme Richard—the spirit that has made our Navy our national protector from that day to this, and that so recently in the Coral Sea, in the Solomons and at Leyte restored the freedom of the seas to the people of the world. Their cruising range will be to the farthermost shores of the oceans. Their power will extend to the remotest regions of the earth. The crest of this one, a trident held securely in the strong arm of justice, will be a symbol of freedom to people everywhere. It will give meaning to the ancient words that were so dear to the heart of John Marshall, "veritas vincit—truth conquers."

Very respectfully,

J. B. HILDRETH,
Captain, USN Naval Aide.

How To Keep American Products Competitive

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, May 24, 1962

Mr. HUMPHREY. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD an address by Secretary Dillon before the White House Conference on National Economic Issues which was made on May 22.

The subject of Secretary Dillon's speech is how to keep American products competitive in the world markets.

The Secretary's address merits the careful consideration of every Member of Congress. It is one of the best presentations that I have seen in regard to the administration's program to promote American business and commerce and to make it possible for us to increase our export market.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HOW TO KEEP AMERICAN PRODUCTS COMPETITIVE

Ladies and gentlemen, this subject of how to keep American products competitive in world markets is to me the single most important subject, the most important task in our whole balance-of-payments problem, and therefore is probably of more interest to me and the Treasury than anything else you are discussing here today. It is an all-encompassing subject.

I have just returned myself from 3 days in Rome at a conference that was organized by the American Bankers Association, called the Annual Monetary Conference, at which some 50 American bankers met with an equivalent number of their European counterparts, and which included the heads of the Central Banks of England, of Holland, of Germany, of Italy, of Switzerland, and the Deputy Head of the Bank of France. We had a pretty thorough discussion of all our international monetary problems and the balance of payments was high on the agenda.

A clear result came out of this conference, a clear consensus, at least among the European members, and that is that the item they were most concerned about, that they watched most carefully, was the course of prices in the United States, and as long as the United States could maintain basic price stability, they do not feel there is any very real problem and they have basic confidence in the United States.

I think that the general results of this conference were very helpful, because I think that the American people were, if anything, a little surprised at the confidence reflected by the European bankers. This was actually the same sort of reaction which I had found last September at the International Monetary Fund meeting in Vienna, and which had been considerably misunderstood.

Their point was that they watch prices, which is their real problem in Europe, and has been, and they didn't care too much, and they made this clear, about the details of our budget or our fiscal results, as long as they did not have an effect on our prices.

The fact that our wholesale prices today are lower than they were a year ago is to them the essential element, rather than the fact that we happen to have had a rather substantial budget deficit this year, which because it occurred in a time of slack, did not have an effect on prices.

They did have some worry about what they characterized—I'm now using European terms—as the excessive American flow of investment capital to Europe that is going on at the present time. But they did not have any very clear ideas as to what should be done about it, and many of them hoped that somehow it would abate before the situation became truly serious.

Now, to the subject of our meeting—how to be competitive. The answer is very simple. All you have to do is keep your prices steady or, if possible, lower them, and in doing this we will be competitive. Actually, over the past year, our price levels have been more steady and in some cases lower than the general level of European prices. They have had rapid wage increases which over the years have been absorbed in increased productivity, but beginning last year this began to catch up with them. Profit margins were narrowed and prices began to go up a little. And they went up faster than they did here, so it's very clear that our competitive position in the Common Market is somewhat better now than it was a year ago.

How to do this, of course, is the problem. A great many things are necessary, and I would like just to list a few of them.

First and foremost, I think if we are going to remain competitive over a long period of time, we have to attain and maintain reasonably full employment and operate our industrial plants at reasonably full capacity.

Another way of saying this is that we have to achieve a faster rate of economic growth. This will, of course, lead to higher profits, it will lead to lower costs, and naturally, in addition, it is vitally important here at home, since it will soak up a great deal of the excess unemployment which we now have, and have had for much too long. This is a fundamental objective of the administration, and is basic to our competitive position. And I think one of the reasons that the continental European economies have done so well and have been so competitive over the past years has been the fact that they have continuously operated pretty close to capacity.

Now, to achieve and maintain capacity operation, one thing we must do is to avoid recessions. We have had periods of time over the past decade when we have operated at a very satisfactory rate, but we have had three or four recessions which, while much milder than they have been in the past, were sharper than those which have taken place in Europe. We do not feel that we have reached perfection in handling these yet. Although we have made great improvements, we think we can still do better. Therefore, an overall program to combat recession has been submitted, and we feel it should be enacted.

First is a permanent unemployment compensation bill, which is only simple justice, but also is obviously necessary because each time we have had a recession we have had to adopt a temporary bill to handle the situation. It would be much better if we had a proper law on our books permanently.

Second is authority, when recession strikes, to initiate prompt temporary and limited tax cuts. I have heard some discussion of this and some opposition to giving the authority to make these tax cuts to the President. I might say that that is not the essential point. The essential point is how to handle a recession and how to achieve a system whereby a temporary and limited tax cut could be used at the right time and for the right period. I think there is quite a measure of feeling, and even agreement, that this is probably the most effective and powerful weapon against a recession. The question is how to invoke it; what are the mechanics. Personally, I haven't found any way of doing it effectively other than giving the authority to the President under rules carefully laid down by the Congress. But if the Congress or anyone else can devise some other system, certainly the way it is put into effect we do not feel is essential. That part of the program which says it should be done by Presidential authority is not considered an essential element by the President.

The third element is temporary public works. This bill would under certain conditions, be used to expedite certain types of public works that can be started almost instantly and can be completed in less than a year. We have had poor experience with these public works increases in the past, because it has taken a long time to get them under way, and money has generally flowed out after the recession was over. But if we have advance authority, and it is narrowly limited to these types of things that can get under way quickly, we think it would be helpful.

All these things together should serve to minimize or, hopefully, work toward the elimination of recessions, as we have known them. I think nothing could give a greater boost than to that productivity and faster growth.

The next element in being competitive is to have efficient production. That means that we must have the most effective use both of our labor resources and of our capital resources. Mere full employment, which is important, is not enough. An example of that is the example of the last decade in Great Britain where they have had full employment, but where it is generally recognized that they do not, or have not yet, operated their labor in the most efficient manner, and they have not operated their plants in the most effective manner. So therefore, they have not been as competitive as they would like to be.

Full employment, certainly, does facilitate any adjustments that might be necessary to increase and to reach maximum labor efficiency. That is one of the reasons we put it first, because it is a concomitant of many of the other things that we wish. Also, it is necessary to have greater efficiency of capital, and this means more investment continuously in modern equipment to keep our plants more efficient and more completely modernized. We have lagged in this area in the last decade, and it seems, certainly, the European countries have put in generally about twice as much proportionately of their gross national product in modernization and new plant and equipment as we have, and have also grown much faster. There does seem to be a correlation in this area. More investment, certainly, does create jobs, it creates demand, and it helps to speed growth.

We are working in this area in the only two ways we know how. We are preparing—it will be ready some time at the end of June, or July at the latest—a complete revision of our administrative rulings on depreciation. This will shorten depreciable lives, will make much simpler the problem of management in figuring out schedules of replacement, and will make their relations with the Revenue Service much simpler. But this can only do part of the job. It can't meet the competition which is provided today by other industrial countries, all of which have special incentives in their tax codes for investment in machinery and equipment. And this, I may say, for whatever it is worth, is one of the few really clear-cut differences between the European system and our own system. We often look at Europeans and wonder why they have done better, why they are doing better in growth today than we are in the United States. It is, I am sure, a very complex matter, and many things are interrelated. But one of the few things that stand out as a clear-cut difference across the board is this fact of special incentives for investment which are present throughout Europe.

Now, we have suggested the investment credit as the best and the cheapest method of accomplishing this. It is used already, or a similar thing, the investment allowance, in a number of European countries, and it has been used there successfully. We hope that it is enacted. If it is, the combination of it and the depreciation revision will give us a position comparable to our European friends.

Next on our program is the overall tax reform, which we have talked about, which should be ready for consideration next year. This will involve an overall revision of the income rate structure and will be designed to speed growth and to increase consumer demand. And I think that actually the investment credit is the first step in this overall program and should be looked on as a part of this overall program, and not looked on just as one thing that is being done all by itself for growth in the tax field, because that is not true. What will follow next year will be equally important, and many will feel that it is more important, much more important.

Now, all of these things are of no avail unless we continue to avoid inflation and continue to avoid price increases. This means we must avoid price increases that come from cost push or pressures. Here wage rates, naturally, are highly important, and I think it is important that the general increases in wage rates that we have in coming years, right at this period, should come out and must come out of increases in labor productivity. In this area the guidelines that were furnished by the Council of Economic Advisers, I think, have been a great step forward. They certainly are highly commended in Europe, and are one of the chief reasons for which European economists who look at this country do have relative confidence in our policies, because we seem to be doing as good or better a job right now than they are doing in this general area.

But productivity also applies to capital, and any increases there in productivity of capital should also lead to improved profits. We recognize that profits are essential to our system. Our system has often been called the profit system. That is what it is. But in present circumstances it certainly is clearly better to have any needed increases in profit come from higher operating rates and come from more efficient operations, rather than from across the board price increases. We should use the greatest care about price increases, and, of course, there was a section in the Council of Economic Advisors' report adjacent to the guidelines on wage rates, which dealt with this question of price increases. It is perhaps a somewhat more complex problem, but I think it is one that we also have to watch, because you can't have your restraint all on one side. The restraint has to be across the board.

With all of these measures, I think we will be in pretty good shape. We do need, then, certain specific additional measures to get into the market so our prices can help us and so we can sell. Here is where, of course, the trade bill comes in, to see that the tariffs are not too high to vitiate our attempts to keep our prices down. Here is where the export insurance comes in, which we have created over the past year, and which, on the latest reports that we have, should lead to sales of exports by the United States in the neighborhood of four or five hundred million dollars this year, that would not have been paid without this insurance program.

Now, the total of the insurance program will be much larger than that over the course of the year, but some of those exports probably would have been made anyway. Here is where the expanded efforts of State and Commerce on distributing export information come in.

With all of these things being done, I do think we can have a rounded program which will keep our exports competitive, and also keep us competitive here on the home market to imports. I keep emphasizing the words "keep us competitive" because I think in many areas we already are competitive and we shouldn't lose sight of that. It is important to make the best of that and to keep the relatively good position that we have, with about a $3 billion surplus in our commercial exports.

Thank you.

Chicago Society Observes 50th Anniversary

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. PUCINSKI. Mr. Speaker, last Sunday the Chicago Society of the Polish National Alliance observed its 50th anniversary. Almost 1,000 members and well-wishers of this splendid organization attended a banquet in the main ballroom of the Conrad Hilton Hotel to observe this anniversary.

The Chicago society is the largest organization of Polish-American businessmen and members of the various professions in the United States. During this impressive ceremony, the great contributions that this organization has made toward the development of Chicago during the past 50 years were eloquently reviewed by several speakers. It is indeed an imposing record of service not only to Chicago, but to the Nation as a whole.

It gives me great pleasure today to call to the attention of my colleagues the memorable speech delivered by U.S. Senator EDMUND S. MUSKIE, Democrat, of Maine, who was the principal speaker at this impressive banquet.

Senator MUSKIE's remarks follow:

FIFTY YEARS' PERSPECTIVE

(Address by Senator EDMUND S. MUSKIE, of Maine, at 50th anniversary banquet of Chicago Society of the Polish National Alliance, Conrad Hilton Hotel, Chicago, Ill., Saturday, May 19, 1962)

To my way of thinking, there is nothing more symbolic of America than a celebration like this one tonight.

Here we are, looking backward to rekindle the culture and traditions of our special heritage from the land of our fathers overseas while at the same time contributing to a hopeful and productive future as Americans.

Politicians—and I count myself as one—are always quick to point out this wonderful paradox: that nowhere else on earth is it quite so easy for immigrants and their descendants to nurture deep emotional ties with their ancient homeland and still be at home in the country they adopted and which adopted them.

It is well to remember from time to time what our fellow citizens sometimes forget: that no small part of America's vitality and strength is rooted in the blood and sinew of men and women who had the vigor and the courage to reject oppression and inhumanity by tearing themselves away from a soil they deeply loved for the freedom and opportunity of an alien shore—an act of individual faith repeated thousands of times in the flowering of America.

From the time of Kosciusko and Pulaski until the present day, Poland has given its share of bravery, wisdom, muscle, culture, and genius to the United States, and, above all, that passion for freedom which, more than any other aspiration, unites us with the American dream.

The Poles, I think, also are adept at integrating themselves with American folkways while still retaining their capacity for fierce allegiance.

No less a person than the great Paderewski, who himself retained a lifelong love affair with America, had a favorite story which illustrates this fact:

"There was a big Polish traffic cop in New York," he would recall, "who halted a car that went through a stoplight. As he approached the driver, he saw to his embarrassment that it was a certain eminent Catholic bishop. 'O, I beg your Reverence's pardon,' said the officer. 'I just stopped your car to warn you that the cop at the next corner is a terrible black Protestant.' "

Perhaps this is not exactly the kind of service which for 50 crowded years has motivated the members of the Chicago Society Group of the Polish National Alliance as it worked to fulfill its ideals and objectives. But laughter and humor are also an important part of our Polish heritage.

Sometimes, as we regard the unknowable future, it may seem that we have precious little to laugh about. Yet it is impossible on an anniversary like this merely to look backwards.

You and your leaders, like Dr. Gorny and Mr. Peska, and Judge Adesko, can take honest pride, of course, in enumerating the achievements of the society during the past half century. You should laud the unselfish devotion of all those who have contributed so much to your charitable endeavors, to your patriotic and educational enterprises, to your monuments of which your beautiful clubhouse is certainly one, and to your impact on the social and cultural fabric of the great city of Chicago.

Even so, gathered here tonight on this golden anniversary of progress and achievement, none of us—neither you nor I—can escape the new challenge of tomorrow. For as Shakespeare tells us, what is past is prologue.

I see that inscription on the front of the National Archives in Washington every day as I drive down Pennsylvania Avenue to the Capitol. And, in preparing for this occasion, it stimulated me to consider how much of the future we might reasonably foretell out of the prologue of the past half century.

To begin with—I want you to know that I have done my homework.

Thanks to the Library of Congress and its microfilmed collection of old newspapers I can share with you some of the headlined concerns that occupied our national thoughts 50 years ago when the Chicago society was born.

In May 1912, Russia was in the headlines. Her massive effort to grow cotton in central Asia had failed. The Russians, said the New York Times, will have to depend, as before, on American produce for its cotton needs.

In May 1912, Japan was also making news. The U.S. Senate was alarmed over reports that Japan sought a coaling station on the west coast of Mexico to service its warships—a clear challenge to the Monroe Doctrine.

In May 1912, Cuba was very much in the news. Our treaty of reciprocity had expired—and the Cubans, especially the cigar-making industry—were nervous about our willingness to renegotiate the trade pact.

In May 1912, the infant Republic of China was already in trouble as robber-soldiers in the Canton area defied the Central Government amidst rumors of a plot to establish a new dynasty.

In May 1912, the British ordered 60 new flying machines and promised to raise the total to 100 as soon as their army and navy could train enough pilots.

In May 1912, even Berlin was making headlines. The kaiser's son had just bought a new American automobile thus heightening German panic over the invasion of American-made cars. Demands for a protective tariff were heard. Said one American car maker with considerable satisfaction: "Our prices are unbeatable in the fatherland."

In May 1912, Poland, too, was in the headlines. Its patriots were emerging everywhere to harrass the uneasy oppressors of Prussia, Russia, and Austria, anticipating fulfillment of Paderewski's heroic prophecy that "The hour of our freedom is about to strike."

I suspect, however, that none of these nuggets of news beguiled the ladies of Chicago more than an advertisement for something described only as "suffragette corsets."

Obviously, the catalog of news in any given month is likely to provide only a pale hint of the great ebb and flow of events and historic decisions.

As always, people were preoccupied with immediate episodes and urgent drama: The sinking of the *Titanic* * * * Scott's conquest of the South Pole * * * Teddy Roosevelt's Bull Moose bolt from the Republican Party.

There were tensions and portents, of course, mostly ignored and mostly misunderstood.

Before the year had ended, the Balkans would erupt into murderous war against Turkey and the crumbling Ottoman Empire. Yet in viewing this conflict there were very few in 1912 who could foresee the sequel of worldwide war only 2 years hence. Paderewski was one of the few when he predicted that "Within 5 years from the dust of this tortured soil will rise the Polish Phoenix."

At home, too, domestic tensions betrayed their presence.

The American Socialist Party, led by Eugene Debs, would win nearly 6 percent of the total vote in the 1912 presidential elections—the highest percentage ever achieved by the Socialists in this country—the John Birch Society to the contrary notwithstanding.

Yet many who would equate what they saw in the kaleidoscope of 1912 with what they see in the TV tube of 1962 have been tempted to conclude that by contrast with our contemporary turbulence the world of 50 years ago was a far more peaceful and stable era—a time frozen in historical tranquillity, like a fly in amber.

I submit this deduction is an illusion.

For just below its seemingly passive surface the world of 1912 bubbled with a ferment of all the accumulated evils of history.

There was social injustice, economic misery, political oppression, and human exploitation all over the globe. Poland was only one of many areas where a faceless and almost voiceless humanity yearned for something better than hunger, poverty, and hopeless servitude.

But 50 years ago many Americans were still insensitive as a people to such aspirations—partly out of limitations on their ability to communicate and travel, partly out of isolation, and partly because we still cherished so much scientific and historical error.

We didn't know it 50 years ago, but all these explosive ingredients were coming to a boil at the very point in time when human intelligence stood poised to crash through the barriers of myth and ignorance into the greatest flowering of technology the world has ever known.

Today, everything is exploding: population, knowledge, communications, resources, cities, space itself.

These are the forces of change which were unrecognized a half century ago. These are the forces which we have to understand and master today if we are to survive and flourish.

Abraham Lincoln put our modern dilemma into words a hundred years ago when he said: "If we could first know where we are and whither we are tending, we could then better judge what to do and how to do it."

Let us ask ourselves then where we are in 1962.

First, we live on a tiny planet inhabited by 100 other sovereign nations whose problems, through the sophistication of modern communication, land in our living rooms every hour on the hour.

We live on a planet that grows ever more crowded, where the rate of population growth has actually doubled since 1945. From the historical 1 percent a year, it has jumped to 2 percent annually—a rate increase which, even if it remains fixed at that level from here on, will still double our present world population of 3 billion souls and not in 50 years but in the next three decades alone.

In Africa and Asia, where the growth rate varies from 2 to 4 percent, such growth must inevitably wipe out any conceivable investment or foreign aid without regard to its effect on living standards, illiteracy and hunger.

We also live in a world of competition and challenge where the confrontation between communism and the West throws a dark shadow over all effort to achieve a coherent world order.

We live in a world of paradox where the threat of total annihilation and the solution of all our ancient ills may be found in the same scientific revolution.

We live in a world where the European trading empires of 50 years ago have been succeeded by a doctrine of self-determination first enunciated by Woodrow Wilson—a world where 900 million people have achieved independence from colonial rule in the past 20 years alone.

If we have learned anything from the past 50 years, we should have learned that there is as yet nothing orderly or predictable about the assorted convulsions of the present, where old hostilities, old systems and old myths are all dying at differing rates, where population pressures, racial hatreds and the impulses of new technology mingle in strange surges that respond to no one solution.

Yet there are fundamental directions—fundamental decisions we must make. Otherwise we may wind up fighting symptoms rather than causes in our struggle for a working world order.

I share with the British economist, Barbara Ward, a conviction that the three basic areas of major challenge are: (1) international order, (2) the developing world, and (3) the use of our abundance.

We are tending to answer the challenge of international order with an organized international society through a world mechanism which, as the League of Nations we rejected, and which as the United Nations we now heavily endow.

We are tending to answer the challenge of the developing world through special programs of aid and assistance which seem to have bought us more trouble than friendship.

We are tending to answer the challenge of our abundance through sustained programs of economic growth.

Yet in each of these three directions we move uneasily and with distrust, inhibited by attitudes inherited from an unscientific past and by instintive fears of relinquished sovereignty, of deviations from our old methods of trade and of the menace of big government.

Will we continue, despite all our misgivings, to accept these challenges as the deep historical pressures of change and upheaval they are or will we try to retreat disastrously into the smugness of a past that is dead and gone forever?

Let us dare to look ahead 50 years—to the world of 2012.

Speculation on the shape of the future has its hazards, of course, but it is neither idle nor futile. It may seem incredible, for example, but away back in 1835, Alexis de Tocqueville, the shrewd French observer who wrote the monumental study of "Democracy in America," wrote in these words: "There are at the present time two great nations in the world which started from different points, but seem to tend toward the same end. I allude to the Russians and the Americans. Both of them have grown up unnoticed; and whilst the attention of mankind was directed elsewhere, they have suddenly placed themselves in the front among the nations, and the world learned of their existence and their greatness at almost the same time * * * their starting point is different, and their courses are not the same; yet each of them seems marked out by the will of heaven to sway the destinies of half the globe."

De Tocqueville could not know that Marxian communism would be a controlling factor in the formation of the 20th century Russian State, but on the basis of population, geography, and economic resources, he could forecast the importance of that vast land to the east of Europe as well as that of the United States.

De Tocqueville's prediction also suggests that political systems may reflect, but do not necessarily determine, the relative power of states.

We must bear this in mind as we ask ourselves what our world will be like in 2012.

What will our headlines say? What will our international TV news reports reflect?

Perhaps we may find a meaningful portent of the future in these imaginary items from the press reports of May 19, 2012, A.D.:

"Congress refuses to increase membership in the House of Representatives—Votes to maintain 435-seat limit despite population gains."

The United States will be a more crowded place in 50 years. Instead of a population of 185 million, we will have a population of 400 million. This will strain not only our capabilities to house, feed, employ, and educate ourselves; it will also strain the institutions of representative democracy.

"United Nations Commission on Moon Colony at impasse. Soviets and Chinese in bitter debate over space allocations."

Even more explosive gains in world population may be expected, especially in those areas which are now struggling to enter the industrial and technological age. We may find human mobility extending to interplanetary travel. New power alinements and rivalries will produce conflicts strange to our midcentury eyes.

"Chicago protests Canadian delay in okaying additional water pipelines from Hudson Bay. Mayor warns Lake Michigan will soon be an empty desert unless flow from north is increased by 10 billion gallons a day."

The emergence of great and continuous urban belts with literally millions of people will put strains on our most precious resources undreamed of even in our own time. The complications of such mundane matters as water, sewage, food supplies, and transportation will approach mass chaos without the most careful long-range planning and cooperative international enterprise.

"Karkovsky seeks U.S. aid in satellite crisis. Russian Premier asks help on control of potential Indonesian missile bases."

Nations which today are struggling for a place in the sun may become potential threats to international peace through the acquisition of new weapons and advance technologies. Fifty years ago, Russia was in the throes of the industrial revolution. Today she rivals the advanced Western nations in technical and scientific capability. We cannot be complacent about the capacity of backward nations to catch up to us in important areas.

"Pirovsky denounces Russian speech curbs—new conservatives demand United States clamp down on college debates. Free speech issue top college issue in Russia and United States."

The rivalries between the totalitarian countries and the parliamentary democracies will not end, but each will be subject to strains peculiar to their own histories and conditions.

And finally:

"Japan curbs textile imports. Alleges Atlantic Economic Community disrupts market."

As a famous statesman once said, the more things change, the more they really are the same.

Our position in the world and our relationships to the rest of the world, are the product of many forces. They affect our economic health. They affect our security. They affect our attitudes toward other people and other lands. They affect the attitudes of others toward us.

The events and trends of the past half century have demonstrated to us that we cannot isolate ourselves from their impact; that our future is inevitably entangled with them; and that our own self-interest requires that we undertake to exert our influence upon them.

The forces generated by population growth; the forces generated by the tremendous acceleration of science and technology; the forces generated by an aggressive Communist conspiracy; the forces generated by underprivileged hundreds of millions who have learned to dream of a better life which promises escape from hunger, disease, and poverty; the forces generated by the emerging nationalism of colonial peoples; all of these are of such magnitude, that we can ignore them only at our peril. They will not pass us by because we will it. The oceans will not shield us from them. Great as are our resources, there is no application or combination of them which can render us immune to the destructive effects of such forces running wild.

We cannot escape the responsibility, in our own self-interest, for controlling them, for minimizing their destructive potential, for diverting them to constructive goals; and we cannot discharge this responsibility alone or unaided.

Being a part of the world, we have no choice but to influence it. Our influence can be positive or negative. It cannot be neutral. The means for exerting this influence is our foreign policy.

There are no easy policy answers to the wide variety and diversity of perplexing questions which are tossed up by the ebb and flow of the forces to which I have referred.

It is relatively easy to say that we will stand firm before Communist aggression. It is more difficult to apply such a general policy to the specific problem of distant, almost unreachable Laos.

It is relatively easy to say that we will not retreat from the objective of German reunification. It is more difficult to conceive of circumstances we might be able to create which would persuade the Soviet Union to endorse such an objective.

It is relatively easy to say that we endorse the principle of self-determination for the colonial peoples of the world. It is more difficult to determine how it should apply in such complex situations as the Congo, where the native population was not prepared for sudden nationhood.

Difficult as it is to apply general policy, our relationship to other people will not rest on a firm and stable base unless it rests upon some fundamental beliefs and principles. We may have to compromise them in specific situations. We may have to postpone their implementation in specific countries. We may have to do business with leaders and governments whose philosophy is inconsistent with our own. Our decision in each such case should be based upon our judgment as to whether the specific expediency is more consistent with our long-term goal than other possible alternatives, rather than whether or not it is consistent with perfection.

Our long-term goals are easy to agree upon: The survival and growth of our country; the survival of freedom here at home and its expansion abroad; peace.

History should have taught us that we can never be sure that we are moving toward them so long as conditions anywhere in the world restrict human beings in need from moving toward basic decency and dignity.

The hungry will seek food.

The land poor will seek space.

The underprivileged will seek opportunity.

The poor will envy the rich; and the rich will fear the poor.

The greedy will be grasping, the starving will be desperate, the ambitious will be ruthless.

It is elemental needs and these elemental passions which create the great pressures for change. No one really knows what the world will be like 50 years from now. But no one who is at all sensitive to what has happened in the last 50 years can doubt that tomorrow's boundaries, tomorrow's alliances, the orientation of tomorrow's economic and military and political power, yes, the very existence of a tomorrow for making, depends upon how well the world learns to mobilize and apply its resources to the hopes and the needs of its billions of individual human beings. Whether they live in freedom or in slavery, whether they are literate or illiterate, whether they are white or black they hold in their minds and hearts and souls the power to shape the world of 50 years from now—the power generated by their dreams and their drives.

These restless urgings can be permitted to drift into destructive channels leading to chaos, explosive antagonism, and continuing and increasing violence.

Or, they can be directed into constructive channels leading to broader understanding, increasing tolerance, expanding freedom, and peace.

Which course will the world take? Can we influence it? Must we try? What is your answer? Your answer will be our foreign policy.

National Lottery Legislation: A $10 Billion Myth and a National Hoax

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 24, 1962

Mr. SANTANGELO. Mr. Speaker, on May 17 I addressed the House and exposed the failure of the sponsors of the national lottery bill to raise revenue to request a hearing and reports from the appropriate agencies. I documented my charge by a letter to me from the chairman of the Committee on Ways and Means which stated flatly that no request for hearings had been made on H.R. 2007; and that, if a request were made at this late date, because of the heavy schedule no hearings or consideration could be had this year.

Subsequent speeches during special orders on May 22 reaffirmed my charge of the failure to request hearings.

A reading of the provisions of H.R. 2007, one of the lottery bills to raise revenue and reduce taxes, indicates that consideration of the bill would be fruitless and would explode the exaggerated estimate of revenue to be derived. The sponsor of the bill H.R. 2007, the Representative from the 25th District of New York, Mr. Fino, has on many occasions in speeches to the House overestimated revenues to be derived and on innumerable occasions asserted that $10 billion could be raised if Congress would not be so stubborn and so hypocritical and would adopt his measure, H.R. 2007. A reading of this measure and a reading of the present State statutes compel one conclusion, and that is: that, instead of $10 billion being raised, not even one thin dime could or would be collected under the provisions of the lottery bill proposed.

On page 3, line 9, of H.R. 2007, there is found the following language:

> No ticket of participation shall be sold in any State, or in a political subdivision of a State, where such sale is illegal.

Research by me and by the Legislative Reference Service of the Library of Congress discloses that lottery is illegal and outlawed in every State of the Union and in the District of Columbia. The only possible exception is Nevada where gambling is permitted, but lottery is not mentioned. Thus under the terms of the bill introduced by the gentleman from the 25th District of New York no lottery ticket could be bought or sold in any one of the States of the United States. Where then in the United States could the national lottery operate? Nowhere. Where could the exaggerated revenue of $10 billion be obtained in the United States? Nowhere. Where then is the source of funds to reduce the national debt as proposed by the national lottery sponsors? Nowhere.

I submit the references to the constitutions and the statutes of the States of the Union which declare lotteries to be illegal in the United States:

Alabama: article IV, section 65; Code of Alabama, 1940, 14; section 275.

Alaska: Alaska Comp. Law, 1949, sections 65:13-1 to 65:13-6.

Arizona: Arizona Revised Statutes, 1956, section 13-436.

Arkansas: article 19, section 14; Arkansas Statute, 1947, section 41-2025.

California: article IV, section 26; West's Annotated California Code, 1956; Pen., sections 319-326.

Colorado: article XVIII, section 2; Colorado Revised Statutes 1953.

Connecticut: General Statutes 1949 Revised, section 8667.

Delaware: article 2, section 17; Delaware Code Annotated 1953, 11; section 661.

District of Columbia: Title 22, section 1501; District of Columbia Code.

Florida: article 3, section 23; Florida Statute 1955, section 849.09.

Georgia: article 1, paragraph IV; Code of Georgia Annotated 1948, section 2-204.

Hawaii: Section 288.2, page 1525, volume 2, chapter 288; Revised Laws of Hawaii.

Idaho: Article 3, section 20; Idaho Code, 1948, section 18-4902.

Illinois: Article 4, section 27; Smith-Hurd, Illinois Annotated Statutes, 38; section 406.

Indiana: Article 15, section 8; Burns Indiana Statutes Annotated 1956, section 10-2302.

Iowa: Article 3, section 28; Iowa Code Annotated, 1950, section 726.8.

Kansas: Article 15, section 3; General Statutes of Kansas, 1949, section 21-1501.

Kentucky: Section 226; Baldwin's Revised Statutes Annotated, 1955, section 436.360.

Louisiana: Article 19, section 8; West's Louisiana Statutes Annotated, 1952, section 33.401 and 4.7.

Maine: Maine Revised Statutes, 1954, C. 139, section 18.

Maryland: Article 3, section 36; Annotated Code of Maryland, 1951, article 27, section 423.

Massachusetts: Annotated Laws of Massachusetts, 1956, C. 271, section 7.

Michigan: Article 5, section 44; Michigan Statutes Annotated, 1954, section 28.604.

Minnesota: Article 4, section 31; Minnesota Statutes Annotated, 1947, section 614.01.

Mississippi: Section 98; Mississippi Code 1942 Annotated, 1957 edition, section 2270.

Missouri: Article 3, section 39; Vernon's Annotated Missouri Statutes, 1953, section 563.374.

Montana: Article XIX, section 2; Revised Code Montana, 1947, sections 94-3001 to 94-3011.

Nebraska: Article III, section 24; Revised Statutes Nebraska, 1943, sections 16-226, 14-102, 15-258, 17-120.

Nevada: Article IV, section 24; Nevada Revised Statutes, 1957, section 462.020.

New Hampshire: New Hampshire Revised Statutes Annotated, 1955, section 577.1.

New Jersey: Article 4, section 7; New Jersey Statutes Annotated, 1953, section 2A:121-1.

New Mexico: New Mexico Statutes, 1953, section 40-22-13.

New York: Article I, section 9; McKinney's Con. Laws of New York Annotated, 1944 Pen. section 1371.

North Carolina General Statutes, 1953, section 14-290.

North Dakota: North Dakota Revised Code, 1943, section 53-0401.

Ohio: article XV, section 6; Page's Ohio Revised Code Annotated, 1954, section 2915.10.

Oklahoma: Oklahoma Statutes Annotated, 1937, 21; section 1052.

Oregon: article XV, section 4; Oregon Revised Statutes, 1955, section 167,405.

Pennsylvania: Purdon's Pennsylvania Statutes Annotated, 18; section 4612.

Rhode Island: article IV, section 2; General Laws, 1948, 612; section 1.

South Carolina: article 17, section 7; Code of Laws, 1952, section 16-501.

South Dakota: South Dakota Laws of 1939, section 24.0201.

Tennessee: article 11, section 5; Tennessee Code Annotated, 1955, section 29-2017.

Texas: article 3, section 47; Vernon's Texas Penal Code, 1952, section 654.

Utah: article VI, section 28; Utah Code Annotated, 1953, section 76-27-10.

Vermont: Vermont Statutes Revised, 1947, section 8545.

Virginia: article IV, section 60; Code of Virginia, 1950, section 18-301.

Washington: article 2, section 24; Revised Code, section 9.59.010.

West Virginia: article 6, section 36; West Virginia Code of 1955, section 6104.

Wisconsin: article 4, section 24; Wisconsin Statutes, 1949, section 348.01.

Wyoming: Wyoming Comp. Statutes Annotated, 1945, section 9-815.

For almost 10 years lottery bills have been introduced by the present sponsors. Numerous speeches costing the taxpayers much money have been made and inserted in the Congressional Record about a lottery bill asking Congress to adopt this legislation. Perusal and study of the lottery measures disclose that the provisions of H.R. 2007, the Fino lottery bill, negates the purpose of the proposal and that no funds could legally be raised. For 10 years a mountain has labored mightily and it has brought forth not even a mouse.

SENATE

FRIDAY, MAY 25, 1962

The Senate met at 10 o'clock a.m., and was called to order by Hon. LEE METCALF, a Senator from the State of Montana.

Rev. Thomas L. Smith, pastor, First Unitarian Church, Duluth, Minn., offered the following prayer:

May we so live that we can serve well the people—shunning the cheap goals that end with provincial concern; being honest when it is easier to conform; keeping honesty as our guide.

We would be worthy of our ancestry in the crust of this earth; standing upright and proud; using the best 20th-century tools to answer 20th-century problems; growing good souls to speak truth in confidence and courage to refresh and lift. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., May 25, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 3157) to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the joint resolution (S.J. Res. 151) permitting the Secretary of the Interior to continue to deliver water to lands in the third division, Riverton Federal reclamation project, Wyoming, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a bill (H.R. 10937) to amend the act providing for the economic and social development in the Ryukyu Islands, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 10937) to amend the act providing for the economic and social development in the Ryukyu Islands, was read twice by its title and referred to the Committee on Armed Services.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 24, 1962, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. HUMPHREY, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

PROPOSED CONCESSION CONTRACT WITHIN INDEPENDENCE NATIONAL HISTORICAL PARK

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract with Lumadrama Inc., within Independence National Historical Park, which, with the accompanying papers, was referred to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the State Convention of the Veterans of Foreign Wars, at Honolulu, Hawaii, protesting against any cut of the National Guard; to the Committee on Armed Services.

A resolution adopted by the City Council of the City of Hidden Hills, Calif., protesting against the enactment of legislation to provide a Federal income tax on income derived from public bonds; to the Committee on Finance.

A resolution, embodying a proclamation of the mayor of the city of Brownsville, Tex., proclaiming the month of June 1962, as Boy Scout Recognition Month; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Banking and Currency, without amendment:

S. 2876. A bill to extend the authority to insure mortgages under sections 809 and 810 of the National Housing Act, and to extend the coverage of section 810 to include persons employed at or in connection with an installation of the National Aeronautics and Space Administration or the Atomic Energy Commission (Rept. No. 1533).

By Mr. CANNON, from the Committee on Armed Services, with amendments:

H.R. 7913. An act to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength (Rept. No. 1534).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BOGGS:

S. 3346. A bill for the relief of Harold H. Senger; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 3347. A bill authorizing the reconstruction of the Lake Kemp Dam on the Wichita River, Tex., in the interest of flood control and allied purposes; to the Committee on Public Works.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART:

S. 3348. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Finance.

By Mr. BEALL:

S. 3349. A bill to authorize the burial of the remains of Matthew A. Henson in the Arlington National Cemetery, Va.; to the Committee on Interior and Insular Affairs.

S. 3350. A bill to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; to the Committee on the District of Columbia.

By Mr. BEALL:

S.J. Res. 191. Joint resolution to designate September 17, 1962, as Antietam Day, and for other purposes; to the Committee on the Judiciary.

RESOLUTION

COMMITTEE TO REPRESENT THE SENATE AT DEDICATION OF JUSTIN SMITH MORRILL HOMESTEAD IN VERMONT AS A NATIONAL HISTORIC LANDMARK

Mr. AIKEN (for himself, Mr. COTTON, and Mr. PROUTY) submitted the following resolution (S. Res. 347); which was referred to the Committee on the Judiciary:

Whereas President John F. Kennedy on request of a joint resolution of the Congress, did proclaim, August 25, 1961, that it is fitting and proper to commemorate the centennial of the first Morrill Act, approved by President Abraham Lincoln, July 2, 1862, establishing the land grant system of colleges and universities; and

Whereas the six Governors of the New England States did jointly proclaim, September 11, 1961, endorsement of the centennial observance during the academic year 1961–1962 and the calendar year 1962 as the Morrill Land-Grant Centennial Year in New England; and

Whereas Governor R. Ray Keyser, Junior, of Vermont, did urge, by proclamation, September 12, 1961, that the citizens of Vermont honor Justin Smith Morrill; and

Whereas by resolutions and acts of the 1959 and 1961 sessions of the Vermont Legislature, a committee was appointed and funds appropriated to plan and effect suitable statewide observance of the centennial; and

Whereas citizens of Vermont and elsewhere have established the Justin Smith Morrill Foundation to restore and preserve the Morrill Homestead; and

Whereas the Vermont Centennial Committee has chosen September 9, 1962, for the day of dedication of the Justin Smith Morrill Homestead, located on the highway bearing his name, in Strafford, Vermont, as a National Historic Landmark, registered by the United States Department of the Interior: Be it

Resolved, That the Senate of the United States of America, in recognition of the long and distinguished public services of Senator Morrill, requests the President of the Senate to appoint three of its Members to represent them at these dedication ceremonies; and further

Resolved, That a copy of this resolution, when approved, be sent to each of those named therein.

RECONSTRUCTION OF LAKE KEMP DAM ON WICHITA RIVER, TEX.

Mr. YARBOROUGH. Mr. President, I introduce, for appropriate reference, a bill to authorize the reconstruction of the existing Lake Kemp Dam as recommended by the Army Engineers Board of Engineers for Rivers and Harbors in its report dated May 4, 1962. The proposed construction is needed to provide a new spillway and outlet works, and a 3-foot increase in the height of the dam at Lake Kemp. The present structure there has badly deteriorated and, I am told, is in imminent danger of failure. The new work would preserve the existing conservation benefits, and prevent about 70 percent of all expected flood losses in areas affected by runoff from the drainage basin above Lake Kemp. The estimated first cost of the reconstruction is $8,613,000, and the present plan calls for the necessary amount of participation by local people.

The bill is introduced at this time in order to expedite the consideration of this matter as it is very important that Congress authorize this much-needed structure this session. The people of Wichita Falls, Tex., are very much concerned about the inadequacies of the present structure and urgently desire that Congress take speedy action on this measure.

Wichita Falls, which had some 45,000 people in 1944, today has more than 100,000 population, and the business, residential, and industrial areas have developed rapidly. The city has had floods in 1950, 1955, and 1957, at which reservoir control was available. Without reservoir control, surveys indicate the damage to the city would have been approximately $16 million for any one of the three recent floods.

This indicates the emergency nature of the new spillway and outlet works and increase in the height of the Lake Kemp Dam.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3347) authorizing the reconstruction of the Lake Kemp Dam on the Wichita River, Tex., in the interest of flood control and allied purposes, introduced by Mr. Yarborough, was received, read twice by its title, and referred to the Committee on Public Works.

EMERGENCY EMPLOYMENT PUBLIC WORKS ACT OF 1962—AMENDMENTS

Mr. KERR (for himself, Mr. Chavez, Mr. McNamara, Mr. Randolph, Mr. Young of Ohio, Mr. Muskie, Mr. Gruening, Mr. Moss, Mr. Long of Hawaii, Mr. Smith of Massachusetts, and Mr. Metcalf) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies, which were ordered to lie on the table, to be printed, and to be printed in the Record, as follows:

On page 3, line 23, after "authorized" insert "after June 30, 1963,".

On page 4, line 20, strike out "and", and between lines 20 and 21 insert the following:

"(2) if on such date, according to such data, the total number of unemployed amounts to at least 5 per centum of the total number in the civilian labor force, with adjustments for seasonal variations; and".

On page 4, line 21, strike out "(2)" and insert in lieu thereof "(3)".

On page 5, line 10, strike out "(b)".

On page 6, line 2, beginning with the colon, strike out all to the period in line 5.

On page 6, beginning with line 24, strike out all through "projects or programs" in line 3 on page 7, and insert in lieu thereof the following: "of any project or program of a State or local public body which qualifies under standards established by the President to apply uniformly to all similar areas, grants may be made to such State or local public body under the authority of this section which bring the total of Federal grants available for such project or program".

On page 7, line 10, beginning with the colon, strike out all to the period in line 13.

On page 8, line 3, beginning with the colon, strike out all to the period in line 5.

On page 9, line 20, beginning with "That" strike out all through *"And provided further,"* in line 23.

On page 10, line 20, beginning with "and without regard" strike out all to the period in line 22.

On page 10, line 23, beginning with "the sum" strike out all through the period in line 2 on page 11 and insert in lieu thereof a comma and the following: "to remain available until expended, the sum of $750,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act, except that at least 10 per centum of any amount appropriated for the purposes of this section shall be used for such purposes with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act."

On page 11, line 12, after "programs" insert "of States or local public bodies".

On page 11, line 21, after "may be made" insert "to a State or local public body".

On page 13, beginning with line 21, strike out all through line 14 on page 15 and insert in lieu thereof the following:

"APPROPRIATIONS AUTHORIZED

"Sec. 10. (a) There is authorized to be appropriated for expenditure after June 30, 1963, to remain available until expended, the sum of $750,000,000 to carry out the provisions, other than section 8, of this Act.

"(b) In carrying out such provisions at least 10 per centum of any amount appropriated pursuant to subsection (a) shall be used with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act."

On page 17, line 19, after "public" insert "and nonprofit".

EMERGENCY EMPLOYMENT PUBLIC WORKS ACT OF 1962

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent to have printed in the body of the Record, during the morning hour, the text of the amendment which I have had printed in the nature of a substitute for S. 2965. I ask this because I have been told it is possible that the so-called emergency public works bill may be before the Senate for consideration on Monday next. Last night I asked to have the amendment printed for the information of Senators. If the bill is to be considered on Monday, I think it would be useful to have, for ready reference by every Senator, a copy of the text of the substitute amendment in the Record. Therefore, I ask unanimous consent that it may be printed.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from South Dakota?

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: "That this Act may be cited as the 'Emergency Employment Public Works Act of 1962'.

"FINDINGS AND PURPOSE

"Sec. 2. The Congress finds that substantial unemployment and underemployment for prolonged periods of time adversely affect the revenues of the Government and the general welfare. The purpose of this Act is to stimulate the economy at such times and in such areas by providing for the acceleration of authorized Federal programs and the authorization of participation in certain small public works projects.

"DECLARATION OF AREAS OF SEVERE ECONOMIC DISTRESS

"Sec. 3. When the President finds that substantial unemployment in any county of the Nation (including the Commonwealth of Puerto Rico and the possessions) is causing unusual and severe economic distress, he may designate the county as an emergency unemployment area for the purpose of this Act. Upon such designation the authority granted in sections 4 and 5 of this Act may be exercised within such county to carry out the purpose of this Act until the President by declaration or Congress by concurrent resolution removes such designation from such county or two years expire, whichever soonest occurs.

"ACCELERATION OF CONSTRUCTION BY FEDERAL DEPARTMENTS AND AGENCIES

"Sec. 4. (a) The head of any department or independent agency of the Government which receives any appropriations for the fiscal year beginning July 1, 1962, or July 1, 1963, for the construction (including reconstruction and additions) by such department or agency of—

"(1) any works of a public nature for improvement of rivers and harbors and other waterways, for navigation, flood control, irrigation, reclamation, development of hydroelectric power, or improvement of watersheds, or

"(2) any public buildings, including post offices, or roads or trails in, or to provide access to, national parks, national forests, Federal reservations, Indian reservations, or public recreation areas, or on the public domain,

may obligate an amount equal to 10 per centum of the total such appropriations to such department or agency for each such year for the construction (including reconstruction and additions) in areas designated by the President under section 3 of this Act of any such works, buildings, roads, or trails which is authorized by law and which will promote the purpose of this Act. Amounts authorized to be obligated under the provisions of this section shall remain available for obligation without fiscal year limitation and shall be in addition to fiscal year appropriations to such department or agency.

"(b) Not more than 20 per centum of the total cost of any construction project may be paid for under the authorization in this section.

"ASSISTANCE TO CERTAIN SMALL PUBLIC WORKS PROJECTS

"Sec. 5. (a) The head of any department or independent agency of the Government which is authorized by law to make grants or loans to assist in financing any small public works project (as defined in subsection (d) of this section) may make such grants or loans, to the extent of funds appropriated to such department or agency under subsection (c), for the initiation or acceleration of any such small public works project which will promote the purpose of this Act in areas designated by the President under section 3 of this Act. Grants and loans made under the authority of this section shall be in accordance with the terms and conditions of other laws with respect to such grants or loans, except that (1) any requirements in other laws with respect to the apportionment of funds, the time in which grants or loans may be made, or the aggregate dollar amounts of any grant or loan for any particular project or part thereof, shall not apply, and (2) if it is determined in accordance with regulations to be established by the President that the area does not have the economic and financial capacity to assume all of the additional financial obligations required, the provisions in other laws limiting the amount of such grant to a portion of the cost of the project shall not apply but the recipient of the grant shall be required to bear such portion of such cost as it is able to and at least 10 per centum thereof.

"(b) Not more than $500,000 may be obligated for grants and loans under the provisions of this section for each small public works project.

"(c) There is authorized to be appropriated to carry out the provisions of this section $250,000,000 for grants and $250,000,000 for loans.

"(d) For the purpose of this section the term 'small public works project' means the construction, repair, or improvement of public roads on the Federal-aid secondary system (including extensions into urban areas), public streets, sidewalks incident to street or highway construction, roadside areas, parkways, access roads to recreational areas, bridges, and airports; public parks, public school and other public recreational facilities; public hospitals, public rehabilitation and health centers, and other public health facilities; public refuse, garbage, water, sewage, and sanitary facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, laboratories, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures, including small watershed projects.

"REGULATIONS

"Sec. 6. Within the provisions hereof the President is authorized to establish such regulations as may be necessary to carry out the purpose of this Act.

"APPROPRIATIONS AUTHORIZED TO LIQUIDATE OBLIGATIONS

"Sec. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

Amend the title so as to read: "A bill to provide authority to accelerate public works programs of the Federal Government and to authorize participation in certain small public works projects in distress areas."

AID TO INDIA

Mr. HUMPHREY. Mr. President, recently I was the recipient of an editorial relating to economic assistance to India. The editorial was published in the Wall Street Journal. I ask unanimous consent that the editorial and a copy of my reply to the editor be printed at this point in the Record.

There being no objection, the editorial and the letter were ordered to be printed in the Record, as follows:

A Couple of Aid Cliches

When the Senate Foreign Relations Committee voted to cut aid to India 25 percent, there was prompt denunciation of the move from some quarters. And perhaps Minnesota's Senator Humphrey and other critics of the cut will succeed in getting it reversed in the committee or on the Senate floor.

Whatever finally happens, we think Mr. Humphrey's arguments for restoring the full aid—roughly $800 million for the next fiscal year—are worth a brief look. For they reveal a couple of cliches about foreign aid and India that have too long been taken for granted.

One of the Senator's points is that the full aid "could put the Indian third 5-year plan over the hump. Without it, the Indian plan will fail. India's dreams of overcoming the vicious circle of growing population and plummeting living standards will vanish into thin air."

This assumption that a specific amount of aid will get India on its feet is not borne out by experience. We have been aiding India for quite a while now, to the tune of billions, and the vicious circle shows no signs of disappearing.

It is far from certain that any amount of U.S. aid could perform that trick, but it is easy enough to see why our aid is not more effective. A principal reason, surely, is that it is aid to a Socialist government; among other things, this circumstance means the economy is smothered in controls and resources are inevitably misallocated.

Another stereotype displayed by Mr. Humphrey is related to this one. It is to the effect that the world is watching the economic race between free India and totalitarian China. Somehow it is a bit difficult to imagine the millions of downtrodden people in other backward lands eagerly waiting to choose up sides depending on the outcome of this race. Red China, at any rate, usually seems more interested in extending its hegemony by military means.

But if we do want to help India go faster than China, then again it would seem necessary to help it toward greater economic freedom rather than an economic system so similar to communism.

Meantime a cut in the aid appropriation seems perfectly reasonable. What is needed even more is a basic reexamination of some of these foreign-aid myths.

May 24, 1962.

The Editor, Wall Street Journal,
New York, N.Y.

Dear Mr. Editor: I have read with interest and concern your editorial of May 16, relating to U.S. economic aid to India. Since the date of your editorial the Senate Foreign Relations Committee has reversed its earlier action of sharp reduction of 30 percent in foreign aid funds to India. The committee has, on sober reflection and reexamination, directed that the funds for economic aid for India in fiscal 1963, shall not exceed that of fiscal 1962. This action assures substantial economic assistance and will permit the United States to fulfill its commitments under the terms of the consortium and other agreements.

The earlier action of the committee would have sharply retarded India's third 5-year plan. It would have violated earlier agreements made by both the Eisenhower and Kennedy administrations. It would have played directly into the hands of Krishna Menon and others who are our critics and who seek more power and influence in the political life of India.

I hold to these views despite your assertion of May 16, that our aid to underdeveloped India has been ineffective. On the contrary, India has made exemplary use of U.S. aid. Although the vicious circle of poverty and overpopulation has not disappeared, it has clearly begun to respond to treatment. Since the start of India's 25-year development program, the national income has grown 42 percent, and per capita income (held back by the burgeoning population) has climbed 16 percent above the abysmally low level of $50 per annum in 1950. Impressive gains have been registered in industrial production, education, health, and consumption levels.

India's very dependence upon foreign aid and private foreign investment has served as an incentive for scrupulous use of all external resources. The $3.1 billion worth of U.S. aid during the first decade of planning has gone directly into the Indian economy—not to Swiss banks and not to the private treasuries of dictators.

Moreover, India's 5-year plans meet the self-help criteria set by Congress and President Kennedy. They meet the hardheaded financial standards of the World Bank and the seven-nation consortium (including ourselves) which has assumed much of the external assistance burden of the third 5-year plan. Unlike many other prospective aid recipients, India has not had to be goaded into producing a rational, coherent plan for economic development. On the contrary, she has given us a clear idea in advance of where and how our money is going to be spent.

India's planned economy by no means entails stifling controls and inevitable misallocation of resources. For one thing India's socialism is pragmatic and nondoctrinaire; it is compatible with democratic freedoms and constitutional government. For another thing, state planning has brought spectacular benefits to the private sector of the Indian economy. Whereas entrepreneurs once lacked incentive and drive, they have now been shaken out of their lethargy, private funds are going to work in India where they belong and the stock market is booming. India's planners had the good sense to encourage private investment—both domestic and foreign—and to build the roads, railways, and utilities conducive to commercial health.

India has chosen to make economic and industrial progress without regimentation and without sacrifice of individual rights. Indeed, by concentrating on community development and health projects, India has not infrequently fostered the welfare of the individual at the expense of dramatic statistical gain. Unfortunately, this preference for "evolutionary" rather than "revolutionary" development has only increased India's short-term dependence upon foreign aid. Over the next 10 years approximately 20 percent of India's planned capital investment must come from non-Indian sources. If this amount is not forthcoming, India will not reach the takeoff stage of self-sustained growth soon enough to give a reasonable promise of economic and political stability. This being the case, any cut or threatened cut in American aid will have inevitable repercussions on the prospects for a democratic India in the future.

I share the concern of my colleagues about the actions of Defense Minister Krishna Menon. I deplore India's stubborn refusal to allow a plebiscite in Kashmir or to accept impartial mediation of her dispute with Pakistan. But I do not agree that an entire nation should be penalized because of our ephemeral policy differences with New Delhi. If India were in fact using our aid to build up its armed forces against Pakistan, we would have ample reason to complain. Indian defense costs, however, have dropped steadily as a proportion of the total national budget since 1956, and the recent increase in defense spending has clearly been a justified reaction to the threat of Chinese aggression from the north.

It may be a matter of indifference to some people whether free India or stumbling, totalitarian China proves itself fit for survival in the highly competitive circumstances of the 20th century. It may be that the race between freedom and totalitarianism means little or nothing to the downtrodden millions of the world. But I will wager that the rulers of these downtrodden millions are watching the race and are hanging on the outcome. India is one of the few underdeveloped countries with a fighting chance to prove that self-sustained growth can be achieved without authoritarianism. Given her strategic location, her democratic instincts, her huge population, her influence in the councils of the nonalined, and her determination to succeed, we cannot let India fall through doctrinaire blindness on our own part.

Sincerely,

HUBERT H. HUMPHREY.

THE CLOTURE MOTION VOTE ON THE LITERACY TEST BILL

Mr. HUMPHREY. Mr. President, at the time of the debate on the literacy test bill and the attempt of the majority and minority leadership to have cloture imposed, I asked the Bureau of the Census, of the Department of Commerce, by letter of May 14, to send me the population statistics relating to the Senate vote on cloture.

I have received from Richard M. Scammon, Director of the Bureau of the Census, a response to my letter of May 14.

In my letter I stated:

> I would be very much interested in knowing the approximate numbers of people represented by those in the Senate of the United States who voted against cloture last week, as against those who voted for cloture.
>
> Although the vote in the Senate for cloture was less than a majority, I have an idea that the Senators voting for cloture represented an overwhelming proportion of the American people.
>
> May I have this information as soon as possible.

I ask unanimous consent that both of these letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 14, 1962.

MR. RICHARD SCAMMON,
Director, Bureau of the Census,
Washington, D.C.

DEAR MR. SCAMMON: I would be very much interested in knowing the approximate numbers of people represented by those in the Senate of the United States who voted against cloture last week, as against those who voted for cloture.

Although the vote in the Senate for cloture was less than a majority, I have an idea that the Senators voting for cloture represented an overwhelming proportion of the American people.

May I have this information as soon as possible?

With best wishes.

Sincerely,

HUBERT H. HUMPHREY.

U.S. DEPARTMENT OF COMMERCE,
BUREAU OF CENSUS,
Washington, D.C., May 17, 1962.

HON. HUBERT H. HUMPHREY,
U.S. Senate, Washington, D.C.

DEAR HUBERT: In response to the request contained in your recent letter, totals have been computed on the basis of the most recent Senate vote on cloture—that of May 14.

Assigning each Senator a population figure equal to one-half his State's 1960 census population, these are the totals you requested:

	Population
46 Senators for cloture (including pairs)	111,121,000
54 Senators against cloture (including pairs)	67,439,000

Totals are rounded to the nearest thousand and voting detail as reported on page 8294 of the CONGRESSIONAL RECORD.

Sincerely,

RICHARD M. SCAMMON,
Director, Bureau of the Census.

THE LATE SENATOR SCHOEPPEL OF KANSAS

Mr. DIRKSEN. Mr. President in connection with the memorial services to the late, beloved Senator Andrew F. Schoeppel, I should like to insert in the RECORD a memorial of the Wichita Bar Association, along with the prayer of the Chaplain of the Senate, Dr. Frederick Brown Harris. I had hoped the tribute and the prayer could be printed in the memorial booklet dedicated to the memory of Senator Schoeppel.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORIAL TO ANDREW F. SCHOEPPEL

We pause at this session of the Wichita Bar Association to pay tribute to the memory of a departed friend and brother of this bar whose service to his community, State, and Nation and to the people of Kansas has, in large measure, guided the destiny of our State. In 39 years of the practice of law in his native State, Andrew F. Schoeppel, know to his many friends as "Andy," won the respect, esteem, and affection of the bench and bar.

Senator Andy Schoeppel was born in Claflin, Barton County, Kans., November 23, 1894. He attended Kansas University and in 1923 obtained his law degree from the University of Nebraska, where he was mentioned as an all-American on the "Cornhusker" football squad. On February 3, 1923, he commenced the practice of law in Ness City, Kans., as a partner in the firm of Peters & Schoeppel. In 1931, the Honorable Loren T. Peters assumed the bench of the district court of the 33d judicial district of Kansas and "Andy" formed a law partnership with Tom Smyth under the firm name of Schoeppel & Smyth, which firm prospered until 1939.

During these 16 years in Ness County, our friend Andy Schoeppel served as county attorney and as city attorney and mayor of Ness City. He also held such offices as chairman of the Ness County Republican Central Committee and as a member of the Ness City School Board.

In 1939 he became chairman of the Kansas Corporation Commission where he served with distinction until May 1942 when he resigned to become a candidate for Governor of his native State. He was elected and then reelected in 1944, at which time he gained the further distinction of being the only candidate for Governor in Kansas history to receive a majority vote in every one of the 105 Kansas counties.

Andy Schoeppel's two terms as Governor were completed in January 1947, at which time he joined the Wichita law firm of Foulston, Siefkin, Schoeppel, Bartlett & Powers. In 1948 he was elected to the U.S. Senate, where he served until his death on January 21, 1962.

Among his colleagues in the upper Chamber of the National Congress, Andy Schoeppel was regarded as a rugged statesman, typifying the Kansas pioneer spirit. He was a man of sincere convictions and honesty of purpose—and this is so aptly demonstrated by the phrase heard so often from his lips, "I try to call 'em as I see 'em."

In his years of public service he was held in high esteem not only by his colleagues with whom he served, but by his constituents, the people of Kansas.

Senator Andrew F. Schoeppel was an able lawyer, a distinguished statesman, a patriotic Christian citizen, a devoted husband and a good friend to every Kansan. We, of the bench and bar, mourn the loss of our friend Andy Schoeppel, and yet, in his passing, there is consolation in the knowledge that he left behind a splendid public record and that he died as he lived—in the service of his State and Nation and his fellow man.

And so, as we pause to honor the memory of Senator Andrew F. Schoeppel, there is a stillness which sobers our thoughts and fills our hearts and there is left a great void in the wake of his going.

MEMORIAL COMMITTEE OF THE
WICHITA BAR ASSOCIATION,
EDWARD F. ARN.

DR. FREDERICK BROWN HARRIS, IN WASHINGINGTON, AT THE FUNERAL SERVICE OF SENATOR ANDREW F. SCHOEPPEL, JANUARY 26, 1962

We come this hour to offer thanks for the life and service of one whose name will shine in the annals of the Republic among those renowned for their power, leaders of the people who gave counsel by their understanding; who were richly furnished with ability and who were the glory of their time—men who have left a name behind them that their praises may be reported. Their bodies are buried in peace but their names live forever more.

We think of the public servant we honor today, who has gone from our side and sight, as a statesman lofty in character, diligent in the Nation's business, tenacious in his convictions, scornful of the appeasement of evil, whose ruling passion was a deep concern for the Republic's welfare.

We remember today his loyalty to those whose interests were his responsibility, whose welfare was put in his hands for execution. We are gratefully conscious that he was ever ready to defend the precious things we hold nearest our hearts and which in the global conflict now raging are threatened by malignant forces which have not Thee in awe.

Proudly he walked about freedom's ramparts which he watched with all his dedicated ability as he perceived with alert eyes the dire dangers which threaten freedom's very survival in these days of the Republic's most crucial need.

And now as Andrew F. Schoeppel has kept the faith and finished his course we think of him as in all his relationships, private and public, he did justly, loved mercy, and walked humbly with Thee, his God, as he had learned—

To think without confusion clearly,
  To act from honest motives purely,
To love his fellow man sincerely,
  To trust in God and heaven securely.

We pray for the choicest blessings of Thy consoling grace upon the dear companion of these beautiful years. Her life has been so much a part of his, as in life's holiest partnership they lived together in their house by the side of the road, looking up and not down, looking out and not in, and lending a hand.

We thank Thee, as they came hand in hand, down these lengthening years facing life's joys and griefs together that they have never been deceived as to where life's true treasures are, and that the sham and show of mere things to live with has never obscured in their home the greater glory of things worth living for.

HEALTH INSURANCE FOR THE AGED

Mr. METCALF. Mr. President, the Havre, Mont., Daily News of April 13, 1962, carried a letter from Mr. E. W. Frederick, of Havre, dealing with health insurance for the aged. Mr. Frederick recognizes the inability of the Kerr-Mills program to meet the health needs of the aged and he advocates the passage of H.R. 4222 to meet these pressing needs. Of course the Kerr-Mills bill is not operative in Montana because the Montana Legislature has not enacted the necessary legislation to provide for State participation.

As of the most recent report I have—May 14—from the Department of Health, Education, and Welfare, 24 States plus Guam, Puerto Rico, and the Virgin Islands were participating in the new medical assistance for the aged program.

As of the same date, 31 States plus Guam, Puerto Rico, and the Virgin Islands were listed by the Department as having expanded State health care programs for the aged with increased Federal matching grants.

I believe Mr. Frederick speaks for many of our older citizens when he recognizes the same opponents with the same arguments fighting health insurance for the aged as they fought the original Social Security Act.

He certainly states the duty of this Congress to our senior citizens when he says:

> They cannot be shoved aside and denied benefits they badly need after a lifetime of hard work.

I ask unanimous consent to have the letter printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Dear Sir: Recently on NBC-TV news, over 40 leading doctors appeared favoring the King-Anderson bill for hospital care for the aged. They stated many more doctors also favored the bill. This, despite the fact that AMA (which has one of the most powerful lobbies in Washington) is spending enormous sums to defeat the bill. The AMA favors the Kerr-Mills Act, and yet after more than a year, less than 1 percent of the aged have received any benefits from the Kerr-Mills Act.

Other powerful interests are in Washington trying to deprive the needy and aged from the benefits of the King-Anderson Act. In 1937 the Social Security and the Railway Retirement Acts were passed. This, after a hard fought battle against NAM, U.S.C. of C. and insurance companies and others. They claimed it would strangle private enterprise. The opposite proved true. Insurance sales have mounted up and up, year after year. Also all other business has continued to gain and prosper over the years. What would happen to the economy of Havre, the State and Nation today, if social security and railway retirement benefits were suddenly cut off? I am afraid the picture would be pretty dark and dismal. Yet the same propaganda is being used today almost word for word, as 25 years ago when they fought so hard to defeat the bills, now doing so much good.

There is close to 17 million people involved in the King-Anderson bill. The years roll rapidly by and millions more will be added. They cannot be shoved aside and denied benefits they badly need after a lifetime of hard work. These people are writing letters by the thousands to our U.S. Senators and Representatives to support the King-Anderson bill. I hope with all my heart that they are successful.

E. W. Frederick.

DEATH OF CHARLES D. WATKINS

Mr. BARTLETT. Mr. President, I lost a friend yesterday in the death of Charles D. Watkins. So did everyone else whose good fortune it was to come to know this gentle, this kind man. "Doc" Watkins was 77 years old when he died yesterday morning after a long illness. He died without knowing his wife of many years had preceded him in death by only a few days. They lived a full life together and they started out on the final and great adventure almost together, almost hand in hand at the end.

"Doc" Watkins was a newspaperman. He was a reporter and served the Associated Press in Washington and elsewhere during a long and active career. He was a good reporter. No man in journalism could have been less like the turbulent, brawling crew depicted in Charles MacArthur's "Front Page" than he. He was soft-voiced, retiring. But he knew his job. "Doc" Watkins was more than a good reporter. He was a first-rate reporter, objective, shrewd at sifting fact from fancy and when he had accumulated his facts he put them down on paper in highly readable form.

I was fortunate enough to have come to the Congress when "Doc" Watkins was covering some of the Pacific Northwest States, and Alaska. So far as I was concerned, a relationship which might be described as businesslike at the outset became personal and my liking for "Doc" grew into friendship and affection.

After leaving the Associated Press, Mr. Watkins joined the staff of the Senate Commerce Committee where he served the taxpayers as well as he had served the reading public before.

Surviving is his son Orville, administrative assistant to Resident Commissioner A. Fernós-Isern, of Puerto Rico.

Surviving also are many, many such as myself unrelated by blood who will mourn his death and who feel their lives were enriched by their having known Charles D. Watkins.

THIRTY-EIGHTH CONGRESS OF THE SLOVAK LEAGUE OF AMERICA

Mr. BUSH. Mr. President, on May 27 through May 29, the Slovak League of America will hold its 38th Congress at the Hotel Tuller in Detroit, Mich. Connecticut is particularly proud of its many citizens who are of Slovak extraction. They have been excellent Americans, firmly dedicated to the principles upon which our country is founded, and have contributed in a major sense to the civic and cultural advancement of their respective communities.

I have sent a letter to Mr. Philip A. Hrobak, president of the Slovak League of America, and I ask unanimous consent that the text of the message be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 22, 1962.

Mr. Philip A. Hrobak,
President, Slovak League of America,
Middletown, Pa.

Dear Mr. Hrobak: Thank you for informing me of the forthcoming meeting of the Slovak League of America.

I proudly join with all those in attendance at the 38th Congress of the Slovak League of America in supporting the objective of self-determination for the people of Slovakia, and for all peoples caught in the snare of communism.

The Slovaks are known to be a proud, talented, industrious, and deeply religious people who continue to aspire to the attainment of freedom and liberty, despite the many years of Communist domination.

I am firmly convinced that one day the people of Slovakia will reach their goal—that they will decide for themselves what form of government they will have—and that they will choose to join the ranks of the free nations.

Please extend my warm regards to all present.

Prescott Bush,
U.S. Senator.

URBAN RENEWAL AND REDEVELOPMENT PROGRAM

Mr. BUSH. Mr. President, the urban renewal and redevelopment program is often mistakenly regarded as being one which benefits big cities only. An article entitled, "The Town That Refused To Die," in the current issue of Connecticut Planning, published by the Connecticut State Development Commission, is an excellent review of how this program helped one of the smaller towns in my State, the town of Washington—population 2,605—recover from the 1955 flood disasters.

I take a great deal of satisfaction from my participation in framing the Federal legislation which enabled this community and others in my State to obtain assistance under the urban renewal and redevelopment program to improve areas which were devastated by the floods. It has been a rewarding experience to work with the local officials on their community programs.

Mr. President, one of the exceptional features of the Washington program is that the redevelopers were all businessmen of the community who had been affected by the flood, and who used their own funds and those of a nonprofit corporation composed of 36 local contributors who made loans without interest.

In my judgment, the chances for successful completion of an urban renewal and redevelopment program are improved, and the time required is reduced, when local people and local capital are involved rather than reliance being placed upon an outside developer. I hope the town of Washington's experience may inspire other communities to follow this example.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TOWN THAT REFUSED TO DIE—FIRST TO COMPLETE STATE-AIDED URBAN RENEWAL PROJECT

August 19, 1955, was a black day indeed. The backlash of hurricane Diane dealt a disastrous blow to the northeast, especially Connecticut. Torrential rains and floods, with high winds, raised havoc in the river lowlands, indiscriminately inundating and scouring anything and everything in their path.

That next morning even the bright sun could not mask the seemingly hopeless sight of one of the smaller Connecticut communities, Washington (population 2,605).

But, the town refused to die. The unselfish and many times heroic efforts of its people to rebuild and at the same time insure themselves against a recurrence of this tragedy has been told throughout the country. The town has received a national award from the 1960 competition for the Ward Melville Gold Medal for outstanding accomplishment in community improvement. It stands as an example of cooperative participation between leading officials of farsighted judgment and public spirited and unselfishly cooperative citizens.

This effort, together with Federal and State funds under the provisions of the flood redevelopment assistance program, were brought to a climax last March 4, when the town's flood redevelopment project was completed. Washington now has a brandnew business center without having lost any of its original charm or the feeling of permanence that come with a hundred years and more of living. Washington is here featured for it holds the distinction of being the first to complete a State-aided urban renewal project in Connecticut.

Recreation facilities, including park areas and playing fields, have taken shape in the old flood plains along the banks of the Shepaug River. The river itself is more attractive now than it had been for 50 years. Sewage no longer pollutes its waters, and plans have been made to preserve its banks for public use.

An architect was hired by the agency to design the new buildings but also to conform the general appearance of these proposed buildings to the general appearance of the town.

An unusual aspect about this rebirth of Washington is that the redevelopers were all business members of the community who had been affected by the flood. They used their own funds and those of a nonprofit corporation composed of 36 local contributors who made loans interest free.

Eleven retail establishments were relocated and designed with ample offstreet parking and better facilities. In all, 7 new buildings were constructed to house, in addition to the retail uses, 16 separate retail and institutional functions.

An HHFA requirement not allowing a redevelopment agency to retain vacant land for future use was resolved by allowing the nonprofit corporation to temporarily hold approximately 50 percent more space for future expansion and new uses.

All but one of the original business tenants returned to the buildings in the project. Four new businesses have been added. Two other buildings were constructed outside the project to help local merchants to relocate immediately, thus preventing the loss of business to other communities and at the same time prohibiting immediate rebuilding on the old site.

The physical layout of the town can now meet the demands of future growth. Even the cultural activities of Washington have mushroomed in unprecedented growth. With a sound fiscal structure for the town government, there is considerable promise for future long-range dividends. The town is already earning a 6-percent return on its investment in the urban renewal project from taxes on the new structures erected by private individuals.

The devoted efforts of town officials and local citizens, with the leadership of Henry Van Sinderen, chairman of the planning and zoning commission, and secretary of the redevelopment authority, have produced these results. It would be safe to say, at this writing, that Washington is not going to sit back and contemplate its remarkable achievements. They realize that such a program is a never-ending one. Washington's recent history will never allow it to stop here.

TRANSPORTATION SAFETY RECORDS

Mr. LAUSCHE. Mr. President, conflicting statements have been made on the floor of the Senate relative, first, to the comparative transportation safety records, and second, to the participation in the Civil Reserve Air Fleet respectively of the U.S. certificated route air carriers on the one hand and the supplemental air carriers on the other.

Aiming to obtain the official facts with respect to these two issues, I addressed separate letters to Mr. Alan J. Boyd, Chairman of the Civil Aeronautics Board, asking him for official figures on the safety record of the two systems of air carriers; and also to Mr. Theodore Hardeen, Jr., Administrator of the Defense Air Transportation Administration of the U.S. Department of Commerce, asking him for official information dealing with the allocated participation of the supplemental air carriers and the certificated air carriers in the Civil Reserve Air Fleet.

In the operations of the certificated route air carriers, the records of the Civil Aeronautics Board show that the fatality rate per 100 million passenger-miles flown was 0.29 for 1961 compared with 0.75 for 1960; and with respect to the U.S. supplemental air carriers during the same year of 1961, the fatality rate per 100 million passenger-miles flown was 6 in 1961 compared to 4.21 for 1960.

Coming to the participation of the U.S. supplemental air carriers and the certificated air carriers in the Civil Air Reserve Fleet, the revised allocation to the Civil Reserve Air Fleet of the Department of Defense for the fiscal year of 1962–63, the Table of Allocations issued by the Defense Air Transportation Administration of the Department of Commerce shows that of 325 planes required for the Civil Reserve Air Fleet, 43 are provided by the supplemental air carriers—10 of which are unpressurized DC–4's, the balance being piston-engine aircraft except for 2 CL–44's leased but not owned by Overseas National.

The U.S. certificated air carriers provide 282 of the 325 planes comprising the fleet.

The figures which I have given are taken from the official records respectively of the Civil Aeronautics Board dealing with safety and the Defense Air Transportation Administration of the Department of Commerce dealing with the Civil Reserve Air Fleet.

Mr. President, I ask unanimous consent that a press release issued by the Civil Aeronautics Board on January 8, 1962, dealing with safety records be fully printed into the RECORD, and also the table showing the allocation made to supplemental air carriers and certificated air carriers by the Defense Air Transportation Administration into the Civil Reserve Air Fleet for the fiscal year of 1962–63.

There being no objection, the press release and table were ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS BOARD PRESS RELEASE

The Civil Aeronautics Board today announced that for the 10th consecutive year the fatality rate per 100 million passenger-miles flown by U.S. certificated route air carriers was less than 1.

The CAB Bureau of Safety figures revealed that 1961 had proven to be one of the safest years ever flown by U.S. certificated route air carriers. The preliminary fatality rate per 100 million passenger-miles flown was 0.29 for 1961 which compared with 0.75 for 1960.

The U.S. supplemental air carrier industry during the same year, 1961, had an estimated fatality rate per 100 million passenger-miles flown of 6 which compared with 4.21 for 1960.

The Board pointed out that U.S. certificated route air carriers in international service operated throughout 1961 without a single fatal accident.

The two tables attached present a brief statistical picture of passenger operational safety compiled by the CAB Bureau of Safety for both the U.S. certificated route air carriers and the U.S. supplemental air carriers for the past 10 years.

U.S. certificated route air carriers

Year	Scheduled passenger service				Civil and military passenger operations			
	Fatal accidents	Passenger fatalities	Passengers carried	Passenger fatality rate per 100,000,000 passenger-miles	Fatal accidents	Passenger fatalities	Passengers carried	Passenger fatality rate per 100,000,000 passenger-miles
1952	8	140	27,569,902	0.86	1	26	695,335	2.07
1953	6	88	31,645,567	.46	5	141	724,014	11.21
1954	5	17	35,447,523	.07	1	9	695,152	.72
1955	9	107	41,707,543	.62	2	27	786,783	1.93
1956	6	152	46,004,528	.60	0	0	663,003	0
1957	5	70	49,423,170	.21	0	0	535,248	0
1958	8	125	40,165,720	.38	0	0	676,072	0
1959	10	268	56,002,094	.71	1	1	895,518	.06
1960	[1]12	336	57,886,566	.75	2	93	1,057,983	4.21
1961	5	124	[3]58,000,000	[3].29	2	151	[3]1,000,000	[3]6.0

[1] 2 of these accidents were midair collisions between air-carrier and non-air-carrier aircraft with fatalities resulting in the latter category only.

[3] Estimated.

Proposed fiscal year 1962–63 CRAF allocation

	DC-4	DC-6A	DC-7BF	DC-7CF	L-1049H	L-1649AF	CL-44	B707 (300)	B707 (200)	B707 (100)	DC-8	C880 (22M)	Atlantic	Pacific	Total
AAXICO		8											8	0	8
Alaska		1P										1	1	1	2
American										22			22	0	22
Braniff		1							4				5	0	5
*Capital					5								5	0	5
Continental										4			4	0	4
Delta											6		6	0	6
Eastern											15		15	0	15
Flying Tiger					10P		7P						0	17	17
National					4						3		7	0	7
Northwest				5P							5P		0	10	10
*Overseas National							2P						0	2	2
Pan American	8			13P				25P		6	19P		14	57	71
*Quaker City		3P											0	3	3
Riddle				10P									0	10	10
Seaboard World					8		4						12	0	12
Slick	1P				5P		2P						0	8	8
Southern Air		3P											0	3	3
Trans Caribbean											1		1	0	1
*Trans International					4P								0	4	4
Trans World						12		[1]12		15			34	5	39
United		7	6P								[2]29		22	20	42
*U.S. Overseas	10	2P											10	2	12
*World		8P			5P								0	13	13
*Zantop		4P											0	4	4
Total	19	37	6	28	41	12	15	37	4	47	78	1	166	159	325

P—Pacific. [1] 5 Pacific., 7 Atlantic. [2] 14 (OW) Pacific, 15 Atlantic. *Supplemental carriers. Apr. 13, 1962.

Source: Defense Air Transportation Administration, Washington, D.C.

THE NATO ALLIANCE

Mr. SCOTT. Mr. President, this administration was fortunate to inherit from the Eisenhower administration a strong commitment to the NATO alliance. Our ties with the NATO countries enable us to forge a strong front against the threat of the Communist world. It is my prayerful hope that a tendency to mismanage our diplomatic relations with some of the countries making up the NATO alliance will not undermine our first line of defense of the free world. One wonders whether our foreign policy, as it is now being conducted, is consistently in the best interest of the United States or whether it may cause the eventual erosion of our defenses against the Soviet and its satellites.

I ask unanimous consent, Mr. President that a recent article by Joseph Alsop titled "The Root of the Difficulty" be included at this point in the RECORD. It is thought provoking and should be read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE ROOT OF THE DIFFICULTY

(By Joseph Alsop)

"Blaming foreigners is one of the marks of a world power that is losing its self-confidence."

This anonymous maxim badly needs to be remembered in Washington at the moment, where the troubles in the Western Alliance are being simultaneously underrated and crossly blamed on the wrongheadedness of our allies.

Maybe our allies have been wrongheaded. But the blame is ours if our interests are endangered, and we could have forestalled this dangerous wrongheadedness by our own efforts. Such is the maxim's meaning.

To see how it applies in the present case, you have only to look at the course of events in Germany. Until a very short time ago, unquestioning reliance on the partnership with the United States was the first maxim of German policy. On this basis, Chancellor Adenauer had rebuilt Germany from its postwar ruins. From this maxim, it used to seem impossible that Adenauer would ever depart.

In recent months, moreover, the value to this country of the German-American partnership was greatly enhanced by a decision taken by the Kennedy administration concerning relations with France. Mortal offense was given to Gen. Charles de Gaulle by this decision, to refuse him the kind of nuclear cooperation that we gave the English.

Standing alone, General de Gaulle has almost no power to frustrate American policy. He is a giant figure, but in lonely isolation he cannot mold the future development of Europe according to his views. Alone, he cannot insist upon the hardest and ugliest bargain in the European-American trade negotiations that will follow passage of the Kennedy trade bill. Alone, he cannot even block Britain's entry into Europe on reasonable terms.

To do any or all of these things, in fact, De Gaulle needs the active partnership and support of his friends, the Germans. In other words, if the Germans could be counted on to consider President Kennedy's wishes ahead of General de Gaulle's wishes, the present trouble in the Western alliance would be limited to France alone.

Unhappily, however, while enhancing the value of the German-American partnership with one hand, the Washington policymakers chose to assure the deterioration of this partnership with the other hand. This resulted from the way the Berlin problem was managed.

The German interests in the Berlin problem is obvious. The need for German assumption of joint responsibility for any solution of the Berlin problem is also obvious. Equally obvious is the need to do business with the government of Konrad Adenauer on a personal basis, through a representative in Bonn who can command the Chancellor's respect, who can remove his occasional misunderstandings, who can also thread his way through the labyrinth of other personalities and agencies in Bonn.

The able U.S. Ambassador in Bonn, Walter Dowling, is just such a representative. But the management of the crucial Berlin problem has been wholly centered in Washington, in the vast, churning Berlin task force in the State Department, and in the related ambassadorial working group.

Chancellor Adenauer has been kept informed impersonally, by messages transmitted through the German Embassy here, no doubt with occasional hostile commentaries. Ambassador Dowling has been getting informational copies, which gave him little chance to prepare, or to explain, or to persuade. Warnings of trouble ahead from the Bonn Embassy have been scornfully dismissed in Washington as mere symptoms of "localitis" and now the trouble has come, and it has certainly not been cured, as widely advertised, by recent patch-up measures.

In this very important German instance, the cause of the trouble was largely mechanical. But this mechanical failure derived from another kind of failure, of a more general and more damaging kind. This is a failure in the basic organization of the State Department.

Seen from abroad, the Kennedy State Department does not as yet appear as a unified, coherent, purposeful instrument of American policy. It appears, rather, as a whole congeries of groups, and subgroups, and committees, and personages, all relentlessly traveling in their own directions, on their own individual errands, without much reference to what the rest may be doing or thinking.

Thus those who were working on the Berlin problem plowed ahead, with little consideration of the effects on the German-American relationship or on the broader European pattern. Thus the decision to tell General de Gaulle to go to the devil was also taken in isolation from other decisions. Thus the decision about Laos seems about to be taken with little consideration for the effects in Vietnam, or for the situation in China. This is the root of the difficulty, and until it is overcome the Kennedy administration is bound to go on running into bad trouble overseas.

Mr. SCOTT. Mr. President, along the same line, I also would like to call attention to a column by Constantine Brown, which also underlines this administration's relationship with still another NATO ally. Much has been said in the past, Mr. President, concerning the prestige standing of the United States. Our alleged unpopularity seemed to have been a major concern to some candidates and their advisers in 1960. Now we no longer hear of prestige, but we are constantly and increasingly reminded by reports from abroad that some of our allies in our continuing fight against communism are not quite sure whether we know or care about the erosion of our longtime friendships with old allies.

Mr. President, Portugal is an important cog in the NATO machine. It is my understanding that the United States will shortly be negotiating with Portugal over our continued use of the Azores for military operations. The Azores are the crossroads of the Atlantic. From an aerospace point of view, use of the Azores permits increased payloads for support of us and NATO forces overseas, rapid deployments and redeployments of combat aircraft, and reliable communications in a worldwide aerospace net. From a naval point of view, the strategic location of the Azores is a prominent factor in control of sea lines of communication in the central Atlantic. Rapid deployment of substantial ground forces by air is also realized through use of the Azores. Of the multiplicity of transatlantic air routes available, those utilizing the Azores are the most satisfactory, primarily because of the good weather along this route and time-distance factors. Other routes provide needed flexibility and increased capacity. One of the islands of the Azores has long been valued by our Armed Forces as "the biggest gas station in the world." We are likely to pay dearly for the continued use of it.

As Portugal's major contribution to NATO plans, the Azores base is representative of the unity of purpose and integration of resources existing among the Atlantic nations in defense of the free world.

Again, Mr. President, I would hope that those who formulate our worldwide foreign policy would consider and coordinate their moves with the best interest of the United States, its security, and its relationships with its proven allies. I feel that Mr. Brown's article is timely and reemphasizes the question, "Is our present foreign policy in the best interest of the United States?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PORTUGUESE VIEW OF UNITED STATES—RESENTMENT OF ACTION BY WASHINGTON IN RECENT INCIDENTS FOUND IN LISBON

(By Constantine Brown)

LISBON.—"You Americans are throwing your old and tried friends overboard on the chance of making new, untried ones." This refrain has been heard by this reporter throughout Western Europe, but nowhere as loudly as in Lisbon.

Not only Portuguese Government officials, but ordinary citizens such as professors and lawyers with whom I have come in contact during a week's stay here are bitter over the cavalier way in which the American Government has been treating this little country. All are mindful that Portugal long has been our friend; she was our active ally in World War I, gave us vital strategic bases in the Azores during World War II, and finally has been a stanch member of the NATO since its inception. Unlike other NATO members, especially the larger countries, Portugal has had very limited economic and military assistance. There was no need for it, for after the war the economy of Portugal was in fair shape. In as far as military assistance was concerned, the limited amount Lisbon received was used to train some of her forces set aside to cooperate with those of the other members in the event of a Soviet march on the channel.

Yet, ever since the drives for independence in Africa, which our administration supported with the enthusiasm of a zealot, Portugal has had more kicks in the shins from the United States than it received throughout its long history.

The Portuguese Government did not expect America's support on every occasion of crisis because of its membership in the North Atlantic Treaty Organization. The realistic Portuguese diplomats have been making allowances for the fact that in as far as their oversea territories of Angola and Mozambique are concerned, the American Government will have to maintain a reserved attitude toward Portugal's rights in those areas—as it did when British and French colonies demanded and obtained their often premature independence.

The Portuguese Government was astounded, however, and the people deeply grieved and offended at the actions of Washington in recent times over matters which did not involve inborn American principles. For instance, there was the decision of the State Department concerning the adventurer, Captain Galvao, when he perpetrated an act of piracy on the high seas by hijacking the Portuguese liner *Santa Maria*. According to international maritime law he should have been treated as a pirate—and the Navy Department so announced when the news first reached Washington. But this stand was reversed by the State Department, which decided to consider Galvao as a political rebel against the Salazar dictatorship and adopted a "kid gloves" policy.

Then there was the far more important affair of the Portuguese enclaves in India, when the Indian Government became guilty of rank aggression. Except for expressing deep sorrow at the Indian attack—not anger and indignation—the administration in Washington did nothing else. A few days later Ambassador Adlai Stevenson at the United Nations voted in favor of a condemnation of Portugal because of its slowness in following Belgium's example and abandoning its national territory, Angola, to the so-called Angolese nationalists.

The Portuguese people as well as their government still live in another century. They continue to believe that alliances and political compacts mean something. The Salazar administration did not expect military assistance from the United States when Goa was attacked by the Indians, nor any help in war materials or transport planes to strengthen its garrisons in Angola and Mozambique. That was not provided for in the North Atlantic Pact. But it did expect moral support in the United Nations, which the American Government has come to regard as a cure-all for such disturbances as the Indians have been guilty of.

All they got, dolefully said a Portuguese high official, were some friendly editorials in the American press and a perfunctory expression of sorrow from the State Department which was completely offset by the semiofficial visit of Mrs. Kennedy to India shortly thereafter.

The ambassador of a NATO power clarified the state of mind of the Portuguese by telling your reporter the following incident: When the Berlin crisis gave reason for serious concern to Washington the American Envoy here, Bourke Elbrick, asked the Portuguese Government what and how much help it would be able to provide in the event of a conflict. The Portuguese read the note and replied, "Have you presented similar inquiries to the governments of Ghana, Mali, and Guinea?"

The Ambassador was somewhat taken aback and replied that these African republics were not members of the NATO.

"Well," answered the Portuguese, "but they are your newly chosen friends for whom you go to bat at every occasion."

FROM MOLECULES TO MAN

Mr. ERVIN. Mr. President, recently Dr. Jonas Salk spoke before the National Press Club here in Washington. As is invariably the case, Dr. Salk made an interesting and thought-provoking speech. I should like to call the attention of the Senate to his address entitled "From Molecules to Man."

I believe that my colleagues will find of particular interest Dr. Salk's reference to the Salk Institute for Biological Studies which is now under construction in San Diego, Calif. It is my understanding that this institute, which will augment greatly our Nation's scientific research facilities, will be similar to such research facilities as the Pasteur Institute, the Lister Institute, the Weizman Institute and the Rockefeller Institute. There are all too few of these establishments and it is good and exciting news to learn that another is to be erected and in our country.

Dr. Salk's scientific research has already resulted in a preventive for polio. This achievement portends great scientific medical progress at the institute which he will head.

I ask unanimous consent that Dr. Salk's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FROM MOLECULES TO MAN

(By Dr. Jonas Salk)

When living systems are looked upon as a whole there is a sense of liberation as well as a feeling that we may know more than we know we know. How many and how great are the insights and powers conferred upon an adjacent science by removing the barrier of distinction. This has long been true of human knowledge as it has steadily evolved. The relatively recent bridging of physics and biology has been as unifying as the earlier bridging of chemistry and biology, and still earlier the union of physics and astronomy.

Biology is unique among the sciences in that it can be looked upon as constituting a natural bridge from the sciences concerned with the physical universe to the subject matter of the humanities in a way that possesses the possibility of uniting the cultures that are viewed as being divided, with an ever-widening gap.

It has been implied by some that a humanist should know the second law of thermodynamics and that a scientist should know the works of Blake. Although one cannot question the desirability of so broad an orientation, can we suggest, as a more immediate need, for a humanist to understand biological systems that he may understand the biological nature of man? To extend this thought, should he not also understand the nature of man's evolution all the way from elementary physical particles, and should not the biologist, and other scientists, also view man's scientific and humanistic inclinations, desires, and expressions as part of his biological nature? The mechanism for carrying the information code of living material in DNA is remarkable. But how much more remarkable is the mechanism involved in human thought and human creativity?

What is implied is that man, to be man, must understand evolution and he must understand the nature of living material. Man knows that living matter is composed of elements that are found in the physical universe. When these were combined and specially arranged, under natural circumstances, they exhibited the characteristics of living things, one of which is self-replication. While environment seems to draw out the characteristics latent within a genetic unit which, as you know, is a replicating molecule, the way in which such a molecule reproduces and constructs the organism has begun to be understood. The knowledge that a molecule exists that contains a translatable code challenges our desire to understand more about how this works, about what follows therefrom. And such knowledge provokes our desire to know how this might have come about. Knowledge of the workings of living systems then tell us about the abnormal that expresses itself as disease.

It is no longer adequate to think simply in terms of signs and symptoms, or to be satisfied merely with the name first conferred upon a disease. We must try to understand and to think of the molecular basis of each disease or disorder. Equally if not more importantly, we have become increasingly aware of the complexity of living systems and of the importance of relationship in living systems. Not only do our senses tell us of the fact of relationship in living systems but we see this in the process that proceeds from the coded information in a DNA molecule in which biological "knowledge," or "ideas" contained therein, is "expressed," for example, in the form of a protein molecule that possesses the properties of an enzyme. Such an enzyme is essential for the formation of other structures possessing different functions.

The biology of today—which is the science concerned with the nature of the structure-function relationship in living things—provides a field of activity not only for biologists so trained, but for mathematicians and physicists, who are interested in such questions. Moreover, the new biology also provides food for thought by poets, philosophers, and others concerned with humane questions.

This is humanist talk. But, it is also scientist talk. These are all of a piece. What a pity to keep them apart.

Have we in a rather roundabout way arrived at the realization that science needs to become part of the conscience of man and, that for the full development of conscience, science must be incorporated into man's substance, just as the chemical composition of man's blood, which is like that of seawater, reflects the composition of the environment in which he evolved. So it must be that as man continues to evolve he will incorporate more and more of the environment in which he develops and matures.

Biological systems are essentially evolving patterns in which environment may be said to evoke the potential contained within molecules of living material. The extent to which environment is incorporated into the substance of living systems is in the example of the similarity of blood and of seawater. This is further evidence of the extent to which the substance of living things represents a concatenation of potential and experience.

The evolutionary potential of the molecular mass of living matter is educed by its environment.

When one thinks in these terms it is clear that the molecules of living material had evolved even before the organisms of which they are composed. This evolutionary process has continued and is even evident in the phenomena that are of special interest to behavioral scientists and social scientists; phenomena that have long been of interest to poets, philosophers and other humanists.

The question is often asked, "Is psychology a biological science or a social science?" One might ask in reply—"Can one really distinguish psychology from biology and sociology other than to say that psychology and sociology are simply subjects within the biological sciences?"

Our increasing understanding of biology and our acceptance of the behavioral sciences and of the social sciences as respectable subjects for the concern of respectable scientists whether they be physicists or biologists will do more to advance the development of these branches of human knowledge than will, for example, increasing the availability of funds. Funds are essential, but they are needed to support ideas and not merely to constitute a form of pressure in the expectation that money itself will induce the spontaneous generation of ideas. Ideas, like living things, also evolve. The potential for new ideas exists and under proper environmental circumstances these are evoked. More often than not this is brought about when a fresh point of view is introduced—when the familiar is examined from an unfamiliar viewpoint.

We now understand, more deeply than ever, from the biology of today, the nature of the structure of living substance. We recognize the existence of relationship between structure and function in living systems as if each structure has a functional purpose, and it is clear that a function cannot exist without a structure. The replicating molecules, upon which life depends, in turn depend upon their environment to reveal and to develop their potential. This is what happens in the evolution of living things, including ideas.

The science of biology has brought into existence concepts that would not be known if only the physical universe was studied. Beyond the concepts deduced from observing primitive living matter, new concepts are required as the evolutionary scale is mounted and as higher central nervous system activity reaches the level of complexity and functional refinement seen in the mind of man.

This is the biology of today over a wide range from molecules to man. On the other side of this widening frontier is the reward of a perspective and a depth of understanding as to promise concepts for a system of thought, a system of values, a basis for judgments, and a view of man in the universe that could guide his ethical and moral life and bring him closer to realizing his hopes and aspirations and those of man the world over.

Is not all that man does somehow related to his life, either as an individual or as part of mankind? When science is pursued is it not primarily for the satisfaction of the individual who so devotes his life?

Does not the value or the harm of the results of scientific work depend largely upon the way in which scientific knowledge has been used or incorporated into the life of man? In this respect, do we not see a relationship between man's conscience and his science? I had not noticed before that the word conscience contains the prefix "con" meaning "with" attached to "science" meaning "knowledge." The Latin word from which conscience is derived means "joint knowledge."

The problems confronting man today are, by far, more complex than ever before. This will continue to be increasingly true of the human condition. Until the energy from the sun is dissipated, and can no longer sustain man, or those forms of life which will evolve and adapt to circumstances that will then prevail, man's physical survival is assured.

Man is aware that his major problems now are himself as he experiences the self within his own confines, and the selves of others with whom he finds himself in opposition. These contribute to the practical problems of existence. If man is to deal with these he must first understand the nature of the substance with which he is dealing. The knowledge man needs to allow him to understand the human condition must come from biology. It is inevitable that in the future, if not now, it will be as necessary for man to know and understand the laws and patterns in living systems as for him to know the three R's.

The mere thought of an object that is concerned with itself in an objective manner appears physically impossible. It is obvious that when an object becomes introspective, it changes immediately by this very fact. This is the conundrum with which man is faced. And yet, man cannot escape the reality that this is his state.

The exploration of the atomic nucleus or of outer space is an effect of human nature. These are among the many vast unknowns that challenge the human mind and its need to explore. The navigators of days gone by are now those who explore heights, depths, space, the infinitely small and the magical wonder of the realm of living things.

It would seem prosaic to refer to the challenge that man's physical ills still pose when a greater challenge is that of revealing how man can become more compassionately human and less destructive and predatory in respect to other humans and even himself. The fulfillment of these hopes may reasonably be derived from deeper understanding of the science of biology.

Without knowledge of the workings of living systems can we possibly expect to attain the level of understanding that man needs if he is to solve those problems that arise from within himself, and between men, as he continues to evolve and changes the environment to which he must continually adapt?

What would happen if, in the course of time, and by one device or another, the unity that exists, rather than the diversity between disciplines, were to be emphasized and established? Are not distinctions between disciplines often based to a greater extent upon differences in methods and less on their relationship to the whole of human knowledge?

A fresh young mind, or a mind from another discipline which questions what has long been accepted leads to new light. Growth and unification of human knowledge has come about in this way, not in one vast leap, but through an evolutionary process over which man has been trying to exercise control. However, the mushroom cloud as a symbol has caused him to question his wisdom; the pollution of the atmosphere with radioactive substances, as he continues to play the ancient game of war, rather than some other more appropriate game for civilized man, causes him to question his maturity and his sense of responsibility especially since he is in possession of so much common knowledge, experience, and capacity for forethought.

The bridging of the physical and the biological universes may have been thought to be more difficult to conceive than that of thinking of human behavioral and social phenomena as part of the biological scheme of things. Beyond this thought, can we really distinguish and separate from the biological sphere man's humanistic and esthetic expressions, or even his hopes and aspirations?

Biology, as a science and as a point of view, in respect to the nature of man, has so evolved that it seemed desirable, and perhaps even essential, that a new institute be established and devoted to studies broadly related to the biology of the second half of the 20th century.

Toward this end, plans have been in development for several years for the establishment of an Institute for Biological Studies that will be concerned with questions from molecules to man. But, why, one might ask, should a new institute be created now? The answer, in part, might be that a quiet and bloodless revolution is taking place in the field of science as some of the best minds are being attracted to biology. Physicists, mathematicians, and other scientists as well as philosophers and other humanists are discovering the challenge and excitement of the new biology.

The institute will be comprised of a board of trustees and of a body of fellows. The fellows will constitute its faculty and its student body as well; to borrow a phrase, "all will be teachers and all will be students." The body of fellows will be comprised of resident fellows, nonresident fellows, and visiting fellows. The resident and nonresident fellows will constitute a self-governing, self-perpetuating body. The idea of the nonresident fellows in the academic structure of the institute is to help reduce the tendency toward inbreeding and to help maintain the level of quality desired. The nonresident fellows will participate equally in the nomination and election of new fellows selected from time to time. They will participate in the selection of the initial group.

The nonresident fellows will come to the institute for a period of time each year, and will actively participate in the selection of staff and will thereby influence the direction of the institute from its inception. Selections will be made further afield from the present immediate interests of the initial group, and this will be done in consultation with others whose judgments will be of value.

Visiting fellows will include students who are preparing to receive advanced degrees at other institutions as well as postdoctoral fellows and those who are further along in their careers or who are in the process of changing their careers to become interested in biological questions. In this way change and renewed vitality will be assured constantly.

The inception and development of these plans, and the evolution of these ideas have been made possible because of the interest of the National Foundation who pioneered in the development of means for the support of basic biological research. Beginning with an interest in the support of basic research in virology and immunology as this was related to the problem of poliomyelitis, the National Foundation broadened its field of activity to the support of basic biologic research generally in the belief that in this way solutions to specific problems would thereby be assured. The support of the National Foundation is merely another way of describing support of the people of this country who through the March of Dimes have contributed to support basic biological studies and to further studies leading to the solution of problems of importance to man. The decision on the part of the National Foundation to facilitate the creation and establishment of an institute such as has been described is an imaginative and fitting extension of the work of an organization that has pioneered in the past and is pioneering again.

The Institute for Biological Studies, for which the National Foundation is midwife, wetnurse, and godparent, will be an independent entity and will be the grateful recipient of continued support from the National Foundation and from other benefactors.

This partnership of scientist and layman to accomplish an uncommon purpose for the benefit of man, through the support of an academic enterprise, possesses a noble quality which is better sensed than described. My associates in this undertaking and I are grateful for the opportunity afforded to us in this way to be of further service to man through science and we welcome all who wish to join in an activity which possesses so much interest, excitement, and challenge.

Mr. HUMPHREY. Mr. President, I know of no other morning business at this time.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

FOOD AND AGRICULTURE ACT OF 1962

Mr. HUMPHREY. Mr. President, I ask that the Chair lay before the Senate the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Proxmire amendment.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will state it.

Mr. DIRKSEN. As I understand, from here on there will be 1 hour for each side in connection with each amendment which may be offered. Is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Unless some other arrangement is made, the time for the quorum call will be charged equally to each side.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time required for the quorum call not be charged to either side under the agreement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further proceedings under the quorum call be suspended.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. HUMPHREY. Mr. President, I yield a couple of minutes on the bill for the purpose of a request.

The ACTING PRESIDENT pro tempore. How many minutes does the Senator yield?

Mr. HUMPHREY. Two minutes.

I ask unanimous consent that the Subcommittee on Constitutional Amendments of the Committee on the Judiciary be permitted to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HUMPHREY. I understand that on yesterday we gave consent for the Permanent Subcommittee on Investigations of the Committee on Government Operations to meet.

APPROVAL OF REVISED CLASSIFICATION OF CERTAIN LAND OF SUN RIVER PROJECT, MONTANA

Mr. HUMPHREY. Mr. President, I ask the Chair to lay before the Senate an amendment of the House to Senate bill 2132. It is a technical amendment.

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2132) to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District, which was, on page 1, line 7, strike out "article" and insert "section".

The ACTING PRESIDENT pro tempore. The question is on concurring in the amendment.

The amendment was concurred in.

EXECUTIVE BUSINESS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the Executive Calendar, starting with the item "Envoy."

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

ENVOY

The Chief Clerk read the nomination of Mrs. Eugenie Anderson, of Minnesota, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bulgaria.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Lucius D. Battle, of Florida, to be an Assistant Secretary of State.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

AGENCY FOR INTERNATIONAL DEVELOPMENT

The Chief Clerk read the nomination of Seymour M. Peyser, of New York, to be Assistant Administrator for Development Financing, Agency for International Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JAVITS subsequently said: Mr. President, earlier today the nomination of Mr. Seymour M. Peyser, of New York, to be Assistant Administrator for Development Financing, Agency for International Development, was confirmed by the Senate. I ask unanimous consent that my remarks may be printed in the RECORD in connection with the confirmation of that nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, Mr. Peyser is a member of a very distinguished New York law firm; the firm of Phillips, Nizer, Benjamin, Krimm, and Ballon, which I know very well. He has a fine position in New York as a distinguished lawyer and is very highly thought of.

Mr. Peyser's responsibility in the office of the Agency for International Development, under its distinguished Director, Fowler Hamilton, will be a very serious one involving, as I understand it, the whole responsibility for private enterprise relationships with this program, which I consider to be decisive in terms of the full success of the program. I believe it is important to note that this experienced New Yorker will be in charge in this respect, and I wish him well in his work. New York is proud he has been given this very important position.

U.S. ATTORNEY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the nominations for U.S. attorney be considered en bloc.

The ACTING PRESIDENT pro temport. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. MARSHAL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the nominations for U.S. marshal be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. ARMY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the nominations in the U.S. Army be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. HUMPHREY. Mr. President, I ask that the President be immediately notified.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. Without objection, the Senate will return to legislative session.

The Senate resumed the consideration of legislative business.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to modify my amendment, and I send the modification to the desk.

The ACTING PRESIDENT pro tempore. The Senator has a right to modify his amendment. Unanimous consent is not required.

Mr. AIKEN. Mr. President, will the Senator tell us what the amendment does?

Mr. PROXMIRE. It provides that, instead of having the 1961–62 marketing year as the base year to establish normal marketing levels, we use the calendar year 1961 as the base year. This means there would be a little lower base.

Mr. AIKEN. I have no objection.

Mr. PROXMIRE. I send the modification to the desk and I ask unanimous consent that it not be necessary to have the modification read. I shall explain it. I ask unanimous consent to have the modification printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the modification will be printed in the RECORD.

The modification is as follows:

In the amendment "5–21–62—J," offered by Mr. PROXMIRE, for himself and Mr. HUMPHREY, to the bill (S. 3225), on page 7, lines 15 and 16, strike the words and figures "marketing year 1961–1962" and insert in lieu thereof "calendar year 1961."

On page 7, line 24, strike the word "April" and insert in lieu thereof "January."

On page 9, line 13, strike the words and figures "marketing year 1961–1962" and insert in lieu thereof "calendar year 1961."

FEED GRAINS PROGRAM MAKES DAIRY AMENDMENT A MUST

Mr. PROXMIRE. Mr. President, what happened last night makes this basic amendment which I offer, which I am going to explain, an essential amendment. It is a "must" for dairying.

The Senate adopted last night, as the last order of business of the day, an amendment which would limit dairy farmers' production of feed grains in many cases 20 percent, and in all cases—whether they be small dairy farmers or large dairy farmers—so far as the production of corn and of silage is concerned, and so far as the production of sorghums is concerned, to the 1959–60 base. So the dairy farmers would be limited in their production of feed on their own farms. The Senate voted to limit or to reduce the amount of feed dairy farmers may produce by so doing, and so voted to increase dairy farmers' costs.

It could be argued, Mr. President, that we should limit the amount of milk which dairy farmers should produce in America. I am in favor of that kind of a proposal. I think we should do everything we can to solve the problem of surpluses, but I think we should recognize the timing of what we have done with respect to the dairy farmers.

Less than 2 months ago the Secretary of Agriculture reduced price supports for dairy farmers by nearly 10 percent—by some 9 percent. It was a punishing cut. It was a cut of 9 percent in gross and probably 30 percent in net income for the farmers of my area.

So the dairy farmer is now in the position that the price of the milk which he sells has been reduced, and now the Congress has taken action which will have the effect either of limiting the amount of milk which he can produce, of cutting the amount back, or of increasing the cost of the milk operation if the farmer wishes to buy feed grains to replace the feed grains which he cannot produce.

Mr. President, I submit this will be a very unfair, a very unjust, a very difficult situation for the dairy farmers. I think at the very least we should give dairy farmers an opportunity to do what the other farmers of the country can now do. This includes the cotton farmers. It includes the feed grain farmers. It includes the tobacco and wheat and other farmers. We should permit the dairy farmers to vote in a referendum to limit their production.

The modification I have sent to the desk would provide that the base year for establishing normal marketing levels would be calendar year 1961.

If the dairy farmers should vote, by a two-thirds vote to limit their production to the 1961 calendar year base, then they would receive 90 percent price supports, or an increase in price of 63 cents a hundredweight. There is a great question as to whether they would do so, but at least they would have the opportunity. This would be an increase in prices which would put the dairy farmers in a position pretty much to maintain their net income from dairying.

In order to make the proposal effective and to reduce the cost of the program, my amendment also would provide payments up to $2.80 per hundredweight for farmers who reduced their production by at least 10 percent, up to 25 percent, or 30,000 pounds, whichever is greater. This would provide a substantial incentive for a farmer to cut back.

FARMERS WILLING TO CUT BACK

I can see no reason why many farmers would not take advantage of this proposal. We have talked to the farmers in our State. Many of those farmers find this proposal very attractive and would like to approve it.

In addition, Mr. President, the amendment would provide that quotas could be transferred, but only within the State or in the adjacent State. The Senator from Vermont very properly raised objection to a transfer outside of the area. We objected to that. It was rejected in the committee. I think that was a wise action by the committee. My amendment provides for transfers of quotas only in the State or in an immediately adjacent State.

This would give the farmers a real choice. It is unlike some of the proposals which have been offered in the past. If the dairy farmers chose to vote "no," then they would be exactly where they are at the present time. They would get the low income of 75 percent of parity, but at least they would be no worse off.

MILK PRICES TO FARMERS NOW VERY LOW

I think that is only fair, because the dairy farmer now is suffering from a very low price. He is suffering from a price which fell sharply just 7 weeks ago, on April 1. My proposal would offer dairy farmers a fair, clear choice. This may well be the last time the dairy farmers will be given this kind of choice.

The administration offered a proposal earlier to cut the price support for dairy farmers to 50 percent of parity if they voted "no" in the referendum. Other proposals would also cut the price support level sharply if one-third plus one of milk producers vote "no" in the required referendum.

My proposal rejects this kind of "brass knuckles" pressure on the farmer which would give him no legitimate choice.

The farmers in my State have pleaded over and over again, "If you want to offer controls, at least give us an opportunity so that if controls are not approved we will not be absolutely ruined."

This is the real merit of my proposal. It does not risk a devastating drop below 75 percent of parity. On the other hand, it will provide a real advantage to the farmers if they approve controls on production.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am delighted to yield.

Mr. DWORSHAK. Did the Senator from Wisconsin make the statement that the dairy price supports have been cut by the Congress?

Mr. PROXMIRE. The Senator from Wisconsin said that the price supports have been cut. The Senator from Wisconsin did not specify the amount.

Mr. DWORSHAK. I think the Senator said they were cut by the Congress.

Mr. PROXMIRE. They were cut by the Secretary of Agriculture.

I think I should explain that the price supports were cut by the Secretary of Agriculture after the Secretary of Agriculture pleaded with the Congress to pass a resolution which, in his judgment, would have modified the law so that he would not have had to reduce the dairy price supports. I worked hard for the resolution. I was unsuccessful in the committee by an unfortunately large margin.

Mr. President, there is no question that my proposal would make possible for the dairy farmers an increase in income. The increase would be in the neighborhood of about 10 percent for gross income. In view of what has happened to dairy farm income recently, I think this would be a modest and a moderate increase, which would make sense, well justified by the pitifully low incomes of dairy farmers in most parts of the country.

There may be some dispute, Mr. President, as to which I am sure the chairman of the committee will speak to enlighten the Senate, with respect to the cost to the taxpayer of my proposal. This is because any cost estimates depend on projections of production and consumption. On the basis of what I consider reasonable assumptions, I think my program will cost less than a continuation of the present law, which is the probable alternative. I think a fair analysis of the situation indicates that it should cost the taxpayers less if my proposal is adopted.

Mr. President, I ask unanimous consent to have printed in the RECORD a chart showing the results of continuing the present program. These results are the estimates of the Department of Agriculture, and I think are conservative. They show an estimate of almost no increase in production in 1963–64 over 1962–63 if we continue the present program. I ask unanimous consent to have the chart printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Estimated results of continuing present dairy program at 75 percent of parity ($3.11), no production limitations

[In billions of pounds]

Marketings of milk:	
1962–63	120.5
1963–64	121.0
Commercial consumption:	
1962–63	109.5
1963–64	110.0
Surplus:	
1962–63	11.0
1963–64	11.0

Total cost to CCC of 11-billion-pound milk surplus

	Million
1962–63	$550
1963–64	550

COST OF PRESENT LAW WILL BE $550 MILLION

Mr. PROXMIRE. Mr. President, it is estimated it would cost, for 11 billion pounds of milk surplus in 1962–63 and 1963–64, each year, $550 million.

The Department analysis assumes that consumption, with price support at 75 percent of parity, would be 109.5 billion pounds in 1962–63. Their calculation with respect to the Proxmire program assumes consumption with price supports at 90 percent of parity of only 106 billion pounds, that is 3½ billion pounds less. This is an elasticity with reference to the demand for milk which I have never seen corroborated anywhere. We have seen all kinds of fluctuations in the prices the farmers have received during the past 12 years. We have accumulated a real history. There has been no indication that the consumption would drop so sharply if the farmer's income should increase this much.

The Department has made this estimate. I have to accept it. I have no quarrel with it in the last analysis, except that I wish to emphasize it includes an extreme assumption which is adverse to my amendment, which would make the cost of the program proposed by my amendment much more than I think it would be. But I accept that analysis. I still feel I can show that a saving would result.

I wish to emphasize that there is no precedent—no precedent at all—for arguing that there would be anything like as much as a 3½-billion pound reduction in consumption in the event that there were 90 percent price supports for dairy farmers.

I invite the attention of the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Louisiana [Mr. ELLENDER]. In the Department's cost estimate with reference to my proposal and that of the Senator from Minnesota [Mr. HUMPHREY], a cosponsor of the amendment with me, it is estimated that if dairy price supports are 90 percent of parity there will be a drop in consumption of three and a half billion pounds of milk. In all fairness, I appeal to the Senator from Louisiana to recognize that we have seen the history for years of fluctuations in price supports and the prices the farmers have received. I submit there is no historical basis for assuming there would be any such drop in consumption if the dairy farmer should receive 90 percent price supports instead of 75 percent price supports.

As the Senator knows far better than I do, most of the cost of milk is in the processing and the selling or retailing. The modest increase of about a cent to a cent and a quarter a quart would not, on the basis of any experience we have had, result in anything like the reduction in consumption, which has been claimed. But I am accepting that figure. I am not disputing the Department, for purposes of our analysis. I merely wanted to drive home that those are assumptions which are adverse to my proposal and which would make my proposal appear more costly than I believe it would be.

I am willing to accept those assumptions. Still I think I can show that there would be a saving to the Government if my amendment were agreed to, and farmers voted for marketing quotas.

PROXMIRE AMENDMENT WILL REDUCE COSTS

The principle of my amendment is that by holding production to the 1961 level and preventing the enormous increase in production now going on, we shall save Federal money even at 90 percent price supports. I make that statement because in the first 3 months of this year we had approximately a 1-billion-pound increase in production—a billion pounds—and on the basis of experience, we can see that that trend will continue. There are many reasons why it will continue. Partly it is a quota race, an allotment race, because dairy farmers feel they want to build up their bases. It is a "base race." And there are reasons, too, why it is probable that production will continue to rise sharply unless we get some kind of program in operation.

INCENTIVE TO CUT OUTPUT OFFERED

My plan offers an incentive for farmers to cut back production. It would save the Government $2 per hundredweight for the cutback. In other words, if the farmer reduced his production by 10,000 pounds, he would then receive $2.80 maximum for each 100 pounds he cut back, or $280. If the Government had to buy that milk which would otherwise be produced, it would cost the Government, including storage costs and interest costs, about $4.80, with the kind of assumptions that I have made. Therefore, the Government would save $2 when the farmer is persuaded to cut back his production. That is the basic provision in my amendment, which should encourage the farmer to cut back and also provide for a saving on the part of the Government.

If there is only a 3-percent cutback—and I think that is a modest possibility—if there is only a 3-percent reduction in production, my proposal will result in a saving to the taxpayers. Of course, if there is a greater cutback, a 4-percent cutback, there would be a very substantial saving of millions of dollars to the Federal Government. That is according to the Department of Agriculture estimates and the very adverse assumptions I have stated in the matter of consumption.

If there is a 4- or 5-percent cutback in the first year, there would be a far more substantial saving. And the savings in the second year would be greater, as consumption begins to catch up.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD a table that was prepared for me by the Department of Agriculture, estimating the results of my amendment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated dairy program costs, present law and emergency program at varying rates of price support, reduction payments, and voluntary participation

Cost of present program (1962–63):	*Million*
At 75 percent of parity ($3.11) (estimate)	$550

Estimated cost of emergency program with support at 90 percent of parity ($3.74 per hundredweight) for 1962–63 marketing year

	Billion pounds
Marketings at 1961 level	117
Estimated commercial market	106
CCC purchases (M.E.)	11
Product purchases:	*Million*
Butter (423 million pounds)	$276
Cheese (200 million pounds)	88
Nonfat (1,238 million pounds)	255
Total	619
CCC cost with marketings at 1961 level	619
CCC cost with 20 percent of producers reducing their marketings 7½ percent from their 1961 level (1.7 billion pounds):	
CCC purchases	537
Payments	42
Total	579
CCC cost with 30 percent of producers agreeing to reduce 10 percent from their 1961 level of marketings (3.5 billion pounds):	
CCC purchases	455
Payments	87
Total	542

Mr. PROXMIRE. Mr. President, the estimate for payments perhaps should be increased by about $9 million, if a 3-percent reduction is achieved, to take account of a possible higher rate of surplus reduction payments. The estimated total cost to the Government if milk marketings are reduced 3 percent under my plan would be almost precisely the $550 million that is projected for contribution of the present law with price supports at the low level of 75 percent of parity.

If a 4- or 5-percent reduction in marketings is achieved by my plan—which is a reasonable possibility—the cost to the Government in the first year alone would be substantially less than the costs that will be incurred anyhow under the present program.

The savings in the second year of my plan would obviously be greater, as commercial consumption begins to catch up with a stable level of milk marketings.

The material I have had printed in the RECORD shows that by holding output to the 1961 level, my amendment can halt the increase in Government costs.

Mr. President, before I temporarily yield the floor, I would like to say that this is a gradual approach. My amendment would give the farmer a choice—a fair choice. It is a temporary, 2-year program, that offers farmers a real opportunity. The fact is that we have never had a dairy referendum before. It is important to offer a fair, clear choice in the historic first dairy referendum.

Mr. President, I yield 2 minutes to the Senator from Vermont [Mr. AIKEN]. I understand that he will oppose my amendment, which I understand, but at the same time I am happy to yield to him on my time.

Mr. AIKEN. Mr. President, I certainly appreciate the offer of the Senator from Wisconsin. However, I had spoken to the Senator from Louisiana and asked him for some time.

Mr. ELLENDER. Mr. President, I will add 3 minutes to the time available to the Senator from Vermont.

Mr. AIKEN. Mr. President, in order not to hurt anyone's feelings, I yield myself 5 minutes on the bill. I shall not take any time on the amendment.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized for 5 minutes on the bill.

Mr. AIKEN. Mr. President, first, I wish to give testimony to the work which the Senator from Wisconsin has been undertaking to do for the farmers of his State. I know there are some farmers in Wisconsin, if not all of them, who probably would be benefited by the amendment. But at all times he shows excellent knowledge of the farm conditions in the State of Wisconsin and the needs of the State of Wisconsin. He has stood up for what he thought he ought to do, under what sometimes has been insurmountable pressure. He is entitled to all credit.

Unfortunately I cannot approve the amendment of the Senator from Wisconsin, possibly because the situation in my own area is different from what it is in his section. The amendment which the Senator has offered I believe would turn the clock backward as far as dairying is concerned. It would be particularly hard on the young people who are going into the dairying industry. In Vermont—and I am sure in other States—many 4-H youngsters have acquired a few cows or a few heifers, and intend to go into dairying on a larger scale as soon as they are through school. The amendment would put a check on their hopes, if not a stop to them, particularly those who intend to engage in dairying on an increasing scale over the next few years.

Let me give the Senate an example. Suppose that a 4-H youngster has two heifers, and the heifers have had their first calves. Perhaps those heifers produce the first year 6,000 pounds of milk apiece. Perhaps I had better assume that the youngster has three heifers so that we can get the production up to 18,000 pounds and have him come under the provisions of the amendment. Each heifer gives 6,000 pounds of milk. The next year the cow will have a second calf and give 9,000 pounds of milk instead of 6,000 pounds. Under the amendment such a youngster would be prohibited from selling the additional output from those three 4-H cows without paying a large penalty to the Government for that purpose.

Therefore, my first objection to the amendment is that there would be a handicap put upon the young person who is seeking to go into dairying and whose cows are having calves for the second and third time and are producing a great deal more milk.

Then, by putting a penalty on any increased output whatever from a herd for the next 2 years, we would be reversing the trend toward greater efficiency in the field of dairying. There would be no incentive to have better cows, or more efficient producing units than there has been up to this time, if it were necessary to pay $2.80 a hundred for every extra hundred pounds of milk that might be produced.

Next, my objection is that it provides that anyone who goes into dairying and who does not have any quota or any base for dairying, must go into the market to buy his allotment. If that became the practice, the time might come when anyone who wanted to go into dairying might have to pay as high as a thousand dollars a cow, merely for the right of owning that cow and marketing her production, in addition to the other penalties that he would be under if the proposed amendment is adopted.

The amendment further provides that a dairyman having a base may sell that base. Many dairymen would want to do so. A dairyman could sell the base to anyone in his State or in an adjoining State. It means that a dairyman in Vermont could sell his base, the right to produce milk, to a man in New Hampshire or in Massachusetts or in New York. That means also that a dairyman in New York could sell his base to a dairyman in New York or Pennsylvania, and a dairyman in Pennsylvania could sell it to a man in Ohio, and from Ohio it could be sold to a man in Michigan, and from Michigan to Illinois, and so on, until the base could wind up out in Arizona. I can very well see a disastrous situation growing up from such a practice. It would amount to setting up a sort of agency for the transfer of bases from one State to another. It could grow into a situation which would make the transfer of cotton leases in Texas and other States seem like a rather small and insignificant business indeed.

The amendment also gives the Secretary the right to cancel or purchase bases in the event he thinks it is more economical to do that than it is to continue to keep these producers in the program. I see nothing in the amendment at all which would prevent the Secretary from canceling bases. Let us use the example of Vermont again. I hope he would not pick on Vermont, but he might. He could cancel bases in Vermont. What would he do with them?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. AIKEN. I yield myself 2 more minutes.

So far as I can see, he could transfer those bases to any State in the Union in which he thought they would be put to better use than in my own State.

Therefore, I believe the disadvantages of the proposed amendment are terrific. It would stop young people from going into the dairy business unless they could pay $1,000 for the right to own a cow. They would have to pay a penalty if they took better care of their cows. Finally, it would give the Secretary the right to cancel bases in any part of the country where it suited his fancy to do so.

Mr. PROXMIRE. Mr. President, I thank the Senator from Vermont for his kind remarks. I should like to reply very briefly to them. The argument dealing with young people, that they could not increase the size of their operations, concerns me very deeply indeed. I was in my home State of Wisconsin during the Lincoln Day recess, and I made 80 speeches, 8 speeches a day, in farm areas, to farmers. There was deep concern about this, Mr. President. The Senator from Vermont is absolutely correct about it.

I do want to say, however, that the amendment would not prevent a young man from going into business. If he buys a farm, he buys a quota. It is possible to transfer a quota. When he buys a farm he has to buy all sorts of equipment, and he must buy a quota.

The fact remains that we must recognize the situation that exists, namely, that the dairy farmer is in trouble. He is in real, deep trouble. I put statistics into the RECORD to show that dairy farmers in Wisconsin, Ohio, Michigan, and in all parts of the country have incomes that are shamefully low, and that they have no opportunity to increase them.

The fact is that it would take a two-thirds vote in the producer referendum to put the amendment into effect. It would be in effect for a year and if it did not work the dairymen could vote it out. It seems to me that if two-thirds of the farmers want to have this kind of limitation on their production—not a cutback, but a limitation—with the flexibility that they would be given, with the ability to buy and sell quotas, it is the fair thing to do. There is no question about the fact that the income of the dairy farmer is low. I am sure the Senator from Vermont will join me in agreeing that a real blow was struck yesterday when the feed grain amendment was adopted. That makes it very difficult for the farmer to increase his income.

Mr. AIKEN. The Senator from Wisconsin is absolutely correct. That was one of the heaviest blows that has ever been struck at the dairy farmer in my recollection. It can virtually put many of them out of business. It is bound to result not only in a severe blow at the dairy farmer, but also an increase in the cost to the consumer. It will also mean a heavier burden placed on the taxpayer.

Mr. PROXMIRE. I agree wholeheartedly. I joined the Senator in opposing that amendment.

Mr. AIKEN. If I had to choose between the amendment of the Senator from Wisconsin and the feed grain amendment which was adopted yesterday, I would by all means choose the amendment of the Senator from Wisconsin. However, I do not approve of his amendment, either.

Mr. PROXMIRE. I thank the Senator from Vermont for his comment. I should like to emphasize again my point that the adoption of the feed grain amendment yesterday affects the dairy farmer very adversely; and makes it more important than ever that we give him an opportunity to vote a limitation on his production, so that he can get a fair income.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. CASE of South Dakota. I agree with what the Senator from Wisconsin and the Senator from Vermont have said with respect to the effect of the so-called feed grain amendment that was adopted yesterday. Not merely the dairy farmers, but also the beef and livestock producers will find their operations limited and unpredictable if that becomes the law. When we try to do anything which deals with live animals, we are dealing with uncontrollables and imponderables.

It reminds me of the man who was not a farmer who bought a cow. It is a story that Representative HOFFMAN used to tell us in the House. This man wanted to be kind to the cow; therefore he said he would not milk it except when he needed some milk. So he fed the cow regularly. He would go out and milk it only when he needed a quart of milk or a cup of milk. Anyone knows that very shortly such a cow will commence to dry up and go out of production. Eventually this cow did dry up.

That may be a humorous illustration, but it does show the problem of trying to apply a limitation when we are dealing with live animals and their habits of production.

What bothers me about the amendment of the Senator from Wisconsin is that it would put dairying practically in the franchise class. The problem of the young farmer who is struggling against the high costs of improving his dairy and qualifying for grade A milk would be serious.

Moreover, in my State, recently, a number of milk-drying plants have been established, several of them in small communities and one in a large community. For example, one was built at Mitchell, where 400 persons will be employed and where there will be enough trackage under cover for seven cars for the loading of packaged powdered or dried milk. I know that many farmers have counted upon that diversification and upon going from their surplus crop production into more dairying in order to supply the raw material for the dried or powdered milk factories.

What would be the effect of the Senator's amendment upon communities which have small milk-drying plants, or even larger ones, such as I have mentioned?

Mr. PROXMIRE. The effect upon those communities would be that farmers would, of course, be free to go into dairying, but they would have to buy a quota, just as they would have to buy dairy cows, land, equipment, dairy machinery, dairy tanks, and so forth.

I recognize that this is a problem for the community and has adverse implications. However, the Senator from South Dakota has put his finger on a great difficulty in dairying, because farmers are limited by other programs which Congress has enacted—and I have opposed them, as the Senator knows. But what will happen if some limit is not provided will be that the dairyman will suffer from too many farmers getting into the business, because that will result in unlimited production. It will be an impossible situation.

Mr. CASE of South Dakota. My understanding of the reason for the development of milk-drying plants is that the traditional market outlet for whole milk and butter fat has changed. However, there is an increasing market for powdered milk or dried milk, which is more storable, which does not have to be refrigerated all the time, and which can be shipped greater distances and can be exported abroad. This development has been the response to a search for new markets.

I think half a dozen small plants of this kind have been started in South Dakota in the past 2 years, besides the large one I mentioned.

Mr. PROXMIRE. I really think there would not be any significant adverse effect. That would be a natural development in South Dakota and Wisconsin, where there is large dairy production, where the farms are far away from the fluid milk markets, and where the production is very largely for manufacturing purposes. It seems to me that in those areas the adverse effect would be extremely limited.

Mr. CASE of South Dakota. If we are to take the historic production and tie it to this proposal, there will be no opportunity for development, for the switching of farms from surplus grain crops into dairying to meet the new market.

Mr. PROXMIRE. The farmers can switch, because I provide, on page 8, line 19 and following:

> A producer may, to such extent and subject to such terms and conditions as the Secretary may prescribe, transfer his normal marketing level, or any part thereof, to any other producer or prospective new producer.

This means that farmers in South Dakota, a State which borders on Minnesota, would be able to buy quotas from Minnesota farmers or from North Dakota farmers or from farmers in other neighboring States, as well as from farmers within the State of South Dakota.

Mr. CASE of South Dakota. The Senator's proposal certainly makes clear then, that dairy farming would become a franchised proposition.

Mr. PROXMIRE. That is true. But it would be necessary to obtain a two-thirds vote. This would be limited legislation; new legislation would be required after 1963. The proposed legislation would give Congress an opportunity to see if this kind of situation worked satisfactorily and would give the farmers an opportunity to vote.

Mr. CASE of South Dakota. I want the Senator from Wisconsin to explain his proposition fully, but I must say, in view of the particular problem I see for communities where milk-drying plants have been established, that I shall be obliged to vote against his amendment.

I have one further question to ask. I am curious about this situation. On page 6, the Senator's amendment provides:

> Such payments (1) shall not exceed $2.80 per hundredweight of milk, basis 3.82 per centum butterfat content.

When we had payments for supporting milk production during the war, they were based, as I recall, upon a butterfat content of 3.5 percent and the premium was for anything above 3.5 percent.

Mr. PROXMIRE. I believe the Senator is correct; 3.5 percent is the familiar figure in my State. Farmers buy and sell on those terms. But 3.82 butterfat is now the national average test milk. That is the reason why this figure has been adopted; and all legislation in recent years, as I understand, has been based upon the concept of the national average test.

Mr. CASE of South Dakota. I hesitate to mention the name of any particular breed of cattle; but I have traveled around the country, and once upon a time I myself operated a grade A dairy farm for a while. I found that if I had too many of a certain breed, I needed to acquire a few more cattle of another breed in order to hold up the 3.5 percent. I think we tried to average 3.7 percent; and when we averaged 3.7 percent, we were doing pretty well. I wondered if 3.82 percent would be regarded as discriminatory against a certain very popular breed of cattle in the dairy field.

Mr. PROXMIRE. No, because everything is modified in proportion. Farmers in Wisconsin generally think in terms of 3.5 milk, for which the price support at 75 percent of parity is $2.85 per hundredweight. It is $3.11 for 3.82 test milk. But this will not affect farmers in any discriminatory way.

Mr. CASE of South Dakota. It might affect price in a discriminatory way. I have a brother-in-law who with his sons operates a dairy farm of considerable size in the State of the coauthor of the amendment, the distinguished Senator from Minnesota [Mr. HUMPHREY]. I think the four of them, in a family partnership, milk from 80 to 100 cows the year round. But with the particular breed which they have, I doubt whether they will average 3.82 percent butterfat. Yet it will be found that the average in some of the breeds will produce a higher butterfat content.

Mr. PROXMIRE. The Senator is correct. That is true in Wisconsin, too.

Mr. President, I reserve the remainder of my time.

Mr. MORTON. Mr. President, may I have some time yielded to me?

Mr. AIKEN. How much time does the Senator require? On the Proxmire amendment, I am not in charge of the time; the Senator from Louisiana is.

Mr. HUMPHREY. Mr. President, does the Senator from Kentucky desire to speak on the Proxmire amendment? If so, I will yield him time on the bill. I yield 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes on the bill.

EFFECTS OF H.R. 10650 ON THE ALLIANCE FOR PROGRESS

Mr. MORTON. Mr. President, the U.S. Government has assigned the highest possible priority to assisting social progress and economic development in Latin America. We have done so because of a growing recognition that poverty and social injustice threaten the safety of the hemisphere and therefore the national security of the United States itself.

Our program for Latin America is known as the Alliance for Progress. In his address to Latin American diplomats at the White House on March 13, 1961, President Kennedy described the Alliance as "a vast new 10-year plan for the Americas—a plan to transform the 1960's into an historic decade of democratic progress."

Beginning with the passage 2 years ago of the American Republics Cooperation Act by the 86th Congress, two administrations and two Congresses have given their enthusiastic support to this effort. The principles of the Alliance are embodied in two international agreements—the Act of Bogotá of September 1960, and the charter of Punta del Este of August 1961.

In essence, the Alliance commits the United States and the 19 republics of Latin America, excepting Cuba, to a cooperative mobilization of resources for the task of economic and social development. It has been estimated that $100 billion in development capital will be required during the decade to bring Latin America to the stage of self-sustaining growth. Of this total, four-fifths or $80 billion is to be supplied by the Latin Americans themselves from public and private sources. One-fifth or $20 billion will be needed from outside sources.

Treasury Secretary Dillon has projected that the outside component of $2 billion a year would include approximately $1.1 billion annually in U.S. public funds, $300 million annually in foreign public and private investment, $300 million annually from international lending institutions, and $300 million annually in U.S. private investment.

I. IMPORTANCE OF PRIVATE INVESTMENT

From the outset, it has been recognized by all concerned that private investment has a basic role to play in the Alliance—indeed that the Alliance cannot succeed without substantial private participation and support. President Kennedy, in a message to Congress on March 14, 1961, pointed out that:

> Private enterprise's most important role will be to assist in the development of healthy and responsible private enterprise within the Latin American nations. * * * And, of course, the continued inflow of private capital will continue to serve as an important stimulus to development.

Fowler Hamilton, Administrator of the Agency for International Development, told the Senate Foreign Relations Committee on April 10 of this year:

> Private enterprise participation is absolutely essential because of the funds that are being talked about, of the $20 billion for the decade that Secretary Dillon talked about, a substantial or major part would come from the United States and the remainder from other external sources, public and private. But if one thinks of $2 billion a year, one also thinks of $8 billion a year coming from other sources, because the amounts contemplated per year are in the order of $10 billion, and the $8 billion has to come either from the foreign governments themselves or from private savings in the foreign countries, or from reinvestment. So that we are trying in every way we can to induce and persuade private capital to go in and to stay in.

The President himself on May 9 observed:

> It is impossible for us, of course, to supply the funds which are necessary for the development of Latin America. They must come through private sources. If local capital and American capital dry up, then all our hopes of a decade of development in Latin America will be gone.

Private investment capital, in other words, is required to supplement public outlays, which cannot alone be sufficient to do the job of development. Equally important is the fact that private investment carries along with it technical know-how and management skills which, under the social system favored in the Western World, are solely available through the private sector of the economy.

Public investment can supply the fundamentals of economic development like roads and bridges and schools. Public investment is also capable of performing basic tasks of social improvement. But private investment is needed to keep the growth process going and to provide revenues to finance improvement. As a leading AID agency official said recently: "The key to the success of the Alliance may well be private enterprise. Perhaps only the resources and skills of American style private enterprise can bring about the lasting economic growth and development of an underdeveloped country. In the final analysis, it no doubt will be the numberless large and small privately owned businesses and services in each country that will bring about true long-range growth."

Without private investment, even the social development aspects of the program cannot go forward securely, for as Alliance for Progress Coordinator Teodoro Moscoso has pointed out:

> The big job in Latin America will be advanced economic development and social justice in tandem. Without economic development, social justice can only mean sharing poverty. The two must be closely allied and interdependent.

In recognition of the vital part private enterprise must occupy, the Charter of Punta del Este asserts that one of the fundamental goals of the Alliance for Progress is "to increase the productivity of the economy as a whole, taking full advantage of the talents and energies of both the private and public sectors." And the U.S. Congress in creating the Agency for International Development declared it to be the policy of the United States "to encourage the contributions of U.S. enterprise toward economic strength of less-developed friendly countries, through private trade and investments abroad."

To achieve this objective, the administration asked for and Congress approved a strengthened system of investment guarantees against risks encountered in less-developed countries and a special program for sharing the cost of investment surveys and feasibility studies. In explaining these programs to Congress, administration spokesmen asserted:

> The volume of capital resources potentially available through U.S. private foreign investment is of course enormous—far larger, in all probability, than can ever be made available in the form of publicly provided assistance. Embodied in a private investment is a transplanting of managerial, professional and technological skills which are of great significance to the process of economic growth. Since a private investment abroad is usually a permanent undertaking, private enterprise is able to transfer these skills in an orderly fashion and in proper sequence without the annual decisions and changes in policy that sometimes characterize a Government aid program. In order to enlist U.S. private enterprise in the development assistance task, the Government must have a selection of instruments available for use in a variety of cases, ranging from those where the obstacles to private foreign investment are slight to those where substantial Government inducements are required.

I believe these official statements which I have quoted establish quite clearly the very central role in the operation of the Alliance for Progress which has been assigned to U.S. private investment in the thinking of the administration, of the U.S. Congress, and of the Latin Americans themselves.

Over the years, U.S. investors have contributed heavily to Latin America's economic development. As of 1961, U.S. investments in the area were valued at $9 billion and accounted for more than one-third of the area's total manufacturing and mining activity as well as for a third of Latin America's vital export earnings. U.S. investments account for one-fifth of all taxes paid in Latin America. U.S. companies employ 1 million people in Latin America and contribute about $7 billion annually to the area's economy in payments for wages, taxes, and the purchase of local materials and services.

Because of certain unfortunate political and economic developments in Latin America, however, the curve of U.S. private investment in Latin America has fallen off seriously just at the critical moment when the Alliance for Progress is getting underway. From an alltime high of more than a billion dollars in 1957, the flow of direct investment declined to $95 million in 1960. While it rose again to $203 million in 1961, this is substantially less than the $300 million a year figure which Secretary Dillon said would be necessary if the Alliance for Progress is to maintain the projected pace of outside contributions to the area's economic development.

Even more serious, it has been estimated that some $10 billion in private capital has fled Latin America during the past decade because of uncertainties in investment climate. The investment mobilizing devices in the Act for International Development have not been sufficient to turn the tide.

In recognition of this situation, the Department of Commerce recently set up a special Commerce Committee for the Alliance for Progress, known as COMAP, to undertake the job of generating increased private enterprise support for the program. This committee, under the chairmanship of industrialist J. Peter Grace, includes representatives from a score of premier U.S. business firms with interests in Latin America. The Agency for International Development has established an Office of Development Finance and Private Enterprise under Seymour M. Peyser, vice president of the United Artists Corp., with special responsibilities for private sector activities, and the Alliance for Progress has obtained the services of Donald Wright, the former president of General Electric's Brazilian subsidiary as a deputy assistant administrator for capital development.

II. ADVERSE EFFECTS OF H.R. 10650

At the very moment when the Government is working urgently to convince American investors to take part in the economic development of Latin America for the benefit of widely accepted U.S. foreign policy, Congress is being asked to make changes in the U.S. tax law which would decrease capital flows to Latin America and thus contradict the objectives and diminish the prospects of the Alliance for Progress. These serious dangers are posed by certain sections of the pending tax revision bill, H.R. 10650.

Deep concern over the effects of this bill already has been expressed by financial authorities in Latin America. For example, Mr. Gilberto Arias, the Minister of Finance of Panama, a member of the Board of Governors of the Inter-American Development Bank, recently told the fourth plenary meeting of the governors in Buenos Aires that the tax bill would impose "restrictive and punitive effects upon large sectors of private investment in Latin America and would, if approved, directly hamper the fundamental aims of the Alliance for Progress."

Let me illustrate just how the bill would produce these unwanted and adverse effects in three particulars: First, by affecting reinvestment; second, by impeding transfer of technology and know-how; and third, by stifling investment of capital through gross-up.

American business increasingly has developed a practice of relying on earnings in the thriving developed countries of the world as a source of funds for reinvestment in Latin America and other undeveloped areas. Successful experience in the developed areas encourages a company to expand its international operations and to risk investment in less developed nations. The earnings generated in developed areas provide capital which would not be available from the United States itself.

Under our longstanding tax policy, the earnings of foreign subsidiaries are not taxed by the United States as dividends by the U.S. shareholder, of course, until these earnings are received in the United States. Thus, an international subsidiary may apply after foreign tax earnings generated by activities in Europe or elsewhere to investments in Latin America without paying the U.S. corporate tax. The only purpose of the reinvestment of these funds in Latin America, however, is eventually to return greater earnings to the United States. And so the appropriate U.S. tax will be paid as the funds are eventually received in the United States.

Although this longstanding tax policy has proved to be of substantial benefit to the development of Latin America and other needy areas, the administration proposes a reversal of this policy and has asked Congress to tax the income of foreign subsidiaries in developed areas even though this income has not yet been distributed to the U.S. shareholders and is needed for reinvestment abroad. Since no other major country imposes such a penalty on the foreign operations of its own business enterprises, the net effect of this proposed drastic change in U.S. policy clearly would be to place American business abroad at a severe disadvantage with foreign competitors. The administration concedes, in fact, that the purpose and result of this proposal would be to retard business investment in Europe and Canada and other developed areas. This proposal should be rejected for many reasons, and one of the important reasons is that it undoubtedly would serve to dry up a major source of funds for investment in Latin America and the Alliance for Progress.

I am pleased that the Ways and Means Committee, and the House, recognized these dangers and rejected this original proposal of a most extreme handicap to foreign investment. The tax bill as passed by the House, however, included a number of provisions, notably in section 13, which would tax certain types of undistributed income of foreign subsidiaries. Thus the difference between the original administration proposal and the House bill as it stands now is only one of degree. There can be no doubt that the bill as it stands still would impose serious handicaps to foreign investment.

I am pleased, further, that the administration evidently has recognized at least some of the inequities in the House bill. In his second appearance before the Senate Finance Committee, on May 10, the Secretary of the Treasury suggested a long list of modifications in the pending bill which would correct some of the glaring defects. While these defects certainly should be corrected, the Congress should not be lulled into a supposition that these modifications would solve the basic problem. The essential principle remains: the bill still would retard sound business investment in developed areas, and this in turn would reduce a source of substantial funds for reinvestment in South America.

The significance of this effect is illustrated by data supplied by the Department of Commerce on page 429 of the hearings on the tax bill by the House Ways and Means Committee. The Department of Commerce reported that the total outflow from the United States for direct investment in manufacturing affiliates in Latin America amounted to $63 million in 1959. The reported flow of capital in 1960 from various international subsidiaries to the underdeveloped countries was $56 million. The Department concluded, therefore, that transfers of funds from developed to less-developed countries "appear to account for a sizeable part of the overall investment by U.S. companies in manufacturing in the less-developed countries."

These general data are supported by the specific experience of many American firms who have testified before congressional committees. For example, Machinery and Allied Products Institute testified:

> It should be emphasized that earnings brought back to this country will normally not be transferred to underdeveloped areas. We have been informed by some companies that top management is extremely reluctant to approve new investment of capital in countries of South America, Asia, or Africa from earnings generated within the United States because of the relatively high risk accruing to such investments. They are considerably less reluctant to approve such investments from funds generated by oversea subsidiaries because they feel that the greater risks of such investment are offset to a significant degree by the lower tax liability accruing to such earnings. Withdrawal of tax deferral would tend to dry up this major source of venture capital for the underdeveloped areas.

Mr. President, although H.R. 10650 ostensibly permits reinvestment of certain foreign subsidiary income from developed countries into underdeveloped countries without immediate payment of the U.S. tax, it is important to understand that these provisions will have little beneficial effect since the overall result of the bill would be to reduce the total of foreign investment and earnings which are the source of funds for underdeveloped areas. What do we accomplish if we purport to permit certain transfers to underdeveloped countries with one hand while with the other hand we diminish the funds available for such transfers?

The remarkable inconsistencies of the administration on this point were clearly illustrated in the second round testimony of the Secretary of the Treasury on May 10. On the one hand, the Secretary seemed to recognize that as the bill stands now, the provisions permitting reinvestments in underdeveloped countries in certain circumstances are so circumscribed with limitations, obstacles, and technical requirements as to defeat the intent of the bill in this respect. And so the Secretary proposed several modifications which would remove some of these useless and severe restrictions on transfers to underdeveloped countries. At the same time, however, the Secretary proposed another amendment to H.R. 10650 which moves precisely in the opposite direction. Secretary Dillon's proposed amendment would virtually eliminate one of the principal means of transferring earnings from developed countries into investments in underdeveloped areas. Such transfers are often made through the mechanism of an international company which engages in bona fide operations and, in addition, supervises all or a large part of the international operations of American business firms. And yet the amendment proposed by the Treasury would specifically penalize the transfer of earnings from developed countries for investment in underdeveloped countries, thus effectively eliminating this major source of funds for economic development of Latin America. Certainly those who are interested in economic and social progress in Latin America should oppose this amendment.

Another basic, conceptual flaw in the bill is that it attempts an impractical and unrealistic compartmentalization of international investment and trade. The tax penalties proposed on foreign investment would apply to subsidiaries in developed countries, and for the most part they ostensibly would not apply directly to operating subsidiaries in underdeveloped nations. The bill thus attempts to divide the world into two parts, with different rules applying to the different parts. The economic facts of life, however, are that international trade and investment is often so integrated and interrelated that it cannot be so segregated and compartmentalized.

An important portion of investment in South America, for example, is in the discovery, development, and production of raw materials such as metals, petroleum, and chemicals. These investments provide income for the governments and peoples of Latin America which contribute very significantly to economic development generally and to needed social improvements. The market for these materials, however, lies largely in the developed areas of the world. The maintenance and expansion of these markets require investment in processing, distribution, and sales facilities in the developed areas. Since the tax bill admittedly would discourage investment in developed areas, this would hinder development of markets for the products of Latin America and retard the all-important development of export income.

The truth is that many investments in Central and South America would be prevented or reduced without a corollary investment in Europe as part of a single, integrated business operation.

Another provision of the bill grants power to the Treasury to collect from the parent company in the United States a tax based on the Treasury's imputation of a constructive royalty for the subsidiary's use of patents, processes, copyrights, and so forth. Where a royalty is actually received, it is already covered by the tax laws. The new bill would, therefore, place a tax on income which the U.S. company does not expect to receive and which the host country has not acknowledged any responsibility for transferring. It is in the underdeveloped countries, particularly, that the role of technology and knowhow is an important element in the resources contributed by the parent company. The development of Latin America hinges to a large extent upon the rapid assimilation of new technology. Yet, the tax bill singles out this unique capacity of the U.S. private sector, available for contributions to the Alliance for Progress objectives, as a base for discriminatory taxation.

Another provision of the tax bill which would have a particularly adverse impact upon investment in Latin America is the so-called gross-up section. Under this provision, when American parent companies receive dividends from foreign subsidiaries, they would be forced to include in their income the taxes already paid to foreign governments as well as the dividend actually received. If the foreign income tax rate is similar to the 52-percent corporate rate in this country, gross-up would impose little additional tax because of the effect of the foreign tax credit. However, in the less developed countries such as in Latin America, tax rates tend to be lower. Thus the gross-up provision would cause a far greater increase in the overall tax burden on investments in these countries than in the more advanced areas. Yet business risks generally are greater in the less developed countries. If gross-up were to be applied to dividends from a South American country imposing, for example, a 35-percent income tax of its own, the result would be to reduce the net returns to the U.S. company by $6 for every $65 in dividends received.

The consequences of this provision would be accentuated in Latin American countries which have adopted special tax incentives to encourage much needed U.S. investment. In such situations, under the gross-up proposal, the United States would simply cancel the incentive adopted and desired by the South American country to attract capital and promote its own economic development.

The junior Senator from Florida [Mr. SMATHERS] called our attention as early as 1960 to the fact that current tax provisions are perhaps inadequate with respect to the need for private investment in Latin American countries. He said:

> U.S. investors complain—and I think rightly—that our Federal tax laws operate to deprive them of the advantages of tax concessions granted by other Governments in an effort to attract capital.

Mr. William Benton, in an article in the 1961 Encyclopedia Britannica Book of the Year, said:

> Adequate relief from international double taxation is necessary if foreign investments are to be increased. Although the United States will grant credits—against the U.S. tax imposed on the same income—for payments of foreign income and excess profits taxes, the concepts which determine whether a tax credit is given frequently make it an inadequate instrument for preventing double taxation. For example, several Latin American countries impose principal taxes which do not qualify as income taxes under U.S. regulations and therefore cannot be credited against the U.S. tax.

And we know that as late as 1960, a number of those in the administration and in Congress who are leading proponents of the pending tax proposals were urging at that time increased tax incentives for foreign investment through the provisions of H.R. 5.

It may not be feasible at this time to enact incentives to encourage the needed increase in private U.S. investment in Latin America. But certainly this is no time to move in the opposite direction.

In summary, Mr. President, I believe two essential points have been established:

First, there is widespread and bipartisan recognition that increased U.S. private investment is essential to economic development and social improvements in Latin America under the program of the Alliance for Progress. Our investment in this area already has fallen below our established goal.

Second, certain sections of the pending tax revision bill would conflict with this accepted national objective and retard rather than increase the flow of private capital to Latin America. These sections should be eliminated from the bill or modified significantly so as to remove these impediments to the Alliance for Progress.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. AIKEN. Mr. President, I yield 5 minutes on the bill to the Senator from South Dakota, unless the Senator from Louisiana wishes to yield him time on the amendment and save the time on the bill.

Mr. CASE of South Dakota. I have asked for 5 minutes on the bill in order to place some material in the RECORD.

Mr. AIKEN. I do not know of any Senator who wishes to have more time on the amendment.

Mr. ELLENDER. Mr. President, I will yield 5 minutes on the amendment to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from Louisiana yields 5 minutes to the Senator from South Dakota on the amendment.

THE AIR RESERVE FORCES PROGRAM

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent to have printed in the RECORD a statement presented by the Honorable Joe Foss, formerly Governor of the State of South Dakota, and now president of the Air Force Association. The statement was made by him before Subcommittee No. 3 of the House Armed Services Committee. He appeared there in connection with its consideration of the Air Reserve Forces program.

Mr. President, I wish to emphasize and express my complete agreement with his four conclusions, which are as follows:

> Congress should:
>
> 1. Establish in law 48 drills and 15 days of active duty as the minimum training for units of the Reserve Forces to be used as units in an emergency.
>
> 2. Write into law that Reserve Forces Units to be immediately available as units will be authorized 100 percent manning.

I may say here that if we expect the Air Force Reserve units to be on the alert and ready for instant service, they should be authorized to be manned up to their full strength:

> 3. Point the way to a volunteer Reserve Force by establishing a Reserve Reenlistment bonus or allowance; and lower the period of obligated service to 4 years.

Mr. President, that will preserve for the Reserve components the benefit of the training of the men who may no longer be available for regular drill, but who will be attracted if there is a bonus or allowance for Reserve reenlistments.

> 4. Give consideration to the serious equipment needs of the Reserve Forces when it authorizes new equipment appropriations for the Active Force.

Mr. President, I commend to all Members of Congress a reading of this statement by General Foss. It must be remembered that he was a distinguished Marine Corps flier during World War II, was the first ace of World War II, was awarded the Navy Medal of Honor, and has brought his glorious record in World War II to the leadership of the Reserve Forces Association.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JOE FOSS, PRESIDENT, AIR FORCE ASSOCIATION, BEFORE THE HOUSE ARMED SERVICES SUBCOMMITTEE NO. 3, MAY 23, 1962

> Mr. Chairman and members of the committee, my name is Joe Foss. I am appearing on behalf of the Air Force Association of which I currently am serving as president. I am also a brigadier general in the South Dakota Air National Guard. I wish to express our appreciation to the chairman and members of the subcommittee for allowing me to present my organization's views on the important matters you are considering.
>
> The Air Force Association long has had a vital interest in a strong "ready now" Air Reserve Forces program. We have this in-

terest because we believe that a strong Reserve is vital to the defense of the Nation. The AFA has 23,000 Air Force reservists and guardsmen among its members.

We are not asking for a bigger Reserve program, or for more Reserve funds, per se, but we are pleading for a better program. Before examining certain areas where improvement is necessary, we wish to point with pride to the Air Force and its Reserve Forces for the magnificent job done by all in the Berlin call-up. The Nation indeed owes recallees and extendees of all services, and their families, its gratitude for sacrifices made. And may we add that their sacrifice was unique in that they were the only group of civilians called on to sacrifice anything during this crisis. In addition to being separated from his family, the average air reservist recallee suffered a 60 percent reduction in pay, at a time when the cost of living was rising to a record high. In the main, however, these men are doing what they were asked to do—back up the Active Force—and they are doing it commendably.

We would like to direct the committee's attention to four specific areas of the Reserve Forces program which need corrective action:

1. Forty-eight drills as minimum training requirement for all units organized to serve as units: Based on the requirements for immediate readiness, no less than 48 drill periods per year, plus 15 days of active duty, should be provided for individuals in all organized units of the program. We believe no individual in a unit can long remain ready to be immediately useful on fewer than 48 training periods annually. Recently the Air Force Reserve recovery unit program was reduced to 24 drills. We do not believe that the many and varied tasks to be performed in the Air Reserve Forces are so simple in this day of technological change that individual or unit readiness can be achieved by training only 1 day a month. This makes us worse off than in the days of the pup tent, close order drill and breaking down the rifle. We now hear that the experts from Department of Defense and the Bureau of the Budget are planning on restricting other units to 24 drills.

We strongly recommend that Congress establish 48 drills as a minimum for Reserve Forces units to be used as units in an emergency or war.

2. Management controls on drill pay spaces: Management controls placed on the Air Reserve Forces program by the Office of the Secretary of Defense have resulted in too much control and not enough management. For example: Limiting the number of drill pay spaces permits an average of only 80 percent manning, whereas the recent utilization proved that 100 percent is required.

A dollar ceiling imposed on reserve expenditures, in addition to the manpower ceiling, results in a duplicate set of controls.

Additional manpower and dollar controls over small segments of the program are hampering senior commanders in the field in their efforts to achieve the flexibility required for effective management.

It is important to state here that the "filler" mess, which became apparent during the recent recall of Reserve components, can be largely eliminated by removing the archaic and duplicatory manpower ceiling. The program can and should be regulated by a reasonable monetary control over the Reserve Forces by Department of Defense.

While the Air Force clearly needs a 20-percent increase in drill pay spaces to provide for 100-percent manning of existing units, may we suggest that much of the problem could be solved without adding a penny to the program, if the confusing disparities in drill pay ceilings for different types of units were eliminated. We do not believe there is any justifiable reason for actually creating a situation where units when called to active duty must go through a process of assimilating an average of 20-percent "fillers." It not only lowers the readiness of the unit, but is a ready-made vehicle for gripes. A ready wartime unit must be the sum of all its parts. To be effective, the units must be allowed to man themselves and operate as a full team in peacetime. No coach would use a strange player in any game before he had an opportunity to see him in action during practice, or go on the field with only 8 men out of 11.

We are convinced that the filler problem which existed in the Berlin mobilization was a direct result of Department of Defense and Bureau of the Budget shortsighted policies. Further, we believe that the committee will not have heard the complete story on the posture of our Reserve Forces or be able to pinpoint where the problems lie until it has heard from a representative of the Bureau of the Budget. We recommend that you call in the BOB expert and get his views. We know you will find them interesting.

3. Creating a volunteer Reserve Force: We believe that the Congress should shorten the total period of military service obligation to 4 years. Much was said about equity during the hearings on the Reserve Forces Act of 1955. As you will recall, this act established for the first time in peacetime a military service obligation period following a tour of active duty. But, as the draft eligible pool expanded to many millions, draft quotas and voluntary enlistments remained relatively small and only about one out of two eligible individuals are currently being required to serve in any of the services. We feel strongly that our Reserve program should be made up of volunteers and particularly so since the military service obligation is not evenly distributed. As matters stand today, the only people who assume any military service obligation are volunteers or draftees. The present system is like Russian roulette—if you get caught, you really get caught.

While we know of no way to achieve true equity without universal military training, we recommend that the obligatory period be reduced to 4 years. Thus those serving 4 years of active duty would have no remaining obligation. Any shorter period of active duty would carry an obligation in the Ready Reserve for the remainder of the 4-year period. However, for those with less than 2 years of active military service, Reserve participation should be enforced. This enforced participation would represent equity to the country that has invested in the individual's training and should get a reasonable return.

A system of incentives for voluntary Reserve participating should be established, for enlisted men who have completed 4 years of active duty or any other combination of 4 years' service. We recommend that Congress authorize a reasonable reenlistment bonus or allowance. It has worked well in the active establishment for years—why not in the Reserves? We believe one-third to one-half of what is now in effect for the active force would be effective.

One of the most worrisome continuing problems in the Air Reserve Forces is the low percentage of participating prior service airmen. In the Air Reserve the number is approximately 40 percent. In the Air National Guard it is as low as 30 percent. This means that the remainder of these war-plan units is made up of trainees with an average of 6 months' active duty experience. While the Air Reserve Forces have an excellent training program, the system is taxed to produce effective units with these kinds of experience levels. This is particularly so when the limited number of drill periods available is considered. As you can readily understand, it makes the problem of upgrading nonprior service personnel in technical fields a very difficult one. Each year the Active Air Force is losing approximately 100,000 people who have at least 4 years' training. If we could make it worth their while to participate in the Reserve Forces, the whole Nation would benefit.

Over the years, the Congress has enacted legislation which has created a strong, viable Reserve officer corps. The experience level of this group is extremely high, being based on an average of 5 years or more of active duty. What is needed now is legislation which will attract the prior service airmen to affiliate with an active Reserve program. As mentioned above, we recommended the creation of a Reserve reenlistment bonus at the end of 4 years' service.

The Airmen Council of the Air Force Association, made up of seven outstanding airmen, fully recognizing the problem of prior service airmen participation, made a study of this matter and strongly recommended the Reserve reenlistment bonus as the first positive step to take. We believe it can be conclusively shown that it would be more economical to pay a reasonable reenlistment bonus, rather than provide an average of 6 months active duty training for new recruits. At the same time, however, we recognize that a requirement does exist for a reasonable percentage of young nonprior service enlistees in the Air Reserve Forces program.

4. Equipment modernization: The equipment in the units of the Air Reserve Forces today is largely of Korean vintage and in many cases is in limited supply. In addition, a considerable amount of the equipment which was recalled with the units to active duty will have to be retained for years by the active forces when the units are demobilized. If a requirement exists for these units in our war plans, and we should be thankful that we had them to recall during the Berlin crisis, some way must be found to reequip them properly and rapidly. Further, this equipment must be modern and up to date if the units themselves are to be truly effective. Congress should take the lead in an equipment modernization program for the Air Reserve Forces by considering the requirement of the Reserve Forces for fallout equipment, when authorizing new equipment for the active forces. We recommend this be done as a new procedure during the 412B authorization hearings.

The Air Reserve Forces units recalled have clearly demonstrated they can operate the equipment given them, and that they can perform many wartime missions on a comparable basis with the active force, including a substantial part of the Air Force's conventional limited war task.

Let me quickly summarize. We believe Congress should:

1. Establish in law 48 drills and 15 days of active duty as the minimum training for units of the Reserve Forces to be used as units.

2. Write into law that Reserve Forces units to be immediately available as units will be authorized 100 percent manning.

3. Point the way to a volunteer Reserve Forces by establishing a Reserve reenlistment bonus or allowance; and lower the period of obligated service to 4 years.

4. Give consideration to the serious equipment needs of the Reserve Forces when it authorizes new equipment appropriations for the Active Forces.

PROPOSED REPRESENTATION IN THE U.S. SENATE FOR THE DISTRICT OF COLUMBIA

Mr. CASE of South Dakota. Mr. President, I wish to address myself for several minutes as a friend of the District of Columbia, to proposals, currently before the Senate Judiciary Committee, in regard to congressional representation for the District of Columbia.

I say I speak as a friend of the District of Columbia, for I served on the House of Representatives Committee on the District of Columbia and on the Senate Committee on the District of Columbia. I was chairman of the latter in 1953 and 1954; and even after I left the committee, on one occasion, I returned voluntarily to it, for a term, when I had the time to do so.

During the time when I was either a member or chairman of the District of Columbia Committee, I twice had charge on the floor of the Senate of a bill providing so-called home rule for the District of Columbia. During the time when I was chairman of the committee, I sponsored and carried through the Senate the legislation which established, for the first time, the right of voters in the District of Columbia to participate in the election of delegates to the national conventions.

Subsequently, when there was before the Senate, for the third or the fourth time, a bill providing for home rule for the District of Columbia, I expressed the view that we would get further by means of a constitutional amendment to provide for participation by voters in the District of Columbia in the election of electors for President and Vice President; and I proposed that that be done. I brought the measure proposing a constitutional amendment to a vote in the Senate—for the first time, I believe—in connection with the home rule bill. Although it did not carry at that time, it did attract the attention of the members of the Senate Judiciary Committee, where subsequently I offered it as a constitutional amendment; and later it was adopted by the Senate as one of three proposed constitutional amendments. Of the three, it was the only one to survive; and it is now the 23d amendment.

I say this to make clear, in the RECORD, that I have been friendly to voting rights for the people of the District of Columbia, and I do believe there should be representation for them.

However, at this time there is before the Judiciary Committee a proposal that, in addition to having a voting delegate in the House of Representatives, the District of Columbia be accorded two Senators—two Members of the United States Senate.

Mr. President, in my opinion, that proposal itself would be unconstitutional in a way which could not be corrected by a constitutional amendment, except by turning the District of Columbia into a State. If the District of Columbia were to become a State, it would be entitled to two Senators; but I invite the attention of the Members of the Senate and the attention of friends of the District of Columbia to article V of the U.S. Constitution, which deals with the manner of making amendments to the Constitution. I emphasize the fact that this is the article of the Constitution which deals with amending the Constitution. It provides:

> The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution—

And so forth; and it provides for ratification by the States.

The final clause of article V is:

> And that no State without its consent shall be deprived of its equal suffrage in the Senate.

Mr. President, that is the so-called Rhode Island amendment, which made possible the adoption of the Constitution, which, in turn, made possible the formation of the Union. It is the amendment which was designed to protect the smaller States and to give them assurance of the sovereignty they would have by reason of equal representation in the United States Senate.

Consequently, I believe that when the Constitution provides that "no State without its consent, shall be deprived of it's equal suffrage in the Senate," that means that to accord two Senators to some unit of government not a State would be diluting, diminishing, and depriving the States of their equal suffrage in the Senate. I do not see how two Senators could be accorded to a Territory or to a Commonwealth or to a District set apart from the States, without violating the very provision of the Constitution which states that no State shall be deprived of its equal suffrage in the Senate. It seems to me that to add to the Senate two Members who did not represent a State and were not Senators of a sovereign State would be diminishing, diluting, and thereby would deprive the States of their equal suffrage.

Of course, if such a proposal were brought to the Senate, it would be the privilege of any Member to raise the constitutional question, which then could be passed upon by the Senate.

I have brought up this matter because I think this point has been overlooked. I believe it important to have it brought to the attention of the community of the District of Columbia; and, as I have said, I do so as a friend of the District of Columbia, one who has pioneered in making possible voting for the District of Columbia.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. ELLENDER. Mr. President, I rise to oppose the amendment of the Senator from Wisconsin [Mr. PROXMIRE]. He has been a great help on the Committee on Agriculture and Forestry, and I do not suppose the committee can boast of having a member who is more devoted to the cause of agriculture than is the Senator from Wisconsin. As he knows, the committee made every effort to obtain a workable milk program, but to no avail.

As I recall, while all the plans before us were being discussed, I suggested that all of the representatives of the milk industry—the so-called lobby that is in Washington—get together and make an effort together to propose a measure to the committee that would meet with their approval.

About a week was spent in that effort, and all to no avail. The cry of most of them was, "Let the law stand as it is. We are satisfied with it and we want to continue to live under it."

The law as it now stands, as Senators know, provides for 75 to 90 percent price supports with unlimited production. That is a feature with which I find a great deal of fault, but since it seemed impossible for us to reach an agreement, the committee decided that we should take no action at all on the milk program.

So far as I am concerned, that is the position I am assuming at this moment.

It is my purpose to introduce within a few weeks a bill that will be used for study; not as a threat, but as a warning, to the milk producers of the Nation that they should undertake on their own some ways and means of reducing the enormous costs that obtain in the milk program.

As the record shows, from April of 1961 to April of 1962, in 1 year's operation, our Government purchased milk, cheese, dried milk, and other products to the tune of $561 million.

Out of that huge expenditure, the recovery will be about 10½ million in dollars and about $20 million in soft currencies that are worth little to us.

So it can be stated that the cost to the Government on the purchase program of last year will aggregate at least $550 million.

In addition, there is also the milk that is furnished to the schoolchildren and to the Armed Forces. That amounts to $121 million.

If we add the amount chargeable to purchasers and gifts for the school milk program, the milk producers received the equal of $682 million out of the Public Treasury, more or less as a subsidy.

It is my hope that it will not be necessary for the Congress to pass any remedial legislation next year, although, as I have said, I intend to introduce my bill.

My object is to serve a warning that, unless the milk producers of the country put their house in order on their own, the Government cannot be expected to be called upon to continue these huge expenses in order to maintain the dairy industry, important as it is to our economy.

The pending amendment would authorize a program for dairy production for the marketing years ending March 31, 1963, and March 31, 1964, as follows:

Remember, Mr. President, this is a 2-year program, and at the end of the 2 years, after providing the 90-percent supports suggested in the measure, we would go back to the old bill, and we would be confronted with the same situation that has faced us for the past 7 or 8 years.

The amendment provides, first, that if two-thirds of the producers voting in a referendum approve the proposed program:

First. A normal marketing level would be established for each producer equal to commercial marketings during the year 1961. The pending amendment was modified to use the calendar year 1961, instead of the 1961–62 marketing year.

Second. The level of price supports would be 90 percent of parity. That is the inducement put in the amendment in order to obtain a reduction of 10 percent in production.

Third. Payments of not to exceed $2.80 per hundredweight would be made to producers who voluntarily reduced their marketings below their normal marketing level.

Fourth. Surplus marketing fees in a similar amount would be collected from producers on milk which they marketed in excess of the normal marketing level.

Senators will remember that the Senator from Wisconsin introduced before the committee a measure that would carry out some of these provisions, and the committee, almost unanimously, rejected it. I think two or three Senators supported the proposal of the Senator from Wisconsin.

Second, if the foregoing program is voted down in a referendum, the present program would be continued—that is, price supports at 75 percent of parity, with unlimited production.

This program would provide producers with two choices, both unacceptable to the Government: One choice in the referendum would be to continue about the same program now in effect—no production limitations and 75 percent of parity supports. This program will cost the Government more than $500 million a year.

Mr. PROXMIRE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Louisiana yield to the Senator from Wisconsin?

Mr. ELLENDER. I yield.

Mr. PROXMIRE. Is it not true that this provision would not cost the Government any more than the bill as now drafted with no dairy section at all, because at the present time the dairy would get 75 percent of parity with no production controls? So it would not increase the cost.

Mr. ELLENDER. The increase in cost would not be very much above what it would be now. I agree with that.

As a matter of fact, I think we had estimates that under price supports of 75 percent of parity, the losses might be as high as $525 million.

Mr. PROXMIRE. The Department's latest estimate is $550 million.

The purpose of my amendment is to provide an opportunity to increase dairy income and also reduce those costs over the years.

Mr. ELLENDER. Yes, but when price supports are fixed at from 75 to 90 percent of parity, it seems to me the cost may be a little higher than what the Senator from Wisconsin estimates.

The other choice in the referendum would be 90 percent of parity price supports coupled with holding production to the 1961–62 base.

Mr. PROXMIRE. Mr. President, if the Senator will yield, I modified my amendment to make it apply to the calendar year 1961.

Mr. ELLENDER. The Senator is correct. It would be the 1961 base. That would mean, as I remember the situation, about 1½ billion pounds less than 1962.

Mr. PROXMIRE. The Senator is correct. The change shows how fast output is rising, and why it is urgent that we act at once.

Mr. ELLENDER. This program could cost the Government even more, particularly if there were no reduction in per capita consumption next year.

In connection with the problem, Mr. President, I noticed in the newspaper the other day a statement that fallout was causing a little more strontium 90 in the milk, which may reduce consumption. That, in my opinion, might tend to reduce milk consumption.

Mr. PROXMIRE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield further to the Senator from Wisconsin?

Mr. ELLENDER. I yield.

Mr. PROXMIRE. The more consumption drops and the more production increases for natural reasons, the more useful my proposal, which would limit production, would be. The more it would reduce the other ordinary costs.

I agree with the Senator from Louisiana that the 90-percent price support possibly would result in a higher cost to the Government, but that is on the basis of very extreme assumptions. It is also on the basis of very little reduction in production. I think anybody who reads the terms of the bill will come to the conclusion there would be a reduction. If there is a reduction of only 3 percent, the cost to the Government would be less, although farm income would be substantially higher.

Mr. ELLENDER. I am considering the raw milk value at 90 percent of parity.

Mr. PROXMIRE. The manufacturing milk cost? That would be $3.73.

Mr. ELLENDER. Three dollars and seventy-three cents, from three dollars and eleven cents?

Mr. PROXMIRE. The Senator is correct; about 62 or 63 cents.

Mr. ELLENDER. The Senator should realize that there would be a great inducement for producers of milk to produce more, which would be used to make more cheese, more dry milk, and other dairy products which would be taken over by Uncle Sam, at a greater cost.

Mr. PROXMIRE. But if the farmers voted in favor of the referendum they would be limited in production. They could not produce more. They would have to use the 1961 base.

Mr. ELLENDER. I understand.

There may be another decrease in consumption, as I said. As Mr. Freeman told us, that was unprecedented last year.

When Mr. Freeman changed the price for raw milk from $3.40 to $3.11, he was severely criticized. We were told that there was no basis for that change. He took the position at the time the order was entered that the Government had no butter on hand, had no cheese on hand, and had only small amounts of dry milk; and that because of an anticipated increase in the consumption of milk, due to the increasing population, he could assume an increase in the use of raw milk of about 2 to 2½ billion pounds. If his prediction had come true, the losses would have been much lower than they actually were. I am sure those assumptions were made in good faith; but they did not work out.

I fear that although we used the consumption figures for 1961 we might not reach the estimates, because of the fact that atomic testing has been resumed. On the other hand, with all due respect, there is much truth in what my good friend the Senator stated awhile ago about the increase in costs, thereby decreasing consumption. The Senator will remember that the cost of milk was reduced last April.

Mr. PROXMIRE. From $3.40 to $3.11.

Mr. ELLENDER. If the Senator will go to the grocery store, he will see whether the consumer got the benefit of that reduction.

Mr. PROXMIRE. The Senator knows very well the consumer did not get the benefit.

Mr. ELLENDER. He did not.

Mr. PROXMIRE. That is exactly our argument.

Mr. ELLENDER. That is exactly what happened. The unfortunate thing is that the retailers and the middlemen who handle milk use any change as an excuse to further increase the cost of milk.

Mr. PROXMIRE. The Senator is correct. The assumption made by the Department of Agriculture is that if there is an increase in the support price the farmer receives to 90 percent of parity, it will result in a decrease in consumption of 3½ billion pounds. I dispute that estimate, but I have to agree for the purpose of this discussion, because I do not have any independent figures. Even accepting that figure, I think we can show if there is only a 3-percent reduction in production, it will cost the Government less. If there is more of a reduction, the savings would be very substantial, even in the first year.

The alternative is unlimited production with 75-percent price supports.

Mr. ELLENDER. Mr. President, the amendment, as I pointed out a moment ago, is only a temporary expedient which would not correct the basic problems in the dairy industry.

As Senators know, at the present time dairy price support laws provide for supports at from 75 to 90 percent of parity with unlimited production. This amendment would not permanently change either the price support levels or the open end features of the dairy program.

Nor would it correct the situation which exists in many marketing order areas, wherein farmers receive higher prices for fluid milk and somewhat lower prices for manufacturing milk. Under the marketing order program the incentive of a high blend price has generated substantial increases in production. As a result, some marketing order areas in which up to 90 percent of the total milk delivered was used for fluid uses now are in the position that excess milk is such a problem that fluid use requirements constitute only about 50 percent of the total milk delivered into the market.

Second, this amendment would provide no assurance that Government costs would be reduced. As a matter of fact, there are some indications that the cost of the program might well increase. In its early representations, the Department of Agriculture estimated that only small savings would be made, but these were only estimates.

Third, this amendment would injure seriously all new producers and all deficit areas which have been expanding production in order to meet the requirements of local markets. I wish to say that the Senator from Vermont brought that out very plainly. Young farmers who have just begun in the business would be prevented from achieving an efficient operational level. Older producers who have achieved efficient operational levels would be required to cut production, thereby decreasing the efficiency of their operation and possibly increasing their cost of operation.

Fourth, a similar plan, when proposed by the administration, was unacceptable to a large majority of representatives of the dairy industry. They felt that a required national cut might well disrupt normal marketing conditions and practices and create shortages, and perhaps even hardships, in certain areas, especially those areas which are not now producing in excess of their needs.

Fifth, there is considerable doubt that the administrative requirement in implementing a program of this type could be met in time to make the program operative. The new marketing year began on April 1. Already we are in late May and the bill has not, as yet, passed either House. I would doubt seriously that a bill of this nature could pass both Houses, be resolved in conference, approved by both Houses, and signed into law by the President before late June or possibly early July. I hope that I am wrong, but this always must be taken into consideration.

However, the fact is that before a program of this type could be put into operation the Department of Agriculture would have to establish a base for every farmer in the country covered by the bill. The farmers would have to vote in a referendum. The Department would have to determine each farmer's choice with regard to his particular cut in production. The handlers and processors throughout the country would have to establish records for each individual. Procedures for setting up these quotas would have to be established, and a host of other administrative decisions and acts would have to take place before the program could become fully effective.

The administrative difficulties plus the fact that the industry itself is split on the merits of the proposal make it advisable that any action on dairying be deferred entirely until further study is made by the industry and by the appropriate committees of Congress.

As I said previously, it is my purpose to do that very thing by introducing a bill and, I hope, hold hearings sometime this year. I have no intention of trying to obtain the passage of a dairy bill this year, but merely to activate the minds of those engaged in dairying, in the hope that some solution can be arrived at next year.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the senior Senator from Minnesota.

The PRESIDING OFFICER. The senior Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. Mr. President, first, I invite the attention of the chairman of the committee to the following observation: Am I correctly informed that it is the intention of the chairman in the very near future to have rather comprehensive hearings and testimony upon the whole subject of dairy production, distribution, and pricing, with the many proposals that have been advanced by Senators as the subject of the testimony?

Mr. ELLENDER. Yes. In order to start the ball rolling, as I said, I have gathered a few ideas of my own from the hearings that were held on the bill before the Senate today. It is my hope to keep the committee busy and get the people in the industry thinking about the question, so that when we return next year, we shall be able to try to get a realistic bill through. However, my hope is that that will not be necessary. It may be possible for the people in the industry themselves to get together. I hope they realize that the Government cannot continue to pay the enormous subsidies to which I referred a few minutes ago.

Mr. HUMPHREY. My friend, the able chairman of the committee, has expressed two hopes. I trust that both hopes will come to fruition. But with reference to the first hope, namely, that the Senator would hope to get the committee together, that hope could be translated into an expression of the chairman that he will get the committee together to study the many proposals that have been offered. Is the Senator from Minnesota right in assuming that that will be done?

Mr. ELLENDER. Yes.

Mr. HUMPHREY. I thank the chairman.

Mr. President, I intend to submit to the Committee on Agriculture and Forestry a bill relating to the dairy industry. I have always made it clear that at the time of the submission of a proposal, the one submitting the bill should attempt to do the best he can as he sees the problem. I find that when we discuss intricate and complex measures adjustments are required. Changes are needed. I wish the chairman to know that since I offered my proposal in the past week and discussed it in the Senate, I have found that some changes are needed. My friend, the Senator from Wisconsin [Mr. Proxmire], pointed out some at that particular time, even as we were discussing the measure I offered on behalf of myself and my colleague [Mr. McCarthy]. So we look forward to the hearings.

As the Senator from Wisconsin [Mr. Proxmire] has already said, the dairy industry is in serious trouble already. I must say, in all fairness, that when we pass legislation that has as its objective a better market price for wheat and a better market price for feed grains, there is a need to have some balance in the legislation to assure a better market price for dairy products, because ultimately the dairy product is essentially a refined feed grain product. The cow is the greatest processor of feed in the world.

I also feel that the statistics reveal that milk consumption is increasing. There was a period of time a year ago when there was a drop in milk consumption. There has been much speculation as to why that occurred, but no definite knowledge is as yet available. That drop resulted in a very heavy purchase program on the part of the Government because of existing legislation.

The Senator from Wisconsin and the Senator from Minnesota have offered a 2-year amendment, not as a cure-all, but as a short-term measure.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I yield myself 5 more minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 additional minutes.

Mr. HUMPHREY. The proposal has been offered as a means of tiding us over until long-range dairy legislation can be enacted.

What does the Proxmire-Humphrey proposal embody? First, as its standard it would hold production at the 1961 calendar year levels.

Second, it has a built-in mechanism to hold production; namely, a penalty program under which, if a farmer should produce beyond his allotments, the built-in mechanism would reduce production. A payment program is provided if the farmer cuts as much as 10 percent from his 1961 base. He could cut as much as 25 percent and still be eligible for payments up to $2.80 a hundredweight. To simplify the problem, if we are to have a dairy program that will be at all effective in stabilizing market conditions and placing some restraint upon production, while at the same time offering price support protection to afford a reasonable price and fair income for dairy producers, we must have some kind of mechanism within the program to hold production down and to cut production back. The Senator from Wisconsin [Mr. Proxmire] has now offered an amendment. I am happy to join with him, and wish to pay credit where credit is due. He has taken the leadership on this question and done well with it. What the Senator from Wisconsin has done is to outline for the Senate a proposal which, on its face, first of all, would cut back production from 1962 levels. That is where the start is made. We would cut back to the year 1961 as the base period. That is approximately 117 billion pounds of milk products.

It is desirable to reduce that level below the 117 billion pounds. So the Senator has outlined an incentive payment program for that purpose. That incentive payment program for production cutback was used in the feed grain program and in the wheat program. In part it has worked. It is not a complete answer. It is not as successful as one might like, but it is much better than what we have.

In his amendment, in which I have joined, the Senator from Wisconsin offers a means of curtailing production. The amendment contains a penalty upon expanded production if we are able to get 90 percent of parity price supports. That is the principle that all of us believe in. If one is to receive help from his government, he ought also to be willing to accept some regulation or control over production. Otherwise we shall have the situation which we have today. Today we have a system which affords 75 percent of parity. A farmer can go ahead and produce, and the Government will buy all that the farmer cannot sell. That is exactly what has happened.

Unless something is done to change the situation, we shall run out of refrigeration space. We are in danger of running out of space properly to refrigerate the products which the Government is compelled to purchase under the present program.

What does the Senator from Wisconsin propose? His amendment may have its loopholes and some inadequacies. I have such great respect for the Senator from Vermont [Mr. AIKEN] on these questions—and what I say is not said in order to flatter him—that when I heard him point out some of the inadequacies of the proposal, the first question I asked was, "What can we do about that?" I know he wants to help the dairy farmer. I know he wants to improve the price structure. I know he wants a more orderly marketing.

I know that his criticisms of a proposal are constructive. I do not want to slide off into some unknown area. I want to chart a course very carefully. The amendment is a good proposal. It has merit. That proposal, plus what is in the House bill, if adopted and brought into conference, where the technicians and the senior members of the two committees can sit down and work it over, may result in a very good provision.

If we do not do something, the cost of this program will continue to rise, go up and up and up. I am not particularly overwhelmed by the thought that we may have some extra powdered milk or cheese on hand. We need it. I am not concerned over that fact. There is a limit set in the Proxmire amendment, and it is a reasonable adjustment. I hope the Senate will support it.

Mr. PROXMIRE. Mr. President, I wish to take only a few minutes to sum up. First, I wish to emphasize the compelling fact that the dairy farmers' income is disgracefully low. Yesterday, as the Senator from Vermont [Mr. AIKEN] said, a blow was struck at the dairy farmer, which will increase his costs and lower his income still further. Senators voted for it, I am sure, with the best of intentions, believing it was necessary, but, I am sure, also with a heavy heart.

Now we have a chance to do something for the dairy farmer. We must recognize the fact that the dairy farmer works longer hours than any other farmer in the country. He must have a very big investment. The average is $40,000. He takes big risks. His income throughout the country has averaged 65 cents or 75 cents an hour. We cannot permit this situation to continue.

What we propose is an alternative to nothing. There is nothing whatever in the pending bill of benefit to the dairy farmer. There is no dairy section. If the amendment is not adopted, the dairy farmer will continue to have no controls on production, and no opportunity to have any controls on his production.

He will continue to get only 75 percent of parity. We know what is going to happen. The statistics underline the urgency of our taking action now, and bringing to a halt the rise in production of milk. In the 1960 marketing year the production was 114 billion pounds. In the current 1962 marketing year the figure is about 120.5 billion pounds. That is an increase of 6 billion pounds in 2 years. My amendment would halt the production rise, and give consumption an opportunity to catch up. It would give the dairy farmers in West Virginia, Vermont, Rhode Island, and Florida an opportunity to vote for an adequate income.

I submit that under any reasonable interpretation of the cost of the Government it would mean that the cost would be less.

As the Senator from Minnesota [Mr. HUMPHREY] has said, this is a temporary program of 2 years. We have never had a quota program for dairy farmers. Does it not make good sense to try it out for a temporary period, so that we may have a chance to look at it and see how it works before we enact permanent legislation?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am delighted to yield to the Senator from Rhode Island.

Mr. PASTORE. Has the Senator's amendment been considered by the committee?

Mr. PROXMIRE. The amendment was considered by the committee. The committee voted on it but turned it down.

Mr. PASTORE. Has the plan which is being suggested by the Senator from Wisconsin been endorsed by the administration?

Mr. PROXMIRE. No; the administration had another proposal. It had a proposal which was similar in many respects. The basic principles of the two proposals were the same. The difference is that the administration's proposal would have provided for lower level of price supports if the farmers voted no, and also a somewhat lower level if they voted in favor of it.

Mr. PASTORE. The Senator from Rhode Island is not being critical, but merely curious as to what the amendment of the Senator from Wisconsin would accomplish. I understand that he would provide a 90-percent rigid parity price. Is that correct?

Mr. PROXMIRE. Under my amendment, farmers would vote in a referendum. If one-third or more voted "no," the present situation would continue.

If two-thirds or more voted "yes," they would have to limit their production to what they produced in 1961. That would mean a cutback in production. It would also mean that they would be paid, if they voluntarily wished to do so, to reduce their production even below the 1961 level, in an amount which would result in a saving to the Government. It would be $2.80 a hundredweight. Today the Government pays more than this to acquire dairy products for price support.

Mr. PASTORE. What would the parity be?

Mr. PROXMIRE. It would be 90 percent, or $3.73.

Mr. PASTORE. It would be a rigid parity.

Mr. PROXMIRE. It is a rigid parity now. It would be anyway.

Mr. PASTORE. Is the formula that is being suggested by the distinguished Senator from Wisconsin with reference to milk and dairy farming somewhat different from the formula in the two amendments which were adopted yesterday?

Mr. PROXMIRE. The basis is very similar. The principle is similar. If farmers vote for controls, they get a higher price.

Mr. PASTORE. Perhaps I have not made myself sufficiently explicit. The Senator tried to make a comparison between what was done yesterday with reference to graingrowers and what we should be doing today with reference to dairy farmers.

Mr. PROXMIRE. Yes; I did.

Mr. PASTORE. I am trying to assimilate that information and find out if the relief would be identical.

Mr. PROXMIRE. No; it is not identical. It is different. The reason I believe the action we took yesterday makes action of this kind necessary and important today is that yesterday we increased the costs to the dairy farmer. Therefore, we should give the dairy farmer an opportunity to vote, if he wishes to do so, to get a higher price if he will limit his production. Why is that not fair? The relief is not identical.

Mr. PASTORE. Yesterday we did all these things to limit production so as to do away with our surpluses and so diminish the burden of expense on the taxpayer in the paying of storage fees, which payment in some instances has resulted in scandals.

Mr. PROXMIRE. That is exactly what the dairy amendment would do for dairying.

Mr. PASTORE. The Senator has not said so.

Mr. PROXMIRE. It would not operate in precisely the same way. The dairy farmer would not have the same levels of parity. But the principle of the program is the same.

Mr. PASTORE. Why does not the Senator make it as flexible in his case as was done yesterday? Why does he propose a 90-percent rigid parity?

Mr. PROXMIRE. My answer is that this is a temporary program, a temporary program, a 2-year program, and farmers have a right to know exactly what price they will be voting on.

Mr. PASTORE. Is the Senator's justification that it is a temporary program?

Mr. PROXMIRE. No, but we have never had a referendum for dairy farmers. We have had referendums for wheat and other crops. But a quota program for milk is a brandnew departure, and I think it makes sense to enact it for a temporary period in the first instance.

Mr. PASTORE. Does not the Senator from Wisconsin feel it would be much more appropriate if the amendment were referred to the committee, so that there could be full hearings and a full record?

Mr. PROXMIRE. I am delighted to answer that question. There were full hearings on it. The Senator from Louisiana and the Senator from Wisconsin were present at most of the hearings. The Senator from Louisiana was there practically all the time. So was I. There were also full hearings on feed grains. Concerning feed grains the committee said "No." It said it did not want the mandatory feed grains program. Then we came to the floor; and the Senate, in its wisdom, decided to reverse the action of the committee.

It seems to me that in the interest of consistency, the Senate should do the same thing with regard to the dairy situation. The Senate also reversed the committee with respect to wheat. It should do the same thing with regard to dairying. The Senate reversed the committee on feed grains, and that has adversely affected the dairy farmer. My amendment would tend to mitigate the adverse effect.

Mr. PASTORE. Does the Senator have any figure which would indicate what the price to the consumer of milk would be under the present system and under his amendment?

Mr. PROXMIRE. It is unfortunate, perhaps, that the price of milk is not reflected by what happens to the price the farmer is paid. This year, only 2 months ago, the price of milk to the farmer was reduced by about 10 percent. It was reduced from $3.40 to $3.11. I ask the Senator from Rhode Island to ask his wife, "Are you paying less for your milk?" Of course not. What happens, as the Senator from Louisiana said a few minutes ago, is that the retailer merely absorbs the margin.

Mr. PASTORE. But what if the Senator's amendment should be adopted? What can I tell my wife that she will have to pay? Will she have to pay less or more?

Mr. PROXMIRE. The adoption of my amendment probably would not have much effect, because the history of the program since 1949, when the program was adopted, does not show a cause-and-effect relation.

Mr. PASTORE. The adoption of the amendment would not have very much effect, but the price would be higher.

Mr. HUMPHREY. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. Milk would not cost a cent more. The cost of butter might be a little higher, but not the cost of milk, because fluid milk is controlled by marketing orders. We would like to be able to get as much for milk out our way as farmers elsewhere receive.

Mr. PASTORE. I merely wanted to know the facts, so that I might be guided in my vote.

Mr. HUMPHREY. With respect to butter, the adoption of the amendment might possibly result in an increase of a cent or two a pound; but on fluid milk, for consuming purposes, no, because fluid milk is controlled by marketing orders.

Mrs. NEUBERGER. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mrs. NEUBERGER. The consumer may not notice a change in the price of a quart of milk, but will he know it when he pays his taxes? Will he be aware of a reduction in taxes?

Mr. PROXMIRE. The taxpayer would benefit from my amendment, because it would result in a reduction of the production of milk; therefore, it would result in a lower acquisition cost to the Commodity Credit Corporation.

Mr. HUMPHREY. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. The questions asked by the Senator from Rhode Island were pertinent and highly important. The bill I introduced in the Senate last week in behalf of myself and my colleague from Minnesota [Mr. McCarthy] embodied the very principles which were built into the feed grain storage measure, and into the amendment which the Senate adopted yesterday; namely, to provide allotments and controls to enable the farmer to get better prices for his commodities. If one does not accept allotments and controls under the referendum, he will have to accept a drop in base support each year—from 75 to 70 percent, from 70 to 65 percent, from 65 to 60 percent, and so on—for a 5-year period. In other words, adjustments would be made in terms of lower costs to the Government for shorter supplies. That is a rather far-reaching proposal. But I have come to the conclusion that that proposal would be better handled by taking it before the committee in the regular order of legislative procedure. However, the point is made that so far as the principle of the bill is concerned—the principle in the Humphrey-McCarthy proposal introduced last week—it is one of a flexible type of price support schedules with allotments and a base period.

If one does not accept the referendum allotment in the base period, and the plan of penalty payments for overproduction and incentive payments for cooperation, the price support levels will drop 5 percent each year for 5 years. That is tough legislation; it is far-reaching legislation. I had not intended to offer it today; but unless we can obtain some relief from an incredibly difficult economic problem, possibly we shall have to revise our calculations and consider whether to offer the proposal.

Mr. PROXMIRE. Mr. President, if the Senator from Louisiana is willing to yield back the remainder of his time, I will yield back the remainder of my time, and then the Senate can vote.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment, as modified, of the Senator from Wisconsin [Mr. Proxmire].

Mr. HUMPHREY. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have been ordered.

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Minnesota will state it.

Mr. HUMPHREY. What is the pending business? What is the question on which the Senate is about to vote?

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Wisconsin [Mr. Proxmire].

Mr. HUMPHREY. And the yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Chavez], the Senator from Wyoming [Mr. Hickey], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Michigan [Mr. McNamara], the Senator from Florida [Mr. Smathers], the Senator from Mississippi [Mr. Stennis], and the Senator from Utah [Mr. Moss] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in family.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from South Carolina [Mr. Johnston], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Colorado [Mr. Carroll], the Senator from Louisiana [Mr. Long], the Senator from Missouri [Mr. Long], the Senator from South Carolina [Mr. Johnston], and the Senator from Utah [Mr. Moss] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] is necessarily absent.

The Senator from Wisconsin [Mr. Wiley] is absent by leave of the Senate.

On this vote, the Senator from California [Mr. Kuchel] is paired with the

Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from California would vote "nay," and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 13, nays 70, as follows:

[No. 61 Leg.]

YEAS—13

Bartlett
Burdick
Douglas
Hart
Hartke
Humphrey
Jackson
Kefauver
Long, Hawaii
McCarthy
Morse
Proxmire
Young, Ohio

NAYS—70

Aiken
Allott
Anderson
Beall
Bennett
Bible
Boggs
Bush
Butler
Byrd, W. Va.
Cannon
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Dworshak
Eastland
Ellender
Engle
Ervin
Fong
Goldwater
Gore
Hayden
Hickenlooper
Hill
Holland
Hruska
Javits
Jordan
Keating
Kerr
Lausche
Mansfield
McClellan
Metcalf
Miller
Monroney
Morton
Mundt
Murphy
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Randolph
Robertson
Russell
Saltonstall
Scott
Smith, Mass.
Smith, Maine
Sparkman
Symington
Talmadge
Thurmond
Tower
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—17

Byrd, Va.
Carroll
Chavez
Fulbright
Gruening
Hickey
Johnston
Kuchel
Long, Mo.
Long, La.
Magnuson
McGee
McNamara
Moss
Smathers
Stennis
Wiley

So the amendment, as modified, was rejected.

Mr. McCARTHY, Mr. CASE of South Dakota, and Mr. MORTON addressed the Chair.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator from Minnesota is recognized.

Mr. McCARTHY. Mr. President, I call up my amendment designated "5–24–62—E."

The amendment offered by Mr. McCARTHY is as follows:

On page 66, between lines 6 and 7, insert the following:

"SUBTITLE C—DAIRY SURPLUS REDUCTION

"SEC. 330. The current rate of production and marketing of milk in the continental United States, excluding Alaska, is such as will result in excessive and burdensome supplies of milk and other dairy products during the marketing year ending March 31, 1963.

"In order to afford producers the opportunity and the means by which they can on a compensated basis voluntarily adjust their marketings of milk during the marketing year ending March 31, 1963, more nearly to equal demand and thus reduce Government purchases under its price support program, the Secretary of Agriculture is hereby authorized, through the Commodity Credit Corporation, to carry out for the marketing year ending March 31, 1963, an emergency dairy surplus reduction payments program as set forth in the following sections of this subtitle.

"SEC. 331. The Commodity Credit Corporation is hereby authorized to make surplus reduction payments to producers in continental United States, excluding Alaska, who agree to reduce, during any one or more quarterly marketing periods of the marketing year ending March 31, 1963, their marketings to a level not (i) less than 10 per centum or (ii) more than the larger of 25 per centum or seven thousand five hundred pounds of milk below their normal marketing levels established pursuant to section 434 of this Act for each such quarterly marketing period: *Provided*, That Commodity Credit Corporation shall, to the maximum extent practicable, limit such agreements so as not to effect adjustments in any dairy district in excess of 10 per centum of the estimated total marketings by all producers in such district during the preceding marketing year. For this purpose, the Secretary shall divide the continental United States, excluding Alaska, into fifteen dairy districts each having therein approximately the same proportion of total milk production. Such payments shall not exceed (i) $2.50 per hundredweight of milk, basis 3.82 per centum butterfat content, (ii) such rates as the Secretary determines will effectuate voluntary reduction in marketings by producers, or (iii) the cost of acquiring such milk in the form of dairy products had such milk been marketed. A producer who fails to reduce his marketings to the extent required by his agreement shall be eligible to the surplus reduction payment on the quantity by which he actually reduced his marketings below his normal marketing level, provided he reduces by as much as 10 per centum of his normal marketing level, but the amount of such payment shall be reduced by an amount equal to 20 per centum of what would have been the payment on the quantity of milk which he failed to reduce. Agreements entered into hereunder may contain such terms and conditions as the Secretary determines necessary to effectuate the purposes of the emergency dairy surplus reduction payments program and to assure that a producer's reduction in marketings is not offset through a transfer of his milk cows to another producer for the production and marketing of milk.

"SEC. 332. The Secretary shall establish a normal marketing level for each producer in the continental United States, excluding Alaska, who desires to enter into an agreement with the Commodity Credit Corporation pursuant to section 433 of this Act. Such normal marketing level shall be the number of pounds of milk, or the number of pounds of milkfat, or such units of dairy products as the Secretary may deem appropriate for the administration of this subtitle which is the lower of (i) the producer's marketings during the calendar year 1961 or (ii) the Secretary's estimate of what would be marketed in a calendar year by the producer based on the rate of his marketings when he enters into the agreement with Commodity Credit Corporation, adjusted for seasonal variation. In establishing a normal marketing level, the Secretary shall make such adjustments in the producer's 1961 marketings as he deems necessary for food, drought, disease of herd, personal health, or other abnormal conditions affecting production or marketing, including the fact that the producer may have commenced production and marketing after January 1, 1961. A producer's normal marketing level for the marketing year shall be apportioned by the Secretary among quarterly marketing periods thereof in accordance with the producer's marketing pattern in 1961, subject to such adjustments as the Secretary determines necessary to enable the producer to carry out his herd management plans for the marketing year. The quantity thus apportioned to a quarterly marketing period shall be the producer's normal marketing level for such period.

"SEC. 333. The Secretary shall prescribe such conversion factors as he deems necessary for use in determining the quantity of milk marketed by producers who market their milk in the form of farm-separated cream, butterfat, and other dairy products.

"SEC. 334. The quantity of milk reduced by a producer pursuant to his agreement under this Act shall be considered as having been produced and marketed by him for the purpose of determining his production or marketing history under any farm program in which such history may become a factor. A producer may, to such extent and subject to such terms and conditions as the Secretary may prescribe, transfer his normal marketing level, or any part thereof, to any other producer or prospective new producer who agrees to utilize such normal marketing level for the disposition in commercial channels of milk, butterfat, or dairy products produced in the same State as that in which the transferor engaged in production or any State adjacent thereto. A producer who moves from one area to another and there engages in the production and marketing of milk may take with him all or any portion of his normal marketing level.

"SEC. 335. The Commodity Credit Corporation may make supplemental payments to producers of milk for manufacturing who enter into agreements under section 331, which shall be in addition to the surplus reduction payments made to such producers. The amount of such a supplemental payment to be made with respect to the quantity of milk marketed by a producer may not exceed the difference between the United States average price at wholesale of milk for manufacturing and 90 per centum of the parity price for that quantity of such milk.

"SEC. 336. (a) The Secretary shall prescribe such regulations as are necessary for the enforcement and the effective administration of this subtitle.

"(b) Costs incurred in the carrying out of the provisions of this subtitle shall be borne by the Commodity Credit Corporation and shall be considered as nonadministrative expenses of the Corporation.

"SEC. 337. Whenever normal marketing levels are established under this subtitle, notwithstanding any provision of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.), any order issued under section 8c thereof may in addition to the provisions in section 8c (5) and (7) contain provisions for an adjustment in the uniform price for producers receiving surplus reduction payments for marketings below their normal marketing level. Under such provisions the total payments to such producers under an order shall be equal to (1) the uniform price multiplied by their normal marketing level minus (2) the lowest class price under the order multiplied by the amount by which such producers have reduced marketings below their normal marketing level. In the computation of the uniform price there shall be included, at the lowest class price, the volume of milk upon which producers will be entitled to marketing adjustment payments. For the purposes of this section a producer's normal marketing level shall be apportioned on a monthly basis. In the case of a producer, part of whose normal marketing level is based on marketings which were not subject to regulation under the order during the representative period, the Secretary shall apportion such producer's normal marketing level in accordance with his deliveries of milk in such representative period and the reduction in deliveries from the amount apportioned to the marketing area shall be considered in the calculation of the uniform price and payment under such order. The incorporation of provisions in an order hereunder shall be subject to the same procedural requirements of the Act as other provisions under section 8c.

"SEC. 338. No person engaged in the purchase or handling of milk, milk fat, or dairy products shall discriminate against any producer who enters into an agreement with the Commodity Credit Corporation pursuant to this Act. The Commodity Credit Corporation shall not purchase dairy products from any person whom the Secretary determines practices such discrimination. The several

district courts of the United States shall have original jurisdiction to hear and determine controversies arising under this section, without regard to the amount in controversy, and to enjoin and restrain any person or persons from discriminating or conspiring to discriminate against any producer in violation of this section."

Mr. McCARTHY. Mr. President, this amendment relates to the dairy program, and I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Wisconsin.

MUST HALT BASE RACE

Mr. PROXMIRE. Mr. President, I regret that my dairy plan has not won approval, but there is good reason to think that some mandatory quota plan for milk may be enacted in the near future. Accordingly, many farmers understandably are now seeking to build a base for any program, whether enacted this year or in some future year. I think that it would be most helpful to make clear legislative history right now that, in any supply management program for dairying, whether enacted this year or in some future year, 1961 bases and/or earlier bases will be used.

I hope such a statement of intent will be given wide publicity by the press and radio at the earliest possible date, to prevent possible future misunderstanding.

Unless such action is taken soon, the consequences for our farm programs are both serious and predictable. In an effort to build a base for future supply management programs, farmers everywhere will milk every extra cow, whether this is a wise herd management plan or not.

I think we should take steps to halt this base race at once. If not, it is going to work a hardship on the dairy farmer and the Federal Treasury.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield briefly to the Senator from Minnesota.

Mr. HUMPHREY. I think the Senator's words of advice are very well founded. I hope something like what he proposes can be done.

Mr. PROXMIRE. I thank the Senator from Minnesota.

Mr. MUNDT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MUNDT. What amendment is before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Minnesota [Mr. McCARTHY], designated "5-24—62—E."

Mr. ROBERTSON. Mr. President, will the Senator from Minnesota yield?

Mr. McCARTHY. I yield to the Senator from Virginia.

Mr. ROBERTSON. I have had placed on the desks of all Senators an amendment which I have prepared, which I intend to offer after consideration of the amendment of the Senator from Minnesota and the amendment to be offered by the Senator from South Carolina.

Under the proposed amendment the President would be authorized to give to our needy friends in Africa and in Asia, but primarily to the starving Chinese in Hong Kong, our surplus feed grains. It would not cost us anything, because we are now spending 15 cents a bushel or more to store the grain. In 7 years it will go down the drain.

We cannot have a meaningful referendum as to turning our farmers back to the free enterprise system with this surplus grain hanging over their heads. The amendment would provide for a limit of $300 million a year on the giveaway, to the extent it is necessary to give away the surplus corn, barley, and grain sorghums, over and above a proper carryover, and what is necessary for export; provided, that the feed grains are given away in a manner which will not affect our commercial markets and in such a manner that they will not go to any Communist country.

The explanation of the amendment is on the desk of each Senator. This is the way we can help our farmers start back on the road to a system of private enterprise. I hope Senators will be in the Chamber and will give me help in the adoption of the amendment, because it is one of the real solutions to the farm problem. We cannot solve the farm problem when there is a great surplus hanging over the farmers' heads.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. ROBERTSON. I yield.

Mr. PASTORE. I commend the Senator from Virginia. I have a question to propound, and I hope we can search out an answer.

Is there any mechanism provided in the amendment which would insure that the people themselves would get the grain?

Mr. ROBERTSON. The amendment provides that the grain would go to the people. The President will have to handle the program. I cannot say whether the politicians or the people would get the grain. The amendment provides that the grain would go to the people, and primarily we want it to go to the starving Chinese in Hong Kong.

In the midst of unparalleled abundance, we cannot stand unmoved by the stark tragedy of famine in that crown colony.

Also, we should like to get our farmers back on the road to private enterprise. Why should we pay for storage of this grain, when we can use it to help starving people?

Mr. PASTORE. I commend the Senator for his noble idea. Why should we hoard, indeed, when stark hunger drives innocent men, women, and children into our arms for help. The proposal is most humane.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from South Carolina.

Mr. McCARTHY. Mr. President, I believe I have control of the time.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. McCARTHY. Mr. President, I was glad to yield to the Senator from Virginia. I did not know he was going to speak on his amendment.

Mr. ROBERTSON. I should be glad to have the Senator take time on my amendment, when consideration of it is reached.

Mr. McCARTHY. I was pleased to yield to the Senator. I commend the Senator from Virginia, and I indicate my interest in his proposal.

Mr. THURMOND. Mr. President, will the Senator yield? I should like to ask the Senator from Virgina a brief question.

Mr. McCARTHY. I yield to the Senator for a question.

Mr. ROBERTSON. I shall be glad to have it taken from the time on my amendment.

Mr. McCARTHY. That is not necessary.

Mr. THURMOND. Mr. President, I should like to inquire with regard to the proposal of the Senator from Virginia. My understanding is that some years ago, when the United States sent wheat to Poland, the people of Poland never knew that the wheat came from the United States. The bags in which the wheat was given to the people did not bear the name of the United States or anything else to indicate that the wheat came from this country.

I was wondering if the amendment proposed by the Senator from Virginia contains anything to indicate that the U.S. Government is giving this grain, so that the people who receive it will know we are friendly and are trying to help them.

Mr. ROBERTSON. The amendment does not specify the exact manner in which the grain is to be labeled. That should be the policy. Every bag of food should have a picture of Uncle Sam and a picture of our flag on it, so that the people will know from where it came.

If we had done that in 1948 and 1949, we would have many more friends in Europe than we now have. The people there thought the politicians were handing the things out to them, and they gave the United States no credit.

Mr. THURMOND. Mr. President, I think the Senator is exactly correct. If the amendment does not cover that subject, I wonder if the Senator will consider embracing within it a sentence stating specifically that the containers in which the grain is delivered should bear the appropriate U.S. designation.

Mr. ROBERTSON. I would accept any appropriate amendment, but I do not know what the containers will be.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I wish to say to the distinguished Senator from Virginia that I think his proposal has much merit. As I said last night when we were discussing this same subject, I think two tests should be provided. First, the recipients should be very carefully screened, to make sure that we are not feeding any Communist agents. Further, there should be some protection against black marketing. I have vivid recollections that even in Nationalist or mainland China, in the latter stages of the Second World War, there was considerable black marketing of the U.S. equipment. We would not wish to have that happen.

Mr. McCARTHY. Mr. President, my amendment proposes the language which was adopted by the House Committee on Agriculture relating to the dairy industry, with two significant changes which are included in section 335.

Under that section the Commodity Credit Corporation is to be given "authority to make supplemental payments to producers of milk for manufacturing who enter into agreements under section 331, which shall be in addition to the surplus reduction payments made to such producers. The amount of such a supplemental payment to be made with respect to the quantity of milk marketed by a producer may not exceed the difference between the United States average price at wholesale of milk for manufacturing and 90 per centum of the parity price for that quantity of such milk."

The amendment, together with the language reported by the House Committee on Agriculture, relates to a dairy program which, in the first place, would be entirely voluntary. No referendum would be involved. No farmer would in any way be compelled to do anything he did not wish to do. No farmer would be required or forced to sell any cows or to reduce production of the cows he has.

The program, according to the estimates of economists in the Department of Agriculture, would cost no more than the present dairy program under which the Government is required to support the dairy products at $3.11 per hundredweight with unlimited production. There is a possibility that it might save the Government some $50 million, depending upon the measure of the signup.

I make the further point that if the amendment were adopted there would be no increase, as a result of the program, in the price of dairy products in the market, either as respects whole milk or manufacturing milk as it comes on the market in various forms, or butter or cheese. The prices in the marketplace would not be affected in any way as a result of the adoption of the amendment.

The significant thing is that, depending again upon the measure of compliance, there is a possibility that between $150 and $200 million of Government tax money, which under the existing system would go into storage costs and into the costs of offsetting deterioration and waste, would go into the hands of the farmers directly, without any cost to them or any waste on the part of the Government or the farmer himself.

I am sure it is not necessary to review the statistics that are available, demonstrating that the dairy industry is in serious economic trouble, and that the dairy program, which is a part of the general program, is also in serious trouble. The income of the family dairy farm is inadequate, and under the existing dairy price-support program which provides for 75 percent of parity, it is now estimated that the cost to the taxpayer will be over $500 million this year, which is about the same amount as it cost last year.

The President of the United States in his farm message, and the Secretary of Agriculture in testimony before the Committee on Agriculture and Forestry of the Senate, along with representatives of major dairy groups and farm groups, all were in agreement that the dairy problem is serious. Nonetheless, it was not possible to reach an agreement on a specific program in the Senate Committee on Agriculture and Forestry, and the farm bill was reported as we have it before us today without any type of dairy program.

The Senator from Wisconsin [Mr. PROXMIRE] recommended a program. He presented it to the Senate, and it was voted down. It was a program which I think had great merit. It was proposed as a temporary program, or one that would be limited in duration. It nonetheless had in it the essentials of a program that I think must be adopted if we are to have a permanent and workable dairy program as a part of the general farm program. I have little hope that we can secure the adoption of a permanent dairy program at this session of Congress. I am not proposing any such program today. My proposal is an emergency program. It would operate only until the end of the present marketing year, which is March 31, 1963.

In many respects the amendment is in purpose and structure similar to the emergency feed grain program which was adopted by Congress last year. We reached agreement on a temporary feed grain program; it cut surpluses; and it raised farm income. It provided some experience upon which to develop a permanent program for the future. I am suggesting that the same course of action be followed today with regard to a dairy program. I am satisfied that if Senators were familiar with this proposal they would see little reason for turning the program down as a temporary program.

The Committee on Agriculture of the House has approved an emergency dairy program for the marketing year ending March 31, 1963. Their proposal is a voluntary program in which farmers would be paid up to $2.50 a hundredweight for reducing production.

All other production would be supported at the basic 75 percent of parity—approximately $3.11 per hundredweight.

Under present law, unlimited production of dairy products at 75 percent of parity support is permitted. In 1961 and 1962 the Government purchased 435 million pounds of butter, 194 million pounds of cheese, and approximately 1,200 million pounds of nonfat dry milk.

Government purchases removed about 9 percent of the total milk fat that was produced and about 13 percent of the total nonfat milk that was produced in this country; altogether, this amounts to about 10 percent of the approximately 125 billion pounds of milk produced in the United States in that production year.

Today the Government has on hand 283 million pounds of butter, 85 million pounds of cheese, and 325 million pounds of nonfat milk. It is estimated that in this next year the Government will have to spend something like $550 million in the purchase of milk products under the 75 percent of parity program which is now in effect.

There is some evidence that under the program, which we might have expected to discourage production, there is a likelihood of even expanded production in this marketing year. In the face of this what action can we take? Of course we can let the situation drift on and let the farmers get $3.11 a hundredweight, and we can say, "Let them learn their lesson, and then come back and say, 'We want a mandatory program,'" or we can today take some effective action to alleviate the burden on the Government, develop some experience with a diary program, and improve farm income. We can see to it that what is paid out by the Government in the way of dairy price supports goes to the farmer and is not wasted in storage charges and in meeting the cost of deterioration and waste.

The House committee bill provides a voluntary program with payments to be made to producers who agree to reduce their marketings. It imposes no quotas. It does not provide penalties.

My amendment retains the House proposal, but it is my opinion that it is not sufficient to meet either the long-range problem in the dairy industry or even to be effective as a short-range solution. But it does offer some incentive to help achieve what all the evidence and all the data suggest might be accomplished—at least a limited reduction in the volume of production.

The House bill would permit the Commodity Credit Corporation to enter into agreements with producers who agree to reduce the marketing of their milk and dairy products below either their 1961 marketings or their current level of marketings.

Producers who cooperate must reduce their marketings by not less than 10 percent nor more than 25 percent, or 7,500 pounds of milk for any quarter of the marketing year. Cooperating producers will be compensated for that reduction, but the payments shall not exceed, first, $2.50 a hundredweight; or, second, that amount which the Secretary determines necessary to secure a reduction in marketing, or, third, the cost of acquiring an equivalent quantity of dairy products.

The House bill further provides a procedure by which marketing agreement orders can be adjusted so that the reduction of the volume of production of any producer shall be considered as made from the lowest class use under the marketing orders and agreements, thereby protecting his share in the highest use class of milk.

Finally, agreements are to be limited so as not to bring about a reduction in any of the 15 districts of more than 10 percent of the total marketing in that district in the preceding year. These, I believe, are important adjustments which are necessary, whether my proposal is adopted or not.

The amendment I offer incorporates that section of the House bill, but it goes beyond and provides the Secretary of

Agriculture with an additional procedure—which he is free to use but is not required to use—in order to reduce the volume of production of dairy products which must be supported by the Government.

The Secretary would be authorized under my amendment to make supplemental payments to producers of milk for manufacturing purposes. In addition, he would be authorized to make surplus reduction payments. The amount of such supplemental payments may not exceed the difference between the U.S. average price at wholesale of milk for manufacturing and 90 percent of the parity price for that quantity of such milk. In effect, the amendment would give the Secretary authority to adjust compensatory payments between 75 percent and 90 percent of parity.

The Secretary could determine the level of payments required to effect a reduction. It could be, for instance, at $3.40 per hundredweight. Those who do not enter the voluntary program will operate under existing law and receive price supports of 75 percent of parity, or about $3.11. But those who cooperate in meeting the problem of surpluses would be assured of a somewhat better price than those who do not enter into agreement.

Mr. President, I should like to return to the parallel with the emergency feed grain program. Under that program we provided payments to farmers for their idle acres. At the same time the farmer was assured a support price above the market price.

Mr. TALMADGE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. TALMADGE. Do I correctly understand that the amendment proposed by the distinguished Senator from Minnesota is purely voluntary in its scope?

Mr. McCARTHY. It is entirely voluntary.

Mr. TALMADGE. It does not in any way purport to set up a quota on milk, either regional or nationwide, so far as production is concerned?

Mr. McCARTHY. No; it would not set up any such quota.

Mr. TALMADGE. It proposes to pay compensation to farmers who voluntarily reduce their milk production. Is that the idea?

Mr. McCARTHY. It would, on the one hand pay them up to $2.50 per hundredweight for reducing production. They would not have to be paid that much, because the Secretary could set the figure lower than that. On the other hand, it would provide for increased payments for those who reduced their production by 10 to 25 percent.

Mr. TALMADGE. Does the Senator have any idea as to the cost of his proposal to the Government?

Mr. McCARTHY. It would depend on the measure of compliance. There is a possibility that it might save the Government something like $50 million. Another estimate is that it would not result in any increase of cost beyond what it costs to carry the existing program.

Mr. TALMADGE. There would be no additional cost to the Government if the amendment were adopted?

Mr. McCARTHY. If those in the Department of Agriculture who have examined it are correct, there should be no increase. As they see it, there should be no increase; and certainly there would be no increase above the cost of carrying the existing program. The Secretary can adjust the rates of payments.

Mr. TALMADGE. In the event that the amendment is agreed to, what will prevent farmer A from reducing his production, benefiting from the terms of the amendment, and then lending or renting his cows to farmer B, who will increase his production?

Mr. McCARTHY. Of course this is a problem. This difficulty also exists in the House committee bill. There is the possibility of improper transfers.

Mr. TALMADGE. Therein lies the danger, I believe. There is much merit in the Senator's position. It seems to me that unless some method is found to keep the farmer from merely letting his neighbor, son-in-law, or some other member of his family have his cows and milk them while he himself reduces his own production, not much reduction could be achieved under the Senator's amendment.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. PROXMIRE. It is my understanding that the Senator from Minnesota provides that the Secretary of Agriculture can establish administrative procedures to prevent the transfer of cows.

Mr. McCARTHY. The House bill which I have incorporated in my amendment has a provision in it to the effect that the Secretary of Agriculture shall have authority to assure that a producer's reduction is not offset by the transfer of milk cows for such purpose. Such a provision might be difficult to enforce.

Mr. TALMADGE. I was about to ask the Senator how it could be enforced.

Mr. McCARTHY. I do not have it spelled out. However, if we are to have a voluntary program, it seems to me the only way we can have it is in this way. The alternative is complete control.

Mr. TALMADGE. I thank the Senator, and I compliment him for his desire to assist the dairy farmer. Having sat with him on the Committee on Agriculture and Forestry for some years now, I know of his intense desire to assist the dairy farmer.

Mr. McCARTHY. I thank the Senator from Georgia.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. MUSKIE. I believe I understand this point clearly from the Senator's presentation. Nevertheless I should like to nail it down, if I can. There would be no penalty or disability attached to any dairy farmer who did not choose to participate in the program.

Mr. McCARTHY. None whatsoever. Instead of payments for dairy products which go into storage, the tax money which might be spent would be paid in two ways. First, it would be paid for the reduction of the volume of milk produced, up to $2.50 per hundredweight. On the other hand some portion could be paid out in supplemental payments in such amounts as the Secretary would determine, for the most part directed to the farmer. The price to the consumer would not be raised, since the supplemental payment method is proposed. The best estimates are that the cost to the Government under this program would be no greater than at the present time, and might be significantly reduced.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. HUMPHREY. I think it is fair to say that in connection with any of these proposals, when we are wrestling with dairy production and dairy prices, there are many difficulties because of the nature of the dairy production and dairy farming. It is my view that if we are to prevent the transferability of cows from one farmer to another, or even from a farmer into the stockyards and back to the farmer, it is necessary to have some rather severe strict controls, including allotments.

Obviously the Senate is not prepared to accept that kind of provision. We had a vote on the Proxmire proposal, which included some allotments. It was an emergency proposal. It was limited. The vote was taken, and we know what the attitude of the Senate is.

The next question is, Do we want to continue with the present program? My colleague has made it crystal clear, as did the Senator from Wisconsin, that the present program piles up more and more surpluses in the hands of the Government and really endangers the future of dairy production.

If we were to have 110 billion pounds of milk production in the coming year, what would we establish as the base period when we get back to the point where we wish to establish some order? Are we going to cut dairy production back 20 billion pounds as a start? If we do that, we shall have no program. My colleague from Minnesota has offered a program, and I wish to review it with him, to reduce it to its simplest terms. First, it is a voluntary program.

Mr. McCARTHY. Yes.

Mr. HUMPHREY. It has no allotments.

Mr. McCARTHY. No allotments.

Mr. HUMPHREY. It has no penalties.

Mr. McCARTHY. No penalties.

Mr. HUMPHREY. It has incentives. Is that correct?

Mr. McCARTHY. It has incentives.

Mr. HUMPHREY. For the reduction of production.

Mr. McCARTHY. For the reduction of production. It provides, first, payments for not producing, up to $2.50 a hundredweight. On the other hand, it gives the Secretary of Agriculture authority to increase the payments above 75 percent of parity to those who voluntarily reduce their production from 10 to 25 percent.

Mr. HUMPHREY. So on the one hand, when a farmer reduces production to a certain percentage, he gets a payment for reduction, and he also gets payment in the form of a better price for himself, in terms of better income.

Mr. McCARTHY. On the remaining production.

Mr. HUMPHREY. On the remaining production, which he can call a type of reduction payment or compensatory payment.

Mr. McCARTHY. In the same way as we proceeded under the emergency feed grain program.

Mr. HUMPHREY. Exactly. Then is it not true that the Senator's proposal would not increase consumer costs?

Mr. McCARTHY. It would not increase consumer costs, because the supplemental payment provision would allow the Secretary to make the payment outside of normal market channels. There should be no reflection of this in the price of butter, milk, cheese, or any product of manufacturing milk.

Mr. HUMPHREY. The cost which the Senator outlines would not add to the stocks in Government warehouses, would it?

Mr. McCARTHY. It would not add to the stocks; it would prevent an additional accumulation of dairy products in Government stocks; and the estimate is that it would not cost any more than the existing program. The estimates have been that it could be many millions of dollars less expensive, and that between $150 million and $200 million would go directly to the farmers rather than into dairy products for storage.

Mr. HUMPHREY. I think the Senator has presented a reasonable, acceptable, modest proposal. I believe Senators ought to ponder what the amendment contemplates. First, if we continue with the present program, we shall get into more and more trouble costwise, to producers, to the Government, and to consumers. Second, the program outlined by my colleague from Minnesota, while it may not be the final answer—and he does not propose it as such; he proposes it as an interim program, until the committee of which he is a member can hold further hearings and make a further evaluation of the dairy problem—would afford a means for the farm producer to get better income and make him at least worthy of being within the farm producer group. Other producers are to get better incomes. The cotton producer, the rice producer, the wheat producer, and the feed grains producer are all under this program. They will be benefited.

The Senator from Minnesota proposes that if a farmer cooperates to reduce his production, if he disciplines himself voluntarily, he shall be rewarded with a better price for what he does. At the same time he will not be adding to Government stocks. Also, at the same time the consumer will not have to pay more in the grocery store, the chainstore, the supermarket, or the dairy shop.

I believe there is another point which needs to be brought out. It is the Department's estimate that if the worst possible development should occur under the McCarthy proposal, it would not cost any more than the present cost to the Government, but would provide more income to the farm producer, and he would spend the additional income to generate commerce, employment, industry, and possibly some revenue for the Treasury.

I do not see how we can really leave a farm bill without trying to do something constructive for the dairy farmer.

My colleague from Minnesota knows that I believe his proposal not only has genuine merit but goes much deeper. It involves a question of equity and social justice. We cannot ignore a group in the economy that has taken the biggest licking, the biggest cut in income of any single farm group within the past year. That is why I supported the original Proxmire proposal. I told the Senator from Wisconsin I did not think his amendment had all the ingredients of a full, total program, and that it had its limitations. He was the first to recognize it.

I have introduced a proposal—a long-range proposal—on behalf of my colleague has made a worthy proposal, and and myself. We do not plan to have it adopted on the floor of the Senate. There is no need to try to go through the motions. However, I think my colleague has made a worthy proposal, and I appeal to Senators from other parts of the country to give us at least some breathing time, a working period, in which to iron out certain difficulties. I believe the McCarthy amendment would accomplish that purpose, and I compliment my colleague for offering it.

Mr. McCARTHY. Let me give an example of how my proposal would work in the case of a farmer who markets 100,000 pounds of milk a year.

As the program now operates, the Commodity Credit Corporation can be expected to purchase about 10 percent of this amount, or 10,000 pounds, in a single marketing year. With a support price of $3.11, it costs the Commodity Credit Corporation about $4.15 for each 100 pounds to purchase this surplus, plus handling and storage costs.

Under my amendment, the producer might agree to reduce his production by 10 percent and become eligible for payments. For reducing production he could receive payments up to $2.50 a hundred pounds, or a payment of $250 if he reduced his production by 10,000 pounds. This would keep his net income at exactly what it was if he were producing 10,000 more pounds of milk. In addition, there would be $165—the difference between $415 and $250—which could be used to increase his income on the milk he produced. That would be $165 with which to work on the income side of the production of the particular farmer.

The $415 cost under the present program, if all of it were paid to the farmer on 90 percent of his production, instead of being used to buy butter and place it in storage, would actually increase his return to $3.57 a hundred pounds—an increase from $3.11. This would increase his net income, if he complied to the full extent, from $150 to $200 above that which he gets at the present time.

If he produced it all and got $3.11, he would receive about $3,110 in income for the year. If he participated fully in this program, the $250 paid to him for cutting down production and the other $165 by way of supplemental payments, the income on milk alone would be $3,213, or something more than a $100 increase.

If we take into consideration the reduction in feed costs and the cost of handling, his income would be increased from $150 to $200 a year, as a result of this program, with no increase whatsoever to the Government.

I think this example, applied to a very small producer, is an indication of how, depending upon compliance, the proposal would affect the total dairy industry, and how the Government program would be benefited.

Mr. PROXMIRE. Mr. President, will the Senator from Minnesota yield?

Mr. McCARTHY. I yield.

Mr. PROXMIRE. I wholeheartedly and enthusiastically support the amendment of the Senator from Minnesota. We have seen in the past few days that a large number of Senators are opposed to mandatory controls. They showed that yesterday in their vote, and they showed it even more emphatically today in their vote on my amendment. They oppose controls, even though they are voted voluntarily by two-thirds of the farmers themselves.

As the Senator has said, his amendment provides no quotas or restrictions; compliance would be voluntary.

Second, an even larger number of Senators are deeply concerned about the cost of the farm program. All of us are concerned with the consequences if programs are not adopted which will reduce costs sharply.

The merit of the amendment of the Senator from Minnesota is that it is voluntary, and can reduce costs. In connection with the reduction of costs, the great merit of the proposal of the Senator from Minnesota is that it puts the Secretary of Agriculture in a position where he can use his judgment and make payments up to $2.50 a hundredweight. He also would be enabled to make a judgment concerning production payments between $3.11 and a higher price, so it would be possible for the Secretary of Agriculture to tailor the program so that, in the first place, he could make certain it would cost no more. He could also provide a balance between the incentive payment to the farmer to reduce his production, which cannot result in an extra cost to the Government. So in this sense, it seems to me the amendment provides an opportunity for the Secretary of Agriculture to show his administrative ability and save a substantial amount of money, while increasing farm income. I think we agree that the Secretary of Agriculture earnestly wishes to do both those things.

It seems to me that we ought to underline and emphasize the fact that at present the dairy farmer has no opportunity to increase his income significantly except by increasing production. When he does so, a terrific burden is placed upon the taxpayers. He now gets a price support of 75 percent, which is very low, having been cut 10 percent only 2 months ago, so he is suffering seriously. The proposal of the Senator from Minnesota would provide him an opportunity to increase his income. In view of what happened in the Senate yesterday, if the dairy farmer is not accorded that opportunity, he will be at a serious disadvantage.

I also wish to emphasize that the Senator has offered a practical amendment.

The House has already considered this, and has accepted a similar provision as part of its version of the bill.

This is not a proposal which is far out or has not been given careful consideration. It has been given careful consideration by the House. The administration itself included in its proposal a similar provision. It is true that it related to a mandatory program, but I would say that in a sense it was a key part of the provision proposed by the Department of Agriculture, and the amendment of the Senator from Minnesota would preserve that.

Finally, Mr. President, the amendment of the Senator from Minnesota should be adopted because the alternative would be so bad—very bad for the farmers and very bad for the taxpayers. Furthermore, as the Senator from Minnesota has pointed out, the consumer would not have to pay a nickel more. Just as much milk would be sold, and at as low a price.

So I warmly support the amendment of the Senator from Minnesota. I believe it is a very good one.

Mr. McCARTHY. I thank the Senator from Wisconsin.

Mr. President, I think this amendment will bring us as close as we can come to the desired goal, without imposing mandatory controls.

The point the Senator has made is a very good one, as regards how to avoid such transfers. I think the House version of the bill is about the best we can do with this kind of a program.

Insofar as the possibility of such transfers is concerned, I believe there are economic forces which operate to prevent them. One is the fact that at $3.50 a hundredweight, there would be much more incentive for many farmers to expand their operations. This amendment will hold down the lid.

In the second place, the program under the amendment would be a temporary one. If it continued for 9 months, some farmers probably would proceed to get rid of one or two cows, or somehow to cut down the intensity of their dairy operations, until they could see what happened after the 9-month period. But in such cases the Secretary of Agriculture, working through the local committees, certainly would be in a position to know who was attempting to circumvent or violate the law, and would be able to take steps to meet that problem.

Mr. PROXMIRE. Mr. President, will the Senator from Minnesota yield?

Mr. McCARTHY. I yield.

Mr. PROXMIRE. This amendment would be a safety valve.

Mr. McCARTHY. Yes, it would. Some say that under such a provision, many farmers would sell some of their cows, decrease their operations, and receive benefits accordingly; but that they would also transfer those cows to other farmers, who, in turn, would receive the regular payments, and thus the result would be an increase in the cost. But, of course, if the Secretary of Agriculture found there were such "slippage," he would be able to take the necessary steps to circumvent it.

Mr. PROXMIRE. And if the Secretary found that the program could not be effectively administered, he would be in a position to reduce the $2.50 payments and the other payments, so that there could not be a significant increase in the cost to the Government. The Secretary of Agriculture has the necessary tools, and he is given the needed discretion in order to be able to protect the taxpayers and not permit the program to result in runaway costs.

Mr. McCARTHY. The Senator from Wisconsin is correct.

Some may be able to conceive of a kind of massive violation, under the act, in which case the cost might rise and the objectives might not be very fully met. But I believe that could happen only in one's imagination, but not in fact.

Therefore, Mr. President, I hope my amendment will be adopted.

I thank my colleague [Mr. Humphrey], the Senator from Wisconsin [Mr. Proxmire], and the other Senators for their contributions to the debate.

I reserve the remainder of the time under my control.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, I dislike to oppose this amendment.

However, as I stated a few hours ago, the purpose of the Committee on Agriculture and Forestry is to study the dairy program, in the hope of getting some permanent legislation.

As the Senator from Minnesota has stated, this amendment calls for a temporary program, and supposedly a voluntary program; and the hope is that it might save the Government some money. I should like to view the amendment in that light. However, knowing how farmers have acted in the past, in connection with these programs, when they tried to get all they could from them, I doubt that the farmers would feed their cows less, in order to produce less milk. In my opinion, the temptation would be for them to dispose of cows, so as to reduce their production; and the cows thus disposed of might be sold to neighbors, and the neighbors could obtain the benefits previously available to the vendors.

The average production of a cow in the United States, as I recall, is approximately 7,000 pounds of milk; and a farmer who had a cow which was producing 7,000 pounds of milk could dispose of the cow, and could obtain from the Government $175, in payments, at $2.50 a hundred; and the cow could be sold to a neighbor, and the neighbor could obtain from the Government $217.70 for producing milk—assuming that the cow would then produce the same amount that it did when it was owned by the other farmer.

On the other hand, the amendment contains a provision for the making of additional payments to farmers who would make this cut. In other words, such a farmer would be paid at the rate of $2.50 per hundred pounds, for every 100 pounds he reduced his production; but for the rest of his production, the Secretary of Agriculture would be empowered, under this amendment, to raise the price—the price on the rest of the farmer's milk production—or to give him compensatory payments, which could go up from $3.11 to $3.70 a hundred pounds.

So, Mr. President, for the life of me I cannot understand how the Government would gain by this amendment; and in view of the fact that the program would be a voluntary one, and there would be no method by which farmers could be prevented from selling their cows or from making their cows produce less, I doubt that the program would have the benefits which have been described by the Senator from Minnesota.

I wish to reiterate that the Committee on Agriculture and Forestry proposes to make a study of the milk program from now until next April, in the hope that before April 1 it will be able to come forward with a plan which will be of benefit to the producers of milk, but at the same time will reduce the excessive cost to the Government.

So, Mr. President, I shall ask Senators to vote against this amendment.

The PRESIDING OFFICER. Do the Senators who are in charge of the time on this amendment yield back the time remaining under their control?

Mr. McCARTHY. I do.

Mr. ELLENDER. I do.

The PRESIDING OFFICER. All remaining time on the amendment of the Senator from Minnesota has been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

Mr. ELLENDER. Mr. President, at this time I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Cannon in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Minnesota [Mr. McCarthy]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUSCHE (when his name was called). On this vote I have a pair with the Senator from Alaska [Mr. Gruening]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. METCALF (when his name was called). Mr. President, on this vote I have a pair with the junior Senator from Oregon [Mrs. Neuberger]. If she were present and voting, she would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Wyoming [Mr. HICKEY], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. MCGEE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Mississippi [Mr. STENNIS], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in the family.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Colorado [Mr. CARROLL], and the Senator from Missouri [Mr. LONG] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from California [Mr. KUCHEL] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

If present and voting the Senator from California [Mr. KUCHEL] would vote "nay."

The result was announced—yeas 21, nays 60, as follows:

[No. 62 Leg.]

YEAS—21

Bartlett
Burdick
Case, S. Dak.
Douglas
Hart
Hartke
Humphrey
Jackson
Kefauver
Kerr
Long, Hawaii
McCarthy
McNamara
Monroney
Morse
Moss
Mundt
Muskie
Proxmire
Young, N. Dak.
Young, Ohio

NAYS—60

Aiken
Allott
Anderson
Beall
Bennett
Bible
Boggs
Bush
Butler
Byrd, W. Va.
Cannon
Capehart
Carlson
Case, N.J.
Chavez
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Dworshak
Eastland
Ellender
Engle
Ervin
Fong
Goldwater
Hayden
Hickenlooper
Hill
Holland
Hruska
Javits
Jordan
Keating
Mansfield
McClellan
Miller
Morton
Murphy
Pastore
Pearson
Pell
Prouty
Randolph
Robertson
Russell
Saltonstall
Scott
Smathers
Smith, Mass.
Smith, Maine
Sparkman
Symington
Talmadge
Thurmond
Tower
Williams, Del.

NOT VOTING—19

Byrd, Va.
Carroll
Fulbright
Gore
Gruening
Hickey
Johnston
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
McGee
Metcalf
Neuberger
Stennis
Wiley
Williams, N.J.
Yarborough

So Mr. MCCARTHY's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

ORDER OF BUSINESS

Mr. THURMOND obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, the minority leader and I have discussed with various sponsors of amendments the question of how much time they would like to speak on the amendments. We have also talked with the ranking minority member of the committee and the chairman of the committee. At this time, on behalf of the minority leader and myself, I request unanimous consent that instead of 2 hours to be allowed on each amendment, 20 minutes be allowed on each amendment, 10 minutes to a side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. HICKENLOOPER. Mr. President, reserving the right to object——

Mr. ROBERTSON. Mr. President, reserving the right to object, I should like to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERTSON. What was the request?

Mr. MANSFIELD. I requested that 20 minutes be allotted to each amendment, 10 minutes to a side. I point out that 4 hours of debate will be available on the bill.

Mr. ROBERTSON. Mr. President, reserving the right to object——

Mr. MANSFIELD. Mr. President, the Senator from Iowa requested the right to object first.

Mr. HICKENLOOPER. Mr. President, I am always glad to accommodate my distinguished friend, the Senator from Virginia.

Mr. THURMOND. Mr. President, I yield to the Senator from Virginia.

Mr. ROBERTSON. Mr. President, the Senator from Virginia observes that yesterday his heart was wrung by the tears shed over the principle of private enterprise. Today he intended to offer an amendment which would give those who produce feed grains an opportunity to operate under the traditional system of private enterprise. But he finds now that the burning issue is, How will the farmers give us any credit if we do not give them a 75-percent support program?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. MANSFIELD. On the basis of the reservation of objection, I point out that the Senator from Virginia has already used about 15 minutes on his amendment. If he wants more time on the bill, he will get it when his amendment is called up.

Mr. ROBERTSON. Under the circumstances, I will not object.

Mr. HICKENLOOPER. Mr. President, I wish to find out where I am now. I reserved the right to object, and I am still reserving it. In connection with consideration of the agriculture bill, I wish to read into the RECORD a letter and do not want to be blocked in my effort to do so.

Mr. MANSFIELD. The Senator will not be blocked.

Mr. HICKENLOOPER. I have no particular objection to his request. I desired to obtain 3 minutes or 5 minutes to present the particular subject I have in mind.

Mr. MANSFIELD. The Senator has our collective assurance.

Mr. HICKENLOOPER. Do I have a sufficient bludgeon over the good graces of the majority leader by threatening a little in saying that if I do not get the time now, I will object? I do not think I will object.

Mr. MANSFIELD. The Senator will get the necessary time.

Mr. HICKENLOOPER. I thank the majority leader. I will trust his generosity.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. MUNDT. Mr. President, reserving the right to object, may I inquire how much time remains on the bill?

The PRESIDING OFFICER. The opponents have remaining 76 minutes and the proponents have 110 minutes.

Mr. MUNDT. Would there be a disposition on the part of our combined leadership to expand substantially beyond the 10-minute limitation debate on any one amendment which might appear to be controversial, either by its proponents or the opponents?

Mr. MANSFIELD. Of course.

Mr. CASE of South Dakota. Time is available on the bill.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

Mr. DIRKSEN. There were 27 amendments pending at noon today. I canvassed the author of every amendment, I believe. Some were willing to agree to use only 5 minutes on a side. Others agreed that they would not exceed 10 minutes on a side. The majority leader's unanimous consent request is based upon that canvass. I think the time would be adequate. I hope there will be no objection to the request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I thank my colleague, and I thank the Senator from South Carolina.

Mr. THURMOND. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment of the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. The Senator from South Carolina proposes an amendment for himself and Messrs. EASTLAND, BYRD of Virginia, ROBERTSON, HOLLAND, SMATHERS, and MCCLELLAN, that, beginning on page 2, line 1, to strike out all through page 8, line 20, and to redesignate other titles and sections accordingly.

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina.

Mr. THURMOND. Mr. President, I think some time would be saved if I could obtain an agreement for a yea-and-nay vote.

The yeas and nays were ordered.

Mr. HICKENLOOPER. Mr. President, this morning I received a letter which I believe is pertinent to the basic issue before the Senate. It is from a man knowledgeable in agriculture. I think it would be helpful to the Senate. I should like to read the letter into the Record, provided the time to do so is not charged to the time available to the Senator from South Carolina. If I could obtain about 5 minutes on the bill, I think I could read the letter in that time.

Mr. THURMOND. Mr. President, I shall be pleased to yield to the distinguished Senator from Iowa on the condition that the time he needs will not be taken from the time available to me on the amendment.

Mr. HICKENLOOPER. The time will be charged to the time on the bill, if necessary.

The PRESIDING OFFICER. Is the minority leader willing to yield time on the bill to the Senator from Iowa?

Mr. DIRKSEN. Mr. President, I yield 5 minutes on the bill.

Mr. HICKENLOOPER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 5 minutes.

Mr. HICKENLOOPER. Mr. President, this morning I received a letter from a very prominent and extremely knowledgeable and highly successful farmer in Iowa.

I was unable to communicate with the writer of the letter this morning by telephone in order to obtain permission to use his name. Therefore, I shall eliminate his name from the Record, but at a later date, if it is satisfactory with him, I will make public his name. He discusses a couple of points. I should like to read the letter into the Record for the consideration of Senators.

The writer has never been known as an enthusiastic Republican. If I told Senators his name, they would recognize that fact. The letter, which is addressed to me, reads as follows:

> May 23, 1962.
>
> Senator Bourke Hickenlooper,
> *From Iowa,*
> *Senate Office Building,*
> *Washington, D.C.*
>
> Dear Bourke: I suggest that you make a rather violent attack on the Commodity Credit Corporation and on Secretary of Agriculture Freeman on one particular part of the Billie Sol Estes case.
>
> The radio yesterday was full of the fact that the Government is going to terminate the grain storage of the Billie Sol Estes organization completely but in "an orderly fashion"—over a period of the next 18 months. The radio further stated that the Billie Sol Estes complex had in storage at the present time some 42 million bushels.
>
> Now if they take 18 months, it means that the Billie Sol Estes complex probably will collect an average of 1 year's storage on 42 million bushels for 1 full year—something like $5 million. It is a gift to commercial solvents who have an assignment which will come in right behind the Government claim for $500—

I believe that is a misprint—

> in cotton allotments.
>
> Every grain storage man in Iowa—and mind you, this includes a whale of a lot of farm cooperative elevators who have great numbers of members—every one of them will be completely outraged about taking 18 months to liquidate the Billie Sol Estes storage income when they have all been forced to ship 70 percent of the corn and other agricultural products which they have been storing for the Government. In Iowa, Commodity Credit has liquidated 70 percent of the storage in 90 days—now they are proposing to give a man indicted for conspiracy, thievery and everything else 18 months. It's preferential treatment still continuing—preferential treatment of the great magnitude as to be attackable.
>
> Everybody that has been reading the papers is familiar with the case—everybody that is listening to the radio is familiar with it—and I can think of no thing that would be so easy for you at this moment nor so logical.
>
> To hear the news reports, you would think 18 months is the normal and required time for liquidating a smelly situation. The Government announcement was that they were liquidating "in the usual orderly fashion."
>
> The only advantage I can see to the Billie Sol Estes situation is that it probably will be helpful in stopping Freeman's ridiculous request for mandatory controls of feed grains.
>
> Successful farming is out with an interview (which I have not as yet seen) which according to all reports exposes Freeman's and Cochrane's desire for a completely controlled agriculture—where a farmer almost has to have a license to farm. The thoughts of putting ourselves under dictatorial controls coming at the same time as the exposures of the whole Billie Sol Estes affair ought certainly wreck Freeman and his desire for dictatorial power.
>
> I think it's good politics for you to attack this preferred treatment in this matter of the liquidation of his grain storage holdings—but I not only think it's good politics—I think it's your duty as a Senator and as a member of the Agricultural Committee to just raise hell about it.
>
> Sincerely,
>
> ——— ———.

As I said, this man has never been known as a dedicated Republican. He is a very astute fellow, and he is quite observant. In his letter he suggests that I should raise hell about it. I take this method of raising hell about it, by reading the letter into the Congressional Record.

This is an utterly atrocious and inexcusable administrative procedure. If they are going to take 18 months to liquidate these holdings, when our storage people are being put out of business in 90 days by having their elevators swept clean, I cannot think of any stronger terms to use.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CASE of South Dakota. Does not the Senator from Iowa think it would be much fairer and in accord with greater equity if this grain were returned to elevators in Iowa and South Dakota and Oklahoma and elevators in other areas from which it was taken, so that they could earn this money during the next 18 months?

Mr. HICKENLOOPER. Yes; however, I do not believe that our elevator operators, because their elevators have been completely denuded by the Department of Agriculture, could profit from it. Most of them have gone broke. They are out of business.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. With the consent of the Senator from South Carolina, I yield 1 extra minute.

Mr. MUNDT. I take this opportunity merely to point out that when the news release was issued by the Department of Agriculture that it was canceling the storage contracts insofar as Mr. Estes' grain elevators were concerned, I was led to believe that this was going to be an expeditious action on the part of the Department of Agriculture. On that basis I took occasion to commend the Department of Agriculture. I said that while an ounce of prevention would have been worth a pound of cure, I was glad that the Department was taking its action, and I was pleased to commend the Department for taking prompt action to cancel the vast grain storage contracts enjoyed by the Estes enterprises.

Mr. President, I now take this opportunity publicly to rescind my commendation and congratulations to the Department. If they propose to take 18 months to take action and implement these cancellations in the Estes case, it means that the Department of Agriculture is putting itself in collusion with Billie Sol Estes and the deceit and trickery which he practiced. We have evidence that even in Texas the competitors of Billie Sol Estes, who played the game straight, also find their storage elevators pretty will depleted. If the Secretary of Agriculture is going to say, on the one hand, that he is canceling the lush contracts with Estes, and then delay this procedure for 18 months, so that millions of dollars of extra earnings can accrue to friends and associates of Estes who are included among his creditors, through that delay, I certainly want to retract the congratulations I offered the Department under the false assumption it was acting expeditiously. Instead it now appears it demonstrates still another act of favoritism for those involved in the Estes program of deception.

Mr. LAUSCHE. Will the Senator yield?

Mr. DIRKSEN. I yield 1 minute to the Senator from Ohio, with the consent of the Senator from South Carolina.

Mr. THURMOND. I yield, with the understanding that the time does not come out of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. My remarks will not be directly related to what has been said, except that they do relate to the policy of domination and control of the economy. I wish to read from page 33 of John Kenneth Galbraith's "Economic Development in Perspective":

> If we take as the measure of the amount of planning the proportion of all current resources—gross national product—fully controlled and disposed of by the state, about 20 percent of the American economy is planned. For India the comparable figure is 13 to 14 percent. The market economy of the United States has a larger public sector than the socialist economy of India.

This book was written in 1962, and states that on the Federal level we plan and control 20 percent of the economy. I do not know by how many percent this will be increased through these compulsory, inescapable, ironclad controls that are contained in the pending bill, but it will be more than 20 percent.

WITHHOLDING TAXES ON INTEREST AND DIVIDENDS

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Record a well-reasoned, documented statement on the withholding of taxes on dividends and interest, prepared by George E. Barnes, representing the Midwest Stock Exchange, filed with the Committee on Finance; a letter which Mr. Barnes addressed to the Secretary of the Treasury; and two articles on the same subject, one published in the Chicago American, and the other in the Chicago Daily News.

There being no objection, the material was ordered to be printed in the Record, as follows:

Hon. C. Douglas Dillon,
Secretary of the Treasury,
Treasury Department, Washington, D.C.

Dear Mr. Secretary: Almost a year ago, on May 23, 1961, to be exact, I called your attention to a most misleading set of statistics in the Treasury Department's presentation to the Congress of its tax program. This concerned the erroneous allegation that the 4-percent dividend credit and $50 exclusion reduced the percentage of the so-called double tax only 8 percent for a low-income individual shareholder while the percentage benefit was 41 percent for a high-income shareholder, when, as a matter of fact, tax savings under the 4-percent dividends received credit, disregarding the $50 exclusion, is 20 percent for dividends received by a small holder and only 4.4 percent for a person in the top income bracket.

It is indeed most disturbing to see you recently reintroduce to the Committee on Finance of the U.S. Senate the same set of statistics which are most misleading. Therefore, it is my hope that you will not fail to make an immediate correction. Also, I have been even more disturbed and surprised that you have approved giving the impression to the Congress and the public at large in your addresses that our citizens are cheating and chiseling taxes from dividends to a gross extent.

As you very well know, each and every annual dividend payment of $10 or more is conscientiously reported to you by corporations (most corporations report dividends on Form 1099 regardless of the amount). If there is any cheating taking place on dividend payments, you know just where it is happening and have every facility to enforce collections with the information at hand. Moreover, this is not a responsibility or prerogative to be shifted from Government to private enterprise.

Representing the Midwest Stock Exchange, I prepared and mailed earlier in the week a rather full statement on the impact of withholding on dividends and interest. I would appreciate your examining this statement most carefully. A copy is enclosed.

I have now had an opportunity to examine table 1 "Estimated dividend income of individuals not accounted for on tax returns for 1959," contained in your statement of April 2, 1962, to the Committee on Finance of the U.S. Senate to support a dividend gap of $840 million not reported by individuals. I find there is an obvious sizable discrepancy in this figure due to your underestimating at $880 million the total amount of dividends received by pension funds and other nontaxable organizations. For example, your estimates of $380 million dividends received by corporate pension funds is wholly unrealistic. The New York Stock Exchange reported in its 1959 survey $11.1 billion holdings of New York Stock Exchange listed stocks by such nontaxable institutions as of December 31, 1959. Based on a median yield of 3.8 percent for all New York Stock Exchange dividend paying listings for 1959, the payments would be $411.8 million, without any consideration to holdings of issues traded on other exchanges, bank, insurance and other over-the-counter issues and stocks of privately owned companies.

For colleges, foundations and other nontaxable organizations, the New York Stock Exchange reported $12.9 billion holdings of New York Stock Exchange listed stocks as of December 31, 1959, on which the dividends would aggregate $490.2 million, and compare with your estimate of $500 million, without any regard for other holdings mentioned above, and the fact that these tax-free organizations hold substantial amounts of preferred stocks on which the returns are relatively higher. Also, there has been a substantial shareownership of private corporations turned over to tax-free family foundations.

Inasmuch as only 58 percent of all dividend disbursements for the year of 1959 were made by New York Stock Exchange listed companies, it is safe to assume that these nontaxable organizations received their proportionate share of other dividend payments. Therefore, total holdings of stocks of these institutions is estimated to be $41.4 billion

$$\frac{100}{58} \times 24 \text{ billion}$$

on which the gross dividends for 1959 would aggregate approximately $1.6 billion based upon 95 percent holdings of common stocks returning 3.8 percent and 5 percent of holdings in preferred stocks returning 5.1 percent.

This accounts for $720 million of the estimated unreported dividend gap claimed by your office of $840 million. As I emphasized in the statement to the Committee on Finance of the U.S. Senate, there is an increasing amount of stocks being placed in the names of minors which would account for a sizable total of annual dividends not subject to tax.

May I please have the courtesy of an early reply for the reason that it is my plan to file a supplementary statement with the Committee on Finance to call the attention of its members to this continuing reliance on obviously erroneous statistics.

Cordially yours,

George E. Barnes.

Chicago, Ill.

Statement of George E. Barnes, Representing the Midwest Stock Exchange, Filed With Senate Finance Committee, April 1962

As a student of Federal income tax legislation for the past 40 years, I have never been so gravely concerned, as now, over the proposal to withhold taxes on interest and dividends under chapter 25 of H.R. 10650, for the reason that it is an open invitation to fraud—corporate and individual—would impose completely needless hardships on people who can least afford them, and would be more likely to shrink net revenues to the Government than to increase them.

I appreciate very much the opportunity to file this statement. It is based upon long experience in preparation of income tax returns, filing hundreds of claims, and dealing with customers in the banking and investment business and also serving on National and State tax committees. For the record, I am senior partner of Wayne Hummer & Co., Chicago, past chairman of the Midwest Stock Exchange and a working director and member of the executive committee of the Suburban Trust & Savings Bank, Oak Park, Ill.—and I might add that my views have the support of my bank, as well as the Midwest Stock Exchange.

For your information, my first studies of Federal income taxes were initiated in 1916 when I prepared up to 1,000 individual returns as a public service in behalf of the banking institution which I served as auditor. For a number of years, the Chicago collector of internal revenue annually acknowledged by letter my service to a community of 25,000, then without Internal Revenue agents to help the taxpayers.

I still prepare from 75 to 100 returns each year for friends and business acquaintances, in order to keep abreast of the regulations and to be generally helpful in an increasingly complex and complicated field.

It has also been a source of satisfaction to me that the Congress has adopted, on more than one occasion, tax proposals that I submitted, which the record will indicate. I mention my personal interest and experience in Federal tax matters for the reason that only this past week, I had an experience with the Internal Revenue Service that vitally concerns the subject at hand in connection with examination and audit of a 1960 individual tax return which I prepared.

In a return which reported $31,700.85 in dividend income, the examining agent had no 1099 information returns to audit the dividend items, numbering 65. Individual dividend payments ranged from 76 cents to $4,151.25. He asked the taxpayer to produce any copies that had been saved by him from the individual companies. Further, I cannot recall any time in the past 5 years an examining agent having before him for audit purposes forms 1099, regularly furnished the Internal Revenue Service at great expense by corporations and others.

In the reporting of dividends and interest, which all companies so cooperatively carry out, we already have an effective means and basis to collect taxes. In this connection, it is gratifying to know that the Commissioner of Internal Revenue is taking steps to provide improved audit procedures through computer data processing, and I would like to see it extended to interest payments below $600.

May I make very clear to you that since the end of World War II, because of what amounts to continuance of an excess profits tax as high as 91 percent on individual incomes (although the corporate excess profits tax was repealed), it has been the practice of parents to make periodic gifts to children and grandchildren, to lower the heavy burden of income and estate taxes. This has been facilitated by the passage, by every State of the Union, of a "Gifts to Minors Act," making it easier for parents to make gifts of securities and cash.

But even prior to this innovation, thousands and thousands of transfers were made to children in the form of savings accounts and securities, to ease the tax burden and make a better education available. If the facts were known, a good portion of unaccounted for interest and dividends claimed by the Treasury would not be subject to income taxes. It will be of interest to you that one of our clients recently transferred about $3,000 in stock to each of 21 grandchildren and five children. Incidentally, this category alone would create a vast number of taxpayers to whom the Government would be obliged to make refunds under the proposed legislation.

There are undoubtedly illegal or suspect sources which fail to report certain dividend and interest income. But it will be found that those who are engaged in legitimate businesses and professions generally report these items very conscientiously.

The Treasury's estimate that there is a 91 percent compliance of dividend reporting in income tax returns is highly credible, and when the tremendous volume of dividend payments to elderly people and minors not subject to income taxes is considered, this is a remarkable percentage, probably without equal anywhere else in the world.

Now I would like to list what appear to be, from my experience, the basic faults of the withholding provision of H.R. 10650.

Basic faults of interest and dividend withholding under chapter 25 of H.R. 10650:

Basic fault No. 1: Unjustified overwithholding of taxes.

Basic fault No. 2: Inefficiency, waste, and duplication imposed upon Government, business, and taxpayers to administer withholding.

Basic fault No. 3: A large segment of interest payments not covered by withholding.

Basic fault No. 4: Impractically and complication would cause a multiplication of administrative problems and serious interruption in operations of our security markets.

Basic fault No. 1: Unjustified overwithholding of taxes.

From my long experience in dealing with small stockholders and savings depositors, I am confident a large portion of the unjustly withheld taxes under the legislation would not be recovered, because of either ignorance or fear of making out a claim for refund incorrectly, or belief that it would cost more in time than the refund is worth. This is something to fear, inasmuch as it has been estimated that 8 million stockholders would be subject to overwithholding and the impact would fall most severely on those who can least afford it for these reasons:

Interest on savings accounts: The American Bankers Association took a sample survey last year of 300 commercial banks, which indicated a very large concentration of small savings accounts. It is interesting to note from this survey that two-thirds of the savings accounts in the reporting banks paid less than $15 in annual interest. Still another 15 percent paid annual interest from $15 to $45. If you will project this sampling to the 52 million savings accounts in the Nation, there are close to 35 million savings accounts in commercial banks alone earning interest of less than $15 a year. Need any more be said that this legislation would unjustly deprive thrifty people of their full earnings on their savings and result in untold losses and inconveniences? It is highly questionable whether most of these people would bother about refunds, and—by not doing so—they would incur losses.

Dividends on stocks: A 20-percent withholding rate is substantially more than the actual tax for the average shareholders for the following reasons:

1. The proposed plan does not consider the $50 annual dividend exclusion. For example, 25 percent of the shareholders of American Telephone & Telegraph receive less than $50 annually, and 50 percent of all these shareholders would be ineligible for quarterly refunds and would have to wait up to a year to get their money back.

2. There is no allowance made for the 4-percent dividend credit to individuals, which reduces the effective rate from 20 to 16 percent.

3. There is no provision for the 85-percent dividend credit on dividends received by another corporation. In other words, 20 percent would be withheld on dividends to other corporations, compared to an actual tax liability of 7.6 percent on large corporations in the 52-percent bracket, and only 4.5 percent for the small corporations paying a 30-percent rate.

4. The proposal to withhold on dividends and interest has been confused with wage and salary withholding, where proper allowances are made for marital, dependent, and medical deductions as well as age and retirement income credits. Even in the case of prolonged illness, wage withholding payments cease on the first $100 weekly compensation.

5. Tax-exempt organizations—such as churches, youth and character building agencies, welfare agencies, universities, corporate and union pension funds—may not claim exemption from dividend withholding under the plan. In other words, these organizations would be obliged to loan money to the Government without interest return each year by having 20 percent of their payments retained by paying corporations. These organizations, which operate on close budgets mainly from contributions and income from their investments, can ill afford to have their income reduced. Your attention is called to the fact that 8.7 percent of all ownership in publicly owned corporations is held by tax-exempt organizations, such as not-for-profit institutions and corporate pension funds.

6. The 20-percent withholding rate is unrealistic and is not geared to the actual liability of taxpayers of all types or a reasonable approximation thereof. For example, a person receiving $5,500, and claiming the standard deduction, would have a total tax liability of only $800, compared to withholding of $1,100. Retired taxpayers with extra medical deductions would be very adversely affected.

7. Banks, insurance companies, and other financial institutions receiving a high portion of their gross income from Government and corporate bond interest seldom retain 20 percent of their gross income after operating expenses. Consequently, they would be subject to a larger withholding than they could absorb (after credits for wage withholding and social security taxes), without impairment of working funds, and liquidity would thereby be vitally affected.

Basic fault No. 2: Inefficiency, higher costs, waste, and duplication imposed upon Government, business, and taxpayers in order to administer withholding.

The taxpayer as well as the Government would have no evidence or receipt for payments, which would result in total confusion. There would be required extensive and costly investigations and audits on the part of the Internal Revenue Service of all payers of interest and dividends to verify amounts not withheld, as well as records of corporations and banks to verify validity of millions of claims. Therefore, the plan contains many possibilities for loss to the Treasury due to inefficiency and/or fraud on the part of payers of interest and dividends. Recipients could well have a feeling of distrust, in the absence of any assurance or notification that tax payments were made. It is claimed that it will be a simple matter for a person to receive a refund by merely filling out a postcard or form and sending it to Uncle Sam. This statement is irresponsible, inasmuch as all cases where the Internal Revenue Service has no record of income-tax filings or payments would require a special investigation before the claim could be paid. Otherwise, it would be the same as giving the public a blank check to draw on the Government, which irresponsible people could abuse without detection, for the simple reason that it would be impossible under the proposal to support claims with any individual records of amounts withheld. This is the complete answer to quick refund advocates.

It would present a colossal problem for banks and savings institutions to determine the tax status of each depositor, and the execution of this would invade the private affairs of citizens and shift the burden and responsibility of tax collections from Government to private institutions. Eventually, these added administrative costs would be paid by the thrifty. It is estimated that the very minimum out-of-pocket expenses of the bank that I represent, to administer the withholding program, would be $1 per account. The postage on one mailing and return to 12,000 depositors, carrying savings balances aggregating $17,436,408, would be about equal to the total annual compensation provided of about 10 cents per account—for the privilege of holding funds temporarily. It is calculated that indirect supervisory costs to the bank for administering the program would also be substantial. This is contrary to the adequate compensation representations made by the Treasury.

Reporting of income on form 1099 by corporations and individual payers of interest and dividends provides the best means to insure maximum enforcement at minimum costs and confusion to business and Government. In my opinion, the outer limit of responsibility by business should be confined to providing regular informational reports to the Internal Revenue Service. You will always find that business firms are anxious to cooperate. The recent introduction of computer data processing by the Commissioner of Internal Revenue, to achieve more efficient audits and enforcement, is most welcome in this connection. Withholding would only add waste and duplication to this efficient effort.

Basic fault No. 3: A large segment of interest payments is not covered by withholding.

There is no withholding of interest on mortgages and private loans. This represents a much larger amount than interest payments on corporate bonds. The effect of withholding on owners of corporate and Government bonds would be to discriminate against them in favor of private lenders. This would force tax-exempt organizations and many individuals not subject to tax into other forms of investment that may not be so desirable or liquid. There could be a pronounced and adverse effect on the Treasury's savings bond program.

Basic fault No. 4: Impracticality and complication would cause a multiplication of administrative problems and serious interruption in operations of our security markets.

The problems of banks, trust companies and investment firms resulting from elimination or curtailment of use of shares in the names of a nominee, or what are known as "street certificates", would be staggering, since no exception is made and the full 20 percent is withheld under this legislation. As an example, banks and brokers acting as nominee usually receive one check from each corporation for a dividend payment, and the individual accounts are credited with the proceeds as the ownership appears, largely by automatic computers. If arbitrary withholdings are made, irrespective of the tax status of individual accounts, it would be necessary to register each certificate in the owner's name and process a multitude of additional items and checks by manual operations. With added costs to both banks and investment dealers occasioned by tax withholding, there would be no alternative than to increase service and/or commission costs to offset the burden.

Street certificates in many respects are the same to investment dealers and brokers as currency is to banks. Just as banks use currency to make change, so do street certificates facilitate transfers and deliveries of securities to customers or brokers and investment dealers. Also, it is not generally appreciated that street certificates, or nominee holdings, are used daily to make deliveries and settlements where security items of the seller do not reach the stock exchange clearing corporations on the contract date for one reason or another, because of distance or delays. There are also daily instances of street certificate substitutions for "not good delivery" items, comprising certificates in the names of corporations, trustees, estates and other nonnegotiable form, to expedite and facilitate daily settlements between buyer's and seller's broker. It should be obvious that the market machinery would be seriously clogged and impeded in case street certificates were eliminated or curtailed.

Under the proposal, all Government bond (excluding series E bonds) and corporate bond interest payments would be subject to 20 percent withholding, with no exceptions for individual and taxable corporate investors. This means that in the case of bond transactions, it would be necessary for the buyer to withhold from the seller 20 percent of any accrued interest to date of sale, since they would be obliged to pay 20 percent of the full coupon or payment on the next interest date.

This would impose many problems for bond dealers and banks. Investors would tend to delay transactions until the exact semiannual or annual interest payment date and create an accumulation of transactions with which banks and dealers in bonds could not cope.

It should be obvious that these withholding provisions would cause serious interruptions and instability of normal market operations in our bond markets. Even some taxable organizations such as banks and other large bond investors would wish to avoid overpayment of taxes by acquiring bonds between semiannual interest dates. Bond transactions would be further complicated whenever the seller is a tax-exempt organization, such as a church, school or charitable organization, inasmuch as buyers would object to making an outlay of 20 percent withholding tax on the full coupon when collected. For example, purchase from a tax-exempt organization of $100,000 par value U.S. Treasury 4-percent bonds 5 days before the interest would mean the buyer would pay the seller accrued interest of $1,956.04, but would collect only $1,600 ($2,000 less 20 percent) on the interest date, and would thus be required to resort to claims to recover the funds.

Conclusion: I could continue at length in regard to other complications and taxpayer problems to support opposition to withholding provisions of H.R. 10650. On the other hand, there can be no argument with the basic premise that each citizen should carry his fair and equitable share of the tax burden. On that premise, a minority of earlier witnesses have argued—with complete sincerity I am sure—that withholding of dividend and interest income is a desirable step toward tax equality.

Such witnesses, however well meaning, obviously have not had an opportunity to study the implications of the pending withholding proposal, or they fail to grasp its destructive potential. On balance, I believe that the principle as proposed is demonstrably inequitable, administratively impractical and wholly undesirable. Briefly and bluntly, its enactment would not encourage tax equality. But it would take us deep into the area of discriminatory self-defeating taxation in its most virulent form with consequent and perhaps crippling impairment of and respect for our entire basic revenue collecting processes.

[From Chicago's American, May 1, 1962]

That $840 Million Dividend Tax Gap Is Called Phony

(By Hal Thompson)

Congress is being kidded by Secretary of the Treasury Dillon into believing that a withholding tax on interest and dividend payments is necessary to collect $840 million in unreported dividend taxes. This charge was made by George E. Barnes, senior partner of Wayne Hummer & Co., and former chairman of the Midwest Stock Exchange.

In a press conference held in the board of governors' room of the Midwest Exchange, Barnes labeled the contention of the Treasury Secretary that $840 million in dividend taxes are going uncollected as being based on erroneous information. In fact he maintains that no gap exists between actual dividend tax payments and the sum which the Secretary estimates is due the Government.

The $840 million figure which the Secretary infers the Government is being cheated out of annually in the nonpayment of taxes on dividends actually represents nontaxable income, Barnes stated.

DIFFERENT TOTALS

Which incomes are nontaxable? Barnes pointed out that groups which fall in this category include pension funds, churches, foundations, colleges, and welfare funds.

Now as a matter of fact, Barnes revealed he had advised the Treasury Secretary in a letter he was placing in the mails, such nontaxable income really amounts to around $902 million annually and not the $840 million figure.

The former Midwest Exchange chairman presented statistics based on a 1959 New York Stock Exchange survey in support of his contention that the Treasury Secretary was using grossly misleading and erroneous statistics in his efforts to obtain congressional approval of the proposed 20-percent withholding tax on dividends and interest.

This survey showed that nontaxable organizations held $24 billion of New York Stock Exchange stocks in 1959. Of this total $11,100 million was held by corporate pension funds and $12,900 million was held by college, religious, and welfare funds.

Based on a 3.8 percent median yield, such investments should have netted corporate funds that year $411,800,000 in dividend income and the second group of nontaxable organizations $490,200,000 in dividend income. Thus the total nontaxable dividend income was $902 million, a sum which, of course, the Government has no tax claims to.

Barnes also presented other data tending to prove that the Government was presently collecting most of its taxes on dividend income. He pointed out that in 1959 5,948,378 dividend taxpayers reported dividend income; of this total 781,696 paid no taxes because their total income was too low.

ACCURATE FIGURE

Now in 1959, 6 million we'd say was a fairly accurate figure for the total number of individual stockholders in this country. The fact that all of them reported dividend income and most paid taxes on it we submit is pretty good proof that our present system of collecting such taxes is working rather effectively.

Barnes' statistical attack on the Treasury's logic in this issue we believe shoots it full of holes.

If there is no $840 million shortage in taxes as the Secretary alleges then why is a withholding tax on dividends and interest necessary and "in the public interest" at this time?

Before the Senate finally acts on this measure which already has passed the House we suggest that it look carefully into Barnes' allegations.

To this columnist they seem irrefutable.

[From the Chicago Daily News, May 2, 1962]

Catching the Tax Cheats

Proponents of withholding taxes on dividends and interest have been nailed on one misrepresentation and accused, very plausibly, of another. The agent for this was George E. Barnes, Chicago broker, before the Senate Finance Committee.

The original administration bill was amended to permit exemptions from withholdings upon the filing of an affidavit that no tax would be owed. This was represented as the cure for the charge that many widows and elderly couples, although owing no taxes on such income, would have to wait a year to recover money withheld.

Mr. Barnes points out that the real problem of overwithholding would remain. Among numerous examples, he cited the case of a retired couple whose income is $6,000 a year. Their taxes would be $600, but $1,200 would be withheld. The figures show that for any income up to $19,000 a year from such sources, withholding would be greater than taxes owed.

The basis for the effort to withhold taxes on dividends and interest is the estimate of Secretary of the Treasury Dillon that $840 million in dividends is unreported and therefore untaxed each year. Mr. Barnes cites a 1959 study by the New York Stock Exchange showing that tax-exempt institutions—colleges, pension funds, and the like—owned securities worth $24 billion listed on that exchange alone.

This sum would yield about $900 million in dividends, fully accounting for the gap reported by Secretary Dillon.

If one is reluctant to conclude that a Cabinet officer would attempt to bolster his case with phony statistics, he might recall the case of Defense Secretary McNamara in the recent steel imbroglio. President Kennedy solemnly announced that Mr. McNamara had calculated that a 3.5-percent boost in steel prices would cost the Defense Department a billion dollars a year. Since the Defense Department spends about $35 billion a year for material, the figure was obviously reached by applying 3.5 percent across the board.

The Department, however, buys uniforms and paper, rubber and aluminum, and thousands of other things not made of steel. The estimate emerges as the wildest exaggeration.

It is easy to prove the hardship that withholding of taxes on dividends and interest would impose on people, as well as the gigantic and expensive chore that it would impose upon business and financial institutions. Unless the fact of extensive tax cheating can be demonstrated conclusively, the case for withholding collapses. Right now, that seems to be the situation.

THE BILLIE SOL ESTES CASE

Mr. WILLIAMS of Delaware. Mr. President, in today's Washington News there appears an article entitled "Marshall Killer Hunted in Texas." It deals with the difficulty the attorney general of Texas is having in obtaining the cooperation of the Secretary of Agriculture and Attorney General Kennedy in connection with a certain 175-page report on the Estes case. The Department of Justice has said that it is willing to furnish portions of the report but that it could not furnish all of it. The Department of Justice is furnishing the report in its entirety to the investigating committee of the Senate.

They are right in furnishing it to the Senate. However, I see no reason why the Department of Justice and the Department of Agriculture should not cooperate fully with the attorney general of Texas, who has done excellent work in the case. If there is anything in that report which would help establish the facts in regard to the extraordinary death of Mr. Marshall the Government of the United States should cooperate to the fullest with the State authorities.

I see no reason why this report or any other information which the Government has on Mr. Marshall's activities should be withheld from the State of Texas. This case is already cloudy enough. I hope the Justice and Agriculture Departments will reverse their decision.

I ask unanimous consent that the article to which I have referred be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BATTLE FORECAST OVER ESTES REPORT—MARSHALL KILLER HUNTED IN TEXAS

FRANKLIN, TEX., May 25.—Texas Rangers and local law enforcement officers today searched for the person who may have killed the man who was investigating Billie Sol Estes.

A medical examiner's report said Henry H. Marshall, who was looking into Estes' cotton allotments deals, probably was murdered. But the report left a slight possibility Mr. Marshall committed suicide.

State officials investigating Mr. Marshall's death were unhappy today because the Department of Agriculture and the Justice Department refused to turn over a complete copy of a 175-page report on Estes' activities.

The Justice Department said portions dealing solely with Mr. Marshall could be turned over, but not the complete report.

The grand jury investigating his death would prefer to see the whole file and make its own decisions as to what is material, State Attorney General Will Wilson said.

Mr. Marshall, an Agriculture Department employee found dead near Franklin last June, had been shot five times with a .22-caliber bolt-action rifle.

Members of Mr. Marshall's family were incensed when yesterday's medical report left the door open to suicide.

A Robertson County grand jury has been in session since Monday to hear evidence about Mr. Marshall's death. It recessed yesterday until Monday just before the medical verdict was returned.

On October 27, a report on cotton manipulations in Texas was written in the U.S. Department of Agriculture. It included Estes' activities and Mr. Marshall contributed some information to it.

Local authorities asked for a copy but the U.S. district attorney in Dallas, acting as legal agent for the Agriculture Department, said yesterday he would not submit the full report. He offered to provide excerpts, claiming Federal privilege against a State subpena.

This may start a long fight through Federal courts. State authorities are especially unhappy because Agriculture Secretary Orville Freeman said a thorough investigation of Estes' activities was difficult because Mr. Marshall took so many secrets with him when he was murdered or took his own life.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. THURMOND. Mr. President, the purpose of my amendment can be simply stated. It strikes out the entirety of title I of the pending bill.

Title I, or the land-use adjustment section of S. 3225, authorizes the expenditure of Federal funds under the provisions of three different acts for the development of recreational facilities. This is at best only indirectly related to agriculture in that it anticipates the retirement of land in rural areas. However, it has no place in an omnibus farm bill of this type. The construction or development of such recreational facilities as is contemplated are no more than public works projects and should be considered as such.

The full cost of the program established by title I cannot be accurately estimated. The Secretary of Agriculture is authorized to enter into long-term agreements, up to 15 years. Appropriations for section 101 are limited to $10 million per year, but there are no effective limits for either section 102 or section 103. Bearing in mind the condition of our Nation's finances, the expenditure of an undetermined amount of money on the pretense of developing recreational facilities cannot be justified. It is neither necessary nor wise to enter into this long-range program at this time.

Section 101 completely eliminates the provision for State plans under the Soil Conservation and Domestic Allotment Act. It nationalizes the program and places it on a permanent rather than a temporary basis. I think that it is unwise to completely eliminate any reference to State plans and turn over complete authority under the provisions of the bill to the National Government.

Mr. President, the recreational facilities developed under the provisions of this title would, therefore, be subject to strict national regulation and control. The funds provided could be made contingent upon rules and regulations established by the Secretary of Agriculture. To that extent, the will of the National Government would take precedence over customs and practices of the area where the facility was established. Without a doubt, funds would be withheld in the South, unless a policy of mandatory integration in these recreation areas were established.

Mr. EASTLAND. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I yield.

Mr. EASTLAND. Is it not true that the Federal Government has been unable to induce the South to accept racial integration, and that this provision is an attempt, by the use of Federal funds, to bring about integrated swimming pools, dance halls, motels, golf links, and other recreational facilities?

Mr. THURMOND. The Senator from Mississippi is eminently correct. Later in my talk, I shall discuss that point. I predict that this provision will be used as one further economic tool to coerce the South into conforming to the wishes of the bureaucratic setup here in Washington. Judging from the recent announcement with regard to the funds under the impacted areas legislation, it is certain that this policy of forced integration will be pursued by the executive branch of our Government. Every conceivable method has been used in the past to deprive the South of their right of freedom of choice, and it will be no different under the provisions of this bill if it is enacted into law. It will mean that unless the people of the South cater to the wishes of the National Government, the funds authorized under this act, and a portion of which the people of the South provide with their own tax money, will be withheld from them.

During the discussion of title I of the bill on Monday, the Senator from Vermont [Mr. AIKEN], the Senator from Florida [Mr. HOLLAND], and the Senator from Mississippi [Mr. EASTLAND] reviewed the provisions of title I of the bill.

Some points were developed in such colloquy that I am sure are not apparent on the face of the bill and which I believe warrant the consideration of the Senators.

The Senator from Mississippi [Mr. EASTLAND] inquired of the Senator from Vermont [Mr. AIKEN]:

> Is it true that under this title recreational facilities, including motels, golf courses, swimming pools, and dance halls will be financed by the U.S. Government to be used by the public?

The Senator from Vermont [Mr. AIKEN] said he was not sure about dance halls, but that certainly the answer to the question was that such recreational developments would be available for public use.

Mr. KEATING. Mr. President, will the Senator from South Carolina yield?

Mr. THURMOND. I will be pleased to yield to the Senator from New York, provided that the questions he asks and the time he takes will be charged to his side, not to mine.

Mr. KEATING. Does the Senator from South Carolina agree with the legislative history concerning this subject? Does the Senator agree with the statements made by the Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. HOLLAND], and the Senator from Vermont [Mr. AIKEN]?

Mr. THURMOND. I am simply stating what has occurred in the colloquy on the floor of the Senate during the debate.

To the question of whether or not this meant integration of recreational facilities, the Senator from Vermont said:

> They certainly ought to be. It is the intention that there will be no discrimination against any people at all in any public recreational facilities where Federal money is involved.

Later on during the discussion of title I a similar colloquy occurred between Senators EASTLAND and HOLLAND.

The Senator from Florida [Mr. HOLLAND] expressed the view that there could hardly be any question as to the interpretation made by Senator Aiken in this respect.

I say to Senators in all sincerity that no matter what their views may be with respect to the social intermingling of the races, we need to move slowly and cautiously in this whole area.

The PRESIDING OFFICER. The 5 minutes of the Senator from South Carolina have expired. Does the Senator yield himself additional time?

Mr. THURMOND. Mr. President, I yield myself as much additional time as may be necessary. I shall probably not require more than 1 or 2 additional minutes.

We need to move slowly and cautiously so as to avoid the conflict and exasperation of people that this issue is arousing.

Equal economic opportunity is one thing. An equal opportunity for educational advancement is generally accepted.

But this proposal obviously goes beyond this. It compels social intermingling in public recreational facilities, irrespective of local views, customs, and traditions.

I do not think we ought to back carelessly into this field. We should give it prudent consideration.

We should not let this proposal, which on its face does not appear to involve this whole explosive and controversial issue, go into effect not knowing what we are doing or what the full implication of our actions may be.

It would seem to me to be an unwise, precipitate action for us to enact title I of the bill, a bill that is devoted primarily to agricultural matters, with the knowledge that we are opening the door to consequences that have not been explored, discussed, or adequately reviewed by any of us.

For this reason we are offering an amendment to strike title I of the bill. Title I is not an essential part of the bill. The question of Federal involvement in financing recreational facilities is one that need not be dealt with at this time. The deletion of the title will not affect the design or major purposes of the bill.

Mr. President, I reserve the remainder of my time. If any other Senator wishes to speak in behalf of the amendment, time can be yielded to him.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

I regret that the amendment has been offered, because I consider title I a very important section of the bill. As all of us know, the national park system has been of great benefit to the people as a whole. Every reservoir that is built anywhere in the country serves the people well by providing recreation.

Title I extends the ACP program as a national program, provides for diversion by individual farmers of cropland to recreation and conservation; provides for loans, and I emphasize "loans," to local government bodies for land utilization projects; and provides for assistance to local watershed project sponsors in providing public recreation.

When the bill came to the committee, the most serious objection raised to title I was that the Government had been given authority to purchase land, whether it was marginal land or any other kind of land, for recreational purposes. The committee has deleted all of that language. The management of the recreational facilities will be placed strictly under the control of the local authorities—of State and municipal organizations.

Particularly will the program be good for the watershed areas throughout the country, where the Federal Government builds small dams. Such dams are built wherever it is decided that a small reservoir may serve a community by providing good fishing and other recreational facilities. Then the Federal Government will step in and help to pay for the purchase of some of the land for that purpose—the same as is being done when the Federal Government builds huge dams throughout the country. We are extending to the small water-facility projects the same provisions now being applied to the large dams; and, as I have said, the Federal Government will assist in planning the projects. But under no circumstances will the Federal Government manage them. All the management will be under the supervision of local interests.

Mr. THURMOND. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. THURMOND. I am sure the Senator from Louisiana is familiar with the fact that the impacted areas legislation also provides that the funds are to be administered by the local people. However, I am also sure that the Senator from Louisiana is familiar with the announcement, recently made, that the funds will be withheld unless there is integration. Does the Senator from Louisiana think the same thing will occur in this case?

Mr. ELLENDER. I do not think so. The amendment made by title I of the bill to title III of the Bankhead-Jones Act provides for loans to State and local agencies. No grants are provided. The terms of the loans must be satisfactory to the State or local agency, or they do not have to accept the loan. If the terms of the loan are satisfactory, this provision may be of some use to them. If not, they can finance in the usual manner. They have to pay back the money, whether they obtain it by loan from the Government or by loan elsewhere. These funds are loaned to local people, and I have full confidence that the local people will handle this situation as they see fit.

Mr. AIKEN. Mr. President——

Mr. ELLENDER. Mr. President, I yield to the Senator from Vermont the remainder of the time under my control.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. First, let me say that recreational areas financed in whole or in part by Federal funds should be made available to all people, regardless of race, creed, or color. Therefore, I am opposed to the amendment of the Senator from South Carolina.

At this time I yield 4 minutes to the junior Senator from New York [Mr. KEATING] if that much time remains under my control. After that, I shall ask whether it will be in order for me to yield 5 minutes on the bill to the senior Senator from New York [Mr. JAVITS] so that he may have equal treatment.

The PRESIDING OFFICER. The Senator from Vermont is in charge of the time available to the minority.

Mr. AIKEN. Mr. President, I yield the remainder of the time under my control on the pending amendment to the junior Senator from New York [Mr. KEATING].

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. KEATING. Mr. President, I agree completely with the view expressed by the Senator from Vermont. Title I allows the conversion of unneeded or uneconomic cropland to other purposes, primarily recreational. This seems to be a sensible way to curb excess agricultural production, and at the same time give encouragement to the development of recreational facilities which would be most useful to our rapidly growing urban areas. This is one part of the bill—and there are not many of them in this category—which seems to be wise.

I have sent to the desk, and have had printed, an amendment which is submitted by me, on behalf of myself, my colleague [Mr. JAVITS], the Senator from Pennsylvania [Mr. SCOTT], the Senator from New Jersey [Mr. CASE], and also the Senator from Massachusetts [Mr. SALTONSTALL], who desires to be affiliated with us in the sponsorship of the amendment. The amendment requires that any public recreational facilities developed with Federal assistance under title I of the pending bill shall be available to all persons, without discrimination on account of race.

Up to this point, there seems to be unanimity of opinion in the Senate debate on this subject. No Senator has questioned the fact that Federal funds provided under this measure cannot be used for segregated facilities.

The Senator from South Carolina, the Senator from Mississippi, and the Senator from Florida approach this problem from a viewpoint different from mine; but I compliment them on their recognition that recreational facilities developed under title I of this bill will have to be integrated. It seems very clear to me that that is the case. Certainly there is no possible justification for using Federal funds for the development of facilities to be used on a Jim Crow basis. It makes no difference whether the assistance is in the form of loans or whether it is in the form of grants; and it makes no difference whether the facilities are managed by the Federal Government or by the State authorities. If Federal tax funds are involved in the acquisition, construction, or maintenance of such facilities, they must be open to all Americans, without regard to race; they must be public in the true sense.

I shall vote against the amendment to strike title I.

Mr. AIKEN. Mr. President, I yield 5 minutes on the bill to the senior Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, needless to say, I am opposed to this amendment.

However, it is interesting to me to note that when we deal with measures for conservation and for the preservation of important areas of the country which are subject to conservation, there is strong support for them, and even considerable enthusiasm, because of the feeling that one of the dearest resources of the country will thus be preserved. However, when conservation provisions are included in the context of an agricultural bill, there is not the same emphasis on that aspect, nor do we find massing behind such a program the same amount of sentiment by the conservation groups. Of course, the reason for that is that the agricultural provisions of the bill overshadow the conservation aspects of it, and, therefore, perhaps the major conservation groups are not yet aware of this part of the bill. Under our great governmental system, people often become aware of such situations only after some action adverse to their interests has been taken.

It seems to me that to reject or strike out this title would be adverse to those interests. New York has taken great pride in being one of the leading States of the Nation in terms of its interest in and its concern with conservation. Therefore, on that ground alone, I would strongly oppose striking out this title.

In the second place, ever since I first became a Member of Congress, I have taken a rather consistent position as regards voting against the concept of high, fixed price supports on a permanent basis. I have often been charged with being "less liberal" regarding that principle than I am in regard to many other economic and social proposals on which I have had the privilege of voting. But it seems to me that the problems of American agriculture are very deep seated, and that they will not be solved fundamentally in a way which will be in the interest of both consumers and farmers by providing only poultices, although I can thoroughly appreciate the dilemma of many Senators who represent areas which in the main are rural, and who must make some arrangement from year to year, so to speak.

That is all the more reason why those of us who, like myself, represent States which are heavily urban, should do their best to hew out, over a period of time, a more basic policy than this one.

As I have stated, I am deeply opposed to high, fixed price supports on a permanent basis and the permanent withdrawal of land from productive uses, so that it cannot thereafter be restored to such uses if subsequent exigencies require that. But I approve of such withdrawals on a temporary basis, if in the meantime the land can be used for other desirable national purposes. In principle, I believe the latter to be better than the idea of inhibiting the production of food which is so urgently needed throughout the world.

I repeat that in representing an area which has so large a population of urban consumers, I believe it sound to utilize for desirable purposes such as these the lands dealt with in title I, rather than merely to inhibit agricultural production on them at a time when agricultural production is desperately needed throughout the world and is also greatly in the interest of American consumers.

For these two reasons, Mr. President, I believe it is much sounder to proceed along the line of the provisions contained in title I. Therefore, I oppose the pending amendment, and I hope it will be rejected.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. AIKEN. Mr. President, I have a little time left.

The PRESIDING OFFICER. The Senator from South Carolina has 2 minutes remaining.

Mr. AIKEN. I yield the Senator from Delaware [Mr. WILLIAMS] 3 minutes on the bill.

Mr. WILLIAMS of Delaware. Mr. President, first, I want to say that I agree with the Senators who have said that if the Federal Government is going to build parks, they must be open to all of the people and not only to a certain group. On that point I am in agreement. However, I shall support the amendment of the Senator from South Carolina to strike this title from the bill. It does not have any part in an agricultural bill.

If we want to start a program of building parks in this country, we have established agencies of the Government that can do it. Why confer on the Secretary of Agriculture, in the name of helping the farmer, the right to build hunting lodges, for example. If I want to go hunting why should the Secretary of Agriculture build a hunting lodge for me? Why should the Department of Agriculture establish hunting preserves, tourist camps, and swimming pools in the name of agriculture? If we want parks constructed, let us develop the parks in this country through the established facilities of the Interior Department—and if we want them, let us build them openly and aboveboard, and not in a bill in which the costs are going to be charged to the American farmer.

Mr. THURMOND. Mr. President, the distinguished junior Senator from New York [Mr. KEATING], I believe, made a statement that he was pleased I had interpreted the history as he indicated. His statement was not accurate. I made no such interpretation. I merely cited what had occurred during the consideration of the bill.

I now yield the remainder of my time to the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, may I have some additional time?

Mr. AIKEN. Mr. President, I yield 3 additional minutes to the Senator from Florida, on the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. HOLLAND. I thank the Senator. I agree with the Senator from Delaware in opposing title I, primarily because it is the beginning of a grandiose scheme which was given a clear airing in the committee, and which every Senator ought to know about.

I am thoroughly in accord with the idea that the forced integration that would follow would bring trouble, and the evidence is clear on that, because much of the trouble that has originated in interracial matters has come in integrated swimming pools, playgrounds, and the like.

But let us forget about that for a moment and think about the suggested new and almost unlimited activity suggested for the Department of Agriculture. The Secretary of Agriculture frankly stated to the committee that he had in mind a rural renewal program which would be comparable to the urban renewal program. He asked for the right of condemnation of lands of all kinds, whether marginal or not; for the right of operation of a tremendous empire of recreational facilities at almost unlimited expense.

Of course, the committee cut out the worst features—the right of condemnation and operation. Nevertheless, we know what was intended; that was the program; and it was fully confessed to be so.

We still have in the bill another part that relates to the Farmers Home Administration, which gives the right to make loans to get lands of any kind, whether marginal or not, whether residential or not, whether industrial or not, for this purpose. We have, even under the present limitations, very high commitments for the loans of Federal moneys for this new purpose: for instance, $60,000 to any individual farmers; $500,000 to any association of farmers; $1 million to an association of farmers for the purpose of getting a loan which would be insured by the Farmers Home Administration; $250,000 to a public unit for the development of recreational facilities, without the matter being referred to anybody, and in the sole discretion of the Secretary of Agriculture; an unlimited amount beyond the $250,000, limited only by available appropriations, if the matter is referred to the two committees in the House and the Senate and is approved by those two committees.

This is the beginning of a big scheme which I certainly will not approve, because I do not think it is either wise or necessary. We have four or five Federal agencies engaged in the development of recreation facilities. I see no reason at all why we should launch this tremendous and unlimited effort, particularly when we know the bureau which will administer it has in mind something vastly larger than what is provided in the limited terms of this particular committee bill.

I do not favor title I, primarily for the reasons which I have stated, and particularly that part relating to the Farmers Home Administration, which has been used always as a beneficent help for submarginal farmers to obtain farms of their own, to develop farms of their own, to build housing on them, and do those things which have done so much good throughout our country. Now to inject this kind of feature in the bill, which has nothing to do with the functions of that executive agency, would be objectionable. I object to it. That is primarily why I shall support the amendment.

Mr. DIRKSEN. Mr. President, I yield myself 3 minutes on the bill.

I said yesterday this item was completely miscast in the pending bill. Frankly, it disturbs me, because I do not like to have people who are so devoted to the outdoors feel I am unsympathetic to their problem. I said these functions should be in the Department of the Interior. By Executive order, they have set up the Bureau of Recreation and Recreational Development. In the Department of the Interior we have the Fish and Wildlife Bureau Service, the Bureaus of Commercial Fisheries, Land Management, and Public Land, and other agencies all identified with the outdoors. That is where this function should go, and it ought to be done on a project-by-project basis, and on the basis of direct appropriations.

I agree with the Senator from Florida that to dip into Bankhead-Jones funds seems to extend the old Bankhead-Jones Act beyond the original concept we ever had before.

I find myself between the devil and the deep blue sea. If some proposal were offered to put this function in the Department of the Interior, I would go along with it. I would hope ultimately it could be refined. But it is here, and since this provision will have particular appeal to urban people, since they will get the maximum benefit—the only place where it touches the agricultural segment of our economy is with respect to the amount of land which would be taken out of cultivation—this is not a function to be put in the Department of Agriculture. Let that Department devote itself to the business of solving the farmers' problems, and let the matter of recreation and recreational development go to that department of Government where it is properly coordinated and where it rightly belongs. Beyond that I have nothing to say.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina for himself and other Senators. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR (when his name was called). On this vote I have a pair with the Senator from South Carolina [Mr. Johnston]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MONRONEY (when his name was called). On this vote I have a pair with the distinguished junior Senator from Louisiana [Mr. Long]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. SYMINGTON (when his name was called). On this vote I have a pair with the senior Senator from Virginia [Mr. Byrd]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. Gore], the Senator from Wyoming [Mr. Hickey], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Mississippi [Mr. Stennis], and the Senator from Texas [Mr. Yarborough] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in family.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from South Carolina [Mr. Johnston], the Senator from Alaska [Mr. Gruening], and the Senator from Mississippi [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Colorado [Mr. Carroll], the Senator from Alaska [Mr. Gruening], the Senator from Missouri [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Texas [Mr. Yarborough], the Senator from Wyoming [Mr. Hickey], and the Senator from Wyoming [Mr. McGee] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from California [Mr. Kuchel] is necessarily absent.

The Senator from Wisconsin [Mr. Wiley] is absent by leave of the Senate.

If present and voting, the Senator from California [Mr. Kuchel] and the Senator from Wisconsin [Mr. Wiley] would each vote "nay."

The result was announced—yeas 17, nays 65, as follows:

[No. 63 Leg.]

YEAS—17

Boggs
Curtis
Eastland
Ervin
Hill
Holland
Hruska
Jordan
McClellan
Robertson
Russell
Smathers
Sparkman
Talmadge
Thurmond
Tower
Williams, Del.

NAYS—65

Aiken
Allott
Anderson
Bartlett
Beall
Bennett
Bible
Burdick
Bush
Butler
Byrd, W. Va.
Cannon
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Chavez
Church
Clark
Cooper
Cotton
Dirksen
Dodd
Douglas
Dworshak
Ellender
Engle
Fong
Goldwater
Hart
Hartke
Hayden
Hickenlooper
Humphrey
Jackson
Javits
Keating
Kefauver
Lausche
Long, Hawaii
Mansfield
McCarthy
McNamara
Metcalf
Miller
Morse
Morton
Moss
Mundt
Murphy
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Saltonstall
Scott
Smith, Mass.
Smith, Maine
Williams, N.J.
Young, N. Dak.
Young, Ohio

NOT VOTING—18

Byrd, Va.
Carroll
Fulbright
Gore
Gruening
Hickey
Johnston
Kerr
Kuchel
Long, Mo.
Long, La.
Magnuson
McGee
Monroney
Stennis
Symington
Wiley
Yarborough

So Mr. Thurmond's amendment was rejected.

Mr. ELLENDER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MILLER. Mr. President, I offer an amendment, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The Legislative Clerk. Following the word "Secretary" in line 5, page 3, it is proposed to add: "(in cooperation with the Bureau of Outdoor Recreation on recreational development)."

Following the word "Secretary" in line 3, page 5, it is proposed to add: "(in cooperation with the Bureau of Outdoor Recreation on recreational development)."

On page 7, line 16, it is proposed to strike the word "him" and insert in lieu thereof the following: "the Bureau of Outdoor Recreation."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Iowa.

Mr. MILLER. Mr. President, I yield myself 2 minutes.

I believe at the time title I was drafted, the drafters did not realize that the Secretary of the Interior would be establishing a Bureau of Outdoor Recreation. Such a Bureau has recently been established. The function of the Bureau is to serve as a coordinating agency for all activities pertaining to recreation in Federal activities. All my amendment would do would be to make clear that in title I, under which the Secretary of the Interior would take certain activities pertaining to recreation under the Soil Conservation and Domestic Allotment Act, under the Bankhead-Jones Farm Tenant Act, and under the Watershed Protection and Flood Prevention Act, he shall undertake such activities in cooperation with the Bureau of Outdoor Recreation.

I have discussed the amendment with the distinguished Senator from New Mexico [Mr. Anderson], the chairman of the Committee on Interior and Insular Affairs, and also with the distinguished Senator from Louisiana [Mr. Ellender], the chairman of the Committee on Agriculture and Forestry. I understand that the amendment is acceptable to them.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, I am sorry that there has been a misunderstanding. I did not say that I would agree to accept the amendment, but that I would look into it and study it.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. Certainly the Senator from Iowa would not state that the Senator from Louisiana had agreed to accept it unless the Senator from Iowa had received that understanding. The Senator regrets that there was a misunderstanding.

Mr. ELLENDER. The Senator came to me and said that the amendment was in accord with the views of the Senator from New Mexico [Mr. Anderson]. That was the information the Senator imparted to me.

In any event, as the Senator in charge of the bill, I believe the amendment should be rejected. The creation of the new Bureau of Outdoor Recreation in the Department of the Interior has to do with the management of public facilities owned and controlled by the Federal Government. The provisions of title I which would be amended by the Senator's amendment relate to projects to be carried out by individual farmers, State and local public bodies, and local watershed project sponsors. They are no part of a federally operated recreation system.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MILLER. I regret very much the misunderstanding that the Senator from Iowa had. The Senator from Iowa thought the amendment was acceptable to the Senator from Louisiana. I believe that the amendment would help the title. If the Senator from Louisiana does not wish to accept the amendment, the Senator from Iowa will not press it. Title I can remain defective. The Senator from Iowa withdraws his amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The bill is open to further amendment.

Mr. ROBERTSON. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The amendment of the Senator from Virginia will be stated.

The LEGISLATIVE CLERK. On page 8, between lines 22 and 23, it is proposed to insert a new section as follows:

SEC. 201. Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by redesignating section 204 as section 205 and adding after section 203 a new section as follows:

"SEC. 204. (a) The President is hereby authorized to make available to the needy peoples of friendly nations or areas in Africa and Asia corn, barley, and grain sorghums owned by the Commodity Credit Corporation and determined by the Secretary of Agriculture to be excess to the domestic requirement of the United States, including adequate carryover and anticipated export for dollars.

"(b) The provision of section 203 of this title shall be applicable to the disposition of commodities made under the provisions of this section, except that the dollar limitation prescribed in the first sentence of such section shall not be applicable with respect to such dispositions.

"(c) The President shall take reasonable precaution to insure that dispositions of commodities made under the provisions of this section do not interfere with or adversely affect commercial trade and sales of such commodities which might otherwise be made.

"(d) No assistance shall be made available under the provisions of this section to the peoples of any nation or area which has a Communist form of government or which is dominated or controlled by the international Communist movement."

On page 8, line 23, it is proposed to strike out "SEC. 201." and insert in lieu thereof "SEC. 202.".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia. How much time does the Senator yield himself?

Mr. ROBERTSON. Ten minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. ROBERTSON. Mr. President, my life has been lived within the shadows of the Blue Ridge Mountains. Like Thomas Jefferson, I early resolved never to wear any character other than that of a farmer. I have lived in farming areas. I have worked on the farm and throughout my life I have been familiar with problems that confront agriculture. Consequently, it has caused me deep concern that during the past 10 years, as our gross national product gradually rose to the alltime peak of $550 billion, and the gross produced income to the alltime peak of $430 billion, our farmers have gradually fallen lower and lower in the percentage that they had of that unprecedented national prosperity.

Thomas Jefferson in his day rejoiced in the fact that 80 percent of the American people were engaged in farming. He held that our farmers were the backbone of our democracy and of American constitutional liberty, and he expressed the hope that the day would never come when not less than 50 percent of our people lived on the farm.

What do we see today? Because farming has been a hard way of life, because the return to farmers has been most inadequate, our farm population has dropped to only 13 percent of our entire population. Yet because of the willingness of farmers to work in the tradition of the Founding Fathers, not a 30-hour week, not a 40-hour week, and not an 8-hour day, but from sunup to sundown, and frequently 7 days out of the week, they have increased their per capita production more than any other segment of our economy. I say they have shared progressively less and less in the national prosperity.

Now we have a program before us to take from them more and more of their traditional freedom of action, and put them more and more under regulations which have accumulated debts for the Nation, which have accumulated unmanageable surpluses for the administration, and have failed to bring prosperity to our farmers.

Congress, in September 1949, had a chance to return our farmers to a system of private enterprise. Under the grave urgency of World War II, when we had more of our boys committed to military service than ever in our history, when our allies in Europe would have perished but for our supplies—we called upon our farmers to increase and still further increase their production.

Consequently, when the war suddenly terminated, and the oversea market for our surplus produce disappeared, Congress said to the farmers, "We will give you a 2-year transition period to get back to a system of private enterprise." At the end of that 2 years there were those in charge of the program who said, "They are not yet back, and we want to give them 2 years more."

We had a bill in 1949. The House was not willing to give up the political pap and pomp and so forth of telling the farmer, "We are doing something for you. We are giving you 90 percent of parity. Vote for us."

That bill came over to the Senate in September 1949. We voted for a program of flexible parity. At least I did, along with a slim majority of the Senate. That was the time when we could have started the farmer back to the only sure and certain method for his fair share of the national prosperity, or at least the self-respect that comes from being a freeman.

I am sure that all Senators remember Aesop's fable of the wolf and the great dane. The wolf came by, and the great dane said to the wolf: "I have never seen such hunger and poverty as I see in you. Your ribs are sticking out. Your flanks are all withered. Look at me. Look how much better I am."

The wolf said, "Wait a minute. What has become of the hair on your neck?"

"Oh," the great dane said, "that is where the collar has rubbed it off, as they chain me here to this kennel."

The wolf said, "I would rather be a lean wolf and free, than a fat dog chained to a kennel."

I believe that summarizes the attitude, overall, of the American farmer.

In conference, in 1949, the Senate yielded to the importunities of the House to continue the 90-percent rigid parity.

Then what happened? Well, naturally our dairy farmers wanted to get into it, and we put cheese and butter in the program, and lost millions of dollars. Our good friends from Maine and elsewhere wanted to get into it. We put potatoes into it, and we lost millions of dollars on that. We have lost all along the line. This year, without having accomplished anything worth while for the farmer's welfare, we are going to put $7,200 million into this farm support program.

Yesterday I voted for two amendments, offered by the distinguished Senator from Louisiana. Why? Because they would cut the expenses of the program by $785 million. I did not care for the regimentation in the feed grain amendment, but I was concerned about the tremendous increase in the cost of the program, when we were not helping the farmer and when we were not taking him out of the ditch.

I propose to return merely a segment of agriculture to free enterprise by lifting from over the farmer's head the Damocles sword of a tremendous surplus of feed grain; that is, when the referendum comes under the Ellender bill, if it is enacted into law. The same provision is in the House bill. It looks as though we are going to pass the Ellender bill, and the House will pass the Ellender bill, and Congress will approve the Ellender bill. The feed grain farmers will then vote. Are they going to vote free or under the penalty, "If you do not accept this collar around your neck, we are going to break your financial back by dumping millions of tons on you"?

I say millions advisedly. We have 75 million tons of feed grains. We can dump that.

Are we going to say to the farmer, "If you do not accept this regimentation, we are going to dump it on you and break your backs"? Is that a fair deal for our farmers?

I am asking the Senate to give them a fair vote. Let us do a little figuring. What did it cost the taxpayers for this feed grain program last year alone? Last year we invested $526 million.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. ROBERTSON. I have very little time remaining. I wish the Senator would get some time from the time allowed on the bill.

Mr. BUSH. I will ask for time on the other side.

Mr. ROBERTSON. I yield.

Mr. BUSH. It is my recollection that Public Law 480 was designed to get rid of these surpluses. Was that not part of the original purpose of Public Law 480?

Mr. ROBERTSON. Oh, yes. For a part of the grain under Public Law 480 we must be paid. We do not give it all away. Under one section we can give away up to $300 million worth.

Mr. BUSH. Have we received any dollars for Public Law 480 goods?

Mr. ROBERTSON. No; only soft currency. It is all on the cuff.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. ELLENDER. I yield 10 minutes to the Senator from Virginia on the bill.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. BUSH. The Senator has answered my first question, to wit, Public Law 480 was designed to help get rid of our surpluses.

Mr. ROBERTSON. Yes.

Mr. BUSH. Is it not true that instead of doing that, our surpluses have gone sky high?

Mr. ROBERTSON. Yes; it has come to the point, as I said, that this year the purchase program is going to cost us $7.2 billion, and the cost will keep going up. There are scandals, too. I do not want to call the name of any State where something like that has happened. However, there are scandals over storage. What is involved in storage? It is 15 cents a bushel. If we multiply 15 by 7, we get a price exceeding the price of corn. So what happened?

The cost of storage is going up all the time. We are paying 15 cents a bushel for storage. The investment goes "down the sink" of storage charges in 7 years. So I ask, Why not get a little credit? Why not get a little credit for helping the starving Chinese and the refugees in Hong Kong? Why not get a little credit in India? How much are we going to give them, and how much are we not going to give them? Why not give the taxpayers credit at the same time? The taxpayers will lose the money anyway, make no mistake about it. It is being paid for storage. Give our farmers, next year, when they vote on market controls on feed grain, a fair vote. Permit them to say whether they want 75 percent price supports with controls or up to 50 percent, and be free to raise what they please.

Mr. BUSH. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. BUSH. Is not the Senator afraid that by emptying the warehouses and getting rid of the grain, as he proposes, we will simply be inviting an increase in the price support program, just as happened under the Public Law 480 program, and that instead of being able to reduce surpluses, the Senator's proposal will increase them?

Mr. ROBERTSON. Far be it from me to deny that Congress might yield to political pressure. But Congress would not do that unless it were to yield to political pressure. If we do get rid of surpluses, and then create surpluses somewhere else; what would that be but political pressure? I will not say that the Senate might do that; I cannot deny the possibility.

Mr. HUMPHREY. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. HUMPHREY. I have listened to the Senator's proposal, about which he spoke to us earlier in the day. What the proposal does is to take the ceiling off that part of Public Law 480 which relates to gifts to needy people in other parts of the world. I should like to make one or two points.

Mr. ROBERTSON. Of course, the Senator is doing it in his own time on the bill, is he not?

Mr. HUMPHREY. I shall be happy to do so.

Mr. ROBERTSON. I thank the Senator very much.

Mr. HUMPHREY. The Senator from Virginia had a full hour on the amendment; I did not think he planned to use all of it.

Mr. President, will the Senator from Louisiana yield me 5 minutes on the bill?

Mr. ELLENDER. Very well; divided between the Senator from Minnesota and the Senator from Virginia.

Mr. HUMPHREY. Mr. President, if the Senator from Louisiana will not yield me the time, I will yield it myself.

First, the so-called 90 percent of parity provision, which the Senator from Virginia takes such delight in harpooning, is not the provision which brought on the surplus. I have been interested in the question of agriculture for some time, not nearly so long as the Senator from Louisiana has been, but I served on the Committee on Agriculture and Forestry for 8 years.

It happened that when the flexible price support structure came into being, the bins were flexed that much larger. The biggest accumulation of food in the Nation's history came when we had 65 percent of parity. When there were no controls and 65 percent of parity—flexible from 100 percent down to 65—everybody was flexed right out of the ball park.

So let us get the record straight. There was three times as much corn in the Government bins under 65 percent of parity as there was under 90 percent of parity. That is a fact, not an opinion. So that is the first point I wanted to get straight.

Mr. ROBERTSON. Straight, until I get the floor.

Mr. HUMPHREY. The Senator from Virginia cannot twist that statement, because it is a fact.

The next point to which I wish to call the Senator's attention, on my own time, is that I hope we can get the Chinese to eat corn, barley, and grain sorghums, because that is what we are planning to dispose of. They will eat some wheat, but wheat is not included. They do like rice, but rice is not included. What we are asking them to eat is corn, much of which is not fit for human consumption; and barley and grain sorghums. With all due deference to the dietary habits of any people, I have not seen too many persons lining up at any counter and saying, "Please pass the grain sorghums." [Laughter.] I have known some people who do eat barley and corn, but they do not generally eat it or consume it in what we call the dry form.

But do not misunderstand me. I think the Senator's amendment might well offer some assistance if it can be properly used. But I do not believe we ought to kid ourselves. Let us quit fooling one another. One reason why we have such a large surplus of grain is that we have not been able to move much under Public Law 480. Why? Because in very few places in the world is corn or maize used for human consumption. That is one of the simple facts. It might be possible to train people to change their dietary habits, but it is pretty hard to do so, even in the case of the little ones, and even before they have gone through the environmental situations of adulthood. It is difficult to change eating habits either here or abroad.

The point which I think needs to be made is that while on its face the proposal seems to offer great assistance as a humanitarian motivation, I do not think we ought to delude ourselves for a moment. The Chinese people do not eat corn.

Second, they do not like barley. Third, I do not know of anyone, except animals, who eats grain sorghums.

Mr. LAUSCHE. Can we pay them some money to take them?

Mr. HUMPHREY. The advantage, if we wish to consider this as a practical proposition, is that if there could be poultry and animal raising in the areas where we extend aid, the feed grains could be used. Feed grains find their way into humans through either fowl or animal. That is the way to utilize feed grains.

This is not a laughing matter. I think the Public Law 480 program and the food-for-peace program are godsends; that they are a part of the Judaeo-Christian philosophy of assistance, and comprise one of the finest aspects of our foreign policy.

I do not think it will do us any good to say that we will open up our bins to empty them, so as to enable our farm economy to get back on a free market. We will not get back on a free market by opening them anyhow, because it is not possible to dispose of so large a quantity of corn in a short period of time; it would be impossible.

I thought $300 million was an arbitrary figure, in the first place. If that is the Senator's objective, more power to him, but let us not go around pretending that somehow or other, once we have taken off the ceiling, we will have solved the problem. We have cotton which cannot be disposed of. Senators know it. We do not have certain kinds of textile mills that can use it. There are certain other kinds of food which cannot be disposed of in certain parts of the world.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ROBERTSON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Virginia has 6 minutes remaining.

Mr. ROBERTSON. Mr. President, the Senator from Minnesota seems to indicate what we, who have been devoting our time to banking, appropriations, and other subjects, are up against when we seek to ascertain the facts.

I asked the chairman of the committee, "Will this proposal raise the price of feed grains to poultrymen and cattlemen?" He said, "Oh, no. In Virginia, from 85 to 95 percent of the farms plant less than 25 acres of corn." I asked, "Will they be under the program?" The answer was, "Oh, no."

Then, when the distinguished acting minority leader, the Senator from Vermont [Mr. AIKEN], took the floor, he indicated that all the chickens in New England could not stand the bill; it would wreck them.

Then when I spoke about a referendum on the farms, and asked if the farmers will have a chance to vote, the answer was, "Oh, yes."

Over on the Republican side, crocodile tears are shed because farmers will be regimented under the bill. So, when we try to get the facts involved, that is the last thing we can get.

I reply to the distinguished Senator from Minnesota: Yes, I raise the limit of the $300 million, but my purpose is not solely for that; my purpose is to get rid of controls, and this is a good way to do it. I seek to get rid of controls upon farmers who grow feed grains. That is what we want to do. I want to start a movement to get farmers back under a private enterprise system. So this is where I thought we might make a start.

Senators know that in 10 years we have been falling behind. We all know that we have sunk millions of dollars into the farm program. We know that this proposal will not give anything away; we will lose it anyhow. The distinguished Senator from Minnesota says that most of the feed grains are not fit to eat anyway. Even if we keep paying $1,500,000 a day for storing it, it is no good. I want to get rid of it. I want to stop the drain upon the taxpayers. I want to give the farmers a fair, just vote in a referendum, and not be under the threat of having a threat held over them by anyone who wants to keep his power of control, and can say, "If you don't vote as I want you to vote, it will be bad for you."

Mr. HUMPHREY. I hope the Senator has not misunderstood me. When I said that grain was not fit to eat, I was referring to human consumption of it. We have price supports on cotton, but we do not eat cotton. We do not even wear a bale of cotton, unless it is at a masquerade parade.

Mr. ROBERTSON. The Stonewall Brigade fought for days on parched corn and whipped a lot of the enemy.

Yet, today some persons say that the people of China will not eat cornmeal, even though they are starving to death.

Mr. HUMPHREY. Mr. President, I am not opposed to their trying it; I am entirely in favor of their doing that. For 8 years we have been trying to give away corn, grain sorghums, and barley for human consumption and for animal feed, but it has been rather difficult. We have no problem in giving away our rice or our wheat or our cotton, or selling them, either. But when it comes to feed grains, the fact is that they are for animal and poultry consumption. After all, feed grains are used primarily for animal husbandry—for the production of poultry and animals. No matter how warm the hen, it takes a certain number of days to hatch an egg; and no matter how good the feed grains may be, it takes a little while to fatten a hog.

Mr. ROBERTSON. But I point out that the Secretary of Agriculture himself has said that the annual Commodity Credit Corporation expenditures on carrying charges for these three crops will exceed $1,400 million by the fiscal year 1967.

Mr. HUMPHREY. That is why I voted for the Ellender amendment.

Mr. ROBERTSON. I did, too; and it saves some money, but it will be at the expense of the freedom of our farmers.

Mr. RANDOLPH. Mr. President, will the Senator from Virginia yield very briefly to me?

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Does the Senator from Virginia yield to the Senator from West Virginia?

Mr. ROBERTSON. I yield.

Mr. RANDOLPH. I do not wish to be facetious; but, as regards corn, if there were less scrutiny by the Federal Government, I know several areas of the country in which the production of moonshine would increase. [Laughter.]

Mr. ROBERTSON. Mr. President, as the Senator from Vermont pointed out yesterday, we have never tried to enforce rigid controls over 113 million acres of feed grain land.

The PRESIDING OFFICER. The time available to the Senator from Virginia has expired.

Mr. ROBERTSON. Mr. President, I ask all the friends of free enterprise to vote for my amendment.

Mr. ELLENDER. Mr. President——

Mr PASTORE. Mr. President, will the Senator from Louisiana yield to me 1 minute, so that I may explain my position on this amendment?

Mr. ELLENDER. I yield.

Mr. PASTORE. Mr. President, I shall support this amendment, although not for the reasons enumerated by the distinguished Senator from Virginia. I am not trying to affect the votes farmers will cast when the referendum is held, but I am interested in the moral aspect of this matter. America has warehouses simply bulging with agricultural commodities which our people are unable to eat; for all this excess we expend huge sums of money in providing storage facilities; but in other parts of the world many people are starving. If we offer to those who are starving the agricultural commodities that our people cannot eat and cannot use, I think the effect on mankind will be wonderful and even uplifting to ourselves.

Mr. HUMPHREY. Mr. President, if the Senator will yield to me, let me ask whether the Senator from Rhode Island thinks it would be well to include the word "wheat"?

Mr. PASTORE. Yes; I think it should be included, too.

Mr. HUMPHREY. I think so, too.

Mr. CARLSON. Mr. President, will the Senator from Vermont yield to me 2 minutes on the bill?

Mr. AIKEN. I yield.

Mr. CARLSON. Mr. President, I certainly do not want to become involved in controversy with the distinguished Senator from Virginia; and of course I, too, have great sympathy with people who are hungry. But in dealing with these matters, I believe we should be factual and should know what has happened in the past.

I have before me the 15th semiannual report on the activities carried on under Public Law 480; the report came to us from the White House on April 9 of this year, and it shows how difficult it is for us to get our feed grains to other countries.

For instance, I now read from page 10 of the report:

> Two hundred and seventy-four agreements, or supplements to agreements, with a total CCC cost of $10,872.7 million, have been entered into with 42 countries since the inception of the program in July 1954.

The interesting point is that during all these years we have been able to move to those countries only 163,435,000 bushels of corn, 6,807,000 bushels of oats, 127,802,000 bushels of barley, 51,418,000 bushels of grain sorghums, and 4,737,000 bushels of rye.

I believe all Senators should examine the figures set forth in this report.

As the Senator from Minnesota has said, there is little or no trouble in selling our surplus wheat; in fact, these countries have taken approximately 2,322,770,000 bushels of wheat and wheat flour, and 5,851,125,000 pounds of fats and oils.

I ask unanimous consent that the table to which I have referred be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE V.—*Commodity composition of all title I agreements signed through Dec. 31, 1961*

Commodity	Unit	Approximate quantity	Export market value	Estimated CCC cost
			Millions	*Millions*
Wheat and wheat flour	Bushel	[1] 2,322,770,000	$3,816.1	$6,329.6
Feed grains	do	[2] 354,199,000	415.6	527.3
Rice	Hundredweight	71,668,000	409.1	676.7
Cotton	Bale	[3] 6,301,000	926.3	1,273.0

[1] Wheat and wheat equivalent of flour.

[2] Feed grains breakdown:

Corn	bushels	163,435,000
Oats	do	6,807,000
Barley	do	127,802,000
Grain sorghums	do	51,418,000
Rye	do	4,737,000
Total	do	354,199,000

[3] Includes 51,700 bales extra long staple cotton.

Table V.—*Commodity composition of all title I agreements signed through Dec. 31, 1961*—Continued

Commodity	Unit	Approximate quantity	Export market value	Estimated CCC cost
			Millions	*Millions*
Cotton linters	Bale	7,500	.3	.3
Meat products	Pound	113,193,000	38.1	38.1
Tobacco	do	332,732,000	241.4	241.4
Dairy products	do	362,916,000	59.6	93.5
Fats and oils	do	5,851,125,000	806.7	813.7
Poultry	do	18,390,000	5.6	5.6
Dry edible beans	Hundredweight	488,000	3.9	3.9
Fruits and vegetables	Pound	188,689,000	17.5	17.5
Seeds	Hundredweight	10,000	.4	.4
Total commodities			6,740.6	10,021.0
Ocean transportation to be financed by CCC			851.7	851.7
Total, including ocean transportation			7,592.3	10,872.7

Mr. LAUSCHE. Mr. President, will either of the Senators who are in charge of the time yield briefly to me?

Mr. AIKEN. Mr. President, we have 33 minutes remaining under the control of our side; therefore, I believe it will be appropriate for the other side to yield some time to the Senator from Ohio.

Mr. ELLENDER. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, there has been debate in regard to giving surplus foods to other countries. However, I point out that the report shows that we have distributed $11 billion worth of food under Public Law 480; and certainly that is not a trifling amount. For that $11 billion worth of food, we have received, in return, practically no dollars; practically all of the returns have been in the form of so-called soft currencies, which are of little or no use to us, for the soft currencies remain in the countries to which we have allegedly sold the food. However, in effect, instead of selling it to them, we have given it to them.

If there is any question about the correctness of the figures I have submitted, I hope they will be challenged at this time. But I repeat that we have disposed of $11 billion worth of food in the form of absolute gifts and exchanges for soft currencies, barters, and donations.

Mr. BUSH. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I shall yield in just a moment.

Intermittently, I receive letters from citizens in Ohio who ask, "Why don't we do more with our food?" They do not know that we have disposed of $11 billion worth.

Today, it was stated on the floor of the Senate that we have done practically nothing with our surplus foods; but I submit that is not a fact.

Now I yield to the Senator from Connecticut.

Mr. BUSH. Does the Senator from Ohio feel that the disposal of all these agricultural commodities under Public Law 480 has constituted a sound approach to reducing our surpluses of those commodities? In other words, have our surpluses of them increased or decreased under the administration of that law?

Mr. LAUSCHE. It is true that they have increased during this period.

Mr. LAUSCHE subsequently said: Mr. President, I ask unanimous consent to have some tables printed in the Record following my remarks of a short time ago on the dollar volume of Public Law 480 aid, which we have given to the world.

There being no objection, the tables were ordered to be printed in the Record, as follows:

U.S. Department of Agriculture, Foreign Agricultural Service, Washington, D.C.

Title I, Public Law 480: Agreements signed from beginning of program (as modified by purchase authorization transactions) through Apr. 30, 1962

[In thousands of dollars]

	Country	Date signed	Market value excluding ocean transportation	Ocean transportation	Estimated CCC cost including ocean transportation
1- 22	Fiscal year 1955		326,112	28,576	465,942
23- 59	Fiscal year 1956		616,150	55,141	956,463
60-100	Fiscal year 1957		911,268	123,140	1,468,478
101-135	Fiscal year 1958		670,524	57,342	991,836
136-158	Fiscal year 1959		751,542	82,722	1,121,513
159-195	Fiscal year 1960		994,286	141,514	1,699,736
196-246	Fiscal year 1961		1,541,252	225,866	2,747,823
247-290	Fiscal year 1962 through Mar. 31, 1962		1,216,603	161,773	1,885,053
291	Poland (amendment)	Apr. 19, 1962	15,300	500	23,500
292	Yugoslavia (amendment)	Apr. 21, 1962	12,900	1,600	22,000
293	United Arab Republic (amendment)	Apr. 23, 1962	12,400	1,600	21,400
294	China	Apr. 27, 1962	2,900	100	4,300
295	Uruguay	do	1,900	100	2,000
	Subtotal, July 1, 1961, through Apr. 30, 1962		1,262,003	165,673	1,958,253
	Total, all agreements signed through Apr. 30, 1962		7,073,137	879,974	11,410,044

Table I.—*Commodity composition of programs under title I, Public Law 480, agreements signed July 1, 1961, through Apr. 30, 1962*

[In millions of dollars]

Country	Wheat and flour	Feed grains	Rice	Cotton	Tobacco	Dairy products	Fats and oils	Other	Total			
									Market value	Ocean transportation [1]	Market value including ocean transportation	Estimated CCC cost including ocean transportation
Bolivia	2.2		0.6	1.1					3.9	0.5	4.4	6.3
Brazil	50.6	1.8							52.4	6.2	58.6	93.2
China	15.6	.2		14.1	1.7	0.1	1.5		33.2	3.0	36.2	50.1
Congo	1.5		2.0		.7	2.3		0.3	6.8	.7	7.5	10.1
Finland				1.5	.2				1.7	.1	1.8	2.1
Greece	1.9	7.0							8.9	1.3	10.2	11.6
Guinea	1.2		5.4						6.6	.9	7.5	11.4
Iceland	.6	.3	.1		.5		.1	.1	1.7	.3	2.0	2.3
Indonesia	19.6		36.1	36.3	10.0				102.0	9.5	111.5	168.1
Iran	6.1						1.4		7.5	1.8	9.3	12.9
Korea	15.5			22.5					38.0	2.8	40.8	60.4
Morocco	12.7								12.7	1.6	14.3	22.0

See footnotes at end of table.

TABLE I.—*Commodity composition of programs under title I, Public Law 480, agreements signed July 1, 1961, through Apr. 30, 1962*—Continued

[In millions of dollars]

Country	Wheat and flour	Feed grains	Rice	Cotton	Tobacco	Dairy products	Fats and oils	Other	Total			
									Market value	Ocean transportation [1]	Market value including ocean transportation	Estimated CCC cost including ocean transportation
Pakistan	349.4	23.6		[2] 15.9	8.0	2.4	146.8	.4	546.5	88.4	634.9	826.8
Paraguay	5.5								5.5	1.4	6.9	10.4
Philippines				21.0					21.0	.7	21.7	32.9
Poland	25.0	6.2	1.5	13.8			9.5		56.0	4.4	60.4	82.7
Sudan	3.8								3.8	.8	4.6	6.8
Syrian Arab Republic	6.3		1.5		.2				8.0	1.3	9.3	14.1
Tunisia	3.2	1.9							5.1	.6	5.7	7.5
Turkey	87.4	.5					19.6		107.5	13.1	120.6	175.1
United Arab Republic (Egypt)	76.1	14.2			6.5	(3)	26.3		123.1	14.8	137.9	183.6
Uruguay					1.9				1.9	.1	2.0	2.0
Vietnam	3.3		5.8	4.2	2.6	7.9			23.8	2.4	26.2	33.1
Yugoslavia	62.9			9.1			11.9	.4	84.3	8.9	93.2	132.6
Total agreements signed July 1, 1961, through Apr. 30, 1962	750.4	[4] 55.7	53.0	139.5	32.3	[5] 12.7	[6] 217.1	[7] 1.2	1,261.9	165.6	1,427.5	1,958.1
Total agreements signed through June 30, 1961	3,251.9	366.9	387.9	863.7	221.7	45.5	608.6	64.7	5,810.9	714.4	6,525.3	9,451.6
Total agreements signed through Apr. 30, 1962	4,002.3	422.6	440.9	1,003.2	254.0	58.2	825.7	65.9	7,072.8	880.0	7,952.8	11,409.7

[1] Includes ocean transportation to be financed by CCC.

[2] $9.6 million extra-long staple cotton.

[3] Negative.

[4] See the following:

	Millions
Corn	$44.7
Barley	11.0
Total	55.7

[5] See the following:

	Millions
Condensed milk	$7.7
Dried whole milk	1.5
Nonfat dry milk	2.2
Evaporated milk	.7
Dried eggs	.6
Total	12.7

[6] See the following:

	Millions
Cottonseed and/or soybean oil	$190.0
Tallow	27.1
Total	217.1

[7] See the following:

	Millions
Fruit: Iceland and Yugoslavia	$0.5
Congo poultry	.3
Pakistan poultry	.4
Total	1.2

TABLE II.—*Approximate quantities of commodities under title I, Public Law 480, agreements signed July 1, 1961, through Apr. 30, 1962*

[In thousands]

Country	Wheat and flour	Feed grains	Rice	Cotton	Tobacco	Dairy products	Fats and oils	Poultry	Dry edible beans	Fruits and vegetables	Meat	Hay and pasture seeds
	Bushels	*Bushels*	*Hundredweight*	*Bales*	*Pounds*	*Pounds*	*Pounds*	*Pounds*	*Hundredweight*	*Pounds*	*Pounds*	*Hundredweight*
Bolivia	1,465		110	6.5								
Brazil	29,395	1,452										
China (Taiwan)	14,685	197		100.0	2,000	714	14,773					
Congo	999		333		1,323	10,860		1,154				
Finland				10.0	385							
Greece	1,100	5,661										
Guinea	772		992									
Iceland	399	252	7		500		732			400		
Indonesia	12,552		6,437	242.0	13,889							
Iran	3,674						8,818					
Korea	9,186			150.0								
Morocco	7,349											
Pakistan	211,390	19,684		[1] 72.0	8,000	22,441	1,059,458	1,102				
Paraguay	3,004											
Philippines				150.0								
Poland	14,391	4,899	221	92.0			81,574					
Sudan	2,388											
Syrian Arab Republic	3,724		273		222							
Tunisia	1,837	1,378										
Turkey	51,548	388					154,323					
United Arab Republic (Egypt)	48,240	11,672			9,921	553	193,286					
Uruguay					2,000							
Vietnam	2,358		967	29.0	4,333	38,875						
Yugoslavia	37,235			65.0			95,161			7,275		
Total agreements signed July 1, 1961, through Apr. 30, 1962	457,691	[2] 45,583	9,340	916.5	42,573	[3] 73,443	[4] 1,608,125	2,256		7,675		
Total agreements through June 30, 1961	2,015,313	314,608	68,019	5,905.0	306,720	282,994	4,367,440	15,965	481	187,247	113,193	10
Total agreements through Apr. 30, 1962	2,473,004	360,191	77,359	6,821.5	349,293	356,437	5,975,565	18,221	481	194,922	113,193	10

[1] 30,000 bales extra-long staple.

[2] See the following:

	Thousand bushels
Corn	37,014
Barley	8,569
Total	45,583

[3] See the following:

	Thousand pounds
Condensed milk	38,500
Dried whole milk	3,625
Nonfat dry milk	27,377
Evaporated milk	3,500
Dried eggs	441
Total	73,443

[4] See the following:

	Thousand pounds
Cottonseed and/or soybean oil	1,272,093
Tallow	336,032
Total	1,608,125

TABLE III.—*Uses of foreign currency as provided in title I, Public Law 480, agreements signed July 1, 1961, through Apr. 30, 1962* [1]

[Amounts are in thousand dollar equivalents at the deposit rate of exchange]

Country	Total amount in agreements (market value including ocean transportation)	104(c)—Common defense	104(e)—Grants for economic development	104(e)—Loans to private enterprise	104(g)—Loans to foreign governments	For U.S. uses [2]
Bolivia	4,379			600	3,084	695
Brazil	58,600		11,720		35,160	11,720
China (Taiwan)	36,150	19,401		3,315	6,565	6,869
Congo	7,500		6,750			750
Finland	1,800			450	180	1,170
Greece	10,200			1,530	5,100	3,570
Guinea	7,500				5,700	,1800
Iceland	1,845				1,384	461
Indonesia	111,525		2,025	5,576	90,889	13,035
Iran	9,000			450	6,300	2,250
Korea	40,800	35,822		898		4,080
Morocco	14,200			2,130	8,520	3,550
Pakistan	634,150		434,615	31,771	128,733	39,031
Paraguay	6,900		2,760	345	2,760	1,035
Philippines	21,750	5,002	3,045	5,438	2,827	5,438
Poland	60,400					60,400
Sudan	4,600		1,150	690	1,610	1,150
Syrian Arab Republic	9,000			1,350	5,850	1,800
Tunisia	5,700				4,845	855
Turkey	120,500	15,018	54	19,811	61,517	24,100
United Arab Republic (Egypt)	137,740		13,731	13,774	82,687	27,548
Uruguay	2,000			500	1,000	500
Vietnam	26,150	19,135		2,750		4,265
Yugoslavia	93,100		15,120		68,670	9,310
Total agreements, July 1, 1961–Apr. 30, 1962	[3] 1,425,480	94,378	490,970	91,378	523,381	225,382
Total agreements through June 30, 1961	[3] 6,592,258	398,801	1,129,519	389,593	2,944,024	1,730,321
Total agreements through Apr. 30, 1962	[3] 8,017,747	493,179	1,620,489	480,971	3,467,405	1,955,703
Uses as percent of total	100.0	6.2	20.2	6.0	43.2	24.4

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[1] Many agreements provide for the various currency uses in terms of percentages of the amounts of local currency accruing pursuant to sales made under each agreement. In such cases, amounts included in this table for each use are determined by applying the specified percentages to the total dollar amount provided in each agreement. Amounts shown are subject to adjustment when actual commodity purchases and currency allocations have been made.

[2] Fiscal year 1962 agreements provide that a specific amount of foreign currency proceeds may be used under various U.S.-use categories, including currency uses which are limited to amounts as may be specified in appropriation acts. Included are uses specified under subsecs. 104 (a), (b), (f), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q), (r), (s), and sometimes (c) and (d) insofar as specified in agreements.

[3] Amounts shown in this column may differ from amounts on table I, which reflect purchase authorization transactions.

The PRESIDING OFFICER. The time yielded to the Senator from Ohio has expired.

The question is on agreeing to the amendment of the Senator from Virginia.

Mr. PASTORE. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. Is the amendment of the Senator from Virginia open to amendment?

The PRESIDING OFFICER. It is.

Mr. PASTORE. Must all time available on the amendment be either used or yielded back before an amendment to that amendment will be in order?

The PRESIDING OFFICER. Yes.

Mr. PASTORE. Mr. President, let me inquire how much time remains available on the amendment of the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Louisiana has 6 minutes remaining under his control; the Senator from Virginia has 5 minutes remaining under his control.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. What time remains for debate on the bill itself?

The PRESIDING OFFICER. The proponents have 95 minutes, and the opponents 46.

Mr. CURTIS. Mr. President, may I be yielded a little time?

Mr. ELLENDER. I yield 3 minutes to the Senator from Nebraska.

Mr. CURTIS. I rise to ask a question about a section in this bill which I think has a bearing upon the amendment of the distinguished Senator from Virginia, which amendment I expect to support.

I invite the attention of the chairman of the committee, as well as other Senators, to page 10 of the bill, beginning on line 19, and running through line 2 on the following page. That section reads:

> In entering into agreements with friendly nations for the sale of surplus agricultural commodities, the President may, to the extent deemed practicable and in the best interests of the United States, permit other friendly and historic supplying nations to participate in supplying such commodities under the sales agreement on the same terms and conditions as those applicable to the United States.

My question is, Does that mean that we are to start marketing the surpluses of other countries under Public Law 480 and other arrangements wherein we have tried to get rid of our surpluses?

Mr. ELLENDER. The section to which the Senator refers deals with the sale of grains for cash, but not for soft currencies.

Mr. CURTIS. Does it not refer to the long-time credit which can be extended by the Commodity Credit Corporation?

Mr. ELLENDER. That is correct.

Mr. CURTIS. In other words, there is a departure. Notwithstanding that we have fallen very short of the mark in getting rid of our own surpluses, we are authorizing the President of the United States to use money to market the surpluses of other nations in the world.

Mr. ELLENDER. That is already in the law.

Mr. CURTIS. Why is it in this measure?

Mr. ELLENDER. The reason is that every time the President made attempts to persuade other countries to cooperate, the effort required much time, and it was always to no avail, because it was mandatory in the law. Now we make it optional. He does not have to do it.

Mr. CURTIS. Under this provision he cannot do anything the existing law does not permit him to do?

Mr. ELLENDER. No.

Mr. CURTIS. Has it been done in the past?

Mr. ELLENDER. The President has tried to persuade other countries to cooperate in furnishing food, but he has failed.

Mr. CURTIS. But this language refers to a sale.

Mr. ELLENDER. I understand, but that is what it means. It is for the purpose of making available a pool of food of all kinds in order to relieve people in underdeveloped countries.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. CURTIS. I yield, if I have time.

Mr. HUMPHREY. Section 405 relates to the language in section 404, which deals with sales of our commodities for dollars with interest, as the Secretary of the Treasury may determine. That is what the Senator from Louisiana was saying. This provides for an agreement in which sales are not made in soft currencies, but for dollars.

Section 404 now reads:

> In carrying out the provisions of this title, the Secretary of Agriculture shall endeavor

> to maximize the sale of United States agricultural commodities taking such reasonable precautions as he determines necessary to avoid replacing any sales which the Secretary finds and determines would otherwise be made for cash dollars.

Section 405 reads:

> In entering into such agreements, the Secretary shall endeavor to reach agreement with other exporting nations of such commodities for their participation in the supply and assistance program herein authorized on a proportionate and equitable basis.

In other words, under the long-term credit agreements provided for in existing law, the Secretary of Agriculture had to make sure no other country's regular sales were being interfered with or that any other country's normal commercial contracts were being interfered with. In the proposed new law we are saying that they will have to take care of themselves.

Mr. CURTIS. This is a change beyond the change from "shall" to "may."

Mr. HUMPHREY. That is in the new language.

Mr. CURTIS. The new language would indicate that we would sell surpluses of foreign countries, but we would provide the credit.

Mr. HUMPHREY. No; the Senator is in error.

Mr. CURTIS. Then I misunderstood the reply of the Chairman about the meaning of "under the same terms and conditions."

Mr. HUMPHREY. No; every time we made long-term contracts under the old law we had to take into consideration the effect on the market conditions of some other country that had surpluses. These were and are friendly countries.

Mr. CURTIS. The provision does not so state.

Mr. HUMPHREY. The language is changed from "shall" to "may," and gives the Secretary the right to make a few more sales.

Mr. CURTIS. As I followed the distinguished Senator, there was a greater change than that.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, how much time have I left?

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. ELLENDER. I wish to take 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Louisiana yields himself time on the bill.

Mr. ELLENDER. The amendment of the distinguished Senator from Virginia has some merit, but it strikes me that we should give consideration to it by a study, because we must not forget that, even under Public Law 480, relative to sales and donations, we assume the cost of carrying all these goods abroad and also the cost of storage abroad. I do not know what would be involved there. It seems to me that a proposal of this kind should receive the study of the committee, and that we should work on the problem in connection with the disposal plan under Public Law 480.

On the other hand, we are about to consider a bill in which Congress will be asked to appropriate millions of dollars to help our friends across the seas; and it may be possible to use some of the surpluses rather than dollars. I suggest that that be done in connection with the foreign aid bill that will come up. Let us study this problem and try to deal with it in connection with Public Law 480.

Mr. PASTORE. Mr. President, I offer an amendment to the pending amendment.

The PRESIDING OFFICER. The amendment of the Senator from Rhode Island to the amendment of the Senator from Virginia will be stated.

Mr. PASTORE. Mr. President, on behalf of myself and the Senator from Minnesota [Mr. HUMPHREY], I move to amend the Robertson amendment by adding in section 204, subsection (a), after the word "sorghums" on line 3, the following: "wheat, vegetable oils, dried milk, cheese and butter."

The reason for the amendment is very simple.

The PRESIDING OFFICER. How much time does the Senator allow himself?

Mr. PASTORE. I have 10 minutes. I will allow myself 5 minutes initially.

If we are to follow the policy suggested—and I am not suggesting that the invitation that has been made by the distinguished chairman who is in charge of the bill should not be followed, namely, that the proposal should be taken back to the committee where it can be studied at some length.

The Senator from Rhode Island is not interested in this amendment for the reasons explained by the Senator from Virginia. The Senator from Rhode Island is interested in this amendment only because of the moral value involved. We have been talking for days about grains, wheat, dried milk, vegetables, and all the other agricultural products that we have in abundance, we have been talking at length about the expense involved in keeping the commodities in storage and all the scandals that have developed.

It is quite apparent that the American people have more than they can eat. That is the reason why we have the agricultural problem. That is the reason why we say we ought to cut down on the acreage in production, because American farmers are growing too much.

If we do not eat the food and if we do not cut down on the acreage in production, about all we can do is to destroy it or to give it away. Many people of the world are crying for food. We have seen the dramatic pictures published in the newspapers and the stories about the refugees who are coming out of Red China and going into Hong Kong.

If we have these grains in surplus, if we have this extra food, if it is true that we have more than we can use and if it is true that it is costing so much to keep it in storage—if it is true that even now it is spoiling and being despoiled—why not give it to some hungry little child? And I care not where that child happens to live in the world today. For that reason, I ask approval of the amendment, so that it can be perfected. If the committee wishes to consider it further, to take it to conference, to work it out, that is perfectly satisfactory to the Senator from Rhode Island.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. ROBERTSON. The principle is the same. I accept the amendment. I left out wheat because I feared that we would get into conflict with the provision: "interfere with or adversely affect commercial trade and sales of such commodities."

One can easily see, if we authorize sending butter overseas, that the next time a person buys some butter he can be sure he will be getting fresh butter instead of butter which is possibly 2 years old.

I do not mind putting in the butter, along with cheese or milk or anything else the U.S. Government has stored up. I accept the amendment.

Mr. PASTORE. I thank the Senator from Virginia. This is not a program for giving away the commodities irrationally. Under the law the President now can give away up to $300 million worth. All the proposal would do is raise the ceiling.

A protective clause is provided. It is provided:

> The President shall take reasonable precaution to insure that dispositions of commodities made under the provisions of this section do not interfere with or adversely affect commercial trade and sales of such commodities which might otherwise be made.

All we would do is raise the ceiling from $300 million, at the discretion of the President of the United States, at a time when in the Senate of the United States we are discussing surpluses, and how we can cut down acreage in production, when at the same time millions of people are crying out for food in other parts of the world.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. HUMPHREY. The amendment may be a very advantageous one. If we go into a program of feeding refugees, as has been suggested on the floor of the Senate, it could be very advantageous. Such a resolution was submitted by the distinguished Senator from Connecticut [Mr. DODD]. The President is talking about the program, and so is the State Department. We might well need to lift this particular ceiling in the existing law.

I was very happy to join with the Senator from Rhode Island with respect to the expansion of the items in the amendment proposed by the Senator from Virginia. I say, in all due respect, that this would provide some immediate relief. I do not say that feed grains would not be helpful. I say that they would have to be converted into usable foods.

The suggestion of the Senator from Rhode Island [Mr. PASTORE], of broadening the scope of the items which are in surplus, is a usable and helpful suggestion. I hope that the Senate will agree to the amendment. I appreciate the fact that the Senator from Virginia, with his customary generosity and compassion has accepted it.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. If the distinguished Senator from Virginia has accepted the amendment, it has become a part of his original text, has it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUSSELL. Other amendments to the amendment would be in order?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUSSELL. Mr. President, I desire to offer an amendment. After the last word in the amendment to the Robertson amendment I offer an amendment to insert "and cotton." [Laughter.]

Mr. President, I yield myself 3 minutes.

It has been proposed to fill the stomachs of naked people. If we wish to demonstrate such great generosity as we have heard poured out on the floor of the Senate, I think we should go all the way.

Mr. LAUSCHE. Mr. President, I do not understand the Senator's amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. PASTORE. Is it within the province of the Senator from Rhode Island to accept the amendment of the Senator from Georgia?

Mr. RUSSELL. I do not know. I hope it is.

Mr. PASTORE. If it is, I do.

Mr. LAUSCHE. Is there anything else we can give away? [Laughter.]

Mr. MUNDT. Mr. President——

Mr. COOPER. Mr. President——

Mr. LAUSCHE. Tobacco?

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. LAUSCHE. Peanuts?

Mr. ELLENDER. Rice?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. RUSSELL. Mr. President, I am hopeful that the Senator from Virginia will be as generous and gracious in this respect as he was with reference to milk and butter and wheat. Certainly it would do no good to feed these people and to have them freeze, or exposed to the elements with no clothing.

Think of it. Think of the situation. We are getting ready to give away several billion dollars worth of foodstuffs of one kind and another, to feed these poor, hungry creatures, but we do not propose to do one thing on earth to remedy their nakedness, which leaves them exposed to the elements with their arms full of food—butter, cheese, milk, wheat, bread—without clothes sufficient to cover their nakedness.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Virginia.

Mr. ROBERTSON. I was under the impression that we were not losing any money on the cotton program.

Mr. RUSSELL. We are selling cotton at 8 cents a pound below what we have invested in it today all over the world. We are selling cotton for soft currencies now, and are giving those soft currencies to the countries in which the cotton is sold.

The cotton program has not proved to be as expensive as some of the other programs, because the surplus has not been so great, but there are available in this country several million bales of cotton of a type and texture which our mills cannot spin, which could be spun in the mills in Hong Kong or in China or elsewhere, to take care of the poor people who are so destitute and distressed.

Mr. ROBERTSON. The amendment of the Senator from Virginia reads in part as follows:

> The President shall take reasonable precaution to insure that dispositions of commodities made under the provisions of this section do not interfere with or adversely affect commercial trade and sales of such commodities which might otherwise be made.

We could not give away cotton without violating that provision of my amendment.

The amendment was limited first to feed grains. As the distinguished Senator from Minnesota said, one has to live in the South and learn how to make cornbread in order to learn to like to eat it. All over Europe the people have never eaten cornbread, and they would not like it, but they would eat it before they would starve to death.

Mr. RUSSELL. Those people have been wearing cotton garments. They are accustomed to that.

Mr. ROBERTSON. But that involves trade. That would violate the provisions of the amendment. Originally I did not put in the wheat or butter.

Mr. RUSSELL. The Senator accepted wheat. The Senator put it in his amendment. It is now in the Robertson amendment. The Senator accepted milk, dried eggs, vegetable oils, butter, and other commodities.

Mr. ROBERTSON. But the proponent of that suggestion said that he was a humanitarian, and I could not say that I was not. [Laughter.]

Mr. RUSSELL. Mr. President, I am trying to get in on this humanitarianism.

Mr. HUMPHREY and Mr. DIRKSEN addressed the Chair.

Mr. RUSSELL. Is this a closed deal? Is there some monopoly involved, so that only the Senators from Minnesota, Rhode Island and Virginia can pose as humanitarians on this floor?

Mr. HUMPHREY. Mr. President, will the Senator yield? I think I was the first to suggest cotton. I do not wish to have the Senator leave me out. I remember the admonition in the Good Book that we should feed the hungry, heal the sick, and clothe the naked.

Mr. RUSSELL. Mr. President, I was preparing to say that I wished to quote from the same source. The Senator from Virginia has referred to "needy people." Need is not measured by food alone. Indeed, the Good Book says that man cannot live by bread alone. We realize that man must have some clothing.

Mr. SALTONSTALL and Mr. DIRKSEN addressed the Chair.

Mr. RUSSELL. I yield first to the Senator from Massachusetts.

Mr. SALTONSTALL. We have been working on the problem of the textile mills of our area for a long time. We have been trying to build up the textile industry. If the United States should give away all of its cotton, how could we operate our textile mills?

Mr. RUSSELL. Unfortunately, there is a great deal of cotton which the mills in Massachusetts will not spin. It is of poor quality. The people of Massachusetts, of course, are "eating so high on the hog" now, under the circumstances as they exist, that they are able to buy the finer grades of cotton, the broadcloth.

Mr. SALTONSTALL. Mr. President, I agree with the Senator that there is no way of knowing the total effect of the amendment.

Mr. RUSSELL. Mr. President, I yield to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, in relation to the question raised by the distinguished Senator from Georgia, I should like to say that on Sunday next the very distinguished Senator from Virginia [Mr. ROBERTSON] will have reached the ripe old age of 3 score and 15 years. He is in a compassionate frame of mind. Those fatherly and grandfatherly attributes of the spirit of loving kindness have developed in him, and now any other Senator who wants to be included in support of the amendment ought to ask the Senator while he is in that frame of mind.

Mr. RUSSELL. Mr. President, I have been urging the distinguished Senator to accept the amendment since we have a surplus.

Mr. DIRKSEN. He ought to.

Mr. RUSSELL. Certainly he should accept the amendment. He has accepted an amendment pertaining to butter, an amendment pertaining to cheese, an amendment pertaining to dried milk, and an amendment pertaining to wheat. Yet he has not shown any enthusiasm to accept an amendment in order that the beneficiaries of all the various foodstuffs might likewise have the hope and aspiration that every human being is entitled to have that he will own one shirt that is neither patched nor has a number of holes in it.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. PASTORE. Without trying to pry into the personal reactions of the Senator from Georgia, if the amendment is accepted as to cotton, does the Senator intend to vote for the amendment as amended?

Mr. RUSSELL. Mr. President, I think the question is entirely beside the point. It is a non sequitur. It has nothing whatever to do with the issues before the Senate. I believe that cotton is entitled to consideration. I hope the amendment will be accepted.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, is time available on the amendment?

Mr. ELLENDER. I yield to the Senator from Minnesota. I believe I have 3 minutes remaining.

Mr. HUMPHREY. Mr. President, what disturbs me about this entire question is that in this period of great suffering we are making light of an unbelievable situation in which famine stalks the land and millions of people are facing dire tragedy. Frankly, I do not like the idea of an open end amendment. I do not think it is the right way to proceed.

On July 20, 1961, we enacted Public Law 8792, which amended the Mutual Security Act. Under section 203, referring to title II of the Agricultural Trade Development and Assistance Act of 1954, which is Public Law 480, we established in section 203 a fund of $300 million, to be made reimbursable by the Commodity Credit Corporation, for purposes of relief and assistance to needy people.

That law covers anything that the Government might have available to assist needy people. It seems to me unkind and almost immoral for us to be thinking up one commodity after another that we can include under the kind of provision proposed. If we wish to help needy people—and I think that is what we want to do—all we need to do is, first, to use section 203. I do not believe the funds available under that section are exhausted. If they are exhausted, the President can recommend an increase in the ceiling to $350 million or $400 million so that the Congress can initiate action on its own. Then we shall not be in the rather unsightly and, it seems to me, rather crude position of thinking about each one of our respective commodities.

Frankly, I feel that feed grains, as such, offer little or no assistance. The Senator from Georgia has every right to include cotton, because surely there is a need for clothing and raiment. The amendment offered by the Senator from Rhode Island is even more pertinent in terms of relieving human suffering.

But I suggest that there is an answer. Because of the respect the Senate should want from the people of the United States, the Senator ought to withdraw the amendment. We ought to face our responsibility; and if we need to have $400 million as a ceiling figure under section 203, that can be provided. The American people will not let hungry people starve. We never have done so. This Nation has a record of charity, assistance, and compassion second to none.

I submit that the report given by the Senator from Kansas and others about what has been done under Public Law 480 indicates unbelievable generosity. We have never failed in our responsibilities.

I appeal to my colleague from Virginia, if he will do so, in order to simplify the situation, to withdraw his amendment. If he withdraws the amendment, I believe we can rest assured that there will be no suffering that will go unnoticed, and that the Government of the United States will fulfill its responsibilities under acts of Congress already on the statute books.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. I heartily agree with the distinguished Senator from Minnesota. I shall vote against the amendment, not because I do not want to feed the hungry people in the world, but because I have no idea what the effect of the amendment would be on our economy or what it would do in relation to other laws. While perhaps we have been a little light in some of the debate, when we vote against the amendment, we shall not be voting against assisting hungry people, but because we do not know what the effect of the amendment would be on the proposed law or any other laws on our statute books. I hope the Senator will withdraw his amendment. If he does not, I shall vote against it for the reason stated, and not because I do not want to feed hungry people.

Mr. HUMPHREY. Mr. President, it would be a great tragedy if there were a misunderstanding of the votes of the distinguished Members of this body. There is not a Senator who is without a sense of compassion.

Mr. ROBERTSON. Mr. President, the Senator from Virginia has welcomed this opportunity to renew his devotion to the fundamental principle of private enterprise, and to offer what he thought would be a small approach to the problems of our farmers in connection with one segment of that principle. Far be it from me, on the verge of being an old man, to throw this distinguished Chamber into disagreement. If it is unanimously agreed that I may withdraw the amendment——

Mr. CASE of South Dakota. Mr. President, before the Senator makes that request, will he permit me to offer an additional amendment to his amendment?

Mr. ROBERTSON. The Senator will have to be recognized.

Mr. CASE of South Dakota. Mr. President, I desire to offer an amendment.

The PRESIDING OFFICER. An amendment is now pending.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. What amendment is pending?

The PRESIDING OFFICER. The Russell amendment.

Mr. CASE of South Dakota. Has that amendment not been accepted?

The PRESIDING OFFICER. The amendment has not been accepted.

Mr. ROBERTSON. Mr. President, I thought my amendment would serve two purposes. First, we could save the money that we are now spending on feed grains. The farmers would have an opportunity to get out from under control. Of course, they would give up the 75 percent support provision of the law, and we would perhaps go back to below 50 percent. But farmers would have that freedom. At the same time I thought that the starving people in Hong Kong and elsewhere would rather eat cornmeal than die. It seems that my amendment has not met with universal approval. Some Senators feel that other products should be included. I ask unanimous consent that I may be permitted to withdraw the amendment.

Mr. CASE of South Dakota. Mr. President, reserving the right to object——

Mr. ROBERTSON. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment has been withdrawn by the Senator from Virginia.

Mr. CASE of South Dakota. Mr. President, who is in control of the time?

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. CASE of South Dakota. Mr. President, will the Senator from Louisiana yield me five minutes on the bill?

Mr. ELLENDER. I yield the Senator from South Dakota 5 minutes on the bill.

Mr. CASE of South Dakota. For the purpose of clarification, I was about to suggest an amendment to the amendment offered by the Senator from Virginia, which at the end of paragraph (C) would have added some additional directives. I think it is important to keep everything in perspective. The amendment offered by the Senator from Virginia provided, in paragraph (c), as follows:

> (c) The President shall take reasonable precaution to insure that dispositions of commodities made under the provisions of this section do not interfere with or adversely affect commercial trade and sales of such commodities which might otherwise be made.

Had the amendment continued to be under consideration by the Senate, I would have proposed adding:

> And the President shall take such additional measures as may be necessary to prevent the commodities disposed of under this section from being sold or resold in black market operations.

As I indicated last night, I am in sympathy with the objective of making food surpluses available to the refugees from Communist China.

I have vivid memories of being in Kunming in 1945, during World War II, when Nationalist China was our ally, and when former Representative from Michigan Albert Engel went to the black market in Kunming and there found jeeps and tires of U.S. origin and manufacture being sold in the black market of Kunming.

As he ran down the matter and reported it to our subcommittee at the time, it developed that one of the principal operators in the black market was either the brother-in-law or son-in-law of the then Governor of Yunnan Province.

I do not believe it is possible to engage in any large scale largess, such as was proposed by the amendment of the Senator from Virginia, without awakening at least the possibility that these supplies in large quantities will fall into the hands of some people who would not be above selling or reselling the goods, whether or not such sale interfered with sales in the normal commercial trade, and making a profit from the disposition of such commodities.

That is why, had the amendment remained before the Senate, I would have offered that amendment to it. I have put it in the RECORD at this time because, should any such proposal develop during the course of the further deliberations on the bill, or in consultation with the House in conference, I believe we should be very careful that large quantities of foodstuffs, made available with the best of intentions, will not be stored in warehouses or cached somewhere by someone who would use them for resale at a profit to himself in black market operations.

I am not impugning the motives of the Nationalist Chinese Government as such. I do know that there is some cupidity among certain members of the human race, and we should guard against it if we engage in large scale largess, such as has been suggested.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment identified as "5-21-62—B."

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 24 beginning with line 1, strike out all through line 10, and insert in lieu thereof the following:

> (1) By amending subsection (e) thereof by striking out in the first sentence thereof "any of the 1962, 1963, and 1964 crops" and inserting in lieu thereof "the 1962 crop".

On page 25, lines 3 and 4, strike out "(other than Durum wheat to which subsections (e) and (h) are applicable)".

Mr. YOUNG of North Dakota. Mr. President, my amendment merely provides for striking from the wheat certificate section of the bill the Durum program which I was successful in getting approved by Congress last year. Under this program, farmers this year have been permitted to increase their Durum wheat acreage by 40 percent. This has been of considerable help to our producers as well as more adequately meeting consumer needs.

It is my proposal to eliminate this program because the language starting at the tope of page 25 in Senate bill 3225 which I sponsored in committee also permits the Secretary to increase the allotments of any kind of wheat, the supply of which is inadequate to provide for a sufficient quantity to satisfy the demand for that type of wheat. This provision will take care of the Durum situation at least as well as the special legislation which I sponsored last year. It is my belief that having one program for the increase in production of kinds of wheat in short supply would make the overall farm program simpler and more easily administered.

On page 19 of the Senate Agriculture Committee's report on Senate bill 3225, appears a table showing the production, disappearance, and carryover of wheat by classes. I ask unanimous consent that this table appear in the RECORD as part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 12.—*Wheat: Estimated supply and distribution by classes, United States, 1957–61*

[In millions of bushels]

Item	Hard Red Winter	Soft Red Winter	Hard Red Spring	Durum	White	Total
1957–58						
Carryover, July 1, 1957	648	10	196	13	42	909
Production	429	155	169	40	163	956
Imports [1]			11			11
Supply	1,077	165	376	53	205	1,876
Exports, including shipments [2]	219	30	38	1	118	406
Domestic disappearance [3]	245	129	135	27	53	589
Carryover, June 30, 1958	613	6	203	25	34	881
1958–59						
Carryover, July 1, 1958	613	6	203	25	34	881
Production	836	192	233	22	174	1,457
Imports [1]			8			8
Supply	1,449	198	444	47	208	2,346
Exports, including shipments [2]	259	43	46	1	98	447
Domestic disappearance [3]	251	134	147	27	45	604
Carryover, June 30, 1959	939	21	251	19	65	1,295
1959–60						
Carryover, July 1, 1959	939	21	251	19	65	1,295
Production	620	156	151	20	174	1,121
Imports [1]			7			7
Supply	1,559	177	409	39	239	2,423
1959–60—Continued						
Exports, including shipments [2]	292	40	49	1	130	512
Domestic disappearance [3]	261	127	142	24	43	597
Carryover, June 30, 1960	1,006	10	218	12	66	1,314
1960–61 [4]						
Carryover, July 1, 1960	1,006	10	218	14	66	1,314
Production	794	190	188	34	151	1,357
Imports [1]			8			8
Supply	1,800	200	414	48	217	2,679
Exports, including shipments [2]	430	55	35	6	138	664
Domestic disappearance [3]	261	133	142	26	41	603
Carryover, June 30, 1961	1,109	12	237	16	38	1,412
1961–62 [4] [5]						
Carryover, July 1, 1961	1,109	12	237	16	38	1,412
Production	755	203	116	19	142	1,235
Imports [1]			8			8
Supply	1,864	215	361	35	180	2,655
Exports, including shipments [2]	468	49	42	15	104	678
Domestic disappearance [3]	253	133	139	18	44	587
Carryover, June 30, 1962	1,143	33	180	2	32	1,390

[1] Excludes imports for milling in bond and export as flour.

[2] Includes shipments to Alaska and Hawaii and the U.S. territories. Includes exports for relief or charity by individuals and private agencies.

[3] Wheat for food (including military food use at home and abroad), feed, seed, and industry.

[4] Preliminary.

[5] Imports and distribution are estimated.

NOTE.—Figures by classes are not based on survey or enumeration data and are therefore only approximations. Estimated stocks on farms and in interior mills, elevators, and warehouses, by kinds, are assumed to be present in about the same proportion as produced; the classes within kinds are established on the basis of the quinquennial wheat-variety surveys. Commercial stocks and CCC inventories are reported by classes. Exports by classes are estimated on the basis of "inspection for export" for wheat as grain and on the basis of the area from which exports are made for flour.

Data for 1944–56 in "The Wheat Situation," August 1959, p. 12; data for 1929–43 in "The Wheat Situation," February 1958, p. 10.

Mr. ELLENDER. Mr. President, I have consulted with my good friend, the Senator from North Dakota. There is no objection to the amendment. As I understand, he wishes to repeal the special Durum part of the provision, effective with the 1963 crop, and include Durum under the general provision for increasing allotments of kinds of wheat in short supply.

Mr. YOUNG of North Dakota. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. YOUNG of North Dakota. Mr. President, I call up my amendment identified as "5-23-62—G."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 35 between lines 5 and 6, insert the following:

> (e) The Secretary may permit the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage."

Renumber the remaining subsections accordingly.

Mr. YOUNG of North Dakota. Mr. President, this amendment would amend the wheat marketing certificate program to provide that during the years 1963, 1964, and 1965 the Secretary could permit acreage diverted from the production of wheat to be devoted to the production of guar, seasame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage. Producers would not be eligible for price supports on these crops, and in no event could diversion payments be in excess of one-half of the rate which would otherwise be applicable if such acreage were devoted to conservation uses. These provisions are identical to those enacted by the Congress in Public Law 87–451, 87th Congress, which applies to the 1962 special wheat diversion program.

Mr. ELLENDER. In his amendment, does the Senator apply the same regulation that was adopted yesterday with respect to diverted acres?

Mr. YOUNG of North Dakota. That is correct.

Mr. ELLENDER. We have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was agreed to.

Mr. CARLSON. Mr. President, I send an amendment to the desk. I ask that the amendment be not read, but that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, between lines 17 and 18, insert the following:

"PROGRAM BEGINNING WITH 1964 CROP"

On page 24, beginning with line 20, strike out down through line 23.

On page 32, line 18, strike out "1963, 1964 and 1965" and substitute "1964, 1965, and 1966".

On page 41, strike out "1963" in lines 9 and 10, and substitute "1964".

On page 42, strike out "1963"' in line 15, and substitute "1964".

On page 51, strike out "1963" in line 25, and substitute "1964".

On page 54, after line 10 insert the following:

"Program for 1963

"SEC. 326. Section 334(c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding a new subparagraph (3) to read as follows:

"'(3) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1963 crop of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 10 per centum.'

"SEC. 327. (a) In lieu of the provisions of item (1) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (1)), the following provisions shall apply to the 1963 crop of wheat:

"'(1) If a national marketing quota for wheat is in effect for the marketing year, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in the calendar year in which such marketing year begins. The farm marketing quota for such crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment based upon the average yield per acre for the entire wheat acreage on the farm: *Provided, however,* That the farm marketing excess shall not be larger than the amount by which the actual production, so established, exceeds the normal production of the farm wheat acreage allotment.'

"(b) Notwithstanding the provisions of item (2) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (2)), the rate of penalty on wheat of the 1963 crop shall be 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which such crop is harvested.

"(c) In lieu of the provisions of item (3) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (3)), the following provisions shall apply to the 1963 crop of wheat:

"'(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon twice the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production as heretofore provided the difference between the amount of the penalty or storage computed on the basis of twice the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or friendly foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce.'

"(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended to read as follows:

"'(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which, under regulations prescribed by the Secretary, the actual acreage planted to wheat for harvest of such crop does not exceed fifteen acres: *Provided, however,* That a farm marketing quota on the 1962 and 1963 crops of wheat shall be applicable to any farm on which the acreage of wheat exceeds the smaller of (1) thirteen and five-tenths acres, or (2) the highest number of acres actually planted to wheat on the farm for harvest in any of the calendar years 1959, 1960, or 1961.'

"(e) The last sentence of section 336 of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1336), is amended to read as follows: [" 'Notwithstanding any other provision hereof, farmers who have not produced in excess of thirteen and five-tenths acres of wheat in at least one of the years 1959, 1960, or 1961, shall not be entitled to vote in the referendum conducted with respect to the national marketing quota for the marketing years beginning July 1, 1962, and July 1, 1963.'

"SEC. 328. Price support for the 1963 crop of wheat shall be made available, as provided in section 101 of the Agricultural Act of 1949, as amended, except that price support shall be made available only to cooperators, only in the commercial wheat-producing area, and if marketing quotas are in effect for the crop of wheat, wheat of such crop shall be eligible for price support only if the producers on the farm on which the wheat is produced participate in the special wheat program formulated under section 329 to the extent prescribed by the Secretary.

"SEC. 329. (a) If marketing quotas are in effect for the 1963 crop of wheat, producers on any farm, except a farm on which a new farm wheat allotment is established for the crop, in the commercial wheat-producing area shall be entitled to payments determined as provided in subsection (b) upon compliance with the conditions hereinafter prescribed:

"(1) Such producers shall divert from the production of wheat an acreage on the farm equal to either (i) 10 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961: *Provided,* That such acreage in each of such years did not exceed fifteen acres, or (ii) 10 per centum of the farm acreage allotment for the crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c) (3) of the Agricultural Adjustment Act of 1938, as amended.

"(2) Such diverted acreage shall be devoted to conservation uses including summer fallow, approved by the Secretary, and such measures shall be taken as the Secretary may deem appropriate to keep such diverted acreage free from insects, weeds, and rodents: *Provided*, That such diverted acreage may be devoted to castor beans, guar, safflower, sunflower, or sesame, if designated by the Secretary, subject to the condition that no payment shall be made with respect to diverted acreage devoted to any such commodity.

"(3) The total acreage of cropland on the farm devoted to soil-conserving uses, including summer fallow and idle land, but excluding the acreage diverted as provided above and acreage diverted under the special program for feed grains, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm in 1959 and 1960. Certification by the producer with respect to such acreage may be accepted as evidence of compliance with the foregoing provision. The total average acreage devoted to soil-conserving uses, including summer fallow and idle land, in 1959 and 1960, shall be subject to adjustment to the extent the Secretary determines appropriate for abnormal weather conditions or other factors affecting production, established crop-rotation practices on the farm, changes in the constitution of the farm, participation in other Federal farm programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history.

"(4) If the diversion of acreage is made pursuant to the provisions of (1) (i) of this subsection (a), the actual acreage of wheat planted on the farm for harvest shall not exceed 90 per centum of the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961; and if the diversion of acreage is made pursuant to the provisions of (1)(ii) of this subsection (a), the farm shall be in compliance with the farm wheat acreage allotment.

"(b)(1) Upon compliance with the conditions prescribed in subsection (a) producers on the farm shall be entitled to payments which shall be made by Commodity Credit Corporation in cash or wheat equal to 45 per centum of the value, at the estimated basic county support rate per bushel for Number 1 wheat for the county in which the farm is considered as being located for the administration of farm marketing quotas for wheat, of the number of bushels equal to the adjusted yield per acre of wheat for the farm, multiplied by the number of diverted acres other than acres devoted to castor beans, guar, safflower, sunflower, or sesame.

"(2) The Secretary may make such adjustments in yields for the 1959 and 1960 crop years as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, type of soil, soil and water conservation measures, and topography. To the extent that a producer proves the actual yields for the farm for the 1959 and 1960 crop years, such yields shall be used in making determinations.

"(3) The Secretary shall provide by regulations for the sharing of payments among producers on the farm on a fair and equitable basis. The medium of payment shall be determined by the Secretary. If payments are made in wheat, the value of the payments in cash shall be converted to wheat at the market price of wheat as determined by Commodity Credit Corporation. Wheat received as payment-in-kind may be marketed without penalty but shall not be eligible for price support.

"(c)(1) Producers who divert acreage on the farm under subsection (a) may divert additional acreage on the farm not in excess of the larger of three times the amount diverted under subsection (a) or such acreage as will bring the total acreage diverted to ten acres: *Provided,* That the total acreage diverted under subsection (a) and this subsection (c) shall not exceed the larger of (i) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, 1961, but not to exceed ten acres or (ii) the wheat acreage allotment.

"(2) Payments shall be made with respect to the acreage diverted under this subsection (c) in accordance with the terms and conditions prescribed in subsection (a): *Provided,* That (i) 60 per centum shall be substituted for 45 per centum in computing the amount of the payment, (ii) the acreage diverted under this subsection (c) shall be added to and deemed to be acreage diverted under subsection (a) for the purposes of paragraphs (2) and (3) of subsection (a), and (iii) if the diversion under subsection (a) is made pursuant to (1)(i) of said subsection, the actual acreage planted to wheat for harvest on the farm, shall be reduced below the highest actual acreage of wheat planted on the farm for harvest in any of the years 1959, 1960, or 1961, by the total amount of acres diverted under subsection (a) and this subsection (c), or, if the diversion under subsection (a) is made pursuant to (1)(ii) of said subsection, the wheat acreage on the farm shall be reduced by the total amount of acres diverted under subsection (a) and this subsection (c) below whichever of the following acreages is the larger—

"(A) the farm acreage allotment for the crop of wheat which would be in effect except for the reduction thereof as provided in section 334(c)(3) of the Agricultural Adjustment Act of 1938, as amended;

"(B) the highest actual acreage of wheat planted on the farm for harvest for any of the years 1959, 1960, or 1961, but not to exceed fifteen acres.

"(d) Any acreage diverted from the production of wheat to conservation uses for which payment is made under the program formulated pursuant to this section shall be in addition to any acreage diverted to conservation uses for which payment is made under any other Federal program except that the foregoing shall not preclude the making of cost-sharing payments under the agricultural conservation program or the Great Plains program for conservation practices carried out on any acreage devoted to soil-conserving uses under the program formulated pursuant to this section.

"(e) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under this section.

"(f) Not to exceed 50 per centum of any payment to producers under this section may be made in advance of determination of performance.

"(g) The program formulated pursuant to this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

"(h) Wheat stored to avoid or postpone a marketing quota penalty under the Agricultural Adjustment Act of 1938, as amended and supplemented, shall not be released from storage for underplanting based upon acreage diverted under subsection (c) above, and in determining production of the crop of wheat for the purpose of releasing wheat from storage on account of underproduction the normal yield of the acres diverted from the allotment shall be deemed to be actual production of wheat.

"(i) The Secretary is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

"(j) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized herein and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

"(k) Section 334(e) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments for Durum wheat, is amended—

"(1) by striking out 'after reduction in the case of the 1962 crop as required by section 334(c)(2)' and inserting the following: 'after reduction as required by section 334(c)(2) or (3)', and

"(2) by striking out 'the special 1962 wheat program formulated under section 124 of the Agricultural Act of 1961' and inserting the following: 'the special wheat program for such crop formulated under section 124 of the Agricultural Act of 1961 or section 329 of the Food and Agricultural Act of 1962'.

"(l) Section 334(l) of the Agricultural Adjustment Act of 1938, as amended, relating to increased allotments in the Tulelake area in California, is amended by inserting the following sentence immediately following the seventh sentence thereof: 'The special wheat program formulated under section 329 of the Food and Agriculture Act of 1962 shall not be applicable to any farm receiving an additional allotment under this subsection'."

Mr. CARLSON. Mr. President, this is a very simple amendment, even though it contains eight pages of written language. It was prepared by the staff of the Committee on Agriculture and Forestry. Its terms are very simple. It would defer from 1963 to 1964 the effective date of the certificate program for wheat. Senators who heard me discuss the certificate plan during the debate may remember that I said I did not believe there would be enough time to have the program sold to the farmers in the time that will remain between the passage of the bill and its signing by the President on the one hand, and the wheat planting season on the other. It would be unfair to the wheatgrowers to try to carry out the program unless there were sufficient time.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. CURTIS. I commend the Senator for offering his amendment. I shall support it.

Mr. PEARSON. Mr. President, I associate myself with the position taken by my colleague the senior Senator from Kansas [Mr. CARLSON]. The pending administration bill, incorporating in it elements of complete control and confusing terms, wide discretionary powers, and heavy penalties, submitted on an ultimatum basis, will undoubtedly pass.

The American farmers, with their technical skill and ingenuity and hard work, have produced surpluses in a world of want, and they deserve a better fate. Adjustments must be made. The Government must participate in these adjustments, for the basic fact of our times is that we are undergoing rapid and continuing change. Within the lifetime of many here, we have passed through two World Wars, the Korean conflict, the continuing cold war struggle, a world depression, and several recessions.

The communications and transportation systems have indeed made the earth one world, so that our east and west coasts conceivably join on the other side of the world.

Only yesterday we took another step into space. I think the American farmer has met the challenge, and I think the farm program, based on my conversations with farmers in my State, should be clear, understandable, and timely in its application, as this amendment would make it, and free of political pressures, as I believe this amendment would provide. I think the bill will be a failure without this amendment.

Mr. CARLSON. Mr. President, I do not wish to let the debate be closed without having the amendment made a part of the record. As I understand, it will be printed in the RECORD as offered.

The PRESIDING OFFICER. The Senator is correct.

Mr. CARLSON. I sincerely believe that if early action is not taken on the bill by the other body, and signature affixed by the President, the farmers will not receive the benefits intended by the bill. I hope the House of Representatives will give earnest consideration to my amendment. Therefore, I shall not press for action on it and will withdraw it at this time.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Kansas is withdrawn.

Mr. KEATING. Mr. President, on behalf of myself, Senator JAVITS, Senator SCOTT, Senator CASE of New Jersey, and Senator SALTONSTALL, I call up my amendment designated "5-23-62—P." I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be identified.

The LEGISLATIVE CLERK. The amendment is designated "5–23–62—P."

The PRESIDING OFFICER. Without objection, the amendment will be printed without reading.

The amendment is as follows:

> On page 8, line 20, insert the following: "SEC. 104. No agreement or payment shall be made under this title unless the Secretary determines that any public facilities which may be developed with Federal assistance will be available to all persons without discrimination on account of race."

Mr. KEATING. Mr. President, I shall take 3 minutes in which to explain the purpose of the amendment. At the end of that time, I understand the distinguished majority leader will move to table the amendment. I shall oppose that motion.

Mr. MANSFIELD. That is correct.

Mr. KEATING. Mr. President, the amendment provides that no agreement or payment shall be made under title I of this bill unless the Secretary of Agriculture determines that any public facilities which may be developed with Federal assistance will be available to all persons without discrimination on account of race.

The purpose of title I is to as allow the conversion of unneeded or uneconomic cropland to other uses, primarily recreational. This is not only a sensible way to curb agricultural overproduction, but it would also give tremendous encouragement to the development of additional recreational facilities for our rapidly growing urban areas. This is the one part of the bill which I regard with complete favor.

It is important, however, to make certain that none of the recreational facilities developed under this new program will be operated on a discriminatory basis. It would certainly be disgraceful if this noble plan for increasing the recreational resources of our Nation were tainted by invidious racial practices.

In my opinion, there is no possible justification for permitting facilities developed with Federal assistance to be used on a Jim Crow basis. It should not make any difference whether this assistance is in the form of loans or grants. It should not make any difference whether the facilities are operated by private or public agencies. It should not make any difference whether they are managed by the Federal Government or State authorities. If Federal tax moneys are involved in their acquisition, construction, or maintenance, they should be open to all Americans without regard to race. They should be public in the true sense, a place where all Americans can take their families without any fear that they will be excluded because of the color of their skins.

These considerations are by no means confined to the recreational facilities which may be developed under title I of this farm bill. They apply with equal force to the myriad of Federal grant-in-aid programs already in existence. Could anyone conceive of the Federal Government contributing tax funds to highway construction and allowing the States to restrict the use of the highways to white citizens only. Or if a State decided that instead of barring Negro autoists entirely that they would limit them to certain lanes on the roads, could anyone understand the Federal Government going along with such a scheme?

The fact is that the Federal Government is permitting arrangements similar in principle to these examples. It is permitting grants to be made for the construction of schools which it knows will be operated on a segregated basis. It is giving millions in research funds to segregated colleges knowing that they will be used by white students and faculty only. I want to be positive that the Federal Government will not now begin to contribute money for parks which will be open only to a selected group in our population. A man's desire to fish, or picnic does not depend on the color of his skin. His desire to enjoy an outing with his wife and children does not diminish because he is Negro. This bill must not allow any action by the States which would deny equal enjoyment of these recreational facilities by all of its inhabitants.

In my view, the bill cannot be construed even without this amendment to permit any assistance in any form to any person or agency except on condition that any recreational facilities developed be open to all without discrimination. The Constitution is part of every one of our enactments. Its letter and spirit control every statute we pass. Its commands cannot be ignored by officials in the executive department sworn to uphold the law just because the particular statute they administer does not reiterate all the controlling constitutional limitations on their actions. This statute is silent on the particular issue I am raising. But this is an eloquent silence and any gap it may appear to create is filled by the provisions of the Constitution vouchsafing the equal protection of the law to all Americans.

The legislative history on this point has been illuminating. During the debate on Monday, the Senator from Mississippi [Mr. EASTLAND] questioned the Senator from Vermont [Mr. AIKEN] on whether the facilities to be financed under this bill would be public facilities. When assured that they would be, Senator EASTLAND stated:

> That means integrated recreational facilities, does it not?

The Senator from Vermont replied:

> They certainly ought to be. It is the intention that there will be no discrimination against any people at all in any public recreational facilities where Federal money is involved. I do not think it would be in conformity with the Constitution to do otherwise.

On Tuesday, the Senator from Mississippi again brought up this question during the speech of the Senator from Florida [Mr. HOLLAND]. On that occasion he posed this query:

> Is it not true that, under the interpretation which the Supreme Court places on the Constitution, these recreational facilities will be racially integrated facilities?

Senator HOLLAND replied:

> The Senator from Florida so believes and would have no hesitancy in saying that is the case.

Whatever the purpose of the Senator from Mississippi may have been in asking these questions, he has succeeded in providing a clear legislative intent that no funds or other assistance can be provided under title I of this bill unless assurances are given that the facilities provided thereunder will be available on a nondiscriminatory basis.

Unfortunately, what is lacking is assurance that this legislative intent will be followed by the executive department. My apprehension in this regard is not merely speculative.

During the discussion of the Thurmond amendment, it was indicated by me that the legislative history of this measure made it clear that under title I, providing for recreational facilities, Federal funds could not be used to promote segregated facilities. Out of an abundance of caution, one of the staff called the General Counsel of the Department of Agriculture for his opinion. I have now been advised that it is the opinion of the General Counsel that the bill and the acts which it amends do not authorize or direct public recreational facilities developed with Federal assistance to be operated on an integrated basis. I have wired the Secretary of Agriculture, expressing surprise and disappointment at that ruling, and asking for a formal ruling. In my wire I said:

> Have just been advised that the General Counsel of the Department of Agriculture has expressed the opinion that title I recreational facilities could be operated on a segregated basis. I cannot believe that this represents the position of the Department. The General Counsel's opinion is directly in conflict with the legislative history in the Senate which establishes the intent of the Senate that all such facilities be open without racial discrimination and flouts controlling constitutional principles. Would appreciate an immediate reply from you on the position of the Department of Agriculture.

I have not yet received any reply to this wire.

As I have indicated, there are a number of Federal grant-in-aid programs under which funds are granted without any consideration of whether the programs will be administered with due regard for constitutional limitations. The situation actually has reached the stage in which the Department of Justice has instituted or intervened in litigation after the fact in an attempt to undo discriminatory practices fostered with Government assistance. It has done this in connection with hospitals constructed under the Hill-Burton Act and in connection with schools constructed under the so-called impacted areas program.

It would certainly be more sensible for the Federal Government to take some preventive action under these programs rather than trying to undo in lengthy, costly and burdensome litigation something which could be avoided in the first place. The spectacle of one Government department bringing suit because of the activities of another Federal department reveals an abysmal lack of coordination or an incredible lack of unity of objectives. This conflict between the departments could be straightened out by an Executive order which would require all the agencies of the Federal Government to insist upon a uniform policy of nondiscrimination under Federal grant programs. If the Senator from Mississippi concedes that such a policy is required by the Supreme Court's interpretation of the Constitution, why should any Federal agency be hesitant to accept this principle?

On Wednesday the House Labor and Education Committee reported legislation which would deny Federal aid to racially segregated schools under the impacted area program. It also reported a bill which would cut off Federal funds to land-grant colleges still practicing segregation. These measures should not be necessary. Their objectives can be fully accomplished by executive action. The testimony before the House committee by administration officials, however, left little doubt that no such administrative action would be forthcoming. The committee, apparently without dissent, therefore recommended that these specific antidiscrimination provisions be written into the pertinent statutes.

We are faced with much the same situation here. This amendment should not be necessary. The Constitution already requires what the amendment would require. The Constitution is not ambiguous or uncertain, but the officials administering these programs do not choose to give it full application. In the absence of assurance from the department that it will administer this program in a nondiscriminatory manner, the only safe course is to write this amendment into the law.

Mr. President, I reserve the remainder of my time.

Mr. **MANSFIELD**. Mr. President, I move to table the amendment offered by the Senator from New York.

Mr. **KEATING**. Mr. President, on that motion, I ask for the yeas and nays.

The yeas and nays were ordered.

The **PRESIDING OFFICER**. The question is on agreeing to the motion of the Senator from Montana to table the amendment offered by the Senator from New York [Mr. KEATING] for himself and other Senators. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **HUMPHREY**. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Wyoming [Mr. HICKEY], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. MCGEE], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in family.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON, the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Mississippi [Mr. STENNIS]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Mississippi would vote "yea."

On this vote, the Senator from Missouri [Mr. LONG] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Wyoming would vote "yea."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from Virginia would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New York [Mr. JAVITS]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from New York would vote "nay."

On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from Arkansas would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Wyoming [Mr. HICKEY] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Wisconsin would vote "nay."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from Iowa [Mr. MILLER]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Iowa would vote "nay."

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG] and the Senator from Washington [Mr. MAGNUSON] would each vote "yea."

Mr. **DIRKSEN**. I announce that the Senator from California [Mr. KUCHEL] is necessarily absent.

The Senator from Iowa [Mr. MILLER] is absent on official business.

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate.

The Senator from New York [Mr. JAVITS] is detained on official business.

On this vote, the Senator from New York [Mr. JAVITS] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New York would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting, the Senator from California would vote "nay," and the Senator from Arkansas would vote "yea."

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Iowa would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Wisconsin [Mr. WILEY] is paired with the Senator from Wyoming [Mr. HICKEY]. If present and voting, the Senator from Wisconsin would vote "nay," and the Senator from Wyoming would vote "yea."

The result was announced—yeas 43, nays 40, as follows:

[No. 64 Leg.]

YEAS—43

Anderson
Bartlett
Bible
Burdick
Byrd, W. Va.
Cannon
Church
Eastland
Ellender
Engle
Ervin
Hartke
Hayden
Hill
Holland
Humphrey
Jackson
Jordan
Kefauver
Kerr
Long, Hawaii
Mansfield
McCarthy
McClellan
McNamara
Metcalf
Monroney
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Russell
Smathers
Smith, Mass.
Sparkman
Talmadge
Thurmond
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—40

Aiken
Allott
Beall
Bennett
Boggs
Bush
Butler
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Douglas
Dworshak
Fong
Goldwater
Hart
Hickenlooper
Hruska
Keating
Lausche
Morse
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Symington
Tower
Williams, N.J.
Williams, Del.

NOT VOTING—17

Byrd, Va.
Carroll
Chavez
Fulbright
Gore
Gruening
Hickey
Javits
Johnston
Kuchel
Long, Mo.
Long, La.
Magnuson
McGee
Miller
Stennis
Wiley

So the motion to lay on the table was agreed to.

The **PRESIDING OFFICER**. The bill is open to further amendment.

Mr. **ELLENDER**. Mr. President, on behalf of the Senator from Arkansas [Mr. FULBRIGHT], who is necessarily absent, I submit an amendment which will clarify part of the bill; the amendment will permit fish farmers to be able to borrow money under the Consolidated Farmers Home Administration Act of 1961. I have no objection to the amendment.

The **PRESIDING OFFICER**. The amendment will be stated.

The LEGISLATIVE CLERK. On page 66, in line 20, it is proposed to strike out the word "and".

On page 66, in line 23, it is proposed to strike out the period, and to insert in lieu thereof a semicolon and the word "and".

On page 66, between lines 23 and 24, it is proposed to insert the following:

> (5) By adding at the end thereof a new section as follows:
>
> "SEC. 343. As used in this title (1) the term 'farmers' shall be deemed to include persons who are engaged in, or who, with assistance afforded under this title, intend to engage in, fish farming, and (2) the term 'farming' shall be deemed to include fish farming."

Mr. **ELLENDER**. I yield back my time.

The **PRESIDING OFFICER**. Without objection, the amendment is agreed to.

Mr. MUNDT. Mr. President, I call up my amendment of one word.

The PRESIDING OFFICER. The amendment of the Senator from South Dakota will be stated.

The Legislative Clerk. It is proposed, on page 23, at the end of line 20 of the so-called feed grain amendment by Mr. Ellender previously agreed to, to insert "including provision for the control of erosion,"

Mr. MUNDT. Mr. President, if I may have the attention of the chairman, I wish to say that I have discussed this amendment with him. I believe it is acceptable.

For the information of the Senate, I point out that the Secretary is empowered to have certain care provided on diverted acres. The section now provides that a person who owns the property and receives a benefit for diverted acres must follow certain measures to keep the land free from insects, weeds, and rodents.

I propose to include provision for the control of erosion, because in many areas of the country, both from water and wind erosion, land which is in the open will blow away and be rapidly eroded. I believe the chairman of the committee has no objection to the amendment.

Mr. ELLENDER. I have no objection, Mr. President.

The PRESIDING OFFICER. Is there objection to the amendment? Without objection, the amendment is agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I call up my amendment identified as "5-24-62—D," as modified.

The PRESIDING OFFICER. The amendment of the Senator from Minnesota will be stated.

The Legislative Clerk. It is proposed on page 69, after line 16, to insert the following:

Sec. 405. Nothing contained herein shall be construed as authorizing sales of Commodity Credit Corporation-owned commodities, including sales against payment-in-kind certificates, other than in accordance with the provisions of section 407 of the Agricultural Act of 1949, as amended. Congress hereby reconfirms its longstanding policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extend practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

Mr. HUMPHREY. Mr. President, I have discussed this amendment with the chairman of the committee. The purpose of it is to remind the Commodity Credit Corporation that in this country we have private facilities and farmer-owned facilities that ought to be utilized in marketing and in transactions relating to agricultural commodities. It is an admonition to the Department, and I believe it is very much needed.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MUNDT. May I say that the amendment proposed by the Senator from Minnesota reaffirms and reexpresses a policy which this body has expressed previously as an amendment to the Agricultural Appropriation Act, which carries this same admonition.

Mr. HUMPHREY. That is exactly correct. This establishes it in the authorization legislation.

By the way, Mr. President, the junior Senator from Minnesota [Mr. McCarthy] also joins me in the amendment as a cosponsor.

Mr. ELLENDER. Mr. President, I have discussed this amendment with the Senator from Minnesota. There is no objection to it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment identified as "5-21-62—F," and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Minnesota will be stated.

The Legislative Clerk. It is proposed, at the proper place in the bill, to insert a new section as follows:

Sec. . It is hereby declared to be the sense of the Congress that the Secretary of Agriculture should, whenever he determines such action will result in more effective or more economical administration of this or any other Act administered by him, utilize the services and facilities of farmer-owned, farmer-managed associations of producers, and accord such associations no less favorable treatment under any such Act than that accorded individual producers or farmers.

Mr. HUMPHREY. Mr. President, this amendment has been discussed fully with the chairman of the committee, the Senator from Vermont [Mr. Aiken], and other Senators. I believe it has met with approval.

Mr. ELLENDER. I have no objection. However, this does not mean that the associations mentioned in the amendment will receive preferential treatment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, just for the purposes of a very brief discussion, I call up my amendments identified as "5-21-62—H." I do so not with the intention of pressing the amendment, but merely for a word on it.

The PRESIDING OFFICER. The amendments of the Senator from Minnesota will be stated.

The Legislative Clerk. It is proposed, on page 66, between lines 17 and 18, to insert the following:

(3) By striking out in section 306 the figure "$150,000,000" and inserting in lieu thereof the figure "$300,000,000".

On page 66, line 18, strike out "(3)" and insert in lieu thereof "(4)".

On page 66, line 21, strike out "(4)" and insert in lieu thereof "(5)".

Mr. HUMPHREY. Mr. President, I discussed this amendment with both the chairman of the committee and the chairman of the Subcommittee on Farm Credit, the Senator from Florida [Mr. Holland].

This is an amendment to the Farmers Home Administration Act. It would double the amount of insured loans. The provision of the Farmers Home Administration Act which provides moneys for regular farm operations is known as the insured loan program. The present authorization is $150 million.

It does not require Treasury appropriations; it requires, however, commitment by the Government in terms of insurance on loans, the same as we have in the housing administration known as the FHA.

The Senator from Florida [Mr. Holland], in discussing this matter with me, suggested that it go through the regular processes of committee discussions and meeting. With that suggestion I have sympathy and understanding. I merely make this statement. At a later time I hope the Department of Agriculture will look into this matter, because I understand the amount of insured loans has been utilized up to the full authorization.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I have stated to the Senator from Minnesota that I certainly have no hostility to his amendment, but I thought having it adopted when it has not been discussed by the committee, considering what is involved, would be a mistake in procedure, and I would not give approval to it. It has not been discussed by our subcommittee or the full committee. I would be glad to give speedy hearings on any proposal. As the Senator knows, I have agreed on two or three occasions, and the committee has agreed unanimously, to liberalization of the Farmers Home program. I hope the Senator will withdraw his amendment and proceed in the regular way, as I have suggested and as he has suggested.

Mr. HUMPHREY. I want to call to the attention of the chairman of the committee that I had intended to propose an amendment to section 102 of title I of the bill that would make sure the Department of Agriculture, under its land use program, particularly land used for conservation and recreation purposes would not engage in either development of industrial entrprises on that land or development of what we call industrial parks. We have the Small Business Administration and the Area Redevelopment Administration for those activities.

I wanted to make sure that the Secretary of Agriculture did not get into the industrial activities of these other two agencies, where there is broader supervision and evaluation.

In other words, I do not want to see a land-use program developed as a way and a means of enticing, if I may use that word, industrial enterprises from other areas, at the expense of the Department of Agriculture or of the taxpayers. We have industrial loan programs and redevelopment programs under the Area Redevelopment Administration and the Small Business Administration. Let us keep those activities there.

May I ask the chairman a question? As he understands title I, is it to be interpreted so that the SBA and the ARA will undertake whatever industrial development purposes there may be for commercial use, and that the Department of Agriculture will limit its activities to rural renewal other than industrial, land use, land utilization, conservation, wildlife, and recreation?

Mr. ELLENDER. Yes. I want to say also, as the Senator knows, that on this feature of the measure, the matter is left entirely in the hands of local agencies.

Mr. HUMPHREY. Yes. I correctly understand, in other words, that the interpretation of section 102 is to assist local public authorities in providing rural renewal other than industrial, recreation, conservation, and protection of fish and wildlife, rather than the Department of Agriculture engaging in industrial activities.

Mr. ELLENDER. The Department of Agriculture would not engage in any projects under section 102. It would provide loans to State and local public bodies to assist them in carrying out land utilization projects for any purpose within the terms of the bill.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. HOLLAND. It is true, however, under the provisions of the bill, that loans up to $60,000 to an individual farmer can be made for those same purposes.

Mr. ELLENDER. Yes.

Mr. HOLLAND. And loans up to $500,000 can be made to an association of farmers for the same purposes.

Mr. HUMPHREY. For recreation and conservation.

Mr. ELLENDER. That is, to an individual association.

Mr. HUMPHREY. But not for industrial development.

Mr. HOLLAND. No.

Mr. HUMPHREY. I wished to make sure we would not put into the bill any industrial loan authority identical to that of the Small Business Administration and the Area Redevelopment Administration.

I note my friend from Ohio [Mr. LAUSCHE] is looking at me, no doubt wondering, "Why is the Senator from Minnesota so concerned about that?"

The reason is, I say quite frankly, there is a tendency for duplication when the loan programs are authorized. I wished to be sure that we would not set up another loan program for industrial purposes under the Department of Agriculture. For rural renewal, conservation, for recreation, and for the other purposes outlined in the proposed legislation, I am fully in accord with the proposal.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. The position of the Senator from Louisiana is that the authority granted under the terms of the bill would cover those items enumerated in the bill. The Senator from Louisiana would not take the position that under the authority given to the Secretary of Agriculture, the loans to be authorized could not be administered by the FHA or other agencies in existence.

Mr. ELLENDER. They are to be administered by those making the loans.

Mr. LAUSCHE. That is, by the Secretary of Agriculture?

Mr. ELLENDER. Yes, through the FHA.

Mr. CURTIS. Mr. President, I call up my amendment designated "5-24-62—B" and ask to have it stated.

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Minnesota withdraw his amendment?

Mr. HUMPHREY. Yes, Mr. President, I withdraw my amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that the amendment may be printed in the RECORD without being read.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 75, after line 15, insert the following:

"(g) Enter into contracts with persons, corporations, and associations under which the agency shall agree (1) to sell grains owned by the Commodity Credit Corporation for use in the manufacturing or processing of commercial products, other than products intended for human or animal consumption, at such prices the agency deems appropriate, without regard to the restrictions contained in section 407 of the Agricultural Act of 1949, as amended, and (2) to deliver such grains over such periods, not to exceed five years, as may be necessary to assure the purchasers of a continuing supply of such commodities;".

Reletter the subsequent paragraphs of the section.

Mr. CURTIS. Mr. President, the debate in the last few days has proved the futility of attempting to control agricultural production. It has also revealed how costly the program is to the Treasury and how unsatisfactory it is to the American farmers.

The one hope of avoiding the agricultural problem is to find greater uses for the production of our farms. I refer to greater uses in the United States. Because of the marvelous accomplishments of chemistry, practically all the industrial needs of the country can, if necessary, be provided from farm crops, from the things raised on farms.

The surpluses can be turned into useful purposes, and we could have an economy in which the farmers could sell all they raise. Even though it might be accompanied by a price support program, we would at least have an outlet for our surpluses.

I commend the committee for including title V in the bill. I call attention, however, to a marked deficiency in it. Under title V surplus commodities held by the Commodity Credit Corporation may be turned over to laboratories, to universities, to research organizations and the like without charge in order to find new uses for our surpluses.

The amendment I have offered would permit the Commodity Credit Corporation to sell at a price below the support price, surplus crops to a manufacturer who would use them for purposes other than for animal or human consumption. This would encourage new industries. It would dispose of some of our surpluses. It would lessen the cost of storage.

I regret that such a program has not been underway for a long time. It was recommended by the Welsh Commission almost 4 years ago. It has had rather the steady opposition of the Department of Agricutlure ever since that time.

Mr. President, I shall not insist on my amendment at this time. After a conference with the chairman of the Committee on Agriculture and Forestry, I decided not to so do. I did wish to make this short statement. I hope the course I have proposed can be pursued before long.

I ask unanimous consent that I may withdraw my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I offer the amendment which I have at the desk, identified as "5-23-62—C," and I ask that it be stated as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 42, line 24, after the word "thereof" it is proposed to insert "for dollars".

On page 46, line 20, after the word "wheat" it is proposed to insert "for dollars".

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

As introduced, S. 3225 proposes to treat domestic human consumption and all exports—including the disposal of surpluses through donations and foreign currency sales—as primary uses of wheat. The purpose of this amendment is to provide that the allocation of wheat marketing certificates shall be used on domestic human consumption and commercial exports for dollars.

One of the claimed objectives of those who support S. 3225 is the reduction of Government costs.

Wheat export programs are the most costly single item in the entire farm program. Treating surplus disposals as a primary use of wheat under the proposed certificate plan would cost taxpayers hundreds of millions of dollars per year. It would mean that the Government would be forced to pay up to 90 percent of parity—currently $2.19 per bushel—for wheat moved abroad under surplus disposal programs, even though noncertificated wheat of the same quality were freely available in domestic markets at a price based on its value as livestock feed.

Such a requirement is indefensible. Under the proposed amendments wheat donated to foreign countries, sold for foreign currencies, or otherwise exported under Government-financed disposal programs would be treated as secondary-use wheat. Thus, it could be purchased in the open market from farmers who are willing to grow wheat for disposal in the export market on the same basis that noncertificate wheat is to be produced for seed and livestock feed. The result would be a substantial saving in export program costs.

In the 1960-61 marketing year wheat exports totaled 662 million bushels. Of this total 458 million bushels were exported under various Government programs and only 204 million bushels were exported for cash. The 204 million bushels exported for cash were, of course, subsidized to bridge the gap between domestic and world prices.

Under the bill the support level for certificate wheat could be as high as $2.19 per bushel. The support price for noncertificate wheat would be related to corn; however, it has been suggested that this would result in a support price of $1.40 per bushel. On the basis of these figures and assuming annual exports of 450 million bushels, under surplus disposal programs, the above amendments could save the Federal Treasury 79 cents per bushel, or $365 million per year.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a report showing financing of wheat and flour exports, 1960–61.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Financing of wheat and flour exports, 1960–61 [1]

[In millions of bushels]

Title I, Public Law 480: Foreign currency sales	327.2
Title II, Public Law 480: Famine relief	30.5
Title III, Public Law 480: Barter	34.1
Sec. 402 (Mutual Security Act)	35.6
Sec. 416 (Agricultural Act of 1949 and title III, Public Law 480): Donations	30.4
Total programs [2]	457.7
Cash sales	204.5
Total exports	662.2

[1] Adapted from "U.S. Grain Exports Under Government Programs, 1960–61," FAS–M 127, Foreign Agricultural Service, U.S. Department of Agriculture, February 1962.

[2] Individual items do not add to total because of rounding.

EXPLANATORY NOTES

Title I, Public Law 480: Agricultural Trade Development and Assistance Act of 1954. These sales are made pursuant to formal government-to-government agreements with friendly countries. Actual sales are made from commercial stocks through private U.S. exporters. The Commodity Credit Corporation finances the dollar payment to exporters and the importing country deposits the dollar equivalent in its currency to the U.S. account.

Title II, Public Law 480: These exports consist of government-to-government donations of Commodity Credit Corporation-owned commodities for emergency and work relief uses by the recipient government. No payment is required.

Barter, title III, Public Law 480: Barter contracts with private U.S. firms are entered into by Commodity Credit Corporation which provide for exchange of Commodity Credit Corporation-owned agricultural commodities for strategic and other materials.

Section 402, Public Law 665 (Mutual Security Act): These exports are paid for with the currency of the recipient country under varying terms and conditions. However, in contrast to currencies accruing under title I of Public Law 480, these currencies are almost entirely restricted to AID (mutual security) economic development and technical assistance uses.

Section 416 of the Agricultural Act of 1949 and title III, Public Law 480: These exports are made up of donations to the needy of foreign countries through private U.S. relief and charity agencies. Commodities donated, excluding processed products, come primarily from Commodity Credit Corporation stocks.

Dollar sales: [Cash] exports consist of total exports less the total of shipments made under Government programs each year. This is the amount not financed by Government programs and therefore is the quantity exported for "cash," or "dollars." Dollar sales are made without need for assistance other than the payment-in-kind program, which is designed to bridge the gap between domestic and world prices.

Mr. WILLIAMS of Delaware. Mr. President, under the proposed bill a higher support price would be paid on all of that portion of wheat which is allocated for human consumption as well as that which is exported. Under the bill "exports" would include not only the wheat which is sold for dollars, but also that which is given away or sold for foreign currencies. The amendment would separate those exports with respect to which we are giving away or selling for foreign currencies, the payment for none of which will ever come back to this country. It would allow the incentive payments only on that portion of our exports which are sold for dollars and used for human consumption in the United States.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Kansas.

Mr. CARLSON. I may not understand correctly the amendment offered, but if I correctly understand it, and if my interpretation is correct, it seems to me that if the amendment is agreed to it would completely destroy the certificate plan for wheat.

I sincerely hope that that is the case, and that the amendment will not be agreed to.

Mr. WILLIAMS of Delaware. Mr. President, the amendment would not destroy the certificate plan for wheat of the type that is used for human consumption or exported for dollars. It would change the certificate plan for wheat which is given away or sold for foreign currencies. It would put that wheat in the same category as commercial feed wheat. If the amendment were agreed to the savings would be about $375 million a year.

At a time when our budget is unbalanced, at a time when we shall have to increase taxes or increase the ceiling on the national debt, it is time that someone began to think about how much the program will cost. The argument that this proposed program as it is now before the Senate will save the taxpayers money is utterly ridiculous. If we continue to save the taxpayers' money as is proposed in the administration's bill we shall save ourselves into bankruptcy in 2 years. The cost of this bill will be even more fantastic than the cost of the existing law.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DIRKSEN. The so-called gold-balance problem is far from solved in the international system of balances. The amendment at least looks in the direction of solving, in part at least, the difficulties we are encountering.

Mr. WILLIAMS of Delaware. I thank the Senator. He is unquestionably correct. The argument that the bill would save money cannot be substantiated based upon the projected cost. It is foolish to talk about how much this bill would save. It will save nothing. Furthermore, this bill would put the farmer in a straitjacket of controls. He would have to get permission from some bureaucrat in Washington before he could even plant his corn.

I think it is time that we put some commonsense into our farm program.

Mr. ELLENDER. Mr. President, I am opposed to the amendment for the simple reason that it would greatly decrease the income of the farmer. The amendment would exclude, as the Senator from Delaware has said, exports, other than commercial exports for dollars, from the wheat marketing certificate plan. In other words, last year the total amount of wheat exported was 630,825,000 bushels. The dollar sales amounted to only 218,374,000 bushels, so that what was handled through Government programs amounted to 412,451,000 bushels. It can readily be seen that the farmers' income would be decreased, and the farmer would carry the brunt of the cost of the Public Law 480 program. I am certain no one wants to do that. When the Secretary of Agriculture was before the committee, he said that with a billion-bushel quota, probably about 920 to 925 million bushels would be certificated, so that the farmer would receive a price ranging from $1.90 to $2. If the amendment should be agreed to, the portion of wheat shipped abroad under Public Law 480 would not be certificated. Therefore, the farmer would lose on the bushelage that would be shipped under Public Law 480 around 60 to 62 cents a bushel. I am certainly opposed to the amendment. I hope that the Senate will vote it down.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG of North Dakota. I oppose the amendment. The amendment would ruin the wheat certificate plan. I have been for a two-price system, but we would have to have a complete substitute if the pending amendment were adopted. To impose a strict control in wheat production, which the bill would do, and to lower the income that farmers would receive would result in putting the farmer in an economic straitjacket. If one does not believe in price supports, that is the way to kill the program. If one believes in price supports at all, he will vote to reject the amendment.

The PRESIDING OFFICER. Do the Senators in control of the time wish to yield back the remainder of the time?

Mr. WILLIAMS of Delaware. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Delaware [Mr. WILLIAMS], as modified.

The amendment, as modified, was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DIRKSEN. Mr. President, I yield 3 minutes on the bill to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, the following statement has been received on the wire service in the lobby of the Senate:

> NEW YORK.—An avalanche of selling hit stocks broadside today sending the popular averages for a nosedive in some of the heaviest trading of the year.
>
> The selloff came in the wake of 4 successive days of decline and continues to stump most Wall Street experts. Many observers call the selling purely "emotional" and note that it comes in the face of bright business and economic news, a new space success and a Presidential peptalk for investors.
>
> By 2 p.m. the Dow-Jones industrial averages slumped 11.22 reflecting drops of 2 or more in Eastman Kodak, General Foods, United States Steel, International Nickel, American Telephone, and Du Pont, and at least 1 in Anaconda, American Tobacco, General Electric, Procter & Gamble, and Woolworth.
>
> Trading through the fourth hour piled up a total of 3,800,000 shares as heavy selling repeatedly sent high-speed tickers behind floor transactions. This compared with 3,620,000 on Thursday.

Mr. President, I wish to go on record as saying that I believe the fundamental weakness shown in the stock market today is due to two factors: First, deficit spending by the Government, and second, the threat of and the policy of supply management coming from the bureaus in Washington.

One of the reasons why I shall vote against the bill is that I believe the theory of supply management, which cannot be accomplished at a bureaucratic desk in Washington if we would preserve the free enterprise system, would be carried into the field of agriculture. I believe the statement I read is further evidence of the fear that is developing in the country.

What causes the country to fear today is apprehension with respect to the seeking of inordinate power by the Executive in the White House, either in himself or through his appointees, to regulate the economy—prices, wages, or materials.

From the committee investigating stockpiling we have recently had circulated to the members of the committee—and I understand it has been given out to the press—a bill which would propose to give to the President the power to dispose of so-called surplus stocks of raw materials at prices that he might determine.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. Mr. President, I ask for 1 additional minute.

Mr. DIRKSEN. Mr. President, I yield for an additional minute to the Senator from South Dakota.

Mr. CASE of South Dakota. During the hearings on copper the other day I asked the representative of Calumet and Hecla what would happen if the so-called surplus of copper, 142,000 tons, were put on the market by the President at prices that he might determine. The answer was that the result could be a disaster in the copper industry.

I wish to go on record as saying that the philosophy of supply management, applied to agriculture, applied to raw materials, and applied to the surplus in the stockpile, is threatening the country today; and, more than any other thing, coupled with the executive action that has been taken, it is responsible for the fear that is sending the stock market down day after day under present circumstances.

Mr. DIRKSEN. Mr. President, I yield 3 minutes on the bill to the Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Mr. President, I rise to support the statement made by the distinguished Senator from South Dakota. Of course this is no place to analyze the stock market. On the other hand, there has been great apprehension, as we have watched the stock market continue to decline. Over the years it has been somewhat of an indicator of the state of confidence in the business world.

I agree with the Senator from South Dakota that the recent action of the stock market and the recent attitude in the whole financial and business world reflect a lack of confidence. More than that, they reflect a very serious degree of apprehension. It is apprehension, as the Senator has said, not only in respect of the administration's attitude toward business—despite all the assertions that they have made that they are friendly toward business, because their actions do not support their assertions—but also a growing apprehension about the way our Government is being conducted, about the fiscal affairs of our Government, and about the willingness of the administration to accept deficit after deficit, although in the campaign of 1960 we were promised a balanced budget.

Businessmen are apprehensive about it because they know it is affecting the credit of the Government of the United States, upon which depends the security of the whole free world.

I congratulate the Senator from South Dakota for bringing this matter to the attention of the Senate. I earnestly hope, not for political reasons or any reasons except the good of our country, that this attitude of the administration may change, and change very soon, and that they will stop making requests for more and more power in the executive branch of the Government, which can be used—and I think is intended to be used—to increase deficits through unnecessary Government spending.

If we cannot balance our budget in a period of the highest gross national product and when we are enjoying the highest gross national income, when will we ever do it? The situation is serious. I am glad the Senator from South Dakota has brought it to the attention of the Senate.

Mr. DIRKSEN. Mr. President, I yield 3 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS of Delaware. Mr. President, I join the Senator from Connecticut and the Senator from South Dakota in calling attention to the dangers which confront our country, resulting from the concentration of power at the national level. This administration is continuously demanding more and more power over American industry and American agriculture. We have a typical example in the pending bill, under the provisions of which even a man who owned his own farm could not grow products on his farm with which to feed his own livestock, but instead, he will be forced to go out and buy them. Another example was the attempt of the President to manage prices and wages in the steel industry and in other industries.

The greatest contribution this administration could make toward the recovery of business would be to promote some degree of fiscal sanity at the national level. It is difficult for the administration to tell business how to run its affairs when it is making such a miserable job of managing its own affairs at the national level.

Had the leaders of this administration actually been trying to promote a serious depression they could not have done a better job than that which is being accomplished as the result of their insistence upon an overconcentration of power at the national level and a continuation of irresponsible deficit spending.

I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator will state it.

Mr. MANSFIELD. Is an amendment before the Senate at the present time?

The PRESIDING OFFICER. No.

Mr. HART. Mr. President, I call up my amendment identified as "5-15-62—B."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 69, between lines 11 and 12, insert the following:

> SEC. 404. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows: Section 8c(6) is amended by striking the period at the end of (I) thereof and inserting in lieu thereof the following: "; *Provided*, That with respect to orders applicable to cherries such projects may provide for any form of marketing promotion including paid advertising."

On page 69, line 12, strike out "SEC. 404" and insert "SEC. 405".

Mr. HART. Mr. President, very briefly, the amendment would extend to the Federal marketing orders on cherries authorization, when the members of the affected commodity group so declare, to expend the sum of money accumulated under the order for advertising.

A year ago Congress added cherries as an item on which marketing agreements could be established. The agreement, as we recall, requires two-thirds of those producing cherries to agree and, as I recall, 50 percent of the volume of the processors also. The orders do not authorize the extension of authority to expend funds for advertising purposes. The cherry producers of this country feel strongly that we ought to determine whether this extension of use might effectively promote worldwide distribution of American cherries.

I hope the Senate will vote to add this amendment to the bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. HOLLAND. Last year this question arose, and I recommended to the committee the granting of this extension, and it was voted in the Senate. However, it was lost in conference.

Mr. HART. The Senator from Florida is correct.

Mr. HOLLAND. There is real opposition to including this provision in marketing-agreement legislation generally for all products. However, here is a relatively small product, for which it is desired to have the same advantage that citrus growers have in Florida, California, and Texas by State law, and that peaches for canning have in California under either State law or State marketing agreements, for which commodities it has been possible to raise substantial advertising funds, greatly bettering their situation.

I cannot speak for the distinguished Senator from South Carolina, who is the chairman of the subcommittee that would handle this subject. I am a member of that subcommittee. I hope that our distinguished chairman will take this amendment to conference, again, because two-thirds of the growers would have to agree and a majority of the processors would have to agree to allow the setting up of the requisite machinery. These people feel they are being hurt by their inability to advertise and to promote their product. They want an opportunity to try it, provided they can get the required unanimity within the industry.

It is not as simple a matter as it would be if it applied to one State. Several States are involved, and therefore they would have to rely upon permissive legislation on the Federal level. For these reasons, I hope the chairman will take the amendment to conference.

Mr. ELLENDER. Mr. President, this question was under consideration last year. The Senate acted on it. It was eliminated in conference. I am willing to take the amendment to conference again, to see what can be done about it.

Mr. HART. I thank the distinguished chairman and the Senator from Florida.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

Mr. MONRONEY. Mr. President, I desire to call up my amendment, which is at the clerk's desk.

In view of the fact that my amendment makes a slight modification and I think improvement in the amendment offered by the Senator from Mississippi [Mr. EASTLAND], identified as "5-22-62—C," which was voted upon yesterday, I believe we can save the time of the Senate if the amendment is not read at this time, but printed in the RECORD. I can explain it very briefly.

My amendment, technically, is no longer an amendment to the Ellender amendment, but is an amendment to the bill. Secondly, my amendment is a temporary exemption of farmer-raised grain which is fed on the farm, being limited to a 2-year period. Otherwise, the amendment is the same in language and the same in purpose as the Eastland amendment, which was defeated yesterday by a relatively close vote.

I therefore ask unanimous consent that reading of the amendment be dispensed with.

Mr. MANSFIELD. Mr. President, I object. I should like to hear the amendment read, so that we may understand it more fully.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, line 11, it is proposed to strike out "small farm exemption" and insert in lieu thereof "exemptions".

On page 12, line 12, insert "(1)" immediately after "Sec. 360f.".

On page 13, between lines 3 and 4, insert the following:

> (2) For a period of two years after the effective date of this act, notwithstanding any other provision of this part, the Secretary shall, upon application made pursuant to regulations prescribed by him, exempt producers from the requirement of paying any penalty under section 360h with respect to any farm for any crop of feed grains on the following conditions:
>
> (A) that none of such crop of feed grains is removed from such farm;
>
> (B) that such entire crop of feed grains is used for seed on such farm or fed on such farm to livestock (including poultry) owned by any such producer, or by a subsequent owner or operator of such farm; and
>
> (C) that such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing condition.
>
> Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this part shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to feed grains in excess of the farm acreage allotment for the crop covered by an exemption hereunder shall be considered in determining any subsequent feed grain acreage allotment or marketing quota for such farm. No price support shall be made available on any feed grains produced on any such farm in any crop year for which an exemption is requested under the authority of this paragraph.

On page 19, line 15, strike out the period after the word "section", insert in lieu thereof a comma and the following: "or (iii) the producers on such farm are exempted pursuant to paragraph (2) of section 360f."

Mr. MANSFIELD. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. Is this the same amendment, in large part, as the amendment which was offered yesterday by the Senator from Mississippi [Mr. EASTLAND] to the Ellender amendment?

Mr. MONRONEY. It is, with one major substantive distinction. The exemption proposed in the Eastland amendment would have been permanent legislation, applying for the full duration of the proposed agricultural act which the Senate is now considering. My amendment would limit the exemption to 2 years.

Furthermore, as the majority leader will have noticed, my amendment is not an amendment to the Ellender amendment; it is an amendment to the bill now before the Senate, the Ellender amendment having already been adopted. Therefore, my amendment appears in a different relationship, from a parliamentary standpoint, and also differs in its provisions. I believe it fully complies with the requirement for a major change in an amendment and is therefore eligible for submission and consideration.

Mr. MANSFIELD. Mr. President, there is no question about what the distinguished Senator from Oklahoma has said. The only real change in the amendment is that instead of the permanency which the Eastland amendment required, the Monroney amendment, which is now being considered, provides a 2-year limitation.

Is it not true that yesterday, when the proposal was defeated, a motion was made to reconsider, which was followed by a motion to table the motion to reconsider, and that the motion to table was agreed to?

Mr. MONRONEY. The Senator is absolutely correct.

Mr. MANSFIELD. Mr. President, will the Senator from Oklahoma yield to me, so that I may ask a question of the distinguished chairman of the committee?

Mr. MONRONEY. I yield.

Mr. MANSFIELD. Can the Senator from Louisiana tell us what effect the adoption of the Eastland-Monroney amendment would have upon the farm bill now being considered by the Senate, the debate on which is possibly nearing conclusion?

Mr. ELLENDER. The effect would be the same as I stated when I discussed the Eastland amendment, which was before the Senate yesterday; that is, that it would destroy the bill, in my judgment.

What we are seeking to do is to reduce, as soon as possible, the surpluses of corn and other feed grains. We had hoped that that might be done within the next 2 or 3 years. If farmers are permitted to continue to plant all they desire to plant, so long as the crop is fed on the farm, it can readily be seen that there may be an increase in the surpluses.

Mr. MANSFIELD. Does the bill provide exemptions?

Mr. ELLENDER. Yes, exemptions are provided in the bill. The bill provides for a small-farm exemption. I believe, as I stated during the debate on the Eastland amendment, that there is a small-farm exemption of 25 acres, or the acreage planted during the base period, whichever is less, and on those exempt acres the farmer could plant any kind of grain he desired to plant, whether it be corn, barley, or anything else. There is also a total exemption for oats and rye, as well.

There is a further provision in the bill which grants the Secretary of Agriculture the authority to deal with conditions in areas where there are shortages of feed and that also helps to make certain that the farmer who grows his own feed is well protected. In my judgment, these exemptions, the silage exemption, and the other provisions of the bill provide adequate protection.

I hope the amendment of the Senator from Oklahoma will be defeated.

Mr. MANSFIELD. Mr. President, I hope the Senate will uphold the hand of the chairman of the committee and will uphold its decision of yesterday.

I move that the Monroney amendment be tabled. On my motion, I ask for the yeas and nays.

Mr. MONRONEY. Mr. President, will the Senator from Montana withhold his motion so as to give me an opportunity to explain the amendment?

Mr. MANSFIELD. Certainly. Mr. President, I withhold my motion.

Mr. MONRONEY. I yielded to the Senator from Montana in order to enable him to obtain the benefit of the comments of the distinguished chairman of the committee. I, too, would like to have the yeas and nays on the motion to table.

I have no objection to the parliamentary procedure of moving to table the amendment. The majority leader is privileged to make that motion, but I believe the amendment I have offered is an important one, and that all of us should stop, look, and listen before we adopt a completely new concept in the price support and agricultural program.

I voted for the Ellender amendment. I intend to vote for the passage of the bill. My amendment is not offered in any way to destroy the purpose of the bill, which as I understand it, and as the distinguished chairman of the committee has repeatedly said, is to reduce surpluses which have been created in feed grains. If I thought my amendment would increase the surpluses, I would not sponsor it. Actually, my amendment is intended to protect those portions of the agricultural economy which have helped to reduce and eliminate surpluses, by increasing the use of such grains on the farms for the feeding of livestock.

A large part of the crops about which we are speaking—feed grains—are raised on the farm to feed the livestock owned by the farmer. Such grain cannot in anyway come under the price support program, as would the grain not used on the farm where grown. I see no reason for saying that the amendment would destroy the purpose of the bill.

The grain that is going into storage is not fed on the farms where it is raised. The grain that is going into storage is raised for commercial sale.

Unless the pending bill has the purpose—and I do not charge that it does—to put a ceiling on the number of cattle, hogs, chickens, and sheep, by reducing the amount of grain a farmer can raise on his own farm, to feed to his own animals, I do not see how the amendment can damage the bill.

On the other hand, if the purpose of the bill is to place a ceiling on the number of livestock to be raised in America, I hope my amendment will be adopted and thus thwart any such attempt.

Forty-nine percent of the agricultural income of Oklahoma comes from livestock and livestock products, including dairy products and poultry; 49 cents of every agricultural dollar earned in Oklahoma are earned from livestock.

I wish to point out to Senators who yesterday voted against the Eastland amendment that they might do well to consider the extent to which the economy of their States is dependent upon livestock and livestock products and poultry.

The grain that farmers raise to feed to their own livestock is not stored in the elevators. The grain raised by farmers, to be fed to their own livestock, goes into the market in the form of cattle or hogs or poultry—products that the public is ready, willing, and eager to purchase.

I have never heard a Senator ask to have limitations or controls placed on the livestock herds; and I intend to make every possible effort to prevent the imposition of such controls or limitations indirectly through the feed grain program.

When I read the provisions of this bill, I think we are skating on rather thin ice. We may be establishing a program of Federal "birth control" on livestock.

Mr. HRUSKA. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. HRUSKA. I should like to say that, according to the latest reports, 45 percent of the agricultural income of Nebraska comes from livestock and livestock products; and we, too, are concerned with the things the Senator from Oklahoma has been mentioning.

I wish to say that I am in full agreement with the rationale of the remarks of the Senator from Oklahoma, and it is my intention to support his amendment.

Mr. MONRONEY. I thank the Senator from Nebraska.

Mr. ALLOTT. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. ALLOTT. I wish to state that I shall support the amendment of the distinguished Senator from Oklahoma; and I wish to point out that in Colorado the situation is even more extreme than that which he has mentioned in Oklahoma, for in 1960, in Colorado, the agricultural income from livestock was $392-198,000, as compared with an income of $246,500,000 from crops; and I point out, and emphasize particularly, that in 1961, in Colorado, the agricultural income from livestock was $402,899,000—almost $403 million—as compared with income of $233,500,000 from crops. So in Colorado the situation is much more exaggerated even than that in Oklahoma.

In legislating at this time on agricultural matters, I do not understand how, under the guise of trying to pass a proper bill, any Senator who believes in the free enterprise system of our country can take the position that the Government should deprive a farmer of the right to grow on his own land the grain he needs for feed for his own livestock.

Mr. MONRONEY. Mr. President, I thank the Senator from Colorado for the contributions he has made.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. CASE of South Dakota. I wish to concur in the remarks which have been made by the Senator from Colorado [Mr. ALLOTT].

Today, in South Dakota the income from the production of livestock and livestock products constitutes between 74 and 82 percent of the entire agricultural income of the State.

To the extent that a farmer feeds to his own livestock the feed grains he raises on his own land, it seems to me we should respect his right to do that; for it does not contribute to the surpluses which are placed in storage.

Mr. ALLOTT. Mr. President, will the Senator from Oklahoma yield again to me?

Mr. MONRONEY. I yield.

Mr. ALLOTT. Would not the Senator from Oklahoma agree that the provisions of the pending bill, as it now stands—in the absence of his amendment—will permit the prices of feed grains to be controlled and will permit their production to be absolutely controlled, and, ultimately, will permit the Secretary of Agriculture to have the power to control the production and the prices of livestock?

Mr. MONRONEY. If he can control the supply of feed and the acreage which a farmer can plant in feed grains to be fed to his own livestock, then obviously the law of supply and demand will force up the price of feed and restrict the number of cattle he can raise.

The PRESIDING OFFICER. The time available to the Senator from Oklahoma has expired.

Mr. DIRKSEN. Mr. President, I yield to the Senator from Oklahoma 3 minutes from the time available on the bill.

Mr. MONRONEY. Mr. President, will the majority leader also yield 3 minutes to me, inasmuch as I yielded time to Senators on his side?

Mr. MANSFIELD. I am glad to do so, Mr. President.

Mr. MONRONEY. I thank the Senator from Montana.

Mr. President, the pending bill deviates completely from the theory of price supports. Beginning with the first farm bills, a quid pro quo has been written into all of them—namely, that in order to obtain a price support the farmers must be willing to produce under acreage controls. However, this bill provides that such an arrangement no longer shall exist in the case of the feed grains, even though they are not causing us any storage problems.

This part of the bill subjects a farmer who feeds to his own livestock the grain he raises on his own farm—grain which never goes into storage—to limitations which can be voted in by hundreds of thousands of farmers who are not at all concerned with the problems of those who feed to their own livestock the grain they raise on their own farms. But those farmers receive no price support for that grain, and their livestock receives no price support. Nevertheless, if the controls were voted in by two-thirds of all the farmers the bill would compel livestock feeding farmers to reduce their crops of feed grains, regardless of the size of their livestock herds; and then they would have to purchase on the market the feed grains they would need for their herds.

Furthermore, we going to "drop the curtain" on millions of livestock without any advance warning to the cattlemen who have planned to raise the grain they need in order to carry their stock. Certainly they are entitled to have a period of 2 years—if we are going to push this provision upon them—in which to make some adjustment. I do not believe that Congress should pass a bill which would deny some equity to those farmers, and ranchers, in order to permit them to reduce their herds or arrange to purchase the grain they need.

A 25-acre exemption is fine for a small farm on which only a few chickens are raised. But we must consider the situation of farmers in areas where the grass is scanty. Those farmers have to supplement the grass supply with grain sorghums and other feeds, and they must have some grain in storage, in order to be able to get through the dry cycles which occur so often.

But, Mr. President, in the absence of this amendment, those cattlemen will not have a 2-year period of grace in which to adjust their livestock herds and to liquidate whatever they find they must dispose of. They will not have time to do that in an orderly way without causing the market price to drop sharply, as it would if they were forced to sell in a short time the livestock they could no longer support on their own farms.

The PRESIDING OFFICER. The time yielded to the Senator from Oklahoma has expired.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. Mundt].

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 minutes.

Mr. MUNDT. Mr. President, first, I wish to congratulate the Senator from Oklahoma on his amendment, which I shall support. I also congratulate him for hammering home the point which I tried to make during the debate on the Eastland amendment.

As the bill now stands, it is a livestock control bill; let no one fail to realize that fact. I defy anyone to reach any other conclusion after reading the very intelligent and very persuasive address which was delivered on yesterday by the Senator from Florida [Mr. Holland], at the time when the Eastland amendment was under consideration. He pointed out specifically and directly the impact that controls of this kind will have on the livestock industry.

I am very happy that after the defeat of the Eastland amendment yesterday, the Senator from Oklahoma has seen the light, and now favors making such a provision effective for the next 2 years. If the feed-grain provisions are made inoperative as to those areas for this particular period, certainly they will later on be made inoperative indefinitely, because within 2 years everyone will be alerted to the danger of having this kind of control exerted from Washington, with the result that the departments and bureaus can tell the producers of all kinds of livestock and of feed grains how much they can produce and how much they can raise.

So today we have a second chance to do what is right, after we did badly yesterday in rejecting the Eastland amendment.

Senators from the Southeast and Senators from the Northeast yesterday did a great disservice—although they did it unwittingly, I realize—to the poultry industry and to the livestock industry of their own States; and now they have a chance to correct that mistake.

The Eastland amendment would have provided permanently what the Monroney amendment will provide on the installment plan.

I urge Senators now, in the second, and perhaps the last, chance to support the Monroney amendment so we can at least keep the livestock industry of America outside the control powers now growing so nauseatingly in Washington.

Mr. MANSFIELD. Mr. President, again I urge the Senate to consider the action it took yesterday, to consider the statements made by the distinguished chairman of the Committee on Agriculture and Forestry, who has worked so hard and diligently on the bill, and to consider the fact that this proposal was not reported from the Agriculture Committee.

I hope the amendment of the Senator from Oklahoma will be defeated. Therefore, I renew my motion that it be tabled. On this question I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana [Mr. Mansfield] to lay on the table the amendment of the Senator from Oklahoma [Mr. Monroney]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. Gore], the Senator from Wyoming [Mr. Hickey], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Mississippi [Mr. Stennis], and the Senator from New Jersey [Mr. Williams] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in family.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from South Carolina [Mr. Johnston], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Gruening], the Senator from Wyoming [Mr. Hickey], the Senator from Missouri [Mr. Long], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], and the Senator from Wyoming [Mr. McGee] would each vote "yea."

I further announce that, if present and voting, the Senator from Mississippi [Mr. Stennis] would vote "nay."

On this vote, the Senator from Colorado [Mr. Carroll] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from South Carolina [Mr. Johnston] is paired with the Senator from Iowa [Mr. Miller]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Iowa would vote "nay."

On this vote, the Senator from New Jersey [Mr. Williams] is paired with the Senator from Wisconsin [Mr. Wiley]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Wisconsin would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. Butler] and the Senator from California [Mr. Kuchel] are necessarily absent.

The Senator from Iowa [Mr. Miller] is absent on official business.

The Senator from Wisconsin [Mr. Wiley] is absent by leave of the Senate.

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from Colorado [Mr. Carroll]. If present and voting, the Senator from California would vote "nay," and the Senator from Colorado would vote "yea."

On this vote, the Senator from Iowa [Mr. Miller] is paired with the Senator from South Carolina [Mr. Johnston]. If present and voting, the Senator from Iowa would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Wisconsin [Mr. Wiley] is paired with the Senator from New Jersey [Mr. Williams]. If present and voting, the Senator from Wisconsin would vote "nay," and the Senator from New Jersey would vote "yea."

The result was announced—yeas 43, nays 40, as follows:

[No. 65 Leg.]

YEAS—43

Bartlett
Bible
Burdick
Byrd, W. Va.
Cannon
Chavez
Church
Clark
Dodd
Douglas
Ellender
Engle
Ervin
Hart
Hartke
Hayden
Hill
Humphrey
Jackson
Jordan
Kefauver
Long, Hawaii
Mansfield
McCarthy
McNamara
Metcalf
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Russell
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—40

Aiken
Allott
Anderson
Beall
Bennett
Boggs
Bush
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Eastland
Fong

Goldwater
Hickenlooper
Holland
Hruska
Javits
Keating
Kerr
Lausche
McClellan
Monroney
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Saltonstall
Scott
Smith, Maine
Thurmond
Tower
Williams, Del.

NOT VOTING—17

Butler
Byrd, Va.
Carroll
Fulbright
Gore
Gruening
Hickey
Johnston
Kuchel
Long, Mo.
Long, La.
Magnuson
McGee
Miller
Stennis
Wiley
Williams, N.J.

So Mr. Mansfield's motion to lay on the table Mr. Monroney's amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to reconsider.

The motion to table the motion to reconsider was agreed to.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from Colorado [Mr. Allott].

The PRESIDING OFFICER. The Senator from Colorado [Mr. Allott] is recognized for 10 minutes.

Mr. ALLOTT. Mr. President, S. 3225 will soon be before the Senate on the question of final passage. I shall vote against the bill because it is not good legislation, because it is not responsive to the needs or the desires of farmers across the country, and because it represents a giant leap into the control ridden land of the New Frontier. As the bill is now before us, it would give unprecedented authority to the Secretary of Agriculture to control, in fact to dictate, what the farmers of this country will produce and what they will not produce.

An alternative proposal, which still languishes in committee, is the cropland retirement approach, S. 2822, a sensible answer to the problem of abundant production introduced by the senior Senator from Iowa. In my judgment, it is most unfortunate for agriculture and for the farmers that this bill was not seriously considered. It offers a practical, voluntary land retirement program which attempts to adjust farm production to effective market demand.

Just as significant, Mr. President, is the fact that the bill before us now contains two provisions which the Senate Agriculture Committee, in its wisdom, eliminated. The feed grain and wheat sections as originally proposed by the administration, while stricken in committee, are now back in the bill as a result of amendments offered and agreed to in the Senate.

The feed grain provision, in its present form, offers the farmers who produce these crops a drastic choice, and one which is not occasioned by the present conditions. The choice which will have to be made when the referendum is before them amounts to a strict control of production or, in effect, a complete end to the program. Either alternative places farmers in a quandary which is inescapable. Since the facts show that the great bulk of feed grains are used on the farm for feeding livestock, the farmers' inclination is to accept the alternative which will allow him the opportunity to continue doing just that. By the same token, acceptance of this alternative leaves him without a price support, which amounts to the possibility of a total abandonment on the part of the Federal Government all at once. On the other hand, the administration program would establish the following:

First. Set a yearly national quota for feed grains—corn, grain sorghums, oats, and barley and rye at the discretion of the Secretary—which would be converted into a national acreage allotment.

Second. Distribute the national allotment—less small reserves—to States, counties, and farms in the commercial feed grain area, using the years 1959–60 as a basis—after the 1965 crop, the base period would be the most recent 2 years.

Third. Establish a 25-acre exemption for small farms planting feed grains in 1959 and 1960. Farms with 25 acres or less could participate in program or could stay out. If out of program, no payments or price support or voting in referendum; if in program, producer eligible for price support, payments, and voting in referendum.

Fourth. Hold a referendum for a 1-, 2-, or 3-year period which requires approval of two-thirds of those voting. Choice in referendum would be protection against annual domestic sales of 10 million tons of Government-held surplus feed grains.

Fifth. Require manadatory land retirement of portion of feed grain base as determined by Secretary. Diverted feed grain acreage could be grazed.

Sixth. Make land-retirement payments in cash or in kind for 1963, 1964, and 1965 at "fair and reasonable" rates for feed grain base retired up to 20 percent or 20 acres.

Seventh. Make flexible price supports available only to cooperators at levels from 64 percent to 90 percent of parity.

Eighth. Allow interchange of wheat and feed grains on feed grain allotments.

Ninth. Assess penalties against noncooperators by (a) denying land retirement payments, (b) denying price support and, (c) collecting civil penalty based on excess production times 65 percent of parity price—unless stored.

Tenth. Require "cross-compliance" with other allotment programs as a condition of eligibility for feed grain program benefits.

Feed grain producers, in other words, really would have no clear choice of reasonable alternatives—and I deplore this situation and voted against it. While I was not satisfied with the reported version of S. 3225, it, at the very least, offered an extension of the emergency feed grain program as an alternative to the administration proposal.

We considered the Ellender amendment to restore to S. 3225 what the Agricultural and Forestry Committee, in the face of long hearings and careful study, determined was not the appropriate solution to the problem. And in lieu thereof, we are making the farmers choose between a very restricted program or nothing at all. Certainly the Ellender amendment represents an improved approach by turning to control of production of wheat based upon bushels—and this approach I do favor—and it allows wheat produced on excess acres to be stored—however, the drastic reduction from previous years makes it unworkable in terms of reality. A marketing quotas based upon 1 billion bushels represents a 25- to 30-percent cut, from the 55 million acre base which has previously served. And I point out the fact that this will cause severe hardship to many of the farmers in the Hi-Plains area of Colorado who have no choice of crops to produce. Factors such as the short growing season and lack of moisture make it impossible for them to turn to other crops. The livelihood of these people is in jeopardy with limitations as severe as these, and I cannot support, could not support, this wheat proposal.

A recent poll, to which 64,000 farmers across the country responded, indicated that better than 50 percent wanted the Government entirely out of agriculture and controls removed; 43 percent favored a program of land retirement, and 4 percent favored the imposition of strict controls. The farmers in my State confirm the fact that they overwhelmingly reject S. 3225 and what it represents. I agree with their view and am satisfied that the bill will not meet the needs. Accordingly, I shall vote against passage.

Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield me 1 minute, before there is a third reading of the bill?

Mr. DIRKSEN. Mr. President, under the time on the bill I yield 1 minute to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, due to the fact that I had a speaking engagement away from the Chamber when the vote was taken on the motion to table the Keating amendment, I therefore was necessarily absent for the few minutes required for the vote. I now move to reconsider the vote by which the Keating amendment was tabled. I understand such a motion was not made at the time. In this manner I may vote upon the motion to reconsider and record myself accordingly. Though my vote would not have made any difference had I been in the Chamber, I feel keenly about the subject and wish to be recorded. Therefore, I move to reconsider the vote.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to table the motion to reconsider was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3225) was ordered to be engrossed for a third reading and was read the third time.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the Senator from Iowa [Mr. HICKENLOOPER].

Mr. HICKENLOOPER. Mr. President, the Senate is about to vote on what I believe is one of the most restrictive and controlling bills that has ever been attempted to be foisted upon American agriculture. We are all aware of the problems of agriculture. We are aware of the surpluses that have been produced. We are aware of the search to find some equitable and reasonable solution. But I submit that the bill would not only fail to solve a problem of agriculture, but it is deliberately designed, in my opinion, by the Cochrane-Freeman administration program, to place agriculture in one of the most severe and stringent straitjackets in which it has ever been placed. It is the opening wedge for full control.

Under the bill as amended, the Secretary of Agriculture will have the authority to set the support for corn and other feed grains, should the farmers reject the administration's feed grain program in the referendum, at any level from zero to 50 percent of parity. Since the original Kennedy-Freeman-Cochrane farm bill would have withdrawn supports completely, if the farmers rejected the program, can there be any doubt that the level of supports set for feed grains would be zero? That is the program. That was the plan originally announced. I am sure it would be carried out under the bill.

The administration proposes to go ahead with its all or nothing at all approach—the two-barrelled shotgun approach—of complete withdrawal of supports should producers reject its complete control and regimentation of feed grain production.

I think that is their intention. Whether they will do it or not, it is the threat which they hold. What kind of a choice would the farmer have? If supports were withdrawn completely, the farmer would face disaster unless he takes their practically unacceptable approach.

This same choice is offered the wheat farmer in this bill. The Secretary will again have complete discretion to set wheat supports at anywhere from 0 to 50 percent of parity. What guarantee is there that the Secretary will not set supports at 0 percent of parity when the wheat farmers reject the wheat program with all its controls and severe penalties?

And if the corn producers reject the administration's program, the administration can dump 10 million tons of corn on the market at little more than 2 percent above the current support price. Since the administration sets the support price, this sale by the administration could be as low as 2 percent of zero.

That is what they could sell the corn for if they elected not to have any support prices, and it is within their power to so fix it. Frankly, I doubt that they would take support prices off entirely, but they have said that they would use the device to compel acceptance for their otherwise unacceptable program. I do not see how anyone really interested in the wheat farmer, the corn farmer, or the feed grain farmer could agree to the so-called Ellender amendment, which restored complete power, complete whimsical direction and supervision and discretion to the Secretary of Agriculture. I do not see how they could support it. In the wheat proposal, of course, there is also a dumping provision with the same kind of operation. I am merely calling attention to what we will get into in the field of agriculture.

With regard to penalties, if two-thirds of the feed-grain farmers accept the administration's feed grain program, then they must accept the controls set by the Secretary of Agriculture, whose political agents will determine just how much each farmer can grow. If the feed-grain producer harvests any extra acreage, whether intentionally or inadvertently, whether he uses it on his own farm or sells the crop, he must pay a penalty equal to 65 percent of the parity price of twice the normal production of the extra acres, under section 360(h) Ellender feed-grain amendment, adopted yesterday.

In addition, the farmer must pay another penalty of 65 percent of the parity price for the normal yield of those extra acres.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. DIRKSEN. I yield 2 more minutes to the Senator.

Mr. HICKENLOOPER. In other words, the farmer is stuck with a penalty of three times the normal production of each extra acre planted. We can be sure that the enforcers of this act will decide that the extra acres are those that produce the most, of those planted, rather than the lesser producing acres. This triple penalty becomes a lien against the entire feed-grain crop of the farmer, and all producers on that farm are jointly liable, as is anyone to whom the farmer sells any of the feed-grain crop from his farm, whether from the extra acres or not.

In other words, the purchaser would be held responsible for inquiring whether the seller is in some violation or not; otherwise the purchaser might be held for the penalty. That is what we are determining when we vote on the bill. That is what we are proposing to impose upon a free agriculture in this country. I think it is an intolerable situation.

The farmer cannot even feed his own livestock without violating a Federal lien. The buyer of any feed grain from the farmer is required to collect this triple penalty, with 6 percent interest from date of harvest, or be stuck for the penalty himself. How in the world is any buyer to be able to tell whether a farmer has harvested extra acreage of feed corn, especially when most of the corn is sold on the farm? This bill will completely scare away any buyers from the farmer, and all sales will tend to be through the Government, through CCC loans, to the consumers. After all, the Government is going to be able to control market prices anyway, through its sales of CCC stocks that have in any way deteriorated, and through sale of stocks released through payment in kind certificates for diverted acres.

For that matter, how is any farmer really to tell when he has exceeded his acreage? Farms are not laid out like city blocks, so many rods this way and so many that; fields, especially of farmers who are attempting to follow conservation practices of contouring, strip-farming, terracing, grassed waterways, and so on, which I thought the Senate wanted to encourage, are very irregular and difficult to measure accurately. Fair men often differ in those measurements. There are Senators in this very body who have told me just this week that they have had to plow up or cut down wheat stands recently because the local ASCS committeemen decided that they had overplanted their allotted acres of wheat.

I repeat, as I have said before in the debate on this subject, that probably the only ones who will really benefit from the bill will be the lawyers and accountants who will have to be hired by the farmer, the feed grain dealers, the investigators who will have to go around to see if there are violations of the act or not, and an increased number of Federal employees. Hundreds or thousands of employees will be put on the payroll of the Department of Agriculture to go around to every farmer's yard and police the activities of the farm.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CURTIS. With reference to the welfare of our loyal friends, I would like to inquire whether one could get into court under the various delegations of power in the bill.

Mr. HICKENLOOPER. I think it would be very doubtful. The discretion given is so broad that I think it would be very doubtful.

Mr. CURTIS. Even if he could, he could not get to court in time.

Mr. HICKENLOOPER. No, he could not get into court in time. He would starve to death before he would get into court. But he might be able to get into court in some way. I could not pass on that question at the moment.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. I shall vote against the proposed legislation because it is very bad legislation. Moreover, it is very vicious legislation.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, before the final vote is taken, I wish to state what the result will be if the pending bill becomes law.

First. It will reduce net farm income unless a substantial subsidy is given to farmers.

Second. It will reduce employment on farms and in factories. There is no question about that.

Third. It will increase the unit cost of production, because a large part of the cost of production on farms today is the cost of the capital investment, and that remains constant regardless of the production of the farm.

Fourth. It will increase the consumer's price sharply unless a substantial consumer subsidy is provided by the Government.

Fifth. It will necessitate the hiring of thousands of Federal officials to police the farmers, handlers, processors, and sellers of farm commodities.

Sixth. It will greatly increase the cost of Government.

Seventh. It will decrease U.S. prestige in other countries, which has been held so high by reason of our having a bountiful supply of food with which to step in whenever they were threatened with famine or inflation.

Eighth. It will chisel away the hard-won liberties which American farmers have won over the generations at such high cost.

I hope that every Senator who votes for the bill will paste this prediction of mine on the wall alongside the mirror in his bathroom, where he can look at it every day for the next 2 years.

Although there is some offsetting good in the bill to be found in titles I and IV, the evil in it so preponderantly exceeds the good that I cannot in good conscience vote for it.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I yield myself 1 minute to ask the majority leader about the calendar for Monday and the remainder of next week.

Mr. MANSFIELD. Mr. President, at the conclusion of the vote on the bill now pending before the Senate, it is the intention of the leadership to turn to the consideration of Calendar No. 1321, S. 2965, introduced by the Senator from Pennsylvania [Mr. Clark] and other Senators to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

After consultation with the ranking Members on both sides of the aisle on the Public Works Committee and the leadership on both sides, it was thought it might be well to consider the possibility of a unanimous-consent request being made after the pending business was disposed of and the public works legislation was before us. The reason why it was thought advisable was that it was considered that if an anouncement were made prior to the vote on the farm bill there would be a large attendance of Senators to place on notice that such a motion would be made.

Whether or not a motion of that kind will be accepted, will, of course, depend on the membership of the Senate. However, it is anticipated, with the approval of the Senate, that the leadership will ask unanimous consent to have the Senate meet at 10 o'clock on Monday morning; that there will be a time limitation having to do with the substitute to be offered by the Senator from South Dakota; that there be a time limitation on all amendments; and that there be 5 or 6 hours of debate on the bill itself.

At the appropriate time the leadership together will make that proposal to the Senate. For the time being this is notice that that will be the situation so far as further legislation is concerned.

Mr. DIRKSEN. By way of supplementing what the distinguished majority leader has said, virtually all the minority members of the Public Works Committee were at the meeting this afternoon in my office; also present were the majority leader and the chairman of the Public Works Committee.

It was thought that 2 hours would be ample time to devote to the substitute that might be proposed by the Senator from Vermont [Mr. Prouty]; 2 hours to the substitute to be proposed by the Senator from South Dakota [Mr. Case]; 1 hour to a kind of package substitute, which the chairman would offer; 1 hour on all other amendments; and 5 hours on the bill.

It was thought that that might be adequate time in which to ventilate all the issues involved.

So the measure comes before the Senate through the majority leader by way of general agreement on the part of virtually all the minority members on the committee.

I yield 3 minutes to the Senator from South Dakota.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. MUNDT. Mr. President, it has been a long time since I have felt compelled to vote against a farm bill in Congress. However, I shall vote against the pending bill. It has some titles which appeal to me. I favor the functions of title I, as they have been modified by our committee; title IV; and title V.

While the Senate, in its wisdom in a rollcall vote failed to advise the administration that the recreational facilities set up under title I should be made available to people regardless of race or color, I am convinced that equity will prevail and, if necessary, the courts will hold that of course the recreational areas we provide in title I shall be available all over the country for all citizens regardless of race, creed, or color, as indeed they should be. When we collect money from the taxpayers as a whole with which to set up a public project, obviously the benefits of that project must be made available to every American citizen. I favor that and this bill provides for integrated recreational areas in the South. Even some of our southern friends are voting for that.

I favor the provisions of title IV.

In the final analysis, I believe that title V will be one of the important permanent contributions to a solution of the farm problem. Were the rest of the legislation not so bad, title V alone would induce me to vote for it, since it serves to promote industrial uses for farm products.

However, when it is proposed to deny to the wheat farmers of America the right of free choice between two workable programs, in order to decide which of the two they prefer, and when there is provided instead a selection involving the Department of Agriculture holding a gun to the head of the wheat farmer and telling him to take the program advised and recommended and proposed by the administration, or get no price supports at all, I cannot vote to put the wheat farmers of South Dakota, at least, under that kind of mandatory decision.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. DIRKSEN. I yield 2 additional minutes to the Senator from South Dakota.

Mr. MUNDT. From the standpoint of the feed grain section, which, if anything, is even worse than the wheat section, we know that this is, in effect, livestock and poultry production control, which will lead to livestock price control.

Down through the years the livestock industry has stood courageously on its own feet and has refused to accept price controls on live animals.

To do to them by indirection what they have successfully resisted having done to them directly, seems to me to be highly inappropriate and is justifiable cause for voting against the legislation. The debate, discussion and vote on the Monroney amendment demonstrate the determination to establish livestock and poultry controls.

Inevitably the legislation will reduce the income of farmers and increase the costs of the family budgets in the cities. To shoulder off onto the consumer and the worker in the city the financing of the farm programs, which now in part is shared by the taxpayers generally, will mean that Senators' constituents in the big cities will have to pay an additional cost for their foodstuffs.

I regret also that nothing was done to help the dairy industry, to meet some of the problems that face it.

Therefore I shall vote against the bill. I am confident that before another year rolls around sufficient protest will develop in the country so that we will be back on the floor of the Senate trying to amend the legislation which I believe we are going to pass in error here today. If we do, it will be a triumph of partisan politics over sound economics. It will comprise another mighty step toward the superstate and a politically controlled economy.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from Kentucky.

Mr. COOPER. Mr. President, I consider it an honor to serve on the Committee on Agriculture and Forestry under the chairmanship of the distinguished Senator from Louisiana [Mr. Ellender], whom I greatly respect. I had hoped that we could produce a bill which would provide a program that would be better than the one we have had. I voted in committee for the bill which was developed by the committee. I voted yesterday in the Senate for the wheat amendment offered by the chairman. But I cannot vote for the bill as finally amended, because it contains the feed grains amendment.

There are not the expensive surpluses in feed grains that there are in wheat, for example, and the facts prove it. Second, the feed grain amendment could lead to controls upon livestock, and everyone should know it. Certainly, this provision will prevent the farmers in my State, as well as farmers all over the South and the rest of the country in many cases from producing the full amount of feed grains needed for use on their own farms.

I do not wish to make an extreme or exaggerated comparison. However, a year and a half ago when I was in Russia, I talked with members of our Government who had been in Communist China. One of the causes of famine in that country, other than the lack of transportation, and of the failure of farm programs there, is the freezing of the production of crops in specific areas. Farmers have been prohibited from growing for their own needs crops formerly produced by them. This is not exactly analogous to the freezing of feed grain production by this bill, because overall we have ample production. But it a true analogy insofar as this bill would prevent farmers from producing for their full needs on their farms.

Mr. President, I am sorry, but I cannot vote for the bill.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Texas.

Mr. TOWER. Mr. President, some time ago, Mr. Cochrane, economic adviser of the Department of Agriculture, said he regarded agriculture as a utility; that he believed the production of food and fiber should be nationalized. If we pass the proposed legislation, we shall, in effect, be implementing that idea.

The bill is tantamount to blackmailing farmers into accepting something they do not want. It embodies a calculated effort to reduce them to such a status of dependency upon and subordination to the Federal Government's program for the nationalization of farms that they will have succumbed to reality.

Mr. President, the bill is a gigantic step toward planned economy in the United States. It is my feverent hope that it will be defeated.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Nebraska [Mr. HRUSKA].

Mr. HRUSKA. Mr. President, there has been much debate and comment on the direct effects and results of the bill. My remarks in opposition to the bill will, however, be on the collateral but inescapable impact on a specific area, that is, upon the livestock and poultry industries. Those industries have serious misgivings and apprehensions about the "supply control"—the supply management—concept which is so firmly entrenched in the bill as it is now before the Senate. Those misgivings and apprehensions are fully justified. The direct effect of the feed grains provision in very short order will be supply control for the livestock and poultry industries, and particularly the beef industry. In Nebraska, my own State, about 45 percent of the State's income is derived from that industry.

There is no doubt that the eventual goal of the architects of our present national agricultural policy is directed toward supply management and supply control in all aspects of agriculture.

A year ago, we had an omnibus bill. I well recall the efforts of the livestock industry at that time to exempt their industry from that bill. Then came the realization that, as surely as day follows night, supply controls in feed grains will mean supply control of livestock and poultry. This is not speculation, this is not conjecture. It is in the blueprint, it is one of the goals of the architects of this legislation.

Mr. President, I call attention to an article published in the Journal of Farm Economics for November 1959, in which Dr. Willard Cochrane, Chief Economic Adviser to Secretary of Agriculture Freeman, and the principal architect of this legislation, said:

> It is possible that the long-run price elasticity of beef at retail is greater than one, and some remote possibility that this price elasticity at the farm price level is greater than one. For these reasons, beef producers probably would not want to initiate supply control, and they would be justified in sitting out any early moves toward supply control.
>
> It is probably the case, however, that beef producers would be forced to accept supply control if producers in the above aggregate of animal products adopted supply control.

Almost a year later, in the Farm Quarterly, the summer 1960 issue, Dr. Cochrane was interviewed by the managing editor of that journal, Charles R. Koch. Here is Dr. Cochrane's answer to a question posed by Mr. Koch:

> It would not be a matter of encouragement; some of them would be forced in. If you had a control on hogs, for example, and none on eggs, growers would transfer their corn into the production of more poultry and more eggs. It would be this old transfer of resources devil all over again. The feed resources released from hogs would be put through chickens to produce eggs; and eggs happen to be inelastic in demand and in just a little bit they'd be in real trouble. The feed grain would also be transferred to beef and beef producers would feel some pressure.

Make no mistake about it. If the bill is passed, that chain effect will occur. The result predicted by Dr. Cochrane will be visited upon the livestock and poultry industries.

The issue is deeper than is evident on the face of the bill. This is a restrictive and oppressive way to legislate. There will be bureaucratic control over the last detail of the agricultural activities of the Nation. It is for this reason that I urge the defeat of the bill if we are to avoid that fate for every phase and aspect of agriculture.

Mr. President, I yield back the remainder of my time.

Mr. DIRKSEN. Mr. President, I had contemplated a rather long, philosophical discourse before the passage of the bill. However, we have been, as it were, cutting off the dog's tail a little at a time, so much so that even the dog has almost disappeared. Only about 4 minutes of the dog are left. I shall extend that 4 minutes to my friend, the distinguished senior Senator from Idaho [Mr. DWORSHAK]. I shall forego any classical discussion of the subject and let the bill go on to its destiny without making a speech.

CONFUSED POLICIES OF THE NEW FRONTIER

Mr. DWORSHAK. Mr. President, the Good Book says not to let the right hand know what the left hand does. It seems that the President of the United States and the Vice President recently have been following this admonition.

Last Saturday, at a "birthday salute" meeting in Madison Square Garden, in New York City, the President, according to the news and the press, accused the Republicans of being "against every new program, against every appropriation, against every attempt to help the individual citizen find a better life for himself and his family." He also stated, according to the reliable news reports that his proposed legislation had been defeated in the House or Senate by one or two votes and that there is a big push this year to gain additional Democratic seats in Congress. He certainly was charging that the Republican opposition to his plans was causing the bottlenecks that have developed.

In the Washington Post of May 22, Dorothy McCardle, in referring to the Vice President's speech to 3,000 women who had attended the 1962 campaign conference in Washington, quotes the Vice President as follows:

> You wanted to see if there is really any Republican Party left. I hope you brought your Geiger counters because that is what it takes to find them.

Mr. President, how can Republicans, who cannot be found with a Geiger counter, according to the Vice President, defeat programs proposed by the President, as he indicated on Saturday? I feel sure that every program suggested which has merit has been given careful consideration, not only by the members of the Republican Party, but also by the Democratic Party, which is in control of all three branches of the Government. It seems a little farfetched to blame Republicans for everything and to credit Democrats for anything which might be meritorious. It seems to me too, in reading between the lines of the Vice President's remarks, that he probably would not be averse to a one-party government, a theory which is prevalent in some parts of the world, but not entirely popular under our conception of government.

Mr. President, no wonder the American people are so confused concerning the policies of the New Frontier when the two top leaders responsible for that policy fail to coordinate their public statements.

I implore the majority whip, the Senator from Minnesota [Mr. HUMPHREY], to use his great influence in prevailing upon Pierre Salinger, now that he has returned from his sojourn in the Soviet Union, to get back on his job of censoring speeches and to help to pilot the ship of state through the dangerous shoals of political smog.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Not All the Story," published in the Idaho Daily Statesman, of Boise, Idaho, on March 21, 1962.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NOT ALL THE STORY

President Kennedy told an audience in New York City Saturday that the Republican Party opposes his program and attempts to stop it at every turn. He said the Republicans are "against every new program, against every appropriation, against every attempt to help the individual citizen find a better life for himself and his family."

We unhesitatingly admit that Mr. Kennedy made a correct statement. The Republicans in Congress do oppose the overwhelming majority of his program. They have opposed most of it from the start.

But Mr. Kennedy conveniently overlooks the fact that there are not enough Republicans in Congress—in either the Senate or the House of Representatives—to stop a single Kennedy project. Furthermore, there isn't a single congressional committee or subcommittee that is not under Democratic control by substantial margins.

It would be helpful if Mr. Kennedy would tell the whole story, not part of it.

It would be more in line with whatever amount of ethics politics should contain if the President were to say that his program, in addition to being opposed by Republicans, also finds healthy opposition among the members of his own party—so much so that, with the coalition of Republicans, members of his own party have him stopped dead in his tracks.

That's the situation as far as Mr. Kennedy's far-reaching program is concerned. It is halted by members of his own party. If all the Democrats supported the President, his program would have long since been completely effected.

The question before the country today is whether or not the established ways of Government are to be at least partly preserved or whether the Kennedy program is to be steamrolled under a political party banner. Fortunately for the country, there are a sufficient number of Democrats to keep Mr. Kennedy and his program in check. Where the country would land were the President able to effect every item on his program is something to consider.

Viewing the overall situation, it would appear that the President has his hands full in more ways than attempting to engineer a number of taxpayer-assessed social projects. He has an interesting battle with the economy. He has intervened in the processes of bargaining in favor of labor against management. He is moving American Marines into territory that could start war. He fights Communists thousands of miles distant and tolerates them just offshore in Cuba. And there are other matters of importance in probably one of the most demanding times on the Presidency in the Nation's history.

Yet Mr. Kennedy has the time, and takes the time, to sulk over negative reaction to certain of his pet theories and, in the process, widens the breech within his own party, not to mention any hope for his obtaining support from the opposition party.

Mr. Kennedy may feel that the Nation needs more Government. That's the only way to describe his many-pronged program. There may be a substantial number of Americans who want less Federal Government. But the American public is entitled to facts when important addresses are delivered to the people of the Nation by the President. This policy is not being followed when the Republicans are blamed for the Kennedy failure to effect his desires. The obstruction is within his own party. He has a program a large number of American Democrats just won't swallow. The extent of their contribution to the preservation of American Government and American freedoms is yet to be measured.

FOOD AND AGRICULTURE ACT OF 1962

The Senate resumed the consideration of the bill (S. 3225) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

Mr. DIRKSEN. Madam President, I am sorry to report to the Senate that I must have lost my Geiger counter, for I find that I have some time left under my control. Therefore, I yield 6 minutes to the Senator from New York [Mr. KEATING.]

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The Senator from New York is recognized for 6 minutes.

Mr. KEATING. Madam President, I am opposed to this farm bill. I am even more strongly opposed to the amendments proposed by the Secretary of Agriculture, which in my judgment have made the bill all the more unacceptable.

This is a tremendous and unfortunate step in giving the Government complete control over agriculture. It puts the farmer in chains.

I have always been strongly opposed to the feed grain program of the Secretary of Agriculture, which this bill would expand and strengthen to a ridiculous extreme.

When this program was first put into effect, we were given estimates that in the first year it would result in a 716-million-bushel cut in corn production. But it did not even come close to doing that, and it cost millions and millions of taxpayers' dollars, despite its failure.

We are on the wrong track. This whole approach is wrong. The worst thing about it is that if this program is adopted, there will be no turning back. No Federal program is ever temporary. This will mark the beginning of the end for any measure of freedom in American agriculture.

Who is next? Will the businessman be told what to sell and how much to buy and what prices to charge? Will the workingman be controlled as to what kind of job he can take and what he is to be paid? There is no end to it.

We have come a long way from the days when a farm youngster took a blade of new grain in his teeth and did not have a care. Now, that blade of grain will be in a quota. It will be controlled.

Every blade, every bushel, every acre will be controlled. A farmer cannot even feed it to his family or his own livestock without having to give a full account to the Government. This is nothing like the free competitive economic system which we are so proud of.

This bill is not good for the farmer or the consumer or the taxpayer. I cannot support it.

One further word about dairying: We need to do something for dairy farmers, but it must be consistent with our present arrangements. It must to the fullest extent possible limit the degree to which Uncle Sam rides the range.

We in New York have for many weeks been urging that the Secretary of Agriculture review our dairy situation and take emergency action. I sent him a wire to this effect on April 17. But the Secretary refused to consider this plea. Shortly thereafter, Governor Rockefeller sent him a similar and even stronger wire, urging that he reconsider his decision denying a hearing on emergency dairy measures.

Here is a marketing order system in which farmers are supposed to have a voice. Understandably, there was much disgruntlement on the part of New York dairy farmers.

Finally, in his reply to the Governor's wire, the Secretary reversed his position on Friday, and promised a full review of the milk situation in the Northeast. While the Secretary holds out little hope for any action growing out of this review, I am glad that he has finally agreed to look into this situation; and I certainly hope he will think hard about how he can use his discretionary authority to relieve the dairy dilemma in the Northeast.

Madam President, I ask unanimous consent to have printed at this point in the RECORD my wire of April 17 to Secretary Freeman, along with Governor Rockefeller's wire to the Secretary, and the Secretary's reply to which I have referred.

There being no objection, the telegrams and the letter were ordered to be printed in the RECORD, as follows:

APRIL 17, 1962.

Hon. ORVILLE L. FREEMAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.:

Pursuant to April 5 request for emergency action by New York and other Northeastern dairy cooperatives, I urge that every possible step be taken to immediately relieve unfavorable price and market conditions for dairy products. New York cooperatives also recommend specific action to aid New York dairy farmers. I would appreciate full report on discretion available to you and on feasibility of the several proposed emergency dairy measures of northeastern and New York dairy groups.

KENNETH B. KEATING,
U.S. Senator.

WIRE FROM GOVERNOR ROCKEFELLER TO SECRETARY FREEMAN, APRIL 30, 1962

On behalf of dairy farmers in New York State I urge you to reconsider your decision denying an emergency hearing on the pricing of milk in the manufacturing class. Dairymen of the Northeast have joined with our producers in New York in the request to you for the emergency hearing. Most certainly they have a right to be heard. This fundamental American principle embodied in the expressed wishes of the operating cooperatives in the marketing areas is ignored in the arbitrary refusal to grant the hearing. Facts presented to your Department at the hearing last year have changed drastically in the intervening months. Since the announcement of your recommended decision, milk plants have closed and our cooperatives believe more closings will occur at a stepped-up pace. The market cannot compete against an unrealistic class 3 price. In the face of oversupply conditions which the milk producers themselves describe as disorderly and chaotic and which forbode losses eventually running into millions of dollars, the Federal regulating agency holds the humane responsibility of looking into every aspect of this critical situation. I join our producers in a renewed request for an emergency hearing at the earliest possible date.

TEXT OF LETTER FROM SECRETARY FREEMAN TO GOVERNOR ROCKEFELLER

In your April 30 telegram to me and your public statement last week, you call attention to "oversupply conditions which the milk producers themselves describe as disorderly and chaotic," and you suggest that we have the responsibility of "looking into every aspect of this critical situation."

Certainly if the milk surplus problem is as serious as you state, the agencies responsible for regulation of the marketing of milk do have a responsibility for looking into every aspect of this situation as you have suggested. We will be glad to participate in such a review.

As you know, a memorandum of understanding betwen the U.S. Department of Agriculture and the States of New York and New Jersey provides for joint application by the three governments of the marketing order program in the New York-New Jersey market. Therefore, it would appear desirable for representatives of our respective agencies to meet at an early date to plan an orderly procedure for such a review.

However, your request for an emergency hearing to consider reducing the price which dairy manufacturers must pay to farmers for milk used to make butter, cheese, nonfat dry milk, and other manufactured dairy products, does not appear warranted at this time.

The price that dairy processors in the New York-New Jersey market are paying at the present time for milk used for manufactured dairy products is among the lowest of any major markets in the United States. Evidence introduced at a hearing held only a few months ago on this issue supported increasing the prices to be paid to all farmers in the Northeast for manufacturing milk to the level which has been prevailing in New England markets.

Following close consultations with New York and New Jersey authorities, a recommended decision and subsequent order amendment were issued to increase the minimum prices which dairy manufacturers must pay to farmers under the joint Federal-State order. This amendment was submitted recently to producers for their approval, and probably will go into effect soon.

Dairymen and all other interested parties were given full opportunity to be heard on this issue at lengthy hearings ending several months ago. We have received no factual evidence that contradicts the findings of these recent hearings, nor have we found any such evidence in our survey of the situation conducted since receiving your telegram.

Data collected by the Administrator of this joint Federal-State order show that not a single dairy manufacturing plant has closed since announcement of the recommended decision, and that in fact manufacturing plant capacity is greater today than at the time hearings were held. This indicates that processors will be able to handle all the milk delivered by farmers. The only "milk plants" that have closed are merely receiving stations which have no manufacturing facilities and no longer serve a useful purpose. Increasing quantities of milk are now picked up at the farm in bulk tank trucks instead of in cans, and are transported directly to manufacturing plants, bypassing the receiving stations which were formerly needed for assembling milk picked up in cans.

Moreover, a central purpose for which the hearing was called was to provide for a more exact alinement of surplus milk prices among the 10 Northeast markets. Proposals to this effect were received from interested parties in most of the markets, including the New York-New Jersey market. Virtually all of the testimony on price alinement was in favor of uniformity of surplus milk pricing among the 10 Northeast markets. The decision, therefore, must be one which prices surplus milk in all markets of the Northeast at essentially the same level. Consequently, any decision made with regard to surplus price levels must take into account the situation prevailing in all 10 markets rather than in the New York-New Jersey market alone.

In light of these circumstances, we do not consider it necessary or consistent with the standards of the law to call a special emergency hearing as you request to reduce the price to be paid to farmers for milk for manufacturing use.

However, this question can be kept under close and continuing review by our respective agencies in their study of the overall situation. I am meeting with a group of representatives of Northeastern dairymen here Wednesday, May 23, to hear their views. If the facts warrant, hearings can be scheduled on this and other aspects of the critical surplus situation to which you refer.

I am looking forward to hearing from you in respect to discussion of plans for proceeding with a review of this situation.

Mr. KEATING. Madam President, I yield back the remainder of the time which has been yielded to me.

Mr. MANSFIELD. Madam President, I yield 2 minutes to my good friend, the Senator from North Dakota [Mr. YOUNG].

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 2 minutes.

Mr. YOUNG of North Dakota. Madam President, on the question of final passage, I shall vote for this bill, even though I do not approve of all of its provisions. I am opposed to the feed grains section of the bill; I believe it is unwise. I voted against it.

But the bill should go to conference. After the conference committee concludes its work on the bill, if the feed-grains section is still in the bill unchanged, I shall again vote against that part of the bill.

I think all livestock producers and all dairymen should be alarmed at the tremendous buildup of price boosting feed grains surplus.

I believe that the farm I own probably feeds more cattle than any other farm owned by a Senator, except one. I think I know something about the cattle-feeding business; and I think Mr. C. S. Radebaugh, the president of the American National Cattlemen's Association, also knows something about the cattle business and feed-grain prices and about how they affect cattle prices.

At the Senate Agriculture Committee hearing this year, Mr. Radebaugh said:

> Generally speaking, all cattle produced are fed, and the pounds of beef produced in the feedlot approach the pounds produced on the range. For these reasons, whatever happens in the case of feed grain prices has a direct effect on what happens to beef cattle prices whether in the feedlot or on the open range.

Therefore, Madam President, I believe we must do something about the tremendous buildup of feed grain stocks; otherwise, they will wreck the entire price-support program and the cattle industry and the dairy industry.

Madam President, I am opposed to the feed-grains section of the bill and to some of the other provisions of the bill. I believe the bill should be taken to conference; and I hope that in the conference a better bill can be worked out.

Defeat of this agriculture bill today could well mean the end of any opportunity to write better farm price support legislation and the beginning of the end of all price supports for farmers.

Mr. MANSFIELD. Madam President, if the distinguished chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] will yield, I should like to submit to him some questions. Will he be kind enough to accede to that request?

Mr. ELLENDER. Yes. I am familiar with the questions, and I shall be glad to have the questions and my answers to them printed in the RECORD.

Mr. MANSFIELD. I thank the Senator.

What are present provisions of law regarding duties and responsibilities of county ASC committees?

Mr. ELLENDER. The committee system is established under authority of section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended. This requires a community committee of three members for each community in a county, and a county committee of three members in each county. It also requires a State committee of not less than three or more than five farmers who are appointed by the Secretary of Agriculture.

Community committees and county committees are farmers elected by their neighbors as provided by section 8(b). The Secretary is directed by this act to make such regulations as are necessary relating to the selection and exercise of functions by the respective committees, and to the administration of programs through these committees. Regulations governing ASC county and community committees have been formulated and published in the Federal Register. The purpose of these committees, as stated in the regulations, is to direct the administration of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act of 1936, the Agriculture Adjustment Act of 1938, the Sugar Act of 1948, the Soil Bank Act, and such other acts of Congress as the Secretary of Agriculture or the Congress may designate. Among these additional programs assigned are: Section 32 programs of the act of August 24, 1935, as amended, the 1961 feed grain program, the 1962 feed grain program, the 1962 wheat stabilization program, and other miscellaneous programs.

These committees are directed to carry out at the State, county, and farm level, the provisions of the applicable laws, regulations, and official instructions.

Mr. MANSFIELD. What are the duties and responsibilities of State ASC committees?

Mr. ELLENDER. The State committees are subject to the direction and supervision of the Deputy Administrator, State and county operations, and the area director who reports to that office. Each State committee is generally responsible for direction of the county committees and carrying out in the State the various acts and programs as assigned. This includes the responsibility for the development of interest and understanding of these programs on the part of individual farmers and nonfarm groups. The State committees are responsible for the efficient, orderly operation of ASC county and community committees and county and State office employees within the State.

Mr. MANSFIELD. What are the duties and responsibilities of a State committee when the county committee refuses to follow the law?

Mr. ELLENDER. Under the regulations, the State committee is required to suspend any county committeeman who fails to perform the duties of his office or who commits, or attempts or conspires to commit fraud in the conduct of his office, or who is incompetent, or who seriously impedes the effectiveness of any program administered in the county, or who violates the applicable political activity restrictions. If the charges are supported, the State committee is required to remove the committeeman.

Mr. MANSFIELD. If a State committee pursuant to law determines that it has no alternative, other than the removal of the county committee, what is the lawful procedure?

Mr. ELLENDER. Before removing a county committeeman, the State committee first must determine the detail involved showing that the committeeman failed to perform the duties of his office, or committed, or attempted, or conspired to commit fraud in the conduct of his office, or that he is incompetent, or that he seriously impedes the effectiveness of any program administered in the county, or that he violated applicable political activity restrictions. These charges and details must be given in writing to the county committeeman in a suspension action. The suspended committeeman is given 15 days within which to advise why he should be restored to duty. The State committee reviews the reasons given and determines whether the charges are correct. If not, the committeeman is restored to duty. If the reasons are sustained, he is removed and given a written statement of removal setting forth the authority therefor, and the statement of charges supporting the removal. He is further given notice that he has 90 days in which to appeal his removal to the State committee and that his appeal may be in writing, in person, or both. If the appeal is in person, a court reporter records the proceeding, and he is furnished a copy. The State committee then must decide whether removal is still required. If so, the removal committeeman is given notice of final decision in writing, and is informed in writing that he has 90 days from the date of mailing of the decision to appeal to the Deputy Administrator, State and County Operations, Washington, D.C. The appeal to the Deputy Administrator may also be in writing, in person, or both. If the appeal is in person, the proceedings are recorded by a court reporter and the removed committeeman furnished a copy thereof. The Deputy Administrator makes a final determination on whether the charges are supported by the facts, and either restores the committeeman to office, or confirms the removal. A final decision is given with full particulars to the committeeman in writing.

Mr. MANSFIELD. How long has this procedure been in effect?

Mr. ELLENDER. This procedure has been in effect in substantially the same form for the past 20 years.

Mr. MANSFIELD. In what recent instances has it been used?

Mr. ELLENDER. Hearings held in 1955 and 1956 by a Subcommittee on Agriculture and Forestry, U.S. Senate, 84th Congress, 1st and 2d sessions, on S. 544, page 1051, gave an up-to-date listing of 220 removals, suspensions, and requested resignations of ASC county committeemen and county office employees by, or at the request of the ASC State committees or State offices through a 3-year period. In the State of Missouri, 52 of these removals involved county committeemen who were suspended, removed or forced to resign during the 2 years 1954 and 1955. Seventeen States showed no such removals for the period reported to the committee.

In contrast with the record established by the previous administration, about six county committees have actually been suspended by State Committees under Secretary Freeman. Removals by State Committees under this administration for violation of the law or failure to carry out regulations drawn pursuant to the law have occurred in Dickens County, Tex.; Campbell County, S. Dak.; Glacier County, Mont.; one committeeman in Imperial County, Calif., has been removed, and one committeeman is under suspension in Reeves County, Tex. In South Carolina one committeeman in Kershaw County was removed. In two other States, Minnesota and Idaho, a county committeeman was suspended and later reinstated by the State committee.

Mr. MANSFIELD. In other words, has this same procedure, which has been used for many years by the Department of Agriculture under both Republican and Democratic administrations, been followed in the Glacier County case?

Mr. ELLENDER. The same procedure that has been used for many years by the Department of Agriculture under both Republican and Democratic administrations has been followed in Glacier County, Mont.

Mr. MANSFIELD. Madam President, I do not think there is a Geiger counter in the possession of any Senator on this side of this aisle. We respect and admire and love the Republicans. Of course, once in a while we like to beat them in elections.

But as to the pending legislation, I wish to testify to unbounded admiration for the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER], who has shown such sound generalship and has furnished such good counsel and guidance in piloting through this very difficult measure. The job he has done is all the more remarkable because of the many complexities involved. The country owes him a very great debt.

I also wish to pay my respects to the ranking minority member of the committee, the senior Senator from Vermont [Mr. AIKEN], who at all times has shown himself to be fully cognizant of the subject at hand, and always has conducted himself as a gentleman who understands the problems of others.

I also wish to say a good word about the acting majority leader during the past week of the consideration of this bill—my colleague, the distinguished Senator from Minnesota [Mr. HUMPHREY]. He has shown his usual understanding, his wide knowledge, his good nature, and his tolerance. He has been a tower of strength in behalf of a sound farm program. And with the excellent sense of humor that is always his, he lightened our burdens as we confronted the complexities of the bill. Without the leadership of the Senator from Minnesota and the Senator from Louisiana, this bill, as it has been amended, would have stood no chance of passage.

And of course to my distinguished colleague, the minority leader [Mr. DIRKSEN], I wish to state that I am always grateful for his cooperation, his understanding, and the close relationship which exists between us as we endeavor collectively to carry out the business of the Senate.

I am happy that the forthcoming vote is about to bring to a conclusion our consideration of this measure. This is a great step forward in agricultural legislation. It appears to me that the votes on it may be more widely separated than usual; but I wish to compliment and commend the Senate for the cooperation and understanding shown both collectively and individually toward the leaders; and I desire to express the hope that when we have disposed of this bill, we shall be able to arrive at a reasonable and early conclusion concerning the next order of business, the public works bill.

Let me say to Senators on this side of the aisle that I hope every Senator who is present now will remain here and will be here on Monday; and I hope that Senators who are not here now will return to the city on Monday and will give their attention to the very important bill which will be coming up next week.

Mr. DIRKSEN. Madam President, will the distinguished majority leader yield to me?

Mr. MANSFIELD. Certainly; I yield to the distinguished Senator from Illinois whatever time he desires to have.

Mr. DIRKSEN. Madam President, I concur in the statements of felicitation which have been uttered by the majority leader. Let me reiterate all over again my deep and abiding affection for him.

As we approach the conclusions of this debate, let me say that seldom have I seen a time when the Senate has stayed so diligently on the issue before it, and seldom have I observed so little acrimony and so amazing an amount of grace displayed by our distinguished colleagues on the other side of the aisle.

So, Madam President, now we are prepared to vote.

Mr. HUMPHREY subsequently said: Madam President, the junior Senator from Colorado [Mr. CARROLL] has been necessarily absent from the Senate during our consideration of the farm bill. He is detained in Colorado because of illness in his immediate family.

The Senator from Colorado [Mr. CARROLL] prepared a statement he would have delivered to the Senate if he had been able to return before the final vote on the farm bill. The Senator has asked me to have his statement printed in the body of the RECORD prior to final vote on the farm bill.

Madam President, I therefore ask unanimous consent that the statement by the Senator from Colorado may be printed in the RECORD, together with sundry newspaper items.

There being no objection, the statement and articles were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CARROLL ON THE FOOD AND AGRICULTURE ACT OF 1962

THE FARM BILL WILL CUT SURPLUSES AND IMPROVE FAMILY FARM INCOME

I regret that I was detained in Colorado by illness in my family and was forced to miss several votes on farm bill amendments.

However, through the courtesy of the Senator from Wyoming [Mr. HICKEY] who joined with me in a live pair, I, in effect, was able to cast a vote on the Ellender wheat and feed grain amendments. The Senator from Wyoming [Mr. HICKEY] withheld a "no" vote and I was recorded as voting "yes."

I supported both amendments as being in the best interest of the Nation, while at the same time being in the interest of Colorado farmers.

WILL CUT COSTS IN HALF

All of us have been concerned about the cost of the farm program.

The Ellender amendments earned my support when I studied their effect on farm program costs.

Senator ELLENDER said on the floor of the Senate that last year the wheat program cost in excess of $600 million and the feed grain program in excess of $800 million. Referring to the bill with his two amendments he said: "It is my belief that those costs will be cut probably in half or more."

Senator ELLENDER added: "Of course, one of the purposes of the bill is to stabilize and to increase farm income."

FARMER'S INCOME IMPROVED

I supported the chairman, Mr. ELLENDER, when I was convinced that the farmer's income would not be impaired, but rather would be improved, and that the cost of the farm program to the taxpayer could be reduced.

The cost of the Government wheat program has been enormous and is a source of embarrassment to the wheat farmers and a source of irritation to the urban taxpayer.

For example: Last fiscal year the carrying charges on wheat, that is storage, handling, and interest on investment, came to $399.4 million.

This year, in addition to the carrying charges I have just listed, the emergency wheat program will amount to $345 million.

Added on to all this is the export subsidy of 60 cents per bushel.

If you went back to October 17, 1933, the beginning of the wheat support program, you would find that the cost of the program to the CCC, including price supports and various export subsidies, is $3.6 billion.

The proposed farm bill, with the Ellender amendments, is designed to slash this year-in, year-out burdensome cost, while at the same time strengthening the income position of the family farmer.

BUSHEL CONTROL

I have long endorsed, supported, and promoted a bushel—or unit—control plan as the only sensible and practical way to control overproduction.

The farm bill I am supporting today, as amended by the Ellender amendments, relies heavily on a unit control, or bushel control plan for wheat.

Bushel control is not a new idea.

Farmers have been talking about it for 20 years.

We now are on the threshold of seeing bushel controls for the first time become a reality.

The so-called wheat certificate plan, which is the bushel control plan, will do several things.

It will control surpluses through marketing allotments and acreage reduction. It will stabilize the farmers' income, and it should help reduce our export subsidy costs.

The price support for wheat, in the first year, will be $2 a bushel.

I think with a $2 price our wheat farmers will have a stable income.

STORAGE OF EXCESS GRAIN

I am pleased that the bill permits our wheat farmers to store on the farm, at no cost to the Government, grain from excess acres.

This is vital crop insurance in the Great Plains.

In many of our Colorado counties the risk of drought is so great our farmers are not eligible for crop insurance.

One way they can insure against a bad year is to store excess grain from a good year.

The bill before the Senate permits them to do this.

This feature is especially important this year because of an impending drought and the possibility of heavy wheat crop losses in eastern Colorado.

Although we have had good rains in the past week, some of the wheat crop was irretrievably lost before the saving rains came.

I submit for printing in the RECORD two stories from the Denver Post dated May 11 and May 17, 1962, which describe the extent of the current Great Plains drought and its effect on our wheat crop:

"[From the Denver Post, May 11, 1962]

"FARMERS WORRIED—BAKED REGION DUE MORE OF THE SAME

"More hot, dry weather was forecast Friday for Colorado, Wyoming, and New Mexico to the dismay of eastern Colorado's dryland wheat farmers faced with the threat of another drought.

"The weatherman said a few light showers are expected in the mountains of Wyoming and northwestern Colorado in the next day or two but no real relief from the record temperatures and dry winds is likely before the first of the week.

"Showers and some cooling are expected then, he said, but the warm, dry weather will return by midweek.

"Thursday's high temperatures for the three States were 97 at Lamar, Colo.; 89 at Moorcroft, Wyo., and 100 at Hobbs and Carlsbad, N. Mex.

"Denver's high was 86, equaling the record for the date established last year.

"By noon Friday the mercury had climbed to 87 for Denver's warmest reading since last August and the seventh consecutive day of readings of 80 or above.

"MOISTURE DOWN

"At the same time the Denver area has received only a trace of moisture so far this month, seven-tenths of an inch less than normal for the period. The picture is similar in the rest of eastern Colorado.

"The heat and lack of rain is causing serious concern among agriculture officials and dryland farmers.

"Paul W. Swisher, Colorado commissioner of agriculture, described the situation as serious along the entire eastern tier of counties.

"To complicate the problem, he said, the hot, dry weather is favorable for a big hatch of grasshoppers, particularly in the southeast.

"Swisher said he was unable to say how much of the eastern Colorado wheat crop has been lost because of the lack of rain but I wouldn't say that it constitutes a major disaster at this time.'

"The Colorado Crop and Livestock Reporting Service predicted Friday the Colorado winter wheat crop will total only 50,424,000 bushels, a decline of 3.4 million bushels from the April 1 crop prediction.

"A 50-million-bushel crop would be 14 percent below the 1961 harvest but 24 percent higher than the 1951–60 average."

"[From the Denver Post, May 17, 1962]

"GOOD NEWS TODAY—COLORADO'S PARCHED PLAINS RECEIVE WHEAT-SAVING RAIN

"(By Marilyn Robinson, Denver Post staff writer)

"Up to 3 inches of rain fell Wednesday on the parched plains of eastern Colorado, ending a month-long drought.

"State agriculture officials said the rain should help save what is left of Colorado's $100 million winter wheat crop and lessen the danger of a grasshopper plague this year.

"But the rain came too late in some areas.

"Nearly an inch of precipitation was reported at Lamar in Prowers County, one of Colorado's three top wheat-producing counties.

"'It (the precipitation) will make some wheat but most of the crop was pretty well gone,' said Quinton Vance, assistant county agent. The wheat 'just dried up,' he said.

"Vance estimated that the hot, dry May weather had claimed 60 to 80 percent of Prowers County's wheat crop, which had been expected to be the second or third largest in history.

"Wednesday's precipitation, he said, was 'the first good rain this spring.' And, he added, 'we don't usually get 100 degree temperatures in May.' He put the biggest blame on the heat.

"Baca County, another top wheat producer, has fared a little better because more of its crop is irrigated. County Agent Tom Doherty estimated 40 to 50 percent of the dryland wheat crop was lost.

"Some of the State's heaviest rainfall was reported in Yuma County, and County Agent Tom Laquey said the precipitation made 'quite an improvement.'

"Without it, he said, Yuma County would have had 'quite a loss. Now our loss won't be too great but our wheat crop will be considerably smaller than last year's.'

"MAJOR HELP

"Paul Swisher, State agriculture commissioner, said the rain 'was not a solution but certainly a help.' He said the precipitation should halt deterioration of the wheat crop and pasture grasses and help the grasshopper situation.

"He said some eastern Colorado counties have reported as much as 70 percent of their wheat crop survived the hot, dry weather.

"He said a State and Federal team will begin surveying the grasshopper infestation in eastern Colorado Monday but he expects the rain killed many of the hoppers."

These stories serve to show how fast a Great Plains wheat farmer can lose a whole year's income. Senators will note that in Prowers County alone, up to 80 percent of the wheat crop may already be lost.

This is why it is important to let our wheat farmers, at their own expense, store excess grain from a good crop year to offset losses in a drought year. It is, in a sense, crop insurance.

I am pleased to see that the excess grain storage provision has been kept in the bill.

COLORADO FARM MAIL

I am sure that all of us have had fairly heavy mail on this farm bill.

I have had many letters pro and con from Colorado farmers, expressing strong and clear feelings on both sides of the administration proposal to write into law tight bushel controls and permit the farmer in a referendum to vote either for these tight bushel controls or a program with low price supports.

I have studied this mail very carefully and I think it will be of interest to my colleagues to know that 45 percent of the farmers who wrote me opposing strict controls over surplus crops have no wheat allotments; 5 percent have allotments less than 15 acres.

Thus, half of the farmers writing me in opposition to the bushel control program would not be materially affected by the program.

The program in the Senate farm bill, as amended by Senator Ellender, has the full support of the National Association of Wheatgrowers, the National Grange, the National Farmers Union, and others.

The wheat farmers of Colorado are for this bill because the certificate plan will cut the cost of the farm program to the urban taxpayer; it will reduce the wheat and feed grain surplus; and it will stabilize the family farmers' income.

I am pleased to give my full support to this bill. I think we are enacting a program many years, millions of bushels and billions of dollars overdue.

Mr. MANSFIELD. Madam President, I yield back the remainder of the time under my control.

Mr. DIRKSEN. Madam President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question now is, Shall the bill pass?

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL (when his name was called). On this vote I have a pair with the senior Senator from Washington [Mr. Magnuson]. If he were present, and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. METCALF (when his name was called). On this vote I have a pair with the junior Senator from Iowa [Mr. Miller]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. MORSE. Madam President, how am I recorded?

The PRESIDING OFFICER. The Senator from Oregon is recorded as having voted in the affirmative.

Mr. MANSFIELD. Madam President, I ask for the regular order.

The PRESIDING OFFICER. The regular order has been called for.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. Chavez], the Senator from Tennessee [Mr. Gore], the Senator from Wyoming [Mr. Hickey], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Mississippi [Mr. Stennis], and the Senator from New Jersey [Mr. Williams] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in his family.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from South Carolina [Mr. Johnston], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

On this vote, the Senator from Wyoming [Mr. Hickey] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from California would vote "nay."

I further announce that, if present and voting, the Senator from New Mexico [Mr. Chavez], the Senator from Tennessee [Mr. Gore], the Senator from Alaska [Mr. Gruening], the Senator from Louisiana [Mr. Long], the Senator from Wyoming [Mr. McGee], the Senator from New Jersey [Mr. Williams], the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from South Carolina [Mr. Johnston], and the Senator from Missouri [Mr. Long] would each vote "yea."

I further announce that, if present and voting, the Senator from Mississippi [Mr. Stennis] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Maryland [Mr. Butler] and the Senator from California [Mr. Kuchel] are necessarily absent.

The Senator from Iowa [Mr. Miller] is absent on official business, and his pair has been previously announced.

The Senator from Wisconsin [Mr. Wiley] is absent by leave of the Senate.

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from Wyoming [Mr. Hickey]. If present and voting, the Senator from California would vote "nay," and the Senator from Wyoming would vote "yea."

The result was announced—yeas 42, nays 38, as follows:

[No. 66 Leg.]

YEAS—42

Bartlett
Bible
Burdick
Byrd, W. Va.
Cannon
Church
Clark
Dodd
Douglas
Ellender
Engle
Ervin
Hart
Hartke
Hayden
Hill
Humphrey
Jackson
Jordan
Kefauver
Kerr
Long, Hawaii
Mansfield
McCarthy
McNamara
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Sparkman
Symington
Talmadge
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—38

Aiken
Allott
Anderson
Bennett
Boggs
Bush
Capehart
Carlson
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Eastland
Fong
Goldwater
Hickenlooper
Holland
Hruska
Javits
Keating
Lausche
McClellan
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Robertson
Saltonstall
Scott
Smith, Maine
Thurmond
Tower
Williams, Del.

NOT VOTING—20

Beall
Butler
Byrd, Va.
Carroll
Chavez
Fulbright
Gore
Gruening
Hickey
Johnston
Kuchel
Long, Mo.
Long, La.
Magnuson
McGee
Metcalf
Miller
Stennis
Wiley
Williams, N.J.

So the bill (S. 3225) was passed, as follows:

S. 3225

An act to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Food and Agriculture Act of 1962".

TITLE I—LAND-USE ADJUSTMENT

Sec 101. The Soil Conservation and Domestic Allotment Act (49 Stat. 163), as amended, is further amended as follows:

(1) by repealing subsections (b), (c), (d), (e), (f), and (g) of section 7;

(2) by repealing subsection (a) of section 8;

(3) by amending the first sentence of subsection (b) of section 8 of said Act, as amended, by striking out the language "Subject to the limitations provided in subsection (a) of this section, the" and inserting in lieu thereof the word "The"; and

(4) by adding a new subsection at the end of section 16 of said Act to read as follows:

"(e) (1) For the purpose of promoting the conservation and economic use of land, the Secretary, without regard to the foregoing provisions of this Act, except those relating to the use of the services of State and local committees, is authorized to enter into agreements, to be carried out during such period not to exceed fifteen years as he may determine, with farm and ranch owners and operators providing for practices or measures to be carried out on any lands owned or operated by them and regularly used in the production of crops (including crops such as tame hay, alfalfa, and clovers, which do not require annual tillage, and including lands covered by conservation reserve contracts under subtitle B of the Soil Bank Act) for the purpose of conserving and developing soil, water, forest, wildlife, and recreation resources, or for nonagricultural purposes. Such agreements shall include such terms and conditions as the Secretary may deem desirable to effectuate the purposes of this subsection and may provide for payments, the furnishing of materials and services, and other assistance, in amounts determined by the Secretary to be fair and reasonable, in consideration of the obligations undertaken by the farm and ranch owners and operators and the rights acquired by the Secretary.

"(2) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under this subsection.

"(3) The Secretary may agree to such modification of agreements previously entered into as he may determine to be desirable to carry out the purposes of this subsection or to facilitate the practical administration of the program carried out pursuant to this subsection.

"(4) The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this subsection.

"(5) Notwithstanding any other provision of law, the Secretary, to the extent he deems it desirable to carry out the purpose of this subsection, may provide in an agreement hereunder for (A) preservation for a period not to exceed the period covered by the agreement and an equal period thereafter of the cropland, crop acreage, and allotment history applicable to land covered by the agreement for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation on the production of such crop; or (B) surrender of any such history and allotments.

"(6) There is hereby authorized to be appropriated such sums as may be necessary to carry out this subsection. The Secretary shall not enter into agreements hereunder which would require payments, the furnishing of materials and services, and other assistance, in amounts in excess of $10,000,000 in any calendar year."

(5) by adding a new subsection at the end of section 16 of said Act to read as follows:

"(f) The Secretary is authorized to use the services, facilities, and authorities of Commodity Credit Corporation for the purpose of making disbursements to producers under programs formulated pursuant to sections 8 and 16(e) of this Act: *Provided*, That no such disbursements shall be made by Commodity Credit Corporation unless it has received funds to cover the amount thereof from appropriations available for the purpose of carrying out such programs."

Sec. 102. (a) Section 31 of title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525), as amended, is amended to read as follows:

"Sec. 31. The Secretary is authorized and directed to develop a program of land conservation and land utilization, including the more economic use of lands and the retirement of lands which are submarginal or not primarily suitable for cultivation, in order thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation, enabling local public authorities to provide public recreation, preserving natural resources, protecting fish and wildlife, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands.

(b) Subsection (a) of section 32 of title III of the Bankhead-Jones Farm Tenant Act, as amended, is repealed.

(c) Section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended, is amended to read as follows:

"(e) to cooperate with Federal, State, territorial, and other public agencies in developing plans for a program of land conservation and land utilization, to assist in carrying out such plans by means of loans to State and local public agencies designated by the State legislature or the Governor, to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively the purposes of this title, and to disseminate information concerning these activities. Loans to State and local public agencies shall be made only if such plans have been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over such plans, or by the Governor if there is no such State agency. No appropriation shall be made for any single loan under this subsection in excess of $250,000 unless such loan has been approved by resolutions adopted by the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives. Loans under this subsection shall be made under contracts which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than 30 years, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury on its marketable public obligations outstanding at the beginning of the fiscal year in which the loan is is made, which are neither due nor callable for redemption for 15 years from date of issue. Repayment of principal and interest on such loans shall begin within 5 years."

Sec. 103. The Watershed Protection and Flood Prevention Act (68 Stat. 666), as amended, is amended as follows:

(1) Paragraph (1) of section 4 of said Act is amended by changing the semicolon at the end thereof to a colon and adding the following: "*Provided*, That when a local organization agrees to operate and maintain any reservoir or other area included in a plan for public fish and wildlife or recreational development, the Secretary shall be authorized to bear not to exceed one-half of the costs of (a) the land, easements, or rights-of-way acquired or to be acquired by the local organization for such reservoir or other area, and (b) minimum basic facilities needed for public health and safety, access to, and use of such reservoir or other area for such purposes: *Provided further*, That the Secretary shall be authorized to participate in recreational development in any watershed project only to the extent that the need therefor is demonstrated in accordance with standards established by him, taking into account the anticipated man-days of use of the projected recreational development and giving consideration to the availability within the region of existing water-based outdoor recreational developments: *Provided further*, That when the Secretary and a local organization have agreed that the immediate acquisition by the local organization of land, easements, or rights-of-way is advisable for the preservation of sites for works of improvement included in a plan from encroachment by residential, commercial, industrial, or other development, the Secretary shall be authorized to advance to the local organization from funds appropriated for construction of works of improvement the amounts required for the acquisition of such land, easements or rights-of-way; and, except where such costs are to be borne by the Secretary, such advance shall be repaid by the local organization, with interest, prior to construction of the works of improvement, for credit to such construction funds."

(2) Clause (A) of paragraph 2 of section 4 of said Act is amended to read as follows: "(A) such proportionate share, as is determined by the Secretary to be equitable in consideration of national needs and assistance authorized for similar purposes under other Federal programs, of the costs of installing any works of improvement, involving Federal assistance (excluding engineering costs), which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water or for fish and wildlife or recreational development, and".

TITLE II—AGRICULTURAL TRADE DEVELOPMENT

Sec. 201. Title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended as follows:

(1) Section 401 is amended by adding at the end thereof the following new sentence: "It is also the purpose of this title to stimulate and increase the sale of surplus agricultural commodities for dollars through long-term supply agreements and through the extension of credit for the purchase of such commodities, by agreements either with friendly nations or with the private trade, thereby assisting the development of the economies of friendly nations and maximizing dollar trade: *Provided*, That agreements with the private trade shall be limited to the purchase of commodities for shipment to underdeveloped countries for consumption in the underdeveloped countries to which they are shipped."

(2) Section 402 is amended—

(a) by inserting ", including financial institutions acting in behalf of such nations," after the words "friendly nations"; and

(b) by adding at the end thereof the following: "In furtherance of the purpose of maximizing dollar sales through the private trade, the Secretary of Agriculture is authorized to enter into sales agreements with foreign and United States private trade under which he shall undertake to provide for the delivery of surplus agricultural commodities over such periods of time and under the terms and conditions set forth in this title. Any agreement entered into hereunder with the private trade shall provide for the furnishing of such security as the Secretary determines necessary to provide reasonable assurance of payment of the amount due for agricultural commodities sold pursuant to such agreement"

(3) Section 403 is amended—

(a) by deleting the words "approximately equal" from the last sentence thereof and substituting therefor the word "reasonable"; and

(b) by inserting after the word "agreement" in the last sentence thereof the following: ", except that the date for beginning such annual payments may be deferred for a period not later than two years after such date of last delivery,".

(4) Section 405 is amended to read as follows:

"Sec. 405. In entering into agreements with friendly nations for the sale of surplus agricultural commodities, the President may, to the extent deemed practicable and in the best interests of the United States, permit other friendly and historic supplying nations to participate in supplying such commodities under the sales agreement on the same terms and conditions as those applicable to the United States."

(5) Section 406 is amended by inserting after the word "sections" the following: "101 (b) and (c),".

TITLE III—COMMODITY PROGRAMS

Subtitle A—Feed grains

Sec. 301. Subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting after part VI a new part VII as follows:

"Part VII—Marketing Quotas—Feed Grains

"Legislative findings

"Sec. 360a. The production of feed grains is a vital part of the agricultural economy of the United States. Feed grains move almost wholly in interstate and foreign commerce in the form of grains, livestock, and livestock products.

"Abnormally excessive and abnormally deficient supplies of feed grains on the national market acutely and directly burden, obstruct, and affect interstate and foreign commerce. When the available supply of feed grains is excessive, the prices of feed grains are unreasonably low and farmers overexpand livestock production to find outlets for feed grains. Excessive supplies of feed grains cause the marketing of excessive supplies of livestock in interstate and foreign commerce at sacrificial prices, endanger the financial stability of producers, and overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in feed grains, livestock, and livestock products is directed. Deficient supplies of feed grains result in substantial decreases in livestock production and in an inadequate flow of livestock and livestock products in interstate and foreign commerce, with the consequence of unreasonably high prices to consumers and loss of markets for producers.

"Although certain feed grains are better suited for production in some areas than other feed grains, in general, one of several feed grains can be grown on the same land. A marketing program which provides for a single quota applicable to feed grains and which permits producers to determine, within the quota, which feed grains they shall produce will tend to effectuate the policy of the Act and will permit producers the maximum amount of freedom of choice consistent with the attainment of the policy of the Act.

"The conditions affecting the production and marketing of feed grains are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively provide for a balance supply of feed grains and the orderly marketing of feed grains in interstate and foreign commerce at prices which are fair and reasonable to farmers and consumers.

"The national public interest and general welfare require that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. Feed grains which do not move in the form of feed grains outside of the State where they are produced are so closely and substantially related to feed grains which move in the form of feed grains outside of the State where they are produced, and have such a close and substantial relation to the volume and price of livestock and livestock products in interstate and foreign commerce, that it is necessary to regulate feed grains which do not move outside of the State where they are produced to the extent set forth in this Act.

"The diversion of substantial acreage from feed grains to the production of commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage would burden, obstruct, and adversely affect interstate and foreign commerce in such commodities, and would adversely affect the prices of such commodities in interstate and foreign commerce. Small changes in the supply of a commodity could create a sufficient surplus to affect seriously the price of such commodity in interstate and foreign commerce. Large changes in the supply of such commodity could have a more acute effect on the price of the commodity in interstate and foreign commerce and, also, could overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in such commodity is directed. Such adverse effects caused by overproduction in one year could further result in a deficient supply of the commodity in the succeeding year, causing excessive increases in the price of the commodity in interstate and foreign commerce in such year. It is, therefore, necessary to prevent acreage diverted from the production of feed grains to be used to produce commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage.

"National marketing quota

"Sec. 360b. (a) Whenever prior to June 20 in any calendar year the Secretary determines that the total supply of feed grains in the marketing year beginning in the next succeeding calendar year will, in the absence of a marketing quota program, likely be excessive, the Secretary shall proclaim that a national marketing quota for feed grains shall be in effect for such marketing year and for either the following marketing year or the following two marketing years, if the Secretary determines and declares in such proclamation that a two- or three-year marketing quota program is necessary to effectuate the policy of the Act.

"(b) If a national marketing quota for feed grains has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 or later than June 20 of the calendar year preceding the year in which such marketing year begins. The amount of the national marketing quota for feed grains for any marketing year shall be an amount of feed grains which, during such marketing year, the Secretary estimates (i) will be utilized in the United States in the production of the volume of livestock (including poultry) and livestock products determined to be needed to meet domestic consumption and export requirements, (ii) will be utilized for human consumption in the United States as food, food products, and beverages, composed wholly or partly of feed grains, (iii) will be utilized in the United States for seed and industrial uses, and (iv) will be exported either in the form of feed grains or products thereof; less (A) an amount of feed grains equal to the estimated imports of feed grains into the United States during such marketing year and, (B) if the stocks of feed grains owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of feed grains determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of feed grains in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the national marketing quota for feed grains for any marketing year shall be not less than one hundred and ten million tons.

"(c) If, after the proclamation of a national marketing quota for feed grains for any marketing year, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for feed grains, the national marketing quota should be terminated or the amount thereof increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for feed grains. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such national marketing quota shall be so increased or terminated. In case any national marketing quota is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage.

"National acreage allotment

"Sec. 360c. Whenever the amount of the national marketing quota for feed grains is proclaimed for any marketing year, the Secretary at the same time shall proclaim a national acreage allotment for the crop of feed grains planted for harvest in the calendar year in which such marketing year begins. The amount of the national acreage allotment shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with the expected production (1) on increased acreage resulting from exemptions pursuant to sections 360f and 360k, and (2) of silage on acreage excluded from the acreage of feed grains pursuant to section 301(a)(11), make available a supply of feed grains equal to the national marketing quota for feed grains for such marketing year.

"Apportionment of national acreage allotment

"Sec 360d. (a) The national acreage allotment for any crop of feed grains, less a reserve acreage of not to exceed 1 per centum thereof for use as provided in subsection (b)(2) of this section, shall be apportioned by the Secretary among the several States on the basis of the base acreage of feed grains for each State. The State base acreage of feed grains shall be the average acreage of feed grains in the State during the base period, adjusted pursuant to subsection (d) of this section.

"(b)(1) The State acreage allotment for any crop of feed grains, less a reserve acreage of not to exceed 3 per centum thereof for use as provided in subsection (c)(2) of this section, shall be apportioned by the Secretary among the counties in the State on the basis of the base acreage of feed grains for each county. The county base acreage of feed grains shall be the average acreage of feed grains in the county during the base period, adjusted pursuant to subsection (d) of this section.

"(2) The reserve acreage established pursuant to subsection (a) of this section shall be used by the Secretary to make increases in county acreage allotments on the basis of the relative needs of counties for an additional share of the national acreage allotment because of reclamation and other new areas coming into the production of feed grains.

"(c)(1) The county acreage allotment for any crop of feed grains shall be apportioned by the Secretary, through the county committee, among the farms in the county on the basis of the base acreage of feed grains for each farm. The farm base acreage of feed grains shall be the average acreage of feed grains on the farm during the base period, adjusted pursuant to subsection (d) of this section.

"(2) The reserve acreage established pursuant to subsection (b)(1) of this section shall be available:

"(A) For apportionment to farms which were eligible to receive farm acreage allotments under this part, but which through error did not receive such allotments;

"(B) For making increases in farm acreage allotments on the basis of any one or more of the following factors: tillable acres, type of soil, topography, established crop-rotation practices on the farm, hardship, inequities in allotments, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm acreage allotments; and

"(C) For apportionment to farms for which farm acreage allotments were not determined because there were no acreages of feed grains on such farms during the base period on the basis of the following factors: the suitability of the land for the production of feed grains, the past experience of the farm operator in the production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm acreage allotments.

"(d) In determining the State, county, and farm base acreages—

"(1) the base period shall be the calendar years 1959 and 1960 for the purpose of determining acreage allotments for the 1963, 1964, and 1965 crops of feed grains; and for the purpose of determining acreage allotments for subsequent crops of feed grains, the base period shall be the two most recent calendar years during which a marketing quota program was in effect for which statistics of the Federal Government are available;

"(2) the Secretary shall make such adjustments as he determines are necessary for abnormal conditions affecting the acreage of feed grains planted for harvest, land which is regarded as devoted to the production of feed grains under Federal farm programs, acreage diverted from the production of feed grains under this part, established crop-rotation practices on the farm, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable base acreages;

"(3) the acreage of feed grains on the farm in excess of the farm acreage allotment shall be excluded in determining the average acreage of feed grains for the State, county, or farm, except that in the case of a farm which is exempt from the farm marketing quota under the small-farm exemption in section 360f, or under the exemption in section 360k, the acreage on the farm in excess of the farm acreage allotment but not in excess of the farm base acreage, shall not be excluded.

"(4) the acreage of wheat produced on the farm in excess of the farm acreage allotment pursuant to the exemption provided in section 335(f), in effect prior to the enactment of this part VII, shall be considered as an acreage of feed grains in determining the average acreage of feed grains for the State, county, or farm, and shall not be considered as an acreage of wheat in determining the small-farm base acreage for wheat pursuant to section 335.

"Geographical applicability

"Sec. 360e. This part VII shall be applicable to the continental United States excluding Alaska.

"Small farm exemption

"Sec. 360f. Notwithstanding any other provision of this part, no farm marketing quota for any crop of feed grains shall be applicable to any farm with a farm acreage allotment of less than twenty-five acres if the acreage of such crop of feed grains does not exceed the smaller of (A) the farm base acreage determined for the farm, or (B) twenty-five acres unless the operator elects in writing on a form and within the time prescribed by the Secretary to be subject to the farm acreage allotment and marketing quota. If the operator of any such farm fails to make such election with respect to any crop of feed grains, (i) for the purposes of section 360h, the farm acreage allotment for such crop of feed grains shall be deemed to be the smaller of (A) the farm base acreage, or (B) twenty-five acres, (ii) the land-use provisions of section 360j shall be inapplicable to the farm, and (iii) such crop of feed grains shall not be eligible for price support.

"Referendum

"Sec. 360g. If a national marketing quota for feed grains for one, two, or three marketing years is proclaimed, the Secretary shall, not later than sixty days after such proclamation is published in the Federal Register, conduct a referendum, by secret ballot, of farmers to determine whether they favor or oppose marketing quotas for the marketing year or years for which proclaimed. Any producer who has a feed grain base shall be eligible to vote in any referendum held pursuant to this section, except a producer who has a farm acreage allotment of less than twenty-five acres shall not be eligible to vote unless the farm operator elected, pursuant to section 360f, to be subject to the farm acreage allotment and marketing quota. The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in the referendum voted against marketing quotas, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop of feed grains produced for harvest in the calendar year following the calendar year in which the referendum is held. If the Secretary determines that two-thirds or more of the farmers voting in a referendum approve marketing quotas for a period of two or three marketing years, no referendum shall be held for the subsequent year or years of such period.

"Compliance

"Sec. 360h. (a)(1) The farm marketing quota for any crop of feed grains shall be the actual production of the acreage of feed grains on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal production of the acreage of feed grains on the farm in excess of the farm acreage allotment for such crop: *Provided,* That the farm marketing excess shall be an amount equal to the actual production of the number of acres of feed grains on the farm in excess of the farm acreage allotment for such crop, if the producer, in accordance with regulations issued by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of feed grains on the farm: *Provided further,* That if there is an acreage of more than one feed grain on the farm, in determining which acreage is in excess of the farm acreage allotment, the acreage of the feed grain or grains which has the highest value, based on the normal yield of the feed grain on the farm multiplied by the basic county support rate for the feed grain, shall be considered as the acreage in excess of the farm acreage allotment.

"(2) For the purposes of this section, (i) 'actual production' of any number of acres of a feed grain on a farm means the actual average yield of such feed grain on the farm multiplied by the number of acres of such feed grain, and (ii) 'normal production' of any number of acres of a feed grain on a farm means the normal yield of such feed grain on the farm multiplied by the number of acres of such feed grain. The normal yield of any feed grain for a farm shall be the average yield per acre of such feed grain on the farm during the five calendar years immediately preceding the year in which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the normal yields for similar or adjacent farms, and the yield in years for which data are available.

"(3) In determining the farm marketing quota and farm marketing excess, (i) any acreage of a feed grain remaining after the date prescribed by the Secretary for the disposal of excess acres of such feed grain shall be included as an acreage of feed grains on the farm, and the production thereof shall be appraised in such manner as the Secretary determines will provide a reasonably accurate estimate of such production, (ii) any acreage of any feed grain classified as wheat acreage pursuant to section 360i shall not be considered feed grain acreage, and (iii) any acreage of feed grains disposed of in accordance with regulations issued by the Secretary prior to such date as may be prescribed by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess, and (iv) any acreage of barley disposed of by grazing not later than thirty days prior to the date the harvest of barley normally begins in the county or the area within the county as determined by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess. Marketing quotas for any marketing year shall be in effect with respect to feed grains harvested in the calendar year in which such marketing year begins notwithstanding that the feed grains are marketed prior to the beginning of such marketing year.

"(b) Whenever farm marketing quotas are in effect with respect to any crop of feed grains, the farm marketing excess of any feed grain shall be regarded as available for marketing, and the producers on a farm shall be subject to a penalty on the farm marketing excess of feed grains at a rate per bushel on the amount of feed grains in the farm marketing excess equal to 65 per centum of the parity price of the particular feed grain involved as of May 1 of the calendar year in which the crop is harvested. Each producer having an interest in the crop of feed grains on any farm for which a farm marketing excess of feed grains is determined shall be jointly and severally liable for the entire amount of the penalty on the farm marketing excess.

"(c) If the farm marketing excess is adjusted downward on the basis of actual production as heretofore provided, the difference between the amount of the penalty computed upon the basis of twice the normal production and as computed upon the basis of actual production shall be returned to or allowed the producer.

"(d) Until the producers on any farm pay the penalty on the farm marketing excess of any crop of feed grains, the entire crop of feed grains produced on the farm and any subsequent crop of feed grains subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty.

"(e) Until the penalty on the farm marketing excess of feed grains is paid, each bushel of feed grains produced on the farm shall be subject to the penalty specified in subsection (b) of this section, and such penalty on each bushel of feed grains which is sold by the producer to any person within the United States shall be paid by the buyer, who may deduct an amount equivalent to the penalty from the price paid to the producer. If the buyer fails to collect such penalty, such buyer and all persons entitled to share in the feed grains marketed from the farm or the proceeds thereof shall be jointly and severally liable for such penalty.

"(f) The persons liable for the payment or collection of the penalty on any amount of feed grains shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"Substitution of wheat and feed grains

"Sec. 360i. Notwithstanding any other provision of law, the Secretary shall permit producers of wheat to have acreage devoted to the production of wheat considered as devoted to the production of feed grains, and producers of feed grains to have acreage devoted to the production of feed grains considered as devoted to the production of wheat, to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of this subtitle B.

"Land use

"Sec. 360j. (a) (1) During any year in which marketing quotas for feed grains are in effect, the producers on any farm (except a farm for which a farm acreage allotment is established pursuant to section 360d(c) (2)(C)) on which any crop is produced on acreage required to be diverted from the production of feed grains shall be subject to a penalty on such crop, in addition to any marketing quota penalty applicable to such crop, as provided in this subsection, unless (i) the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section, or (ii) no feed grains are produced on the farm, and the producers have not filed an agreement or a statement of intention to participate in the payment program formulated pursuant to subsection (b) of this section. The acreage required to be diverted from the production of feed grains on the farm shall be an acreage of cropland equal to the amount by which the base acreage of feed grains for the farm exceeds the farm acreage allotment for feed grains. The actual production of any crop subject to penalty under this subsection shall be regarded as available for marketing and the penalty on such crop shall be computed on the actual acreage of such crop at the rate of 65 per centum of the parity price per bushel, as of May 1 of the calendar year in which the crop is harvested, of the feed grain determined by the Secretary to be the principal feed grain produced in the county, multiplied by the normal yield for such feed grain as defined in section 360h(a). Until the producers on any farm pay the penalty on such crop, the entire crop of feed grains produced on the farm and any subsequent crop of feed grains subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty. Each producer having an interest in the crop or crops on acreage diverted or required to be diverted from the production of feed grains shall be jointly and severally liable for the entire amount of the penalty. The Secretary may require the penalty on the production of crops on the diverted acreage to be collected by the purchaser of feed grains produced on the farm. The persons liable for the payment or collection of the penalty under this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(2) The Secretary may require that the acreage on any farm diverted from the production of feed grains be land which was diverted from the production of feed grains in the previous year, to the extent he determines that such requirement is necessary to effectuate the purposes of this subtitle.

"(3) The diverted acreage shall not be grazed unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing.

"(b) The Secretary is authorized to formulate and carry out a program with respect to the 1963, 1964, and 1965 crops of feed grains under which, subject to such terms and conditions as he determines are desirable to effectuate the purposes of this section, payments may be made in amounts not in excess of 50 per centum of the estimated basic county support rate on the normal production of the acreage diverted, taking into account the income objectives of the Act, determined by the Secretary to be fair and reasonable to producers with respect to acreage diverted pursuant to subsection (a) of this section. The Secretary may permit the producers on the farm to divert from the production of feed grains an acreage, in addition to the acreage diverted pursuant to subsection (a), equal to 20 per centum of the farm acreage allotment for feed grains: *Provided*, That the producers on any farm may, at their election, divert such acreage, in addition to the acreage diverted pursuant to subsection (a), as will bring the total acreage diverted on the farm to twenty-five acres. Such programs shall require (1) that the diverted acreage shall be devoted to conservation uses approved by the Secretary; (2) that the total acreage of cropland on the farm devoted to soil-conserving uses, including summer fallow and idle land but excluding the acreage diverted as provided above and acreage diverted under the land-use provisions for wheat pursuant to section 339, shall not be less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm during the base period used in determining the farm acreage allotment adjusted to the extent the Secretary determines appropriate for (i) abnormal weather conditions or other factors affecting production, (ii) established crop-rotation practices on the farm, (iii) participation in other Federal farm programs, (iv) unusually high percentage of land on the farm devoted to conserving uses, and (v) for other factors which the Secretary determines should be considered for the purpose of establishing a fair and equitable soil-conserving acreage for the farm; and (3) that the producers shall not knowingly exceed (i) any farm acreage allotment in effect for any commodity produced on the farm, and (ii) except as the Secretary may by regulation prescribe, the farm acreage allotments on any other farm for any crop in which the producer has a share: *Provided*, That no producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess of wheat is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty: *And provided further*, That no producer shall be deemed to have exceeded a farm acreage allotment for any crop of wheat or feed grains if the farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k. The producer on any farm for which a farm acreage allotment is established pursuant to section 360d(c)(2)(C) shall not be eligible for payments hereunder. The Secretary shall provide for the sharing of payment among producers on the farm on a fair and equitable basis. Payments may be made in cash or in feed grains.

"(c) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the program formulated under subsection (b) of this section.

"(d) Not to exceed 50 per centum of any payment to producers under subsection (b) of this section may be made in advance of determination of performance.

"(e) The Secretary may permit the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at the rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage.

"(f) The program formulated pursuant to subsection (b) of this section may include such terms and conditions, including provision for the control of erosion, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

"(g) The Secretary is authorized to promulgate such regulations as may be desirable to carry out the provisions of this section.

"(h) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this section and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

"(i) Notwithstanding any other provision of law, performance rendered in good faith in reliance upon action or advice of an authorized representative of the Secretary may be accepted as meeting the requirements of this section, or of subsections (c) and (d) of section 16 of the Soil Conservation and Domestic Allotment Act, as amended, and payment may be made therefor in accordance with such action or advice to the extent the Secretary deems is desirable in order to provide fair and equitable treatment.

"Deficit areas

"Sec. 360k. Notwithstanding any other provision of this part, in any area (county, State, or region) in which the Secretary determines (1) that the application of the provisions of this Act would result in an average loss of 25 per centum gross income to producers in such area, would increase by 25 per centum the price of feed grains in such area relative to other areas, and would disrupt normal farming practices in such area, based on 1959–1960 operations, and (2) that the exception provided by this section would not impair the effective operation of this Act, he may provide in accordance with such regulations as he may prescribe that no farm marketing quota (that is, production on the acreage allotment) for any crop of feed grains shall be applicable to any farm in such area, if the acreage of such crop of feed grains does not exceed the farm base acreage determined for the farm. If the Secretary so provides, (i) for the purposes of section 360h, the farm acreage allotment for such crop of feed grains shall be deemed to be the farm base acreage, (ii) the land-use provisions of section 360j shall be inapplicable to the farm, (iii) such crop of feed grains shall not be eligible for price support, and (iv) the producers on such farm shall not be eligible to vote in any referendum on marketing quotas for such crop.

"Authority to exempt Malting barley

"Sec. 360l. Notwithstanding any other provision of this part, if with respect to any crop of barley the Secretary finds that there is not likely to be production of a sufficient quantity of Malting barley to satisfy the demand therefor, subject to such terms and conditions as the Secretary shall prescribe, the farm marketing quota or farm acreage allotment for any crop of feed grains shall not be applicable to Malting barley on any farm, if (i) the operator elects in writing on a form and within the time prescribed by the Secretary to have Malting barley exempt therefrom, (ii) such operator has previously produced a Malting variety of barley, plants barley only of an acceptable Malting variety for harvest during the crop year, and does not knowingly devote during such crop year an acreage on the farm to barley in excess of 110 per centum of the acreage devoted on the farm to barley in 1959 and 1960, or such later two-year period determined by the Secretary to be representative, and (iii) the farm base acreage and the farm acreage allotment for such crop of feed grains are adjusted downward by such amount as the Secretary determines appropriate to reflect the exclusion of such barley from the farm acreage allotment."

SEC. 302. Section 2 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out "and" immediately following the last semicolon, by changing the period at the end thereof to a semicolon, and by adding immediately following such new semicolon the following: "and to reduce the annual carryover of feed grains, to stabilize the supply of feed grains, and to provide for an adequate and balanced flow of feed grains so that the prices of feed grains are fair to producers and consumers and the total supply of feed grains available for utilization for livestock feed is maintained at a level which is consistent with the production of the quantities of livestock and the products thereof that will be consumed and exported at prices which are fair to producers and consumers."

SEC. 303. Section 301 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended as follows:

(1) Subsection (a) is amended by adding at the end thereof the following new items:

"(10) The term 'feed grains' means corn, grain sorghums, and barley.

"(11) The term 'acreage of feed grains' means acreage of feed grains planted for harvest (including self-seeded feed grains), but excluding the acreage of feed grains harvested for silage not in excess of the acreage of feed grains harvested for silage during the base period as defined in section 360d(d) if the operator of the farm elects in writing to have such feed grains harvested for silage excluded. The review provisions applicable to marketing quotas in sections 361–367 shall apply to the determination of the acreage of silage exempt under this subsection.

"(12) The term 'crop' as applied to 'feed grains' means all of the crops of the agricultural commodities which comprise feed grains and which are produced for harvest in the same calendar year."

(2) Subsection (b)(6)(A) is amended to read as follows:

"(6)(A) 'Market', in the case of cotton, rice, tobacco, wheat, and feed grains, means to dispose of, in raw or processed form, by voluntary or involuntary sale, barter, or exchange, or by gift inter vivos, and, in the case of wheat and feed grains, by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of."

(3) Subsection (b)(7) is amended to read as follows:

"(7) 'Marketing year' means, in the case of the following commodities, the period beginning on the first and ending with the second date specified below:

"Barley, July 1–June 30;
"Corn, October 1–September 30;
"Cotton, August 1–July 31;
"Grain sorghums, July 1–June 30;
"Peanuts, August 1–July 31;
"Rice, August 1–July 31;
"Tobacco (flue-cured), July 1–June 30;
"Tobacco (other than flue-cured), October 1–September 30;
"Wheat, July 1–June 30.

" 'Marketing year' means, in the case of 'feed grains', the marketing years for the agricultural commodities comprising the feed grains."

SEC. 304. Sections 361, 362, and 363 of the Agricultural Adjustment Act of 1938, as amended, are hereby amended as follows:

(1) Section 361 is amended by adding "feed grains," after "wheat,", and by changing the period at the end of the section to a comma and adding the following: "and to the review of land-use penalties assessed pursuant to sections 339 and 360j."

(2) Section 362 is amended by adding at the end thereof the following: "Notice of the land-use penalty assessed pursuant to section 339 or 360j shall be mailed to the farmer."

(3) Section 363 is amended by adding "or land-use penalty" after the word "quota" wherever it appears in such section.

SEC. 305. Section 372 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding "feed grains," after "wheat," in subsection (a) thereof.

SEC. 306. Sections 373, 374, and 375 of the Agricultural Adjustment Act of 1938, as amended, are hereby amended by deleting "corn" wherever it appears and by substituting in lieu thereof "feed grains"; and subsection (b) of section 375 of the Agricultural Adjustment Act of 1938, as amended, is further amended by striking out the period at the end of the sentence and inserting at the end thereof the following: "or to effectuate the provisions thereof."

SEC. 307. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by inserting in the first sentence after "Soil Conservation Act payment," the following: "payment under section 360j,".

SEC. 308. The amendments to the Agricultural Adjustment Act of 1938, as amended, made by sections 301 through 307 of this Act shall be in effect only with respect to programs applicable to crops planted for harvest in the calendar year 1963 or any subsequent year and to the marketing years beginning in the calendar year 1963 or any subsequent year.

SEC. 309. The Agricultural Act of 1949, as amended, is amended as follows:

(1) By amending section 105 by deleting subsections (a) and (b) and substituting the following:

(a) Notwithstanding the provisions of section 101 of this Act, beginning with the 1963 crop—

"(1) if marketing quotas for any crop of corn, grain sorghums, and barley are not disapproved by producers, price support for corn of such crop shall be made available at such level not less than 65 per centum or more 90 per centum of the parity price therefor as the Secretary determines appropriate after consideration of (i) the factors specified in section 401(b) of this Act, (ii) the supplies of feed grains that would be available during the marketing year at prices approximating the support prices of feed grains, and (iii) consumption goals during the marketing year for livestock and livestock products, taking into consideration consumption under special governmental programs, and imports and exports of livestock and livestock products.

"(2) if marketing quotas for any crop of corn, grain sorghums, and barley are disapproved by producers, price support for corn of such crop shall be at such level not to exceed 50 per centum of the parity price therefor as the Secretary determines appropriate after consideration of the factors specified in section 401(b).

"(3) price support for each crop of barley and grain sorghums, respectively, shall be at such level as the Secretary determines is fair and reasonable in relation to the level at which price support is made available for corn, taking into consideration the feeding value of such feed grain in relation to corn and the other factors specified in section 401(b) of this Act.

"(4) price support for corn, grain sorghums, and barley shall be made available only to cooperators.

"(5) if marketing quotas are in effect for the crop of corn, grain sorghums, and barley, a 'cooperator' with respect to any such feed grain produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for feed grains or any other commodity on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment on any other farm for any commodity in which he has an interest as a producer, and (ii) complies with the land-use requirements of section 360j of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. If marketing quotas are not in effect for the crop of corn, grain sorghums, and barley, a 'cooperator' with respect to any crop of corn, grain sorghums, and barley produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for feed grains. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess of wheat is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such farm marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for wheat on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k of the Agricultural Adjustment Act of 1938, as amended."

(2) By amending section 105 by redesignating subsection (c) thereof as subsection (b).

(3) By amending section 401 by inserting after the comma before "(2)" the following: "(2) the income needed to provide a farm operator and his family with a return for his labor and investment equal to the return earned by comparable resources in other occupations", and by renumbering (2), (3), (4), (5), (6), (7), and (8) as (3), (4), (5), (6), (7), (8), and (9), respectively.

(4) By adding at the end of section 407 the following: "Notwithstanding any other provision hereof, (i) if a marketing quota for feed grains for any marketing year is disapproved by producers, the Commodity Credit Corporation may sell for unrestricted use from its stocks during such marketing year not to exceed ten million tons, or the equivalent in bushels, of feed grains at not less than 2 per centum above the current support price for such commodity, plus reasonable carrying charges, (ii) if a marketing quota for wheat for any marketing year is disapproved by producers, the Commodity Credit Corporation may sell for unrestricted use from its stocks during the marketing year not to exceed two hundred million bushels of wheat at not less than 2 per centum above the current support price for such commodity, plus reasonable carrying charges."

Subtitle B—Wheat

SEC. 310. Section 331 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out the last paragraph thereof and inserting in lieu thereof the following paragraphs:

"Wheat which is planted and not disposed of prior to the date prescribed by the Secretary for the disposal of excess acres of wheat is an addition to the total supply of wheat and has a direct effect on the price of wheat in interstate and foreign commerce and may also affect the supply and price of livestock and livestock products. In the circumstances, wheat not disposed of prior to such date must be considered in the same manner as mechanically harvested wheat in order to achieve the policy of the Act.

"The diversion of substantial acreages from wheat to the production of commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage would burden, obstruct, and adversely affect interstate and foreign commerce in such commodities, and would adversely affect the prices of such commodities in interstate and foreign commerce. Small changes in the supply of a commodity could create a sufficient surplus to affect seriously the price of such commodity in interstate and foreign commerce. Large changes in the supply of such commodity could have a more acute effect on the price of the commodity in interstate and foreign commerce and, also, could overtax the handling, processing, and transportation facilities through which the flow of interstate and foreign commerce in such commodity is directed. Such adverse effects caused by overproduction in one year could further result in a deficient supply of the commodity in the succeeding year, causing excessive increases in the price of the commodity in interstate and foreign commerce in such year. It is, therefore, necessary to prevent acreage diverted from the production of wheat to be used to produce commodities which are in surplus supply or which will be in surplus supply if they are permitted to be grown on the diverted acreage.

"The provisions of this part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, to provide for an adequate and orderly flow of wheat and its products in interstate and foreign commerce at prices which are fair and reasonable to farmers and consumers, and to prevent acreage diverted from the production of wheat from adversely affecting other commodities in interstate and foreign commerce."

SEC. 311. Section 332 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by striking out the provisions of such section and by inserting in lieu thereof the following:

"National Marketing Quota

"SEC. 332. (a) Whenever prior to April 15 in any calendar year the Secretary determines that the total supply of wheat in the marketing year beginning in the next succeeding calendar year will, in the absence of a marketing quota program, likely be excessive, the Secretary shall proclaim that a national marketing quota for wheat shall be in effect for such marketing year and for either the following marketing year or the following two marketing years, if the Secretary determines and declares in such proclamation that a two- or three-year marketing quota program is necessary to effectuate the policy of the Act.

"(b) If a national marketing quota for wheat has been proclaimed for any marketing year, the Secretary shall determine and proclaim the amount of the national marketing quota for such marketing year not earlier than January 1 or later than April 15 of the calendar year preceding the year in which such marketing year begins. The amount of the national marketing quota for wheat for any marketing year shall be an amount of wheat which the Secretary estimates (i) will be utilized during such marketing year for human consumption in the United States as food, food products, and beverages, composed wholly or partly of wheat, (ii) will be utilized during such marketing year in the United States for seed, (iii) will be exported either in the form of wheat or products thereof, and (iv) as the average amount which was utilized as livestock (including poultry) feed in the marketing years beginning in 1959 and 1960; less (A) an amount of wheat equal to the estimated imports of wheat into the United States during such marketing year and, (B) if the stocks of wheat owned by the Commodity Credit Corporation are determined by the Secretary to be excessive, an amount of wheat determined by the Secretary to be a desirable reduction in such marketing year in such stocks to achieve the policy of the Act: *Provided*, That if the Secretary determines that the total stocks of wheat in the Nation are insufficient to assure an adequate carryover for the next succeeding marketing year, the national marketing quota otherwise determined shall be increased by the amount the Secretary determines to be necessary to assure an adequate carryover: *And provided further*, That the national marketing quota for wheat for any marketing year shall be not less than one billion bushels.

"(c) If, after the proclamation of a national marketing quota for wheat for any marketing year, the Secretary has reason to believe that, because of a national emergency or because of a material increase in the demand for wheat, the national marketing quota should be terminated or the amount thereof increased, he shall cause an immediate investigation to be made to determine whether such action is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such action is necessary, he shall immediately proclaim such finding and the amount of any such increase found by him to be necessary and thereupon such national marketing quota shall be so increased or terminated. In case any national marketing quota is increased under this subsection, the Secretary shall provide for such increase by increasing acreage allotments established under this part by a uniform percentage."

SEC. 312. Section 333 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

"National Acreage Allotment

"SEC. 333. Whenever the amount of the national marketing quota for wheat is proclaimed for any marketing year, the Secretary at the same time shall proclaim a national acreage allotment for the crop of wheat planted for harvest in the calendar year in which such marketing year begins. The amount of the national acreage allotment for any crop of wheat shall be the number of acres which the Secretary determines on the basis of expected yields and expected underplantings of farm acreage allotments will, together with (1) the expected production on the increases in acreage allotments for farms based upon small-farm base acreages pursuant to section 335, and (2) the expected production on increased acreages resulting from the small-farm exemption pursuant to section 335, make available a supply of wheat equal to the national marketing quota for wheat for such marketing year."

SEC. 313. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is further amended as follows:

(1) By amending subsection (e) thereof by striking out in the first sentence thereof "any of the 1962, 1963, and 1964 crops" and inserting in lieu thereof "the 1962 crop".

(2) By repealing subsection (g) thereof and by redesignating subsections (h) and (i) thereof as (g) and (h) respectively.

(3) By amending subsection (i) thereof, redesignated by this section as subsection (h), by inserting the following sentence immediately following the seventh sentence thereof: "The land-use provisions of section 339 shall not be applicable to any farm receiving an additional allotment under this subsection."

(4) By striking out of the last sentence of subsection (i) thereof (added by Public Law 87–357, 87th Congress, 1st session), redesignated by this section as subsection (h), "or 1963".

(5) By adding at the end thereof the following new subsection:

"(i) If, with respect to any crop of wheat, the Secretary finds that the acreage allotments of farms producing any kind of wheat are inadequate to provide for the production of a sufficient quantity of such kind of wheat to satisfy the demand therefor, the wheat acreage allotment for such crop for each farm located in a county designated by the Secretary as a county which (1) is capable of producing such kind of wheat, and (2) has produced such kind of wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm for any crop if any wheat other than such kind of wheat is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection. The land-use provisions of section 339 shall not be applicable to any farm receiving an increased allotment under this subsection and the producers on such farms shall not be required to comply with such provisions as a condition of eligibility for price support."

SEC. 314. Part III of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding immediately after section 334 thereof the following:

"Commercial area

"SEC. 334a. If the acreage allotment for any State for any crop of wheat is twenty-five thousand acres or less, the Secretary, in order to promote efficient administration of this Act and the Agricultural Act of 1949, may designate such State as outside the commercial wheat-producing area for the marketing year for such crop. If such State is so designated, acreage allotments for such crop and marketing quotas for the marketing year therefor shall not be applicable to any farm in such State. Acreage allotments in any State shall not be increased by reason of such designation."

SEC. 315. Section 335 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

"Small farm exemption

"SEC. 335. Notwithstanding any other provision of this part, no farm marketing quota for any crop of wheat shall be applicable to any farm with a farm acreage allotment of less than fifteen acres if the acreage of such crop of wheat does not exceed the small-farm base acreage determined for the farm, unless the operator elects in writing on a form and within the time prescribed by the Secretary to be subject to the farm acreage allotment and marketing quota. The small-farm base acreage for a farm shall be the smaller of (A) the average acreage of the crop of wheat planted for harvest in the three years in which the acreage was highest during the five-year period 1957–1961, or such later five-year period determined by the Secretary to be representative, with adjustments for abnormal weather conditions, established crop-rotation practices on the farm, and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable small-farm base acreage, or (B) fifteen acres. The acreage allotment for any farm shall be the larger of (1) the small-farm base acreage determined as provided above on the basis of the five-year period 1957–1961, reduced by the same percentage by which the national acreage allotment for the crop is reduced below fifty-five million acres, or (2) the acreage allotment determined without regard to (1) above. If the operator of any such farm fails to make such election with respect to any crop of wheat, (i) for the purposes of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340), as amended, the farm acreage allotment for such crop of wheat shall be deemed to be the larger of (A) the small-farm base acreage or (B) the acreage allotment for the farm, (ii) the land-use provisions of section 339 shall be inapplicable to the farm, (iii) such crop of wheat shall not be eligible for price support, and (iv) wheat marketing certificates applicable to such crop shall not be issued with respect to the farm. The additional acreage required to provide acreage allotments for farms based upon small-farm base acreages under this section shall be in addition to National, State, and county acreage allotments."

SEC. 316. Section 336 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended to read as follows:

"Referendum

"SEC. 336. If a national marketing quota for wheat for one, two, or three marketing years is proclaimed, the Secretary shall, not later than sixty days after such proclamation is published in the Federal Register, conduct a referendum, by secret ballot, of farmers to determine whether they favor or oppose marketing quotas for the marketing year or years for which proclaimed. Any producer who has a farm acreage allotment shall be eligible to vote in any referendum held pursuant to this section, except that a producer who has a farm acreage allotment of less than fifteen acres shall not be eligible to vote unless the farm operator elected pursuant to section 335 to be subject to the farm marketing quota. The Secretary shall proclaim the results of any referendum held hereunder within thirty days after the date of such referendum, and if the Secretary determines that more than one-third of the farmers voting in the referendum voted against marketing quotas, the Secretary shall proclaim that marketing quotas will not be in effect with respect to the crop of wheat procured for harvest in the calendar year following the calendar year in which the referendum is held. If the Secretary determines that two-thirds or more of the farmers voting in a referendum approve marketing quotas for a period of two or three marketing years, no referendum shall be held for the subsequent year or years of such period."

SEC. 317. Section 337 of the Agricultural Adjustment Act of 1938, as amended, is hereby repealed.

SEC. 318. The Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding after section 338 a new section as follows:

"Land use

"SEC. 339. (a) (1) During any year in which marketing quotas for wheat are in effect, the producers on any farm (except a new farm receiving an allotment from the reserve for new farms) on which any crop is produced on acreage required to be diverted from the production of wheat shall be subject to a penalty on such crop, in addition to any marketing quota penalty applicable to such crops, as provided in this subsection unless (1) the crop is designated by the Secretary as one which is not in surplus supply and will not be in surplus supply if it is permitted to be grown on the diverted acreage, or as one the production of which will not substantially impair the purpose of the requirements of this section, or (2) no wheat is produced on the farm, and the producers have not filed an agreement or a statement of intention to participate in the payment program formulated pursuant to subsection (b) of this section. The acreage required to be diverted from the production of wheat on the farm shall be an acreage of cropland equal to the number of acres determined by multiplying the farm acreage allotment by the diversion factor determined by dividing the number of acres by which the national acreage allotment is reduced below fifty-five million acres by the number of acres in the national acreage allotment. The actual production of any crop subject to penalty under this subsection shall be regarded as available for marketing and the penalty on such crop shall be computed on the actual acreage of such crop at the rate of 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which such crop is harvested, multiplied by the normal yield of wheat per acre established for the farm. Until the producers on any farm pay the penalty on such crop, the entire crop of wheat produced on the farm and any subsequent crop of wheat subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty. Each producer having an interest in the crop or crops on acreage diverted or required to be diverted from the production of wheat shall be jointly and severally liable for the entire amount of the penalty. The persons liable for the payment or collection of the penalty under this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(2) The Secretary may require that the acreage on any farm diverted from the production of wheat be land which was diverted from the production of wheat in the previous year, to the extent he determines that such requirement is necessary to effectuate the purposes of this subtitle.

"(3) The Secretary may permit the diverted acreage to be grazed in accordance with regulations prescribed by the Secretary.

"(b) The Secretary is authorized to formulate and carry out a program with respect to the 1963, 1964, and 1965 crops of wheat under which, subject to such terms and conditions as he determines are desirable to effectuate the purposes of this section, payments may be made in amounts not in excess of 50 per centum of the estimated basic county support rate on the normal production of the acreage diverted taking into account the income objectives of the Act, determined by the Secretary to be fair and reasonable with respect to acreage diverted pursuant to subsection (a) of this section. The Secretary may permit producers on any farm to divert from the production of wheat an acreage, in addition to the acreage diverted pursuant to subsection (a), equal to 20 per centum of the farm acreage allotment for wheat: *Provided*, That the producers on any farm may, at their election, divert such acreage in addition to the acreage diverted pursuant to subsection (a), as will bring the total acreage diverted on the farm to fifteen acres. Such program shall require (1) that the diverted acreage shall be devoted to conservation uses approved by the Secretary; (2) that the total acreage of cropland on the farm devoted to soil-conserving uses, including summer fallow and idle land but excluding the acreage diverted as provided above, and acreage diverted under section 16(g) of the Soil Conservation and Domestic Allotment Act shall be not less than the total average acreage of cropland devoted to soil-conserving uses including summer fallow and idle land on the farm during a representative period, as determined by the Secretary, adjusted to the extent the Secretary determines appropriate for (i) abnormal weather conditions or other factors affecting production, (ii) established crop-rotation practices on the farm, (iii) participation in other Federal farm programs, (iv) unusually high percentage of land on the farm devoted to conserving uses, and (v) other factors which the Secretary determines should be considered for the purpose of establishing a fair and equitable soil-conserving acreage for the farm; and (3) that the producer shall not knowingly exceed (i) any farm acreage allotment in effect for any commodity produced on the farm and (ii) except as the Secretary may by regulations prescribe, with the farm acreage allotments on any other farm for any crop in which the producer has a share: *Provided*, That no producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty: *And provided further*, That no producer shall be deemed to have exceeded a farm acreage allotment for any crop of wheat or feed grains if the farm is exempt from the farm marketing quota for such crop under sections 335, 360f, or 360k. The producers on a new farm shall not be eligible for payments hereunder. The Secretary shall provide for the sharing of payment among producers on the farm on a fair and equitable basis. Payments may be made in cash or in wheat.

"(c) The Secretary may provide for adjusting any payment on account of failure to comply with the terms and conditions of the land-use program formulated under subsection (b) of this section.

"(d) Not to exceed 50 per centum of any payment to producers under subsection (b) of this section may be made in advance of determination of performance.

"(e) The Secretary may permit the diverted acreage to be devoted to the production of guar, sesame, safflower, sunflower, castor beans, other annual field crops for which price support is not made available, and flax, when such crops are not in surplus supply and will not be in surplus supply if permitted to be grown on the diverted acreage, subject to the condition that payment with respect to diverted acreage devoted to any such crop shall be at a rate determined by the Secretary to be fair and reasonable taking into consideration the use of such acreage for the production of such crops: *Provided*, That in no event shall the payment exceed one-half the rate which would otherwise be applicable if such acreage were devoted to conservation uses and no price support shall be made available for the production of any such crop on such diverted acreage.

"(f) The program formulated pursuant to subsection (b) of this section may include such terms and conditions, in addition to those specifically provided for herein, as the Secretary determines are desirable to effectuate the purposes of this section.

"(g) The Secretary is authorized to promulgate such regulations as may be desirable to carry out the provisions of this section.

"(h) The Commodity Credit Corporation is authorized to utilize its capital funds and other assets for the purpose of making the payments authorized in this section and to pay administrative expenses necessary in carrying out this section during the period ending June 30, 1963. There is authorized to be appropriated such amounts as may be necessary thereafter to pay such administrative expenses.

"(i) Notwithstanding any other provision of law, performance rendered in good faith in reliance upon action or advice of an authorized representative of the Secretary may be accepted as meeting the requirements of this section, or of section 124 of the Agricultural Act of 1961 (75 Stat. 297–298), and payment may be made therefor in accordance with such action or advice to the extent the Secretary deems it desirable in order to provide fair and equitable treatment."

Sec. 319. Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340), as amended, is hereby amended as follows:

(1) By amending paragraph (1) to read as follows:

"(1) The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to twice the normal yield of wheat per acre established for the farm multiplied by the number of acres of such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations issued by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established, the farm marketing excess shall be an amount equal to the actual production of the number of acres of wheat on the farm in excess of the farm acreage allotment for such crop. In determining the farm marketing quota and farm marketing excess, any acreage of wheat remaining after the date prescribed by the Secretary for the disposal of excess acres of wheat shall be included as acreage of wheat on the farm, and the production thereof shall be appraised in such manner as the Secretary determines will provide a reasonably accurate estimate of such production. Any acreage of wheat disposed of in accordance with regulations issued by the Secretary prior to such date as may be prescribed by the Secretary shall be excluded in determining the farm marketing quota and farm marketing excess. Self-seeded (volunteer) wheat shall be included in determining the acreage of wheat. Marketing quotas for any marketing year shall be in effect with respect to wheat harvested in the calendar year in which such marketing year begins notwithstanding that the wheat is marketed prior to the beginning of such marketing year."

(2) By amending paragraph (2) to read as follows:

"(2) Whenever farm marketing quotas are in effect with respect to any crop of wheat, the producers on a farm shall be subject to a penalty on the farm marketing excess of wheat at a rate per bushel equal to 65 percentum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested. Each producer having an interest in the crop of wheat on any farm for which a farm marketing excess of wheat is determined shall be jointly and severally liable for the entire amount of the penalty on the farm marketing excess."

(3) By inserting in paragraph (3) "twice" before "the normal production" in the first and second sentences thereof, and by inserting in the second sentence thereof "twice the" between "of" and "normal" in the phrase "upon the basis of normal production", by striking out "corn and" from the first sentence thereof, and by striking out "corn or" from the last sentence thereof.

(4) By amending paragraph (4) to read as follows:

"(4) Until the producers on any farm store, deliver to the Secretary, or pay the penalty on, the farm marketing excess of any crop of wheat, the entire crop of wheat produced on the farm and any subsequent crop of wheat subject to marketing quotas in which the producer has an interest shall be subject to a lien in favor of the United States for the amount of the penalty."

(5) By striking out "corn or" from paragraph (5).

(6) By striking out "corn or" from paragraph (6).

(7) By repealing paragraph (7), and by renumbering paragraphs (8) through (11) as (7) through (10), respectively.

(8) By striking out "corn or" and ", as the case may be," from paragraph (8), redesignated by this section as paragraph (7), and adding at the end of such paragraph the following sentence: "If the buyer fails to collect such penalty, such buyer and all persons entitled to share in the wheat marketed from the farm or the proceeds thereof shall be jointly and severally liable for such penalty."

(9) By repealing paragraph (12), and by adding the following new paragraphs to follow paragraph (11), redesignated by this section as paragraph (10):

"(11) The persons liable for the payment or collection of the penalty on any amount of wheat shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

"(12) If marketing quotas for wheat are not in effect for any marketing year, all previous marketing quotas applicable to wheat shall be terminated, effective as of the first day of such marketing year. Such termination shall not abate any penalty previously incurred by a producer or relieve any buyer of the duty to remit penalties previously collected by him."

Sec. 320. Section 301(b)(13) of the Agricultural Adjustment Act of 1938, as amended, is amended—

(1) by striking out paragraph (A);

(2) by inserting in paragraphs (D) and (E) after the words "in the case of rice" the words "and wheat" and by inserting in said paragraphs after the words "per acre of rice" the following: "or wheat, as the case may be,";

(3) by striking from paragraph (G) the following: (A) "wheat," in each of the two places it first occurs therein; (B) "and, in the case of wheat, but not in the case of corn, cotton, or peanuts, for trends in yields"; (C) "ten calendar years in the case of wheat, and"; and (D) "in the case of corn, cotton, or peanuts,".

Sec. 321. Section 371 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended as follows:

(1) Subsection (a) is amended by deleting "corn, wheat," in the first sentence thereof.

(2) The first sentence of subsection (b) is amended by striking out "any national acreage allotment for corn or", "wheat," and "in order to effect the declared policy of this Act or".

Sec. 322. Section 385 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by inserting in the first sentence after "parity payment," the following: "payment under section 339,".

Sec. 323. The amendments to the Agricultural Adjustment Act of 1938, as amended, and to Public Law 74, Seventy-seventh Congress, as amended, made by sections 310 through 322 of this Act shall be in effect only with respect to programs applicable to the crops planted for harvest in the calendar year 1963 or any subsequent year and the marketing years beginning in the calendar year 1963, or any subsequent year.

Wheat marketing allocation program

Sec. 324. Title III of the Agricultural Adjustment Act of 1938, as amended, is hereby amended (1) by designating subtitles D and E as subtitles E and F, respectively, and (2) by inserting after subtitle C a new subtitle D as follows:

"Subtitle D—Wheat marketing allocation

"Legislative findings

"**Sec. 379a.** Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is necessary to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. Unreasonably low prices of wheat to producers impair their purchasing power for nonagricultural products and place them in a position of serious disparity with other industrial groups. The conditions affecting the production of wheat are such that without Federal assistance, producers cannot effectively prevent disastrously low prices for wheat. It is necessary, in order to assist wheat producers in obtaining fair prices, to regulate the price of wheat used for domestic food and for exports in the manner provided in this subtitle.

"Wheat marketing allocation

"**Sec. 379b.** During any marketing year for which a marketing quota is in effect for wheat, beginning with the marketing year for the 1963 crop, a wheat marketing allocation program shall be in effect as provided in this subtitle. Whenever a wheat marketing allocation program is in effect for any marketing year the Secretary shall determine (1) the wheat marketing allocation for such year which shall be the amount of wheat which will be used during such year for human consumption in the United States, as food, food products, and beverages, composed wholly or partly of wheat, and that portion of the amount of wheat which will be exported in the form of wheat or products thereof during the marketing year on which the Secretary determines that marketing certificates shall be issued to producers in order to achieve, insofar as practicable, the price and income objectives of this subtitle, and (2) the national allocation percentage which shall be the percentage which the national marketing allocation is of the national marketing quota. Each farm shall receive a wheat marketing allocation for such marketing year equal to the number of bushels obtained by multiplying the number of acres in the farm acreage allotment for wheat by the normal yield of wheat for the farm as determined by the Secretary, and multiplying the resulting number of bushels by the national allocation percentage. If a noncommercial wheat-producing area is established for any marketing year, farms in such area shall be given wheat marketing allocations which are determined by the Secretary to be fair and reasonable in relation to the wheat marketing allocation given producers in the commercial wheat-producing area.

"Marketing certificates

"**Sec. 379c.** (a) The Secretary shall provide for the issuance of wheat marketing certificates for each marketing year for which a wheat marketing allocation program is in effect for the purpose of enabling producers on any farm with respect to which certificates are issued to receive, in addition to the other proceeds from the sale of wheat, an amount equal to the value of such certificates. The wheat marketing certificates issued with respect to any farm for any marketing year shall be in the amount of the farm wheat marketing allocation for such year, but not to exceed (i) the actual acreage of wheat planted on the farm for harvest in the calendar year in which the marketing year begins multiplied by the normal yield of wheat for the farm, plus (ii) the amount of wheat stored to avoid or postpone a marketing quota penalty, which is released from storage during the marketing year on account of underplanting or underproduction. The Secretary shall provide for the sharing of wheat marketing certificates among producers on the farm on the basis of their respective shares in the wheat crop produced on the farm, or the proceeds therefrom.

"(b) No producer shall be eligible to receive wheat marketing certificates with respect to any farm for any marketing year in which a marketing quota penalty is assessed for any commodity on such farm or in which the farm has not complied with the land-use requirements of section 339 to the extent prescribed by the Secretary, or in which, except as the Secretary may by regulation prescribe, the producer exceeds the farm acreage allotment on any other farm for any commodity in which he has an interest as a producer. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty. No producer shall be deemed to have exceeded the farm acreage allotment for feed grains on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f or 360k.

"(c) Whenever a wheat marketing allocation program is in effect for any marketing year, the Secretary shall determine and proclaim for such marketing year the face value per bushel of marketing certificates. The face value per bushel of marketing certificates shall be equal to the amount by which the level of price support for wheat accompanied by certificates exceeds the level of price support for wheat not accompanied by certificates (noncertificate wheat).

"(d) Marketing certificates and transfers thereof shall be represented by such documents, marketing cards, records, accounts, certifications, or other statements or forms as the Secretary may prescribe.

"Marketing restrictions

"Sec. 379d. (a) All persons are prohibited from acquiring marketing certificates from the producer to whom such certificates are issued, unless such certificates are acquired in connection with the acquisition from such producer of a number of bushels of wheat equivalent to the market certificates. Marketing certificates shall be transferable only in accordance with regulations prescribed by the Secretary. Any unused certificates held by persons other than the producer to whom such certificates are issued shall be purchased by Commodity Credit Corporation. Notwithstanding the foregoing provisions of this section, Commodity Credit Corporation is authorized to purchase from producers certificates not accompanied by wheat in cases where the Secretary determines that it would constitute an undue hardship to require the producer to transfer his certificates only in connection with the disposition of wheat.

"(b) During any marketing year for which a wheat marketing allocation program is in effect, (i) all persons engaged in the processing of wheat into food products composed wholly or partly of wheat shall, prior to marketing any such product for human food in the United States, acquire marketing certificates equivalent to the number of bushels of wheat contained in such product, and (ii) all persons exporting wheat or food products composed wholly or partly of wheat shall prior to such export acquire marketing certificates equivalent to the number of bushels so exported. Marketing certificates shall be valid to cover only sales or exportations made during the marketing year with respect to which they are issued, and after being once used to cover a sale or export of a food product or an export of wheat shall be void and shall be disposed of in accordance with regulations prescribed by the Secretary.

"(c) Upon the giving of a bond or other undertaking satisfactory to the Secretary to secure the purchase of and payment for such marketing certificates as may be required, and subject to such regulations as he may prescribe, any person required to have marketing certificates in order to market or export a commodity may be permitted to market any such commodity without having first acquired marketing certificates.

"(d) As used in this subtitle, the term 'food products' means any product to be used for human consumption, including beverage.

"Assistance in purchase and sale of marketing certificates

"Sec. 379e. For the purpose of facilitating the purchase and sale of marketing certificates, the Commodity Credit Corporation is authorized to issue, buy, and sell marketing certificates in accordance with regulations prescribed by the Secretary. Such regulations may authorize the Corporation to issue and sell certificates in excess of the quantity of certificates which it purchases. Such regulations may authorize the Corporation in the sale of marketing certificates to charge, in addition to the face value thereof, an amount determined by the Secretary to be appropriate to cover estimated administrative costs in connection with the purchase and sale of the certificates and estimated interest incurred on funds of the Corporation invested in certificates purchased by it.

"Conversion factors

"Sec. 379f. The Secretary shall establish conversion factors which shall be used to determine the amount of wheat contained in any food product. The conversion factor for any such food product shall be determined upon the basis of the weight of wheat used in the manufacture of such product.

"Authority to facilitate transition

"Sec. 379g. The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the program currently in effect to the program provided for in this subtitle. Notwithstanding any other provision of this subtitle, such authority shall include, but shall not be limited to, the authority to exempt all or a portion of the wheat or food products made therefrom in the channels of trade on the effective date of the program under this subtitle from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products at such prices as the Secretary may determine. Any such certificate shall be issued by Commodity Credit Corporation.

"Reports and records

"Sec. 379h. This section shall apply to processors of wheat, warehousemen and exporters of wheat and flour, and all persons purchasing, selling, or otherwise dealing in wheat marketing certificates. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this subtitle. Such information shall be reported and such records shall be kept in such manner as the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memorandums as he has reason to believe are relevant and are within the control of such person.

"Penalties

"Sec. 379i. (a) Any person who violates or attempts to violate or who participates or aids in the violation of any of the provisions of subsection (b) of section 379d of this Act shall forfeit to the United States a sum equal to two times the face value of the marketing certificates involved in such violation. Such forfeiture shall be recoverable in a civil action brought in the name of the United States.

"(b) Any person, except a producer in his capacity as a producer, who violates or attempts to violate or who participates or aids in the violation of any provision of this subtitle, or of any regulation, governing the acquisition, disposition, or handling of marketing certificates or who fails to make any report or keep any record as required by section 379h shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $5,000 for each violation.

"(c) Any person who, in his capacity as a producer, knowingly violates or attempts to violate or participates or aids in the violation of any provision of this subtitle, or of any regulation, governing the acquisition, disposition, or handling of marketing certificates or fails to make any report or keep any record as required by section 379h shall, (i) forfeit any right to receive marketing certificates, in whole or in part as the Secretary may determine, with respect to the farm or farms and for the marketing year with respect to which any such act or default is committed, or (ii), if such marketing certificates have already been issued, pay to the Secretary, upon demand, the amount of the face value of such certificates, or such part thereof as the Secretary may determine. Such determination by the Secretary with respect to the amount of such marketing certificates to be forfeited or the amount to be paid by such producer shall take into consideration the circumstances relating to the act or default committed and the seriousness of such act or default.

"(d) Any person who falsely makes, issues, alters, forges, or counterfeits any marketing certificate, or with fraudulent intent possesses, transfers, or uses any such falsely made, issued, altered, forged, or counterfeited marketing certificate, shall be deemed guilty of a felony and upon conviction thereof shall be subject to a fine of not more than $10,000 or imprisonment of not more than ten years, or both.

"Regulations

"Sec. 379j. The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this subtitle including but not limited to regulations governing the acquisition, disposition, or handling of marketing certificates."

Sec. 325. The Agricultural Act of 1949, as amended, is amended as follows:

(1) By inserting after section 106 the following new section:

"Sec. 107. Notwithstanding the provisions of section 101 of this Act, beginning with the 1963 crop—

"(1) price support for wheat accompanied by marketing certificates shall be at such level not less than 65 per centum or more than 90 per centum of the parity price therefor as the Secretary determines appropriate taking into consideration the factors specified in section 401(b),

"(2) if marketing quotas are in effect for wheat price support for wheat not accompanied by marketing certificates shall be at such level as the Secretary determines appropriate taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains,

"(3) price support shall be made available only to cooperators; and if a commercial wheat-producing area is established for such crop, price support shall be made available only in the commercial wheat-producing area,

"(4) price support for any crop of wheat for which marketing quotas have been disapproved by producers shall be at such level not to exceed 50 per centum of the parity price therefor as the Secretary determines appropriate after consideration of the factors specified in section 401(b),

"(5) the level of price support for any crop of wheat for which a national marketing quota is not proclaimed shall be as provided in section 101, and

"(6) if marketing quotas are in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who (i) does not knowingly exceed (A) the farm acreage allotment for wheat or any other commodity on the farm or (B) except as the Secretary may by regulation prescribe, the farm acreage allotment on any other farm for any commodity in which he has an interest as a producer, and (ii) complies with the land-use requirements of section 339 of the Agricultural Adjustment Act of 1938, as amended, to the extent prescribed by the Secretary. If marketing quotas are not in effect for the crop of wheat, a 'cooperator' with respect to any crop of wheat produced on a farm shall be a producer who does not knowingly exceed the farm acreage allotment for wheat. No producer shall be deemed to have exceeded a farm acreage allotment for wheat if the entire amount of the farm marketing excess is delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone payment of the penalty, but the producer shall not be eligible to receive price support on such marketing excess. No producer shall be deemed to have exceeded the farm acreage allotment for feed grains on the farm, or the farm acreage allotment for wheat or feed grains on any other farm, if such farm is exempt from the farm marketing quota for such crop under section 335, 360f, or 360k."

(2) By changing the period at the end of the third sentence in section 407 to a colon and adding the following: "*Provided*, That if a commercial wheat marketing allocation program is in effect, the current support price for wheat shall be the support price for wheat accompanied by marketing certificate and wheat sold shall be accompanied by a marketing certificate."

TITLE IV—GENERAL PROVISIONS

SEC. 401. The Consolidated Farmers Home Administration Act of 1961 (75 Stat. 307) is amended as follows:

(1) By striking out the period at the end of section 304 and inserting a comma and the following: "including recreational uses and facilities.";

(2) By inserting in section 306(a) after "soil conservation practices," the following: "shifts in land-use including the development of recreational facilities,"; and by inserting after the word "drainage" the words "or sewer";

(3) By striking out in section 309(f)(1) the figure "$10,000,000" and inserting in lieu thereof the figure "$25,000,000";

(4) By inserting in section 312 after the words "and conservation" the words "including recreational uses and facilities"; and

(5) By adding at the end thereof a new section as follows:

"SEC. 343. As used in this title (1) the term 'farmers' shall be deemed to include persons who are engaged in, or who, with assistance afforded under this title, intend to engage in, fish farming, and (2) the term 'farming' shall be deemed to include fish farming."

SEC. 402. Subsections (a) and (b) of section 3 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 903), be and the same are hereby amended to read as follows:

"SEC. 3. (a) There are authorized to be appropriated, for the purposes of this Act, such sums as the Congress may from time to time determine to be necessary.

"(b) When authorized by Congress, the Administrator is authorized, with the approval of the Secretary of Agriculture, to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds in such amounts as the Congress may approve annually in appropriation Acts for making loans under titles I and II of this Act. Such notes shall be in such form and denominations and be subject to such terms and conditions as may be prescribed by the Administrator with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury not in excess of the rate provided for in sections 4 and 5 of this Act. The Secretary of the Treasury is authorized and directed to purchase any notes of the Administrator issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under such Act, as amended, are extended to include the purchase of notes issued by the Administrator. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

"The appropriations for loans made under the authority of subsection (a) and funds obtained in accordance with the preceding paragraph of this subsection and the unexpended balances of any funds available on the date of enactment of the Food and Agriculture Act of 1962 for loans under this Act, including any funds made available for loans under the item 'Rural Electrification Administration', in the Department of Agriculture Appropriation Acts current on such date of enactment, shall be merged into a single account hereafter in this section called the 'loan account'. All notes, bonds, obligations, and property, including those now held by the Administrator on behalf of the Secretary of the Treasury, and all collections therefrom, made or held under the loan provisions of titles I and II of this Act, shall be assets of said account.

"The notes of the Administrator issued to the Secretary of the Treasury under titles I and II of this Act, and all other liabilities against the appropriations or assets in the loan account shall be liabilities of said account, and all other obligations against such appropriations or assets shall be obligations of said account. Moneys in the loan account shall also be available for interest and principal repayments on notes issued by the Administrator to the Secretary of the Treasury. Otherwise, the balances in said account shall remain available to the Administrator for loans under titles I and II of this Act and for advances in connection therewith, except that no such loans shall be made in any year in excess of the amounts previously authorized therefor in appropriation Acts for such year or available pursuant to subsection (e) of this section. The amounts so authorized for loans and advances shall remain available until expended."

SEC. 403. Subsection (f) of section 3 of the Rural Electrification Act, as amended, is repealed.

SEC. 404. The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows: Section 8c(6) is amended by striking the period at the end of (I) thereof and inserting in lieu thereof the following: ": *Provided*, That with respect to orders applicable to cherries such projects may provide for any form of marketing promotion including paid advertising."

SEC. 405. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the validity of the remainder of this Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

SEC. 406. Nothing contained herein shall be construed as authorizing sales of Commodity Credit Corporation-owned commodities, including sales against payment-in-kind certificates, other than in accordance with the provisions of section 407 of the Agricultural Act of 1949, as amended. Congress hereby reconfirms its long-standing policy of favoring the use by governmental agencies of the usual and customary channels, facilities, and arrangements of trade and commerce, and directs the Secretary of Agriculture and the Commodity Credit Corporation to the maximum extent practicable to adopt policies and procedures designed to minimize the acquisition of stocks by the Commodity Credit Corporation, to encourage orderly marketing of farm commodities through private competitive trade channels, both cooperative and noncooperative, and to obtain maximum returns in the marketplace for producers and for the Commodity Credit Corporation.

SEC. 407. It is hereby declared to be the sense of the Congress that the Secretary of Agriculture should, whenever he determines such action will result in more effective or more economical administration of this or any other Act administered by him, utilize the services and facilities of farmer-owned, farmer-managed associations of producers, and accord such associations no less favorable treatment under any such Act than that accorded individual producers or farmers.

TITLE V—INDUSTRIAL USES OF AGRICULTURAL PRODUCTS

Declarations and findings

SEC. 501. The Congress of the United States hereby makes the following declarations and findings concerning the development of new and improved uses for farm products, new crops to replace those now in surplus, and the disposal of surplus commodities owned by the Government:

(a) Farms in the United States have a capacity to produce more farm products than can now be marketed at prices that will return sufficient incomes to farmers to maintain an efficient and progressive agricultural industry;

(b) A prosperous agriculture will contribute immensely to national welfare by efficient production of needed food, feed, and fiber by provision of raw materials for the transportation and processing industries, by purchases of production supplies, and by its contribution to maintenance of a balanced and high-level national economy;

(c) National defense and security interests of the United States require protection of agricultural resources against deterioration and the maintenance of high productive capacity in order to meet possible emergency needs of the United States and other friendly nations;

(d) Basic research in agricultural products and their uses is essential in any long-range program of benefit to agriculture;

(e) Research programs to develop new and improved uses for farm products and new farm products have potentialities for providing outlets for a larger volume of farm production and greater stability of the prices of farm commodities;

(f) Public and private research agencies, including the Departments of Agriculture and Commerce, the land-grant colleges, other universities and research institutions, as well as private firms, can and should be utilized for an all-out attack on development of new and improved uses, and new and extended markets and outlets for farm products and byproducts. Research, pilot plant, development, and trial commercialization work and corollary economic and related studies should be devoted to the expansion of industrial uses for agricultural commodities in surplus, and to any food and feed uses and replacement crops that can make substantial contributions toward the solution of the surplus problem. Facilities should be established as needed to permit adequate experimentation and testing, and production and market development, of promising new uses and new products;

(g) Development of new and improved industrial and other uses of farm products and new farm products and new and extended markets and outlets for farm products and byproducts will enlarge income opportunities for farmers. It also will reduce Government costs for acquisition, storage, and ultimate disposition of commodities now in surplus;

(h) Disposition of a portion of the surplus stocks of the Commodity Credit Corporation through industrial channels for new or byproduct uses, so that the carryover of any commodity beyond the needs of the Nation can be reduced, will have a stabilizing effect on the market prices for farm commodities.

Agricultural research and industrial use administration

Sec. 502. There is created and established in the Department of Agriculture an agency of the United States to be known as the Agricultural Research and Industrial Use Administration, all of the powers of which shall be exercised by an Administrator, under the general direction and supervision of the Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of six years and who shall receive basic compensation at the rate of $20,000 per annum. The duties of this agency shall be to coordinate and expedite efforts to develop, through research, new industrial uses, and increased use under existing processes, of agricultural products; to develop new replacement crops; and to reduce the stocks of commodities owned by the Commodity Credit Corporation.

Salaries

Sec. 503. The positions of the three Deputy Administrators of the agency shall be in grade GS–18 of the General Schedule established by the Classification Act of 1949, as amended. Such positions shall be in addition to the number of positions authorized to be placed in such grade by section 505(b) of such Act. The agency is authorized to fix the compensation, notwithstanding other provisions of law, for not more than ten positions which require the services of especially qualified scientific or professional personnel: *Provided*, That the rates of basic compensation for positions established pursuant to this provision shall not exceed the maximum payable under the Act of August 1, 1947 (61 Stat. 715), as amended and supplemented. The agency may appoint and fix the compensation of any technically qualified person, firm, or organization by contract or otherwise on a temporary basis and for a term not to exceed six months in any fiscal year to perform research, technical, or other special services, without regard to the civil service laws or the Classification Act of 1949, as amended.

Powers and duties

Sec. 504. The agency shall have power and authority, within the limits of the funds made available to it, to coordinate and expedite activities toward research, pilot plant, development, trial commercialization, and industrial uses, with Federal and State Governments, educational institutions, private research organizations, trade associations, individuals, and industrial corporations in expanding the industrial utilization of the products of farm and forest and the development of new crops. In the discharge of these duties, the agency is authorized to:

(a) Make use of the facilities of the Department of Agriculture and other Federal departments and agencies, land-grant institutions, and experiment stations. The agency shall utilize existing facilities owned or controlled by the Federal Government to the greatest extent practicable, including pilot plants, regional laboratories, and other facilities and equipment, and is authorized to utilize authority now available to the Secretary of Agriculture under existing law;

(b) Make grants, for periods not to exceed five years duration, to State agricultural experiment stations, colleges, universities, and other research institutions and individuals;

(c) Contract with foreign individuals, organizations, institutions of learning, or private corporations where payment can be made in foreign currency accumulated under Public Law 480, Eighty-third Congress. The agency is hereby authorized to utilize such foreign currencies notwithstanding other provisions of law requiring reimbursement;

(d) Make contracts or cooperative arrangements in the manner provided by sections 10(a) and 205 of the Act of August 14, 1946 (7 U.S.C. 427i, 1624), including contracts and agreements providing for the commercialization, market acceptance, and the economic feasibility of industrial utilization in the competitive market for agricultural products and processes with respect thereto;

(e) Extend suitable incentives to farmers or to industry to hasten the establishment of a new crop or of a new industrial use, where such appear likely to lead to durable additional markets;

(f) Direct the Commodity Credit Corporation to make delivery of any of its stocks of commodities to agencies of the Government, persons, or corporations designated by the agency where such stocks are to be used for (1) research, (2) pilot plant operation, (3) trial commercialization, (4) export of manufactured products, or (5) new or byproduct uses. The Commodity Credit Corporation, with respect to commodities thus requisitioned by the agency, shall pay necessary handling and delivery charges to the destination directed by the agency. Such sums of money as the agency shall receive, of any, on such transfers of commodities, shall be turned over to the Commodity Credit Corporation;

(g) Make contracts or leases for the private operation of any property or facilities transferred from another Government agency pursuant to this title or other legislative authority;

(h) Make loans or grants to those with whom contracts or other arrangements are entered into, for the purpose of providing assistance in the acquisition or expansion of facilities and equipment for research or development activities;

(i) Provide in all contracts for the disposition of inventions produced thereunder in a manner calculated to protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: *Provided, however*, That nothing herein shall be construed to authorize the agency to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents;

(j) Grant exclusive licenses with or without payment of royalty for a fixed period of not to exceed five years for the use of patents under the control of the Department of Agriculture;

(k) Pay incentive awards to private citizens for suitable and acceptable suggestions to implement the program established by this title, such payments to be made in accordance with previously published rules stating the amounts of, criteria for determining, and subjects of, such awards; and

(l) Test production procedures on a commercial basis, maintain and operate manufacturing facilities where necessary to prove the commercial feasibility of volume production and to build, purchase, or lease plant facilities, or necessary equipment suitable for manufacturing needs.

Transfer of Government plants

Sec. 505. Notwithstanding any other provision of law, any Government agency holding any Government-owned facility useful in the program authorized by this title is authorized to transfer such facility to the agency, for use in the program, if requested to do so by the agency: *Provided*, That such transfer has the approval of the Director of the Bureau of the Budget. The agency is authorized to exercise, with respect to the facilities transferred, all of the authority vested in the agencies transferring such facilities. At the time of such transfer, funds and personnel related to the operation or administrations of such facilities, shall, with the approval of the Director of the Bureau of the Budget, also be transferred to the agency.

Definition of "agricultural products"

Sec. 506. The terms "agricultural products" and "farm and forest products" as used in this title shall have the same meaning as the term "agricultural products" in section 207 of the Act of August 14, 1946 (7 U.S.C. 1626).

Annual report

Sec. 507. The Administrator shall present annually to the Congress not later than the 20th day of January in each year a full report of his activities under this title.

Savings provision

Sec. 508. The authorities under this title are in addition to and not in substitution for authorities otherwise available under existing law.

Appropriations

Sec. 509. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

Mr. ELLENDER. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Madam President, I ask unanimous consent that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEATING. Madam President, there was some confusion during the debate. I certainly do not want to be unfair to the Secretary of Agriculture. It was stated in the debate that the general counsel of the Agriculture Department had advised a staff member that there was nothing in title I of the bill which would expressly provide either for integrated or segregated facilities.

I immediately sent a telegram to the Secretary of Agriculture expressing my disappointment in that decision. I have just received a telephone call from the general counsel of the Department of Agriculture saying that, while the law is silent, it has been announced to be the policy of the Secretary of Agriculture that no Federal funds will be allotted under title I for any except integrated facilities.

I commend the Secretary of Agriculture for the action he has taken.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. KEATING. I yield.

Mr. HUMPHREY. I join in that commendation.

LEAVE OF ABSENCE

Mr. DIRKSEN. Madam President, I ask unanimous consent that the distinguished Senator from Colorado [Mr. ALLOTT] be excused for an indefinite period from attendance on the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS

Mr. JAVITS obtained the floor.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 1321, S. 2965, and that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana to proceed to the consideration of the bill.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Madam President, following the announcement made prior to the vote on the question of passage of the farm bill, as to the intention of the combined leadership to offer a unanimous-consent agreement, I now send to the desk and ask to have read a proposed unanimous-consent agreement, if my colleague from New York [Mr. Javits] and my other colleagues of the Senate will permit me to do so.

Mr. JAVITS. Madam President, I ask unanimous consent that I may yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The proposed unanimous-consent agreement will be stated for the information of the Senate.

The legislative clerk read as follows:

Unanimous-Consent Agreement

Ordered, That, effective on Monday, May 28, 1962, beginning at 10 a.m., the Senate proceed to the consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies; that debate on the substitute amendments intended to be proposed by Mr. Case of South Dakota (for himself, Mr. Cooper, Mr. Prouty, Mr. Fong, and Mr. Boggs), numbered "5–24–62–A," shall then be proceeded with and limited to 2 hours, to be equally divided and controlled by him and the majority leader: *Provided further*, That there shall be 2 hours available on the Prouty substitute, if offered, and debate on the Prouty amendment shall be controlled equally by the mover and the majority leader; and that debate on any other amendment (including any amendment that may be offered to the Case amendments), motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 5 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. KERR. Madam President, reserving the right to object, how much time would be allocated for consideration of the bill?

Mr. MANSFIELD. Five hours. There would be more time, if needed.

Mr. KERR. More than the 5 hours?

Mr. MANSFIELD. If needed, yes.

Mr. KERR. With that understanding, I do not object.

Mr. SYMINGTON. Madam President, reserving the right to object, is it planned to have a vote on the bill on Monday?

Mr. MANSFIELD. Yes.

Mr. JAVITS. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The Senator from Oklahoma [Mr. Monroney] and I have a commitment to attend ceremonies at the opening of an air terminal in New York at 11 o'clock on Monday morning. Does the Senator from Montana have any idea whether there will be any votes before 1:30 in the afternoon?

Mr. MANSFIELD. I doubt it. I could not give the Senator an ironclad guarantee, but I doubt it.

Mr. JAVITS. I thank the Senator.

Mr. CAPEHART. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CAPEHART. Is it the intention that a motion will be made to eliminate the portion of the bill which would provide for financing through housing funds and other funds?

Mr. MANSFIELD. As I understand the situation, the Senator's statement is correct.

Mr. CAPEHART. That language has been eliminated, and it will be a straight authorization and appropriation bill?

Mr. KERR. Madam President, I say to the distinguished Senator from Indiana that it will be the purpose of the Senator from Oklahoma, in handling the bill, as soon as the request with respect to the unanimous-consent agreement is acted upon, to offer an amendment to the bill, for himself and certain other members of the committee, one part of which would include the elimination of all financing with reference to the projects or programs provided for in the bill, except through regular authorizations and appropriations.

Mr. CAPEHART. I thank the able Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement?

Mr. HRUSKA. Madam President, reserving the right to object—and I shall not object—it is my information that the Senator from South Dakota [Mr. Case] intends to offer a substitute amendment which would be even a little more restrictive than the proposal to be made by the Senator from Oklahoma.

I further state, Madam President, that for some time I have been casting a baleful eye, as it were, upon the unanimous-consent agreements to limit debate, which we have had before us from time to time—and I think justly so.

There is a good possibility that the vote upon the last measure upon which the Senate voted might have been different in final result had the vote come next Monday or next Tuesday rather than today. I think it should be brought to the attention of the Senate that we should take the requests for limitation of debate a little more seriously than we have, for that reason.

However, under the circumstances and conditions which are contained in the request for a limitation of debate with respect to the public works bill, I shall not interpose objection to this particular request.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none; and the proposed unanimous-consent agreement is agreed to.

Mr. HUMPHREY subsequently said: Madam President, since the order for convening on Monday specifies the hour of 10:30, I ask unanimous consent that the unanimous-consent agreement be amended to read 10:30 instead of 10.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

Unanimous-Consent Agreement

Ordered, That, effective on Monday, May 28, 1962, beginning at 10:30 a.m., the Senate proceed to the consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies; that debate on the substitute amendments intended to be proposed by Mr. Case of South Dakota (for himself, Mr. Cooper, Mr. Prouty, Mr. Fong, and Mr. Boggs), numbered "5–24–62—A," shall then be proceeded with and limited to 2 hours, to be equally divided and controlled by him and the majority leader; *Provided further*, That there shall be 2 hours available on the Prouty substitute, if offered, and debate on the Prouty amendment shall be controlled equally by the mover and the majority leader; and that debate on any other amendment (including any amendment that may be offered to the Case amendments), motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 5 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR RECESS UNTIL 10:30 A.M. ON MONDAY NEXT

Mr. MANSFIELD. Madam President, with the further indulgence of the Senator from New York, I ask unanimous consent that when the Senate concludes its deliberations this evening it stand in recess until 10:30 o'clock a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION ON MONDAY NEXT

Mr. MANSFIELD. Madam President, I ask unanimous consent that on Monday next, during the session of the Senate, the Committee on Government Operations, the chairman of which is the distinguished Senator from Arkansas [Mr. McClellan], may be allowed to meet.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Madam President, I renew my objection to all other committee meetings on Monday, with the exception of the committee which has been granted consent. If the Senate is to consider the public works bill, in the hope that debate can be encompassed in 1 day, I believe Senators ought to be in the Chamber, so I must publish my objection now to meetings by all other committees on Monday.

Mr. KERR. What committee was granted permission to meet?

Mr. DIRKSEN. The Committee on Government Operations.

ORDER OF BUSINESS

Mr. KERR. Madam President, will the Senator from New York yield for a question?

Mr. JAVITS. I yield to my colleague from Oklahoma.

Mr. KERR. Does the Senator from New York intend to discuss the bill before the Senate, or some other matter, for some time?

Mr. JAVITS. I intend to speak for only a few minutes.

MEDICARE

Mr. JAVITS. Madam President, I have repeatedly maintained that the Congress must act at this session on health care for the aging legislation, and that it is up to the administration to decide whether it wants law or an issue.

I am looking for a law this year, and I am determined to do my best to help to get one. This will require some votes from the Republican side of the aisle and I believe the administration can get Republican help if it is ready to reconcile the views of some who have modifications of the King-Anderson bill. That bill needs to be improved by providing at a minimum freedom of choice, increased flexibility of benefits, extension of coverage to those not under social security and an option to continue in a cooperative or private health care plan.

The view that a "no compromise" stand by the President would postpone congressional action is emphasized by the eminent news commentator Arthur Krock in the New York Times of May 22. I ask unanimous consent to have printed in the Record his remarks entitled "Part of the Record of Medicare Misinformation."

There being no objection, the article was ordered to be printed in the Record, as follows:

Part of the Record of Medicare Misinformation

(By Arthur Krock)

Washington, May 21.—In his passionate advocacy of the intact King-Anderson bill for a compulsory system of Government health insurance for citizens over 65 years of age, President Kennedy complained that much of the opposition to this measure was created by misinformation. But to his elderly audience in Madison Square Garden yesterday the President contributed to the misinformation he was attacking.

His audience could not have learned from anything the President told them that sound improvements of the King-Anderson bill have been proposed and effectively presented by American leaders who have demonstrated the same concern as his over the problem involved and already have done constructive things about it. The way Mr. Kennedy presented the issue, only if the administration measure is adopted as it stands can Government even begin to ameliorate the plight of an elderly, self-reliant citizen in this situation:

"He and his wife are drawing, say, $100 a month from social security, and he has a pension from where he worked, the result of years of effort. His basic needs are taken care of. He owns his house. He has $2,500 or $3,000 in the bank. Then his wife gets sick for a long time, exhausting his savings, and perhaps those of his children as well."

The President did not exaggerate this situation, or its widespread incidence. But he did not mention the following closely connected factors:

1. The administration bill makes no provision for several millions of the 18 millions of citizens currently over 65—a mounting statistic.

2. The measure will raise from $4,800 to $5,200 the social security tax base of the children of Mr. Kennedy's typical elderly citizen who already are "too heavily burdened" to help him meet the financial burdens imposed by their mother's protracted illness.

3. The levy on these younger generations is compulsory, without regard to the facts that (A) many of its enforced beneficiaries (made so by the elimination of the "means test") are not in need of this Government subsidy; (B) that under the existing Kerr-Mills law several million persons over 65 already get medical care from Federal programs; and (C) that excellent private insurance systems to meet the general problem are rapidly growing in number.

4. Several States, notably New York, have instituted improved and State-financed medical health services for the elderly.

5. Governor Rockefeller has made constructive proposals for essential amendments of the King-Anderson legislation, and these have been generally embodied in pending substitutes offered by Senator Javits, of New York, and Representative Lindsay, of New York City.

NEW YORK REPUBLICANS' PLAN

The heart of these amendments is that, though they accept the administration's fundamental of compulsory financing of medicare through the social security system, they leave beneficiaries the option to receive cash benefits which may be used in private health insurance systems. Also, the changes would protect social security reserves from further drafts by Government for other purposes by providing that (in Rockefeller's words) "a separate health insurance trust fund be established to account for the taxes received and the benefits paid [so that] the health insurance program can be made to stand on its own feet."

Governor Rockefeller, Senator Javits and Representative Lindsay are not the only persons convinced (many Democratic politicians also are) that the good medicare bill could be legislated this year if the administration would accept improvements. The "no compromise" stand of the President, and the same attitude of the American Medical Association, create an impasse which may present Mr. Kennedy with the winning political issue he appears to foresee. But almost certainly it will postpone legislative action.

Meanwhile, it can be noted that when, with an election coming on, Mr. Kennedy feels sure that the mass voting assets of a proposal far outweigh the liabilities, any faltering previously noted in his "leadership" vanishes entirely. This brings to mind what Mark Twain or somebody else once said of a newspaper: "It is fearless in its attacks, but these are only against sin, disease, and cruelty to the maneating sharks."

APPROVAL OF MODEL PENAL CODE BY THE AMERICAN LAW INSTITUTE

Mr. JAVITS. Madam President, I invite the attention of Senators to the distinguished work of the American Law Institute, which met in Washington this week, an admirable example of a voluntary association of citizens working to improve a critically important aspect of our national life. The institute, composed of the countries most respected judges, legal scholars, and practitioners, devotes itself to rationalizing and modernizing the law. It has finally adopted a uniform code of criminal justice for the United States, based upon the work of two law professors, one of New York, I am proud to say, Herbert Wechsler of Columbia University, and Louis B. Schwartz of the University of Pennsylvania. While we labor in the world to affirm and strengthen the virtues of free institutions, we make those free institutions meaningful by the wisdom with which we administer our own affairs at home.

This particular code is an extremely important contribution to jurisprudence in our Nation. I call it very markedly to the attention of Senators. I ask unanimous consent that a pertinent newspaper story and editorial upon that activity of the American Law Institute may be printed in the Record at this point.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

[From the New York Times, May 25, 1962]

Model Penal Code Is Approved by the American Law Institute

(By Anthony Lewis)

Washington, May 24.—The American Law Institute gave final approval today to a model penal code that has been under preparation for 10 years.

The code is regarded by many authorities as one of the most important recent projects in legal scholarship. Even before its completion it had begun to influence the criminal law of the States and the Federal Government.

The code is intended to take a fresh look at all of criminal law—its philosophical underpinnings, its definitions of crimes, its provisions for sentencing and correction of offenders.

The principal work on the code was done by two law professors, Herbert Wechsler, of Columbia University, and Louis B. Schwartz, of the University of Pennsylvania. They received a standing ovation from institute members after the final vote on the code this afternoon.

The law institute is an association of the country's most distinguished judges, law professors, and practitioners. It works to codify and modernize the law. It has completed such other projects as a uniform commercial code that has been adopted by many States, including New York.

Under the institute's procedure, sections of a work such as the model penal code are prepared by the principal draftsmen, then debated in various committees and before the full membership at the annual meeting here in Washington. Then further drafts are written and rewritten until the language is finally approved.

The late Judge Learned Hand was one of the many eminent figures who took part, under this procedure, in the shaping of the penal code.

One of his arguments was that the criminal law should not punish any kind of sexual relations, normal or abnormal, between consenting adults in private. The institute adopted his view, and it is reflected in the code approved today.

More important probably than any single provision of the new code is its overall approach. It tries to bring a unified approach to criminal law, which has grown up in the United States by scattered and often inconsistent laws over the years.

SENTENCING PLAN REVISED

Thus, for example, maximum sentences for various felonies in New York are 2 years, 3, 4, 5, 7, 10, 15, 20, 25, 30, 40, and life—with no particular logic in the distinctions. The model code substitutes three degrees of felony for sentencing purposes.

Before defining specific crimes the code devotes more than 100 pages to such general questions as when former conviction should bar a new prosecution for the same offense, when it is permissible to use force in defense of person or property, and when a man is mentally responsible for commission of a crime.

The code's definition of what the layman calls legal insanity has won widespread approval. It says a person is not responsible for a crime if, as a result of mental disease or defect, he lacks substantial capacity to appreciate the criminality of his conduct or conform it to the law.

In addition to suggesting its own solutions to many controversial problems of criminal law, the code gives detailed reasons for its views and considers the advantages and disadvantages of other solutions.

WOULD HELP STATE'S STUDIES

The idea here—and one of the main purposes of the code—is to provide ideas and material for the reexamination of criminal law now going on in many States. New York, for one, has a commission to revise the State's entire criminal law.

In undertaking the large project of the code 10 years ago, the institute believed that most lawyers paid too little attention to criminal law, an important facet of a society. The code is an effort to meet the profession's responsibility.

The code's general thrust is to try to be more civilized and organized about invoking the State against the individual.

The definitions of particular crimes tend, therefore, to be more carefully drawn. Disorderly conduct, for example, which now can constitute almost anything the police dislike, is narrowly defined.

The code takes no position on the great question of capital punishment. But it does suggest a new procedure for imposing sentence in the States that retain the death penalty.

The jury, when there is one, would first bring in a verdict as to guilt and then, in a separate proceeding, decide whether there should be a death sentence. Unless the jury unanimously agreed that there should be, the judge could not impose the death penalty.

[From the New York Times, May 25, 1962]

MODERNIZING THE LAW

The American Law Institute, now meeting in Washington, is an admirable example of the voluntary association of citizens who work without financial reward to improve some aspect of national or local life.

The law institute, composed of the country's most respected judges, legal scholars, and practitioners, devotes itself to rationalizing and modernizing the law. Since its creation in 1923, it has drafted complete restatements of the law in such areas as torts and contracts and written a uniform commercial code that has been adopted by many States, including New York.

In the current meeting the institute is completing work on two of its most difficult and significant projects—a model penal code and a restatement of the foreign relations law of the United States. The penal code has been 10 years in the making and has already thrown new light on the philosophical and psychological bases of criminal law. The sections on insanity and obscenity, among others, have already had an impact in many courts. The American Law Institute is giving dedicated and enlightened service to the law and to the country.

DELIVERY OF WATER TO LANDS IN THIRD DIVISION, RIVERTON FEDERAL RECLAMATION PROJECT, WYOMING

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 151) permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming, which was, on page 1, lines 6 and 7, strike out "years 1962 and 1963," and insert "year 1962,".

Mr. HUMPHREY. Madam President, the amendment has been cleared by both the majority leader and the minority leader. I move that the amendment be agreed to.

The amendment was agreed to.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS

The Senate resumed consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

Mr. KERR. Madam President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as amended be considered as original text for the purpose of additional amendments.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 8, after the word "projects", to strike out "during such intervals"; in line 19, after the word "such", to strike out "periods" and insert "period"; on page 3, after line 8, to insert:

"In addition, the Congress finds that (A) certain communities and areas of the Nation are presently burdened by substantial unemployment and underemployment and have failed to share fully in the economic gains of the recovery from the recession of 1960–1961 and (B) action by the Federal Government is necessary, both to provide immediate useful work for the unemployed and underemployed in these communities and to help these communities, through improvement of their facilities, to become better places in which to live and work. It is the intent and purpose of the Congress to provide for an immediate program of assistance for capital improvements in those areas."

At the beginning of line 21, in the heading, to insert "STANDBY", and in the same line, after the word "ACCELERATION", to strike out "PERIODS" and insert "AUTHORITY"; in line 23, after "SEC. 3.", to strike out "(a)", and in the same line, after the word "proclaim", to insert "a"; in line 24, after the word "acceleration", to strike out "periods" and insert "period"; in line 25, after the word "such", to strike out "periods" and insert "period"; on page 4, line 1, after the word "Act.", to strike out "A" and insert "Such"; after line 2, to strike out:

"(1) within sixty days after the date when data compiled and published by the Department of Labor reveal that the national unemployment rate adjusted for seasonal variations and stated to the nearest one-tenth of 1 per centum of the civilian labor force, (i) has risen in three of the four, or in four of the six, most recent consecutive months for which such data are available, and (ii) has risen by not less than 1.0 percentage point measured from the month immediately preceding such four-or six-month period to the last month of the period, and".

And, in lieu thereof, to insert:

"(1) within sixty days after the date when data compiled and published by the Department of Labor reveal that the national unemployment rate adjusted for seasonal variations and stated to the nearest one-tenth of a percent of the civilian labor force has risen by 1.0 percentage point over a period of nine months or less, but not less than three months; and".

On page 5, at the beginning of line 1, to strike out "A" and insert "Such"; in line 5, after the word "exists.", to strike out "Any" and insert "Such"; at the beginning of line 7, to strike out "twelve" and insert "twenty-seven", and in the same line, after the word "unless", to strike out "extended by joint resolution of the Congress" and insert "terminated earlier as provided in the preceding sentence"; in line 10, after the word "section", to strike out "9" and insert "10"; after line 11, to strike out:

"(b) No new public works acceleration period shall be proclaimed within the six-month period immediately following the date of termination of a prior public works acceleration period."

In line 18, after the word "of", to strike out "a" and insert "the"; on page 6, line 1, after the word "section", to strike out "9" and insert "10"; in line 5, after the word "section", to strike out "9" and insert "10"; in line 7, after the word "of", to strike out "a" and insert "the"; in line 11, after the word "prescribe,", to strike out "to States, municipalities, local public bodies, and nonprofit organizations,"; in line 14, after the word "grants", to strike out "to such bodies and organizations"; in line 23, after the word "program", to insert "in the case of those projects or programs which qualify under standards established by the President applying uniformly to all similar areas,"; on page 7, line 4, after the word "program.", to insert "For the purpose of this section the term 'grant' shall be deemed to include a loan under part H of title VI of the Public Health Service Act."; in line 9, after the word "section", to strike out "9" and insert "10"; in line 13, after the word "section", to strike out "9(b)" and insert "10(b)"; in line 16, after the word "of", to strike out "a" and insert "the"; on page 8, at the beginning of line 2, to strike out "9" and insert "10"; in line 5, after the word "section", to strike out "9" and insert "10"; in line 11, after the word "of", to strike out "a" and insert "the"; in line 17, after the word "bodies,", to strike out "and nonprofit organizations" and insert "and any private or public nonprofit organization or association representing any redevelopment area, as defined in the Area Redevelopment Act"; on page 9, line 18, after the word "section", to strike out "9" and insert "10"; in line 22, after the word "section", to strike out "9" and insert "10"; on page 10, after line 7, to insert:

"IMMEDIATE AID TO AREAS OF SUBSTANTIAL UNEMPLOYMENT

"SEC. 8. (a) In areas currently designated by the Secretary of Labor as having been areas of substantial unemployment in each of at least nine of the twelve immediately preceding months, and in areas currently designated as 'redevelopment areas' pursuant to the Area Redevelopment Act, projects or programs otherwise authorized to be assisted under sections 4, 5, 6, and 7 of this Act may be assisted thereunder, with funds made available under this section, without regard to the provisions in those sections and section 3 requiring the proclamation and existence of the public works acceleration period and without regard to any limitation on the aggregate amount of funds which may be prescribed by the President for the purposes of any such section. For the purposes of this section there is hereby authorized to be appropriated the sum of $600,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act.

"(b) The President shall prescribe rules, regulations, and procedures which will assure that adequate consideration is given to the relative needs of the areas eligible for assistance. In prescribing such rules, regulations, and procedures, the President shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.

"(c) In the case of those projects or programs which qualify under standards established by the President applying uniformity to all similar areas, if the President determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to sections 5 and 6 for a project or program in such area may be made without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof."

On page 12, at the beginning of line 5, to change the section number from "8" to "9"; at the beginning of line 14, to strike out "twelve" and insert "eighteen", and in the same line, after the word "initiative", to insert a comma and "but not later than the termination of the public works acceleration period, or in the case of projects under section 8, not later than twenty-seven months after the date of enactment of this Act"; after line 23, to strike out:

"(b) not more than 12½ per centum of the funds provided for in the form of grants pursuant to sections 5 and 6 of this Act shall be made available within any one State."

And, in lieu thereof, to insert:

"(b) in the choice of projects and programs, preference shall be given to areas within States in which unemployment is above the national average or in which family income is below the national average, but assistance shall not be limited in such areas, and not more than 12½ per centum of the aggregate funds provided for projects and programs pursuant to sections 4, 5, 6, and 7 of this Act shall be made available within any one State."

On page 13, at the beginning of line 22, to change the section number from "9" to "10"; on page 14, line 2, after the word "of", to strike out "any" and insert "the"; in line 4, after the word "of", to strike out "appropriations, contract authorizations, revolving funds, and other authorizations to expend from public or corporate debt receipts available to the departments and agencies of the executive branch to be transferred to the appropriate accounts of such other departments and agencies" and insert "authorizations to expend from public debt receipts available for the Housing and Home Finance Agency, for loans to the Federal Savings and Loan Insurance Corporation, for loans to the Federal Deposit Insurance Corporation, for the purchase of obligations issued by the Federal Home Loan Banks, and for payment of the subscription of the United States to the International Bank for Reconstruction and Development, which are estimated to be in excess of the amount needed in the current fiscal year for obligation or expenditure for the purposes for which they were made available (but not the balances of trust funds), to be transferred to the appropriate accounts of any such agency or other department or agency"; on page 15, line 4, after the word "during", to strike out "any capital improvement" and insert "such public works acceleration"; at the beginning of line 16, to change the section number from "10" to "11"; at the beginning of line 22, to change the section number from "11" to "12"; on page 16, at the beginning of line 18, to change the section number from "12" to "13"; on page 17, line 3, after the word "terminate", to strike out "a" and insert "the"; at the beginning of line 5, to change the section number from "13" to "14", and in line 11, after the word "municipalities,", to strike out "or" and insert "counties, or other"; so as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Standby Public Works Act of 1962'.

"FINDINGS AND PURPOSE

"SEC. 2. The continuing policy and responsibility of the Federal Government is to use all practicable means, consistent with other essential considerations of national policy, to promote maximum employment, production, and purchasing power. The Congress finds that there have been periodic intervals when severe unemployment and loss of production and purchasing power have occurred and that repetition of these periods of severe unemployment and loss of production and purchasing power can be avoided, or their impact lessened, by prompt remedial action by the Federal Government as authorized in this Act. The Congress also finds that virtually every community in the Nation has a backlog of needed public works projects, and that an acceleration of these projects will not only increase employment and expenditures at a time when such action is most urgently required, but will also meet longstanding public needs, improve community services, and enhance the health and welfare of the citizens of the Nation.

"It is the purpose of this Act to provide standby authority which will enable the President to take quick and effective action to stimulate the economy by inaugurating a program of needed public works when unemployment indicators and other economic data clearly reveal that extraordinary action is needed to assure achievement of the objectives stated above, and to provide the President in such period with authority (1) to immediately increase expenditures for direct Federal programs of public works previously authorized by law, and (2) to furnish an incentive to State and local governmental bodies to accelerate their public works programs through the initiation of projects which can be begun promptly and completed over a reasonably short period of time. It is the further intent and purpose of the Congress that departments and agencies of the Federal Government shall make advance plans for public works projects that will enable them to act promptly when the President initiates the program authorized by this Act, and that the Federal Government shall assist and encourage the States and local governmental bodies, under the provisions of existing law, to make advance plans for public works projects.

"In addition, the Congress finds that (A) certain communities and areas of the Nation are presently burdened by substantial unemployment and underemployment and have failed to share fully in the economic gains of recovery from the recession of 1960-61 and (B) action by the Federal Government is necessary, both to provide immediate useful work for the unemployed and underemployed in these communities and to help these communities, through improvement of their facilities, to become better places in which to live and work. It is the intent and purpose of the Congress to provide for an immediate program of assistance for capital improvements in those areas.

"STANDBY PUBLIC WORKS ACCELERATION AUTHORITY

"SEC. 3. The President is authorized to proclaim a public works acceleration period and exercise during such period the powers conferred upon him by this Act. Such public works acceleration period may be proclaimed—

"(1) within sixty days after the date when data compiled and published by the Department of Labor reveal that the national unemployment rate adjusted for seasonal variations and stated to the nearest one-tenth of a percent of the civilian labor force has risen by 1.0 percentage point over a period of nine months or less, but not less than three months; and

"(2) after the President has determined that existing employment and unemployment indicators and other available economic data clearly reveal that extraordinary action is needed to assure achievement of the objectives of this Act.

Such public works acceleration period shall begin on the day specified in the President's proclamation hereunder and shall terminate whenever the President finds and declares that the need for the program authorized by this Act no longer exists. Such public works acceleration period proclaimed by the President shall automatically terminate twenty-seven months after initiated unless terminated earlier as provided in the preceding sentence. No funds provided under section 10(b) shall be obligated after termination of such public works acceleration period.

"ACCELERATION OF FEDERAL PROJECTS

"SEC. 4. In addition to the authority otherwise available to him, the President, during the existence of the public works acceleration period, may for the purpose of this Act, direct the departments and agencies of the executive branch, under such rules and regulations as he may prescribe, to accelerate existing Federal public works projects and programs or to initiate new projects and programs already authorized by law. Any such department or agency may use for such projects and programs funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President: *Provided,* That the aggregate of all funds prescribed by the President for the purposes of this section shall not exceed the applicable limitation in section 10(b).

"ACCELERATION OF EXISTING FEDERAL GRANT PROGRAMS

"SEC. 5. During the existence of the public works acceleration period, the President may direct the departments and agencies of the executive branch to make grants, upon application and under such rules and regulations as they may prescribe to finance the initiation or acceleration of public works projects and programs for which Federal grants are authorized by the Congress and under the terms and conditions prescribed by the Congress: *Provided,* That no grant under this section shall be subject to any limitation in other laws with respect to the apportionment of funds, the time in which grants may be made, or the aggregate dollar amounts of grants for any prescribed purpose, project, or program: *And provided further,* That notwithstanding any limitation in other laws requiring a grant to be less than 50 per centum of the cost of undertaking or completing a project or program, in the case of those projects or programs which qualify under standards established by the President applying uniformly to all similar areas, grants may be made under the authority of this section which bring the total of Federal grants available for such projects or programs up to 50 per centum of the cost of undertaking or completing such project or program. For the purpose of this section the term "grant" shall be deemed to include a loan under part H of title VI of the Public Health Service Act. Any department or agency may use for projects and programs authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President: *Provided,* That the aggregate of all funds prescribed by the President for the purpose of this section shall not exceed the applicable limitation in section 10(b).

"GRANTS FOR PUBLIC WORKS PROJECTS NOT ELIGIBLE UNDER EXISTING PROGRAMS

"SEC. 6. (a) During the existence of the public works acceleration period, the Housing and Home Finance Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to make grants to States, municipalities, and local public bodies to finance the initiation or acceleration of public works projects and programs which are not eligible for grants under other Acts of Congress.

"(b) The Administrator may use for grants authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President: *Provided,* That the aggregate of all funds prescribed by the President for the purposes of this section shall not exceed the applicable limitation in section 10(b).

"(c) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the cost of undertaking and completing the project or program for which the grant is made.

"FEDERAL LOANS

"SEC. 7. (a) During the existence of the public works acceleration period, the Housing and Home Finance Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to purchase the securities and obligations of, or make loans to, States, municipalities, local public bodies, and any private or public nonprofit organization or association representing any redevelopment area, as defined in the Area Redevelopment Act, which otherwise would be unable to meet their share of the cost of projects and programs for which grants have been authorized pursuant to sections 5 and 6 of this Act.

"(b) All securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other financial institutions through agreements to participate or by the purchase of participations or otherwise.

"(c) No securities or obligations shall be purchased and no loans shall be made including renewals or extensions thereof which have maturity dates in excess of forty years.

"(d) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (A) 3 per centum per annum, or (B) the total of one-half of 1 per centum per annum added to the rate of interest required to be paid on funds obtained for the purposes of this section as determined by the Secretary of the Treasury as provided under subsection (e) of this section.

"(e) The Administrator may use for loans authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President: *Provided,* That the aggregate of all funds prescribed by the President for the purposes of this section shall not exceed the applicable limitation in section 10(b): *And provided further,* That funds obtained by the Administrator for the purposes of this section shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the preceding fiscal year and adjusted to the nearest one-eighth of 1 per centum.

"IMMEDIATE AID TO AREAS OF SUBSTANTIAL UNEMPLOYMENT

"SEC. 8. (a) In areas currently designated by the Secretary of Labor as having been areas of substantial unemployment in each of at least nine of the twelve immediately preceding months, and in areas currently designated as 'redevelopment areas' pursuant to the Area Redevelopment Act, projects or programs otherwise authorized to be assisted under sections 4, 5, 6, and 7 of this Act may be assisted thereunder, with funds made available under this section, without regard to the provisions in those sections and section 3 requiring the proclamation and existence of the public works acceleration period and without regard to any limitation on the aggregate amount of funds which may be prescribed by the President for the purposes of any such section. For the purposes of this section there is hereby authorized to be appropriated the sum of $600,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act.

"(b) The President shall prescribe rules, regulations, and procedures which will assure that adequate consideration is given to the relative needs of the areas eligible for assistance. In prescribing such rules, regulations, and procedures, the President shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.

"(c) In the case of those projects or programs which qualify under standards established by the President applying uniformly to all similar areas, if the President determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to sections 5 and 6 for a project or program in such area may be made without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof.

"RESTRICTIONS AND LIMITATIONS

"SEC. 9. The authority conferred by this Act shall be subject to the following restrictions and limitations:

"(a) No financial assistance shall be made with respect to any project or program unless the project or segment of work, to be assisted under this Act—

"(1) can be initiated or accelerated within a reasonably short period of time;

"(2) will meet an essential public need;

"(3) if initiated hereunder, can be completed within eighteen months after initiation, but not later than the termination of the public works acceleration period, or in the case of projects under section 8, not later than twenty-seven months after the date of enactment of this Act;

"(4) will contribute significantly to the reduction of unemployment; and

"(5) is not inconsistent with locally approved comprehensive plans for the jurisdictions affected, wherever such plans exist.

"(b) In the choice of projects and programs, preference shall be given to areas within States in which unemployment is above the national average or in which family income is below the national average, but assistance shall not be limited to such areas, and not more than 12½ per centum of the aggregate funds provided for projects and programs pursuant to sections 4, 5, 6, and 7 of this Act shall be made available within any one State.

"(c) Each department or agency administering financial assistance authorized by this Act shall adopt such rules, regulations, and procedures as will assure that no such assistance shall be made available to any State, municipality, local public body, or nonprofit organization unless such project or program for which the assistance is granted produces a net increase in the expenditures of the State, municipality, local public body or nonprofit organization for public works projects approximately equal to the non-Federal contribution to the project or program.

"APPROPRIATIONS AND INTERIM FINANCING

"SEC. 10. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"(b) In order to expedite financing activities under this Act, the President may, during the existence of the public works acceleration period, cause the unobligated balances of authorizations to expend from public debt receipts available for the Housing and Home Finance Agency for loans to the Federal Savings and Loan Insurance Corporation, for loans to the Federal Deposit Insurance Corporation, for the purchase of obligations issued by the Federal Home Loan Banks, and for payment of the subscription of the United States to the International Bank for Reconstruction and Development, which are estimated to be in excess of the amount needed in the current fiscal year for obligation or expenditure for the purposes for which they were made available (but not the balances of trust funds), to be transferred to the appropriate accounts of any such agency or other department or agency in such amounts and at such times as he may deem appropriate and, notwithstanding the provisions of any other law, such transferred balances may be used for the purposes of this Act: *Provided*, That there are hereby authorized to be appropriated such amounts as may be required to restore such transferred balances not otherwise restored to the sources of funds from which they were derived: *And provided further*, That the aggregate amount of such unobligated balances transferred during such public works acceleration period shall not exceed (i) $750,000,000 for the purpose of financing projects authorized to be assisted under section 4 of this Act, (ii) $750,000,000 for the purpose of financing projects authorized to be assisted under section 5 and 6 of this Act, as allocated between said sections by the President, (iii) $250,000,000 for the purpose of financing projects authorized to be assisted under section 7 of this Act, and (iv) $250,000,000 to supplement funds available for sections 4, 5, 6, and 7 of this Act, as allocated among said sections by the President.

"ADVANCES FOR PUBLIC WORKS PLANNING

"SEC. 11. Section 702 of the Housing Act of 1954 is amended by striking out in subsection (e) 'July 1, 1961;' and the remainder of the subsection, and inserting in lieu thereof, 'July 1, 1961; and such additional sums which may be made available from year to year thereafter.'

"LABOR STANDARDS

"SEC. 12. All laborers and mechanics employed by contractors or subcontractors on projects and programs assisted under section 6 of this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be. No such project or program shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z–15), and section 3 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276c).

"DELEGATION OF POWERS

"SEC. 13. The President may exercise any functions conferred upon him by this Act through such agency or officer of the United States Government as he shall specify. The head of any such agency or such officer may from time to time promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions. Nothing contained in this section shall authorize the President to delegate the power to proclaim or terminate the public works acceleration period.

"DEFINITIONS

"SEC. 14. As used in this Act—

"(a) The term 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

"(b) The term 'local public body' includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, counties, or other political subdivisions of States; Indian tribes, and boards or commissions established under the laws of any State to finance specific public works projects.

"(c) The term 'public works' includes the construction, repair, and improvement of: public streets, sidewalks, highways, parkways, bridges, parking lots, airports, and other public transportation facilities; public parks and other public recreational facilities; public hospitals, rehabilitation and health centers, and other public health facilities; public refuse and garbage disposal facilities, water, sewage, sanitary facilities, and other public utility facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, libraries, museums, offices, laboratories, employee housing, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures.

"(d) The term 'project' includes a separable, usable feature of a larger project or development.

"(e) The term 'segment of work' means a part of a program on which the work performed can be separately identified by location and will provide usable benefits or services."

Mr. KERR. Madam President, for myself and other Senators I call up our amendments to the bill, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 3, line 23, after "authorized" insert "after June 30, 1963,".

On page 4, line 20, strike out "and", and between lines 20 and 21 insert the following:

"(2) if on such date, according to such data, the total number of unemployed amounts to at least 5 per centum of the total number in the civilian labor force, with adjustments for seasonal variations; and".

On page 4, line 21, strike out "(2)" and insert in lieu thereof "(3)".

On page 5, line 10, strike out "(b)".

On page 6, line 2, beginning with the colon, strike out all to the period in line 5.

On page 6, beginning with line 24, strike out all through "projects or programs" in line 3 on page 7, and insert in lieu thereof the following: "of any project or program of a State or local public body which qualifies under standards established by the President to apply uniformly to all similar areas, grants may be made to such State or local public body under the authority of this section which bring the total of Federal grants available for such project or program".

On page 7, line 10, beginning with the colon, strike out all to the period in line 13.

On page 8, line 3, beginning with the colon, strike out all to the period in line 5.

On page 9, line 20, beginning with "That" strike out all through *"And provided further,"* in line 23.

On page 10, line 20, beginning with "and without regard" strike out all to the period in line 22.

On page 10, line 23, beginning with "the sum" strike out all through the period in line 2 on page 11 and insert in lieu thereof a comma and the following: "to remain available until expended, the sum of $750,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act, except that at least 10 per centum of any amount appropriated for the purposes of this section shall be used for such purposes with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act."

On page 11, line 12, after "programs" insert "of States or local public bodies".

On page 11, line 21, after "may be made" insert "to a State or local public body".

On page 13, beginning with line 21, strike out all through line 14 on page 15 and insert in lieu thereof the following:

"APPROPRIATIONS AUTHORIZED

"SEC. 10. (a) There is authorized to be appropriated for expenditure after June 30, 1963, to remain available until expended, the sum of $750,000,000 to carry out the provisions, other than section 8, of this Act.

"(b) In carrying out such provisions at least 10 per centum of any amount appropriated pursuant to subsection (a) shall be used with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act."

On page 17, line 19, after "public" insert "and nonprofit".

Mr. KERR. Madam President, with reference to the amendments which have just been offered and printed in the RECORD, I should like to have printed in the RECORD at this point an explanation of the changes which the amendment would make in S. 2965 and a statement with reference to what the provisions of the bill would be as amended.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CHANGES WHICH THE PROPOSED AMENDMENT WOULD MAKE IN S. 2965, AS REPORTED

The first change would provide that the standby program would not be triggered until after June 30, 1963, whereas the bill, as reported, is silent with respect to the time when triggering could occur.

The second change would provide for the triggering of the standby program when the adjusted unemployment rate has risen by 1 percent over a period of 9 months or less, but not less than 3 months, if the total unemployment is at least 5 percent. The bill as reported had no base percentage from which to determine the basis for triggering, but left it open.

The third change increases the sum to be authorized for appropriation in fiscal year 1963 for the immediate program from $600 to $750 million. It also provides that at least 10 percent of any amount appropriated shall be used in redevelopment areas as designated under section 5(b) of the Area Redevelopment Act. The $750 million authorization would become effective immediately upon enactment of the bill.

The fourth change would authorize for appropriations for the standby program, triggered as above set forth, $750 million. All authority to spend from unobligated balances is eliminated. Utilization of borrowing authority is eliminated. It also provides that at least 10 percent of any amount appropriated shall be used on projects and programs in redevelopment areas designated under the provisions of section 5(b) of the Area Redevelopment Act. Section 5(b) generally relates to those situations where there are low income families in the rural areas, lack of employment opportunities in those areas, etc.

The bill still provides for a limitation of 12½ percent in allowable expenditures in any State, and also continues the requirements that projects must be completed within 27 months after the initiation of both the immediate and standby programs.

Statement by Senator Kerr on S. 2965

Senate bill 2965, if amended by the proposed amendments, would be made up of two parts, the first being an authorization for an immediate program of public works, the second being a standby program of public works which would not be triggered until after June 30, 1963.

I. The immediate program would be essentially as follows:

1. There would be authorized for appropriation $750 million, with at least 10 percent being used in rural areas of low-income families and where there is lack of employment opportunities.

2. Areas eligible would be as follows:

(a) Those areas which have had substantial unemployment for at least 9 of the 12 preceding months;

(b) Those areas designated as "redevelopment areas" under the Area Redevelopment Act;

(c) Recent studies indicate that there are 146 areas designated as redevelopment areas under section 5(a) of the Area Redevelopment Act and 778 areas (including 50 Indian reservation areas) designated as redevelopment areas under section 5(b) of the same act. There are 105 other areas not now designated as redevelopment areas which have been designated by the Secretary of Labor as areas of substantial unemployment in each of the last 12 months, and 27 other areas which have been areas of substantial unemployment in 9, 10, or 11 of the last 12 months.

3. There would be authorized an acceleration of Federal projects, Federal grant programs, grants for public works not now eligible under existing programs, such as State, county, and city buildings, waterworks, sewage collection systems, garbage disposal facilities, and other such works.

The grants would not exceed 50 percent of the cost, unless it is determined that the area is suffering unusual economic distress, then the grant could go up to 90 percent, except that such 90-percent grants would only be allowed to public bodies; others would be entitled to grants as now allowed by law. In addition, loans would be authorized to those eligible groups which would otherwise be unable to meet their share of the cost of the projects.

This program would terminate 27 months after enactment of the bill.

II. The standby public works program would be essentially as follows:

1. There would be authorized for appropriation a total of $750 million, with at least 10 percent being used in rural areas of low-income families where there is lack of employment opportunities.

2. The program would not be triggered until after June 30, 1963. The triggering would occur only when the adjusted unemployment rate has risen by 1 percent over a period of 9 months or less, but not less than 3 months, if the total national unemployment rate is at least 5 percent.

3. As in the case of the immediate program, there would be authorized an acceleration of Federal projects, Federal grant programs, grants for public works not now eligible under existing programs such as State, county and city buildings, waterworks, sewage collection systems, garbage disposal facilities and other such works. The grants in the case of this program could not exceed 50 percent to public bodies and others would continue to receive grants allowed by law.

4. This program would automatically terminate 27 months after initiation unless it is determined by the President that it should be terminated at an earlier date.

REVITALIZATION OF WORK IN UTILITY FIELDS UNDER JURISDICTION OF FEDERAL POWER COMMISSION

Mr. KEFAUVER. Mr. President, the progressive and industrious Chairman of the Federal Power Commission, Hon. Joseph C. Swidler, has been making a number of talks recently which outline the Commission's plans for revitalizing its work in utility fields within its jurisdiction.

The latest of these addresses concerns the electric power industry and was given by Chairman Swidler at the American Public Power Association convention in Puerto Rico on May 15. I ask unanimous consent that it be printed in the Record at this point in my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Federal Power Commission—A Program for the Future

(Address by Joseph C. Swidler)

Twice before I have been privileged to speak at APPA conventions, once in New Orleans and again at the Seattle meeting. On both occasions I was a practicing lawyer representing, for the most part, public and cooperative power organizations. Since then I have taken on a new line of work as a member of the Federal Power Commission. I am sure that regulatory work has its charms, which the passage of time will unfold to me, but popularity is not one of them. I was therefore delighted to receive your invitation, which I take as a gratifying testimonial to your continuing friendship and regard to me.

I am especially happy to be here because you have chosen this lovely island as the site of your convention. In my recent career as a practitioner one of my clients was a public agency which I shall not identify further than to say that it conducts an electric power business in Puerto Rico. I must confess that I would gladly have heeded its summons to come to Puerto Rico on many more occasions than it saw fit to call me.

This is the first talk I have made as a member of the Federal Power Commission to a group of electric utility executives, although I have been a member of the Commission for over 10 months. I had begun to fear that the electric utility industry considered me an authority only on natural gas matters. However, the interest of the industry in the work of the Federal Power Commission has picked up a little in recent months, and I like to think that this increased interest is a result of the Commission's new activities in carrying out its responsibilities to the industry and to the power consumers of the Nation.

Perhaps the most unique and distinguishing feature of the electric power business is its sustained growth record. From the time—almost 80 years ago—when Edison first put the Pearl Street Station into operation and brought commercial power service into existence, the industry has grown at a rate in excess of 7 percent a year, and on the average power consumption and capacity have doubled every decade. Rarely have there been spirits in the industry venturesome enough to predict that in the decades ahead growth would continue at the same pace as in the past. Yet as decade after decade has rolled by there has been no sign of a leveling-off process.

The Federal Power Commission has recently revised its own projections to take better account both of the dynamic character of the American economy and of the special growth quality of the electric power industry within that economy. We now project a growth from 850 billion kilowatt-hours in 1960 to 3 trillion kilowatt-hours in 1980, and I see no reason to doubt that the Nation will reach a 9 or 10 trillion kilowatt-hour level in the year 2000. Even these figures, like most of the projections of the past, probably err on the side of conservatism since they reflect some tapering in the rate of growth.

I have had occasion recently to review the projections not only of the power industry, but also of the petroleum industry and their bankers on the rates of growth in overall energy use and the distribution of that growth among the various energy sources. One of the country's largest banks, for example, has estimated that the combined utilization of all energy will grow 37 percent in the next decade. A breakdown of its projections shows that natural gas consumption is expected to increase by one-third, but that electric power use will double. Economists for some of the leaders in the petroleum industry arrive at substantially the same conclusions.

Of course, all energy projections must be related to the way our whole society will develop in the years ahead. If we have a vigorous and dynamic society, the current forecasts will be met and exceeded. If our society should slow down its economic pace, it will not reach these figures. We know that electric power use will grow faster than any other form of energy use because it is the most convenient and versatile form of energy for the tasks of the home, the farm and the factory. But whether the rate of growth will be 5 or 7 or 10 percent a year depends on the progress of our economy as a whole, as well as on the judgment, foresight and vigor with which the Nation's power systems conduct their business in the years ahead.

The rate of growth of the electric power industry, and the national benefits which will accrue from the growth, may be affected by the quality of the leadership exercised by the regulatory agencies which have jurisdiction over it. The Federal Power Commission's own record in the electric power field in recent years has not matched the dynamic pattern of industry growth. Although the Federal Power Commission was created in 1920 as a hydroelectric power licensing agency and has exercised broad powers with respect to interstate electric power transactions since 1935, in the last decade, the Commission's power functions have suffered a severe attrition. Established spheres of activity have been allowed to wither and they have not been replaced by new programs or activities. While total electric energy use within the United States has mounted at a fantastic rate, the amount of human energy expended in the Commission's electric power programs has dwindled.

The Commission is determined to reverse this trend. We intend to focus on the live and important problems of the industries we regulate and to exercise leadership in helping those industries to do a better job in the public interest. We must avoid preoccupation with trivial matters which have no real regulatory impact and which offer no substantial benefits to consumers or the industry, and we must raise our sights from the negative conception of exercising only veto functions to attempting to encourage and stimulate better performance and greater progress in these industries.

I wish there were time to tell you about the recent decisional developments in the

Taum Sauk case involving jurisdiction over a pumped-storage project and the Androscoggin decision involving the question of license term for projects constructed before 1935 and now operating without a license, but I shall assume you have read or will read about these cases in the trade press, and go on to our problems and plans for the future.

The Federal Power Commission is the custodian of the Nation's hydroelectric resources with an obligation to assure that they are used in the national interest. Every hydroelectric project of substantial size—except those built by the Federal Government—requires a license from the Commission. It was my impression when I assumed office that the Commission was current in its hydroelectric licensing work. I was surprised to find that the pending applications for hydroelectric licenses, measured in dollars, were twice as great as the natural gas pipeline certificate cases. There were pending before the Commission as of the end of the first quarter of 1962 approximately $2 billion of estimated construction, involving 41 hydroelectric projects with a proposed generating capacity totaling over 8 million kilowatts.

For the most part, the hydroelectric licensing cases pending before us have not been delayed by our inaction, although the Commission is not entirely blameless. The reasons for the backlog of license applications are varied. Ten applicants with projects totaling almost $300 million have failed to supply the necessary information to enable the Commission staff to process their applications. In the past the Commission has allowed these cases to gather dust while waiting for the applicants to take the initiative. We are taking a fresh look at all such applications, and will either move them along or dismiss them. If a party does not have enough interest in his application to furnish the necessary information, he is not entitled to the priorities which his pending application gives him.

A large group of pending license applications representing over $700 million of construction and more than 2 million kilowatts of capacity are held up while the parties attempt to resolve conflicts between various of the multipurpose benefits. By far the most troublesome problem is to reconcile the construction of dams with the preservation of a favorable environment for anadromous and game fish. We are encouraged by the intensive research efforts now being carried on in this field. However, we cannot allow the fish problem to paralyze the Commission in acting on hydroelectric license applications. The Commission feels a heavy burden of responsibility to decide the applications for hydroelectric projects which come before us, and we do not intend to shirk our duty because the decisions are difficult. We propose to take a fresh look at each pending application which is held up because of conflicts between multipurpose benefits in an effort to expedite a resolution of these conflicts. If negotiations do not bring results within a reasonable time, the cases will be set for hearing and moved through the formal decisionmaking process.

I do not mean to say that every license application will be granted. The Commission is required to weigh the conflicting considerations and to decide on the basis of the overall public benefits. If on the record in a particular case the fish problem is insurmountable and more would be lost than gained by approving a license, we shall of course deny the license application. I say only that the primary guide for the Commission must be the overall public interest in the development of the Nation's streams.

The Commission has given serious consideration in recent months to another aspect of our licensing work—the status of licensed projects for purposes of the recapture provisions of the Federal Power Act. In only a few years it will be a half-century since the Federal Water Power Act was passed in 1920. Many of the 50-year licenses granted under the act will expire in less than a decade. We are concerned with the adverse effect of the present uncertainty as to the future status of these projects. As you know, section 14 of the Federal Power Act gives the United States the right to recapture any licensed project when the term of the license expires, upon not less than 2 years' written notice from the Commission. While the Power Act gives the United States the right to recapture licensed projects, it does not fix a standard or establish procedures which would aid Congress or the Commission in determining whether the United States should exercise its recapture rights. The situation at present creates great uncertainty as to the future status of licensed projects and of the power systems of which they are a part, and inhibits the comprehensive development of waterways involving projects that are subject to recapture in the near future. Moreover, existing laws provide no ready procedure by which the Government's recapture rights can be made effective.

The rapidly growing power needs of our country as well as increased needs for the other multipurpose benefits of water development projects make it urgent that we remove all artificial barriers that hinder the fastest possible development of this country's water resources. The Commission as the agency which granted and now administers the licenses has the responsibility to be as helpful to the Congress as possible in providing a basis for congressional determination of the future of projects operating under licenses which will shortly expire and which will thereupon be subject to recapture. For this reason the Commission has recommended to Congress that it enact legislation to permit the Commission to begin at once studies of projects under licenses which will expire in the seventies so that the Commission can make recommendations to the Congress with respect to their future status.

The standard we propose in determining the future status of these projects is the most effective conservation and utilization of the Nation's water resources in the public interest. Our recommendation is that the Commission submit to the Congress at least 3 years prior to the expiration of any license its conclusion as to whether the future ownership and operation by the licensee would best meet this standard, or whether the project should be recaptured. We believe the enactment of this legislation is vital to protection of the interests of the licensees and the Government.

An area of our work which is in urgent need of improvement is the determination of headwater benefits. There is a statutory obligation on the part of owners of non-Federal power projects to pay the United States for a share of the benefits they receive on account of the Federal investment in upstream projects. The total payments of all downstream beneficiaries through the years thus far have been less than $600,000. The Government has received very little more money than it has cost to make these determinations, leaving practically zero net compensation for the benefits accruing to owners of downstream projects as a result of the billions of dollars spent by the United States in improving the upper reaches of the Nation's streams. Unfortunately, Congress failed to provide for interest to accrue on the amounts due so that the companies have little incentive either to expedite the determinations or the payments. The Commission in turn has been hard pressed for manpower. As a result, decisions in headwater-benefit cases have become a prime example of regulatory lag. All in all, this is a field in which there is ample room for improvement.

We are taking steps to effect such an improvement. Our staff is at work to develop methods of simplifying the computation of headwater benefits and to devise formulas which will eliminate the necessity for a separate determination for each year. We are hopeful that within the next year we will have devised procedures that the Government will have a regular income from at least the river basins which the Commission has already investigated. With increased staff and streamlined procedures, we hope to bring into the Treasury in the future sums of money approaching the dimensions that Congress envisioned when it provided that the downstream owners must pay for a share of the benefits they receive from upstream Federal developments. Our efforts would be facilitated if Congress provided for the payment of interest on unpaid amounts. I regret to say that this matter is not covered in our current legislative recommendations to the Congress, but it will be considered by the Commission in connection with our legislative recommendations for 1963.

The Commission's area of responsibility includes the rates and charges by privately owned public utilities for the sale of electric power in interstate commerce at wholesale. This aspect of our jurisdiction probably does not play an important part in the rates which the ultimate consumer now pays for electric power. As you know, the local distribution of electricity, whether the electricity originates in the same State or another State, is outside the FPC's jurisdiction. In addition, the structure of the electric industry, unlike the natural gas industry, is such that there are relatively few sales from a generating company to a distributing company. Most electric companies operate on an integrated basis, producing and transmitting most, sometimes all, of the power they distribute at retail. It is only when an interstate company makes a sale to a separate distributor, which in turn markets the power, that a transaction takes place which is subject to FPC regulation. Such transactions will undoubtedly increase in number and importance with the passage of time and the accelerating trend toward integrated operation of interstate power pools.

While I was aware that wholesale sales in interstate commerce represented only a small portion of this country's electric power supply, I was surprised to learn that the Commission's workload in this area was quite as small as it turned out to be. We suspended only two electric power rate increases in the past year. I presume that the mere existence of FPC jurisdiction, however little exercised, has had some restraining influence on interstate wholesale rates, but how much I do not know.

It is revealing, with respect to the degree of vigor in carrying on the Commission's electric rate regulation activities in recent years, that no formal complaints were filed as to the level of existing rates nor where any investigations initiated by the Commission on its own motion. It can hardly be that every private company, municipality, and cooperative which bought power at wholesale in interstate commerce was content that the rates it had to pay were just and reasonable. I do not mean to suggest, necessarily, that they were not just and reasonable. What is clear is that the FPC has not been generally recognized as an effective forum for complaints concerning the wholesale rates subject to our jurisdiction. It may be that many of the distributors purchasing power at wholesale do not even know of their right to have the FPC pass on the reasonableness of their rates or that the Commission has authority in most circumstances to compel continued service at reasonable rates even in the absence of a contract.

There is small wonder that knowledge of the FPC's rate jurisdiction has not been widespread. When I became a member of the Commission it took me some time to find the Commission's electric rate staff. It turned out that it was hidden away in the Bureau of Natural Gas or, as it was called until a few months ago, the Bureau of Rates and Natural Gas Certificates. This group—it is not large—has now been located and transferred to the Bureau of Power, where the rate activity will receive the attention it deserves. Building staff is not the work of a day, but we hope in the coming months to be able to say that we are fully equipped to discharge our function of regulating electric rates in interstate commerce.

A starting point in catching up with our rate responsibility will be to find out the extent of the transactions subject to our jurisdiction but in which that jurisdiction is not being recognized. We intend to take action to insure that there is no evasion of the obligation of public utilities under our jurisdiction to file their rate schedules with the Commission.

An important area of FPC activity is its informational and statistical services. These, too, need improvement. The dissemination throughout the country of information and reports concerning every aspect of the power industry is a handmaiden to all of the Commission's other activities in the power field. The information in these reports is the working tool of the FPC and of all other regulatory agencies in the electric power field throughout the country, as well as of investor and consumer groups. The dissemination of information which draws pointed attention to significant trends, problems, and comparisons is in itself an important regulatory device. We publish large quantities of indispensable industry information, such as our annual statistics of privately owned and publicly owned utilities in the United States. However, our informational activities need reanalysis. For example, we still put out comparisons of rates at levels of 25 kilowatt-hours a month to 500 kilowatt-hours a month. These levels are substantially unchanged since 1935, when the average annual residential use was 677 kilowatt hours. In 1961, it was approximately 4,000 kilowatt hours, but the rate comparisons have not changed. The millions of consumers who use more than 500 kilowatt-hours a month have no way of comparing their bills, while the 25-kilowatt-hours category has lost much of its importance. We are remedying these deficiencies to a degree by enlarging our typical bills information to include 750 kilowatt hours a month, and by dropping the 25-kilowatt-hour group. We are also making a special survey of typical bills for large usages of electricity that would cover electrically heated homes.

One large project—and I am not setting a date on which we might achieve this goal—is to revise our entire system for collecting and disseminating information so that we can issue statistical material which will be of more help to the public, to scholars, and to the industry. In revising both the forms for securing information from the industry, and the informational material that we make available in turn to the industry and to others, we shall solicit the help of a group of experts from all segments of the industry, from the universities, and from other sources.

The public systems can help the Commission by improving their response to Commission requests for information. I know that preparing any report may be a burden for small municipal and cooperative operations. However, I am sure that if you stop to think how important it is to maintain complete and significant information about the status, progress and problems of all segments of the industry, compiled and issued by an impartial, independent regulatory commission, you will want to encourage us to gather and release the information needed by the industry and the public by furnishing us the standard reports on your operations. For our part, we will confine our requests to material that is meaningful and important. We have underway proceedings designed to revise and simplify the annual report forms for class A and B municipalities and we will of course consider the comments already received from APPA in making those revisions.

I come now to the Commission's most important new activity, the national power survey. One of the functions the Commission has been carrying on for many years is the preparation of interconnection studies. The work in the past has been done on a local or regional scale. Studies have been made of the benefits to be realized by tying in plant A with plant B or system A with system B. After the studies were made, they were submitted privately to the systems involved, public and private, and informal efforts were made to persuade the power systems to build the lines. Sometimes they did, sometimes they didn't, and sometimes they built an alternate facility. There was no effort within the Commission to carry out on a broad scale the responsibility assigned to it in section 202(a) of our statute to encourage the voluntary interconnection and coordination of power systems on a regional and interregional basis.

The Commission is now in the process of remedying the inadequacies of its previous approach by carrying out a coordinated national power survey. This survey can, I think, prove to be the greatest contribution of the Federal Power Commission to the public interest of any activity, either on the gas side or the power side, that it is carrying on. In brief, we are in process of drawing up, for 1970, 1975, and 1980, a general plan for a coordinated system of power supply for the entire country that will link our most economical hydro capacity with large and efficient new steam powerplants by the use of high-voltage and extra-high-voltage transmission lines.

The basic conception of the national power survey, the coordination of the power systems of the country to make best use of the Nation's capital, fuel, and technological resources, is not a new one, but the enormous technological strides of the last decade or two present new opportunities and incentives. The rapid advancement of the art of generation, which has resulted in doubling of the maximum size of steam-electric units in only a couple of years, and the great progress in the technology of EHV transmission, require a new appraisal of the extent to which the national interest would benefit by coordinating the plans of the entire industry for supplying the nation's loads.

I need not tell you gentlemen the enormous savings in the cost of generating electricity that can be achieved by moving from a 100,000-kilowatt unit, and even more from a 25,000-kilowatt or 5,000-klowatt unit, of which many are still being built, to the million-kilowatt unit size which has just become available, or of the savings in transmission which can be achieved if large blocks of power are transmitted by a 500- or 750-kilovolt line rather than at 165 kilovolts or 220 kilovolts, or even 345 kilovolts.

In making the survey, we do not start with fixed answers. Hypotheses as to the national economies which can be achieved in various ways will be tested critically as the survey proceeds. The purpose of the survey is not to advance any single solution to the overall problem of meeting the Nation's power requirements in future years, but rather to appraise objectively every possible way of serving the national interest through coordination and integration, and to focus on the national interest in eliminating impediments which prevent effective use of the Nation's electric power resources.

I am pleased to be able to say that the Commission is receiving the full cooperation of all segments of the industry—public, private, and cooperative—in carrying on the survey. A number of advisory committees are already hard at work. The committees have been carefully balanced to assure that the viewpoint of each element of the industry will be heard and considered on every problem. On the top committee, the executive advisory committee, the public agencies are represented by Dr. Paul Raver of Seattle of TVA's G. O. Wessenauer, who is vice chairman.

The ultimate purpose of the national power survey is to benefit the consumer. The survey is aimed at the decade beginning in 1970. For that period and beyond, we begin with the premise that low rates start with low costs, and everything that makes possible a reduction in costs by better utilization of energy resources makes possible a reduction in rates. Beyond the consideration of rates alone, the consumer as a citizen has a profound interest in low-cost energy as the foundation for this country's industrial growth and the employment opportunities and rising standard of living which go with it.

The extent to which lower costs are translated into lower rates depends to a degree on all of us—the privately owned systems, the public systems and regulatory agencies. The private companies must recognize their own long-term interest in marketing their product at the lowest possible price and make rate reductions a major goal. The force of example is powerful, and if the public systems strive for ever-lower rates, passing along their own cost reductions, they will be benefiting all consumers. At the same time, the regulatory agencies have a heavy responsibility both to encourage cost reductions and to insure that the regulatory process operates to protect the consumer interest in sharing the benefits of the new technology and national power coordination.

The economies of scale in the generation and transmission of electric power are enormous, and the tide in the industry toward taking ever-increasing advantage of the new technology is irresistible. To a large degree this trend accounts for the constantly declining number of electric systems both public and private. The public and cooperative systems have amply proved however, that giantism confers no advantage with respect to distribution, but on the contrary, that local distribution has many advantages, economic as well as social. The challenge of the future is to enable all consumers to share in the benefits of the new technology in power supply, without contributing further to the loss of local values in the distribution side of the business. This is a challenge not only to the Commission, but to the public and private systems, and to the Nation.

I have said nothing yet about public power in particular, but at this great convention of the public power agencies of the United States, it is appropriate that I say a word about the position of public power in relation to the responsibilities of the Commission.

When I was confirmed as a member of the Federal Power Commission, I told the Senate Interstate and Foreign Commerce Committee that as a member of the Commission I was going to try to conduct myself in a completely impartial way, by applying the applicable law to the facts of each particular case, and this I have done. None of you would expect me to favor public power in the discharge of my work; and I assure you I do not intend to penalize it.

Some of the Commission's decisions, to be sure, may have a collateral impact on the competitive relationship between particular public and private power enterprises, but such an impact, in itself, is not a factor which a member of the Federal Power Commission can take into consideration in deciding a case on a record, except as Congress has prescribed that he shall do so. I am sure that the public interest will be served if the Federal Power Commission reaches its decisions impartially and performs its regulatory functions effectively. I am also convinced that fair and vigorous administration of the responsibilities of the Federal Power Commission will help to make it possible for public power to share fully in the enormous future growth of the electric power industry.

BILLIE SOL ESTES

Mr. ALLOTT. Mr. President, on May 14 on the floor of this Chamber, I expressed my interest in, and my concern about the Estes case. At that time, I suggested that it would be in the national interest for Secretary of Agriculture Orville Freeman to submit his resignation.

On May 16, there appeared in the Washington Post a statement attributed to the President, which I quote:

> No one speaks for American agriculture with more confidence or authority than Secretary Freeman, who is entrusted with the important and difficult task of guiding our agriculture into the new economy of abundance which its productivity has created.

If this statement can be construed to be a response to suggestions that Secretary Freeman resign, then I must say it is no answer at all, and I must reply: Heaven help American agriculture, if the Estes affair is any example, or any indication of how this authoritative public official intends to guide the destiny of this all-important industry in the future.

I would suggest that the Secretary of Agriculture, if he is not already aware of it, pay particular attention to the surging swell of editorial comment from around the country, along with letters to the editors, and that he perhaps "take a reading" on the tone of congressional mail. As just hurriedly gathered examples of these, I ask that there be included in the RECORD as a part of my remarks, three editorials which I have in my hand, one from the May 16 issue of the Pueblo, Colo., Chieftain, another from the Denver Post of the same date, and still another from the May 18 issue of the Rocky Mountain News of Denver.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Pueblo (Colo.) Chieftain, May 16, 1962]

SILENCE IS LEADEN

The complex maneuvers of Texas' Billie Sol Estes in relation to various Agriculture Department programs are under scrutiny by the FBI and a 10-man team of the Senate Investigation Subcommittee.

Estes is under U.S. grand jury indictment for alleged fraud in handling mortgages he is charged with selling on nonexistent fertilizer tanks. His Government dealings involve storage of surplus grain and acquisition of valuable cotton allotments.

Though Agriculture Secretary Freeman says he called in the FBI, he chose also to offer perhaps premature assurances that his Department has done no wrong in the Estes affair.

Congress, for its part, has been unable to stir its powerful House and Senate Agriculture Committees to undertake obviously relevant inquiries.

Yet possibly the biggest missing element in this unfolding story is a clear call from President Kennedy for purposeful action.

The President has instituted strong ethical codes for governmental personnel. The country naturally expects, therefore, that he would commit his own prestige fully to a definitive airing of this case.

[From the Denver Post, May 16, 1962]

ESTES CASE CHARGES NEED ANSWERS

There are a lot of answers needed on the Billie Sol Estes case. Congress has announced plans to investigate the "get-rich-quick" Texan and his political deals. For our money, it can't perform the job quickly enough.

The charge by Senator GORDON ALLOTT, Republican, of Colorado, Tuesday that a U.S. Department of Agriculture woman employee was "dragged screaming" to a mental hospital to keep her from revealing information about the Estes case is shocking.

This charge, alone, merits a full investigation. If it is true, the USDA is guilty of police state methods that the Nazi S.S. or the N.K.V.D. would have been proud of.

If it isn't true, the people who make such charges ought to be exposed. In either case, the facts need to be laid out for the public to see.

The Estes case has spread so widely and involves too much, it's hard to predict where the next bombshell will burst. In Texas? In the USDA itself, where Estes seems to have used influence to get improper cotton acreage allotments? In the wheat storage program where he was assigned vast tonnages of Government storage? In industry where people may have played along with Estes' mortgage racket? In the U.S. Labor Department where he obviously had friends?

As far as we can tell, Estes is one of those remarkable people who have the ability to work hard, charm people out of their last dollar, and exhibit admirable public traits which obscure a fatal weakness—the willingness to plunge in over their heads, morally and financially.

Thus, Estes cheerfully contributed money and time to many worthwhile enterprises, and not necessarily profitmaking enterprises, either.

But he also, according to ample evidence, pursued this generosity with people who could do him a lot of good—politicians, for example, and people who handled Government farm programs.

It's hard, at this time, to drop the Estes scandal directly on the desk of Orville Freeman, Secretary of Agriculture. But it is also a very likely proposition that Estes couldn't have secured so many favorable decisions from Government without influential friends in the USDA and elsewhere.

How close all this came to Freeman is one question to be determined.

There has been apparent a desire on the part of the administration to ignore the sensational, and sometimes sensationalized, accusations against administration officials and staff members.

Administration officials need to be reminded that a scandal can't be made to disappear simply by wishing it away. Someone is going to have to spell out why Estes was able to wield influence so successfully with the USDA.

We are reminded of a Kansas motto: "Better to grasp the nettle quickly and firmly than to try to dodge it. The pain may be less in the long run."

We'd recommend the motto to the administration.

[From the Rocky Mountain News, Denver (Colo.) May 18, 1962]

THE 100-YEAR SPRAWL

Just 100 years ago this week—on May 15, 1862—President Lincoln signed a bill to create a department for agriculture.

He then appointed a man named Isaac Newton, who borrowed a couple of rooms from the Patent Office and hired about 30 hands. His job: To "acquire and diffuse" information designed to promote agriculture.

Mr. Lincoln should see the result of that signature today.

The Agriculture Department now is sprawled all over the world. Its budget for 1963 officially is announced as more than $5.8 billion—and it will spend much more. It has more than 90,000 employees—about 1 for each 40 farmers—and it is growing fast.

It acquires and diffuses information by the ton, on everything from infant care to African violets. But that is merely a sideline.

It carries on an immense research program, with more than 600 field stations for this purpose alone. It fixes prices, controls acreage, tells farmers what to plant and how much.

It owns a vast hoard of so-called surplus crops and constantly is buying and selling in huge quantities. It gives away great volumes of foodstuffs, and sells great amounts at a loss to the taxpayers.

Next to the Defense Department, the Agriculture Department occupies the most office space in the Government. It has the biggest payroll aside from Defense and the Post Office Department.

The number of farms and farmers in the United States has been declining steadily. But not the Agriculture Department. It gained 3,700 employees last year alone.

Along with its expansion, the Department rapidly has increased its power—and Secretary Freeman is asking for more.

Which prompted the president of the largest farm organization in the country to remark this week:

"The basic fallacy in the economic control philosophy is the idea that Government planners can determine human needs better than a relatively free market. Misuse of power, petty favoritism, outright corruption, wasteful production of unneeded surpluses, and continued low farm prices are the result."

On the 100th anniversary of the Agriculture Department, the Billie Sol Estes case is another result.

Mr. ALLOTT. In addition, I received a telegram which I shall read, which is illustrative of many such telegrams and letters I have received in the past 2 weeks:

LAMAR, COLO.,
May 15, 1962.

Senator GORDON ALLOTT,
Washington, D.C.:

On Freeman-Estes I admire your stand. I hope you fight as long as necessary to get the whole truth and justice. Also while on the job, why not try to put more sanity in the USDA work with the farmers in place of the nonsense we now have to deal with.

H. C. WEAR.
BRANDON, COLO.

Mr. President, also appearing in the newspapers on May 16 was the announcement that still another highly placed appointed official had been discharged from the Department of Agriculture. It had been established that he too had wallowed in Mr. Estes' largess. Every inquiry into this bizarre case of Billie Sol Estes seems to bring to light another association with some highly placed appointed official. We must assume that each of these appointees are Mr. Freeman's for, as head of the Department, he is charged with not only the privilege, but also the responsibility for the selection or approval of such appointees.

How many more incidents of possible collusion must be found? How many more cases must be found where—

First. A career civil servant of over 25 years service is summarily locked out of his office and denied access to pertinent records after suggesting to his superiors that facts disclosed by those records called for a thorough investigation into the Estes affair?

Second. A 51-year-old secretary is subjected to the indignity of being taken from her office and confined to an institution for psychiatric observation without being shown the decency of having some member of her family notified beforehand?

Third. A career civil servant with over 25 years in the Department, has a fence of silence built around him, when he could, perhaps above most others, tell the truth about demands supposedly made to the Department by Estes that the Department stop its investigation of the questionable cotton acreage allotments?

Fourth. The responsibility for allowing Estes to put up a bond of one-sixth the normal amount is placed on a civil service employee of the Department, and as a "punishment" that man is simply "transferred"?

Very possibly, more incidents will be uncovered by Senator McCLELLAN and his committee, of possible collusive connections between Government officials and this boondoggling mountebank from Texas. But, I ask again, How many more such incidents must be uncovered before Secretary Freeman acknowledges that he has been negligent in carrying out the duties he took an oath to perform?

No obstacle should be placed in the path of Senator McCLELLAN and his committee getting the whole truth as a result of the investigation and hearings now in progress. So that Senator McCLELLAN, his committee, and the people of this Nation may be assured of this truth and so that our farmers can again look to the Department of Agriculture with confidence that they will receive unbiased help with their problems. Mr. Freeman's influence, whatever it may be, should not be felt during the time these hearings are being conducted. Every career civil servant must be given a fair opportunity to disclose anything he might know pertaining to this case without fear of any retaliatory action from someone higher up.

Mr. Freeman stated the other night in a TV interview, and the President has indicated his argeement on many occasions:

> We insist that our people not only be pure, but must also look pure.

I submit, Mr. President, that so long as Mr. Freeman remains as the Secretary of Agriculture, there will remain in the minds of those career civil servants—who might be in a position to disclose some heretofore undisclosed facts about Estes and his "wheeling and dealing"—some fear of reprisal. As a result, so long as Mr. Freeman's presence can be felt the Department of Agriculture will be only half pure.

I submit that the people of this Nation, and particularly our farmers, are fed up to their ears with this mess. They are fed up with the many evidences of loose management that obviously made it possible for such a man as Estes to get into a position where he could bilk so many people out of so much money. Above all, they are so fed up that there remains, even this early, little or no confidence in the Department of Agriculture or the Secretary. Without such confidence, from the very people with whom he must deal, and upon whom he must depend for support of any of his programs, it is inconceivable that Secretary Freeman can possibly justify any course of action, if he has a true awareness of the national interest, other than an immediate resignation.

I repeat also, Mr. President, that further action is indicated as a result of the recent resignation of Assistant Secretary of Labor, Mr. Holleman. Mr. Holleman, incidentally, is the gentleman who stated that it was impossible for him to "get along" in the manner "which his position dictates" on a "paltry" $20,000 per year. Representative of the impact that this statement had on some of our citizens is a letter in the "Letters to the Editor" column of the Washington Post on May 22, from a retired civil service employee. I ask consent that this letter be inserted in the RECORD at this point and be made a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 22, 1962]

"E"

MAKING ENDS MEET

I have heard that a highly paid Government employee stated that he could not get along on his $20,000 per year salary and had to accept outside help.

What about many of us retired civil employees who receive Government pensions of $100 per month more or less? How do we get along? Could we get a $1,000 assist from anyone under any condition?

F. R. GALE.

JEFFERSON, MD.

Mr. ALLOTT. Mr. President, since the first startling announcement of his resignation, there has been no indication that this case is being studied to any extensive degree. I would presume, however, that Senator McCLELLAN's committee would study it further, because there is undisputed evidence that something more exists to this case than has been so far disclosed.

In addressing this Chamber 2 weeks ago, I entered into the RECORD evidence of an admission by Mr. Holleman that some of the discussions he had with Mr. Estes were with reference to the minimum wage scale established for the Mexican national labor forces used so extensively in Colorado, Texas, New Mexico, Oklahoma, Kansas, Nebraska, and many other Western and Southwestern States. As further evidence of this, I quote from a letter published in the Letters to the Editor column of the Washington Post on Monday, May 21, the letter was written by a personal friend of Mr. Holleman, one Maury Maverick, Jr., of San Antonio, Tex. Along with several other biographical notes commending Mr. Holleman's humanitarian qualities, Mr. Maverick says:

> He fought for the poor Americans of Mexican descent. He stood up for higher wages for the bracero workers from Mexico, the people who picked Billie Sol Estes' cotton, by the way.

It is most interesting to note that these same workers for whom Mr. Holleman felt such compassion were granted, in Texas—as a result of a hearing held in Midland, Tex., in February, conducted by Mr. Holleman, and during which Mr. Holleman and Mr. Estes were reportedly seen exchanging numerous notes—the lowest minimum wage scale established for any State competing in that same farm produce market. I might add here that Midland, Tex., is less than 100 miles from Mr. Estes' hometown of Pecos, and 100 miles in that part of Texas means about as much as going from the northwest section of Washington to the northeast section. Very convenient for Mr. Estes.

I suggest that Mr. Holleman's compassion for these workers was perhaps tempered by a desire and a determination to give his great and good friend Mr. Estes a "break" in the costs involved in growing and marketing cotton—a determination that was most evident when I last saw Mr. Holleman and he adamantly refused to give any consideration to a very apparent inequity that resulted from his ruling. When I saw Mr. Holleman, along with some farmers from Colorado, he seemed to have no qualms about the fact that these Colorado farmers were being penalized because they were forced to compete in the same markets with Texas in marketing their foodstuffs—no qualms about the fact that the Texas farmer can now produce his crop with 20 cents per hour less in man-hour costs than a farmer growing the same foodstuffs in Colorado.

As a result of these flagrant inequities, and because of my strong suspicions that this is still another revolting example of influence peddling, I have written the following letter to Secretary of Labor Arthur Goldberg, and I ask permission to have a copy of this letter made a part of the RECORD at this point in my remarks:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
May 22, 1962.

HON. ARTHUR J. GOLDBERG,
Secretary of Labor,
Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: As I indicated some 2 weeks ago, on the floor of the Senate, the circumstances surrounding the resignation of Assistant Secretary of Labor Jerry Holleman are of some concern to me. Such concern, in fact, that I am compelled to formally request that there be an immediate reevaluation of the presently established minimum wage scale for bracero workers in Texas, as compared to the scale set for Colorado.

As you will recall, at the time this minimum wage scale was set, establishing a 70-cent-per-hour rate for Texas, and a 90-cent-per-hour rate for Colorado, a contingent of Colorado farmers came to Washington, and along with Congressman J. Edgar Chenoweth from the Third Congressional District of Colorado, I accompanied them to a meeting you had arranged with Mr. Holleman. At that time, our primary point of discussion was not an objection to the minimum wage scale as such, but rather the apparently preferential rate established for Texas in comparison to the rate set for Colorado, when these two States are forced to compete in the same produce markets.

After this meeting, it was difficult for either my constituents or me to understand the adamancy of the Department of Labor, as expressed by Mr. Holleman, in refusing to consider immediately any change in this obvious inequity. Now, I must admit, suspicions cloud my thoughts in light of Mr. Holleman's acknowledged association with Mr. Estes, his acceptance of financial aid from Mr. Estes, and the fact that Mr. Estes was one of the largest users of Mexican migratory workers in the State of Texas. The question that arises is, of course, just how much influence did Mr. Estes' association with Mr. Holleman, and his cash "assistance" to Mr. Holleman have in establishing this preponderately preferential wage scale for Texas?

I would very much appreciate hearing from you on this matter at your earliest convenience.

Best regards.
Sincerely yours,
Gordon Allott,
U.S. Senator.

Mr. ALLOTT. Mr. President, Mr. Goldberg has promised me, verbally, a complete and independent investigation of this matter, and I know this will be done.

It is my sincere hope, Mr. President, that Senator McClellan and his committee will see fit to look into, much more closely, the association of Mr. Holleman and Mr. Estes. And, also, that the Secretary of Labor will act accordingly on my request for a reevaluation of the minimum wages set for migratory workers in Colorado, as compared to those set for Texas.

ANNIVERSARY OF THE RECLAMATION ACT

Mr. ALLOTT. Mr. President, June 17, 1962, will mark the 60th anniversary of the signing of the National Reclamation Act. Just as President Teddy Roosevelt predicted, the reclamation and settlement of the arid West has enriched every portion of our country. The impoundment, storage, and application of water to a beneficial use has literally transformed the 17 Western States into a flourishing region with the result that the national economy as a whole has been the beneficiary. But the task is far from complete, and as we approach the beginning of reclamation's seventh decade a number of projects remain. According to figures furnished by the Bureau of Reclamation there are presently 12 authorized projects or units on which advance planning will be underway during fiscal years 1962–63. There are 14 projects pending before or being processed for submission to the Congress; and there are 16 potential projects under investigation during fiscal years 1962–63.

In the Reclamation News, May issue, there is an editorial which is most appropriate, entitled "Reclamation Is Facing Its Most Crucial Test." In order that this editorial may have the consideration of all the Senate, I ask unanimous consent that it be printed in full at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

RECLAMATION IS FACING ITS MOST CRUCIAL TEST

Reclamation today is facing a most critical situation—probably the most crucial and most difficult in all its 60-year history. This is tragic news indeed to all Westerners. It is difficult to understand, in view of reclamation's importance to the West and to the Nation. The West in the past has always marshaled its forces to overcome difficult situations but it is more urgent now than ever before that the West be united in support of reclamation.

This difficult situation is due to a misunderstanding or misinterpretation of an announcement by the Department of Agriculture in mid-January to the effect that by 1980 we will need "50 million fewer acres than we have in production today." Too many people have erroneously interpreted that announcement to mean that reclamation should be stopped.

There can be no question but that this is an erroneous interpretation. Shortly after the announcement by Agriculture, Senator Clinton P. Anderson, New Mexico, wrote to Secretary of Agriculture Orville L. Freeman, stating that in his opinion the announcement by the Department of Agriculture was "being misinterpreted in some quarters to mean that there is no need for further irrigation of land in the United States, at least until some time after the year 1980." "I say misinterpreted," Senator Anderson said, "because my reading of the preliminary report of your Land and Water Policy Committee and the other documents on which the figure is based indicate that the irrigation of additional lands will be very important in making it possible to meet our food and fiber requirements in 1980 with a smaller total acreage of crop land." Secretary Freeman, in reply stated that Senator Anderson's interpretations "are substantially correct." He then went on to point out in his letter that "the acreage under irrigation is expected to increase by 9.4 million acres over the same period" (by 1980).

Secretary Freeman added that "The expected continuation of land and water development and improvement is reflected in the yield estimates contained in the preliminary report." (The Agriculture Department release was based upon the preliminary report.)

In a speech at Brawley, Calif., on March 3, Secretary Freeman made it clear that sound reclamation and irrigation projects and the land adjustment proposals of the food and agriculture program for 1960 are compatible with each other. In that address, he stated, "If we look to the longtime future, there is no question but that reclamation and irrigation must go forward, that the concept fits logically into the abundance-balance-conservation-development approach."

MOST IRRIGATED CROPS ARE NOT IN SURPLUS

Most of the farm products coming from irrigated land, he said, "are not the ones for which there are serious overproduction problems * * *. It is unsound to suggest that the current imbalances which exist in some crops could be corrected by squeezing off water resource development in one section of the country."

Thus it is very evident that those who contend that reclamation be stopped are misinterpreting the mid-January announcement by the Department of Agriculture. It never was intended by Agriculture that reclamation should be stopped.

These statements by Secretary Freeman have helped materially to clarify the situation. The 17-Governor letter to President Kennedy (see April issue of Reclamation News) has also proven helpful. But these combined efforts have not offset the adverse effect of the announcement by the Department of Agriculture in January.

There are many permanent and very worthwhile benefits resulting from reclamation that are not fully understood or appreciated by those living outside the reclamation area, particularly by those living in humid regions. They do not—they cannot understand or appreciate what reclamation really means. Actually, every community in the western half of the United States—the arid and semiarid West—has a deep and vital interest in reclamation.

RECLAMATION REPAYS

Reclamation is one of the few Federal programs which repays its cost. It pays through the repayments by water users and power users, and these users have a remarkably fine record of repayment. The water users on Federal reclamation projects are considerably less than 1 percent delinquent in payments due the Federal Government. Furthermore, it pays through increased income taxes, and these taxes are created out of wealth that would not exist if it were not for the reclamation projects. On a number of projects, income taxes alone over a few years' time have exceeded the total cost of the project.

Reclamation has resulted in the establishment of fine American communities, with their beautiful homes and churches and prosperous business centers, scattered throughout every State in the West. Practically every major population or industrial center west of the 98th meridian, except those along the west coast, has as its foundation an irrigation or reclamation project. As the Governors' letter pointed out, "When reclamation projects are constructed, homes are built and thriving communities are soon established. First there are villages and then cities, which soon become highway and railroad junctions. Thus, metropolitan areas are developed, markets are created, and the transportation, water and human resources which are needed to develop the timber, mineral, recreational and other resources of the region are provided." When these communities are thus established, small industries move in, and thus we have dispersal of industry, which is vitally important from a national welfare standpoint.

RECLAMATION IMPROVES OUR DIET

Another contribution from reclamation which must not be overlooked is the improved diet of the American people. We must give almost entire credit to western irrigation and reclamation for the fact that we have an abundance of green vegetables and fresh fruits, not only during the summer, but throughout the entire year. We are very much inclined to take all of these things for granted. Few people realize that the irrigated West provides 84 percent of the Nation's supply of broccoli, 63 percent of our asparagus, 82 percent of our cantaloup, 60 percent of our celery, 79 percent of our carrots, 93 percent of our lettuce, and, according to information released by the Department of Agriculture, practically all of our olives, dates, figs, nectarines, and lemons. Without western irrigation, the diet of the American people would be vastly different and much less wholesome than it is today.

Reclamation today, more than ever before, needs the united support of the entire West. The total membership of the House of Representatives is 437, but only 99 Members come from the 17 Western States, and the sad truth is that all western Members have not always supported reclamation. The 17 western Governors exemplified a true spirit of unity in behalf of the West when they all joined in signing the letter to President Kennedy endorsing reclamation. It would be most appropriate for us all to follow the example set by the Governors and give our united support to a program which means so much to the future growth, development, and prosperity of the West. We hope that the unity evidenced by the Governors' letter will be reflected by a solid nonpartisan western front in Congress. Now is the time for the West to be united. In union there is strength.

FRYINGPAN-ARKANSAS

Mr. ALLOTT. Mr. President, the Fryingpan-Arkansas authorization bill is currently pending before the other body. Consideration of this important project is imminent and, of course, I am hopeful that it will be approved. The Fryingpan-Arkansas project has the full and complete support of the Colorado delegation and is staunchly favored by the people of my State.

This project received favorable consideration in the Senate during the 83d, 84th, and 85th Congresses, and represents a diversion of approximately 2 percent of Colorado's share of the waters of the Colorado River apportioned to the Upper Basin States. Uses to be made in addition to suplemental irrigation include water for municipal and domestic requirements for the cities of Pueblo, Colorado Springs, La Junta, Las Animas, and other cities in the Arkansas Valley. Moreover, additional features of the Fryingpan-Arkansas are represented by power, flood control, sediment and pollution control, fish and wildlife values as well as recreation. All of these features will prove beneficial to my State and will improve the economy, not only of Colorado, but of the Nation as a whole.

Mr. Robert B. Keating, president of the Board of Councilmen for the City and County of Denver, recently wrote to me, transmitting the unanimously adopted motion on the subject of the Fryingpan-Arkansas project. Knowing that action by the board is of interest to all Senators, I ask unanimous consent that this letter be made a part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 11, 1962.

Hon. GORDON ALLOTT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLOTT: The Denver Board of Councilmen recognizing the importance to Colorado for the development of strong and healthy municipalities, unanimously adopted the following motion at its meeting of May 7, 1962:

"The Board of Councilmen of the City and County of Denver in recognition of the importance of the benefits to be derived from the Fryingpan-Arkansas River Diversion project—urges the U.S. Senators and Members of Congress, from Colorado, to exert their fullest energies to assure the passing of this legislation during the current session."

Even though the city of Denver receives no direct benefits from this project, the city does, indirectly, benefit by virtue of the development of the municipalities affected by this project.

Very truly yours,
ROBERT B. KEATING,
President, Board of Councilmen.

FINANCIAL PLIGHT OF THE AIRLINES

Mr. ALLOTT. Mr. President, one of the darker spots in our Nation's economy continues to be the financial plight of our commercial airlines. Last year the 11 major systems lost a total of $30 million. Certainly this plight is of concern to every American and it poses problems for many segments of the Nation's industry. Much of the problem can be traced to the ruinous competition now present on certain routes. The CAB presently has merger proposals before it, which certainly merit their most careful consideration as possibly offering a way out of the financial woods for the companies concerned—without harming the public interest in the matter.

An editorial in the American Metal Market for Monday, May 21, 1962, spotlights these issues. I ask unanimous consent that this editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE AIRLINES' PLIGHT

The financial plight of the Nation's major airlines poses for all segments of the American industry, including the highly competitive metalworking firms, as well as the Federal Government some rather weighty and knotty problems.

For these financial difficulties might readily endanger the airline system as an important and vital adjunct of business, which has come to depend so heavily on its convenience and speed, as well as endangering the airlines' ability to perform efficiently as part of national defense. The value of the airlines in the fields of business and national defense is best attested to by enthusiastic support by many nations of their national air carrier systems.

Malcolm A. MacIntyre, president of Eastern Air Lines, recently warned Civil Aeronautics Board examiners, hearing Eastern's plea for a merger with the American Airlines system, that if the industry's losses continue to mount at the present rate, the airlines might readily lose public confidence in their ability to fly safely. Last year, the 11 major systems lost a total of $30 million.

Bankruptcy for all or some of the lines, of course, would be a shattering blow for all those segments of industry which must depend on attracting investors' dollars to finance their expansion and modernization programs. This has been one of the basic steel industry's most difficult problems since World War II days, because of the low selling prices of common stocks in relation to the replacement costs of the investments they represent. Issuing of more common stock merely serves to water down the equity of existing investments.

Mr. MacIntyre cited the example of the bankruptcy-ridden New Haven Railroad to support his contentions of the dangers confronting the airlines. The New Haven, in serious difficulties, lost another $19,500,000 in 1961, its customers losing even more confidence in its ability to perform. So consequently it continues to lose money in even greater amounts.

Much of the airlines' troubles, of course, spring from their over-enthusiastic entry into the jet air age. Coming at $5 million to $6 million each, the airlines invested hundreds of millions of dollars in new fleets. The smaller airlines were forced into comparable huge investments to remain competitive. The rub was that the necessary increase in traffic to support the sharply increased air service simply wasn't there, for the 125-seat, 600-miles-per-hour jet airliner can do four times the work of the smaller piston-engined aircraft. Another problem is how to dispose profitably of this displaced fleet which have many potential years of useful life.

The airlines' plight is something that concerns every American, for it involves the country's financial stability. Certainly some governmental action is called for, possibly approving the requested mergers of the various lines into fewer but larger and stronger systems which could eliminate some ruinous competition or certain routes, might provide much greater economies in scheduling, or might work out other operating economies. The Civil Aeronautics Board members must make some rather difficult and far-reaching decisions.

PROPOSED WITHHOLDING OF TAXES ON DIVIDENDS AND INTEREST

Mr. BENNETT. Mr. President, in the face of the tremendous mail all of us are receiving in opposition to the Treasury's proposal to withhold the tax on interest and dividends, I have been seeking for a practical and effective alternative.

Today, I wrote a letter to the Honorable Stanley S. Surrey, Assistant Secretary of the Treasury, spelling out a program which I think can be put into effect by regulation without requiring additional legislation, which I believe will accomplish almost as much as the withholding provision at infinitely less cost. I am sending a copy of this proposed alternative to every member of the Finance Committee and ask unanimous consent that it be included in the RECORD as part of this statement, in order that my colleagues may have an opportunity to consider its value.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 24, 1962.

Hon. STANLEY S. SURREY,
Assistant Secretary,
Department of the Treasury,
Washington, D.C.

DEAR MR. SURREY: When you and I were visiting in my office last week, I told you I was working on an idea which I thought could provide a practical alternative to withholding on dividends and interest. I have worked this out now to the point where I would like to pass it on to you as well as to other members of the committee, so that you can be thinking about it in the unexpected interim that has developed in the committee's activities.

It seems to me that taxpayers who are now failing to report their interest and dividend income will fall into three classes (1) those who fail to report out of sheer ignorance; (2) those who forget certain types of dividend or interest income that should be reported, largely because it is merely accumulating in a bookkeeping system somewhere and they do not receive it in cash; and (3) those who knowingly fail to include such income in their reports. I have a feeling that a substantial part, if not the largest share of the failures, fall in the first two classes.

I therefore suggest that a simple checklist be included with every income tax form on which by checking the proper square, the taxpayer would in effect be required under penalty of perjury to make a complete check of his interest and dividend income. This list would serve as a reminder for those who are forgetful, and might be a psychological deterrent to those who are inclined toward evasion. Certainly, the cost of supplying this form and the amount of effort required to fill it out would be infinitely less than the cost and other problems created by the proposed withholding program.

I am enclosing with this letter three exhibits. Exhibit A lists my understanding of the types of interest and dividend which would and would not be covered by the withholding provision of H.R. 10650. Exhibit B is a rough sample of the type of form about which I have been talking. Exhibit C is a list of five other approaches to the key opening paragraph.

Another possible alternative would be to require the taxpayer, instead of checking the "yes" box where it applies, to state the actual figure reporting his dividend or interest income in that particular category.

I realize that this is another approach to voluntary cooperation. I think it has the value of being both educational, and to coin a phrase, "collectional." Used in conjunction with the ADP process, I believe it has great merit.

I know you and your staff will study it carefully and I will be grateful for your comments.

With kindest personal regards.

Sincerely,

WALLACE F. BENNETT.

EXHIBIT A

The Treasury Department has enumerated the following types of interest and dividend payments which must be reported by the recipients as income. (See pp. 148 and 149, pt. 1, hearings before the Senate Finance Committee on H.R. 10650.)

Cash distributions to stockholders by domestic corporations.

Cash interest paid on Government securities.

Interest paid on corporation bonds and notes.

Interest on time and savings deposits (whether paid in cash or credited).

Interest on savings shares (whether paid in cash or credited).

Interest paid on holdings of foreign bonds.[1]

Interest on farm mortgages paid to nonfarm individuals.[1]

Interest paid on nonfarm mortgages.[1]

Interest paid to unincorporated brokers and dealers.[1]

Interest paid to unincorporated consumer credit companies.[1]

Interest paid on life insurance dividends left to accumulate.[2]

Interest paid to retail auto dealers.[2]

EXHIBIT B

SAMPLE STATEMENT OF DIVIDEND AND INTEREST INCOME

All of the dividend and interest income which you receive, whether in cash or credited to your account, or to which you otherwise become entitled, must be reported on your income tax return. For each of the types of interest or dividend income listed below, check "yes" if you received such income and reported all of it, or check "no" if you did not receive income from that source. One square must be checked for each category listed below.

1. Cash dividends received on stock in corporations. Yes ☐ No ☐

2. Dividends received directly from mutual funds:

(a) cash dividends received directly from mutual funds. Yes ☐ No ☐

(b) Dividends received from mutual funds left to accumulate. Yes ☐ No ☐

3. Interest received on Government securities:

(a) Cash interest received on Government securities, including series H, G, and K bonds. Yes ☐ No ☐

(b) Interest received on redemption of series E, F, and J savings bonds. Yes ☐ No ☐

4. Interest received on corporation bonds and notes. Yes ☐ No ☐

5. Interest received on savings or time deposits in commercial banks:

(a) Interest received directly, in cash. Yes ☐ No ☐

(b) Interest credited. Yes ☐ No ☐

6. Interest or dividends received on deposits or accounts in mutual savings banks, savings and loan associations, credit unions, etc.:

(a) Interest received directly, in cash. Yes ☐ No ☐

(b) Interest credited. Yes ☐ No ☐

7. Interest received on mortgages. Yes ☐ No ☐

8. Other dividends or interest received (for example, interest received on holdings of foreign bonds, interest received on life insurance dividends left to accumulate, etc.) Yes ☐ No ☐

Specify______________________________

I hereby declare under the penalty of perjury that this statement has been examined by me and to the best of my knowledge and belief is true, correct, and complete.

Date______________________________

Signature__________________________

Signature__________________________

(If this is a joint return (not made by an agent), it must be signed by both husband and wife.)

EXHIBIT C

There are a variety of ways in which the question on a statement of dividend and interest income might be phrased effectively. The following examples could each be used instead of the one on exhibit B:

I. Have you reported all of the dividend or interest income which you received in cash or which was credited to your account or to which you otherwise became entitled from any of the sources listed below? Check "yes" if you received and reported such income in this return; check "no" if you did not receive any dividend or interest income from a particular source.

II. You must report all of the dividend and interest income which you receive in cash or which is credited to your account or to which you otherwise became entitled. If you received and reported dividend or interest income from any of the sources listed below, check "yes"; if you did not receive any income from a particular source, check "no."

III. All of the dividend and interest income which you receive in cash or which is credited to your account or to which you otherwise become entitled must be reported. Sources from which you may have received such income are listed below. Check "yes" if you received and reported such income; check "no" if you did not receive any income from that source.

IV. Did you receive any interest or dividend income—in cash or credited to your account or to which you otherwise became entitled? If so, did you report it? Below, check "yes" if you received interest or dividends from a particular source and if you reported it; check "no" if you did not receive income from that source.

V. Everyone who receives dividends or interest whether in cash or credited to an account or to which they otherwise become entitled must report them as income. Have you reported all of your dividend and interest income? If you received and reported income from any of the sources listed below, check "yes"; if you did not receive income from a particular source, check "no."

AID TO YUGOSLAVIA

Mr. CAPEHART. Mr. President, I rise to read to the Senate two headlines which appeared on articles, one under another, on page A27 of the Thursday, May 24, edition of the Washington Post.

Headline No. 1: "Yugoslavs Accept Bid To Visit U.S.S.R."

Headline No. 2: "Russia May Buy Yugoslav Ships."

I ask unanimous consent, Mr. President, that the texts of both articles be included at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

YUGOSLAVS ACCEPT BID TO VISIT U.S.S.R.

BELGRADE, YUGOSLAVIA, May 23.—A 12-member Yugoslav parliamentary delegation will visit Russia in June at the invitation of the Supreme Soviet, it was announced here today.

The visit in the second half of the month was regarded as a sign of the easing of strained relations between Josip Tito's Yugoslavia and the Soviet Union.

The delegation will be headed by Petar Stambolic, Speaker of Parliament, and a member of the Yugoslav Communist Party Politburo.

During his tour last week of neighboring Bulgaria, Nikita Khrushchev spoke more kindly of the Yugoslav regime than any Soviet leader has done for years.

RUSSIA MAY BUY YUGOSLAV SHIPS

LONDON, May 23.—Russia is negotiating to buy Yugoslav ships, including large tankers and freighters, a Soviet Foreign Trade Ministry spokesman said in Moscow today.

The spokesman, quoted by the Soviet news agency Tass, said the talks are being held in Moscow under the long-term trade agreement for 1961–65 between the two countries which envisages an increase of more than 30 percent in 1962 compared with last year.

Mr. CAPEHART. Then, Mr. President, I call to Senators' attention the fact that from 1946 through 1961, our taxpayers gave to Yugoslavia a total of $2,800,000,000 in economic and military assistance.

The foreign aid bill which is before this Senate at this very moment authorizes $10 million of development loan funds to Yugoslavia.

What have we done? What are we doing?

When will we learn better?

DEVELOPMENT OF OIL SHALE DEPOSITS IN BRAZIL

Mr. MORSE. Madam President, the Senator from Colorado [Mr. CARROLL], who could not be present today, has asked me to read into the Record a letter which he has received from the President of the United States in response to a letter which the Senator from Colorado and I cosigned and sent to the President some time ago in regard to the desirability of assisting Brazil in developing Brazil's oil shale deposit.

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[1] Would not be subject to withholding under the provisions of H.R. 10650.

[2] Under the provisions of H.R. 10650, this would be subject to withholding; however, the Treasury has suggested that this particular form of interest should not be subject to withholding.

I am pleased to accommodate the Senator from Colorado by reading the President's letter into the Record at this point. It was the view of the Senator from Colorado—and I share the view—that a letter from the President of the United States should not be merely printed in the Record but should be honored by being read into the Record. The letter was received May 24, 1962:

The White House,
Washington, D.C., May 24, 1962.

Hon. John A. Carroll,
U.S. Senate.

Dear Senator Carroll: I appreciate the comments contained in the letter of March 30 cosigned by you and Senator Morse in which you indicate your support of U.S. consideration of a loan to Petrobras for the purpose of developing Brazil's oil shale deposits, in the event Petrobras should apply for such a loan.

We are interested in assisting Brazil to develop its vast natural resources. It would contribute to the solution of one of Brazil's most serious economic problems by providing an internal source of liquid fuels.

We have informed the Government of Brazil and officials of Petrobras that we are prepared to give careful consideration to an application by the Brazilian Government for a loan to Petrobras to finance a plant to demonstrate that production of oil from Brazilian shale on a commercial basis is feasible. We have also indicated that, if the initial phase of production proved successful, we would consider further financing for a commercial operation.

As you point out in your letter, Ambassador Gordon has stated publicly that on request from the Government of Brazil, the Government of the United States is prepared to consider a dollar loan to Petrobras, to assist in the construction of a prototype production unit. Recent conversations with high officials of the Brazilian Government indicate that an application may be forthcoming. I want to assure you that any such request will be handled expeditiously.

Sincerely,

John F. Kennedy.

Mr. President, on behalf of the Senator from Colorado [Mr. Carroll] and myself, I thank the President for his reply and to commend him for the very wise foreign policy represented by the letter. The letter shows that the President intends to carry out the spirit and intent of the Alliance for Progress program. In my judgment, what the Senator from Colorado and I did when we suggested that the U.S. Government stand by ready to be of assistance to the Brazilian Government in the development of its oil shale was in keeping with what I considered to be our obligation under the Alliance for Progress program.

SERVING OF ALCOHOLIC BEVERAGES ON THE SENATE SIDE OF THE CAPITOL AND IN THE SENATE OFFICE BUILDINGS

Mr. MORSE. I shall be very brief in my comments on my next subject. The Washington Post contained the following short article:

Senators Forget Dry Resolution

The Senate Rules Committee found a nice quiet pigeonhole yesterday for Senator Wayne Morse's resolution barring the serving of hard liquor in the public rooms of the Senate Capitol wing and in the Senate Office Building.

A committee aid said seven members were present at the closed session which postponed indefinitely consideration of the Oregon Democrat's suggestion. There was no dissent, the aid said.

Mr. President, for me to say that I regret that action of the Senate Committee on Rules and Administration, if that was the action of the committee, would be a great understatement. I do not know whether the Rules Committee took the action reported in the Washington Post, in the article which I have just read, because I have not received any notification from the committee of any position it has taken on my resolution.

For me to say that the action of the Rules Committee, if this was the action of the committee, is inconsiderate, is also to put it mildly. I had sought to have this matter handled in accordance with the regular procedures of our legislative processes. It had not been my understanding that when a Member of the Senate in good faith presents to the Senate a resolution which seeks to change the rules of the Senate, that resolution would not even be given the consideration of a hearing by the Rules Committee.

I want the Record to show that the committee never gave me an opportunity to appear before it for a hearing on my resolution. I shall continue to hope that the committee will reconsider its action, if the committee has taken such action.

I wish to do everything I can to cooperate with the committee to that end.

The Record should show, and I wish the leadership of the Senate to understand, that the senior Senator from Oregon was never more in earnest about any piece of legislation or any resolution that he has ever introduced in the Senate.

My resolution seeks to end an official policy of the Senate, which the Senate has adopted in my judgment and cannot deny that it has adopted, when it opened the new conference and reception hall on the Senate side of the Capitol and set up two bars and proceeded to serve hard liquor at an official Senate function.

I wish to make it clear that the Capitol and the Senate Office Buildings do not belong to Members of the Senate. I wish to make it clear that the Capitol Building and the Office Buildings of the Senate belong to this country. Of one thing I am absolutely convinced, and that is that an overwhelming majority of the American people would agree with the senior Senator from Oregon on this issue. I intend to take the issue to the people of this country by using every means I can.

If the Senate wants to put the senior Senator from Oregon in a position where I have to use every parliamentary right at my command to focus official attention on my resolution, I serve notice on the leadership of the Senate tonight that I intend to do so. I also serve notice on the leadership of the Senate that I have but one desire, and that is to cooperate with the leadership of the Senate in a proper legislative consideration of my resolution.

The senior Senator from Oregon does not take anything lying down, including the pigeonholing of a resolution which I submitted in good faith and which was referred to the Committee on Rules and Administration, and in regard to which I have every right to have a hearing before the committee. I have every right to have that resolution come to the floor of the Senate either with an adverse report or a favorable report or no report at all.

On this question I am battling for the interests and desires of a majority of the American people. I serve notice here and now that we will find out in this session of Congress whether we will get action on a resolution which involves one of the great moral issues facing the country, the issue of alcoholism, with respect to which the Senate has put itself on record by its action of encouraging at an official function or functions of the Senate the drinking of hard liquor, thereby setting what I consider to be a shocking example in regard to this whole problem of alcoholism.

All I have asked for is consideration of the resolution on the merits of the issue. However, when I have information such as I have in my hand, that there are thousands of persons in the District of Columbia suffering from alcoholism, I say it is a pretty shocking thing that the Senate, at an official Senate function as a matter of official Senate policy would provide for the serving of hard liquor in the public rooms of the Capitol and the Senate Office Buildings.

If I am correctly informed, I understand that such is not the policy on the House side. I commend the House. This is a legitimate issue involving the rules of the Senate. The American people who own this building and the Senate Office Buildings, are entitled to have decided the policy question as to whether or not a majority of the Members of the Senate want to endorse, by way of a public vote, a policy of serving hard liquor at official functions of the Senate in the public rooms on the Senate side of the Capitol and in the office buildings of the Senate.

I do not desire to be unpleasant about it. However, the Committee on Rules and Administration is not going to sidetrack the convictions of the senior Senator from Oregon on what he considers to be a great moral issue, without the senior Senator from Oregon doing everything he can in the interest of the people who, I am satisfied, are on his side on this issue in having their rights protected here in the Senate.

I have made very clear that drinking on the part of any Member of the Senate is his private business. I have made it very clear that I do not seek to interfere in the private life of any Member of the Senate. I have always made it clear that in my judgment there are those of us in the Senate who do not approve of the policy of serving hard liquor at Senate functions in the public rooms on the Senate side of the Capitol and in the Senate Office Buildings. I have made clear that there are some of us who believe that this is a horrendous example to be setting for the youth of this country. Each day literally thousands of high school and college students, who represent the greatest wealth we have, come through the corridors of the Capitol and the corridors of the Senate Office Buildings. I do not believe it is a very good thing to have them visiting the Capitol and the Senate Office Buildings and receiving information that at official Senate functions and parties in the Capitol and in the Senate Office Buildings hard liquor is served.

I know that when one takes the position I take, he must expect to receive a good many criticisms, and to be accused of being a prude or a bluenose or one who wants to regulate the lives of others. I have no desire to regulate the lives of others. I have said before, and repeat tonight, that if Senators want to give a party at which booze is served, they should go downtown and rent a reception room at a hotel.

But I have said also, and repeat tonight, that the taxpayers of the Nation have a right to a voice on this subject. They will have no voice in it unless the representatives of the taxpayers stand on the floor of the Senate and are counted on the question whether they wish to endorse a policy of serving hard liquor in the public rooms of the Capitol and the Senate Office Buildings.

I have written a letter to each member of the Committee on Rules and Administration, in which I have respectfully asked whether the article published in the Washington Post is accurate, and in which I have said that if it is accurate, I should like to have the committee at least reconsider its action long enough to accord me a hearing before the Committee on Rules and Administration in support of my resolution, and give me an opportunity to present to the committee a list of witnesses from across America who, my correspondence shows, are desirous of coming to Washington to testify concerning this question.

Representatives of various church organizations, of various civic organizations, and of various business organizations are entitled to an opportunity to be heard on this issue. They want to come and testify on the issue because in my judgment, they recognize that it is a much more serious issue than the members of the Committee on Rules and Administration apparently realize. The representatives of these organizations recognize that the people of the country have the right to be heard, the right to petition, and the right to testify before their Government with respect to a policy which involves an issue of such vital concern to so many millions of people as is this one.

Mr. President, this question cannot be laughed off; it cannot be minimized. In my judgment, it is a problem which deals with the social fabric, and the policies of the American people in relation to the social fabric of the Nation.

I shall await the reply of the Committee on Rules and Administration to my letter. If, as a Member of this body who has demonstrated time and time again in his many years of service his complete parliamentary fairness to all other Members of the Senate, I cannot obtain a hearing on my resolution, if I cannot bring before the Committee on Rules and Administration the witnesses who wish to testify on the resolution, I shall use every parliamentary right at my command from now until Congress adjourns, no matter when that is, even if it is not until Christmastime, to focus attention on the great moral issue that has been raised by my resolution.

If anyone thought the senior Senator from Oregon was treating his resolution in a light vein when he submitted it, he could not have been more mistaken, because, so far as the Senator from Oregon is concerned, the policy which the Senate is following in serving hard liquor in the Capitol and the Senate Office Buildings cannot be justified in the public interest.

The taxpayers are entitled to have the practice stopped, and I shall use every power at my command to try to stop it. If I fail, it will not be because I did not try.

RECESS UNTIL MONDAY NEXT

Mr. MORSE. Mr. President, I move, under the order previously entered, that the Senate take a recess until 10:30 o'clock a.m. on Monday, next.

The motion was agreed to; and (at 6 o'clock and 53 minutes p.m.) the Senate took a recess, under the order previously entered, until Monday, May 28, 1962, at 10:30 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 25, 1962:

ENVOY

Mrs. Eugenie Anderson, of Minnesota, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bulgaria.

DEPARTMENT OF STATE

Lucius D. Battle, of Florida, to be an Assistant Secretary of State.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Seymour M. Peyser, of New York, to be Assistant Administrator for Development Financing, Agency for International Development.

U.S. ATTORNEYS

Louis C. LaCour, of Louisiana, to be U.S. attorney for the eastern district of Louisiana for the term of 4 years.

Ben Hardeman, of Alabama, to be U.S. attorney for the middle district of Alabama for the term of 4 years.

U.S. MARSHALS

Roland S. Mosher, of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years.

Edward Hussey, Jr., of Delaware, to be U.S. marshal for the district of Delaware for the term of 4 years.

U.S. ARMY

The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in the rank indicated:

To be lieutenant generals

Maj. Gen. Theodore William Parker, O18369, Army of the United States (brigadier general, U.S. Army).

1. The following-named officer to be placed on the retired list, in the grade indicated, under the provisions of title 10, United States Code, section 3962:

Lt. Gen. John Honeycutt Hinrichs, O17174, Army of the United States (major general, U.S. Army).

2. The following-named officer, under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in the rank indicated:

Maj. Gen. August Schomburg, O18422, U.S. Army.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 28, 1962

The House met at 12 o'clock noon.

Rabbi Meir Felman, Judea Center Synagogue, Brooklyn, N.Y., offered the following prayer:

Almighty God, we lift our hearts in praise and gratitude for the spiritual heritage of America; for freedom of altar, home, and school; for patriot souls, heroes of the spirit, loyal to Thy living word, who offered full measure of selfless devotion that this precious legacy might be preserved to us and to our children.

As we enjoy the rewards earned by the labors of our Founding Fathers, may we fully comprehend that the tasks they so nobly advanced are never finished; that freedom is not inherited, it must be merited; that liberty is not bought, it must be taught; that brotherhood and peace are not possessions but goals to be reached and ideals to be attained.

Merciful God, bless our glorious land and the eminent men and women who direct its destiny so that peace and security, happiness and prosperity, right and freedom may forever abide in our midst. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, May 24, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3225. An act to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill and a joint resolution of the Senate of the following titles:

S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; and

S.J. Res. 151. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming.

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1962

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H.R. 11038 making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, can the gentleman tell us how much the other body increased this bill?

Mr. THOMAS. I will say to the distinguished gentleman from Iowa, they put in some 15 or 20 new items to which our colleague, the gentleman from Iowa [Mr. JENSEN], and I have not agreed. But, there is not too much serious objection so far as the dollar amount is concerned—I think it amounts to some $12 to $15 million.

Mr. GROSS. Will the gentleman from Texas do his utmost, together with the gentleman from Iowa [Mr. JENSEN], to hold down this deficit spending in view of the fiscal situation in which the country finds itself?

Mr. THOMAS. The gentleman from Iowa [Mr. JENSEN] and I, along with my distinguished friend from Iowa [Mr. GROSS] will work at it.

Mr. GROSS. I will say to the gentleman, I am going to be very much interested when this bill comes back to the House and I hope that it will be held down.

Mr. THOMAS. We will try.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. THOMAS, KIRWAN, CANNON, JENSEN, and TABER.

PERMISSION TO FILE REPORT

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the Second Supplemental Appropriations Act of 1962, H.R. 11038.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO THURSDAY, MAY 31, 1962

Mr. MOSS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

Mr. GROSS. Mr. Speaker, reserving the right to object, I do not know whether the gentleman from California who is acting today as the majority floor leader should be asked the question or not, but I am becoming more and more disturbed over the failure of the House to get down to work. I wonder when the House is going to begin to show some signs of tackling the legislation that apparently is going to have to be considered; in other words, I am fearful that we are going to run into the same situation we have in other years. I would say that up to this point, this is just about the most do-nothing session I have seen in my 14 years here.

Is it deliberately planned to pile up legislative business into July and August, and perhaps even into September, and then the House be confronted with the situation of having legislation rammed down its collective and individual throats with early and late sessions, with Members unable to know what is in some of the conference reports that come wheeling through in the dead of night? I would hope that we would get down to work and not permit that situation to develop again.

Mr. MOSS. While not agreeing with the gentleman as to the accomplishments during this session of the House I can say that he has expressed a thought that is in the minds of many. I am confident that the House, with the great majority of the primaries and Memorial Day out of the way, will undertake a more vigorous schedule.

Mr. GROSS. Of course, I cannot agree with the gentleman that State primaries ought to have precedence over the business of the House of Representatives. I think this has been carried much too far, but I reserve further questions on this subject for the leadership at a later date.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

NOTICE OF HEARING OF H.R. 11020, TO AMEND THE SMALL BUSINESS ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, as chairman of Subcommittee No. 2 of the Committee on Banking and Currency, I wish to announce that a hearing of the bill H.R. 11020 will be held on June 7, 1962. The bill amends section 4(c) of the Small Business Act, as amended, which deals with the Small Business Administration's revolving fund out of which are financed that agency's programs of financial assistance. The bill would place the fund on a more permanent basis by removing the statutory limitation on authorizations to appropriate to the fund and the separate limitations on the amounts of appropriated funds which may be utilized for each of the Small Business Administration's financial assistance programs. The proposed legislation would also simplify the method of computing the interest payable from the revolving fund to the Treasury and would effect a number of clarifications in the language of the act.

Mr. Speaker, the President has asked that the bill be considered promptly and enacted into law at the earliest possible date. The hearing will begin at 10 a.m., in room 1301, New House Office Building, on June 7, 1962.

All persons who wish to appear and testify on this bill are requested to notify the counsel of the House Banking and Currency Committee, room 1301, New House Office Building, telephone Capitol 4-3121, extension 4248.

ANNOUNCEMENT CONCERNING REPRINTING OF LITHUANIAN DAY PROGRAM HELD IN HOUSE AND SENATE ON THURSDAY, FEBRUARY 15, 1962

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, the Lithuanian Day program that was held in the House and Senate on Thursday, February 15, 1962, will be reprinted in pamphlet form by the Lithuanian American Information Center in New York City. Related material thereto will also be reprinted in this pamphlet.

If there are any Members who do not wish to have their remarks and statements reprinted, they should so advise the CONGRESSIONAL RECORD Clerk.

Otherwise, such remarks and statements will be reprinted in the aforementioned pamphlet in accordance with the rules on printing as administered by the Joint Committee on Printing.

RED CHINA REFUGEES

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, humanitarianism and idealism should be tempered with realism and the facts. We are all in sympathy with the hungry victims of ruthless Chinese Communist oppression. These unfortunate people should be helped by the people of the

United States and the peoples of the free world. We can help them through our long-established organizations trained and equipped to do the job; namely, the Red Cross, Salvation Army, CARE, the International Relief Organization, and others.

The U.S. Government can and should work out plans with our undeveloped and sparsely settled friends to admit these refugees from China. Under no circumstances, Mr. Speaker, should we admit great numbers of refugees into the United States as long as we have over 4 million unemployed. This would not be fair to the incoming refugees nor to our own unemployed who are seeking employment.

We have gone to extremes since World War II in admitting foreign nationals and we are suffering the consequences today. I might point out that Germany has no unemployment and is now importing workers from Italy. Japan has virtually no unemployment. I am not suggesting these people go to Germany or Japan, but I do think it wise that the United States assist them in locating in South America, Africa, Australia, and Canada where they could help develop undeveloped areas.

Mr. Speaker, it is not fair to our unemployed nor to our taxpayers who will foot the bill for still more unemployment.

INSPECTION OF AIRPLANE LUGGAGE FOR EXPLOSIVES

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, in January of 1960, over 2 years ago, I introduced in this House a bill H.R. 9777 of the 86th Congress, which would amend the Federal Aviation Act of 1958 to require domestic and foreign-aid carriers to inspect luggage and cargo taken aboard their flights for bombs and other destructive materials.

My bill also specifies that airlines would be liable to those passengers or others suffering damages as a result of an explosion aboard one of their aircraft if preflight inspection was not carried out. The need for this bill has been demonstrated again within the last week.

I am introducing this bill today and ask that it be given the serious consideration of the Members of this House.

THE PURCHASE OF IMPORTED ITEMS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have a painful obligation to perform today. It is no secret that, from time to time, a number of my colleagues have joined me in criticizing various executive agencies when we discovered they were purchasing imported items when we felt the Government should make these purchases from domestic producers.

It now appears, Mr. Speaker, that we should clean our own house. Regrettably, Mr. Speaker, I hold in my hand a table napkin from the House Restaurant, which bears a label proudly proclaiming it was made in West Germany.

Mr. Speaker, when Members have had the opportunity to examine this napkin and its label, I shall return it to the restaurant.

Sufficient unto the day is the evil thereof.

COMDR. M. SCOTT CARPENTER

Mr. GEORGE P. MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEORGE P. MILLER. Mr. Speaker, yesterday it was my privilege to fly to Cape Canaveral to be present at the press conference of Comdr. M. Scott Carpenter, our fourth astronaut to successfully go into space, and to witness the presentation of the NASA Distinguished Service Medal to Astronaut Carpenter and to Mr. Walter Williams, flight director of the Project Mercury.

I know those of you who had an opportunity to hear Commander Carpenter on television during his press conference were struck with the forthright way in which he answered questions asked of him by the press, and the sincerity of his opening statements.

Contrary to some of the impressions given, at no time was Commander Carpenter not in complete command of the capsule. He had a number of things to do. He was not confused. He was a very busy astronaut. As a result of his third orbit of the earth he has brought back more information than at any time since the project was started.

Science is the beneficiary of his operation. Above all else, we now have increased our knowledge of weightlessness in outer space. Heretofore we had about 4 hours and 40 minutes of weightlessness. Commander Carpenter was weightless for approximately the same length of time. There are still many unknowns in this area and, until we solve this great problem, outer space is still a long way off.

Commander Carpenter's success is a compliment to the program; it is a tribute to American ingenuity and American ability to solve the mysteries of outer space. It is interesting to note that even Mr. Khrushchev admits that we are gradually overtaking the edge that the Russians gained on us by reason of their big booster. These flights that are being undertaken are serious scientific investigations. They are not shows put on for the entertainment of the people but are serious scientific experiments to lead the way to the peaceful utilization of outer space that will benefit all mankind.

To Scott Carpenter, to Alan Shepard, to Gus Grissom, and to John Glenn, this House and the American people owe a great debt of gratitude. From a scientific standpoint, I am happy to announce to you today the great success of this orbital flight.

GOVERNMENT AIR TRAVEL BILL COULD SAVE MILLIONS OF DOLLARS

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FINDLEY. Mr. Speaker, I have today introduced a bill providing that all Government commercial air travel be at lowest fare rates except in circumstances of official necessity. In view of the considerable use of airlines by Government officials, this bill would result in a tremendous financial saving—possibly $10 million a year—with little or no sacrifice in convenience or service to the Government traveler.

The Government traveler would often get to his destination at the same time in the same airplane. The difference in accommodations is little between economy and first class, but there is a big difference in cost.

For example, the following shows the great cost difference between first class and economy roundtrip fares:

City-to-city	1st-class fare (round trip)	Economy fare (round trip)	Difference	Percent savings in economy fare over 1st-class
Washington to—				
Chicago:				
Jet	$93.60	$75.40	$18.20	19
Prop	87.40	67.90	19.50	22
New York:				
Jet	34.60	30.80	3.80	11
Prop	35.90	30.70	5.20	14
Los Angeles:				
Jet	352.90	274.50	78.40	22
Prop	322.30	222.70	99.60	31
London:				
Jet	935.90	516.70	419.20	45
Prop	822.40	476.60	345.80	42

What is the total cost to the Government?

According to figures prepared by U.S. General Accounting Office, Transportation Division, May 15, 1962, payments made to commercial air carriers for passenger transportation by departments and agencies of the Government—other than Department of Defense—during December 1961 totaled $4,981,198 of which 46.7 percent or $2,327,456, was first class and $2,653,742 or 53.3 percent was other than first class. This total was for both domestic and international.

Total transportation requests, however, by Government officials were 58.6 percent for first class and 41.4 percent for other than first class.

From figures supplied by GAO for a representative month, we can reasonably assume that the total paid by the Federal Government for first class air fares is nearly $28 million a year. This does not include the Department of Defense first class commercial air transportation costs.

Regarding domestic air travel by military and civilian personnel of the Department of Defense in first class accommodations, Joseph Campbell, Comptroller General of the United States, stated—report to Congress March 30, 1962:

> At the transportation offices visited by us, we found that over 90 percent of all trips were made in first class accommodations. The relatively few trips in coach accommodations were preponderantly on jet flights. Coach accommodations on nonjet flights were seldom used. An indeterminate but substantial proportion of the first class accommodations could have been undertaken in lower than first-class accommodations so as to satisfy the legitimate requirements of the travelers and conserve travel funds. Many of the first class jet flights could have been in jet tourist accommodations without affecting the missions of the travelers, since both types of accommodations were usually provided on the same flights. However, generally no attempt was made to secure the lower priced accommodations.
>
> These findings indicate that unnecessary expense is being incurred, to a significant extent, as a result of the failure of many installations in the military departments to effectively encourage the use of less costly accommodations.
>
> The Assistant Secretary of Defense (Installations and Logistics) in commenting on our findings agreed that more savings can be effected and advised us that the Department intends to curtail the use of travel funds by substantially reducing its request for funds for temporary duty travel—the area, in his opinion, where policy violations have been most frequent—in its budget for the fiscal year 1963. Also the Department's policy as to first class jet travel is being revised to restrict such travel to unusual situations. In addition, internal audit guidance covering all travel will be strengthened in order to identify those organizations that are not complying with policy objectives.
>
> While the corrective actions proposed by the Assistant Secretary are laudable, the only proposed policy change is restricted to first class jet travel. This is not in consonance with the views of the Senate Committee on Appropriations, applicable to both jet travel and nonjet travel, that "The Department of Defense should immediately institute the policy of utilizing economy class or charter service for all personnel, with exceptions only where justified." Consequently, we are recommending that the Secretary of Defense take steps to issue a policy directive that meets the views of the Senate Committee on Appropriations.

Figures have not been recorded for international Department of Defense commercial air fare costs and are not available.

Actually the main difference between economy-tourist and first class fare is the free bar service often available to first class customers. Seats and armrests are slightly narrower on economy-tourist, but any slight discomfort to the person traveling at Government expense is trivial compared with pain felt by the taxpayer when he looks at his paycheck tax deductions.

Are the champagne flights necessary?

Considering the big difference in cost and the little difference in accommodations, I believe that this bill should be passed and thus save American taxpayers millions of dollars.

HON. BENJAMIN ABRAMS: OUTSTANDING AMERICAN CITIZEN

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DEROUNIAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, on Wednesday, May 23, 1962, I was privileged to address the fifth annual awards dinner of the Society for the Advancement of Management, at C. W. Post College, in my congressional district.

That evening, Mr. Benjamin Abrams, president of Emerson Radio & Phonograph Corp., was honored for his outstanding contributions to government, business, and the community.

The life of Mr. Abrams is truly a success story that should inspire anyone who lives in the United States of America. Mr. Abrams is made of this "sterner stuff" which is so needed today if we are to grow economically here in the United States and prestigewise throughout the world. Mr. Abrams did not go to the Federal Government for help when he started and when he acquired the name and assets of Emerson Phonograph Co. in 1922. He has shown us what private enterprise, unshackled by Federal Government domination can do.

His is a story which all of the country should read and accordingly I submit herewith a brief biographical sketch of Benjamin Abrams:

> Benjamin Abrams was born in Rumania in 1893. His father died when he was 8 years old.
>
> At the age of 12, he immigrated to the United States. He entered public school in New York City but left after 1 year to help in the support of his family.
>
> Mr. Abrams' first job was as a piano tuner for which he was paid $3 a week. After this, he decided to test his promotional ideas and entered what was one of the toughest occupations of that period—soliciting magazine subscriptions house to house and office to office.
>
> Convinced that these promotional theories could be applied to other fields, he went into business for himself in 1915, at the age of 22, assembling and manufacturing phonographs. The following year, he applied for an available distributor franchise for the Brooklyn territory of Emerson Phonograph Co., the third largest record manufacturing firm in the country.
>
> Despite his youth, relative lack of experience in business and lack of capital, Mr. Abrams was awarded the distributorship with a $200 credit arrangement. On July 28, 1922, he acquired the name and assets of Emerson Phonograph Co. and assumed its presidency.
>
> This was a red letter day because it was the beginning of new thinking, new ideas, new vigor, and new leadership in the phonograph and radio industry (as well as in television and air conditioning, years later). An early illustration was the Emerson Phonoradio of 1924, the first radiophonograph in history. It became at once a major conversation piece in the country.
>
> Another illustration of his progressive thinking (and one which earned him the title of "King of Small Radio") occurred in 1932, the depth of the country's worst depression. The smallest midget radio, until then, weighed 25 pounds.
>
> Despite warnings from business associates, Emerson's president introduced the famous model 25–A, weighing only 6 pounds, for only $25. More than 200,000 of these sets were sold within a year. The model 25–A revolutionized the industry by bringing radio within reach of the masses. Emerson soon became known as the "world's largest maker of small radios." In 1936, he astounded the world with the introduction of models that sold for $9.95 and even as low as $6.95.
>
> Mr. Abrams continued to pile up greater records of production and sales each succeeding year. He installed modern factories and laboratories and employed the best technical brains in the country. Business expanded and he achieved distribution of Emerson products in virtually every country in the world.
>
> In 1938, Emerson became one of the first to design and produce commercial television. Extensive research had begun years before. As TV development broadened, Emerson expanded its laboratory, manufacturing, field testing, and promotional facilities and, today, the company is one of the five top factors in the industry with annual sales approaching the $100 million mark.
>
> In 1953, Mr. Abrams led Emerson into the air-conditioner business and soon left an indelible mark in that field. After one year, he revolutionized the industry by introducing the world's first portable room air conditioner. The following year, he introduced the world's first room air conditioner with an electronic germ killer.
>
> Always a staunch advocate of research and development, he established late in 1953 the Emerson Research Laboratories in Washington, D.C., for research and advance development work in electronics. Many important projects have been instituted since the inception of the research center, which was designed to supplement the research and development activities engaged in by the company for many years.
>
> Mr. Abrams and Emerson have concentrated since the early 1930's on making their products more and more compact and also have devoted considerable time to the problem of portability. Under his guidance, the company has assumed leadership in the field of portable electronics, having introduced the world's first portable radio, first portable TV receiver, first portable pocket radio, first portable room air conditioner, and, most recently, the Emerson Port-O-Rama, the world's first portable TV-phonoradio, as well as a host of other firsts.
>
> As the active head of the Emerson enterprise, the ownership of which is now shared by thousands of stockholders, Benjamin Abrams personally supervises all major operations at the huge Emerson plants in Jersey City, New York City, Brooklyn, and Attleboro, Mass., where he maintains modern and progressive management and employee policies.
>
> Mr. Abrams has devoted considerable time to his posts as chairman of the Greater New York Committee for Israel Bonds, as member of the board of trustees of a score of philanthropic organizations, to the United Nations Genocide Committee, National Television Systems Committee, Industry Advisory Committee Munitions Board, as a member of the board of directors of the Better Business Bureau of New York and the Radio Electronics Television Manufacturers Associ-

ation, trustee of Long Island University, and many other extracurricular activities too numerous to mention.

Mr. Abrams received many citations and commendations for his magnificent contributions to the World War II effort from the War Production Board, Treasury Department, Bureau of Ordnance of the U.S. Navy, Bureau of Ships of the U.S. Navy, Office of Scientific Research and Development, General Eisenhower, General MacArthur, General Somervell, Army service forces, etc.

On June 12, 1952, at a function celebrating his 30th year as Emerson's president, Mr. Abrams announced the establishment of the Emerson $100,000 educational television grant, which was widely applauded in newspapers and magazines throughout the country. Under the terms of this grant, the first 10 noncommercial educational television stations to start operating would receive $10,000 each from Emerson.

In April 1953 he flew to Houston, Tex., to present the first award to the University of Houston's station, KUHT. At that time, he delivered a fighting speech excoriating selfish politicians who are retarding the progress of educational television and received many commendations from the press, the public, and educators for his stand. Educational television has become almost a religion with him and he spends as much time helping to further it as his manifold business responsibilities will permit.

Mr. Abrams has always been interested in scientific advances and, in December 1954, the Benjamin Abrams Electronics Laboratories in the Weizmann Institute of Science in Israel were officially dedicated. Made available by a contribution by Mr. Abrams, the laboratories were officially dedicated in a joint ceremony via a two-way electronic hookup between Rehovoth, Israel, the locale of the institute, and New York at the annual dinner of the Weizmann Institute of Science. The doors of the new laboratories were opened in Israel as a result of an electronic impulse propelled in New York by Mr. Abrams.

Mr. and Mrs. Benjamin Abrams live in New York City, and have a summer home in Westchester. They have three daughters and four grandchildren. He is a member of the Harmony and Beach Point Clubs.

JAPAN—PACIFIC PARTNER

The **SPEAKER**. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 20 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, as a member of the Committee on Foreign Affairs, I wish to commend the Washington Post for a notable contribution to international understanding. In its issue of May 20, 1962, the Post devoted an entire section of 36 pages to "Japan—Pacific Partner." Every phase is presented of the miraculous development of modern Japan from the wreckage of war to full partnership with the United States in the rebuilding of a world of economic strength on democratic principles and under the profit system.

That the Government of Japan placed significance on the publication in a leading American newspaper of a section of 36 pages devoted exclusively to Japan is attested by messages from Hayato Ikeda, Prime Minister of Japan, and Koichiro Asakai, Ambassador of Japan to the United States.

Prime Minister Ikeda writes:

> We in Japan view with pride the close bonds of friendship that exist with our American neighbors. The unity of purpose which our two nations hold in securing a free and peaceful world, desire to understand each other more thoroughly, to appreciate the institutions and traditions of each country more fully, is, I believe, a positive indication that our relations will continue to grow and mature in the decades ahead.

Ambassador Asakai, commenting on the fact that relations between Japan and the United States never in the 102 years of the Embassy's history have been on such a high level as now, points out that even among the closest of friends, relations sometimes need adjustment to new conditions.

> In the field of trade—

He continues—

> occasional differences may arise, but I am certain that these differences, thanks to the friendly relations we enjoy, can be settled without impairing either of our interests.

The Ambassador welcomes the publication in the Washington Post, with its all inclusive coverage, since understanding is the root of a true and enduring state of amity and this special section on Japan surely will broaden the understanding of Japan, particularly in areas where illumination is most needed.

Mr. Speaker, truly, understanding of another's work and purpose and their interrelationship with one's own work and purpose is the bridge to friendship. I congratulate the Washington Post and its managing editor, Alfred Friendly, on this exceptionally fine and valuable contribution to understanding. No one can read this special section without gaining a clearer grasp of what is transpiring in modern Japan.

I would digress for a moment or so, Mr. Speaker, to remark that in the district of Illinois that I have the honor to represent, are many men and women of Japanese descent. At one time, before the admission of Hawaii, the Second District of Illinois was credited with more Japanese-American electors than any other district in the Nation. I was happy and proud to have interwoven in my constituency those whose ancestral roots were in Japan and who as our fellow Americans were adding fresh glory to the finest traditions of American citizenry. Mrs. Mary Ono, a member of my staff since the commencement of my service here, had the distinction of being the first Japanese-American congressional secretary. Her husband, Harry Ono, served overseas in World War II with our beloved colleague from Hawaii, the Honorable DANIEL KEN INOUYE.

Mr. Speaker, as an index to the quality of the editorial content, I am extending my remarks to include one of the articles in the special section of the Washington Post of May 20, 1962, as follows:

BEHIND HI-FI'S AND AUTOS, NIPPON STILL CHANGELESS

(By Hessell Tiltman)

TOKYO.—It has been said that the more Japan changes, the more it remains basically the same.

In the two decades since Pearl Harbor, and even in the 10 years since the nation regained its independence following the Pacific war, Japan has changed drastically—on paper. Politically, the Emperor has been transformed from an official divine being into a constitutional monarch and sovereignty has been vested in the people through the National Diet, elected under universal suffrage.

In the Japan of the late 1930's, the only public opinion officially tolerated was the xenophobic nationalism preached by the noisy "double patriots" and expressed more persuasively and quietly by the Japanese Foreign Office. The prevailing psychology of the Japanese people at that time was compounded of Emperor worship, reverence for the nation's past, and pride in its achievements.

Before that militaristic era, Japan had a government modeled on democratic lines, including a parliament, political parties, and popular elections for the lower house. But it was democracy with a difference—one that believed the Emperor to be all-wise and all-virtuous; a democracy with a purpose—to achieve the national destiny ordained by the gods for the Yamato race.

From the late 1930's until the end of the Pacific war, Japan also had an elaborate official machinery to regiment the nation and suppress "dangerous thoughts."

The termination of the Pacific war brought the end of repression and the dawn of a new ultrademocratic era. Since the shock of defeat wore off, public opinion has been uninhibited and strident and has become a major force in determining public policy.

Economically, the nation has made spectacular progress. In the 6 years from 1953 to 1958, industrial production increased 100 percent; in the 3 years that followed, output doubled again. With industrial expansion and an increasing switch from the production of consumer goods to heavy industrial products and "quality" items exported to the West, the nation's trade pattern is very different from that of prewar times.

In the 1934–36 period, when I was first assigned to Tokyo, 63 percent of Japan's exports went to Asia and 52 percent of its imports came from nearby Asian sources. In 1960, Asian countries took only 37 percent of Japan's exports and supplied 31 percent of its imports. Over the same period, the proportion of Japanese exports going to North American markets—mainly the United States—doubled, from 18 percent to 33 percent today.

In prewar days, half of the cultivated land in Japan was tilled by tenant farmers and was burdened by long-accumulated debts. With a growing discrepancy between the market prices of agricultural and industrial products and an excessive tax load, the nation's agrarian community was in a serious plight.

Since 1945, conditions for Japan's farmers have been transformed by three factors: land reform, which turned most tenant farmers into landowners; technological improvements, including the increased use of fertilizers and mechanization, and large government investments in land improvement projects. The result has been an increased average rice yield per hectare from 2.696 metric tons in 1941 to 3.916 metric tons in

1959. For the first time since Japan developed an industrial economy, it is now virtually self-sufficient in its main staple food.

NEW NATIONAL GOAL

Most significant of all has been the change in the climate of opinion. Ten years after independence, the average Japanese is again convinced that the country can achieve its manifest destiny, but that conviction is no longer based upon the mythology and regimented discipline of prewar days. It now stems from pride of race and from free opinion freely expressed.

The national aim has changed. Told in 1945 that the ways of peace would pay larger dividends than militaristic adventures, the Japanese accepted the fact. With their characteristic unity and discipline, they bent their national energies to the task of providing a civilized standard of living for a population which today numbers 94 million—20 million more than in 1940—by means of peaceful trade. To date, the nation has had no reason to regret that decision.

Two things need to be stressed concerning these postwar changes in the circumstances and psychology of Asia's most advanced nation. First, they have almost certainly come to stay; second, they represent a speeding up of forces that were already in evidence before the war rather than any sweeping postwar spiritual or social transformation.

There has been no revolution in Japan: democracy, Japanese style, did not begin with the coming of General MacArthur. It dates from Meiji days. The real achievement of the Supreme Commander for the Allied Powers was in freeing the people from the rigid and repressive controls imposed by the militarists and double patriots after the start of the war in China.

Before the end of the occupation, it was widely predicted that not too long after regaining independence, the Japanese would repeal many, if not most, of the MacArthur reforms. That return to the past has not occurred.

Some aspects of some reforms, judged to be unsuited to changing conditions, have been repealed or revised. But the most important reforms remain in force and enjoy wide public approval.

A HEALTHY CYNICISM

Two factors have significantly influenced Japanese public opinion in recent years. The first is the widely held view that if there had been no Pacific war and the nation had not been defeated, conditions in Japan today would have been far less agreeable. The second is that, whereas in the latter 1930's people were expected to believe whatever they were told by authority without asking questions, today the majority decline to believe anything until they see with their own eyes or arrive at their own independent conclusions.

In short, the Japanese today are both more politically and internationally conscious than before the war with a lively curiosity about what the rest of the world is thinking and doing.

This new Japan is afflicted with plenty of democratic growing pains. The older generation complains about the decay of the traditional family system and the lack of discipline and respect for their elders among the young—who in turn accuse their elders of being undemocratic. Workers tend to be more concerned with rights than responsibilities. Equality for women, guaranteed by the postwar constitution, is resented by Japanese men with prewar minds.

The impact of such social trends has been greatly increased by the postwar reforms and the indiscriminate embracing of "demokurashi" by the young, but the trends themselves are not new. In prewar Japan, women enjoyed a considerable degree of democracy within the family circle, and "mogas" (modern girls) and "mobos" (modern boys), who copied Western ways and habits, made newspaper headlines.

Today, foreign influences are more in evidence, but the force of tradition is still strong. Two-thirds of the nation, including the "three F's"—the farmers, fishermen, and feudalists—is still stanchly conservative. The left continues to base its philosophy on Marxist dogma. And at the extremes of left and right are the Communist and ultranationalist fringes, as in prewar days.

In industry, prewar paternalism persists, with workers rarely changing employers and masters obligated to take care of employees in bad times. And in business offices it is very difficult to place a woman, whatever her qualifications, in a position where she would give orders to men.

Thus, despite the construction of 100,000-ton tankers and the fashioning of the world's smallest transistor radios, Japan remains basically much the same sort of society that it was in the 1930's. It was, indeed, never in the cards that an ancient, proud, united people such as the Japanese could be fundamentally transformed overnight by a mixture of occupation reforms, jitterbugging, and candy bars.

Whither is this changing, changeless Japan—a schizophrenic amalgam of the timeless East and the technologically advanced and progressive West—bound?

Democratic institutions in Japan are still immature but the nation is much more stable politically than most other Asian countries. The press is free and outspoken. The political mood of the nation is a good deal steadier than some headlined events would suggest.

At the last general election in 1960, held only a few weeks after the disorderly anti-United States Treaty demonstrations in Tokyo and other cities, the conservative Liberal-Democrats were returned to power with the second largest majority of the postwar era.

Economically, the nation's industrial structure is in the process of evolution from a two-tier economy—part large-scale and part Asian-type small-scale enterprise—to an advanced industrial organization similar to that of Europe.

Socially, the nation is confronted by immense problems arising from population pressure and unchecked urban growth (25.4 percent of the population is concentrated in the four main industrial areas) and the resulting difficulties in transportation, housing, sanitation, and other fields. But the Japanese are inured to overcrowding.

More important is the fact that Japan has recovered its self-respect and resumed its position in the forefront of world nations. Essentially a law-abiding and disciplined people, allergic to any hint of untidyness in their daily lives, the Japanese appear set to pursue moderate policies while bringing their national energies and skills to bear upon the task of breaking still more production records.

A current aphorism aptly sums up the biggest change in Japan. "In prewar days," it runs, "the three sacred treasures of Japan were the mirror, the sword, and the necklace. Today, the three sacred treasures of the average middle-class Japanese are an automobile, a room cooler, and a hi-fi set."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. O'HARA of Illinois, for 1 hour, on June 12, and to revise and extend his remarks.

Mr. O'HARA of Illinois, for 20 minutes, today, and to revise and extend his remarks.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALGER.

(The following Members (at the request of Mr. MOSS) and to include extraneous matter:)

Mr. KING of California in two instances, and to include tables.

Mr. MORRIS.

Mr. RIVERS of Alaska.

(The following Members (at the request of Mr. CONTE) and to include extraneous matter:)

Mr. FINO.

Mr. VAN ZANDT in three instances.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1348. An act for the relief of William Burnice Joyner.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; and

S.J. Res. 151. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the third division, Riverton Federal reclamation project, Wyoming.

ADJOURNMENT

Mr. MOSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 19 minutes p.m.), under its previous order, the House adjourned until Thursday, May 31, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2112. A letter from the Comptroller General of the United States, transmitting a report on the review of the maintenance and supply support of Army equipment furnished under the military assistance program (MAP) for Taiwan; to the Committee on Government Operations.

2113. A letter from the Assistant Secretary of the Interior, relative to reporting that an adequate soil survey and land classification of the lands in the San Luis unit, Central Valley project, California, has been completed as a part of the investigations required in the development of a definite plan report, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

2114. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with Lumadrama, Inc., which will authorize the corporation to provide and conduct for the public within Independence National Historical Park a program consisting of an artistic blending of the spoken word, music, and sound lighting effects for the dramatizing, at night, of the historic surroundings and events for which they are preserved, pursuant to the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

2115. A letter from the Attorney General, transmitting a draft of a proposed bill entitled "A bill to amend section 249 of the Immigration and Nationality Act"; to the Committee on the Judiciary.

2116. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of a proposed bill entitled "A bill to define the term 'child' for lump-sum payment purposes under the Civil Service Retirement Act"; to the Committee on Post Office and Civil Service.

2117. A letter from the Under Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to authorize the appropriation of adequate funds to provide for the completion of the construction of the Inter-American Highway, and for other purposes"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 23, 1962 the following bill was reported on May 26, 1962:

Mr. MILLS: Committee on Ways and Means. H.R. 11879. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes; without amendment (Rept. No. 1738.) Referred to the Committee of the Whole House on the state of the Union.

[*Submitted May 28, 1962*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 9243. A bill to amend the Civil Functions Appropriation Act, 1952, in order to designate the reservoir created by the John H. Kerr Dam as "Buggs Island Lake"; without amendment (Rept. No. 1739). Referred to the House Calendar.

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 11735. A bill authorizing the change in name of the Beardstown, Ill., flood control project, to the Sid Simpson flood control project; without amendment (Rept. No. 1740). Referred to the House Calendar.

Mr. DAVIS of Tennessee: Committee on Public Works. House Joint Resolution 417. Joint resolution to designate the lake formed by Terminus Dam on the Kaweah River in California as "Lake Kaweah"; without amendment (Rept. No. 1741). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. House Joint Resolution 627. Joint resolution extending the duration of copyright protection in certain cases; with an amendment (Rept. No. 1742). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 11915. A bill relating to the checking, spending, and quarterly payment of appropriations for the executive branch of the Government, and for other purposes; to the Committee on Government Operations.

By Mr. BAILEY:

H.R. 11916. A bill to authorize the Secretary of the Interior to provide financial assistance to States in research programs to improve the conservation of fish in reservoirs; to the Committee on Merchant Marine and Fisheries.

By Mr. FINDLEY:

H.R. 11917. A bill to reduce Government air travel costs; to the Committee on Government Operations.

By Mr. HALPERN:

H.R. 11918. A bill to establish in the Bureau of Customs the U.S. Narcotics Division in order to improve the enforcement of the narcotics and other antismuggling laws; to the Committee on Ways and Means.

By Mr. HOLIFIELD:

H.R. 11919. A bill to establish the Capitol Hill National Historical Park and to provide for the protection and preservation of its historic character, dignity, and environment; to the Committee on Interior and Insular Affairs.

By Mr. McINTIRE:

H.R. 11920. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN:

H.R. 11921. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Affairs.

By Mr. O'HARA of Illinois:

H.R. 11922. A bill to amend the law relating to pay for postal employees; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Michigan:

H.R. 11923 A bill to require air carriers to inspect for destructive substances all articles taken aboard certain aircraft operated by them in air transportation; to permit persons injured by failure of an air carrier to so inspect to bring an action for damages against the air carrier; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H.R. 11924. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate secondary libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. STAGGERS:

H.R. 11925. A bill to amend the act of March 4, 1907, to provide that the 16-hour limitation upon continuous duty for certain railroad employees shall apply to employees installing, repairing, and maintaining signal systems, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON:

H.J. Res. 722. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on House Administration.

By Mr. ANDERSON of Illinois:

H. Res. 669. Resolution amending clause 2(a) of rule XI and clause 4 of rule XXI of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. ROGERS of Texas:

H. Res. 670. Resolution providing for an investigation and study of the production, distribution, and exhibition of objectionable motion pictures and related advertising by the Committee on Interstate and Foreign Commerce, acting through a special subcommittee; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H.R. 11926. A bill for the relief of Josefina Evangelista Blanco; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 11927. A bill for the relief of Salvatore Orlando; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H.R. 11928. A bill for the relief of Salvador Munoz-Tostado; to the Committee on the Judiciary.

By Mr. O'HARA of Michigan:

H.R. 11929. A bill for the relief of George Zammit; to the Committee on the Judiciary.

H.R. 11930. A bill for the relief of Dr. Mamdouh S. Younes; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 11931. A bill for the relief of Lin Hong King also known as Tan Chow Sow; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

360. The SPEAKER presented a petition of R. M. Carpenter, city administrator, Oroville, Calif., relative to expressing opposition to Federal income taxation of interest derived from public bonds, which was referred to the Committee on the Judiciary.

SENATE

(*Legislative day of Friday, May 25, 1962*)

MONDAY, MAY 28, 1962

The Senate met at 10:30 o'clock a.m., on the expiration of the recess, and was called to order by Hon. MAURINE B. NEUBERGER, a Senator from the State of Oregon.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Love Divine, at the day's beginning we would lift our souls in communion with Thee, our God, who alone giveth meaning to the brief days and months and years we call life. Draw close to us, we pray, one by one, for we can do nothing worthy together unless singly we are clean and strong.

May this sacred cloister of prayer, with its daily altar where our fathers have paused, be to us a height of clear seeing and of deep believing, bringing a sense of new power, of new serenity, of new hope, for ourselves and our world.

To this end we lay before Thee our problems and our tasks, not that we may leave them here, but that we may see them in the light of Thy grace and power, and then—

Help us to spread Thy gracious reign
Till greed and hate shall cease,
And kindness dwell in human hearts
And all the earth find peace.
Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., May 28, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Maurine B. Neuberger, a Senator from the State of Oregon, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mrs. NEUBERGER thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 25, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

ANNOUNCEMENT OF CALENDAR CALL TOMORROW

Mr. MANSFIELD. Madam President, I announce that it is likely the Senate will have a call of the calendar at the conclusion of morning business tomorrow.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS

Mr. MANSFIELD. Madam President, there will be no morning hour. What is the pending business?

The ACTING PRESIDENT pro tempore. Under its order of Friday last, the Senate will now resume the consideration of S. 2965, providing for acceleration of public works programs, and the question is on agreeing to the amendments proposed to the bill by the Senator from Oklahoma [Mr. Kerr] on behalf of the Committee on Public Works.

Debate thereon is limited to 1 hour, to be controlled by the Senator from Oklahoma [Mr. Kerr] and the majority leader if he is not in favor of the committee amendments; otherwise by the minority leader for the opposition.

The Senate resumed the consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

Mr. MANSFIELD. Madam President, I suggest the absence of a quorum, and ask that the time necessary for the call of the roll not be taken out of the allotted time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 67 Leg.]

Aiken
Bennett
Bible
Boggs
Burdick
Bush
Byrd, W. Va.
Cannon
Case, S. Dak.
Chavez
Clark
Cooper
Curtis
Dirksen
Dodd
Douglas
Fong
Gore
Hart
Hruska
Johnston
Jordan
Keating
Kerr
Lausche
Long, Hawaii
Mansfield
McCarthy
McNamara
Metcalf
Miller
Moss
Muskie
Neuberger
Pastore
Pearson
Prouty
Proxmire
Randolph
Robertson
Scott
Smith, Mass.
Thurmond
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Louisiana, [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Wyoming [Mr. Hickey], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Magnuson], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], the Senator from Georgia [Mr. Talmadge], and the Senator from Idaho [Mr. Church] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Maryland [Mr. Butler], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. KERR. Madam President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, Mr. Anderson, Mr. Beall, Mr. Byrd of Virginia, Mr. Case of New Jersey, Mr. Cotton, Mr. Dworshak, Mr. Eastland, Mr. Engle, Mr. Goldwater, Mr. Hartke, Mr. Hayden, Mr. Hickenlooper, Mr. Holland, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. Kefauver, Mr. Long of Louisiana, Mr. McClellan, Mr. McGee, Mr. Monroney, Mr. Morse, Mr. Morton, Mr. Mundt, Mr. Murphy, Mr. Pell, Mr. Russell, Mr. Smathers, Mrs. Smith of Maine, Mr. Tower, Mr. Wiley, and Mr. Williams of New Jersey entered the Chamber and answered to their names.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. KERR. Madam President, I ask unanimous consent that the amendments offered by myself and other Senators be considered en bloc.

Mr. ROBERTSON and Mr. CURTIS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. ROBERTSON. Madam President, the Senator from Virginia, as he has said on several occasions heretofore, is very much opposed to the provision in the committee bill which would authorize what we call back-door financing to the extent of $2 billion. We are pleased that a provision of the pending amendment to the committee bill, on page 3 of the amendment, would eliminate that $2 billion of authorization. The pending amendment also would raise the amount of appropriated funds to $750 million for the immediate program, and would provide an additional $750 million for the standby program if certain things should happen.

I should like to inquire whether it would be agreeable with our distinguished colleague who is in charge of the bill, the patron in chief of the amendments, to ask that the Senate vote first on the provision on page 3 of the amendments which would take out all of the backdoor financing authority. As far as I know, every Senator will vote for that. So much of the amendments could be adopted, and then the debate could come on the remainder.

Under those circumstances I would offer no objection to having the remainder of the amendments considered en bloc.

Mr. CASE of South Dakota. Madam President, reserving the right to object, I think we would make faster progress if we would consider the amendments in three categories.

First, the amendment to which the Senator from Virginia has called attention deals with back-door financing. I think there would be no particular problem about that amendment.

There remain two other classes of amendments in the group offered by the Senator from Oklahoma. One would strike out the 12½-percent requirement as to States. That I think could not be agreed to.

Mr. KERR. Madam President, will the Senator yield?

Mr. CASE of South Dakota. The other portion would reduce the amount from the $2.6 billion in the bill as reported by the committee to a total of $1½ billion as now proposed by the Senator from Oklahoma, and probably would be agreed to as a perfecting amendment.

In due course, when the perfecting amendments are out of the way, the Senator from South Dakota expects to offer for himself and other Senators a substitute amendment which would proceed on an entirely different course.

Madam President, I yield to the Senator from Oklahoma.

Mr. KERR. The Senator said that the amendment of the Senator from Oklahoma and others would strike out the provision which would limit the expenditure of funds under the bill to not to exceed 12½ percent in any one State.

Mr. CASE of South Dakota. I referred to page 2——

Mr. KERR. I did not intend to strike them out. If I did, it was inadvertent. I intended to keep that provision intact in the bill and had not intended that the amendment that I was sponsoring should strike that provision from the bill. If it does strike it from the bill, I will eliminate that part from the amendment which I am offering, if the Senator will be so kind as to show me where it would have the stated effect.

Mr. CHAVEZ. Madam President, I am chairman of the committee, and I thank all the members of the committee for their fine cooperation. Due to my health, the fine Senator from Oklahoma [Mr. KERR] has consented to handle the bill. But I wish every member of the Committee on Public Works to have his say. The Senator from West Virginia [Mr. RANDOLPH] has contributed to what we are trying to do for the country. The Senator from South Dakota [Mr. CASE], notwithstanding the many points on which I disagree with him, has cooperated. The committee is a constructive one, and I trust my good friend from Oklahoma will continue to handle the bill for me.

Mr. KERR. Madam President, I have a statement which my good friend the Senator from New Mexico, has prepared. I shall ask the clerk to read it as soon as the parliamentary situation is cleared up.

Mr. CASE of South Dakota. Madam President, the amendments to which I alluded are those on page 2 of the print of the amendments proposed by the Senator from Oklahoma [Mr. KERR] for himself and other Senators. Beginning at line 14, on page 2, of that print the following appears:

> On page 7, line 10, beginning with the colon, strike out all to the period in line 13.

That language reads: "*Provided,* That the aggregate of all funds prescribed by the President for the purpose of this section shall not exceed the applicable limitation in section 10(b)."

It seems to me that in striking out that language, the Senator from Oklahoma would clearly remove the limitation.

Again:

> On page 8, line 3, beginning with the colon, strike out all to the period in line 5.

If the language stated is stricken, it seems to me that the limitation would be stricken out.

The next amendment, which is shown at line 18 of the pending group of amendments, reads as follows:

> On page 9, line 20, beginning with "'That" strike out all through "*And provided further,*" in line 23.

Referring to page 9, the language commencing at line 20 reads as follows: "*Provided,* That the aggregate of all funds prescribed by the President for the purposes of this section shall not exceed the applicable limitation in section 10(b)."

So those three amendments proceed to strike out limitations that were in the original text.

Mr. KERR. The Senator has referred to phrases that have to do with the authorization. On page 13 of the bill, beginning with line 3, the following language appears:

> (b) In the choice of projects and programs, preference shall be given to areas within States in which unemployment is above the national average or in which family income is below the national average, but assistance shall not be limited to such areas, and not more than 12½ per centum of the aggregate funds provided for projects and programs pursuant to section 4, 5, 6, and 7 of this Act shall be made available within any one State.

Mr. CASE of South Dakota. Madam President, I am not objecting to that amendment. That amendment has already been agreed to in the amendments that were agreed to en bloc. That is one of the committee amendments to the bill. But without considerable reading, cross reference and so forth, it would seem that the three amendments to which I have referred would clearly strike out limitations that were in the original bill. In addition to the three which I have cited, the one which is proposed at line 20 in the amendment group for page 10, line 20, reads as follows:

> On page 10, line 20, beginning with "and without regard" strike out all to the period in line 22.

That language is as follows: "and without regard to any limitation on the aggregate amount of funds which may be prescribed by the President for the purposes of any such section."

So again an amendment is now proposed which would strike out either a limitation in the original text or in one of the amendments that was agreed to en bloc.

I recognize that some new limitation may be proposed in the language already agreed to on page 13. I have no objection to that. I believe that the limitation is in the interest of improving the bill. But I do not understand why, in the four separate amendments for pages 7, 8, 9 and 10, the limitations that were in the original bill should be eliminated.

Mr. KERR. Madam President, I understood the Senator from South Dakota to say that his objection was to the fact that the amendments offered by the Senator from Oklahoma and other Senators would strike from the bill the limitation that not more than 12½ percent of the amount provided would be spent in any one State. If there are other limitations in the committee amendments to the striking of which the Senator objects, I should be glad to discuss those with him, because it was not my intention, nor that of the other Senators, to remove from the committee bill any appropriate restrictions which the comittee had agreed to, but to conform the bill, if my amendment were agreed to, to operation on the greatly restricted basis of a single authorization for fiscal year 1963 and another authorization for 1964, in the event that certain conditions should develop. If it is agreeable to the Senator from South Dakota, we will handle the matter referred to by the Senator from Virginia and then I shall be glad to have the opportunity to consult with the Senator from South Dakota with reference to his request.

Mr. CASE of South Dakota. Madam President, I support the suggestion of the Senator from Virginia that the Senate concur in the amendment to strike out the fuzzy financing.

Mr. KERR. In order that we may proceed on a constructive and friendly basis, I wonder if the Senator will describe the language he refers to in terms of its identification rather than his reaction to it.

Mr. CASE of South Dakota. I shall leave that to the Senator from Virginia.

Mr. ROBERTSON. I shall be glad to do so. Does the Senator mean the language that I wish to have agreed to?

Mr. KERR. I indulged in a little byplay with the Senator from South Dakota in relation to his reference to "fuzzy language."

Mr. ROBERTSON. There is no question about the language on page 13 proposed by the distinguished Senator from Oklahoma not being fuzzy. Commencing in line 11 the amendment states:

> On page 13, beginning with line 21, strike out all through line 14 on page 15 and insert in lieu thereof the following:
>
> "APPROPRIATIONS AUTHORIZED
>
> "SEC. 10. (a) There is authorized to be appropriated for expenditure after June 30, 1963, to remain available until expended, the sum of $750,000,000 to carry out the provisions, other than section 8, of this Act."

That strikes out all of the so-called back-door financing and inserts in the bill provisions for direct appropriations.

Mr. KERR. If the request of the Senator from Virginia is that we consider the amendment to strike from the bill the provision for procurement of funds in any manner other than by authorization and appropriation, the Senator from Oklahoma is agreeable to the consideration and adoption of that part of the amendment which does that.

Mr. ROBERTSON. My point is this: Apparently every Senator is willing to vote to strike out the $2 billion of back-door financing.

To do that all we need do is adopt 2½ lines of the amendment which I have just read, as follows:

> On page 13, beginning with line 21, strike out all through line 14 on page 15.

That would eliminate the back-door financing.

Mr. CASE of South Dakota. I wish to be sure that we understand what we are doing. What I am afraid of is that the suggestion would increase the $600 million to $750 million.

Mr. KERR. That is not what the Senator from Virginia has asked for. The Senator's request might eliminate the 12½ percent limitation. I believe that the suggestion of the Senator from Oklahoma would effect what the Senator from Virginia has in mind; namely, an amendment which would strike from the bill provisions for authority for spending other than by means of provisions in the amendment for direct authorization and appropriation.

Mr. ROBERTSON. That would be agreeable.

Mr. KERR. That meets the objections of the Senator from Virginia, I believe.

Mr. ROBERTSON. That is correct.

Mr. KERR. It is agreeable to the Senator from Oklahoma that that be done.

Mr. CASE of South Dakota. Was that not done by the amendments that were agreed to en bloc?

Mr. KERR. No. The amendments which were agreed to en bloc were to the bill as the bill came to the Senate, and the bill as it came to the Senate provided for $2 billion of standby authority to be obtained from certain sources and under certain conditions and in a certain manner.

Mr. ROBERTSON. That is correct.

Mr. CASE of South Dakota. Are we talking about the amendment as proposed by——

Mr. KERR. The Senator from Virginia is talking about the amendment offered by the Senator from Oklahoma and other Senators on Friday of last week, as set forth in the Congressional Record beginning at page 9351 of May 25, 1962.

Mr. CASE of South Dakota. Madam President, I should like to ask the distinguished Senator from Oklahoma which amendment it is, specifically, of the amendments in the group that he is offering, to which the Senator from Virginia refers.

Mr. KERR. I will let the Senator from Virginia answer that question.

Mr. ROBERTSON. New language will have to be drawn because, as proposed in the pending amendment, the elimination of $2 billion is tied into the insertion of new direct funds. As so succinctly stated by the Senator from Oklahoma, all we need to do is ask unanimous consent to adopt so much of his amendment as relates to the elimination of the $2 billion of funds which the committee will draw from the reserves of the FDIC, and other agencies. It has nothing to do with the authorization for a total of a billion and a half dollars.

Mr. KERR. The Senator from Virginia is correct.

Mr. ROBERTSON. It is as simple as that. If the Senator from Oklahoma asks unanimous consent that so much of the amendment, appropriately worded, be adopted, I believe there would be no objection.

Mr. CASE of South Dakota. To make this concrete, if Senators will refer to the bill as reported by the committee, S. 2965, and turn to page 13, they will find at the bottom of page 13 a paragraph headed "Appropriations and Interim Financing."

That continues over to the end of line 14 on page 15. That language is proposed to be stricken by the amendment in the group of amendments which provides:

> On page 13, beginning with line 21, strike out all through line 14 on page 15 and insert in lieu thereof the following:

And so forth. I have no objection to that amendment, because it does change the $2 billion authorization for using debt receipts of the Treasury for financing public works, and converts it into an authorization for appropriations of $750 million after June 30, 1963.

The reduction from $2 billion worth of debt receipt financing, back-door financing, fuzzy financing, and converting it into an authorization for appropriation of $750 million, is desirable.

I believe that the language which was originally used in asking for unanimous consent dealt with the amendment on page 10, line 23, which would boost the $600 million to $750 million. To that I did not want to agree.

Mr. KERR. The Senator from Virginia made it very clear that he was not asking for the adoption of the language authorizing the $750 million. He made it very clear that he was asking that consideration be given, first, to that part of my amendment which eliminated the authority to finance from unobligated balances and provide a situation whereby the financing would be on the basis of authorization and appropriation. He made it very clear that he did not intend to support the amendment even after his suggestion had been complied with, if it were; but it is perfectly agreeable to the Senator from Oklahoma to comply with the request of the Senator from Virginia.

Mr. CASE of South Dakota. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CASE of South Dakota. Is an amendment to strike and insert divisible?

The ACTING PRESIDENT pro tempore. It is not divisible.

Mr. ROBERTSON. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. ROBERTSON. The proposed unanimous-consent agreement does not involve a striking and inserting. We read from the amendment itself:

> On page 13, beginning with line 21, strike out all through line 14 on page 15.

That is all there is to it.

Mr. CASE of South Dakota. The Senator goes on to say: "and insert in lieu thereof the following."

Mr. ROBERTSON. But I did not read that part of it.

Mr. CASE of South Dakota. If it will be offered thus separated, I am agreeable to it.

Mr. KERR. I repeat that it is perfectly agreeable to me to separate the amendment at this point into two parts: First, the language which would strike from the bill authority to expend from public debt receipts, and so forth, moneys designated in the bill or, for that matter, from any source other than by direct authorization and appropriation, but would leave the amendment as submitted by the Senator from Oklahoma in its entirety, with the exception that we had already acted upon, that part of it which would eliminate financing from any source other than authorization and appropriation.

Mr. CASE of South Dakota. Then I assume that if the first amendment shall be agreed to, it would be the equivalent of making the amendment read: "On page 13, beginning with line 21, insert in lieu thereof," and would strike out the matter following.

Mr. KERR. That is correct.

Mr. CASE of South Dakota. So that would leave the question to be acted upon.

Mr. KERR. That is correct.

Mr. CASE of South Dakota subsequently said: Mr. President, I ask unanimous consent that the statement of minority views which appears at pages 19, 20, and 21 of the committee report on the bill may follow the remarks I made earlier on the history of the proposed legislation.

There being no objection, the minority views were ordered to be printed in the Record, as follows:

Minority Views

We oppose the bill as reported by the committee.

The bill S. 2965, as reported with amendments, would combine a short-term program of grants for local public works in the amount of $600 million with a longer term standby program for authorized or unauthorized public works of greater magnitude in the amount of $2 billion for a total of $2,600 million to be expended under Presidential direction without specific authorization by Congress.

The $600 million for the short-term program would be provided by and subject to review by the Appropriations Committees of the Congress. The $2 billion for the standby program would be provided by giving the President authority to transfer money heretofore authorized for specific programs to those he might select.

Apart from any opinions about the need or desirability of Federal financing to provide employment, the Congress should be on notice that what is proposed here is a transfer of the power of the purse from the legislative branch of Government to the executive. The language which would do this is found in paragraph (b) of section 9 at page 11 of the bill as reported.

It will be noted that in an effort to meet this question when raised in committee, an amendment was adopted which would limit this power to certain selected unspent authorizations for funding. This should emphasize the nature of the proposal that is being made.

Originally, when this was pointed out, the language was wide open and would have permitted specific appropriations yet unobligated for such purposes as veterans hospitals, flood control projects, or heavy bombers to be transferred to the wide range of projects set forth in paragraph (b), section 9, page 10 of the bill, as introduced. Under questioning, Secretary Goldberg admitted this was possible and perhaps should be modified or restricted somewhat.

The inclusion of the "revolving funds," for instance, would have made it possible to take the money paid back by borrowers to the Farmers Home Administration into the FHA revolving fund and transfer it to the building of sidewalks in a depressed city. That did not appeal to the committee; restricted lists were asked for. They follow:

A. Selected list of estimated unobligated balances as of June 30, 1962

	Millions
International Bank for Reconstruction and Development	$5,715
HHFA, all programs	[1] 8,826
FDIC (borrowing authority)	3,000
FSLIC (borrowing authority	750
FHLS (borrowing authority)	1,000
Total	19,291

[1] Includes $2,390,000,000 of contract authority.

B. Second list of estimated unobligated balances as of June, 30, 1962 (related programs)

	Millions
HHFA, all programs	[1] $8,826
Agriculture, FHA (rural housing)	353
Federal Deposit Insurance Corporation	3,000
FSLIC (Federal Savings & Loan)	750
FHLS (Federal Home Loan Bank)	1,000
DOD military construction:	
Air Force	157
Army	87
Navy	88
Total	14,261

[1] Includes $2,390,000,000 of contract authority.

C. Third list of estimated unobligated balances (covered in bill as reported) as of June 30, 1962

	Millions
International Bank for Reconstruction and Development	$5,715
HHFA (borrowing authority)	5,416
FDIC (borrowing authority)	3,000
FSLIC (borrowing authority)	750
FHLB (borrowing authority)	1,000
Total	15,881

Examination of the lists indicates that the reverse would now be true; namely, that under any of the restricted lists, funds available for building houses in towns or cities under situations previously judged by Congress to be worthy could now be transferred to sewage disposal projects, rural drainage or flood control projects, etc. Apparently even a borrowing authority of $3 billion to underwrite the guarantees of the Federal Deposit Insurance Corporation and $750 million to secure insured savings in the FSLIC could be drawn on to fund this program.

The members who subscribe to this statement of views want the Congress and the country to realize the principle that is here involved: even as restricted in the final (C) listing, almost $16 billion worth of specific fundings could be raided by selection of the President for spending on projects not specifically otherwise authorized.

It should be borne in mind, as well, that the raid to whatever extent it is conducted either would mean the denial of some spending proposed in the current budget proposals or the addition to the spending budget of the amounts used. The budget proposed by the administration was originally "in precarious balance." The tax bill as passed by the House put it out of balance. Any additional spendings, whether by the device proposed in section 9(b) or appropriated by regular processes, would throw the budget still further out of balance. So, this is deficit spending, made easier perhaps but by the same token more insidious and menacing through the device proposed in section 9(b) of S. 2965.

The language in the bill authorizing appropriations to restore the impaired borrowing authority extends the injury.

Note that a large part of these fundings are in the category of "borrowing authority" which generally means not merely deficit financing but the so-called back-door financing, the selling of obligations by the authorized agency to the Treasury and then requiring the funds that agency borrowed on the strength of its programs to be available for transfer by the President to other programs, both authorized and not otherwise authorized.

This might be termed side-door financing or even slide-door financing—now you see it, now you don't.

Would any committee of the Congress directly agree that funds which it had made available for a well-considered program, once provided, should become subject to reappropriation by Presidential decree to programs under the jurisdiction of other committees? It does not seem possible; the thing can be done only if Members of the Congress are looking the other way or are so dazzled by the mirages of the New Frontier that they are temporarily entranced.

If some other committee were to venture to give to the President authority to take away from funds authorized by this committee for duly authorized public works projects, and transfer them to the fields of other committees, we think our committee would unanimously protest and resist. We do not think our committee under the persuasive magnetism of the President's special message of February 19 should do to other committees what it would not want done unto itself.

FRANCIS CASE.
WINSTON L. PROUTY,
HIRAM L. FONG.
J. CALEB BOGGS.
JACK MILLER.

Mr. KERR. Madam President, I ask unanimous consent that the suggestion of the Senator from Virginia [Mr. ROBERTSON], as outlined by the Senator from Oklahoma, be agreed to.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia to strike out the language "on page 13, beginning with line 21, through line 14, on page 15"?

Mr. KERR. That would leave the amendment, then, with the language that is necessary to effectuate the authorization as provided for in the amendment of the Senator from Oklahoma.

Mr. DIRKSEN. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will state it.

Mr. DIRKSEN. I want to be certain that we are confronted with a simple motion to strike language on pages 13, 14, and 15, and that the motion is not encumbered with a provision to insert.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. DIRKSEN. It is simply a motion to strike?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. CLARK. Madam President, who has the floor?

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma has the floor.

Mr. CLARK. Madam President, will the Senator from Oklahoma yield for a question?

Mr. WILLIAMS of Delaware. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Delaware will state it.

Mr. WILLIAMS of Delaware. Do I correctly understand, as the agreement has been entered into, that the pending motion is: On page 13, beginning with line 21, to strike out all through line 14 on page 15?

The ACTING PRESIDENT pro tempore. The Senator from Delaware is correct.

Mr. WILLIAMS of Delaware. Madam President, on that motion, I ask for the yeas and nays.

Mr. CLARK. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania will state it.

Mr. CLARK. Do I correctly understand that the Chair has ruled that once the language beginning on page 13 and continuing to the middle of page 15 has been stricken, there will remain the following language:

> Section 10 (a). There is authorized to be appropriated for expenditure after June 30, 1963, the sum of $750 million to carry out the provisions, other than section 8, of this Act.

Mr. WILLIAMS of Delaware. That language would be offered as a separate amendment. That is included in the amendment of the Senator from Oklahoma.

Mr. CLARK. I am asking the Chair for a parliamentary ruling.

The ACTING PRESIDENT pro tempore. Will the Senator from Pennsylvania state the page to which he is referring?

Mr. CLARK. Page 13. My parliamentary inquiry is: If the motion of the Senator from Virginia shall be agreed to, would the language at the bottom of page 13, starting with line 22, then read:

> Section 10 (a). There is authorized to be appropriated for expenditure after June 30, 1963, the sum of $750 million to carry out the provisions, other than section 8, of this Act.

The ACTING PRESIDENT pro tempore. No, that language would be removed, but would have to be reoffered.

Mr. CLARK. Madam President, a further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania will state it.

Mr. CLARK. If the motion of the Senator from Virginia shall be agreed to, is, then, no authorization for appropriations left remaining in the amendment of the Senator from Oklahoma?

The ACTING PRESIDENT pro tempore. The authorization would then be in the language of that which is proposed to be inserted in lieu thereof.

Mr. CLARK. Therefore, the amount of the authorization would depend on a later vote?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. CLARK. I thank the Chair.

Mr. KERR. Madam President, I believe I am the one who made the unanimous-consent request.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is correct.

Mr. KERR. As such, I believe I am entitled to have my unanimous-consent request understood.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma is correct.

Mr. KERR. It can be objected to, if any Senator wishes to object to it; but in order to eliminate doubt in the mind of the Senator from Virginia that I am trying to comply with his suggestion, and in order to eliminate doubt in the mind of the Senator from Pennsylvania that I did not contemplate triggering the situation which he feared, I should like to restate my unanimous-consent request with reference to the amendment offered by the Senator from Oklahoma and other Senators.

On page 3 of the amendment, line 11, is the following language:

> On page 13, beginning with line 21, strike out all through line 14 on page 15.

The unanimous-consent request I make is that that language be agreed to. In lieu thereof, the amendment would read, beginning on line 14, as follows:

> Beginning after line 20, on page 13, the following language be inserted.

The amendment on page 13 would then read:

> There is authorized to be appropriated for expenditure—

And so forth. By this unanimous-consent request, the amendment which we have offered, changing the method of financing, which is the desire of the Senator from Virginia, would be agreed to; and our amendment at that point would then contain all of the authorizing provisions it now contains with reference to the manner in which the program in the bill as amended would be financed.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. COOPER. Madam President, I object. Will the Senator from Oklahoma yield for a parliamentary inquiry?

Mr. KERR. I yield.

Mr. COOPER. If the amendment proposed by the Senator from Oklahoma shall be agreed to, would the effect of the amendment be, first, to strike the financing provisions, to which objection has been made, and second, to restore the authorization of $750 million?

Mr. KERR. It would also restore the language in the amendment, which would provide a method for financing the program as outlined in the amendment.

Mr. COOPER. But it would maintain, and we would be agreeing to, $750 million?

Mr. KERR. No, that is not what would be agreed to. The Senate would merely be agreeing to the request of the Senator from Virginia [Mr. ROBERTSON] that financing from one source be eliminated, as provided in the amendment. Then the matter before the Senate would be my amendment as it had been offered, in the rest of its entirety, because we would already have agreed to the part which strikes from the bill the method of financing provided by the bill.

Mr. COOPER. If we agreed to this amendment, would we be agreeing also to the authorization of $750 million?

Mr. KERR. No, That would still be before the Senate.

Mr. COOPER. Madam President, may I have a ruling?

The ACTING PRESIDENT pro tempore. The Chair has no power to interpret the meaning of the amendment.

Mr. CASE of South Dakota. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. If the situation should be as the Senator from Oklahoma has described it, and if his amendment would then have had deleted from it the portion referring to the section on the old financing, the remaining portions of the amendment would be subject to division and to individual votes, would they not? Certainly the rest of the amendment is divisible.

Mr. KERR. There is no question about that. I say to the Senator from South Dakota that if the pending request for unanimous consent is agreed to, I shall then ask unanimous consent that the remaining portions of the amendment be considered en bloc; and that request would be subject to objection.

Mr. CASE of South Dakota. And I shall object to that.

Mr. KERR. I understand.

Mr. CASE of South Dakota. And I shall request a division, of the other provisions. But I think that clarifies the situation. We can treat the first matter first. We are being asked to vote first on eliminating from the so-called committee bill the so-called backdoor financing method; and I believe we should have a record vote on that question. Therefore, I request the yeas and nays.

Mr. BUSH. Madam President, I think we are still addressing ourselves to the unanimous-consent request of the Senator from Oklahoma. Is that correct?

Mr. KERR. That is my understanding of the situation. I request a parliamentary interpretation on that point.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BUSH. On that basis, Madam President, I am constrained to object to the requested unanimous-consent agreement. I should like to see the Senate vote first on the motion to strike. And as I understand, we are getting a substitute.

Mr. CASE of South Dakota. No, we are not.

Mr. KERR. Then, Madam President, I ask unanimous consent that the time consumed thus far not be charged to either side.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. KERR. And I wish that unanimous-consent agreement to apply until this parliamentary tangle is resolved.

Mr. ROBERTSON. Madam President, I understood that the Senator from Oklahoma had requested unanimous consent for approval of the motion of the Senator from Virginia to strike from the bill all language relating to backdoor financing, but without affecting any other part of the amendment offered by the Senator from Oklahoma. Was objection made? If so, by whom?

Mr. BUSH. Madam President, I did not object to that. I objected—at least I thought I was objecting to it—to a proposal by the Senator from Oklahoma not only to strike out that language on pages 13, 14, and 15, but also to substitute therefor, the language from line 15 through line 23 on page 3 of the Kerr amendment.

Mr. ROBERTSON. Madam President, in order to clear up this matter—for I have not even mentioned the authorization of $750 million—I move "To strike out" and the rest of those two and a half lines. I understand that the Kerr amendment is the pending question. So I make that motion; and that will eliminate the backdoor financing provisions, from the bill and only those.

The ACTING PRESIDENT pro tempore. Will the Senator state the number of lines he proposes to strike out?

Mr. ROBERTSON. Madam President, I move the adoption of this portion of the Kerr amendment to Senate bill 2965—the part which begins on page 3, in line 11, reading, "on page 13"—that is, of the original bill.

Mr. KERR. No; the Senator is reading my amendment.

Mr. ROBERTSON. It is one part of the Senator's amendment that I am asking the Senate to adopt.

Mr. KERR. Yes, but not the original bill.

Mr. ROBERTSON. The reference is to page 13 of the committee bill—there are only four pages of the Kerr amendment.

Mr. CASE of South Dakota. Madam President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Virginia has the floor. Will he please state his amendment?

Mr. ROBERTSON. Madam President, may I complete stating my amendment?

The ACTING PRESIDENT pro tempore. The Chair is waiting for the Senator from Virginia to do so.

Mr. ROBERTSON. It is the following portion of the Kerr amendment: On page 13—meaning page 13 of the committee bill—beginning with line 21, strike out all through line 14 on page 15.

Mr. WILLIAMS of Delaware. Madam President, on that motion, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

Mr. CLARK. Madam President, will the Senator from Delaware yield before the yeas and nays are ordered?

Mr. WILLIAMS of Delaware. The Chair is now attempting to determine whether there is a sufficient second for the request for the yeas and nays.

Mr. CLARK. I realize that. But I should like the Senator from Delaware to yield at this point, if he will.

The **ACTING PRESIDENT** pro tempore. There is a sufficient second; and the yeas and nays are ordered.

Mr. KERR. Madam President, I rise to a point of order.

The **ACTING PRESIDENT** pro tempore. The Senator from Oklahoma will state it.

Mr. KERR. The pending question was on agreeing to a request for unanimous consent; I had asked unanimous consent that the motion of the Senator from Virginia be agreed to. I take it that unless objection was made, the request for the yeas and nays is not in order.

The **ACTING PRESIDENT** pro tempore. The Chair understood that there was objection to that request for unanimous consent; and the Senator from Virginia has offered his amendment.

Mr. KERR. I do not understand how an objection could be made until I had completed stating my request, or how the Chair could find that that had been done.

Mr. WILLIAMS of Delaware. Madam President, I think this is a very important part of the bill, and I believe the Senate would wish to go on record as not approving that type of financing. That is why I have requested the yeas and nays.

Mr. KERR. Then, Madam President, I withdraw the request for unanimous consent; and I now desire to propound a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Oklahoma will state it.

Mr. KERR. Is the pending question the motion of the Senator from Virginia to amend the amendment of the Senator from Oklahoma in the way outlined by the Senator from Virginia?

Mr. ROBERTSON. Not to amend it, but to adopt a part of it, without affecting the remainder.

Mr. KERR. Oh, yes.

Mr. WILLIAMS of Delaware. Madam President, as I understand, the motion of the Senator from Virginia is to strike out of the bill the part beginning in line 23, on page 13, and all through line 14, on page 15 of the bill—in other words, to strike out all of the backdoor financing provisions.

Mr. ROBERTSON. That is correct.

Mr. MILLER. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Iowa will state it.

Mr. MILLER. I do not so understand the amendment. I understand that the amendments of the Senator from Oklahoma are the pending question, and that they are to be considered en bloc. Therefore, at this stage an amendment must be an amendment to them en bloc.

I believe the Chair has now ruled that the pending question is on agreeing to the motion of the Senator from Virginia to strike out a part of the bill.

Mr. KERR. No; it is the motion of the Senator from Virginia to agree to a part of the amendment of the Senator from Oklahoma.

Mr. ROBERTSON. Madam President, will the Senator yield to me?

The **ACTING PRESIDENT** pro tempore. The motion of the Senator from Virginia has been clearly stated. It is to strike out on page 13, beginning on line 21, all through line 14 on page 15.

Mr. CLARK. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Pennsylvania will state it.

Mr. CLARK. If the motion is adopted—and I know of no Senator in this body who would vote against it, if it means what the Senator from Oklahoma and I think it means, which is that it does away with backdoor financing—I ask the parliamentary question whether it will later preclude the Senator from Oklahoma from bringing to the floor a request for a vote the remainder of the language on page 3 of his amendment, which, in effect, would authorize the appropriation of $750 million.

The **ACTING PRESIDENT** pro tempore. It would not preclude the Senator from Oklahoma from doing so.

Mr. CLARK. I do not know why we should go to the trouble of a yea-and-nay vote, because I do not think any Senator will vote against it. I do not know why it could not be done by unanimous consent.

Mr. CASE of South Dakota. Madam President, who is in control of the time?

The **ACTING PRESIDENT** pro tempore. By reason of the procedural discussion, the Senate is not under controlled time.

Mr. MANSFIELD. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator from Montana will state it.

Mr. MANSFIELD. Am I to understand that we are not operating under the agreement entered into?

The **ACTING PRESIDENT** pro tempore. Unanimous consent was given to withhold the running of time until the procedure was agreed to.

Mr. MANSFIELD. How much time, roughly, has elapsed under that procedure?

The **ACTING PRESIDENT** pro tempore. The time since 10:30 o'clock.

Mr. MANSFIELD. The original request was that the time taken for the suggestion of the absence of a quorum not be allocated to the time allotted, but it was my understanding that once the quorum call was concluded, it would be.

The **ACTING PRESIDENT** pro tempore. At 11:25 a.m. the Senator from Oklahoma asked unanimous consent that, until the procedural question was settled, we not be under controlled time.

Mr. MANSFIELD. I thank the Chair.

Mr. CASE of South Dakota. Madam President——

The **ACTING PRESIDENT** pro tempore. The Senator from South Dakota.

Mr. CASE of South Dakota. This motion should be agreed to. This proposal proves the validity of the alarm which I sought to sound at the time the President's message came to Congress. I am delighted, however, to have the Senator from Pennsylvania say he thinks there is no Senator on the floor who will vote against the motion to strike, because the amendment proposes to strike from the bill the language which was recommended by the President in his special message.

The **ACTING PRESIDENT** pro tempore. If the Senator wishes to discuss the merits of the proposal, we will consider that the procedural discussion is over, and the controlled time will begin.

Mr. CASE of South Dakota. I yield myself 10 minutes on the bill.

Mr. BUSH. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The minority leader has control of the time.

Mr. BUSH. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator will state it

Mr. BUSH. If the Senator is to use time, can he not use time on the amendment offered by the Senator from Virginia?

Mr. CASE of South Dakota. I could.

Mr. BUSH. Why not do it?

Mr. DIRKSEN. Madam President, I yield 10 minutes to the Senator from South Dakota.

Mr. ROBERTSON. Madam President, I offered my amendment. I am supposed to have some time on it. I yield 10 minutes.

The **ACTING PRESIDENT** pro tempore. The Senator from Virginia has 30 minutes allotted to him.

Mr. ROBERTSON. I yield 10 minutes to the Senator from South Dakota.

Mr. DIRKSEN. Madam President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator will state it.

Mr. DIRKSEN. What is the pending business before the Senate at this time?

The **ACTING PRESIDENT** pro tempore. The amendment of the Senator from Virginia.

Mr. DIRKSEN. Is the amendment in writing and at the table?

The **ACTING PRESIDENT** pro tempore. The amendment is in writing.

Mr. DIRKSEN. I ask that the amendment be stated.

The **ACTING PRESIDENT** pro tempore. The amendment will be stated by the clerk.

The **LEGISLATIVE CLERK.** It is proposed to strike out the language in the bill on page 13, beginning on line 21, through line 14 on page 15.

Mr. CASE of South Dakota. Madam President, do I have 10 minutes, either from the Senator from Virginia or the Senator from Illinois?

Mr. ROBERTSON. Madam President, I yield 10 minutes to the Senator from South Dakota.

The **ACTING PRESIDENT** pro tempore. The Senator from South Dakota is recognized for 10 minutes.

Mr. CASE of South Dakota. Madam President, the President sent a special message to the Congress asking for an emergency public works bill. When the language came to the Senate, I took the floor and pointed out this particular language as the part that was most objectionable in the whole proposal.

The message of the President was referred to the Committee on Banking and Currency. I took the floor at the time to point out that there were other jurisdictions involved; that the Committee on Public Works would normally have jurisdiction over public works projects.

For a time, nobody introduced a bill on the subject in the Senate. The bill was introduced in the House by two Members of that body as it had been suggested by the President.

I invite the attention of the Members of the Senate to the fact that the language as originally proposed in the President's message, or the material accompanying the President's message, and in the bill as introduced, would not only have made the debt receipts available to the departments to spend, but it would have made available the unobligated balances of appropriations, contract authorizations, revolving funds, and other authorizations to expend from public or corporate debt receipts.

During the consideration of the bill, when it was introduced by the Senator from Pennsylvania (Mr. Clark) for himself and Senators McCarthy, Pell, and Randolph, we pointed out what would happen if the Public Works Committee would attempt to make available under programs it might authorize money which had been appropriated to the Defense Department, to the State Department, to the Justice Department, to the Deparment of Agriculture, and other activities of government.

As a result of that discussion within the committee, the Public Works Committee decided it did not want to have anything to do with the proposal; that that would have been taking money appropriated and authorized by other committees.

Then we went to contract authorizations, and then to revolving funds.

Again it was pointed out that money such as that in the revolving fund of the Farmers Home Administration would be made available for building sidewalks in a city far removed where the revolving fund was created. That proposal was dropped.

Then, because "public or corporate debt receipts" was an indefinite term, over the protest of the minority it was decided that the program should be limited to certain functions. As shown in the committee amendment on page 14, authorizations were for expenditures from public debt receipts available for the Housing and Home Finance Agency, for loans to the Federal Savings and Loan Insurance Corporation, for loans to the Federal Deposit Insurance Corporation, for the purchase of obligations issued by the Federal Home Loan Banks, and for payment of the subscription of the United States to the International Bank For Reconstruction and Development."

In the report of the minority, the minority views accompanying the bill, will be found a table which shows the several different funds which could have been used under the language reported by the committee. Approximately $15 billion would have been available, to the extent of $2 billion for the building of public works projects under the other authorization in the bill.

Repeatedly on the floor, and in interviews, and by the speeches of several Members of the Senate, including the Senator from Virginia [Mr. Robertson], chairman of the Banking and Currency Committee, and the Senator from Kentucky [Mr. Cooper], attention was drawn to what this would do.

The Senator from Kentucky, in one of the most able speeches delivered to the Senate at this session, pointed out that if we were to permit the taking of funds authorized for the use of the International Bank for Reconstruction and Development it could imperil the whole program.

I sought to point out that the use of $3 billion worth of debt receipts available to the Federal Deposit Insurance Corporation could result, if there were a bank crisis, in the reserves of the Federal Deposit Insurance Corporation being drawn upon and the Corporation wrecked.

The $750 million available to the Federal Home Loan Bank Board for the insurance of savings in the savings and loan associations could be drawn upon.

No wonder it is that Members have generally come to the position that we ought not have this kind of backdoor financing. I am delighted to have the Senator from Pennsylvania say that today he does not think there is a Member on the floor who would vote to retain this provision in the bill.

Mr. CLARK. Madam President, will the Senator yield?

Mr. CASE of South Dakota. If I have any time remaining, I shall be glad to yield.

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes remaining.

Mr. CASE of South Dakota. I yield to the Senator from Pennsylvania.

Mr. CLARK. Let me say that I would be the last to suggest that the minority on the Committee on Public Works has not rendered a useful public service in connection with this measure, as it has often done in the past. I believe, now that we have had the opportunity to look over this matter a little more carefully than at the time the bill came in, a wise decision has been made; that for this purpose, in this bill, the best way to handle the program is through authorizations and appropriations.

My friend from South Dakota has made a very able speech about something quite irrelevant to anything before the Senate.

Why the yeas and nays were asked for the purpose of doing exactly what the Senator from Oklahoma, the principal sponsor of the bill, and I have agreed to do I am sure I do not know. There are many Senators in this body who will not vote for anything other than authorizations and appropriations in the bill. We are wasting our time by taking a vote on this question.

Mr. CASE of South Dakota. We are not wasting our time, Madam President. We have the direct statement from the author of the bill that the minority has rendered valuable service in this connection. That admission by the Senator from Pennsylvania is well worth the time consumed.

Mr. CLARK. I think it should also make unnecessary a yea-and-nay vote. If the gentlemen wish to march up the hill and down again, and to get a unanimous vote, I have no objection.

The ACTING PRESIDENT pro tempore. The time of the Senator from South Dakota has expired.

Mr. COOPER. Madam President, will the Senator yield me 5 minutes?

Mr. BUSH. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield 5 minutes to the Senator.

Mr. COOPER. Madam President——

Mr. BUSH. Madam President, I thought the Senator had yielded to me. It is satisfactory to me for the Senator from Kentucky to proceed.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized.

Mr. COOPER. Madam President, I wish to speak because I am a member of the committee. I sat through the executive sessions of the committee in which the committee discussed this provision. I support wholly the position taken by our ranking Republican member, the Senator from South Dakota [Mr. Case].

I wish to say, about our good friend from Oklahoma [Mr. Kerr], that I know he goes into these questions carefully and always in the long run works them out quite well. But it is true that when the bill came to the Senate, as recommended by the President it contained the section which would have authorized $2 billion standby authority for public works.

The bill also contained the most bizarre method of financing probably ever submitted to the Congress. As it was offered to the committee it proposed that the President of the United States, in order to obtain the $2 billion, could borrow funds from any agency which had uncommitted balances of appropriations or of contract authority, and that some day in the future the Congress might restore those funds.

In the committee, in the executive sessions, the Senator from Delaware [Mr. Boggs] and I moved to strike this financing method. But the total vote on the Democratic side was to maintain this bizarre, peculiar, unusual, unique method of financing.

Later the committee wrote into the bill, against the objections of the minority, the provision that the funds could be borrowed from the Federal Deposit Insurance Corporation, which protects the security of individual depositors up to $10,000, from the Housing and Home Finance Agency, from the Federal Savings and Loan Insurance Corporation, from the Federal Home Loan Banks—and even from the World Bank.

A day after the committee had voted unanimously, on the majority side, to permit this kind of borrowing, I wrote to all the agencies concerned. I received answers from the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the Federal Savings and Loan Insurance Corporation, which appear in the Congressional Record of May 16, on pages 8511, 8512, and 8513.

I also wrote to the Secretary of the Treasury, Mr. Dillon, for his comments on the financing provision with respect to using funds reserved to secure the borrowing power of the World Bank. He wrote a letter to me saying, in substance, that it had not been considered by the Treasury, and would be removed from the bill.

I wrote to the Director of the Bureau of the Budget, who had come before the committee to testify for these provisions. I cannot understand why he supported this unusual method of financing, but he did, as did his representatives. I wrote to him and I asked for information concerning the financing proposals. Last Friday, or Saturday, he called me and asked me if I thought it would be necessary for him to respond to my questions, since he understood that the financing proposal had been dropped by the administation. I told him that I did not think a response was necessary.

For the life of me I cannot understand why the Bureau of the Budget would propose such a method of financing.

The Robertson amendment should be voted. First, the Senate should go on record against this method of financing. Second, the proposal indicated that the administration—the Bureau of the Budget, and the other agencies concerned—had not considered the bill carefully, and that they are uncertain about the need and value of a public works program, and about the method which should be used to carry one out.

I favor a public works program. But as the history of this bill shows that it was not carefully considered, we ought to adopt one with a moderate authorization—and strike the standby authorization of $2 billion.

If we adopt a public works program, it should be a moderate one, which can be tested before the Congress meets again.

Mr. COOPER subsequently said:

Mr. President, I ask unanimous consent that following the remarks I previously made there be printed in the RECORD a letter I wrote to the Honorable Abraham Ribicoff, Secretary of Health, Education, and Welfare, after S. 2965 was reported to the Senate; the reply I received from him Friday; the letter I wrote to the Secretary of Commerce; the reply I received from him this morning; and copies of letters to other agencies administering programs of assistance to the States for the construction of public works, and to the Director of the Budget—to which I received no replies. As I have previously said, the Director of the Budget called me last Friday and asked me if I desired a response to my letter in view of the understanding that the financing provisions were to be eliminated, and I told him a response was not necessary.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 30, 1962.

Hon. ABRAHAM RIBICOFF,
Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate Wednesday by the Public Works Committee, of which I am a member. I am concerned about the possible effect on existing Federal loans, loan-grant and grant programs of the proposed change in the criteria and standards for these programs, as contained in sections 5, 6, and 7 of the bill.

Section 8, known as the Chavez amendment, provides for a different program funded through the regular appropriations process, limited to distressed areas, and to a period of 27 months following enactment of the bill. It will simplify your response to this request to omit from consideration that section of the bill.

The types of public works projects covered by the bill are defined in section 14(c). The projects which can be financed are limited under section 9(a)(3) to those which can be completed within 18 months after initiation, or if begun later than 9 months after proclamation of the public works acceleration period can be completed before the end of that 27-month period.

The provisos in section 5 waive the criteria established by the Congress for existing programs, and permit grants up to 50 percent of the cost of projects. Section 7 permits loans for the remainder. Section 5 also waives all existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project or program.

I wish you would refer the following questions to each of the agencies under your jurisdiction which has programs assisting projects which can be defined as public works projects under section 14(c) of the bill. Please note that while section 5 is limited to Federal grant programs, section 6 permits 50-percent grants for any public works projects and programs not now eligible for grants, so that in discussing the change in existing programs those which are now wholly loan programs must be included.

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that it may take a little time to compile the information for an answer to some of these questions. If that is the case, I would appreciate your comments on the other questions, including the first four, meanwhile.

Sincerely yours,

JOHN SHERMAN COOPER.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, May 25, 1962.

DEAR SENATOR COOPER: This letter is in response to your request of April 30, 1962, for our replies to specific questions you have raised with respect to S. 2965, the "Standby Public Works Act of 1962."

The existing programs of this Department which would be affected by enactment of S. 2965 are in the Public Health Service, and are authorized by the Hospital Survey and Construction Act (42 U.S.C. 291 et seq.); the Federal Water Pollution Control Act (33 U.S.C. 466 et seq.); and the Health Research Facilities Act (42 U.S.C. 292 et seq.). The answers to your questions have been supplied in three attachments to this letter, each attachment relating to one of these programs.

In the form in which it was reported by the committee, the bill seems to authorize the acceleration only of grants for the construction, repair, or improvement of publicly owned facilities of the character specified under the section 14(c) definition of "public works." However, we understand that language will be proposed to make clear the committee's intent not to exclude the acceleration of grants to the private nonprofit beneficiaries of existing grant programs. Therefore the attachments assume that such acceleration is to be authorized for both nonprofit and public beneficiaries.

Sincerely,

WILBUR J. COHEN,
Assistant Secretary.

Hon. JOHN SHERMAN COOPER,
U.S. Senate,
Washington, D.C.

REPLY TO SENATOR JOHN S. COOPER'S QUESTIONS OF APRIL 30, 1962, ON S. 2965, "STANDBY PUBLIC WORKS ACT OF 1962" AS THEY RELATE TO HOSPITAL SURVEY AND CONSTRUCTION (HILL-BURTON) PROGRAM (TITLE VI—PUBLIC HEALTH SERVICE ACT)

Question 1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

Answer 1. Under the Hill-Burton program, operated by the Public Health Service, Federal funds are allotted to the States on a formula basis for grants to public and nonprofit agencies for the construction of hospitals, diagnostic or treatment centers, chronic disease hospitals, nursing homes, and rehabilitation facilities. As of March 1, 1962, 1,110 projects were under construction. These projects involve a total cost of approximately $1.3 billion and use Federal funds amounting to $413 million.

Question 2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

Answer 2. (a) Under the Hill-Burton program, funds appropriated must be allocated among the States in accordance with a statutory formula which is based on population and per capita income. Section 5 of the bill provides that funds available under S. 2965 would not be subject to apportionment.

(b) S. 2965 would permit grants up to 50 percent of the cost of constructing and equipping health facility projects even though existing grant programs provide for a lesser amount. The Hill-Burton legislation restricts about one-half of the States to grants of less than 50 percent.

(c) Section 7 of S. 2965 would, under certain circumstances, authorize Federal loans for the applicant's share of the cost of constructing health facilities. Federal loans for the applicant's share of the costs are not available under the Hill-Burton legislation.

Question 3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

Answer 3. The above criteria are statutory and are not of an administrative or budgetary nature.

Questions 4 and 5. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

Answers 4 and 5. The criteria and standards changed or eliminated by S. 2965 would have no untoward or derogatory effect on the regular Hill-Burton program. The bill would retain important provisions of the Hill-Burton legislation which require (a) that projects be approved by the Hill-Burton State agency, (b) that projects conform with the State plan submitted by such State agency, and (c) that approved projects conform to minimum standards of construction and design. Many worthwhile and much needed health facility projects would be constructed under the provisions of S. 2965 which could not be aided under the Hill-Burton program because of limited funds and the priority requirements included in the Hill-Burton legislation. We would not expect that S. 2965 would lead to demands that standards under the Hill-Burton program be lowered.

Question 6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

Answer 6. The changes in criteria applicable to health facility construction which are included in S. 2965 pertain only to the allotment of funds among the States, the percentage of Federal participation, and availability of Federal loans. Insofar as health facilities are concerned, S. 2965 would not qualify projects based on lower standards of need, design, or construction, but rather, would make additional funds available for the approval of projects which could not otherwise be approved because of limited funds and the priority provision of the Hill-Burton legislation.

The best indication of health facility projects which might be approved under the provisions of S. 2965 is a report submitted by Hill-Burton State agencies as to projects which could be approved in fiscal year 1963 if there were no limitations on Federal funds. This report shows that 1,158 projects costing a total of $1.6 billion and using Federal funds amounting to $597 million could be approved in 1963 if there were no limitations on Federal funds. (These figures relate to both public and nonprofit facilities. About 50 percent would be related to public facilities alone.) All of these projects conform with the approved State plan, would meet an essential need, and would contribute to the reduction of unemployment. While information is not available as to the number which could be completed within the time period specified in section 9 of S. 2965, it is reasonable to believe that the majority would qualify.

Question 7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

Answer 7. The Public Health Service could, to a limited extent, accelerate health facility construction projects under the Hill-Burton program. The legislation requires however, that projects be selected for approval in accordance with certain prescribed priority requirements, and the projects so approved are rarely in a position to award contracts and begin construction immediately. Additional appropriations or an authorization to expend from public debt receipts would, of course, increase the number of projects which could be approved. However, the purposes of S. 2965 would be defeated to a certain extent because those priority factors enumerated in section 9 of the bill and, in particular, the factor requiring completion of projects within a short period of time, which are aimed at quickly reducing the employment level, could not be applied in selecting projects for approval.

Question 8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

Answer 8. As indicated under item 6, Hill-Burton State agencies report that 1,158 health facility projects, costing a total of $1.6 billion and using Federal funds in the amount of $597 million could be approved in fiscal year 1963 if there were no limitation on Federal funds available under the Hill-Burton program. (About 50 percent of these involve public facilities.) Many of these projects could be approved if additional funds were made available under the Hill-Burton program. However, some of the projects would not qualify because of their priority under the Hill-Burton program, and others could not be approved because the total funds made available would have to be distributed among the States and territories on the basis of the formula included in the Hill-Burton legislation.

Reply to Senator John S. Cooper's Questions of April 30, 1962, on S. 2965, Standby Public Works Act of 1962, as They Relate to Health Research Facilities Program (Title VII—Public Health Service Act)

A general observation should be made before replying to the specific questions. On reviewing the areas designated by the Secretary of Commerce as redevelopment areas, and the areas designated by the Secretary of Labor as areas of substantial unemployment (as of March 1962), we find that very few of the current title VII projects, or those which are now approved and awaiting the availability of funds, are located in these areas. Our answers to the following questions must be viewed with this circumstance in mind.

Question 1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

Answer 1. Under the health research facilities program, operated by the Public Health Service within the National Institutes of Health, Federal grants are made to public or nonprofit institutions for the construction of new or improved health research facilities. There currently are 217 projects underway in this program at a total cost of $426,864,444 of which $92,183,866 is the Federal share.

Question 2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

Answer 2. The present program permits grants in which Federal share may not exceed 50 percent. The bill would not change or eliminate any present criteria or standards in effect in the title VII program.

Question 3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

Answer 3. The present law, title VII of the Public Health Service Act, contains a provision limiting appropriated funds in any fiscal year to $50 million. It is anticipated that the Congress will provide an appropriation in the amount of $50 million for this program for fiscal 1963. There are no existing budgetary or administrative criteria which limit the operation of the program.

Questions 4 and 5. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

Answers 4 and 5. The criteria and standards changed or eliminated by S. 2965 would have no untoward or derogatory effect on the regular health research facilities construction program. However, the provisions of the bill would probably have only a minor effect on the construction of health research facilities, since very few of the projects which are now approved and awaiting the availability of funds are located in economically depressed areas.

Question 6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

Answer 6. None.

Question 7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

Answer 7:

Part 1. None.

Part 2. None, since anticipated congressional appropriation will be the same as the legally authorized ceiling of program.

Part 3. It would require an amendment of title VII to provide a higher authorization for project funds to activate more projects than are currently contemplated for fiscal 1963.

Question 8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

Answer 8. None, due to existing limits of $50 million annual authorization for this program.

Reply to Senator John S. Cooper's Questions of April 30, 1962, on S. 2965, Standby Public Works Act of 1962, as They Relate to Federal Water Pollution Control Program (Federal Water Pollution Control Act)

Question 1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

Answer 1. Under the Federal water pollution control program, operated by the Public Health Service, Federal grants are made to States, municipalities, or intermunicipal and interstate agencies for the construction of necessary treatment works. As of April 30, 1962, there were 770 projects underway costing approximately $472.6 million for which Federal grants in the amount of $83.4 million have been made.

Question 2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

Answer 2. The Federal Water Pollution Act provides for allotments to States on the basis of relative per capita income and relative population. Grants are limited to 30 percent of the cost of construction or $600,000, whichever is less. Section 5 of the bill would, in effect, eliminate the allotment formula, and would change the grant limitations to allow up to 50 percent of the cost of construction.

Question 3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

Answer 3. The above criteria are statutory and not of an administrative or budgetary nature.

Question 4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

Answer 4. The provisions of the bill would result in a speedup in construction of needed sewage treatment works. There are over 2,000 grant applications in process or in preparation requesting grants totaling $227.4 million to assist in construction of projects estimated to cost $1.191 billion. The budget request for fiscal year 1963 to meet these requests is the fully authorized $90 million. If additional funds were made available under the bill, these projects would be constructed much sooner. In addition, many communities not able to consider sewage treatment works construction under the 30 percent Federal money-70 percent local money formula would construct facilities under the grant and loan provisions of S. 2965.

Question 5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

Answer 5. While the provisions of the bill might cause a temporary slowdown, we would not consider this a disruption of the program. If the bill were to pass, we would expect that communities would reexamine their programs before proceeding. They would have to consider the benefits which might accrue to the community at some indefinite time and under indefinite circumstances in relation to a firm commitment of a lesser amount of Federal assistance at the present time. We feel that by far the majority of communities will find it to their advantage not to postpone construction in hope of receiving greater Federal assistance. We do not feel that there will be many instances in which a community that constructs a project with a 30 percent grant will feel discriminated against if at some future time another community receives a 50 percent grant for the same purpose. It was expected that there would be many complaints to this effect at the time the grant program was first authorized but they failed to materialize. Neither do we feel that there will be any demands for a lowering of standards for local and State participation and responsibility in the program.

Question 6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

Answer 6. To qualify financially for a sewage treatment works construction grant at the present time, a community must demonstrate its ability to pay the remaining cost of the project. If the grant were increased to 50 percent with a loan available for the balance, many of the communities not now able to qualify would be able to move ahead.

In the Second Annual Report on Municipal Waste Treatment Needs, dated January 1, 1962, prepared by the Conference of State Sanitary Engineers, it was shown that there are about 5,300 communities requiring new sewage treatment plants, enlargements or additional treatment, estimated to cost $2.1 billion. Applications for grants are in process or in preparation for over 2,000 of these projects estimated to cost $1.1 billion. The remaining 3,300 projects estimated to cost $1 billion are for the most part in communities of less than 10,000 population. It is these smaller communities which experience the greatest difficulty in arranging financing and which would benefit greatly under the proposed legislation although its impact cannot be estimated at this time.

Question 7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

Answer 7. Without the authority provided by this bill, we would not be able to accelerate projects under the program. The full statutory authorization was appropriated last year and is included in the budget for fiscal year 1963. These funds will be fully utilized leaving no balances which might be used for accelerated expenditures. No additional appropriations may be requested under the existing act.

Question 8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

Answer 8. In view of 7 above, question 8 must be answered in the negative.

April 27, 1962.

Hon. Luther H. Hodges,
Secretary of Commerce, Department of Commerce, Washington, D.C.

Dear Mr. Secretary: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate Wednesday by the Public Works Committee, of which I am a member. I am concerned about the possible effect on existing Federal loan, loan-grant, and grant programs of the proposed change in the criteria and standards for these programs, as contained in sections 5, 6, and 7 of the bill.

Section 8, known as the Chavez amendment, provides for a different program funded through the regular appropriations process, limited to distressed areas, and to a period of 27 months following enactment of the bill. It will simplify your response to this request to omit from consideration that section of the bill.

The types of public works projects covered by the bill are defined in section 14(c). The projects which can be financed are limited under section 9(a)(3) to those which can be completed within 18 months after initiation, or if begun later than 9 months after proclamation of the public works acceleration period can be completed before the end of that 27-month period.

The provisos in section 5 waive the criteria established by the Congress for existing programs, and permit grants up to 50 percent of the cost of the projects. Section 7 permits loans for the remainder. Section 5 also waives all existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project, or program.

I wish you would refer the following questions to each of the agencies under your jurisdiction which has programs assisting projects which can be defined as public works projects under section 14(c) of the bill. Please note that while section 5 is limited to Federal grant programs, section 6 permits 50-percent grants for any public works projects and programs not now eligible for grants, so that in discussing the change in existing programs those which are now wholly loan programs must be included

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs, under the conditions in question 7 above?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that it may take a little time to compile the information for an answer to some of these questions. If that is the case, I would appreciate your comments on the other questions, including the first four, meanwhile.

Sincerely yours,

JOHN SHERMAN COOPER.

THE SECRETARY OF COMMERCE,
Washington, D.C., May 25, 1962.

Hon. JOHN SHERMAN COOPER,
U.S. Senate, Washington, D.C.

DEAR SENATOR COOPER: This is in reply to your request for information with respect to the effect which Senate bill 2965 would have on existing Federal loan, loan-grant and grant programs administered by agencies of this Department.

The only agencies of the Department administering programs which would be affected by this legislation are the Area Redevelopment Administration and the Bureau of Public Roads. There are attached copies of memoranda from the Administrator of the Area Redevelopment Administration and the General Counsel of the Bureau of Public Roads, setting forth their replies.

Sincerely yours,

EDWARD GUDEMAN,
Under Secretary of Commerce.

U.S. DEPARTMENT OF COMMERCE,
AREA REDEVELOPMENT ADMINISTRATION,
May 8, 1962.

To: General Counsel.
From: Administrator.
Subject: April 27, 1962, letter from Senator COOPER re S. 2965, as reported.

This is in reply to your request for the views of the Area Redevelopment Administration on the April 27, 1962, letter from Senator COOPER, Republican, of Kentucky, to Secretary Hodges regarding the effect of the standby public works program proposed in S. 2965, as reported, on existing Federal loan, loan-grant and grant programs.

The answers set forth below are numbered so as to correspond with the numbers of the questions in Senator COOPER's letter.

1. Of the programs administered by the Area Redevelopment Administration, only grants for public facility projects, authorized by section 8 of the Area Redevelopment Act (Public Law 87-27, 87th Cong., 1st sess., May 1, 1961), would be directly affected if the provisions of S. 2965, as reported, become operative.

By April 27-30, 1962, approximately $13,480,000 in Area Redevelopment Administration funds had been committed for 47 public facility projects involving section 8 of the Area Redevelopment Act. The aggregate cost of these projects will be approximately $29.8 million.

Section 7 of the Area Redevelopment Act authorizes loans for public facility projects. The program under this section would be indirectly affected by the effect of S. 2965, as reported, on section 8 since many public facility projects assisted under the Area Redevelopment Act are financed by a combination of loans and grants. This letter will confine its scope to the program of grants for public facility projects under section 8 of the Area Redevelopment Act.

2. and 3. There is no specific statutory limitation in the language of section 8 of the Area Redevelopment Act which relates to the apportionment of funds, the time in which grants can be made or the aggregate dollar amounts of grants for any prescribed purpose, project, or program. Therefore, the statutory criteria and standards now in effect in section 8 will not be changed or eliminated by section 5 of S. 2965, as reported. The applicable provision in section 5 provides "That no grant under this section shall be subject to any limitation in other laws with respect to the apportionment of funds, the time in which grants may be made, or the aggregate dollar amounts of grants for any prescribed purpose, project, or program."

However, because of the anticipated demand for the funds available for public facility projects under the Area Redevelopment Act and the urgent need to create substantial new permanent employment as quickly as possible in redevelopment areas, the Area Redevelopment Administration has sought to have public facility project proposals demonstrate clearly that they are immediately related to a new or expanded commercial or industrial facility which will create permanent new employment.

If S. 2965, as reported, were enacted, the Area Redevelopment Administration would continue to apply section 8 of the Area Redevelopment Act to cover public facility project proposals meeting the standards indicated above. In addition, the section 8 program would be properly applied to cover many project proposals, such as those indicated in item 6 below, which would tend to improve the opportunities for the establishment or expansion of industry that will provide new, permanent employment opportunities even though such opportunities and new or expanded private facilities might not result immediately.

4. The effect of the above action would be to enable the section 8 public facility program to help to finance the kinds of projects indicated in item 6 below.

5. Rather than disrupt the area redevelopment program, an acceleration of public facility project proposals would expand the opportunities for the economic development of communities in redevelopment areas.

Communities presently submitting qualified public facility project proposals would not be discriminated against under the kind of accelerated program which S. 2965, as reported, envisages. Any project proposal which might not demonstrate the necessary immediate new or expanded private facility now required could be resubmitted under the accelerated program.

The present public facility program under section 8 of the Area Redevelopment Act establishes certain standards for local and State participation and responsibility. If S. 2965, as reported, were enacted, the local and State participation and responsibility would not be changed, since the program under S. 2965, as reported, does not alter the statutory standards in section 8 of the Area Redevelopment Act and is a temporary program.

6. It is impossible to estimate, without extensive field survey, the additional number and dollar volume of projects that would qualify if S. 2965, as reported, were enacted. Area Redevelopment Administration activity under section 8 of the Area Redevelopment Act depends essentially on local planning. Many public facility projects are only beginning to be developed, or thought of, at the local level. Many more may ultimately be financed through the programs of agencies other than the Area Redevelopment Administration.

If S. 2965, as reported, were enacted, and additional funds were provided, the section 8 program of grants for public facilities would be able to cover project proposals as indicated in the last paragraph of items 2 and 3 above. Many communities have indicated to the Area Redevelopment Administration their need for public facility projects. For example, 1,132 needed public facility projects were identified in the first 300 local economic development plans submitted to the Area Redevelopment Administration. Of that total, it is possible that about 784, costing about $270 million, might be initiated or accelerated and then completed within a year, with assistance from the Area Redevelopment Administration. These local plans covered about 475 redevelopment areas with a population of approximately 25.8 million people. Since that time, more local plans have been submitted. They, too, indicate needed public facilities.

7 and 8. Since the entire authorization under section 8 of the Area Redevelopment Act may be substantially exhausted, through appropriations, by the end of the next fiscal year, it would not be wise for the Area Redevelopment Administration to accelerate public facility project proposals at this time without the additional funds which S. 2965 as reported, could provide.

U.S. DEPARTMENT OF COMMERCE,
BUREAU OF PUBLIC ROADS,
May 7, 1962.

To: Mr. Robert E. Giles, General Counsel, Department of Commerce.
From: David S. Black, General Counsel.
Subject: Letter to Secretary Hodges from Senator COOPER concerning S. 2965, the proposed Standby Public Works Act of 1962.

In response to your request of May 1, 1962, for the views of this Bureau on the questions concerning S. 2965 contained in Senator COOPER's letter of April 30, 1962, to Secretary Hodges, the Bureau has prepared the enclosed statement dealing with each of Senator COOPER's questions as it relates to our activities.

REPLIES TO QUESTIONS ASKED BY SENATOR COOPER RE SENATE BILL 2965, STANDBY PUBLIC WORKS ACT OF 1962

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

[Dollar amounts in millions]

Program	Projects underway or authorised		
	Number of projects	Total cost	Federal funds
(a) Federal-aid highway program	17,022	$9,880	$7,294
(b) Forest highway program	131	58	55

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

Criteria and standards for existing Federal-aid and forest highway programs would not be changed or eliminated. For the acceleration program for which additional funds would be provided under S. 2965, formulas for apportionments of highway funds to States would not apply. Also, the program financed under section 6 of S. 2965 could provide for highway projects located off the Federal-aid and forest highway systems.

3. Which of the existing criteria are administrative or budgetary? What could be

done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

The changed criteria described under 2 above with respect to the acceleration program are of a legal nature rather than administrative or budgetary. The changes provided under S. 2965 could only be accomplished by legislation.

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

The changes described under 2 above with respect to the acceleration program for which additional funds would be provided under S. 2965 would have no effect on existing Federal-aid and forest highway programs.

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

It is not expected that S. 2965 would have any derogatory effect or disrupt the continuing Federal-aid and forest highway programs in any way. There would be no discrimination against communities (or States or local governments) qualifying under existing programs, and it is not anticipated that the new program would lead to any demands for lowering standards or changing criteria applicable to existing programs.

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

The number and dollar volume of highway projects that could be qualified under S. 2965 would depend largely upon the amount of additional funds made available. Under the special "D" and "L" funds program authorized by sections 2(a) and 2(c) of the Federal-Aid Highway Act of 1958, Federal-aid primary, secondary, and urban projects financed at a total cost of $618 million were placed under contract within a period of 7½ months, in addition to and without delay to the regular Federal-aid highway programs. The 1958 program was statewide rather than limited to specific areas in each State, but it is expected that the present need for highway improvements in the redevelopment areas would provide ample opportunity for the use of any funds made available for such purposes under S. 2965.

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

The Federal-aid highway program is progressing at the maximum rate that can supported from revenues accruing to the highway trust fund. The transfer of additional revenues from the general funds of the Treasury to the highway trust fund would make additional apportioned funds available to the States on a reimbursable obligation basis. At the present time there is a balance of nearly $2.9 billion of Federal-aid highway funds apportioned to the States for the fiscal years through 1963 which is available for obligation provided the States can finance the work with State funds until additional revenues are available to reimburse the States from the Highway Trust Fund.

The forest highway program also is progressing as rapidly as possible under existing appropriations. The 1963 forest highway appropriation request is for $35 million, which would leave an unappropriated balance of $38,850,000 of forest highway funds authorized for 1963 and prior fiscal years.

8. Approximately what number and dollar value of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs, under the conditions in question 7 above?

If additional funds were made available as discussed under item 7 above, it is expected that the Federal-aid and forest highway programs could be accelerated as follows:

[Dollar amounts in millions]

Fiscal year	Federal-aid			Forest highways		
	Number of projects	Total cost	Federal funds	Number of projects	Total cost	Federal funds
1963	500	$300	$250	50	$16	$15
1964	500	300	250	50	16	15

April 27, 1962.

Hon. Stewart L. Udall,
Secretary of the Interior, Department of the Interior, Washington, D.C.

Dear Mr. Secretary: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate Wednesday by the Public Works Committee, of which I am a member. I am concerned about the possible effect on existing Federal loan, loan-grant and grant programs of the proposed change in the criteria and standards for these programs, as contained in sections 5, 6 and 7 of the bill.

Section 8, known as the Chavez amendment, provides for a different program, funded through the regular appropriations process, limited to distressed areas, and to a period of 27 months following enactment of the bill, and it will simplify your response to this request to omit from consideration that section of the bill.

The types of public works projects covered by the bill are defined in section 14(c). The projects which can be financed are limited under section 9(a)(3) to those which can be completed within 18 months after initiation, or if begun later than 9 months after proclamation of the public works acceleration period can be completed before the end of that 27-month period.

The provisos in section 5 waive the criteria established by the Congress for existing programs, and permit grants up to 50 percent of the cost of projects. Section 7 permits loans for the remainder. Section 5 also waives all existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project or program.

I wish you would refer the following questions to each of the agencies under your jurisdiction which has programs assisting projects which can be defined as public works projects under section 14(c) of the bill. Please note that while section 5 is limited to Federal grant programs, section 6 permits 50-percent grants for any public works projects and programs not now eligible for grants, so that in discussing the change in existing programs those which are now wholly loan programs must be included.

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided in the bill?

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that it may take a little time to compile the information for an answer to some of these questions. If that is the case, I would appreciate your comments on the other questions, including the first four, meanwhile.

Sincerely yours,

John Sherman Cooper.

(No reply received.)

April 27, 1962.

Hon. Orville L. Freeman,
Secretary of Agriculture, Department of Agriculture, Washington, D.C.

Dear Mr. Secretary: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate Wednesday by the Public Works Committee, of which I am a member. I am concerned about the possible effect on existing Federal loan, loan-grant and grant programs of the proposed change in the criteria and standards for these programs, as contained in sections 5, 6, and 7 of the bill.

Section 8, known as the Chavez amendment, provides for a different program funded through the regular appropriations process, limited to distressed areas, and to a period of 27 months following enactment of the bill. It will simplify your response to this request to omit from consideration that section of the bill.

The types of public works projects covered by the bill are defined in section 14(c). The projects which can be financed are limited under section 9(a)(3) to those which can be completed within 18 months after initiation, or if begun later than 9 months after proclamation of the public works acceleration period can be completed before the end of that 27-month period.

The provisos in section 5 waive the criteria established by the Congress for existing programs, and permit grants up to 50 percent of the cost of projects. Section 7 permits loans for the remainder. Section 5 also waives all existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project or program.

I wish you would refer the following questions to each of the agencies under your jurisdiction which has programs assisting projects which can be defined as public works projects under section 14(c) of the bill. Please note that while section 5 is limited to Federal grant programs, section 6 permits 50 percent grants for any public works projects and programs not now eligible for grants, so that in discussing the change in existing programs those which are now wholly loan programs must be included.

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorizations to expend from public debt receipts? Second, through the acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that it may take a little time to compile the information for an answer to some of these questions. If that is the case, I would appreciate your comments on the other questions, including the first four, meanwhile.

Sincerely yours,

JOHN SHERMAN COOPER.

(No reply received.)

APRIL 27, 1962.

Hon. ROBERT C. WEAVER,
Administrator, Housing and Home Finance Agency, 1626 K Street, Washington, D.C.

DEAR MR. WEAVER: Senate Bill 2965, known as the "Standby Public Works Act of 1962," was reported to the Senate Wednesday by the Public Works Committee, of which I am a member. I am concerned about the possible effect on existing Federal loan, loan grant and grant programs of the proposed change in the criteria and standards for these programs, as contained in sections 5, 6 and 7 of the bill.

Section 8, known as the Chavez amendment, provides for a different program funded through the regular appropriations process, limited to distressed areas, and to a period of 27 months following enactment of the bill. It will simplify your response to this request to omit from consideration that section of the bill.

The types of public works projects covered by the bill are defined in section 14(c). The projects which can be financed are limited under section 9(a)(3) to those which can be completed within 18 months after initiation, or if begun later than 9 months after proclamation of the public works acceleration period can be completed before the end of that 27-month period.

The provisos in section 5 waive the criteria established by the Congress for existing programs, and permit grants up to 50 percent of the cost of the projects. Section 7 permits loans for the remainder. Section 5 also waives all existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project or program.

I wish you would refer the following questions to each of the agencies under your jurisdiction which has programs assisting projects which can be defined as public works projects under section 14(c) of the bill. Please note that while section 5 is limited to Federal grant programs, section 6 permits 50 percent grants for any public works projects and programs not now eligible for grants, so that in discussing the change in existing programs those which are now wholly loan programs must be included.

1. What programs of your agency would be affected if the provisions of the bill become operative? How many projects are now underway in each of these programs and what is their approximate total cost?

2. What are the criteria and standards now in effect in these programs which could be changed or eliminated under the bill?

3. Which of the existing criteria are administrative or budgetary? What could be done to accelerate projects under these programs by changing these administrative or budgetary standards, without changing the criteria specified by law?

4. What would be the effect on these programs of changing or eliminating existing criteria and standards, as provided by the bill?

5. Could this have a derogatory effect, or disrupt the program? Would it discriminate against communities qualifying for projects under existing standards, as compared to those qualifying under the provisions of the bill? Would it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

6. If the criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects could be qualified which are not now qualified, assuming sufficient funds were made available?

7. To what extent could the President and your agency—without the authority provided by this bill—accelerate public works projects under these programs? First, through the accelerated expenditure of funds already appropriated and through the use of existing contract authorizations, revolving funds and through the use of authorization to expend from public debt receipts? Second. through acceleration of authorized projects and by requesting additional appropriations where necessary? Third, by other means?

8. Approximately what number and dollar volume of accelerated public works projects could be undertaken in fiscal 1963 and 1964 in each of the existing programs under the conditions in question 7 above?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that it may take a little time to compile the information for an answer to some of these questions. If that is the case, I would appreciate your comments on the other questions, including the first four, meanwhile.

Sincerely yours,

JOHN SHERMAN COOPER.

(No reply received.)

APRIL 26, 1962.

Hon. ROBERT C. WEAVER,
Administrator, Housing and Home Finance Agency, Washington, D.C.

DEAR MR. WEAVER: Senate bill 2965, known as the Standby Public Works Act of 1962, was reported to the Senate yesterday by the Public Works Committee, of which I am a member. Section 10(b) of the bill as reported would authorize the President, an agency or officer specified by him, and those delegated in turn, to "cause to be transferred" to a new public works agency or any other agency "the unobligated balances of authorizations to expend from public debt receipts available for the Housing and Home Finance Agency."

Since such a transfer would affect the funds otherwise available to your agency, I would like to ask several questions. Because the Housing and Home Finance Agency has several constituent agencies, each with its distinct programs, I wish you would also direct these questions to the Commissioners of the Community Facilities Administration, the Urban Renewal Administration, and the Federal Housing Administration, for their comments on how their agencies and programs could be affected.

Some of the questions speak of loans made from public debt receipts. However, the authority for the use of public debt receipts by the HHFA is not limited to Treasury borrowing, and I know your answers will take this into account.

1. What are the statutory authorities for the use of public debt receipts by the HHFA?

(a) What are the statutory purposes of this authority, and how was it intended by Congress to be used?

(b) How much money is the HHFA authorized to borrow from the Treasury for these purposes?

(c) Is this authority a necessary part of the basic purposes or operations of the HHFA?

(d) Under what conditions is the HHFA authorized to borrow these funds from the Treasury? Is the Treasury directed to make the loans to HHFA under those conditions, or are the loans made at the discretion of the Treasury?

2. Extent of use of the Treasury financing authority by HHFA?

(a) To what extent has this authority been used in the past, and what were the occasions of its largest use?

(b) If this authority, since it was first granted by the Congress, has been increased in amount or broadened in its purposes, or has been decreased in amount or limited in its purposes, what were the reasons for these changes?

(c) To what extent is this authority being used now?

(d) To what extent is this authority likely to be needed in the future?

(e) When would its full use possibly be required?

(f) Even when the authority to borrow funds from the Treasury is not exercised or fully used, does the existence of this authority still serve a useful purpose against contingencies, or contribute to the financial stability and security of the HHFA?

3. Effect of withdrawing up to $2 billion from the funds available to the HHFA from public debt receipts.

(a) How would such a withdrawal during a minor or severe recession affect the operations and the financial condition of the HHFA?

(b) Would such a withdrawal impair the credit of the HHFA?

(c) If it were not replaced by appropriations, or the borrowing authority of the HHFA were not increased by Congress or otherwise restored, what adverse effects, if any, could result from such a withdrawal?

(d) If it were to be restored, would there be any need to do so sooner than in 27 months?

You may wish to comment also on the general reasons for the existence of large unobligated balances of HHFA authority to borrow from the Treasury. For example, does this result from favorable economic conditions, or the successful operation of HHFA? From administrative practices, or the use of alternate sources of funding? From limitations imposed by appropriations acts or reports, or by budgeting policy?

While it now appears that S. 2965 may not be called up in the Senate in the next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible. If a complete answer cannot be prepared quickly, I would like to have a memorandum on the first question, 2(f) and 3(a) meanwhile.

I enclose a copy of the bill as reported, and thank you for your attention to this subject.

Sincerely,

JOHN SHERMAN COOPER.

(No reply received.)

APRIL 28, 1962.

Hon. DAVID E. BELL,
Director, Bureau of the Budget,
Washington, D.C.

DEAR MR. BELL: I know you are familiar with the provisions of Senate bill 2965, known as the Standby Public Works Act of 1962, as reported to the Senate by the Public Works Committee. I would like to ask the following questions about the proposals in this bill, and their possible effects on existing authorities and programs:

1. Has the method of financing provided in section 10(b)—that is, transferring to any other department or agency for a different use the unused Treasury borrowing authorized by the Congress for specific purposes—ever been used before? If so, on what occasions?

2. How does this method differ, in its effect on the budget, from providing a new authority to expend from public debt receipts for public works to relieve unemployment?

3. What is the purpose of your recommending this new financing method?

4. What are the various authorizations available for the Housing and Home Finance Agency from which withdrawals could be made under section 10(b), what are their statutory purposes, and what programs of the Agency could be affected by the withdrawal of $2 billion from any of these authorizations?

5. Would not the Chavez amendment, section 8, provide sufficient funds, if appropriated by the Congress, to get public works programs for the purpose of relieving unemployment underway and tested during fiscal 1963 and 1964?

6. Is it not now possible for the President to accelerate existing public works programs—first, through the accelerated expenditure of funds already appropriated, and through the use of existing contract authorizations, revolving funds, and authorizations to expend from public debt receipts; and second, through acceleration of authorized projects and requesting additional appropriations when necessary for their completion?

7. Approximately what number and dollar volume of public works projects in each of the existing programs could be undertaken in fiscal 1963 and 1964 in each case above, without the new authority provided by S. 2965?

8. What are the criteria for each of the existing Federal loan programs, loan-grant programs, and grant programs for public works as defined in section 14(c) which would be waived by the provisos in section 5 (and by section 6(c) and 7) permitting grants up to 50 percent of the cost of projects, loans for the remainder, and removing the existing limitations regarding the apportionment of funds, the time in which grants may be made, and the dollar amounts of grants for any purpose, project or program.

9. Could this have a derogatory effect on existing programs such as community facilities, housing, airports, and others, or disrupt these programs to the extent it changes existing standards and criteria? Could it lead to demands that the standards for local and State participation and responsibility in these programs, now accepted by the Congress and local governmental bodies, be lowered?

10. If these criteria were changed at the present time to the lower standards provided by the bill, approximately what number and dollar volume of projects in each of the programs covered by the bill could be qualified for construction which could not otherwise be qualified, assuming sufficient funds were made available in both cases?

While it now appears that S. 2965 may not be called up in the Senate next week, it could come up at any time and very quickly. I want to be able to study this and other information related to the bill before the debate. Therefore, I hope you will send me a reply as soon as possible.

I realize that the facts for a complete answer to my 7th and 10th questions may not be immediately at hand. If that is the case, this information could follow and I would appreciate your comments on the other questions meanwhile.

Sincerely yours,

JOHN SHERMAN COOPER.

(No reply received.)

Mr. COOPER. Mr. President, I also ask unanimous consent that there be printed in the RECORD following my remarks a short time ago three amendments which I am prepared to offer to the bill, together with an explanation of the amendments. I had intended to offer them on behalf of myself, the Senator from Delaware [Mr. BOGGS] and the Senator from Hawaii [Mr. FONG] in the case of all three amendments. In the case of the first amendment, amendment A, I had intended to offer it also on behalf of the Senator from South Dakota [Mr. CASE]. That amendment to strike the bill's financing provision would have been offered had the Senator from Virginia not offered his amendment; but I congratulate him for offering the amendment.

The amendments and explanation were ordered to be printed in the RECORD, as follows:

COOPER AMENDMENT TO SECTION 10 OF S. 2965

On page 14, beginning with line 1, strike out all through line 14 on page 15.

EXPLANATION OF THE COOPER AMENDMENT TO SECTION 10 OF S. 2965

The amendment strikes section 10(b) of the bill.

This is the section "to expedite financing activities" under the act, by permitting the President to borrow $2 billion for public works construction from funds authorized for the Federal Deposit Insurance Corporation, the Federal Savings & Loan Insurance Corporation, the Federal home loan banks, the Housing and Home Finance Agency, and the International Bank for Reconstruction and Development.

The section struck out by the Cooper amendment follows section 10(a), which authorizes funds to carry out the purposes of the act by appropriations.

COOPER AMENDMENT TO THE KERR AMENDMENT TO S. 2965

On page 2, line 25, strike out "$750,000,000" and insert in lieu thereof "$600,000,000".

EXPLANATION OF THE COOPER AMENDMENT TO THE KERR AMENDMENT TO S. 2965

The Kerr amendment, in addition to other changes, increases from $600 million to $750 million the authorization for appropriations for the purposes of section 8 of the bill (known as the Chavez amendment).

The Cooper amendment to the Kerr amendment would reduce this authorization to $600 million—the amount provided by the committee bill on page 11, line 1, and the amount recommended for the program by the President. It would be subject to action by the Appropriations Committees.

The section for which this authorization provides funds (section 8, known as the Chavez amendment) is directed to the construction of public works in areas having substantial unemployment in at least 9 of the 12 preceding months and in redevelopment areas designated under the Area Redevelopment Act. It is effective upon enactment, and would finance projects which could be completed not later than 27 months after the date of enactment. It would provide aid in those areas where there is greatest unemployment.

COOPER AMENDMENT (IN THE NATURE OF A SUBSTITUTE) TO S. 2965

Strike out all after the enacting clause and insert in lieu thereof the following: "That this Act may be cited as the 'Emergency Public Works Act of 1962'.

"FINDINGS

"SEC. 2. The Congress finds that (1) certain communities and areas of the Nation are presently burdened by substantial unemployment and underemployment and (2) action by the Federal Government is necessary to provide immediate useful work for the unemployed and underemployed in these communities. It is the intent and purpose of the Congress to provide for an immediate program of assistance for public works in those areas.

"GENERAL AUTHORIZATION

"SEC. 3. (a) The Housing and Home Finance Administrator (hereinafter referred to as the 'Administrator'), may exercise the authority provided in this Act in areas currently designated by the Secretary of Labor as having been areas of substantial unemployment in each of at least nine of the twelve immediately preceding months, and in areas currently designated as "redevelopment areas" pursuant to the Area Redevelopment Act.

"(b) The Administrator shall prescribe rules, regulations, and procedures which will assure that adequate consideration is given to the relative needs of the areas eligible for assistance. In prescribing such rules, regulations, and procedures, the Administrator shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.

"(c) In the case of those projects or programs which qualify under standards established by the Administrator applying uniformly to all similar areas, if the Administrator determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to this Act for a project or program in such area may be made without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof.

"GRANTS FOR PUBLIC WORKS PROJECTS NOT ELIGIBLE UNDER EXISTING PROGRAMS

"SEC. 4. (a) For the purpose of this Act, the Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to make grants from funds appropriated pursuant to section 7 to States and local public bodies to finance the initiation or acceleration of public works projects and programs which are not eligible for grants under other Acts of Congress.

"(b) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the cost of undertaking and completing the project or program for which the grant is made.

"FEDERAL LOANS

"SEC. 5. (a) For the purpose of this Act, the Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to use funds appropriated pursuant to section 7 to purchase the securities and obligations of, or make loans to, States and local public bodies which otherwise would be unable to meet their share of the cost of projects and programs for which grants have been authorized pursuant to section 4 of this Act.

"(b) All securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other financial institutions through agreements to participate or by the purchase of participations or otherwise.

"(c) No securities or obligations shall be purchased and no loans shall be made including renewals or extensions thereof which have maturity dates in excess of forty years.

"(d) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (1) 3 per centum per annum, or (2) the total of one-half of 1 per centum per annum added to the rate of interest required to be paid on funds obtained for the purposes of this section as determined by the Secretary of the Treasury as provided under subsection (e) of this section.

"(e) Funds used for the purpose of this section shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the preceding fiscal year and adjusted to the nearest one-eighth of 1 per centum.

"RESTRICTIONS AND LIMITATIONS

"SEC. 6. The authority conferred by this Act shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be made with respect to any project or program unless the project or segment of work, to be assisted under this Act—

"(A) can be initiated or accelerated within a reasonably short period of time;

"(B) will meet an essential public need;

"(C) if initiated hereunder, can be completed within 18 months after initiation, but not later than twenty-seven months after the date of enactment of this Act;

"(D) will contribute significantly to the reduction of unemployment; and

"(E) is not inconsistent with locally approved comprehensive plans for the jurisdictions affected, wherever such plans exist.

"(2) Not more than 12½ per centum of the funds provided for projects and programs pursuant to this Act shall be made available within any one State.

"(3) The Administrator shall prescribe such rules, regulations, and procedures as will assure that no assistance under this Act shall be made available to any State or local public body unless the project or program for which the assistance is granted produces a net increase in the expenditures of such State or local public body for public works projects approximately equal to the non-Federal contribution to the project or program.

"APPROPRIATIONS AUTHORIZED

"SEC. 7. There is hereby authorized to be appropriated the sum of $600,000,000 to carry out the provisions of this Act.

"ADVANCES FOR PUBLIC WORKS PLANNING

"SEC. 8. Section 702 of the Housing Act of 1954 is amended by striking out in subsection (3) 'July 1, 1961'; and the remainder of the subsection, and inserting in lieu thereof, 'July 1, 1961; and such additional sums which may be made available from year to year thereafter.'

"LABOR STANDARDS

"SEC. 9. All laborers and mechanics employed by contractors or subcontractors on projects and programs assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be. No such project or program shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276c).

"DEFINITIONS

"SEC. 10. As used in this Act—

"(a) The term 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

"(b) The term 'local public body' includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, counties, or other political subdivisions of States; Indian tribes, and boards or commissions established under the laws of any State to finance specific public works projects.

"(c) The term 'public works' includes the construction, repair, and improvement of: public streets, sidewalks, highways, parkways, bridges, parking lots, airports, and other public transportation facilities; public parks and other public recreational facilities; public hospitals, rehabilitation and health centers, and other public health facilities; public refuse and garbage disposal facilities, water, sewage, sanitary facilities, and other public utility facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, libraries, museums, offices, laboratories, employee housing, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures.

"(d) The term 'project' includes a separable, usable feature of a larger project or development.

"(e) The term 'segment of work' means a part of a program on which the work performed can be separately identified by location and will provide usable benefits or services."

Amend the title to read as follows: "A bill to provide authority to accelerate public works programs of State and local public bodies in areas of the Nation where there is substantial unemployment and underemployment."

EXPLANATION OF COOPER AMENDMENT TO S. 2965

In committee, I moved, with Senator BOGGS, to strike the $2 billion standby authority from the bill. I also moved to strike sections 10(b), the financing method giving authority to the President to borrow the $2 billion from funds authorized for the Housing and Home Finance Agency, the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the Federal home loan banks, and the International Bank for Reconstruction and Development.

These motions were defeated, and the provisions are in the committee bill. The committee bill includes an additional section (sec. 8), known as the Chavez amendment, which authorizes an appropriation of $600 million for public works not now eligible for Federal assistance.

The amendment offered by Senator KERR provides standby authority of $750 million, and $750 million for immediate use in areas of substantial unemployment under the Chavez amendment. His amendment would also strike the provision authorizing the President to borrow from the above-named agencies.

The purpose of my amendment is to limit the bill to the Chavez amendment (sec. 8 and its application to secs. 6 and 7).

The Cooper amendment—

1. Authorizes $600 million, to be appropriated, for public works not now eligible for Federal assistance.

2. Would be administered by the Administrator of the Housing and Home Finance Agency. This Agency now has jurisdiction for community facility projects, has experience in the field of local public works, and is specified in sections 6 and 7 of the committee bill for this work.

3. Would provide Federal assistance to local communities on a matching basis. However, upon a determination by the Administrator that the communities were not able to provide their 50-percent share, such share could be reduced, but not lower than 10 percent, providing assurance that projects would meet an essential public need.

4. In the event a community is not able to provide its share of cost, the Administrator is authorized to make loans to the community for its share. Loans would not be for more than 40 years—at 3 percent, or ½ of 1 percent added to the rate of interest paid on funds obtained for loans.

5. The $600 million authorized by the Cooper amendment would be expended in areas of the Nation having substantial unemployment in each of at least 9 of the 12 preceding months and in areas designated as "redevelopment areas" under the Area Redevelopment Act.

Each of the provisions above are identical with provisions included in the committee bill under the Chavez amendment. They are included also under the Kerr amendment, which, however, raises the amount in the bill from $600 million to $750 million.

The total cost of the Cooper amendment would be $600 million as compared to $2.6 billion provided by the committee bill, and $1.5 billion provided by the Kerr amendment.

The $600 million authorized by the Cooper amendment would be subject to action by the Appropriations Committees.

The Cooper amendment would strike the $2 billion standby authority authorized by the committee bill, and the $750 million standby authority authorized by the Kerr amendment.

The money appropriated under the Cooper amendment would be expended in the areas of greatest unemployment and need. The funds would be expended on local projects which could be quickly planned, and upon which construction could be quickly commenced.

The Cooper amendment does not touch existing Federal public works programs or existing grants-in-aid programs, as does the committee bill and the Kerr amendment. Hence it does not upset the existing criteria for such programs, which have been considered and authorized by the Congress.

Mr. KEATING and Mr. BUSH addressed the Chair.

Mr. COOPER. I yield to the Senator from New York.

The ACTING PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. KEATING. Could the Senator take one more minute?

Mr. DIRKSEN. Madam President, I yield the Senator 1 more minute.

Mr. KEATING. Madam President, I think those of us who do not serve on the Committee on Public Works owe a deep debt of gratitude to the Senator from Kentucky, to the Senator from South Dakota, and indeed to the Senator from Virginia and other Senators who have focused attention upon this erratic proposal to take money provided to protect loans of the World Bank and deposits in savings and loans associations, and to put it into a public works program. This is the most fantastic proposal I have ever seen made in the Senate.

A vote on this should be a rebuke, a firm rebuke to those who shortsightly propose any such fantastic method of financing.

I commend those who have taken that position.

Mr. ROBERTSON. Madam President, I yield 5 minutes to the distinguished Senator from Connecticut [Mr. BUSH].

Mr. BUSH. Madam President, I join the Senator from New York [Mr. KEATING] in complimenting the Senator from South Dakota [Mr. CASE], the Senator from Vermont [Mr. PROUTY], the Senator from Kentucky [Mr. COOPER], the Senator from Delaware [Mr. BOGGS], the Senator from Hawaii [Mr. FONG], the Senator from Iowa [Mr. MILLER], and the Senator from Virginia [Mr. ROBERTSON] upon their strong position with respect to the phase of the bill about which we are speaking. It is one of the most amazing proposals I have ever seen in my business and political life.

The Senator from Pennsylvania [Mr. CLARK] said that it is irrelevant to have a vote upon the amendment. I think it is highly relevant indeed, and I hope that he is correct, and that the Senate will unanimously reject the proposal. The amazing fact is that the provision came into the bill as a serious proposal by the administration. I hope that the Senate's action today will nail the idea for all time, so that never again will such a ridiculous proposal as the one about which we are speaking come before the Senator or the House.

The proposal is a form of legalized embezzlement. If we were not a part of the Federal Government; if what the proposal would permit were done in private business circles, someone would go to jail. It would be exactly like a corporation dipping into pension trust funds and using those trust funds to finance deficits in its business.

Mr. CLARK. Madam President, will the Senator yield for a question?

Mr. BUSH. I will not yield until I have finished. If I then have time, I shall yield.

I can imagine what an outcry there would be if important executives were found dipping into pension trust funds in order to finance the losses of their business. That is what the administration is asking the Congress to approve. So I think the vote will be very significant. This proposal is another evidence that the administration seeks over and over again to bypass the Congress of the United States in matters affecting the need for money to finance proposed operations.

I think the time has come for us to give this proposal a good setback. I hope the Senator from Pennsylvania is correct, and that the Senate will unanimously agree to take that action.

Mr. CLARK. Madam President, will the Senator yield for a question?

Mr. BUSH. I yield.

Mr. CLARK. Is the Senator from Connecticut suggesting that either the President of the United States or the senior Senator from Pennsylvania is an embezzler?

Mr. BUSH. No; I did not suggest that.

Mr. CLARK. I thank my friend for his courtesy.

Mr. BUSH. I hope the Senator does not have a guilty conscience about the bill. I am not suggesting any individual slight to the President or to the Senator from Pennsylvania. I merely say that if the kind of proposed action took place in private business, it would be looked upon as embezzlement. That is all. I think it is time for us to realize that we cannot have a separate set of ethics and standards for the Federal Government from what we have in any other walk of life.

Mr. KERR. Madam President, I yield myself 7 minutes on the bill.

I am surprised at the language of the Senator from Connecticut. But if I were looking for a saint, I would not pick him out. I resent the statement that he made that if the bill as presented by the President of the United States were enacted, it would amount to embezzlement. I know of no prerogative on the part of a Member of the Senate off of this floor to state that an official request by the President of the United States would promote embezzlement.

Mr. BUSH. Madam President, will the Senator yield?

Mr. KERR. I do not. Certainly if the Congress of the United States passed a piece of legislation authorizing the President to finance public works projects in areas that are distressed, because of the high rate of unemployment or the poverty-stricken condition of the people in those areas, then the carrying out of that authority by the President could not become embezzlement, official or private, under any stretch of even partisan political imagination. No Senator knows that any better than does the Senator from Connecticut.

The Senator from Oklahoma tried in every way he knew how to resolve the differences between the members of the two parties in the Committee on Public Works. It was with the deepest regret that I came to the floor of the Senate with a bill from that committee that was reported on a partisan basis. Even after it was voted out on a partisan basis I sought the opportunity to cooperate with the distinguished Republican members of that committee, for whom I have the highest respect and regard. Through the years, as a member of that committee, I have worked as much with the great Senator from South Dakota [Mr. CASE] as with any member of that committee. So far as I know, the present bill is the first bill that ever came from the Public Works Committee of the Senate to the Senate floor since the Senator from South Dakota and I have been members of the committee with respect to which we were not together on the provisions of the bill. The same has been true with reference to the distinguished Senator from Kentucky [Mr. COOPER]. Time and time again the Democratic members of that committee, under our great chairman, the Senator from New Mexico [Mr. CHAVEZ], and with my cooperation, have worked to resolve our differences with the Republican members of that committee.

We have done it with the distinguished Senator from Delaware [Mr. BOGGS] and with the distinguished Senator from Hawaii [Mr. FONG]. We have striven to do it with the distinguished Senator from Vermont [Mr. PROUTY], and the distinguished Senator from Iowa [Mr. MILLER]. Through the years that committee has striven to eliminate its differences with reference to proposed legislation brought to the floor of the Senate. That was our purpose in the present bill.

In the final analysis, it became apparent that we could not resolve our differences on the bill. However, I invite attention to the fact that the difference between the Democrats on the committee and the Republicans is one of amount. The Republican members of the committee are sponsoring a substitute bill. I do not know whether or not they are all in entire accord as to what the provisions of the substitute bill should be. I am aware of the fact that many of the Republican members of the committee agreed with the distinguished Senator from South Dakota on the provisions of his substitute bill. It is before the body now. It calls for an accelerated public works program of projects already authorized, and for the authorization of $500 million for additional public works projects not now authorized. The amendment of the Senator from Oklahoma and the Democratic members of the committee calls for a public works program of $750 million for the first fiscal year.

Actually there is not as much difference between the first part of our proposal and that of the Senator from South Dakota as might appear from an examination of the two figures, $500 million on the one hand and $750 million on the other, because, in addition to its proposal to authorize the $500 million, authority is proposed for all agencies of the Government engaged in the building or construction of public works to accelerate their program by 10 percent in each of the next 2 fiscal years. When that amount is added to the $500 million, the difference between the two proposals is reduced, insofar as the fiscal year 1963 is concerned.

The proposal of the Senator from Oklahoma and the other Democratic Members of the Senate goes further, and provides that if conditions worsen there will be triggered an authorization of an additional $750 million, to take effect at the beginning of fiscal 1964, implemented only by appropriations.

It had been my hope that we could work out this matter and resolve these differences without the slinging of epithets or insults across the aisle. I have none to deliver or sling at anyone. I resent what the Senator from Connecticut has said. If he repeats it, I will resent it again. If he wants to engage in a broil under the Senate rules on the Senate floor, the Senator from Oklahoma is ready to engage in it.

The PRESIDING OFFICER (Mr. METCALF in the chair). The time of the Senator has expired.

Mr. KERR. I yield myself 5 additional minutes on the bill.

When the Senator refers to a situation under which the President of the United States makes a proposal and Congress passes a law to implement it, and states that anyone participating in it would be guilty of embezzlement, he makes a statement which constitutes an insult and which is unjustified and which he cannot under any circumstances substantiate.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KERR. I do not yield.

Mr. DIRKSEN. I yield 5 minutes to the Senator from Connecticut on the bill.

Mr. BUSH. I am sorry that the Senator does not wish to yield. I should like to ask the distinguished Senator from Oklahoma if my statement was not correct that if any corporate management or anyone in business life did what is proposed to be done here, namely, to dip into the trust fund or the pension fund of his company, to borrow money from it, or to take money from it, in order to finance a deficit in his own business, whether there would not be grounds for him to go to jail. This has been said on the floor with respect to this same matter. This is what I am trying to point out. It is that we are trying to set a different standard for the Federal Government than is commonly expected to be an appropriate standard in business and commercial life.

Mr. KERR. I will answer the Senator on my own time.

Mr. BUSH. I ask the Senator to comment on it.

Mr. KERR. I yield myself 2 minutes on the bill. There is no relationship between directors of a corporation taking an illegal action and the situation that would be before the Senate if the body had before it proposed legislation to carry out a recommendation of the President of the United States. That would contemplate a situation which was duly authorized by Congress. The illustration the Senator from Connecticut used was presumed to be an illegal situation. Therefore there can be no relationship between the situation that he visualized and the situation that would be contemplated under legislation to legally authorize the President of the United States to take action. Therefore, there is no justification for the statement that if a private corporation were to do that which is contemplated here it would be a violation of the law, because nothing is contemplated here except the enactment of a law, which, if enacted, would make legal the action taken under it.

Therefore there can be no relationship between the two, and no one knows that better than the Senator from Connecticut. Therefore his illustration cannot be based upon what he believes to be the facts, but must be based on what he believes to be an opportunity for political advantage.

Mr. DIRKSEN. I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. I wish to say that what the bill seeks to do is to make legal what would be, in any other enterprise or walk of life, illegal. That is the reason why I have spoken as I have. I think it would set a very bad example. In order to show how bad an example it is, it had to be related to the established standards of conduct in connection with pension funds or trust funds in other walks of life. I agree I have spoken strongly. I have not accused anyone of being an embezzler. I have said that if this type of thing were done in any other walk of life, or in business, or if a union were to do it or if a corporation were to do it, for example, it would result in those who were responsible for it going to jail.

I do not believe that that is unfair or an incorrect appraisal of the situation. I am not making personal charges. I am pointing out that the situation that confronted the Senate and does confront the Senate is unparalleled, that it is bad business, and it ought to be thoroughly and soundly rejected.

Mr. KERR. I yield myself 3 minutes on the bill.

The Senator from Oklahoma is probably as familiar with corporate setups as is the Senator from Connecticut. The Senator from Connecticut is equally aware of the fact that a corporation can set up its business on the basis of what is provided in its bylaws. It has the authority under law to authorize its officers to utilize funds for legal purposes in certain instances that might be set up for one purpose and available upon the decision of the board of directors to be used for another purpose. So that the illustration the Senator used with reference to private enterprise is not applicable, because that which had been contemplated here would have been entirely legal, and the only thing he could compare it to would be a private enterprise operating on a basis that would be a legal one.

Therefore I get back to the earlier position, that the injection into the discussion of embezzlement was inappropriate and unfair and unjustified and highly partisan.

Let me say again that, so far as I am concerned, I would like to see the partisan element of this program eliminated. I will take my chances on the development of partisan issues when it comes for me to run for reelection, without subjecting to a partisan battle the misery of Americans in families that are unemployed in areas that are distressed economically or areas where families are being displaced by abandonment or changes or modernization of industry, or changing conditions.

It would seem to me that a bill that has for its purpose the elimination of human suffering might be considered by the Senate in the traditional manner of both parties, certainly on the Public Works Committee, and that is to meet the problem which confronts all people, Democrats and Republicans alike, in a bipartisan manner, without anyone seeking to reduce it to about the lowest level of partisan politics that I have seen displayed on the floor since I have been a Member of the Senate. I am referring to the remarks of the Senator from Connecticut.

Mr. DIRKSEN. I yield myself 5 minutes on the bill.

First let me say with respect to party relationship in the Public Works Committee, that from observation the minority members and the majority members have always worked exceedingly well together. I compliment the acting chairman on the rather gracious and tolerant way in which he has dealt with the minority. When we sought to fix a time limit on amendments on the bill, all of the minority members and the acting chairman and the majority leader met in my office. After some discussion, we all agreed as to how the bill should be handled and what the mode of procedure should be on the floor of the Senate. So I compliment the committee itself and all the members thereof for the tolerant and forebearing way in which this subject was considered.

I wish to address one word to the distinguished Senator from Pennsylvania [Mr. CLARK], the sponsor of the bill. He undertook to lament the request for a yea-and-nay vote. I think the distinguished Senator from New York [Mr. KEATING] used exactly the right word when he said there ought to be a yea-and-nay vote as a kind of rebuke to those who appeared before the committee and there supported, in the language of the Senator from Kentucky [Mr. COOPER], the unique financing provisions which were originally in the bill.

It should be pointed out that Cabinet members testified before the committee. It should be pointed out that a number of Senators testified. It should be pointed out that the Chairman of the Board of Economic Advisers testified. It should be emphasized that the Director of the Bureau of the Budget testified in behalf of the bill in its original form. Obviously, when the whole procedure is considered, it can well be understood why nobody wants to assume the responsibility of proposing the use of the funds now made available to the Housing and Home Finance Agency, dipping into the balance of the U.S. subscription to the World Bank, and tampering with the borrowing authority reserves of the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation. I can well understand now why no one wishes to associate himself with that suggestion; but "rebuke" is the word, and the Budget Bureau today ought to be rebuked by a solid vote of the Senate for proposing and sponsoring a financing provision of that kind.

I trust that we may now get on with the business, that we may now proceed with the yea-and-nay vote on the question of the deletion of language on pages 13, 14, and 15, and will then let other language, in the form of direct authorizations for appropriations, be submitted.

Mr. ROBERTSON. Mr. President, I yield 5 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President, it seems that the result of the vote which will be taken will indicate that the original contents of the bill were unsound, so far as they dealt with the method of financing this proposal; but, in my judgment, we cannot rest content upon the anticipated result unless we allow what is happening to leave with us the impression that this type of financing will not be tolerated by the U.S. Senate. Unless it is today written permanently that the Senate will not allow a raid on the trust funds to take place, all that we shall do will be in vain.

If the proposal were made that trust funds be diverted in the bill, it might occur to someone in the future that what was denied on this day may be retried and made successful. That should not happen.

It must be conceded that under the language in the bill authorizing funds for public works projects, the Government may take the trust funds which were pledged to depositors in building and loan associations as a guarantee that their deposits will not be lost in case of a failure of the associations. It also must be admitted that the language of the bill provides that trust funds which were impounded or earmarked to guarantee against losses to depositors in banks may be taken. It is pretty hard to conceive how the thought was originated that this mode of financing ought to be adopted.

Banking institutions and savings and loan associations in Ohio have sought authority to operate, but they have encountered difficulty because the Federal body guaranteeing the deposits in such associations have said that, for instance, in Cuyahoga County there were too many building and loan associations, and that the Federal body could not undertake to guarantee any more deposits. I point that out merely to establish the significance and meaning of guarantees of deposits up to $10,000.

I concur in the statement of the Senator from Oklahoma [Mr. KERR] that the Senate has the authority to do whatever it pleases, and that there would be no legal wrong upon which actions could be brought. Right or wrong, the Congress is omnipotent in this matter. It can give and it can take away. However, I think the Senator from Oklahoma realizes, just as all other Senators realize, that at least normally, when the deposit guaranty agencies were created, Congress stated to the depositors that the Government would create a trust fund, made up of the premiums paid by banks and building and loan associations, which would be available if and when moneys were needed to pay depositors whose deposits were lost. Depositors further were told that while the Government would set aside the premiums paid by banks and savings and loan associations; that pledge would be reinforced by another pledge by the Government to pay the moneys needed in the event of failures of the depositaries.

That pledge should be kept; we should not break it. I think the result of the motion made by the Senator from Virginia will indicate our purpose to keep that pledge.

I commend the Senator from Virginia [Mr. ROBERTSON], the Senator from Kentucky [Mr. COOPER], the Senator from South Dakota [Mr. CASE], and also the Senator from Oklahoma [Mr. KERR], because the Senator from Oklahoma is just as conscientious as the rest of us concerning the belief that the funds should not so be used.

Mr. President, my argument probably has been meaningless, because the mind of the Senate is pretty well fixed; but I believed something must be said to guard against a recurrence of this act in the future.

Mr. KERR. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. KERR. I wish to say to the Senate that if the motion of the Senator from Virginia is agreed to, it will approve a portion of the amendment now before the Senate, offered by the Democratic members of the Public Works Committee; and in voting for it, I shall in no way be voting to rebuke the President of the United States, the Secretary of Labor, the Assistant Director of the Bureau of the Budget, the members of the Economic Advisory Council, or anyone else. My purpose is to secure the enactment of legislation to relieve the misery of poverty in areas of excessive unemployment and economic distress; and it was my judgment that in order to expedite the passage of proposed legislation to permit that, it would be the part of wisdom to bring to the Senate a proposal to finance it on the basis of authorization and appropriation. That was my purpose, and it was also the purpose of those of my colleagues who joined me in offering the amendment; and our purpose was not to deliver a rebuke to anyone.

In order that the distress of my friend, the Senator from Ohio [Mr. LAUSCHE], may be alleviated, and in order that the impression he has had—which was erroneous—may be corrected, I say to him that the bill as reported to the Senate did not provide for the use of any trust fund of any agency of this Government; and the sacred obligations of the FDIC, the Housing and Home Finance Agency, the Federal Savings and Loan Corporation, and the others referred to, would not in any way have been jeopardized or hindered by enacting the bill in the form in which we reported it to the Senate.

The unobligated balances in these funds as of June 30 are as follows—and I am not referring to the trust funds of these agencies; I am referring only to their borrowing authority:

The International Bank for Reconstruction and Development, $5,715 million. That is not a trust fund; it is borrowing authority which it has had for many years, but has not used.

The Housing and Home Finance Agency, borrowing authority which has not been used, $5,416 million.

The Federal Deposit Insurance Corporation, borrowing authority which it has not used, and has not needed to use, $3 billion.

The Federal Savings and Loan Insurance Corporation, borrowing authority, $750 million.

The Federal Home Loan Bank Board, borrowing authority, $1 billion.

A total of borrowing authority, constituting the unobligated balances of these agencies, of $15,881 million.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I shall be glad to yield in a moment.

So, Mr. President, there was no purpose to jeopardize the trust funds, the fiscal responsibility, or the ability to meet their obligations, of any of these agencies; and the language of the bill, as we reported it to the Senate, and which will be deleted if the suggestion of the Senator from Virginia is carried out, is as follows: "*Provided,* That there are hereby authorized to be appropriated such amounts as may be required to restore such transferred balances not otherwise restored to the sources of funds from which they were derived."

Mr. President, I shall agree to the request of the Senator from Virginia, because I am perfectly willing to have the Senate act on the part of the bill, which I and other Senators sponsored, to eliminate that source of financing from the bill, and then to vote on my amendment, which, if enacted, will provide the regular authorization and appropriation source of financing. I shall do that, I say to the Senate, in order to expedite what I regard as very worthy legislation, which is recognized by Senators on both sides of the aisle as being necessary; and I shall not do it as a rebuke to anyone; and certainly in doing it I am in full possession of my faculties, and therefore I am fully cognizant of the fact that the bill, as reported to the Senate, did not authorize the dipping into any trust fund of any agency of the Government.

Mr. KERR subsequently said: Mr. President, in my remarks I referred to the estimated unobligated balances of agencies which, had the bill been enacted as it was brought to the Senate, would have been used in financing certain provisions of the bill. I ask unanimous consent that at the conclusion of that part of the statement there be included in the RECORD the paragraphs at the bottom of page 5 and a little of the top of page 6 of the committee report which are pertinent to the manner in which these unobligated balances would have been treated had the bill been enacted as brought to the Senate.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

FINANCING

Economic developments may cause the standby authority provided by this bill to be invoked when Congress is not in session. In order to expedite financing activities authorized by the standby provisions of this bill, the President is authorized, once the standby authority is triggered, to transfer to the appropriate accounts of any department or agency of the executive branch, balances of authorizations to expend from public debt receipts available for the Housing and Home Finance Agency, for loans to the Federal Savings and Loan Insurance Corporation, for loans to the Federal Deposit Insurance Corporation, for the purchase of obligations issued by the Federal home loan banks, and for payment of the subscription of the United States to the International Bank for Reconstruction and Development. The funds made available for use by the President are far in excess of the $2 billion which the President is authorized to transfer.

Estimated unobligated balances as of June 30, 1962

	Millions
Funds appropriated to the President (borrowing authority available for investment in the International Bank for Reconstruction and Development	$5,715
Housing and Home Finance Agency (borrowing authority)	5,416
Federal Deposit Insurance Corporation (borrowing authority)	3,000
Federal Savings and Loan Insurance Corporation (borrowing authority)	750
Federal Home Loan Bank Board (borrowing authority)	1,000
Total	15,881

Since the great bulk of the funds are themselves contingency authority, the committee is confident that the transfers can be made without using any funds likely to be required before the Congress has opportunity to provide the new obligational authority necessary to restore the balances transferred.

To assure that the operations of the agencies from which the President is authorized to transfer funds are not impaired, the committee has required that only those funds estimated to be in excess of the amount needed by these agencies in the current fiscal year for obligation or expenditure for the purposes for which they were made available may be transferred. All transferred balances are authorized to be restored.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I had agreed to yield first to the Senator from West Virginia [Mr. RANDOLPH]; and then I shall be glad to yield to the Senator from Rhode Island.

Mr. PASTORE. I thank the Senator.

Mr. KERR. Mr. President, at this time I yield to the Senator from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. President, the brief comment I am about to make will be repetitive. It will, however, also reinforce the lucid statement made by Senator KERR, the acting chairman of the Public Works Committee. Even yet, there may be some disposition among certain Members of the Senate to believe that this legislation came from the Public Works Committee without a provision for the deletion of the language in regard to the objectionable form of financing, to which rather caustic reference has been made.

In order to present this factual background, it is pertinent to indicate that during the discussion of this specific subject matter within the committee, it was the able Democratic Senator from Maine [Mr. MUSKIE], I recall, who first actually discussed this financing situation. Other members of the committee entered into the discussion.

The very fact that the astute acting chairman of the committee [Mr. KERR], who is the floor manager of our bill today, has indicated that the amendments were offered by him, and were cosponsored by 10 other Democratic members of the committee—constituting the entire Democratic complement in the Public Works Committee—is certainly proof positive of the fact that last Friday, in connection with the presentation of the amendments for the majority, it was recognized by the Democratic members of the committee—11 in number, I repeat—that this form of financing should not be used in the important acceleration of public works under the pending bill.

Mr. President, the senior Senator from Oklahoma, and the members of the majority in the committee, have been objective and have been cooperative in reaching an understanding and compromise on this vital measure.

Mr. PASTORE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. PASTORE. I should like to compliment the distinguished Senator from Oklahoma, the Senator having the bill in charge, for the statement he made, because I believe he has clarified the atmosphere which has enveloped this Chamber during the last half hour or so.

I regret very much that we have allowed ourselves to use the words "rebuke" and "raid upon trust funds." After all, all of us should have only words of compliment on our lips in regard to what the President is trying to do by this means. This is standard public works legislation to alleviate, as the Senator from Oklahoma has pointed out, the suffering of people in some of the communities; and the President of the United States is alive to the problem, and wants to do something about it, and wants to act on it in a very expeditious way. All he asks of us is that we grant him authority to use the unobligated funds we have previously authorized to other agencies under the President's jurisdiction, so that the President can use that money to create public works projects which will put people back to work in times of a dip in our economy.

I recognize the fact that the Senate is trying to accomplish that in another fashion; and I shall support that. But I want the RECORD to show that I, for one, congratulate the President of the United States for moving at this time. He seeks the power to be able to move in, in order to cure such defects which may occur.

Therefore, Mr. President, I shall support the pending motion—not as a rebuke to the President, but because we in the Congress feel that if occasion for it arises, we will authorize such appropriations and we will make appropriations for that purpose. There is no raid of any trust fund. There is no rebuke of any President. As a matter of fact, this afternoon we ought to congratulate the President for being alert to the situation.

Mr. KERR. Mr. President, I ask unanimous consent that the clerk read the message of the distinguished chairman of the Public Works Committee [Mr. CHAVEZ], and that the time be taken out of the time allotted to the proponents of the bill.

Mr. ROBERTSON. Mr. President, how much time do I have left?

The **PRESIDING OFFICER.** The Senator from Virginia has 11 minutes remaining.

Is there objection to the unanimous consent request of the Senator from Oklahoma? The Chair hears none, and the clerk will read the message.

The legislative clerk read Mr. Chavez's statement, as follows:

Statement by Senator Chavez

As chairman of the Committee on Public Works, I normally would handle the bill, S. 2965, which is before us. Because of my inability to speak as well as I would like, Senator Kerr has kindly consented to handle the bill for me.

I know that there are other views with respect to the approach which should be taken in providing for public works to aid in reducing unemployment. I want to say that the minority members of our committee have been most cooperative throughout the years that I have been chairman, and I want it to be known that I highly respect them as individuals and respect their views, although in this instance, I cannot agree with them.

S. 2965 as amended by those amendments introduced by Senator Kerr would provide the following:

1. There would be authorized an immediate program of public works in the amount of $750 million for use in area of substantial unemployment and a redevelopment areas under the Area Redevelopment Act.

2. There would be authorized a standby program which could not be triggered until after June 30, 1963, in the amount of $750 million. The triggering would occur when the national unemployment rate is at least 5 percent and has risen by 1 percent over a period of 9 months, but not less than 3 months.

3. Both programs would terminate within 27 months after their initiation or authorization. Funds for both would be by direct appropriations.

4. The programs would provide for:

(a) The acceleration of Federal projects;

(b) Increasing the present day grant-in-aid programs;

(c) Allow for additional grant-in-aid programs not now authorized such as the construction of State, county, and municipal buildings, water works, garbage disposal, sewage collection systems, and other such work; and

(d) Funds would be made available for loans for those projects under the grant-in-aid programs where the communities are not able to finance their matching share; and

(e) There would be a limitation under the standby program of 50 percent for grants to public bodies and a limitation of 90 percent under the immediate program to public bodies.

Mr. ROBERTSON. Mr. President, I yield myself all my remaining time.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBERTSON. Mr. President, we met at 10:30 for the purpose of expediting action on this bill. It is now a quarter of 1, and we have not finished action on the first amendment, which was supposed to be noncontroversial.

The junior Senator from Virginia not only hopes, but expects, to get votes on his amendment from both sides of the aisle. Under those circumstances, and in order to expedite action, I ask unanimous consent that there be printed in the Record at this point the remarks I had been prepared to make with respect to my amendment.

There being no objection, the statement was ordered to be printed in the Record, as follows:

I am glad that the Senate leadership has decided to reject the new version of back-door financing proposed in S. 2965, the so-called Standby Public Works Act of 1962. The elimination of this provision makes it unnecessary to refer the bill to the Committee on Banking and Currency. As revised by my amendment, S. 2965 would no longer authorize the President to transfer funds for standby public works from unobligated balances of authorizations to expend from public debt receipts; it no longer would threaten the ability of the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation to back up Governmental insurance of bank accounts and savings and loan accounts; it no longer would threaten the soundness of Federal home loan bank obligations; and it no longer would threaten the continuance of Housing and Home Finance Agency programs.

I am glad that the Senate has recognized that a proposal of this sort should be dropped without further ado. I am glad that the Senate has recognized that it is not necessary to call in the agencies and industries and individuals, who would have been affected by the proposal, to demonstrate the harm they would have suffered.

I should like, however, to point out another objectionable aspect of this proposal which deserves comment, though it is not one particularly applicable to the Banking and Currency Committee. This proposal would have provided back-door Treasury financing authority for a public works program, but presumably without creating any new back-door borrowing authority and without requiring any increase in the authority to expend from public debt receipts.

As developments during the first session of the 87th Congress showed, a request for an increase of $2 billion in back-door Treasury financing would undoubtedly have met strong and concerted opposition. So, instead of increasing existing back-door Treasury financing by $2 billion, the bill would have permitted the use of existing back-door Treasury financing authorizations for a new purpose.

Back-door financing is bad. And it is just as bad to go through the same back door twice as it is to enlarge the size of the back door.

The proper course is to use the regular appropriations process. When an appropriation has been authorized in substantive legislation, and when appropriations have been made under the authorization, Congress has had a chance to consider the program and its financing carefully and thoroughly. This, in my judgment, is responsible legislation.

I regret to say that I expect to find it necessary in the near future to point out to the Senate the financing features of another bill, S. 3123, which is now on the calendar. Under S. 3123, the construction of a new headquarters building for the Housing and Home Finance Agency would be authorized. But instead of financing this building by the usual appropriations process, another unconventional device would be used. The Federal Housing Administration would be authorized to make a loan from the mutual mortgage insurance fund. This is the fund which covers the FHA regular home mortgage insurance program. Under section 206 of the National Housing Act, moneys in the fund which are not needed for current operations may be invested in bonds or in other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. This is in accordance with the general principles which have always governed the investment of Federal trust-type accounts.

S. 3123 would permit these funds to be lent on what amounts to a 25-year mortgage.

When S. 3123 is brought up for consideration by the Senate, I intend to move to have this bill referred to the Banking and Currency Committee so that we can review its effect on the FHA and those interested in the FHA regular home mortgage insurance program.

Mr. ROBERTSON. Mr. President, I yield back the remainder of my time, and express the hope that we will have a vote, since the yeas and nays have been ordered.

Mr. MUNDT. Mr. President, will the Senator yield me 1 minute?

Mr. ROBERTSON. I yield 1 minute to the Senator from South Dakota.

Mr. MUNDT. I rise merely to salute the Senator from Virginia on his wisdom, prudence, and statesmanship in offering the amendment which has been offered. I am happy we are going to have a rollcall on it. I think it is going to pass overwhelmingly. The reason why I think a rollcall on the amendment is important is the need to establish the legislative record so that the U.S. Senate will speak overwhelmingly this afternoon as a further guideline to the White House, or to anybody else suggesting this kind of financing, that we do not approve of it. I think a rollcall is important for that reason, because I think it is important that those on the other end of the avenue can look at and recognize this senatorial position established by rollcall vote as a wall of financial sanity that we do not expect to destroy or detour.

Mr. ROBERTSON. I appreciate the remarks of the distinguished Senator from South Dakota. I noted, after I had expressed objection to this kind of financing on the 27th of April, that the distinguished Senator from Kentucky [Mr. Cooper] had offered an amendment in committee to take this section of the bill out, but while the committee report was dated the 25th of April, it was not available to us until the 27th of April. I want to acknowledge the fact that the distinguished Senator from Kentucky [Mr. Cooper], as we afterward ascertained, made this point in committee. Naturally, I am pleased to have his support on the floor. I understand he will vote for the amendment.

Mr. President, I yield back all of my remaining time.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. Case].

Mr. CASE of South Dakota. Mr. President, we are about to vote, and it really is not necessary to prolong the discussion. However, I feel some satisfaction in seeing the unanimity of support which is developing for the position I took the day following the availability of the President's message to Congress.

I spoke at noon, and I think only two or three Senators were present on the floor at that time. I spoke a second time. In committee I raised the question. During the hearings I raised it with Secretary Goldberg, and the representative of the Bureau of the Budget when we met in executive session. I am glad now to see the members of the majority join, apparently unanimously, in support of the position which I took at that time.

There is one thing I think should be said for the record with respect to whether these are trust funds or not. These several funds are in the table which the Senator from Oklahoma has placed in the Record, and were also in the portion of the minority views which I previously placed in the RECORD today. Whether one calls them trust funds or not, they were reserve funds.

The borrowing authority for the Federal Deposit Insurance Corporation, for the Federal Savings and Loan Insurance Corporation, for the International Bank for Reconstruction and Development, and for the Federal Home Loan Bank Board, at least represented funds to be called upon in an emergency. It is true that the language of the bill would have authorized an appropriation to restore the funds if they were used.

The only argument ever advanced for dipping into the reserve funds was that the President should have some money on which he could put his hands when Congress was not in session.

Mr. President, if the banks needed the money, if they needed to use the borrowing authority, or if the savings and loan institutions needed to use the borrowing authority, and the Congress were not in session, what kind of emergency then would exist?

Whether these are called trust funds or reserve funds, the purpose of the funds would have been violated, in my opinion, if we had established a precedent that the borrowing authority from the Treasury could be diverted to spending for current projects. If a real emergency were to arise, for which the reserve funds were created, they might not be available and Congress might not be in session.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield to my colleague.

Mr. MUNDT. Mr. President, I wish to express my congratulations for the spendid job which has been done under the leadership of my colleague [Mr. CASE], along with the Senator from Vermont [Mr. PROUTY], the Senator from Hawaii [Mr. FONG], the Senator from Delaware [Mr. BOGGS], and the Senator from Iowa [Mr. MILLER]. The minority views they wrote form the basis for the amendment which has been offered, on which we are about to vote, offered by the Senator from Virginia.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. DIRKSEN. Mr. President, I yield 1 additional minute to the Senator from South Dakota.

Mr. MUNDT. It seems to me it is a devastating and memorable attack on this type of fiscal irresponsibility, which would obligate reserve funds established for one purpose for expenditure for an entirely different purpose.

It is good for us to study these views carefully. If they have not been printed in the RECORD already, I wish to ask unanimous consent that the two pages of the minority views prepared by my colleagues——

Mr. CASE of South Dakota. Those views have been ordered to be printed in the RECORD.

Mr. MUNDT. Very well. So long as the Senator has already asked to have them printed in the RECORD, they can be studied should a future contingency confront us, and there is no need to have them printed twice.

Mr. KERR. Mr. President, I yield myself 1 minute from the time on the bill.

I wish to remind the Senate that when Senators vote "yea" on the question before the Senate they shall be voting for a portion of the amendment offered by the Senator from Oklahoma and other Democratic members of the Committee on Public Works. The motion of the Senator from Virginia is that a part of our amendment be separated and voted on first. In reality, Senators will be voting for a part of the amendment offered by the Senator from Oklahoma and his Democratic colleagues.

Mr. PASTORE. Mr. President, will the Senator yield to me?

Mr. KERR. Mr. President, I yield 2 minutes to the Senator from Rhode Island [Mr. PASTORE] from the time on the bill.

Mr. PASTORE. Mr. President, I am one of those who sincerely feels and honestly feels that when the President of the United States sent his recommendation to the Congress his motives were noble. In view of what has been said this afternoon, that this is to be a rebuke to the President of the United States, I shall go on record as voting against the motion of the Senator from Virginia.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 minute?

Mr. KERR. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I do not look upon this as being a rebuke to the President of the United States. When the President sends a message to the Congress, or proposed legislation to this body, he expects the committee having jurisdiction over the proposed legislation, as well as the Senate, to work its will. He has been a Member of Congress, and for long enough to know where the line of demarcation is. I certainly think the President understands that, so far as this particular committee is concerned, and certainly so far as the Democratic members of it are concerned, there was an exercise of independent judgment, an effort to do what was best. The Senators honored the message which the President sent to the Congress, which called forth the proposed legislation.

By introducing that proposed legislation, I think the Senator from Pennsylvania [Mr. CLARK] did a distinguished service, because he has been interested in the subject for years. I hope that we shall not become involved in politics on this question, but that we may look upon it as a step in the right direction, regardless of party.

Mr. CLARK. Mr. President, will the Senator yield me 30 seconds?

Mr. KERR. Mr. President, I yield 30 seconds to the Senator from Pennsylvania from the time on the bill.

Mr. CLARK. I shall vote "yea" on the vote about to be taken. Some pretty silly things have been said on the floor of the Senate today. Perhaps the most silly of all is that if a Senator should vote "yea" on the vote to be taken, it will be a rebuke to the President of the United States. It will not be a rebuke to the President of the United States. It will not be a rebuke to the author of the original bill.

Arrangements have been made which I think are highly intelligent, with respect to the management of the bill, to substitute a different method of financing. I am happy to go along with that. I shall, accordingly, vote "yea."

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. MANSFIELD. Time has been yielded back on this side, Mr. President.

Mr. DIRKSEN. I yield back the remaining time on the amendment, Mr. President.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. ROBERTSON]. On this question, the yeas and nays have been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. HICKEY], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. MAGNUSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], the Senator from Georgia [Mr. TALMADGE], the Senator from Idaho [Mr. CHURCH], the Senator from Nevada [Mr. CANNON], the Senator from Louisiana [Mr. LONG], and the Senator from New Mexico [Mr. CHAVEZ] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Nevada [Mr. CANNON], the Senator from Colorado [Mr. CARROLL], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Alaska [Mr. GRUENING], the Senator from Wyoming [Mr. HICKEY], the Senator from Missouri [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Missouri [Mr. SYMINGTON], the Senator from Louisiana [Mr. LONG], and the Senator from Mississippi [Mr. STENNIS] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Arizona [Mr. Goldwater], and the Senator from Wisconsin [Mr. Wiley] are detained on official business.

If present and voting, the Senator from Colorado [Mr. Allott], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel], the Senator from Massachusetts [Mr. Saltonstall], and the Senator from Wisconsin [Mr. Wiley] would each vote "yea."

The result was announced—yeas 70, nays 4, as follows:

[No. 68 Leg.]

YEAS—70

Aiken
Anderson
Beall
Bennett
Bible
Boggs
Burdick
Bush
Byrd, Va.
Byrd, W. Va.
Case, N.J.
Case, S. Dak.
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Douglas
Dworshak
Eastland
Engle
Fong
Gore
Hart
Hartke
Hayden
Hickenlooper
Holland
Hruska
Humphrey
Jackson
Javits
Johnston
Jordan
Keating
Kefauver
Kerr
Lausche
Long, Hawaii
Mansfield
McCarthy
McClellan
McGee
Miller
Monroney
Morse
Morton
Moss
Mundt
Murphy
Muskie
Neuberger
Pearson
Pell
Prouty
Proxmire
Randolph
Robertson
Russell
Scott
Smathers
Smith, Maine
Thurmond
Tower
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—4

McNamara
Metcalf
Pastore
Smith, Mass.

NOT VOTING—26

Allott
Bartlett
Butler
Cannon
Capehart
Carlson
Carroll
Chavez
Church
Ellender
Ervin
Fulbright
Goldwater
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Long, La.
Magnuson
Saltonstall
Sparkman
Stennis
Symington
Talmadge
Wiley

So Mr. Robertson's amendment to Mr. Kerr's amendment was agreed to.

Mr. KERR. Mr. President, I yield myself 30 seconds on the bill to call attention to the fact that in the language deleted on page 14, lines 18 and 19, specific exception of an exclusion from the provisions of the bill with reference to balances of trust funds was provided in the bill that was brought to the floor and in the language that was deleted.

Mr. President, I now ask unanimous consent that the remaining amendments contained in the amendments offered last Friday by myself and other Senators be considered en bloc with the appropriate language in line 11 to connect the portion of the amendments prior thereto and the part of the amendments subsequent to that which was deleted so that it will be grammatically correct.

Mr. CASE of South Dakota. Reserving my right to object, earlier during the day when the request was first made to consider the amendments en bloc, I raised a question with regard to the four amendments which appear on page 2, lines 14 to 21, of the amendment offered by the Senator from Oklahoma, for himself and other Senators. I raised the question as to whether or not that destroyed the limitation which the language had deleted by those amendments. The Senator from Oklahoma suggested that I should confer with him on that.

It is true that those amendments would remove the limitations in those four categories on pages 7, 8, 9 and 10. However, the Senator from Oklahoma has called my attention to the fact that on page 13 of the bill he has restored a limitation under the paragraph designated "(b)," which starts in line 3 of page 13.

I now wish to ask the Senator from Oklahoma if that is correct, namely, that in his judgment the language in lines 3 to 10, inclusive, on page 13, identified as paragraph (b), restores an appropriate limitation for the four categories that would have been eliminated under the language he proposes to strike.

Mr. KERR. The answer to the question is almost yes. Paragraph (b) on page 13 specifically provides that assistance shall not be more within any one State than 12½ percent of the aggregate funds provided for projects and programs pursuant to sections 4, 5, 6, and 7 of the Act.

I believe that the language on page 2 of the amendment, beginning with line 16 and running through line 21 in reality refers to the allocation of moneys under the bill, as had been contemplated——

Mr. CASE of South Dakota. Had there been the $2 billion authorization.

Mr. KERR. As had been contemplated had there been the $2 billion authorization. Therefore I do not believe that the accomplishment of the Senator's purposes depends upon the defeat of these four amendments; rather, I believe the four amendments are in the direction of accomplishing the Senator's position.

Mr. CASE of South Dakota. I believe that is probably true, in view of the amendment which has already been adopted. Therefore I would not object to considering the amendments en bloc with respect to those four amendments that I have mentioned. However I do object to and would want a separate vote on the two amendments which deal with money authorization. Those two amendments I describe as follows:

On page 2 of the group of amendments offered by the Senator from Oklahoma, for himself and other Senators, beginning at line 22, there is contemplated a change of the $600 million figure in the bill to $750 million, with a little additional language. I would want a separate vote on that proposal, to increase the figure from $600 million to $750 million.

I also would ask for a separate vote on the amendment which has already been modified in effect, which starts on page 3 at line 11, which would insert a paragraph headed "Appropriations Authorized." That language would insert the second $750 million figure.

On those two amendments I would want a separate vote.

Mr. KERR. I have no objection to voting on those two amendments separately. I now renew my request that the remaining amendments be voted on en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. CASE of South Dakota. I have no objection. However I do wish to point out that the Senator from Iowa [Mr. Miller] has advised me that he has an amendment to one of the amendments that would be in the bloc group. I want his rights preserved.

Mr. KERR. I would presume that amendments could be offered to the amendments. I therefore have a parliamentary inquiry on that point.

The PRESIDING OFFICER. Before the amendments are agreed to en bloc, the Senator from Iowa would have to designate which amendment he has in mind.

Mr. MILLER. The amendment which I would propose would be to line 6 on page 1 of the Kerr amendments. It may be that my amendment will be agreed to by the Senator from Oklahoma. In any event, I certainly wish to protect my right to offer the amendment at that point.

Mr. KERR. What is the Senator's amendment? I would not know whether I could agree to it unless the Senator tells me what his amendment is.

Mr. MILLER. The amendment would simply change the figure "5" to "6".

Mr. KERR. I could not agree to that amendment. However, I would ask unanimous consent that the Senator from Iowa be permitted to offer his amendment as though it were in order, which would accomplish that purpose.

The PRESIDING OFFICER. The Senator from Iowa has a right to offer his amendment before the Senate agrees to the so-called Kerr amendment, which is before the Senate at this time.

Does the Senator from Iowa offer his amendment at this time?

Mr. MILLER. The Senator from Iowa merely wishes to make sure that when we vote, we will vote on the Kerr amendments in two blocs.

Mr. KERR. In three blocs.

Mr. MILLER. In three. I want to be sure that at that time, when we are considering the bloc which will include page 1, the Senator from Iowa may offer his amendment.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. If the Senator from Oklahoma renews his request for unanimous consent that the remainder of the amendments be agreed to en bloc except the two referred to by the Senator from South Dakota and the amendment beginning at line 5 on page 1, and that consent is granted, and if the amendments en bloc, excepting those three, are agreed to, the situation then before us will be the question of voting on those three amendments, and then each one of those amendments will be subject to amendment.

The PRESIDING OFFICER. The Senator from Oklahoma is correct.

Mr. KERR. I renew my request, excluding the amendment included on page 1, in lines 5 through the part of line 8 necessary to exclude the provision from the amendments agreed to en bloc, suggested by the Senator from Iowa.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The question now is on agreeing, en bloc, to the Kerr amendments. Without objection, the Kerr amendments, en bloc, are agreed to.

The next question is on agreeing to the language of the Kerr amendment on page 3.

Mr. KERR. Mr. President, should not that be on page 1, since that is the first amendment of the group not agreed to?

The PRESIDING OFFICER. By unanimous consent, the question is on agreeing to the first amendment of the Senator from South Dakota, on which he desired a separate vote, the amendment being on page 2 of the Kerr amendment, beginning on line 22, and continuing through line 6 on page 3. The question is on agreeing to the amendment.

Mr. KERR. Mr. President, I understood the Senator from South Dakota desired to offer an amendment in the nature of a substitute.

Mr. CASE of South Dakota. Mr. President, I assume that the amendment in the nature of a substitute will be in order after all the perfecting amendments have been acted upon.

The PRESIDING OFFICER. The Senator from South Dakota is correct. After the amendment has been perfected, the substitute may then be offered.

Mr. KERR. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time for the quorum call not be charged to either side.

Mr. CASE of South Dakota. Mr. President, what was the question which the Chair put?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota, on which he asked for a separate vote, beginning on line 22 of page 2 and continuing through line 6 on page 3.

Mr. CASE of South Dakota. Mr. President, on that amendment, I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Oklahoma has suggested the absence of a quorum. The Senator from South Dakota may ask for the yeas and nays after the quorum is developed.

Is there objection to the request of the Senator from Oklahoma that the time for the quorum call not be charged to either side? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. President, this is a very simple issue. It is a choice between making $600 million or $750 million available for appropriation. The language in the bill as reported by the committee, beginning on page 10, line 22, contains these words:

> For the purposes of this section there is hereby authorized to be appropriated the sum of $600,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act.

This is the section of the bill which relates to immediate aid to areas of substantial unemployment. The amendment offered by the Senator from Oklahoma and his associates changes the figure "$600,000,000" to "$750,000,000" with a little additional language. But the meat of the whole amendment is to change from $600,000,000 to $750,000,000 the amount available for immediate appropriation.

When the President sent his messages, he sent really two requests, one which dealt with immediate aid, the other with standby authority. For immediate aid, he asked only $600 million. An amendment to the bill was drawn in that form and presented in the name of the chairman of the committee, the Senator from New Mexico [Mr. CHAVEZ]. All that was asked for the immediate authority was $600 million; consequently, I see no reason at all why the amount should now be changed from $600 million to $750 million. The amendment offered by the Senator from Oklahoma [Mr. KERR] and other Senators would change the amount from $600 million to $750 million.

I propose that the Senate vote "nay" on that amendment, so as to leave the amount at $600 million, the figure requested by the President, and also the figure which was included in the Chavez amendment, following the President's message.

Mr. KEATING. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. KEATING. Is the $600 million or the $750 million—depending on the result of the vote—to be for the authorization of additional projects, projects not already authorized?

Mr. CASE of South Dakota. Yes, it could be for both. It could be spent on the acceleration of present projects, or it could be spent on new projects which the President might designate under the general provisions of the act.

Mr. KEATING. Is there not, in fact, a very large stockpile or shelf of projects which have been authorized but for which funds have never been appropriated?

Mr. CASE of South Dakota. There is a backlog of projects. There is also the possibility of accelerating work on existing projects. That is one of the proposals in the amendment in the nature of a substitute which I propose to offer a little later.

Mr. KEATING. Can the Senator from South Dakota inform us of the dollar value of authorized projects for which no appropriations have ever been made?

Mr. CASE of South Dakota. I cannot give that information, but there is about $1,553 million worth of appropriations for unauthorized projects which might receive some augmentation.

Mr. KEATING. Have not many millions of dollars been authorized for various projects?

Mr. CASE of South Dakota. Yes. Not long ago the Appropriations Committee was informed that no funds have as yet been appropriated or spent for a flood-control project which was authorized in 1938.

Mr. KEATING. I thank the Senator from South Dakota.

Mr. CASE of South Dakota. So, Mr. President, the issue is simply whether we wish to increase the authorized appropriations—not the actual appropriations, for those handled in appropriation bills, which are the province of the Appropriations Committee — from $600 million to $750 million, which is more than the President requested and more than the original Chavez amendment called for.

Mr. KERR. Mr. President, the issue is not quite as simple as my good friend has indicated. I shall try to demonstrate that by what I shall say now.

The bill which the committee reported to the Senate contained two provisions. We are told that Old Gaul was divided into three parts. The bill reported to the Senate was divided into two parts. One was a $600 million immediate authorization which would have covered 146 areas designated by the Secretary of Commerce as redevelopment areas under section 5(a); 778 areas, including 50 Indian reservation areas, designated by the Secretary of Commerce as redevelopment areas under section 5(b) of the same act; and 105 areas not now designated as redevelopment areas, but which have been designated by the Secretary of Labor as areas of substantial unemployment during each of the past 12 months.

The language of the bill with reference to the $750 million has two additional provisions for areas available for this help. In the first place, it provides that at least 10 percent of the authorizations shall be expended in what are known as rural areas. It is quite true that the areas listed as being under section 5(b) of the Area Redevelopment Act can be rural areas; but there was nothing in the language of the bill with reference to the $600 million that would have tied down a minimum of $75 million for rural areas.

In addition, there are 27 other areas which have been areas of substantial unemployment in 9, 10, or 11 of the last 12 months; and these areas were added by the Senate committee's revision of the original Chavez amendment, which was the $600 million provision.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield for a question?

Mr. KERR. I yield.

Mr. CASE of South Dakota. I recognize that what the Senator from Oklahoma has said as regards this limitation is true. I wonder whether, in the interest of making progress, the Senator would use the language of his amendment, but would change the figure from $750 million to $600 million.

Mr. KERR. I could not do that.

Mr. CASE of South Dakota. And the reservation would apply to the $600 million.

Mr. KERR. I understand; but at this stage I could not do that.

Another provision in connection with the $600 million is "to remain available until expended."

The amounts proposed by me and other members of the Public Works Committee—I refer to the $750 million initial direct authorization and the $750 million to be triggered as a direct authorization upon the occurrence of certain events which have to do with increases in unemployment—are a compromise which was worked out, totaling $1,500 million, in lieu of the $2,600 million contained in the bill as reported by the committee to the Senate. In other words, the proposal is simply to have a $600 million authorization available immediately and $2 billion of standby authority, to be triggered upon the occurrence of certain conditions; and they constituted an overall program which met with the approval of a majority of the members of the committee.

The amendments—in reality they constitute a substitute—offered by me and other Senators have 2 parts, totaling $1,500 million, with $750 million to be available in the fiscal year 1963, and to continue until expended; and the other $750 million is to be triggered as an authorization upon the happening of certain events, and it was figured out by its sponsors as being in lieu of—not the $600 million of the so-called Chavez amendment—but in lieu of the $600 million plus the $2 billion of standby authority. The additional items covered by the $750 million which were not definitely included in the $600 million are as follows: The designation of a minimum of 10 percent—not a maximum—for rural areas; the 27 areas which have been designated as areas of substantial unemployment in 9, 10, or 11 of the past 12 months, and other areas, I may say, which have been so designated since the bill was reported; and the language in the authorization for the $750 million to remain available until expended.

For those reasons, it seemed to me and to my colleagues who joined me in submitting this amendment that this would constitute moving a very long way toward effecting a compromise between the language of the bill as reported and the position taken by Senators who oppose it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. GORE. As one who served for a long time on the Public Works Committee, though he does not now enjoy that privilege, the Senator from Tennessee wishes to congratulate the distinguished Senator from Oklahoma and other members of the Public Works Committee for bringing to the floor a progressive, realistic bill that is needed at this time to support our economy. It is the kind of program which will bring double benefit: First, the construction of permanent useful facilities which will add to the wealth and the convenience of our country and its people; second, it will place the majority of the money involved in the hands of those who will spend it. It contributes to the consumer stream of finances in the economy.

Mr. KERR. I thank the Senator.

I should like to say one thing more. If the distinguished Senator from South Dakota [Mr. CASE], were present, I would like to ask him a question. I believe the Senator from Kentucky [Mr. COOPER], who is present, is a joint sponsor of the Case substitute. As I understand, it would provide an authorization of $500 million for the next fiscal year, plus an acceleration of 10 percent of Federal programs.

Does the Senator from Kentucky know the amount? I believe the acceleration is 10 percent a year for 2 years. Is that correct?

Mr. COOPER. It is.

Mr. KERR. Does the Senator know the figure to which the 10 percent would be applicable?

Mr. COOPER. The 10 percent would be applicable to the appropriations that were made in this fiscal year and the next fiscal year for Federal programs in which all the funds furnished were from the Federal Government. I believe the amount was estimated at $250 million.

The Senator from South Dakota [Mr. CASE], is now present, and perhaps he can answer the question.

Mr. CASE of South Dakota. It would be $153 million, exclusive of public health services and secondary urban highways. With that 10 percent off, the amount would be $200 million.

Mr. KERR. A year?

Mr. CASE of South Dakota. A year.

Mr. KERR. I thought that was about the situation. It seems to the Senator from Oklahoma that the distinguished Senators from South Dakota and Kentucky are sponsoring a substitute which would be a direct authorization of $500 million for fiscal year 1963, plus an acceleration of about $200 million a year for 2 years with reference to existing authorizations.

Mr. CASE of South Dakota. Yes, on projects which have passed the test of feasibility, and which would be operated under the guidelines which have been established throughout the years with respect to building secondary and urban highways.

Mr. KERR. I did not think highways were included. If they were, I think more than $200 million a year would be involved.

Mr. CASE of South Dakota. We do not include the primary or the interstate highways.

Mr. KERR. What highways are included?

Mr. CASE of South Dakota. I read from page 3 of the proposed substitute:

> Any public building, including post offices, or roads or trails in, or to provide access to, national parks, national forests, Federal reservations, Indian reservations, or public recreation areas, or on the public domain.

Mr. KERR. Which does not include ABC or interstate system allocations.

Mr. CASE of South Dakota. No. The table, which I shall at the appropriate time have inserted in the RECORD, lists, among others, forest highways, $34 million; public lands highways, $4 million; parkways, roads, and trails, National Park Service, $44 million; Bureau of Indian Affairs, $19 million; Forest Service, $47 million; Bureau of Land Management, $8 million; Bonneville Power Administration, $24 million; Southwest Power Administration, $3 million.

There is a total of $1,533 million. It would be 10 percent of that.

Mr. KERR. Each year for 2 years?

Mr. CASE of South Dakota. Each year for 2 years.

Mr. KERR. I call attention to that fact only to show that the amendment sponsored by the Senator from South Dakota and his colleagues would raise the money available for fiscal 1963 above $600 million. I commend them for it, but I think, in reality, one of the principal factors here involved is the tabulation of the projects that will be eligible for assistance in this program. It is the thought of those sponsoring the $750 million authorization that a great, broad need exists to justify that grant, and more, but our proposal is limited to that amount, but with the limitation that at least 10 percent of it shall be spent in rural areas.

In view of the fact that there is, in reality, such a limited difference insofar as the $750 million is concerned and the amount in excess of $800 million authorized to be expended by the proposed substitute, it would seem to me there would be no basis for the defeat of the amendment authorizing the $750 million for the first fiscal year.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. Yes. I yield the floor.

Mr. CASE of South Dakota. Mr. President, I yield myself 3 minutes. While theoretically there could be a $153 million augmentation of these authorized projects, actually there would not be that much, because the proposed substitute provides that the money would be made available only on declaration by the President of an emergency unemployment area. I do not suppose anyone, by any stretch of the imagination, could assume that where these programs were authorized would be designated as emergency unemployment areas.

I had thought that as a practical result, $100 million might be made available. I thought that would be a proper limit, although theoretically it could be $153 million.

I did not particularly want to get into a discussion of the substitute at this time, but I want to point out that there is a vast difference, in my humble judgment, between augmenting and accelerating a project which had been authorized under existing law, the feasibility of which had been passed upon by the Corps of Engineers, the National Park Service, or by some other agency of Government which had determined its need and which had established the routine and methods for expenditure of those funds, and initiation of new projects by an agency in the control of the White

House. That is why we have taken that approach in the first main section of the possible substitute bill. In addition, there is the fact that in the projects that have been so established, a fixed cost has been estimated.

If a $5 million river and harbor project has been authorized, if the Army Engineers are given authority to spend up to 10 percent more in a given year in a distressed area, that would not necessarily increase the cost of the project. The project still would be a $5 million project.

If $50 million more were provided to accelerate accomplishment of a project, it would not mean any added burden or drain on the Treasury.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield to the Senator from Kentucky.

Mr. COOPER. I should like to have the attention of the Senator from Oklahoma [Mr. KERR].

Mr. KERR. I am listening.

Mr. COOPER. The $750 million which would be approved would be immediately available.

Mr. KERR. Only upon appropriation.

Mr. COOPER. Of course, it would be subject to appropriation. Whatever was appropriated would be immediately available.

I think it is correct to say that we do not know what value the program will have as to relieving unemployment, or how effective it might be. I do not know how long Congress will be in session. Assuming that the session of Congress concludes September 1 or September 15——

Mr. CASE of South Dakota. I say to my colleague, "Do not go any further."

Mr. COOPER. Perhaps I have gone too far already. The Congress will reconvene in January. Six hundred million dollars would be available for expenditure in the 3, 3½, or 4 months involved. I do not see how more than that could be judiciously used in that time.

Also, there would be an opportunity to see how the program will work out. It is a test program. No one is certain what effect it may have as to relieving unemployment. It seems to me this is an argument for a smaller amount.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOPER. I should like to have the Senator's response.

Mr. KERR. I shall be glad to give it, Mr. President, and on my own time.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. KERR. If Senators will refer to the hearings conducted on the bill, they will see, beginning on pages 210 and running up to and through about half of page 231, a total of 21 pages listing areas which already have been designated as areas eligible under the Redevelopment Act, 5(a), or under the Redevelopment Act, 5(b), or as areas of continuous substantial unemployment. Areas of continuous substantial unemployment include those with substantial unemployment for each of the past 12 months, plus 27 other areas which have been found to be areas of substantial unemployment in 9, 10, or 11 of the past 12 months.

I refer the Senator from Kentucky to the tabulation of the areas in his own State listed as 5(a) redevelopment areas. The following are outlined:

Corbin (including Clay, Knox, Laurel, and Whitley Counties).

Danville (including Boyle, Garrard, Lincoln, and Mercer Counties).

Elizabethtown (including Grayson, Hardin, Larue, and Meade Counties).

Hazard (including Breathitt, Letcher, and Perry Counties).

Hopkinsville (including Caldwell, Christian, Todd, and Trigg Counties).

Madisonville (including Hopkins, Muhlenberg, and Webster Counties).

Middlesboro-Harlan (including Bell, Harlan, and Leslie Counties).

Morehead-Grayson (including Carter, Elliott, Greenup, and Rowan Counties).

Paducah (including Ballard, Graves, McCracken, and Marshall Counties).

Paintsville-Prestonburg (including Floyd, Johnson, Knott, Magoffin, and Martin Counties).

Pikeville-Williamson (including Pike County, Ky., and Mingo County, W. Va.).

Richmond (including Estill, Jackson, Madison, and Rockcastle Counties).

In addition there are about 40 counties listed as being eligible under 5(b) of the Redevelopment Act.

Areas of continuous substantial unemployment listed are Louisville, a major area, and Owensboro, a smaller area.

Those are the areas available for assistance under the terms of the proposed act in the State of Kentucky.

In the hearings there are some 21 pages listing areas which are available under the provisions of the act.

The $750 million is not an excessive amount, considering the task of apportioning $750 million among more than 1,000 areas of this country which already have been declared to be eligible by reason of excessive unemployment or because of depressed conditions. Some of these areas, Mr. President, have unemployment ranging up to 40 percent. It is utterly impossible for me to understand why Senators would think $750 million is an excessive amount with which to attack that wide, broad-spread problem which is manifested in more than 50 of the counties of the State of the distinguished Senator from Kentucky, as well as in other States.

It is manifested in every State of the Union. The hearings indicate there is not a State in the Union without some area of depressed economic conditions or excessive unemployment, which would be available for assistance under the $750 million authorization.

Mr. COOPER and Mr. BUSH addressed the Chair.

Mr. KERR. I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I must say that I am very conscious of the soft impeachment by my friend from Oklahoma and also his admonition.

Mr. KERR. The Senator asked me a question with respect to a justification of the $750 million.

Mr. COOPER. The Senator is correct.

Mr. KERR. I only said that if I started out to find it, I would start with the State from which the distinguished Senator comes.

Mr. COOPER. The Senator responded by pointing out the situation in my State, with which I am very familiar. For years I have tried to do something to relieve unemployment in my State and in other States like it.

Mr. KERR. I know that.

Mr. COOPER. And in other areas suffering from the same unemployment problem.

I do not think proof is needed, but I believe I was one of the Republicans who were cosponsors of the area redevelopment bill, which resulted in designation of the areas to which the Senator has referred. I have supported many other measures to provide aid to needy areas. I have always supported a public works bill to aid people who have been left behind, who through no fault of their own, cannot secure employment.

What we are talking about is the best kind of plan to aid these people, the most reasonable plan which will work to their advantage.

Why do I support the amount of $600 million instead of the $750 million the Senator proposes?

First, $600 million is the amount which was proposed by the administration. The committee itself voted for the $600 million. I did not support the bill, for other reasons, but evidently the administration considered that the $600 million was sufficient.

Also the $750 million, which the Senator proposes, could be spent or obligated between the time the bill is enacted, if it is enacted, and the beginning of 1963. At least, the money could be committed in 3 or 4 months. It is actually, therefore, a program at the rate of commitment of $2 billion a year. This is not a small amount.

The chief reason I say we should keep the program at a lower cost is that a public works program is proposed for without experience and without knowledge as to how much help it will give. For this reason alone I think it would be better to authorize funds on the smaller scale of $600 million, the scale which we first considered in the committee.

Mr. KERR. But we considered that in conjunction with the $2 billion standby authority, as the Senator knows.

Mr. COOPER. Yes; but the standby authority would not give immediate help. It would not become available until July 1, 1963, and under conditions which might arise. We hope such a situation will never arise.

Also the $750 million would not be directed wholly to the areas of greatest unemployment which have been listed. I think the Senator will agree that his amendment provides that the $750 million may be used partly in areas of greatest unemployment, partly to accelerate existing programs, which are financed wholly by the Federal Government, and partly to accelerate and augment existing Federal-State aid programs.

It could cover vast areas and types of projects. It would not be wholly directed to the areas of greatest unemployment.

Mr. KERR. The bill contains a provision that the money is to be distributed on a formula to be set up, and it sets forth as items in the formula excessive unemployment and depressed conditions. The exception is that at least 10 percent of the fund shall go to rural areas of that kind or character.

Mr. COOPER. I am not worried about the difference between $600 million and $750 million.

Mr. KERR. I did not think the Senator was.

Mr. COOPER. It is not the question of greatest importance in his amendments.

Mr. KERR. It is not a question of great importance. For that reason I am surprised that the Senator did not embrace the figure of $750 million when we acceded to his position that we would eliminate the $2 billion standby authority for financing, as the Senator said, through the back door. I was astounded when the Senator did not agree with me.

Mr. COOPER. I must make a choice.

Mr. KERR. I appreciate the Senator's position.

Mr. BUSH. Mr. President, will the Senator yield to me?

Mr. KERR. I yield.

Mr. BUSH. I may have missed a discussion of the point of my question while I was absent from the Chamber for a few moments. We are talking about a bill which is labeled the Standby Public Works Act of 1962. On page 3 of the Senator's amendment the following appears:

> APPROPRIATIONS AUTHORIZED
>
> SEC. 10. (a) There is authorized to be appropriated for expenditure after June 30, 1963, to remain available until expended, the sum of $750,000,000 to carry out the provisions, other than section 8, of this Act.

My question is as follows: If the bill is an emergency public works measure, why should that provision of the bill take effect more than a year away from now?

Mr. KERR. The amendment now under discussion is with reference to a $750 million authorization that would take effect immediately. The language to which the Senator refers is not the question now being debated.

Mr. BUSH. Is it out of order to ask the question at this time?

Mr. KERR. Not at all. I should be glad to answer it.

Mr. BUSH. That is my question.

Mr. KERR. It was the judgment of the sponsors of the amendment that the $750 million provision, which is now the question about to be voted upon, should be made available immediately.

Mr. BUSH. I understand.

Mr. KERR. Then another provision was added, which we call the standby provision. It would be an authorization that could be triggered only upon the happening of certain events, which are as follows: An increase in unemployment of 1 percent, I believe, in 9 months, provided that upon the increase, the total unemployment equaled 5 percent. In that event, there would be an additional $750 million authorization triggered for the fiscal year beginning July 1, 1963. But we deal with the emergency which is upon us by the immediate authorization of that $750 million, which is the subject of the present debate.

Mr. BUSH. Mr. President, will the Senator yield to me for a moment?

Mr. KERR. I yield.

Mr. BUSH. In view of the fact that Congress will be in session during the first 6 months of next year, why is it necessary to authorize the expenditure of $750 million in a standby bill to take effect not before July 1, 1963?

Mr. KERR. The question has to do with another part of the bill. I am happy to answer the question. In the past 10 years we have seen recessions come and go. Our authorizations for rivers and harbors comes up once each 2 years, as the Senator, who once served on the Public Works Committee, knows. Our authorizations for highways are on a 2-year basis, as the Senator knows. Therefore we felt that the authorization for the emergency public works program immediately, and a standby authority for an additional one after June 30, 1963, in the event that economic conditions should worsen, in accordance with certain specifications, was a question of appropriate consideration. We felt that it would be best that the authorization on a standby basis be placed in the bill so that in the event conditions began to manifest themselves that indicated a worsening which would trigger the second authorization. Knowledge of the provision would enable the President to get ready to implement the second authorization, and the Congress could get ready to implement it by appropriation processes.

Mr. BUSH. The Senator has been one of the able members of the committee for as long as I can remember. Would it not be more in keeping with the tradition and practice of the committee to lay the proposed authorization over until next year so that the Congress itself might appraise the situation in May or June of next year?

Mr. KERR. If that is the decision of the Senate, the Senator from Oklahoma will gladly accept it. However, it seems to the Senator from Oklahoma that the discussion of the Senator from Connecticut would be more appropriate when we reach the point of considering the amendment which would provide the standby authority to which he refers.

Mr. BUSH. I accept the Senator's suggestion on that point. I thank the Senator.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. KERR. How much time does the Senator desire?

Mr. RANDOLPH. Five minutes.

Mr. KERR. I yield 5 minutes to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I oppose the amendment of the Senator from South Dakota [Mr. CASE]. It is a less than adequate treatment of this national problem. I shall oppose other minority amendments which would scuttle this measure. I support the amendments offered by the effective and resourceful senior Senator from Oklahoma [Mr. KERR] for the majority membership of the Committee on Public Works. I would personally prefer a greater emphasis on the immediate action program—a more dynamic one-shot acceleration of public works at this time. That was my view when this legislation was under consideration in our committee. And it was my judgment when I joined the senior Senator from Pennsylvania [Mr. CLARK] and the junior Senator from Rhode Island [Mr. PELL] in cosponsoring S. 986, a bill to assist in the reduction of unemployment through the acceleration of capital expenditure programs of State and local bodies. S. 986, which was to have had the short title, "Emergency Employment Acceleration Act of 1961," was introduced February 20, 1961, by Senator CLARK. I wish to commend him for his foresight, persistence, and pioneering in this vital field of legislative endeavor. I regret that we are so late in coming to grip with legislation which, in essence, is based on the principles of the bill he introduced for himself, Senator PELL, and the Senator who now speaks.

My preference would be legislation such as S. 986, but I recognize that in S. 2965, as it is proposed to be amended, we have a reasonable compromise. It embraces judgments of the administration and those of our colleagues who believe there should be both an immediate action program for acceleration of public works, and standby authority for the President to counter future broadening unemployment and economic recession under terms of a specific formula provided in the bill.

Mr. President, I have sympathy for the viewpoint of our courageous colleague from Alaska [Mr. GRUENING] as stated for the record when he sent to the desk an amendment to S. 2965 on May 17. The Senator's amendment, which I understand will not be offered, would raise the amounts authorized to be appropriated for emergency public works from the $600 million figure in the committee version of the bill as reported to the same amounts authorized to be appropriated for foreign economic assistance under specific sections of the Foreign Assistance Act of 1961, or to approximately $2.6 billion.

The Senator from Alaska [Mr. GRUENING] also referred to the need for a one-shot program of emergency public works to help our own unemployed. His proposal "moves up the $2 billion originally intended to be authorized for a program of standby public works to the emergency program and says in effect that the emergency intended to be met by the standby phase of the legislation is upon us now." I concur in the opinion that this is true because of the unprecedented number of pockets of persistent and chronic unemployment and the prevalence of too many underdeveloped areas.

The proposition by our colleague from Alaska would have called for an inordinate impact on the budget at this time. We must give sufficient recognition to the fact that there are other programs and revenue act improvements which presumably will be at work to help stimulate the economy and attack the problems of chronic unemployment and underemployment.

On balance I consider the amendments offered for the majority members of the Public Works Committee to S. 2965 to be refinements and safeguards of the measure. They will remove major objections to the methods originally provided for financing the standby phase of the bill and will increase the authorization for the immediate action provisions.

I urge a more substantial increase in the immediate acceleration authorization if the budget could sustain a heavier impact. I do not favor 100 percent Federal grants. There should be some State or local sharing of the costs. But I am not convinced that States and localities intended to be assisted by this legislation possess a sufficient degree of fiscal competence to obligate large sums necessary to share substantially in the cost of approved projects.

In this connection, Mr. President, I commend my colleagues of the Public Works Committee for having recommended an amendment to the original version of S. 2965 which would insert a new section 8. It is my belief that subsections (b) and (c) of this proposed section go to the very heart of the problem this legislation is intended to help solve. It is also my judgment that without these two subsections the measure would be ineffective in the areas in need of the economic uplift, the capital improvements, and the new job opportunities which are the foundation purposes of the bill.

I strongly urge retention of the language of section 8 in any bill on this subject passed by this Congress, especially the following:

> (b) * * * In prescribing such rules, regulations, and procedures, the President shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.
>
> (c) * * * In the case of those projects or programs which qualify under standards established by the President applying uniformly in all similar areas, if the President determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to sections 5 and 6 for a project or program in such area may be made without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield 5 additional minutes to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, in West Virginia, upward to 51 of our 55 counties qualify as redevelopment areas. The very fact that such a substantial number of our counties qualify is an indication of the economic debilitation suffered statewide, as well as in the affected counties or areas of counties. Perhaps there are few States in which the degree and extent of need for redevelopment are as prevalent as in West Virginia. I recognize, however, that there are areas in a number of States where the severity of problems is as acute as in our State. Such areas are discouraged from participation in any program established on a 50-50 matching basis—some even under a ratio with a higher percentage of Federal contribution—because of the low levels of their finances. They have been economically distressed too long and have been able to retain but little financial competency. They have not enjoyed the happy circumstance of participating in economic recovery from prior recessions. They are the areas of our country which need the stimulus of public works acceleration, and it must not be denied them.

I believe especially in the validity of subsection (c) of section (8) of the bill as reported by the Committee on Public Works. It provides for flexibility in project cost sharing based on the fiscal status of the sponsoring State or local body. Its status as a vital element of the legislation cannot be overemphasized.

Mr. President, and my colleagues, there is an understandable restlessness in our country concerning the persistence of a high rate of unemployment—and it is essential that there should be a very real concern about this condition.

Among the labor organizations especially there is the feeling that, unless there is a more rapid rate of economic growth and an accompanying increase of job opportunities, there should be an across-the-board shortening of the workweek.

Under the severe depression conditions which prevailed in the early 1930's, I supported a decrease in the number of hours of work as a means of spreading available job opportunities to a greater number of individuals. But I would deplore resort to the shorter workweek as an expedient at this time. Conditions do not warrant such a radical procedure as that of earning more for producing less. Progress and national growth will depend on earning more for producing more.

Nevertheless, if industry and commerce do not expand rapidly enough and if Government does not take those actions necessary to both stimulate the economy and help industrial expansion—in other words, if more job opportunities are not provided, and soon, such an event as the shortened workweek will be an inevitable and controversial consequence. Perhaps it would be one which would induce considerable chaos in the economic life of the Nation. I hope such a situation can be avoided.

Advancement of automation at a pace which appears to have exceeded expectations obviously has been a contributing factor to the high percentage of joblessness.

Mr. President, I have listened to the spirited exchange between Senator KERR and Senator BUSH. I remind the Senator from Connecticut that the peak of each boom thus far reached since 1953 has found us with more unemployment than the peak of the immediate preceding boom, and the trough of each recession has found us with more joblessness among our citizens than the trough of the immediate previous recession.

But I am sufficiently optimistic to believe that science and technology will reach a plateau on which there will come about an adequate average annual growth rate which will bring productivity and job opportunities into a favorable balance. We cannot and we must not merely drift along hopefully awaiting such a development.

We have already too long delayed the fashioning and the implementation of a well-rounded program for economic stimulation and manpower utilization. A start has been made. We fitted into the structure of such a program an integral part when the Manpower Development and Training Act was passed and signed by the President. The same is true with respect to the Area Redevelopment Act.

Then, too, the administration's promised modernization of the depreciation rate structure as an important element in the computation of business taxes will be helpful. I am hopeful this Congress will pass a Revenue Act and a Trade Expansion Act which will improve the investment, industrial, and commercial outlook from the long-range standpoint. And perhaps there will be other actions—both legislative and administrative—which will help stimulate the rate of recovery and economic growth.

Meanwhile, however, ours is the obligation to advance other positive actions. Human necessities are involved. There is an urgent economic requirement to place in gainful employment more of our citizens who reside in areas of labor surplus markets and in underdeveloped areas. And it is in the public interest that there be an acceleration of public capital improvements.

The "immediate action" phase of S. 2965 is a sound and time-honored approach because the program of accelerating public works will provide work directly on projects and indirectly in industries and services associated with the projects. The standby provisions of the measure are safeguards for the future.

Mr. President, I solicit agreement on the amendments offered by the majority members of the Committee on Public Works and I urge passage of this vital legislation. By itself it will not be a panacea, but it will be more than a palliative because it will provide employment and lasting capital improvements. It will be an affirmative approach—another in the series of solutions which must be provided for our complex problems.

It is my hope, Mr. President, that the weakening amendment, and other negative approaches, will be defeated.

Mr. CASE of South Dakota. I yield myself 2 minutes on the bill to ask the distinguished Senator from Oklahoma a question. Is there anything in the bill which would prevent the President from spending at least 10 percent of the funds available in rural redevelopment areas?

Mr. KERR. No; there is not; nor is there anything in the bill which would require it to be done.

Mr. CASE of South Dakota. Does the Senator have any fear that if 10 percent were used it would be regarded as a directive or as an indication to the administration that when 10 percent had been used that that would take care of the rural redevelopment areas?

Mr. KERR. I do not so regard it. I am glad the Senator has asked the question, so the legislative record on the matter will be abundantly clear. The provision in the amendment is that not less than 10 percent of it be so spent. Certainly that could not be interpreted as being the maximum, but, rather, the minimum.

Mr. CASE of South Dakota. There is nothing in the bill to prevent the President from spending $100 million if that is what he thought was warranted by the circumstances?

Mr. KERR. That is correct.

Mr. CASE of South Dakota. I thank the Senator.

I yield 2 minutes to the Senator from Vermont.

Mr. PROUTY. I should like to have the indulgence of my distinguished friend the Senator from Oklahoma, to ask him a question or two. Is it possible that all of the money authorized under the bill and subsequently appropriated could be used under the provisions of section 6? In other words, could it be combined with section 6 if the President so desired?

Mr. KERR. I do not think it is possible either practically or technically. If the Senator will turn to page 13 of the bill, it is very clearly indicated there that the "funds provided for projects and programs pursuant to sections 4, 5, 6, and 7 of this act shall be made available," and so forth.

Other places in the bill provide that not less than 10 percent shall be spent in rural areas.

I am not sure that under section 6 that would be possible. I am prepared to say it would not be, but I do not think it would be. Certainly there is not the slightest apprehension on the part of the Senator from Oklahoma that there would be any effort to spend it all under section 6, or the possibility of that occurring. If he did, he would join the Senator from Vermont in specifying that such shall not be the case.

Mr. PROUTY. It is most important, because I believe there is nothing in the bill or in the language anywhere which would prevent that happening. I should like to point out that section 6 relates to projects and programs that are not eligible for grants under acts of Congress. In other words, these are completely unauthorized programs.

Mr. KERR. The bill will be open to amendment by the Senator from Vermont. If he feels that an amendment requiring proportional spending under sections 4, 5, 6, and 7 of the bill would be necessary, I will be glad to work with him on the formulation of an amendment to that effect, if he is seriously concerned about it.

Mr. PROUTY. I am very seriously concerned. I may have an amendment later to strike the whole section. However, I wish to reserve judgment on that for the time being.

Mr. KERR. I do not contemplate the possibility of the fear the Senator has indicated being justified. However, if he feels very seriously about it, I would be glad to discuss with him an amendment which would entirely relieve him of that fear.

Mr. PROUTY. I appreciate the Senator's statement and courtesy.

Mr. CASE of South Dakota. I am ready to have a vote on the pending amendment. I yield back the remainder of my time.

Mr. KERR. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] on behalf of himself and other Senators, beginning on line 23, page 10 of the bill.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. HICKEY], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Missouri [Mr. SYMINGTON], the Senator from Colorado [Mr. CARROLL], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL], are necessarily absent.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "nay."

The result was announced—yeas 43, nays 32, as follows:

[No. 69 Leg.]

YEAS—43

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Clark
Dodd
Douglas
Engle
Gore
Hart
Hartke
Hayden
Holland
Humphrey
Jackson
Johnston
Jordan
Kefauver
Kerr
Lausche
Long, Hawaii
Long, La.
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Wiley
Williams, N.J.
Yarborough
Young, Ohio

NAYS—32

Aiken
Beall
Bennett
Boggs
Bush
Byrd, Va.
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Hruska
Javits
Keating
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Robertson
Scott
Smith, Maine
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NOT VOTING—25

Allott
Bartlett
Butler
Capehart
Carlson
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Neuberger
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So Mr. KERR's amendment was agreed to.

Mr. KERR. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. CLARK. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I ask unanimous consent that the debate on the next amendment be limited to 5 minutes to a side. It is the other amendment on which the Senator from South Dakota requested a separate vote; it is the amendment which calls for the authorization to begin after June 30, 1963.

The PRESIDING OFFICER. Is there objection?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I merely wish to make clear that if we agree to this request, we can have another yea-and-nay vote in 10 minutes. In my opinion, the issue is perfectly clear; the proposal to be voted on next is an authorization for a second $750 million to be available for expenditure after June 30, 1963. So the coming vote will be on the question of whether we shall include in the bill another $750 million of authorization.

I have no objection to limiting debate in the way requested.

Mr. JAVITS. Mr. President, there seems to be some question as to whether the $2 billion of standby authority is still in the bill or has been taken out.

Mr. CASE of South Dakota. It has been taken out.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

The next amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to insert the language of the Kerr amendment on page 3, beginning in line 14, and extending down to and including line 23.

Mr. CASE of South Dakota. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, I yield 5 minutes on the bill to the Senator from Virginia [Mr. ROBERTSON].

The PRESIDING OFFICER. The Senator from Virginia is recognized for 5 minutes on the bill.

Mr. ROBERTSON. Mr. President, I wish to call attention to the fact that we now have under construction civil work projects which will cost $9 billion to complete, and we have authorized additional projects—on which we have not started—which will cost $12,800 million more to complete. So we are voting funds which are going to be spent if those who favor deficit spending have their way.

Our economy is now at record levels in many respects. The gross national product in the first quarter of this year reached a seasonally adjusted annual rate of $548 billion, an alltime high. Personal income in April, at a seasonally adjusted annual rate of $439 billion, was also at a record high. Civilian employment was above the level a year earlier, and unemployment remained at the lowest level in over a year.

Even so, in the current fiscal year we are faced with a budget deficit conservatively estimated to be between $7 billion and $8 billion. In the foreign field, our balance of payments has continued to show further deficits, reflected in part by a continuing drain upon our gold supply. On May 22, the latest date available, our gold supply was $969 million lower than it was a year earlier. Potential claims against it have risen further.

If current trends continue, another substantial budget deficit may be in prospect in the next fiscal year. Already this year, the temporary ceiling on the public debt has been raised $2 billion more, to a limit of $300 billion. That is $22 billion higher than the ceiling in effect only 5 years ago. Yet the administration has urged enactment of an even higher debt ceiling of $308 billion in the next fiscal year.

These adverse trends in both our domestic and our international financial position can ill afford to be augmented by additional spending programs. Already the Government has built up hundreds of billions of dollars in authorizations and commitments to make future expenditures, if needed, in addition to outlays necessary to carry the $300 billion public debt. Our long-range Federal commitments for insurance and guarantees, for undisbursed commitments to make future loans, for accrued military pensions and commitments to veterans for future pensions and compensation, for such recurring obligations as Federal participation in employee retirement systems, and unused authorizations to expend from public debt receipts—all these items, if totaled together, far exceed the $300 billion liability on our public debt.

In order to continue to lead the free world, we must first set an example at home of fiscal responsibility. This means we must strive to contain our outlays within the limits of our resources. Only by building and maintaining a sound domestic economy can we show the way toward a sound international economy.

I hope very much, if we are to continue to lead the free world, financially and otherwise, we will not keep adding to our deficit.

I urge that the amendment be rejected.

Mr. CASE of South Dakota. I yield half a minute to the Senator from Iowa [Mr. MILLER].

The PRESIDING OFFICER (Mr. BURDICK in the chair). The Senator from Iowa.

Mr. MILLER. Mr. President, I thoroughly agree with what the junior Senator from Virginia has said. We would be legislating today an expenditure of three-quarters of a billion dollars, not to start before July 1, 1963. Why should we not wait until the next session of Congress, and take a look at the situation then, instead of tying the hands of Congress now, more than a year before these moneys can start to be spent?

Mr. KERR. Mr. President, I yield myself 2 minutes.

I call attention to the fact that this authorization is not triggered unless economic conditions worsen, unless unemployment becomes worse than it is now, unless it actually exceeds 5 percent. This authorization will not be triggered unless those things happen.

The Senator from Iowa has said the expenditure of the moneys will not start before July 1, 1963. That is correct. It will not start then unless economic conditions and unemployment are worse than they are now by an appreciable degree.

The Senator from Virginia said we should not pass this bill because stockholders have lost confidence and have sold their stocks. I wonder what they received for their stocks. It looks like they have lost confidence in their stocks and have offered them for dollars, in which they have more confidence.

The Senator from Virginia said that our gold reserve has been reduced. That is true. I went to the Senator 3 years ago and pointed out that fact to him. The Senator from Virginia said there was no difficulty. He made a speech on the floor in which he said there was no difficulty. Our situation with regard to diminishing gold stocks is identical with what it was then, except the rate of diminishment is lower now than it was at that time.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself 1 more minute.

The distinguished Senator from Iowa has said we should not be doing this because we would tie the hands of Congress. It cannot be so, because even if we made the authorization, the expenditures would be triggered only if there were worsened economic conditions. The bill would be binding only if Congress appropriated the money. So passage of the bill would not tie the hands of Congress in any way, but would certify that, if economic conditions worsened, if poverty became more widespread, Congress had authorized the President to act immediately, and that Congress had made such an authorization now, while it was contemplating the program for 1963 and 1964.

Mr. CASE of South Dakota. Mr. President, I yield myself 2 minutes.

By the last vote, which was 43 to 32, the Senate has already passed an authorization in the bill to appropriate $750 million, to be immediately available and to remain available until expended.

The President, in his message for immediate authority, asked only for $600 million; $600 million was asked for in the original Chavez amendment. The Senate has approved $750 million to be appropriated for immediate availability and to remain available until expended.

Why should we now, with the knowledge that Congress wil be back here in January, provide another $750 million that will not be available until after June 30, 1963? Congress should take another look at the matter in January, and if a further authorization is made at that time, consider the matter then.

A "yea" vote adds $750 million to this bill. It doubles the size of the authorization. A "nay" vote reserves judgment whether or not the $750 million authorization will be needed until we know more about conditions and until we know how the first $750 million had been employed.

It seems to me, in good sense, the Senate should reserve for itself a decision until next January, both on the ground of what might be needed and the manner in which the $750 million might be used.

I urge a "nay" vote.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield me 1 minute?

Mr. KERR. I yield 1 minute to the Senator from Pennsylvania.

Mr. CLARK. I hope every Senator who voted on the last amendment will vote the same way on this amendment, if he voted "yea," and I hope Senators who voted "nay" will see the error of their ways and vote "yea" on this amendment.

The amendment is proposed so Congress can act when it is necessary to act. I have not been a Member of this body very long, but I have been here long enough to recall three occasions when Congress did not take action when it should have taken it, and when it finally did take action it was too little and too late.

The Senator from Oklahoma has pointed out that what is provided for is standby authority, and will not be triggered unless conditions necessitate it and Congress appropriates the funds. Let us get ourselves ready so that we can act when there is a need to act, by giving the President this authority now.

Mr. CASE of South Dakota. Mr. President, I yield one-half minute to the Senator from New Hampshire [Mr. Cotton].

Mr. COTTON. Mr. President, I wish to ask either the distinguished Senator from South Dakota or the distinguished Senator from Oklahoma a question. If the President does use the three-quarters of a billion dollars, if events transpire so he can used those funds, is his use to be confined to projects which have been authorized by Congress, or can he use the funds for unauthorized projects where desired?

Mr. CASE of South Dakota. The answer to that question is to be found in section 6, which is headed "Grants for Public Works Projects Not Eligible Under Existing Programs."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. I yield myself 1 minute.

The restriction is placed only on section 8. Under section 6 funds would be eligible for grants for public works not eligible under existing programs.

Mr. KERR. My answer is, in the first place, that the program cannot be implemented unless conditions worsen, as specified, and Congress appropriates the money.

With reference to projects not authorized, the Senator from Vermont is going to offer an amendment that not more than 30 percent of the authorizations and appropriations under the bill shall be available for section 6, which relates to projects not authorized. The Senator from Oklahoma has agreed to join in that amendment. That will be a later amendment before the Senate.

Mr. CASE of South Dakota. Mr. President, I am willing to yield back my time.

Mr. KERR. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. A "yea" vote would be a vote to insert in the bill an amendment adding an additional $750 million. A "nay" vote would be against the insertion of the authorization for a second $750 million. Is that correct?

The PRESIDING OFFICER. A "yea" vote would be to insert the section on page 3.

Mr. CASE of South Dakota. Which carries another $750 million.

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the amendment of the Senator from Oklahoma on page 3, lines 14 through 23.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from Missouri [Mr. Long]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. McCLELLAN (when his name was called). On this vote I have a pair with the distinguished senior Senator from Washington [Mr. Magnuson]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from New Mexico [Mr. Chavez], the Senator from Idaho [Mr. Church], the Senator from Mississippi [Mr. Eastland], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Wyoming [Mr. Hickey], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Magnuson], the Senator from Oregon [Mrs. Neuberger], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], and the Senator from Georgia [Mr. Talmadge] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from New Mexico [Mr. Chavez], the Senator from Idaho [Mr. Church], the Senator from Oregon [Mrs. Neuberger], the Senator from Missouri [Mr. Symington], the Senator from Colorado [Mr. Carroll], and the Senator from Alaska [Mr. Gruening] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Maryland [Mr. Butler], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

The Senator from Arizona [Mr. Goldwater] is detained on official business.

If present and voting, the Senator from Colorado [Mr. Allott], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] would each vote "nay."

The result was announced—yeas 37, nays 36, as follows:

[No. 70 Leg.]

YEAS—37

Anderson
Bible
Burdick
Byrd, W. Va.
Clark
Dodd
Douglas
Engle
Gore
Hart
Hartke
Hayden
Humphrey
Jackson
Johnston
Jordan
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McGee
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Williams, N.J.
Young, Ohio

NAYS—36

Aiken
Beall
Bennett
Boggs
Bush
Byrd, Va.
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Holland
Hruska
Javits
Keating
Lausche
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Robertson
Scott
Smith, Maine
Thurmond
Tower
Wiley
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—27

Allott
Bartlett
Butler
Cannon
Capehart
Carlson
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
McClellan
Neuberger
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So Mr. Kerr's amendment was agreed to.

Mr. KERR. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. CLARK. Mr. President, I move to lay that motion on the table.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Pennsylvania to table the motion to reconsider. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CANNON (when his name was called). On this vote I have a pair with the senior Senator from Missouri [Mr. Symington]. If he were present and voting he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. McCLELLAN (when his name was called). I have a pair on this vote with the senior Senator from Washington [Mr. Magnuson]. If he were present and voting, he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from New Mexico [Mr. Chavez], the Senator from Idaho [Mr. Church], the Senator from Mississippi [Mr. Eastland], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Wyoming [Mr. Hickey], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Magnuson], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], the Senator from Georgia [Mr. Talmadge], and the Senator from Texas [Mr. Yarborough] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Colorado [Mr. CARROLL], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "nay."

The result was announced—yeas 38, nays 35, as follows:

[No. 71 Leg.]

YEAS—38

Anderson
Bible
Burdick
Byrd, W. Va.
Clark
Dodd
Douglas
Engle
Gore
Hart
Hartke
Hayden
Humphrey
Jackson
Johnston
Jordan
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McGee
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Williams, N.J.
Young, Ohio

NAYS—35

Aiken
Beall
Bennett
Boggs
Bush
Byrd, Va.
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Hickenlooper
Holland
Hruska
Javits
Keating
Lausche
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Robertson
Scott
Smith, Maine
Thurmond
Tower
Wiley
Williams, Del.
Young, N. Dak.

NOT VOTING—27

Allott
Bartlett
Butler
Cannon
Capehart
Carlson
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Goldwater
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
McClellan
Saltonstall
Sparkman
Stennis
Symington
Talmadge
Yarborough

So the motion to table the motion to reconsider was agreed to.

Mr. CASE of South Dakota. Mr. President, I offer my amendment in the nature of a substitute.

The PRESIDING OFFICER. Under the agreement, the Senate will now consider the amendment of the Senator from Iowa [Mr. MILLER].

Mr. KERR. Mr. President, I ask unanimous consent that the debate on the Miller amendment be limited to 5 minutes to a side.

Mr. MILLER. Mr. President, with that understanding, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The LEGISLATIVE CLERK. On page 1, line 6, of the Kerr amendment it is proposed to strike out "5" and insert in lieu thereof "6."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oklahoma?

Mr. MILLER. Mr. President, reserving the right to object, I ask for the yeas and nays on my amendment.

The yeas and nays were not ordered.

Mr. MILLER. Mr. President, if the yeas and nays are not ordered on my amendment, I shall have to object to the unanimous-consent request of the Senator from Oklahoma.

Mr. KERR. Mr. President, I ask unanimous consent that on the Miller amendment the debate be limited to 10 minutes on each side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

Mr. MILLER. Mr. President, I still must ask for the yeas and nays on my amendment; otherwise, I shall have to object. I ask for the yeas and nays.

Mr. KERR. Mr. President, if the yeas and nays are ordered, will the Senator from Iowa agree to a limitation of debate of 5 minutes on a side?

Mr. MILLER. I will agree to 5 minutes on a side.

Mr. President, I again ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

How much time does the Senator from Iowa yield himself?

Mr. MILLER. I yield myself 3 minutes. I should like to have the attention of the Senator from Oklahoma.

On line 6, page 1, of the Kerr amendment, where reference is made to the total number of unemployed, is it the intention of the author of the amendment to have that mean the number of unemployed adjusted for seasonal variations?

Mr. KERR. The amendment specifically so provides.

Mr. MILLER. I thank the Senator from Oklahoma.

My amendment merely provides that there must be at least a 6-percent, rather than a 5-percent, unemployment rate at the time of the triggering of the $750 million of additional expenditure which the Senate has just voted might go into effect beginning July 1, 1963.

With all deference to the Senator from Oklahoma, I must point out that the second $750 million authorization could go into effect not when conditions are worse than they are now, but when conditions are better than they are now, because the latest figure on unemployment shows that there is today an unemployment rate of 5½ percent. This figure is based upon Economic Indicators, published by the Joint Economic Committee on May 1, 1962.

A situation could arise in which unemployment would fall to 4 percent, which is the interim target of the White House. Then if unemployment rises 1 percent, to 5 percent, which is one-half of 1 percent less than it is now, another $750 million of public works could be triggered and would be beyond the recall of Congress. It seems to me to be most unwise, since we are legislating more than 1 year before this program can possibly become effective, for Congress to establish a standard like that. I believe that a standard of 6 percent before the program could be triggered is fair and reasonable. That is why I have asked for yea-and-nay vote on my amendment.

Mr. KERR. Mr. President, I yield myself 2 minutes. I call attention to the fact that the rate of unemployment not only must be at least 5 percent, but that it must have increased 1 percent within the last 9 months. So the authorization would not be triggered merely because unemployment was at the 5-percent level. It would be triggered only in the event that unemployment had been reduced to 4 percent, and then was again on the increase and had gone up within 9 months to 5 percent. So the purpose of the standby authorization would be to halt unemployment at the 5-percent level, rather than to permit it again to go above that figure.

The Senator from Iowa offers to substitute 6 percent for 5 percent. That might seem to be a reasonable amendment, unless it is reduced to terms of human beings. The difference between 5 percent and 6 percent is almost 700,000 unemployed persons. So the Senator is willing to trigger the program in the event there are 6 percent of 66 million, let us say, but is not willing to trigger it if the number of unemployed has gone up from 4 percent to 5 percent.

I do not believe that that kind of price or penalty should be put upon that additional number of persons in order to trigger the modest authorization of $750 million, which the Senate has just approved.

Mr. President, I yield back the remainder of my time.

Mr. MILLER. Mr. President, I yield back the rest of my time.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. Do I correctly understand that a vote "yea" will be a vote in favor of the amendment offered by the Senator from Iowa?

The PRESIDING OFFICER. The Senator from Oklahoma is correct. The question is on agreeing to the amendment of the Senator from Iowa. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CHURCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. HICKEY], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. MAGNUSON], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], and the Senator from Georgia [Mr. Talmadge] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from New Mexico [Mr. Chavez], the Senator from Idaho [Mr. Church], the Senator from Washington [Mr. Magnuson], the Senator from Missouri [Mr. Symington], the Senator from Colorado [Mr. Carroll], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Maryland [Mr. Butler], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

If present and voting, the Senator from Kansas [Mr. Carlson] and the Senator from California [Mr. Kuchel] would each vote "nay."

The result was announced—yeas 21, nays 56, as follows:

[No. 72 Leg.]

YEAS—21

Beall
Bennett
Bush
Byrd, Va.
Case, S. Dak.
Curtis
Dirksen
Dworshak
Goldwater
Hickenlooper
Hruska
Lausche
McClellan
Miller
Mundt
Robertson
Russell
Thurmond
Tower
Wiley
Williams, Del.

NAYS—56

Aiken
Anderson
Bible
Boggs
Burdick
Byrd, W. Va.
Cannon
Case, N.J.
Clark
Cooper
Cotton
Dodd
Douglas
Engle
Fong
Gore
Hart
Hartke
Hayden
Holland
Humphrey
Jackson
Javits
Johnston
Jordan
Keating
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McGee
McNamara
Metcalf
Monroney
Morse
Morton
Moss
Murphy
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Scott
Smathers
Smith, Mass.
Smith, Maine
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—23

Allott
Bartlett
Butler
Capehart
Carlson
Carroll
Chavez
Church
Eastland
Ellender
Ervin
Fulbright
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So the amendment to the amendment was rejected.

Mr. KERR. Mr. President, I move that the vote by which the amendment to the amendment was rejected be reconsidered.

Mr. RANDOLPH. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the part of the so-called Kerr amendment on page 1, lines 3 through 8 proposed to be inserted in the bill on page 4, following line 20.

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I have an amendment in the nature of a substitute which I desire to call up at this time. It is printed and is at the desk.

I point out, however, that on page 5, I have adopted two suggestions which have been made by others. The Senator from Missouri [Mr. Long] wanted to include, in addition, prisons, training schools, and youth correctional facilities, in the classification of public buildings which might benefit.

It has also been suggested that, so far as hospitals and health facilities are concerned, they be public or nonprofit.

I have incorporated both of those suggestions in the copy of the amendment which I have sent to the desk. Otherwise, the amendment is as printed.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the Record.

The amendment in the nature of a substitute, proposed by Mr. Case of South Dakota (for himself, Mr. Cooper, Mr. Prouty, Mr. Fong, and Mr. Boggs) was:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That this Act may be cited as the 'Emergency Employment Public Works Act of 1962'.

"FINDINGS AND PURPOSE

"Sec. 2. The Congress finds that substantial unemployment and underemployment for prolonged periods of time adversely affect the revenues of the Government and the general welfare. The purpose of this Act is to stimulate the economy at such times and in such areas by providing for the acceleration of authorized Federal programs and the authorization of participation in certain small public works projects.

"DECLARATION OF AREAS OF SEVERE ECONOMIC DISTRESS

"Sec. 3. When the President finds that substantial unemployment in any county of the Nation (including the Commonwealth of Puerto Rico and the possessions) is causing unusual and severe economic distress, he may designate the county as an emergency unemployment area for the purpose of this Act. Upon such designation the authority granted in sections 4 and 5 of this Act may be exercised within such county to carry out the purpose of this Act until the President by declaration or Congress by concurrent resolution removes such designation from such county or two years expire, whichever soonest occurs.

"ACCELERATION OF CONSTRUCTION BY FEDERAL DEPARTMENTS AND AGENCIES

"Sec. 4 (a) The head of any department or independent agency of the Government which receives any appropriations for the fiscal year beginning July 1, 1962, or July 1, 1963, for the construction (including reconstruction and additions) by such department or agency of—

"(1) any works of a public nature for improvement of rivers and harbors and other waterways, for navigation, flood control, irrigation, reclamation, development of hydroelectric power, or improvement of watersheds, or

"(2) any public buildings, including post offices, or roads or trails in, or to provide access to, national parks, national forests, Federal reservations, Indian reservations, or public recreation areas, or on the public domain,

may obligate an amount equal to 10 per centum of the total such appropriations to such department or agency for each such year for the construction (including reconstruction and additions) in areas designated by the President under section 3 of this Act of any such works, buildings, roads, or trails which is authorized by law and which will promote the purpose of this Act. Amounts authorized to be obligated under the provisions of this section shall remain available for obligation without fiscal year limitation and shall be in addition to fiscal year appropriations to such department or agency.

"(b) Not more than 20 per centum of the total cost of any construction project may be paid for under the authorization in this section.

"ASSISTANCE TO CERTAIN SMALL PUBLIC WORKS PROJECTS

"Sec. 5. (a) The head of any department or independent agency of the Government which is authorized by law to make grants or loans to assist in financing any small public works project (as defined in subsection (d) of this section) may make such grants or loans, to the extent of funds appropriated to such department or agency under subsection (c), for the initiation or acceleration of any such small public works project which will promote the purpose of this Act in areas designated by the President under section 3 of this Act. Grants and loans made under the authority of this section shall be in accordance with the terms and conditions of other laws with respect to such grants or loans, except that (1) any requirements in other laws with respect to the apportionment of funds, the time in which grants or loans may be made, or the aggregate dollar amounts of any grant or loan for any particular project or part thereof, shall not apply, and (2) if it is determined in accordance with regulations to be established by the President that the area does not have the economic and financial capacity to assume all of the additional financial obligations required, the provisions in other laws limiting the amount of such grant to a portion of the cost of the project shall not apply but the recipient of the grant shall be required to bear such portion of such cost as it is able to and at least 10 per centum thereof.

"(b) Not more than $500,000 may be obligated for grants and loans under the provisions of this section for each small public works project.

"(c) There is authorized to be appropriated to carry out the provisions of this section $250,000,000 for grants and $250,000,000 for loans.

"(d) For the purpose of this section the term 'small public works project' means the construction, repair, or improvement of public roads on the Federal-aid secondary system (including extensions into urban areas), public streets, sidewalks incident to street or highway construction, roadside areas, parkways, access roads to recreational areas, bridges, and airports; public parks, public school and other public recreational facilities; public or nonprofit hospitals, public rehabilitation and health centers, and other public or nonprofit health facilities; public refuse, garbage, water, sewage, and sanitary facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, prisons, training schools, youth correctional facilities, laboratories, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures, including small watershed projects.

"REGULATIONS

"SEC. 6. Within the provisions hereof the President is authorized to establish such regulations as may be necessary to carry out the purpose of this Act.

"APPROPRIATIONS AUTHORIZED TO LIQUIDATE OBLIGATIONS

"SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"Amend the title so as to read: 'A bill to provide authority to accelerate public works programs of the Federal Government and to authorize participation in certain small public works projects in distress areas'."

Mr. KERR. Mr. President, I ask unanimous consent that the time on the substitute be limited to 10 minutes on the side.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. Mr. President, I object unless I can get 3½ minutes on the amendment.

Mr. KERR. I will give the Senator 3½ minutes on the bill.

The PRESIDING OFFICER. Is there objection?

Mr. LAUSCHE. Mr. President, reserving the right to object, I would like some time.

Mr. KERR. How much time does the Senator wish to have?

Mr. LAUSCHE. Not more than 5 minutes.

Mr. KERR. I will give the Senator that much time on the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes.

I ask for the yeas and nays on the substitute.

The yeas and nays were ordered.

The PRESIDING OFFICER. A limitation of 10 minutes on the side is in effect.

Mr. CASE of South Dakota. Mr. President, I think, in order for Members of the Senate to understand what the real issue is here, I should make this statement. The bill as reported by the committee, and as it has been perfected now, concentrates more power in the hands of the President. It makes the President the authority to direct the acceleration of authorized programs; the authority to direct agencies to accelerate programs or to initiate new programs; and gives to the President the power to delegate the authority to subordinates, and they in turn to delegate to others.

The approach of the substitute is from an entirely different standpoint. The approach of the substitute is to leave with the President the responsibility for making a declaration of an emergency distressed area, the same as he may designate a distressed area today, but it confines to the agencies of Government which over the years have developed feasibility standards or guidelines the authority of prosecution of those projects.

In support of the substitute, let me point out that there are two principal features in it. One section, section 4, would authorize the acceleration of construction by Federal departments and agencies, and I read quickly:

SEC. 4. (a) The head of any department or independent agency of the Government which receives any appropriations for the fiscal year beginning July 1, 1962, or July 1, 1963, for the construction (including reconstruction and additions) by such department or agency of—

(1) any works of a public nature for improvement of rivers and harbors and other waterways, for navigation, flood control, irrigation, reclamation, development of hydroelectric power, or improvement of watersheds, or

(2) any public buildings, including post offices, or roads or trails in, or to provide access to, national parks, national forests, Federal reservations, Indian reservations, or public recreation areas, or on the public domain,

may obligate an amount equal to 10 per centum of the total such appropriations to such department or agency for each such year for the construction—

And so forth. At this time I ask unanimous consent to place in the RECORD a table of the estimated construction expenditures authorized, which total about $1½ billion.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated construction expenditures for fiscal year 1963

[In millions of dollars]

Corps of Engineers	813
Bureau of Reclamation	259
Public buildings	215
Bonneville Power Administration (transmission lines)	24
Southwest Power Administration (transmission lines)	3
Soil Conservation Service (watershed, etc.)	63
Forest highways	34
Public lands highways	4
Parkways, roads and trails:	
National Park Service	44
Bureau of Indian Affairs	19
Forest Service (includes permanent and direct funding as well as contract authority)	47
Bureau of Land Management	8
Total	1, 533
Public Health Service (waste treatment)	55
Secondary and urban highways	495

The sum of $1,533 million divided by 10 percent equal $153 million for section 4 projects.

Mr. CASE of South Dakota. Theoretically, that is contract authority of $153 million to agencies to accelerate or augment the appropriations, but I call attention to the fact that it would not increase the financial obligation of the Government. Once a project is started, the Goverment is committed to the cost of its completion. The augmentation would be advanced in the first year until it employed 10 percent of the work of the project which might be undertaken.

This approach is consistent with the philosophy which has been expressed so often that public works should be a shelf or reserve for increasing employment in time of need or time of unemployment. This section seeks to implement that theory, which has been expressed so many times here. It is recognized there are some areas in which projects may not be authorized, but in which there may be a high rate of unemployment.

In section 5 we would authorize the head of a department or agency which already has authority to work in these fields to initiate certain small public works projects with a cost not to exceed $500,000 on each one. That might be done either by loans or grants. We would authorize the appropriation of up to $250 million for loans and $250 million for grants; but, in the case of grants, in addition to loan money, the local recipient would be obligated to pay, and I call attention to line 20 on page 4:

The recipient of the grant shall be required to bear such portion of such cost as it is able to and at least 10 per centum thereof.

In other words, we try to provide a sensible policeman on the job for the institution of any of these small public works projects, limited in their overall cost to $500,000, and requiring a contribution or participation by the local unit.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. LAUSCHE. What would be the aggregate cost of the bill as proposed?

Mr. CASE of South Dakota. The aggregate cost of the bill in terms of moneys which might not be returned would be $250 million, because it would authorize an amount up to $250 million. The bill would authorize an expenditure or contractual authority of up to $150 million in projects for which we are committed anyway and for which the Government would pay the full cost, anyway over a 2-year period, in each of the 2 years.

We would also authorize $250 million for loans, but that amount would be repayable. So the net increase in cost to the Treasury for funds to agencies which would handle small public works, over what the Government would be obligated to pay, would be $250 million.

Mr. LAUSCHE. There would be $150 million more than for projects committed?

Mr. CASE of South Dakota. For which there are commitments. It would not all be used, because this acceleration or augmentation could take place only in the distressed counties. The President would designate distressed areas by county, the same as he does in disaster areas. The President generally makes a designation by county. This is done in order that this provision might be flexible and usable in areas of real need, whether rural or urban.

I call attention to the language on page 5, paragraph (d), which deals with the $250 million in loans and grants:

For the purpose of this section the term "small public works project" means the construction, repair, or improvement of public roads on the Federal-aid secondary system (including extensions into urban areas)—

We deliberately put in those words so it would not be limited to building secondary roads in the rural areas, but would extend to urban areas and street improvements in the cities—

public streets, sidewalks incident to street or highway construction, roadside areas,

> parkways, access roads to recreational areas, bridges, and airports * * *.

Many of these things can be handled under the present law, under the Public Roads Acts:

> Public parks, public school and other public recreational facilities; public hospitals, public rehabilitation and health centers, and other public health facilities; public refuse, garbage, water, sewage, and sanitary facilities.

Those are activities which already can be attended to through Community Facilities. This applies also to:

> Civil defense facilities; public police and fire protection facilities; public educational facilities, laboratories, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures, including small watershed projects.

In other words, from the $250 million a grant could be made, which would be administered by the Department of Agriculture, for a small watershed project. A grant could be made for a sewage disposal project, which Community Facilities, HEW, would handle. A grant could be made, through the Bureau of Public Roads, for extension of a secondary street through a city.

All of these things would be operated under the normal requirements applying to the present Federal agencies. There would be a ceiling of $500,000 on each of these projects.

It would be, literally, an attempt to provide jobs at places where they are needed, under the restrictions of the bill. The overall cost, of course, would be much less than under the amended committee bill.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator's time has completely expired.

Mr. CASE of South Dakota. Then 10 minutes?

The PRESIDING OFFICER. Yes.

Mr. CASE of South Dakota. I yield myself 5 minutes from the time on the bill.

I yield to the Senator from Ohio.

Mr. LAUSCHE. Does the Senator's proposal envision a 2-year operation or a 1-year operation?

Mr. CASE of South Dakota. It envisions a 2-year operation, so far as the augmentation is concerned. So far as the $250 million in grants or loans is concerned, that is a ceiling in dollars and could not extend beyond whatever time was used.

Mr. LAUSCHE. The $250 million for grants would be for a 2-year period?

Mr. CASE of South Dakota. If there were any occasion for making $750 million in grants in 1 year, I assume that the $250 million would not last beyond the 1 year.

The augmentation, the 10 percent, would be for each of the 2 fiscal years, but it would not increase the cost to the Government, because there would be no authorization to expand the projects. The augmentation would be for the authorized project to which the Government is already committed in any event.

Mr. President, from the time on the bill I yield 3 minutes to my distinguished colleague from South Dakota.

STOCK MARKET SLUMP

Mr. MUNDT. I thank my colleague.

Mr. President, I rise to bring to the attention of the Senate some very disturbing news which is filling the ticker tapes in the cloakroom at this moment.

I read the latest statement from the Associated Press:

> NEW YORK.—The stock market slumped sharply today in the heaviest burst of selling in more than 30 years.
>
> The ticker tape lagged more than an hour behind actual transactions, the greatest lag since the high-speed wire was installed in 1930.
>
> Blue chip stocks were among those taking a bad beating in today's slide, a continuation of a steady decline that lasted all last week.
>
> Brokers talked of fear feeding on itself as investors rushed to sell to retrieve what was left of old gains or to reduce losses.
>
> Volume for the day was expected to run to 8 million shares, more than the 7.72 million that changed hands during the fall that followed former President Eisenhower's heart attack, September 26, 1955.
>
> The 69-minute ticker lag could not be compared with the many hours' lag of the 1929 crash because the earlier ticker machines were not geared to go as fast.
>
> At 2 p.m., the Dow-Jones average of 30 industrials was down 13.82 at 598.06, penetrating the 600 level which some Wall Streeters had hoped would provide a psychological barrier to further declines.
>
> Standard & Poor's Investment Advisory Service said of the weakening market:
>
> "An emotional upset, such as being experienced, often feeds on itself. More and more holders become panicky and sell to protect vanishing profits or to prevent losses from mounting. The movement gains momentum and almost invariably is carried to an extreme."
>
> Brokers were hesitant to guess when the slide might level off.
>
> American Telephone & Telegraph, the Nation's most widely held stock and a long favorite of conservative buyers, was down $10.12 to $101.50 late in the day. This was attributed in part to talk that the Federal Power Commission might crack down on utilities.

Mr. President, I point out that while the sharp selloff in the stock market cannot be attributed to the U.S. Senate, it can be said that the U.S. Senate has within its power the capacity to do something which would tend to put a stop to it.

On Friday, after the Senate approved the farm bill, I said if we finally give full congressional approval to this legislation it will be a further indication in the farm bill that America is moving into a controlled economy and that the discussion on the floor on Friday as to stock market losses would have to be repeated again at the beginning of this week. So it has been.

Mr. President, not only would the pending proposed legislation pass into the hands of the Executive unprecedented power, as would the legislation we considered on Friday—which would give control over the farm economy, historically the genesis of a speedup in our economic conditions, because our gross national income is equal to seven times the raw material income of the country year after year—but also similar suggestions are seriously being considered by the committees of the Congress. It has also been suggested that Congress give to the President unprecedented controls over taxes, over tariffs, over appropriations, over the Federal Reserve Board, and over some 20 other functions and activities of the Government in its relationship to our economy.

I submit, Mr. President, that we cannot consistently and persistently attack our free economic system and expect it to thrive or to move forward without fear or without suspicion.

By voting "no" on some of these requests for unprecedented power, we can help to develop that assurance and reassurance in our American system on the part of investors which will dissuade them from selling off their economic holdings at a time when basically and fundamentally the economy of this country is sound. All it requires is the opportunity to move onward without political threats, intimidations, recriminations, or the attempted imposition of some form of imported control system.

It has been proposed that we reduce the power of the chairman of the Senate Committee on Finance by detouring that committee on tax and tariff measures. One of the greatest authorities in this country—probably our best and greatest on Federal fiscal affairs—in my opinion—is the senior Senator from Virginia [Mr. BYRD]. It has been proposed to take away certain controls over our taxes and over our tariffs, which is entirely unprecedented. It has been proposed to take from the Senator from Virginia [Mr. BYRD], our best fiscal genius on Federal financing in this country, some of the determinations of what should be done in these delicate and significant areas of Federal financing.

That would be something like someone taking his wife to a diagnostic center, such as Mayo's in Rochester or Johns Hopkins, and saying, "My wife is ill with some poorly defined and indeterminate disease. I should like to have my wife admitted to your clinic. I should like to have my wife examined by all of your diagnosticians, except the best one you have. Do not let the best one you have examine my wife."

That is what is being said to the U.S. Senate by some of these recommendations from the White House, "Let everybody examine them and have something to say about them except the best genius we have, the chairman of the Committee on Finance, and other Members of the U.S. Senate and House of Representatives."

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. MUNDT. May I have one more minute?

Mr. CASE of South Dakota. I yield 1 additional minute to my colleague.

Mr. MUNDT. I rise to express sorrow about what has happened. I predict that we shall continue to observe a slump in the stock market unless the U.S. Senate someplace along the line stands up and votes for a system, for an ideology, for private enterprise, for a balanced budget, and for sound taxation. If we continue to shift down to the other end of the avenue our responsibility and our authority, to ignore the dictates of our own judgment, and to tie our own hands, we are asking for a continuation of the kind of disturbing financial news which the tickertapes in the cloakroom are carrying out with such a melancholy impact this afternoon.

I submit that soon—and perhaps with respect to the pending bill—Members of the Senate must stand firm for a policy of private enterprise and a division of political power which has served this country well for nearly two centuries. We must send the word to the folks at home and send the word to those around the globe that the United States did not get to be the greatest country in the world by doing everything all wrong; that there is something worth preserving in the system which has served us so well in the past. We need more economy and less exciting and upsetting experimentation in Government these days if we desire to restore the confidence required to restore prosperity in our country in these trying times.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAM

The Senate resumed the consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

Mr. LAUSCHE. Mr. President, may I have some time from the time on the bill?

Mr. KERR. I believe the Senator from Ohio asked for some time to ask questions, and that time was granted. How much more time would the Senator like to have?

Mr. LAUSCHE. I should like to have 5 more minutes.

Mr. KERR. Mr. President, I yield the Senator 5 minutes from the 10 minutes we have on the amendment.

Mr. LAUSCHE. Mr. President, I contemplate voting for the Case of South Dakota amendment.

I voted first to increase the amount from $600 million to $750 million. Then there was added a second chapter to the bill, and that is the standby authority.

I wish to point out two significant things to which I believe we should give attention. First, within 2 months we shall be asked to lift the debt ceiling to $308 billion.

Second, we shall be asked to pass a bill that would provide a contribution by the United States of $2 billion to a $6 billion pool in the International Monetary Fund.

When the proposal was made to establish the $6 billion pool, the discussions were that it should be established so that there will be a gold and hard currency fund to be drawn upon by the United States and the United Kingdom. When the International Monetary Fund was created more than a decade ago, it was never contemplated that the pool of gold and hard currency would be drawn upon by the United States. The pool was created for other nations in the world.

Now in the year 1962 we must create a $6 billion pool so that when we get into distress, we can run to the Fund. That eventuality was never envisioned when the World Bank was created. Never was it thought that our currency might get into trouble. I have no doubt in my mind that the wave of selling on the stock market is partly actuated by the fact that the Fund of which I have spoken is in contemplation.

I have been on the floor of the Senate for 5 years. I have tried to build up a "fat" that could be drawn upon when unemployment became acute. I wanted to pay off the debt so that there would be available something in the body to sustain it when general nourishment was no longer available. But in the period of our greatest prosperity, spending went on and on. I ask Senators what we will do when the going gets really tough? What are we going to do then? Where will be the so-called fat? Where will be the reserve?

I want to provide help now. But our job requires looking into the future. We cannot deal with those things on an ad hoc basis today without giving the long-range look.

I suggest that we not proceed with haste now. We should try to keep available something to draw upon when the need really is great. Election time is here, certainly. I am running for election. I would like to go back to Ohio and say that I voted to give the money. But I frankly say that if I did vote for the measure now, I would be betraying my honest judgment, and that I refuse to do.

We shall come and go. In the long range of things we are meaningless. The life of our country is our responsibility, and we can proceed to ruin it by inordinate spending at the improper time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, I yield myself 3 minutes. I regret that some of my distinguished colleagues are as pessimistic as they are about the future of our country, about its financial stability, about its ability to meet its obligations and the needs of its people. I go back home also. I believe in the long look.

The future of this country depends upon the improved economic position of the average citizen of this country. It depends upon the opportunity for work of the average worker in this country. It depends upon the opportunity for redevelopment of some of the areas heavily stricken by economic recession.

Where is the Senator who feels that this Nation, with its increasing annual production, personal income, productive capacity, and production per unit of man-hour labor is unable to move into a situation in which up to 40 percent of the people in some communities are unemployed? What Senator would say that the Federal Government cannot stand an authorization of an expenditure of $750 million a year for 1 year, and if the situation deteriorates and unemployment increases by from 4 percent to 5 percent, we cannot do it the second year?

I am astounded that men would talk about the International Monetary Fund as being determinative of what we should do for the employment, or the opportunity for employment of men and women. The action of the stock market has been alluded to. I am not sure but what the stock market reaction is a result of the unemployment in this country as well as other factors envisioned by the distinguished Senator from South Dakota.

I hope that rather than to approach the problem from the standpoint of a $250 million grant, with a limitation of an additional $150 million of accelerated expenditure per year for 2 years, that we would take the broad scale view and say that we will move with precision. We will move with vigor. We will not cripple ourselves. We will not tell the people of America, "Here is a program that will increase employment. It will increase the opportunity to eliminate poverty." Some will say, "No, we will not take the broad view. We will take the program on the basis of $250 million, with the gross annual production at the rate we have."

Mr. President, I hope that the substitute will not be agreed to.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. KERR. I yield 3 minutes to the Senator from South Carolina on the bill.

Mr. THURMOND. Mr. President, I request 3½ minutes.

Mr. KERR. I yield 3½ minutes to the Senator from South Carolina.

Mr. THURMOND. I thank the distinguished Senator from Oklahoma.

The Constitution gives the power of the purse to Congress. Nowhere in that document is Congress authorized or empowered to delegate that function to either another branch of the Government or any agency which may be established by Congress. However, S. 2965 authorizes the President to initiate public works programs on a standby basis. These public works programs would be specified, not by Congress, but by the President. The power to appropriate money necessarily carries with it the power and duty to specify the exact programs for which that money is to be spent.

In order to preserve the balance of powers between the three separate and distinct branches of our Government, it is necessary for each branch to perform the duties delegated to it and jealously guard against any usurpation of its powers. If this bill is enacted into law in its present form, Congress will have abdicated its sworn duties and have been a part to the diminution of its own powers.

It is said that there are adequate safeguards written into the bill to prevent the exercise of indiscriminate power by the President. The safeguard is an administrative determination that the national unemployment rate has increased by 1 percent within a 3- to 9-month period. This is no more than a halfhearted pretense at putting reins on arbitrary delegations of power. It by no means justifies the creation of this Presidential pork barrel which is unparalleled in the history of our country.

The problems of the unemployed are, and should be, of major concern to all Senators. It is obligatory for us to seek ways and means to relieve the distress which accompanies unemployment for the misjudgments of Congress have contributed to the problem. Nevertheless, in our zeal to do so, we must guard against entrenching upon time-honored and constitutionally endowed responsibilities. I submit that the same end—providing relief for areas suffering from substantial unemployment—can be accomplished within a framework consistent with the responsibilities of each branch of our Government.

No one person, regardless of who he is or what position he holds, should enjoy the almost unlimited exercise of powers bestowed upon the Office of President by this bill. For these reasons, Mr. President, I intend to support the pending amendment, which would retain the traditional responsibilities of Congress.

Mr. KERR. Mr. President, I yield 3 minutes on the bill to the Senator from New York [Mr. Javits].

Mr. JAVITS. Mr. President, I have listened with the greatest attention to what has been said about what has been happening in my hometown of New York on the stock market. Prices are not going up or down because of what we are going to do in connection with the pending bill. We can have different views on that subject, but it does not necessarily mean that the people who are selling are right or that the people who are buying are wrong. It should be remembered that whenever someone is selling on the stock market, someone else is buying.

In my opinion, it must to some extent reflect the uncertainties in the American community as to the capability of this administration to deal with the private economy.

There is at stake in all this discussion confidence in the administration to handle the economy of our country.

That does not mean that it is the President who is running everything. Nevertheless, I deeply feel that people who are selling have that impression. It does not mean that Congress does not have a great deal to say about it.

I hope that Congress will assert itself. I am not deluding myself in respect to this bill, that this is what Congress is going to do about it. The bill amounts to a billion dollars; and the money will have to be appropriated by the Congress. That does not mean very much when we are dealing with an economy of $550 billion and a personal income of $380 billion. So this is not very serious. The bill would give the President authority to do something about spotty situations.

If we want to do something meaningful, we had better get to a tax bill and to the foreign aid appropriations, and deal with other measures which are fundamental to the whole economy. Congress had better assert itself to American business, to show that it proposes to participate in the process by which the American private economic system will be helped, and that the solution will not be left entirely to the President.

I had intended to speak at length tomorrow on this subject, but I was brought to my feet by the feeling in some quarters that this measure would have to deal materially with the whole economy. I do not feel that way.

Mr. CASE of South Dakota. Mr. President, I yield myself 2 minutes on the bill. I read from the bill as it presently stands.

On page 5, I read from section 4:

ACCELERATION OF FEDERAL PROJECTS

Sec. 4. In addition to the authority otherwise available to him, the President, during the existence of the public works acceleration period, may for the purpose of this Act, direct the department and agencies of the executive branch, under such rules and regulations as he may prescribe, to accelerate existing Federal public works projects and programs or to initiate new projects and programs already authorized by law.

On page 6, I read from section 5:

ACCELERATION OF EXISTING FEDERAL GRANT PROGRAMS

Sec. 5. During the existence of a public works acceleration period, the President may direct the departments and agencies of the executive branch to make grants, upon application and under such rules and regulations as they may prescribe, to finance the initiation or acceleration of public works projects and programs for which Federal grants are authorized by the Congress and under the terms and conditions prescribed by the Congress.

Finally on page 16, under delegation of powers there appears this language, which is very much in point if there is fear of an overweaning of power:

DELEGATION OF POWERS

Sec. 13. The President may exercise any functions conferred upon him by this act through such agency or officers of the U.S. Government as he shall specify. The head of any such agency or such officer may from time to time promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions. Nothing contained in this section shall authorize the President to delegate the power to proclaim or terminate the public works acceleration period.

Formerly, when we granted the President unusual authority, we provided for a termination of such powers by concurrent resolution of Congress. That was proposed when President Truman wanted to draft the workers for the railroads. Congress could declare the termination of the authority. There is no such provision in the bill for Congress to terminate the powers. The President could delegate all the powers given to him in the bill, and they could be redelegated.

If this does not add to or contribute to the great feeling in this country that there is a great concentration of power in the White House, I do not know what could do so.

Mr. President, this is not idle chatter. The remarks of my distinguished colleague ought to bring that home. The public is alarmed about something. The other day agriculture was the subject. Today it is public works. Tomorrow it will be the tariff. This involves the power to raise and lower taxes, and concentrating in the hands of one man all kinds of powers which he can exercise.

The Senate should stand up and say, "We will retain some of these powers in Congress and in the regularly organized departments and agencies, as proposed by the substitute."

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from South Dakota [Mr. Case]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia (when his name was called). On this vote I have a pair with the senior Senator from Missouri [Mr. Symington]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the junior Senator from Wyoming [Mr. Hickey]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Idaho [Mr. Church], the Senator from Mississippi [Mr. Eastland], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Wyoming [Mr. Hickey], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Magnuson], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], and the Senator from Georgia [Mr. Talmadge] are absent on official business.

I further announce that the Senator from Colorado [Mr. Carroll], the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], and the Senator from Missouri [Mr. Long] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. Bartlett], the Senator from Idaho [Mr. Church], and the Senator from Washington [Mr. Magnuson] would each vote "nay."

On this vote, the Senator from Colorado [Mr. Carroll] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Kansas would vote "yea."

On this vote, the Senator from Alaska [Mr. Gruening] is paired with the Senator from California [Mr. Kuchel]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from California would vote "yea."

On this vote, the Senator from Missouri [Mr. Long] is paired with the Senator from Massachusetts [Mr. Saltonstall]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Massachusetts would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Maryland [Mr. Butler], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

On this vote, the Senator from Indiana [Mr. Capehart] is paired with the Senator from Colorado [Mr. Allott]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from Colorado [Mr. Carroll]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from Alaska [Mr. Gruening]. If present and voting, the Senator from California would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from Massachusetts [Mr. Saltonstall] is paired with the Senator from Missouri [Mr. Long]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Missouri would vote "nay."

The result was announced—yeas 33, nays 43, as follows:

[No. 73 Leg.]

YEAS—33

Aiken
Beall
Bennett
Boggs
Bush
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Goldwater
Hickenlooper
Hruska
Javits
Keating
Lausche
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Scott
Smith, Maine
Thurmond
Tower
Wiley
Williams, Del.
Young, N. Dak.

NAYS—43

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Chavez
Clark
Dodd
Douglas
Engle
Gore
Hart
Hartke
Hayden
Holland
Humphrey
Jackson
Johnston
Jordan
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—24

Allott
Bartlett
Butler
Byrd, Va.
Capehart
Carlson
Carroll
Church
Eastland
Ellender
Ervin
Fulbright
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Robertson
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So the amendment in the nature of a substitute offered by Mr. Case of South Dakota was rejected.

Mr. KERR. Mr. President, I move that the vote by which the amendment in the nature of a substitute was rejected be reconsidered.

Mr. CLARK. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, the Senator from Vermont [Mr. Prouty] has an amendment which I shall be glad to have stated, in view of the fact that I shall be glad to have it agreed to.

Mr. PROUTY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Vermont will be stated.

The Legislative Clerk. On page 13, between lines 20 and 21, it is proposed to insert the following new subsection:

(d) Not more than 30 per centum of the funds authorized to be appropriated by section 10 may be used to carry out the purposes of section 6. The same limitation shall be applicable to the funds authorized to be appropriated in section 8.

Mr. KERR. Mr. President, I have no objection to the amendment.

Mr. PROUTY. Mr. President, I point out that under the bill as now drafted, all the funds could be used under the provisions of section 6 which relate to projects and programs which are not eligible for grants under other acts of Congress. In other words, if the President so desired, all the appropriations authorized under the act could be used for projects which never have been approved by Congress.

My amendment would limit the funds available for this purpose to not more than 30 percent of the authorized appropriations.

I am very grateful to the Senator from Oklahoma for accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont.

The amendment was agreed to.

Mr. COOPER. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. Does the Senator from Kentucky wish to have the amendment read?

Mr. COOPER. No, Mr. President; I ask unanimous consent to dispense with the reading of the amendment, and that the amendment be printed at this point in the Record.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment offered by Mr. Cooper is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: "That this Act may be cited as the 'Emergency Public Works Act of 1962'.

"FINDINGS

"Sec. 2. The Congress finds that (1) certain communities and areas of the Nation are presently burdened by substantial unemployment and underemployment and (2) action by the Federal Government is necessary to provide immediate useful work for the unemployed and underemployed in these communities. It is the intent and purpose of the Congress to provide for an immediate program of assistance for public works in those areas.

"GENERAL AUTHORIZATION

"Sec. 3. (a) The Housing and Home Finance Administrator (hereinafter referred to as the Administrator), may exercise the authority provided in this Act in areas currently designated by the Secretary of Labor as having been areas of substantial unemployment in each of at least nine of the twelve immediately preceding months, and in areas currently designated as 'redevelopment areas' pursuant to the Area Redevelopment Act.

"(b) The Administrator shall prescribe rules, regulations, and procedures which will assure that adequate consideration is given to the relative needs of the areas eligible for assistance. In prescribing such rules, regulations, and procedures, the Administrator shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.

"(c) In the case of those projects or programs which qualify under standards established by the Administrator applying uniformly to all similar areas, if the Administrator determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to this Act for a project or program in such area may be made without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof.

"GRANTS FOR PUBLIC WORKS PROJECTS NOT ELIGIBLE UNDER EXISTING PROGRAMS

"Sec. 4. (a) For the purpose of this Act, the Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to make grants from funds appropriated pursuant to section 7 to States and local public bodies to finance the initiation or acceleration of public works projects and programs which are not eligible for grants under other Acts of Congress.

"(b) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the cost of undertaking and completing the project or program for which the grant is made.

"FEDERAL LOANS

"Sec. 5. (a) For the purpose of this Act, the Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to use funds appropriated pursuant to section 7 to purchase the securities and obligations of, or make loans to, States and local public bodies which otherwise would be unable to meet their share of the cost of projects and programs for which grants have been authorized pursuant to section 4 of this Act.

"(b) All securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other financial institutions through agreements to participate or by the purchase of participations or otherwise.

"(c) No securities or obligations shall be purchased and no loans shall be made including renewals or extensions thereof which have maturity dates in excess of forty years.

"(d) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (1) 3 per centum per annum, or (2) the total of one-half of 1 per centum per annum added to the rate of interest required to be paid on funds obtained for the purposes of this section as determined by the Secretary of the Treasury as provided under subsection (e) of this section.

"(e) Funds used for the purpose of this section shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the preceding fiscal year and adjusted to the nearest one-eighth of 1 per centum.

"RESTRICTIONS AND LIMITATIONS

"SEC. 6. The authority conferred by this Act shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be made with respect to any project or program unless the project or segment of work, to be assisted under this Act—

"(A) can be initiated or accelerated within a reasonably short period of time;

"(B) will meet an essential public need;

"(C) if initiated hereunder, can be completed within eighteen months after initiation, but not later than twenty-seven months after the date of enactment of this Act;

"(D) will contribute significantly to the reduction of unemployment; and

"(E) is not inconsistent with locally approved comprehensive plans for the jurisdictions affected, wherever such plans exist.

"(2) Not more than 12½ per centum of the funds provided for projects and programs pursuant to this Act shall be made available within any one State.

"(3) The Administrator shall prescribe such rules, regulations, and procedures as will assure that no assistance under this Act shall be made available to any State or local public body unless the project or program for which the assistance is granted produces a net increase in the expenditures of such State or local public body for public works projects approximately equal to the non-Federal contribution to the project or program.

"APPROPRIATIONS AUTHORIZED

"SEC. 7. There is hereby authorized to be appropriated the sum of $750,000,000 to carry out the provisions of this Act.

"ADVANCES FOR PUBLIC WORKS PLANNING

"SEC. 8. Section 702 of the Housing Act of 1954 is amended by striking out in subsection (3) 'July 1, 1961;' and the remainder of the subsection, and inserting in lieu thereof, 'July 1, 1961;' and such additional sums which may be made available from year to year thereafter."

"LABOR STANDARDS

"SEC. 9. All laborers and mechanics employed by contractors or subcontractors on projects and programs assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be. No such project or program shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276c).

"DEFINITIONS

"SEC. 10. As used in this Act—

"(a) The term 'State' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

"(b) The term 'local public body' includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, counties, or other political subdivisions of States; Indian tribes, and boards or commissions established under the laws of any State to finance specific public works projects.

"(c) The term 'public works' includes the construction, repair, and improvement of: public streets, sidewalks, highways, parkways, bridges, parking lots, airports, and other public transportation facilities; public parks and other public recreational facilities; public hospitals, rehabilitation and health centers, and other public health facilities; public refuse and garbage disposal facilities, water, sewage, sanitary facilities, and other public utility facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, libraries, museums, offices, laboratories, employee housing, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures.

"(d) The term 'project' includes a separable, usable feature of a larger project or development.

"(e) The term 'segment of work' means a part of a program on which the work performed can be separately identified by location and will provide usable benefits or services."

Amend the title to read as follows: "A bill to provide authority to accelerate public works programs of State and local public bodies in areas of the Nation where there is substantial unemployment and underemployment."

Mr. COOPER. Mr. President, I can quickly explain the amendment. Copies have been placed on the desks of all Senators.

This is an amendment in the nature of a substitute for the bill as reported by the committee and as it has been perfected by the Kerr amendments.

My amendment would, first, strike out of the bill the standby authority for $750 million.

Mr. KERR. Mr. President, I ask unanimous consent that debate on this amendment be limited to 5 minutes to a side.

Mr. COOPER. No, Mr. President; I could not agree to that proposal. Under the unanimous-consent agreement, half an hour is available to each side.

Mr. KERR. Very well.

Mr. COOPER. Mr. President, as I was saying, the first effect of this amendment would be to strike out the standby authority of $750 million in section 10 of the bill. Next, the amendment would retain the authorization in section 8 of the bill for the expenditure of $750 million immediately in areas of existing high unemployment—that is, to the extent that the $750 million authorized might be supported by appropriations.

It may be asked how the amendment which I have offered differs from the Kerr amendment, which also authorizes in section 8 the appropriation of $750 million for immediate expenditure. My amendment differs as follows: The Kerr amendment, which provides a $750 million authorization under the section known as the "Chavez amendment," section 8, would permit the $750 million to be spent on several types of projects. Among them are those for which the total expenditures are Federal expenditures. They are illustrated by Corps of Engineers projects. The amendment would also permit expenditures upon Federal-aid projects, such as highway projects, water pollution projects, watershed projects, and hospital construction projects—projects and programs which have been approved and authorized by Congress. Third, it would permit expenditures upon local projects which are not now eligible for Federal aid.

My amendment differs from the Kerr amendment in that my amendment would require that the full $750 million be spent upon local projects—small projects in communities, the types of projects which are not now eligible for Federal aid. The same limitations would be placed upon the expenditure of the funds upon projects of that type that are contained in the Kerr amendment—that is, Federal financing would be on a matching basis, 50–50, if the community is able to match. If not, the local share could be reduced to 10 percent—and there is also a provision for a loan to the community if it is unable to furnish its share.

It may be asked why I offer an amendment of this type. First, I return to my belief that the $750 million of standby authority in section 10 should be stricken from the bill. I say this because it would not become available until July 1, 1963. Certainly before that time, if conditions deteriorated so much that standby authority were needed, a great deal more money than $750 million would be required; and next year we shall have an opportunity to determine whether conditions have worsened or whether they are better.

Turning to the second feature of my amendment—the part which provides a $750 million authorization under the Chavez amendment—but limits it to expenditure on local projects which are not now eligible for Federal aid—I should like to state why I believe this would be better than the Kerr amendment. The first reason is that it would not include existing Federal programs or disrupt their criteria. Criteria have been established by Congress for programs which depend wholly upon Federal aid and for the programs which provide assistance to the States. Such criteria are understood by the States and the local communities.

I do not believe we ought to interfere with criteria established for such programs. Appropriations are available or will be available for existing programs in the amount of at least $2 billion. They can be accelerated by the President, just as President Eisenhower accelerated the highway program. Defense appropriations could be accelerated.

If we begin to change the criteria of these established programs as the committee bill would do, we will create discrimination between States and communities. It would lead to arbitrary decisions. We might see the deterioration of the existing Federal and grant-in-aid programs.

The best way to put people to work quickly is through small projects which can be quickly planned and commenced in local communities. Projects for streets, sidewalks, bridges, buildings, sewers—all kinds of local works of that kind—can be started promptly.

From 1930 to 1937 I served as a county judge in my county, during the depression. In that position I worked ex officio with those in charge of the relief and works programs. I have never forgotten those years. I learned from experience that it was not the large programs carried out by contractors, with machinery and their own crews, that put people to work. It was the small projects in local communities. I have never forgotten those years—the people in need and out of work—and I want this bill to be effective.

This is the reason which leads me to believe that it would be most effective to confine the expenditure of $750 million under the Chavez amendment to programs which are not now eligible for Federal grants. It would stimulate the commencement of projects which would quickly put people to work. That is the chief point of my amendment.

I serve on the Public Works Committee, but I am not an economist. Neither am I an expert on fiscal and monetary affairs. But I do know that this bill is much more important than is indicated by the time and debate given to it. It brings into issue the state of our economy, and what methods are best to accelerate its growth and to provide jobs. Yet very little has been said in the hearings or in the debate on the Senate floor about these basic issues.

The fact that this bill is before us indicates the administration's belief that the economy is in difficulty.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. GORE. I congratulate the able Senator upon the remarks he has just made. Like the able senior Senator from Kentucky, the junior Senator from Tennessee served in a county office before having the privilege of serving the U.S. Congress.

Mr. COOPER. And we were not many miles apart.

Mr. GORE. That is correct; nor have we ever been far apart so far as personal friendship is concerned.

I agree with the Senator when he states that this is an important bill in the state of our economy. Remarks were made earlier today about the need for the Senate to take some action to stem certain activities in the stock market. I do not know that the Senate needs to meet that condition, but, if so, the most effective way to bolster our economy, in my opinion, is to spend money in the public domain, on projects and undertakings that will add permanent improvements to our country, facilities for our communities, cities, towns, and States, thereby adding to the wealth and enjoyment of the country and providing jobs for those who need work, and who are willing and able to work, and who, in turn, will spend the money for the needs of their families.

Mr. COOPER. I thank the Senator. There is a great variety of opinion in the country as to the proper means to stimulate the economy. Some urge emergency works measures. For emergency purposes I would say that tax reductions and revision would be more effective.

Basically the provision of jobs depends upon the growth of our private enterprise, its modernization, its ability to compete, and the confidence of people to invest in private enterprise. And these basic necessities are influenced strongly by governmental policy—by confidence or lack of confidence in governmental fiscal and monetary policies. Regretfully, for I want our country to be prosperous, and I gain no partisan pleasure from any economic failure of the administration, I believe there is a lack of confidence in the country today, about the policies of the administration. Nevertheless, whatever this administration does, and whether it puts its fiscal and monetary policies in order, and whether investment stimulates the economic growth of the country, many people will be out of of work for a time, due to the lag in our economy and technological changes, which have put people out of work. I believe these people ought to be taken care of. I do not think a rich country, at a time a country in which many people are enjoying their highest living standards, can refuse to act, when people are out of work through no fault of their own.

Other Senators and I did our best to strike out the worst provisions of the bill—the $2 billion standby authority, and the bad financing provisions—and we were successful. I believe the amendment I have offered—and I say this to the Senator from Oklahoma with sincerity—is more realistic than the committee bill. It does not contain provision for the $750 million in standby authority which is not needed. I repeat, if the situation is such that we need standby authority 1 year from now, we will need much more than $750 million. My amendment would direct the $750 million to areas where it is needed, to the areas of unemployment about which the Senator from Oklahoma spoke. It is not merely "a shot in the arm," which, as we all know, has not been successful in the past.

I hope the Senate will adopt my amendment.

I thank the Senator from South Dakota [Mr. Case] for his efforts to improve the bill. I know that, long before any of us spoke in the committee, he was the first on the Senate floor to bring these considerations to the attention of the Senate. He led the battle, and we are grateful to him.

Mr. CASE of South Dakota. Mr. President, will the Senator yield so that I may respond?

Mr. COOPER. I yield.

Mr. CASE of South Dakota. The distinguished Senator from Kentucky has been a tower of strength for sound thinking on the Public Works Committee, and the proposal which he has offered as a substitute is good evidence of his clear thinking and understanding of the problem.

The substitute which he offers is a well-organized bill. It goes to the heart of the true problem. It avoids concentration of power in establishing new bureaus and a bigger bureaucracy which I feel could result from the bill as reported from the committee.

I hope the substitute will be agreed to.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. I shall support the Senator's substitute. I agree with what the Senator from South Dakota has said about it. I asked the Senator to yield only because my beloved and good friend the Senator from Tennessee has posed an issue which is important. I do not know his own views on this issue, but I would like to state mine, if I may.

The issue is, Can we hope to materially affect the total economy of the country by a bill of this kind? I think what the Senator from Kentucky has done has put the issue in precise terms. In short, we cannot change the economy of the country. We can deal with some basic pockets of unemployment. This is a good way to do it.

The fundamental issue or question involved is, Can action in the field of expenditure, such as in public works, change the direction of the general economy? It is my deep conviction that it cannot.

I shall support the Senator's amendment, which is very clear sighted and straight, because it is a means by which we can do something about a particular, specialized problem. Let us get it on the road, with Congress doing something fundamental for the economy. I think it is the impairment of confidence that is bringing about the erosion of confidence today.

Mr. COOPER. I thank the Senator.

Mr. KERR. Mr. President, I hope the amendment will not be agreed to.

The Senator talked about consideration of the bill. He said it was too important to be acted on in the time given to it. We had many days of hearings on the bill in the committee. We had several days of consideration. All of today has been devoted to debate in the Senate.

The Senator's original amendment would have authorized the amount of $600 million. I understand he now would change the figure to $750 million.

Mr. COOPER. Because the Senate voted for that.

Mr. KERR. The Senate voted for $1.5 billion.

The Senator would put the whole administration of the bill, if his amendment were agreed to, under the Administrator of the Housing and Home Finance Agency.

The Senator from Vermont said that section 6 of the bill provided for projects not now authorized, and he feared that too much of the money appropriated would be spent for that purpose. The Senator from Oklahoma recommended the acceptance of a limiting amendment, that not more than 30 percent of the money should be available for those purposes, as outlined under section 6. That was agreed to, unanimously, as I understood, with the vote of the Senator from Kentucky.

Mr. COOPER. I voted against it. I voted "nay."

Mr. KERR. As I understand the Senator's proposal, he would put the entire bill under section 6, for the projects not now authorized. The entire bill would be put under section 6.

The Senator said that criteria have been established by the Congress, for which he wishes to see money appropriated. How could criteria be fixed for projects not authorized and not in existence?

Mr. COOPER. Mr. President, will the Senator yield?

Mr. KERR. How could criteria be established for water projects, for antipollution projects, for sewage projects, or for other projects, if the entire appropriation is limited to the Housing and Home Finance Agency?

I cannot imagine anything less persuasive than the general substitute now offered by the Senator from Kentucky, who is a member of the committee. The amendment was not before the committee. It was not a question that the Senator felt should be considered by the committee. Yet the Senator says we have not devoted enough time to the bill, at the same time he asks the Senate to throw it entirely aside and to substitute for it a proposal which, I venture to say, not more than one Senator out of ten understands, and with reference to which no criteria have been established and no consideration has been given. It is a proposal for administration in entirety by the Housing and Home Finance Agency.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. KERR. I yield the floor.

Mr. COOPER. I am sure the Senator from Oklahoma understands my proposal clearly.

Mr. KERR. I described it fairly clearly.

Mr. COOPER. I am sure the Senator understands it clearly, but he has not described it correctly.

First, I wish to comment upon our committee action. The committee met and heard testimony of representatives from the administration. The Secretary of Labor and the Director of the Bureau of the Budget and others presented their proposal to spend $2 billion and to take the money from special funds of important Government agencies.

Later the committee met in executive session.

The Senator knows the high regard I have for him. I love the Senator. The Senator is a very persuasive man. The committee reported that bill very quickly.

We did our best in the committee, and I was not asleep at the time. I made a motion with Senator BOGGS to strike the $2 billion standby authority. All of the Senators on my friend's side of the aisle voted against the motion.

Again with Senator BOGGS, I made the motion to strike out the financing provision. Every one on the Senator's side voted against it.

Again we made the motion to confine the program to the same section I am now emphasizing—the Chavez amendment, which is now included in the amendment of the Senator from Oklahoma. I made the motion and it was defeated.

I have not sought to change that section, other than in two respects. I have accepted the $750 million figure, on which the Senate voted today, and I have placed in my amendment the provision that it should be restricted to local projects which are not now eligible for Federal aid, for the reason that they can be put into operation faster, and can provide employment for people who are out of work.

With respect to criteria, I did not say that these projects have Federal criteria. I said that we ought not to meddle with the Federal aid projects and other Federal projects having criteria developed by the Congress. If we should do so, we would tear down the structure which the Congress, the States, and the communities have established throughout the years.

I know the clear and keen mind of my dear friend. He knows exactly what I am proposing. I know he understands my explanation.

Mr. KERR. Mr. President, I would not do an injustice to the Senator from Kentucky for 10 bills.

If I understood the Senator in the committee, he voted for the Chavez amendment.

Mr. COOPER. That is correct.

Mr. KERR. And he offered no substitute for it.

Mr. COOPER. There was not time.

Mr. KERR. The Chavez amendment covered sections 4, 5, 6, and 7 of the bill.

I made the statement that the proposal now made was not offered to the committee. It would limit the entire appropriation to sections 6 and 7 of the bill. I know the Senator will admit that he did not offer that proposal to the committee. That is all the Senator from Oklahoma said.

Mr. COOPER. There was hardly time to offer anything.

Mr. KERR. The Senator had an abundance of time to offer proposals.

This is the first time that such a suggestion has been made, to my knowledge, anywhere.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HART in the chair). Does the Senator yield to the Senator from New Mexico?

Mr. COOPER. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I presided at the committee meeting when the bill was reported.

No one respects the Senator from Kentucky more than does the senior Senator from New Mexico. I appreciate his cooperation, both at the time of the hearings and at the time of marking up the bill. However, I do not recall that any effort whatsoever was made to change it.

I thank the minority members of the committee for their cooperation. This is the first time we have heard about the changes. I hope that the Senate will pass what we have recommended.

Mr. COOPER. Mr. President, I thank the Senator from New Mexico. Both the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Oklahoma [Mr. KERR] are correct in their statements that I did not move in the committee to change the Chavez amendment.

But the amendment I offer on the floor would change it to a certain extent. It would be limited to projects not now under Federal aid. I said that. I have a right to suggest the change. It is my idea. I think it is a good one.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do Senators yield back their remaining time?

Mr. KERR. Mr. President, I yield back my remaining time.

Mr. COOPER. Mr. President, I yield back any time remaining on this side.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. COOPER].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. HICKEY], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. MAGNUSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

On this vote, the Senator from Colorado [Mr. CARROLL] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Colorado would vote "nay" and the Senator from Kansas would vote "yea."

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from California [Mr. KUCHEL]. If present and voting, the Senator from Alaska would vote "nay," and the Senator from California would vote "yea."

On this vote the Senator from Missouri [Mr. LONG] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Missouri would vote "nay," and the Senator from Massachusetts would vote "yea."

I further announce that if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Washington [Mr. MAGNUSON], and the Senator from Missouri [Mr. Symington] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. Allott] is absent on official business.

The Senator from Maryland [Mr. Butler], the Senator from Indiana [Mr. Capehart], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent.

On this vote, the Senator from Indiana [Mr. Capehart] is paired with the Senator from Colorado [Mr. Allott]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from Colorado [Mr. Carroll]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from California [Mr. Kuchel] is paired with the Senator from Alaska [Mr. Gruening]. If present and voting, the Senator from California would vote "yea," and the Senator from Alaska would vote "nay."

On this vote, the Senator from Massachusetts [Mr. Saltonstall] is paired with the Senator from Missouri [Mr. Long]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Missouri would vote "nay."

The result was announced—yeas 34, nays 44, as follows:

[No. 74 Leg.]

YEAS—34

Aiken
Beall
Bennett
Boggs
Bush
Cannon
Case, N.J.
Case, S. Dak.
Cooper
Cotton
Curtis
Dirksen
Dworshak
Fong
Goldwater
Hickenlooper
Hruska
Javits
Keating
Lausche
Miller
Morton
Mundt
Murphy
Pearson
Prouty
Proxmire
Scott
Smith, Maine
Thurmond
Tower
Wiley
Williams, Del.
Young, N. Dak.

NAYS—44

Anderson
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Chavez
Clark
Dodd
Douglas
Engle
Gore
Hart
Hartke
Hayden
Holland
Humphrey
Jackson
Johnston
Jordan
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Robertson
Russell
Smathers
Smith Mass
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—22

Allott
Bartlett
Butler
Capehart
Carlson
Carroll
Church
Eastland
Ellender
Ervin
Fulbright
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So Mr. Cooper's amendment was rejected.

Mr. KERR. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. CLARK. I move to lay that motion on the table.

The motion to table was agreed to.

Mr. CLARK. Mr. President, I call up the amendment identified as "5-23-62—O," on behalf of the Senator from Missouri [Mr. Long].

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 17, line 19, following the word "facilities;" and before the word "public" insert "prisons, training schools, and youth correctional facilities;".

Mr. CLARK. Mr. President, the amendment proposed by the Senator from Missouri [Mr. Long] is now the pending business. I have spoken to both the Senator from South Dakota [Mr. Case] and the Senator from Oklahoma [Mr. Kerr], who is in charge of the bill on the floor. They tell me they have no objection to it. The purpose is to make clear that prisons and training schools and youth correctional facilities may qualify as places that would be eligible for loans under the bill.

Mr. KERR. I have no objection to the amendment.

Mr. CASE of South Dakota. I have no objection. However, if we are to expand these items for public works, probably we should also include nonprofit hospitals. The language merely refers to public hospitals. I refer to page 17, at line 19.

Mr. KERR. That is the only kind covered in the bill.

Mr. CASE of South Dakota. There are many hospitals constructed with Hill-Burton funds which are not strictly public hospitals. They are nonprofit hospitals.

Mr. KERR. Under the bill they can qualify up to a 50-percent grant, but not more than that.

Mr. CASE of South Dakota. Is the Senator certain that a hospital sponsored or built by one of the religious organizations is not included?

Mr. KERR. It would not be a public hospital.

Mr. CASE of South Dakota. But those hospitals qualify for Hill-Burton funds.

Mr. KERR. I refer the Senator from South Dakota to the amendment at page 17, line 19, "after 'public' insert 'and nonprofit.'"

Mr. CASE of South Dakota. "Public and" or "public or"?

Mr. KERR. "Public and nonprofit." I have no objection to the amendment of the Senator from Missouri, which was included in the substitute offered by the Senator from South Dakota.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. Clark] for the Senator from Missouri [Mr. Long].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MILLER. Mr. President, I have an amendment at the desk, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 4, line 17, after the word "variations," it is proposed to add the following: "and excluding unemployment existing by reason of any strike or strikes".

Mr. MILLER. I propose limiting the time for debate on the amendment to 5 minutes on each side.

Mr. KERR. That is agreeable.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MILLER. I said I would suggest 5 minutes on each side for a limitation on debate. However, I want the yeas and nays on my amendment, and I am not ready to ask for 5 minutes on a side unless I can have the yeas and nays ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, I yield myself 2 minutes. The one thing that bothers me about the bill is with respect to the 1 percent increase, which can trigger off three-quarters of a billion dollars worth of public works spending.

It seems to me that the real intention behind the 1 percent is that it be due to a real economic reason. We know that strikes can have a very important impact on unemployment.

Let us visualize, for example, that during a 5-month period unemployment goes up three-quarters of 1 percent, and suddenly there is a big strike. That would trigger off three-quarters of a billion dollars of public works spending. Then let us visualize that a day or two after that happens, the strike is settled.

I cannot believe that the real function behind the bill is to cover a situation like that. However, if we are really seeking to solve economic problems, I suggest that the amendment would attain that result. Without my amendment we could trigger off three-quarters of a billion dollars almost overnight as a result of a strike.

I have nothing further to say on my amendment. I shall be happy to yield for questions, or yield back my time.

Mr. KERR. Mr. President, I yield myself 1 minute. I hope the amendment will not be agreed to, because I do not believe that we should pass a bill for the express purpose of relieving unemployment and then have it interpreted as being a bill to outlaw strikes. I do not believe the Senate would want to do that.

I yield back the remainder of my time.

Mr. MILLER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Iowa. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Idaho [Mr. Church], the Senator from Mississippi [Mr. Eastland], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Wyoming [Mr. Hickey], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Magnuson], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Washington [Mr. MAGNUSON], the Senator from Missouri [Mr. SYMINGTON], the Senator from Colorado [Mr. CARROLL], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senator from Kansas [Mr. CARLSON], and the Senator from California [Mr. KUCHEL] would each vote "nay."

The result was announced—yeas 12, nays 66, as follows:

[No. 75 Leg.]

YEAS—12

Bennett
Byrd, Va.
Case, S. Dak.
Curtis
Dworshak
Hickenlooper
Hruska
Lausche
Miller
Mundt
Robertson
Thurmond

NAYS—66

Aiken
Anderson
Beall
Bible
Boggs
Burdick
Bush
Byrd, W. Va.
Cannon
Case, N.J.
Chavez
Clark
Cooper
Cotton
Dirksen
Dodd
Douglas
Engle
Fong
Goldwater
Gore
Hart
Hartke
Hayden
Holland
Humphrey
Jackson
Javits
Johnston
Jordan
Keating
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McClellan
McGee
McNamara
Metcalf
Monroney
Morse
Morton
Moss
Murphy
Muskie
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Russell
Scott
Smathers
Smith, Mass.
Smith, Maine
Tower
Wiley
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—22

Allott
Bartlett
Butler
Capehart
Carlson
Carroll
Church
Eastland
Ellender
Ervin
Fulbright
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So Mr. MILLER's amendment was rejected.

Mr. KERR. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, one technical amendment should be made in the bill. On page 16, line 14, the language reads: "and section 3 of the Act of June 13, 1934, as amended." The wording should be changed to read "and section 2 of the Act of June 13, 1934, as amended." I ask unanimous consent that the figure "3" be changed to "2."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is agreed to.

The bill is open to further amendment.

Mr. CASE of New Jersey. Mr. President, for myself and on behalf of my colleague from New Jersey [Mr. WILLIAMS] I offer the amendment which is at the desk. I ask unanimous consent that the reading of the amendment be dispensed with, and that the amendment be printed in full at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the reading of the amendment will be dispensed with; and without objection, the amendment will be printed at this point in the RECORD.

The amendment is as follows:

On page 16, between lines 16 and 17, insert a new section as follows:

"SHORE PROTECTION

"SEC. 13. The Act entitled 'An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property', approved August 13, 1946, as amended (33 U.S.C. 426e–426h), is amended as follows:

" '(1) in subsection (b) of the first section strike out "one-third" and insert in lieu thereof "one-half";

" '(2) before the period at the end of such subsection (b) insert a comma and the following: "except that the costs allocated to the restoration and protection of Federal property shall be borne fully by the Federal Government, and further that Federal participation in the cost of a project for restoration and protection of State, county, and other publicly owned shore parks and conservation areas may be the total cost exclusive of land costs, when such areas (1) include a zone which excludes permanent human habitation, (2) include but are not limited to recreational beaches, (3) satisfy adequate criteria for conservation and development of the natural resources of the environment, (4) extend landward a sufficient distance to include, where appropriate, protective dunes, bluffs, or other natural features which serve to protect the uplands from damage, and (5) provide essentially full park facilities for appropriate public use, all meeting the approval of the Chief of Engineers" ' "

Redesignate the following sections of the bill accordingly.

Mr. CASE of New Jersey. Mr. President, the amendment would add a new section to the bill, by which the Federal Beach Control Protection Act would be amended to increase the Federal share in normal projects from one-third to one-half, and also to increase the Federal share to 100 percent in the case of federally owned property and in the case of certain other publicly owned property which meets certain criteria.

The necessity for the amendment of the basic Beach Control Act is very clear from our experience in New Jersey. We have a program for the entire shore from Sandy Hook to Cape May, approved by the Corps of Engineers, which would cost an estimated $29 million, for which, under existing law, the Federal Government would be permitted to spend only $7 million, in part because a part of the property is private property, on which no Federal share would be payable at all.

Except for a few isolated instances, the program has been utterly unavailing, because the State and the affected municipalities have been unable to pay the cost which is necessary under existing law.

My colleague from New Jersey [Mr. WILLIAMS] and I have introduced a bill (S. 3310) which would change the basic law in this regard. The effect of our proposal would be to make this change as an amendment to the bill now before the Senate. I understand, of course, that hearings have not been had on the bill which my colleague from New Jersey and I have introduced. I believe it would be appropriate for such hearings to be had on it before the Senate would be asked to act upon a measure as important as this. Therefore, I do not intend to press for Senate action on the amendment at this time; but I should like to ask the Senator in charge of the bill about the possibility of having hearings held on our amendment.

Mr. KERR. I feel sure that in a few weeks the Senate committee will hold hearings on an omnibus bill, for I have been assured by the House committee that an omnibus bill will come to us from the House; and my experience since I have been a member of the committee leads me to believe that that is likely to be the course.

The present provision of the law was enacted several years ago, following committee hearings; and I say to the Senator from New Jersey that the Public Works Committee will be very glad indeed to hold hearings on his amendment at such time as the omnibus bill comes to it, this year. Therefore, I have told the Senator that I would be glad to have the committee consider the amendment in connection with its consideration of the omnibus bill.

Mr. CASE of South Dakota. Mr. President, will the Senator from New Jersey yield to me?

Mr. CASE of New Jersey. I yield.

Mr. CASE of South Dakota. I concur in what the Senator in charge of the bill has said. There may be a question as to whether the amendment would be germane, and it would come under the unanimous-consent agreement which provides that no amendment not germane would be considered. The provision which is sought to be amended was part of a public works bill of a few years ago, and I question whether it would be germane to amend that act by means of this measure.

At any rate, the circumstances related by the Senator from New Jersey indicate the importance of the situation; and I, too, would be glad to have the amendment given a hearing and consideration by our committee at the time when the hearings on the omnibus bill are held.

Mr. CASE of New Jersey. I thank both the Senator from Oklahoma and the Senator from South Dakota for the position they take in regard to hearings on the amendment; and, Mr. President, based on their assurances, and acting on behalf of my colleague the Senator from New Jersey [Mr. WILLIAMS] and myself, I now withdraw the amendment.

Mr. President, I ask unanimous consent that a statement in support of the amendment be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CASE OF NEW JERSEY

Our amendment would assure increased Federal participation in the cost of providing beach erosion control protection on a long-range basis.

The residents of that extensive area along the eastern coast which suffered the devastating effects of the March tidal storms understand fully what would happen to their homes and businesses, their lives and property, should another storm of anything like similar severity strike in the near future. These same residents know, too, how different things would likely have been, had permanent beach protection barriers been there before the March storm struck.

We understand that the President declared seven coastal States eligible for Federal aid from his disaster fund in the wake of the March storm. But everyone knows, too, that this Federal program meets only emergency costs of repair and that, dollarwise, the amount of money actually allocated is insignificant compared to the overall cost to public and private facilities. And even more important is the fact that the character of the repair work being done, in good measure, is of a temporary nature.

A program for permanent beach erosion control has been proposed by the Army Corps of Engineers for the New Jersey shore, from Sandy Hook to Cape May. This program would cost a total of $29 million. Of this, the Federal share would be only about $7 million, under existing law. The present formula of Federal participation is one-third of the cost of providing permanent beach protection, exclusive of purely private beach areas which are not eligible for Federal assistance. For financial reasons, the State of New Jersey and municipalities affected have been unable to meet their share, except in a few isolated instances. Accordingly, this vitally needed program is at a virtual standstill.

On May 16, I introduced a bill, S. 3310, in behalf of myself and Senator WILLIAMS of New Jersey, which would increase from one-third to one-half the Federal participation in the cost of shore restoration and protection projects.

It also provides for 100 percent Federal cost participation in protection of Federal property and in projects of State, county, and other publicly owned shore parks and conservation areas which meet certain criteria set forth in the bill. The Federal participation in the cost of providing this permanent protection could be total, exclusive of land costs, when such areas—

1. Include a zone which excludes permanent human habitation;

2. Include but are not limited to recreational beaches;

3. Satisfy adequate criteria for conservation and development of the natural resources of the environment;

4. Extend landward a sufficient distance to include, where appropriate, protective dunes, bluffs, or other natural features which serve to protect the uplands from damage; and

5. Provide essentially full park facilities for appropriate public use, all meeting the approval of the Chief of Engineers.

The amendment which we offer today embodies the principal provisions of S. 3310. It is designed to assure an increase in the cost of Federal participation in beach erosion projects, one of the kinds of public works programs of the Federal Government and State and local public bodies meant to be assisted by the pending bill.

The lesson of the recent storm is a vivid one for those of us in coastal areas. The objective of this amendment is to assure priority status for a most worthy public works program. If the recommendations of the Engineers had taken practical effect in my State, we are sure that the seawalls, the sand fill, the bulkheads, the jetties, the groins and other protective devices would have minimized to a considerable extent the effects of the March disaster. This amendment recognizes that without increased Federal participation, the prevention of similar disasters will be difficult indeed.

Protecting the precious national asset which is our shoreline is a needed public work, regardless of the desirable effect this construction would have in decreasing unemployment.

Adoption of my amendment would assure increased Federal participation in the cost of providing beach protection.

The Federal share of existing matching grant programs would be increased if the standby authority provided by S. 2965 should be triggered into action. If action is triggered, increased Federal participation would be the result, but not to the extent which strengthened conservation practices would provide under my amendment. If there is no trigger, there is no action, and the Federal share of the costs would not be increased. Hence, the incentive to get beach erosion control projects into motion would be lacking, even as the incentive is lacking today.

The other major provision of S. 2965 provides immediate aid to areas of substantial unemployment. But there is no provision for increasing Federal participation in beach erosion projects unless the President determines that an area is suffering unusual economic distress.

The amendment which I propose is not of benefit to my State alone. America's shoreline would be the beneficiary—east coast, west coast, gulf coast, the Great Lakes. Preservation of this heritage of the ages is no more essential for New Jersey than it is for the Nation as a whole.

The PRESIDING OFFICER. The amendment of the Senator from New Jersey is withdrawn.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. KERR. Mr. President, I yield 5 minutes on the bill to the Senator from Ohio [Mr. YOUNG].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. YOUNG of Ohio. Mr. President, the gross national product is at an all-time high. Personal income is rising. Most of the economic indicators are favorable. Many of our citizens are enjoying the fruits of an affluent society. To most people "everything's coming up roses."

Yet there are too many weeds of unemployment in the rose garden of our economy. President Kennedy has singled out the task of finding jobs in an era of automation as the gravest domestic challenge of the 1960's.

A clue to our President's concern is found in some statistics recently published by officials of the Department of Labor. These statistics clearly indicate that the current recovery in production has yielded the fewest additional jobs of any recovery in the postwar period. Moreover, these statistics show that each of the four postwar recoveries has had increasingly less power to expand jobs.

The simple fact is that it is taking fewer and fewer people to produce more and more goods. Men are losing their jobs to machines. These are statistics. But unemployment is not a statistic. Unemployment connotes human beings in distress. It is borrowing money and going hungry. It is anxiety and broken homes. It is juvenile delinquency. It is workingmen watching television all day because the factory is closed and there is no work.

Mr. President, I shall not dwell on the misery, suffering, and loss of dignity which is the lot of the unemployed worker and his family. The unemployed worker cannot eat our sympathy. He wants the opportunity to work and earn a fair day's pay. Involuntary unemployment is a great moral wrong.

We must act quickly if we hope to avoid an ever increasing "hard core" of chronically unemployed. In the next decade the number of youth entering the labor force will increase by almost 50 percent. Automation and technological change will also increase. Unemployment will rise unless strong measures are taken now to provide jobs for the increase in manpower.

Unemployment is a national problem. Every section of this country has suffered in one way or another from the effects of unemployment and the resulting decrease in purchasing power. My own State of Ohio is suffering with some 260,000 currently unemployed. This represents 6.7 percent of the labor force. The hardest hit communities are usually those with the fewest tax resources. Community leaders in these distressed areas all agree on the need for national assistance.

There is no single cause nor any simple remedy for the unemployment problem. It is a problem resulting from complex forces, and I suppose we shall always have some unemployment. But, we can and we must provide legislation which will drastically reduce this number of unemployed.

We have made some progress in this direction but much still remains to be done.

A distressed areas bill has been passed and the area redevelopment agency has been set up. I consider this bill to be good sound legislation. As usual, the bureaucrats are dragging their heels and retarding the good intent and effect of this bill. In the State of Ohio we have 14 areas of substantial unemployment. To date not one single area loan has been granted.

Another bill was passed which authorized a 14-month program permitting the States to give aid to the children of needy unemployed persons who are not eligible for assistance under the federally supported program. This bill fulfills a great need and should be made a permanent part of the program.

The Manpower Development and Training Act will provide training for over one-half million people during the next 3 years. We must take steps to insure that the administration of this bill is effective.

We cannot rest on our laurels and be content with what has been done. Automation is expanding at an increasing rate. Every week 25,000 young people enter the labor market. Jobs must be found for them and for those older people who have been displaced by automation. In the next 10 years, 26 million young people will enter the labor market. It is expected that 7½ million of these will not have completed school. They will be untrained for anything at a time when the demand will be for skilled workers.

In order to respond to these needs, we must continue our efforts to accelerate the growth of the general economy of the United States. Rosy answers for the future are no substitute for thought and effort. They do not put bread on the table or money in the pockets of American working men and women.

There is a need for this legislation authorizing a public works program. There are a large number cf public work projects gathering dust. These projects are desperately needed in various communities throughout the country. There is no reason why these projects should not be undertaken in times of high unemployment.

President Kennedy is asking for a $600 million public works program. This program would extend through fiscal 1964. It would be operative in areas which have been designated as areas of substantial unemployment.

Funds would be allocated both for Federal public works projects and for grants and loans to States and communities. Grants to States and communities could be for as much as 50 percent of the cost of a project. The program would also make loans available to those communities which would otherwise be financially unable to meet their share of project costs.

Projects would be limited to those which could be initiated within a reasonable period of time and could be completed within 12 months after initiation.

These projects would not create a new crop of bureaucrats. Federal projects could not be initiated other than those which are presently authorized by Congress. Most of the work would be performed by private employers and contractors.

So-called leaf-raking and other makework activities would not be authorized under this program. These would be projects such as construction of hospitals, roads, airfields, port facilities and public buildings. Conservation activities to improve our public land, water, timber, and natural resources would be part of the program. Badly needed laboratories, research and training facilities would be built.

In hundreds of localities throughout the country jobs will be created. In addition to the primary employment opportunities this program would create, there will be secondary employment effects as local economies are stimulated.

In the last analysis, the deepest cuts in the unemployment rolls will be made by strong increases in economic demand. This public works program will go a long way toward stimulating demand and at the same time easing "hard core" unemployment.

This bill contains safeguards to insure that the work can be initiated promptly, that it will result in a real addition to our country's facilities and resources. Furthermore, it is work that will be performed at a time when it will do the most good.

The ultimate test of our economic system is its ability to provide employment for our people. Unless we move quickly to deal with the new age of change, we may fail this test.

Surely our American know-how which is capable of developing the fantastic machinery of this new industrial age is also capable of devising means to turn it to our advantage and to realize from it an age of economic plenty, not an age of economic catastrophe.

We must go forward to hasten the time when every American will have an opportunity to share in the productive effort of our economy and to claim a share of that which is produced.

Mr. DIRKSEN. Mr. President, I yield now to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, if I felt that a depression were inevitable or unavoidable, I would gladly vote for the authorization of appropriations totaling $1,500 million with which to combat it. In fact, I would be willing to vote for a much larger sum, if necessary, in order to prevent a depression.

But in urging this bill upon the Congress, it appears that the administration believes that the inevitability of a depression has already been established. I do not agree with that premise, because I do not believe we need to have a depression within the next 2 or 3 years.

But one way to create a depression is to accept it and predict it. I believe that when this measure is passed—and I expect the Senate to pass it—it will be all that will be needed to convince the people of the country that a depression really will be lying ahead of them.

But the administration can prevent a depression if it desires to do so. It can restore much of the confidence which has been lost as a result of various measures which the administration has proposed and has requested Congress to enact.

Last Friday the Senate passed a measure called the omnibus farm bill. That bill might better have been called a bill to promote unemployment in the United States, because I cannot think of any measure which could do more to promote unemployment and to bring on recession or depression than a bill which would cut down on the work being done at this time on our farms.

If the House of Representatives were to pass the farm bill and if the bill were to become part of an official program, it would adversely affect the employment of thousands of persons who are working in fertilizer factories, and in plants engaged in manufacturing spraying materials, and in plants engaged in manufacturing farm machinery, including tractors and other types of machinery used on the farms. It would also adversely affect those employed in plants manufacturing trucks and tractors and those employed by the producers of lubricating oil and gasoline used to operate the trucks and tractors. The farm bill would have an adverse effect on workers all over the Nation—those in processing plants, those employed in stores, those employed in banks, and those employed in wholesale and retail establishments. The bill would also have an adverse effect upon rural merchants and rural banks all over the Nation.

I wish the administration had recognized that fact. However, if the bill were to become law, the people on the farms would not take the brunt of the adverse effect of that legislation. The people in the cities would be the ones who would take its full force.

That bill has not yet become law. I believe the House of Representatives will probably begin to take it up in the next 2 or 3 weeks. The House of Representatives might reject the bill. If so, that action would help greatly to ward off a pending depression.

At any rate, I think it would be shortsighted of Congress to accept the inevitability of a depression and of the unemployment which would accompany it, and also the loss of investments and all the other evils which would accompany a depression.

Furthermore, if we have a depression, the $1,500 million which the President is requesting would not be a drop in the bucket in terms of the amount of money needed to combat it.

However, for less money we can go far toward preventing a depression and its attendant evils.

As I have indicated, I would be willing to vote in favor of appropriating almost any amount of money which could effectively be used to combat a depression, once it started, or to prevent one from occurring. But I cannot vote for a bill which would put the stamp of approval of Congress on a belief that we must have a depression. Therefore, on the question of the passage of the pending bill, I shall vote "nay."

Mr. CLARK. Mr. President, will the Senator in charge of the bill yield 3 minutes to me?

Mr. KERR. I yield 3 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, the bill on which the Senate is about to vote—and I hope the Senate will pass the bill—was originally introduced in the Senate on March 8, 1962, by me, on behalf of myself, the Senator from Minnesota [Mr. MCCARTHY], the Senator from Rhode Island [Mr. PELL], and the Senator from West Virginia [Mr. RANDOLPH]. This is the latest of a series of bills which resulted from the hearings held in 1959 by the Special Committee on Unemployment Problems, whose chairman was the Senator from Minnesota [Mr. McCarthy]. From that committee came a recommendation for a bill of this sort. I am very happy to note that what the Senator from Minnesota [Mr. McCarthy] recommended in 1959 will finally be passed by the Senate in 1962.

Mr. President, the bill before us authorizes two programs of public works—an immediate program, and a standby program. I wish to discuss each of these briefly, and I will begin with the standby program because this was the original proposal to which the immediate program was added as an amendment.

The idea of a standby public works program originated in the work of the Special Senate Committee on Unemployment Problems, which my colleagues will recall was created in September 1959, at a time when the country was pulling out of the third of the three economic recessions which had occurred since the end of World War II. This committee, which was headed by the distinguished junior Senator from Minnesota [Mr. McCarthy] and on which I had the privilege to serve, was instructed to inquire into all aspects of the unemployment problem—including cyclical, structural, and frictional unemployment, with particular attention to those areas of the Nation where the unemployment problem was most critical.

The committee's report, which was submitted to the Senate on March 23, 1960, was, I am sure, the most comprehensive analysis of the problem of unemployment ever undertaken by any committee of either House of the Congress. The report was based not only upon extensive hearings conducted in Washington and in 12 of the 50 States but upon a series of scholarly papers prepared for the committee by some of the Nation's leading experts on the nature, causes, and solutions of the unemployment problem.

In its consideration of cyclical unemployment the special committee reviewed the experience of the country during the recessions of 1949, 1954, and 1958. It was our conclusion that if the Government had adopted timely and effective fiscal measures, including emergency public works, it might have reversed those economic downturns at the outset—or at least shortened their duration and reduced their severity, thus lessening the hardship suffered by individual families and the economic loss sustained by the whole Nation. But we found that in each of the three recessions governmental action was relatively ineffective and the recessions were, for the most part, allowed to run their course. The Council of Economic Advisers tells us that the economic loss resulting from these three recessions and the one of 1960–61 amounts to $175 billion, or $1,000 for every man, woman, and child in the country.

Why was governmental action so ineffective? Because no policy and course of action had been agreed upon and no plans and preparations had been made, ahead of time, so that we could act promptly and decisively when the necessity was upon us.

The key to the effective action is that one word, "prompt." It has been our experience, that, when the economy begins to slide, the slide continues for 9 to 12 months before the bottom is reached and the recovery begins. If we are to stop the downward course, obviously we must act just as soon as it becomes clear that we are headed downward. If we spend 9 to 12 months watching and waiting, or debating what we should do, then the damage is done.

Yet that is exactly what has happened, in every case. Senators who were here in 1958 will recall the months of futile argument as to whether we were really in a recession, whether we should do anything at all and, if so, just what we should do. Eventually, we passed an emergency unemployment compensation act, expedited some Federal public works, and passed an emergency housing bill. But the total effort could be summed up in the old phrase, "too little and too late."

The Special Committee on Unemployment Problems concluded, therefore, that if effective counterrecession measures are going to be taken they must be decided in advance and incorporated in standby legislation which will take effect promptly and automatically at the critical moment when the economic downturn starts. The six majority members of the McCarthy committee accordingly cosponsored, in the 86th Congress, the first standby antirecession bill, the forerunner of the bill which is now before the Senate.

Since then, the Nation has gone through one more recession—the fourth since the end of World War II—and this experience has dramatically reinforced the conclusions of the special committee that legislation, if it is to be effective, must be on the statute books in advance. The downturn began in June of 1960, a month before the presidential nominating conventions. It was in August or September that the evidence that we were in a recession first became clear beyond doubt. That was the critical moment for counterrecessionary fiscal measures to be launched. But at that moment, as everyone knows, we were in the midst of a presidential campaign, the Congress was not even in session. Legislation of any kind was impossible. By the time the Congress had returned and the new administration was organized the recession had once more run its course. The damage was done and recovery was underway.

We cannot fulfill our responsibilities to deal with economic emergencies if we wait until those emergencies are upon us. As the President said in his message recommending standby legislation, the time to repair the roof is when the sun is shining.

This does not mean, as has been charged, that the Congress would delegate its legislative power to the President. In this bill the Congress authorizes a public works program and the necessary appropriations, through legislation, in the usual way. The appropriation will be sought, reviewed, and presumably granted, in the usual way. All that is held in abeyance is the date upon which the funds become available; and this date is determined, not by the President, but by an automatic formula based upon the trend in unemployment. The President, if he feels that other economic data do not bear out the evidence contained in the unemployment statistics, can say, "I will not spend the money." But that is the extent of his discretion.

Based upon our postwar experience that recessions occur each 3 or 4 years, it is not out of the question that the next downturn may begin some time in 1963. Let us hope it does not. Let us hope that we have seen our last recession and that the ancient problem of the business cycle has been solved. In that case, this standby legislation can never be invoked. No good will have been done by enacting it, nor any harm. But just in case economic history repeats—and we would be foolhardy to say that this is not at least a possibility—then let us, for once, be ready. Insofar as public works are to be used as a counterrecessionary measure, this bill would make us ready, by enabling us to launch such a program at the earliest possible moment after the downturn occurs. The standby authority would become available at any time after June 30, 1963, which is about when the funds under this bill for the immediate program of public works—which I will now discuss—will have been exhausted.

The immediate appropriation for public works expenditures was recommended by the President on March 26 as an amendment to the standby bill. In making this recommendation, he emphasized that the recovery from the 1960 recession is still far from complete. While the national unemployment rate, seasonally adjusted, has declined from its peak of 7.0 percent in May of 1961, it still stands at 5.5 percent, which is far too high. It has been stuck at approximately this level for the past 4 months.

Just as public works are an appropriate means of checking an economic downturn, so are they useful as a device to speed recovery from a downturn in areas where the recovery is sluggish.

As the President pointed out in his letter of March 26 to the distinguished chairman of the Committee on Public Works, the Senator from New Mexico [Mr. Chavez], our present problem is not a general recession but rather the persistence of unemployment in many communities despite the national economic recovery.

The President said:

> Continued economic expansion for the Nation as a whole will in time help to restore the prosperity of many of these areas. But their needs are urgent now, and further help should not be delayed until another recession threatens the whole economy.
>
> This measure would—

He said—

> bring new public facilities, new jobs, and new hope to those communities whose economic troubles have resisted the rising tide of national expansion.

In the areas which would be defined as eligible for the immediate aid, unemployment is 40 percent higher than in the country as a whole. In major areas of Pennsylvania, as I have told the Senate on numerous previous occasions, unemployment persists at 10 to 20 percent of the labor force because new economic opportunities have not expanded rapidly enough to offset the disastrous decline of employment in our coal and textile industries.

The Congress has passed two measures which will be of great help to our areas of unemployment—the Area Redevelopment Act, enacted last year, and the Manpower Development and Training Act, which was signed this spring. But these are long-range measures.

Mr. President, the bill has been vastly improved in the course of its consideration in committee and on the floor; and I believe we can congratulate ourselves on a first-class bill which meets the requirements of the committee and the requirements of the administration.

The need now—as it was then—is for jobs in various areas of chronic or persistent unemployment.

I congratulate the Senator from West Virginia [Mr. RANDOLPH], who worked so hard and so successfully to bring the bill to the floor and get it passed. Without his assistance, I do not know what we could have done.

I wish to pay tribute also to the Senator from Oklahoma [Mr. KERR], whose vast skill and experience in connection with the handling of bills on the floor has made it possible to bring the bill to a successful conclusion.

The need is for jobs now, to tide our workers and their families over until, through our long-range programs, we can build the new industry that will provide permanent employment.

The bill we are considering today will provide those jobs. It will provide them through expediting useful and necessary public works which will in themselves make our lagging communities more attractive to new industry. This is not boondoggling, I emphasize. It is not WPA. These are streets, waterworks, sewage treatment plants, public buildings, and other facilities which are desperately needed, have long been needed, and contribute in full measure to the welfare and growth of our communities.

At the same time, the beneficial economic effects of the public works program will be felt throughout the whole economy. This bill will help to increase our national rate of economic growth and speed the day when we will achieve the "maximum employment, production, and purchasing power" which in the Employment Act of 1946 we pledged our country to attain.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

Mr. DIRKSEN. I yield 5 minutes to the Senator from Iowa [Mr. MILLER].

Mr. MILLER. Mr. President, this bill represents a confession of failure by this administration to cope with our serious unemployment problem.

Passage of the bill by the Senate would mean that a majority of the Members of the Senate are either committed to a policy of fiscal irresponsibility, to an unwillingness to match spending with revenue, or else they are unwilling to assert the independence of the legislative branch of the Federal Government of the pressure from the executive branch.

We have been told on the floor of this body today that the way to stimulate employment is to engage in the spending of millions of dollars for Federal public works projects—even at the cost of adding more billions to our national debt.

All of us would agree that there is room for a balanced Federal public works program in needed improvements. But I do not believe any of us should make room for increased, expanded, or accelerated public works spending if it means the dilution in the purchasing power of our money and the loss of confidence of our people in the Federal Government.

Early this year, the President of the United States promised the American people a balanced budget. He did so in the national interest, because it is in the national interest that the value of our money be preserved. This public works spending program was not included in his budget. Now he has come along and given us another urgent message asking Congress for this program; but nothing has been said about what should be cut out of his budget to make room for this. Promises of a balanced budget mean nothing. It is delivery that counts. Businessmen know this. Unless speeches are matched by deeds, confidence is lost. If we are to solve our unemployment problem, if we are to find sustained job opportunities for the millions of unemployed who are walking the streets looking for jobs and for the millions of the graduates from our high schools and colleges, it is to private business, and not to the Federal Government, that we must look for sustained job opportunities.

Continued deficit spending merely cuts down the purchasing power of our money. It causes workers to ask for increased wages because the purchasing power of their wages has been diluted. This in turn causes management to ask for increased prices to make up for the increase in the cost of doing business.

I ask unanimous consent to insert in the RECORD at this point in my remarks an article from today's Wall Street Journal entitled "Consumer Prices in April Rose to Another High."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSUMER PRICES IN APRIL ROSE TO ANOTHER HIGH—FURTHER GAIN SEEN IN MAY; 3-MONTH INCREASE IN INDEX EQUALS RISE ALL LAST YEAR—PORTENT OF INFLATION DOUBTED

WASHINGTON.—Average consumer prices in April rose to another record, and Federal officials forecast a further increase for May.

The Labor Department's index of consumer prices rose 0.2 percentage point in April to 105.2 percent of the 1957–59 average; the April rise was the third month-to-month gain in a row. The 0.7 percentage point increase in the index since January equals the rise for all of last year, when the price gage went from 103.8 percent in January to 104.5 percent in December. The February and March figures also had been records.

Robert Myers, Deputy Commissioner of Labor Statistics, said he expects the May index to increase about 0.2 percentage point. However, he said, he did not think the increases in the index so far this year had any serious inflationary implications. "I think it's just an irregular jump in a period of long-time price stability," he said.

FORECAST STILL HOLDS

Mr. Myers said his earlier forecast that the price index for all 1962 would rise no more than 1.5 to 2 percent "still looks good."

"There is no likelihood that price increases over this year will exceed that," he added. "There is no pressing on capacity or supplies; there is no likelihood of shortages."

One factor helping to push up the April index, Federal officials believe, is the increase in the number of families buying second cars. Mr. Myers said he could provide no statistics to support this, but remarked that reports on consumer buying intentions show a growing number of persons planning to buy used cars as a second auto. The fact that used-car prices in April jumped sharply while new-car prices fell slightly also helps "lead us to this surmise," Mr. Myers added. Ordinarily, he said, the vigorous sales pace of new cars would seem to assure an adequate supply of used cars from trade-ins.

The price index for used autos rose to 113 percent in April, up 4.8 points from the previous month's index and up 12 points from the year-earlier level.

The strength of used-car prices helped push the transportation category of the index to 107.2 percent, an increase of 1.3 points from the previous month's index and the sharpest advance since October 1959. Prices of gasoline and the cost of public transportation in some cities also rose. These increases, coupled with more-than-seasonal increases in prices for fresh fruits and vegetables, and gains in the costs of movies and medical care, more than offset price declines for poultry, eggs, fresh milk, fuel oil, and house furnishings.

PAY RISES TO RESULT

The April rise in the price index means wage increases for some 1 million workers whose contracts with employers call for periodic adjustment of wages based on increases or declines in the Government's cost of living gage. Some 800,000 autoworkers employed by Chrysler Corp., General Motors Corp., Ford Motor Co., and International Harvester Co. will get 1-cent-an-hour increases. Some 20,000 workers in the aerospace industry also will get a penny-an-hour raise as a result of the April increase.

About 40,000 additional workers in the aerospace industry whose hourly pay is adjusted on the basis of quarterly changes in the index will get 2 cents an hour more. The same increase will be granted 60,000 workers in the farm implement industry.

The Labor Department also reported that the aftertax pay and purchasing power of factory workers rose in April. For a factory worker with three dependents, weekly earnings after deductions, social security, and Federal income taxes averaged $85.53 in April. For a factory worker with no dependents earnings averaged $77.86. Both figures were up more than 50 cents from the March total.

Mr. MILLER. Mr. President, passage of this bill means that we are not going to pay attention to the past. Back in the 1930's we tried this same system for putting people back to work. The record shows that in 1940 the number of unemployed amounted to 8,120,000, as against about 4 million today. The unemployment rate was 14.6 percent, as against about 5.5 percent today. That was the situation before World War II bailed us out of the unemployment situation. What did we do in an effort to cope with the unemployment problem of the 1930's? We spent almost $6½ billion for public works; we hired 560,000 more people on the Federal payroll; we added an annual deficit in every year, from $1 billion to $4 billion. The remedy did not work then. It will not work now.

No wonder the stock market is going down; and if the stock market continues to go down, we shall have more unemployment, not less. What private business needs is confidence based on fiscal integrity practiced by the Federal Government.

While I know that a certain amount of blame can be placed on the White House for the failure to match spending with the promises of a balanced budget, the real blame lies on the shoulders of a majority of Congress who fail to match spending with revenue.

I hope the bill will be defeated.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. LAUSCHE. The Senator made mention of some cuts in the recommendation that would be used as a substitute for the expenditures proposed. We could save $600 million by defeating the bill proposing to give $600 million to local governments operating public transportation systems. But that will not happen. The $600 million will be another expenditure that will add to the deficits and the mounting debt.

Mr. MILLER. I thank the Senator from Ohio. In response, I merely want to say that it seems to me the least we should expect from the White House is a statement of what items in the budget should be cut out to make room for these expenditures. I do not gainsay that this public works program might offer some temporary alleviation of the unemployment problem. If it is so important, why was it not put in the budget in the first place? If the White House did not know how important it was in January; and if it is important today, why has there not been a recommendation for something to be cut out of the budget to make room for this measure? To have a promise of a balanced budget in January and then a request for this spending, with no comparable cutback of other items, is meaningless. No wonder businessmen are discouraged.

Mr. President, I ask unanimous consent to have printed in the RECORD an excellent article by Henry Hazlitt, which was published in Newsweek for March 12, 1962, "Jobs by Inflation?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOBS BY INFLATION?

(By Henry Hazlitt)

The President has sent to Congress, accompanied by a letter urging its passage now, a predrafted "Standby Capital Improvements Act of 1962." The proposed law would give the President authority to spend $2 billion on expanded public works programs whenever Government unemployment figures signaled a slump. Projects would be designed to create jobs, inject Federal money quickly into the economy, draw State and local matching funds after it, and expand consumer purchasing power.

Congress is being asked, in effect, to transfer in advance part of its power of the purse to the President. The President's argument for having these standby spending powers is that, if a recession gave statistical signs of beginning, Congress would be incapable of acting soon enough. It is hard to see any force in this argument. In the event that statistics took the turn the President now contemplates, he could send an immediate emergency message to Congress on the day the discovery was made. If Congress were not in session, he could call a special session within a week. Congress could then act.

CONGRESS CAN BE QUICK

The President, therefore, must either think that Congress is incapable of acting promptly, or that it might not wish to do so. The historic record shows that the first assumption is not true. Congress has repeatedly declared war within a few hours after being asked to do so by a President. In the early weeks of the Roosevelt administration, in 1933, laws were often enacted within a day or two after they were proposed. On May 25, 1946, when President Truman asked Congress for authority to draft striking railroad workers into the Army, the House voted the same day to grant him the powers he had asked (an action fortunately later rescinded by the Senate).

If, however, the argument is that Congress may not wish to authorize the increased spending at the time when the trigger conditions envisaged by the proposed standby law occur, that is the best of all reasons why Congress should not enact a self-paralyzing law now. This is asking it to vote now not to trust its own future judgment, but to agree to be bound in advance to authorize an automatic response to a statistical barometer without knowing the full circumstances of a future situation.

If we turn from the political imprudence of the proposed law to its economic consequences, we find that it rests on all the old pump-priming fallacies—on the assumption that a net increase in jobs is always created by bigger deficits, achieved either by more spending or by cutting taxes—on the assumption, in other words, that more jobs can always be created by injecting more money into the economy—in plainer words, that the total number of jobs can always be increased by more inflation.

KEYNESIAN FALLACY

This is the fallacy on which governments all over the world have been operating for the last generation, and especially since Lord Keynes built up an elaborate rationale for it in 1936. Those who believe in it forget that heavy unemployment has frequently occurred in the very midst of a major inflation. That increased deficit spending will bring on more inflation is practically certain; but whether it creates more jobs will depend on whether or not prices rise faster than wage rates and increase profit margins. The administration remains persistently blind to the effect of excessive wage rates in causing the unemployment of which it complains. Such wage rates, instead of being allowed to correct themselves, would under the proposed law be subsidized with Federal funds.

The only direct employment provided by the President's automatic pump-priming plan would be in the construction industry. But construction workers might be those in least need of subsidy. Today they earn an average of $3.24 an hour, compared with an average of $2.36 in all manufacturing and $1.71 in retail trade.

Finally, the projects on which the $2 billion would be spent would be projects dreamed up just to spend the money. For the inference is that if the unemployment thermostat did not hit the trigger levels, we could get along without the projects.

Mr. DIRKSEN. Mr. President, I yield myself a few minutes.

I suppose every Member of the Senate takes account of the figures released by the Economic Advisers relating to the gross national product. The last figure I saw was certainly the top in gross national product. Frankly, I do not understand the drift in the country in the face of the gross national product index. Certainly, the Congress has not been wanting in giving the administration virtually every assistance to keep the country going ahead.

It will be remembered that at the end of the session last year, a little conference took place in Georgetown. Theodore Sorenson, of the White House staff, went to talk with a selected group of newspapermen. It became an open secret, and it was at that meeting that they distributed this document. I do not know. I have a rather dismal attribute of holding onto things, and then suddenly they pop up. Of course, it is an excellent document for a partisan discourse. I always hope that the partisan acids in my soul have become a little sweetened, that the bile is a little thinner, and that my sense of charity is a little more expansive; but then I come to reality, and I see this document, as if it fairly crept into my hands.

On page 2 of title 2 it is stated: "This session's major accomplishments—A. To combat the recession."

These are not my words. This document was compiled at the White House.

Under the item to combat the recession was listed, "Temporary unemployment compensation extension." Then comes the boast, "Passed 63 days after taking office."

"Aid to dependent children of unemployed." "Area redevelopment."

We remember that. It was to create jobs. It is said, "Most comprehensive bill ever offered, and the first to pass." That is not my boast. That is the administration boast.

"Social security amendments," it is said "included first reduction in male retirement age (62)."

That is what was advanced to combat the recession.

I learned long ago that when one takes credit for the rain, one must take the blame for the drought, also.

We next go to the lush title, under B, "To Get This Country Moving Again."

Senators have heard that before, I am sure. What is listed?

First is "Housing." What is said? This is not the language of the minority leader. I did not put this on the paper. It is said: "The most most comprehensive housing program in congressional history."

I thought that when Congress authorized the most comprehensive program in history, it would add up to some jobs.

"Major expansion of urban renewal, public housing, housing for elderly, college housing."

I thought that would add up to jobs, to "growthmanship," and to the forward push. I am almost inclined to believe that after all this they have gone in for "shrinkmanship" instead of "growthmanship."

"First major middle-income housing, low interest, 35-year loans."

Senators will remember that when we started, the program was nothing down and 40 years to pay, until we modified the proposal.

"First private low-income housing—3 percent down payment—first aid to local mass transit." Does that mean jobs or not?

"First protection of open spaces in urban areas." That was the $100 million item. I got it cut in two, I think, with an amendment. I forget how much was finally salvaged. My efforts were not entirely successful.

But one must have building materials to do this—stone, cement, masonry, lumber, and all the rest. The material must be brought from its source. It must be articulated, in the form of dwellings and buildings.

Who will say that we were wanting in providing all that was necessary to build up the "growthmanship"?

Then there was "water pollution control—5-year doubling of program to benefit 5,000 communities." That is a large number of communities.

"Minimum wages."

"Space—authorized effort for moon trip and beyond."

The mean average distance of the moon from the earth is 238,857 miles. That is not enough for the New Fontier. They would go beyond the moon. I do not know how many jobs there are in that program, but certainly we have spent a great deal of money on space.

"Community health facilities—nursing homes for aged, hospital rehabilitation, community services for the aged."

All of that ought to spell itself out in terms of jobs.

"Agriculture."

I ask my friend from Vermont to listen to Mr. Sorenson's language. He wrote:

> The best farm income year since Korea.

One would think there was prosperity out on the plains, where people till the soil.

"Emergency feed grain program—reduction in acreage 3 times larger than best prior year."

Everything is big. Everything is gargantuan. Everything is gigantic. Everything is colossal. This is the space age. Should it not be so?

"Omnibus farm bill."

I ask Senators to listen to the language of Mr. Sorenson:

> Most comprehensive since 1938.

That is 24 years ago, and that is pretty comprehensive.

"Expanded use of marketing orders"; "first wheat and feed grain programs"; "school milk"; food for peace increased"; "savings to taxpayers estimated at $800 million."

Consider what they had with which to build homes. Look what they had to spend for consumer goods.

Then there was "Cape Cod National Park," the "first major addition to the national park system."

In the field of defense there were missiles, aircraft, and vessels; a doubling of the Polaris program, an increase of Minuteman and other missiles, an increase of bomber alert, and a strengthening of conventional and guerrilla warfare capacity. It is said "appropriations added $6 billion, or 14 percent to Eisenhower budget."

Why is it that 14 months after the New Frontier came into power, with all that authority, and other authority still requested, and a $92½ billion expenditure budget, which will be infinitely larger before the Congress concludes its session—we have stood still? Do Senators deny that we have stood still? Why is this anticipatory bill before us this afternoon, for $1.5 billion? As was pointed out, the $750 million cannot come into play until after July 1, 1963. That will be more than a year hence.

Are they anticipating, as our distinguished friend from Vermont said, some recession? Are they anticipating difficulties? Are they anticipating that the revenues will not be all they had hoped for? I do not know.

Mr. President, I do not like to approach the future with a sense of defeatism in my soul. I merely point out, from Mr. Sorenson's own outline of accomplishments—which we have to take in stride and to rebut if we can—that they should have done infinitely better.

Obviously I am willing to let the conditions—the gross national product, the unemployment quotient, and everything else—finally speak for themselves, because they will do so no matter what feeble words I may utter for or against the measure before the Senate.

For myself, I cannot vote for the proposal which is before the Senate. I can only hope, when we talk about little projects, that perhaps some of them will be durable.

An editorial was published in the Washington Post and Times Herald some time ago. I think I have it in my papers, if I can lay my hands on it. That is another one of those saving habits which stays with a person.

The title was "WPA All Over Again." That was the writer's first estimate of the program to spend $25 million this fiscal year, $350 million the following fiscal year, and $225 million the next fiscal year. In the 38 areas which were to be touched, it figured out about $8.68 per head. That will not be much of an impact upon the forward push and the forward thrust of the country.

I earnestly hope—for the country, for the Congress, and for the President—that we shall not go down that agonizing pathway again. I remember only too well the CWA, and the glorified leaf-raking program. I remember only too well the WPA, and the expenditures under the very skillful direction of Mr. Hopkins. But where is that program? What was durable about it? I would like to know.

Oh, what a disservice we shall render to the country if we go down that drain again and have nothing to show for it.

I fairly insulted a Member of the House years ago when we were discussing all this. I had clipped a little item from the Reader's Digest.

In turn the Reader's Digest had obtained the article from a country newspaper in a little town in Colorado. There was a repetition of a headline that appeared in a high school paper. The senior class was entitled to publish the last edition of that paper. Some imaginative young soul had composed for the headline that day, "WPA, Here We Come." I hope not. So, Mr. President, I cannot vote for the bill.

Mr. KERR. Mr. President, I yield 3 minutes to the distinguished majority leader, the Senator from Montana.

Mr. MANSFIELD. Mr. President, today we heard the President blamed for the decline in the stock market. We heard allegations made that he is seeking a great deal of personal power, far more than any other President has ever sought. We heard our distinguished friend, the minority leader, look back to the WPA of the 1930's and look forward scornfully to the moon and beyond.

I think we ought to remember that the roll of accomplishments called by the distinguished minority leader is a true and accurate list of the accomplishments of the present administration in its year and 4 months in office. I point out that in the adoption of those measures the Senator will find that there were many, many Republican votes; and that on occasion it was Republican votes which helped to pass legislation proposed by a Democratic President of the United States; and I commend those Republicans who have assisted us in those endeavors.

Pretty soon we shall vote on the public works bill. I think that despite the few flurries we have had here today, the Senate is to be commended for its perseverance, and most especially the members of the Committee on Public Works under the able chairmanship of the distinguished Senator from New Mexico [Mr. CHAVEZ].

The author of the bill, the Senator from Pennsylvania [Mr. CLARK], who was joined by the Senator from West Virginia [Mr. RANDOLPH] and others, performed a great service in deciding that the bill should be referred to the Committee on Public Works. I am delighted also that the distinguished minority leader was able to bring together the manager of the bill, the distinguished Senator from Oklahoma [Mr. KERR], the ranking minority member, the Senator from South Dakota [Mr. CASE], and the Senator from Hawaii [Mr. FONG], the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. PROUTY], and others in his office so that ways and means of considering the proposal, and alternatives to it, could be thought out and considered.

I believe that there has been a great accommodation between the proposals advanced by the Republicans on the committee, on the one hand, and the Democrats on the other.

The bill is a good one because it marks an accommodation on the part of Senators who look at the proposal from divergent views.

The bill is not in the form in which it was originally introduced. It is the handiwork of the Senate as a whole, and most especially the members of the Committee on Public Works, both Democrat and Republican. The Senator from

Oklahoma has shown his usual superb generalship in managing the bill today.

No one knows what the result will be until the votes are counted. But I think that the Senate has performed a great service in defining some basic issues.

We put in a fairly long period of work today. We have arrived at what I consider to be a reasonably good accommodation. I expressed the hope that the labors of the Committee on Public Works especially would be rewarded and that the bill would reach passage this evening. It is a progressive and important measure, and can go far, I believe, toward providing employment for many Americans, toward reviving the economies of distressed areas, and therefore toward bolstering the confidence of the people in the vitality of our system.

Mr. KERR. Mr. President, I yield myself 2 minutes.

I thank every Member of the Senate who has contributed to bringing the bill to its present stage. I know no one more delightful or charming than the distinguished minority leader. I wish he were a member of the Committee on Public Works. I believe if he were, he would join the group of his colleagues on that committee who, through the years, have worked so effectively and constructively with the Democratic members in maintaining a very fine record of bipartisan effort.

There has been more division on the bill than on all of the bills reported out of the Public Works Committee since I have been a member of the committee.

But if men will look carefully they will find that in reality there was a great deal of resemblance between the substitutes offered by the minority Members and the bill as it is now before the Senate, the major difference being the triggering of an additional authorization in the fiscal year beginning July 1, 1963.

I thank my distinguished colleagues on both sides of the aisle for the contributions they have made. I hope that now that we have reached this point, we might agree that this piece of proposed legislation could become the result of a bipartisan vote in the Senate, as has been the case on every bill handled by the Committee on Public Works since the Senator from Oklahoma has been connected with the committee.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute. I concur in everything that the distinguished Senator from Oklahoma said. I pay him the compliment of being a great and assiduous leader of that committee. I know the harmony that has prevailed. At the same time I pay tribute to every minority member of that committee. Never have I seen them work in concert so well and isolate and identify issues that should have been presented to the country. So I share the sentiment uttered by the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. Do both sides yield back the remaining time?

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. KERR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader if he will announce the program for tomorrow, because I believe most Senators will leave after the vote on the bill.

Mr MANSFIELD. Mr. President, in response to the question raised by my friend, the distinguished Senator from Illinois, I ask unanimous consent that tomorrow, at the conclusion of the routine morning business, the Senate proceed to the call of the measures on the calendar to which there is no objection, beginning with Calendar No. 1452.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. It is the intention of the leadership, after consultation with the distinguished minority leader, to adjourn tonight until tomorrow to consider items on the calendar to which there is no objection. There will be no votes tomorrow. It is then the intention to go over until Friday, at which time there will be a pro forma session, with no votes.

In the meantime I shall discuss with the distinguished minority leader whether we should return for business either on Monday, a week from today, or on Tuesday, a week from tomorrow.

Mr. DIRKSEN. I thank the Senator.

STANDBY AUTHORITY TO ACCELERATE PUBLIC WORKS PROGRAMS

The Senate resumed the consideration of the bill (S. 2965) to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies.

The PRESIDING OFFICER. The question is on the passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL (when his name was called). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. HICKEY], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mr. MORSE], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE], are absent on official business.

I further announce that the Senator from Colorado [Mr. CARROLL], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alaska [Mr. GRUENING], and the Senator from Missouri [Mr. LONG], are necessarily absent.

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Massachusetts [Mr. SALTONSTALL].

If present and voting, the Senator from Alaska would vote "yea" and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Missouri [Mr. LONG] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Missouri would vote "yea" and the Senator from Kansas would vote "nay."

On this vote, the Senator from Missouri [Mr. SYMINGTON] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Missouri would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from Mississippi [Mr. STENNIS] is paired with the Senator from Alaska [Mr. BARTLETT]. If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Alaska would vote "yea."

I further announce that, if present and voting, the Senator from Idaho [Mr. CHURCH], and the Senator from Washington [Mr. MAGNUSON], would each vote "yea."

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Colorado [Mr. CARROLL]. If present and voting, the Senator from Louisiana would vote "nay" and the Senator from Colorado would vote "yea."

Mr. DIRKSEN. I announce that the Senator from Colorado [Mr. ALLOTT] is absent on official business.

The Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. KUCHEL], and the Senator from Massachusetts [Mr. SALTONSTALL], are necessarily absent.

On this vote, the Senator from California [Mr. KUCHEL] is paired with the Senator from Indiana [Mr. CAPEHART]. If present and voting, the Senator from California would vote "yea" and the Senator from Indiana would vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Missouri [Mr. SYMINGTON]. If present and voting, the Senator from Colorado would vote "nay" and the Senator from Missouri would vote "yea."

On this vote, the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Missouri [Mr. LONG]. If present and voting, the Senator from Kansas would vote "nay" and the Senator from Missouri would vote "yea."

On this vote, the Senator from Massachusetts [Mr. SALTONSTALL] is paired with the Senator from Alaska [Mr. GRUENING]. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Alaska would vote "yea."

The result was announced—yeas 44, nays 32, as follows:

[No. 76 Leg.]

YEAS—44

Anderson
Bible
Burdick
Byrd, W. Va.
Cannon
Case, N.J.
Chavez
Clark
Cooper
Dodd
Douglas
Engle
Fong
Gore
Hart
Hartke
Hayden
Humphrey
Jackson
Javits
Johnston
Kefauver
Kerr
Long, Hawaii
Long, La.
Mansfield
McCarthy
McGee
McNamara
Metcalf
Monroney
Morton
Moss
Muskie
Neuberger
Pastore
Pell
Randolph
Russell
Smathers
Smith, Mass.
Williams, N.J.
Yarborough
Young, Ohio

NAYS—32

Aiken
Bennett
Boggs
Bush
Byrd, Va.
Case, S. Dak.
Cotton
Curtis
Dirksen
Dworshak
Goldwater
Hickenlooper
Holland
Hruska
Jordan
Keating
Lausche
McClellan
Miller
Mundt
Murphy
Pearson
Prouty
Proxmire
Robertson
Scott
Smith, Maine
Thurmond
Tower
Wiley
Williams, Del.
Young, N. Dak.

NOT VOTING—24

Allott
Bartlett
Beall
Butler
Capehart
Carlson
Carroll
Church
Eastland
Ellender
Ervin
Fulbright
Gruening
Hickey
Hill
Kuchel
Long, Mo.
Magnuson
Morse
Saltonstall
Sparkman
Stennis
Symington
Talmadge

So the bill (S. 2965) was passed, as follows:

S. 2965

An act to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Standby Public Works Act of 1962".

FINDINGS AND PURPOSE

SEC. 2. The continuing policy and responsibility of the Federal Government is to use all practicable means, consistent with other essential considerations of national policy, to promote maximum employment, production, and purchasing power. The Congress finds that there have been periodic intervals when severe unemployment and loss of production and purchasing power have occurred and that repetition of these periods of severe unemployment and loss of production and purchasing power can be avoided, or their impact lessened, by prompt remedial action by the Federal Government as authorized in this Act. The Congress also finds that virtually every community in the Nation has a backlog of needed public works projects, and that an acceleration of these projects will not only increase employment and expenditures at a time when such action is most urgently required, but will also meet longstanding public needs, improve community services, and enhance the health and welfare of the citizens of the Nation.

It is the purpose of this Act to provide standby authority which will enable the President to take quick and effective action to stimulate the economy by inaugurating a program of needed public works when unemployment indicators and other economic data clearly reveal that extraordinary action is needed to assure achievement of the objectives stated above, and to provide the President in such period with authority (1) to immediately increase expenditures for direct Federal programs of public works previously authorized by law, and (2) to furnish an incentive to State and local governmental bodies to accelerate their public works programs through the initiation of projects which can be begun promptly and completed over a reasonably short period of time. It is the further intent and purpose of the Congress that departments and agencies of the Federal Government shall make advance plans for public works projects that will enable them to act promptly when the President initiates the program authorized by this Act, and that the Federal Government shall assist and encourage the States and local governmental bodies, under the provisions of existing law, to make advance plans for public works projects.

In addition, the Congress finds that (A) certain communities and areas of the Nation are presently burdened by substantial unemployment and underemployment and have failed to share fully in the economic gains of the recovery from the recession of 1960–1961 and (B) action by the Federal Government is necessary, both to provide immediate useful work for the unemployed and underemployed in these communities and to help these communities, through improvement of their facilities, to become better places in which to live and work. It is the intent and purpose of the Congress to provide for an immediate program of assistance for capital improvements in those areas.

STANDBY PUBLIC WORKS ACCELERATION AUTHORITY

SEC. 3. The President is authorized after June 30, 1963, to proclaim a public works acceleration period and exercise during such period the powers conferred upon him by this Act. Such public works acceleration period may be proclaimed—

(1) within sixty days after the date when data compiled and published by the Department of Labor reveal that the national unemployment rate adjusted for seasonal variations and stated to the nearest one-tenth of a percent of the civilian labor force has risen by 1.0 percentage point over a period of nine months or less, but not less than three months;

(2) if on such date, according to such data, the total number of unemployed amounts to at least 5 per centum of the total number in the civilian labor force, with adjustments for seasonal variations; and

(3) after the President has determined that existing employment and unemployment indicators and other available economic data clearly reveal that extraordinary action is needed to assure achievement of the objectives of this Act.

Such public works acceleration period shall begin on the day specified in the President's proclamation hereunder and shall terminate whenever the President finds and declares that the need for the program authorized by this Act no longer exists. Such public works acceleration period proclaimed by the President shall automatically terminate twenty-seven months after initiated unless terminated earlier as provided in the preceding sentence. No funds provided under section 10 shall be obligated after termination of such public works acceleration period.

ACCELERATION OF FEDERAL PROJECTS

SEC. 4. In addition to the authority otherwise available to him, the President, during the existence of the public works acceleration period, may for the purpose of this Act, direct the departments and agencies of the executive branch, under such rules and regulations as he may prescribe, to accelerate existing Federal public works projects and programs or to initiate new projects and programs already authorized by law. Any such department or agency may use for such projects and programs funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President.

ACCELERATION OF EXISTING FEDERAL GRANT PROGRAMS

SEC. 5. During the existence of the public works acceleration period, the President may direct the departments and agencies of the executive branch to make grants, upon application and under such rules and regulations as they may prescribe, to finance the initiation or acceleration of public works projects and programs for which Federal grants are authorized by the Congress and under the terms and conditions prescribed by the Congress: *Provided,* That no grant under this section shall be subject to any limitation in other laws with respect to the apportionment of funds, the time in which grants may be made, or the aggregate dollar amounts of grants for any prescribed purpose, project, or program: *And provided further,* That notwithstanding any limitation in other laws requiring a grant to be less than 50 per centum of the cost of undertaking or completing a project or program, in the case of any project or program of a State or local public body which qualifies under standards established by the President to apply uniformly to all similar areas, grants may be made to such State or local public body under the authority of this section which bring the total of Federal grants available for such project or program up to 50 per centum of the cost of undertaking or completing such project or program. For the purpose of this section the term "grant" shall be deemed to include a loan under part H of title VI of the Public Health Service Act. Any department or agency may use for projects and programs authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President.

GRANTS FOR PUBLIC WORKS PROJECTS NOT ELIGIBLE UNDER EXISTING PROGRAMS

SEC. 6. (a) During the existence of the public works acceleration period, the Housing and Home Finance Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to make grants to States, municipalities, and local public bodies to finance the initiation or acceleration of public works projects and programs which are not eligible for grants under other Acts of Congress.

(b) The Administrator may use for grants authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President.

(c) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the cost of undertaking and completing the project or program for which the grant is made.

FEDERAL LOANS

SEC. 7. (a) During the existence of the public works acceleration period, the Housing and Home Finance Administrator, or such agency or officer of the Federal Government as he may designate, is authorized, upon application and under such rules and regulations as he shall prescribe, to purchase the securities and obligations of, or make loans to, States, municipalities, local public bodies, and any private or public nonprofit organization or association representing any redevelopment area, as defined in the Area Redevelopment Act, which otherwise would be unable to meet their share of the cost of projects and programs for which grants have been authorized pursuant to sections 5 and 6 of this Act.

(b) All securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment, and such loans may be made either directly or in cooperation with banks or other financial institutions through agreements to participate or by the purchase of participations or otherwise.

(c) No securities or obligations shall be purchased and no loans shall be made including renewals or extensions thereof which have maturity dates in excess of forty years.

(d) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be not more than the higher of (A) 3 per centum per annum, or (B) the total of one-half of 1 per centum per annum added to the rate of interest required to be paid on funds obtained for the purposes of this section as determined by the Secretary of the Treasury as provided under subsection (e) of this section.

(e) The Administrator may use for loans authorized under this section funds made available pursuant to section 10 of this Act, in amounts prescribed from time to time by the President: *Provided,* That funds obtained by the Administrator for the purposes of this section shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the preceding fiscal year and adjusted to the nearest one-eighth of 1 per centum.

IMMEDIATE AID TO AREAS OF SUBSTANTIAL UNEMPLOYMENT

SEC. 8. (a) In areas currently designated by the Secretary of Labor as having been areas of substantial unemployment in each of at least nine of the twelve immediately preceding months, and in areas currently designated as "redevelopment areas" pursuant to the Area Redevelopment Act, projects or programs otherwise authorized to be assisted under sections 4, 5, 6, and 7 of this Act may be assisted thereunder, with funds made available under this section, without regard to the provisions in those sections and section 3 requiring the proclamation and existence of the public works acceleration period. For the purposes of this section there is hereby authorized to be appropriated, to remain available until expended, the sum of $750,000,000 which may be allocated by the President among sections 4, 5, 6, and 7 of this Act, except that at least 10 per centum of any amount appropriated for the purposes of this section shall be used for such purposes with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act.

(b) The President shall prescribe rules, regulations, and procedures which will assure that adequate consideration is given to the relative needs of the areas eligible for assistance. In prescribing such rules, regulations, and procedures, the President shall consider among other relevant factors: (1) the severity of the rates of unemployment in eligible areas and the duration of such unemployment, and (2) the income levels of families and the extent of underemployment in eligible areas.

(c) In the case of those projects or programs of States or local public bodies which qualify under standards established by the President applying uniformly to all similar areas, if the President determines that an area suffering unusual economic distress (because of a sustained extremely severe rate of unemployment or an extremely low level of family income and severe underemployment) does not have economic and financial capacity to assume all of the additional financial obligations required, a grant otherwise authorized pursuant to sections 5 and 6 for a project or program in such area may be made to a State or local public body without regard to any provision of law limiting the amount of such grant to a fixed portion of the cost of the project or program, but the recipient of the grant shall be required to bear such portion of such cost as it is able to and in any event at least 10 per centum thereof.

RESTRICTIONS AND LIMITATIONS

SEC. 9. The authority conferred by this Act shall be subject to the following restrictions and limitations:

(a) No financial assistance shall be made with respect to any project or program unless the project or segment of work, to be assisted under this Act—

(1) can be initiated or accelerated within a reasonably short period of time;

(2) will meet an essential public need;

(3) if initiated hereunder, can be completed within eighteen months after initiation, but not later than the termination of the public works acceleration period, or in the case of projects under section 8, not later than twenty-seven months after the date of enactment of this Act;

(4) will contribute significantly to the reduction of unemployment; and

(5) is not inconsistent with locally approved comprehensive plans for the jurisdictions affected, wherever such plans exist.

(b) In the choice of projects and programs, preference shall be given to areas within States in which unemployment is above the national average or in which family income is below the national average, but assistance shall not be limited to such areas, and not more than 12½ per centum of the aggregate funds provided for projects and programs pursuant to sections 4, 5, 6, and 7 of this Act shall be made available within any one State.

(c) Each department or agency administering financial assistance authorized by this Act shall adopt such rules, regulations, and procedures as will assure that no such assistance shall be made available to any State, municipality, local public body, or nonprofit organization unless such project or program for which the assistance is granted produces a net increase in the expenditures of the State, municipality, local public body, or nonprofit organization for public works projects approximately equal to the non-Federal contribution to the project or program.

(d) Not more than 30 per centum of the funds authorized to be appropriated by section 10 may be used to carry out the purposes of section 6. The same limitation shall be applicable to the funds authorized to be appropriated in section 8.

APPROPRIATIONS AUTHORIZED

SEC. 10. (a) There is authorized to be appropriated for expenditure after June 30, 1963, to remain available until expended, the sum of $750,000,000 to carry out the provisions, other than section 8, of this Act.

(b) In carrying out such provisions at least 10 per centum of any amount appropriated pursuant to subsection (a) shall be used with respect to projects and programs in redevelopment areas designated as such under the provisions of section 5(b) of the Area Redevelopment Act.

ADVANCES FOR PUBLIC WORKS PLANNING

SEC. 11. Section 702 of the Housing Act of 1954 is amended by striking out in subsection (e) "July 1, 1961;" and the remainder of the subsection, and inserting in lieu thereof, "July 1, 1961; and such additional sums which may be made available from year to year thereafter."

LABOR STANDARDS

SEC. 12. All laborers and mechanics employed by contractors or subcontractors on projects and programs assisted under section 6 of this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5), and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be. No such project or program shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276c).

DELEGATION OF POWERS

SEC. 13. The President may exercise any functions conferred upon him by this Act through such agency or officer of the United States Government as he shall specify. The head of any such agency or such officer may from time to time promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions. Nothing contained in this section shall authorize the President to delegate the power to proclaim or terminate the public works acceleration period.

DEFINITIONS

SEC. 14. As used in this Act—

(a) The term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(b) The term "local public body" includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, counties, or other political subdivisions of States; Indian tribes, and boards or commissions established under the laws of any State to finance specific public works projects.

(c) The term "public works" includes the construction, repair, and improvement of: public streets, sidewalks, highways, parkways, bridges, parking lots, airports, and other public transportation facilities; public parks and other public recreational facilities; prisons, training schools and youth correctional facilities; public and nonprofit hospitals, rehabilitation and health centers, and other public health facilities; public refuse and garbage disposal facilities, water, sewage, sanitary facilities, and other public utility facilities; civil defense facilities; public police and fire protection facilities; public educational facilities, libraries, museums, offices, laboratories, employee housing, and other public buildings; and public land, water, timber, fish and wildlife, and other conservation facilities and measures.

(d) The term "project" includes a separable, usable feature of a larger project or development.

(e) The term "segment of work" means a part of a program on which the work performed can be separately identified by location and will provide usable benefits or services.

Mr. KERR. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

The motion to table was agreed to.

Mr. KERR. Mr. President, I again wish to express my deep appreciation to everyone who participated in the passage of the bill. I wish especially to pay tribute to the distinguished senior Senator from New Mexico [Mr. CHAVEZ], the chairman of the committee, who, in spite of the fact that he was ill, participated in the hearings, during the deliberations on the bill, and in the voting on the bill today. He made a great contribution to our deliberations, as he has also done in setting the splendid record of our committee through the years. I wish to pay tribute to him and to each member of the committee whose contribution was so valuable and so effective in reporting the bill to the Senate and in its passage today.

I ask unanimous consent that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11038) making supplemental appropriations for the fiscal year ending June 30, 1962, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. KIRWAN, Mr. CANNON, Mr. JENSEN, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District;

H.R. 1348. An act for the relief of William Burnice Joyner; and

S.J. Res. 151. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the third division, Riverton Federal reclamation project, Wyoming.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON CERTAIN CONSTRUCTION AT U.S. AIR FORCE PLANT NO. 74, WEST PALM BEACH, FLA.

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on the construction of additional hydrogen, oxygen, and nitrogen storage dewars at U.S. Air Force Plant No. 74, West Palm Beach, Fla.; to the Committee on Aeronautical and Space Sciences.

AMENDMENT OF ACT RELATING TO MUTUAL-AID PLAN FOR FIRE PROTECTION BY AND FOR THE DISTRICT OF COLUMBIA AND CERTAIN ADJACENT COMMUNITIES

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the act entitled "An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON REVIEW OF PROCUREMENT OF BW-1 TERRIER MISSILES BY DEPARTMENT OF THE NAVY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the review of the procurement of BW-1 Terrier missiles by the Department of the Navy (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF REPAIR PARTS SUPPLY FOR ORDNANCE TANK-AUTOMOTIVE VEHICLES OF THE 8TH U.S. ARMY, KOREA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the review of repair parts supply for Ordnance tank-automotive vehicles of the 8th U.S. Army, Korea (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF MAINTENANCE AND SUPPLY SUPPORT OF ARMY EQUIPMENT FURNISHED UNDER MILITARY ASSISTANCE PROGRAM FOR TAIWAN

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on the review of the maintenance and supply support of army equipment furnished under the military assistance program for Taiwan (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF SECTION 249 OF IMMIGRATION AND NATIONALITY ACT

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 249 of the Immigration and Nationality Act (with an accompanying paper); to the Committee on the Judiciary.

DEFINITION OF TERM "CHILD" FOR CERTAIN PURPOSES UNDER CIVIL SERVICE RETIREMENT ACT

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to define the term "child" for lump-sum payment purposes under the Civil Service Retirement Act (with an accompanying paper); to the Committee on Post Office and Civil Service.

FUNDS FOR COMPLETION OF INTER-AMERICAN HIGHWAY

A letter from the Under Secretary of Commerce, transmitting a draft of proposed legislation to authorize the appropriation of adequate funds to provide for the completion of the construction of the Inter-American Highway, and for other purposes (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, and so forth, were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by a convention of Democrats of DeWitt County, Tex., in opposition to any plan to reduce the size of the National Guard; to the Committee on Armed Services.

A resolution adopted by the Commissioners' Court of DeWitt County, Tex., protesting against the plans of the Department of Defense to reduce the size of the National Guard; to the Committee on Armed Services.

A resolution adopted by the Commissioners' Court of Bexar County, Tex., favoring an investigation and hearing on the removal and transfer of the Air Radar Traffic Control Center from San Antonio to Houston, Tex.; to the Committee on Commerce.

A resolution adopted by the American Academy of Orthopaedic Surgeons, Chicago, Ill., protesting against the enactment of House bill 4222, to provide medical care for the aged under the social security system; to the Committee on Finance.

A resolution adopted by the City Council of the City of Norwalk, Calif., protesting against any amendment to the Constitution of the United States to provide a Federal income tax on income derived from public bonds; to the Committee on the Judiciary.

A telegram in the nature of a petition from the Department of Oregon Woman's Relief Corps Auxiliary of the Grand Army of the Republic, of Portland, Oreg., signed by Isabell M. Beals, president, and Jeanette R. Greco, secretary, favoring the enactment of Senate bill 2250, to incorporate the National Woman's Relief Corps; ordered to lie on the table.

A resolution adopted at a convention of Democrats of DeWitt County, Tex., commending the President, Vice President, Senator YARBOROUGH, and Representative YOUNG in their efforts in causing America to move forward; ordered to lie on the table.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MANSFIELD (for Mr. FULBRIGHT), from the Committee on Foreign Relations, with amendments:

S. 2996. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes (Rept. No. 1535).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

Frank Hammett Myers, of the District of Columbia, to be judge of the municipal court of appeals for the District of Columbia;

John J. Malloy, of the District of Columbia, to be judge of the municipal court for the District of Columbia;

Thomas D. Quinn, of the District of Columbia, to be judge of the municipal court of appeals for the District of Columbia;

Joseph C. Waddy, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia, domestic relations branch;

John L. Newbold, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency;

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency; and

Edwin T. Holland, of Virginia, to be a member of the Advisory Board of the National Capital Transportation Agency.

By Mr. RUSSELL, from the Committee on Armed Services:

John H. Fagan, of the graduating class of 1962, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade of second lieutenant;

Thomas S. Althouse, and sundry other midshipmen (Naval Academy) to be permanent ensigns in the line of the Navy;

Ronald L. Daley (Naval Reserve Officers' Training Corps candidate) to be a permanent ensign in the line of the Navy;

Raymond L. Belanger, and sundry other graduates from Navy enlisted scientific education program, to be permanent ensigns in the line of the Navy;

Walter M. Carl, and Robert M. Jones, graduates from Navy enlisted scientific education program, to be permanent lieutenants (junior grade) in the line of the Navy;

Franklin M. Barber, and sundry other Naval Reserve officers, to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy;

Alfred R. Bergstrom, Jr., and sundry other officers of the Marine Corps, for temporary promotion to the grade of first lieutenant; and

James M. Acklin III, and sundry other cadets, graduating class of 1962, U.S. Military Academy, for appointment in the Regular Army of the United States.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS:

S. 3351. A bill conferring jurisdiction upon the U.S. Court of Claims to hear, determine and render judgment upon the claim of John J. Bailey of Orlando, Fla.; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware:

S. 3352. A bill to amend the Act of August 24, 1935, in order to provide that payment of Federal taxes withheld from wages of employees be secured by performance bonds required by such act; to the Committee on Finance.

By Mr. SMATHERS:

S. 3353. A bill to authorize the Secretary of the Navy to enroll Carl Henrik Brodin in the Naval Reserve Officers' Training Corps; to the Committee on Armed Services.

By Mr. KEFAUVER:

S. 3354. A bill for the relief of the National Police Gazette Corp.; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 3355. A bill to prevent the use of stopwatches, work measurement programs or other performance standards operations as measuring devices in the postal service; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Scott when he introduced the above bill, which appear under a separate heading.)

By Mr. HAYDEN (by request):

S. 3356. A bill to provide for the maintenance and repair of Government improvements under concession contracts entered into pursuant to the act of August 25, 1916 (39 Stat. 535), as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROBERTSON (by request):

S. 3357. A bill to amend section 3552 of the Revised Statutes, as amended, to provide that the proceeds from the distribution and sale of uncirculated coins shall be reimbursed to the appropriation from which the expenses of manufacture and distribution were paid; to the Committee on Banking and Currency.

By Mr. BIBLE (by request):

S. 3358. A bill to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the Inter-American Development Bank; and

S. 3359. A bill to authorize the Commissioners of the District of Columbia to lease certain public space under and in the vicinity of Tenth Street, Southwest, for public parking; to the Committee on the District of Columbia.

By Mr. ANDERSON (for himself and Mr. Saltonstall):

S.J. Res. 192. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; to the Committee on Rules and Administration.

PROHIBITION OF CERTAIN WORK MEASURING DEVICES IN POSTAL SERVICE

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to prohibit the use of stopwatches and other work measurement programs in the postal service. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the Record.

The bill (S. 3355) to prevent the use of stopwatches, work measurement programs or other performance standards operations as measuring devices in the postal service, introduced by Mr. Scott, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

The statement presented by Mr. Scott is as follows:

Statement by Senator Scott

The Post Office Department within recent years has instituted a series of orders that have caused the initiation into the Postal Service of several work measurement programs.

In January 1960, for example, there was installed a distribution guides system, or so-called guidelines, for counting the work of distribution clerks. As operated by the Post Office Department this system too often has appeared to the employees to have the characteristics of a speed-up system suggestive of the days of sweatshops.

While the Post Office Department assured employees that this system would not harm them in any way, there are too many cases where employees have been penalized for failing to reach a specified standard. Testimony before a Subcommittee of the House Committee on Appropriations revealed, for instance, that during the Christmas rush last December in Brooklyn a total of 14 distribution clerks were denied overtime because they had allegedly not met the minimum standards. Among the 14 there was one man who had been seriously injured on duty, and who had not as yet fully recovered from his injuries. Among the others were older employees who were unable to meet the standards.

There is also complaint that the system, among other things, has increased the amount of nightwork, and is sacrificing accuracy for speed.

Although the distribution guides system has been revised, it still calls for the application or guidelines for 1 week out of 4. Clerks, as a result, are sometimes under considerable tension which tends to create difficult morale problems. The system clearly has caused dissension and poor management-employee relations. Postal clerks are convinced that such statistical techniques for setting production standards are based on false assumptions and, partly because they fail to take into account the human element, are neither accurate nor valid.

There is no question that this measurement system is hurting the morale and dignity of post office employees. It would seem, therefore, to be detrimental to the postal service.

The purpose of the bill I am introducing is to completely eliminate the guidelines system. By passage of the bill the Congress can evidence its trust in thousands of fine. cooperatve, dependable, and loyal employees of the Post Office Department, who, in turn can be expected to respond to the necessity that they continue to cooperate in the efficient operation of the postal system.

PRINTING OF REVIEW OF REPORT ON FRENCH CREEK BASIN, PA. (S. DOC. NO. 95)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated February 23, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of the report on the French Creek Basin, Pa., requested by a resolution of the Committee on Public Works of May 12, 1950. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is ordered.

STRENGTHENING OF COMPETITIVE ENTERPRISE SYSTEM—EXTENSION OF TIME FOR BILL TO LIE ON THE TABLE

Mr. HUMPHREY. Mr. President, on behalf of the Senator from Alabama [Mr. Sparkman], I ask unanimous consent that the bill (S. 3345) to strengthen the competitive enterprise system by assisting qualified small-business concerns to obtain leases of commercial and industrial property, where stringent credit requirements tend to exclude such concerns, by authorizing the Small Business Administration to guarantee, directly or in cooperation with others, the payment of rentals under such leases, introduced on May 24, 1962, lie on the table up to and including June 15, 1962.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 28, 1962, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 2132. An act to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; and

S.J. Res. 151. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Third Division, Riverton Federal reclamation project, Wyoming.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. WILEY:

Excerpts from address prepared by him for delivery at the Devry Institute dinner at Chicago, Ill., on May 24, 1962, on the subject of the urgency of expansion in American technical education and finding the answer to dropouts.

Excerpts from address prepared by him for delivery over Wisconsin radio stations on May 26, 1962, reviewing the global food picture

Excerpts from address prepared by him for delivery over Wisconsin radio stations on the weekend of May 26–27, 1962, urging new effort to brighten small business outlook.

TRIBUTES TO THE LATE SENATOR BREWSTER OF MAINE

Mrs. SMITH of Maine. Mr. President, earlier this year I made observations in the Senate concerning the untimely passing of former U.S. Senator Owen Brewster on Christmas Day, 1961. At that time I inserted in the Congressional Record several tributes paid to him.

As we approach Memorial Day, I wish again to place in the Record four newspaper historical tributes to him—tributes that have been personally selected by his widow and son. They are first, "Tributes to Brewster Are Worldwide" in the April 5, 1962, issue of the Eastern Gazette of Dexter, Maine; second, "Dexter Adds Share to Brewster Tributes" in the May 10, 1962, issue of the Eastern Gazette of Dexter, Maine; third, "Death of Brewster Ends an Era," by May Craig, in the December 26, 1961, issue of the Waterville (Maine) Morning Sentinel; fourth, "Brewster Stood for Republicanism," an editorial in the December 27, 1961, issue of the Portland (Maine) Press Herald; and fifth, "Memorial Service for the Honorable Owen Brewster" in Bowdoin College chapel, January 3, 1962, with address by President James S. Coles.

I ask unanimous consent that these tributes be placed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Eastern Gazette, Apr. 5, 1962]

TRIBUTES TO BREWSTER ARE WORLDWIDE—MESSAGES TO FAMILY RECALL LITTLE-KNOWN INCIDENTS IN CAREER

Nearly a thousand heartfelt tributes to the late U.S. Senator Owen Brewster, have poured into his home on Zion's Hill, Dexter, during the period since his death on Christmas day. These messages have come from the great and the humble. They are still arriving. They include letters from three former Presidents of the United States.

These messages have come from every corner of the United States and from many foreign countries as well, including Nationalist China, Italy, Spain, the Philippines, France, and many others.

Mrs. Dorothy Brewster, the Senator's widow, and Charles F. Brewster, his son, who are coexecutors of Senator Brewster's estate, have released extracts from some of these messages for publication.

One of Senator Brewster's greatest political assets was his flair for dramatic timing. He demonstrated this even in the timing of his birth and death. He was born on Washington's birthday, 1888, in the middle of one of the greatest snowstorms ever recorded in the United States which is still known as the "Blizzard of 1888."

He died on Christmas Day, 1961, when the world was beset by the political blizzards of the cold war. Senator Brewster's last message to the world is contained in a New Year's greeting card which he composed just before his death but never dispatched to his legions of friends who had sent him Christmas cards:

"Dorothy and Owen Brewster deeply appreciate your thought of them at this time. It has added much to the happiness of their holiday season. They wish for you and all mankind in this new year of 1962 and for many years to come, health and happiness and the peace of God that passeth all understanding." In effect, he wrote his own benediction.

PRESIDENT HOOVER

Senator Brewster served as Governor of Maine during the period 1925–29 when President Hoover was Secretary of Commerce in the Coolidge administration. During the time just before the 1928 Republican National Convention, President Coolidge had not made up his mind whether he would run for reelection and all of the other Republican candidates had to keep under wraps.

The Republican Party was being handicapped. The time was getting so short before the national convention that Mr. Hoover asked his good friend Governor Brewster to make a personal call on President Coolidge and try to get him to make a definite statement of intentions.

Governor Brewster proved equal to this delicate political task. The next day after the Governor's call at the White House, President Coolidge issued one of the most famous six-word statements in U.S. political history: "I do not choose to run."

Candidate-for-President Hoover selected Governor Brewster to present his candidate's idea on how to fight a depression to the National Governor's Conference during the summer of 1928. Governor Brewster campaigned vigorously in the South and helped carry four States from the solid South for the Republican Party in 1928, for the first time since the Civil War.

President Hoover and Senator Brewster remained close personal and political friends down through the years. President Hoover, now a venerable elder statesman of 87 years, wrote Mrs. Brewster from his Waldorf Astoria Tower home in New York City: "I was saddened to learn of the Senator's passing. He was a loyal and devoted friend of mine and I know his useful life to his community and to his country will be a consolation to you."

PRESIDENT TRUMAN

Although a lifelong Republican, Senator Brewster had a capacity to form intimate friendships with members of both political parties. As senior Republican on the Truman War Investigating Committee during World War II, he occupied the seat next to Senator Harry Truman, the chairman. They had adjoining offices in the Senate Office Building and they became close friends.

Senator Truman and the rest of the committee were guests in the Brewster home on Zion's Hill, Dexter. When Senator Truman became President and the Republicans took over control of the Senate, Senator Brewster became chairman of the Truman committee.

Mrs. Bess Truman and Mrs. Dorothy Brewster were active members together of the Senate Red Cross Ladies Club, the Congressional Club, and the 74th Congress Club.

Mrs. Charles Brewster and Margaret Truman were closely associated as members of the U.S. Senate Daughter's Club. When Perle Mesta gave one of her grandest coming out parties in 1946, in honor of Margaret Truman, Charles Brewster, the Senator's son, then on duty as a major in Washington after the war, was one of the dance partners of Margaret Truman.

From Independence, Mo., where he was spending Christmas, President Truman wrote Charles Brewster in part: "I was sorry as I could be to hear of your father's death. He was my friend and I thought the world and all of him."

CHIANG KAI-SHEK

Senator Brewster always treasured his friendship with Generalissimo Chiang Kai-shek down through the years, particularly his personal visits with the generalissimo during World War II at Chungking and later at Formosa. Nationalist China had no stronger nor more loyal supporter than Senator Brewster, both while he was in the U.S. Senate and afterward. He revered the generalissimo as "the George Washington of China."

Mrs. Owen Brewster also had a close kinship with Madame Chiang Kai-shek because they are both Wellesley graduates. Mrs. Brewster's granddaughter, Betsey, is a sophomore at Wellesley majoring in political science.

Madame Chiang Kai-shek is an excellent painter. In December 1951, when the Brewsters visited the Chiang Kai-sheks at their home on Formosa. Madame stated that she had never given away a painting before but would like to make her first gift to the Brewsters. This typical Chinese landscape watercolor, with Madame's name painted in Chinese characters, now occupies a prominent place on the wall of the offices which Senator Brewster has maintained for 30 years in his home on Zion's Hill.

Since Senator Brewster's death, Mrs. Brewster has received a letter from Generalissimo and Madame Chiang Kai-shek, who stated: "We shall always remember your husband for his sterling qualities, his high principles, and his integrity. He was one of the few who understood the real menace of communism, and even as early as 1951, spared no effort in his attempts to make the evil known to his compatriots.

"We hope that when things are a little more settled, you will come and see us again. A warm welcome awaits you."

GEN. DOUGLAS MAC ARTHUR

When Gen. Douglas MacArthur was in Washington as Chief of Staff of the U.S. Army in the thirties, he developed a warm friendship with then Congressman Brewster.

In May 1942, Senator Brewster's son Charles, then an Army lieutenant, carried by air a letter from Mary MacArthur in Washington and made personal delivery to General MacArthur in his Melbourne, Australia, headquarters.

The trip by air to Australia was a dangerous one as the two planes ahead were lost and Lieutenant Brewster's plane had to fly through the middle of the Coral Sea Naval battle, the high-water mark of the Japanese advance southward, finally landing at Noumea, New Caledonia.

Lieutenant Brewster served for 6 months as a member of General MacArthur's headquarters staff, and received the Asiatic-Pacific Battle Star and the Presidential Unit Citation for the Papuan Campaign.

Charles Brewster received on January 4, 1962, the following letter from General MacArthur: "The death of your distinguished father was a great shock to all of us. I knew him for many years and held him in highest esteem and regard. The Republican Party lost a great leader in his death. I recall so pleasantly my contacts with you in Australia in 1942."

PRESIDENT EISENHOWER

In the fall of 1942, Charles Brewster returned to Washington, D.C., as a captain to help plan and participate in the invasion of North Africa.

In Washington he had an interview with Mrs. Mamie Eisenhower at her home. She gave him a personal letter for delivery to General Eisenhower after the two officers had both landed in North Africa, General Eisenhower coming from England and Captain Brewster from the United States.

General Eisenhower first met Senator Brewster at a dinner party at his Algiers headquarters, which the general gave in September 1943, for the five U.S. Senators on their round-the-world inspection trip of military installations, the first and only such trip during the war.

Senator Henry Cabot Lodge, of Massachusetts; Senator Richard Russell, of Georgia; Senator Happy Chandler, of Kentucky, and Senator James Mead, of New York, were the other members of this group. Navy Lt. John Lodge, later Governor of Connecticut, and Captain Brewster, were assigned as special aids to the Senate committee, during their 2 weeks' stay in north Africa.

Captain Brewster served for 2½ years under General Eisenhower's command in the north African, Italian, French, and German campaigns, winning four battle stars.

WHITE HOUSE RECEPTION

When the war was over, Major Brewster had a reunion with General Eisenhower at the first White House reception given by President Truman. Major Brewster substituted for his father in escorting his mother and was the only officer present below the grade of lieutenant general or its equivalent.

The guests used a different White House exit from the one they came in. This was noted by General Eisenhower and as the reception broke up, General Eisenhower said: "Major Brewster, I'm lost. This isn't the way we came in. Will you please show me the way out of here." So, Major Brewster had the unique distinction of serving as reconnaissance officer in escorting General Eisenhower who had lost his way in the labyrinthian corridors of the White House, which he was later to occupy for 8 years.

President Eisenhower wrote Charles Brewster a warm personal letter in January 1962, from his vacation retreat in Palm Desert, Calif. President Eisenhower said he had read of Senator Brewster's death in the California papers and added: "I hope you will accept for yourself, and convey to your mother, the deep sympathy of Mrs. Eisenhower and myself."

VICE PRESIDENT NIXON

In 1950, Senator Brewster was chairman of the Republican senatorial campaign committee. He was instrumental in persuading to run and in helping to elect to the Senate a young Congressman from California named Richard Nixon, then only 37.

Senator Brewster became an intimate friend of Senator and later Vice President Nixon and was responsible for many of Nixon's visits to Maine.

Richard Nixon wrote Mrs. Brewster a condolence letter on January 2 from his Los Angeles law office in which he stated: "Mrs. Nixon and I were greatly saddened to learn of Owen's passing, and we want to take this opportunity to extend our deepest sympathy to you and your son. He will be greatly missed and long remembered by those of us who had the privilege of knowing him. I shall always be grateful for his unfailing friendship and wise counsel during the years I was in Washington."

JUSTICE HAROLD BURTON

Senator Brewster entered Bowdoin in September 1905, with the class of 1909. His college roommate was Harold Hitz Burton, of Newton, Mass., and the careers of the two men have presented extraordinary parallels.

They both graduated from Bowdoin College summa cum laude after election to Phi Beta Kappa. Both went on to Harvard Law School where Brewster became an editor of the Harvard Law Review and formed an intimacy with coeditor Robert A. Taft, later Senator Taft, which continued until Taft's death in 1952.

Young Burton went to Ohio to practice law while Brewster joined the Portland office of Scott Wilson, who was later chief justice of the Maine Supreme Court.

Burton and Brewster early displayed a keen interest in government and public affairs. Both were elected many times to public office in their respective States. Finally, by the strangest of coincidences, these former roommates were reunited when both men were sworn in as first-term U.S. Senators, from Ohio and Maine, on the same day in January 1941. They sat side by side in the Senate for 5 years, during the Second World War, sharing the Nation's problems of the day. Senator Burton also served on the Truman committee with Senator Brewster and was appointed to the U.S. Supreme Court in 1945 by President Truman.

BURTON AND BREWSTER SONS

As a sequel to their father's careers, Charles F. Brewster, the Senator's son, was in the same class at Bowdoin College with Justice Burton's son, William. Charles and William were roommates at Appleton Hall and the Deke House, sharing the same rooms their fathers had before them.

Like their fathers, young Burton and young Brewster were both elected to Phi Beta Kappa, both graduated summa cum laude, both were 1937 commencement speakers, and both went on to graduate from Harvard Law School. William Burton married a Bangor girl, Nancy Connor, and is now a practicing attorney in Cleveland, Ohio, while Charles Brewster married a Dexter girl, Mildred Whitmore, and is an attorney in Bangor, where he has shared offices with his father for 15 years.

Justice Burton wrote Mrs. Brewster from his Supreme Court office in Washington, D.C.: "From the time that we were roommates in college until Owen's passing away, we enjoyed the complete confidence of each other, and I always felt safe in supporting Owen's position on any question of integrity and genuineness of his devotion to the interests of the country. His career was colorful and throughout his long public life he rendered great service to his community, State, and Nation. I feel his loss like that of a brother but I shall continue to gain inspiration from my past association with him," concluded Justice Burton.

MILLINOCKET AIR SERVICE

Senator Brewster's greatest satisfaction during the last year of his life, came from the successful legal battle which he and his son, Charles, fought on behalf of the town of Millinocket, against Northeast Airlines.

Together, the two attorneys drafted 100 pages of exhibits, conducted a 2-day hearing in Washington, in April, 1961, with 350 pages of testimony, and wrote 100 pages of briefs. Finally, 3 months before the Senator's death, the Civil Aeronautics Board hearing examiner rendered a 20-page written decision in favor of Millinocket, which ordered Northeast Airlines to resume scheduled airline service to the Millinocket airport.

During the course of this battle, Senator Brewster served as a member of Governor Reed's Air Policy Committee, and testified in Washington at the Northeast-Florida renewal hearing. The Senator also had a dramatic face-to-face encounter with Northeast President James Austin at a Maine State Chamber of Commerce meeting at the Bangor House in one of his last public appearances.

Senator Brewster was chairman of the U.S. Senate Air Policy Committee, and took an active interest all his life in everything connected with aviation.

Senator Brewster was for many years a leading member of the Senate Foreign Relations Committee. He made eight trips abroad to attend the annual sessions of the Interparliamentary Union, held each fall in a different country.

SPANISH AMBASSADOR

Senator Brewster became well acquainted with many of the leaders of foreign countries. Mrs. Brewster received the following telegram from Mariano De-Yturralde, the present Ambassador from Spain to the United States: "It was with a great sense of sadness that we learned of your dear husband's death. We Spaniards will never forget and shall always appreciate his continuing efforts in promoting good relations between your country and mine. I extend to you and your family on behalf of the Spanish Government and myself our deep sympathy in your great loss."

The present Spanish Ambassador to the United Nations, Senor Lequerica, an old friend of Senator Brewster's, sent a similar message from Bilbao, Spain, where he was visiting his family for Christmas.

The news of Senator Brewster's death on Christmas Day was flashed around the world and printed in newspapers of every important world capital.

ROME, ITALY, OBITUARY

Mrs. Constantine Brown, wife of the Washington newspaper columnist, wrote Mrs. Brewster from Rome, Italy, that she had read the obituary story in the Rome Daily American.

Mrs. Brown added this tribute in her letter: "I am forced to look back a few years to the Old Senate when Owen was among that wonderful crew of fighting men—I should say, militant patriots. And one of the fightingest and most devoted to our Nation was Owen. And even outside the Senate he was still pitching with all he had. He is not only the Nation's loss but a great loss to his many friends."

In the week following Senator Brewster's death, public statements of tribute were published in the press by every prominent political leader in the State of Maine, including Governor Reed and the entire congressional delegation, so there is no need repeating here the similar messages which each of these Maine leaders sent to the Brewster family in Dexter.

SPEAKER JOHN M'CORMACK

Representative JOHN W. MCCORMACK, of Massachusetts, Speaker of the National House of Representatives, took time out from his many duties in the week before Congress opened in January to send a two-page handwritten letter to Mrs. Brewster to pay respect "to your beloved and distinguished husband whose friendship I valued very much."

A host of other national political figures of both parties who were friends of Senator Brewster have sent messages of tribute to Dexter.

These include former Speaker of the House of Representatives Joseph Martin, of Massachusetts, who was many times a visitor at the Brewster home in Dexter; Senator Everett Dirksen, of Illinois, present minority leader of the Senate; William E. Miller, chairman of the Republican National Committee; former chairman of the Democratic National Committee James Farley, of New York, who sent his son to school at Wassookeag School Summer Camp in Dexter as a result of Senator Brewster's recommendation; Senator Ernest Gruening from Alaska, who in the 1920's was editor of the old Portland (Maine) Evening News; Senator Estes Kefauver, of Tennessee, and many other leaders in the Congress where Senator Brewster served for 18 years.

In addition to the many State, national, and international leaders who sent messages, there were hundreds of heartwarming tributes from Mr. and Mrs. average citizen.

About half of these were letters from admirers and supporters of Senator Brewster.

The other half were from persons who wanted to tell of some specific instance in which Senator Brewster had helped them over and beyond the call of duty of his office at some time during his half century of public service.

Many mothers wrote of the deep gratitude in their hearts for the assistance which Senator Brewster had given to correct some military personnel injustice during World War II or to put a mother in touch with a son oversea whom she had not heard from for many months.

Many officers in the armed services expressed their appreciation for the great help which Senator Brewster had been in securing their appointments to West Point or Annapolis. These letters came literally from all over the world wherever these officers are now stationed.

During the period since Senator Brewster's death, most of the organizations to which he belonged have adopted resolutions of respect in memory of Senator Brewster. These include the Dexter Grange, the Odd Fellows, the Order of the Eastern Star, the Katahdin Council, Boy Scouts of America, and many others.

BOWDOIN SERVICE

The first Bowdoin College chapel in 1962 was entirely devoted to a memorial service for Senator Brewster with an address by President James S. Coles, of Bowdoin. He quoted a statement made by President Sills when the latter awarded Senator Brewster the honorary degree of doctor of laws in 1942 and referred to him as "for the past 25 years the stormy petrel of Maine politics * * * like that famous denizen of our coast ready for each succeeding storm * * * one of less than a hundred men in our whole national history who has served as Governor, Congressman, Senator."

Senator Brewster had been an Overseer of Bowdoin since 1941. At the February meeting of the Overseers, a resolution of tribute was passed which has recently been received by Mrs. Brewster.

After tracing the biographical details of Senator Brewster's career, the Bowdoin Overseers concluded as follows: "His loyalty to Bowdoin was undeviating. He was a valuable and respected Overseer, always concerned for the welfare of the college and confident of its future."

"Brewster made friends and enemies lavishly," the resolution continued. "Where he saw what he thought was wrongdoing or skullduggery he dealt with it mercilessly and fearlessly. His analytical powers were extraordinary and when he set his hand to the plough it always went to the end of the furrow. In or out of public office he was a tireless worker, an inflexible Republican, a devoted lover and servant of his native State. He was certainly one of the most remarkable men of his generation in Maine and he left a memorable record of service to his country."

This eloquent tribute by the Bowdoin College Board of Overseers might well serve as Senator Brewster's epitaph.

[From the Eastern Gazette, May 10, 1962]

Dexter Adds Share to Brewster Tributes

"A prophet is not without honor save in his own country." This statement did not apply to Senator Brewster. He was a beloved figure in his hometown of Dexter where he lived for all his 73 years.

After his retirement from the Senate in 1952, he devoted much of his energy and executive ability to building up his hometown. His goal was to have Dexter as a model town.

He helped form the Dexter Development Association and was its first president. He was still president at the time of his death. He was a leading organizer of Dexter's memorable 150th anniversary celebration. He was chairman of many of Dexter Fourth of July celebrations.

When the various Dexter Woolen Mills ran into hard times in the middle 50's, he spearheaded an effort to find a new industry for Dexter. In 1957, he succeeded in persuading Harold Alfond, of Waterville, a prominent Maine shoe manufacturer, to locate a new shoe factory in Dexter. Mr. Alfond has said many times that he would never have located in Dexter if it had not been for Senator Brewster's salesmanship, prestige, enthusiasm, and hard work.

DEXTER SHOE FACTORY

Senator Brewster organized a group of local businessmen who obtained title to the Old Brick Mill property where the Dexter Shoe Co. has twice expanded into newly constructed buildings, the latest of which Senator Brewster lived to see completed only this past fall. This shoe factory now employs nearly 500 persons and is one of Dexter's chief industries.

Senator Brewster also devoted his talents to promoting the many Dexter civic organizations of which he was a member. After 25 years of membership in the Bangor-Brewer Lions Club, he was instrumental in founding the Dexter Lions Club, which was activated only 3 months before the Senator's death. He was a perennial chairman of the Dexter Boy Scout drives.

Perhaps the most heartwarming tribute which was paid Senator Brewster the day of his funeral services was spoken by a prominent Dexter businessman who said simply: "Everybody in Dexter was Senator Brewster's friend."

[From the Waterville Morning Sentinel, Jan. 3, 1962]

Death of Brewster Ends an Era

(By May Craig)

Washington.—Death of former Senator Brewster, of Maine, somehow seems the end of an era though he had left the Washington scene in 1952 when defeated by Republican Fred Payne for the Senate, Payne in his turn being defeated in 1958 by Democratic Ed Muskie.

Brewster had long political history behind him, as Governor, Member of the U.S. House of Representatives, and the Senate. He was a consummate politician, one of the most alert minds, one of the most able men, this long-time correspondent for the Gannett papers has known in Washington. Most of the troubles he got into were due to this restless, ambitious nature, often he got the blame when others involved were equally responsible.

His devotion to the Christian Science doctrine (he was president of the church for a time) collided with his political ambitions often, but he was one of the most colorful, controversial figures ever on the Washington platform.

As a Christian Scientist he was a teetotaller and practiced that tenet in a Washington awash with liquor both during prohibition and since. He used to serve sparkling white grape juice at the handsome dinners that he and Mrs. Brewster used to give, to the surprise and horror of those who did not know what was in the champagne glasses in which the grape juice was served, including his colleague the late Representative Frank Fellows of the then Fourth District of Maine.

Senator Brewster, whose name was Ralph Owen, was often criticized for dropping the first name and calling himself Owen, but this is a frequent and valid choice—the ordinary names are so common that it is difficult to distinguish among the public figures, and the distinctive name "Owen Brewster" was much better. Maine-born Senator Bridges, of New Hampshire, did that, too, dropping his first name and using the middle name of Styles. The Senator told me once that he had always wanted to use the name Owen, which is the name of the prominent family of his mother, but that Mrs. Brewster was sensitive after the death of their son, Owen, climbing a Maine mountain, and so the Senator delayed dropping Ralph for Owen for longer than he wanted to.

The Brewsters lived next door to the then Senator Truman in modest apartments in the Mayflower and they became close friends. Brewster served on the Truman committee on World War II and became its chairman. Truman always valued the Brewster friendship after he became Vice President and President, though they were of different political faiths—both were politicians and they understood each other.

Brewster came to Congress as a public power man, because of the infant Quoddy tidal power project and because the private power people were tied up to the other side. After he got here Roosevelt began the Quoddy project with relief money; dropped it when Congress refused to authorize. Brewster had a quarrel with the administration about the utilities holding companies restriction legislation and always thought Quoddy hastened to the end of that phase because he opposed the law, while the administration felt he had betrayed their side.

He did an excellent job as chairman of the committee on Pearl Harbor and was one of two Republicans to hold the President, General Marshall, and Washington officials more to blame for that tragedy than the admiral and general at Pearl. There have been several investigations of Pearl, but we have not yet got at the truth and may never. Brewster found that often when he wanted papers from the Government files for this committee, they were missing.

He got into a fight with colorful Howard Hughes in the investigation of war contracts, especially the enormous plywood flying boat Hughes built, partly with his own money. Quite unnecessarily, as so often he did, Brewster brought in Hughes predilection for fair ladies, at this hearing, and had to withdraw a story of the hostess on the Hughes private plane—though chuckling reporters thought it probably true.

Brewster was quite an orator and reporters like fact that he could always be heard, while some Senators whisper on the floor to listening press gallery.

Brewster was the first to organize the Maine congressional delegation for regular meetings and conducted them with order, aided by his administrative assistant Roy Haines who was a joy to reporters for his exactitude and availability.

Brewster was the first Senator to get his woman secretary on the floor of the Senate. For a long time women assistants were not allowed; we saw the idiotic scene of competent women sitting outside the door while a Senator would be conducting business on the floor, with pages bringing back and forth papers and notes to guide the Senator. Brewster laid the ground carefully for the change and one day by arrangement, he sent for Frances Dustin, his secretary, to bring him some papers, and so history was made smoothly.

Brewster was a devoted Republican always and served his party in various capacities, always at their disposal as a campaigner. He got in trouble by getting campaign contributions sometimes, notably one for Nixon in 1950, but as usual was blamed only when it got out. He came to Washington advocating the Townsend plan for pensions for the aged, but was against the Roosevelt New Dealism as collectivism, especially he opposed the reciprocal trade agreements which is coming up for renewal at coming session.

[From the Portland (Maine) Press Herald, Dec. 27, 1961]

Brewster Stood for Republicanism, and Battled Hard for His Beliefs

Owen Brewster, whose death occurred in Boston on Christmas Day, was one of the last of a long line of New England Republicans who worked unswervingly in Congress—and out of it, for that matter—in the interests of right-wing conservatism. U.S. Senator Styles Bridges, also Maine-born, whose earlier demise has touched off a political furore in New Hampshire, was another such.

For more than 35 years the Dexter native occupied elective or appointive public posts, going through the chairs in the Maine Legislature to serve two terms in the Blaine Mansion. The next jump was harder, but three defeats failed to dim Brewster's determination to win a Congress seat. Success came in 1934, when the New Dealers elsewhere were strengthening their grip on Congress, and for the next 18 years Owen Brewster was a State, national, and world figure.

His first conspicuous notice came when he was associated with Senator Harry Truman on the committee probing the national war effort. As a member of the Pearl Harbor investigating group, he filed a dissent that struck hard at President Franklin Roosevelt. Just before he was defeated for renomination in 1952 by Gov. Frederick Payne, Brewster sat with the committee inquiring into Truman's dismissal of Gen. Douglas MacArthur.

But the Maine man worked fully as hard for the Republican cause and business interests supporting it, and in his zeal came under frequent investigation himself. He might have asked for no better compliment than that everyone knew what Owen Brewster stood for, and what he believed in he backed with his whole heart.

[From the official records of Bowdoin College]

Bowdoin College Chapel: Memorial Service for the Honorable Owen Brewster, of the Class of 1909, With Address by President James S. Coles, January 3, 1962

The service was opened with the 85th Psalm, read responsively.

In the fall of 1905 a 17-year-old youth from Dexter, Maine, Ralph Owen Brewster, entered Bowdoin College. He was destined to become distinguished, as were several of his classmates, some of whom are here in the chapel today.

He soon joined Delta Kappa Epsilon Fraternity, and became an active student citizen. The Bugle said of him "Look out for him, he'll either stick you with a subscription or an argument. He says he's going to make that debating team next year, and be President of the United States in 1912 or know the reason why."

He did make that debating team, and while he never became President of the United States, he might well have done so, for in his later career he was to be twice a Governor of Maine and a Member of the U.S. Senate. In college he managed the debating council and the track team and was in many other activities including the then famous Mandolin Club. His roommate for his 4 years at Bowdoin was Harold Hitz Burton, who was later to become a U.S. Senator from Ohio, and a Justice of the U.S. Supreme Court. Both Owen Brewster and Harold Burton were elected to Phi Beta Kappa and both graduated from Bowdoin summa cum laude. Both went on to the Harvard Law School, although Owen Brewster was delayed 1 year while he earned some of the necessary money as principal of the high school in Castine. Despite having to wait on tables in law school to help meet his expenses, he distinguished himself in his studies sufficiently to become a member of the editorial board of the Harvard Law Review. At Harvard he also met and worked with Robert A Taft, later another U.S. Senator from Ohio.

Owen Brewster returned to Maine immediately upon graduation from Harvard Law School in 1913 and took up the practice of law in Portland. In 1915, he was elected a member of the Portland School Committee, upon which he served until 1923. In 1917 he was elected to the Maine House of Representatives, but resigned for World War I service as a captain and regimental adjutant in the Maine National Guard; in 1918 he resigned this captaincy to enlist as an Army private in the Federal service. He was reelected to the legislature in 1921 and in 1923 was elected to the State senate. In 1925 he was elected Governor of Maine, at the age of 37, and was reelected in 1927. While Governor, he was chairman of the executive committee of the national Governors conference.

Upon completing his second term as Governor, he returned to his native Dexter and there again undertook the practice of law. Continuing his interest in politics and government service, in 1935 he was elected a Member of Congress from the Third District of Maine and served as a Congressman for Maine until 1941. In 1941, he became a Member of the U.S. Senate, where he served until 1953.

He was a Republican in our Congress when Republicans were in a distinct minority, to put it mildly. His congressional opponents called him a Republican "needler." He understandably was opposed to President Roosevelt, but supported him fully at the outbreak of World War II, saying, "Up in Maine we have been brought up on the sea, and when the ship gets out of sight of land, we recognize that the captain is boss. * * * I did not vote for the captain but * * * if I am compelled to a choice between Roosevelt and Hitler, I choose Roosevelt."

Senator Brewster was an active alumnus of Bowdoin College. He was a member of the alumni council in its early years, and served as secretary of the alumni council 40 years ago. He was elected an overseer of the college in 1941 and has contributed in service faithfully as a member of that board. In recent years he has also devoted considerable time and effort to the Boy Scouts of America, and has been a member of the National Council of the Boy Scouts of America.

As a sequel to Senator Brewster's own college career, Charles Foss Brewster, his son, graduated summa cum laude, went on to Harvard Law School, and then served in the Army in World War II. Charles Brewster's roommate in college was the son of his father's roommate, Harold Burton. Young Brewster and young Burton, like their fathers, were both members of Delta Kappa Epsilon and were both elected to Phi Beta Kappa. Like young Brewster, young Burton also went on to Harvard Law School and served in the Army in World War II.

When President Sills awarded Senator Brewster the honorary degree of doctor of laws in 1942 he referred to him as: "for the past 25 years the stormy petrel of Maine politics * * * like that famous denizen of our coast ready for each succeeding storm * * * one of less than a hundred men in our whole national history who has served as Governor, Congressman, Senator."

Senator Brewster was outspoken and was vehement both as a proponent and opponent. He was a man of charm and intelligence, well read and well educated. He was a man of boundless energy. He was a man who gave generously of himself in service to the State of Maine, to the United States, and to his college.

The service was closed with the hymn, "Abide With Me."

Abide with me: fast falls the eventide;
The darkness deepens; Lord, with me abide:
When other helpers fail, and comforts flee,
Help of the helpless, O abide with me.

I need Thy presence every passing hour;
What but Thy grace can foil the Tempter's power?
Who like Thyself my guide and stay can be?
Through cloud and sunshine, O abide with me.

I fear no foe, with Thee at hand to bless:
Ills have no weight, and tears no bitterness.
Where is death's sting? Where, grave, thy victory?
I triumph still, if Thou abide with me. Amen.

THE CLOSING PRAYER

Remember Thy servant, O Lord, according to the favour which Thou bearest unto Thy people, and grant that, increasing in knowledge and love of Thee, he may go from strength to strength, in the life of perfect service, in Thy heavenly kingdom. Amen.

STATE AUDITOR JOHN HOLMES DIES

Mr. MANSFIELD. Mr. President, recently the State of Montana suffered the loss of one of its most colorful and dedicated public servants, John J. Holmes. At the age of 73, John Holmes was serving his 13th year as State auditor.

The people of Montana came to know and love John Holmes for his Irish wit and distinguished service to the Treasure State. Montana's State auditor was a hard-working Democrat, but he maintained the respect and friendship of many, both Democrat and Republican. Political rallies in the State will not be the same without John Holmes' disarming personality and wealth of stories which were often the highlight of these events.

The State capitol in Helena will not be the same without John Holmes. Mrs. Mansfield and I publicly extend our sincere condolences to the Holmes family at this time of bereavement.

Mr. President, I also ask unanimous consent to have a series of newspaper articles printed at the conclusion of my remarks in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Helena (Mont.) Independent-Record, May 13, 1962]

Governor, State Officials Pay Tribute to Holmes

The Governor and other officials expressed sorrow Saturday night upon learning of the death of the much admired John J. Holmes, State auditor.

Gov. Tim Babcock termed it "the passing of one of our pioneer statesmen."

He said: "Certainly many of the friends he had made will miss seeing him in the capitol."

Babcock then related how he had been thinking of the dean of State officials just a few minutes before he learned of Holmes' death.

"I was playing an album of Irish songs on my stereo set and jotted down a memo to give the album to him on Thursday at his birthday party," the Governor said.

"It was not 5 minutes later that I heard the news. I feel as everyone must that his years of service is something to be admired," Babcock said.

Attorney General Forrest Anderson said: "John Holmes will be missed by all of us who knew him so well as the dean of the Montana Democratic Party, a true American with an Irish wit and indeed a real and good friend."

SECRETARY OF STATE

Secretary of State Frank Murray issued this statement:

"I am deeply grieved to learn of the death of my old and dear friend, John J. Holmes. Johnny made a place for himself in the heart of all Montana and her citizens will always remember his faithful and long performance as an outstanding public official. The loss of his warm and friendly personality, his Irish brogue and his keen wit will be particularly felt at the statehouse. Mrs. Holmes and the other members of his family have my sincerest sympathy."

Jerry J. Lowney, Jr., president of the Lewis and Clark County Young Democrats paid tribute in his statement: "My only hope for the young Democrats of today is that we might be able to serve the State of Montana and its citizens as diligently as the dean of our party, John J. Holmes."

[From the Billings (Mont.) Gazette, May 15, 1962]

A Distinguished Montanan

State Auditor John J. Holmes, who died Saturday at the age of 73, distinguished himself in the field of politics as a campaigner who made the most of a pleasing personality. His Irish wit and ready smile were disarming to any opposition, and his service of nearly 30 years as auditor was evidence of a substantial political following.

On campaign with fellow Democrats before election, Mr. Holmes had his special role in party rallies that remained unchanged through the years. His part was not that of critic shaking a fist and pounding a table, but rather of story teller. In this he imparted a light touch to many a serious meeting, drawing from a repertoire of stories that put him in good stead also when he called personally upon voters.

Mr. Holmes, who has many friends in both the Democratic and Republican Party, will be missed by the statehouse family in Helena and by the wide circle of acquaintances he developed around the State in nearly three decades of public service.

[From the Missoula (Mont.) Missoulian, May 15, 1962]

State Loses Able Official

In the death of Auditor John J. Holmes, Montana has lost one of its most picturesque State officials.

In the years since January 1933, when his long reign as auditor started, he had come to be regarded as a fixture in Montana's capitol.

His Irish brogue and colorful stories made him a popular figure on the campaign trail when he came up for reelection every 4 years, but his public standing had a much more durable basis.

Those who dealt with him as auditor, and as ex officio commissioner of insurance, came to respect and admire him as a man highly conversant with the duties and responsibilities of his office. And he discharged them with dispatch and impartiality.

Mr. Holmes was one of quite a number of men elected to office for the first time in the 1932 Democratic landslide. That year he defeated a veteran Republican auditor, George P. Porter, in the second closest race on the State ticket. For some years prior to that balloting, Gov. John E. Erickson was a lone Democrat among elected State officials in Montana's capitol. But most Republicans were "relieved" in 1932, and the elections of 1934 and 1936 made the sweep complete. Their strength picked up after that, but the degree of Republican dominance of the 1920's has never since prevailed.

By several years, John Holmes was in State office longer than any of his fellow Democrats elected in 1932. Each 4 years he was reelected without much difficulty. His crowning achievement at the polls came 2 years ago, when he was returned for an eighth consecutive term with an absence of either Democratic or Republican opposition.

In his passing, 5 days short of his 74th birthday, we have lost a popular official who served with devotion and considerable distinction.

[From the Great Falls (Mont.) Tribune, May 13, 1962]

Death of Montana's Auditor Holmes Recalls His Knack for Storytelling

Helena.—"We Irish call our children after saints. Well, Peggy has a son named John Holmes McDowell."

John Joseph Holmes, Montana's gray-haired State auditor, loved to tell that story of a daughter now in New York.

Many Montanans will remember that story as being prophetic of the beloved dean of Montana elected officials who died Saturday night, 5 days short of his 74th birthday.

A self-styled political accident, Holmes was widely known for his storytelling—his stock in trade during political campaigns or whenever called upon for a few remarks. Few would deny he possessed the gift of the Blarney stone of his native Ireland.

He was first elected State auditor in 1932, taking office the next year. Afterward, he always referred to himself as "a political accident—guess I rode in on President Roosevelt's coattails."

The John J. Holmes story started May 17, 1888, at Elphin in County Roscommon, Ireland, as the son of Irish schoolteacher parents.

He took his first job in a brewery at Westport, Ireland, as a bookkeeper. He was 17.

Later in that year of 1905 he came to New York.

He was visiting relatives at Hoboken, N.J., when he was offered his first job, throwing switches in the yard for the Delaware, Lackawanna, and Western Railroad.

"The damn, long and weary, they called it.

"For 3 nights I stood out in the yard, wearing my Donegal tweeds and my patent leather shoes," Holmes would recall. "Then one night a bookkeeper failed to show up."

"Can you write?" one of the foremen asked young Holmes. And he went to work as a bookkeeper.

Two years later, Holmes and two companions started west.

"Decided we wanted to see the country," he'd say.

Holmes, John Hannon and Malachi J. Roddy got as far as St. Paul that winter.

"Then we were contacted by W. J. Strain of the Strain Bros. store in Great Falls and the three of us came out to work for him."

A year later, Holmes went to work for the old Anaconda Copper Mining Co. smelter and soon was one of the chief statisticians.

"That was in the days before mechanical office equipment," Holmes would reminisce. "No auditing machines, no comptometers. * * * And they used to have to wait in New York for us to figure out the cost of copper a pound.

He married Catherine Gillespie in 1909 at Great Falls. During World War I he was overseas and upon his return sold insurance under Sam Goza, a Republican with whom he later was known to disagree.

"But I have a whole trunkful of letters from Mr. Goza in which he says I'm a good guy," Holmes would recall afterward.

But it was storytelling he loved as much as anything. He swore he was "the only man who ever made Senator T. J. Walsh of Montana laugh."

Holmes would tell the story this way:

"When Herbert Hoover was President, Walsh was on a committee for farm seed loans. Because times were hard, the farmers weren't paying those loans. So, to embarrass the administration, collectors were being sent out to try to get the farmers to pay up.

"To go back a little bit, when I decided in 1931 to run for auditor, I asked around for advice from some of the leading men in the State. 'Learn the art of handshaking,' I was told, so I started out to learn.

"Anyway, during the campaign, every town we hit, there would be Senator Walsh and Governor (Elmer) Erickson.

"At Opheim, I was quietly going on my mission of shaking hands, when I saw a farmer across the street. When he saw me, he started to run. I did too. I caught him 12 miles across the Canadian line when he fell down.

" 'Please, sir, won't you vote for John J. Holmes for State auditor?' I asked him after we'd caught our breath. 'My gosh' he said, 'I thought you were one of those Government men trying to collect seed loans.' "

"I told that story to the Senator, and he laughed."

But in Ireland the leprechauns say they saw a smile on St. Peter's face as he opened the gates to welcome John Joseph Holmes.

The last of the stories have been told.

[From the Hamilton (Mont.) Western News, May 17, 1962]

Death Ends Holmes Career

More than 29 years in the State capitol ended Saturday for John J. Holmes, the renowned Irish storyteller whose long tenure as State auditor made him the senior elective official in the State government.

Since he first swept into office behind Franklin D. Roosevelt in 1932, Democrat Holmes has become one of Montana's best known personalities. His signature has appeared on millions of State warrants, and what better way is there to make friends.

Holmes was the man whom the Republicans could never come close to defeating for State auditor, nevertheless, Holmes was unsuccessful in attempts to unseat Wesley D'Ewart, the Republican who represented eastern Montana in Congress during the late forties and early fifties.

John Holmes died Saturday only 4 days before a splendid 74th birthday party which State employees had planned for him.

As State auditor, Holmes was also ex-officio State insurance commissioner, and many students of government maintain that his office no longer has any reason for existence except to regulate Montana's insurance industry. Numerous suggestions for abolition of the auditor's office have been made, but none of them ever got off the ground. Much of the reason for the lack of enthusiasm on behalf of the abolition proposals was that John Holmes, very understandably, opposed them and few politicians would dare raise the Irish temper of this proven votegetter.

We are unsure of the procedure for choosing a successor to Holmes, but it seems logical that Governor Babcock will appoint a successor to serve until the general election in November. This will mean that the Republicans will hold one more office in the capitol, at least temporarily.

It seems that the time is ripe for the next legislature to take steps to modernize the structure of State government and to remove some of the duplication of functions by consolidating the auditor's office with one of the other branches of government.

The office probably should continue to exist as the insurance department, but much of its fiscal responsibilities are being duplicated by other State agencies. The board of examiners, the State controller, the budget director, and the State treasurer all overlap the auditor's duties to some extent.

Perhaps Montana could have more efficient financial administration in the future if some of these functions were consolidated.

John J. Holmes will be missed on the State political scenes. Even Republicans, who would gladly have skinned him at the polls, respected his political abilities and admired him as an individual.

But now that Holmes has passed from the scene, Montana should give serious consideration to taking steps to bring his office into the modern outline of governmental operation.

MEDICAL CARE FOR THE AGED

Mr. PEARSON. Mr. President, this Nation—its people and this Congress—are confronted with the critical problem of assuring the availability of adequate medical care for 17 million senior citizens.

I am greatly disturbed by the atmosphere in which this problem is now being considered. The administration has attempted to convey the impression that there is only one solution to the problem—its own plan—which we have come to know as the King-Anderson proposal. To further this view it has ridiculed its opposition, particularly the honored and respected medical profession, a group of specialists which the administration's own health message said needed Federal funds to help expand in numbers.

Terms such as "hoax," "fraud," socialism," and "dictatorship" pollute the debates on this subject and compound the difficulty in applying reason and judgment.

In my newsletter to my constituents last week, in which I opposed the administration plan for the compulsory social security approach, I urged that the Nation return to reason and approach this problem, which we all recognize exists, with careful deliberation and adherence to our long-established principles. In this respect I would request unanimous consent to have printed in the Record an excellent editorial published in the Wichita Eagle of May 24, 1962, which expresses a similar view.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Let's Quit Fighting and Work Out a Sound Medicare Program

The battle between the Kennedy administration and organized medicine has gotten completely out of bounds. The only hope now is that, with the wildest statements, charges, and appeals out of the way, responsible leaders of both sides can work together for a reasonable medical care plan for aged persons.

We've had enough of the circus atmosphere like the rally in New York with busloads of elderly folks hauled to Madison Square Garden to chant for the King-Anderson bill. Enough of Federal officials plumping for the bill without regard to the facts—contending that the administration's bill is the be-all answer to the problems of the aged.

Likewise, enough of the charges of "cruel hoax," of "brainwashing," of "socialized medicine," of "turning patients into numbers," by doctors' spokesmen. Enough of hiring 190 TV stations at an estimated $100,000 cost to fight the King-Anderson bill. Enough of testimonials by old folks—on both sides.

In short, enough of the medicine show. It is time to examine the need, the various proposals and then to try to arrive at some reasonable solution.

Despite the attitude of some doctors, like the Wichita spokesman who contended recently that even the Kerr-Mills law was not needed in Kansas, there seems to be fairly general agreement that a need does exist. Anyone who has faced the worry and financial debacle of caring for an aged parent or relative can testify to the point.

In addition, these simple facts illustrate the problem: 52.6 percent of the 17 million persons over 65 had less than $1,000 yearly income in 1960; hospital costs have risen 47 percent between 1950 and 1960, with average daily care up from $10 to $32 per patient-day; 48 percent of over 65 had no hospital insurance coverage in 1960, with another 21 percent having less than 75 percent coverage.

What, then, does this need consist of? In our view, it involves these specific needs for the elderly:

(1) Help in meeting the costs of "catastrophic" illnesses.

(2) Help in meeting the costs of chronic illnesses.

(3) Availability to middle-income families, as well as those on relief status—in other words, no "means" test.

(4) Reasonable uniformity so that all are treated the same, no matter where they live.

(5) Financing at the least cost possible, with the least bureaucracy.

(6) An "insurance" basis for the plan, with the costs paid by contributions and not general revenues; a separate fund for the program.

How, then, do the two major proposals—the Kerr-Mills law that is supported by the American Medical Association and the King-Anderson bill—meet these needs?

Kerr-Mills fails to meet items (3), (4), and (6). It involves a means test, eliminating all but the "needy" on relief. It is not uniform; only 28 States have implemented it and then in various levels of help (for example, Kansas has not adopted it and only 6 States are providing help in the 5 major fields for which it is available). It uses general revenues from the Treasury instead of being on an actuarial basis.

King-Anderson fails to meet items (2), (5), and (6). It would not handle chronic illnesses, after the limited benefits were exhausted. It would establish a new Federal bureaucracy for administration. It would not be on an "insurance" basis because the social security fund is financed out of general revenues.

Many other proposals have been made but have not received much attention. Some are (or were):

President Eisenhower's plan of 1960 to subsidize private health-care programs.

The American Hospital Association plan that would use social security financing but have Blue Cross administer the program.

The AMA-Blue Shield plan that would pay all doctor bills (not hospital costs) for persons of less than $2,500 annual income or $4,000 for a couple.

The bill proposed by Representative Frank T. Bow, Republican, of Ohio, that would allow $125 tax credit for persons over 65 who have private health insurance, or would pay $125 if such persons owed no taxes.

The Lindsay-Javits (Rockefeller) plan that would use social security but would give individuals an option of providing their own care through private insurance.

The bill proposed by Representative Thomas Curtis, Republican, of Missouri, that would give tax breaks to children who pay for their aged parents' care and would allow business tax deductions for payments into employee pension funds for health and medical care needs.

A plan, still undetailed, by Representative Burr Harrison, Democrat, of Virginia, aimed at handling long-term illnesses, using social security but providing for reasonable private contributions.

The method proposed by the Buffalo Evening News to have Congress set the level of care to be provided, have private firms bid on premiums to provide this, allow private individuals to buy the insurance or not, and allow persons over 65 to apply to the Federal Government for full or partial payment of the premiums.

All of these have some advantages, all have some drawbacks. None is the complete answer. But neither are the King-Anderson and Kerr-Mills measures.

It seems to us time for Congress to get the matter out of the political limelight and work out a program that has these elements: (1) Voluntarism with an option provided for aged persons to take Federal help or provide their own; (2) selectively, providing care to those who need it most; (3) protection against catastrophic and chronic illnesses; (4) not limiting it to relief cases only; (5) uniformity over the Nation; and (6) an actuarially sound insurance fund for the future.

It's a tall order to ask Congressmen to devise such a program. But that's what should be expected of them.

THE SENATE-PASSED FARM BILL ANALYSIS OF STORAGE OF WHEAT AND FEED GRAINS

Mr. MOSS. Mr. President, in his column this morning in the Washington Post, Mr. Joseph Alsop explained in a very few words the major issue in the Senate-passed farm bill. The problem we face was brought on by a combination of a scientific revolution in agriculture and inadequate legislation. The result is a mountain of wheat and feed grains costing the taxpayers more than a billion dollars a year in storage fees alone.

The Senate voted to follow the successful pattern set on cotton, tobacco, and peanuts, and in a slightly different way on sugar. The bill gives the farmers a free choice of first, Government price controls on wheat and feed grains with strict limitations on production; or, second, no controls and no price supports. The Department of Agriculture has estimated that this action, if concurred in by the House, will save the taxpayers $775 million in the first year.

I ask that Mr. Alsop's clear analysis of this issue be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

The Sleeper Awakes

(By Joseph Alsop)

The agriculture bill, which has always been the sleeper in the Kennedy legislative program, had an impressive awakening in the Senate last week.

As the result of a single vote cast against the administration by Senator William Proxmire, of Wisconsin, the bill had been gutted in committee—which is usually the end of any bill's story. But the Senate put back the bill's guts by a substantial majority on Thursday, and passed the bill itself by a majority of 42 to 38 on Friday.

The guts of the provision is designed to put limits on the formerly limitless expansion of farm surpluses. This part of the bill extends to wheat and feed grains the same system of strict production controls—plus solid price supports—which is already working well for other crops like cotton, tobacco, and peanuts. Wheat and feed grains now account for two-thirds of the $9 billion surplus of farm products currently held by the U.S. Government.

The Southern States are a deficit area in feed grains, and therefore have a strong interest in low feed grain prices. Hence the Southern votes were the ones to watch. All the bellwethers—Senators Harry F. Byrd, of Virginia, and Richard Russell and Herman Talmadge, of Georgia—supported the administration. This is a good augury for the House of Representatives, which is expected to pass the bill by a better majority than the Senate, but only after a rough fight.

One reason the fight will be rough in the House can be discerned in the famous Billie Sol Estes case. The endlessly increasing farm surpluses have created a requirement for more and more crop storage space, such as Este rented to the Federal Government for large sums.

In many parts of the country, building storage space for federally held farm surpluses has in fact become a favorite speculative investment. The companies and individuals who entered the business in the era of endlessly increasing surpluses are already barraging House Members with cries of protest, because they fear the surpluses, and therefore their incomes, may begin to shrink.

The fact that no one really expected anything to be done about the surplus problem—the general acceptance of the problem as a kind of costly but wholly incurable disease—can also be read in the storage space story. Secretary of Agriculture Orville Freeman announced his intention to get the surplus problem under control at all costs, as soon as he took office. But Freeman's announcement was dismissed as nonsensical, and large investments were made in additional storage space during the last year.

It is ironical that almost everyone should be astonished, and a good many hardheaded businessmen should be caught short, because the passage of this serious farm bill suddenly seems likely. It is even more ironical that conservative persons are not at all pleased by this prospect.

Evidently continued reckless spending is widely thought to be less dangerous than extending Government controls. For the point in the farm story, heavily underlined by the hapless record of former Secretary of Agriculture Ezra Taft Benson, is that the choice lies squarely between extending controls or wasting more and more monstrous sums of public money.

Benson's theoretical third choice was abolishing price supports for farm products. But this was never politically feasible, as was proven by the Eisenhower administration's flat failure to carry Benson's programs, even in the first Republican-controlled Eisenhower Congress. High price supports combined with inadequate production controls inevitably lead to increasing Federal costs and increasing stored surpluses.

For this primary reason, the cost of the Federal farm program rose from about $2.5 billion a year at the end of the Truman administration to the staggering total of $9 billion a year at the end of the Eisenhower administration, with no less than $1 billion a year going for mere storage costs of surplus crops. Such was the situation that Secretary of Agriculture Freeman tackled head on, with remarkable industry and considerable political courage.

It has been touch and go all the way. The most arduous work by Freeman and the astute chairman of the House Agriculture Committee, Representative Harold D. Cooley, was needed to secure a one-vote margin to report the bill to the House. The Senate committee, as noted, went against the administration, also by one vote.

Curiously enough, the farm bill has lately gained support from the Estes case, which has highlighted the scandal of the unreformed farm program. In such strange ways, with hardly anyone paying the smallest attention, one of the most intractable, long-established national problems seems to be on the way to solution.

EMPLOYMENT OF THE HANDICAPPED

Mr. CURTIS. Mr. President, a fine young Nebraskan, Mr. Rowen Zetterman, of Shickley, Nebr., received first prize in our State for his essay on "The Role of the Community in the Employment of the Handicapped." I ask unanimous consent to insert his essay in the Record.

There being no objection, the essay was ordered to be printed in the Record, as follows:

The Role of the Community in the Employment of the Handicapped

(By Rowen Zetterman)

The American ideal of today is that all Americans should be given an equal chance in living their lives. This is one of the basic principles of our democracy. Because of this ideal, the handicapped person now has a greatly increased chance of gaining a job in a community.

Through efficient descriptions of problems confronting the disabled, nearly every person now realizes that the handicapped person needs to be rehabilitated and given a job so that he can support himself and his family. But few of these people realize how this can be brought about. Therefore, more realistic means must be used, not only in describing physical problems of the handicapped, but also in telling the people how they can work together to form effective organizations for use in placing the disabled person in a useful job. Once people are willing to help, they must be formed together into an organization with a common goal—helping the handicapped.

Therefore, this is the role of the community: To have an effective organization for use in (1) rehabilitation of the handicapped and in (2) their job placement, so that they are best suited to the work.

The basic word in help for the handicapped is "organization." When our friends and neighbors acquire insight into the problems of the disabled, then an organization can be formed for use in job placement of the handicapped. However, this organization will not be effective if it is set up on the national level, for jobs are not found on the national level. Instead, it must be formed right down on the grassroots level of the community where the jobs are to be found or not found, either case resulting from an effective or ineffective community employment organization.

When enough people are gathered together to successfully develop a center for aiding the handicapped, they must first discover barriers to local employment.

Before attacking the basic problems of how to overcome these barriers, perhaps the group decides that they are not properly represented by all those concerned in the community. Therefore, they may feel that they should solicit representatives from the many organizations of management, labor, medicine, etc. This will be helpful because many new problems or answers to current problems will come to light as a result of consultation of all the different forms of jobs represented. When this group has been gathered, then an effective organization can be formed for use in tackling the vast problem of overcoming job barriers for the disabled.

Once effective means of overcoming these problems have been found, then the organization can begin its reasonably difficult, though exceptionally rewarding, process of placing persons in suitable jobs according to their capabilities.

But of course before any work can be done for a handicapped person, that person must emit a desire for such help. Once he expresses a desire to be helped, a whole new range of opportunities are opened to him.

Now that our organization is working, we will check the steps of its workings. Let us say that a person who has never worked since the cause of his disability happened, entered our center. What steps would he go through? First, he will be given a complete checkup. This is not only to discover the extent of his disabilities, but also the complete range of his capabilities. Another important reason for this checkup is this: Perhaps between the time this person suffered his disabilities and received his original care to the present time, new ways of treating his case, with miracle drugs or by using new techniques and equipment, may have been found. These new ideas, properly applied to his disabilities, could further help him to regain more use of his body.

As soon as the handicapped person receives a thorough checkup, he will be sent to the section that will try to rehabilitate him to the utmost degree. This can best be done by showing him how to use his new arms, legs, his wheelchair, and other devices he may be fitted with. During this time, he may also be shown how to overcome his psychological fears of ridicule or of not being able to find a job. He may also be shown how to live socially with the rest of the world or how to forget his shortcomings.

When the handicapped person is finished with rehabilitation, he will then be given an aptitude test to see what jobs he is capable of taking on and keeping. Then by fitting his aptitudes to his physical abilities, he can gain an idea of the job for him. He may then take up some form of schooling to bring his job knowledge up to the required standards.

This is the first key to success of handicapped workers—being properly prepared.

Now the final job of the organization is here: To successfully place the handicapped person in a job suited for him. The organization now can only locate suitable positions for the handicapped. After that, they must make their own way in job interviews and job tryouts.

This is the second key to success of the job—selective placement. For the handicapped people are not considered rehabilitated until they have been placed in a suitable occupation.

These community organizations are not there only to rehabilitate handicapped persons for the first time, but they are also there to help replace an improperly placed person, for reasons for health or for reasons of job improvement. The person who is being placed for the second time need only consult the organization for use as an employment center in finding himself a job. Here again, his aptitudes and capabilities are carefully matched to find his suitable job. Again, one of the workers will contact places for this disabled person to apply, until he is properly placed.

With a properly set up community organization, we can hope to turn out hundreds of rehabilitated persons, for one person out of 10 in the United States is physically handicapped. In the past 10 years, there were 2,611,619 placements of handicapped workers by community organizations. This indeed shows the power of the community in helping the handicapped, especially through community organizations.

In conclusion, let me point out that jobs for the handicapped are found right down on the level of the community, not on the level of Federal Government. Therefore, the community, not the State or Federal Gov-

> ernments, must band together to form suitable organizations for selective placement of the physically handicapped.
>
> These organizations must be effective in their rehabilitation and job placement of handicapped workers, for a handicapped person is not considered rehabilitated until he has been successfully placed on a job fitted to his aptitudes and abilities.
>
> These organizations must educate the employers of the area to think positively when interviewing a disabled person. The employers must not think of the handicapped person's disabilities, but rather of his abilities, for he doesn't use his disabilities in working, but rather his abilities.
>
> So if your community ever wishes to form an organization for helping the disabled, they must (1) be willing to help, and (2) they must remember that "Disability" is not "total incapacity."

THE NEED FOR A CLOSER RELATIONSHIP BETWEEN NASA AND OUR UNIVERSITIES

Mr. CANNON. Mr. President, about 1 month ago I addressed this body on a subject which I considered to be of vital importance to the security of the United States in the space age. That subject was the shortage of engineers and scientists available to NASA and its private industry contractors.

In my remarks I cited figures that sharply revealed the manner in which we were lagging behind the Russians in the production of engineers and scientists, and I asked a series of questions designed to point out the procrastination and unproductive paper shuffling which has marked the approach of the Federal Government toward this problem.

However, I also deplored the tendency, which has become more and more commonplace, for speakers to wring their hands in despair over our shortage of scientific and engineering personnel, and then walk away from the problem without offering any solutions. I stated that I would not have started my investigation of this problem unless I intended to propose some concrete steps which might, at the very least, help us make a beginning toward breakout from the bondage of our scientific and engineering manpower deficit.

Therefore, I wish today to outline the first of a series of specific steps which I believe will contribute in a positive manner to the overcoming of our scientific manpower shortage. I do not suggest that any or all of these steps constitute the entire answer, but I do believe that they are hopeful and useful programs aimed at combating what I am convinced is a most dangerous space age lag.

Permit me, therefore, to state at the outset the gist of my first proposal. It is simply this: to rewrite certain sections of the Space Act in order to enable our universities to become full-fledged partners in space science; and, through this partnership, to encourage more young undergraduates to aim their careers specifically toward space exploration.

I believe that it has now become imperative that we strongly supplement our dependency upon physicists, aeronautical engineers, chemists, biologists, and so on, to man our space effort. We need to develop—and develop from the beginning—space oriented physicists, space engineers, space chemists, space biologists and so on.

In the words of Dr. Willard F. Libby, Nobel prize winner, former member of the Atomic Energy Commission, and currently professor of chemistry at the University of California:

> We must make an early and firm marriage between space and education.

To quote a little more from Dr. Libby's theme:

> It seems as though the space program to date has been too urgent and too immediate for the kind of long-range planning involved in this marriage, and yet long-range planning cannot be avoided in the long run.

The Federal Government and the universities must get together to see that the kind of subjects and the kind of teaching and the kind of research programs are done in the universities which are necessary to excite the interests in space of the more intelligent undergraduate students.

As I stated at the outset, we should recognize that the training of space engineers and space scientists begins in the universities. We should offer degrees specifically in the space sciences. We should have vigorous research programs in the universities staffed by our best research men. This is not done now to a degree which will solve our long-range needs. The number of high quality people in the universities who are concerned with the space program should be doubled and tripled.

If something is not done about the educational program in space, and, indeed for all science and engineering, it is clear that we will not have the highly skilled manpower to carry out the large contracts which Government is placing with industry. And, 90 percent of NASA's dollars go to industrial contracts.

In further support of this point of view I would like to quote from Mr. William Douglass, president of Careers Inc., which has been under contract to NASA during the space agency's efforts to find 2,000 in-house engineers and scientists before the end of July. Mr. Douglass says:

> The disheartening thing about the NASA recruiting drive is not that there is not a flood of applicants for jobs; it is the fact that such a large portion of the men who come in for interviews—even though they have engineering degrees—are simply not qualified.

All who have studied the problem can agree that people of high intelligence can change from one interest to another—perhaps for financial or other reasons. But their heart isn't in it, usually. The man who has to leave aeronautical engineering for space engineering for financial reasons is probably on the average not as interested as the boy who begins by studying space engineering and carries it through as his life's work. For money does not make the trip to the moon possible. It is trained people with stars in their eyes who make this dream trip possible.

Having thus outlined the dimensions and characteristics of the problem, the questions now become, "How shall we accomplish this great end?" and "How much will it cost?"

Fortunately, we do not need to approach the matter as though the question existed in a vacuum. NASA has already, even without the benefit of adequate legislation, established a number of very significant cooperative programs with a considerable number of universities. But most important of all, we have but to turn to the history of the creation of the Atomic Energy Commission to find the kind of model we need for the Space Agency.

If we recall the history of the development of atomic energy, we will see that the original concepts came out of the universities to begin with. The Atomic Energy Commission merely took this existing environment and continued to maintain the closest possible relationship with it.

In section 31a of the Atomic Energy Act as amended, the Congress directed the AEC to exercise its powers in such a manner as to insure the continued conduct of research and development, and training activities in certain specific fields of atomic energy, by private institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge of such fields.

Pursuant to this authorization, the AEC in 1955 initiated a program of aiding educational institutions to develop appropriate nuclear training capabilities.

Among the activities embarked upon by the agency were the training of science and engineering faculties at its facilities and the establishment of summer institutes for this purpose. NASA has a minor league version of this program through its system of employing college faculty members during the summer months.

The AEC also provided financial aid and expert assistance to enable universities to obtain laboratory equipment and other facilities for courses in nuclear science and engineering. The agency also established fellowship programs for scientists and engineers interested in pursuing these courses.

The AEC, too, has certain other special programs peculiar to its own nature, such as the lending of nuclear materials to universities and the training of State and local personnel in radiation control programs.

Their greatest contributions to the universities is through its multimillion dollar research and development programs. Through their highly sophisticated projects, both AEC and contractor investigators and technical participants are being systematically upgraded in experience and future capabilities.

Total Commission expenditures for contracts and grants to educational institutions in fiscal 1962, including contracts for operation of national laboratories, will amount to about $300 million—the major portion of which is for operation of the laboratories.

By contract, NASA's office of grants and research contracts plans to invest a total of $40 million in fiscal 1962.

The main thrust of my remarks today are directed toward the basic problem of space science as it affects the missions given to NASA under the Space Act of 1958. It should be stressed, however, that any advances made by NASA through an improved and expanded effort in education would also be of direct interest to the Department of Defense. It may be safely stated that the interests of NASA and the Department of Defense are identical.

The leaders of both agencies and of the Congress are well aware that a new generation of space scientists may one day have the capability of neutralizing the missiles of an aggressor. And if such a scientific breakthrough is accomplished, the world will enter a new era in the prevention of warfare which will simultaneously accomplish the peaceful purposes of the space program and the technological disarmament of nuclear weapons. This and other position breakthroughs which could directly result from a greater effort in basic research should make all of us anything but complacent about the space program. It also is obvious that a breakthrough by the Soviets in this field could shift the balance of strategic power in their favor.

The list of the space agency's activities with the universities is actually an impressive one and includes such things as grants for basic and applied research, various kinds of aid for graduate students, and the like. The chief difference between NASA and the AEC is that NASA is putting together its program of cooperation with the universities by ingeniously making the best of an inadequate piece of legislation; while the AEC is—and has from its inception—operated within a well-conceived directive which has virtually welded the universities and the AEC into one continuous organization. The channels of communication between the AEC and the universities are much clearer, and better defined and better established than those between the universities and NASA.

Just as the AEC, NASA has sponsored many workshops and symposia on upwards of 250 campuses across the Nation. NASA also has done an excellent job of informing the general public about the aims and objectives of the Nation's space effort.

What is lacking, however, is the intimate relationship and educational program which characterizes the atomic energy arrangement. For example, we need a greatly expanded fellowship program in the space field. Federal grants to universities probably should include laboratories to conduct these activities.

In addition, one or more research-oriented space centers should be established. There should be university-operated laboratories for space, perhaps working in conjunction with the Jet Propulsion Lab—a research and development center under contract to NASA which currently employs about 3,000 people. JPL is operated by the California Institute of Technology.

Such university-operated laboratories should emphasize basic research in the space sciences. Perhaps they could be operated by groups of universities similar to the seven universities which operate the National Science Foundation's radio telescope in West Virginia.

Essentially, therefore, what the space program needs is a vigorous educational activity. In order to accomplish this it needs basic research laboratories operated by universities for NASA and a statutory program which will bring the universities into full partnership with the Federal Government in the space effort. Indeed, the benefits and the scope of the problem which would be served by integrating space sciences and the universities are more urgent and challenging than they were for the nuclear field because space knowledge is so diversified.

It is important that such a program contain in it the necessary ingredients to create a two-way flow of information, with the universities taking a much more active role than they have in the past in telling the Federal Government about the kind of programs which it should support in order to create an adequate and functioning space curriculum within the university structure.

Accordingly, I shall introduce an amendment which will have three main purposes:

First. To increase the number of undergraduates who will make space science and space engineering their primary field of work;

Second. To provide the National Aeronautics and Space Administration with a clear directive and the necessary funds to establish an integrated and intimate program of research, fellowships, grants and curriculum specialization with universities throughout the country along the lines already laid out by the Atomic Energy Commission, and

Third. To establish one or more university-operated space laboratories, which will stimulate basic research and train professionals in the space sciences in order that we may have a national center for the development of fundamental space knowledge and highly trained space scientists. Both are needed to assure our continued leadership in space.

It is my hope that legislation of this kind will significantly strengthen our space effort and at the same time build the study of space sciences into our overall educational structure in such a way as to constantly provide us with both the new knowledge and the specialized personnel without which we cannot maintain our leadership and competitive position.

LULAC RESOLUTIONS ON MEDICAL CARE AND ON THE FEDERAL AVIATION AGENCY

Mr. YARBOROUGH. Mr. President, shortly after World War I, citizens of Latin American descent who resided in the southwestern part of the United States formed the League of United Latin American Citizens, popularly called Lulacs. They formed a responsible, respected, and important segment of the population of the southwestern portion of the United States.

Recently, the 15th District of Texas Lulacs met in convention and among other resolutions passed Resolution 3, in favor of medical treatment for elderly citizens through the social security program, and Resolution 4, pertaining to the Federal Aviation Agency.

These resolutions were transmitted to me by Mr. Nick Salmon, district director of the 15th District Lulacs.

I request unanimous consent that his letter of transmittal and the two resolutions identified be printed at this point in the Record:

There being no objection, the letter and resolutions were ordered to be printed in the Record, as follows:

May 25, 1962.

Hon. Ralph Yarborough,
U.S. Senator From Texas,
U.S. Senate, Washington, D.C.

Dear Senator Yarborough: Enclosed please find copies of Resolutions 3 and 4, which were adopted at our district convention held on May 20, 1962, at New Braunfels, Tex., which are respectfully submitted for your consideration.

Participating in the convention were councils from New Braunfels, Seguin, Floresville, Poteet, Pearsall, Lytle, La Coste, Del Rio, and D'Hanis.

Respectfully,

Nick Salmon,
District Director.

Resolution 3

Whereas there are in this district a great many elderly citizens, who because of their financial circumstances, do not have proper and adequate medical treatment; and

Whereas there is legislation pending and awaiting the approval of the Congress of the United States, which would provide medical treatment for the elderly citizens through the social security program: Therefore be it

Resolved, That district 15 of the League of United Latin American Citizens, go on record as endorsing and giving all our support in favor of the legislation and program, so that our Federal Government will provide medical care and assistance to our elderly citizens through the social security program; and be it further

Resolved, That all copies of this resolution be mailed to the Honorable William Bonilla, State director of the League of United Latin American Citizens, the Honorable Frank Valdez, national president of the League of United Latin American Citizens, the Honorable Ralph Yarborough, U.S. Senator from Texas, the Honorable Henry B. Gonzalez, U.S. Representative, and all U.S. Representatives from the State of Texas, and all LULAC councils in the State of Texas.

Resolution 4

Whereas an elected public official from this area was recently publicly insulted by the arrogant, defiant and disrespectful remarks from Najeeb Halaby, Chief Administrator of the Federal Aeronautics Agency; and

That on Friday, May 18, 1962, wide publicity by the press and television was given to the words expressed by the said Najeeb Halaby, wherein he referred to Congressman Henry B. Gonzalez, as a freshman and acting as a freshman and in so doing made mockery of Congressman Henry B. Gonzalez' efforts to seek an explanation or redress from the Federal Aeronautics Agency; that Congressman Henry B. Gonzalez was acting in the best interests of the citizens of this area by trying to prevent the relocation of the air route traffic control center from San Antonio to Houston; and

Whereas the Lulac councils comprising district 15, represent a civic nonpolitical organization which adheres to the basic American principle that our Government obtains its power from, and governs with the consent of, the people; and that every citizen has a basic right to seek redress, to seek explanations and even to question the acts of our elected and appointed officials, and that at the same time every citizen of this country also has a basic right to be answered in an intelligent and respectful manner; that whenever an official from the Federal Government ignores and disrespects the pleas of a Congressman, that official ignores and disrespects the pleas and wishes of the people: Be it

Resolved, That this convention declare a protest to the public statements attributed to Najeeb Halaby, Chief Administrator of the Federal Aeronautics Agency with reference to Congressman HENRY B. GONZALEZ; and that this matter can be best alleviated and resolved by having both, Congressman HENRY B. GONZALEZ and Najeeb Halaby, Chief Administrator of the Federal Aeronautics Agency, appear before a public forum and fully apprise the citizens of this area of all of the issues involved in this controversy; and that copies of this resolution be mailed to the President of the United States, John F. Kennedy, the Vice President, Lyndon B. Johnson, the U.S. Senator from Texas, Ralph Yarborough, to Congressman Henry B. Gonzalez, to the Honorable Frank Valdez, Lulac national president.

ADDITIONAL OPPOSITION TO THE WEAKENING OF THE TEXAS NATIONAL GUARD

Mr. YARBOROUGH. Mr. President, I believe in a strong National Guard and a strong Ready Reserve. On April 5 and May 22, 1962, I placed in the CONGRESSIONAL RECORD numerous resolutions, orders, letters and requests from public officials, chambers of commerce, and cities and counties in Texas opposing the proposed reduction in the National Guard. Today, I have additional resolutions opposing reduction and consequent weakening of the National Guard—one from the Comal County Chamber of Commerce—New Braunfels, Tex.—and a unanimous resolution from the city council of the city of Houston opposing a cutback in the 36th Division.

I ask unanimous consent that these resolutions of the Comal County Chamber of Commerce and the city council of the city of Houston and the letter of transmittal from Mayor Lewis Cutrer of Houston be printed in the RECORD:

There being no objection, the resolutions and letter were ordered to be printed in the RECORD, as follows:

NEW BRAUNFELS, TEX., *May 24, 1962.*

Hon. RALPH YARBOROUGH,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: First, let me thank you for your prompt answer to my letter concerning the proposed reduction in National Guard units. Your answers were reported to our Military Affairs Committee and also to our entire board of directors. We congratulate you on your interest in this matter and favorable stand.

I stated in my letter of May 4 that you would be instructed of the board's action on the Military Affairs Committee's recommendation. At our regular board meeting Monday, May 21, the directors voted unanimously to oppose any reduction in our National Guard units. There were 23 directors present at this meeting that enthusiastically approved this action. These men are a cross section of the business and community leaders in Comal County.

Again, let me say thanks for your position and we urge you to continue close surveillance of this matter.

Sincerely,

TOM PURDUM.

MAY 4, 1962.

Hon. RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR RALPH: Enclosed is a copy of a motion approved unanimously by the city council of the city of Houston on May 3, 1962, opposing any cutback in the strength of troops assigned to the 36th Division, 143d Infantry, stationed in the Houston and gulf coast area.

We will appreciate your giving this request careful and considerate attention.

Sincerely,

LEWIS CUTRER.

MOTION NO. 62–1547

Motion by Councilman Swanson that the city council go on record in opposition to the cutback of the 36th Division, 143d Infantry, based in the city of Houston or any other units serving the gulf coast area, inasmuch as it is felt that the city of Houston and the gulf coast area must have all of the National Guard troops now assigned, and that any cut in strength would be against the public interest.

Seconded by Councilman Mann and carried.

Mayor Cutrer, Councilmen Webb, Miller, Swanson, Mann, and Goyen voting aye; nays none; Councilmen McLemore and Hassell absent.

VETERANS OF FOREIGN WARS SUPPORT COLD WAR GI EDUCATIONAL BILL

Mr. YARBOROUGH. Mr. President, S. 349, the cold war GI bill, has had consistent and strong support from the Veterns of Foreign Wars.

I have recently received a letter from Robert E. Hansen, commander-in-chief of this fine organization, restating the VFW's continuing support of the principle of a GI bill for cold war veterans.

In order to bring attention to the urgency of this act of justice for veterans of the cold war, I ask unanimous consent to have Mr. Hansen's letter printed in the RECORD:

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., May 2, 1962.

Senator RALPH YARBOROUGH,
Chairman, Subcommittee on Veterans' Affairs, Labor and Public Welfare Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR YARBOROUGH: This is in reply to your letter of May 9, requesting the support of the Veterans of Foreign Wars with respect to the cold war GI bill (S. 349) which is now pending on the Senate Calendar.

The Veterans of Foreign Wars supported the principle of a GI bill for cold war veterans during the first session of this Congress. In the 86th Congress, the Veterans of Foreign Wars endorsed S. 1138, the cold war GI bill which was approved by the Senate but died on the House side when that Congress adjourned. With the cold war taking on more and more the aspects of a hot war, I see no reason why the Veterans of Foreign Wars should abandon its position that readjustment benefits should be provided for cold war veterans who have traveled far from home and served in places all over the world to carry out the security commitments of our Nation.

It is noted that S. 349 specifically excludes persons serving their active duty obligation as a 6 months reservist. In other words, only those members of the Armed Forces who have been called up for active duty and have served more than 180 days will be entitled to benefits under the terms of this bill. The Veterans of Foreign Wars has approved of this type of legislation primarily because it would include those veterans who have made a considerable sacrifice serving their country at a time of great need and peril while others, including some reservists, have had little or no interruption.

I would be remiss in my duty if I did not mention that the recommendation made by the Bureau of the Budget to assign operation of the vocational rehabilitation program for disabled veterans to the Department of Health, Education, and Welfare instead of the Veterans' Administration is vehemently opposed by the Veterans of Foreign Wars. In fact, any provision to assign the vocational rehabilitation program or any veterans' education program to the Office of Education of the Department of Health, Education, and Welfare is totally unacceptable to the Veterans of Foreign Wars. We are depending upon your leadership to make certain that this recommendation by the Bureau of the Budget will be ignored and that any vocational rehabilitation program for disabled veterans will be administered by the Veterans' Administration which has a very highly successful record and gained invaluable experience administering similar programs for disabled veterans of World War II and the Korean conflict.

The Veterans of Foreign Wars, therefore, is in agreement with the principle that there should be some readjustment benefits provided for those veterans who have served on active duty in our Armed Forces for more than 180 days. Servicemen serving this length of time will include 155,000 reservists and National Guardsmen recently called up for active duty during the Berlin crisis who are scheduled for release this summer. This group will also include those who will be eligible for the Campaign Expeditionary Medal and Purple Heart award which were recently authorized by President Kennedy.

Sincerely yours,

ROBERT E. HANSEN,
Commander in Chief.

HOUSTON WORLD TRADE ASSOCIATION RESOLUTION ON TARIFFS ON CARPET AND GLASS

Mr. YARBOROUGH. Mr. President, the Houston World Trade Association of Houston, Tex. has forwarded to me a resolution opposing certain increases in tariffs. The resolution speaks for itself; and the action of this group represents the world trade interests of the port of Houston, Tex., as expressed in this resolution.

I ask unanimous consent that the Houston World Trade Association resolution on certain tariffs be printed in the RECORD at this point:

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

HOUSTON WORLD TRADE ASSOCIATION RESOLUTION

Whereas it is known that the Houston World Trade Association is, in general, opposed to efforts to protect American commercial and business interests by legislation designed to reduce or to eliminate competition from abroad in our markets, in that such legislation, ultimately, weakens America's position in world trade; and

Whereas, an increase in tariff on crown, cylinder and sheet glass and an increase in Brussels, Wilton and velvet carpeting has been approved and adopted by the United States of America; and

Whereas, Belgium, a nation which the United States has always had friendly and mutually beneficial trade relations, is the obvious target for this discriminatory action; and

Whereas, the port of Houston has long enjoyed a trade relationship with Belgium, with Belgian products flowing through Houston, and American goods being exported, in far greater quantity, to Belgium from the port, which is now jeopardized by these tariff increases: Now, therefore, be it

Resolved by the Houston World Trade Association, That, pursuant to its dedication to the principles of freer trade, the association is opposed to the increases on tariffs and duties on Brussels, Wilton, and velvet carpeting, and the increases on tariffs and duties on crown, cylinder, and sheet glass, and declares this action to be inimical to the best interests of the people of the city of Houston, the State of Texas, and the people of the United States of America; be it further

Resolved, That any action taken by the Houston World Trade Association be made known to the elected representatives from Texas in the Congress of the United States of America.

FACE OF DISTRICT OF COLUMBIA OF CONCERN TO ALL OF UNITED STATES

Mr. YARBOROUGH. Mr. President, an editorial published in the Houston Chronicle Saturday, April 24, 1962, is a clear, emphatic statement of the Nation's interest in the problems of planning and maintenance and overall management of the national property in the District of Columbia.

I ask unanimous consent to have the Chronicle editorial entitled "Washington, D.C.: Our Public Face" printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

WASHINGTON, D.C.: OUR PUBLIC FACE

Washington is in trouble. As it has grown, it has had trouble keeping up with its problems. The Capital City, thoughtfully planned by Pierre Charles L'Enfant on the site picked by a romantically inclined George Washington, is our No. 1 public face.

Much of Washington's property is Government owned and tax exempt—more than any other city—and it has always had to have the help of a benevolent Congress to keep its cherry blossoms blooming, its monuments scrubbed, law and order preserved.

The amount of Federal money is not fixed and has varied greatly, making budgeting and future planning difficult.

If the Federal Government were to assume the share of the budget that big business does in other cities, it would be spending far more than it ever has.

Now there is a bill before Congress which proposes a formula for determining regular payment to the District of Columbia. It provides automatic payment, and insures the District of a fixed income from the Government. With a definite commitment which would be adhered to, budget planning could anticipate crises several years in advance and take necessary corrective steps.

What's good for Washington is good for Houston. This bill will give Washington the hand it needs.

ALEXANDER KARTVELI OF REPUBLIC AVIATION

Mr. KEATING. Mr. President, I should like to take this opportunity to extend my best wishes and congratulations to Alexander Kartveli, one of the most prolific designers of military aircraft this country has ever known, on the occasion of his imminent retirement from Republic Aviation Co. at Farmingdale, Long Island. For three decades aircraft he has designed have been in front-line duty in World War II, Korea, and in continuing cold war crises.

Alexander Kartveli was born in the province of Georgia in Czarist Russia and was educated in aeronautical schools in Paris. He came to the United States in 1927 and has distinguished himself as the principal aeronautical designer for Republic Aviation Corp. He will retire this June as vice president of research and development of that company.

But the company, the aerospace industry, and the United States are fortunate in that he will continue his imaginative contributions as a working consultant. His planes include the P-47 Thunderbolt of World War II and a long family of F-84 jet fighters used in Korea. The world's first aircraft capable of speed three times that of sound—an all-titanium plane—was developed by Kartveli in 1959. A 450-mile-an-hour transport was developed by him in 1945, years before others matched it. In fact, the principal aerial weapon with our Air Forces in Europe now is the supersonic F-105D fighter-bomber.

All of these are Kartveli designs. In one 6-year period alone, aircraft he designed set nine world speed records, won eight major aviation awards, and were cited for 28 other flight performance and operational achievements.

This is a record that Alexander Kartveli and Republic Aviation can be proud of. I am confident that, with designers and leaders of this caliber, Republic Aviation will continue as a pioneer in our Nation's efforts aloft, contributing to the strength of our Nation and to the ultimate victory of freedom for all nations.

MOVING PRODUCTS INSTEAD OF FARMERS

Mr. MUNDT. Mr. President, one of the truly great and highly respected farm journals of America is the Dakota Farmer published in Aberdeen, S. Dak. It has a large circulation in the two Dakotas and in neighboring farm States and is reliably and responsibly edited by a corps of carefully selected experts on farm matters.

Consequently, I am highly pleased that a recent issue of the Dakota Farmer contained an editorial entitled—"Moving Products Instead of Farmers" which gives support to my amendment to the current Senate farm bill whereby title 5 of that bill proposes to set in motion an expedited and stepped up program to develop industrial uses for farm products.

It has long been my position, Mr. President, that a permanent solution to the farm problem is going to require our paying more attention to the supply end of the supply and demand formula and devoting less of our attention and money trying to evolve new techniques for regulating or reducing the productivity of American farms. Title 5 of the farm bill enacted by the Senate last Friday is designed to set in motion such a program.

I ask unanimous consent that the Dakota Farmer editorial be printed at this point in the Record as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

MOVING PRODUCTS INSTEAD OF FARMERS

Few can take exception with Senator Karl Mundt's proposal that "we strive to find new uses for farm products rather than new uses for farmers."

Fortunately, he has introduced and had this idea accepted as part of the proposed Food and Agriculture Act. The amendment would establish a special action agency for developing new uses for agricultural products. It would set into operation a program which should be a partial answer to our overproduction problems.

For some years the U.S. Department of Agriculture has been operating regional research laboratories to explore and find new uses for farm products. Many good ideas have developed and are now being used industrially to divert farm products into "demand" areas.

But research is only one small part of the problem. In addition, market tests and efforts at merchandising agricultural products should be part of the overall program of finding new uses for surplus commodities. This is an area where Government participation may have to give way to private selling and merchandising—to men who have firsthand, practical knowledge.

It is our hope that the "new use" idea continues to be accepted rapidly, as it certainly is a realistic way to help solve the surplus problem.

THE SERVICE OF SECRETARY OF THE ARMY ELVIS J. STAHR, JR.

Mr. COOPER. Mr. President, very soon the Secretary of the Army, Hon. Elvis J. Stahr, Jr., will terminate his service to become president of the University of Indiana. Mr. Stahr, although a young man, has achieved a record of distinguished service in many fields—as a lawyer, a teacher of law, and dean of the Law College of the University of Kentucky, as president of the University of West Virginia, as an adviser to the State of Kentucky and the Federal Government on many issues of State and National concern, as a distinguished officer in the Army during and after World War II, and most recently as an able Secretary of the Army.

I have no doubt that his ability will find larger scope as president of the University of Indiana, one of the great universities of our Nation. And, I have no doubt that he will continue to render special service to our Nation, as he has done in the past. I know that he carries with him the best wishes of the Members of the Senate.

Mr. President, I ask unanimous consent to insert in the body of the Record the attached letters from the President of the United States and Secretary Stahr.

There being no objection, the letters were ordered to be printed in the Record, as follows:

May 1, 1962.

The President,
The White House.

My Dear Mr. President: The board of trustees of Indiana University on April 27 invited me to accept the presidency of the university upon the retirement of President Herman Wells next July first. In order that I may be free to accept the board's invitation, I request your acceptance of my resignation as Secretary of the Army, effective June 30, 1962.

Higher education has been for many years my career, and, as you know, I relinquished the presidency of West Virginia University in January 1961 only because I shared your conviction about the need for our country to develop a much stronger Army in a time of prolonged and serious external threat to the basic values of peace, freedom, and human dignity.

The opportunity to lead one of America's great universities comes to few men even once in a lifetime. Yet even now that I have been invited to lead one of the greatest, I would be reluctant to ask you to release me after a year and a half as your Army Secretary were it not that the Army has moved during that period to a distinctly higher plateau and our basic objectives for it have now been clearly mapped and moved far along the road to accomplishment.

I am extremely proud of the Army's progress during the past year. The number of combat-ready divisions has grown from 11 to 16; the number of ready-to-go divisions in strategic reserve has grown from 3 to 8; the size of the highly important Special Forces has been more than doubled; the overall strength of the Active Army has grown from 870,000 to more than a million; our Army Forces in Europe have been very substantially strengthened and the Berlin garrison reinforced; our Army's assistance to hard-pressed South Vietnam has been greatly augmented; the US STRIKE Command has been formed, and still other steps have been taken which will facilitate increased teamwork between the Army and her sister services; advanced concepts for countering guerrilla aggression and other internal security threats to free nations have been evolved; the Army's budget for the vital need of procurement of weapons and equipment has risen over 60 percent, and encouraging progress has been made in developing new weapons and equipment and in getting these into the hands of our troops.

But this is not all. During the past year the basic work has also been accomplished in the Army on four major organizational actions. A thoroughgoing restructuring of the Department of the Army headquarters and of the major field and technical commands in the continental United States has been planned, approved and moved well along toward implementation. A new and forward-looking concept for reorganizing Army combat divisions (Road) has been developed, and the two Regular Army divisions which were activated in January are being organized and trained under this concept. A modernized concept of Reserve readiness was developed last spring and subsequently refined to take advantage of experience gained in the partial mobilization last fall. And a new ROTC program of great significance has recently been readied for consideration by higher authority.

These accomplishments in every case have been the result of enormous contributions on the part of many dedicated people. I relate them, therefore, not to claim any credit but to explain why I feel free to ask your leave to accept a most exceptional opportunity in my chosen field.

As I know you fully recognize, higher education is itself a matter of very great national importance. The presidency of Indiana University, so ably filled by Dr. Wells for the past 25 years, is certainly one of the most challenging and attractive posts in my profession. I count myself highly privileged to have it offered to me.

I also count myself highly privileged to have served in such exciting times in your administration, under Secretary McNamara, with the leaders of the other services, and especially with General Decker and my other splendid colleagues, civilian and military, in the Army. I hope that I need not tell you how much your personal support has meant to me and to the Army. The Army has played a very large role in several periods of my life; I shall always be devoted to it, and I am confident that its progress will continue to have your strong support.

Most respectfully,

Elvis J. Stahr, Jr.,
Secretary of the Army.

May 2, 1962.

Dear Elvis: It is with regret and reluctance that I accept your resignation as Secretary of the Army effective June 30, 1962. Your personal dedication to the task and to the Army has been an inspiration to the men and women of the U.S. Army. You can take up your new and most important post at Indiana University with great satisfaction of a job well done and a service truly performed for the Government and the people of our country.

Your conduct of Army affairs has been an outstanding example of good management. Your policies of recognition of young talent, of examination and adoption of new doctrines and techniques, and emphasis on vigorous leadership for our Army marks your tenure as Army Secretary.

In an uneasy period of international tension, under your leadership the Army has effectively performed its mission. The improvements made are important ones; the sacrifices that have been made are appreciated deeply by the American people; and the pride and high esprit of the Army today is more than justified.

There is no way to compare the importance of the post you have just filled to the presidency of a large university. In a sense, however, you can contribute directly to the future of our Nation and prepare new citizens for the greater challenges to come in your post. It is a worthy one and I want you to know that my personal wishes for success go with you.

I know that Secretary McNamara and your colleagues, both civilian and military, join with me in expressing our thanks for your loyal cooperation.

I have personally enjoyed our association. I sincerely appreciate your untiring service and the effectiveness with which you have met your manifold responsibilities.

With warm regards and best wishes.

Sincerely,

John F. Kennedy.

AMERICAN PRESS PATHETICALLY INADEQUATE ON FARM BILL

Mr. PROXMIRE. Mr. President, last week during the entire week from Monday through Friday the U.S. Senate—sometimes called the world's greatest deliberative body—debated the farm bill. For 6 million American farmers, tens of millions American taxpayers and 180 million consumers this bill was of the greatest importance.

But, Mr. President, the reporting of this crucial farm bill by the Nation's press can only be considered pitifully inadequate.

From Monday through Thursday noon while debate was occupying the full time of the Senate there was hardly a word reported in most of the great newspapers of the country on this complex measure. These days offered a wonderful opportunity for newspapers to make clear to their readers the vital issues involved in the bill, and to begin the essential job of explaining the complicated issues involved in the farm problem and coming to a head in the debate on the floor of the Senate.

But the Nation's press was generally silent.

Only when the voting began on Thursday did reports begin to trickle out to American farmers, taxpayers, and consumers, and then the reports were too often in error—sometimes in gross error.

For example, one of the main wire service reports that went out after the bill was passed stated that small farmers were exempt from the feed grain limitations of the bill. This, of course, was completely wrong.

SMALL FARMERS NOT EXEMPT

One of the most controversial aspects of the bill is that over 1 million small feed grain producers, almost all of whom feed every bushel they produce on the farm will be limited and strictly limited under this bill in their production of corn—even corn for silage—as well as grain sorghums. No feed grain farmers—I repeat no feed grain farmers—will be exempt. It is true that those who produce less than 25 acres of feed may elect not to vote in the referendum—in which case they will be excluded from any cut-back—but they will still be limited to their 1959–60 base in what they produce, no matter how small they are.

How in the world can this be construed as an "exemption"? For more than a million small farmers will not be exempt. They will be strictly limited. If they rely on their newspaper, this report will be a cruel deception.

EXPERTS DO NOT AGREE REFERENDUM WILL WIN

Another example—the National Observer—a fine paper that has shown the same excellence as its parent paper, the Wall Street Journal—reported yesterday on the bill that "All farm experts agree that farmers will vote overwhelmingly for mandatory controls for feed grains."

Mr. President, this is just 100 percent wrong. For the past month I have appealed to the Department of Agriculture and others for any indication that two-thirds of the farmers will vote favorably in this referendum.

The fact is that Mr. Sam Lubell, the highly reputable professional polling expert, after interviewing thousands of farmers has concluded exactly the opposite—not only that less than two-thirds will vote for quotas, but that an absolute majority will reject them.

The National Observer fails to come up with any specific expert who will contend that farmers will vote for quotas for a good reason—there are not any.

RED FACES FOR PRESS IF VOTE NO—PRESS IGNORES NEW PRINCIPLE IN BILL

The very poor job of the press in reporting this story is not confined to inaccuracies. The most grievous error is the failure of newspapers and magazines to make clear that this bill provides a new and revolutionary approach in farming and especially in farm referenda. The feed grains referendum may fail because of this. The new principle is that the mandatory feed grain program limits farmers who do not sell a bushel of feed off their farm. Two-thirds of the farmers voting in the feed grain referendum do not sell feed grains. For this reason they will be voting for a limitation on their production of feed and silage on their own farm, but with no likelihood of an increase in their own income. If farmers vote "yes" in the feed grain referendum they are voting to limit their own feed and silage acreage and to increase the cost of the feed they buy, but they will still be tied down to low dairy price supports. Is it any wonder that hundreds of thousands of dairy farmers will be likely to vote "no"?

But this new principle of farmers being limited in the production of a crop which they do not sell but feed exclusively on their farm was all but forgotten in press reports.

Mr. President, I reluctantly make this criticism because I think that by and large the American press does a good job and is improving in reporting public affairs.

The 1962 farm bill debate in the U.S. Senate, however, is an example of the press' failure to report one of the most crucial and significant stories that confronts American farmers, taxpayers, and consumers.

WITHHOLDING OF INCOME TAX ON INTEREST AND DIVIDENDS

Mr. DOUGLAS. Mr. President, during the hearings before the Committee on Finance on the current tax bill, the Franklin National Bank, of Long Island, N.Y., showed a almost unique sense of its public responsibility by openly advocating the withholding of income tax on dividends and interest. The representative of that bank, Mr. Sedlik, acting upon instructions from the directors of the bank, stated very clearly that this proposal was merely the application to dividends and interest of the same rules as are now applicable in the case of wages and salaries. He stated, further, that there should be no more favorable treatment given to dividends and interest than is accorded to wages and salaries.

Mr. Sedlik also testified that the administrative cost to a bank would be relatively small, his estimate being that it would be 70 cents per $100 withheld in the first year and only 30 cents per $100 in taxes withheld in succeeding years.

Today the Franklin National Bank has placed us still further in its debt by publishing a series of advertisements in a number of eastern and national newspapers, stating that "When withholding of income tax on savings account interest becomes law," the Franklin National Bank will itself pay refunds of withholding to the eligible Franklin depositors at tellers' windows, in cash, immediately, and at no charge; that it will not be necessary for their depositors to send refund claims to Washington or to wait for refund checks from Washington; and that the Franklin National Bank will arrange for exemption from withholding for depositors who are not subject to the payment of a Federal income tax. This is truly an extraordinary, constructive service. I hope it will make the issue clear.

I commend the chairman of the board of the Franklin National Bank, Mr. Arthur T. Roth.

I ask unanimous consent that the advertisement published in the New York Times today be printed at this point in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

NOTICE: A NEW PUBLIC SERVICE

When withholding of income tax on savings account interest becomes law refunds of withholding will be paid to eligible Franklin depositors: At tellers' windows, in cash, immediately, at no charge.

Those eligible need not: Send refund claims to Washington or wait for refund check from Washington.

If you are not subject to the payment of Federal income tax: Franklin will also arrange for exemption from withholding.

FRANKLIN NATIONAL BANK.

Mr. DOUGLAS. Mr. President, I hope the example of the Franklin National Bank will take effect among other banks.

FISH PROTEIN CONCENTRATE

Mr. DOUGLAS. Mr. President, I take this opportunity to congratulate the distinguished junior Senator from Massachusetts [Mr. SMITH] for his speech on the ailing American fishing industry. Last Thursday, May 24, the Senator from Massachusetts presented a most profound study of the neglect of a vital industry. In an able delivery, he outlined a seven-point program to save the American fishing industry. I commend him for his excellent presentation, and I praise him for calling for help for an industry which can hold the key to solving the problem of hunger in the world.

If America does not strive to utilize the great benefits which can be had from the sea, other nations will step in to do so. Nature abhors a vacuum. The vacuum of neglecting the food potential of the sea and of the inland waters will be filled, and I believe America should be one of the countries to fill it.

I was delighted last year when Congress appropriated $50,000 to the Department of the Interior to conduct a study of methods for the manufacturing of fish protein concentrate. I hope other studies will be made and that action will be taken upon the results of those studies.

With Senators such as BENJAMIN A. SMITH of Massachusetts rousing the Nation on this important subject, I am confident that America will rise to the challenge of producing from the oceans the vast stores of potential food which they hold and which mankind needs.

I also hope that the Food and Drug Administration may learn the importance of these sources of food.

ADJOURNMENT

Mr. McNAMARA. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 56 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, May 29, 1962, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 28 (legislative day of May 25), 1962:

DIPLOMATIC AND FOREIGN SERVICE

William C. Battle, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

The following-named cadet, graduating class of 1962, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353.

Fagan, John H.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1962. (Reappointments.)

Craig S. Atkins, of Maryland.
Norman O. Tietjens, of Ohio.
Clarence V. Opper, of New York.

EXTENSIONS OF REMARKS

National Calamity of Dropouts

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 28, 1962

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD excerpts from an address prepared by me for delivery at the DeVry Institute dinner at Chicago, Ill., on May 24, 1962, on the subject of the urgency of expansion in American technical education, and finding the answer to dropouts.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

NATIONAL CALAMITY OF DROPOUTS

I would like to explain my deep satisfaction in being with you of the DeVry Institute this evening. There are few things happening in America today that I consider of greater significance than what you are doing here at DeVry. Technical education, especially electronic education, has reached a measure of importance in America's present and future which as recently as 10 years ago would have seemed utterly fantastic to most of us. Yet, important as such education is by now, we can tell already that on a national level it is only in its infancy. It is our job now to help it grow up.

Only the very naive could be unaware that there are many reasons for what will be my subject this evening: The urgency of expansion in American technical education and finding the answer to dropouts.

This is a notable occasion and a notable gathering; and I want to congratulate Mr.

Lafeber on bringing the occasion about—and on bringing us all together. For we public servants, you who serve in the school and I who serve in the Senate, are confronted with a problem, the seriousness of which the general public does not fully appreciate. You and I are in a position to see how the problem of school dropouts, at all levels, affects our Nation, both in its progress and in its very survival.

It must be a sad sight for the instructor or professor to see his class dwindling from semester to semester, from week to week, and even from day to day. (A teacher in an evening school of the Chicago system recently told me of a class of 46 enrolled on February 1, that shrank to 18 by April 20.) It must be doubly sad, when the teacher, having examined his techniques and having found he has done the best teaching job he knows how, still finds young people who refuse to put out any effort to learn. And it's tragic for the conscientious teacher to see students abandon all pretense of learning, and simply quitting school altogether. It's tragic, for the teacher knows the truth of the old saying, "A winner never quits, and a quitter never wins."

Are we bringing up a generation of chronic losers? It's a solemn question both for you who mold the citizen and for me who represent him in Government. Maybe it's particularly solemn for me, a man who has sat across the conference table and looked into the eyes of Nikita Khrushchev. Solemn, for I know he meant every word of his famous boast: "We will bury you." Not for a moment does he doubt that the grandchildren of this American generation will live under communism. And to the fulfillment of that end he and his party are dedicated. Every thought in his head, every plan in his master program, every move he makes on the chessboard of destiny is calculated toward the attainment of that goal.

To us whose gospel is "live and let live," the concept of "tomorrow the world" is so alien, so repugnant, that it hardly seems even rational. But it's real; it's actual; it's intense. You've never witnessed such determination, such single-minded tenacity of purpose, as the lust for ideological conquest of the Soviet leaders.

Far better than I do, you know the traditional attitude of the superstate toward the mental inoculation of their youth. Better than I, you know details of rigorous courses with long hours of concentrated study through many years. And you know better than I the achievement records, the amazing results of force-fed learning which Soviet officials boast about.

It is against these hard-bitten, fanatically schooled zealots that our coming generation of young men will be pitted. They can't escape the test of strength; the Soviet program for world conquest won't permit them. What sort of competition will our boys put up? Even before the minor ordeal of a few hours' homework many of them now quail and quit. Thousands of them now feel the good life their ancestors won for them is a birthright that can never be taken away. Thousands never even heard that the price of liberty is eternal vigilance, and that it is only "the strong man that keepeth his court."

Daily we read of the growing physical debility of our youth. We read how so many of our young men are unfit for the military service (and how most of the senior Senators are unfit for touch football). We see statistics of how those physically superior European and Asiatic children can do more nipups and kneebends than ours can. We read about rigorous physical training going hand in hand with tremendous scholarly achievement—and we're naturally prone to wonder whether they don't have something that our children don't have.

One thing they certainly don't have in comparison with us in our superb school system. No nation in the world can match the ideals that inspire it, the institutions that house it, the personnel that administer it. For our educational philosophy is founded on freedom: it encourages independent thinking; it permits the formation of personal opinions; it directs a student toward the truth; it never imposes a dogma.

Such education is enshrined in such physical equipment as the world has never before seen. We have lavished billions on libraries, lecture halls, and laboratories; on workbooks, reference books, textbooks; on campuses and curriculums; on study halls and stadiums.

The most widely acknowledged reason for urgency, of course, is our weapon and space race with the Soviet Union. As ranking minority member of the Senate Committee on Aeronautical and Space Sciences, I have been for some time fully aware of our great delays as well as our great achievements in the exploration of space. These delays will not be avoided until sufficient numbers of technically trained personnel are available. Those numbers as you know, will be large. After his historymaking flight, Colonel Glenn declared graciously and repeatedly that his accomplishment was definitely a matter of "we" and not "I." He wasn't just being polite. Approximately 15,000 engineers, technicians, and other trained personnel had labored for as much as 4 years in the development and manufacture of his Mercury space capsule alone.

In the last few months we have seen great activity in America's preparation for space exploration. In just that single area, our need for technical experts is phenomenally great indeed.

Nor can any American ignore the weapon race to which, like it or not, we are committed until the time when decreased pressures may make possible alternative means of real defense. Our sense of security certainly is not enhanced by the evidence we receive of Soviet progress in nuclear weapons; nor is it enhanced by the figures showing Russia's current rate of technical training. Studies with which you are familiar reveal, for instance, that the Soviet Union is producing engineers at the approximate rate of 126,000 annually, while we are producing only 45,000—which happens to be, incidentally, 13,000 fewer than were trained in this country in 1950.

It is interesting in this regard to notice what is happening in Red China as well. According to Communist reports, in the decade between 1949 and 1959 enrollments in higher education, where the critical scientific and technical skills are developed, went from 117,000 to 660,000.

Meanwhile, here at home, our technological education lags desperately. Not only are we seriously short of engineers, we are even more seriously short of engineering technicians. The experts tell us we should be training at least as many engineering technicians as engineers. Right now we are producing roughly one such technician for every four engineers, few though those engineers are.

So it is clear that in terms of defense requirements and of space-exploration requirements our need for expanded technical education is urgent.

But these two fields are not our only areas of competition with Russia. What the world will continue to watch with equal concern in the years to come is Russia's industrial progress and the improvement in her standard of living, as opposed to ours. The ideological differences between the two vast world powers involve enormous differences in economic policy; and the new nations especially will be interested to see which way really works. There is no question that we are leading now in efficiency and overall productivity. There is no question about the superiority of our standard of living. That must not, however, let us forget the great rate of Russia's nationally planned and managed crash program of automation, announced at the 20th party congress 5 years ago and reaffirmed in the Communist Party program last summer. Khrushchev recently called economic growth "the most formidable weapon in the hands of the Soviet Union," promising that it will guarantee "unquestionable superiority over all leading capitalist nations."

Paul C. Rosenbloom, professor of mathematics at the University of Minnesota, expresses a fear that "within 5 or 10 years, the United States will have to compete with a Soviet system that can make economic decisions faster than we can, that can produce as much or more than we can." Our tools for this competition, he reminds us, are the same as Russia's: computers and armies of experts. In his words, "the question of whether, as Khrushchev says, the Russians will 'bury' us, depends on whether we can organize adequately the use of these tools in a democratic society—and in time."

No wonder we acknowledge urgency. But our reasons for expanding technical education are still broader and deeper than even the stark facts of Communist-free world competition suggest. We need not look beyond our own borders to know why technical education is increasingly vital to a rapidly growing percentage of our population. The fact is that, little noticed as such by the average layman, the die for our Nation's economic future has now been irrevocably cast: our way of life is automation. We are well into what many of you experts are calling the "Technological Revolution," or the "Second Industrial Revolution," and there is no going back to the old way of life.

Yet we never lose sight of the fact that such material things don't constitute an educational system. It's the men that make it. And you can look down the long roll of distinguished scholars, educators, and scientists which our Nation has given to the world—and feel an immense sense of justifiable pride in your profession and the Nation that fostered it.

Go no further than the limits of the city in which we are gathered tonight. Here in Chicago are abundant evidences of the accomplishments of American education. It was here that the speed of light was first measured, here that the magic of atomic fission was first made manifest. Here the American architect found a free field with the development of the skyscraper. Here engineering come into its own: for the elevated railroad was developed here; and even a river was made to flow backward in its bed. Here blossomed native literature; here rose the voices of Field and Sandburg and Hecht and Dunne and many more. In fact, here a whole new culture, native-born American-schooled, has arisen. This in a city not yet 140 years of age. And this is only one city of our great Nation. Nothing much can be wrong with a school system that develops accomplishments like that.

And today—never, since a Grecian philosopher first gathered his class around him on the marble steps of an Athenian porch, have such lavish opportunities been assembled for young people to train their minds and build their futures. For here, for all to profit from, are the men, the materials, the motives for the greatest education for the greatest number. And in the midst of all this: Dropouts.

We are all deeply concerned about this. As a U.S. Senator, I clearly see how the dropout constitutes a cancer eating its way into the body of our sound economy. For when a young man quits school he almost inevitably heads for the relief rolls. And if he isn't potentially a public charge, he is plainly an economic loss. He is just another unskilled unit in an industrial and commercial world that has no place for him. In these days of specialization and automation, the untrained man simply can't be fitted in.

And so, our young people, who ought to be our greatest asset, become our grossest liability.

But as a member of the Senate Foreign Relations Committee, I am disposed to view the dropout in an even more serious light. He is a threat to our national survival. Time was, when the defense of our Nation depended on the brawny arm, the hardy constitution, the steely courage of the minuteman at Lexington, the gunner aboard the U.S.S. *Constitution*, the roughrider spurring up San Juan Hill, the devildog marine going over the top at Chateau-Thierry. Maybe he can measure up, when the chips are down—the young man of the current generation. For his father did, and his grandfather. I, for one, believe he can.

What gives me concern is the kind of war the next generation may be called on to fight. It will not be waged with the musket and the cutlass, the cavalry saber, and the Springfield rifle. It will be won with the intercontinental missile, the space ship, the antimissile rocket, and with such world-wrecking atomic weapons that, in contemplating them, the mind recoils in horror. With these it will be won. And with the same firm-fibered courage that won for us at Lexington, at Tripoli, at San Juan, at Chateau-Thierry. For I never doubt—and don't you ever doubt it either—our kids have still got it.

But alone, it won't be enough to insure America's survival. Our young men will need to be as expert with logarithms as their ancestors were with the long rifle. Their training must be as much at the drawing board, in the technical laboratory, as on the drill field, and the induction camp. Education will be our first line of defense. And we can't depend on the hit-or-miss fruits of selective services. The electronics engineer and the electronics technician will be the key people in the war of the future.

It is here that I feel constrained to pause and pay a particular tribute to the DeVry Technical Institute. Here is an institution that has given to our national defense and to our national economy, over a hundred thousand graduates. Just think of what that contribution means to our commercial strength, to our military strength. And above all this, DeVry Technical Institute has, in a very special way, made a particular study of rehabilitating the dropout. It has taken thousands of young men, many of whom had no advanced education in mathematics, some of whom had dropped out of high school, and given them sound and solid training in electronics. In fact, I have been so impressed with DeVry Tech's contribution toward the strength of America in terms of the development of its youth, that I made it the subject of an address to the U.S. Senate a short time ago.

Since that speech, and because of some reactions to it, I have come to an important decision. I feel we ought to know more about dropouts—the cancer that eats at our national vitals. We should study it and probe it and see what can be done about curing it. Is it a symbol of our age? Or is it a subtle subversive plot engineered by enemy agents? Whatever causes it, whatever can be done about it, we must lose no time in finding out. The situation is grave.

A clear reason for urgency in the expansion of technical education, therefore, is the fact that automation has changed from a mammoth concern of the future to a mammoth concern of the present. This is true now as it was not a year ago—1961 was the year in which modern electronic machinery began doing large-scale brainwork, as well as brawnwork, in many aspects of American economy.

Therefore, I hereby announce, for the first time, my intention to propose the creation of a Senate committee that will thoroughly investigate the national calamity of dropouts: their character, their cause; and the committee will be charged with seeking suggestions for the elimination of them.

This I pledge to you, my fellow public servants; to you who, in common with us in government, want an answer to this problem. And some things we know in advance. We know the cause is not in the education our youth presently receives. We know it is not a part of the basic character of our young people.

Something else it must be. It is my desire that the committee will shed such a spotlight on it that our America will know the danger, learn how to avoid it, and move aggressively toward the eradication of this national peril.

Only in so doing will that experiment "of the people, by the people, and for the people" stand a chance of fulfilling the destiny which a gracious God has preordained for it: the last best hope of earth, the noblest governmental concept ever entertained in the mind of man.

> The world today is looking for men who are not for sale;
> Men who are honest, sound from center to circumference, true to the heart's core;
> Men with consciences as steady as the needle to the pole;
> Men who will stand for the right if the heavens totter and the earth reels;
> Men who can tell the truth and look the world right in the eye;
> Men who neither brag nor run;
> Men who neither flag nor flinch;
> Men who can have courage without shouting it;
> Men in whom the courage of everlasting life runs still, deep and strong;
> Men who know their message and tell it;
> Men who know their place and fill it;
> Men who know their business and attend to it;
> Men who will not lie, shirk or dodge;
> Men who are not too lazy to work, or too proud to be poor;
> Men who are willing to eat what they have earned and wear what they have paid for;
> Men who are not ashamed to say "No" with emphasis and who are not ashamed to say "I can't afford it."
>
> —*Jesse Musick.*

Facts on Life Expectancy

EXTENSION OF REMARKS

OF

HON. CECIL R. KING

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. KING of California. Mr. Speaker, under unanimous consent, I extend my remarks to clarify the RECORD with the facts in relation to the statement made by Dr. Annis in behalf of the American Medical Association in his television speech on May 21 on the subject of "Life Expectancy."

The Washington Post for May 22 gives the following quotation from the reply of the American Medical Association to President Kennedy's speech on the proposal to provide health benefits to beneficiaries of the OASDI system aged 65 and over:

> The American system of medicine, based upon the private doctor treating the private patient, has—in the last 20 years alone—added an average of 10 years to the life of every American.

The factual basis of this statement is not at all clear. The expectation of life at birth based on the mortality rates of 1959—the latest available—is 69.7 years. This is only 6 years larger than the expectation of life at birth based on the mortality rates of 1939; it is, however, 11.2 years longer than for 1936, a year of relatively high mortality, and 10 years larger than for 1930, the next earlier year for which the difference was at least 10 years.

Moreover, the above statement referred to "adding an average of 10 years to the life of every American" so that there should be considered also the expectation of life for persons other than babies. The following table indicates the increase in the expectation of life—in years—by sex and race for several illustrative ages, for the 1959 experience as compared with that of 1939–41:

Age	White males	White females	Nonwhite males	Nonwhite females
0	4.5	6.6	8.6	10.7
5	2.7	5.1	6.4	8.9
20	2.3	4.6	5.6	7.9
40	1.5	3.6	3.1	4.8
65	.6	2.0	.3	1.2

In summary, the expectation of life has shown the greatest increases at the youngest ages. Accordingly, considering the population of all ages, the improvement has probably been only about 3 to 4 years in the past two decades—and certainly not 10 years.

The only conceivable way that a figure of 10 years could be obtained for the increase in the expectation of life in the past 20 years would be by considering the expectation of life at birth according to mortality of 1939 and comparing it with the expectation of life at birth of babies born at the present time computed by projecting mortality improvements into the future—rather than considering only present-day mortality rates. This hardly seems a proper procedure if we are considering only the effects of the last 20 years and, moreover, would not relate to "the life of every American" as stated.

It should also be noted that this memorandum has not considered whether the significant decreases in mortality that have occurred in the last two decades are completely due to "the American system of medicine," as asserted in the statement. It may be noted that mortality in other countries has also improved significantly in the past quarter century, as shown by the following table:

Country	Period	Increase in expectation of life at birth	
		Men	Women
United States	1929–31 to 1959	8.8	12.0
England and Wales	1930–32 to 1959	9.4	10.9
Sweden	1931–35 to 1959	8.5	9.9

Although the improvement in mortality in the United States was somewhat more than in England—less for men, but much more for women—and considerably more than in Sweden, the expectation of life at birth in those two countries is still well in excess of ours, as shown by the following table:

Country	Expectation of life at birth, 1959	
	Male	Female
United States	66.5	73.0
England and Wales	68.1	73.8
Sweden	71.7	75.2

Thus, the extent of improvement in mortality depends, to some extent, on the previously-existing level—countries such as Japan and the U.S.S.R. have actually shown the greatest improvements in recent decades since they started from such a low level.

Dedication of the Smithmill Post Office, Janesville, Clearfield County, Pa., May 26, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. VAN ZANDT. Mr. Speaker, on Saturday, May 26, 1962, it was my privilege to deliver the address at the dedication ceremony for the new post office at Smithmill, Pa., 136 years after the establishment of a post office in the community.

My address follows:

ADDRESS BY HON. JAMES E. VAN ZANDT

We have gathered here today to dedicate a new post office, 136 years after a post office was established for this community.

It is interesting to observe that this town is known as Janesville, but the post office established February 15, 1826, was named Smith's Mill. On August 24, 1894, the name of the post office was changed to Smithmill.

During the 136 years of its existence the Smithmill post office has been served by 26 acting or permanent postmasters, some of whom served at various periods and with broken terms of service.

Because this new postal facility is double the size of the previous one, this event, therefore, is significant in the history of Janesville and is recognized as a step forward for this community.

In this connection it is pertinent to state that the Post Office Department reports that the Smithmill post office has had the status of a third-class post office since January 1, 1944, and that postal receipts since 1955 have nearly doubled.

Although this post office is among the small ones in the Nation, we are reminded that from such beginnings the U.S. postal service itself grew to become the greatest postal service in the world. It is thus fitting on this occasion that we recall the milestones of its development.

The first official postal system in the United States was created by the General Court of Massachusetts in 1639, and in 1672 Governor Lovelace, of New York, initiated a regular monthly post between New York City and Boston. By 1683 a post route spanned the distance from Maine to Georgia.

In that same year, 1683, that illustrious Governor of Pennsylvania, William Penn, established the first post office in Philadelphia.

Another of Pennsylvania's great sons, Benjamin Franklin, contributed to U.S. postal history, as well as to its political history. First appointed as postmaster at Philadelphia in 1737, Franklin became joint Postmaster General for the northern British Colonies in America in 1753, and served until he was dismissed in 1774 for his sympathies with the cause of the American colonists.

The many improvements in the colonial postal system instituted under Franklin's administration made the postal service efficient and reliable despite the poor roads and great distances between centers of population.

After being appointed by the Continental Congress in July of 1775, Franklin served as Postmaster General of the American postal system until November 7, 1776, when he resigned to serve his country abroad.

Benjamin Franklin's performance thereafter, as a patriot and statesman, tends to overshadow the major contributions he made toward the establishment of a sound postal delivery service.

Franklin established a precedent for action in his reforms of the colonial service during the 1750's when he ordered night movements of the mails.

One hundred years later, when traveling post offices transported mail over 10,000 miles of railroads, postal officials were not satisfied with the speed of the service. Trains ran only during daylight hours, thus delaying the mail overnight.

Determined to improve the postal service, Post Office officials demanded that trains carrying mail continue on at night, and were thus responsible for an important development in railroad operations.

In the 1920's, after air mail service was inaugurated, early transcontinental air mail service was hampered by the same delay because planes did not fly at night. Again the postal service introduced night operations—this time in aviation.

After radio stations and lighted airfields were established between Chicago and Cheyenne, and between New York and Salt Lake City, a flight on February 22, 1921, established the proof that night flying was practical.

The Post Office Department was consequently awarded the Collier trophy for demonstrating the feasibility of night flying.

The most romantic era in the history of the postal service occurred as it followed the frontiers—as Americans pioneered the West. In 1833 it was reported that a postmaster was appointed in New Salem, Ill., who was described as "a postmaster of sorts." He was appointed for a post office located in a store owned in partnership by none other than Abraham Lincoln. Lincoln carried the letters under his hat and delivered them as he had the opportunity. Occasionally, deliveries took him into the country, a sort of rural free delivery service on a slightly irregular basis.

In 1845 President Tyler passed legislation that empowered the Postmaster General to award contracts for mail transportation to the lowest bidder. This method of transporting the mail is still known as "Star" route service and continues to be an important part of the postal service.

Envelopes and postage stamps came into common usage during the 1840's and the Post Office Department first issued manufactured stamped envelopes in 1853.

Prepaid postage became compulsory in 1855 and adhesive stamps, first available in 1847, became obligatory on January 1, 1856.

One of the most colorful periods in postal history is the span of 18 months during which the Pony Express, with Buffalo Bill Cody as 1 of its 80 riders, played a prominent role in the great movement westward.

As the American postal system continued to develop, it added such services as urban delivery in 1863, special delivery in 1895, rural free delivery in 1896, and the postal savings system in 1911.

The postal service boasts the participation of another celebrated American, Charles A. Lindbergh, who made his historic transatlantic flight while on leave from the air mail service, which was first made available commercially in 1918.

Currently various innovations, such as the use of helicopters to eliminate time lost in transit through heavily congested city traffic and the adaptation of mechanical and electronic devices to sorting and distributing operations in large cities, continue to facilitate and improve the expanding mail delivery service.

Today the integrity, efficiency, and dedication of our postal workers make possible an enormous volume of written communications as even the briefest recitation of statistics should serve to demonstrate.

By far the largest in the world, the U.S. postal service handles two-thirds of the mail volume of the world—over 65 billion pieces annually.

One hundred and eighty-three million Americans mail an average of 350 pieces of mail each, every year, and this annual per capita volume is increasing more rapidly than our population. It is expected to double to 700 pieces annually in another generation.

Today, as we dedicate this new post office, we can regard it as an excellent symbol of the progress being achieved by the U.S. postal system. This is an important occasion in the 136-year history of the Smithmill post office.

I extend heartiest congratulations to the postmistress, Mrs. Anna C. Salsgiver, and to the patrons of the Smithmill post office on acquiring this fine addition to this area's postal facilities. This new post office structure is an attractive and valuable asset to this community.

As a Member of Congress, I have been a strong advocate of the program inaugurated in 1953 to provide an adequate postal service through modern facilities. Therefore, I am pleased to have been invited to join you in dedicating your new and modern post office.

The Gibraltar Government Lottery

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. FINO. Mr. Speaker, today, I would like to bring the attention of the House Members to the Gibraltar Government lottery.

As small as Gibraltar might be, it did very well in its lottery operations last year. The total gross receipts for 1961 amounted to almost $1 million. After payment of prizes and expenses, the total net income to the government came to $341,000.

Mr. Speaker, the people of Gibraltar are smart because they permit and allow the gambling urge of its people to work for the general welfare. If we were equally smart, we would have a national lottery in the United States and pump over $10 billion in additional revenue into our Treasury.

Mr. Speaker, only this untapped source of revenue can produce the kind of income to the U.S. Government that would allow a tax cut and reduction of our national debt.

What are we waiting for?

The Global Food Picture

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 28, 1962

Mr. WILEY. Mr. President, in a world of shrinking horizons there will be need (a) for the American farmer to step up research for new markets around the globe; and (b) for nations to attempt to open new avenues for channeling food from production plants to hungry people.

Over the weekend, I was privileged to discuss the global food picture over Wisconsin radio stations. I ask unanimous consent to have excerpts of the broadcast printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Excerpts of Address Prepared for Delivery by Senator Alexander Wiley, of Wisconsin, Over Wisconsin Radio Stations, May 26, 1962

As a nation, we have been blessed with the greatest agricultural production plant in the world.

Our Wisconsin and other American farmers have demonstrated a capacity for producing ample food—particularly in wartime—not only for Americans but for hungry people elsewhere in the world.

The blessings of high efficiency and productivity, however, also have some built-in problems. For several years now, for example, the Nation's farmers have produced more than has been consumed with the surpluses estimated at about $9 billion.

As yet, no realistic solutions have been found for this supply-demand imbalance.

Within the next 20 years, the United States, despite an estimated 77 million more people, will, according to USDA predictions, produce enough food and fiber for our people on about 50 million acres less than now.

These factors will, then, require serious readjustments in productivity in the lives of people and the economy.

In a rapidly changing world we, in planning for the future, find it necessary to extend our horizons. The scope of such planning should extend beyond the local to global markets; requires long-range—not just crop-to-crop—planning; and should attempt, insofar as possible, to serve consumers, not only at home, but in far distant corners of the globe.

GLOBAL AGRICULTURAL PICTURE

As of now, there are sharp contrasts in the food supplies of the world. In the 30 more-industrialized nations—comprised of over 900 million people—diets are considered nutritionally adequate. As producers of food, or things which can be traded for food, these nations appear able to maintain adequate supply now and for the future.

For most of the 70 less-developed countries, comprising about 2 billion people, however, diets are traditionally inadequate—sometimes at tragically deficient levels—the population is expanding rapidly, malnutrition is widespread and consistent, and there appears little likelihood that these countries themselves will be able to solve their food problems in the near future.

A major obstacle to transfer of food from surplus to shortage nations is the low annual per capita income. In diet deficient regions of the world the average incomes are, as follows: Latin America, $235 per person; Africa and East Asia, $137 per person; Far East (excluding Japan), $73 per person; Communist Asia, $62 per person.

Despite the great gaps between the have and have-not nations, however, humanity can, and ultimately will, find a way to solve the food problems of the world.

The great immediate challenge in Wisconsin and elsewhere is to find adequate markets and uses for commodities, particularly those in surplus.

For dairying, especially important to Wisconsin, this means efforts to step up consumption; improve distributing channels; expand research to find industrial uses for milk and milk products.

For the future, however, we as a Nation, and particularly the agricultural economy, will, I believe, benefit from longer range, broader scope planning to find consumers and markets for the products of America's farms.

As this can be done it will benefit us economically as well as meet the needs of starving humanity.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following newsletter of May 26, 1962:

Washington Report

(By Congressman Bruce Alger, Fifth District, Texas)

The bill H.R. 11737, to authorize appropriations for fiscal 1963 to the National Aeronautics and Space Administration (NASA) totaled $3,742 million including $2,935 million for research, development and operations, $736 million for construction of facilities, and $71 million supplemental authorization for fiscal 1962. For each expenditure by Congress there must be authorization, then appropriation. So this is the first of the two considerations by Congress. Scott Carpenter and the astronauts are a part of the NASA program. This program includes all space programs of travel and exploration including earth orbiting and lunar landing. There were no dissenting votes on this bill. A detailed 150-page report outlined all our efforts for the world to see. I believe we will outstrip the Russians and all others in this field.

H.R. 7596, a bill authorizing construction of the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating project of the Colorado River storage project brought several troublesome matters to light. First, as always, we are reminded by any Indian legislation of the miscarriage of justice, the inequity, in our treatment of Indians as a civil rights matter; compare their plight to the Negroes. Second, this bill totaling approximately $220 million, $135 million for the Navajo and $86 million for the other, will cost (Navajo project, for example) $1,200 to $1,500 per acre to reclaim land which will be worth less than this when the irrigation is completed. Third, the land will be used to grow hay, wheat, barley, corn, and small grains, crops now in surplus with neighboring land retired from use in the soil bank. Fourth, sheep production will be increased when the Government is accelerating purchases to alleviate present overproduction. Fifth, members of both parties refused to demand a record vote so no one would be forced to go on record. Only 33 Members rose to support the request for a record vote, not a sufficient number (one-fifth of those present required). I opposed the bill as I always do uneconomic, contradictory or self-defeating measures.

The extension of Korean wartime emergency excise taxes was passed by our Committee on Ways and Means over my opposition. We need the incentive now of tax cuts, not continuation and increases, based on reduced spending. To this end I shall dedicate my efforts. The inconsistency today is best shown by the President suggesting we must have tax cuts for incentives even as he increases spending and both continues and increases taxes. The bill now goes to the Rules Committee and then to the House floor. More of this later. The President's tax bill, H.R. 10650, already is in trouble as the people continue to express disapproval of the withholding, investment credit, and foreign tax provisions. So there is still hope that the Democratic leaders (the President and his House and Senate leaders and supporters) can be curtailed in their mad rush into Government regimentation of our people.

The trade bill, H.R. 9900 is shaping up in Ways and Means Committee. A common ground of objection by most Republicans will probably center around the abandonment of present law's "no injury" policy and our real need for mandatory peril point and escape clause provisions. As the bill stands, on the contrary, the Tariff Commission (the arm of Congress) findings are only advisory and the President may disregard them. This, as I see it, is bad legislation. Further, it is inaccurate to call this bill a freer or fairer trade bill. Accurately described, it is an abandonment by Congress of constitutional jurisdiction and a demand and securing by the President of both price control, regulation, and subsidy of industry, including reward and punishment. Fortunately, there are several improvements over existing law including public hearings that will further understanding of the plight of workers and industry affected.

Medicare has become a famous battle word and may be part of the Kennedy administration epitaph. Unquestionably, the President this time has gone too far. The President's downright demagoguery and misrepresentation of the provisions of the King-Anderson bill placing medical care for the elderly under social security, I predict will not go unnoticed or misunderstood. Here are some direct contradictions to the presentation of this program by the President and other supporters. (1) The elderly will not be covered; over 3 million are not covered by social security and thus immediately an inequity is created. Further, even as the needy may not be covered, millionaires will be covered. (2) The cost will not be nominal, it will be gigantic and increasing, not $1 billion annually as represented, but $2.5 billion initially and $6 billion or more when fully operating. (3) Social security tax will exceed income tax of those of modest income (example, by 1968 a man with a $4,000 income and three dependents will pay $380 in social security and $245 in income tax). (4) Less than one-fourth of medical costs are covered; since there are deductible amounts that just must be paid (first $90 of hospital cost and no individual's doctor's or surgeon's fees will be paid). These are but some of the subjects of misstatements now being made.

Further wrongs: (1) The program is compulsory, not voluntary; (2) the real intent is a foot-in-the-door for later inroads by the Federal Government in the medical field. Witness one of the chief proponent's statement to his union (Walter Reuther) that all they want to do at this time is to get the principle established so they can amend it later to include all they want. All they want must inevitably result in the socialization of medicine.

On the other hand there are other and better ways to solve the problem of helping the elderly. For example, we now have Kerr-Mills and other existing programs which are taking care of those in need of medical aid. In addition, Congressman TOM CURTIS, in a fine article in the Reader's Digest states: "In all the furor, sensible solutions to the problem have been ignored. There are ways of providing proper medical care for older people without adding more billions to those now being spent by the Federal Government. First, taxpayers should get a break for paying any part of their parents' medical costs, including medical insurance. Second, the King-Anderson plan is compulsory. But people should be free to choose the type of insurance that best suits their needs. Third, more and more people are insuring themselves. Fourth, every effort should be made to learn how each community now solves its problems of providing medical care for the aged. Fifth, we should make it easier for elderly people to pay doctors' bills. Recently Blue Shield in Illinois began a new insurance program for people 65 and over which covers the cost of doctor and surgeon fees in hospitals and nursing homes. Finally, private pension funds should be allowed to provide medical insurance for their own members. The basic truth is that King-Anderson bill would set up yet another fantastically expensive branch of the Federal Government—one that can never pay for itself, one that the people do not need and the Nation cannot afford."

The American people will pay for Kennedy's victory over American business and the total lack of understanding on the part of key administration officials of our free economic system. On Monday, May 21, the stock market plummeted to a new year's low. It racked up losses of $27.5 billion since April 10 (the day the President attacked the steel companies) for 14 million stockholders. The Dow-Jones average hit 98 points below its "recession" high of last December. Yet, Vice President LYNDON JOHNSON doesn't believe this is important. On Monday the Vice President said, "Every important economic indicator stands at an alltime high." JOHNSON made his rosy statement in spite of the fact that on Saturday President Kennedy expressed worry over the plunging market. Perhaps Kennedy reads all the papers and won't let LYNDON have any.

Proposed Reduction in the National Guard

EXTENSION OF REMARKS

OF

HON. THOMAS G. MORRIS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. MORRIS. Mr. Speaker, the recent Defense Department proposal to reduce the size of the Reserves and National Guard should be opposed by Congress with every source of power at its command. It is ill advised, and presents a serious challenge to the continued strength of the Nation's military posture. This is no time for cutbacks in military strength. The Communists are pressing us in Laos, in South Vietnam, and in West Berlin. We have got to keep our military power strong if we are to convince the Kremlin leaders that we will not be pushed around. We have got to show them our determination to fight for our vital interests. The Reserves did precisely that when they responded with admirable patriotism to the President's mobilization last August. A cutback in Reserve strength at this time would undermine the credibility of our announced intention to use military force to stop Communist aggressions in different parts of the globe. The Communists would certainly not take our threats seriously if they saw us deactivating a host of Reserve units. Words have never stopped the Communists from taking over one country after another. Only a show of strength has convinced them that they would lose in any direct confrontation with the United States. Our military effort stopped them in Korea and in West Berlin. Our troops in Thailand are now trying to stem the Red march in Laos, and our combat teams in South Vietnam are fighting the Communists in bitter guerrilla battles. The Communists understand force and respect it. Therefore, we should be increasing our military power, not weakening it through reductions in Reserve strength.

Our Reserves play an indispensable role in the overall military posture of the United States. They provide the needed backup power that the Military Establishments requires if it is to carry on a prolonged struggle with the Communists. They give our Armed Forces depth, provide a readily available manpower pool of trained military personnel capable of performing hundreds of necessary defense jobs. They are always on tap when the Nation needs them. Unfortunately, our defense planners who are on top at the moment are unable to see the urgent need for a strong Reserve.

The deleterious effects of any Reserve reduction at this time can be most clearly seen by examining the adverse impact it will have on individual communities and States throughout the Nation. In my home State of New Mexico, the Defense Department's proposed Reserve reorganization would result in a cut of 413 officers and enlisted men and a reduction in force of 17 full-time civilian employees. These men are highly trained specialists. We will need them in case of any local or national disaster situation. If they are stricken from the rolls, along with thousands of other trained reservists, we will not be prepared to meet the uncertainties of the future. Without an adequate number of men in the Reserves, we may find ourselves incapable of meeting Communist aggression. We may also be unable to marshall enough military force in time to deter the Communists from using force to gain their objectives.

The economic effects of the proposed Reserve reduction should be understood, too. In New Mexico, five armories, each valued in excess of $100,000, and a $65,000 military maintenance shop will be abandoned. By any reasonable standard, is this a feasible way to save valuable taxpayer funds? What military plan can justify the construction of armories which we have no intention of using? That is bad economics, and an example of deplorable military planning. Moreover, the elimination of six New Mexico National Guard units, which will result if the reduction in Reserve strength is accepted by Congress, will severely strain the economic life of at least six New Mexico communities. The income of 17 civilian employees, totaling $92,000, will be lost, and the annual drill pay of each deactivated unit, amounting to about $30,000, will be siphoned off for other, less essential governmental spending programs.

But there is another, more important value that will be damaged, and quite possibly destroyed, if the Reserves are cut back. Throughout the Nation the public mindedness and patriotism of individual communities will be dealt a crippling blow. The people of New Mexico have done everything in their power to support the military effort of the United States. They have given their time, their material resources, and the flower of their manhood to the building of a strong national Military Establishment. They have zealously guarded their American heritage, and have taken just pride in the achievements of those military organizations which have been largely composed of New Mexico citizens. A reduction in the Reserve strength of the New Mexico Guard is tantamount to a vote of no confidence. Such a Defense Department judgment is unfair and is unwarranted in fact. To cut the Reserves and National Guard today strikes at the Nation's primary source of strength: the patriotic devotion of its citizens to carry the cold war to a successful conclusion. Before sapping this critically important wellspring of national power, the Defense Department might better spend its time preparing reorganization plans which will help fight the Communists, and not the interests of the American people.

Our American Way of Life

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. VAN ZANDT. Mr. Speaker, on Sunday, May 27, 1962, it was my privilege to participate in the Freedoms Foundation Award for Youth Activities to the Lutheran League of Christ's Evangelical Lutheran Church at Lewisburg, Pa.

The honor plaque awarded to the Lutheran League was in recognition of the league's promotion of Christian citizenship and was officially presented by Thomas W. Summers, mayor of Lewisburg, to the league's outgoing president, Suzanne Eyer, who in turn presented the

plaque to the new president, Diana Spielman. This award from Freedoms Foundation reflects great credit on Pastor George K. Bowers and his student assistant Jon M. Vought, Jr., for the time and leadership given to the Lutheran League.

My part in the services honoring the Lutheran League is represented by the following address I delivered titled "The American Way of Life":

Address by Hon. James E. Van Zandt

It is a distinct pleasure to be here on this occasion as a witness to a ceremony honoring—at one and the same time—the American way of life and the virtues of American youth.

To my way of thinking both matters are worthy of the highest praise, and receive far too little recognition in this day and age.

I congratulate the young people's organization for the honor of being the recipient of the Youth Freedom Foundation Award in 1961 for youth activity that aided in bringing about a better understanding of the American way of life.

In standing before the world today, as the foremost exponent of the human dignity of mankind, the United States is blessed with a factor of considerable significance.

By this I refer to the spirit emanating from within the ranks of our younger generation—a spirit wholly in tune with American principles and divorced from foreign ideology.

So strong has been this spirit, so constant and unwavering since the close of World War II, that we have come to accept it as the regular order of things. And yet it is by no means the regular order of things.

Indeed, it marks the beginning of a new era, an era in which youth shall lead the way in upholding the conservative principles of the American Republic.

In using the term "a new era," I must point out that the era in question is remarkably similar to another which existed previously toward the close of the 18th century. It was then, you will recall, that quite a few young people came to the aid of an infant idea, known then as it is known today, as the "American way of life."

One of the young people in question was Thomas Jefferson, whose pen set forth the mighty principles upon which the new Nation based its very right to existence on this planet.

Another young man of note was Alexander Hamilton, who drew up the initial plan for the American economic structure.

Another was Patrick Henry, whose immortal oratory fired the American heart in time of crisis; and finally Nathan Hale, who so eloquently laid down his life in the name of American liberty.

Young persons all—but mature in judgment and dedicated to the cause of conservative self-government.

The appearance of the young people today, in the front ranks of the defenders of American liberty and freedom, is a sharp reminder of the youthful beginnings of the American ideal back in 1776.

Ours was the first great popular revolution to take place following the fall of feudalism. Bravely American youth stepped forward to proclaim the rights of man, to defy ancient tradition, to turn their backs on kings and queens, and to declare their intention to partake in "the pursuit of happiness" without the restraint of monarchs or generals or any other high authority, save the laws of their own making.

Surely this was an example of youth on the march to greatness—youth on the march toward truth and freedom.

They set up a government equipped to deal with human problems for the benefit of the majority, as opposed to the select, aristocratic minority. They pointed a way that others were soon to follow—in the name of human liberty.

With all this for a background, it is no wonder, then, that American youth was inclined to support each and every new revolutionary movement wherever it appeared throughout the 19th century.

In the 1840's a "young America" movement developed on the American political scene led by Lincoln's great rival, Stephen A. Douglas—the "little giant" from Illinois.

At approximately the same time, similar movements developed in England, Germany, Ireland, and Italy—all of them sympathetic to the same ideals.

The Hungarian revolution of 1848 received the ardent support of the "young Americans" and the Hungarian leader became for a time their hero.

All this was perfectly in keeping with American tradition, for up to this point the European revolutionary spirit ran the same direction as the American revolutionary spirit.

Free speech, free courts, a free press, and free elections were the rule under the European revolutionary governments of the 19th century—the same as in America.

For Americans to indorse the new governments was in no way unnatural, in that they viewed them as a reflection of their own desire for liberty.

But then came Karl Marx, and with his coming the story of revolution became a story of deceit and disaster.

In short, the appearance of Marx can be said to have stemmed the revolutionary tide aroused by the American Revolution of 1776. Marx professed to be the master revolutionist.

But was he? After all, a revolution is supposed to alter not just the arrangement of men in office, but also improve the general condition of the people.

That was the lesson taught by the American Revolution, after which authority was passed from the few to the many, wealth and land became available to everyone, mass production was inaugurated; starvation was abolished, and so forth.

Now, there was a real revolution—a change of monumental proportions for the betterment of the people as a whole.

But Marx had other ideas. Under the Marxian revolutions two main changes occurred: a change in rulers and a change in economic systems. Once that was accomplished, there were no more positive reforms as in the case of the new capitalist state governments.

New men were in office, and like selfish ward bosses, they were determined to stay in office at any cost.

As for the new economic system, it presented a beautiful collection of utopian ideas. However, the beneficiaries, it soon appeared, were none other than the new and permanent Communist government officials.

Yet, was this not a grand new design? Was this not another example of the people in action? Many misguided persons believed that it was and threw their support to the Marxian cause.

They were not on hand to see how the system operated but they were told about it. What they heard from the Marxist propagandists was that everything was running smoothly under a so-called "dictatorship of the people" and, sad to say, many well-meaning persons believed this nonsense in every detail.

Among those taken in by the Marxist dream were a great many young Americans—who joined radical organizations and worked to promote the Communist cause here in America.

Indeed, the spirit of Jefferson and Hamilton was badly abused in that era, as so many young Americans adopted and indorsed the extraordinary spurious-revolutionary principles of Marx and his followers.

Throughout the 1930's there were many who feared a Communist uprising in this country, to be led by misguided youth, worshipping an idol long since dead—the idol of the people's revolution killed by the knife of Karl Marx.

But slowly an awakening began to take place. Slowly American youth began to grasp a clear picture of the Communist philosophy. What brought this about, in part, was the heroic American struggle to overthrow the Nazi aggressors in World War II.

Made aware by this struggle—of the gangster-like methods of nazism, the brutal suppression of minorities, the absence of elections, control of the press, control of the radio, control on every side—American youth awoke to a similar condition of affairs inside Soviet Russia.

There, too, everything was controlled by brutal rulers. And where was the difference? Well, the Soviets fought against the Nazis in World War II.

There was one difference. But was that not rather like one gangster band fighting another for control of a metropolitan area? Certainly there was nothing very noble about that.

At the close of World War II the mask fell from the face of communism and Communist agents everywhere went to work in an effort to take control of the world in the boldest gangster-like movement ever perpetrated in the history of man. What stopped them? Well, in some areas they are yet to be stopped. But in other areas they are stopped cold; and in whatever nations that has happened, it has been the youth of the Nation that did the job.

Awake to the fraud of Communist philosophy, the youth of Italy, France, West Germany, Greece, Turkey, and the Scandinavian countries stood forth to block the Communist drive toward Western Europe and the Near East.

In Asia the youth of Japan, the Philippines, and the SEATO nations have risen up to stem the tide in that area.

In all these quarters the Communists expected the assistance of the youthful element. After all, was youth not interested in reform? Was youth not concerned with progress? The answer has been made clear on every hand. Of course youth is interested in progress and reform, but not the imitation brand held out on a platter by the Communists.

Indeed, the young people in these countries have heard of another brand of progress and reform known as the American way of life.

They know of its benefits and advantages over the suffering—suppression and hardships of the Communist way of life.

Under the circumstances they have made known their determination to uphold the cause of liberty and freedom and to join with American youth in upholding that cause with everything at their command.

And who will provide the leadership in this regard?

Who shall lead the way in upholding such cherished principles wherever they are threatened with destruction?

It is up to the youth of America to fulfill this function, and the youth of America is ready to accept this responsibility without hesitation.

This fact is clear before us this morning in the form of the youth of this congregation who have been so highly honored for their patriotic sentiments.

These young people have demonstrated by positive action their love of God and country, at a time when too much time and thought are being given to the material things of life.

It is from the groups of young Americans such as those we are honoring here this morning that we look to for leaders in helping to meet the challenge to American youth.

These fine young Americans know what has made this great Republic strong—strong in the physical sense, the moral sense, and the spiritual sense, as well as in the military sense.

They know, for they have interested themselves in the history of their country, and delved into the reasons behind our basic laws and customs.

If there is to be an exchange of ideas between ourselves and our allies we must be represented by able and intelligent persons, with a full grasp of the meaning of the American heritage.

It is, therefore, vital to our cause—to the American cause—and to the cause of liberty and freedom throughout the world, that our young people grapple earnestly with the need for education that they may, in turn, impart their knowledge to those who would accomplish what we have in the name of the same lofty ideals.

The work of upholding the American way of life is honorable work, to be engaged in by none but honorable persons.

It is also the work of the just, to be rendered by none but those concerned with justice.

It is also the work of the zealous, to be carried out by none except those persons zealously dedicated to the creation of a peaceful world and a well-fed, well-housed, intelligent, and prosperous world population.

To receive an award of this kind, in the name of the American way of life, is to prove that one is involved in the fight for cherished American ideals.

Therefore, this occasion not only honors the young people's organization of this church but it likewise reflects great credit upon the members of this congregation, and especially your very able, distinguished pastor, George Bowers.

In conclusion, I extend again my sincere congratulations to the young people's organization of this church and wish it continued success.

Secretary Ribicoff Addresses New York State Society of Internal Medicine

EXTENSION OF REMARKS
OF

HON. CECIL R. KING

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 28, 1962

Mr. KING of California. Mr. Speaker, under unanimous consent to extend my remarks I include the speech of the Honorable Abraham Ribicoff before the New York State Society of Internal Medicine:

REMARKS BY ABRAHAM RIBICOFF, SECRETARY OF HEALTH, EDUCATION, AND WELFARE, BEFORE THE NEW YORK STATE SOCIETY OF INTERNAL MEDICINE, SAVOY HILTON HOTEL, NEW YORK, SATURDAY, MARCH 3, 1962.

You distinguished internists of the State of New York have really given me a golden opportunity. It's not often that I get the chance to speak to so many doctors at one time.

This is an opportunity I welcome. We face together a host of problems. We work together in countless ways to solve them. Yet too often the bond of our common interests and objectives is blurred by the matters on which we disagree.

More often than not these disagreements stem from misunderstandings. Perhaps there have been instances when I have not fully understood your point of view. I know there are times when you fail to understand mine.

So let us consider our common tasks, and let us air our differences with candor. Above all let us put aside scare labels and tired charges and speak only of facts and real issues.

Let us start from a basic premise: Many people are alive and well today who would have died without the results already achieved by the alliance of physicians and their Government. This alliance must be strengthened and improved.

As you well know, the power of a sick man is brought low. His purpose is blunted and dissipated. His highest possibilities wait and wither, unrealized. His contribution to our society is partly or entirely lost.

So the health of every individual—young or old, rich or poor—is very much a concern of our Nation.

Health is the Nation's business because healthy people build a nation.

And health is the business of a democratic country because the fulfillment of the individual—impossible without health—is one of its highest goals.

From our earliest beginnings, three currents have run broad and deep in the American tradition, each of which has had a profound influence on the Nation's health.

First is the current of humanitarianism. Although we have exalted the rugged individualist, we have always tried to meet the needs of those who were unable to provide for themselves. When a man's barn burned, his neighbors helped him raise a new one. If his crop failed, they shared with him. As society grew more complex, great philanthropies developed. Still later, social legislation protected the child, the workingman, the older person against hazards too big and too complicated to be met by a neighbor's generosity or by private charity.

The second strong current is the spirit of free inquiry. The inquiring mind explored our continent, hunted out its resources, put them at the service of the people. Today the inquiring mind seeks answers to questions no one knew enough to ask a few short years ago. Scientists look into the depths of space and into the heart of life.

The third current, closely interwoven with the other two, is the spirit of free cooperation. As a people we work together to get the job done. We are more interested in who can do it best than in who gets the credit. Today's powerful partnership for health, involving many professions, many private institutions, many voluntary agencies, and governmental units typifies this American will to work together.

These three currents—humanitarianisms, inquiry, and cooperation—the heart, the mind, and the shared burden—have shaped and guided our country through two centuries of dynamic growth.

They have succeeded because we have never feared change. We have accepted it, welcomed it, moved forward to meet it. Thomas Jefferson, scientist and humanitarian, put it this way: "Laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, institutions must advance also, and keep pace with the times."

To me, the history of Federal participation in the health protection of the American people illustrates the kind of evolution Jefferson had in mind. The story of government in health is the story of society's response to the challenge of sickness and death.

The Federal role in health began very early in our history as a nation. The Federal Government has been involved in health work since 1798, when many American merchant seamen, without permanent homes or roots in a community, were virtually helpless before onslaughts of disease. The seaboard States called upon the young Federal Government to provide relief for sick seamen put ashore by incoming vessels. And the Government responded with an act to provide direct medical and hospital care for these seamen.

Since that time we have held that where national health needs are not being met elsewhere—because of the complexity of the problem, or the insistence of the need, or the magnitude of the resources required—the Federal Government has an obligation to help.

When, throughout the 19th century the States alone could not stop epidemics and prevent epidemics, or check the invasion of disease from abroad, the Federal Government played a growing role in helping them.

And since the end of World War I it has been supplying medical services to millions of veterans and other beneficiary groups including the American Indians who needed them.

With the fantastic increase in medicine's powers that has followed World War II, the people of this country—through their Congress—have demanded that their Federal Government mobilize its powers in a massive research effort. And the National Institutes of Health—our Government's chief research arm—operated in 1946 with a budget of about $3 million and this year is spending over $628 million to help find new cures and new methods of treatment.

How about hospitals? You doctors have needed more hospital beds in which to treat your patients. You and your States could not supply them alone. So, since the end of World War II, your Federal Government has contributed $1.6 billion toward the construction of about 6,000 hospitals and other health facilities—an effort which has been matched by $3.3 billion in non-Federal funds. This program has added 250,000 hospital beds to the Nation's health resources.

A great present need is the delivery of health service people seek. What good are new cures, new methods of treatment for the old or chronically ill if patients cannot have them? With the passage of the Community Health Services and Facilities Act last year, the Federal Government has begun another program designed to help you physicians and your coworkers deliver the services people need, where and when they need them.

This year we hope the Federal Government will be authorized to aid in the construction of teaching facilities to help meet the serious impending shortage of physicians and dentists—a proposal which has the support of organized medicine as well as medical educators and others familiar with the health manpower problem.

Which of these programs has been a sinister entering wedge? Which represents usurpation? Which has hampered medical practice?

Quite obviously, the answer is none of them.

Every important Federal action in health has been a response to an urgent national need which was not being met adequately by other resources.

The Federal Government has acted when a substantial group of American citizens—for whatever reason—was not receiving the health services our Nation is capable of delivering.

It has acted when a powerful new source of strength was needed to raise a national health program—such as research or hospital construction—to a level commensurate with the Nation's needs.

Taken together, these Federal programs have substantially improved the health of our people. They have improved the lot of you, the physician, as well. They have armed you with knowledge, helped to create the facilities you need for your work, and lightened your burden by preventing disease.

Now we, as a Nation, again face an urgent medical need: That of the hospital care of our growing number of older people.

As a group, older people have the lowest incomes.

As a group, they have by far the highest medical and hospital costs.

For private health insurance, they must pay more to get less in the way of benefits.

For most of them, prolonged illness can drain their lifetime savings, strain their children's finances, force them from independence to dependency.

The facts are beyond dispute: The general cost of living rose 28 percent from 1947 to 1949 on the Consumer Price Index of the Bureau of Labor Statistics. But the cost of medical care rose over 61 percent; physicians' fees went up 50 percent; hospital room rates zoomed over 145 percent.

To put it another way, hospital room rates have tripled since World War II—4 times the rate of increase of doctor's fees and 6 times the rate for drugs.

The hospitals cannot be blamed for this increase. Modern medicine is a complex business, requiring expensive equipment and a great battery of highly skilled specialists. The greatest share of increased costs has gone into their payrolls, and this was desperately needed by a group that was notoriously overworked and underpaid for many years.

What are we to make of these facts? What solutions do they require?

I think it has become increasingly clear in recent months that new approaches are needed.

We were told by some that the Kerr-Mills law would be a sufficient answer to meet the needs of the aged. There is now growing recognition that it is not. The irony of the matter is that organized medicine should ever have placed sole reliance on such a measure. Every time a suggestion has been made for some governmentally aided program to meet health costs, organized medicine has mounted strong opposition, almost always based on the fundamental argument that the proposed plan, if not bad in itself, will surely lead to something worse.

If this concern is genuine, and I have no doubt it is, how then does the Kerr-Mills law fare against this argument? Are you sure you really understand all its implications?

Let us look at this law. First of all, there is practically no limit to its coverage of the aged. Every State can cover as many aged people as it wants and can provide payment for as many medical services as it wants. If you are concerned about public payment of doctors' bills and what that might lead to, what of Kerr-Mills, which can cover all the services of nearly all the doctors? And is your concern directed against the British system which can cover eyeglasses, dentures, and toupees? Then look again at Kerr-Mills, for that law could cover these items too.

And what of the argument that a proposal, reasonable to start with, may grow into something undesirable? I do not discount this argument. But I believe the greater danger lies with Kerr-Mills. After all, what does it take to amend this law in any State to broaden the coverage and increase the benefits? Any bill thrown into the hopper of a State legislature can have this effect. The Federal Government has given the States a blank check to finance whatever medical benefits for any aged people they choose.

We are already witnessing the two directions that Kerr-Mills plans can take. In the wealthy States, it becomes a political poker game, with each side upping the ante to win the approval of the elderly. In the poorer States, the financial burden becomes unbearable, wholesale cutbacks are ordered, and the bills of doctors and hospitals remain unpaid.

Of course, Kerr-Mills is necessary as a public assistance measure for the truly indigent. But it is not a sound way to finance the basic Government program in the field.

Now what of the social security approach? First of all, look at the financing. It is not financed out of general revenues. It is financed from the contributory payments of employers and employees. The coverage and the benefits are spelled out in the bill.

And what of the possibility that the benefits will be expanded? Let me point out to you this plain fact: Any time a bill is introduced in Congress to expand social security benefits, that bill spells out the new costs that will be incurred; the necessary increase in employer and employee contributions is part and parcel of the proposed expansion.

I know of no better way to guard against the uncontrolled growth of a program than to tie the benefits of the program directly to the costs which the taxpayers are paying. That is what happens when the social security approach is used. That is one of the reasons why I believe it is really the conservative answer to this problem.

There has been recognition that new solutions are necessary. The American Medical Association and the Blue Shield organization are trying to work out a means of helping older people pay their doctor bills. I welcome these proposals. Recently, too, the American Hospital Association has tried to develop proposals to cover the hospital costs of the elderly. But in developing their plan, they recognized quite candidly that a substantial subsidy out of public funds would be necessary.

The question now is not whether to use public funds to help meet the hospital costs of the elderly. The AMA's support of Kerr-Mills and the AHA's proposal for hospital costs both recognize that this is not the issue. The only question is how are public funds to be used. What method is to be adopted to accomplish exactly the objective you seek; namely, providing adequate health care to our aged while at the same time guarding against an unwise expansion of an otherwise sound program?

This administration's proposal to pay for the costs of hospital and related medical services for older people through the social security system will improve the health of our people and benefit you practicing physicians and your workshops—the hospitals—as well.

Let us consider the proposal for what it is, and not for what it is not.

It proposes a means to pay for hospital care, not to pay doctors.

It proposes a means to pay for care, not a way to provide care.

It has nothing whatever to do with the physician-patient relationship. In no way does it interfere with the patient's selection of a physician or the physician's choice of care. In no way would it limit the physician's choice of a hospital, unless certain hospitals should refuse to participate in the plan—a course of action so plainly self-defeating as to be extremely unlikely.

The only relationship directly affected would be that between the patient and his checkbook.

But, indirectly, the plan would benefit every conscientious physician in the United States by increasing his freedom of choice of treatment.

Modern medical care cannot be cheap. The only answer is for the American people as a whole to help those of their number who are in desperate need of this care.

I was very much interested to note a statement in a recent booklet of your American Society of Internal Medicine: "We are opposed to the creation of second-class patients within this country."

This statement I wholeheartedly endorse. Moreover, it is close to the heart of the administration's proposal for health insurance under social security.

The patient who receives charity—whether from the taxpayer or from a private benefactor—feels that he is a second-class patient and a second-class person, no matter how well he may be treated by the physician.

But if his hospital costs are paid by a system to which he has contributed, he can hold his head high. The two keystones of our proposal are health and human dignity. I commend it to your most careful consideration.

Brightening Small Business Outlook

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 28, 1962

Mr. WILEY. Mr. President, we, as a Nation—in a world of great need and greater challenge—are dependent upon our free enterprise system: To create the jobs for U.S. workers; to provide us with the goods, materials and equipment to meet the needs of a fast expanding population and promote progress; and to safeguard our security.

Over the weekend, I was privileged to discuss some ideas for brightening the outlook for small business in a broadcast over Wisconsin radio stations. I ask unanimous consent to have excerpts of my talk printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

EXCERPTS OF ADDRESS DELIVERED BY SENATOR ALEXANDER WILEY, REPUBLICAN, OF WISCONSIN, OVER WISCONSIN RADIO STATIONS, WEEKEND OF MAY 26 AND 27

Historically, economic enterprising—the establishing and successful operation of business—has represented a fundamental spirit and working principle of action, of venturing, of progress, of our way of life.

Over the years, however, we have gradually diminished our appreciation of the significance of our economic system to our progress and security.

For this reason, I would like to devote this broadcast to the need for greater effort to understand—and strengthen—free enterprise.

How best can this be done?

By the following steps:

(1) By better educating our citizens—adult and in school—of the significance and working principles of our economic system.

(2) By encouraging more people, not only to understand and appreciate—but also confidently invest in enterprises, small and large, serving as a hub of economic life for a community.

(3) By undertaking renewed efforts to brighten the economic prospects for enterprise, over 95 percent of which fall into the category of small business, such as: Encouraging community support of community development corporations to provide financing for necessary projects; formation of small business pools—to undertake research or production projects too large for single

businesses; greater utilization of services of Small Business Administration for guidance, counsel, financing and other assistance; cooperative efforts to foster new enterprises under the area redevelopment program—now beginning to get underway in Wisconsin and elsewhere; by reawakening our citizens' enterprising spirit—full of faith and confidence—to improve the economic status of existing—and creating new—enterprises for a strong, free economy.

THE NATIONAL ECONOMIC PICTURE

Nationally, the economic picture reflects gigantic—almost incomprehensible—progress. Currently, the value of goods and services amounts to about $548 billion annually. According to predictions, this will rise to $570 billion this year.

Despite such progress, we recognize that—if analyzed microscopically—there are still serious problems in our system. The challenges, then, include the following: Improving economic opportunities for success in small business, with a casualty rate of over 17,000 annually; creating jobs for the 4 million still regrettably unemployed; and maintaining a good rate of progress to further outstrip the Communist system—challenging us on the economic front.

CONCLUSION

In evaluating the national economic picture, we must always remember that free enterprise—not the Government, despite a $93 billion Federal budget—creates the giant's share of U.S. jobs and goods and services.

In reality, Government spending is not a measuring stick of progress. To the extent that it involves participation in normally nongovernmental economic human welfare programs, rather, this represents a failure of our system to fulfill such needs of the people and the country. The Nation, then, to maintain a strong, free, health economy; to prevent Government from taking over more activities that can and should be performed by the economy; to reverse the trend of ever greater Federal budgets and higher and higher deficits; and to provide the productive, fast progressing economy system necessary for greater needs and challenges of the future; must undertake renewed efforts to strengthen our free enterprise system.

Hon. Wayne N. Aspinall, an Authoritative Voice on Conservation

EXTENSION OF REMARKS

OF

HON. RALPH J. RIVERS

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. RIVERS of Alaska. Mr. Speaker, last Thursday and Friday, May 24 and 25, an event of significance in the life of each of us took place here in the city of Washington at the White House Conference on Conservation.

I have long been interested, as you know, in all aspects of conservation and have been privileged to serve on a commission that considered one phase of the manifold problems involved; of course, I refer to the Outdoor Recreation Resources Review Commission. I think it was appropriate that after the completion of this phase of the work—that is, the submission of the Commission's report—the President and his Cabinet conceived a White House Conference to consider the entire spectrum of conservation.

President Kennedy, in his remarks at the closing meeting of the Conference, spoke of the stimulation that would be given to Government officials as a result of the Conference. I know, from conversations with some of the administrators, that they have already been stimulated by some of the expressions made at the Conference. One of the outstanding addresses at the Conference was made by the Honorable WAYNE N. ASPINALL, under whose chairmanship I have the privilege of serving on the Interior and Insular Affairs Committee of this body. Chairman ASPINALL recognized, as did President Kennedy, the need for orderly and wise utilization, as well as preservation, of nature's gifts. So that Members and Government officials who were unable to attend the Conference may have the benefit thereof, I include as part of my remarks the text of WAYNE ASPINALL's outstanding address:

WHITE HOUSE CONFERENCE ON CONSERVATION

I am quite certain that the impact of the White House Conference on Conservation will be considerable; it will be felt not only throughout the 1960's but, I think, throughout the next generation. If we are able to impress a viewpoint for a conservation-minded America, our increasing population will feel its benefits for a long time to come. If we fail, if we do not chart a clear and positive course of action, there will be little hope for progress.

It is fitting, therefore, that the majority and minority in Congress are represented on this panel on conservation and the Congress.

I initiated my approach to this subject by inquiring as to the definition of "conservation" in the context of this conference. There was none; if I understand the situation correctly, there is no overall conservation definition for this or any other conference. I next looked at the literature in the field and found, among other treatises, a very thought-provoking volume published by Resources for the Future entitled "Perspectives on Conservation: Essays on America's Natural Resources." Here I found what I had suspected: that there are many definitions; conservation means all things to all men.

For this reason, I use as my point of departure this afternoon my own definition of conservation. Traditionally, conservation, and wise use have been synonymous. To me, this is what conservation has meant: accepting all the material resources that nature is capable of providing, taking those natural resources where they are, and as they are, and developing them for the best use of the people as a whole. Conservation means that we do not waste; however, it does not mean that we save merely for the sake of saving. In other words, string savers are not conservationists.

Let me refer to the history of conservation in the United States as witness to my thesis. I think you will all agree that the conservation concept was given life by Carl Schurz and Gifford Pinchot and that, in the period of their influence, conservation of our national resources meant use and management. Of course, the use was to be administered for the benefit of all of the people rather than for the enrichment of the few; likewise, it was a use intended to satisfy current needs without exhausting supply.

Conservation, in short, was the antithesis of waste. This, I submit, is the policy that Congress chose. This is the policy that Congress adopted in a long line of enactments.

I do not know when, where, or how, the purist preservationist group assumed the mantle of the conservationists. Despite the fact that our national policy remains the same, most recently restated by Congress in the Multiple-Use Act of 1960, I find much misunderstanding among the public concerning the meaning of conservation in the law. It is a disservice to the conservation movement that many people have come to think of conservation as meaning preservation alone, to the exclusion of other uses.

Before enumerating, as a refresher for our minds, the expressions of national policy set forth in various acts of Congress, I cite these specific historical guideposts in the conservation movement as evidence of what I say: In what is probably the first text on conservation, Charles Richard Van Hise states: "What is the purpose of conservation? It is for man. Its purpose is to keep the resources of the world in sufficient abundance so that man may have a happy, fruitful life, free from suffering—a relatively easy physical existence. * * * The great problem which confronts more than nine-tenths of the human race today is that of securing food. This does not apply simply to densely populated countries, such as India and China; it applies to the larger number of people in the United States and Europe. It is the aim of conservation to reduce the intensity of struggle for existence, to make the situation more favorable, to reduce mere subsistence to a subordinate place, and thus give an opportunity for development to a higher intellectual and spiritual level."—Van Hise, "The Conservation of Natural Resources in the United States," the MacMillan Co., New York, 1910.

The above-quoted volume also contains, in its appendix, a "Declaration of Governors for Conservation of Natural Resources." The declaration adopted at an earlier White House Conference on Conservation, May 15, 1908, referring to our natural resources contains this statement: "We look upon these resources as a heritage to be made use of in establishing and promoting the comfort, prosperity, and happiness of the American people, but not to be wasted, deteriorated, or needlessly destroyed."

Gifford Pinchot in "Breaking New Ground" referring to the May 1, 1897, National Forest Commission report says: "Then it said what should have been said half a year before:

" 'These great bodies of reserved lands cannot be withdrawn from all occupation and use. They must be made to perform their part in the economy of the Nation. Unless the reserved lands of the public domain are made to contribute to the welfare and prosperity of the country, they should be thrown open to settlement and the whole system of reserved forests abandoned.'

"And land more valuable for other uses than for forests should be excluded from the reserves, whose timber and mineral resources should all be opened to use. If the Commission had been wise enough to make, and make public, such statements as these on November 1, 1896, instead of May 1, 1897, the attack in the Senate would have been impossible, the reserves would not have had to be saved by the skin of their teeth, and in all likelihood they would not have been subjected to the political mismanagement of the Land Office for 7 critical years. Hindsight is a whole lot better than foresight."—Pinchot, "Breaking New Ground," Harcourt, Brace & Co., New York, 1947.

Then later in the book, Pinchot says: "When the use of all the natural resources for the general good is seen to be a common policy with a common purpose, the chance for the wise use of each of them becomes infinitely greater than it had ever been before."

At the First National Conservation Congress, held in Seattle, Wash., August 26–28, 1909, a paper was presented by Gifford Pinchot who at that time had stated his philosophy use: "In every case and in every direction the conservation movement has development for its first principle, and at the very beginning of its work. The development of our natural resources and the fullest use of them for the present generation is the first duty of this generation. So much for development.

"In the second place conservation stands for the prevention of waste. There has come gradually—and most of us in this room today have seen nearly the whole of it—there has come gradually in this country an understanding that waste is not a good thing and that the attack on waste is a necessary and possible attack. I recall very well indeed how, in the early days of forest fires, they were considered simply and solely as acts of God, against which any opposition was hopeless and any attempt to control them not merely hopeless but childish. It was assumed that they came in the natural order of things as inevitably as seasons or the rising and setting of the sun. Today we understand that forest fires are wholly within the control of the human agency."

Mr. J. N. Teal, chairman of the Oregon Conservation Commission, at that same conference had voiced a similar thought: "Conservation reduced to its last analysis means a use, which while providing for our present needs, does not exhaust the source of supply."

Another thing that I must do before calling the roll of important conservation statutes is to note for the record that Congress had very little authority over the natural resources here in the East and, therefore, Congress avoids the major burden for the spoliation and waste of natural resources in the eastern part of the country. As a matter of fact, while the original States did not surrender to the Federal Government any of the land occupied prior to 1789, the U.S. Congress has provided programs that have managed to recapture, for all of the people, conservation of some natural resources in the East.

When the Union was young and fragile, and we needed money for the Treasury, Congress provided for the sale of public lands for revenue. When we needed to pay soldiers for military service, Congress provided for payment in land. When we needed to encourage the opening of the West by construction of railroads, the Congress provided land inducements. In short, the Congress of the United States utilized the resource of which it had plenty, instead of turning to the printing press to produce worthless paper money These, I submit, were conservation measures.

The United States encouraged colonization and settlement by the oppressed peoples around the world. But if we could offer them nothing but crowded cities they would not have felt at home; and our country would not have been developed. So it was that, 100 years ago this week, on May 20, 1862, the Homestead Act became law thereby encouraging the settlement of the West and the development of our country's potential. Again Congress had called upon the use of the resource it had available. Ten years later, in the Mining Law of 1872, provision was made for the development of our mineral resources.

I submit that these latter two acts also were measures of conservation. They provided for the use of our resources. They provided that if the resources were not used, none could profit therefrom. The use of the resource, the title to the land, the fruit of labor, went to those who worked for it. This was use without waste.

In the same year that the general mining law was enacted, Yellowstone National Park was established March 1, 1872, as the forerunner of our popular and successful national park system. Our next great resource preservation step came in 1891 when we authorized the establishment of forest reserves. I think we should also recall at this point, that if ever there was any doubt as to the type of management that Congress intended for the national forests, it was resolved with the passage of the Multiple-Use Act of 1960.

Returning to the historical chronology, it was quite natural for Congress, shortly after the turn of the century, to become concerned with a rather specialized type of program for conservation. The need for added arable land, coupled with the need to conserve water, in a day that saw the most productive land quickly being claimed under the Homestead Act, brought from Congress a clear-cut answer: the Reclamation Act of 1902. This was in many respects an extension of the Homestead Act.

Next, I think, was the Antiquities Act of 1906 under which many of our treasures of nature are today preserved by Executive order under congressional guidelines. Let us pause here and reflect on a phase that I have not mentioned: delegation of authority from Congress to the Executive. Many are heard today who sail under a banner proclaiming congressional supremacy, based on the Constitution, while shedding crocodile tears over the past abandonment of congressional authority. The answer, I submit, is rather simple. First of all we had critical, even emergency, times; action was necessary. So, as in any emergency, Congress in this succession of conservation acts gave, in each, broad, almost unlimited, authority to the Executive.

Some of this authority was curbed, certainly more precisely delineated, in the next great conservation act, the Mineral Leasing Act of 1920. But when in 1934, in the midst of a depression, we again faced an emergency situation, Congress responded with (1) an act for conservation, and (2) broad authority for administrative action to meet the emergency. This, of course, was in the Taylor Grazing Act under which, at one fell swoop, we withdrew virtually all the vacant, unappropriated public domain and preserved it for the future and, at the same time, preserved our cattle and sheep industries by assuring use of public lands under principles of good conservation.

Finally, I think, the last great conservation act to date was the Small Tract Act of 1938. It matters little that, in a short 25 years, the act has grown obsolete and that we in Congress are, today, working, seeking a replacement. The fact is that from 1938 to 1958 or thereabouts, the Small Tract Act provided a vehicle for wise use, or conservation of a portion of our land resource.

Under the guidance and inspiration of such great conservationists as Carl Shurz, Gifford Pinchot, and Theodore Roosevelt, Congress has plotted a course that has provided for the country a balanced usage coupled with a preservation of our resources. It has been a moderate course that Congress has followed. One of the reasons for this is that our constitutional form of government minimizes the possibilities of being stampeded into the adoption of new national policies. The bicameral legislature assures mature consideration by Congress. Parenthetically, there is also a practical side to this. Members of Congress, long before it was necessary for lobbyists to register, learned quickly to recognize the paid propagandist and distinguish him from the purely public-spirited citizen who was not interested in personal aggrandizement. We will always have lobbyists with us and I think that they serve a useful purpose; but I think that in conservation, as in other fields, the lobbyist should not and must not exercise control.

It is my hope and prophecy that Congress will continue to act with moderation in the field of conservation. We are not going to engage now, any more than we did 50 or 100 years ago, in either wholesale giveaways or wholesale isolation of our resources. We are not going to create mausoleum-like museums in which people can go see resources that cannot be utilized or, even worse, see the surface and be compelled to wonder as to what resources might be uncovered if only we were allowed to look.

The expansion of our Nation has brought us to a vital crossroads. The scarcest commodity for an expanding population in the 1960's is land. We need land for recreation; but we also need land for homes and businesses in western communities now surrounded by public lands. We simultaneously need, and have an ever-increasing need for, the resources that go with the land: water to drink, water to operate the sinews of industry, unpolluted water to swim in, and water in which we can drop our boats and fishing tackle. We must know that we will have available fuels and other minerals, building materials (of which lumber is still the No. 1 component), and all the other resources to be found in our plentiful land.

I have faith that your Congress will answer the challenge of the 1960's and meet the needs of the Nation. This means that, when needed for various purposes, land will be available; that people desirous of peaceful contemplation will have places to go; that active youth of all ages will have facilities for recreation; and that we will learn the mysteries that lie beneath the land and the sea, as well as in the outer space of the universe, so that if we have an urgent need for a mineral that is today unknown, it will be usable to respond to our needs just as uranium was when it was required to win World War II.

In summary, what I am saying is that Congress will continue to equate conservation with wise use; will not put out of reach resources that may be required for our national continuance; and that all the resources will be managed for the benefit of the many and not the few.

The Saxton, Pa., Nuclear Reactor

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 28, 1962

Mr. VAN ZANDT. Mr. Speaker, at Saxton, Pa., on Friday, May 25, 1962, it was my privilege to deliver an address in connection with the dedication of the General Public Utilities Corp.'s new nuclear experimental powerplant.

The program was in charge of Louis H. Roddis, Jr., president of the Pennsylvania Electric Co., a former official of the Atomic Energy Commission and one of the Nation's leading nuclear physicist.

My address follows:

ADDRESS BY HON. JAMES E. VAN ZANDT

It is indeed an honor and a pleasure to be here and to participate in this dedication ceremony.

I am also happy to bring to you the greetings and best wishes of the chairman of the Joint Committee on Atomic Energy, CHET HOLIFIELD.

As you know, my colleagues and I on the Joint Committee have grown up with the atom and strongly supported research and development work on the peaceful uses of nuclear energy—projects similar to the one we are dedicating today.

Today marks another milestone in the story of the Saxton nuclear experimental powerplant, which began on December 31, 1958, when General Public Utilities and Westinghouse took the initial step in this important undertaking. It represents the culmination of the efforts of many fine people: The Jersey Central Power & Light Co., Metropolitan Edison Co., New Jersey Power & Light Co., and the Pennsylvania Electric Co., who together have formed the General Public Utilities Corp.

This corporation with its participating members, Pennsylvania State University and Rutgers University, are to be congratulated and bid God speed in all of their fascinating future work.

Cooperation in the best American tradition is evidenced in most concrete fashion by your joining together in the interest of science and economic progress, with the aim of benefiting not only the stockholders and consumers of power distributed by the four companies, but also for all of the American electric power generating industry.

This is one of the few instances of private companies financing large-scale nuclear research.

Because of the safety precautions taken by Westinghouse Electric Corp. and Gilbert Associates—the architect-engineers—I believe the Saxton powerplant will prove to be one of the safest nuclear projects in America.

It is a significant fact that $8½ million is invested in this project which is to be devoted to research in order to discover ways of increasing the efficiency of nuclear fuel utilization and to reduce costs of future power generation.

We are reminded that only by a program of research under actual operating conditions can we learn how to operate a nuclear reactor more efficiently, cut fuel costs, and reduce outlay through improved plant design.

The success of this effort seems assured by the presence of experienced and well-trained scientists and technicians who will direct and carry out this intensive 5-year program of research.

Mr. Donald R. Rees, general manager, and Dr. W. E. Johnson, of Westinghouse, are the cocaptains of a potentially great team.

And teamwork is not only the keyword but a most essential element in this project.

The reason for this type of project was little suspected back some 20 years ago when the atom was first "split."

Because the first application of the energy released by atomic fusion was for military purposes, the Government assumed control for reasons of national security.

All the efforts of those great scientists responsible for the first of many breakthroughs were directed entirely to perfection of the atomic bomb.

However, even in those days most of the actual work in the field of atomic energy was done by American private enterprise working under Government contract.

Shortly after the war the Congress approved the Atomic Energy Act of 1946.

This established the Atomic Energy Commission and directed it to conduct five major programs looking toward the development and utilization of atomic energy subject at all times to the paramount objective of assuring the common defense and security of our country.

These programs were:

1. Assisting and fostering private research and development to encourage maximum scientific progress.

2. Control of scientific and technical information.

3. Federally conducted research and development to assure the Government of adequate scientific and technical accomplishment.

4. Government control of the production, ownership, and use of fissionable material to assure the broadest possible exploitation of the fields.

5. Administration consistent with those policies.

Under the act the new AEC had responsibility and authority to conduct research and development activities, as well as to acquire, produce, utilize, and distribute fissionable material, source material, and byproduct material.

From 1946 to 1954, under the act, the effort of the AEC was largely oriented to the military application of atomic energy. Through the experience gained, many atomic bombs greater in size were fabricated, tested, and stockpiled. Quality and quantity were improved and costs reduced.

These weapons, with our delivery capability, provided and still continue to provide the deterrent which, I believe, has maintained world peace in our times.

Research was also being conducted over a broad range of nuclear physics, health physics, chemistry, biochemistry, radiobiology, and metallurgy.

Progress was being made on problems of development and operation in the chemical, electrical, mechanical, and civil engineering fields.

The breeding process was being developed whereby nonfissionable material was transmuted into fissionable material.

New materials for use in equipment and construction of reactors were introduced, and the first full-scale industrial nuclear powerplant was begun at Shippingport, Pa., by the Atomic Energy Commission and the Duquesne Light Co., of Pittsburgh.

The development of artificial radioactive isotopes grew in this period and became almost a household word.

Isotopes were made available not only to American industry and educational institutions but also to our allies, becoming invaluable aids to research in many fields.

However, by 1954, two important events occurred. The United States no longer was the sole possessor of atomic weapons, and other nations were seeking to produce nuclear power. Because of the absolute Government control, private industry considered itself impeded in its desire to utilize nuclear energy for power and for other purposes.

In response to this feeling, on February 17, 1954, significant amendments were made to the Atomic Energy Act of 1946. These amendments developed by the Congress, in response to the President's request, were designed to facilitate cooperation with other nations in atomic energy matters, improve procedures for the dissemination and control of classified information, and to permit and encourage widespread private development of industrial applications of atomic energy.

In order to accomplish the latter, a system of regulations was established with respect to the private uses of nuclear materials and facilities.

This act has become the charter for vigorous participation by private enterprise in the utilization of atomic energy.

In the years immediately following the passage of the act many overly optimistic predictions were made. The average citizen was led to expect cheap electric power from the use of nuclear energy almost at once. However, it took some time for the AEC to develop procedures, regulations, and guidelines for the private industry phases of atomic progress, while at the same time continuing its massive military programs.

Also problems arose in the financial phases. Nuclear projects are costly, requiring large amounts of capital. In addition equipment and materials just weren't available in the amounts and of the types desired.

Trained and educated scientists and technologists in this new field were scarce. Our universities had to produce the top caliber men needed to meet the challenge.

In spite of all of these problems there were those in Government and industry who had the vision to attack and solve these problems and open up the field of atomic energy to serve mankind.

Those who looked far into the future and persisted in their beliefs that atomic energy will have a permanent and increasing valuable and important place in the Nation's energy picture deserve great credit.

Under the 1954 act there has been steady and even spectacular progress. Nuclear power has been adopted for aircraft carriers, submarines, and merchant vessels, and improvements have been made in other military weapons.

International cooperation has been broadened in the military field with the members of NATO.

International cooperation relative to the peaceful uses of nuclear energy has occurred under our Euratom program, international atomic energy agency program, and bilateral agreements with individual countries.

Generation of electric power has been demonstrated by the AEC, and private industry is beginning to participate to an increasing degree so that it is now possible to purchase, as a single package, a nuclear energy powerplant.

The Saxton nuclear powerplant is one of the first wholly private enterprise projects to go on the line.

Many people in this part of the country may wonder—if all that is hoped for from these nuclear powerplants is realized—what will happen to other sources of energy? What of the fossil fuels—oil, gas, and coal?

Perhaps the answer to this vitally important question can be found in a review of the development of our country's energy needs.

In colonial days our forefathers' major source of fuel was wood. It was readily accessible and plentiful. Until Civil War days wood supplied 80 percent of our Nation's energy needs.

With the discovery of coal, and its use in the commercial adaptation of the steam engine, the then traditional energy pattern began to chance. By the 1880's coal had almost completely replaced all other forms of fuel for the production of heat and energy in the United States.

The preeminence of coal continued through the early 20th century, and as late as 1910 coal supplied 77 percent of our energy needs.

The discovery of oil in 1859 in our own State of Pennsylvania marked the start of a new and equally important industry. Again we see this new energy source develop slowly. For example, a half century after its discovery, oil was still providing only 6 percent of our energy needs. However, with the advent of the internal combustion engine, the oil industry increased its capacity to such an extent that it bypassed coal as our chief energy source. A quarter century ago a new entry into the field of providing fuel for our industry, as well as our homes, came on the scene. Natural gas provided a clean and economical means of providing fuel.

Thus, we see that at the same time oil, coal, and gas were competing for our Nation's heat and energy market. Yet this competition did not decrease the production of any, but, because of the rapid and dynamic growth of our country—each was able to increase its production and give us a better product because of the expanding market.

Now we come to a fourth factor—the introduction of competitive nuclear power.

Atomic energy is not now—and perhaps will not be for decades—a crucial factor in the competitive market for energy. However, as we all know, it will inevitably take its place as one of our prime sources of power.

It is extremely difficult to estimate when the crossover point will be reached. We can say, however, that it will eventually come.

One of the reasons why atomic power is necessary is because our reserves of fossil fuels, while great, are not unlimited. As

Admiral Rickover pointed out in our recent hearings on the AEC authorization legislation:

"It took, I think, a couple of hundred million years to create the oil we have and maybe 5 or 6 million years to create the coal, and in our automobiles alone we use as much oil in 1 year as it took 14 million years to create."

The transportation industry will probably for a long time to come depend upon the oil industry, for which other sources of energy are ill adapted.

Projections of U.S. consumption of oil for 1975 forecast a need for 15 million barrels daily or 50 percent more than at present.

Thus exploration reserves tend to increase to meet the demands of consumption. However, on a competitive basis, oil imports are depressing somewhat the U.S. oil industry, discouraging prospecting, and holding prices below levels that make it profitable to search for more.

To an increasing degree natural gas reserves have been declining, having declined from a 32.5-year supply in 1946 to a 20-year supply, at current rates of consumption in 1960, although rising in absolute terms.

The basic reasons for the very pronounced growth in use of oil and gas in the past decade have largely run their course.

Railroads are now dieselized; private automobiles and trucks will not continue to increase in the same proportion; and industrial use is largely localized and for special purposes such as the petrochemical industry. Thus, oil will not expand greatly even in space heating where it is opposed by natural gas.

The greatest hope for expansion in the latter case is for gas-fired air conditioning and some expansion of space heating and special purposes such as carbon black.

Coal has lost all it is going to lose. The steadily expanding total energy market, which seems to double every 10 years, represents a plus factor for coal.

Resources for the future: A private research organization forecasts coal use will rise to 768 million tons by 1975, an increase of 355 million tons over the 1960 level of 413 million tons.

The proportion of the Nation's energy supplied by coal, they say in a recent report, will be 33 percent in 1975 compared with 25 percent in recent years.

Coal has another plus factor in that it is the raw material for a great and growing hydrocarbon chemical industry.

Synthetics in a bewildering array are derived from its components.

It may eventually be a major source of gasoline and other products.

In fact, the time may come when to burn coal may be considered wasteful in view of other higher uses of coal as a raw material.

Against that day, still in the future, it is well that the newest source of energy, the atom, be studied well and developed as rapidly as possible as a source of energy.

In addition to the generation of electricity, the atom also holds promise for a number of other applications which benefit mankind.

One of these is in the field of medicine. It was extremely fortunate that early in the atomic energy program the potential benefits and hazards of nuclear radiation were recognized.

As a consequence, useful applications have already been developed and, as a result of the studies of biological hazards, we have the knowledge to proceed with further work with safety.

In addition to the great value of nuclear radiation for diagnostic work in medicine, radiation holds great promise for doing things to rid humans of ills which cannot be done in any other way.

For example, during a recent visit to the AEC's Berkeley Laboratory I saw the results of experimental work on brain surgery which was performed on animals. This work at Berkeley is typical of what has been referred to as knifeless surgery.

As a layman this represents to me one of the most exciting and appealing peaceful applications of atomic energy.

Conventional surgery often leaves scar tissue which may seriously affect the functioning of the brain, even if the cancer is arrested. Nuclear surgery leaves no such scar.

It is my hope that this research will be pressed with full vigor, for I am convinced that it represents a major breakthrough in the treatment of man's most cruel and serious diseases.

The atom also holds great promise in the field of agriculture. Radioactive elements called radioisotopes, which are made in reactors, are showing great promise.

Radioisotopes are applied to a wide range of problems in agricultural research which range from applied studies for immediate use to fundamental investigations. Problems are resolved by this technique which many times cannot be done in any other way.

The speed of solution, as well as the economy of approach, makes this a more valuable technique than by the conventional methods.

The basic studies include plant physiology, biochemistry, plant genetics, and pathology. These do not necessarily directly apply to practical farming but aim at eventual agricultural benefits.

Ionizing radiation allows the researcher to produce genetic strains of various plants, which thus allows breeding and selection to obtain desired characteristics.

By use of this method resistance to rust has been developed in wheat, oats, and flax.

The irradiation of beans and peanuts to produce desired mutants has permitted two new plant varieties to be formally released to plant breeders for practical agricultural use.

One, the Sanilac bush navy bean, after several years of testing, outproduced the parent variety by 30 percent per acre and required fewer days from planting to harvesting.

The other is an improved variety of peanut with higher yield and greater disease resistance.

Somatic mutations produced by radiation have been transferred by cuttings or grafts to produce desirable color changes in apple and peach varieties.

Another special application of nuclear energy which I would like to bring to your attention is the preservation of food. We on the joint committee recently completed hearings on this subject. We were very pleased to hear of the progress which has been made by our scientists in this field.

Fundamentally this application involves exposing of foods of various kinds—meat, fish, vegetables, fruits—to nuclear radiation for short periods of time. This deactivates the various constituents in food which cause it to spoil. No radioactivity is produced in the food.

As a consequence the food so treated can be transported or stored without refrigeration.

Under present plans the Army is going to take the necessary steps very soon to have one item of food—bacon—cleared by the Food and Drug Administration for use in the field by the military.

This method of preservation holds great promise for use by the civilian population. We look forward to important developments in this program in the future.

In closing my remarks I would like to return to the keystone in the development of atomic energy. That is, the use of the atom as an energy source.

The Nation needs all of its resources of energy. It appears in the cold light of the present that the goal of nuclear energy as an economic source of electric power is still very much in the future, not only in the United States but in the world.

In facing up to the hard test of comparative economics, this realization should not prevent us from proceeding with prudence to experiment, to test, to search for the possible breakthrough that would make it economically competitive.

Again may I congratulate all of those responsible for the splendid safety record to date, and an auspicious beginning to what I fervently hope will be a very successful venture here at Saxton.

SENATE

TUESDAY, MAY 29, 1962

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, offered the following prayer:

O Lord, our God, who hath cast our lot in pleasant places: We praise Thee for our goodly heritage in this land. The hallowed walls of this Chamber speak of those whose gifts of head and heart and hand laid the foundation of this Nation as they looked to Thee, author of liberty. Help us to hold dear the faith and freedom which they cherished and to prize our heritage above luxury and ease.

Purify our desires and motives by Thy grace; feed our minds with Thy truth, which alone will make us free; and guide our feet into Thy paths of justice and righteousness.

In the dear Redeemer's name we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 28, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 28, 1962, the President had approved and signed the following acts:

S. 160. An act for the relief of Thomas O. Tate, Jr.;

S. 383. An act to provide for the acquisition of a patented mining claim on the south rim of Grand Canyon National Park, and for other purposes; and

S. 1684. An act for the relief of Merle K. Loessin.

AGREEMENT WITH BELGIUM FOR MUTUAL DEFENSE PURPOSES—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying papers, was referred to the Joint Committee on Atomic Energy:

To the Congress of the United States:

This Government has recently signed with the Government of Belgium an atomic cooperation agreement for mutual defense purposes. This agreement, which has been concluded pursuant to sections 91–c and 144–b of the Atomic Energy Act, is essentially the same as agreements we have concluded since 1959 with a number of other NATO countries. By providing for the exchange of information and nonnuclear materials the agreement with Belgium will enable us to cooperate in developing plans and training personnel so that Belgian NATO forces can effectively contribute with other NATO countries to the collective defense effort. The members of NATO have made clear that it is necessary for their common defense to maintain the most modern NATO forces, and that these forces must be capable of using nuclear weapons if necessary. Since it is well known that measures to build NATO military strength are designed solely for defense purposes, these measures should not be a cause of concern to other countries.

In general, NATO countries are proceeding simultaneously along two lines to provide for their necessary military strength: conventional forces are being strengthened, and an effective nuclear capability is being maintained. The conclusion of this agreement is consistent with these current policies and with the continuing alliance purposes of collective defense.

I am forwarding a copy of the atomic cooperation agreement with Belgium to each House of the Congress, in accordance with the Atomic Energy Act of 1954, as amended. I am also forwarding a letter from the Secretary of State transmitting an authoritative text of the agreement, a copy of the joint communication by the Secretary of Defense and the Chairman of the Atomic Energy Commission recommending my approval of the agreement and a copy of the memorandum recording my affirmative response to their recommendation.

JOHN F. KENNEDY.

THE WHITE HOUSE, *May 29, 1962.*

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Michigan [Mr. McNamara] may be granted official leave of absence from the Senate to attend, as an official member of the U.S. delegation, the International Labor Organization Conference.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING THE MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination of the Executive Calendar, beginning with the new reports.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. Byrd of Virginia, from the Committee on Finance:

Craig S. Atkins, of Maryland, Norman O. Tietjens, of Ohio, and Clarence V. Opper, of New York, to be judges of the Tax Court of the United States.

The PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar, beginning with the new reports, will be stated.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

The Chief Clerk proceeded to read sundry nominations in the District of Columbia Redevelopment Land Agency.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

JUDGES OF MUNICIPAL COURT OF APPEALS, DISTRICT OF COLUMBIA

The Chief Clerk proceeded to read sundry nominations to be judges of the Municipal Court of Appeals for the District of Columbia.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

JUDGE OF MUNICIPAL COURT, DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of John J. Malloy, of the District of Columbia, to be judge of the municipal court for the District of Columbia for a term of 10 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ASSOCIATE JUDGE OF MUNICIPAL COURT, DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Joseph C. Waddy, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia, domestic relations branch, for a term of 10 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ADVISORY BOARD OF NATIONAL CAPITAL TRANSPORTATION AGENCY

The Chief Clerk read the nomination of Edwin T. Holland, of Virginia, to be a member of the Advisory Board of the National Capital Transportation Agency.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. ARMY

The Chief Clerk read the nomination of John H. Fagan, a cadet of the graduating class of 1962, U.S. Military Academy, for appointment as second lieutenant in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 4353.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE ARMY, THE NAVY, AND THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Army, the Navy, and the Marine Corps, which had been placed on the Secretary's desk.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, if the Senate will bear with me, with the full concurrence of the distinguished minority leader, I ask that the Senate consider the nominations of three Tax Court judges reported today from the Committee on Finance. If permission is granted, an explanation will be made by the Senator from Virginia [Mr. Byrd].

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the nominations of Norman O. Tietjens, Clarence V. Opper, and Craig S. Atkins, to be judges of the Tax Court.

Mr. BYRD of Virginia. Mr. President, earlier today I reported favorably from the Committee on Finance the nominations of Chief Judge Norman O. Tietjens, of Ohio; Judge Clarence V. Opper, of New York; and Judge Craig S. Atkins, of Maryland, to be judges of the Tax Court of the United States.

The PRESIDENT pro tempore. The clerk will state the nominations for the information of the Senate.

TAX COURT OF THE UNITED STATES

The legislative clerk proceeded to read the nominations of Craig S. Atkins, of Maryland; Norman O. Tietjens, of Ohio; and Clarence V. Opper, of New York, to be judges of the Tax Court of the United States.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc.

Mr. BYRD of Virginia. Mr. President, I should like to make a brief explanation of the nominations.

The Finance Committee has no objection to continuing the terms of these judges.

The President did not send these names to the Senate until Monday, May 28, and it is necessary for action to be taken promptly.

In the event these three judges should not be confirmed prior to midnight June 1—Friday—they will go off the payroll. Since Judge Tietjens was elected last year to a 2-year term as Chief Judge, failure of timely confirmation will mean a vacancy in the statutory office of Chief Judge, and the Tax Court will have to call a special election on May 31—Thursday—in order to prevent this from happening. In addition, Judge Opper is responsible for two very important calendars in June which could not be canceled now without extreme inconvenience to litigants. Delay in this confirmation will create a most unfortunate uncertainty as to his judicial authority.

I have gotten in touch with the Senators from Maryland, Ohio, and New York, of which States these three judges are residents, and they do not oppose the nominations.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all the nominations acted on today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

WITHDRAWAL OF CULTURAL CONVENTION WITH BRAZIL

Mr. HUMPHREY. Mr. President, I submit a resolution directing the Secretary of the Senate to return to the President, as requested in his message to the Senate of May 21, 1962, the cultural convention between the United States and Brazil, signed on October 17, 1950.

The Committee on Foreign Relations on May 22 agreed to the request of the President and recommends that the Senate return the Cultural Convention to the President. The President stated that it is the intention of the Governments of Brazil and the United States to negotiate a new agreement on this subject.

I ask unanimous consent that the resolution be considered and agreed to.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. What does the measure entail?

Mr. HUMPHREY. It is a cultural convention embracing the exchange of persons, periodicals, and cultural activities that was negotiated approximately 12 years ago. The question is not an unusual one. There are a number of these agreements. There are approximately 50 or 60 of them still hanging fire that have not yet been acted upon either by the parliament of the country with which the negotiations took place or with our own country. Since the convention in question is now outdated, and because there seems to be no agreement either on our part in the legislative branch or in the legislative branch of the Brazilian Government, the President is asking that the convention be withdrawn from consideration. It will have to be considered de novo on another occasion.

Mr. GOLDWATER. I thank the Senator.

The PRESIDENT pro tempore. The resolution will be stated for the information of the Senate.

The legislative clerk read as follows:

> *Resolved,* That the Secretary of the Senate is directed to return to the President of the United States, as requested in his message to the Senate under date of May 21, 1962, the cultural convention between the United States of America and the United States of Brazil, signed at Washington on October 17, 1950 (S. Ex. X, 81st Cong., 2d sess.).

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none, and it is so ordered.

The resolution (Ex. Res. No. 1) was considered and agreed to.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letter, which were referred as indicated:

Proposed Legislation Relating to Election of President and Vice President

A communication from the President of the United States, transmitting drafts of proposed legislation relating to the election of President and Vice President (with accompanying papers); to the Committee on Rules and Administration.

Report on Agreements Concluded Under Agricultural Trade Development and Assistance Act of 1954

A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, Washington, D.C., transmitting, pursuant to law, a report on agreements concluded during April 1962 under title I of the Agricultural Trade Development and Assistance Act of 1954 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, without amendment:

H.R. 6695. An act to amend title 39 of the United States Code with respect to the transportation of mail by highway post office service, and for other purposes (Rept. No. 1536); and

H.R. 7559. An act to amend title 39 of the United States Code to provide for additional writing or printing on third- and fourth-class mail (Rept. No. 1537).

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 7532. An act to amend title 39 of the United States Code relating to funds received by the Post Office Department from payments for damage to personal property, and for other purposes (Rept. No. 1538).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PASTORE:

S. 3360. A bill for the relief of Joao Pereira Morais and Maria da Gloria Morais; and

S. 3361. A bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens; and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. PASTORE when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. MUSKIE:

S. 3362. A bill to amend section 701 of the Housing Act of 1954 to provide grants for continuing support of metropolitan planning, and for other purposes; to the Committee on Banking and Currency.

S. 3363. A bill to provide for more effective utilization of certain Federal grants by encouraging better coordinated local review of State and local applications for such grants; to the Committee on Government Operations.

(See the remarks of Mr. MUSKIE when he introduced the above bills, which appear under separate headings.)

By Mr. HART (for himself and Mr. MCNAMARA):

S. 3364. A bill to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HART when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3365. A bill for the relief of Evangelia N. Giameos; to the Committee on the Judiciary.

By Mr. PASTORE (by request):

S.J. Res. 193. Joint resolution to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the offices of President and Vice President; to the Committee on Commerce.

ENTRY OF ALIEN SKILLED SPECIALISTS AND CERTAIN RELATIVES OF U.S. CITIZENS

Mr. PASTORE. Mr. President, each year in the Congress we have been able to achieve some liberalization of our immigration laws. Each year we have a feeling that we have not done quite enough—but we do make gains which we feel improves the image of America in places where we desire friends.

I now introduce a bill to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens. It is identical with a bill introduced in the House last Thursday by Chairman WALTERS, of the House Immigration Subcommittee.

Section 2 would speed the arrival here of some 2,000 Chinese with specialized skills badly needed in American industry. With their families this would mean the admission of about 6,000 Chinese. Other races would provide a total of about 10,000.

The first section of the bill would move up by 1 year the registration date in cases of fourth preference immigrants, relatives of U.S. citizens. The new cutoff date would be December 31, 1954.

It is estimated that this will permit the entry of some 28,000 nonquota immigrants. This humane provision which has in mind the protection of family ties nevertheless provides only a trickle in the stream of ambitious people whose desire to come to America is the best proof of world appreciation of what America means.

There are those of us who would have preferred a more generous date—say, December 31, 1955—but for the sake of action and agreement, we would urge the meeting of the minds on this bill. Because of the lateness of the legislative hour we would request that the Judiciary Committee expedite consideration of this measure—so that we may have a message of hope and help for this type of people.

I ask unanimous consent that an explanation of the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanation will be printed in the RECORD.

The bill (S. 3361) to facilitate the entry of alien skilled specialists and certain relatives of U.S. citizens, and for other purposes, introduced by Mr. PASTORE, was received, read twice by its title, and referred to the Committee on the Judiciary.

The explanation presented by Mr. PASTORE is as follows:

EXPLANATION

The first section of this proposed bill would move up by 1 year the registration date in cases of fourth preference immigrants as compared to the 1959 law which expired on March 25, 1962. The expired law granted nonquota status to second, third, and fourth preference immigrants registered prior to December 31, 1953. This proposal would move the date up to December 31, 1954.

Official statistical data obtained from the Department of State (visa office) indicate that under the 1959 law a total of 28,093 immigrants entered the United States on nonquota basis. Of this number Italy sent the largest contingent of immigrants—16,742; next was Portugal—4,298; with Greece—1,825; Yugoslavia—847; Spain—553, etc. following in that order.

It is not possible to estimate with any degree of accuracy how many aliens would benefit from the enactment of section 1 of the proposal as data from all U.S. consular offices around the globe are very difficult to obtain. The best estimation is that the number of beneficiaries would equal the number of those fourth preference applicants who entered as nonquota immigrants under the 1959 law with approximately similar breakdown by country. This should give Italy approximately 15,000, about 1,300 to Greece, 300 to Spain, etc.

Section 2 of the proposal would permit immediate entry in nonquota status (or adjustment of status for those who are in the United States) of all beneficiaries of first preference petitions (skilled specialists) approved prior to April 1, 1962.

The largest number of aliens benefiting from this provision would be Chinese. The total number of beneficiaries of first preference petitions chargeable to the quota for Chinese persons is approximately 6,900 of which about one-half are in the United States (in the status of "indefinite voluntary departure") and the other half abroad. This number includes the prime beneficiaries of the approved petitions (the skilled specialist himself) and his spouse and children, if any.

Other than Chinese, the beneficiaries of this section would be (approximately) 580 natives of the Philippines, 350 natives of India, 300 natives of Turkey, 100 natives of Egypt, 100 Japanese, 80 Koreans, 60 Lebanese, 60 Australians and possibly up to 200 Jamaicans.

It is not believed that the grand total would exceed 10,000 persons.

Italy would not benefit under this provision as the first preference portion of the Italian quota is not oversubscribed.

AMENDMENT OF SECTION 701 OF HOUSING ACT OF 1954, RELATING TO GRANTS IN CONTINUATION OF SUPPORT OF METROPOLITAN PLANNING

Mr. MUSKIE. Mr. President, on behalf of the Advisory Commission on Intergovernmental Relations, I introduce, for appropriate reference, a bill to amend section 701 of the Housing Act of 1954 to provide Federal financial grants on a continuing support basis for the establishment and operation of metropolitan area planning bodies.

The proposed legislation would carry out one of the major recommendations for Federal action to improve governmental structure, organization, and planning in metropolitan areas adopted last year by the Advisory Commission on Intergovernmental Relations. The Commission on Intergovernmental Relations is composed of representatives of the Congress, of the executive branch, and of State and local elected officials, as well as public members appointed by the President. The Commission has been charged by the Congress with the continuing responsibility for study and for making recommendations to Federal, State, and local governments on ways in which intergovernmental relations might be improved and the overall Federal system of government in this country made more effective.

The bill I am introducing provides that the Housing and Home Finance Administrator be authorized to provide grants for continuing support of comprehensive planning activities to metropolitan and regional planning agencies. The Housing Administrator, in approving such grant applications, would take into account both the extent of actual past accomplishments in improving metropolitan planning by the applicant agency as well as the total funds available for such grants. Where a statewide planning organization is in existence and is judged acceptable by the Administrator, the metropolitan planning area's request for financial assistance would be channeled through that State instrumentality.

Beginning in 1954, section 701 of the Housing Act has provided for Federal grants to aid State and local governments in solving planning problems resulting from rapid urban growth. Among the objectives defined in the act are "to facilitate comprehensive planning on a continuing basis by such governments"; and "to encourage such governments to establish and improve planning staffs."

As administered over the years, section 701 has generally been used on a "one shot" basis to help finance specific planning projects, primarily the development of comprehensive plans in contrast to continuing maintenance of such plans. In many metropolitan areas the effect has been to neglect the important task of continuing maintenance and updating of comprehensive plans to achieve an effective and orderly pattern of metropolitan area development. In addition, upward of 100 metropolitan areas have not taken advantage of Federal "701" project grants to establish metropolitan-wide planning bodies nor have they initiated such efforts on their own.

The Commission believes that there is a further need to stimulate the creation and effective operation of metropolitan area planning bodies to deal properly with metropolitan area problems and to permit the best possible basis for decision making by the many local governments with respect to their own development within these metropolitan areas.

The Commission considers the maintenance of the comprehensive planning function in metropolitan areas to be important from the standpoint of general national interest as well as a basic aid to State and local efforts to achieve an effective and orderly pattern of metropolitan development. Such support grants will help coordinate rapidly expanding Federal aids to urban development with each other and with State and local development activities at the local level.

Precedents for continuing financial participation by the Federal Government in support of metropolitan area planning, including participation in administrative costs, have long been established. Such continuing assistance is currently authorized in such fields as agricultural research, highway planning and research, civil defense, vocational education and public assistance, among others.

Finally, this proposed legislation would increase the role of State governments in metropolitan area planning by channeling metropolitan area planning agency requests through appropriate State instrumentalities, where such exist. This would permit the State to examine metropolitan areawide planning proposals and grant requests in terms of overall State policies and stimulate the States to assume more active leadership in urban affairs.

I ask unanimous consent that the text of the bill be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3362) to amend section 701 of the Housing Act of 1954 to provide grants for continuing support of metropolitan planning, and for other purposes, introduced by Mr. Muskie, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 701(b) of the Housing Act of 1954 is amended by changing the period at the end of the first sentence to a colon and adding the following: "*And provided further,* That a grant may be made under this section to an agency or instrumentality referred to in subsection (a) (2) for the continuing support of comprehensive planning (as defined in subsection (d)). In determining whether a grant to any agency or instrumentality shall be made under the second proviso of the preceding sentence, the Administrator shall take into account the extent of actual accomplishments in the metropolitan area during periods for which such agency or instrumentality has received grants for continuing support under said proviso. In States where a State planning agency is empowered to carry out statewide planning, grants under said proviso shall be made through such State agency, except that in the case of an interstate metropolitan area the grant may be made directly to the metropolitan or regional planning agency."

COORDINATED REVIEW OF STATE AND LOCAL APPLICATIONS FOR CERTAIN FEDERAL GRANTS-IN-AID

Mr. MUSKIE. Mr. President, on behalf of the Advisory Commission on Intergovernmental Relations, I introduce, for appropriate referral, a bill to encourage better coordinated local review of State and local applications for certain Federal grants-in-aid.

The bill provides that, effective July 1, 1964, applications for Federal grants-in-aid for hospital construction, airport construction, waste treatment works, urban highways, public housing, and urban renewal be accompanied by comments and recommendations of metropolitan planning agencies empowered under State law to perform metropolitan planning for the area within which the assistance is to be used. The State or local agency applying for the grant would be required to report that it had taken the comments and recommendations into consideration in preparing its final application.

It is important to note that no attempt is made by this legislation to determine how responsible State or local officials should make use of the comments and recommendations made by the metropolitan planning agency. Similarly, the Federal officials administering the grants-in-aid programs would be expected to review the comments and recommendations of the planning agency and any comments thereon made by the State or local agency applying for the grant. Such review would be helpful in determining whether the grants applied for are in accord with the Federal laws under which they are made.

Thus, this act would in no way change Federal, State, or local laws now governing these important grants-in-aid programs, but rather would provide assurance that consideration had been given by the agencies concerned to the need for proper coordination of interrelated development programs in any given metropolitan area.

In order to avoid any undue delay from the proposed review and coordination procedure, the requirement that State and local governmental agencies shall submit comments and recommendations by metropolitan planning agencies along with applications for certain Federal grants-in-aid would be waived in those cases where the planning agency has failed to act within a 60-day period.

The need for this proposed legislation is created by the rapid growth of the Nation's metropolitan areas and the fact that many Federal programs affecting such areas are initiated from various local units of government, often without reference to other Federal development programs or to their impact on the overall metropolitan areas which they are designed to serve.

All too often federally aided, local development projects are planned, administered, and reviewed independently despite the fact that they are actually closely interrelated. The difficulty of coordinating such diversely administered aids and comprehensive development of metropolitan areas is compounded by the number of local jurisdictions and special districts, about 80 on the average, within each metropolitan area.

Given this situation, metropolitan planning agencies can serve as an effective mechanism and vehicle for the coordination of such Federal grants-in-aid assistance and also of State, county, and local development activities at the local level and in relating these activities to the desirable development of the metropolitan area as a whole.

There are a number of precedents for such an advisory review. Federal grants-in-aid have traditionally included conditions for insuring local performance standards. The Urban Renewal Administration and the Public Housing Administration both require that Federal assistance be in conformance with comprehensive local development plans for the specific jurisdictions affected. Assistance under the Federal open space and mass transportation programs are contingent upon areawide comprehensive plans, locally prepared. In our own National Capital region each Federal agency proposal for development or construction must be reviewed, on an advisory basis, by the National Capital Planning Commission to insure that it is consistent with comprehensive plans for development of the Washington metropolitan area.

The Advisory Commission considers it appropriate for the the Federal Government to use suitable inducements for effective planning and coordination of metropolitan area growth in the interests of getting maximum value for both the Federal and the local funds which are spent in connection with Federal grants-in-aid programs. Equally important is the increased effectiveness which will result in achieving program objectives.

All the governments affected by these Federal programs should benefit by the improved metropolitan planning machinery and decisionmaking that would stem from enactment of this legislation.

I ask unanimous consent that the text of S. 3363 be printed in the Record at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3363) to provide for more effective utilization of certain Federal grants by encouraging better coordinated local review of State and local applications for such grants, introduced by Mr. Muskie, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to assist Federal, State, and local governments to increase their economy and efficiency of operations in meeting the governmental needs of the increasing concentration of population in metropolitan areas; to facilitate the coordination of intergovernmental relationships and activities on a continuing basis; to provide more effective exchange of information among the governments concerned; and to encourage State and local governments to establish or improve facilities for coordinating metropolitan development, all applications made after June 30, 1964, for Federal grants to assist in carrying out urban renewal activities or for the construction of hospitals, airports, waste treatment works, urban highways, and public housing within any metropolitan area defined by the Bureau of the Budget as a Standard Metropolitan Statistical Area shall be subject to the provisions of this Act.

Sec. 2. (a) Except as provided in subsection (b) of this section, each application for grants of the types described in section 1 shall be accompanied (i) by the comments and recommendations thereon of an official State, metropolitan, or regional planning agency empowered under State or local laws or interstate compact to perform metropolitan or regional planning for the metropolitan area within which the assistance is to be used, or other agency or instrumentality designated for such purpose by the Governor (or Governors in the case of interstate planning) and (ii) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the proposed urban renewal activity or the construction is consistent with comprehensive planning (as defined in subsection (d) of Section 701 of the Housing Act of 1954) developed or in the process of development for the metropolitan area and the extent to which such activity or construction contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this section shall, except in the case referred to in subsection (b) of this section, be reviewed by the agency of the Federal Government to which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the grants.

(b) An application for Federal grants need not be accompanied by the comments and recommendations and the statement referred to in subsection (a) of this section if the applicant certifies that the application has lain before an appropriate planning agency or instrumentality for a period of 60 days without comments or recommendations thereon being made by such agency or instrumentality.

SEC. 3. The President is hereby authorized to prescribe such rules and regulations as he deems appropriate for the effective administration of this Act.

ESTABLISHMENT OF A NATIONAL LAKESHORE AT PICTURED ROCKS, MICHIGAN

Mr. HART. Mr. President, on behalf of my colleague the senior Senator from Michigan [Mr. McNamara], and myself, I introduce, for appropriate reference, a new bill for the establishment of a National Lakeshore at Pictured Rocks, in the upper peninsula of Michigan.

The Pictured Rocks area was one of 12 designated by the Department of the Interior survey of the Atlantic, Pacific, Gulf, and Great Lakes shorelines as being suitable and warranting inclusion in the National Park System.

The bill, in conformity with the survey, would establish an area of some 67,000 acres of Lake Superior shoreline between Munising and Grand Marais. It would include the world famous sandstone Pictured Rocks, sweeping sand beaches and dunes, and a series of picturesque lakes, streams, and falls back from the shoreline. This is the land of Hiawatha. It is a unique and ideal region for investment by the Federal Government for the preservation and development of the scenic and natural resources for this and future generations.

In 1961 Senator McNamara and I introduced S. 2152, the first proposal for the development of the Pictured Rocks area. In the ensuing 12 months much attention and discussion have been directed to the question of how best the Federal Government can assist in developing the natural resources at Pictured Rocks not only for the benefit, enjoyment, and economic well-being of the upper peninsula and the State of Michigan, but for the benefit of the entire Nation.

Important studies of the economic potentials in Michigan's upper peninsula have been published. The counties of the upper peninsula have organized for economic development under the Area Redevelopment Act and private and public organizations concerned with the future economic growth of this region are presently very active.

It is clear that Congress has a special opportunity in evolving a plan for the national development of the Pictured Rocks area by which all of the resources potential of the Pictured Rocks area—recreation, scenic, and timber—can be achieved. Our new bill looks toward this objective.

Here, within the suggested boundaries set forth in the Park Service study at Pictured Rocks, are hardwood timber resources important to the economic future of the wood-using industries of the area, as well as tourist and recreation potentials which are keys to the further economic development of the area.

Prof. Lee James, in his study prepared for the Committee on Public Works of the U.S. Senate entitled "Opportunities for Economic Development in Michigan's Upper Peninsula," stated:

> It is desirable to consider further public acquisitions for park purposes in areas of special attraction. In particular, access to shorelines must be emphasized. Ready access to the public lands for recreational use is needed. This means not merely road or boat access, but the provision of campgrounds, picnic areas, parking, water and toilet facilities, and public beaches. The rate at which such facilities have been provided is far below the rate at which recreational use has been developing. Every summer, for example, thousands of campers are turned away from the State parks. The provision of new facilities and their maintenance is necessary if the recreational potentialities of the Upper Peninsula are to be realized.
>
> Special attention needs to be devoted to facilities for campers—both for tents and trailers. Camping is the fastest growing segment of tourism, and the Upper Peninsula is particularly well endowed with natural attractions for this group of vacationists.

He outlined the critical importance of evolving a public policy by which the potential of the timber resources and recreation and scenic resources can be developed together. Professor James said:

> A minute fraction of the Upper Peninsula's public lands—perhaps 2 percent—is reserved specifically for recreational use. Park areas, designated camping areas, roadside and lakeside strips reserved from cutting—all of these intensively developed areas for recreation comprise an insignificant portion of the public lands. These could be multipled several times without making a serious dent in the use of forests for other purposes.
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> Both the national forests and the State forests are managed under the principle of multiple use, a principle which recognizes that forests have many uses and, to a large extent, these uses are compatible. In specific instances, individual uses may become paramount, as when park areas or camping areas are designated, or wildlife refuges are established, or mining enterprises become established. But over the bulk of the forest area, the multiple uses exist simultaneously. Timber can be harvested, water regulated, game managed, and recreation enjoyed on the same forest areas.
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> So long as the multiple-use philosophy prevails over the bulk of the public forest lands, so long as recreationists are willing to permit the public agencies to manage lands on this basis, it will be possible for a region like the Upper Peninsula to have its extensive public lands available for timber and minerals production and at the same time be used for wildlife production and outdoor recreation.
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> On this basis, the supply of public lands in the Upper Peninsula for recreation is vast. It is large enough to meet any foreseeable needs, although it may not meet some specific needs such as access to shoreline. The supply of public lands can permit a manifold expansion in specific allocations to recreation in the form of small parks, picnic areas, camping areas, hiking trails, scenic roads, and winter sports areas. Such allocations can be made without severe impact on other uses. But if recreationists reject, in general, the principle of multiple use, and insist on large-scale allocations of land to exclusive recreational use, they could cause a severe curtailment in other regional economic opportunities, particularly to the wood-using industries.
>
> The point to be noted is that the supply of public lands for recreation is vast, but it is quite limited for use which emphasizes wilderness. Wilderness use which requires a high ratio of land to people, which seeks large allocations of land for a recreational environment, and which denies the designated land to other uses, would be difficult to supply in the Upper Peninsula context. But recreational use of a more gregarious kind that does not require personal isolation on a large scale nor prevent forest land from being used for other purposes has the physical room for a great expansion on the Upper Peninsula's public lands.

Last November the Public Lands Subcommittee of the Committee on Interior and Insular Affairs held a hearing on S. 2153, the Sleeping Bear Dunes proposal, which is another of the three areas recommended along the Great Lakes shoreline. At that hearing the Michigan Conservation Commission outlined policies which it felt should be followed in developing the recreation areas both at Sleeping Bear Dunes and at Pictured Rocks. Dr. Stanley A. Cain, testifying for the Michigan Conservation Commission, said in part:

> The commission believes that the utilization of timber products under approved silvicultural methods could continue on selected parts of the recreation area, with due allowance for buffer zones along shorelines of Lake Michigan and inland lakes and major streams, and for the protection of the dunes and other scenic and important natural features of the region where on all such lands nature should be allowed to take her course with the passage of time.
>
> In support of this view, the commission knows that proper forest management is an essential feature of habitat maintenance for game and wildlife of many kinds, that the forest industry is important to Michigan's economy, and that much of the area in any case is not a wilderness in the usual ecological sense. Forest management, when it does not impair other natural values, adds variety to the landscape, may itself have recreational attractiveness, and enhances some recreational features of the area as a whole.
>
> The commission recognizes that comparatively large sums of money will be required to purchase lands within the area in fee title, and recommends that consideration to other procedures be given, such as the purchase of conservation easements.
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> The commission is in complete agreement with the high standards of management of national parks and monuments for which one principal objective is to preserve in perpetuity their wild natural characteristics, and it understands that the developing concept of national recreation areas is very different. It believes that the distinction between a park, in the sense of the National Park Service, and a recreation area is an important one.

There is no question, Mr. President, that here at Pictured Rocks the Congress has a unique opportunity to establish an area which can be a model in the development of recreation areas in many other parts of our Nation.

This new bill permits, first, preservation of the scenic beauty along the shoreline; second, protection of other areas for intensive public use and enjoyment; and, third, timber harvesting under a supervised sustained yield timber management program in the areas needed for less intensive recreation development and as buffer zones.

This year the Outdoor Recreation Resources Review Commission reported to the President and the Congress on the recreation resource needs of our Nation over the next 40 years. Following are the findings of this landmark study:

The simple activities are the most popular: Driving and walking for pleasure, swimming, and picnicking lead the list of the outdoor activities in which Americans participate, and driving for pleasure is most popular of all. This is generally true regardless of income, education, age, or occupation.

Outdoor opportunities are most urgently needed near metropolitan areas: Three-quarters of the people will live in these areas by the turn of the century. They will have the greatest need for outdoor recreation, and their need will be the most difficult to satisfy as urban centers have the fewest facilities (per capita) and the sharpest competition for land use.

Across the country, considerable land is now available for outdoor recreation, but it does not effectively meet the need: Over a quarter billion acres are public designated outdoor recreation areas. However, either the location of the land, or restrictive management policies, or both, greatly reduce the effectiveness of the land for recreation use by the bulk of the population. Much of the West and virtually all of Alaska are of little use to most Americans looking for a place in the sun for their families on a weekend, when the demand is overwhelming. At regional and State levels, most of the land is where people are not. Few places are near enough to metropolitan centers for a Sunday outing. The problem is not one of total acres but of effective acres.

Money is needed: Most public agencies, particularly in the States, are faced with a lack of funds. Outdoor recreation opportunities can be created by acquiring new areas or by more intensive development of existing resources, but either course requires money. Federal, State, and local governments are now spending about $1 billion annually for outdoor recreation. More will be needed to meet the demand.

Outdoor recreation is often compatible with other resource uses: Fortunately, recreation need not be the exclusive use of an area, particularly the large ones. Recreation can be another use in a development primarily managed for a different purpose, and it therefore should be considered in many kinds of planning—urban renewal, highway construction, water resource development, forest and range management, to name only a few.

Water is a focal point of outdoor recreation: Most people seeking outdoor recreation want water—to sit by, to swim and to fish in, to ski across, to dive under, and to run their boats over. Swimming is now one of the most popular outdoor activities and is likely to be the most popular of all by the turn of the century. Boating and fishing are among the top 10 activities. Camping, picnicking, and hiking, also high on the list, are more attractive near water sites.

Outdoor recreation brings about economic benefits: Although the chief reason for providing outdoor recreation is the broad social and individual benefits it produces, it also brings about desirable economic effects. Its provision enhances community values by creating a better place to live and increasing land values. In some underdeveloped areas, it can be a mainstay of the local economy. And it is a basis for big business as the millions and millions of people seeking the outdoors generate an estimated $20 billion a year market for goods and services.

Outdoor recreation is a major leisure time activity, and it is growing in importance: About 90 percent of all Americans participated in some form of outdoor recreation in the summer of 1960. In total, they participated in one activity or another on 4.4 billion separate occasions. It is anticipated that by 1976 the total will be 6.9 billion, and by the year 2000 it will be 12.4 billion—a threefold increase by the turn of the century.

More needs to be known about the values of outdoor recreation: As outdoor recreation increases in importance, it will need more land, but much of this land can be used, and will be demanded, for other purposes. Yet there is little research to provide basic information on its relative importance. More needs to be established factually about the values of outdoor recreation to our society, so that sounder decisions on allocation of resources for it can be made. More must be known also about management techniques, so that the maximum social and economic benefit can be realized from these resources.

Here at Pictured Rocks is a stretch of lake shoreline which lends itself to development to meet the American public's interest in outdoor recreation where, as part of a scenic tour by car, the populations of our great Midwestern metropolitan centers can enjoy camping, water-based sports, and a scenic drive along one of America's outstanding shorelines. For a relatively small Federal investment we can assure public access to this prime recreation land in the future and stimulate the economy of a region of our Nation sorely in need of new industry and business. Recreation and forestry, the basic economic factors in the region, are mutually served in this new proposal.

In a letter today to the Secretary of the Interior, I have requested an intensive study by his Department to develop a land description of scenic areas and prime recreation sites where, because of public use or scenic preservation values, a program of well-managed timber production is inadvisable. I am hopeful that such a description and plan will be available within a very few weeks since it is our intention to request the chairman of the Public Lands Subcommittee of the Senate Interior Committee to schedule a hearing on the new Pictured Rocks bill in the Upper Peninsula this summer.

Mr. President, evolving this new bill has been an encouraging experience. Owners of timber property within the proposed boundaries, newspapers, private associations, local governments and many others throughout the Upper Peninsula and Michigan have constructively approached the question of how to balance and mold the economic interests and the local, State, and National interests in this development. And there is real probability that to begin the public legislative hearings now will develop an acceptable formula.

We know the history, Mr. President, of the survey undertaken in 1934 of our Atlantic and gulf coasts to identify areas then suitable for preservation as a national investment. Twelve such areas were identified. Today only one—Cape Hatteras—has been preserved, and this was purchased almost entirely with private funds and given to the Federal Government. Those other 11 beautiful sections of our Atlantic and gulf coasts are gone and this in less than 25 years.

Now the Congress seeks to preserve an additional 12 shoreline areas on our ocean and lake shores identified in the late 1950's as having significant national value. Three of these are on the shoreline of the State of Michigan. If history has taught us anything, it is that time runs out fast. In 40 years our population will have doubled; leisure time for recreation will have more than doubled. State and National parks and camp sites even now are overburdened. Uninterrupted freeways move vast numbers of people in a matter of hours across State boundaries to recreation areas reached only by the most venturesome 10 years ago. Will we act now so as to meet the needs of 40 years from now? The opportunity is clear and the time is short.

Mr. President, national interest also has developed relative to the proposal for a national lakeshore recreation area at Sleeping Bear Dunes in the lower peninsula of Michigan—another of the 12 areas identified in the national survey.

An initial hearing on S. 2153, the Sleeping Bear Dunes bill, was held in Traverse City last November. Much opposition and many helpful suggestions came from that hearing. Following this and further public discussion, a suggested redraft of the Sleeping Bear bill was given wide circulation in March.

Reaction and discussion continues which we believe are helpful to all, and a new bill on the Sleeping Bear Dunes will be introduced in the near future.

We ask the Congress to move ahead on both of these lakeshore proposals, developing means which will protect property owners in the affected areas and respond to the National and State interests in preserving these areas.

Mr. President, I ask unanimous consent that the new bill, together with a 10-point list of its highlights, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and list of highlights will be printed in the RECORD.

The bill (S. 3364) to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes, introduced by Mr. HART (for himself and Mr. MCNAMARA), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to preserve for the benefit, inspiration, education, recreational use, and enjoyment of the public a significant portion of the diminishing shoreline of the United States and its related geographic and scientific features, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to take appropriate action, as herein provided, to establish in the State of Michigan the Pictured Rocks National Lakeshore.

(b) Within certain defined areas, the Secretary's authority to acquire property by condemnation shall be suspended if the growing and harvesting of timber is being carried out on these lands on a sustained-yield basis pursuant to an agreement between the owner and the Secretary of Agriculture, and the areas are open to the general public for recreational purposes.

SEC. 2. The area described as follows is hereby designated for establishment as the Pictured Rocks National Lakeshore:

Beginning at a point in the city of Munising, Michigan, in section 36, lot 3, township 47 north, range 19 west, at the southeast corner of Sand Point Addition lot 1;

thence westward along the southerly line of the Sand Point Addition lot 1 to a point on the mean waterline on the easterly shore of South Bay (Grand Island Bay);

thence running westward for a distance of one-quarter of a mile to a point in South Bay one-quarter of a mile offshore and westward of the said mean waterline on the easterly shore of South Bay;

thence turning and running generally northward and eastward along a line in South Bay, Grand Island Harbor, and Lake Superior one-quarter of a mile offshore of and parallel with the mean waterline on the shores of South Bay, Grand Island Harbor, and Lake Superior within township 47 north, range 19, 18 west; township 48 north, range 18, 17, 16 west; township 49 north, range 16, 15, 14 west, a distance of approximately 39 miles to a point in Lake Superior one-quarter of a mile offshore and northward of a point on the mean waterline on the southerly shore of Lake Superior on the north-south quarter section line of fractional section 1, township 49 north, range 14 west;

thence running one-quarter of a mile southward to the said point on the mean waterline on the southerly shore of Lake Superior and continuing southward along the north-south quarter section lines of fractional section 1 and section 12, said township and range, to the southeast corner of northeast quarter northwest quarter, said section 12;

thence westward along the north one-sixteenth latitudinal section line to the southwest corner of the northwest quarter northwest quarter, said section 12;

thence southward along west section lines of said section 12 and section 13, said township and range, to a point 400 feet northward of the southwest corner of said section 13;

thence eastward along a line 400 feet northward of and parallel with the south section line of said section 13 to a point on the east section line of said section 13 at State Highway M77;

thence southward along the east section lines of said section 13 and section 24, said township and range, to a point 400 feet southward of the northeast corner of said section 24 at State Highway M77;

thence westward along a line 400 feet southward and parallel with the north section lines of said section 24 and section 23, said township and range, to a point on the north-south quarter section line of said section 23;

thence southward along the north-south quarter section line to the south quarter section corner of said section 23;

thence westward along the south section line of said section 23 to the northeast corner section 27, said township and range;

thence southward along the east section line said section 27 to the southeast corner of northeast quarter southeast quarter said section 27;

thence westward along the south one-sixteenth latitudinal section lines of said section 27 and section 28 and 29, said township and range, to the north-south quarter section line of said section 29 at the southwest corner of the northwest quarter southeast quarter, said section 29;

thence northward on the north-south quarter section line to the south quarter section corner section 20, said township and range;

thence westward along the south section lines section 20 and 19, said township and range, to the southeast corner section 24, township 49 north, range 15 west, and continuing westward along the south section lines, said section 24 and sections 23, 22, and 21 to the northeast corner section 29, said township and range;

thence southward along the east section lines said section 29 and section 32, said township and range, and continuing southward along the east section lines sections 5 and 8, township 48 north, range 15 west, to the east quarter section corner said section 8;

thence westward along the east-west quarter section lines of said section 8 and section 7 to the west quarter section corner said section 7, said township and range;

thence northward along the west section lines said section 7 and section 6, said township and range, to the east quarter section corner section 1, township 48 north, range 16 west;

thence westward along the east-west quarter section line of said section 1 to the east quarter section corner section 2, said township and range;

thence southward along the east section lines said section 2 and sections 11 and 14 to the east quarter section corner said section 14, said township and range;

thence westward along the east-west quarter section line to the southwest corner of southeast quarter northwest quarter of said section 14;

thence southward along the west one-sixteenth meridional section lines of said section 14 and section 23, said township and range, to the southeast corner of northwest quarter northwest quarter said section 23;

thence westward along the north one-sixteenth latitudinal section lines of said section 23 and section 22, said township and range, to the east section line of section 21, said township and range;

thence southward along the east section line of said section 21 to the southeast section corner;

thence westward along the south section line of section 21 to the northeast corner of section 29, said township and range;

thence southward along the east section line of said section 29 to the east quarter section corner;

thence westward along the east-west quarter section lines of said section 29 and section 30 to the center of said section 30, said township and range;

thence southward along the north-south quarter section line of said section 30 to Adams Trail CO 637;

thence running southwestward along Adams Trail CO 637 to an intersection with the south section line secton 1, township 47 north, range 17 west;

thence westward along the south section lines said section 1 and sections 2 and 3 to the northeast corner section 9, said township and range;

thence southward along the east section lines of said section 9 and section 16 to the east quarter section corner, said section 16, said township and range;

thence westward along the east-west quarter section lines said section 16 and section 17 to the west quarter section corner said section 17, aid township and range;

thence northward along the west section line of said section 17 to the southeast corner section 7, said township and range;

thence westward along the south section lines of said section 7, said township and range, and sections 12 and 11, township 47 north, range 18 west, to the northeast corner of the northwest quarter northeast quarter section 14, said township and range;

thence southward along the east one-sixteenth meridional lines of said section 14 and sections 23, 26, and 35 to the southeast corner of the southwest quarter southeast quarter said section 35, said township and range, at State Highway M94;

thence westward along the south section line of said section 35 to the southwest section corner at State Highway M94;

thence northward along the west section lines of said section 35 and section 26 to the southeast corner section 22, said township and range;

thence westward along the south section line of said section 22 to the south quarter section corner;

thence northward along the north-south quarter section line of said section 22 to the section center;

thence westward along the east-west quarter section lines of said section 22 and section 21 to the east quarter section corner section 20, said township and range;

thence southward along the east section line of said section 20 to the southeast section corner;

thence westward along the south section line of said section 20 to the north quarter section corner of section 29, said township and range;

thence southward along the north-south quarter section line of said section 29 to the south quarter section corner;

thence westward along the south section line of said section 29 to the northeast corner of section 31, said township and range;

thence southward along the east section line of said section 31 to State Highway M94;

thence running generally westward and southward along State Highway M94 to the southeast corner of section 36, township 47 north, range 19 west;

thence westward along State Highway M94 in section 36, said township and range, to the southeasterly corner of the city of Munising parcel of land (bounded in part by Bullivant Street and State Highway M94);

thence leaving State Highway M94 and running generally northward along the easterly lines of the said city of Munising parcel of land to its northerly corner on the easterly line of Bullivant Street;

thence northward along the said easterly line of Bullivant Street to a point of intersection with the northerly line of Salem Street (paper street);

thence westward along the said northerly line of Salem Street to a point of intersection with the easterly line of Sand Point Road;

thence generally northward and eastward along the said easterly line of Sand Point Road to a point on the southerly line of Sand Point Addition lot 1 produced eastward;

thence westward crossing Sand Point Road along the said southerly line of Sand Point Addition lot 1 produced eastward back to the point of beginning, the said southeast corner of Sand Point Addition lot 1.

The tract as described contains approximately 75,000 acres of land and water.

SEC. 3. As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage within the boundaries of the area which in his opinion is efficiently administrable for the purposes of this Act, he shall establish the Pictured Rocks National Lakeshore by publication of notice thereof in the Federal Register.

SEC. 4. (a) There is hereby established a Pictured Rocks National Lakeshore Advisory Commission. Said commission shall terminate ten years after the date the lakeshore is established pursuant to this Act.

(b) The commission shall be composed of five members, each appointed for a term of two years by the Secretary, as follows:

(1) Two members to be appointed from recommendations made by the county in which the recreation area is situated;

(2) Two members to be appointed from recommendations made by the Governor of the State of Michigan; and

(3) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be chairman. Any vacancy in the commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the commission in carrying out its responsibilities under this Act on vouchers signed by the chairman.

(e) The Secretary or his designee shall, from time to time, consult with the commission with respect to the matters relating to the development of the Pictured Rocks National Lakeshore.

SEC. 5. In administering the lakeshore, the Secretary shall permit hunting and fishing on lands and waters under his jurisdiction in accordance with the laws of Michigan. The Secretary and the Michigan Department of Conservation jointly may designate zones and establish periods where and when no hunting shall be permitted for reasons of public safety, administration, or public use and enjoyment. The Secretary shall, after consultation with such department, issue regulations, consistent with this section, as he may determine necessary to carry out the purposes of this section.

SEC. 6. (a) The administration, protection, and development of the Pictured Rocks National Lakeshore shall be exercised by the Secretary of the Interior, subject to the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 and the following), as amended and supplemented, relating to the areas administered and supervised by the Secretary of the Interior through the National Park Service; except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b) In the administration, protection, and development of the area, the Secretary shall prepare and implement a land and water use management plan, which shall include specific provision for—

(1) development of facilities to provide the benefits of public recreation, including a scenic shoreline drive;

(2) protection of scenic, scientific, and historic features contributing to public enjoyment; and

(3) such protection, management, and utilization of renewable natural resources, including forage and forest products, as in the judgment of the Secretary is consistent with, and does not significantly impair public recreation and protection of scenic, scientific, and historic features contributing to public enjoyment.

SEC. 7. Nothing in this Act shall be construed as prohibiting any governmental jurisdiction in the State of Michigan from assessing taxes upon any interest in real estate retained under the provisions of section 10 of this Act to the owner of such interest.

SEC. 8. (a) The Secretary is authorized, subject to the provisions of section 9, including the limitations on condemnation of this Act, to acquire by donation, purchase with donated or appropriated funds, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon, and any interests therein within the boundary hereinabove described.

(b) In exercising his authority to acquire property under this Act, the Secretary shall give immediate and careful consideration to any offer made by an individual owning property within the lakeshore to sell such property to the Secretary. In considering any such offer, the Secretary shall take into consideration any hardship to the owner which might result from any undue delay in acquiring his property.

(c) Any property or interests therein, owned by the State of Michigan, or any political subdivisions thereof, may be acquired only with the concurrence of such owner. Notwithstanding any other provisions of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(d) The Secretary shall make every reasonable effort to acquire property through negotiation and purchase. Where agreement is not reached and condemnation proceedings are filed, the owner of such property shall be paid the fair market value thereof as determined in said judicial process.

(e) In any case where the owner and the United States agree, the power of condemnation may, notwithstanding any other provisions of this Act, be used as a means of acquiring a clear and marketable title, free of any and all encumbrances.

(f) In exercising his authority to acquire property by exchange, the Secretary may accept title to non-Federal property located within the area designated for inclusion, and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within such area. Properties so exchanged shall be approximately equal in value: *Provided*, That the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged. The Secretary shall report to the Congress on every exchange carried out under the authority of this Act within thirty days from its consummation, and each such report shall include a statement of the value of the properties involved and of any case in which equalization payments are made or received.

SEC. 9. (a) The authority of the Secretary of the Interior to acquire property by condemnation shall be suspended with respect to any property within the following described areas during all times when such property is (1) being used for the growing and harvesting of timber on a sustained-yield basis pursuant to an agreement entered into by the owner thereof and the Secretary of Agriculture, and (2) open to the general public for the purposes of camping and, subject to the provisions of section 5, hunting and fishing.

(b) Such agreement shall provide that the requirements for the management of such lands shall be neither more nor less stringent than the management imposed on publicly owned national forest lands of comparable management classification. The Secretary of Agriculture, acting through the Forest Service, shall be responsible for administering and enforcing any such agreement referred to in subsection (a)(1) and shall notify the Secretary of the Interior if such lands are used in a way which fails to conform to such agreement.

(c) The Secretary may terminate the suspension of his authority to condemn property referred to in subsection (a), if (1) such property is used in a way which fails to conform to the agreement referred to in subsection (a)(1), or (2) such property is not open to the general public as provided in subsection (a)(2). Notice in writing stating the basis for the Secretary's intention to exercise his power of termination must be given the owner sixty days prior to any exercise of this power. Discontinuance of such use, or the opening of such property to the general public for camping, hunting, and fishing, as the case may be, shall reinstate the suspension of the Secretary's authority to condemn. Willful, continued, or repetitious abuse of the sixty-day period of notice involving the same property shall relieve the Secretary of the responsibility of giving further sixty days' notice in terminating the suspension of his authority to condemn such property.

SEC. 10. (a) Any owner or owners of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain, for a term of not to exceed twenty-five years, or for a term ending at the death of such owner or owners, the right of use and occupancy of such property for any residential purpose which is not incompatible with the purposes of this Act or which does not impair the usefulness and attractiveness of the area designated for inclusion. The Secretary shall pay to the owner the value of the property on the date of such acquisition, less the value on such date of the right retained by the owner. Where any such owner retains a right of use and occupancy as herein provided, such right during its existence may be conveyed or leased for noncommercial residential purposes in accordance with the provisions of this section.

(b) Any deed or other instrument used to transfer title to property, with respect to which a right of use and occupancy is retained under this section, shall provide that such property shall not be used for any purpose which is incompatible with purposes of this Act, or which impairs the usefulness and attractiveness of the Area and if it should be so used, the Secretary shall have authority to terminate such right. In the event the Secretary exercises his power of termination under this subsection he shall pay to the owner of the right terminated an amount equal to the value of that portion of such right which remain unexpired on the date of such termination.

SEC. 11. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The list of highlights of the bill presented by Mr. HART are as follows:

HIGHLIGHTS OF NEW PICTURED ROCKS NATIONAL LAKESHORE BILL

1. Sixty-seven thousand acres of scenic and historic Lake Superior shoreline developed as a national lakeshore area by the Department of the Interior.

2. Local and State advisory committees to participate in the development of the lakeshore.

3. Scenic lakeshore highway as a key part of the area development plan for a lakeshore drive as proposed by the Michigan Highway Department and endorsed by the Tourist Industry Relations Committee of the Michigan House of Representatives.

4. Park entrances at Grand Marais and Munising, the park not to compete with tourist services and commercial developments under private enterprise in these existing communities.

5. Owners of timberlands in designated zones of less scenic and recreation value enabled to continue sustained yield timber production under management plan supervised by the National Forest Service. Agreement on such management plan automatically suspends the Federal Government's power to condemn private forest holdings. Such holdings to remain on local tax rolls.

6. Hunting and fishing to be permitted under Michigan law and regulated under cooperative agreements between the Michigan Conservation Commission and the Department of the Interior.

7. Acreage in proposed boundaries presently in State or local public ownership to be transferred to Federal Government only by agreement of present public owners.

8. Along with scenic shore drive, park development to include public camp sites, hiking trails, interpretive programs in the wildlife, forests, and geology of the area, and access trails to points of special interest.

9. Direction to the Secretary of the Interior to acquire land wherever possible in a

manner which will give immediate consideration to an offer to sell by an individual property owner and to minimize the use of condemnation by reliance whenever possible on negotiation, purchase, and exchange.

10. Owners of improved property within the park able to sell to the Government and retain use of such property for their lifetime.

PROTECTION OF PUBLIC HEALTH BY REGULATION OF HABIT-FORMING BARBITURATE AND AMPHETAMINE DRUGS—AMENDMENTS

Mr. WILEY. Mr. President, I submit amendments to S. 1939, a bill which I cosponsored with the Senator from Connecticut [Mr. Dodd] on May 23, 1961, a bill to protect the public health by regulating the manufacture, compounding, processing, and distribution of habit-forming barbiturate and amphetamine drugs.

Mr. President, I received numerous communications from pharmacists in my State of Wisconsin relative to certain provisions in the above-mentioned bill which were felt by these gentlemen to be infringing certain existing rights accruing to pharmacists as such under existing State law and Federal practice. Having considered the matter carefully, I am now introducing amendments to S. 1939 which I ask to be printed and appropriately referred to the proper committee.

The PRESIDENT pro tempore. The amendments will be received, printed, and appropriately referred.

The amendments were referred to the Committee on Labor and Public Welfare.

STUDY BY THE VETERANS' ADMINISTRATION INTO THE PROBLEMS OF VETERANS WHO ARE ELDERLY, CHRONICALLY ILL, OR OTHERWISE HANDICAPPED—AMENDMENTS

Mr. HART. Mr. President, the Federal Government long has recognized its obligation to the disabled veterans of this country, men and women who have contributed greatly to the preservation of our freedom. As a part of this obligation, and beginning in 1888, the Government has provided matching funds for the care of disabled veterans in State homes. At present, 28 States maintain such homes.

The use and value of these homes will become increasingly important in the years ahead as the age of each veteran advances, and their numbers swell.

We cannot expect existing facilities to be adequate in the years ahead, and we should not be caught unprepared as future requirements materialize. Provision must be made for the repair and modernization of both domiciliary and hospital facilities, and surveys are required in areas where no State homes presently exist.

It is known that the Veterans' Administration is considering the conversion of its domiciliary facilities to the treatment and rehabilitation of service-connected veterans. This heightens the need for careful evaluation of existing State homes, in order that the needs of the veterans not adequately provided for by the Veterans' Administration facilities can be met.

Such an evaluation would be particularly significant in connection with a study of programs for the rehabilitation and cure of those veterans who otherwise may require prolonged care from the Veterans' Administration.

Therefore, I submit, for appropriate reference, an amendment to House Joint Resolution 73, to authorize a further study, at an additional maximum cost of $300,000 of the needs of existing State homes, and to survey States where no State homes exist at this time.

The PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred.

The amendment was referred to the Committee on Labor and Public Welfare.

AUTHORITY OF NATIONAL BANKS TO UNDERWRITE AND DEAL IN CERTAIN SECURITIES—ADDITIONAL COSPONSOR OF BILL

Mr. CLARK. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Indiana [Mr. Hartke] be added as cosponsor of S. 3131, to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF TIME FOR GRANTING NATIONAL SERVICE LIFE INSURANCE TO CERTAIN VETERANS—ADDITIONAL COSPONSOR OF BILL

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 3289) to amend title 38, United States Code, to permit, for 1 year, the granting of national service life insurance to veterans heretofore eligible for such insurance, the name of the Senator from North Dakota [Mr. Burdick] be added as a cosponsor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF RECEIPT OF NOMINATION BY COMMITTEE ON FOREIGN RELATIONS

Mr. HUMPHREY. Mr. President, on behalf of the chairman of the Committee on Foreign Relations [Mr. Fulbright], I desire to announce that yesterday the Senate received the nomination of William C. Battle, of Virginia, to be Ambassador to Australia.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the Record, as follows:

By Mr. GOLDWATER:

Address delivered by himself before the American Iron and Steel Institute in New York City on May 24, 1962.

By Mr. ANDERSON:

Article entitled "To Save the Wonder of the Wilderness," written by Secretary of the Interior Stewart L. Udall and published in the New York Times magazine of May 27, 1962.

ADDRESS BY DR. JAMES E. EAGAN TO NATIONAL CONFERENCE OF CHRISTIANS AND JEWS

Mr. DIRKSEN. Mr. President, on May 10, in Chicago, the National Conference of Christians and Jews, through Dr. James E. Eagan, of New York, made its highest award to the Most Reverend Bernard J. Sheil, for distinguished service in the field of human relations.

On that occasion Dr. Eagan delivered a very notable address, which I ask unanimous consent to have printed in the Record, as part of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Presentation of the Highest Award of the National Conference of Christians and Jews by Dr. James E. Eagan of New York Given to His Excellency, the Most Reverend Bernard J. Sheil, D.D., Titular Archbishop of Selge for Distinguished Service in the Field of Human Relations, Pick-Congress Hotel, Chicago, Ill., May 10, 1962

There is a myth among Catholics that monsignor was a person of great physical prowess who, but for the call to the priesthood, would have been a great Red Sox or Cub or Yankee star. There is another myth that the Catholic priest in America is a kind of going-my-way character ready to burst into song at any minute or to cope with nuns who cannot restrain themselves from stepping up to homeplate and belting a home run. Other myths picture the priest as a pilot, a poet, a sort of clerical Walter Mitty who does all things well with a minimum of effort. When you have just about decided that this popular image is false, you run across the career of Archbishop Sheil. Here, as one person, you have the no-hit-game pitcher who turned down a chance to become a big league player in order to become a priest. Here, you have a priest who became a pilot and was persuaded with some effort not to become a parachutist. Here you have a priest who can even cope with nuns.

None of these accomplishments, however, tell the real story of Archbishop Sheil. The all-encompassing renaissance nature of Archbishop Sheil would mean little, but for one thing: his belief in the dignity and sanctity of the individual, his realization that every human being is a child of God endowed with natural inalienable rights regardless of race, color, or creed. In Archbishop Sheil is contained the quintessence of Judeo-Christian civilization.

It is for this reason that Archbishop Sheil saw that basic issues with such clairvoyance. Where others stumbled, delayed, found good and ample reason why they should not help the downtrodden, the poor, the oppressed, Archbishop Sheil simply did what every clergyman should have been doing all along. Father Dunne has remarked, for example, that the churches should not have awaited the 1954 Supreme Court decision to proclaim their interest in interracial justice. Moses did not await action by the civil government before he made known the Ten Commandments.

Archbishop Sheil showed by deeds long before the Supreme Court decision that he was interested in human beings as children of God. This marked him as "a man ahead of his times" and therefore received in some quarters with some suspicion. There is no doubt but that in some circles, it is much more fashionable to be just a bit behind the times, to wait for a movement to take hold and become established before espousing it.

Archbishop Sheil insisted on being 50 years ahead of his time. There can be little doubt but that his great accomplishment was to make the Catholic Church in America part of the community. Archbishop Sheil fused Americanism and catholicism. Before Archbishop Sheil, it was quite customary to regard catholicism as something foreign, as a religion which could not flourish in the soil of American democracy. Before Archbishop Sheil, Catholics had a "minority complex," they lived pretty much in their own Catholic ghetto, content to let well enough alone.

Catholicism in America has never been quite the same since Archbishop Sheil began his activities. Take the establishment of Catholic scouting. Father Ong has remarked that Catholics were somehow or other of the impression that God created the great outdoors for Protestants and Jews. Archbishop Sheil's interest in Catholic scouting brought Catholics into a nationwide movement in American life. His foundation of the CYO gave Catholic youth an opportunity to demonstrate that Catholic youth sound in body and mind, had a real contribution to make to American life—all this long before a President of the United States became an advocate of the pushup.

It was Archbishop Sheil who brought Catholic labor into the mainstream of the union movement in the United States. Here again his belief in the dignity of the individual forced him to be ahead of his time. Yet, had Archbishop Sheil not acted as he had done in encouraging the development of unionism among Catholics, unionism in America might have taken a completely different turn.

Catholics today are assuming a responsible role in the intellectual and cultural life of the United States. Again, Archbishop Sheil through the Benet Library, Lewis College and the Sheil School made the Catholic intellectual respectable and a vital part of American life. The Sheil Clubs in colleges and universities strengthened and deepened this movement.

In all this, Archbishop Sheil never hesitated to speak forthrightly against the charlatans who thought some kind of dictatorship and censorship should become part of the American scene. In some cases, he was assailed as "Rabbi" Sheil (a title in which he glories), even spat upon, but Archbishop Sheil's devotion to the American ideal and the essence of Catholicism would not permit him to waver. And in all this, Archbishop Sheil never forgot his primary obligation as a priest, as a pastor, as the shepherd of his flock. His care for the poor, the victims of slum conditions, the disabled, the handicapped, showed the best of a humanitarian spirit. "Whatever you do unto the least of these, you do unto me" has been the guiding character of all Archbishop Sheil's work.

Looking back, Archbishop Sheil's contribution to the life of Chicago, the State of Illinois, the United States, has become a matter of history. To have taken the vital power of a great religion and made it part of American life without the compromise of religious principles is one of the greatest accomplishments in the history of America. And he has done all this by virtue of his belief in the goodness of man, in the brotherhood of man under the Fatherhood of God.

SHOWING OF HEMINGWAY'S "ADVENTURES OF A YOUNG MAN" AT CZECHOSLOVAK FILM FESTIVAL

Mr. DIRKSEN. Mr. President, this year, at the International Film Festival in Czechoslovakia, the American film entry will be Hemingway's "Adventures of a Young Man."

It will be recalled that Hemingway died last year, on July 2. I knew him in a very small way; but he was a midwesterner, in a sense, before he gravitated elsewhere in the United States and to other countries.

The motion picture of Hemingway's "Adventures of a Young Man"—with, I understand, an almost supercast—is quite a work of art. It also tells a great story, and probably depicts the literary quality of the things to which Hemingway was so completely endeared, through the character he created, Nick Adams.

So, Mr. President, in connection with this festival, I ask unanimous consent to have printed in the RECORD, in connection with my remarks, a statement by me on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

When Ernest Hemingway died on July 2, 1961, the entire world joined in mourning this most celebrated of modern American authors. In many ways his work covered all of the aspects of growth our country has experienced through the first 50 years of the 20th century. His cultural contribution to the American scene was far reaching. It is fitting that in this day when our cultural heritage is enjoying a renaissance, that this author's legacy should be noted.

From his Nick Adams' short stories through his major novels, including "The Sun Also Rises," "A Farewell to Arms," "For Whom the Bell Tolls," and "The Old Man and the Sea," Mr. Hemingway richly explored our times and the courageous men and women who lived them. We can be grateful and proud that he received during his lifetime the two highest awards the work of any writer can be awarded: the Pulitzer and Nobel Prizes for literature.

Now, another kind of tribute is being paid to the great talent of this gifted writer. On June 6, Jerry Wald's motion picture production of "Hemingway's Adventures of a Young Man," will be the sole American entry in the Czechoslovakian film festival to be held in Karlovy-Varyl. This is the first American motion picture to be shown at a film festival behind the Iron Curtain and was chosen by the State Department because it mirrors the American way of life. This motion picture is based on the author's short stories involving perhaps the truest Hemingway hero of all, Nick Adams, because these stories were based intimately on his own early experiences as a young man growing up in the Middle West and encountering his first taste of war as an ambulance driver in Italy during World War I.

Mr. Hemingway eloquently expressed his feelings about a writer's formative years and how important they are to his writing, and I quote:

"In the place where you are born and where you grow up, you begin to learn the things that all men must know. They are the simplest things, the basic things and they will shape your entire life. You cannot change them or defy them. They are as fixed as the color of your eyes. Although they are the very simplest things, it takes a man's life really to know them. And if you are to be a writer, the stories that you make up will be true in proportion to the amount of this knowledge of life that you have; so that when you make something up it is as it truly would be."

As it truly would be. That is what has been captured on the screen in the motion picture, "Hemingway's Adventures of a Young Man." There is nostalgia in the film because it recreates the period of American innocence just prior to World War I. We see the young Nick Adams, so like young Hemingway himself, being taught to hunt and fish in the woods of Michigan; we experience with him his encounters and discoveries about life when he runs away from home * * * and finally, we go with him into the battlefield of the First World War, and return to his home town, now grown to a man.

A distinguished cast including Richard Beymer, who portrays the title role; Paul Newman, Susan Strasberg, Arthur Kennedy, Jessica Tandy, Dan Dailey, Fred Clark, Eli Wallach, and Ricardo Montalban. Martin Ritt directed it and A. E. Hotchner received Mr. Hemingway's approval of the chore before his death and we therefore know that it is truly as the author would have wanted it. It is very sad that he did not live to see this most personal of his works brought to life on the screen.

As a literary work these stories have revealed to thousands of readers the experiences that molded the youthful Hemingway into a great writer and remarkable human being. Now, as a motion picture, the universal truths and understanding embodied in the work will reach an even greater world audience, a fine tribute indeed to this great artist.

ADDRESS BY SENATOR HRUSKA AT THE HOMESTEAD ACT CENTENNIAL

Mr. HICKENLOOPER. Mr. President, the Homestead Centennial is being observed with especial acclaim in Beatrice, Gage County, Nebr., this year. The Homestead National Monument of America, on the famous Daniel Freeman "First Homestead" farm, is located only a few miles from Beatrice.

The formal opening event of these various celebration events occurred on May 20 in Chautauqua Park, in Beatrice, when there occurred the Homestead commemorative-stamp ceremony. The pavilion which was the site of this ceremony is a historic one, indeed, having its origin in the days when Chautauqua was the center and core of civic, patriotic, and cultural events of active communities the Nation over.

The first day of issue for the homestead commemorative stamp was observed on this day. This is always a day of tremendous interest and anticipation on the part of all stamp collectors and stamp lovers. They had everything in their favor on that occasion. The program had as its master of ceremonies Mr. Forrest E. Wilke. The opening was marked by the Beatrice Senior High School band concert, under the direction of Louis A. Burkel; there was an invocation, and later a benediction, by Pastor Otto Fangmeyer, of St. John's Lutheran Church. There were welcoming speeches by Hon. W. W. Cook, Sr., mayor of the city of Beatrice, and by Gov. Frank B. Morrison.

Howard W. Baker, Regional Director of National Park Service, told of his agency's part in preserving for posterity the historical place of the homestead in the Nation's development. Beatrice Postmaster Leigh F. Coffin introduced Postmaster General J. Edward Day, who paid tribute to the homestead, in an address which already has been printed in the CONGRESSIONAL RECORD.

It was the privilege of the senior Senator from Nebraska [Mr. HRUSKA] then to address the assembled people; and, Mr. President, I ask unanimous consent that the text of his speech be printed in the RECORD at the conclusion of my remarks.

Let me say that I should like to commend the city of Beatrice and the county of Gage for engaging in the program of commemoration over these several weeks in 1962 on behalf of the National Homestead Act, which became law a hundred years ago. Few acts have left their characteristic and historical impact upon the Nation so indelibly and so wholesomely as has this law. All of the Middle West was very directly and heavily affected, but so was the entire Nation.

This law exerted an influence for good in many directions, notwithstanding some shortcomings which appeared from time to time. It did much to establish the desirable pattern of family farming which prevails in the great Mississippi Valley even in this day of expanding farm size. America has been the better for all of that.

In a recent Christian Science Monitor article, Dorothea Kahn Jaffee wrote of this period in history:

> The verb "to homestead," which has come into the language, has a good American ring. And a farmer whose grandparent acquired the core of his farm by proving a claim and clearing the land is proud to tell you about it.
>
> This century of the Homestead Act is a vital part of the American story.

To these sentiments, I can wholeheartedly subscribe.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR ROMAN L. HRUSKA, OF NEBRASKA, AT THE HOMESTEAD CENTENNIAL STAMP CEREMONY, BEATRICE, NEBR., SUNDAY, MAY 20, 1962

More than half a century ago, William Jennings Bryan stood on a spot not far from here and paid a fitting tribute to the homesteaders:

"The pioneers endured hardships and made their homes on the lonely prairie. They were men and women who gave the world more than they took from it."

History can ask no more of any people and we, their beneficiaries, do right to remember their sacrifice and to aspire to be worthy of it.

Our forebears who opened the Western frontier and settled on the new land had little to go on but courage and individual initiative. But it was enough. They encountered hostile bands of Indians. They learned the virgin sod would yield only with back-breaking labor. They faced privation and threatening elements. Yet their faith was sustained, unbroken. And they laid the groundwork for a great Nation.

Historians recognize the Homestead Act as an inspired piece of legislation for the settlement of the public lands. It was copied from no other nation. It was originally and distinctively American and remains a monument to its originators.

The homesteader was an individualist, fiercely jealous of his liberty and deeply confident about his opportunity. He claimed for himself only that which by his own labors he could sustain. His westward wagon sometimes bore signs of "Pike's Peak or Bust." For some the struggle was too great; they failed and returned to the East, their tattered signs changed to "Busted by Gosh."

In the century since Abraham Lincoln signed the Homestead Act into law, 1,622,107 homesteaders have claimed 270,216,874 acres, cultivated and improved their tracts, built homes and "proved up" their lands, thus setting off a chain reaction of remarkable economic, social and political developments across the broad face of America.

The Homestead Act has been called the most important legislation passed by the Congress in the 19th century, yet it is a surprising fact that more than 70 percent of all successful homesteading was done in the 20th century. The year 1913, in which nearly 11 million acres were homesteaded, represents the high point in the 100-year history of the law.

While homesteading is largely a receding memory in the colorful past, it nonetheless is a part of today. Figures on file with the Bureau of Land Management show that last year 438 claims were filed for 57,000 acres. Twelve of these were here in Nebraska.

These claims were filed under a law which perhaps overshadows any other single act in shaping the democratic nature of America. Plantations and vast land holdings were becoming the order of the day in mid-19th century. Then, by a single act, the Nation changed course and made possible the development of small, family-sized farms which remain the economic and the sociological backbone of America.

Consider what the course of history might have been without the Homestead Act. The West might have lost the rich culture brought over from "the old country." We might not today possess "the breadbasket of the world." And of equal importance, we may have loosened our grasp on the precious individualism and love of liberty which today chiefly distinguishes us from our adversaries.

Mr. Chickering's design for the homestead stamp captured the spirit of those who carved their homes from the prairie. The bleak and wintry sky, the treeless horizon and the lonely terrain portray the harsh environment in which the homesteader and his family struggled.

I count it a privilege to have had a part, along with my Nebraska colleagues in the Congress, in obtaining official and formal recognition of the Homestead Act Centennial and in the issuance of the stamp. But the citizens of Beatrice who have taken such personal interest in the project and pursued its course so diligently for so long truly deserve our thanks and applause.

As we observe this centennial and as our minds reconstruct what life was like for those who mastered the rugged existence on the prairie, let us look beyond the mere curiosities of sod houses and wooden plows, the wagon wheels and lanterns and the other relics of the pioneer age. Let us seek a deeper meaning, not only of the Homestead legislation, but in what made it possible.

America is the great Nation it is today because the men and women of a century ago had the personal courage to settle the new land and to stay close to it.

The land is the strength of America. With the sole exception of our people themselves, soil and water are our most precious resources. Given the wisdom to use them well, we shall continue our remarkable agricultural progress. While we are engaged in crucial contests with our adversaries in science, technology and engineering, we are far and away the leaders in agricultural production. Mr. Khrushchev himself admits this even to the Russian people.

Our system makes it possible for less than a tenth of our labor force to produce food and clothing for all our 185 million people and have enough left over for another 25 million.

Soil and water are vital factors here, together with a favorable climate. By this I mean not only the weather but another kind of climate—a climate of freedom. A climate in which individual enterprise and personal initiative can develop and flourish.

This climate of freedom is threatened from time to time. Today it is threatened by an ever-burgeoning government which works to frustrate freedom by preempting the right of the rural areas, the city hall, the county courthouse and the State capitol to make decisions which should be handled at those levels. Instead, increasingly those decisions are being made and even more sought in Washington.

The right to make decisions is the essence of freedom. Lacking that right, lacking the right and power to make a choice, there is no liberty for the citizen.

Therefore, as our thoughts today are with the pioneers, and with a soldier named Daniel Freeman and his Commander in Chief President Abraham Lincoln, who led our Nation in war to win a just and lasting peace, let us rededicate ourselves to the cause of liberty. Let us safeguard this Government of the people and preserve the right of the individual to pursue the blessings of liberty as he himself may choose.

It is in that way that we will realize the larger intent and gather the true fruit of the Homestead Act.

VICTORY OR "ACCOMMODATION" TO THE COMMUNISTS

Mr. GOLDWATER. Mr. President, at long last, the State Department has officially outlined its objection to the word "victory" in connection with the greatest struggle this Nation and the free world has ever found itself engaged in. Astounding as it is, the whole idea of winning over the forces that have already enslaved one-third of the world is so far from the Government's announced policy that it cannot even be mentioned publicly by anyone remotely connected with this administration.

I wonder how many of the Members here today ever expected to live long enough to be told by a Department of the U.S. Government that the word "victory" "has a militaristic and aggressive ring" which implies an "all-or-nothing approach leaving no room for accommodation."

Well, this is exactly what the Department of State, in a communication from Under Secretary George W. Ball, has informed the Senate subcommittee investigating charges that military leaders have been "muzzled" in their attempts to warn against the menace of communism. It amounts to a white paper on appeasement. And it is so far from what this country has always stood for and what the American people want it to stand for today that it deserves the closest attention of this body and of the entire population of the free world.

Since when have men who stand for freedom been afraid to sound aggressive when their sworn enemy is out to enslave the entire world? Since when have men who cherish liberty been afraid of words which might imply military strength at a time when strength is the only thing their enemy understands? Since when have men who love justice made it a matter of national policy to seek accommodation with the forces of tyranny and oppression?

Mr. President, if we erase the word "victory" from our official cold war vocabulary, how long will it take us to jettison such words as "honor" and "justice" and "freedom"? How long do you suppose it will take the Communists to catch on to the idea that our national purpose is no longer the defense of freedom but the accommodation of slavery?

I cannot help but wonder why this administration is so bent on accommodating the Communists. It certainly is not because Mr. Khrushchev and Mao Tse Tung have been accommodating us. Maybe the State Department thinks what is going on today in Laos is accommodation. Maybe the main point of Communist accommodation is thought to be in Cuba, where the buildup goes on for aggression against the Western Hemisphere.

Any way you slice it, Mr. President, so long as the Government of the United States follows a policy which aims at anything but victory we are toying with defeat. There is no cozy twilight zone of accommodation and peaceful coexistence where we can rest while the Communists go on pushing their design for world domination. The Communists have shown us this time and time and time again. They taught us the lesson in Korea. They taught us the lesson in Cuba. They are teaching us the lesson right now in southeast Asia.

Sometime we are going to have to wake up to the idea that the Communists do not want to accommodate us. They want us to accommodate them on their terms and in every area of the world. They want accommodation in Berlin. They want accommodation in Laos. They want accommodation in the Congo. And we are so bent on providing accommodation that we will not even permit the use of the word "victory" because this word—through some fantastic brand of State Department reasoning—might lessen the room for accommodation.

Mr. President, if this administration and the State Department are afraid of an all-or-nothing approach in the struggle between freedom and slavery, it is worthy of note that the Communists have no such timidity. Theirs is a worldwide design. Theirs is an all-out approach which feeds on our accommodating weakness.

I ask unanimous consent that a newspaper story in the Evening Star, on the subject to which I have referred, be printed at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATORS TOLD WHY "VICTORY" IS CENSORED—STATE DEPARTMENT SAYS WORD HAS "AGGRESSIVE RING"

The State Department has informed Senate investigators that it has censored the word "victory" from anti-Communist speeches of defense leaders because this "implies an 'all-or-nothing' approach, leaving no room for accommodation."

The explanation was given in a report submitted by Under Secretary of State George Ball to the Senate subcommittee investigating charges that military leaders have been "muzzled" in warning about the menace of communism.

Senator THURMOND, Democrat, of South Carolina, who inspired the investigation, has charged that the elimination of such words reflects a "no-win" policy in the State Department.

The charges have been denied by the State Department, which related changes and deletions made in speeches to the international situation at the time and diplomatic or summit negotiations going on or in prospect.

"VICTORY" OUT OF WHITE TALK

The explanation about censoring of the word "victory" was given in connection with a speech which Brig. Gen. John W. White proposed to give before a national security forum in Columbus, Ohio, March 3, 1961.

General White proposed to say "victory on each of the battlefields of the cold war is essential to the survival of freedom." State Department speech reviewers substituted "defeat of Communist aggression" for "victory."

The Department report gave this explanation for the change:

"The word 'victory' has a militaristic and aggressive ring less suited than the substituted phrase to describing our national objectives. It also implies an 'all-or-nothing' approach leaving no room for accommodation."

KENNEDY SILENCED CUBA TALK

The report also disclosed that President Kennedy himself shut off discussion of the Cuban affair after the failure of the April 1961, invasion directed by the Central Intelligence Agency.

This was the explanation of a deletion made in a speech George W. Taylor of the Army Research Office, Durham, N.C., gave before a University of Cincinnati group last June 15. In the speech Mr. Taylor, discussing intelligence, proposed to say:

"Perhaps after our fiasco in Cuba the less said about this element in our setup the better. Certainly, we hardly dare hope that our potential enemies could have done as badly."

The State Department's explanation for the deletion was:

"Public criticism by military officers of major U.S. foreign policy decisions is not considered in the national interest. The President had in particular given instructions that the Cuba affair be discussed as little as possible."

BALL TO BE RECALLED

Under Secretary Ball transmitted the report, with a letter dated March 29, several weeks after he had testified in the investigation. He will be recalled for questioning about the report at a hearing probably a week from tomorrow.

"You will recall that in my testimony I said that, by and large, we are satisfied that the Department has performed its duties in connection with the review of speeches in a creditable and responsible manner," Mr. Ball wrote. "I would like to say that in assembling the explanations I have become more than ever confident that this statement is correct.

"There have, of course, been a few instances in which the reviewers have been arbitrary or have exercised poor judgment. Where there seemed to be no responsible explanation for any particular deletions or changes, we have had no hesitation in simply stating 'no explanation.'"

EIGHTY-SIX SPEECHES COVERED

The report covered 86 speeches in which State Department changes and deletions have been questioned by the subcommittee headed by Senator Stennis, Democrat, of Mississippi. They were selected from a much larger number of censored speeches which the subcommittee compiled and which were revealed by the Star early in the inquiry.

Mr. Ball, in his letter, related the changes to five critical periods starting with the U-2 spy plane incident and the abortive Paris summit conference in May 1960. Others ranged from President Kennedy's inauguration, the landing in Cuba, the President's meeting with Soviet Premier Khrushchev in Vienna and the events in connection with the beginning of the Berlin crisis a year ago in June. Nineteen of the speeches covered a period before 1960.

Words and phrases critical of Mr. Khrushchev personally and the Soviet Union were softened in numerous instances during the period of pending negotiations, the report revealed.

TRUDEAU LED CHANGES

Lt. Gen. Arthur G. Trudeau, retired Army Chief of Research and Development, felt the impact of censorship more than any other military leader with changes or deletions made in 15 of his speeches. Five speeches of Adm. Arleigh A. Burke, retired Chief of Naval Operations, another outspoken military leader, were included in the State Department's list of explanations.

Civilian defense leaders included Air Force Secretary Eugene Zuckert and retiring Army Secretary Stahr.

The State Department said that the expression "they had rather be Red than dead" used in a speech by Army Chief of Staff George H. Decker January 30, 1961, was deleted by the Defense Department at its suggestion. "It was thought undesirable to popularize this slogan," the report said.

Another speech by General Decker on February 7, 1961, referred to Communist aggression in Africa, Asia and Latin America, and was changed to read "intervention." The State Department's explanation for the change was:

"The methods used by the Communist nations in the areas referred to had not been officially labeled by the U.S. Government as aggression. It was deemed particularly inopportune to have a U.S. official make this charge at a time when the new administration was attempting to develop its avenues of communication with the Communist governments."

"MIND OF KREMLIN" OUT

A reference in a February 9, 1961, speech by Gen. Laurence Kuter, chief of the North American Defense Command, to the "mind in the Kremlin" an Mr. Khrushchev's shoe-beating demonstration at the United Nations was changed, the report said, for these reasons: (1) "The Air Defense Command is directed at aggression from any source" and (2) "it was the policy of the United States not to conduct personal attacks against high ranking foreign officials."

The phrase "the enemy" was taken out of one speech because, the report said, it was inaccurate "since the United States is not technically in a state of war" and the words "could be used to attack the peaceful intentions of the United States."

The explanation given for deleting Mr. Khrushchev's words "We will bury you" from a speech by Vice Adm. R. B. Pirie was:

"The State Department reviewer suggested omitting this quotation since Khrushchev himself had explained that if he made this remark, what it referred to was the inevitability of the triumph of communism, not the military destruction of the United States."

The State Department offered no explanation of seven deletions. These included such expressions as "beat the Communist challenge" which was changed to read as "the threat of foreign aggression." Another was the elimination of "the insidious ideology" with reference to world communism.

The Department also offered no explanation of why the words "world communism" were changed in some instances to read "the Sino-Soviet bloc."

"MUZZLING" CASES TIED TO UNITED STATES-RED RELATIONS

(This is the text of Under Secretary of State George Ball's March 29 letter to Chairman STENNIS of the Senate Armed Services Subcommittee investigating "muzzling" charges transmitting the State Department's explanation of why certain statements in speeches of military leaders were censored.)

In accordance with your letters of March 6 and March 7, 1962, and with the understanding reached during my testimony before the Preparedness Subcommittee, I am enclosing our explanations for deletions or changes in certain speeches of Defense Department personnel.

These speeches group themselves within five chronological periods, as follows:

1. The time of the U-2 incident and the abortive Paris summit conference of May 1960.
2. The inauguration of President Kennedy and the first weeks of the search by the new administration for means of establishing communications with the Soviets.
3. The events of April 1961, including Gagarin's space flight, the attempted landing in Cuba and the beginning of the Geneva conference on Laos.
4. The Vienna summit meeting with President Kennedy and Premier Khrushchev in June of 1961.
5. The events surrounding the beginning of the Berlin crisis in June and July of 1961.

RELATIONS SENSITIVE

You will note that each of these periods was one in which relations between the United States and the Communist bloc were in a particularly sensitive and critical state. In order that the committee may be fully aware of the detailed political context in which the changes were made, we have arranged the explanations in a loose-leaf book according to these periods, preceded in each instance by a chronological summary of the relative events. I believe this form of presentation gives added force to the considerations of time, place, and circumstances which I set forth in my testimony before your committee. (Nineteen speeches, nearly all of them delivered early in 1960, do not fit into any of these periods and have therefore been grouped separately.)

The explanations herewith furnished to the committee have been prepared by specially assigned officers working under my personal direction. They have drawn upon contemporaneous notes made by the reviewers and consultation with appropriate officers in the Public Affairs Bureau and in the regional and functional bureaus of the Department.

BACKS CENSORS

You will recall that in my testimony I said that, by and large, we are satisfied that the Department has performed its duties in connection with the review of speeches in a creditable and responsible manner. I would like to say that in assembling the explanations at the request of your committee, I have become more than ever confident that this statement is correct. There have, of course, been a few instances in which the reviewers may have been arbitrary or have exercised poor judgment. Where there seemed to be no reasonable explanation for any particular deletions or changes, we have had no hesitation in simply stating, "No explanation."

Let me again assure you that either I or another policy officer of the Department will be pleased to answer in person any questions which you or other members of the committee may have with respect to these explanations.

DISARMAMENT PROPOSALS

Mr. TOWER. Mr. President, President Kennedy's disarmament proposals, as they have been laid on the conference table at Geneva, and including, as they do, a plan to disarm the United States and Russia, and make the United Nations the policing force, are controversial in the extreme. I am convinced that the Congress will reject the proposals, just as I am convinced that Russia will reject them. Russia will reject them because a dictatorship can never disarm. The Congress will reject them because the legislative branch, and particularly the Senate, cannot yield this constitutional power to the executive branch.

Senator BARRY GOLDWATER, on a recent visit to my State of Texas, discussed these proposals in a talk to the Public Affairs Luncheon Club in Dallas. Senator GOLDWATER was most critical of these administration proposals, pointing out they provide for unilateral disarmament on the part of the United States. The Dallas Morning News, one of the great daily newspapers of our country, covered Senator GOLDWATER's talk fully, and commented the following day editorially, speaking sharply against this "dangerous scheme" to undermine our national security.

Mr. President, I ask unanimous consent to have the news story from the Dallas News of May 22, titled "GOLDWATER Scores Disarmament Plans," and the editorial from the Dallas News of May 23, titled "GOLDWATER Minces No Words," printed in the RECORD as a part of my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Dallas Morning News, May 22, 1962]

GOLDWATER SCORES DISARMAMENT PLANS

U.S. Senator BARRY GOLDWATER, of Arizona, let go a nuclear broadside here Monday at current proposals for national disarmament now before the Geneva Conference.

The conservative Republican leader's entire 30-minute speech to the Public Affairs Luncheon Club dwelt on the proposal to disarm the United States and Russia and make the United Nations the policing force.

He told 1,500 people at Hotel Adolphus that with the Strategic Air Command "eliminated," the United States and Russia "will be on the same broad field—missiles.

"The only deterrent we have today is SAC—the crews, the men flying the planes."

GOLDWATER maintained that the United States has bombing experience far superior to the Russians, and that we must keep our bomber fleet.

Pointing out that the first phase of the Geneva disarmament proposal calls for cutting back within 3 years weapons capable of carrying nuclear devices, GOLDWATER said phaseouts and normal attrition of our bombers would show us with a meager force at just the end of 3 years.

He mentioned the B-70 which has been downgraded, and phaseouts of other models.

"I feel like we are engaged in unilateral disarmament whether we like it or not," he charged.

"All the administrative branch has to do is to hold back the money (for such projects as the B-70) and I can't help charging the administration with this. We are at one time putting our boys in the field, yet denying them the use of weapons. This unilateral disarmament is done by the administration saying 'We will not spend money no matter how much you appropriate.'"

GOLDWATER also slapped at cutbacks in National Guard units and Reserves.

"It is very evident now that Congress will not buy this, but all the administration has to do is to withhold the money from the States."

GOLDWATER described the disarmament proposal as catching everyone by surprise, and said the House and Senate "are in complete ignorance about it."

In reply to a question from the floor, GOLDWATER later said that he is no lawyer but would say that disarmament is treasonous.

He pointed out that all officials are sworn to uphold the Constitution, and that all treaties have to be confirmed by the Senate. He said this has not been done in the disarmament proposal and "then if treason is the word, well that's it."

He then added: "My greatest fear about the present administration is its tendency to seek more power for the executive branch and that's not the intent of the Constitution.

"I am fearful that Russia will say 'we'll take this disarmament proposal'; then where would we be? We could not out of duty to the people engage in any disarmament."

[From the Dallas Morning News, May 23, 1962]

GOLDWATER MINCES NO WORDS

Senator BARRY GOLDWATER used some blunt language when he told 200 people at the Public Affairs Luncheon Club here that the administration's proposal for disarmament "borders on treason." The outspoken Arizona conservative saw no need to mince words and said that he would see his lawyer about it later.

It is about time that some of our leaders begin to call a spade a spade, and we doubt that Mr. GOLDWATER will need the services of a lawyer to defend his choice of words. For the disarmament proposal, as the News has said in the past, is perhaps the most dangerous scheme ever cooked up in Washington for the undermining of our national security and the ultimate surrender of American independence.

We're not going to review that proposal here; most of our readers are familiar with it. Senator GOLDWATER, however, provided a good deal of new information on the subject in his local address pertaining to the manner in which the administration handled the disarmament scheme. The administration's procedure, in fact, was the basis for the "treason" charge.

GOLDWATER reminded his audience that when Congress established the disarmament and arms-control agency last September, it specifically instructed that agency and the administration to make no disarmament plans or agreements without seeking further advice and consent of the U.S. Senate.

These instructions, he said, were completely ignored. Without any further advice from or consultation with the Senate, the President outlined the U.S. position on disarmament in a U.N. speech last fall. At the same time, the State Department published a booklet, "Freedom from War," which spelled out the details of a U.S. plan for "general and complete disarmament."

Several months passed, during which time Members of the Senate could find out little about this plan. Senator GOLDWATER said that, at the same time, numerous administration officials were telling him that no specific proposals were in the works.

In early April, GOLDWATER was told by Senate Majority Leader MANSFIELD, Foreign Relations Committee Chairman FULBRIGHT, and Armed Services Committee Chairman RUSSELL that no hearings had been held on the subject of general disarmament and that none of the three had any knowledge of specific proposals about to be offered by the United States.

Ten days later a draft treaty was laid on the conference table at Geneva.

Although the Soviets eventually rejected the U.S. proposal to turn over our Armed Forces to a U.N. peace force, Senator GOLDWATER does not believe we are out of danger. He said here that there are indications the administration is going ahead with unilateral disarmament in spite of the Soviet rejection.

He pointed out that the first stage of the U.S. disarmament proposal called for reduction of strategic delivery systems and cuts in conventional Armed Forces. The administration's program to phase out the B-47 and B-52 planes, its refusal to spend funds appropriated by Congress for the B-70, its opposition to the Nike-Zeus antimissile system and its determination to make cuts in the National Guard and Reserve Forces are all accomplishing the goals of this first stage.

Yet the Russians have agreed to do nothing and are doing nothing along these lines.

Can such actions be described in terms other than "unilateral disarmament." And can unilateral disarmament be called anything but a policy which "borders on treason" inasmuch as it perilously weakens our ability to resist aggression?

THE KING-ANDERSON BILL SHOULD BE ENACTED INTO LAW

Mr. YOUNG of Ohio. Mr. President, the ruling house of delegates of the American Medical Association is determined to go to any length to defeat the President's proposal for medical care for the elderly. This little group of political doctors, lacking in vision and humanitarian ideals, is spending hundreds of thousands of dollars in its efforts to distort and misrepresent the King-Anderson bill.

High-paid AMA public relations men are working tirelessly in an effort to make Americans believe that the medical profession is faced with ruthless and oppressive regimentation. If ever a propaganda campaign was based on misrepresentation and a smokescreen of distortion, it has been the AMA campaign against any form of health care for the elderly under social security. It stems from shortsighted self-interest and arrogant indifference to the needs of the American people. It is an indifference which is not shared by most of the 180,000 physicians and surgeons whom the 192-member AMA house of delegates claims to represent. At least 150 of these members are specialists or political doctors.

This propaganda is sheer nonsense. The King-Anderson bill would in no way change the traditional doctor-patient relationship. We Americans take pride in the high standing, achievements, and great scientific advancements of our physicians and surgeons and the medical profession as a whole. We admire physicians and surgeons. We owe much to the men and women of the medical profession.

The plain fact is that AMA leaders are laying a thick smokescreen to hide from Americans their own narrow self-interest and immutable habit of standing squarely in the path of progress.

In order to appear not entirely negative, chieftains of the AMA have thrown their weight behind the inadequate medical care bill enacted in 1960. They have tried, and failed, to make a case for this law, which requires enabling action by State legislatures, and which clearly does not meet the urgent medical needs of our elderly people. I voted against it. Its passage has not aided one person in my State of Ohio who was not already on old-age assistance.

Mr. President, the truth is that fraudulent AMA charges cannot obscure the fact that only 10,000 elderly Americans throughout our Nation, previously unprotected by any Federal-State program, have benefited from the bill enacted during the Eisenhower administration. This is feeble indeed, considering that at the present time, more than 16 million Americans are 65 years of age or older.

Indeed, I suggest that the AMA would oppose even this extremely limited program if it were not faced with what its ruling group hysterically considers a greater threat—the King-Anderson bill—which will place certain aspects of medical care for the elderly under social security. In their frantic attempts to defeat this measure they condemn it for not providing enough services when, in fact, they want it to provide none at all.

Mr. President, unfortunately the AMA and others opposing it have managed to confuse Americans as to exactly what services the King-Anderson bill will provide and how much it will cost. Our President has taken leadership in informing Americans of the true nature of this legislative proposal. What is in this bill that is so frightening our political doctors?

All persons who have reached age 65 and are entitled to monthly benefits under the social security program or under the railroad retirement system would receive the following protection:

First. Up to 90 days for all standard hospital care subject to a $10 a day deductible for up to 9 days, with a minimum of $20. The patient will pay the first $10 of each day's hospital bill for the first 9 days. All remaining standard hospital costs will be paid by the social security trust fund. In cases of short periods of hospitalization, the patient will be required to pay at least $20 of his cost. Hospital care will include X-ray and laboratory tests and the services rendered in the hospitals by interns, residents, pathologists, radiologists, anesthesiologists, and physical medicine specialists. It does not cover ordinary charges by physicians and surgeons.

Second. Up to 180 days of competent nursing home care following hospitalization.

Third. Up to 240 days of home health services per year including intermittent nursing care, therapy, and part-time homemaker services.

Fourth. All required outpatient hospital diagnostic services, such as tests, examinations, and so forth, provided at local hospital outpatient clinics. There will be a $20 deductible amount for each diagnostic study, regardless of its complexity.

To pay for these services the social security contribution rates would be increased one-fourth of 1 percent on employees and one-fourth of 1 percent on employers and three-eighths of 1 percent for the self-employed. The taxable earnings base would be increased from $4,800 to $5,200 a year; no social security tax would be paid on earnings above this amount. This is not charity. There would be no humiliating "means tests." These are benefits that people will have paid for and earned during their productive working years.

Mr. President, the bill specifically prohibits any interference whatever in the practice of medicine. Doctor bills are not included. It operates like private insurance except it is regarded as fully paid up upon retirement and there will be no cancellations when people reach the years when they most need this protection. There is absolutely nothing to support the AMA argument that this proposal will lower the quality and availability of hospital services or will stand between the patient and his doctor.

The basic problem is that persons 65 years of age or older cannot purchase adequate health insurance from private corporations, except at exorbitant rates. Yet, those who are older most require this protection. Most people 65 or over have few financial resources above those necessary for day-to-day living. In 1960 the typical aged couple had an income of $2,530 a year, the average widow less than $1,000. One-third lived with their children. Most older people cannot afford to buy hospitalization insurance, even the inadequate policies available to them.

Only about half of our elder citizens have any hospital insurance—and most of this is inadequate—as compared to more than 70 percent of our younger population. People over 65 have twice the medical bills of younger people and have two to three times as much hospitalization. When serious illness strikes—such as cancer or paralysis or heart disease—the medical bills often total $2,000, $5,000, or more.

It is a tragic situation that here in the richest country in the world, millions of our elderly live in constant fear that their savings, if any, set aside for a dignified old age, will be washed away by one prolonged illness or a serious accident. Colossal debt should not be the penalty if the tragedy of prolonged illness or terrible disability occurs to an elderly member of the family.

Mr. President, I will never advocate any change in the freedom we Americans enjoy to be attended by doctors of our choice, or in the doctor's freedom to select his patients, and determine for himself all the details of his treatment.

However, we simply must make it possible for persons during their working years to provide for medical and surgical care in their old age. The most sensible way to do this is within our social security system, which is correctly termed our Nation's old age survivors' and disability insurance system. In fact, in my view there is no other adequate way.

As President Kennedy has said, the King-Anderson bill does not solve everything. It is a far cry from complete protection against the hazards and expenses of illness. It is also a far cry from "socialized medicine," that perennial bugaboo of the AMA. It is an actuarially sound, prepaid, hospitalization insurance program for the benefit of Americans in their later years.

When the Social Security Act of 1935 was under consideration, the American Medical Association termed it a "compulsory socialistic tax." No one today seriously questions the need for our social security system or its importance in promoting economic and social stability.

The AMA has frequently opposed many measures as socialistic that are today accepted practices and programs.

It termed extension of social security benefits to the permanently and totally disabled at age 50 a serious threat to American medicine.

It called elimination of the means test in the crippled children's program a socialistic regulation.

Federal grants for maternal and child welfare programs were decried as "unsound policy, wasteful and extravagant, unproductive of results and tending to promote communism."

We must not be deceived by the untruths, half-truths, and distortions disseminated by those opposed to this beneficent legislation. Americans will, as they always have, see through this smokescreen and exercise their good judgment on the basis of the facts.

Mr. President, in their attempts to confuse Americans regarding the King-Anderson bill, AMA officials have also tried to mislead our citizens regarding the social security concept in general. Recently I responded to a letter in the Mansfield, Ohio, News Journal which was full of untruths and half-truths regarding our social security program. I ask unanimous consent that my answer to the absolutely false statements contained in that letter be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAY 26, 1962.

EDITOR,
Mansfield News Journal,
Mansfield, Ohio.

DEAR SIR: Answering letter from Allen and Elsie Stoner, this is to repudiate as untruthful and distortions of truth statements they made.

They stated our Supreme Court ruled that social security is not an insurance program. The fact is that our Supreme Court in *Flemming* v. *Nestor* stated, "The social security system may be accurately described as a form of social insurance." Social security is income insurance. While people work, they pay a small part of their earnings into social security trust funds. When earnings stop because of disability, retirement or death, insurance benefits are paid. The cost of meeting these risks is actuarially evaluated and contributions sufficient to cover these costs are provided for. The right to these insurance benefits is a legal right enforceable in the courts. These characteristics make social security insurance the same as or similar to private voluntary insurance.

Annually the Board of Trustees of the social security trust funds is required to report to Congress on the financial status of the social security funds and present in complete detail the actuarial base of the program. The Stoners' allegation that the social security program "is without an actuarial base" is an untruth.

The Advisory Council on Social Security Financing includes prominent actuaries, economists and bankers. This council reported that social security estimating techniques are "appropriate and sound."

The Stoners' allegation that the money is collected and spent like other taxes is absolutely false. Social security taxes are deposited in trust funds and by law can be used only to pay the benefits and expenses of the social security program. The money in the trust funds is invested in interest-bearing U.S. Government obligations. The money, of course, is spent for the general purposes of Government. It is the same practice the Government follows with the money obtained through the sale of bonds to private insurance companies, banks and private investors. Do the Stoners believe that the bank they deposit their savings in, or the insurance company from which they purchased protection, has taken their money and spent it on foreign aid? If they do not, how can they say that the social security trust funds have done so? These bonds are identical in every way with Federal bonds bought and sold on the open market by other investors in Federal securities.

The Stoners betray an amazing ignorance of the fiscal facts of life when they say that social security financing is responsible for our national debt. In the last 30 years, we have had to recover from a depression, wage two wars, and now have the responsibility for maintaining our freedom. The implication that the debt was caused by the social security program has no relation whatever to the truth. If the social security trust funds had not been available as a market for the Treasury's securities, they would have had to be sold to other investors.

They make an unrealistic and irresponsible statement when they imply that a future Congress would weaken or abolish social security or take away benefits of millions of people who have contributed from their earnings toward the cost of these benefits.

As Congressman at Large and Senator, I have helped amend and liberalize our social security law. Unquestionably, in the future, as in the past, the power of Congress will be used to improve the program.

The Stoners wrote: "Social security is one of the greatest frauds ever put over on millions of unsuspecting people." I wonder if the 17 million beneficiaries of the program—old people, disabled people, widows and orphans, many of whom would have no income at all were it not for social security—agree with the Stoners that social security is a fraud. No responsible group that has ever examined the program has reached this conclusion. It is worse than irresponsible, it is downright cruel to circulate statements of this sort and cause needless anxiety to people who depend on social security for protection against want in old age and for their families in the event of their disability or death.

Their letter concludes with the statement: "* * * where there is need of medical care for the aged, that need cannot be met successfully by saddling billions more taxes onto an already overburdened populace." I repudiate that conclusion. The proposed taxes to which they object are one-fourth of 1 percent on employers and employees and three-eighths of 1 percent for self-employed on a maximum of $5,200 of annual earnings. This fractional additional tax proposed in the administration medical care for the elderly bill will, according to actuaries, meet the cost of health insurance for the elderly within social security, and in addition increase the surplus.

The correct name of our social security program is old-age, survivors and disability insurance. The present surplus in this fund is $23,400 million. In 1961, the income exceeded disbursements by $409 million.

The social security law, which I helped draft as Congressman at Large, and which I support as Senator, successfully met the problem of replacing income lost to workers and their families because of disability, retirement, or death. It can also help solve the problem of meeting costs of health care for the elderly. Without a doubt, passage through the Congress of the King-Anderson bill will accomplish this.

Colossal debt should not be the penalty paid by the average family when the tragedy of prolonged illness and the necessity of surgery afflicts elderly members of the family.

Sincerely yours,

STEPHEN M. YOUNG.

THE REAL MEANING OF THE STOCK MARKET BREAK

Mr. BENNETT. Mr. President, I think all of us share a deep concern over the sharp price break in the stock market yesterday, which involved the greatest price decline for any one day since October 28, 1929.

The reference of 1929 in connection with yesterday's events has an ominous ring for many of us. I think it would be unfair to suggest that yesterday's price break will trigger such a catastrophic string of events as occurred in 1929, but at the same time no one can take lightly an event which involved a loss of 35 points, or 5.7 percent in a single day in the Dow-Jones average.

The administration has attributed yesterday's events to the fact that the stock market had reached an unrealistically high level, and that the price at which stocks have been selling were not related to profits. I think this statement is true to some extent, but at the same time Walter Heller, the Chairman of the President's Council of Economic Advisers, was correct in attributing the decline to a lack of business confidence.

Mr. Heller said in a speech yesterday, "I cannot find any warrant for this lack of confidence" and suggested that it was a result of a misinterpretation of the President's intention in the recent steel dispute.

It may be true that the lack of confidence is unwarranted, as Mr. Heller suggests, but there is no denying that this lack of confidence does exist and that warranted or not, it can have a very profound effect on the economy. Consequently, it is imperative that we analyze its cause and determine how confidence can be restored.

My own feeling is that this lack of confidence is not actually unwarranted. I think the administration has done and advocated many things which seem almost calculated to undermine the confidence of investors and business leaders. The administration has seemingly taken the attitude that profits are almost an evil thing—something which must be kept tightly in control by governmental action. Furthermore, the President has indicated time after time that he believes he should have increased powers to manipulate the economy in whatever way he deems advisable. Now, if it were possible to manipulate the economy and to increase or decrease such things as capital investment, employment, and sales at will, I think everyone would be in favor of a managed economy, but businessmen do not like to be manipulated by the Government. They have found that Government manipulation is a poor substitute for the normal forces of the marketplace, and they have learned to distrust an administration which insists on tinkering with the economy.

The sudden break in the market yesterday, dramatic as it was, is only one big step in a process which has been going on since December. During the past 5 months, there has been an incredible 22-percent drop in the value of stocks through yesterday, and as a result of the continuing declines today that figure will be about 25 percent over that short period. Thus, even before the President's action in the steel case, it was becoming apparent to many investors that the business climate being fostered by administration policies was not a healthy one. The investors in the Nation had taken a long hard look at the programs being advocated by the administration and had decided there was little cause for optimism with an administration dedicated to the vast expansion of powers of the President—particularly over the economy—an increase in the power of the Federal Government as related to the State governments, and a solution of every problem by spending more money regardless of whether or not this might create deficits.

In admitting that the President's action in the steel case destroyed the confidence of business, the President's chief economic adviser has taken a major step in the right direction. I believe if the administration is willing to follow this course to its logical conclusion, confidence can be restored and we can encourage the investment which is necessary if we are to have an expanding economy and solve the problem of unemployment. To do so would involve an agonizing reappraisal on the part of the President and his economic advisers; it will not be an easy thing to do. But for the good of the economy, I hope the President will have the courage to admit that he has gone too far in his program of expanding Federal power, Federal controls, and Federal spending. Specifically, I believe the most effective way of restoring confidence would be for the President to announce that he will oppose any new costly welfare programs which may threaten to unbalance the budget; that he will give the economy the widest possible latitude in meeting the economic problems we now face, instead of trying to force solutions upon business by Government edicts; that he will halt the great increase in the Federal bureaucracy which is now adding tremendously to the cost of government.

In short, I think the President would do well to admit the error of an economic policy which has produced such bitter fruits. Only by such a courageous and honest action can the administration restore the confidence which is the cornerstone of economic activity.

Mr. BUSH. Mr. President, I share the views which have been expressed by the Senator from Utah [Mr. Bennett] relating to the matter of confidence.

No matter what one may say about the levels of the stock market—and of course they have been high—there is no doubt in the minds of reasonable people that the great decline which we have been witnessing, which I am told is going on again today, is the result of a lack of confidence. Confidence has been badly shaken.

Mr. President, in this morning's Herald Tribune is an editorial, published on the front page, saying "Let's Have a Word From the White House." That is the title.

In the closing paragraph of the editorial it is stated:

> Investor confidence can be restored if Mr. Kennedy acts boldly to reverse the current of fear that his own past actions have inspired.

Mr. President, I ask unanimous consent that this editorial may be printed in the Record following my remarks on this subject.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUSH. Mr. President, also in today's Herald Tribune is an editorial, written by David Lawrence, entitled "Confident State of Mind Seen as Market Remedy." This editorial closes by saying:

> Not words alone but only acts that bring confidence will prevent the 1960's from witnessing the same kind of demoralization that was experienced 30 years ago.

Mr. President, I ask unanimous consent that this editorial also may be printed in the Record following my remarks on this subject.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BUSH. Mr. President, finally, an editorial of May 28 was published in the Wall Street Journal entitled "Cloudy Days at the Capital." I ask unanimous consent that this editorial also be printed in the Record at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 3.)

Mr. BUSH. Mr. President, the editorial says, in part:

> What worries businessmen most is not whether the administration likes or dislikes them. Instead, it's the fact that the Government so far has failed to spell out with any clarity the role that it intends to play in the economic world.

Mr. President, this leaves a question of confidence. It creates uncertainty. When there is uncertainty the people cannot have confidence.

Mr. President, this brings up the whole question before the country today. It is a question of whether we shall live under the free enterprise system or not. If we are to do so, we should remove the shackles. We should try to reestablish confidence in the free enterprise system.

I do not see how we can expect the free enterprise system to work unless it is nourished, unless it is encouraged, unless it is given incentive to go ahead.

Certainly we cannot expect our system to move ahead, as the President has said—he is eager for the country to move ahead; and so are we—if there is a sentiment of fear, of wonderment and of apprehension as to what the Government is going to do next to interfere with the steady forward progress of our country under the system which has made it so great.

Exhibit 1

Let's Have a Word From the White House

Yesterday's shock in Wall Street calls for more than a formal word from the White House. It calls for a convincing—and immediate—demonstration that investment, i.e., business itself, has in Mr. Kennedy the friend that he claims to be.

The stock market decline has more causes than a crisis of confidence in the administration's attitude toward business, toward free and reasonable price and wage determinations, toward tax and budget policies. But unease about Mr. Kennedy's course is undeniably a major factor. This unease has been building. It was accelerated by the steel crisis; it has not been assauged by his formal words of conciliation since.

Business fears the future. It sees the President surrounded with advisers either hostile to business, or suspicious of it, or simply unacquainted with it.

Businessmen find themselves harassed by overzealous regulators. They find bigness itself suspect. They sense an administration impatience with the free marketplace, an eagerness to impose on it political determinations of an undefined "national interest." Investors see the balance of payments still hazardously tilted, with dwindling gold reserves continuing to flow out. They see foreign confidence in the dollar eroded by the piling of deficit on deficit, as promises of a balanced budget go glimmering. They feel wage pressures squeezing already thin profit margins and, still smarting from the whiplash of Mr. Kennedy's attack on prices, see no comparable determination to help hold down costs.

Investor confidence can be restored if Mr. Kennedy acts boldly to reverse the current of fear that his own past actions have inspired. But, once burned, twice cautious, business awaits action in the troubled areas of deficits, balance of payments and in the strengthening of the President's advisory staff.

The Editors.

Exhibit 2

Confident State of Mind Seen as Market Remedy

(By David Lawrence)

Washington.—The stock market's operations are often regarded as a harbinger of things to come, and not as a reflection of the past. It would be much more realistic, however, to appraise the recent decline in the value of stocks as the troubled manifestation of the present; namely, the state of mind in the world today. It should be noted that European and Canadian stock markets have also been declining in the last few days.

There's always a tendency to overlook the obvious and to search for some scapegoat or single circumstance to hold responsible. It was the same back in 1929, when almost everybody blamed President Hoover and thought the whole trouble was in this country. Yet the breakdown in confidence was worldwide. It was a major economic convulsion growing out of the attempts of Europe and America for a decade to adjust to the consequences of World War I.

The world has been trying recently to adjust to the economic disturbances that have emerged with the cold war. Artificial rather than natural factors predominate. Billions of dollars of aid have been flowing annually from the United States to Europe and consequently many of the European countries have achieved an encouraging rate of economic growth.

But today there's a pause—as if everybody is trying to find what direction to take. America, as the leading economic force in the world, is herself enveloped in uncertainty. There is some slight comfort in the fact that war tensions have eased in recent months and that economic troubles are prevalent, too, in the Soviet Union and the Communist-bloc countries.

COMMON MARKET EFFECT

Although the European Common Market idea has received worldwide attention, it has been oversimplified. There has become imbedded in the psychology of public opinion in different countries the erroneous theory that one day the Common Market treaty can be signed and soon thereafter an economic utopia will somehow be achieved. Disillusionment now has set in as the complexity and true proportions of the whole problem are revealed.

For it is becoming apparent now that, when tariffs and quotas of the principal countries of the world are revised, even slowly, there is inevitably a period of hesitation and readjustment in business planning.

The stock market is prospective more than it is retrospective. It wants to wait and see the trend—how some of the intricate relationships in multilateral as well as bilateral trade will work out in practice. It is important to anticipate just what industries will be hurt, where unemployment will result, and what remedial measures can be taken.

SCAN MONETARY VALUES

But even if the trade picture were not filled with uncertainty, there are other factors that cause stock markets to look to the future with caution. One of these is the value of the monetary unit. World history has shown that, despite the glibly expressed doctrines of many theorists and academicians, a government's spending of more dollars than are taken in every year results in a tendency to devalue the currency and to create more and more paper money. America hasn't paid off any of her big war debt or shown the slightest tendency to do so. The talk is always about increasing the public debt itself.

So now, as always happens when fundamentals are neglected, there is a "gold problem." Shall the dollar be devalued in terms of gold? The debate centers on the outflow of gold. The President calls it the balance-of-payment problem. But basically it is an old-fashioned day of reckoning that seems to be approaching. The United States cannot keep on pouring out her gold in "giveaways" to the rest of the world and maintain a sound currency at home.

SIX MONTHS' DECLINE

Meanwhile, inside the United States there is economic trouble. The change to a new administration in 1961 accentuated an already growing uncertainty. Since last December, stock market values have declined about $112 billion.

At a time when businessmen are grouping for an economic equilibrium through natural factors, the National Government under President Kennedy has started a number of disturbing moves. It has endorsed the fatal policies of the New Deal on "pump-priming"—a remedy that never worked. It has discouraged businessmen. Also the administration has not only concerned itself with a few tax havens abroad that should have been removed long ago, but has taken a broad swipe at American business abroad and has almost wrecked the planning of many business enterprises overseas. Tax reforms inside the United States have long been overdue, but are not being tackled comprehensively.

CONFUSED FRONTS

So on the foreign trade front, on the taxation front, on the price front, and, last but not least, on the wage front, there is a state of mind which is not conducive to planning in a free enterprise system. The creation of more jobs has been lost sight of as an objective, even as labor leaders clamor for a 35-hour week with the same pay for the workmen as a 40-hour week—a proposal with which the President has not come to grips.

Mr. Kennedy and his policies are in the main not to blame for all the uncertainty that has hit American business and has caused unsettlement in the stock market. But he is responsible for the current delay in instituting sound policies to steer this country through a worldwide readjustment that has brought on a state of mind which strongly resembles the lack of confidence that swept from Europe to America in the late 1920's.

Not words alone but only acts that bring confidence will prevent the 1960's from witnessing the same kind of demoralization that was experienced 30 years ago.

Exhibit 3

Cloudy Days at the Capital

For several weeks now, administration officials have been assuring businessmen that they have nothing to fear from Washington. Whatever the great steel crisis may have led them to believe, the Government is not antibusiness. These efforts at persuasion were continued the other day at the White House Conference on National Economic Issues.

Up to now, however, such efforts are meeting with little success. A recent article on this page described the aura of uncertainty that overhangs one Midwest industrial community. Last week, the president of Pittsburgh Steel assailed the administration as not only antibusiness but anti-individual rights. In a similar vein, Henry Ford contended the Government's "present approach of direct pressure" has "dangerous implications." And the head of Standard Oil of New Jersey declared that "the shadow of big government" is weakening confidence and menacing economic growth.

What worries businessmen most is not whether the administration likes or dislikes them. Instead, it's the fact that the Government so far has failed to spell out with any clarity the role that it intends to play in the economic world.

Take the area of wage and price determination, for example. More than a month ago, President Kennedy declared the Government is not setting wages and prices. And yet, in almost the next breath, he said the administration expects to be as involved in the wage and price policies of other major industries as it was in steel.

At a later date, the President told the U.S. Chamber of Commerce that the administration did not want "the burden of determining individual prices for individual products." But he went on to speak of the need for business to follow "reasonable" pricing policies, whatever that might mean.

And at the recent White House Conference, Labor Secretary Goldberg declared that the administration is "totally committed" to free collective bargaining. Yet he added, "The Government can never stay out if * * * private decisionmaking * * * impairs our national strength, health, safety, economy or ability to survive as a free nation."

These remarks surely leave business uncertain as to just what it must do to be allowed to tend its own affairs. But wage-price determination isn't the only business area where the Government is beclouding issues.

The Federal Power Commission, according to Chairman Joseph Swidler, hasn't been busy enough in recent years. "The Commission's power functions have suffered a severe attrition." he says. And Mr. Swidler adds that he is "determined to reverse this trend." Until the power regulators decide where their increased regulating will take them, what utility company can plan for the future in full confidence?

In other areas. Federal regulators are busily overturning precedents of the past. A company whose labor policies were in full accord with the ideas of the National Labor Relations Board a year or two ago can no longer be sure of its ground.

And in some cases the regulators are squabbling among themselves. A bank that has its merger proposal approved by the Comptroller of the Currency increasingly has no assurance that it won't be challenged by the Justice Department.

Under any circumstances, increased Government intrusion into business matters will always make life difficult for businessmen. But they can learn to live with it, as they did with the wartime OPA, so long as they know what the rules are. When they aren't told the rules they can only be confused.

A businessman, like a ship's captain, is uneasy enough when he knows there are rocks ahead. But he really gets disturbed when he doesn't even know where the rocks are.

PRESIDENT'S PROPAGANDA CIRCUS ON MEDICARE FACILITIES

Mr. BENNETT. Mr. President, the people of Utah have reacted sharply and speedily to President Kennedy's propaganda circus on medicare 10 day ago at the Madison Square Garden in New York City. Since then, I have received over 500 letters against the President's radical recommendations and only 6 for them.

This encouraging response is all the more remarkable because the President was given free, nationwide TV and radio coverage, which was denied to the reply by the American Medical Association. In fact, some stations refused to run the AMA program, even though it was paid for by the doctors. Moreover, the Kennedy administration unleashed a team of speakers who addressed meetings in 25 major metropolitan areas throughout the country. Included among these medicare hucksters were Robert M. Ball, the President's Social Security Commissioner, who spoke in Salt Lake City, and Utah Representative David S. King, who spoke at Indianapolis.

Senator Homer Capehart, of Indiana, advises me that his mail has run 13 to 1 against medicare since Representative King spoke in Indianapolis.

A check has been made with 25 other Senators, who report that their mail is running from 10 to 15 to 1 against the President's compulsory medicare program which would be financed by an added social security tax.

Not only is congressional mail overwhelmingly against the President, but the response at the 25 other rallies must have been disappointing to him and to the other proponents of federalized medical care. Rallies in seven cities had to be canceled. These were at Denver, Philadelphia, Dallas, San Francisco, Louisville, Atlanta, and Birmingham.

In most of the rally cities, attendance fell far short of the expected crowds for which arrangements had been made. I ask unanimous consent that a list of the cities, together with the actual and expected attendance and the names of the speakers, be included in the RECORD at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Charleston, W. Va.: Only 46 persons attended in 3,500-seat auditorium. Speakers: William L. Batt, Jr., Administrator, Area Redevelopment Administration, and Nelson Cruickshank, AFL–CIO.

Indianapolis: 300 attended although arrangements had been made for 1,200. Speaker: Representative DAVID S. KING, Democrat, of Utah.

St. Louis: 1,100 attended, but plans had been made for 3,000. Speaker: LYNDON B. JOHNSON, Vice President of the United States.

Sault St. Marie, Mich.: Only six persons attended a Saturday, May 19 rally; 50 capacity. Speaker: Dean Costin, special assistant to the Assistant for Legislation, Department of Health, Education, and Welfare.

Salt Lake City: 250 attended and plans had been made for 1,000. Speaker: Robert M. Ball, Commissioner of Social Security.

Kansas City, Mo.: 700 attended; anticipated audience was 1,200 or more. Speaker: Stewart L. Udall, Secretary of the Interior.

Wilmington, Del.: About 100 attended in an auditorium which seats 1,400. Speaker: Ivan A. Nestigen, Under Secretary, Department of Health, Education, and Welfare.

Washington, D.C.: About 800 attended. Speaker: Robert C. Weaver, Administrator, Housing and Home Finance Agency.

Baltimore, Md.: Approximately 250–300 attended in a union hall which seats 400. Speaker: H. W. Brawley, Deputy Postmaster General.

Houston, Tex.: About 500 attended; the city auditorium seats 1,200. Speaker: CLINTON P. ANDERSON, Democrat, of New Mexico.

Detroit: 2,000 attended in Masonic Temple, which seats 3,500. Speaker: Walter Reuther, president, United Auto Workers.

Columbus, Ohio: 700 attended, but Central High School auditorium holds 1,400. Speaker: John E. Horne, Administrator, Small Business Administration.

Cincinnati, Ohio: 900 attended in 3,000-seat auditorium. Speaker: Orville L. Freeman, Secretary of Agriculture.

Seattle, Wash.: 320 attended; 1,200 capacity. Speaker: Mrs. Marie C. McGuire, Commissioner, Public Housing Administration.

San Diego, Calif.: 191 attended; 2,400 capacity. Speaker: Wilbur J. Cohen, Assistant Secretary (for legislation), HEW.

Los Angeles: Rally held Friday night, May 18. 700 attended; 3,000 capacity. Speaker: Representative CECIL KING, Democrat, of California.

Milwaukee, Wis.: About 2,000 attended in a 6,000-seat auditorium. Speaker: W. Willard Wirtz, Under Secretary, Department of Labor.

Chicago: 1,400 to 1,500 attended in Chicago's McCormick Place Theater which accommodates 3,000. Speakers: Representative SYDNEY R. YATES, Democrat, of Illinois and Richard Donahue, White House aid.

Knoxville, Tenn.: About 400 attended in 4,000-seat auditorium. Speakers: Blue Carstenson, executive secretary, National Council of Senior Citizens, and Brooks Hays, White House aid.

Boston: 350–400 attended in an auditorium which seats 3,500. Speaker: Luther H. Hodges, Secretary of Commerce.

Youngstown, Ohio: Under 500 attended in Warner Theater which seats 2,100.

Peoria, Ill.: 37 attended in a large hall, capacity 2,000. Speaker: John S. Gleason, Jr., Administrator of Veterans Affairs, Veterans' Administration.

Buffalo, N.Y.: Speaker, James A. Quigley, Assistant Secretary, Department of Health, Education, and Welfare.

The Cleveland event, held in a hotel ballroom, had 1,200 or more attending. Speaker: Mrs. Esther Peterson, Assistant Secretary of Labor.

In Miami Beach there was a crowd of 4,000 at the auditorium. Speaker: Arthur J. Goldberg, Secretary of Labor.

Mr. BENNETT. Mr. President, fewer than 45,000 persons attended the series of King-Anderson bill rallies across the country. Of the total, more than one-third were at the New York rally at which President Kennedy spoke. Thus, except for New York City, Cleveland, and Miami Beach, the response was relatively meager and certainly much less than was hoped for by Federal medicare proponents.

Thus, in spite of the most massive political brainwashing effort ever attempted by a national administration, the people of America refuse to be bought. Perhaps President Kennedy and his political advisers will have to substantially alter their estimate of the number of people they will have to offer handouts to in order to give the Democratic Party an election majority.

Fortunately, we are meeting and will meet the medical needs of our aged without the compulsory Kennedy program which is a major first step toward complete federalization of medical care. Congress must not be stampeded down the road to socialized medicine by the siren calls, the propaganda, or the political intimidation of the administration. It is apparent from the response thus far that the American people will support those who stand up against this misguided effort.

OUTDOOR RECREATION BUREAU

Mr. MILLER. Mr. President, during the debate on the agriculture bill last Friday, and more particularly with respect to title I, I offered an amendment which would have required cooperation between the Secretary of Agriculture and the newly established Bureau of Outdoor Recreation in the Department of Interior with respect to activities envisaged by title I relating to outdoor recreation. I regret that the Senator in charge of the bill did not see fit to accept my amendment. Therefore, I withdrew it.

Mr. President, I hope that there will be some close liaison between the Department of Agriculture, the Department of the Interior, and those who manage the bill in the House, because the objective of the Bureau of Outdoor Recreation is to serve as a coordinating agency relating to all activities pertaining to outdoor recreation by all agencies and departments of the Federal Government.

In this connection, in the April 22 issue of the Des Moines Register appeared an editorial entitled "An Outdoor Recreation Bureau," which makes clear what I have stated. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN OUTDOOR RECREATION BUREAU

Three members of the Kennedy Cabinet have startled a lot of old hands around Washington by upsetting a belief that department heads never willingly give up or share their powers and functions with another agency.

Contrary to this tradition of empire building, Secretary of the Army E. J. Stahr, Secretary of Agriculture Orville L. Freeman, and Secretary of Interior Stewart Udall have shown willingness to cooperate in the organization of a Bureau of Outdoor Recreation in the Interior Department.

If present plans materialize, the new Bureau will plan and coordinate the development and expansion of a nationwide system of outdoor recreation facilities.

The Army will give up many of the controls the Corps of Army Engineers has exercised over recreational use of reservoirs it has built and the adjacent shorelines. The Department of Agriculture will relinquish some of its powers over forest lands and over some smaller water conservation and irrigation reservoirs.

The new Department of Interior Bureau will try to develop a program that will not conflict with the other uses and functions of these facilities but which will make them available for more recreational use by the public. Government-owned lands now supervised by the Department of Interior will be included in the program wherever it seems advisable.

This unified approach to providing more public recreation facilities has been advocated for many years. Its realization has been obstructed by the widely accepted belief that nothing less than the creation by Congress of an independent Department of Parks and Recreation could pry the various established agencies loose from their controls over public lands and other facilities. A score of different departments and agencies exercise some degree of control over forests, rivers, seashores, and mountainous wilderness areas.

A Commission appointed several years ago by President Eisenhower to study recreation needs and possibilities considered the creation of an independent agency. It finally decided, however, that a bureau within an established department would be better if it could be done without arousing conflict among the established agencies.

President Kennedy approved the Commission's recommendations. Evidently he has succeeded in getting the cooperation of the three major Departments involved.

The next step will require action by Congress. The Bureau will need authority to establish users fees to support a supervisory force and to provide necessary facilities.

A bill is before Congress to levy a tax on pleasure boats and the fuel they use. These revenues together with a portion of the funds received from the sale of public lands would be used for the purchase of shoreline properties and access lands where they are needed.

The creation of the Bureau of Recreation is an important and encouraging step but it is only a beginning. Enactment of the bill to finance the purchase of shoreline property, access areas, and to provide the necessary supervision is essential also. Otherwise the Bureau is likely to become no more than a planning agency dependent on such cooperative assistance as it can wangle from other departments and agencies.

THE STOCK MARKET

Mr. MILLER. Mr. President, the Wall Street Journal for today has a lead editorial "The Market," which presents its usual discerning and timely analysis of a current topic.

The editorial wisely points out that there was a certain economic situation which could explain the fact that stocks had been overpriced. However, it also points out that when a situation such as this exists a "trigger" is necessary, and it relates the "triggering" to certain activities of the administration, starting with the President's action in the steel price increase problem.

Mr. President, in the Washington Post and Times Herald for May 21, 1962, appeared an article written by Mr. Harold B. Dorsey, entitled "Economic View—Confidence Will Be Restored Only by Deeds," which points out what has been said by previous speakers regarding the need for confidence on the part of American businessmen.

Finally, Mr. President, in an earlier edition of the Washington Evening Star, an article by the distinguished columnist David Lawrence entitled, "Wishful Thinking on the Economy," pointed out that forecasts of record output were overly optimistic and, since they were overly optimistic, that we might expect some grave disappointments and a decline in confidence on the part of businessmen if actions did not follow words with respect to policies of this administration.

Mr. President, I ask unanimous consent that the editorial and the two articles may be printed in the RECORD.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

THE MARKET

Charles Dow, the founder and first editor of these columns, observed more than a half-century ago that when the stock market had run its upward course it often took a great event to trigger its fall. The triggering event, he noted, might be removed from the stock market itself and have little apparent connection with business conditions.

The observation has been confirmed many times. Just a quarter of a century ago President Roosevelt at a press conference attacked what he labeled excessive prices, singling out a price boost in copper a few days earlier for special condemnation. This marked the beginning of a stock market decline, and was followed by the recession of 1937–38, one of the steepest on record.

Now turn to any issue of the Wall Street Journal for the week ended April 6 and look at the chart of the Dow-Jones averages on the inside back page. This was the week just preceding President Kennedy's attack on the proposed steel price increase.

The chart covers the first 3 months of the year. In the first week of January the low point of the industrial average was 710. At the end of March, the high point for that week was just under 710. In the meantime the market had gone down and up several times in waves, but if you draw a trend line through the middle of the waves it will be almost horizontal. In short, though the market was not strong, in 3 months there had been no marked decline.

Turn next to the same chart on the inside back page of this issue. Look at the course of the stock market since President Kennedy unleashed his attack on steel prices April 11.

As that fateful week began the industrial average still hovered around the 700 mark. Yesterday it closed around 577. And a trend line drawn through the chart plunges downward like the bobsled slide at Lake Placid.

This is the reason why a great many people on Wall Street these days are blaming President Kennedy for triggering the decline in the stock market. And if the coincidence of the market's toppling and the President's blast at the steel industry is not one of cause and effect it is certainly a remarkable bit of happenstance.

But recognizing the connection between the President's display of anger and the beginning of the market decline is not the same thing as blaming that incident for the fall itself. As Dow rightly observed, a trigger sets off a reaction only when the ingredients are there to react.

The ingredients for a drop in the stock market have long been at hand. Prices on the stock exchanges have been outrunning business for several years. The stock buying public has been not only taking into account the real factors of prosperity but has been anticipating a prosperity of the far future. The mood of exhilaration being upon them, people have ignored any counter-evidence suggesting caution—unemployment, for example, or the fact that corporate profits have not kept pace with the inflation of other economic indicators. All this antedated the Kennedy administration. And that being the case, a drop in the stock market was due as soon as anything happened to stir people into taking a realistic look at the disproportion between profits and the prices they were paying for company shares in the marketplace. There may be more in store before the imbalance is corrected.

By itself that could be healthy; a correction overdue is a correction needed. The troublesome thing is not the correction but the possibility that a correction spurred by shock, and therefore precipitous, might replace excessive optimism with excessive uneasiness. Since the stock market is one place where people express their hopes and fears in a way that cannot be disguised, an excess of fear could extend itself into other areas where people vote with their money, in capital investment and in consumer spending.

That is the real danger in hostility by Government toward business, in demonstrations of what the President of the United States can do to business when he decides in anger to use all his powers. This time, steel prices. Next time, what?

Which brings to mind another remark of Charles Dow which everybody might ponder. "When the public begins to sell," he observed, "they sometimes sell as blindly as they bought."

CONFIDENCE WILL BE RESTORED ONLY BY DEEDS

(By Harold B. Dorsey)

Over the past couple of months, attention has become focused to an unusual degree on the confidence factor. Most business analysts agree that this psychological element sometimes has a significant effect on spending and investing decisions which have a direct influence on the pace of business activity, employment and security-price behavior.

Most business observers—at least in the New York area—seem to agree that the confidence factor has been hurt in recent months to some indefinite degree by the steel-price fracas, by current and threatened investigations of various aspects of business, by the continued loss of gold, and by observations of individuals in the administration and in Congress that give a broad impression that the Government is unjustifiably critical of business leadership. There are many who believe that this loss of confidence is one of the reasons for the sharp stock-price weakness which, in turn, further dampens business confidence.

Judging from recent statements by administration spokesmen, it appears that President Kennedy and some of his advisers are aware of the significance of this condition. It is to be hoped that this awareness does not engender a series of official Pollyanna statements that would probably do more damage than good.

A Republican administration in the 1929–32 period made the mistake of repeatedly expressing the opinion that "prosperity is just around the corner." Only to have such remarks interpreted as a reminder that things were really pretty bad. Confidence will be restored by deeds, not words.

Perhaps the time has come when we should be paying a bit more attention to the tangible facts of the situation, promoting a better-balanced blend of the tangible and psychological forces influencing the outlook. Although most of the measurements of the current condition of the economy are the highest levels on record, in the past month or so there has been a distant broadening of the opinion among Government and private economists that the balance of this year will see a flattening-out of the recovery trend.

This prospect is not likely to result in a level of business earnings that would stimulate capital expenditures and overall activity next year. This sort of pattern is not going to cure the unemployment situation, because a growth trend in business activity is necessary to absorb the natural growth in the number of people seeking jobs.

As a cure for the unemployment situation is a primary objective of this administration, and as the business pattern now anticipated by so many economists does not promise to provide that cure, it seems logical to assume that the condition will have an influence on the formulation of Government policies.

In the minds of at least some investment managers, this leads to a consideration of the probable direction of such Government policies. Historical experiences prompts a fear that a substantial increase in Government spending might be accepted as a simple solution, in spite of the stagnating effects of that policy in the 1930's.

To the extent that nonproductive Government spending comes out of tax receipts, there is a diversion of a portion of the savings which otherwise might be used to finance growth-producing investment. To the extent that the Government spending is financed by a deficit, it absorbs credit that might otherwise be used to finance growth-producing investment.

In brief, there is some fear that the circumstances of the moment might lead to an expansion in Government spending policies that would not only stagnate the domestic economy but would also further deteriorate confidence in the dollar. The continuing loss of gold, plus the recent Canadian currency devaluation, remind us that the Nation's currency problem is still acute and is still a factor that has to be given careful consideration in the formulation of domestic policies.

Much of the foregoing may appear to be unnecessarily groping for trouble in the misty future. However, the sharp weakness in the stock market in recent weeks, in the face of the favorable current business news, demonstrates that such a groping process is a necessary procedure in the field of investment and business analysis.

WISHFUL THINKING ON THE ECONOMY—FORECASTS OF RECORD OUTPUT CRITICIZED AS FULL OF POLITICAL IMPLICATIONS

(By David Lawrence)

"How's business?" Time was when businessmen asked this question of one another, and the net impression they got—either favorable or unfavorable—seemed plausible and made sense to them. But today the national economy is more complex than ever, and the statements issued from Washington are full of wishful thinking and political implications. So it's difficult to sift the data and come up with a clear answer to what's really happened—let alone what's going to happen in business, even within a year.

A couple of months ago, for instance, the Kennedy administration was issuing some glowing forecasts about the national output for 1962 and about the upward trend of the economy. But now it seems these same forecasts were too optimistic. Thus, one reads a dispatch by United Press International a few days ago which says:

"Commerce Secretary Hodges said today that the recent failure of the economy to live up to the Kennedy administration's forecast probably would extend through June. His statement at a news conference was the first public acknowledgement by a high official that the administration's forecast that the economy would rise to between $565 billion and $570 billion by midyear was too rosy * * *.

"Commerce Department experts have made a preliminary estimate that gross national product rose modestly in January, February and March to a new high annual rate of $548 billion."

But how can one get an understanding of what goes on by focusing on such big figures alone? Obviously, as population grows and there is an increased demand for things, the total volume of transactions goes up. What really matters is the profits earned on all these transactions and the number of persons employed or unemployed as well as the total personal income available with which to buy things. Four percent unemployed means a lot of people, even though it looks like a small percentage. Also, fairly large "areas of substantial and persistent unemployment," as they are officially labeled by the Government, number today more than 120 throughout the country.

The Government reported, too, a few days ago that living costs had risen to a new high in February, and hence the record of 6 months of price stability was impaired. This means that the purchasing power of the dollar is again unsteady.

Meanwhile, the U.S. Department of Labor revealed this week that manufacturing industries increased their work rolls only slightly in February and showed a disappointing trend downward as compared with January. It said the number of hirings "declined somewhat more than seasonally."

Now everybody who follows the economic picture closely knows that there has been a slump on the durable-goods side. The Kennedy administration has come up with proposals to help encourage plant investment temporarily, but these are not of the long-range kind and do not permit the sort of planning that would really expand the economy.

When the volume of business, moreover, is merely increased in quantity without increasing total profits, the tax revenues which the U.S. Treasury expects to receive are bound to be disappointing. Already the 1963 Federal budget—originally predicted by President Kennedy as likely to be balanced—now is expected to be "deep in the red."

As for profits, the First National City Bank of New York has a staff of able and impartial economists who regularly make a comprehensive study of the profit picture. The bank's letter for April, just released, tells the naked truth about profits as follows:

"Currently, there is much talk of corporate profits surpassing all previous records. Both Government and private economists have forecast pretax profits for 1962 far exceeding the previous peak of $46.8 billion in 1959. President Kennedy, at a news conference last month, cited newspaper reports that profits in the fourth quarter had already surpassed the previous quarterly peak of $51.5 billion reached in the second quarter of 1959 just before the steel strike.

"But all this talk of new records should not be permitted to obscure the fact that corporate earnings have failed to keep up with other indexes of economic growth in the postwar period. Rising prices in recent years have inflated dollar figures. This has tended to hide the fact that profits have actually been losing ground even when new records are apparently being set.

"The profit squeeze has been especially intense in manufacturing, where earnings have been under pressure from unrelenting increases in employment costs, taxes, and other expenses at a time when markets have been highly competitive and undercapacity operations in many lines have hampered efforts to improve efficiency."

Apart from all the figures and economic analyses, there remains one big psychological factor—confidence or lack of confidence by businessmen in the President, his advisers and the Democratic controlled Congress. Businessmen are cautious and worried about Washington. The administration has been in office more than a year now, but it has not yet come to grips with the fundamentals of an expanding economy, especially in the field of proper allowances for depreciation of plant and equipment which are so sorely needed in the durable-goods industries.

STOCK MARKET DROP REFLECTS RECOGNITION THAT INFLATION IS NOW UNDER CONTROL

Mr. PROXMIRE. Mr. President, most of the conversation and criticism of the administration for its connection, if any, with the drop in the stock market overlooks the basic economic reason for that fall. The fact is, as almost every Senator who has spoken on this subject agrees, the stock market was too high. Prices were too high in relation to earnings. I think, whether or not people are investment experts or economists, they can undertand that. The price-earnings ratio has been 20 to 1 or 25 to 1, far above its usual relationship of about 13 to 1 or 14 to 1.

Mr. President, what has been overlooked is why the stock market was too high. Why were stocks overpriced? Why? The stock market was too high because it generally was discounting inflation. There was an expectation on the part of investors that prices would continue to rise and that the value of the dollar would drop, and therefore it was felt the only way for people with money to protect their money was to invest it in the stock market. Obviously they could not safely keep it in savings accounts, if the value of money is to decline sharply. They could not keep it in banks, they could not keep it in mortgages, because the value of a fixed income, it was felt, would depreciate.

Mr. President, I think this drop in the stock market is an indication that the American investor is recognizing that the administration is not going to permit runaway inflation. I think that was one of the constructive things which came out of the steel dispute. The President made it emphatically clear that he would use the power of his office to stop inflation to the best of his ability.

I feel, therefore, that this drop in the stock market should be interpreted not only in terms of a sudden emotional reaction of investors, which we have often seen before in American history, but also as a realistic appraisal of the willingness and the ability of this administration to cope with inflationary forces.

I should like to conclude by pointing out that it is very important for U.S. Senators, Members of Congress, and other public officials to make it clear that there is an iron determination on the part of all of us, including those of us who voted against the public works bill yesterday—and I did—that in the event this country should move toward a situation of heavy unemployment and crisis we would be willing to take any action—any action—necessary to prevent another serious depression.

Finally, I wish to point out that the May issue of Economic Indicators, by the Council of Economic Advisers, shows that one of the reasons why we do not fear this kind of situation is that the transfer payments—the social security payments, unemployment compensation payments, and so on—have immensely increased in recent years. Comparing 1961 to 1953, for example, we find that transfer payments rose from $14 to $32.9 billion. This is by far the biggest increase of any element of income.

Our economy has undergone a vast change in recent years which has been overlooked. I feel very strongly that we have safeguards to prevent any kind of really serious recession, let alone a depression.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. Metcalf in the chair). The Senator from Arizona is recognized.

THE STOCK MARKET

Mr. GOLDWATER. Mr. President, I wish to join with my colleagues on this side of the aisle in commenting today with reference to the continuing drop in the stock market. This has become very disturbing. The latest news from the wire indicates the Dow-Jones index has dropped 11 points this morning, and the ticker in running 30 minutes behind.

Mr. President, my distinguished friend from Connecticut [Mr. Bush] referred to a front page editorial published in the Herald Tribune this morning, in which a comment was made that what is needed is word from the White House.

Mr. President, I think probably that is part of the trouble. We have had too many words from the White House and not enough action. About the best word which could come from the White House, in my estimation, would be that Dr. Heller and the other economic theorists who surround the President have been allowed to return to various universities and that the President will rely more upon business experience than he has in the past.

In response to what my distinguished friend the Senator from Wisconsin commented, relative to the place which inflation or the lack of inflation has in the decline of the stock market, I might remind the Senator that we have recently seen the biggest cost-of-living increase in the last 2 years. The cost of living is the "flipover" on the chart of inflation.

I cannot agree that the people have any confidence at all in this administration's ability to defeat inflation. In fact, in the Senate we have been voting in the last week for inflationary movements, for inflationary action—for more inflationary forces than we have voted for in 1 single week since I have been in the Senate, in the last 10 years.

I admire the distinguished Senator from Wisconsin for having deserted his party on several of those votes, but the fact remains that we are in an inflationary period. What we are doing in this Congress is only fanning those fires.

Mr. President, this lack of confidence in the administration's ability in an economic field is not new.

I remind Senators that capital investment is the very heartbeat of our economic system, and it is barely up to what it was in 1957. Nothing has been done to give those in the investment world confidence that the Government would stay out of their hair and let the free enterprise economy work in as free a way as it can. I suggest to my colleagues who ride on the New Frontier wagon that the best thing they could do right now would be to borrow a long riding whip and crack it over the executive team, and ask the President to quit bothering American business with his threats to turn his power against the free action of the market.

In conclusion, in yesterday's edition of the Wall Street Journal there appeared an article entitled "Abreast of the Market," in which the following statement appears:

> The 38.82-point decline in the Dow-Jones industrial average was the largest point drop for a trading week of normal length in the 65 years the average has been computed, and the biggest percentage decline for such a period since World War II.

I ask unanimous consent that the entire article to which I have referred be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ABREAST OF THE MARKET: A STOCK MARKET APPRAISAL

(By Oliver J. Gingold)

Investor confidence shriveled further in the past week as the Dow-Jones industrial average fell 38.82 points. Nevertheless, brokers say a number of stocks have begun to indicate an oversold condition, by holding relatively steady in periods of general market weakness.

However, weakness continued in many stocks, particularly higher priced ones. Sentiment at the moment is against stocks selling with extremely low yields and at high price-earning ratios.

As is usual in a bear market, brokers and researchers are finding many stocks too high, the usual cliche in a prolonged period of weakness. On the other side, when selling has burned itself out and stocks become oversold, the watchword is that prices are too low. Brokers say in a market like this, however, investors are not prone to buy stock on future potential. That comes later when prices have steadied and are generally rallying.

Thin markets, with relatively few bids available for many stocks, have undoubtedly been an important factor in recent price breaks. While at the moment there are a number of markets in which bids are scarce, there are probably a great many where offerings are even thinner, particularly in cases where wide breaks have taken place within a short time. It is also notable that in the last few days stocks such as the utilities, which previously had held remarkably well, have given way. This is a normal development in extensive breaks. Many traders argue that in a break of the kind we have had most, if not all, stocks ultimately get hit to some degree. Traders and brokers now are on the lookout for stocks that have held steady and thus may be next on the list to go down.

The Street still is casting about for a concrete reason for the turbulent selling markets. Opinion in some quarters is that sooner or later some news or aspect of the economy will come along to justify the selling avalanche. At the moment there is little economic news to warrant it. Business news generally continues to be good and there are few predictions in various industries to indicate an important change in this situation.

Consumer goods are moving at a great rate and merchants continue to predict a record year with no reservation for the rest of 1962. Some high points: Construction contract awards in April climbed above the year-earlier level for the fourth consecutive month; new car sales in the middle third of May topped a year ago; and department store sales in the week ended May 19 rose 7 percent from a year earlier, the 10th consecutive week in which store sales have exceeded year-earlier volume.

Railroad shares have resisted declines fairly well in the weak market and there has been some institutional buying of certain shares where earnings and outlooks are regarded as good. The labor angle is, of course, difficult to value at this time. However, both the Government and States apparently are willing to help the railroads improve their outlook, particularly those roads which lose money heavily on passenger traffic. One large portfolio has been a buyer of Southern Pacific and Southern Railway in recent weeks in fairly substantial quantity, and is ready to buy more of these equities if their prices should react further.

There is no doubt about the Street being bearish at this time. But as one broker said: "The lower the market gets the more bears there are and sooner or later the market is bound to get into an important oversold condition."

Technicians still believe there may be some resistance in the neighborhood of 600 for the industrial average, but those who follow these resistance areas are getting fewer and more skeptical as the market declines.

The approaching period of the year is regarded as one in which stock prices more often rise than fall. In the past 65 years, the Dow-Jones industrial average has risen in 34 Junes and declined in 31, while the rail average has advanced in 37 Junes and fallen in 28. July and August also are known as months of seasonal price strength for stocks.

LAST WEEK'S MARKET

The Dow-Jones industrial average last week sank 38.82 points, or 5.97 percent, to close Friday at 611.88, its lowest closing level since January 3, 1961. The industrial average is now 123.03 points, or 16.74 percent, below its record high of 734.91 set December 13, 1961.

The Dow-Jones utility average showed a greater percentage drop last week, falling 9.72 points, or 7.95 percent, to 112.57 Friday, its lowest closing level since July 3, 1961. The 4.49-point decline in the utility average Friday was its largest since June 16, 1930.

The railroad average last week went down 7.09 points, or 5.20 percent, to end the week at 129.23. This was its lowest closing point since December 22, 1960.

For the first time since early January, weekly volume on the New York Stock Exchange last week was larger than in the corresponding week of 1961. Turnover last week increased to 22,988,850 shares from 19,566,770 in the preceding week and 19,235,340 a year ago.

The 38.82-point decline in the Dow-Jones industrial average was the largest point drop for a trading week of normal length in the 65 years the average has been computed and the biggest percentage decline for such a period since World War II. Although larger point declines have occurred within short periods not nearly limited within a trading week, no such concentrated point decline has been larger than last week's since the early 1930's. The biggest quick drop in the industrial average was its fall of 96.44 points in the 6 trading days ended Tuesday, October 29, 1929. Within and following that period, however, substantial rallies narrowed the net change for the complete weeks.

Larger concentrated percentage declines than last week's have taken place fairly recently although none for a trading week. For example, in 1957 in the 5 days before the average hit its low for the year, it went down 6.28 percent. Before World War II when the average was below 150, weekly declines of more than 6 percent were numerous. In the week ended May 18, 1940, when Holland fell to Germany, the average dropped 22.42 points, or 15.48 percent, and in July 1932, when the average touched its depression low of 41.22, it went down 2.76 points, or 6.22 percent, in 1 week.

Mr. PROXMIRE subsequently said: Mr. President, I ask unanimous consent that these remarks be printed in the RECORD following those of the Senator from Arizona, who spoke earlier today, during the morning hour.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, in reply to an earlier statement I made, the Senator from Arizona indicated that prices have risen as much in the last several months as they had in the preceding year. His figures are correct but may be misunderstood. At this time I wish to place the facts in that connection in the RECORD.

The fact is that from 1953 to 1960—during the preceding 8 years—prices had risen about 10 percent, or about 1½ percent a year. During last year, the increase in prices slowed down quite sharply. It is true that in the first 4 months of this year prices rose, but the fact is that that rise in price has been less than seven-tenths of 1 percent.

Furthermore, that rise in price had been discounted by economists, for several months. It was anticipated and was predicted, and was considered technical in nature. As a matter of fact, the economists anticipate and expect prices to rise during the next month. However, they anticipate that during the year prices will be stable. One of the reasons why they take that position is that wholesale prices have remained stable. In fact, in 1960 wholesale prices were 100.7, with the prices for the period 1957 to 1959 used as the base of 100 percent. Last year wholesale prices dropped to 100.3. Throughout this year they have remained stationary.

The most recent figure—as of May 15—is still precisely 100.3. These figures on the wholesale price level are, in my opinion, more significant for economic and forecasting purposes than those for retail prices, which are commonly used by the newspapers.

In short, Mr. President, we have had absolute stability in wholesale prices during the last year. Most stock market analysts and most economic experts are making their predictions about what the future holds on the basis of the trend in wholesale prices. This index usually predicts quite accurately what will happen to retail prices. We can anticipate substantial price stability; and at the present time we are experiencing price stability.

As I have said before, I think the action of the President in the steel dispute, whatever may have been its merits on other grounds, was a very successful effort by the Government to stop administered price inflation, and I believe that the success of the President's action constitutes a significant and substantial explanation for the fact that the stock market is now taking a second look at the discounting of inflation which had been reflected in stock market prices far too high in relation to earnings and far too high in relation to dividends.

Therefore, once again I wish to assert my conviction that the present adjustment is a healthy one. Even though it may have adverse psychological effects, I believe that when we understand it, we shall find that those adverse effects will not be very significant.

Mr. GOLDWATER. Mr. President, with the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. GOLDWATER. The Senator from Wisconsin mentioned one part of the root of the trouble we are in today.

I recall very vividly the decline in 1929; and I recall that at that time the economists were predicting that the adjustment period might last anywhere from 1 week to 6 weeks. Later they changed their estimate to 6 months. I never have heard how long they finally extended their estimate.

But, of course, that slump did not end until we got into the Second World War.

Certainly the big factor is the psychological one; and because of this, no economist can predict accurately what the future holds.

Of course, in view of the present situation, the economists are fairly safe in saying that stock market prices are going to go down; but the experts and the economists would be in a better position to make their predictions if they knew what Mrs. Susie Smith would say over the back fence, tomorrow, to Mrs. Sam Jones, about what her husband had said about the economy and about business conditions.

The PRESIDING OFFICER. The time available to the Senator from Wisconsin, in the morning hour, has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may continue for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GOLDWATER. So, Mr. President, if the experts could know what housewives would say over the back fence, they would be better able to figure out what the economy would do.

The fact which disturbs us so much is, not the fact that the stock market is going down, or the fact that it is going down more than it has at any year during the past 60 years, on the basis of measuring by the full week, but the fact that this development will have a very great effect on purchases of new dresses or new houses or new automobiles, because the prospective purchasers will see that stock market prices are going down. This attitude by the great mass of the people who are thus affected by the decline in stock market prices does not necessarily arrest inflation, but it certainly is a reflection of the developments in the stock market.

It is the man in the street, who does not concern himself with the stock market but who hears the market is going down, who thinks he had better hold off his purchases. It is a psychological factor in a recession or depression over which we have no control, and of which an economist can take no cognizance, because there is no way to predict it. This bad psychological result could have been offset by the President had he used the techniques at hand in trying to change steel prices, instead of trying to use, as he did, the full muscle of the executive branch of Government. This is a cocked pistol which now lies on the desk of the President that can be picked up and pointed at the head of business. That is the factor. I am glad the Senator brought it out.

Mr. PROXMIRE. I agree, in the first place, with the conclusion the Senator has drawn that the psychological factor is very important. In the second place, economic forecasting is still primitive, and we cannot rely fully upon it. The rockbottom fact is, however, that we have built into our society transfer payments in the form of social security and unemployment benefits and other factors which assure people that there is a real basis for prosperity and that we are not going to go into a serious depression.

While the stock market has been very impressive in its psychological influence in the country in the past, I think this influence has been receding and that psychologically it is not nearly as significant at it was 30 years ago, during the 1929 crash.

People who know they are going to get social security payments and who have the assurance that they are not going to be thrown out with no possibility of being able to maintain their income are in a position where they are not going to be paralyzed with fear as they were in the depression of 1929–33.

DISGRACE OF DISTRICT OF COLUMBIA SCHOOLBOOKS

Mr. HUMPHREY. Mr. President, last week, as I trust Senators will recall, I delivered in the Senate a speech on the disgrace of schoolbooks and school libraries in the District of Columbia. Today I am in a little better humor than I was on that occasion, because when I had discussed the condition of the textbooks and the libraries in the District of Columbia, it made me both unhappy and angry.

I am pleased to hear that Dr. Carl Hansen, the District's school superintendent, considers the situation of textbook obsolescence and disrepair to be dismal. And I am happy to note a survey of these books is being taken and that Dr. Hansen feels it must now be speeded up.

Mr. President, I could not agree more with Dr. Hansen.

In fact, I propose that this survey not only be speeded up, but that it be completed in the next 2 weeks.

And I propose further that before this 87th Congress leaves Washington, we appropriate whatever is necessary to remedy this disgraceful and intolerable situation.

Everyone in the schools knows what the situation is. It is no secret. The principals and teachers know it and so do the students. I hope my speech has alerted the community to the situation. There is no reason at all that a survey of District of Columbia textbooks and libraries should take more than 2 weeks. In fact, the survey should have been done long ago.

Each teacher knows what textbook he is using and how many pupils he has. He knows when it was written and if it is outdated or not. He also knows the condition that the books are in.

This is all that is needed to be known. But Congress has to know how many books are needed and what their cost would be. And Congress has to know quickly. I ask for prompt action by the school authorities. They must state their textbooks and library needs and do so without delay. Our District of Columbia schools need modernization; they need leadership; and they need the help of community and Congress—now.

I believe that the District of Columbia should set the standard for the Nation. We talk about the adequacy or inadequacy of educational levels and facilities in other parts of the country. I suggest that in this very area, the Federal city, standards should be set for the Nation. We are already 20 years late in terms of modernization of our schools. If "A-OK—go" is good enough for the space age and for those who are astronauts, then let us apply it to our schools, teachers, books, and libraries.

This textbook problem is urgent. It is as urgent as any problem Congress faces. Each passing day, the disaster, the tragedy are compounded.

At the rate the problem has been tackled in the past, I am afraid the current crop of District of Columbia school pupils will be old enough to run for the House of Representatives, and even, in terms of age, for the Senate, before they are qualified to enter college.

So, Mr. President, I propose that we move rapidly. And that the school district move and move rapidly.

Since last week, my telephone has been ringing constantly with offers of information and advice on the status of District of Columbia books. Most of the callers have expressed support—and added evidence—for my effort.

Only a few of the calls have been critical. And I want to tell my colleagues about a few of them.

First, Senators may remember that last week I brought in an armful of textbooks so battered and tattered, aged and worn and dirty that they had to be held together with string or rubber bands. These were books in which whole sections were missing, but books in active use in Washington's schools.

These were books whose teachings were obsolete 10 years ago.

Senators may recall I quoted some astounding passages from some of them, such as a paragraph from a 1938 "modern physics" book telling how melting ice chills food in "modern refrigerator boxes."

And I also quoted from a 1938 social studies text which told how airplanes are now sailing around the earth, although they have to stop occasionally for gas and oil.

A few callers suggested that these books were simply "extreme examples," and that a few such antiques could no doubt be found in any high school, junior high school or elementary school in the Nation.

Well, lest anyone feel that these were indeed extreme examples, let me call attention to some other textbooks in use in our schools in the Nation's Capital. For example:

Western High School pupils are studying a book titled "Modern School Geography," written in 1938.

As far as these pupils know, Latvia, Lithuania, and Estonia are still independent European nations. Hitler and Stalin may be nightmare names to the people of these countries, but Western High School students, if they rely only on their textbooks, would never know it.

Western pupils are also studying "Advanced Algebra," published 30 years ago. Any parent in this body knows that the study of algebra and geometry has changed completely. If one does not think so, I suggest that he try to help his son or daughter with his or her homework.

There is also an "Elementary Practical Physics" text, issued in 1938.

Spingarn High School is using a mechanical drawing book published in 1934, a metalwork manual printed in 1936, and a chemistry book written in 1939.

Woodrow Wilson pupils are studying "Latin American and Hemisphere Solidarity," written 20 years ago and portraying Latin America just about the way it was during Woodrow Wilson's time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to proceed for an additional 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, all but 13 members of a Western High biology class are using modern, up-to-date textbooks. The unlucky 13 are forced to use old relics of varying vintage. How in the world a teacher can instruct a class in biology under such a setup is incredible and beyond me.

The sociology textbook used at Roosevelt High School has not had a major revision since the 1930's and contains a number of outdated concepts. Yet, remarkably, a teacher at Coolidge High School told me she was forced to borrow even this ancient artifact from Roosevelt in order to have a sociology text at all to teach her classes.

This is a sample of textbook obsolescence at only five schools. Consider for a moment that the District of Columbia has 12 high schools, 5 vocational high schools, 21 junior highs, and more than 100 elementary schools, and Senators have an idea of the magnitude of the disgrace.

No, Mr. President; the examples I cited last week were far from extreme cases. And there are many more.

Certain persons called and said that the cases I cited were extreme. They are the roadblocks to progress in this community. They act as if they had mental calcification, and, may I add, spiritual calcification, too. They are crusty, bitter, and obstinate when it comes to anything that relates to social progress.

Another statement I heard was that the textbooks must be falling apart from abuse, not use. Certainly some books have been damaged maliciously. That is a habit as old as the children themselves. That happens in every school in the Nation. There are always a few in any class who feel that it is smart to deface books. I would not be in the least surprised if Members of Congress had done the same thing in their childhood days.

How can a child be taught to respect a book until he is given a book he can respect?

I also submit that when a book survives 30 years of use, abuse is not the problem, especially when no money is available or spent for rebinding and refurbishing.

I am told that in Western High School, students are using a Shakespeare book that was published in 1916. The Shakespeare in the book is fine, but the physical condition of the book is just about as good as Shakespeare's. This must be the granddaddy of all the fossils in Washington's schools.

But the very fact that copies of this book have remained even partially intact after 45 years is an eloquent tribute to the care and thoughtfulness exhibited by the great majority of Washington pupils, or the fact that some did not study it at all.

I was curious also about the problem of abuse in the schools' libraries.

The superintendent of school libraries in Washington tells me the problem is extremely minor. The major problem is not keeping books attractive, but getting any attractive books at all for the school libraries.

No survey is needed here. The survey has already been made, and I am helping to make it. The results are known, and the results are appalling. What the city of Washington needs is to have an injection of action.

Washington, I repeat again this week, brings up the rear in the Nation. Washington spends a meager 64 cents for library books for each junior, senior and vocational high school pupil and nothing at all on elementary school library books. The national standard is $3 a pupil.

San Diego, Dallas, Milwaukee, Cleveland, San Francisco, Detroit, Houston, Chicago, San Antonio, St. Louis, New Orleans, Baltimore, et cetera, et cetera and including my own city of Minneapolis are all way ahead of Washington.

The District of Columbia is still seeking allocating and spending funds for its school libraries according to an amount-per-pupil formula adopted in 1947.

No real progress can be made this way in bringing Washington's school libraries up to even a passable par.

I was disturbed to learn, also, that this year for the first time, the Board of Education asked for money, $25,000, for elementary school library books. The Board of Commissioners, however, removed this entire sum from the budget.

Mr. President, it is going to take a lot more than $25,000 to make even a decent start on overcoming the lag in our school libraries.

It is estimated that it will take $57,000 more just to raise Washington's school library book expenditures to a minimum of $1 a pupil, as compared with the national average. And even then, the District of Columbia schools would be $2 and $2.50 below the national standard.

But I strongly propose that this is exactly what we do this year to get off on the right foot in curing the decrepit, tragic, unbelievable, and criminal situation.

Mr. President, I ask that three recent articles and one editorial on the crusade for better books be printed in the RECORD.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 25, 1962]

EDUCATORS APPLAUD HUMPHREY'S DRIVE FOR MODERN TEXTS

(By Carole Bowie)

Senator HUBERT H. HUMPHREY's pledge to wage a "one-man crusade" to put modern texts in the hands of every District student was welcomed by principals and teachers yesterday.

HUMPHREY, Democrat, Minnesota, told the Senate Wednesday that some District students still use tattered school books that were out of date 10 years ago. And he showed some samples.

That District students study obsolete texts did not come as a surprise to school officials who have been struggling to see that every student has even an old book.

But the hubbub the Senator's statements caused is sure to put some fire into a survey of textbook obsolescence already in the works, District School Superintendent Carl F. Hansen said. It may result in a request for more textbook money.

Principals are happy about the hubbub.

Current allotments are "absolutely inadequate to do the job," said Ralph W. Watt, principal of McKinley High School. At McKinley a physics text published 11 years ago—predating sputnik and recent changes in physics teaching—is still in use.

District schools get about $5 per student each year for textbooks and supplies. Chalk, paper clips, erasers and the like take about

$2, leaving $3 to replace books that are falling apart or to buy books for new students. Old books in good shape are kept.

Watt approaches textbook buying by asking teachers to list what they need in three categories: "Must have, need but can do without for a year, and nice to have." He says he never gets through category one.

And often he cannot buy "must have" books for all students. He might need 140 mathematics texts, for instance, but can afford only 70. That means two classes of students do without.

At Spingarn High School, where HUMPHREY found a 1938 edition of "Modern Physics" which observed that "Melting ice chills food in modern refrigerator boxes," Principal Purvis J. Williams is planning to spend $6,533.48 on books next year.

The money will go to replace some, but not all, of 10-, 11-, 15- and even 20-year-old texts in business, English, mathematics, physics, chemistry and biology.

[From the Washington Post, May 25, 1962]

Irate Pupils Storm Hill To Demand Class Needs

(By John J. Lindsay)

The accent was on youth at the Capitol last night as school-age youngsters went before Members of Congress to gripe about the educational needs of the city as the students see them.

They received an enthusiastic response from members of the House District Appropriations Subcommittee headed by Rep. WILLIAM NATCHER, Democrat, of Kentucky. If the welcome means anything, the youngsters scored heavily in running down the lack of up-to-date textbooks, school and neighborhood libraries and the physical plant in which they attend school.

They appeared at the last of three public hearings on the city's request to spend $299.1 million next year, nearly all of which will come out of the pockets of taxpayers. The schools' operating budget request is $57.8 million. Another $7.9 million was requested for new schools and additional classrooms.

LED BY STUDENT

Under the direction of James Toledano, a student at Woodrow Wilson High, members of the High School Students for Better Education took their cause to the subcommittee.

Lyngrid Smith, of McKinley High, complained that since last July, education officials had requested about 900 badly needed repairs, none of which have been taken care of.

Elaine Gordon, Chamberlain Vocational, spoke of schools with falling plaster, a furnace that floods in inclement weather and another school without an auditorium.

Robert Howard, of Eastern High, complained that the Sousa Junior High science lab was once a storeroom for musical instruments, has one window and a makeshift blackboard.

At Phelps Vocational, he said, students change clothes in the boilerroom and take gym in the hall. There is no school library and, he added, most District high schools do not have a basic collection of books in their libraries.

TORN TEXTBOOKS

Vera Rykoff, of Coolidge High, said a collection of textbooks is considered adequate if it includes "an ancient, outdated conglomeration of pages without covers and missing whole chapters." One history book was written and issued during World War II when Russia was our ally and another text on the Elements of Electricity was published in 1932, 12 years before today's high school students were born, she said.

She also read a statement for Henry Brown of Cardozo High which said that condemned books are used throughout the public school system because there are no others. The students presented the subcommittee with a ragged collection of ancient textbooks but asked for their return as soon as possible because they are needed for study.

Toledano said it will take 24 new schools by 1969 to handle an expected 25,000 additional students. He said that without enough money for schools a more than adequate education is impossible and without that education there is not much hope for the future citizens of this city. He also requested that the present expenditure of $5 per student per year for textbooks be doubled.

PLEA FOR LIBRARY

Later in the testimony, Adrian Burrell, 15, and Eugene Rudder, 13, of Kelly Miller Junior High, made a strong appeal for $523,000 for the Capitol View Branch Library without which, they said, students of their area would not receive a full education.

NATCHER said the library is "No. 1" on the priority list of every member of the subcommittee. NATCHER and Representatives GEORGE SHIPLEY, Democrat, of Illinois, and JOHN RHODES, Republican, of Arizona, praised all the youngsters who appeared for their interest and spirit.

Thirteen witnesses representing the District Congress of Parents and Teachers also testified about deficiencies in the District public school system.

They requested consideration of funds for elementary school foreign language programs, improvement of the guidance counselor system and a strong library system among other improvements.

HORRIBLE HINE

Betty Sampson said that all children in the Capital would profit from the guidance counselors who have succeeded in reducing truancy, eliminating behavior problems, preparing children for psychological services and medical needs.

Bernice F. Baddy told the subcommittee that the greatest concern of the Hine Junior High School PTA is that some child might lose his life trying to get an education at "Horrible Hine."

She asked for $5 million for construction of a replacement instead of the $210,000 requested for a new school site.

Riddick H. Pree, legislative chairman of the Area 5 Council of the District Congress made a strong appeal for the 16 new elementary schools which he said the city will need in the next 5 years over and above buildings already approved.

ASKS NEW SCHOOLS

Mrs. S. Raymond Smith representing area 4, far northeast and far southeast Washington, appealed for new elementary schools, junior high and high schools and additional school equipment for those areas. Most of the schools have been requested by the District Commissioners.

Mr. Arthur M. Blacklow, president of the Congress, was represented by Ellis Haworth, who among other things testified about the desperate need for a central administration building to house all the 300 administration offices now scattered throughout the city in 15 buildings.

Other witnesses called for expansion of the public summer school program, improvement of the Ben W. Murch Elementary School and additional teachers to reduce the present pupil-teacher ratio.

The District Federation of Civic Associations strongly opposed the city's inner loop highway program and asked that all construction except freeways or street projects now being built be halted by the city.

Henry L. Dixon, president of the federation, appealed for additional public schools, recreation facilities and an increase in funds for homemaker services, nursing care grants and for about 900 multiproblem families receiving aid-to-dependent-children grants.

[From the Washington Post, May 26, 1962]

Hansen Joins Crusade for Better Textbooks

(By Carole Bowie)

District School Superintendent Carl F. Hansen thinks the problem of out-of-date textbooks in District schools is bad in more ways than one.

Most importantly, he doesn't think students should study such subjects as physics and chemistry from books written 20 or 30 years ago. And, secondly, until this week he thought the city's textbook problems were under control.

"We are particularly vulnerable for not having asked for more textbook money," he said yesterday at a press conference. And he added, "We are embarrassed that our textbook survey last spring did not treat at all with obsolescence."

On the strength of that survey, submitted to the School Board in December, Hansen won authority to spend an extra $13,000 on textbooks. This money, he told the Board, "will bring us pretty close to at least getting books into the hands of every child."

He said at the time he hoped obsolescence could be taken care of through regular yearly textbook appropriations.

But he said now it would appear that principals have an "extensive" problem keeping books current, especially in science and social studies and maybe in the humanities with yearly funds.

On Hansen's desk was an aged and tattered physics book that showed up Wednesday in the Senate Chamber in the hands of Senator HUBERT H. HUMPHREY, Democrat, Minnesota. HUMPHREY pledged a "one-man crusade" to put modern texts in the hands of every student.

Hansen said Assistant School Superintendents John D. Koontz and Francis Gregory are already at work trying to find out how many such books are in use and why. He said the survey will be "stepped up."

While Hansen said he thinks books of the 1938 vintage are "extreme examples" of those in use, he said that "in a more general sense there obviously is a problem of obsolescence."

In fact, comments of principals and parents since the Senator's speech indicate that the picture is "pretty dismal," he said.

[From the Washington Post, May 28, 1962]

Backward Books

The same week that Scott Carpenter made his triple orbit around the world, students in our city's public schools could read this helpful comment in a textbook: "Airplanes have not only sailed over the ocean, but they have sailed around the earth. Of course, stops were frequently made for gasoline and oil." This is but a sample of the sometimes pitifully out-of-date textbooks still in use in our public schools, where one high school instructs its students with a book entitled "Modern Physics" printed before Hiroshima.

All credit to the High School Students for Better Education, our youngest lobbyists, for using their constitutional right of petition to bring the book scandal to the notice of Congress. And further credit to Senator HUMPHREY for lending a hand in a campaign that ought to succeed. A nation rich enough to thrust a man into space ought to have enough money to provide its youngsters with books that do more than describe airplanes as a curious novelty and nuclear physics as interesting speculation.

Obsolete and tattered textbooks are being used because the District lacks adequate funds for its schools. The lack of libraries is an even greater reproach to congressional parsimony. There are no libraries in elementary schools except in two where anonymous donors provided funds; the national standard calls for a $3 library expenditure per child, but Washington spends 76 cents a year per high school student, and nothing at all for each elementary pupil. Happily, local school officials are providing further fodder for Mr. HUMPHREY's Senate campaign, and hopefully Congress will learn a lesson from the antiquated texts the Senator has read into the RECORD.

Mr. HUMPHREY. Mr. President, I also call attention to a letter dated May 24, 1962, which I have received from High School Students for Better Education. A number of names are signed to the letter. I thank these young people.

Mr. President, I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 24, 1962.

DEAR SENATOR HUMPHREY: We, the undersigned, members of the High School Students for Better Education, wish to express our sincere gratitude to you for your interest in improving school conditions in the District of Columbia. We feel most fortunate in having in you, a great and eloquent champion of our cause. On behalf of the many thousands of schoolchildren in the District of Columbia and the students of the future, we thank you.

Peter Crane, Michael Ferir, Elaine Gordon, Phylis Meuch, Steve Block, Richard Blacklow, Olivia Lucas, Randi Dokken, Corlan Johnson, Arrel Dougherty, Lois Schiffer, Joan Kolker, Patricia Baum, Susan Kerr, Rush Dougherty, Ellen Zorin, Judy Powell, Carrie Fox, Joyce Smith, Lynne Jones, Sue McMurray, Candy Frazi, Susan Hamilton, Vera Ryckoff, Robert Lee Howard, Duane G. Derrick, Jr., James G. Wright III, Arthur L. Harris, Jane Kenworthy, L. Lincoln, Douglas Burke, Christina Weyl, Betsy Kramer, Susan Pollock, Karen Stingle, Judy Edelsberg, Henry Brown, Lyngrid Smith.

THE STOCK MARKET AND THE BUSINESS CLIMATE

Mr. JAVITS. Mr. President, we have heard this morning some discussion about the precipitate fall in prices on the New York Stock Exchange. Because I am a member of the Committee on Banking and Currency and of the Joint Economic Committee, and since the New York Stock Exchange and other securities exchanges are located in my hometown of New York City, I believe I should say at least a word about the situation.

It seems to me that serious questions have begun to be raised concerning the strength of the U.S. economy and the capability of the Kennedy administration to deal with it. What has happened does not necessarily add up to a national catastrophe; on the contrary, it can make us leaner and tougher. This situation is particularly critical because of the importance of the economic health of the United States to our free world peace leadership.

Whether this event is a natural economic readjustment or a serious crisis remains to be seen, but I believe that the current stock market can be confined to an economic readjustment provided the President gives a constructive lead, provided U.S. business, including both management and labor, takes this as an occasion for a new effort in the public business, and provided Congress acts as it should.

There is much talk about whether business has confidence in Government. I can well understand why the confidence of business should have been shaken. Nevertheless, the Government of the United States consists of the President and Congress, and Congress right now ought to give American business, which includes workers and management, some reassurance that we are not going to go haywire or wild or to be punitive. Perhaps such assurance, added to that which the President is already trying to give, may help us to do the trick, at least so far as confidence is concerned.

Economic conditions are basically sound. The economy of the United States is well able to undertake the adjustments which are necessary to assure its competitive position internationally and to meet changing domestic needs.

It is true that the Nation is troubled by serious unemployment, which is continuing at an unacceptable rate of 5½ percent, but other indexes are more favorable.

Consumer demand is on the rise, with personal expenditures for durable goods up 13.3 percent for the first quarter of 1962 over the first quarter of 1961. Business expenditures for producers' durable equipment rose by 17.5 percent in the same period. We have an enormous unmet need for homes, appliances, and even for telephones and automobiles, and the needs continue. The economy of mankind throughout the world is so poor that we could be producing for many years without catching up.

An article published in the New York Herald Tribune for today, May 29, is entitled "U.N. Report: Rich Nations Get Richer, Poor Poorer." I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.N. REPORT: RICH NATIONS GET RICHER, POOR POORER

UNITED NATIONS, N.Y.—The rich nations are getting richer and the poor poorer, a U.N. report showed Sunday.

While the economies of the industrial nations are surging forward, the underdeveloped nations are getting relatively less for the raw materials they sell to the manufacturing giants.

The 1961 U.N. Statistical Yearbook showed that the free world's industrial production has nearly tripled since 1938, while commodity output has barely doubled.

The values of world exports reached a record level of $112.5 billion in 1960, but the underdeveloped nations' share of world trade decreased by 30 percent in the past 10 years, the report said.

The have-not nations continue to spend a far higher percent of their gross national product on their peoples' needs, sharply cutting their ability to provide their own investment funds.

To fill in the gap, the gross flow of grants and long-term loans to underdeveloped countries totaled $4 billion in 1960. The United States was the chief contributor of bilateral assistance with more than $2 billion.

Among other findings of the survey:

The United States produced the largest amount of crude steel—more than 90 million metric tons in 1960—out of a world total of 344 million metric tons. The U.S.S.R. was next with 65 million metric tons.

Production of iron ore in the U.S.S.R. exceeded U.S. production in 1958, 1959, and 1960.

More than half the world's passenger vehicles are made in the United States.

The per capita consumption of steel in Sweden in 1960 was the highest in the world.

Mr. JAVITS. Mr. President, an editorial entitled "Hope For Hungry Countries," published in the New York Times of Sunday, May 27, 1962, points out that in the 3 years of the existence of the U.N.'s Special Fund Council, the Fund has committed more than $210 million, but that what the fund does is to make future investments, that may come to billions of dollars, more fruitful.

Mr. President, I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOPE FOR HUNGRY COUNTRIES

The 41 international development projects just approved by the U.N.'s Special Fund Council will cost a little under $37 million. In the 3 years of its existence the Fund has committed more than $210 million—millions, not billions, but important just the same.

The U.N. Special Fund is like seeds in a spring furrow. What the Fund does is to make future investments that may come to billions of dollars more fruitful. It specializes in studies, surveys and, above all, in education. One great difficulty in underdeveloped countries is that their resources, human and natural, are not fully known. As Managing Director Paul G. Hoffman has said: "In practically all the underdeveloped countries and territories associated with the United Nations, the underlying cause of that underdevelopment is not lack of human and physical resources but underutilization of these resources." He adds: "It has been proven time and time again that nationals of all countries can be trained to be good administrators, good educators, good businessmen, good doctors, good mechanics, and good farmers."

What the U.N. Fund proposes is to make productive the great investments, national and international, private and public, that will ultimately have to be made in the economically retarded countries. A resolution of the General Assembly passed last December sets a goal of an annual national income increase in each such country of 5 percent by the end of this decade.

Incidentally, the Governing Council of the Fund consists of nine representatives from the advanced countries and nine from the underdeveloped countries. Among the developed countries is the Union of Soviet Socialist Republics. What is going on in this council is less a cold war than a hot war against poverty, ignorance and disease.

Mr. JAVITS. Mr. President, our economy is moving too slowly; still, it appears to be on a sound footing. However, the stock market has in the last 10 years risen 5 times faster than corporate profits, 3½ times faster than industrial production, and more than twice as fast as personal income and gross national product. Reasonable expectations of future growth cannot outstrip current realities by such multiples. That, too, is a cause of the present readjustment.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may speak for 2 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, the timing of the present occurrence is, in my view, based on governmental developments. This factor in the present situation is the impairment of business confidence in the Government's handling of the economy. We all understand that it is an outgrowth of the direct action taken by the President in the steel price controversy, especially the fear and resentment induced by the President's utilization of law enforcement machinery of the Federal Government, without fundamental basis in law, as shown at that time, and that this condition is compounded by the persistence of an international imbalance of payments and unemployment troubles. These factors have caused much difficulty.

We understand that right now the President of the United States is in trouble, in view of the dangers of a real impact upon our economy if a continuous stock market break results in a real withdrawal of business from expansion and improvement.

I emphasize what others have said, that it will take not only the action of the President, but also the action of Congress in order to do what needs to be done now. What is not adequately recognized is that the President is not the whole Government, but Congress is a coordinate and equally powerful branch of the Government, having the capability for materially helping to right any imbalance in the Government's approach toward business; and also that the present situation requires a major exercise in self-help and mutual cooperation by U.S. management and labor.

Congress can be of enormous aid to the country in bringing home the realization of the part it plays to business managers, workers and owners. It seems to me that this buttressing of the national posture should be most welcomed by President Kennedy who is in trouble in view of the dangers of a really prejudicial impact upon our economy if a continuing stock market break brings about a real withdrawal of business from expansion and improvement. I emphasize especially in the case of the President that it is deeds—not words—which will count for the most, as so many brave and reassuring words have already been uttered.

What can Congress, the President, and U.S. business do in a tangible and direct way to improve the business climate?

First. The President can immediately announce specific revisions of depreciation schedules and can call on Congress to initiate consideration of tax reform, including incentive income tax reductions and more rather than less favorable treatment for earnings from productive foreign investment.

Second. The President can call on Congress to establish a permanent mechanism for labor-management cooperation in the public interest—such as Peace Production Board—to increase productivity and to meet the problems of automation, and to take action to review the antitrust laws in accordance with modern needs. Under such assurances of increased employment labor can review its policy to seek a shorter work week—a policy which certainly needs review.

Third. Congress can accelerate action on the acceptable provisions of the tax bill and on the trade expansion bill.

Fourth. Congress can materially revise the objectionable features of the present tax bill relating to treatment of foreign subsidiaries and withholding on dividend and interest income.

Fifth. Congress can accelerate action on establishing permanent improved Federal standards of unemployment compensation to place a floor under effective demand for the goods and services needed by the people of this Nation.

Sixth. Congress can pass legislation for U.S. participation in the agreement among the 10 major free world industrialized nations, adding resources to the International Monetary Fund in order to support the dollar and pound sterling, and can support the President in further efforts to rectify the U.S. balance of international payments.

Seventh. Business can undertake a far more active role in the development of the newly developing areas in cooperation with the private enterprise of other industrialized free world countries and encourage Government and international financing agencies to materially expand the credit resources available for the purpose.

These are fundamental ways to give business a sense of security. They would assure investors that investments made for sound economic reasons will be supported by Federal action to support accelerated economic growth.

Mr. HUMPHREY. Mr. President, I must leave the Chamber, but before I do so I desire the Senator from New York and other Senators who have commented on the present economic situation to know of my interest in the subject. I commend the Senator from New York for his restrained and responsible statement. I shall return to the Chamber later to speak on this subject, because it seems to me the situation is of sufficient significance and concern that we ought to deal with it carefully and responsible.

Mr. JAVITS. I shall be here to listen to the Senator from Minnesota.

Mr. President, a distinguished American correspondent, Mr. Walter Lippmann, has recently returned from a highly useful journal to Western Europe and is now contributing a significant series of articles on the state of the Atlantic Community.

The importance of the events assessed by Mr. Lippmann is reflected in the statements of the President and the wide speculation in our informational media, concerning the viability of the great alliance of Atlantic nations which has kept Communist aggression at bay over the last 15 years. It is my strong conviction that the United States must regain the momentum of economic growth and the tremendous vitality which enabled it over many years to hold the Atlantic Community together—a feat which was accomplished without interference in the sovereign affairs of our partners.

This is no time for a retreat by the United States. It is the time for a great assertion of our faith in united strength and of a massive buildup of our domestic and international potential. As Mr. Lippmann wrote in his column of May 24, 1962:

> A Franco-German Europe under French leadership is an optical illusion which will pass away with the two venerable figures who have created it.

But this optical illusion must be replaced by strengthened ties of reality which only our efforts in the United States can forge.

Mr. President, I ask unanimous consent to have printed at this point in the Record an article entitled "As Walter Lippmann Sees Today's World and Our Role," published in the New York Herald Tribune of May 26, 1962.

There being no objection, the article was ordered to be printed in the Record, as follows:

As Walter Lippmann Sees Today's World and Our Role

Washington.—I am sure that by this time in your meetings you will have heard enough about the law to be willing to listen to one who is not a lawyer, one, I may say—who contrary to the more usual practice in Washington public life—is not going to instruct you about the law. If there are still some unsolved problems in the law, you will get no help from me.

To reassure you about the stranger in your midst, I might say that I have two near qualifications for being here tonight. One is that my father wanted me to be a lawyer, though I strayed off into a more Bohemian profession. The other is that I married into a lawyer's family, where I have learned that a lawyer's ability to win an argument is hereditary.

I thought you might like to hear a brief and sketchy report on what the state of the world seems to be this spring. What I have to say will be based on what I know of recent developments here in Washington, and on a trip which I have just completed recently to the main capitals of Western Europe.

The general fact is, I think, that there are now underway significant developments both in our world, that of the Western nations, and in the other world, that of the Soviet Union and China. These developments are, of course, interacting: what happens on one side of the Iron Curtain has its effects on the other side.

The simplest way, I suppose, of going about describing these highly complicated relationships is to list the crucial developments on each side of the Iron Curtain. By the word "crucial" I do not mean such local developments as are taking place say in Cuba, or Laos, or Ghana, but those developments which affect the world balance of power, and therefore the prospect of war and peace, including the prospect of the cold war and the cold peace.

In my view, in the past year or so the world balance of forces has, I venture to say, become rather more favorable to the Western community. I know from my newspaper experience how risky it is to be optimistic, and I know that the prudent man who wishes to play it safe will always lean to Cassandra, never to Pollyanna. For if Cassandra is right, which I am sorry to say is all too frequently, the man becomes without any trouble at all a true prophet. If, on the other hand, Cassandra is wrong, everyone is too well pleased to remember what he said.

Nevertheless, in the historic confrontation between international communism and the Western society our position, is, I believe, improved. I could provide you with plenty of gloom about what lies ahead in South America, in Africa, and perhaps in south Asia. And in regard to the problems of the less developed, emerging nations I make no concessions at all to Pollyanna. But what seems to me to have become better is the relationships of power between the two great centers of power on this planet, and quite briefly and of course by simplifying much I shall try to tell you why I think so.

I shall be so rash as to say that primarily and fundamentally, the balance of military power is now very considerably in our favor. Indeed I am told by those whose expertness I most respect that the West, and at the center of it the United States, is now much stronger than the Soviet Union, unless the Soviet Union achieves a great scientific breakthrough in the next series of nuclear tests—for example an antimissile missile or a bomb of decisive size which cannot be repelled. But for such developments our lead in the race of armaments can be called decisive.

To be sure, we cannot be absolutely certain of this. There may, for example, be undisclosed political weaknesses in the West. Most certainly our military strength is the very last thing to talk about boastfully. I have hesitated a long time whether it is proper to talk about it at all. It would be tempting the gods to boast of it and in fact it should be talked about only with the greatest reserve and humility. But I am speaking of it because it is now the controlling fact in the world situation, and must therefore be known to those who form opinions if they are to understand the world situation today.

There is good reason to think that it is well understood in the highest places in Moscow. The best evidence of this is twofold. There is the prudent moderation of Soviet policy in Berlin and southeast Asia, there is the stubborn refusal of the Soviet Government to sign a treaty to ban nuclear tests. That refusal represents a reversal of Soviet policy, and it is due, I believe, to the realization in Moscow that the Soviet Union is behind in the race of armaments. That is why the Soviets broke the moratorium and that is why they are preparing new tests. Their scientists and generals are hoping for a scientific breakthrough which would change radically and quickly in their favor the balance of power. Our own testing, I should add, is designed to reinsure our present nuclear superiority against the chances of such a Soviet breakthrough.

It is probable that the Soviet Government will not sign a treaty until and unless it has convinced itself that, as so many American scientists believe, no breakthrough, which will be decisive in a military sense, is likely to be achieved from the atmospheric tests. At the moment the test negotiations are deadlocked. Mr. Khrushchev is listening to Russian scientists who believe that a breakthrough is possible, and Mr. Kennedy cannot overrule the American scientists who tell him that a Russian breakthrough is not impossible.

NUCLEAR DANGER DEFUSED IN BERLIN

In the meantime, there are strong indications that Soviet foreign policy is slowly adjusting itself to the realities of nuclear power. I am thinking particularly about Berlin and about southeast Asia. The situation in both places has changed in the past year. One might say that in the field of nuclear danger both Berlin and Southeast Asia have to a very considerable degree been defused. Neither side is ready to face the risks of pushing the other into a dead end street from which there is no exit except by a humiliating surrender or a suicidal war. I ascribe this improvement to the success of the President in using our superior strength, which he has helped to reinforce, to promote an accommodating and conciliatory and resourceful diplomacy. Power exercised with restraint and magnanimity is a great persuader in human affairs.

On the plus side for the West, I would put next the brilliant recovery and the growing unity of Western Europe. So rapidly has the standard of living been rising that the Soviet Union no longer has in the Communist and the far left parties, with their constituency among workers, farmers, professionals, and intellectuals, strong and reliable instruments of political power inside the continental countries. The Soviet Union still has influence, of course, but what she has lost is the power to intervene effectively in the internal affairs of Western Europe.

Because of the great growth of wealth since the war, the developments in Italy, for example, are spectacular. Not only has the Italian left split—the Socialists are no longer allied with the Communists in opposing the government, which is liberal and progressive—but in the Communist Party itself there is a split between the true believers, the so-called Stalinists, and the younger and more liberally minded men.

One of the most interesting developments in the new and buoyant Western Europe is that the Socialist parties in Germany, France, Italy, and Great Britain are finding that traditional Socialist doctrine has become largely irrelevant. It no longer fits the facts of life. It is a generation out of date. Some of the old Socialist doctrine, in particular the welfare state, has been adopted. Much—particularly the public ownership of the means of production—has been bypassed and surpassed by the new European economy which is proving to be highly productive and is creating an affluent European society.

I would name next in my list of favorable developments a byproduct of this new European postwar economy. To the less developed nations it is offering a third way to become more productive and to raise their standard of life. They do not have to plunge themselves into a totalitarian system. The new nations do not want to do this. And the alternative is no longer that they should try to imitate vainly our own special American kind of individualistic free enterprise. For the undeveloped and crowded nations it is altogether impossible to duplicate the American economy.

The example of free but planned economy which comes from the new Europe, is backed by the growing Western accumulation of wealth. This is making it no longer necessary to assume—as perhaps it was necessary even 10 years ago—that for the poorer and backward peoples there is only one quick solution to their misery, which is to follow the example of the Soviet Union, which raised itself from poverty and chaos to world power in 40 years.

PROVEN FAILURE OF RED AGRICULTURE

I turn now to the other side, to the more recent developments which are affecting the balance of forces between the two worlds. I have already talked about the balance of military power. Obviously, for the Soviet Union it counsels prudence and a policy not of external expansion but of internal development.

The second point which I should like to note has enormous consequences throughout the world. It is the proven failure of Communist agriculture. The greater part of mankind lives by agriculture and there is nothing enticing and alluring in the spectacle of the Soviet and Chinese failure. In China the failure is a national disaster. In the Soviet Union the poor yields provide no surpluses for use abroad. This is manifestly a liability for the Soviet position in foreign affairs. Thus it is unable to help China, which is a confession of weakness.

As against the proved agricultural shortages in the Communist world, there are the great surpluses in the non-Communist world. The Western farm problem, which is to dispose of the surpluses, is indeed a hard problem. But, obviously, it is an infinitely easier problem to deal with than the Communist shortages, which can lead—which in China have led—to famine. The contrast between the two agricultural achievements is asserting an enormous influence on the prestige of the two rival societies. For the great majority of the inhabitants of the globe live on the land, and the contrast in agricultural achievements weighs heavily in determining which of the two societies they wish to follow.

Then, there is the Soviet-Chinese conflict. In the longer run it poses what may be the most important threat. For Soviet Russia, the conflict with China may well be so momentous that it could bring about what is known in diplomatic history as a reversal of alliances. Russia's historic expansion is from Europe eastward across Siberia to the Pacific Ocean. Along the path of this expansion the Russians and the Chinese have a common frontier which is about 4,000 miles long. Against this frontier the Chinese are pushing north, and they are in imminent collision with the Russians moving east. The Russians, we must remember, have always known—it is bred in their bones—that they cannot become engaged vitally and mortally on their two widely separated frontiers at the same time.

TROUBLE WITHIN ATLANTIC ALLIANCE

I have been describing the favorable developments, and I hope I have not caused anyone to think that on this estimate of forces we may now expect world events to go just about the way we would like them to go. They will not go that way. In addition to, in a true sense quite independent of the Western-Soviet conflict, there is a revolutionary condition which prevails in much of Africa and Latin America and south Asia. It has its own native roots and it will not disappear. It will keep these continental areas in turmoil, and it will cause continual friction with the Communist powers. But if, as I have been saying, the basic power relationship is more secure, we should be able to keep Latin America, Africa, and South Asia from becoming the scene of a thermonuclear world war.

Apart from all this, and at the heart of the crucial balance of power between East and West, there is trouble within the Atlantic Alliance. You are aware that our relations with France and Germany have become difficult. In my view, the underlying explanation for the difficulty is that because it now appears to be possible that the Western position is improving in relation to the Communist world, a rivalry for the leadership of the West has become safer and, therefore, more possible and, therefore, more tempting.

I sometimes think of an analogy from the Second World War. You will remember that once the threat to the very existence of Russia and Britain had been overcome, broadly speaking after the Battle of Stalingrad, the rivalries within the anti-Nazis coalition began to come at once to the surface. When the breakout of peace became conceivable, peacetime rivalries reappeared, although there was still a long bloody war to be fought. Something that is faintly like that is happening within the Atlantic Alliance at this stage of the cold war.

I was struck, when I was in Europe, with how much it is taken for granted that the United States has created a deterrent to war, how much it is treated as an accomplished fact that we have created the power to prevent the Soviet Union from advancing into Europe.

This accomplished fact, which is a comforting one, has in the eyes of many Europeans a great drawback. It means that the United States is the leading power of the Atlantic community. It is human, all too human, to think how much more agreeable it would be if the United States were indissolubly committed to the defense of Europe while the question of when to defend Europe and what to defend it about, and how to conduct relations with the outer world were handed over to older and more experienced hands on the European Continent.

But this is a grandiose daydream. For the United States cannot, and will not, carry the enormous burden of the Alliance, and face the catastrophic dangers of a thermonuclear war if, within the Alliance, it has lost the initiative and the ultimate responsibilities on the issues of peace and war. The President is quite right in telling the French and the Germans that while the United States has no intention of withdrawing from Europe, Europe must realize that the United States could be pushed out of Europe. It could be pushed out if we were maneuvered into a position where we had to defend Europe while the critical decision that led to war were to be made not in Washington but in Paris or Bonn.

MUST FIND WAYS TO HEAL RIVALRIES

The United States could be pushed out if General de Gaulle and Dr. Adenauer proceed relentlessly with the notion of creating a so-called Europe which excludes Great Britain, which ignores the smaller countries now in the Common Market, which freezes out the neutrals, and which disdains a partnership with the United States.

And yet, if, as I have tried to suggest, this rivalry for leadership and these disagreeable disagreements are the effect of a considerable improvement in our Western position, then there is no need to wring our hands.

If we contain the Soviet Union and find ways to live with it, we can find ways to compose the rivalries within the Atlantic world. We need not be discouraged. We must continue, as we have begun, to explain publicly why we do not believe in the kind of exclusive and restricted Europe which General de Gaulle, and intermittently Dr. Adenauer, think might take the place of the Atlantic Community. I am confident that all over Europe, and most specially in West Germany and in France, there is a great majority of people who favor the enlarged, inclusive, and liberal community which we hope for.

ANALYSIS OF THE STOCK MARKET SLUMP NEEDED

Mr. WILEY. Mr. President, yesterday I spoke about the national calamity of school dropouts—a very serious situation in this country. I had referred to the topic fairly well in a speech I made a few days ago in Chicago.

Certainly this matter is a serious one, possibly more serious than the stock market situation about which we have been hearing today. Literally millions of our youth fall out or drop out before they complete the sixth grade of school; and the result is the development of a segment of our society that is causing a great deal of trouble.

Mr. President, I have listened with interest to the remarks of Senators about the stock market and its slump. I wish to say that the optimism or pessimism of U.S. citizens in our economy is reflected by many measuring sticks.

Currently, we are witnessing drastic and perhaps dangerous downtrends in one of these measuring sticks—the stock market.

Within 2 months, U.S. investors have taken an estimated loss—admittedly, much of it "paper"—of $75 billion.

From 1959 to 1962 peaks to the present, however, the drop in some stock prices has ranged from 1 percent to more than 62 percent. Values of some of the 40 large corporations have skidded down from a few dollars to over $6 billion.

Generally, there is a widespread feeling that such drastic fluctuations of the stock market effects only large investors. However, there are more than 13 million shareholders, many of them small, in corporations in this country. The interests of all these people need be protected.

For this reason, the Congress, I believe, through its appropriate committees—perhaps the Banking and Currency Committee—could perform a public service by undertaking hearings:

First. To analyze the causes of the "slump"—whether through manipulation, or lack of confidence, or other reasons;

Second. To evaluate the affect of such a drastic plunge; and

Third. To consider what measures, if any, should be taken to head off any large-scale, adverse impact on the economy.

Mr. President, like almost anything else in life, people differ about the causes of the present stock market slump. But in considering the reasons for it, in addition to those already stated, what about other possible reasons? What about the international situation? What about our so-called foreign trade? What about the other reasons which must be ascertained and evaluated?

Currently, the SEC is making a special study of the practices on the stock exchange. Undoubtedly, this is having its peculiar effect upon the market. Nevertheless, the extent of the plunge, may have wider repercussions upon the overall economy.

I request unanimous consent to have two informative articles appearing in the U.S. News & World Report, and reflecting statistics on the plunge reprinted at this point in the Record.

Mr. President, I believe, I repeat, that Congress cannot merely sit by and talk about this situation. Congress must see to it that a careful study of this matter is made.

There being no objection, the articles were ordered to be printed in the Record, as follows:

As the Market Plunged—What It All Means

The bull market lasted 12 years. Then things went wrong.

In 2 months, investors took paper losses of 75 billions. What happened? A combination of things, including a new appraisal of business prospects.

Values placed by investors on stocks melted further in recent days. Erosion of values in little more than 2 months approached $75 billion.

The index of stock prices measured by the Dow-Jones industrial average reached 734.91 last December 13. That was the bull-market high. By April 30 that index was down to 665. On May 24, the average closed at 622.68—lowest point since January 6, 1961.

Here was a loss of 112 points, or more than 15 percent. What had been a bull market had become, by all indications, a bear market.

REASONS FOR DECLINE

Underway was the process of adjusting values to a new appraisal of the outlook for American business. That appraisal has been influenced by rising competition for U.S. firms from industrial companies abroad. It also was influenced by Government attitudes and actions that caused some lack of confidence in the longer range outlook for profits.

To add to complications, there has been some selling of American securities by foreign owners. The decline in values too, has resulted in some forced selling by American investors who had borrowed money to buy stocks.

It seems to many investors that stock-market values have had a severe adjustment. Records of past bear markets suggest, however, that the overall adjustment can go a good deal lower and result in prices below those prevailing at present.

Stocks, on the basis of broad trends, moved upward from 1949 through 1961. That was the longest bull market on record, interrupted on four occasions by moderate setbacks. The biggest of these setbacks, from July to December in 1959, carried stock prices down, on an average, by 18.3 percent. The decline since last December's high had not, by May 24, matched the dip that occurred in 1959.

HIGHER START

The present decline appears to differ from others of the postwar period. This one started from a level far above any of the past. The ratio of stock prices to earnings had reached a high never before attained.

This time, too, many more basic factors appear to be influencing investor judgment. Fear of inflation appears to have subsided. That makes high-priced, low-yield common stocks less attractive, bonds and mortgages more attractive as investments. Then there are growing doubts that the present uptrend in business activity will continue much longer.

Finally, investors appear to have come to the conclusion that stock prices advanced during the bull market to unreasonably high levels. Some of the sharpest declines in prices in recent days have been in stocks that had been selling as high as 40 to more than 100 times earnings. On the Dow-Jones average, stocks sold at the peak at around 24 times earnings. By May 24, the price-earnings ratio on the Dow-Jones list had fallen to about 18.

Bear markets often start ahead of a decline in business activity. They also tend to aggravate a downturn by influencing declines in investor confidence that lead to less spending on such expensive items as automobiles and homes. It also is more difficult for business to raise money in a bear market.

One fact about the trend in stock prices is clear: The time has come when investors must make more careful value judgments when they consider stocks.

The drop in stock prices—a score sheet

[Percentage declines from 1959–62 peaks to May 23, 1962]

Stocks down more than 40 percent:	
Vending machines	62.2
Aluminum	53.7
Special machinery	45.4
Steel	41.8
Cement	40.4
Stocks down 30 to 40 percent:	
Sulfur	38.6
Bread and cake bakers	38.2
Electronics	37.7
Motion pictures	36.6
Publishing	36.4
Airlines	36.3
Cigarette manufacturers	34.5
Industrial machinery	32.8
Oil well machinery	32.5
Electrical equipment	32.4
Brewers	31.3
Shipbuilding	31.1
Office, business equipment	30.5
Copper	30.3
Paper containers	30.2
Stocks down 25 to 30 percent:	
Electrical appliances	29.7
Food chains	29.1
Tires, rubber goods	28.8
Shipping	28.7
Sugarcane refiners	28.4
Fertilizers	28.2
Soap	27.7
Building materials	26.5
Dairy products	26.5
Packaged foods	26.1
Machine tools	26.1
Chemicals	25.8
Carpets and rugs	25.4
Stocks down 20 to 25 percent:	
Canned foods	24.8
Farm machinery	24.3
Aerospace manufacturers	24.0
Metal fabricating	24.0
Radio-TV manufacturers	23.8
Lead and zinc	23.7
Apparel chains	23.5
Apparel manufacturers	22.3
Meat packing	21.4
Auto parts	21.1
Department stores	21.0
Cigar makers	20.7
Heating, air-conditioning, plumbing equipment	20.6
Paper	20.5
Railroads	20.5
Crude-oil producers	20.4
Stocks down 15 to 20 percent:	
Corn refiners	19.9
Soft drinks	19.2
Confectionery	19.0
Construction machinery	18.9
Drugs	18.9
Finance companies	18.5
Steam-generating machinery	18.4
Bituminous coal	18.3
Variety chains	18.1
Telephone	18.0
Trucks	17.6
Biscuit bakers	16.6
Mail-order, general chains	16.6
Small-loan companies	16.2
Domestic oils	16.0
Radio-TV broadcasters	15.9
Textile weavers	15.8
Railroad equipment	15.6
Metal, glass containers	15.2
Stocks down less than 15 percent:	
Electric utilities	14.7
Rayon and acetate yarn	14.3
Natural-gas distributors	12.9
Automobiles	12.8
Natural-gas pipelines	12.3
Distillers	12.1
Vegetable oils	11.8
Sugarcane producers	11.3
Shoes	10.6
International oils	6.9
Gold mining	4.8

[From the U.S. News & World Report, June 4, 1962]

HOW INVESTORS VALUE THEIR COMPANIES NOW

Investors are drastically revising the way they value American companies.

How drastic the change has been can be seen from the chart on this page. The chart shows the value investors now place on representative large companies, compared with the value placed on them when their stocks were at their 1959–62 peaks. Both common and preferred stocks are included.

As you can see, ideas about the worth of these corporations are far different from what they were, a short time ago.

HOW THEY FIGURED

Investors at one time set a value of $6.4 billion on United States Steel. The value set on May 23—taking the number of shares outstanding multiplied by the market price—was less than 3.5 billion. Here the valuation had been reduced by nearly $3 billion, or 46 percent.

A more startling example of a changed idea of value is provided by Reynolds Metals. At the peak, investors felt that $1.5 billion would be a fair value for this company. By May 23, they had revised their ideas downward to just over 500 million, or little more than a third as much.

Investors had indicated they felt International Business Machines was worth $16.7 billion at its peak. That was nearly $4 billion more than the value placed on Standard Oil (New Jersey) at its peak, in spite of the fact that Jersey Standard, with its worldwide interests, had over six times the net worth of IBM. Today, investors are valuing the two firms about equally. IBM's stock has been marked down nearly $5.3 billion, Jersey Standard's less than $1.6 billion.

Texas Instruments is another example of spectacular revaluation—from more than $1 billion to only $312 million. Polaroid's value, in terms of the market price of its stock, is down from $1 billion to less than half that much. The market's valuation of Westinghouse dropped $1.1 billion, or more than 50 percent.

BASED ON FUTURE

High valuations were related to investors' hopes for rapid growth in profits. IBM at its peak was valued at 81 times annual earnings, Xerox at 123 times. By May 23, IBM was valued at 53 times earnings, Xerox at 59 times.

Investors, it appears, no longer base their valuations quite so heavily on what the faroff future may hold.

Values placed on 40 large corporations—Then and now—Based on market prices of individual stocks

[In millions]

Corporation	At 1959-62 peak	On May 23, 1962
American Telephone & Telegraph	$33,005	$27,165
General Motors	16,862	14,791
International Business Machines	16,730	11,452
Du Pont	12,995	10,231
Standard Oil (New Jersey)	12,803	11,233
General Electric	8,838	6,090
Texaco	7,368	6,750
Sears, Roebuck	7,161	5,838
Ford	6,465	4,759
U.S. Steel	6,400	3,465
Eastman Kodak	5,239	3,938
Union Carbide	4,530	2,890
R. J. Reynolds Tobacco	3,594	2,145
Bethlehem Steel	2,824	1,783
General Foods	2,684	1,896
Aluminum Co. of America	2,487	1,212
General Telephone Electronics	2,449	1,614
Westinghouse Electric	2,300	1,144
American Home Products	2,086	1,449
International Paper	1,907	1,267
Goodyear Tire & Rubber	1,700	1,227
American Tobacco	1,519	1,006

Values placed on 40 large corporations—Then and now—Based on market prices of individual stocks—Continued

[In millions]

Corporation	At 1959-62 peak	On May 23, 1962
Reynolds Metals	$1,488	$519
Firestone Tire & Rubber	1,412	1,074
Radio Corp. of America	1,360	943
Caterpillar Tractor	1,172	972
National Dairy Products	1,128	817
Sperry Rand	1,020	601
International Telephone & Telegraph	1,012	687
Polaroid	1,006	488
Texas Instruments	1,006	312
International Harvester	937	827
Anaconda	802	471
Zenith	746	501
Continental Can	733	509
General Dynamics	712	319
Xerox	648	416
Chrysler	635	419
Boeing	458	335
Armour	306	227

Basic data: Standard & Poor's.

ANALYSIS OF 1962 TRADE EXPANSION ACT

Mr. HUMPHREY. Mr. President, Senator EDWARD V. LONG, of Missouri, told the 1962 graduating class of Tarkio College of Tarkio, Mo., to "keep a keen eye" on the foreign trade bill now being debated in the Halls of Congress.

Senator Long addressed the college, Monday, May 28.

How the foreign trade bill is written—

Senator LONG said—

will vitally influence the future of your job and the size of your pay check—no matter where you are or what you are doing.

The Tarkio College graduates heard Missouri's junior Senator analyze the 1962 Trade Expansion Act and point up the need for drastic change in our tariff laws. The success of the European Common Market has made it imperative for the United States to rewrite the present laws.

Senator LONG went on to say:

Founded in 1958, the European Common Market has had a phenomenal success. In the 4 years of its operation, industrial production has risen at an average annual rate of 8 percent, compared with our own rate of 3 percent. During this same period of time, while you were studying for the degree you received today, the gross national product of the Economic Community has been increasing at an annual average rate of 5.6 percent compared with a 2.7 percent in the United States.

In his closing remarks, Senator LONG told the graduates:

As you enter into professions and occupations of your own choice, let me urge you to retain the breadth of outlook, the intellectual curiosity, and the social and political awareness that you have begun to experience in your years at college. Then you will be in a better position, for yourselves, your families, and your country, to deal with the great issues of today and tomorrow which will inescapably confront you. Let me wish you well on the challenging voyage on which you are about to embark.

Mr. President, I ask unanimous consent to have Senator LONG's speech printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD V. LONG, DEMOCRAT, OF MISSOURI

President Schecter, members of the board of trustees, members of the faculty, fellow students, ladies, and gentlemen, I am most grateful for the honor of addressing the 1962 graduating class of Tarkio College. This is not my first trip to Tarkio by any means. It so happens I am a member of the board of trustees for another MCAU College—Culver-Stockton College at Canton, Mo. Naturally, I am interested in Culver-Stockton's basketball activities. In some of our visits to Tarkio, you people were very kind. On other trips, however, Tarkio basketball teams would beat us so badly that it is rather hard to forget. But, I shouldn't complain. If you'll look back into the basketball history of the two colleges, I think you will find Tarkio College and Culver-Stockton have played each other a total of 58 basketball games. Of that number, Tarkio won only 14 games; while Culver-Stockton was winning 34. You see, I had to brag a little.

Before going any further, I want to congratulate the 1962 graduates of Tarkio College. I am sure you must feel a real sense of accomplishment in having earned a degree from this fine institution. I know that it is not an easy thing to complete all the work required for a bachelor of arts or a bachelor of science degree. I know you will cherish the thoughts of today many, many years from now. I sincerely hope that the few words I have for you will contribute something to the memories you carry away from here.

The selection of a subject for today has not been easy. There is an unlimited number of topics we could discuss that would be of interest to college graduates. "The Effectiveness of the United Nations," "The Pros and Cons of Nuclear Testing," "Disarmaments and Opportunities in the Space Age"—are only a few of the vast number of subjects that would appeal to young men and young women today.

But, for the next few minutes, I would like to speak on the subject: "Foreign Trade—Its Impact and Importance to the College Graduate."

Upon hearing this subject, I wouldn't be at all surprised if you said to yourself: "What he's saying might be fine for somebody else; but it doesn't affect me." This is an impression that must be corrected at once. Foreign trade does affect you—regardless of what you do. Whether you accept a job in industry, go into business for yourself, start farming, or continue your studies for a profession—all are vitally affected by foreign trade.

When the 87th Congress reconvened last January, President Kennedy sent to Congress proposals for a 1962 Trade Expansion Act. Today, these proposals, along with some others, are being discussed on both sides of the aisle in the Senate and in the House of Representatives. Earlier this month, the President chose New Orleans to make a major policy address dealing with Foreign Trade. Without going into detail of the President's program or other proposals, just let me say this: How this trade bill is finally written will vitally influence the future of your job and the size of your pay check—no matter where you are or what you're doing.

After discussing the various proposals with my colleagues, it seems to me that the whole matter can be summed up in a very few words. Congress is simply arguing whether to pass or not to pass a new tariff bill which would permit lowering our trade barriers against import. Tariff bills are as old as our country. One of the very first bills passed by Congress in 1789 was a tariff bill. History shows us that our Founding Fathers—Washington, Franklin, Adams, Jefferson—were men of trade as well as men of State. Trade represents widening horizons, freedom of choice and individual venture—and so does democracy. The spirit of trade goes hand-in-hand with the spirit of liberty.

One of the Nation's leading financial columnists, in writing about Foreign Trade, points out that America today is considering five critical questions:

1. Dare we join in creating a liberal trade partnership against the Communist Nations in the hope of reaching new peaks of prosperity?

2. Are we tough enough to withstand the pressure from groups who will be hurt if the tariff is lowered?

3. Is this the right time to revamp our tariff position?

4. Is expanded foreign trade so important to America's prosperity?

5. Is it to our benefit to go into partnership with nations who might become our biggest competitors?

This same writer arrives at the conclusion that the answers to these five questions could well determine whether we or the Communists win the cold war.

These questions are controversial and acute. Where did they come from? What is back of all this? The reason we must find the answers to these questions can be stated in four words: The European Common Market. When you enrolled at Tarkio College 4 years ago, the European Common Market was just coming into existence. I would venture to say that the majority of the American people paid little, if any, attention to it. Even though we see, hear, and read much today about the European Common Market, we are still amazingly ignorant of what it means—and what it will mean to America's future.

To better understand the European Common Market, permit me to take just a moment to give you the historical background of this tremendously successful idea.

Europe today faces somewhat the same situation that confronted us at the end of the American Revolution. The 13 States sought to form a political union; today, 13 European countries are seeking to establish an economic union with the ultimate goal of a political union similar to the United States. In 1783, many of our States had little in common save nearness to each other, a largely English heritage, and a love of liberty.

In today's complex world, all nations are closely interrelated. But in some ways we had it easier. Our States all spoke the same language. A variety of tongues exist in the European Economic Community—the formal name for the Common Market—and in the nations which are considering membership. Our States had experienced little rivalry. Many of the European countries have been rivals for hundreds of years and have engaged in numerous wars against each other. Why then do they seek economic and perhaps political union?

European union has been sought since World War II in the first instance, because it became evident to the leading men of Europe that Europe's high tariff walls and jigsaw puzzle of frontiers made little sense economically.

Today, the European Economic Community is an economic union of states, whose purpose it is to weld the separate economies of Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands into one powerful European unit. These six nations face the stupendous task of creating a giant common market for goods, men, and capital.

To Americans these facts seem commonplace; but to the Europeans they represent astounding progress toward eventual political union within a relatively short period of time.

Founded in 1958, the European Common Market has had a phenomenal success. In the 4 years of its operation, industrial production has risen at an average annual rate of 8 percent, compared with our own rate of 3 percent. During this same period of time, while you were studying for the degree you receive today, the gross national product of the Economic Community has been increasing at an annual average rate of 5.6 percent compared with a 2.7 percent in the United States.

So much for the historical background of the manner in which the Common Market will affect your future and that of the United States.

One of the most serious problems today is increasing our exports. Despite some opinion to the contrary, export trade is vital to our economy. We are now exporting more than $20 billion in goods to other countries. Exports are larger than sales of primary iron and steel products, than consumer purchases of furniture and household equipment, than consumer purchases of automobiles, parts, and accessories, than other private construction and about equal to residential nonfarm construction. From this enumeration it is safe to conclude that exports are a significant factor in the life of each American, including every American college student.

We export well over half of our total production of tracklaying tractors, locomotives, and industrial serving machines, over 40 percent of our civilian aircraft, of construction graders, and of rolling mill machinery. We sell abroad 35 percent of our oilfield machinery, 25 percent of our synthetic rubber, 20 percent of our textile machinery, 19 percent of our motortrucks and buses. In agriculture, the production of 1 acre out of every 6 is exported. Some 40 percent of these exports go to the Common Market.

When these figures are translated in terms of jobs, the stake of each of us in foreign trade is even more impressive. One of every five or six workers in our factories—a total of over 3 million Americans—owes his job directly to industries turning out goods for sale abroad. One of every seven farmworkers produces for export. Now I think you can begin to see what I mean when I say that whether we like it or not—we must meet these problems head on.

Today, we hear constant repetition that our industries cannot compete with cheap foreign imports. I maintain that our real danger is not low-cost foreign imports, but that American exports may not be able to compete in our most important foreign markets. Common Market tariff walls discriminate against our exports; for example, autos produced within the Common Market will move duty-free within that area while our cars exported there will pay a 22 percent duty. That, on top of transportation costs and national sales taxes, will make competition with Common Market autos almost impossible.

That brings up a point that I fear is misunderstood by many of us. The reduction of tariff rates must work both ways. When the United States lowers its trade barriers, the European Common Market must do likewise.

Our businessmen, workers, and farmers are in critical need of new markets—and the fastest growing market in the world is the European Common Market. Its consumers will be nearly 300 million strong. Its sales possibilities have barely begun to be tapped. Think of the customer opportunities in that market, where, compared to the ratio of ownership in this country, only one-fourth as many consumers have radios, one-seventh as many own TV sets, and only one-fifth as many own automobiles, washing machines, and refrigerators.

If our American producers can properly share in these and other selling opportunities, it will mean more investment, more plants, more jobs and a faster rate of growth in our efficient export industries. But, I repeat—this is a two-way proposition. To be able to share in this market means we must first strike a bargain—we must have something to offer European producers—we must be willing to give them increased access to our own market and both of us lower trade restrictions. It's a two-way street—we cannot sell without buying.

One hears much about low foreign wages, and I admit that there is some truth in the argument, but I believe it has been tremendously overemphasized. The unfavorable balance between our wages and those of foreign nations is disappearing. Wages in France, Italy, and the United Kingdom have risen an average of 67 percent faster than U.S. wages since 1955. Average wages in Germany increased 13 percent in 1961. The cost of living in those countries has risen half again as fast as ours in the same period. Certainly the persistent foreign demand for American aircraft, for machinery of all types, for electronic equipment, for coal, for textiles, and clothing belie this argument.

In his New Orleans speech earlier this month, President Kennedy dramatized our foreign trade problems as only he can do: "We stand at the great divide," the President said, "deciding whether all this is to go forward or fall back—whether we trade or fade." It's no secret that our international balance of payments is in deficit, requiring an increase in our exports. Japan has regained new force as a trading nation; nearly 50 new nations of Asia and Africa seek new markets; our friends in Latin America seek new means of obtaining development capital; and the Communist bloc has added vast trading resources to its arsenal of penetrating weapons, ready to step in whenever and wherever American leadership should falter. The President made it quite clear that the United States does not intend to falter.

In my remarks, I have, of necessity, been somewhat general, but it seems to me that it is self-evident that this movement for European economic and political union will be a factor in your lives. Even if we wanted, there is no way to turn back the clock. Benjamin Franklin's words, spoken nearly two centuries ago, were never more pertinent. "We must all hang together, or assuredly, we shall all hang separately."

The European Common Market can serve, I believe, as the kind of phenomenon that you and I will want to keep on studying and observing throughout our lifetime. Here is an institution whose roots go back for centuries, but which is in fact about the most modern phenomenon on the political and economic scene today. It is, as I have indicated, an institution which is bound to have a strong and direct impact on our own lives and the lives and fortunes of our children. It is one we ignore at our peril. It is, as we can see, already having an immediate influence on the trade debates in the Halls of Congress today. Institutions like the Common Market and the men and women who are their guiding instruments now more than ever have a worldwide influence.

As you enter into professions and occupations of your own choice, let me urge you to retain the breadth of outlook, the intellectual curiosity, and the social and political awareness that you have begun to experience in your years at college. Then you will be in a better position, for yourselves, your families, and your country, to deal with the great issues of today and tomorrow which will inescapably confront you. Let me wish you well on the challenging voyage on which you are about to embark.

A TRIBUTE TO WEST POINT ON ITS 160TH BIRTHDAY

Mr. YARBOROUGH. Mr. President, the United States Military Academy at West Point, founded by an act of Congress on March 16, 1802, is now able to look back upon 160 years of glory.

West Point has contributed outstanding guardians of our freedom in peace and war, and continues today to provide the ready leadership for all emergencies in which the security of the country is at stake. The people of America have builded here the greatest military academy of all time. So great have been the achievements of its graduates in time of war, that their peacetime achievements are often overlooked.

West Point's graduates explored the West, and surveyed the routes for the Western roads and railroads to the Pacific. They explored distant lands of the earth and have led and are leading in man's conquest of his environment, the greatest of all of his conquests.

Mr. President, it is with great pride that, as an American, I salute an institution looked upon with pride by all Americans.

I ask unanimous consent to have printed in the Record the following article by Henry J. Taylor, entitled "West Point Salute," from the Washington Daily News of Tuesday, May 1, 1962.

There being no objection, the article was ordered to be printed in the Record, as follows:

West Point Salute

(By Henry J. Taylor)

The U.S. Military Academy at West Point is 160 years old. As we count our blessings our Nation might well stand in salute to the star-spangled competence of our military guardians in all the services and the phenomenon this competence represents.

In World War II our need for this competence was nearly appalling. For, as we may forget, we were the only Nation which fought a global war. Our leadership, nevertheless, outmatched the pupils of militarism in the enemy nations that had made their military their gods.

Consider only the Army (including the Air Corps), and let your imagination run to the Navy and Marines as well. On V–J Day we had on active duty in nearly every quarter of the world 1,537 American generals: 4 five-star generals, 12 full generals, 49 lieutenant generals, 399 two-star generals, and 1,073 brigadiers.

Only two of our wartime commanders had reached the permanent rank of full four-star general by V–J Day: Generals MacArthur and Summerall. Only 11 were permanent major generals, and in this official order of seniority: Generals Marshall, Arnold, Pratt, Emmons, Eisenhower, Wainwright, Stilwell, Patton, MacNarney, Somervell, and Bradley.

It's a long, long road to get up there and the brilliant fires of many an earlier American hero is about all that lights the way. For no citizens in our other professions—the corporations, universities, or any walk of life—meet such a grueling, endless system of test, inspection, and rejection as those who advance in all branches of our armed services.

Moreover, no group among us faces such professional problems as the young men coming out of today's West Point, Annapolis, and the Air Force Academy, along with their seniors manning the command posts of today's new military world.

The ancient basic principles of war—the principles of the objective, the offense, economy of force, mobility, surprise, simplicity of plan—these have not changed. But their application undergoes vast transformation in the atomic age.

This change itself is as challenging to our new military guardians today as if America's surgeons were suddenly required to perform blindfolded or without lights, and without textbooks or precedents showing how to do it. Complain? They would not think of it. "One flag, one land; one heart, one hand; one nation, evermore," is all they want to know about the problem and about the future.

For their mission is freedom. And they are prepared to state that if in the tragic wastes of war we could so magnificently prove the strength of our nonmilitaristic system, founded on love of country, what challenge is there in the future that they cannot meet?

HAVE WE FORGOTTEN THE HOSPITAL WORKER?

Mr. HART. Mr. President, when serious illness strikes, the hospital employee becomes a man or woman of critical importance to us and our families. And yet we deny these workers some of our most rudimentary social rights, such as the right to bargain collectively and to come under coverage of the minimum wage laws. They must wish we had taken a vow to cherish them "in sickness and in health," for surely we do cherish them when sickness brings us to them.

The Commonweal of March 30, 1962, summed up the case most forcefully and effectively. I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Prescription for the Hospitals

Should hospital workers be permitted to engage in collective bargaining? Or, to put the question in more dramatic but no less accurate terms, should hospitals be exempt from the Federal and State laws which require other employers to pay a minimum wage, maintain decent working conditions and recognize legitimate employees' organizations for purposes of collective bargaining?

We are convinced, on every count, that hospitals should not be exempted from State fair labor laws. We are convinced that the present exemption is unjust and abusive, that it denies hospital workers a fundamental right, that it leads not only to the exploitation of the workers involved but to evil consequences for the hospitals themselves, for their patients and for society at large. We strongly urge the New York Legislature to pass into law the pending bills which would grant hospital workers the rights and protection enjoyed by other citizens.

Spokesmen for the hospitals maintain that their institutions should be exempt from fair labor laws because they are charitable organizations. This is an obvious illogicality in the first place because many other kinds of charitable institutions are not exempted from such labor laws, but more fundamentally because the employees of a charitable institution are not voluntary donors of their time and labor. They are workers, seeking through their wages to maintain themselves and their families in decency. They have a right to a decent wage and to the freedom of deciding, as others do, what and how they will give to charity.

The second argument of the hospitals is simply that they cannot afford to pay the higher wages which collective bargaining would bring. What this amounts to, it seems to us, is an attempt to justify the exploitation of workers in the name of a noble end. If many hospitals today are already in financial straits, which is true, and if the cost of hospital care is already so high that patients need some kind of subsidy to help pay for this care, which is also true, it nevertheless does not follow that this subsidy should be supplied by one small segment of the community; namely, the unfortunate workers who are least able to carry such a burden. This has been the case up to now, but it is a monstrous perversion of any conception of social justice.

Another argument against recognizing hospital workers' right to collective bargaining is that such a step would lead to strikes, slowdowns and interference with hospital procedures. The easiest reply to these charges is that the record of labor-management relations both in and out of hospitals indicates quite the opposite. The recognition of nurses', technicians' and other professional workers' organizations in hospitals has not led to these dire consequences at all. In the case of the New York hospitals, it seems clear that the denial of orderly means of negotiation left the workers with no recourse whatsoever except to strike. It was, therefore, not the presence of unions so much as their absence which made the strike a necessity for the workers. In any case, a compulsory arbitration clause easily meets the fear of strikes, and much more effectively than nonrecogniton of a union.

We do not lightly countenance a hospital strike; we do not deny that many of our hospitals are in urgent need of financial assistance; but the exemption of hospitals from State labor laws is not a just or proper solution to the problem. We think it is important that this exemption be removed, for the sake of the workers involved, but also for the sake of the hospitals and the communities which need them so badly.

NATIONAL SANITATION FOUNDATION

Mr. HART. Mr. President, the University of Michigan at Ann Arbor, long has been one of the Nation's leading centers for research including research into the critically important area of water resources. Among several outstanding programs there is the National Sanitation Foundation.

The Environmental Health Letter of April 15 contains a report of the fine work of the National Sanitation Foundation in its Ann Arbor laboratories. I ask unanimous consent that this portion of the letter be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NATIONAL SANITATION FOUNDATION—A UNIFYING FORCE

It has been functioning since 1944, it does business in the open, its advisory board members are well known—and yet the National Sanitation Foundation has remained something of a mystery organization in environmental health. Few persons, including some in high places, know what NSF is really like.

We visited NSF's offices and laboratories in Ann Arbor, Mich., recently and came away with the conviction that this organization can play an important and expanding role in any national environmental health program. Its two main functions in such a program would be basically the same as those it has performed so efficiently, if quietly, for many years: as a unifying force in bringing together Government agencies and industry for a resolution of common problems, and as an unbiased testing laboratory for uniform standards.

NSF has done a great deal in those areas—and could do much more in the future. More than 500 industrial firms are now cooperating in its program of research, education, and service. That is its record. But records are made to build on, not to stand on, and NSF has already embarked on an expansion program in an effort to satisfy its needs for more personnel, more space.

The foundation serves as a bridge between Government and industry mainly through several liaison committees representing many facets of environmental health. The committees are composed of public health and industry representatives. The foundation is their meeting ground, their clearinghouse.

NSF contributes to the strength of each in this role. Its unifying, or middleman role, is not a reflection of the fear that Government and industry have mutually exclusive objectives or that, if left alone, they would attempt to tear each other apart. Rather, it reflects—at least in our view—the need to keep open the channels of communication between Government and industry, to get the practitioners of environmental health speaking a common language and to promote a mutual recognition of the progress each is making.

Environmental health will be poorly served if Government contends industry is dragging its feet in air or water pollution or food protection or radiation protection or occupational health services. It would be equal disservice if industry were to blind itself to the need for governmental partnership in guidance and stimulation of research and control in environmental health. NSF affords a unique forum where the needs of both can be served without rancor.

The National Sanitation Foundation Testing Laboratory, opened in 1952 with grants from the W. K. Kellogg Foundation and Kresge Foundation, was created in recognition of the confusion and expense resulting from lack of national uniform standards for equipment. The testing laboratory conducts research to test and evaluate equipment and products for compliance with NSF standards, which are accepted by many health departments throughout the country.

The NSF seal of approval is authorized for equipment and companies meeting the standards. The seal, which has achieved high importance among manufacturers (comparable to the Underwriters Laboratories seal) is authorized for 1 year only but its continuation may be granted for a longer period following receipt of reexamination at the point of manufacture, of the products to be listed. The laboratory staff has access to the plants at any time and without prior notice.

The foundation has been trying to live down the designation of "sanitation." Its livewire executive director, Walter F. Snyder, says the word has an unsavory connotation in the public mind, being associated with refuse and its collection. Actually, a more proper connotation is cleanliness and its maintenance.

Henry Vaughan, Dr. P. H., dean emeritus of the University of Michigan School of Public Health, and an outstanding statesman of environmental health long before many of us knew what the term meant, is president of the foundation. He has been the guiding force behind two national congresses on environmental health at Ann Arbor and is planning another for June 1963.

ORDER FOR ADJOURNMENT UNTIL FRIDAY AND ADJOURNMENT ON FRIDAY TO TUESDAY, JUNE 5

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet at 12 o'clock noon on Friday.

The **PRESIDING OFFICER** (Mr. METCALF). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns on Friday, June 1, it adjourn to meet at 12 o'clock noon on the following Tuesday, June 5.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, let me state that there will be no votes on the coming Friday. The session will be a pro forma one. It is the intention of the leadership to lay down for consideration on Tuesday, June 5, Calendar No. 1495, Senate bill 2996, to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes—in other words, the foreign aid program bill.

THE PRESIDENT AND THE CIGARETTE ISSUE

Mrs. NEUBERGER. Mr. President, I ask unanimous consent that I may have a little more time than the usual 3 minutes.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mrs. NEUBERGER. Mr. President, last Wednesday at his press conference President Kennedy was asked for his views on cigarette smoking and health. The President replied that he was not fully informed on the subject, but that he would prepare to discuss the subject at his next press conference.

Two months ago, I urged the Congress and the administration to act swiftly to stem the macabre epidemic of death and debilitation caused by cigarette smoking. Today, the President will find that the forces of the Government are rapidly being mobilized in this cause. Hopefully, his interest will serve to crystallize their efforts.

Perhaps the most insidious aspect of the cigarette epidemic has been the massive use of advertising to swell the ranks of youthful smokers. It does not take an expert in motivation research to discover that the glorification of a game of tennis—followed by a smoke—or a brisk swim—followed by a smoke—or a romantic encounter—followed by a smoke—is designed solely to convince youth that cigarette smoking is a concomitant of the good life. If this were not sufficient proof of the youth-directed appeal of cigarette advertising, consider the sad fact that tobacco companies account for 40 percent of all national advertising placed in college newspapers.

The continued unrestricted advertisement of cigarettes in effect acts as an implied warranty that cigarettes are not harmful. All of our citizens are aware that the Federal and State Governments, through agencies such as the Food and Drug Administration and the Federal Trade Commission, prohibit the sale and advertising of toxic substances. "If cigarettes really caused lung cancer," the teenager is likely to say, "the companies would never be allowed to advertise."

The Danish cigarette industry has agreed to discontinue film, radio, and magazine advertising of cigarettes. Five major British tobacco firms have voluntarily discontinued television advertising before 9 p.m. But American cigarette manufacturers continue to abdicate their responsibility.

Fortunately, the Federal Trade Commission and the Public Health Service are not inclined to abdicate theirs. I wrote to Chairman Dixon of the Federal Trade Commission, stating my belief that cigarette commercials and advertisements are misleading and deceptive unless they affirmatively disclosed the fact that cigarettes are hazardous to health. I asked the Chairman whether the Federal Trade Commission now has the power to prevent such deception by requiring each and every cigarette commercial and advertisement to convey a warning that cigarette smoking is unsafe.

I am pleased to report that the Commission has concluded that it has such power.

However, the Commission believes that the Public Health Service has not yet adopted a sufficiently unequivocal position on the causal relationship between cigarette smoking and lung cancer to justify Commission action at this time.

The official position of the Public Health Service is derived from a statement by Dr. Leroy E. Burney, former Surgeon General of the Public Health Service, dated November 28, 1959. Dr. Burney stated:

> The weight of evidence at present implicates smoking as the principal etiological factor in the increased incidence of lung cancer.

The Commission considers this statement equivocal.

During the 2½ years since the appearance of Dr. Burney's statement, new studies have continued to reinforce the original hypothesis. For example, tobacco industry representatives have long contended that no one could prove that cancer could be implanted on the skin of mice by the application of cigarette smoke condensates. Yet, on April 18 last, the report of a research project, financed entirely by the tobacco industry itself, confirmed that cigarette smoke planted in the skin of mice can produce cancers. Based upon the cumulative evidence to date, Dr. Michael B. Shimkin, Associate Director for Field Studies of the National Cancer Institute, stated recently that the causal relationship between cigarette smoking and lung cancer, "is as clearly demonstrated as any biological association can be." I have now written to the Public Health Service asking if Dr. Shimkin's statement represents the official position of the Public Health Service. If it does, and I have every reason to believe that it does, this should remove the last barrier to FTC action.

The Public Health Service has had sufficient time to consider the evidence. I see no reason why the President should not be able to obtain an affirmative answer to my inquiry by his next press conference.

The FTC will then be in a position to require every cigarette commercial and advertisement to disclose that smoking is a health hazard. This action will strike at the very heart of the problem. As I have said before, we are not a nation of prohibitionists. If an informed public is determined to continue smoking, it is not appropriate that we should take any further steps. But the incessant pounding of irresponsible cigarette commercials is a powerful bar to public knowledge. In a recent American Cancer Society poll, only 16 percent of those polled considered cigarette smoking "a major cause of lung cancer." Only adequate warning can cure this grave lapse of knowledge.

This action by the FTC will not remove the need for the Commission on Tobacco and Health proposed in Senate Joint Resolution 174, which I introduced on March 23. It is imperative that such a Commission, composed of experts of public health, medicine, commerce, and agriculture immediately undertake a definitive study of the relationship of the Federal Government to the tobacco industry in light of this scientific evidence.

Mr. President, the June issue of the Reader's Digest contains an excellent summary of the findings of the Royal College of Physicians. However, the Digest takes too pessimistic a view when it concludes that "health services, regulatory agencies, and legislators in Washington" have been timid in approaching the problem of cigarette smoking and health.

I do not consider that I or the cosponsors of my tobacco bill, Senate Joint Resolution 174, have been timid, nor do I consider that the present earnest efforts of the Public Health Service and the Federal Trade Commission can fairly be characterized as timid.

I ask unanimous consent to include at this portion in my remarks correspondence between myself and the Federal Trade Commission, the Public Health Service, as well as the article "Lung Cancer and Cigarettes" from the June issue of the Reader's Digest, as well as a letter to the New York Times which is reprinted in the same issue of the Reader's Digest.

There being no objection. the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON
AGRICULTURE AND FORESTRY,
April 9, 1962.

Hon. PAUL RAND DIXON,
Chairman, Federal Trade Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: The Public Health Service has found that cigarette smoking causes lung cancer, and contributes to increased mortality in coronary disease.

In view of these findings, it is clear that cigarette advertisements which fail to disclose these hazards are deceptive.

In your opinion, is the Federal Trade Commission empowered under existing legislation to require that cigarette advertisements and commercials contain adequate warning of the hazards of smoking?

I would appreciate receiving your opinion at the earliest possible moment.

Sincerely,

MAURINE B. NEUBERGER,
U.S. Senator.

FEDERAL TRADE COMMISSION,
Washington, D.C., May 15, 1962.

Hon. MAURINE B. NEUBERGER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NEUBERGER: Thank you for your letter of April 9, 1962, requesting our opinion as to whether the Federal Trade Commission is empowered, under existing legislation, to require that cigarette advertisements and commercials contain adequate warning of the hazards of smoking.

As you probably know, the Commission has engaged in a constant endeavor to prevent advertisements and commercials for cigarettes from being deceptive or misleading.

As we understand your position, it is that such advertisements and commercials should disclose affirmatively the possible hazards of smoking.

Any authority for the Commission to require such disclosure must rest on its jurisdiction under sections 12(15 U.S.C. 52) and 15 (a) and (c) (15 U.S.C. 55) or 5(15 U.S.C. 45) of the Federal Trade Commission Act.

The first group of sections apply only to false advertisements of "food, drugs, devices, or cosmetics." The Commission attempted to bring a suit under section 13 of the Federal Trade Commission Act (15 U.S.C. 53), which is interrelated to sections 12 and 15 of the act, to enjoin certain advertisements of Chesterfield cigarettes on the ground that cigarettes are "drugs." The courts refused to adopt the Commission's theory and held that cigarettes are not "drugs," so that these sections of the Federal Trade Commission Act applying to false advertisements of drugs, etc., are not applicable. (*Liggett & Meyers Tobacco Co.* v. *Federal Trade Commission*, 108 F. Supp. 573 U.S.D.C., S.D.N.Y., 1955; "order affirmed on opinion below," 203 F. 2d 956 (2d Cir., 1953).) Thus, in the absence of affirmative therapeutic claims in the advertisements or representations of cigarettes, we do not believe the Commission has any jurisdiction to classify cigarettes as drugs. If such claims were made, then the cigarettes would, in our opinion, come under the definition of "drug" as defined in section 15(a)(1)(c) of the Federal Trade Commission Act, since the claim would be made that they are articles "intended to affect the structure" or a "function of the body" of man.

The Commission has, under section 5 of the Federal Trade Commission Act, required affirmative disclosure in the advertisements of products which are not classified as "food, drugs, devices, or cosmetics," and the orders of the Commission have been upheld by appellate courts, generally on the ground that such disclosure was necessary to prevent deception. (*L. Heller & Son, Inc., et al.* v. *Federal Trade Commission*, 191 F. 2d 954 (7th Cir., 1951).)

If the Commission is able to secure competent probative scientific evidence including that furnished by the Public Health Service, that a causal relationship exists between cigarette smoking and lung cancer, heart ailments, etc., it is likely that an order of the Commission, based on such evidence, which require an affirmative disclosure of the possible hazards to health from smoking cigarettes, would be upheld in the appellate courts.

We have been informed by the Public Health Service that the scientific evidence now accumulated is such as to remove almost the last doubt that there are major health effects associated with smoking. Furthermore, officials of the Public Health Service have told us that they are now in the process of reevaluating all of the data and evidence as to what practical action can, and should be, taken to decrease any adverse effects on health because of tobacco smoking.

Unquestionably, if the Commission instituted proceedings against any cigarette company, in which it sought to secure the required statutory amount of proof to sustain findings that a causal relationship existed between cigarette smoking and hazards to health, it could be expected that the respondent would contend very vigorously that there is no evidence to sustain such a finding. The result could be a long, involved, and protracted trial before the Commission and in the appellate courts.

Consequently, even though the Commission has the statutory authority to do so, we do not believe it would be advisable for the Commission to institute a case, which has as its objective the type of order you suggest, unless and until there is available the required evidence.

Sincerely yours,

SIGURD ANDERSON,
Acting Chairman.

MAY 18, 1962.

Dr. ARNOLD B. KURLANDER, M.D.,
Assistant Surgeon General for Operations,
Public Health Service,
Washington, D.C.

DEAR DR. KURLANDER: I am enclosing a copy of a letter which I have received from the Acting Chairman of the Federal Trade Commission on the subject of cigarette smoking and health. The Commission has concluded that there does not presently exist probative evidence that cigarette smoking is a health hazard.

The Commission apparently regards as insufficient the official statement of the Public Health Service by Dr. Burney in November 1959 that "the weight of evidence implicates smoking as the principal etiological factor in increased incidence of lung cancer."

It is my understanding that during the 3½ years since the issuance of Dr. Burney's statement, evidence has continued to proliferate of the causal relationship between cigarette smoking and lung cancer.

Dr. Michael B. Shimkin, Associate Director for Field Studies of the National Cancer Institute, stated recently that the causal relationship between smoking and cancer "is as clearly demonstrated as any biological association can be."

Does the Public Health Service officially endorse this statement?

If the Public Health Service is not able to make such an endorsement, can you indicate what modification could be made of Dr. Shimkin's statement to reflect accurately the position of the Public Health Service?

Sincerely,

MAURINE B. NEUBERGER,
U.S. Senator.

LUNG CANCER AND CIGARETTES; HERE ARE THE LATEST FINDINGS

(By Lois Mattox Miller)

Out of London last March came a chill blast which sobered cigarette smokers and jolted the tobacco industry on both sides of the Atlantic. The venerable 444-year-old Royal College of Physicians, which never deals with trivia or sensationalism, completed an exhaustive study and published a fact-filled report, "Smoking and Health," "intended to give to doctors and others, evidence on the hazards of smoking so that they may decide what should be done."

The Royal College report stated unequivocally:

"Cigarette smoking is a cause of lung cancer and bronchitis, and probably contributes to the development of coronary heart disease and various less common diseases.

"Cigarette smokers have the greatest risk of dying from these diseases, and the risk is greater for the heavier smokers.

"The many deaths from these diseases present a challenge to medicine; insofar as they are due to smoking they should be preventable.

"The harmful effects of cigarette smoking might be reduced by efficient filters, by leaving longer cigarette stubs, or by changing from cigarette to pipe or cigar smoking."

The report had immediate repercussions in Parliament. It also stirred some nervous activity in Washington, where bureaucrats and Congressmen have dodged or pigeonholed the smoking-health issue for the past 10 years. Tobacco-industry spokesmen issued the standard rejoinder that the evidence was merely "old data without new research findings," but the statement sounded weaker and more pathetic than ever.

Sir Robert Platt, president of the Royal College of Physicians, commented: "Naturally every possible opposition has been raised to the idea that these diseases are due to cigarette smoking. But not one of the opposing theories will hold water, whereas everything confirms the evidence against cigarettes."

Smoker's lungs: "During the past 45 years," the report explained, "lung cancer has changed from an infrequent to a major cause of death in many countries. To account for this increase, it is necessary to postulate some causative agent to which human lungs have been newly and increasingly exposed during the present century. Cigarette smoke is such an agent and there is now a great deal of evidence that it is an important cause of this disease."

Since 1953 at least 23 investigations in 9 different countries have reported on the relationship between lung cancer and smoking. "All these studies," the report states, "have shown that death rates from lung cancer increase steeply with increasing consumption of cigarettes. Heavy cigarette smokers may have 30 times the death rate of nonsmokers. They also have shown that cigarette smokers are much more affected than pipe or cigar smokers (who do not inhale) and that the group which had given up smoking at the start of the survey had a lower death rate than those who had continued to smoke."

This strong statistical association between cigarette smoking and lung cancer "is supported by compatible, though not conclusive, laboratory and pathological evidence." Some 16 substances capable of initiating cancer in animals have been identified in tobacco smoke. In addition to these carcinogens, the smoke contains a variety of irritants which cause "precancerous" changes. These have been noted in the lungs and bronchial tissues of smokers who have died of causes other than lung cancer.

Addressed to doubters: The Royal College report devotes a full section to the theories advanced by those who doubt the cause-and-effect relationship. "None of these explanations fits all the facts as well as the obvious one that smoking is a cause of lung cancer."

How about air pollution, onto which the tobacco propagandists try desperately to shift the blame? In "Smoking and Health," the investigators point to the lung-cancer death rates of smokers and nonsmokers who live in cities, in rural areas and even in countries where air pollution is virtually unknown.

Finland, for example, which has the second highest lung-cancer death rate in Europe is essentially a rural country which has little air pollution but a population of heavy smokers. "This suggests that smoking is more important than air pollution," the report concludes. Moreover, "it is clear that at all levels of air pollution cigarette smokers suffer a risk of lung cancer which increases with the number of cigarettes smoked, and even in the most rural areas of the United Kingdom heavy cigarette smokers develop lung cancer 15 to 20 times as frequently as nonsmokers."

"Smoker's cough": Chronic bronchitis is a frequent cause of death, particularly among middle-aged and elderly men, as well as a common disabling disease. The disease usually starts with persistent coughing and the production of phlegm (productive cough). Then the bronchial tubes become infected and, eventually, persistent breathlessness may develop. In many cases the infection and breathlessness bring on heart failure and death.

"Smoking causes cough and expectoration," the report states. "Most people with smoker's cough lose this symptom when they stop smoking. Many studies have shown that the lungs of smokers are, on the average, impaired compared to those of nonsmokers, particularly with respect to bronchial air-flow. Among British researchers, Dr. W. Richard Doll and Prof. (Sir Austin) Bradford Hill found a steady increase of bronchitis deaths among heavy smokers. Those who smoked more than 25 cigarettes a day had a death rate from bronchitis 6 times greater than that of nonsmokers. In the United States, Dr. Harold F. Dorn found that death from bronchitis and emphysema was three times as frequent in regular cigarette smokers as in nonsmokers."

Cigarettes may not be the sole or chief cause of bronchitis, the report emphasizes; other factors, chiefly air pollution, probably play a part. But "cigarette smoking often causes productive cough which predisposes to the disabling and fatal forms of bronchitis under the influence of other factors. Cigarette smoking should be regarded as an important contributing factor rendering many men and women liable to a disease which they might have escaped had they not smoked."

Smoker's heart: Coronary heart disease is a more frequent cause of death among cigarette smokers than among nonsmokers. But the British report does not find evidence that cigarette smoking is a cause of coronary heart disease. Nonsmokers, too, commonly have coronaries although "those who gave up smoking have a reduced death rate."

"The association of coronaries with smoking," the Royal College finds, "is clearest in middle age; and then various other factors such as mental strain, sedentary occupation and indulgence in fatty foods, which are thought to increase liability to coronary thrombosis, are also commonly associated with heavy smoking. It seems reasonable at present to agree with the recent statement of the committee on smoking and cardiovascular disease of the American Heart Association, that present evidence 'strongly suggests that heavy cigarette smoking may contribute to or accelerate the development of coronary disease or its complications,' at least in men under the age of 55."

Smoker's ulcer: Tobacco smoke has demonstrable reactions in the stomach and intestines. Gastric hunger contractions, for example, cease after a few puffs on a cigarette. Nonsmokers seem to have better appetites than smokers; and ex-smokers commonly put on weight as soon as they quit the habit. While there is no evidence that smoking causes gastric or duodenal ulcers, "most physicians have seen an adverse effect of heavy smoking" on patients who already have stomach ulcers.

The Royal College report states that the "effect of smoking on the healing of gastric ulcers has been carefully recorded in a controlled study in Britain." Hospital patients with gastric ulcers (all smokers) were divided into two groups. Group A was told to quit smoking, group B was not; otherwise, both received the same medical treatment. "It was noticeable that in patients who continued to smoke, the ulcer actually increased in size while this deterioration was not observed in any of those who gave up smoking." The conclusion: "Smoking does not appear to be a cause of ulcers in the stomach and duodenum but probably exacerbates and perpetuates them."

The word to doctors: "Patients with bronchitis, peptic ulcer and arterial disease should be advised to stop smoking," the Royal College suggests to doctors. "Even a smoker's cough may be an indication that the habit should be given up."

The report observed that the proportion of nonsmoking British doctors has doubled in recent years from 24 percent in 1951 to 50 percent in 1961. "The doctor who smokes cigarettes must, like any other individual, balance these risks against the pleasures he derives from smoking and make his choice. But the doctor who smokes will lessen the effect of public education concerning the consequences of the habit and will find it harder to help his patients who need to stop smoking."

Preventive measures: The Royal College report is not the first comprehensive analysis to be made of the smoking-health problem. But it is probably the best factual statement, buttressed by over 200 citations of scientific sources, to be written in the plain English which the average layman can understand. (Besides being widely summarized in the British press, the first 15,000 copies of "Smoking and Health" were sold out on publication day and it since has become a paperback best-seller.)

"Smoking and Health" is also the first report to spell out a practical program of preventive measures for the individual and the government. Some specific recommendations:

More public education, and especially of schoolchildren, concerning the hazards of smoking. "The Central Council for Health Education and local authorities spent less than £5000 ($14,000) in 1956–60, while the tobacco manufacturers spent £38 million ($107 million) on advertising their goods during this period. Such public education might advise safer smoking habits (filter-tips, longer stubs, preference for pipes or cigars) for those whose addiction is too strong to be broken."

More effective restrictions on the sale of tobacco to children ("cigarettes are freely available in slot machines"). Wider restrictions on smoking in public places.

Raise the tax on cigarettes, and perhaps lower taxes on pipe tobacco and cigars. ("pipe smokers incur a considerably smaller risk than cigarette smokers. The risk in those who smoke only cigars is even smaller and may be no greater than that for nonsmokers.")

"Since filters vary in efficiency, it would be desirable to have them tested by some official agency and have the results indicated on the packet."

The Royal College report was immediately subjected to full Parliamentary discussion, and Enoch Powell, the Minister of Health, informed the House of Commons: "The government certainly does accept that this demonstrates authoritatively and unquestionably the casual connection between smoking and lung cancer and the more general hazards to health of smoking." The report's recommendations, he said, "are under consideration by the government."

Whither Washington? The forthright British approach was in sharp contrast to the timidity with which the health services, regulatory agencies and legislators in Washington, D.C., have shied away from the clearly defined issue of smoking and health. In 1959 the Surgeon General of the U.S. Public Health Service published in the Journal of the American Medical Association a lengthy report which covered much the same ground as the current Royal College report, and accepted the causative role of cigarettes in lung cancer. But, unfortunately, some of the Surgeon General's colleagues had written into the report a brief paragraph which downgraded and dismissed filter-tips even as partial health protection, and the Federal Trade Commission seized upon this convenient excuse to sweep the whole issue of the tar and nicotine content of American cigarettes under the carpet.[1]

There have been, however, a few faint but encouraging signs of a change of heart. Dr. Michael B. Shimkin, of the National Cancer Institute, has come out publicly in support of the American Cancer Society's proposal for a Federal regulation requiring that all packages be clearly labeled with the tar and nicotine content of the cigarettes.

Following the publication of the Royal College report (but only then), it was disclosed that a House Appropriations subcommittee had heard the testimony, in closed sessions a month earlier, of physicians from the National Institutes of Health. They stressed the overwhelming evidence linking cigarette smoking with lung cancer and other diseases, and urged an educational campaign on the hazards of smoking.

The FTC, apparently, had been holding its own closed-door meetings to find some way out of its quandary. The trade paper, Advertising Age, quoted Byron H. Jacques, head of the FTC bureau of trade practice conferences and industry guides, as admitting: "If there is really a significant difference in the health hazards involved in filter-tips compared with nonfilters, some change in our attitude might be necessary."

The FTC has long argued that it needs scientific authority and new legislation to handle the job properly. But many well-informed Washington lawyers maintain that the Federal Government (Food and Drug Administration, FTC, or USPHS) has all the authority it needs under present laws, including the broad Federal Hazardous Substances Act, which went into effect in July 1960. Many cigarette manufacturers state, privately, that they would welcome package labeling and standardized testing—but (for sound legal reasons) only if the Government takes the initiative and tells them what to do.

So the question is: Who will take the initiative? Perhaps we shall have to wait until (as seems likely) the British set the precedent and shame us into following their lead. Meanwhile, this observation in a well-known British medical journal, the Lancet, should be pondered in Washington: "Future historians will have views on our failure to find even a partial solution to the problem of smoking during the first 10 years after its dangers were revealed. The enormous and increasing number of deaths from smoker's cancer may go down in history as a strong indictment of our political and economic ways of life."

[From the New York Times]

WHERE THERE'S SMOKE

To the EDITOR OF THE NEW YORK TIMES.

In the Times for March 18 there appeared an analysis of the impact of lung-cancer research upon the cigarette and advertising industries.

The article noted that despite the proliferating evidence that cigarette smoking causes lung cancer, the tobacco industry adheres to the position that the causal connection has not been proved, indeed probably does not exist. The writer cites a recent report by the American Tobacco Co. that its employees smoke twice as much, live longer, and have fewer deaths from cancer and heart disease than the general public. Typically, the report concluded:

"These results are in direct opposition to the hypothesis that cigarette smoking per se causes higher mortality rates generally and/or lung cancer and/or heart disease."

Are they? The following pertinent discussion appeared in the Journal of the National Cancer Institute on October 15, 1958:

"It is well known that mortality comparisons cannot be drawn directly between employee groups and the general population, since the death rates for many groups of employed persons are lower than death rates for the general population, with age, sex, and race taken into consideration. This is true because there is a strong tendency to exclude from employment those persons who have acute or chronic diseases or who are seriously disabled from any cause, and those employees who develop permanent disabilities from disease or other causes are usually discharged, retired or dropped from the list of regular employees. Reasons of this nature undoubtedly account for the deficit in deaths from all causes noted in the group of employees under consideration."

A radically different picture of the relative health of tobacco industry employees emerges from the Society of Actuaries. The society, whose cold and disinterested analysis of statistical data forms the basis for insurance rates, reports that the rate of death and permanent disability claims for tobacco industry employees is significantly higher than the rate for comparable employees in other industries.

The Times article, "Cigarette Men Eye New Threat," fairly captures the callous myopia of the affected industries in regarding the association between smoking and lung cancer solely as a threat to their commercial interests.

Lung cancer does pose a threat to the cigarette industy; it also threatens a substantial segment of the advertising industry. It is a grave threat to national health. And it is a threat that neither the distortion of scientific data nor the most inventive advertising campaign can abate.

MAURINE B. NEUBERGER,
U.S. Senator from Oregon.

SOVIET TRADE DEALS INJURIOUS TO OTHER NATIONS

Mr. KEATING. Mr. President, I have already spoken up several times about the threat the entire free world is facing from the huge step-up of Soviet oil exports. Soviet trade in oil, both with the developed countries of Europe and with the underdeveloped countries of Asia, Africa, and Latin America is a serious menace. So far, nothing has been done about it by NATO or by the Common Market or by OECD. Yet, unless we can awaken the world to what this Soviet tactic really means, and take effective measures to combat it, we may find that the Soviets have established a dangerous economic bridgehead right on our own shores.

One of the first steps that we can undertake, and one of the simplest, is to publicize exactly what the Soviet Union is doing. Soviet diplomats go all around the world promising help at bargain prices in developing local oil and other natural resources for the governments of underdeveloped nations. They call themselves the friend of nationalist enterprises and they fight to exclude American and other private firms from the field.

Yet at the same time, Soviet oil sales, as well as Soviet sales of other commodities are cutting sharply into the prices that other nations depend on for these commodities. The Soviet Union exports large amounts of raw materials, and nearly every ruble's worth that it takes in is basically money taken out of the coffers of the underdeveloped lands that export the same commodities. Why has the United States not been able to get this point across?

In the case of oil, for instance, Soviet sales, at prices considerably below the world market, are a direct blow to Iran, Venezuela, Libya, Algeria, and all the Arab and Persian Gulf countries. When the Soviet Union dumps large quantities of manganese on the market, this hurts India. Soviet sales of tungsten hurt South Korea and Bolivia. Soviet zinc sales cut into Peru's export revenue.

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[1] See "Facts We're Not Told About Filter-Tips," the Reader's Digest, July 1961.

Bolivia and Malaya are victims of cut-rate Soviet sales of tin. The list could be extended much further.

All of these cases need to be widely publicized in the countries that have been affected. The United States must leave no stone unturned to make sure, when the Communists swarm into an area and try to displace free enterprises and initiative—as they are doing—that local citizens are aware of the damage being done to them by Soviet trade policies. Although Communists promise to help underdeveloped countries, in fact they are themselves competing with many of these countries for export markets. And in the process, they are ruthlessly injuring the economies of the very countries they profess to help.

It is evident that the United States has not succeeded in getting the full story across about Soviet dealings. We are letting the Soviets get away with their pose of friend to the newly developed nations, when in many instances they are serious economic rivals. We ought to be denouncing Soviet ventures in these fields just as vigorously and with just as much determination as the Soviets denounce so-called Western imperialism. We should take the initiative here.

In an effort to step up such programs, I have contacted Edward R. Murrow, Director of the U.S. Information Agency, urging increased American information activities along these lines. Because of our incentive system and the fact that these businesses operate independently of the Government, there has recently been a tendency by the Government to turn its back on both the accomplishments and the difficulties of American businesses abroad. Our Government concentrates by far the largest part of its energies in developing a big Government foreign aid program without taking full account of what can be done by working with private or business groups. Similarly, our efforts in information programs are more directed to explaining what the Government policy is than in elaborating the contributions of businesses with flourishing operations around the globe.

Mr. President, the efforts of private enterprise and initiative abroad, whether in the field of oil, or any other commodity or manufactured item, deserve more support than they have recently been receiving. It is very clearly in the national interest for our Government to publicize and promote the activities of U.S. businesses abroad. It is equally clearly in the national interest for our Government to give full publicity overseas to the competing commercial activities of the Soviets in those areas where other nations are injured by Soviet trade deals and where Soviet actions are in such direct and evident contrast to Soviet words.

CONSTRUCTION AND OPERATION OF NAVAJO INDIAN IRRIGATION PROJECT AND INITIAL STAGE OF SAN JUAN-CHAMA PROJECT

Mr. ANDERSON. Mr. President, I ask that there be laid before the Senate a message from the House concerning S. 107, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 107) to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes, which was to strike out all after the enacting clause and insert:

That, for the purposes of furnishing water for the irrigation of irrigable and arable lands and for municipal, domestic, and industrial uses, providing recreation and fish and wildlife benefits, and controlling silt, and for other beneficial purposes, the Congress approves as participating projects of the Colorado River storage project (Act of April 11, 1956, 70 Stat. 105, as amended, 43 U.S.C. 620–620o) the Navajo Indian irrigation project, New Mexico, and the initial stage of the San Juan-Chama project, Colorado-New Mexico. The Navajo Indian irrigation project and the initial stage of the San Juan-Chama project herein approved are substantially those described in the proposed coordinated report of the Acting Commissioner of Reclamation and the Commissioner of Indian Affairs, approved and adopted by the Secretary of the Interior on October 16, 1957, as conditioned, modified, and limited herein.

NAVAJO INDIAN IRRIGATION PROJECT

SEC. 2. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary of the Interior is authorized to construct, operate, and maintain the Navajo Indian irrigation project for the principal purpose of furnishing irrigation water to approximately one hundred and ten thousand six hundred and thirty acres of land, said project to have an average annual diversion of five hundred and eight thousand acre-feet of water and the repayment of the costs of construction thereof to be in accordance with the provisions of said Act of April 11, 1956, as amended, including, but not limited to, section 4(d) thereof.

SEC. 3. (a) In order to provide for the most economical development of the Navajo Indian irrigation project, the Secretary shall declare by publication in the Federal Register that the United States of America holds in trust for the Navajo Tribe of Indians any legal subdivisions or unsurveyed tracts of federally owned land outside the present boundary of the Navajo Indian Reservation in New Mexico in townships 28 and 29 north, ranges 10 and 11 west, and townships 27 and 28 north, ranges 12 and 13 west, New Mexico principal meridian, susceptible to irrigation as part of the project or necessary for location of any of the works or canals of such project: *Provided, however*, That no such legal subdivision or unsurveyed tract shall be so declared to be held in trust by the United States for the Navajo Tribe until the Navajo Tribe shall have paid the United States the full appraised value thereof: *And provided further*, That in making appraisals of such lands the Secretary shall consider their values as of the date of approval of this Act, excluding therefrom the value of minerals subject to leasing under the Act of February 25, 1920, as amended (30 U.S.C. 181–286), and such leasable minerals shall not be held in trust for the Navajo Tribe but shall continue to be subject to leasing under the Act of February 25, 1920, as amended, after the lands containing them have been declared to be held in trust by the United States for the Navajo Tribe.

(b) The Navajo Tribe is authorized to convey to the United States, and the Secretary shall accept on behalf of the United States, title to any land or interest in land within the above-described townships, susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project, acquired in fee simple by the Navajo Tribe, and after such conveyance said land or interest in land shall be held in trust by the United States for the Navajo Tribe as a part of the project.

(c) The Secretary is authorized to acquire by purchase, exchange, or condemnation any other land or interest in land within the townships above described susceptible to irrigation as part of the Navajo Indian irrigation project or necessary for location of any of the works or canals of such project. After such acquisition, said lands or interest in lands shall be held by the United States in trust for the Navajo Tribe of Indians.

SEC. 4. In developing the Navajo Indian irrigation project, the Secretary is authorized to provide capacity for municipal and industrial water supplies or miscellaneous purposes over and above the diversion requirements for irrigation stated in section 2 of this Act, but such additional capacity shall not be constructed and no appropriation of funds for such construction shall be made until contracts have been executed which, in the judgment of the Secretary, provide satisfactory assurance of repayment of all costs properly allocated to the purposes aforesaid with interest as provided by law.

SEC. 5. Payment of operation and maintenance charges of the irrigation features of the Navajo Indian irrigation project shall be in accordance with the provisions of the Act of August 1, 1914 (38 Stat. 582, 583), as amended (25 U.S.C. 385): *Provided*, That the Secretary may transfer to the Navajo Tribe of Indians the care, operation, and maintenance of all or any part of the project works, subject to such rules and regulations as he may prescribe and, in such event, the Secretary may transfer to the Navajo Tribe title to movable property necessary to the operation and maintenance of those works.

SEC. 6. For the period ending ten years after completion of construction of the Navajo Indian irrigation project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 7. There are hereby authorized to be appropriated to the Bureau of Indian Affairs such sums as may be required to construct the Navajo Indian irrigation project, including the purchase of lands under section 3, subsection (c), of this Act, but not more than $135,000,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved therein.

SAN JUAN-CHAMA RECLAMATION PROJECT (INITIAL STAGE)

SEC. 8. Pursuant to the provisions of the Act of April 11, 1956, as amended, the Secretary is authorized to construct, operate, and maintain the initial stage of the San Juan-Chama project, Colorado-New Mexico, for the principal purposes of furnishing water supplies to approximately thirty-nine thousand three hundred acres of land in the Cerro, Taos, Llano, and Pojoaque tributary irrigation units in the Rio Grande Basin and approximately eighty-one thousand six hundred acres of land in the existing Middle Rio Grande Conservancy District and for municipal, domestic, and industrial uses, and providing recreation and fish and wildlife benefits. The diversion facilities of the initial stage authorized herein shall be so constructed and operated as to divert only natural flow of the Navajo, Little Navajo, and Blanco Rivers in Colorado as set forth in the supplemental project report dated May 1957. The principal engineering works of the initial stage development, involving three major elements, shall include diversion dams and conduits, storage and regulation facilities at the Heron Numbered 4 Reservoir site, enlarged outlet works of the existing El Vado Dam, and water use facilities consisting of reservoirs, dams, canals, lateral and drainage systems, and associated works and appurtenances. The construction of recreation facilities at the Nambe Reservoir shall be contingent upon the Secretary's making appropriate arrangements with the governing body of the Nambe Pueblo for the operation and maintenance of such facilities, and the construction of recreation facilities at the Heron Numbered 4, Valdez, and Indian Camp Reservoirs shall be contingent upon his making appropriate arrangements with a State or local agency or organization for the operation and maintenance of those facilities: *Provided*, That—

(a) the Secretary shall so operate the initial stage of the project authorized herein that diversions to the Rio Grande Valley shall not exceed one million three hundred and fifty thousand acre-feet of water in any period of ten consecutive years, reckoned in continuing progressive series starting with the first day of October after the project shall have commenced operation: *Provided, however*, That not more than two hundred and seventy thousand acre-feet shall be diverted in any one year;

(b) the Secretary shall operate the project so that there shall be no injury, impairment, or depletion of existing or future beneficial uses of water within the State of Colorado, the use of which is within the apportionment made to the State of Colorado by article III of the Upper Colorado River Basin compact, as provided by article IX of the Upper Colorado River Basin compact and article IX of the Rio Grande compact;

(c) all works of the project shall be constructed so as to permit compliance physically with all provisions of the Rio Grande compact, and all such works shall be operated at all times in conformity with said compact;

(d) the amount of water diverted in the Rio Grande Basin for uses served by the San Juan-Chama project shall be limited in any calendar year to the amount of imported water available to such uses from importation to and storage in the Rio Grande Basin in that year;

(e) details of project operation essential to accounting for diverted San Juan and Rio Grande flows shall be developed through the joint efforts of the Rio Grande Compact Commission, the Upper Colorado River Commission, the appropriate agencies of the United States and of the States of Colorado, New Mexico, and Texas, and the various project entities. In this connection the States of Texas and New Mexico shall agree, within a reasonable time, on a system of gaging devices and measurements to secure data necessary to determine the present effects of tributary irrigation, as well as present river channel losses: *Provided*, That if the State of Texas shall require, as a condition precedent to such agreement, gaging devices and measurements in addition to or different from those considered by the Department of the Interior and the State of New Mexico to be necessary to this determination, the State of Texas shall pay one-half of all costs of constructing and operating such additional or different devices and making such additional or different measurements which are not borne by the United States. The results of the action required by this subsection shall be incorporated in a written report transmitted to the States of Colorado, Texas, and New Mexico for comment in the manner provided in the Flood Control Act of 1944 before any appropriation shall be made for project construction;

(f) the Secretary shall operate the project so that for the preservation of fish and aquatic life the flow of the Navajo River and the flow of the Blanco River shall not be depleted at the project diversion points below the values set forth at page D2–7 of appendix D of the United States Bureau of Reclamation report entitled "San Juan-Chama Project, Colorado-New Mexico", dated November 1955;

(g) the Secretary is hereby authorized to construct the tunnel and conduit works of the initial stage of the San Juan-Chama project with sufficient capacity for future diversion of an average of two hundred and thirty-five thousand acre-feet per annum: *Provided, however*, That nothing contained in this Act shall be construed as committing the Congress of the United States to future authorization of any additional stage of the San Juan-Chama project.

SEC. 9. For the period ending ten years after completion of construction of the initial stage of the San Juan-Chama project no water from the project shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in section 408(c) of the Agricultural Act of 1949 (63 Stat. 1056, 7 U.S.C. 1428), or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938 (52 Stat. 41), as amended (7 U.S.C. 1281), unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 10. The amount which section 12 of the Act of April 11, 1956, authorizes to be appropriated is hereby increased by $85,828,000 (June 1961 prices) plus or minus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved, which increase shall be available solely for construction of the San Juan-Chama project and shall not be used for any other purpose.

GENERAL

SEC. 11. (a) No person shall have or be entitled to have the use for any purpose, including uses under the Navajo Indian irrigation project and the San Juan-Chama project authorized by sections 2 and 8 of this Act, of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries originating above Navajo Reservoir to the use of which the United States is entitled under these projects except under contract satisfactory to the Secretary and conforming to the provisions of this Act. Such contracts, which, in the case of water for Indian uses, shall be executed with the Navajo Tribe, shall make provision, in any year in which the Secretary anticipates a shortage, taking into account both prospective runoff originating above Navajo Reservoir and the available water in storage in Navajo Reservoir, for a sharing of the available water in the following manner: The prospective runoff shall be apportioned between the contractors diverting above and those diverting at or below Navajo Reservoir in the proportion that the total normal diversion requirement of each group bears to the total of all normal diversion requirements. In the case of contractors diverting above Navajo Reservoir, each such contract shall provide for a sharing of the runoff apportioned to said group in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements of all such contracts that have been made hereunder: *Provided*, That for any year in which the foregoing sharing procedure either would apportion to any contractor diverting above Navajo Reservoir an amount in excess of the runoff anticipated to be physically available at the point of his diversion, or would result in no water being available to one or more such contractors, the runoff apportioned to said group shall be reapportioned, as near as may be, among the contractors diverting above Navajo Reservoir in the proportion that the normal diversion requirements of each bears to the total normal diversion requirements of the group. In the case of contractors diverting from or below Navajo Reservoir, each such contract shall provide for a sharing of the remaining runoff together with the available storage in the same proportion as the normal diversion requirement under said contract bears to the total normal diversion requirements under all such contracts that have been made hereunder.

The Secretary shall not enter into contracts for a total amount of water beyond that which, in his judgment, in the event of shortage, will result in a reasonable amount being available for the diversion requirements for the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as specified in sections 2 and 8 of this Act.

No long-term contract, except contracts for the benefit of the lands and for the purposes specified in sections 2 and 8 of this Act, shall be entered into for the delivery of water stored in Navajo Reservoir or of any other waters of the San Juan River and its tributaries, as aforesaid, until the Secretary has determined by hydrologic investigations that sufficient water to fulfill said contract is reasonably likely to be available for use in the State of New Mexico during the term thereof under the allocations made in articles III and XIV of the Upper Colorado River Basin compact, and has submitted such determination to the Congress of the United States and the Congress has approved such contracts: *Provided*, That nothing contained in the foregoing shall be construed to forbid the Secretary from entering into temporary water supply contracts in the San Juan River Basin for any year in which he determines that water legally available for use in the upper basin of the Colorado River system would otherwise not be used there and is not needed to fulfill the obligations of the upper division States with respect to delivery of water at Lee Ferry.

(b) If contracts are entered into for delivery from storage in Navajo Reservoir of water not covered by subsection (a) of this section, such contracts shall be subject to the same provision for sharing of available water supply in the event of shortage as in the case of contracts required to be made pursuant to subparagraph (a) of this section.

(c) This section shall not be applicable to the water requirements of the existing Fruitland, Hogback, Cudai, and Cambridge Indian irrigation projects, nor to the water required in connection with the extension of the irrigated acreages of the Fruitland and Hogback Indian irrigation projects in a total amount of approximately eleven thousand acres.

SEC. 12. (a) None of the project works or structures authorized by this Act shall be so operated as to create, implement, or satisfy any preferential right in the United States or any Indian tribe to the waters impounded, diverted, or used by means of such project works or structures, other than contained in those rights to the uses of water granted to the States of New Mexico or Arizona pursuant to the provisions of the Upper Colorado River Basin compact.

(b) The projects authorized by this Act shall be so operated that no waters shall be diverted or used by means of the project works, which, together with all other waters used in or diverted from the San Juan River Basin in New Mexico, will exceed the water available to the States of New Mexico and Arizona under the allocation contained in article III of the Upper Colorado River Basin compact for any water year.

SEC. 13. (a) The use of water, including that diverted from the Colorado River system to the Rio Grande Basin, through works constructed under authority of this Act, shall be subject to and controlled by the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total quantity of water to the use of which the State of New Mexico is entitled and limited under said compacts, statutes, and treaty, and every contract entered into under this Act for the storage, use, and delivery of such water shall so recite.

(b) All works constructed under authority of this Act, and all officers, employees, permittees, licensees, and contractees of the United States and of the State of New Mexico acting pursuant thereto and all users and appropriators of water of the Colorado River system diverted or delivered through the works constructed under authority of this Act and any enlargements or additions thereto shall observe and be subject to said compacts, statutes, and treaty, as hereinbefore provided, in the diversion, delivery, and use of water of the Colorado River system, and such condition and covenant shall attach as a matter of law whether or not set out or referred to in the instrument evidencing such permit, license, or contract and shall be deemed to be for the benefit of and be available to the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming and the users of water therein or thereunder by way of suit, defense, or otherwise in any litigation respecting the waters of the Colorado River system.

(c) No right or claim of right to the use of the waters of the Colorado River system shall be aided or prejudiced by this Act, and Congress does not, by its enactment, construe or interpret any provision of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act, or the Mexican Water Treaty or subject the United States to, or approve or disapprove any interpretation of, said compacts, statutes, or treaty, anything in this Act to the contrary notwithstanding.

SEC. 14. In the operation and maintenance of all facilities under the jurisdiction and supervision of the Secretary of the Interior authorized by this Act, the Secretary is directed to comply with the applicable provisions of the Colorado River compact, the Upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, the Colorado River Storage Project Act and the treaty with the United Mexican States in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

SEC. 15. The Secretary of the Interior is directed to continue his studies of the quality of water of the Colorado River system, to appraise its suitability for municipal, domestic, and industrial use and for irrigation in the various areas in the United States in which it is used or proposed to be used, to estimate the effect of additional developments involving its storage and use (whether heretofore authorized or contemplated for authorization) on the remaining water available for use in United States, to study all possible means of improving the quality of such water and of alleviating the ill effects of water of poor quality, and to report the results of his studies and estimates to the Eighty-seventh Congress and every two years thereafter.

SEC. 16. (a) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" as provided in article III(d) of the Colorado River compact "not to cause the flow of the river at Lee Ferry to be depleted below an aggregate of seventy-five million acre-feet for any period of ten consecutive years reckoned in continuing progressive series beginning with the first day of October next succeeding the ratification of this compact."

(b) The diversion of water for either or both of the projects authorized in this Act shall in no way impair or diminish the obligation of the "States of the upper division" to meet their share of the Mexican Treaty burden as provided in article III(c) of the Colorado River compact.

SEC. 17. Section 12 of the Act of April 11, 1956, shall not apply to the works authorized by this Act except as otherwise provided by section 10 of this Act.

SEC. 18. The Act of April 11, 1956, as amended, is hereby further amended as follows: (i) In section 1, subsection (2), after the words "Central Utah (initial phase)" delete the colon and insert in lieu thereof a comma and the words "San Juan-Chama (initial stage)," and after the word "Lyman" insert the words "Navajo Indian,"; (ii) in section 2 delete the words "San Juan-Chama, Navajo," from the first sentence; (iii) in section 5, subsection (e), in the phrase "herein or hereinafter authorized" delete the word "hereinafter" and insert in lieu thereof the word "hereafter"; (iv) in section 7 in the phrase "and any contract lawfully entered unto under said compacts and Acts" delete the word "unto" and insert in lieu thereof the word "into".

Mr. ANDERSON. Mr. President, S. 107, which I had the honor of sponsoring in this Congress for myself and the senior Senator from New Mexico [Mr. CHAVEZ], was passed by the House on May 23 after that body had stricken all after the enacting clause from the measure as approved by the Senate on March 28, 1961, and in lieu thereof had substituted the language of H.R. 7596.

There are several differences of substance between the Senate and House versions of the Navajo-San Juan-Chama bill. One is with respect to the wording of the so-called surplus crop provision which the Interior Committees of the Senate and House in recent years have been writing into all reclamation project bills. This provision is designed to meet the objections of those who oppose irrigation projects on the ground that since the Federal Government presently is paying farmers to take land out of the production of certain crops which now are in oversupply, we should not at the same time be bringing additional acreage under cultivation by irrigation. This is not the moment to argue the overall issue of the continuing necessity for reclamation and water resource development if our future needs are to be met. Today's surpluses are very temporary, and our Nation and the world will need ever better crop-producing lands, as well as greater and greater supplies of water for municipal and industrial uses. There are no surpluses of water for such purposes, and within a few years today's crop surpluses will turn into food deficits.

Hitherto, the surplus crop provision in irrigation and reclamation bills has stated that for a period of 10 years from enactment of the act authorizing a project, no water should be delivered to newly irrigated lands for the cultivation of any basic agricultural commodity which is in excess production. The parent act to the Navajo-San Juan-Chama bill, the Colorado River Storage Project Act, Public Law 485, 84th Congress, has such a requirement, and I ask unanimous consent, Mr. President, that the text of this provision, which is the second proviso of section 4 of the Colorado River Storage Project Act, be printed in the RECORD at this point in my remarks.

There being no objection, the proviso was ordered to be printed in the RECORD, as follows:

SECOND PROVISO OF SECTION 4 OF THE COLORADO RIVER STORAGE PROJECT ACT, PUBLIC LAW 485, 84TH CONGRESS

Provided further, That for a period of 10 years from the date of enactment of this Act, no water from any participating project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Mr. ANDERSON. Mr. President, this language, as I say, is the usual provision that has been written into reclamation project bills in recent years, and it is the requirement of the parent act to the measure before us.

In the case of the Navajo bill, however, the House Interior and Insular Affairs Committee wrote in a somewhat more restrictive provision and it was adopted by the House. The House provision requires that no such crops shall be produced on the newly irrigated lands for a period of 10 years after completion of construction of the project.

The Navajo tribe, whose reservation lands are the primary area that will be

affected by the limitation, has considered the provision and the tribe believes it can live with the House provision. I ask unanimous consent, Mr. President, that a letter I have received only today from Norman Littell, general counsel of the Navajo Tribe in setting forth the tribe's views, and a telegram to him from tribal leaders be printed in the Record at this point in my remarks.

There being no objection, the communications were ordered to be printed in the Record, as follows:

May 29, 1962.

Hon. Clinton P. Anderson,
Chairman, Interior and Insular Affairs Committee, U. S. Senate, Washington, D.C.

Dear Senator Anderson: Enclosed herewith is a telegram just received urging on behalf of the Navajo Tribe the immediate passage of S. 107 as amended.

The Navajo Tribal Council is now in session and a proposed resolution is being submitted immediately to the council to the same effect as set forth in the enclosed telegram. The tribe and its leaders have waited and worked for so many years for this irrigation project that approval of the resolution by the council is a forgone conclusion as affirmed by Paul Jones, chairman, and J. Maurice McCabe, executive secretary, based upon discussions with councilmen.

However, due to the 3 hours difference in time between Window Rock, Ariz., and Washington, D.C., this resolution could not become available until late this afternoon. You will be immediately advised of the action taken by the council.

In the meantime, I am instructed to convey to you the thanks of the Navajo people for your outstanding leadership over many years in respect to the two projects provided for in S. 107. The appreciation of the Navajos likewise extends to all Members of the Congress of the United States who have helped, and who may hereafter help, to bring to full reality this irrigation project long needed for the settlement of Navajo families.

Sincerely yours,

Norman M. Littell,
General Counsel, the Navajo Tribe.

May 29, 1962.

Re San Juan-Chama Navajo Irrigation Project, S. 107.

Mr. Norman M. Littell,
Washington, D. C.:

Please advise Senator Anderson we unqualifiedly urge passage in the Senate of S. 107 as amended and hope that preliminary appropriations for engineering work may follow in this session of Congress. We are submitting immediately to the Navajo Tribal Council now in session a resolution to this effect which I am sure from discussion with members of the council will be approved today and airmailed to Washington. Please express to Senator Anderson and other proponents of this bill our deep appreciation, as the council will also wish to do, on behalf of the Navajo people, for the passage of this bill of such major significance to the Navajo people.

Paul Jones,
Chairman, Navajo Tribal Council.
Maurice McCabe,
Executive Secretary.

Mr. ANDERSON. Mr. President, another difference of substance between the Senate and House versions of S. 107 is that the House Interior and Insular Affairs Committee wrote in a provision in the third paragraph of section 11(a) of its bill requiring that long-term contracts by the Secretary of the Interior for the delivery of water must be approved by the Congress. This provision for affirmative congressional action approving each contract is new to reclamation law, and goes beyond the established practices and procedures of the Department of the Interior.

I ask unanimous consent that the text of a letter to me dated May 24, 1962, from the Commissioner of Reclamation outlining present procedures be inserted into the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Bureau of Reclamation,
Washington, D.C., May 24, 1962.

Hon. Clinton P. Anderson,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In response to your request, we are pleased to advise you concerning the procedures followed by the Bureau of Reclamation in obtaining repayment contract coverage for irrigation and municipal water costs of reclamation projects.

Repayment contract negotiations usually begin shortly after the project is authorized. If new areas are to be furnished water supplies from the project, sometimes it is necessary to establish a suitable local organization or organizations to contract with the United States. The type of organization would depend upon the size and scope of the project, the purposes to be served, and the governing provisions of State and Federal laws.

With the establishment of suitable water user organizations, the Commissioner of Reclamation authorizes the basis for initiating the negotiation of a repayment contract with the local officials. The contract would necessarily reflect the special provisions on reimbursement generally included in new project authorizing legislation, and would necessarily be consistent with the general requirements of reclamation law and of appropriate State laws.

When the Bureau of Reclamation reaches agreement with the local organization on a draft of contract, the Commissioner of Reclamation then submits the contract to the Secretary for approval as to form. Thereafter, in most cases, the local organization will submit the contract, or its terms, for the approval of the local voters. In some States, it may also be necessary to obtain the approval of a State agency.

Following voters' approval, the appropriate local official would execute the contract, and then the contract would be executed on behalf of the United States. The contract would finally become effective when validated by the appropriate court of the State where the organization is located.

This is the general procedure followed by the Bureau of Reclamation in securing repayment contracts. In some cases, of course, there may be departures where there are special provision of applicable Federal and State laws.

Sincerely yours,

Floyd E. Dominy,
Commissioner.

Mr. ANDERSON. Mr. President, as a matter of political philosophy, I feel strongly that Congress should fulfill its constitutional responsibilities with respect to control over Federal property and Federal expenditures. But I do believe that to require affirmative action by the Senate, the House, and the President on each and every water delivery contract may be cumbersome and time consuming.

Personally I feel that a provision such as the Interior and Insular Affairs Committee wrote into the Small Reclamation Projects Act, Public Law 984, 84th Congress, and which also is a part of the Watershed Act, Public Law 566, 83d Congress, is preferable. These acts authorize the Executive to enter into contracts, but require that they be submitted to Congress and lie before the appropriate committees of the House and Senate for a period of 60 days during which either committee may disapprove the contract. In this event, no Federal funds may be appropriated or expanded for the project.

However, that is not the way the House wrote its contract approval amendment into S. 107. I believe the people of New Mexico can live with the House language and that Senators and Representatives in Congress from neighboring States who have an interest in the waters of the Colorado River will display good faith in not blocking or delaying approval of bona fide water delivery contracts in New Mexico which are in the public interest. I assume that future irrigation bills will carry similar provisions. I am sorry that New Mexico had to be the pioneer in this respect, but since the provision is philosophically sound, and in accordance with the Constitution, we accept it.

There are of course several other differences between the House and Senate versions of S. 107, but the two I have discussed appear to be of the most substance and to make new departures in reclamation law.

While the bill as amended in the House is not wholly as I myself would like to have it, nevertheless in view of the immediate need to start on the projects, and in view of all that has gone into bringing them this far, I move, Mr. President, that the Senate concur in the House amendment to S. 107.

Mr. President, I have discussed this question with the majority and minority members of the Subcommittee on Irrigation and Reclamation and of the Committee on Interior and Insular Affairs, as well as with the majority leader and minority leader.

I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

REPEAL OF SUBSECTION (a) OF SECTION 8 OF THE PUBLIC BUILDINGS ACT OF 1959

Mr. MUSKIE. Mr. President, I ask that the Presiding Officer lay before the Senate the amendment of the House of Representatives to S. 3157.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3157) to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired, which was, after line 9, insert:

Sec. 3. Section 8 of the Public Buildings Act of 1959 (73 Stat. 481; 40 U.S.C. 607) is amended by adding at the end thereof the following new subsection:

"(c) With respect to any lands located south of Independence Avenue, between

Third Street SW. and Eleventh Street SE., in the District of Columbia, no such lands shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the House Office Building Commission created by the Act of March 4, 1907 (34 Stat. 1365).

"With respect to any lands located in the area extending from the United States Capitol Grounds to Eleventh Street NE. and SE. and bounded by Independence Avenue on the south and G Street NE. on the north, in the District of Columbia, no such lands shall be acquired by the Administrator for use as sites, or additions to sites, without prior consultation with the Architect of the Capitol."

Mr. MUSKIE. Mr. President, the bill S. 3157, to repeal a section of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired, passed the Senate May 17, 1962.

The bill passed the House of Representatives on May 24, 1962, with an amendment providing that the Administrator of General Services would consult with the House Office Building Commission and the Architect of the Capitol with respect to acquisition of any sites, or addition to sites, located on the Capitol Grounds, or in the vicinity of the Capitol.

I ask unanimous consent that the amendment of the House of Representatives be concurred in by the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine? The Chair hears none, and it is so ordered.

SALVATORE BRIGANTI

Mr. MUSKIE. Mr. President, I ask the Presiding Officer to lay before the Senate the amendment of the House of Representatives to S. 971.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 971) for the relief of Salvatore Briganti, which was, in line 11, after "Act", insert ", and the provisions of section 24(a)(7) of the Act of September 26, 1961 (75 Stat. 657), shall be inapplicable in this case".

Mr. MUSKIE. Mr. President, on May 3, 1961, the Senate passed S. 971 to waive the excluding provision of existing law relating to one who has been convicted of crimes involving moral turpitude in behalf of the beneficiary.

On April 3, 1962, the bill, S. 971, was passed by the House of Representatives with an amendment to preserve for the beneficiary the nonquota status he acquired under the provisions of the act of September 22, 1959—Public Law 86-363—which was repealed by the act of September 26, 1961—Public Law 87-301.

I move that the Senate concur in the House amendment to S. 971.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

HOSPITAL INSURANCE UNDER SOCIAL SECURITY PROGRAM

Mr. MORSE. Mr. President, it is well known that I am a leading advocate and am cosponsor of the King-Anderson proposal relating to hospital insurance under the social security program. However, I have received a resolution adopted by the Southern Willamette District Dental Society of Oregon in opposition to the proposal, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION AGAINST THE KING-ANDERSON BILL, NO. R.N. 4222, TO BE INTRODUCED IN CONGRESS AS BEING APPROVED BY THE SOUTHERN WILLAMETTE DISTRICT DENTAL SOCIETY OF OREGON

Resolved, That individual initiative, free enterprise, and the dedication of men have made medical science in the United States the finest in the world; and

Resolved, That any Federal program leading to the regulation of any part of medical practice or control of medical facilities will be deleterious to medical science in the United States; and

Resolved, That any Federal law providing medical services for the senior citizens of our country without regard as to need will destroy our concept of individual liberty, freedom of choice, and moral responsibility of family and community; and be it further

Resolved, That we do hereby oppose the enactment of any Federal law which provides for medical services to the aged population as a class without a determination of individual need.

Adopted this 25th day of April 1962.

NEEDED: NEW COLLEGES AND UNIVERSITIES

Mr. MORSE. Mr. President, Dr. E. V. Pullias, professor of higher education at the University of Southern California in Los Angeles, is the author of an article entitled, "Needed: New Colleges and Universities," which appeared in the November 1960 issue of School and Society.

Dr. Pullias has in this article pointed out the imperative necessity for additional aid to institutions of higher education from all sources. Few of us could quarrel with the stress he gives to the concept that:

> The welfare and continued growth of the American society require a flexible, developing, diverse system of higher education. Any attitude or activity that tends to reduce this dynamic quality and close the system in terms of past achievement will threaten seriously the future of the United States. The hope of the American experiment lies in the constant renewal of the society as it reaches for solutions to continuously emerging problems. Nothing is more vital to this achievement than higher education which both reflects and stimulates this dynamic process.
>
> The nature of the problem requires two things: the imaginative vision to see the overwhelming urgency of the need for a greatly expanded and enriched program of higher education for the American democracy, and the courage to escape old patterns of thought and action that thwart the making of that vision a reality. To fail either to see or to act can be fatal in this rapidly moving age.

Mr. President, in view of the fact that the conference will be meeting on the higher education bill in the near future, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEEDED: NEW COLLEGES AND UNIVERSITIES

(By E. V. Pullias)

The U.S. Office of Education listed, as of the fall of 1959, 1,952 colleges and universities with an enrollment of 3,402,297 degree students and a faculty of about 275,000. Evidence indicates that the comparable degree-credit enrollment for the fall of 1970 will be double that of 1959 Many estimates are as high as 8 million. These facts suggest a condition unique in the history of man.

As things now stand, there will not be nearly enough places even for those who are qualified by motivation and ability to succeed in higher education as it is now conceived. The fact that higher education is in the process of being reconceived to meet better the needs of a developing democracy further complicates the problem. Yet, over the whole country we move at a snail's pace in our effort to produce the number and variety of colleges and universities and the faculty that the immediate future demands.

The reason most frequently given is money. Is not this pretense? No one offers lack of money as a good reason for failure to provide what is considered adequate military defense. In truth, this nation has the money to buy what it needs. If the quality of college experience is to remain even as good as it is now, many new institutions must be established in the next 10 years. Perhaps the number of institutions and teachers need not double to care for double the number of students, but a country with clear vision might realistically plan for such a goal.[1]

For a nation wise and courageous enough to do what the times require, even the material rewards will be great—greater perhaps than the returns in technological development and improved standards of living that the United States received from its investment in the common and secondary schools, the land-grant colleges, and the developing universities in the 19th century. More important, such a nation may lead the way toward a new level of civilization.

In the face of such a prospect, why does our Nation approach this problem timidly and haltingly? Perhaps no one knows why. A possible reason is that, as a society grows older (and if the speed of growth is very great, the characteristics of age may appear sooner), it tends to crystallize its institutions and, hence, resists the development of new forms or even the reproduction of old forms. Thus, the establishment and early phases of new institutions become increasingly difficult. Higher education in the United States sometimes behaves as if it were in this late maturity stage of development. Whatever the cause of the lethargy, the need is great and urgent.

In spite of this clear and present need (which should be considered a mammoth challenge), we continue to make it difficult both psychologically, and materially for new institutions to get underway. The study of the early struggles of almost any of our very best colleges is instructive and sobering. In most cases, during their first 25-50 years, they were seriously below modern minimum standards in buildings, faculty, library, and admission procedures.

Times and demands have changed, and I am not suggesting a return to the old days, nor do I wish to encourage any lowering of significant standards. The point is simple: Our system of higher education still is or should be dynamic. New kinds of institutions and many additional ones of the present kinds are greatly needed. Except in the case of wealthy States and a few privileged private trusts, even the physical aspects of colleges and universities cannot spring full grown into existence, meeting at once modern standards.

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[1] When President Roosevelt set a goal of a certain number of aircraft by a certain date to win World War II, many sober people called the figure fantastic. In reality the goal was surpassed.

Since the higher education effort in the United States must be doubled and steadily improved in quality within the next 10–15 years, statesmanship would suggest that we search for constructive means to encourage and support the needed institutions. At the same time, meaningful standards should be retained and further developed in existing institutions while appropriate flexible standards conducive to growth are created for new ones. There is no conflict between these two processes that a little imagination cannot overcome. There is certainly a danger in establishing too many poorly staffed, inadequately supported, and, hence, seriously weak institutions. But the alternative for this country of great wealth is not between a few strong institutions and many weak ones. The achievable goal is many strong ones.

The welfare and continued growth of the American society require a flexible, developing, diverse system of higher education. Any attitude or activity that tends to reduce this dynamic quality and close the system in terms of past achievement will threaten seriously the future of the United States. The hope of the American experiment lies in the constant renewal of the society as it searches for solutions to continuously emerging problems. Nothing is more vital to this achievement than higher education which both reflects and stimulates this dynamic process.

The nature of the problem requires two things: the imaginative vision to see the overwhelming urgency of the need for a greatly expanded and enriched program of higher education for the American democracy, and the courage to escape old patterns of thought and action that thwart the making of that vision a reality. To fail either to see or to act can be fatal in this rapidly moving age.

CALL OF THE CALENDAR

The **PRESIDING OFFICER.** Is there further morning business? If not, morning business is closed.

Under the unanimous-consent agreement previously entered, the Senate will proceed to a call of the calendar for consideration of measures to which there is no objection, beginning with Calendar No. 1452.

ADEQUATE WHITE HOUSE POLICE FORCE

Mr. **MUSKIE.** Mr. President, I ask unanimous consent that the Senate first may proceed to the consideration of Calendar No. 1451.

The **PRESIDING OFFICER.** The bill will be stated by title for the information of the Senate.

The **Legislative Clerk.** A bill (H.R. 11261) to authorize an adequate White House Police force, and for other purposes.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to the consideration of the bill (H.R. 11261) which was ordered to a third reading, was read the third time, and passed.

Mr. **MUSKIE.** Mr. President, I ask unanimous consent that Calendar No. 1328, S. 3099, the Senate bill on the same subject, be indefinitely postponed.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will state the next measure on the calendar.

SU-FEN CHEN

The bill (S. 2208) for the relief of Su-Fen Chen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Su-Fen Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. JUM AK MAREK

The bill (S. 2694) for the relief of Mrs. Jum Ak Marek, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a)(6) of the Immigration and Nationality Act, Mrs. Jum Ak Marek may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That unless the said Mrs. Jum Ak Marek is entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further,* That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

HOM WAH YOOK

The bill (S. 2729) for the relief of Hom Wah Yook (also known as Hom Bok Heung), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hom Wah Yook (also known as Hom Bok Heung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SUSAN GUDERA AND OTHERS

The bill (S. 2751) for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of paragraph (7) of section 301(a) of the Immigration and Nationality Act, Mrs. Maris Callahan Gudera, a citizen of the United States, shall be held and considered to have resided in and to have been physically present in the United States, prior to the birth of her natural children, Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera, for a period of five years after she had attained the age of fourteen years.

MRS. TOM PON SHEE

The bill (S. 2766) Mrs. Tom Pon Shee (also known as Tom Pon Ma Cheung), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Tom Pon Shee (also known as Tom Pon Ma Cheung), widow of the late Tom Shek Luen (a citizen of the United States), shall be deemed to be a nonquota immigrant, and may, notwithstanding the provisions of paragraph (25) of section 212(a) of such Act, be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

ARILD ERICKSEN SANDLI

The bill (S. 2777) for the relief of Arild Ericksen Sandli, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (9) of section 212(a) of the Immigration and Nationality Act, Arild Ericksen Sandli may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

JULIANO BARBOZA AMADO AND MANUEL SOCORRO BARBOZA AMADO

The bill (S. 2803) for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 203(a)(4) of the Immigration and Nationality Act, Leo Barbosa Amado, a citizen of the United States, shall be held and considered to be the legitimate half-brother of Juliano Barboza Amado and Manuel Socorro Barboza Amado.

SHEU CHWAN SHAIOU

The bill (S. 2804) for the relief of Sheu Chwan Shaiou, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sheu Chwan Shaiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SYDNEY GRUSON

The bill (H.R. 1395) for the relief of Sydney Gruson, was considered, ordered to a third reading, was read the third time, and passed.

MRS. FRANCES MANGIARACINA

The bill (H.R. 1404) for the relief of Mrs. Frances Mangiaracina, was considered, ordered to a third reading, was read the third time, and passed.

ELIZABETH ROSE DiCARLO

The bill (H.R. 1712) for the relief of Elizabeth Rose DiCarlo, was considered, ordered to a third reading, was read the third time, and passed.

ANTONIO C. YSRAEL

The bill (H.R. 2103) for the relief of Antonio C. Ysrael, was considered, ordered to a third reading, was read the third time, and passed.

BILLS PASSED OVER

The bill (H.R. 2187), for the relief of Augustin Ramirez-Trejo, was announced as next in order.

Mr. MUSKIE. Over by request, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 2198), for the relief of Carlos Sepulveda Abarca, was announced as next in order.

Mr. MUSKIE. Over by request, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

SONIA MARIA SMITH

The bill (H.R. 2672) for the relief of Sonia Maria Smith, was considered, ordered to a third reading, was read the third time, and passed.

MILDRED LOVE HAYLEY

The bill (H.R. 2839) for the relief of Mildred Love Hayley, was considered, ordered to a third reading, was read the third time, and passed.

A. EUGENE CONGRESS

The bill (H.R. 8368) for the relief of A. Eugene Congress, was considered, ordered to a third reading, was read the third time, and passed.

SGT. 1C. JESSE O. SMITH

The bill (H.R. 9466) for the relief of Sgt. 1c. Jesse O. Smith, was considered, ordered to a third reading, was read the third time, and passed.

CAPT. DALE FRAZIER

The Senate proceeded to consider the bill (S. 1264) for the relief of Capt. Dale Frazier, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, after line 2, to strike out:

SEC. 2. The Secretary of the Army is authorized and directed to pay, out of any money available for the payment of retired pay of retired officers of the United States Army, to the said Captain Dale Frazier, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

And, in lieu thereof, to insert:

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Dale Frazier, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Dale Frazier, United States Army, Retired, of Honolulu, Hawaii, is hereby relieved of all liability to repay to the United States the sum of $13,052.89, representing overpayments of retired pay received by him for the period from March 27, 1952, through August 3, 1955, while he was employed by the Department of the Navy, such overpayments having been made through administrative error in violation of section 212 of the Act of June 20, 1932, as amended (5 U.S.C. 59a), which limits the amount of retired pay certain retired commissioned officers may receive when holding civilian positions under the Government.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Dale Frazier, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

JOHN JOSEPH

The Senate proceeded to consider the bill (S. 2661) for the relief of John Joseph (also known as Hanna Georges Youssef) which had been reported from the Committee on the Judiciary, with an amendment, at the end of line 7, after the word "Act", to insert a comma and "and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in this case."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Act of September 22, 1959 (73 Stat. 644), to provide for the entry of certain relatives of United States citizens and lawfully resident aliens, John Joseph (also known as Hanna Georges Youssef), shall be deemed to be within the purview of section 4 of that Act, and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SEBASTIANA SANTORO

The Senate proceeded to consider the bill (S. 2667) Sebastiana Santoro, which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "child," to insert "of Giovanni Santoro, a citizen of the United States,"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Sebastiana Santoro shall be held and considered to be a child of Giovanni Santoro, a citizen of the United States, as defined in section 101(b)(1)(A) of that Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISS LIVIA SERNINI (CUCCIATTI)

The Senate proceeded to consider the bill (S. 2722) for the relief of Miss Livia Sernini (Cucciatti), which had been reported from the Committee on the Judiary, with an amendment, in line 8, after the word "to", to strike out "this alien" and insert "such alien as provided for in this Act; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Miss Livia Sernini (Cucciatti) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

YUK-KAN CHEUK

The Senate proceeded to consider the bill (S. 2760) for the relief of Yuk-Kan Cheuk which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, the provisions of the proviso to section 201(a) shall not be applicable in the case of Yuk-Kan Cheuk, a native of Hong Kong.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FERDINAND A. HERMENS

The Senate proceeded to consider the bill (S. 2865) for the relief of Ferdinand A. Hermens which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, section 352(a) of that Act shall be held not to be nor to have been applicable to any period of residence of Ferdinand A. Hermens, a naturalized citizen of the United States, in Germany after April 30, 1962, and prior to May 1, 1965.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM FALBY

The Senate proceeded to consider the bill (H.R. 1653) for the relief of William Falby, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 2, after the word "loss," to insert a colon and "*Provided*, That the said William Falby enters the United States for permanent residence within 2 years after the date of the enactment of this Act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time and passed.

STEPHEN S. CHANG AND GRACE HSIN LEE ZIA CHANG

The Senate proceeded to consider the bill (S. 1849) for the relief of Stephen S. Chang and Grace Hsin Lee Zia Chang which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Stephen S. Chang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 2, 1954, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Stephen S. Chang."

FRANCELINA JORGE QUERIDO AND OTHERS

The Senate proceeded to consider the bill (S. 2668) for the relief of Francelina Jorge Querido, Jose Jorge Querido, Juis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido which had been reported from the Committee on the Judiciary, with amendments, at the beginning of line 5, to strike out "Juis Jorge Querido" and insert "Luis Jorge Querido", and in line 8, after "(8 U.S.C. 1153)", to insert "and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in these cases."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act of 1952, Francelina Jorge Querido, Jose Jorge Querido, Luis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido shall be considered to be nonquota immigrants under section 4 of Public Law 86-363 (8 U.S.C. 1153) and the provisions of section 24(a)(7) of the Act of September 26, 1961 (Stat. 657), shall not be applicable in these cases.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Francelina Jorge Querido, Jose Jorge Querido, Luis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido."

FEDERALLY IMPACTED AREAS ELIGIBLE FOR ASSISTANCE

The Senate proceeded to consider the bill (S. 3327) to make certain federally impacted areas eligible for assistance under the public facility loan program which had been reported from the Committee on Banking and Currency, with an amendments on page 1, line 11, after the word "research", to strike out "and" and insert "or"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (4) of section 202(b) of the Housing Amendments of 1955 is amended by striking out the period and inserting in lieu thereof the following: ": *Provided*, That financial assistance may be extended under clause (1) of subsection (a) of this section without regard to the population limitations set forth in this paragraph, if such assistance is for the purpose of financing projects for public works or facilities in any federally impacted area in which there is located a research or development installation of the National Aeronautics and Space Administration. As used in this paragraph, a 'federally impacted area' means an area with respect to which financial assistance may be extended pursuant to the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), as amended (20 U.S.C. 631-644), or the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as amended (20 U.S.C. 236-244)."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GIFTS AND BEQUESTS TO THE LIBRARY OF CONGRESS

The bill (S. 3266) to amend the act entitled "An act to create a Library of Congress Trust Fund Board" relating to deposits with the Treasurer of the United States of gifts and bequests to the Library of Congress was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, as amended (2 U.S.C. 158), is further amended by striking out "$5,000,000" at the end of the section and inserting in lieu thereof "$10,000,000".

RESOLUTION PASSED OVER

The resolution (S. Res. 37) to amend rule XIX relative to the transgression of the rule in debate, was announced as next in order.

Mr. MUSKIE. Mr. President, over.

The PRESIDING OFFICER. The bill will be passed over.

INCREASING LIMIT OF EXPENDITURE OF COMMITTEE ON APPROPRIATIONS

The resolution (S. Res. 337) increasing the limit of expenditure by the Committee on Appropriations was considered, and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, $25,000, in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946; S. Res. 180, agreed to July 27, 1961; and S. Res. 211, agreed to September 21, 1961.

PRINTING OF PROPOSED AMENDMENTS TO CONSTITUTION, 69TH THROUGH 87TH CONGRESSES

The resolution (S. Res. 341) to print a list of proposed amendments to the Constitution, 69th Congress through 87th Congress was considered, and agreed to, as follows:

Resolved, That there be printed as a Senate document a list of proposed amendments to the Constitution of the United States submitted during the Sixty-ninth Congress, second session, through the Eighty-seventh Congress, as compiled by the Senate Library, under the direction of the Secretary of the Senate, and that one thousand five hundred additional copies be printed for the use of the Committee on the Judiciary.

PRINTING AS SENATE DOCUMENT AGREEMENT RELATING TO USE AND DEVELOPMENT OF WATER AND LAND RESOURCES

The resolution (S. Res. 342) to print as a Senate document an agreement relating to the use and development of water and related land resources was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document an agreement of the Secretary of the Army, the Secretary of Agriculture, the Secretary of Health, Education, and Welfare, and the Secretary of the Interior entitled "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources", together with correspondence of the Secretary of the Interior and the President of the United States in regard to the matter, and the explanatory remarks of Senator Clinton P. Anderson of New Mexico, on the floor of the Senate May 17, 1962, and that there be printed twenty-five hundred additional copies for the use of the Committee on Interior and Insular Affairs.

PRINTING AS SENATE DOCUMENT OF REPORT ENTITLED "FUNCTIONS OF THE GENERAL ACCOUNTING OFFICE"

The resolution (S. Res. 343) to print as a Senate document a report entitled "Functions of the General Accounting Office" was considered and agreed to, as follows:

Resolved, That there be printed, with an illustration, as a Senate document a report compiled by the General Accounting Office at the request of the Committee on Government Operations entitled "Functions of the General Accounting Office"; and that there be printed three thousand additional copies of such document for the use of that committee.

PRINTING OF SENATE DOCUMENT ENTITLED "THE PROPOSED 23D AMENDMENT TO THE CONSTITUTION"

The resolution (S. Res. 344) authorizing the printing of Senate Document 5, 87th Congress entitled "The Proposed 23d Amendment to the Constitution," was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Appropriations fifty thousand additional copies of Senate Document 5 of the Eighty-seventh Congress, first session, entitled "The Proposed Twenty-third Amendment to the Constitution To Repeal the Sixteenth Amendment to the Constitution, Which Provides That Congress Shall Have Power To Collect Taxes on Incomes".

BILL PASSED OVER

The bill (H.R. 8031) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus was announced as next in order.

Mr. MUSKIE. Mr. President, over.

The PRESIDING OFFICER. The bill will be passed over.

HANDLING OF FUNDS BY DISBURSING OFFICERS OF ARMED FORCES

The bill (H.R. 8570) to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force was considered, ordered to a third reading, read the third time, and passed.

APPLICATION OF CERTAIN MILITARY LAWS TO COAST GUARD

The bill (S. 2107) to amend title 14, United States Code, entitled, "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) Section 461 is amended—

(A) By amending the heading to read as follows:

"§ 461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members"

(B) By adding at the end thereof the following new subsection:

"(c) If he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge."

(2) The analysis of chapter 13 is amended by striking out the following item:

"461. Pay and allowances; pay of officers indebted to United States."

and inserting the following item in place thereof:

"461. Pay and allowances; pay of officers indebted to the United States; remission of indebtedness of enlisted members."

(3) Section 495 is repealed.

(4) The analysis of chapter 13 is amended by striking out the following item:

"495. Additional pay for holders of medals."

(5) Section 496 is amended to read as follows:

"§ 496. Time limit on award; report concerning deed

"(a) No medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof may be awarded to a person unless—

"(1) the award is made within five years after the date of the deed or service justifying the award;

"(2) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by his superior through official channels within three years from the date of that deed or termination of the service.

"(b) If the Secretary determines that—

"(1) a statement setting forth the deed or distinguished service and recommending official recognition if it was made by the person's superior through official channels within three years from the date of that deed or termination of the service and was supported by sufficient evidence within that time; and

"(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted upon; a medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof, as the case may be, may be awarded to the person within two years after the date of that determination."

(6) Chapter 17 is amended by adding the following new section after section 654:

"§ 655. Arms and ammunition; immunity from taxation

"No tax on the sale or transfer of fireams, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the United States Coast Guard."

(7) The analysis of chapter 17 is amended by adding the following new item thereto:

"655. Arms and ammunition; immunity from taxation."

CONSTRUCTIVE SERVICE OF COAST GUARD WOMEN'S RESERVE

The bill (H.R. 4783) to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949, was considered, ordered to a third reading, read the third time, and passed.

LOAD LINES FOR OCEANGOING AND COASTWISE VESSELS

The Senate proceeded to consider the bill (S. 3016) to amend the act of March 2, 1929, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, and for other purposes which had been reported from the Committee on Commerce, with amendments, on page 1, after line 6, to insert:

(1) Subsection (a) of the first section is amended by striking out "the Great Lakes excepted" and inserting in lieu thereof "or arriving within the jurisdiction of the United States or its possessions from a foreign voyage by sea, in both cases the Great Lakes excepted."

On page 2, at the beginning of line 5, to strike out "(1)" and insert "(2)"; at the beginning of line 8, to insert "in the first sentence"; in line 11, after the word "appears", to insert "after the first sentence"; at the beginning of line 17, to strike out "(2)" and insert "(3)"; in line 19, after the word "owner", to strike out "and" and insert "and/or"; in line 21, after the word "shall", to strike out "each"; in line 24, after the word "States", to insert "in violation of the provisions of this Act or the regulations established thereunder"; on page 5, at the beginning of line 4, to insert "in the first sentence"; in line 7, after the word "appears", to insert "after the first sentence"; in line 16, after the word "owner", to strike out "and" and insert "and/or"; in line 18, after the word "shall", to strike out "each"; in line 21, after the word "States", to insert "in violation of the provisions of this Act or the regulations established thereunder"; and in line 24, after the word "high", to strike out "seas," and insert "seas"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to establish load lines for American vessels, and for other purposes", approved March 2, 1929, as amended (46 U.S.C. 85–85g), is amended as follows:

(1) Subsection (a) of the first section is amended by striking out "the Great Lakes excepted" and inserting in lieu thereof "or arriving within the jurisdiction of the United States or its possessions from a foreign voyage by sea, in both cases the Great Lakes excepted".

(2) Section 7 (46 U.S.C. 85f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs" in the first sentence;

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears after the first sentence; and

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

(3) Section 8 (46 U.S.C. 85g) is amended—

(A) by amending subsection (a) to read as follows:

"(a) The owner and/or master of any vessel subject to this Act and the regulations established thereunder shall be liable to the United States in a penalty not to exceed $1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States in violation of the provisions of this Act or the regulations established thereunder, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "$100" and inserting the figure "$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

(1) by striking out the figure "$500" and inserting the following words and figures in place thereof, "$1,000 plus a sum computed at the rate of $500 per inch of draft in excess of the vessel's applicable load line"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "$500" in subsection (d) and inserting the figure "$1,000" in place thereof;

(E) by striking out the figure "$1,000" in subsection (e) and inserting the figure "$2,000" in place thereof.

SEC. 2. The Act entitled "An Act to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes", approved August 27, 1935, as amended (46 U.S.C. 88–88i), is amended as follows:

(1) Section 2 (46 U.S.C. 88a) is amended to read as follows:

"SEC. 2. The Secretary of the department in which the Coast Guard is operating is hereby authorized and directed in respect of the vessels defined above to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded. Such regulations shall have the force of law. In establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged. In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the vessel, its subdivision and efficacy thereof, and the probable stability of the vessel if damaged: *Provided*, That the load-line provisions of this Act shall apply to the Great Lakes: *Provided further*, That no load line shall be established or marked on any vessel, which load line in the judgment of the Secretary is above the actual line of safety."

(2) Section 7 (46 U.S.C. 88f) is amended—

(A) by adding the words "or Coast Guard district commander" following the words "collector of customs" in the first sentence;

(B) by adding the words "or Coast Guard district commander" following the word "collector" wherever it appears after the first sentence; and

(C) by adding the following sentence at the end thereof: "The owner and agent of a vessel surveyed and found in violation of this Act or regulations established thereunder shall bear the costs of the survey in addition to any penalty or fine imposed."

(3) Section 8 (46 U.S.C. 88g) is amended—

(A) by amending subsection (a) to read as follows:

"(a) The owner and/or master of any vessel subject to this Act and the regulations established thereunder shall be liable to the United States in a penalty not to exceed $1,000 whenever the vessel is found operating, navigating, or otherwise in use upon the navigable waters of the United States, in violation of the provisions of this Act or the regulations established thereunder, or whenever the vessel, if a vessel of the United States, is found operating, navigating, or otherwise in use upon the high seas in violation of the provisions of this Act or the regulations established thereunder. Each day a vessel is in violation of the provisions of this Act shall constitute a separate offense. The Secretary of the Department in which the Coast Guard is operating may assess, collect, remit, and mitigate any penalty imposed under this Act."

(B) by amending subsection (b)—

(1) by striking out the figure "$100" and inserting the figure "$500" in place thereof; and

(2) by striking out the last sentence thereof;

(C) by amending subsection (c)—

(1) by striking out the figure "$500" and inserting the following words and figures in place thereof, "$1,000 plus a sum computed at the rate of $500 per inch of draft in excess of the vessel's applicable loadline"; and

(2) by striking out the last sentence thereof;

(D) by striking out the figure "$500" in subsection (d) and inserting the figure "$1,000" in place thereof;

(E) by striking out the figure "$1,000" in subsection (e) and inserting the figure "$2,000" in place thereof.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BILL PASSED OVER

The bill (S. 1184) to conform the provisions of section 802 of the Merchant Marine Act, 1936, with those of section 510 thereof, and for other purposes was announced as next in order.

Mr. MUSKIE. Mr. President, over.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF AUTHORITY TO INSURE MORTGAGES UNDER NATIONAL HOUSING ACT

The bill (S. 2876) to extend the authority to insure mortgages under sections 809 and 810 of the National Housing Act, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 803(a) of the National Housing Act is amended by striking out "under this title" in the last proviso and inserting in lieu thereof "under this section".

SEC. 2. Section 809(f) of the National Housing Act is amended by striking out "and the expiration date of the Commisisoner's authority to insure".

SEC. 3. Section 810 of the National Housing Act is amended by—

(1) striking out clause (1) of subsection (b) and inserting in lieu thereof the following: "(1) the housing which is covered by the insured mortgage is necessary in the interest of national security in order to provide adequate housing for (A) military personnel and essential civilian personnel serving or employed in connection with an installation of one of the armed services of the United States, or (B) persons employed or assigned to duty at or in connection with an installation of the National Aeronautics and Space Administration or the Atomic Energy Commission,";

(2) striking out in subsection (d) the words "and employees of contractors for the armed services" and inserting in lieu thereof of the following: "employees of contractors for the armed services, and persons described in clause (1)(B) of section (b) of this section"; and

(3) striking out in subsection (k) the words "and the expiration date of the Commissioner's authority to insure".

BILLS PASSED OVER

The bill (H.R. 7913) to amend title 10, United States Code, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength, was announced as next in order.

Mr. MUSKIE. Mr. President, over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, was announced as next in order.

Mr. KEATING. Mr. President, I suggest that the bill be passed over. It might be the simplest way to get the foreign aid bill through the Senate, but it would not be fair to absent Senators. I think it should go over.

The PRESIDING OFFICER. The bill will be passed over.

That completes the calendar.

BONDING OF FEDERAL CONTRACTORS

Mr. WILLIAMS of Delaware. Mr. President, yesterday I introduced, for appropriate reference, a bill designed to guarantee that Federal income taxes which are withheld from employees' paychecks by firms doing construction work for the U.S. Government are included in the bond requirement and ultimately turned over to the Treasury Department.

Under this bill, firms holding such construction contracts would be required to be bonded for the Federal taxes they deduct from their employees' wages in the same manner in which they are now required to be bonded for the performance of the work under the contract and for the protection of persons furnishing material and labor for the work.

The purpose of the bill is to make certain that money withheld from the paychecks of employees actually gets to the Treasury Department and is not diverted to other uses by the construction company.

The bill would in no way affect the taxes owed by the company itself on its profits, or any other taxes owed by the company; rather, it deals solely with the Federal income taxes withheld by the company from the wages and salaries of employees working under the Federal contract.

I ask unanimous consent to have printed at this point in the RECORD a letter to me from Brig. Gen. Joseph T. Kingsley, Jr., U.S. Air Force.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., July 7, 1961.
Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: The Secretary of Defense has asked me to reply to your letter of June 5, 1961, in which you inquired regarding Air Force procedures with regard to bonding requirements for Air Force construction contractors. The delay in furnishing the information you requested is regretted; however, due to the legal implications involved, the matter required careful legal review and study in the Office of the General Counsel, U.S. Air Force.

In your inquiry, you asked whether the bonds required in connection with construction contracts do not cover a contractor's liability for amounts withheld from employees on account of Federal taxes. Generally speaking, it is true that these bonds do not cover such amounts.

The requirement that contractors furnish bonds in connection with construction contracts is based on the Miller Act (sec. 270a–e, title 40, United States Code). The Miller Act generally provides for a performance bond for the protection of the United States and a payment bond for the protection of laborers and materialmen in connection with Government construction contracts exceeding $2,000. Pursuant to the act, the bond requirements are usually waived for work to be done in a foreign country or under a cost-reimbursement type contract.

The forms of the bonds are prescribed for all Government agencies by the General Services Administration. The performance bond (Standard Forms 25 and 27) assures that the contractor "shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract." The payment bond (Standard Forms 25A and 27A) assures that the contractor "shall promptly make payment to all persons supplying labor and material in the prosecution of the work provided for in said contract."

On its face, neither bond covers the contractor's liability for tax withholdings. As to the payment bond, the bond simply assures that the contractor will pay his employees their wages. A number of Federal courts have held that this assurance does not extend to the payment of tax withholdings. See *United States* v. *Crosland Construction Company*, 217 F. 2d 275 (4th Cir. 1954), and the cases cited therein. The reasoning of these cases is that the payment bond simply covers payment of wages; that once an employer has paid the full wages owing, exclusive of tax withholdings, he has discharged his obligation to the employee; and that the condition of the bond is therefore satisfied. The employer's liability for tax withholdings is a liability to pay taxes measured by wages rather than a liability to pay wages. Moreover, failure of the employer to pay over to the Government the tax withholdings does not impair the employee's rights to social security benefits.

As to the performance bond, whether the bond covers tax withholdings clearly depends on the contract terms. If the contract were expressly to obligate the contractor to pay all collectible taxes, the bond would cover this obligation (*United States* v. *Phoenix Indemnity Company*, 231 F. 2d 573, 4th Cir. 1956). But the great bulk of Government construction contracts, so far as we are aware, do not contain this kind of provision. Again, the General Services Administration prescribes standard general provisions (Standard Form 23A) to be used for most anything obligating the contractor to pay taxes. Possibly this matter is not covered because it is not regarded as material to the contractor's responsibilities as a contractor, as contrasted with his responsibilities as a taxpayer. It may also be that such an enlargement of the contract obligations would result in increased bond premiums which would ultimately be at Government expense.

Finally, you requested a recommendation for possible correction of the bond coverage to extend it to tax withholdings. This matter is closely connected with the Miller Act and apparently should be treated in the same way by all the contracting agencies of the Government. An amendment to the Miller Act would seem appropriate if it is determined that the Government, in dealing with taxpayers having Government construction contracts, should have greater protection regarding tax collection than it does in dealing with other taxpayers who hold the vast majority of Government contracts. In this connection, it is suggested that, since the Department of the Treasury has the primary responsibility for this area, the views of that Department also be obtained.

Your interest in this matter is appreciated. It is hoped that the above explanation and information will be helpful to you. If we can advise you further, please let me know.

Sincerely,
JOSEPH T. KINGSLEY, Jr.,
Brigadier General, USAF,
Deputy Director, Legislative Liaison.

BICENTENNIAL CELEBRATION OF ALLENTOWN, PA.

Mr. CLARK. Mr. President, a few days ago the city of Allentown, Pa., celebrated its bicentennial. The event was an important one in the lifetime of one of Pennsylvania's most outstanding cities, a city of industrious people who have built a diversified and prosperous industry. The city is in the heart of one of the richest agricultural areas in the whole world.

A report on the bicentennial celebration was prepared under the direction of the city's able mayor, John T. Gross, by John F. Nagy, a member of the Lehigh County Historical Society. I believe the report is worthy of introduction into the CONGRESSIONAL RECORD, as a good example of what a medium sized city has been able to do to enrich the lives of its inhabitants and add to the economy of the country.

I ask unanimous consent that the mayor's report on Allentown's bicentennial celebration be printed at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE MAYOR'S REPORT ON ALLENTOWN'S BICENTENNIAL CELEBRATION

When looking at the horizon the earth seems to meet the sky. When looking at the city of Allentown, Pa., one sees a strange admixture of the rural hinterland and the modern commercial and industrial metropolis. The former is an illusion; the latter is a reality.

Where else but in a city like Allentown could there be organized a caravan of some 750 helping hands to travel about 150 miles to a storm-ravaged area in another State? Such was Operation Help, under the direction of Charley Zaimes, WSAN commentator, who conceived and promoted the idea which gained Allentown national recognition, and which through Radio Free Europe was broadcast internationally. (Cf. CONGRESSIONAL RECORD, Mar. 28, 1962, pp. 5355–5356.)

Where else but in a city like Allentown could there be organized civilian participation in the cleaning of a Civil War memorial? Such was Operation Brush and Bucket, under the direction of Edward R. Smith II, who conceived and promoted the idea, carried on wire services, again spotlighting Allentown as a city of outstanding civic mindedness.

The Soldiers and Sailors Monument in Center Square, dedicated on October 19, 1899, had not had a thorough cleaning in the almost 63 years of its existence; but on May 2, 1962, dozens of Brothers of the Brush and other participants tackled the job in a 5-hour operation during inclement weather, frequently in a driving rain, and planned to complete the job on May 16.

Where else but in a city like Allentown could there be such a grassroots uprising of the people in overcoming frowning officialdom, the press, and business and civic leaders, that 3,400 Brothers of the Brush in 90 chapters and 1,700 Liberty Belles in 55 chapters would make their basic civil feelings known through facial growths and colonial costumes? Thus the true spirit of the settlers of this community 200 years ago shines even today.

Only in truly small rural communities might events like the above come about—in small communities where everybody knows everybody, where people are inclined to join as a whole in a community effort, where people are really close to the earth in their thinking, their feeling, their ways of life. Yet all these took place in Allentown, Pa., the fifth largest city in the State, a city known nationwide for its commercial and industrial advancement.

More than 300 separate manufacturing plants make Allentown a highly diversified industrial complex. Commercially, annual retail sales are estimated to exceed $232 million, with wholesale sales an additional $218 million. More than a half-million people are within the immediate Allentown trading area, and one-sixth of the Nation's entire population lives within a 200-mile radius of the city. Taxable property valuation exceeds $405 million; there are about 35,000 households. With a 1960 population count of 108,347, the city of Allentown, 417 feet above sea level, covers an area of 17,597 square miles.

Historically, Allentown was founded in 1762 by William Allen, Philadelphia merchant and chief justice of the Pennsylvania supreme court, when he laid out a town covering a 42 block area upon 5,000 acres in the wilderness of Penn's Woods, which was acquired by deed from Thomas Penn after a survey in 1739.

Throughout the years in the history of our Nation from the very beginning, the down-to-earth basic inhabitants of Allentown were in the forefront, helping to forge the United States of today, the leading world power of all the governments of the world. In Revolutionary times, Allentonians turned out thousands of muskets in their forges and shops, much of it done secretly, thereby providing a reliable arsenal for Gen. George Washington, who was able with this vital help when most needed to start turning the tide against the mercenaries. On April 18, 1861, Allen Infantry was among those area companies which gathered in Harrisburg in response to President Abraham Lincoln's appeal for volunteers to defend Washington against invaders. The famous U.S. Army Ambulance Corps was trained during the First World War on the Allentown fairgrounds for heroic duty overseas. Allentonians were prominent on casualty lists in both World War II and the Korean conflict. There are Allentonians in the services overseas today.

Allentown's bicentennial celebration is obviously not without national significance, in the light of the city's historical place in the Nation. Many significant events have already been held, leading up to major affairs scheduled from May 25 through June 2. There will be parades and balls and pageants and dedications; there will be concerts and lunches and tours and exhibitions. Every citizen will in some way be affected, and the children of today will have much to remember all their lives. Already, operation help has certainly made a deep and favorable impression on our young, and the preservation of our monument through operation brush and bucket has become important historically to our citizens of tomorrow. A bicentennial is certainly meat for teachers in all grades to teach our children the significance of the past as related to the present. The feelings of the future are based on present-day occurrences shaped by our historical past.

Gov. David L. Lawrence officially began bicentennial activities at a luncheon on May 25. There was a groundbreaking ceremony at the site of the new city hall. In the evening a large drum and bugle pageant performed in the Allentown School District stadium, featuring the USAF Drum and Bugle Corps. On May 27 a huge 5-hour bicentennial parade was held. Climaxing the festivities on Saturday evening, June 2, will be a shower of stars at the Allentown Fairgrounds, which will feature such famous personalities, products of our own area, as Lillian Briggs, Jackey McKeever, Laurel Hurley, Loisann Oakes, Tommy Check, and Willie Restum. Outstanding organizations made special preparations to help celebrate the bicentennial. The Liberty Bell dedication will be made at 2 p.m., May 30, at Zion's Church by Senator Hugh Scott; the Lehigh Valley Art Alliance will present a portrait of Allentown in the afternoon of May 26; the Lehigh County Historical Society is conducting a tour of historical homes on June 2; on May 28 groundbreaking ceremonies will be held at the site of the new county courthouse. Lehigh County, celebrating its sesquicentennial in conjunction with Allentown's bicentennial, has cooperated in all planned activities to make this historical celebration in actuality a dual affair.

These summarized facts, I trust, will become a matter of national record, and are submitted for your earnest consideration.

EFFECT OF KENNEDY ADMINISTRATION POLICIES ON STATE OF THE ECONOMY

Mr. CLARK. Mr. President, I desire to address myself for a few minutes to the climate of opinion in the Senate. Yesterday during our consideration of the public works bill, and again today during the morning hour, a number of my colleagues on the other side of the aisle—and I must admit that yesterday, at least, they were reinforced by a few volunteers from our side of the aisle—undertook to identify the state of our economy with the policies of the Kennedy administration. Their effort was to show that frightening things were being done to the economy as a result of the policies of the Kennedy administration. They undertook to state that unless some of those policies were changed, our country and our economy would be in grave danger.

In my opinion nothing could be further from the fact. It is simply loose talk to suggest, for example, that the break in the stock market yesterday was caused by a lack of public confidence in the policies of the Kennedy administration. I do not believe it would be possible to find any highly regarded economist who would share that view.

That kind of panic discussion does little credit to its authors. The views of widely read commentators, whose ability to get their opinions into the newspapers far exceeds their knowledge of our economy and what makes it tick, are widely introduced into the Congressional Record. I fear that the country might come to believe that these particular points of view represent opinion in the Senate.

For the record I should like to say that in my judgment they do not. A learned Senator undertook to identify the break in the stock market with the policies of the Kennedy administration. Another highly regarded Senator undertook to hint rather broadly that some provisions of the public works bill rather smacked of embezzlement, and that the recommendations of the President in that regard were disreputable. His comments were justly resented not only by me, but by the Senator in charge of the public works bill, the distinguished Senator from Oklahoma [Mr. Kerr]. A careful reading of the Record will show that the Senator who voiced those comments rather regretted that he had done so. But the word had already gone out through the country that the President in seeking authority from the Congress to take steps to help remedy unemployment had done an unethical and immoral act. I do not believe there are as many as a half dozen Senators who believed that particular nonsense, and yet it goes across the country, over the wire services, and into the Congressional Record as though it represented the considered views of able and intelligent Senators who have made a habit of giving profound study to our economy and its needs.

Shortly afterward, a Senator on this side of the aisle suggested that we would shortly be asked to subscribe approximately $6 billion to shore up the International Monetary Fund, which would put a grave strain on our economy, and for that reason the public works bill should not be passed.

Mr. President, this can hardly be characterized as less than an extravagant view. Yet at the time it did not seem wise to interrupt the debate on the public works bill to rebut so emotional a plea from a Senator who is as highly regarded as the Senator who made those comments; it seemed better to let it go. But I believe it is useful now, in the sense, I suppose, of a Tuesday morning quarterback, to place in the Record a statement that those views do not represent the considered opinion of a substantial majority of the Senate.

Another able Senator suggested yesterday that public works spending was going to chase us into national bankruptcy. He suggested that $9 billion of public works projects were already on the books; that public works were a kind of universal pork barrel, sure to bring the whole economy into serious trouble. Again, I think it would be difficult, indeed, to find many reputable economists who would share that point of view. The Senators who so regard public works have no exclusive claim to the mantle of moral righteousness. I suggest that Senators who desire to see human misery relieved, who want to see the people put back to work, who are anxious to see that useful projects which contribute to the well-being of the economy should be constructed, have just as high standards of ethics and morality.

I speak today not out of any feeling of resentment, but merely because I desire to make at least some slight effort to set the record straight as to what I believe is truly the opinion of a majority of the Members of this body, as well as the consensus of expert opinion outside this body.

A few weeks ago we had a similar example of how the climate of opinion in the Senate can be inaccurately reflected in the Record. When were were discussing the literacy test bill, oration after oration was delivered attacking the Supreme Court of the United States, contending that the bill was unconstitutional, taking the view that it would be a grave mistake to give to a large group of American citizens, entitled to the privileges and immunities of citizenship, entitled to the equal protection of the laws, the kind of protection they need in order to cast that vote which they are guaranteed by the 15th amendment of the Constitution of the United States.

So we had yesterday an attack on the Executive; we had several weeks ago an attack on the judiciary; soon, I suspect, we shall be having a reiteration of those attacks which have taken place from time to time in this body on the efforts of our Government and of governments and citizens of other nations in the world, to arrive at some intelligent solution of the problems of disarmament and world peace. Again, I say that those who suggest that the Senate of the United States is opposed to the making of those international concessions which are necessary to assure that this country participates in a dissolution of the awful "balance of terror," in the elimination of armaments, and in the bringing of enforceable world law to bear on the problems of the world are not representative of the Senate of the United States. I hope and believe that this is generally understood. But from the way the speeches read, from the intense and zealous efforts of a relatively small group of Senators, I am afraid that the country is getting an unfortunate impression of the economic, political, and social views of Congress in general and the Senate in particular.

My great fear, as we face the difficult, complex problems ahead is not that the Executive will fail; it is not that the judiciary will fail; it is that Congress will fail, and that Congress will fail because its economic, social, and political thinking is 50 years behind the times.

Mr. DWORSHAK rose.

Mr. CLARK. Mr. President, I will not yield for the present; I will yield later.

I suggest that we ought to look at ourselves; that we take a good, hard look at ourselves, to see whether in our tripartite form of government—executive, judicial, and legislative—we are only hitting on two cylinders. The judiciary is doing its job, and it is doing a magnificient job in the support of human rights and human liberty. The decisions of the Warren Supreme Court, in my judgment, will ring down through the annals of liberty for all time to come. I am proud to be a citizen of the United States at a time when Chief Justice Warren is able, with his colleagues, to bring about the great advances in the art of government and in the protection of human liberty, that are recorded in the recent decisions of the Supreme Court of the United States.

I am proud indeed to be a supporter of the Kennedy administration. After 8 wasted years, we are again beginning to get the country moving. Enlightenment has returned to the White House.

However, I suggest that our trouble is now, and has been for some years, and may be for some time to come, I fear, that Congress does not measure up to its responsibility; that it does not appreciate how much the world has changed; that we live in this Chamber in a sort of hermetically sealed box, in which, because we like one another—in fact, because we love one another—we move in a mood and an attitude of self-congratulation which is not justified and which may constitute the greatest single threat to the progress of the republic toward our natural goals of social and economic justice and of world peace.

Mr. President, I yield the floor.

Mr. DWORSHAK. Mr. President, will the Senator from Pennsylvania yield for a question?

Mr. CLARK. I yield.

Mr. DWORSHAK. I am inclined to agree with the comments made by the distinguished Senator from Pennsylvania when he is extremely critical of Congress for inaction. I wonder if the Senator appreciates that there are only 36 Republicans but 64 Democrats in the Senate, and 258 Democratic Members of the House, but only 174 Republicans.

Obviously, if there is any responsibility which is not being carried forward in the discharge of congressional duties, then most of the blame must rest upon the Democratic Party and the Democratic Members of this body.

Mr. CLARK. Is the Senator asking me a question?

Mr. DWORSHAK. Yes; I am asking whether the Senator is aware of that situation.

Mr. CLARK. I think I am as well aware of it as is the Senator from Idaho. I think the Senator from Idaho is as well aware of the following fact as I am: that the name "Democrat" and the name "Republican" tend to mean very little in this body, and have meant very little, at least as long as I have been here and, I suspect, as long as the Senator from Idaho has been here.

The Senator from Idaho knows as well as I do that there are four parties in the Senate. About 45 Senators on this side of the aisle support the Kennedy administration. I like to call them Kennedy men. The remaining Members on this side of the aisle do not generally support the President.

On the other side of the aisle are about 30 Senators who oppose practically everything the President of the United States wants to do. About six, seven, eight, or nine able Senators on the other side of the aisle consider the national interest and vote with us most of the time. That is probably why I consider them first-class Senators. We need those six, or seven Senators to enable us to pass most of the legislation.

Although we did not get a single one of their votes on some of the amendments yesterday, through an extraordinary display of solidarity on this side of the aisle we managed to keep our bill intact even when not a single Republican was willing to vote with us.

Mr. DWORSHAK. If the Senator will examine the RECORD, he will find that the Senator from North Dakota [Mr. YOUNG] voted for the passage of the farm bill.

Mr. CLARK. And several Republican Senators voted for the passage of the public works bill yesterday; however, they did everything possible to wreck it on its way through the Senate. One Republican Senator voted for one of the amendments, and then changed his vote.

Mr. DWORSHAK. The Senator ought to be aware that the leader of his party in the White House recently addressed the annual convention of the United Auto Workers of America at Atlantic City. He made an ardent, fervent appeal for the support of Walter Reuther and his union members to purge some Members of Congress—and that presumes some Democrats in Congress—because they have not lined up in support of the administration of the New Frontier.

So the Senator from Pennsylvania ought to be sympathetic and understand when he makes the charge that there are at least four splinter parties in the United States Senate. Probably that is true. Nevertheless, I hope that the Senator from Pennsylvania will never find himself alined with any majority which might dominate this body at any future time.

Mr. MANSFIELD. Mr. President, the Democrats are grateful to the distinguished Senator from North Dakota [Mr. YOUNG] for voting for the passage of the farm bill, and we are grateful to the five Republicans who joined with us yesterday in the passage of the public works bill. I do not know whether there are four parties in the Senate. There are divisions within the parties. However, I hope that we will forget our party affiliation and on occasion work together for the common good, and not throw charges back and forth on the basis of what is happening in the stock market. I think I can speak impartially on that subject, because I do not own any stock. I recall that for many years people have been saying that the stock market has been too high; that some time the rise will have to stop. I know that industrial production is at a new high; that employment is at a new high; and that profits are reasonably good, and in some corporations are extraordinarily good.

I know that the Government has provided built-in safeguards in the form of the Employment Act of 1946, the extension of unemployment compensation insurance, and the proposal passed yesterday. All of them are supposed to be safeguards against possible recessions in the future.

If any consideration is to be given to the problems which confront the country as a whole, I believe it would be well for us on occasion to forget that we are either Democrats or Republicans, and to be Americans, first.

I do not think the President of the United States should be criticized for trying to grab extraordinary powers, because I know he has not done so, and I know that all Members of the Senate, regardless of the party to which they belong, know that, too, because they served with him in the Senate for 8 years, and many of us also served with him during his 6 years in the House of Representatives.

So I think there is a place to stop; and there is a responsibility which all of us must assume. The interests of the country, rather than the interests of any party, always must come first.

Mr. DWORSHAK. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. Yes, indeed.

Mr. DWORSHAK. I am sure that many Members on the minority side are in complete accord with the sentiments just now expressed by the majority leader.

So far as I am concerned, I commend him for his fine spirit of cooperation and for his efforts to coordinate the work of this body so as to attain objectives vital to the economy and to the survival of our Nation.

Mr. MANSFIELD. I thank the Senator from Idaho for his kind words.

Mr. WILLIAMS of Delaware. Mr. President, I do not wish to become involved in a controversy as to whether there are two or four political parties in the Senate: but I think the majority leader will agree with me when I say we have an excellent two-party system which is a bulwark and a source of great strength for the country.

As evidence that it is a two-party system I call the attention of the Senator from Pennsylvania [Mr. CLARK] to the fact that every Member on the Democratic side of the aisle that was elected to the U.S. Senate in 1960 had the full support of President Kennedy, and, furthermore, those who are running for reelection this year, whether they be in the North or the South, are being supported by President Kennedy. Yes, every Democratic Senator who is running for reelection is being supported by the President, but none of the Republican Senators who are running for reelection have been endorsed by the President.

So I believe it is evident that we have a strong two-party system based on the division in this Chamber by means of the center aisle. That is the way it should be.

I do not criticize the President for supporting the Democratic Senators or for opposing the Republican Senators; but when he does support their election let there be no complaints about the results he gets.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1495, Senate bill 2996, in order that it be laid before the Senate and be made the pending business.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which had been reported from the Committee on Foreign Relations with amendments.

Mr. MANSFIELD. Mr. President, the purpose of having the bill taken up at this time is to have it before the Senate. No action will be taken on the bill today or on Friday, when next we meet. Debate on the bill will begin on Tuesday, June 5, at the conclusion of the morning hour on that day.

POLICIES OF GENERAL SERVICES ADMINISTRATION IN PROCUREMENT OF STRATEGIC MINERALS FOR THE NATIONAL STOCKPILE

Mr. WILLIAMS of Delaware. Mr. President, recently I have been studying the policies of the General Services Administration in its procurement of strategic minerals for our national stockpile.

I have been very much concerned over the terms of some of these contracts wherein it did not appear that the interests of the U.S. Government had been properly protected.

It is recognized that competitive bids were not always possible, and it should be considered that much of this procurement was authorized in an atmosphere of emergency as the result of the then current Korean war. But the fact that an emergency existed did not excuse or relieve either the procurement officials of the Government or the contractors of their responsibility to include in the contracts adequate safeguards to protect the American taxpayers.

This can best be done by the procurement officials' insisting upon competitive bids whenever feasible, and in all instances when such competitive bidding is not feasible all negotiated contracts should carry a proper renegotiation provision whereby original estimates of costs can be reexamined and redetermined after both parties have had the benefit of experience in actual production.

The Symington committee is doing an important job in calling attention to some of the unnecessary costs in our procurement program, and I am confident that before their hearings are concluded they will examine the terms of some of the contracts as they affect our procurement costs.

In this connection I shall today discuss three contracts which were negotiated by the General Services Administration with the Hanna Mining Co., Hanna Nickel Smelting Co., and the M. A. Hanna Co., of Cleveland, Ohio, and shall point out why I do not think that in these particular contracts the best interests of the U.S. Government were properly protected.

At the same time I shall incorporate in the RECORD the comments of the Comptroller General, along with the comments of both the General Services Administration and the Hanna companies.

The Comptroller General's full report on these three contracts of the Hanna companies as submitted to the Congress follows. I concur in the criticisms of the Comptroller General as to the effect of these contracts.

Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks a letter from the Comptroller General under date of April 26, 1961, in which he first called the attention of Congress to these three contracts.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., April 26, 1961.

B-133357.
Hon. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Herewith is our report on the audit of General Services Administration (GSA) contracts DMP-49, 50, and 51 with the Hanna Mining Co., Hanna Nickel Smelting Co., and the M. A. Hanna Co., respectively, of Cleveland, Ohio. The Hanna contracts were executed in 1953 under the Defense Production Act of 1950 (50 U.S.C. App. 2061) to expand the productive capacity and supply of nickel because of the then prevailing shortage.

Our review indicated that the terms of the contracts were consistent with the applicable legislation and that the purpose of the contracts has been fulfilled. Hanna succeeded in expanding the productive capacity and supply for nickel by (1) developing the only significant domestic source of nickel, (2) producing substantial quantities of nickel during a period when there was a shortage of that metal, and (3) distributing nickel to industrial consumers. On the other hand, the contracts presented Hanna the opportunity to (1) utilize nickel deposits which it has controlled since 1943 and on which it had spent over $440,000 prior to the GSA contracts, (2) recover these prior costs through contract operations, (3) develop and prove a process for the production of ferronickel at no cost to itself, (4) acquire facilities established solely for the production of ferronickel under the contract at a nominal cost to itself, (5) develop a commercial market for its product, and (6) become the only significant producer of nickel in the United States using domestic ores.

Several matters of interest in connection with the negotiation and administration of these contracts are discussed in this report. They are:

1. The terms of the contracts resulted in limited financial risks on the part of the Hanna companies.

2. The sale of ore to the Government at fixed prices without provision for price redetermination does not appear to be appropriate for these contracts.

3. The terms of one of the contracts permit Hanna to acquire clear title to a smelter constructed with Government funds of over $22 million by paying the Government the estimated salvage value of the facilities (about $1,700,000). There now are indications that the smelter may have a commercial value after the contract is completed, and we suggest that the Administrator of General Services enter into negotiations with Hanna to attempt to provide for additional payments to the Government if commercial operations are continued at the termination of the smelting contract. GSA has informed us that Hanna has given no indication of any willingness to make a payment beyond its contract obligation. Hanna takes the position that any additional value would be its compensation for operating the smelter at no profit.

4. We believe that GSA's practice of not selling ferronickel at prices based on the market price of nickel, because such prices would be less than it pays for the material, has contributed to the cessation of sales of ferronickel to industry. We are recommending that the Administrator of General Services confer with the Office of Civil and Defense Mobilization (OCDM) regarding the changed nickel supply conditions which might make it advisable for GSA to dispose of the ferronickel inventory. GSA has informed us that it is in the Government's interest not to sell ferronickel from Government inventories since such action might interfere with a possible takeover of the plant by Hanna. OCDM has apprised us that it has offered other types of nickel for sale but not all the nickel offered has been sold and that there is no reason to believe that industry would have shown any preference for ferronickel.

In addition, the contract with the Hanna Mining Co., under which most of Hanna's profits on the entire project are earned and which contains a negotiated fixed price, does not contain an adequate examination of records clause. Therefore, we were unable to review the contractor's records in order to evaluate the cost and profit factors making up the fixed price. There is no legal requirement that contracts negotiated under the authority of the Defense Production Act of 1950, as amended, contain a clause permitting the Comptroller General to have access to pertinent records of the contractor. Accordingly, the Congress may wish to consider amending the Defense Production Act of 1950 to provide that contracts negotiated pursuant to that act contain an examination of records clause.

This report is also being sent today to the President of the Senate. Copies are being sent to the President of the United States; the Administrator of General Services; and the Director, Office of Civil and Defense Mobilization.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. WILLIAMS of Delaware. Mr. President, in the letter the Comptroller General cited three pertinent points. He called attention to the facts that first, the terms of the contracts resulted in limited financial risks on the part of the Hanna Cos.; second, the sale of ore to the Government at fixed prices without provision for price redetermination does not appear to be appropriate for these contracts; and third, the terms of one of the contracts permit Hanna to acquire clear title to a smelter constructed with Government funds of over $22 million by paying the Government the estimated salvage value of the facilities—about $1,700,000.

Mr. President, I may say here that I fully agree with the conclusion of the Comptroller General that in fixing the price for the ore—which in that instance was $6 a ton—the contract should have included a provision whereby the Comptroller General or the General Services Administration could have reexamined the contract, and then, if warranted, it could have been renegotiated and a different price arrived at.

It is true that the law did not specifically require that contracts made pursuant to the Defense Production Act contain an examination of records clause. Nevertheless, I do not think that is any excuse for the failure to include such a provision in the original contract. The inclusion of such a provision should have been insisted upon.

Mr. President, in the second contract the cost of depreciating the value of a plant which cost the Government around $22 million, was included in the cost of the nickel being sold to the Government, along with the cost of the ore and the other manufacturing costs. All of this was passed on to the Government when it purchased the products from the companies. Therefore, it can correctly be said that by allowing for the amortization of the plant in the cost of the finished product—the nickel—the Government had paid for the plant to the extent of its original value down to its present salvage value of approximately $1,700,000. Again, I do not think the best interests of the Government were protected when a clause was included in the contract under which the company had an option to buy the plant at its present depreciated value of about $1,700,000 without any regard to its original valuation. This is a most important point. This clause, in my opinion, does not properly protect the Government's interests, and I concur in the Comptroller General's criticism.

Next, Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks the introductory statement by the Comptroller General as to the background of the contracts. This report contains a brief analysis of the contracts, a summary of the manner in which they were negotiated, and a summary of the terms of the three contracts, which are designated as "DMP-49," "DMP-50," and "DMP-51."

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT ON AUDIT OF GENERAL SERVICES ADMINISTRATION CONTRACTS DMP-49, 50, AND 51, WITH THE HANNA MINING CO., HANNA NICKEL SMELTING CO., AND THE M. A. HANNA CO., CLEVELAND, OHIO

The General Accounting Office has made an audit of General Services Administration (GSA) contracts DMP-49, 50, and 51 with the Hanna Mining Co., Hanna Nickel Smelting Co., and the M. A. Hanna Co., respectively, of Cleveland, Ohio. All of these contracts were dated January 16, 1953, and are still in effect. The audit was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67). The scope of the audit work performed is described on page 20 of this report.

INTRODUCTION

Contracts DMP-49, 50, and 51 were entered into by the Defense Materials Procurement Agency (DMPA) on January 16, 1953, pursuant to the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061), for the purpose of expanding the productive capacity for nickel and the supply of nickel available to the United States. DMPA was established in August 1951 by Executive Order 10281 as an independent agency to carry out certain provisions of the Defense Production Act of 1950, principally those designed to encourage the increased production of strategic and critical materials. The Administrator of GSA was also the Administrator of DMPA. DMPA was abolished in August 1953 by Executive Order 10480, and its personnel, records, and principal functions were transferred to GSA. The Administrators of GSA from the time of the execution of these contracts to the present time were:

Jess Larson, July 6, 1949, to January 29, 1953.

Russell Forbes (acting), January 30, 1953, to April 30, 1953.

Edmund F. Mansure, May 1, 1953, to February 29, 1956.

Franklin G. Floete, March 5, 1956, to January 20, 1961.

John L. Moore, February 6, 1961, to present.

The Office of Defense Mobilization (ODM) was responsible for formulating industry expansion programs and determining the extent of expanded capacity required under the Defense Production Act of 1950, as amended. That agency was merged with the Federal Civil Defense Administration on July 1, 1958, and is now known as the Office of Civil Defense Mobilization (OCDM). The Directors of these organizations from 1950 to the present were:

Charles E. Wilson, December 16, 1950, to March 31, 1952.

John R. Steelman (acting), April 1, 1952, to September 4, 1952.

Henry Fowler, September 5, 1952, to January 20, 1953.

Arthur S. Flemming, January 22, 1953, to March 14, 1957.

Gordon Gray, March 15, 1957, to June 30, 1958.

Leo A. Hoegh, July 1, 1958, to January 20, 1961.

Frank B. Ellis, March 7, 1961, to present.

These contracts were made with three interrelated Hanna Cos.—the Hanna Mining Co. and Hanna Nickel Smelting Co. being subsidiary companies of the M. A. Hanna Co. Prior to these contracts, no substantial quantities of nickel were produced in the United States. To expand the nickel supply for defense purposes, the contracts with the Hanna Cos. provided among other things that—

1. The Hanna Mining Co. would develop a nickel-bearing ore deposit at Riddle, Oreg.; mine the ore; and sell the ore to the Government at fixed prices. (See discussion on contract DMP-49.)

2. The Hanna Nickel Smelting Co. would construct a smelting facility at Riddle, Oreg.; purchase the ore from the Government at the same price that the Government paid for the ore; and process the ore into ferronickel for sale to the Government. (See discussion on contract DMP-50.)

3. The M. A. Hanna Co., as agent for the Government, would sell the Government's ferronickel to industrial users and receive a commission for the ferronickel sold. (See discussion on contract DMP-51.)

SUMMARY

Our review indicated that the terms of the contracts were consistent with the applicable legislation and that the purpose of the contracts has been fulfilled. The Hanna companies succeeded in expanding the productive capacity and supply for nickel by developing the only significant domestic source of nickel, producing substantial quantities of nickel during a period when there was a shortage of that metal, and distributing nickel to industrial consumers. On the other hand, these contracts presented Hanna the opportunity to (1) utilize nickel deposits which it has controlled since 1943 and on which it had spent over $440,000 prior to the Government's nickel expansion program, (2) recover these prior costs through contract operations, (3) develop and prove a process for the production of ferronickel at no cost to itself, (4) acquire facilities established solely for the production of ferronickel under the contract at a nominal cost to itself, (5) develop a commercial market for its product, and (6) become the only significant producer of nickel in the United States using domestic ore deposits.

Our examination disclosed several matters of interest in connection with the negotiation and administration of the contracts. These matters are summarized below and are described in more detail in subsequent sections of this report.

Limited financial risk to Hanna companies

Although other contracts made by GSA under the Defense Production Act of 1950 that we have reviewed limited in varying degrees the financial risks of the contractors, the Hanna mining and smelting contracts eliminated practically any risk of financial loss to the Hanna companies. Under the Hanna contracts the Government guaranteed virtually all the contractor's capital investment and provided a market for all the contractor's production at prices which virtually precluded operating losses.

Fixed sales price of ore without redetermination not appropriate for these contracts

The mining contract provides a basic fixed price of $6 a ton for the sale of ore to the Government subject only to escalation of certain base costs and premiums or discounts for variances in the nickel content of the ore. The price was based on estimates submitted by Hanna, prior to actual operations, which indicated a rate of profit of about 90 percent of costs before taxes. Since the contract precludes GSA from examining the financial results of the mining operation, GSA is not in a position to ascertain the reasonableness of the estimate upon which the fixed price was established. In view of the uncertainties surrounding the feasibility of the smelter operation and the absence of cost information on the mining operations at the time these contracts were negotiated, it is our opinion that the contracts should have provided for reexamination of the costs and profits relating to both the mining and the smelting operations at the end of the specified trial period with a view to possible price redetermination.

Right to acquire smelter at a price considerably below indicated value

The smelting contract permits Hanna to acquire clear title to the smelting facilities costing about $22 million by paying the Government the estimated salvage value of the facilities (about $1,700,000) after the Government's advance has been amortized. Changed conditions now indicate that the smelting facilities may have a commercial value for a number of years after the contract expires. We are suggesting, therefore, that the Administrator of General Services enter into negotiations with Hanna to attempt to provide for additional payments to the Government if commercial operations are continued after termination of the smelting contract. GSA has informed us by letter dated November 14, 1960, that Hanna has not indicated any willingness to make a payment above its obligation under the contract. Hanna, in a letter dated October 31, 1960, pointed out that it agreed to operate the smelter at no profit and that, if the plant was worth more than the option price, the additional value would be compensation for operating the smelter.

Mining contract does not permit Government access to all pertinent records

The examination of records clause of the mining contract does not permit the Government to have access to the contractor's financial statements and cost records pertaining to operations under this contract. Accordingly, neither GSA nor we could evaluate the reasonableness of the cost and profit factors making up the fixed price under this contract which was negotiated without advertising in the absence of competition.

Contracts made pursuant to the Defense Production Act of 1950 are not required by law to contain an examination of records clauses. In order that we might better review the use by GSA and other Government agencies of the broad negotiating authority made available by the Defense Production Act, we believe it necessary to review the operations of contractors pertaining to contracts negotiated under the act. Accordingly, the Congress may wish to consider amending the Defense Production Act of 1950 to provide that such contracts contain a clause permitting the Comptroller General to have access to any pertinent records of the contractors.

GSA's sales practice has contributed to the cessation of ferronickel sales to industry

GSA's practice of not selling ferronickel at prices based on the market price of nickel metal has contributed to the cessation of the sales of ferronickel to industry, although the Government contemplated that the ferronickel produced under the subject contracts would be sold to industry, and the principal purpose of contract DMP-51 with the M. A. Hanna Co. was to accomplish such sales. As a result, Government funds are being increasingly tied up in unneeded inventories of ferronickel, which at September 30, 1960, totaled $57.3 million. GSA has informed us that a policy directive issued by OCDM prevented the sale by GSA of ferronickel at prices based on the market price of nickel. Since the directive was issued, the nickel supply situation has changed drastically and the defense stockpile goals for nickel have been exceeded.

To reduce the Government's large and rapidly growing investment in ferronickel inventories, we are recommending that the Administrator of General Services confer with OCDM regarding the changed nickel supply conditions which might make it advisable for GSA to dispose of the ferronickel inventory.

Mr. WILLIAMS of Delaware. Mr. President, in the summary the Comptroller General states in connection with the purchase of the plant:

The smelting contract permits Hanna to acquire clear title to the smelting facilities costing about $22 million by paying the Government the estimated salvage value of the facilities (about $1,700,000) after the Government's advance has been amortized. Changed conditions now indicate that the smelting facilities may have a commercial value for a number of years after the contract expires.

And therefore the Comptroller General suggested that the Administrator of the General Services Administration enter into negotiations with Hanna to see what could be done in regard to getting a more favorable settlement from the standpoint of the Government. However, again I emphasize that there is no excuse why such provisions protecting the Government were not included in the original contract.

Continuing, the Comptroller General criticizes the way in which the mining contract did not provide a clause which permitted the Government access to pertinent records for reexamination and redetermination as to costs. The fixed price of $6 per ton without renegotiation provisions was not in the best interest of the Government.

On that point the Comptroller General was very critical that adquate protection was not in the contract and also that the company would not now agree to allow the Comptroller General to examine the records.

This fixed price of $6 for the ore also had a tax advantage, as pointed out in the Comptroller General's report, in that it allowed a greater portion of Hanna's profit to be accrued under the allowable depletion for this type of ore.

Under these contracts the contractor could not lose. The Government was assuming all the risk.

At this point, I ask unanimous consent to have inserted in the RECORD as a part of my remarks that portion of the Comptroller General's report entitled "Contract Background."

There being no objection, the contract background was ordered to be printed in the RECORD, as follows:

CONTRACT BACKGROUND

NEED FOR THE CONTRACTS

The United States is the largest consumer of nickel in the free world. In 1952, prior to the Hanna contracts, domestic consumption was about 200 million pounds but domestic production was only about 1.2 million pounds a year (excluding scrap). Domestic nickel requirements were met principally from Canadian sources and from a U.S. Government-owned facility in Nicaro, Cuba.

With the start of the Korean war, increased military and civilian demand created a shortage of nickel which necessitated Government controls over the use of this metal and programs to increase the supply available to the United States. On January 4, 1952, the Office of Defense Mobilization established an industry expansion goal (program) to increase the supply of nickel available to the United States. Under this program, incentives, such as guaranteed loans, advances, and purchase contracts, were offered to industry to encourage expansion of its productive capacity for nickel.

The Hanna contracts were made, under the expansion program, to develop a domestic source of nickel and thus help alleviate the shortage of nickel in the United States. The contracts were aimed at established facilities capable of producing between 13 and 21 million pounds of contained nickel a year.

CONTRACT NEGOTIATIONS

About 2 weeks after the nickel expansion goal was announced by ODM, the M. A. Hanna Co. informed DMPA that it had property under lease near Riddle, Oreg., containing proven quantities of nickel-bearing ore, that it had conducted research and tests of ore treatment methods, and that it had made certain preliminary arrangements regarding the facilities needed for production of ferronickel.

Subsequent informal discussions were held between the M. A. Hanna Co. and the Government, and on June 27, 1952, the Hanna Mining Co.,[1] a subsidiary of the M. A. Hanna Co., submitted a formal proposal to the Government whereby Hanna would finance the mining operations and the Government, through advances of funds, would finance the smelting operation.

This proposal was reviewed for essentiality by the Government, and in a report dated July 2, 1952, it was recommended that a contract acceptable to Hanna be made because of the pressing demand for nickel and in view of the fact that the Hanna deposit appeared to be the only nickel deposit in the United States which might provide important quantities of nickel for defense purposes. The report stated that the recommendation was made despite indicated high costs and uncertainties caused by a lack of adequate testing, which would ordinarily warrant the complete rejection of the proposal.

Negotiations continued during the subsequent year and were culminated on January 16, 1953, when the three contracts were signed.

CHARACTER OF CONTRACTUAL ARRANGEMENT

Under the contract with the Hanna Mining Co., the Government agreed to buy a specified quantity of nickel-bearing ore at a fixed price including profit. Under the contract with the Hanna Nickel Smelting Co., the Government agreed (1) to sell to the smelting company all the ore purchased from the mining company at the same price the Government paid for the ore and (2) to purchase specified quantities of ferronickel produced from the ore at a price which included the cost of smelting and the cost of the ore but which did not include any profit to the smelting company. Therefore, all the profits anticipated under these contractual arrangements were included in the sales price of the ore paid to the Hanna Mining Co. The GSA negotiation file indicates that this arrangement was made at Hanna's insistence, apparently for income tax purposes. Under this arrangement, a greater depletion allowance is available to the Hanna companies than might be the case if the mining company sold the ore directly to the smelting company. GSA's records indicate that the Government negotiators sought to negotiate one contract to cover both the mining and the smelting operations but that Hanna refused to contract on that basis.

The use of separate contracts with the Hanna companies for mining and smelting differed from other contracts made by the Government under the Defense Production Act of 1950 that we have reviewed in that other DPA contracts of a similar nature consisted of single contracts to purchase end products. In this case the only product desired by the Government was ferronickel.

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[1] At the time the contracts were negotiated and signed, the company was known as the Hanna Coal & Ore Corp. The company changed its name to the Hanna Mining Co. in 1958.

CONTRACTOR'S COMMENTS

By letter dated October 31, 1960, Hanna advised us that "the reason for the separate contracts actually was dictated by several other considerations. Preeminent among those was the fact that the mining operation was to be a wholly Hanna venture, whereas the smelter operation was to be entirely for the account of the Government as to capital and operating costs, risks of the venture, etc. That basic arrangement automatically suggested separate contracts. Additional considerations were the avoidance of allocation problems and the separation of liabilities, including the lien in favor of the Government which was to cover only the smelter properties and secure performance of only the smelting contract. In our opinion, these were persuasive reasons which required separate contracts regardless of depletion considerations."

While the considerations stated above may have led Hanna to insist on separate contracts for the smelting and mining operations, we believe that all of these considerations could have been met, including separate contracts, without allocating all profits to the mining company.

PARTICIPATING COMPANIES

The contracts involve three separate but interrelated Hanna companies and the Government negotiated all the contracts with the same representatives of the Hanna companies.

The M. A. Hanna Co., with which the Government has the contract for the sale of ferronickel to industry, is concerned principally with the management of various subsidiary and affiliated companies.

The Hanna Mining Co., which developed and operates the mine near Riddle, Oreg., also controls a number of subsidiary companies engaged in mining, shipping, and docking, and mineral exploration activities and also engages in mining operations on its own account. At the time the contracts were signed, the M. A. Hanna Co. owned a majority of the capital stock of the Hanna Mining Co. and the remaining stock was closely held by officers and directors of the Hanna companies.

Hanna Nickel Smelting Co., which owns and operates the smelting facilities in this project, is a wholly owned subsidiary of the Hanna Mining Co. and was chartered in accordance with the laws of the State of Delaware on January 15, 1953. The company's sole activity consists of operating the smelting facility in accordance with contract DMP–50. Management services for the Hanna Nickel Smelting Co. are provided by the M. A. Hanna Co., for which the former pays the latter the sum of $100,000 a year.

Mr. WILLIAMS of Delaware. Mr. President, later in this report the Comptroller General outlines—and I think Members of the Senate as well as of the Symington committee may be interested in this—the principal provisions of the three contracts as they affect both the Government and the company.

I ask unanimous consent to have printed in the Record as a part of my remarks the principal contract provisions of the three contracts, DMP 49, 50, and 51.

The provisions were ordered to be printed in the Record, as follows:

Principal Contract Provisions

The principal terms of the three contracts, as amended, are as follows:

DMP–49, THE HANNA MINING CO.

1. The contractor was, at its own expense, to open, develop, and equip its mining property on Nickel Mountain, in Douglas County, Oreg., at an estimated cost of $3,800,000.

2. The contractor agreed to mine and sell to the Government and the Government agreed to buy such aggregate quantity of ore as may be required by the smelter and the Government agreed to pay for the ore based on its nickel content. Ore analyzing 1.5 percent nickel was to be paid for at the rate of 20 cents per pound of contained nickel (equivalent to $6 a ton) with a premium and discount based on variances in the percent of nickel content. The price was subject to adjustment (escalation) based on variances between specified base costs and certain Department of Labor indices. The price was intended to cover mine development costs, mining costs, and profit.

3. The contract was to expire when the specified quantities of ore had been delivered or at June 30, 1962, whichever was earlier. In addition, the mining contract could be terminated if the smelting contract was terminated.

DMP–50, HANNA NICKEL SMELTING CO.

1. The Government was to advance to the contractor all the funds required to construct and operate a facility to produce ferronickel using the ore mined by the mining contractor. The construction (or capital) advance was limited to $22,875,000 and the operating (or working capital) advance was limited to $3,750,000. Both advances were to bear interest at the rate of 5 percent a year on the unpaid balance.

2. The Government agreed to sell to the smelting contractor and the contractor agreed to buy at cost all the ore the Government purchased from the mining contractor under contract DMP–49.

3. The contractor agreed to sell to the Government and the Government agreed to purchase all salable ferronickel produced up to a maximum of 125 million pounds of nickel contained in ferronickel at prices to be based on costs of production, including the cost of the ore and the interest on the Government's advances. Also, the price of the first 95 million pounds of contained nickel sold to the Government included a factor which would enable the contractor to repay the full amount of the construction advance. There was no provision for profit. These prices were limited to specified ceilings which were subject to escalation upward or downward based on Department of Labor and other indices. The total estimated Government commitment to purchase ferronickel was about $111,500,000.

4. A new and untried process was to be used to produce ferronickel, and the smelting contract permitted certain preliminary periods of testing to be conducted by the contractor in order to establish the technical proficiency of the production process.

5. The smelting contract could be terminated under various circumstances. The principal circumstances follow. The contract was subject to termination by the contractor (a) at any time upon payment of the unpaid balance of the Government's advances with interest, (b) if the Government breached either the mining or the smelting contract, and (c) if the contractor determined that the process was not technically feasible. Technical feasibility was defined as the estimate of the contractor that the facility was capable of converting ore into salable ferronickel in the quantities required by the contract, at costs not in excess of the applicable contract ceiling prices. The Government could terminate the contract if the contractor breached the mining contract or the smelting contract.

6. If the contract was terminated by the contractor under any of the above circumstances, except technical infeasibility, the contractor had the option of (a) conveying all assets of the smelting company to the Government in consideration of canceling its liability to the Government for unpaid advances and accrued interest or (b) repaying the balance of the advances with accrued interest, plus paying the Government an amount equal to 7½ percent of the construction advance, and retaining title to the smelting plant.

7. If the contract was terminated because of technical infeasibility, the contractor was required to convey all assets of the smelting company to the Government and the Government was required to cancel the contractor's liability for the advances and accrued interest thereon.

DMP–51, THE M. A. HANNA CO.

1. The contractor was to sell for the account of the Government ferronickel produced under contract DMP–50, and such other Government-owned material as was authorized. For such services the contractor was to be compensated at the rates customary in the trade. By a separate agreement the contracting parties agreed to a sales commission of one-fourth of 1 cent per pound of nickel sold.

2. The contractor, as the parent company of the contractor under DMP–50, guaranteed the Government against loss in the event of patient infringement by the smelting company and acted as surety in regard to the expenditure and repayment of funds advanced to the smelting company.

Mr. WILLIAMS of Delaware. The Comptroller General's report contains a summary of contract DMP–49 and DMP–50. This summary outlines in full the amount advanced by the company and by the Government and a list of the pounds of ferronickel sold to the Government over the respective years. The report shows that about 95 million pounds of ferronickel has been produced at a cost to the Government of $90,545,000 over the period of 7 or 8 years.

I ask unanimous consent that the summary of the contract operations be printed in the Record at this point as a part of my remarks.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary of Contract Operations

MINING CONTRACT (DMP–49)

Development of the mining facilities at Riddle, Oreg., began in March 1953 and was substantially completed by the end of 1955. The principal elements of the development included the erection of an aerial tramway from the mine at the summit of Nickel Mountain to the smelting plant in the foothills below, the installation of crushing and screening equipment, and the purchase of mining equipment.

The contract contained an estimate that $3,800,000 would be required for mine development; actual costs totaled $3,500,000, including $441,000 for exploration and research incurred by Hanna prior to contract negotiations with the Government.

The nickel ore is extracted by an open pit mining operation which consists of scooping the ore from the surface of the earth with diesel shovels. The ore is transported by truck to a screening plant where it is crushed and screened. It is then transported on an aerial tramway to the smelting plant about 8,000 feet down the mountain from the mining facility. The ore produced by the mine is converted to ferronickel in the smelter owned and operated by the Hanna Nickel Smelting Co. There are currently no commercial sales of this ore.

GSA makes no direct payments to the mining company for the ore, since the cost of the ore to GSA is included in the price it pays to the smelter for ferronickel.

SMELTING CONTRACT (DMP-50)

The smelting facilities were constructed for the Hanna Nickel Smelting Co. under a cost-type subcontract which provided for a maximum fee of $935,000. The plant was substantially completed in 1954; however, it was not brought to full productive capacity until early in 1956. This delay was to provide a period for testing the feasibility of the smelting process in accordance with the terms of the smelting contract. The completed plant cost about $22,800,000 including interest during construction and break-in periods of about $730,000 and the fee paid to the subcontractor of $934,000. Also included in the $22,800,000 cost of the facilities was land turned over to the smelting company by the mining company valued at $32,000. Except for the land, all construction costs were paid from advances made by GSA.

Production began at the smelter in August 1954 on an experimental basis. After the break-in and testing periods, production steadily increased and by 1958 had reached the annual rate of over 20 million pounds of nickel contained in ferronickel. The following tabulation shows the quantities produced and the cost of ferronickel to the Government (including the cost of ore) since the start of operations:

Calendar year	Ferronickel sold to Government	
	Pounds of contained nickel	Cost to the Government
1954	320,000	$207,000
1955	6,290,000	7,738,000
1956	11,020,000	10,345,000
1957	17,427,000	17,994,000
1958	22,067,000	21,879,000
1959	21,115,000	17,933,000
1960 (9 months)	17,088,000	14,449,000
Total	95,327,000	90,545,000

The end product of the smelting operation, ferronickel, is a combination of iron and nickel. Ferronickel had not been produced in the United States on a commercial scale prior to the start of operations under this contract and is a relatively new product. It is used for alloying purposes principally in the production of stainless steel and for heavy plating.

In producing ferronickel, Hanna employs a technique known as the Ugine process, discovered by a French company before the Hanna project was started. Hanna contracted with the French firm for use of the process in March 1953 and pays a royalty ranging from about 1 cent to almost 2 cents per pound of nickel produced.

The GSA negotiation file indicates that it was the Government's intention to have the Hanna Nickel Smelting Co. operate on a break-even basis. The company had incurred a loss on smelting operations through 1956, and at the contractor's request the smelting contract ceiling price was increased to permit the contractor to recover these losses and operate on a break-even basis in the future.

For the purpose of recovering the operating loss on smelter operations, Hanna in a letter to GSA dated November 13, 1956, proposed amendments to the smelting contract to provide principally for (1) an increased ceiling price, and (2) an additional advance of $1 million for capital installations estimated to enable Hanna to reduce production costs. Hanna stated that unless the contract ceiling price was increased it would be obliged to make a negative determination of the technical feasibility of the smelting operation and discontinue production. In that event, as Hanna pointed out in its letter, it was permitted to terminate the contracts, and the Government would have to take over the smelting company's facilities and other assets, cancel the smelting contractor's liability to GSA for unpaid advances, assume all losses incurred by the smelting contractor, and reimburse the mining contractor for its unrecovered mine development costs. By the end of 1956 the loss on smelting operations totaled $1.9 million.

Negotiations for the increased ceiling price resulted in a formal contract amendment dated November 8, 1957. The principal provisions of the amendment were (1) an increase in the ceiling price from 60.5 cents to 75 cents per pound of contained nickel in ferronickel, subject to escalation, (2) an increase of $875,000 in the authorization for capital advances, and (3) that the contractor make a favorable determination that the smelting facilities were capable of producing the required quantities of ferronickel within the limits of the ceiling price. During the period of negotiations for an increase in the ceiling price, GSA authorized temporary increases in the ceiling on a month-to-month basis in order to avoid further operating losses. For the 9 months during which this arrangement was in effect, payments to Hanna in excess of the contract ceiling price totaled $1.2 million.

Immediately subsequent to the upward revision of the smelting contract ceiling price, the smelting company experienced a sharp reduction in unit production costs. The increase in the ceiling price and the reduced production costs enabled the contractor to recover all the operating losses incurred prior to the contract amendment within a short period of time. The Hanna Nickel Smelting Co.'s statements show that on September 30, 1957, the deficit on smelting operations amounted to about $1.9 million; by December 31, 1957, this deficit had been reduced to about $1.7 million; and by September 30, 1958, the entire deficit had been recovered. It was possible for the contractor to recover past operating losses because the smelting contract provides that such losses can be included as an element of future production costs. After the deficit had been recovered, the ferronickel produced was sold to GSA at Hanna's current production cost plus a charge for the amortization of capital advances made by GSA. The capital advances were fully amortized by September 30, 1960, and ferronickel produced after that date will be sold to GSA at Hanna's production costs which, for the 9-month period ended September 30, 1960, were about 60 cents a pound.

SALES AND GUARANTEE CONTRACT (DMP-51)

Sales of the ferronickel produced under contract DMP-50 to industrial users began in the fall of 1955 and were made for GSA's account by the M. A. Hanna Co. in accordance with the terms of contract DMP-51.

Following is a summary of the sales of contained nickel made by the M. A. Hanna Co. under this contract:

Calendar year	Sales of ferronickel		
	Pounds of contained nickel	Average unit price	Sales
1955	996,000	$0.925	$921,000
1956	14,080,000	1.20	16,922,000
1957	15,264,000	1.18	17,948,000
1958	1,000	1.00	1,000
1959			
1960			
Total	30,341,000		35,792,000

The ferronickel purchased by GSA which has not been sold has been stored at GSA depots or at the contractor's plant.

Initially the selling price for the ferronickel was designed to return to the Government the same price paid by GSA for the material. However, this policy was revised for sales made in the first quarter of 1956, at which time sales were made at a higher-than-cost price in order to provide a reserve for losses then being incurred by the smelting contractor, which losses the Government expected to absorb. Subsequently, the sales price was again adjusted to cover only GSA's purchase cost for the material.

GSA records show, as indicated in the following tabulation, a profit on the sale of ferronickel produced under contract DMP-50 for the period from inception of the contract through December 31, 1958.

Sales	$35,792,000
Cost of sales	[1] 31,473,000
	4,319,000
Commission to the M. A. Hanna Co.	76,000
Other costs (handling, storage, etc.)	90,000
	166,000
Profit on sales	[1] 4,153,000

[1] Through the end of calendar year 1957 the smelting company had incurred costs in excess of the ceiling prices charged to the Government of about $1,727,000. These excess costs were charged to the Government in subsequent periods during which operating costs were less than the ceiling prices. The profit as shown above is therefore overstated by the amount of these excess costs incurred during the period when the sales were made but which, under the terms of the contract, were not charged to GSA until a subsequent period.

Hanna, in a letter dated October 7, 1960, stated that, after considering the profit on the above sales and the salvage value of $1,700,000 for the plant, according to its calculations the average cost of the Government's ferronickel inventories would approximate the present market price so that in the normal course of events the Government ought to recover substantially its entire investment under these contracts. We have reviewed the calculations prepared by Hanna which show that, if the contract is carried to completion, the net value of the ferronickel in inventory will be 74.72 cents a pound. Estimates prepared by GSA as of June 30, 1960, show an estimated sales price for ferronickel of only 71.5 cents a pound which would result in a loss of over $3 million on the operations of this contract. In addition, GSA has paid freight and other costs of over $1 million on the ferronickel which was not included in the Hanna calculations. See also page 18 on the difficulties connected with disposing of the ferronickel inventories.

Mr. WILLIAMS of Delaware. The Comptroller General concluded his report by commenting on the different provisions of the contract. This includes both the Comptroller General's comments on the three contracts, his suggestions for correction of the existing law, the comments from the General Services Administration, and comments from the M. A. Hanna Co.

I ask unanimous consent that these various comments on the contract provisions be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

COMMENTS ON CONTRACT PROVISIONS

LIMITED FINANCIAL RISK TO HANNA COMPANIES

Although other contracts made by GSA under the Defense Production Act of 1950 that we have reviewed limited in varying degrees the financial risks of the contractors, the Hanna mining and smelting contracts eliminated practically any risk of financial loss to the Hanna companies. Under the Hanna contracts the Government guaranteed virtually all the contractors' capital investment and provided a market for all the contractors' production at prices which virtually precluded operating losses.

The means by which Hanna's financial risks under these contracts were limited are discussed below.

Safety of capital investment

The major part of the funds required for the project, those needed to construct the smelting facilities, were made available by the Government in the form of an advance against production. Hanna's investment was limited to the relatively small cost of the mining facilities. The Government's advance for construction was to be repaid by the smelting contractor from the proceeds of the sales of ferronickel to the Government. The contract price for the first 95 million pounds of contained nickel sold to the Government contained a specific provision for full repayment of the construction advance.

The following tabulation compares Hanna's and the Government's investment in the Riddle, Oreg., nickel project.

Investment by—	Mining facilities	Smelting facilities
Hanna	[1] $3,500,000	$33,000
U.S. Government		22,300,000
Total	3,500,000	22,333,000

[1] Includes about $400,000 expended by Hanna for exploration and research prior to the start of contract negotiations with the Government.

In addition, the Government advanced to Hanna all funds needed for working capital in the smelting operation. The working capital advance was limited to a maximum balance of $3,750,000.

Hanna's investment in the mining facilities of $3,500,000 was fully guaranteed by the Government if the smelting process failed. The investment was not guaranteed if Hanna breached either the mining or the smelting contract or terminated the contracts by early repayment of the Government advances. In addition to guaranteeing Hanna's investment in the mining facilities, the contracts also provide, in the event of Government breach, that a portion of the anticipated total profit under the mining contract would be paid to Hanna as damages. GSA has estimated that if the mining contract is carried through to completion the contractor will have a cash return of about three times its capital investment in the mine facilities through sale of ore to GSA. Since Hanna had estimated that the ore reserves at Riddle would last about 20 years, we believe that the recovery of its capital investment was virtually assured.

Since the smelting facility was to use a new and untried process, it was provided that, if operations proved infeasible, the contracts could be terminated by Hanna, all advances would be canceled by GSA, and the assets of the smelting company would be conveyed to the Government. If the contracts were so terminated, Hanna could lose only its investment of about $33,000 in the smelting company.

Market for production provided by the Government

A market for all the contractors' production over a 7-year period was assured since the mining contract required the Government to purchase ore sufficient to meet the requirements of the smelting contractor and the smelting contract required the Government to purchase the contractor's entire production of ferronickel up to a maximum of 125 million pounds of nickel in ferronickel.

Operating losses improbable

The pricing provisions of both the mining and the smelting contracts limit the likelihood that either contractor would operate at a loss.

Based on estimates submitted by the contractor, the fixed price for ore under the mining contract would provide a high profit margin. The estimated operating figures submitted by Hanna in 1952 indicated a rate of profit before taxes, on the $6 a ton ore price, of about 90 percent of cost or about 47 percent of sales price. In addition, Hanna's experience in mining operations should have enabled it to make accurate cost estimates pertaining to its mining operation.

Hanna, in a letter dated October 7, 1960, stated that after taxes the estimated rate of profit referred to above would be more on the order of 25 percent of sales which according to Hanna is a recognized level of profit in extractive industries where the nature of the business involves wasting assets.

The ceiling price to be paid to the smelting company for ferronickel was set at a rate estimated to cover all the contractor's operating expenses, as it was the Government's intention to have the smelting contractor operate on a break-even basis. The contractor was given a trial period (from inception of the contract through September 25, 1957) during which it could determine whether or not the smelter could operate economically within the ceiling prices If the contractor decided to terminate the contract because of uneconomical operations, the Government was obliged to bear any losses which had been incurred during the trial period.

Both contracts recognized the possibility of rising operating costs because of wage increases and increases in other costs and contained escalation provisions for raising the contractors' selling prices in proportion to increase in Department of Labor and other indexes.

Although the contractors appear to have been adequately protected against any losses under these contracts, the Government was in a position to lose more than $20 million if the smelting process proved infeasible during the first year of operation. The loss would have been progressively less, the longer the smelter was in operation. Had the process been a failure, GSA was obligated to (1) take over the smelting facilities in lieu of repayment of advances, (2) reimburse the mining contractor for its unrecovered mine development costs, (3) bear any operating losses incurred by the smelting contractor, and (4) assume the liability for power commitments.

Also, since the Government had to purchase the entire output of the smelter, it had to find markets for the ferronickel in order to avoid having funds tied up in inventories.

GSA and contractor's comments

In a letter dated November 14, 1960, GSA stated that Hanna was unwilling to assume any significant risk in view of the fact that the process was not completely determined as feasible on a commercial scale at the time the contracts were signed. Hanna in a letter dated October 7, 1960, also pointed out that, because of the defense requirements for nickel at the time the contracts were signed, it agreed at the insistence of the Government to produce ferronickel on a commercial scale without first conducting normal pilot plant tests. Because of this circumstance, Hanna believes that its reluctance to assume any material financial risk was justified.

FIXED SALES PRICE OF ORE WITHOUT REDETERMINATION NOT APPROPRIATE FOR THESE CONTRACTS

The mining contract provides a basic fixed price of $6 a ton for the sale of ore to the Government subject only to escalation of certain base costs and premiums or discounts for variances in the nickel content of the ore. The price was based on estimates submitted by Hanna, prior to actual operations, which indicated a rate of profit of about 90 percent of costs before taxes. Since the contract precludes GSA from examining the financial results of the mining operation, GSA is not in a position to ascertain the reasonableness of the estimate upon which the fixed price was established.

Hanna views the mining operation as a venture separate and distinct from the Government-sponsored smelting operation. The contractor states that the Government assumed the risk in the mining operation only to the extent of guaranteeing its development costs should the smelting operation prove economically infeasible. According to Hanna, therefore, the mining operation was solely a private venture in which the Government had no financial interest.

We believe that Hanna's position would have had merit if the fixed price had been the result of competitive bidding or negotiation based upon comparable or actual cost experience. Since this mine contains the only known large domestic nickel source in the United States, competition was impossible, and, since this was a new venture, actual cost experience was not available.

By the end of the trial period in September 1957 the smelting plant was operating on a commercial scale but at costs in excess of the established ceiling price. In order to enable Hanna to recover the losses incurred during the trial period and operate at a break-even basis in the future, GSA agreed to increase the ceiling price in the smelting contract. Hanna declined, however, at the time the smelting contract ceiling price was increased, to reduce the price of the ore under the mining contract.

In view of the uncertainties surrounding the feasibility of the smelter operation and the absence of cost information on the mining operations at the time these contracts were negotiated, it is our opinion that the contracts should have provided for a reexamination of the costs and profits relating to both the mining and the smelting operations at the end of the specified trial period. This provision would have afforded both the Government and Hanna the opportunity to test the feasibility of the project and accumulate actual cost information over a reasonable period after which the entire project could have been reappraised in terms of costs and profits with a view to possibly redetermining the price paid for the ore by the Government.

RIGHT TO ACQUIRE SMELTER AT A PRICE CONSIDERABLY BELOW INDICATED VALUE

The smelting contract permits Hanna to acquire clear title to the smelting facilities by paying the Government the estimated salvage value of the facilities (about $1,700,000) after the Government's advance has been amortized.

Construction of the smelting facilities by Hanna was financed entirely with funds advanced to Hanna by GSA. Funds for liquidating the advance over the life of the smelting contract were provided by including an amortization factor in the selling price of the ferronickel sufficient to completely liquidate the advance and the interest thereon after 95 million pounds of nickel contained in ferronickel had been delivered to GSA.

The smelting contract expires when Hanna delivers 125 million pounds of nickel contained in ferronickel to GSA or, in any event, not later than June 30, 1962. The contractor has the option of obtaining clear title to the facilities when the contract expires or at any time prior to that date by paying off any unpaid balance of the advance, including accrued interest, and by making a residual payment equal to 7½ percent of total capital advances, excluding advances for replacements. Since the delivery of 95 million pounds of contained nickel as of September 30, 1960, has liquidated Hanna's liability to the Government for the capital advance, the only payment the contractor will be required to make in order to obtain clear title will be the residual payment which will total about $1,700,000.

GSA has informed us that the residual payment was based upon the estimated salvage value of the facilities at the expiration of the contract. Although the Government negotiators asserted that the facility would have an economic value, Hanna representatives maintained that, unless there was a very strong worldwide demand for nickel after termination, the smelting operation would not be economically sound.

There are indications that the smelting facilities may have a useful, economic life for a number of years after June 30, 1962. The plant is currently producing ferronickel at a cost of about 60 cents per pound of contained nickel, including the profit on the ore earned by the mining company. The capital advanced for construction of the smelter has been fully amortized. The current market price for nickel ranges from about 69 cents to 74 cents a pound for the various types. The ore reserves at Riddle are estimated to last about 20 years from the start of full production. With the conditions in Cuba affecting nickel production in that country, it appears that there may be a market for the ferronickel produced by Hanna in the future. At the time the contracts were signed, the market price for nickel was 60 cents a pound.

We believe that it would have been in the Government's interest to have inserted a provision in the smelting contract which would have recognized the useful life of the facilities, if any, subsequent to the expiration of the contract. We note that such a provision was made in the contract involving the sale of the Government's Texas City tin smelter by the Federal Facilities Corporation. The sales price in that case was $1,350,000, but it was recognized that the purchaser might use the facilities for production purposes. Accordingly, the sales contract required the purchaser to make additional contingent payments, not exceeding $2 million, based on future production, sales, and deliveries at the Texas City smelter. The purchaser subsequently produced metal at the tin smelter and made additional payments to the Government.

If the plant has a remaining commercial usefulness, then the amortization of the Government's advance over a period shorter than the possible economic life of the facilities increased the cost of the ferronickel to the Government. Accordingly, economic value of the facilities in excess of their sale price to Hanna at estimated salvage value points to a profit which Hanna considers as compensation for operating the smelter. We believe that prudent practice requires that the facilities should have been developed at a minimum cost to the public and that any postemergency advantages to Hanna should have been kept to the minimum. Accordingly, we suggest that GSA reevaluate the economic usefulness of the smelter and, if a determination is made that its economic life exceeds the period contemplated by the contract, attempt to negotiate an equitable price with Hanna in excess of estimated salvage value. Such negotiation, if effected, would for all practical purposes adjust the price of the ferronickel to the Government downward to Hanna's cost, as apparently intended under the smelting contract, and provide Hanna the opportunity to acquire the plant at a reasonable price.

It is expected, and the Congress assumed, that the Government should compensate industry for unusual risks occasioned by abnormally short economic utility of needed new facilities under emergency conditions. Since the utility of such a facility upon completion of the contract was at best a guess at the time it was made 8 years ago; adjustments resulting from a reevaluation of that utility based upon demonstrated and prospective performance appear proper.

GSA and contractor's comments

GSA informed us by letter dated November 14, 1960, that from discussion with Hanna, covering all phases of a possible takeover of the operations, it had received no indication from Hanna of any willingness to make a payment above its obligation under the contract. Hanna stated in a letter dated October 31, 1960, that it agreed to operate the smelter at no profit and that, if afer the completion of the contracts the plant is worth more than the option price, the additional value would be its compensation for operating the smelter. Hanna also points out that if it acquires clear title to the plant it will have to assume a firm power commitment amounting to over $1,200,000 a year for 12 years. The GSA negotiation files show that GSA considered the profit Hanna would make on the mining contract as quite liberal for both the mining and the smelting operations, and there is no indication that it intended the contractor's option to purchase the plant at its estimated salvage value as additional compensation to Hanna.

MINING CONTRACT DOES NOT PERMIT GOVERNMENT ACCESS TO ALL PERTINENT RECORDS

The examination of records clause of the mining contract does not permit the Government to have access to the contractor's financial statements and cost records pertaining to operations under this contract. Accordingly, neither GSA nor we could evaluate the cost and profit factors making up the fixed price under this contract which was negotiated without advertising in the absence of competition.

Although the examination of records clause of the smelting contract (DMP-50) provides that Government representatives shall have the right to examine any pertinent books, documents, papers, and records of the contractor involving transactions related to that contract, the corresponding clause in the mining contract (DMP-49) gives the Government access only to records involving the progress of construction of the mining facilities, cost of these facilities, and the production and delivery of ore. GSA records indicate that the Government negotiators attempted to broaden the examination of records clause in the mining contract but that Hanna would not accede to the Government's request. GSA has informed us that Hanna's refusal was based on its reluctance to reveal its mining costs and profits.

Since practically all the profits accruing to the Hanna companies from these contracts are earned by the Hanna Mining Co. and because the negotiated fixed price for the ore was not based on previous cost experience, we considered a review of the operations of this company to be a significant part of our audit of these contracts. In the absence of effective competition, the charge to the Government for items procured under a negotiated contract is normally determined on the basis of acutal or estimated costs to produce, plus a reasonable profit. We believe, therefore, that it is essential to have access to the contractor's pertinent records in order to verify and evaluate the cost and profit factors making up the contract price.

The Defense Production Act of 1950 does not specifically require that contracts negotiated without advertising under the provisions of this act contain a clause giving the Comptroller General access to any pertinent records of the contractor. Although some contracts negotiated pursuant to this act contain adequate examination of records clauses since the contractors permitted them to be included, other Defense Production Act contracts, including DMP-49, do not include adequate clauses.

Matter for consideration by the Congress

In order to enable us to adequately review the use by GSA and other Government agencies of the broad negotiating authority made available by the Defense Production Act, we believe it necessary to examine the operations of contractors pertaining to contracts negotiated under this act. Accordingly, the Congress may wish to consider amending the Defense Production Act of 1950 to incorporate therein a provision requiring that all future negotiated contracts made under this act contain a clause permitting the Comptroller General to have access to all the contractor's pertinent records.

COMMENTS ON CONTRACT ADMINISTRATION

GSA'S SALES PRACTICE HAS CONTRIBUTED TO THE CESSATION OF FERRONICKEL SALES TO INDUSTRY

GSA's practice of not selling ferronickel at prices based on the market price of nickel metal has contributed to the cessation of sales of ferronickel to industry, although the Government contemplated that the ferronickel produced under the subject contracts would be sold to industry, and the principal purpose of contract DMP-51 with the M. A. Hanna Co. was to accomplish such sales. As a result, Government funds are being increasingly tied up in unneeded inventories of ferronickel, which at September 30, 1960, totaled more than $57 million.

Beginning in the fall of 1955, GSA sold ferronickel produced by Hanna under contract DMP-50 to industrial users. Sales were made for GSA's account by the M. A. Hanna Co. in accordance with the terms of contract DMP-51. The selling price of the nickel contained in ferronickel was established by GSA, in accordance with directives of the Office of Civil Defense Mobilization, and was based on the price GSA paid for the material, which was well above the market price for nickel metal. The Department of Commerce recommended the companies to whom offers to sell ferronickel should be made. A summary of the sales made by the M. A. Hanna Co. is shown on page 11 of this report.

Commencing in the latter part of 1957, the Government was unable to sell all its ferronickel to industrial users. The expanding supply of nickel at market price and the slowdown in the business economy were the principal reasons for the lack of demand. Sales, which had been at the rate of 4 million pounds of contained nickel per calendar quarter, dropped to 181,000 pounds during the last quarter of 1957 and to less than 1,000 pounds in the first quarter of 1958. No sales have been made from that time through September 30, 1960.

Hanna officials informed us in September 1958 that the ferronickel had previously been readily accepted by industry, but, with the easing of the nickel supply situation, the ferronickel produced under these contracts could no longer be sold at the premium prices sought by GSA. These officials informed us also that it was their belief that substantial sales of ferronickel could be made if the selling price was made competitive with the regular market price of nickel. GSA was then asking $1.06 a pound for nickel contained in ferronickel, whereas the market price for electrolytic nickel was only 74 cents a pound.

In a number of reports to the Congress pursuant to section 304(b) of the Defense

Production Act, GSA recognized that substantial quantities of the contractor's production would eventually be sold at the market price of nickel.

In view of the foregoing, the apparent likelihood that nickel would remain in plentiful supply for the foreseeable future, and the fact that the material was not needed for stockpiling purposes, we suggested to GSA by letter dated Dec. 8, 1958, that GSA consider authorizing the M. A. Hanna Co. to solicit industry with an offer to sell the Government inventory of ferronickel at prices based on the current market price for nickel. We believed that such action would free the sizable Government investment in its ferronickel inventory for other more useful purposes.

By letter dated January 9, 1959, GSA informed us that the present directive from OCDM prevented the diversion of nickel to industry at less than the price the Government was paying and that any change in this policy to permit sales at market prices would require OCDM's approval. GSA stated also that the possibility of disposing of any substantial quantity of ferronickel in the foreseeable future was improbable in view of the then present oversupply of nickel.

The directive referred to by GSA was dated May 29, 1957, at a time when nickel was in short supply. Since that date, the nickel supply situation has changed drastically and the defense stockpile goals for nickel have been exceeded. Accordingly, in view of these changed conditions, we believe that GSA should review with OCDM the desirability of disposing of the Government's large ferronickel inventory.

On the basis of our discussion with Hanna representatives and of our review of the correspondence Hanna had received from its ferronickel customers, it appears there may be a market for the Government's ferronickel at prices based on the current market price of nickel. Although ferronickel was never produced in the United States before the Hanna contracts, the product has been readily accepted by industry.

GSA and OCDM comments

In a letter dated September 7, 1960, OCDM stated that since 1957 the Government had continued to offer nickel powder and sinter at market prices but not all the nickel offered was sold. In addition, it stated that unless ferronickel was offered at a price below market, which would be contrary to the provisions of the Defense Production Act, there was no reason to believe that the industry would have shown any preference for ferronickel.

We believe that OCDM's conclusion, that industry would have shown no preference for ferronickel unless it were offered at a price below market, is not convincing. According to information available to us, Hanna is the only domestic producer of ferronickel. Therefore, the price at which Hanna is able to sell the metal produced under these contracts would appear to establish the domestic market price for this material. We understand that ferronickel can be used in the production of stainless steel or in heavy nickel plating but is not adaptable to fine nickel plating. The quoted domestic market price of electrolytic nickel and nickel powder on March 1, 1961, was 74 cents a pound, while the market price of nickel sinter was 69.6 cents a pound. The resale price of ferronickel in the Government inventory at June 30, 1960, was estimated by GSA at 71.5 cents a pound. The Government's interest may best be served by authorizing Hanna to sell ferronickel at a price which would be reasonably related to, but not necessarily the same as, the prices quoted for other types of nickel.

GSA, in a letter dated November 14, 1960, stated that it was trying to develop with Hanna a termination of the contract in order to reduce its purchases of ferronickel and that its success in bringing about a termination is dependent upon Hanna's success in selling future production. In order not to interfere with Hanna's activities in this direction, GSA stated that it believed it was in the Government's interest not to sell ferronickel from Government inventories. We still believe it would be in the Government's interest to instruct Hanna to sell the Government-owned ferronickel to industry. While this may decrease the Government sales of other nickel, there is also the possibility that Hanna could sell ferronickel to users who would otherwise purchase imported nickel and that the combined sales effort of GSA and Hanna will result in an increase in the total sale of Government-owned nickel. If the Government continues its policy of not authorizing Hanna to sell ferronickel, and Hanna does not terminate the contract prior to the production of the full contract quantity, GSA will have to purchase an additional $18 million worth of ferronickel from October 1, 1960, through the completion of the contract in 1962 and then may find itself in the position of competing with Hanna for the sale of ferronickel to industrial users.

Recommendation to the Administrator of General Services

So that the Government's large and rapidly growing investment in ferronickel inventories ($57.3 million at September 30, 1960) may be reduced, we recommend that the Administrator of General Services confer with OCDM for the purpose of developing a policy which would permit GSA to dispose of ferronickel to industry.

SCOPE OF AUDIT

Our audit included an examination of GSA's activities with respect to the negotiation and administration of contracts DMP-49, 50, and 51 and a review of the work performed by the Agency's internal auditors with respect to these contracts. We also examined on a selective basis GSA's and certain of the contractors' records and financial transactions pertaining to these contracts to the extent deemed necessary in the circumstances. We were not permitted to examine the record of the Hanna Mining Co. with respect to cost and profits pertaining to the nickel project at Riddle, Oregon, because of restrictions in the contract. Our audit covered the period from the beginning of contract negotiations in January 1952 through September 30, 1960. The audit work was performed in the General Services Administration offices in Washington, D.C., and the contractors' facilities and general offices at Riddle, Oreg., and Cleveland, Ohio, respectively.

Mr. WILLIAMS of Delaware. Mr. President, I am sure the Symington committee will be reviewing not only this contract but many other contracts as they examine the $8 or $9 billion inventories which we have accumulated in our national stockpile, much of which was purchased at a time when we did not need the materials. We should know how much was purchased at prices which were higher than necessary.

It is well that we go behind many of these contracts and ascertain not only the purchases that were made but also if purchases were made at prices that were justifiable. Let us examine some of these contracts, in order that we may find out how the best interests of the Government were protected at the time of the negotiations.

We have a responsibility to see that procurement is carried out in the best interests of the U.S. Government. The taxpayers, who are ultimately paying for it, should be assured that they are adequately protected. A review of the Comptroller General's report as incorporated here today will show that in the negotiation of these three contracts the Government was not adequately protected.

POULTRY AND TURKEY PRODUCTION

Mr. WILLIAMS of Delaware. Mr. President, last year both the turkey farmers and the poultry farmers throughout America suffered substantial losses as the result of overproduction.

On February 6, 1962, I incorporated in the CONGRESSIONAL RECORD a report showing how six different agencies of the U.S. Government had doubled their lending activities during 1961. During the first 6 months of 1961 these agencies were lending twice as much money toward financing the construction of new poultry houses and the increased production of broilers and laying hens as in the preceding year.

Thinking perhaps that these same Government agencies through their lending activities might have also contributed to the overproduction of turkeys during the past 2 years, I asked for a sample check by two of these agencies. I have just received their reports.

The first agency, the Federal Land Bank, while having a substantial increase in its loans during the past 2 years, had in effect not been lending very heavily in any of the years surveyed.

The second agency, the Production Credit Association, financed through the Federal intermediate credit banks, did make substantial loans and showed a sizable increase in its financing of increased production of turkeys.

In 1959, 1960, and 1961 their loans made to finance turkey production were as follows:

In 1959, 712 loans totaling $22,086,116.

In 1960, 783 loans totaling $26,853,080; an increase of 21.5 percent.

In 1961, 828 loans totaling $29,528,363; an increase of 9.9 percent.

A complete breakdown of these loans by States will follow my remarks.

It must be remembered that during this same period that these agencies were increasing their lending activities to finance the increased production of turkeys, the Department of Agriculture was urging the farmers to cut back their production.

Mr. President, there can be no question that the increased lending activities of these Federal agencies during the past few years has played an important part toward bringing the poultry and turkey farmer to the verge of bankruptcy, and the irony of the situation is that the same Department of Agriculture, which has been pouring out millions to finance the overproduction of the turkey and poultry industries, is now asking the farmers to vote in favor of strict Government controls over production.

This administration seems to be determined to force the American farmer to accept a straitjacket of production controls, and apparently, in order to achieve this objective, they will have no hesitancy in pushing him to the verge of bankruptcy.

During recent months we have already seen the Department of Agriculture manipulate the grain market for the announced intention of forcing the corn producing farmers to sign up under the feed grain program.

During the past 2 months, he has been selling corn for poultry use in certain States several cents per bushel below other areas in a deliberate attempt to create chaos between competitive poultry producing areas. If private industry were using this two price system in such a manner, the Department of Justice would have been in action long ago.

It just does not make sense to find the Government financing the increased expansion of turkey production while at the same time the Secretary has been issuing pious press statements warning the farmers against overproduction; and, unless these irresponsible and contradicting policies are stopped, both the Federal Government and the American farmer will go bankrupt.

At this point I ask unanimous consent to have printed in the RECORD as a part of my remarks the report of the lending activities of these two agencies during the past 3 years.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM CREDIT ADMINISTRATION,
Washington, D.C.

Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: We have now completed a summary, by States, of the information obtained from the institutions under our supervision regarding money loaned for the production of turkeys in the past 3 years. This is the information which you requested in your letter of January 3.

Two tables are enclosed summarizing the loans made. One table shows loans financing the production of turkeys which were made in the years 1959, 1960, and 1961 by the production credit associations and the other financing institutions rediscounting with the Federal intermediate credit banks. The other table summarizes loans made during the same years by the Federal land banks, which financed production of turkeys.

The banks for cooperatives are not included in this report because, as you know, the loans by these banks are each made for overall operations of a cooperative and there is no way of determining how much of the loan might be used for any purpose related to turkey production.

Sincerely yours,
R. B. TOOTELL,
Governor.

FEDERAL LAND BANKS

Number and amount of loans for the production of turkeys, by States,[1] calendar years 1959–61

District and State	1959		1960		1961	
	Number	Amount	Number	Amount	Number	Amount
1. Connecticut					2	$21,100
New York			1	$9,850		
Total			1	9,850	2	21,100
4. Indiana					2	4,156
6. Illinois	1	$9,500				
7. Michigan	1	12,600	1	4,700		
Minnesota	1	2,775	2	7,000	2	5,280
North Dakota					1	13,000
Total	2	15,375	3	11,700	3	18,280
8. Nebraska	1	$3,700				
9. Colorado	1	1,800	1	$1,550	1	$3,200
12. Washington			1	30,000		
Oregon	1	1,950	2	12,049	1	3,600
Total	1	1,950	3	42,049	1	3,600
United States	6	32,325	8	65,149	9	50,336

[1] No Federal land bank loans made in States not shown above for purposes indicated.

Loans financing the production of turkeys made in the years 1959–61 by produc ion credit associations and other financing institutions rediscounting with the Federal intermediate credit banks

District and State	1959		1960		1961	
	Number	Amount	Number	Amount	Number	Amount
1. Maine			1	$6,000	1	$5,440
New Hampshire	12	$76,890	10	63,570	9	48,000
Vermont	3	11,750	2	13,500	2	7,300
Massachusetts	19	84,455	17	99,635	14	104,220
Rhode Island and Connecticut	12	225,953	9	381,744	10	410,490
New York	12	299,797	10	185,155	11	166,451
New Jersey	4	21,450	3	18,500	6	49,292
Total	62	720,295	52	768,104	53	791,193
2. Pennsylvania	19	146,197	21	149,585	19	156,788
Delaware	2	43,000	3	61,760	2	15,000
Maryland	4	53,500	3	15,400	3	10,500
Virginia	8	21,200	5	19,300	7	40,463
West Virginia	4	38,900	4	17,650	5	35,402
Total	37	302,797	36	263,695	36	258,153
3. North Carolina	6	75,800	7	177,572	13	147,608
South Carolina	1	25,000	2	58,200	2	95,000
Georgia	3	12,859	5	30,100	5	51,200
Florida						
Total	10	113,659	14	265,872	20	293,808
4. Ohio	61	1,168,812	67	1,623,811	59	1,623,925
Indiana	91	2,485,757	119	3,921,090	117	3,986,545
Kentucky	6	102,836	10	136,780	8	116,623
Tennessee	1	1,500	2	47,517	1	47,605
Total	159	3,758,905	198	5,729,198	185	5,774,698
5. Alabama						
Mississippi	1	2,000	1	1,800		
Louisiana						
Total	1	2,000	1	1,800		
6. Illinois	14	478,265	15	642,443	17	797,186
Missouri	77	1,733,513	94	2,295,558	105	2,633,799
6. Arkansas	18	$577,646	15	$450,293	26	$752,371
Total	109	2,789,424	124	3,388,294	148	4,183,356
7. Michigan	7	165,991	9	185,726	10	271,212
Wisconsin	20	892,909	21	1,033,599	29	1,555,332
Minnesota	71	2,491,115	88	3,699,053	102	4,459,145
North Dakota	2	130,900	3	173,787	5	237,631
Total	100	3,681,385	121	5,092,165	146	6,523,320
8. Iowa	22	1,195,133	22	1,013,055	23	1,137,143
South Dakota						
Nebraska	10	426,191	11	517,942	13	589,349
Wyoming						
Total	32	1,621,324	33	1,530,997	36	1,726,492
9. Kansas	3	12,450	3	18,906	2	12,849
Oklahoma	11	526,155	10	423,299	10	596,744
Colorado	7	221,452	7	250,110	6	246,631
New Mexico						
Total	21	760,057	20	692,315	18	856,224
10. Texas	18	456,309	17	523,309	15	474,983
11. Arizona						
Utah	26	2,136,571	26	2,682,440	30	2,817,981
Nevada						
California	90	4,982,653	89	4,950,013	79	4,651,622
Total	116	7,119,224	115	7,632,453	109	7,469,603
12. Montana						
Idaho			1	5,874	1	5,576
Washington	2	21,070	5	57,894	5	75,283
Oregon	45	739,667	46	901,110	56	1,095,674
Total	47	760,737	52	964,878	62	1,176,533
Grand total	712	22,086,116	783	26,853,080	828	29,528,363

THE PUBLIC WORKS BILL

Mr. PROXMIRE. Mr. President, a short time ago the distinguished Senator from Pennsylvania spoke on the public works bill which passed the Senate yesterday. I want to make it clear, Mr. President, that I feel very strongly it was possible to vote against the bill without being tied to any archiac economic philosophy. I voted against the bill, and I did so on the basis of a very thorough economic analysis.

The fact is that I serve on the Joint Economic Committee. I have attended hearings of the committee very faithfully for the past 2 years. Both in 1961 and 1962 I filed a dissent with the committee in which I disputed the very economic theory that is behind the public works proposal which was before the Senate yesterday. I did so in some detail. I feel very strongly that bill was not the way to accomplish the purpose, or the time to do it.

I would like to put in the RECORD pertinent data from the Economic Indicators, the most recent, for May 1962, which show that the gross national product has been moving up, from $503 billion in the first quarter of last year to $544 billion this year—a tremendously rapid increase.

At the same time personal expenditures have risen sharply. In the first quarter of this year they were at a record high.

Also, while unemployment is a serious problem, and I think we must recognize it as such, it dropped from 7 percent, seasonally adjusted, in May of last year to 5.5 percent last month.

While the drop in unemployment has not been consistent, unemployment seasonally adjusted is at the lowest point it has been in some time.

I believe that if we have a very serious unemployment situation, if the economy is in serious trouble, the Congress not only has a right but also has a firm duty to act.

But I think that Senators have every reason to exercise their own independent judgment. Merely because the President of the United States makes a recommendation we do not have to agree. If we disagree with the President, I think we have an obligation to vote our consciences.

While I have the greatest of respect for the distinguished senior Senator from Pennsylvania [Mr. CLARK], I wish to make it clear that my vote on the public works bill yesterday certainly was not a vote against the President of the United States and certainly was not a vote to subscribe to some archaic economic theory. It was a vote representing a conviction on my part that we do not act with economic sense when we vote for a $1½ billion emergency public works program on top of what we already have provided at a time when unemployment is falling, at a time when the gross national product is rising at almost a record rate, and at a time when almost all economic indicators signify that the economy is expanding and moving ahead.

I spelled out my thinking on this point in considerable detail in my individual views appended to the Joint Economic Committee report on the President's Economic Report, this year and last year. I ask unanimous consent to include in my remarks at this point excerpts from my two statements, the first relating to the 1961 Economic Report, the second to the 1962 Economic Report.

There being no objections, the excerpts were ordered to be printed in the RECORD, as follows:

DISSENT FROM COMMUNITY FACILITIES RECOMMENDATIONS

What I have said immediately above is why I dissent from the committee's recommendation of a great program for such local purposes as "police and fire stations, streets and parks."

The necessities of national defense, interest on the huge national debt and such necessarily national programs as the farm dilemma and care of veterans have enormously swollen the size and cost of the Federal Government. But these are national problems bearing a national responsibility that can be met only by the Federal Government.

It is true that CWA and WPA engaged in local projects at the depth of the great depression with great benefit to the idle men who were taken off a dole and provided with useful, constructive work.

Today, however, our unmet need for national defense, including civil defense, in an increasingly perilous world is immense.

The responsible and expert Gaither and Rockefeller reports both call for a far greater national defense effort than we are now making. If the Federal Government is to step up its participation in our national economy it should be in the field that is peculiarly its responsibility—providing a surer and safer national defense.

CLOUDED CRYSTAL BALL

What is happening to the economy in the current quarter is an excellent example of the harmful consequences of Government economic policy based on short-run prediction.

The committee warmly praises the action of the administration in attempting to stimulate the economy as soon as it took office by speeding up Government spending. Hearings before the committee revealed, however, that almost none of this speedup was effective in the first quarter of calendar 1961 when unemployment and idle plant capacity reached their peak. Testimony also suggested that virtually the full impact of this speedup in Federal spending will be in the current quarter. Furthermore, it will coincide with the exact period during which the Government will already have by far the greatest expansionary impact on the economy in many years.

Accordingly, we can expect a sharp increase in demand during the current quarter but a serious letdown in the impact of the Government on the economy after July 1.

Here is a case study in economic policy gone wrong:

1. Virtually the full impact of the $600 million increase in Federal spending resulting from President Kennedy's order to agencies to speed up their spending to help put men back to work will be in the current quarter. This will be borrowed largely from periods later in the current calendar year.

EXCERPT FROM 1962 INDIVIDUAL VIEWS

PRESIDENTIAL PUBLIC WORKS DISCRETION

For many similar reasons I am opposed to the President's request to the Congress to grant him authority to initiate $2 billion of public works spending whenever unemployment has been rising for 3 out of 4 or 4 out of 6 months, and has risen by more than 1 percent above its level 4 or 6 months earlier.

Such a formula, of course, provides immense discretion for the President to spend money without specific congressional approval.

It appears to be based on the theory that there is some spending that ordinarily cannot be justified on its merits; but might be justified in a period of economic adversity as a method of recovery. I disagree that spending which cannot be justified on its merits is likely to be justified in terms of good public policy except in times of very serious economic adversity. While the argument for such spending might have solid merit in the event of a depression, once again—on the record—it is doubtful if any President would have difficulty under these circumstances persuading the Congress to support a constructive program.

What is more this proposal has the serious demerit of authorizing grants-in-aid to State and local governments for projects which are peculiarly local in their nature—police and fire stations are an example—and should—if any expenditure should—be left to local discretion and local responsibility.

PROXMIRE OPPOSITION TO AID TO YUGOSLAVIA

Mr. PROXMIRE. Mr. President, I wish to speak briefly on another subject.

I wish to make it clear, once again, that I vehemently oppose aid to Yugoslavia. In 1958 I offered an amendment to eliminate aid to Yugoslavia, which got substantial support but failed.

Mr. President, yesterday the New York Times carried a story with respect to the report by the Twentieth Century Fund, which hailed aid to Yugoslavia and said that this helped to spur Belgrade's independence from the Soviet Union.

That report was written by the Twentieth Century Fund before the developments of the past few weeks, which have seen Tito take steps to renew his ideological ties with the Soviet Union.

We have seen the pro-Khrushchev actions of Tito, and we have seen what has happened to Milovan Djilas, the distinguished Yugoslav who had the temerity to criticize Khrushchev, who is now jailed and under two sentences totaling nearly 9 years.

This morning the New York Times published a very interesting followup on the Twentieth Century Fund. It reports that Tito has received an invitation to visit the Soviet Union, and is going to visit the Soviet Union.

Mr. Paul Underwood, in a special to the New York Times, has this to say about Tito's proposed visit:

> The visit by Marshal Tito to the Soviet Union will mean the Yugoslav President's rehabilitation as a formally recognized leader in the Communist world.

Mr. President, I can understand, though I may disagree with it, why it is necessary to give foreign aid to dictatorships which may be on our side. I can understand why we give foreign aid to neutral powers which are democratic. I cannot understand, Mr. President, why in the world we should use the American taxpayers' money to provide foreign aid for a dictatorship which is a Communist dictatorship, which is being reconsti-

tuted, according to the last report, as a close ally of the Soviet Union.

The junior Senator from Wisconsin feels that the purpose of our foreign aid program should be to extend and to protect freedom throughout the world. We certainly do not accomplish that when we support a government as tyrannical as is the Tito government of Yugoslavia. It makes no sense at all to support that government, when that government is supporting communism, is very close to Khrushchev, is allied with Khrushchev, and is opposing our position.

Mr. President, I ask unanimous consent to have printed in the Record the articles from the New York Times relating to aid to Yugoslavia.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, May 28, 1962]

U.S. Aid to Yugoslavia Is Hailed in Report by 20th Century Fund—Survey Finds Help Spurred Belgrade's Independence From Soviet—Notes Defiance of Tito by Djilas

(By Murray Illson)

A Twentieth Century Fund report issued yesterday contended that United States aid had helped Yugoslavia to become independent of the Soviet Union.

The report also said that the aid had served U.S. foreign policy well and was an example to the uncommitted countries of aid "with no political strings attached." It said that the aid had contributed to a higher standard of living in Yugoslavia.

Yugoslavia, a Communist country, was described as "stanchly independent of Moscow" and frequently friendly to the West.

WRITTEN BY EDUCATORS

The report, entitled "Yugoslavia and the New Communism," was written by George W. Hoffman, professor of geography at the University of Texas, and Fred Warner Neal, professor of international relations and government at the Claremont Graduate School, California.

The Twentieth Century Fund describes itself as a nonprofit, nonpartisan foundation that sponsors studies in the fields of economics, social problems and international affairs. Its headquarters is at 41 East 70th Street.

The authors observed that "the new Yugoslavia is an enigma to both East and West." They wrote that Yugoslavia "is an eastern European dictatorship but one with certain elements of democracy and personal freedom."

"Yugoslav communism," they noted, "contains enough features in common with Soviet communism to make it unattractive to capitalist and democratic America."

YUGOSLAV VIEW NOTED

Yugoslav Communists, according to the authors, hold the view that "neither pure capitalism nor pure socialism exists and that the "conflict between the two systems, at the level of states, is not fundamental."

"Therefore," the report said, "the Soviet conception of the inevitability of capitalist hostility is considered invalid, as, indeed, is the Marxist idea that capitalism inevitably breeds war."

The report noted that between 1950 and June 30, 1959, the United States granted Yugoslavia $1,157,600,000 in economic aid and $724 million in military aid.

The authors' reference to a higher standard of living in Yugoslavia was printed before the recent disclosure of that country's economic troubles and President Tito's statement that "onions have now become dearer than gold."

The authors also reviewed the ups and downs in the post-World War II relations between Marshal Tito and the leaders of the Soviet Union. They noted the opposition to communism by Milovan Djilas, a former close associate of President Tito. M. Djilas recently received a 5-year prison sentence on a charge of having divulged state secrets in his new book, "Conversations With Stalin." In addition, he was ordered to serve 3 years and 8 months of an unexpired sentence.

EARLIER TROUBLES CITED

In their report, Professors Hoffman and Neal told of M. Djilas' troubles with the Tito government over an earlier book, "The New Class." Of that volume, the authors wrote:

"Its central theme is that ruling Communist groups are simply a new class of owners, historically no different from previous owning classes except that, since they can subject others to their will completely, their monopoly of ownership is complete."

At a news conference last week preceding the issuance of "Yugoslavia and the New Communism," Professor Neal was asked to comment on recent indications of friendlier relations between the Soviet Union and Yugoslavia.

He suggested that because of the doctrinal differences between the Soviet Union and Communist China "the portents favor Yugoslavia and the Soviet Union moving closer together." He added, however, that he did not think the closer relationship would affect Yugoslavia's "nonbloc independence."

Professor Neal also was asked why the Tito government did not permit M. Djilas to travel abroad. He replied that he thought it was a mistake for that government not to permit such travel. But he added: "Remember, you are dealing with an Eastern European Communist country."

At this point, August Heckscher, director of the fund, who presided at the news conference, interjected a remark to the effect that the United States, too, had been known to refuse some of its citizens permission to travel abroad.

[From the New York Times, May 29, 1962]

Tito Gets Invitation to Soviet—Visit Would Cement Conciliation—Summer Trip Proposed but No Details Are Given—High Yugoslav Council Shuffled

(By Paul Underwood)

Belgrade, Yugoslavia, May 28.—The Yugoslav Government announced today that President Tito has been invited to visit the Soviet Union this summer. No date or other details have yet been decided.

The announcement, made by a spokesman for the Yugoslav Foreign Ministry in response to newsmen's questions, was the first official confirmation of rumors that have been widespread in the Yugoslav capital for several days.

Such a visit would be a culminating acknowledgment of the new reconciliation between the two once rival Communist capitals of Belgrade and Moscow, a reconciliation that has been growing steadily for months.

A few hours after the announcement of Moscow's invitation, the Yugoslav Parliament approved a series of personnel and policy changes aimed at strengthened central control over the nation's ailing economy.

EXECUTIVE COUNCIL SHUFFLED

The changes included a shuffling of the Federal Executive Council, the chief executive arm of the Government, and a redistribution of functions. Parliament members were told that changes also would be made in the lower ranks of the Government.

The Federal Council shuffle involved the elevation of four officials who have held important but not leading jobs in economic administration. They are Boris Krajger, Milos Minic, Kiro Gligorov, and Jakov Blazevic. They will head four state secretariats, for foreign trade, general economic affairs, trade and catering, and budget and general administration.

Out of the Council went Lidija Sentjurc, whose Secretariat for Social Welfare and Communal Questions was eliminated. Its functions were taken over by the Secretariat for Health and Social Security.

The visit by Marshal Tito to the Soviet Union will mean the Yugoslav President's rehabilitation as a formally recognized leader in the Communist world. Until recent months he has been under more or less steady Soviet-bloc attack as a heretical "revisionist" of Marxist-Leninist doctrine.

The Foreign Ministry announcement said only:

"The Government of the Soviet Union has invited the President to the Soviet Union for a holiday. However, nothing concrete has yet been decided."

There was no indication when the invitation had been extended, but it apparently followed the visit to Belgrade last month of Andrei A. Gromyko, the Soviet Foreign Minister. By the time Mr. Gromyko ended his 6-day stay here, official Yugoslav sources were predicting much closer economic and political ties between the two countries.

If the invitation is accepted—and there is little doubt in Belgrade that it will be—President Tito will be making his first visit to the Soviet Union since 1956.

His trip in 1956 followed the initial effort of Nikita S. Khrushchev, as First Secretary of the Soviet Communist Party, to patch up differences with Belgrade and bring the independent-minded Yugoslav Communists back into the Soviet fold. This effort collapsed in the wake of the Hungarian revolt in the fall of 1956 and the subsequent Yugoslav refusal to bow to Soviet-bloc discipline.

Now, after having consolidated his position at home at last autumn's congress of the Soviet Communist Party, Premier Khrushchev apparently has decided it would be useful for him to try again.

East European sources have said the Yugoslavs would not be required to give up their ideological differences with the bloc or to join the Warsaw Pact, the bloc's military alliance, as a price for Soviet friendship.

The Yugoslav Government's personal and policy changes were presented to Parliament in a lengthy speech by Edvard Kardelj, First Vice President. Although he took pains to deny that the measures represented any permanent retreat from the policy of decentralization pursued by the Tito regime in recent years, he acknowledged that they would bring about a "stronger administrative regulation" of economic relations.

Mr. Kardelj also disclosed that, because of the economic troubles, there would be some downward revision of the goals set forth in the 5-year plan for 1961 through 1966.

STRONGER CONTROLS ON TRADE

One of the most interesting of the changes was the establishment of the new Secretariat for Foreign Trade. Previously foreign trade enterprises were supervised by a committee that had only limited powers.

The new secretariat will have authority to control foreign trade operations strictly. These operations have come under heavy fire recently from President Tito and other Yugoslav leaders who have accused the enterprises of competing against each other in foreign markets to the detriment of the economy as a whole.

Asserting that the economic difficulties stemmed from a slump in agricultural and industrial production, overspending, and problems in finding export markets, Mr. Kardelj called for greater productivity and lower costs, vigorous efforts to increase exports and build up the tourist trade and the concentration of investment funds on essential projects.

Mr. PROXMIRE. Mr. President, accordingly, I send to the desk and ask

to have printed an amendment to eliminate aid for Yugoslavia from the pending foreign aid authorization. I ask unanimous consent that my amendment be printed in the RECORD at this point.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table; and, without objection, it will be printed in the RECORD.

The amendment is as follows:

On page 11, after line 24 insert:

"(g) Assistance to Yugoslavia under this Act shall be suspended for one year beginning July 1, 1962, or the date of enactment of this subsection, whichever is later. During this period the authority contained in section 614 and the second sentence of section 617 shall not be available for the benefit of Yugoslavia."

GOVERNMENT ASSISTANCE IN THE FIELD OF TRANSPORTATION

Mr. CURTIS. Mr. President, there is a long-established policy of Government assistance in the field of transportation. It is unnecessary for me to state why this is so important to the commerce, industry, and agriculture of the country as well as to our cultural advancement. It goes back to the building of the first roads, and it includes the original building of the great network of railroads that we have in this country.

When the airplane came along, this historic policy was adhered to. The Federal Government assisted with the building of airports. It provided the weather information and the control and directional facilities. In addition to this, a subsidy was provided for the establishment of our airlines. Many of those airlines are now trunklines or operate between larger places under conditions that they should now be able to stand on their own feet.

Throughout the years that civil aviation has been assisted by the Federal Government, all of the taxpayers of the country have been taxed to assist with this program. The business enterprise in the small community, far removed from practical air service, was taxed. The farmers and ranchers were taxed, including those in remote places, to help get mainliner service for other people. Everybody in the areas not served by commercial airlines was taxed at the same rate as the individuals in the communities which benefited to bring about our great airways.

This has been a good system. It means that we have private ownership of airlines which, in turn, means more efficiency, better service, and it has all the advantages any private enterprise has over a socialistic venture. A great many of the foreign countries operate partially or totally owned Government airlines.

The question now before the Civil Aeronautics Board, the Bureau of the Budget, and the Congress is, What about the future of airline subsidies? The sound position would be to bring an end to the subsidies for all of those areas that have had years and years of the subsidy benefit and see to it that airline service was operated there in the public interest but commensurate with what the traveling public can pay. Certainly luxury travel should not be subsidized.

Secondly, a sound policy requires the continuation of our historic policy of assistance to those communities and those areas that are not yet served by airlines. This is largely in the category of feeder airlines. Many of these areas and communities have either not been reached at all or have not been reached under conditions and for a length of time that would enable them to promote the maximum air travel. This is the case in Nebraska and several other places. I again remind Senators that these people without transportation facilities have for years and years paid additional taxes to establish transportation elsewhere.

A few years ago the Civil Aeronautics Board did authorize feeder-line service for Nebraska. Because this service was instigated, the major ownership and management of the company selected to provide this service was changed. Problems and controversy arose. The local people were thwarted in every direction in their attempt to promote air travel. The situation has now changed. The Frontier Airlines is now operating under new ownership and new management. The president, Mr. Lewis Dymond, is an honest, aggressive, intelligent individual who has come to the top in the field of civil aviation. Now, according to an examiner's report, the Civil Aeronautics Board is threatening to reverse their decision and deny feeder-line service to substantially all of Nebraska. An unbiased investigation would reveal clearly that the "use it or lose it requirement" has never had an opportunity to be fairly tried in Nebraska. It is my hope that the Civil Aeronautics Board and the Frontier Airlines will now give Nebraska and all of the interested communities the opportunity to do what the entire State was thwarted in doing through no fault of their own when the original Seven-States case was decided.

Mr. President, if airline subsidies are going to be paid at all, they should be used to assist the areas that need the transportation and have not yet had a chance to establish it.

Such communities should have first claim on whatever the Congress appropriates. Those lines that have been long subsidized to serve communities on main lines, or near main lines, should have a secondary claim on funds appropriated by the Congress, if they have any claim. The Civil Aeronautics Board must reverse their examiner's report and reinstitute the service originally intended for Nebraska or they will have violated all of the intent of our historic policy in this important field.

Mr. President, there is a responsibility on airlines, too. Some airline executives appear to have deliberately created a situation that would lead to the discontinuance of feeder line operations and have sought a monopolistic claim on the cream of the run. Mr. Dymond, the president of Frontier Airlines, is definitely not in this category. I gather from his utterances that he is in the business to make a success of a feeder line operation and that he and his associates will, if given a chance, bring air transportation to the many needed spots in Nebraska that are now without it. His airline and these communities, and the State as a whole, should have the same treatment as has been given throughout the years elsewhere. We ask no more. We shall not be content with taking less.

Mr. MONRONEY. Mr. President, will the distinguished Senator from Nebraska yield?

Mr. CURTIS. I am happy to yield to the distinguished Senator from Oklahoma. No Member of Congress is more devoted to the cause of aviation in our country than is the Senator; or better informed on all questions relating to it.

Mr. MONRONEY. I thank my distinguished colleague for his compliment. I associate myself with his statement in that the development of a national transportation system, whether it be rail, roads, water, or air, is a vital communication link that we, as a great democracy, must have and preserve.

The airplane, being the latest mode of transportation to come into use, has not been able to reach all the points that need to be connected by air travel and air commerce. We are only beginning to develop what I feel civil aviation can do. We have scarcely crossed the threshold of air cargo transportation, which will eventually result in great forward strides in the movement of goods as well as people by air.

The importance of the feeder lines, of which the distinguished Senator from Nebraska has spoken so eloquently, has been well established by their use. There has been a vast increase in plane loadings and the use of aircraft by an extension of routes. However, lately, I fear that more attention has been given on some feeder lines to the establishment of extensions to metropolitan centers, rather than to serving the smaller communities which the feeder lines were designed to serve, and for which subsidies have been appropriated through the years to create a new class of air service to smaller communities.

If we are to follow through to the ultimate the so-called use it or lose it policy of the Civil Aeronautics Board, we shall see an abandonment of the less dense traffic places on the route system and a concentration into metropolitan areas, of planes overflying the small communities. If the plan is carried through, it will have the effect of making the feeder lines, which were established to reach the smaller communities, junior trunklines. If that were done, I would see no further need for subsidy, because the metropolitan areas can and should be served, if that is the only route of the line, by the trunk carriers who have proved they can provide the service without subsidy.

Therefore I think it is highly important to look at this question in its proper perspective. Until the new systems can take root, develop the traffic load, and prove the value of the service, they should not be automatically discontinued because someone in the Civil Aeronautics Board has said that a carrier must board five people a day in order not to lose the service for the community.

The figure is an arbitrary one. It may be right; it may be wrong. I believe the question would arise in the mind of anyone who studies feeder airlines, "What service do you render, and when?" I gather from the remarks of my distinguished colleague that the system was almost a built-in "use it or lose it" system. In Nebraska there might be one flight in at 6 o'clock in the morning and a return flight which would go through at 8 o'clock at night, or some unusual hour at which no one could use the service. Therefore, loss of the service would be forced. In all the statistical data I have been able to study, I have observed that where there are several schedules a day the people quickly adapt themselves to the convenience of the available air travel and can therefore use the air service. But almost invariably one service a day is an invitation to a minimum amount of use by that community. That one schedule cannot be fitted into the traveling habits and needs of the people of that community. Therefore, I have frequently urged that we should not sit here, do nothing, and decry or abandon a service that is so necessary to the areas in which more than 60 percent of our population live that are not now served by the major trunklines. The logical action should be to experiment with smaller planes which would give more frequent service. Perhaps they would fly direct shuttle services in and out, with several schedules a day. It would pay up to about 10 places. Perhaps the plane would be flown by one pilot. There would be no fancy stewardesses and no need for a copilot, because the planes would be flown VFR into uncrowded airports.

We would then have the result of a general test on several runs and into several territories. The State of Nebraska would afford an excellent area in which to test the service, if an adequate number of flights on a schedule were provided. I am convinced that the service would become economical in a short time and would contribute to the great air transport system so necessary in a country of the size and with the commerce of the United States.

The junior Senator from Nebraska well knows that statistics on feeder lines prove that 50 percent of their traffic load brought to metropolitan areas goes beyond on trunklines. Thus the proposed subsidy would not only help the small towns or the feeder lines, but would bring a great yield as a result of the placement of passengers at trunkline terminals. Fifty percent of the total number of passengers coming from beyond the small communities would go to the trunkline terminals—to New York, Los Angeles, and the highly profitable runs of the trunkline carriers.

The Senator is correct in saying that we should not write a death sentence for a service without giving the service a fair trial.

Mr. CURTIS. I thank the distinguished Senator. The Senator represents in part a very important State in the Union which has some fine metropolitan centers, but that State also has areas that no doubt want and need air service and do not have it now.

In reference to the "use it or lose it" policy, does not the Senator agree that the only fair way to test that policy would be under circumstances in which the use of the service would fit in with the patterns of the local economy, the needs of the people, the commerce, and the mail, and with cost figures that would cover the use of smaller planes that might make the service successful?

Mr. MONRONEY. The Senator is absolutely correct. While we have had feeder line service for some 15 years or more, we have never put emphasis in aviation development on a feeder line plane as such, designed to serve this type of route schedule. I have been pleading for years for a DC–3 replacement. Two hundred and fifty of the approximate fleet of 300 planes of the feeder lines are still in the DC–3 category. The DC–3 is a great old bird. I respect, honor, and praise this very valuable backbone of aviation.

Let us remember, however, that the last DC–3 was built in 1946. There is quite a long time, from the standpoint of obsolescence, between the time that we built that plane and the time when we have been able to build a better plane that could more economically serve the route structure of the smaller towns on the feeder lines.

CAB and FAA cannot merely point a finger at these towns and say they are uncooperative or unappreciative, when for all these years very little has been done by either of these agencies to develop a replacement for the DC–3 which would have a lower operating cost and better facilities to serve this route structure, with an average distance of 90 miles between stops, without trying to find something else, instead of answering, "Use it or lose it."

That is the only answer we have had for a long time. It is decimating the route structure, which is now enjoyed by many of the States, which otherwise would be stripped of service with the exception of one or two communities in a particular State.

We should make the airplane useful as a national instrument of transportation. Our ingenuity, which has given us the ability to orbit Glenn and Carpenter and send them around the globe in 88 minutes should be capable, it seems to me, of providing a replacement for the DC–3.

Mr. CURTIS. Is it not true, with reference to the successful operation of feeder line service, that there must be service to enough communities so that travelers can make the entire trip by air? In other words, if they must drive half way and then fly half way, the simple economy of time would require them to drive the entire distance.

Mr. MONRONEY. The Senator is absolutely correct. There are many ways of reaching a solution, none of which has been developed. There is the regional airport, in connection with which three or four communities in a circle, none of which can maintain feeder service for itself, with the towns located about 10 miles apart, can locate an airport in the neighborhood of three or four cities. In that way the time consumed in reaching such a regional airport would perhaps be even shorter than the time it would take to reach Dulles Airport from Washington. In that way it would be profitable to maintain a reasonable frequency of service on a scheduled basis.

Mr. CURTIS. Is it not correct to say that the original intent, as well as the present intent of Congress, with reference to airline subsidies, was for the purpose of establishing air transportation, rather than merely continuing it in places which have been the beneficiaries of the subsidy for many years?

Mr. MONRONEY. Certainly the idea of the feeder lines was to establish air transportation to the smaller communities, most of which had no other form of transportation except perhaps a bus route or two. Trains are no longer in service. There is no scheduled train travel between many of the smaller towns in my State and the State capital and the major cities of Oklahoma. Bus service is not as good as it once was. A person would have great trouble finding a scheduled trip if we were to eliminate the feeder line system.

Mr. CURTIS. The Senator from Oklahoma has mentioned something that I wish to have absolutely clear on the RECORD, and that is the frequency of the stops and the timing during the 24-hour day. The service must be better and frequent enough and adequate enough so that individuals can carry on their business completely with that service, or they will go to other forms of transportation, primarily their own cars.

Mr. MONRONEY. The car is the greatest competitor. Today airlines carry more intercity travelers than all the railroads and buslines in the United States combined. Only the automobile outdistances the airplane in transportation. It is a competitor, but it is an inconvenient mode of travel for someone who wishes to go to New York or Los Angeles or Chicago, for example, if he must leave his automobile at the airport after a 150- or 200-mile drive, and if he must park his car at the airport for a week, perhaps, while he is away. It should be possible to have joint connecting schedules.

I have said that 50 percent of the feeder line traffic connects with trunklines, for which they get no credit. The trunklines get the major part of the business, and the subsidy is charged entirely to the feeder lines, although they actually feed the major trunklines.

Mr. CURTIS. I again thank the distinguished Senator for his contribution to this discussion. I hope that the Civil Aeronautics Board will review its general policy in this field. As the distinguished Senator from Oklahoma has said, there has been no new effort to secure planes to fill the needs of this particular group of communities about which we have been talking, and there has been no policy on the part of the Civil Aeronautics Board to see to it that when they lay down the rule of "use it or lose it" with reference to airlines, they have laid down a pattern of operation that makes it possible for the community to make use of it and to show what can be done.

It is entirely possible for the Civil Aeronautics Board, by some unwise decisions, to ruin air transportation at any given point. It is entirely possible, if we permit an airline to exploit its position, to try to scuttle service to smaller communities, and transform itself into a small trunkline. They can bring about that result because they drive away customers or potential customers. This is a problem that can be solved, but I do not believe it will be solved by the Civil Aeronautics Board saying, "We will not do anything with it."

I again thank the Senator from Oklahoma.

I yield the floor.

THE STRENGTH OF THE NATION'S ECONOMY

Mr. HUMPHREY. Mr. President, the Nation today has witnessed a number of attacks upon the administration because of what the opposition calls a lack of confidence on the part of business in this administration, and an inadequate economic program to sustain the recovery of our economy. I might add that when the word "recovery" is used, it indicates that there must have been something from which to recover. The point from which recovery has been made was the recession inherited by this administration in January 1961. Every thoughtful, soberminded, concerned, and patriotic American is disturbed by the developments on the stock market, even though earlier today there was some recovery in that market. The stock market plays a very significant role in the American business community, and all of us like to see that market healthy. We like to see it growing, and we like to see it sound.

It is a fact that the market has suffered some severe reverses and that the drop in stock prices has been serious and has caused great concern among the investing public. It is my purpose, in the moments I take today in the Senate, to cite some of the solid economic facts which I believe ought to give encouragement to the American people, to potential investors in American enterprise, to consumers, and to all other persons who have a vital stake in the health and prosperity of the American eccnomy.

The American economy is healthy. The elements in the economy which lead me to that conclusion are obvious to anyone who wants to see the truth. Let us look at where we are, where we were, and where we may be going. What are the highlights of the current economic situation?

First, according to the President's Council of Economic Advisers, in its recent report, the gross national product of the United States rose from $500.8 billion in the first quarter of 1961 to $548.3 billion, or an increase of 9½ percent, in the four quarters since February 1961. I add that since February 1962, there has been a further increase, as was noted in the May 26 issue of Business Week. That article reads as follows:

> The economists seem a diverse group. Each has his own brand of rhetoric, a product of his training, his job, and his politics. Set these differences aside, though, and their analyses of business run very much alike. Almost to a man, the economists see gross national product rising from an annual rate of $548 billion in the first quarter—

Which was the annual rate in February 1962, as compared with $500.8 billion, the annual rate in the first quarter of 1961—

> to $570 billion, or a shade more in the fourth quarter—

Of the year 1962. To simplify that statement, in 2 years of the present administration, according to these economists, our economy will rise from a $500 million gross national product to a $570 billion economy. This is the prognostication of the economists consulted by Business Week. The fact is that as of this May, the economy is running at a rate of more than $550 billion, which is a 10-percent increase over 16 months ago. It seems to me that this is basis for great confidence in the structure of America's economy.

Labor income from April 1961—that is, the end of the first quarter—to April 1962 rose from $280 billion to $309 billion, an increase of 10 percent.

Corporate profits before taxes increased about one-third, from $39.6 billion to $52.4 billion in the fourth quarter of 1961.

Preliminary data for the first quarter of 1962 suggest no significant rise. However, the Wall Street Journal on May 1, 1962, published an article which disclosed the following: The profits of 472 companies in the first quarter of 1962 rose 28.3 percent from those of the 1961 period. There were but 3 segments of American industry that had any drop at all. One was the cement industry, the second was the distilling industry, and the third was moving pictures and moving picture theaters. Other segments of the economy, such as autos and auto equipment, showed a profit increase of 123.7 percent; farm equipment, 32.9 percent; general food products, 46.2 percent; railway equipment, 153.1 percent.

The Wall Street Journal summarizes the situation in its own headlines.

> Profis of 472 companies in first quarter rose 28.3 percent from those of 1961 period.

Mr. President, this is a factual statement of earned income on the part of American corporations. Industrial production has risen 15 percent from the first quarter of 1961 through the first quarter of 1962, and it is on its way up from there, as of May.

Payroll employment in nonagricultural establishments rose by 1.6 million new jobs. The number of persons unemployed declined by 20 percent, from 5 million to 4 million persons. The unemployment rate dropped from 6.9 percent to 5.5 percent of the labor force. While the unemployment rate was dropping almost a point and a half, an additional 1 million persons were added to the labor force because of population growth.

I remind the Senate that the administration inherited anything but a favorable situation in both employment and earnings.

With the growth in the economy that these figures show to be an indisputable fact, prices remained virtually stable. The industrial as well as the total wholesale price index declined slightly. The total index fell from 101.1 to 100.4, on a base of 100 for 1957 to 1959, which is the standard measuring point.

Consumer prices, which were mentioned this morning, or earlier today, by one of our Republican colleagues, rose about 1 percent, from 103.9 to 105, in a year, from the first quarter of 1961 through the first quarter of 1962, with most of the increase occurring in the service sector. The increase was not in commodities, not in goods, not in production, but in the service sector. One of the largest increases was in hospital and medical costs. Yet the very same critics of the administration stand firmly opposed to a program which would allow any reasonable system of Government assistance in paying hospital costs for those who can least afford to pay them.

What are some of the elements which we need to consider in the recovery. Let me recapitulate for just a moment.

From the first quarter of 1961 to date—gross national product is up more than $50 billion at an annual rate.

We have had three recessions since the postwar period began, and during the recovery from all three of them the rate of improvement in the gross national product has been lower than in the present recovery.

Labor income—in other words, wages, to be spent in the marketplace—is up over $30 billion in 1 year.

Profits are up over $13 billion, or 32 percent, in 1 year.

Industrial production is up 15 percent in 1 year.

Unemployment is down—from 6.9 percent to 5.5 percent of the labor force, almost a 20 percent reduction in the actual number of unemployed.

Wholesale prices are lower than a year ago.

Consumer prices are up by 1.1 percent, due primarily to service charges; and the largest single increase was in medical costs.

I think another point which needs to be emphasized is that inflation, which for years was the bugaboo and the rallying cry of the political conservatives and of the Republicans, has been halted; in fact, it is now determined to be dead.

As I have said, the elements of recovery seem rather obvious to all who are willing to see.

Personal consumption expenditures—representing the amount spent by the public in the marketplace—have risen $21 billion in a year—$10 billion in services, $6 billion in nondurable goods, and $5 billion in durable goods. Automobile sales have accounted for most of the gains in consumer durables. They have been particularly strong, the Council of Economic Advisers reports, in March and April. Domestic automobile sales, at the seasonally adjusted annual rate, have run about 7 million automobiles for the past 2 months, and automobile manufacturers predict one of their biggest years.

Durable goods purchases in the last two quarters have been around the 1959-60 levels, while disposable income is about 10 percent higher. This means that there is some 10 percent more income than there was in 1959-60, which had been pointed to as the alltime high—10 percent more disposable income that could be put into the market by purchasers.

The saving rate has stayed near 7 percent.

During 1961 consumers increased their holdings of liquid assets more than $20 billion, while consumer debt rose by only $1.5 billion. Mr. President, these are significant factors. When consumers can increase their savings by $20 billion, and when installment debt in that year has increased only $1.5 billion, that represents a net increase of $18.5 billion of purchasing power over the average of a year ago, available to be spent in the market.

I repeat that consumer income after taxes is up 10 percent over the 1959 to 1960 period, which is latent purchasing power, ready to be used in the market place.

And more important, Mr. President, the recent consumers survey conducted by private and business organizations, as revealed in Business Week and in other publications, including Government documents, shows that in 1962 there will be more spending for durables.

I read now from page 29 of the magazine Business Week for May 26—only 3 days ago:

> This week though, much of the uncertainty about where the economy is headed is disappearing, even though the stock market continued to make new lows. Inquiring among leading economists in business, Government, and the universities, Business Week finds a remarkable degree of agreement on the year immediately ahead. The consensus: The recovery will continue into the first half of 1963.
>
> More important, there's unexpected but almost unanimous agreement on the way the economy will go through 1965—the watershed year in which the first of the great waves of war-time and postwar babies will be getting out of school and making a major impact on the economy.
>
> The economy will keep climbing—in a stable and sustained upward movement without sharp dips. * * *
>
> To a man, the economists seem a diverse group. Each has his own brand of rhetoric, a product of his training, his job, and his politics. Set these differences aside, though, and their analyses of business run very much alike. Almost to a man the economists see gross national producing rising from an annual rate of $548 billion in the first quarter to $570 billion, or a shade more, in the fourth quarter. By the second quarter of next year, GNP should be running $585 billion.

Mr. President, unless Business Week is grossly in error, I suggest there is no reason to feel that the elements for sustained economic recovery are not present, available, and at work.

Mr. DWORSHAK. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Not until I complete this presentation; and then I shall be more than happy to yield for inquiry, for discussion, or for other purposes.

Mr. President, let us now consider such elements as housing. Housing is now at the rate of a million and one-half units a year—the highest in 3 years, and one of the highest rates in the Nation's history.

Retail sales are up 3.2 percent since January, or a 13 percent rise in the annual rate.

Private investment for plant and equipment is up 10 percent over a year ago, and still going up; and the Bank of New York in its recent newsletter, dated April 23, says:

> Even at its reduced rate for the first quarter, construction for the last 5 months has averaged close to a $60 billion annual rate. * * * It does make one feel that construction will, at least for the balance of the year, be a supporting factor in the economy.

Mr. President, the Bank of New York is not engaged in partisan politics. It is engaged in straight investor economics; and a $60 billion annual rate in construction is no sign of poor economic health. To the contrary, it is a sign of good economic health and a sign that our economy is moving ahead, as certainly it is. It seems to me that those who have been the agents and architects of standing still would think the economy was moving ahead at a terrific pace, since even a little forward should be dazzling to the prophets of yesterday and of the status quo.

Mr. President, a few other facts need to be brought out: Business-fixed investment, the total of producers' durable equipment, plus nonresidental construction, rose $4.4 billion, or 10 percent, in four quarters. The rise in investment has lagged behind corporate cash flow.

I think one of the reasons why the rise in investment has lagged behind corporate cash flow is that this Congress has not as yet made its determination on tax policy. One of the contributions that Congress can make to a steadier stock market and a recovery in the stock market is for Congress to get off dead center on tax policy. We have responsibilities here other than merely to be carping critics.

The President of the United States has no authority today to adjust taxes. He has asked for such authority. He has asked for a tax program. There are two especially important features in that tax program: First, taxation on foreign investment; second, investment tax credit. They need to be resolved by this Congress one way or another.

I happen to support those features. I do not say these are the last word, but I do feel Congress has the duty to examine into our tax policy with the objective of setting tax rates so as to provide an incentive to American business.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I said to the Senator from Idaho that I could not yield, and I do not want to violate the rule of equity here. I know my colleague wants to make a statement on tax policy, and I am not going to say any more on it, because he is on the Finance Committee and I think such a statement would be better coming from one who has spent many years in the House and in the Senate studying this subject.

My comment is general. My comment is that we must have a tax policy, and not merely uncertainty. This cannot be accomplished by the President; it must be done by the Congress.

Mr. President, if there is any need to assure investors of the underlying strength of American corporations they should listen to this fact. The level of corporate cash flow for this past year, according to the rate of the first quarter of 1962 and the last quarter of 1961, was $54 billion. This "cash flow" consists of after-tax profits and capital consumption allowances, and represents to a large degree, capital retained in the corporation for future business purposes.

The rise, therefore, in investment, while it has lagged behind corporate cash flow, can be stimulated by a proper tax policy. This Senator supports the investment credit feature. This Senator would support other tax adjustments. I think potential tax adjustments, such as personal and corporate income tax adjustments should be studied by the Congress immediately.

I understand a 2 percent cut in corporate income tax would result in approximately a $1 billion immediate cash injection into the economy.

A 2 percent cut in individual income taxes would provide another $4 billion. That would represent a $5 billion injection of capital into the economy. Add to that the investment tax credit, and we have an economic incentive that will overcome almost any obstruction to capital improvement and economic recovery.

Improved operating rates have stimulated investment, but it is a fact, according to the Council of Economic Advisers, that excess capacity remains a drag on capital spending. Therefore, consumer income is very important.

I have mentioned the growth in consumer income.

Total manufacturing and trade inventories at the end of March 1962, were $3.6 billion, or 3.8 percent above their level in February 1961, but sales increased faster than inventory, by 10.2 percent over the same period of last year.

It seems to me this is a factor that would lend itself to investment confidence.

The ticker tape just handed me states that the market has started back up. I think the American people need to take a good look at their economic family. When one takes a look at the economic life, structure, and family of this country, what does he find? The greatest skilled labor force in the world. Billions of dollars of capital for investment. A high productive mechanism of industrial capacity.

As I have said about this matter on other days, we find profits are up, employment is up, agricultural income is up, unemployment is down, prices are stable, investment is up, savings are up; and yet there are Members of the Senate and the lay public saying the economy is in dire trouble.

I am no expert on the stock market, but I have been told that stocks have been overpriced in relation to earnings; and that when stocks are priced at 40 and 50 times earnings, their prices are too high.

I know the bond market is good. I know the mortgage market is good. I know the dollar is sound. I know that, with all those factors, this country is economically strong—unless some people are determined to spread fear and panic throughout the Nation.

I call upon the industrial and financial leaders of this country to exercise their leadership and their statesmanship and to reassume once again their supremacy in the field of finance, business, and production, by stabilizing this market and by expanding our production and by improving our economic well-being.

Mr. SYMINGTON. Madam President, will the Senator yield for a statement on this subject?

Mr. HUMPHREY. Will the Senator permit me one moment? I had to decline yielding to two other Senators. I will be only a moment, and shall be happy to yield then.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair.) The Senator declines to yield at this time.

Mr. HUMPHREY. Madam President I mentioned housing earlier. Housing was strong through 1961, with residential activity expanding, according to the Council of Economic Advisers, by $3.7 billion, or 19 percent from the first to the fourth quarter.

Permits continue in an upward trend. The studies show that housing and commercial construction are in a healthy state. As I said earlier, there were over a million and a half housing starts.

What about Government activities? My colleagues, or some of my colleagues, like to say that the Federal debt is a great deterrent to faith in this economy. It is an interesting and paradoxical situation that the very same people who are complaining about the debt and about deficit financing are the same ones who say the Government ought to do something.

It takes more than words to do something. Even words from the President will not be enough if there is trouble in the economy. Herbert Hoover gave all kinds of speeches about the health of the economy at that time, but he did not have the facts. What are important are the facts of economic viability and of economic strength.

I wish there were as much concern in this body over the more than 4 million unemployed in this country as there is over the drop in stock market prices. Both are serious, but we have had unemployment as an inheritance from the previous administration. We have liquidated some of it, and unemployment has dropped from 6.9 percent of the labor force to 5.5 percent, a 20 percent drop in the total number of unemployed.

I wish to say that I did not notice too many of my colleagues on the other side of the aisle voting for the public works bill, which should help stimulate the economy. I did not hear very many speeches about the agony of the unemployed. It seems to me concern over the economy should be not only in the capital market but also in the employment market. There should be concern as to both sectors.

Next is the Federal Government debt as a percent of gross national product. In fiscal year 1946 it was 103 percent of gross national product. In fiscal year 1961 the Federal Government debt was 40 percent of the gross national product.

On a per capita basis, in fiscal year 1946 the per capita portion of the public debt owed was $1,535. In 1961, it was $1,121. That is a drop of 27 percent. Anyone who can run a peanut stand knows that that kind of a drop in per capita indebtedness is an important factor.

What about the public and private debt? I speak of net debt. The Federal debt has increased from 1946 to 1961. It has gone up 8 percent. State and local indebtedness has gone up 378 percent. Private indebtedness—the debts people owe on mortgages, for consumers' goods, and for durable goods—has gone up 305 percent.

I point out that the public sector, at the Federal Government level, has had a modest increase, and in fact the smallest increase by far.

The Government can make a real contribution toward recovery, and it is doing so. Federal purchases of goods and services rose at an annual rate of $6.8 billion in the fourth quarter, with $5.6 billion of the increase in national defense. The Council of Economic Advisers tells us that other Federal outlays—such as transfers, interest, and so forth—expanded more than $3.1 billion over the period on a national income accounts basis.

As the economic activity strengthened, Federal receipts increased an amount equivalent to $10.7 billion at an annual rate from the first to the fourth quarter of 1961.

In the first quarter of 1962, another $2½ billion was added. As a result, the income-and-product deficit narrowed from $5.5 billion, at an annual rate, in the first quarter of 1961 to $2 billion in the fourth quarter. The figure for the first quarter of 1962, according to the Council of Economic Advisers, also appears to be about $2 billion.

State and local purchases have increased $4 billion in the past four quarters.

The money supply, excluding time deposits, rose $4½ billion, or 3.2 percent, from February 1961 to April 1962. Including time deposits, the increase was $19 billion, or nearly 9 percent.

Bank loans increased $9.3 billion, or 8 percent, from April 1961 to April 1962. Bank loans are related to the health of the economy. When banks loan money, they have faith in the impetus and forward movement of the economy.

Long-term interest rates have been usually stable for a period of economic recovery. The yield on Government bonds currently is about the same as it was in February 1961. The yields on new corporate and municipal issues are at the lowest point since 1958. This means that money has gone into goods and services, where profits have been good.

Madam President, I have just been handed another ticker tape. I read from the ticker as follows:

> Signs of recovery started popping up shortly after noon and gained momentum as the day wore on.
>
> Late this afternoon badly battered International Business Machines held a $26 gain for the day. American Telephone turned a $2.12 loss into a $6.37 advance. Du Pont added $7.50, Polaroid $4.50, Sears Roebuck $4.12, and Jersey Standard $4.62.
>
> The Dow Jones industrial average had pared its earlier loss by 2 p.m. but still was far in the hole for the day.
>
> Bargain hunters appeared to have started buying the badly depressed blue chips.
>
> Trading volume soared to record heights and the ticker tape fell 96 minutes behind transactions.

Madam President, the people who understand the market, the people with the money rather than the people who are only "fooling around" and speculating, know the American economy is good. They are not ready to sell it out. They are not ready to panic.

What this Senate ought to be telling every investor in America is that America is strong in every way; politically, economically, morally and militarily. What we need are captains of industry and finance, along with the political leaders of both political parties, who will not only assure the American people by word but also by deed—buying into the market, strengthening that market, expanding production, improving consumption.

Madam President, I repeat that Congress can do its share. The tax bill can be passed. The foreign trade bill can be passed. We can give to our American business community the assurance that it needs, to march ahead with favorable tax policies, with favorable foreign trade policies, with guarantees on investment such as export credit guarantees.

The Senate passed a farm bill which will help the farm economy, if the bill becomes law. It will help the entire farm equipment and farm supply sector of the American economy.

If we can maintain the wage and price line in this country, construction will boom.

I repeat: The money is available. The capital is available. The savings have been made. These are indisputable facts.

It seems to me that what we need is not merely a word from the White House, even though we have a President of the United States whose family and life have been associated as closely with our economy as those of any family or person in the world—a President who has been looked upon as a friend of the free enterprise system—but also what we need is some action in Congress. We must pass the tax bill. We should give investment an incentive. We should start collecting taxes in the places where they ought to be collected. If need be, we should reduce taxes. All that action would be of some help.

Proposals have been presented by the administration as defenses against future recessions. The present administration and previous Democratic administrations have built in a number of safeguards for the economy. That is recognized by every objective observer.

We have social security, unemployment compensation, the regulation of the credit structure and the Federal Reserve System, to mention only a few, which are built-in safeguards and protections for a strong economy.

The President has asked for standby authority to permit income tax reductions. If he had such authority today, it might have been a little helpful. But whether or not we give the President that power, the Congress needs to assure the country as to a tax policy and not leave it in limbo.

The President has asked for a capital improvement program. The Senate passed the measure without much help from the sharpest critics of the administration.

The President has asked the Congress to cut down some of the costs of the farm program. We have passed a measure to do so.

The President has asked for a measure to improve farm income. We have given him that, without very much help from our friends on the Republican side of the aisle.

The President has asked for a strengthening of the unemployment compensation system. That, too, is our responsibility.

We passed the Manpower Development and Training Act. We are now training workers and they are being reemployed.

I repeat that the 1962 tax bill calls for a 7-percent tax credit on machinery and equipment outlays. The measure was passed in the House under Democratic leadership. Our Republican friends voted almost to a man against the measure. We need to pass it here.

Madam President, the Treasury's revision of the depreciation guidelines will add an estimated $1¼ billion to the corporate cash flow in 1962.

That is like new money in the corporate till. The revision will incorporate available current information on the economic life of capital goods and the effects of technical changes on obsolescence.

I submit that that is a rather formidable record. If we add to that record the housing program, improvements in social security, the minimum wage law improvement, and a host of other activities on the part of our Government, it is fair to say that no one entrusted with responsibility for the direction of the affairs of state has been asleep at the switch.

Madam President, I ask unanimous consent that the article in the Wall Street Journal of Tuesday, May 1, to which I referred, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Profits of 472 companies in 1st quarter rose 28.3 percent from those of 1961 period

[The columns below show earnings for the 1st quarter of 1962 as compared with those of 1961, with percentage increases or declines by groups from 1960. Where individual company reports cover 3-month periods other than calendar quarters, the nearest comparable periods have been used]

Company	Number	1st quarter, 1962	1st quarter, 1961	Change from year ago
				Percent
Aircraft makers	9	$19,858,000	$16,472,000	+20.6
Airlines	4	−18,399,000	−11,294,000	
Autos and equipment	18	408,660,000	182,660,000	+123.7
Building materials	18	21,093,000	16,551,000	+27.4
Building supplies	13	18,282,000	13,184,000	+38.7
Cement companies	5	2,811,000	3,367,000	−16.5
Chain grocers	7	18,442,000	18,324,000	+.6
Chemicals	26	243,212,000	208,038,000	+16.9
Department stores	14	124,037,000	102,962,000	+20.5
Distillers	7	17,543,000	18,498,000	−5.2
Drug manufacturers	11	33,561,000	30,467,000	+10.2
Electrical equipment, electronics	24	95,505,000	73,667,000	+29.6
Broad-line companies	8	82,517,000	61,211,000	+34.8
Specialty companies	16	12,968,000	12,456,000	+4.3
Farm equipment	7	25,565,000	19,238,000	+32.9
Finance companies	7	15,930,000	15,297,000	+4.1
Food products	12	46,338,000	36,760,000	+26.1
Bakery products	3	6,998,000	6,100,000	+14.7
Dairy products	3	19,003,000	16,751,000	+13.4
General food products	6	20,337,000	13,909,000	+46.2
Mining and metals	15	56,331,000	38,950,000	+44.6
Aluminum companies	3	29,388,000	17,061,000	+72.3
Copper and other metals	12	26,943,000	21,889,000	+23.1
Movies and movie theaters	7	6,147,000	11,063,000	−44.4
Office equipment	14	65,394,000	52,993,000	+23.4
Petroleum products	13	517,348,000	514,460,000	+.6
Publishing companies	6	5,200,000	4,108,000	+26.6
Pulp and paper products	19	50,922,000	46,185,000	+10.3
Railway equipment	9	10,608,000	4,191,000	+153.1
Rubber companies	8	27,376,000	23,733,000	+15.3
Steel manufacturers	17	114,637,000	52,894,000	+116.7
Textiles	10	19,770,000	10,160,000	+94.6
Tobaccos	6	54,692,000	53,777,000	+1.7
Tools and machinery	29	32,690,000	26,724,000	+22.3
Other industrials	112	222,390,000	175,641,000	+26.6
Total industrials	429	2,234,850,000	1,742,519,000	+28.3
Railroads	20	23,691,000	−5,251,000	
Utilities	23	208,958,000	185,752,000	+12.5
Total concerns	472	2,467,499,000	1,923,020,000	+28.3

Mr. HUMPHREY. Madam President, I have read into the RECORD quotations from Business Week. I suggest that the article would be good reading for the prophets of doom and gloom and the new disciples of decline and defeat. I happen to be one of those who believe in the economic strength of our country. I have a great deal of faith in industry, our labor force, and capital. I do not think our country will be sold short by Government or private individuals. The fate of the world rests with this country.

I am confident that in a very short time those who take an objective look at the investment field, corporate issues, corporate bonds, and other investment opportunities, will demonstrate their faith and their confidence in our great economic structure by buying-in again, by taking advantage of the bargain-counter prices, by new investment, new capital improvement, stepped-up sales program, stepped-up export sales program, expanded commercial and housing construction, and a vast program of public improvement across the country, including highways, airports, hospitals, schools, public buildings, and a host of other projects and activities.

Madam President, yesterday a production known as the "Ev and Charlie Show"—a press conference by the minority leaders of the Senate and the House—told the Nation that President Kennedy's performance has lagged far behind his promises for progress.

I want to set the record straight. Here it is:

First. The economy.

The charges: The average rate of unemployment under Eisenhower in 1960 was 5.6 percent. Under Kennedy it has averaged above 6 percent since he took office. Business failures increased 11 percent in 1961 under Kennedy compared to 1960 under Eisenhower, while mortgage foreclosures were up 40 percent, the biggest 1-year increase since the depression year 1932.

The facts: The Kennedy administration inherited an unemployment rate which had climbed nearly two points to a level of 6.7 and reached its peak at 7.0 in May of 1961. Since then, the trend has been downward, the unemployment rolls have been cut by 1 million or 20 percent and the latest reading is 5.5 percent, compared to the 6.7 percent, the Democratic administration inherited. The business failure rate is not a reliable index, inasmuch as it is usually highest in States where prosperity stimulates the most new business—and the rate was twice as high in Eisenhower's last year as in Truman's. Mortgage foreclosures reflect the income squeeze of the recession bequeathed by Eisenhower and the ending of the inflationary spiral.

Second. Interest rates.

The charges: Not a single category of interest rates has been reduced.

The facts: False. Those interest rates that most vitally affect business plant and equipment outlays, State and local governmental projects, and homebuilding have all come down. First, new issues of high-grade corporate bonds are now yielding 4.08 percent, down from 4.35 in January 1961. Second, high-grade State and local bonds are yielding

3.15 percent down from 3.44 percent as of January 1961. Third, the effective yield on FHA mortgages is now 5.65 percent, down from 6 percent in January 1961. This is the first economic recovery of the postwar period in which a general rise in interest rates has not occurred.

Third. On the budget.

The charges: Kennedy has had two successive deficits, with a third in prospect; and has boosted Government costs to the highest point in peacetime history.

The facts: President Kennedy inherited Eisenhower's fiscal 1961 budget, which was in fact already in deficit; he held the fiscal 1962 budget deficit to a level far below Eisenhower's $12.4 billion deficit in fiscal 1959, a peacetime record which reflected the previous recession—and he submitted a balanced budget for fiscal 1963. Although the fiscal 1962 deficit was not surprising in view of the effects of the recession on expenditures and revenues, almost two-thirds of this administration's additions were for national security and space—and had there been full employment, there would have been no deficit at all. The national debt is a smaller portion of our gross national product now than it was in 1960—and the Republicans may be merely trying to conceal the fact that they left five deficits in 8 years, added $23 billion to the national debt, and spent $182 billion more in their 8 fiscal years than Truman did in the preceding 8 years. That is one record my Republican friends can claim without contradiction.

Fourth. On agriculture.

The charges: Farm costs rose instead of being cut; farm parity fell to 79 percent; and no price support has been raised to 90 percent of parity.

The facts: After the Republicans had built up our surplus from $2.5 billion to $9 billion in 8 years, the emergency wheat and feed grain programs, proposed by the President and enacted in 1961, achieved the first meaningful reduction in surplus stocks since 1952—and resulted in long-term savings of several hundred million dollars. The President also promised to move farm income toward parity of income with other segments of the population—and in his first year reversed the trend to boost net farm income by $1 billion to the highest point in 8 years.

Fifth. Civil rights.

The charges: Kennedy has not even requested civil rights legislation or issued an Executive order ending racial discrimination in Federally assisted housing.

The facts: Legislation to extend the Civil Rights Commission was requested and enacted last year; legislation to provide for a constitutional amendment outlawing the poll tax was requested and is near enactment this year; and legislation to prevent literacy tests from discriminating against Negro voters was defeated by filibuster which would have been shut off had all Republicans supported cloture; and may I add, all Democratic Senators also. Aware of these legislative difficulties, the Kennedy administration has accomplished far more than its predecessor through administrative action—through lawsuifs to compel voter registration, through negotiations on the successful integration of schools, through increased employment by Federal agencies and Federal contractors, and through action to end segregation in bus, airline and train terminals. The President has promised to issue the Executive order on housing at the optimum time.

Sixth. Reclamation.

The charge: Kennedy failed to produce new reclamation starts.

The facts: False. This Congress has voted the first construction appropriations for nine projects in Idaho, Kansas, Oklahoma, Utah, Texas, Oregon—two, and California—two new features in a large existing project; three other new starts are included in the Kennedy budget for fiscal 1963 in Kansas, South Dakota, and Colorado; and five other major projects recommended in his conservation message—such as Frying Pan-Arkansas—are contained in separate bills favorably recommended to the Congress.

Seventh. Forestry.

The charge: Kennedy failed to come up with a "fresh and imaginative program" for the timber industry which he pledged.

The facts: The administration sent to the Congress last September a comprehensive new development program to cover 186 million acres of national forests and grasslands, emphasizing, first, substantially broadened and intensified recreation resource management, second, acceleration of timber harvesting and management, third, adjustment of the road and trail program to provide needed multiple-purpose roads, and, fourth, acquisition of needed tracts within national forest boundaries, especially those having recreational value.

Eighth. On strategic power.

The charges: The President has asked Congress to kill rather than support the B-70 superbomber program.

The facts: While continuing the development of a three prototype B-70 program and studying the most useful components leading toward a RS-70 system without wasting taxpayers' funds, the President has stepped up our acquisition rate of Polaris submarines and Minuteman missiles—increased by 50 percent the number of manned bombers standing ready on 15 minutes' alert—and expanded Skybolt missiles program which will enable manned bombers to penetrate enemy territory more effectively than the B-70.

Madam President, this Senator does not intend to have the administration made the whipping boy for political purposes by our Republican friends. I have sat here day after day and heard the opposition while talking about bipartisan cooperation with a popular President, launch this attack. Madam President, they cannot have it both ways. If they want to be photographed with a popular President, and if they want to stand alongside a popular, respected President, and merely act as if they disagreed only on some minor details, they had better start voting that way, and stop the attacks.

If our Republican friends want a full-scale partisan battle on the record of the Kennedy administration, there are Senators who are prepared to give it to them.

It is true, of course, that no administration has a record that could be called perfect. As we face political realities, however, it cannot be denied that the Kennedy administration has done a good job indeed. The American people know he has done a good job. His acceptance by the American people is almost unprecedented. They know that he gives himself wholeheartedly to his work. If he had done nothing but act as the head of state, receiving people from abroad, ecouraging closer cooperation among our allies, strengthening our national security, proposed new ways and means of increasing the economic strength of the United States and of our allies—had he done nothing more than that, which would be a monumental task within itself, he would certainly deserve the plaudits and the praise of thoughtful and fairminded Americans.

Madam President, I have no doubt that the overwhelming majority of all Americans appreciate what the President and his administration are doing. The American people know full well that no administration can do everything. Nevertheless, they look upon President Kennedy as one who tries, as one who works, as one who proposes, as one who offers proposals and suggestions and answers to our current predicaments.

Mr. DWORSHAK. Madam President, will the Senator yield?

Mr. HUMPHREY. I am very happy to yield to my very patient good friend from Idaho.

Mr. DWORSHAK. I assure the Senator that, being the only Senator on the floor, aside from the Senator from Minnesota and the Presiding Officer, I have demonstrated my willingness to listen to a speech of 1 hour on the state of the Union. I commend the Senator from Minnesota, the assistant majority leader, for a very persuasive presentation on what he considers to be the economic situation facing our country today.

Will the Senator give me some assurance that he will arrange to have some reprints of his speech today prepared, so that they may be mailed to many millions of small investors who have lost billions of dollars since the first of this year, and so that they may have the same exuberance and the same inspiration and the same confidence and the same blind devotion and the same loyalty to the President the Senator from Minnesota has? Will the Senator arrange through the National Democratic Committee to get millions of copies of his speech reprinted?

Mr. HUMPHREY. If the Senator thinks it is that good, I would be willing to let the Republican National Committee share in the cost involved. I did not realize I was doing so well.

Mr. DWORSHAK. I am sure the Republicans will want to contribute to the cost of reprinting the speech.

Mr. HUMPHREY. Is that a pledge? Is the Senator making a pledge or just another Republican promise?

Mr. DWORSHAK. I would probably make a contribution myself. The Senator knows that I do not hold a position of leadership on this side of the aisle. However, I have such profound affection and respect for the Senator from Minnesota that I have stayed in the Chamber all afternoon.

Mr. HUMPHREY. The Senator is most considerate. Would the Senator let me reply, before he continues? I would like very much to mail out my speech. I appreciate the offer that has been made by my friend on the Republican side of the aisle. I will show the Senator how fair I am willing to be. I would like to include in the reprinting of speeches the funeral sermons which the Republicans delivered this afternoon.

I would like to include some of the sad-eyed, tearful remarks that came from the Republican side of the aisle, telling the American people that the United States has gone to the dogs.

I am of the opinion that some very good Republican financiers are eyeing the market now and wondering when they can buy into it again, so that they will be able to make a very heavy contribution to the Republican National Committee.

Mr. DWORSHAK. Of course, press representatives are present in the gallery of the Senate, who were listening to the speeches which were made by the Republicans, and which were not as optimistic as the speech of the Senator from Minnesota. I am sure the Senator will receive full coverage also.

Mr. HUMPHREY. I hope so. I encourage my friends of the press to see that that will happen. I know they will see to it. They always appreciate these gems of truth.

Mr. DWORSHAK. The Senator can be most persuasive and influential in solidifying and coordinating public thinking within the country. I wonder if the Senator has any influence through his farflung connections in Western Europe. I should like to call his attention to a dispatch which appears on the ticker this afternoon. It is a UPI dispatch, and reads as follows:

> LONDON.—Stock prices crashed again all over Europe today in sympathy with Wall Street's continuing toboggan run.
>
> Industrials were down 16.7 points on the London exchange at the close, the biggest drop since the Financial Times average was established in 1935. It was a steeper decline than the one following Britain's Suez crisis.

Mr. HUMPHREY. I ask the Senator from Idaho to keep reading, to keep reading.

Mr. DWORSHAK. I continue to read:

> The Amsterdam market saw drops of 60 points in international stocks, but Dutch bought with the selling orders from Americans, Swiss and Germans.
>
> The Zurich market leveled off as investors picked up bargains; even so, final losses for the day on blue chip shares were 10 to 15 percent.
>
> The Milan Stock Exchange had its worst session in 18 months, with stocks losing about 10 percent of their value.
>
> Because the French economy has been booming, the Paris Bourse was less nervous than other European markets but losses there ran from 3 to 8 percent of values.
>
> Frankfurt had losses up to 100 points but most were between 20 and 40.

Mr. HUMPHREY. What was the hour of that dispatch?

Mr. DWORSHAK. I think it was about——

Mr. HUMPHREY. It is typed on the sheet.

Mr. DWORSHAK. It is a foreign dispatch; the Senator can read it. It was received about 3 o'clock this afternoon.

Mr. HUMPHREY. I observe that no time is printed on the slip. We will assume it was about 3 o'clock. But I will give the Senator some reassurance. The news at 3:48 p.m.——

Mr. DWORSHAK. Madam President, will the Senator from Minnesota yield?

Mr. HUMPHREY. Would not the Senator like to have some reassurance? He looks so sad. [Laughter.]

Mr. DWORSHAK. All I am trying to do is to encourage or stimulate the Senator from Minnesota into making an international speech, one which will inspire people abroad and give them renewed faith and confidence in all the industrial and financial markets.

Mr. HUMPHREY. Would the Senator like to have my speech distributed internationally?

Mr. DWORSHAK. That is correct; not only in this country, but also abroad. The Senator from Minnesota on many occasions has made some pertinent observations, as he did a few minutes ago, about the soundness of the American dollar. He has indicated that the United States has lost almost half a billion worth of gold dollars in the first 5 months of the calendar year 1962. I should like to have the Senator's reaction to what might happen to the soundness of the American dollar if the people who own $25 billion of American securities and are obviously unloading them in Western Europe should demand payment in gold dollars at a time when we have only $4,500 million of gold available to take care of the many billions of dollars of credits abroad. What does the Senator think might happen to the economy of Western Europe and to the prestige and integrity of the American dollar, not only in Wall Street, but throughout the country? Does the Senator believe that Congress and the New Frontier administration can use magic, which it is attempting to use, to allay the fears and apprehensions of people who recognize that we are going down, down, and down, notwithstanding the assurances and reassurances which the Senator gives us in the form of statistical information concerning the economy of the country?

Mr. HUMPHREY. While the Senator from Idaho may think the American dollar is in trouble, not very many other people who are in the investment business think so. They like the American dollar. I remember that only a few years ago we were being told that the American dollar was not so good as the Canadian dollar. Now the American dollar is a prized thing on the market. The investors of Switzerland and Holland are very sharp and shrewd. I noticed, according to the dispatch the Senator from Idaho read so hastily, that they were buying in the market. Some people may have been selling.

Mr. DWORSHAK. They were "selling orders from Americans, Swiss, and Germans."

Mr. HUMPHREY. Yes; keep reading.

Mr. DWORSHAK. A period follows that statement.

Mr. HUMPHREY. The Senator would be interested to know, since he was quoting from market reports, that markets come and go. The latest report I have, which is timed at 3:28 p.m., reads:

> Stock market stages apparent recovery with trading extremely heavy. Ticker tapes more than 2 hours behind floor transactions in late afternoon.

Here is a dispatch at 3:50 p.m., 22 minutes later:

> A flood of buying reversed a selling stampede and sent the stock market into a sharp rally late this afternoon.
>
> Many analysts have been predicting that a rebound would come after a tremendous sell-off such as yesterday's volume of 9.35 million shares.

Another paragraph reads:

> A mass of bargain hunters are sending in orders to buy collapsed stocks.
>
> The psychology of yesterday—get out at any price—has reversed itself today.

I shall not get into the game of seeing who can read the most press releases from the news ticker. I know the Senator from Idaho will not disagree with me for a moment that this country is strong economically.

Mr. DWORSHAK. It has been.

Mr. HUMPHREY. It is strong economically, politically, and militarily. The Senator would not disagree with me that the main rush, the main flow of the gold rush, started under the Eisenhower administration. I think he remembers that. I think he knows that the rate of gold outflow has slowed down to less than it has been in the past year.

Mr. DWORSHAK. That is not true. It is almost——

Mr. HUMPHREY. I do not care whether it is almost half a billion dollars lower now or not; the rate of outflow is slower than it has been in 4 years. How much it has been is not the question. The fact is that the rate of outflow has been slowed down. With but a little cooperation from our recalcitrant brethren on the other side of the aisle, we could do even more.

Mr. DWORSHAK. Madam President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I do not want to join the chorus of the pixies and the chorus of those who stand on the political fence and shout words of doom and disaster. I believe this country is basically economically strong. I do not believe the stock market is going to be the end of A.T. & T., International Business Machines, or Standard Oil of New Jersey. I believe, considering the fantastic reserves of capital, the consumer market, the increased consumer purchasing power, and the demands for durable and nondurable goods, anybody who has any sense will buy back into the market.

Oh, how I wish I had something with which to buy back in. I wish to goodness it was my good fortune to do so, because I am of the opinion that many a good honest dollar will be made in the very next few days.

At the first opportunity, if he has any little thing, and rather than to contribute my reprint, why does not the Senator from Idaho buy into the market? We will divide the profits. [Laughter.]

Mr. DWORSHAK. I certainly share the hope of the Senator from Minnesota that there will be a complete recovery in the financial markets; that there will be greater stability in our economy, because a sick psychology is more devastating and insidious than is factual data like those presented today by the Senator from Minnesota.

Mr. HUMPHREY. Will the Senator from Idaho join with me and with Dr. Norman Vincent Peale and think positively?

Mr. DWORSHAK. I have tried to do that all the time, but it is difficult to do so when I listen to all the speeches which have been made on this subject.

Mr. HUMPHREY. I know it must be difficult. I feel for Senators on the other side of the aisle, who listen to their own words of despair and trouble.

Why does not the Senator from Idaho come over to this side of the aisle, where we will give him some encouragement? Then he can think positively and can have the glow of opportunity and optimism upon his countenance? We will welcome him.

Mr. DWORSHAK. There are already too many Senators on the other side of the aisle.

Mr. HUMPHREY. We will be delighted to have the Senator from Idaho come over here.

Mr. McCARTHY. Madam President, will my colleague yield?

Mr. HUMPHREY. I yield.

Mr. McCARTHY. I commend the senior Senator from Minnesota for having made so attractive a case, after we have listened to the prophecies of gloom that have come from the Republican side for the last several days, usually from about 4 o'clock until 6 o'clock in the afternoon. They took the floor after the farm bill was passed and prophesied with gloom. After the passage of the public works bill, which we thought was a good bill, they again prophesied with gloom. Of course, none of us is quite satisfied with the economy.

Mr. HUMPHREY. It can always be improved.

Mr. McCARTHY. But we know it is moving forward. We would like to see it move forward somewhat more effectively. But our friends on the other side of the aisle always prophesy on the gloomy side. They want to recess the Senate for a few days, because they think that might dispel the gloom. Certainly the people out in the country would not then hear the Republican prophecies of doom and might not become so depressed.

There is nothing objectively wrong with the total economy. According to the indicators, the economy is on the way up.

Mr. HUMPHREY. The Senator from Idaho said the statistics are sound; the facts are all right. It must be his conclusions that are wrong.

Mr. DWORSHAK. They are not my conclusions; they are the conclusions of millions of Americans who have no confidence in the New Frontier administration.

Mr. McCARTHY. One prophecy the Democrats did not make in 1960, and one promise the Democratic candidate for President did not make, was to keep the stock market going up. He promised to try to reduce unemployment; to increase the gross national product; to improve farm income. On all those points, he has delivered.

However, the President is not satisfied, and I am not satisfied. All of us would like to see something more effective done. Almost every day the President presents a new proposal to make the economy more effective.

But what do we hear from the other side of the aisle? Opposition to every program. No matter how good things are, we can always hear a whispering sound from them. It does not make any difference how helpful the effort is; there is always a whisper of suspicion and fear from the other side of the aisle. Even when they are in power, they are unhappy. It is a strange thing about the Republicans: When they are in office, they are unhappy. Their slogan is to get government out of business, but actually they try to get government out of government.

I commend the Senator from Minnesota and would like to add for the RECORD two or three rather significant commentaries published today.

Mr. HUMPHREY. Will the Senator permit me to yield the floor to him? I retained the floor a while ago when the Senator wished me to yield to him.

Mr. DWORSHAK. Madam President, will the Senator from Minnesota yield for one more question?

Mr. HUMPHREY. Yes; I yield first to the Senator from Idaho.

Mr. DWORSHAK. A UPI dispatch dated 9:08 a.m. quotes some of the Democratic congressional leaders, including the Senator from Minnesota, who allegedly said, "It looks like somebody is tampering with the business thermometer." Can the Senator from Minnesota tell us who the "somebody" is?

Mr. HUMPHREY. No. I said "It looks like." If I knew, I would have said so right then.

Mr. DWORSHAK. The Senator from Minnesota has no idea who the "somebody" is?

Mr. HUMPHREY. No; so I would not wish to point an accusing finger.

However, when profits are up, employment is up, construction is up, savings are up, commercial activity is up, and the wholesale price index is higher, I think those are rather good signs, and I think they indicate that ours is a rather good country.

Mr. DWORSHAK. When that happens, the Senator from Minnesota gives the President all the credit; but when prices on the stock market are going down, down, down, the Senator from Minnesota says, "Somebody is tampering with the business thermometer," but he does not say who the "somebody" is.

Mr. HUMPHREY. No. But I think the President is getting his fair share of the blame—so much so, that those of us on this side of the aisle see no reason to heap the coals upon him.

But the President is not running the stock market—although when prices on the stock market fall, some persons want the President to run right in.

Let me say that I believe that every voice and every act of the Government should contribute to economic growth and to progress and to confidence in the American economy; and I believe that is what we are required to do in our positions as public officials. I also think it would be the best policy for private citizens.

Madam President, I have another brief item to read, and I believe it will be helpful to the Senator from Idaho. It is from the news ticker, and reads as follows:

> NEW YORK.—Bellwether blue chip stocks broke through the market slump on Wall Street and rallied today in trading so heavy brokers on the New York Stock Exchange floor broke into cheers.
>
> Prices had dropped again this morning in early trading but flash prices during the afternoon showed major issues suddenly moving well above their levels yesterday when the market suffered its sharpest drop since 1929.
>
> Investors and traders at the exchanges and brokerage houses, some too busy to answer telephones, watched in amazement as the trading volume climbed hourly. When the tape fell nearly 2 hours behind, traders on the New York Stock Exchange floor cheered.
>
> At 2 p.m., the volume on the New York Stock Exchange was 6,400,000 shares against 4,310,000 at the same hour yesterday. The American Stock Exchange said at 2 p.m. they had a near record 4,030,000 shares.
>
> The tape at 3 p.m. was about an hour and 57 minutes late. The flash prices showed about like this: United States Steel, up 2⅜; Bethlehem, up 2¾; General Motors, up 1¼; IBM, once up 21 points, up around 11; Jersey Standard, up 4½.

Madam President, I call attention to the statement, on the news ticker, that "brokers on the New York Stock Exchange floor broke into cheers."

Madam President, may I pause for a moment? What a wonderful thought and what a beautiful expression. I want my Republican friends to note this.

Mr. DWORSHAK. Madam President, if the Senator from Minnesota will yield, let me say I am sure the operators on Wall Street must have heard by remote control of the speech the Senator from Minnesota made here today, which inspired them.

Mr. HUMPHREY. Does the Senator from Idaho really think so?

Mr. DWORSHAK. I am sure of it. [Laughter.]

Mr. HUMPHREY. Madam President, I think this is the finest tribute I have received since I have been in public life. I can honestly say, Madam President, that there have been times when farm audiences and labor audiences and some business audiences have cheered my remarks, but never until now have I been cheered in the New York Stock Exchange. [Laughter.]

But I want the RECORD to show clearly that I have the testimony of the Senator from Idaho that it was the speech I made here this afternoon which caused the stock market to rally and gave the traders and operators on the stock market that moment of release from their sorrow and that feeling of optimism, which manifested itself in an outburst of cheers.

So I thank the Senator from Idaho. This will be very good news, and I hope the local press in Minnesota report it. [Laughter.]

Mr. McCARTHY. Madam President, I think we should take the Senator from Minnesota to New York and should tender him a ticker-tape parade there. He is most deserving.

Mr. GORE. Madam President, I think we should now have a quorum call, in order to give the prophets of gloom and doom an opportunity to return here.

Mr. HUMPHREY. Madam President, I think that would be going too far; one can go only so far in any 24-hour period. [Laughter.]

However, Madam President, I thank the Senator from Idaho for his tribute, which I readily accept, even though I do not think it is deserved. When one is praised in certain quarters, he should accept it without further comment.

Madam President, I yield the floor.

Mr. McCARTHY. Madam President, I suggest that this recovery is temporary, and that there is an element of continuing decline. The Federal Reserve probably should study the advisability of making some adjustment of market requirements, in order quite properly to take care of those who are engaged in trading in the stock market. Evidently some recovery is underway, but I think that might help make it more substantial.

Apart from that, I believe that we in Congress should continue our consideration of some of the basic factors in connection with the economy and should continue to work on legislation in that connection, although not in connection with the stock market, for, as it has been developing in recent weeks, it certainly is no indication of what is happening in the economy.

But we should have genuine concern in regard to expansion of the economy; and I believe, therefore, that we would do well to look to a rather simple reduction of corporate taxes, since that could be accomplished quite easily; and we should also give the President the authority he requested earlier in his administration—namely, authority to make adjustments of individual income-tax rates, so that purchasing power might be released into the economy at the proper time, and not 6 months or a year later, as would be likely to occur when it was necessary to wait for prolonged hearings and lengthy deliberations in Congress, since they would necessarily have to intervene between the time when such action was clearly necessary and the time when Congress would be able to take action.

Madam President, I ask unanimous consent to have printed in the RECORD three articles on the stock-market situation and the decline which has been discussed and the recovery which apparently is underway. The articles, which appear in today's issue of the Washington Evening Star, are as follows: one was written by Sylvia Porter, and is entitled, "Declines Attributed to a Return to Reality." The second, written by Jack Lefler, is entitled, "Heavy Trading Cuts Values $19.5 Billion"; and the third article, written by Frank Cormier, is entitled, "Federal Reserve Board Silent on Margin Curbs." I think these are significant comments and will help explain what has happened, and will, I believe, give encouragement to those who are concerned about the recovery.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, May 29, 1962]

DECLINES ATTRIBUTED TO A RETURN TO REALITY

(By Sylvia Porter)

What was behind yesterday's historic crash in the stock market?

The answer falls into four broad classifications:

1. Margin calls went out from brokers last weekend to shareholders over the country who had bought stocks on borrowed capital. The calls demanded that the owners put up additional cash to back up their borrowings.

The slump of the past few weeks had pushed their equity in their stocks below the minimum permitted by Federal Reserve Board regulations and Stock Exchange rules.

As the break got worse, the calls for additional cash multiplied and many disillusioned, frightened and cash-shy holders were sold out. In view of the extent of yesterday's break, there's going to be a lot more of the same today.

2. Fear feeds on fear. As the market has declined week after week, fear of a massive downturn has caused investors who had no intentions of selling a couple of months ago to get out while they still could preserve some of their nestegg.

Always, big movements in the stock markets tend to exaggeration, particularly on the downside. This happened yesterday and what happened yesterday could make it happen again.

3. There has been liquidation of U.S. corporation stocks by foreign holders, especially by the Swiss, according to reliable sources. This has helped create air pockets in the stock markets. There's no way of calculating how big the liquidation has been from foreigners, but it has been a factor.

BIG BUYERS WAIT

4. The big buyers with funds to invest—the mutual funds, institutional investors, wealthy persons—have been largely sitting by, waiting to see how far this movement would go before they step back in on a worthwhile scale.

Over the weekend, there was a forewarning of what would happen Monday in a report that bids for stocks on the exchanges were unusually slim. The lightness or underlying buying orders could have only meant a major decline when selling orders started to pour in—and they poured.

Each of these is a key reason, but each is basically technical.

NO BUSINESS DOWNSWING

Is the stock market also flashing the fundamental message that a major business downswing is on the way?

The answer is "No."

This has been a spectacular crackup. But the considered judgment of responsible authorities still is that the stock market is belatedly recognizing what thoughtful observers have been emphasizing for some time—the era of great inflation is way behind us and in our economy, with its high unemployment and excess industrial capacity, inflation is not going to take off soon again.

Those who bought stocks at fabulously overpriced levels which could not be justified by commonsense reasoning or traditional yardsticks thought that inflation would bail them out and there always would be one more sucker to buy.

Inflation is not going to do this for them in the foreseeable future.

REEVALUATE BUSINESS ADVANCE

The stock market also has been reevaluating stocks as investments in view of the moderate character of the 1961–62 business advance. Earnings obviously are not going to be as fantastically fat as the optimists anticipated a few months back.

The stock market has been reflecting the increasing attractiveness of other mediums for savings too. Just simple savings accounts pay up to 4 or 4½ percent now. Bonds also have been returning much more favorable returns per year than most of the most popular stocks.

That the stock market is a "leading indicator" of business is indisputable. Often in the past it has turned up or down long before a similar movement in the economy.

ONLY ONE INDICATOR

But it is only one of the leading indicators and, as Federal Reserve Board Governor George W. Mitchell remarked recently, the fact overlooked is "that the stock market has sometimes declined significantly when the underlying business trend did not change materially. Thus, the composite price averages dropped 9 percent in the summer of 1959, 11 percent in the fall of 1956 and 15 percent in the summer of 1950. In each instance, the market had more than regained its losses before recession-related declines commenced."

What, though, if the above is too Pollyannish and the stock market break is telegraphing a signal of bad trouble ahead for the U.S economy?

Then, the administration and Congress can—and probably will—move with powerful weapons to counteract the business decline before it gets rolling.

TAX CUTS POSSIBLE

Across-the-board tax cuts for corporations and individuals would be the greatest spur to business and the most potent antirecession weapon that exists. Serious talk of this is mounting.

What the stock market has done and is doing is returning to commonsense realities. Descent from glorious dreams of get-rich-quick to hard facts is never fun. Many are being badly hurt in the market today, hurt worse than they dreamed possible.

But this is not "another 1929" and if it ever shows signs of turning into one, we have the brains, the know-how and the determination to prevent it.

HEAVY TRADING CUTS VALUES $19.5 BILLION—BLUE CHIPS HIT IN WORST TUMBLE SINCE BIG CRASH

NEW YORK, May 29.—The stock market opened lower today following the worst 1-day collapse since 1929.

Some huge blocks were traded as leading issues continued under selling pressure. United States Steel dropped one-fourth to 50⅛ on 13,000 shares.

Chrysler broke 2¼ to 41 on 6,000 shares. Raytheon toppled 3⅛ to 25 on 10,000 shares.

(By Jack Lefler)

NEW YORK, May 29.—The stock market, battered by its worst loss since the crash year of 1929, leaves unanswered the big question:

"Has it hit bottom?"

The market's long, sharp decline swelled to titanic proportions yesterday as trading rocketed to the highest level since October 28, 1929—the day before the climax of the crash.

The plunge wiped out an estimated $19.5 billion from the quoted value of stocks listed on the New York Stock Exchange, based on the fall of the Associated Press 60-stock average. This cut the total value to $301.5 billion from $388 billion at the end of 1961.

The Associated Press average fell 13.40 to 211.20. The Dow Jones average plummeted 34.95 to 576.93. These were the biggest tumbles taken by these averages since October 28, 1929.

TICKER TAPE SWAMPED

Volume of 9.35 million shares swamped the high-speed ticker tape.

The tape was 69 minutes late at the 3:30 p.m. close, the longest lag since the speedy tape system was installed in 1930. It didn't finish reporting the last transaction until 5:59 p.m.

The massive selling gnawed deeply into the prices of blue chip stocks—the solid, high-priced issues considered the foundation of the market.

International Business Machines slumped $37.50 to $361, Du Pont $12.50 to $202.50, American Telephone $11 to $100.62, and Standard Oil Co. (New Jersey) $5 to $46.

The wave of selling—blamed on a panicked public—was accelerated by calls for more margin. The requirement is for a 70-percent cash downpayment on stock but losses of more than 30 percent have hit many issues.

SEVENTY-FOUR FINISH HIGHER

Of 1,375 issues traded (the most ever in 1 day), only 74 finished higher and a whopping 1,212 declined. Five somehow managed to reach new 1962 highs and 937—well over half the issues listed—fell to new yearly lows.

American Telephone, the most actively traded issue on 282,000 shares, was particularly hard hit by margin calls. A technicality allowed stockholders with rights to buy additional stock to carry the purchases on 25-percent margin.

What happened to bring on the stock price debacle while the economy is rolling along at a rapid pace?

MARKET UNRAVELING

"The market is unraveling the speculative excesses of the past 3 or 4 years when anticipations of values far exceeded the realization of earnings and sales growth," suggested the big brokerage firm Bache & Co.

"We cannot say that this will be the low because who knows where emotion goes, but on the figures, the statistics, the earnings, the dividends, and the general healthy state of the U.S. economy, stocks are rapidly becoming realistic."

Others blamed the great rush to get rid of stocks on a widespread belief that inflation is over. When inflation is in force, investors feel that their money will grow in stocks. When a noninflationary trend sets in they convert to bonds and savings deposits.

Keith Funston, president of the New York Stock Exchange, said the market drop "is not a calamity."

SEES PROFITS PROTECTED

Mr. Funston, interviewed in San Antonio, Tex., added that "the people selling are selling to protect profits they have already taken."

He said there were probably several reasons for the selling and he thinks one of the biggest was President Kennedy's clash with the steel industry.

"There has been growing disquiet among investors because of Kennedy's steel action," he said, "and the wage bill that would take withholding taxes from dividends probably had something to do with it too."

Mr. Funston also mentioned higher interest on savings and loans in competing for the investor's dollar and lessened inflation as market influences.

"The Securities and Exchange Commission hearings hurt the market," he said, referring to an SEC inquiry into exchange selling tactics.

"There's just a feeling of discomfort * * * but business prospects don't look bad at all now. The credit situation is good. There is little danger of overextended credit. * * *

"The market goes through things like this, although a lot of people thought it wouldn't go quite this far."

ATTITUDE A FACTOR

The administration's attitude toward business—stemming from its actions in forcing the steel industry to pull back a price increase—is one of many factors which are being blamed for investors' fears.

Others are that a recession is likely in 1963, a profit squeeze on business, competition from the European Common Market, and continuing international crises.

An investment analyst said the market is reflecting "the failure of the economy to reach boom levels on any sustained basis since 1957 and the erosion of profit margins resulting from increasing competition from domestic and foreign sources."

The violence of the shakeout brought some glimmers of hope on Wall Street that prices had been shoved down so far that they would appear as bargains.

BUYERS ATTRACTED BACK

If this is the case, brokers said, the mutual funds, pension funds, investment trusts, and other big buyers might be attracted back into a market which they have largely sidestepped since stocks were at their 1962 peaks.

Brokers have insisted that there could never be another 1929.

They point out that stocks now are owned by 15 million Americans—far more than in 1929—people are much wiser about the operations of the securities industry and of business as a whole.

And they say that the Government regulations enacted after 1929—the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, and the Investment Company Act and the Investment Adviser Act of 1940—have set up safeguards for the investor.

FEDERAL RESERVE BOARD SILENT ON MARGIN CURBS

(By Frank Cormier)

The Federal Reserve Board has given no sign that it will heed urgings by some Wall Streeters that stock market credit curbs be relaxed in an effort to stem the price retreat.

Board members maintained an official silence on the subject today but sources close to the Board took pains to point out that a reduction in stock margin requirements could have a negative effect.

Margin regulations, which can be changed at will by the Board, determine the downpayment an investor must make when he buys stock. Since mid-1960, a 70-percent cash downpayment has been required. Some market experts have suggested this be lowered to 50 percent.

The Reserve Board always has taken the position that changes in margin requirements are dictated by changing credit conditions rather than the level of stock prices.

WOULD LIFT MARKET

A lowering of margins, according to proponents, would give the market a lift by signifying Government willingness to take positive action to forestall a further slide in stock prices. Also, they contend lower margins would stimulate stock purchases by allowing greater use of borrowed money in the market.

Another group that opposes lower margins claims a cut would signal Government concern about price movements and might prompt additional selling. They also argue that easier credit might be used to finance short selling—the sale of borrowed shares by people who hope to buy them back later at a lower price and pocket the difference. Short selling normally depresses stock prices.

Mass buying of stocks on credit was one of the factors aggravating the 1929 market collapse. As prices dropped, lenders called on investors to put up more cash to protect loans that financed speculative stock purchases. Investors who could not raise the needed money saw lenders sell their stocks, which had been posted as collateral for loans.

NO 1929 CURBS

In 1929, there were no formal margin requirements and stocks could be purchased with a downpayment of 10 to 25 percent cash. With the imposition of Federal margin controls in 1934, the number of investors using credit in the market dropped sharply. And the ratio of cash to credit in individual transactions was increased, which reduced the risk of a margin loan growing sour.

The sharp sell-off of recent days has led to an undetermined number of margin calls—demands for more cash to protect loans—and lenders have been selling some stocks posted as collateral when investors have been unable to meet these calls.

If margin is at 70 percent, the man who buys a $100 stock can put up $70 in cash and cover the balance through a loan from a broker or bank.

NO RESERVE RULE

There is a widespread misconception that if the price should drop below $70, the shareholder would be asked to put up enough cash to match the difference between $70 and the current price. Actually, the Reserve Board has no regulation covering such a situation. The bank or broker making the margin loan can decide in each case when or if to make a margin call.

Under the rules of the New York Stock Exchange, the $100 stock used in the example above could drop below $40 before a broker would be required to make a margin call. The exchange rule is that a call must be made if the amount the investor would have left after selling his stock and paying off the margin loan represents less than 25 percent of the stocks' current value.

In the example cited, the loan on each share would be $30. Therefore, if the stock were selling at $40, liquidation of the loan through sale of the stock would leave the investor with $10. And $10 would be exactly 25 percent of the stock's current value.

In practice, a broker might well make a margin call before the stock fell below $40. But he would not be likely to do so simply because the stock fell below $70.

STOCK MARKET BREAKS: 1929 AND 1962

Mr. SYMINGTON. Madam President, this break in the stock market is unfortunate and to be regretted; but I am confident our economy is basically sound.

Whereas justification for the market break in 1929 was made by some experts on the grounds that certain stocks were selling at 20 times earnings, recently some stocks have been selling at more than 40 times earnings. That would seem to me to be too high.

I have already heard the administration blamed for this break on the basis of too high taxes, increased influence of unions, Government intervention, and an unbalanced budget.

Let me present that at the time of the market break in 1929, a far more severe break, taxes were not high, there were no big unions, there was no Government intervention and there was no unbalanced budget.

I would hope now that all segments of the economy, and the Government, would work together to retain the unparalleled prosperity this Nation now enjoys.

THE SMALL NATIONS AND THE FUTURE OF THE UNITED NATIONS—ADDRESS BY U THANT, SECRETARY GENERAL OF THE UNITED NATIONS

Mr. MOSS. Madam President, U Thant, Secretary General of the United Nations, delivered a speech in Sweden on the occasion of the commemoration of the death of Dag Hammarskjold. I hold in my hand a copy of the speech, which I believe will be of great interest to all Members of the Senate. It reveals some of the thinking of the one who now serves in the responsible position of Secretary General of the United Nations; and his speech is a very enlightening discussion of world conditions which now exist. I ask unanimous consent that the speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE SMALL NATIONS AND THE FUTURE OF THE UNITED NATIONS

(Address delivered by Acting Secretary General U Thant at Uppsala University, Sweden, on May 6, 1962)

Seventeen years ago, when the statesmen of the world gathered at San Francisco and tried to work out a world organization to establish peace on secure foundations, the international situation was very different from what it is today. The Conference was naturally dominated by the three greatest military powers, the United States, the Soviet Union, and Britain. There was a widespread belief at that time, if only these big three could be brought together in an international organization, there would be no fear of another world war, and even small brush-fire wars could be banished. In the wake of the most catastrophic war in the history of mankind, humanity had a new vision: it saw the glimmer of dawn of a warless world. The tragic history of the League of Nations was still fresh in the minds of these statesmen who realized that the League failed because it did not have sufficient authority to act. There were many in San Francisco who were familiar with the circumstances leading to the collapse of the League of Nations, and who realized that the League failed not only because it was lacking in authority but also because it was lacking in will. The psychological climate in the spring of 1945 at San Francisco was one of hope and even optimism; there was general feeling that the statesmen had learned a bitter lesson of history; the big three had emerged victorious in the colossal war against the Fascist and Nazi dictatorships at tremendous cost; peace had been won, and that hard-won peace must endure with the continued cooperation of the allies.

That hope, that vision and that belief speedily vanished in the years following the war. The causes of the deterioration in international relations which followed World War II were mainly political and psychological. After an all-too-brief period of harmony, the Big Three split among themselves. The United States and Britain were suspicious of Russian intentions and Russia was suspicious of Western intentions. In course of time, the West moved closer together and established collective defense pacts. For her part, Russia too established a cordon of friendly states around herself and entered into similar collective defense pacts. To ask which side started this process would be unprofitable, since this would generate ceaseless arguments. The relevant consideration in this context is that fear and suspicion on both sides generated tensions which came to be reflected in the United Nations. The big powers on the Security Council, which was originally designed as the chief instrument for maintaining peace and preventing war, have made it an arena of contention and conflict. The United Nations, like its predecessor the League of Nations, has had several impressive successes to its credit, but it has not been an unqualified success in its essential purpose to establish the rule of law everywhere. One fact clearly emerges out of the debates and discussions on major political questions in the United Nations: Ordinarily the Security Council can take effective action only if the United States and the Soviet Union are in agreement.

It is impossible to conceive in our times of a world authority that could physically eclipse the giant states of the United States and the Soviet Union. All that seems possible is to employ the strength of the two giants to support a system of preventing war between other, weaker countries. But how is war to be prevented in disputes between the two giants themselves? This is the paramount question of today. In the last resort, there is only the so-called balance of terror between them. No doubt there is also a tacit recognition between them that their interest in world peace is greater than any of their other political interests. It is only on this premise that serious negotiations can be based. Herein comes the role of the smaller uncommitted countries like Sweden, which is to develop every means of strengthening this implicit understanding between the Americans and the Russians, thus making "the last resort" increasingly remote.

As far as the United States and the Soviet Union are concerned, the aim for the time being should be to stabilize and, if possible, to reduce arms stockpiles without disturbing the existing "balance of terror"; to eliminate as far as possible the risks of surprise attack or of war by accident; to check the development of new weapons, and the continuous stockpiling of existing ones. In short, the most hopeful approach is through disarmament, starting with the banning of test under appropriate and effective control and an agreed system of inspection, as the United Nations General Assembly has repeatedly favored.

As far as all other powers are concerned, the aim should be to develop the peacekeeping authority of the United Nations. A member state such as Sweden could greatly increase the usefulness of the United Nations—and I am indeed very glad to have this opportunity of stating from this forum that Sweden has been playing a very significant role in this direction. Although the moral authority of the United Nations could be built up by channeling international activities through this instrument, its efficacy will always require, ultimately, the supporting enforcement of both the United States and the Soviet Union. In the last analysis it must be a system in which the two giants must be increasingly involved. Such a development of the United Nations would also serve to add another brake to the danger of war between the two giants themselves, and forge a permanent link between them.

I said earlier that the political climate today is very different from that of 1945 when the United Nations was founded. There are still other important differences between 1945 and 1962. The first of these is the increasing use and, indeed, diversion of scientific and technological progress for military purposes. The atom bomb and the hydrogen bomb were not generally known in the spring of 1945. I do not know whether the scientists at that time who were engaged in this field of research realized that large-scale atomic warfare might so poison the world as to destroy our civilization. Certainly it did not enter into the minds of those planning a new order.

Looking back over the years one would have thought that by now these obvious risks in our present situation would have become apparent to everyone. The best hopes for peace are now placed in maintaining a balance of terror but this balance is beginning to look like an illusion. It is surely time to return to the commonsense conclusion that peace and security cannot be achieved without first reaching agreements between East and West to halt the arms race. The arms race not only feeds on itself but creates in every country an attitude of mind which makes agreements impossible. The time has come for statesmen to say firmly that they do not believe in an indefinite continuation of the delicate balance of terror. This balance seems to me to be purely a theoretical conception when considered in the light of political reality. The reality is that neither the United States nor the Soviet Union will deliberately seek a nuclear war, though they may be plunged into one by accident, and the sensible course is to try to prevent accidents by limiting the arms race and reducing the areas of dispute.

Neutralization of certain areas seems to be a welcome trend in international negotiations. In 1955, the great powers, including the Soviet Union, signed a treaty which neutralized Austria. In 1960, they signed a treaty neutralizing Antarctica. A years later they were prepared to guarantee the neutralization of Laos.

The importance of neutralization does not lie solely in the creation of buffer states, valuable though that is. Neutralization is a form of territorial disarmament, a partial dismantling of the great military machines whose destructive powers have now become so terrifying. Each act of neutralization, therefore, is a kind of pilot project for the comprehensive disarmament that alone can rid the world of fear and suspicion.

These are among the great issues of the 1960's which were never thought of when the United Nations was founded. Nor had the world's statesmen contemplated the tremendous advance in national self-consciousness first in Asia and then in Africa, the ending of colonialism and the long-existing hegemony of Europe. The world of 1945, like the world of the League of Nations, was essentially the world of Europe, and of the Americas. Asia and Africa were just mere appendages of Europe. Apparently no thought was given at that time to the prospect of emerging nations of these two continents. Today half of the members of the United Nations are from Asia and Africa. One observes a growing nervousness in the West about the rise in membership of the Asian-Africans in the world organization. But surely the best interests of the West are ill served by sour comments about newly independent countries in Asia and Africa. Such an attitude is a poor tribute to the generations of dedicated and idealistic Westerners who worked precisely toward the ultimate goal of independence, even if they did not know it was going to be reached so early. Nor is it fair to expect those countries at their present stage to express frequently and vociferously their gratitude for what the West did for them. Many newly independent countries still retain bitter memories of the past. In some cases independence was too long postponed, causing a mood of frustration and desperation among freedom fighters. If a country has to fight too long and too hard to win an independence which comes too late, then some extreme forces more hostile to their old masters come to the surface and become more dominant. But by and large these new states which now constitute half the membership of the United Nations generally share democratic ideas, including the liberal concepts of objectivity, tolerance, and the rule of law, and are rarely attracted by dogmas alien to their way of life. With just a little imagination both the East and the West could find in the building up of the United Nations authority a common platform with these newly emerging nations, for many of whom this would be the best guarantee of their independence. For the Western Powers it would be the rational sequel in world politics to their renunciation of control over their farflung empires. It would, moreover, pave the way for new techniques of international relationship within the framework of a growing United Nations.

A mature sense of responsibility was first demonstrated by the Asian-African countries in the historic Bandung Conference 7 years ago. Nearly half of the 29 countries attending that Conference were not members of the United Nations at that time. Surprisingly enough, support for the United Nations was one of the first principles endorsed. The keynote of the Bandung Conference was moderation, and a surprising degree of unanimity was achieved in the final declarations. Countries with different ideological and social systems went on record as favoring closer and friendlier relations.

I believe that all small countries everywhere have the same interest in the maintenance of peace and the development of a more effective international instrument for that purpose. The record of Sweden in the United Nations is an unmistakable demonstration of this attitude. Most of the small countries care passionately about peace. Many of them are aroused to furious protest against, say, racial discrimination as against all explosions of atomic and hydrogen bombs. For it is all part of the same compassion for humanity and the same commitment to a belief in the future of man. This philosophy which is increasingly in evidence all over the world is an affirmation of community of interest, a mass declaration that human beings must learn to understand one another even if they cannot agree with one another or like one another. It is a challenge to the conscience of the present society—a society characterized by fear, suspicion, frustration, and bitterness.

I am in complete agreement with my distinguished predecessor Mr. Dag Hammarskjold when he said that it is the small nations, rather than the great powers, which need the protection the United Nations can give. If the West were to set about strengthening the United Nations authority upon the basis of this widely shared common interest, the possibility of effective United Nations intervention for the peaceful resolution of dangerous situations will be greatly increased. Disarmament provides an additional reason why the West should try to prepare the United Nations for a more positive role. Agreed disarmament, which all the major governments profess to want, requires as its inescapable condition the establishment of an international authority with substantial powers. To do so, the first requisite is mutual confidence. The buildup of confidence can be successful only if the United Nations is made to reflect adequately the interest and aspirations of all members, large and small. In this context the role of the small nations is still more significant. One of their functions in the United Nations should be to build bridges between East and West—to interpret the East to the West and the West to the East, and thus strengthen the very foundation on which this world organization is built.

Based on these premises let us consider the future of the United Nations.

First we must realize that the world is facing a situation which is entirely unprecedented. The situation of mutual deterrence which has preserved an uneasy peace during the past few years is not in itself likely to produce continuing stability. The more the two great powers struggle to perfect their deterrents, the less likely it is that they will dare to use them to deal with anything except a direct attack on themselves. Tension and the dangers of an accidental calamity will rise higher and higher. Lasting security cannot be produced by this policy.

Therefore, the development of the United Nations as a really effective instrument of preventing war is of primary importance to every one of us. Every man or woman should not only ask himself or herself what he or she is going to do in the world, but also ask, "Will there be a world in which I can live?"

The second great fact of our times is that the whole world is closely linked as never before in the history of mankind. It is not true to say that Russia and the West have no interest in common. Both have the one great overriding interest in preserving peace and avoiding total war. Once that fact is recognized, it may be possible to begin the slow, painful and extremely difficult task of constructing some agreed system of disarmament, inspection and control to replace the present international anarchy. It is not too much to hope that the small uncommitted nations will take the lead in this very necessary historic enterprise within the framework of the United Nations.

Another great fact of our times is the myth of the absolute sovereign state. Up to the First World War, Britannia ruled the waves with a very powerful navy. She was, in fact, more than an absolute sovereign state; she was also the nerve center of a great empire. The United States, separated from possible aggressors by great oceans, was safe and could afford to be sovereign and isolationist. The same could be said of many other countries with varying degrees of strength and stability.

In San Francisco, 17 years ago, the assembled statesmen of the world clung to this myth. They still conceived it possible to have a peaceful world consisting of a number of armed sovereign states clinging to their sovereign status without any thought of abandoning an iota of this sovereignty. If the United Nations is to grow into a really effective instrument for maintaining the rule of law, the first step must be the willingness of the member states to give up the concept of the absolute sovereign state in the same manner as we individuals give up our absolute right to do just what we please, as an essential condition of living in an organized society. The individual has to submit to the rules laid down by the authorities, and every one of us has to pay this price as a condition of living. While the sovereignty of each of us is limited to what is necessary in the interest of the community, one retains the domestic rights for the purpose of regulating one's home life.

Similarly, in the community of nations it is increasingly important to restrict the sovereignty of states, even in a small way to start with. This restriction may involve the renunciation of the threat or the use of force as an instrument of policy, the reduction of armed forces and the undertaking to submit disputes to the arbitration of an international judiciary. Even where member states of the United Nations have voluntarily agreed to such restrictions on their absolute freedom of action, the United Nations has no authority at present to enforce them. It seems to me that the United Nations must develop in the same manner as every sovereign state has done. If the United Nations is to have a future, it must assume some of the attributes of a state. It must have the right, the power, and the means to keep the peace. In this historic task the small countries have a significant role to play.

In fact, the small nations have more than one role to play in this regard. First of all, as I have already noted, they are to play the part of a bridge between the big powers, especially in issues which are of global interest. For example, the Disarmament Conference could not get going for many years, so long as its membership was confined to the principal protagonists in the armaments race. It will be generally agreed that the issue of disarmament is of interest not only to the major military powers but to the entire world; in fact, it is one of the central responsibilities of the United Nations under the Charter. This responsibility was ultimately reflected by the addition of eight countries—outside of the major power blocs—to the Disarmament Conference, and since then there is more hope of progress than there was before. The same is true of nuclear testing, because the effects of fallout are universal. In all such issues the small nations have a legitimate role in trying to bridge the gap between the extreme positions which are too often taken—for the record, at any rate—by the major powers.

The other role of the small nations is to give expression, so to speak, to the still, small voice. More often self-interest, rather than conscience, "makes cowards of us all" and prevents us from speaking out the truth as we see it. It is again a proper role for the small nations to speak the truth as they see it, and let the chips fall where they may. This attitude was shown repeatedly by many of the small nations, and not necessarily the Asian-Africans alone, during the 16th session of the General Assembly. I hope that for the future too the small nations will not be either overawed by their more powerful friends, or cowed by threats into silence, and that they will continue to speak out when the occasion demands.

Both these roles—I might even say, functions—of the small nations were exemplified by my distinguished predecessor, the late Dag Hammarskjold. Over the years his role as a bridgebuilder was so successful that it became a common practice, when any difficult situation came along, for the major organs to say in so many words: "Leave it to Dag." His quiet diplomacy was one of the most successful ways of bridging the gap between extreme positions, and in his own quiet and unobtrusive way he played the part of bridgebuilder to perfection.

Even more significant was his role as the the authentic voice of the conscience of humanity. Many times he had to speak out when others were inclined to be silent. Perhaps the most notable example was when he declared on October 31, 1956:

"This afternoon I wish to make the following declaration: The principles of the charter are, by far, greater than the Organization in which they are embodied, and the aims which they are to safeguard are holier than the policies of any single nation or people. As a servant of the Organization the Secretary General has the duty to maintain his usefulness by avoiding public stands on conflicts between member nations unless and until such an action might help to resolve the conflict. However, the discretion and impartiality thus imposed on the Secretary General by the character of his immediate task, may not degenerate into a policy of expediency. He must also be a servant of the principles of the charter, and its aims must ultimately determine what for him is right and wrong. For that he must stand. A Secretary General cannot serve on any other assumption than that—within the necessary limits of human frailty and honest differences of opinion—all member nations honor their pledge to observe all articles of the charter. He should also be able to assume that those organs which are charged with the task of upholding the charter, will be in a position to fulfill their task."

But this was not the only occasion. Increasingly during the last 2 years of his tenure, which was so cruelly cut short by a tragic fate, he spoke out on major issues and was listened to with respect, even by those who, by implication, disagreed with him. I wish, at this place where he studied and grew to manhood, to place on record this tribute to him and to his memory, and to his great contribution to the international community.

Mr. McNAMARA. Madam President, if there is no further business to come before the Senate at this time——

Mr. PROXMIRE. Madam President, first, if I may, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO FRIDAY NEXT

Mr. PROXMIRE. Madam President, under the order previously entered, I move that the Senate stand adjourned until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 4 o'clock and 11 minutes p.m.), under the previous order, the Senate adjourned until Friday, June 1, 1962, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 29, 1962:

U.S. AIR FORCE

The following-named officers to be assigned to positions of importance and responsibility designated by the President, in the grade indicated, under the provisions of section 8066, title 10 of the United States Code:

In the grade of general

Lt. Gen. John K. Gerhardt, 525A (major general, Regular Air Force) U.S. Air Force.

Lt. Gen. Dean C. Strother, 591A (major general, Regular Air Force) U.S. Air Force.

Lt. Gen. Mark E. Bradley, Jr., 552A (major general, Regular Air Force) U.S. Air Force.

In the grade of lieutenant general

Maj. Gen. William S. Stone, 1059A, Regular Air Force.

Maj. Gen. Richard M. Montgomery, 1025A, Regular Air Force.

Maj. Gen. Thomas F. Gerrity, 1613A, Regular Air Force.

Maj. Gen. Charles B. Westover, 1351A, Regular Air Force.

Maj. Gen. David A. Burchina, 1936A, Regular Air Force.

RETIRED LIST, U.S. AIR FORCE

Gen. Laurence S. Kuter, 89A (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of general, under the provisions of section 8962, title 10 of the United States Code.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 29, 1962:

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

John L. Newbold, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1965.

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1967.

JUDGE OF THE MUNICIPAL COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Thomas D. Quinn, of the District of Columbia, to be a judge of the municipal court of appeals for the District of Columbia for the term of 10 years.

Frank Hammett Myers, of the District of Columbia, to be a judge of the municipal court of appeals for the District of Columbia for the term of 10 years.

JUDGE OF THE MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

John J. Malloy, of the District of Columbia, to be a judge of the municipal court for the District of Columbia for the term of 10 years.

ASSOCIATE JUDGE OF THE MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Joseph C. Waddy, of the District of Columbia, to be an associate judge of the municipal court for the District of Columbia, domestic relations branch, for the term of 10 years.

ADVISORY BOARD OF THE NATIONAL CAPITAL TRANSPORTATION AGENCY

Edwin T. Holland, of Virginia, to be a member of the Advisory Board of the National Capital Transportation Agency.

U.S. ARMY

The following-named cadet of the graduating class of 1962, U.S. Military Academy, for appointment in the Regular Army of the United States, in the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 4353:

John H. Fagan, to be a second lieutenant.

IN THE ARMY

The nominations beginning James M. Acklin III, cadet, graduating class of 1962, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3284 and 4353, and ending August L. Keyes, cadet, graduating class of 1962, U.S. Air Force Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 541, 3284, and 3287, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 24, 1962.

IN THE NAVY AND MARINE CORPS

The nominations beginning Thomas S. Althouse, midshipman (Naval Academy) to be permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law, and ending Robert P. Sypult for temporary promotion to the grade of first lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 21, 1962.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1962 (reappointments):

Craig S. Atkins, of Maryland.
Norman O. Tietjens, of Ohio.
Clarence V. Opper, of New York.

WITHDRAWAL

Executive treaty withdrawn from the Senate May 29, 1962:

CULTURAL CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED STATES OF BRAZIL

Resolution approved by the Senate to return to the President of the United States the cultural convention between the United States of America and the United States of Brazil (S. Ex. X, 81st Cong., 2d sess.).

EXTENSIONS OF REMARKS

To Save the Wilderness

EXTENSION OF REMARKS
OF

HON. CLINTON P. ANDERSON

OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES
Tuesday, May 29, 1962

Mr. ANDERSON. Mr. President, last year the Senate passed the wilderness bill, a measure which would enable us to preserve certain areas in their primeval state. That measure is now in the House Committee on Interior and Insular Affairs. Secretary of the Interior Udall has written a very excellent article on the importance of our wilderness areas which appeared May 27, in the New York Times magazine.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, May 27, 1962]

TO SAVE THE WONDER OF THE WILDERNESS

(By Stewart L. Udall)

When Prime Minister David Ben-Gurion of land-hungry Israel crossed the American West last spring and viewed our grand, wild landscapes beyond the 100th meridian, his response expressed the envy of many visitors from abroad: "Only America can afford such deserts."

Mr. Ben-Gurion recognized in the United States a rare option. Elsewhere there are vast tracts of wild land—the Sahara, the Himalayas, the Antarctic—which may always remain inviolate because nature offers terms only the sojourner can accept. But the lands of other temperate countries were long ago preempted for specific uses, and only the continental countries with rugged, remote landscapes have a largesse which permits them to weigh the values of a wilderness.

Yet even in America that largesse is something of an illusion, for our existing wilderness is only a remnant of our natural heritage. Gone are the long-grass prairies where flowers lapped the stirrups of the pioneers, and the hundreds of square miles of virgin pine that once covered the Lake States. Those areas which we call primitive today have been saved from damage by their size, their remoteness, and their inaccessibility to transport. But they are shrinking daily.

And that is why, in 1962, Americans who are convinced that the good life cannot be found in the machine world alone will have their eyes on a document which has been in the hands of Congress since 1956, the wilderness bill. Already passed by the Senate, but still pending in the House, it presents one of the most significant conservation decisions ever considered by the American people.

Basically, the wilderness bill is a tool which will enable us permanently to preserve selected areas of our federally owned lands as untouched, primeval country. Those areas designated as part of the wilderness system would contain no roads, no buildings, or commercial development—in short, the hand of man would be nowhere in evidence. Under the present terms of the bill, it is likely that about 35 to 45 million acres—a scant 2 percent of our Nation's land area—would be encompassed in the system.

None of these acres would be taken away from private owners or State, or from public lands now used primarily for commercial purposes; all of the wilderness areas would be designated within the boundaries of national parks, national forest wilderness, wild and primitive areas, and the game ranges and wildlife refuges administered by the Fish and Wildlife Service. The wilderness system thus created would include perhaps 150 areas, from the humped caterpillar ranges of the Smokies to the sands and cinder cones of Death Valley, from timber-clad Pacific mountain ranges to the moss-hung cypress of the Everglades, and from the bald granite islands of northern Minnesota to the red labyrinth canyons of southern Utah.

The wilderness bill has been the subject of debate and controversy ever since its inception. Miners, loggers, and stockmen claimed that the Government was going to lock up the Nation's resources and throw away the key—in spite of the fact that the President can make portions of wilderness resources available at any time some paramount national need requires it. Some Congressmen complained that the bill was taking away their control of the public lands—although it was really establishing a system with standards, giving them more control.

Some critics said that the majority of the people were being deprived in favor of a minority wealthy enough to afford hiking and pack trips—when it should be obvious that there is no place more democratic than the wilderness, and a back-country shank's-mare vacation can be as cheap as you want to make it. And others of the opposition wanted to know why there was such a big hurry to get the bill passed—even though every delay means that the commercial interests opposed to the legislation will exert stronger pressures to water down the bill's authority.

Understandably, the debate over the legislation so far has had a Western accent, for that is where nearly all of the disputed lands lie. Western user groups that have a vested interest in public lands (loggers, miners, cattlemen) have been arrayed against the conservers. Thus when the first bills were introduced in 1957 most predictions were that they would never get to first base because the Interior committees that had jurisdiction were stacked with Western Congressmen who could not politically afford to oppose dominant economic forces in their States.

But the wilderness idea found its Western champions. In Washington the power of persuasive committee chairmen is great, and when Senator CLINTON P. ANDERSON, of New Mexico, became chairman of the Interior Committee in 1961 the Wilderness bill had a tenacious advocate who would not be denied. ANDERSON, whose convictions on conservation had their origins 40 years ago when he was a young New Mexico journalist, fought off crippling amendments in his committee and sent the bill to the floor. And Senator FRANK CHURCH, of Idaho, skillfuly led the fight for its passage when ANDERSON was incapacitated. Their counterparts have not yet emerged in the House, but few doubt that spokesmen will appear who can carry the fight when the time arrives.

Like Robert Frost's New England farmer, the Members of Congress must contemplate, before they build a legal wall, what it is they are walling in or walling out. Society is bearing heavily upon the wilderness America loves. It is not that we want to wall anything out, but wilderness has now become so fragile that it must be walled in or die.

A wilderness system walls in an environment where man may visit, but exercise no altering dominion. It conserves other vital values as well. Wild country not only offers man what many consider the supreme human experience, but it preserves the best of all watersheds, forms the only perfect wildlife habitat, and constitutes an irreplaceable science laboratory where we can measure the world in its natural balance against the world in its manmade imbalance.

Man would enter these islands under his own power and he would "use" them as scientist, hiker, fisher, hunter, camper, photographer, or just plain lover of the outdoors.

A wilderness system would, of course, wall out the machines and men who would extract minerals and timber. And walled out too, by their own volition, would be that sad army of Americans described recently by President Kennedy, as "a Nation of spectators" who are victims of a "push-button existence."

But the wild country will always be free to those who are fit and have the desire to explore what is left of the world of Kit Carson and Jim Bridger and John C. Fremont. Motorized vehicles that will take us anywhere sitting down may yet be our undoing—but who can say what is added to our national fiber by having places that stand always as a challenge to the young and old who are hardy enough to pit themselves against our out-of-doors?

The logic of a wilderness system is dictated, in part by the fact that it is not a renewable resource. Man can only shrink or destroy the primeval—he cannot recreate it once it is gone. The choice, therefore, has long-run implications and involves a subtle balancing of relative values. If the wilderness advocates are right, the mineral and other resources will become a reserve. But if the user groups win the argument the wilderness will disappear.

If we are wise we shall give full weight to the intangible values which have been almost entirely ignored so far in determining our land management practices. We are attempting now, somewhat belatedly, to achieve a balance between the idea of use and the finest concepts of conservation. It is this which makes our decisions so subtle—and so difficult.

We would do well in making our choices to detach ourselves and view the panorama of American history. Our conservation concepts are still new-minted, and there is much that we can learn from our own history and that of other civilizations.

Both at our best and at our worst we have had the drive to "conquer" and "win" this continent. Love of nature had less chance, for a long while, than our will to develop, and sometimes to plunder. William Penn's green garden city, planned to have five blocks of 8 to 10 acres left in woods, kept its country greenery only a brief time; and Thoreau's suggestion that every town be backed by a miniature wilderness of 500 acres of untouched forest found no selectmen ready to put it into effect.

Even Thoreau himself, apostle of wilderness, ended as a surveyor, chopping Concord's woods and meadows up into town lots. Those writers, who, like Audubon and Cooper, mourned the passing of the wilderness and its creatures, mourned it ambiguously, mixing their lamentations with celebration of the progress represented by new farms and towns. It is only recently that any considerable number of Americans have questioned the kind of "progress" that would wholly obliterate the natural world.

With the power of gunpowder and iron in the frontier period, even our most sober farmers were to some extent raiders. The million-odd Indians who inhabited North America north of the Rio Grande when Columbus made landfall in the Indies had left hardly a mark on the land. One pioneer clearing a field with ax and fire, one settlement clubbing passenger pigeons by the thousands to feed its pigs, did more to break the country than whole tribes of Indians.

The invasions of technologically advanced peoples into maiden lands always have that effect. Thus Bronze-age Acheans and Cretans, moving into primitive Hellas, deforested the Greek mountains so wantonly that today they remain a bleak monument to that brand of progress that has ignored the conservation of nature. Europeans in Australia and Africa have mined those virgin continents as recklessly as we mined ours. The stored fertility, the incomparable abundance of virgin lands always persuades the newcomer to misjudge fatally the recreative powers of his environment.

However, little by little we are learning, through trial and error and through science, what the Indians knew by awe and reverence: that we are not outside nature, but in it; that it is not a commodity which we can exploit without restraint, but a community to which we belong. The modern science called ecology which tells us this has overtones that make it akin to primitive religion and to poetry.

The real test of the maturity of our land ethic is whether we put future generations first in our resource planning, whether we refuse to build up our own standard of living at the expense of our children. Yet responsibility to the future was slow in developing among us because it was part of our pride and our independence to cut ourselves off from tradition and history.

Edmund Burke's "great unwritten compact existing between the dead, the living, and the unborn" was not a compact to which Americans subscribed. We had no past except the dead European past which we repudiated, and our future seemed too inevitable to need steering. Jefferson expressed us, in a letter to Thomas Earle: "Our Creator made the earth for the use of the living and not of the dead. Those who exist not have no use or right in it, no authority or power over it."

I am convinced that it is our national character, as well as some fragments of our wild land, that stands to be preserved by the wilderness bill.

We Americans are a practical people, and it is easy for us to underestimate the values of wilderness not measurable in dollars or economic growth. We are nature's children and I hope we are beginning to understand that much of our poetry and our religion and best thought has derived from our relationship with the land and its creatures.

The mystique of primitive lands, the case for the preponderance of the "intangibles," has nowhere been stated more eloquently than by the novelist and historian, Wallace Stegner:

"Something will have gone out of us as a people if we ever let the remaining wilderness be destroyed; if we permit the last virgin forests to be turned into comic books and plastic cigarette cases; if we drive the few remaining members of the wild species into zoos or to extinction; if we pollute the last clear air and dirty the last clean streams and push our paved roads through the last of the silence, so that never again will Americans be free in their own country from the noise, the exhausts, the stinks of human and automotive waste. And so that never again can we have the chance to see ourselves single, separate, vertical, and individual in the world, part of the environment of trees and rocks and soil, brother to the other animals, part of the natural world and competent to belong in it.

"We simply need that wild country available to us, even if we never do more than drive to its edge and look in. For it can be a means of reassuring ourselves of our sanity as creatures, a part of the geography of hope."

The splendor of the wilderness experience is that it stimulates all of man's senses and excites a special wonder. Those who object to the idea of wilderness on the ground that only a venturesome few will ever enjoy it miss the main point. The intensity and rarity of an experience give it special worth—and the men and women of other generations have a claim that is far larger than our own. My boys, I know, will remember a hike, when we flushed a bighorn sheep from its wilderness hideout, longer than they will recall all the exotic animals of half a dozen zoos.

Passage of the wilderness bill will assure us all of something: It will give the resource managers a reserve for dire emergency; it will give our children a land reserve where they might share the primeval experiences of those who settled this country; it will provide an environment for plants and wild things that are among the glories of our land, and it will constitute a gracious bow in the direction of those who share the conviction of the late Aldo Leopold, conservationist and forester, who began the movement to preserve the wilderness:

"The opportunity to see wild geese is more important than television, and a chance to find a pasqueflower is a right as inalienable as free speech."

And for the present, 186 million Americans will know that their wilderness heritage is still there, sane as sunlight and healing as the smell of firs or the sight of a rare bird. We can conserve these things, and keep them alive, in nature and in us, or we can see them become mere folklore, a memory, a phrase, like the Cedars of Lebanon. Let us not mistake the opportunity.

As Frost reminds us, there is always a "need of being versed in country things." And in the years ahead the success of our society will surely be measured as much by the quality of our naturalists and the splendor of our environment as by the number of our spacemen or the distances traveled by their craft.

Address by Senator Goldwater Before American Iron and Steel Institute

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 29, 1962

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the Record an address delivered by myself before the annual dinner of the American Iron and Steel Institute, in New York City, on May 24, 1962.

There being no objection, the address was ordered to be printed in the Record, as follows:

Text of a Speech by U.S. Senator Barry Goldwater, Republican, of Arizona, Before the Annual Dinner of the American Iron & Steel Institute, Waldorf-Astoria Hotel, New York City, May 24, 1962

I am delighted to be here tonight. I have no fear of the steel industry or of "tiny handfuls" of responsible executives—or of SOBs, for that matter. Of course, I assume that your understanding of SOB is the same as mine and that the letters stand for men who are determined to "save our business." And, believe me, there is need today for men who understand what is going on in this Nation and who are devoted to and willing to fight for the free enterprise system.

Perhaps the need is greater than at any other time in the history of the Republic. Certainly in my lifetime there has never been a greater threat than we see today in the excesses and abuses of big government. And, certainly there has never been a more determined, arrogant drive to increase the powers of the Federal Establishment.

I suggest that we oppose, as strenuously as we possibly can, the extension of Executive power. And I suggest we do this "in the public interest" and for the protection of the "general welfare."

These are phrases with which I am sure you are well acquainted. They have been used often enough in recent weeks to beat your industry over the head. That they have been used unjustly does not alter the fact that your industry has taken the toughest public castigation it was possible for a powerful Federal Government to muster. You have ben kicked around and accused of everything short of outright war on the American people. You have been pictured as greedy, irresponsible men bent on selfish, inflationary pursuits.

In fact, I'm surprised to find such kindly looking people at this banquet. I thought you'd all be sprouting horns and carrying cutlasses in your teeth.

Now tonight, I do not intend to go into a lengthy analysis of the merits of a proposed increase in steel prices. This audience certainly understands the problems posed by the profit squeeze and foreign competition better than I could possibly outline them. And, I must say, there doesn't appear to be much hope of ever explaining these facts of economic life to the theorists in the White House. While I'm at it, let me say that as a businessman, I am more and more impressed with the lack of fundamental economic understanding at the Government level. I will admit that if you follow the Keynesian line there are some basics that you automatically overlook, such as the validity of a balanced national budget, but the economists presently strung along the New Frontier insist on overlooking everything that argues for sound fiscal and monetary policies.

That, of course, is another story. Right now, I want to talk about what we have learned and what, perhaps, we have gained as the aftermath of what the Wall Street Journal saw fit to refer to as "an incredible week." I want to explore, if I may, the brighter side of the so-called steel price controversy. Because I'm not at all sure that this disagreeable episode may not turn out to be a blessing in disguise. In fact, it is conceivable that over the long run this dispute may save American business many future headaches.

Now, let me remind you that we who call ourselves conservative have long warned of the dangers contained in the concentration of power in the hands of the Federal Government. In this, we have been frustrated too often by those who argued that the mere existence of power was not perilous, that responsible men in the executive branch could be depended upon to use that power judiciously and carefully. Through the years, these advocates of centralization have always scoffed at the idea that Federal power, once built up in unanswerable proportions, would eventually be exercised in a dictatorial fashion. They accused the conservatives of crying alarm where there was no cause for alarm. They said the Founding Fathers, who regarded big government as dangerous and guarded against it in the Constitution, could not foresee the complexities into which our society would move.

The power exercised by the Federal Government to force rescinding of the steel price increase has existed for some time. But it was generally regarded as a benevolent commodity that merely guaranteed the public protection against unlawful actions. It certainly wasn't feared as an element which existed for good but could be used otherwise at the mere whim of a petulant Executive.

The important point here is the fact that the American people had never before been shown an example of massive Government power in operation where no crime was involved and where no grave emergency existed. It had never quite understood what awesome authority could—overnight—be brought to bear on private citizens whose actions had aroused the Executive ire. And, for the first time, we were shown what kind of coercion and intimidation can be unleashed in the name of the "public interest," as interpreted arbitrarily by a group of White House braintrusters.

When you stop to consider how easily this phrase "public interest" can be tailored to almost any situation by a glib executive, I believe you begin to understand the frightening aspect of what has happened. The domestic economy is a very broad proposition. Any facet of it could conceivably be related to the "public interest" if such a relationship should happen to fit in with the objectives of the economic planners of the New Frontier. Take steel, for example. While it is an important and basic industry, it still generates only about 2 percent of the gross national product. In 1960, I believe, it ranked 32d among 41 manufacturing industries on the basis of profit as measured by return on net assets. So, if an industry comprising only 2 percent of the gross national product can be said to gravely affect the national interest by raising its prices, you can see for yourselves how an antagonistic Federal Government can reduce the "public interest" to suit itself.

This was far more than a dispute involving the steel industry. It was more than a question of wages and prices and profits. Basically, it was a question of American freedom and of how far that freedom has slipped away from us through the pyramiding of powers in the hands of a centralized government.

There is no law on the books which says the President shall have the power to fix prices. There was no request from industry spokesmen that the Government help them, out of its bureaucratic wisdom, to decide what they should charge for their product. There was no existing supply emergency that warranted extreme Executive action.

There were none of these things. There was only an Executive will, backed by the police powers of the Federal bureaucracy, to bring about a stated condition in the economic system. And this will was used to force, to compel, to intimidate in a fashion usually associated with totalitarian states.

This is the thing to bear in mind, both now and in the future. It is too easy, particularly for businessmen, to get bogged down in complicated arguments involving the economics of the situation. It makes no difference whether the announced increase in steel prices was right or wrong, justified or unjustified, advantageous or otherwise. The thing involved here is freedom, the freedom of company executives to make a decision involving their own business, their own workers, their own stockholders and their own future, without interference from the Federal Government. This is the very essence of our free enterprise system and it must be defended and protected at all cost.

Because of this, I believe the American people are indebted in some respects to the steel industry. If it hadn't been for the painful experience of your industry, I doubt if we could have reached the present level of alertness to the dangers of greater and greater power in the hands of a centralized government. As I said eariler, prior to this time, the American people had never been shown in such dramatic fashion the coercive power of an irate government. Now they have seen it. They've seen it in its most frightening, offensive form. They've seen presidential anger go beyond the stage of rhetoric and become translated into action with the use of grand juries, the FBI, the rerouting of Government contracts, and legislative investigations. They have seen the power to investigate, which is also the power to inconvenience and induce fear, used to the hilt because of an independent action by responsible men which did not fit an arbitrary set of conditions arrived at by Government braintrusters. And I would remind you this coercive power was not used against a bunch of racketeers and criminals, but against private citizens entrusted with the welfare of a large, vital industry.

I also think the American people owe the steel industry a debt of gratitude for publicly disclosing the degree of antibusiness sentiment that exists in the present administration. The President's famous SOB remark, I believe, underscores this antipathy for the business community and gives full credence to pronounced fears that the New Frontier is antibusiness in the best traditions of the New Deal. Of course, there was plenty of evidence of this long before the steel price crackdown, but many businessmen, with their customary optimism, preferred to believe the lip service paid repeatedly by the President and his advisers to the free enterprise system. For the life of me, I can't understand why American businessmen persisted in this hope.

They should have known long ago. The signs were all there. You can't staff a new administration with liberal professors, labor union officials, and theorists from Americans for Democratic Action and expect it to adopt a strong line for business freedom. Fundamentally, the advisers to whom the President listens have long been on the side of more and more government interference with and control of the free enterprise system. As Scripps-Howard writer Henry J. Taylor wrote recently, the White House braintrusters "bring less confidence to business than Jesse James brought to a bank." And I don't care what kind or how many verbal reassurances you businessmen get from Government officials. So long as the President listens to the leftwing radicals in his administration, the business community is in trouble.

And, if you don't believe it, ask yourselves this question: How many of you today would dare to oppose the will of the administration on the question of prices knowing in advance that your action would arouse the Government's anger? Think this over and think it over carefully if anyone here doesn't think his freedom has been reduced by Government power. Prices are still your business, at least they are in law and theory. But, under existing circumstances—circumstances created by a strong and willful executive—what can you do about them?

I suggest that steel prices have now become the almost exclusive concern of the men in the White House who figure out those mysterious formulas called guidelines. And these are the officials who believe that what's good for the President's prestige is good for the country, regardless of what the effect may be on freedom of action, business climate, economic progress, and the expansion of employment opportunities. I don't agree with this. The office of the Presidency deserves the respect of every American citizen, but I certainly don't feel it is of overriding importance to maintain the prestige of the man holding that office if we have to count the cost in American freedom.

Freedom today, as always, is dependent upon government confinement, for freedom can only be drained away through concentration of authority. This is not always realized by the American people until the accumulated authority is unleashed in a spectacular way. It happened during the "incredible week," and, as a result, I believe more people today understand why our forefathers, the framers of the American Constitution, distrusted government. Those hardy forebearers of ours knew from experience that government is necessary and good if kept within proper limits. But they also knew that by its very nature, it was potentially dangerous. They knew that government, in its application, is force—whether used for good or for evil.

And, this being the case, our forefathers took out insurance against the concentration and misuse of authority. They laid the groundwork for the actual pursuit and practice of individual freedom in the development of a society and a nation. They started with the assumption that men are endowed by God with certain rights and privileges and that government's only proper role should be in the protection of those rights. They rejected entirely the theory that man's rights stem from authority, the state, and proceeded to build in our Constitution something new and different in the way of governmental charters.

The novelty of the American Constitution was contained in those provisions which stated, specifically, that certain institutions and human relations were to be left outside the authority of government. They actually forbade the Government to infringe or violate those areas.

Unfortunately, not enough Americans realize today the wisdom and foresight that went into the framing of the Constitution. But I believe a new awareness is growing in the light of recent events. And I believe more and more the citizenry is coming to understand that every new power granted to the Federal Government takes away some of our precious freedom.

But, the big question is whether that awareness will develop in time and in sufficient strength to head off what can only be described as the biggest power grab ever attempted by the executive branch of the Government.

This is of tremendous importance now that we know the President won't hesitate to use all facets of Executive power to force private citizens to do what he and his advisors arbitrarily decide they should do. Just how far can we extend the President's authority and still retain the basic implements of individual freedom? And how much new authority does the Executive need? It seems to me quite apparent that, as former President Eisenhower has said, lack of power isn't one of the problems of the Presidency. And I'm quite certain that you men in the steel industry haven't detected any great shortage of Presidential power.

But the fact that new power is not needed and the fact that more power is definitely dangerous hasn't deterred the architects of the New Frontier from asking a generally sympathetic Democratic-controlled Congress to add grants to the President's authority.

They have something specific in mind, control of the economy, and this requires more power than the Government has ever before exercised.

Actually, I don't believe it is generally realized just how much President Kennedy has asked for in the form of new and greater Executive power. These requests have been arriving on Capitol Hill in bits and pieces, scattered through dozens of Presidential messages on all conceivable subjects.

And when you add them all up, you find the operating blueprint for a planned American economy, an economy manipulated by Government and directed from Washington, an economy in which the major decisions are relegated to theorists and bureaucrats, an economy in which the natural laws of supply and demand will play an ever-smaller role in the business life of the Nation.

This is the direction in which we are headed. And I'm not talking about the distant future. I'm talking about the immediate future. This planned economy is already beginning to take definite shape. The mobilization of powers needed is well underway. The masterminds of the plan are the members of the President's Council of Economic Advisers—Walter Heller, James Tobin, and Kermit Gordon, all former economic professors whose job it is to shape wage and price policies, influence spending, and fix economic "guidelines" and productivity formulas. The operators of the plan are Labor Secretary Goldberg, Commerce Secretary Hodges, and Treasury Secretary Dillon. The enforcers are Attorney General Kennedy, Defense Secretary McNamara, and Agriculture Secretary Freeman.

Now the powers presently held by the President, great as they are, won't quite do the job the way the planners see it. That's why the administration is seeking vast new Federal powers in almost every important economic field. The President is, in actual fact, asking for more power than any President has ever held when the country was not engaged in an all-out shooting war. He wants, for example, the power to change tax rates without the approval of Congress; the power to influence the supply and cost of money through his own chairman of the Federal Reserve Board; the power to launch massive new public works programs on his own initiative; the power to cut tariffs on a huge unprecedented scale; the power to exercise more control over agriculture; the power to extend Federal influence into local communities.

Figure it out. What happens when the White House is given standby authority to cut personal income taxes by as much as 5 percentage points? The changes presumably would be made when the White House manipulators decide that business conditions require a shift in rates. And where is the economist, regardless of how many university degrees he holds, who is qualified to decide some bright morning that taxes should be reduced to stimulate consumer spending? Of course, there is no certainty that a sudden stimulus to consumer spending would come at the right time. Nobody knows when a recession has run its course or when another one is about to begin. Economists always disagree and so do businessmen.

But think of what this could do to business planning. Nobody could ever be sure how much taxes they might have to pay in a given year. And I would also remind you that if the President is given the power to lower tax rates without the approval of Congress, the next step will be to seek the power to raise taxes at the White House level. The power to tax is the power to destroy and this has been proven time and again throughout history. It is much too great a power to entrust to a tiny handful of Government planners who deal in theory and have never had the practical experience of meeting a payroll.

In the public works field, the President would like Congress to abdicate its responsibility over appropriations and give him the right to spend billions of dollars on undefined public works, wherever he sees fit. Wrapped up in this program of the administration's is more spending power than Congress has ever before been asked to delegate for such purposes.

Specifically, the program would authorize an immediate public works program of $600 million and would grant standby authority for an additional $2 billion for public works projects if economic conditions should deteriorate beyond a certain point.

The $600 million program would require appropriations from Congress in the accepted constitutional way for handling Federal spending projects. But the $2 billion stand-

by program would not require congressional approval through appropriation. It would merely turn over to the President and his advisers the purse-string power of Congress and enable them to spend money transferred from other funds.

Under the standby program, the President would not be permitted to exercise this enormous $2 billion power until the national unemployment rate has increased by 1 percent within a 3-to-9-month period. But once that standard is reached, tremendous Government expenditures would automatically become permissible.

There would be no possible recall by Congress regardless of what circumstances developed. The pursestrings would not reside in their customary place, with the people's representatives in the Congress. They would be held in the White House.

Aside from the fact that public works are not the answer to national unemployment and related economic problems, the radical financing authority proposed in the administration's program represents one of the most astounding power grabs ever attempted by the executive branch. Chairman HARRY F. BYRD of the Senate Finance Committee has termed this feature of the public-works program "incredible," and with this I fully agree.

The whole thing, I suggest, becomes even more incredible when you examine the special funds from which the President would like to draw the money for his grandiose "leafraking" programs. They include funds from the World Bank, the Housing and Home Finance Agency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and even the Federal Deposit Insurance Corporation.

A warning as to the true nature of the President's request has been filed with the Senate by Republican members on the Public Works Committee. Their report had this to say:

"Apart from any opinions about the need or desirability of Federal financing to provide employment, the Congress should be on notice that what is proposed here is a transfer of the power of the purse from the legislative branch of Government to the Executive.

"Funds available for building homes in towns and cities under situations previously judged by Congress to be worthy could be transferred to sewage disposal projects, rural drainage or flood control projects, and so forth. Apparently even a borrowing authority of $3 billion to underwrite the guarantees of the Federal Deposit Insurance Corporation and $750 million to secure insured savings in the Federal Savings and Loan Insurance Corporation could be drawn on to fund this program."

In all, the Republicans pointed out, almost $16 billion worth of specific funding could be raided by selection of the President for spending on projects not specifically otherwise authorized.

But it doesn't seem to bother the President and his advisers that the funds they want to use for public works were never intended for such use. Nor do they see any apparent necessity of reserving to the people's representatives in Congress the right to appropriate funds for public works if they decide the need exists. And it never seems to occur to the administration that the American people might not want money earmarked for such purposes as guaranteeing bank deposits up to $10,000 raided to provide new sidewalks in a depressed area.

To the New Frontier, the details aren't important. What is important is the acquisition of more and more power in the hands of the Executive. The checks and balances in our system of government seem to annoy the architects of the planned economy. This business of having to go to Congress more often than once in 5 years for money and authority gets in their way, so the thing to do is to use presidential prestige to overcome these obstacles and sandbag the House and Senate into approving long-range authority for backdoor, sidedoor, and even slidedoor financing of any and all projects dreamed up by the New Frontier.

Another power request by the President that deserves special attention is tied up in legislation to let the Chief Executive name his own Chairman of the Federal Reserve Board. Now this sounds like an innocent enough request, at least to the layman. It isn't generally understood that Congress has delegated to the Federal Reserve Board great powers to fix monetary values on the assumption that the Board will remain independent. But if the Board should come under political domination by an administration that wanted easy money, the Reserve could make $100 million available in new credit.

These powers sought by the executive branch are too great. They are not in the national interest. They are in the interest only of regimentation of more and more areas of our society and our economy. They are designed to make a powerful Executive more powerful. They do violence to the Constitution and to the concept of individual freedom and limited government.

Now I don't think I have to explain to you people that the President and his advisers are determined to get as many of these powers as they possibly can as soon as they possibly can. The White House is working overtime to build up a tremendous propaganda campaign to support the Presidential requests. In fact, the administration is giving the Congress a tough lesson in the not-so-subtle art of Government lobbying. The resources they have to draw on are, of course, enormous and effective.

But I believe they can be defeated with the help of the American people. I believe the key issue now and in the months directly ahead of us is the question of power.

It is the question of whether an ambitious Executive is to be given nearly absolute power to use as he sees fit to force the American economy into a preconceived pattern having nothing to do with the natural laws of the marketplace. I don't have to tell you that the Government's action in the steel case spelled out in bold relief the administration's inherent distrust of the laws of supply and demand. For, if the White House planners had had any faith in this basic principle they would have depended upon a shortage of demand to take care of any unwise increase in the price structure. But, of course, they didn't. They resorted, instead, to the coercive power of Government.

And, as I have stated, I believe that in the long run this will prove to be a blessing in disguise. For when the battle is joined over the extension of Presidential power, the people will have in mind the disturbing memory of how that power was once used in a dictatorial manner.

Are we to believe that the New Frontier can be exempted from Lord Acton's famous adage that power corrupts and absolute power corrupts absolutely? I don't believe we can exempt any administration or any government from that adage. Right now in Washington we are seeing a situation unfold where the Government's authority in the field of Agriculture has spawned corruption on a vast scale. The Billie Sol Estes case, I suggest, is an indictment of the welfare state and the concept that the Federal Government should be given authority over entire segments of the national economy. The only wonder is that more welfare state "Ponzis" have not been uncovered. The vast and growing ramifications of bureaucratic management of business-type operations lend themselves naturally to the machinations of men like Estes. This case alone provides an eloquent argument against the further extension of Government spending powers.

In closing, let me impress upon you that the steel industry's "incredible week" cannot be regarded as an isolated incident in the relationship of government and business. It was rather the culmination of a long period of jousting between those who believe in the untrammeled operation of the free enterprise system and those who would have the Government manage and direct it.

It doesn't take a mere U.S. Senator to tell you that your industry and the entire free enterprise system have taken a terrific pounding. But I am convinced that the end result has its brighter side. It has shown the business community where it stands with an administration devoted to social and economic regimentation. It has shown the American people how concentrated power in the hands of the Federal Government can be abused. It has focused attention on attempts by the executive branch to increase and extend its authority in every sphere of American economic life.

And it has made clear the need for every person interested in freedom and the American private enterprise system to enlist full time in the struggle to prevent further concentration of power in the Federal Government. This can only be done by election to the Congress of men and women who believe in our system, who aren't bemused by Presidential prestige, and who are willing to fight for the preservation of the things that have made America great and will help her to grow greater.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 31, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalms 112: 6: *The righteous shall be held in everlasting remembrance.*

Almighty God, we thank Thee for the significant and abiding meaning of Memorial Day when we were privileged to call to mind with gratitude and affection those who lived and labored with us for a little while upon this earth and are now dwelling forever with Thee in the sanctuary of Thy presence and peace.

We humbly acknowledge that there are times of indescribable loneliness when we are filled with deep longings for the touch of "vanished hands and the sound of voices that are silent."

Wilt Thou keep our hearts aglow with blessed memories and kindle within us the glad assurance that on some bright and glorious day we shall be with them in hallowed union for "life is lord of death and love can never lose its own."

Hear us in the name of our risen Lord. Amen.

THE JOURNAL

The Journal of the proceedings of Monday, May 28, 1962, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 2839. An act for the relief of Mildred Love Hayley;

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949;

H.R. 8368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sfc. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1653. An act for the relief of William Falby.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1264. An act for the relief of Capt. Dale Frazier;

S. 1849. An act for the relief of Stephen S. Chang;

S. 2107. An act to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services of the Coast Guard for purposes of uniformity;

S. 2208. An act for the relief of Su-Fen Chen;

S. 2661. An act for the relief of John Joseph (also known as Hanna Georges Youssef);

S. 2667. An act for the relief of Sebastiana Santoro;

S. 2668. An act for the relief of Francelina Jorge Querido, Jose Jorge Querido, Luis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido;

S. 2694. An act for the relief of Mrs. Jum Ak Marek;

S. 2722. An act for the relief of Miss Livia Sernini (Cucciatti);

S. 2729. An act for the relief of Hom Wah Yook (also known as Hom Bok Heung);

S. 2751. An act for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera;

S. 2760. An act for the relief of Yuk-Kan Cheuk;

S. 2766. An act for the relief of Mrs. Tom Pon Shee (also known as Tom Pon Ma Cheung);

S. 2777. An act for the relief of Arild Ericksen Sandli;

S. 2803. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado;

S. 2804. An act for the relief of Sheu Chwan Shaiou;

S. 2865. An act for the relief of Ferdinand A. Hermens;

S. 2876. An act to extend the authority to insure mortgages under sections 809 and 810 of the National Housing Act, and to extend the coverage of section 810 to include persons employed at or in connection with an installation of the National Aeronautics and Space Administration or the Atomic Energy Commission;

S. 2965. An act to provide standby authority to accelerate public works programs of the Federal Government and State and local public bodies;

S. 3016. An act to amend the act of March 2, 1929, and the act of August 27, 1935, relating to loadlines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes;

S. 3266. An act to amend section 2 of the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes," approved March 3, 1925, as amended (2 U.S.C. 158), relating to deposits with the Treasurer of the United States of gifts and bequests to the Library of Congress and to raise the statutory limitation provided for in that section; and

S. 3327. An act to make certain federally impacted areas eligible for assistance under the public facility loan program.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes;

S. 971. An act for the relief of Salvatore Briganti; and

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 31, 1962.

The Honorable the SPEAKER,
House of Representatives.

SIR: I am transmitting herewith a sealed envelope received from the White House said to contain a message from the President concerning an atomic agreement with Belgium.

Very truly yours,
RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

BELGIAN ATOMIC COOPERATION AGREEMENT — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Joint Committee on Atomic Energy with accompanying papers.

To the Congress of the United States:

This Government has recently signed with the Government of Belgium an atomic cooperation agreement for mutual defense purposes. This agreement, which has been concluded pursuant to sections 91–c and 144–b of the Atomic Energy Act, is essentially the same as agreements we have concluded since 1959 with a number of other NATO countries. By providing for the exchange of information and nonnuclear materials the agreement with Belgium will enable us to cooperate in developing plans and training personnel so that Belgian NATO forces can effectively contribute with other NATO countries to the collective defense effort. The members of NATO have made clear that it is necessary for their common defense to maintain the most modern NATO forces, and that these forces must be capable of using nuclear weapons if necessary. Since it is well known that measures to build NATO military strength are designed solely for defense purposes, these measures should not be a cause of concern to other countries.

In general, NATO countries are proceeding simultaneously along two lines to provide for their necessary military strength; conventional forces are being strengthened, and an effective nuclear capability is being maintained. The conclusion of this agreement is consistent with these current policies and with the continuing alliance purposes of collective defense.

I am forwarding a copy of the atomic cooperation agreement with Belgium to each House of the Congress, in accordance with the Atomic Energy Act of 1954, as amended. I am also forwarding a letter from the Secretary of State transmitting an authoritative text of the agreement, a copy of the joint communication by the Secretary of Defense and the Chairman of the Atomic Energy Commission recommending my approval of the agreement and a copy of the memorandum recording my affirmative response to their recommendation.

JOHN F. KENNEDY.

THE WHITE HOUSE, *May 29, 1962.*

ADOLF M. BAILER

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1347) for the relief of Adolf M. Bailer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Adolf M. Bailer. From and after the date of enactment of this Act, the said Adolf M. Bailer shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

KEVORK TOROIAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5652) for the relief of Kevork Toroian, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 5, strike out "October 22, 1959" and insert "November 23, 1959".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS SERVING IN U.S. ARMED FORCES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 638) for the relief of certain aliens who are serving in the U.S. Armed Forces, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments as follows:

Page 1, line 5, strike out "Orlando V. Jamandre,".

Page 1, line 7, strike out "Federico M. Periquet,".

Page 2, line 4, strike out "thirteen" and insert "eleven".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

INDUSTRIAL SECURITY PROGRAM

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the bill (H.R. 11363) having to do with the industrial security program be recommitted to the Committee on Un-American Activities.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SECTION 204 OF AGRICULTURAL ACT OF 1956

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

The Chair hears none and appoints the following conferees: Messrs. COOLEY, POAGE, GATHINGS, HOEVEN, and McINTIRE.

CORNERSTONE OF RAYBURN HOUSE OFFICE BUILDING

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to advise Members that the copper box that is to be permanently sealed into the cornerstone of the Rayburn House Office Building will be placed in the Speaker's Lobby today, Thursday, May 31, and again on Monday, June 4, 1962, and that on both of those days Members of the House of Representatives may deposit in the box any message, signature, or other writing which they wish to have preserved for posterity, in an envelope approximately the size of a postal card. It is requested that each Member deposit only one message. These are the final dates on which Members may make deposits in the cornerstone box.

COMMITTEE ON PUBLIC WORKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight Saturday to file a report on the bill H.R. 10113.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ASTRONAUT MALCOLM SCOTT CARPENTER

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, Malcolm Scott Carpenter, the second American astronaut to circle the world, was received in his home State of Colorado over the weekend. Thanks to the President who made his plane available, we were able to get there in time for a big celebration in his hometown of Boulder, Colo. The University of Colorado issued a bachelor of science degree. The next day he and his lovely family visited with the people of the city and county of Denver and participated in a tremendous parade. The citizens set a record and had the largest group in the history of Denver to celebrate the great feat that Scott Carpenter had performed.

We in Colorado are proud of the contribution he has made, and I am sure he will be performing more services in the future.

SCHOOL LUNCH PROGRAM

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 657 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and yield myself such time as I may consume.

The SPEAKER. The gentleman from Missouri is recognized.

Mr. BOLLING. Mr. Speaker, there was no controversy on this subject in the Rules Committee. It provides for a change in the formula of apportionment of moneys under the school lunch program.

There being no controversy as far as the Rules Committee is concerned, I reserve the balance of my time.

Mr. BROWN. Mr. Speaker, the gentleman from Missouri has explained this rule, which makes in order the consideration of H.R. 11665 under 1 hour of general debate. It is an open rule. As the gentleman from Missouri stated, there was no opposition to this measure in the Rules Committee, and we were informed in the committee that the House Committee on Education and Labor in which this bill originated reported it out unanimously. The Rules Committee therefore took similar action.

I have been informed this morning, however, that there are objections on the part of some members of the House Committee on Education and Labor to one or two provisions, or some of the wording in the bill. As a result an amendment or amendments may be offered. I do feel, nevertheless, that this bill should be considered under this rule.

I have no further requests for time and yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BAILEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

State of the Union for the consideration of the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11665, with Mr. Brooks of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BAILEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the bill, H.R. 11665, amends the formula for distributing cash assistance funds to the States under the National School Lunch Act. It also authorizes the Department of Agriculture to reserve some funds for additional grants to school districts serving areas of low economic resources. It extends the program to American Samoa. A so-called separate but equal provision of the 1946 act is repealed.

Mr. Chairman, this bill does not create a new program. No new appropriations are authorized. We merely provide for a more equitable method of distribution. The changes are dictated by the experience under the program since its beginning.

Hearings on the basic formula change were conducted during the 86th and 87th Congresses. We heard no testimony opposing the formula change.

These amendments have been recommended by the Department of Agriculture.

Under existing law cash assistance funds are apportioned on the basis of school-age population and per capita personal income. Under Department of Agriculture regulations, States are required to reimburse participating schools on the basis of number of lunches served. The basic maximum allowable payment is 9 cents for each type A lunch with milk, and 7 cents for each type A lunch without milk.

Because the program has grown faster in some States than in others, in actual practice the average per meal rates of cash assistance any State is able to pay its school systems tends to be related more to the rate of progress growth than to need as measured by per capita income in the State. Thus, a State, where income level is high but with below average participation, may be able to reimburse the school systems at a higher rate than can a State where income levels are low but where participation is high.

Under the formula changes proposed in H.R. 11665, cash assistance funds would be apportioned on the basis of total number of lunches served during the previous year, together with the assistance need rate of each State.

Nearly all of the witnesses before us wanted a floor of 5 cents under payments and a ceiling of 9 cents. The committee was reluctant to write such a floor and ceiling. In such an event, without full implementation, it was obvious that the States with the higher assistance need rates would be those to suffer.

It is my fervent hope, however, that sufficient funds will be made available so that no school system will receive less than 5 cents per meal served.

The new section 11 is designed to provide additional payments to districts located in areas of extreme economic distress. In many areas—and some are in my State of West Virginia—there are a relatively high number of children who cannot purchase a meal. The resources of many of these same school districts are so limited that the need cannot be met with the normal cash assistance program. The committee learned that the less well off school districts attempt to meet the situation either by having to serve a higher than average number of free meals or by charging an unrealistically low price. We purposely gave discretion to the Department in order to meet both types of situations. We did ask the Department to submit the guidelines it proposed. These have been included in the committee report so that the intent of Congress will be clear.

Under existing law private schools may participate in the program. We have retained this provision. At present, in the case of those States where the appropriate State agency is prohibited by law from reimbursing private schools, the Secretary of Agriculture may do so directly. He reserves a portion of the State's allotment equal to the percentage of the State's total elementary and secondary school enrollment accounted for by private elementary and secondary schools.

Under H.R. 11665 the method for dividing the State's share of the cash assistance funds between public and private schools, when such a division is necessary, is altered. The bill provides that division be made on the basis of the number of type A lunches served in each type of school. This is consistent with the changes made in the basic formula, and results in the same average per meal rate in both public and private schools in each State.

Mr. Chairman, I urge approval of this bill.

Mr. Chairman, in concluding, I would like to read into the Record a letter received from the Department of Agriculture:

Department of Agriculture,
Washington, D.C., May 18, 1962.

Hon. Adam C. Powell,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D.C.

Dear Mr. Powell: Reference is made to H.R. 11665, a bill to amend the National School Lunch Act which was reported favorably by your committee on May 10, 1962.

This bill incorporates all of the changes in the National School Lunch Act recommended by this Department in a series of hearings held by your Subcommittee on General Education. We support passage of H.R. 11665 and we believe that it will increase the effectiveness of the program of Federal aid to nonprofit school lunch programs.

We are hopeful that this legislation will be made effective for the 1963 fiscal year.

Sincerely yours,
Charles S. Murphy,
Under Secretary.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the gentleman from West Virginia has said, there was no basic argument in the committee with respect to the proposed changes in the formula for distribution of funds under the National School Lunch Act. The changes proposed will provide money on the basis of the number of school lunches served instead of the total school age population.

I might say, however, that I regret that the report was not prepared more carefully. On reading it I find no reference to the way in which the proposed changes in the distribution of the funds differ from the old method, either in dollar amount or the amount of cents per lunch in an individual State.

Mr. Chairman, I would like to call attention to the table which appears on page 5 of the report, which indicates the proposed distribution of the funds to the various States, the District of Columbia, and so on. One will see that there is no reference to the amount which each State or the District of Columbia receives under the present distribution of funds. There is no comparison made.

As an example, the District of Columbia would receive a very sharp reduction in the dollar amount, but there is no evidence of this in the report. I might say that the hearings do indicate, to some extent at least, that the major changes proposed seek—and I think this is desirable—to provide more aid to the areas that need it most, rather than to areas which perhaps have other ways of meeting needs.

Mr. Chairman, my basic objection is this——

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I shall be glad to yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman from New Jersey mentioned the situation which exists in the District of Columbia. Let the gentleman from West Virginia remind the gentleman from New Jersey that the per capita income rate in the District of Columbia is higher than every other State except the State of Delaware. Yet they were participating in this program last year to the extent of 8.5 cents per meal, I believe.

Mr. FRELINGHUYSEN. I am not, I might say to the gentleman from West Virginia, necessarily holding a brief for the District of Columbia. However, it seems to me that the report on the bill should give an indication, either through the amount of funds to be made available on an individual school lunch basis, or the dollar amount, where there is going to be a sharp reduction of funds.

Mr. Chairman, I might point out that the District of Columbia, under the present method of distribution, assuming a fund of $98.6 million, would receive an appropriation of $215,000. Under the proposed method they would receive only $152,000. It may be that less should be provided to the District of Columbia, but it does seem to me that we should know how the proposed formula differs from the present one. I am not suggesting an attempt to hide essential information. When we dig for it, it is available. But it seems to me that the tabulation is not of much value unless it gives the difference between what we are presently doing and what we are proposing to do.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to remind the gentleman from New Jersey that this bill is designed to operate particularly in a manner to take care of the situation in areas of the country where they are unable to provide lunches for their children.

Mr. FRELINGHUYSEN. Well, I would like to say to the gentleman from West Virginia that I have already backed the idea of the proposed revisions in the basic law so as to provide more funds where we figure more funds are needed, and to reduce somewhat funds where they are less badly needed. I am not arguing with the general formula which is being proposed. I simply think the report is inadequate in stating what we are doing.

Mr. BAILEY. If the gentleman will yield further, I would like to read a little bit of information into the RECORD at this time:

> The District of Columbia came into the program but recently. Because many of its school buildings are old and not equipped for serving lunches, and because many of the youngsters are within walking distance of the school, the participation rate is extremely low. The District has been using school lunch funds to pay seven-tenths of a cent per half pint toward the cost of the special milk program. It may continue to do so. Total school lunch funds to the District will be reduced. The District asked the subcommittee for special dispensation to count the half pints of milk served under the special milk fund. The subcommittee was not inclined to make any exceptions. Department officials advised us that the District's problems could be handled through the special school milk program. We are advised this has been done, and Superintendent Hansen is satisfied.

Mr. FRELINGHUYSEN. Mr. Chairman, I might say to the gentleman from West Virginia that I made a mistake with reference to the District of Columbia. The program, once it is established and after this transition period of 1 year has gone by, will be even more prejudicial to the District of Columbia than I have just stated. If $98,600,000 were made available under the present program the District could now receive $215,000, as I have already stated. But under the proposed method of distribution, the District would receive only $89,000, which is a very sharp and substantial reduction, which may have led to the protest to which the gentleman from West Virginia just referred.

Mr. Chairman, I would like to make a further comment with respect to the report. The tabulation on page 5 of the report is inaccurate. It fails to indicate how the changes in the formula which the adoption of these amendments would provide will affect the various States. The tablulation states that this will be the distribution under the proposed formula. That is inaccurate.

I should like to refer to the hearings on page 13. The tabulation there, if I am reading the material correctly, refers to the proposed distribution in the first year under these changes. The tabulation in the report also refers to the first year only, the so-called transitional period. In the second and succeeding years there will be quite different distributions, which are found on page 12 of the hearings. It would seem to me that the report itself either should say that the distribution proposed is during the transition period of 1 year, or it should give additional figures to show what the changes would be in subsequent years. It is an unintentional oversight, I am quite sure.

Mr. BAILEY. Mr. Chairman, will the gentleman yield further?

Mr. FRELINGHUYSEN. I am glad to yield to the gentleman further.

Mr. BAILEY. The gentleman will remember that in the subcommittee hearings, in order to make this change work smoothly, it was decided the first year to make one-half of the appropriations to the program under the present law and the other half of the money would be apportioned under the new procedure, based upon the meals served rather than upon the number of children in the school districts. That may account for the low rate for the District in the first year. That will be adjusted in time, in the second and third years.

Mr. FRELINGHUYSEN. The transition period is proposed to ease the problems which otherwise might arise in such areas as the District of Columbia. But I think it is misleading to say that the proposed formula will result in the allocation of funds indicated in the report. It will do so only in the immediate future, and for one 12-month period, and the report should have so stated. There will be a substantial change in the distribution of funds in the succeeding years, as the hearings on page 12 clearly indicate. I think the report is badly drafted.

Mr. Chairman, my main complaint about this bill, and I think it is a substantial one, refers to the language at the bottom of page 6 of the bill, beginning in line 20, section 6. I refer particularly to the proposed section 11, found on line 2 of page 7, which authorizes "such sums as may be necessary to enable the Secretary, under such terms and conditions as he deems to be in the public interest, to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist," and so on.

Mr. Chairman, I propose to offer an amendment to strike all this language. It is very badly drawn, and far too broad. The report itself recognizes that fact, because it spells out in some detail just how the Department of Agriculture should administer the program if funds should be appropriated under this section. I point to the language on pages 6 and 7, two full pages of the report, describing the way in which the administration would probably administer a program if money should be made available under this particular provision. My point is that if we feel that the changes proposed in the distribution of funds will still not eliminate certain inequities and if there are going to be needy areas which deserve further attention, then we should spell out ways in which the Secretary might provide supplemental assistance.

I think it is highly undesirable, and I regret very much that I did not make this point in committee, that we should give anybody, even a Cabinet officer, an absolute blank check in such matters. Why should he determine as he may deem it in the public interest, on such terms and conditions as he deems advisable, what additional funds should be given to various districts? The assumption that the proposal is to be carried on at the State level, and that the States are to make their own determinations with respect to need, comforts me not at all. There is nothing in the way of legislative history to bind any Secretary, either this one or the next, to observe the rules which we suggest.

I also suggest that the so-called guidelines, as they were suggested in the committee report, are almost incomprehensible. I would like to refer to the language on page 7 of the report. This relates to what are called special application, which State agencies must submit in order to receive additional assistance from the Department of Agriculture. The application must provide information on a number of things, including, in point 4, assurance, and I quote, that "any token charge made to needy children in order to encourage independence will not preclude participation by those children who need to receive a free lunch in order to participate."

I wonder what that language could possibly mean? Presumably we are trying not to penalize, by withholding aid, a school which charges a nominal amount, say 5 cents, to a child who otherwise would be unable to pay for food. But how would this custom of making a token charge to needy children preclude participation by those children who need to receive free lunches? And what do those final words "in order to participate" mean? To me it is so confusing that it is no guideline. At the very least, if we have something in mind, we should state it more clearly.

Mr. BAILEY. If the gentleman will yield, he will recall that in individual school districts throughout the several States of the Nation their way of handling it varies in each of the school districts. The situation is different in nearly every State. For us to try to write into the bill direct guidelines for the Department of Agriculture to meet those situations, since they are different, it would be almost impossible to write legislation that would cover all of them. That is why it is necessary to give the Secretary of Agriculture some leeway in dealing with those districts to meet these individual needs. You would not pick one particular pattern.

As to the last question the gentleman asked, there are some parents who can provide a part of the expenses of the youngsters. They cannot pay all of them. You do not want to exclude the youngsters from participating in the program even though they can make only half a contribution. That is the purpose of the legislation. We want them all to participate. If they cannot pay all of it, we will take half of it.

Mr. FRELINGHUYSEN. I thank the gentleman from West Virginia for his comments. It does not seem to me a wise proposal to authorize the Secretary of Agriculture to make such determinations on any conditions that he sees fit to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist.

This authority, might be used—and, of course, it would not be under the present administration and I hope not in succeeding ones—but it might be used a few weeks prior to an election because some particular condition suddenly comes to the attention of the Secretary. I think if we are going to make revisions in the law, and some may be necessary, we ought to take a good look at this before we delegate as broad an authority as is provided in this section 11.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. The gentleman has pointed out, and correctly so, that the money going to the District of Columbia would be greatly reduced, down to about one-third of what it is now. Of course, that is an assumption. They do not have any hot lunch program for the elementary children in the District. I just think they should. I would like to point out—here we are in the Nation's capital and in our schools here as far as our hot lunch program is concerned, they are about 20 years behind the rest of the country. We are establishing hot lunch programs in other countries and here we do not even have a hot lunch program for children in the District of Columbia. Apparently, the administrators of the schools here do not want one either.

I think it is a disgrace that we are so far behind on the hot lunch program here. It is time to start getting one for elementary children. We here in the Nation's capital have a cafeteria that we go to, and almost everybody who works for private business has a place to get a hot lunch but the little tots have to tote a cold meal to school just like we did back in the one-room schoolhouse days.

Mr. FRELINGHUYSEN. I thank the gentleman. As I have already stated to the gentleman from West Virginia, I am in favor of providing as many hot lunches to as many children as we can. I am in favor of the proposed revisions of this act, which at least attempt to give money to the States which have the most aggressive and widespread programs.

I am not arguing against the hot lunch program.

Mr. SMITH of Iowa. I did not mean to imply that the gentleman is opposed to hot lunches for the schoolchildren in the District.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. GROSS. I do not know about the school lunch program in the District of Columbia, but they are not lacking in the ability to rock out the windows of the schools in the District of Columbia. It seems to me last year the bill for that purpose went to something like $120,000 or $130,000 just to replace the glass that had been rocked out during the vacation period. They may not have the school lunch program that they ought to have, but they sure know how to knock the windows out of the school buildings.

Mr. FRELINGHUYSEN. I hope the gentleman is not suggesting that the window glass should not be replaced in the school buildings.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. Along the line of the remarks made by the gentleman from Iowa, I would like to state that the District of Columbia has been operating a hot lunch program for the last 4 years for high school children and junior high school children.

Mr. SMITH of Iowa. Yes, but not for the elementary schools. That is just for the high schools and junior high schools.

Mr. BAILEY. The gentleman is correct.

Mr. Chairman, I yield such time as she may require to the gentlewoman from Washington [Mrs. HANSEN].

Mrs. HANSEN. Mr. Chairman, I support the bill H.R. 11665. The school lunch program has been one of the most successful programs instituted and operated by the Federal Government.

The formula changes proposed in this bill will provide for a more equitable basis of distribution of funds. It is our belief that this will result in further expansion by the States and local communities.

Mr. Chairman, this program was born during the depression, when corn was being burned for coal and Americans were going hungry. We began distributing surplus food to needy persons. It was soon discovered that schoolchildren were often in need of better nourishment, and that schools throughout the country were logical consumers of surplus agricultural commodities. We decided that farm surpluses and hungry schoolchildren could not be allowed to exist side by side in America. The surpluses were decreased and the needs of schoolchildren were met. The school lunch program, which had to develop in a few local school systems years before there were large agriculture surpluses, grew rapidly with such cooperation from the National Government.

School lunch programs provide multiple benefits. The reduction of surpluses and the feeding of hungry children are the most obvious. The operation of a school cafeteria makes consolidation more feasible. In the urban areas the school lunch program has provided a more nutritious lunch, particularly for the children of working mothers.

One more most important point. The consumers of tomorrow are developed in today's school lunchrooms.

The Congress in 1946 recognized these multiple benefits and brought the Federal Government into permanent partnership with the State and local schools on July 1. The original formula provided for distribution of cash assistance funds on the basis of school-age population. As a result of experience, we feel we have outgrown the previous formula. It is now much more equitable to apportion the money among the States, as provided in H.R. 11665, on the basis of actual participation in the program plus the relative need of the State.

By apportioning the cash assistance funds on the basis of actual participation in the program, we will be giving recognition to those areas that have made greater progress in extending the school lunch to more children, rather than, under the present formula, penalizing them by forcing them to divide their money among more children.

Mr. BAILEY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD of Missouri. Mr. Chairman, I rise in support of H.R. 11665, necessary legislation revising the National School Lunch Act.

The national school lunch program represents an investment in the most important asset of our Nation. It is a program in which we can take pride. Its cost is moderate, but its value is beyond reckoning. It does not usurp the responsibility or control of the educational agencies of the various States, but it encourages and assists these agencies in making available to our schoolchildren a wholesome, nutritious lunch at moderate cost. Indeed, for children who cannot afford even this cost, the lunch can be served at a reduced price or free. It may be a little difficult for us here to realize it, but if it were not for the national school lunch program, there would be many schoolchildren who would be hungry this afternoon, and there would be many others who would have had a very inadequate meal. And a poorly nourished child is not able to meet the increasingly heavy demands which our schools are placing—and must place—upon our children if our Nation is to retain its position in a fast developing world. To meet the problems lying ahead of us in a nuclear age, we must have a society which is firm morally, tough physically, and tough mentally. This program contributes to the attainment of all three goals. It is absolutely ridiculous to continue with a program that gives cash assistance to States per meal ranging from 8.5 cents per meal to 19 cents per meal without any relation to need.

We have before us some recommended changes in the national school lunch program. Although the program has been very successful, experience in the past few years has revealed certain weaknesses that need correction—certain improvements that should be made. I believe that the bill which has been reported by the Committee on Education and Labor will make the needed corrections and improvements and give us a better school lunch program.

The major change proposed by this bill relates to the formula by which funds are to be allocated among the States.

The present method of apportioning the funds among the States is one which appears on the surface to be logical, but which in actual practice does not give the sort of results which were anticipated and intended. The present formula involves the school-age population in each State, and the per capita income of each State. As I stated, on the surface it appears to be logical, but the variation in participation among the States causes this formula to produce unreasonable variations in the per-meal assistance provided to the children in the various States.

It is logical, and it was intended, that the formula should give somewhat more assistance to those States with a somewhat lower per capita income, because they are in the greatest need of help in order to provide their children with an adequate lunch. However, the existing act does not accomplish this objective.

When all the 50 States are ranked in order of average per capita income, the inequity of the present formula is striking. During this school year the average rate of assistance per meal is 4.2 cents. Twenty-six States received less than this average amount. If the present formula was working as intended, it would be expected that most of these States would be among those having the higher per capita income, but such is not the case.

Exactly half of the 26 States that received less than the national average of 4.2 cents per meal are to be found among the States with the lower per capita income. It is clear that the present formula completely fails to allocate the per meal assistance in any kind of a logical manner related to the State per capita income.

The proposed formula will completely correct this inequity. The States with per capita income equal to or larger than the national average would all receive the same per meal assistance, being assigned an assistance need rate of five. The States with per capita income less than the national average would receive larger per meal assistance, ranging to a maximum assistance need rate of nine.

If the appropriation should be sufficient to fully implement this program—and this is what I should like to see—the per meal assistance would range from a low of 5 cents per meal to a maximum of 9 cents per meal, as compared to the present range of a low of 1.9 cents now supplied to Hawaii, to a high of 8.5 cents now supplied to the District of Columbia.

The bill provides that the change in allocation of funds will be made on the partial basis the first year, thus allowing a gradual transition to the new formula which will be fully effective the second year.

I think the other changes in the school lunch program which are effected by this bill require less explanation.

The bill authorizes a special fund to assist schools whose attendance is from areas with especially difficult economic conditions, which are not financially able to operate a lunch program, or which are unable to meet the need for free or substantially reduced price lunches for those children unable to pay the full price of the lunch. These are the areas which need help the most of all.

There is a provision for equitably dividing the State's share of assistance funds between the public and private schools in those particular States where such division is necessary because of State statutes which prevent the State agency from disbursing funds to private schools. And finally, the bill brings American Samoa into the program.

Mr. Chairman, this is a bill which corrects some accidental inequities and establishes the national school lunch program on a fair, just, and impartial basis. In my opinion, it deserves the support of every Member of the House.

Mr. BAILEY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

RETIREMENT OF ADM. ALFRED C. RICHMOND

Mr. GARY. Mr. Chairman, in formal change-of-command ceremonies today aboard the Cutter *Campbell* on the Potomac River here in Washington, Adm. Alfred C. Richmond relinquishes his duties as Commandant of the U.S. Coast Guard to Adm. Edwin J. Roland. Admiral Richmond made known his decision to retire some time ago, but for those of us in the Congress who have worked closely with him, it is impossible to view the development of the day without pangs of regret.

My work with Admiral Richmond has been as chairman of the Appropriations Subcommittee which takes original action on the Coast Guard's annual budget and I can assure Admiral Roland that he is inheriting a tight ship. I have often said that the Coast Guard is operated as efficiently as any arm of the Federal Government and that if other agencies followed the Coast Guard's lead the fiscal situation would not be as disturbing as it is today.

But Admiral Richmond's outstanding performance as Commandant should have come as no surprise. Born Alfred Carroll Richmond on January 18, 1902, at Waterloo, Iowa, he showed early wisdom by moving, with his family, into my own State of Virginia at the age of 10 and his moves since have shown similar soundness for a man on his way to the top.

Armed with a certificate from Massanutten Academy in Woodstock, Va., he enrolled at the age of 16 in the college of engineering at the George Washington University, where he is still remembered as an athlete who was later to be named to the GW Letterman Hall of Fame.

He entered the U.S. Coast Guard Academy in New London, Conn., as a cadet in 1922 and was graduated as the senior man in his class with a commission as ensign in 1924. His rapid advancement in rank since is fitting testimony to the perspicacity of the instructors at New London who knew they had a leader on their hands and accorded him the highest honors.

After 2 years of service as an aide to the Commandant of the Coast Guard in Washington, during which he performed temporary duty in operations against rum runners off the coast of New York, he was assigned to the Coast Guard Academy staff for 2 years. Promoted to lieutenant, junior grade, in 1926, he advanced to lieutenant in 1928, lieutenant commander in 1932, commander in 1942, captain in 1943, rear admiral in 1950, vice admiral and Commandant in 1954, and admiral on June 1, 1960.

While again assigned to Coast Guard Headquarters here in Washington in 1935, he began taking a resident law course at the George Washington University and was awarded a degree of juris doctor "with distinction" in 1938.

In 1939 he received experience at the international level which was to prove helpful in later years. That came while he was serving as a representative of the Treasury Department and as a delegate of the United States at the International Whaling Conference convened at London. In January of 1959 he was a principal delegate to the First Assembly of the Intergovernmental Maritime Consultative Organization.

He was president of the 1960 Sixth International Lighthouse Conference and is now president of the executive committee of the International Association of Lighthouse Authorities. He is also chairman of the National Committee for Prevention of Pollution of the Seas by Oil and has been named to head the U.S. delegation to the upcoming 1962 conference of this organization.

During World War II he served as a commanding officer of the cutter *Haida* doing convoy escort duty out of Juneau, Alaska, before being transferred in 1943 to London. As a result of his work during and after the Normandy invasion in assisting in the organization of Coast Guard forces for their assigned tasks, he received the Bronze Star Medal for meritorious service as senior Coast Guard officer on the staff of the commander, U.S. Naval Forces in Europe. The French Government also awarded him the Croix de Guerre for exceptional services rendered in the liberation of France.

He was appointed Assistant Commandant of the Coast Guard in 1950 and in 1954, with the advice and consent of the Senate, he was named Commandant by the President succeeding Vice Adm. Merlin O'Neill. In 1958 the Senate confirmed a second 4-year term for him as Commandant and in 1960 he was appointed to the rank of full admiral.

Admiral and Mrs. Richmond, the former Gretchen C. Campbell, live at 2365 North Edgewood Street in nearby Arlington. They have two sons, John Mason, 25, who was graduated from the Coast Guard Reserve Officer's Candidate School in 1958 and was commissioned an ensign in the Reserve in 1958, and Alfred Carroll, Jr., 23.

The Coast Guard is a military service and a branch of the Armed Forces of the United States which serves the Treasury Department in time of peace and the

Navy in time of war. Its principal missions include saving and protecting life and property, maritime law enforcement, providing navigational aids to maritime commerce and to transoceanic air commerce; promoting the efficiency and safety of the American merchant marine and readiness for military operations.

Admiral Richmond is one of the best administrators it has ever been my privilege to know. He has a scintillating intellect, a commanding but pleasing personality, a remarkable store of information, a keen sense of humor, rare judgment, and a dedication to duty that characterizes him as one of America's outstanding leaders. He was one of the best informed witnesses that has appeared before my congressional committees during my 18 years in the Congress. He testified with confidence and his testimony always carried conviction.

Under Admiral Richmond the Coast Guard has performed its missions well. It is a better service because of his efforts and he will leave many good years of a full life to it when he awakens in a status of retirement on the morrow. He will not admit it but I know that the motto on the Coast Guard seal, Semper Paratus, shines with a greater luster as a result of his long and dedicated service.

The outstanding record of this faithful public servant merits a retirement of comfort and ease but we can ill afford to lose his many talents at this time, and knowing him as I do I am convinced that he would be happier with his time occupied in meritorious service. He is superbly qualified for membership on one of our international commissions where his background, training, experience, and ability could be used to bring order to a confused and disordered world.

I join the many friends and admirers of Admiral Richmond in wishing him continued success and godspeed along whatever paths he may pursue happiness during his retirement.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for the statement he has just made in reference to Admiral Richmond and join with him in extending my tribute to the admiral, not only because he comes from Waterloo, Iowa, my hometown, but also because he has been a very able administrator and public servant. I therefore wish for Admiral Richmond good health and happiness in his well-deserved retirement.

Mr. CONTE. Mr. Chairman, today, after almost 40 years of devoted service to his country, Adm. Alfred C. Richmond is retiring as Commandant of the U.S. Coast Guard.

In the span of those 40 years, Admiral Richmond has seen the Coast Guard develop from a small force of officers and men endowed with what today may seem to have been rather minor responsibilities. Now the Coast Guard, greatly expanded in both size and responsibilities, is an integral part of our defense forces, and at the same time has the responsibility for manning many of the services vital to the oceangoing commerce of the world. For the past 8 years Admiral Richmond has been in command of this vast operation, and he has carried out his responsibilities with the highest degree of efficiency. He has been called upon to represent the United States at vital international conferences, always carrying out his assignment with great ability, and always completely knowledgeable of the subject at hand.

I have come to know and admire Admiral Richmond by his appearances before the Appropriations Subcommittee on Treasury on which I have the privilege to serve. As he takes his retirement, the Coast Guard is losing a great leader, the U.S. Government is losing a most able representative, and I am losing a good friend. To Admiral Richmond I say "well done," good luck and happiness, always.

Mr. STEED. Mr. Chairman, the retirement of Adm. Alfred C. Richmond as Commandant of the U.S. Coast Guard in ceremonies held here today marks the culmination of a career of 40 years of service that has made a real contribution to the welfare of our country.

In his 8 years as Commandant and in the previous 32 years of his Coast Guard service in both war and peace, Admiral Richmond displayed the best qualities of command and administration.

It has been a pleasure to be associated with him during my 6 years as a member of the House Appropriations Subcommittee on the Treasury, where his annual appearances have always succinctly summarized the steady and continuing achievements of his organization. His command of the details of his operation has always inspired confidence.

It is good to know that he will head the U.S. delegation to the approaching Conference on the Prevention of the Pollution of the Seas by Oil, another in the series of important international meetings at which he has represented our country. His work as president of the executive committee of the International Association of Lighthouse Authorities has been significant in many nations.

With his retirement from the Coast Guard at the early age of 60, I trust that he will long continue to be of active service to the Nation in the fields in which he is an authority.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, I take this time to ask a question or two of the gentleman from West Virginia [Mr. BAILEY] regarding the effect of a provision in this bill. I served on the Daniels subcommittee, which concerned itself with the progress being made to implement the Supreme Court's decisions requiring desegregation of our public school system. The legislative history of this bill would not be complete if some attention were not focused upon a change which this bill would make but which is not very well reflected by the draftsmanship of the legislation itself.

Page 15 of the committee report indicates that the following sentence of the existing statute would be repealed:

> If a State maintains separate schools for minority and for majority races, no funds made available pursuant to this act shall be paid or disbursed to it unless a just and equitable distribution is made within the State, for the benefit of such minority races, of funds paid to it under this act.

I did not serve on the subcommittee which developed this legislation, but I suspect that by repealing this sentence the subcommittee is desirous of taking away any stamp of approval that the language might seem to give to the continued segregation in the public schools.

However, I am concerned about what might be the unintended effects of taking this language out. By deleting this sentence, are we suggesting or demanding that the Secretary of Agriculture immediately cut off all school lunch funds for certain States? If such funds should be cut off in a State which is making progress with "deliberate speed" toward integration but continues to have segregated schools, what would be the effect upon the children in those segregated schools who, in many instances, desperately need the hot lunch program?

Having raised these questions, I shall appreciate it if the distinguished gentleman from West Virginia [Mr. BAILEY] can enlighten the Committee.

Mr. BAILEY. I can enlighten the gentleman to this extent. The paragraph the gentleman is talking about is the so-called Powell amendment that was written into the act of 1946. He has asked himself, as chairman of the general Committee on Education and Labor, that that amendment be eliminated.

Mr. GRIFFIN. I am asking the gentleman from West Virginia about the effect of the elimination of the particular language.

Mr. BAILEY. No direct effect.

Mr. GRIFFIN. I realize that the bill would eliminate the language referred to, but what would be the effect of eliminating it?

Mr. BAILEY. I can see no direct effect of it.

Mr. GRIFFIN. No direct effect?

Mr. BAILEY. I can see no effect, because every case that has been carried to the Supreme Court has resulted in the Supreme Court sustaining the case. This is not going to affect the situation at all, and you will have to take care of both the white schoolchildren and the colored schoolchildren in the general program and not segregate them and take care of them as two separate schools.

Mr. GRIFFIN. It would seem to me, that if we intend for the operation of this program to continue as it has, we are making poor legislative history to make a change in the statute, and then to say that the change is meaningless. If we do intend some effect to flow from this change, we ought to know what it is.

I would approve of administrative implementation within legislative bounds pointing toward desegregation of our schools. I believe in the implementation of the Supreme Court's desegregation decision, and perhaps the administration of the school lunch program should be used as one method of effecting it. However, I believe we should be aware of what we are doing, and give this matter very serious consideration.

I would be very concerned if some administrator should suddenly cut off school lunch funds in particular States. If we are to take this path to enforce desegregation, then it would seem that some reasonable grace period should be given; for example, a year's notice. I should think that we might indicate in the legislation or the legislative history our concern that some degree of caution and reason should be exercised. If we did so, then I would feel better about the helpless schoolchildren who could be caught in this particular trap. Again, I am a little bit surprised to hear the gentleman from West Virginia say that this amendment is intended to have no effect.

If the gentleman from West Virginia can provide any further amplification of his statement, I would certainly appreciate it.

Mr. BAILEY. I might say to the gentleman from Michigan that one of the speakers who has yet to address the Committee will give his attention to that particular angle.

Mr. GRIFFIN. I thank the gentleman.

Mr. BAILEY. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. O'HARA].

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Florida.

Mr. HALEY. I hope the gentleman will go into the mechanics of this and explain section 11 of the bill. It seems that here we have an entirely new section of this law. It appears to some of us that it would grant a great deal of power to the Secretary. I would appreciate it, and I know that other Members of the House would appreciate it, if the gentleman would explain if he has attempted to tie this down somewhat in the report.

Mr. O'HARA of Michigan. I would like to begin by saying to the gentleman from Florida, that the new section 11, which would become a part of the act if the bill before us is enacted, introduces a brandnew concept into the school lunch program. It is designed to take account of very special situations that exist in some parts of the country. The special assistance funds authorized by this section would provide additional help to those school districts which, because of extremely poor economic conditions, serve an inordinately large number of free lunches or which would serve a large number of free or reduced-price lunches, if they had the financial ability to do so. We, of course, wanted to tell the Secretary how to apportion these funds and how to identify these needy school districts and determine the amount to which each one is entitled. We considered putting the apportionment on the basis of the number of free or reduced-price lunches that were now being served by the district.

But we found that some of the districts most in need of help were in such poor financial condition that they were unable to serve the number of free lunches or reduced-price lunches that they wanted to serve, or which they should serve. We therefore prescribed no rigid formula but left it to the Secretary to work out in practice with the understanding that he provide to us, for our approval, the criteria he would attempt to follow in implementing the intention of the committee. This was done.

Mr. Chairman, I would call the attention of the gentleman to the material appearing at the bottom of page 6, and on over onto most of page 7 in the committee report, which sets forth the representations of the Secretary of Agriculture as to the way in which he will attempt to implement this special assistance section. You will notice that the apportionment would be based primarily upon the number of free or reduced-price meals already being served to needy children, adjusted, however, for the ability of a State to finance such meals as measured by the relationship of the national average per capita income to the per capita income of the particular State.

Then in subsection (C) which appears at the top of page 7 of the committee report, there is stated the following:

> C. Three percent of the total appropriation under section 11 will be reserved for use by the territories. Of the remaining amount, 50 percent would be initially apportioned to the States under the formula described above. Another 25 percent of such funds would be apportioned in a similar fashion and would be advanced to any State proving the need for additional funds over and above its initial apportionment. The remaining 25 percent of the funds would be held in reserve by the Department to be equitably distributed among those States demonstrating a need for funds in excess of their initial and reserve apportionments.

We did not set a hard-and-fast formula because it could not do justice to the kind of problem we were seeking to solve. I know that this is generally a less than satisfactory method of legislating. We felt, however, that, under the circumstances, it was the only realistic way to go about it.

Mr. BAILEY. Mr. Chairman, I yield such time as she may require to the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I rise in support of H.R. 11655 and urge that it be passed.

The Committee on Education and Labor unanimously approved its passage. The Department of Agriculture has stated the bill incorporates all the changes in the national school lunch program which it has recommended.

The committee believes the bill, incorporating a new formula, will increase the effectiveness of the program of Federal aid to nonprofit school lunch programs and at the same time provide greater opportunity for children needing such lunches to secure them.

The new formula provided by the bill includes apportionment of cash assistance funds among the States based upon total age population, as well as economic need. By revising the method of dividing the States' share of the cash assistance funds, the rate of cash assistance any State is able to pay its schools tends to be related more to the per capita income than to the rate of programed growth.

I point out that this bill deletes from the language any reference to race. This seems tremendously important at this time in our history—8 years after the Supreme Court decision which ruled enforced segregation in public schools is unconstitutional. By amending this act through striking the language referring to separate schools for majority and minority races, the act would become more consistent with the basic philosophy of American education.

Mr. Chairman, at this point I wish to introduce in the RECORD text of letters from educators in my area which support the concepts embodied in H.R. 11655:

ASHLAND PUBLIC SCHOOLS,
Ashland, Oreg., May 10, 1962.

Hon. EDITH GREEN,
House of Representatives,
Washington, D.C.

MADAM: It is my understanding that H.R. 8962 is still pending. Also this seems to be the fate of the Senate bill 2442 in the Committee on Agriculture and Forestry and no action on it has been scheduled. Both these bills are favorable to Oregon in their purpose to allocate school lunch funds on the basis of student participation rather than child census as at present, since Oregon is a leading State in school lunch participation.

I should like to urge you to press for action before Congress adjourns. Thank you, and if I can be of help to you from my small vantage point, please call on me.

Very truly yours,
STANLEY C. JOBE,
Superintendent.

STAYTON SCHOOL DISTRICT NO. 77–CJ,
Stayton, Oreg., February 12, 1962.

Hon. EDITH GREEN,
The House of Representatives,
Washington, D.C.

DEAR MRS. GREEN: As you are well aware, we have needed a more equitable method of distributing Federal funds of the national school lunch program to the States. H.R. 8962 will provide a way to do this.

We have held the line on school lunches at 20 cents per meal for the past decade. However, each year our reimbursement becomes less.

Please give this bill your careful consideration and help us to continue to provide a nourishing hot lunch to a large number of pupils at a nominal charge.

Thank you.

Yours truly,
A. J. DICKSON.

REDMOND GRADE SCHOOL,
Redmond, Oreg., February 5, 1962.

Hon. EDITH GREEN,
House of Representatives,
Washington, D.C.

DEAR MRS. GREEN: Recently I reviewed proposed legislation that would affect all hot lunch programs in the Nation. As I recall it was listed as H.R. 8962. In my opinion this proposal, should it become a law, would be most acceptable to Oregon schools. The method of money distribution or payment for type A lunches served is much more fair than under the present law. I would be most happy to see this proposal be put into effect.

Thank you for your courtesy and work to promote H.R. 8962.

Respectfully,
HUGH HARTMAN,
Superintendent.

NORTH BEND PUBLIC SCHOOLS,
North Bend, Oreg., January 30, 1962.

Congresswoman EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MADAM: On behalf of the youngsters and taxpayers of this school district and others throughout the State, I wish to express to you my interest in H.R. 8962. This refers to a revision of the School Lunch Act.

It would seem to me that the proposal, to base distribution on actual participation, is far more equitable than is the method presently used. I would urge your support of this resolution.

I wish, also, to call to your attention the fact that the school age population continues to increase. The increase, presently, is largely centered at the high school level. These children eat more than do their younger brothers and sisters. It would seem that the amount of money to be allocated should remain in proportion to both the potential number of participants and the amount of consumption.

We appreciate, very much, the additional commodities received this year. The meat, especially, has enabled us to keep down our costs. And costs, in this phase of school affairs, have been increasing along with the rest.

Your interest in these matters will be much appreciated.

Very truly yours,

HENRY H. HARTLEY,
Superintendent of Schools.

LANE COUNTY
SCHOOL DISTRICT NO. 52,
Eugene, Oreg., January 29, 1962.

Hon. EDITH GREEN,
House of Representatives,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: I have been interested in H.R. 8962. According to my understanding, cash assistance remains at $98.6 million but that the distribution formula will be changed. I have also noticed that the President's budget calls for an increase to $118.6 million. I, personally, feel that the President's recommendation is a more realistic amount when one considers the increase in our school population, and especially the number of children in the United States who are participating in this program.

The change in the formula for distributing the money to the States is also a very desirable change. This change will mean that States and schools will actually receive according to the number of children participating in the program. At the present time, a State is penalized if it has a relatively high number of children participating.

I sincerely urge your favorable consideration in helping bring about the passage of H.R. 8962 as well as supporting the President in his recommendation concerning the allocation for this act.

Sincerely yours,

TOM POWERS,
Superintendent.

HILTON-FREEWATER
PUBLIC SCHOOL SYSTEM,
Hilton-Freewater, Oreg., January 30, 1962.

Congresswoman EDITH GREEN,
Member of the U.S. House of Representatives,
U.S. House of Representatives Office Building, Washington, D.C.

DEAR CONGRESSWOMAN GREEN: I am writing in reference to H.R. 8962 which concerns the revision of the National School Lunch Act. I am very definitely in favor of this revision as I feel that the allocation of Federal moneys to school lunch programs should be based on student participation rather than school enrollment. The number of students in a school system is relatively insignificant if the participation in the lunch program is small when considering the reimbursement rate for the operation of the school lunch program of a given State. Under the existing formula, a State with a large school-age population but with a very small percentage of children participating in the school lunches may receive significant funds to provide as much as 7 to 9 cents reimbursement per meal. At the same time in a State, such as Oregon, with a relatively low school-age population and a relatively high number of children participating in the school lunch program the rate of reimbursement is necessarily much lower. Under the present formula, the rate of reimbursement for Oregon schools averages only about 3.2 cents.

It is my opinion that this proposed revision of the National School Lunch Act is a step in the right direction as it will more nearly reimburse States on their student participation in school lunch programs rather than just on the population of the school-age children of a given State.

Any consideration you are able to give this proposed revision of the National School Lunch Act will be greatly appreciated.

Very truly yours,

JOHN THRASHER,
Superintendent.

COOS BAY PUBLIC SCHOOLS,
Coos Bay, Oreg., January 30, 1962.

Hon. EDITH GREEN,
Representative in Congress,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: We are much interested in H.R. 8962 regarding the school lunch program. The school lunch is of great value to the youth of our district and may be of value to the agricultural economy.

Some of our pupils come from homes that lack adequate finance, knowledge, and management to provide adequate meals for their children. For these pupils, the school lunch program is vital for their health, growth, physical and mental development. A good school lunch is valuable for all pupils. The school lunch program is a valuable assistance in maintaining national fitness. Those of us who are school administrators charged with the responsibility of education, have recognized the value of the school lunch program. We trust that you will work diligently for the passage of H.R. 8962.

Many of us are of the opinion that the allocation to the several States should be on the basis of meals served instead of the school census. The distribution from the States to the school districts is based on meals served.

H.R. 8962 provides for the distribution to be made from the National Treasury to State treasury on the basis of meals served. This change in the present method is good.

Yours truly,

M. B. WINSLOW,
Superintendent.

DAVID DOUGLAS PUBLIC SCHOOLS,
Portland, Oreg., January 22, 1962.

Hon. EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: It was suggested by Dr. Ray Wolf, Portland State College, that we contact you concerning the availability of funds for which we might apply to assist in our district curriculum work.

You are acquainted with the local situation and realize that this district is relatively new, having been a reorganized, unified district for less than 3 years, also that local funds are limited. The desire for curriculum development and changes to keep abreast of current research, inventions, and trends, is second only to the need to construct new buildings to keep up with the local population growth.

The faculty members are very anxious to explore and assimilate the trends in modern math which seem appropriate for the elementary and secondary curriculum.

Another group of teachers feels that a complete revision of the science program, based upon a thorough study, is highly desirable.

The emphasis on science and math seems to be an outgrowth of the influences of the national program.

Any suggestions or assistance you may give us will certainly be appreciated.

Respectfully,

FLOYD LIGHT,
Superintendent.

ALTA FOSBACK,
Curriculum Director.

JANUARY 29, 1962.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: I would like to encourage you to give favorable consideration to House Resolution 8962 which proposes to change the formula for distributing money to the States under the National School Lunch Act.

The change proposed would tend to reduce the inequity of distribution, which at present allows certain States with a large school-age population and a small percentage of children participating under the National School Lunch Act to receive as much as 7 to 9 cents reimbursement per meal. In Oregon we have a relatively low school-age population and a relatively high number of children participating under the National School Lunch Act. Our rate of reimbursement averages approximately 3 cents per meal.

The appropriation to Oregon would be increased under the proposed revision and would be a benefit to us. May I again urge your favorable consideration to H.R. 8962.

Sincerely yours,

WILBUR M. OSTERLOH,
County School Superintendent.

PARKROSE PUBLIC SCHOOLS,
Portland, Oreg., January 26, 1962.

Hon. EDITH GREEN,
House of Representatives,
Washington, D.C.

MADAM: It has come to our attention that Congressman JAMES G. O'HARA of Michigan has introduced a resolution (H.R. 8962) for the purpose of amending the distribution formula of the national school lunch appropriation.

In accordance with the National School Lunch Act of 1946, funds are appropriated on the basis of two factors: (1) Total school-age population in the State, and (2) the relationship of the per capita income in the State to the national average. In practice this works out that some States are able to distribute as much as 9 cents for each class A lunch served while in other States this amount is only 2 cents. In Oregon at the present time our reimbursement rate is 3 cents. The inequity of this formula is readily apparent.

It is my understanding that the proposed legislation would establish an interim period of 1 year for transition so that the impact on the program in States receiving higher reimbursement would be lessened. After that the reimbursement rates would be the same for all and would be based on pupil participation.

In my estimation this proposed change in the School Lunch Act deserves your support.

Very truly yours,

VICTOR R. CULLENS,
Superintendent.

MARCH 28, 1962.

To 472 Multnomah County Farm Bureau Families:

On sheet attached there is shown the 1962–63 budgeted school lunch program operating loss for each of eight school districts, taken from recently published figures but presented in a different form.

If the actual cost of food shown in the budget were known, the operating losses would be much greater. It is understood that Government surplus foods purchased are at only handling and transportation costs.

The deficits or operating losses are made up as shown from Federal funds, distributed through the State on more or less of a basis of need—and if not sufficient, by a local levy,

It is doubtful there is any conclusive evidence that a hot luncheon is better healthwise than a cold one. It has been said that some parents are distraught at the thought of their children not having a hot meal at school but serve corn flakes for breakfast and a cold luncheon if convenient.

It appears that the Government has taken the matter in hand to dictate through the control of accepted funds what the children should eat. Thus the theory of welfare is promoted among children and parents.

Conceding that a hot luncheon may be desirable, it is probable that a locally controlled program could be proven healthwise satisfactory with a hot soup or drink and the children taking their own sandwiches, fruit, etc.

This is not necessarily to oppose school lunch programs of some sort, but to propose that they be self-sustaining without Government funds and local levies, and if continued on the present basis that operating losses be clearly shown in the budgets for better comprehension by the public.

You are urged to attend your school district's budget hearing if it has not yet been held. (See dates on sheet attached.)

ARLINE SEIDLE.

Mr. BAILEY. Mr. Chairman, I yield such time as he may require to the gentleman from New York [Mr. CAREY].

Mr. CAREY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CAREY. Mr. Chairman, I rise in favor of this legislation to amend and extend the National School Lunch Act. This avowal of support entails no heroic act of personal courage any more than it would merit distinction to oppose compulsory weaning of infants at a statutory age.

In brief, a hot lunch to a schoolchild is a booster to help him learn to cope with the cold war. To the end that this bill seeks to improve the flow of food and funds to areas of need and adjust inequities in distribution, it is deserving of support.

Unfortunately, the changeover in the distribution formula in this bill from one of per capita allocation to the new yardstick of rate of previous participation may well effect a reduction in assistance and possible hardship to some groups. This is particularly true of the share of nonpublic, nonprofit institutions in the program. The effect of the participation formula as to these schools is borne out in the hearings on this legislation on page 27. I refer to the statement of Mr. Howard P. Davis, Deputy Director of the Food Distribution Division, Agricultural Marketing Service, Department of Agriculture, in response to a question by the distinguished gentleman from Minnesota [Mr. QUIE]:

> Mr. DAVIS. That is right. In all fairness, so we do not leave the wrong impression with the committee, I believe there will be more instances where the private school rate will be lowered than there will be where it will be raised because, as the lady has already testified, generally speaking, across the country the participation in private schools for many very good reasons has been lower than it has been in the public schools, so that in all fairness I think you should know there will be more instances where it will be lowered than raised.

It is my belief that among the very good reasons why the participation of private schools has been low in the past is that many of these schools are unable to afford personnel for serving hot lunches or lack the physical plant equipment necessary for that task. This would be particularly true of those schools constructed before the mid-thirties when the school lunch program was instituted. I note that the distinguished gentleman from Michigan [Mr. O'HARA], a member of the committee, refers to this when he states on page 28 of the hearings and I read:

> I feel to a large extent the lesser degree of participation by nonpublic schools is the result of the fact that a lower percentage of nonpublic schools have been financially able to equip their institutions with lunchroom facilities. I would personally like to see some effort made under this act, or under administrative action or under other programs, either to fund the existing provisions for assistance to such schools for the purchase of lunchroom equipment or to, in the alternative, provide a greater degree of assistance for lunches of a type which do not require preparation at the site.

I concur with the statement of the gentleman from Michigan and I would hope that under the provision of section 5 of the bill which authorizes $10 million for nonfood assistance, a start will be made toward providing facilities to enable more schools and a greater number of children to participate in the program. Incidentally, I am informed that since 1946 there has been an authorization of a similar amount for construction of food service facilities under the School Lunch Act. But the Department of Agriculture either has not sought or at least has not received an appropriation for this purpose. I hope that if this bill is enacted the Department will not drag its feet in seeking these funds to broaden its benefits.

I do not believe that the previous participation formula is meant to freeze out presently nonparticipating schools. I note that the bill provides for a transition period during the first year for a phaseover from the old system of per capita allocation to the new participation rule. I believe we should carefully watch the impact of the new formula to prevent any severe hardship as to any segment of the school system.

It deserves comment here that the record is bare of any objection to this legislation by private school authorities even though they may well experience some hardship under the revised formula. This is most commendable and speaks well for the position of these authorities that they do not seek Federal assistance in the financing of these schools but that if the Congress apprehends the acute need for such assistance it should be made available on the basis of that need with due regard for the welfare of every child and without discrimination as to the type of school he may attend. It might be said that while some inequality in dietary distribution may be suffered without complaint, discrimination in assistance for mental development is intolerable.

The fact that private school authorities made no presentment on this legislation should clearly give pause to those ill-advised persons who have stated that private school parents and educators have a "dog in the manger" attitude on educational assistance. To the credit of these parents and teachers all they have ever sought is a fair share of the Federal funds which represent their taxes be it for school lunches, textbooks, or transportation.

In conclusion let me state that I could not agree more heartily with the statement of the distinguished gentleman from Michigan [Mr. O'HARA] on page 28 of the hearings where he states:

> With respect to this question of the allocation of funds for pupils in public schools and nonpublic schools, to call the attention of the committee to the fact that the justification for this program, in light of the interpretations of the first amendment as made by the U.S. Supreme Court on various cases, really depends upon a grant of assistance directly to the pupils. This is conceived as a program not of any aid to a particular school or class of school but to American schoolchildren regardless of where they go to school. Equal assistance to them seems to me to be part of that justification.

Legislation which would extend this principle so clearly identifiable in this bill and other bills dealing with higher education to elementary school aid has been introduced by me under H.R. 9896, by Mr. DELANEY, of Queens, under H.R. 9803 and Mr. SANTANGELO, of New York, under H.R. 9887. I am now pleased to note that we have truly bipartisan support of this legislation with the introduction of H.R. 11850 by Mr. HALPERN, of Queens. Now if we can legislate for the cerebral improvement of the children in the elementary and secondary schools with the same dispassionate and unemotional attitude we adopt toward the esophagal intake of these children, I am convinced we will avoid the pitfulls of the past and make the progress we need for the future.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. ANFUSO] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ANFUSO. Mr. Chairman, I am happy to support the bill under discussion, H.R. 11665, to amend the National School Lunch Act.

As has already been explained by others, this bill seeks to revise the formula for providing funds to the States for lunches to schoolchildren. Instead of distributing such funds only on the basis of the number of schoolchildren, as heretofore, assistance will also be provided on the basis of need, especially in areas suffering from poor economic conditions and prolonged unemployment.

This is a logical approach. Our young generation should be given every possible opportunity to grow up, develop, and acquire the proper education without the worries of where the next meal would come from. The school lunch program, as I see it, is a basic investment in the future of our youth, in raising a healthy and a happy generation of Americans. If some will criticize this program as a handout or a giveaway, I say that this is the most desirous and the most meritorious of such projects and we should have more of it.

I hope and trust that the day will come soon when no child in this country, regardless of race, color, creed or economic status, will go to school hungry or will have to sit through an entire day at school without a meal. Unfortunately, there are still many children in this rich country of ours who are forced to do so because the family is unable to provide them with adequate food due to poverty or unemployment and the schools do not have the funds or the facilities to provide youngsters with lunch.

The school lunch program is not a new or a recent project. It dates back to the depression years of the 1930's when we utilized some of our surplus foods for needy children. In the 1940's it was changed into a cash assistance program where the Federal Government provided funds to the schools to purchase food and thus continue their lunch program. Over the years it developed to an extent where nutritional standards were prescribed by the Department of Agriculture to give the children the greatest possible benefit. In some communities lunches are served free to children unable to pay the small price; the lunch programs are operated on a nonprofit basis to keep the costs down, and matching funds are provided by the States and local committees.

I am pleased to note also that over the years the appropriation for this program was steadily increased. In the 1940's Congress appropriated annually between $70 and $75 million; by 1957 the appropriation for the school lunch program reached $100 million. In the 1962 fiscal year a total of $125 million was appropriated for this program and an additional $45 million was made available from so-called section 32 funds which are provided annually to the Department of Agriculture for purposes of expanding our markets for agricultural products at home and abroad. Thus, the total for this year was $170 million.

For the 1963 fiscal year, I understand that the same appropriation is under consideration; that is, $125 million plus an additional $45 million to be made available from section 32 funds. While it may be pointed out that this is more than twice what the appropriation was in the 1940's let us remember also that our population has grown considerably in the last two decades and that our needs are greater today. In 1947 the school lunch program was extended to some 34,000 schools in the country and lunches were served to about 4½ million children. By 1961 close to 64,000 schools participated in the program and nearly 13½ million children benefited from the lunches. In other words, three times as many children were benefited under this program last year than 15 years ago.

There is room for expansion. Congress can make no better investment in the future of America than in increasing the funds for this program until we reach a point where every child of school age will be provided with an adequate meal on school days. I believe that this bill we have under consideration is a step in that direction. By revising the formula for apportioning cash assistance funds to the States we shall be able to increase the participation of more schools and more children in the lunch program, particularly in the poorer, low-income, economically depressed areas which until now were not able to participate because they lacked the necessary matching funds or because the Federal funds were not sufficient to meet their needs to provide free or low-cost lunches to the children.

Mr. Chairman, it was my privilege and my honor to serve during two Congresses as a member of the House Committee on Agriculture, where I had the opportunity to become aware of and to appreciate the great contribution our farm people are making to the health and the welfare of this Nation. Our farmers have blessed the American people with an abundance of food, for which we are thankful every day in the year. They have made the food available so that we may develop and operate the school lunch program, and the abundance they have created is today being shared by many needy people in our own country and by people in friendly nations around the world.

In conclusion, I will say to the House that in supporting this measure and in urging all my colleagues to vote for it, I salute the American farmer who has blessed us all with this bounty. We should see to it that it is made available to every American child.

Mr. BAILEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes, had come to no resolution thereon.

PROGRAM FOR THE WEEK OF JUNE 4, 1962

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I asked for this time in order to request the majority leader to advise us concerning the program for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the majority leader.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the acting minority leader, this finishes the legislative business for this week.

On Monday we will take up the Consent Calendar. There is one suspension scheduled, H.R. 7757—unrelated business income of nonprofit hospitals.

Any rollcall votes except on rules on Monday or Tuesday will go over until Wednesday because of Iowa, California, Idaho, Mississippi, Montana, and South Dakota primaries, also the Connecticut State nominating convention.

If the gentleman will yield for that purpose, Mr. Speaker, I ask unanimous consent that any rollcall votes on Monday or Tuesday except as indicated go over to Wednesday next.

Mr. GROSS. Reserving the right to object, Mr. Speaker, do we know as yet the legislation that is to come up on Monday and Tuesday?

Mr. ALBERT. Mr. Speaker, I withdraw my request until I have advised the gentleman of the program for Tuesday.

The Private Calendar will be called on Tuesday next, and on Tuesday next we will continue the consideration of H.R. 11665 under the 5-minute rule; also H.R. 8845, relating to obstructions of investigations.

Further for Tuesday and the balance of the week, H.R. 5532, to amend the Armed Services Procurement Act of 1947, and H.R. 11879, the Tax Rate Extension Act of 1962.

Mr. Speaker, I make the usual reservation that conference reports may be brought up at any time and any further program may be announced later.

I should like to advise the House that I will make an additional announcement as to the legislative program for Wednesday and the balance of the week on Wednesday next.

Mr. Speaker, I renew my unanimous consent request that any rollcall votes except on rules or procedural matters on Monday and Tuesday of next week may go over until Monday next.

Mr. GROSS. Further reserving the right to object, Mr. Speaker, do I understand correctly that the bill that was under consideration so briefly here today will be called up again on Tuesday of next week, and that the gentleman is requesting that any rollcall votes that may be in order on Tuesday go over until Wednesday?

Mr. ALBERT. The gentleman is correct.

Mr. GROSS. This would mean that if a rollcall vote on this bill could be obtained on Tuesday it would have to go over until Wednesday next?

Mr. ALBERT. The gentleman is correct.

Mr. GROSS. That again could mean, as it has in the last 10 days on a couple of occasions, that someone could put on a quorum call on Wednesday and it might not be possible to have a rollcall vote at all under those circumstances. I do not know how much further we are going to go with this process of putting over rollcall votes and then having someone rise and put on a quorum call for the deliberate purpose of heading off a rollcall, when the rollcall would have been in order at the time the bill was ready for passage.

I will say to the distinguished majority leader this is getting to be an effective device that is being worked, and I would hope that procedure is not going to be used extensively in the future. I do not like to object to putting over rollcall votes, but I will be constrained to do so if that is the parliamentary procedure that is going to be used to head off rollcall votes.

Mr. ALBERT. The point the gentleman is making has nothing to do with the decision to bring this matter up on Tuesday next, with reference to this particular bill. I can assure the gentleman of that.

Mr. GROSS. I do not question that at all. I am simply pointing out the mechanics of this situation, the mechanics that can be used and that have been used in the last 10 days or 2 weeks.

Mr. ALBERT. Of course, a Member's right to make a point that a quorum is not present is always protected to that Member, and it can be made whether the vote comes on Tuesday or Wednesday immediately prior to the vote on the passage of a bill.

Mr. GROSS. But I will say to the gentleman, if he will bear with me, that the Member's right to have a rollcall on the basis of no quorum when the bill is called up for a vote is not protected, and that is wrong.

That right is lost. The gentleman is well aware of that, I am sure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE HENRY FOUNTAIN ASHURST

Mr. MORRIS K. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MORRIS K. UDALL. Mr. Speaker, I take this time to advise the House of the death this morning of Henry Fountain Ashurst, former U.S. Senator from the State of Arizona. Mr. Ashurst was born in Nevada in 1874 during the second administration of Ulysses S. Grant. He died at the age of 87. He served as a Senator from our State from 1912 until 1940. He was one of the two original U.S. Senators who came to Washington following the admission of Arizona to statehood. Senator Ashurst was one of the most eloquent, independent-minded and perceptive Members ever to serve in the other body. His memory will not be forgotten by Arizona or the Nation.

My last contact with Senator Ashurst was typical of the man. He met me last January in an early morning snowstorm outside the U.S. Supreme Court, where he was to sponsor my admission that day. I expected we would walk in a side door on the ground and take an elevator, but he refused. Instead, with the snow coming down around us and the wind blowing, we climbed the long flight of marble steps which lead to the main entrance of that stately building. We talked of famous men and affairs of state as we ascended. It was the sort of poetic gesture that characterized nearly everything Senator Ashurst ever said or did.

Senator Ashurst was a member of the Senate during years of dynamic change in this country. His diary, published this year by the University of Arizona Press, begins with an entry of June 17, 1910, in which the young Arizona lawyer reported that the bill to admit Arizona and New Mexico to the Union had passed the Senate. It ends on July 27, 1937, at the conclusion of the great courtpacking debate over which he presided as chairman of the Committee on the Judiciary. The intervening years are filled with the Senator's observations on issues and personalities.

Perhaps the most interesting role he played was as chairman of that committee considering President Roosevelt's proposal to pack the Supreme Court. When the battle had ended in defeat for the President, Senator Ashurst wrote in his diary on May 18, 1937:

> This rejection by the Senate Committee on the Judiciary of the President's plan to reorganize the Judicial branch of the Government has occurred because he could not overcome an imponderable which for generations has emotionally and mystically invested the Supreme Court of the United States with symbolism as the power which protects the security and personal liberty of the citizens.
>
> Even many persons who believe in President Roosevelt opposed his bill because they were haunted by the terrible fear that some future President might, by suddenly enlarging the Supreme Court, suppress free speech, free assembly, and invade other constitutional guarantees of citizens.

In 1935 Senator Ashurst engaged in a controversy with Senator Huey P. Long, of Louisiana. His remarks on the occasion are an important part of the history of that explosive era. He said, in part:

> Thus, in these agitated and distressful days, we must expect to encounter whimsical, droll, eccentric, and erratic persons who occupy the stage for a time, and they, at least divert us, interest us, entertain us, and, I am bound in fairness to add, they sometimes instruct us. Their fatal error is they they refuse to face the fact that only iron sacrifice can rescue a nation from a depression; they never realize that no easy way to achieve success has ever been, or ever will be, discovered.

In 1952, speaking to the State bar of Arizona, the former Senator spoke of the great concern, then prevalent, that the Communists somehow would win out in the world struggle. He said:

> In my opinion, this delusion will evaporate and there is no reason for this generation or any succeeding generation to sink into fear or to despair * * *. In the realm of human behavior and in the domain of human emotions we do not hate and fear those who have injured us—it is the other way around—we hate and fear those whom we have injured; therefore any fear that may settle upon our country is unreasoning—America has injured no nation—therefore, hates no nation—fears no nation.

When Senator Ashurst was defeated for reelection in 1940, he delivered a memorable address on the floor of the Senate. It contained sound advice for all who hold public office. Following is the text of his farewell to the Senate:

Statement by Senator Ashurst

Mr. Ashurst. Mr. President, will the Senator from Wisconsin yield to me?

Mr. Wiley. I yield.

Mr. Ashurst. I have just sent—not at public expense, but charged to my personal account—the following telegram:

"Judge Ernest W. McFarland,
"Phoenix, Ariz.:

"Heartiest congratulations upon your victory. You will make splendid Senator, and when Congress adjourns I shall come home to campaign joyously for you and the entire State ticket. I wish for you health, happiness, and political success.

"Senator Ashurst."

About 7 o'clock this morning the telephone rang, and when I answered, a venerable lady who lived in Arizona more than 56 years ago spoke and said "Senator, I am distressed to see in the newspaper that you are defeated. What are you going to do for a living now?" [Laughter.] I said, "I may rest a year, and then practice law." She said, "Oh, are you a lawyer?" [Laughter.]

Coming to the Capitol in a taxicab, the young man who was driving said, "Senator, what are you going to do for a living now?" I said, "I think I shall sell apples." [Laughter.] He said, "What do you mean by that?" I replied, "Well, for almost 30 years I have successfully distributed applesauce in the Capitol. I ought now to be able to sell a few apples." [Laughter.]

I am sure some of my colleagues expect me to describe the sensation of defeat. The first half hour you believe that the earth has slipped from beneath your feet, that the stars above your head have paled and faded, and you wonder what the Senate will do without you, and you wonder how the country will get along without you. But within another half hour there comes a peace and a joy that would be envied by the world's greatest philosopher.

So much by way of camaraderie; and now, no longer speaking jocosely, I do not intend to trespass upon the time of the Senator from Wisconsin, or to take the time of the Senate or of the country to describe the means and the manner by which a child of the desert ascended the steep but glamorous acclivity to the alps of fame. I am sure that my descent of the declivity will be as graceful and pleasant as was the ascent of the acclivity.

I say here in this presence that my ascent in politics and success in life were due to two great women. One was my mother, and the other my wife. Without their help and support I probably would have been nothing more than a cipher, with the rim removed.

How far my opposition to the peacetime draft influenced the electorate in my State I do not know; and, without being flippant, or defiant, I do not care. No man is fit to be a Senator and no man should presume to serve here unless he is willing at any time to surrender his political life for a great principle, for a vital thing in American liberty and stability.

We frequently hear the Senate criticized. Quite recently it was deplored that there had been a heated debate on the floor of the Senate. Mr. President, I welcome the heat of debate between Senators. It is a sign of freedom. There is no life in the still and dead waters. It was a singular and happy circumstance that about the same time the so-called heated debate occurred on the floor of our Senate a still more torrid debate was taking place in the British House of Commons, in which the Prime Minister, Winston Churchill, took part. Rolands were given for Olivers; there was thrust and there was riposte. Those are signs of a free people. Senators need not be disturbed by heated debates in the Senate or House. They are signs, signal smokes, evidences of a free Parliament and a free people.

Moreover, Senators, you should not be disturbed by criticism of Congress. When the press or citizens generally criticize Congress, it is the sign of a free people. As I said once before, if one were a stranger to this planet, but understood somewhat human affairs, and he had made an excursion here to discover quickly and accurately what governments were free and what were despotic and autocratic, he would not look to the Treasury to ascertain what governments were free; he would not even look to the Army or the Navy. He would look to the Parliament, the lawmaking body. If its members spoke freely, and said what they believed, and if the citizens who elected the Parliament were free at all times to criticize the Parliament or the Congress, these would be the signs, the symbols, and the proofs of a free people.

We hear it said that the Senate is not so great now as it was in bygone days. Mr. President, after many years in the Senate I am prepared to testify that today the Senate is as great as it was in what we think of as the majestic past. Webster, whose voice boomed like a golden bell hung in the canopy of the skies, could not be elected by any constituency today. I doubt very much if Henry Clay could be elected by any constituency today. Not even the great logician John C. Calhoun could be elected. Thomas H. Benton could not be elected today. The most imperious, and one of the ablest of all men who ever served in the Senate, Roscoe Conkling, who was elected Senator three times from New York, could not carry New York today. By a like token, not one of us could have been elected to the Senate in their day. Persons change, manners and philosophies change, although American principles remain the same.

Mr. President, I shall not waste any time on such miserable twaddle as to say that I ought to have been elected. A man only moderately versed in statesmanship, and with only a small degree of sportsmanship, is bound to admit that in a free republic, in a Government such as ours, it is the undoubted right of the people to change their servants, and to remove one and displace him with another at any time they choose, for a good reason, for a bad reason, or for no reason at all. If we are to remain a free people, it is the duty of public servants not grumpily and sourly to accept the verdict of the majority, but joyously to accept that verdict; and I joyously accept the verdict of my party. But it would be hypocrisy and pretense for me to say that I do not regret leaving the Senate. Senators, I deeply regret that I shall not be here with you when you convene in January.

During these 29 years I have served with many different men. I had heated debates with some of them. Elihu Root, of New York, and I did not agree in our philosophies. I had heated debates with him, but to his dying day we were close friends. Senator Bailey of Texas was one of the most eloquent of all the orators ever in the Senate. We had heated debates, but to his dying day I cherished a fond affection for Senator Bailey, of Texas. The most heated debate I ever had in the Senate was with Bristow, of Kansas, but there was never a better Senator than Joseph L. Bristow, of Kansas.

Mr. President, this is not exactly a swansong, as I may take part in the discussion on the tax bill at the appropriate time, or on other questions which may come before the Senate before its adjournment, but I deem it not inappropriate to make these remarks.

To say that I am grateful to the people of Arizona for keeping me here in the Senate so long is but a feeble expression of my sense of gratitude. I am not only grateful to the people of Arizona for keeping me here so long, but I am grateful for that which they additionally did for me. I doubt very much if it was ever done for any other Senator. During my entire service they allowed me to do as I pleased and to say what I pleased. I should rather serve 1 week doing as I please than to serve 30 years doing what somebody else pleases. For the fact that the people of Arizona have allowed me to carry on as I chose, I am duly grateful. As I said before, they have a right to displace a Senator for a good reason, a bad reason, or for no reason at all; and I should be lacking in frankness, I should be disingenuous if I failed to say that they probably had a fairly good reason for displacing me.

Mr. President, when I take my leave in January, I shall carry with me tender and precious memories of our associations here. In all my 29 years here, I do not believe a single unkind word has ever been said of me by any Senator; and I am overwhelmed when I remember the thousands of acts of kindness, of courtesy, and of forebearance which have been extended to me by all Senators during my service.

I particularly am grateful to my colleague from Arizona, Senator HAYDEN. Fortunate is the State to have a Senator like the Senator from Arizona, CARL HAYDEN, and fortunate is a Senator who has a colleague from Arizona like Senator HAYDEN, industrious, brave, honest, and capable to a superlative degree. I feel that he is entitled to and should receive this public but all-too-inconclusive a tribute.

I shall always have for the Senate an inviolable attachment for its honor, its purposes, and its success.

A great many people unwisely imagine that the beauty and serenity of life inhere in office. No, Mr. President; royalty and honor do not necessarily inhere in cabinets, congresses, and courts; royalty and honor inhere in the citizen. Honor of itself does not reside in office; honor resides in the man. The great things of life are not signed and sealed before a notary public; they reside in honor.

When my present colleagues are here worrying about patronage, worrying about committee assignments, and about the scorching demands of constituents, I shall possibly be enjoying the ecstasy of the starry stillness of an Arizona desert night, or viewing the scarlet glory of her blossoming cactus, and possibly I may be wandering through the petrified forest in Arizona, a forest which lived its green millenniums and put on immortality 7 million years ago. Enjoyment and ecstasy arise in human life from the contemplation and appreciation of such things.

Many people, many good people, many Senators—and Senators we will admit are good people—are inclined sometimes to take a pessimistic view of our country's future. There are many reasons why we will survive when other nations have gone down. First, we may depend upon the justice of Americans, the dignity of mankind itself, and the dignity of mankind especially is noted in American life. In a material way we have the richness of the earth, of its soils, of its mines, and its forests and its minerals. We have the heritage of the inventions of all the past. We are the inheritors of the body, the corpus, of all the inventions of the past both in the art of government, and in science, and in industry.

Moreover, Mr. President, the American people have that transcendent attribute which I believe is superior to the other things I have mentioned—the determination to remain free. As William Allen White said in an article not 3 days ago, democracies cannot be extinguished by tanks and airplanes. The democratic spirit, that is, the spirit of freedom, is inborn, invincible, ineradicable in the true American.

In 1831, 109 years ago, a brilliant Frenchman toured the United States. We were not opulent then; the great monuments of architecture, of art, and the temples of religion, of industry, of learning, of mammon were not then erected. His name was De Tocqueville. When he returned to France he wrote, as all Frenchmen do, brilliantly, and in one of the concluding paragraphs of his book he said:

"During my journey throughout America I sought for the secret of the genius and the greatness of America; I sought for her genius and greatness and growth and glory in her rich soils, in her rich mines, her great forests, her fallow fields, her ample rivers and noble harbors, but I did not discover it there. I further sought for the reason for her growth and her glory and her genius and her greatness, and I found it in her matchless Constitution; I found it in her schools, churches, and homes, ablaze with righteousness. It was there in her Constitution, in her homes, in her schools, in her churches, that I found the true secret of the source of America's genius and greatness."

So it is, fellow Senators. America is great because she is good. When America is no longer good, she will no longer be great.

In conclusion, our country is fortunate in that we have inherited all in history that has gone before us. America does not belong to the past, as some pessimists would have us believe, America belongs to the future. Every American citizen is entitled to say, "Mine is the glorious past, mine is the shining future." I, for one, decline to believe that as a nation or a people we are losing any of our vital inspiration. I believe that we are still clinging to and will continue to cling to the stern old virtues that made America great and strong, for this system of American Government is a precious distillation of art and of truth more romantic than imagination can conceive or fiction can invent.

Mr. WILEY. Mr. President, next January when we again meet in this Chamber, there will be a presence missing, but our friend and comrade, Senator Ashurst, will not be absent from our hearts and minds. We know the distinguished Senator has not gone down to defeat. Napoleon himself said that no one goes down to defeat except he who accepts it. The Senator from Arizona does not accept defeat. Mr. President, as a Republican Senator and one of the novitiates in the Senate, I can say that the distinguished Senator has my love and respect and affection. We will miss him for many reasons. He never rose in the Senate that he did not give an idea that made us better for what he said.

He always thought straight and clear. The Senate can ill afford to lose his philosophy, his equanimity, and his smile. He has built his house not on the sand but on the rock—the rock of service, high thinking, and fine living.

We know, Mr. President, that as he goes out from here he will continue to give his fellow men the benefit of his way of life. He will continue to serve his fellow men. We know not what direction such service may take, but we do know it will be constructive and helpful to his fellows. It he were to continue to give the message to America that he has been giving ever since I came to the Senate—a message of cheer, of courage, of fearlessness—America would be stronger and healthier, financially, morally, and spiritually. His life exemplifies the words of Browning that "Life has meaning and to find its meaning is my meat and drink."

Senator Ashurst has been a seeker for truth, for more light. The loss of office will not unbalance him. He knows there are "more worlds yet to conquer"—more adventure up ahead.

I believe that he will go out of office with a smile on his lips accepting the challenge that tomorrow presents, and he will continue to fulfill in the highest way his obligations to the Government in this crucial period which we face. We wish him continued health, joy, and prosperity.

Mr. RHODES of Arizona. Mr. Speaker, it was with profound regret and a feeling of deep personal loss that I learned of the death of Henry Fountain Ashurst. Senator Ashurst served in the U.S. Senate for 29 years, having been one of the first two U.S. Senators from Arizona after its admission to the Union. Senator Ashurst's contributions to his State and Nation were numerous and distinguished. Together with Senator CARL HAYDEN, he was largely responsible for the provisions in the Boulder Canyon Project Act which protected the rights of the State of Arizona to use of waters from the Colorado River. In the perilous days before World War II, he was instrumental in extending the draft. Perhaps one of his greatest contributions was in a negative action, when he opposed successfully the plan of the late President Franklin D. Roosevelt to increase the membership of the Supreme Court.

Important though his accomplishments were, his hallmark will always be his ability to communicate with his fellow man by the use of clear and flowing English. He was not only a student of our language, but he was genuinely in love with its sounds and phrases. Possessed of a prodigious memory, he could call on the classics, speeches made on the floor of the Senate, or any instance to which he might have been exposed in order to make a phrase or prove a point. He was one of the great orators of his time, if not of all time. A skill with language such as that possessed by Henry Fountain Ashurst could well have been used as a devastating weapon. It is to his eternal credit, and a guidepost to the understanding of his character, that he never used this great skill in a mean or unworthy manner.

He will be missed by his State and by his Nation. Mrs. Rhodes joins me in our expression of loss, and sympathy to his loved ones.

GENERAL LEAVE TO EXTEND

Mr. MORRIS K. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, service, and character of the late Senator Ashurst.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE COMING BOOM IN IGNORANCE

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the body of the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, I call the attention of my colleagues to an editorial entitled "The Coming Boom in Ignorance," in the May 12 issue of the conservative Saturday Evening Post that clearly and forcefully illustrates the need for additional Federal assistance in the field of education. It properly points out the continuing role of the Federal Government in education extending back to 1785. The editorial also makes a compelling point in the area of assistance to elementary and secondary schools. I find the editorial enlightening:

THE COMING BOOM IN IGNORANCE

The most fearful sound of our continuing population explosion could, within the decade, be a big boom in ignorance. American education, once a legitimate source of national pride because it provided a chance at learning for almost everybody, may wind up offering less and less for anybody. Right now, alongside the old three R's, almost every school system in the United States would have to chalk the four U's: understaffed, underequipped, underfinanced, and underpar. With each passing semester the situation gets worse.

Almost one and a half years ago, in a special message to Congress, President Kennedy asked Congress for a $5,600 million aid-to-education bill. Impaled on a side issue concerning whether additional Federal assistance would be extended to parochial and private schools, the legislation died ingloriously in the House of Representatives. This year Mr. Kennedy, a Roman Catholic, repeated his plea for school legislation and once again omitted Government aid to parochial schools on constitutional grounds. Realizing that he may have to settle for half a loaf, the President has sliced his program into separate sections and has assigned highest priority to the less controversial features: funds for college construction; expanded training and more scholarships for teachers; adult education to eradicate the nearly 8 million "functional illiterates" in the United States. Already this year the House and Senate committees have spent more than 3 months tinkering with the machinery of the college-aid bill alone.

Behind the heated congressional conferences on aid to education lie these cold statistics:

This year about 4 million Americans are attending college; by 1970, 6 million will be qualified to attend if funds and facilities are available.

To accommodate those 6 million will require almost $15 billion worth of new facilities and repairs to existing facilities. (Kennedy has asked that the Government make available $1,500 million of those construction funds.)

Nearly 100,000 of the country's public school teachers either have not been certified to teach or have not graduated from college. (We have no minimum national standard for education, let alone for teachers' credentials.)

Today American public schools are awesomely crowded because we have a shortage of 127,000 classrooms; to meet the population demands of 1970, we require 600,000 new rooms.

Every day that legislators continue their debates, 11,000 Americans are born to be fed into the school system.

The argument that Federal aid to education is reprehensible is not impressive. School systems have been—and will continue to be—supported primarily by local community property taxes and controlled by States and communities. These taxes have already ballooned more than 200 percent across the country since the end of World War II. It is cruel truth that many American communities simply cannot afford anything approaching an adequate school system given today's costs and tomorrow's population.

Federal aid in some form is an old fact of American education life. In 1785 parcels of Federal land were set aside in every township for public-school use. In the middle of the 19th century Government land grants began for agricultural schools; today there are 68 land-grant colleges. World War I prompted the Government to finance vocational training. World War II produced the famous GI bill of rights. After sputnik, we enacted the National Defense Education Act which, this year alone, provides about $200 million for training engineers and scientists. In short, we have always extended some Federal aid to education. But never has education required aid the way it does right now.

Those who would still argue that any Government assistance must at the same time include aid to parochial and private schools should immediately consider some basic arithmetic. Today there are 43 million Americans in elementary and high schools. About one in seven of those students attends a private or church institution. Without prejudice as to how the debate will finally be resolved, it seems not only unfair but unconscionable to keep an entire nation wanting for education while the church-state arguments continue interminably. Eventually, the issue appears certain to wind up in the Supreme Court, anyway.

Several portions of President Kennedy's educational program now stand a chance of passage during the present Congress: loans for college construction; competitive Federal college scholarships for deserving students, aid to medical and dental schools, expansion of the Defense Education Act. His program for expanded teacher training might pass. But aid to public schools, surely the primary problem of them all, remains ensnarled and entangled on the same old hook: the question of aid to parochial and private institutions. If we are not smart enough to solve that controversy—and soon—then we cannot expect our children to be smart enough to assert American leadership for the years to come.

ESCAPEES FROM COMMUNIST CHINA

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, it seems there are proposals by certain groups and individuals that either by Executive order or legislation, a few thousand so-called Chinese refugees or escapees be admitted to the United States.

At a time when we talk of ferreting out Communists in this country and express our opposition to communism wherever it is, this is another example of the gullibility which always surprises me.

I continue to believe that this idea of welcoming with open arms people about whom we know nothing, as was in the case of the so-called Hungarian freedom fighters and others from Eastern Europe and more recently the horde of Cubans about whom we make a great show of bringing in, is a mistake and an absurdity.

On a great many occasions I have asked for information as to where many of these people are whom we have admitted, and, as yet, no one has been able to tell me. Obviously they are to be found in the ghettos of the big cities, which compounds problems the reformers and crusaders are constantly trying to change.

Many of these people who have entered this country are those we see picketing the White House, exercising a type of license of conduct which they misinterpret to be liberty and freedom. And now we propose to bring in a few thousand Chinese, which is like trying to dip the ocean dry with a sieve. Just how ludicrous can we get?

Of course, I know the sort of criticism this sort of statement evokes. Someone will say, "Are you not in favor of feeding hungry people and relieving the suffering of those under the Communist yoke who wish to escape from it?" This, too, is ridiculous. I do not know anyone who would not be in favor of feeding hungry people, and we are doing it—we are doing it all over the world, and we are doing it in Hong Kong; but this idea of bringing any of these people into this country, about whom we know nothing, but taking 6 months to 2 years to admit legitimate emigrees under legal procedures, is just something difficult to understand.

Mr. Speaker, I give notice that when and if an attempt is made to gain unanimous consent for any resolution calling for the admission of any of the Chinese to this country, it will be objected to. Our trouble is that it seems we have a lot of people who think that those escaping from Communist areas are doing so on the basis of ideology, but I have no hesitancy in asserting that it is a method on the part of many to play upon the gullibility and naivete of this country by using a situation to gain entrance, which they otherwise could not do.

Those who cite the outstretched hand of the Statue of Liberty which welcomed people from other lands who have made contribution to our Nation and of which we are all the progeny, has no validity under the circumstances of this day. Further, by the liberality on the part of this country in admitting many people who have no concept of liberty and freedom and who confuse it with license; who have no concept of our customs and traditions, are, in my humble judgment, a taproot of many of the troubles and problems which exist in our country today.

DELAWARE RIVER BASIN FEDERAL-INTERSTATE COMPACT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, all who live in the Delaware River Basin are aware of the work of the Honorable Francis E. Walter in securing the passage of the Delaware River Basin Federal-interstate compact.

Friday, May 18, the Water Resources Association of the Delaware River Basin honored Congressman Walter, at a dinner at the Princeton Inn in Princeton, N.J.

Mr. Walter was honored for exercising great moral leadership, diligence, and tenacity in almost singlehandedly guiding passage of the interstate-Federal compact through Congress.

A plaque with this inscription was presented to Mr. Walter, at the third annual dinner.

Later, Col. T. H. Setliffe, head of the U.S. Army Engineers, Philadelphia district, said:

> It is not often you run across people like Congressman Walter who make up their mind that things will happen, then can make them happen.

Feature of the daylong activities was a talk by the Honorable Conrad Wirth, head of the National Park Service. I ask unanimous consent that Mr. Wirth's address be printed in the Congressional Record.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The address referred to is as follows:

Address by Conrad L. Wirth

In all my years in park and recreation work I believe that the Tocks Island Reservoir project on the Delaware River presents one of the most exciting opportunities that I know of to preserve and develop a national recreation area.

From my own general knowledge of the area, refreshed by an air reconnaissance and from the reports I have received from members of our staff who have made detailed studies there, it is a park and recreation planner's dream: a recreation resource of great magnitude, extraordinary beauty and equally extraordinary variety—close to people, millions and millions of people. When this project becomes a reality, as I know it will, I think it will make a greater recreational contribution to more Americans than any other single project we could possibly work on.

I am sure that the Corps of Engineers, which has done such a splendid job of evaluating and formulating this multibenefit reservoir project, is as excited as we over the many opportunities it presents. I am certain also that the Water Resources Association and the Delaware River Basin Commission who have given such good counsel and support during the studies share this enthusiasm. I would like to also salute Tad Walter for his vision and his leadership on this necessary legislation.

When I speak enthusiastically about this project, I have not forgotten about the many individuals and communities in the Delaware Valley area for whom this project may be one of sacrifice. However, I sincerely hope that all the residents and property owners who may be affected by it can join in the realization of the truly enormous contribution the project can make to the environment, the well-being of countless fellow citizens now and in generations to come. I feel certain that in many cases the necessary changes can come without undue discomfiture, and, in fact, can spell new opportunities and a bright future for communities, groups, and individuals who may be involved. This concept gives occasion, I think, for optimism rather than anxiety; and I know that the experienced agencies guiding the project will strive to see that optimism vindicated.

As a conservation project alone, this project is impressive. The Tocks Island Reservoir will provide significant water storage in a region where increasing population makes water supply a continuing need to be met. It will curb the devastating floods that have plagued the Lower Delaware Valley periodically. It will pay dividends in power production as well. Moreover, the establishment of a national recreation area surrounding the reservoir will preserve an unusually beautiful portion of our eastern Middle Atlantic region which will be eroded away by developments over the years if not set aside as a publicly owned reservation and used for conservation and recreation.

Another exciting thing about this project is the foresight and timeliness on the part of many groups and individuals which it represents.

Your association, the Delaware River Basin Commission, the Governors of the States involved and their governments, the State congressional delegations, the Federal bureaus involved in the Delaware Basin studies, the many citizens' groups who have been interested—everyone saw the tremendous opportunity at Tocks Island, saw it soon enough to be able to do something to realize that opportunity, and set about doing it. As a result we have almost unprecedented support for a project which everyone knows will result in tremendous benefits. There is an air of anticipation as well as challenge in their whole concept. I wish more of our conservation projects shared this spirit.

I am sure that it has occurred to you, as it has to me, that we who are interested in this national recreation area proposal on the Delaware River are in very much the same position, though on a far larger scale as the men and women of a generation ago who managed to reserve for the small cities of their day a Central Park for New York, a Fairmount Park for Philadelphia, a Rock Creek Park for Washington, D.C. We know now what a life-enhancing plot each of these has become in a vast urban complex.

The Tocks Island Reservoir project area is a recreation resource proportionate to the enormous population of the Philadelphia-New York region, a population that looks even more eagerly—and desperately—for outdoor recreation opportunities. Tocks Island will surely be to urban New York, New Jersey and Pennsylvania—nearly 50 million people in another 50 years—what Central Park is to Manhattan or Fairmount Park to Center City, Philadelphia.

As you know, relationship to population centers is a basic criterion in evaluating potential national recreation areas. With national parks the emphasis is on preserving outstanding natural features. We hope, of course, that these can be enjoyed by large numbers of people, but national parks are where you find them. They are the great scenic wonders of our Nation and are set aside to be enjoyed for what they are by all the people. Although national recreation areas also should be outstanding so far as their natural values are concerned, their main purpose is to fulfill large-scale recreational needs of the Nation's population centers. The existing national recreation areas—Lake Mead, Glen Canyon, Grand Coulee, Shadow Mountain—are of outstanding beauty and they serve many people, but this opportunity at Tocks Island is the first that we have had which will serve a huge and concentrated population's need in the East. While each national recreation area serves a large region of several States or portion of several States, the eventual combination of a dozen or more such areas will make a truly national system to serve the entire country. In the national park system there are only 30 national out of 190 area systems, the rest are historic areas and recreation areas. I think the enormity of the need hereabout and hence this opportunity in the Delaware Valley comes home to us all when we consider three staggering facts:

1. That the Delaware River between Port Jervis, N.Y., and the Delaware Water Gap is within an hour or two, in driving time, of 25 million people—14 percent of the population of the United States.

2. That the present recreation areas available to this huge population concentration are now overtaxed to the extent of a third of a million people on a summer Sunday.

3. That the population of the greater Middle Atlantic region will increase by nearly 100 percent during the next 50 years.

You know what all this will mean in increased recreation demands in a region where open space is even now shrinking at an alarming rate.

So it is easy to see how the Tocks Island project is one of the first such projects and is tailormade to help fulfill the program so clearly pointed out by the report of the Outdoor Recreation Resources Review Commission. The national recreation area project will be directly responsive to two major instructions given by President Kennedy in his special message on natural resources early in 1961. You will recall at that time the President announced that he was instructing the Secretary of the Interior, in cooperation with other appropriate Federal, State, and local officials and private leaders, not only to take steps to insure that land acquired for the construction of federally financed reservoirs is sufficient to permit future recreational development but also to establish a long-range program for planning and providing adequate open spaces for recreational facilities within reach of people in large metropolitan areas. Tocks Island, with recreation spelled out as a basic purpose, certainly is carrying out the first part of that instruction, and it is a big step along the President's recommended open space and outdoor recreation program.

It is in tune as well with the Secretary of the Interior's interest in completing a comprehensive recreation plan for the Nation. Responsive to a suggestion of the President, Secretary Udall has established a Bureau of Outdoor Recreation to help coordinate the interdependent recreational programs of the Federal, State, and local governments.

The tremendous importance of the recreation resource in and around the Delaware Valley is apparent not only when one examines the need but when one examines the resource itself. The Tocks Island Reservoir would be an important recreation area anywhere near so many people, even though set in unimpressive surroundings. But the Delaware country of Pennsylvania and New Jersey is of exceptional beauty. I believe it could logically qualify as a national recreation area as is. Certainly the introduction of a large and beautiful reservoir puts the clincher on its suitability and stature for recreation.

As I mentioned earlier, this reservoir project is multipurpose and will offer many benefits in addition to recreation. But the Corps of Engineers was wise in recognizing recreation as basic to the project. I venture to predict that, one day, recreation will be the most important product not only of this Delaware Valley area but of the entire Allegheny Mountain chain. The Alleghenys are a valuable recreation resource economically and sociologically.

In addition to all the many benefits this project can provide in and of itself, it can make a magnificent contribution to the entire Delaware region, improving the environment and setting the tone of wise use and development of natural resources, particularly those of a scenic and recreational nature; enhancing, too, the private vacation industry of the Pocono and Delaware Valley region and contributing much to the area economy. And, speaking of the effects of the project on the region, I know that the project will encourage the best kind of cooperation between the various agencies and groups involved in it to integrate and increase the overall benefits, both material and recreational, that will result.

To me, perhaps the most astonishing part of this whole concept, aside from meeting the needs of millions, is the scope of recreational opportunities inherent in the area. There are so many dimensions to this resource when one begins to look at it closely.

First of all, we have the reservoir itself. The Tocks Island Dam will form a lake 30 miles long, between ½ and 1½ miles wide and some 100 feet deep at the dam within the 36-mile-long area. Lying between a ridge and a plateau, it will appear as a beautiful mountain lake, its shoreline irregular and enhanced by coves, points, cliffs, as well as gentle shores, and even a couple of islands. This lake can provide an almost limitless variety of water-oriented sports and pastimes. Adjoining the lake there can be equally varied facilities for picnicking, camping, and related forms of outdoor activity.

But many other opportunities also exist within the proposed area. Outdoor recreation based on scenic enjoyment is of great importance here. In this connection, I should mention first of all the Delaware Water Gap, a scenic feature which has attracted Americans for several generations. On one side of the gap there is potential for overlooks and drives to offer the grand views of the gap to many. On the other side, the Appalachian Trail ascends the ridge near Mount Tammany in a wooded mountain landscape scored by wild stream valleys. Here is a portion of the proposed national recreation area that can offer a heart's desire to the many hikers and wilderness lovers who seek to escape the confines of urban living.

A third dimension of this recreation resource is the free-flowing river itself below the Tocks Island Dam. Here is an environment offering another kind of recreation. If cold water can be released from the dam, it may be possible to establish as much as 15 miles of trout fishery in this section of the Delaware. In any event, good river fishing can be a popular activity here with attendant boating and canoeing.

Still another dimension of outdoor recreational enjoyment in this proposed national recreation area comprises the beautiful stream valleys with their clean, rushing trout waters, their spectacular waterfalls and deep, rocky gorges fringed with giant hemlock trees. Here are ideal places for rambling through secluded areas of exceptional beauty.

Still another facet of this recreation gem we are considering are the many small ponds found throughout the upland areas. These are in pleasant contrast to the big lake and can serve as places where groups or individuals can find secluded, restful camping places.

In planning a national recreation area on the Delaware River we must keep in mind the many different outdoor recreaticnal needs and interests of groups and individuals, compatible with preservation of natural values and overall public benefit. A picnicking family will need adequate, pleasant picnic grounds just as the family with trailer or tent will need to have camping places suitable to its needs. All manner of boating, swimming, and fishing facilities will be required.

Large groups will need places where they may camp together, while the hiker and climber and those who wish primitive camping opportunity must also be provided for. Kittatinny Mountain with its several ponds may offer opportunity for this.

Among the most important uses which we must plan for is enjoyment of the outstanding scenery of the area by the traveling public. Park-type roads could give motorists a leisurely opportunity to enjoy the scenery of the area. Adequate trails and bridle path systems would be needed.

The area can sustain considerable wild game, and hunting conducted under appropriate State and Federal regulations, in areas not heavily used for other activities, could also make a contribution there to recreation values. However, I am sure everyone will agree that certain areas should be set aside to protect the wildlife for those who hunt with a camera.

These are activities for which the area is well suited. How they can best be located and integrated is a matter, of course, for master planning. What delights me is the variety of activities which the area will support without crowding—and without sacrificing one to obtain another.

In addition to its many other useful purposes, the proposed Delaware River National Recreation Area can protect for the future a beautiful landscape to be used and enjoyed without obliteration by what has been called the march of civilization.

Already, such scenic areas as the Delaware Water Gap itself have been staked out for subdivisions.

I believe that without reservation of a large area predominately dedicated to uses that will protect the natural scene, even this magnificent mountain and valley region will eventually be swallowed up by the tremendous metropolitan areas we see ahead.

Throughout America, metropolitan area are growing, merging and growing still more, and we have a system of mentropolitan centers across the land. We must get a system of recreation areas to go with them. Recreation is more than an amenity in this complex, fast-paced life we lead, it is a necessity. We must act to provide for this necessity just as we act to fulfill the material requirements of our civilization. In so doing we shall also conserve the American scene, against which our lives move and in which we shall henceforth find enjoyment proportionate to our foresight in protecting that scene. As Secretary Udall has said so often, we today are fast making the decisions as to what our land will look like, be like, and offer us in the years ahead and to the generations to follow.

I think that Tocks Island represents not only one of the finest opportunities we have in America for providing outdoor recreation to millions in an area of exceptional and varied beauty but it is an example, it sets a precedent, for what we should, for what we must do in many other places.

A national recreation area in the Delaware River Valley will, in many ways, be a showcase. It will show what foresight and action can do to set aside outstanding recreation resources while there is still time. It can show how well Federal, State, and private agencies and organizations can work together to provide a variety of benefits from a project of this type. It can show how well we can provide for the recreational needs of our country and that we need not despair that recreation and scenic values must succumb to the great growth of our population centers. Tocks Island can be a blueprint and an example for the Nation and the world to follow. It can show the world that a nation is never so strong or so free as when it steadfastly sets about providing a better life for its citizens.

SOIL STEWARDSHIP WEEK

Mr. CLEM MILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CLEM MILLER. Mr. Speaker, this week is Soil Stewardship Week. Soil stewardship observances are being held across our land. The purpose is to help more Americans to become more fully aware of the close relationship between the teachings of religion and the conservation or wise use of soil and water, and the other natural resources.

The theme of this year's observance is "Water—the Stream of Life."

The very existence of water is a miracle.

The endless replenishment of water is magnificent in its magnitude. In an unfailing cycle, water moves from the skies to the earth and back again—forever forming new clouds and generating new rain. As this precipitation occurs, the land receives it, holds it for a time, and then releases it again to resume its everlasting journey.

Water can be a destructive force against soil, crops, property, and lives. Through conservation practices on the land we can help hold water for future beneficial use. Terraced fields, contoured hills, channel stabilization works, reforestation, rangeland revegetation, ponds, reservoirs, and dams all play an important part in preserving this gift and converting its potential into man's many uses.

We depend absolutely upon the wise use of our soil and water resources for food and fiber and shelter. We also are dependent upon these natural resources for fish and wildlife and the opportunity for healthy recreation in the outdoor environment which has had so much to do with forming our character as a people.

This is the message being preached this week by many ministers of all faiths throughout our Nation. I think it is appropriate that the House of Representatives salute the sponsors of Soil Stewardship Week—the 2,900 local soil conservation districts of America.

The men and women who serve on the governing bodies of these local units of State government deserve our thanks for the leadership they are providing in our home communities by keeping before their neighbors the relationship between soil and man. They are performing a great public service.

As Secretary of Agriculture Freeman observed last week at the White House Conference on Conservation, the soil conservation movement is one of the greatest forces for conservation education the world has ever seen. Its success as an educational force is, Secretary Freeman suggested, largely because it is a grassroots movement.

Each soil conservation district is autonomous and self-governed. Each is based on the principle that local landowners and land managers have the responsibility and should take the initiative to solve their local soil and water problems. They do this through individual farm and ranch plans, district programs and small watershed projects. They arrange for such technical and financing assistance from public or private sources as they feel is necessary to help them put their plans and programs and projects into effect.

We are proud of the men and women of the soil conservation movement for the example they present to our country and to the world's emerging nations of successful cooperative endeavor—public and private; local, State and Federal.

Naturally, I am particularly proud of the soil conservation leaders in my own congressional district because they are the ones I know most about. We have 10 soil conservation districts along the north coast of California: the Mendocino County Soil Conservation District, headquartered at Ukiah and Willits; the Gold Ridge District, Sebastopol; Sonoma Valley District, Sonoma; Santa Rosa District, Santa Rosa; Sotoyome District, Healdsburg; Petaluma District, Petaluma; Westlake District, Lakeport; East Lake District, Middletown; Marin County District, Point Reyes Station, and the Napa County District, Napa.

In his closing address to the White House Conservation Conference, President Kennedy emphasized the Nation's debt to those private citizens who have carried on the fight for natural resources conservation for so many years.

> There is nothing—

The President said—

> that could occupy our attention with more distinction than trying to preserve for those who come after us this beautiful country which we have inherited.

Mr. Speaker, I think it is appropriate that we in the House of Representatives take occasion during this Soil Stewardship Week to say "thank you" to these guardians of the soil and of "the stream of life" who serve our generation and our heirs with such distinction.

MARITIME LABOR AT THE CROSSROADS

Mr. CASEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an address by Mr. BONNER.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CASEY. Mr. Speaker, I recently had the distinguished pleasure and honor to have our very distinguished and able colleague, the Honorable HERBERT BONNER, chairman of the Committee on Merchant Marine and Fisheries in my home district. The occasion for his visit was the celebration of Maritime Day. The remarks that he made on that occasion follow:

REMARKS OF HON. HERBERT C. BONNER, DEMOCRAT, OF NORTH CAROLINA, CHAIRMAN, COMMITTEE ON MERCHANT MARINE AND FISHERIES, HOUSE OF REPRESENTATIVES, BEFORE THE PROPELLER CLUB, PORT OF HOUSTON, TEX., MAY 21, 1962

> Mr. Vickery, Congressman CASEY, members of the Propeller Club, port of Houston, ladies and gentlemen, it is a special honor to be invited to be your speaker as we commemorate National Maritime Day to pay our respects to American seapower—the power that more than any other made this United States of America as great and prosperous as it is, and brought it the noble burdens of world leadership.
>
> It is gratifying to me to be in Houston to say what I want to say to you because I believe that here in America's virile and vigorous heartland my message will be clear. I hope it will be heard and understood across the Nation in the same spirit in which it is delivered.
>
> In the 38 years that I have served the Congress of the United States—16 as secretary to a distinguished member of the House Merchant Marine and Fisheries Committee, and 22 as a Member of Congress and of that committee—I have been privileged to see and hear a great deal.
>
> The pendulum has swung back—and it has swung forth.
>
> I can recall the early post-World War I years and on up to the midthirties when we were trying to establish ourselves as a commercial maritime power with the hastily built tonnage of that earlier conflict.
>
> I can recall the problems that were encountered as we somewhat shyly tested the mantle of global responsibility that was beginning to settle on our shoulders.
>
> I remember the Black investigation of the merchant marine in the early 1930's with its disclosures of management deficiencies that cried out for correction.
>
> I remember the enactment of the Merchant Marine Act of 1936, and the studies it produced showing the need for new technology—showing the shortsighted labor policies that held down the American seaman in contrast with his brother in shoreside industry—and showing, most of all, that this great country needed a modern merchant marine to serve our economy and defense in the changing world.
>
> That is history, and I shall not belabor it. But I did want to let you know that I have been around for a while.
>
> Last year, in Washington, we celebrated the 25th anniversary of the Merchant Marine Act of 1936—good, sound legislation which has stood the test of time.
>
> This basic act has been reviewed and revised ever since its adoption. It has been studied, criticized, attacked and evaluated, but it has never been materially altered. This is a tribute to the wisdom of the framers of the act. And it is proof positive that its basic objectives are sound. It is abundantly clear, even in this missile age, that a strong American merchant marine is a necessary and basic instrument of our national policy.
>
> An adequate fleet under the U.S. flag is essential to our peacetime commerce and vital to our national defense. Time after time, the highest officials of the succeeding administrations and their Departments of Defense and Commerce have restated these basic requirements of national need.
>
> The need is unquestioned.

But it is likewise an inescapable fact of life that Congress must provide assistance both in the operating and the construction of ships to maintain such a fleet in the face of the wide disparities between American and foreign costs.

Our high American standard of living does not stop at the water's edge. We cannot expect our fellow Americans, just because they are engaged in international business, to earn and take home less than their brothers who work in the steel, the automobile, or the haberdashery business. So we must have a mechanism for subsidy aid to our maritime industry, just as we must pour even more millions into direct support of military activities, Navy, Air Force, Army, Marine Corps—in accordance with the American standard of living.

No one questions the necessity for this Government support, but some of my associates have, at times, questioned the amount and some have sought ways to reduce the rising cost of maritime subsidy. I can assure you that, for myself and the members of my committee, we are deeply concerned by the constant increase in subsidies to maintain an adequate fleet of merchant ships under our own flag. But before I come to my main theme I would like to point out a few facts about the part played in our economy by our subsidized merchant marine.

In the 1960's our Nation is devoting about $300 million per year to its obligations in the field of merchant shipping. In this fiscal year, the Maritime Administration budget totaled $305 million—$98 million for ship construction—$182 million for operating subsidy. The budget for fiscal 1963 provides for $225 million for operating subsidy and $50 million for construction subsidy.

This is a complex matter. The American merchant marine is a vital part of our economy. There are many reasons it should receive our support.

It has been estimated that the merchant marine employs more than 200,000 people from every section of the country. It is an important customer of American business. For example, just the companies operating some 300 large vessels under subsidy contracts buy more than $19 million worth of food each year.

Various estimates have been made of the return to the United States which should be credited against the cost of operating subsidies. These have ranged even higher, at times, than 100 percent. However, a study of the facts for the years 1955 to 1959, inclusive, shows that a most conservative estimate of the return is at least 60 percent. For these years, the gross operating subsidy was $700 million. But from this must be deducted $82 million in estimated recapture, or better than 10 percent.

Deduct corporate taxes of $125 million. Deduct personal income and other taxes arising from the operation and servicing of vessels of $215 million. A total credit to the U.S. Treasury of recapture and taxes of $422 million. The subsidized segment is a substantial taxpayer in excess of $20 million a year in Federal income taxes, withholding an estimated $50 million in taxes annually for employees and paying an estimated additional $14 million annually in payroll taxes.

In all, it is estimated that the merchant marine, counting its seagoing, shoreside, shipbuilding, and ship repair segments, contributes better than $5 billion annually to the U.S. economy and helps to reduce the deficit in our balance of payments by between $600 million and $1 billion a year.

Yes, our merchant marine is an important part of our economy. Any way you look at it.

And if we didn't have it—if we didn't support such a fleet under our own flag—our economic and our defense flank would be sorely exposed.

All of this is true. But in view of the demands made on the taxpayers' dollar today and the rising productivity of our international competition, how long can we afford to support this industry as our heavy investment brings diminishing returns? Can we narrow the gap between American and foreign costs—which requires Government aid to approach parity with our foreign competition? Is there some way that our merchant marine can increase its participation in the American economy and thereby provide more business for American industry and more jobs for the American workingman?

I think these questions can be answered in an affirmative way. But American maritime labor must help provide the answers. And they must provide them soon before they strangle the goose that lays the golden egg. Theirs is the responsibility for appraising the facts in their own self-interest—for 80 percent of the taxpayers' dollars, appropriated for operating-differential subsidy, goes to seagoing labor.

Let's take a look at the way the beneficiaries of our national shipping policy enjoy their privilege. According to the Bureau of Labor Statistics there were 31 work stoppages in the water transportation industry last year involving nearly 58,000 workers and resulting in some 359,000 man-days of idleness.

Think what this must mean in terms of lost wages to the workingmen—lost taxes to the Government—lost business to the ship operators—and the very real, though less direct, impact upon the many industries and workingmen supporting or served by the American merchant marine.

During our current broad examination of American shipping policy I made the observation to Secretary of Labor Arthur Goldberg when he testified before us that I could not see how we can induce the investment of private capital into something which we know is being choked to death and has no stability. Secretary Goldberg said, "I share that concern with you."

"I have studied the employment figures and they are of great concern. As recently as 1952 there were 76,650 people in seafaring employment in our country. As of March 1962 there are 48,030." He then commented, "That is quite a decline."

A similar picture can be drawn to show the drastic decline in the total number of major ships engaged in our active merchant marine—and of our participation in the carriage of our foreign commerce. And yet our waterborne export and import foreign trade is continuing to expand in volume and value each year.

During the course of our current hearings, I asked the Secretary of Commerce whether there was need for legislation that would give the administration more power to deal with maritime strikes and labor disputes. Mr. Hodges stated that continuous maritime labor troubles were having a serious adverse effect on American shipping, discouraging both customers and investors. The Maritime Administrator, Mr. Donald Alexander, affirmed that many American shippers are disillusioned over the lack of stability in our merchant marine.

We need no more dramatic illustration of the problem than the strike on the west coast which has paralyzed American-flag shipping and created a serious supply situation in Hawaii.

This strike has now been halted by an 80-day Taft-Hartley law injunction, but both management and labor have indicated that it may be resumed at the end of the injunction. This strike left idle about 60 of the fleet of 120 American-flag ships operated by Pacific coast steamship lines. A similar injunction had to be obtained last July to interrupt an 18-day shipping strike on the east coast. In that case, the issues of the walkout were settled during the injunction period and the strike was not renewed.

What is the impact of such strife on the national economy—the national interest? Let's take this recent west coast affair as an example:

A check of Pacific coast steamship operators reveals a loss of more than 400,000 tons of cargo to competitive operators during the 27-day strike period alone. In addition to loss of tonnage, west coast passenger lines lost several millions of dollars in gross revenue as a result of canceled sailings. But this is not the whole picture. That cargo tonnage and those passengers were not waiting at the dock to be lifted when the ships resumed their uneasy sailings.

The passengers went their way by other means—foreign-flag ships or by air. Many of them sadly returned home after watching a lifetime of savings fritter away in the long and expensive trip to the coast with its ultimate delays and frustrations. They will not be walking billboards for the pride and joy of traveling by American ships.

It is difficult to estimate the permanent loss of cargo, but the indications are that approximately 10 percent of previous tonnage will not be carried in the future, because of shipper loss of confidence in stability of service. I believe the estimates are conservative—but, nevertheless, just think of a 10-percent permanent loss in any business.

And this refers only to one major strike of sufficient magnitude to invoke the Taft-Hartley Act.

These facts have caused the decline of the American merchant marine and the drastic reduction in work opportunity in the industry. There must be some serious flaw in the processes of collective bargaining in the maritime industry that permits these things to happen—that permits a handful of willful men to exercise vast power to the suicidal detriment of the seafarer—that condones the vicious "whipsaw" among the many maritime unions and the several coastal regions to the doleful tolling of the death knell of the American merchant marine.

Again I quote Secretary Goldberg: "We want to preserve the freedom of the right to strike in the maritime industry. But preserving the right to strike does not mean to indicate that strikes ought to be incurred. We ought to preserve the freedom but this ultimate test of economic power which is a necessary attribute of freedom is also an indication that collective bargaining is not realizing its real objective, which is sensible, reasonable settlements arrived at through the process of collective bargaining. A strike may be necessary in a given situation but a strike should be regarded by both parties as a failure to realize the fruits of a mature collective bargaining relationship."

Now let us look at what is going on abroad with our foreign competitors. Aside from the big wage differential between American and foreign costs our competitors are universally and rapidly reducing their manning requirements through automation to increase their productivity and efficiency. Let's consider an example:

I am told that a Swedish line has laid down a liner that will carry a crew of 32 men, 13 less than the complement of its existing ships. Another ship is on the drawing board that will require a crew of only 21. Contrast this with the largest ship under the American flag—the tanker *Manhattan*. It has only recently gone into service. The Coast Guard fixed the number of engineers required to man her at 8—the union required 12. She now carries 12 engineers.

As an American-flag tanker, the *Manhattan* is likely to see considerable service in the coastwise trade where she will be in direct competition with pipelines. Cost increases due to featherbedding of this type can do nothing but hasten the day when coastwise tankers will follow their dry cargo counterparts into oblivion.

But costs are not the only factor tending toward the early demise of coastwise oil transportation. The petroleum industry has had occasion to observe the effects of service interruptions caused in large part by interunion rivalry. While admittedly the cost of transporting petroleum products by pipeline is higher than by tanker, the assurance of continued service offsets the additional cost. It has been estimated that a new pipeline under construction will reduce the coastwise shipping requirements by about 60 T–2 equivalent tankers. Thus will disappear some 3,000 jobs for seamen. Equally, if not more important, there will disappear some 60 ships with their trained crews that could well prove vital in an emergency.

We are all aware that the Commonwealth of Puerto Rico and the States of Alaska and Hawaii are totally dependent upon sea transportation for literally the means to go on living. We have seen their lifeline cut off time after time as a result of labor disputes in which they have no part and over which they have no control. Historically, the trade to those places has been limited solely to American-flag ships. But the time is coming when their welfare will demand that this limitation be removed and thus we will see more American-flag ships driven from the sea. This is no idle threat. Bills have been introduced in this session of Congress to relax the coastwise laws and permit foreign-flag ships to operate in our domestic trade when an industry finds that American ships are not available at rates which will allow the industry to continue to compete with imported commodities.

Recently, the Marine Engineers Beneficial Association filed briefs in opposition to the granting of subsidy to Isbrandtsen. They did not do so on the ground that the grant would be inimical to the development of the foreign and domestic commerce of the United States, nor that it would be unnecessary for the national defense—the objectives expressed in the Declaration of Policy of the 1936 Merchant Marine Act—but simply and solely on the ground that the proposed subsidy grant might adversely affect the pension rights of a handful of its members. The possible benefit to the merchant marine and, for that matter, to the welfare of our whole country, was not referred to.

If the present situation were of concern only to the parties immediately involved, we could well say, "A plague on both your houses." But it is of concern to each and every one of us in the United States.

It is of concern to the foreign trader who depends on reasonable freight rates to compete abroad. True, our foreign friends would be only too happy to take care of his transportation needs—on their own terms. But the existence of American ships gives much-needed assurance that freight rates will be kept reasonable, thus assuring accessibility to foreign markets on a competitive basis.

It is of concern to our balance of payments—every dollar spent for shipment on foreign lines is a further contribution to the imbalance we presently suffer with long-term consequences that can hurt us badly.

It is of concern to those of us who want to maintain our passenger ships—the safest and best in the world. We have only to examine the standards of construction and fireproofing set by the Coast Guard in comparison with the international standards to assure ourselves that no effort or money has been spared to avoid the horrors of a maritime disaster such as was all too frequent in the past.

It is of concern, too, to two of our States and our Commonwealth who must rely on its continued operation to literally keep the specter of hunger from their people.

And last, but possibly most important, it is of concern to those charged with the defense of our country. Only last month, the Secretary of Defense told the Merchant Marine Committee that the maintenance of an adequate merchant marine was essential for the support of our fighting men in the event of an outbreak of hostilities in the world.

We can and must maintain our merchant marine. It cannot survive as a service enterprise if it does not render service. Frequent and unnecessary stoppages play irretrievably into the hands of foreign competition. Because of the threat posed to the survival of American shipping, I have urged the Secretary of Commerce and the Secretary of Labor to make concerted studies of the problems and processes of collective bargaining in this field. I have only recently introduced a bill in Congress which would place maritime labor within the framework of the Railway Labor Act where jurisdiction now exists for the vital transportation modes of rail and air.

I hope that these actions may be fruitful and may help us find mechanisms which will assure the greater development of the health and welfare of our country in international trade.

I hope that our system of free collective bargaining will be fully retained. But as Secretary Goldberg recently said, "Collective bargaining, to be free, must be responsible. So long as it is responsible, it will be free."

American maritime labor is indeed at the crossroads.

STOCK MARKET INVESTIGATION

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, the recent behavior of the stock market both here and in Western Europe makes clear, I think, the need for a full-fledged congressional study and investigation.

Last year we authorized an investigation of certain aspects of the stock market by the Securities and Exchange Commission, and we appropriated $750,000 for this purpose. The resolution authorizing the SEC's investigation is, however, very narrow. I pointed this out at the time the resolution was debated in the House and made a plea for a broader investigation. In brief, the SEC was given authority to investigate the adequacy of the rules of the organized stock exchanges and to look into the role of financial advisers in influencing stock prices. Such an investigation as the SEC is making is good, of course, as far as it goes. The SEC is, under its resolution, looking into questions of impropriety or abuses of inside information on the part of the broker-members of the organized stock exchanges.

But the SEC investigation falls very short of providing us with the kind of information we ought to have in order that we may know what really influences the stock market and how these influences bear on the health of the business and credit systems.

To illustrate, I pointed out in the SEC resolution passed that this resolution gives the SEC no power at all to look into the so-called over-the-counter market. It gives the SEC no power to look into the so-called market for Government securities. Yet we know as a result of a preliminary investigation made by the Joint Economic Committee in 1959–60 that in the so-called Open Market for Government securities, the value of the securities traded is about $150–200 billion per year. This volume of trading was about five or six times the value of all the stock traded in the New York stock exchange in a year's time. It was, in fact, more than three times the value of all the trading in all of the organized exchanges of the country, organized securities exchanges as well as the organized commodity exchanges—for cotton, grains, coffee, soybeans, onions, and many other commodities.

In other words, we know in a general way that prices and interest yields in this market have an important influence on prices and, accordingly, dividend yields in the stock market. Government securities and stocks both compete for investment funds as well as for speculative funds but we do not know in any exact way what the interconnections are or how the Government securities market operates.

We know that the so-called open market consists of a very small number of large professional dealers—only 17 dealers—that these dealers have close working relations among themselves and that they are under no rules or regulations except the private rules which they make themselves and keep to themselves. We also know that these dealers are extremely sensitive to the money and credit policies of the Federal Reserve—indeed, they are part of the Fed's money and credit mechanism—and the nature of their business makes it essential that they have a unique expertise at interpreting and forecasting the direction and changes in Federal Reserve monetary policy.

Indeed, we are largely ignorant of the whole role of the credit mechanism and the making of official credit policy in wide and sudden changes in stock prices. We know only in a general way that the changes in credit policies by the Nation's central bank—in our case, the Federal Reserve System—may at times precipitate a collapse in stock prices as well as a collapse in business activity. This is not new. There is a persuasive record, for example, to show that the depression of 1922–23 in this country was deliberately planned and brought about by officials in the Federal Reserve System. According to the minutes of a meeting held in 1922 between the Board of Governors of the Federal Reserve and the class A directors of the Federal Reserve banks, those officials decided, correctly or incorrectly, that the country needed a sharp business decline, a general credit wringout, the elimination of business firms thought to be operating too much on credit, and they deliberately set about creating a credit contraction which brought on that depression.

Today our officials who determine the supply of money and credit are operating on a larger scale and are attempting to deal not only with domestic matters but also with complex international matters. Officials of our central banks are having at least monthly meetings with the central bankers of Europe, making agreements or reaching a meeting of the minds as to what money and credit policies should be for the whole Western World. Then a few weeks ago there was an extraordinary conclave of the Western bankers and Treasury officials meeting in Rome in an attempt to overhaul money and credit policies on a grand scale. What agreements were reached, if any, or what meeting of the minds was achieved or attitudes expressed at the Rome meeting, we do not know. We know only what has been in the literature concerning the problems which the world bankers hope to meet. One problem, of course, is the rather rapid rate of inflation which has been taking place in Western Europe, a problem which we might expect would lead the European bankers to a conclusion that they tighten the supply of money and credit and raise interest rates in that part of the world. And another problem, of course, is that of the difference in interest rates between here and Western Europe, the related dollar drain, and the threat to our monetary gold reserves. This, too, according to the usual thinking of central bankers, would call for a tighter supply of money, higher interest rates, and inevitably lower levels of business activity and business profits. I do not say that such coordinated actions were agreed upon—I do not know, and the Congress does not know. I do point out, however, that the collapse in stock prices which took place last Monday and Tuesday was not confined to the New York exchanges but was generally paralleled in London and several other countries in Western Europe. Could it be that the bankers and financiers, who are better informed than the Members of the Congress of the United States, had reason to expect a wringout in stock prices?

Indeed, we know very little about the practical effects of the bank credit mechanism on the ups and downs of stock prices. Can the commercial banks still manufacture money to feed a speculative boom in stock prices? We do not know. We think we learned our lesson from the 1929 experience and provided regulations to prevent a recurrence of that experience but we do not know whether or not these regulations are effective in practice.

The conditions which brought about, first, the speculative boom leading up to October of 1929, then the 1929 collapse, and the dark years of business depression are now clear.

First, the banks provided the credit—in other words, manufactured the money—which fed the stock market boom prior to 1929. Our system of banking is intended to bring about an increase in the supply of money commensurate with increases in the production. But, as we learned, this system can also bring about increases in the supply of money to feed a speculative boom in already existing assets. This does not mean that the banking system supplied too much money for the general economy in the years prior to 1929. On the contrary, the banking system provided merely enough money and, of course, the stock market does not absorb money. Money created for the purchase of stock merely passes through the market and goes into circulation to permit the operations of the general economy. The fault of the banking system in the pre-1929 years was not the amount of money created but rather the fact that the money was funneled out into the economy by way of the stock market. In mid-1929 just before the crash, when total bank loans amounted to $20 billion, $8 billion was in loans to brokers and dealers for carrying securities. As soon as stock prices broke, the banks began calling these latter loans and called half of the amount within a period of 3 months. This meant not only a further decline of stock prices but a tremendous contraction of the Nation's money supply and, necessarily, a contraction of business activity.

That experience led to legislation giving the Federal Reserve powers to set margin requirements. Under present regulations, and a bank is supposed to be able to make a loan for the purpose of purchasing or carrying stocks only if the person making this loan puts up 70 percent of the price of the stocks from his own funds or funds he raises elsewhere.

But how effective are these regulations? In all of the years they have been in effect the Federal Reserve has not penalized or reprimanded any bank for violating either the spirit or the letter of the regulation. Furthermore, it is well known that both the banks and the stock speculators get around the regulation through the so-called nonpurpose loans. How much money do the banks lend to finance companies which in turn lend the money to individuals or corporations for the purpose of buying and carrying stock? This practice on the part of the finance companies is, we are told, relatively new and of growing importance. But the importance of these things we do not know about. We do not know how much bank-created money has gone to finance the long "bull" market of the past few years, in which prices rose almost steadily until the end of last year, and to levels which seemed unjustifiably high.

True, a number of conditions have been suggested as sufficient in themselves to bring about a downward revision of stock prices. It has been suggested, for example, that the general public may now have a different belief about the inevitability of inflation. For several years under the previous administration, there were constantly pronouncements about inflation. Advertisements in the magazines, newspapers, and over the television about inflation, all of which helped create the idea that inflation was going at a very rapid pace, was a tremendous threat, when, in fact, the inflationary forces had been largely exhausted.

It is also true that there now seems to be general acceptance of the idea that the phenomenally high interest rates achieved in the Eisenhower administration are with us to stay. As long as these high interest rates were thought to be temporary, investors were not so much inclined to sell their stocks and buy fixed-income securities, even though high grade bonds were in many instances paying a higher yield than the stocks paid in dividend yields. At the peak of the stockmarket last December, common stocks were paying dividend yields of less than 3 percent, according to Standard & Poor's Corp., while high grade corporate bonds were paying 4 to 5 percent and Government bonds were paying about 4 percent. Obviously, stock prices were too high relative to the Government's then prevailing interest rate policy. Some downward adjustment in stock prices would be only natural.

On the other hand, such a downward revision of stock prices as would be expected would hardly explain the events of the last few days.

Prior to the collapse on Monday, there had already been a general decline in prices since December of 1961 which had wiped out almost 20 percent of the market value of the securities listed on the New York Stock Exchange. In 5 months, the value of securities listed on this exchange had dropped between $60 and $80 billion. Then, last Monday, more than 9 million shares were suddenly traded, a volume so heavy that the reporting on the day's close ran 140 minutes behind the close of trading and values dropped another $20 billion in a single day. On Tuesday, there was a rebound, of course, in which roughly $14 billion of value was restored.

Events such as these do not suggest that stock prices were merely readjusting to revised ideas about inflation or to revised ideas about the permanency of the Kennedy administration's high-interest policy. It is most disturbing—I think, shocking—that Congress knows so little about what underlies the stock market after so many decades in which there have been repeated instances of disaster and near disaster stemming from this market.

I am today introducing a resolution which I hope will have the sympathetic attention of the Members and that they will authorize the House Committee on Banking and Currency to make, not a "quickie" inquiry into the stock market, but a considered and adequately designed study which I hope will bring about a needed understanding of all of the policies, forces, and institutions playing a major role in this market. My resolution calls for an appropriation of $750,000 for this purpose, the same amount as was appropriated for the SEC to carry out its investigation of the adequacies of the rules of the organized exchange. It would also provide the necessary subpena powers.

I hope that the House will give prompt attention to this resolution which provides for a matter which has been too long neglected.

Mr. Speaker, I am inserting herewith a copy of the resolution to investigate the market exchanges and for other purposes. It is as follows:

Resolved by the House of Representatives, That the Committee on Banking and Currency of the House of Representatives, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study of and investigate into the operations of the Nation's security markets, both organized and over-the-counter, which deal in private and/or public securities, both equity and debt instruments, and the relation between the performance of such markets and the activities of public and private financial credit, and other institutions, the investigation to include, among others, the following subjects:

(1) Relationship between changes in prices and yields for various classes of financial securities and the rate of investment by corporations, unincorporated businesses, and individuals, including both plant and equipment and inventories;

(2) The role played in various security markets by individual investors as compared to institutional investors, particularly mutual funds, pension funds, insurance companies, and the like;

(3) Changes in the sources of funds for investment in the securities markets and the impact of these changes upon these markets, particularly the possibility that these changes reduce the significance of existing margin requirements as regulators of the use of credit for speculation in stocks and bonds;

(4) The rule of international movements of capital in affecting prices of stocks, bonds, and other securities on American markets, with special attention to the possible effects of differing regulations by foreign governments concerning investment in financial equities by their nationals or ours;

(5) The extent to which monetary policies have made corporate bonds, mortgages, and savings accounts relatively more attractive than stocks, encouraged the shift of funds out of the stock market; or discouraged the entry of new funds into the stock market;

(6) The nature of the agreements, understandings, or attitudes expressed at recent international meetings of central bankers in which United States representatives have participated and the manner and extent to which securities markets may have been affected.

SEC. 2. For the purposes of this resolution, the Committee on Banking Currency, or any duly authorized subcommittee thereof, is authorized through January 31, 1963 (1) to appoint and fix the compensation of such experts, consultants, or organizations thereof, and clerical and stenographic assistants as it deems necessary and advisable; and (2) to hold such hearing, to sit and act at such times and places, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman or vice chairman of the committee and shall be served by any person designated by them.

SEC. 3. The Committee on Banking and Currency shall from time to time report its findings and recommendations to the House of Representatives and shall make its final report at the earliest practicable date but not later than January 31, 1963.

SEC. 4. The expenses of the Committee on Banking and Currency under this resolution, which shall not exceed $750,000, through January 31, 1963, shall be paid from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, the gentleman has certainly made a very interesting statement and informative presentation here today. I am delighted that I was able to hear it, because I consider the gentleman to be one of the outstanding experts in this Congress on this whole question of the stock market. I was wondering if the gentleman would be good enough to offer an opinion as to a suggestion which has been made here recently by myself that one big contributing factor to this strange behavior of the stock market is the fact that in another two weeks, to be exact, the 18th of June, some 285,000 administrators of health and welfare pension funds will have to start reporting in greater detail how the $55 billion to $70 billion now invested in these private pension funds is being so invested.

I was interested to see that the Securities and Exchange Commission last week said that some 55 percent of this money is invested in common stock. While there is nothing wrong with this—nothing illegal—certainly in my judgment that high percentage of investment of trust funds into common stocks would be improved. So the question that has been raised and I suggest that at least triggered this strange behavior on the part of the stock market, is the fact that many of these administrators of these funds—and 94 percent of these funds are administered by the employers—that these people have been unloading their common stock holdings and turned to more conservative investments such as Government bonds and mortgages and whatnot.

Mr. Speaker, I was wondering if the gentleman from Texas [Mr. PATMAN] would care to offer an opinion? I have asked the SEC to look into immediately the large blocks of stock that are being disposed of to determine whether or not this is not the reason that triggered off this great shift in stock values in the last couple of weeks. I wonder if the gentleman would care to comment on this?

Mr. PATMAN. I desire to join the gentleman from Illinois [Mr. PUCINSKI] in expressing the hope to the SEC that an investigation will be made of this matter. I think it is very important. I did not know that 55 percent of these funds were invested in common stocks. I knew a large percentage was so invested, but that is a high amount in my book. Measured by the traditions of the past, that would certainly be a very abnormal thing. I believe the gentleman from Illinois [Mr. PUCINSKI] would agree with me on that.

Mr. PUCINSKI. If the gentleman will yield further, I would say that it is not an improvement.

Mr. PATMAN. It would not surprise me at all, if the gentleman is correct, that some of these funds are dumping certain securities to make a transfer which would probably have some effect upon the collapse of a few days ago. That would be understandable, for this reason: You know interest rates have been increasing over the years. Now we are paying the highest rate of interest in a quarter of a century on Government securities, and also private debt.

People can invest their money in savings and loan institutions, for instance, where the funds are guaranteed up to $10,000 in each account. Of course, they have cooperative arrangements now whereby $1 million can be invested in enough savings and loan accounts where each $10,000 is guaranteed by the U.S. Government. Naturally, when the savings and loan companies are paying a higher rate than the dividend yields on common stocks, I can understand the urge to get out of common stocks and get into something that is guaranteed by the Government. It would be understandable, if the gentleman's apprehension is well founded; I do not know whether it is or not, but it would be understandable, if it is.

Mr. PUCINSKI. Mr. Speaker, it amazes me how few people realize that in this Congress we passed and the President signed into law the new Disclosure Act which goes into effect on the 18th of June.

We passed this act simply because we believed, based on the evidence before our committee—and it came out of my subcommittee—that there was reason to feel some concern over how these vast sums were being used. I am told that the private pension plans in America today total between $55 and $70 billion and are the largest single source of equity capital in this country. So, in committee, after lengthy hearings, we came to the conclusion that the administrators of these funds ought to be compelled to submit a more thorough report to the Department of Labor on how this money is invested.

Of course, we may not tell anyone how to invest his money. There is nothing in the law giving the Secretary of Labor or anyone else the right to tell these administrators how this money is to be invested. The new law that goes into effect on the 18th of June requires them to spell out in greater detail how much is invested in preferred stock, how much money is invested in common stock, how much money is invested in bonds, and so forth.

So it is my contention, the mere fact that we passed this law, the fact that there was a law necessary indicates that there had been some imprudent investments. And I submit that these people have been cleaning up their portfolios.

Oddly enough, I told the chairman of my committee 4 months ago, when we reported this bill out, that this was a good bill, that I hoped we would get it through Congress and that the President would sign it. But I said that if this bill passes, about 1 month before it becomes law, we are going to see the darnedest rumble on the stock market that we have ever seen, because they are going to clean out their portfolios and shift to more conservative investments.

Mr. Speaker, I am very grateful for the opportunity to hear the gentleman's statement today.

Mr. PATMAN. Mr. Speaker, I thank the gentleman. I congratulate the gentleman on the efficacy of his bill. I think it is a worthwhile bill.

I think the investigation he recommends could be very much enlarged upon if we were to include with the mutual funds and the pension funds, the foundations. If we did that I think the gentleman would find that a very few people in this country control enough of the stock market of the Nation to influence the market either way.

Mr. PUCINSKI. Mr. Speaker, I thank the gentleman.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the body of the RECORD following the remarks of the gentleman from Virginia [Mr. GARY] on the retirement of Admiral Richmond.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMPENSATION FOR PERSONS WHO SUFFERED AT THE HANDS OF THE NAZIS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 10 minutes.

Mr. RYAN of New York. Mr. Speaker, during and after World War II thousands of European refugees fled to our shores seeking asylum from the tyranny of Nazi Europe. Many lost all their material possessions in the fanatic terror of fascism. I have introduced H.R. 9464 to compensate those who suffered at the hands of the Nazis. I am hopeful that in the near future the Congress will pass a war claims bill to provide compensation for those who are citizens at the date of enactment. However, such legislation would not fully compensate for the terrible losses. An additional approach might be available. The Israel and the West German Governments have used the assets of individuals who were involved in the Nazi tyranny to facilitate restitution and compensation for the victims. The Department of Justice and the Department of State should investigate this possibility.

There is in the United States at least one person whose assets might be traced to the illegal confiscation of property during the last war. Nicolae Malaxa, a Rumanian alien residing in New York City, was a munitions manufacturer in Rumania under King Carol. In a U.S. Immigration hearing in 1951 Rumanians, who were prominent in their country during the 1930's and early 1940's, testified about Malaxa's connection with the infamous Rumanian storm troops, the Iron Guard. According to these witnesses, Malaxa was the financial genius behind the Rumanian Iron Guard. After the Iron Guard was disarmed by the Rumanian military dictator, General Antonescu, there is testimony that the storm troopers rearmed at Malaxa's mansion, obtaining machine guns and sidearms which they then used to take over the Prefecture of Police. Malaxa's role in this affair caused General Antonescu to plead with the German Ambassador to Bucharest to take Malaxa off his hands. "German industry has always been on the best of terms with him," said the German Ambassador.

The secret documents in the German Foreign Office, now translated and made available by the State Department, implicate Malaxa with the Iron Guard and with the plunder of Jewish business and property. At this point I should like to introduce into the RECORD two excerpts from Document No. 623 appearing on page 1050 and 1051 of "Documents on German Foreign Policy, 1918–45," volume XI, "The War Years," Department of State, publication 7083, 1940–41, 1960:

[From "Documents on German Foreign Policy," No. 623]

THE MINISTER IN RUMANIA TO THE FOREIGN MINISTRY

[Telegram]

BUCHAREST, *January 8, 1941, 3:30 a.m.*

(Secret. No. 27 of January 7, received January 8, 2:30 p.m.)

After the Legionnaire police had made further house searches and perpetrated further acts of violence on the population,[1] involving also well-known people such as Argetoianu[2] and Cesianu, the (group garbled) member of the National Bank, without legal grounds and without results, General Antonescu finally sent for Sima and called him very sharply to task. Sima admitted that he had known about the excesses. Because of the especially numerous excesses in Transylvania, he wanted to put the blame on the Germans, who, [he said] were trying systematically to gain control of Jewish firms which the Legionnaires wanted for themselves; the economy of the country had to be taken over not by Germans, but by people of Rumanian nationality. General Antonescu, however, demanded that an immediate stop be put to all the excesses; if Germans wanted to take over in too great numbers businesses abandoned by Jews, an equitable distribution could be arrived at on a different basis. It was contrary to his policy for the Legionnaires to stir up hatred of the Germans and thus to aid England and Bolshevism. General Antonescu finally demanded that Sima obey to the full his command for tranquillity and order, which he had guaranteed.

* * * * *

In this fight between the general and the Legionnaire command, a man plays a role who even earlier played a secret part in Rumanian politics: Carol's former friend and the present financial mainstay of the Legionnaires, M. Malaxa. The Legionnaires let this clever big industrialist finance them. He has in his plants the leader of the Legionnaire labor organization, Gana, and there the green flags of Sima flutter everywhere. Sima and his (group missing) have let themselves be roped in and want to come to an agreement with Malaxa on a settlement, while the general, as the exponent of order and purity, demands that Malaxa hand over all the "property stolen" from the state. Malaxa therefore considers the general his mortal enemy and makes common cause with the Legionnaires against him. Malaxa has even again supplied with arms the Legionnaire police, who had already been disarmed. Yesterday, while the scene between the general and Sima occurred in the office of the Minister President, they established themselves in the prefecture of police with machineguns.

The general, whose entourage kept this information from him last evening, is now extremely angry. He would like best to send Malaxa and his family off to Germany in order to get rid of them for a while. In reply to a question from him, I told him that, if he wished it, we would be glad to oblige him by taking Malaxa in, since German industry had always been on the best of terms with him. The general considers this his only chance of getting rid of this troublesome schemer.

General Antonescu described the events to me in detail. He asked me to treat the information in strict confidence.

FABRICIUS.

I now call your attention to the second excerpt from the telegram which refers to "Carol's former friend and present financial mainstay of the Legionnaires, Malaxa." General Antonescu demanded that Malaxa "hand over all the property stolen from the state." At that time, in 1941, property, business, homes, jewelry, and personal effects were being ruthlessly seized and expropriated. Evidently, General Antonescu, as "the exponent of order and purity," wanted this property to be held by the state, but there were too many private vultures who seized individual pieces of property and who were able to make vast accumulations of the wealth of the unfortunate victims of the terror.

In 1946 Malaxa entered the United States as a member of a trade delegation from Communist Rumania. He had transferred to this country some $2½ million which was explained as compensation for factories seized by the Communists. Malaxa never returned and is today a resident of the United States.

Mr. Speaker, the inevitable question is: What are the sources of Malaxa's wealth, which made it possible for him to transfer a reported $2½ million into the United States in 1946? When a displaced person arrives at our shore seeking sanctuary and brings with him from Communist Rumania assets of such magnitude, I think it is proper to inquire further and find out to whom the United States is offering asylum and whether the United States is being used as a haven for property stolen from victims of pogroms and terror.

I urge the Department of State and the Department of Justice to investigate the possibility that Malaxa's assets were derived in whole or in part from the seizure of Jewish homes, businesses, and other assets. The executive branch and interested private organizations should consider the following questions: Are there legitimate claims against the assets which Malaxa has brought to the United States? Are there identifiable Rumanian survivors whose property was confiscated or destroyed by the Iron Guard, the Nazis, the Antonescu government, and the Communists? If Malaxa's assets were derived from "Jewish firms," "businesses abandoned by Jews," and by other illegal means, are these assets subject to individual and group claims by persons who were wrongfully deprived of their property by the Nazis, Iron Guardists, and Communists?

The fact that these questions raise difficult and complex legal issues should not prevent the Department of Justice and the Department of State from conducting a thorough investigation and analysis.

Mr. Speaker, the time is long overdue for the United States to devise methods to compensate those of our citizens who suffered so much at the hands of tyranny.

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[1] In telegram No. 9 of January 3 Fabricius had reported earlier excesses by the Iron Guard and the beginning of new tensions between Antonescu and Sima (201/89108–10).

[2] Constantin Argetoianu, former Rumanian Minister President.

COTTON TEXTILE INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. ALEXANDER] is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, I am vitally concerned about the jobs of our textile workers. The plight of the cotton textile industry is well known. One of the main reasons for the textile industry's difficulties is the price differential on raw cotton. The American manufacturer must pay 8½ cents a pound more than his foreign competitors for the same cotton.

This just does not make sense. It is ridiculous to force domestic textile producers to pay more for the same raw product than foreign producers pay. This is unfair competition of the rankest order.

There is both unemployment and underemployment in the textile field in this country.

What is the trouble? I think most people know the reason we are having trouble. It is simply that we are having to compete with cheap labor, lower taxes, less overhead, faster writeoff for machinery, and a cotton differential of 8½ cents per pound for cotton. I visited several textile plants in the Far East last fall. They were working full time, 7 days a week and paying their workers approximately a dollar a day wages.

That kind of competition is bad enough but to give them preferential treatment in the price of our own cotton is beyond comprehension.

The President has recognized the problem and has made several recommendations which will be helpful. For one thing, 6 months ago the Tariff Commission was instructed to study the problem of this price differential and to decide whether or not an equalization fee is required as an offset to the differential, and make recommendations to him. Why the delay in making a decision? Last week I wrote to the President and urged immediate action. This inequity should be adjusted immediately.

The President has specifically suggested the desirability of an offset import fee on the cotton content of textile imports at a rate sufficient to balance the raw cotton cost differential of about $42.50 per bale. This import fee would not go to the textile industry. It would go into the Treasury of the United States and would certainly tend to equalize some of the unfair competition now existing.

The Trade Expansion Act of 1962 will soon be on the Floor of the House of Representatives. This inequity of price differential should be settled before we have to vote on that bill.

I have at all times been interested in the textile worker. I am interested in preserving his job. I am aware of what the administration has done and is doing to give the textile industry relief from unregulated imports, and so far as they go they are to the good. But we need to go further. We have been studying this question long enough. The textile employees and the textile industry deserve action. The leaders from textile areas have continuously stressed the need for immediate action. The President has asked for action. The Tariff Commission needs to act favorably and to act now. The jobs of our textile people are in jeopardy.

Let us treat them fair. Let us help keep their jobs. Let us act now.

CONCURRENT RESOLUTION TO EXPRESS THE SENSE OF THE CONGRESS IN OPPOSITION TO THE PROPOSED EXCHANGE OF AMERICAN DOLLARS FOR CUBAN PRISONERS BY WITHDRAWING TAX-EXEMPT STATUS OF COMMITTEE COLLECTING $62 MILLION FOR RANSOM AND THUS WITHDRAWING TAX DEDUCTIBILITY FOR DOLLARS GOING TO COMMUNIST CASTRO

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Florida [Mr. CRAMER] is recognized for 15 minutes.

Mr. CRAMER. Mr. Speaker, I take this time for a matter I think to be of tremendous importance, dealing with a subject I have mentioned to the House before. I now have in writing from the Secretary of the Treasury, Mr. Douglas Dillon, one of the most absurd letters with the most faulty reasoning that indicates to me the degree of fuzzy thinking of this administration and the New Frontier with regard to fighting communism, communism 90 miles from our shore. I am talking about Fidel Castro's Cuban communism.

Previously, I introduced House Concurrent Resolution 459 opposing the proposal of trading $62 million for the Cuban prisoners as sponsored by the Cuban Families Committee for the Liberation of Prisoners of War, Inc., taking the position that has been evidenced as the justification by Fidel Castro himself, that this is nothing other than indemnity being demanded by this Communist dictator some 90 miles from our shore in the form of ransom. At the time the demand was made he said, "This is being done in the name of humanity."

The United States should pay for the invasion.

The position of this country has been, as evidenced by statements of previous administrations, millions for defense but not one cent for indemnity. But look at what Secretary Dillon has to say in reply to my inquiry, following my statement in the RECORD that I understood that this administration on December 6, 1961, had issued a tentative regulation making the contributions to this committee, the Cuban Families Committee for the Liberation of Prisoners of War, tax deductible. That means that the Treasury of the United States by tax deductions, and thus the people of this country, are going to end up with lost revenue, paying at least 50 percent of this $62 million, or $31 million, of lost revenue.

How in the world does this make sense? How does it make sense to the people in Central and South America who are trying to defeat atheistic communism in this hemisphere and to the other nations that are trying to do the same throughout the world? How does it make sense to them that the great, free, and strong United States of America should be willing to pay indemnity to Communist Leader Fidel Castro of 62 million American dollars? How does it make sense when this administration itself has invoked the Trading With the Enemy Act?

Thus, the President of the United States has declared that any trade with Castro communism is trading with the enemy and did so in order to keep third friendly nations from shipping products containing any Cuban material such as tobacco from which cigars are made in the Canary Islands, for instance, or in Canada, into this country. That, of course, followed the administration's complete embargo which cut off all tobacco and other products from coming into this country, and which, incidentally, is going to end up putting 5,000 people, cigarmakers, in my district out of work. I said that should be done provided the administration backed up this action with other strong anti-Castro, and anticommunistic action. Of course, this has not been done. As a matter of fact, the administration is moving in the opposite direction as evidenced by this letter, which I will read in a moment. But how inconsistent it is. What fuzzy thinking has existed in the administration when on the one hand the administration says—no, we will not let any more products come in from Cuba. We will thus cut off the flow of $40 million in remaining trade that otherwise would go to Fidel Castro to finance his Communist regime even though it means sacrifice on the part of American citizens by putting them out of work. On the second hand, we will even prevent third party countries, friendly countries, from shipping in any products made out of Cuban material. We will go even further in saying that families related to people living in Cuba, exiles in this country, cannot send through the mails any money or money orders to anyone in Cuba.

The administration went that far, and rightly so.

But now they are backtracking, and now we see the fuzzy thinking coming to the surface. Now we see the effort to appease communism coming to the surface. And here it is in Secretary Dillon's letter. What does he say?

> This is in response to your letters of April 25, 1962, to the President and me about the deductibility of contributions to the Cuban Families Committee for Liberation of Prisoners of War, Inc. Our records show that the committee filed application in August 1961, with the Internal Revenue Service requesting exemption from income tax as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954. The committee also requested a determination that contributions made to it would be deductible by the donors in accordance with section 170 of the Code.

I call your attention to the fact that this is last year.

> In early October in amplification of its request, the committee informed the Internal Revenue Service that it hoped to negotiate.

Again, this is in October of 1961 and the American people were never advised of this.

> As of October 1961, it was publicly announced by the administration that it was withdrawing any and all support of the indemnity demand or payment of tractors thereunder.

That is what the administration announced publicly. But look what it was doing under cover: It was considering an application of this committee to do exactly that, exchange prisoners for tractors, only now they had changed their demand to dollars. Reading again from the letter:

> This related back to the earlier Castro demands, and at no time from the filing of the original application to the tentative granting of the exemption on December 6 was there prior knowledge, as your letter suggests, of any new Castro prisoner trade offer.

Let me say that at the time I sent my letter, April 25, the demand was made, and this reply clearly shows, I repeat, that there was no intention on the part of the administration of changing its position now that a dollar demand had been made. Therefore the dollar demand would likewise be deductible.

> Section 501(c)(3) provides that corporations and foundations which are—

And listen to this—

> organized and operated exclusively—

For what?

> For religious, charitable scientific * * * (and) educational purposes' shall be exempt from taxation. Contributions to organizations which enjoy exempt status under section 501(c)(3) are deductible under the provisions of Code section 170. The application and supplemental evidence submitted by the committee indicate that its primary purpose—

And listen to this reasoning. Here is the fuzzy thinking, how far they are willing to go to squeeze this organization into the definition of "charitable organization." A charitable organization paying American dollars to Communists to keep them going is a charitable purpose under the interpretations of this administration, and here is how they bring in the definition of "charitable." If you have ever heard such false reasoning or anything comparable to it, I will be surprised:

> The application and supplemental evidence submitted by the committee indicate that its primary purpose, on which its entitlement to exemption depends, is the liberation, relief, and rehabilitation of the prisoners.

Now listen to this:

> Throughout history the redemption of prisoners has been regarded as a charitable activity.

I ask the Secretary, Since when? How can he equate charity with giving aid to the enemy? I ask this administration whether the ransoming of prisoners, enemies, which the President himself has so declared Fidel Castro to be by his invoking of the Trading With the Enemy Act—since when has the ransoming of prisoners from the enemy by this great, powerful, free country ever been considered a "charitable activity?"

I ask that question of the administration. I ask that question of the Secretary of State.

I ask that question of the Attorney General. I ask that question of the President of the United States himself. I ask them, Since when has the payment of dollars in ransom of prisoners held by the enemy been considered a charitable activity? And I ask further: When has it ever been considered a patriotic activity? Since when has it ever been an activity that would result in defeating communism?

I say never—I say never in the history of this country has this country at any time paid ransom for prisoners.

If they are going to pay ransom for Cuban prisoners, how about the American prisoners, U.S. citizens, many in uniform, who fought for their country in South Korea but are still being held prisoners in North Korea? If the policy is charitable to release these Cuban prisoners and pay ransom, is it not charitable to release American soldiers being held prisoner for years? Oh, no. Not American soldiers. But it is for Cuban exiles who invaded their country in an effort to win freedom, knowing full well what the risk was.

Let us look at the further reasoning as to why this is now considered a charitable activity.

> Similarly, it has frequently been recognized that the relief and rehabilitation of persons in distress is charitable.

What has that got to do with it? What has that got to do with the ransoming of prisoners from a Communist stronghold, thus supporting the Communist government by paying American dollars? What has that got to do with it? Obviously, nothing.

Now, we have established a new precedent that is approved not only by Secretary of the Treasury Dillon but, as this letter shows later, has been approved by the Department of Justice and has been approved by the Secretary of State. So three of the Cabinet members of this administration have approved the policy.

"Throughout history the redemption of prisoners has been regarded as a charitable activity."

I challenge the administration to indicate one instance where the great, free, United States of America, fighting against its enemy, including atheistic communism, has ever paid ransom for prisoners, American prisoners, let alone exiled Cuban prisoners.

I read further from the letter:

> Since the purposes for which the committee was formed fall within the exemption provisions of the code, the organization was tentatively granted exemption by the Service in a letter ruling dated December 6, 1961. The letter states that if the committee is operated in accordance with its stated purposes and in the manner indicated by the evidence submitted, it will be entitled to exemption from Federal income tax and contributions received by it will be tax deductible. Before the issuance of the December 6 ruling letter, we were advised by the Justice Department that the activities of the committee would not entail any violation of the Logan Act.

How about the Trading With the Enemy Act, Mr. Attorney General? How about the intent and purpose of preventing any American money or goods from being used for the purpose of supporting an enemy Communist government which you, Mr. President, yourself, have stated is an enemy by invoking the Trading With the Enemy Act, even as it affects friendly other nations?

Mr. Attorney General, how about violation of other acts?

Mr. Attorney General, I ask you why is it you are not willing to invoke the statute that you have the duty to invoke that prevents aliens in this country from doing business with enemy foreign governments? When are you going to exert your responsibility and carry out your duties and enforce that act and advise the Secretary of the Treasury? This is a power properly executed by the great Treasury Department.

Listen to this:

> Also, we were informed by the State Department that there were no objections to the issuance of a favorable ruling from a foreign policy point of view.

Mr. Secretary of State, I ask you how inconsistent can you be in cutting off all trade with Cuba, attempting to prevent the flow of all dollars to Cuba on the one hand, even if it means the unemployment of American citizens; and, on the other hand, you permit aliens in this country to raise American tax dollars that are tax deductible to do exactly the same thing?

> You have requested that the ruling issued to the committee be rescinded. However, we believe that under a proper construction of the applicable provisions of the Internal Revenue Code and on the basis of the facts submitted to us, the committee is entitled to exempt status. Therefore, we can see no appropriate legal basis for the revocation of a tentative ruling issued to the organization.

Mr. Secretary of the Treasury, a tentative regulation or ruling is issued specifically for the purpose of determining in the interim period as to whether or not a permanent regulation should be issued.

I say to you the reasons I have pointed out otherwise fully justify the withdrawal of this tentative regulation.

And, Mr. Secretary of the Treasury, of State, and Mr. Attorney General, I wish to advise that I have today introduced a resolution which I trust will be sent to the proper committee, the Committee on Ways and Means, declaring it to be the sense of Congress that the distorting of the intended purposes of the exemption provisions of the income tax laws, specifically section 501(c)(3), referring to organizations for religious, charitable, scientific, and cultural purposes, is unjustified and, as a matter of fact, is illegal and that your ruling should be changed and the exemption withdrawn so that American dollars will no longer flow to Fidel Castro. And I hope that the resolution will receive the attention of the Committee on Ways and Means in the near future.

My resolution follows:

> Whereas Castro's offer to ransom one thousand one hundred and seventy-nine Cuban prisoners for $62,000,000 can be interpreted only as indemnification by this Nation, or

with its overt acts, consent to paying indemnity to a Communist country; and

Whereas this is blackmail; and

Whereas this is extortion; and

Whereas this is a demand for ransom reminiscent of the piracy on the high seas, and repugnant to every principle of decency and self-respect; and

Whereas this Nation, as a leading nation of the free nations of the world, would be kowtowing to the demands of a Communist dictator, as handed down by this kangaroo court, and thus give recognition to the court itself and indirect recognition of Castro's Communist government; and

Whereas the dollars could build airstrips and missile launching sites to be used against the free nations of this hemisphere; and

Whereas dollars comprise moneys negotiable with Red China or some other Communist nation and could be traded for war materiel; and

Whereas this Nation's prestige would sink in the eyes of the world; and

Whereas this is appeasement to communism; and

Whereas there are thousands more prisoners rotting in Castro's rathole prisons who could be traded, hundreds at a time, for further "indemnification" from this country; and

Whereas thousands of Americans lost their lives in two World Wars and Korea fighting to uphold the dignity of America and dying to affirm their dedication to her freedom; and

Whereas although there exists great sympathy for the Cuban freedom fighters, we must remember that soldiers of all nations have lost their lives willingly before bowing down to an enemy which raises question as to why the leaders of the Cuban freedom fighters would even agree to such a trade, knowing that it will only make stronger the enemy they are trying to defeat; and

Whereas in reality, the one thousand one hundred and seventy-nine prisoners Castro speaks of are not one thousand one hundred and seventy-nine prisoners of Cuba, but one thousand one hundred and seventy-nine more Cuban prisoners for, in fact, every Cuban in Cuba today is a prisoner of the Communist conspiracy and it should, therefore, be this country's goal to free all the people of Cuba and not only those who recently returned to their homeland; and

Whereas although it is being suggested that other nations of this hemisphere made token donations to this cause, it is this country, and not others, that is being forced to make this trade in the name of indemnity; and

Whereas negotiations by anyone in the United States with Castro appears to be a violation of the Logan Act and providing funds to the enemy a violation of the Trading With the Enemy Act; and

Whereas the President of the United States has recently invoked this Trading With the Enemy Act against third-country imports of Cuban tobacco to the United States from Cuba; and

Whereas the administration, acting through its Post Office Department, announced last month that postal money order exchanges between Cuba and this country were being banned; and

Whereas freemen have traditionally been willing to sacrifice both liberty and life in defense of principle; and

Whereas communism can never be defeated by governments or people too soft for sacrifice and who choose, instead, to pay or to condone payment of tribute to tyranny; and

Whereas despite the aforementioned considerations, the Treasury Department on December 6, 1961, granted tentative exemption from taxation under section 501(c)(3) of the Internal Revenue Code to the Cuban Families for the Liberation of Prisoners of War, Inc., and thus making dollar contributions for the payment of ransom or indemnity to Communist Castro tax deductible under section 170, and despite the fact that the purposes of this committee are beyond the intent and purpose of section 501(c)(3) of the Internal Revenue Code: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the United States Government should refuse to permit gifts and contributions made for the trading of dollars for humans, as proposed by the Communist government of Cuba, to be tax deductible for income tax purposes, and that the Treasury Department should withdraw the tentative exemption granted on December 6, 1961, from taxation under section 501(c)(3) of the Internal Revenue Code to the Cuban Families for the Liberation of Prisoners of War, Inc., thus preventing the flow of American dollars to Communist Castro.

MENTAL HEALTH

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. CLEM MILLER] is recognized for 25 minutes.

Mr. CLEM MILLER. Mr. Speaker, I am today introducing a mental health bill. A preliminary draft of this bill, H.R. 10831, has excited much comment from mental health authorities and interested citizens throughout the country.

This revised bill has been the subject of a line-by-line study and comment. It is based on studies that I have received in the past month or so. Particularly it has been the product of joint conferences with the staffs of the mental health and retardation institutions in my congressional district. I went over the provisions of our bill with these staffs, the Mendocino State Hospital at Talmage, Calif., the Sonoma State Hospital at Eldridge, and the Napa State Hospital at Imola. I have also heard from the mental health authorities of the State of California and elsewhere. Keen interest was expressed in this bill, comment was lively, and the suggestions were serious and constructive.

It may well be asked, Why is there need on my part to introduce a bill on mental health? The answer is very simple. I have visited the mental health institutions in my congressional district, and what I have there seen with my own eyes convinces me that fresh, new, and constructive mental health legislation is not only in order but it is imperative.

Now, for example, I went through a compound of one of the mental health institutions in my district, housing several hundred men. It was a yard several tens of yards square. Abutting this yard are four brick barracks. The men in this compound shuffle aimlessly over the yard or sit idly staring into space. There were two attendants on duty for this number of men, barely enough to keep order. It is considered fortunate if a psychiatrist has time to simply look at the case file on a patient in the space of 2 or 3 months' time. The patients have lived in these quarters for 10, 20, 30, and 40 years. They are suffering from various mental disorders, schizophrenia and so on. Under conditions prevailing today these men are consigned to this life in this compound until they die.

In the same hospital I was then conducted to cheery, immaculate wards with individual rooms, where the men seemed engaged in activity, purposeful activity. There were attendants, cheerful in outlook, interested in what they were doing, who were engaged with these patients. They were working with them. They were talking to them, ordinary conversations, but talking and discussing. The doctors in our visitor group stopped and chatted with these patients. These patients, these men, will be out of the hospital in perhaps 5 or 6 or 8 weeks.

Mr. Speaker, these men, these patients, have the same troubles, the same infirmities visited upon the patients of the compound. The difference is that those in the compound are not cared for. In the ward, on the other hand, are people who do care. They show it in every move that they make.

And, what may the difference be ascribed to? Not in the quality of the attendants, certainly, because these caretakers in these institutions and in the compounds are the same men as those in the wards. They give the same devotion, they have the same regard. The difference could be in new advances in medicine, in the drugs that are being used. But this is only a part of the story, and in my opinion it is a lesser part. The real difference is in the personal attention to patients. This is the great and significant difference.

Mr. Speaker, mental patients are human. They are human beings. They respond to love, affection, and attention in the same way that all humans do, in caring and being cared for, or cared about. These patients get well and go out amongst us or they live a life of institutional despair. It is that simple. If these suffering, benighted patients in the compound could get enough professional attention and care, the loving affection of the people with whom they live, it is estimated that more than half, maybe 70 percent, could be returned to society within a given period of time.

Mr. Speaker, to have enough nurses, attendants, professional people, psychiatrists and doctors is the answer; trained people at all levels from the voluntary ward assistants right on up to the top. Good, well-trained personnel takes money. Training takes money. Rehabilitation rather than custodial care takes money. Getting patients out of hospitals and back home, or out into society with followup attention takes money.

Mr. Speaker, I might say it is cheap—dirt cheap—to have this patient out in society as a productive member of our community. This investment is worth every penny of it when viewed alongside the never-ending, ceaseless expense of custodial care.

Mr. Speaker, the States can no longer shoulder this burden alone. Even our wealthiest States are unable to bear this load. It is appropriate, therefore, that the Federal Government share this intolerable burden. It is particularly appropriate that we join with the several States in urging them to change the antiquated laws of a less perceptive age, to adopt the modern techniques, the methods, and most important, supply the care which will put an end to custodial hospitalization, and open the gates for the patients and their families to a useful life in the communities of our country.

The means are at hand. Last year Congress received its "Action Report for Mental Health" which was authorized in 1955. This is a tremendous work. It has such portent for the future of mental health.

Mr. Speaker, armed with this report, and as a result of firsthand, eyewitness observation of the forces at work today in mental health, the introduction of a suitable bill was my first priority for 1962. The revised version which I am introducing today is a good bill. I hope it will be a better bill as the experts from the country over get a look at it. I know it is a good bill because the experts in my State have had a large hand in formulating its provisions. There has been tremendous interest in the encouragement of modern methods, and in the sensitive balance between the Federal and State responsibility. In each case we have sought general criteria and standards which would give full play to initiative and leadership within the States, the counties, and the communities. To me this flexibility is most important, more important than the temporary gains from the stricter standards of Federal control.

Mr. Speaker, I hope the Department of Health, Education, and Welfare will take a good look at this revised bill. I hope that our House Committee on Interstate and Foreign Commerce under the able leadership of the gentleman from Arkansas [Mr. HARRIS] and the subcommittee under the leadership of the gentleman from Alabama [Mr. ROBERTS] will be able to consider it.

In this day we are deeply concerned about our legislative priorities. We are keenly aware of the budgetary priorities. This bill fits into that picture. It conserves productive life, and in doing just this it becomes sound economics, and a continuing sign of our humaneness. This combination of practicality and humanity are qualities which set our America apart and give to it its greatness. This bill is a step in that direction.

COMMENTS ON AMA NATIONWIDE TELECAST OPPOSING KING-ANDERSON HEALTH INSURANCE BENEFITS BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. KING] is recognized for 15 minutes.

Mr. KING of California. Mr. Speaker, on May 21 Dr. Annis, chief of the American Medical Association Speakers Bureau, appeared in Madison Square Garden in New York City on a nationwide television broadcast to present the reasons for the AMA's opposition to the King-Anderson bill. As usual, the major arguments against the bill were merely a restatement of the backward attitudes that have made organized medicine the traditional enemy of social security. Indeed the same objections—compulsory financing—taxes and no means test—to the King-Anderson bill, would also argue against unemployment compensation, workmen's compensation, public schooling, and virtually any Government program for the public welfare that does not subject Americans to the humiliation of a needs test.

Perhaps the AMA's lack of sincerity in presenting its many irrelevant and unfounded arguments against the bill was best shown when Dr. Annis promised his audience that he would read from the bill itself to document his allegations.

Dr. Annis proceeded to read a few words from the short title of the bill—not even the full title—and then reverted to the AMA's own peculiar view of what the bill provides. Not another word did he quote.

This tactic of avoiding the actual language and intent of the proposal has been standard procedure in the opposition's strategy to becloud the true purpose of the King-Anderson bill.

Mr. Speaker, I wish to have my comments on 35 of the AMA's allegations included at this point in the RECORD:

1. Allegation: American medicine has increased longevity by 10 years in the last 20 years.

Comment: The problem is that older people as a group can neither afford the high-quality medical care that is available to most other Americans nor adequate insurance protection against health costs. Americans can take pride in the fine medical care that is available in our country, but this pride becomes conceit when it blinds people to the harsh economic realities that deprive aged people of the benefits of good medical care. (Incidentally, Dr. Annis is in error as to the rate of increase in longevity in the United States; life expectancy has increased 6.6 years over the last 20 and 10 years over the last 30.)

2. Allegation: People are now treated by doctors as individuals but if the bill is enacted they will have to "come to us as numbers."

Comment: The allegation is just another slap at programs like social security and unemployment compensation in an attempt to undermine programs that pay benefits without a means test. The AMA allegation is similar to the one made in 1935 that social security numbers would mean employers would look on their employees as numbers. This hasn't happened after a quarter century has gone by, and it never will. Blue Cross policyholders are numbered. Do doctors treat them as numbers?

3. Allegation: The Kerr-Mills law works.

Comment: Only 24 States (and 3 territories) have any program for the medically indigent and almost 90 percent of the money being paid under the Kerr-Mills programs is spent in just four States. (Annis counted a total of 38 States but included those making changes in old-age assistance medical programs for the destitute, which were begun in 1950 and in which changes are made continuously.) The typical aged couple can reasonably expect about 5 hospital stays after age 65. Few can pay for so much illness from their own resources. Practically all the aged face the threat of loss of independence growing out of catastrophic illness before they die. Should they have nothing to turn to but public assistance?

4. Allegation: 53 percent of the aged have private health insurance; 80–90 percent will have it by 1970.

Comment: Very few of the aged have really satisfactory protection; they can't afford it. The 80–90 percent prediction for 1970 is even higher than a rosy estimate put out by the insurance industry. It seems to be Annis' own figure, although he credits it to actuaries. The figure is ridiculous considering that the aged who now have no insurance are the highest cost risks and those least able to pay for insurance. Half of those with insurance have Blue Cross, and Blue Cross says it can no longer afford to carry the aged at present prices. The proposed nationwide Blue Cross plans for the aged would raise premiums to $12 a month—2 or 3 times what the aged now pay.

5. Allegation: The social security retirement test is a means test.

Comment: The fact is that social security has no means test. Dr. Annis fails to understand that there is a world of difference between a means test and the provision in the social security law that requires that a person be substantially retired in order to receive full social security retirement benefits. Is Dr. Annis claiming that retirement is degrading? Does he know—of course he does—that people who receive social security are not asked how much money they have in the bank, what property or other possessions they have, or whether their children can support them? By contrast, a means test program requires investigation of all income, assets, and personal needs, and acts to classify eligible applicants as unsuccessful and a drain on the community, a drain the community often resents. Remember Newburgh and the city manager's reaction to means test recipients? The allegation that the social security retirement test is a means test is just another slap at programs like social security and unemployment compensation.

6. Allegation: Three million of the aged would not be protected.

Comment: Some of the 3 million not covered under social security would have protection under other Government programs. The others would be aided under the Kerr-Mills programs that the AMA wants for all the aged. In effect, the AMA says it is concerned about leaving some of the 3 million to the Kerr-Mills law but then recommends that the only help with medical costs that aged people should have should come through Kerr-Mills. The AMA would not favor the tried and tested social security methods for meeting health costs even if the proposed program covered all the people, all the aged people, or all or any part of any other group. All the AMA would accept is a means-test program or nothing at all, and of course the AMA has a long record that suggests that they would just as soon see nothing at all.

7. Allegation: The bill would destroy private insurance.

Comment: Why should voluntary insurance give up its profitable business for the 90 percent of the population that is under 65 and an opportunity to sell supplemental insurance to the aged group? Our 25 years of experience with social security is that supplemental protection has been sold very successfully and the same experience can be expected with a basic social security health insurance program.

8. Allegation: The rich would be covered.

Comment: True. In a democracy you don't set up separate programs for the rich and the poor. But the rich would not gain much under the proposed program. In the top income tax bracket, 91 percent of medical expense is taken as a tax deduction. From the standpoint of administering the program, putting in a means test to eliminate the relatively few aged with sizable incomes would be costly. The means test under Kerr-Mills programs costs about $40 per person each time it is applied, and some people must be tested several times. Covering the 5 percent or so of the aged with good incomes is a small price to pay to escape a means test. And, of course, the AMA's concern that social security benefits the few wealthy aged people is just another expression of the AMA's opposition to social security.

9. Allegation: The bill calls for a 17-percent social security tax hike for $5,200-a-year workers.

Comment: The fact is that the health insurance would cost an additional 10 perecnt for those with maximum covered earnings and still less for others. The rest of the increase is for higher cash benefits for the people who have annual earnings over $4,800. Even the total maximum increase of 17 percent in social security taxes is only about $2 a month—much less for people with lower wages.

The increase in contributions for health insurance is equivalent to 0.34 percent of covered payroll for employees (and employers). This amounts to $17.68 a year for workers with maximum wages. The payment under present law in 1964 would be $174—3⅝ percent of $4,800. The increase for health insurance is thus about 10 percent. There would be another $10 increase in contributions—the total increase under the bill would be $27.50—to cover the cost of the higher cash benefits payable because of the increase in the social security earnings base.

10. Allegation: The bill would establish special committees to approve stays in hospital.

Comment: Dr. Annis strongly implies a Government committee would have authority to pass on hospital admissions. This is false. The truth is that the only utilization review is by committees of doctors of the hospital providing the services. There would be no Government participation. Such committees have already been recommended by medical associations in West Virginia, Colorado, Pennsylvania, and elsewhere, and are now being considered by the American Hospital Association as a condition for accreditation. If the bill did not provide for such committees, Dr. Annis would no doubt object on that ground.

11. Allegation: Doctor bills and drugs outside hospital are not covered under the proposed program.

Comment: This is in line with Blue Cross coverage. The bill leaves plenty of room for private effort. Dr. Annis' argument is not a real objection; the AMA would oppose any package of benefits if they could be earned through social security.

12. Allegation: Government would move into the hospitals.

Comment: The bill gives Government no more authority over hospitals than Blue Cross now has. Doctors and hospitals will still decide what patients to admit and what patients to discharge. Physicians will still decide what treatment to give. All Government would do is meet the cost of the health services defined by the law after they are given to the patient.

13. Allegation: Kerr-Mills law takes care of the needy, and not the greedy.

Comment: The assertion implies that any program that has no means test is only for greedy people. Does Dr. Annis also believe that people getting the benefit of public education, social security, unemployment compensation, and many other programs for public protection are also greedy?

14. Allegation: No one will tell how the campaign for the proposal is being financed.

Comment: The Madison Square Garden rally was sponsored by the National Council of Senior Citizens and a $1 admission charge was made. This organization is financed through contributions and gets no help from the Government.

Organized medicine has apparently spent much more for the full-page advertisements, radio spots, etc., that have been appearing throughout the country. I would imagine that this advertising campaign bulks quite large in the budget of organized medicine.

15. Allegation: Those who favor the bill are trying to convince Americans that it offers the only program of medical care for the aged.

Comment: The Kerr-Mills program of medical assistance to the needy owes what little success it now enjoys to those States with a leadership that favors the addition of health insurance to social security. This is shown by the fact that 90 percent of the Kerr-Mills payments are being made in just 4 States and each of these States has a Governor who favors health insurance for the aged under social security. The same people who favor the health insurance for the aged proposal favor good public welfare programs.

Dr. Annis' State (Florida) has not enacted medical assistance for the aged legislation and has a weak medical aid program for its old-age assistance recipients. His State has the most strict residence requirement permitted by Federal law—5 years out of last 9.

Why isn't Kerr-Mills more successful? The plain truth is that if public assistance programs were really to meet the health needs of the aged people who cannot pay their medical expenses, expenditures for health care would have to be increased to $1.5 billion a year.

This is about three times as much as is now being spent on medical care for aged people under both the old age assistance and medical assistance for the aged programs. State and local taxes in many parts of the country seem to have already approached the outer limits of practicability and painful searches for new tax sources have met with frustration.

16. Allegation: To show how successful the Kerr-Mills legislation has been, Dr. Annis showed an interview with a woman from Michigan who told how she has been helped by Kerr-Mills medical assistance to the aged.

Comment: Michigan is one of the very few (not over six) States with a program providing anything like reasonable benefits. Only 24 States and 3 territories have programs, and even after satisfying a means test in these States a person may get almost no benefits. For example, only 6 days of hospitalization are covered in one State. Another State only pays for hospitalization where life-endangering and sight-endangering conditions are involved. Crippling disease isn't serious enough to be covered considering the financial difficulties facing that State.

17. Allegation: Further hospital benefits would not be paid for 90 days after a patient leaves the hospital or nursing home.

Comment: This is true only if the patient has just had many days of hospital and nursing care paid for under the program—e.g., 90 days of hospital care. Only about 5 percent of the aged people who are hospitalized stay more than 60 days. Even the rare one who stays 60 days in the hospital and then has a relapse can have an additional 30 days of hospital care paid for no matter how soon the relapse occurs. Of course, after 90 days outside the hospital the patient regains eligibility for the full 90 days of hospital coverage. The hospital coverage of the bill is more generous than practically all of the health insurance plans available to the aged and almost all the Kerr-Mills programs.

18. Allegation: The bill would only pay for the drugs the Government approves of.

Comment: This is not true; there would be no Government-approved list of drugs. The bill states specifically that payment would be made for any kind of drug that is listed in any of the three national, professionally controlled drug formularies. The medical profession adds new drugs to these listings and takes old drugs off the lists as well. Is there a better way to avoid Federal control and at the same time assure that quack drugs would be avoided?

19. Allegation: To get into a nursing home you would first have to go to the hospital.

Comment: Admissions to nursing homes will remain matters to be settled by the patient, doctor, and nursing home. It is true though that nursing home benefits would be paid only after transfer from a hospital. This is because the nursing home coverage is intended to provide a convalescence benefit. Most Blue Cross contracts do not cover nursing home services at all. Would the AMA support the bill if nursing home coverage were made broader, or narrower, or modified some other way? Of course not.

20. Allegation: The bill would bog hospitals and doctors down with redtape.

Comment: Redtape is an expressive term but, as in this instance, it is sometimes used to cover up one's fuzzy knowledge. Arrangements for administration would be much the same as those now accepted for Blue Cross. I might add that the social security program is now administered with far less redtape than many private insurance plans and the same is planned for a social security health insurance program. The means test programs that the AMA wants to substitute for social security get involved with complete investigations of all the applicant's personal affairs.

21. Allegation: The proposal would put Government into the teaching of medicine.

Comment: The proposed program would pay hospitals for the cost of the services that residents and interns furnish for beneficiaries when the residents and interns are under a teaching program "approved" by a recognized national body. The AMA is the only organization that approves these programs for future doctors now; the provision was drawn so that fullfledged salaried doctors would not be covered and so that the AMA could decide what doctors were in medical teaching programs. We will be glad to write out "AMA-approved" in big bold letters in the bill if the AMA is afraid a competing organization will some day be established. Would the AMA then approve the bill?

22. Allegation: There would be a Federal budget set up for hospitals.

Comment: The administration's bill would not give the Government authority to establish budgets for any hospitals. The Government would pay each hospital what it costs it to furnish covered services to beneficiaries, and the costs would be determined in accordance with principles developed by the American Hospital Association. No budgeting is involved.

23. Allegation: Voluntary insurance offers benefits to meet the full range of an individual's health needs.

Comment: It is regrettable that very few aged people can afford the extensive health insurance coverage that is possible under voluntary insurance. However, with basic health insurance coverage under social security, older people would only need to buy supplemental protection, and really adequate protection would no longer be wishful thinking but instead a practical possibility.

24. Allegation: The AMA has never tried to tell doctors how to think on issues not relating to health.

Comment: The AMA's irresponsible charges about the social security program of cash benefits for the retired, the widowed, disabled, and the orphaned have been drummed into doctors in the past in the same way the AMA now uses most of the same arguments in the desperate hope that it can defeat the President's health insurance proposal. The AMA has used similar one-sided presentations when discussing other social issues.

25. Allegation: Doctors now make decisions about patient care that are based on the patient's medical needs and nothing else.

Comment: This argues that patients are always referred to the best hospital and most skilled specialist if the patient's condition calls for that without regard to income. Is it not obvious that poor people are sometimes treated by interns and residents and often in poor county hospitals and even in unsafe nursing homes? The reason many of these people are not getting the quality of care that they need is that they can't afford it. The President's health insurance measure would make older people better able to get the high-quality health care that is now available to most others.

26. Allegation: To get into a hospital you would have to apply in writing and get the certification of a doctor.

Comment: The hospital admission procedure would be the same after enactment of the bill as it is today. The doctor would refer you to the hospital and the hospital would admit you. The doctor's certification that the hospital care is needed is required for every health insurance policy on the market. It's just a statement that shows the insurer that you needed the hospital care for which health benefits are claimed.

27. Allegation: Social security isn't insurance.

Comment: This allegation is just another attempt to undermine confidence in the social security program. As the AMA knows, the Supreme Court stated (*Fleming* v. *Nestor* case, June 20, 1960):

"The social security system may be accurately described as a form of social insurance, enacted pursuant to Congress' power to 'spend money in aid of the general welfare.'

"The interest of a covered employee under the act is of sufficient substance to fall within the protection from arbitrary governmental action afforded by the Due Process Clause."

The characteristics that make social security a form of insurance include: (1) the program spreads the risk; (2) the covered risks are insurable; (3) the timing of the occurrence of the risks, and the situations in which they occur, show wide variance among the insured group; (4) the cost of meeting the risks is actuarially evaluated; (5) contributions sufficient to cover this cost are provided for; and (6) benefits are paid from those contributions on a predetermined basis.

28. Allegation: Proponents of the administration's bill that would provide health insurance for the aged under social security have England's nationalized medicine in mind for the United States.

Comment: Does the AMA mean the President has this in mind? The President has nothing of the kind in mind. Does the AMA mean that the congressional sponsors of the bill have this in mind? Nothing could be further from the truth. Does the AMA mean the hundreds of Congressmen and Senators who are going to vote for the administration's bill? No. Whose minds has the AMA been reading? Not the President's certainly, not the Congress', either, and never the public's. The only way nationalized medicine could be provided in this country is through congressional action and Presidential signature.

29. Allegation: The bill wouldn't cover private duty nursing costs in a hospital.

Comment: That is true and I don't think you will find many Blue Cross plans that cover these services either. The reason is that private duty nurses serve special needs and are not an appropriate part of a basic benefit. If private nursing services were covered by the bill, the AMA would probably argue that they should not be covered. The AMA does not want health insurance for the aged under social security regardless of what services are proposed.

30. Allegation: The Government would stand between the doctor and his patient.

Comment: Absolutely false. There is nothing in the bill that would change the relationship between a doctor and his patient. The Government would pay part of the hospital bill of the patient and that's all it would do. The doctor and the patient would be freer to deal with each other with less concern for economic consequences.

31. Allegation: There is a $20 deductible on outpatient diagnostic services.

Comment: True. The idea is to give protection against expensive diagnostic workups and not pay for each small expense. Would the AMA be for the bill if this deductible were reduced or eliminated?

32. Allegation: The quality of medical care will be lowered.

Comment: The way doctors practice medicine would, under the King-Anderson bill and every other bill that is before the Congress, be left fully in their hands. Under the King-Anderson bill, hospitals and nursing homes would have to meet at least minimum requirements. If anything, the bill would encourage an increase in the quality of service provided the aged. Also, since it would provide more adequate financing of health costs, the bill would make possible better care in better facilities. There is no evidence or any reason to believe that anything but better care would result.

33. Allegation: The availability of hospital services will be lowered.

Comment: The more adequate financing of hospital care would permit an improvement in the availability of adequate services not only for the aged but for all. Many hospitals give free care; many are reimbursed by public assistance for only part of the cost of the services to hospitalized indigents. When services are not completely paid for, it is difficult for hospitals to make ends meet, much less finance improvements.

Overuse of hospitals would be no more of a problem than under Blue Cross. Care would be paid for only if a doctor certifies that the care is necessary; stays beyond 30 days would be paid for only if reviewed by a committee of doctors on the hospital staff. Further, reasonable substitute services—convalescent nursing home, hospital outpatient diagnostic services, and home health services—would be covered.

34. Allegation: Doctors are not set against the King-Anderson bill because of some fear of fee regulation; doctors aren't even covered by the bill.

Comment: It is clear though that the AMA's great fear—groundless though it may be—is that doctors' fees will be covered in the future. Perhaps a vested interest in their fees is the basis for the AMA's position. Dr. Annis protests too much to the contrary. The AMA's record on past proposals that were enacted for the public good makes it hard to believe that the AMA is as unselfishly devoted to public welfare as its propaganda suggests.

35. Allegation: The bill wouldn't cover people under age 65.

Comment: As has been clear from the beginning, the administration's proposal is one to provide health insurance for people age 65 and over. Those under 65 do not as a group have the health cost problem that older people face. The proposal would deal only with a group which has a serious problem. The aged have higher health costs—because they are in poorer health and require more care—than the rest of the population and therefore can get private insurance only at high cost. The aged have less income than younger people and they are much less able to meet their health insurance needs than are younger people. A much smaller proportion of the aged than the young have health insurance. There are no immediate prospects for substantial improvement in the income of the aged. A younger person may recover from an expensive illness and repay his debts for care. But once an older person is wiped out by an expensive illness, he can never expect to restore his finances. The absurdity of the AMA position is clear when on the one hand they oppose the proposal because they are (unwarrantedly) afraid that the bill will be extended to cover people under 65 and on the other hand imply that the bill is unsatisfactory because it does not cover people under 65.

TRIBUTE TO HON. HALE BOGGS, OF LOUISIANA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. WALTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WALTER. Mr. Speaker, occasionally, it seems appropriate to single out one of our colleagues who through the years has been especially vigilant in protecting America against all her enemies. The United States owes an eternal debt to these Members of Congress who battle unflinchingly those attempting to destroy our Nation's dreams, her liberties, her unique way of life.

Such a man is HALE BOGGS, our distinguished Representative from Louisiana. For more than 20 years, he has fought unswervingly to halt the spread of Communist imperialism and to rid this Nation of Communist dupes and spies plotting to overthrow our Government. Since he first came to Washington in 1940, HALE BOGGS has recognized the inherent dangers of communism. His speeches and writings have warned us of Communist treachery; his efforts to secure adequate protective legislation have greatly helped the United States to defend herself; his vote in the House of Representatives has been cast against the Communists more than 150 times, while not once has he cast a vote that could be construed as "soft" on communism.

Let me briefly outline just a few of the highlights from the brilliant career of HALE BOGGS as it relates to his struggle against communism:

First. As early as 1941, when HALE BOGGS was the youngest Democratic Member of Congress, he was prophetic in warning against the United States becoming overly involved in the defense of Russia.

> I believe the United States should act with care and caution before giving any aid to Russia under the provisions of the Lend-Lease Act.

He said:

> The strange position of Communist Russia as an ally of democracy is hardly less ironic than the invasion Stalin has suffered at the hands of his erstwhile friend, Hitler. Russia today happens to be an ally of democracy only because Germany is invading her wheat and oil areas. Stalin and his stooges change their politics with lightning suddenness to suit the best interests of Russia.

Second. HALE BOGGS has always voted to maintain a strong U.S. defense and has supported all national security appropriations bills. In 1941, barely 4 months before the outbreak of World War II, it was his vote for the extension of the Draft Act which passed the House, 203 to 202, which kept the American Army intact. Upon returning to Congress in 1947, after 3 years in the Armed Forces, he cautioned Congress against imprudent disarmament.

> It comes at a time when aggressive and expansionist Russian ideology directed by the Red rulers of the Kremlin is on the march everywhere in the world.

He said—

> It goes out as a message to the world that we are back on the way to stupid, ill-advised, ill-conceived disarmament, and that the beautiful, hopeful dream of peace may not be realized.

Third. Hale Boggs' well-known record in support of an economically strong Europe standing against communism dates back to the turbulent years following World War II. It was his work which pointed the way to the Marshall plan, to NATO, and ultimately to a united Europe which now stands as the greatest bulwark against communism outside of the United States. As early as 1947, he wrote:

> As time goes by, the deterioration of Europe into a chaotic condition is bringing about just exactly the situation which will be most welcome to communism.

That same year, in addressing the House of Representatives, he stated:

> If we decide that what happens in the rest of the world is of no concern to us, then the Communist rulers in the Kremlin, just as the madman in Berlin of 1939, will decide that the Western democracies are weak, and can be conquered by the same techniques of propaganda and boring from within as were employed by Hitler. To compromise with communism is to compromise with an essential evil. It is more possible to compromise with cancer or tuberculosis. While we must oppose Russian expansion and while we must fight communism on every front, we also must put forward a positive program of democracy.

Fourth. He has always believed the free world's best defense against the Communists is firmness and strength. Of Russian efforts to strangle us out of Berlin in 1948, Hale Boggs said:

> It is essential that we stay in Berlin. If we abandon Berlin, soon we must abandon Germany and then all of Europe.

Later he noted:

> We will never achieve peace by appeasement * * * America's policy of firmness and preparedness is absolutely vital to the security of our Nation. * * * If the people get the notion that Europe is none of our business, they are inviting the suicide of our country.

He firmly supported additional U.S. aid to Korea in January 1950. Six months later the need for that aid was undeniably proved. When the Communist North Koreans poured into South Korea, Mr. Boggs commented:

> Were we to abandon Korea, we would next lose Indochina, then India, the Far East, then all of Western Germany. We would be forced into a war with the resources of the world gathered against us.

Fifth. Hale Boggs was among the first to recognize the danger of communism in Latin America. In one of his most eloquent speeches before the House of Representatives, in 1956, he outlined a plan for halting the spread of communism in Latin America—2 years before Fidel Castro came to power in Cuba. If enough people had heeded his warning, there would have been no Castro.

> There is a clear pattern for the mode of Communist penetration [in Latin America]—

He said—

> That pattern is the result of a combination of activities on the part of official representatives of Communist states and at the same time of local parties and front organizations. The whole apparatus of penetration is geared to the exploitation of national problems in such a fashion as to gain local support for some phase of Russian policy. The very real economic problems of the underdeveloped Latin American States, with their domestic and international implications, offer a fertile field for Soviet-directed activity. The Communists present themselves in the South American Republics as truly concerned with the national interest of each Republic, as truly "patriots" interested in forming broad coalitions against "foreign" imperialistic domination. Thus the Communists attempt to capitalize on two existing facts of political life in Latin America: strongly awakened nationalism and the not so latent historical antipathy to the Colossus of the North.

Sixth. As one who has long recognized the internal dangers of communism, Hale Boggs has been a consistent supporter of the House Committee on Un-American Activities, of which I have the honor to be chairman. Ever since he has been in Congress he has voted for every extension of the life of the committee, and has voted for all the money needed for the committee to do its work effectively. As a freshman Member in 1941, he first sponsored the law to greatly curb subversive activities by Communists and Nazis. After the war he introduced legislation aimed at flushing the Communists from our labor unions. He was a sponsor of the law requiring the registration of Communist-front organizations, requiring the Attorney General to compile and maintain a list of subversive organizations, providing the detention and prosecution of Communists and former Communists and providing that peacetime espionage may be punished by death, which is the Subversive Control Act of 1950. He was a strong advocate of the Communist Control Act of 1954, which outlawed the Communist Party. He has staunchly opposed every suggestion that Communist China be admitted to the United Nations. He was one of the few Members of Congress who pointed out that Khrushchev would use his visit to the United States for Communist propaganda and opposed the visit. He sponsored the resolution condemning the Soviets for their bloody suppression of the Hungarian freedom fighters in 1956.

In 1954, the late Speaker Sam Rayburn, former Republican Speaker Joe Martin, and myself had occasion to say:

> We are happy and proud to attest to the devotion to our country throughout his life of the Honorable Hale Boggs, both in and out of the armed services; and to attest to his consistent and active record at all times against communism.

Seventh. In 1959 Hale Boggs made an inspection trip of Asian and Middle Eastern countries where he was appalled at the success of Communist propaganda. Upon his return, he warned the American people that they must counter this propaganda, and he sponsored a bill releasing counterpart funds in that part of the world to conduct a massive educational and informational drive promoting the free way of life.

Eighth. On February 12, 1962, the Honorable J. Edgar Hoover, Director, Federal Bureau of Investigation, wrote Congressman Boggs:

> My associates and I are particularly grateful to you and your colleagues who have actively supported the work of the FBI in the field of internal security over the years.
>
> Too many self-styled experts on communism, without valid credentials and without any access whatsoever to classified factual data regarding the inner workings of this conspiracy, have engaged in rumormongering and hurling false and wholly unsubstantiated allegations against people whose views differ from their own. This is dangerous business. It is divisive and unintelligent, and makes more difficult the task of the professional investigator.

In view of the long-continued fight of our colleague, Hale Boggs, against the Communist conspiracy, I wanted to call his outstanding record for America to the attention of the House.

FDIC MEMBERSHIP FOR FOREIGN BANK BRANCHES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MULTER. Mr. Speaker, I have introduced today a bill to amend section 3 of the Federal Deposit Insurance Act to include within the definition of "State banks" branches of foreign banks authorized under State law to accept deposits.

I am confident that this proposal will meet with general approval. I can foresee no objection to it. Branches of foreign banks when permitted to operate in various States are subjected to the same laws and are regulated in the same way as are other banks in those States.

That being so, they should be permitted, if they can qualify, to insure their customers accounts under the provisions of the Federal Deposit Insurance Corporation Act. Insurance of their accounts will subject them to the supervision of a Federal agency which should strengthen the entire system. This will be accomplished without any expense to the taxpayer because FDIC operates without appropriated funds. The entire cost is paid by the private banks.

This is a good bill and I hope that the Congress will have the opportunity to act on it in the near future.

ADM. ALFRED C. RICHMOND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. Alexander] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I am delighted to have the honor to commend my warm and personal friend Admiral Richmond upon his retirement as Commandant of the U.S. Coast Guard.

Under the leadership of Admiral Richmond, the Coast Guard has made great progress in all fields of their statutory responsibilities. The Coast Guard is the major maritime law-enforcement and safety organization of the Federal Government. The following represents brief summation of progress:

First. In the aids to navigation field modernization of aids and improvement in such areas as replacing lightships with permanent offshore structures as well as experimentation with use of nuclear power for buoys. Also in the aids to navigation field, the Loran program has been expanded.

Second. The enforcement of the Federal Boating Act of 1958 as well as education of the general public to the dangers inherent in small boating. Mobile boarding teams proved greatly advantageous in this field.

Third. The building program at the Coast Guard Academy is in the throes of modernization and improvement. A Reserve training center for the purpose of education and training of Coast Guard reservists has been established at Yorktown, Va.

Fourth. Coast Guard has been increasingly advancing in the international field particularly in the maritime area. Admiral Richmond has served as principal delegate to assemblies of the Intergovernmental Maritime Consultative Organization, at meetings of the Safety of Life at Sea Conventions, and the meetings of the International Association of Lighthouse Authorities.

Fifth. In summation, under Admiral Richmond's leadership, the firm establishment of the U.S. Coast Guard as the prime maritime safety and law-enforcement organization both in the United States and internationally has been firmly carried out.

Since Admiral Richmond's graduation from the Coast Guard Academy in 1922 as senior man in his class his accomplishments and service have been outstanding and are well known to all of us. Especially has Admiral Richmond been active since 1959 in international affairs particularly in the maritime field for which he has received worldwide recognition.

I wish for Admiral Richmond a long and continued successful and happy life and am proud to count him among my closest and dearest friends.

THE RUSK LETTERS—ADDITIONAL EVIDENCE FOR A SPECIAL HOUSE COMMITTEE ON CAPTIVE NATIONS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, over the past year a heavy amount of evidence has been offered to show why the formation of a Special House Committee on Captive Nations is a necessity. But I believe there is no single piece of evidence that justifies more the necessary existence of such a committee than what has come to be called the now famous Rusk letters.

The incredible errors and misjudgments committed by the Secretary of State in his two letters to the distinguished chairman of the Rules Committee are about the most conclusive evidence that one could have in substantiation of the numerous resolutions calling for a Special House Committee on Captive Nations. Much is being written today about these injudicious letters, and I trust that the members of the Rules Committee have carefully studied these letters and the criticism made of them. The committee called upon the Department of State for an opinion on the captive nations resolutions and received a reply which betrays a fundamental lack of knowledge regarding the captive nations in the Soviet Union.

To our many Members who have been patiently awaiting a favorable report on this proposal from the Rules Committee, I strongly urge you to study these two Rusk letters and the analyses made of them. You will now appreciate more than ever one of our fundamental arguments for a Special House Committee on Captive Nations—that is the tremendous service we in this legislative body can make in behalf of our own Department of State and other executive agencies.

Mr. Speaker, the two Rusk letters are published in full in an editorial analysis which appears in the winter issue of the authoritative journal the Ukrainian Quarterly, and I wish to have this editorial, titled "The Rusk Letters," printed at this point in the RECORD:

THE RUSK LETTERS

The Rusk letters are now a topic of considerable interest and discussion in quarters concerned with the substance and directions of U.S. foreign policy. Officials in the diplomatic colony in Washington are attempting to assess the contents of these letters in terms of our relations with the Soviet Union. Scholars in our universities have been inquiring into their background and the causal reasons for their preparation and dispatch. And private citizens in many sections of the country have been writing directly to the Department of State in search for further explanations of the contents of the two letters.

Since the two letters sent by Secretary of State Rusk to the Rules Committee in the House of Representatives have stirred up this widespread interest, it can be safely held that much will be written and said about them. The letters bear on the subject of captive nations, and all Americans who are involved in this subject, will assess the administration's position regarding it in the light of these communications. They also affect the proposal for a Special House Committee on the Captive Nations. In this year of congressional elections the letters will inevitably be discussed if no such committee is established. The letters have been instrumental in delaying positive action on this measure.

A BRIEF BACKGROUND TO THE RUSK LETTERS

In view of the effects and ramifications of the significant Rusk letters, a brief background to them is in order. The letters themselves came into being as a result of the concentrated action in the first session of the present 87th Congress for a Special Committee on the Captive Nations. In March 1961 the original measure proposing this was submitted by the Honorable DANIEL J. FLOOD, of Pennsylvania. Soon thereafter, 39 similar or identical resolutions were offered.

Two months later the chairman of the House Rules Committee, the Honorable HOWARD W. SMITH, called for hearings on the proposal. Proponents of the measure appeared in open hearing and accredited themselves with a strong case for approval. Those who for one reason or another oppose a special committee never made their appearance before the committee. Later in May the Republican congressional policy committee placed itself on record in full support of a special committee.

As popular support for the proposal grew, efforts increased in Congress for a favorable reporting of the measure by the Rules Committee. During the observances of Captive Nations Week in July, for instance, the formation of a Special Committee on the Captive Nations was highlighted as the first concrete official implementation of the Captive Nations Week resolution which Congress itself passed. Maneuvers were then resorted to in the hope of delaying any action on the proposal.

One maneuver was to plan for further hearings that would afford opponents the opportunity to state their case. Of course, they had previous opportunities to do this. These additional hearings never took place. Then, by the beginning of August, a second maneuver was initiated to table the measure. A motion was made to this effect in the Rules Committee and was defeated.

In this strategy of delay and postponement the third maneuver led to the first Rusk letter. The maneuver called for an opinion on the project by the Department of State. It was generally known that the Department looked upon the special committee proposal with a jaundiced eye, but in the interest of delay and postponement this step was urged. A countermotion was offered and carried to have a departmental representative in person before the Rules Committee. This never came to pass. Instead, Secretary of State Dean Rusk chose to respond to the committee's invitation by way of a letter.

The first Rusk letter

Dated August 22, 1961, and addressed to the Honorable HOWARD W. SMITH, the letter reads as follows:

"DEAR MR. CHAIRMAN: I appreciate the opportunity offered in your letter of August 9 to comment upon the proposed establishment of a special committee on the Captive Nations as called for in House Resolution 211.

"I have carefully considered the possible role of such a committee in our continuing efforts to deal with the major foreign policy problem represented by the Soviet dominated areas. I have reluctantly concluded that the formation of such a committee would not be helpful.

"As a U.S. Government seeks to deal with the threat posed by recent Soviet actions concerning Berlin, it is of utmost importance that we approach any consultations with our allies or negotiations with the Soviet Union in an atmosphere which best lends itself to an acceptable settlement. In this context, I believe the establishment of such a committee at this time would likely be a source of contention and might be taken as a pretext for actions by the Soviet Union which would interfere with the resolution of the present crisis concerning Berlin.

"The position of the U.S. Government in refusing to accept the status quo of Soviet domination over other countries within the Soviet bloc as a permanent condition remains clear and firm. This Government has consistently recognized and upheld the right of these peoples to national independence, to governments of their own choosing, and to the enjoyment of fundamental human rights and freedom. The interest of the U.S. Government in their cause is deep and abiding and the Department of State has given constant attention over the years to policies and courses of action designed to convey this interest to the peoples of these areas.

"The study of the problem of these peoples has long been a major preoccupation of both governmental and nongovernmental experts, and of the regularly constituted and other committees of the Congress.

"The President and I have both expressed the conviction that a final settlement of the problem of Berlin, of Germany and of Central Europe must take account of the right of self-determination of the peoples concerned. However, the U.S. Government's position is weakened by any action which confuses the rights of formerly independent peoples or nations with the status of areas, such as the Ukraine, Armenia, or Georgia, which are traditional parts of the Soviet Union. Reference to these latter areas places the U.S. Government in the undesirable position of seeming to advocate the dismemberment of an historical state.

"Let me emphasize that our judgment concerning H. Res. 211 is based upon thoughtful consideration in the light of the complex situation which we face and will continue to face in the coming months.

"I hope that you will let me know if I can be of further help to you.

"Sincerely yours,

"Dean Rusk."

A careful analysis of this unusual letter serves only to reinforce the demand for a Special House Committee on the Captive Nations. Regardless of the actual authorship of this letter, the Secretary realized this when public disclosure of such an analysis prompted him to send a second letter to the chairman of the Rules Committee. As we shall see, this didn't help either.

The critical reader cannot but take serious note of the following points in this first letter. With the Berlin crisis underway the Secretary expresses concern over the prospect that Moscow would not react favorably toward the creation of a special committee. This would be true in any circumstance since the prime objective of such a committee would be to fix the spotlight of world attention on Soviet Russian imperialism and colonialism. It is strange, indeed, that even in the pursuit of facts and truth for popular enlightenment within the United States itself we have to predicate our supposedly sovereign actions on the feelings of colonial Moscow. Moreover, it failed to occur to the authors of this letter that our determination to investigate all the captive nations would be another effective weapon to deter Khrushchev from any rash deeds about Berlin. From every viewpoint the occasion was seized upon as an excuse for not acting "at this time."

Second, the Secretary's allegation that both governmental and private sources have long been studying this subject in the manner advocated by House Resolution 211 is simply not in accord with fact. Quite specifically, he was publicly challenged to produce any comprehensive study on Soviet Russian economic colonialism within the U.S.S.R. To this day he has avoided the challenge. The fact is there is none. The same can be said for other fundamental topics bearing on the captive nations. In addition, his allegation missed one of the basic arguments for a special committee in this regard, namely a thorough, systematic study of every captive nation for popular consumption and understanding both here and abroad. What impact on the thought and consciousness of the average American, be he worker or student, have the intermittently written and oftentimes unknown studies of a few specialists? It would seem that the State Department is fearful of having methodic factfinding studies on the captive nations brought to the attention of the American people.

Third, there is good cause for this fear when one reads about our Secretary of State characterizing Ukraine, Armenia or Georgia as "traditional parts of the Soviet Union" and then, of all things, suggesting that a contrary thought would place "the United States Government in the undesirable position of seeming to advocate the dismemberment of an historical state." In this one statement the Secretary revealed a number of things. The well-substantiated independence drives of Ukraine, Armenia, and Georgia, not to mention other non-Russian nations in the U.S.S.R., are of no importance to State's policy planners. Moreover, on the face of this statement, we have the ridiculous notion expressed that the Soviet Union, barely in existence for 40 years, is "an historical state." If, logically, we give the Secretary the benefit of doubt on this statement, so that the U.S.S.R. is properly viewed as a continuation of the old Russian Empire, his difficulty is compounded. On this ground, what he in effect is saying is that the Russian Empire in its present guise must not be dismembered.

The dead alley into which the Secretary drove himself with this letter can be no one's gain except Moscow's. The letter contradicts President Kennedy's many declarations on supporting "the just aspirations of all people for national independence and freedom." It also contradicts the Captive Nations Week resolution passed by Congress. Not only this, his views are completely out of line with our own revolutionary American tradition. Also, when these views are compared with the position taken by the United States in the United Nations on the Portuguese Angola issue, the incongruities and inconsistencies of our official thinking become even more glaring.

THE STEVENSON INTERLUDE

In terms of time sequence it is most significant that soon after the incredible contents of Rusk's first letter were made public, our Ambassador to the United Nations, Adlai E. Stevenson, released a letter-memo to delegations in the U.N. which in every respect was unique and unprecedented. Dated November 25, 1961, this letter-memo bore heavily on Moscow's imperio-colonialism and cited fact after fact about this system in the Soviet Union itself. In short, the revealing contents of the Stevenson letter-memo also stand in sharp contradiction to the notions expressed in the first Rusk letter.

One need just scan some of these contents to appreciate the blatant contradictions. On the matter of national self-determination, Stevenson cites the record of Soviet Russian colonialism and imperialism. "An independent Ukranian Republic was recognized by the Bolsheviks in 1917, but in 1917 they established a rival Republic in Kharkov. In July 1923, with the help of the Red army, a Ukrainian Soviet Socialist Republic was established and incorporated into the U.S.S.R." On the fate of Georgia, Stevenson observes, "In 1921, the Red army came to the aid of Communists rebelling against the independent State of Georgia and installed a Soviet regime." With regard to the other so-called traditional part of a historical state, Armenia, our U.N. Ambassador remarks, "In 1920, the Soviet Army invaded, and Armenian independence, so long awaited, was snuffed out."

The Stevenson memo was a most welcomed one. On record, it was the best yet given by any of our Ambassadors to the United Nations. However, how does one account for the obvious discrepancies and disparities of thought and conception existing between Stevenson's memo and Rusk's first letter? If anything else, they show a lack of unity in expressions of U.S. foreign policy toward the U.S.S.R. They may also indicate the rivalry that is known to exist between Stevenson and Rusk. Regardless of the causal explanations, they substantiate further the need for a Special House Committee on the Captive Nations.

The second Rusk letter

Following these interesting developments, a second letter was sent by the Secretary of State to the Honorable Howard W. Smith, chairman of the House Committee on Rules. Dated December 27, 1961, the letter reads as follows:

"Dear Mr. Chairman: It has come to my attention that certain passages in my letter to you of August 22, 1961, concerning the proposed establishment of a special committee on the Captive Nations have been cited as evidence that this Government is reducing its support for the national aspirations of the minority peoples of the U.S.S.R.

"There is no change in the U.S. Government's long-established policy toward the peoples of the U.S.S.R. As in the past, the U.S. Government continues to support the just aspirations of all the peoples of the U.S.S.R., without attempting to prejudge the political arrangements which might be preferred by those peoples if they were free to choose them.

"My letter of August 22, 1961, did not signify any change in this policy, and the present letter is designed to reaffirm our continuing policy as set forth above. The Department plans to respond to any further inquiries about the matter by stating that the Committee has been informed to this effect.

"Sincerely yours,

"Dean Rusk."

From a careful reading of this letter it appears that every new communication sent by State to the Rules Committee only furnishes more evidence and ammunition for the proponents of a Special Committee on the Captive Nations. One, the false notion that the captive non-Russian nations in the U.S.S.R. are merely "minority peoples of the U.S.S.R." again suggests a poor level of knowledge and understanding with respect to those nations. Stevenson's letter-memo validly recognizes them as nations with statehoods destroyed by imperialist Soviet Russia; Rusk sees them as "minority peoples," kin members of a given nation and country but in the minority.

According to Rusk's untenable logic, if—like Lithuania, Ukraine, Georgia, Armenia, and other non-Russian states—Poland were forcibly incorporated into the U.S.S.R., the Polish nation would undergo a transformation into a "minority people." By this reasoning even our own country would be converted into the status of merely a "minority people" if, by surrender or otherwise, we were forced into a World Union of Soviet Socialist Republics. The reductio ad absurdum of this line of reasoning is reached when one raises the pertinent question, "Who constitutes the majority?" On the level of national entities, not to speak of population statistics, the Russians are definitely in the minority in the U.S.S.R.

What is amazing, too, in this cold war of ours is the extent to which we accommodate the avowed Muscovite enemy by our falacious commissions or omissions. We are supposed to be winning the minds and hearts of all peoples and nations in the cause of freedom and our own survival. Yet one finds colonial Moscow rarely, if ever, employing the fictitious term "minority peoples" with reference to the non-Russian nations in the U.S.S.R.; but our Department of State, as though seeking not to befriend the nations immediately bordering our enemy, would not recognize their nationhood, not to speak of their nominal statehood. If this isn't an irony, and perhaps more, that deserves investigation, one cannot find anything comparable to it today.

Moreover, it is a source of bewilderment to many observers that the Secretary of State should address himself to the Rules Committee on the subject of "the U.S. Government's long-established policy toward the peoples of the U.S.S.R." Such policy matters belong within the jurisdiction of the House Foreign Affairs Committee. This long-established policy bears no direct relationship to the proposal for a Special Committee on the Captive Nations now before the Rules Committee. Judging by the complete vagueness of the statement of this policy in Rusk's second letter, it may be most constructive to have an inquiry into it by the Foreign Affairs Committee.

From all of this it should be quite evident that the State Department fears the creation of a Special Committee on the Captive Nations. It fears the factual findings of such a committee which would throw a light on the limitations and fictions of the Department's research and other branches as concerns the U.S.S.R. It fears a congressional check on its policy thinking and policymaking with regard to the U.S.S.R. Above all, it seems to fear the impact such a committee would have on the American people. The Rusk letters certainly are the evidence of all this and more.

FOURTH MANEUVER: CONGRESSIONAL WHITEWASH

Currently a fourth maneuver is underway to sidetrack the issue of a Special Committee on the Captive Nations. Suddenly the subcommittee on Europe in the Foreign Affairs Committee decided to hold hearings on the captive nations. Witnesses are being called in at random to give testimonies on present developments in some of the captive nations. The obvious aim of this maneuver is to detract from the movement for a special committee and also, in this year of congressional elections, to rationalize before the electorate that, after all, something was done about the captive nations.

This maneuver won't work for several good reasons. First, one needn't play up the fact that the State Department has shown a most cooperative attitude toward the unexpected decision of this subcommittee by sending Assistant Secretary Foy Kohler to testify, although in response to the Rules Committee's invitation only letters were seen fit. The reasons are more solid than this. One is that the anticipated report of this subcommittee will in no way match the aims, objectives and envisioned work of a special committee. A conglomeration of haphazardly requested testimonies is no substitute for detailed, documented studies of each captive nation. In addition, a subcommittee on Europe could scarcely concern itself with captive nations in central and eastern Asia. Its purpose obviously negates the aggregative concept of captive nations, and one could hardly expect any results in terms of aggregative data covering vital religious, cultural, military, economic, and political subjects.

Also, the value that some attach to the subject of the captive nations is measured by the resources and means they employ to develop and utilize the subject. If a subcommittee dealing haphazardly with a vital subject as this is the means considered proportionate to the value of the captive nations, then it should be obvious that we have nothing but a political football on our hands. In short, this constitutes an attempted congressional whitewash of the subject of captive nations. It is certainly not in accord with the spirit and intent of the Captive Nations Week Resolution which the 86th Congress passed. But, again, all this and more to come will provide only further evidence of the necessity for a Special Committee on the Captive Nations.

SALUTE TO U.S.S. "MASSACHUSETTS"

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MORSE. Mr. Speaker, the Secretary of the Navy has announced that on June 1 the Navy will strike from its rolls the U.S.S. *Massachusetts*. It is with saddened heart that those from all over the Nation who served on this proud and mighty fighting ship as well as the people of the Commonwealth of Massachusetts, whose name it carried in the defense of our country, will hear of this action. This mighty ship has distinguished herself in some of the most famous naval engagements in this Nation's history. The men who served aboard her came to love her and respect her power in battle. They had come to rely on her, as the Nation did, for a job well done in the face of the enemy. The envious history of this ship deserves to be recounted before she is finally stricken from the service of the nation.

The keel of the *Massachusetts* was laid on July 20, 1939, shortly before the outbreak of World War II. She was finally launched on September 13, 1941, and commissioned on May 12, 1942. Shortly thereafter the *Massachusetts* was ready for battle.

On October 24, 1942, the U.S.S. *Massachusetts* sailed from Casco Bay with her task group which combined with the entire Western Naval Task Force. The initial mission of the *Massachusetts* task group was to cover the entire Western Task Force against a possible sortie by the ships of the French fleet in Dakar that had joined the Axis Powers. The *Massachusetts* group was charged with the responsibility of containing this fleet in Casablanca Harbor. On November 8, 1942, the *Massachusetts* engaged the *Jean Bart*, the newest battleship of the French Navy, and effectively silenced one of the proudest ships in the French Navy. Still not satisfied with her accomplishments, the *Massachusetts* returned again to the Battle of Casablanca. Skillfully maneuvering between enemy fire and torpedoes, the *Massachusetts* sent shell after shell against the enemy warships. Her exploits during the Casablanca engagement contributed greatly to the final defeat of the Axis forces in that area and to the surrender of the city to the Allied Powers.

After repairs and some refitting to make her more battle-ready, the *Massachusetts* next saw action in the Pacific theater. With other great ships of the fleet the *Massachusetts* guarded the aircraft carriers which were supporting the landings at Makin, Tarawa, and Apanama in the Gilbert Islands—and she did a good job, too.

But the most significant engagements of her career still lay before her. The *Massachusetts* met some of its stiffest opposition in the naval battles around Leyte during the Philippine campaign, shelling enemy installations; checking Japanese naval forces; aiding sister ships in combating enemy forces; and picking up survivors from stricken vessels.

Following her exploits at Leyte, the *Massachusetts* engaged Japanese naval forces in Luzon, Iwo Jima, and Okinawa. Emboldened by her successes in these naval operations, she cooperated with elements of the 3d Fleet in hazardous raids against Japan itself. The effectiveness of her guns in battle earned for the *Massachusetts* 11 battle stars and the Philippine Republic Presidential Unit Citation Badge. This, indeed, was "the glory that was hers."

Her retirement from active service closes a long and proud history of one of the most powerful ships in the U.S. Navy. It is my sincere hope that the Navy Department will see fit to announce soon that a new and powerful unit of the fleet will continue to carry the name of the great State of Massachusetts so that the tradition, valor, and history of its predecessors will live on. The Minutemen of 1776 will ever be on the alert against those who would attempt to trample that liberty which has been purchased and kept by the blood and sweat of those who have served on the U.S.S. *Massachusetts*, her namesakes preceding her, those who will carry her great name, and in all the armed services.

HAROLD HUFFORD

Mr. HARVEY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I am taking the well of the House on this occasion to pay tribute to a longtime, dedicated friend of mine, Mr. Harold Hufford. Mr. Hufford has served for many years in the Archives of the United States. He has rendered a distinguished service to the Congress for it was largely due to his efforts that many of the valuable records going back to the very first Congress were saved, preserved, and made accessible and usable for all posterity. He has been truly a dedicated servant of the people and a very valuable one as well.

CARE AND PRESERVATION OF VALUABLE PAPERS OF BOTH HOUSES OF CONGRESS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I would like to call the attention of this body to an accomplishment that is quite well known to a large percentage of the people on Capitol Hill, but the importance of which has not been fully realized by a majority of the membership of this House or by most others who enjoy its benefits. To the Congress as a whole, it is a matter of great importance. I refer to the care and preservation of the old and valuable papers of both Houses of Congress. I was not fully aware of all that was involved because my first appearance here was made long after the work began. So, in justice to the man most responsible for the fine condition in which the records of Congress now find themselves, I did some research as a result of bits of knowledge that kept coming to me from various sources, and I discovered that local and faraway newspapers and references to assistance given in the acknowledgments of many books and pamphlets yielded considerable information.

The real work of resurrecting and preserving old records of the Senate began in 1927. It was sparked by the discovery of priceless papers in the most obscure places that were rotting and being trampled underfoot by workmen or an occasional office employee who chose to store more records. As the records were gradually brought to light, the value of the work began to be emphasized in newspapers. In 1933, the Washington Times Herald, the Evening Star, the Christian Science Monitor, the Indianapolis News, and many other newspapers, and, more recently, the Indianapolis Star, were quite laudatory of the performance of a task that had consistently remained a thankless one. Col. Edwin A. Halsey, a former Secretary of the Senate, one time referred to the one performing the work as the "forgotten man." A Salem, Mass., newspaper referred to him as an "unsung hero." He did not just work at a job; he went far beyond that until his interest in preserving the old and valuable papers of Congress became almost a religion. This work was not a part of his regular line of duty; he undertook it voluntarily while he was preparing himself for a law career, yet he became so wrapped up in completing this self-assigned task that he neglected his law, even though he acquired a law degree and was admitted to practice back in his hometown where he had expected to make his future home.

Despite the facts that the records of Congress are important in determining the intent of our National Legislature in resolving ambiguities in the wording of Federal statutes; that some may establish the identities of persons for a multitude of purposes; that they are useful in Government cases against individuals and corporations; and are of great value to historians in compiling accurate histories; many records were so carelessly cared for that they were lost, capriciously removed, or were so stored as to be almost wholly inaccessible. For lack of proper storage space, papers were sometimes destroyed while those remaining were left to deteriorate further. It was not uncommon for a research project to fail simply because it was too much trouble to look up the records or, if sought, could not be found. When it is considered that Members of both Houses of Congress use old and valuable records of executive agencies whom they expect to keep such records, and when it is also considered that no executive agency may dispose of any of its records without congressional authority, it does seem paradoxical that Congress, itself, should have been so negligent in the care and preservation of its own papers.

But, through the efforts of a former obscure Senate clerk, that picture gradually changed. For almost 9 years prior to the establishment of the National Archives, he toiled in hot, dusty attics; in cold, damp basement rooms; and anywhere else old records might be found. Capitol laborers and maintenance men became acquainted with his efforts and often came to him with information concerning the location of "lost" records that they had discovered upon opening up some long-forgotten part of the Capitol Building. Much of his time was consumed with more immediate matters such as indexing Journals, writing "histories of bills," or any one of many other duties that he may have been called upon to perform. The result was that he had to do much of the restoration work on his own time. He worked late at night, on Saturdays, and Sundays. He had no "ax to grind" save his determination to undo the damage as best he could that had been caused by decades of neglect. Countless hidden places yielded up their stores of valuable papers which were drawn together until the volume of known and stored Senate records multiplied tenfold. Many records that had long been given up as lost rejoined their brothers in orderly array.

When the records of the Senate were transferred to the National Archives in 1937, he became the wheelhorse of the legislative records section. Aside from properly organizing, carefully storing, and listing the records in rather detailed manner, another idea remained uppermost in his mind—that of fast and efficient service, especially to the two Houses of Congress. He always contended that misplaced or inaccessible records were no records at all and unless they were so kept as to be quickly available, they were not worth the space that they occupied. So, good service was paramount. Many times, upon receiving a request from the Hill, he located the desired records, ran into the street, hailed a taxicab and, at his own expense, delivered the records into the hands of those who requested them. Expressions of astonishment at such fast service were not infrequent. The result was that many on Capitol Hill said that they could receive faster service on records from the National Archives than they could by keeping and servicing the records themselves. Requests for individual records from among the millions of individual sheets of paper were often taken care of more swiftly than are requests for single books from some of the larger, well-organized libraries.

Such service had an important side effect. It played a great part in causing the insertion of a provision into the Legislative Reorganization Act for the transfer of the records of the House to the National Archives. This initiated the bringing of House records together from many widely separated places into one place as an integrated whole. So, when the House records were received into the legislative branch of the National Archives in 1946, he was just recovering from many months of serious illness that had resulted from overwork. Faced with a stupendous task and being physically unable to carry on as he had before, he made a drastic decision that unfortunate circumstances had forced upon him; he saw to it that the records of both Houses of Congress were manned by a staff sufficiently large and efficient to process the records in the foreseeable future and, at the same time, continue the type of service that he thought Congress should receive. In that, he succeeded.

He blames insufficient care of old records prior to 1927 on the lack of proper storage space and on politics. Clerks of the House and Secretaries of the Senate who are chiefly responsible for the care of old records were never afforded even partially adequate facilities. They did the best they could with small bits of space that were not, at the time, needed for someone's expansion. The result was that old records were gradually shoved farther and farther aside until many ended up in faraway places or in complete oblivion. Politics added its bit. It resulted in the frequent changes of custodial personnel who, because of uncertain tenures, did no more than was immediately necessary. To him, the preservation of old and valuable records of Congress is a matter of interest to the Nation as a whole, and is not one of any political concern whatsoever. He worked in complete harmony with all Clerks of the House, Secretaries of the Senate, committees, and other without reference to politics, personal likes or dislikes, and without reference to any other matter except the fact that they were representatives of a major branch of the Government and, as such, were worthy of the best service possible. I have learned that his relationships with officials of both Houses and their respective staffs were always congenial and mutually helpful and that he appreciated the confidence and cooperation that he received. Because of this, I am certain that he did more than any other one person or thing to make Congress considerably more record conscious.

This man was certainly no "archival comelately" although he did not claim to be an archivist. If he was not one in theory, he was certainly one in fact and one of the most basic and constructive sort. That view is shared by a vast majority of those on the Hill with whom he dealt. He had a job to do and he did it. He was never afraid to soil his hands or bend his back in performing whatever work needed to be done. Neither did he believe in making it a serious drudge for those who worked under his direction most of whom entertained for him the highest respect. He was opposed to those whom he termed "periphery people"—people who bask in the light of others' accomplishments and who wear the signs and symbols of a profession without performance. He was opposed to frequent meetings that subtracted valuable time from the performance of urgent work. He was opposed to needless memorandums that but created more unneeded records, and which only contributed to the delinquency of accomplishment. He was quite fundamental, where necessary, in the objectives to be attained and in the manner of attaining them. He was no "fellow" in his professional organization, but his performance, the record thereof, and results achieved all speak for themselves. His contribution to the preservation of one of the most important groups of records of the entire Government was initiated by an unselfish desire to put the "record house" of Congress in order and not by personal ambition built upon feigned interest in old papers. This work resulted in his name and the term "legislative records" becoming almost synonymous. His almost 35 years of service resulted in the performance of what I consider one of the most important accessory services to the Congress that is possible.

The gentleman to whom I refer literally created the Archives' legislative branch, beginning long before the agency was established, and then he developed it and its personnel to a high standard of operation. Many have been the reports to the effect that the records of Congress comprise one of the best, if not the best, organized and catalogued groups of records in the National Archives. This is especially striking when the original condition of the records as compared to their present condition is considered. The records are now in the hands of a highly capable staff that was so trained as to permit his departure as Chief of the legislative branch without a ripple. So, on August 31, 1961, this man retired as quietly and unostentatiously as he entered public service 35 years ago—so quietly that, even now, many of his friends here on the Hill are still unaware of the fact that he is no longer an employee of the Government. As a man of diverse interests, talents, and abilities he has entered the "golden years" with the hope of catching up with many other long-neglected, but more personal pursuits. Rarely is a civil servant worthier of this opportunity.

To Harold E. Hufford, formerly of Greenfield, Ind., a small city in my district, the Congress of the United States owes a great debt of gratitude.

AMERICAN SYMPHONY ORCHESTRA LEAGUE

Mr. **CONTE.** Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. MacGregor] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. **MacGREGOR.** Mr. Speaker, I introduced today a bill to incorporate under a Federal charter the American Symphony Orchestra League. It seems most appropriate at this time to bring to the attention of my colleagues the statement which follows describing the activities and composition of the American Symphony Orchestra League. In the belief that the league's importance is nationwide and that a Federal charter would enable the league to make an even greater contribution to our cultural programs, I heartily support the enactment of the Federal charter.

The American Symphony Orchestra League is the only organization in existence devoted exclusively to the needs of symphony orchestras, their related organizations and arts councils. It is a nonprofit, research, service, and educational association. Its membership consists of symphony orchestras and arts councils, business firms, educational institutions, libraries, individuals representing women's associations and symphony boards as well as composers, conductors, concert artists, artists' agents, orchestra managers, and musicians—all representing 1,200 symphony orchestras. These range from the smallest college and community orchestra to the largest of the major orchestras. It is maintained solely for the purpose of assisting orchestras and arts councils to strengthen their work, stabilize their financial base, expand their cultural services within their own communities, and upgrade their artistic standards.

The league's activities and services are many and varied. Its official publication, the Newsletter, reports on the work, problems, research, and activities of orchestras, women's associations, arts councils, and other related arts activities. It issues special publications including authoritative studies of legal documents of symphony orchestras, governing boards of orchestras, survey of arts councils, summary of music critics workshops, conductor study and training opportunities, and report on recording projects. Other special memorandums are issued periodically, devoted to various aspects of orchestra work and research.

Each year, comparative financial and statistical reports are compiled and issued to participating orchestras within three budget categories—the metropolitan orchestras, the large budget community orchestras and the small budget community orchestras. Over 100 orchestras participate in the league's monthly exchange of information on concert attendance in relation to the type of concert and specific artist presented. Nearly 200 orchestras participated in a survey on support of orchestras by municipal, county, and State funds. The publication of the 1960–62 concert calendar includes concerts of 203 league member orchestras listing dates, orchestras, conductors, assisting artists, and world premieres.

The league talent pool serves orchestras, musicians, managers, and conductors, and is designed to assist organizations in finding needed personnel. Its individual service program enables members to request and receive advisory service on employment and on special problems.

The league's study and training activities have provided opportunities to enter into cooperative projects with other organizations. For example:

The Rockefeller Foundation has assisted in many of its research and training projects with approximately one-half million dollars in grants over the last 6 years;

The U.S. Government selected the league to develop the work and organization of the music committee of the people-to-people program;

Broadcast Music, Inc., has assisted extensively in presenting musicians study projects at its national conventions. The American Society of Composers, Artists, and Publishers and other business firms have assisted in other projects;

The Avalon Foundation has made a grant to the league for the purpose of developing an in-service training program in orchestra management;

The Music Critics Association and Community Arts Councils, Inc., have selected the league to serve as their administrative agency. The World Music Bank is administered by the league;

The league serves as the coordinating agency for the Alice M. Ditson Fund whose orchestra awards this year were presented to conductors of only four orchestras; and

The league each year conducts an orchestra management course which is the only such training program offered on a professional level anywhere.

Its conductor study programs continue to be in such demand that it cannot accommodate the scores of conductors wishing to attend.

Its advanced conductors study has proved of enormous interest and help in making available the funds, background education, and training opportunities necessary to the advancement of talented young conductors.

Mainly as a result of the league alerting members and nonmembers of the possible discontinuation of the 1960–61 CBS radio broadcasts of the New York Philharmonic, CBS received 11,000 letters, and the programs were presented for the 31st consecutive year.

The league is represented on the advisory committee for the National Cultural Center for the Arts in Washington, D.C., by its president, Mr. John Edwards. Its executive secretary, Mrs. Helen Thompson, represents the league on the Council of Arts in Government, on the editorial board of Musical America, on the executive committee of the National Music Council and contributes to the forum lecture programs broadcast throughout the world by the Voice of America, and will be a judge for the Liverpool competitions.

The league has introduced to the orchestra world, a retirement income plan for conductors, orchestra, and arts council managers, and administrative employees. The plan was under study by the league board for 3 years, and is covered under a group annuity contract issued by the Equitable Life Assurance Society of the United States. The plan, I might add, has been adopted by the Phoenix Symphony Association.

The league introduced a regional management project for orchestra operating on small budgets from $20,000 to $30,000 a year. This makes it possible for orchestras within a geographical area to obtain the services of a skilled professionally trained orchestra manager.

The league also concerns itself with the problems and solutions of full-time employment for orchestra musicians and conductors.

The league is being financed through the aid of Mrs. John D. Rockefeller, Jr., for a second year, in a plan to send leading critics to the home cities of younger American conductors. Their concerts are criticized on a strictly professional basis with special emphasis on the performance of the conductor. The reviews are printed as the lead article in Musical America.

The league's hope for a permanent headquarters establishment has become a reality. It has received many flattering offers and invitations from organizations and leading educational institutions across the Nation.

A short time ago, a gift was made to the league by Mrs. Jouett Shouse, of Washington, D.C., of 40 acres of beautiful, rolling woodland just 20 minutes from the Nation's Capitol. Edward Durell Stone, world-renowned architect, is preparing the plans for its national headquarters to be known as Symphony Hill.

The league's 17th national convention will be held this summer in Chicago, June 20 through June 23. Held simultaneously will be the fourth metropolitan managers conference, and the eighth Community Arts Council, Inc., conference. Every facet of symphony organization will be represented.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Flynt (at the request of Mr. Albert), for the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 45 minutes, today, and to revise and extend his remarks and include extraneous matter.

Mr. Ryan of New York, for 10 minutes, today, and to include extraneous matter.

Mr. O'Hara of Michigan, for 1 hour, on Tuesday, June 5, 1962.

Mr. Alexander (at the request of Mr. Clem Miller), for 30 minutes, today.

Mr. Cramer, for 15 minutes, today.

Mr. Clem Miller, for 25 minutes, today.

Mr. Dingell (at the request of Mr. Harding), for 90 minutes, on Monday next.

Mr. King of California (at the request of Mr. Clem Miller), for 15 minutes, today, and to revise and extend his remarks.

Mr. Hemphill, Mr. Whitener, and Mr. Dent (at the request of Mr. Clem Miller), for 1 hour each, on Monday, June 4, 1962.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Magnuson and to include extraneous matter.

Mrs. Green of Oregon.

Mr. Santangelo and to include extraneous matter.

Mr. Boland.

Mr. Patman.

(The following Members (at the request of Mr. Conte) and to include extraneous matter:)

Mr. Barry.

Mr. Van Zandt in three instances.

Mr. Fino.

Mr. Schwengel.

(The following Members (at the request of Mr. Albert) and to include extraneous matter:)

Mr. Doyle.

Mr. Brademas in two instances.

Mr. Rodino.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1264. An act for the relief of Capt. Dale Frazier; to the Committee on the Judiciary.

S. 1849. An act for the relief of Stephen S. Chang; to the Committee on the Judiciary.

S. 2107. An act to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services of the Coast Guard for purposes of uniformity; to the Committee on Merchant Marine and Fisheries.

S. 2208. An act for the relief of Su-Fen Chen; to the Committee on the Judiciary.

S. 2661. An act for the relief of John Joseph (also known as Hanna Georges Yousef); to the Committee on the Judiciary.

S. 2667. An act for the relief of Sebastiana Santoro; to the Committee on the Judiciary.

S. 2668. An act for the relief of Francelina Jorge Querido, Jose Jorge Querido, Luis Jorge Querido, Elizia Jorge Querido, and Izabel Jorge Querido; to the Committee on the Judiciary.

S. 2694. An act for the relief of Mrs. Jum Ak Marek; to the Committee on the Judiciary.

S. 2722. An act for the relief of Miss Livia Sernini (Cucciatti); to the Committee on the Judiciary.

S. 2729. An act for the relief of Hom Wah Yook (also known as Hom Bok Heung); to the Committee on the Judiciary.

S. 2751. An act for the relief of Susan Gudera, Heinz Hugo Gudera, and Catherine Gudera; to the Committee on the Judiciary.

S. 2760. An act for the relief of Yuk-Kan Cheuk; to the Committee on the Judiciary.

S. 2766. An act for the relief of Mrs. Tom Pon Shee (also known as Tom Pon Ma Cheung); to the Committee on the Judiciary.

S. 2777. An act for the relief of Arild Ericksen Sandli; to the Committee on the Judiciary.

S. 2803. An act for the relief of Juliano Barboza Amado and Manuel Socorro Barboza Amado; to the Committee on the Judiciary.

S. 2804. An act for the relief of Sheu Chwan Shaiou; to the Committee on the Judiciary.

S. 2865. An act for the relief of Ferdinand A. Hermens; to the Committee on the Judiciary.

S. 2876. An act to extend the authority to insure mortgages under sections 809 and 810 of the National Housing Act, and to extend the coverage of section 810 to include persons employed at or in connection with an installation of the National Aeronautics and Space Administration or the Atomic Energy Commission; to the Committee on Banking and Currency.

S. 3016. An act to amend the act of March 2, 1929, and the act of August 27, 1935, relating to load lines for oceangoing and coastwise vessels, to establish liability for surveys, to increase penalties, to permit deeper loading in coastwise trade, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 3266. An act to amend section 2 of the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes," approved March 3, 1925, as amended (2 U.S.C. 158), relating to deposits with the Treasurer of the United States of gifts and bequests to the Library of Congress and to raise the statutory limitation provided for in that section; to the Committee on House Administration.

S. 3327. An act to make certain federally impacted areas eligible for assistance under the public facility loan program; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 2839. An act for the relief of Mildred Love Hayley;

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949;

H.R. 6368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sfc. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the

Colorado River storage project, and for other purposes;

S. 971. An act for the relief of Salvatore Briganti; and

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 28, 1962, present to the President, for his approval, a bill of the House of the following title:

H.R. 1348. An act for the relief of William Burnice Joyner.

ADJOURNMENT

Mr. HARDING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 26 minutes p.m.), under its previous order, the House adjourned until Monday, June 4, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2118. A letter from the Secretary of State, transmitting an authoritative copy of an Agreement Between the Government of the United States of America and the Government of Belgium for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes, which was signed at Brussels on May 17, 1962, pursuant to the Atomic Energy Act of 1954, as amended; to the Joint Committee on Atomic Energy.

2119. A communication from the President of the United States, transmitting a plan for the transfer of responsibility for the operation and maintenance of the Alaska communication system from the Secretary of the Army to the Secretary of the Air Force; to the Committee on Armed Services.

2120. A communication from the President of the United States, transmitting a report to the President by the ad hoc Committee on Federal Office Space; to the Committee on Public Works.

2121. A communication from the President of the United States, transmitting drafts of five proposed bills relating to the contribution of money for political campaigns as follows:

(1) "A bill to allow a deduction or credit against tax for contributions to national and State political committees";

(2) "A bill to provide for the reporting and dissemination of information with regard to contributions and expenditures made for the benefit of persons who seek nomination and election to the offices of President and Vice President, and for other purposes";

(3) "A bill to promote the orderly transfer of the Executive power in connection with the expiration of the term of office of a President and the inauguration of a new President";

(4) "A bill to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the offices of President and Vice President";

(5) "A bill to amend title 39, United States Code, to provide free mailing list services to election boards, registration commissions, political parties, and for other purposes"; to the Committee on Ways and Means.

2122. A letter from the Administrator, Foreign Agricultural Service, U.S. Department of Agriculture; transmitting a report on title I, Public Law 480 agreements concluded during April 1962, pursuant to Public Law 85-128; to the Committee on Agriculture.

2123. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to amend the Universal Military Training and Service Act"; to the Committee on Armed Services.

2124. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to amend the act entitled 'An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes"; to the Committee on the District of Columbia.

2125. A letter from the Comptroller General of the United States, transmitting a report on the review of the administration by the Forest Service, Department of Agriculture, of mining claims located on national forest lands reserved from the public domain; to the Committee on Government Operations.

2126. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands"; to the Committee on Interior and Insular Affairs.

2127. A letter from the executive director, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the American Society of International Law for the period April 1, 1961, to March 31, 1962, pursuant to the act of September 20, 1950 (64 Stat. 869); to the Committee on the Judiciary.

2128. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to repeal the provisions of law codified in 5 U.S.C. 39, and for other purposes"; to the Committee on Post Office and Civil Service.

2129. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report to the Committee on Science and Astronautics of the House of Representatives pursuant to section 1(d) of the act of July 21, 1961, (75 Stat. 216), and submitted to the Speaker of the House of Representatives pursuant to rule XL of the Rules of the House of Representatives; to the Committee on Science and Astronautics.

2130. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to increase temporarily the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. S. 1742. An act to authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters; without amendment (Rept. No. 1747). Referred to the Committee of the Whole House on the State of the Union.

Mr. OLSEN: Committee on Post Office and Civil Service. H.R. 11753. A bill to provide for the payment of certain amounts and restoration of employment benefits to certain Government officers and employees improperly deprived thereof, and for other purposes; without amendment (Rept. No. 1748). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works. H.R. 8214. A bill to permit the use of certain construction tools actuated by explosive charges in construction activity on the U.S. Capitol Grounds; with amendment (Rept. No. 1749). Referred to the House Calendar.

Mr. POWELL: Committee on Education and Labor. H.R. 11340. A bill to promote the security and welfare of the people of the United States by providing for a program to assist the several States in further developing their programs of general university extension education; with amendment (Rept. No. 1750). Referred to the Committee of the Whole House on the State of the Union.

Mr. POWELL: Committee on Education and Labor. H.R. 10056. A bill to amend Public Laws 815 and 874, 81st Congress, relating to construction and maintenance and operation of public schools in federally impacted areas, to deny payments to school districts which are not in compliance with constitutional requirements that public schools be operated on a racially nondiscriminatory basis; with amendment (Rept. No. 1751). Referred to the Committee of the Whole House on the State of the Union.

Mr. POWELL: Committee on Education and Labor. H.R. 11888. A bill to improve the quality of elementary and secondary education; without amendment (Rept. No. 1752). Referred to the Committee of the Whole House on the State of the Union.

Mr. KITCHIN: Select Committee on Export Control. Report pursuant to House Resolution 403 pertaining to an investigation and study of the Export Control Act of 1949 (Rept. No. 1753). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Sixteenth report of the Committee on Government Operations on the national fallout shelter program (Rept. No. 1754). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERLONG: Committee on Ways and Means. H.R. 7757. A bill to amend subsection (b) of section 512 of the Internal Revenue Code of 1954 (dealing with unrelated business taxable income); with amendment (Rept. No. 1755). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H.R. 1469. A bill for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson; with amendment (Rept. No. 1743). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 6833. A bill for the relief of Frantisek Tisler; without amendment (Rept. No. 1744). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 10371. A bill for the relief of Ferdinand A. Harmens; without amendment (Rept. No. 1745). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 10960. A bill for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina); without amendment (Rept. No. 1746). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 11932. A bill to assure payment of just compensation for the use and occupancy of certain lands on Kwajalein and Dalap Islands, Trust Territory of the Pacific Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BARING:

H.R. 11933. A bill to amend the act of April 22, 1960, relative to the transfer of certain public lands to the Colorado River Commission of Nevada; to the Committee on Interior and Insular Affairs.

By Mr. BOGGS:

H.R. 11934. A bill to amend section 72 of the Internal Revenue Code of 1954 to permit retired employees to elect use of either subsection (b) or subsection (d) to report income from employees' annuities; to the Committee on Ways and Means.

By Mr. BROOKS of Texas:

H.R. 11935. A bill to repeal certain laws relating to the procurement of advertising for the Government, and for other purposes; to the Committee on Government Operations.

By Mr. BUCKLEY (by request):

H.R. 11936. A bill to repeal a portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 999), as amended, and for other purposes; to the Committee on Public Works.

By Mr. CELLER:

H.R. 11937. A bill to amend the Internal Revenue Code of 1954 to reduce the rate of the tax on capital gains; to the Committee on Ways and Means.

By Mr. DINGELL:

H.R. 11938. A bill to authorize the Secretary of the Interior to dispose of surplus real property for public park, forest, wildlife refuge, and recreation area purposes, and for other purposes; to the Committee on Government Operations.

By Mr. FARBSTEIN:

H.R. 11939. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,200 the maximum amount of the deduction allowed a woman or widower for the expenses of providing for the care of certain dependents; to the Committee on Ways and Means.

By Mr. HOSMER:

H.R. 11940. A bill to amend chapter 15 of title 38, United States Code, to provide adjustments in the rates of certain pensions where income limitations are exceeded by small amounts because of social security benefits; to the Committee on Veterans' Affairs.

By Mr. JENSEN:

H.R. 11941. A bill to improve farm income for producers of wheat, corn, oats, rye, barley, grain sorghum, soybeans, and flaxseed, by establishing a payment-in-kind program and increasing the resale price of surplus Government stocks of such commodities, and to amend the Watershed Protection and Flood Prevention Act, as amended; to the Committee on Agriculture.

By Mr. KYL:

H.R. 11942. A bill to assure payment of just compensation for the use and occupancy of certain lands on Kwajalein and Dalap Islands, Trust Territory of the Pacific Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McVEY:

H.R. 11943. A bill to amend the Internal Revenue Code of 1954 to allow deductions from gross income for expenses incurred in the construction and maintenance of family fallout shelters of a type and design approved by the Office of Emergency Planning; to the Committee on Ways and Means.

By Mr. MacGREGOR:

H.R. 11944. A bill to incorporate the American Symphony Orchestra League; to the Committee on the Judiciary.

By Mr. CLEM MILLER:

H.R. 11945. A bill to amend the Public Health Service Act in order to provide a broadened program in the field of mental health and illness of grants for prevention, research, training, salaries, facilities survey, and construction of facilities for treatment of the mentally ill and mentally retarded; to the Committee on Interstate and Foreign Commerce.

By Mr. MOULDER:

H.R. 11946. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. MULTER:

H.R. 11947. A bill to amend section 3 of the Federal Deposit Insurance Act to include within the definition of "State banks" branches of foreign banks authorized under State law to accept deposits; to the Committee on Banking and Currency.

H.R. 11948. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. MURRAY:

H.R. 11949. A bill to repeal section 25 of title 13, United States Code, relating to the duties of supervisors, enumerators, and other employees of the Bureau of the Census, Department of Commerce; to the Committee on Post Office and Civil Service.

H.R. 11950. A bill to amend section 131 of title 13, United States Code, so as to provide for taking of the economic censuses 1 year earlier starting in 1968; to the Committee on Post Office and Civil Service.

H.R. 11951. A bill to provide for the transportation of mail by aircraft upon star routes within the Commonwealth of Puerto Rico; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York:

H.R. 11952. A bill to assure payment of just compensation for the use and occupancy of certain lands on Kwajalein and Dalap Islands, Trust Territory of the Pacific Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 11953. A bill to authorize the government of the Virgin Islands to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

H.R. 11954. A bill to amend the Revised Organic Act of the Virgin Islands with respect to representation in the Legislature of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. OLSEN:

H.R. 11955. A bill to provide that retired Federal officers and employees shall not be required to pay any fee for admission to national parks, forests, and monuments; to the Committee on Interior and Insular Affairs.

By Mr. ST. GERMAIN:

H.R. 11956. A bill to amend the District of Columbia Alcoholic Beverage Control Act to exempt from taxation certain alcoholic beverages; to the Committee on the District of Columbia.

By Mr. SAYLOR:

H.R. 11957. A bill to assure payment of just compensation for the use and occupancy of certain lands on Kwajalein and Dalap Islands, Trust Territory of the Pacific Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SPENCE:

H.R. 11958. A bill to amend section 3552 of the Revised Statutes, as amended, to provide that the proceeds from the distribution and sale of uncirculated coins shall be reimbursed to the appropriation from which the expenses of manufacture and distribution were paid; to the Committee on Banking and Currency.

By Mr. TRIMBLE:

H.R. 11959. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. WESTLAND (by request):

H.R. 11960. A bill to authorize the government of the Virgin Islands to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

By Mr. BOW:

H.J. Res. 723. Joint resolution to provide for the appointment of William A. M. Burden as citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

By Mr. SIKES:

H.J. Res. 724. Joint resolution to determine the need for extension of the channel along the dock area at Carrabelle, Fla.; to the Committee on Public Works.

By Mr. CRAMER:

H. Con. Res. 479. Concurrent resolution to express the sense of the Congress in opposition to the proposed exchange of American dollars for Cuban prisoners; to the Committee on Ways and Means.

By Mr. DENTON:

H. Res. 671. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

By Mr. PATMAN:

H. Res. 672. Resolution to investigate the stock exchanges; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Louisiana memorializing the President and the Congress of the United States, relative to urging the Louisiana congressional delegation to vigorously oppose and vote against the enactment of the administration's 1962 farm bill in its present form, or any legislation which would further impair the income or freedom of farmers in this State and the American free enterprise system, which was referred to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H.R. 11961. A bill for the relief of Mariano L. Villadolid and his wife, Magdalena Oliva Villadolid; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 11962. A bill for the relief of John C. Garand; to the Committee on the Judiciary.

By Mr. CORMAN (by request):

H.R. 11963. A bill for the relief of Yeghsa Ketenjian; to the Committee on the Judiciary.

By Mr. DOWDY:

H.R. 11964. A bill for the relief of Dr. Antonio A. Moure; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 11965. A bill for the relief of Benjamin Netkin; to the Committee on the Judiciary.

By Mr. NIX:

H.R. 11966. A bill for the relief of Yu Guey Mah; to the Committee on the Judiciary.

By Mr. O'BRIEN of Illinois:

H.R. 11967. A bill for the relief of Tasia Dimakis; to the Committee on the Judiciary.

By Mr. RYAN of New York:

H.R. 11968. A bill for the relief of Emerico Soccolich, his wife, Giovanna Soccolich, and their minor child, Miro Soccolich; to the Committee on the Judiciary.

By Mr. WIDNALL:

H.R. 11969. A bill for the relief of Sophie Ezman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

361. By the SPEAKER: Petition of E. Frederick Bien, city administrator, Norwalk, Calif., relative to the taxation of municipal bonds by the Federal Government; to the Committee on the Judiciary.

362. Also, petition of the president, Davao Junior Chamber, Davao City, Philippines, expressing the sense of the Davao Junior Chamber of Commerce on the disapproval of the Philippine war damage claims bill by the U.S. House of Representatives; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Results of Poll on Legislative Issues in Third Congressional District of Indiana

EXTENSION OF REMARKS

OF

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. BRADEMAS. Mr. Speaker, in late April and early May I mailed questionnaires which reached more than 190,000 registered voters in the Third District of Indiana. My constituents were invited to give their opinions on major issues facing this Congress. Last week I had the more than 19,000 replies which had been received, tabulated on machines by an independent data processing firm. This represents a response by more than 1 in 10 persons polled. Because voters of the Third District of Indiana are regarded as providing a representative cross section of public opinion, I believe the tabulation may be of interest to my colleagues.

A news release describing the results of the poll follows:

BRADEMAS ANNOUNCES QUESTIONNAIRE RESULTS

A majority of Third District voters who responded to a poll by Congressman JOHN BRADEMAS, Democrat, of Indiana, favor hospital and nursing home insurance for the aged under social security, reduction of U.S. tariffs if other countries reduce theirs, and stricter controls on farm crops to cut surpluses.

BRADEMAS said 19,138 replies from Democrats, Republicans, and independents, which were tabulated, represent about a 10-percent return on questionnaires sent to all voters on registration rolls in the Third District counties of Elkhart, La Porte, Marshall, and St. Joseph.

Nearly 57 percent favored hospitalization and nursing home care for the aged through social security, while 39.1 percent opposed it, and no answer was indicated on 4 percent of the questionnaires.

GRANTS AND LOANS FOR COLLEGES

The question on the complex farm problem drew the top percentage of blank answers, 15.2 percent. Over 55 percent favored stricter controls on farm production, and about 30 percent opposed them.

Voters indicated substantial approval for Federal programs of loans and grants to colleges and universities to help them build classrooms, laboratories and libraries, 64.3 percent to 31.3 percent. Favored also were standby public works programs to combat unemployment in case of a recession, 67 percent to 29.2 percent.

Commenting on the poll, BRADEMAS said, "With a number of pieces of major legislation now moving to the floor for action, it is very helpful to have these results."

Third District voters registered strong opposition to a program of community fallout shelters, with 63.1 percent voting no and 30.5 percent, yes.

FOR RESUMPTION OF TESTING

The biggest majority recorded on any question involving Federal policy favored resumption of nuclear testing in the atmosphere if efforts failed to get the Soviet Union to accept arms control with effective inspection. The results were 80.1 percent for testing, 15.4 percent against.

Some 194,000 questionnaires mailed in April and early May reached the homes of registered voters in the Third District, BRADEMAS said.

The returns were machine tabulated by Data Management, Inc., an independent Washington data processing service.

Mr. Speaker, I here include the questions in the poll and the percentages of "yes," "no," and "no answer" for each:

RESULTS OF THE 1962 CONGRESSIONAL QUESTIONNAIRE OF CONGRESSMAN JOHN BRADEMAS

1. Do you favor legislation to discourage discrimination in hiring on grounds of age, sex, religion, or race?

	Percent
Yes	69.0
No	27.7
No answer	3.3

2. Do you favor a standby public works program to combat unemployment in case of a recession?

	Percent
Yes	67.0
No	29.2
No answer	3.8

3. Do you favor a program of community fallout shelters?

	Percent
Yes	30.5
No	63.1
No answer	6.4

4. Do you favor broader authority for the President to reduce tariffs if other countries reduce theirs?

	Percent
Yes	57.0
No	37.8
No answer	5.2

5. Do you favor loans and grants to colleges and universities to help build classrooms, laboratories, and libraries?

	Percent
Yes	64.3
No	31.3
No answer	4.4

6. Do you favor the resumption of nuclear testing in the atmosphere if efforts fail to get the Soviet Union to accept arms control with effective inspection?

	Percent
Yes	80.1
No	15.4
No answer	4.5

7. Do you favor stricter controls on production of surplus farm crops to reduce Government spending for price supports?

	Percent
Yes	55.2
No	29.6
No answer	15.2

8. Do you favor purchase by the United States of $100 million of special United Nations bonds, provided that any nation which fails to contribute to repaying the bonds would be denied a vote in the U.N.?

	Percent
Yes	57.1
No	35.0
No answer	7.9

9. Do you favor including hospital and nursing home insurance for the elderly under the social security program?

	Percent
Yes	56.9
No	39.1
No answer	4.0

10. Do you favor having your Representative in Congress poll you for your views in this way?

	Percent
Yes	83.0
No	14.4
No answer	2.6

Address by the Honorable James E. Bromwell at the Annual Teachers' Appreciation Dinner, Johnson School Parent-Teacher Association, Cedar Rapids, Iowa, May 14, 1962

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. SCHWENGEL. Mr. Speaker, my esteemed colleague, the Honorable JAMES E. BROMWELL, of Iowa's Second Congressional District, delivered an address on May 14 at the annual teachers' appreciation dinner, sponsored by the Johnson School Parent-Teacher Association, in Cedar Rapids, Iowa, which sounds an alarm as important today as those sounded by Thomas Paine and Samuel Adams at the time of the American Revolution. At that time, the danger was from another system of government directed from outside our shores. The danger to which Congressman **Bromwell** refers, "the deadly growth of power in the executive arm of the Federal Government," is a threat within our own system, within our own shores.

I commend this address to my colleagues. I urge them to read it, to talk about it, and to circulate it among their constituents so that all of us can have their help in seeing that we do not pass the point of no return in this situation.

The address follows:

Address by the Honorable James E. Bromwell, Annual Teachers' Appreciation Dinner, Johnson School Parent-Teacher Association, Cedar Rapids, May 14, 1962

I must tell you at the outset that I intend to speak very seriously tonight, more seriously, maybe, than a gathering of neighbors might seem to require. We are here, however, because of a common interest in our children and when they are involved, middle ground fades from the range of subject matter. We either visit in warm detail, or we talk very soberly indeed. Their future is so important, and so long, perhaps light-years long.

I have been reading "The Coming Fury," the splendid first volume of the centennial history of the Civil War which Bruce Catton has written. It opens on the Democratic Convention of 1860 at Charleston—some days, weeks, or years too late. The most persistent impression one carries from the book is this: long before Sumter was fired upon events had passed beyond the control of the ablest persons then living. Chattel slavery, sometime before had ceased to be an issue between men, between North and South, between owners and nonowners, and had become a matter between God and all the American people. Some would merely survive it; some like Mr. Lincoln writing to Mrs. Bixby would see it clearly as a violent atonement for monstrous evil. None, not even Lincoln, could control it, and he tried.

Some historian may some day name the month of the year in which things got out of hand; someone bolder may do better and tell us the early symptoms of a breakdown in popular control of our national affairs. So far he or she has not been generally recognized and proven sound and until these things happen we shall feed on fear.

It has happened more than once since Sumter and it can happen again. A chain of events begins, effect follows cause with acceleration, the point of no return is passed, the tide becomes irreversible, then unchangeable and we come to a time of troubles in which even the best of us can only make the best of it.

We shall feed on fears and we are feeding on them this May. The progressive development of weaponry and technology applied to outer space make them particularly acute in international relations. But the very acuteness of our fears, like pain in a tooth, is hopeful because it has demanded action. No matter how we despair at the headlines America is making its best effort in this area. Enormously over half the treasure spent on National Government goes into it. In our weapons we have raw force. In our system of foreign trade we have economic strength. In the principles of the Constitution we have moral force. In our programs of foreign aid we have a blend of the latter two with the added recommendation of altruism. In the Disarmament Agency, the Peace Corps, the Alliance for Progress, we have new ideas. In space research we have a vigorous search for incredible new developments which will certainly bear on future events. Most importantly, with its very soul, the American people has willed peace with justice. Expression is lively. I for one am convinced that every action which would be supported by a consensus of reasonable Americans is being taken or formulated. Criticize any portion of this effort as harshly as you wish (and I personally believe that such criticism is owing for the good of us all), America's presently asserted world leadership belies the real fear that the forces of international anarchy are beyond control.

At least in tonight's frame of reference I am willing to set it aside because of another matter currently most serious in which instruments of control are at hand. We have hurled our strength against the winds of chaos and war; in this other matter we have done nothing and said pitifully little. And herein, of course, lies the danger of losing control and being swept away by events.

I am speaking of the deadly growth of power in the executive arm of the Federal Government and in particular of power in the Presidency.

Note that I refer to the Presidency, not the President. One is an office; the other is a man. This is of the absolute essence of what I have to say. The Presidency is a center of power over us created by laws of our own making or acceptance, a complex of constitutional and statutory functions; a President is a creature like you and me who is born, suffers, procreates and dies, and when he itches, scratches. The President here is to the Presidency as the Queen in England is to the Crown.

I am not of the President's party nor of the executive branch. I was of the party of the former President but not of the Government at all. This has precious little to do with anything of real importance because long after our generation, you and the President and I, are gone, and the children who have brought us here tonight are facing the problems of their times, the Presidency and the Congress and the freedoms of all the people will remain if—and it is a poignant if—we have been good stewards now.

No violence should be done to this distinction between the President and the Presidency and I believe that the failure to recognize the distinction has caused trouble lately, and the kind and amount of trouble raises anxiety and wonder about where we are, and where we have been, and where we are going, and whether we still have our control.

Here is the trouble: beyond any doubt the most important domestic actions of the present President since he assumed the Presidency were those he took with respect to the declared increase in steel prices. He acted swiftly and effectively. By some he was praised for the result with good reason; by others he was blamed, but here lies the failure to make the distinction, the failure not yet generally recognized, our real weakness and real worry. Remove the personality of John Fitzgerald Kennedy from these actions so that your attachment or antipathy to the man is idled, conceptually place a faceless anonymity in the office—in the Presidency if you will—analyze the body of action down to the skeleton of power exercised and you will, I suggest, be properly disturbed.

In the early morning hours of April 13 in Philadelphia the rest of an American citizen was disturbed by a knock on the door. The knockers were Federal police, acting without the knowledge of their immediate superior, without writs or warrants, with no claim of wrongdoing against the citizen, investigators with no questions to ask that could not have been as well or better asked in the morning and with no right, constitutional or otherwise. They had a personal mandate from the Nation's highest enforcement officer, the Attorney General of the United States, a servant and not the master of the sleepy and perhaps frightened citizen, and one who took an oath to support not to violate the laws of the United States. In New York a similar event took place.

In the following hours a grand jury was impaneled in New York to investigate the possibility of criminal collusion in connection with the increased price of steel. This was a second grand jury. Another had been busy for a year with the same prospective defendants.

In the following hours, committees of the Congress undertook investigations, one of the stated ends being punishment.

In the Department of Defense companies which had raised their prices were denied Government business regardless of price, regardless of the public interest otherwise considered.

All this and much more. And why? Because the President did not wish steel prices increased. And what has this to do with the President? Simply this: so great is the present power of the office that the question has been raised as to whether the written law, Congress, the courts and the American people will longer restrain it. We recall Andrew Jackson's crack about letting the Supreme Court enforce its own decision. This, I can assure you, is a vastly more advanced case.

"We have," a citizen wrote shortly ago, "lost our capacity for moral indignation." I am not sure he is right. I do believe, however, that in our swift drive toward desirable ends we are losing our respect for means. The genius of this Republic is still human liberty, the genius of liberty is law, and good law is a system of means by which all of us can freely and equally seek our individual or our common ends.

Press this steel situation a little further. What in fact did the companies do? They raised prices. In all freedom some of them raised their prices. I was personally astonished. I felt it to be unwise at that time. Yet it was, questions of collusion aside, a lawful act. There is no law, State or Federal, against raising the price of steel or toothbrushes or grass seed. We have a free domestic market. Admit the possibility, which we must, that the action was taken in good faith.

Now, if a citizen acting in good faith commits a lawful act and in return has applied to him unlawfully the utmost coercive power of the strongest government on earth, where are we?

We are in a quandary, that's where. We are in a quandary because we thought we were safer than we are. For over 300 years we understood that the range of lawful acts was infinite and that so long as we honored them we would not be hurt. We knew where the fences were, because we had knowingly built them. We were born with an intuitive understanding of Lord Coke's cry to King James, "not under men but under God and law." We understand Mr. Justice Holmes when he said, in effect, "if a fellow wants to build a slaughterhouse and I look in the book and find nothing that says he can't let him build the slaughterhouse."

We are in a quandary. The price of securities has fallen and fallen. Over $70 billion in value has been sacrificed. Organized labor is querulous or mute. The Congress is more closely than ever scrutinizing those bills which would increase the Executive power and a number have been quietly shelved. And all this is disquieting because as a nation we are feeding on fears we haven't had since our founding. In a quandary we wonder whether we are indeed relying on the certainty of laws or the uncertainty of men.

Where have we been? Over a long road this President did not take us. In this I defend him. The President is presently being criticized, seemingly for his acts when fairly we should bear the criticism for what we have permitted to be done to the Presidency over the years. We have asked the Presidency to do many things we should have done for ourselves. We have not kept the available instruments of civic achievement, municipal government, State government, congressional responsibility sharp and clean and bright. We have tolerated the multiplication of laws, by loose construction of our Constitution we did not understand or inquire into, by regulations we never knew of and still do not, by liberal grants of general powers, by acquiescence in the exercise of implied powers, by forgetting that power corrupts and absolute power corrupts absolutely, by forgetting that a system of checks and balances means internal checks upon and balances between the three great branches of Government, and between the Federal Government and the States, by forgetting that unchecked and unbalanced power directed against our enemies today may be directed against us tomorrow.

Where are we going? The answer lies in the future and is speculative. As your Congressman I shall give you my opinion. Unless citizens act by public opinion and the franchise we shall continue to surrender rights to the Government, uncheck and unbalance its powers, and grant power to the Presidency until we shall have reverted to despotism. Mr. Lincoln's word is good enough for me. The tyrant will not come to America from across the seas. If he comes he will ride down Pennsylvania Avenue from his inauguration and take his residence in the White House. We have, in the last 15 months in the Congress, inadvertently and carelessly we must assume, moved at a hellish rate to establish preconditons of dictatorship. There will be no coup d'etat. Rather, at the worst, there will be an extension and vigorous exercise of the powers we have granted.

Is the matter beyond control? I do not know and you're not sure. In all sadness I say I do not know. The ancients tell us that democracy degenerates into tyranny. We are the longest-lived experiment in freedom and its ultimate success is not guaranteed. In my heart—with my faith—I do not believe we have passed the point of no return. I know that I would not have traveled 1,000 miles to say these things if I thought it were. But I know it could happen here and I am dedicated to seeing it does not.

Is National Lottery a Means To Raise Revenue, and If So, How Much?

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. SANTANGELO. Mr. Speaker, in recent weeks I have exposed the failure of sponsors of national lottery legislation to request hearings on the national lottery bills. On May 24, I demonstrated the lack of knowledge of the sponsor of H.R. 2007 as to the revenue to be derived from a national lottery if that proposal were enacted. I demonstrated that not one dime could or would be legally collected because the provisions of H.R. 2007 render impossible the sale of lottery tickets in the United States without a violation of law. The provisions of H.R. 2007 on page 3, lines 9 through 11, read as follows:

> No ticket of participation shall be sold in any State or in a political subdivision of a State where such sale is illegal.

In my remarks I detailed the statutes and constitutions of every State in the union which outlawed lottery. Every State in the United States and also the District of Columbia make lottery illegal. While the State of Nevada permits gambling, it does not specifically legalize lottery. Where then could tickets be sold in the United States? Nowhere.

Sponsors of lottery claim fantastic and exaggerated revenue can be derived. Unrealistic estimates of $10 billion and upwards have been repeatedly made by the sponsors. Congress has been spoon fed periodically with 1-minute speeches about government-run lotteries in small countries. The sponsors have ladled out information almost weekly as if the Nation were hungry for this bread and sustenance. Full information has not been forthcoming.

I have indicated that I would favor a lottery if operated by a State or a local subdivision provided safeguards were made protecting against immorality and corruption, such as minors gambling or welfare recipients gambling their welfare benefits, thus denying their children food, medicine, and shelter.

Consequently, my research into the operation of lottery by foreign governments discloses the following information: The gross income, the net revenue to be derived, percentage which the respective governments exact, and the population of the Nation:

Country	Population	Yearly donation per person	Gross receipts	Government's share	Approximate percentage of gross
Argentina	26,956,000	$0.95	$19,630,265	$10,464,003	50.0
Australia	10,398,170	7.04	71,578,409	21,981,419	30.0
Austria	7,049,000	1.81	14,300,000	4,100,000	38.0
Belgium	9,104,000	1.84	16,800,000	5,872,437	35.0
Bolivia	3,462,000	.21	727,905	112,771	15.0
Brazil	68,000,000	.27	17,465,000	6,000,000	35.0
Chile	7,627,000	2.50	18,700,000	5,250,000	28.0
Colombia	14,132,000	.25	3,506,283	194,592	5.0
Costa Rica	1,171,000	8.50	9,437,036	2,874,897	30.0
Cuba	6,743,000	5.60	35,420,000	11,125,304	31.0
Czechoslovakia	13,649,000	.81	11,000,000	9,000,000	82.0
Denmark	4,581,000	1.33	6,042,000	280,000	4.7
Dominican Republic	3,014,000	10.90	31,870,306	6,984,988	22.0
Finland	4,477,300	.88	3,867,200	1,314,800	33.0
Ecuador	4,298,000	.76	3,152,300	1,045,597	31.0
France	45,730,000	2.72	123,700,000	41,500,000	33.0
West Germany	55,577,000	4.40	240,000,000	48,000,000	20.0
Greece	8,327,000	1.74	15,000,000	3,700,000	24.0
Guatemala	3,759,000	.80	2,954,080	458,976	16.0
Haiti	3,505,000	.46	1,628,800	100,000	6.0
Honduras	1,950,000	.62	11,977,867	1,282,959	10.0
Ireland	2,834,000	15.80	46,059,680	19,500,000	42.0
Israel	2,114,000	1.40	7,111,111	3,666,666	52.0
Italy	50,763,000	1.40	71,200,000	58,100,000	80.0
Japan	93,600,000	.12	11,467,000	4,366,000	38.0
Mexico	34,625,903	1.60	55,120,000	14,160,000	25.0
Netherlands	11,417,254	.85	9,654,204	2,500,000	26.0
New Zealand	2,403,488	.74	1,684,145	617,747	37.0
Norway	3,587,000	3.30	12,000,000	3,700,000	30.0
Panama	1,053,000	27.29	27,289,919	4,522,005	10.0
Paraguay	1,760,000	1.00	1,363,934	279,738	20.0
Peru	10,857,000	.24	2,460,800	465,200	19.0
Philippines	27,456,000	.76	17,827,335	7,554,778	43.0
Poland	29,731,000	1.70	53,364,417	17,236,958	32.0
Portugal	9,124,000	2.32	20,749,400	6,943,727	30.0
Puerto Rico	2,349,544	19.60	45,000,000	9,970,060	22.0
Spain	30,128,000	2.75	82,803,000	22,590,000	29.0
Sweden	7,498,770	6.80	51,200,000	9,970,060	19.0
Switzerland	5,298,000	1.30	5,916,353	1,549,367	25.0
Turkey	27,829,000	.30	7,513,880	3,251,242	44.0
Uruguay	2,700,000	3.40	8,779,215	3,251,242	37.0
Venezuela	6,709,000	10.30	67,300,000	13,700,000	20.0
Yugoslavia	18,512,805	.76	13,960,000	3,500,000	25.0

Mr. Speaker, what conclusion can be drawn from the foregoing information? At best, if lotteries were legalized on a national scale, there would be collected approximately $200 million and not $10 billion as the sponsors claim. While this sum of $200 million is sizeable, it represents only one-fifth of 1 percent of our national budget of approximately $90 billion. To obtain this small percentage, Congress must pass legislation which will set aside the criminal statutes of every State and thereby destroy the Federal-State relationship. It is preferred, in my opinion, that those States which want lottery to take the initial step and legalize lottery in their States or in their municipalities.

For years now the people have been bamboozled into the belief that billions could be raised and income taxes could be reduced. The white light of truth and factual information shrink the exaggerated claims and expose the hypocrisy, fakery, and quackery of claims to reduce taxes through national lottery bills hitherto presented.

The Thailand National Lottery

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the Thailand national lottery which has been very productive.

Last year the total gross annual receipts from running a lottery amounted to almost $34½ million. After payment of expenses and prizes the net income to the Government came to almost $14 million, most of which is used for public charity.

Mr. Speaker, a national lottery in the United States could produce over $10 billion a year in new revenue which could be used to relieve our heavy tax burdens and help reduce our gigantic national debt. Are not the American taxpayers entitled to a break?

Citizen Defenders Day, American Legion Post No. 318, Greensburg, Pa., May 30, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. VAN ZANDT. Mr. Speaker, one of the most unique programs as part of the observance of Memorial Day 1962, was the Citizen Defenders Day program on May 30, 1962, at Greensburg, Pa., when awards were presented to the outstanding reservists of the military Reserve units of the Westmoreland County area. The event which is sponsored annually by Greensburg Post No. 318 of the American Legion attracted a cross section of the citizenry of the Greensburg area. It was my privilege to deliver the following address in connection with the program:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE SECOND ANNUAL AWARDS DINNER IN OBSERVANCE OF CITIZEN DEFENDERS DAY SPONSORED BY AMERICAN LEGION POST NO. 318 AT GREENSBURG, PA., ON MAY 30, 1962

After more than 40 years of service in the U.S. Naval Reserve—It is my opinion that there are few events in the calendar year so typical of the American spirit as this one—Citizen Defenders Day.

This I believe because of the nature of the American fighting man—who stands today, as always, a unique figure in the military sense—a genuine citizen defender.

Far be it from me to criticize the military traditions of our allies—nor belittle the fighting ability of any nation.

Indeed, it would be foolish to suggest that we alone have found an effective method of military preparedness superior in all respects to the methods employed by other nations.

We have, however, developed a military system congenial to—and consistent with—our other traditions and one that has served us remarkably well since first we entered the family of nations almost 200 years ago.

A primary goal conceived by our forefathers—was the establishment of a strong national government free from the need for a large standing army.

Our forefathers were idealists—not impractical or "fuzzy-minded" idealists, you understand, but reasonable idealists.

To them—it appeared that a large standing army would serve as a constant threat to their concept of a republic—that military men, with too much power at their command, might prove intolerant of the ballot box whenever the election results were not to their satisfaction.

The ideal they sought was genuine representative government devoid of military interference.

In this regard I should point out that the founders of the American Republic had no conception of the American military class as it exists today.

They were thinking not in terms of forward-looking persons such as Col. John Glenn or Adm. Hyman Rickover, but of masters of terror such as the emperor-militarists—Peter the Great, Louis XIV, Louis XV, Frederick the Great, and above all, George III.

Reprsentative government had existed as a political theory since the beginning of civilization—but was yet to receive any more than token expression as the result of military interference.

This the Founding Fathers realized—and consequently sought to minimize the importance of the American Army.

On the other hand—they were also well aware of the fate befalling nations without adequate facilities for defense.

They, therefore, arranged a compromise between the extremes of supermilitarism and abject weakness.

Neither extreme was acceptable. Only the compromise would do.

In this way the American military tradition was born—a tradition based upon the citizen soldier, the citizen defender, a civilian most of the time but a man with military skill, trained in the art of war.

The citizen defender idea had its origin in the State militia system.

Militias were formally organized into an overall defense force in 1775 by the Committee of Safety of the Continental Congress.

They supplied almost half the troops raised for General Washington's command in the Revolutionary War.

When the Constitution was drawn up in 1787, a special provision was made enabling the Congress to call out, organize, and oversee the operations of the militia of the several States in all cases requiring the use of force in the name of law and order.

President Washington regarded the militia as a second line of defense nullifying the need for a large standing army.

In his Farewell Address of 1796 he cautioned the people as follows: "Avoid the necessity of those overgrown military establishments which, under any form of government, are inauspicious to liberty—and which are to be regarded as peculiarly hostile to republican liberty."

Concurring in Washington's belief, Congress enacted a law in the year 1808 providing for annual Federal payments to help the States support the militia.

The move was to pay off in four great military contests—before the close of the 19th century.

It is not too surprising that there was for many years a tendency on the part of professional militarists to presume that the militia could not fight.

During the war with Mexico Adj. William Tecumseh Sherman observed to a friend that the militia units in his vicinity were composed of the least likely looking bunch of soldiers he had ever laid eyes on.

But the men fought so well that Sherman had to write his friend later in the war, taking back his criticism.

Some years later—during the Civil War when Sherman held command over the Department of the Cumberland, he again protested against the militia, apparently forgetting his past experience in Mexico. And again, toward the close of the Civil War, he was obliged to retract his critical remarks.

When Sherman stormed Atlanta and cut through Georgia to the sea, the men who blazed the way for him were, for the most part, citizen-soldiers of the sort he was inclined to denounce.

No, they probably didn't look much like soldiers.

After all, they were not so much soldiers as they were farmers, bakers, shopkeepers, politicians, butchers, blacksmiths, and cobblers.

But many of them had militia training and those who did not nonetheless received the benefit of the experience of those who had.

When the Confederate Army was driven from Georgia into the Carolinas where it finally surrendered, Sherman, the professional soldier, was required once more to admit that the citizen-soldier was in fact an asset to the Nation—much as it surprised him to say so.

Growth of oversea responsibilities following the Spanish-American War of 1898 brought a more serious attitude toward military affairs. It also produced the realization that it was necessary in time of peace to recruit and train a larger number of citizen soldiers for combat.

To this end an act was passed in 1903 providing the militia, by then referred to as the National Guard, with both State and Federal support.

The States were assigned responsibility for furnishing personnel and armory facilities and the Federal Government became responsible for training, equipping, and paying the men.

While constituting an organized reserve in peacetime, the State militia or National Guard was to become a part of the Regular Army in time of war.

Again the need for a Ready Reserve was made manifest when America entered World War I in which 11 National Guard divisions saw combat as components of the American Expeditionary Force.

This was a new kind of warfare in which the French and British officers had become what they preferred to regard as expert in the 3 years preceding the Americans' arrival.

In consequence of this they looked with scorn upon the raw American recruits fresh from civilian life.

How, they wondered, could civilians in uniform be expected to face the withering fire of that deadly innovation, the machinegun, or avoid fleeing in panic from the tank?

Well, they found out—and quickly.

The Americans, with National Guard units leading the way, broke the German attack at Cantigny, Chateau-Thierry, and Belleau Wood and in a counterstroke drove them from the field at St. Mihiel and Argonne.

To the astonishment of everyone concerned, except perhaps the Americans, it appeared that not only could the German juggernaut be held at bay but chased home as well. Once again the American citizen defender had proved his mettle on the firing line.

Enlightened by the experiences of World War I, in which the National Guard units performed especially well, Congress decided in 1920 to extensively amend the National Defense Act of 1916 in order to create an entirely new kind of military policy with increased emphasis on the Reserves.

A new law established the Army of the United States with the Regular Army, the National Guard, and the Organized Reserves as its three basic components.

In 1916 a system of Reserve Officers Training Corps had been established in colleges and universities throughout the country. Expansion of the ROTC system after World War I made about 150,000 Reserve officers available by 1940 when mobilization for World War II began.

This reservoir made it possible to build the active duty forces from a few hundred thousand to nearly 11 million in a period of only 4 years.

Immediately after World War II, a joint committee of the War Department General Staff drew up policies expanding the mission of the postwar National Guard—to establish a quicker means for large-scale action in the face of any conceivable national emergency.

But the Korean crisis came along before the new policy was fully in effect. As a result—it was necessary to redraft a great many World War II veterans in order to hold our own in Korea while many nonveterans stayed at home.

It thereupon was determined in Washington that there had to be a way of preventing this kind of double jeopardy arrangement. That is to say, there had to be a large enough Reserve to prevent, if possible, the redrafting of veterans.

Out of this determination evolved the Reserve Forces Act of 1955—with which all of you are so well acquainted.

Here, at last, was a truly comprehensive plan designed for the purpose of procuring enlisted Reserves.

We are gathered here to honor not only that plan but also the men involved in it, represented here tonight by members of Westmoreland County Reserve units from each branch of the service.

It is a great pleasure for me to be present on such an occasion arranged for such a purpose.

The members of the Reserve perform two major services. We are mindful that, first, they contribute to the national security at a time when the Nation stands threatened as never before and, secondly, they are helping provide an answer to what has been a long search for a fair and equitable distribution of military responsibility, in line with American traditions.

Indeed, from my observations and experience over the years, the Reserves have become far more than a second line of defense. For through their strength in numbers and their numerous skills and abilities they are equipping this Nation to face up to any conceivable emergency. In truth they are fast becoming the very backbone of our national defense.

To return for a moment to the question of American military tradition, so different in many respects from the military traditions of other nations, I might say that the American soldier overseas remains to this day a puzzle to the foreigner.

Divorced as he is from the idea of professional militarism, wanting merely to get the job done, insure the safety of his country, and get back to civilian life as quickly as possible, the American citizen defender is inclined to take a far lighter view of some matters than the professional military man.

A European who witnessed the first arrival of American troops in Berlin, described a scene to me which, he said, baffled the European onlookers. In one of the U.S. Army trucks was a bunch of battle-weary veterans all spruced up and decked out in new uniforms. When the truck screeched to a halt, everyone expected to see the men pour out onto the street, in wehrmacht fashion, I suppose.

But the streets had mud puddles all over the place, there was actually no need for speed, and the troops were in no mood to foul up their new uniforms.

Therefore—the first man to disembark, a tough-looking sergeant, did so with pretended concern for the fate of his uniform followed by the hoots and jeers of the other men in the truck.

The crowd in the street was amazed. They had expected the clicking of heels and the flash of bayonets, instead they seemed to be getting an American version of slapstick comedy. From the point of view of the American soldiers the mission was accomplished. Berlin had fallen.

The shooting was over and the American troops were tired of military precision.

In this moment of nonviolence they were reverting to their natural civilian-mindedness, a dislike for the drama of war.

Another example of the same American spirit was reported to me with hilarity by a Berlin resident who witnessed the "Yankee go home" demonstrations of a few years ago.

You recall the scene, the Communists painting that phrase, "Yankee—Go home" all over the walls and store fronts in an effort to suggest that the German population as a whole wanted no more of the American occupation forces.

Well, on this occasion with all those Communists running around, splashing that phrase on the walls, "Yankee—Go home," there stood an American soldier with a paint bucket and a brush adding a phrase of his own: "Fly American airline."

The Germans got a big laugh out of it and the Communists were said to be rather confused.

They had expected outraged indignation on the part of the American troops. But the troops knew that the Communists did not, in fact, represent the views of the majority and this was the way one of them saw fit to handle the situation.

These incidents represent no more than the lighter side of American military participation in world affairs. But they also serve to illustrate the basically civilian-mindedness of the American Army, a civilian-mindedness stemming from the fact that a large majority of our men-at-arms are, in fact, citizen defenders as opposed to professional military men.

Their traditions are mixed—glorious on the one hand, hilarious on the other. But their purpose is singular and serious in nature. They intend to stand by their country and their flag at every turn and to uphold American principle at all times.

This their forebears have managed to do with heroic persistence—in the manner of true citizen defenders.

The American fighting man of this era is well aware of that tradition—and has claimed it as his own.

Finally, it is the citizen defender, who in time of national emergency, stands shoulder to shoulder with the regulars of our Armed Forces in defense of American ideals. Together they are prepared to present again to the world, if necessary, the military might this Nation has mobilized with electrifying speed in three global wars since the turn of the century.

Tonight, by means of this second annual Citizen Defenders Day awards dinner, we pay a well-deserved tribute to the Reserve Forces of the Nation and particularly those from the Westmoreland County area.

I warmly commend the officers and members of Greensburg American Legion Post No. 318 for sponsoring this second annual awards dinner—in observance of Citizen Defenders Day.

It has been a great privilege to participate in this evening's program and I thank you sincerely for your kind invitation.

Power and Eggs

EXTENSION OF REMARKS

OF

HON. DON MAGNUSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. MAGNUSON. Mr. Speaker, it is proposed that the Washington Public Power Supply System, made up of various public utility districts of the State of Washington, construct generating facilities to utilize waste steam from the Hanford plutonium reactor, now under construction. The generating plant would be built and operated by W.P.P.S.S., without cost to the U.S. Government, under contractual arrangements with the Atomic Energy Commission and the Bonneville Power Administration, which would distribute the output.

I append an editorial on the subject from the Tri-City Herald, Kennewick, Wash., of May 28.

The editorial follows:

POWER AND EGGS

Some eggs never hatch no matter how long the hen sits on them.

When the treaty for joint Canadian-American development of the upper Columbia River was "laid" there was much cackling on both sides of the border. The treaty was hailed as a new landmark in international relations.

And so it was—or, rather, it would have been had the Canadian Parliament ratified the treaty as speedily as did our Senate. But the treaty almost immediately became embroiled in Canadian politics and has been heavily engaged since, despite some subtle—and not-so-subtle—efforts both in Washington and Ottawa to disengage it.

Now the treaty is an issue in the Canadian national election campaign and opponents of the party in office are stumping the country denouncing the treaty as a "sellout" of Canadian power. Aiding and abetting these attackers is the highly respected Gen. A. G. L. McNaughton, who headed the Canadian team that negotiated the treaty.

Meantime, in the Pacific Northwest people who were hoping the upper Columbia development would get started in time to head off an imminent power shortage are realizing the shortage may be unavoidable and that the best we can hope for is to ease the blow. To do this, more generators must be brought on the line as rapidly as possible and since it takes 5 to 7 years to build a dam there's too little time to fill the gap with hydropower.

Which makes the Hanford steamplant a godsend. It would generate 800,000 to 900,000 kilowatts and it could be in operation by the time the power shortage is expected.

There is good reason to hope Congress will approve the plan, and speedily, of Washington Public Power Supply System to build and operate the plant.

But nothing must be left to chance. This "egg" which is to vital to the future of the Northwest, must be tended carefully, lest it, like the Canadian treaty, fail to hatch.

Mr. Speaker, under leave to extend my remarks, I include a speech which I delivered Saturday, May 26, 1962, in Seattle, as the keynote address at the King County Democratic convention:

SPEECH OF HON. DON MAGNUSON, OF WASHINGTON, BEFORE THE KING COUNTY DEMOCRATIC CONVENTION

We of the Democratic Party have much of which we can be proud—our legislative and administrative record, our philosophical approach to public affairs, the devotion and enlightened outlook of our public officials, and our party at every level.

Here in King County, however, we have work to do, serious work. This is not a time for congratulations, but rather a time for rededication to the American system of government, to democratic institutions. We must begin today a reconsideration of our party, of its objectives and processes, of our moral obligations within a democratic society. We must evaluate our success, but with greater intensity we must evaluate our needs.

Political parties, although not an end in themselves, are clearly an indispensable element in the functioning of democratic government.

What are the functions of a political party? Generally, to provide the personnel and philosophy for effective government; and added to this, while yet an integral part, is perhaps the most vital function of all, the function of education. Have we, as Democrats and as responsible citizens, been doing enough to meet our obligations both to our party and to society? The answer is clear; we have not. The responsibility of a political party far transcends the indiscriminate election of men and women to public office.

We of the Pacific Northwest are extremely fortunate. We are a young area, richly endowed by nature. These assets, however, are not attributable to any peculiar virtue of the northwesterner. Rather, they are the blessings of nature and of youth. We have not as yet had time to destroy, to waste, and to desecrate our natural heritage, nor to amass the human problems which plague other parts of our Nation. We are not, as yet, afflicted with the ills of the East in their more severe forms.

Travel posters show Washington, D.C., during cherry blossom season, with the beautiful Potomac River and the public monuments. However, they don't explain that the Potomac River is polluted by industrial waste and raw sewage which for generations have emptied into it within a mile of the beautiful blossoms. At night, the stench of the Potomac blankets the Washington slums. But just a moment—our own pollution problems are closing in on us.

Unless we learn from the mistakes and experience of the East, water and air pollution will become commonplace, our wild areas violated and commercialized. Our Western cities will become congested, wracked with slums.

Suburban and rural areas will become increasingly subject to urban sprawl. Open space and park lands, through lack of planning and foresight, will give way to the disordered scramble of factories, housing projects, shopping centers, freeways and service areas. Our schools will become increasingly overcrowded and understaffed.

Basking in Federal expenditures in defense and related industries, we have failed to diversify our economy, relying ever more heavily upon Federal spending and continued international tension as a basis of our economic prosperity. How easily we could become a vast depressed area with massive unemployment, should we attain our goal of world peace, thus eliminating the need for defense contracts.

Seattle is a city enchanted. A new star illuminating the heavens, the World's Fair, is today its animating force. We are in the process of being discovered. But stardom can fade. Nineteen hundred and sixty-two will see the close of a truly magnificent World's Fair; but what shall we see in 1964, in 1974, and in 1984? Streams flowing crystal clear, or hopelessly polluted? People employed or unemployed? People adequately housed, or the denizens of slums? A people free and happy or a people politically and economically enslaved?

Time is running out fast for the Pacific Northwest. In many cases, we have failed to see; in other cases, seeing, we have failed to act. Report after report after report, studies, surveys, consultations, extended debates, excessive devotion to minutiae but precious little action. We have traveled at a leisurely pace, congratulating ourselves upon being the heirs to God's country, while inch by inch we have alienated our legacy.

To speak of a party's failure in a State where both Senators are Democrats, as are the State elective officials and a majority of both legislative chambers, may seem odd. Success and failure, however, are relative. The question is not "Are we doing anything?" but rather, "Are we doing enough?"

Washington is a State of political paradox. For 8 years, we were represented in the U.S. Senate by only one Democrat, the able and distinguished WARREN G. MAGNUSON. Then in 1952, HENRY M. JACKSON entered the Senate. Six years ago, the Democratic Party swept the Pacific Northwest. Albert D. Rosellini was elected Governor. The Democratic Party captured both houses of the legislature and won all partisan statewide races. Senator MAGNUSON was reelected by an overwhelming margin. But, that same year, we Democrats lost six out of seven congressional races to the Republicans. And we lost the mayoralty race in Seattle.

Two years later, in 1958, Senator JACKSON swept to a record-shattering reelection victory. But the Republicans again carried six out of seven congressional races. The Democrats, in 1960, reelected Governor Rosellini to a well-deserved second term. But in spite of the prestige of the then newly appointed Democratic national chairman and the efforts of dedicated party workers, the State of Washington fell to Richard Nixon.

However, an important break occurred that year. JULIA BUTLER HANSEN was sent to the Congress. The six Republican seats in the House were cut to five. JULIA BUTLER HANSEN is becoming one of the outstanding women in American politics, serving ably on the Committee on Education and Labor and the Committee on Interior and Insular Affairs.

Why do the Democrats win statewide while losing not only House elections, but, equally important, the vital county and municipal elections?

There are several answers. The Democratic Party in the State of Washington—and the same thing can be said of the Republican Party—has failed to distinguish itself philosophically. Knowledgeable people are prone to ask, "Is there really any difference, fundamentally, between the Democratic and Republican Parties?" We must answer emphatically, "Yes." But people fail to distinguish between a smiling Democratic Swede name Anderson and a smiling Republican Swede name Anderson. The essentials of party philosophy have not been made clear beyond the confines of party membership.

The party platform and the philosophical position of a candidate have less impact upon the voter than name familiarity and personality. This has been demonstrated repeatedly, and is most obvious in the facility with which Washingtonians split the ticket.

Given the philosophical orientation of the majority, the vast majority, of Washingtonians and the philosophy of the Democratic Party of our State, there is every logical reason to expect that Democrats would fill every elective position in western Washington.

And yet, many public offices are filled by officials whose avowed political philosophies are directly opposed to those of the voters they represent and who elected them to public office.

What is the logic that impels a voter to send a U.S. Senator to Washington to fight for public power development, while sending a Congressman to fight against it? Why does a citizen vote at one level for an official committed to the support of medical care for our senior citizens under social security, of Federal aid to education, and of pollution control, while voting at another level for men who are equally committed to opposing these vital steps in progress?

The answer is obvious. The voter is just not accustomed to a consideration of candidates for public office on the basis of philosophical approach to Government and to specific issues.

In part, in large part, this curious inconsistency is the result of the cult of personality in American politics: physical appearance, personality, and considerations of national origin, no matter how far removed; of religious affiliation, no matter how superficial; and of standard creed, no matter how perfunctory and lightly worn. If he's a Scandinavian, if he's for freedom and against communism, he's our man. His position on specific issues of domestic and foreign policy, regrettably, are treated as unimportant.

The tendency to separate the man from his philosophy results to a great extent from political naivete, from a failure to understand the functioning of government, properly to appraise its importance, and accurately to comprehend the degree to which each public official is dependent upon each other official and upon the public.

There exists a tragic misconception of a division of power, the feeling that the election of a Democratic Governor and a Republican legislature somehow will result in a mutual check of authority in favor of the public. More often, it merely makes difficult the teamwork and mutual confidence essential to the cooperative functioning of government and produces stagnation.

In any case, whatever its cause, the failure to relate the candidate and his political party to a set of philosophical concepts is culpable ignorance. The political parties of our Nation are often negligent in their obligation to inform, but to a greater degree, the voter has been derelict in his moral responsibility to inform himself.

Not enough Americans are politically active. A small core of party members is devoted and well-informed. This informed activity, however, does not extend to the grass roots. The average citizen is thoroughly unacquainted with his representative in government, on whatever level. This is incompatible with the moral responsibilities of the citizen in a democracy.

One of the most significant issues confronting our party, both here in King County and nationally, is the battle against political dropouts.

The young democratic organizations are in a remarkable position to attract to active participating membership in our party young men and women of high idealism and vigor. Year after year, both collegiate and noncollege clubs draw into their ranks persons whose qualities of leadership and academic or professional training would make them assets to our party, and whose intellectual gifts are vitally needed in councils such as this one.

What happens to these young people? Some continue their party activity and assume positions of leadership, but the majority disappear into the sea of humanity, voting perhaps, but having no more active association with the party of their choice. These are the political dropouts.

In the two political parties, there arise periodically young men and women whose capabilities are readily apparent to long-time party workers. Sometimes they are active to the point of becoming candidates for public office. And then one day they are gone. They fade into the ranks of business, industry or private practice, while their talents are lost to formal party organization. They, too, are political dropouts. Our Nation, our State, our political parties can ill afford this constant and expensive loss.

We must study cautiously the entire question of the political dropout. We must develop programs for recruitment, establish training institutes, a program of political apprenticeship, probably informal, which will transform the dilettante into an informed and responsible party worker.

The exact formula for the prevention of dropouts we will develop with time. The need for action in this area, however, is immediate. The luxury of the dropout we can afford no longer.

In Washington State politics, every candidate is on his own. There is no official slate of candidates, nor does anyone ride free to public office on the record of another. We know every candidate must win or lose on his own merits. However, in the field of applied politics the case is not that simple. The fight for the improvement of social organization is not alone a matter of voting right, nor is it limited to one branch of government. It is a team effort. It necessitates the cooperation of every level of government and the informed participation of society.

If we believe in the issues which compose our platform, we must fight for them at every level. There are times when passively voting is not enough, times when one must come dynamically forward to lead. This burden of leadership, which rests most heavily upon public and party officials, includes the quest for men and women of quality to fill posts of public responsibility.

It is the responsibility of the permanent party organization not to select a specific candidate, but to create through whatever means a milieu in which individual political activity can be meaningful. In this, the educative function, we have made our most grievous failure.

The educative function is sharply divided. On the negative side the parties face a major task: That of destroying the unpopular public image of the politician. We must ventilate the smoke-filled room.

The public must be made aware of its moral responsibility for the actions, right or wrong, corrupt or honest, of its government. The erroneous concept of the government as a moral entity apart from the people must be dispelled.

The positive side of the educative function of a party is much broader and much more rewarding, the obligation of creating an informed, responsible, and politically aware electorate. This involves a program of public information, presenting issues in an intelligent and frank manner through whichever media are most effective. Part of the educative function of the parties must be directed to the exposure of the records of incumbent officials to the light of intellectual scrutiny. This cannot be a transient effort, put forward for one campaign. We must fight for the development of permanent machinery through which factual information can be carried to the most isolated citizen.

A tyranny of words has developed in America which the public speaker must avoid for fear of evoking an emotional response wholly destructive of rational processes. So great has this philological oppression become that certain areas of public discussion are no longer meaningful and often are politically dangerous.

In no area is this more apparent than in discussion of the international Communist conspiracy. A vocabulary, weakly defined and indiscriminately applied, has been developed by the extremists of the right and of the left.

The challenge of international communism is certainly one of the more significant problems facing the American people. Unfortunately, the heat generated by the extremists of the right largely has obscured the really vital issues of our conflict with communism. Dealing almost exclusively in unsubstantiated charges, they have appealed to jingoistic emotionalism and have triggered an equally emotional and often unrealistic reaction from the radical left.

We have moved from the era of McCarthy to that of the John Birch Society and General Walker. They are equally dangerous. Emotion and unreasoning partisanism are no substitutes for factual and rational consideration of issues on their merits.

Most dangerous, perhaps, is the element of unofficial censorship which impels public officials to a careful middle-of-the-road position, inconsistent with fact but politically safe, arbitrarily excluding from consideration solutions which otherwise might be advisable and desirable.

There must exist an atmosphere of intellectual freedom, freedom from tyranny either of the left or of the right, in which issues, no matter how controversial, may be granted a judicious hearing. In this regard, the educative function of the party can be a determining factor.

One hears constant complaint about the encroachment of the Federal Government into local affairs. This situation could be defined more correctly as the abdication of responsibility by local agencies and by the citizens behind them. In the search for a broader revenue base, increasing demand is made for Federal aid.

Local government officials are severely underrated. Their positions are extremely difficult, and are made increasingly so because of the irresponsible attitude of certain political leaders and citizens' groups. If a street is in ill repair, if traffic is congested, if urban renewal is needed, if schools are overcrowded, there is complaint and an accusing finger is pointed at the officeholder.

Immediate action is demanded by the citizen while the political opposition makes reference to a "do-nothing" mayor, a "do-nothing" legislature, or a "do-nothing" Congress. The public is urged to "throw the rascals out." When taxes are raised to pay for the demanded improvements and services, citizens and political opposition alike charge the harassed officials with being "spenders," increasing the national debt, engaging in "backdoor spending."

The Democratic Party especially is accused of offering something for nothing, and is labeled the party of big public spending. No responsible politician offers something for nothing, whether Federal aid to education, medical care for the aged, unemployment compensation, manpower retraining, urban renewal, or what-have-you.

You and I pay for every benefit received. Hopefully, we do so willingly, with a full understanding of the reasons for so doing. I suggest it is time the public and the politicians grew up.

In this area, major political parties could do a tremendous job of public education. Both could build understanding which would serve our area well in dealing with the challenges of the public sector. We as Democrats have a duty in this regard. Ours is a rare opportunity.

The growing significance of local government is apparent to any student of the national scene, the drive for a Department of Urban Affairs, the growing emphasis on city planning, the birth of the megapolis, the flight to suburbia.

Yet, it is in the area of local government where the political parties have failed. To the citizen-voter, a Senator or a governor is easily identifiable both by party and accomplishments. They are recipients of praise or the targets of criticism, but what of the county commissioner, the city councilman, the State legislator?

On the ballot, generally, positions below mayor and attorney general melt into a sea of names. Have you perhaps said: "I vote Democratic in the important races, but in the local races, I vote for the man." Have you left part of the ballot blank because you were uninformed?

Regrettably, we as a party have nourished this tendency. We, too, tend to regard local races as unimportant. If we elect a Governor or a Senator, if our man is in the White House, we are satisified.

We forget that county, city, legislative and congressional seats, if held by Republicans, are held by men whose philosophy of government is different from our own. The teamwork required by the democratic system of government permits no first citizen, no prima donna, only men and women who are dedicated to hard work in the public service. Municipal, county, State and Federal Government are separate professional areas of public service, each with its own area of responsibility, but each equally important, equally honorable, in the composite of American Government.

The concept of political teamwork is nowhere more apparent or more necessary than in Congress. The Constitution divides legislative responsibility equally between the Senate and the House of Representatives. The two Houses are equal and coordinate. To become law, general legislation must pass both Houses of Congress; neither the Senate nor the House is complete without the other.

The congressional balance of power has alternated periodically between the two Houses. Sometimes this alternation has resulted from strong and dynamic leadership. The absence of a directing force, however, can be equally powerful, generally in a negative way. The House, to a far greater degree than the Senate, is responsible to public opinion, but it can also be far more provincial, depending upon the degree to which public opinion is enlightened and the electorate responsible.

Power in the 87th Congress has fallen to the House, and in this instance it appears to be more nearly a negative power wielded by the chairman of a few committees and strongly influenced by the Republican-southern Democratic coalition.

Evidence of this is not difficult to find. The Senate, last year, passed the administration's aid-to-education bill. Further consideration of this vital legislation is virtually impossible without the consent of the House Rules Committee.

This consent has not been forthcoming, largely as a result of a Republican-southern Democratic coalition among Rules Committee members.

The important King-Anderson proposal for medical care for the aged under social security is presently before the House Ways and Means Committee, and in spite of the efforts of the northern and western liberals it may stay there. It was in the House that the minimum wage bill was weakened by crippling amendments.

Five more liberal, Democratic Congressmen from the State of Washington, not only voting, but working in committee and fighting in defense of our democratic philosophy, would have been of inestimable value in projecting these critical legislative programs for which JULIA and I fought.

Seniority is a major consideration in the House, involving committee assignments, prestige, power, and to a high degree the capacity of a Member to serve his district effectively. Because of seniority, the South dominates many of the committees.

Rapid rotation in congressional office has cost the far West dearly in this regard. Among Democratic Congressmen from the 12 Western States, excluding California, only three Members have served more than five terms. This can be critical.

On the House Foreign Affairs Committee, for example, only one Democrat, Congressman SAUND of California, is from the West. On the Agriculture Committee, the first 10 Democrats are from the South. On Banking and Currency, there is only one western Democrat, CLEM MILLER of California, and he is in 13th ranking position.

Seniority is a gift of a congressional district to itself. It is an investment which can return major dividends.

We desperately need in the House men and women of quality who are devoted to House service, who will study hard, gain a certain expertness in their respective committee and area interests, and stay in the House long enough to become effective Members.

How is it that we as a party are willing to content ourselves with the election of two Democratic Members of a seven-man congressional delegation?

Through the years, we have had some extremely able men seek congressional seats under the Democratic banner. Too often, competent men have lost bids for public office because they fought alone, without a helping hand from incumbents, without the benefits of effective party organization, in an intellectual atmosphere untouched by the educative function of the party. In some instances, the failure was within their own organizations. Regardless, their considerable talents have been lost to us. As century 21 approaches, this waste is a luxury we can ill afford. It is insensibly irresponsible.

Have we done enough? If the answer is "No," then we must proceed along a more vigorous path and face squarely our moral obligations as citizens, our more specialized obligations as members of a political party.

We must expand the educative function of the party to create a better informed and more responsible electorate, creating a great fund of understanding.

We must strive to create new and more effective media of communication with the public and encourage debate of public issues.

We must establish permanent facilities for research, a party archive and library, perhaps in each congressional district. We need to conduct studies and build a backlog of support material to aid public officials and precinct and district workers.

We must, in our consideration of public issues and of the opposition, assume a more temperate posture, substituting reason and fact for ridicule and derision.

We must urge our opposite numbers of the Republican Party to raise campaign standards and to create a more intellectual and respectable milieu for political activity. This can be done in part through example. We must clean up our public image. We must avoid extremes of political partisanship so that politics can hold, as a profession, the honored place it deserves.

We must battle against political dropouts, encourage political awareness among students, work devotedly with young Democrats. We must encourage young people to enter politics, either as a profession or as an avocation, and to stay.

We must build closer cooperation among all levels of Government, working together as a team, without jealousy, without rancor, the public betterment our common objective.

We, the American people, are entering a period of dynamic and incredibly complex change. The next decade well may see the alteration of our entire way of life. Scientific advance beyond conception and technological change fill our forward path with exhilarating expectations.

We must face destiny with courage and determination, and yet with care that the prophecy of Orwell is not our fate. Progress must be used to aid mankind, not to enslave him. With full awareness of potential dangers, we must think positively. Technological change should represent freedom from unnecessary labor, not unemployment. Atomic energy should inspire power for peaceful uses, not instruments of war. Growth should be thought of in terms of opportunities, not of burdens. The choice is ours to make.

Our strivings for world peace must be ceaseless. We can afford to leave no avenue unexplored in searching for ways to ameliorate man's relations with man. We must strengthen realistically U.S. support for the concept of world peace through the rule of law. We aspire to world moral leadership by word and by deed. We dedicate ourselves as individuals and as a nation to the ideas of human dignity and individual worth.

We can do no less than applaud the practical idealism and imagination which inspired the creation of the Peace Corps. We are awed by the spectacle of Americans of all races and persuasions, of all ages, of diverse skills and backgrounds, going forth hand in hand with the people of the developing nations in united battle against poverty, disease, ignorance, and hunger.

We are proud of the food for peace administration, an agency devoted to the elimination of hunger by extending the blessing of our agricultural productivity throughout the world. We hope that means speedily will be found to translate our food surpluses into strong and free bodies.

We are pleased that the United States is in a position to extend a helping hand to the newly emerging nations as they grow in freedom. This is a glorious opportunity. We propose to continue assistance to the developing areas, directed toward self-help and self-sufficiency, and we look forward eagerly to the day when the state of the world so shall have improved that foreign aid will be no longer necessary.

We applaud President Kennedy's Alliance for Progress, and, more significantly, his commitment to democracy and freedom for the Americas.

We are pleased by the increase of nongovernmental international contact, educational, and cultural exchange, oversea programs of private groups, and by the increasingly enlightened attitude of the U.S. companies operating abroad. We are encouraged by the international trade-union exchange programs which extend the hands of American labor to the workers of the world in a nonpolitical effort to raise working standards and strengthen industrial democracy and freedom. This greater emphasis on the private sector of international contact is indeed a hopeful sign.

To a high degree, the foundation of our future, both as a people and as a world leader, is our American system of education. We must devise means of raising standards of education without endangering academic freedoms. We favor long-term, low-interest loans to academic institutions. We must encourage increasing numbers of students to seek advanced degrees, while cautiously avoiding an over-emphasis of either the social or the physical sciences. It is essential that our moral and intellectual posture be at least on a par with scientific advance.

In natural resource development, in social and humanitarian areas, in labor, and in business, it is the privilege and the duty of the Democratic Party to lead.

In so leading, let us remember always that our primary objective is not the success of the Democratic Party. Political victories are empty unless used to advance the common weal.

Our primary objective is a Nation and a world in which the dignity of man is sacred, and from which fear and hate and hunger are banished into limbo. Let us get on with it.

The Republic of Italy: 16 Years of Progress

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. RODINO. Mr. Speaker, since we shall not here be assembled on Saturday, I wish now to speak about an anniversary that will fall on that day—an anniversary of monumental significance to America and all the free world, as well as to the country wherein it is observed as a national holiday.

It was 16 years ago, on June 2, 1946, that a people tired and exhausted from the consequences and ravages of a war, cast their lot in a free election—to live under the Republic of Italy.

Italy—a nation of freedom-loving people—from that day when the Republic had its birth has never faltered in her pursuit of the cause of democracy. And, under the wise and dedicated leadership of the Christian Democratic Party—Italy moved foward. And a miracle of recovery took place.

Yet the cause of Italian democracy has had to withstand great pressure. Not too many years ago Italy seemed a country whose problems were insoluble. There was chronic poverty and unemployment. There was the underdeveloped south of Italy, an area of hunger and blight, so movingly depicted by Carlo Levi in "Christ Stopped at Eboli." Thousands of Americans formed their impressions of Italy on the basis of a cycle of realistic Italian films, films which no matter how sympathetically they treated human beings, depicted an environment seemingly harsh and hopeless. It is no wonder that the siren song of communism lured many Italians.

Yet communism was never able to claim the allegiance of the majority of the Italian people. This was graphically illustrated in the late forties, the era of communism's greatest power in Western Europe. In 1948, when the first elections were held under the newly completed constitution, and when Italy was deep in economic gloom, the Italians gave an absolute majority to the Christian Democrats, the first time that a single party had been given such a majority anywhere in a European parliament in a long, long time. Despite Italy's poverty and unemployment, despite popular distress, the Communists could not gain control of the Government. This was due not only to the promise of Marshall plan assistance, but to the sympathy and bonds of affection which so many Italians have for America. These ties should prove a pillar of strength in the upcoming Italian municipal elections, and in future elections as well.

Working under great handicaps, the early governments of postwar Italy made only slow headway. But their achievements should not be underestimated. The currency was stabilized. A start was made toward agrarian reform. The domestic disorder, so often fomented by the Communists, was met and mastered. And Italy was brought into the Atlantic community as a respected equal partner. The foundations were laid for the booming, dynamic Italy of today. Looking backward, I should say that these were no small accomplishments.

But it is the Italy of today with which we are concerned. I had the good fortune to be in Italy only last year, in connection with the celebration of the hundredth anniversary of Italian unity. I had occasion to observe the Italian miracle at first hand, and it is fantastic, simply fantastic. But do not take my word for it. Just examine the facts. First, Italy has doubled her industrial production in the past 10 years. Her enterprise, expansion, and rate of growth are tops in Europe. The final gross national product growth rate for 1961 was 7.9 percent in real terms. This was higher than in any other country in the Common Market, and far higher than right here in the United States. Second, Italian trade has grown at a prodigious rate. Exports increased between 1955 and 1961 not by 25 percent, not by 50 percent, but by over 155 percent. Imports increased for the same period by over 114 percent. Third, this has given Italy one of the strongest currencies and one of the strongest gold and foreign currency reserve positions in the Western World. What more dramatic proof of Italy's sound financial position can there be than the fact that twice during 1962 the United States has borrowed lire from the Bank of Italy in a total of roughly $75 million, to help our own foreign payments position? Furthermore, the Inter-American Development Bank floated a 15 billion lire bond issue in Rome last April. The proceeds of this issue, freely convertible into any other currency, will be used to finance development projects in 19 Latin American countries that are members of the IADB. Truly the bread we cast upon the waters in the Marshall plan now helps sustain the giver.

How has this Italian miracle been wrought? Well, of course, generous U.S. help was part of it. So was the discovery of huge reserves of methane gas in the Po Valley in 1946, which gave Italian industry, at a crucial time, a cheap source of power. But there were also the vital ingredients of imaginative management and plain hard work. These are qualities which we Americans have always admired and indeed which we have always possessed in abundant measure. We admire them no less when they are found abroad.

None of this is meant to imply that all of Italy's problems are solved. Of course this is not the case. The new prosperity has not radically changed the traditional poverty of the Italian South. Although the government has attacked the problem, there is a tremendous amount yet to be done. In addition, success has brought problems of its own. There is beginning to be, in Italy of all places, a shortage of labor, although this is currently confined pretty much to skilled workers. Rising wages could have a serious effect on production costs and hence on Italy's power to compete in foreign markets. This can be especially important in view of Italy's new dependence on exports. As a nation so heavily committed to exports, Italy is rendered peculiarly vulnerable to the fluctuations of world trade. Finally, the Italian tax and pension systems are in overdue need of reform.

The present Italian Government, reconstituted a short time ago in the so-called opening to the left, aims to embark on a program of social reform. It wants to adopt modern tax and pension systems, build schools and hospitals, make loans to sharecroppers, and generally reduce the gap between the north and the south, the rich and the poor. If it displays the resourcefulness and resolution that has characterized so much of Italian policy these last years, its chances of attaining those objectives should be good. If its efforts are successful, the hard core of Italian communism should suffer further defections.

All the while, Italy has remained a loyal member of NATO. If tremors of neutralism sometimes agitate the Italian political landscape, it should be remembered that Italy has long accepted NATO missile bases on her territory, an action which some of our prominent allies have refused to take. In addition, Italy has been a loyal participant in the drive for an integrated Europe. If Italy would like to play a more active role in the Western alliance, her loyalty to the alliance and her economic performance have certainly earned her that right. If Italian claims to be consulted are pressed, we may be sure they will be pressed with dignity and without petulance.

In short, my friends, Italy has been transformed. In the 16 years of the Republic she has passed from a nation seemingly overwhelmed with insuperable problems, a liability tottering on the brink of communism, to a major asset of the West. Bold and confident, her businessmen look to the new horizons of Asia, Africa, and Latin America. Her government displays a mature self-assurance in domestic and foreign affairs. If it is true, as President Kennedy has recently reminded us, that the United States could learn a few things from a revitalized Western Europe, surely Italy can furnish an instructive example. We in America rejoice at Italian progress, for Italy holds a high place in our hearts. It is one of the gratifying facts of international life that those sentiments are reciprocated.

On this memorable day in the history of a free and great nation, I salute Italy and her brave people.

The Italian Republic

EXTENSION OF REMARKS

OF

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. BOLAND. Mr. Speaker, due giugno—June 2—is an anniversary of lasting significance in Italian history. It does not mark the beginning of an armed uprising or the end of a war but the date of an election. On the 2d of June 1946 the Italian voters went to the polls to make two choices. First, they voted for members of the constituent assembly. And, secondly, they voted on whether or not to continue the institution of monarchy.

Although the results of the assembly election have passed into limbo the outcome of the referendum on monarchy made June 2 a high water mark in Italian history. For that reason the circumstances of the election are worth recounting here.

When Rome was liberated in 1944, King Victor Emmanuel withdrew from public life. He had been identified too closely with the Fascist regime. During the 2 years before the June 2 referendum Crown Prince Umberto took his place.

The 2-year period was marked by deliberations within the Italian parties on the whole question of monarchy. The Christian Democrats moved to a position favoring a republic. There they joined the socialist parties which had been adamant in their opposition to monarchy for years. The Liberals remained divided, but their leadership from the north was republican in sentiment.

Three weeks before the election the King abdicated and Crown Prince Umberto became King automatically. The 11th hour abdication was interpreted by the republican strategists as an attempt to influence the outcome. Whatever effect it had, the election was a close one. The results announced on June 18 showed 12,717,923 votes in favor of a republic and 10,719,284 in favor of a monarchy.

The Italian Republic born that June of 16 years ago has grown in strength.

The overthrow of the Fascist regime left the new Republic with serious economic problems unresolved—overpopulation, unemployment, and extremes in the distribution of wealth. Generous American aid under the Marshall plan helped the Italian Government to start on a program of domestic recovery. The majority party—the Christian Democrat—was able to put through a program of economic reform by astute parliamentary maneuvering.

Italy rose quickly from the status of a defeated enemy nation to an active partner in the Atlantic Community. In February 1947 the peace treaty was signed to end Allied occupation. Italy is now a member of the North Atlantic Treaty Organization. In 1955 she was admitted to the United Nations, and in 1957 the Italian Government entered the European Common Market.

Today the Italian Republic has earned an honored place at home and abroad. Italian fashions and industrial designs have revolutionized established patterns. In the arts, Italian films and novels have earned the respect of international critics. But the most significant achievement of the postwar years has been the emergence of democratic government. It is a pleasure to salute the Italian Republic in its 16th year.

Temporary $8 Billion Increase in Debt Limit Would Not Be Necessary Were It Not for Increase in Interest Burden Federal Government Has Borne Since 1952 Because of Hike in Interest Rates

EXTENSION OF REMARKS

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. PATMAN. Mr. Speaker, under permission previously granted, I wish to insert in the RECORD my testimony today before the Ways and Means Committee in connection with the hearings

to increase the temporary debt limit of the Federal Government by $8 billion:

STATEMENT OF HON. WRIGHT PATMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. Chairman, my name is WRIGHT PATMAN, representing the First Congressional District of Texas in Congress since 1928. I am a member of the Joint Economic Committee, the Small Business Committee, and the Banking and Currency Committee.

Your invitation to comment on the proposal to increase the debt limit is most appreciated. You have been very courteous to me, Mr. Chairman and members of the committee, in my numerous appearances before you. As long ago as February 1943, the committee afforded me an opportunity to be heard on one of the first debt increase bills necessitated by World War II. At that time I urged that money needed to finance the war be raised to the fullest extent possible through taxes, and that necessary debt increase be financed from savings and not from bank-created money. Nearly two decades later, I am of the same view on these points.

May I reiterate my general philosophy on the debt question? It is my belief that the Federal debt should be reduced in good times when a budget surplus is being achieved. It is recognized, of course, that when business is in a recession and unemployment is large, debt retirement is difficult and, indeed, might have an adverse effect on the economy. However, although we have great demands on the budget for essential programs, such as national security, and so on, there is one way in particular by which enormous savings could be made. I refer to the excessive interest burden which the Government bears at this time.

INTEREST CHARGES TAKE 10 CENTS OUT OF EVERY BUDGET DOLLAR

As this committee well knows, in the 1962 budget 10 cents out of every dollar goes for fixed interest charges. This is one of the major budget items—an item larger than agriculture, which requires 7 cents out of the budget dollar, and an item larger than veterans' payments, which take 6 cents out of the dollar. In fact, a chart in the 1962 budget review shows that the largest budget category is major national security, international, and space expenditures—which takes 62 cents out of the budget dollar. Fixed interest charges are second, with 10 cents out of the budget dollar.

HALF OF 1963 INTEREST ON DEBT DUE TO HIKE IN INTEREST COST SINCE 1952

In the course of the recent Joint Economic Committee hearings on the President's Economic Report, several members of the committee expressed concern over the effects of the upward trend in interest rates over the postwar years on the cost of carrying the Federal debt. Since the budget for fiscal 1963 estimates interest costs for the year at $9.4 billion, I asked the Director of the Budget if he would estimate what this cost would be on the same amount of debt, at interest rates prevailing during the two previous administrations. According to the estimates submitted, the interest cost for fiscal 1963 would be $6.6 billion at the average rates prevailing in the period 1946–53; and the cost would be $7.1 billion at average interest rates prevailing in the years 1954–57.

I think these estimates submitted by Mr. Bell are conservative. My own estimate is that for fiscal 1963 nearly half of the over $9 billion interest cost is due to the increase in interest rates since World War II.

Annual interest burden to the Federal Treasury amounting to over $9 billion is a tremendous sum, but the tragedy is that it is a sum of money which is nearly double what it would be if interest rates had not been boosted so sharply during the past 15 years.

As a matter of fact, Mr. Chairman, the $8 billion so-called temporary increase in the debt limit being considered today would not be necessary were it not for the increase in interest burden which the Federal Government has borne since 1952, because of the hike in interest rates.

ADDITIONAL FEDERAL INTEREST BURDEN $8.5 BILLION SINCE 1952

With your permission, Mr. Chairman, I would like to offer for the record a tabulation prepared from Department of Commerce data showing the amount of the Federal debt, the actual interest paid on the Federal debt, the computed average interest rate paid on the debt, and the additional interest paid in each of the years 1953 through 1960 over and above the amount of interest that would have been required at the 1952 interest rates paid by the Federal Government. Let me highlight this by pointing out that over this period, 1953 through 1960, there has been an additional burden of interest amounting to $8,457 million.

Computed additional interest cost on Federal debt, 1952–60

Year	Average total Federal debt [1]	Actual interest paid	Computed average interest rate	Estimated interest based on computed 1952 rate	Difference	Cumulative difference
	Billions	*Millions*	*Percent*	*Millions*	*Millions*	*Millions*
1952	$274.8	$6,290	2.289	$6,290		
1953	284.3	6,637	2.335	6,508	$129	$129
1954	291.9	6,887	2.359	6,682	205	334
1955	298.1	6,863	2.302	6,824	39	373
1956	301.2	7,596	2.522	6,895	701	1,074
1957	301.1	8,354	2.775	6,892	1,462	2,536
1958	306.2	8,021	2.620	7,009	1,012	3,548
1959	316.3	9,212	2.912	7,240	1,972	5,520
1960	321.3	10,292	3.203	7,355	2,937	8,457

[1] Includes categories of debt not subject to statutory debt limit.

Source: U.S. Department of Commerce: Debt figures represent averages of beginning and end of year totals shown on p. 388, "Statistical Abstract of the United States, 1961"; interest paid secured from national income supplements, Survey of Current Business.

In other words, if interest rates on the Federal debt had not been increased between 1952 and 1960, the debt would have been smaller by nearly $8½ billion. Complete figures on interest payments for the year 1961 will not be available until next July. However, we know that the figure of $8½ billion will be boosted by several billions more.

ADDED INTEREST BURDEN ON TOTAL PRIVATE AND PUBLIC DEBT NEARLY $49 BILLION SINCE 1952

Again based on Department of Commerce data, it is possible to estimate the additional interest burden that the whole economy has had to bear because of the sharp increase in interest rates since 1952. In 1960 total public and private debt reached the astronomical magnitude of more than $1 trillion. On the total of public and private debt, the additional interest paid because of the rise in interest rates since 1952—cumulated for the years 1952 through 1960—reached the enormous sum of $48,542 million.

With your permission, Mr. Chairman, I offer statistical documentation for that statement.

Computed additional interest cost on total public and private debt, 1952–60

Year	Average total public and private debt	Actual interest paid	Computed average interest rate	Estimated interest based on computed 1952 rate	Difference	Cumulative difference
	Billions	*Millions*	*Percent*	*Millions*	*Millions*	*Millions*
1952	$626.7	$19,523	3.115	$19,523		
1953	665.0	21,732	3.268	20,715	$1,017	$1,017
1954	699.0	23,489	3.360	21,774	1,715	2,732
1955	750.3	25,808	3.440	23,372	2,436	5,168
1956	808.8	29,487	3.646	25,194	4,293	9,461
1957	850.1	33,616	3.954	26,481	7,135	16,596
1958	893.4	35,517	3.976	27,829	7,688	24,284
1959	951.9	40,275	4.231	29,652	10,623	34,907
1960	1,006.4	44,984	4.470	31,349	13,635	48,542

Source: U.S. Department of Commerce: Debt figures represent averages of beginning and end of year totals shown on p. 388. "Statistical Abstract of the United States, 1961"; interest paid secured from national income supplements, Survey of Current Business.

Mr. Chairman, I appreciate the enormous burdens this committee bears with so many serious matters to be considered, and I wish to be very brief today. Therefore, with your permission may I include in the record at this point my testimony on increasing the debt limit in the hearings of January 17 and July 30, 1958:

[From hearing before the Committee on Ways and Means, House of Representatives, 85th Cong., 2d sess., on H.R. 9955 and H.R. 9956, bills to provide for a temporary increase in the debt limit of the United States, Jan. 17, 1958]

STATEMENT OF HON. WRIGHT PATMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. PATMAN. Mr. Chairman, my name is WRIGHT PATMAN, and I represent the First Congressional District of Texas, and I have been serving in Congress since 1928. I am a member of the Joint Economic Committee, the Small Business Committee, and the Banking and Currency Committee.

The CHAIRMAN. You have been the chairman of committees in Congress for quite some time, particularly the Committee on Small Business, and you have done a good job, as we all recognize.

We are glad to have you with us today. You are recognized to proceed in your own way.

Mr. PATMAN. I am here to discuss the increase in the debt limit. I am tempted to comment on what Mr. Brundage, the Director of the Budget, has said, but I shall not do so in view of the hour. I feel it would be an imposition on the committee.

I will say only that Mr. Brundage dug up a lot of snakes to kill, and I doubt very much that he will be able to kill those snakes during this session of Congress.

This resolution, H.R. 9955, by Chairman MILLS to raise the debt limit by $5 billion is the matter I desire to discuss. Naturally, I do not believe any Member would oppose an increase in the national debt if it is needed for national defense. If this committee, in its wisdom, sees fit to increase the national debt, I have a condition which I hope that you will place upon the authorization.

Secretary Anderson mentioned that we have a law now which permits the Secretary of the Treasury to sell securities in an amount up to $5 billion, directly to the Federal Reserve banks. If that were done in this case, it would save the Government, it is estimated, about $163 million a year.

The condition that I would like to ask the committee to consider, in the event this raise is granted, is that you make the requirement that this $5 billion be sold directly to the Federal Reserve System.

In other words, this is the language:

"All Federal debt in excess of $275 billion must be in securities held by the Federal Reserve System on direct purchase from the Treasury."

In addition to saving a large amount of money, this will cure situations that have been complained about by the Secretary of the Treasury and many people in business, banking, and finance.

While Secretary Anderson is appearing before this committee in support of the resolution to raise the debt limit by $5 billion, he also has a letter filed with the Banking and Currency Committee asking for continuance of the authority in the Federal Reserve Act whereby the Federal Reserve System can purchase up to $5 billion of securities from the Treasury. This authority has been extended every 2 years, and there has never been opposition to it.

Up until 1935, there was no limit of $5 billion and the authority was without a time limit. Since 1942 it has been $5 billion, and the time limit has been 2 years, but the authority has always been extended each 2 years.

Now, in the letter that Secretary Anderson wrote to the Banking and Currency Committee asking that this authority be extended, I submit, he gives reasons in support of the argument that I am making now which is that you should attach a condition to this increase of $5 billion to the national debt.

I will quote from a letter signed by Robert Anderson, Secretary of the Treasury, dated January 3, 1958:

"We recommend that the temporary authority be extended an additional 2 years. The direct purchase authority is of important assistance to the Treasury in smoothing out the effect of short-run peaks in Treasury cash receipts and disbursements so that the disturbing effect of their flow through the banking system may be held to a minimum. Also, if the Treasury did not have the authority, it would be necessary to maintain larger cash balances than is now the case. The authority is only used occasionally, primarily immediately preceding periods of heavy tax payments. However, it is an essential fiscal mechanism in avoiding unnecessary strains on the money market at such times, and in handling the distribution and utilization of Treasury cash balances and holding them to a minimum. Any borrowing under the authority is, of course, subject to the statutory debt limit.

"There is attached a table showing the holdings of the Federal Reserve banks under the direct purchasing authority from 1942 to the present time."

Now, then, in connection with Mr. Anderson's statement to the press when he announced he was going to ask for this increase in the debt limits, he was quoted in last Tuesday's Washington Evening Star as follows:

"As we seek to manage the debt of the great proportions that we have, we ought to have the ability to use the best and most efficient mechanisms that we can, and some consideration has to be given to a sufficient flexibility that will allow us a capacity to do as good a job as we can in the management of the debt."

I suggest that the purpose for which he is asking for an increase in the debt ceiling is the same purpose that he has given in his letter to the Banking and Currency Committee asking that the Federal Reserve purchase authority be extended another 2 years from June 30, 1958.

Mr. Burgess testified the year before last in support of extending the Federal Reserve purchase authority. Mr. Burgess was, of course, Under Secretary of the Treasury under Mr. Humphrey. I will quote here what he said:

"The primary purpose of this direct borrowing authority has been to help the Treasury and the Federal Reserve System work together in minimizing the disturbing effects on the economy of short-run peaks in Treasury cash receipts and disbursements, particularly around the time of quarterly income tax payments.

"Short-run movements of funds are large and precise estimates of their day-to-day pattern are often difficult. This direct borrowing authority is a useful mechanism for the Treasury and the Federal Reserve and its use avoids unnecessary strains on the money market on a number of occasions."

That is the reason for this $5 billion authority.

Mr. EBERHARTER. Was that testimony before our committee.

Mr. PATMAN. It was before the Banking and Currency Committee on February 29, 1956, nearly 2 years ago. That was when the question of renewal of this $5 billion authority was up. Every 2 years it is up, and we always have a short hearing, but no objection to it.

Now, in the same hearing there was the testimony of the Honorable William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, who also endorsed the bill for the continuance of this $5 billion authority. Mr. Martin described the purpose of this authority as follows:

"This is an operating convenience under which the borrowing is always of a strictly temporary nature and occurs primarily in tax payment periods. The authority has made it possible around such times for the Treasury to bridge temporary gaps between the Treasury's payment needs and its tax receipts, and in this way to smooth out some of the uneven flows of funds through the banking system and the money market that would otherwise result from the Treasury's operations.

"Avoidance through this method of Treasury borrowing of the sharp strains on the banking system that would otherwise arise from the sudden strains on the Treasury accounts with banks is equally as helpful to the Federal Reserve in carrying out its parallel responsibilities in the field of monetary and credit policy as it is to the Treasury in administering its fiscal responsibilities effectively."

So, as to the Federal Reserve purchase authority, we have the endorsement of not only two Secretaries of the Treasury, but we have the endorsement of the Federal Reserve.

Now this point is unmistakably clear: The purpose for which Secretary Anderson has explained he needs the $5 billion increase in the debt ceiling is exactly the same purpose which has been repeatedly given for the Federal Reserve purchase authority. The purpose is to absorb temporary increases in the Federal debt which are needed because of seasonal and other mechanical factors affecting the flow of revenues into the Treasury. And the seasonal factors have been demonstrated.

If you will turn to one of the charts that Secretary Anderson has presented, chart 5, you will find that every year there is a deficit at a certain period of the year and a surplus at another period of the year. So the object of this $5 billion is to smooth that out.

It is for these reasons, then, that I ask the committee to consider attaching to the $5 billion increase in the debt ceiling a requirement that, if and when any part or all of this authority is used, it will be used by selling securities directly to the Federal Reserve System under the authority now provided for this purpose in the Federal Reserve Act. None of this latter authority is in use at the moment, so the full $5 billion is now available. Direct purchase by the Federal Reserve System is best suited for handling the problems which the Secretary has described as making necessary this $5 billion increase in the debt ceiling, and it will save the Government about $163 million a year in interest charges.

That concludes my recommendation for specific action at this time, Mr. Chairman, but, if I may, I would like to offer several general suggestions which I think the committee might consider at some future time.

I personally feel, Mr. Chairman, that this committee should give serious consideration to setting up a policy of debt retirement that is more satisfactory than at present. We should have a scale of setasides that would apply at different levels of prosperity—say with a minimum of 2½ percent in periods of general prosperity. This debt retirement budget can then be included as a part of the general budget, and Congres should then stay in session each year until we balance the general budget.

We must have debt retirement. There are all kinds of clamor for more and more debt. It is piling on the American people all of the time.

There are no plans for retirement of debts. You very seldom hear anything said about retirement of debts. Debts should be retired.

We ought to pay them off, and, if necessary, go into debt again, but we should have a definite plan for the retirement of our national debt. We should not let it go up this way.

Now, there are two or three other suggestions, Mr. Chairman, that I would like to add. There are other ways to save. We have a fine Federal Reserve banking system. We have a fine commercial banking system. It is great because it is operating in a capitalistic economy, the kind we all agree that we should have. It is the best in the world.

It is not perfect, but there is nothing wrong with the Federal Reserve that a couple of good amendments would not cure. It is the same way with the commercial banking system. It is as good as any system on earth. We want to encourage it.

Now, the Federal Reserve System has been used in the past, not so much by the Government, but by others. We are fortunate that we have the Federal Reserve banking system. It is subject to the orders of Congress. It is an agency of Congress. It is a servant of Congress.

Of course, all of its assets and all of its powers and privileges are subject to the call and the will of the Congress of the United States. No one questions that. The Federal Reserve System can be used now to a better advantage than it has ever been used in the past.

The Government owns the Federal Reserve System. It owns it entirely—lock, stock, and barrel. I know there is sentiment around over the country saying, "Well, the banks own the Federal Reserve System."

Of course the banks do not own the Federal Reserve System. Over the years I have interrogated Mr. Eccles, and Mr. Martin and different people about it, and I think that Mr. Martin has finally come up with an appropriate and correct phrase that explains it. When I ask him now about the ownership of the Federal Reserve System, he always says that the banks have a "nonproprietary interest" in the Federal Reserve System.

That is correct. It is a nonproprietary interest, and no other. The Government owns it and should use it. Now is the time to use it. So in the future when these securities come up for issuance, in addition to this $5 billion we have been discussing today, the Treasury should be asked by this committee to consider offering these securities first to the people. Encourage individuals to buy and encourage corporations and partnerships and insurance companies to buy them.

But say, "After you have sold, Mr. Secretary of the Treasury, all of the securities you can to people who have the money to pay for them, then instead of selling them to the commercial banks that create the money to buy them, sell them to the Federal Reserve." When the commercial banks buy Government securities, they create the money for this purpose, on the credit of the Nation, and then collect interest from the Government.

The Treasury could sell them to the Federal Reserve and pay the same rate of interest, but the money will flow back over into the Treasury.

Last year the Federal Reserve had earnings aggregating approximately $600 million. And $542 million of that money flowed over into the Treasury at the end of December 1957.

In that way we would pay the interest, but it would come back to the benefit of the taxpayers.

The latest figures, Mr. Chairman, for the year 1961 show that the Federal Reserve had current earnings of $942 million, from which current expenses of $161 million were deducted, leaving net earnings of $780 million. Of that, $687 million was paid to the U.S. Treasury.

There are other ways of saving money. I shall briefly discuss one, since Mr. Anderson mentioned it, and it is almost a challenge to me. He said he wants to keep on deposit with the commercial banks and the Federal Reserve banks an average of $3.5 million a year. Three million dollars of this will be in deposits with the private commercial banks. This is according to the way the Treasury is now operating.

Now, I like Secretary Anderson, and I think he is a great man. I do not think President Eisenhower could have selected a better man to be Secretary of the Treasury. But I think he is clearly wrong about that. Why should he keep idle an unused $3 million in the banks of this country? Do we owe them that obligation?

We have been keeping from $3 billion to $6 billion in the banks at all times, and I do not think it is justified, because it has been costing the people from $120 million to $240 million a year. The people pay their money for these bonds, and then the money is put in the banks and kept there idle and unused. Official records disclose, and I have the official records here, that for the last 8 months of last year we averaged $4 billion in the banks at all times.

To bring this up to date, Mr. Chairman, as of May 24, 1962, tax and loan accounts of the Treasury on deposit with commercial banks amounted to $7,039 million, to which should be added another $463 million of other Treasury accounts in commercial banks. Incidentally, the so-called class C banks—the largest banks, of which there are only 51—held $3.7 billion of the Treasury tax and loan accounts as of May 24, 1962—a very high proportion of the total. On the average throughout the year the Treasury has some $5 billion idle and unused on deposit with commercial banks.

Now, I do not object to paying the banks for their services. If they do any service, let us pay them for it. But let us not just keep billions of dollars on deposit with the banks, receiving no interest on the money while the people are paying a high interest on it. That would save at least another $150 million a year.

This morning when Secretary Anderson mentioned this matter of deposits, I sent out and got the New York Times. The New York Times and the New York Herald Tribune are two papers, I know—possibly there are others—which every Friday issue a New York Clearing House statement. This shows the amount of Government deposits in the banks in the New York Clearing House Association.

There are certain banks that keep over $100 million, almost invariably, of Government money that the Government receives nothing for, that the people are paying interest on. That just does not seem right to me.

This morning's statement is lower, I will admit. Secretary Anderson said it is lower than it has been for a long time. It is so low that one New York bank that normally has $150 million had only $72 million last night. Another one has $45 million. Another one has $36 million, and so forth.

All over the country the Treasury normally keeps from $3 billion to $6 billion in the banks.

Now, remember, gentlemen, these deposits in the private banks are not within the reach of the checkbook of the Treasury. The Treasury does not give checks on these banks. The Treasury cannot pay bills by checking on these accounts, the Treasury writes checks only on the Federal Reserve banks. So another operation is necessary before that money can be used by the Government. It has got to be brought into a Federal Reserve bank before it is possible for the Treasury to use it. So why should we keep idle and unused $3 billion in banks away from the reach of the Treasury? It just does not make sense, common, book, or horse.

I am not trying to undermine the banks. I like the banks, and I want them compensated for everything they do. I want a profitable commercial banking system, the kind that makes our country stronger. I am all for that. But things like this just don't make sense.

The banks get pretty good support from the Government in other ways. The banks benefit by over $100 million every year from Government funds for the cost of clearing their checks and things like that. In other words, the Government is paying for their private business.

Now, $100 million a year ought to be enough without giving them the use of $3 billion to $6 billion of Federal funds at all times without interest payments. I hope I am not unreasonable about this, and I hope you gentlemen will consider this along with these questions of the public debt and other monetary and fiscal matters.

I want to thank you very much, Mr. Chairman, and may I be allowed to extend and revise my remarks?

The CHAIRMAN. Without objection, you may extend and revise your remarks. Mr. PATMAN, we appreciate very much your coming to the committee this morning, and the information that you have given to the committee.

Mr. Ikard will inquire.

Mr. IKARD. Mr. Chairman, I have no questions. I want to compliment my distinguished colleague from Texas, who is recognized as one of the authorities on fiscal and monetary affairs, for a very fine and interesting statement, which I know the committee found to be very informative.

The CHAIRMAN. Mr. Eberharter will inquire.

Mr. EBERHARTER. I echo the sentiments expressed by Mr. Ikard, but I also want to ask you one question. Is it your contention, Mr. PATMAN, that, if the Congress were to adopt your recommendation for amending H.R. 9955, the Treasury would have the authority to borrow $10 billion?

Mr. PATMAN. No; $5 billion. This comes under the National Debt Act, too. To the extent they use this increase, I want it to be used through this authority of $5 billion from the Federal Reserve.

The CHAIRMAN. The point is that the $5 billion referred to in the amendment you suggested to this committee is contained within the overall limit of the debt, whatever that may be.

Mr. PATMAN. Yes, and it is tailor made to fit this case. That is, the $5 billion asked for by the Treasury and $5 billion allowed under this authority, and it would save the Government $163 million.

Mr. KEOGH. May I join in commending our very distinguished and capable colleague for his statement here today.

The CHAIRMAN. Mr. PATMAN, we again thank you, and this brings to a conclusion our public hearing on the bills before us this morning. The committee will adjourn, to reconvene at 2 o'clock in executive session.

(Whereupon, at 1:15 p.m., the committee recessed, to reconvene in executive session at 2 p.m. the same date.)

[From hearing before the Committee on Ways and Means, House of Representatives, 85th Cong., 2d sess., on H.R. 13580 and H.R. 13581, bills to increase the public debt limit, July 30, 1958]

STATEMENT OF REPRESENTATIVE WRIGHT PATMAN, OF TEXAS

The CHAIRMAN. We are pleased to have you with us, Mr. PATMAN. All of us know you quite well and you are recognized, sir, to proceed.

Mr. PATMAN. Thank you very much, Mr. Chairman. My name is WRIGHT PATMAN, and I represent the First Congressional District of Texas. I have been serving in Congress since 1928. I am a member of the Joint Economic Committee, the Small Business Committee, and the Banking and Currency Committee.

I thank the committee for its courtesy in hearing me.

The committee is considering the President's request for authority to increase the "temporary" Federal debt from $280 billion to $288 billion, and to increase the "permanent" debt ceiling from $275 billion to $285 billion.

Why is the committee giving such serious consideration to this proposal to put the Federal Government further into debt?

Obviously, the answer is that the committee believes that increasing the Federal debt may have important effects on the American people, on the functioning of our economic system, and on the value of the dollar.

I respectfully suggest, however, that the way the proposal is put before you, you cannot make a sound estimate of what its effects will be. You are in the position of a man who is handed a loaded gun without a safety catch.

Many different methods can be used for increasing the national debt, and the effects of the increase will depend upon what methods are used.

Increasing the Federal debt by even the best methods is of course, a serious thing. It is debt any way you look at it, and whatever amount is outstanding creates an interest burden on which all of the taxpayers must pay, although a relatively few taxpayers reap substantially all of the benefits of these interest payments.

As a Nation, we have been repeatedly remiss in our duty to follow methods which would keep the debt down, and remiss in our duty to pay off some of this debt in periods of great prosperity.

The peak debt of World War II was reached in February 1946, when it reached $279 billion. Much of that could have been avoided. Substantial reductions were made following World War II but with the Korean hostilities it rose again and was back up to $259 billion at the end of fiscal 1952. In the prosperous years that followed, it was allowed to rise to $281 billion by the end of 1955, and it is approximately at that figure now.

The purpose of my appearance is not to oppose the authority asked for, but to oppose the granting of such authority without safeguards against using this authority in imprudent ways which will have unnecessarily bad effects. In my opinion, unless the committee adds some needed specifications and limitations into the bill, this increase in the Federal debt will have enormously bad effects.

It will be enormously inflationary. In fact, a mountain of inflation is involved in this.

It will add huge and unnecessary interest burdens on the taxpayers.

It will bring about conditions which make it unlikely that any substantial amount of the debt will be paid off in the future, and thus unlikely that the taxpayers will ever be relieved of the tremendous interest burden they already carry.

I respectfully ask, therefore, that the committee give most serious consideration to putting four specifications and limitations in the bill, as follows:

(1) Require that the securities issued under the increased debt authority be sold insofar as possible to individuals, corporations, and to savings-type institutions; and that the portion which can be sold only by the creation of new money be sold to the Federal Reserve rather than to the commercial banks.

Now, the reasons for this are quite simple:

To the extent that additional securities are purchased by individuals, by corporations, and by savings-type institutions, there will be little inflationary effect.

By savings-type institutions we mean, of course, the savings banks, the savings and loan associations, the credit unions, the life-insurance companies and other such organizations which, unlike the commercial banks, do not create money.

The first objective should, therefore, be to finance all of the new debt it is possible to finance out of savings, both corporate and personal. To the extent that the new securities can be absorbed out of savings, the effect will at least not devalue the dollar.

Selling the new securities either to the Federal Reserve System or to the private commercial banks will mean that the purchasers will create the money with which to buy the securities. In either case, the result will be inflationary, but there is at least one important difference. The interest payments made to the Federal Reserve will automatically come back to the Treasury, which will help to keep the debt down.

What sense is there in allowing the private commercial banks to create the money to buy Government securities, and burdening the taxpayers with interest charges on that money? The commercial banks perform no necessary service whatever in buying Government securities. They perform no service in creating money, on the credit of the Nation, which the Government cannot perform for itself without burdening the taxpayers with interest charges.

To avoid any misunderstanding, let me state, as I have many times before, I am not unfriendly to the private banks. The fact is, however, that the private banks are the most prosperous segment of our economy today; they do not need more Government subsidies at the expense of the taxpayers. So, it seems to me idiotic for the Government to pay these banks to create money to purchase Government securities. The Government can do this for itself, and for the good and justifiable purpose of keeping the debt down.

(3) Require that all securities sold by the Treasury be sold on competitive bid.

The reason for this is also self-evident.

The Treasury is now selling certain of its securities on competitive bid, and it has an established machinery for this. Each week it sells between a billion and $2 billion of 91-day bills on the regular Monday bill auction. This auction method leaves no question about what money market rates are, and no guessing about what interest rate must be offered in order to sell the securities. After the Treasury receives all the bids, it knows how much has been bid for, and at what prices, and it then decides what the highest price is it will pay for the hire of the money.

But in contrast, the Treasury issues the greater proportion of its securities at fixed and predetermined interest rates. In deciding what arbitrary rates it will fix on these securities, the Treasury leans heavily on the advice which it solicits from the big bond dealers and other big purchasers of Government securities. Based on the advice of interested parties, the Treasury officials then make a guess at what the interest rate should be. What they are guessing at, presumably, is the lowest interest rate which they can fix on the securities in order to sell them. There is some doubt whether all of the Treasury's guesses in recent years were intended to be low, or intended to help bring about a general increase in interest rates.

(2) Prohibit the Treasury from leaving any of its funds on deposit with the private banks.

The recent practice of the Treasury is to keep funds on deposit with the private banks in amounts ranging from $3 to $6 billion during the year, not just during this administration, but long before this administration. Its daily average deposits with the private banks throughout the year runs to about $3½ billion. The taxpayers are paying interest on this $3½ billion, while the Treasury is lending it out, interest free, to the private banks. What do the banks do with these funds? They lend them out and draw interest on them. So the taxpayers are paying interest on $3½ billion of debt which benefits only the private banks, and on which the banks are making a profit.

When the Treasury leaves its funds on deposit with the private banks, there are two bad effects:

(1) The effect is inflationary; by leaving its funds in the private banks, instead of calling them in the Federal Reserve banks, it is adding to the money supply.

(2) The taxpayers are paying interest on money which is idle, insofar as the Treasury is concerned. The money could be used by the Treasury to buy in some of its own short-term obligations and thus save the interest on these obligations.

As had been pointed out many times, the Treasury is in no position to use funds left on deposit with the private banks. The Treasury must first call these funds into the Federal Reserve banks before it can write checks on them to pay its bills. Keeping the funds in the private banks is no convenience to the Treasury. Obviously if the Treasury can maintain an average balance of $3½ billion in deposits with the private banks, then the Federal debt is $3½ billion higher than it need be.

In any case, the record shows that beginning in February of 1953, the Treasury has engaged in repeated "giveaways." Time after time it has fixed rates so high on new securities that the securities were immediately reselling in the open market at prices higher than the Treasury got for them.

As I see it, the Treasury has all to lose and nothing to gain by guessing what the market is. When it guesses too high, it burdens the taxpayers with unnecessary interest charges. But when it guesses too low, there is no offset; it does not sell the securities; and so has to guess again.

So issuing securities at fixed prices and at fixed interest rates is one more factor which makes the Federal debt higher than it need be, and one more factor which diverts the taxpayers' money to meet unnecessary interest charges, rather than going to pay off some of the debt.

(4) Set a fixed precentage by which the Federal debt is to be reduced each year.

For some years now, the debt ceiling has been fixed by law. There have been many times when the ceiling had to be raised, of course. But we still have a ceiling and go through the process of raising it only after a specific review of the conditions which require raising it, on the theory that this tends to hold the debt in check. There is no other reason for having a ceiling. If this procedure does not serve to check unjustified increases in the debt, then the procedure is not only worthless to its purpose, it also involves a waste of time and effort. Few of us doubt that having a ceiling fixed by law does help to keep the debt in check.

But this procedure is one sided. If it is a good procedure for helping to keep the debt from going up, then it should be an equally good procedure for helping to bring the debt down. A fixed schedule for reducing the debt would my opinion help to assure that reductions are made in those periods when reductions reasonably could be made.

Certainly, we have got to do something to stop this process of meeting each emergency by piling new debt on the peak of the previous emergency. And the procedure I suggest is at least worth a try.

Furthermore, this seems as good a time as any for the committee to write into the law a definite schedule for paying off the Federal debt. I would suggest a target of 2 percent per year. There will, of course, be times when no reduction can be made, and an exception to the schedule will be asked for and granted. But at other times such deficiencies should be made up.

As the committee knows, at the beginning of each year the President submits to Congress his Economic Report which sets out the Nation's economic budget for the year ahead. At about the same time the Treasury submits a budget which is drawn up in the light of the President's economic budget. The Joint Economic Committee makes a careful review of these budgets and then tries to inform the whole Congress what the range of economic policies is that can be adopted consistently with the President's economic budget and with the broad objectives set out in the Employment Act of 1946.

There should then be a definite requirement to review the possibility of reducing the Federal debt at this time, along with the review of the other elements in the economic budget. And there should be a definite requirement for a fixed reduction within the year ahead which can be amended only by a specific request and with persuasive reasons for amending the requirement.

Now to summarize. The suggestions which I have made are, of course, not new to this distinguished committee.

In February of 1943, the committee was then holding hearings on one of the first debt-increase bills necessitated by World War II. The first year of World War II had then just ended. The committee was good enough to hear me on that bill, and I then urged the main suggestions I am making today.

I urged, first, that the money needed to finance the war be raised to the fullest possible extent through taxes. And second, I urged that to the extent that it was necessary to issue interest-bearing debt, this should all be financed from savings, and none with bank-created money. In fact, I proposed that if it did prove necessary to use any bank-created money, then a non-interest-bearing security be issued to secure any money borrowed either from the commercial banks or the Federal Reserve banks. That was a long time ago, and I ask the committee's indulgence for quoting from my testimony of February 13, 1943, as follows:

"The plan proposed will retire a definite amount of the debt each year, thereby reducing annually any inflationary condition that has been brought about because of the war, and more effectively retard inflation than the present system.

"INFLATION IS OUR GREATEST DANGER * * *

* * * * *

"In this emergency, it is necessary that we sell all the interest-bearing bonds that we can to the public, including corporations who have the money to buy them. This is necessary to retard inflation, and it is very helpful to that end. I favor the levying and collection of all the taxes it is possible for the people to pay, in order to reduce the national debt as much as possible each year. After the Government has collected all the taxes it can collect, and has sold all the bonds to the public that can be sold, there will remain 50 percent or more of the funds to be raised which must be obtained from the Federal Reserve banks or the privately owned 14,000 commercial banks of the country that accept deposits, or from both.

"It is this money that must be obtained from the Federal Reserve banks and the commercial banks that I insist can be secured by the Government without an annual interest charge" (hearings before the Committee on Ways and Means, House of Representatives, on Debt Limit of the United States, Jan. 29, and Feb. 13, 1943, 78th Cong., 1st sess., pp. 36, 39).

In the calendar year then just completed, 1942, we paid interest charges of $1.5 billion for carrying the Federal debt then in existence. The Federal debt had recently risen to a high of $108 billion, and the bill then before the committee was one to increase it to $122 billion.

Last year, 17 years later, the interest charges on the Federal debt had jumped to $7.6 billion, and the debt is now nearing $280 billion.

In the meanwhile, commercial banks have acquired huge amounts of Federal securities, and the inflation which seemed to me to be our greatest danger in 1943 has greatly undermined the value of the dollar.

Again, 6 months ago, on January 17 of this year, this distinguished committee was again considering a bill to make what was called a temporary increase in the debt ceiling, amounting to $5 billion. At that time, the committee was good enough to hear me make these same suggestions again. I pointed out, for example, that, if the $5 billion of new securities were purchased by the Federal Reserve, the interest savings to the Government would amount to $163 million a year.

I appreciate that the committee in its wisdom did not adopt these suggestions, but may I call attention to some of the events which have taken place since that time?

Since January of this year, the Federal Reserve has reduced required reserves of member banks sufficiently to allow those banks to create, free of charge, $9 billion of new money. And these banks have increased their holdings of Federal securities enormously. Since the end of January, the weekly reporting member banks of the Federal Reserve System alone have increased their holdings of Federal securities by $6 billion.

Yet the Federal Reserve had in its surplus reserve account at the beginning of this year some $800 million. These funds were idle and unused then; they are idle and unused now, $800 million. There is no conceivable need which could arise in the Federal Reserve System for these idle and unused funds. This money should be used now to pay on our huge national debt.

Finally, it may be of incidental interest that, even in this period of recession, with between 5 and 6 million unemployed, the consumer price index has continued to advance, and was still advancing as of the last report we had.

I appreciate the committee's extreme courtesy in hearing and listening to these suggestions from me again. I do hope that the committee will again give serious consideration to them.

Now, Mr. Chairman, with your permission, I would just like to invite your attention to the Federal Reserve Bulletin which came out this morning. On page 816, you will notice that the country banks—there are 6,051 country banks in the Nation, and they have capital of $5½ billion—increased their holdings of Government securities in the past year by only a quarter of a billion dollars, or $250 million.

Now, then, compare that with the Reserve-city banks whose reserves were reduced, which reductions gave them free reserves upon which they could expand $6 to $1. Their holdings of Government securities increased from $16.8 billion to $19.8 billion in the same length of time, although they have approximately the same capital as the country banks. These 281 Reserve city banks have the same total capital as the 6,000 country banks.

Further, the 14 Chicago banks, central reserve city banks, increased their holdings of Government securities. Having been given free reserves by the Federal Reserve, these banks used them to buy Government securities; they increased their holdings from $1.8 billion to $2.4 billion. These banks have only 15 percent of the capital of all of the country banks, but they increased their holdings of Government bonds twice as much the past year.

There is one other illustration. The New York City banks, central reserve city banks, 18 of them, have a capital savings equal to about 60 percent of all the 6,000 country banks, but they increased their holdings of Government securities from $5.7 billion to $7.5 billion, an increase of $2 billion, or 8 times as much as the increase of the country banks.

In other words, reserves were given to the central reserve city banks, and to the Reserve city banks, free of charge, costing them nothing, and they used these to buy our Government securities, and we pay interest on these.

Thank you very kindly.

The Chairman. Mr. Patman, we thank you for coming to the committee, and again giving us the benefit of your thinking on this matter.

Are there any questions of Mr. Patman?

Thank you, Mr. Patman.

Are there any questions of the Secretary and the Director?

Mr. Byrnes. First, I wonder, Mr. Secretary, if you could furnish us with your comments on the four restrictive proposals contained in Mr. Patman's statement, not at this point, but I mean if you could furnish us with a statement with respect to those four points that he made.

Secretary Anderson. I will be glad to, Mr. Byrnes.

(The Secretary's comments are as follows:)

"LIMITATIONS THAT REPRESENTATIVE WRIGHT PATMAN WISHED TO ADD TO THE LEGISLATION INCREASING THE PUBLIC DEBT LIMIT, JULY 30, 1958

"1. Require that the securities issued under the increased debt authority be sold insofar as possible to individuals, corporations, and to savings-type institutions; and that the portion which can be sold only by the creation of new money be sold to the Federal Reserve rather than to the commercial banks

"The Treasury has at all times attempted, within the framework of economic conditions, to secure as large an ownership of the public debt by individuals, corporations, savings institutions, and other nonbank investors as possible and has tried to limit the participation of the banking system in the issuance of new public-debt securities. However, to require that securities not sold to nonbank investors be issued only to Federal Reserve banks and not to commercial banks is to substitute high-powered inflationary dollars for low-powered dollars. Every dollar of Federal securities acquired by the Federal Reserve banks provides reserves of an equal amount to the commercial banking system and this in turn forms the base for a multiple expansion of credit of about six times that amount.

"2. Prohibit the Treasury from leaving any of its funds on deposit with the private banks

"The Treasury over the years has found that it is able to offset the impact of heavy seasonal tax collections and the proceeds of new security issues by leaving on deposit in the private banks as much as possible of its collections and making calls on these deposits only to the extent that funds are needed in the Federal Reserve banks to meet regular Treasury expenditures. To have funds transferred immediately to the Federal Reserve banks would create serious problems in the money market as large sums were drained from the private banks into the Federal Reserve banks. Such transfers have the effect of shrinking bank reserves. In practice the tax and loan account balances of individual banks fluctuate widely. Because such balances remain in the private banks only a short time they must also be invested only in highly liquid and low-yielding securities.

"A further point should be made that the balances held by the banks are not free of any costs to the banks. True, they can be invested and the banks do earn money on these balances until the calls are made for transfer of these funds to the Federal Reserve banks. But the commercial banks are also performing numerous services for the Government for which they are not otherwise paid: the sale and issuance of U.S. savings bonds; the handling of withholding social-security and excise-tax deposits; the furnishing of confidential information to the Internal Revenue Service regarding large currency transactions and interest payments; issuance of bank drafts and the cashing of Treasury checks. Beyond these services and perhaps the most important of all are the functions performed by the commercial banks in the Government securities market. Their own buying and selling contributes greatly to the creation of an efficient market. In the distribution of about $50 billion of certificates, notes, and bonds each year plus $1¾ billion of weekly bills the commercial banks are of considerable help to the Treasury in securing a quick and effective market response. All this is done without the payment of commissions as is commonly done for corporate and municipal issues. If it were not for the earnings banks make on the balances that are left with the banks until needed the Treasury would quite likely have to pay certain service charges to the banks for the work performed for the Government.

"*3. Require that all securities sold by the Treasury be sold on competitive bid*

"Basically the Treasury needs a good deal of flexibility in the management of a public debt of over $275 billion. For each new issue, the Treasury has to evaluate the needs of the Treasury for funds, the state of the economy, and conditions in the money market before deciding on what type of issue should be offered either on a refunding or for new money. Each issue has to be carefully analyzed and no fixed formula can be determined in advance. Considering these factors, the Treasury has found it practicable over the years to offer a wide variety of securities to meet changing conditions and to secure a widespread distribution of the public debt. The auction device of selling securities on competitive bid has a number of useful features, particularly in the issuance of short-term Treasury securities and has been and is used regularly. However, the device is suitable only for a sophisticated market and if it had to be used for all securities it would seriously interfere with the Treasury's objective of encouraging a widespread ownership of the public debt. The effect of this provision would be to impose an undesirable inflexibility upon the Secretary of the Treasury in carrying out his public-debt functions.

"*4. Set a fixed percentage by which the Federal debt is to be reduced each year*

"Legislation such as suggested here has a certain appeal but really does not get down to fundamentals. Regardless of what is enacted into law, the debt can be reduced only when there is an excess of receipts over expenditures. Thus to set a specific annual rate of reduction does not meet the problem. Consideration of a reduction in the public-debt limit is appropriate only when a surplus of receipts over expenditures is evident in the foreseeable future and when it is consistent with the then existing economic conditions."

Finally, Mr. Chairman, let me recall some highlights in the trend of interest rates in recent years. As I have indicated, during World War II when inflationary pressures were at their greatest, the Federal Government was able for a period of 6 years, 1942–1947, to hold the average rate of interest paid on the Federal debt at less than 2 percent. Since that time, the average computed rates have increased steadily and sharply, and in 1960 average 3.2 percent.

With your permission, Mr. Chairman, I include herein a tabulation showing the average computed interest rate on the Federal debt, together wtih the average on total public and private debt, for the period 1933–60.

And in conclusion, Mr. Chairman, let me say that we must support this request for an increase in the debt limit—for not to do so would be to assume the position of the demagog who would vote for all appropriation bills but would vote against all taxes. I hasten to remind the committee, however, that for 12 years, from 1939 when the war emergency period commenced, until 1951, no obligation issued by the Government bore an interest rate in excess of 2½ percent, and no bonds fell below par. Under the law, the Secretary of the Treasury fixes the interest rate on all long-term obligations. The Federal Reserve can establish and hold any interest rate on Government obligations it desires. There is nothing wrong with our budget and the high interest burden the Government bears that the Federal Reserve System could not correct with a sincere desire to do so translated into action.

Thank you very kindly.

Computed interest rates on total public and private debt, total Federal debt, and total private debt, 1933–60

Year	Interest rates on total public and private debt (percent)	Interest rates on Federal debt (percent)	Interest rates on private debt (percent)
1933	4.662	3.340	4.938
1934	4.579	3.096	4.964
1935	4.326	2.575	4.846
1936	4.192	2.447	4.740
1937	4.190	2.667	4.721
1938	4.042	2.433	4.615
1939	4.059	2.436	4.674
1940	3.966	2.501	4.536
1941	3.729	2.087	4.374
1942	3.128	1.796	3.917
1943	2.611	1.601	3.502
1944	2.315	1.481	3.332
1945	2.302	1.587	3.414
1946	2.476	1.847	3.477
1947	2.611	1.930	3.560
1948	2.735	2.029	3.590
1949	2.879	2.141	3.722
1950	2.948	2.179	3.766
1951	3.007	2.235	3.753
1952	3.115	2.289	3.862
1953	3.268	2.335	4.086
1954	3.360	2.359	4.210
1955	3.440	2.302	4.338
1956	3.646	2.522	4.470
1957	3.954	2.775	4.784
1958	3.976	2.620	4.871
1959	4.231	2.912	5.085
1960	4.470	3.203	5.273

Increased Support for Medicare

EXTENSION OF REMARKS

OF

HON. EDITH GREEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mrs. GREEN of Oregon. Mr. Speaker, I want to report what is to me an encouraging sign—the increasing support from my constituents as evidenced by their repeated pleas urging passage of the King-Anderson medical care bill that utilizes the technique of financing through social security taxes. I think President Kennedy's recent televised speech has awakened latent support for this measure.

It is, as I have said before on the floor of the House, the single most important domestic issue that concerns my constituents. I gather from talking with many of my colleagues that the same is the case with them.

I am encouraged, Mr. Speaker, because the facts speak overwhelmingly to me of the need of adopting a better approach than now exists. The recent proposal of the American Hospital Association bespeaks a break in the traditional hostile front generaled by the American Medical Society.

Now these are statistics showing that persons over 65 need nearly 3 times as much hospital care as those in younger age groups; that 2 out of 3 will be hospitalized twice or more; that the average hospital stay for the aged is 15 days. On a national average, hospitals charge $32.33 a day. It seems to me that most aged persons simply cannot withstand such a drain on their finances.

An economist once characterized present-day United States as the "affluent society." Well, we know that there are pockets of economic poverty in our land; that hundreds of thousands are ill housed; several millions are unemployed—in fact there has been almost no reduction in the unemployment of those without jobs for 6 months or more.

And this condition applies to medical care for the aged whose incomes are sometimes almost nonexistent and whose savings are meager.

In a large percentage of cases these people thought they had prepared well for their old age and they faced it with a measure of serenity. Then came a serious illness requiring several months hospitalization. Their savings were wiped out, their monthly social security check barely paid for medicine, they were forced to ask their children for help. This was a humiliation indeed, because their children were putting their own children through school and had little money left over.

This is the human condition that lies behind the figures on medical care for the aged.

Let me cite some of those figures. Today there are 17½ million people over 65 alive in this country and their number is growing. Demographers predict that there will be 19 million in 5 more years, fully 23 million by the end of the decade.

These older people need nearly three times as much hospital care as younger people. Nine out of ten will be hospitalized at least once during the remaining years of their lives. Two out of three will be hospitalized twice or more. The average hospital stay for aged persons is 15 days.

Now what do these figures mean in terms of money? The cost of hospital care has been going up steadily. In 1946 it averaged at $9.39 per day. In 1960 the cost per day was $32.33 on a national average. Taking the typical illness of an aged person and multiplying it by the cost per day you get a figure of $485.

More than half of these citizens 65 and over have an income of less than $1,300 a year. Even a conservative reading of the figures reduces this to less than a thousand dollars a year: about $2.75 a day—$2.75 a day. And out of that $2.75 must come food, rent, clothing—all the bare necessities of life along with the cost of medicine.

Why do they not have health insurance? Well, the commercial companies giving adequate coverage charge over $200 a year for their policies. The aged cannot afford anything like that much. Some commercial policies cost $78 a year for those over 65 but they pay only $10 a day toward hospital care and as we have seen, the average hospital charges amount to more than three times that much.

These are the figures that tell the story of the suffering of our fellow citizens—suffering brought on because they got old. No one seriously disputes that any longer. Those who once said the problem did not exist have now taken up a new position. They admit there is a problem, but they say the Kerr-Mills bill is taking care of it.

What are the facts? Only 25 of the States have actually enacted legislation to take advantage of the Federal funds available to them on a matching basis. In those participating States only a very small percentage of persons over 65 have actually been helped. In Arkansas only three-tenths of 1 percent of those over 65 received payments. In Oklahoma, South Carolina, and Tennessee the figure was over one-third less—a tenth of 1 percent. West Virginia helped the highest percentage of its aged citizens—4.7 percent received an average sum of $41.32 each to help defray medical expenses. Yet even this State has been forced to curtail its program for lack of State funds.

Some of the State programs set up to use Federal funds granted by the Kerr-Mills bill include a strict means test that excludes many older people who are clearly needy. Some States limit care to 6 hospital days. In others care is provided only for an illness that clearly endangers life.

It is not that the men who framed this bill are callous and immune to human suffering, nor are State public health administrators hard men who turn their backs on aged people who are ill and need help. The States simply cannot afford to finance the kind of broad medical program that would meet this terrible social problem.

In my view there is only one solution. It is set out in H.R. 4222, the measure offered by Mr. KING of California. For about $1 a month, contributed during a man's working years, he could face old age with serenity, knowing that illness would not make him a burden on his children with responsibilities to their own children. It provides after small initial payments full hospital coverage up to 90 days, full nursing home coverage for an additional 180 days, outpatient diagnostic services and visiting nurse and home health services of up to 240 visits per year.

With the passage of this forward-looking measure, 14,700,000 persons entitled to social security or railroad retirement benefits would receive health protection immediately. On reaching retirement, 95 percent of today's wage earners would be covered.

They would be covered by health insurance they earned as a right without submitting to an odious means test by which they and their children would have to appear before a board and prove their poverty before receiving any benefits.

We have heard opposing groups use the scare slogan, "socialized medicine" to describe the provisions of this bill. This is nonsense. Medicine is socialized when doctors are employees of the Government and they work in Government-owned hospitals. Nothing of the kind is provided in this bill. The patient is free to choose the doctor and the hospital he wants. Charges would be paid in much the same way as Blue Cross and other group insurers pay benefits. Why some doctors oppose the bill I do not know. Their relations with their patients are not affected in any way.

The arguments for passing H.R. 4222 are overwhelming. It puts medical care for the aged under the social security system, a system that has worked well for a quarter of a century. The fund behind it is sound, subject to review by Congress and advisory councils made up of distinguished economists and actuaries.

This bill, by the application of the insurance principle, spreads the risk over the entire working force in a way that a commercial insurer could never do. This reduces its cost to pennies a day for the workingman.

Some have said private insurance companies would be ruined if this program is enacted. They said the same thing 26 years ago, when the original Social Security Act was passed, but the fact is that private companies were stimulated because money was freed for the purchase of supplementary life and retirement policies. The same would undoubtedly happen with the passage of the King bill. Aged persons could use what money they have to purchase policies covering such needs as surgery, drugs, and physicians' visits.

Certainly the human need for this bill is beyond argument. Other schemes have been tried and they have failed. Can we, in good conscience, allow 17½ million of our fellow citizens to be denied adequate, modern medical care simply because they have grown old? I, for one, cannot. I believe when H.R. 4222 is reported from committee you—my colleagues—will demonstrate that you cannot turn your back on the aged. I believe you will vote for it by an overwhelming majority.

Residents of Blair County, Pa., Honor The Late Major Eugene F. Moses, U.S. Air Force, on May 30, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. VAN ZANDT. Mr. Speaker, on May 30, 1962, under the leadership of the Blair County War Veterans Association, ceremonies were held during which time a plaque was unveiled in the lobby of the administration building, Altoona Airport, in honor of the late Major Eugene F. Moses, U.S. Air Force. With members of his family present as well as several hundred residents of the Altoona area, it was my privilege to deliver the following address:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE UNVEILING OF THE MEMORIAL PLAQUE IN HONOR OF THE LATE MAJOR EUGENE F. MOSES

This unveiling ceremony is not only a solemn occasion—it is also one of glorious significance in the history of man's eternal contest with the elements.

Speed is so common a factor in the world today that we tend to forget its importance in the lives of all of us.

For reasons that sometimes baffle the imagination, it is the custom today to emphasize the destructive power of speed to the extent of utterly neglecting the benefit it brings to all mankind.

This fact, however, in no way represents the spirit of American progress.

When we are told of the great wagon train expeditions that crossed the western plains during the 19th century, the emphasis is placed not upon the suffering of the participants—but upon their interest in the progress of the Nation.

Is this because there was no suffering? No loss of life? No pain of any kind? Of course not. In fact, there was a great deal of suffering and a terrible loss of life involved in that undertaking.

Nor were the western pioneers oblivious to this before setting out on their journeys.

They knew the risks involved.

But they also knew of the glory involved; the glory of expanding the influence of American ideals.

Manifest destiny, they called it, the manifest destiny of the American Republic, which required our expansion from sea to sea.

Today, there is no further room for expansion of the 19th century variety.

Today, the goal has been changed—at least in the minds of the people of the free world.

National expansion today means infringement on the rights of neighboring nations, and this the people of the free world reject as a principle unworthy of 20th century man.

The new goal—the goal in which every man of good will is truly concerned—is the conquest of the elements—of space, of time, of sickness and disease, and natural disasters of every kind.

In this struggle the element of speed is essential.

In this struggle the elimination of the distance factor is a matter of universal concern.

Through speed it is possible to transport medical supplies before the patient succumbs to sickness.

Through speed the victims of natural disaster and manmade disaster can be gotten to safety.

Through speed the security of a nation can be insured in all emergencies.

Through speed it soon will be possible to transport the people of the earth to other portions of the universe—for the purpose of increasing our knowledge and, perhaps, improving the lot of all mankind through scientific investigation.

Indeed, the speed factor is the friend, and not the enemy, of man.

It is, therefore, the duty of every conscientious citizen to hail with praise the achievements of the brave pioneers of the space era—those men who risk their lives daily that we, their fellow men, may reap the benefits of their discoveries.

Such praise is due today to the late Major Eugene F. Moses, of the U.S. Air Force, who with his five brothers served his country in World War II.

Major Moses was born in Latrobe in 1921, and when he was 15 years of age his parents, Elias J. and Barbara Moses, moved to Altoona in June 1936.

The family consisted of nine children—six sons and three daughters.

Major Moses' father, born in Syria, died September 13, 1957.

His mother, who was born in Lebanon, is still living in Altoona.

Today the residents of Blair County join Mrs. Moses and the brothers and sisters of the late Major Moses in recalling with pardonable pride the high sense of patriotism displayed by their distinguished son and brother.

Major Moses, it is recalled, in the capacity of navigator, participated in the flight of the first aircraft to reach and sustain an average speed of 1,302.94 miles per hour for a period of 30 minutes.

For his part in this flight, which occurred over France, Major Moses has been honored by the French Government which has bestowed upon him the Bleriot Trophy—in token of his courage and achievement.

Today, as we unveil this memorial plaque, we acknowledge that it is, in turn, an honor to all of us to be associated in any way, however remote, with a man such as this, a man to whom the American people shall owe for years to come a standing debt of gratitude.

"We Can't Afford Economic Illiteracy" by Secretary of Health, Education, and Welfare Abraham A. Ribicoff; and "Johnny Can Learn Economics," About Prof. Lawrence Senesh, of Purdue University

EXTENSION OF REMARKS
OF
HON. JOHN BRADEMAS
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 31, 1962

Mr. BRADEMAS. Mr. Speaker, a unique educational experiment is being carried on in the public school system in Elkhart, Ind., in the congressional district I have the honor to represent.

I refer to a program for teaching elementary school students some of the basic facts about the nature of the American economic system.

At this point in the CONGRESSIONAL RECORD, I should like to include an article by the distinguished Secretary of Health, Education, and Welfare, the Honorable Abraham A. Ribicoff, "We Can't Afford Economic Illiteracy," from a recent issue of the journal, Petroleum Today. Secretary Ribicoff's article discusses a number of experiments in economic education which are now being carried out in American schools and cites the program in Elkhart.

The article follows:

WE CAN'T AFFORD ECONOMIC ILLITERACY

(By Abraham A. Ribicoff)

In Old Hickory, Tenn., a group of teenagers recently pestered their grandparents with a series of probing questions:

"Why did you move away from the farm?" "What prices did farmers receive for their products around 1910?" "What prices did they pay for manufactured goods?"

The questions were part of a homework assignment for a high school class in agricultural economics. Questions of a similar nature were asked of visiting farm officials and business executives during school hours. The object: an insight into the workings of the Nation's economy.

The students in Old Hickory were engaging in studies that are all too rare in America today. Millions of Americans have only a hazy conception of the workings of the economic system under which they live and work and on which they rely for the protection of their future and of their cherished political and social values. And our schools are largely neglecting economics as a subject for learning.

Why this neglect? Too often economics is equated with dullness. Probably fewer than one out of every 20 high school students takes even a single course in the subject; for college students the figure is about 1 out of 5.

With no more economic preparation than this, our young people are assuming their roles in a democracy. Yet we are asking great things of them. As citizens they elect to Government offices the men and women who will mold the Nation's domestic and foreign policies. As part of the labor force, as consumers, their everyday actions directly and indirectly affect wages, prices, the public debt, taxes—our total economy. How can they be expected to make the best decisions in these matters unless they absorb the historical and factual information upon which to base their judgments?

Even in the rare instances when economic instruction is given on the primary and secondary school levels, our young people are often shortchanged. Much of what they are taught is weak. Fewer than 10 percent of the Nation's grade school teachers and fewer than 25 percent of the high school teachers have had so much as a quarter of a course in economics.

At the college level the situation isn't much better. Courses in bookkeeping and personal finance continue to be described as economics. This is somewhat comparable to letting the teaching of short division satisfy the requirements for mathematics.

Our educational needs in the field of economics pose a challenge of enormous proportions and enormous importance. America's economic system is distinctly a part of the Russian defiance.

When an educational team from the Department of Health, Education, and Welfare was in Russia recently, the Soviet Minister of Education threw down the gauntlet. "You believe in individual initiative and private enterprise," he said. "We believe in a planned society. Let time tell."

Nikita Khrushchev repeatedly sounds the same line. "We will win over the United States," he has said. "The threat to the United States is not the ICBM but in the field of peaceful production. We are relentless in this and will prove the superiority of our system."

The Soviets make a quasi-religious dynamic out of economics. The average U.S.S.R. high school student receives 10 to 20 times as much economic education as his American counterpart. In this battle of economic systems our citizens of tomorrow must understand the American system if it is to be preserved. We can no longer afford to give lip service to our free enterprise system while at the same time we fail to teach its principles.

It is true that the economic face of America is changing, but its principles remain the same. Broadly based private ownership of the means of production is the basis for initiative and growth. The profit system is the incentive for progress. And individual freedom is the lifeblood of the entire system. When our young people understand how jobs are created, how our standard of living is kept so high, they will know the necessity of supporting whatever measures are necessary to strengthen our system and avoiding anything that weakens it. The better they understand the operation of our free market economy, the better citizens they will be, and the stronger our economic system will be.

To educate for life in a totalitarian society is one thing. It is far more difficult to educate for life in a free society. What can we do to train our young people in the economic facts of life?

A start has already been made. Associations of businessmen have published edutional pamphlets explaining the workings of free enterprise. Extensive studies have been made by the American Economic Association and the Committee for Economic Development to pinpoint the areas of weakness in economic education. Individual companies have embarked on programs to explain the principles of free enterprise to their employees.

But perhaps the most dramatic example of an awakening to the Nation's economic illiteracy is the nationally televised course in economics scheduled for the fall of 1962. Approximately a million persons are expected to view the continental classroom program. Included will be some 50,000 high school social science teachers who will be taking the course for college credit.

Obviously, this is still only a start. The crying need for a broadly based economic educational program remains. And such a program must be well balanced and realistic.

I mention the need for balance because I am concerned with what seems to be an overspecialization in many of the business courses now being offered. Certainly there should be training in specifics such as accounting, marketing, or what have you. A graduate must have something to sell to get his first job. Yet I don't feel that the functional approach is the final solution. Instruction in practical matters should be integrated with a broad indoctrination in the basics of the history and operation of the American system. A knowledge of accounting without a knowledge of the American experience in industrial relations, for example, represents an incomplete education; a student who knows the ins and outs of marketing but fails to understand the relationship between economics and the other liberal arts aspects of our culture is still what I would term "an economic illiterate."

I have said that our education in economics must be both realistic and balanced. Thus students should have an understanding of the relationship between business and Government as well as of that between business and society in general. Inevitably, in our complex Nation both business and Government occupy important places; inevitably, they are interdependent. Students entering either area of our national life must comprehend both areas. The leaders of business and Government will be able to work out their differences best when the principles at stake are clear and persuasive to both.

First, then, we must have the right kind of economic training in our schools. Second, we must spread this training throughout the various levels of our educational system. And this can be done effectively even in first grade; witness the success of the pioneering program in the primary grades in Elkhart, Ind.

Finally, we must arouse all segments of the public to an increased interest in and study of the basic facts of the free enterprise system. For economic illiteracy must be erased, not just to increase our goods and productivity but to insure that our way of life can survive. In this area, as in so many areas of our lives, we cannot afford the luxury of ignorance.

Mr. Speaker, at this point in the RECORD I wish to include another article from the same journal about Dr. Lawrence Senesh, professor of economic education at Purdue University, entitled "Johnny Can Learn Economics."

The article describes Professor Senesh's experiment in economic education which is being conducted in the first-through-third-grade classes in the public schools of Elkhart.

The article follows:

JOHNNY CAN LEARN ECONOMICS

A first-grader studying economics? On the face of it, the idea seems preposterous. Yet it is the conviction of Lawrence Senesh, professor of economic education at Purdue University, that first-graders are capable of comprehending what he calls "the fundamental idea relationships of economic knowledge." And Professor Senesh is proving his point in a unique program in the Elkhart, Ind., public school system.

All students in the first through third grades in Elkhart are participating in the experiment; eventually, all 12 primary grades will be included.

Professor Senesh described his program recently at a conference on economic education at Purdue. The conference was sponsored by the American Petroleum Institute to promote an exchange of ideas between the industrial and academic communities.

The professor's program, he says, "rests on the hypothesis that children on every grade level, with proper motivation, can become excited about the abstract ideas underlying their experiences." These ideas, he believes, can be presented so that they "reflect the basic structure of the body of economic knowledge."

In the first grade at Elkhart, children and teacher discuss what they would like to receive as Christmas presents and how these choices must be limited because of the size of the family income and because of the desires of other members of the family. The children are then shown how the matter of making choices applies to neighborhoods, cities, and nations. Visits to local factories and discussions of communications satellites, for example, help dramatize how invention and technology close the gap between what a nation wants and what is can have.

The concept of the division of labor and specialization is introduced to the children by examples from their own lives. They discuss, for example, why a household runs efficiently when certain members of the family are responsible for particular duties.

The children know that the size of their allowances and the price of the goods they want to buy affect their purchasing decisions. They learn that their decisions to buy yo-yos instead of candy bars, along with the decisions of other people, will determine how many yo-yos will be produced, how many candy bars—and, in the same manner, how many automobiles or houses.

The experiment in economic education at Elkhart has won the enthusiastic support of the community and, Professor Senesh reports, of the students. Johnny can learn economics, the professor says, if Johnny's given half a chance.

Memorial Day Program at Newberry Township, York County, Pa., May 30, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. VAN ZANDT. Mr. Speaker, among the many Memorial Day programs in which I participated May 30, 1962, was that at Newberry Township, York County, sponsored by the local posts of the American Legion and the Veterans of Foreign Wars of the United States. As my part in the program, I delivered the following address:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE MEMORIAL DAY PROGRAM AT NEWBERRY TOWNSHIP, YORK COUNTY, PA., MAY 30, 1962

Memorial Day is our moment of prayerful tribute to all the heroes of our armed conflicts since the Revolutionary War.

These heroes are the more than 1 million Americans who have died on many battlefronts around the world—on land and on sea and in the air.

They died defending the rights of free peoples.

More than a million men is a mighty number.

It is greater than the populations of Boston, Baltimore, Cleveland, or San Francisco.

We owe our honored dead a perpetual debt because they have paid the supreme price to win our military victories.

They have contributed in great measure to the security—and to the very character of our Nation.

There is no deeper affection than love of one's own country.

For without that devotion there can be no high ideals—nor the cherished sense of being part of or belonging to this great Republic.

We Americans have a long history of defending freedom.

We have fought for freedom more than 180 years.

And now—today—we face our hardest test.

Half the world is alined against us.

The freedom of mankind is at stake everywhere.

American fortitude and leadership in the present world crisis are the all-important factors which can shape the destinies of many peoples.

The scourge called communism has forced more than a billion people into abject slavery.

Those men, women, and children differ from us only in the fact that they live in constant fear and uncertainty.

They crave security.

But their only choice is submission to the brutality of their Communist masters.

That has been demonstrated clearly in Europe and in Asia.

Those foreign people want freedom—but freedom is not a Communist word.

They want peace—but, again, there is no peace with honor under communism.

Such conditions have never afflicted the American bloodstream; therefore, we find it difficult to understand them fully.

We take our own rights and liberties for granted because those have always been our lot.

But freedom of the individual is challenged today right here in our own country as well as around the world.

Those are the hard and unpleasant facts we face.

They identify the task confronting us and which must be performed if we are to keep faith with our honored dead.

We know that our indebtedness to the military heroes of our land can never be fully repaid because there is no substitute for life.

So on each Memorial Day we acknowledge our obligation to them in token words with special prayers and with our gifts of flowers.

This year we renew again our pledges that we shall continue to guard against any squandering of our freedoms.

Memorial Day is very distinctive because it is different.

This day is different because it does not fit in with the normal commonplace interests of our modern life.

Our recognition of this day is not a part of the scientific age.

Let us look at the contrast for a moment.

In the year 1962 we have telescoped time within time.

For example, our astronaut, Col. John Glenn, has seen the dawn of 3 days during a 5-hour spaceflight around the earth.

Another example, this is the day when our scientists are delving into the extreme limits of mind and matter.

They are exploring the innermost parts of the atom, and at the same time they are reaching for the moon and the planets.

Furthermore, today marks the opening of other new areas.

Man is identifying the very essence of life itself.

Also he is broadening the span of human existence.

He is pushing back the encroachment of death.

Yes, this is a very marvelous rapidly developing age in which we are living.

But where does Memorial Day fit in?

In the midst of all these scientific wonders here we are pausing to contemplate the past.

Here we are reversing the whole trend of our normal interests.

Here we turn back into history to glorify memory and pay homage to a million souls who are gone; a million lives which can never be restored.

Those are some of the contrasts that make Memorial Day so very special.

Here we are dealing with words—and the promises for the future.

We say that our words are based on deeds.

What do we mean by that?

The poet-philosopher, Ralph Waldo Emerson, said, "Put your words into your deeds. Nor speak with double tongue."

Because of the tradition of free speech our country has always endured and tolerated the shrill cries of those who are afraid of freedom; we have endured and tolerated the insidious whispering of those who would see our country fall.

There is no greater testimony to American spirit, however, than the graves of our brave soldiers—the men who died rather than allow the prophesies of doom to come true.

We recall that more than 185 years ago the authors of the American Declaration of Independence set forth in bold words their determination to achieve freedom.

In the closing sentence of that revolutionary document they said that with a firm reliance on the protection of divine providence, they mutually pledged to each other their lives, their fortunes, and their sacred honor.

And then those 56 signers of the Declaration did put their words into their deeds.

Many of them did jeopardize their lives and their fortunes to resist the enemies of freedom.

But at the same time they did serve mutually—and with a singleness of purpose until freedom was won.

They did not resort to any doubletalk nor doubledealing.

Similar use of words, backed by deeds and singleness of purpose, also made the Constitution of the United States our basic guarantee of rights and liberty.

And the very same type of pledge of loyalty, backed by fighting action even unto death, has sent more than 30 million Americans into armed defense of our freedoms.

So, words and deeds do go hand in hand.

No one can say that we have fallen short—thus far—in the fulfillment of our obligations.

We still have firm belief in God.

And we still dedicate our lives, our fortunes, and our sacred honor to the security of this Nation.

That is what we recognize when we pay tribute to those who have given their lives in defense of liberty and freedom.

And at the same time we rededicate ourselves to the future defense of our land.

The heroes we honor during the Memorial Day period are laid to rest here at home and in foreign countries around the world.

There are more than 400,000 of them.

Nearly 285,000 are identified individually by rows upon rows of Christian crosses and the Star of David.

Thousands of others are the unknown.

And, in addition, some 87,000 other men whose mortal remains were never recovered have their names inscribed on the walls of the missing.

These are the American dead of both World Wars and of the Korean conflict.

They are buried or recorded in France and England, in Belgium, Luxembourg, and Italy, in Holland and Tunisia, in the Philippines, Hawaii, and in Alaska.

The bodies of American battle dead are also buried in Mexico and Puerto Rico.

In addition, there are more than 170,000 American war dead repatriated whose bodies were returned home.

They are buried in every State of the Union.

Also at Arlington, Va., and in cemeteries throughout our land, there are thousands of battle dead from earlier wars.

The sun never sets upon all of these hallowed burial sites where rest our national heroes, and over which flies the Stars and Stripes, emblem of the United States.

Today, the only threads linking ourselves with these honored dead are the markers on their graves, or their names on the walls of the missing, or our memories of them.

Again, we depend on the power of words.

Throughout Europe and the United States our tributes are inscribed in stone above their resting places.

The words used speak straight from the heart.

At American military cemeteries and memorials in France and England are the engraved words declaring that to these men and their comrades we owe a debt to be paid with grateful remembrance of their sacrifices, and that for them we shall carry on.

Upon each of the many American memorials erected in foreign countries we find a simple dedication by our Government.

The words read, "in proud remembrance of the achievements of her sons," and in humble tribute to their sacrifices, this memorial has been erected by the United States of America.

Also, we find the graven lines reminding us that these men died so that future generations might live in peace.

At an American cemetery in Europe there is a prayer reading: "Oh, Lord, support us all the day long until the shadows lengthen and the evening comes, and the fever of life is over and our work is done. Then in Thy mercy grant us a safe lodging and a holy rest, and peace at last."

Upon each of the several walls of the missing overseas—carved over the 87,000 of names of those whose remains were never recovered—from the sea or from the battlefields—we find an inscription reading: "Here are recorded the names of Americans who gave their lives in the service of their country—and sleep in unknown graves.

"Grant unto them, O Lord, eternal rest."

Thus our tributes to the honored dead are written around the world, in foreign lands, in Alaska and Hawaii, in the Philippines and Puerto Rico, and upon the Tomb of the Unknowns at Arlington Cemetery—and in thousands of home communities like our own.

When we speak of the dead, we do not mean the lost.

The dead are never really lost.

The author, Angelo Patri, expressed this beautifully when he said that "In one sense there is no death."

The life of a soul on earth lasts beyond his departure.

You will always find that life touching yours, that voice speaking to you, that spirit looking out of other eyes, talking to you in the familiar things he touched, worked with, and loved as familiar friends.

He lives in your life and in the lives of others that knew him.

Abraham Lincoln touched the Memorial Day theme when he spoke of "mystic chords of memory, stretching from every battlefield and patriot grave, to every living heart and hearthstone all over this broad land."

In conclusion, as we observe Memorial Day 1962, let us never forget our fellow Americans who died in defense of both their country and what that country promised to become.

And let us never forget that the best way to remember our departed soldiers is to make America fulfill its promise.

Let us resolve that in their memory we shall build a country like the one they dreamed of—where men are free and independent, where there is dignity, individuality, and purpose, and above all, where there is the knowledge and the wisdom to live in liberty.

Department of Justice Informatively Replies to Letter of Congressman Doyle Requesting Information re Prosecution of Communists Refusing To Register by November 20, 1961, Under the Internal Security Act To Register

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to insert for your information and also for the information of all the Members of this great legislative body, the text of the letter I wrote to the Honorable Robert F. Kennedy, the Attorney General, Department of Justice, Washington, D.C., and the reply of the Department of Justice signed by J. Walter Yeagley, Assistant Attorney General, together with accompanying statement to me supplied by Assistant Attorney General Yeagley in his comment to me of May 24, 1962.

MAY 12, 1962.

Hon. ROBERT F. KENNEDY,
The Attorney General,
Department of Justice,
Washington, D.C.

DEAR FRIEND: Good morning. Here's sample of language I have received in several letters recently from the residents of the great 23d District, Los Angeles County. I have received perhaps as many as 30 pieces similar thereto. Therefore, I respectfully state that it would be very, very valuable to me to receive back from you, as promptly as convenient (in duplicate, please), a pretty inclusive statement of what the exact situation is as to the prosecution under the Registration Act and the present status of those who were prosecuted; how many were prosecuted; how many you are moving against (if it is a matter of public record at this time), etc.

And, I thank you very much indeed for seeing to it I receive back the help I need to protect the reputation of the Democratic administration under the guidance of my distinguished and beloved President and former colleague in the House of Representatives for several years.

Sincerely yours,

CLYDE DOYLE,
Member of Congress.

DEPARTMENT OF JUSTICE,
Washington, D.C., May 24, 1692.

Hon. CLYDE DOYLE,
House of Representatives,
Washington, D.C.

DEAR MR. CONGRESSMAN: Your letter of May 12, 1962, to the Attorney General and its enclosure concerning enforcement of the Internal Security Act in accordance with the decision of the Supreme Court in the Communist Party case have been referred to this division for consideration and reply.

In reply to such inquiries, you may wish to advise that when the Communist Party refused to register by November 20, 1961, as required by the law, we presented evidence to a grand jury in the District of Columbia and on December 1, 1961, the Communist Party was indicted in 12 counts, including one count for each of the 11 days it had failed to register and a count for its failure to file a registration statement. The party entered a not guilty plea and the case is awaiting trial.

You may also wish to point out that in addition to the indictments obtained against Gus Hall, general secretary, and Benjamin J. Davis, national secretary, for failing to register with the Attorney General for and on behalf of the Communist Party (referred to in the enclosure to your letter), we instituted proceedings against Phil Bart, national organizational secretary of the Communist Party, and James Jackson, editor of the Worker, to compel them to furnish relevant testimony about the present organizational structure of the party and the identities and activities of its officers before a grand jury under a grant of immunity. Both have been previously summoned before the grand jury and had declined to answer relevant questions on the grounds of their constitutional privilege against self-incrimination under the fifth amendment. Bart and Jackson were directed to answer the questions propounded. When they persisted in their refusal to answer the questions they were adjudged in contempt and each sentenced to jail until they comply with the Court's order to answer but not to exceed 6 months. Their sentences were stayed pending an appeal and both are at liberty on bail in the amount of $1,500 each. Bart's appeal was argued in the Court of Appeals in the District of Columbia on April 17, 1962, but no decision has yet been rendered. Jackson's appeal has not been argued to date.

In enforcing the criminal liability of the act against defaulting party members, we are compelled to follow a course of procedure essentially different from that against the officers of the party. Before a member of the party may be prosecuted for failure to register under the act, there must be outstanding against him a final order of the Subversive Activities Control Board determining that he is presently a member and required to register. Proof of such membership would have to be adduced at a public hearing with the constitutional safeguards of confrontation and cross-examination. This, of course, would result in the disclosure of the identities of individuals who have been furnishing information to the Federal Bureau of Investigation on a confidential basis concerning Communist Party activities. The exposure of these confidential informants and their subsequent inability to perform their previous services must be balanced against the need for current intelligence coverage of Communist Party activities consistent with the best interest of the national security.

The act further provides for a full appellate review before any Board order becomes final. In these circumstances, there can be no criminal action against a defaulting member until such time as an order of the Board requiring him to register has been obtained and has become final, followed by his noncompliance therewith. Criminal prosecution of a defaulting member would have to be based upon his failure to comply with the final order of the Board directing him to register.

At the present time the Department is preparing petitions to be presented to the Subversive Activities Control Board for a determination that various individuals are members of the Communist Party within the meaning of the Internal Security Act and as such are required to register.

There are enclosed 30 copies of a statement by the Department entitled "Steps Taken by the Department of Justice To Enforce the Provisions of the Internal Security Act in Accordance With the Decision of the Supreme Court in the Communist Party Case," which may be of assistance to you in replying to your constituents.

If I can be of help in any other matter, please do not hesitate to communicate with me.

Sincerely,

J. Walter Yeagley,
Assistant Attorney General.

Steps Taken by the Department of Justice To Enforce the Provisions of the Internal Security Act in Accordance With the Decision of the Supreme Court in the Communist Party Case

Following 10½ years of litigation the Supreme Court on June 5, 1961, upheld the constitutionality of an order of the Subversive Activities Control Board which found the Communist Party to be substantially directed, dominated, and controlled by the Soviet Union and required to register with the Attorney General as a Communist-action organization pursuant to the provisions of the Internal Security Act of 1950. The order of the Board became final on October 20, 1961.

Under the law the Communist Party was required to register with the Attorney General within 30 days after the order became final and to file a registration statement containing the names and addresses of its officers and members at any time during the preceding year. The party was also required to furnish a complete accounting of its finances and to list all printing presses in possession or control of the party. When the party refused to register by November 20, 1961, as required by the law, we presented evidence to a grand jury in the District of Columbia and on December 1, 1961, the Communist Party was indicted in 12 counts, including 1 count for each of the 11 days it had failed to register and a count for its failure to file a registration statement. The party entered a not guilty plea and the case is awaiting trial.

The act provides that upon failure of the organization to register, certain officers must register for the organization within 10 days after such default. Thus the officers of the party who were responsible for effecting its registration were required to comply on or before November 30 which they did not do, thereby rendering themselves subject to the criminal liability of the act. The default of both the party and the officers imposed a duty upon current members of the party to register themselves on or before December 20, 1961. No member has yet registered with the Department of Justice.

On January 24, 1962, the Department of Justice began the presentation of evidence of violations under the act to an investigative grand jury in the District of Columbia. On March 15, 1962, this grand jury returned separate indictments against Gus Hall, general secretary, and Benjamin J. Davis, national secretary, for failing to register with the Attorney General for and on behalf of the Communist Party, U.S.A. Each indictment contained five counts charging failure to register and one count charging failure to file a registration statement. Pursuant to warrants issued on these indictments, Hall, and Davis were arrested in New York, N.Y. on March 15. Upon furnishing bail in the amount of $5,000 each as fixed by the court they were released. They entered pleas of not guilty to the indictments on March 30, 1962, and were continued on bail. Each defendant, if convicted, would be liable to imprisonment up to 5 years and fines up to $10,000 on each count of the indictments.

In an effort to gain further information about the present organizational structure of the Communist Party and the identities and activities of its officers, we instituted proceedings against Phil Bart, national organizational secretary of the Communist Party, and James Jackson, editor of the Worker, an official publication of the Communist Party, to compel them to furnish relevant testimony before the grand jury under a grant of immunity. Both had been previously summoned before the grand jury and had declined to answer relevant questions on the grounds of their constitutional privilege against self-incrimination under the fifth amendment. Bart and Jackson were directed to answer the questions propounded. When they persisted in their refusal to answer the questions they were adjudged in contempt and each sentenced to jail until they comply with the court's order to answer but not to exceed 6 months. Their sentences were stayed pending an appeal and both are at liberty on bail in the amount of $1,500 each. Bart's appeal was argued in the Court of Appeals in the District of Columbia on April 17, 1962, but no decision has yet been rendered. Jackson's appeal has not been argued to date.

On March 19, 1962, the Department of Justice at the request of the Internal Revenue Service instituted an action in the U.S. District Court for the Southern District of New York against the Communist Party, U.S.A. for $381,544.83 to protect a tax claim based on a jeopardy assessment made in 1956 for owed income and excess profits taxes for the year 1951.

At the present time the Department is preparing petitions to be presented to the Subversive Activities Control Board for a determination that various individuals are members of the Communist Party within the meaning of the Internal Security Act and as such are required to register.

An American Way To Provide Medical Care for the Aged

EXTENSION OF REMARKS

OF

HON. ROBERT R. BARRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 31, 1962

Mr. BARRY. Mr. Speaker, I rise today, in the circuslike atmosphere surrounding the administration's proposal to provide health care for the aged under the social security method, for an appeal to reason. I am convinced that sensible men in this country will not respond to the spot commercial, balloons, and banners approach to solving the problem of providing better medical care for our senior citizens. And I am equally convinced that, to expand on Lincoln's famous phrase, God must have cared for sensible men because he made so many of them.

That there is a problem most of us agree. That it will not be solved in a manner which smacks of the medicine man's pitch for a single elixir to solve all of the problems, is equally clear. For over 10 years, now, the elixir of the social security approach has been on the market, but it has not been bought by the American people for several reasons: It is compulsory, it is selective for a given group of our citizens while disregarding the rest, it is limited in its protection, and it places Federal officials in the role of umpires for American medicine.

I am proud to be the sponsor of a bill, H.R. 11466—a companion bill to the bill H.R. 10981, introduced by Congressman Bow—which meets the specifications which the American people have set: It is voluntary with the individual, it provides a choice of the kind of protection provided, it offers broader and more inclusive protection, it keeps the Federal Government out of the administrative aspects of the plan reserving these appropriately for the insurance industry, and it is available to all people over age 65.

It is, perhaps, appropriate at this time to recall how those of us who are cosponsoring this new approach have arrived at our conclusion. And then, I propose to point to the specific proposals in the bill, especially as they compare with the more limited approach of the administration bill.

Very briefly, the bill is based on a tax incentive which will permit a tax credit of $125 per year on behalf of every American 65 years of age and over provided that the $125 is used to purchase his choice of the prescribed plans. For those aged who pay no income tax—and, because of the special tax exemptions they already enjoy, they are in the majority—the bill authorizes the issuance by the Treasury Department of a medical care insurance certificate which the individual can use to pay premiums on a medical care policy. These certificates will be redeemed by the Treasury, in an amount not exceeding $125, when presented by the insurance carrier. In contrast with the administration bill, my bill has many of the desirable features of the Kerr-Mills law in that it is—appropriately, I believe—financed from the general revenues rather than using the regressive payroll tax method, it is voluntary, and it precludes the danger of the socialization of medicine by using private insurance as the carrier.

In view of the various charges and countercharges which have arisen during the 10 years when its advocates were pushing the social security method of providing health care for older men and women, the Republicans first were concerned with getting at the true facts of the situation. It was during the Eisenhower administration, back in 1958, that the then Secretary of Health, Education, and Welfare, Arthur S. Flemming, began a "review and summary of a considerable body of information" concerning the health care available to senior citizens at the request of the Committee on Ways and Means of the House of Representatives. On April 2, 1959, the report appeared. It contained a careful analysis of the factors influencing the trends in costs of hospital and medical care, of hospital utilization and expenditures, of existing methods of financing hospital care for the aged, of methods which had been proposed for providing hospital and nursing home benefits under social security, and of alternative methods. It contained a chapter on the existing situation of people 65 and over in this country including data on the sources and amounts of their income and assets. And it concluded, in the introductory statement:

> There is general agreement that a problem does exist. The rising cost of medical care, and particularly of hospital care, over the past decade has been felt by persons of all ages. Older persons have larger than average medical care needs * * *. Because both the number and proportion of older persons in the population are increasing, a satisfactory solution to the problem of paying for adequate medical care for the aged will become more rather than less important.
>
> In our society the existence of a problem does not necessarily indicate that action by the Federal Government is desirable. The basic question is: Should the Federal Government at this time undertake a new program to help pay the costs of hospital or medical care for the aged, or should it wait and see how effectively private health insurance can be expanded to provide the needed protection for older persons?

The concern of the Eisenhower administration with this problem did not end with this report. With an openminded approach it continued to examine the various proposals—including the various social security proposals—which had been suggested and to search for the most appropriate way of meeting the problem in a country like the United States. By midsummer, 1960, the decision had been reached that the Federal Government should act in this matter and the so-called Flemming bill was presented to the Congress. The philosophy behind this proposal was presented by Secretary Flemming in an appearance before the Committee on Finance of the Senate on June 29, 1960. The social security approach had been tried and found wanting, he said, because:

> 1. It is not pinpointed to the need. There are 4 million of the 16 million in our aged population who are not covered by social security. Approximately one-half of these persons have incomes of $1,000 or less. At the same time there are many persons who are covered by social security who have no interest in and no need for the type of protection that would be afforded.
>
> 2. We feel it would constitute a serious threat to the orderly development of present retirement, survivorship, and disability benefit features of the social security system.
>
> The payroll tax which finances the OASDI program is already scheduled to rise in 1969 to 4.5 percent each on employees and employers (6¾ percent on self-employed)—a total of 9 percent of payrolls.
>
> Further liberalization in retirement, survivorship, and disability benefits will call for additional revenues. These revenues can only come from increases in the payroll tax or increases in the earnings base, or both.
>
> If health insurance is added to the social security system it will be even more difficult to predict where we will end up as far as the payroll tax is concerned.

Secretary Flemming went on to point out the fact, which has been obvious to most of us all along, that the Kennedy proposal was inadequate when looked at from the point of view of taking care of the costs of long-term illnesses: a fact which would inevitably result in demands for improving the schedule of benefits, or for reducing or eliminating the age requirement so that the end result might easily be an increase in the social security tax of 4 to 5 percent in addition to the scheduled 9 percent.

Let me remind my colleagues, at this point, that the Kennedy administration has already increased that 9-percent ceiling to 9¼ percent to finance the social security amendments of 1961. And, in an appearance before the Committee on Finance last year, Secretary Ribicoff stated that the ultimate tax rate should not exceed 10 percent. If these are the ground rules for the present administration, the adoption of their medical care plan—which adds another one-half percent of payroll to the cost of the social security system—practically precludes any other changes in the old-age, survivors, or disability features of the existing plan. It would preclude forever any present or future across-the-board increases in the amount of benefits—and the average old-age benefit is now just $75.78 a month; any adjustment of the earnings limitation feature, which limits the amount a social security beneficiary can earn; or any other change which might seem necessary because of existing inequities in the plan or changing conditions in the future. Under this line of reasoning, the administration is saying that we must freeze our social security plan, circa Kennedy, for now and for the incalculable future, to the standards set by them in 1962.

These are facts which the American people should understand. Can the present administration be serious in taking this position? Can it honestly maintain that we must add a very limited medical care plan to our social security system and then put a brake on any further changes or liberalizations? I agree with Secretary Flemming that we must not so shackle the existing social security plan according to 1962 standards that we preclude any changes in the future. And I agree with him, also, that the realistic alternative—that changes will be made thereby dangerously increasing the reduction in take-home pay brought about by the deduction of a heavy social security tax—is also undesirable.

I further agree with Mr. Flemming's position in 1960 that we have reached the point where the Federal Government must take additional action in this field. For, as he pointed out at that time:

> A careful consideration of facts such as the following can lead to no other conclusion:
>
> 1. There are 16 million persons aged 65 and over. Four million pay income taxes. Of the 12 million who do not pay income taxes, 2.4 million are recipients of public assistance.
>
> 2. A 1958 study identified 60 percent, or 9.6 million, of the aged as having incomes of $1,000 or less, and 80 percent, or 12.8 million, as having incomes of $2,000 or less.
>
> 3. A 1957–58 study shows that the average annual expenditures of this group for health and medical expenses was $177, not including nursing home care, as compared with $84 for the rest of the population. But it is important to note that 15 percent of the persons 65 and over, or 2.25 million, had total medical expenditures, on the average, of $700 per year, not including nursing home care.
>
> 4. There is a trend in the direction of extending beyond retirement age provisions in group policies that cover major medical expenses. There is also a trend in the direction of making individual policies that cover major medical expenses available to persons 65 and over. These policies call for payment of premiums ranging from $60 to $130 a year per individual. It follows, therefore, that a large percentage of persons aged 65 and over do not have protection against long-term illnesses, and either cannot obtain protection at rates they can afford to pay, or cannot obtain adequate protection.

Mr. Speaker, I have gone into the history of proposed legislation with regard to medical care for our elderly citizens in some detail. I believe it is important to understand that we do not arrive at wise decisions in our form of government through the Madison Square Garden rally method, but rather by carefully weighing all the facts. We must consider not only our present needs but the needs of the future. We must weigh the consequences for our children who will be the men and women of the future. Then we must seek for the best—and the simplest—alternative.

I believe we have found that best—and simplest—alternative in the provisions contained in my bill, H.R. 11466: a proposal which is also sponsored by about 30 members of my party.

Specifically, my bill would provide an income tax credit for the cost of premiums up to $125 so that the aged could take advantage of policies available through our free enterprise health insurance system. The tax credit could be taken by an individual for himself, his wife, his father, any relative, or any employer. Under its provisions each individual 65 or over who decides to apply will file a Federal income tax return each year. Those whose tax is less than the amount of the allowable tax credit, including the majority of aged who pay no income tax at all, will be issued a medical care insurance certificate with which to buy their choice of medical care plans. The tax credit will thus be most advantageous to the man of low income and progressively less significant as income increases. Thus, through a built-in test of ability to buy insurance using the familiar income tax method, it offers every aged American the right to the kind of medical care protection he decides upon, using an existing Government agency as the agent.

The scope of protection available through this method is thus greatly extended so that our older citizens will have a choice of the plan which will be most advantageous to them, rather than being saddled with a single plan, as is the case with the administration bill.

And may I say just here that I find considerable evidence that the American people do not realize just how limited is the protection provided by the President's social security proposal. Is it clear that the so-called medical care for the aged advocated by the administration would not pay any doctor bill, any surgeon's fees, any private duty nurse's fees? Is it clear that the 90 days of hospitalization provided in the bill are subject to a deductible of $10 per day for the first 9 days with a minimum deductible of $20?

Do our senior citizens know that the 180 days of nursing home care provided in the bill are so limited by standards under which a nursing home could qualify that, judging by the cost estimates used—which put the cost of this feature at only 0.08 percent of payroll—very few people will be able to use this feature? Do they understand that the only drugs provided free are those used in the hospital and nursing home, and that each laboratory test and X-ray, provided on an outpatient basis, requires a $20 deductible for each diagnostic study on an outpatient basis? The cost estimate for this feature is given as just 0.01. Do they know that the 240 visits promised as part of the home health services are anticipated to be in such short supply, because of the shortage of people capable of giving these services, that they are figured to cost only 0.05 percent of payroll? The major cost in the bill is, significantly enough, 0.52 percent of payroll for hospital benefits. These cost estimates—which most Americans understandably are not familiar with—are the fine print on the premium which is offered by the administration bill. We should look well to them.

Mr. Speaker, at a time when costs are mounting rapidly, is it wise public policy to enact legislation which, as we have seen, depends almost exclusively on treatment in a hospital as the means of providing medical care for our senior citizens? We know that hospital costs have increased by 109.7 percent from 1950 to 1961 and by the staggering figure of 376.8 percent from 1940 to 1961. They represent, by all odds, the greatest increase for the same periods of any kind of medical care. Physicians' fees, for example, increased by just 43 percent from 1950 to 1961 and the costs of prescriptions and drugs rose by just 16.7 percent during the same period.

With the alternative of relatively free hospital care as opposed to being charged for care in the doctor's office for a relatively minor ailment, how will the patient react? In his testimony before the Committee on Ways and Means, Dr. Leonard Larson, representing the American Medical Association, posed the doctor's dilemma under such circumstances in the following words:

> Pressure will be exerted by the patient and his family upon the doctor in an effort to force him to fit the treatment, willy-nilly, into the services provided by the program * * *.
>
> Let us say that a patient needs treatment of a sort not covered by the program and therefore not reimbursable under it.
>
> The physician is confronted with two unsatisfactory courses of action * * *.
>
> On the one hand, he may follow his best professional judgment and refuse to recommend a course of treatment covered under the program. For example, he may decide the patient is better treated at the physician's office and that hospitalization is not required. In such a case, it is not unlikely that the patient will go to another physician, hoping for a different professional judgment; or that he will postpone the treatment he needs.
>
> Alternatively, the physician may accept the patient's plea that he can finance the cost of care only through the mechanism of H.R. 4222 (the administration bill), and then choose the lesser of two evils: treatment in an improper facility simply because it is covered by the program, or no treatment at all because the patient refuses to undergo treatment except at Government expense. In this case, the physician's medical decision has been influenced by nonprofessional considerations. Further, if the doctor accedes to the patient's request, however unwillingly, he risks censure by the "hospital utilization committee" and the possible rejection of his claim by HEW.
>
> I do not claim, Mr. Chairman, that some individual patients might not receive perfectly adequate treatment under the program * * * [because] the needs of their cases would fall within the bill's imposed limitations * * *.
>
> But many of the aged will receive a lower quality of medical care simply because the services covered do not represent the full range of facilities required by the physician for optimal treatment. You cannot reduce the physician's armamentarium of treatment facilities without reducing the effect of his skill in the process.

Let us all be very clear that the bill advocated by the administration is limited not only as to the kind of protection it provides. It is also limited in the degree to which it can provide the kind of services it promises through lack of manpower and facilities. And, as I have said, it is limited as to its coverage, confining its protection capriciously and compulsorily to a selected group of the American people.

Now let us compare the limited coverage and benefit package provided in the administration proposal with the kind of protection which will become available under my bill. H.R. 11466 offers a choice between two plans which, according to reliable insurance carriers, could be purchased for $125 a year. The first plan is keyed to hospital and nursing home care, including surgical charges, diagnostic, laboratory and X-ray services, and drugs used in hospitals. Payment of all charges under this plan are made by the insurance carrier for hospital room and board up to $12 per day—for up to $1,080 in a calendar year—for convalescent care up to $6 per day—for up to $186 in any calendar year—for surgical charges according to a fee schedule with a $300 maximum, and for all other items listed above.

The second plan, which is subject to a deductible feature not to exceed 25 percent of costs, is broadly conceived to include doctor's services up to $5 for each, surgical charges up to a $300 maximum, unlimited hospital room and board for semiprivate accommodations, charges for drugs and medicines which require a doctor's prescription, blood or blood plasma not donated or replaced, anesthetics and oxygen, rental of durable medical or sugical equipment such as hospital beds or wheelchairs, diagnostic X-rays and other diagnostic and laboratory tests, X-ray, radium and radioactive isotope treatment, and up to $16 per day for a registered nurse—for up to $480 in any calendar year. This package further provides convalescent care up to $6 per day—for up to $540 for any calendar year—following discharge from the hospital.

And never forget that the substantially more adequate care provided through this means not only preserves the vital free-choice principle, but protects us against Government medicine by using the time-tested ability and experience of the voluntary insurance method.

Mr. Speaker, a spokesman for the aged themselves recently described the heart of our problem today. He said:

> Our people feel that really they are given two alternatives. One alternative is, get rich. If you get rich you have the means for all kinds of medical care. But it is too late in the game for our people. They cannot get rich any more if they had not done it up to now. So they are given another alternative—get poor. But this they don't want. They don't like to get poor. Our States and cities are saying if you get poor the welfare department will take care of you.

My bill will make it possible for all of the older people in these circumstances to afford the kind of protection they deserve and must have without recourse to a visit to the welfare office. They can obtain this protection in a manner they understand and are accustomed to using—the familiar income tax form. And they can do so in a manner which preserves their self-respect as well as their health. I urge enactment of this legislation during this session of the Congress. Enough with claims, counterclaims, circuses, and commercials. We have, at long last, a sound, safe, and typically American solution for the problem which, all of us agree, faces our senior citizens. Let us put it to work.

SENATE

Friday, June 1, 1962

The Senate met at 12 o'clock meridian, and was called to order by Hon. Lee Metcalf, a Senator from the State of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Lord of all being, again in Thy bountiful mercy we bow at this altar of Thy grace with the sure confidence of Thy servant, the Psalmist of old, as he poured out his soul, declaring "At noon, I will pray and call aloud and the Lord shall hear my voice."

Speak to us and through us, that we may be the channels of healing good will for this tangled and tragic time.

O Thou Kindly Light, lead us on through the passing shadows to the effulgence of Thy coming kingdom's sway, when it shall be daylight everywhere.

In the spirit of the Master we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., June 1, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Lee Metcalf, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 29, 1962, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Ratchford, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10788) to amend section 204 of the Agricultural Act of 1956; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cooley, Mr. Poage, Mr. Gathings, Mr. Hoeven, and Mr. McIntire were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 1347. An act for the relief of Adolf M. Bailer; and

H.R. 5652. An act for the relief of Kevork Toroian.

The message further announced that the House had agreed to the amendments of the Senate to the joint resolution (H.J. Res. 638) for the relief of certain aliens who are serving in the U.S. Armed Forces.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes;

S. 971. An act for the relief of Salvatore Briganti;

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired;

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 2839. An act for the relief of Mildred Love Hayley;

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949;

H.R. 8368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sfc. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

HENRY FOUNTAIN ASHURST

Mr. HAYDEN. Mr. President, it was with deep sadness and a sense of profound loss that I learned of the passing yesterday of Henry Fountain Ashurst, who was one of Arizona's first two Senators, and who served with distinction in this body from April 2, 1912, until January 3, 1941, a period of more than 29 years. I came over from the House of Representatives in 1927, and enjoyed his friendship, confidence, and cooperation for the following 13 years.

One of the first burdens placed upon us was to defend the rights of the State of Arizona in the use of the waters of the Colorado River, which we did in a filibuster against the enactment of the Swing-Johnson bill to authorize the construction of what is now the Hoover Dam.

We did not prevent the building of that great structure, but I am pleased to say that the arguments we then advanced were found to be justifiable in the findings made by the master selected by the Supreme Court of the United States to report upon the issues involved in the case of Arizona versus California now under consideration by the Justices of that Court.

In my five decades of public life, I have known perhaps a thousand public figures who have achieved prominence. They included Presidents of the Republic; Senators and Representatives; Governors and State legislators; business leaders and labor leaders. None of them exceeded Henry Ashurst in the humility of greatness, the passion for justice, the devotion to his native land, and the loving kindness that the prophets of old commanded man to show to his fellow man.

In electing Henry Ashurst and continuing him for nearly 30 years as its U.S. Senator, the then youngest State of our Union earned the admiration and the respect of her sister States. No longer could it be suggested that erudition and wisdom, urbanity and wit, could not be found west of the Alleghenies.

On the occasion of his 80th birthday, Henry Ashurst said that at that age a man has atoned, or tried to atone, for the wrongs he has committed, and has forgotten the wrongs, if any, committed against him. Of Henry Ashurst it can be said that he did not have to reach 80 to make such an affirmation. The concluding words of his published diary declare:

> It is a comforting assurance that nothing in this diary will cause pain to any living person or bring reproach to the memory of anyone who is dead.

That is indeed the epitome of Henry Ashurst.

Mr. GOLDWATER. Mr. President, I was deeply grieved yesterday to receive news of the passing of my old friend and Arizona's great former Senator, Henry Fountain Ashurst. This was a tremendous loss to the State of Arizona and to the America which he loved so deeply. To me, it was a heavy personal loss. Senator Ashurst was a beloved friend who exercised much influence on my life, both personally, and politically.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

Transfer of Alaska Communication System

A communication from the President of the United States, transmitting, pursuant to law, a report of the Secretary of Defense, relating to the transfer of the Alaska Communication System (with accompanying papers); to the Committee on Armed Services.

Report of Ad Hoc Committee on Federal Office Space

A communication from the President of the United States, transmitting, for the information of the Senate, a report to the President by the Ad Hoc Committee on Federal Office Space (with an accompanying report); to the Committee on Public Works.

Report on Contract for Apollo Spacecraft

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on a contract for the Apollo spacecraft; to the Committee on Aeronautical and Space Sciences.

Increase of Obligations Under Second Liberty Bond Act

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to increase temporarily the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time (with an accompanying paper); to the Committee on Finance.

Report on Review of Administration of Certain Mining Claims

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of administration of mining claims located on national forest lands reserved from the public domain, Forest Service, Department of Agriculture, January 1962 (with an accompanying report); to the Committee on Government Operations.

Settlement of Claims of Certain Residents of Trust Territory of the Pacific Islands

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Report on Financial Transactions of the American Society of International Law

A letter from the executive director, The American Society of International Law, Washington, D.C., transmitting, pursuant to law, a report of the financial transactions of that society, for the period April 1, 1961–March 31, 1962 (with an accompanying report); to the Committee on the Judiciary.

PHILIPPINE WAR DAMAGE CLAIMS

The ACTING PRESIDENT pro tempore. The Chair is in receipt of a communication, with an accompanying copy of a resolution of the House of Representatives of the Republic of the Philippines, relative to the Philippine war damage bill pending before the U.S. Congress.

If there be no objection, the Chair will lay this matter before the Senate, and refer it to the Committee on Foreign Relations.

The Chair hears no objection, and it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Louisiana; ordered to lie on the table:

"House Concurrent Resolution 27

"Whereas agriculture remains the No. 1 industry in the State of Louisiana, farm-level receipts from farm marketing(s) being $399,877,000 in 1961; and

"Whereas agriculture in Louisiana has made remarkable progress in recent years through its ability to supplement its row crops with livestock and livestock products, such livestock and livestock products accounting for $147,690,000 in cash receipts to Louisiana farmers in 1961; and

"Whereas it is estimated that without limitations imposed by the Federal Government upon the freedom of choice of Louisiana producers, the number of beef-brood cows in our great State may double in the next decade from its present level of 850,000 head; and

"Whereas the dairy industry in Louisiana is now able to furnish the citizens of this growing State with an adequate supply of fresh milk which is unparalleled in its quality and wholesomeness, and provides Louisiana dairymen a farm-level income now approaching $80 million annually; and

"Whereas legislation now being considered in the Congress of the United States, H.R. 11222, known as the administration's farm bill, could severely restrict the growth and prosperity of these industries seeking to impose restrictions on the amount of milk which can be produced within the State of Louisiana, and by putting a definite limitation, with penalties, on any further expansion of the livestock industry in Louisiana by limiting the freedom of each farmer to produce feed grains for such livestock; and

"Whereas the 1962 farm bill contains further provisions to permit the Federal Government to take over farmlands, to convert them into recreation areas or for other 'more economic uses' other than agricultural which are not defined, and which also contain provisions for enforced land reform patterned after agrarian reform policies similar to those in Cuba and China: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Louisiana (the Senate concurring)*, That each and every member of the Louisiana congressional delegation is respectively urged to vigorously oppose and vote against the enactment of the administration's 1962 farm bill in its present form, or any legislation which would further impair the income or freedom of farmers in this State and the American free enterprise system; and be it further

"*Resolved*, That the clerk of the house of representatives be and he is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the the Speaker of the House of Representatives, to the majority and minority leaders of both Houses of Congress and to each member of the Louisiana congressional delegation.

"________,

"Speaker of the House of Representatives.

"________,

"Lieutenant Governor and President of the Senate."

A resolution adopted by the Board of Aldermen of the City of Chelsea, Mass., favoring the enactment of legislation to provide medical care for the aged under the social security system; to the Committee on Finance.

RESOLUTION OF BOARD OF COUNTY COMMISSIONERS, CRAWFORD COUNTY, KANS.

Mr. CARLSON. Mr. President, the Board of County Commissioners of Crawford County, Kans., unanimously adopted a resolution in regard to the report of the Presidential Railroad Commission as filed with the President of the United States on February 28, 1962.

I ask unanimous consent that this resolution be printed in the Record, and referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Commerce, and ordered to be printed in the Record, as follows:

Resolution by Board of County Commissioners of Crawford County, Kans.

Whereas this commission of Crawford County in the State of Kansas, duly assembled, has considered the report of the Presidential Railroad Commission filed with the President of the United States on February 28, 1962; and

Whereas this commission finds that the recommendations of the Presidential Railroad Commission, if given effect, would reduce the number of jobs of railroad engineers, helpers (firemen), conductors, brakemen, and switchmen by nearly half, with resultant serious impairment of safety and efficiency of railroad operations, would require more work of employees at lower rates of pay, would deprive railroad operating employees of the fruits of collective bargaining gained in many years of negotiation, and would also, by reason of abolition of existing railroad terminals in Kansas and elsewhere, destroy many railroad communities and cause the dislocation of homes of thousands of railroad workers; and

Whereas it is the sense of the members of this commission that in these times any proposal producing additional unemployment, longer working hours at lower rates of pay, the decimation of railroad communities in Kansas and elsewhere, as well as impairment of railroad safety, service, and efficiency, is un-American, injurious to our national and local economies, contrary to established trends in labor relations, and deteriorative of the general well-being of our country, and must be condemned as such: Therefore be it

Resolved, and it is hereby the decision of this commission, That the report of the Presidential Railroad Commission of February 28, 1962, be disapproved and condemned as an unfair, inappropriate, and ruinous proposal for settlement of the wages and work rules disputes on the Nation's railroads; and be it further

Resolved, That existing controversies between the railroads and their employees concerning wages, rules, and working conditions ought to be resolved in collective bargaining, without regard for the recommendations of the Presidential Railroad Commission, on bases which will maintain existing jobs and improve and enhance wages and working conditions of railroad employees. A copy of this resolution shall be forwarded to the President of the United States, the Secretary of Labor, Members of the Senate and House of Representatives, the Governor of Kansas, State senators and representatives, and the presidents of the rail unions involved.

D. J. Saia, *Chairman*.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, without amendment:

H.R. 7061. An act to amend title 39 of the United States Code to provide for payment for unused compensatory time owing to deceased postal employees, and for other purposes (Rept. No. 1539); and

H.R. 7416. An act to authorize the Bureau of the Census to make appropriate reimbursements between the respective appropriations available to the Bureau, and for other purposes (Rept. No. 1540).

BILL AND JOINT RESOLUTION INTRODUCED

A bill and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3366. A bill to require disclosure of the effectiveness of filters on cigarettes distributed in commerce, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Wiley when he introduced the above bill, which appear under a separate heading.)

By Mr. PELL:

S.J. Res. 194. Joint resolution granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia; to the Committee on the Judiciary.

(See the remarks of Mr. Pell when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

INVESTIGATION OF FAILURE OF INDIVIDUALS TO COMPLETE THEIR EDUCATION IN SCHOOLS OR COLLEGES

Mr. WILEY submitted a resolution (S. Res. 348) to investigate failure of individuals to complete their education in schools or colleges, which was referred to the Committee on Labor and Public Welfare.

(See the above resolution printed in full when submitted by Mr. Wiley, which appears under a separate heading.)

A CHEESE CHARCOAL CIGARETTE FILTER

Mr. WILEY. Mr. President, a citizen of my State is of the opinion that a cheese charcoal filter for cigarettes would reduce the nicotine and tar content from the cigarette smoke. He claims to have proof of the effectiveness of such a filter.

After reading an article published in the June issue of the Reader's Digest, on a finding by the British Royal College of Physicians in regard to the effect of cigarette smoking on health, I am introducing at the request of my constituent a bill to inquire into the effectiveness of cheese filters on cigarettes.

I ask that the Reader's Digest article be printed in the Record following my remarks.

Let me say that my constituent claims that a cheese charcoal filter has been perfected, and the laboratory work on it is completed. He says that the utilization of cheese for it would be in such quantity that it would have a very beneficial effect upon the dairy products surplus problem. This follows my idea that commercial utilization of the constituents of milk would aid in solving the milk surplus problem.

The Reader's Digest article should cause us to stop, look, and listen; and this bill should be appropriately referred, and hearings on it should be had. Not only is the health of our people involved, but this practical suggestion for handling our surplus dairy products problem merits careful study.

Mr. President, I now introduce the bill, and request its appropriate reference; and I submit the article from the Reader's Digest, and ask that it be printed at this point in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the article will be printed in the Record.

The bill (S. 3366) to require disclosure of the effectiveness of filters on cigarettes distributed in commerce, and for other purposes, introduced by Mr. Wiley, was received, read twice by its title, and referred to the Committee on Commerce.

The article presented by Mr. Wiley is as follows:

Lung Cancer and Cigarettes—Here Are the Latest Findings

(Britain's Royal College of Physicians examines the effect of smoking on health and issues a clear and stern warning.)

(By Lois Mattox Miller)

Out of London last March came a chill blast which sobered cigarette smokers and jolted the tobacco industry on both sides of the Atlantic. The venerable 444-year-old Royal College of Physicians, which never deals with trivia or sensationalism, completed an exhaustive study and published a fact-filled report, "Smoking and Health," intended to give to doctors and others, evidence on the hazards of smoking so that they may decide what should be done.

The Royal College report stated unequivocally:

"Cigarette smoking is a cause of lung cancer and bronchitis, and probably contributes to the development of coronary heart disease and various less common diseases."

"Cigarette smokers have the greatest risk of dying from these diseases, and the risk is greater for the heavier smokers."

"The many deaths from these diseases present a challenge to medicine; insofar as they are due to smoking they should be preventable."

"The harmful effects of cigarette smoking might be reduced by efficient filters, by leaving longer cigarette stubs, or by changing from cigarette to pipe or cigar smoking."

The report had immediate repercussions in Parliament. It also stirred some nervous activity in Washington, where bureaucrats and Congressmen have dodged or pigeonholed the smoking-health issue for the past 10 years. Tobacco industry spokesmen issued the standard rejoinder that the evidence was merely "old data without new research findings," but the statement sounded weaker and more pathetic than ever.

Sir Robert Platt president of the Royal College of Physicians commented: "Naturally every possible opposition has been raised to the idea that these diseases are due to cigarette smoking. But not one of the opposing theories will hold water whereas everything confirms the evidence against cigarettes."

SMOKER'S LUNGS

"During the past 45 years" the report explained "lung cancer has changed from an infrequent to a major cause of death in many countries. To account for this increase it is necessary to postulate some causative agent to which human lungs have been newly and increasingly exposed during the present century. Cigarette smoke is such an agent and there is now a great deal of evidence that it an important cause of this disease."

Since 1953 at least 23 investigations in 9 different countries have reported on the relationship between lung cancer and smoking. "All these studies" the report states "have shown that death rates from lung cancer increase steeply with increasing consumption of cigarettes. Heavy cigarette smokers may have 30 times the death rate of nonsmokers. They also have shown that cigarette smokers are much more affected than pipe or cigar smokers (who do not inhale) and that the group which had given up smoking at the start of the survey had a lower death rate than those who had continued to smoke."

This strong statistical association between cigarette smoking and lung cancer is supported by compatible though not conclusive laboratory and pathological evidence." Some 16 substances capable of initiating cancer in animals have been identified in tobacco smoke. In addition to these carcinogens the smoke contains a variety of irritants which cause precancerous changes. These have been noted in the lungs and bronchial tissues of smokers who have died of causes other than lung cancer.

ADDRESSED TO DOUBTERS

The Royal College report devotes a full section to the theories advanced by those who doubt the cause-and-effect relationship. "None of these explanations fits all the facts as well as the obvious one that smoking is a cause of lung cancer."

How about air pollution, onto which the tobacco propagandists try desperately to shift the blame? In Smoking and Health," the investigators point to the lung-cancer death rates of smokers and nonsmokers who live in cities, in rural areas and even in countries where air pollution is virtually unknown.

Finland, for example, which has the second highest lung-cancer death rate in Europe is essentially a rural country which has little air pollution but a population of heavy smokers. "This suggests that smoking is more important than air pollution," the report concludes. Moreover, "it is clear that at all levels of air pollution cigarette smokers suffer a risk of lung cancer which increases with the number of cigarettes smoked, and even in the most rural areas of the United Kingdom heavy cigarette smokers develop lung cancer 15 to 20 times as frequently as nonsmokers."

SMOKER'S COUGH

Chronic bronchitis is a frequent cause of death, particularly among middle-aged and elderly men, as well as a common disabling disease. The disease usually starts with persistent coughing and the production of phlegm (productive cough). Then the bronchial tubes become infected and, eventually, persistent breathlessness may develop. In many cases the infection and breathlessness bring on heart failure and death.

"Smoking causes cough and expectoration," the report states. "Most people with smoker's cough lose this symptom when they stop smoking. Many studies have shown that the lungs of smokers are, on the average, impaired compared to those of nonsmokers, particularly with respect to bronchial airflow, Dr. W. Richard Doll and Professor (Sir Austin) Bradford Hill found a steady increase of bronchitis deaths among heavy smokers. Those who smoked more than 25 cigarettes a day had a death rate from bronchitis six times greater than that of nonsmokers. In the United States, Dr. Harold F. Dorn found that death from bronchitis and emphysema was three times as frequent in regular cigarette smokers as in nonsmokers."

Cigarettes may not be the sole or chief cause of bronchitis, the report emphasizes; other factors, chiefly air pollution, probably play a part. But "cigarette smoking often causes productive cough which predisposes to the disabling and fatal forms of bronchitis under the influence of other factors. Cigarette smoking should be regarded as an important contributing factor rendering many men and women liable to a disease which they might have escaped had they not smoked."

SMOKER'S HEART

Coronary heart disease is a more frequent cause of death among cigarette smokers than among nonsmokers. But the British report does not find evidence that cigarette smoking is a cause of coronary heart disease. Nonsmokers, too, commonly have coronaries although "those who give up smoking have a reduced death rate."

"The association of coronaries with smoking," the Royal College finds, "is clearest in middle age; and then various other factors such as mental strain, sedentary occupation, and indulgence in fatty foods, which are thought to increase liability to coronary thrombosis, are also commonly associated with heavy smoking. It seems reasonable at present to agree with the recent statement of the committee on smoking and cardiovascular disease of the American Heart Association, that present evidence 'strongly suggests that heavy cigarette smoking may contribute to or accelerate the development of coronary disease or its complications,' at least in men under the age of 55."

SMOKER'S ULCER

Tobacco smoke has demonstrable reactions in the stomach and intestines. Gastric hunger contractions, for example, cease after a few puffs on a cigarette. Nonsmokers seem to have better appetites than smokers; and ex-smokers commonly put on weight as soon as they quit the habit. While there is no evidence that smoking causes gastric or duodenal ulcers, most physicians have seen an adverse effect of heavy smoking on patients who already have stomach ulcers.

The Royal College report states that the "effect of smoking on the healing of gastric ulcers has been carefully recorded in a controlled study in Britain." Hospital patients with gastric ulcers (all smokers) were divided into two groups. Group A was told to quit smoking, group B was not; otherwise, both received the same medical treatment. "It was noticeable that in patients who continued to smoke, the ulcer actually increased in size while this deterioration was not observed in any of those who gave up smoking." The conclusion: "Smoking does not appear to be a cause of ulcers in the stomach and duodenum but probably exacerbates and perpetuates them."

THE WORD TO DOCTORS

"Patients with bronchitis, peptic ulcer, and arterial disease should be advised to stop smoking," the Royal College suggests to doctors. "Even a smoker's cough may be an indication that the habit should be given up."

The report observed that the proportion of nonsmoking British doctors has doubled in recent years from 24 percent in 1951 to 50 percent in 1961. "The doctor who smokes cigarettes must, like any other individual, balance these risks against the pleasures he derives from smoking and make his choice. But the doctor who smokes will lessen the effect of public education concerning the consequences of the habit and will find it harder to help his patients who need to stop smoking."

PREVENTIVE MEASURES

The Royal College report is not the first comprehensive analysis to be made of the smoking-health problem. But it is probably the best factual statement, buttressed by over 200 citations of scientific sources, to be written in the plain English which the average layman can understand. (Besides being widely summarized in the British press, the first 15,000 copies of "Smoking and Health" were sold out on publication day and it since has become a paperback best seller.)

"Smoking and Health" is also the first report to spell out a practical program of preventive measures for the individual and the Government. Some specific recommendations:

More public education, and especially of schoolchildren, concerning the hazards of smoking. "The Central Council for Health Education and local authorities spent less than £5,000 ($14,000) in 1956–60, while the tobacco manufacturers spent £38 million ($107 million) on advertising their goods during this period. Such public education might advise safer smoking habits (filter-tips, longer stubs, preference for pipes or cigars) for those whose addiction is too strong to be broken."

More effective restrictions on the sale of tobacco to children ("cigarettes are freely available in slot machines"). Wider restrictions on smoking in public places.

Raise the tax on cigarettes, and perhaps lower taxes on pipe tobacco and cigars. ("Pipe smokers incur a considerbly smaller risk than cigarette smokers. The risk in those who smoke only cigars is even smaller and may be no greater than that for nonsmokers.")

"Since filters vary in efficiency, it would be desirable to have them tested by some official agency and have the results indicated on the packet."

The Royal College report was immediately subjected to full Parliamentary discussion, and Enoch Powell, the minister of health, informed the House of Commons: "The Government certainly does accept that this demonstrates authoritatively and unquestionably the causal connection between smoking and lung cancer and the more general hazards to health of smoking." The report's recommendations, he said, "are under consideration by the Government."

WHITHER WASHINGTON?

The forthright British approach was in sharp contrast to the timidity with which the health services, regulatory agencies and legislators in Washington, D.C., have shied away from the clearly defined issue of smoking and health. In 1959 the Surgeon General of the U.S. Public Health Service published in the Journal of the American Medical Association a lengthy report which covered much the same ground as the current Royal College report, and accepted the causative role of cigarettes in lung cancer. But, unfortunately, some of the Surgeon General's colleagues had written into the report a brief paragraph which downgraded and dismissed filtertips even as partial health protection, and the Federal Trade Commission seized upon this convenient excuse to sweep the whole issue of the tar and nicotine content of American cigarettes under the carpet.[1]

There have been, however, a few faint but encouraging signs of a change of heart. Dr. Michael B. Shimkin of the National Cancer Institute has come out publicly in support of the American Cancer Society's proposal for a Federal regulation requiring that all packages be clearly labeled with the tar and nicotine content of the cigarettes.

Following the publication of the Royal College report (but only then), it was disclosed that a House Appropriations subcommittee had heard the testimony, in closed sessions, a month earlier, of physicians from the National Institutes of Health. They stressed the overwhelming evidence linking cigarette smoking with lung cancer and other diseases, and urged an educational campaign on the hazards of smoking.

The FTC, apparently, has been holding its own closed-door meetings to find some way out of its quandary. The trade paper, Advertising Age, quoted Byron H. Jacques, head of the FTC bureau of trade practice conferences and industry guides, as admitting: "If there is really a significant difference in the health hazards involved in filter-tips compared with nonfilters, some change in our attitude might be necessary."

The FTC has long argued that it needs scientific authority and new legislation to handle the job properly. But many well-informed Washington lawyers maintain that the Federal Government (Food and Drug Administration, FTC, or USPHS) has all the authority it needs under present laws, including the broad Federal Hazardous Substances Act, which went into effect in July 1960. Many cigarette manufacturers state, privately, that they would welcome package labeling and standardized testing but (for sound legal reasons) only if the Government takes the initiative and tells them what to do.

So the question is: Who will take the initiative? Perhaps we shall have to wait until (as seems likely) the British set the precedent and shame us into following their lead. Meanwhile, this observation in a well-known British medical journal, the Lancet, should be pondered in Washington: "Future historians will have views on our failure to find even a partial solution to the problem of smoking during the first 10 years after its dangers were revealed. The enormous and increasing number of deaths from smoker's cancer may go down in history as a strong indictment of our political and economic ways of life."

COMPACT TO ESTABLISH A MULTI-STATE AUTHORITY TO OPERATE A RAIL TRANSPORTATION SYSTEM BETWEEN WASHINGTON AND BOSTON

Mr. PELL. Mr. President, in connection with my recent statement concerning rail passenger service between Washington and Boston, I submit for appropriate reference a Senate joint resolution which would grant the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to modernize and operate a passenger rail transportation system along the present right-of-way between Washington and Boston.

Mr. President, it is my strong belief that the establishment of a multi-State authority to operate this passenger service would represent a long-range solution to the rail passenger needs along this line. It is not enough to gage our sights at somehow managing to get through another 3 months or even 3 years. It is, indeed, also high time that we take advantage of technological advances which are available to us. A serious and detailed study of the very best modern facilities should be made. There is no reason why our citizens should not be afforded comfortable, fast, air-conditioned and noiseless travel, which is not only essential to their well being, but also to the prosperity of this region, which contributes such a large proportion of the wealth and industry of our Nation.

The general reaction to my recent proposal has been most heartening. In fact, 10 newspapers up and down the eastern seaboard between here and Boston, have supported all or part of this proposal. I am more than ever convinced that practical aspects and feasibility of the plan should be further explored and implemented.

Mr. President, I very much hope that the Congress will soon take favorable action on this joint resolution for I am convinced that its passage would stimulate the States concerned to move forward on the negotiation of the compact so that a multi-State public authority could be established at the earliest practicable date. I ask unanimous consent that the joint resolution be printed in the Record.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, will be printed in the Record.

The joint resolution (S.J. Res. 194) granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia, introduced by Mr. Pell, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Whereas the eastern seaboard area containing the eight States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia, is rapidly becoming a megalopolis, and now has a population of over 37,000,000, and contains almost 30 percent of the Nation's manufacturing and 21 percent of the Nation's retailing establishments, as well as the Nation's Capital;

Whereas this area is now serviced by a multitrack system of railroads which for the most part have sufficient rights-of-way to provide adequate passenger transportation throughout the area, but the railroads involved have not been able to provide such passenger service on a paying basis and must rely on profits from freight transportation to keep their entire systems operating;

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[1] See "Facts We're Not Told About Filter-tips," the Reader's Digest, July 1961.

Whereas it therefore appears that a Government authority must be organized to provide such passenger service which is essential to the welfare of the Nation as well as the area involved, and that the existing railroads would continue to provide necessary freight transportation; and

Whereas it appears that a multi-State authority formed by the States involved would be the best type of governmental authority to carry out this passenger rail transportation function: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and to the District of Columbia to negotiate and enter into a compact for the purpose of establishing a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia.

Sec. 2. Such consent is given upon the following conditions:

(1) a representative of the United States, who shall be appointed by the President of the United States, shall participate in such negotiations and shall make a report to Congress of the proceedings and of any compact entered into; and

(2) such compact shall not be binding or obligatory upon any of the States involved or upon the District of Columbia unless and until it has been ratified by the legislature of each of such States and approved by the Congress of the United States.

Sec. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

CONVENTIONS OF GENERAL CONFERENCE OF INTERNATIONAL LABOR ORGANIZATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive C, 87th Congress, 2d session, which are conventions adopted by the General Conference of the International Labor Organization, and were transmitted to the Senate today by the President of the United States. I also ask that the President's message be printed in the Record and, with the conventions, referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of a convention (No. 116) concerning the partial revision of the conventions adopted by the General Conference of the International Labor Organization at its first 32 sessions for the purpose of standardizing the provisions regarding the preparation of reports by the governing body of the international labor office on the working of conventions. Convention No. 116 was adopted at the 45th session of the International Labor Conference, at Geneva, on June 26, 1961.

I transmit also for the information of the Senate the report of the Secretary of State regarding this convention, together with a copy of a letter addressed by the Secretary of Labor to the Secretary of State with respect to the convention.

John F. Kennedy.

The White House, *June 1, 1962.*

(Enclosures: (1) Report of the Secretary of State, (2) certified copy of ILO Convention No. 116, (3) copy of letter from the Secretary of Labor.)

NOTICE OF HEARING ON NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 8, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Oliver Seth, of New Mexico, to be U.S. circuit judge, 10th circuit, vice Sam G. Bratton, retired.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi [Mr. Eastland], chairman, the Senator from South Carolina [Mr. Johnston], and the Senator from Nebraska [Mr. Hruska].

SCHOOL DROPOUTS

Mr. WILEY. Mr. President, on Monday last, I had printed in the Congressional Record an address which I delivered at the DeVry Institute, on May 24. The title of it was "National Calamity of Dropouts." When I began to study this subject, I was thoroughly shocked to learn how many of our children drop out of school. Russia's current rate of technical training should cause us to pause; she is producing engineers at the rate of approximately 126,000 annually, while we are producing only 45,000. Red China's enrollment is going from 117,000 to 660,000. It must be clear that in the terms of defense requirements and of space exploration requirements, our need for expanded technical education is urgent. We remember that Khrushchev said, "We will bury you."

As a Senator, I am disposed to view the dropout as a serious threat to our national survival. There was a time when the defense of our Nation depended upon the brawny arm, the hardy constitution, the steely courage of the minuteman at Lexington, the gunner aboard the U.S.S. *Constitution,* the Rough Rider charging up San Juan Hill, the devildog Marine going over the top at Chateau-Thierry. The next war will not be waged with muskets or cutlasses or cavalry sabers or Springfield rifles. It will be won with intercontinental missiles, space ships, antimissile rockets, and with such world-wrecking atomic weapons that in thinking about them the mind recoils in horror.

So, Mr. President, I feel that we had better know more about school dropouts. We should study the situation and determine what can best be done. A clear reason for urgency in the expansion of technical education is the fact that automation has changed from a mammoth concern of the future to a mammoth concern of the present.

Therefore, in my talk I announced my intention to submit a resolution to investigate the national calamity of dropouts, their character, and their causes, and to have the committee to which the resolution is referred seek the means of eliminating them.

Mr. President, the youth of Wisconsin and of all of America represent one of the greatest and most precious assets of our national life.

The future of our Nation, of freedom itself, and of the ideals in which we believe depends upon the maximum development, utilization, and dedication of the talents and genius of our youth—the hope of the America of tomorrow.

Fundamental to a sound youth-development program, of course, is our educational system. Despite nationwide efforts to improve it and to increase the opportunities for youth, a special problem plaguing our progress is the too-great number of dropouts from our school system.

For this reason, I now submit a resolution to authorize a congressional study of the dropout trend in our educational system. Such a study would, I believe, not only help us better understand the involved problems, but also would enable us to ascertain the best ways to halt this trend.

I ask unanimous consent that the resolution and a statement of its purpose be appropriately referred and be printed at this point in the Record, together with several letters which I have received since I delivered the address.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, without objection, the resolution, statement, and letters will be printed in the Record.

The resolution (S. Res. 348) was referred to the Committee on Labor and Public Welfare, as follows:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to make a full and complete study and investigation of the failure of many individuals to complete the level of education which they had been pursuing in the public and private schools in the various States.

Sec. 2. For the purposes of this resolution, the committee, through January 31, 1963, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided,* That the minority is authorized at its discretion to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on

Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings upon the study and investigation authorized by this resolution, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1963.

The statement and letters presented by by Mr. WILEY are as follows:

STATEMENT BY SENATOR WILEY

The future progress and security of our Nation will depend upon a reservoir of well-educated, well-trained citizens.

Currently, the United States is attempting to improve its educational system so as to provide the educated, skilled, trained manpower needed for the space age. A special problem confronting the Nation is that of dropouts from school—at grades 6–8, high school, and college level. According to a recent study, for example, about 35 percent of the students enrolled in high school drop out before graduation. Unless such trends can be curbed, the country may suffer serious consequences.

NEED FOR PUBLIC AWAKENING

Realistically, the challenge confronts us, as individuals—including both parents and students—as well as a nation.

The youth of America—who may be inclined to drop out—should be confronted with such facts as: The competition for better jobs is greater today because the majority of young people are high school graduates; finding a job is more difficult for a nongraduate; the nongraduate is not promoted as fast as the graduate; most occupations—law, medicine, engineering, teaching, selling, almost any one you can name—require first the broad education background represented by a diploma and then specialized training; the less skilled workers are of declining importance in the Nation's total working force (from 1940 to 1957, the number of workers employed in considered to be less skilled occupations, for example, dropped from 30 to 16 percent); the high school graduate earns more money; during his adult earning years, the graduate will receive an estimated $49,000 more than the eighth grade graduate, and $30,000 more than the high school dropout.

NATIONAL SECURITY

For national security, also, maximum education is necessary. The Armed Forces report that during World War II—700,000 young men were rejected for military service because they could not read or write. In addition, 700,000 with little or no education were accepted for low-level assignments.

As guardians of freedom, graduates are better able to absorb military technical training; have a better opportunity to be selected for military schooling; have a better opportunity for advancement in rank; are better equipped to assume positions of leadership.

INDUSTRIAL REVOLUTION

The United States, too, is entering into a new phase of the industrial revolution—the era of automated production, requiring still more new and advanced skills of American workers. For the years ahead, for example, the wheels of progress will be powered, more and more by atomic energy. In 1960 about 210 atomic reactor operators were at work; by 1980 an estimated 18,670 will be required. Only high school graduates are accepted for training for these highly technical fields.

Industry, too, needs more engineers—one for every 40 workers (in 1900, the ratio was one for 400 workers). For every professionally-trained engineer, industry needs, on the average, a crew of five trained technicians.

OUTLOOK IN PROFESSIONS

The professions, also, need more highly-trained personnel. By 1965, we will probably need 45,000 more doctors; 75,000 more college trained nurses; 485,000 more elementary and high school teachers and 120,000 more college teachers; 80,000 more natural scientists; 100,000 more engineers.

CONCLUSION

For the individual, then knowhow—acquired by education and training—may spell the difference between failure and success. According to manpower experts, the economy has barely enough trained and educated people now to make full use of day-to-day discoveries in almost every field—nuclear energy, electronics production, construction, aviation, transportation, medicine, etc.

Unless the Nation's manpower is developed to the maximum extent through education and training, we will not fully realize the great future possible for our country.

By conducting a special study, the Congress, I believe could make a real contribution toward: (a) Creating a broader knowledge of, and concern about, the cause of dropouts; (b) make recommendations for curbing the trend; and (c) serve the best interests of the individual, and the Nation.

HERBERT M. KRAUS & CO.,
Chicago, Ill., May 29, 1962.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: We note with interest your address at the DeVry Technical Institute dinner last week. You may be interested in learning that Encyclopaedia Britannica Films, Inc., has launched its first 4-year high school design to cope with the dropout problem, as well as to utilize to their fullest, the resources of gifted children, in Chicago.

Heading up the new Academy for Adults is Gordon G. Dupee, onetime president of the Great Books Foundation. Mr. Dupee has some very challenging observations to make on the subject of school dropouts. We know you would be interested in talking with him.

If you plan to be in Chicago again in the immediate future, we would be most happy to have you visit with Mr. Dupee in the new school; otherwise, he would be able to see you either in Washington or in Wisconsin any time after June 14.

Incidentally, the chief executives of the Encyclopaedia Britannica and Encyclopaedia Britannica Films, Inc., will be in Chicago for a press conference on the new school, on June 12. The press conference will be followed by an open house of programed learning for guidance counselors and school administrators on June 14. If your schedule permits, we would be most happy to have you join us on either of these occasions. The June 14 open house particularly would give you an opportunity to visit at length with a number of educators who are very close to the school dropout problem.

May we congratulate you on your proposed investigation of the school dropout problem. Such an investigation is bound to produce tangible results of benefit to American youth and indeed to the entire economy.

Very sincerely,

DAVID M. JOHNSTONE.

DEVRY TECHNICAL INSTITUTE,
Chicago, Ill., May 28, 1962.

The Honorable ALEXANDER WILEY,
U.S. Senate Office Building,
Washington, D.C.

MY DEAR SENATOR WILEY: In coming to Chicago and talking to over 200 high school and college educators about the student dropout problem, you have done a big favor to the people of America and particularly those of the central West.

We have had numerous phone calls and some letters concerning further interest in the dropout problem and know you have started a wave of thinking which can have untold beneficial results.

For the entire DeVry Tech organization, including both Mr. DeVrys and myself, let me thank you very kindly for the big favor you have done for all of us.

Best wishes to both Mrs. Wiley and yourself and lots of luck on the fall campaign.

Cordially yours,

T. J. LAFEBER,
President.

STEEL'S PROFIT PROBLEM

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, a speech entitled "Steel's Profit Problem," delivered by Allison R. Maxwell, Jr., president of the Pittsburgh Steel Co., at the general meeting of the American Iron & Steel Institute, in New York City, on May 24, 1962.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STEEL'S PROFIT PROBLEM

(By Allison R. Maxwell, Jr., president, Pittsburgh Steel Co.)

A few months ago, when I was invited to talk here, I reviewed previous talks made from this podium, and found them interesting reading. Down through the years, many of the greatest leaders in the steel industry have passed along to us some of the soundest practical wisdom and business philosophy ever presented to any industry. And, time and again, throughout their talks, these steelmen forewarned us of impending crises.

I knew then this talk would be a challenging assignment. For my subject, I selected "Steel's Profit Problem." And I began to prepare an analysis of the industry's profit trends for a talk full of more forewarnings.

Then, during the days that followed, a series of events occurred. An avalanche of Government abuse and coercion, triggered from the White House, came roaring down on us. We were engulfed in a crisis of historic proportions. My subject—"Steel's Profit Problem"—suddenly became a matter of national interest. Yet far more than profit is involved. We are locked in a crucial battle—not only for our economic welfare as an industry—but for preservation of our freedoms.

I hope you will bear with me, therefore, when I use this occasion to enlarge on my subject. Circumstances demand it.

I want to make it clear from the outset, that I am speaking here this morning, not as a spokesman for this industry, and not as the president of a company that has been subpenaed, or as an individual who has been subpenaed—at least not until this talk has been completed.

The contents of my talk have not been cleared, approved, or controlled in any way by American Iron and Steel Institute, or by any officials of other steel companies. I am speaking as president of one of the smaller companies in the industry; and the thoughts expressed here are strictly my own. My theme is this:

First, the steel industry is faced with grave economic problems. While we have grown and flourished on competition, today we are competing in the toughest market contest we have ever encountered. Not only do our companies compete with each other, but we are beset by competition from foreign steel producers, and from other materials.

To hold and expand our markets, we must be able to offer the users of steel quality products and superior service at competitive prices. This requires tremendous new investment in ultramodern facilities, to make better steel at lower cost. The money to finance this investment is ultimately derived from just one source—profits.

Rising costs have been outstripping prices for many years now, gradually whittling our profits away and weakening our capabilities. Increasing our profit, therefore, is our imperative No. 1 objective—the essential key to the future welfare of our industry.

Second, the steel industry is faced with equally grave political problems. Steel is one of the mighty bulwarks of private enterprise that has made our Nation great. Yet today, we are the central target for Government regimentation.

The opponents of competitive enterprise have grown immensely powerful. With flagrant disregard for facts, they can now denounce, discredit, and vilify business leaders before the public—employ the combined forces of Federal police power and purchasing power, and resort to legislative inquisition, for purposes of coercion—and have their assault spearheaded by the highest office in the land.

Steel has long tried to do its part in preserving the economic freedoms that have made ours the greatest industrial Nation in world history. But perhaps we have been deluded by believing the benefits are so great—in peace and in war times—that they must also be self-evident. Now we have conclusive proof that we have not done enough to establish these benefits in the court of public opinion.

So if we hope to see private enterprise survive, our course of action must begin to marshal public opinion more effectively. We must carry our story to our employees and shareholders, to those who represent us in Washington, and to 185 million Americans—with every resource at our command.

At the same time, we must oppose with equal vigor the efforts of a tiny handful of Government officials whose pursuit of power over business and industry exceeds their understanding of the public interest, and shows utter disregard for the constitutional principles on which this country has been founded.

COMPETITION

Now, let's turn first to the economic problems that confront us, beginning with competition. All of the steel companies represented here compete in the total market for steel—a market that has become worldwide in scope, and a market that is expanding.

But the U.S. share in this expanding market has been shrinking. Foreign competitors are displacing us in markets abroad, and invading our markets at home. If we had maintained our 1953–57 average participation in world export trade, and prevented further import erosion, we would have shipped 6 million tons more than we actually shipped during 1961.

This 6 million tons means loss of $1.2 billion in annual sales volume. It has lopped some 50,000 jobs off our payrolls, and cost steelworkers over $300 million annually in wages. Technological unemployment? Yes. But due to technological advances by our competition.

Since 1950, world steel production has doubled, increasing from about 200 million to 400 million tons a year. Nor is this all. World capacity will expand to more than 500 million tons a year by 1965.

So, if our progress has been inadequate to cope with competition from these mills in the past, it will be even less adequate in the future. This prospect should vitally concern everyone who is interested in maintaining the industrial supremacy of this great Nation.

Now why has this occurred? Since the end of World War II, our Government has, in effect, been subsidizing our competition. Foreign producers have been able to build their tremendous steel capacity largely as a result of direct and indirect U.S. aid.

On the one hand, Government foreign policy is encouraging and partially paying for development of free world economic concentrations, cartels, and free trade associations that compete with individual U.S. businesses. In steel, we find ourselves beleaguered by foreign competitors who are equipped with modern facilities, favored by tax advantages in their own countries, guided by coordinated planning and control, and manned by low-cost labor. They have decisive advantages.

On the other hand, Government restrictions on business here at home are equally specific. Steel is hampered by disadvantageous tax provisions; harassed into accepting high labor costs, as five lengthy and exhausting strikes since World War II will amply attest; harried by Government interference in pricing policies; and proscribed from engaging in any coordinated program to meet the competition.

There can be no question about the need for foreign aid or for free trade among nations—for the welfare of our country and of the free world—as the Soviet offensive looms ever more threatening.

But there can be no defense for Government policies embracing free trade with one hand, and simultaneously wrecking the chances for U.S. industry to compete in free trade, on fair and equal terms, with the other.

Now, how can we recover and expand our markets, increase employment and improve job security, discharge our responsibilities to our shareholders and to the steel industry, and perform our patriotic duty to our Nation more effectively?

PRICES AND COSTS

In steel's markets, the customer is king. He buys on the basis of quality, service, and price.

So, each individual steel company is acutely aware of the functions of pricing; more so than some outsiders who pose as experts on this subject. For nearly 4 years now, there has been no general increase in steel prices. This fact reflects competition in today's markets.

But while prices must be low enough to hold today's markets, they must also be high enough to build the markets of tomorrow. Prices have a double role to play in competition. They must be attuned to the immediate; and they must also help provide profits to buy superior tools for lower costs and competitive prices in the long-range future. Prices reflect a delicate balance of both short- and long-range competitive requirements, far too intricate for manipulation by the heavy hand of government.

The cost-price squeeze on profits has become increasingly intense over the past 12 years. Undeniably, we have been gaining productivity. If we didn't, we would be presiding at our liquidation. But the gains have been buried by wage increases that outstrip the productivity advance by more than 9 to 1.

Even the latest agreement exceeds by 50 percent the average annual productivity increase since 1940. And this agreement does not become noninflationary just because the administration puts that label on it. It is not a noninflationary agreement just because it is less inflationary than previous agreements. It is, in fact, just one more increment in an inflationary trend that has been long developing.

We hear from Washington that wage increases should equal productivity gains. This is an insidious doctrine. Raises have exceeded productivity gains by such wide margins, and for so many years in the past, that increases equaling these gains are already being paid well in advance and for many years to come.

Yet, productivity springs primarily from investment in better production tools. Today, when we are faced with a critical need for more and better tools, this doctrine would deny us greater use of the fruits of progress for investment.

More productivity gains must carry through to profit, so that productivity will continue to gain—and gain by leaps and bounds—if we are to surpass our competition. All answers to the threat by competition revolve around rapid improvement of production tools and unrestricted freedom to market our products profitably.

For some unexplainable reason, these two inseparable concepts do not enjoy equal popularity. Nearly everyone will agree to the need for new and better equipment. Proposals to spur capital expenditures win popular acclaim. But suggest that industry must generate more profit to build new plants, and this arouses controversy.

PROFIT TRENDS

Steel industry profits have been scored repeatedly by a distinguished array of critics. Politicians, labor leaders, pseudoeconomists, and many well-known socialist propagandists have at various times denounced our profits as "exorbitant," "shameful," "fantastic," and even "fabulous." Even recent industry profits (in the range of $700 to $800 million a year) are cited as evidence of "unconscionable gouging." Excessive profits have been the battlecry for attacks on steel by those who seek to extend the coercive control of Government over private business.

And now this time-tested, antibusiness strategem is being used again. The White House points to the profits of a few companies, for one or two quarters, labels them among the highest on record, and implies that we are profiteering.

This charge, however, has never gained much acceptance with the financial community and investing public. They view our profits as a 5- to 6-percent return on our current $13.7 billion in total investment, and on our annual sales volume in the range of $13 to $14 billion; and they fail to find the glamor in it. They appraise our financial record, and regard our profits as uncertain and sporadic. Some are beginning to question the wisdom of all steel investments.

And so we find profits—indisputably the essential prerequisite to progress—surrounded by confusion and misunderstanding. The very word evokes political emotions, when this serious hour calls for objective study of the facts. The course of future legislation, therefore, will depend in large measure on this industry's ability to create greater understanding of our profit problem.

To this end, I would like to offer here this morning a new approach to understanding profits. It is not my intention to overwhelm you with statistics; but the problem is not simple. My purpose is to present steel's profit problem as it relates to economic forces.

Profit analyses are most commonly based on time comparisons. For example: what did the industry make in 1961 as compared to 1960, or in 1961 versus 1955 or 1950? But when profits are analyzed using time as the basis for comparison, some important facts are concealed.

Profits do not fluctuate because of time. They are directly related to economic forces—the most important being: (1) cost-price relationships, and (2) volume. For many years now, each round of wage increases, and consequent adjustments in the cost-price relationship, have eroded our earning capacity. So this analysis will take the cause-and-effect approach—providing a before-and-after look at what has happened to our profits.

First, to reflect the influence of cost-price relationships, we can select four periods during these past 12 years: 1950–51, 1953–54–55, 1957–58, and 1960–61. These periods were free from strikes—the strikes having occurred before each period—and reflect the aftereffect on cost-price relationships.

Second, to reflect the influence of volume, we can use quarterly sales in each of these periods. This lets us evaluate profits at many more levels of sales activity, for valid comparisons. Analysis of industry earnings for one or two quarters—by a few companies—White House style—is not nearly so revealing as study of the earnings of 36 separate quarters at 36 different volume levels—showing the average trend for 576 quarterly returns by 16 companies representing 87 percent of the industry.

Chart No. 1 [not printed in Record]: Here is a chart showing the profit path for these companies during the eight quarters in the 1950–51 period. You will notice the base of the chart represents quarterly sales in billions of dollars. The vertical scale shows profit as a percent return on invested capital. To determine profits, quarterly pretax returns have been uniformly reduced by the 52 percent income tax rate to avoid the distortions caused by changes in tax regulations; and annualized to present a correct relationship to invested capital. So, they provide a valid basis for comparison of performance.

Each dot on this chart represents profit for a certain quarterly sales volume. For example, the first dot on the left shows that industry profit at a quarterly sales volume of $1.8 billion amounted to a 9 percent return on invested capital. The last dot on the right shows that profit at a quarterly sales volume of a little over $2.6 billion amounted to a 14 percent return on invested capital. The diagonal line through these dots shows the calculated profit-volume path for 1950 and 1951, following the 45-day strike in 1949.

Chart No. 2 [not printed in Record]: Here are the 12 quarters during the 1953–55 period—following the 59-day strike in 1952. You will note that the first dot on the left shows profit at a quarterly sales volume of $2.2 billion, amounting to just over 6 percent return on invested capital. At right, profits on quarterly sales in the range of $3.4 billion amounted to a 13 percent return on invested capital. The diagonal line represents the calculation of our profit-volume path for these years.

Chart No. 3 [not printed in Record]: Here is our profit-volume path for the eight quarters in the 1957–58 period, following the 36-day strike in 1956. You will note that the first dot on the left shows profit at a quarterly sales volume of $2.5 billion, amounting to just over 4 percent return on invested capital. At right, profits on quarterly sales of about $3.7 billion announced to just under 12 percent return on invested capital.

Chart No. 4 [not printed in Record]: Finally, we come to our profit-volume path for the 8 quarters in the 1960–61 period, following the 116-day strike in 1959.

Chart No. 5 [not printed in Record]: Gentlemen, here is what happened to our profit path during these past 12 years. Note the descending levels of return on investment following each change in the cost-price relationship. Here is the result of the cost-price squeeze. Here is irrefutable evidence of the erosion of our profit potential. Let's analyze this chart.

Chart No. 6 [not printed in Record]: Let's compare profits during periods of equivalent sales volumes over these 12 years. On quarterly sales volume in the range of $2.6 to $2.8 billion: our profit amounted to a 14.4 percent return on investment in 1950–51. It declined to 8.9 percent in the 1953–54–55 period. It slipped to 5.9 percent in 1957–58; and reached 3.7 percent during the 1960–61. On the same sales volume, our profit as a return on investment is approximately one-fourth of what it was 12 years ago.

Chart No. 7 [not printed in Record]: Let's compare profits at an equivalent range of return. Let's take the 10 to 12 percent range for example. In the 1950–51 period, we could generate this return on average quarterly sales of $1.9 billion. To generate this return during 1960–61 required average quarterly sales in the range of $4 billion—or double the sales volume required 12 years ago.

Gentlemen, this analysis conforms to established accounting practice in every detail. From an accounting standpoint, the evidence is unassailable. Further analysis will show that profit returns on sales follow the same trend. We have dwelt on returns on invested capital, because they relate to the availability of funds for new equipment.

However, the practice of picking up figures out of context, and misusing them to distort the truth, seems to have become a popular pastime among industry critics. So let's summarize this study with a more conventional approach.

Chart No. 8 [not printed in Record]: This chart shows the specific net profit return on invested capital, taken from annual reports for the same 16 companies. Note that we have preserved the same cause-and-effect time periods for our before-and-after look at profit returns as they relate to growth in investment. The bars show how capital investment has climbed during these past 12 years—increasing from $5.8 billion in 1950–51 to an average of $11.6 billion in 1960–61. The line shows what has happened to our average after-tax profit as a percent return on investment. It has dropped from 11.1 percent to an average of 9.7 percent following the 1952 strike—to 8.6 percent following the 1956 strike—and finally to 5.8 percent following the 1959 strike.

Gentlemen, I realize that any analyst can lift a simple dollar transaction into the dim and mystic realm of confusion. I submit that there can be no confusion here. These are ungarnished facts. And ugly as they may appear, they must be faced; and we must probe still deeper to assess their true significance.

Some proponents of big government can look upon these facts with joy. They see our loss of earnings as evidence of victory for what they term the "public interest." But if it is a victory, according to their socialistic precepts, it will be short lived.

The true interests of the public are not served by loss of profit, because profit is the wellspring of growth. When profits fall, funds for new investment vanish. When profits rise, investment funds abound.

FUNDS FOR NEW EQUIPMENT

Let's see what has occurred in steel. Let's look at the effect of waning profits on funds required to replace wornout and obsolete equipment; and funds required to modernize with new equipment—new equipment that will reduce our costs to competitive levels.

To begin with, dig into the profit trends we have explored and you will find that they are inflated. In part, they represent capital erosion. Allowances for replacement of facilities are understated because of tax rules and accounting practice in the reporting of depreciation allowances.

Over the past 12 years, construction costs have risen 66 percent. We have needed far more depreciation than we have been allowed, just to stay even—just to keep abreast of the wear and tear on existing facilities. Amendment of tax regulations to permit realistic depreciation policies is long overdue.

Tax regulations providing anything less than full replacement allowance, in current dollars adjusted for inflation are not enough, if we are to compete on fair and equal terms with foreign producers. And as noted speakers from this platform have repeated, time and again, fair provision can't come soon enough.

In the absence of adequate depreciation allowances, we have been forced to rely more heavily on profits for income to reinvest—just to stay even. But as we have already seen, profits are shrinking.

So we have gone beyond this, and resorted to heavier borrowings. We have gone still further and sold stock. To the extent that borrowings and the sale of stock have been required to make up for capital erosion, we have increased our debt load, diluted stockholders' equity, and heavily mortgaged future earnings. Yet we have been unable to keep pace with our favored foreign competition.

Liberalized depreciation rules and tax credit legislation now before the Congress will, without question, serve to ease this problem. But they will not provide the total answer as some would lead us to believe. They will aid us in the future, but do not make up for inflation in the past. So they do not change our problem: to meet our competition, we must increase our profits.

THE ROUTE TO SOCIALISM

Gentlemen, let's turn now from economics to the political arena. By reviewing economic trends, we can do some Monday morning quarterbacking, and move to change them in the future. But let's not count on being Monday morning quarterbacks in the game of politics. Few have ever found a way to replay the game that we're engaged in now.

Contrary to popular belief, socialistic governments do not spring up overnight. Change from a democracy to government by regimentation is seldom quite that rapid. The transformation comes gradually, by stealth. Trace the histories of countries swallowed by dictatorship, and you will find this common pattern:

A closely knit clique acquires power by slowly and tentatively expanding their sphere of control, watching signs of public reaction, pausing and changing their tactics, then moving relentlessly onward—until they gain unrestrained power. Sometimes, the final seizure is quite sudden, but it has always been a long time in the making.

For many years now, since the days of the New Deal, observers have been warning us, sometimes from this very platform, that America is losing its freedoms, and moving in the direction of socialism. Now listen to this newspaper report from just 6 weeks ago:

"The arsenal of weapons the President wheeled into his all-out economic foray against big business leaders was an awesome display of coldly determined political and economic power seldom, if ever before, employed by Government. Every major governmental department got into the act."

You will recall the circumstances. United States Steel Corp. had raised its prices. To discuss the merits of the United States Steel decision here would be inappropriate, and totally irrelevant. But the issue it has raised is of vital importance to each of us, and to all free citizens. One very noted and respected commentator put it this way:

"Is this democracy, or is it the forerunner of a quasi-Fascist system? Is it a government under a written constitution; or is it a government by usurpation of legislative authority?"

When the White House was informed of United States Steel's price raise, the newspapers factually reported that businessmen could now expect all hell to break loose. The White House clique displayed its fury. But what is more significant, it did so in a way implying dire consequences: let the Nation tremble; retribution is at hand.

And what is more profoundly disturbing, few considered it to be important that no law had been violated. Yet United States Steel, and other companies which increased their prices competitively, were treated as transgressors.

The indictment: their actions did not conform to the public interest as viewed by the administration. Their crime: they did not obey some nebulous higher law—a set of guidelines the administration alone can define and enforce, without benefit of legislation—the law of the New Frontier.

Now we have some insight into what this new law means. It means sacrifice of traditional freedoms. Few seem to recognize that in the administration's appeal for sacrifice in the name of its concept of public interest, we are being asked to deny the fundamental freedoms that are basic to democracy.

We may decry specific power tactics, but these are merely symptoms of an issue far more fundamental and decidedly more dangerous. It would be an error to dismiss these actions as merely antibusiness; when the real issue is that big government is anti-individual rights.

The obvious direction of all of its policies is toward a form of socialism in which the pretense of private property is retained, while in fact, prices, wages, production and distribution are dictated by bureaucrats.

As of the present moment, the administration will not dare to advocate price or wage controls openly. It knows the public would repudiate such policies. What it seeks, therefore, is to be the unofficial arbiter of wages and prices. It imagines—or pretends—that it will confine price and wage control to critical industries such as steel, while leaving the rest of the economy relatively free.

But controls breed controls. Every act of Government intervention into free markets produces harmful consequences. And then, the choice of Government becomes: Abandon intervention, or extend it further. Inevitably the choice will be extension. And the result: More and more controls, more and more regulations, to get us over crises and emergencies which Government policies have actually created.

People fall prey to socialism by failing to recognize the signs of its approach soon enough; by failing to oppose the growing restriction of freedoms until it is too late—sometimes through ignorance, sometimes through moral cowardice, sometimes through suicidal belief that they will be able to profit from it. We cannot afford to let this happen to us.

THE TASK AHEAD

Now let's summarize. Let me remind you first, the remarks I offer are strictly my own. They have no endorsement by American Iron and Steel Institute or by any member companies. Yet, it is my deep conviction that this statement must be made.

The economic problem this industry faces is grave. We must generate more profit—in the tradition of a free market economy—and use it wisely.

We cannot permit slow strangulation of our profits—as we are caught in the crush between rising costs and competitive prices—to choke off our progress, to weaken our market position and to take further toll in wages and unemployment. We must meet this problem head on. The need for greater profit is exceedingly important to the long-range welfare of the steel industry and to the public interest of the Nation we serve.

We must modernize more rapidly to reduce costs, to recover markets in the future, and ultimately to surpass our competition. We must pay more dividends to restore investor confidence, and to attract more funds to build up more efficiency. And our success will be recorded in the cold figures on our profit statements.

The political problem we face is equally as grave. In this serious hour in our Nation's history, when we are confronted with grave crises abroad, when our Government is asking servicemen to risk their lives, I am sure you will find it hard, as I do, to accept a situation in which a tiny handful of Government officials, in their pursuit of monopoly power over business and industry, undermine the profit system that has made our Nation great, and the very constitutional freedoms they have sworn to uphold.

By what principle under the Constitution, or by what act of Congress, does this oligarchy set prices, malign free citizens, and unleash retaliation against those who do not conform to their decrees against pursuit of private business enterprise?

Sixteen months ago, the Nation asked this administration to defend the Constitution and the principles for which it stands. Six weeks ago, we had our answer.

I am sure you will find it hard, as I do, to witness the powers of regimentation we are seeking to defeat abroad, now threatening our way of life at home; to witness Government's inflationary overspending, and find inflation blamed on industries that must—by economic law—confine their spending to the limits of their balance sheets; to hear an appeal for restraint, and witness those who voice the appeal, deny by their actions, that this applies to them; to hear demands for sacrifice, when the sacrifice they seek is freedom.

Many hundreds of thousands of steelmen, who have given their lives on the battlefield, or fought to preserve our freedoms, or produced the overwhelming tonnages of steel to bring us victory, down through the great conflicts of modern warfare, must view in mute amazement the spectacle presented, when their patriotic sacrifice is ridiculed by this administration.

Despite this effrontery, we must continue to do our part and more, for the economic welfare and the public interest of the Nation we have helped to build. We must cooperate with Government to do this job effectively. We cannot permit the misguided ambitions of a few to defeat these vital objectives. And we would indeed be derelict in our duty to all steelmen, and to our Nation, if we did not strive, with every effort we can muster, to defend our freedoms.

Cooperation must result from greater understanding—of the problems steel faces—of our resolution to resolve them. And to serve the public interest best, cooperation must be based on mutual respect for the traditions of our American heritage.

HOWARD COUNTY, TEX., DEMOCRATIC CONVENTION PRAISES PRESIDENT JOHN F. KENNEDY AND THE DEMOCRATIC ADMINISTRATION

Mr. YARBOROUGH. Mr. President, at a recent county convention of the Howard County, Tex., Democrats, held at Big Spring, Tex., a resolution was passed May 12, 1962, commending President Kennedy and the Democratic administration.

I ask unanimous consent to have printed in the RECORD the resolution signed by Frank Hardesty, chairman of the Howard County Democratic Executive Committee.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION, HOWARD COUNTY DEMOCRATIC EXECUTIVE COMMITTEE, BIG SPRING, TEX.

Whereas the President of the United States, John F. Kennedy, shows a complete understanding of the problems of our country both domestic and foreign; and

Whereas since President Kennedy took office in January 1961, action has become synonymous with Washington; and

Whereas our Nation is now definitely moving in the right direction in regard to living up to our responsibilities in both foreign and domestic matters; and

Whereas this Democratic administration clearly shows that it has the interest of the people at heart in its action to stop inflation and the spiraling cost of living; and

Whereas the Gallup poll shows that 78 percent of the Nation approve the way that our President is handling his job: Be it therefore

Resolved by the Howard County Democrats in county convention assembled this 12th day of May 1962, That we concur with the majority of the people of the United States in supporting the firm hand of a strong President and are responsive to his bold leadership in domestic and international affairs, and we commend likewise our distinguished U.S. Senator RALPH W. YARBOROUGH, and our most capable Congressman GEORGE MAHON for the part they have played in making this Democratic administration such a successful and progressive administration.

Passed May 12, 1962, in county convention.

Certified by:

FRANK HARDESTY,
Permanent Chairman.

LATEST SURVEY OF WHOOPING CRANE POPULATION OF WORLD

Mr. YARBOROUGH. Mr. President, Mr. Noel Pettingell, of Hazlet, N.J., living far removed from either the breeding range of the nearly extinct whooping cranes in Canada, or their wintering grounds in Texas, is yet one of the foremost authorities on the whooping cranes' fight for survival.

Through the courtesy of ornithologist Victor Lloyd Emanuel, of Houston, himself an authority on the Eskimo Curlew, I have received Mr. Noel Pettingell's latest compilations, tables, and notes on which his whooping crane population summary is based, and Mr. Pettingell's permission to use them.

In view of the fact that more species of wild birds are found in Texas than in any other State—100 more species than the next richest State in number of species of wild birds—that the first national convention of the Audubon Society ever to be held in Texas will be at Corpus Christi this fall, and that the projected Padre Island National Seashore Recreation Area has stimulated interest in the rich avifauna of the lower Texas gulf coast, I ask unanimous consent to have printed in the RECORD at this point Mr. Noel Pettingell's summary and notes on the whooping crane, under the title "Whooping Crane Population Summary."

There being no objection, the material was ordered to be printed in the Record, as follows:

Whooping crane population summary

[Compiled by Noel Pettingell, 8 Miriam Place, Hazlet, N.J.—January 1962]

I. ANNUAL POPULATION TOTALS: 1938-61

Year	Total world population [2]	Texas-Canada flock [3]			Louisiana flock [4]		Birds in captivity	
		Total [1]	Adults [1]	Young	Adults [1]	Young [1]	Adults [1]	Young [1]
1938	30	18	14	4	11		1 (Nebraska)	
1939	36 (3)	22	15 (3)	7	11	2	do	
1940	34 (7)	26	21 (1)	5	6		2 (Nebraska and Louisiana)	
1941	23 (13)	15	13 (13)	2	6		do	
1942	26 (1)	19	15 (0)	4	5		do	
1943	27 (4)	21	16 (3)	5	4		do	
1944	27 (3)	22	19 (2)	3	3		do	
1945	29 (1)	25	22 (0)	3	2		do	
1946	29 (3)	25	22 (3)	3	2		do	
1947	34 (1)	31	25 (0)	6	1		2 (Louisiana)	
1948	34 (3)	31	28 (3)	3	1		2 (Texas)	
1949	37 (1)	34	30 (1)	4	1		do	
1950	33 (9)	31	26 (8)	5	(5)	(5)	do	
1951	27 (11)	25	20 (11)	5			2 (Louisiana)	
1952	23 (6)	21	19 (6)	2			do	
1953	26 (0)	24	21 (0)	3			do	
1954	23 (3)	21	21 (3)				do	
1955	30 (1)	28	20 (1)	8			do	
1956	27 (5)	24	22 (6)	2			3 (Louisiana and Texas)	
1957	31 (2)	26	22 (2)	4			do	2
1958	38 (3)	32	23 (3)	9			5 (Louisiana and Texas)	1
1959	39 (1)	33	31 (1)	2			6 (Louisiana and Texas)	
1960	42 (3)	36	30 (3)	6			do	
1961	45 (3)	38	33 (3)	5			do	1

Total offspring, Texas-Canadian flock (1939-61)	96
Total adult losses, Texas-Canadian flock (1939 versus 1938 to 1961 versus 1960)	76
Net gain, Texas-Canadian flock (1938-61)	20

[1] As of Dec. 31.

[2] Adult losses (versus preceding year) in parentheses.

[3] Migratory.

[4] Nonmigratory (White Lake, Vermilion Parish).

[5] Louisiana flock extirpated by end of 1950.

II. SUPPLEMENTARY DATA BY YEAR SINCE 1938

1938: Annual crane census begun at Aransas Migratory Waterfowl Refuge (now Aransas National Wildlife Refuge), approximately 35 miles northeast of Corpus Christi in southeast Texas.

1940: "Josephine" (now "Jo"), a Louisiana flock cripple, captured and placed in Audubon Park Zoo, New Orleans. (Note.—Only other crane in captivity—"Pete"—was found crippled at Gothenburg in south central Nebraska in May of 1936.)

1946 (?): Captive "Pete" transferred from Gothenburg, Nebr., to zoo at St. Louis, Mo.

1946: Two young birds of Texas-Canada flock remained on Aransas refuge during summer.

1947: Asansas flock total (31) includes 1 male ("Crip") injured in February and consequently unable to migrate north to Canadian breeding grounds. Captive "Pete" transferred from St. Louis to Audubon Park Zoo, New Orleans, where only other captive, "Jo," is also confined.

1948: Captives "Pete" and "Jo" transferred from New Orleans to Brackenridge Park Zoo in San Antonio, Tex., thence (in October) to Aransas refuge where they are confined within a 145-acre tract surrounded by a 9-foot fence. Aransas flock total (31) includes nonmigrant "Crip" and 2 on Matagorda Island (east of refuge). One noncrippled female remained at Aransas refuge during summer.

1949: Captive "Pete" dies July 21 at Aransas refuge (15 or more years old). "Crip" captured and placed in enclosed area on Aransas refuge with only other living captive "Jo." World population total 37 is highest since start of census in 1938. (Note.—Total was 38 prior to death of "Pete" in July.)

1950: "Crip" (4 or more years old) and "Jo" (12 or more years old) produce. First whooping crane born in captivity on May 24 at Aransas refuge ("Rusty"), but chick only survives 4 days (killed by predator—raccoon?). Last survivor of Louisiana flock, "Mac," is transferred to Aransas refuge March 11 but is killed by predator in September while in semicaptive state (10 or more years of age). Possible total whooping crane population prior to September: 42.

1951: Captives "Crip" and "Jo" transferred from Aransas refuge to Audubon Park Zoo, New Orleans in December.

1952: World population total equals lowest since start of census in 1938: 23 (in 1941).

1954: Nesting grounds of Aransas flock discovered June 30 in southwest northwest territories, western Canada (west of where Sass River empties into Little Buffalo River in northeast Wood Buffalo National Park, south of Great Slave Lake, in southern district of Mackenzie). World population total gain equals lowest (23 in 1952 and 1941) since start of census in 1938.

1955: First Canadian nest in 33 years found on May 16 in Wood Buffalo Park. (Previous record: Muddy Lake, 7 miles south of unity, southwest Saskatchewan in southern Canada on May 28, 1922.) Aransas flock total (28) includes 18 birds on refuge, 6 adults and 1 young-of-year on Matagorda Island, and 3 birds on Mustang Island, 5 miles south of Port Aransas (east of Corpus Christi) and some 28 miles south of Aransas refuge.

1956: "Crip" and "Jo" produce second and third whooping cranes ever born in captivity (first since 1950) at Audubon Park Zoo, New Orleans, but chick which hatched May 29 dies July 13 from lung disease while chick born May 31 is killed by predator (owl or rat?) June 3. Adult female "Rosey" found crippled near Lometa, Tex. (between San Antonio and Fort Worth) is captured and transferred to Brackenridge Park Zoo, San Antonio (see also 1948) about June 6; she is fourth captive whooper since 1936 and second female since 1940. Texas-Canadian flock loss of six birds includes "Rosey," one young (of 1955) male which did not migrate to Canada but last noted at Aransas on July 17, and four other birds which did not return to the refuge from the Canadian breeding grounds.

1957: "Crip" and "Jo" produce fourth and fifth whoopers born in captivity—"George" (hatched May 18) and "Georgette" (hatched May 21)—at Audubon Park Zoo, New Orleans; first two captives to survive entire year (oldest previous: 45 days—first chick born in 1956). One of two Aransas adults which did not migrate north to Canada died at the refuge in June; another adult failed to return from breeding grounds in fall.

1958: "Crip" and "Jo" produce offspring third year in row: sixth whooper (name?) born in captivity (third to survive entire year) is hatched April 30 at New Orleans, thus 4 adults and 1 young in Louisiana plus 1 adult in San Antonio equals total of 6 captives; 18 adults and 9 young on Aransas refuge plus 5 adults on Matagorda Island (as of December 27) equals 32 in Texas-Canadian flock; 32 plus 6 equals 38—highest year-end world population total since start of census in 1938. (Note.—One additional young-of-year at Mingo National Wildlife Refuge, southeast Missouri until December 17, thus 39 birds known to exist as of this date; possible 41 alive prior to December 17, including Mingo bird and 2 adults lost during year.)

1959: Approximately 22 adults and 2 young at Aransas plus approximately 9 adults on Matagorda and St. Joseph Island (east of refuge) after November 1, plus 6 captives equal total of 39—new record high (at year's end, since 1938) for second consecutive year.

1960: "Crip" and "Jo" produce seventh and eighth whoopers born in captivity (May 17 and c. May 20), but neither chick survives. (Note.—Jo laid six eggs in 1960.) Known world population total 42 as of December 31 is new record high (since 1938) for third consecutive year. (Note.—Possible 45 birds survive prior to November 15.) Aransas flock total 36 is new record high (since 1938). Two Texas-Canadian migrants remained on Matagorda Island during summer.

1961: "Crip" and "Jo" produce ninth whooper born in captivity April 17 (name?)—their fourth surviving offspring. Seven captive cranes (five adults and one young at New Orleans plus one adult female at San Antonio) plus 36 migrants (including five young-of-year) at Aransas refuge and vicinity equal a total of 45 individuals surviving as of December 31—a new record high (since 1938) for fourth consecutive year. (Note.—Possible 48 alive prior to December 13.) Aransas flock total 38 is new record high (since 1938).

III. GENERAL INFORMATION

Probable maximum population: 1,300 to 1,400 (up to c. 1860).[1]

Life span: Feral birds, 7 years (average). Captives, nearly 40 years (maximum).

Migration periods (extreme dates): Leave Aransas Refuge, Tex., c. March 27 to May 8. Arrive Wood Buffalo Park, Canada, c. April 17 to May 29. Leave Wood Buffalo Park, c.

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[1] R. P. Allen comments as follows with regard to the relative abundance of the whooping crane: "It may seem astonishing that few early travelers encountered the whooping crane, but we now believe that it has been comparatively rare since the early Pleistocene" (i.e., c. 1,000,000 B.C.—N.P.). Excerpt from Allen's "Whooping Cranes Fight for Survival" in Nov. 1959 National Geographic magazine. Another pertinent observation is offered by James C. Greenway, Jr., in his book "Extinct and Vanishing Birds of the World" (1958), as follows: "It is often confused with the sandhill crane (G. canadensis), with which it associates on migration * * * apparently errors in identification * * * caused ornithologists to believe the birds were much more common than they actually were between 1923 and 1933, causing protection to be delayed too long."

September 19 to November 9. Arrive Aransas Refuge, October 12 to c. February 1.

Flying time to and from breeding grounds (approximately 2,500 miles). Aransas refuge to Wood Buffalo Park: Approximately 3 weeks. Wood Buffalo Park to Aransas: 3 weeks (adults) to 6 weeks (young).

Breeding periods of captive birds: Aransas, c. April 21 to May 4. New Orleans, c. February 14 to May 21.

Basic sources of information on whooping crane (Grus americana): "National Audubon Society Research Report No. 3, 'The Whooping Crane'" (published July 1952 and containing data through 1949 and early 1950). "A Report of the Whooping Crane's Northern Breeding Grounds" (1956) (a supplement to research report No. 3). Both these publications were compiled by Robert Porter Allen who is the foremost authority on the species and who held the post of research director for the National Audubon Society from 1954 to 1960.

HEART-WARMING RESPONSE TO CHINESE REFUGEE PLIGHT

Mr. KEATING. Mr. President, following some discussion we had here on the floor the other day regarding the desire that the United States do its share with other free nations in helping to solve the problem of refugees from Red China, I received two or three critical letters asking why I wanted to bring more Chinese into this country when we already have an unemployment problem.

I hold in my hand the answer to that argument.

The Hickey-Freeman Co., of Rochester, N.Y., one of the Nation's leading clothing manufacturers, has just informed me that it is ready to offer employment to 150 Chinese refugees as tailors, hand sewers, and sewing machine operators. This offer has the support of labor and plans are already underway to making housing available for the refugees.

In their wire to me, the company indicates that its offer is prompted by "economic and humanitarian" motives. I commend this firm for its action and hope it will serve as an inspiration to others throughout the country and the world.

We sometimes forget that even in areas of unemployment, certain skills may be in short supply. This is the practical aspect of the company's offer. If it can get the tailors and other people it needs rather than taking jobs from Americans in the area, it actually would be opening up new opportunities for local residents with supporting skills. It will be breaking an employment bottleneck.

I remember when this company needed skilled cutters and brought in 100 from Italy. It was estimated that for every 1 brought in, 11 jobs were made for other people. I know that this is a problem in the men's clothing industry, and have been trying to assist both labor and the manufacturers obtain the needed skilled employees from around the world for many years.

The humanitarian aspect of the company's offer is more apparent. Unfortunately, the free world—which has been stirred by the plight of the refugees from Communist China—has not been stirring in its response. Instead of doing everything possible to build a bridge to freedom, the British, with the apparent approval of the United States, have erected a wall and even appealed to Peiping to stem the flow. We have thereby largely forfeited an opportunity to demonstrate decisively and dramatically the ability and willingness of the free world to help those communism has dismally failed.

Perhaps the offer of Hickey-Freeman will have an impact on our policies in this area by demonstrating that the American people are willing to do whatever is necessary to combat communism and help fellow human beings in need.

PROBLEMS AND SOLUTIONS OF AMERICAN LUMBER INDUSTRY

Mr. MANSFIELD. Mr. President, the executive secretary of the Montana District Council, Lumber and Sawmill Workers' Unions, Mr. Robert C. Weller of Kalispell, Mont., recently furnished my colleague, the junior Senator from Montana [Mr. Metcalf], myself, and Representative Olsen, with his comments on the presentation of the National Lumber Manufacturers Association to the Congressional Conference on American Lumber Industry Problems and Solutions.

On behalf of my colleague, I ask unanimous consent to have printed at this point in the Record, Mr. Weller's perceptive comments, and pertinent portions of the industry's presentation.

There being no objection, the material was ordered to be printed in the Record, as follows:

Letter From Robert C. Weller, Executive Secretary, Montana District Council, Lumber & Sawmill Workers Unions United Brotherhood of Carpenters and Joiners of America, AFL–CIO, Kalispell, Mont., April 18, 1962

First of course, there is an import problem, but I am amazed that the industry concentrates all of its thoughts on Canadian imports and completely overlooks not only the imports of Japanese plywood but the fact that Washington and Oregon logs are being shipped to Japan to produce the plywood. Plywood is fast replacing common lumber in most phases of construction. The difference seems to be that the American lumber industry or its plywood channels completely control the sale and distribution of Japanese plywood, and therefore make a greater profit on it than on American plywood.

They don't point out to the Congress that American mills have not been able to compete in the log market and have laid off hundreds of American workers. Neither do they point out that the large plywood monopolies shut down huge mills without notice, and lay off hundreds of workers from time to time, while supplying the market with a Japanese product. Of course, they're not able to control the distribution of Canadian lumber or profit by it, so they complain about it. Their complaints to a great extent are justified, all of their proposed solutions are not.

We would favor import controls by quota provided they apply to Japanese imports and other imports as well as Canadian.

We favor restricting shipments in transit because these shipments lead to distress dumping. American railroads have banned them, Canadian railroads have not, but these cars do come into the United States at some point or other, and there should be a way to regulate such shipment by the U.S. Interstate Commerce Commission.

We favor the Department of Commerce arranging and even supervising conferences between lumber industry representatives of the two countries and also of other countries such as Japan.

We do not favor regulation of Canadian or other imports by tariff, believing that this leads only to price protection and higher prices at the expense of the consumers. We believe quota imports to be a better solution if regulation is needed.

We are not authorities on the manipulation of currency, and we don't believe the lumber industry is either. Neither would we trust their motives in this particular direction.

We favor a requirement of American-made products, including lumber, in all projects federally or State financed or insured, or involving public contracts in anyway. We recall that the new Montana Unemployment Compensation Building has an interior finish of imported Japanese paneling and an exterior finish of imported Japanese tile.

We favor any possible study of possibilities of greater export of American manufactured products, but not forest products as such, believing that this would open the door to further exportation of American logs rather than American finished products.

We favor prominent marking of foreign-made wood products, and in this connection point out "made in Japan" is printed so small that it is overlooked by most purchasers of plywood.

We do not want lumber or wood products, including logs, included as "agricultural commodities" under any act, and we very vigorously oppose Mrs. Hansen's H.R. 11136. This is a gimmick to set aside a Fair Labor Standards Act, and probably a considerable amount of other Federal legislation as being inapplicable to the lumber industry. We favor instead legislation to take all present forestry activities of the Department of Agriculture and transfer them to the Department of the Interior, which more properly deals with natural resources.

We view with concern the four proposals made by the industry on February 21 to the Secretary of Agriculture, keeping in mind these matters are dealing with public-owned timber that the industry more and more seems to consider their own private personal property. We hope the Secretary of Agriculture continues to take little action on the proposals.

We very particularly oppose the industry's proposals for any system having for its purpose the lowering of timber appraisal prices by the Forest Service.

The lowering of Forest Service appraised prices on public-owned timber will result in the small private timber owner having to sell at lower prices. Conversely the large timber owners in the lumber industry such as J. Neils, Anaconda, and Diamond would not sell one stick of their own timber at today's appraisals.

No timber is being sold at the appraised prices. The very operators that complain loudest about appraised prices are outbidding each other far and above the appraised prices, and I think that the public is entitled to a good high price for its timber, just as the large timber holders demand and get a good high price for theirs.

Certainly, timber is valuable property these days, and the timber owned by the public should be just as valuable as anybody else's and should be carefully guarded pricewise by the Congress and by whatever public agencies are involved. Reducing the price of the public's timber will allow the large timber owner to hoard its own holdings while exploiting the public's holdings.

We note a news story from the Sacramento Bee, Sacramento, Calif., dealing with a sale in the El Dorado National Forest. The estimated value (appraisal) was $22,740. The high bid was $147,460, seven times the appraised value. The next high bid was $94,856. The amount of timber involved was 14.2 million feet. Obviously a very high sale that led to speculation for stumpage control. To lower the appraisals would only leave more room for speculation and add exploiting to it.

We are also opposed to Mrs. HANSEN's H.R. 11135, setting up an expensive appeals procedure within the Forest Service. This would allow the larger operators to keep timber sales tied up in appeals procedure at the expense of smaller operators and providing another control over the public's resources by the manufacturing industry.

While we have not noted any reference to ocean shipping in the industry's presentation, we are opposed to any relaxation of regulations requiring American products to be shipped in American bottoms. The industry locally has been trying to get support for shipment in foreign-owned bottoms to avoid the higher costs of wages, etc., of American seamen.

The American Lumber Import Problem

(Prepared by National Lumber Manufacturers Association, Washington, D.C., for the Congressional Conference on American Lumber Industry Problems and Solutions, April 11, 1962)

Briefly, some of the factors which are of of serious concern to the forest-based communities dependent upon a prosperous lumber industry for their economic security are:

1. Total U.S. lumber production, at 31.7 billion board feet in 1961, was 4.2 billion board feet below the 13-year average for the period 1949–61.

2. One of the major segments of U.S. lumber production, softwood lumber, at 27.5 billion board feet of production in 1961, was also down nearly 1.8 billion board feet below the 13-year average for this same period, 1949–61.

3. At the same time, softwood lumber imports from Canada were up from 1.4 billion board feet in 1949, to 4 billion board feet in 1961. Canada supplies about 95 percent of the total U.S. imports of lumber. In 1961 alone there was an increase of 400 million board feet in lumber imports from Canada. Canada supplied 5.2 percent of U.S. consumption of softwood lumber in 1949, and in 1961 approximately 14 percent. Lumber imports from Canada are up approximately 186 percent over the past 13 years.

4. As of April 6, 1962, the U.S. Bureau of Labor Statistics advises there are more than 200,000 men and women formerly employed in the lumber and wood products industries now drawing unemployment compensation. This figure does not include unemployment in the retail and wholesale trade. There are approximately 3 million employees in all the 50 States employed in the lumber and wood products industries.

The forest products industries of the States of Oregon, Washington, California, and Idaho provide over one-quarter of a million direct jobs, and if related services and community jobs are included, these industries provide over 1 million jobs.

5. According to the Wall Street Journal of April 4, 1962, Canadians are able to capture whatever share of the U.S. market they desire by quoting prices 3 to 8 percent below U.S. producers.

6. Current tariffs between the United States and Canada are as follows:

(a) Most U.S. softwood lumber of the major general construction species bears a rate of 7.5 to 10 percent ad valorem ($5 to $7.50 per thousand board feet) when exported to Canada.

(b) On the other hand, most Canadian softwood lumber entering the United States bears a tariff and tax of from 25 cents to $1 per thousand board feet.

7. Some of the principal reasons for the sharp increase in Canadian imports are:

(a) Government-pegged lower stumpage costs: The average stumpage costs in British Columbia, 1960, all species, $5.38; the average stumpage costs in Western United States, 1960, all species, $20.02; the average stumpage cost in the Pacific Northwest, 1960, all species, $22.89; the average stumpage costs in the South, 1960, southern pine, $26.

(b) Government-granted transportation advantages: Because of regional transportation advantages available to Canadian lumber producers, the Canadians are able to ship their products to many U.S. markets at a decided competitive transportation advantage over American producers.

(c) Government-manipulated currency exchange advantages: In 1961, the Canadian Government artificially pegged the Canadian dollar at 95 cents as compared to the U.S. dollar. This single act had the effect of reducing the price to U.S. purchasers of Canadian lumber by 5 percent, or, stated differently, giving to Canadian lumber producers a 5-percent advantage in U.S. markets.

(d) Positive Government assistance in trade mission and other export development activities: Both the provincial and the central government are actively engaged in the promotion of Canadian lumber exports to the United States and other markets. However, they appear to concentrate their efforts with respect to lumber and wood products on exporting to the United States.

LUMBER INDUSTRY SOLUTION TO FOREIGN IMPORT PROBLEM

Because of recent sharp increases in the quantity of softwood lumber entering the United States from abroad, mainly softwood lumber from Canada, which can be attributed to specific advantages given to foreign producers by their government, the lumber industry in the United States advocates a six-point program to eliminate these inequities so as to provide equal opportunity for the sale of American lumber in the United States and its provinces.

1. We request that the U.S. Department of Commerce arrange an immediate conference between lumber industry representatives of the United States and Canada to discuss the serious problems created by excessive forest products imports into the United States;

2. The objectives of this meeting should be the removal of existing softwood lumber tariffs between the two nations until such time as imports in either country reach 10 percent of its domestic softwood lumber consumption, after which a 10-percent tariff would be assessed by that country on further imports;

3. We strongly urge that appropriate agencies of the U.S. Government take prompt action to counteract the manipulation of their currency by nations with lumber products competing with the U.S. lumber industry in the U.S. markets;

4. We urge such implementation and extension of the Buy American Act principle as may be necessary to assure that all lumber and wood products used in construction, federally financed and/or federally insured (as in FHA-insured housing), is of domestic manufacture;

5. The possibility of invoking section 22 of the Agricultural Marketing Agreements Act of 1937, to obtain quantitative limitations in the importation of forest products into the United States should be investigated; and

6. Inasmuch as exports are of such great importance to the American lumber economy, a thorough market study should be made with the specific objective of expanding the export of American forest products.

THE DEPARTMENT OF AGRICULTURE

On February 21, more than 50 representatives of the Nation's lumber industry met with Secretary of Agriculture Freeman to present to him the lumber industry's recommendations regarding national forest management.

Attending that meeting were 45 Members of Congress and administrative assistants to Members.

The lumber industry's presentation to the Secretary simply requested consideration of four changes in Forest Service administration.

The four proposals pertaining to allowable cut, appraisal methods, appeals procedure, and contract review are set forth below.

These four specific issues have been developing over a long period of time. Many industry groups have been involved in negotiating and refining these issues with the Forest Service for more than 10 years.

The solution of these problems will make a major contribution to community stability and reduce the cost of lumber to the consumer.

There are numerous other Government timber problems which need attention. On these four specific points the entire industry is united in urging immediate action. Their meaning is clear to both the industry and to the Forest Service. They are capable of prompt administrative action.

It has been 7 weeks since the lumber industry presented these proposals to the Secretary. No word has been received from the Department of Agriculture on this matter, although numerous Members of Congress have requested action.

Some word should soon be forthcoming.

PERFORMANCE STANDARDS

Proposal No. 1 would set forth the objective of national forest timber management as providing for a high degree of productivity with due regard for stability of dependent communities, continuity of employment and a healthy wood-products industry. These were important objectives of the Forest Service for many years following Secretary of Agriculture Wilson's famous directive of 1905 which also referred to the greatest good of the greatest number in the long run. The proposed new regulation would establish standards of performance for national forest management. It would require an annual report in the nature of an accounting which could be used to appraise the productivity of the national forests.

TIMBER APPRAISALS

The second proposed regulation deals with timber appraisal practices and is intended to allow the Forest Service to sell Government timber without taking advantage of its monopoly position where there are no alternative sources of timber supply. A monopoly proprietor, whether a private entity or the Federal Government is in a position to exact artificially high prices for his products. Federal administrators responsible for management of public timber and the General Accounting Office must recognize that in this monopoly position the Federal Government has a life or death power over dependent purchasers and communities. There is a real need for a regulation to guide the administrators to preclude their taking advantage of the Government's monopoly position. The regulation proposed by the industry would provide that appraised prices be based on average costs of production and of average selling prices of products rather than on bid prices which may be unrealistically high due to lack of an alternative source of supply, failure to offer the full allowable cut, excessive mill capacity or speculation as to future values. The proposal would require that the lumber prices used in arriving at appraised prices be based on current markets rather than speculative forecasts. It would require that profit allowances be based on averages for competing industries. Costs of logging, manufacturing, and selling should be based on industry averages as related to local sale conditions.

APPEALS PROCEDURE

The third proposal is a request for a new appeals procedure. It proposes a prompt and impartial procedure for resolving contract and contract administration and performance differences. The U.S. Forest Service in its management of the national forests is not subject to the requirements of the Administrative Procedures Act. The present appeals procedure is slow and expensive, and the final decision remains with the seller, the Federal agency.

CONTRACT REVISION

The fourth proposal is a request for a complete revision of the timber sale contract form in order to establish a normal buyer-and-seller relationship between the Forest Service and the industry. At the present time, the contract form permits a one-sided relationship by reason of an excessive amount of power and control in the hands of the seller, permitting arbitrary, unilateral seller domination of the buyer-and-seller relationship.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SHIPMENT OF RICE BY RED CHINA TO CUBA

Mr. CARLSON. Mr. President, I would not wish to let this opportunity pass without making a comment on an item which appears in the morning press, which states that Red China has delivered to Mr. Castro in Cuba 24 million pounds of rice, which is said to have arrived at Cienfuegos yesterday. This is a shocking report in view of millions of starving Red Chinese.

In this great Nation we are concerned about starving Chinese people, and sincerely so concerned. We are sympathetic with them in their hunger, difficulties, and problems. Yet I would feel it a neglect of my duty if I did not express my sincere regret upon learning that the Red Chinese are shipping 24 million pounds of rice to Castro in Cuba at a time when millions of their own people are starving. I think our Nation should take note of that as we begin to talk about sending food into Red China. This action proves that the Red dictatorship has no compassion for their hungering and suffering people.

SEATRAIN SERVICE TO ALASKA

Mr. BARTLETT. Mr. President, the other day the Fairbanks Daily News-Miner editorially pointed out:

> An important new chapter in Alaska's development history was quietly marked last Friday morning at Whittier, when railroad freight cars loaded in Canada and the smaller States rolled onto Alaska Railroad tracks, to be unloaded at Anchorage, Clear, and Fairbanks.

The editorial, which appeared in America's farthest north daily May 21, explains what this service is and what it can mean in the developing economy of Alaska. The editorial goes on to state:

> With inauguration of Canadian National Railways' new "Aqua-train service," all manner of consumer goods and commercial items for interior Alaska can now be loaded into railroad cars at any rail point in the smaller States or Canada, and not touched again until the car doors are opened for unloading at the warehouse door in Fairbanks.
>
> We can now eliminate the costly handling and rehandling of Alaska-bound freight in Seattle—unnecessary labor which Alaskans have been paying for with every purchase for more than half a century.
>
> Up until now "one-car through freight service" (with consequent lower freight charges) simply has not existed for Alaskans. Virtually every item purchased by Alaskans—groceries, clothing, automobiles, machinery, etc.—has been loaded into railroad cars at point of manufacture and shipped to Seattle.
>
> In the Puget Sound city Alaska-bound freight is unloaded, moved into a warehouse or storage area, moved back out and carted to the dock, loaded aboard ship, unloaded off the ship into a warehouse or storage area, loaded again onto trucks or the Alaska Railroad—and, finally, unloaded once again at a warehouse in Fairbanks, Anchorage, or other railbelt destination.
>
> Accompanying all this costly shuffling, handling and rehandling was another costly unnecessary shuffle: Man-hours involved in the mountains of paperwork necessary to keep track of the origin, present whereabouts, and final destination of each item of freight—plus all the bookkeeping necessary to separate all the charges of the several carriers involved.
>
> Alaska's transportation has for many years been caught in the middle of the "chicken or egg first" problem: Development has been stymied because freight rates and cost of living were too high; cost of living and freight rates were too high because of lack of sufficient volume and lack of a southbound freight haul which comes with development.
>
> It's a vicious cycle.
>
> The CNR "Aqua-train" is the opening wedge to break this transportation-development logarithm.
>
> The Canadian National Railways operation involves running railroad cars onto barges at Prince Rupert, B.C., and unloading the cars at the Alaska Railroad terminal at Whittier. Routing via Prince Rupert shortens the distance from Midwest and Eastern manufacturing centers to railbelt Alaska from 600 to 800 miles.
>
> The shorter distance, plus substantial savings accruing from elimination of unnecessary handling en route, gives CNR a substantial and distinct cost advantage over Seattle, traditional freight gateway to Alaska.
>
> The Canadian National-Alaska Railroad recently published freight rates offer substantial savings to Alaska consumers in the comparatively heavily populated railbelt—savings which we are sure Alaskans are going to be quick to grasp.
>
> Unless Seattle and American railroads serving the Pacific Northwest promptly modernize present antiquated Alaska freight handling methods, the traditional freight traffic pattern from the smaller States to Alaska is going to swing north. Prince Rupert will largely replace Seattle as the "Alaska Gateway City" within a very few years.
>
> Alaskans have many friends in Seattle, and vice versa. There is not going to be any overnight change in source of supply to Alaskans. Habit and close Seattle-Alaska business affiliations extending over many years past are factors which will preclude any dramatic, abrupt departure from the Alaska custom of trading with and through Seattle.
>
> But the change will come. In fact, it has already started. Prince Rupert is in business as an Alaska gateway city, and that designation will be permanent. Inauguration of the Alaska State ferry system operation next year, connecting Prince Rupert with all principal southeastern Alaskan communities, will add impetus to Prince Rupert's role as an Alaskan gateway.
>
> Increasing development is bringing increasing competition among Alaska businesses. Competition forces the most economical supply sources, and the most efficient transportation routings. Prince Rupert has logistical and economical advantages over Seattle—advantages which must be utilized by the Alaskan businessman who must at least stay abreast of competitors to survive.
>
> Whether Prince Rupert 5 years from now is known as "An Alaskan Gateway City" or as "The Alaskan Gateway City" is largely dependent upon whether Seattle finds efficient methods to be competitive. We hope Seattle does.
>
> Aside from sentimental reasons it is to Alaska's advantage to have competitive supply sources and competitive shipping methods and routes. Competition is the heart of the American free enterprise system which has developed the 49 smaller States and which will develop our resource-rich Alaska.
>
> Regardless of what the future brings in competition between Alaska gateway cities, May 18, 1962—"CNR Aquatrain Day"—will be an important date when Alaska's development history is written.
>
> A hearty and sincere "well done and thank you" is in order from Alaskans to the foresighted railway executives who put new "Aqua-train" service into operation. Special bouquets are merited for G. R. Graham, CNR vice president, former ARR General Manager Donald J. Smith, and present ARR General Manager John Manley.
>
> A few years from now we will be able to look back and clearly see the transportation barrier to Alaska's development was breached in 1962.

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

BIPARTISAN EFFORT FOR FINAL SETTLEMENT OF AMERICAN WAR CLAIMS PROBLEM ANNOUNCED—COMPREHENSIVE AMENDMENTS PRESENTED

Mr. KEATING. Mr. President, Congress has done a grave injustice to tens of thousands of American war claimants by failing for 17 years to authorize payment for losses they suffered during World War II. After much controversy and delay, an inadequate filing bill was reported to the Senate last September and is now on the Senate Calendar.

This bill has languished on the Senate Calendar much too long. It should be called up promptly, appropriately amended, and speedily enacted. No one Senator should have the right to veto consideration of this measure because of his opposition to either the bill or our proposed amendments.

The funds for payment of American war losses are available. An agency for processing such claims—the Foreign Claims Settlement Commission—is in existence. The missing ingredient for final action is legislation authorizing the filing and payment of claims. Everything possible must be done to prod essential legislative action at this session of Congress.

The American war claims bill (S. 2618) which has been on the Senate Calendar for many months, should be scheduled for action promptly. The chances for adoption of the amendments we are today proposing to this bill are very good. Approval of this legislation with these amendments would bring us close to a final solution of the war claims problem and would be a significant accomplishment for this Congress.

There has been a great deal said recently about the obligations of the United States to pay the balance of funds for Philippine war claims. During the morning hour today, the Presiding Officer laid before the Senate a communication relative to the Philippine bill, with an accompanying resolution of the House of Representatives of the Republic of the Philippines. I am very sympathetic to this program and would support any reasonable legislation to redeem our pledges to the people of the Philippines.

But what of the Americans who have been waiting 17 years for payment of their claims? More should be said and done about this problem. It is time someone spoke up as eloquently and forcefully for our own citizens as for our friends in other parts of the world.

The American war claims bill deserves a high priority in our deliberations. I am confident that if given the opportunity, an overwhelming majority of the Congress would support the kind of legislation which is needed and would redeem our commitments to our fellow citizens.

A brief summary of the amendments to S. 2618 which we believe are needed follows:

First. An amendment to restore the provisions for payment of adjudicated claims rather than their mere filing as provided in the pending bill. There is no justification at this date for deferring payment of legitimate claims. Both this administration and the prior administration strongly urged payment of the war claims out of the proceeds of the former enemy assets vested during World War II. A House subcommittee has recommended a war claims bill with payment provisions, and the full House Interstate and Foreign Commerce Committee is expected to recommend this measure to the House in the near future. Favorable House action is anticipated in the near future, and the Senate should follow the same course. This same amendment will also allow fair compensation to be paid Americans who suffered losses in Hungary. The administration has supported inclusion of these claims on a proportionate basis because of the inadequacy of the Hungarian Claims Fund to pay more than 1 percent of prior awards. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Second. An amendment to permit the sale of vested assets despite the pendency of interminable litigation as to the ownership. The principal asset this would affect is the General Aniline and Film Corp., which is still being run by the Government. The amendment would fully protect the rights of the litigants to just compensation in the doubtful event they ultimately prevail in the lawsuit. In the interim, however, this huge enterprise could be freed from the dead hand of Government control and allowed to develop to its full potential under free enterprise. This amendment also has had the strong backing of both administrations, as well as the endorsement of labor unions, business groups, veterans organizations, and many civic organizations. It is cosponsored by Senators HART, CASE of New Jersey, WILLIAMS of New Jersey, JAVITS, SCOTT, and myself.

Third. An amendment to permit the lump sum settlement in the amount of $500,000 of so-called heirless property claims. This money would be used entirely to aid in the rehabilitation and settlement of persons in the United States who suffered from persecution during the Nazi regime. It represents only a fraction of the estimated assets belonging to persecutees which our Government vested and was unable to return after World War II because of the death without heirs of the beneficiaries. This is a most humanitarian measure. It has the support in principle of both administrations, and the Bureau of the Budget has specifically approved the $500,000 amount provided in our amendment. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Fourth. The final amendment would include under the bill all persons who are nationals of the United States on the date of the bill's enactment. Without such a provision, the bill would discriminate against Americans on the basis of the length of their citizenship and leave later nationals without any remedy for the losses they suffered during World War II. We have never sanctioned any concept of second-class or junior citizenship in the law, and no precedent for such unequal treatment of Americans should be permitted under this program. It may be that a system of priorities would be justified, but in any case we must insist upon fair treatment of all our citizens under whatever war claims bill is enacted. This amendment is cosponsored by Senators HART, JAVITS, WILLIAMS of New Jersey, SCOTT, and myself.

Mr. President, on behalf of myself and the Senators designated, I send my amendments to the desk and ask unanimous consent that they be printed and ordered to lie on the table.

I also ask unanimous consent that the texts of the amendments be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received and printed, and will lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 8, line 15, amend section 204 to read as follows:

"No claim shall be allowed under subsections (a), (b), (c), (e), and (f) of section 202 of this title unless (1) the claimant and all predecessors in interest in the claim were, on the date of loss, damage, destruction, or removal and continuously thereafter until the date of filing claim with the Commission pursuant to this title, nationals of the United States, including any person, who having lost United States citizenship solely by reason of marriage to a citizen or subject of a foreign country, reacquired such citizenship prior to the date of enactment of this title if such individual, but for such marriage, would have been a national of the United States at all times on and after the date of such loss, damage, destruction, or removal until the filing of his claim; or (2) in the case of an individual who personally suffered the loss, damage, destruction, or removal for which the claim is filed is a national of the United States on the date of enactment of this title."

At the appropriate place add a new section as follows:

"SALES OF VESTED ASSETS IN LITIGATION

"SEC. —. Section 9(a) of the Trading With the Enemy Act, as amended, is amended by striking out the period at end thereof and inserting in lieu thereof a colon and the following: '*Provided further*, That upon a determination made by the President, in time of war or during any national emergency declared by the President, that the interest and welfare of the United States require the sale of any property or interest or any part thereof claimed in any suit filed under this subsection and pending on or after the date of enactment of this proviso the Alien Property Custodian or any successor officer or agency may sell such property or interest or part thereof, in conformity with law applicable to sales of property by him, at any time prior to the entry of final judgment in such suit. No such sale shall be made until thirty days have passed after the publication of notice in the Federal Register of the intention to sell. The net proceeds of any such sale shall be deposited in a special account established in the Treasury, and shall be held in trust by the Secretary of the Treasury pending the entry of final judgment in such suit. Any recovery of any claimant in such suit in respect of the property or interest or part thereof so sold shall be satisfied from the net proceeds of such sale unless such claimant, within sixty days after receipt of the notice of the amount of net proceeds of sale serves upon the Alien Property Custodian, or any successor officer or agency, and files with the court an election to waive all claims to the net proceeds, or any part thereof, and to claim just compensation instead. If the court finds that the claimant has established an interest, right, or title in any property in respect of which such an election has been served and filed, it shall proceed to determine the amount which will constitute just compensation for such interest, right, or title, and shall order payment to the claimant of the amount so determined. An order for the payment of just compensation hereunder shall be a judgment against the United States and shall be payable first from the net proceeds of the sale in an amount not to exceed the amount the claimant would have received had he elected to accept his proportionate part of the net proceeds of the sale, and the balance, if any, shall be payable in the same manner as are judgments in cases arising under section 1346 of title 28, United States Code. The Alien Property Custodian or any successor officer or agency, shall immediately upon the entry of final judgment, notify the Secretary of the Treasury of the determination by final judgment of the claimant's interest and right to the proportionate part of the net proceeds from the sale, and the final determination by judgment of the amount of just compensation in the event the claimant has elected to recover just compensation for the interest in the property he claimed.' "

Amend the title so as to read: "An Act to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses, and to amend the Trading With the Enemy Act, as amended."

On page 11, line 5, insert prior to the period the following: "except any claimant whose award under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended, is recertified pursuant to subsection (b) of section 209 of this title."

Section 2: On page 11, line 7, designate the present text of section 209 with the subsection symbol "(a)" and add at the end thereof a new subsection (b) as follows:

"(b) The Commission shall recertify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund, awards heretofore made against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended. Nothing contained in this subsection shall be construed as authorizing the filing of new claims against Hungary."

Section 3: On page 12, line 7, amend section 213 to read as follows:

"SEC. 213. (a) The Secretary of the Treasury shall pay out of the War Claims Fund on account of awards certified by the Commission pursuant to this title as follows and in the following order of priority:

"(1) Payment in full of awards made pursuant to section 202(d) (1) and (2).

"(2) Thereafter, payments from time to time on account of the other awards made pursuant to section 202 in an amount which shall be the same for each award or in the amount of the award, whichever is less. The total payment made pursuant to this paragraph on account of any award shall not exceed $10,000.

"(3) Thereafter, payments from time to time on account of the unpaid balance of each remaining award made pursuant to section 202 or recertified pursuant to subsection (b) of section 209 which shall bear to such unpaid balance the same proportion as the total amount in the War Claims Fund and available for distribution at the time such payments are made bears to the aggregate unpaid balances of all such awards. Payments heretofore made under section 310 of title III of the International Claims Settlement Act of 1949, as amended, on awards made against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended, and recertified under subsection (b) of section 209, shall be considered as payments under this paragraph and no payment shall be made on any recertified award until the percentage of distribution on awards made under section 202 exceeds the corresponding percentage of distribution on such recertified award: *Provided*, That no payment made on awards recertified under subsection (b) of section 209 shall exceed 40 per centum of the amount of the award recertified.

"(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

"(c) For the purpose of making any such payments, other than under section 213 (a)(1), an 'award' shall be deemed to mean the aggregate of all awards certified for payment in favor of the same claimant.

"(d) If any person to whom any payment is to be made pursuant to this title is deceased or is under a legal disability, payment shall be made to his legal representative, except that if any payment to be made is not over $1,000 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates.

"(e) Payment on account of any award pursuant to this title shall not, unless such payment is for the full amount of the award, extinguish any rights against any foreign government for the unpaid balance of the award.

"(f) Payments made under this section on account of any award for loss, damage, or destruction occurring in the Commonwealth of the Philippines shall not exceed the amount paid on account of awards in the same amount under the Philippine Rehabilitation Act of 1946.

Section 4: On page 15, line 19, amend section 4 to read as follows:

"SEC. 4. Section 39 of the Trading With the Enemy Act is amended by adding at the end thereof the following new subsection:

"(d) The Attorney General is authorized and directed to cover into the Treasury from time to time for deposit in the War Claims Fund such sums from property vested in him or transferred to him under this Act as he shall determine in his discretion not to be required to fulfill obligations imposed under this Act or any other provision of law, and not to be the subject matter of any judicial action or proceeding. There shall be deducted from each such deposit 5 per centum thereof for expenses incurred by the Foreign Claims Settlement Commission and by the Treasury Department in the administration of title II of the War Claims Act of 1948. Such deductions shall be made before any payment is made pursuant to such title. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts."

At the appropriate place insert a new section as follows:

"SETTLEMENT OF HEIRLESS PROPERTY CLAIMS

"SEC. —. (a) Section 32(h) of the Trading With the Enemy Act is amended by striking out all that follows the first sentence in the first paragraph down through the third paragraph, and inserting in lieu thereof the following: 'In the case of any organization not so designated before the date of enactment of this amendment, such organization may be so designated only if it applies for such designation within three months after such date of enactment.

" 'The President, or such officer as he may designate, shall, before the expiration of the one-year period which begins on the date of enactment of this amendment, pay out of the War Claims Fund to organizations designated before or after the date of enactment of this amendment pursuant to this subsection the sum of $500,000. If there is more than one such designated organization, such sum shall be allocated among such organizations in the proportions in which the proceeds of heirless property were distributed, pursuant to agreements to which the United States was a party, by the Intergovernmental Committee for Refugees and successor organizations thereto. Acceptance of payment pursuant to this subsection by any such organization shall constitute a full and complete discharge of all claims filed by such organization pursuant to this section, as it existed before the date of enactment of this amendment.

" 'No payment may be made to any organization designated under this section unless it has given firm and responsible assurances approved by the President that (1) the payment will be used on the basis of need in the rehabilitation and settlement of persons in the United States who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a)(2) of this section; (2) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the payment made to it) and permit such examination of its books as the President, or such officer or agency as he may designate, may from time to time require; and (3) it will not use any part of such payment for legal fees, salaries, or other administrative expenses connected with the filing of claims for such payment or for the recovery of any property or interest under this section.'

"(b) The first sentence of section 33 of such Act is amended by striking out all that follows 'whichever is later' and inserting a period.

"(c) Section 39 of such Act is amended by adding at the end of subsection (b) the following new sentence: 'Immediately upon the enactment of this amendment, the Attorney General shall cover into the Treasury of the United States, for deposit into the War Claims Fund, from property vested in or transferred to him under this Act, the sum of $500,000 to make payments authorized under section 32(h) of this Act.' "

REEMPLOYMENT OF JERRY JACKIS BY AID

Mr. MILLER. Mr. President, on April 1 of this year an excellent article regarding a case in the Department of State Agency for International Development involving one Mr. Jackis, written by the distinguished reporter Mr. Clark Mollenhoff, was published in the Des Moines Register. Mr. Mollenhoff's article indicated that Mr. Jackis had been fired after having done what appeared to be an outstanding job as an auditor for the Agency of the International Development in Korea and Southeast Asia.

I suggested that possibly some unfavorable and unfair treatment had been accorded Mr. Jackis by his supervisors. On April 10, I addressed a letter to Mr. Fowler Hamilton, Director for the Agency for International Development, requesting that he review the details of the case, furnish me a statement of the facts, and also review the case with a view to determining whether or not some of Mr. Jackis' supervisors should be disciplined.

On May 3 I again wrote to Mr. Hamilton requesting a reply to my letter of

April 10. On May 11 I received a letter from Mr. John Salter, Director of the Congressional Liaison Staff, on behalf of Mr. Hamilton, indicating that a review of the facts would be undertaken.

I note with favor that Mr. Jackis was rehired by the Agency for International Development last Monday, and although his new job is not that of auditor, I understand that it is one that is quite acceptable to him as an administrative assistant handling insurance for foreign participants in the AID program.

There is only one remaining item to be ascertained, and that is whether or not any of Mr. Jackis' supervisors abused their positions and took unfair advantage of this faithful Government employee. I have been advised that a review of the record will be undertaken and is being undertaken to determine whether or not any of Mr. Jackis' supervisors should in fact be disciplined.

I ask unanimous consent that the article by Mr. Mollenhoff to which I referred be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How Vigilant U.S. Employee Lost His Job—Bosses Biased, File Juggled, He Says

(By Clark Mollenhoff)

Washington, D.C.—In Korea, Jerry Jackis searched out and exposed a multimillion-dollar scandal in the use of American foreign aid.

In the jungles of northern Cambodia, he rode an elephant and hiked with a small group of soldiers to determine the effectiveness of the U.S. program for digging wells, to cutdown on waterborne disease.

When he noticed that U.S.-financed concrete, asphalt and reinforcement rods were going into a Russian-sponsored hospital in Pnom-Penh, Cambodia, he reported it.

In many ways it would seem that 41-year-old Jackis would be just the man that the International Development Agency (AID) would want to help straighten out the foreign aid program.

LOSES JOB

But last week Jackis was out of a job, and was knocking on doors at other Government agencies trying to find another before the $30-a-week unemployment checks stopped.

In January, Jackis was dropped from his $8,700-a-year job in the AID Agency on the basis of a file that showed he was given a "one" (low) efficiency rating in 1958, the month after he insisted on reporting the U.S.-financed material was being used on a Soviet showpiece, the Russian-sponsored hospital.

An investigation by a House Government Operations Subcommittee has established no justification for the low efficiency rating in 1958.

But the big AID Agency just can't find a place for him, and obviously isn't trying very hard. Some high employees of AID say that in some respects it is a favor to Jackis to refuse to rehire him, for he probably wouldn't be very happy working with AID employees after taking his troubles to a congressional committee.

WHY HE FIGHTS

Jackis is enough of a realist to know that he would be resented by some officials, for his testimony has indicated weaknesses in the aid program and laxness and incompetency in administration of it. But he wants to be rehired as a foreign aid investigator to vindicate him in his 3-year fight to get a public hearing.

Vindication is more than just a moral victory, for unless he is rehired by the foreign aid agency his discharge will be a permanent hurdle to clear in seeking any other Government post.

Chairman Porter Hardy, Democrat, of Virginia, and Representative George Meader, Republican, of Michigan, key members of the House Investigating Subcommittee, have indicated they feel Jackis has been the victim of a vicious conspiracy within the bureaucracy of the foreign aid program.

WANTS NEW STUDY

Jackis is hopeful that the committee will force Aid Administrator Fowler Hamilton to make another examination of the case and disregard the unflattering opinions and conclusions with which his superiors filled his file in the months after he reported the U.S. aid being used on the Soviet-sponsored hospital.

At this stage no one has attributed any subversive motives to the officials in AID who downgraded Jackis. Chairman Hardy has indicated he believes it is a combination of vindictiveness and bureaucratic bungling.

IN FOREIGN AID JOB SINCE 1954

Jackis, son of a Greek immigrant barber, was born in Savannah, Ga., and was reared in Charleston, S.C. He was a wiry 5 foot 8 and weighed 135 pounds, and played high school football.

In 1942, after 2 years at The Citadel, he volunteered for the Army, and served with Patton's 3d Army in France and Germany.

After his discharge from service in 1946, he went to work as a clerk at the General Accounting Office and started to save money to return to college.

In 1948 he went back to the Citadel and in 1950 was graduated with a bachelor's degree in English. He worked as a civilian employee in Marine Corps Headquarters, transferred to the National Security Agency, before taking 6 months out for travel and study in Greece.

SENT TO KOREA

In 1954 Jackis was hired by the Foreign Operations Administration (FOA), the Agency that handled foreign aid at that time. It later became the International Cooperation Administration, and was changed to AID last year.

Jackis was one of the first end-use investigators sent to Korea. The job was to trace down how foreign aid was used, and determine if the final use was in line with the law, policy and goals of the United States.

The Jackis career was sensational. The multimillion-dollar scandals he uncovered in Korea came to the attention of the highest officials there and in Washington. He was given a two-grade promotion in July 1956, on the basis of his initiative and performance.

His accomplishments were listed as exposure of one $750,000 fraud, and uncovering of a million-dollar scandal.

NEAR THE TOP

"The result of his initial findings will be the correction of abuses now inherent in the procurement and supply of ICA material," the report stated. His rating was now four which is next to the perfect five rating.

Within a year, Jackis completed his tour of duty in Korea, took his home leave, and in March 1957, was assigned to Cambodia. In his first months in Cambodia, Jackis received ratings of three or four, and in the spring of 1958 he was commended for a comprehensive report on the status of the overall foreign aid program in Cambodia.

U.S. ASPHALT IN SOVIET JOB

On June 10, 1958, Jackis was returning from work when he noted the Russian-sponsored hospital had ICA-purchased cement in the yard to be used on the still uncompleted structure.

He looked closer, and noted that asphalt drums in the yard appeared to have the ICA symbol painted out, and there were steel reinforcement rods of a type purchased by ICA.

When he filed his report, Jackis says, he hoped to follow up with a more complete investigation. Instead, he said, he was "chewed out" by Marlin Haas, the supervisor. He said Haas told him he had no business investigating the material used in the Russian hospital.

Jackis told the Hardy committee he felt he had an obligation to investigate and report any indications of misuse of foreign aid.

PROBE OF WELLS

Within a few days after this incident, Jackis said, Paul Beroud, his immediate supervisor, and Haas assigned him to an investigation of the wells in the remote parts of Cambodia. These dozens of wells were constructed with ICA funds, and supposedly according to U.S. specification.

Jackis said he went into the jungle on a half dozen expeditions to examine the wells, accompanied by a French mission employee, and by a small group of soldiers in the more remote sections. There were no trains to many of the places, and they rode bicycles, rode an elephant, or walked.

"We finally found all of the wells," Jackis said. His reports on the wells showed that many were not properly constructed, that a large number were dry, and that in almost all cases the pump was broken, or had been pulled up and discarded.

There were no ICA signs on the few wells that were in place. Jackis made a factual report and suggested that something should be done.

DISAGREED

Back at the Cambodian capital, Jackis said, Haas and Beroud questioned his facts.

"They had not been outside of the capital at that time, and yet they argued with the facts in my report which included the precise location of the wells," Jackis said. "They argued that I had not found the right wells, and I insisted that I had and that the reports were correct."

Jackis declared that a later investigation in 1960 by other aid officials confirmed his report.

"But that did me no good at that time," Jackis said. "They continued to fill my file with complaints about my work."

SWEPT FLOORS LIKE A COOLIE

In August 1958, Jackis filed an appeal from the low rating that Beroud and Haas had submitted. In the meantime, Jackis said he was taken off end-use investigations and was assigned to a warehouse where he had to straighten the warehouse and "like a coolie" do such jobs as moving furniture and sweeping floors.

"I did it, because I was sure that it would be all over when my appeal was read in Washington," Jackis said.

However, when Jackis finally got to Washington in the summer of 1959, he found that no action had been taken on his appeal. In fact, those he questioned couldn't find it.

When it was finally found, Jackis was informed that no appeal procedure was set up in what was then the ICA. Everyone seemed at a loss as to what to do about the appeal.

TOLD HE WON

It wasn't until October 10, 1960, that Jackis received any satisfaction from J. T. Walden, acting director of personnel.

Walden notified Jackis that "the derogatory implication of the efficiency rating mention has been overcome by subsequent documentation."

"No further action on the appeal will be taken by the Agency," Walden wrote to

Jackis. "Future assignments, as for all satisfactory employees, will depend on positions available, and the qualifications of persons eligible to be considered therefor."

In his Washington work, Jackis was receiving "three" and "four" ratings, but that somehow didn't get him another assignment.

FIRED ON BASIS OF STRIPPED FILE

Last November, Jackis received notice that he would be terminated in January. It was a polite notice that he was being fired, and the hurrying newly named AID didn't take time to interview Jackis.

Jackis was unsuccessful in seeking to gain access to that file for months. When he finally examined it in the last 3 weeks, he found it was stripped of most of the pertinent documents on his side of the dispute.

However, there was no lack of documentary evidence against Jackis. "The efficiency rating of one that Mr. Hass had given me, which is well documented, is in the file," he said.

CLEARANCE MISSING

Also eliminated from the file were the records showing that the 1960 investigation had actually cleared Jackis of the charges in connection with the reports on the wells, and had found the "one" rating to be unsubstantiated.

"I'm no security risk. I don't have any criminal record. All I did was do my job, and I just didn't think that it was possible for this to happen to anyone unless you did something wrong," Jackis said.

Jackis said he felt fortunate that he is not a married man with the financial responsibility for children.

"I'm a bachelor, and I have saved up a little money so I can get along for a time," Jackis said.

THE DECLINING FARM POPULATION

Mr. MILLER. Mr. President, in the May 29 issue of the Des Moines Register there is an excellent lead editorial on the subject of the declining farm population.

The writer of this editorial makes the point that we spend a great amount of time talking about the urgent need for farm adjustment, whereas the greater need is for adjustment of the rest of society to the adjustment that has already occurred in farming.

How true that point is. The census of agriculture made in 1960 shows that for the year 1959, 22 percent of the farmers produced 72 percent of the farm products sold, and 39 percent produced 87 percent of the farm products sold. This means that 61 percent of the Nation's farmers produced only 13 percent of the farm products sold in 1959. I suggest that there is nothing to indicate that the situation has become any better with respect to those people. While it is recognized that many of these farmers in the 61-percent category are only part-time farmers, it is obvious that many of these people could not expect to make a decent living for themselves and their families. And so we have been witnessing a great exodus of farmers and their families from the rural areas in the last several years.

Within the last year 832,000 people have moved off the farms. The figures from the Department of Agriculture show that in 1960, 15,635,000 people lived on farms. In 1961 the number had declined to 14,803,000. What are those people going to do when they move off the farms? What are they going to do if we have a serious unemployment situation among those who are already living in the cities and towns? That is the big problem. If we are able to take care of the unemployment problem, there would be room for the farmers and their families to find useful occupations when they move off the farms, but unfortunately the situation is that we have a critical unemployment problem. That is the point of the Des Moines Register article.

Before we complain too much of the situation as far as our farmers are concerned, I think we had better look further at the whole of society and try to work out some solution to the serious unemployment problem to relieve the aggravation that is occurring when farmers do move off the farms, because they cannot make a go of it on their farms.

I ask unanimous consent that the editorial published in the Des Moines Register be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VANISHING FARMERS

The U.S. Department of Agriculture reports that the number of people living on farms in the United States dropped to 14,803,000 in 1961.

That is a somewhat smaller number of people living on farms in the whole United States than live in the metropolitan area of New York City.

It is less than one of every 12 persons in the total population.

It is probably the smallest farm population in the United States since 1880.

The number of people living on farms has been recorded separately by the census only since 1910. (Before that it was included in "rural" with the number in towns below 2,500.) In that year, the total was 32 million, probably about the high point of U.S. farm population. The number declined slightly during the next two decades, then leveled off and even rose a bit during the great depression of the 1930's.

Since World War II, the drop in farm population has speeded up fantastically. The Department of Agriculture estimates that in the one year from 1960 to 1961 the number of farm people shrank by about 830,000.

The figure of 14.8 million people living on farms is based on a very liberal definition of a farm. It includes all places with 10 or more acres of farmland and $50 or more of farm products sold per year. An even smaller acreage can qualify as a farm if $250 worth of products are sold.

The farm population has been cut in half in the last 20 years and gives every evidence of continuing to fall for some years ahead. But the absolute decline in numbers certainly will be slower from now on.

Those opponents of Federal farm subsidies who say that the Government has been supporting an intolerably large farm population and providing incentives for people to stay on the farm should look twice at the upheaval which has occurred in two decades. Then they should ask themselves whether a more rapid rate of change would have been possible or digestible.

Since 1940, the total population has grown by more than 50 million, while the farm population has shrunk by 15 million.

The reason, of course, is the amazing technological revolution in agriculture, brought on by publicly sponsored research and education. This has caused labor requirements in farming to go down and down—from 11 million farm workers in 1940 to 7 million now. Despite farm subsidies, there is no featherbedding in agriculture which seems to have much effect. The process is continuing. Proved labor-saving technology already available is a long way from being fully applied, and new research is scouring out additional improvements for the more distant future.

We spend much time talking about the urgent need for farm adjustment. But the bigger need, obviously, is for adjustment of the rest of society to the adjustment that has already occurred in farming.

State governments, rural towns, businesses related to agriculture, schools, roads—all these are compelled to change because of the violent change in farming.

Iowa, one of the most profoundly affected States, still has far to go to recognize the urbanized (and urbanizing) character of its environment.

Logical arguments can be made for slowing the pace of farm adjustment in the years ahead—but there can be no recovery of the past. Our farm and nonfarm institutions must face up to the change in agriculture which has already taken place if they are to serve the needs of the people in the years ahead.

GROWTH IN POWER OF THE EXECUTIVE BRANCHES OF THE GOVERNMENT

Mr. MILLER. Mr. President, on May 14 the Honorable JAMES E. BROMWELL, of the Second Congressional District of Iowa, delivered an outstanding address at the annual teachers' appreciation dinner of the Johnson School Parent-Teachers Association in Cedar Rapids. The keynote of Congressman BROMWELL's address is his concern—a concern being shared by an increasing number of Members of Congress, political writers, and American citizens—over the growth in power of the executive branch of the Federal Government. As he so well put it, the question has been raised whether the written law, Congress, the courts, and the American people will longer restrain the power of the Presidency; and unless citizens act by public opinion and the franchise we shall continue to surrender rights to the Government, uncheck and unbalance the powers, and grant power to the Presidency until we shall have reverted to despotism.

Representative BROMWELL made it very clear that he was speaking of the Presidency—the executive branch of the Government—and not of any particular occupant of the office. His point was made with respect to the office, regardless of who the occupant is.

I believe it would be most enlightening for everyone to read this timely address, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE JAMES E. BROMWELL, AT ANNUAL TEACHERS' APPRECIATION DINNER, JOHNSON SCHOOL PARENT-TEACHER ASSOCIATION, CEDAR RAPIDS, MAY 14, 1962

I must tell you at the outset that I intend to speak very seriously tonight, more seriously, maybe, than a gathering of neighbors might seem to require. We are here, however, because of a common interest in our children and when they are involved, middle ground fades from the range of subject matter. We either visit in warm detail, or we talk very soberly indeed. Their future is so important, and so long, perhaps light-years long.

I have been reading "The Coming Fury," the splendid first volume of the centennial history of the Civil War which Bruce Catton has written. It opens on the Democratic Convention of 1860 at Charleston—some days, weeks, or years too late. The most persistent impression one carries from the book is this: long before Sumter was fired upon events had passed beyond the control of the ablest persons then living. Chattel slavery, sometime before, had ceased to be an issue between men, between North and South, between owners and nonowners, and had become a matter between God and all the American people. Some would merely survive it—some like Mr. Lincoln writing to Mrs. Bixby would see it clearly as a violent atonement for monstrous evil. None, not even Lincoln, could control it, and he tried.

Some historian may someday name the month of the year in which things got out of hand; someone bolder may do better and tell us the early symptoms of a breakdown in popular control of our national affairs. So far he or she has not been generally recognized and proven sound, and until these things happen we shall feed on fear.

It has happened more than once since Sumter, and it can happen again. A chain of events begins, effect follows cause with acceleration, the point of no return is passed, the tide becomes irreversible, then unchangeable and we come to a time of troubles in which even the best of us can only make the best of it.

We shall feed on fears and we are feeding on them this May. The progressive development of weaponry and technology applied to outer space make them particularly acute in international relations. But the very acuteness of our fears, like pain in a tooth, is hopeful because it has demanded action. No matter how we despair at the headlines, America is making its best effort in this area. Enormously over half the treasure spent on National Government goes into it. In our weapons we have raw force. In our system of foreign trade we have economic strength. In the principles of the Constitution we have moral force. In our programs of foreign aid we have a blend of the latter two with the added recommendations of altruism. In the Disarmament Agency, the Peace Corps, the Alliance for Progress, we have new ideas. In space research we have a vigorous search for incredible new developments which will certainly bear on future events. Most importantly, with its very soul, the American people have willed peace with justice. Expression is lively. I for one am convinced that every action which would be supported by a consensus of reasonable Americans is being taken or formulated. Criticize any portion of this effort as harshly as you wish (and I personally believe that such criticism is owing for the good of us all), America's presently asserted world leadership belies the real fear that the forces of international anarchy are beyond control.

At least in tonight's frame of reference I am willing to set it aside because of another matter currently most serious in which instruments of control are at hand. We have hurled our strength against the winds of chaos and war; in this other matter we have done nothing and said pitifully little. And herein, of course, lies the danger of losing control and being swept away by events.

I am speaking of the deadly growth of power in the executive arm of the Federal Government and in particular of power in the Presidency.

Note that I refer to the Presidency, not the President. One is an office; the other is a man. This is of the absolute essence of what I have to say. The Presidency is a center of power over us created by laws of our own making or acceptance, a complex of constitutional and statutory functions; a President is a creature like you and me who is born, suffers, procreates and dies, and when he itches, scratches. The President here is to the Presidency as the Queen in England is to the Crown.

I am not of the President's party nor of the executive branch. I was of the party of the former President but not of the Government at all. This has precious little to do with anything of real importance because long after our generation, you and the President and I, are gone, and the children who have brought us here tonight are facing the problems of their times, the Presidency and the Congress and the freedoms of all the people will remain if—and it is a poignant if—we have been good stewards now.

No violence should be done to this distinction between the President and the Presidency and I believe that the failure to recognize the distinction has caused trouble lately, and the kind and amount of trouble raises anxiety and wonder about where we are, and where we have been, and where we are going, and whether we still have our control.

Here is the trouble: beyond any doubt the most important domestic actions of the present President since he assumed the Presidency were those he took with respect to the declared increase in steel prices. He acted swiftly and effectively. By some he was praised for the result with good reason; by others he was blamed, but here lies the failure to make the distinction, the failure not yet generally recognized, our real weakness and real worry. Remove the personality of John Fitzgerald Kennedy from these actions so that your attachment or antipathy to the man is idled, conceptually place a faceless anonymity in the office—in the Presidency if you will—analyze the body of action down to the skeleton of power exercised and you will, I suggest, be properly disturbed.

In the early morning hours of April 13 in Philadelphia the rest of an American citizen was disturbed by a knock on the door. The knockers were Federal police, acting without the knowledge of their immediate superior, without writs or warrants, with no claim of wrongdoing against the citizen, investigators with no questions to ask that could not have been as well or better asked in the morning and with no right, constitutional or otherwise. They had a personal mandate from the Nation's highest enforcement officer, the Attorney General of the United States, a servant and not the master of the sleepy and perhaps frightened citizen, and one who took an oath to support not to violate the laws of the United States. In New York a similar event took place.

In the following hours a grand jury was impaneled in New York to investigate the possibility of criminal collusion in connection with the increased price of steel. This was a second grand jury. Another had been busy for a year with the same prospective defendants.

In the following hours, committees of the Congress undertook investigations, one of the stated ends being punishment.

In the Department of Defense companies which had raised their prices were denied Government business regardless of price, regardless of the public interest otherwise considered.

All this and much more. And why? Because the President did not wish steel prices increased. And what has this to do with the Presidency? Simply this: So great is the present power of the Office that the question has been raised as to whether the written law, Congress, the courts, and the American people will longer restrain it. We recall Andrew Jackson's crack about letting the Supreme Court enforce its own decision. This, I can assure you, is a vastly more advanced case.

"We have," a citizen wrote shortly ago, "lost our capacity for moral indignation." I am not sure he is right. I do believe, however, that in our swift drive toward desirable ends we are losing our respect for means. The genius of this Republic is still human liberty, the genius of liberty is law, and good law is a system of means by which all of us can freely and equally seek our individual or our common ends.

Press this steel situation a little further. What in fact did the companies do? They raised prices. In all freedom some of them raised their prices. I was personally astonished. I felt it to be unwise at that time. Yet it was, questions of collusion aside, a lawful act. There is no law, State or Federal, against raising the price of steel or toothbrushes or grass seed. We have a free domestic market. Admit the possibility, which we must, that the action was taken in good faith.

Now, if a citizen acting in good faith commits a lawful act and in return has applied to him unlawfully the utmost coercive power of the strongest Government on earth, where are we?

We are in a quandary, that's where. We are in a quandary because we thought we were safer than we are. For over 300 years we understood that the range of lawful acts was infinite and that so long as we honored them we would not be hurt. We knew where the fences were, because we had knowingly built them. We were born with an intuitive understanding of Lord Coke's cry to King James—"not under men but under God and law." We understand Mr. Justice Holmes when he said, in effect, "If a fellow wants to build a slaughterhouse and I look in the book and find nothing that says he can't—let him build the slaughterhouse."

We are in a quandary. The price of securities has fallen and fallen. Over $70 billion in value has been sacrificed. Organized labor is querulous or mute. The Congress is more closely than ever scrutinizing those bills which would increase the Executive power and a number have been quietly shelved. And all this is disquieting because as a Nation we are feeding on fears we haven't had since our founding. In our quandary we wonder whether we are indeed relying on the certainty of laws or the uncertainty of men.

Where have we been? Over a long road this President did not take us. In this I defend him. The President is presently being criticized, seemingly for his acts when fairly we should bear the criticism for what we have permitted to be done to the Presidency over the years. We have asked the Presidency to do many things we should have done for ourselves. We have not kept the available instruments of civic achievement, municipal government, State government, congressional responsibility sharp and clean and bright. We have tolerated the multiplication of laws, by loose construction of our Constitution we did not understand or inquire into, by regulations we never knew of and still do not, by liberal grants of general powers, by acquiescence in the exercise of implied powers, by forgetting that power corrupts and absolute power corrupts absolutely, by forgetting that a system of checks and balances means internal checks upon and balances between the three great branches of government, and between the Federal Government and the States, by forgetting that unchecked and unbalanced power directed against our enemies today may be directed against us tomorrow.

Where are we going? The answer lies in the future and is speculative. As your Congressman I shall give you my opinion. Unless citizens act by public opinion and the franchise we shall continue to surrender rights to the Government, uncheck and unbalance its powers, and grant power to the Presidency until we shall have reverted to despotism.

Mr. Lincoln's word is good enough for me. The tyrant will not come to America from across the seas. If he comes he will ride down Pennsylvania Avenue from his inauguration and take his residence in the White House. We have, in the last 15 months in the Congress, inadvertently and carelessly we must assume, moved at a hellish rate to establish preconditions of dictatorship. There will be no coup d' etat. Rather, at the worst, there will be an extension and vigorous exercise of the powers we have granted.

Is the matter beyond control? I do not know and you're not sure. In all sadness I say I do not know. The ancients tell us that democracy degenerates into tyranny. We are the longest lived experiment in freedom and its ultimate success is not guaranteed. In my heart—with my faith—I do not believe we have passed the point of no return. I know that I would not have traveled a thousand miles to say these things if I thought it were. But I know it could happen here and I am dedicated to seeing it does not.

ADJOURNMENT UNTIL TUESDAY

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate at this time, I move, pursuant to the order previously entered, that the Senate adjourn until 12 o'clock noon on Tuesday, June 5.

The motion was agreed to; and (at 12 o'clock and 40 minutes p.m.) the Senate adjourned, under the order entered on Tuesday, May 29, 1962, until Tuesday, June 5, 1962, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 4, 1962

The House met at 12 o'clock noon.

Rev. Harold J. Preston, Jr., pastor, United Presbyterian Church, Alton, Iowa, offered the following prayer:

Almighty and everlasting God, Thou who art the way, the truth, and the life.

This day we approach Thy throne of grace with the praise of our lips and the worship of our lives. Thou art our God, who knows all human desires before they are voiced. Yet these desires cry for a hearing.

As the tasks of this day stretch before us, grant we pray, a special portion of Thy blessings and a clear vision of Thy purposes to all who are assembled here. Strengthen our faith and dedication to Thy causes which are our causes, allowing us to honor and glorify Thy name in all that we do or say.

May the deliberations and decisions of this day be based on a prayerful seeking of Thy wisdom and the correct exercise of our religious and political freedoms and responsibilities. Overpower our inadequacy with Thy sufficiency, our pride with Thy humility. Refashion us so we may become obedient sons and servants of the living God who offers new life to all who submit themselves to His direction and discipline. In Christ's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, May 31, 1962, was read and approved.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that H.R. 10038, to provide civil remedies to persons damaged by unfair commercial activities in or affecting commerce, and H.R. 10124, be referred to the Committee on Interstate and Foreign Commerce. They were improperly referred to the Committee on the Judiciary. The subject matter of these bills should be properly before the Committee on Interstate and Foreign Commerce.

A previous bill, H.R. 4590, which is superseded by H.R. 10038, had been referred to the Committee on Interstate and Foreign Commerce, and the present bill should likewise fall within that category.

Mr. GROSS. Reserving the right to object, Mr. Speaker, is this bill on the present Consent Calendar?

Mr. CELLER. No, it is not.

The SPEAKER. Without objection, the request is granted.

There was no objection.

PERSONAL ANNOUNCEMENT

Mrs. RILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from South Carolina?

There was no objection.

Mrs. RILEY. Mr. Speaker, on rollcall No. 95, on May 23, 1962, I am recorded as not voting. I was unable to be present due to illness. Had I been present I would have voted for H.R. 11737, to authorize appropriations to the National Aeronautics and Space Administration for fiscal 1963.

THE CONSENT CALENDAR

The SPEAKER. This is the day for the calling of the Consent Calendar. The Clerk will call the first bill on the calendar.

PRINCE GEORGES COUNTY SCHOOL BOARD, MARYLAND

The Clerk called the bill (H.R. 6759) for the relief of the Prince Georges County School Board, Maryland.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PARAPLEGIC HOUSING PROGRAM

The Clerk called the bill (H.R. 4012) to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing for certain blind veterans who have suffered the loss or loss of use of a lower extremity.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

STATUTORY AWARD FOR APHONIA

The Clerk called the bill (H.R. 10066) to amend title 38 of the United States Code to provide additional compensation for veterans suffering the loss or loss of use of both vocal chords, with resulting complete aphonia.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSAL OF CERTAIN MATERIALS FROM THE NATIONAL STOCKPILE

The Clerk called the resolution (H. Con. Res. 473) providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expressly approve, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), the disposal of the following materials from the national stockpile in accordance with the plans of disposition published by General Services Administration in the Federal Register:

(a) Approximately four hundred and forty thousand two hundred and forty-six pounds of silk noils (25 F.R. 8114, August 24, 1960; 27 F.R. 3643, April 17, 1962);

(b) Approximately ninety-six short tons of 91 per centum nickel in ingot form, approximately four short tons of sintered nickel powder in the form of "cups", and approximately nine short tons of cobalt in rondelle form averaging 97.9 per centum cobalt (26 F.R. 764, January 25, 1961);

(c) Cordage fiber consisting of approximately seven million five hundred thousand pounds of abaca fiber and approximately ten million pounds of sisal fiber (26 F.R. 803, January 26, 1961);

(d) Approximately three thousand five hundred long tons of vegetable tannins (quebracho, chestnut, and wattle extracts) (26 F.R. 2211, March 15, 1961);

(e) Approximately twenty-eight thousand eight hundred and sixteen short tons of celestite (26 F.R. 2239, March 16, 1961);

(f) Approximately four thousand four hundred and seventy-one troy ounces of platinum scrap and a quantity of nonferrous scrap consisting of approximately five hundred and twenty short tons of brass, seventy-four short tons of silicon bronze and copper, eleven short tons of beryllium copper, and one hundred and six short tons of zinc foil (26 F.R. 6490, July 19, 1961);

(g) Approximately fifty thousand long tons of pig tin (26 F.R. 8425, September 7, 1961);

(h) Approximately one hundred and fifty-five million six hundred and seventy-six thousand pounds of castor oil (26 F.R. 8577, September 13, 1961);

(i) Approximately two hundred sixty-five thousand pounds of cobalt oxides, and approximately five thousand five hundred pounds of cobalt carbonates (26 F.R. 9059, September 26, 1961);

(j) Approximately one thousand eight hundred and ninety long tons of chromite ore (26 F.R. 9793, October 18, 1961);

(k) Approximately sixty-five thousand four hundred and forty-seven pounds (gross weight) of ferrovanadium (26 F.R. 10196, October 31, 1961);

(l) Approximately sixty-three short tons of ferromanganese, and approximately four and one-half short tons of electrolytic manganese metal (26 F.R. 11508, December 5, 1961);

(m) Approximately ten million pounds of contained nickel and cobalt in the form of nickel oxide powder (27 F.R. 2260, March 8, 1962);

(n) Approximately five million pounds of molybdenum (27 F.R. 4005, April 26, 1962).

SEC. 2. All funds derived from the sales authorized by this concurrent resolution shall be deposited into the Treasury as miscellaneous receipts.

Mr. HARDY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARDY: On page 1, line 5, strike out all that follows "Stockpile" down to the colon on line 7, page 1, and strike out the matter in the parentheses which immediately precedes the semicolon at the end of each subsection in section I.

Mr. HARDY. Mr. Speaker, when the Consent Calendar was last called, I requested that House Concurrent Resolution 473 be passed over without prejudice. This was done because I felt the need for more background information concerning the resolution. Certain of my misgivings had been expressed to the Committee on Armed Services a few days before when the resolution was considered by that committee.

Let me make it perfectly clear that my position in this matter is not arbitrary, but is based upon my knowledge of the manner in which the surplus natural rubber disposal program has been and is being administered. I concur completely with the principle that all strategic and critical materials which are surplus to defense requirements should be disposed of as expeditiously as possible under the provisions of the Strategic and Critical Materials Stock Piling Act. On the other hand, I object to the administrative procedures which have been followed in the disposal of surplus natural rubber, and similar procedures may very well be in prospect with respect to other surplus materials. In my opinion, other surplus disposal programs which involve several billion dollars of the taxpayers' money ought not to be handled the way surplus rubber has been handled.

It is, of course, important to remember that the disposal of surplus strategic and critical materials from the Government stockpiles is not an undertaking designed to yield a profit. On the contrary, these programs involve the recognized loss of hundreds of millions of dollars and every effort should therefore be made to hold these losses to a minimum.

House Concurrent Resolution 473, which was passed over without prejudice on May 21, 1962, approves the disposal of 14 strategic and critical materials from the stockpile having an estimated current market value of approximately $170 million. Seven of these materials are surplus to currently established objectives. The remaining seven items are subspecification materials that do not meet current stockpile specifications. No total cost of acquisition is furnished in connection with these materials, since the major portion of them were acquired through transfer, without reimbursement from other agencies, principally the RFC.

Tin is the major surplus item involved and represents an acquisition cost in excess of $120 million. According to the press, the Secretary of State has assured the International Tin Council that the United States "will consult with the Council and substantially interested governments before tin is released from the stockpile." While I have no information with respect to the extent to which consultations have either progressed or will be undertaken, the emergence of the rubber disposal pattern seems to be clear, and I think it likely that tin, as rubber, may be disposed of in a manner designed to support the market rather than to protect the taxpayer's investment.

Notice of the intent to dispose of these materials has been published in the Federal Register pursuant to the provisions of section 3(e) of the Strategic and Critical Materials Stock Piling Act, and the pending resolution approves the disposal thereof "in accordance with the plan of disposition published by the General Services Administration in the Federal Register."

This is where I disagree with some of my distinguished colleagues on the Armed Services Committee. Section 3 (e) of the Strategic and Critical Materials Stock Piling Act clearly states that the notice of disposal must be published in the Federal Register and that copies thereof must be transmitted to the Congress and to the Committees on Armed Services of each House thereof. It is further clearly required that the notice shall state the reasons for the "revised determination" of requirements, the amounts of the materials proposed to be released, the plan of disposition proposed to be followed and the date upon which the material is to become available for sale or transfer. The act further provides:

> That no material constituting a part of the stockpiles may be disposed of without the express approval of the Congress except where the revised determination is by reason of obsolescence of that material for use in time of war.

In this particular case the question of obsolescence does not enter into the consideration.

In my opinion, the wording of the act as set forth above only requires that the Congress approve the disposal of the material and does not require the approval of the plan of disposition published in the Federal Register.

All disposals of surplus materials are conducted by the General Services Administration pursuant to directives issued by the Office of Emergency Planning which may be and are changed from time to time. The plans of disposal which are published in the Federal Register are broad in nature and perhaps represent no more or less than a considered opinion at that time as to the desirable procedure to be followed. Maybe they don't even represent that.

Anyway, this much was clearly established at the hearings conducted by a subcommittee of the Committee on Armed Services on House Concurrent Resolution 473. An official of the General Services Administration specifically requested that the record reflect that disposal plans were merely suggestions, not binding, and could be changed administratively at any time.

The amendment which I offer is designed to remove from the resolution specific approval by Congress of the so-called plans of disposal which have been published in the Federal Register. The amendment does no more than this. It does not in any way affect the items of material or the quantities of them which would be approved for disposal. Since the Congress would not be consulted in the event the administrative agencies change the plans of disposal it seems to me to be unwise for the Congress to endorse specifically the ones which have heretofore been published in the Federal Register.

My concern is accentuated due to the manner in which the surplus natural rubber program is and has been administered. I voted against House Concurrent Resolution 582, which authorized the disposal of surplus natural rubber because it was apparent to me that the Congress had not been supplied with full and complete information in connection therewith. My misgivings have been borne out by subsequent developments. Within the past year, the Foreign Operations and Monetary Affairs Subcommittee, of which I am chairman, conducted an exhaustive study of the execution of the rubber disposal program and our report was submitted to the House on April 2, 1962. I suggest that those of you who have not read that report study its conclusions and recommendations.

Up to the present time two of the subcommittee recommendations have been adopted entirely or in part. Nevertheless, despite assurances that other recommendations of the subcommittee are being considered there is still urgent need for improvement in the manner in which the surplus rubber disposal program is being conducted.

On May 21, 1962, the House passed H.R. 10595, a bill to facilitate the sale and disposal of Government stocks of extra long staple cotton. This bill is important and significant as related to the overall question of the disposal of surplus strategic and critical materials. It vests full and complete responsibility in the Secretary of Agriculture for the disposal of 50,000 bales of surplus long staple cotton. While the Secretary doubtlessly will, and should, consult with other interested departments and agencies of the Government, the final decision is his alone, which is as it should be. There is no room in this bill for buckpassing since the decisions of the Secretary of Agriculture are not subject to the approval of any other department or agency. I think it is significant that the Office of Emergency Planning tried to have this bill amended in a manner which would make the Secretary of Agriculture little more than a figurehead, with the real decisions being made in other Government departments and agencies. Wisely, the Committee on Armed Services rejected this proposal. This was a good bill. It definitely fixed responsibility, and I hope will be used as a pattern for other similar legislation.

There is a sound reason for my reference to this particular bill. On December 10, 1959, the Office of Emergency Planning—then Office of Civil and Defense Mobilization—issued a revised Defense Mobilization Order V–7 captioned "General Policies for Strategic and Critical Materials Stockpiling," which was published in the Federal Register on December 19, 1959. Under the provisions of this order, the disposal of surplus materials was, among other things, made subject to the "approval of the Departments of the Interior, Commerce, State, Agriculture, and Defense and other governmental agencies concerned." Although statutory responsibility for the disposal of surpluses is vested exclusively in the Office of Emergency Planning, that Office through the above policy decision divested itself of this responsibility by making its disposal decisions conditioned on the approval of other Government departments and agencies. The exercise of this authority by the Department of State made it possible for that Department to dominate the natural rubber disposal program and contributed to the unsatisfactory and disturbing conditions which exist today.

The report of the Committee on Government Operations, to which I have already referred, was critical of the provisions of Defense Mobilization Order No. V–7, and it seems noteworthy that this order was amended on April 25, 1962.

Under the amended order, however, the Office of Emergency Planning is apparently still unwilling to exercise its statutory responsibility, and its disposal decisions are now subject to the approval of the Departments of State or Interior or perhaps the President himself if the heads of these agencies acknowledge their incompetence to decide on disposals in the best interest of the United States.

I am seriously concerned over the entire question of disposal. The Congress approves the disposal of taxpayers' property valued at hundreds of millions of dollars, but at the present time the agency of the Government possessing the statutory authority to carry out the will of the Congress has failed to fully exercise its responsibility and the Congress has no authority or control over the procedures which may be adopted. I am inclined to the opinion that the basic act ought to be amended so that the Congress can at least definitely pinpoint the responsibility for these determinations in one specific department or agency of the Government.

Meanwhile, Mr. Speaker, we have before us this resolution to approve the sale of surplus materials from the stockpile. I favor the resolution, but it needs to be perfected by my amendment.

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXTENDING CIVIL DEFENSE EMERGENCY AUTHORITIES

The Clerk called the bill (H.R. 11743) to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended.

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of the bill?

Mr. HÉBERT. Yes. This bill merely extends the date that has been twice extended to the President since 1950. The purpose of the bill was set forth in the report as follows:

> The purpose of the proposed measure is to provide for the continuation of the President's current standby authority to deal with the effects of an enemy attack upon this Nation. Under section 307 of the Federal Civil Defense Act of 1950, as amended (50 U.S.C., app. 2297), these emergency powers would terminate on June 30, 1962.
>
> HISTORY
>
> As originally enacted, the Federal Civil Defense Act of 1950 provided that these standby emergency powers would terminate on June 30, 1954, or such earlier date as might be prescribed by concurrent resolution of the Congress. This termination date was extended to 1958 in 1954 and to June 30, 1962, by Public Law 85–514, dated July 11, 1958.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 307 of the Federal Civil Defense Act of 1950, as amended (50 U.S.C., app. 2297), is further amended by striking out the date "June 30, 1962" and inserting in lieu thereof the date "June 30, 1966."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE 1202D CIVIL AFFAIRS GROUP

The Clerk called the bill (H.R. 9199) for the relief of certain officers and enlisted personnel of the 1202d Civil Affairs Group (Reinforcement Training), Fort Hamilton, Brooklyn, N.Y.

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to make a statement at this point not only in reference to this bill, H.R. 9199, but also with reference to H.R. 9522. On the surface it would appear that there is a great deal of similarity between the two situations. As a matter of fact, the circumstances are quite different. It is therefore my intention to ask that the bill H.R. 9199 be passed over without prejudice, and to approve consideration of the bill H.R. 9522.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING THE ISSUANCE OF A GOLD MEDAL TO BOB HOPE

The Clerk called Senate Joint Resolution 88.

There being no objection, the Clerk read the Senate joint resolution, as follows:

> Whereas moments enriched by humor are moments free from hate and conflict, and therefore valued by mankind; and
>
> Whereas Bob Hope has given to us and to the world many such treasured moments; and
>
> Whereas he has done so unstintingly and unselfishly, with heavy demands on his time, talent, and energy; and
>
> Whereas his contributions over a long period of years to the morale of millions of members of the United States armed services, in addition to those of our friends and allies, have been of immediate and enduring value; and
>
> Whereas these contributions have been made during Christmas and at other times by personal contact in countless miles of travel around the globe, to the farthest outposts manned by American youth, during times of peace and war, often under dangerous conditions and at great personal risk; and
>
> Whereas while at home he has given firm and imaginative support to humanitarian causes of every description; and
>
> Whereas in all this Bob Hope has rendered an outstanding service to the cause of democracy, as America's most prized "Ambassador of Good Will" throughout the world: Therefore be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to present in the name of the people of the United States of America a gold medal of appropriate design to Bob Hope in recognition of his aforesaid services to his country and to the cause of world peace.
>
> The Secretary of the Treasury shall cause such a medal to be struck and furnished to the President. There is hereby authorized to be appropriated the sum of $2,500 for this purpose.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN MEMBERS OF THE U.S. MARINE CORPS

The Clerk called the bill (H.R. 9522) for the relief of certain members of the U.S. Marine Corps who incurred losses pursuant to the cancellation of a permanent change of station movement.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each member, of the First Light Anti-Aircraft Missile Battalion (Reinforced), United States Marine Corps, who was issued on or about July 1, 1961, a certificate in lieu of orders for a classified deployment and who actually dislocated his family, as designated by the Commandant, United States Marine Corps, the following allowances computed

in accordance with law and the then applicable regulations:

(1) One dislocation allowance; and

(2) Travel allowance for dependents travel performed to and from the locations to which dependents actually moved pursuant to the certificate.

SEC. 2. Travel, transportation, and dislocation allowances paid pursuant to the certificates before the effective date of this Act which were free from fraud and collusion are hereby validated.

SEC. 3. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for all amounts for which liability is relieved by section 2 of this Act.

SEC. 4. Payments made pursuant to this Act may not exceed more than $25,000 in the aggregate.

SEC. 5. Payments authorized by this Act may not be made to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike "member" and insert "member, as designated by the Commandant, United States Marine Corps,".

Page 1, lines 9 and 10, strike ", as designated by the Commandant, United States Marine Corps,".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BASIC SALARY IN CASES OF ASSIGNMENTS OF POSTAL EMPLOYEES

The Clerk called the bill (H.R. 10265) to authorize the Postmaster General in his discretion to pay increased basic salary to postal field service employees for services performed before the expiration of 30 days following their assignments to duties and responsibilities of higher salary levels, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, it is my understanding, based on the committee report, that the cost of this proposal is approximately $250,000 annually in the future. In addition, the accrued or accumulated cost for years past is approximately $1,330,000. Obviously, on its surface, this bill does not qualify for the Consent Calendar.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GRANTING CONSENT TO THE SOUTHERN INTERSTATE NUCLEAR COMPACT

The Clerk called the bill (H.R. 10618) granting the consent of Congress to the southern interstate nuclear compact, and for related purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the national policy to encourage and recognize the performance of functions by the States with respect to the peaceful use of nuclear energy in its several forms. The Federal Government recognizes that many programs in nuclear fields can benefit from cooperation among the States, as well as between the Federal Government and the States. The importance of the interstate compact as one means for promoting such cooperation is hereby declared as part of the intention of Congress, already expressed in part in Public Law 86–373, to facilitate the use of State jurisdiction in and over portions of the development and regulatory nuclear field.

SEC. 2. The Congress hereby consents to the Southern Interstate Nuclear Compact, which compact is as follows:

"ARTICLE I. POLICY AND PURPOSE

"The party states recognize that the proper employment of nuclear energy, facilities, materials, and products can assist substantially in the industrialization of the South and the development of a balanced economy for the region. They also recognize that optimum benefit from and acquisition of nuclear resources and facilities requires systematic encouragement, guidance, and assistance from the party states on a cooperative basis. It is the policy of the party states to undertake such cooperation on a continuing basis; it is the purpose of this compact to provide the instruments and framework for such a cooperative effort to improve the economy of the South and contribute to the individual and community well-being of the region's people.

"ARTICLE II. THE BOARD

"(a) There is hereby created an agency of the party states to be known as the Southern Interstate Nuclear Board (hereinafter called the Board). The Board shall be composed of one member from each party state designated or appointed in accordance with the law of the state which he represents and serving and subject to removal in accordance with such law. Any member of the Board may provide for the discharge of his duties and the performance of his functions thereon (either for the duration of his membership or for any lesser period of time) by a deputy or assistant, if the laws of his state make specific provisions therefor. The Federal Government may be represented without vote if provision is made by federal law for such representation.

"(b) The Board members of the party states shall each be entitled to one vote on the Board. No action of the Board shall be binding unless taken at a meeting at which a majority of all members representing the party states are present and unless a majority of the total number of votes on the Board are cast in favor thereof.

"(c) The Board shall have a seal.

"(d) The Board shall elect annually, from among its members, a Chairman, a Vice Chairman, and a treasurer. The Board shall appoint an Executive Director who shall serve at its pleasure and who shall also act as secretary, and who, together with the treasurer, shall be bonded in such amounts as the Board may require.

"(e) The Executive Director, with the approval of the Board, shall appoint and remove or discharge such personnel as may be necessary for the performance of the Board's functions irrespective of the civil service, personnel, or other merit system laws of any of the party states.

"(f) The Board may establish and maintain, independently or in conjunction with any one or more of the party states, a suitable retirement system for its full-time employees. Employees of the Board shall be eligible for social security coverage in respect of the old-age and survivors insurance provided that the Board takes such steps as may be necessary pursuant to Federal law to participate in such program of insurance as a governmental agency or unit. The Board may establish and maintain or participate in such additional programs of employee benefits as may be appropriate.

"(g) The Board may borrow, accept, or contract for the services of personnel from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any institution, person, firm, or corporation.

"(h) The Board may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services (conditional or otherwise) from any state or the United States or any subdivision or agency thereof, or interstate agency, or from any institution, person, firm, or corporation, and may receive, utilize, and dispose of the same.

"(i) The Board may establish and maintain such facilities as may be necessary for the transacting of its business. The Board may acquire, hold, and convey real and personal property and any interest therein.

"(j) The Board shall adopt bylaws, rules, and regulations for the conduct of its business, and shall have the power to amend and rescind these bylaws, rules, and regulations. The Board shall publish its bylaws, rules, and regulations in convenient form and shall file a copy thereof, and shall also file a copy of any amendment thereto, with the appropriate agency or officer in each of the party states.

"(k) The Board annually shall make to the governor of each party state, a report covering the activities of the Board for the preceding year, and embodying such recommendations as may have been adopted by the Board, which report shall be transmitted to the legislature of said state. The Board may issue such additional reports as it may deem desirable.

"ARTICLE III. FINANCES

"(a) The Board shall submit to the executive head or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that jurisdiction for presentation to the legislature thereof.

"(b) Each of the Board's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. One half of the total amount of each budget of estimated expenditures shall be apportioned among the party states in equal shares; one quarter of each such budget shall be apportioned among the party states in accordance with the ratio of their populations to the total population of the entire group of party states based on the last decennial federal census; and one quarter of each such budget shall be apportioned among the party states on the basis of the relative average per capita income of the inhabitants in each of the party states based on the latest computations published by the federal census-taking agency. Subject to appropriation by their respective legislatures, the Board shall be provided with such funds by each of the party states as are necessary to provide the means of establishing and maintaining facilities, a staff of personnel, and such activities as may be necessary to fulfill the powers and duties imposed upon and entrusted to the Board.

"(c) The Board may meet any of its obligations in whole or in part with funds available to it under Article II(h) of this compact, provided that the Board takes specific action setting aside such funds prior to the incurring of any obligation to be met in whole or in part in this manner. Except where the Board makes use of funds available to it under Article II(h) hereof, the Board shall not incur any obligation prior to the allotment of funds by the party jurisdictions adequate to meet the same.

"(d) Any expenses and any other costs for each member of the Board in attending Board meetings shall be met by the Board.

"(e) The Board shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Board shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Board shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the Board.

"(f) The accounts of the Board shall be open at any reasonable time for inspection.

"ARTICLE IV. ADVISORY COMMITTEES

"The Board may establish such advisory and technical committees as it may deem necessary, membership on which to include but not be limited to private citizens, expert and lay personnel, representatives of industry, labor, commerce, agriculture, civic associations, medicine, education, voluntary health agencies, and officials of local, State and Federal Government, and may cooperate with and use the services of any such committees and the organizations which they represent in furthering any of its activities under this compact.

"ARTICLE V. POWERS

"The Board shall have power to—

"(a) ascertain and analyze on a continuing basis the position of the South with respect to nuclear and related industries.

"(b) encourage the development and use of nuclear energy, facilities, installations, and products as part of a balanced economy.

"(c) collect, correlate, and disseminate information relating to civilian uses of nuclear energy, materials, and products.

"(d) conduct, or cooperate in conducting, programs of training for State and local personnel engaged in any aspect of—

"(1) Nuclear industry, medicine, or education or the promotion or regulation thereof.

"(2) The formulation or administration of measures designed to promote safety in any matter related to the development, use or disposal of nuclear energy, materials, products, installations, or wastes.

"(e) Organize and conduct, or assist and cooperate in organizing and conducting, demonstrations of nuclear product, material, or equipment use and disposal and of proper techniques or processes for the application of nuclear resources to the civilian economy or general welfare.

"(f) Undertake such non-regulatory functions with respect to non-nuclear sources of radiation as may promote the economic development and general welfare of the region.

"(g) Study industrial, health, safety, and other standards, laws, codes, rules, regulations, and administrative practices in or related to nuclear fields.

"(h) Recommend such changes in, or amendments or additions to the laws, codes, rules, regulations, administrative procedures and practices or ordinances of the party states in any of the fields of its interest and competence as in its judgment may be appropriate. Any such recommendation shall be made through the appropriate state agency with due consideration of the desirability of uniformity but shall also give appropriate weight to any special circumstances which may justify variations to meet local conditions.

"(i) Prepare, publish and distribute (with or without charge) such reports, bulletins, newsletters or other material as it deems appropriate.

"(j) Cooperate with the Atomic Energy Commission or any agency successor thereto, any other officer or agency of the United States, and any other governmental unit or agency or officer thereof, and with any private persons or agencies in any of the fields of its interests.

"(k) Act as licensee of the United States Government or any party state with respect to the conduct of any research activity requiring such license and operate such research facility or undertake any program pursuant thereto.

"(l) Ascertain from time to time such methods, practices, circumstances, and conditions as may bring about the prevention and control of nuclear incidents in the area comprising the party states, to coordinate the nuclear incident prevention and control plans and the work relating thereto of the appropriate agencies of the party states and to facilitate the rendering of aid by the party states to each other in coping with nuclear incidents. The Board may formulate and, in accordance with need from time to time, revise a regional plan or regional plans for coping with nuclear incidents within the territory of the party states as a whole or within any subregion or subregions of the geographic area covered by this compact.

"ARTICLE VI. SUPPLEMENTARY AGREEMENTS

"(a) To the extent that the Board has not undertaken an activity or project which would be within its power under the provisions of Article V of this compact, any two or more of the party states (acting by their duly constituted administrative officials) may enter into supplementary agreements for the undertaking and continuance of such an activity or project. Any such agreement shall specify its purpose or purposes; its duration and the procedure for termination thereof or withdrawal therefrom; the method of financing and allocating the costs of the activity or project; and such other matters as may be necessary or appropriate. No such supplementary agreement entered into pursuant to this article shall become effective prior to its submission to and approval by the Board. The Board shall give such approval unless it finds that the supplementary agreement or the activity or project contemplated thereby is inconsistent with the provisions of this compact or a program or activity conducted by or participated in by the Board.

"(b) Unless all of the party states participate in a supplementary agreement, any cost or costs thereof shall be borne separately by the states party thereto. However, the Board may administer or otherwise assist in the operation of any supplementary agreement.

"(c) No party to a supplementary agreement entered into pursuant to this article shall be relieved thereby of any obligation or duty assumed by said party state under or pursuant to this compact, except that timely and proper performance of such obligation or duty by means of the supplementary agreement may be offered as performance pursuant to the compact.

"ARTICLE VII. OTHER LAWS AND RELATIONS

"Nothing in this compact shall be construed to—

"(a) Permit or require any person or other entity to avoid or refuse compliance with any law, rule, regulation, order or ordinance of a party state or subdivision thereof now or hereafter made, enacted or in force.

"(b) Limit, diminish, or otherwise impair jurisdiction exercised by the Atomic Energy Commission, any agency successor thereto, or any other Federal department, agency or officer pursuant to and in conformity with any valid and operative act of Congress.

"(c) Alter the relations between and respective internal responsibilities of the government of a party state and its subdivisions.

"(d) Permit or authorize the Board to exercise any regulatory authority or to own or operate any nuclear reactor for the generation of electric energy; nor shall the Board own or operate any facility or installation for industrial or commercial purposes.

"ARTICLE VIII. ELIGIBLE PARTIES, ENTRY INTO FORCE AND WITHDRAWAL

"(a) Any or all of the states of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia shall be eligible to become party to this compact.

"(b) As to any eligible party state, this compact shall become effective when its legislature shall have enacted the same into law: provided that it shall not become initially effective until enacted into law by seven states.

"(c) Any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall become effective until the governor of the withdrawing state shall have sent formal notice in writing to the governor of each other party state informing said governors of the action of the legislature in repealing the compact and declaring an intention to withdraw.

"ARTICLE IX. SEVERABILITY AND CONSTRUCTION

"The provisions of this compact and of any supplementary agreement entered into hereunder shall be severable and if any phrase, clause, sentence or provision of this compact or such supplementary agreement is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact or such supplementary agreement and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact or any supplementary agreement entered into hereunder shall be held contrary to the constitution of any state participating therein, the compact or such supplementary agreement shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of this compact and of any supplementary agreement entered into pursuant hereto shall be liberally construed to effectuate the purposes thereof."

SEC. 3. Pursuant to article II(a) of the Southern Interstate Nuclear Compact, there shall be one representative of the Federal Government on the Southern Interstate Nuclear Board. The representative shall be appointed by the President and he shall report to the President either directly or through such agency or official as the President may specify. His compensation shall be in such amount not in excess of $100 per diem, as the President shall specify, but the total amount of compensation payable in any one calendar year shall not exceed $15,000: *Provided*, That if the representative be an employee of the United States, he shall serve without additional compensation. The compensation, travel expenses, office space, stenographic, and administrative services of the representative shall be paid from any available appropriations selected by the head of such agency or agencies as may be designated by the President to provide such expenses.

SEC. 4. The Atomic Energy Commission; the National Aeronautics and Space Administration; the Secretary of Health, Education, and Welfare; the Secretary of Commerce; the Secretary of Labor; the Secretary of

Agriculture; and the heads of other departments and agencies of the Federal Government are authorized, within available appropriations and pursuant to law, to cooperate with the Southern Interstate Nuclear Board.

Sec. 5. Copies of the annual reports made by the Southern Interstate Nuclear Board pursuant to article II(k) of the Southern Interstate Nuclear Compact shall be transmitted to the President and to the Joint Committee on Atomic Energy of the Congress.

Sec. 6. The consent to the Southern Nuclear Compact given by this Act shall extend to any and all supplementary agreements entered into pursuant to article VI of such Compact: *Provided,* That any such supplementary agreement is only for the exercise of one or more of the powers conferred upon the Southern Interstate Nuclear Board by article V of such compact.

Sec. 7. The right to alter, amend, or repeal this Act is expressly reserved.

Sec. 8. The right is hereby reserved to the Congress or any of its standing committees to require the disclosure and furnishing of such information or data by the Southern Interstate Nuclear Board as is deemed appropriate by the Congress or any such Committee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

U.S. MARSHALS' FEES

The Clerk called the bill (H.R. 10651) to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1921 of title 28, United States Code, is amended to read as follows:

"§ 1921. United States marshals' fees

"Only the following fees of United States marshals shall be collected and taxed as costs, except as otherwise provided:

"For serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, capias, or any other writ, order, or process in any case or proceeding, except as otherwise provided, $3;

"For serving a subpena or summons for a witness or appraiser, $2;

"Where service is requested to be made on a Saturday, Sunday, or holiday, the fees prescribed in the preceding two paragraphs shall be increased by 100 per centum;

"For forwarding any writ, order, or process to another judicial district for service, in addition to the prescribed fee, $1;

"For the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale, $3;

"For seizing or levying on property (including seizures in admiralty), disposing of the same by sale, setoff, or otherwise and receiving and paying over money, commissions of 3 per centum on the first $1,000 of the amounts collected and 1½ per centum on the excess of any sum over $1,000. If not disposed of by marshal's sale, the commission shall be in such amount as may be allowed by the court. In all cases in which the vessel or other property is sold by a public auctioneer, or by some party other than the marshal or his deputy, the commission herein authorized to be paid to the marshal shall be reduced by the amount paid to said auctioneer or other party;

"For the keeping of property attached (including boats, vessels, or other property attached or libeled) actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and $3 per hour for each deputy marshal required for special services, such as guarding, inventorying, moving, and so forth. The marshals shall collect, in advance, a deposit to cover the initial expenses for such services and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded;

"For copies of writs or other papers furnished at the request of any party, 30 cents per folio of one hundred words or fraction thereof;

"For all services in a criminal case except for the summoning of witnesses, a sum to be fixed by the court not exceeding $25 where conviction is for a misdemeanor and not exceeding $100 where conviction is for a felony;

"For necessary travel in serving or endeavoring to serve any process, writ, or order, 12 cents per mile, or fraction thereof, to be computed from the place where service is returnable to the place of service or endeavor; or, where two or more services or endeavors, or where an endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding thereto any additional mileage traveled in serving or endeavoring to serve in behalf of that party. When two or more writs of any kind, required to be served in behalf of the same party, on the same person, in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected;

"No mileage fees shall be collected for services or endeavors to serve in the District of Columbia;

"The marshal may require a deposit to cover all fees and expenses herein prescribed."

Sec. 2. Section 1112 of the Act of March 3, 1901, entitled "An Act to establish a code of law for the District of Columbia" (31 Stat. 1189, 1365; sec. 11-1510, D.C. Code, 1961 edition), as amended, is repealed.

Sec. 3. This Act shall become effective ninety days after enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of bills on the Consent Calendar.

NORTHWEST POWER

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, the attached editorial of May 26 from the San Bernardino Evening Telegram, of San Bernardino, Calif., very ably and clearly expresses my views regarding Senate bill 3153, and House bills 11264 and 11265.

It seems to me that policy which would be established by such legislation is not in the overall national interest, and certainly not in the best interest of my congressional district.

As the attached editorial so clearly states:

> Under such a national policy Colorado River power, now used extensively in California, could be withdrawn at the expiration of existing contracts and used exclusively in the area of the Colorado River.

It is my understanding that similar sentiments were expressed during the hearings on S. 3153 before the Senate Interior Subcommittee on May 21.

The San Bernardino Evening Telegram editorial follows:

> ### NORTHWEST POWER
>
> California has been planning on the use of surplus power from the Federal plants in the Northwest in connection with the Feather River State water plan. Pumping of the water south from the Sacramento River delta will require more power than project itself can develop.
>
> Under the existing law, California is entitled to preferential use from the Pacific Northwest.
>
> But now comes Senate bill 3153 to provide that the area of the Pacific Northwest, both public and private users, could recall power used in California and put it to the exclusive use of the Northwest.
>
> California is resisting the proposal. Hearings are underway this week before a Senate committee in Washington.
>
> Thus, there is to be decided a new and strange national policy: Even if the people of the entire country pay for the construction of the Federal powerplants (such as in the Pacific Northwest), the area could claim the exclusive use of the power when and if there was the full local need, regardless of earlier use elsewhere.
>
> Under such a national policy, Colorado River power, now used extensively in California, could be withdrawn at the expiration of existing contracts and used exclusively in the area of the Colorado River.
>
> The country has heard the continuous chant of the public-power interests that Federal power belongs to all the people. Now they are out to demonstrate it belongs only to a portion of the people.
>
> The Columbia River public-power project is losing about $13 million a year, even with the governmental subsidy of lower interest rates and tax exemption. The people of the Northwest publicly urge industry to leave California, because power is cheaper in the Northwest.
>
> Yet the people of California have been and will continue to be taxed to pay the subsidies and the losses of Columbia River power.
>
> Under the existing law California is entitled to purchase Columbia River power. That is fine with the Northwest, except it now seeks a change in the law that would permit withdrawal of the power used to pump water for the California water plan, if and when the Northwest gets around to using all of the power.
>
> Californians in Congress should call the strange line of reasoning to the attention of the entire Senate committee.

GENERAL EDUCATION BILL

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, for some months now, as chairman of the General Subcommittee on Education, I have been working very closely with the gentleman from New Jersey [Mr. Frelinghuysen], who is the minority leader of that subcommittee.

My goal has been to achieve a general education bill with bipartisan sponsorship. It has been my desire to keep the vital issue of education out of politics.

I was chagrined, therefore, when my attention was invited to a scurrilous attack on the integrity and honor of 800,000 schoolteachers, superintendents, and principals in the May 11 newsletter published by the Republican congressional committee. This attack charges the National Education Association with publishing "rigged" photographs in the April NEA Journal. The newsletter goes on to impugn the honor of the NEA.

Mr. Speaker, the NEA has spoken for itself in the pages of its May 25 NEA News. I include this article as a part of my remarks.

Mr. Speaker, the NEA is not just a pile of brick and mortar on 16th Street. It is about 800,000 men and women who are hired by thousands of local school boards. These 800,000 are men and women to whom we entrust our children during their formative years. It is extremely regrettable that the Republican congressional committee, in its zeal to make education a political football has seen fit to use such smear words as "rigged" and "suspicious" in reference to these people.

The article from the NEA News follows:

NEA Pictures Not "Rigged"

The Republican Congressional Committee issues a newsletter, widely disseminated among newspapers and radio and television stations, which on May 11, 1962, accused the National Education Association of "rigging" pictures published in the April 1962 issue of the NEA Journal to show deplorable conditions existing in some of the Nation's schools.

The pictures were not rigged, and two of the spokesmen quoted in the Republican Newsletter have, since its publication, repudiated the statements attributed to them there.

Uncritical newscasters and gullible editors of dope sheets have picked up the misrepresentations of the Republican Newsletter and spread them abroad. Teachers and especially members of NEA are entitled to the facts. We propose to give them to you here.

The Republican Newsletter says that "three of the worst appearing schoolbuildings, showing peeling paint, country stove heating plants, and a tumbledown shack serving as an industrial arts shop, were in Carter County, Tenn." It quotes John H. Neece, Carter County School Superintendent, as saying that these are to be replaced and adds that Neece is "suspicious of Federal aid programs."

Fact: The buildings are to be replaced. But they haven't yet been replaced and they were in use when the pictures were taken in January 1962, as they have been in use for many years. Neece used to teach school in these buildings and it was because of their dilapidated condition, he told NEA News, that he left teaching for several years. "There are some other schools that are just as bad elsewhere in the county," he told NEA Photographer Carl Purcell on May 22. And Neece said the he does favor Federal aid as advocated by NEA, with the money to be allocated by the States, in their discretion, for school construction or teacher salaries.

The Republican Newsletter quotes William Gershbein, principal of Brooklyn (N.Y.) P.S. 24, whose school was among those pictured as saying that a $20,000 renovation job has just been completed; that the school is to be painted; and that it is to be replaced. (Why paint it if you are going to replace it?)

Fact: Gershbein told NEA News on May 22 that he did not know whether the renovation had cost $20,000 or more than that, or less. He just didn't know. Asked what had actually been done, he said partitions had been knocked out to make four larger rooms out of six smaller ones. The school, which is 99 years old, had been "scheduled for replacement" for many years, Gershbein said, but its replacement has always been postponed when the annual budget is made up. Currently it is scheduled for replacement before 1965.

The Republican Newsletter refers to the picture of Sundland School, Phoenix, Ariz. (where double sessions are held), and implies that this picture was "rigged" because: "Sundland is located in the Roosevelt School District, one of Phoenix's poorest." It quotes the Governor's secretary as saying that there are plans for a new school and more classrooms.

Fact: Double sessions were being held there when the picture was taken in January 1962 and not even the newsletter alleges that the contemplated new construction will eliminate double sessions in this district, "one of Phoenix's poorest."

The Republican Newsletter quotes John M. Lumley, NEA director of Federal relations, as being satisfied that the NEA Journal "told only one side of the story," in the newsletter's own phrase.

Fact: A page of the eight-page picture supplement in the April NEA Journal was headed: "There are many excellent, well-equipped, capably staffed schools in every State, but there are not enough." Much of that page was given over to a photograph described as "well-equipped library made possible by Federal funds."

Aside from these specifics, misrepresented by the newsletter of the Republican congressional committee, NEA members should know that it was not the intention, in this picture feature, to hold up any particular community to ridicule or abuse—the purpose was to show all too frequent conditions as they exist in many States. As Superintendent Neece of Carter County said: "There are some other schools that are just as bad elsewhere."

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ATLANTA SUFFERS GREAT LOSS IN PARIS AIR TRAGEDY

Mr. JAMES C. DAVIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. JAMES C. DAVIS. Mr. Speaker, sometimes there are events so tragic, so numbing, they are beyond the power of words to describe.

Such a tragedy struck Georgia yesterday when a plane crashed on takeoff at a Paris airport, snuffing out the lives of 130 persons aboard.

Atlanta was hardest hit, and bears the brunt of this terrible disaster. One hundred and six of those losing their lives were from the metropolitan Atlanta area; three were from nearby Griffin, two from West Point, two from Elberton, and two from Marshallville. Six of those aboard the jet liner were from areas out of the State of Georgia.

The plane was an Air France jetliner, chartered to transport to Atlanta from Paris a group of people, most of them Atlantans, returning home from a European tour sponsored by the Atlanta Art Association.

The flight from Paris to America on yesterday was to have been a joyous homecoming for those who began the tour on May 9. The tragic, terrible occurrence has cast grief and sorrow throughout the community, our congressional district, our State, and the Nation.

Many of those aboard the plane were close personal friends of mine. Today I am sad and my heart is heavy.

Atlanta, and Georgia, as well as our Nation, all have suffered a tremendous loss. Those who made up the party going on this tour came from outstanding civic, business, and cultural leaders of our section. They will be greatly missed in all those capacities. The grief and sorrow of their loved ones and friends will be deeper because of the closer ties which bound them to us.

Mrs. Davis and I extend our deep and heartfelt sympathy to their families and loved ones in this time of bereavement.

The following is a list of the victims of the tragic disaster:

Those from Atlanta:

Mrs. C. A. Adair of 58 Montclair Drive NE.

Mr. and Mrs. Tom Chris Allen of 3633 Tuxedo Road NW.

Mrs. Henrietta C. Ayer of 536 West Paces Ferry Road NW.

Paul Barnett, 3456 Piedmont Avenue NE.

Mrs. Ralph J. Barry of 2914 Arden Road NW.

Mrs. E. W. Bartholomai of 3148 Lenox Road NE.

Mrs. W. P. Bealer of 286 Colonial Homes Drive.

Mr. and Mrs. George Beattie of 3047 East Pine Valley Road NW.

Mrs. Frances Beers of 2637 Peachtree Road NE.

Mrs. Marion T. Benson of 3301 Habersham Road NW.

Mr. and Mrs. Randolph Berry of 376 Manor Ridge Drive NW.

Mrs. E. Milton Bevington of 594 Valley Green Drive NE.

Mr. and Mrs. Roy Bixler, 1137 Mason Woods Drive.

Mrs. David C. Black, 3567 Paces Valley Road NW.

Katherine Bleckley of 717 Piedmont Avenue NE.

Dr. and Mrs. Harry Boon of 167 Boling Road NE.

Mr. and Mrs. Morris Brandon, Jr., of 671 West Paces Ferry Road NW.

Mrs. Fred Brine and Dorothy Brine of 164 Peachtree Way NE.

Mr. and Mrs. Fred W. Bull, Ellen Bull and Betsy Bull of 495 Westover Drive NW.

Mrs. Mary Bull of Ponce de Leon Apartments.

Mrs. Ezekiel S. Candler of 3796 Club Drive NE.

Mr. and Mrs. William A. Cartledge of 4 Maddox Drive NE.

W. D. Cogland of 874 Vera Street SE.

Mr. and Mrs. Reuben Crimm of 637 Old Ivy Road NE.

Mrs. L. W. Dilts of 505 Timber Valley Road NE.

Paul Doassans, Air France representative in Atlanta, 31 Lakeview Avenue NE.

Mr. and Mrs. Saul Gerson of 1240 Carol Lane NW.

Mr. and Mrs. E. B. Glenn of 15 Vernon Road NW.

Mrs. J. M. Henson of 12 Chatham Road NW.

Mr. and Mrs. Redfern Hollins of 1208 Moores Mill Road NW.

Mrs. Ewing Humphries of 3167 Downwood Circle.

Mr. and Mrs. C. Baxter Jones, Jr., of 3475 Tuxedo Road NW.

Mr. and Mrs. Arnold Kaye of 801 Douglas Road NE.

Mr. and Mrs. Thomas H. Lanier of 2575 Howell Mill Road NW.

Mr. and Mrs. Thomas G. Little of 1215 East Beechwood Drive NW.

Mrs. Hinton Longino of 2983 Habersham Road NW.

Louise Loomis of 239 15th Street NE.

Dr. and Mrs. Allen P. McDonald of 1938 Peachtree Road NW.

Dr. and Mrs. Christopher J. McLoughlin of 417 Hillside Drive NW.

Ruth McMillan of 85 Beverly Road NE.

Mrs. William Merritt of 184 Peachtree Battle Avenue NW.

Mrs. Lawton Miller of a Peachtree Memorial Drive address.

Mrs. Roy Minier of 35 Walker Terrace NE.

Mrs. Robert Emmett Mitchell of 2025 Peachtree Street.

Ruth Morris of 710 Peachtree Street.

Miss Anna Mulcahy of 2795 Peachtree Road NE.

Mr. and Mrs. David J. Murphy of 87 East Wesley Road NE.

Robert S. Newcomb of Ponce de Leon Apartments.

Margaret Nutting of 825 Piedmont Avenue NE.

Mr. and Mrs. Del R. Paige of 2952 Howell Mill Road NW.

Mrs. Harvey Payne, 228 Camden Road NE.

Mr. and Mrs. Robert Pegram of 3180 Arden Road NW.

Mrs. P. H. Perkins, Jr., of 5450 Peachtree-Dunwoody Road NW.

Homer S. Prater, Jr., of 3687 Peachtree Road NE.

Mrs. Marion Pruitt of 3183 Argonne Drive NW.

Mrs. Clifford N. Ragsdale of 2814 Peachtree Road NW.

Mrs. William Richardson of 38 Peachtree Circle NE.

Mr. and Mrs. Roby Robinson of Biltmore Apartments NE.

Mr. and Mrs. W. J. Rooke of 3584 Tuxedo Road NW.

Mrs. Helen Seydel of 15 Lakeland Drive NE.

Mr. and Mrs. Charles A. Shaw of 61 Castle Falls Drive NE.

Mrs. R. K. Stow of 422 Emory Drive.

Mrs. M. D. Therrel of 2000 West Paces Ferry Road NW.

Mrs. T. L. Tidmore of 86 Sheridan Drive NE.

Mrs. Paul Turner (Margaret Turner) of 60 Montgomery Ferry Drive NE.

Mrs. Frank Virgin of 1 Vernon Road NW.

Mr. and Mrs. Sidney Wien and Joan Wien of 3700 North Stratford Road NE.

Mrs. Rosalind Williams of 3945 Club Drive NE.

Mrs. Lysle Williamson of 42 25th Street NW.

Mrs. Walter Wilson, 3349 Piedmont Road NE.

Vasser Woolley of 1071 Techwood Drive NW.

Mr. and Mrs. Sykes Young of 3496 Knollwood NW.

Those not from Atlanta:

Mrs. Theodosia L. Barnett of 2113 Southview Avenue, Tampa, Fla.

Mrs. Leslie Blair of 509 Whitlock Avenue, Marietta, Ga.

Miss Dolly Brooks of Marian Apartments, Griffin, Ga.

Mr. and Mrs. Morgan Cantey of West Point, Ga.

Mrs. James R. Cowan of 904 Church Street, Marietta, Ga.

Mr. and Mrs. Forrest Cumming of 204 West Poplar Street, Griffin, Ga.

Douglas Davis of Hapeville and Paris.

Mrs. William I. Hill of Montgomery, Ala.

Mrs. Mary Ansley Howland of 212 South Candler Street, Decatur, Ga.

Miss Marghretta B. Luty of 601 Tasker Street, Ridley Park, Pa.

Mrs. Frank McPherson of Montgomery, Ala.

Mr. and Mrs. Louis Patz of Elberton, Ga.

Mrs. L. O. Rickey of 541 Virginia Drive, Winter Park, Fla.

Mrs. William King Self of 701 Peyton Circle, Marks, Miss.

Mrs. Fred Sorrow of Duluth, Ga.

Mr. and Mrs. Robert Turner of Marshallville, Ga.

HODGES HEDGES

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, on May 23, 1962, a near miracle occurred here on Capitol Hill.

On that day the Federal bureaucracy momentarily lost control of one of its supposed bosses.

The temporary—very temporary, I might add—escapee from the well-insulated isolation of a Cabinet member's private office was the Honorable Luther H. Hodges, Secretary of Commerce.

Before I go any further, let me make it abundantly clear that I am not being critical of Secretary Hodges.

I have admiration for what he did—and also a measure of sympathy for the unhappy consequences he obviously has incurred.

But I have no criticism of him.

Not even for his subsequent public recanting or for his hasty retreat back to the protective custody of his bureaucratic keepers.

But I must come to the point.

Secretary Hodges' horrendous offense was that he blurted out the obviously uncensored opinion that there are both too many employees, and also a considerable number of obsolete functions, in the Federal bureaucracy.

This heresy occurred before the House Committee on Post Office and Civil Service, where Secretary Hodges had been sent to plug for the administration's billion-dollar pay raise for Federal employees.

I am sure that it is evident by now to Secretary Hodges that this is a case in which truth is the poorest possible defense.

At the conclusion of my remarks today I will include a documentation of this matter—including Secretary Hodges' testimony and the surface indications of the heavy rumblings of bureaucratic consternation and disapproval triggered by Secretary Hodges' amazing indiscretion.

I say "surface indications" because no mere Member of Congress could possibly hope to be privy to all of the violent reverberations and repercussions within the bureaucracy to such a gross betrayal as Secretary Hodges committed.

I should mention, however, that the Cabinet member's lapse was gravely compounded by his veiled hint, in this testimony, that civil service regulations and procedures might somehow hamper any pruning operations in the bureaucratic jungle.

This has brought forth a swift and stern rebuke—in the form of a letter to the Secretary of Commerce from the Chairman of the Civil Service Commission, Hon. John W. Macy, Jr.

And even a generous offer of the good offices of the Civil Service Commission, if Secretary Hodges really means business.

Come to think of it, Chairman Macy does have a point—if he really means business.

Secretary Hodges was not too specific as to what functions are obsolete, although he hinted that some of them are all of 40 years old.

And he was not too specific as to what jobs might be eliminated.

The bureaucracy ought to be grateful to Secretary Hodges for that much. There is nothing it detests—or resists—quite as vehemently as specifics.

Judging from Mr. Macy's letter—which I am also inserting following my remarks—he is inviting Secretary Hodges either to put up or to shut up.

And if Mr. Macy really means this, perhaps the bureaucracy ought to shift its anger in his direction.

In any case, Chairman Macy is second in line among the small number of volunteers offering their assistance to Secretary Hodges and his embryonic crusade.

The able, distinguished, and conscientious chairman of the Manpower Utilization Subcommittee, the gentleman from Georgia [Mr. DAVIS], took Secretary Hodges up on his proposition—almost before the Secretary had finished voicing his radical and iconoclastic views.

As a member of this genuinely bipartisan subcommittee, I have great curiosity—and well-disciplined optimism—as to what will ensue.

I understand that the subcommittee's very capable staff is currently in consultation with the personnel people in Secretary Hodges' Department of Commerce.

Presumably at some later date our subcommittee will hear witnesses from that Department.

I doubt if we will get any specifics on job reductions or functions eliminations.

And I am reasonably sure that Secretary Hodges will not be one of the witnesses.

By that time the bureacracy will have the whole matter, including the Secretary of Commerce, back on the track.

Well, it was a good try, Mr. Secretary.

And I suggest that you console yourself with the thought that your own boss has not done very much better.

As the Democratic nominee for President in 1960, Senator Kennedy charged that the administration then in power had expanded the Federal payroll to an alltime high.

And a few days before the 1960 election he said, at an airport rally in Roanoke, Va.:

> They have added 106,000 new Federal employees. I think it is about time the American people knew.

Well, as a member of the Manpower Utilization Subcommittee who opposed this bureaucratic buildup under the Republican administration, I think it is about time the American people knew that during the first year of the Kennedy administration 76,900 more employees were added to the Federal payrolls.

And I think it is also about time the American people knew that under present plans this figure will be further swelled by some 100,000 additional Federal employees by July 1 of next year.

Despite the passing, momentary indiscretions of short-time fugitive Hodges, the bureaucracy is not doing too badly.

And, incidentally, the hard-pressed American taxpayer and the still deficit-financed Federal budget, are not doing too well.

The testimony of Secretary Hodges, which precipitated all of the bureaucratic furor, followed some characteristically pertinent comments on steadily increasing governmental and payroll costs by our able colleague, the gentleman from Iowa [Mr. Gross].

Here is the record of that testimony:

> Mr. Gross. How in the world are we ever going to return to fiscal sanity in this country under the circumstances that exist if we continue to do these things? You sit in a key spot in the Government and I would like to know what you think about it.
>
> Secretary Hodges. Mr. Gross, I made a recommendation to a Senate committee last year when they raised the question with me: "I thought you were in favor of saving money?" And I say I am, from my background, in favor of saving money, but I will say parenthetically I am in favor of good men, whatever it takes to get them. I said to the Senate committee: "If you will give the Department of Commerce the leeway of taking 10 percent of its total budget and doing away with those jobs that ought not to be there, we will save some money there if the civil service rules are such you do not find it too difficult to do that." If the Congress can do that I think we can save money.

Thereupon I asked Secretary Hodges:

> Do you have any specific recommendations as to how the Congress could implement that very excellent suggestion?

The testimony continues:

> Secretary Hodges. We requested of this particular committee, and we renew our request at this moment, that we think one of the soundest things that could happen is if you fixed it so that a department would be encouraged to cut out things that may have been started 40 years ago that we do not need any more but nobody does anything because everybody thinks a budget is a good budget if you do not ask for an increase.
>
> Mr. Davis. Will the gentleman yield?
>
> The Manpower Utilization Subcommittee of this committee has for some 8 or 9 years been trying to put into effect the very principle you mention. That is, we have taken the position that approximately 10 percent of Federal personnel can be eliminated if a real effort were made to do it, and we have been working very earnestly toward that objective for many years. I am glad you brought that up, and could I ask this direct question: Could our staff take up with any particular person in your organization this specific question and together attempt to work it out?
>
> Secretary Hodges. We would be very happy to, Mr. Davis.
>
> Mr. Davis. Would you designate somebody, either now or in the next few days, with whom our staff could consult looking toward that objective?
>
> Secretary Hodges. I would be glad to.
>
> Mr. Davis. Thank you.

In view of Secretary Hodges' references, in the foregoing testimony, to statements made previously before a committee of the other body, I think it is in order to include this relevant information. Testifying before the Senate Appropriations Subcommittee on the Commerce Department appropriation, May 15, 1961, Mr. Hodges made two statements bearing on matters of personnel administration.

In one he said:

> There is proposed a new provision to grant discretionary authority to me to transfer limited amounts between appropriations made for payment of salaries and expenses in order to provide me with a degree of flexibility in carrying out the many programs of the Department, if it becomes apparent to me that improvements can be made by such a shift of funds.

He also testified:

> Now we are asking, Mr. Chairman, something which will be a little bit radical from the standpoint of your budgeting. We should like to have 10 percent of our budget flexible, so that we can save money somewhere and put it somewhere else. I will admit, before you asked, that that is a dangerous procedure in certain cases, and I suppose you would have to do it on a broad basis, but I am sure we can save money if we can do that. Whether you allow it or not, we will strive to save money anyhow, and I propose, as soon as we can get our breath, maybe in the last half of the year, to ask our various bureaus to see if they cannot show us how they can do their job with less people, and still keep the basic programs going.

I do not profess to know exactly what Secretary Hodges had in mind in his testimony last year before the Senate Appropriations Subcommittee—or this year before the House Committee on Post Office and Civil Service.

However, Secretary Hodges' testimony before the House Committee on Post Office and Civil Service evoked this approving editorial comment the following day—May 24—in the Washington News:

Deadwood in Washington

> Coming as it does from a top official in the Government, this is stunning news, and we hope it is much more than a passing remark:
>
> Commerce Secretary Hodges, testifying before the House Post Office and Civil Service Committee, said the taxpayers could save all sorts of money if the Government would get rid of the deadwood on its payroll.
>
> Mr. Hodges said about 10 percent of the employees in his Department alone were doing jobs started 40 years ago and now just aren't needed.
>
> At a recent count, there were nearly 2½ million civilian employees in the executive departments alone. The annual payroll runs well beyond $14 billion a year. Even a 10-percent cut would amount to a worthwhile windfall to the taxpayers.
>
> The Commerce Secretary implied some of the fault lay with the civil service system. This sounds a little strange, but if the civil service system is working to keep unneeded employees and to perpetuate useless bureaus and agencies, it can stand an overhaul.
>
> Mr. Hodges agreed to put his personnel experts to work with the House committee staff on this situation—and if he can help bring about a reversal of the old Washington practice of never stopping anything once it was started maybe the Government at long last can get off its perennial deficit kick.

And it also provoked this sharply disapproving letter to the John Cramer "9 to 4:30" column of the Washington News of May 26:

Knocks Deadwood

(By John Cramer)

> We get letters:
>
> "Dear Mr. Cramer: If I may, I'd like to give you the views of at least one person in Commerce (me) on Secretary Hodges' statement about 10-percent deadwood in this Department.
>
> "It isn't bad enough that Secretary Hodges brought in so many of his own personnel—personal and political friends, but he also allowed them to bring in their pet poodles. As to his personnel experts to work with the House committee staff—brother, that's all we need—another survey. He already has surveyors who are surveying the surveyors. What would this group be called? In fact, there are so many surveys going on that in order to do your work we are forced to take some of it home with us.
>
> "Many of us here in Commerce have had a loyalty to the Department that is rarely seen in any working group. We have been (past tense) proud to work here. We've had pride in our accomplishments, integrity, and ability to do a good job. Heretofore we've been encouraged by our boss—not condemned. We're still working hard but, believe me, it's quite a blow to have our own Secretary publicly state that we're overloaded with deadwood.
>
> "I think Mr. Hodges would do well to wise up to the fact that talent is being wasted simply because he wants to revamp the Department. Many Commerce people are being ignored, bypassed, and in general considered to be deadwood by this so-called New Frontier who thinks that experience and intelligence don't count unless they brought it in. He doesn't believe that experience is the best teacher—but he'll learn—and by experience.
>
> "While I'm on the subject of Mr. Hodges, he should also investigate the morale in his Department. In all my years in Commerce I've never seen or heard of such hate and depression. If we could all quit—most of us would. Then we'd see—maybe there wouldn't be much of his so-called deadwood, but I'd sure feel sorry for the deadheads left.
>
> "In fact, we are all beginning to hate Commerce, dread coming to work, but most of all, we detest a Secretary who doesn't bother to stick up for his own Department.
>
> "A Former Democrat."

Meanwhile another Washington columnist—Jerry Kluttz of the Washington Post—gave this report, on May 24, of Secretary Hodges' testimony:

> Commerce Secretary Luther H. Hodges believes that part of the cost of the President's pay plan could be offset by better management in Federal agencies.
>
> He told the House Civil Service Committee that some Federal activities, 40 or more years old, are obsolete, and should be either curtailed or abolished. He suggested the relating of Federal pay to more efficient operations.
>
> Representative Davis, Democrat of Georgia, immediately took note of the proposal and

asked Hodges to designate a Commerce official to work with his Manpower Utilization Subcommittee on the project. Hodges agreed.

Also the U.S. News & World Report, in its June 4 issue, carried this report on the same matter:

HODGES' ADVICE: CUT DOWN FEDERAL JOBS

WASHINGTON.—By firing unneeded Federal workers, the Government could save all kinds of money, said Secretary of Commerce Luther H. Hodges.

The Cabinet member told Congress 10 percent of the people in his own department held jobs started 40 years ago which just aren't needed now.

Mr. Hodges, who testified in support of the proposed 3-year, $1 billion pay boost for Federal workers, promised to help work out a formal proposal for paring the Government payroll.

Thereafter the process of recanting began. The June 1 column, "The Federal Spotlight," by Joseph Young, of the Washington Star, included this item:

EASES FEARS

Commerce Secretary Hodges has acted to ease the fears of Commerce Department employees that he will fire 10 percent of the personnel.

In pay raise testimony before the House Civil Service Committee recently, Mr. Hodges, in answer to a question, made a statement which was interpreted to mean that 10 percent of the Department's employees were expendable and that the Department should be given the budget flexibility by Congress to get rid of them.

However, Mr. Hodges has now issued a statement declaring that no one in Commerce need fear losing his job if he is performing satisfactorily on work that Congress and the administration consider ought to be continued.

The following day—June 2—Jerry Kluttz, in the Washington Post's "Federal Diary," offered this comment:

Commerce Secretary Luther H. Hodges has reassured his employees that none need fear losing his job if he is doing satisfactory work on a program both Congress and the administration wants continued.

His statement should clear up a general misinterpretation of his testimony before the House Civil Service Committee. At that time he merely suggested that part of the cost of the President's pay reform plan could be offset by more efficient operations. He further amplified his remarks as follows:

"I didn't refer to any specific dollars or number of employees, nor did I refer to firing anyone, nor did I have any bureau in mind.

"I've found that some positions and functions are continued when in many cases they might have been eliminated or people reassigned to new functions if the budget structure allowed it."

Hodges would like Congress to give him authority to try out his plan by permitting him to transfer up to 10 percent of the budget of any bureau to another agency.

Finally, I include for the RECORD the letter of the Honorable John W. Macy, Jr., Chairman of the Civil Service Commission, to Secretary Hodges, relative to his testimony:

Hon. LUTHER H. HODGES,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: I have read news accounts of your testimony to the House Post Office and Civil Service Committee relative to your desire to cut our functions and eliminate unnecessary jobs in the Department of Commerce.

May I assure you that there is nothing in the civil service laws and rules which require that any department keep on its rolls employees who are not needed, or that it continue functions that are no longer necessary. What is required by the relevant laws is that employee layoffs or discharges be accomplished in an orderly and equitable fashion. The rules for layoffs in the Federal service are very similar to what good conscience and community opinion would require of any private corporation.

To help you with personnel problems attendant on your reaching the level of employment which you decide is the proper level in your department, I am glad to volunteer the services of the Civil Service Commission staff. While I recognize that the decision as to which functions and jobs to cut is entirely yours as the responsible management official, the Commission stands ready to give you direct assistance, if needed, in making sure that layoffs are carried out in accordance with relative standing of employees. We would also like to assist laid-off employees in obtaining other jobs.

As a point of contact for this offer of assistance I have designated the Commission's executive director, Warren B. Irons, who will be prepared to meet with your administrative and personnel people at their earliest convenience. I am sending a copy of this communication to Representative JAMES C. DAVIS because of the interest he also expressed in helping you work out this problem. Please be assured of our desire to render all assistance possible.

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

ALEXANDRIA DAILY TOWN TALK MISLEADS PUBLIC ABOUT FARM BILL — FARMERS, CONSUMERS, AND TAXPAYERS ARE HOODWINKED BY PROPAGANDA CURTAIN

Mr. McSWEEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McSWEEN. Mr. Speaker, it is with sincere regret that I note a growing tendency on the part of some persons to evaluate legislative proposals on the basis of their connection with the Kennedy administration rather than on their own merits and whether they would serve the Nation's best interests. An example is the farm bill. In recent weeks it has been denounced not only by paid lobbyists but by persons who are unfamiliar with its contents and purposes and with the changes and improvements made in the bill by the House Agriculture Committee and by the Senate, which passed the bill May 25.

Many of these persons have also forgotten that we now have in storage surplus stocks of farm commodities that have cost the Treasury over $7.5 billion. Over the last 10 years the annual net expenditures for price supports—the cost of adding to the surplus—has fluctuated between $1 billion and $3 billion. Further, annual storage costs alone exceed the fantastic sum of $1 billion. Most of this surplus is in wheat—$2.5 billion—and feed grains—$3 billion—and it accumulated principally in the last 8 years prior to 1961 due to unworkable legislation.

These surpluses hang menacingly over the market. They threaten a collapse of farm income and a depression of market prices for grain, cattle, hogs, and land values. Communities and towns that are based on an agricultural economy are imperiled.

MIDWEST FIGHTS FOR STATUS QUO

If Congress does not correct this problem now this foolhardy and costly surplus accumulation will continue. Chaos will be the inevitable result. Yet strong vested interests in the Midwest are fighting with all their wealth and strength to preserve the farm glut status quo.

They have enlisted the support of farm organizations, newspapers, magazines, and politicians to help them perpetuate this storage and price-support bonanza. And many persons, good faith opponents of the Kennedy administration, are unwittingly and innocently playing into the hands of the midwestern vested grain interests by condemning the farm proposal.

Contrary to the propaganda H.R. 11222 as amended will not affect any commodity not already subject to a farm program. It will, however, save millions of dollars and reduce the surplus and overproduction. It will not hurt farmers, but it will hurt the grain storage interests. It will help consumers and taxpayers.

LOUISIANA INTERESTS PROTECTED

I voted in committee to report this bill to the House floor for consideration, reserving the right to oppose it on the floor unless it is satisfactorily amended. While it was under committee consideration I helped remove from the bill certain undesirable provisions, provisions such as mandatory milk quotas for dairy farmers, authority of the Secretary of Agriculture to condemn and purchase land for recreation, and the transfer of surplus commodities to the United Nations for distribution. As late as last week the Farm Bureau was still circulating literature in Louisiana implying that these provisions were still in the bill. Before the bill cleared the committee I made sure that there would be no new milk legislation this year and that other commodities important to Louisiana would be dealt with satisfactorily. In addition to the Grant amendment exempting deficit feed grain areas from the effect of the bill my amendment for the release and reapportionment of feed grain acres, a provision also in the cotton law that has strong support among Louisiana cotton farmers, was adopted by a vote of 23 to 11.

Some persons who had previously applauded my diligence in helping to perfect this bill in committee have subsequently assailed my committee position to report it. Others, avowed opponents of the Kennedy administration, have viewed my action as a dread Kennedy victory rather than as an integral part of a good faith effort to obtain constructive legislation to deal with the scandalous cost of overproduction and the storage of the farm surplus. Others, with no prior knowledge of this matter, have simply read in the Alexandria Daily

Town Talk that I have "violated principle."

On April 24 I told a meeting of 150 farmers in Alexandria, La., that we could not perfect the bill in committee and that therefore there probably would be a floor fight. I further said that the committee was at an impasse, because of the failure of the divided committee to focus and agree upon a workable alternative solution and that I would not obstruct the bill in committee. My unequivocal statement was accurately reported the following day in the Town Talk, although this newspaper has subsequently neglected to point out this significant information in articles referring to my committee vote.

In a distorted article, Time, on May 18, implied by innuendo that my committee position was influenced either by a flight on which the Louisiana congressional delegation accompanied the President to New Orleans on May 4 or by a conference that I had with the President the following week. Yet my position had been made a matter of public record for over 10 days at the time of the alleged Presidential influence. The New Orleans trip had been scheduled for over 2 months.

No issue was made of my position expressed in the April 24 Alexandria public meeting either by farmers or by paid Farm Bureau officials at the meeting. No issue was made by my hometown press until the national press made it an issue of partisan party politics. And no issue was subsequently made by paid Farm Bureau officials in Louisiana until a rift occurred in the internal politics of the Louisiana Farm Bureau Federation and until pressure was applied from Chicago by the American Farm Bureau Federation to try to get me to block the bill in committee.

Had I tried to obstruct this bill in committee I would have been arbitrary and negative, particularly in view of what was accomplished before the bill cleared the committee as I have previously cited. For all practical purposes we killed the original bill in committee and developed our own farm proposal after months of conscientious hard work.

Some concern about this bill is based on the misconception that in the absence of this proposal the Federal Government would not be deeply involved in agriculture. Another misconception is that this bill would completely regiment farmers. There are also misconceptions about the commodities affected. H.R. 11222 does not deal with cotton, rice, peanuts, sugar, and tobacco, which are already under production control. It does not deal with cattle and other meat animals, which are not under control. It deals with wheat, which is already under control, feed grains, which are now subject to price supports but no production controls, and with milk, which is now price supported but not controlled. As I have previously mentioned there will be no milk legislation, and this dairy section will be deleted on the floor.

FARM BILL OPPONENTS WANT PRICE SUPPORTS

Another misconception is that the legislative and lobby opponents of this bill advocate getting the Government out of agriculture. The fact is that opponents of this proposal want the Federal Government to continue to support the price of feed grains, but they resist regulation or production. They advocate what is called an open-end farm program calling for price supports and unlimited production, under which most of the costly surpluses of wheat and feed grains have been accumulated.

The average citizen, including farmers, sees no justification for Government involvement in agriculture, irrespective of the cost. This is my personal predilection about the role of the Federal Government, whether we are talking about agriculture, transportation, or education, which is consistently demonstrated by my voting record in the House of Representatives. To many persons the arguments among farmers and among farm organizations are merely intramural disputes over similar subsidy schemes. These views gain force when some farm plans do not operate as intended, whether because of poor legislation, poor administration, or the use of too much fertilizer.

The success of some farm programs, such as in the case of sugar and tobacco, in terms of controlling production in line with consumption, maintaining farm income, providing a stable supply at a fair price for consumers, and causing no expense to the Treasury, gives encouragement to some farmers and others interested in agriculture to seek Government assistance programs to help deal with the problems of marketing an oversupply of a commodity such as wheat in a sensitive market in which prices can tumble overnight below the farmer's cost of production.

There is almost unanimous hope among farmers and nonfarmers alike that a transition period is in sight that will lead American agriculture back to the free market system and minimum Government intervention and cost. H.R. 11222 is a step in this direction, because it will definitely reduce surplus stocks and prevent further surplus accumulation of wheat and feed grains.

SECOND TOWN TALK EDITORIAL

My hometown newspaper, the Alexandria Daily Town Talk, on May 12, 1962, took issue with my committee position on the farm bill in the following editorial:

McSween's One Big Vote

Representative Harold B. McSween, who has been resisting pressure and voting with the conservatives ever since he went to Washington, cast the biggest vote of his congressional career this week—the wrong way.

It was Mr. McSween's vote which cleared the administration's farm bill in the House Agriculture Committee on Thursday. The vote was 18 to 17, and that 1 vote means the objectionable bill will be debated on the floor of the House, where support is considerable.

Mr. McSween had said he would vote for the bill in committee, reserving the right to vote against it in the House unless it was amended to remove objectionable provisions.

But Mr. McSween must have known that committee action was the key. One vote will not decide the issue on the floor, no matter which way the decision goes.

Secretary of Agriculture Freeman was on solid ground when he said the bill had cleared its first "and perhaps most difficult" hurdle by winning committee approval.

And Representative Harold D. Cooley, Democrat, of North Carolina, chairman of the committee, also was speaking from facts when he predicted the House would pass the bill "substantially in its present form."

Also right was Representative Charles B. Hoeven, Republican, of Iowa, who said the bill would "almost make it necessary for a farmer to procure a Federal license to operate his farm."

The bill, characteristic of the New Frontier, is loaded down with objectionable features. It extends Federal control over the few phases of agriculture which had escaped the bureaucratic tentacles. It removes the last vestiges of individual choice from agriculture. It will make worse an already intolerable situation.

Mr. McSween may feel that in dollars and cents passage of the farm bill means virtually nothing one way or another to the Eighth District. And he may have secured concessions on other matters that do mean something to his district.

But from a standpoint of principle, he should be filled with remorse.

FIRST TOWN TALK EDITORIAL

This definite indictment of the bill under consideration, because it has kinship with the "New Frontier," appeared about 3 months after a previous editorial of February 2, 1962, in the same newspaper as follows:

The New Farm Proposals

Congressional reaction to President Kennedy's 1962 farm program, submitted on Wednesday, has been just about as expected. But congressional reaction is important only in that it is a gauge to the program's reception in Congress.

What is important is the reaction of the farmers themselves, and this is certain to be violent in some quarters.

From an impartial vantage point, Mr. Kennedy's proposals must be considered as good and bad, both to extremes.

It is certainly undesirable to dump surpluses on the market at will, as he proposes to do, because of the depressing effects on the prices farmers would receive for their crops.

But the proposal which is expected to draw the sharpest fire from the bulk of the Nation's farmers is that which would cut off all Government subsidies to farmers who refuse to go along with Government acreage allotments and marketing quotas.

For the good of the whole country, however, we must try such a program sooner or later. It doesn't make sense to continue pouring billions of tax dollars into price supports, soil-bank payments, et cetera, if these practices do not help to cut the surpluses which cost the taxpayers other billions.

Most farmers, bless them, still want to return to the law of supply and demand; they are willing to suffer the lean years that would mark the beginning of such an elemental system.

But until their wisdom is matched in Washington, we must expect the Nation as a whole will have to continue to subsidize agriculture. Hence, it is expedient to tie such subsidization to programs which will gradually alleviate the tax burden and aim at a return to uncontrolled production.

Because of their efficiency and the gains in technology, American farmers continue to produce more each year in spite of the best efforts of Government to reduce production. It is obvious to the most naive among us, then, that continuation of past programs of acreage controls and marketing quotas and price supports will do nothing to solve the "farm problem."

Mr. Kennedy's 1962 proposals may also fall short of their objectives, but the question

> that must be resolved is whether they should not be tried in view of the failure of programs now in operation.

SENATOR BYRD SUPPORTED FEED GRAIN PROVISION

Mr. Speaker, I think that most persons will agree with me that there are sharp inconsistencies in these two editorials that leave a reader confused as to the farm policy of this newspaper, which serves an important farm area. Let us consider the claims made in the latest editorial in the Town Talk. First, there is the implication that my committee position is not conservative. I always believe that I am on sound ground whenever I try to reduce Federal spending. I believe that it is conservative and desirable to try to stop the costly accumulation of farm surpluses and to reduce the stocks on hand, thereby recovering a portion of the cost of these commodities. I regret to see anyone defend the continuation of costly surplus accumulation in the name of conservatism. I noticed with interest that Senator HARRY F. BYRD, of Virginia, an acknowledged conservative, voted in the Senate on May 24 for the Ellender amendment which put the feed grain section that is contained in the House bill back in the Senate bill on the floor of the Senate.

The Town Talk also claims that this bill "extends Federal control over the few phases of agriculture which had escaped the bureaucratic tentacles" and that "it removes the last vestiges of individual choice from agriculture." These claims are incorrect. As I shall point out in detail no new Federal control of any kind can result from this bill except by approval of two-thirds of the farmers concerned, and this applies only to feed grains. Otherwise there is no extension of any control to any phase of agriculture.

MORNING ADVOCATE EDITORIAL

By contrast here is a less emotional and more factual editorial from the May 31 issue of the Baton Rouge Morning Advocate:

The New Farm Bill

> If the debate over the administration farm bill begins to sound a little like the same old record, that's because it is the same old record. Many of the more important changes first sought by the administration, whether good changes or bad, have been knocked out of the bill or abandoned by the administration in an effort to get some kind of legislation through Congress. The bill as it now stands continues the farm program in pretty much reducing surpluses of wheat, corn, and other feed grains, and relatively high price supports.
>
> Opponents of the Federal farm programs fight it tooth and nail, as the saying goes. When farmers are called on to vote on the choice of strict controls and high price supports, as opposed to greatly relaxed controls and much lower price supports, or none, they will vote for the first, as in the past. Certainly, many would like to find some way out of the present situation of surpluses, acreage controls and price supports, but the way has not yet been found.
>
> Halfway measure of easing controls and simultaneously lowering price supports have failed, partly because of political pressure to set supports at too high a level. The result has been something close to the economic impossibility of price supports on unlimited production. The "cold turkey" remedy of throwing out supports and controls and letting supply and demand have its way is always open, but so drastic a remedy is feared by almost everyone concerned.
>
> The most significant features of the new farm bill is the application to wheat, corn, and other feed grains of more strict controls similar to those that have been in effect on cotton, tobacco, and peanuts. The control and support programs applied to the last three crops have not worked perfectly and have been rather expensive. But it is true that the cotton surplus, especially, has been reduced through these and other measures, while the halfway control plans applied to feed grains were encouraging production of colossal surpluses.
>
> These immense surpluses of feed grains are responsible for development of the fantastic grain storage business in which Billie Sol Estes dabbled with such great though temporary success.
>
> Meanwhile, the rapid growth of hunger in China and the reduction of surplus of food stores in other parts of the world, outside the United States, remind us that under some circumstances our own food stocks could become one of our greatest assets. The value of the world's last great stock of surplus grain could not be estimated in dollars.

Farmers in my district and I have kept in close touch on this bill, just as we do on all legislation affecting persons who live in rural areas. The dairy farmers told me that they were opposed to marketing allotments for milk, and we took this control feature out of the dairy section of the bill in committee. The entire dairy section will be removed by floor action as I have previously mentioned.

PROVISIONS OF FEED GRAIN SECTION

The remaining concern of farmers in my district has been over the feed grain section, under the provisions of which marketing quotas for feed grains could be approved by a vote of two-thirds of the eligible feed grain farmers in a referendum. The terms of the referendum are subject to some justifiable criticism. Feed grain farmers would have two choices: either a program providing for acreage allotments coupled with price supports; or no program—no controls and no price supports. This would be a fair choice for farmers as between controls and freedom. There is a valid question, however, with regard to the provision which permits the release into the market for unrestricted use of up to 10 million tons of surplus feed grains. Farmers correctly fear that this authority could be used to adversely affect the market price of feed grains, thus preventing a fair choice in the referendum. This provision needs to be amended to sufficiently restrict the authority to release surplus stocks under these circumstances and thereby offer to feed grain farmers a fair choice between controls on one hand and freedom on the other hand. I shall offer such an amendment, which will probably be accepted without serious argument. Such a provision was incorporated in the bill passed by the Senate May 25.

A continuation of the expensive emergency feed grain legislation applicable to the 1961 and 1962 crops, which cost $782 million in 1961 and which is expected to cost $900 million in 1962 cannot be justified. Neither can we justify a return to the existing permanent legislation which was enacted in 1958 and which was a sequel to the 1956 Soil Bank Act. These open-end programs of unlimited production coupled with price supports do not work. They have caused the accumulation of an additional $2 billion in surplus feed-grain stocks since their enactment. Yet the Farm Bureau wants us either to extend the expensive emergency feed-grain program or revert to the 1958 permanent legislation. Farmers have no right to expect the taxpayers to provide price supports unless production is kept in line with consumption, and the rank-and-file farmer does not ask the taxpayers to do this.

The peak accumulation of 75 million tons of feed grains has been reduced to 67 million tons since the enactment in 1961 of the emergency program. The proposed feed grain program is designed to reduce surplus stocks to desirable levels—between 30 and 50 million tons—in about 5 years. Harvested acreages of the four major feed grains would probably be 10 to 20 percent below 1959–60 acreages for several years. Under the proposed program livestock prices can be maintained at levels materially higher than if the pre-1961 program were continued and far above levels expected if feed grain production were unrestricted with price supports at market levels. With feed-grain production stabilized, the output of meat animals can be increased substantially in response to increased demands for meat and livestock products, while prices received by producers of cattle, hogs, and poultry will be stabilized and prevented from collapsing along with the prices of feed grains.

MIDWEST WOULD LOSE BONANZA

The storm center of opposition to this bill is the Midwest—the Corn Belt which has been smart enough and politically strong enough over the years to get price supports for corn with unlimited production. They have been able to have their cake and eat it too. The corn and storage business in the Midwest is booming at the taxpayer's expense. The recent publicity about grain storage is not the first storage problem arising out of the excesses of existing law. I do not blame the Midwest for resisting this bill. Under the feed grain referendum the Midwest would lose its bonanza, because it must either accept controls or lose supports. It is questionable, however, whether paid Farm Bureau lobbyists in Louisiana are representing the best interests of Louisiana farmers when they help the Midwest to fight its battles. It is wrong for farm organizations to make deals at the national level and then try to indoctrinate Louisiana farmers down at the grassroots with these policies with propaganda ironically paid for by Louisiana farmers.

The Midwest has even been able to enlist the support of some cattlemen in other parts of the Nation to help it to hold on to this gravy train. The argument is advanced to cattlemen that "if they control corn they will eventually control cattle." This fear argument does not hold water. As long as cattlemen continue to have no interest in securing price supports for cattle they need not fear the adoption of controls. The argument is also advanced that "if they control corn there will not be enough feed for cattle." About the same time it is argued that if the 67 million tons of surplus feed grain stocks worth $3 billion are allowed to gradually move into the market to prevent spoiling—it can be stored only about 8 years before spoiling—and to keep it from being a total loss to the Treasury the market price of feed grains will be depressed, causing also a drop in cattle and land prices. The person making these arguments meets himself coming and going. Certainly there can be no shortage of feed grains for cattle in view of these large surplus stocks and in view of the remarkable increases in production yields.

Also stability in feed grain and cattle prices is more likely to be maintained in the long run if surplus stocks are reduced in orderly fashion to desired levels.

EFFECT IN LOUISIANA

In Louisiana the argument has also been made that a mandatory feed grain program, if adopted by farmers in the referendum, would inhibit the growth and diversification of Louisiana agriculture, particularly since Louisiana is a deficit feed grain State, and that Louisiana would not be free to increase its feed grain production as it wishes. This is also a misleading argument. Corn specialists in Louisiana tell me that more corn would be grown in Louisiana under such a program than under the continuation of the present emergency legislation and that the downward trend in Louisiana corn production would be arrested. Louisiana corn production has decreased in the last decade, mainly because of the trend toward using former corn acreage for pasture for grazing beef cattle. This downward trend in Louisiana corn production occurred during years of complete freedom of farmers to use their land without controls on feed grains. In 1960 Louisiana produced only 13 million bushels of corn while consuming approximately 50 million bushels. To meet its own present demands Louisiana would need to plant an additional 680,000 acres to corn. Instead of planting more corn Louisiana farmers are electing to grow less corn and graze more cattle, because cattle are more profitable than corn in Louisiana, and often they find it is cheaper to buy corn than grow it.

Under the provisions of the Grant deficit area amendment, Louisiana and most other Southeastern States that are deficit in feed grain production would probably be exempt from the general provisions of the control program, and producers would be able to plant their entire base acreage if desired.

The provisions of the McSween amendment applying the principle of release and reapportionment of feed grain acres would assure commercial feed grain farmers that they could increase their acreages in the years ahead, just as have cotton farmers who have desired increased allotments.

25-ACRE EXEMPTION

Another important provision of the feed grain section exempts farms with a feed grain base of less than 25 acres; 86 percent of the feed grain producers in Louisiana would fall in this category. These provisions coupled with diversion payments in lower amounts than under the existing emergency legislation insure that feed grain production in Louisiana would increase by more than 15 percent under such a program over 1962.

In view of these provisions it is easy to see that Louisiana critics of H.R. 11222, mainly paid lobbyists, are still seeing ghosts even though all of the bugaboos have been run away.

In Louisiana most cotton farmers support the cotton program of controls and price supports. The same is true for rice and sugar growers with regard to the rice and sugar program. Yet some of these same persons are still holding out for the same costly open end surplus-creating feed grain program that has caused so much trouble. Only they can explain their reason for this inconsistency.

Mr. Speaker, farm bills did not win any popularity contests under the Eisenhower administration, and they are not crowd pleasers now. But Congress has the responsibility to do something now about this serious matter. It is a national problem and the concern of every American. Considering the good work done in the Agriculture Committee to improve this bill and the likelihood of further perfecting it on the House floor as I have mentioned, I think that this farm bill will serve well the Nation and my State of Louisiana, farmers and nonfarmers alike.

THE 171ST ANNIVERSARY OF POLAND'S CONSTITUTION

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, annual observances, commemorating the 171st anniversary of Poland's Constitution of May 3, 1791, were held at Polish Cadets' Hall, Buffalo, N.Y., on May 3, 1962; at Dom Polski Hall, Buffalo, N.Y., on May 6, 1962; at Dom Polski Hall, North Tonawanda, N.Y., on May 6, 1962. I am glad to place in the RECORD the resolution which was unanimously adopted.

The resolution follows:

Whereas Poland's Constitution of May 3, 1791, the first liberal European constitution, symbolized the aspirations of Polish-speaking people to freedom and equality; and

Whereas said constitution, documenting man's respect for the dignity of individuals, is equally symbolic today of the same desires of all human beings; and

Whereas the United States of America, the chief bastion of freedom in the world, is the main repository of the hopes of humanity for a future bereft of oppression; and

Whereas in Poland's Constitution of May 3, 1791, as in the Constitution of the United States of America, the rights of an individual are declared to be paramount to the interests of the State; and

Whereas the security of the American way of life is being threatened by forces of a system in which the interests of the State are supreme; Be it therefore

Resolved, That we pledge our support to the President of the United States of America, John F. Kennedy, in actions undertaken by him to strengthen the military position of our Nation. We support his decision to renew nuclear weapon testing in order to maintain the lead of our Nation in this respect, and we unite with the President in all endeavors to make this a world governed by the rule of law and reason rather than by violence and oppression; and be it further

Resolved, That we unequivocally declare opposition to "isms" prevalent in the world which would deny man his basic, inalienable rights and which would debase his God-given dignity; and be it further

Resolved, That the United States of America must maintain strong ties with its historically trusted allies, and to this end we feel that economic aid to Poland must be stepped up to bolster the will of the Polish people in their resistance to Communist rule; we ask that the Battle Act, which limits aid to Poland, be amended so that loans and grants for industrial development can be advanced to that nation, mindful that heretofore American aid has been in the form of agricultural surpluses only, all other aid being barred by the aforesaid Battle Act; and be it further

Resolved, That copies of this resolution be sent to President John F. Kennedy, to our New York State Senators, Hon. Jacob Javits, Hon. Kenneth Keating, and to our area Congressmen, Hon. Thaddeus Dulski, Hon. William E. Miller, and Hon. John Pillion.

MERGER OF PENNSYLVANIA RAILROAD AND NEW YORK CENTRAL RAILROAD

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a petition which the Transport Workers Union of America, AFL–CIO, filed with the Interstate Commerce Commission, intervening in the proceeding before the Commission in the matter of the proposed merger of the Pennsylvania and New York Central Railroads.

The petition follows:

PETITION OF TRANSPORT WORKERS UNION OF AMERICA, AFL–CIO, FOR LEAVE TO INTERVENE—BEFORE THE INTERSTATE COMMERCE COMMISSION

(In the matter of the application of Pennsylvania Railroad to seek authority to merge properties and franchises of New York Central Railroad)

(Finance Docket No. 21989)

Comes now the petitioner, Transport Workers Union of America, AFL–CIO, and respectfully represents that it has an interest in the matters in controversy in the above-entitled proceeding, that it desires to intervene in and become a party to said proceeding, and for grounds in support of said petition, respectfully shows:

I

The petitioner, Transport Workers Union of America, AFL–CIO, is a labor organization with approximately 150,000 dues-paying members. This international union has a subordinate know as the Railroad Division with 20,000 members of whom 16,500 are employed on the Pennsylvania Railroad, 200 employed on harbor tugboats of the New

York Central Railroad and 400 employed by the Pittsburgh & Lake Erie, a New York Central subsidiary. Apart from this, a substantial number of the 150,000 members of the petitioner are directly interested as users of the freight and passenger services of the carriers here involved.

The principal office of the petitioner is at 210 West 50th Street, New York, N.Y.

II

The petitioner is in collective bargaining relationship with both of the carriers here involved with respect to its members employed by them and has agreements concerning seniority, rates of pay, rules, and working conditions.

III

This application falls within the provisions of section 5(2) of the Interstate Commerce Act and the proposed transaction by reason of section 5(2)(f) of the act directly involves the petitioner's members. The evidence that will be presented will bear seriously and substantially on the possible adverse effect on the carriers' employees who are members of the petitioner should the proposed transaction be approved by the Commission. In this respect, the petitioner has a direct and substantial interest in any terms and conditions which parties to the proceeding may propose with respect to the protection of employees' interests and it may well itself propose terms and conditions if the application should be granted in other respects.

IV

By reason of the fact that many of the petitioner's members are users of the passenger and freight facilities of the roads, they are, moreover, seriously concerned with the merits of the petition in other respects and desire an opportunity to be heard with respect to them. The economic aspects of the proposed merger are ominous and require a full and fair hearing with presentation of certain points of view which are ignored in the application by the carriers. That application is devoted and directed solely to the question of increasing profit and decreasing cost of operation of the railroads themselves. The public interest requires consideration of the consequences for the economy and for the national defense of many aspects of the proposed merger. Examples of such aspects are:

(a) The piecemeal approach involved in the merger of these two particular roads and possible conflict of this isolated merger with the national program for an integrated merger policy as set forth in the message of the President of the United States on the subject.

(b) The dismantling of a plant and facility, essential to national defense, that cannot be readily reconstructed.

(c) The implication with respect to the antitrust laws and antimonopoly policy.

(d) Its importance as a precedent for other proposed and pending mergers.

(e) The reduction of available alternatives for shippers.

(f) Effect of the merger on the economic problems of communities where the carriers now have separate facilities.

(g) Other economic aspects, such as disregard of possibility of increasing rail traffic and revenues by increasing use of railroad facilities.

V

The intervention of this petitioner will not broaden the issues already before the Commission in this proceeding.

Wherefore, the petitioner, in its own behalf, and in behalf of the individual members of such organization, prays leave to intervene in this cause and be treated as party hereto with the right to have notice of and participate in any further proceedings, to appear thereat, to present testimony, to produce and examine witnesses, and to be heard by counsel upon brief or oral argument.

Respectfully submitted.

O'DWYER & BERNSTEIN,
Attorneys for Transport Workers Union of America, AFL-CIO.
(Of counsel: Paul O'Dwyer and Howard N. Meyer, New York, N.Y.)
MAY 3, 1962.

ON THE QUESTION OF WHY WE HAVE HIGH UNEMPLOYMENT, UNUSED PRODUCTIVE CAPACITY, AND A SLOW RATE GROWTH WHILE THE ECONOMIES OF MANY COUNTRIES OF WESTERN EUROPE CONTINUE BOOMING—THE UNRESOLVED DILEMMA OF TIGHT MONEY AND HIGH INTEREST VERSUS FEDERAL DEFICITS, AND THE CONTINUING CONTROVERSY OVER INSUFFICIENT CONSUMER DEMAND VERSUS AN INSUFFICIENT BUSINESS SHARE OF THE NATIONAL INCOME

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, last Saturday the Washington Post and Times Herald carried an editorial entitled "European Success Formula," addressed to a question of what roles the budgets of the governments of Western Europe have played in the continuing prosperity of most of those countries. This editorial refers to the last annual report of the Joint Economic Committee and suggests that the committee report has answered this question erroneously, though in truth the committee's report did not answer this question at all, and did not try to.

I mention this matter not in the spirit of making a complaint. Since the Post was referring to a report of the majority members of the committee—one not agreed to by the minority members—I suppose we could charitably apply an old saying among Democrats, that "a bad press mention is better than no press mention at all." I have no doubt that the Post's mistreatment of our report was by inadvertence, and I rather imagine that the editorial writer had read the report so long ago that he had forgotten what was in it.

Since we were not being political in this report, however, in any partisan sense of the term, I would not like any Member left with an impression that the committee's report deals with something it does not deal with. Accordingly, I will insert in the RECORD the Post editorial along with a letter I have written to the editor concerning this matter.

It is true that President Kennedy has suggested that it would be well to try to find out what accounts for the difference in the way our economy is performing and the booming business conditions in Western Europe. It is a good question, and I wish we had the answer to it—but we do not. Perhaps we will have soon.

The President suggested this question specifically to the CED, I believe, and the top brass of the CED is, I understand, in Europe now to make a prompt study of the question. No doubt within a week or so we will have a rather precise prescription as to what the Federal Government should do, by way of holding down wages, increasing business profits, reducing corporate taxes, speeding up depreciation allowances, cutting taxes on top bracket personal incomes and providing other bases for an increase in business confidence and management incentives calculated as necessary to put the unemployed back to work and stimulate economic growth.

Meanwhile, we are faced with some dilemmas and knotty controversies. There is a question of which policy instruments to use to stimulate economic activity. If our Federal Reserve authorities could, and would, permit a more rapid growth of our money supply, permitting also a decline in interest rates, we would normally expect a return to full employment. Such a monetary policy would allow the private economy to expand and take up the existing slack. But our policymakers find obstacles to what would normally be a proper monetary policy, because of our balance-of-payments problem. They feel that if they allowed the money supply to grow more rapidly, and thus allowed interest rates to come down, there would be more borrowing from U.S. banks and capital markets by foreign nations and governments, and this would increase the dollar claims held abroad which could be used to purchase our gold reserves.

The administration has not thought it appropriate to suggest any steps to discourage our people from investing abroad in new plants or in foreign bonds and stocks, nor to discourage foreign governments and nationals from raising funds in the United States, and such fund raising here is a common practice.

For example, this morning's Washington Post carries an advertisement by a U.S. underwriting firm offering American investors additional shares of common stock in Philips N.V. This is a Netherlands corporation which operates throughout Western Europe and occupies about the same position there that General Electric does in the United States. The magazine of Wall Street, in its June 2 issue, offers a comment that the foreign governments and international agencies have raised more money in the United States this year than in any calendar year since 1958, and more borrowing is yet to come. Without some arrangement for selective controls, or selective disincentives or penalties—which has not been suggested—our monetary authorities doubtless feel justified in continuing their tight-money and high-interest policy because an easier money policy might encourage even more foreign fundraising in the United States.

Assuming that the Federal Reserve cannot adopt a monetary policy appropriate to our domestic needs, a policy of letting the money supply increase right along with increases in economic activity, then the alternative way of stimulating economic activity is to have bigger Federal deficits. But this is no easy solution either. As we well know, Federal deficits are fraught with all kinds of dangers, both economic and political.

If there were to be a deliberate decision to have a larger Federal deficit, we would be immediately up against a question whether to cut taxes without cutting expenditures, or to increase spending for some of the worthy purposes which various segments of public opinion hold dear, while maintaining the present level of taxes.

Furthermore, if there were to be a decision to cut taxes, then we would still have the controversy over whether the tax relief should go to consumers or to business. Here is a basic question which has not been answered:

Given the peculiar conditions of the U.S. economy, what division of the national income as between consumers and business would bring about a continuing increase in employment and production—and thus a larger income to be divided?

One school of thought holds that our present problem comes about because of insufficient consumer purchasing power. This school argues that if consumers received a larger share of present income, the resulting increase in consumer demand would bring about increased employment, increased utilization of productive capacity, larger aggregate business profits, and, finally, an incentive for business to invest in new capacity.

The other school holds that if relatively more of the present income were allowed to go into return on capital, either in the form of increased depreciation or increased profits after taxes, then business would have more incentive to invest, more funds to invest, and the slack in our economy would be taken up by building new productive capacity.

The Washington Post is clearly on the side of more incentives to business and has been plumping for a kit of such incentives for several months now. There is a most interesting piece by Edwin L. Dale, Jr., in the New York Times this morning, however, which gives a roundup of European views on this subject. I would like to call this piece to the Members' attention also.

Finally, the Washington Post editorial refers to an article which appeared in the London Economist of May 19, by an observer of the European economy who claims that the European governments have been living in both kinds of economic sin—allowing their money supply to increase and also having Government deficits. This is most interesting, if true.

Monetary authorities in the United States have, for at least 15 years now, been shrinking our money supply relative to our gross national product, pulling the checkreins tighter and tighter, and holding private economic activity further and further away from achieving its potential. For the most part the governments of Western Europe have, according to the Economist, been allowing their money supplies to increase about in proportion to increases in their gross national products. Most interesting, I hope we can get the facts on this matter, perhaps through the Federal Reserve, even without sending a mission to Europe for them.

Also, it will be most interesting to get the facts on the European budgets.

It appears that if you count only the budgets of the central governments, these governments have had many sizable deficits over the past decade or more. On the other hand, if you also count the budgets of the local governmental units, it appears, according to the Washington Post, that the countries of Western Europe have generally not had deficits. This needs looking into, also; it may throw some light on the President's question.

The materials I have referred to are as follows:

[From the Washington Post, June 2, 1962]

EUROPEAN SUCCESS FORMULA

The President has asked his advisers to study the policies of European countries to discover how most of them have managed to grow so rapidly. Some observers have cited the alleged European tendency to run budget deficits as a principal reason. The annual report of the congressional Joint Economic Committee has pointed out that, by American accounting standards, the governments of a number of European countries are usually in deficit. The London Economist has said that "deficits pay" and urged the United States to learn the lesson.

Data supplied by the Statistical Office of the Common Market seem at odds with these views. In its bulletin, the Statistical Office computes the aggregate financial position of the national and local governments for each of the six member countries, in terms of their national income accounts. The only country showing fairly steady deficits is Belgium, which is also the only country whose growth has been notably slow. All the others show almost uninterrupted surpluses for every year from 1950 to 1959, the period covered by the data. This is true even for France, despite her inflationary policies during the pre-De Gaulle years. The surpluses were of respectable size, in the case of Gaullist France as much as 2 percent of gross national product, in that of Germany as much as 5 percent. These surpluses helped to restrain inflation and in part were channeled into the private economies where they served to speed up investment and increase the rate of growth.

A similar correction must be applied to the revised European budgets quoted in the report of the Joint Economic Committee. The committee's data no doubt are correct, as far as they go, but they do not tell the whole story, because they omit the budgets of local authorities. For Germany, for instance, the monthly report of the federal bank shows that occasional deficits of the central government tend to be outweighed by surpluses achieved at other levels of government. In the United States, on the other hand, State and local authorities produce deficits year after year. These must be added to the Federal accounts to get a true picture of the financial role of government.

The issue is not whether public deficits are inherently good or bad. In a stagnant economy, a deficit is appropriate. It is quite possible that in recessions the European countries would run deficits and act less defensively about them than is customary here. But a vigorous economy will grow faster if it has a surplus. The continental countries have operated by this principle, and on the evidence very successfully.

June 2, 1962.

The Editor,
The Washington Post and Times Herald,
Washington, D.C.

Dear Sir: I am puzzled as to why your editorial page, after being silent on the Joint Economic Committee's annual report for 3 months following its issuance, would now represent this report as giving the wrong answer to a question which the report neither raises nor attempts to answer.

In your editorial "European Success Formula" on June 2, you mix the committee's report into a question which has been more recently raised, namely, what role the budgets of Western European governments may have played in the high employment and rapid growth rates recently experienced by a number of these countries, and you reach the conclusion that the report gives the wrong answer because it uses the wrong data—"a similar correction must be applied to the revised European budgets quoted in the report of the Joint Economic Committee."

True, the report makes reference, at two places, to the fact that several central governments of Western Europe have had deficits in their budgets in a number of the past 10 years, but these references go to those issues discussed at the points where the references are made.

First, in discussing improvements recently made in Federal accounting practices, the report discusses possible further improvements, including a capital budget. The practice of treating investments in capital items as "expenses" of the year in which the outlays are made is unique with Federal accounting, and a comment is made that European budgets would show deficits more frequently if they followed Federal accounting practices.

Second, the report makes a point that the advice which Congress has long been receiving from European officials and bankers, usually through the voices of our own Treasury and Federal Reserve officials, which would have us believe that any Federal deficit, under any circumstances, undermines European confidence in the dollar may be advice of an unwarranted sort. Here the report presents data (supplied by the Bureau of the Budget) showing the net surpluses or deficits in several European budgets over a 10-year period, after the European budgets are translated to terms comparable with those of the Federal budget. On this basis the budgets of several European countries which have generally been thought to have been in surplus over the past decade turn out to have been in deficit more often than has the Federal budget. Thus it may be that the nervousness which our European friends are said to suffer over Federal deficits is traceable to a difference in form rather than a difference in substance. In any case, it is the Federal administrative budget, not the income and product accounts budget, which has been the cause of the alleged nervousness.

If the report had intended to go beyond the points discussed and suggest some connection between European budgets and growth rates, then some analysis, some mention of growth rates, some presentation of data on the subject—of which there is none—would be expected, indeed, required. A congressional committee could not get away with the kind of analysis engaged in in your editorial, wherein you conclude that "a vigorous economy will grow faster if it has a surplus," merely because you find that the only European country "showing fairly steady deficits" has had a "notably slow" growth rate.

A full chapter of the committee's report is devoted to a discussion of the meaning and uses of the different Federal budgets, and this discussion emphasizes that in considering such questions as what influence Federal fiscal operations may have on the economy, we must consider total expenditures and revenue collections as measured by the product and income account budget, not just the fraction of this picture that is presented in the administrative budget. Accordingly, the report's failure to present data for European budgets in terms of income and product accounts does not mean that our data need correction. It only means that we need a correction of your unwarranted assumption that the report addresses itself to a question of relationships between European budgets and growth rates.

Granted, the question is a good one, but to answer it, as you have attempted to do, would require a great deal more information than has been referred to in your editorial.

Sincerely yours,

WRIGHT PATMAN,
Chairman, Joint Economic Committee.

[From the London Economist, May 19, 1962]

Deficits Pay

There must be an American somewhere—and a place surely exists for him on the editorial board of the Wall Street Journal—who can contrive to demonstrate that the economic performance of the United States in the past 5 or 6 years has been better than that of Western Europe. As the medieval metaphysicians showed, a properly armed theoretician can prove anything and economic theory is most rewarding in this respect. At the very least, such an American should be able to argue convincingly that the continental Europeans, who have clearly done everything wrong, are headed for grave trouble in the long run—even though they may have been growing faster, investing more, making more profits, raising wages and living standards faster, avoiding recessions and maintaining full employment up to now.

By all the truths Americans have lived by, the continental Europeans must be in for dire trouble. Their economic sins are almost unspeakable. First, and by all odds foremost, their governments never balance their budgets—at least as Americans understand the term. More awful still, they do their best to avoid surpluses in these budgets. All of them have some nationalized industries; not one, for example, has that pillar of free enterprise, a privately owned railway system. Almost without exception, they take more from their people in all forms of taxation than does the United States; yet, unaccountably, incentives have not been dulled and risk capital has not dried up. Government spending in European countries rises giddily year after year, much faster than in the United States, and the welfare state knows no bounds. Most subversive of all, Europeans have been living in sin with creeping inflation for 10 years, with hardly a dire consequence to show for it. They are virtuous enough to say that they hate themselves for doing it but they do it and nothing much happens.

It is clearly an unjust world that permits such economic sinners to go on getting richer and richer and at the same time permits them to take away nearly a billion dollars worth of American gold each year. The continental Europeans, in fact, are doing in economics what any sensible man knows is impossible: they are spending themselves rich. Unfortunately, all this has gone on with such good results for so long that the painful question arises of whether virtue and sin have not changed places. In the long run Europe may be doomed to suffer, but the long run seems to fade further and further into the distance. Europe is now in its fourth consecutive year without the shadow of a recession and looks like repealing the business cycle altogether. What moral does this hold for America?

The first thing is to decide which economic transgression has been most effective. Many of the people who have come to admire the profligate way of life in Europe have centered their gaze on a number of small things instead of on the essential big one. There has been study and approval of such factors as Monnet-type national planning, a heavy concentration on indirect taxes in the "mix" of taxation and the aggressive use of rapid depreciation allowances for industry. These are all no doubt important and useful. But the one big reason for continental Europe's success story is the way government policy has affected total demand. By avoiding surpluses in their budgets by means of rapid rises in spending and occasional cuts in taxes, by keeping the supply of money expanding constantly, European governments have given Keynes in heaven (or at least in purgatory) the satisfaction of having been right. They have shown that a fiscal and monetary policy aimed, above all things, at high demand—when necessary created through bigger budgetary deficits and never curtailed by surpluses—is the way to make an advanced economy work well.

Between 1941 and 1953, when Americans, wringing their hands over the awful things which they were doing, had big and purposeful deficits and a steadily expanding supply of money, they also had a successful economy. Of all the old days, the most pleasant to contemplate are those only a dozen years ago when it was generally hard to find labor in America—and those days saw the country automating considerably faster than it is doing now, measured by the rate of investment in plant and equipment as a portion of total activity. Nor is there any need to go to war to practice the sin of spending yourself rich. Building schools, for example, does just as well.

In 1953 Americans returned to the path of virtue and a policy of holding back demand by curbing the rise in Government spending and making money scarce. There was a vast sigh of relief that sanity had come back. But by about 1957, plainly things began to go sour. Ever since then, Americans have been telling themselves all the wrong reasons why the economy has been working badly and growing slowly. They have ended by doing slightly better than the profligates across the Atlantic in the battle against the dragon inflation, but it is doubtful whether the spiritual comfort of this victory compensates the 4 million unemployed in America for the loss of the more crass pleasure of having enough to eat.

The conclusion to be drawn is that the American Government should also try to spend its country rich. This means setting out aggressively to create, and then to maintain, a rapidly rising aggregate of demands.

Probably the goal of surpluses in the budget should be dropped for good. A deficit of $5 or $6 billion in the forthcoming fiscal year should invigorate a recovering but still underemployed economy—always provided that the deficit is brought about intentionally by higher spending or a tax cut and not inadvertently through the failure of a sluggish economy to produce the expected receipts from taxes. To be successful, one must sin with a certain style. The tragedy of the recent American deficits is that they were unwanted and thus did not stimulate the economy very much.

But the economic Puritans will ask: What about the balance of international payments? The answer is that the American balance of payments abroad fares better when the American economy at home fares better. With the exception of France, which for a while overdid sin and inflated right out of sight, the same has been true for Europe; and now France, back to mere creeping inflation, is doing best of all. There is, in short, no evidence that a payments deficit is increased necessarily by full employment and rapid growth and they may easily reduce it. As for confidence the only real attack on the dollar occurred late in 1960 when the United States was heading into the most recent recession in its dreary series. Some European bankers may shake their heads about budgetary deficits in America, but these do not deter them from investing on Wall Street when the stock market looks good.

[From the New York Times, June 4, 1962]

Europeans See Benefit for United States in Expansionist Economic Policy—Deficit Spending and Easy-Money Plan Viewed as Spur to Business—Some Experts Fear New Gold Outflow

(By Edwin L. Dale, Jr.)

Commentators differ about what should be given priority—growth and full employment or preserving the value of the dollar. Some, such as the respected French economist and political commentator Raymond Aron, believe the two can be reconciled. But something of a dilemma is seen almost everywhere.

Regardless of what is prescribed, there is evidently a strongly held opinion that if the stock market continues weak, business fails to expand and unemployment remains high in the United States, the administration will choose policies of expansion, taking the risk of further trouble for the dollar.

This belief helped account for the sharp drop in the dollar against several European currencies in the foreign exchange markets for a few days last week and a sizable increase in the demand for gold on the London market.

Probably the most authoritative consensus in Europe is contained in a still-confidential document unanimously adopted recently by the 20 member nations of the Organization for Economic Cooperation and Development, each represented by high officials or economists.

This referred not to recent events but to the lagging growth record of the United States in the last half of the last decade, although the problem is the same. It concluded that the difficulty in the United States was due to insufficient pressure of demand.

It said the level of demand is within the control of governments, through their budget and monetary policies, at least in the larger countries.

But it also remarked that the deficit in the U.S. balance of payments "might have created difficulties" if the Government had chosen to adopt a policy of expanding domestic demand through higher Government spending or tax cuts.

Reflective of the underlying views of economic commentators in Europe are the following:

Samuel Brittan, in today's Observer, of London:

"The important thing is to get the U.S. budget into a sufficiently large deficit."

He says the dollar's value may be maintained for a long time by new techniques of international cooperation, and that in any case a far more important issue is avoiding the tragic farce of unemployment "side by side with unsatisfied human wants."

Raymond Aron, in Friday's Figaro:

"Perhaps, and I am tempted to believe it, businessmen have false ideas and may fear measures that they ought to be calling for. A budget deficit, in bringing about an acceleration of the expansion, could contribute to the stabilization of, and not to the dangers for, the dollar.

"It is possible that in our epoch expansion may be an element even in the struggle against inflation.

"But the Kennedy team not only has not resolved the two great problems which it must face up to—that of the rate of growth and that of the solidness of the dollar—but it does not give the impression of having a doctrine by which it could try to resolve them."

A Zurich banker:

"Your administration has not realized how fragile a thing confidence is. The recovery on Wall Street after Monday has not healed the wounds.

"I am not asking for a big budget deficit, but I am asking for more recognition of the damage that can be done by ignoring or glossing over what has been going on."

One element of this view—that the damage will not be transitory—appears to be widespread.

For example, William Res-Mogg, in the conservative Sunday Times, of London said: "Big government spending and deficit budgets would cheer up Wall Street at the expense of the dollar and the gold reserves. Last Monday's Wall Street selling should certainly remind policymakers in Washington that if they are not going to raise the price of gold they cannot in the present situation merely do nothing."

The leading headline and main story on the first page of Le Soir, of Brussels, on Tuesday: "The collapse in Wall Street does not mean another 1929."

This view appears to be close to unanimous.

DUTCH OFFICIAL'S OPINION

A high Dutch official:

"Your problem is not budget deficits, not in present circumstances. Your problem is your wage levels and your overall costs—though we in Europe seem to be catching up to you almost too rapidly for our own good."

A minority of economists, such as Sir Roy Harrod of Oxford University, have advocated for a long time that the way out of the dilemma between full employment and the balance-of-payments deficit in the United States was to devalue the dollar once and for all by a large increase in the gold price.

Central bankers and finance ministers, however, appear to be firmly convinced that such a move would be disastrous for the monetary system of the whole industrialized world.

Furthermore, in holding dollars as part of the monetary reserves of their countries, they relied on the pledge of successive U.S. administrations that the dollar would not be devalued.

INCOME TAX REDUCTION

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. MORSE. Mr. Speaker, for some time I have been working on the bill I am today introducing. I have concluded that it is the proper and most efficacious method of restoring our deteriorating economy to full health.

Unemployment is a persistent sore. The prices of sensitive commodities are at their lowest ebb in 13 years. Industry, with little incentive to reinvest, is apathetic and operating under full potential.

Last week's dip in the stock market may well be a warning signal. A national news magazine this week points out that the stock market crash of 1929 also was punctuated by rebounds such as we are seeing. But thoughtful foresight will prevent a depression of the severity of that which we experienced during the 1930's.

I was impressed with Commerce Secretary Hodges' instant reaction to the plunge in the stock market. He called for a cut in taxes. The President's Council of Economic Advisers are on record as feeling that tax relief is essential as a spur to increased productivity and its ally, increased employment. Within the last few days Senator HUBERT HUMPHREY, the Senate Democratic whip, has endorsed a tax cut.

I urge my colleagues on the Ways and Means Committee, and I urge the House leadership, to act, this session, on the legislation I am introducing.

My bill calls for an immediate reduction of 10 percent in individual income taxes and corporate income taxes. It increases the personal income tax exemption from $600 to $700.

I am convinced, and many economic experts on both sides of the political fence support this conviction, that enactment of this type of tax measure would really get our country moving again.

WHY A COMMITTEE ON CAPTIVE NATIONS?

Mrs. WEISS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at thime point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, on Thursday, May 31, I called to the attention of the Members of the House the Rusk letters, which provide additional evidence for a special House Committee on Captive Nations. I now wish to bring to the attention of the Members of this body further evidence of the need to create this special House committee.

I would urge every Member to compare the two Rusk letters with the letter-memorandum submitted by our U.N. Ambassador Adlai E. Stevenson to the delegations of the U.N. Assembly last November. This Stevenson memo appears in the RECORD of March 7, pages 3567–3568. The concepts, the data, and the interpretations in this memo stand in glaring contradiction to and refutation of the contents of the two Rusk letters. With regard to the many captive nations in the Soviet Union, it is clearly evident that much confusion of thought and a good deal of misinformation exist in our own State Department.

Mr. Speaker, because of its pertinent value to the proposals for a special House Committee on Captive Nations, I will insert in the RECORD at this point an article written by Dr. Lev E. Dobriansky of Georgetown University on the subject "Why a Special Congressional Committee on the Captive Nations?":

WHY A SPECIAL CONGRESSIONAL COMMITTEE ON THE CAPTIVE NATIONS?

(By Lev E. Dobriansky)

In the past year much has been written and said about the necessity of establishing a Special Committee on the Captive Nations in the U.S. Congress. House Resolution 211, submitted in March 1961 by Representative DANIEL J. FLOOD, of Pennsylvania, is the original measure calling for the formation of such a committee. Thirty-nine identical or similar resolutions have been offered by other Members of Congress. The Republican congressional policy committee is on record for the passage of this important proposal. In addition, thousands of letters from Americans in all sections of the country have been received, favoring and urging the establishment of this committee. A legislative week doesn't go by without many of these letters appearing in the CONGRESSIONAL RECORD.

The several hearings conducted by the House Rules Committee on these resolutions have brought out many solid arguments justifying a special committee. At no point has the opposition to this proposal come before the Rules Committee to present in rational outlay any of its counterarguments. The able and distinguished chairman of the committee, the Honorable HOWARD W. SMITH, has afforded those opposing the resolutions every fair opportunity to register their objections and possible refutations in the open. There have been no takers. Instead, all sorts of maneuvers have been resorted to behind the scenes to delay, stall, defeat and even whitewash the proposal for a Special Committee on the Captive Nations.

One maneuver was to invite the State Department to express its opinion on the resolutions. It is generally known that the Department does not relish a congressional check on its informational defects and limitations as concerns the captive nations. The maneuver was challenged in the form of a request that the Department send a representative in person to testify and also to be available for questions from proponents of the resolutions. The Secretary of State elected to send a 2-page letter, dated August 22, 1961, in which he attempted to explain his opposition to such a committee. Actually, his letter furnished the proponents of the measure additional evidence substantiating the need for a special committee. Recognizing this, the Secretary sent another letter, dated December 27, 1961, to Representative SMITH, hoping to redress his previous mistakes. But again, an almost completely irrelevant letter provides more evidence for the advocates of a special committee.[1]

Still another maneuver has been seized upon to whitewash the proposal in this year of congressional elections. Suddenly the Subcommittee on Europe of the House Foreign Affairs Committee has decided to hold hearings on the captive nations. Its sporadic and haphazard approach to the subject is at complete variance with that envisioned by the proponents of a special committee. The subject of captive nations in the aggregate is too vital and too sacred to be treated fleetingly by a subcommittee whose jurisdiction doesn't even cover the entire captive world. Without doubt we can look forward to still more evidence supporting the need for a special committee.

Despite these maneuvers, the movement for a Special House Committee on the Captive Nations gains strength by the day. Inquiries and expressions of popular support pour into the offices of Congressman FLOOD and others daily. It is extremely important for more and more citizens to know and understand the paramount answers to the question, "Why a Special Congressional Committee on the Captive Nations?"

THE BASIC PRINCIPLE OF NATIONAL SELF-DETERMINATION

With reference to imperial Moscow's vast empire it cannot be too strongly emphasized that the basic principle of national self-determination is our most formidable weapon in the cold war. As concerns the issue of a hot global war or no, this moral and political principle is a weapon which we have scarcely begun to use. From many angles it is far more potent and determinative than our nuclear armaments and war-equipped space satellites. We have given endless lipservice to this principle, but we have been acutely short on instrumentalizing the principle for victory in the incessant cold war.

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[1] Complete texts of these letters appear in the editorial of this issue.

The continuing irony of our times is that the negator of this principle—the Russian totalitarians—puts this weapon to far greater instrumental use than we do. Yet it is obvious that this overpowering psychopolitical weapon belongs to us and our traditions and not at all to colonial Moscow. By its methodic and popularized investigations into the captive nations of both Europe and Asia, a Special Committee on the Captive Nations would bring the immensity of this weapon into full and clear relief. It would steadily show the tremendous possibilities and opportunities open to us in a peaceable engagement of ideas and truths with colonial Moscow and Peiping. Its primary impact would be on the consciousness of our own people with regard to the strategic value and importance of all the captive nations to the security interests of the free world.

Needless to say, the facts and data assembled by such a working committee would prove to be of enormous value to our own Department of State. The two Rusk letters give every evidence of faulty conception and understanding of the captive non-Russian nations in the U.S.S.R. The writer offered on a radio network a couple of examples illustrating the factual deficiencies which account for the misconceptions and misunderstandings of the Department.[2]

PRESIDENTIAL SUPPORT OF CAPTIVE NATIONS STUDY

Presidential authority constitutes a second good reason why a Special Committee on the Captive Nations should be formed. President Eisenhower issued two Captive Nations Week proclamations during his term of office. In 1959, when the Captive Nations Week resolution was passed by Congress, the President explicitly summoned the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations." This urgent theme was widely repeated in the 1960 Captive Nations Week observances.[3]

Now, there can be no better agency or medium for such popular study of the captive nations than what is provided for in H. Res. 211. A Special Committee on the Captive Nations would quickly become the chief source of information on this subject. Its reports and studies would be made available to every American and foreigner seeking them. The educational value of the committee's operations would be of incalculable worth. President Eisenhower's summons would be more than satisfied.

Even before his election President Kennedy recognized the significance of such studies. During the campaign of 1960 he stated: "I am, of course, in agreement with the Presidential proclamations. The captive nations should be studied intensively. If a Joint Congressional Committee on the Captive Nations is the best way to insure such popular study, I would naturally not be opposed to it." In the 1961 observances of Captive Nations Week this feeling of the President was reflected in his proclamation which was warmly received throughout the country.[4] In it he pointed out that "it is in keeping with our national tradition that the American people manifest its interest in the freedom of other nations" and also urges our people "to recommit themselves to the support of the just aspirations of all peoples for national independence and freedom."

Undoubtedly, a Joint Congressional Committee on the Captive Nations would be a perfectly proportionate response to the nature and value of the subject. However, there are too many vexing problems and hurdles to surmount in attempting to form any type of joint committee. On a more modest but nonetheless adequate level a special committee formed in the House of Representatives would serve the aims and purposes of House Resolution 211. Surely, quoting some of the President's words, it would be the best means for the American people to manifest their indispensable interest in the captive nations and thus recommit themselves through their elected representatives. Such a committee would best reflect the popular will and, what's more, there is an adequate number of legislators in the House with competent knowledge of the subject. The demanding tasks of the committee would be most satisfactorily met through this means.

THE AGGREGATIVE STUDY GAP IN THE UNITED STATES OF AMERICA

Another powerful answer to the question posed here rests on a survey of our requirements in relation to the captive nations. In my reply to some of Secretary Rusk's allegations concerning the adequacy of our studies on the captive nations, I stated: "On this I publicly challenge Secretary Rusk to produce any comprehensive study dealing, for example, with Soviet Russian economic colonialism within the Soviet Union."[5] Many Americans repeated this challenge to him in follow-up letters. To date there has been no reply to this challenge, nor can there be, for no such study exists. It is interesting to note that our Presidents feel the need for more intensive captive nations studies but our present Secretary of State alleges that enough is being done.

The fact is, of course, that no private or public body is engaged in aggregative studies of the captive nations. What we do is largely piecemeal, sporadic, and isolated. Indeed, the fundamental perspective of considering and viewing the captive nations in their aggregate entirety is nowhere present. In short, we are suffering from an intellectual gap in this regard and only our enemy can profit by this. The great and necessary task of studying systematically, objectively and continuously all of the captive nations, particularly those in the U.S.S.R., is nowhere being undertaken.

If we are serious about the captive nations, if we are determined not to ever acquiesce to Moscow's permanent domination over these nations, if we are intent to find all means to win the cold war, then only a special committee can fulfill the tasks of this responsibility for popular study of our allies behind the Iron Curtains of Europe and Asia. Fleeting and basically superficial hearings on some of the captive nations by something less than this make only a political football of the subject.

THE FIRST CONCRETE IMPLEMENTATION OF PUBLIC LAW 86–90

Scores of informed Americans are aware of the fact that the Captive Nations Week resolution, now Public Law 86–90, is yet to be implemented by our Government. Much can be done along these lines, and much will be done in time. Of this the writer entertains absolutely no doubt. In fact the establishment of the special committee would represent the first concrete implementation of Public Law 86–90 by our Government. And this is another persuasive reason for such a committee. Congress passed the resolution, and it should be for Congress to implement it and realize some of its implications.

The actual being of such a committee would in itself certify to the meaning and intent Congress had in mind when it passed the resolution. It would symbolize the determination and resolve of our legislators, the elected representatives of the people, to further the eventual emancipation and freedom of the captive nations. Millions in this country will never forget the fearful reaction of Moscow to the passed resolution. Missiles, satellites, and nuclear bombs seem to be inadequate to curb Moscow's fears of our implementative steps in this direction. Our stress upon captive nations and the basic idea of national self-determination seems to send chills down their spines.

It was no accident that 1 year after the passage of the Captive Nations Week resolution, Khrushchev chose to concentrate on the issue of colonialism in the United Nations. He aimed not only at currying the favor of certain Asiatic and African states but also at shifting the spotlight of colonial rule from his own empire. He even permitted his Ukrainian puppets in the U.N. to speak for the first time in the Ukrainian language, and scarcely to our surprise a Mr. Podgorny, who was supposedly a representative of the "sovereign and free State" of Ukraine, seized the occasion for a heavy attack upon Captive Nations Week.[6]

By no means should we fear to probe this deep fear on the part of the Russian totalitarians. Given this evidence and more, we should be greatly encouraged to pursue the several ramifications of Public Law 86–90. The first step in this is to form a Special House Committee on the Captive Nations. It will furnish the answers to the questions raised in the minds of countless Americans who were bewildered by Khrushchev's explosion in July 1959.

THE AGGREGATE CONCEPT OF CAPTIVE NATIONS

American thought about the captive world has advanced considerably in the past 3 years. Increasingly the concept of captive nations is not being narrowly synonymized with the few so-called satellites in central Europe. The aggregate concept of captive nations is being progressively accepted. In many quarters it is recognized now that the captive nations in central Europe form only a minority in the large family of captive nations. White Ruthenia, Ukraine, Georgia, Turkestan and others in the Soviet Union itself are being currently mentioned along with North Korea, mainland China, Tibet, and North Vietnam.

This aggregate concept is harmoniously accommodated by House Resolution 211 and 39 other resolutions. With a forward look they are realistically founded on this concept, embracing the captive nations inside the U.S.S.R. as well as outside, in Asia as well as in Europe. Moreover, the resolutons emphasize the primary strategic value of the captive nations in toto from the viewpoint of our security interest. The further development and elaboration of this key concept are additional reasons why a special committee must be formed.

Although nowadays we don't hear much about the new frontiers, a genuine and real frontier continues to exist in connection with our understanding of the U.S.S.R. A special committee would be in the most advantageous position to develop and exploit this new frontier. A full-scale exposure of Moscow's colonial rule in the Soviet Union would unquestionably be in the highest interest of securing peace with justice. Nothing can contribute more to a solid improvement of relations with the U.S.S.R. than a live awareness on our part of Moscow's colonial and imperialist domination over nations within the U.S.S.R. itself. Ambassador Stevenson made a heavy contribution in this regard with his unique memorandum on Russian colonialism last year.[7]

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[2] Dobriansky, L. E., "Captive Nations—Moscow's Achilles' Heel," the Manion Forum, Nov. 12, 1961, pp. 2–3.

[3] CONGRESSIONAL RECORD, volume 106, part 13, pp. 17675–17694.

[4] CONGRESSIONAL RECORD, volume 107, part 10, pp. 13168–13197.

[5] Op. cit., the Manion Forum, pp. 2–3.

[6] United Nations General Assembly, Oct. 4, 1960, pp. 11–20.

THE COLD WAR IN THE RED TOTALITARIAN EMPIRE

The passage of House Resolution 211 is also justified on additional cold war grounds. Invariably when we speak of the cold war, we have only dimension in mind; namely, the so-called Communist world and the free world. But there is another extremely vital dimension, that between the captive peoples and their unrepresentative governments. The cold war, therefore, is not just between Moscow's totalitarian empire and the nontotalitarian free world but also and most fundamentally between the captive peoples and their quisling governments.

It would be myopic, indeed, for us to be misled by Moscow's cold war zigzags. The hot-and-cold treatment is part and parcel of the cold war game. To accede to Moscow's deceitful blandishments in its moments of trouble, whether it is brought on by forces within the U.S.S.R. or by Red China, is tantamount to losing a round to an opponent. This would be rank foolishness. As a matter of fact, this is the time for a peaceable offensive, and a Special Committee on the Captive Nations would provide such an offensive. It would produce a necessary and prudent leverage for the captive peoples in their cold war against colonial Russian domination. Particularly would this be true, as the Honorable Douglas Dillon once intimated, in the prison house of nations, otherwise known as the Soviet Union.[8]

Unthinking utterances about precipitating premature revolutions or igniting a hot global war as a result of such action are only a score for the enemy. For too long the tremendous power of propaganda has been a virtual Russian monopoly. Here, too, it is ironic how easily we become aroused by false notes on Soviet scientific, space or economic growth or supremacy; but Moscow's real superiority in the handling and manipulation of ideas, which are basic to all else, scarcely moves us. Without any exaggeration, the outcome and decision of the cold war hinge on operations in this propaganda area.

A special committee would not be, of course, a propaganda agency. However, its impact in the field would be inevitably great. The truths, facts, perspectives and findings educed by it would strongly counteract and demolish the half-truths and lies disseminated by Moscow and Peiping. It would give the constant lie to the propagandized and overblown Russian image, especially in Asia and Africa. It would, as Ambassador Stevenson called for last year, fix the spotlight of world attention on the colonialism and imperialism rampant throughout the Red totalitarian empire. For example, an overstrain of vision is not required to see the effects of the committee's intensive inquiry into the 30 and more million captive Moslems in the U.S.S.R. These effects could not be but salutary in the entire Moslem world. Moscow's fear of such concentrated, studied concern was amply and surprisingly revealed after Canada's Prime Minister addressed the U.N. in 1960.[9]

THE COLD WAR IN THE FREE WORLD

When we turn to the likely effects of the committee's work on the free world and its engagement in the cold war, the probability is high and strong again for a series of salutary results. By concentrating on the imperiocolonialism of Soviet Russia a special committee would go a long way in enlightening our own people on the space, depth, and significance of the captive nations. The colossal hoax of communism would be clearly shown on the basis of data pertaining to all of these nations.

In his first state of the Union message the President emphasized: "We must never forget our hopes for the ultimate freedom and welfare of the eastern European peoples." Of course, the captive peoples of Asia should have been mentioned, too. But the point here is that an existing and well functioning special committee on the captive nations would give concrete form to the President's admonition and by its works would guarantee that our people would never forget these hopes. As has been said over and over again, the existence of such a committee would also be a permanent reminder to Khrushchev and Mao that we do not now nor shall we ever write off the captive nations. There still are many appeasers in our country who would not like to have such a determination symbolized in this way.

Also, it should be evident from the nature of the Rusk letters and other documents that a special congressional committee would be of invaluable service to our executive organs. Its productive and in many respects pioneering work would also serve our U.N. delegation, our representation in UNESCO, and in many other spheres of our Government. Without question its material would be drawn on by foreign governments and representations. In this connection the interests of our country would be enormously advanced if many other free world representatives were able to speak out with the same scholarly tone and presentation as did Ambassador Tingfu F. Tsiang of China in the 1960 U.N. debate on Russian colonialism.[10]

THE SPECIAL COMMITTEE AND CONGRESS

Congress has a remarkable opportunity to serve the people and our national interest by forming now a Special Committee on the Captive Nations. As mentioned earlier, by such action it would concretely implement the Captive Nations Week resolution which it itself passed in 1959. The special committee would definitely have legislative intent and purpose. Its work, studies, and investigations would lead to many specific findings and conclusions. These would in turn predicate recommendations which would form specific legislative proposals for U.S. conduct in the cold war. The range of the committee's investigations would be largely determined by numerous uncovered and undeveloped aspects of the Red totalitarian empire.

Based on the integralist premise of the new captive nations concept, such a special committee would by nature and function encroach upon no standing committee in the House. With this ruling concept of captive nations in the aggregate, the committee would work along interrelated and more organic lines of inquiry and factfinding than is possible with any of the standing committees. Its unique orientation, founded on the spirit and essence of the Captive Nations Week resolution itself, would facilitate investigations into phenomena which have been left untapped by existing committees. An excellent case in point is the phenomenon of rampant economic imperialism and colonialism in the U.S.S.R. Another is the Moslem problem in the Soviet Union. Many others related to the so-called satellites and the Asian captive nations can be cited.

Furthermore, objective and far-seeing legislators in Congress recognize that the range and depth of work before such a committee would make unusual demands on its members. A great deal of time, effort, and dedicated application would be necessary. No standing or some ad hoc committee could possibly assume such burdens. Fortunately, there are many legislators with deep convictions about the captive nations. They would gladly specialize in this field, albeit at cost of time, effort, and much inconvenience. Only a special committee can efficiently enlist and utilize their services.

With Moscow's empire rumbling with troubles, the time for such a committee is now. Time is in our favor now to do what must be done. Nothing else will do.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. DENT (at the request of Mr. ALBERT), for 1 hour, on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. TRIMBLE and to include extraneous matter.

Mr. ROGERS of Florida.

Mr. ALGER.

(The following Members (at the request of Mrs. WEIS) and to include extraneous matter:)

Mr. FINO.

Mr. PELLY.

Mr. MOOREHEAD of Ohio.

Mr. SCHNEEBELI.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. ABBITT.

Mr. BOGGS.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1347. An act for the relief of Adolf M. Bailer;

H.R. 5652. An act for the relief of Kevork Toroian; and

H.J. Res. 638. Joint resolution for the relief of certain aliens who are serving in the U.S. Armed Forces.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 1, 1962, present to the President, for his approval, bills of the House of the following titles:

H.R. 1395. An act for the relief of Sydney Gruson;

H.R. 1404. An act for the relief of Mrs. Frances Mangiaracina;

H.R. 1712. An act for the relief of Elizabeth Rose DiCarlo;

H.R. 2103. An act for the relief of Antonio C. Ysrael;

H.R. 2672. An act for the relief of Sonia Maria Smith;

H.R. 2839. An act for the relief of Mildred Love Hayley;

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[7] Comments by the U.S. delegation on the Soviet memorandum circulated as Document No. A/4889, United Nations General Assembly, Nov. 25, 1961.

[8] CONGRESSIONAL RECORD, volume 107, part 3, pp. 3527–3529.

[9] Ibid., pp. 3529–3532.

[10] Ibid., pp. 3532–3534.

H.R. 4783. An act to grant constructive service to members of the Coast Guard Women's Reserve for the period from July 25, 1947, to November 1, 1949;

H.R. 8368. An act for the relief of A. Eugene Congress;

H.R. 8570. An act to amend title 10, United States Code, to permit disbursing officers of an armed force to entrust funds to other officers of an armed force;

H.R. 9466. An act for the relief of Sfc. Jesse O. Smith; and

H.R. 11261. An act to authorize an adequate White House Police force, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 21 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 5, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2131. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report of the activity in the executive branch during fiscal year 1961 to further the Government's user charges policy, pursuant to title V of the Independent Offices Appropriation Act of 1952; to the Committee on Appropriations.

2132. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations) relative to the Department of the Air Force requesting approval for the Air National Guard to proceed with certain construction projects at General Mitchell Field, Milwaukee, Wis.; to the Committee on Armed Services.

2133. A letter from the Secretary of the Army, transmitting reports of the number of officers on duty with Headquarters, Department of the Army and the Army General Staff on March 31, 1962; to the Committee on Armed Services.

2134. A letter from the Chairman, Legal Aid Agency for the District of Columbia, transmitting the annual report by the Board of Trustees of the Legal Aid Agency for the District of Columbia for the period June 1, 1961, to May 31, 1962, pursuant to Public Law 86–531, 86th Congress; to the Committee on the District of Columbia.

2135. A letter from the Comptroller General of the United States; transmitting a report on interest charges paid for the construction of a water supply line at Fort Belvoir, Va., Department of the Army; to the Committee on Government Operations.

2136. A letter from the Comptroller General of the United States; transmitting a report on fraudulent claims and uneconomical practices in lodging and subsistence allowances paid to members of shore patrols, Department of the Navy; to the Committee on Government Operations.

2137. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

2138. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a proposed bill entitled "A bill to amend paragraph (2)(G) of subsection 309(c) of the Communications Act of 1934, as amended, by granting the Federal Communications Commission additional authority to grant special temporary authorizations for 60 days for certain nonbroadcast operations"; to the Committee on Interstate and Foreign Commerce.

2139. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of this Department on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946, from January 1, 1962, through March 31, 1962, pursuant to section 13 of the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

2140. A letter from the Administrator National Aeronautics and Space Administration, transmitting copies of a report of contracts negotiated by the National Aeronautics and Space Administration under 10 U.S.C. 2304(a) (11) and (16), covering the period July 1, 1961, to December 31, 1961, pursuant to rule XL of the Rules of the House of Representatives and the provision of 10 U.S.C. 2304(e); to the Committee on Science and Astronautics.

2141. A letter from the Secretary of the Army, transmitting a letter from the Acting Chief of Engineers, Department of the Army, dated October 18, 1961, submitting a report, together with accompanying papers and illustrations, on a review of reports on Kentucky River and tributaries, Kentucky, requested by the resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted April 22, 1953, April 21, 1950, and July 29, 1953, respectively (H. Doc. No. 423); to the Committee on Public Works and ordered to be printed with 12 illustrations.

2142. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of the orders entered in the cases of certain aliens who have been found admissible to the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 31, 1962, the following bill was reported on June 2, 1962:

Mr. BLATNIK: Committee on Public Works. H.R. 10113. A bill to establish an Office of Public Works Coordination and Acceleration; to authorize the preparation of a plan for acceleration of public works when necessary to avoid serious nationwide unemployment levels; and for other purposes; with amendment (Rept. No. 1756). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 11970. A bill to promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes; to the Committee on Ways and Means.

By Mr. CURTIS of Massachusetts:

H.R. 11971. A bill to prohibit indirect financing of primaries and elections out of Federal funds appropriated for highways, to prohibit certain improper and undesirable practices relating to the Federal-aid highway program, and for other purposes designed to protect the public interest and investment therein; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 11972. A bill to authorize the sale, without regard to the 6-month waiting period prescribed, of cadmium proposed to be disposed of pursuant to the Strategic and Critical Materials Stock Piling Act; to the Committee on Armed Services.

By Mr. FALLON:

H.R. 11973. A bill to authorize the appropriation of adequate funds to provide for the completion of the construction of the Inter-American Highway, and for other purposes; to the Committee on Public Works.

By Mr. HOLIFIELD:

H.R. 11974. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. McFALL:

H.R. 11975. A bill to extend the benefits of the Civil Service Retirement Act, the Federal Employees' Group Life Insurance Act of 1954, and the Federal Employees Health Benefits Act in 1959 to caretakers and clerks in the employ of the National Guard of a State, or the Commonwealth of Puerto Rico, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11976. A bill to amend title 38 of the United States Code to provide automobiles for disabled veterans of World War I; to the Committee on Veterans' Affairs.

H.R. 11977. A bill to amend title 38 of the United States Code to provide special housing and automobiles for certain disabled veterans; to the Committee on Veterans' Affairs.

By Mr. MORSE:

H.R. 11978. A bill to amend the Internal Revenue Code of 1954 to provide a 10 percent reduction in the individual income tax and the corporate income tax, and to increase the personal income tax exemption from $600 to $700; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 11979. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. SCOTT:

H.R. 11980. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. SHEPPARD:

H.R. 11981. A bill to provide for an expanded program of rabbit research; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H.R. 11982. A bill to amend section 215 of title 38, United States Code, to provide for the compilation and publication of all regulations of the Administrator of Veterans' Affairs; to the Committee on Veterans' Affairs.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States relative to the is-

suance of a commemorative postage stamp celebrating the 250th anniversary of the founding in 1714 of Natchitoches and therewith the founding of Louisiana, which was referred to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H.R. 11983. A bill for the relief of Joseph Wielkosz; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 11984. A bill for the relief of Pietro Maniciotti; to the Committee on the Judiciary.

H.R. 11985. A bill for the relief of Odisefs Karanicolas: to the Committee on the Judiciary.

By Mr. KYL:

H.R. 11986. A bill for the relief of Julius Nicklas; to the Committee on the Judiciary.

By Mr. MONTOYA:

H.R. 11987. A bill for the relief of Thomas E. Speer; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.R. 11988. A bill for the relief of Mrs. Tsai Shai Goon; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 11989. A bill for the relief of Alfred Coleman; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

363. The SPEAKER presented a petition of Antonio V. Raquiza, Member of the House of Representatives, Republic of the Philippines, Manila, Philippines, relative to calling attention to a bill he introduced "Expressing the sense of the House of Representatives in favor of the state visit of President Diosdado Macapagal to the United States", which was referred to the Committe on Foreign Affairs.

EXTENSIONS OF REMARKS

Income Distribution of the Tax Provisions of the King-Anderson Bill

EXTENSION OF REMARKS

OF

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. SCHNEEBELI. Mr. Speaker, being under the general impression that the workingman would be contributing more percentagewise for medical expense aid available under the King-Anderson bill than he would contribute to funds available through the present Kerr-Mills legislation, I asked the Ways and Means Committee counsel to prepare for me a memorandum indicating how various income groups contributed to the general tax fund as well as specifically to the social security funds. My initial opinions were substantiated, since the workingman is contributing at least twice as much to the social security fund percentagewise than to the General Treasury.

Figures submitted with the quoted memorandum indicate that on the revenue table, 53.5 percent of all social security income is secured from persons with incomes of $5,000 per year and less. This same income group on the other hand contributes only 26.4 percent of the general tax fund from which Kerr-Mills legislation secures its funds. Accordingly, the workingman then contributes more than twice as much for the same dollar's worth of medical assistance under the King-Anderson bill as he would through the present Kerr-Mills legislation. It appears that this argument has not been emphasized enough in our discussion of this controversial legislation.

The memorandum referred to follows:

This memorandum is in response to your request to Leo Irwin for some statistics relating to the income distribution of the tax provisions of the King-Anderson bill.

The following table on percentage share is based on the paper on the "Income Distribution of the Tax Burden" by Prof. Richard Musgrave submitted to the Fiscal Policy Subcommittee of the Joint Economic Committee during their 1955 panel on Federal tax policy for economic growth and statistics. These are based on data reflecting 1954 income distributions. If you wanted to visualize these at current income levels, it would be reasonably accurate to use the same percentage figures and raise each of the income class items by 25 percent, that is, the figures in the top row would generally apply to the income class in 1962 of zero to $2,500.

Percentage share of tax burden by income classes, social-insurance contributions, personal income taxes, and all other Federal taxes, 1954

Income class	Social-insurance contribution	Federal individual income tax	All Federal taxes excluding social insurance contribution
0 to $2,000	6.8	1.6	3.2
$2,000 to $3,000	10.3	3.7	4.9
$3,000 to $4,000	17.9	8.0	8.5
$4,000 to $5,300	18.5	10.2	9.8
$5,000 to $7,500	28.6	28.3	23.9
$7,500 to $10,000	8.6	13.9	11.0
Over $10,000	9.1	34.3	38.7
Total	100	100	100

The table indicates that the burden of financing social insurance legislation is concentrated far more heavily in the lower brackets than in the rest of the Federal tax structure. At 1962 levels, one could say that individuals above $12,500 of income pay only about 9 percent of the cost of social security but they pay about one-third of the Federal individual income taxes and almost 40 percent of the total burden of Federal taxes excluding social insurance contributions.

This table is based upon the assumption that the employer part of the social security taxes is reflected in the price of the products that they sell and consequently the burden of the employer tax is distributed generally in the manner of a general sales tax.

The Uruguay National Lottery

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. FINO. Mr. Speaker, I would like to apprise the Members of this House with the Uruguay national lottery.

In this small country of some 3 million people, the national lottery brought in gross receipts of almost $15 million in 1961. The profit accruing to the Uruguay treasury was close to $5 million. These funds were earmarked for unemployment benefits, physical education, and for that nation's fight against TB.

Mr. Speaker, this South American country has the sense to realize that great benefits may be derived from a national lottery. We, too, can realize a tremendous benefit here in the United States with our own Government-run lottery.

A national lottery in the United States can produce over $10 billion a year in additional income which can be used to cut taxes and reduce our national debt. What a lift this would be to Mr. and Mrs. American Taxpayer.

Washington Report

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of June 2, 1962:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

Is consistency a virtue? Is it important that a man stand for something? Should a Member of Congress vote his convictions or not? Should men in public office be truthful with constituents or should men be political, defined (by some) as taking both sides of an issue or dodge the issue entirely? In elections, should people support one candidate or both opposing candidates so as to be a supporter of whomever wins? Does intellectual honesty make any difference today. One may well ponder these questions and their answers. There is even danger of being branded prudish or "holier than thou" if a strict standard of public service is followed.

To continue the worksheet of a conservative theme (newsletter, May 19). To document the statement "A conservative does not believe our Federal Government is designed to nor can successfully feed, clothe, house, provide jobs and basic necessities," let's recall today's legislation and the direction of

this administration. Food—farm program, Public Law 480, food distribution both at home and worldwide, school lunch and milk programs, surplus foods combined with welfare programs. Housing—public housing by the millions, urban renewal, area redevelopment. Jobs—public works, area redevelopment, wage setting (Davis Bacon-Walsh Healey). Clothing—public assistance. Basic necessities—public power, peacetime GI insurance, small business loans, medical care, etc. These are but a few examples. Under foreign aid, of course, we are engaged in all areas overseas. For my part, I shall continue consistently to interpret the Constitution as limited government of checks and balances between Federal-State with residual power in the people and between executive, legislative, and judicial.

The effect of the President's dictatorial suppression of the steel industry has spread throughout the entire Nation's business, evidenced by the stock market plunge. It is interesting to observe the President's economic adviser, Mr. Heller, as he flounders around trying to explain the market without crediting the President's action as the cause. (Subject: "Now they're lying about economics": "Walter Heller, President Kennedy's top economic adviser, tried to explain away the crash in the stock market by claiming that the American people have so much confidence in the administration's ability to hold the economy in line that they are selling stocks in the knowledge that inflation is a thing of the past. This woolly headed thinking illustrates the confusion at the White House. Heller, in a speech Monday, said consumer prices have held steady since the administration came into office. This is a lie. The fact is that consumers prices rose again in April to an alltime high of 105.2. They have jumped 0.7 percent this year, already as much as they rose last year—a total of 1.4 percent since Kennedy came into office. * * * Heller said the stock market is no indicator of business conditions, that conditions are just fine, and that the 'recovery' will extend well into 1963." Issue of the day, National Republican Congressional Committee). This is the adviser whose advice West Germany categorically turned down as it went instead to private enterprise as the answer and soared to new heights. Perhaps the President's strange outlook on the role of government in our lives was best stated by him in his New York medicare speech. "The fact of the matter is that what we are now talking about doing, most of the countries of Europe did years ago. The British did it 30 years ago. We are behind every country, pretty nearly, in Europe, in this matter of medical care for our citizens." Imagine such a statement from the man heading the Government of the Nation that has the finest medical care in the world, where no one is denied medical care for lack of money, a country whose health and freedom has resulted in pouring our wealth into these countries the President would emulate. Well, Hitler, Mussolini, Fascists, Communists, and Socialists have abounded in these countries and they haven't given up trying to make us over. They've been trying since before 1776, but we've been helping them only the last 30 years—since the beginning of the New Deal. President Kennedy is accelerating this change. Ironically, it is true that we cannot be made over from without, but only from within. The changes are going on before our eyes. The question is will people see it in time to stop it. Here's another account of what's happening to us. (Subject: The big lie—Kennedy's technique: "Even though he got caught in a medical care lie during the 1960 campaign, President John F. Kennedy apparently didn't learn anything, or is too indifferent toward the truth to care. On Sunday he spun another fabrication in his rally plea for medical care under social security. Again he trampled facts to create fiction. In 1960, Kennedy made a television film with an elderly man in Kentucky. The man claimed he had used up his life savings of around $900 to pay for treatment of a hip injury. He ended the program with a plea for social security medical care. Investigation revealed: (1) The man had a private health insurance plan. (2) He spent only $80 (would have spent only $50 except he wanted a semiprivate room). (3) He had told Kennedy about the private health care plan, but was warned not to mention it on the program. The money-laden Kennedy distributed this film copiously through TV stations all over the country. The big lie was brazen, calculated and deliberate." Issue of the day, National Republican Congressional Committee). Many people say that people get the kind of government they deserve. Do the people of the United States deserve the kind of government they're getting today? What do you think?

Breakthrough for U.S. Air Capability

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. PELLY. Mr. Speaker, we recently had a striking example of the way in which our Nation's military capability will be aided by bold leadership on the part of private American enterprise.

I am referring to the fact that Pan American World Airways has announced the purchase of two American-built, all-cargo jet aircraft. Designated the 707-321C and manufactured by the Boeing Aircraft Co. of Seattle, they are the latest products of which America's vital aircraft industry can be proud.

When the potentialities of this aircraft purchase are realized, we will find that it represents an advance in both military and commercial cargo transportation comparable to the transition from propeller to jet aircraft in the field of passenger transportation.

Let us consider what this purchase means to the national defense. Since these new cargo jets will be enrolled in the Civil Reserve Air Fleet, the Armed Forces, for the first time, will have on call truly modern all-cargo jet aircraft, which are financed, operated, and maintained by a commercial air carrier at no expense to the Government.

With the speed, range, and carrying capacity of these jets, a major contribution will be made to our military Reserve in times of emergencies. These Boeing cargo jets will be able to fly nonstop to almost any of the world's trouble spots, carrying troops or material, or a combination of both. They will be capable of carrying missiles, trucks, ambulances, and other mobile equipment used by an airborne battle group.

One of these planes alone can transport 82 percent of the daily rations of an airborne division. On a flight between Travis Air Force Base and Hickham Field, Hawaii, for example, this would mean the delivery of almost 600,000 pounds of cargo per week. As an illustration of the planes' flexibility, each could move 84 troops with 40,000 pounds of cargo, or 108 troops with 24,000 pounds of cargo.

As to the long-range value of this aircraft, consider a flight from McChord Air Force Base in my State of Washington to Tokyo, Japan. That represents a distance of 4,860 miles. On a nonstop flight, one of these planes could carry 43,000 pounds of cargo from McChord to Tokyo, or 160 battle-equipped troops. This aircraft, in other words, is unique in this capacity, as no other aircraft could fulfill such a mission.

The new Boeing all-cargo jets, whose construction is giving further impetus to the economy of the Northwest, will symbolize the introduction of truly mass transport of cargo by air. An ultimate result could be a reduction in cargo rates and, by making possible a reduction of inventories and the elimination of warehousing, a new concept of distribution.

It is gratifying also to learn that Pan American continues in its diligent support of our military services and again is pioneering in the development of commercial air cargo. The company is to be congratulated on this farsighted move and for being the first to take delivery on this splendid airplane. The acquisition of the Boeing 707-321C's by our commercial air carriers will indisputably result in further aid to our defense posture and, by increasing international trade, mean an improvement in the Nation's balance of payments.

Reduction of the National Debt

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. ROGERS of Florida. Mr. Speaker, the Ways and Means Committee is currently considering the question of temporarily increasing the national debt ceiling. I have submitted testimony in opposition to this increase, and in my testimony also called for adoption of a plan to provide for systematic reduction of the debt itself. Under leave to extend my remarks, I hereby include my statement at this point in the RECORD:

STATEMENT OF THE HONORABLE PAUL G. ROGERS, MEMBER OF CONGRESS FROM FLORIDA, BEFORE THE HOUSE WAYS AND MEANS COMMITTEE, JUNE 1, 1962, ON THE NATIONAL DEBT

Mr. Chairman and members of this distinguished committee, thank you very much for the opportunity to present my views on the proposal to provide a temporary increase in the national debt. Let me say, with all due respect to this great committee, that I am opposed to an increase in the national debt, and that I urge the committee to disapprove any such increase. Further, I respectfully request that the committee give its most serious consideration to reduction of the debt. This purpose could be accomplished by H.R. 1080, a bill which I introduced to provide for systematic repayment of the national debt.

H.R. 1080, if enacted, would require the Secretary of the Treasury to apply a sum equal to 1 percent of the national debt annually in payment on the debt principal. A system such as this one would guarantee payment on the debt, and there is no such statutory provision for planned payment of the debt at this time.

The national debt now stands at approximately $298 billion as a result of the temporary increase enacted last year. When this increase expires July 1, 1962, the debt ceiling will return to $285 billion, unless otherwise altered by legislation. As this committee knows, a debt ceiling is a brake on Government spending, and we are spending too much.

Any proposal to increase the national debt must also involve the reduction of the debt. There is a correlation between the size of the national debt and the interest burden it carries. As the debt grows larger, the public is saddled with higher taxes to support its obligations.

As you can see, there must be repayment on the debt itself. Morally, each American has been taught that he must meet his financial obligations. When we borrow money, we do so in good faith, and it is only fitting that we pay it back. The economic realities of life demand that we repay our debts if we are to maintain good credit. In the business world, debt repayment is essential to our national economy. Yet in the biggest business this Nation has—the business of Government—there is no specific provision for planned repayment of our debts.

The Federal budget for fiscal year 1963 contains an item in the amount of some $9.4 billion for interest on the national debt. This amount represents an interest rate of 3.2 percent as of April 30, 1962. Yet nowhere in the Federal budget is there an item marked for payment on the debt itself.

In 1790, the national debt could have been completely satisfied had each American paid $19 into the U.S. Treasury. At the end of the War of 1812, that figure would have been $15. Just after the Civil War, a payment of $78 from every American would have satisfied the debt. After World War I, $240 was needed. Today, with the public debt totaling some $298 billion, a payment of $1,604 would be needed from every living American to satisfy it. This would be a payment over and above the taxes collected each year to keep the Government running.

This Nation is engaged in a great struggle for the survival of its freedoms. The great global conflicts which the United States has experienced in recent years are certainly major factors in our increasing indebtedness. Today our resources are tapped with needs for huge armies and explorations into outer space. Our national economy is fortunately able to accommodate most of these essential expenditures.

However, there are many programs which are not essential to the survival of democracy. It is this sort of nonessential spending which I believe to be against the best interests of our Nation's welfare. Foreign aid is a prime example of the kind of program which could be reduced immediately. Last year, the foreign aid program came to nearly half of the interest on the national debt itself. The American taxpayer would be greatly relieved, I am sure, if we were to substitute an item in the Federal budget to apply as payment on the national debt in place of the excessive billions spent on foreign aid. What priority does debt reduction have in our Government when every conceivable program comes first?

Mr. Chairman, the reduction of the national debt must be done on an orderly, programed basis. Should this committee approve legislation to apply 1 percent of the debt as payment on the national debt itself, with no change in the current permanent debt ceiling of $285 billion, the debt could be reduced to $232 billion in 20 years, and $172 billion in 50 years. This reduction in the principal would result in a saving of nearly $19 billion in interest alone for the first 20 years, and a saving of nearly $100 billion in interest over 50 years.

I urge this distinguished committee to approve this plan for systematic reduction of the national debt as soon as possible. We must face up to fiscal responsibility sometime. We ought to start now.

Refugees in Europe and Refugees in Dade County, Fla.

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. BOGGS. Mr. Speaker, I wish to include in the RECORD the text of a citation awarded the distinguished gentleman from Pennsylvania, Mr. FRANCIS E. WALTER, by the U.S. Committee on Refugees and the text of an address made by Mr. WALTER on that occasion:

WALTER AWARDED CITATION FOR MERITORIOUS SERVICE BY U.S. COMMITTEE FOR REFUGEES—APPEALS FOR EFFORT TO RESETTLE CUBAN REFUGEES OUTSIDE OF FLORIDA

The U.S. Committee for Refugees at its annual meeting held in Washington, D.C., on May 22, 1962, awarded Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, chairman of the House Subcommittee on Immigration and Nationality, the following citation for meritorious service:

"Citation for outstanding work on behalf of the world's homeless is awarded to the Honorable FRANCIS E. WALTER, Member of the House of Representatives, Congress of the United States, in which his long service has been marked by deep concerns for the problems of migrants and refugees—as a Member of the House Judiciary Committee, the Joint Committee on Immigration and Nationality Policy, Delegate to the Council of Intergovernmental Committee for European Migration and the author of basic refugee legislation, whose most recent bill providing for continued support of international refugee and migration programs reflects the broad humanitarian approach to which his countrymen are by tradition committed. In grateful appreciation,

"MAXWELL M. RABB,
"President.
"WILLIAM L. BREESE,
"Secretary."

In accepting the citation, Representative WALTER made the following address:

"Mr. Chairman, I accept this splendid citation with gratitude and humility. I accept it not as honoring myself only but addressed to all my colleagues on the Committee on the Judiciary, and in the House of Representatives itself, who made it possible for the humanitarian legislation you refer to, to be placed on the statute books of the United States.

"The sentiments expressed in the citation are obviously directed to all of those in the Congress of the United States who since the end of World War II have seen to it that their country is at all times equipped with legal instrumentality permitting to extend a helping hand to victims of totalitarian persecution who had to flee their lands. It is in that context that I am proud to receive the citation in behalf of my colleagues in the Congress.

"The principal merit of our refugee legislation—in my opinion—lies in the fact that it realistically addressed itself to an existing problem. Assistance and resettlement opportunities were extended to specified people and available in the area where assistance was needed.

"Looking at the situation facing all of us—the Government of the United States and the American voluntary agencies—at the present time—I wonder whether we have not somewhat deviated from this principal feature of our joint activities.

"Let me convey to you, in the spirit of true friendship and frankness, a few thoughts and a few figures.

"It appears to me that there exists at this time a striking difference between the refugee problem in Europe and the problem of refugees in the United States. What I have in mind is the difference between the situation existing today in the traditional area of our efforts and expenditures—countries like Western Germany, Italy, Austria, on the one hand, and just one area of the United States—Dade County, Fla., on the other.

"I have done some homework lately—here and abroad—and I am startled with the results.

"In the course of last year, approximately 100 escapees from behind the Iron Curtain appeared in the free countries of Western Europe per month. Twice that number of Cuban refugees enter Florida per day.

"The entire caseload of the U.S. escape program (USEP) in Europe and the Near East, as of last month, was less than 6,000 persons. This is the equivalent of 1 month's influx of Cuban refugees into Florida.

"However, this small USEP caseload is inflated by over 2,200 Yugoslavs with more than questionable claims to political refugee status. Further, USEP caseload appears to suffer from a little temporary swelling by the inclusion of emigrants in transit from one or two countries behind the Iron Curtain to the hospitable Republic of Israel.

"I hope that steps undertaken under consistent congressional prodding will soon lead to the much-needed pruning of USEP's caseload. If this is done, the number of those who may, at least with some degree of justification, claim political refugee status, would certainly drop to 1,500 or 2,000 persons in the entire area of USEP's operations. This is precisely the number of Cuban refugees entering Florida each week.

"In the course of almost 2 years' operation conducted by the Immigration and Naturalization Service pursuant to the 1960 Fair Share Act, only 11,246 refugees were found in Europe and the Near East to be qualified for entry into the United States. As you know, no effort was spared by the administrators of the law and by the voluntary agencies to find more refugees qualifying for entry. Those efforts notwithstanding, it is impossible to reach the statutorily authorized fair share which is 16,490. One of the most characteristic figures which I obtained is the figure of some 2,000 refugees in Europe who, after having registered for entry into the United States, have changed their minds, withdrawn their petitions when invited for interviews by our immigration officers, and informed them that they preferred to remain in economically prosperous Europe.

"The contrast between this picture and the refugee situation in this country is striking, indeed. Official figures submitted to me just 3 days ago indicate that while we were beating the bushes to find, in Europe, refugees desirous of coming to the United States, the number of Cuban refugees already in this country had reached 114,000. The Department of State is issuing entry permits for Cuban refugees at the rate of 700 per day, or 3,500 per week. The current rate of new applications for entry is 20,000 each month. There are, at the present time, 160,000 entry permits stacked up in the immigration office at Miami International Airport awaiting the arrival of more Cuban refugees.

"At this rate—and nothing indicates that the influx will abate—we will have by the end of this year 160,000 Cuban refugees in this country and we will double this figure, or at least bring it to 300,000 in 1963.

"Why did I seize upon this festive occasion to swamp you with these facts and figures? The answer is simple: I wish to appeal to you for help.

"I wish to join my friend, Secretary Ribicoff, who appeared last week with a similar appeal before the conference of mayors requesting their help in providing for resettlement of Cuban refugees, the many thousands who are already in Florida, and those who will soon arrive there, so that the burden might be shared rather than kept on the shoulders of one community or one county.

"I simply wish to appeal to you to concentrate your efforts on the area where there is a most difficult problem, a problem steadfily increasing in scope and fraught with economic and social complications and dangers.

"The U.S. escapee program in Europe and in the Near East, is spending considerable sums of money, taxpayers' money, not money coming from voluntary contributions, for maintaining offices and staffs counseling—under contracts—the steadily dwindling number of refugees on a variety of subjects, including the problem of where to obtain an immigrant visa which the refugee is reluctant to apply for anyway, because he found employment and housing in the country which gave him asylum.

"The situation in Florida is just the reverse. The number of Cuban refugees who—as time progresses—desire more and more to be removed from the shores of Florida into communities where they may not have to rely on welfare assistance provided by Secretary Ribicoff's agency, is steadily increasing. They are the ones who need counseling, the communities that might accept them need counseling, and potential American employers need counseling.

"I am convinced that if the American voluntary agencies would expend in Florida just a fraction of the funds and efforts spent in Western Europe, Secretary Ribicoff's appeal would begin to bear fruit very soon.

"Your committee, I am sure, will not deny us its support and join the efforts designed to have the American voluntary agencies and civic groups concentrate on the most pressing refugee problem—the problem of refugees in the United States."

Results of 1962 Public Opinion Poll

EXTENSION OF REMARKS

OF

HON. TOM V. MOOREHEAD

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. MOOREHEAD of Ohio. Mr. Speaker, for the past 2 months, I have been conducting a public opinion poll in the 15th Congressional District of Ohio, which I have the honor to represent here. It has been my purpose to solicit the opinions of a large segment of the people of southeastern Ohio to determine their feelings about important issues that are awaiting action by the House of Representatives. Participation in the poll was not limited to any special group. Through the mailing of a questionnaire and the cooperation of district newspapers, which kindly reprinted the questionnaire as a public service, the opportunity to participate was made available to all of those interested in expressing their views.

The poll contained 18 questions relating to matters of domestic and foreign policy. The results of this opinion survey are now available. It is surprising that the tabulation indicates such definite trends in the thinking of the people of the district. The results show that opinions on half of the questions registered more than 75 percent support or opposition.

The poll expressed great concern over the national debt, approving by 89.4 percent the proposal that the annual Federal budget should include funds for a systematic reduction of the national debt. Other issues included approval of stronger laws to assure safety of drugs and cosmetics, 83.6 percent; opposition to the President's request for tariff-cutting authority, 76.8 percent; opposition to foreign aid or food for Poland and Yugoslavia, 82.2 percent; opposition to high price supports and more stringent Federal controls over farm production, 81.8 percent; approval of the proposal to require, by law, disclosure of interest rates at the time loans are made or installment credit is granted, 84.9 percent; opposition to granting power to the President to adjust income taxes, 88 percent; and approval of the use of wiretap evidence by the Federal Government for certain serious offenses, 85.1 percent.

The question of sending U.S. troops to Vietnam and other countries of southeast Asia to defend this area from Communist penetration showed the narrowest division of opinion—40.1 percent in favor and 44.9 percent opposing. It also reflected the greatest indecision with 15 percent registering no opinion. The second closest division related to whether stronger civil rights laws are needed. On this issue 48.5 percent favored stronger laws, 37 percent opposed and 14.5 percent expressed no opinion.

In the debate over medical care for the aged, the poll indicated widespread popular concern about both the issue and the problem underlying it. A total of 22.2 percent favored the social security approach taken in the King-Anderson bill. The philosophy of the Kerr-Mills Act, embodying Federal-State assistance based on need, was favored by 19.2 percent. A voluntary program of medical insurance, with costs shared by private individuals and the Federal Government, received the support of 17.2 percent. Private hospitalization insurance and no Federal participation was favored by 33.2 percent.

Many hundreds of persons returning the questionnaire added comments discussing the issues. Although these comments are extremely helpful to me in assessing the feelings of the people of the district, it is not possible, unfortunately, to reflect them in statistical form. However, I wish to point out that a very large proportion of those making comments expressed serious concern and outspoken opposition to increasing the powers of the President and greater Federal expenditures that are producing mounting deficits and adding to the burden of the national debt.

Following are the detailed results of the poll:

	Yes	No	No opinion
1. Do you approve the President's request for authority to buy $100,000,000 in United Nations bonds?	27.5	66.3	6.2
2. Are stronger laws needed to assure safety and effectiveness of drugs and cosmetics offered for sale?	83.6	11.2	5.2
3. Should the United States resume atomic testing in the atmosphere?	63.7	25.3	11.0
4. Do you favor the President's request for greater authority to lower or abolish tariffs?	19.7	76.8	3.5
5. Should U.S. foreign aid funds and surplus food be made available to the Communist governments of Poland and Yugoslavia?	11.5	82.2	6.3
6. Do you agree with the President's plan for higher price supports for farm commodities and more stringent Federal controls on farm production?	13.3	81.8	4.9
7. Should the Federal budget each year include funds for a systematic reduction of the national debt?	89.4	6.1	4.5
8. Should servicemen be granted educational and home loan benefits similar to those provided for World War II and Korean veterans?	55.8	37.8	6.4
9. Should it be required by law that lenders and vendors disclose in advance actual interest rates on loans and installment credit?	84.9	10.3	4.8
10. Should Congress approve the President's request for $2,000,000,000 for standby public works programs in case of a recession?	38.9	56.1	5.0
11. Should Congress give the President power to raise and lower income taxes?	8.0	88.0	4.0
12. Should the Federal Government be empowered to use wiretap evidence in cases involving security, organized crime, and other serious offenses?	85.1	10.2	4.7
13. Do you support the President's proposal for $747,800,000 in Federal aid to improve the quality of grade and high school education?	36.5	57.7	5.8
14. Are you in favor of tax deductions for parents to assist them in paying college tuition costs for their children?	60.9	35.3	3.8
15. Do you approve the President's request for $4,870,000,000 for the foreign aid program during the next 12 months?	16.1	75.1	8.8
16. Do you believe the United States should send troops to defend Vietnam or other countries in southeast Asia from Communist penetration?	40.1	44.9	15.0
17. Are stronger civil rights laws needed?	48.5	37.0	14.5
18. Which one of the following plans for medical care for the aged do you approve:			
A. A compulsory Federal program of hospitalization and nursing home care to persons over 65 eligible for social security, paid for by increased social security taxes?	22.2		
B. A Federal-State program of assistance based on need, financed from general revenues?	19.2		
C. A voluntary program of medical insurance, with costs shared by the Federal Government and individual beneficiaries?	17.2		8.2
D. Private hospitalization insurance and no Federal participation?	33.2		

Smoking and Health

EXTENSION OF REMARKS

OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. ABBITT. Mr. Speaker, in recent days there has been considerable discussion of the question of the causes of lung cancer. Certain statements have been made that reflect adversely upon the tobacco industry in a most unfair manner.

In an effort to clarify some of the points raised, I have communicated with Dr. Clarence Cook Little, scientific director of the tobacco industry research committee, asking his informed views on the subject. Dr. Little, a cancer scientist for 53 years, is former president of the Universities of Michigan and Maine, and founder of the Jackson Memorial Laboratory in Maine. He is an eminent scientist who is widely respected both in this country and around the world.

I include herewith my letter to Dr. Little and his reply and commend this to the reading of the Members of the House:

MAY 28, 1962.

Dr. CLARENCE COOK LITTLE,
Scientific Director, Tobacco Industry Research Committee, New York, N.Y.

DEAR DR. LITTLE: I have noticed much discussion on the recent report on "Smoking and Health" by the Royal College of Physicians in England. The impression has been given that there has been a major change in the situation involving smoking and health.

Because of your long experience as a cancer scientist and your position as scientific director of the tobacco industry research committee, I would like your views about some questions that are being raised.

Does this English report contain new findings that affect the situation regarding smoking? Should there be a reexamination or changes in the research programs being conducted into smoking and health questions?

Your comments on this matter will be received with interest.

With kindest regards, I am

W. M. ABBITT.

TOBACCO INDUSTRY RESEARCH COMMITTEE,
New York, N.Y., May 31, 1962.

Hon. WATKINS M. ABBITT,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN ABBITT: This is in response to your inquiry whether the scientific situation regarding questions of tobacco use and health is changed as the result of the report by the Royal College of Physicians and of the subsequent publicity given the report in England and in this country.

Also, you ask whether the report contains any new facts that should bring about a reexamination of the research on this problem being supported by the tobacco industry research committee as well as other organizations.

The briefest answer to your questions is "no."

The British Medical Journal, impressed by the report, nonetheless says, "The report does not present any new unpublished facts."

The report does not include any original findings of investigations carried out by the Royal College or under its auspices. It represents merely a review and evaluation of certain preexisting data already published and considered. That the report is no more than a summary and critique of previously available evidence is admitted by its authors.

The scientific situation regarding what is known and what is not known about lung cancer and other diseases under consideration remains as it was before the Royal College report. These diseases are exceedingly complex problems.

In dealing with biological problems, especially those involving basic life processes, it is difficult but essential to distinguish between what is actually known, what is advanced as theory or deduction, what is opinion, and what is actually not known. This applies directly and importantly to cancer.

When emotional attitudes become involved, as they most certainly do in the tobacco and health situation, these essential differences become even more difficult to distinguish.

The Royal College of Physicians report is a serious document that selects and presents some known facts, considerable theory and deduction, much opinion, and even a little of what is not known. It does this in such a manner as to advance the hypothesis that cigarette smoking is a major cause of lung cancer, and may be involved in other diseases. The authors thereupon urge restrictive measures against cigarettes.

For the research scientist, this approach leaves too many questions unanswered. The purpose of research is to find out what is not known. What are some of the questions and basic information which the Royal College of Physicians report either does not answer or neglects? It may be well to remind ourselves of what is and is not known.

Statistical data, upon which the Royal College of Physicians report and earlier similar reviews chiefly rely, may help point out a problem; they do not provide the solution. This is clearly brought out by a comment on statistical and epidemiological data in a U.S. Public Health Service monograph on cancer morbidity published in 1959:

"In the study of cancer, a disease that apparently can be induced by a multiplicity of etiological agents, one cannot realistically expect to do more than identify factors that appear to be frequently associated with cancer. The proof of an etiological relationship must then be sought through more intensive clinical or experimental studies."

The answer to the question, "What are the basic causes of lung cancer?" must be sought by methods other than statistical studies. What are some of the more specific questions that are in need of research attention?

Why has there been consistent and universal failure in every effort to induce lung cancer in animals by having them inhale tobacco smoke during their entire lifetimes? Experimental animals can develop lung cancer under certain experimental challenges. This has been done with certain viruses and with viruses in combination with such aerosols as synthetic smog.

What, if any, is the role of viruses in lung cancer? An increasing amount of scientific research suggests the possibility that viruses may be involved in the causation of some types of cancer. They are known to be so involved in some cancer in animals. Many studies have shown that lung damage resulting from virus infections may possibly predispose to lung cancer. Experimental work in this field is now rapidly opening up new leads and methods of investigation.

How much lung cancer arises as a result, or in areas, of previous lung damage from such bacterial diseases as tuberculosis and pneumonia? Within a generation we have seen the death rates from such infectious lung diseases decrease sharply. This means the survivors of such illnesses are now living into the older age brackets when they are apparently more susceptible to lung cancer, or to many other types of cancer. Evidence continues to accumulate to show that lung cancers often arise around old lung damage scars. These leads need further research attention to learn if previous lung ailments may provide a clue to susceptibility in lung cancer.

If smoking does have a role in the development of lung cancer, by what mechanism does this occur? Most theories originally advanced on this question have been either abandoned or extremely modified. In discussing this question in January 1962, the British publication the Lancet observed: "No classical carcinogen (cancer-producing agent) has been found in adequate concentration in tobacco smoke; no genuine lung cancers have been produced experimentally; and, though tobacco tar produces cancer when painted in mouse skin, it is a slow and ineffective agent by all ordinary standards." In discussing this fact, the Lancet, which accepts the cigarette theory of lung cancer causation, can only speculate as to a possible role for smoke as a promoting agent or cocarcinogen. But this leaves the realm of the known fact and ventures into the area of the uncertain opinion.

Why do pathologists, in their studies of lung tissues and lung cancer sections, disagree on such basic questions as how much increase there has been in lung cancer? What kinds of lung cancer are the predominant problem? Where do lung cancers originate in the main passages (bronchi) where all inhalation hits or in the more remote parts (peripheries) of the lung? Firm knowledge on questions such as these could affect the scientific world's whole attitude toward the problem of lung cancer. A number of recent studies, either omitted from or given scant attention in the Royal College of Physicians' report, have demonstrated that the answers even to such fundamental questions as these are not known, and may well not be as previously supposed.

If even the nature and the origin of the problem are not known, how is it possible to define, much less be precise, about a role of any single factor or combination of factors?

Why is it, as the Royal College of Physicians' report states, that tobacco is something "most smokers enjoy without injury to their health?" We need to learn more about the differences between those people, including the majority of smokers, who do not appear to incur a risk of certain diseases and those who, according to statistical studies, apparently incur a greater health risk for those diseases.

We should seek to learn more about the differences between the person who becomes a heavy smoker and one who does not smoke. Several studies already made in this area strongly suggest that important personality and constitutional traits are distributed differently in smoking populations than in nonsmoking groups. Is it not worth further investigation to determine whether the smoking pattern is a reflection of these differences? Might it be that the genetic, hormonal, emotional and other internal influences are the clues to differences in health risks?

These are just some of the important questions to which the research scientist does not know the answers. There are many others. That some may be difficult questions to deal with is recognized, but it is nonetheless important that research attention be directed to them.

In developing the research program for the tobacco industry research committee during the past 8 years, my colleagues on the scientific advisory board have always been guided by a major policy point: We do not take any position that we are attempting to prove or disprove; rather we seek to find the answers to the health problems that are being studied. The research grants made by the board now total over $5 million and have been made to independent scientists in the search for facts. We have not been restricted in any way, either by industry request or lack of funds, in being able to support research work that we believe necessary to help acquire the knowledge needed.

In 1960, the entire scientific advisory board agreed in a statement that the "most significant development has been the general recognition that we do not yet have the answers, that an association between the extent of tobacco use and the incidence of lung cancer does not prove a causal relationship, that experimental verification is essential, and that there are a number of other factors which need to be considered." This position has not been changed.

New significant research findings are eagerly examined to see how they add to our knowledge or may open up new avenues of investigations. Reviews such as that issued by the Royal College of Physicians may help to bolster opinion, but they do not add scientific facts.

Much research reported in the past few years has tended to weaken, rather than to support, the hypothesis that cigarette smoking is a causative factor in lung cancer.

Further research may bring about other changes in knowledge about lung cancer and in the approaches to research on this and other forms of cancer. For cancer is not just a single disease, but one of many shapes and faces, of delicate complexity, and involves many mechanisms that are a part of our body and our growth processes.

If science is to have the opportunity to solve the problem of cancer, or similar diseases, we must be skeptical of claims for simple solutions. Continued research is the only route to scientific truth.

Sincerely yours,
CLARENCE C. LITTLE, Sc.D.,
Scientific Director.

Hon. Carl Albert

EXTENSION OF REMARKS

OF

HON. JAMES W. TRIMBLE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 4, 1962

Mr. TRIMBLE. Mr. Speaker, on Saturday, May 26, it was my good fortune and great honor to be present at the graduating exercises of the John Brown University of Siloam Springs, Ark., in the district which I am honored to represent. This is a great institution, and its imprint will last through the ages.

One of the highlights of the graduating exercise was the commencement address delivered by our colleague and friend, the majority leader, the Honorable CARL ALBERT, of Oklahoma. He was given an honorary degree of doctor of laws at the graduation ceremonies. His inspiring address to the graduates is included as a part of my remarks:

POSITIVE ASPECTS OF THE NEW AGE IN SCIENCE

(By Hon. CARL ALBERT, of Oklahoma)

Dr. Brown, faculty members, graduates, ladies and gentlemen, it is a great honor to be the speaker chosen to make your first commencement address since the accreditation of John Brown University by the North Central Association. I congratulate you upon having won this important recognition. I know that the high standards it required are maintained and implemented at this school.

The members of the graduating class have devoted 4 years of hard effort to the development of mental, spiritual, and physical exexcellence as prescribed in John Brown's famous axiom—Head-Heart-Hand. Never in his history has man been so urgently pressed to bring every faculty into play and to develop every human resource. The philosophy of your school is designed to prepare its graduates to enter a world filled with challenges—many of them unknown and undefined.

A few days ago in the Speaker's office in the Capitol in Washington, D.C., I had the privilege of having a brief conversation with Titov and John Glenn, both of whom within the year had the experience of circumnavigating the globe at a speed many times as fast as the sun and at altitudes never reached by man before. Reduced to human terms, these flights symbolize the contest for military and scientific superiority between two great powers. These two young men represent a struggle between conflicting ways of life: the one was reported to have said he trusted God in his flight; the other that he never did think about God. The outcome of this struggle will influence the ultimate destiny of mankind more than any event since the Resurrection.

The school years of this graduating class span an era of spectacular scientific achievement which has brought new dimensions to power and space. In 1942 when the members of this class were scarcely more than infants, Enrico Fermi, an Italian immigrant, working in a squash court at the University of Chicago, produced the first nuclear chain reaction. In a coded message sent to Dr. James B. Conant in Washington, D.C., Dr. Arthur Compton heralded the atomic age by saying, "The Italian navigator has arrived at the shore of the New World."

And so he had.

Fifteen years later on October 4, 1957, when most of this graduating class was in its third year of high school Russian scientists performed the feat of hurling the first earth satellite around the world at 20 times the speed of the sun.

Not since the industrial revolution have the circumstances of life been so changed in such a short period of time. Hiroshima and Nagasaki revolutionized the very concept of war; and ever since, the memory of the mushroom shadow has been a silent arbiter at every conference of major powers and in every international negotiation.

When the first atomic explosion was set off at Alamogordo, N. Mex., in the summer of 1945, two eminent scientists who witnessed its mighty blast are reported to have caught from the fury of its flames what might have been prophetic glimpses. One of them said he thought he saw what the last man on earth would see at the end of time. The other said he thought he caught a trace of the great light that heralded the creation.

Doomsday or creation, twilight or dawn, atomic war or atomic peace—what does the atomic future hold for mankind? Will it mean a tower of strength, prosperity, and happiness or an abyss of submission, destruction, and defeat?

No realistic sketch of the potentialities of the atomic age can be drawn without picturing on one side the possibility of all-out atomic war. This threat figures in the military policy of every nation of the world. Every country having the capability to compete has a crash program aimed at development of a system of long-range ballistic missiles carrying thermonuclear warheads. When this ultimate weapon has been developed, every city in the world will have become a potential target subject to total destruction.

Directly or indirectly, missiles and nuclear weapons touch the daily lives of every man, woman, and child in this country in every walk of life.

The nuclear facts of life demand a defense posture which requires more appropriations and takes a bigger bite out of the tax dollar than all the other functions of government combined. Defense touches every pocketbook and every bank account. Defense consumes a lion's share of our industrial output. Defense, in theory at least, is the moving force behind Russia's absolute regimentation of all her resources.

The picture I have painted, if gloomy, is nonetheless realistic. The world has never known such broad potentialities for evil as exist today. Nor has it ever had within arm's reach such tools for good.

Potentially a killer, the atom can also be humanitarian. Potentially devastating, it is equally capable of constructive effort.

The atomic age has given mankind his greatest weapons for his war against disease and hunger. Atomic energy offers us a chance to win the fight against poverty. Over one-half the people of the world go to bed hungry every night.

Atomic radiation and radioisotopes offer new opportunities in the field of food production. The free world envisions as a feature of the new force an applied knowledge of photosynthesis which will permit the production of enough food to feed the starving masses of Asia and Africa. The promise of universal abundance automatically removes one of the major causes of war. More important, it holds out the hope that every man born of woman may live a happy, useful life, walking erect among his fellow men as befits the dignity of the image of God.

One of the main obstacles to the development of many of the backward countries of the world has been the lack of local sources of power. At present the average man in North America has about 20 times as much energy to work for him as a man in Asia. Now, in one pound of uranium containing energy of 3 million pounds of coal, the underprivileged peoples of the world have within reach the key to unlock the door to a new age of abundance.

Thus while atomic bombs make the headlines, atomic energy furnishes us with another tool in the battle against disease. While atomic war threatens the desolation of every countryside, atomic peace satisfies man's need for food, water, and power. While hydrogen bombs throw out radioactive dust, radioisotopes are at work in our laboratories rolling back the frontiers of science.

The problems of the atomic age are twofold. First, there is the problem of gearing our technical capabilities to its potentialities. Second, there is the problem of trying to avoid all-out atomic war. Both problems are related and both are complicated by the growing military might of the Soviet Union.

Russia's scientific gains have forced us to an auditing of our past and to a redesign of our plans for the future. This job must be carried on by your generation and its difficulties cannot be minimized. But the difficulty of the task is the measure of your opportunity.

Theodore Roosevelt once said: "The right to live softly is in the end a right not worth having. * * * I have never in my life envied a human being who led an easy life; I have envied a great many people who led difficult lives and led them well."

The potentialities of the atomic age call for an enormous expansion of our scientific, industrial, business, and professional skills. All the great occupations and professions are begging for men and women of training and ability. This gives your generation opportunities to use its talents never before offered to the young people of any era.

Russia is a formidable contestant for leadership in the field of scientific education. By dictatorial allocation of priorities and benefits, she is graduating enormous numbers of physicists and chemists. This poses a real challenge for business, for Government and for our educational system. In speaking of Fermi's feat, the great nuclear scientist, Dr. Willard F. Libby, said: "We could afford to double our present educational expenditures if it would give us just one more Fermi per generation." Not only the colleges and universities, but the American people are challenged to renew and to redouble their dedication to higher education. Such education, to equip us for life in the atomic age, must not be limited to the development of scientific talents necessary to keep us in the forefront of world wide technological developments. Of equal, if not of greater, importance is the necessity of learning to live in the world which our technicians are creating. This calls for the development of our talents on all fronts, the arts and the humanities as well as the sciences. The one sided, if not warped, trend in Russian education may be the beginning of an over specialization which may eventually lead to her breakdown. If we can sustain and broaden the base of our culture and still set the pace in technological fields we may uncover the secret to survival in the atomic age.

Our competition from Russia in this dangerous age calls for high skills. It calls also for courage. It calls especially for moral courage. This Nation was born under a resolution that demanded liberty or death. Survival is not the end of existence.

To be worthy to survive as a Nation we must be willing to risk our survival if need be for the freedom and independence of our people.

We cannot win the cold war by retreating. We cannot win it by appeasement. When principles are at stake we must be willing to stand our ground at whatever cost. There is no future in submission. If we cannot survive with honor, we cannot survive at all.

The true spirit of man, without reference to his ideologies, is committed to building the tower. It is man's wandering from his higher purpose which leads him to the abyss.

The hydrogen bomb and the intercontinental ballistic missile have posed tremendous problems in the realms of science, statecraft, and war. They have not, however, altered the basic duties or destiny of man. They have not changed his relationship with his Creator. With all the astounding achievements made or foreseen or foreseeable in the age of nuclear power and outer space, man's spirtual ideals remain transcendent. The teachings of Christianity still reach infinitely beyond the realms of outer space.

We have come a long way since the days of Moses. We have replaced slingshots with rockets, pushcarts with jetplanes, rowboats with atomic ships, but in all this we have found no substitute for the Ten Commandments.

We have changed the foundations of physical theory; we have challenged the axioms of geometry and disproved them, but the Sermon on the Mount remains as immutable as the "Rock of Ages." The changes in science have served to emphasize, not to undermine it. The Golden Rule was important to the individual in the bow and arrow age; in the age of atomic weapons it is indispensable to the survival of man.

As graduates of a great Christian university you have a rendezvous with destiny. With God's help, you will not fail that rendezvous.

SENATE

Tuesday, June 5, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal God, out of our partial and fragmentary conceptions, knowing that we see as through a glass darkly, we turn to Thee, sure of no light but Thine, no refuge but in Thee.

We acknowledge our share in the world's sin, our love of ease, our pride of race and place and possession, our ruthless competition, our failure to take account of the needs of others, at home and half a world away, and to realize that in very truth humanity is one.

This white altar reared at the gates of the morning speaks to us ever of our final reliance on the supreme spiritual forces—faith, hope, and love—which alone abide, and on which our salvation in the end depends.

Harken to the prayers of our hearts when, in our highest moments, we forget ourselves and think of Thee.

In the spirit of Christ we lift our prayer. Amen.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 1, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

INTERNATIONAL WHEAT AGREEMENT, 1962—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, the President of the United States today transmitted to the Senate the International Wheat Agreement, 1962, Executive D, 87th Congress, 2d session. As in executive session, I move that the injunction of secrecy be removed from the agreement, that the agreement, together with the President's message, be referred to the Committee on Foreign Relations, and that the President's message be printed in the Record.

The VICE PRESIDENT. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the International Wheat Agreement, 1962, in the English, French, Spanish, and Russian languages, formulated at the United Nations Wheat Conference which concluded at Geneva on March 10, 1962. The agreement was open for signature in Washington from April 19 through May 15, 1962. It was signed in behalf of the Government of the United States of America and the governments of 34 other countries.

I transmit also, for the information of the Senate, the report of the Secretary of State regarding the Agreement. Attention is invited particularly to the last paragraph of that report. It is my hope that the Senate will find it possible to give early consideration to the Agreement so that, if the Agreement be approved, ratification by the United States can be effected and an instrument of acceptance deposited by July 16.

John F. Kennedy.

The White House, *June 5, 1962.*

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S.J. Res. 88) authorizing the issuance of a gold medal to Bob Hope.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H.R. 1347. An act for the relief of Adolf M. Bailer;

H.R. 5652. An act for the relief of Kevork Toroian; and

H.J. Res. 638. Joint resolution for the relief of certain aliens who are serving in the U.S. Armed Forces.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Sparkman, and by unanimous consent, the Finance Committee was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report on Contracts for Experimental or Research Work

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., transmitting, pursuant to law, a report on contracts negotiated by that Administration for experimental or research work, for the 6-month period ended December 31, 1961 (with an accompanying report); to the Committee on Aeronautical and Space Sciences.

Amendment of Universal Military Training and Service Act

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Universal Military Training and Service Act (with an accompanying paper); to the Committee on Armed Services.

Report on Number of Officers on Duty With Headquarters, Department of the Army and Army General Staff

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the number of officers on duty with Headquarters, Department of the Army and the Army General Staff, as of March 31, 1962 (with an accompanying report); to the Committee on Armed Services.

Report on Construction of Projects at General Mitchell Field, Milwaukee, Wis.

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), reporting, pursuant to law, on the construction of certain projects at General Mitchell Field, Milwaukee, Wis.; to the Committee on Armed Services.

Report on Activities and Transactions Under Merchant Ship Sales Act of 1946

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration on the activities and transactions under the Merchant Ship Sales Act of 1946, for the 3-month period ended March 31, 1962 (with an accompanying report); to the Committee on Commerce.

Amendment of Communications Act of 1934, Relating to Special Temporary Authorizations

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend paragraph (2)(G) of subsection 309(c) of the Communications Act of 1934, as amended, by granting the Federal Communications Commission additional authority to grant special temporary authorizations for 60 days for certain nonbroadcast operations (with accompanying papers); to the Committee on Commerce.

Report of Legal Aid Agency for District of Columbia

A letter from the chairman, Legal Aid Agency for the District of Columbia, Washington, D.C., transmitting, pursuant to law, a report of that agency, for the period June 1, 1961, to May 31, 1962 (with an accompanying report); to the Committee on the District of Columbia.

Report on Review of Supply Management of Selected Weapon System Components and Spare Parts in Department of the Navy

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a confidential report on the review of supply management of selected weapon system components and spare parts in the Department of the Navy (with an accompanying report); to the Committee on Government Operations.

Report on Interest Charges Paid for Construction of a Water Supply Line at Fort Belvoir, Va.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on interest charges paid for the construction of a water supply line at Fort Belvoir, Va., Department of the Army, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Certification of Adequate Soil Survey and Land Classification, San Luis Unit, Central Valley Project, California

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land reclassification has been made of the lands of the San Luis unit, Central Valley project, California (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Amendment of Section 1391, Title 28, United States Code, Relating to Venue

A letter from the Director, Administrative Office of the United States Courts, Washington, D.C., transmitting a draft of proposed legislation to amend section 1391 of title 28 of the United States Code relating to venue (with an accompanying paper); to the Committee on the Judiciary.

Admission Into the United States of Certain Defector Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

Repeal of Provisions of Law Codified in 5 U.S.C. 39

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to repeal the provisions of law codified in 5 U.S.C. 39, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

Disposition of Executive Papers

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. Johnston and Mr. Carlson as members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Post Office and Civil Service:

"Senate Concurrent Resolution 16

"Concurrent resolution relative to the issuance of a commemorative postage stamp celebrating the 250th anniversary of the founding in 1714 of Natchitoches and therewith the founding of Louisiana

"Whereas Natchitoches was the first settlement in the present State of Louisiana and also the first in that vast territory which later came to be known as the Louisiana Purchase; and

"Whereas the establishment of this trading post, with its Fort St. Jean Baptiste de Natchitoches, was of signal historical importance in the settlement and development of the Southwest; and

"Whereas Fort St. Jean Baptiste de Natchitoches for many years guarded the frontier of Louisiana against threatened invasion and additionally served as a bulwark of defense in times of peril from the Indians; and

"Whereas Natchitoches was the eastern anchor of El Camino Real, the highway which terminated in Mexico City and which played a vital and indispensable role in the opening of the great Southwest, for over this famous road moved many heavily laden pack trains in a thriving trade and thousands upon thousands of settlers and numerous illustrious individuals, for example Louis Juchereau de St. Denis, James Bowie, David Crockett, Zebulon Pike, President Zachary Taylor, President Ulysses S. Grant, and Gen. Sam Houston; and

"Whereas the 250th anniversary of the founding of Natchitoches, and therewith Louisiana, will be celebrated with all due ceremony in the year 1964: Therefore be it

"Resolved by the senate of the Legislature of the State of Louisiana (the house of representatives concurring), That the Legislature of Louisiana does hereby memorialize the Postmaster General of the United States to provide for the issuance of a postage stamp commemorating the 250th anniversary of the establishment of Natchitoches, and therewith Louisiana; and be it further

"Resolved, That the Postmaster General is urged in connection therewith to designate the post office at Natchitoches, La., as the official post office for the canceling of first-day covers and for the sale of the commemorative stamp; and be it further

"Resolved, That copies of this resolution shall be transmitted without delay to the President and the Vice President of the United States, to the Postmaster General of the United States, to the Speaker of the House of Representatives of the United States, and to each Member of the Louisiana delegation in the Congress of the United States.

"_____ _____,

"Lieutenant Governor and President of the Senate.

"_____ _____,

"Speaker of the House of Representatives."

RESOLUTION OF SIXTH GUAM LEGISLATURE

Mr. ANDERSON. Mr. President, with the eyes of the world upon Asia and its teeming millions, developments in that part of the United States nearest the Asiatic Continent are of increasing importance and interest. I refer of course to the island of Guam, which has been under the American flag since the war with Spain, a period of more than 60 years. The 40,000-plus Guamanians have been American citizens for some 12 years.

With full American citizenship, and a very large degree of local self-government, Guam is in many respects our "showcase of democracy" in the Far East. Americans everywhere have a right to be proud of the political and economic attainments of their fellow-Americans living on the edge of the Asiatic world.

Among the early acts of the Kennedy administration was the appointment of a native of Guam, Hon. Richard F. Taitano, to be Director of the Office of Territories in the Department of the Interior. At the same time, President Kennedy appointed William Daniel, of Texas, an able administrator and public servant, to be Governor of Guam. For Governor Daniel's aide and second in command, the President appointed another Guamanian, Hon. Manuel F. L. Guerrero as Government Secretary.

The wisdom of the President's choice was recently demonstrated by the action of the popularly elected legislature of Guam in passing a resolution, Resolution 396, extending on behalf of the people of Guam sincere congratulations to Governor Daniel and Secretary Guerrero on completion of their first year in office, a year marked by outstanding accomplishment, and expressing the hope that, in the words of the legislature, "these two outstanding public servants shall continue to devote their remarkable energies and public spirit to the future welfare of the territory."

Mr. President, I ask unanimous consent that the text of this resolution enacted by the chosen representatives of the American citizens of Guam be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 396

Resolution relative to expressing on behalf of the people of Guam congratulations to Gov. Bill Daniel and Secretary Manuel F. L. Guerrero for the successful completion of their first year in office

Whereas on May 20, 1961, the Honorable Bill Daniel and the Honorable Manuel F. L. Guerrero were inaugurated as Governor and secretary, respectively, of the territory of Guam, to serve for the terms provided in the Organic Act, and therefore our two highest executive officials have thus served a year in office, making it appropriate for the legislature to recognize the achievements of this first year; and

Whereas during the first year of the New Frontier administration on Guam, the Governor and secretary have implemented many programs which promise to considerably ameliorate the social and economic conditions of the island, among which programs are the "crash program" to beautify the territory, best exemplified by the reappearance of the city of Agana from under jungle undergrowth, the Operation Guam Friendship, resulting in the addition of invaluable new bloodlines to the government herds and eventually to the local farm stock, the establishment of an economic commission, which is moving forward toward the rejuvenation of Guam's civilian economy, assistance toward the loosening of the bonds of the naval entry clearance program to such an extent that at least a tourist program is possible for the territory, the attraction of outside capital to Guam for the purpose of making substantial capital investments such as the planned new hotel, assistance toward the acquisition from Federal agencies here of unused land which new Government of Guam land has been turned into beneficial public use, the upgrading of our educational and public health standards to the betterment of the local population, pursuant to recommendations of the legislature, assistance toward the improvement of our relationship with the national administration in Washington which promises much greater Federal recognition in the future, and generally a program of rapid movement and progress in all public areas, which era of remarkable achievement has earned the sincere commendation of the people of this territory: Now, therefore, be it

Resolved, That the Sixth Guam Legislature does hereby on behalf of the people of Guam express to the Honorable Bill Daniel, Governor of Guam, and the Honorable Manual F. L. Guerrero, secretary of Guam, sincere congratulations for the successful completion of their first year in office; and be it further

Resolved, That this resolution do also serve as an expression of hope on the part of the people of Guam that these two outstanding public servants shall continue to devote their remarkable energies and civic spirit to the future welfare of this territory; and be it further

Resolved, That the speaker certify to and the legislative secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Honorable John F. Kennedy, President of the United States, to the Honorable Lyndon B. Johnson, Vice President of the United States, to the Honorable Stewart Udall, Secretary of the Interior, to the Honorable Clinton P. Anderson, chairman of the Senate Committee on Interior and Insular Affairs, to the Honorable Wayne N. Aspinall, chairman of the House Committee on Interior and Insular Affairs, to the Honorable Manuel F. L. Guerrero, secretary of Guam, and to the Honorable Bill Daniel, Governor of Guam.

Duly adopted on the 23d day of May 1962.

V. B. BAMBA,
Legislative Secretary.
A. B. WON PAT,
Speaker.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BARTLETT, from the Committee on Commerce, with an amendment:

S. 367. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel (Rept. No. 1541).

AMENDMENT OF SMALL BUSINESS ACT—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1542)

Mr. PROXMIRE. Mr. President, from the Committee on Banking and Currency, I report favorably, with an amendment, the bill (S. 2970) to amend the Small Business Act, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report, together with my individual views, be printed.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I also ask unanimous consent that my individual views on this bill be printed at this point in the RECORD.

There being no objection, the individual views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF SENATOR WILLIAM PROXMIRE

The decision of the majority of the committee to increase the size of the fiscal 1963 authorization for the Small Business Administration to $250 million, which is $24 million above the amount requested by the Administration, is not justified.

The Administration had originally asked that the authorization ceiling be eliminated entirely. This proposal was disapproved by the committee. The Administration also submitted a budget request of $226 million for fiscal 1964. This amount would have been generous and more adequate to meet the projected 30 percent increase in outstanding SBA loans next year. It was even more adequate in view of the pooling of the loan and disaster funds, which was not anticipated at the time the budget estimate was made.

Not only did this pooling give more flexibility to SBA management, but it in effect provided more funds for business loan program since the disaster fund has never been fully used. The extra $16 million authorization to the SBIC program also seems unnecessary in view of the $183 million unutilized SBIC funds still at the disposal of the SBA from previous authorizations.

I oppose this authorization increase not from any lack of sympathy with the principle that small business firms contribute greatly to our economy, face serious difficulties in getting loanable funds, and merit assistance from the Federal Government through the SBA. The SBA is assisting small business firms in many important ways. Its Administrator, John Horne, is doing a fine job and has my admiration and respect.

However, while I do believe the SBA has a significant role to play in assisting small businesses, both financially and in other ways, I think it is evident that the SBA cannot and should not be expected to solve all the financing problems of all small businesses everywhere in the country. To attempt such an undertaking would require many additional billions of dollars of Government expenditure, and would be of questionable wisdom. The problem is: Where should the line be drawn?

SBA lending programs have expanded at a very rapid rate in the past several years. From total outstanding business loans of $290 million at the start of fiscal 1959, the program has expanded to a level of $735 million at the end of fiscal 1962. The authorization boost proposed by the majority of the committee will make possible a further acceleration. I am not convinced that so rapid an expansion is a wise policy. It raises a number of serious questions about the basic purpose and scope of Federal Government lending to business concerns which I believe deserve full study and answers before a further authorization increase substantially above the administration budget is enacted.

Such a study might show, for example, that there are specific kinds of small business financing which a Federal lending program is uniquely well fitted to provide. Clearly firms in areas where there are few banks, or which are experiencing persistent and substantial unemployment, have exceptional needs for outside financial assistance. Where deserving firms are denied bank financing for noneconomic reasons Federal financial assistance may also be uniquely necessary.

LARGER APPROPRIATIONS NOT THE ANSWER

It is not necessarily sound policy to meet these specific, limited small business financing needs by ever larger appropriations to the SBA. SBA's funds are now broadly applied to business firms in response to applications in all 50 States. In some cases SBA branch offices are located in areas where there are many banks and private lending institutions, and where no exceptional justification for federally subsidized business loans exists. As long as traditional policies are followed, additional appropriations will continue to be spread thinly over the entire area of small business financing.

The committee report states that 25,000 or about one-half of 1 percent of the 4½ million small business firms in the Nation have received financial assistance from the SBA loan program in its entire history. If this program expanded to cover even 3 percent of all small businesses in the United States, instead of one-half of 1 percent, additional billions of dollars of new appropriations would be required. This will be true as long as present loan policies are followed. Even without such an expansion the SBA projects that its total outstanding loans by 1967 will be more than $2½ billion. Congress must ask if the SBA loan program is making the best possible use of funds already at its disposal. Congress should decide the specific purposes for which additional appropriations to the SBA should be used. It may be that the most deserving small business firms would be aided better by revising the scope and purpose of SBA lending programs than by simply appropriating more and more dollars each year.

RAPID AGENCY EXPANSION CALLS FOR CLOSE LEGISLATIVE OVERSIGHT

When a program like the SBA lending program grows rapidly, Congress has a special responsibility to see that the expansion is fully justified and desirable. The responsibility of legislative oversight would call for congressional review of the SBA's lending policies in any case, in the light of the recent expansion. In the absence of such review, the recommendation by the committee majority that the authorization be expanded in a manner that amounts to a substantial increase above the administration budget request is even less justified.

There probably is already too much congressional involvement in the making of individual loans. SBA loans each year are actually granted to only a minute fraction of 1 percent of the small business firms in the country. The fact that Members of Congress take an active interest in the making of this very limited number of loans is liable to misunderstanding by the small business community generally. Many small businessmen already believe that the support of a Member of Congress is useful in getting a small business loan.

To prevent this kind of misunderstanding, and especially to provide congressional direction for the hundreds of millions of dollars authorized every year to be loaned to small businesses, I recommend that Congress establish clear guidelines for SBA lending programs. There should be priorities which take account of the different needs of different kinds of small business in the various parts of the country. This would help insure that the necessarily limited funds of the SBA are put to best possible use.

In devising such a scale of priorities a number of questions should be raised and resolved. I suggest that some of these questions should include the following:

1. Should the SBA continue to lend half of its total funds in large loans to a relatively small number of firms? Over 50 percent of the dollar volume of loans dispensed by the SBA has been in loans over $100,000 in size, and these loans have gone to only 10 percent of the firms receiving loans from the SBA.

2. Should the SBA give lower priority to loans which permit the refinancing of existing debts held by firms? About 40 percent of the loans made by the SBA are now made for this purpose.

3. What kinds of small businesses should get SBA loans? Less than half of all SBA loans go to manufacturing firms. Large numbers are going to businesses like motels, bowling alleys, and doctors' and lawyers' offices. Often such loans contribute relatively little to employment and economic growth. I have no doubt that these firms are profitable, attractive enterprises, but I question whether aiding them with substantial Federal loans is good public policy.

4. Should more stringent criteria for bank turndowns be established? As a practical matter the turndown procedure is a standing joke with many bankers. In many instances the turndown is given as a matter of routine to customers who prefer easier SBA terms or lower SBA interest rates.

5. Should SBA loans be limited in areas which are fully banked, and which are not experiencing serious economic difficulties? Should loans for defense-oriented business be given higher priority?

6. Should Congress give more attention to non-Government alternatives for meeting small business financing problems? If there were more banks and other private lending institutions, and if there were more vigorous competition between them, it is likely that the financing problems of small businesses would be eased.

Before these and other relevant questions have been fully answered I will continue to have strong reservations about freely approving and indeed increasing the rapid growth rate of the SBA.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL STOCKPILE INVENTORIES

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal stockpile inventories as of February 1962. I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL STOCKPILE INVENTORIES, FEBRUARY 1962

INTRODUCTION

This is the 27th in a series of monthly reports on Federal stockpile inventories under the Department of Agriculture, General Services Administration, Department of Defense, and the Department of Health, Education, and Welfare. It is for the month of February 1962.

The report is compiled from official data on quantities and cost value of commodities in these stockpiles submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the agencies involved.

The four agencies reported that as of February 1, 1962, the cost value of materials in their stockpile inventories totaled $13,989,433,000 and as of February 28, 1962, they totaled $13,773,104,000 a net decrease of $216,329,000 reflecting acquisitions, disposals, adjustments, etc., during the month.

It should be noted that the report for February includes an additional stockpile inventory—the national industrial equipment reserve of machine tools, under the General Services Administration. This inventory, valued at $88 million, has not appeared in previous committee reports of this series.

Different units of measure make it impossible to summarize the quantities of commodities and materials which are shown in tables 1, 2, 3, and 4, but the cost value figures are summarized by agency and program, as follows:

Summary of cost value of stockpile inventories by program and reporting agency

[In thousands]

Agency and program	Beginning of month, Feb. 1, 1962	End of month, Feb. 28, 1962	Net change, reflecting acquisitions, disposals, adjustments, etc.
Department of Agriculture:			
Price support program:			
Agricultural commodities	$4,964,387	$4,745,511	−$218,876
Exchange commodities—strategic and critical materials	78,249	48,923	−29,326
Total, Department of Agriculture	5,042,636	4,794,434	−248,202
General Services Administration:			
Strategic and critical materials:			
National stockpile	6,083,482	6,075,719	−7,763
Federal Facilities Corporation: Tin inventory	1,634	63	−1,571
Defense Production Act program	1,484,125	1,482,306	−1,819
National industrial equipment reserve	87,547	88,055	+508
Supplemental stockpile	1,037,891	1,100,604	+62,713
Supplemental stockpile inventory in transit	60,370	39,571	−20,799
Total, General Services Administration	8,755,048	8,786,317	+31,269
Department of Defense: Civil defense stockpile	21,537	21,592	+55
Department of Health, Education, and Welfare: Civil defense medical stockpile	170,212	170,761	+549
Grand total	13,989,433	13,773,104	−216,329

NOTE.—Figures are rounded and may not add to totals.

NATIONAL STOCKPILE DECLASSIFICATION

For the first time in this series of stockpile reports, figures on the national stockpile appear in detail, following declassification of certain stockpile data ordered by the Office of Emergency Planning. (See appendix, p. 27.) February 1962 quantity and cost value figures by commodity for the national stockpile, under the General Services Administration, appear in table 2, page 7.

Under the declassification it is now possible to publish the complete inventory of strategic and critical materials in all stockpiles for the first time. Under these conditions two special tables appear in this report: one showing the volume of strategic and critical materials inventories (all grades) as compared with the national objectives, and the other showing changes in the volume since 1959. This material is shown in tables 5 and 6, beginning after page 16 of this report.

TABULAR MATERIAL

Tables 1, 2, 3, and 4 in this report show opening inventories at the beginning of the month in quantity and cost, transactions during the month, and closing inventories at the end of the month. Each inventory is shown by material including, for the first time, commodity detail for the national stockpile which has been declassified.

Pertinent information and explanation are set forth in notes accompanying the respective tables. Statutory authority and program descriptions are shown in the appendix to the report.

The inventories covered by the report are tabulated in detail as follows:

Table 1: Agricultural price-support program inventories under Commodity Credit Corporation, Department of Agriculture, February 1962: Including agricultural commodities and strategic and critical materials acquired by exchange or barter.

Table 2: Strategic and critical materials inventories under General Services Administration, February 1962: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, national industrial equipment reserve, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity

Credit Corporation to the supplemental stockpile.

Table 3: Civil defense stockpile inventory under the Department of Defense, February 1962.

Table 4: Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, February 1962.

Additional tables on strategic and critical materials included in this report are as follows:

Table 5: Volume of strategic and critical materials in Federal stockpile inventories (all grades), February 1962, compared with maximum objectives.

Table 6: Changes in the volume of strategic and critical materials in Federal stockpile inventories, by years, December 31, 1959, through February 28, 1962 (pts. A, B, C, and D).

TABLE 1.—*Agricultural price-support program inventories under Commodity Credit Corporation, Department of Agriculture, February 1962: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*

EXPLANATORY NOTES

The Department of Agriculture defines the content of the columns as follows:

Program and commodity: Lists each commodity in the form in which it exists. In some instances, commodities have been processed after acquisition by the Corporation, to increase marketability or to make them suitable for program outlets. The commodities are grouped under the appropriate statutory subclassifications as "Basic," "Designated nonbasic," "Other nonbasic," and "Exchange."

Unit of measure: The applicable unit used in the accounting records and reports of the Corporation.

Inventory, beginning of month: Quantity: In number of units. Cost value: Represents acquisition cost plus cost of any packaging or processing performed after acquisition. Acquisition cost for commodities stored in commercial warehouses, acquired from price-support loans or purchase agreements, is generally the amount due on the loan, excluding interest, or the purchase agreement settlement value of the commodity, plus any accrued warehouse charges assumed by the Corporation. Acquisition cost for commodities stored on farms, acquired from price-support loans or purchase agreements, is generally the loan or purchase agreement settlement value of the commodity plus any additional costs of obtaining delivery in storage or on board cars for shipment to storage. For purchases from commercial vendors, acquisition cost is the purchase price. Acquisition cost of materials acquired through barter is the exchange value of the materials stated in the contracts.

Adjustments: Warehouse settlements, processing and/or packaging costs, exchanges and transfers (net): Warehouse settlements include the net differences in quantity and/or value represented by the net of overdeliveries, premiums, underdeliveries, and discounts arising from movement of commodities. Processing and/or packaging costs include only such costs incurred by the Corporation after acquisition of commodities. Exchanges represent the net change in quantity and/or value for inventories exchanged or in process of exchange. On completed exchanges, the change in value represents differentials due to location, quality, and quantity. Unprocessed commodities removed from inventory for conversion or processing (on a contractual or fee basis and excluding conditional sales) are included as a reduction of inventory. Processed commodities acquired as a result of this conversion or processing are included as an addition to inventory.

Acquisitions: As reflected in accounting records and reports; and includes commodities acquired by delivery of collateral securing loans, commodities purchased under terms of purchase agreements, commodities purchased directly from producers or processors as a part of the support operation but not under purchase agreements; and processed commodities acquired by purchases which offset conditional sales of unprocessed commodities from inventory. The cost value of acquisitions is described under the explanation of the cost value of inventory.

Disposals: As reflected in accounting records and reports. Inventory transactions generally are recorded on the basis of transfer of title. Disposition commitments are not reflected in the accounts. Cost value: Represents acquisition cost plus cost of any packaging or processing performed after acquisition, computed on the basis of average unit cost. Cost allocated to commingled commodities removed from price-support inventories is computed on the basis of national average unit cost of the commodity acquired from the oldest crop year for which any quantity remains in the inventory accounts. Cost allocated to identified commodities is computed on the basis of average unit cost for the identified crop year as reflected in the records of the office accounting for the inventory.

Inventory, end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Agricultural commodities:											
Basic commodities:											
Corn	Bushel	1,307,084	$1,624,943	−253	+$30	1,387	$1,447	113,974	$169,531	1,194,244	$1,456,889
Cornmeal	Pound	16	1			56,857	1,935	56,857	1,935	16	1
Cotton, extra long staple	Bale	18	5,056					3	817	15	4,239
Cotton, upland	do	1,449	245,281				(1)	(1)	2	1,449	245,279
Peanut butter	Pound			+4,185	+1,070			4,185	1,070		
Peanuts, shelled	do	7,961	1,270	−4,436	−709	3,577	534	3,677	552	3,425	543
Rice, milled	Hundredweight	268	2,701		(1)	171	1,599	159	1,550	280	2,750
Rice, rough	do	1,626	7,590		−1	(1)		407	1,916	1,219	5,673
Tobacco	Pound					14,356	8,980	14,356	8,980		
Wheat	Bushel	1,108,897	2,191,089	−183	−854	11	20	20,173	40,935	1,088,552	2,149,320
Bulgur	Pound			+8,517	+490			8,517	490		
Wheat, rolled	do					9,747	804	9,747	804		
Wheat flour	do	38	2			222,492	12,010	222,432	12,007	98	5
Total basic commodities			4,077,933		+26		27,329		240,589		3,864,699
Designated nonbasic commodities:											
Barley	Bushel	35,551	30,774	−12	−14	314	294	2,157	2,072	33,696	28,982
Grain sorghum	Hundredweight	328,710	624,621	−13	−2	127	255	8,261	17,592	320,563	607,282
Milk and butterfat:											
Butter	Pound	219,346	132,552	+1	+173	40,411	24,427	20,991	12,841	238,767	144,311
Cheese	do	58,083	22,166	+225	+77	16,022	6,218	15,762	6,092	58,568	22,369
Milk, dried	do	394,819	65,150		(1)	79,970	14,100	69,824	12,202	404,965	67,048
Milk, fluid	do					14,766	642	14,766	642		
Oats	Bushel	7,530	4,652	−14	−8	74	47	347	213	7,243	4,478
Rye	do	3,233	3,197	−1	−2			3	3	3,229	3,192
Tung oil	Pound	119	25					11	2	108	23
Total, designated nonbasic commodities			883,137		+224		45,983		51,659		877,685
Other nonbasic commodities:											
Beans, dry, edible	Hundredweight	381	2,409	(1)	−3			47	343	334	2,063
Soybeans	Bushel					1	2	1	2		
Turpentine	Gallon	1,730	908							1,730	908
Vegetable oil products	Pound					30,687	5,653	29,837	5,497	850	156
Total, other nonbasic commodities			3,317		−3		5,655		5,842		3,127
Total, agricultural commodities			4,964,387		+247		78,967		298,090		4,745,511
Exchange commodities: [2]											
Strategic and critical materials:											
Antimony	Pound	2,825	$898			557	$167	1,190	$363	2,192	$702
Asbestos, amosite	do	5,394	642			1,594	189	3,994	476	2,994	355
Asbestos, crocidolite	do	3,996	502			1,000	126	700	87	4,296	541
Bauxite	do	2,617,035	16,636			441,749	3,052	1,373,073	7,894	1,685,711	11,794
Bismuth	do	254	547							254	547
Boart	Carat	500	1,379					500	1,379		
Cadmium	Pound	601	919			3	5			604	924
Chrome ore, chemical grade	do	69,418	565			11,000	90	47,038	383	33,380	272
Chrome ore, metallurgical grade	do	31,973	593					21,229	394	10,744	199
Diamonds	Carat	1,724	17,487			79	681	1,486	15,352	317	2,816
Ferrochrome, low carbon	Pound	3,345	696					1,311	269	2,034	427
Ferromanganese	do	69,027	6,288			6,714	585	33,997	3,111	41,744	3,762
Fluorspar, acid grade	do	93,868	1,557			11,331	188	81,443	1,350	23,756	395
Iodine	do	560	582			54	56			614	638
Lead	do	79,392	7,051			29,155	2,610			108,547	9,661

See footnotes at end of table.

TABLE 1.—*Agricultural price-support program inventories under Commodity Credit Corporation, Department of Agriculture, February 1962: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Exchange commodities:[2]**—Continued**											
Strategic and critical materials—Continued											
Manganese ore, chemical grade	Pound	51,156	$1,630			21,695	$689	51,156	$1,630	21,695	$689
Manganese ore, metallurgical grade	do	294,287	5,574			74,008	1,409	143,136	2,679	225,159	4,304
Manganese ore, natural, battery grade	do	109,863	5,343							109,863	5,343
Mica	do	833	1,541			75	184	288	776	620	949
Palladium	Troy ounce	20	451					20	451		
Platinum	do	25	1,994					25	1,994		
Quartz crystals	Pound	150	2,030							150	2,030
Rutile	do					−6		−6			
Silicon carbide	do	4,161	390					4,161	390		
Thorium nitrate	do	264	587							264	587
Titanium sponge	do	1,250	1,500							1,250	1,500
Tungsten carbide powder	do	345	867			80	213	240	592	185	488
Total, strategic and critical materials			78,249				10,244		39,570		48,923
Total, Department of Agriculture			5,042,636		+$247		89,211		337,660		4,704,434

[1] Less than 500.

[2] See appendix for notes relating to the reporting of strategic and critical materials acquired by exchange or barter of agricultural commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, February 1962: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, national industrial equipment reserve, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*

EXPLANATORY NOTES

The General Services Administration defines the content of the columns as follows:

Program and commodity: Identifies the program and the minerals, metals, fibers and oils acquired under the program.

Unit of measure: The standard weight or measure of minerals, metals, fibers, and oils determined to be the stockpile unit of measure.

Inventory, beginning of month: Opening inventory represents quantity and cost of material in storage at the beginning of the accounting period.

Adjustments: Represents increases (+) or decreases (−) of materials in inventory other than increases from acquisitions or decreases from disposals. Decreases occur from theft, loss incurred while in transit to stockpile location, repacking from one type of container to another, beneficiation of a low-grade material to a higher grade, and the removal of material for sampling and testing purposes. Increases occur from return of material previously removed for sampling and testing purposes and from quantities received at storage locations in excess of quantities billed by the contractor. A new chemical analysis of the materials may cause an increase or decrease where the weights are based on chemical and moisture content. Increases or decreases are also made from findings of audits of inventory and accounting records.

Acquisitions: For the National Stockpile and Defense Production Act acquisitions include open market purchases at contract prices; intradepartmental transfers at market or appraised value at time of transfer; transportation to first permanent storage location; and, beneficiating and processing cost in upgrading materials. For the supplemental stockpile acquisitions include the market value or CCC's acquisition cost whichever is the lower at time of transfer from CCC.

Disposals: Cost of disposals are calculated at the average unit price of inventory at time of removal from inventory. For the national stockpile inventory disposals consist of sale of materials that by their nature would deteriorate if held in storage for lengths of time; and, sale of materials that have been determined to be obsolete or excess to the needs of Government. For the Defense Production Act inventory disposals consist of sale of materials that have been determined to be obsolete or excess to the needs of Government.

Inventory, end of month: Closing inventory represents quantity and cost of material in storage at the end of the accounting period.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1962	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
National stockpile (see appendix for declassification order):											
Aluminum, metal	Short ton	1,129	$487,687	(1)	+$2					1,129	$487,689
Aluminum oxide, fused, crude	Short dry ton	200	21,735							200	21,735
Antimony	Short ton	30	20,488							30	20,488
Asbestos, amosite	do	12	2,638							12	2,638
Asbestos, chrysotile	Short dry ton	6	3,155							6	3,155
Asbestos, crocidolite	Short ton	2	702							2	702
Bauxite, metal grade, Jamaica type	Long dry ton	880	13,925							880	13,925
Bauxite, metal grade, Surinam type	do	4,965	78,657	(1)	(1)			(1)	$4	4,965	78,653
Bauxite, refractory grade	Long calcined ton.	299	11,348							299	11,348
Beryl	Short ton	23	9,770							23	9,770
Bismuth	Pound	1,342	2,674							1,342	2,674
Bristles, hog	do	8	63							8	63
Cadmium	do	10,972	21,603	(1)		22	$34	7	14	10,987	21,623
Castor oil	do	222,726	56,297	−501	−492	200	278			222,426	56,083
Celestite	Short dry ton	29	1,412							29	1,412
Chromite, chemical grade	do	559	12,287							559	12,287
Chromite, metallurgical grade	do	3,800	264,876							3,800	264,876
Chromite, refractory grade	do	1,047	25,149							1,047	25,149
Cobalt	Pound	76,975	170,570					796	1,957	76,178	168,612
Coconut oil	do	178,273	27,012					2,058	311	176,216	26,701
Columbium	do	7,480	23,858	(1)						7,480	23,858
Copper	Short ton	1,008	521,489	(1)	+1		323			1,008	521,812
Cordage fibers, abaca	Pound	153,001	39,006	−6	−1	1,186	308	1,577	401	152,604	38,912
Cordage fibers, sisal	do	322,384	45,138	−3		3,946	434	8,207	1,149	318,121	44,423
Corundum	Short ton	2	393							2	393
Cotton	Pound	109,603	128,416							109,603	128,416
Diamond dies	Piece	14	427			(1)	3			14	430
Diamond, industrial, crushing bort	Carat	31,113	61,610							31,113	61,610
Diamond, industrial, stones	do	9,165	99,443							9,165	99,443

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, February 1962: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, national industrial equipment reserve, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
National stockpile, etc.—Continued											
Diamond tools	Piece	64	$1,015							64	$1,015
Feathers and down	Pound	10,594	43,890	(1)				375	$1,553	10,220	42,338
Fluorspar, acid grade	Short dry ton	463	26,168							463	26,168
Fluorspar, metallurgical grade	do	369	17,332							369	17,332
Graphite, natural, Ceylon, amorphous lump	do	4	938							4	938
Graphite, natural, Madagascar, crystalline	do	35	7,126							35	7,126
Graphite, natural, other, crystalline	do	5	1,896	(1)				(1)	−1	5	1,896
Hydrochloride of quinine	Ounce	1	1							1	1
Hyoscine	do	6	82					2	25	4	57
Iodine	Pound	2,978	4,082							2,978	4,082
Iridium	Troy ounce	14	2,526							14	2,526
Jewel bearings	Piece	50,382	3,186							50,382	3,186
Kyanite, mullite	Short dry ton	10	872							10	872
Lead	Short ton	1,050	319,301	(1)	(1)					1,050	319,301
Magnesium	do	183	132,666					(1)	95	183	132,571
Manganese, battery grade, natural ore	do	144	21,026							144	21,026
Manganese, battery grade, synthetic dioxide	Short dry ton	21	3,096							21	3,096
Manganese, chemical grade, type A	do	29	2,133							29	2,133
Manganese, chemical grade, type B	do	2	133							2	133
Manganese, metallurgical grade	do	5,854	248,354	(1)			$108			5,854	248,462
Mercury	Flask	131	20,251							131	20,251
Mica, muscovite block	Pound	11,644	27,694							11,644	27,694
Mica, muscovite film	do	1,733	9,058							1,733	9,058
Mica, muscovite splittings	do	40,030	40,598							40,030	40,598
Mica, phlogopite block	do	223	304							223	304
Mica, phlogopite splittings	do	3,074	2,581							3,074	2,581
Molybdenum	do	84,305	88,281	−240			271			84,065	88,552
Nickel	do	335,899	182,913					1,361	806	334,538	182,107
Opium	do	196	13,662							196	13,662
Palladium	Troy ounce	90	2,079							90	2,079
Palm oil	Pound	34,209	6,158							34,209	6,158
Platinum	Troy ounce	721	57,235							721	57,235
Poppy seeds	Pound	2	1							2	1
Pyrethrum	do	66	415							66	415
Quartz, raw	do	5,709	70,382					22	272	5,687	70,110
Quartz, processed	Piece	17	1					5	(1)	12	1
Quinidine	Ounce	1,953	2,253					10	12	1,943	2,242
Quinine	do	9,525	6,023							9,525	6,023
Rare earths	Short dry ton	10	6,835							10	6,835
Rhodium	Troy ounce	1	185					(1)	39	1	146
Rubber	Long ton	1,090	842,447	(1)				3	2,502	1,086	839,945
Rutile	Short dry ton	19	2,070							19	2,070
Sapphire and ruby	Carat	17,968	211							17,968	211
Selenium	Pound	97	757							97	757
Shellac	do	18,061	9,055							18,061	9,055
Silicon carbide, crude	Short ton	65	11,395							65	11,395
Silk noils and waste	Pound	3,510	5,212	−1	−$1			29	46	3,481	5,165
Silk, raw	do	114	487							114	487
Sperm oil	do	23,442	4,775							23,442	4,775
Talc, steatite block and lump	Short ton	1	503					(1)	1	1	503
Talc, steatite ground	do	4	223							4	223
Tantalite	Pound	3,423	10,906	(1)						3,423	10,906
Tin	Long ton	341	828,643	(1)	−5					341	828,639
Totaquine	Ounce	7,654	4,854							7,654	4,854
Tungsten	Pound	119,947	368,609	+9		16	62			119,971	368,671
Vanadium	do	16,163	32,028							16,163	32,028
Vegetable tannin extract, chestnut	Long ton	42	11,968							43	11,968
Vegetable tannin extract, quebracho	do	200	49,375	(1)						200	49,375
Vegetable tannin extract, wattle	do	40	9,992							40	9,992
Zinc	Short ton	1,256	364,055	(1)	+20	(1)	101			1,256	364,176
Zirconium ore, baddeleyite	Short dry ton	17	711							17	711
Zirconium ore, zircon	do	11	648	(1)	−3			(1)	21	11	624
Total, national stockpile			6,083,482		−480		1,922		9,205		6,075,719
Federal Facilities Corporation: Total, tin	Long ton	1	1,634					1	1,571	(1)	63
Defense Production Act:											
Aluminum	Short ton	813	412,149			2	745			814	412,893
Asbestos, chrysotile	Short dry ton	2	2,103							2	2,103
Bauxite, metal grade, Jamaica type	Long dry ton	1,370	18,168							1,370	18,168
Beryl	Short ton	2	1,286			(1)	24			2	1,310
Bismuth	Pound	23	52							23	52
Chromite, metallurgical grade	Short dry ton	986	35,880							986	35,880
Cobalt	Pound	25,208	52,103							25,208	52,1 3
Columbite	do	10,617	51,731							10,617	51,731
Copper	Short ton	123	68,344					1	596	121	67,748
Cryolite	do	35	9,626					(1)	105	34	9,521
Fluorspar, acid grade	Short dry ton	20	1.394							20	1,394
Lead	Short ton	8	3,036							8	3,036
Manganese, battery grade, synthetic dioxide	Short dry ton	4	2,524							4	2,524
Manganese, metallurgical grade	do	3,125	180,327							3,125	180,327
Mica, muscovite block and film	Pound	6,415	39,199			17	302	1	2	6,431	39,499
Nickel	do	101,954	90,583	+2				2,291	2,187	99,665	88,397
Palladium	Troy ounce	8	177							8	177
Rare earths residue	Pound	6,086	658							6,086	658
Rutile	Short dry ton	18	2,725							18	2,725
Tantalite	Pound	1,531	9,734							1,531	9,734
Thorium	do	849	42							849	42
Titanium	Short ton	22	172,820							22	172,820
Tungsten	Pound	79,775	325,450							79,775	325,450
Subtotal, DPA commodities			1,480,120				1,071		2,890		1,478,301

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, February 1962: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, national industrial equipment reserve, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Defense Production Act—Continued											
Machine tools inventory:											
On lease	Tool	(1)	$3,966							(1)	$3,966
On loan	do	(1)	39							(1)	39
Subtotal, DPA machine tools			4,005								4,005
Total, Defense Production Act			1,484,125				$1,071		$2,890		1,482,306
National industrial equipment reserve:											
Machine tools inventory:											
In storage	do	8	84,005			(1)	696	(1)	191	8	84,509
On lease	do	(1)	28							(1)	28
On loan to other agencies	do	(1)	785							(1)	785
On loan to school programs	do	1	2,730			(1)	4			1	2,734
Total, national industrial equipment reserve.			87,547				700		191		88,055
Supplemental stockpile: [2]											
Aluminum oxide, fused, crude	Short ton	178	22,744		+$3					178	22,746
Antimony	do	13	7,004			1	438			13	7,443
Asbestos, amosite	do	9	2,140			2	586			11	2,726
Asbestos, chrysotile	Short dry ton	5	3,739			1	247			6	3,985
Asbestos, crocidolite	Short ton	8	2,244			2	512			10	2,756
Bauxite, metal grade, Jamaica type	Long dry ton	3,189	49,377			621	9,407			3,810	58,784
Bauxite, metal grade, Surinam type	do	1,847	28,605			25	280			1,872	28,885
Beryl	Short ton	11	22,341			(1)	403			11	22,743
Bismuth	Pound	1,497	3,348							1,497	3,348
Cadmium	do	6,609	10,967							6,609	10,967
Chromite, chemical grade	Short dry ton	279	14,459			122	2,270			401	16,729
Chromite, metallurgical grade	do	1,394	217,599			22	1,761			1,416	219,360
Chromite, refractory grade	do	177	4,960			3	74			180	5,035
Cobalt	Pound	1,077	2,169							1,077	2,169
Colemanite	Long dry ton	68	2,653		−17					68	2,636
Columbite	Pound	389	782		+17					389	799
Copper	Short ton	11	7,398			(1)	69			11	7,467
Diamond, industrial, bort	Carat	3,524	9,857			1,000	2,758			4,524	12,615
Diamond, industrial, stones	do	11,497	146,861			966	10,119			12,463	156,981
Fluorspar, acid grade	Short dry ton	570	29,409			29	1,076			598	30,485
Fluorspar, metallurgical grade	do	43	1,508							43	1,508
Graphite, natural, Ceylon, amorphous lump	do	1	341							1	341
Iodine	Pound	242	231							242	231
Lead	Short ton	222	58,676							222	58,676
Manganese, battery grade, natural ore	Short dry ton	70	7,349			11	1,066			82	8,415
Manganese, chemical grade, type A	do	39	2,788			17	1,172			56	3,960
Manganese, chemical grade, type B	do	56	4,020			9	536			64	4,556
Manganese, metallurgical grade	do	2,307	174,339			212	14,328			2,520	188,667
Mercury	Flask	16	3,446							16	3,446
Mica, muscovite block, stained and better	Pound	263	698			439	1,546			701	2,244
Mica, muscovite film	do	27	212			20	210			47	422
Mica, muscovite splittings	do	4,826	6,226							4,826	6,226
Mica, phlogopite splittings	do	503	491			302	333			804	823
Palladium	Troy ounce	548	9,872			80	1,805			628	11,677
Platinum	do					25	1,994			25	1,994
Quartz crystals	Pound	82	1,099							82	1,099
Rare earths	Short dry ton	2	2,427			2	3,331			4	5,757
Ruthenium	Troy ounce	15	560							15	560
Rutile	Short ton	10	951			1	142			12	1,093
Selenium	Pound	157	1,071							157	1,071
Silicon carbide, crude	Short ton	116	23,389			14	2,818			130	26,207
Tantalite	Pound	8	21							8	21
Thorium nitrate	do	4,080	9,966		(1)					4,080	9,966
Tin	Long ton	8	16,404							8	16,404
Titanium	Short ton	8	27,933			1	2,198			8	30,131
Tungsten	Pound	4,493	15,627							4,493	15,627
Tungsten carbide powder	do					468	1,232			468	1,232
Zinc	Short ton	324	79,592		(1)					324	79,592
Total, supplemental stockpile			1,037,891		+3		62,709				1,100,604
Supplemental stockpile inventory in transit: [3]											
Antimony	Short ton	1	403			1	363	1	403	1	363
Asbestos, amosite	do	2	502			2	476	2	502	2	476
Asbestos, chrysotile	Short dry ton	1	240					1	240		
Asbestos, crocidolite	Short ton	2	527			(1)	88	2	527	(1)	88
Bauxite	Long dry ton	751	9,377			613	7,804	751	9,377	613	7,894
Beryl	Short ton	(1)	469					(1)	469		
Chromite, chemical grade	Short dry ton	124	2,024			24	383	124	2,024	24	383
Chromite, metallurgical grade	do	13	498			11	394	13	498	11	394
Chromite, refractory grade	do	3	73					3	73		
Chromium metal	do	(1)	104					(1)	104		
Diamond, industrial, bort	Carat	1,000	2,758			500	1,379	1,000	2,758	500	1,379
Diamond, industrial, stones	do	966	10,106			1,487	15,352	966	10,106	1,487	15,352
Ferrochrome, high carbon	Short dry ton	2	543					2	543		
Ferrochrome, low carbon	do	2	669			1	269	2	669	1	269
Ferromanganese	do	42	7,645			17	3,111	42	7,645	17	3,111
Fluorspar, acid grade	do	32	1,129			41	1,351	32	1,129	41	1,351
Manganese, battery grade, natural	do	12	1,263					12	1,263		
Manganese, chemical grade	do	27	1,729			26	1,630	27	1,729	26	1,630
Manganese, metallurgical grade	do	137	5,390			72	2,678	137	5,390	72	2,678
Mica	Pound	761	2,056			288	776	761	2,056	288	776
Palladium	Troy ounce	80	1,804			20	451	80	1,804	20	451
Platinum	do	25	1,993			25	1,993	25	1,993	25	1,993
Rare earths	Short dry ton	5	3,100					5	3,100		
Rutile	Short ton	1	96					1	96		
Silicon carbide, crude	do	14	2,597			2	390	14	2,597	2	390

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, February 1962: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, national industrial equipment reserve, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Supplemental stockpile inventory in transit—Con.											
Titanium	Short ton	1	$2,051					1	$2,051		
Tungsten	Pound	501	1,225					501	1,225		
Tungsten carbide powder	do					240	$592			240	$592
Total, supplemental stockpile inventory in transit			60,370				39,571		60,370		39,571
Total, General Services Administration			8,755,048		−$477		105,972		74,226		8,786,317

[1] Less than 500.

[3] See appendix for notes relating to the reporting of strategic and critical materials acquired by exchange or barter of agricultural commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 3.—*Civil defense stockpile inventory under the Department of Defense, February 1962*

EXPLANATORY NOTES

The Department of Defense defines the content of the columns as follows:

Commodity: Composite groups of many different items.

Unit of measure: Shown only for engineering supply units; not feasible for other composite groups.

Inventory-quantity: Shown only for one item, namely, engineering supply units. It is not feasible to furnish quantity figures on the other commodity groups because they are composite groups of many different items. To report quantities, it would be necessary to list numerous different items.

Inventory-cost value: Dollar value figures on commodities in the stockpile inventory essentially reflect their actual cost. The stockpile inventory is generally augmented by acquisition of Government excess property without reimbursement to the several holding agencies. The value assigned to these materials is (1) original acquisition cost if known, (2) estimated current market value of items in similar condition, or (3) average unit cost of identical or similar items purchased in the open market for stockpiling. Government excess property acquired by reimbursement is assigned a value equal to the amount of the fair-value reimbursement required.

Adjustments: Represent inventory pricing adjustments resulting from recalculation of fixed average unit prices, transfers of commodities from one composite group to another, etc., during the month.

Acquisitions: Materials placed in inventory during the month, including return to inventory of items previously released from inventory for reworking, etc. Value stated in terms of actual costs of the commodities.

Disposals: Materials removed from inventory during the month, including items released from inventory for reworking, etc. Values shown are based on average unit costs.

Inventory, end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Commodity	Unit of measure	Inventory, beginning of month, Dec. 1, 1961		Transactions during the month						Inventory, end of month, Dec. 28, 1962	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Engineering stockpile (engine generators, pumps, chlorinators, purifiers, pipe and fittings)	10-mile units	(1)	$10,248		−$107		$36		[2] $70	(1)	$10,106
Chemical and biological equipment			2,005		−21		77		[3] 2		2,058
Radiological equipment			9,285		+25		382		[4] 264		9,427
Total, civil defense stockpile, Department of Defense			21,537		−103		494		336		21,592

[1] Less than 500.

[2] Obsolete materials disposed of in accordance with established procedures and shipped to the American Embassy, Saigon, Vietnam.

[3] Grants to other Federal agencies and to States in the amount of $62, and inventory writeoff of $1,457.

[4] Grants to other Federal agencies and to States in the amount of $261,800, and inventory writeoff of $2,558.

NOTE.—Figures are rounded and may not add to totals.

TABLE 4.—*Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, February 1962*

EXPLANATORY NOTES

The Department of Health, Education, and Welfare defines content of the columns as follows:

Commodity: Composite groups of many different items.

Unit of measure: Shown only for hospital functional units; not feasible for other composite groups.

Inventory cost value: The dollar value figures in the civil defense medical stockpile inventory reflect essentially the average acquisition costs per unit of the commodities. No transportation, delivery, or storage costs are included.

Adjustments: Represents increases (+) or decreases (−) of materials in commodity groups other than increases from acquisitions or decreases from disposals. Normally these transactions result from inventory pricing adjustments due to recalculation of fixed average unit prices, transfers of commodities from one composite group to another, removal of material for sampling during testing or reworking, etc., during the month.

Acquisitions: Materials placed in inventory during month, including new procurement and acquisition of Government excess property.

Disposals: Materials removed from inventory during the month. Costs of disposals are calculated on a basis of the average unit price of items in inventory at the time of removal. Disposals consist principally of items no longer suitable for stockpiling due to deterioration and of samples consumed through testing.

Inventory at end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Commodity	Unit of measure	Inventory, beginning of month, Feb. 1, 1962		Transactions during the month						Inventory, end of month, Feb. 28, 1962	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Medical bulk stocks and associated items at civil defense mobilization warehouses			$109,780		+$978		$526		[1] $10		$111,274
Medical bulk stock at manufacturer locations			5,484				34				5,518
Civil defense emergency hospitals	Each	2	38,456		−2				[1] 2	2	38,452
Replenishment units (functional assemblies other than hospitals)			16,492		−976						15,517
Total, civil defense medical stockpile, Department of Health, Education, and Welfare			170,212				560		12		170,761

[1] Inventory writeoff—certificate of destruction.

NOTE.—Figures are rounded and may not add to totals.

TABLE 5.—*Volume of strategic and critical materials in Federal stockpile inventories (all grades), February 1962, compared with maximum objectives (showing materials in national stockpile, Defense Production Act inventory, supplemental and CCC barter stockpile, and total, by commodities)*

Commodity	Unit of measure	National stockpile			Defense Production Act inventory			Supplemental and CCC barter stockpile [1]			Total, all inventories			Maximum objective	Feb. 28, 1962, inventories as (all grades) percent of maximum objective
		Feb. 1, 1962	Feb. 28, 1962	Change	Feb. 1, 1962	Feb. 28, 1962	Change	Feb. 1, 1962	Feb. 28, 1962	Change	Feb. 1, 1962	Feb. 28, 1962	Change		
Aluminum, metal	Short ton	1,129,004	1,129,008	+4	812,672	814,296	+1,624				1,941,676	1,943,304	+1,628	1,200,000	161.9
Aluminum oxide, fused, crude	Short dry ton	200,093	200,093					178,266	178,266		378,359	378,359		200,000	189.2
Antimony	Short ton	30,301	30,301					14,845	15,123	+278	45,146	45,424	+278	70,000	64.9
Asbestos, amosite	do	11,705	11,705					13,462	14,259	+797	25,167	25,964	+797	45,000	57.7
Asbestos, chrysotile	Short dry ton	6,017	6,017		2,348	2,348		5,532	5,532		13,897	13,897		11,000	126.3
Asbestos, crocidolite	Short ton	1,567	1,567					11,716	12,217	+501	13,283	13,784	+501	(2)	(2)
Bauxite, metal grade, Jamaica type	Long dry ton	879,740	879,740		1,370,077	1,370,077		4,643,465	4,593,573	−49,892	6,893,282	6,843,390	−49,892	2,600,000	263.2
Bauxite, metal grade, Surinam type	do	4,965,317	4,965,208	−109				2,312,651	2,454,697	+142,046	7,277,968	7,419,905	+141,937	6,400,000	115.9
Bauxite, refractory grade	Long calcined ton.	299,279	299,279								299,279	299,279		137,000	218.5
Beryl	Short ton	23,233	23,233		2,300	2,341	+41	11,266	11,319	+53	36,799	36,893	+94	23,100	159.7
Bismuth	Pound	1,342,402	1,342,402		22,901	22,901		1,750,640	1,750,640		3,115,943	3,115,943		3,000,000	103.9
Bristles, hog	do	8,217	8,217								8,217	8,217		(2)	(2)
Cadmium	do	10,972,130	10,987,173	+15,043				7,209,616	7,212,616	+3,000	18,181,746	18,199,789	+18,043	6,500,000	280.0
Castor oil	do	222,726,169	222,425,519	−300,650							222,726,169	222,425,519	−300,650	68,000,000	327.1
Celestite	Short dry ton	28,816	28,816								28,816	28,816		22,000	121.9
Chromite, chemical grade	do	559,452	559,452					437,791	441,170	+3,379	997,243	1,000,622	+3,379	475,000	210.7
Chromite, metallurgical grade	do	3,800,052	3,800,052		985,646	985,646		1,428,496	1,433,440	+4,944	6,214,194	6,219,138	+4,944	2,700,000	230.3
Chromite, refractory grade	do	1,047,159	1,047,159					179,815	179,775	−40	1,226,974	1,226,934	−40	1,300,000	94.4
Cobalt	Pound	76,974,610	76,178,248	−796,362	25,208,447	25,208,447		1,077,018	1,077,018		103,260,075	102,463,713	−796,362	19,000,000	539.3
Coconut oil	do	178,273,290	176,215,530	−2,057,760							178,273,290	176,215,530	−2,057,760	(2)	(2)
Colemanite	Long dry tons							67,636	67,636		67,636	67,636		(2)	(2)
Columbium	Pound	7,488,799	7,488,795	−4	10,617,449	10,617,449		388,915	388,915		18,495,163	18,495,159	−4	1,900,000	973.4
Copper	Short ton	1,008,396	1,008,403	+7	122,538	121,396	−1,142	11,142	11,253	+111	1,142,076	1,141,052	−1,024	1,000,000	114.1
Cordage fibers, abaca	Pound	153,001,444	152,603,636	−397,808							153,001,444	152,603,636	−397,808	150,000,000	101.7
Cordage fibers, sisal	do	322,384,317	318,120,551	−4,263,766							322,384,317	318,120,551	−4,263,766	320,000,000	99.4
Corundum	Short ton	2,008	2,008								2,008	2,008		2,000	100.4
Cotton	Pound	109,603,213	109,603,213								109,603,213	109,603,213		(2)	(2)
Cryolite	Short ton				34,859	34,481	−378				34,859	34,481	−378	(2)	(2)
Diamond dies	Piece	13,864	13,943	+79							13,864	13,943	+79	15,000	93.0
Diamond, industrial, crushing bort	Carat	31,113,411	31,113,411					5,023,749	5,023,749		36,137,160	36,137,160		30,000,000	120.5
Diamond, industrial, stones	do	9,164,644	9,164,644					14,186,783	14,266,438	+79,655	23,351,427	23,431,082	+79,655	18,000,000	130.2
Diamond tools	Piece	64,178	64,178								64,178	64,178		(2)	(2)
Feathers and down	Pound	10,594,248	10,219,509	−374,739							10,594,248	10,219,509	−374,739	8,800,000	116.1
Fluorspar, acid grade	Short dry ton	463,049	463,049		19,700	19,700		648,561	651,090	+2,529	1,131,310	1,133,839	+2,529	280,000	404.9
Fluorspar, metallurgical grade	do	369,443	369,443					42,800	42,800		412,243	412,243		375,000	109.9
Graphite, natural, Ceylon, amorphous lump.	do	4,455	4,455					1,428	1,428		5,883	5,883		3,600	163.4
Graphite, natural, Madagascar, crystalline.	do	34,581	34,581								34,581	34,581		17,200	201.1
Graphite, natural, other, crystalline	do	5,498	5,487	−11							5,498	5,487	−11	2,100	261.3
Hydrochloride of quinine	Ounce	1,474	1,474								1,474	1,474		(2)	(2)
Hyoscine	do	5,615	3,935	−1,680							5,615	3,935	−1,680	2,100	187.4
Iodine	Pound	2,977,648	2,977,648					801,953	855,953	+54,000	3,779,601	3,833,601	+54,000	4,300,000	89.2
Iridium	Troy ounce	13,937	13,937								13,937	13,937		4,000	348.4
Jewel bearings	Piece	50,382,191	50,382,191								50,382,191	50,382,191		57,500,000	87.6
Kyanite-mullite	Short dry ton	10,090	10,090								10,090	10,090		4,800	210.2
Lead	Short ton	1,050,379	1,050,378	−1	8,014	8,014		261,672	276,250	+14,578	1,320,065	1,334,642	+14,577	286,000	466.7
Magnesium	do	182,878	182,747	−131							182,878	182,747	−131	107,000	170.8
Manganese, battery grade, natural ore.	do	144,485	144,485					137,233	136,600	−633	281,717	281,085	−632	50,000	562.2
Manganese, battery grade, synthetic dioxide.	Short dry ton	21,272	21,272		3,779	3,779					25,051	25,051		20,000	125.3
Manganese, chemical grade, type A	do	29,307	29,307					75,712	74,833	−879	105,019	104,140	−879	30,000	347.1
Manganese, chemical grade, type B	do	1,822	1,822					71,512	82,031	+10,519	73,334	83,853	+10,519	53,000	158.2
Manganese, metallurgical grade	do	5,853,633	5,853,638	+5	3,124,892	3,124,892		2,667,852	2,741,598	+73,746	11,646,377	11,720,128	+73,751	6,800,000	172.4
Mercury	Flask	130,892	130,892					16,000	16,000		146,892	146,892		110,000	133.5
Mica, muscovite block	Pound	11,644,440	11,644,440		6,312,104	6,328,198	+16,094	969,140	1,011,297	+42,157	18,925,684	18,983,935	+58,251	8,300,000	228.7
Mica, muscovite film	do	1,732,682	1,732,682		102,638	102,638		66,082	67,832	+1,750	1,901,402	1,903,152	+1,750	1,300,000	146.4
Mica, muscovite splittings	do	40,030,086	40,030,086					4,826,257	4,826,257		44,856,343	44,856,343		21,200,000	211.6
Mica, phlogopite block	do	223,126	223,126								223,126	223,126		17,000	1,312.5
Mica, phlogopite splittings	do	3,074,395	3,074,395					1,350,364	1,381,128	+30,764	4,424,759	4,455,523	+30,764	1,700,000	262.1
Molybdenum	do	84,305,078	84,064,941	−240,137							84,305,078	84,064,941	−240,137	59,000,000	142.5
Nickel	do	335,898,504	334,537,583	−1,360,921	101,953,641	99,664,576	−2,289,065				437,852,145	434,202,159	−3,649,986	323,000,000	134.4
Opium	do	195,757	195,757								195,757	195,757		172,800	113.3

Palladium	Troy ounce	89,811	89,811		7,884	7,884		648,124	648,124		745,819	745,819		340,000	219.4
Palm oil	Pound	34,208,740	34,208,740								34,208,740	34,208,740		(2)	(2)
Platinum	Troy ounce	720,813	720,813					50,000	49,999	−1	770,813	770,812	−1	165,000	467.2
Poppy seeds	Pound	1,586	1,586								1,586	1,586		(2)	(2)
Pyrethrum	do	66,188	66,188								66,188	66,188		66,000	100.3
Quartz crystals	do	5,708,609	5,686,570	−22,039				232,272	232,272		5,940,881	5,918,842	−22,039	650,000	910.6
Quartz, processed	Piece	16,900	12,100	−4,800							16,900	12,100	−4,800	(2)	(2)
Quinidine	Ounce	1,953,377	1,943,377	−10,000							1,953,377	1,943,377	−10,000	1,600,000	121.5
Quinine	do	9,524,947	9,524,947								9,524,947	9,524,947		(2)	(2)
Rare earths	Short dry ton	10,042	10,042					7,254	4,431	−2,823	17,296	14,473	−2,823	5,700	253.9
Rare earths residue	Pound				6,085,570	6,085,570					6,085,570	6,085,570		(2)	(2)
Rhodium	Troy ounce	1,468	1,159	−309							1,468	1,159	−309	(2)	(2)
Rubber	Long ton	1,089,592	1,086,363	−3,229							1,089,592	1,086,363	−3,229	750,000	144.8
Ruthenium	Troy ounce							15,001	15,001		15,001	15,001		(2)	(2)
Rutile	Short dry ton	18,599	18,599		17,552	17,552		11,631	11,632	+1	47,782	47,783	+1	65,000	73.5
Sapphire and ruby	Carat	17,967,943	17,967,943								17,967,943	17,967,943		18,000,000	99.8
Selenium	Pound	97,100	97,100					156,518	156,518		253,618	253,618		400,000	63.4
Shellac	do	18,060,562	18,060,562								18,060,562	18,060,562		7,400,000	244.1
Silicon carbide, crude	Short ton	64,697	64,695					131,809	131,804	−5	196,506	196,501	−5	100,000	106.5
Silk noils and waste	Pound	3,510,439	3,480,633	−29,806							3,510,439	3,480,633	−29,806	970,000	358.8
Silk, raw	do	113,515	113,515								113,515	113,515		120,000	94.6
Sperm oil	do	23,442,158	23,442,158								23,442,158	23,442,158		23,000,000	101.9
Talc, steatite block and lump	Short ton	1,291	1,289	−2							1,291	1,289	−2	300	429.6
Talc, steatite ground	do	3,901	3,901								3,901	3,901		(2)	(2)
Tantalite	Pound	3,423,418	3,423,412	−6	1,531,366	1,531,366		8,036	8,036		4,962,820	4,962,814	−6	2,420,000	205.1
Thorium	do				848,574	848,574		4,343,870	4,343,870		5,192,444	5,192,444		(2)	(2)
Tin	Long ton	340,793	340,791	−2	[3] 675	26	−649	7,505	7,505		348,973	348,322	−651	185,000	188.3
Titanium	Short ton				22,457	22,457		9,021	9,021		31,478	31,478		(2)	(2)
Totaquine	Ounce	7,654,416	7,654,416								7,654,416	7,654,416		(2)	(2)
Tungsten	Pound	119,946,604	119,971,341	+24,737	79,774,624	79,774,624		4,993,970	4,492,776	−501,194	204,715,198	204,238,741	−476,457	50,000,000	408.5
Tungsten carbide powder	do							345,000	893,635	+548,635	345,000	893,635	+548,635	(2)	(2)
Vanadium	do	16,163,456	16,163,456								16,163,456	16,163,456		2,000,000	808.2
Vegetable tannin extract, chestnut	Long ton	42,895	42,895								42,895	42,895		30,000	143.0
Vegetable tannin extract, quebracho	do	199,986	199,557	−429							199,986	199,557	−429	180,000	110.9
Vegetable tannin extract, wattle	do	39,618	39,618								39,618	39,618		39,000	101.5
Zinc	Short ton	1,255,724	1,256,162	+438				323,897	323,897		1,579,621	1,580,059	+438	178,000	887.6
Zirconium ore, baddeleyite	Short dry ton	16,533	16,533								16,533	16,533		(2)	(2)
Zirconium ore, zircon	do	10,966	10,552	−414							10,966	10,552	−414	(2)	(2)

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[1] For purposes of this table strategic and critical materials acquired primarily by barter of agricultural commodities under Public Law 480 are consolidated. These materials appear in regular monthly tabulations of this series in 3 inventories: Agriculture price-support exchange inventory (in table 1), and the supplemental stockpile and inventory in transit reported by GSA (in table 2).

[2] No present objective.

[3] Includes Federal Facilities Corporation tin inventory.

TABLE 6.—*Changes in the volume of strategic and critical materials in Federal stockpile inventories, by years, Dec. 31, 1959, through Feb. 28, 1962 (showing increases and decreases by commodities for the years 1960, 1961, and 1962 through Feb. 28, and net change over the period Dec. 31, 1959, through Feb. 28, 1962)*

PART A. SUMMARY

Commodity	Unit of measure	Inventory on hand				Increase (+) or decrease (−)			
		Dec. 31, 1959	Dec. 31, 1960	Dec. 31, 1961	Feb. 28, 1962	Dec. 31, 1959, to Dec. 31, 1960	Dec. 31, 1960, to Dec. 31, 1961	Dec. 31, 1961, to Feb. 28, 1962	Total, Dec. 31, 1959, to Feb. 28, 1962
Agar	Pound	112,444	48,081	13,293		−64,363	−34,788	−13,293	−112,444
Aluminum, metal	Short ton	1,814,231	1,881,222	1,935,960	1,943,304	+66,991	+54,738	+7,344	+129,073
Aluminum oxide, fused, crude	Short dry ton	309,357	367,990	378,359	378,359	+58,633	+10,369		+69,002
Antimony	Short ton	37,787	39,944	44,632	45,424	+2,157	+4,688	+792	+7,637
Asbestos, amosite	do	12,704	17,133	24,669	25,964	+4,429	+7,536	+1,295	+13,260
Asbestos, chrysotile	Short dry ton	12,640	12,640	13,872	13,897		+1,232	+25	+1,257
Asbestos, crocidolite	Short ton	2,418	6,260	12,783	13,784	+3,842	+6,523	+1,001	+11,366
Bauxite, metal grade, Jamaica type	Long dry ton	4,179,698	5,238,526	6,494,130	6,843,390	+1,058,828	+1,255,604	+349,260	+2,663,692
Bauxite, metal grade, Surinam type	do	5,543,579	6,524,807	6,984,706	7,419,905	+981,228	+459,899	+435,199	+1,876,326
Bauxite, refractory grade	Long calcined ton.	299,373	299,373	299,279	299,279		−94		−94
Beryl	Short ton	32,190	35,485	36,845	36,893	+3,295	+1,360	+48	−4,703
Bismuth	Pound	2,511,626	2,861,985	2,861,943	3,115,943	+350,359	−42	+254,000	+604,317
Bristles, hog	do	912,451	476,510	8,217	8,217	−435,941	−468,293		−904,234
Cadmium	do	17,865,147	18,072,788	18,039,080	18,199,789	+207,641	−33,708	+160,709	+334,642
Castor oil	do	223,677,400	223,676,400	223,649,404	222,425,519	−1,000	−26,996	−1,223,885	−1,251,881
Celestite	Short dry ton	28,816	28,816	28,816	28,816				
Chromite, chemical grade	do	621,698	752,656	960,413	1,000,622	+130,958	+207,757	+40,209	+378,924
Chromite, metallurgical grade	do	5,761,815	6,016,537	6,213,840	6,219,138	+254,722	+197,303	+5,298	+457,323
Chromite, refractory grade	do	1,199,790	1,216,117	1,226,934	1,226,934	+16,327	+10,817		+27,144
Cobalt	Pound	97,099,353	103,234,320	103,260,075	102,463,713	+6,134,967	+25,755	−796,362	+5,364,360
Coconut oil	do	265,835,228	215,870,418	184,255,668	176,215,530	−49,964,810	−31,614,750	−8,040,138	−89,619,698
Colemanite	Long dry ton	44,233	66,680	67,636	67,636	+22,447	+956		+23,403
Columbium	Pound	18,598,784	18,319,590	18,502,071	18,495,159	−279,194	+182,481	−6,912	−103,625
Copper	Short ton	1,146,558	1,151,084	1,143,348	1,141,052	+4,526	−7,736	−2,296	−5,506
Cordage fibers, abaca	Pound	168,378,591	156,162,677	153,173,530	152,603,636	−12,215,914	−2,989,147	−569,894	−15,774,955
Cordage fibers, sisal	do	322,923,346	326,023,738	323,132,220	318,120,551	+3,100,392	−2,891,518	−5,011,669	−4,802,795
Corundum	Short ton	2,008	2,008	2,008	2,008				
Cotton	Pound	109,798,794	109,789,223	109,615,001	109,603,213	−9,571	−174,222	−11,788	−195,581
Cryolite	Short ton	38,661	38,297	35,266	34,481	−364	−3,031	−785	−4,180
Diamond dies	Piece	8,730	12,493	13,864	13,943	+3,733	+1,371	+79	+5,213
Diamond, industrial, crushing bort	Carat	31,098,333	33,607,833	35,637,160	36,137,160	+2,509,500	+2,029,327	+500,000	+5,038,827
Diamond, industrial, stones	do	18,948,070	19,566,338	22,626,409	23,431,082	+618,268	+3,060,071	+804,673	+4,483,012
Diamonds, cuttables and gems	do	55,461				−55,461			−55,461
Diamonds, tools	Piece	64,197	64,178	64,178	64,178	−19			−19
Feathers and down	Pound	12,723,758	12,090,962	10,885,271	10,219,509	−632,796	−1,205,691	−665,762	−2,504,249
Fluorspar, acid grade	Short dry ton	935,620	1,000,197	1,107,994	1,133,839	+64,577	+107,797	+25,845	+198,219
Fluorspar, metallurgical grade	do	401,492	412,242	412,243	412,243	+10,750	+1		+10,751
Graphite, lubricating	Short ton	533	242			−291	−242		−533
Graphite, natural, Ceylon, amorphous lump.	Short dry ton	5,911	5,911	5,883	5,883		−28		−28
Graphite, natural, Madagascar, crystalline.	do	34,580	34,583	34,585	34,581	+3	+2	−4	+1
Graphite, natural, other, crystalline	do	5,520	5,520	5,498	5,487		−22	−11	−33
Guayule seeds and seedlings	Pound	17,426	17,426				−17,426		−17,426
Hydrochloride of quinine	Ounce	1,871,759	1,872,464	1,474	1,474	+705	−1,870,990		−1,870,285
Hyoscine	do	7,248	6,655	5,615	3,935	−593	−1,040	−1,680	−3,313
Iodine	Pound	3,219,956	3,219,601	3,280,452	3,833,601	−355	+60,851	+553,149	+613,645
Iridium	Troy ounce	13,920	13,938	13,937	13,937	+18	−1		+17
Jewel bearings	Piece	47,758,426	49,031,095	50,382,191	50,382,191	+1,272,669	+1,351,096		+2,623,765
Kyanite-mullite	Short dry ton	15,790	12,121	10,090	10,090	−3,669	−2,031		−5,700
Lead	Short ton	1,279,558	1,280,133	1,302,118	1,334,642	+575	+21,985	+32,524	+55,084
Magnesium	do	186,469	184,837	183,073	182,747	−1,632	−1,764	−326	−3,722
Manganese, battery grade, natural ore	Short dry ton	179,067	179,066	273,896	281,085	−1	+94,830	+7,189	+102,018
Manganese, battery grade, synthetic dioxide.	do	25,051	25,051	25,051	25,051				
Manganese, chemical grade, type A	do	29,307	56,179	103,355	104,140	+26,872	+47,176	+785	+74,833
Manganese, chemical grade, type B	do	42,760	31,426	72,784	83,853	−11,334	+41,358	+11,069	+41,093
Manganese, metallurgical grade	do	9,654,904	10,372,658	11,543,172	11,720,128	+717,754	+1,170,514	+176,956	+2,065,224
Mercury	Flask	146,903	146,910	146,892	146,892	+7	−18		−11
Mica, muscovite, block	Pound	17,056,219	18,089,323	18,832,395	18,983,935	+1,033,104	+743,072	+151,540	+1,927,716
Mica, muscovite film	do	1,832,549	1,845,859	1,898,150	1,903,152	+13,310	+52,291	+5,002	+70,603
Mica, muscovite splittings	do	44,856,907	44,867,219	44,856,365	44,856,343	+10,312	−10,854	−22	−564
Mica, phlogopite block	do	223,013	223,126	223,126	223,126	+113			+113
Mica, phlogopite splittings	do	3,274,470	3,327,538	4,227,920	4,455,523	+53,068	+900,382	+227,603	+1,181,053
Molybdenum	do	84,603,223	84,580,931	84,305,078	84,064,941	−22,292	−275,853	−240,137	−538,282
Nickel	do	486,366,337	462,139,973	440,062,355	434,202,159	−24,226,364	−22,077,618	−5,860,196	−52,164,178
Opium	do	195,194	195,757	195,757	195,757	+563			+563
Osmium	Troy ounce	27	27				−27		−27
Palladium	do	645,767	645,808	745,819	745,819	+41	+100,011		+100,052
Palm oil	Pound	37,609,878	35,151,494	34,208,780	34,208,740	−2,458,384	−942,714	−40	−3,401,138
Platinum	Troy ounce	718,170	722,738	770,812	770,812	+4,568	+48,074		+52,642
Poppy seeds	Pound	51,646	51,646	1,586	1,586		−50,060		−50,060
Pyrethrum	do	216,263	76,416	66,188	66,188	−139,847	−10,228		−150,075
Quartz crystals	do	5,880,511	5,946,789	5,940,861	5,918,842	+66,278	−5,928	−22,019	+38,331
Quartz, processed	Piece	7,622,267	7,622,304	6,288,087	12,100	+37	−1,334,217	−6,275,987	−7,610,167
Quinidine	Ounce	2,053,366	2,053,366	1,970,377	1,943,377		−82,989	−27,000	−109,989
Quinine	do	11,988,241	11,988,562	9,524,947	9,524,947	+321	−2,463,615		−2,463,294
Rare earths	Short dry ton	12,394	12,311	14,473	14,473	−83	+2,162		+2,079
Rare earths residue	Pound	5,550,903	6,085,845	6,085,570	6,085,570	+534,942	−275		+534,667
Rhodium	Troy ounce	3,145	3,326	2,047	1,159	+181	−1,279	−888	−1,986
Rubber	Long ton	1,207,546	1,123,129	1,091,936	1,086,363	−84,417	−31,193	−5,573	−121,183
Ruthenium	Troy ounce	15,052	15,052	15,001	15,001		−51		−51
Rutile	Short dry ton	26,286	61,166	81,756	47,783	+34,880	+20,590	−33,973	+21,497
Sapphire and ruby	Carat	18,003,723	17,967,943	17,967,943	17,967,943	−35,780			−35,780
Selenium	Pound	244,117	253,618	253,618	253,618	+9,501			+9,501
Shellac	do	18,068,925	17,433,874	18,060,562	18,060,562	−635,051	+626,688		−8,363
Silicon carbide, crude	Short ton	121,332	159,716	196,356	196,501	+38,384	+36,640	+145	+75,169
Silk noils and waste	Pound	4,347,196	4,318,931	3,598,652	3,480,633	−28,265	−720,279	−118,019	−866,563
Silk, raw	do	209,191	68,980	113,515	113,515	−140,211	+44.535		−95,676
Sperm oil	do	23,442,158	23,442,158	23,442,158	23,442,158				
Talc, steatite block and lump	Short ton	1,291	1,291	1,291	1,289			−2	−2
Talc, steatite ground	do	6,285	6,285	4,644	3,901		−1,641	−743	−2,384
Tantalite	Pound	3,248,514	4,959,918	4,962,820	4,962,814	+1,711,404	+2,902	−6	+1,714,300
Thorium	do	2,970,191	4,878,444	4,928,444	5,192,444	+1,908,253	+50,000	+264,000	+2,222,253
Tin	Long ton	347,190	352,270	349,498	348,322	+5,080	−2,772	−1,176	+1,132
Titanium	Short ton	27,870	10,797	10,784	31,478	−17,073	−13	+20,694	+3,608
Totaquine	Ounce	7,820,275	7,820,400	7,654,416	7,654,416	+125	−165,984		−165,859
Tungsten	Pound	203,729,924	204,150,338	204,938,827	204,238,741	+420,414	+788,489	−700,086	+508,817
Tungsten, carbide powder	do				893,635			+893,635	+893,635

TABLE 6.—*Changes in the volume of strategic and critical materials in Federal stockpile inventories, by years, Dec. 31, 1959, through Feb. 28, 1962 (showing increases and decreases by commodities for the years 1960, 1961, and 1962 through Feb. 28, and net change over the period Dec. 31, 1959, through Feb. 28, 1962)*—Continued

PART A. SUMMARY—Continued

Commodity	Unit of measure	Inventory on hand				Increase (+) or decrease (−)			
		Dec. 31, 1959	Dec. 31, 1960	Dec. 31, 1961	Feb. 28, 1962	Dec. 31, 1959, to Dec. 31, 1960	Dec. 31, 1960, to Dec. 31, 1961	Dec. 31, 1961, to Feb. 28, 1962	Total, Dec. 31, 1959, to Feb. 28, 1962
Vanadium	do	16,276,707	16,379,058	16,163,456	16,163,456	+102,351	−215,602		−113,251
Vegetable tannin extract, chestnut	Long ton	42,858	42,856	42,895	42,895	−2	+39		+37
Vegetable tannin extract, quebracho	do	199,268	199,412	199,986	199,557	+144	+574	−429	+289
Vegetable tannin extract, wattle	do	39,659	39,658	39,618	39,618	−1	−40		−41
Zinc	Short ton	1,583,564	1,578,719	1,579,616	1,580,059	−4,845	+897	+443	−3,505
Zirconium ore, baddeleyite	Short dry ton	16,533	16,533	16,533	16,533				
Zirconium ore, zircon	do	15,902	14,620	11,222	10,552	−1,282	−3,398	−670	−5,350

PART B. NATIONAL STOCKPILE

Commodity	Unit of measure	Dec. 31, 1959	Dec. 31, 1960	Dec. 31, 1961	Feb. 28, 1962	Dec. 31, 1959, to Dec. 31, 1960	Dec. 31, 1960, to Dec. 31, 1961	Dec. 31, 1961, to Feb. 28, 1962	Total, Dec. 31, 1959, to Feb. 28, 1962
Agar	Pound	112,444	48,081	13,293		−64,363	−34,788	−13,293	−112,444
Aluminum, metal	Short ton	1,123,910	1,127,051	1,129,004	1,129,008	+3,141	+1,953	+4	+5,098
Aluminum oxide, fused, crude	Short dry ton	200,093	200,093	200,093	200,093				
Antimony	Short ton	30,306	30,306	30,301	30,301		−5		−5
Asbestos, amosite	do	11,705	11,705	11,705	11,705				
Asbestos, chrysotile	Short dry ton	5,771	5,771	5,992	6,017		+221	+25	+246
Asbestos, crocidolite	Short ton	1,568	1,567	1,567	1,567	−1			−1
Bauxite, metal grade, Jamaica type	Long dry ton	879,740	879,740	879,740	879,740				
Bauxite, metal grade, Surinam type	do	4,973,386	4,967,296	4,965,317	4,965,208	−6,090	−1,979	−109	−8,178
Bauxite, refractory grade	Long calcined ton.	299,373	299,373	299,279	299,279		−94		−94
Beryl	Short ton	23,227	23,233	23,233	23,233	+6			+6
Bismuth	Pound	1,342,402	1,342,402	1,342,402	1,342,402				
Bristles, hog	do	912,451	476,510	8,217	8,217	−435,941	−468,293		−904,234
Cadmium	do	11,433,531	11,464,172	10,991,767	10,987,173	+30,641	−472,405	−4,594	−446,358
Castor oil	do	223,677,400	223,676,400	223,649,404	222,425,519	−1,000	−26,996	−1,223,885	−1,251,881
Celestite	Short dry ton	28,816	28,816	28,816	28,816				
Chromite, chemical grade	do	562,992	559,452	559,452	559,452	−3,540			−3,540
Chromite, metallurgical grade	do	3,797,367	3,798,835	3,800,177	3,800,052	+1,468	+1,342	−125	+2,685
Chromite, refractory grade	do	1,047,159	1,047,159	1,047,159	1,047,159				
Cobalt	Pound	75,381,311	76,970,515	76,974,610	76,178,248	+1,589,204	+4,095	−796,362	+796,937
Coconut oil	do	265,835,228	215,870,418	184,255,668	176,215,530	−49,964,810	−31,614,750	−8,040,138	−89,619,698
Columbium	do	7,488,681	7,488,797	7,488,799	7,488,795	+116	+2	−4	+114
Copper	Short ton	1,001,115	1,007,055	1,008,996	1,008,403	+5,940	+1,941	−593	+7,288
Cordage fibers, abaca	Pound	168,378,591	156,162,677	153,173,530	152,603,636	−12,215,914	−2,989,147	−569,894	−15,774,955
Cordage fibers, sisal	do	322,923,346	326,023,738	323,132,220	318,120,551	+3,100,392	−2,891,518	−5,011,669	−4,802,795
Corundum	Short ton	2,008	2,008	2,008	2,008				
Cotton	Pound	109,798,794	109,789,223	109,615,001	109,603,213	−9,571	−174,222	−11,788	−195,581
Diamond dies	Piece	8,730	12,493	13,864	13,943	+3,763	+1,371	+79	+5,213
Diamond, industrial, crushing bort	Carat	31,098,333	31,098,333	31,113,411	31,113,411		+15,078		+15,078
Diamond, industrial, stones	do	9,041,849	9,041,849	9,164,644	9,164,644		+122,795		+122,795
Diamonds, cuttables and gems	do	55,461				−55,461			−55,461
Diamonds, tools	Piece	64,197	64,178	64,178	64,178	−19			−19
Feathers and down	Pound	12,723,758	12,090,962	10,885,271	10,219,509	−632,796	−1,205,691	−665,762	−2,504,249
Fluorspar, acid grade	Short dry ton	463,051	463,051	463,049	463,049		−2		−2
Fluorspar, metallurgical grade	do	369,443	369,443	369,443	369,443				
Graphite, natural, Ceylon, amorphous lump.	do	4,483	4,483	4,455	4,455		−28		−28
Graphite, natural, Madagascar, crystalline.	do	34,580	34,583	34,585	34,581	+3	+2	−4	+1
Graphite, natural, other, crystalline	do	5,520	5,520	5,498	5,487		−22	−11	−33
Guayule seeds and seedlings	Pound	17,426	17,426				−17,426		−17,426
Hydrochloride of quinine	Ounce	1,871,759	1,872,464	1,474	1,474	+705	−1,870,990		−1,870,285
Hyoscine	do	7,248	6,655	5,615	3,935	−593	−1,040	−1,680	−3,313
Iodine	Pound	2,978,003	2,977,648	2,977,648	2,977,648	−355			−355
Iridium	Troy ounce	13,920	13,938	13,937	13,937	+18	−1		+17
Jewel bearings	Piece	47,758,426	49,031,095	50,382,191	50,382,191	+1,272,669	+1,351,096		+2,623,765
Kyanite-mullite	Short dry ton	15,790	12,121	10,090	10,090	−3,669	−2,031		−5,700
Lead	Short ton	1,049,552	1,050,126	1,050,379	1,050,378	+574	+253	−1	+826
Magnesium	do	186,469	184,837	183,073	182,747	−1,632	−1,764	−326	−3,722
Manganese, battery, grade, natural ore	Short dry ton	144,485	144,485	144,485	144,485				
Manganese, battery grade, synthetic dioxide.	do	21,272	21,272	21,272	21,272				
Manganese, chemical grade, type A	do	29,307	29,307	29,307	29,307				
Manganese, chemical grade, type B	do	1,822	1,822	1,822	1,822				
Manganese, metallurgical grade	do	5,713,820	5,713,859	5,853,613	5,853,638	+39	+139,754	+25	+139,818
Mercury	Flask	130,903	130,910	130,892	130,892	+7	−18		−11
Mica, muscovite block	Pound	11,607,812	11,595,685	11,644,440	11,644,440	−12,127	+48,755		+36,628
Mica, muscovite film	do	1,712,912	1,712,300	1,732,682	1,732,682	−612	+20,382		+19,770
Mica, muscovite, splittings	do	40,030,650	40,040,962	40,030,108	40,030,086	+10,312	−10,854	−22	−564
Mica, phlogopite block	do	223,013	223,126	223,126	223,126	+113			+113
Mica, phlogopite splittings	do	3,077,460	3,071,948	3,074,395	3,074,395	−5,512	+2,447		−3,065
Molybdenum	do	84,603,223	84,580,931	84,305,078	84,064,941	−22,292	−275,853	−240,137	−538,282
Nickel	do	336,572,739	336,774,940	335,898,504	334,537,583	+202,201	−876,436	−1,360,921	−2,035,156
Opium	do	195,194	195,757	195,757	195,757	+563			+563
Osmium	Troy ounce	27	27				−27		−27
Palladium	do	89,770	89,811	89,811	89,811	+41			+41
Palm oil	Pound	37,609,878	35,151,494	34,208,780	34,208,740	−2,458,384	−942,714	−40	−3,401,138
Platinum	Troy ounce	718,170	722,738	720,813	720,813	+4,568	−1,925		+2,643
Poppy seeds	Pound	51,646	51,646	1,586	1,586		−50,060		−50,060
Pyrethrum	do	216,263	76,416	66,188	66,188	−139,847	−10,228		−150,075
Quartz crystals	do	5,724,827	5,738,736	5,708,609	5,686,570	+13,909	−30,127	−22,039	−38,257
Quartz, processed	Piece	7,622,267	7,622,304	6,288,087	12,100	+37	−1,334,217	−6,275,987	−7,610,167
Quinidine	Ounce	2,053,366	2,053,366	1,970,377	1,943,377		−82,989	−27,000	−109,989
Quinine	do	11,988,241	11,988,562	9,524,947	9,524,947	+321	−2,463,615		−2,463,294
Rare earths	Short dry ton	10,168	10,085	10,042	10,042	−83	−43		−126
Rhodium	Troy ounce	3,145	3,326	2,047	1,159	+181	−1,279	−888	−1,986
Rubber	Long ton	1,207,546	1,123,129	1,091,936	1,086,363	−84,417	−31,193	−5,573	−121,183
Ruthenium	Troy ounce	51	51				−51		−51
Rutile	Short dry ton	18,503	18,509	18,509	18,509	+6			+6
Sapphire and ruby	Carat	18,003,723	17,967,943	17,967,943	17,967,943	−35,780			−35,780
Selenium	Pound	97,100	97,100	97,100	97,100				
Shellac	do	18,068,925	17,433,874	18,060,562	18,060,562	−635,051	+626,688		−8,363
Silicon carbide, crude	Short ton	64,697	64,697	64,697	64,697				
Silk noils and waste	Pound	4,347,196	4,318,931	3,598,652	3,480,633	−28,265	−720,279	−118,019	−866,563
Silk, raw	do	209,191	68,980	113,515	113,515	−140,211	+44,535		−95,676
Sperm oil	do	23,442,158	23,442,158	23,442,158	23,442,158				

TABLE 6.—*Changes in the volume of strategic and critical materials in Federal stockpile inventories, by years, Dec. 31, 1959, through Feb. 28, 1962 (showing increases and decreases by commodities for the years 1960, 1961, and 1962 through Feb. 28, and net change over the period Dec. 31, 1959, through Feb. 28, 1962)*—Continued

PART B. NATIONAL STOCKPILE—Continued

Commodity	Unit of measure	Inventory on hand				Increase (+) or decrease (−)			
		Dec. 31, 1959	Dec. 31, 1960	Dec. 31, 1961	Feb. 28, 1962	Dec. 31, 1959, to Dec. 31, 1960	Dec. 31, 1960, to Dec. 31, 1961	Dec. 31, 1961, to Feb. 28, 1962	Total, Dec. 31, 1959, to Feb. 28, 1962
Talc, steatite block and lump	Short ton	1,291	1,291	1,291	1,289			−2	−2
Talc, steatite ground	do	6,285	6,285	4,644	3,901		−1,641	−743	−2,384
Tantalite	Pound	2,323,292	3,423,255	3,423,418	3,423,412	+1,099,963	+163	−6	+1,100,120
Tin	Long ton	340,820	340,833	340,792	340,791	+13	−41	−1	−29
Totaquine	Ounce	7,820,275	7,820,400	7,654,416	7,654,416	+125	−165,984		−165,859
Tungsten	Pound	119,434,783	119,856,531	119,949,706	119,971,341	+421,748	+93,175	+21,635	+536,558
Vanadium	do	16,276,707	16,379,058	16,163,456	16,163,456	+102,351	−215,602		−113,251
Vegetable tannin extract, chestnut	Long ton	42,858	42,856	42,895	42,895	−2	+39		+37
Vegetable tannin extract, quebracho	do	199,268	199,412	199,986	199,557	+144	+574	−429	+289
Vegetable tannin extract, wattle	do	39,659	39,658	39,618	39,618	−1	−40		−41
Zinc	Short ton	1,261,477	1,254,794	1,255,719	1,256,162	−6,683	+925	+443	−5,315
Zirconium ore, baddleyite	Short dry ton	16,533	16,533	16,533	16,533				
Zirconium ore, zircon	do	15,902	14,620	11,222	10,552	−1,282	−3,398	−670	−5,350
PART C. DEFENSE PRODUCTION ACT INVENTORY									
Aluminum, metal	Short ton	690,321	750,171	806,956	814,296	+63,850	+52,785	+7,340	+123,975
Asbestos, chrysotile	Short dry ton	2,348	2,348	2,348	2,348				
Bauxite, metal grade, Jamaica type	Long dry ton	1,370,077	1,370,077	1,370,077	1,370,077				
Beryl	Short ton	1,759	1,976	2,292	2,341	+217	+316	+49	+582
Bismuth	Pound	22,901	22,901	22,901	22,901				
Chromite, metallurgical grade	Short dry ton	788,431	890,518	985,646	985,646	+102,087	+95,128		+197,215
Cobalt	Pound	20,641,024	25,186,787	25,208,447	25,208,447	+4,545,763	+21,660		+4,567,423
Columbium	do	11,067,884	10,618,126	10,624,357	10,617,449	−449,758	+6,231	−6,908	−450,435
Copper	Short ton	136,228	133,462	123,099	121,396	−2,766	−10,363	−1,703	−14,832
Cryolite	do	38,661	38,297	35,266	34,481	−364	−3,031	−785	−4,180
Fluorspar, acid grade	Short dry ton	19,700	19,700	19,700	19,700				
Graphite, lubricating	Short ton	533	242			−291	−242		−533
Lead	do	8,014	8,014	8,014	8,014				
Manganese, battery grade, synthetic dioxide.	Short dry ton	3,779	3,779	3,779	3,779				
Manganese, metallurgical grade	do	2,837,955	3,030,597	3,124,904	3,124,892	+192,642	+94,307	−12	+286,937
Mica, muscovite block	Pound	5,185,827	6,053,638	6,289,122	6,328,198	+867,811	+235,484	+39,076	+1,142,371
Mica, muscovite film	do	92,973	104,487	102,718	102,638	+11,514	−1,769	−80	+9,665
Nickel	do	149,793,598	125,365,033	104,163,851	99,664,576	−24,428,565	−21,201,182	−4,499,225	−50,129,022
Palladium	Troy ounce	7,884	7,884	7,884	7,884				
Rare earths residue	Pound	5,550,903	6,085,845	6,085,570	6,085,570	+534,942	−275		+534,667
Rutile	Short dry ton	7,693	28,536	37,169	17,552	+20,843	+8,633	−19,617	+9,859
Tantalite	Pound	925,222	1,528,627	1,531,366	1,531,366	+603,405	+2,739		+606,144
Thorium	do	720,191	848,574	848,574	848,574	+128,383			+128,383
Tin [1]	Long ton	4,470	3,933	1,201	26	−537	−2,732	−1,175	−4,444
Titanium	Short ton	22,474	10,797	10,784	22,457	−11,677	−13	+11,673	−17
Tungsten	Pound	79,810,541	79,809,207	79,791,280	79,774,624	−1,334	−17,927	−16,656	−35,917
PART D. SUPPLEMENTAL AND CCC BARTER STOCKPILE [2]									
Aluminum oxide, fused, crude	Short dry ton	109,264	167,897	178,266	178,266	+58,633	+10,369		+69,002
Antimony	Short ton	7,481	9,638	14,331	15,123	+2,157	+4,693	+792	+7,642
Asbestos, amosite	do	999	5,428	12,964	14,259	+4,429	+7,539	+1,295	+13,260
Asbestos, chrysotile	Short dry ton	4,521	4,521	5,532	5,532		+1,011		+1,011
Asbestos, crocidolite	Short ton	850	4,693	11,216	12,217	+3,843	+6,523	+1,001	+11,367
Bauxite, metal grade, Jamaica type	Long dry ton	1,929,881	2,988,709	4,244,313	4,593,573	1,058,828	+1,255,604	+349,260	+2,663,692
Bauxite, metal grade, Surinam type	do	570,193	1,557,511	2,019,389	2,454,697	+987,318	+461,878	+435,308	+1,884,504
Beryl	Short ton	7,204	10,276	11,320	11,319	+3,072	+1,044	−1	+4,115
Bismuth	Pound	1,146,323	1,496,682	1,496,640	1,750,640	+350,359	−42	+254,000	+604,317
Cadmium	do	6,431,616	6,608,616	7,047,313	7,212,616	+177,000	+438,697	+165,303	+781,000
Chromite, chemical grade	Short dry ton	58,706	193,204	400,961	441,170	+134,398	+207,757	+40,209	+382,464
Chromite, metallurgical grade	do	1,176,017	1,327,184	1,428,017	1,433,440	+151,167	+100,833	+5,423	+257,423
Chromite, refractory grade	do	152,631	168,958	179,775	179,775	+16,327	+10,817		+27,144
Cobalt	Pound	1,077,018	1,077,018	1,077,018	1,077,018				
Colemanite	Long dry ton	44,233	66,680	67,636	67,636	+22,447	+956		+23,403
Columbium	Pound	42,219	212,667	388,915	388,915	+170,448	+176,248		+346,696
Copper	Short terms	9,215	10,567	11,253	11,253	+1,352	+686		+2,038
Diamond, industrial, crushing bort	Carat		2,509,500	4,523,749	5,023,749	+2,509,500	+2,014,249	+500,000	+5,023,749
Diamond, industrial, stones	do	9,906,221	10,524,489	13,461,765	14,266,438	+618,268	+2,937,276	+804,673	+4,360,217
Fluorspar, acid grade	Short dry ton	452,869	517,446	625,245	651,090	+64,577	+107,799	+25,845	+198,221
Fluorspar, metallurgical grade	do	32,049	42,799	42,800	42,800	+10,750	+1		+10,751
Graphite, natural, Ceylon, amorphous lump	do	1,428	1,428	1,428	1,428				
Iodine	Pound	241,953	241,953	302,804	855,953		+60,851	+553,149	+614,000
Lead	Short ton	221,902	221,903	243,725	276,250	+1	+21,732	+32,525	+54,258
Manganese, battery grade, natural ore	Short dry ton	34,582	34,581	129,411	136,600	−1	+94,830	+7,189	+102,018
Manganese, chemical grade, type A	do		26,872	74,048	74,833	+26,872	+47,176	+785	+74,833
Manganese, chemical grade, type B	do	40,938	29,604	70,962	82,031	−11,334	+41,358	+11,069	+41,093
Manganese, metallurgical grade	do	1,103,129	1,628,202	2,564,655	2,741,598	+525,073	+936,453	+176,943	+1,638,469
Mercury	Flask	16,000	16,000	16,000	16,000				
Mica, muscovite block	Pound	262,580	440,000	898,833	1,011,297	+177,420	+458,833	+112,464	+748,717
Mica, muscovite film	do	26,664	29,072	62,750	67,832	+2,408	+33,678	+5,082	+41,168
Mica, muscovite splittings	do	4,826,257	4,826,257	4,826,257	4,826,257				
Mica, phlogopite splittings	do	197,010	255,590	1,153,525	1,381,128	+58,580	+897,935	+227,603	+1,184,118
Palladium	Troy ounce	548,113	548,113	648,124	648,124		+100,011		+100,011
Platinum	do			49,999	49,999		+49,999		+49,999
Quartz crystals	Pound	155,684	208,053	232,252	232,272	+52,369	+24,199	+20	+76,588
Rare earths	Short dry ton	2,226	2,226	4,431	4,431		+2,205		+2,205
Ruthenium	Troy ounce	15,001	15,001	15,001	15,001				
Rutile	do		14,031	25,988	11,632	+14,031	+11,957	−14,356	+11,632
Selenium	Pound	147,017	156,518	156,518	156,518	+9,501			+9,501
Silicon carbide, crude	Short ton	56,635	95,019	131,659	131,804	+38,384	+36,640	+145	+75,169
Tantalite	Pound		8,036	8,036	8,036	+8,036			+8,036
Thorium	do	2,250,000	4,029,870	4,079,870	4,343,870	+1,779,870	+50,000	+264,000	+2,093,870
Tin	Long ton	1,900	7,504	7,505	7,505	+5,604	+1		+5,605
Titanium	Short ton	5,396			9,021	−5,396		+9,021	+3,625
Tungsten	Pound	4,484,600	4,484,600	5,197,841	4,492,776		+713,241	−705,065	+8,176
Tungsten carbide powder	do				893,635			+893,635	+893,635
Zinc	Short ton	322,087	323,925	323,897	323,897	+1,838	−28		+1,810

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[1] Includes Federal Facilities Corporation tin inventory.

[2] For purposes of this table, strategic and critical materials acquired primarily by barter of agricultural commodities under Public Law 480 are consolidated. These materials appear in regular monthly tabulations of this series in 3 inventories: Agriculture price-support exchange inventory (in table 1), and the supplemental stockpile and inventory in transit reported by GSA (in table 2).

APPENDIX

U.S. DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

The Price-Support Program

Price-support operations are carried out under the Corporation's charter powers (15 U.S.C. 714), in conformity with the Agricultural Act of 1949 (7 U.S.C. 1421), the Agricultural Act of 1954 (7 U.S.C. 1741), which includes the National Wool Act of 1954, the Agricultural Act of 1956 (7 U.S.C. 1442), the Agricultural Act of 1958 and with respect to certain types of tobacco, in conformity with the act of July 28, 1945, as amended (7 U.S.C. 1312). Under the Agricultural Act of 1949, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Under the Agricultural Act of 1958, as producers of corn voted in favor of the new price-support program for corn authorized by that act, price support is mandatory for barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, through the marketing year ending March 31, 1962. Price support for other nonbasic agricultural commodities is discretionary except that, whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producer's commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse and the Corporation looks only to the pledged or mortgage collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

The major effect on the budgetary expenditures is represented by the disbursements for presupport loans. The largest part of the commodity acquisitions under the program result from the forfeiting of commodities pledged as loan collateral for which the expenditures occurred at the time of making the loan, rather than at the time of acquiring the commodities.

Dispositions of commodities acquired by the Corporation in its price-support operations are made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691), title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, the Agricultural Act of 1958, the act of August 19, 1958, in the case of cornmeal and wheat flour, and the act of September 21, 1959, with regard to sales of livestock feed in emergency areas.

GENERAL SERVICES ADMINISTRATION

Strategic and critical materials stockpiling and related programs

1. National Stockpile

The Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) provides for the establishment and maintenance of a national stockpile of strategic and critical materials. GSA is responsible for making purchases of strategic and critical materials and providing for their storage, security, and maintenance. These functions are performed in accordance with directives issued by the Director of the Office of Emergency Planning. The act also provides for the transfer from other Government agencies of strategic and critical materials which are excess to the needs of such other agencies and are required to meet the stockpile objectives established by OEP. In addition, GSA is responsible for disposing of those strategic and critical materials which OEP determines to be no longer needed for stockpile purposes.

General policies for strategic and critical materials stockpiling are contained in DMO V–7, issued by the Director of the Office of Emergency Planning and published in the Federal Register of December 19, 1959 (24 F.R. 10309). Portions of this order relate also to Defense Production Act inventories.

2. Tin Received From Federal Facilities Corporation

Public Law 608, 84th Congress (50 U.S.C. 98 note), provided, among other things, for the continuation of operation of the Government-owned tin smelter at Texas City, Tex., from June 30, 1956, until January 31, 1957. It provided also that all tin acquired by the Federal Facilities Corporation by reason of such extension should be transferred to GSA.

3. Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, GSA is authorized to make purchases of or commitments to purchase metals, minerals, and other materials, for Government use or resale, in order to expand productive capacity and supply, and also to store the materials acquired as a result of such purchases or commitments. Such functions are carried out in accordance with programs certified by the Director of the Office of Emergency Planning.

4. National Industrial Equipment Reserve

Under general policies established and directives issued by the Secretary of Defense, General Services Administration is responsible for the care, maintenance, utilization, transfer, leasing, lending to nonprofit schools, disposal, transportation, repair, restoration, and renovation of national industrial reserve equipment transferred to GSA under the National Industrial Reserve Act of 1948 (50 U.S.C. 451–462).

5. Supplemental Stockpile

As a result of a delegation of authority from OEP (32A C.F.R., ch. I, DMO V–4) GSA is responsible for the maintenance and storage of materials placed in the supplemental stockpile. Section 206 of the Agricultural Act of 1956 (7 U.S.C. 1856) provides that strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products, unless acquired for the national stockpile or for other purposes, shall be transferred to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)). In addition to the materials which have been or may be so acquired, the materials obtained under the programs established pursuant to the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956 (50 U.S.C. App. 2191–2195), which terminated December 31, 1958, have been transferred to the supplemental stockpile, as authorized by the provisions of said Production and Purchase Act.

DEPARTMENT OF DEFENSE

Civil defense stockpile program

This stockpiling program, conducted pursuant to section 201(h) of Public Law 920, 81st Congress, as amended, is designed to provide some of the most essential materials to minimize the effects upon the civilian population which would be caused by an attack upon the United States. Supplies and equipment normally unavailable, or lacking in quantity needed to cope with such conditions, are stockpiled at strategic locations in a nationwide warehouse system consisting of general storage facilities.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Civil Defense medical stockpile program

As authorized under Public Law 920, 81st Congress, and following the intent of Reorganization Plan No. 1, 1958, the Director, Office of Emergency Planning has delegated responsibility to the Department of Health, Education, and Welfare to plan and direct operation of the medical supply portion of the OEP stockpile. The warehousing of the medical stockpile is principally within the OEP warehouse system; in addition, the medical stockpile includes a program designed to preposition emergency hospitals and other treatment units in communities throughout the Nation.

EXPLANATORY NOTES RELATING TO THE REPORTING OF STRATEGIC AND CRITICAL MATERIALS ACQUIRED BY EXCHANGE OR BARTER OF AGRICULTURAL COMMODITIES

Surplus agricultural commodities in the Commodity Credit Corporation's price-support inventory may be exchanged or bartered for strategic and critical materials under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and other basic legislation including the CCC Charter Act, as amended, the Agricultural Act of 1954, and the Agricultural Act of 1956.

Except for small amounts which may go to the national stockpile, the strategic and critical materials acquired by Commodity Credit Corporation under the barter program are transferred to the supplemental stockpile.

Direct appropriations reimburse Commodity Credit Corporation for materials so transferred from the price-support inventory.

The General Services Administration is charged with the custody and management of strategic and critical materials, and becomes the responsible reporting agency when title to these bartered materials is placed in the supplemental stockpile.

For purposes of this report, strategic and critical materials acquired by barter may appear in three inventories, reflecting the stages of the transfer of title.

1. The Department of Agriculture reports those to which the Commodity Credit Corporation still has title, prior to transfer to the supplemental stockpile.

2. The General Services Administration reports those which have been transferred from the Commodity Credit Corporation exchange inventory to two parts:

A. Materials for which title is "in transit" from Commodity Credit Corporation to the supplemental stockpile.

B. Materials for which title has passed to the supplemental stockpile.

[Order by Office of Emergency Planning declassifying certain stockpile data]

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF EMERGENCY PLANNING

Declassification of certain stockpile data

Pursuant to Executive Order 10501, as amended, and after consultation with the heads of the agencies concerned, I have found that materials objectives determined and materials inventories acquired under the acts of June 7, 1939, and July 23, 1946, are not official information affecting the national defense within the meaning of that order, and the amounts thereof are hereby determined to be unclassified.

Dated April 6, 1962.

EDWARD A. MCDERMOTT,
Acting Director.

STATEMENT BY SENATOR BYRD OF VIRGINIA

The cost value of strategic and critical materials stockpiled by the Federal Government was increased by $1,435,000 during the month of February. The total figure was raised during the month from $8,741,745,000 to $8,743,181,000.

Strategic and critical materials stored under Federal stockpiling programs are recorded in six stockpile inventories, including three for materials of these types acquired under the supplemental-barter program.

All of the net increase in cost value of strategic and critical materials during February resulted from acquisitions under the supplemental-barter program. The net increase in this program alone was $12,588,000, and this more than offset decreases in other strategic and critical materials inventories.

Other stockpile inventories of strategic and critical materials include the national stockpile, the Defense Production Act stockpile, and the Federal Facilities Corporation tin inventory.

There are 48 materials in the supplemental-barter stockpile inventories, and official reports since December 31, 1959, show a highly consistent record of net increases in volume during this period. Over these 26 months the volume of 43 materials has been increased; there was no net change in 5 materials; and there were no net reductions.

MAXIMUM OBJECTIVES

Overall, there are now 98 materials stockpiled in the strategic and critical inventories. Since December 31, 1959, the volume of 51 of these materials has been increased; there has been no net change in 5 materials, and there have been net decreases in 42 materials. Over this period five other materials have been completely disposed of.

National maximum objectives in volume are presently fixed for 76 of the 98 materials in the strategic and critical inventories. Among the 76 materials (in all grades), 65 are now stockpiled in excess of maximum objectives. Materials stockpiled under the supplemental-barter program in February were contributing to these excesses in 36 items.

These facts are to be found in official Federal stockpile figures compiled and reported today by the Joint Committee on Reduction of nonessential Federal Expenditures which has been making monthly reports on the cost value and volume of materials in all Federal stockpiles since December 1959.

Detailed information with respect to the strategic and critical materials in the so-called national stockpile previously has been classified as secret; and for this reason the committee's reports in the past have carried only total figures for this inventory.

When the President, in his press conference of January 31, said the excess of strategic and critical materials in the stockpiles should be reduced, the chairman of this committee suggested that declassification of national stockpile information might be helpful in this direction.

The Office of Emergency Planning, on April 6, removed the secret classification from the national stockpile detail, and the committee's February report for the first time carries volume and cost value figures for all 98 strategic and critical materials in Federal stockpiles.

With the information now available on strategic and critical materials in all six stockpile inventories which include them, the committee's report for February carries two additional tables showing:

1. The volume of strategic and critical materials inventories (all grades), as compared with maximum objectives; and

2. The changes in volume of each item stockpiled, since December 31, 1959.

OTHER FEDERAL STOCKPILES

In addition to so-called strategic and critical items, the Federal Government stockpiles other materials, including agricultural surpluses under the price support program in the Department of Agriculture, machine tools under the General Services Administration, and acquisitions for civil defense under the Departments of Defense and Health, Education, and Welfare.

The cost value of materials in all 10 stockpile inventories, including the 6 which store strategic and critical items, at the end of February totaled $13,773,104,000. This figure was $216,329,000 less than the total at the beginning of the month.

Increases and decreases in the 10 stockpile inventories during February are summarized as follows:

[In thousands]

Inventory	Cost value, February 1962	
	Net change during month	Total, end of month
Strategic and critical materials:		
Supplemental barter:		
Supplemental stockpile	+$62,713	$1,100,604
Price support exchange commodities	−29,326	48,923
In transit to supplemental stockpile	−20,799	39,571
Subtotal, supplemental barter	+12,588	1,189,098
National stockpile	−7,763	6,075,719
Defense Production Act	−1,819	1,478,301
Federal Facilities Corporation	−1,571	63
Subtotal, strategic and critical materials	+1,435	8,743,181
Agricultural commodities:		
Price support program	−218,876	4,745,511
Civil defense supplies and equipment:		
Department of Defense	+55	21,592
Department of Health, Education, and Welfare	+549	170,761
Subtotal, civil defense supplies and equipment	+604	192,353
Machine tools (under the Defense Production Act and the National Industrial Reserve Act)	+508	92,060
Grand total	−216,329	13,773,104

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance:

Edward J. Gosier, of New York, to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N.Y.

John W. Crimmins, of Kentucky, to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.

Mrs. Marion F. Baker, of Georgia, to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga.; and

Paul E. McNamara, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N.Y.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3367. A bill to amend the Internal Revenue Code of 1954 so as to include reserves on certain contracts purchased to provide retirement annuities for public school employees within the definition of pension plan reserves; to the Committee on Finance.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. TALMADGE:

S. 3368. A bill for the relief of Millie Gail Mesa; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3369. A bill to amend the Federal Aviation Act of 1958 in order to provide that it shall be unlawful, within the confines of any Federal airport or any airport for which funds have been granted under the provisions of the Federal Airport Act, to sell certain flight insurance in an amount in excess of $10,000 on the life of any individual; to the Committee on Commerce.

By Mr. HICKEY (for himself and Mr. MCGEE):

S. 3370. A bill to authorize the Secretary of Agriculture to relinquish to the State of Wyoming jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HICKEY when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS (for himself and Mr. EASTLAND):

S. 3371. A bill for the relief of Dr. James T. Maddux; to the Committee on the Judiciary.

By Mr. JORDAN (for himself and Mr. ERVIN):

S. 3372. A bill for the relief of Anastasios C. Triantaphyllou; to the Committee on the Judiciary.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO CERTAIN RESERVES TO PROVIDE RETIREMENT FOR PUBLIC SCHOOL EMPLOYEES

Mr. WILEY. Mr. President, I introduce a bill to amend the Internal Revenue Code of 1954 so as to include reserves on certain contracts purchased to provide retirement annuities for public school employees within the definition of pension plan reserves. I ask unanimous consent that the bill be printed in the RECORD, and appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3367) to amend the Internal Revenue Code of 1954 so as to include reserves on certain contracts purchased to provide retirement annuities for public school employees within the definition of pension plan reserves, introduced by Mr. WILEY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 805(d)(1) of the Internal Revenue Code of 1954 (relating to definition of pension plan reserves) is amended—

(1) by striking out "or" at the end of subparagraph (C);

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; or "; and

(3) by adding after subparagraph (D) the following new subparagraph:

"(E) purchased to provide retirement annuities for employees described in section 403(b)(1)(A)(ii) by an employer which is a State, a political subdivision of a State, or an agency or instrumentality of any one or more of the foregoing."

(b) The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

JURISDICTION OVER CERTAIN LANDS WITHIN MEDICINE BOW NATIONAL FOREST KNOWN AS POLE MOUNTAIN DISTRICT

Mr. HICKEY. Mr. President, on behalf of myself, and my colleague, the senior Senator from Wyoming [Mr. McGEE], I introduce, for appropriate reference, a bill to authorize the Secretary of Agriculture to relinquish to the State of Wyoming jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD two letters to me from Mr. George J. Argeris, assistant attorney general of the State of Wyoming, one dated November 1, 1961, and the other dated May 14, 1962, relative to the need for the proposed legislation in order to create legislative jurisdiction in the Pole Mountain Military Reservation that has been required by virtue of the Executive order of the President of the United States removing the reservation from military jurisdiction and putting it in the National Park System. The correspondence includes a letter from Mr. A. F. C. Greene, acting assistant regional forester, to Mr. S. J. Jiacoletti, dated May 1, 1962.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the correspondence will be printed in the RECORD.

The bill (S. 3370) to authorize the Secretary of Agriculture to relinquish to the State of Wyoming jurisdiction over those lands within the Medicine Bow National Forest known as the Pole Mountain District, introduced by Mr. HICKEY (for himself and Mr. McGEE), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The correspondence presented by Mr. HICKEY is as follows:

STATE OF WYOMING,
Cheyenne, November 1, 1961.

Re legislative jurisdiction—Pole Mountain Military Reservation.

Senator J. J. "JOE" HICKEY,
Hickey, Raper, Rooney & Walton, Attorneys at Law, Cheyenne, Wyo.

DEAR SENATOR HICKEY: For your information, I enclose memorandum opinion of the office of attorney general, State of Wyoming, dated December 16, 1959; memorandum opinion from the Office of General Counsel, U.S. Department of Agriculture dated June 28, 1960; and several letters from personnel of the Forest Service dated July 8, 1960, July 13, 1960, and September 6, 1961.

Pursuant to public land order 2446, July 20, 1961, the use of the Pole Mountain Military Reservation for military purposes was terminated. In at least two public land orders prior to that time, the lands comprising this reservation had been turned over to the Forest Service to be administered as part of the Medicine Bow National Forest. As you might know, in response to these various land orders, the State of Wyoming Game and Fish Commission has been interested in the extent of the State's jurisdiction in this area for game-enforcement purposes.

In my enclosed opinion rendered prior to the last public land order above mentioned, I advised the commission that most likely upon the termination of the use of this area for military purposes, legislative jurisdiction in this area would automatically recede to the State. You will also note that the Assistant General Counsel of the Office of the General Counsel, U.S. Department of Agriculture, somewhat agrees, but feels that the certainty of the matter would necessitate special Federal legislation receding jurisdiction to the State and subsequent State legislation accepting such jurisdiction.

Prior to the time that all lands were turned back to the Forest Service for administration, the game and fish commission had continued to manage the game and fish in this area and to open season all under authority of cooperative agreement with the military at Fort Warren. The commission, however, had been without jurisdiction for law enforcement purposes, and violations were prosecuted in the Federal court upon arrest by the military or complaint by the commission. Since public land order No. 1897, dated July 10, 1959, whereby the remaining lands in the Pole Mountain Military Reservation were turned over to the Forest Service for administration as part of the Medicine Bow National Forest and since public land order No. 2446, dated July 20, 1961, whereby the use of this area for military purposes was terminated, the commission has proceeded with desire and approval of the Forest Service to manage the game and fish therein with such authority as is exercised in all other national forests in the State. The matter of jurisdiction for law enforcement purposes in this area is, however, still uncertain.

As the letters of the Forest Service personnel reveal, recommendation to the Division of Legislative Liaison within the Department has been made for purposes of fostering legislation fully receding to the State of Wyoming legislative jurisdiction within the area. It is my feeling that we ought certainly to support such legislation and to encourage its submission for purposes of clarifying the matter. I question the desirability of any such legislation being initiated by the State of Wyoming for fear that it would be contradictory to the position I feel we ought to assume, namely, that upon the termination of the use of the area for military purposes (as was finally accomplished by public land order No. 2446), jurisdiction in the area automatically reverted to the State.

I enclose this material for your information in order that you might be more fully acquainted with the situation if and when confronted with it.

Respectfully submitted.

GEORGE J. ARGERIS,
Assistant Attorney General.

STATE OF WYOMING,
Cheyenne, May 14, 1962.

Re Pole Mountain Military Reservation.

Hon. J. J. HICKEY,
U. S. Senator, Senate Office Building, Washington, D.C.

DEAR SENATOR: By letter of November 1, 1961, together with enclosures, I presented to you the status of that area in the State of Wyoming, vic. Cheyenne, once comprising Pole Mountain Military Reservation. Therein, I indicated that the division of legislative liaison within the Department of Agriculture was sponsoring legislation to effectuate a recession of jurisdiction over this area to the State of Wyoming.

As you know, by public land order No. 2446, dated July 20, 1961, the use of this area for military purposes was terminated. Prior thereto and on June 5, 1925, by Executive Order No. 4245 and on July 10, 1959, by public land order No. 1897, these lands were made a part of the Medicine Bow National Forest. The Forest Service, as expressed by both the Laramie and Denver offices, is extremely desirous of the State of Wyoming assuming jurisdiction over this area for game enforcement purposes as is the case in the other national forests in the State.

As I had indicated to you in my letter of November 1, referred to above, it could, I think, be validly argued that upon the termination of the use of the area for military purposes, jurisdiction automatically receded to the State. Due to the fact of uncertainty with regard thereto, however, both the commission and the Forest Service desire legislation on the matter.

It appears that legislation general in form which could have taken care of the matter has not been forthcoming, and on the basis of the letter to Mr. Jiacoletti from the Forest Service in Denver, dated May 1, 1962, a copy of which I enclose, it appears that such legislation is not anticipated. The game and fish commission has requested, therefore, that I direct a letter to you, requesting that specific legislation be introduced for purposes of expressly receding such jurisdiction to the State and that this be accomplished in sufficient time so as to be ratified by the 1963 Wyoming Legislature.

Jurisdiction was originally ceded to the Federal Government over this area pursuant to section 1, chapter 20, Session Laws of Wyoming, 1893.

I feel my previous correspondence to you has pretty well laid out the situation, all of which I am fairly sure you are acquainted with. If I may be of any additional help to you, please let me know.

Yours truly,

GEORGE J. ARGERIS,
Assistant Attorney General.

U.S. DEPARTMENT
OF AGRICULTURE,
FOREST SERVICE,
ROCKY MOUNTAIN REGION,
Denver, Colo., May 1, 1962.

Mr. S. J. JIACOLETTI,
State Game and Fish Commissioner, Wyoming Game and Fish Commission, Cheyenne, Wyo.

DEAR STEVE: For your information, the bill providing for the adjustment, on a national basis, of jurisdiction exercised by the United States over lands used for Federal purposes, such as on Pole Mountain, is S. 145. It was introduced by Senator McClellan, of Arkansas, on January 5, 1961. Our latest information is that it is in the Government Operations Committee of the Senate.

This bill is identical to S. 1617 introduced in the 86th Congress and is essentially the same as S. 1538 of the 85th Congress. It is indicated that the possibilities for passage of S. 154 in this session are about the same as was the case with its two predecessors.

Sincerely yours,
A. F. C. Greene,
Acting Assistant Regional Forester.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

Mr. JAVITS (for himself and Mr. Bush, Mr. Clark, Mr. Douglas, Mr. Keating, Mr. Kuchel, Mr. Morse, and Mr. Scott) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KEATING submitted an amendment, intended to be proposed by him, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. HICKENLOOPER submitted amendments, intended to be proposed by him, to Senate bill 2996, supra, which were ordered to lie on the table and to be printed.

Mr. CHURCH submitted an amendment, intended to be proposed by him, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. JAVITS submitted an amendment, intended to be proposed by him, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT

Mr. JAVITS. Mr. President, I send to the desk, for printing under the rule, an amendment on behalf of myself and other Senators, properly called the "freedom of travel" amendment to the pending bill, the Foreign Assistance Act of 1961, to reaffirm our opposition to Arab discrimination against United States citizens who do business in or travel in the Near East.

I submit the amendment on behalf of myself and Senators Bush, Clark, Douglas, Keating, Kuchel, Morse, and Scott.

The VICE PRESIDENT. The amendment will be received and printed; and will lie on the desk.

Mr. JAVITS. Mr. President, the amendment would add to section 102 the following language:

> It is further the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in granting of personal of commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine. The Secretary of State shall report annually on the measures taken to apply the principles stated above.

The increasing number of American firms and individuals dealing with Israel who are directly affected by the Arab blacklist and boycott makes it necessary for the United States to repudiate and condemn any measures by foreign countries to interfere with the rights and privileges of U.S. citizens. Such discrimination is especially offensive when it is practiced by nations who receive assistance under the provisions of the foreign aid programs.

The Arab boycott and interference with commerce and travel have been growing into full-scale economic warfare against the State of Israel in an effort to isolate and destroy it. But the issue on this amendment is that of threats to blacklist American businessmen, to discourage air and shipping lines from entering Israel, and to refuse to honor the American passport when its holder is Jewish; and not the Arab-Israel conflict.

The continuation of this practice by nations sharing in our assistance program cannot be tolerated and this offensive conduct should be met with vigorous and unabated action by our Government. It is a violation of the intent and provisions of this act, a violation of the United Nations Charter and a violation of international law.

As recently as May 29, according to Radio Cairo, the Arab League boycott offices were warning airplanes and shipping companies against serving Israel. The boycott offices are continuing to place severe limitations on American merchant marine activity. Penalties for breaking the rules include depriving ships of the opportunity for loading or discharging cargo and from taking on water supplies and other provisions. Cargoes destined for Israel, even in foreign bottoms, are still not permitted through the Suez Canal and may be confiscated.

Foreign nations receiving American commodities under the Foreign Assistance Act are required to employ a minimum of 50-percent American flagships for the delivery of these products. All nations comply, including those associated with the Arab League. However, in addition to barring the ships of any nations that stop at Israel's ports, the Arab States refused to permit the 50-percent American bottoms to include any "Jewish owned" carriers, and thus such Arab governments are in effect permitted to discriminate against American shipping firms owned by Jews.

In view of the expansion of the U.S. aid program to the Near East projected under this act, the effects of this discrimination will be more widespread than ever if it is permitted to continue.

Special targets for blacklisting are American motion picture stars and companies but no aspect of the American economy is exempt from the blacklist and the threat of boycott.

It should not be forgotten that the United States has on more than one occasion come to the rescue of Egypt and Jordan, two states which are most actively seeking to impose the boycott, and in this act is seeking to increase our aid to these countries.

We have aided Saudi Arabia and we have just extended recognition to the Sheikdom of Kuwait. The Senate has a right to insist that these nations conduct themselves at least within the spirit of the Foreign Assistance Act.

The language of this amendment is the same as that adopted by the Congress in the Foreign Aid Appropriations Act of 1961 with the additional provision that the Secretary of State should report annually on measures taken to insure the application of the principles set forth in this amendment.

The Congress must continue to seek to uphold these principles and I deeply believe that we should here support the adoption of this amendment.

The act of 1961 had a 1-year life necessarily, but has the very important additional provision requiring the annual reports by the Secretary of State.

Mr. President, I think it is only seemly that the Congress insist upon that kind of amendment and insist upon its implementation, and I very much hope that when it is called up, it will be agreed to. I am very grateful to those of my colleagues who have participated with me in presenting it. I point out that it is entirely a cooperative effort. It is not an original idea of my own. The subject has been before us on a number of occasions. It just seemed logical for me to submit it at this time.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KUCHEL. I merely wish the Record to show that I am delighted to join with the distinguished senior Senator from New York [Mr. Javits] in sponsoring the amendment. It ought to have the unanimous approval of the Senate. It is regrettable that in the world today there are some nations who make a mockery out of the high-sounding verbiage by which the Congress passes a Mutual Foreign Assistance Act. While they are aware of the language, still they deal with the Government of the United States in an effort to obtain maximum financial assistance under it.

At the last session of Congress the Senate approved similar proposed legislation. I am glad once again to salute my friend from New York, who speaks for a number of us in sponsoring the amendment to which he has alluded, and which will now be printed.

Mr. JAVITS. I thank my colleague.

Mr. KEATING. Mr. President, I am very happy to join in cosponsoring the amendment which my colleague has offered. It deserves, it seems to me, the wholehearted approval of the Congress.

The continuing practice of some nations in putting restrictions on American citizens and using race or religion as a criterion for discriminatory treatment is distasteful to all American citizens. We in the United States believe in the basic right of all persons to free exercise of their religion and to equal treatment under the law.

Where racial differences in this country most unfortunately and regrettably, by local custom, are used as a basis for discriminatory treatment, we are actively working to eliminate these distinctions. What a violation it is, then, of our own fundamental beliefs, for the United States to provide assistance to nations which discriminate against American citizens on the basis of religion. What a cruel parody of the aims we try to achieve through our foreign aid program to encourage nations that deliberately trample on principles so vital to American living. What an injustice is being done to American citizens of all religions who pay the taxes imposed by our Government and then see those funds transferred to foreign nations which discriminate against the very people who have contributed to their resources.

Mr. President, it is altogether fitting and proper to approve in this legislation language that would clearly state the sincere and deep-rooted objection of the Congress to discriminatory treatment of Americans abroad. I would like to see the President take a strong stand in any areas where this prejudice prevails and insist upon the provision in any foreign aid agreement of firm guarantees of equal treatment of all Americans. I am very pleased to join with my colleague and senior Senator from New York in cosponsoring these amendments, which deserve the wholehearted approval of the Congress. I am hopeful that the requirement for annual reports will serve the purpose of prodding the executive branch of the Government into a more vigorous enforcement of the will of the Congress in this regard.

AMENDMENT TO THE SMALL RECLAMATION PROJECTS ACT OF 1956—ADDITIONAL COSPONSOR OF BILL

Mr. MOSS. Mr. President, I ask unanimous consent that the name of the junior Senator from South Dakota [Mr. Case] may be listed as a cosponsor on future printings of Senate bill 3323, to amend the Small Reclamation Projects Act of 1956.

The VICE PRESIDENT. Without objection, it is so ordered.

LOAN CONSERVATION FUNDS—WITHDRAWAL OF A COSPONSOR

Mr. CHURCH. Mr. President, I ask unanimous consent that my name be stricken from among the cosponsors of Senate bill 3118, to provide for loan conservation funds.

The VICE PRESIDENT. Without objection, it is so ordered.

NOTICE OF HEARINGS ON PROPOSED LEGISLATION RELATING TO PHILIPPINE WAR DAMAGE CLAIMS

Mr. SPARKMAN. Mr. President, I wish to announce that the Committee on Foreign Relations will hold a public hearing on Philippine war damage claims legislation on June 12, 1962, at 10:30 a.m., in room 4221, New Senate Office Building. The bills on this subject pending before the committee are S. 2380, introduced by Senator Humphrey on August 4, 1961, and S. 3329, introduced by Senator Fulbright on May 21, 1962.

NOTICE OF HEARINGS ON GOLD PRODUCTION

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Colorado [Mr. Carroll], who is necessarily absent today, I ask unanimous consent that a statement relative to hearings of the Subcommittee on Minerals, Materials, and Fuels, prepared by him, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

HEARINGS ON GOLD PRODUCTION

(Remarks of Senator John A. Carroll, of Colorado, chairman of the Subcommittee on Minerals, Materials, and Fuels)

The subject of gold continues to be very much in the news.

Only last week former President Eisenhower viewed with alarm certain present economic policies which he said were endangering the soundness of our dollar, which, in international payment, is backed by gold.

However, in fairness, it should be pointed out that under the previous administration little was done to halt the outflow of gold from our country or increase our supplies by making it possible for our own gold mining industry to produce.

By now of course it's an old, old story to the Members of the Senate and to the administration: We are continuing to lose gold from our National Treasury, month after month. All of our officials and all of our experts continue to express alarm at this outgo.

At the same time, we have vast deposits of rich gold-bearing ores in our own country—particularly in my State of Colorado and other States of the West such as California and Montana and including of course our great new State of Alaska.

It was gold that attracted many of our forefathers to go West, and it was gold that was the touchstone that led the winning of the West.

Yet our historic and once prosperous gold mines now are closed for the most part, and our skilled miners are unemployed, or have found other jobs in which their skills and knowledge and experience as gold miners are not used.

All this is taking place at a time, when our country needs gold, and more gold.

The Subcommittee on Minerals, Materials, and Fuels is endeavoring to do something about this anomalous situation. We held an exploratory hearing on March 15 to find means and ways of increasing production of gold from sources within the United States, and thus reopening our closed gold mines and putting our gold miners back to work.

Specific proposed legislation before us was Senate Joint Resolution 44, a measure introduced by the distinguished Senator from California, Mr. Engle, for himself and other distinguished Senators of both political parties.

Senate Joint Resolution 44 would authorize incentive payments of up to $35 an ounce for newly mined domestic gold. This subsidy price, combined with the Government-fixed price of $35 an ounce, would make it possible for a domestic producer to receive up to $70 an ounce for new production. I might point out here that many experts have said that $70 an ounce is an inadequate price under present day costs and conditions.

The administrative agencies, led by the Treasury Department, opposed this quite reasonable and limited measure, primarily on the ground that somehow action by the American Government to aid our American miners would upset the confidence other nations might have in our dollar. However, many of these same other nations aid their own gold miners to a much greater extent than that proposed by Senate Joint Resolution 44.

A memorandum outlining steps taken by other nations to aid their gold miners, prepared at the request of the subcommittee by Leland Howard, Chief of the Office of Domestic Gold and Silver, U.S. Treasury, is as follows:

"Treasury Department,
"Washington, D.C.

"Mr. Stewart French,
"Chief Counsel, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

"Dear Sir: This is in reply to your letter of May 11, 1962, in which you request certain additional information concerning gold, in connection with your forthcoming hearings on S.J. Res. 44 scheduled for the 23d of May.

"Section 43 of the act of May 12, 1933 (48 Stat. 51–53) permitted the President to fix the weight of the gold dollar, but in no event to reduce its then present weight by more than 50 percent. Section 12 of the Gold Reserve Act of 1934 (48 Stat. 337) amended this section to add that the weight of the gold dollar not be fixed in any event at more than 60 percent of its then present weight. This power was to expire two years after the date of enactment of the Gold Reserve Act, unless the President should sooner declare the existing emergency ended, but the President was authorized to extend the period for not more than one additional year after such date by proclamation.

"On January 31, 1934, the President by proclamation (No. 2072) fixed the weight of the gold dollar at 15 5/21 grains nine-tenths fine, which was the equivalent of $35 per fine troy ounce and on that same day the price of gold purchased and sold by the Mints and Assay Office under the Gold Reserve Act was fixed at $35 per fine ounce, minus or plus ¼ of 1 percent. Purchases were also subject to Mint charges.

"On January 10, 1936, by proclamation, the President extended the powers with respect to the weight of the gold dollar until January 30, 1937. These powers were further extended by the act of January 23, 1937, the act of July 6, 1939, and the act of June 30, 1941, until June 30, 1943, when they expired.

"The Secretary of the Treasury under sections 8 and 9 of the Gold Reserve Act has the authority, with the approval of the President, to purchase and sell gold 'at such rates and upon such terms and conditions as he may deem most advantageous to the public interest.' This authority, however, is limited by the Bretton Woods Agreement Act and the obligations undertaken by the United States as a member of the International Monetary Fund. Article IV, section 2 of the Articles of Agreement of the International Monetary Fund provides:

" 'The Fund shall prescribe a margin above and below par value for transactions in gold by members, and no member shall buy gold at a price above par value plus the prescribed margin or sell gold at a price below par value minus the prescribed margin.'

"The fund has prescribed a margin of one-quarter of 1 percent plus actual or computed costs of melting, shipment and custody, if any, or in the alternative a margin of 1 percent to include all of these handling costs. Under this provision, the United States has an obligation to the International Monetary Fund not to purchase gold at more or sell gold at less than $35 plus or minus the margin prescribed by the Fund, under either alternative, unless the par value of the dollar should be changed. Under section 5 of the Bretton Woods Agreement Act (22 U.S.C. 286c), approval of Congress is required for any such change in the par value of the dollar.

"I have had a review made of the various gold subsidy programs throughout the world. These programs are submitted to the International Monetary Fund for approval and the material in the attached memorandum was prepared from the annual reports and staff papers of that organization.

"Very truly yours,

"——— ———,

"*Director, Office of Domestic Gold and Silver Operations.*

"(Enclosure.)"

"MEMORANDUM

"Re gold subsidies.

"CANADA

"The Canadian subsidy, first announced on December 11, 1947, provided for a payment to individual gold mines, determined by taking half of the amount by which the current cost of gold production of any mine exceeded $18 an ounce and applying this to the amount by which production in the current year exceeded two-thirds of the production in the base year, July 1, 1946, to June 1, 1947. This subsidy was effective January 1, 1948, and was initiated for a 3-year period. It was extended in 1949 to not less than one-third of the gold produced each year, which would permit assistance to a few mines producing at levels substantially below that of the base year.

"In 1951 the plan was changed so that the number of ounces on which it would be paid was based on either the number of ounces produced in the benefit year (1951) in excess of one-half of the number produced in 1948, 1949, or 1950, the year to be selected by the mines, or one-half of the number of ounces produced in the benefit year, whichever was the greater. The 1951 assistance was equal to half of the difference between $22 per ounce and the actual cost of production of gold from the particular mine, up to $45. Canadian producers electing to sell gold at premium prices were not eligible for the subsidy. This act was extended to January 1, 1954.

"In February 1955, the subsidy was extended in a modified form for the calendar years 1955 and 1956. Under this formula, a subsidy was provided for eligible mines equal to two-thirds of the excess of the cost of production over CAN $26.50 per ounce up to a maximum of Canadian $12.33 per ounce. This applied to two-thirds of the output of the assisted producers, reduced the subsidy previously available to lower cost mines, and increased that available to higher cost mines.

"This was extended through 1957 and 1958 without change.

"In August 1958 the subsidy was extended through the calendar years 1959 and 1960, with a 25-percent increase in the amount of assistance for the years 1958, 1959, and 1960. The increase of 25 percent in the amounts payable to individual mines was intended to offset a continuing rise in production costs and the effects of the free exchange rate of the Canadian dollar. The subsidy was paid to mines that produced only gold and that had production costs high enough to justify assistance; it was not payable to base metal mines which produced gold as a byproduct. Gold mines ineligible for assistance and base metal mines were permitted to sell their gold on the free market. Mines receiving assistance are required to sell their output to the Royal Canadian Mint for the equivalent in Canadian dollars of U.S. $35 per fine ounce. Since the Canadian dollar has been at a premium over the U.S. dollar in recent years, the price paid by the mint for gold has been proportionately reduced; during 1958 it fluctuated between CAN $33.58 and CAN $34.62 per fine ounce. The total amount of subsidy paid for the year ended March 31, 1959, is estimated at CAN $11.6 million compared with CAN $8.6 million for the previous year.

"In June 1960, Canada extended the subsidy through the years 1961, 1962, and 1963 and made administrative changes so as to insure that subsidy payments were made only on gold bullion sold to the Royal Canadian Mint.

"AUSTRALIA

"In March 1948, Australia initiated a subsidy determined for each gold mine individually according to its cost or reserves, values and dependent population, which was canceled in 1949.

"However, in October 1954 they introduced a plan whereby certain gold producers whose annual output exceeded 500 ounces would be eligible during the fiscal years 1954, 1955, and 1956 for a subsidy per fine ounce equal to three-quarters of the excess cost of production over A 13–10 provided that the subsidy would not in any case exceed 2 Australian pounds per ounce. Producers whose annual output was less than 500 ounces would be eligible for a flat rate subsidy, A 1, 10 shillings per ounce.

"For a period of 3 years from June 30, 1959, the rates of assistance were increased to A 3–5s (3 Australian pounds, 5 shillings) maximum for large producers and flat subsidy for small producers to A 2–8s (2 Australian pounds, 8 shillings).

"This program is still in effect.

"FIJI

"Fiji has only one gold producer. An annual subsidy of 150,000 was paid to this company in each of the years fiscal 1959, 1960, and 1961, on condition that the company should carry out capital development, costing an equal or greater amount, on mine buildings, plant, and underground workings (exclusive of staff or employees' housing) during the period of the subsidy; the company was required to refund to the Government all sums received by way of subsidies in excess of the cost of such capital works; and in the event of production in any one year falling below 75,000 ounces, the subsidy was to be reduced below 150,000 at the rate of 2 per ounce of the shortfall.

"COLOMBIA

"The Colombian subsidy plan provided for a temporary subsidy of not more than 20 pesos per fine ounce on not more than 30 troy ounces per month to certain small gold mines and gold pan miners whose production did not exceed 180 ounces of fine gold during the first 6 months of 1953 and who elected to sell their output to the Bank of the Republic at the official price of $35 per fine ounce, plus the established subsidy. The output of the mines to be benefited was, at the time of its adoption in 1955, about 20 percent of the total amount of gold produced in Colombia and the total subsidy payable was limited to a monthly appropriation of 80,000 pesos.

"This program is still in effect.

"PHILIPPINES

"In June 1954, the Government of the Philippines introduced a subsidy payment related to the presumed economic need of each category of mine for a period of 2 years. Mines producing gold as their principal product had the option of selling newly mined gold to the Government through the Central Bank at the official price and receiving the appropriate subsidy or selling gold on the domestic free market without any subsidy.

"From September 1955 until December 31, 1955, the rates of assistance were reduced, gold producers were required to sell to the Central Bank a minimum of 50 percent of their gold production at their new rates of assistance with the option of selling their entire output at the same prices.

"This act was modified and extended to July 18, 1957, to extend the categories of producers to be assisted so as to cover all producers, and to channel a greater quantity of newly mined gold into the central reserves. The right to receive assistance was extended to mines producing gold as a byproduct of other metals. At least 75 percent of the newly mined gold produced by each mine was required to be sold to the Government through the Central Bank at the current official price per ounce plus the assistance. The remaining 25 percent could be sold either to the Government or in the domestic free market without benefit of the assistance. The rates of assistance were not changed. The Philippine monetary authorities, by a resolution of February 19, 1957, also authorized the use of blocked peso deposits of nonresidents for the direct purchase of gold bullion up to 25 percent of the output of local mining companies. Such purchases in the domestic free market had to be sold to the Central Bank at the official price of $35 per ounce, payable in U.S. dollars, and the proceeds remitted abroad.

"In June 1961, the Philippines introduced direct production subsidies to gold producers. All gold producers were classified into two categories—marginal and overmarginal—depending on whether or not their net profits fell short of 'base profits,' which are calculated separately for each mine. In order to be eligible for the subsidy, gold producers are required to sell their entire output to the Central Bank at the official price, which is defined as the peso equivalent of U.S. $35 per ounce, or any other price set by the Government. Marginal producers receive, in addition to the official price, an assistance of ₱65 per ounce and overmarginal producers, ₱50 per ounce. However, the total amount received is not to exceed ₱170 per ounce for marginal producers and ₱155 per ounce for overmarginal producers.

"SOUTHERN RHODESIA

"A gold subsidy was introduced during 1948 in Southern Rhodesia which was canceled after the devaluation of sterling and certain other currencies in September 1949.

"MAY 17, 1962."

Senate Joint Resolution 44 would in no way affect the price of $35 an ounce fixed for gold back in depression days by President Franklin D. Roosevelt. Hence, the fears of the administration's experts are without foundation.

As a matter of fact, to insure against Senate Joint Resolution 44 affecting the price of gold, some sponsors of the resolution have offered to add an amendment in the form of a proviso, assuring all nations that the United States guarantees to continue to buy and/or sell gold at $35 per ounce.

At the March 15 hearing, only industry spokesmen and non-Government experts were heard. Many facts and ideas were brought forth at this hearing and I sent each of the administration agencies concerned a set of galley proofs of the transcript, asking that the facts and ideas be studied.

The Minerals, Materials, and Fuels Subcommittee has scheduled a hearing for Friday, June 8, at 10 o'clock in the Interior Committee Room, room 3110, New Senate Office Building, at which officials of policymaking rank for the administrative agencies will be heard. This hearing has previously been announced for May 23, but because the Secretary of the Treasury, Douglas Dillon, was just returning from an international bankers conference in Rome, this scheduled hearing had to be postponed.

At Friday's hearing, Robert V. Roosa, Under Secretary of the Treasury for Monetary Affairs, will present Treasury's views. In addition, the subcommittee has invited the Secretary of State, Dean Rusk, and the Secretary of the Interior, Stewart Udall, and the Director of the Bureau of the Budget, David Bell, to be with us.

I hope very much that these high-ranking officials and the Senators on the subcommittee can arrive at agreement on some course of action that will solve our present dilemma of "starving in the midst of plenty" where gold is concerned.

I am confident that, in a small way, the mining of more domestic gold is one of the answers to replenishment of our dwindling gold reserves. And I think this can be done without disturbing present confidence in the U.S. dollar.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith; and

S. 2099. An act for the relief of Tina Jane Beland.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 1653) for the relief of William Falby.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 9522. An act for the relief of certain members of the U.S. Marine Corps who incurred losses pursuant to the cancellation of a permanent change of station movement;

H.R. 10618. An act granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes;

H.R. 10651. An act to amend title 28, United States Code, with respect to fees of U.S. marshals, and for other purposes; and

H.R. 11743. An act to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 473) providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (S.J. Res. 88) authorizing the issuance of a gold medal to Bob Hope, and it was signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 9522. An act for the relief of certain members of the U.S. Marine Corps who incurred losses pursuant to the cancellation of a permanent change of station movement;

H.R. 10618. An act granting the consent of Congress to the Southern Interstate Nuclear Compact, and for related purposes;

H.R. 10651. An act to amend title 28, United States Code, with respect to fees of United States marshals, and for other purposes; to the Committee on the Judiciary.

H.R. 11743. An act to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 473) providing the express approval of the Congress, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), for the disposition of certain materials from the national stockpile, was referred to the Committee on Armed Services, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expressly approve, pursuant to section 3(e) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(e)), the disposal of the following materials from the national stockpile:

(a) Approximately four hundred and forty thousand two hundred and forty-six pounds of silk noils;

(b) Approximately ninety-six short tons of 91 per centum nickel in ingot form, approximately four short tons of sintered nickel powder in the form of "cups", and approximately nine short tons of cobalt in rondelle form averaging 97.9 per centum cobalt;

(c) Cordage fiber consisting of approximately seven million five hundred thousand pounds of abaca fiber and approximately ten million pounds of sisal fiber;

(d) Approximately three thousand five hundred long tons of vegetable tannins (quebracho, chestnut, and wattle extracts);

(e) Approximately twenty-eight thousand eight hundred and sixteen short tons of celestite;

(f) Approximately four thousand four hundred and seventy-one troy ounces of platinum scrap and a quantity of nonferous scrap consisting of approximately five hundred and twenty short tons of brass, seventy-four short tons of silicon bronze and copper, eleven short tons of beryllium copper, and one hundred and six short tons of zinc foil;

(g) Approximately fifty thousand long tons of pig tin;

(h) Approximately one hundred and fifty-five million six hundred and seventy-six thousand pounds of castor oil;

(i) Approximately two hundred sixty-five thousand pounds of cobalt oxides, and approximately five thousand five hundred pounds of cobalt carbonates;

(j) Approximately one thousand eight hundred and ninety tons of chromite ore;

(k) Approximately sixty-five thousand four hundred and forty-seven pounds (gross weight) of ferrovanadium;

(l) Approximately sixty-three short tons of ferromanganese, and approximately four and one-half short tons of electrolytic manganese metal;

(m) Approximately ten million pounds of contained nickel and cobalt in the form of nickel oxide powder;

(n) Approximately five million pounds of molybdenum.

SEC. 2. All funds derived from the sales authorized by this concurrent resolution shall be deposited into the Treasury as miscellaneous receipts.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 1, 1962, he presented to the President of the United States the following enrolled bills:

S. 107. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes;

S. 971. An act for the relief of Salvatore Briganti; and

S. 3157. An act to repeal subsection (a) of section 8 of the Public Buildings Act of 1959, limiting the area in the District of Columbia within which sites for public buildings may be acquired.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from address by him on the Communist threat.

Excerpts from address by him on the role of farmers in the cold war.

DEATH OF GEORGIANS IN PARIS AIRCRAFT DISASTER

Mr. TALMADGE. Mr. President, the tragedy of Sunday which shocked the world was a soul-searing calamity for the city of Atlanta and the State of Georgia. In the brief seconds of inexplicable disaster which was aviation history's worst single accident, the lives of 115 of Georgia's foremost business, professional, civic, and cultural leaders were lost. One hundred and six of the victims were from the city of Atlanta alone.

Mere words are woefully inadequate to convey the overwhelming sense of loss and sadness which has engulfed Georgia and its capital city as the result of this catastrophe. It was a blow of devastating proportions to every area of life in Georgia and Atlanta. The great loss was compounded by the fact that these men and women were leaders—outstanding citizens who had dedicated themselves and their talents to the advancement of the highest aspirations of mankind. The void left by their passing is one which will be long in filling.

For Mrs. Talmadge and myself the loss was a personal one. Among the victims were many close, personal friends of long standing. We share the grief of their loved ones, and extend to them our sincerest heartfelt sympathy. It is our hope and prayer that they will find comfort in the useful lives of accomplishment which the departed leave as their enduring memorial.

The feelings of all Georgians were well expressed by the editorials of Atlanta's two newspapers—the Constitution and the Journal—and the personal column of Constitution Editor Eugene Patterson. I ask unanimous consent, Mr. President, that those editorials, Mr. Patterson's column, and a list of the victims be printed herewith in the body of the Record.

There being no objection, the editorials, article, and list were ordered to be printed in the Record, as follows:

May They Rest in Peace

There are some tragedies too great, some shocks too severe for the human spirit to understand and encompass at once.

Such was the tragedy Sunday in Paris that took the lives of so many Atlantans and Georgians. Families were broken by it and children were orphaned. The personal suffering and loss are so intense that years will pass before the sharp edge of grief is dulled.

The loss will be felt, too, by those who were not bound by ties of kinship and friendship to those who died. For these were the people who did things, who had the extra something that kept them in front. They were the ones who in times of crisis could be counted upon to come to the rescue of whatever worthy cause might be failing. They were the ones who could be depended upon to successfully sponsor whatever project might might be important at the time. Their particular cares were the art association, the opera, the symphony, the speech school, the agencies of the Community Chest or whatever might bring greater richness and depth to life in Atlanta.

The Journal extends its deepest and most heartfelt sympathy to their families and friends.

Tragedy in Paris Is a Very Great Blow for the City of Atlanta To Bear

Atlanta was shelled and burned in its infancy and tempered to shock through the years by such disasters as the Winecoff fire. But nothing could have prepared the city for the catastrophe that occurred in Paris Sunday.

The swift crash of one airplane 3,000 miles across the sea swept away from Atlanta the lives of a stunning number of its most honored citizens.

The select cultural leadership of a whole city is decimated.

Hundreds of the region's finest families are touched by bewildering tragedy.

The contribution of generations to a maturing South is cut short.

And Atlantans, who know their neighbors no matter how large we have grown, are wrung with mourning for a loss so desolating that it taxes belief.

The death of any one of these would have shaken us. To lose them all at one moment brings down upon this city an immeasurable shock and sorrow.

They typified the best of Atlanta's conscientious and contributing citizenry. They had been on a month's tour of the art centers of the Continent, both out of their own cultivated appreciation and their dedication to bringing Atlanta's galleries to a position of national distinction.

Their going opens a great gap, not only in their families, but in the whole community's line of advance toward the goal of greatness.

The most heartfelt sympathy of every Atlantan goes out to the families in their personal grief, just as the sympathy and prayers of the President and the Nation have come in to our city today.

We cannot fill these places. But if dedication is born of this city's anguish, then the memorial we raise to them will be a completion of the works they started and a devotion to the values they held.

Atlanta has been given a very great blow to bear.

Bright Arrows Across Eternity

(By Eugene Patterson)

Julia and Baxter Jones had a simple and compelling painting on the wall of their living room. It was the work of a Mexican artist, who called it Adam and Eve. It spoke to them. They brought it home to their stately house on Atlanta's Tuxedo Road.

Against an infinity of dull blue and crimson, hinting at far clouds and endless suns, two angular birds fly side by side—one white, one gold—and neither is in the foreground because both are. They strike forward cleanly together, like bright arrows across the lightening gloom of eternity.

With her hand on a chair, and Baxter beside her, Julia explained one night that she saw, in this painting's ageless simplicity, "something of immortality."

Now he and she have gone into that endlessness they saw in art, and with them have gone scores of others like them—a terribly large cross section of the most sensitive and truly civilized of our people.

What can be said in this stunned moment? What words are there to measure this calamity in Paris?

It is doubtful that any American city has ever lost, at a single stroke, so much of its fineness.

None can be singled out. This was Atlanta. These were the caring men and gentlewomen who contributed to more than the city's finance, politics, commerce; they lifted our eyes to the things that matter, to the meanings that history remembers when it has discarded the pettiness of wars and riches and little movements—to the arts, the culture that endures.

These people were irreplaceable. Grief is not deep enough to embrace so much. Comfort is too small to comprehend.

Neither power nor position was the true importance they shared. Some of them were humble by those standards.

They shared a cultivation of the soul and the spirit, and they placed their hands to the work of nursing that transcendent flame so that it will glow from the galleries when our skyscrapers have rusted and freshen the hearts of generations when all of us are dust.

They are gone. But they held in common that divine spark of which Plato wrote, and without which there is no art. It is man's expression of things God-born. It drew them to Rome and Florence and Venice, to the Louvre and at last, refreshed and rededicated, to Orly.

We suffer a grievous loss because they will not return. Still they, by virtue of the very kinship that carried them to Europe, had glimpsed in their lives the most rare and exalting edge of ultimate beauty that man can see—something of immortality.

List of Victims in Paris Airline Disaster

Here is a list of passenger casualties aboard the Air France plane that crashed in France Sunday. The list was provided by Air France and checked against a list of those on a tour provided by the American Express Co.

Those from Atlanta:

Mrs. C. A. Adair of 58 Montclair Drive NE.

Mr. and Mrs. Tom Chris Allen of 3633 Tuxedo Road NW.

Mrs. Henrietta C. Ayer of 536 West Paces Ferry Road NW.

Paul Barnett, 3456 Piedmont Avenue NE.

Mrs. Ralph J. Barry of 2914 Arden Road NW.

Mrs. E. W. Bartholomai of 3148 Lenox Road NE.

Mrs. W. P. Bealer of 286 Colonial Homes Drive.

Mr. and Mrs. George Beattie of 3047 East Pine Valley Road NW.

Mrs. Frances Beers of 2637 Peachtree Road NE.

Mrs. Marion T. Benson of 3301 Habersham Road NW.

Mr. and Mrs. Randolph Berry of 376 Manor Ridge Drive NW.

Mrs. E. Milton Bevington of 594 Valley Green Drive NE.

Mr. and Mrs. Roy Bixler, 1137 Mason Woods Drive.

Mrs. David C. Black, 3567 Paces Valley Road NW.

Katherine Bleckley of 717 Piedmont Avenue NE.

Dr. and Mrs. Harry Boon of 167 Boling Road NE.

Mr. and Mrs. Morris Brandon, Jr., of 671 W. Paces Ferry Road NW.

Mrs. Fred Brine and Dorothy Brine of 164 Peachtree Way NE.

Mr. and Mrs. Fred W. Bull, Ellen Bull and Betsy Bull of 495 Westover Drive NW.

Mrs. Mary Bull of Ponce de Leon Apartments.

Mrs. Ezekiel S. Candler of 3796 Club Drive NE.

Mr. and Mrs. William A. Cartledge of 4 Maddox Drive NE.

W. D. Cogland of 874 Vera Street SE.

Mr. and Mrs. Reuben Crimm of 637 Old Ivy Road NE.

Mrs. L. W. Dilts of 505 Timber Valley Road NE.

Paul Doassans, Air France representative in Atlanta, 31 Lakeview Avenue NE.

Mr. and Mrs. Saul Gerson of 1240 Carol Lane NW.

Mr. and Mrs. E. B. Glenn of 15 Vernon Road NW.

Mrs. J. M. Henson of 12 Chatham Road NW.

Mr. and Mrs. Redfern Hollins of 1208 Moores Mill Road NW.

Mrs. Ewing Humphries of 3167 Downwood Circle.

Mr. and Mrs. C. Baxter Jones, Jr., of 3475 Tuxedo Road NW.

Mr. and Mrs. Arnold Kaye of 801 Douglas Road NE.

Mr. and Mrs. Thomas H. Lanier of 2575 Howell Mill Road NW.

Mr. and Mrs. Thomas G. Little of 1215 East Beechwood Drive NW.

Mrs. Hinton Longino of 2983 Habersham Road NW.

Louise Loomis, 239 15th Street NE.

Dr. and Mrs. Allen P. McDonald, 1938 Peachtree Road NW.

Dr. and Mrs. Christopher J. McLoughlin, 417 Hillside Drive NW.

Ruth McMillan, 65 Beverly Road NE.

Mrs. William Meritt, 184 Peachtree Battle Avenue NW.

Mrs. Lawton Miller, of a Peachtree Memorial Drive address.

Mrs. Roy Minier, 35 Walker Terrace NE.

Mrs. Robert Emmett Mitchel, 2025 Peachtree Street.

Ruth Morris, 710 Peachtree Street.

Miss Anna Mulcahy, 2795 Peachtree Road NE.

Mr. and Mrs. David J. Murphy, 87 E. Wesley Road NE.

Robert S. Newcomb, Ponce de Leon Apartments.

Margaret Nutting, 825 Piedmont Avenue NE.

Mr. and Mrs. Del R. Paige, 2952 Howell Mill Road NW.

Mrs. Harvey Payne, 228 Camden Road NE.

Mr. and Mrs. Robert Pegram, 3180 Arden Road NW.

Mrs. P. H. Perkins, Jr., 5450 Peachtree-Dunwoody Road NW.

Homer S. Prater, Jr., 3687 Peachtree Road NE.

Mrs. Marion Pruitt, 3183 Argonne Drive NW.

Mrs. Clifford N. Ragsdale, 2814 Peachtree Road NW.

Mrs. William Richardson, 38 Peachtree Circle NE.

Mr. and Mrs. Roby Robinson, Biltmore Apartments NE.

Mr. and Mrs. W. J. Rooke, 3584 Tuxedo Road NW.

Mrs. Helen Seydel, 15 Lakeland Drive NE.

Mr. and Mrs. Charles A. Shaw, 61 Castle Falls Drive NE.

Mrs. R. K. Stow, 422 Emory Drive.

Mrs. M. D. Therrel, 2000 W. Paces Ferry Road NW.

Mrs. T. L. Tidmore, 86 Sheridan Drive NE.

Mrs. Paul Turner (Margaret Turner), 60 Montgomery Ferry Drive NE.

Mrs. Frank Virgin, 1 Vernon Road NW.

Mr. and Mrs. Sidney Wien and Joan Wien, 3700 North Stratford Road NE.

Mrs. Rosalind Williams, 3945 Club Drive NE.

Mrs. Lysle Williamson, 42 25th Street NW.

Mrs. Walter Wilson, 3349 Piedmont Road NE.

Vasser Woolley, 1071 Techwood Drive NW.

Mr. and Mrs. Sykes Young, 3496 Knollwood NW.

Those not from Atlanta:

Mrs. Theodosia L. Barnett, 2113 Southview Avenue, Tampa, Fla.

Mrs. Leslie Blair, 509 Whitlock Avenue, Marietta, Ga.

Miss Dolly Brooks, Marian Apartments, Griffin, Ga.

Mr. and Mrs. Morgan Cantey, of West Point, Ga.

Mrs. James R. Cowan, 904 Church Street, Marietta, Ga.

Mr. and Mrs. Forrest Cumming, 204 West Poplar Street, Griffin, Ga.

Douglas Davis, of Hapeville and Paris.

Mrs. William I. Hill, of Montgomery, Ala.

Mrs. Mary Ansley Howland, 212 South Candler Street, Decatur, Ga.

Miss Marghretta B. Luty, 601 Tasker Street, Ridley Park, Pa.

Mrs. Frank McPherson, of Montgomery, Ala.

Mr. and Mrs. Louis Patz, of Elberton, Ga.

Mrs. L. O. Rickey, 541 Virginia Drive, Winter Park, Fla.

Mrs. William King Self, 701 Peyton Circle, Marks, Miss.

Mrs. Fred Sorrow, of Duluth, Ga.

Mr. and Mrs. Robert Turner, of Marshallville, Ga.

SENATOR FRANK A. BARRETT

Mr. McGEE. Mr. President, it was a profound shock to me and, I am sure, to all Wyoming, when we learned, last Wednesday, of the death of Frank A. Barrett, who served in this body, as a U.S. Senator, from 1953 until 1958.

His service to Wyoming dates back to 1923. Like others of us in Wyoming, he had come to that State from Nebraska. In Wyoming, he held elective office, first on the local level, beginning with the year 1923. From that date until the time of his death, unstinting service to Wyoming was his clearly held goal.

In his 39 years of public service, former Senator Barrett was a stanch advocate of the policies which he believed best for his State, for the Nation, and for his party. His dedication to the principles in which he believed should serve as an inspiration to all of us.

Frank Barrett was elected Niobrara County Attorney in 1923. In 1933, he was elected to the Wyoming State senate; and in 1942, he was elected to the U.S. House of Representatives. He served four terms in that body; and then, in 1950, he became Wyoming's Governor. Finally, he was elected U.S. Senator from Wyoming in 1952. Indeed, he is the only man in the history of the State of Wyoming to hold all three of the high offices of the State—first, as a Member of the U.S. House of Representatives; next, as Governor of Wyoming; and, finally, as U.S. Senator from Wyoming.

His career was indeed a long and notable one in terms of his dedication to the public interest and to service to the people.

Mr. President, I ask unanimous consent that two laudatory editorials be printed at this point in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Laramie Boomerang, May 31, 1962]

Wyoming Loses a Friend and Servant

Residents of the State of Wyoming today mourned the death of former Senator, Governor and Congressman Frank A. Barrett.

For, Republican or Democrat, all people in Wyoming have been influenced by the man who held the three top offices in State politics over a period of many years. His devotion to public service in Wyoming is one that will remain a near record for many years for the man from Lusk served in the House of Representatives, then as Governor and later as Senator, a record unequalled in State political circles.

Barrett's tenure in office has had an effect on the State and its people. Barrett worked to solve the problems and needs of all communities regardless of size, during the time he served the State.

Democrats and Republicans were quick in their praise of Barrett and the work he had done and the friends he had made in the State. Barrett was always willing to meet with any person from the State, Republican or Democrat, and each was a friend to the man who for so long had a part in guiding the destiny of the State.

A political leader of Barrett's magnitude is always sorely missed. His death is the third in the Republican ranks over a period of less than 2 years. Men who served the State faithfully and well.

[From the Wyoming Eagle, Cheyenne, Wyo., May 31, 1962]

Frank A. Barrett

Death, yesterday morning, ended one of the most illustrious political careers in Wyoming's history.

Frank A. Barrett, who served Wyoming for many years as Congressman, Governor and U.S. Senator, died in DePaul Hospital, 9 days after he himself revealed he was afflicted with leukemia. He was 69.

Barrett first went to the State capitol, where his body will lie in state Thursday, as State senator in 1933, after serving 9 years as county attorney in Niobrara County.

Three years later, he made his first bid for a seat in Congress, but lost.

He served on the board of trustees of the University of Wyoming from 1939 to 1943, leaving that post after he was elected Congressman in the 1942 elections.

He was reelected to the U.S. House of Representatives three times before he decided to seek Wyoming's governorship in 1950. Again proving himself one of the Republican Party's greatest votegetters, he won.

In the great Eisenhower landslide of 1952, he ran for U.S. Senator. He defeated former Senator Joseph C. O'Mahoney, and became the first man in Wyoming's history to serve as Congressman, Governor, and U.S. Senator.

In 1958, he ran for reelection but was defeated by Democratic Senator Gale McGee. It was his first political setback since 1936. But he was by no means through with government and politics.

The following April he accepted appointment as General Counsel of the Agriculture Department in the Eisenhower administration. A year later, 1960, he resigned to make a comeback bid for U.S. Senator. He was defeated in the Republican primaries by the late Congressman and Senator-elect Keith Thomson.

Even after that defeat, he still was considered a power in Wyoming's Republican party. In fact, he had been mentioned as a possible candidate in the 1962 elections.

Through his long career in public office, he built and maintained a reputation as a thoroughly conscientious public servant, with solid integrity.

He was one of the hardest working public officials ever to serve Wyoming, giving unsparingly of himself and his talents—as Congressman, as Governor and as Senator.

His own accomplishments remain as a tribute to him.

Mr. HICKEY. Mr. President, it was with a deep sense of sorrow that I learned last week in Wyoming of the death in Cheyenne of a former Member of this body, Frank A. Barrett. The news that he was suffering from a serious disease, leukemia, had become known only 2 weeks earlier; and the announcement that the end had come on May 29 was a profound shock to his friends, among whom I count myself, and to the public of Wyoming, who knew Frank Barrett well and had expressed confidence in him many times at the election polls.

The death of this outstanding citizen of Wyoming is a loss to his community of Lusk, his State, and the Nation. Frank Barrett's record of service is an impressive one.

Born in Omaha, educated in the public schools of that city, and in Creighton University, from which he earned both a bachelor's and a law degree, he entered the Balloon Corps of the U.S. Army at the outset of World War I, serving for 3 years. At the end of that conflict, in 1919, he came to Wyoming and hung out his law shingle in Lusk, which town remained his home the rest of his life.

He served Wyoming and the Nation in many different capacities. He was Niobrara County attorney for nearly a decade; he was a member of the Wyoming State Senate, and a trustee of my alma mater, the University of Wyoming. In 1942, he was elected to represent Wyoming in the U.S. House of Representatives, where he served four terms, before resigning to become Governor of Wyoming. Two years later he was elected to this body, where he served a 6-year term. Later, he was appointed by then President Eisenhower to be General Counsel of the U.S. Department of Agriculture and a member of the Board of Directors of the Commodity Credit Corporation.

Frank Barrett was respected and liked by the people of his State. Not only was he chosen by them to hold numerous high positions, but he enjoyed the friendship and affection of his neighbors and his fellow Wyomingites throughout the State. During his service in the Congress he earned the respect and admiration, as well as the friendship, of members of both political parties here. In addition to his public service, and more important, he was a devoted husband and father, and leaves a fine family in Wyoming to mourn him.

Mr. TALMADGE. Mr. President, I desire to associate myself with the remarks of the distinguished Senators from Wyoming in their tributes to our late departed colleague, Frank Barrett.

I first knew him when he served as Governor of Wyoming and I was Governor of Georgia. Afterward, I served with him in the Senate of the United States. I knew him later, following his retirement from the Senate, when he was an attorney for the Department of Agriculture. I held him in high esteem.

I am grateful for this opportunity to associate myself with the Senators from Wyoming in paying respect to our late departed colleague, whom I regarded not only as a friend, but also as an outstanding statesman.

Mr. LAUSCHE. I, too, desire to associate myself with the statements which have been made. I knew former Governor Barrett and met with him at various times at Governors' conventions. He was a man of integrity, and fearlessness, and was devoted to public duty. I deeply regret his passing.

Mr. KEATING. Mr. President, I want to join the Senators from Wyoming in expressing my regret at the passing of Frank Barrett. Senator Barrett and I were delegates to two or three international conferences when I was serving in the House, and I then learned to know Frank Barrett well, to know his character, his humanity, his dedication, his wisdom and good judgment in the area of both our international and domestic problems. This outstanding son of the great State of Wyoming gave fully and unstintingly of himself to the service of his beloved State and Nation. In the hearts of those of us privileged to have known him his name will ever evoke the memory of an old and cherished friend.

In this hour of bereavement and sorrow, I wish to express to his family my regret at his passing, and my deepest sympathy.

Mr. DIRKSEN. Mr. President, I take note of the passing of our late colleague, Frank Barrett, of Wyoming. I first learned to know him when he was the lone Congressman from the State of Wyoming. He was indefatigable, and made a great record in the House of Representatives. To me it was neither singular nor surprising that in due course the people of Wyoming, for services rendered to every section of his State, finally elected him to the governorship of his State, where he served with great distinction. Nor was it surprising, under the circumstances, that the people of Wyoming should express their appreciation for his services as their chief executive by electing him to the Senate of the United States.

He was an amiable and affable person and, along with those characteristics, he left his mark on the tradition of the United States and upon the history of his own State.

So we mourn his passing as a friend and as a colleague.

Mr. KUCHEL. Mr. President, I join with our Republican leader in the Senate in mourning the passing of one who served in the Senate for many years with great dignity and with charm and effectiveness.

Frank Barrett was able to call all his colleagues in the Senate friends. I had the pleasure of sitting with him as a member of the Committee on Interior and Insular Affairs. I remember well the great vigor with which he championed water legislation, which is of primary benefit to the semiarid West, from which the present Presiding Officer [Mr. METCALF] and I come, and from which other Western Senators come.

Senator Barrett was an able lawyer, particularly in the water field, and much of what he advocated someday will be the law of the land and will be in the interest of the people of the area of the country represented by Senators from the West.

In addition to that all of us knew his family. It is to those in his family, whom he leaves behind, that all of us send our profound condolences on the occasion of his passing.

TRIBUTES TO THE LATE SENATORS FRANK A. BARRETT AND HENRY FOUNTAIN ASHURST

Mr. MANSFIELD. Mr. President, I wish to join my two distinguished colleagues from Wyoming in noting the passing of our former colleague in the Senate, Frank Barrett.

Senator Barrett and I came to the House together 20 years ago. I found him to be a good, decent, Christian gentleman. I know that we will miss him deeply and that the people of his State and of the West will remember him for the many contributions he made to their well-being.

Mr. President, I also wish to join the distinguished Senators from Arizona in noting the passing of our late colleague, Henry Fountain Ashurst, a man who made a mark for integrity and oratorical ability; a man who kept his sense of humor and tolerance at all times; a man whom we were delighted to meet after he left the Senate, because of his memories, his stories, and the fact that he was always interested in what went on in this body, although I believe, if my memory serves me correctly, that he never visited the Senate after he retired.

In the passing of these two former Members of the Senate, we have lost individuals who lent much to their respective States and the region which they so ably represented.

HENRY FOUNTAIN ASHURST

Mr. DIRKSEN. Mr. President, I noted with real distress the passing of the late Senator Henry Fountain Ashurst, of Arizona. He was one of the most remarkable men I have ever known. There were an amazing grace and incomparable charm about him that were almost Victorian in character. He had an unusual command of language in which he could spell out clearly and with appropriate imagery nearly every truth that ever came into his mind.

What is even more amazing is that this quality of character persisted almost undimmed and undiminished to the time of his death. As I recall, he was 87 at the time of his passing. To few men has been given that facility, kept intact, through so many years. I remember the last dinner I attended with him. What a genuine, charming utterance he made on that occasion, as if he were 30 or 40 years younger and at the very height of his capacity in that field. He made a deep impression on this generation, and I know there are many who will mourn his passing.

FEDERAL TAX CUT PROPOSAL

Mr. MILLER. Mr. President, in the June 1 issue of the Des Moines Register the lead editorial makes an excellent point regarding the talk going around about possible tax cuts. The point is that there should be a real tax cut and not a fake one in which other taxes would be boosted to make room for cuts. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL TAX-CUT PROPOSAL

The suggestion by Secretary of Commerce Luther H. Hodges that the Kennedy administration should move quickly to reduce corporation and individual income taxes seems to have been designed to stem the skid in stock prices.

That skid was reversed on Tuesday—or temporarily interrupted. Nobody knows for sure which at this time. The Hodges proposal could help restore business confidence if it is followed up by something more specific.

The Hodges statement was the first official confirmation of rumors that have been circulating for several weeks that President Kennedy will recommend a tax reduction to Congress before it adjourns.

One business advisory service has reported that the President will recommend a 25-percent reduction in individual income rates at all levels and an 8½-percent reduction for corporations.

Administration economists and others who have been urging a tax reduction believe it would stimulate consumer spending and business expansion. The shocking break in the stock market has added other arguments. One widely held explanation of the skid in stock prices has been a general loss of confidence by businessmen and investors in the future prospects for earnings.

Since the squabble over steel prices, considerable attention has been given to the decline in business profits over the last several years. Although business generally has been good the past 12 months, average net profits after taxes are down to 4.5 percent, compared with a 7.2-percent average from 1947 to 1951 and a 5.2-percent average from 1951 to 1956.

These comparisons, together with the decline in the average rate of dividends to less than 4 percent, are believed to have contributed to the big sell-off during the last week.

Then, some members of the administration, such as Secretary of Commerce Hodges, have become convinced that an early announcement of a contemplated tax cut could produce the double-barreled result of both halting the break in the stock market and contributing to the economic growth desired by President Kennedy.

A tax cut would mean an increase in the Federal budget deficit, of course, but that is what its proponents want. They argue that Federal tax rates are now so high that at anything like full employment a budget surplus of $10 billion a year would be created. It is also argued that the present deficit is fictional if one considers the Government investment in permanent public works, like the interstate road system, separately from the operating budget.

Thus it is held that a sizable deficit in the Federal budget the way it is now figured is not inflationary. On the contrary, the tax-cut proponents argue, a deficit is needed to stimulate private investment. At present tax rates, they say, any boom is nipped before it can really flourish.

Whether these arguments are sound is open to question, but a real tax reduction, not a fake one in which other taxes would be boosted to replace the cuts, might be a confidence-builder right now. A tax cut has been a long, long time coming.

NEED FOR MEANINGFUL TAX CUTS

Mr. MILLER. Mr. President, the lead editorial in last Sunday's Fort Lauderdale News is timely and sound. It points out that there is a need for meaningful tax cuts, but that without cutting Government spending it will not be meaningful and will only add to the terrible financial burdens being passed on to future generations. I ask unanimous consent that this excellent editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TAX CUT NEEDED BUT NOT AT THE EXPENSE OF OUR CHILDREN

(By Jack W. Gore)

During this past week it become rather apparent that, despite some words to the contrary from Secretary of the Treasury Dillon, the Kennedy administration was giving serious thought to pushing for a substantial and rather quick tax cut in an effort to spur the Nation's economy.

Some usually authoritative sources indicated that not only would cuts be proposed in the individual income levies but in the corporation tax rates as well.

The only fly in the ointment is that the administration isn't thinking about cutting Federal expenditures to make up for the revenue which would be lost by the tax cut.

Instead, the cut would be made at the expense of hiking the national debt that much further.

With the need for a substantial tax cut few will argue. Even Mr. Kennedy, himself, posed the question a short time ago whether our present tax system acts as a stimulant on the economy or a drag.

Most businessmen will flatly say it acts as a drag because with the Federal Government a 52 percent partner in most corporation profits, that doesn't provide a whole lot of incentive for business to go out and borrow funds necessary for capital improvements to increase their production and their sales.

A drop of just a few percentage points in the corporate tax rate structure will undoubtedly produce beneficial results. And, if individual income tax rates are also cut across the board, this will leave a lot more money in the hands of individuals most of which will be put back into circulation through regular trade and investment channels.

Past experience has shown that a substantial tax cut seldom affects the Treasury as much as might appear at the time the cuts are made. This comes about because the tax cut usually stimulates the economy to the point where more people and more business concerns make enough additional money to return almost as much to the Treasury in taxes as they did before the cuts were made.

In other words, there is a point of diminishing returns in the tax rates as there is in other fields, and present tax rates are certainly high enough to make experts wonder if the point of diminishing returns hasn't already been encountered.

It would be far better, of course, if a tax cut could be financed without the necessity of the Federal Government running deep into red ink in its budget. That could be done if Government officials would just cut out some of the unnecessary and frivolous spending programs they are pushing.

But nobody in the administration wants to do that. Foreign aid, for instance, could well be sliced by over $2 billion a year without, in our opinion, any real harm being done. But even though one of the new African nations had to warn its businessmen a few weeks ago that American foreign aid money wasn't supposed to be used to provide themselves with additional wives, our foreign aid people just won't accept the fact much of our money is being wasted or being frittered away on completely unproductive and unrealistic programs.

Much the same is true about some of our high-cost domestic programs. Billions could be saved each year by restoring some common sense and fiscal sanity to our ridiculous farm program. Millions more could be saved each year by revising civil service regulations so that governmental departments and bureaus could get rid of unnecessary employees.

We should have a law on the books requiring the Federal Government to live within its income except in times of war or grave national emergency. Some Congressmen have been pushing for just such a law for many years but they have gotten absolutely nowhere with it.

If there was such a law we wouldn't be faced with the spectacle of administration lieutenants trooping up the Hill twice in 1 year to seek a new temporary ceiling on the national debt. The temporary ceiling was raised to $300 billion just a couple of months ago but this week Treasury Secretary Dillon was right back asking for another hike to $308 billion.

With the Nation's economy lagging behind the recovery pace that the President and his economic advisers seem to think is advisable, it is not surprising they want to get things rolling ahead at full steam in order to avert a possible recession sometime next year.

We don't question the advisability of a tax cut as one has been long overdue both on personal and corporate incomes. But passing out a tax cut without taking measures to cut Government spending is just going to add more burdens on the shoulders of our children and their children. The growing size of the national debt cannot be overlooked ad infinitum. It won't go away of its own accord and the only way it is going to be kept within the bounds of reason is for the Government to quit spending more than it takes in every year.

"A THOUSAND SPRINGS"—BOOK WRITTEN BY MRS. ANNA CHENNAULT

Mr. MILLER. Mr. President, one of the most promising new books to come off the press is "A Thousand Springs," written by Mrs. Anna Chennault, widow of Gen. Claire Chennault, who commanded the 14th Air Force "Flying Tigers." In the June 1 issue of the Des Moines Register there is an interesting article about this gracious lady, known as Anna to her many friends, and I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"MARRIAGE SUCCESS UP TO WOMAN"—ANNA CHENNAULT

(By Dorothy McCardle)

WASHINGTON, D.C.—Madame Claire Lee Chennault, widow of the controversial American general of Flying Tiger fame, believes that success in any marriage depends far more upon the woman than upon the man.

"Seventy percent of the burden for a good marriage rests with the woman," this lovely Chinese woman says.

"Only 30 percent of the responsibility is up to the husband."

LUCKY 13

We were discussing her new book, "A Thousand Springs," just published by Paul S. Eriksson, Inc. It is her 13th book, but her first to be written in English. She has intense feeling for this book because it is the great love story of her life and of the life of a great American whom she married.

Besides, that number 13 has special significance to the Chinese. It is a lucky number.

The book is an exquisite love story of a romance and marriage against a background of war. It tells of a man's devotion to a woman, a devotion that linked East and West, and his rugged fight against what he believed to be the world's greatest enemy today—communism.

Her book has meaning for every marriage in every land. When she was a bride of 24, newly married to a brilliant military man in his 50's, her husband said this to her: "I ask two things of you, darling. One, always remain a Chinese wife. Two, keep your beautiful, slim figure."

ORIENTAL CONCEPT

She explains that by "Chinese wife" he meant "a wife who would let him be the boss instead of trying to run things herself, as so many women seem to do."

"A Chinese wife's first and most important characteristic is obedience—not servility or subservience," she writes.

It is "simply the knack and virtue of letting her husband feel that he is truly the head of the family."

She explains further: "In the Chinese tradition, a wife avoids argument with her husband, holding him by love, understanding, devotion, and a conscious willingness to let him make the family decisions and lead the way."

She sums up the wife's role as combining "the tact of a diplomat and the tactics of a psychiatrist."

During social gatherings, she says, a wife "may join in discussions of politics, but never to the extent of engaging in heated debate with her husband, lest she cause him to lose face, or create the impression that she and he are in disagreement, thus making them both lose face.

"This philosophy may sound old fashioned to many women in the Western World, particularly American women," she writes, adding, however, that "it not only was General Chennault's view, but, in my opinion is a view shared by most men, East and West."

The American Air Force general and his beloved Anna, whom he called Little Jade, had 10 years of marriage which was a true partnership before his tragic death from cancer in 1958.

Madame Chennault now lives here in Washington with her two young daughters in an apartment she designed herself. It is really two large apartments thrown together. The drawing room is dominated by a Chinese moon gate, a circular doorway which faces an almost life-size portrait of her late husband in uniform.

The moon gate doorway is a symbol of happiness in China. She has had it built in her home here as a symbol to her daughters, Claire, 13, and Cynthia, 12, of all their famous father meant to them and to her.

POEM QUOTED

The title of her forthcoming book has the same symbolism. She takes it from a Chinese poem by Wong Wei, who wrote:

"In the mountain a night of rain,
Above the treetops a thousand springs."

"I am a fortunate woman," she writes in the preface, "for I was married to a great man who deeply loved me."

"Most men who have great things to accomplish have no time for small things, little time for tenderness. The many little things this great man did to make me happy, the many tendernesses he showed me, made my life with him a joy and fulfillment."

On the final page, she quotes the poem and ends:

"Our life together was like a Chinese poem. * * * In my heart there are a thousand springs."

FLEW "HUMP"

Anna Chan, daughter of a highly placed diplomatic family of old China, was 19 years old when she was assigned by a Chinese news agency to report on the commanding general of the U.S. 14th Air Force, who had been saving thousands of Chinese lives during World War II.

He was a tall, rugged personality with sudden kindness in his piercing eyes. He had been making history, flying the "hump" between India and China and training China's young pilots to fight the Japanese.

First as a newspaperwoman and after the war as the woman General Chennault came back to marry, she tells her story with the finesse of a novelist.

Anna Chennault is a novelist. Her 12 previous books written in Chinese are fiction of a high order. She is already at work on her 14th book, her 2d in English. It is a novel against the background of World War II, in which her husband's great military exploits will play their part, disguised as fiction.

The beautiful and determined woman kept faith with Claire Chennault in his two post-wedding-day requests.

SLIM FIGURE

She has been a Chinese wife, a true partner. After her marriage she handled all the public relations of the new CAT airline which Chennault and a group of dedicated men established in war-torn China.

And she still has that same slim figure which tight-fitting Chinese sheaths demand of the wearer. She watches that figure today, more through exercise than through diet.

As a dress designer, fusing Chinese and American chic, she is in great demand. But today she only designs for charity.

She recently completed a series of 100 fashion designs for her government, to be shown in Latin America.

She has a host of friends in Washington who are constantly trying to lure this young and attractive widow to meet eligible young men. She isn't interested.

She fills her life with a part-time job at Georgetown University, which employs her gift for languages; with writing and staying home most nights with her daughters, and with sending back to Taiwan newspaper reports on political, economic, and human-interest subjects.

She maintains a home in Taiwan, where she takes her daughters each summer, but she wants to bring them up in the cosmopolitan atmosphere of Washington, D.C. It was her husband's wish that they have an American education without ever forgetting their rich Chinese heritage.

STUDENTS WORKING THEIR WAY THROUGH COLLEGE

Mr. MILLER. Mr. President, in last Sunday's issue of the Miami Herald appeared an article by G. K. Modenfield, Associated Press editorial writer, which points out how thousands of young men and women are working their way through college today. The article should serve as an inspiration to those who are beginning to doubt that they can ever obtain a college education unless the Federal Government spends millions of dollars for scholarships and other forms of financial grants. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT CAN BE ROUGH, BUT—THOUSANDS WORKING THEIR WAY TO GAIN COLLEGE EDUCATIONS

(By G. K. Modenfield, Associated Press education writer)

URBANA, ILL.—It is still possible to work your way through college without loans, grants, scholarships or help from your parents.

The proof: Thousands of students do it every year. But it can be rough.

It may take you 5 years instead of 4. Your grades may suffer (although not necessarily). Your social life may be limited. You may miss a lot of rah-rah fun of college, as well as more serious extracurricular activities. You may be limited in the choice of colleges you can attend.

But it can be done, and the rewards are great.

Dennis S. Acuncius is doing it here at the University of Illinois.

"The only way I could go to college was to work my way through, and I realized the only way I could ever amount to anything was to go to college," he said in an interview.

Nancy Walsh is doing it, too.

"I realized while working a year (before entering the university) that I would have to go to college to get anyplace," she said. "I don't have time to participate in campus activities, and I have no time for my favorite recreation—bowling and outdoor spectator sports. But I have never been tempted to quit school."

William O. Baillie is another making it on his own.

"Having to work my way through makes me want to go to college just that much more," he said. "My social life suffers from having to work and study a lot, but that can wait. Getting a good, well-rounded education is the most important thing to me."

There is nothing new, of course, in working your way through college. During the depression it was the accepted thing.

Even today an estimated one-third of all college students hold down a job during the school year.

But somehow it has become "less fashionable" than it used to be to put yourself through college, according to a group of experts who met here recently.

Student employment directors, from a number of Midwestern universities said, "We believe it is high time that the benefits of working one's way through college be reemphasized.

"Too many students failing to get a loan or a scholarship simply do not go to school. Far too many of our dropouts fail to even investigate the possibilities of part-time and summer employment."

One reason probably is all the publicity that has been given to the rising costs of college.

College costs have risen, tremendously, but so have the salaries paid working students. It has never been easy to work your way through college, but it probably isn't any harder today than it was when dad was a freshman.

In the late 1930's, the typical wage scale for students working campus jobs was 30 cents an hour. Today it is near $1.25 an hour. The going rate on a board job in the 1930's was 3 hours work for three meals. Today a student can earn enough for three meals with only 2 hours work.

"We firmly believe that it is possible for a student to finance his own college education through a combination of part-time work—about 15 hours per week—during the academic year and a full-time job during the summer months," says John R. Griffin, assistant dean of students at Illinois.

There probably isn't a working student on any campus in the country who doesn't think he could get better grades if he weren't working.

But the student employment directors disagree. Because a working student must budget his time as well as his money, they said, he tends to develop stronger study habits.

The working student should realize that the prestige-laden private colleges and universities—where tuition, room, and board alone can cost $2,000 a year or more—are out of his financial class.

Many smaller, less expensive (but still excellent) private institutions are in small communities where job possibilities are limited.

All things considered, the best bet for a working student probably is a public college or university within his own State. Tax-supported institutions are able to keep student costs to a minimum, and most are large enough to provide student employment.

TRIBUTE TO AIR FORCE PERSONNEL

Mr. MILLER. Mr. President, in the New York Journal American for Sunday, April 8, appeared an outstanding article by the distinguished writer and columnist, Bob Considine, paying tribute to the air and ground personnel of the U.S. Air Force.

The dedication to country and devotion to duty of the pilots and air crews of our Strategic Air Command bombers and the men and women who support them is the key to the deterrent capability of the United States against the use of military aggression by the leaders in the Kremlin.

These preservers of the peace are unselfish public servants. They are not demanding 35-hour weeks with 40 hours' pay. Most of them could be making more money for themselves and their families in a more secure job in private industry. Something else keeps them going—the love of their country and the realization that preservation of a just and lasting peace is the most noble of undertakings.

I ask unanimous consent that this splendid article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THEY PLEDGE LIVES AND FORTUNES TO KEEP US FREE

(By Bob Considine)

DOW AIR FORCE BASE, MAINE.—One reads these days of strumpets, cuckolds, muggers, dope pushers, and larceny in high places, and one tends to despair over the direction in which we seem to be decaying.

But a trip to a place such as this great airbase on the edge of the wilderness serves as a reassuring, even inspirational antidote to the shoddiness of the times. Here men pledge their lives and, to a great degree, their fortunes to the proposition that America and the free world are worth protecting and—if attacked—shall strike back with resolution and colossal strength.

There is hardly a pilot, copilot, air crewman, ground crewman, maintenance man, administrator, hash slinger or nurse assigned here who could not make more money more pleasantly and more easily in a less hostile and sunnier section of the country.

But they stay at their jobs. It has been cruelly suggested that military people devote so much of their lifetimes to the service because the service takes care of them, offers them security and, in time, a pension. Well, there's precious little security, or perhaps even not much of a future, flying a supersonic F–101 or a nuclear bomb-laden B–52G on endless real lifelike missions from a strip that is often as icebound and fog-enshrouded as some lost land in the Antarctic.

Ask almost any man from the Strategic Air Command why he works a 70- to 80-hour week under often perilous circumstances, with no overtime pay and the perpetual cross of having to keep his efficiency score up to snuff, or suffer demotion, and he will shrug and say, "Well, somebody's got to do it."

We had an early breakfast the other day with a B–52 crew composed of six of the most intelligent, clean-cut Americans you could hope to meet in this or any other period.

Each was outstanding in his role within that gigantic bomber and missile launcher that was parked hardly 30 yards from where we ate.

The crew had been on alert there for 4 days and nights. They would have to stay ready for another 3 days and nights. They would not leave the immediate area of the plane during that period. They attended 6 hours of classes each day, to add a fresh edge to their already great knowledge of their several jobs. They dressed in the light coveralls that are worn beneath flying suits. Their suits hung near their beds, along with their helmets, boots, gloves, oxygen masks. They could expect to be klaxoned out of their bunks or wherever else they might be, without warning, at least twice during the week.

For them, as for other SAC crews around the world, there are no longer any aimless flights. The day of the training stint is just about done. When the horn sounds, the crews on alert start to war. This particular crew had proved, more than once, that it could be roused from sleep, suit up, scramble into the plane, start its eight engines, activate its indescribable electronics systems, and taxi away in under 5 minutes.

They might not know for 5 or 6 hours later, as they approached the prime target and its auxiliaries, that this was not the real McCoy. Then back to Dow, their fuel tanks replenished by a risky drink from a lumbering K–97 tanker—perhaps hundreds of miles out over a stormy ocean. Then to find Dow's strip, somewhere down there, and put the 400,000 pound (plus) bomber gently on the earth, its mixture of H-bombs and A-bombs intact.

A hard life, but they accept it and stick with it in the face of the blandishments of civilian life, because, well, "Somebody's got to do it."

A hard life, but a proud one, too. They have developed, in this tense peace, an esprit de corps acquirable usually only in war. Col. Harry R. Burell, commander, 4038th Strategic Wing (SAC), took us to one of the officers' dine-in formal dinners Tuesday night and it was almost like something out of the days when the RAF was winning the Battle of Britain.

No smoking until after the main course. There were toasts to the President, to the Air Force Chief of Staff and to various units that had outperformed others. It was a man's dinner, attended by gentlemen who—at a time when there would appear to be reason to doubt the goodness of their land—would lay down their lives to defend it.

AID PROBLEMS IN THE FREE WORLD

Mr. MUSKIE. Mr. President, as the Senate takes up the Foreign Assistance Act of 1962, it may be well for us to take a look at what other free world nations are doing in the important business of strengthening the economies of the underdeveloped countries. Too often we assume that the United States is carrying the burden alone.

Frank M. Coffin, Deputy Administrator of the Agency for International Development, and former Congressman from the State of Maine, has provided us with an up-to-date report on the activities of our allies in the foreign aid field. Mr. Coffin was a member of the Foreign Affairs Committee during his two terms in the House. He is an authority on the Common Market. He recently made an on-the-spot survey of aid activities in Europe, Canada, and Asia.

Last Sunday, June 3, the Washington Post published an article by Mr. Coffin on his findings. I commend it to the attention of my colleagues as a concise and illuminating discussion of foreign aid by an able and articulate student of the problem.

Mr. President, I ask unanimous consent that the article by Frank M. Coffin, entitled "Allies Are Carrying Their Share of Aid," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALLIES ARE CARRYING THEIR SHARE OF AID

(By Frank M. Coffin)

In the history of nations, a decade and a half is a short time for a wheel to turn full circle.

Fifteen years ago, on June 15, 1947, Secretary of State George C. Marshall, in a commencement address at Harvard, confronted the American people with a problem, a task, and an opportunity.

Speaking starkly and pungently, he said: "The truth of the matter is that Europe's requirements for the next 3 or 4 years of foreign goods and other essential products—principally from America—are so much greater than her present ability to pay that she must have substantial additional help or face economic, social, and political deterioration of a very grave character.

"The remedy lies in breaking the vicious circle and restoring the confidence of the European people in the economic future of their own countries and of Europe as a whole."

Seldom in great public matters have diagnosis of the problem, prescription of the remedy, commitment to action and predicted results occured with such precision.

THE UNTOLD STORY

Today Europe, long since rebuilt and growing fast in economic strength and toward political unity, is joining with us, Canada, and Japan in recognizing a larger common problem, task, and opportunity. The problem is the poverty and despair of one-third of the peoples of the world. The task is to create confidence that all nations can best develop in freedom. The opportunity is to mobilize the energies, knowledge, and resources of those who have and those who need.

Americans know only part of this story. We know the story of our part in the postwar recovery of Europe and Japan. We know the stories of their fantastic growth and increasing competition. We do not know the story of free world foreign aid. And yet the idea of foreign aid is one of our most significant and durable exports.

We responded generously to the challenge of the Marshall plan. Most Americans took pride in this effort. We have finished that effort and shifted our help to the poorer nations.

As a nation, we are 150 percent richer than when we launched our aid to Europe. Each American today is contributing less than half as much for economic aid as he did between 1946 and 1951. And yet there is a tendency for our early pride and enthusiasm to yield to doubt and self-criticism. Much of this stems from the feeling that we are bearing the whole burden; that Uncle Sam has become Uncle Sucker.

It was to test this belief, to winnow fact from fancy, that Fowler Hamilton, Administrator of our new Agency for International Development, sent me last winter to visit the capitals of Germany, France, England, Belgium, Italy, Japan, and Canada—an unprecedented itinerary for an official concerned with aiding developing countries. It was difficult to explain to colleagues preparing for the rigors of sub-Sahara Africa or volatile South America. I had to remind them that United States aid officials had to be just as concerned with countries which could give aid as with those which needed aid.

The high point of this tour was DAC, the Development Assistance Committee of the 10 aid-giving nations of Europe, Japan, Canada, the Common Market, and the United States, with the World Bank as an interested observer. Located in Paris, it seeks to provide a forum, a fact-gathering center, a conscience and an instrument for coordinated aid action by its members.

The basic lesson learned was that the task of helping the newly developing countries is now accepted as a normal function of industrialized nations. It has become part of the fabric of responsibilities of both governmental and private sectors in all the countries I visited.

AN EXPORTED DIALOGUE

As a member of the House Foreign Affairs Committee, I used to join in the annual dialogue with the executive branch on foreign aid. I sometimes think we could have substituted a long-playing record.

On side 1, the legislators would complain about waste, ungrateful recipients, our ability to afford aid, our problems of unemployment, the difficulty of persuading constituents, and the rigidity of bureaucracy. On side 2, the executive spokesmen would talk about their efforts to improve their organization and procedures, the nature of the threat to a free world, the dangers of cutting their budget estimates, and the progress made in countries being helped.

The point I make here is that precisely the same dialogue is now going on in the countries I visited. There are aid ministers arguing with finance ministers, Cabinet meetings on the aid budget, parliamentary committees and debates on aid, interminable aid missions from underdeveloped countries, newspaper articles, and public discussion.

The figures tell part of the story. According to the Organization for Economic Cooperation and Development (the successor to the Organization for European Economic

Cooperation, which administered the Marshall plan, now enlarged to include the United States and Canada), its 19 members other than the United States contributed $2.3 billion of economic aid in 1960, compared to our own contribution of $3 billion. The first figure represented an increase of $1 billion or 73 percent since 1956, compared to our own increase of $0.8 billion or 39 percent.

Even more remarkable is the fact that if we consider total resources, both private and public, channeled into developing countries, those from Western Europe, Canada, and Japan amounted to $4.4 billion in 1960, compared to ours of $4 billion.

In terms of percentage of gross national product devoted to aid, our OECD partners and Japan increased their giving from 0.46 percent in 1956 to 0.64 percent in 1960 while the U.S. effort rose from 0.51 percent to 0.59 percent. Contrary to the view of the average American taxpayer, the proportion of our gross national product devoted to economic aid is not the highest in the world. Here are the top 10:

	Percent
France	1.59
Portugal	1.52
Belgium	0.85
United Kingdom	0.64
United States	0.59
Germany	0.56
Netherlands	0.47
Japan	0.44
Italy	0.42
Canada	0.21

(These figures include grants, loans over 5 years, contributions to international organizations, reparations, consolidation credits and purchases of World Bank securities.)

Behind these figures lies a postwar, postcolonial discovery by the West of the significance of over a billion people, mostly undetermined as to the form of their government, mostly of skins other than white, mostly of faiths other than Christian but all churning in a molten substructure of want, ignorance, illness, frustration, and determination to build better lives.

New initiatives growing from this discovery are motivated by a blend of idealism and realism; of commercial advantage, national prestige, enlightened self-interest, and moral obligation. And not the least of the wellsprings is this sense of moral obligation that has pricked the conscience of the individual.

This seldom becomes articulate. It is illustrated by the story told me in Germany of pastors in the Ruhr Valley who set aside one Sunday for the support of voluntary aid projects overseas. Their collections exceeded their highest expectations.

Each country visited seemed to be responding to this responsibility in several ways. The Federal Republic of Germany, troubled as it is by the Berlin specter, had just taken the amazing step of quadrupling its aid commitments—from a little over $0.3 billion in 1960 to almost $1.4 billion in 1961.

It had also just created a new Ministry of Economic Cooperation to centralize its aid activities in 40 countries. One German official said that his working routine was upset at least once a week by the visit of some African economic mission.

German businessmen also are exploring opportunities overseas, often aided by credit guarantees and tax incentives.

The top aid country, proportionately, is France. Despite her problems in Algeria and Tunisia, she has maintained a level of from $800 to $900 million a year for economic assistance overseas. The percentage in terms of France's gross national product is almost three times that of the United States. A new Ministry of Cooperation has just been created.

Our own AID is just entering the field of systematic research of development activities; France already spends about $10 million a year for this purpose. One measure of France's commitment is the 30,000 French teachers, civil servants, and experts in Africa and Indochina. This is over four times the number of Americans directly employed in our own AID programs.

Like the Germans and the French, the British have broken through the barriers of established bureaucreacy to create a new Department of Technical Cooperation which is staffed by some 700 experts and supporting personnel. Despite her balance-of-payments problem, Britain's current aid level is over $400 million yearly.

Even in Belgium, torn by troubles in the Congo, the forward-looking influence of Prime Minister Spaak has resulted in a new Office for Development Cooperation and a high-level council of expert advisers. Belgium have over 3,700 technicians and teachers in the Congo, Rwanda, and Burundi and almost 2,000 Africans in Belgium as students or on-the-job trainees.

Here is a nation with one-twentieth the population of the United States with half as many nationals in economic aid activities overseas.

The European Economic Community, or Common Market, is another aid-giving "country." This six-nation entity has its own aid program for African countries and its own fund, with commitments averaging over $100 million a year. It finances some 350 scholarship trainees a year and hopes soon to triple this rate. It plans a new Common Institute of Development to include both giving and receiving nations.

Italy, plagued with the political, social, and economic problems of its own south and feeling its way under Prime Minister Fanfani's "opening to the left," is nevertheless showing signs of an aid awakening. It has been financing a significant volume of exports to less developed countries but it needs to program its aid more effectively while at the same time offering terms that are within the realistic repayment capacity of the countries assisted.

Japan shares some of Italy's problems of intensive growth, preoccupation with domestic issues and an approach to aid largely outside the budget, through export credits and guarantees. However, it has established an Oversea Economic Cooperation Fund and an Economic Cooperation Bureau in the Foreign Office. Its Export-Import Bank has available some $350 million for medium-term lending.

From the start of its technical assistance program to last October, some 3,500 foreign trainees and students studied in Japan while almost 500 Japanese experts served in less developed areas of the world. Ten technical training centers have been set up overseas and three more are planned.

Canada is in the anomalous position of being the second richest country per capita in the world but with only one-fifth of 1 percent of her gross national product devoted to foreign aid. Progress has been made with the passage last year of a $200 million export credit program and the establishment of an External Aid Office. Canada has much more to offer a real free world aid movement.

There are efforts in countries other than the seven I visited to participate in this movement. Scandinavia, Israel, and the Netherlands are among them. There are also the important international efforts of the United Nations Special Fund and Technical Assistance Programs, the World Bank, its International Development Association and the Inter-American Development Bank.

But there are serious problems. Some countries think too much in terms of trade advantage. All of them maintain too strict lending terms of repayment and interest to allow sustained development to take place. Some are addicted only to loans, other only to grants.

There is a tendency for aid-giving countries to assist only those nations to which there are special ties. There is too little agreement on the kinds of aid which best serve various stages of development.

Free world aid is like a flotilla of ships vaguely trending toward a distant port with each vessel under different sailing orders. What is needed is at least a central operations room where all courses can be plotted and collisions avoided.

Such a center is the Development Assistance Committee. Evolving over the past 2 years, it may well rank as one of the great initiatives taken by the free world, together with the Marshall plan, NATO, the Common Market and DAC's parent OECD.

DAC's unique place in international aid is based on the fact that it has direct access to its member governments. Officials at senior levels of government frequently attend its meetings. It is therefore an instrument which can be used not only to increase the level and effectiveness of the aid programs of its own members; it can also strengthen the national support given such organizations as the United Nations, the World Bank and its soft loan affiliate, the International Development Association.

Important steps have been taken by DAC. In March 1961, it recognized the concept of a "common aid effort" by all its members. It is now taking the first step to breathe life into this concept by conducting an annual review of the aid program of each member country.

DAC members are also vitally involved in the creation of an OECD Development Center, a study of technical cooperation in Latin America and consideration of a program of investment guarantees applicable to all its members.

DAC is not confining its role to examining, thinking, and discussing, however. Under a resolution passed in January, its members are prepared to form coordinating teams for efforts in various countries. DAC hopes soon to have teams working on at least one country in each of the major developing regions of the world. These teams will consider the problems and needs of the country, the aid programs of the donors and ways in which they can pool their efforts more effectively.

The United States views DAC as indispensable to the task of mobilizing free world aid resources. U.S. Ambassador James Riddleberger is chairman of DAC. A high-level American team headed by Ambassador John Tuthill represents us at DAC in Paris. And our Agency for Internationad Development has a specific organizational unit concentrating on matters coming before DAC.

It will be through a combination of discussion and action, of putting their money and their skills where their discussions lead them, that DAC's members can create a movement rivaling in achievement the historic awakenings of exploration, migration, and intellectual awareness. For this will be an awakening to action for one-third of the human race.

And all of this is but the extension of the logic of General Marshall's historic words at Harvard 15 years ago.

WIRETAPPING LEGISLATION

Mr. MUSKIE. Mr. President, as a member of the Permanent Subcommittee on Investigations of the Committee on Government Operations, I have participated in a number of hearings related to the problem of controlling criminal activities, and illegal gambling. Increasingly, I find, we are confronted by the dilemma of providing adequate tools for law enforcement officials without infringing on basic civil rights.

Nowhere is the problem more acute than in the area of wiretapping. Before any action is taken on proposed legislation dealing with wiretapping, the whole subject should be given a full discussion and searching debate.

Today, I offer for the consideration of my colleagues, the cogent arguments of the Attorney General for his position and for the proposed law which he favors. I do this in an effort to contribute to the discussion of the issue.

The Attorney General's arguments appeared in an article by him in the Sunday, June 3, edition of the New York Times. I ask unanimous consent, Mr. President, that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ATTORNEY GENERAL'S OPINION ON WIRETAPS

(By Robert F. Kennedy)

In 1959, while inspecting a fire alarm station, the fire chief of a large western city made a startling discovery. The recording system had been rigged to record not only fire alarm calls but also all calls on the chief's private line. The chief looked further. He found a recording tape on which was transcribed a personal telephone conversation between him and a U.S. Senator.

The Department of Justice discovered the identity of the wiretapper—but was forced to close the file on this case last September without any action against him. He could not be prosecuted under the present Federal wiretapping statute, which should protect against such gross invasion of individual privacy, but does not.

Last fall, District Attorney Frank Hogan of New York City developed a strong case against seven of the top narcotics distributors in the country—men who had operated a multimillion-dollar narcotics ring in the New York City area for more than 5 years. Yet on November 14, Mr. Hogan abandoned his prosecution of the seven men. Much of his evidence came from wiretapping and—although the wiretaps had been authorized by a court, as is permissible in New York—he felt he could not introduce this evidence without committing a Federal crime.

In other words, the men could not be prosecuted because of the present Federal wiretapping statute which should permit reasonable use of wiretapping by responsible officials in their fight against crime, but does not.

Clearly, there is almost no one who believes this law, which enhances neither personal privacy nor law enforcement, to be satisfactory. Indeed, bills to change it—section 605 of the Federal Communication Act—have been introduced in virtually every session of Congress since it was passed in 1934. But the present law has remained on the books, the beneficiary of the stalemate resulting from an emotion-hardened debate on the question of wiretapping that has gone on between absolutists for decades.

It is easy to take an absolute position on wiretapping. Some, concerned with encroachments on individual rights by society, say wiretapping of any kind is an unwarranted invasion of privacy. Others, concerned with a rapidly rising crime rate say law-enforcement officers should be free to tap telephone wires to gather evidence.

The heart of the problem—a proper balance between the right of privacy and the needs of modern law enforcement—is easy to see. It is not so easy to devise controls which strike this balance. But it is not impossible, either, and I believe that in the wiretapping bill which the Department of Justice has proposed to Congress we have formed such a balance.

There is no question that the telephone is an important asset to criminals. Here is an instantaneous, cheap, readily available and secure means of communication. It greatly simplifies espionage, sabotage, the narcotics traffic, and other major crimes.

I do not know of any law-enforcement officer who does not believe that at least some authority to tap telephone wires is absolutely essential for the prevention and punishment of crime. There are over 100 million phones in the United States and the bulk of business is transacted over the telephone. Increasingly, this business includes crime—the organized criminal and racketeering activities, involving millions of dollars, which are among our major domestic problems. Without the telephone, many major crimes would be much more difficult to commit and would be more easily detected.

Last year, Congress enacted five of eight crime bills proposed by the Justice Department. One of these laws recognized that the telephone is a major tool of organized crime and prohibited the use of the telephone for interstate transmission of gambling information. The President signed the bill on September 13. Almost immediately, several operators of major gambling services went out of business or curtailed their activities. The result has been that organized crime has been dealt an effective blow where it hurts—in the pocketbook.

This experience underscores the need for wiretapping legislation. Wiretapping often may be the only way of getting evidence or of getting the necessary leads to break up major criminal activity.

Yet, on the other hand, most people feel strongly about the privacy of their telephone conversations. None of us likes to think that some unknown person might be listening to what we have to say. There is no doubt that the Constitution confers on each individual a right of privacy—what the late Justice Louis Brandeis called "the right to be let alone."

The fourth amendment specifically protects "the right of the people to be secure in their persons, houses, and papers, and effects against unreasonable searches and seizures." In the famous Olmstead case of 1928, involving a Seattle bootlegging ring, the Supreme Court held that to intercept telephone calls by wiretapping did not violate the fourth amendment because the law-enforcement officers did not enter the house, touch the person or seize the papers and effects of the people whose wires were tapped.

But in another sense, wiretapping involves a greater interference with privacy than does the conventional search and seizure. Every telephone conversation involves at least two persons, one of whom may be wholly innocent. And in many cases the telephone that is used by a suspected criminal may also be used by a large number of other persons.

Indeed, many professional criminals typically transact their criminal business over public telephones. A tap set up to catch the criminal may necessarily overhear hundreds of conversations by persons who are totally unsuspected of crime, but whose privacy is nonetheless violated.

Even though the fourth amendment is not literally applicable—and the Olmstead decision is still the law—the principles underlying it are important in considering wiretapping. The framers of the Constitution did not outlaw all searches of a man's house and seizures of his papers and effects. They only prohibited unreasonable searches and seizures.

In particular, they recognized that Government officials could search a man's house and seize his papers. But first they required these officials to obtain a warrant from a court upon a showing of probable cause to believe that illegal material was on the premises to be searched. In other words, the framers of the Constitution attempted to balance two objectives—that criminals be caught and convicted, and that the privacy of innocent persons be protected.

This is precisely our objective today.

Wiretapping is not authorized in most States. Section 605 of the Federal Communications Act provides: "No persons not being authorized by the sender shall intercept any communication and divulge or publish the existence, contents, substance, purport, effect, or meaning of such intercepted communication to any person."

To the layman, this certainly sounds like an absolute prohibition of wiretapping except where one of the parties to the conversation consents to it. Yet wiretapping is practiced by Federal law-enforcement officers, at least some State and local governments, and—as in the case of the fire chief's phone—by many private individuals. Indeed, the laws of the six States, such as New York, specifically authorize wiretapping by law-enforcement officials under court order.

How can this be? The legal answer is that the Communications Act does not prohibit interception alone; it prohibits interception and disclosure. For this reason, every President since Franklin D. Roosevelt has authorized the Attorney General to permit wiretapping in cases involving the national security. In 1941, Attorney General Robert H. Jackson indicated that "disclosure" within the Federal Government—among officials—also was not prohibited by the act. Yet, disclosure in court—using the lawfully obtained evidence to convict a criminal—has been regarded itself to be a criminal act.

This is unsatisfactory. There is no guarantee of privacy in the use of the telephone under the existing law because anyone can listen in without violating that statute. To convict someone of illegal wiretapping we have to prove both the tap and an unlawful disclosure. That is a very difficult burden indeed.

At the Federal level, wiretapping is limited to a small number of cases involving the national security and criminal cases in which the life of a victim is at stake. It is done only with the express approval of the Attorney General.

The extent of wiretapping by State and local law enforcement officers is very difficult to determine. In those States which have legislation permitting wiretapping under court order, the records indicate that it is fairly common. A poll conducted in New York State showed that between 1950 and 1955, 2,392 wiretap orders were obtained—about 400 taps a year. Some investigators contend that several times as many wires were tapped illegally. At that time there were well above 6,500,000 telephones in use in New York State.

In States where there is no law permitting wiretapping, the indications are that a certain amount of police wiretapping goes on, nevertheless. There also are assertions that some corrupt police officers may use information obtained from wiretaps for purposes of blackmail, enforcing payoffs, and for other motives of personal profit.

No figures are available as to the extent of private wiretapping. Most people who have studied the matter believe that private investigators and other individuals tap wires extensively to obtain evidence in divorce cases, stock-market tips, information about competitors, and the like.

This is a shocking situation. When law-enforcement officials themselves violate the law, violations by others go unpunished, and everyone's respect for law is seriously damaged. Further, no one's privacy is protected.

The critics of all wiretapping quote Justice Holmes to the effect that wiretapping is "dirty business" and use this as a slogan against this method of gathering evidence. To give Justice Holmes' words a modern application, it is the present state of the law, the present chaos, which is really the "dirty business." And the solution is a coherent law which, with stringent safeguards, permits the gathering of evidence by wiretapping in vital cases but at the same time effectively forbids other wiretapping, public or private.

Only Congress can clear up the present chaotic situation. Certainly we ought to put on end to a law which—

1. Fails to prevent illegal action—indiscriminate wiretapping—by law-enforcement officials and private individuals; and

2. Fails to recognize the legitimate needs of law enforcement for limited authority.

I don't think it is possible—or workable—to attempt to deal in absolutes. I cannot agree with those who say that wiretapping should not be permitted in any circumstances and that the right to privacy outweighs any other considerations. If a child were kidnaped and there were any possibility of getting that child back unharmed by the use of wiretaps, I would feel that this strongly outweighed anyone's right to a private conversation. I take the same view with respect to protecting the security of the United States from espionage, sabotage, and other possible acts of foreign agents.

At the other extreme, some law-enforcement officials feel there must be an extensive use of wiretapping with little or no supervision by courts or high administrative authority.

With this I also disagree strongly. If we are to authorise wiretapping for law enforcement and prevention of crime, we must subject it to the most rigorous checks against abuse which we can devise. To put it simply, we should not lightly invade the privacy of individuals.

The details of new wiretapping legislation will have to be worked out by Congress. However, I believe that it should include—as drafted in our proposed law—the following features:

1. Wiretapping should be prohibited except under clearly defined circumstances and conditions involving certain crimes. Because wiretapping potentially involves greater interference with privacy than ordinary search and seizure, it is proper to limit it narrowly and permit it only where honestly and urgently needed. Wiretapping is absolutely required in cases involving national security, human life, narcotics, and interstate racketeering. Under our bill, other, unauthorized interception or disclosure of wire communications would be punishable by a maximum penalty of two years in prison and a $10,000 fine.

2. In general, I believe wiretapping should be authorized only by court order and that even then the right to apply to the court should be limited to relatively few responsible officials. We would make one necessary exception. In cases involving serious threats to national security, it is extremely important that the identity of suspects be tightly held within the F.B.I. The fewer who know our suspicions, the more effective our security. For this reason, we would continue the present practice of having the Attorney General, in person, authorize wiretapping in these cases.

3. Uniform rules for the Federal Government and the States should be established. We are dealing here with an interstate communication network whose integrity is a matter of importance to everyone using it. The maximum extent to which state officials may be authorised by State law to tap interstate facilities should be regulated by Congress.

4. Applications for wiretapping orders to a court necessarily should be made in secret since it would be useless to tap if suspected criminals were alerted. This should not mean that orders would be issued as a matter of course by judges. Any wiretapping statute should—as does our proposal—spell out in detail the findings a judge must make on the basis of evidence presented to him and should state the duration of any order which he can issue. When a case is brought to trial, I believe the defendant should be given the opportunity to see the order authorizing the tap and to challenge its validity, as is now done in the case of search warrants.

5. Even though wiretapping would be authorized by court order, or, in some national security cases, by the Attorney General, the law should limit the disclosure and use of the wiretap information. Limiting the use of wiretap information to proper discharge of official duties would effectively prevent corrupt officers from using it for personal benefit and would confine any disclosure and use to legitimate law-enforcement purposes.

6. Finally, the law should continue, and extend to State courts, the rule at present applied in Federal courts that any evidence derived by means of an unlawful wiretap should be excluded.

To enact legislation along these lines will be a difficult job. Opinions differ as to each of the points I have listed and as to many details relating to them. But these difficulties should not be allowed to stand in the way of enactment of comprehensive legislation by Congress.

The need for such legislation is real. It would help us maintain the national security and stamp out organized crime. And, equally important, it would put an end to the violation of law by law-enforcement officers and less excusably, by private individuals, including blackmailers.

It would, in fact, protect the privacy of all of us who use the telephone.

ECONOMIC PROBLEMS

Mr. MUSKIE. Mr. President, the problems of the stock market have prompted all sorts of diagnoses and nostrums for our economic ills. A political fever chart could be plotted according to the levels of stock prices.

As we wrestle with explanations of the market's ups and downs, I hope we will not lose sight of our more fundamental problems of economic growth and world trade competition. I hope, also, that we will not be trapped by our own slogans.

We would do well to heed the wise words of Ralph McGill in his thoughtful article, "United States in a New World Situation," which appeared in the Saturday, June 2, 1962, issue of the Washington Evening Star.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES IN A NEW WORLD SITUATION—EXPORTS HELD VITAL TO ECONOMIC GROWTH, REQUIRING SOME PAINFUL ADJUSTMENTS

(By Ralph McGill)

Postwar Japan is in the quality markets of the world—as well as the cheap. Its steel is good * * * and it is moving into production of specialties. The countries of Western Europe, particularly Italy and West Germany, are highly competitive in a variety of industrial goods, hard and soft. They are moving toward a common market. The Russians are able to make dangerous political use of huge amounts of crude oil. They do the same with metals, especially tin. The Soviets also go patiently ahead in mining and storing gold.

It is against this very realistic background that one hears the painfully and dangerously unimaginative phrases in speeches by persons who charge that the administration's attempts to hold a wage and price level are destroying the American system, or are taking us down the road to socialism.

The President recently asked leaders of business and labor to abandon, for a period of discussion, organization positions. They would not do so. In the discussion, the old phrases recurred; the familiar shibboleths were repeated. The National Association of Manufacturers suggested merely that more profits were the solution. Organized labor wanted fewer profits channeled into higher executive salaries and into the legalized larceny of stock option plans, and more profits used to provide jobs.

That there is a new economic situation in the world is an inescapable fact. American business is investing hundreds of millions in plants in Europe and Japan. There is unemployment in this country, while Europe has a shortage of labor. We do have an outflow of gold, which continues at a rate that makes it necessary for leading economists to discuss this country's abandoning its requirement of gold reserves for its currency. Yet, some so-called business leaders seemingly do not relate this to domestic reality.

Reports of a recent meeting of the American Iron and Steel Institute, for example, quote the president of a small steel company as charging the Government with being anti-individual-rights, and warning the people to beware of socialism. Accounts of the speech seem chiefly to reveal an embittered man making preposterous accusations. His thesis was merely a demand that we return to the (undefined) "American system."

There are respected economists who are out of patience with what seems to them an unreasonable refusal to abandon organization positions and hoary cliches. One or two economists already have injected into the discussion the problems of saturation and their effect on the economic growth rate. The European, Russian, Asian, and African markets are supplying long-denied consumer demands. The average American long ago became accustomed to use of refrigerators, automobiles, television sets, and a wide variety of appliances. We have so many of these things that critics have portrayed us as an "affluent society." They have written exaggerated books and articles describing how hidden persuaders stimulate us to buy more than we need. We have mechanized agriculture and made it into a field of big business where major manipulators like Billie Sol Estes reap harvests.

We are perhaps the most sophisticated consumers in the world.

Where, then, shall the economy turn for growth? Obviously, many Americans would like to buy more than they do—a better car, a larger refrigerator, a faster boat. The more than 5 million unemployed and part-time workers certainly would spend more if they had it. They can—if production and jobs expand. None will deny that one reason countries newly come to the industrial revolution are working at full capacity is the pent-up domestic demand. The percentage of their people who own the consumer goods enjoyed by most Americans is small.

Therefore, how can we avoid facing the fact that to enable our economy to grow, and operate at capacity, we must export goods? This will not be easy. Many factors are involved, some painful.

It would be helpful to the national welfare and future if leaders would stop the nonsense of talking about socialism and repeating the old slogans, and get down to the specifics required by the new world situation.

ABUSE OF POWER

Mr. LAUSCHE. Mr. President, the May 19, 1962, issue of the Ohio Farmer carries a story of the plight of Mrs. Mary Ellen Benson of Milwaukee, Wis. She is a member of Local 356 of the United Papermakers and Paperworkers Union. The union had a regulation requiring members to attend union meetings subject to a fine in the event attendance was not fulfilled. This union had a meeting on Sunday morning. It was at a time when Mrs. Benson wanted to be in church. Instead of going to the union meeting, she went to her church to worship God. She felt that the worship of the Lord meant more to her than attendance at the union meeting.

Following that infringement of the rule she was charged with a violation. The union fined her $5 for not attending the meeting. She appealed to the courts. The courts found themselves helpless to give her relief.

Mrs. Benson has made the statement, "I just wish I could find someone who cares, someone willing to stand up and be counted on this."

I want to say to Mrs. Benson that there are millions of people in the country who care. They do not subscribe to the idea that either government or a labor union shall follow a course denying to a citizen of our Nation his will and his right to worship God. The people of our country ought to be awakened to the significance of this incident; which, from the standpoint of money, is trivial, but which, from the standpoint of sovereignty of an individual to worship God without interference from government and without interference from either business or from labor unions, is vitally important. The right of the individual must be preserved if what our country stands for is to continue in existence.

THE LEAGUE OF WOMEN VOTERS

Mr. KEATING. Mr. President, the June 4 issue of Current magazine contains an editorial on the work of the League of Women Voters. As the editorial points out, the league is a uniquely effective combination of thought and action. For 40 years the League of Women Voters has been studying and discussing the issues before the American people. As the league well knows, there are no easy answers to the problems which we face in the 20th century. What America needs more than anything else is educated and alert citizen discussion of the complex needs we face. The League of Women Voters has, over the years, taken the lead in practicing enlightened citizenship throughout the country. With its 132,000 members, the league is more active than ever before. This spring, the league held its 25th national convention and Mrs. Robert J. Phillips, national president, spoke with justified pride of the high quality and increased quantity of the study and action program.

Mr. President, I ask unanimous consent to have printed the editorial appearing in the June 4 issue of Current magazine written by Sidney Hertzberg, paying well-deserved tribute to a fine institution, the League of Women Voters.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Current Affairs

(By Sidney Hertzberg)

In the American system there is room for a variety of democratic expression, from the passionate fanatics who throw themselves at the White House fence to the timid fanatics who accumulate footnotes in research institutes. Between these minimally effective extremes of decisiveness and indecisiveness there is that maximally effective combination of thought and action which is best represented by the League of Women Voters of the United States.

The league is practically a fourth branch of government. It has been with us for 40 years and it operates in every State of the Union. Its style is typified by a confrontation in a State capitol office where, above the low hum of league members' voices, may be heard the rusty creaking of a legislator's mind groping for responsive replies to relentlessly reasoned and factual questions.

The league's method of operation begins with a careful study of what it is that the league ought to study. This step is crucial in a period when problems are many and time is short. In studying what it decides to study the league is deliberate and exhaustive. There are no fast and flashy debates in which many-sided problems are reduced to nonsensical yes or no formulas. And after the league makes up its mind, its objective is pursued with unremitting tenacity. The whole process is the despair of demagogues and the delight of the scrupulous.

In any consideration of the state of the American electorate's health, the condition of the League of Women Voters is highly indicative. The news is encouraging; it's not only the nuts who are at work. In late April and early May, the league held its 25th national convention. Mrs. Robert J. Phillips, president of the national league, reported that it had more members (132,000) in more local leagues (1,120) engaged in more activity than ever before. Not only was there more of everything, Mrs. Phillips said, but also the general quality of the study and action programs has never been so good.

In her report, Mrs. Phillips discussed the urgency of the problem that preoccupies us here at Current—the communications crisis. A suggestion that the league give priority to a continuing study of the role of mass media in civic education was made at the convention by Prof. Peter Odegard, one of the Nation's most eminent and most useful political scientists, who received an award from the league for his conduct of the National Broadcasting Co.'s Continental Classroom on American Government. Because we feel that the communications crisis threatens the effectiveness of concerned citizenship in a fundamental way, we hope the league will consider a study of all media.

We do not normally use this space for testimonials, but it is a matter of special satisfaction to us that Professor Odegard is a regular and careful reader of Current and that Mrs. Phillips finds Current "extremely useful and stimulating not only on the issues on which the league concentrates but also on other subjects." We think the league is pretty useful and stimulating too.

COLD WAR IN OIL

Mr. KEATING. Mr. President, several weeks ago I spoke on the Senate floor with regard to the threat of Soviet oil exports which are being used not only to increase Soviet influence in underdeveloped countries but also to undermine the economic independence of Western Europe.

Time is not on our side in this competition, for Soviet oil production is increasing every year. Moreover, Soviet tactics clearly show that the Communists put political considerations first and often accept economic losses in order to make propaganda or other gains. This is an issue of increasing concern in the economic development of the free world.

I ask unanimous consent to include following my remarks in the Record an editorial from the Hudson Register Star of May 16, 1962, and an article by Lewis Brigham in the New York Herald Tribune of May 13, which underline the need for a united NATO effort to dam the flood of Soviet petroleum exports.

There being no objection, the editorial and article were ordered to be printed in the Record, as follows:

[From the Hudson Register Star, May 16, 1962]

Soviet Oil

Kenneth B. Keating, U.S. Senator from New York, estimates the free world has but 3 years to curb the Soviet oil offensive before the United States, Latin America, Europe, Asia and Africa "drown in a gush of Communist petroleum."

In a speech prepared for delivery to the Senate, he called for a common free world policy to build a dike against the oil tide.

Senator Keating named Enrico Mattei, head of Italy's national oil company, as one of those responsible for the flood of Red oil into Europe. The Senator stated that Mattei took over the former Fascist enterprise, Ente Nazionale Idrocarburi, and uses the Soviet product as a key to huge profits.

He added that in 1960, the Soviet Union surpassed Venezuela to become the second largest oil-producing nation in the world and that by 1965, the Reds may well be producing as much as 50 percent of present U.S. production; further, that its reserves will undoubtedly be far greater.

The Senator outlined a drive being made in Great Britain that would increase Anglo-Soviet trade by 30 percent in an obvious effort to downgrade British trade with the United States.

As Senator Keating well said:

"Time is not on our side if the United States and other NATO and free world nations permit basic interests to be fragmented and obscured by Soviet tactics. We cannot afford any longer a deliberate Soviet plan for undermining free governments, international trade, and stable economic development. We must coordinate our long-term arms and our short-term policies. In NATO, the Common Market, the machinery is at hand. Only the will, the imagination, and the persistence seems to be lacking. We must stop digging our own graves with Soviet tools and take a firm and united stand."

[From the New York Herald Tribune, May 13, 1962]

Oil Cold War—A Common Front?

(By Lewis Brigham)

Pressure for U. S. Government action aimed at checking the ominously steady growth of politically priced Russian oil exports is mounting again.

Washington is the latest center in the renewed drive to alert Federal officialdom to the long-range economic hazards posed by Soviet petroleum.

And the real goal of those urging Federal action is a relaxation of the antitrust laws so that oil firms affected and governments involved might work together to combat the Red oil offensive.

Since last June, there has been a series of six major developments on the "what-can-we-do-about-Red-oil" front.

The latest came Friday when Senator Kenneth B. Keating, of New York, speaking from the floor warned that the free world has only 3 years left before the "United States, Europe, Asia, Latin America, and Africa drown in a gush of Communist petroleum."

This may be somewhat extreme, particularly as the bulk of the Soviet oil exports is concentrated upon the Western European market, and the timetable may be equally questionable, but there's no doubt but what Russian oil poses an evergrowing challenge.

For example: In 1960 (along with satellite Rumania), exported an average of 179,000 barrels daily of crude oil and 278,000 barrels a day of petroleum products for a total of 457,000 barrels a day injected into free world markets.

But in 1961, the slug of Russian oil moving into non-Communist markets was up to 615,000 barrels a day. This breaks down into 270,000 barrels daily of crude oil and 345,000 barrels daily of refined products.

And the Soviets show no signs of slackening off. The figures for 1962 are sure to show further growth as the Russian oil continues to riddle markets traditionally regarded by the Western international oil firms as their own.

Price, of course, is the entry ticket for the Russian oil, especially in those nations which politically may not feel an affinity for Moscow, but find it hard to resist an offer of energy as much as $1 a barrel under the prices charged by the major oil firms who have to pay taxes and royalties to governments of nations where they produce the oil, an obligation Russia does not have to face.

Senator Keating touched on one of the sorest points of the Russian oil-Western Europe situation on Friday when he named the Italian state oil agency, ENI, as one of the major reasons Soviet oil is flooding Europe.

The Italian Government-owned agency imports about 38 percent of its own needs and 12 percent of all Italy's oil needs from Russia, a level of petroleum importation which has alarmed both Italy's NATO and Common Market fellow members.

But protests, official and unofficial, from both groups to the Italian Government have resulted in nothing more than a polite reception, but absolutely no action.

The reason for this is that Enrico Mattei, head of ENI, is regarded as one of the most powerful political figures in Italy today, and few politicans dare to buck him.

Despite these rebuffs from Rome to NATO and the Common Market, this is one area where a number of oil figures urging action against Russian oil have tended to concentrate.

Senator Keating, for example, laid down a 4-point economic program which he said the United States should back with regard to both NATO and the Organization for Economic Cooperation and Development. These are:

Uniform oil policies for the entire NATO community comparable to current weapons programs, with curbs on imports of Soviet oil for each country.

Common policies with regard to preventing Western supplies going to the Communists of oil transportation, pipeline, extracting, or refinery equipment.

Continued public disclosure of Soviet price cutting tactics designed to hurt not just the West, but also the oil-producing countries dependent on oil revenues.

A determined effort, with or without government assistance, to increase oil exploration or reserves in other areas of the world more removed from Soviet pressures.

The Senator's stress on action within NATO and the Common Market are reminiscent to many oil men of the proposal made last spring by Gordon Reed, board chairman of Texas Gulf Producing Co. that an "economic NATO" be created to restrict the level of Russian oil coming into Europe on a percentage basis by country.

MEDICAL CARE FOR THE AGED

Mr. MOSS. Mr. President, like all other Members of the Senate, I am being deluged with mail against the King-Anderson bill, the bulk of it stirred up by the American Medical Association broadcast. It is obvious that most of the people who are writing and wiring have little idea of what the bill contains, but have been aroused by the many "scare words" which have been used and the "bogey men" which have been conjured up.

Interspersed between the letters and telegrams of opposition, however, there are a few communications from people who do understand what the bill would do, and whose own circumstances make the best case for its passage which could be made. Such is the thoughtful, restrained letter I now ask unanimous consent to have printed in the Congressional Record. Because it relates to very personal circumstances, I have removed every reference which could result in an identification of the writer. However, I personally attest to its authenticity. And I believe every person who will pause and honestly take stock of what is happening in his own family, or among his neighbors, or to some of his friends, will realize that the story told in this letter can be duplicated thousands of times out across America. It is the story which makes passage of the King-Anderson bill imperative.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Hon. Frank E. Moss,
U.S. Senate,
Washington, D.C.

Dear Senator Moss: I would like to register my strong support of President Kennedy's bill for medical care for the aged under the social security insurance system.

At the present time I am having to pay a share of the costs of maintaining a half-sister in a nursing home. She maintained herself and an invalid husband by employment as an expert business machine operator for many years but her present social security is only a minor part of the cost of nursing home care and the small amount of extra insurance which she was able to finance would provide care for only a short time if converted into cash. It is necessary, therefore, that two individuals, not closely related to her and both of whom have their own families, take care of the extra cost of her support.

In addition, we have my mother-in-law living with us. At the present time her health is reasonably good although doctor bills over a year are fairly large, but since she is now 76 years old probabilities of chronic incapacitating illness are fairly large. At the same time I must consider my own family.

This is a picture of many families in the United States. Often those who will need help most in their older years either do not appreciate the need of protection when they are young or circumstances make it difficult for them to set up adequate voluntary insurance programs. Just as in most States today public liability insurance is required of automobile drivers, it is no serious invasion of the individual's rights to require compulsory old-age insurance distributed over the whole population, since it is not the individual who particularly suffers in the event of great disability but it is the other members of the community who must provide the maintenance. Obviously, the type of maintenance provided at the present time is nothing of which the rest of us could be proud. I, therefore, urge you to vote favorably on the bill.

Sincerely yours,

____ ____.

DENIAL OF SENATOR MANSFIELD'S RETIREMENT

Mr. METCALF. Mr. President, to the amazement of almost every one in Montana, a news item entitled "Mansfield May Not Run, State Official Says," appeared in the Billings Gazette, of Billings, Mont., on Sunday, May 27, 1962. I ask unanimous consent to have it printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Return To Teaching?—Mansfield May Not Run, State Official Says

Mike Mansfield may not seek a third term as U.S. Senator and is reported considering a return to university teaching when his term expires January 3, 1965, a high State official reports.

The official, who declined to have his name made public, said sources in Washington, D.C., close to Mansfield, claim Montana's senior Senator and Democratic majority leader is carrying on despite much physical discomfort caused by a shoulder ailment.

Others claim Mansfield does not particularly care for the party post and duties that take so much of his time despite his popularity in both political parties.

Mansfield was a professor of history and political science at Montana State University in Missoula before he was elected to Congress in 1942. He served five terms in the House before unseating U.S. Senator Zales Ecton, Republican of Montana, in 1952. He was reelected in a breeze in 1958 with strong support from Republican as well as Democratic circles.

With the retirement and death of U.S. Senator James E. Murray, the 59-year-old Mansfield also inherited the senior role of Democratic political leadership in Montana.

Practically all Democrats and a great number of Republican political leaders feel that Mansfield can hold the U.S. Senate seat almost as long as he desires. They attribute it to his personal popularity and the prestige he has brought Montana.

Mr. METCALF. Mr. President, my colleague promptly denied the story of his pending retirement, and all the newspapers in Montana published the denial. I ask unanimous consent to have printed at this point in the Record an item published in the Montana Standard, Butte, Mont., which is typical of such articles.

There being no objection, the article was ordered to be printed in the Record, as follows:

Mansfield Denies He'll Retire

Mike Mansfield, majority leader of the Senate, told the Montana Standard-Post Monday night there is no foundation whatsoever to the report he will not seek reelection when his term expires on January 3, 1965.

"I do not know who the 'high State official' is," Mansfield said in a telephone conversation from Washington, "but I sure would like to know."

He was vigorous in his denial of a story in the Billings Gazette which quoted a "high State official" as saying he was considering retiring from politics and might return to teaching at the end of his second term.

"I have no plans to retire nor have I ever considered returning to university teaching. In the meantime I will continue to do my best to serve the people of Montana in the office to which they have elected me."

MANSFIELD, who has suffered from intermittent attacks of bursitis, reported his shoulder, "hasn't been too bad lately. In fact, it has been in good shape for the last 4 or 5 months compared to what it was last year." He did, he said, "catch a couple of fingers in a car door recently. I might lose a nail, but there's nothing crippling about that, and I feel great otherwise."

The Billings story said the source, not identified by name, quoted persons close to MANSFIELD as saying the Democratic majority leader "is carrying on despite much physical discomfort caused by a shoulder ailment."

"Others claim MANSFIELD does not particularly care for the party post and duties that take so much of his time."

MANSFIELD was elected to Congress in 1942 from Montana's Western District. The then 39-year-old World War I veteran was a professor of Latin American and Far Eastern history at Montana State University. He was elected to the Senate after 10 years in the House, unseating Republican Senator Zales Ecton. He was reelected in 1958.

Mr. METCALF. The release of the anonymous rumor was greeted in Montana with concern and resentment. There was concern over the health and continuity of service of Montana's first citizen and one of our Nation's outstanding leaders. There was resentment that such a scurrilous rumor, without foundation in fact, should be started by a faithless and irresponsible person.

An example of the reaction in Montana appeared in an editorial entitled "The Mansfield Story," published in the Montana Standard of Friday, June 1. I ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MANSFIELD STORY—AUTHOR HIDES BEHIND ANONYMITY

The many Montana friends of Senator MIKE MANSFIELD were greatly disturbed and deeply concerned last week by a report he had become "incapacitated."

The report, quoting a "high State official," had it that MANSFIELD, one of the top three Democrats in Washington as the distinguished majority leader of the Senate, "continues to serve despite physical discomfort."

The report further said that MANSFIELD, President Kennedy's right hand in the Senate, may not seek reelection in 1964.

Friends in Butte, a favorite stamping ground of the Senator, were particularly perturbed by reports of MANSFIELD's purported infirmities as published in Montana newspapers, first by the Billings Gazette and the Missoulian.

All were greatly relieved by MANSFIELD's prompt reply. He is not "washed up," he said emphatically. He added, "I feel great," and vigorously denied he has any intention of retiring.

MANSFIELD today, at 59 the busiest work horse in Democratic politics, astute politician-statesman of proven ability, going about one of the more exacting and strenuous schedules in the National Capital, is the antithesis of the ailing leader, the fading general.

The anonymity tactic has precedent in politics and press reporting. It has acquired general acceptance with readers. It is comparable to sewer vapor—nebulous and with an odor.

In this instance that odor may be political. The report could have led to unwarranted conclusions that Mike is through, that he doesn't like his job with its attendant prestige, glory, and honor to him and to the Montana electorate. Still, it is difficult to connect the report logically to the State primary elections. It just doesn't fit.

Perhaps a more resourceful reporter will get to the "high State official" source—perhaps even report the name, initials, and position of the anonymous official who obviously hadn't even troubled to ask Montana's "physically discomforted" senior Senator how he felt.

Mr. METCALF. The rumor, malicious in its intent, has been beneficial. If there was any doubt in the mind of anyone as to whether the senior Senator from Montana [Mr. MANSFIELD] was about to retire, that doubt has been allayed. If there was any doubt about his health, that, too, has been laid to rest.

Senators can all agree that Senator MANSFIELD looks fine and is making a great record as majority leader. He will be with us for a long time. The one accurate statement in the first story above is:

> Practically all Democrats and a great number of Republican political leaders feel that MANSFIELD can hold the U.S. Senate seat almost as long as he desires. They attribute it to his personal popularity and the prestige he has brought Montana.

U.S. SHIPBUILDING INDUSTRY SHOULD BE MODERNIZED

Mr. YOUNG of Ohio. Mr. President, recently a contract for two giant ore carriers was placed in West Germany by the Bethlehem Steel Co. The cost was approximately 35 percent lower than would have been required if they were constructed in the United States. I have often heard that the shipyards in Japan, West Germany, and Sweden are more modern and efficient than ours. With the billions of dollars we are spending on our Navy, it is absurd that our shipyards continue to use outmoded equipment.

Industrialists from Ohio inform me that the United States has newer processes, better production equipment, and greater scientific manufacturing skills than are presently being taken advantage of. It is time that the U.S. Navy and our shipbuilding industry utilized these assets which we have and which are superior to those in operation in countries overseas.

In the New York Herald Tribune of May 20, 1962, there appeared an excellent article on this subject by Allen M. Smythe entitled "German Steel for U.S. Subs?" I ask unanimous consent that the article be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GERMAN STEEL FOR U.S. SUBS?

Many surface vessels constructed in American naval shipyards for our atomic-age fleets may be built with foreign steel because of much lower costs. Now being rolled by the Hymetten Werke at Oberhausen in the German Ruhr are 3,500 tons of steel for three guided-missile frigates. The price averaged 30 percent under American bids.

Two of these destroyer-type vessels will be built at the Puget Sound Naval Shipyard. One will be built at the San Francisco Naval Yard. The German price included duty and transportation to the west coast. The high tensile plates and frames meet all the Navy's specifications.

Faresstaal Overseas Co. and Metal and Alloy Corp., New York City brokers, submitted the bids on four job lots which were 18.3 percent to 39 percent below American prices. The Navy saved $153,000 by this procurement policy.

TAXPAYER BONUS

"The Navy is very punctilious about following the wishes of Congress when buying overseas," said Vice Adm. George F. Beardsley, Chief of the Office of Naval Material. "I regard the savings made from foreign purchases as a bonus to the American taxpayer," he added.

Secretaries of the three armed services have authority to give U.S. firms an advantage up to 6 percent on open advertised bids. Small business and distressed areas can be given contracts when 12 percent over foreign bids.

Submarine plates and frames are made of steel only produced in this country by United States Steel and Lukens Steel. Recently the Armco mill near Houston, Tex., was approved to produce this high-tensile steel known as HY–80. Republic and Bethlehem are also seeking approval. Several German steel mills are reported interested.

OTHER ALLOYS STUDIED

The difficulty and high cost of welding and fabricating HY–80 has caused the Navy to explore other steel and titanium alloys. Recent scientific speeches have disclosed that the Navy wants hull plates and frames capable of withstanding pressures of 150,000 pounds per square inch to enable submarines to dive to depths of 2 miles.

Only United States Steel has produced the HY–80 stainless steel alloy that meets the rigid naval specifications. Its price when compared to the 25 cents a pound for HY–80 is about double. The lowest priced similar titanium alloy is around $8 a pound.

United States Steel has not yet found a satisfactory and economical method of welding and fabricating this new alloy. Pentagon officials say no orders will follow until these problems are solved. When this new steel is adopted it will mean a complete redesign of all new submarines and their components.

THE MEDICARE ISSUE

Mr. DIRKSEN. Mr. President, because it is a partial nationalization of health care which may seriously endanger our whole voluntary medical system, any proposal directly involving the Federal Government in administration of medical care for people over 65 should be shunned.

Any compulsory health plan embracing all people, or all people in a special group regardless of whether they want or need the proposed services, constitutes a major infringement on individual responsibility and liberty. It should be opposed.

There is serious question as to whether it is proper for the Federal Government to use taxpayers' money to purchase health care services for any individual without regard to his actual need.

H.R. 4222, the King-Anderson bill, would violate all three of these precepts.

Because of this, Congress, in 1960, wisely rejected similar proposals and adopted the Kerr-Mills Act, Public Law 86-778.

The Kerr-Mills Act provides Federal funds for State-administered medical programs for the aged who need help.

Congress intended that such programs, designed for older people not on public assistance rolls, should prevent pauperization through illness and that under them the recipient's basic independence should be retained.

Kerr-Mills Act grants to the States are unusually generous.

The States are free to develop virtually any program they see fit.

Determination of what constitutes need is completely at the States' discretion.

In most States, automatic eligibility is provided the individual whose income and assets fall below a predetermined amount.

A number of new bills have been introduced in the current Congress which would avoid some obvious defects in H.R. 4222. Wide publicity has been given proposals for new State-administered plans with an individual option to elect voluntary health insurance, and proposals for tax credits for voluntary health insurance and medical expenses of people over 65.

In would appear, however, that further action in this area at least should be deferred until the full effect of the Kerr-Mills Act can be evaluated. Such study, of course, should be based on results following wholehearted efforts to implement it.

Under the Constitution, the national responsibility for such all-out promotion of the law now rests with the Executive branch.

Unfortunately, activities of responsible spokesmen for the current administration have been concerned primarily with campaigning for a proposal previously rejected by Congress. As long as this administrative reluctance to give the Kerr-Mills Act full support continues, it would appear wise for the Congress to stand firm.

Despite the foot-dragging and attacks on the Kerr-Mills Act by major administration spokesmen, the speed of its implementation by the States has been remarkable.

This gives promise that the Kerr-Mills and other existing assistance programs, coupled with expanding voluntary health insurance, will continue to provide older people with the world's best medical care unhampered by Federal bureaucracy.

THE AIR RESERVE TECHNICIANS PROGRAM NEEDS INVESTIGATION

Mr. DIRKSEN. Mr. President, an extraordinary practice is presently being carried on by the U.S. Air Force in its Air Reserve technician program. I refer to the practice of compelling civilian Federal employees who are working for the Air Force at certain stations throughout the country to become members of an Active Reserve component in order to secure or continue their civilian service or to obtain advancement and promotion.

We have received a substantial number of complaints over a considerable period of time in which the complainants charge that this practice violates the Veterans Preference Act, that under it supervisory positions are denied to those who fail to join the Active Reserve, that dual civil service registers jeopardize the seniority of such employees and that such forced enlistment in the Air Reserve technician program is illegal and wrong in principle.

This problem is of nationwide scope and it would appear that opportunities to secure a civilian job in the A.R.T. program is used as a lure to secure enlistments in the Air Force Active Reserve.

In a civil service handbook bearing the number "X-151," entitled "Recruitment of Air Reserve Technicians Through Competitive Examination," and issued by the U.S. Civil Service Commission in April 1958 for use by Air Force Boards of U.S. Civil Service Examiners, there appears on page 4 of this handbook the following:

> Reserve membership: In addition to meeting the examination requirements indicated below, applicants must be (or must be willing and eligible to become) active members of the local Air Force Reserve unit in which these positions exist and must maintain such membership during their tenure of employment. Applicants who are found ineligible for Reserve membership can be given no further consideration for Air Reserve technician positions unless their ineligibility is due to a temporary condition or situation or to a remediable physical defect.

Last October I submitted this problem to the chairman of the Committee on Armed Services, the distinguished Senator from Georgia [Mr. RUSSELL] who very kindly presented it to the Secretary of the Air Force.

In a reply to Chairman RUSSELL, Gen. Perry M. Hoisington, Deputy Director of Legislative Liaison for U.S. Air Force, states:

> No person is forced to enlist in the Air Force Reserve but must be willing to become a member of the Reserve or already be a reservist to be eligible for an A.R.T. position.

Mr. President, I submit that if a person is in the A.R.T. program and that at the end of his Reserve enlistment refuses to reenlist and as a result his civilian job in the A.R.T. program comes to an end that, in my judgment, is a forced enlistment, and I know of no other way to characterize it. It is very simply the exercise of compulsion in the field of civil employment.

One may note further in that same letter that the Air Force, relying on the Civil Service Commission and upon the advice of staff members of the House Committee on Post Office and Civil Service, takes the position that under general civil service authority no legislation was deemed to be necessary to implement and carry out this program.

To require applicants for an A.R.T. position to meet civil service standards is not objectionable as such. To require that they meet certain physical standards may also not be deemed objectionable, but to require enlistment in the Active Reserve as a condition precedent to securing or holding a civil service position is not only of dubious validity but, in my judgment, a departure from sound principles.

Mr. President, other members of the Senate may have been confronted with this same problem. I am, therefore, asking that the Senate Committee on Post Office and Civil Service make a complete investigation of this matter in the interest of the integrity of our civil service system. I shall send copies of this statement, with a covering note, to the chairmen of the Armed Services Committees of both House and Senate, the Post Office and Civil Service Committees of both House and Senate, to the Civil Service Commission, and to the Secretary of the Air Force. I shall ask the committee to make a report as quickly as possible.

As a postscript to this statement let me but observe that to compel a person with many years of civilian service to enlist or reenlist in the Active Air Force Reserve is, in fact, putting his rights in jeopardy as a civil service employee and, frankly, I know of no specific statute or of any valid rule or regulation under which this can be legally done. In the absence of such a statutory requirement, it would appear that the Air Force action in this matter is somewhat capricious and unreasonable and as such it merits a full and complete investigation.

YOUNG GI'S DESERVE TO GET CHANCE AT CATCHING UP IN SEEKING AN EDUCATION

Mr. YARBOROUGH. Mr. President, I sincerely hope that my bill calling for educational assistance to post-Korean war veterans, S. 349, known as the cold war GI bill, will receive quick consideration in the light of current international developments.

I wish to emphasize, particularly, the risks faced by today's American serviceman, no matter where his duty station may be, in light of the tensions that exist in areas such as Laos, Cuba, West Berlin, and other trouble spots on the globe.

Young men in the Armed Forces today deserve better treatment than they get on completion of their military obligations.

S. 349, the cold war GI bill, which is cosponsored by 36 other Senators, would help to remove the injustice being imposed on our young veterans.

We acknowledge the buildup in Communist military power in considering our own budget for military defense. We must go a step further and acknowledge the risks our servicemen take, and see to it that they receive the GI bill benefits which they earn by service in a time when peace is uneasy at best.

These men, whose lives are interrupted by a call to arms, are justly entitled to help in resuming their civilian lives without undue hardship. The 45 percent of young men who serve this country are entitled to a fair opportunity to catch up with the 55 percent who do not serve, but who remain free to advance themselves.

The GI bills of World War II and the Korean war have unquestionably proved their worth to our country. A GI bill for post-Korean war veterans likewise will prove its worth beyond question.

Mr. President, Columnist Joseph Alsop has written an article concerning the intensified concentration of Russia upon building its military strength at the expense of pressing domestic problems. To emphasize the fact that young American servicemen today are in no cradle of security, I ask unanimous consent to have printed at this point in the RECORD, Mr. Alsop's article, entitled "Guns Before Butter," published in the Washington Post and in the New York Herald Tribune of June 4, 1962.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GUNS BEFORE BUTTER

(By Joseph Alsop)

Reports from Moscow announce that the butter price there has been raised to almost $2 a pound and that, even at this high price, butter is not always obtainable. Not enough has been said, however, about the root cause of the butter shortage, which is the massively increased Soviet investment in guns.

The guns-before-butter choice was formally made last winter. The Central Committee of the Soviet Communist Party met in full session, to discuss the crisis in agriculture. The farm crisis was publicly admitted and frankly documented. Yet the principal decision taken was to swell the ranks of Soviet agricultural officialdom—to use bureaucrats, in fact, as a novel substitute for fertilizer.

Almost simultaneously, the Soviet Government also announced that its defense budget had been increased by a staggering 45 percent, which is about double the Kennedy increase of the Eisenhower defense budget. Except in demonological circles, almost no attention was paid to this announcement concerning the defense budget, but if the announcement was not misleading, it constitutes a new fact of the utmost worldwide importance.

Since the Kremlin announcement was made, this reporter has tried to get at the truth, both here and in Europe. The truth is not easy to ascertain, and even when data are obtainable, you at once discover there is much dispute about the data. Here, however, is the best brief summary that can be offered:

First of all, there is no doubt at all that the Soviet defense effort has been greatly intensified. The first open symptom was the abrupt reversal of Nikita S. Khrushchev's shrink-the-armed-forces program in the summer of 1961. Special callups and holdovers in service brought the number of men in uniform up to the level that had existed before Khrushchev gave his order for a reduction. This meant an overall increase of several hundred thousand men.

Secondly, the intensification of the Soviet defense effort is by no means limited to this increase of men in uniform. In itself the increase must be a heavy strain, since Russia is now passing through a period of extreme scarcity of young manpower, caused by the low birthrate and poor infant-survival rate in wartime. Yet the strain on the economy of the increased investments in military hardware must be greater still.

In the field of missile hardware, alone, the current Soviet investments are downright astonishing. On the one hand, a second-generation Soviet intercontinental missile, comparable to the American liquid-fueled Titan, is now in quantity production.

Large numbers of launching sites are also being built for these missiles, not "hardened" like the American ICBM launching sites, but still fairly costly. The program is being 12 months the Soviets may add as many as pushed forward with such speed that within 200 new ICMB's to their operational arsenal.

On the other hand—and even more costly—the Soviets are also pushing forward with great speed a truly vast program of surface-to-air missiles like the American Nike. The Soviet industrial centers are thickly surrounded by new SA II's, as the Defense Department calls the missile comparable to our Nike-Hercules. But the SA II's, highly effective against aircraft attacking at high altitudes, are of little use against planes coming in on the deck, in accordance with the new tactics of the U.S. Strategic Air Command.

Hence the thousands of SA II's are now being supplemented, apparently without regard to cost by huge additional numbers of SA III's—surface-to-air missiles designed to knock down attacking planes at low altitudes.

The cost of installing this elaborate point defense of all the major Soviet industrial centers is so great that it is now thought to absorb up to 35 percent of the entire Soviet defense budget. Yet the whole system will be obsolete in the near future, when SAC phases out its aircraft and places its main reliance on long-range ballistic missiles.

Finally, further large but indeterminate amounts are also being invested in a major Soviet effort to produce an antimissile missile. Even so, the majority of demonologists hold that the announced increase in Soviet military spending is in part a fraud. They argue it was partly achieved by openly including in the defense budget expenditures formerly concealed in such mysterious items in the Soviet national budget as "financing the national economy." This item and others like it have indeed been somewhat reduced, making the case for partial fraud rather convincing.

Yet the degree of fraud—if fraud there be—is very much less significant than the undoubted fact that the Soviet national policy is again rather emphatically putting guns before butter.

FOREIGN ASSISTANCE

Mr. YOUNG of Ohio. Mr. President, our experience has taught us that foreign-aid programs have been a basic influence in building and preserving the strength of the free world. Experience has also taught us that foreign aid can be subverted and used to strengthen undemocratic and authoritarian regimes.

I indict two countries which receive our foreign aid as being ruled by ruthless dictators. In these countries American taxpayer's money has been squandered to strengthen the choke hold of tyrants. Many unfortunate citizens of Haiti, who live in squalor and misery, and of Spain find themselves deprived of human dignity and freedom. They have no authority in the government of their countries. If they voice any objection to oppression, they are subject to swift and brutal retaliation by secret police.

Mr. President, the Senate is now considering a $4.3 billion foreign aid authorization bill. I expect to support the bill. However, I feel that expenditures for assistance to governments which deny their citizens basic human rights, civil liberties, and democratic processes cannot be justified. I shall oppose all such appropriations of money secured in taxes from our people. I feel it unwise to support Franco's Spain and Duvalier's Haiti.

America was built by men who cherished human freedom above all else. The Government of the United States is pledged to preserve freedom. Americans have fought and died to defend freedom. Should we later vote to put part of America's wealth into the pockets of tyrants who deny this freedom which we hold so sacred and have paid for in blood?

Mr. President, I am fully aware of the problems faced by the United States in the cold war. I would never advocate any measure which I felt would weaken the security of our country. We must maintain our military, nuclear, and retaliatory superiority. We must act to halt the spread of communism whenever and wherever it threatens to expand.

The question then is whether continued aid to the tyrants in Spain and Haiti will help in the struggle against communism.

In the case of Haiti the answer is quite clear. There is no military advantage because we have no bases in Haiti. Politically there is no advantage.

Not having any good reasons to justify our aid to Dictator Francois Duvalier, we have adopted bad ones. Fear is the main reason for our aid. Duvalier has shown great talent in extracting economic and military aid from us by playing on our fear that Haiti might turn to the far left or refuse to support our position in the United Nations and the Organization of American States.

Many policymakers argue that if Duvalier should fall, a Castro-like catastrophe might result. I hold this view to be completely backward. The Castro-type revolution will be more likely if Duvalier stays. If we recall the Batista era in Cuba, we can see the parallel.

Mr. President, intervention is an offensive word, and in this instance we are intervening on behalf of a ruthless dictator instead of on behalf of the oppressed people of Haiti. Let us stop supporting this tyrant. Let us for once decide to give aid constructively or not at all. What good reason can there be for us to supply armaments—planes, tanks, and machineguns—to this tiny Caribbean country?

In Spain a similar situation exists. A Fascist dictator is in absolute power. The Spanish people are the victims of a legalized tyranny.

The United States maintains a large military establishment in Spain. We have three major Strategic Air Command bases and two naval airbases that were built in Spain at a cost of over $400 million.

Generalissimo Francisco Franco has used these bases as leverage for economic assistance and military aid. This dictator is constantly increasing his demands on us and is always using the veiled threat of removal of our bases unless we knuckle under to these demands.

Mr. President, since January 1961 our defenses and the might of our arms and retaliatory power have been greatly strengthened in missilery, and our Polaris-firing submarine force is being added to constantly.

Could not these new weapons be based in other areas of the European-Mediterranean sector without sacrificing any of the retaliatory powers which our bases in Spain now afford us?

Mr. President, the United States is the strongest nation in the world. It is the leader of the free world. Its actions are observed by the people of the world. Can we with one hand wave the banner of freedom, and with the other hand pass our funds and guns to dictators who practice tyranny and oppression? I, for one, do not think we can condone such a policy. Therefore, I may offer an amendment to the bill, and certainly I shall seek to amend the foreign assistance appropriation bill to exclude handing over American taxpayers' money to strengthen the power of dictators such as Haiti's Duvalier and Spain's Franco to further oppress the people of those countries and suppress their civil liberties.

This is born of my firm conviction that it is unwise to support a dictator no matter how convenient it may seem to be. In the long run it is the people who count and no regime is worth supporting if it keeps the people down. Such a regime presents a classic opportunity for a revolt and a possible Communist takeover.

My proposed amendment is not complicated. It would, if passed, be an effective implementation to a policy of constructive assistance by denying aid under this act to the present tyrannical governments of Spain and Haiti.

Therefore, later, when we are considering appropriations for our foreign-aid program, I certainly intend, Mr. President, to offer appropriate and adequate amendments to cut off any foreign assistance whatever to dictatorship or tyranny, wherever it exists.

REPORT ON EUROPE AND RUSSIA

Mr. KEFAUVER. Mr. President, the distinguished editor and president of Look magazine, Mr. Gardner Cowles, recently returned from Moscow, where he interviewed Soviet Premier Khrushchev.

On the basis of that conversation, together with his broad experience and knowledge of world affairs, Mr. Cowles prepared an excellent article that shows clearly why Mr. Khrushchev is so distressed about the success of the European Common Market—an attitude betrayed by his statement of last week.

The Cowles article, which appeared in the June 5 issue of Look, is also persuasive evidence of the need to give the President the tools he will need in order to bargain with the Common Market, after the present Reciprocal Trade Agreements Act expires at the end of this month.

In order that Mr. Cowles' article may be widely read, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN EDITOR REPORTS ON EUROPE AND RUSSIA

(By Gardner Cowles)

Great changes usually come slowly. There is, generally, no one moment to which you can point and say, "This was the great milestone." Yet, as I walked into the 40-foot-long, airy office of Soviet Premier Nikita Khrushchev last month, the same half-paneled, vaulted room just inside the Kremlin's walls where I met Joseph Stalin 20 years before, I was struck by the enormity of the changes—specific, identifiable changes—which have refashioned our lives in the past 2 decades and which are remolding them anew today.

It is in Moscow, more than in any other city on the globe, that an American appreciates fully his own contributions to the flow of modern history. For it is in the Soviet Union, in the land of the "great upheaval," that an American becomes aware of his revolutionary role and of the permanent revolution of the West.

My lengthy interview with Khrushchev reinforced this conviction. Yes, he considers himself a revolutionary, and he believes fervently that logic, time, and history are all on the side of the Communists. Capitalism, he said again and again, had outlived its historic usefulness; now it was moribund, ready to be replaced by his more advanced system.

Yet it was plainly evident that the everyday problems with which he is confronted—how to grow enough food, how to create an efficient distribution system, how to instill incentives, how to answer the growing desires, spiritual as well as material, of his people—weigh heavily on him. Even he, I think, is aware of, and perhaps slightly perplexed by, that greater feeling of excitement and of change that marks Western society today.

Despite his reputation for realism and for the practical, I doubt that Khrushchev is conscious of the import of the five great recent changes which will radically alter all our lives and with which we Americans have had so much to do:

1. The unification of Western Europe has now passed the point of no return. Britain, and then Denmark, Norway, and Ireland, will soon join the thriving Common Market, thus creating the largest, most dynamic, economic community in the world.

2. The era of colonialism has ended. The peace in Algeria arranged by President Charles de Gaulle has rid the West of its most troublesome burden in Africa and in the uncommitted world. Britain will soon sever its remaining hold on African colonies. A major source of friction between Western nations and between them and the new countries will thus be removed.

3. The great schism between Red China and the Soviet Union has permanently cracked the monolithic unity of world communism. However Moscow and Peiping may strive to paper over their differences, the struggle between these two giants of communism will continue underground, dividing their followers everywhere and diminishing the attractions of their ideology.

4. The United States and the Soviet Union are now each aware they have the power to incinerate the world. The Russians know the Americans lead in atomic weaponry; they know that the arms race is consuming money and talent at a fantastic rate; they know that they cannot risk war, and they dare not risk real peace. Both sides recognize there is no alternative but to find some kind of tolerable understanding with each other.

5. The United States has set into motion the long, complex train of events which will lead to the creation of a genuine free-world community, encompassing Western Europe, Japan, North and South America. At first, this will mean only better cooperation in economic and financial matters, primarily between us and Western Europe. But it will grow into a great Atlantic community with a powerful magnetic attraction not only for new nations, but even for those of Communist Europe.

There are few, either in the West or East, who can comprehend the magnitude of these five great changes-in-the-making; there are still fewer who can predict just how they will affect each of us. But just 20 years ago, when I went with the late Wendell Wilkie to meet Stalin in that third-floor room that serves as the command post of Russia's rulers, there was no one rash enough to imagine the major realities of the next two decades.

Stalin then thought only of survival. Hitler's armies had swept across the Russian plains and all of Europe. Even the diplomatic corps had evacuated Moscow. As the dictator led me to a parapet overlooking the Kremlin walls, I could see the flashes of German guns on the horizon. The Nazis were that close to Moscow. All he wanted to know was when the West would open its second front in Europe and when more U.S. aid would arrive.

Change comes so swiftly that events often overtake the men who set them in motion. Hitler learned that lesson. Stalin's followers have learned it. Khrushchev may now be on the point of learning it.

It is a mistake to think that, because both men called themselves Communists, Khrushchev and Stalin are really at heart alike. Stalin was cynical, cruel, and secretive. He distrusted all men, even his closest associates; he enclosed the Soviet Union behind an Iron Curtain; and he imposed a terror that was complete. Secondly, for all his craftiness, he was ignorant. He had never ventured outside the Soviet Union. He had, as Khrushchev reminded me, only the most primitive knowledge of modern agriculture and the technological revolution in the Western World. He was obsessed with "steel," the name he had adopted as his own.

Khrushchev, on the other hand, is an extrovert, an optimist, and, as he likes to say, a realist. No less a Communist, no less mistrustful of the West, no less ready to be ruthless in a crisis, he was shrewd enough to realize very quickly after Stalin's death that Russia was doomed to be a backward land mired in the 19th century if it perpetuated Stalinism. How could communism, he asked, promote itself as the wave of the future, if it were so rooted in the past?

He therefore set himself a new goal. In addition to the Moscow aim of establishing a Communist world hegemony, he decided that communism must prove in his lifetime that it can provide prosperity in the U.S.S.R. To attain this new objective, he had to modernize Soviet society. Instead of mass terrorism, he had to introduce something akin to normality. Instead of frightening people into working, he had to offer incentives. Thus, the Iron Curtain was opened to some of the winds of the 20th century.

Still a dictatorship, the Soviet Union is far different today than I found it 6 years ago on my last visit. Naked terror is gone; authority has been greatly decentralized; quality is replacing quantity as the official norm; skill is starting to count for more than bureaucratic burbling. In particular, youth is coming into its own. Once Khrushchev set the example by his many excursions abroad, young Russians also wanted to journey. Once Khrushchev started to undermine Stalinist precepts, they, too, began to seek answers to questions such as "What is truth?"

Nowadays in the big Russian cities, simple Western fashions are quickly copied. The thirst for knowledge of the West, especially of the United States, is apparently unquenchable. Specialists well versed in Western know-how move into affluent positions faster. In this less tense atmosphere, the infectious tinkle of laughter is heard more frequently. And despite the years of incessant anti-American propaganda, there is an overpowering will among the Russians for friendship with Americans.

In a strange, tentative way, a kind of public opinion is beginning to stir in Soviet society. It voices its heartfelt desire for peace, for more and better goods, for fairer distribution and for justice. The Russian people have just begun to nibble the forbidden fruit of limited freedom, and they want more. Khrushchev, a leader who travels around his country perhaps more than any other in the world, is very alert to these desires.

Increasingly, he finds that the strain on Soviet resources is putting him in a bind. For all his boasting that the Soviet Union is now the second nation of the world, he just hasn't the resources to do everything at once—to satisfy his military men, his economic planners, his consumers, his scientists and his allies. The weakest link is agriculture, which is still producing no more than it did 4 years ago, which still uses more than 40 percent of the Soviet labor force (as against our 7 percent) and which must feed a population growing by 4 million a year.

Khrushchev revealed to me that he will make a massive investment in agriculture in the coming years—more tractors, fertilizer plants, farm equipment and so on. He hinted that the money will be diverted from the moon-shot program. Even as we talked, the Russians were announcing the indefinite cancellation of the World's Fair they had planned in Moscow in 1967 to mark the 50th anniversary of their revolution. These decisions to choose bread instead of circuses are the first of their kind since the war. Nothing could indicate better the strain on Russian resources; nothing could better explain the Soviet desire to come to some agreement with the United States.

KHRUSHCHEV REALIZES THE FULL DANGERS OF WAR

These factors, particularly his inability to give aid to the Chinese Communists who are threatened with famine, have brought Khrushchev into conflict with Mao Tse-tung. The Chinese Communists are faced with the problem of their survival in power. Any accommodation between the West and Khrushchev will only increase their difficulties. Still far behind the Soviet economy, unable to grow enough food, incapable of running their industry smoothly and without hope of any aid, they want to speed the world revolution and thus get their hands on the raw materials in Asia, Africa, and elsewhere.

But Khrushchev realizes the full dangers of war. As he told me, he has witnessed nuclear explosions. He is not ready to run that risk as long as he knows we are ready to defend freedom and as long as he knows American strength is greater than his. For the moment, he will not budge on the key issue of our troops in Berlin and of nuclear inspection. But I venture to predict that he will not push his demands to the point of conflict with the United States and that he will agree to interim settlements in Berlin and to joint pledges concerning outer space and possibly some start on arms limitation.

If he takes these first steps to defuse some of the tensions in the world, it will make it all the more difficult for him in the future to revert to saber rattling. For much in the world outside Russia is also changing—and these changes will have enormous impact on the ever-more sophisticated Soviet managerial class, now in their thirties and forties and without the experience of the Russian revolution.

The Common Market of France, Italy, West Germany, the Netherlands, Belgium, and Luxembourg is something the Russians just can't fathom. Its fabulous growth is contrary to all the lessons of Marx, Lenin, and Khrushchev. It leaves them stunned. They simply can't explain how moribund capitalism created this true revolution. They can't comprehend why or how we Americans gave our political and financial support so unstintingly to breed this new colossus.

The energy thrown off by the fusion of the six economies is breathtaking. What was the miracle of German recovery has become the miracle of French, Italian, and Dutch development. In the 5 years since the Common Market began operations, there has been a fantastic turnaround. Five years ago, France was the "sick man of Europe," its governments tumbling and its treasury empty; today, and for 4 years now, it has outpaced the Germans, and it is accumulating dollars, gold, and foreign reserves at such a clip that the major worry is how to slow this financial prosperity. When the Common Market treaty was signed in Rome, the Italians' main preoccupation was how to siphon off the traditional oversupply of labor to other countries; today, northern Italy, despite the hundreds of poor southerners arriving daily, has a critical labor shortage, and labor scouts scour Germany and Belgium trying to lure back Italian workers. Five years ago, learned economists were discussing the chronic shortage of dollars in Europe; today, their concern is for the outflow of greenbacks from, rather than to, the United States. Even Spain, the forgotten country of Europe on the periphery of the Common Market, has suddenly become affluent, with reserves of almost $1 billion.

The six countries have been boosting their industrial production by an annual average of 8 percent a year, as against our 3 percent. And, as they knock down the tariff walls between them—they will have been reduced by 50 percent by this summer, far ahead of the original schedule—trade has skyrocketed. In just the last year, it increased by 25 percent. With European workers beginning to learn about homeownership, television, modern kitchens and all the other modern conveniences that Americans invite them to think of as necessities, there is every likelihood that this boom will continue for years. The best economists think the average rate of growth will be close to 5 percent for the next decade.

New impetus to this growth will come when Britain, followed by Norway, Denmark, and Ireland, breaks with 500 years of tradition and links itself to Europe. Undoubtedly, there will be much jockeying over the political conditions in the coming months, but the British Government knows that, unless it takes this historic step, the alternatives are too gloomy to contemplate. For as the tariff walls tumble among the six, they are simultaneously erecting a common wall against all outsiders.

The only man who can throw a roadblock in the part of the British entry is President De Gaulle. He wants France to be the leader of the new Europe. But once De Gaulle is convinced that the British are prepared to cut gradually their special economic ties to the Commonwealth, as indeed they are, De Gaulle will not slam the door. For now that France is rid of its Algerian problem, now that it is at peace for the first time in 23 years, he dreams of a resurgent Europe which will have strong attraction to the Communist countries of Eastern Europe, to the emergent nations of Africa and the states of the Middle East. To keep the British outside Europe would be to revive 19th-century rivalries and to bury the dream.

Once the British and their close friends join the Common Market this dynamic Europe will have a far larger population than either the United States or the Soviet Union. In many key industrial items, such as steel, it will have greater production than ours; in most others, it will be second only to us, but ahead of the U.S.S.R. It will have special ties to the British Commonwealth and to the new French Commonwealth that De Gaulle seems to be launching successfully in Africa. Only in nuclear weapons will it be third, and even in that domain, De Gaulle may yet have his way in developing a strong enough force to qualify Europe as a major military power.

This new giant will present problems as well as opportunities for us. Unless we can work out some sort of partnership across the Atlantic—and somehow extend it to include Japan in the Far East—the free world community will be riven by rivalries and trade battles. New organizations are tackling these complex questions already—questions such as how to regulate monetary conditions to guard against a sudden weakening of the dollar or the pound sterling, how to coordinate aid programs so that they can be most effectively used in underdeveloped countries and how to deal with food surpluses so that prices are kept relatively stable. In the coming years, the machinery for dealing with these problems will be established, and what is now only a vision in the minds of a few may well become the reality of the next decade. For change is the law of nature. So far, we Americans, with our faith in democracy and with our belief in free enterprise, have almost alone been fortunate enough to perceive the changes and flexible enough to adapt to them.

The direction in which history is now moving can only make us more optimistic, more convinced than ever that it is Khrushchev and the Communists who must worry about being "buried" by the inexorable forces of progress and freedom.

WHAT RURAL ELECTRIFICATION MEANS TO ME AND MY COMMUNITY—STATEMENT BY SENATOR CURTIS

Mr. KUCHEL. Mr. President, on behalf of the distinguished Senator from Nebraska [Mr. CURTIS], I submit for printing in the RECORD at this point a statement prepared by him with regard to the winners of an essay contest sponsored by the Nebraska Rural Electric Association, on the subject "What Rural Electrification Means to Me and My Community," together with three of these essays.

There being no objection, the statement and essays were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS, OF NEBRASKA

For several years the Nebraska Rural Electric Association has sponsored a youth tour to Washington. This group consists of the boys and girls who are the winners of essay contests sponsored by their individual Nebraska rural power systems in cooperation with the Nebraska Rural Electric Association.

The essays are written on the subject, "What Rural Electrification Means to Me and My Community." I submit for printing in the RECORD three of these essays.

I am particularly honored to insert the essay of Jim Chevalier since he is the State winner of this contest. I wish to add my personal word of congratulations for the excellent paper he has written. Jim is the son of Mr. Paul Chevalier, of Wallace, Nebr. He is 16 years of age and a junior at Wallace High School. He was sponsored by the Midwest Electric Membership Corp., Grant, Nebr.

The other contest winners whose essays are submitted are:

Laureen Cochran, of Ord, Nebr., age 17 and a junior at Ord High School.

Lawrence Lee Burman, Rockville, Nebr., age 17 and a junior at Rockville Public School.

THE VALUE OF RURAL ELECTRIFICATION IN OUR HOME AND COMMUNITY

(By Jim Chevalier)

Outside, a cold, blustery north wind blew little flurries of snow across the road as if they were chasing each other, and the freezing winter sky was filled with dark, ominous clouds that promised a blizzard before the next morning.

But inside the house, Bob Jones and his wife, Nancy, were enclosed in a different kind of climate—an artificial electric climate that kept them warm without drafts or mess. They had just finished a delicious dinner of fried chicken and corn on the cob, both cooked on an electric stove and preserved in an electric freezer. Their home was lighted by electricity and all of Nancy's kitchen appliances were electric, not to mention Bob's power tools. The television and radio were powered by electricity and electric blankets kept them warm without excess weight during the night.

Out in Bob's new farrowing house, 23 litters of pigs were being kept warm by heat lamps without danger of a fire. All of the water on the farm was supplied by a submerged electric pump, and an electric water heater supplied all the hot water that would ever be needed. An automatic yard light shed light over the building area and shone a sign of welcome over the neighborhood.

Sound plausible? Sure it does, but not too many years ago none of this would have been possible on a rural farm or community unless they had their own expensive, gas-powered generating outfits which needed regular fueling and maintenance. Now, thanks to rural electrification, electricity is supplied cheaply to all farms and homes with no repair or maintenance for the farmer or homeowner to worry about.

Value and improvement are two words to describe rural electrification. The value is apparent. Where else can one light, heat, power, and protect his home for just a few cents a day. Just try to imagine what your farm or home would be like if all electricity and electric appliances were taken away. It would be virtually impossible to get along in the modern day and age we exist in. The value really shows up then. Ruby Heine (Electric Farmer, March 1962) depends on electricity for every breath she takes. Ask her about its value.

Improvement is another good description of REA. If you doubt this, read the part REA will play in the new rural areas development mentioned in the March issue of Electric Farmer. Electric lines are constantly being rebuilt and modernized, one instance being the Wallace-Grainton line which recently was replaced with new poles and lines in order to give better service to the local users. Another example of improvement in our own area are the new automatic yard lights which automatically switch on and off at dark and dawn to discourge prowlers and to light the farmyard.

There is active membership participation in REA. The association holds regular meetings which are open to the public and members. An excellent example of membership participation is Paul Ogier, of Wallace, who has been president of the Nebraska REA for several years and has improved it greatly by uniting the rural electrics in Nebraska and by strengthening the safety and job training program.

Think it over. Could you or your neighbors get along without rural electrification? Could your wife efficiently keep house and cook without the many electric appliances she now uses? I don't think so. Consider it awhile, and the value of rural electrification will be very apparent.

Twenty-four Hours on the Farm Without Electricity

(By Laureen Cochran)

This winter during one of our numerous snowstorms, there was a flicker and the electricity was gone. At first we could not believe that this bad situation was really true. We told ourselves it was only a temporary inconvenience because our faithful REA repairmen would soon have it fixed.

After a few minutes, we began to think of the substitutions we had to prepare in order to live through this maddening, howling, whirling snowstorm. It was in the latter part of the afternoon when we realized the break could not be repaired during the storm, so the first thing I thought of was candles to light our home against the approaching darkness. Mother's first thought was the absence of heat. Dad thought of the lack of water in the house and the inconvenience he would have in taking care of the stock. My sister's first thought was the fact that we slept under electric blankets and she was sure we would freeze that night. As we prepared for the oncoming night, we realized more and more how much we depend upon electricity. Everything we started to do was halted by the absence of it.

Ever since I could remember we had had the wondrous electricity in our home, so I was determined to enjoy my new adventure. After the house started to get cold and we only had cold food to eat, my spirit of adventure lessened. Over our transistor radios, we heard warnings of the storm and that many other families were without electricity. I began to feel a tiny bit afraid. The question seemed to be—would we be able to survive without electricity?

That evening we had sandwiches and milk for supper. Then we found interesting books and tried to read by candlelight. Later, we curled under the heavy bedding for a long winter's night sleep.

Morning brought a cold house and an even colder breakfast. All of us kept wrapped up in blankets except Dad. He had to do the chores. Everyone was too cold to do much, so we just tried to keep warm.

In the afternoon, the electricity came back on. With it came the much needed heat, hot food, water, and the noise from the phonograph, television set, radios, and most of all—happy voices. We began to feel safe and contented. Even Herky, our Chihauhua, was glad the electricity came back on. He thought it was just terrible to wear his sweater all of the time.

The worst part of the whole business was running out to the shanty every time we had to go. Without water, our bathroom fixtures were not of much use.

It took a terrible snowstorm and the absence of a vital part of my life to teach me the many uses and comforts of the wonderful electricity.

Twenty-four Hours on the Farm Without Electricity

(By Lawrence Lee Burman)

Twenty-four hours on a farm without electricity is 24 hours too many.

To demonstrate what it is like to be without electricity for 24 hours, I shall write about a typical family living on an average-size farm.

The husband and wife were awakened in the morning by a bright light glaring through the window of their bedroom. To his amazement, it was 8 o'clock on his wrist watch but on the electric alarm clock it was a little past 12 o'clock. Discovering the electricity was off, causing him to oversleep, he hurried out to do his milking. After strapping the milking machines on some of the cows and finding out they did not work, the husband started milking the 20 cows by hand.

Meanwhile, in the house the wife was busy. She was trying to find some way of fixing the meals. She ended up having the family eat out of cans. Having to wash some clothes, she brought the washboard into the act. The yard fence received the job of holding the clothes to dry. The refrigerator was heard dripping on the inside. The clock as stopped a little past 12 and the freezer was kept closed to prevent the cold air from escaping.

Their two children complained in the afternoon about the television. They said the television did not work and now they are going to miss their cartoons. Finally, mother convinced them the electricity was off and that they were to make the best of it. Disappointed, the children went outside to play.

After doing the chores the hard way, the husband came in for a cold supper with the rest of his family. After they finished their meal, there was no television to watch and no light to read by. Down came the kerosene lamp from the attic. This brought out a dim light causing the family to become bored with the things they were doing so everybody went to bed early with the disgusted thoughts of a day without electricity.

In the middle of the night the husband and wife were awakened by a bright light in their room. It was relief at first sight. The lamp above their heads in bed was on. They had forgotten to turn off the lamp they had turned on while the electricity was off. With a sigh, they went back to sleep, knowing that the electricity will be on for tomorrow and not as much work in store for them.

TWENTIETH ANNIVERSARY OF THE BATTLE OF MIDWAY

Mr. LONG of Hawaii. Mr. President, this week is the 20th anniversary of the Battle of Midway. The engagement between United States and Japanese aircraft carriers, warships, and planes in June 1942, resulted in a major victory for American forces and was the turning point in the war in the Pacific. Midway Islands, a coral atoll 1,300 miles northwest of Hawaii, are now part of the Early Warning Barrier Pacific. Mrs. Marie M. Mishan, wife of Navy Capt. John E. Mishan, recently wrote an article for U.S. Lady magazine describing life on present-day Midway. I ask unanimous consent that the article, entitled "Midway Island in the Pacific," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Midway Island in the Pacific

(By Maria M. Mishan)

To the many military passengers who fly over Midway Island en route from Japan to Hawaii, a stop for fuel there may seem a waste of time, even a bother. With Honolulu only a few short hours away, they may chafe at spending precious time on a small and isolated island which looks like a little rock in a huge ocean.

Midway is small. It's one and a half miles long and a half mile wide—less than 5 miles in circumference. Situated in almost the exact center of the North Pacific Ocean, half way around the world from Greenwich, England, the island is most appropriately named Midway. It is this strategic location which makes Midway one of the free world's most precious pieces of real estate. Actually, it is two islands within a circular coral reef, with populated Sand Island the larger and Eastern Island the smaller.

Midway is an atoll of coral and sand on a volcanic mountain top possibly more than 100,000 years old. The outer edge of its surrounding reef consists of both live and dead coral which serves as a barrier breaking the force of possible tidal waves.

Midway is not one of the South Sea Islands. They're on the other side of the Equator, more than 2,000 miles south. Midway's climate is semitropical with an average summer temperature of 85 degrees, average winter temperature of 67 degrees and high humidity. Discovered in 1859 by Capt. N. C. Brooks of the Hawaiian ship *Cambia*, it became a U.S. possession in 1867 and was made into a permanent naval reservation in 1903.

During World War II, Midway was an important air and naval base. The famous Battle of Midway between United States and Japanese aircraft carriers, warships and planes was fought near the island on June 3-6, 1942, and the American victory proved to be the turning point of the Pacific war. Also unforgettable to all families, assigned now or in the future to Midway, is the name of 1st Lt. George C. Cannon, USMC, the first Marine to receive the Medal of Honor in World War II. He was at his command post when the Japanese attacked Midway on their return from Pearl Harbor. Badly wounded and soon to die from loss of blood, he refused help to himself until the others were evacuated. Midway's George Cannon School, graded from kindergarten through high, is named in his honor.

When discovered a century ago, Midway had no trees and no natives other than some 1,250,000 unusual birds. In 1956, eleven years after the Japanese surrender, Midway's Naval Station was on maintenance status with only enough personnel to support transient aircraft (mostly MATS) and a few ships. But 2 years before, with the cold war getting hotter, the Joint Chiefs of Staff had assigned the Navy to provide seaward extensions of the Distant Early Warning (DEW) Line of radar stations then being built across the Canadian land mass.

The resultant Early Warning Barrier Pacific was to give Midway a facelifting, with a $40 million-plus construction program, including new airfields, hangars and housing.

The Barrier, composed of radar equipped ships and aircraft, became fully operational on July 1, 1958. It went "on watch" 24 hours a day, 7 days a week, to provide a constant electronic barrier across the Pacific from Midway to the Aleutians. Any ship or plane moving across this expanse of ocean has been detected and reported immediately, from that day to this.

The outfit assigned the flying part of this important mission is the Airborne Early Warning Barrier Squadron Pacific, the Navy's largest aircraft squadron. It is composed of more than 350 officers and 2,000 enlisted men. Although homebased at Barber's Point, Oahu in the Hawaiians, AEW's real job is carried out on Midway, where a permanent detachment of officers and men make sure the Barrier is run continuously and smoothly. As for the fly boys themselves, they and their crews are in the air more than 120 hours each month, day and night. They deploy to Midway 18 days a month and return to Oahu for a like period. The WV-2 Lockheed *Warning Star*, a modification of the Super Constellation, is the squadron's workhorse. It is a tough, safe airplane, and the 22-man crews (who consider themselves the Navy's best) often encounter 120 mph winds, freezing rain, snow, ice and severe turbulence in 15 or more hours aloft. Since 1958 the AEW has logged over 9,500 actual Barrier flights, totaling a distance of more than 29,000,000 miles—equal to more than 60 round trips to the moon—a record which has earned it the title of "The Flyingest Squadron in the Navy."

For the squadron boys, their 18 days on Midway each month conform to the Barrier flight schedule. At all times, one crew is preflighting and another is just coming home. During their offhours, the crews enjoy the same beaches as the 300 or more families stationed there "permanently." These are assigned to the naval station, the Barrier detachment (mentioned above), or smaller units like the naval security group on Eastern Island, Air Force MATS, the Pacific Missile Range, and the civilian public works centers. There are almost daily flights of transient units en route between Hawaii and Japan, and currently a construction battalion (the Sea Bees are back) of more than 500 men. In addition to the up-to-date airfields, Midway provides harbor facilities servicing destroyers, tankers, service vessels, and submarines.

Present-day Midway, with its 90-foot towering Australian ironwood trees, its reef-encircled blue lagoon and beautiful white sand beaches might not be the bachelors' idea of an oversea assignment, but the families stationed here often apply for—and are granted—extensions. Water sports enthusiasts love it, for here skindiving, water skiing, sailing, deep-sea fishing and just plain beach living are at their best.

Two of the island's most popular hobbies are hunting rare shells and collecting "fish balls." Both young and old become collectors of these glass balls, used by Japanese and Russian fishermen. Trading one for the other, some wives acquire the art of tying nautical knots with white nylon thread, and by using imagination and ingenuity, cover them with intricate designs.

Fish ball art is currently so popular that it is giving the gooney bird competition as the top subject for conversation. It will probably be a long time, however, before mere fishing equipment, even Russian in origin can outdo the laysan albatross as being synonymous with Midway. To the 3,370-odd people living here, and to the many passing through, the gooneys, with their spectacular mating dance and repertoire of sounds and actions, are a constant entertainment source. Leaving the island in early August, they return in early November, and the first arrivals are eagerly awaited. Where they deploy to, or what route they take is not known, but some of these birds have been taken as far as the State of Washington, only to be found back on the island in a fantastically short time, covering the distance in less time than an airplane.

Of greater interest by far, to our military authorities, are the many flying hazards they create. Over 200 bird strikes on aircraft have been known to occur annually. Damage has amounted to over $60,000, not counting the more than 2,000 working hours it took to repair the damage. How to avoid this, has been, and still is, one of Midway's major problems.

For bird lovers, Midway is a paradise. Here one can study the beautiful fairy tern, which lays its egg on the edge of a rock or on a twig, without any kind of support, and it stays there as if glued. When a baby is hatched, they say, it arrives feet first and hangs on for dear life, before it is even completely out of the egg. The survival miracle sometimes loses out to the elements. Almost every Midway family at one time or another acts as foster parents to these young.

Then there is the boeun bird, the only bird that can fly backward and sideways, yet cannot walk or stand up. Its shiny satinlike plumage, as white as the cleanest snow, turns a pale pink when annoyed. It is easy to believe that it was this bird the feather hunters were after, when in 1909 a quarter-million slaughtered birds were found, the poachers arrested and the feathers confiscated by U.S. authorities.

The not so pretty, and not at all popular moaning bird (shearwater), the size of a dove, makes its nest and spends the daylight hours underground. It can dig a goodsized hole in a matter of seconds, and to the constant annoyance of the people with lawns here, it keeps busy doing just that. Its underground tunnels have caused many sprained and broken ankles. It comes out with the dark, making an eerie, wailing noise, much like a crying child, hence its name.

The frigate bird, also known as the man-o-war and pirate bird, soars lazily, almost motionless above the beaches, awaiting the return of other birds. Attacking its victim, it dives at it, scares it until in panic the food is dropped. Then the intruder with lightninglike speed, dives below and intercepts the falling fish. Although an excellent fisher itself, the frigate bird relies completely on poaching, and this maneuver in midair is quite an exciting show.

These are but a few noteworthy idiosyncrasies of Midway's birds. But there are unusual human characteristics worth knowing about Midway, too, such as the spirit of the service wives, and the volunteer work they do. The inflight nursery, for instance, provides transient mothers with the necessary supplies for the children on all the planes coming through from Japan. Food, a bath, and a clean bed are ready, and a travel-weary mother can enjoy a much needed rest. The hospitality for visitors and the welcoming committee for permanent-duty arrivals are outstanding tributes to the friendly way of Midway.

For those who anticipate duty here, the school is excellent. Study habits, due to the lack of distractions, improve. The George Cannon School is one of the finest in the Pacific area. And so is Midway's beautiful chapel, with both a Catholic and Protestant chaplain on board.

Most of the families living on this small island, far away from home, seem remarkably suited for island living. The atmosphere of neighborliness, and the will to help and share, is standard operating procedure. With most of the commissary supplies coming in on ships from Oakland, it is not unusual to run out of such items as onions, for instance. Neighbors share. When entertaining visiting dignitaries, often unexpected, the 11th hour dash to the nearest market is like a dream of a different world. Instead, one dashes next door.

Upon leaving the island at the end of a duty tour, a Navy doctor's wife said, "There should be a Midway in everyone's life."

There are other factors to consider, too, such as the deeply hidden personal problems of some individuals, which under normal living conditions might never show. These problems have been known to grow out of proportion here, due to the monotony of island living. Fortunately these cases are rare.

Recreational facilities are good, and are constantly improving. Presently there are 3 baseball diamonds, handball, and tennis courts, roller skating rinks, a gymnasium and a hobby shop, 19 boats with outboard motors, a 5-lane bowling alley with an air-conditioned one under construction, 2 deep-sea fishing boats with complete fishing equipment, 15 sailboats, 2 boats for water skiing, and skindiving gear, plus an air-conditioned theater with free movies three times daily.

Active clubs are the Officer's Wives, CPO Wives, Navy Wives, and the Fleet Reserve. Radio station KMTH operates 18 hours daily and a recently installed KMTH-TV features popular stateside shows from 5 p.m. till midnight.

The duty tour for a single man is 12 months. With the family on board it is 18 months. Due to the many birds on the island, cats are not allowed.

No privately owned cars are allowed. The majority of Midway's population rides a "horse" (Midway's name for bicycle).

Housing on Midway, when available, is adequate and comfortable. The waiting list for officers is 6 months, for chief petty officers 4 months and for enlisted men 7 months. Only E-5 and above are eligible for housing on Midway.

Medical and dental facilities are good, with hospital and outpatient services available to all dependents.

Life on Midway is unique. Basic conveniences which exist in normal stateside living—like adequate fresh water, milk, fruits and vegetables are either not available or often hard to come by. The fresh water factor is of great importance, since Midway depends entirely on rain for its water supply. In dry seasons fresh water is available only for drinking and cooking, which means one showers and washes clothes in brackish water. The high content of chemical in this water does a poor job in pampering ladies' complexions or favorite linen. This condition is being improved, with additional tanks now underway to store a more adequate supply.

Few permanent people leave the island without shedding tears, for it is more than the end of another tour. It is more like a divorce from an often-to-be-yearned-for way of life. It may be hard for one on the "outside" to conceive the heartbeat of a small, isolated community where sophistication and the keeping of secrets is of secondary consequence. More important is the meaning to Midway residents of the constant roar of engines preflighting, taking off for another 15-hour Barrier run; then the familiar sight of tired men in orange-colored flight suits returning to their quarters for a well-earned rest.

Capt. Norman C. Johnson, present commanding officer of Naval Air Station, Midway, can be proud of his little community. It counts mightily in the Nation's tremendous defense program.

DUTY, HONOR, COUNTRY

Mr. SCOTT. Mr. President, General of the Army Douglas MacArthur spoke at the U.S. Military Academy at West Point on May 12 when he received the Sylvanus Thayer Award for service to his Nation. The general spoke as a graduate of 1903, who had some things of wisdom to tell the current class.

Since the general had to say things that are of concern to all the Nation, which he has served so well, I ask unanimous consent to insert into the RECORD the text of his remarks as they appeared in the National Observer of May 20.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

No human being could fail to be deeply moved by such a tribute as this, coming from a profession I have served so long and a people I have loved so well. It fills me with an emotion I cannot express. But this award is not intended primarily for a personality but to symbolize a great moral code—the code of conduct and chivalry of those who guard this beloved land of culture and ancient descent.

Duty, honor, country: Those three hallowed words reverently dictate what you want to be, what you can be, what you will be. They are your rallying point to build courage when courage seems to fail, to regain faith when there seems to be little cause for faith, to create hope when hope becomes forlorn.

Unhappily, I possess neither that eloquence of diction, that poetry of imagination, nor that brilliance of metaphor to tell you all that they mean.

The unbelievers will say they are but words, but a slogan, but a flamboyant phrase. Every pedant, every demagog, every cynic, every hypocrite, every troublemaker, and, I am sorry to say, some others of an entirely different character, will try to downgrade them even to the extent of mockery and ridicule.

But these are some of the things they build. They build your basic character. They mold you for your future roles as the custodians of the Nation's defense. They make you strong enough to know when you are weak, and brave enough to face yourself when you are afraid.

WHAT THE WORDS TEACH

They teach you to be proud and unbending in honest failure, but humble and gentle in success; not to substitute words for action; not to seek the path of comfort, but to face the stress and spur of difficulty and challenge; to learn to stand up in the storm, but to have compassion on those who fall; to master yourself before you seek to master others; to have a heart that is clean, a goal that is high; to learn to laugh, yet never forget how to weep; to reach into the future, yet never neglect the past; to be serious, yet never take yourself too seriously; to be modest so that you will remember the simplicity of true greatness; the open mind of true wisdom, the meekness of true strength.

They give you a temperate will, a quality of imagination, a vigor of the emotions, a freshness of the deep springs of life, a temperamental predominance of courage over timidity, an appetite for adventure over love of ease.

They create in your heart the sense of wonder, the unfailing hope of what next, and the joy and inspiration of life. They teach you in this way to be an officer and a gentleman.

And what sort of soldiers are those you are to lead? Are they reliable? Are they brave? Are they capable of victory?

Their story is known to all of you. It is the story of the American man at arms. My estimate of him was formed on the battlefields many, many years ago, and has never changed. I regarded him then, as I regard him now, as one of the world's noblest figures; not only as one of the finest military characters, but also as one of the most stainless.

His name and fame are the birthright of every American citizen. In his youth and strength, his love and loyalty, he gave all that mortality can give. He needs no eulogy from me, or from any other man. He has written his own history and written it in red on his enemy's breast. * * *

WITNESS TO THE FORTITUDE

In 20 campaigns, on a hundred battlefields, around a thousand camp fires, I have witnessed that enduring fortitude, that patriotic self-abnegation, and that invincible determination which have carved his statue in the hearts of his people.

From one end of the world to the other he has drained deep the chalice of courage. As I listened to those songs in memory's eye I could see those staggering columns of the First World War, bending under soggy packs on many a weary march, from dripping dusk to drizzling dawn, slogging ankle deep through mire of shell-pocked roads; to form grimly for the attack, blue-lipped, covered with sludge and mud, chilled by the wind and rain, driving home to their objective, and for many, to the judgment seat of God. * * *

I do not know the dignity of their birth, but I do know the glory of their death. They died unquestioning, uncomplaining, with faith in their hearts, and on their lips the hope that we would go on to victory.

Always for them: Duty, honor, country. Always their blood and sweat and tears, as they saw the way and the light. And 20 years after, on the other side of the globe, again the filth of dirty foxholes, the stench of ghostly trenches, the slime of dripping dugouts, those boiling suns of the relentless heat, those torrential rains of devastating storms, the loneliness and utter desolation of jungle trails, the bitterness of long separation of those they loved and cherished, the deadly pestilence of tropical disease, the horror of stricken areas of war.

SWIFT AND SURE ATTACK

Their resolute and determined defense, their swift and sure attack, their indomitable purpose, their complete and decisive victory—always victory, always through the bloody haze of their last reverberating shot, the vision of gaunt, ghastly men, reverently following your password of duty, honor, country. * * *

You now face a new world, a world of change. The thrust into outer space of satellite spheres and missiles marks a beginning of another epoch in the long story of mankind. In the five or more billions of years the scientists tell us it has taken to form the earth, in the three or more billion years of development of the human race, there has never been a more abrupt or staggering evolution.

We deal now not with things of this world alone, but with the illimitable distances and yet unfathomed mysteries of the universe. We are reaching out for a new and boundless frontier. We speak in strange terms of harnessing the cosmic energy, of making winds and tides work for us * * * of the primary target in war, no longer limited to the armed forces of an enemy, but instead to include his civil population; of ultimate conflicts between a united human race and the sinister forces of some other planetary galaxy; such dreams and fantasies as to make life the most exciting of all times.

And through all this welter of change and development your mission remains fixed, determined, inviolable. It is to win our wars. Everything else in your professional career is but corollary to this vital dedication. All other public purposes, all other public projects, all other public needs, great or small, will find others for their accomplishments; but you are the ones who are trained to fight.

THE PROFESSION OF ARMS

Yours is the profession of arms, the will to win, the sure knowledge that in war there is no substitute for victory, that if you lose, the Nation will be destroyed, that the very obsession of your public service must be duty, honor, country.

Others will debate the controversial issues, national and international, which divide men's minds. But serene, calm, aloof, you stand as the Nation's war guardians, as its lifeguards from the raging tides of international conflict, as its gladiators in the arena of battle. For a century and a half you have defended, guarded, and protected its hallowed traditions of liberty and freedom, of right and justice.

Let civilian voices argue the merits or demerits of our processes of government: Whether our strength is being sapped by deficit financing indulged in too long, by Federal paternalism grown too mighty, by power groups grown too arrogant, by politics grown too corrupt, by crime grown too rampant, by morals grown too low, by taxes grown too high, by extremists grown too violent; whether our personal liberties are as firm and complete as they should be.

These great national problems are not for your professional participation or military solution. Your guidepost stands out like a tenfold beacon in the night: Duty, honor, country.

You are the lever which binds together the entire fabric of our national system of defense. From your ranks come the great captains who hold the Nation's destiny in their hands the moment the war tocsin sounds. * * *

The long, gray line has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue and gray, would rise from their white crosses, thundering those magic words: Duty, honor, country.

PRAYS FOR PEACE

This does not mean that you are warmongers. On the contrary, the soldier above all other people prays for peace, for he must suffer and bear the deepest wounds and scars of war. But always in our ears ring the ominous words of Plato, that wisest of all philosophers: "Only the dead have seen the end of war."

The shadows are lengthening for me. The twilight is here. My days of old have vanished—tone and tints. They have gone glimmering through the dreams of things that were. Their memory is one of wondrous beauty, watered by tears and coaxed and caressed by the smiles of yesterday. I listen then, but with thirsty ear, for the witching melody of faint bugles blowing reveille, of far drums beating the long roll.

In my dreams I hear again the crash of guns, the rattle of musketry, the strange, mournful mutter of the battlefield. But in the evening of my memory I come back to West Point. Always there echoes and re-echoes: Duty, honor, country.

Today marks my final rollcall with you. But I want you to know that when I cross the river, my last conscious thoughts will be of the corps, and the corps, and the corps.

I bid you farewell.

CENSORSHIP AND FOREIGN POLICY

Mr. TOWER. Mr. President, the distinguished Senator from South Carolina, Senator STROM THURMOND, has documented with consistency and skill the no-win policies of the State Department, characterizing the uncertain and vacillating foreign policy of the Kennedy administration.

Recently, in testifying before the special Senate subcommittee investigating muzzling activities imposed by the Military Establishment upon its uniformed spokesmen, high State Department officials refused to admit there was a no-win pattern to the deletions of remarks of military men, as reviewed for so-called security, or that the censorship had anything to do with foreign policy.

Today, however, that fiction is officially laid to rest with the report to the Senate subcommittee, headed by Senator JOHN STENNIS, of Mississippi, as submitted over the signature of Under Secretary of State George W. Ball, who had earlier been a reluctant witness before the committee. The document, confirming that the State Department has a record policy of accommodation with Russia, and seeks to avoid public reference to victory, is well told in dispatches and editorial comment that, Mr. President, I ask unanimous consent to have printed in the RECORD. These include news accounts by Willard Edwards, of the Chicago Tribune, on May 6 and May 21; and editorials by the Dallas News, "Senator THURMOND Was Right," on May 29, by the Washington Star, "'Victory' A Bad Word?" on May 29, and by the Chicago Tribune, "'Victory' Is A Nasty Word," on May 23.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Sunday Tribune, May 6, 1962]

CENSORS' CODE: SPEAK SOFTLY OF COMMUNISM

(By Willard Edwards)

WASHINGTON, May 5.—To speak of victory in the cold war with Russia is impermissible. Such talk has a militaristic and aggressive ring. It implies an all-or-nothing approach which leaves no room for accommodation with the Soviet Union.

This official statement of American policy has been filed by the State Department with a special Senate subcommittee. It was supplied in defense of censorship procedures against military leaders deemed too forceful in their anti-Communist speeches.

Filed a month ago, the report over the signature of Under Secretary of State George W. Ball has become the best-guarded document on Capitol Hill. Chairman JOHN STENNIS, Democrat, of Mississippi, warned his staff against premature disclosure of its contents. The information in this dispatch was obtained from sources not connected with the investigating subcommittee.

HAVE TO KEEP REDS HOPEFUL

In defending its censorship practices, the State Department report stresses that communication between the United States and Russia must never be endangered by provocative statements from American leaders which might give the Kremlin an excuse to cut off negotiations.

It states that President Kennedy's general approach is to treat the contest between communism and freedom in terms of ideas and ideals as well as in terms of force.

Thus, any public emphasis on victory or our military strength casts doubt on the President's good intentions. The all-important objective is to keep Russia convinced that it stands to gain from continued negotiations.

FORGET ABOUT NIKITA'S SHOES

Additional guidelines for public statements by high-ranking military and civilian leaders:

Any talk of a possible future war between the two nations is imprudent. It could be used to discredit our good faith in negotiations with Premier Nikita Khrushchev of Russia.

Such indelicate subjects as the slavery of captive peoples in the Soviet satellite system must be avoided. Nor must such odious adjectives as brutal be applied to the Russian Government lest its sensibilities should be disturbed.

POLICY FEELING ITS WAY

The temptation to hit back when Khrushchev indulges in invective must be avoided. Name calling is descending to the Communist level. Personal references to Khrushchev's behavior—his shoe-pounding performance at the United Nations or his promise to bury us—are dangerous. He would only be provoked into more outbursts.

When Senate hearings first uncovered the pattern of State Department censorship, Adm. Arleigh Burke, recently retired chief of naval operations, suggested that the unidentified censors had acted capriciously, exercising individual opinions which did not express administration policy.

The Ball report rejects this theory. The censors, it asserts, acted in a creditable and responsible manner most of the time. Their actions reflected official thinking during a sensitive and critical state of United States-Russian relations.

There were a few instances, the report concedes of arbitrary or poor judgment and some of the censorship defied any reasonable explanation. But, in the main, the censors acted in line with an administration policy which was feeling its way and seeking to develop communication with the Communist government.

DISCLOSES KENNEDY APPROACH

The report, when it is made public, will provide substance for the contentions of such Senators as STROM THURMOND, Democrat, of South Carolina, and BARRY GOLDWATER, Republican, of Arizona, who assert that the administration is pursuing what they call a no-win policy. They describe this as a policy which has abandoned any idea of defeating Russia in the cold war and is intent upon placating the Kremlin as a preface to agreements on such problems as disarmament, nuclear tests, and Berlin.

The significance of the Ball statement is that it puts an official seal of approval upon censorship practices which were termed strange and odd by STENNIS and other subcommittee members when they first learned of them. In so doing, the State Department has disclosed, in greater detail than it has ever provided before, the Kennedy administration's approach to the Communist threat.

FIVE WEEKS TO PREPARE IT

It is a document which represents long and careful study by the State Department. It took 5 weeks to prepare before it was submitted early last month. Promptly labeled top-secret, its release is not contemplated in the near future. It will be made public, according to present plans, when Ball, or some other high State Department official, can appear as a witness to answer questions about its contents.

Ball appeared before the subcommittee February 27 and refused to give verbal testimony on the specific instances of censorship which had been unearthed by the investigators. The subcommittee agreed to his plea for submission of a detailed written explanation at a later date.

This statement, when it finally came into the subcommittee's hands, was accompanied by a chronological table of periods of tension in 1961 during which the censorship of anti-Communist speeches was particularly severe.

FORBIDS SLAPS AT AGGRESSION

Since these periods when frequent crises sometimes overlapped there were almost no intervals when military and civilian leaders could speak out forcefully against Communist aggression without being guilty, under State Department standards, of damaging critical negotiations with the Soviet Union.

During the days after the Kennedy inauguration on January 20, 1961, negotiations were being conducted for release of the American RB-47 flyers in Russian hands. These might have been endangered by belligerent statements, the report noted.

The President's inaugural speech and his state of the Union message, emphasizing the need for negotiation of problems with Russia, set the tone for a nonaggressive policy in subsequent weeks.

PENTAGON SITS ON STAHR

Then came the Cuban invasion failure in April, the preliminaries leading to the Khrushchev-Kennedy meeting in Vienna, the Geneva conferences, and the Berlin wall episode. During all these crises, the State Department argued, any public expression antagonistic to the Communists might have imperiled relations with the Soviet Union.

The report revealed that Secretary of the Army Elvis J. Stahr, Jr., was one of the most vigorously censored officials in the Pentagon. Stahr has just announced his resignation to become president of the University of Indiana.

Among Stahr's offenses was to propose stating publicly that there was no reason to believe that the Communists had abandoned their plans for world conquest.

"This is provocative," the State Department ruled, "and not in keeping with the administration policy of seeking communication with the Soviets."

On another occasion, Stahr wanted to say that the Communists in the past had deprived Russian citizens of the necessities of life. This was foolish talk, the State Department ruled in striking it out, and could make the United States look foolish because many citizens of neutral nations have visited Russia and found no poverty there.

Secretary of the Air Force Eugene M. Zuckert was another who could not seem for a period to adjust himself to State Department standards of propriety in public speech. On May 19, 1961, he contemplated a mild warning that "we can't afford to relax in hopes that the Russian people will pull down the structure or that they will change objectives."

This was stricken out, the Ball report explains, because it "could be twisted to imply a suggestion that the people should overthrow the Soviet Government."

When a general wished to speak of communism as "the antireligious cult that opposes us," the reference was deleted with a State Department explanation that it was "undesirable" to lump opposition to religion with communism.

In summarized form, and partly paraphrased, the State Department's censorship philosophy was expressed as follows:

The United States should not take the position that there is a choice for neutral nations between the West and communism. The uncommitted peoples have the right to choose their own destiny, not between the United States and Russia.

"Peaceful coexistence" should not be described as evil or a fatal disease. Such attacks could be interpreted as revealing American desires for peace as hypocritical and insincere.

STRONG LANGUAGE UNDIGNIFIED

It is unwise to refer to the United States-Russian conflict as a life-and-death struggle. Similarly, descriptions of communism as a cancerous disease have defeatist implications.

The way to combat the ideological forces of communism is to show up its weaknesses and contradictions and "not to resort of perorative adjectives."

The use of such phrases as the "Russian bear" is inappropriate. It is undesirable to laud such sentiments as "better dead than Red," thereby popularizing them. Strong language by high-ranking officials is undignified and could be used to equate our conduct with the Communists.

Russia should not be regarded as the sole aggressor menacing the Western World. It should not be described as "the enemy." Nor should its system be described as an "insidious ideology." Such statements are provocative and not in keeping with President Kennedy's state of the Union message that this Nation would "explore all areas of cooperation with the Soviet Union to invoke the wonders of science instead of its horrors."

References to world communism or international communism convey an implication of success, legitimacy, and universal appeal to communism. It concedes too much, since communism does not embrace the world. The use of such phrases gives an aura of achievement to communism.

The report indicated great concern with what Communist propagandists could accomplish by exploiting statements by American leaders. The safest course, it implied, was to avoid any expression of opinion which could be made to appear belligerent.

Explaining censorship of statements about the development of a Communist state in Cuba, the report noted that these remarks were improper until December 1961, "when Castro openly stated he was a Marxist-Leninist leading Cuba into communism."

[From the Chicago Sunday Tribune, May 21, 1962]

Censors Eased but "Victory" Is Still Taboo—Pentagon Issues Guide for Military

(By Willard Edwards)

Washington, May 20.—The Pentagon has issued a speaker's guide for military spokesmen which reveals some easing of last year's censorship practices which provoked widespread criticism when exposed in a Senate investigation.

It is now permissible, the Defense Department has decreed, to refer in strong language to the aggressive designs of Russia, particularly its ambitions to conquer the world.

Phrases such as the "Communist challenge," "Communist blackmail," "Soviet bluster," and "Communist threat" may be employed. They were censored during much of 1961.

"VICTORY" STILL TABOO

The word "victory," in connection with the outcome of a struggle between communism and freedom, is still taboo. But a general or admiral may come close to expressing confidence in beating the enemy by using such a phrase as "the United States does not intend to be defeated."

The ban remains on references to slavery under the Soviet satellite state system and on criticism of Russian Premier Nikita Khrushchev's personal behavior. But Khrushchev may be mentioned as responsible for the covert armed aggressions, guerrilla warfare and subversion cropping up around the world.

The new guidelines for public speaking have been outlined in a 32-page publication entitled "Speaker's Guide for Service Spokesmen" issued in connection with the celebration of Armed Forces Day the third week of May.

SPEECH MATERIAL GRATIS

In a foreword, Arthur Sylvester, Assistant Secretary of Defense of Public Affairs, describes the guide as containing "authoritative, informative material."

"Speakers may quote liberally from it, with or without attribution to the guide or to the authors of the material included," he stated.

"No set speeches have been included; rather, the intention has been to furnish enough material so that speeches for widely varying audiences may be constructed with the guide as a reference. Speakers may also wish to extract information on their special spheres of interest from the various signed articles."

CENSORS STILL ON JOB

Sylvester emphasized that the policy of reviewing or censoring military speeches continued in force in order that such addresses should reflect national policy.

He warned that "the Communist propaganda machine within and without this country" is poised to distort any inadvertent statement by high officials to promote tension.

"Speeches by members of the Defense Department must prevent confusion at home and distortion abroad," he said. "We must insure that this country speaks not from the weakness of contradictory voices but from the strength of one."

While the speaker's guide was issued in connection with Armed Forces Day celebrations, military men accepted it as an authoritative statement on the permissible limits of speech for an indefinite period.

ODD OR CAPRICIOUS

The special Senate Armed Forces Subcommittee, which has been conducting an inquiry for 4 months into the Pentagon's cold war policies, noted a relaxation of censorship procedures which they branded "odd" or "capricious" when they were first revealed. Most of these practices were pinned to State Department censors who have remained unidentified because President Kennedy invoked Executive privilege to forbid their questioning.

The speaker's guide provides statements by an imposing array of Government officials from which military men may quote liberally, using the words as their own if they so choose.

These authorities included Secretary of Defense Robert S. McNamara, Deputy Secretary of Defense Roswell L. Gilpatric, Harold Brown, Director of Defense Research and Engineering; Gen. Lyman L. Lemnitzer, Chairman of the Joint Chiefs of Staff, and five Assistant Secretaries of Defense—Paul H. Nitze, Charles J. Hitch, Thomas D. Morris, Carlisle P. Runge, and Steuart L. Pittman.

Comprehensive articles, prepared by the chiefs of public information in Army, Navy, Air Force, and Marines, outlined Armed Forces developments which could safely be discussed by speakers.

Some of the now-quotable statements would have been slashed by censors in the periods of tension in 1961 which began with the Kennedy inauguration on January 20. Phrases deemed "provocative" or "belligerent" were then deleted because, the State Department asserted, they implied an "all-or-nothing approach" which left no room for "accommodation" with the Soviet Union.

The interpretation of "provocative" has been loosened a little, the guide book revealed, and military spokesmen may now speak of communism as "devoid of moral restraint, fanatically intent upon wiping out the traditions and institutions of the free world."

Such statements, however, should be accompanied by an insistence upon American determination "to seek a peaceful solution to the world's problems." The United States must be pictured as still striving and hopeful for a disarmament agreement.

[From the Dallas Morning News, May 29, 1962]

Senator Thurmond Was Right

When Senator Strom Thurmond, Democrat, of South Carolina, and other critics began to use the term "no win" to describe the Kennedy administration's foreign policy, the President and his State Department denied the charge.

The South Carolinian's attempt to establish a cause-and-effect relationship between this "no win" policy and the State Department's censorship of military leaders' speeches ran into the same kind of denials. State Department officials, testifying before the Senate muzzling subcommittee on which Thurmond serves, readily admitted that tough language had been deleted from speeches, but refused to acknowledge that there was any pattern to the deletions or that censorship had anything to do with foreign policy. Suddenly, now, State Department leaders have reversed themselves and admitted (unintentionally, we're sure) that they have been guilty as charged by Thurmond. The confession is contained in a secret report to the Senate subcommittee endorsed by Under Secretary of State George W. Ball, Secretary of State Dean Rusk and Walt Whitman Rostow, chief of the State Department's policy planning council.

In this document there are at least four clear definitions of what the Kennedy administration is or is not seeking in foreign policy:

It is not seeking victory over communism—this goal is completely ruled out.

It is seeking accommodation with the Soviet Union.

It is not attempting to extend freedom—efforts to liberate the satellite nations of Eastern Europe are verboten.

It is trying to discourage the idea that a worldwide Communist conspiracy actually exists.

Moreover, the report confirms that all of these were guidelines for the censorship of speeches. In other words, there was a pattern to the muzzling and the State Department was responsible for establishing and enforcing that pattern.

Let's quote directly from the report:

"The word 'victory' (over communism) has a militaristic and aggressive ring * * * It also implies an 'all or nothing' approach leaving no room for accommodation (with the Soviets)."

"References which might suggest adherence to a policy of liberation of the satellite nations of Eastern Europe were considered inadvisable."

It is "more appropriate to refer to the Communist camp in terms directed at its leadership from the U.S.S.R. and Communist China rather than in terms which imply a worldwide Communist movement."

Edith Kermit Roosevelt, in a syndicated column in the News on Sunday, quoted a highly placed Government official to explain the basis of the State Department's policy views and censorship of military speeches. She quoted him: "The purpose of American policy is to work for a merger of East and West. It is believed accommodation can be reached as the two systems become more alike politically and economically: As the United States adopts a more collectivist pattern of Federal control, while at the same time a consolidation of Soviet rule makes genocide, purges and other less-pleasant attributes of the police state unnecessary."

It's a frightening analysis, but unfortunately there is every indication that it is correct.

[From the Washington Evening Star, May 29, 1962]

"Victory"—A Bad Word?

The State Department seems to us to have gotten itself quite awkwardly tangled up in semantics. It has done so by having its censors delete "victory" from a number of speeches by high military officers and by replacing that word with the phrase "defeat of Communist aggression."

As explained in a special report submitted by Under Secretary George Ball to the Senate muzzling investigation, the reason for the deletion is that "'victory' has a militaristic and aggressive ring less suited than the substituted phrase to describing our national objectives. It also implies an all-or-nothing approach leaving no room for accommodation."

Well, this strikes us as a lot of nonsense. What would have happened, we wonder, if such censorship had prevailed in the days of John Paul Jones, for example, or David Glasgow Farragut. Would "Don't tread on me" have been changed to read, "Please try to avoid stepping on my toes"? And as for "Damn the torpedoes! Full speed ahead!"—would that have become, "Watch out for those things, boys, and proceed with caution"?

There is good reason, of course, for clearing important speeches through the State Department and most of the resulting modification very probably is sound. Even so, to strike out "victory" has all the earmarks of being a "Nervous Nellie" absurdity. This seems the more true because the word is so frequently used by our potential enemies (oops! sorry, we mean Mr. Khrushchev and his friends) to predict the ultimate triumph of communism everywhere in the world, including America.

[From the Chicago Daily Tribune, May 23, 1962]

Victory Is a Nasty Word

The Pentagon has spoken. Its generals and admirals may now warn publicly, in strong language, against the aggressive designs of Soviet Russia, particularly its ambitions to conquer the world.

Only last year, the blue pencils of Defense and State Department censors slashed such phrases as the "Communist challenge," "Communist blackmail," "Soviet bluster," and "Communist threat" from the speeches of high-ranking military officers. The special Senate Armed Forces Subcommittee, which for 4 months has been conducting an inquiry into the Pentagon's cold war policies and its muzzling of outspoken officers, branded this censorship as "odd" and "capricious." Other critics took this as indicative of a "no-win" policy in the Kennedy administration.

Now these once banned phrases, whose truth was obvious even to schoolboys, may be uttered by our military chiefs. A new Defense Department speakers' guide for military spokesmen says so. It hit the military best sellers' list in time for Armed Forces Day observances last Saturday.

Thus, with the rushing of American troops to Thailand to help hold the Mekong River line against the Communists in Southeast Asia, a measure of commonsense has been restored to official military verbiage. But only a small measure.

Neither Gen. Paul D. Harkins, who commands American troops in Southeast Asia, Gen. Paul Freeman, the army commander in Europe, nor any other military man may yet talk about victory in the struggle between communism and freedom. "Victory" is still a nasty word. The nearest they can come to this is a cautious negative, "the United States does not intend to be defeated."

Nor may our fighting men talk about slavery under the Soviet satellite system or the personal behavior of Russia's Nikita Khrushchev, who once pounded a desk at the United Nations with his shoe.

In fact, censorship of military speechmaking will continue. Arthur Sylvester, Assistant Secretary of Defense for Public Affairs, who wrote the foreword to the speakers' guide, said this was necessary so that our country "speaks not from the weakness of contradictory voices but from the strength of one." This would be a much more palatable ruling if the national policy did not have a taboo on "victory."

BARRY GOLDWATER—"MR. CONSERVATIVE"

Mr. MUNDT. Mr. President, I take pleasure in calling to the attention of the Congress and the country the interesting book review written by Holmes Alexander on "Mr. Conservative," the biographical book written about Senator Barry Goldwater by Jack Bell, of the Associated Press. I ask unanimous consent that this book review appear in the Record at this point in my remarks.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From the Boston Sunday Herald, May 27, 1962]

Goldwater Seen as Best Candidate

(By Holmes Alexander)

Washington, D.C.—On the theory that great men are the product of good biographers, Senator Barry Goldwater's presidential chances and rendezvous with destiny get a big lift from Jack Bell's new book, "Mr. Conservative."

For Goldwater this is the third book-length biography within a few months, but the first time that he has encountered a true Boswell. Associated Press Correspondent Bell writes prose that crackles with dry wit.

He has packaged the facts and philosophy so succinctly—often letting the Senator speak for himself—that the 312-page volume only needs an index to turn it into a valuable textbook on the American conservative movement.

This task is accomplished without ever getting bogged down in dialectics and by the enhancement of Goldwater's character and integrity in a manner that no mere press agent or political life writer could achieve. This book compares with "John Kennedy, a Political Profile," by Prof. James MacGregor Burns, which appeared in 1960 and, without ostensibly puffing up the subjects, did as much as any single factor to convince thoughtful persons that Kennedy, until then a rather absentee Senator and glamor boy, should be taken seriously as a statesman with a big future. Bell has done this for Goldwater.

The Senator emerges as a handsome, attractive, admirable personality and as something close to the indispensable Republican candidate for 1964. Bronzed, lean, physically fit and utterly fearless, whether facing debate or death, Goldwater comes through not as a saint but as a sportsman.

If he strikes an accidental low blow, he is instinctively sorry for it and is quick to say so. The grandson of a Russian Jewish peddler who roughed it in the Wild West, Goldwater is a gentleman on a par with the courtliest southerner or most proper New Englander, and he is more pro-American than many whose ancestors helped to found the country.

Bell finds the Senator's chief asset as a purveyor of ideas to be the mind which sees everything—or at least reproduces everything—in tones of black and white. This is not the intellectual approach because there are very few absolutes in life and oversimplification can leave a man far out on a lonely limb. It is not a prudent political approach either, considering the amount of obeisance paid these days to organized minorities.

But when Goldwater advocates victory over communism and is charged with being a nuclear warmonger, he comes out for death before dishonor where a lesser man would quibble and apologize. When Goldwater advocates cleaning up the relief system and finds himself accused of being inhumane toward illegitimate Negro children, he rides it through by expressing his own broad, genuine humanity, which shows to glowing advantage over his hecklers.

Bell's book is weakest in the rare places where he tries to add a coat of luster to the image where none is needed. Captain Goldwater, a transport flyer who clearly made a generous contribution to the war effort, by ferrying single-engine aircraft over oceans and mountains, is pictured as pining for combat. But World War II was a show where anybody yearning to get shot at could find a way to be accommodated.

The biography is strongest when it lines up Goldwater against such adversaries and rivals as Bill Fulbright and John Kennedy, Nelson Rockefeller and Richard Nixon. The book has no message until, with all the weights and measures, pros and cons placed in the record, the author writes his last line:

"Who, but Barry Goldwater?"

Mr. MUNDT. Mr. President, it is seldom in American history that a Senator or Governor from a small State like Arizona—packing an electoral college wallop of only four votes—receives serious consideration for the presidential nomination by either political party. By sheer force of character and by the consistency of his courageous positions on current issues and basic American doctrines, our colleague, Barry Goldwater, has made himself an exception to the rule that "Only candidates from States with large blocs of electoral votes need apply" insofar as consideration for a presidential nomination is concerned. Whether the Republican convention will evaluate his potential candidacy on the basis of the merits of his capabilities and ideologies or whether when the caucuses are held the old rule of practical politics will eliminate him from serious consideration in favor of some candidate who can bring into the victory column a bloc of from 25 to 43 electoral votes from his home State remains yet to be seen. In the meantime, however, it is clear that Barry Goldwater is making an impression upon American voters which is a great credit to his ability and personality.

Someday—and I hope soon—this Congress should get around to correcting an electoral college system which virtually serves to disfranchise every voting citizen in America of from 25 to 90 percent of his voting authority unless he happens to reside in New York State in which case, even then, he frequently loses his entire vote power for President unless he belongs to one of the great pressure groups or organized blocs which usually determine which candidate comes up with the majority in New York State. Whoever wins in New York State, of course, as in all other States, not only gets all of the electoral college votes earned by him in getting a majority of the popular vote but he also gets all of the electoral college votes earned by his opponent and cast in opposition to the winner by virtue of the manner in which the winner-take-all system of bloc voting in the electoral college has come to operate. It is an undemocratic and inequitable system of selecting a President which needs to be corrected without further delay.

I am pleased, Mr. President, that the Senate Judiciary Committee has had reported to it favorably by an appropriate subcommittee, Senate Joint Resolution 12, which provides an equitable and practical amendment to the Constitution assuring in the future that all American citizens will be given equal vote power in our presidential elections. I hope all citizens interested in correcting the abuses which have crept into our electoral college system will register with Congress their approval of Senate Joint Resolution 12 since it restores the system of electing Presidents contemplated by our constitutional forefathers and practiced in the first several presidential elections in America.

Even assuming the most optimum progress, such as an amendment to the Constitution as is proposed in our electoral reform amendment, Senate Joint Resolution 12, could not be finally adopted in time to have any impact upon any aspirations to the Presidency which might be held by Senator GOLDWATER. However, adoption of this amendment would assure that thereafter any citizen born in America would have an opportunity to become President of the United States if his fame and fortune so decreed without being ruled out by accident of geographic residence or the fact that he comes from a State with a small electoral vote or an area where the votes of the people are considered to be "in the bag."

For this reason, for more than a dozen years I have advocated electoral reform legislation; and Senate Joint Resolution 12, which I authorized and have introduced with Senators THURMOND, MORTON, FONG, HRUSKA, GOLDWATER, and MCCLELLAN, provides our best opportunity to correct a basic inequity in our elective process which more than any other factor perils America's future capacity to exercise the rights of self-determination effectively and fairly. This represents the third version of our efforts to solve this serious problem and as our reform proposals have evolved into final legislative form we are gratified by the overwhelming approval provided by the subcommittee of the Senate Committee on the Judiciary and the favorable response and support coming in from the country generally. There is indeed a growing recognition of what is wrong in our system of electing Presidents and what is needed to correct its gross inequities.

Among other things, Mr. President, a National Committee on Electoral College Reform has been formulated to encourage this effort. It is headed by President John S. Millis, of Western Reserve University in Cleveland, and includes outstanding citizens from every State. The American Good Government Society, situated at 810 Dupont Circle Building, Washington, D.C., is also rendering trojan service in promoting this badly needed electoral college reform.

SIXTEENTH ANNIVERSARY OF THE ITALIAN REPUBLIC

Mr. SALTONSTALL. Mr. President, June 2 marked the 16th anniversary of the establishment of the Italian Republic. It is fitting on this occasion that free people everywhere should pay tribute to the remarkable progress made by this young republic in its 16 years of existence, as well as express appreciation for the many contributions which people of Italian heritage have made to the enrichment of our lives.

The people of modern Italy can look back with pride at the many accomplishments of their ancestors. Museums all over the world are filled with magnificent works from the brushes of the Italian masters, such as Michaelangelo and Botticelli. Opera lovers thrill to music from the pens of Verdi and Puccini. In literature, in cuisine, in fashion—in these areas and in countless others—the world's debt to Italy is heavy.

But the Italian people need not look to the past to be proud they are Italians. They can take pride in the amazing rebirth of their country since 1946 as an energetic and thriving democratic nation. The struggle of the Italian people to establish a firm foundation on which to erect a democracy has, unhappily, been a long and bitter one. For many years they lived under the corrupt domination of power-hungry leaders. In our own generation we have witnessed the almost complete demoralization of their spirit by the Fascists and Mussolini. But the strong will and determination of the people and their leaders have enabled the country to make great strides since they voted to replace the monarchy with a republic.

The Republic was created in a time of national crisis and faced many obstacles to success. In 1946 Italy was a country which had been ravaged by war, financially unstable, economically insufficient, with families torn apart by death and separation. There was much unrest and despair. These factors, and others, made the new nation vulnerable to the blandishments of political extremists, especially the Communists.

Yet Italy has successfully met these challenges and—though the task is not yet completed—in this short period has achieved a strength hardly visualized by even its strongest supporters. Industrial production has been doubled in the past 10 years, chronic unemployment and poverty alleviated, and both imports and exports have risen significantly.

On the international front, Italy has become a full partner in the activities of the free world, is an important member of NATO, the United Nations, and the Common Market. In the period from 1950 to 1960 it was second only to West Germany among the Common Market countries in its gross national product growth rate, and in 1961 it led all Common Market countries in this respect.

Americans are pleased to realize that Italy's success was advanced substantially by the generosity of our contributions through UNRAA, the Marshall plan, our foreign aid and military assistance programs, and other forms of help. Italy's resurgence gives special satisfaction to those of us who supported these programs with the conviction that they would help less fortunate nations to rebuild and develop. But the importance of our contribution does not detract from the basic fact that Italy's progress rests primarily on her own determination and ingenuity.

We Americans are justly proud of the Italians who have migrated to this country and have contributed their talents and energies to the development of our Nation. These industrious and hardworking people have made solid citizens. Many of them have settled in my home State of Massachusetts, and all of us are proud of their achievements. Our present Governor, John A. Volpe, is an Italo-American and many other fine people of similar background have assumed important positions of trust and responsibility in our Commonwealth.

So, on the occasion of the anniversary of the Italian Republic, we take this opportunity to wish Italy continued success in her endeavors to bolster her economy and strengthen her political foundations, and we congratulate her on the remarkable progress she has made thus far.

Mr. BEALL. Mr. President, last Saturday, June 2, a day when the Senate was not in session, was the 16th anniversary of the establishment of the Republic of Italy, and I would not want this occasion to pass without saluting the Republic and extending my good wishes to the people of Italy, and to the many fine Americans of Italian extraction.

The Republic of Italy took the place of an oppressive dictatorship, which ended as all dictatorships end, in disillusionment and the reasserting of human rights and human dignity. The Republic had, and has, the same noble purposes as the American Republic. The new Republic has had its difficulties, and no doubt there will be more, but as long as the people of Italy hold on to this form of government, they will be able to solve their problems and protect themselves against those who would undermine their relatively new freedom.

The Americans of Italian descent are among our finest and sturdiest people. They have contributed much to America in many ways—in initiative, energy, scientific ability, talent, and loyalty. To these, our friends and fellow Americans, I extend my congratulations on the occasion of the birth of republican form of government in the land of their ancestors.

BYRD AUDIT OF THE FISCAL CONDITION OF THE UNITED STATES

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the body of the Record a column written by Arthur Krock and appearing in the New York Times on June 1.

There being no objection, the column was ordered to be printed in the Record, as follows:

Byrd Audit of the Fiscal Condition of the United States

(By Arthur Krock)

Washington, May 31.—The bare dollar statistics of the first in a series of audits that Senator Byrd of Virginia proposes to make of the financial condition of the U.S. Government are colossal, even for a corporation of this size and potential wealth. The citations that the current direct debt, public and private, amounts to $1,058.5 billion, and that in the 9 relatively prosperous years following the Korean war there have been six Federal budget deficits, with a net of at least $29 billion, are highly pertinent to the future of our economy.

There is weight also in points made by Government and other economists to counteract the public psychology of alarm which would be created by the first Byrd audit, standing alone. It is quite true that a calculation of the national income-and-products account indicated, before the tumbling stock market prices added their constrictive potential to business ventures, that on December 31 next this account will show a deficit of only about $600 million.

But there are several important differences between a specific audit of the existing obligations of the Government on May 31, 1962, and a calculation of what the national income-and-products account may show 7 months from now. The first is a reality. The second is an estimate. And, while there is merit in the argument that this estimate if borne out will be a better index of the state of the Union than the administrative budget (which dominates fiscal publicity, because it requires legislation and must therefore be submitted to Congress), it is the latter on which world financiers form their judgment of national solvency. And on this judgment depends the rate of the flow of gold from the United States that is a great source of current anxiety.

A BREAKDOWN OF THE AUDIT

For all these reasons the official and private communities should note, mark, and inwardly digest Senator Byrd's first audit and those to follow. Among the highlighted statistics of his opening study were:

1. In the next fiscal year, beginning July 1, the Government's authority to obligate funds will amount to "at least $1,242 million." Yet this cannot be a complete audit because "untold sums for future spending" are being sought by the administration "and cannot be calculated." These future commitments will include the interest on the Federal debt (now rising to $308 billion); pensions, retirement and compensation (such as medicare) expenses; grants to States and to individuals; major subsidies, such as those to farmers; foreign aid and public works.

2. About 200 "actions and proposals involving new and increased Federal obligation of public money and credit" are the product of Presidential messages to Congress thus far in the Kennedy administration. And the Executive has indicated it expects perhaps 95 percent of these to have been acted on favorably to some degree by Congress before July 1, 1963.

"It is to be recognized," said Senator Byrd, "that the ultimate cost of great portions of the Government's obligations is to be determined by the development of contingencies * * * The remoteness of these contingencies is to be determined by the stability of the Nation's economic condition and the soundness of the Government's financial position. Under conditions of Federal paternalism, intervention, and control which have been allowed to develop in this country [these] existing obligations and future commitments are vital elements in the Nation's stability. [Meanwhile it should be noted that] Federal spending in 1963 will be $25 billion higher than it was 9 years ago; the Federal debt has reached the highest point in history; and the value [purchasing power] of the dollar has continued to drop."

These are factual reports, and therefore comprehensible to anyone able to read them. They are not the whole story, but they are vital parts of it without which no appraisal of the balancing chapters can be reached either by a layman or an economic expert. It may be, as now argued in expert economic circles, that Byrd's first audit makes only a superficial case for a halt to Government spending for programs which can safely be postponed, and that what the country needs now is just the opposite, and supplemented by tax reduction. But the one is a condition, the other is a theory. And President and people should require a stronger prospectus of the other than well-fashioned prose.

FEDERAL AID: BAD BARGAIN

Mr. BYRD of Virginia. Mr. President, when I came to the Senate, the number of so-called Federal-aid-to-States programs could be counted on the fingers of one hand; I remember specifically only two—the highway program and the land-grant college program. Federal expenditures in these programs were negligible. Now there are more than 60 of such programs, and expenditures through them last year totaled $7.1 billion.

These are programs through which the Federal Government collects money from taxpayers in the respective States, brings it to Washington, clips it for 15 to 20 percent in overhead expenses, and then passes it back to States on Federal formula, with the strings of centralized Government attached.

The Tax Foundation is a highly reputable independent organization engaged in Federal, State, and local government research. The foundation recently conducted a study which showed the way States were faring under this program.

The Richmond, Va., Times Dispatch, in its edition of Sunday, May 20, 1962, devoted its lead editorial to the Tax Foundation's study. I found the editorial to be very interesting; and I think it will be of interest to other Members of Congress and the general public.

For this reason I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Federal Aid: Bad Bargain

"Virginia was the only State to break even last year on what it paid for and got back in Federal aid," according to the Tax Foundation of New York.

The fact that Virginia broke even is not of particular significance. The breaking even was more or less a mathematical accident. A more significant fact is the wide disparity between the amounts some States put up for Federal aid and the amounts they get back.

The Tax Foundation compared (1) the amount of Federal grants allocated to each State with (2) the estimated tax burden borne by the citizens of each State to finance the Federal aid program.

The figures showed that 14 States lost on the deal with Uncle Sam, while 35 other States apparently got back more than they paid out.

For every $1 in Federal aid received, the States paid out amounts ranging from a low of 17 cents (Alaska) to a high of $2.07 (New Jersey).

But the Tax Foundation emphasizes:

"For the 35 States which apparently got back more than they paid out, the distribution from Washington might not be the bargain it looks like. The costs of tax collection and aid administration are not included. Nor are the large sums the States must put up from their own funds to match Federal grants."

Federal aid is justified in financing those activities—interstate road building, for instance—in which the Federal Government has a legitimate interest. But aid programs have expanded far beyond that concept and now touch scores of governmental activities that properly should be the responsibility of States and localities.

Federal aid in such cases is wrong for two basic reasons:

1. It takes away State and local control over the activities involved, since grants from Uncle Sam always carry strings which give the Federal Government at least partial control.

2. It is economically unsound, since it costs money to administer this roundabout procedure in which the Federal Government collects funds, and then channels what is left of them back to the States and localities.

The States and localities are looking increasingly to Uncle Sam for help. It would make a lot more sense for the Federal Government to surrender some of its tax sources to the States, and let the States tap those sources, if they wish to do so.

The Advisory Commission on Intergovernmental Relations, set up 3 years ago, has been working toward that goal, but without much success.

While the Tax Foundation reported that Virginia last year received $1 in aid for every $1 it put up, studies for other years, made by other groups, have shown Virginia receiving less than a break-even amount.

The Virginia Commission on Constitutional Government, for example, reported that for the year ended June 30, 1960, "for each dollar paid by Virginians in Federal taxes required to finance these grants throughout the 48 States and the District of Columbia * * * 93 cents came back to Virginia.

The Foundation explains that in making its computations, it did not use Federal tax figures exactly as reported by the Treasury, but, instead, attempted to credit taxes to those who paid them originally. For example, the Foundation endeavored to allocate the tobacco tax burden among smokers in the 50 States, on the basis of population, rather than attributing those taxes to the tobacco-manufacturing States, where the taxes are collected by the Federal Government.

Even allowing for some incorrect estimates, however, the Foundation's figures are interesting in that they show the general pattern, with the wide discrepancies between benefits to the various States from Federal aid. Here are the statistics:

State	Payments to States	Estimated tax burden	Amount paid per dollar received
	Millions	*Millions*	
Total	$6,866.8	$6,866.8	
Alabama	170.4	86.8	$0.51
Alaska	30.8	6.0	.17
Arizona	74.2	50.2	.68
Arkansas	99.0	45.7	.46
California	624.2	729.8	1.17
Colorado	94.4	71.2	.75
Connecticut	85.5	129.3	1.51
Delaware	15.0	30.2	2.01
Florida	175.3	184.8	1.05
Georgia	183.0	116.3	.64
Hawaii	30.2	20.7	.69
Idaho	40.5	23.7	.59
Illinois	352.7	428.0	1.21
Indiana	141.3	175.0	1.24
Iowa	98.0	93.6	.96
Kansas	91.8	77.7	.85
Kentucky	134.8	82.8	.61
Louisiana	199.1	94.1	.47
Maine	42.1	33.7	.80
Maryland	92.5	122.8	1.33
Massachusetts	171.7	213.4	1.24
Michigan	244.7	305.0	1.25
Minnesota	142.0	121.9	.86
Mississippi	120.1	49.4	.41
Missouri	197.5	167.6	.85
Montana	48.9	25.4	.52
Nebraska	70.4	52.7	.75
Nevada	22.7	16.2	.71
New Hampshire	29.7	23.0	.77
New Jersey	132.4	273.8	2.07
New Mexico	69.2	35.3	.51
New York	460.7	750.4	1.63
North Carolina	146.0	127.4	.87
North Dakota	42.0	19.0	.45
Ohio	305.1	387.1	1.27
Oklahoma	168.1	82.1	.49
Oregon	77.7	71.7	.92
Pennsylvania	310.8	440.5	1.42
Rhode Island	34.3	33.2	.97
South Carolina	89.0	60.4	.68
South Dakota	49.7	20.9	.42
Tennessee	169.3	100.8	.60
Texas	359.8	352.1	.98
Utah	50.3	30.2	.60
Vermont	27.8	13.3	.48
Virginia	132.8	131.7	1.00
Washington	113.2	109.5	.97
West Virginia	91.2	51.3	.56
Wisconsin	107.0	143.3	1.34
Wyoming	34.5	16.2	.47
District of Columbia	65.0	38.5	.60

FINANCIAL CONDITION OF THE U.S. GOVERNMENT

Mr. BYRD of Virginia. Mr. President, on May 30, 1962, I made public a statement setting forth my findings with respect to the financial condition of the U.S. Government.

I ask unanimous consent to have that statement, along with a note of introductory explanation, made a part of these remarks and published in the RECORD.

There being no objection, the statement and introductory explanation were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD OF VIRGINIA

This is the first of a series of statements relating to the financial condition of the U.S. Government which I shall make on the floor of the Senate during the coming weeks.

It is logical that examination of this subject should start with existing obligations of the Government; so this statement (with documentary notes) is confined to debt, commitments, and authorizations.

Other statements will follow as soon as they can be carefully developed and documented. Each subsequent statement will treat other aspects of the Government's financial condition.

Urgent need for such a study was made clear in January when it became known that the administration planned to ask for legislation raising the statutory Federal debt limit to $308 billion.

A full-scale study of the subject should be made by the Finance Committee and I shall recommend that the committee undertake a formal public investigation as soon as time will allow.

A top-to-bottom analysis and study of the present financial condition of this Government is a monumental task, and to date there simply has been no opportunity for the committee to schedule the work.

The committee still has before it the omnibus tax bill, and the bill to extend corporation and excise tax rates, the tariff bill, the sugar bill, social security and veterans legislation, etc., are yet to come.

In addition there may be legislation to raise the Federal debt limit again, provide medical care for the aged through the social security system, federalize unemployment compensation, etc.

The need to examine the financial condition is vital; the necessity for temporary postponement of formal investigation is unfortunate; I shall recommend its opening at the first opportunity.

Meanwhile, under the circumstances, with the assistance of staff and facilities available to me, I personally have undertaken preliminary studies on the subject.

My findings will be outlined in a series of reports to the Senate; and the first of these reports follows:

OBLIGATIONS AND COMMITMENTS OF THE U.S. GOVERNMENT

The U.S. Government in fiscal year 1963, beginning July 1, will have current authority to obligate funds, outstanding Federal debt and other commitments of at least $1,242 billion.

This approaches $1¼ trillion, but it is far from a complete statement of the Government's actual and potential obligations because untold billions in commitments for future spending cannot be calculated.

One and a quarter trillion dollars

The authorizations, debt and other commitments included in the $1,242 billion are treated more fully later in this statement, but at this point they are summarized in rounded figures as follows:

	Billion
Current authority to obligate, such as appropriations, balances, etc., estimated only through fiscal year 1963, beginning July 1, 1962	$188
Outstanding Federal debt in Treasury securities, etc., estimated as of the beginning of fiscal year 1963 on July 1, 1962	296
Promises to pay under contingencies specifically fixed in existing law, such as Federal insurance in force, guaranteed loans, etc.	338
Other, including such moral commitments as unfunded accrued liabilities of Federal trust funds, securities issued by Federal agencies in addition to the regular debt, etc.	420
Total	1,242

(See table which appears under the heading "Calculable Obligations of the U.S. Government.")

Beyond calculation

Billions in clear Federal commitments for future years are in addition to this $1¼ trillion. They are omitted simply because they cannot be calculated beyond fiscal year 1963.

These commitments for the future which cannot be calculated at this time are discussed further, but at this point they are summarized in categorical examples as follows:

Interest on the Federal debt.
Pensions, retirement, compensation, etc.
Grants to States.
Payments to individuals.
Major subsidies.
Foreign aid.
Public works.

Obligational authority in these categories for the coming year is included in the $1¼ trillion; Federal commitments to spend billions in these areas in the future are clear and certain, but they are too indefinite to calculate.

They cannot be reliably computed for the future for a variety of reasons involving duration, developments, administrative policy, and other indefinite factors which generally will be obvious:

Future interest on the Federal debt: The $1¼ trillion includes interest for only one fiscal year, 1963. Future obligation is certain but impossible to calculate in terms of duration, refunding, interest rates, etc.

The debt is going up, and so are interest rates. Recent Treasury policy has been to convert more of the debt into long-term bonds. This would tend to freeze high rates on current issues. There was a March 1962 refunding for 36 years.

Interest on the debt currently is averaging 3.215 percent, but the yield rate on recent issues has ranged up to 4.125 percent. The Federal interest obligation for the coming year alone is estimated at $9.4 billion.[1]

Pensions, retirement, compensation, etc.: The $1¼ trillion includes obligations of this nature for only one fiscal year, 1963. Future commitments are certain but impossible to calculate in terms of duration and other indefinite factors.

Exclusive of trust fund programs, obligations in this category for fiscal year 1963 alone are estimated at $7.1 billion. This 1963 figure includes $5 billion [1] for veterans' pensions, compensation, and hospital care.

Included also for 1963 only are $1.1 billion [2] for military, Coast Guard, and Public Health officer retirement pay, and $1 billion [3] in 1-year Federal agency contributions to civil service retirement, and health and life insurance premiums.

Grants to States: The $1¼ trillion includes direct grant obligations for only one fiscal year, 1963. Future commitments are certain but impossible to calculate in terms of duration, State activities which qualify for matching, etc.

Many of these programs are based on statutory formulas which make Federal payments mandatory when State and local programs conform to Federal standards. The $2.7 billion-a-year public assistance program is an example. The grant trend is up.

Exclusive of payments from trust funds (such as that for highways) and shared revenues, Federal expenditures through 47 grant-in-aid programs for the one fiscal year 1963 are estimated in the budget document at $5.7 billion.[4]

Payments to individuals: There are more than 30 programs under which the Federal Government makes payments directly to individuals, such as those for agricultural conservation, scientific and health research, scholarships, fellowships, etc.

In certain of these programs the payments are under agreements or contracts extending for more than 1 year. The $1¼ trillion of computable obligations includes commitments to pay individuals for only the one fiscal year, 1963.

Exclusive of computable soil bank obligations and trust fund programs, so-called Federal payments to individuals for fiscal year 1963 alone are estimated at $2 billion.[5] Future commitments are surely involved, but they cannot be calculated.

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[1] 1963 Bud. Doc., p. 108.

[2] 1963 Bud. Doc., pp. 164, 187, and 233.

[3] 1963 Bud. Doc. App., pp. 920–922.

[4] 1963 Bud. Doc. table H–3, p. 344.

Major subsidies: The $1¼ trillion includes funds for Federal programs generally referred to as Government subsidies only for fiscal year 1963. Continuing commitments in these programs are certain but they cannot be calculated.

Major Federal subsidies include payments to agricultural interests through the price-support programs, and payments to commercial interests for airline operations and ship construction and operating differentials.

Obligations under these programs in fiscal year 1963 are estimated at $4 billion.[6] Other Government payments frequently described as Federal subsidies, including the postal deficit, are in addition to those mentioned.

Foreign aid: In the past it has been the policy of Congress, as far as possible, to keep foreign aid authorizations on a year-to-year basis. In the more recent years there has been continuing pressure for a policy of long-term commitments.

With or without this change in policy, future foreign aid obligations are certain and they are beyond calculation. The $1¼ trillion in computable obligations includes $18.4 billion[7] for foreign aid and funded subscriptions to international financial institutions.

This figure probably should be increased by $5.2 billion[8] for unfunded foreign assistance loans and subscriptions to international financial institutions. This has been authorized in basic law to be provided after fiscal year 1963, but has not yet been appropriated.

Public works: The $1¼ trillion computable obligation figure includes $9.1 billion[9] for completing Federal civil works projects already underway in fiscal year 1963. It does not include projects to be started after 1963.

The cost of civil public works presently authorized by law but yet unfunded is estimated at $12.8 billion.[10] Together the actual and potential Federal obligations for civil public works total approximately $22 billion.

This civil public works figure is exclusive of the actual and potential obligations for military construction on installations, bases and facilities of the Armed Forces throughout continental United States and overseas.

All of these clear but incalculable commitments for the future are in addition to others including the general cost of Federal Government, the space race, cold war military requirements, etc.

Calculable figures

The Government debt, authorizations to obligate (including the President's new requests for fiscal year 1963) and commitments in the $1¼ trillion calculation developed in this statement are limited to:

1. Actual debt estimated to be outstanding as of July 1, 1962;
2. Actual spending authorizations available and those requested by the administration for fiscal year 1963;
3. Contingent commitments which are firmly fixed and clearly specified in existing law; and
4. Moral obligations which may be reasonably assumed as attached to trust funds operated under Federal egis, etc.

On this basis, and with the best official information available, the debt, authority to obligate, and commitments of the U.S. Government are calculated as follows:

Calculable obligations of the U.S. Government, including Federal debt, commitments, authorizations, etc., estimated for fiscal year 1963 (based on latest official data)

[In billions]

Obligations	Total	Remarks
DIRECT		
Debt outstanding:		
Treasury securities	$295.4	Public debt (1963 budget document, p. 40).
Guaranteed obligations	.5	Largely FHA debentures (1963 budget document, p. 40).
Unpaid obligations	47.3	$45.4 billion in funds available (1963 budget document, p. 268), less $0.1 billion invested in Federal securities (Budget Bureau letter, Apr. 26, 1962); plus outstanding contracts under DPA of $0.6 billion (1963 budget document appendix, p. 60) and soil bank of $1.4 billion (1963 budget document appendix, p. 118, with informal official estimate).
Unused authority:		
Unobligated balances	31.0	$36.3 billion in appropriations, debt authority, revolving funds, etc. (1963 budget document, p. 268), less $1.5 billion invested in Federal securities (Budget Bureau letter, Apr. 26, 1962), and $3.8 billion available partially to meet insurance obligations (1963 budget document appendix, p. 802, for FDIC and p. 807 for FSLIC).
New 1963 appropriations, etc., requested	99.3	$97.8 billion in appropriations, $1.1 billion in authority to charge in debt, and $0.4 billion in contract authority and reappropriations (1963 budget document, table 15, p. 117).
Additional obligational authority	1.1	Debt authority of $600 million for 1964–65 college housing loans (Public Law 87–70) and $500 million for 1964–67 veterans direct loans (Public Law 87–84).
Unfunded cost of started public works	9.1	Cost after 1963 to complete civil public works projects already underway (1963 budget document, table F–3, p. 317).
Subtotal, direct	483.7	
CONTINGENT		
Loans guaranteed and insured	65.2	Largely housing mortgages (Treasury Department report "Long-Range Commitments and Contingencies of the U.S. Government, Dec. 31, 1961").
Insurance in force, etc	272.8	Largely insurance of bank and savings deposits up to $10,000 and veterans life insurance (Treasury Department report "Long-Range Commitments and Contingencies of the U.S. Government, Dec. 31, 1961").
Subtotal contingent	338.0	
OTHER		
Social security trust fund	330.0	Unfunded accrued liability,[1] Dec. 31, 1961 (social security memo, May 28, 1962).
Civil service retirement	32.5	Unfunded accrued liability,[1] June 30, 1961 (Civil Service Commission Annual Report, 1961, p. 34).
Railroad retirement	5.1	Unfunded accrued liability,[1] Jan. 1, 1960 (Railroad Retirement Board, 8th actuarial evaluation report, p. 24).
Federal Reserve notes	5.2	U.S. obligations by law. Treasury Department report "Long-Range Commitments and Contingencies of U.S. Government, Dec. 31, 1961," showed $28.1 billion in circulation, with $22.9 billion of covering collateral in public debt. Collateral in public debt deducted here to avoid duplication in debt figure (above) in this computation.
Federal agency debt, not guaranteed by United States	9.0	Issued under Federal authorizations against agency resources; outstanding Mar. 31, 1962 (Treasury Department Bulletin, April 1962, p. 26).
Highway trust fund	38.5	Remaining Federal share of estimated obligations required for Federal-State highway systems from July 1, 1962, to June 30, 1973, in accordance with Highway Act of 1956 (H. Doc. 349, 87th Cong., 2d sess., p. 8).
Subtotal, other	420.3	
Total	1,242.0	

[1] Unfunded accrued liability defined and discussed on p. 7.

The $295.4 billion direct debt figure used in the computation is low. It is used only because it is the official estimate of the Treasury debt level at the start of the fiscal year, July 1, 1962 (1963 Bud. Doc., p. 40).

The Federal debt is higher than that now (see latest daily Treasury statement). The Treasury estimates that it will reach $307 billion within the year (Treasury memo for Senate Finance Committee, January 8, 1962). This is why raising the debt limit to $308 billion will be requested.

Federal debt has risen some $30 billion since the end of the Korean war (1963 Bud. Doc., p. 42). The statutory debt limit a year ago was $293 billion. It was raised twice within a period of 9 months, July 1961–March 1962.

The limit is now $300 billion, and the debt is almost the same. If the limit is raised to $308 billion by June 30, it will have been raised three times within a year by a total of $15 billion. It was raised $5 billion on June 30, 1961, and $2 billion on March 13, 1962.

The $1¼ trillion computation uses a $500 million estimate for Federal agency obligations guaranteed by the faith and credit of the United States. This also is a starting estimate for 1963 (Bud. Doc., p. 40) and it, like the direct debt figure, probably is low.

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[5] Estimate based on table 92, pt. B, 1961 Annual Report, Secretary of the Treasury, p. 693.

[6] 1963 Bud. Doc., pp. 145–148, 158–159, and 250.

[7] 1963 Bud. Doc., p. 103; and App., pp. 82 and 334.

[8] Public Law 87–195, Public Law 86–147; 1963 Bud. Doc., pp. 70 and 80; and Public Law 86–565.

[9] 1963 Bud. Doc., table F–3, p. 317.

[10] 1963 Bud. Doc., table F–4, p. 319.

Federal Housing Administration debentures are the largest guaranteed item. The opening figure for fiscal year 1963 is $445 million, but the budget estimates that it will rise to $629 million during the year (1963 Bud. Doc. App., p. 736).

The National Housing Act authorizes FHA to issue these fully guaranteed debentures (unlimited as to total amount) to lending institutions and other mortgages in exchange for foreclosed private mortgages which it has insured.

When FHA mortgagees demand immediate payment on claims arising from bad mortgages, this (back-door debt) debenture device provides a negotiable substitute for cash and at the same time postpones the necessity to use FHA reserves.

Some $43 billion in outstanding FHA insurance on mortgages [11] is included among the contingent liabilities computed in the $1¼ trillion, and there is no dollar limit on insurance which FHA can issue on housing mortgages in the future.

The amount outstanding in FHA debentures has risen steadily from $139 million in fiscal year 1960. It totaled $220 million in 1961; it is estimated at $445 million in the current fiscal year and the budget estimates it at $629 million for the coming year.

The $1¼ trillion computation includes a total of $99.3 billion in new obligational authority (appropriations, etc.) as requested by the President in the budget document for fiscal year 1963 (p. 34). This figure will be $535 million higher if postage rates are not increased.

Like the figure for direct debt and guaranteed obligations, this figure also is likely to be low. In the legislative process Congress will reduce some items and raise others; and there will be additional request and supplemental authorizations as the year goes on.

The President's February 19–March 26, 1962, requests for authority to obligate more money for emergency public works is an example. He may not get all he asked, but he probably will get more than the $3.9 billion (exclusive of highways) originally requested in January (1963 Bud. Doc., p. 316).

The nature of the works programs proposed and contemplated by the administration under so-called emergency conditions would make costly realities out of public works projects and activities heretofore regarded as remote and unlikely objectives of Federal expenditure.

The $1¼ trillion takes into account certain obligations which some choose at this time to describe as "remote" and "moral." They are included in the computation generally under the headings "Contingent" and "Other."

The views of those who contend that inclusion of the items in the remote and moral categories overstates the case are recognized. But the purpose of this statement is to show and compute the Government's obligations and commitments as they exist.

It is understood, for example, that real property stands between Government-insured mortgages and the Government's ultimate liability; bank assets are in the same position in the program for Federal insurance of bank deposits, etc.

And, as official Government agency reports point out, experience in this area of Federal commitments has been favorable. This is all to the good, because under the law these commitments are promises to pay when conditions are unfavorable.

These commitments are in fact fixed in law. Remoteness of contingencies which would trigger payments was not considered in establishment of the program. When these laws were written unfavorable conditions were not remote at all; they were recent experience.

The $1¼ trillion includes the full amount of bank and savings deposit insurance obligations of the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation simply because the law makes the Government liable for amounts due.

The item is computed under "Insurance in Force." As of December 31, 1961, the amount was $231.5 billion, according to a Treasury report of the same date on "Long-Range Commitments and Contingencies of the U.S. Government."

Deposits up to $10,000 are insured by these two agencies—FDIC and FSLIC—and as part of their reserves they hold $2.9 billion in Federal securities which, for purposes of this statement, are computed in the $295.4 billion Federal debt (unduplicated elsewhere).

It is to be hoped that serious call on this deposit insurance will never develop; but if it should, it is probable that the Government already will be on a deficit financing basis and without a balance to redeem Federal securities the corporations hold.

Under such circumstances the Treasury would be faced with the necessity of attempting to transfer this debt to public ownership along with the sale of additional Federal securities in an effort to satisfy the further liability.

It is understood also that trust funds such as those for social security and railroad retirement are designed to be self-financing outside of the general revenue; but moral obligations on the Government are inherent in such programs, and they can not be disregarded.

The funds were originated under Federal statute. They are managed by Federal agencies. The Federal Treasury collects the taxes. And the Federal Government dictates their policies and tax rates. Recipients look to the Federal Government for payment.

In view of conditions such as these, if any of these funds should become insolvent, it is certain that those who have made compulsory contributions, and conformed to Federal standards and regulations, will expect the obligations to be met from the Federal Treasury.

The $1¼ trillion computation takes into account this assumption with respect to contributory Federal trust funds. It includes as "Moral Obligations" amounts equivalent to best estimates of what are officially referred to [12] as "unfunded accrued liabilities" of the funds.

Language to be found on page 35 of the 1962 Annual Report of the Social Security Trust Fund Trustees is used generally to describe "unfunded accrued liabilities" in these funds as:

"The actuarial deficits which could be calculated as of a given date, 'if account were taken only of (a) benefits to be paid workers covered by the system to that date and to their dependents and survivors, (b) future taxes to be paid by such workers, and (c) the existing trust funds.' "

Better means of measuring obligations of compulsory-contributory Federal trust funds are desirable; "unfunded accrued liabilities" are used because no better yardstick is available. But the fact is commitments involving the Federal Government do exist in these programs.

The Federal National Mortgage Association and certain other Government agencies have issued their own securities, outside of the regular Federal debt. Securities of this nature now total $9 billion (Treas. Bull., April 1962, p. 26).

These securities are not literally guaranteed by the faith and credit of the U.S. Government, but their issuance is authorized by Federal law, and they are backed by so-called resources of Government agencies which issue them.

Holders of securities such as these can be expected to assume the attitude that the Federal Government has a moral obligation to back up this type of debt. For this reason these obligations are included in the $1¼ trillion computation.

Finally, the $1¼ trillion computation includes Federal Reserve notes which, by law, are obligations of the United States, and the remaining Federal share of estimated obligations required for Federal-State highway systems to June 30, 1973.

The latest Treasury Department report on "Long-Range Commitments and Contingencies" showed $28.1 billion of Federal Reserve notes in circulation and that $22.9 billion of the covering collateral was in the Federal debt as of December 31, 1961.

The Federal Highway Act of 1956 established Federal-State highway construction schedules through 1973. The Federal share of the remaining costs in this joint undertaking is estimated at $38.5 billion (H. Doc. No. 349, 87th Cong., 2d sess., p. 9).

New proposals

Some 200 actions and proposals involving new and increased Federal obligation of public money and credit can be documented in Presidential messages and communications to Congress during the current administration which began in January 1961.

The budget document for fiscal year 1963 (pp. 118–266) and other official publications indicate that the administration expects numerically up to 95 percent of its actions and proposals to have been implemented in some measure before the end of fiscal year 1963.

It may be notable that this statement gives no consideration to the administration's proposal to finance medical care for the aged out of the Social Security Trust Fund or the proposal for the federalization of unemployment insurance compensation.

The computation does include $233 million in Federal grants during fiscal year 1963 for defraying medical-care expenses for the aged under the Federal-State public assistance program as it is provided in the budget (1963 Bud. Doc. App., p. 432).

Medical care for the aged through expansion of social security fund benefits, as proposed by the administration, is not included in the $1¼ trillion computation for two reasons:

1. Trust fund budget projections to date carry neither obligation nor liability estimates on the proposal; and

2. Figures used in the $1¼ trillion computation are of an actuarial nature with the cutoff date taken as of December 31, 1961.

The lowest first-year cost estimate of the administration's proposal to finance medical care for the aged through the trust fund of the social security system has been $1.1 billion. Other estimates of the first-year cost have run much higher.

These estimates have been given in testimony before congressional committees (Hearings before House Ways and Means Committee on H.R. 4222, vol. 1, p. 41) in connection with pending bills. Estimates in terms of increased liabilities against the fund have not been submitted in testimony.

The unemployment insurance and compensation program, as operated to date, generally has been financed from special taxes on employers under rates and standards which vary among the States. The compensation also varies among the States as to amounts and duration.

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[11] Treasury Department report, "Long-Range Commitments and Contingencies of the U.S. Government, Dec. 31, 1961."

[12] "8th Actuarial Valuation of the Assets and Liabilities Under the Railroad Retirement Acts, Dec. 31, 1959," p. 24; "22d Annual Report, Board of Trustees OASI Trust Fund," Feb. 22, 1962, p. 35; Social Security Administration memorandum, Apr. 10, 1962.

There have been so-called emergency occasions when repayable advances have been made to the accounts of some States from the general fund of the Federal Treasury. But, in fact, Federal obligation otherwise has been rejected.

Under the circumstances with respect to this program, as they presently exist, computations in this statement do not include any Federal financial obligation for unemployment insurance compensation in fiscal year 1963 or beyond.

But the administration has proposed extensive federalization of the program through uniform standards, taxes, and payments. If this proposal should be adopted, Federal obligations—without doubt—would develop quickly in increasing amounts.

Many of the new proposals which have been generally treated to this point merit special mention relative to their potential obligations. Examples include:

1. The proposal for Federal pay (reform) raises. 1963 budget requests include $200 million for the first 6 months beginning January 1, 1963 (Bud. Doc., p. 266); a 3-year buildup at the rate of approximately $300 million a year is recommended; the ultimate increase is estimated at $1 billion a year ad infinitum.

2. Alliance for Progress: The budget for fiscal year 1963 includes an appropriation request for $600 million (p. 137). The President has requested $3 billion in long-term authorizations (H. Doc. No. 362, p. 3). Under international agreement the program is estimated to spend $20 billion to be derived from public and private sources.

3. Space exploration (including moon shot; man on the moon in 10 years): The budget requests $3.8 billion (p. 72) for fiscal year 1963; the President last year indicated space costs would run up to $9 billion over 5 years; unofficial estimates place the ultimate costs of sending a man to the moon as high as $40 billion.

4. Civil defense: The budget includes 1963 authorizations totaling $700 million (p. 173). Emphasis has been placed on grants for shelter construction, supplies, etc. Ultimate cost figures have not been developed.

5. Urban renewal and transportation: Federal commitments for slum clearance, urban renewal, and community facilities have been building up for years. Transportation was added to this group last year. All have been increased this year. They have been treated generally in this statement. Rebuilding cities and the Nation's transportation systems could provide a bottomless pit for Federal commitments.

CONCLUSION

In summary:

1. Obligations of the U.S. Government in the form of current authority to obligate public funds, outstanding Federal debt, and other commitments can be calculated to approximately $1¼ trillion.

2. But, as a total of the Government's obligations, this figure is far from complete; it does not include untold billions in clear and certain commitments for future spending which cannot be calculated.

3. The statement documents current direct Federal obligations and it makes future commitments the subject of special treatment. The recent record is an inadequate but available basis for forecasting coming developments.

4. It is recognized that the ultimate cost of great portions of the Government's obligations is to be determined by the development of contingencies. These areas are marked and emphasized in this statement.

The fact is that the remoteness of these contingencies is to be determined by the stability of the Nation's economic condition and the soundness of the Government's financial position.

Under conditions of Federal paternalism, intervention and control which have been allowed to develop in this country, the Government's existing direct obligations and its future commitments are vital elements in the Nation's stability.

The recent record shows:

1. The 9 years since the end of the Korean war have been relatively prosperous; but there have been six Federal deficits in those 9 years, and the net deficit over the period has been at least $29 billion (1963 Bud. Doc., p. 42); and

2. Federal spending in 1963 will be $25 billion higher than it was 9 years ago; [12] the Federal debt has reached its highest point in history; [13] and the value of the dollar has continued to drop.[14]

The overriding in any responsible consideration of this subject is the fundamental fact that the Government's power to tax is the basis for every obligation it assumes and every commitment it makes.

Latest Bureau of the Census reports, published by the Commerce Department, estimated the assessed value of real and tangible property in the United States at approximately $300 billion (Statistical Abstract of the United States, p. 418).

The best and most recent estimates indicate personal income in the current calendar year will be some $443 billion, and corporate profits for the same year will be approximately $53 billion.[15]

But the Federal lien on our wealth is not alone. Other vast obligations against the resources of this Nation lie in State, local, corporate, and private areas.

Direct debt in these sectors by no means constitutes all of the commitments involved, and there are certain elements of duplication in the debt and commitments at each level.

But for appropriate consideration at this point, an official statement of current and direct Federal, State, local, corporate, and private debt by the U.S. Treasury Department (Secretary of Treasury letter, dated Feb. 28, 1962) follows:

Current direct debt only in the United States, Dec. 31, 1961

	Billion
Federal	$296.5
State and local	75.0
Private	307.0
Corporate	380.0
Total	1,058.5

The figures and considerations presented in this statement cannot be omitted in any measurement of the magnitude and the gravity of the obligations and commitments of the U.S. Government.

I shall deal further with financial conditions of the Government in subsequent statements.

The PRESIDING OFFICER. (Mr. Metcalf in the chair). Is there further morning business? If not, morning business is closed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. SPARKMAN. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair now lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be treated as original text.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, line 15, after the word "and", strike out $335,000,000" and insert "$300,000,000"; on page 6, after line 9, strike out:

"Sec. 252. Authorization.—There is hereby authorized to be appropriated from time to time to the President for the purposes of this title not to exceed a total of $3,000,000,000 for use, in addition to other funds available for such purposes, beginning in any of the fiscal years 1963 through 1966, which is authorized to remain available until expended, of which not to exceed $600,000,000 may be appropriated for use beginning in fiscal year 1963: *Provided*, That of the funds appropriated pursuant to this section for use beginning in fiscal year 1963, not to exceed $100,000,000 may be used for assistance on terms other than loans payable as to principal and interest in United States dollars."

And, in lieu thereof, to insert:

"Sec. 252. Authorization.—There is hereby authorized to be appropriated to the President for the purposes of this title, in addition to other funds available for such purposes, not to exceed $600,000,000 for use beginning in the fiscal year 1963 and not to exceed $800,000,000 for use beginning in each of the fiscal years 1964 through 1966, which sums are authorized to remain available until expended and which, except for not to exceed $100,000,000 of the funds appropriated pursuant to this section for use beginning in the fiscal year 1963, shall be available only for loans payable as to principal and interest in United States dollars."

On page 7, after line 7, strike out:

"Sec. 253. Fiscal Provisions.—All receipts in United States dollars from loans made under this title and from loans made for the benefit of countries and areas of Latin America under title I of chapter 2 of part I of this Act, notwithstanding section 203, shall be available for use for loans payable as to principal and interest in United States dollars in furtherance of the purposes of this title. Such receipts and other funds made available under this title for use for the purposes of this title shall remain available until expended."

On page 8, line 5, after the word "and", strike out "$481,500,000" and insert "$400,000,000"; in line 10, after the word "amended", strike out "as follows:"; at the beginning of line 11, strike out "(a) Amend subsection (a)"; at the beginning of line 12, strike out $300,000,000" and"; in the same line, after "1963", strike out "and "$400,000,000", respectively"; after line 13, strike out:

"(b) Amend subsection (b) by striking out 'keep' and substituting 'provide quarterly reports to' and by striking out 'currently informed of' and substituting 'on'."

On page 9, after line 14, insert a new subsection, as follows:

"(b) In section 610, which relates to transfers between accounts, designate the present language as subsection (a) and add the following new subsection:

"'(b) The authority contained in this section and in sections 451, 510, and 614 shall not be used to augment appropriations made available pursuant to sections 636(g)(1) and 637 or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses.'"

On page 10, at the beginning of line 1, strike out "(b)" and insert "(c)"; at the beginning of line 4, strike out "(c)" and insert "(d)"; after line 14, insert:

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[13] 1963 Federal Budget Document, p. 42.

[14] Legislative Reference Service (Library of Congress) compilations, through May 2, 1962.

[15] Revised estimates by Staff, Joint Committee on Internal Revenue Taxation, Senate Finance Committee Hearings, Revenue Act of 1962, Apr. 2, 1962, vol. I, p. 378.

"(e) In section 620, which relates to restrictions on assistance to certain countries, add the following new subsections:

"'(e) In any case in which the President determines that a nation or a political subdivision thereof has hereafter (1) nationalized, expropriated, or otherwise seized the ownership or control of the property of United States citizens or entities referred to in section 221(b), or (2) imposed upon or enforced against such property or the owners thereof discriminatory taxes or other exactions, or restrictive maintenance or operational conditions not imposed or enforced with respect to property of a like nature owned or operated by its own nationals or the nationals of any government other than the Government of the United States, and has failed within six months following the taking of action in either of such categories to take steps determined by the President to be appropriate and adequate to remedy such situation and to discharge its obligations under international law toward such citizens and entities, including the prompt payment in convertible foreign exchange to the owner or owners of such property so nationalized, expropriated, or otherwise seized, or to arrange, with the agreement of the parties concerned, for submitting the question in dispute to arbitration or conciliation in accordance with procedures under which a final and binding decision or settlement will be reached and full payment or arrangements with the owners for such payment made within twelve months following such submission, the President shall suspend assistance under this Act to such nation until he is satisfied that appropriate steps are being taken.

"'(f) Assistance to India under this Act and the Agricultural Trade Development and Assistance Act of 1954, as amended, during the fiscal year 1963 shall not exceed the value of funds obligated or committed for such assistance during the fiscal year 1962.'"

On page 12, line 19, after the word "and", strike out "fifty" and insert "twenty-five"; on page 13, line 2, after the word "exceed", strike out "two years" and insert "one year"; after line 3, strike out:

"(d) In section 634(d), which relates to reports and information, strike out 'twelve months' in the first sentence and substitute 'fiscal year'."

And, in lieu thereof, insert:

"(d) In section 629(b), which relates to status of personnel detailed, strike out '624(c)' in the first sentence and substitute '624(d)'."

On page 14, after line 9, strike out:

"Sec. 402. Section 5(f) of the International Health Research Act of 1960 (22 U.S.C. 2103(f)) is amended by adding a new final sentence as follows: 'The President may delegate any authority vested in him by this section to such other officer or head of agency of the United States Government as he deems appropriate.'"

At the beginning of line 16, change the section number from "403" to "402"; on page 15, after line 4, insert a new section, as follows:

"Sec. 403. Section 102(a)(3) of the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, approved September 21, 1961) is hereby amended by inserting the word 'abroad' after the word 'expositions'."

And, after line 8, insert a new title, as follows:

"PART V—MIGRATION AND REFUGEE ASSISTANCE PROGRAMS

"Sec. 501. This part may be cited as the 'Migration and Refugee Assistance Act of 1962'.

"Sec. 502. (a) The President is hereby authorized to continue membership for the United States in the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of refugees and migrants and to enhance the economic progress of the developing countries by providing for a coordinated supply of selected manpower, there are hereby authorized to be appropriated such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee for the effectuation of its purposes, and all necessary salaries and expenses incident to United States participation in the Committee.

"(b) There are hereby authorized to be appropriated such amounts as may be necessary from time to time—

"(1) for contributions to the activities of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate or in behalf of whom he is exercising his good offices;

"(2) for assistance to or in behalf of refugees designated by the President (by class, group, or designation of their respective countries of origin or areas of residence) when the President determines that such assistance will contribute to the defense, or to the security, or to the foreign policy interests of the United States;

"(3) for assistance to or in behalf of refugees in the United States whenever the President shall determine that such assistance would be in the interest of the United States: *Provided*, That the term 'refugees' as herein used means aliens who (A) because of persecution or fear of persecution on account of race, religion, or political opinion, fled from a country of the Western Hemisphere; (B) cannot return thereto because of fear of persecution on account of race, religion, or political opinion; and (C) are in urgent need of assistance for the essentials of life;

"(4) for assistance to State or local public agencies providing services for substantial numbers of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) for (A) health services and educational services to such individuals, and (B) special training for employment and services related thereto;

"(5) for transportation to, and resettlement in, other areas of the United States of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) and who, having regard for their income and other resources, need assistance in obtaining such services; and

"(6) for establishment and maintenance of projects for employment or refresher professional training of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) and who, having regard for their income and resources, need such employment or need assistance in obtaining such retraining.

"(c) Whenever the President determines it to be important to the national interest, not exceeding $10,000,000 in any fiscal year of the funds made available for use under the Foreign Assistance Act of 1961, as amended, may be transferred to, and consolidated with, funds made available for this part in order to meet unexpected urgent refugee and migration needs.

"(d) The President shall keep the appropriate committees of Congress informed of the use of funds and the exercise of functions authorized in this part.

"(e) Unexpended balances of funds made available under authority of the Mutual Security Act of 1954, as amended, and of the Foreign Assistance Act of 1961, as amended, and allocated or transferred for the purposes of sections 405(a), 405(c), 405(d), and 451(c) of the Mutual Security Act of 1954, as amended, are hereby authorized to be continued available for the purposes of this section and may be consolidated with appropriations authorized by this section. Funds appropriated for the purposes of this section shall remain available until expended.

"Sec. 503. (a) In carrying out the purposes of this part, the President is authorized—

"(1) to make loans, advances, and grants to, make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, Government or Government agency, whether within or without the United States, and international and intergovernmental organizations; and

"(2) to accept and use money, funds, property, and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes.

"(b) Whenever the President determines it to be in furtherance of the purposes of this part, the functions authorized under this part may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951 (65 Stat. 7), as amended) regulating the making, performance, amendment, or modification of contracts and the expenditure of funds of the United States Government as the President may specify.

"Sec. 504. (a) The President is authorized to designate the head of any department or agency of the United States Government, or any official thereof who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any functions conferred upon the President by this part. If the President shall so specify, any individual so designated under this subsection is authorized to redelegate to any of his subordinates any functions authorized to be performed by him under this subsection, except the function of exercising the waiver authority specified in section 503(b) of this part.

"(b) The President may allocate or transfer to any agency of the United States Government any part of any funds available for carrying out the purposes of this part. Such funds shall be available for obligation and expenditure for the purposes for which authorized in accordance with authority granted in this part or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred. Funds allocated or transferred pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

"Sec. 505. (a) Funds available for the purposes of this part shall be available for—

"(1) compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purpose of this part, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of funds of the United States Government as may be necessary to accomplish the purposes of this part;

"(2) employment or assignment of Foreign Service Reserve officers for the duration of operations under this part;

"(3) exchange of funds without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), and loss by exchange;

"(4) expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801 et seq.), not otherwise provided for;

"(5) expenses authorized by the Act of August 1, 1956 (70 Stat. 890-892), as amended; and

"(6) all other expenses determined by the President to be necessary to carry out the purposes of this part.

"(b) Except as may be expressly provided to the contrary in this part, all determinations, authorization, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this part shall continue in full force and effect until modified, revoked, or superseded under the authority of this part.

"Sec. 506. Subsections (a), (c), and (d) of section 405 of the Mutual Security Act of 1954, as amended, subsection (c) of section 451 of the said Act, and the last sentence of section 2(a) of the Act of July 14, 1960 (74 Stat. 504), are hereby repealed.

"Sec. 507. Until the enactment of legislation appropriating funds for activities under this part, such activities may be conducted with funds made available under section 451 (a) of the Foreign Assistance Act of 1961, as amended."

So as to make the bill read:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the 'Foreign Assistance Act of 1962.'

"PART I—ACT FOR INTERNATIONAL DEVELOPMENT OF 1961

"Chapter 1—Short title and policy

"Sec. 101. Section 102 of the Foreign Assistance Act of 1961, as amended, containing a statement of policy, is amended by inserting the following sentence at the end of the sixth paragraph: 'It is further the sense of Congress that support for the peaceful uses of atomic energy should be continued, in furtherance of the purposes of this part.'

"Chapter 2—Development and assistance

"Title II—Development Grants and Technical Cooperation

"Sec. 102. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development grants and technical cooperation, is amended as follows:

"(a) In section 211(a), which relates to general authority, strike out 'In so doing' in the second sentence and substitute 'In furnishing assistance to countries and areas under this title'.

"(b) In section 212, which relates to authorization, strike out '1962' and '$380,000,000' and substitute '1963' and $300,000,000', respectively.

"(c) Strike out section 213, which relates to atoms for peace.

"Title III—Investment Guaranties

"Sec. 103. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows:

"(a) Amend section 221(b) which relates to general authority, as follows:

"(1) In paragraph (1) strike out '$1,000,000,000' in the proviso and substitute '$1,300,000,000'.

"(2) In paragraph (2) strike out '$90,000,000' in the third proviso and substitute '$180,000,000'.

"(b) Amend section 222, which relates to general provisions, as follows:

"(1) In subsection (d) insert ', and out of funds made available pursuant to this title' before the period.

"(2) Add the following new subsection (f):

" '(f) There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1963 to carry out the purposes of this title not to exceed $100,000,000, which shall remain available until expended.'

"(c) Amend section 224, which relates to housing projects in Latin American countries, as follows:

"(1) In subsection (b) strike out '$10,000,000' in the second sentence and substitute '$60,000,000'.

"(2) In subsection (c) strike out 'and (e)' and substitute '(e), and (f)'.

"Title IV—Surveys of Investment Opportunities

"Sec. 104. Section 232 of the Foreign Assistance Act of 1961, as amended, which relates to surveys of investment opportunities, is amended by striking out '1962' and substituting '1963'.

"Alliance for Progress

"Sec. 105. Chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development assistance, is amended by adding at the end a new title VI, as follows:

" 'Title VI—Alliance for Progress

" 'Sec. 251. General Authority.—(a) It is the sense of the Congress that the historic, economic, political, and geographic relationships among the American peoples and Republics are unique and of special significance and that the Alliance for Progress offers great hope for the advancement of the welfare of the peoples of the Americas and the strengthening of the relationships among them. Accordingly, the President is authorized to furnish assistance on such terms and conditions as he may determine in order to promote the economic development of countries and areas in Latin America.

" '(b) Assistance furnished under this title shall be directed toward the development of human as well as economic resources. In furnishing assistance to countries and areas under this title, the President shall take into account (1) the principles of the Act of Bogotá and the Charter of Punta del Este, and in particular the extent to which the recipient country or area is showing a responsiveness to the vital economic, political, and social concerns of its people and demonstrating a clear determination to take effective self-help measures; (2) the economic and technical soundness of the activity to be financed; (3) the consistency of the activity with, and its relationship to, other development activities being undertaken or planned, and its contribution to realizable long-range objectives; and (4) the possible effects upon the United States economy, with special reference to areas of substantial labor surplus, of the assistance involved. In making loans under this title from funds which are required to be used for loans payable as to principal and interest in United States dollars, the President shall take into account, in addition to the considerations named in the preceding sentence, whether financing could be obtained in whole or in part from other free world sources on reasonable terms. The provisions of sections 201(d), 202(b), 202(c), and 204 shall be applicable to such loans, and they shall be made only upon a finding of reasonable prospects of repayment.

" '(c) The authority of section 614(a) may not be used to waive the requirements of this title with respect to funds made available for this title which are required to be used for loans payable as to principal and interest in United States dollars, and the authority of section 610 may be used to transfer such funds only to funds made available for title I of chapter 2 of part I.

" '(d) In order to carry out the policies of this Act and the purpose of this title, the President shall, when requested by a friendly country and when appropriate, assist in fostering measures of agrarian reform, including colonization and redistribution of land, with a view to insuring a wider and more equitable distribution of the ownership of land.

" 'Sec. 252. Authorization.—There is hereby authorized to be appropriated to the President for the purposes of this title, in addition to other funds available for such purposes, not to exceed $600,000,000 for use beginning in the fiscal year 1963 and not to exceed $800,000,000 for use beginning in each of the fiscal years 1964 through 1966, which sums are authorized to remain available until expended and which, except for not to exceed $100,000,000 of the funds appropriated pursuant to this section for use beginning in the fiscal year 1963, shall be available only for loans payable as to principal and interest in United States dollars.'

"Chapter 3—International organizations and programs

"Sec. 106. Section 302 of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended by striking out '1962' and '$153,500,000' and substituting '1963' and '$148,900,000', respectively.

"Chapter 4—Supporting assistance

"Sec. 107. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out '1962' and '$465,000,000' and substituting '1963' and '$400,000,000', respectively.

"Chapter 5—Contingency fund

"Sec. 108. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended by striking out '1962' and substituting '1963'.

"PART II—INTERNATIONAL PEACE AND SECURITY ACT OF 1961

"Chapter 2—Military assistance

"Sec. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

"(a) In section 507(a), which relates to sales, insert 'not less than' before 'the value' in the first sentence.

"(b) In section 510(a), which relates to special authority, strike out '1962' in the first and second sentences and substitute '1963'.

"(c) In section 511(b), which relates to restrictions on military aid to Latin America, strike out 'military assistance programs' and insert 'grant programs of defense articles'.

"PART III

"Chapter 1—General provisions

"Sec. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

"(a) In section 606, which relates to patents and technical information, strike out subsection (c).

"(b) In section 610, which relates to transfers between acounts, designate the present language as subsection (a) and add the following new subsection:

" '(b) The authority contained in this section and in sections 451, 510, and 614 shall not be used to augment appropriations made available pursuant to sections 636(g) (1) and 637 or used otherwise to finance activities which normally would be financed from appropriations for administrative expenses.'

"(c) In section 611(a), which relates to completion of plans and cost estimates, strike out 'and II' and substitute ', II, and VI'.

"(d) Strike out section 618, which relates to economic assistance to Latin America, and substitute a new section 618 as follows:

" 'Sec. 618. Use of Settlement Receipts.—United States dollars directly paid to the United States under the Agreement Between the United States of America and Japan Regarding the Settlement of Postwar Economic Assistance to Japan may be appropriated or otherwise made available to the President in any appropriation Act, within the limitations of part I of this Act, to carry out the provisions of that part.'

"(e) In section 620, which relates to restrictions on assistance to certain countries, add the following new subsections:

" '(e) In any case in which the President determines that a nation or a political subdivision thereof has hereafter (1) nationalized, expropriated, or otherwise seized the ownership or control of the property of United States citizens or entities referred to in section 221(b), or (2) imposed upon or enforced against such property or the owners thereof discriminatory taxes or other exactions, or restrictive maintenance or operational conditions not imposed or enforced with respect to property of a like nature owned or operated by its own nationals or the nationals of any government other than the Government of the United States, and has failed within six months following the taking of action in either of such categories to take steps determined by the President to be appropriate and adequate to remedy such situation and to discharge its obligations under international law toward such citizens and entities, including the prompt payment in convertible foreign exchange to the owner or owners of such property so nationalized, expropriated, or otherwise seized, or to arrange, with the agreement of the parties concerned, for submitting the question in dispute to arbitration or conciliation in accordance with procedures under which a final and binding decision or settlement will be reached and full payment or arrangements with the owners for such payment made within twelve months following such submission, the President shall suspend assistance under this Act to such nation until he is satisfied that appropriate steps are being taken.

" '(f) Assistance to India under this Act and the Agricultural Trade Development and Assistance Act of 1954, as amended, during the fiscal year 1963 shall not exceed the value of funds obligated or committed for such assistance during the fiscal year 1962.'

"Chapter 2—Administrative provisions

"Sec. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

"(a) In section 621, which relates to exercise of functions, delete '(a)' and strike out subsections (b), (c), (d), and (e).

"(b) Amend section 624, which relates to statutory officers, by striking out subsection (d) and redesignating subsection (e) as subsection '(d)', inserting in paragraph 2(A) of redesignated subsection (d) ', and programs being conducted by United States Government agencies under Public Law 86–735,' after 'Peace Corps', and inserting in paragraphs (5) and (7) of redesignated subsection (d) ", and Public Law 86–735' after 'part II of this Act'.

"(c) Amend section 625, which relates to employment of personnel, as follows:

"(1) In subsection (b) strike out 'seventy-six' in the first sentence and substitute 'one hundred and twenty-five'.

"(2) In subsection (d) add the following proviso before the period at the end of paragraph (2): ': *Provided further*, That, whenever the President determines it to be important for the purposes of this Act, the President may initially assign personnel under this paragraph for duty within the United States for a period not to exceed one year pending assignment outside the United States.'

"(d) In section 629(b), which relates to status of personnel detailed, strike out '624 (e)' in the first sentence and substitute '624(d)'.

"(e) In section 635(h), which relates to general authorities, strike out 'and V' and substitute ', V, and VI' and strike out 'made'.

"(f) Amend section 637, which relates to administrative expenses, as follows:

"(1) In subsection (a) strike out '1962' and '$50,000,000' and substitute '1963' and '$55,000,000', respectively.

"(2) In subsection (b) strike out 'to the Secretary of State'.

"Chapter 3—Miscellaneous provisions

"Sec. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended as follows:

"(a) Section 643, which relates to saving provisions, is amended by striking out subsection (d).

"(b) Section 644(m), which relates to definitions, is amended by striking out 'as grant assistance' in subparagraphs (2) and (3).

"(c) Section 645, which relates to unexpended balances, is amended by inserting 'this Act or' after 'pursuant to'.

"PART IV—AMENDMENTS TO OTHER LAWS

"Sec. 401. Part IV of the Foreign Assistance Act of 1961, as amended, is repealed, which repeal shall not be deemed to affect amendments contained in such part.

"Sec. 402. Section 2 of the Act of August 1, 1956 (70 Stat. 890), as amended, is further amended by adding the following new paragraph:

" '(b) For the purpose of promoting and maintaining friendly relations wtih foreign countries through the prompt settlement of certain claims, settle and pay any meritorious claim against the United States which is presented by a government of a foreign country for damage to or loss of real or personal property of, or personal injury to or death of, any national of such foreign country: *Provided*, That such claim is not cognizable under any other statute or international agreement of the United States and can be settled for not more than $15,000 or the foreign currency equivalent thereof.'

"Sec. 403. Section 102(a)(3) of the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87–256, approved September 21, 1961) is hereby amended by inserting the word 'abroad' after the word 'expositions'.

"PART V—MIGRATION AND REFUGEE ASSISTANCE PROGRAMS

"Sec. 501. This part may be cited as the 'Migration and Refugee Assistance Act of 1962'.

"Sec. 502. (a) The President is hereby authorized to continue membership for the United States in the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of refugees and migrants and to enhance the economic progress of the developing countries by providing for a coordinated supply of selected manpower, there are hereby authorized to be appropriated such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee for the effectuation of its purposes, and all necessary salaries and expenses incident to United States participation in the Committee.

"(b) There are hereby authorized to be appropriated such amounts as may be necessary from time to time—

"(1) for contributions to the activities of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate or in behalf of whom he is exercising his good offices;

"(2) for assistance to or in behalf of refugees designated by the President (by class, group, or designation of their respective countries of origin or areas of residence) when the President determines that such assistance will contribute to the defense, or to the security, or to the foreign policy interests of the United States;

"(3) for assistance to or in behalf of refugees in the United States whenever the President shall determine that such assistance would be in the interest of the United States: *Provided*, That the term 'refugees' as herein used means aliens who (A) because of persecution or fear of persecution on account of race, religion, or political opinion, fled from a country of the Western Hemisphere; (B) cannot return thereto because of fear of persecution on account of race, religion, or political opinion; and (C) are in urgent need of assistance for the essentials of life;

"(4) for assistance to State or local public agencies providing services for substantial numbers of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) for (A) health services and educational services to such individuals, and (B) special training for employment and services related thereto;

"(5) for transportation to, and resettlement, in other areas of the United States of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) and who, having regard for their income and other resources, need assistance in obtaining such services; and

"(6) for establishment and maintenance of projects for employment or refresher professional training of individuals who meet the requirements of paragraph (3) (other than clause (C) thereof) and who, having regard for their income and resources, need such employment or need assistance in obtaining such retraining.

"(c) Whenever the President determines it to be important to the national interest, not exceeding $10,000,000 in any fiscal year of the funds made available for use under the Foreign Assistance Act of 1961, as amended, may be transferred to, and consolidated with, funds made available for this part in order to meet unexpected urgent refugee and migration needs.

"(d) The President shall keep the appropriate committees of Congress informed of the use of funds and the exercise of functions authorized in this part.

"(e) Unexpended balances of funds made available under authority of the Mutual Security Act of 1954, as amended, and of the Foreign Assistance Act of 1961, as amended, and allocated or transferred for the purposes of sections 405(a), 405(c), 405(d), and 451(c) of the Mutual Security Act of 1954, as amended, are hereby authorized to be continued available for the purposes of this section and may be consolidated with appropriations authorized by this section. Funds appropriated for the purposes of this section shall remain available until expended.

"Sec. 503. (a) In carrying out the purposes of this part, the President is authorized—

"(1) to make loans, advances, and grants to, make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, Government or Government agency, whether within or without the United States, and international and intergovernmental organizations; and

"(2) to accept and use money, funds, property, and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes.

"(b) Whenever the President determines it to be in furtherance of the purposes of this part, the functions authorized under this part may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951 (65 Stat. 7), as amended) regulating the making, performance, amendment, or modification of contracts and the expenditure of the funds of the United States Government as the President may specify.

"SEC. 504. (a) The President is authorized to designate the head of any department or agency of the United States Government, or any official thereof who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any functions conferred upon the President by this part. If the President shall so specify, any individual so designated under this subsection is authorized to redelegate to any of his subordinates any functions authorized to be performed by him under this subsection, except the function of exercising the waiver authority specified in section 503(b) of this part.

"(b) The President may allocate or transfer to any agency of the United States Government any part of any funds available for carrying out the purposes of this part. Such funds shall be available for obligation and expenditure for the purposes for which authorized in accordance with authority granted in this part or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred. Funds allocated or transferred pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

"SEC. 505. (a) Funds available for the purposes of this part shall be available for—

"(1) compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purpose of this part, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of funds of the United States Government as may be necessary to accomplish the purposes of this part;

"(2) employment or assignment of Foreign Service Reserve officers for the duration of operations under this part;

"(3) exchange of funds without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), and loss by exchange;

"(4) expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801 et seq.), not otherwise provided for;

"(5) expenses authorized by the Act of August 1, 1956 (70 Stat. 890–892), as amended; and

"(6) all other expenses determined by the President to be necessary to carry out the purposes of this part.

"(b) Except as may be expressly provided to the contrary in this part, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this part shall continue in full force and effect until modified, revoked, or superseded under the authority of this part.

"SEC. 506. Subsections (a), (c), and (d) of section 405 of the Mutual Security Act of 1954, as amended, subsection (c) of section 451 of the said Act, and the last sentence of section 2(a) of the Act of July 14, 1960 (74 Stat. 504), are hereby repealed.

"SEC. 507. Until the enactment of legislation appropriating funds for activities under this part, such activities may be conducted with funds made available under section 451 (a) of the Foreign Assistance Act of 1961, as amended."

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment.

Mr. SPARKMAN. Mr. President, the foreign aid program represents one of the many instruments of national policy by which the United States seeks to meet its worldwide responsibilities. Together, the various instruments of national policy carried on at every level—political, military, economic, and educational—enable our country to maintain its security and to advance its vital interests. It is in this context that the Committee on Foreign Relations has favorably reported the Foreign Assistance Act of 1962 to the Senate.

Foreign aid, although still controversial, has over the years gained broad acceptance as a continuing and important element of our foreign policy. From the outset of the European recovery program, foreign aid has been vigorously supported by every President, every Secretary of State, every Secretary of Defense, every Chairman of the Joint Chiefs of Staff, and every Congress. Foreign aid is also supported by the majority of our major newspapers, most of which have looked into aid programs on the ground. Most of the well-informed private citizens groups have strongly supported foreign aid, and these, too, have studied the program on a continuing basis.

Outside Washington, D.C., however, there is wide opinion that the aid program is an end in itself, independent of the objectives of our foreign policy; that, in essence, it represents the fulfillment of a moral obligation which the richest society has to the many poor societies. Other Americans regard foreign aid as a global boondoggle, a massive exercise in waste that serves the interests of neither the United States nor the recipient countries. Unfortunately, our annual discussion of foreign aid, both in Congress and the press, has contributed far less than it should to the public's understanding. It is conducted too much in terms of aid levels and too little in terms of the overall political purposes that underlie the foreign aid program.

Our basic political objectives are subject to little variations. Stated simply, the United States has focused its efforts on the goal of building a sane international order based on a community of independent societies. A number of purposes underlie this central objective, but the most urgent and compelling of these is the need to resist the pressure of Communist imperialism at whatever level it is applied—military, political, or economic. Closely related is the need to assist the poorer societies in their historic effort to fulfill legitimate aspirations and to develop durable and productive institutions. Both of these related purposes are served by the foreign aid program.

It is worth noting that foreign aid, far from being a latter-day invention of American policymakers, is an instrument of foreign policy at least as old as the nation-state system. However, the first program of massive foreign assistance for purposes of bolstering the economies of whole nations was undertaken by Great Britain in the years following the end of the Napoleonic wars in 1815. In a program comparable for its time to the scope and design of the Marshall plan, Britain extended large loans to Prussia, whose economy had been ravaged by the French invasions. Private British financial interests assisted in the recovery of France, the defeated enemy, by providing large loans with which to meet the enormous claims that were made against France for reparations. Britain's aid program, coupled with a generous territorial and political settlement, helped to stabilize the restored Bourbon regime and hence contributed to the general stabilization of Europe. In bringing to bear all of the instruments of foreign policy—first military, then political and economic—Britain restored the European equilibrium on which her own security depended and led Europe into the long era of relative peace which lasted until 1914.

The Marshall plan was the most comprehensive economic aid program ever devised by statesmen to serve an enlightened political purpose. Much of its motivation lay in the generosity and compassion of the American people, but its grand design as an act of statesmanship was to preserve the independence of America's oldest and most important allies and thereby to strengthen her own security against the new imperialism—that of the Soviet Union.

Today's foreign aid program differs in no way in its purpose from the Marshall plan. But it is greatly changed in form and content. Europe required massive infusions of capital; with their advanced human resources and revived institutions, the European societies were able to make effective use of their resources. The problems of the less-developed societies of Asia, Africa, and Latin America have a scope and complexity that neither capital nor technical aid, by itself, can materially affect.

In recent years, we have become increasingly aware that certain minimum standards of public administration, public education, and a cultural environment which encourages capital formation are essential preconditions to the effective use of capital. The framers of the Alliance for Progress clearly recognized that economic development must go hand in hand with—or, more precisely, must be preceded by—political and social change. In turn, such change requires a certain degree of external pressure. To provide aid without stipulating conditions that will advance the purpose of the aid is to court failure. In this sense, we should be frank in stating that our development aid programs carry clear and precise "strings." Indeed, these are set forth in the act itself; I would commend to my colleagues sections 201 and 211, as well as the committee report of last year and this year.

I might observe, in this connection, that the progressive democratic groups in Latin America and elsewhere in the underdeveloped world have never objected to American intervention as such on these terms. Indeed, I believe that intervention on behalf of progress and reform is generally well received. "The moral here," as one perceptive student of Latin American affairs recently put it, "is that a great power such as the United States necessarily intervenes in the affairs of other countries, especially smaller ones, as much by what it does not do as by what it does. A policy of nonintervention, if that term is interpreted in the strictest, most literal sense, becomes plainly impossible. The question, therefore, is not one of intervention or nonintervention per se, but of the ends and means of intervention."

In any case, we are gaining a finer appreciation of the basic principles of encouraging progress and reform in changing societies. We have been made painfully aware of the preconditions to development. We know also that good development plans are of little value in the absence of a government capable of carrying them out; that the finest tax authority is useless if the government does not believe in collecting taxes; that modern machinery and other technical equipment cannot be operated by unskilled people; that even the cheapest and most effective techniques of increasing agricultural output will have little appeal when the benefits will accrue not to the cultivator of the land but to an absentee landlord.

On the other side of the coin, we also know that land reform can bring on agricultural chaos if it is not preceded by the creation of institutions capable of duplicating the services performed by the departing landlord.

We have learned that there is no general formula for economic development of all the less developed countries. To generalize from the experience of India to the problems of Peru or Tanganyika is as futile as to generalize from the experience of the United States to the needs of India. In each case, there must be a development plan appropriate to the problems and requirements of the particular country. For countries in the earliest stage—the predevelopment state—plans should be related to the creation of administrative capabilities and education. In countries which have moved well beyond the predevelopment stage—India, Pakistan, and Brazil are examples—development assistance programs can and do directly reflect their capacities to absorb large sums of capital.

In every case, the essential string that we must attach to our development aid is the requirement that it serve the broad, longrun interest of the recipient country. Only the most rigorous adherence to priorities of need and productivity will make it possible for the changing societies to attain durable progress; to achieve anything less will mean that our foreign aid program is forfeiting its purpose as an instrument of American policy.

One of the most promising vehicles for economic growth is the autonomous, public authority. Such quasi-governmental organizations as the Tennessee Valley Authority and the New York Port Authority should serve as models for a number of developing countries, whose programs are bogged down in politics, or bureaucracy, or both. In Latin America, for example, there is an urgent need to give momentum to the Alliance for Progress by the examples of a few dramatic achievements in such critical areas as housing, land reform, and other areas of social development. The public authority approach, with its proven success in the United States and Europe, is an ideal planning and administrative device for achievement of such objectives. Its great advantage, of course, is that it can concentrate resources on a single problem, with operational control remaining in the hands of a small number of highly trained managers and technicians. As the committee report observes: "The World Bank is very well suited to the role of cultivating public authorities." Moreover, the Bank's official guide, World Bank Policies and Operations, states:

> In respect of a number of government projects, the Bank has asked that their operation be entrusted to a quasi-autonomous authority or in some other fashion be insulated so far as possible from political pressures and rigidities of government administrative procedures. In a number of cases the Bank's help has been sought and given in the establishment and staffing of operating authorities of this sort.

I might add that the Bank generally insists upon the creation of an autonomous or semiautonomous authority as a precondition to loans involving utilities, ports, water power projects, and other development programs. Aid officials are alert to the potential of these public authorities, and are encouraging their formation. In a number of cases, the problem of providing the human resources to manage public authorities is the only obstacle to their creation. But this is not an insurmountable problem, and may be dealt with a number of ways. In addition to the World Bank, the Development Assistance Committee of the OECD—Organization for Economic Cooperation and Development—should be able to assist in the creation of public authorities. The private foundations in the United States may also have a role.

The committee's judgment is that the current foreign aid program reflects a realistic approach to U.S. interests abroad. The thrust of the program has been shifted to long-term development loans. These are subject to congressional appropriations. They are repayable only in dollars, but under very liberal terms and conditions. Such terms and conditions are essential. Several of the developing countries, especially in Latin America, already carry heavy annual debt service burdens. In many of them these obligations will drain a fifth or more of anticipated foreign exchange earnings. Development loans must therefore carry only nominal service charges and should have long repayment schedules.

Development loans are expected to comprise nearly half of our total economic assistance in the next year. In prior years, loans never amounted to more than 25 percent of this assistance. Indeed, approved transactions under the Development Loan Fund have accounted for only 4 percent of all foreign assistance made available since the end of the Marshall plan program.

It should be understood that development loans are not being extended haphazardly, or to any country seeking to exploit a natural asset. Instead, development loans are normally available only to countries which have committed themselves to long-term development and other self-help measures. For this and other reasons, there is a growing concentration in the development loan program. About half of the loans obligated next year will go to four countries—India, Pakistan, Brazil, and Argentina. About 60 percent will go to six countries, the other two being Nigeria and Turkey.

In addition to the statutory criteria that shape the loan program, the Agency for International Development has imposed a number of program procedures designed to encourage reform and self-help measures. In some cases, loans have been scheduled in installments, with each installment conditioned upon a specified rate of progress by the recipient country in carrying out agreed domestic programs.

Obviously, a great many of the countries receiving foreign aid cannot yet qualify for development loans. A number of these, particularly in Africa, are in what is known as the predevelopment stage. For them, the bill authorizes $300 million in development grants, which are used mainly to finance technical assistance programs. For the most part, these programs are designed to improve the educational, technical, managerial, and professional competence of changing societies. Development grants are used to finance the public administration training programs, for example. They may also be used to assist in the creation of comprehensive long-term plans.

The emphasis on concentration in the loan program has corresponded with a similar trend in the supporting assistance program. Supporting assistance is mainly used to help certain countries bear the brunt of their abnormally heavy military establishments. Vietnam and Korea are examples of countries located on the periphery of the Communist empire and compelled to maintain larger armies than their economies can afford.

Supporting assistance is also used to provide budgetary support for very poor countries whose survival depends to a large extent on such assistance. It is estimated that more than half of the supporting assistance extended next year will go to two countries and over 70 percent to four countries. Moreover, the program is being steadily reduced, both in terms of the number of countries participating and the levels of assistance.

The bill authorizes a contingency fund of $300 million. This is the same as last year's authorization, but represents a cut of $100 million beneath the administration's request. The other major aid activity is the military assistance program, for which the Congress last provided an authorization of $1.7 billion for each of the following 2 fiscal years. The administration's appropriation request for fiscal year 1963 is $1.5 billion, or $200 million less than the amount authorized. The committee believes that this program has been pared to a minimum level. And the committee was pleased to learn that the net effect on the American economy of the military assistance program is an inflow of gold. This year, $335 million in military aid is being spent outside the United States, but the sale of military equipment under the program will return $800 million to the United States. Also, more than $400 million of direct business to U.S. firms will be created by a number of cost-sharing programs that are being carried on under this program.

The fact is, as the committee report observes that about 78 percent of all the funds appropriated for fiscal year 1962 will be spent directly in the United States. And the administration estimates that almost all of the economic assistance not spent directly in the United States will be spent in countries which are the beneficiaries of our aid—as distinct from European countries and Japan.

The bill authorizes appropriations of $100 million to add to the reserve against investment guarantees. Moreover, the ceiling on the total face amount of guarantees in all categories has been raised. The committee believes that the rate of progress in a number of countries will depend to a large degree on the capital inflow from the private sector of our economy. The committee further believes that its amendment dealing with expropriation of privately owned American property will encourage a greater participation of American businessmen, small and large, in oversea ventures.

This amendment occupied much of the committee's time and attention during the consideration of the bill. It reflects a unanimous committee judgment that such a provision is necessary. Nearly every member, Democratic and Republican, participated in the drafting of the final version of the amendment. After a good deal of initial discussion, the committee adopted one of a number of the proposed amendments dealing with the expropriation problem. One week later, after even lengthier discussion, a second and stronger provision, containing features of other proposals, was incorporated into the bill.

As I pointed out earlier, foreign aid is not a foreign policy instrument of recent invention. Nor is the United States the only nation now committed to large-scale programs of economic assistance. Both our free world allies and the Communist bloc are engaged in significant aid programs. I should like, at this point, to comment briefly on Soviet efforts in the field of foreign aid and then to consider the contributions in this field of the Western European countries and Japan.

The Sino-Soviet bloc aid program, begun in 1955, has grown considerably in size and scope over the past 7 years. By the end of 1961 Communist bloc aid to nonbloc countries had reached an estimated total of $6.5 billion, about $4.5 billion in economic credits and grants and about $2 billion in military aid. Economic aid commitments alone have averaged about $1 billion annually for the past 3 years. Over 70 percent of the total has been supplied by the Soviet Union, 20 percent by the European satellites, and less than 10 percent by Communist China. Some 28 countries receive Communist bloc aid, but about 80 percent goes to seven countries: Afghanistan, Cuba, Egypt, Indonesia, India, Iraq, and Syria.

Communist aid programs are by no means the models of efficiency and dispatch that some of the critics of our aid programs believe them to be. Out of the $4.5 billion in economic aid commitments to date, only about $1 billion, or less than 25 percent, has actually been expended. It is clear that the Russians have run into the same difficulties of performance that we have encountered: transportation problems, material shortages, lack of technical skills in recipient countries, shortages of local currencies, and other impediments.

The political aims of Soviet aid programs are not always successfully advanced by Soviet technicians. According to information provided by the Agency for International Development, there are probably more bloc aid technicians in the 28 countries which receive Communist assistance than there are American technicians in the over 80 countries to which we provide assistance. There have been a number of instances in which Soviet personnel get into difficulties with the local population. Soviet technicians in underdeveloped countries keep pretty much to themselves, living in self-contained enclaves and maintaining their own schools. They do like to shop in the bazaars and marketplaces where they are known as hard bargainers and frugal tippers. Unlike Soviet diplomats, Russian technicians are rarely trained in the languages and cultures of the countries to which they are assigned.

It would be a serious mistake to infer that Communist aid programs are a general failure. In fact, Soviet aid has been welcomed by recipient countries and it has made an impact which we would ignore at our peril. At the same time the Russians have encountered difficulties and failures, similar to and in some cases perhaps greater than those which we have suffered.

Although our allies are not yet carrying a proportionately comparable share of the aid burden, significant progress has been made toward a greater and more concerted free world aid effort. In particular, the Development Assistance Committee—DAC—of the OECD has begun to assume certain responsibilities for aid coordination.

Furthermore, the aid programs of the European countries and Japan, although still less than adequate, have been improving markedly both in quantity and quality. Gross official aid disbursements of the other DAC countries and Japan—for grants, loans of greater than 5 years, and contributions to international organizations—rose 90 percent between 1956 and 1960—from $1 billion to $1.9 billion. As a percentage of gross national product, aid disbursements by the other DAC countries and Japan rose from 0.36 percent in 1956 to 0.53 percent in 1961. Comparable United States disbursements increased as a percentage of GNY from 0.51 to 0.59 percent in 1960. Thus, while the United States has consistently devoted a greater share of its total product to foreign aid than have the other industrialized countries, the gap narrowed from a difference of 0.15 percentage points in 1956 to 0.06 percentage points in 1960.

Less impressive progress has been made in the liberalization of the terms of aid, but here too our allies are making progress. They seem to be moving away from a stress on short-term loans at commercial rates of interest. Though less liberal than the United States, they are showing an increasing willingness to extend long-term loans at low rates of interest. The gap, however, remains wide. While repayment schedules for U.S. loans range between 30 and 40 years, Italy and Canada, for example, require repayment in 10 to 15 years while Germany and Japan have a current limit of 20 years.

Progress toward coordination of national aid programs has been made through the Development Assistance Committee. Admittedly, much remains to be done, but the DAC has been in existence for only a short time, and the signs, on balance, are optimistic.

The overriding need is for a general strategy to guide the donor countries of the OECD in their relations with each other and in their relations with the emergent societies of Asia, Africa, and Latin America. Trade policies, for example, which have too often pulled in the wrong direction, must be related to this strategy. So must the other instruments of national policy.

Soviet foreign aid, like our own, is one of many instruments of national policy. Yet while Soviet aid is sometimes similar to our own in content, there is a radical difference in the purposes of the two programs. Soviet aid is designed to advance a new imperialism. There is thus a basic conflict between Soviet aims and those of the recipient countries, most of which are motivated above all by the desire to build strong, independent nations. The rebuffs which the Communists have suffered in such countries as Guinea and the United Arab Republic are a reflection of the basic conflict between Communist imperialism and the nationalism of the emergent nations.

Free world assistance, on the other hand, whether it succeeds or fails in a given country, is a sound instrument of national policy, in terms of our own objectives and those of the recipient societies. The reason for this is the basic community of aims which exists between the North Atlantic democracies and the changing societies of the southern continents. We, like they, identify our future security and progress with their evolution into independent and strong nations. Having virtually liquidated their empires, the Western nations seek to bolster the new nations against Sino-Soviet imperialism. We are inviting the new nations to join of their own free will a community of free nations based on full respect for national sovereignty. In this community of political interests lies the probability that our aid programs will achieve their ultimate objectives, while those of the Communists will ultimately fail.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Without objection, it is so ordered.

HEALTH CARE FOR THE AGED—REPLY TO AMERICAN MEDICAL ASSOCIATION

Mr. ANDERSON. Madam President, on May 21 last, the American Medical Association presented on national television its reply to President Kennedy's address in New York the previous day on the question of health care for the aged. Because the farm bill was before the Senate and the Members of this body were working mainly under controlled time, I did not seek to make an extended reply that week. And last week, after taking up the Public Works bill, the sessions of the Senate were quite brief.

The American Medical Association's reply to the President was such an assembly of distortions and outright misstatements that we who are supporting the administration's health care for the aged proposal, the King-Anderson bill, cannot permit the American Medical Association to go unanswered. We owe this to those people who might be inclined to accept a physician's statement as gospel.

The statements by the spokesman for the American Medical Association do not stand the test of being either factual or honest. It was just a little over a year ago that I stood in this Chamber and made a detailed response to the distortions and misstatements of the American Medical Association's national advertising campaign. I intend now to answer each of the points raised by Dr. Leonard W. Larson, president of the American Medical Association, and Dr. Edward R. Annis, chairman of the American Medical Association speakers bureau.

At the outset of his television appearance, Dr. Larson declared that the American system of medicine based upon the private doctor treating the private patient has added 10 years to the life span of every American.

American medicine can take great credit for its advances and the extension of life in America. But when Dr. Larson credits the entire extension of 10 years of life in the last 20 to American medicine, he fails to consider that a major portion of the increase in life can be credited to improvements in nutrition; to better, less crowded housing; to making available to a larger portion of the population an income which permits them to take advantage of the things America has to offer. The King-Anderson bill would, by paying some of the health bills, make the best of American medicine more available to older people. Many of these are tied directly to the fact that social security payments have been made to the working classes of America, and they have been able to afford better nutrition and better housing for their years of retirement. The social security system itself might have done its part in extension of life.

LIFESPAN

Surely Dr. Larson is aware that many of the "miraculous breakthroughs" he referred to as contributing to the lengthening of the lifespan are the result of research undertaken with Federal funds. Surely he must know that the National Institutes of Health are currently spending about $700 million a year to find new treatments and cures for such scourges as heart disease, cancer, and arthritis. The Federal Government has been concerned about the health of its citizens ever since 1798, when it established a program of medical care for merchant seamen. Its concern for the Nation's health is a rightful one which the medical profession has long accepted.

Who developed the method of producing penicillin from bread mold? Was it the American Medical Association or any of its doctors? Or was it done in the Department of Agriculture? A whole series of things have been done outside the medical profession. Any full story of the development of drugs and new remedies has to take into consideration the contributions of all elements of our society, not only the practicing doctors. I am not going to repeat the long stories of Agriculture Department contributions to medicine; but their work in viruses, and a host of other things like antibiotics, insecticides, and meat inspection, have been of tremendous benefit to American health.

Incidentally, Dr. Larson is in error as to the rate of increase in longevity in the United States. Life expectancy in the United States has increased 6.6 years over the last 20, and 10 years over the last 30.

Madam President, the lifespan around the world has generally been lengthening in recent decades. For example, life expectancy in Great Britain was almost 61 years in 1930–32. By 1959, the most recent year for which I could obtain figures, life expectancy was just under 71 years. So we have a lengthening of life expectancy of 10 years in the last 30 years in Great Britain, virtually the same as in this country. Does the American Medical Association credit that longer life span in Great Britain to socialized medicine?

In Sweden, between 1936–40 and 1957, life expectancy rose 7 years. In Chile, in the 12-year period from 1940 to 1952, the lifespan lengthened nearly 13 years.

These countries have nationalized medical programs. We do not, and I believe there is no need for such a system in this country. I state these lifespan figures, which were provided to me by the Library of Congress as the best available, merely to show that it is not just the "private doctor treating the private patient" that has added precious years, as the American Medical Association said. Improved sanitation, better diet, and new drugs have been major factors in adding to life span, along with physicians working under a variety of medical programs.

There is no foundation to Dr. Larson's charge that by some unknown force under the bill older people "would be deprived of this system of medicine." The contrary is more nearly correct.

FAMILIAR CHARGE

Dr. Larson's comment that patients would become mere numbers if the King-Anderson bill becomes law is an allegation that has a familiar sound. Exactly the same sort of charge was made by the Republican National Committee in 1936, in reference to the original Social Security Act. Obviously, since the King-Anderson bill provides for complete freedom of choice of physician, under the King-Anderson bill the doctor will view his aged patient exactly as he views him now—as an individual who deserves the personal attention that the fine physicians of this country will give their patients, no matter who pays the hospital bills.

Dr. Annis implied that there is something sinister about the effort being made by the administration to secure passage of the King-Anderson bill. Those of us who believe in effective national leadership know that it is the duty of the Chief Executive to secure support for his programs. President Kennedy believes most earnestly in the need for financing health care for the aged through social security. He has a responsibility to mobilize public opinion in support of that belief just as he has done in behalf of many other programs.

NUMBERS GAME

Dr. Annis stated that "the Kerr-Mills medical aid to the aged program has already been accepted by 38 States." On April 19, 1961, the American Medical Association declared in an advertisement in newspapers across the country that the Kerr-Mills program "is now being put into operation in 46 States." I wonder what became of those eight States since last year? The truth is that neither figure was correct. Information given me by the Department of Health, Education, and Welfare is that as of June 1, 1962, only 24 States, plus the Virgin Islands, Guam, and Puerto Rico, have in effect the medical assistance for the aged program under the Kerr-Mills Act. Second, the States that do not have programs are primarily those with low incomes, such as Mississippi.

It may be that the AMA would prefer that the public not learn the facts about the Kerr-Mills program. The truth is that, in March, only about 88,000 aged persons were being helped by the medical assistance for the aged program, with 90 percent of the Kerr-Mills Act funds going to four of the wealthiest States—New York, California, Massachusetts, and Michigan—and with more than 50 percent to New York alone.

The Kerr-Mills Act provisions have been an advantage primarily to the high-income States. For example, in New York, total monthly payments—both for cash assistance and medical vendor payments—under old-age assistance and medical assistance for the aged combined were over $5 million higher in January 1962, than they were in September 1960, the last month before the Kerr-Mills Act provisions went into effect. State and local funds spent for these programs increased by $1 million, while the Federal share had increased by $4 million. When the same two months are compared, September 1960, and January 1962, Massachusetts actually reduced its own total expenditures by over $1,336,000, while picking up an additional $1,459,000 in Federal funds. This placing of the load on the Federal Government by the high-income States is possible since medical assistance for the aged offers increased opportunities to these States to obtain Federal matching for medical care of the indigent aged. In New York, during the 16 months, October 1960 to January 1962, 37 percent of the 64,439 cases opened under the Kerr-Mills Act medical assistance for the aged program were transfers from old-age assistance. In Massachusetts, in that period, 60 percent of the 31,768 cases opened were transfers from old-age assistance. These transfers between assistance programs were made to get more Federal funds toward the cost of the case. What we have now is a case of the poor States supporting the rich States; and believe me, this will not go on forever. Under the Kerr-Mills Act programs, doctors' bills are paid with Federal and State general revenue tax dollars, and the amounts paid are generally controlled by the State. Why the physicians favor this approach, as against the self-financed contributory King-Anderson bill, which does not pay doctors' fees and does not affect them, is a mystery to me.

KERR-MILLS ACT CONFUSION

Almost since the inception of the Kerr-Mills Act, there has been confusion—some of it accidental, much of it purposeful—over the number of States that have actually implemented the legislation.

Much of the confusion stems from failure to distinguish between the two facets of the Kerr-Mills Act: First, the new Federal-State program of medical assistance for the aged—MAA—and second, increased Federal support of medical care for recipients of old-age assistance—OAA—under the basic vendor payment provisions first enacted in 1950.

The primary purpose and feature of the Kerr-Mills Act was the opportunity offered by the Federal Government for the States to secure substantial grants applicable toward meeting the medical expenses of older citizens who previously had been ineligible for such assistance—the medically indigent aged. The extent to which this purpose has been achieved is the real measure of the efficacy of the Kerr-Mills Act. As of this date, only 24 States had medical assistance for the aged programs in operation. No manipulation of numbers can alter that fact.

Here is how the "numbers game" is played by the AMA in its tiresome efforts to persuade the American people that all is well:

After Dr. Annis' statement that the Kerr-Mills law has already been accepted by 38 States, an AMA representative indicated that this total was apparently based upon a January computation which included 27 States under MAA and 11 States under old-age assistance.

The listing of 27 States that were noted as having accepted MAA includes Georgia, Iowa, and Vermont. There are no funds available for Georgia's medical assistance for the aged program and Iowa has no appropriation for its plan. Vermont hopes to have its program in operation by July 1—but its senior citizens are not being aided now.

Despite marked distinctions in type, scope, and content of programs, the AMA persists in offering undifferentiated data.

FALSE CHARGE

Dr. Annis said:

> It (Kerr-Mills) works wherever responsible public leaders want it to work. This new law could be doing its job in a lot more States by now, I assure you, if somebody hadn't changed the signals in Washington because they had something else in mind.

I brand that as completely false and brazenly misleading. The charge, in plain words, is that this administration is trying to undercut the medical assistance for the aged program. That I deny emphatically.

Since medical assistance for the aged under Kerr-Mills was enacted, both Republican and Democratic administrations have been in office. Under both administrations, the Department of Health, Education, and Welfare has taken every step possible to encourage MAA programs. Even before the President's approval of the 1960 amendments, the Department issued information to the States and the Secretary wrote all State Governors recommending that the States act to implement the new law. Three days after the President signed the bill, the Department sent all State agencies administering approved public assistance plans a letter telling how to formulate MAA plans, and information on the policy and administrative questions involved. Since then the Department has done whatever it possibly can to help the States set up programs. That is the truth. If Dr. Annis has facts to disprove my assertion, let him produce them or withdraw his charge.

Just what is the message that the Federal Government could take to all the aged of the Nation? To describe every part, parcel, and service of the MAA program that is theoretically possible under the Kerr-Mills could not but mislead virtually all of our senior citizens—even in those few States with relatively comprehensive programs. And, any attempt at description of a theoretical Kerr-Mills program could be construed as nothing but a "cruel hoax" played upon the 7 million senior citizens in the 26 States which do not have MAA programs functioning.

Those who are potentially eligible for MAA benefits can only be informed in terms of a specific program in a specific State. And even in those States that have MAA programs, the complexity of eligibility requirements and involved limitations on benefits make it virtually impossible for an individual to understand his rights.

MEANS TEST COSTLY

With specific reference to how well MAA works—or can work—the following should be noted:

In those States that have MAA programs, the costs of administration often sap substantial sums that should be going to pay for the costs of care. For example, during the calendar year 1961 the cost of administering the MAA program in Kentucky was 124 percent of the amount paid for medical expenses. In Arkansas, the comparable figure was 64 percent. The means test costs about $40 per person each time applied, and some persons must be tested several times.

The above figures should not be construed as indicating inefficiency on the part of the administrative agencies handling the programs. Both States have extremely limited programs and in such cases the cost of determining just who is eligible for the limited benefits available—for example, 6 days of hospital care in Kentucky—are very substantial.

The real and basic problem is that the States with low per capita incomes simply do not have the fiscal resources or bases to finance adequate MAA programs for their citizens. The costs of administering a comprehensive program with liberal eligibility requirements are relatively low. There are few such programs found among the States.

Striking evidence of the unevenness of distribution of MAA expenditures comes from a recent report issued by the State of New York, which stated:

> Fifty-four percent of the total MAA funds spent throughout the Nation in a 10-month period have been expended for services in New York State.

But only 10 percent of the Nation's aged reside in New York State.

MICHIGAN INTERVIEW

To show how successful the Kerr-Mills legislation has been, the AMA presented an interview with a woman from Michigan who told how she has been helped by Kerr-Mills medical assistance to the aged.

Michigan is one of the very few—there are not over six—States with programs providing anything like reasonable benefits.

Dr. Annis' own State, Florida, has not enacted medical assistance for the aged and has a weak medical aid program for those on old-age assistance. It has the most strict residence requirement permitted by Federal law, 5 years out of the last 9. So Dr. Annis had to go to Michigan, not his home State of Florida, to find an aged person who was helped by MAA.

Why is not Kerr-Mills more successful? The plain truth is that if public assistance programs were really to meet the health needs of the aged who cannot pay their medical expenses, expenditures for health care would have to be increased to $1.5 billion a year. The States share of this would be about three times as much as they are now spending on medical care for aged people under both the old-age assistance and medical assistance for the aged programs. State and local taxes in many parts of the country seem to have already approached the outer limits of practicability, and painful searches for new tax sources have met with frustration.

NO INTERFERENCE

Dr. Annis held up a copy of the bill and said he would make an X-ray examination of it. He read the title of the bill—the "Health Insurance Benefits Act." That was the extent of his X-ray—a rather hasty and very limited examination. Surely a trained physician bases a diagnosis and prognosis on more careful study.

Dr. Annis failed to read to his audience section 2(b), for example, which states:

> The purposes of this Act are to provide aged individuals entitled to benefits under the old-age, survivors, and disability insurance system with basic protection against the costs of inpatient hospital services and skilled nursing home services, and to provide, in addition, as an alternative to inpatient care, protection against the costs of home health services and outpatient hospital diagnostic services; to utilize social insurance for financing the protection so provided; to assure adequate and prompt payment on behalf of these individuals to the providers of these services; and to do these things in a manner consistent with the dignity and self-respect of each individual, without interfering in any way with the free choice of physicians or other health personnel or facilities by the individual, without the exercise of any Federal supervision or control over the practice of medicine by any doctor or over the manner in which medical services are provided by any hospital.

He failed to read section 1601, which declares:

> Nothing in this title shall be construed to authorize any Federal officer or employee to exercise any supervision or control over the practice of medicine or the manner in which medical services are provided, or over the selection, tenure, or compensation of any officer or employee of any hospital, skilled nursing facility, or home health agency; or, except as otherwise specifically provided, to exercise any supervision or control over the administration or operation of any such hospital, facility, or agency.

And he failed to read section 1602, which states:

> Any individual entitled to have payment made under this title for services furnished him may obtain inpatient hospital services, skilled nursing home services, home health services, or outpatient hospital diagnostic services from any provider of services with which an agreement is in effect under this title and which undertakes to provide him such services.

FEW RICH AIDED

Dr. Annis said the rich would be covered by the King-Anderson bill. True. In a democracy we do not set up separate programs for the rich and the poor. But the rich would not gain much under the proposed program. In the top income tax bracket, for couples where either husband or wife is 65 or over, up to 91 percent of medical expense might be taken as a tax deduction. The rich get along very well right now. But only three-tenths of 1 percent of the aged on OASI have annual incomes of $50,000 or more; only 3 percent have incomes of $10,000 or more. Practically all of those who would be covered are in modest circumstances who cannot pay for unpredictable and often catastrophic illnesses.

Dr. Annis said the Supreme Court held that social security is not insurance. Let him quote from whatever opinion he has found, because I say the Supreme Court has never handed down such an opinion. A Solicitor General in the Eisenhower administration said that. But the Supreme Court held that he was wrong and declared:

> The social security system may be accurately described as a form of social insurance, enacted pursuant to Congress power to spend money in aid of the general welfare.

The Supreme Court has also said:

> The "right" to social security benefits is in one sense "earned" for the entire scheme rests on the legislative judgment that those who in their productive years were functioning members of the economy may justly call upon that economy, in their later years, for protection from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when the journey's end is near.

Madam President, the characteristics that make social security insurance a form of insurance include: first, the program spreads the risk; second, the covered risks are insurable; third, the timing of the occurrence of the risks, and the situations in which they occur, show wide variance among the insured group; fourth, the cost of meeting the risks is actuarially evaluated; fifth, contributions sufficient to cover this cost are provided for; and sixth, benefits are paid from those contributions on a predetermined basis.

UTILIZATION

Dr. Annis said:

> If your illness required hospitalization for more than 30 days, it'd have to be passed on by a special committee who'd have to consider a lot of other people, too. Thirty days is 30 days. Your doctor won't decide. The committee will decide when it meets. Under King-Anderson let's say your doctor believes you should be in a hospital immediately, but the facilities utilization committee forces you to wait, to go by number instead of by need. What can your doctor do? You are his patient. He is responsible for bringing you back to health. Not the committee.

This is a sham argument that Dr. Annis makes. The American Hospital Association does not favor the bill itself, but it stands firmly behind the inclusion of these eligibility conditions if any legislation is to be enacted. A reason for this support may be that all but two conditions—the health, safety, and utilization committee requirements—must be met by any institution in order to be considered a hospital by the association. The health and safety requirement, however, must be met for accreditation according to standards set jointly by representatives of the American Hospital Association, American Medical Association, American College of Surgeons, and the American College of Physicians. The utilization committee requirement has been proposed for inclusion in these accreditation requirements by the American Hospital Association.

Dr. Annis failed to say what this committee he refers to is. It would be a hospital staff committee of doctors who would operate under their own rules. In many Kerr-Mills programs, as in West Virginia, the medical asociations have objected because such committees were missing. In Pennsylvania they sponsored these committees to work with Blue Cross. The Government is only taking the medical associations' recommendations. If this were not done, Dr. Annis would complain about that, too.

Further, the committee would be given no authority in the bill to rule on admissions. If there are priorities assigned to admissions, those priorities are not connected with Federal legislation.

PRIVATE INSURANCE

Dr. Annis said:

> It (the King-Anderson bill) will undercut and destroy the wholesome growth of private, voluntary insurance and prepayment health programs for the aged, which offer flexible benefits in the full range of individual needs.

Madam President, opponents of the original social security law said its enactment would undermine private pension plans and annuities. What happened? Between 1940—when social security benefits were first paid—and 1960, the number of workers covered under private pension and deferred profit-sharing plans increased from 4 million to 22 million; the number of annuities in force increased from about 1½ million to about 6 million; life insurance in force grew from $115 billion to $586 billion; and life insurance per family grew from $2,700 to $10,200.

The private health insurance organizations will grow after enactment of the King-Anderson bill in much the same way. Older people, with their big health costs and low incomes, need comprehensive protection against unexpected health expenses. Many do not buy any health insurance now because what they can afford will not see them through—an episode of serious illness will put them on public assistance even if they buy the kind of health insurance they can afford. With basic protection under social security, the aged will find that with the additional protection they can afford they will really have protection against catastrophic illness.

Dr. Annis said he was a physician, not a cheerleader. Neither is he an insurance man. A prominent member of the health insurance industry, Frederic M. Peirce, president of General American Life Co., referring to the growth of life insurance since enactment of the Social Security Act, said:

> It is a record which provides a fitting analogy and a sound precedent upon which to base the expectation that the health insurance business will continue to grow and prosper despite the advent of Government provided health insurance if that unwelcome development should come to pass.

MISLEADING FIGURES

Dr. Annis said 53 percent of the aged have private health insurance, and 80 to 90 percent will have it by 1970. Madam President, very few of the aged have really satisfactory protection; they cannot afford it. The 80- to 90-percent prediction for 1970 is even higher than a figure put out by the insurance industry.

It seems to be Dr. Annis' own figure, though he credits it to actuaries. The figure is ridiculous, considering that the aged who now have no insurance are the highest cost risks and those least able to pay for insurance. Half of those with insurance have Blue Cross, and Blue Cross says it cannot afford to sell any more to the aged at present prices. The proposed nationwide Blue Cross plan for the aged would raise premiums to $12 a month—two or three times what the aged now pay.

Dr. Annis said the social security retirement test is a means test. But there is a big difference. Retirement is normal, and is no reflection on self-sufficiency, and is simple to prove. The Government does not have to pry into people's affairs. Indigency takes investigation of all income, assets, and personal needs, and once proved, classifies a person as unsuccessful and a drain on the community.

TAX EXPLAINED

Dr. Annis said:

> The American taxpayer, whose payroll tax would be hiked by as much as 17 percent to start with in order to pay for this program, certainly has a right to question the free ride those who do not need these benefits would be taking at the expense of his children.

Actually, the only persons whose total social security taxes would increase even close to 17 percent as a result of the King-Anderson bill are those earning $5,200 or more a year, and those people would get for their 15.8 percent additional contributions higher cash benefits under OASDI, as well as health insurance protection in old age. The increase for workers with earnings of less than $4,800 would be about 7 percent, not 17 percent.

Dr. Annis says after a patient leaves the hospital or nursing home he would not be eligible for further hospital benefits for 3 months. He fails to say that this is only if the patient has used 90 days of care in the hospital during this illness. Hospitalization of this duration is extremely rare. About 95 percent of the aged hospitalized stay 60 days or less. Even the rare one who stays 60 days who has a relapse can return for an additional 30 days no matter how soon the relapse occurs. He fails to say that the hospital coverage of this bill is more generous than that of practically any insurance program for the aged or Kerr-Mills program in the United States.

The King-Anderson bill focuses on protection against devastating hospital costs. An aged person who goes into a hospital does not face "average" medical bills. He faces a hospital bill of hundreds or thousands of dollars—covered under S. 909, except for the deductible. Here are some typical examples: Mr. A, who has only the average hospital stay of 15 days, has a hospital bill of $450, of which the proposed program would cover $360, or 80 percent. Mr. B is in a hospital for 60 days, and then in a skilled nursing home for 180 days; his total bill is $3,600; and $3,510, or 97 percent, is covered.

KERR-MILLS LIMITS

It is absurd to say that the Kerr-Mills program covers 100 percent of the medical costs for those who need help. Only 24 States have MAA programs, and 3 States still make no OAA medical care vendor payments. Most MAA programs limit eligibility to persons with less than $1,200 or $1,500 annual income. Medical services provided are often very limited—for example, hospital care limited to 6 days per admission in 1 State, 10 days per person in another, and sometimes only in life- or sight-endangering cases. What happens to the aged when the 6 or 10 days are over?

Dr. Annis says many important drugs used would not appear on the list approved for hospitals. He seems to suggest the Government is setting up an approved list. This is false. The lists in the bill include every national drug formulary prepared by the medical professions in the United States. The professions can add to these lists or subtract from these lists at their own will without any clearance from the Government. We have asked the American Medical Association to suggest an improvement in this provision in the King-Anderson bill. They have submitted no recommendation. What freer hand can be given to the medical profession?

Dr. Annis asked, Where would the "already hard-pressed hospitals get the staffs to keep up with the Government redtape and paperwork"?

He has no element of evidence to show that there would be any different arrangement for administration of the King-Anderson bill than is now accepted for Blue Cross or other hospital insurance. The fact is that the Social Security Administration operates its present programs with far less redtape than many private insurance plans and would do the same with health insurance. Actually, the cost of administering the present social security program is only about 2 percent of benefits, and 3 percent of benefits is estimated as sufficient to administer the administration's health insurance program.

Dr. Annis refers to a Federal financial budget for hospitals. There is no authority for any such budget in any bill, much less the King-Anderson bill, or in any law of the United States except for Federal institutions, and Federal institutions are excluded from coverage under the bill.

NO OVERCROWDING

Dr. Annis is worried, too, about whether hospitals would become crowded. If my bill is enacted, the aged are expected to use somewhat more of the total hospital days in the United States than the one-fifth they now use. An increase in utilization of even 25 percent for aged people—which would be as high as we could expect—would amount to only a 5-percent increase in total usage.

On an average day, only about 75 percent of all hospital beds are occupied. Even if hospitals were slightly more crowded than now until more capacity is provided, I would favor the proposal so that the aged can be given financial ability more nearly equal to that of the young to obtain the care they need.

Certainly Dr. Annis is acquainted with the Hill-Burton program which has provided Federal funds to help build hospitals to meet the growing need for beds. And certainly he knows of President Kennedy's proposals for scholarships to medical and dental students, as well as aid in building medical and dental schools. So the administration is moving along several paths to meet the need for staffs.

AMERICAN MEDICAL ASSOCIATION TACTICS

Dr. Annis said the American Medical Association has never tried to tell doctors how to think on issues not relating to health.

The American Medical Association's irresponsible charges about the social security program of cash benefits for the retired, the widowed, the disabled, and the orphaned have been drummed into doctors in the past in the same way and with most of the same arguments the American Medical Association now uses to try to defeat the President's health insurance proposal. Senators will recall that the American Medical Association labeled as socialized medicine the disability benefits program we had before us in 1956. We passed it—and the doctors are giving the Department of Health, Education, and Welfare fine cooperation in its administration.

I would like to ask Dr. Annis: "If the American Medical Association is not seeking to limit physicians' thinking on the King-Anderson bill, why did their Journal refuse to publish the ad of the Physicians Committee for Health Care for the Aged Through Social Security?"

Dr. Annis implied that the British people are unhappy with their system of medicine and that "England's nationalized medical program" is what the supporters of the King-Anderson bill have in mind for the country eventually. "Socialized medicine" is generally used synonymously with the system used in Great Britain, where doctors work as employees of the Government, and the Government operates the medical facilities. The Government would not provide under the King-Anderson bill a single service by doctor or dentist, but would only help people finance the costs of health care. There are specific guarantees that the Government would in no way control, regulate, or interfere with the practice of medicine. And neither the President nor the sponsors of S. 909 have any intention of modifying those guarantees.

The proposed program is designed to operate like Blue Cross and other similar existing programs and that means it is nothing like socialized medicine. If anything, it is a step away from socialized medicine, not toward it.

Dr. Annis said the King-Anderson bill "shuts its eyes, turns its back, cares not" about people under 65.

This is a strange statement for a man who endorses the Kerr-Mills law as the ideal solution when that law covers only persons over 65. It turns its back, it shuts its eyes, it cares not about persons under 65. Is Dr. Annis saying that all ages should be covered by the King-Anderson bill?

FIFTEEN MILLION HELPED

The truth is that in 1964 about 5 out of 6 people age 65 or over—15 million out of the 18 million total—will be eligible for benefits under the administration's health insurance proposal. About 9 out of 10 persons who will reach age 65 in 1964, and 95 percent or more in future years, would have this protection.

Almost all of the 3 million aged people not covered under the administration's proposal in 1964 would be eligible for benefits or assistance under other public programs. About one-fourth million will be eligible for health insurance benefits under the Federal employee retirement programs. Some one-half million would be able to get health care under the veterans' program. The aged persons in public institutions such as TB or mental hospitals receive medical care at public expense.

In addition, the public assistance programs will provide medical assistance for many of the aged not covered under other programs; some 1¼ million will be on old-age assistance and eligible for the medical assistance available to such recipients, and the new medical assistance for the aged program will provide medical care for others. Some few aged persons not eligible for social security, such as some retired physicians, would be persons with substantial assets and not eligible for assistance on a means test basis.

PUBLIC ASSISTANCE

If the proposed health insurance program is enacted, it would relieve the States of part of their heavy financial burden and enable them to improve and expand their assistance programs, and provide more comprehensive medical care for more aged people who need it on an assistance basis. On the other hand, without the proposed health insurance program, the entire aged population—except for the small group covered by Federal retirement or Veterans' programs—will have to rely on whatever help the States can afford to provide under their assistance programs.

In the presentation of views on medical care for the aged, the points of agreement and disagreement between American Medical Association and the administration may have been unclear. Both the American Medical Association and the administration favor the expansion and the improvement of voluntary insurance and Kerr-Mills legislation.

The administration proposes to add to these two important protections a third—health insurance for the aged through social security. The American Medical Association opposes the social security measure not on technical grounds—the administration was prepared and remains prepared to hear suggestions from the AMA for technical improvements. The AMA opposes any such health insurance protection if it is provided through social security. The details are unimportant; it is social security they oppose and the means test they favor.

An average couple reaching age 65 is faced with four, five, or six hospital spells in their retirement years. The administration believes that there should be sufficient protection to keep all but a relatively few people off public assistance through all their years. The American Medical Association thinks that a means test and public assistance should be acceptable to everyone.

I hope this statement has served to make clear the emptiness of the AMA's contentions, and the reasonableness of the King-Anderson bill.

Madam President, I have been receiving many letters as a result of the President's speech at Madison Square Garden. Here are some of the questions that have arisen in correspondence and my answers, and I ask unanimous consent that they be included at this point in my remarks.

There being no objection, the questions and answers were ordered to be printed in the Record, as follows:

QUESTIONS AND ANSWERS ABOUT THE KING-ANDERSON BILL

Would passage of the King-Anderson bill bring inferior medical care and socialized medicine?

This bill doesn't permit the Government to pay doctors' or surgeons' salaries, or own and operate hospitals. These elements characterize socialized medicine. The King-Anderson bill simply provides a method of payment for certain care for the aged, as does Blue Cross, for example. Physicians and hospitals are already accepting Federal funds to provide care for military dependents, Veterans' Administration cases, old-age assistance and medical assistance for the aged recipients. Why doctors or hospitals would give inferior care because part of the bill is paid for with social security dollars is unclear in the light of those facts.

Then wouldn't it be the first step toward socialized medicine?

No. I am opposed to socialized medicine, as are other sponsors of the bill and the administration. The proposal is considered an essentially complete one. It is designed to meet the problem that the aged do not have the financial resources to purchase adequate protection against their above-average health bills. Thus, in the case of the aged, social insurance provides a workable plan through which they can prepay the full cost of health insurance coverage during their working years. If there is basic social insurance and as private supplementary protection expands, as can be expected, there will be no need to go further than the present proposal.

Isn't it true that if the Federal Government pays for something, it controls it?

Under the Federal Hill-Burton program, some 1,800 beds will have been added to New Mexico hospitals. No one complains about this program to assist in hospital construction. The Federal Government is not controlling these hospitals. Ask the hospitals. In addition, one of the things that has enabled American medicine to attain such a high level is research. The National Institutes of Health, using Federal dollars, account for a vast part of that research without Government domination. In all, the Federal Government finances 55 percent of the medical research being carried out in this country.

Would the bill pay the health expenses of the wealthy aged?

Wealthy people age 65 or over are already in effect reimbursed for their medical expenses because medical deductions on tax returns result in a tax reduction equal to most (as high as 91 percent) of their medical costs. So in a real sense, their medical costs are already borne by public funds. However, aged persons with annual incomes of $10,000 or more are only 3 percent of the eligibles. We seek to aid the 97 percent.

Shouldn't children help their aged parents?

Of course, they should. But parents do not want to be dependent on their children. Moreover, the children often have modest incomes and are trying to raise their own families at the time their parents reach 65 and need health care. It seems much wiser to spread the risk rather than have some children suffer financial catastrophe because of unpredictable medical expenses of their parents. Many aged, having no family to turn to for help, are completely alone.

Wouldn't the bill leave many aged unaided?

In 1964, 5 out of 6 persons on social security or railroad retirement will be covered—15 million out of the almost 18 million persons 65 and over; about 95 percent will be covered over the long range. In 1964, in New Mexico, 42,000 of the aged would be covered, or 737 out of every 1,000. Practically all the rest would be eligible for benefits or assistance under various public programs, such as Federal employee retirement programs, comprehensive health care through the Veterans' Administration, as TB or mental patients, or through old-age assistance or medical assistance for the aged under the Kerr-Mills law.

Will older patients overwhelm the hospitals?

My bill provides three safeguards against overuse. First, a patient is admitted only on a physician's order; second, hospitals would have utilization committees to review admissions, length of stay, etc., a procedure strongly advocated by the American Hospital Association; and third, built into the bill are incentives to use skilled nursing homes, home nursing services, and outpatient diagnostic services, rather than costly hospital beds when the physician says it is wise. There probably would be some increased use by the aged of hospitals, but this is just a general indication that they now may not be getting the amount of care they require.

Wouldn't passage of the King-Anderson bill require a tremendous increase in administrative costs?

Social security administration costs are now running a little bit over 2 percent of contributions. These costs would be about 3 percent for administering the health benefits under this bill. In part, this low administrative cost is due to the fact that much of the paperwork for determining the eligibility of social security beneficiaries is already done in connection with the existing cash benefits. The bookkeeping is already on punchcards, and by automatic sorting and accounting machines, checks can be written from these records. The saving would be enormous.

Wouldn't the King-Anderson bill produce a budget deficit?

No. Social security benefits come from a special trust fund, and are not reflected in the Federal budget. The benefits and the taxes required to finance them are tied together in a single package. When a social security proposal is considered, benefit costs over a long period of time are actuarially evaluated, and a clearly identifiable tax is levied to meet fully the long-term costs of the benefits provided. No liberalization in the program has ever been made without adequate provision to meet its cost. This businesslike method of financing assures that Americans will know the benefits they are buying and how much the benefits will cost, both now and in the long-run future.

Isn't private insurance doing the job?

No. Only about half the aged have private health insurance. These are people who are in comparatively better health and financial condition. I know that some critics say 80 to 90 percent of the aged needing and wanting health insurance will have it by 1970. I've seen these estimates. Some assume that growth in private insurance coverage among aged will continue at the same rate as during the 1950's. At that rate, 120 percent of the aged would be insured in 1980. Estimaters ignore the fact that older people who are still uninsured are the worst sales prospects. They tend to be the bad health insurance risks with low incomes. The increase in the proportion of the aged with health insurance has already begun to slow down.

Second questionable assumption: Certain people—such as those eligible for public assistance—don't need or want health insurance and need not be counted. Anyone willing to categorize people as "not needing or wanting health insurance" if they can get medical assistance can go one step further and say almost 100 percent of the aged who want health insurance—in the sense that they are good sales prospects—have it right now.

There is a serious question of adequacy of most of the policies now being written for the aged. For example, many of them carry limits of $10 a day for hospital room and board. In New Mexico in 1960, short-term general hospitals had an average per diem expense of $32.47. Even conservative estimates indicate these hospital expenses will go to $50 by 1970. It is clear that private insurance protection generally falls far short of meeting the need.

Wouldn't the program ruin private insurance?

On the contrary, private insurance would be benefited. With basic protection assured under social security health insurance, aged persons could use what funds they have to supplement their coverage. Supplementary insurance could be sold by private insurance plans to cover items not covered by social security health insurance, such as surgery, drugs, physician visits, and dental care. Without the burden of insuring the high-cost aged, Blue Cross, Blue Shield, and commercial insurance carriers could hold down their rates and sell insurance to the working population more successfully. Private health insurance would thrive with the enactment of social security health insurance, just as private life insurance was stimulated in its growth by the passage of the original Social Security Act 26 years ago.

Is Kerr-Mills the best answer to the problem of the aged?

I think we have to take a minute to look at the facts and figures in answering that question. Medical assistance for the aged programs are now (June 1, 1962) found in 24 States, plus Guam, Puerto Rico, and the Virgin Islands. But the means tests and the benefits provided vary greatly between the States. As a result, 92 percent of the money spent for benefits is being spent in four States (New York, Massachusetts, California, and Michigan). Many States, including New Mexico, do not have a program. Should we continue to finance this medical care in the richer States? If all States were to establish programs providing a reasonably adequate program of health care for the medically indigent, it could easily cost over $1 billion yearly and this would come from general tax revenues, from your taxes and mine.

The Kerr-Mills provisions have been an advantage primarily to the high income States. For example, in New York total monthly payments—both for cash assistance and medical vendor payments—under old-age assistance and medical assistance for the aged combined were over $5 million higher in January 1962, than they were in September 1960, the last month before the Kerr-Mills provisions went into effect. State and local funds spent for these programs increased by $1 million while the Federal share had increased by $4 million. When the same two months are compared, Massachusetts actually reduced its own total expenditures by over $1,336,000, while picking up an additional $1,459,000 in Federal funds. This placing of the loan on the Federal Government by the high income States is possible since medical assistance for the aged offers increased opportunities to these States to obtain Federal matching for medical care of the indigent aged. In New York, during the 16 months, October 1960 to January 1962, 37 percent of the 64,439 cases opened under the Kerr-Mills medical assistance for the aged program were transfers from old-age assistance. In Massachusetts, in that period, 60 percent of the 31,768 cases opened were transfers from old-age assistance. These transfers between assistance programs were made to get more Federal funds toward the cost of the case. What we have now is a case of the poor States supporting the rich States; and believe me, this won't go on forever. Under Kerr-Mills programs, doctors' bills are paid with Federal and State general revenue tax dollars, and the amounts paid are pretty well controlled by the State. Why the physicians favor this approach as against the self-financed contributory King-Anderson bill, which doesn't pay doctors' fees and doesn't affect them, is a mystery to me.

Can't we meet the real needs of the aged through public welfare?

I think the best way to answer this is to quote from the 1961 annual report from the New Mexico Department of Public Welfare:

"The cost of medical care purchased in the fiscal year 1961 was 13.3 percent of total public assistance payments compared with 11.1 percent in 1960 and 9.9 percent in 1959. As stated previously, disbursements increased 33.9 percent which was the most rapid rate of increase of any welfare services administered by the Department. The major cause of this increase is attributed to the utilization of medical services by recipients of public assistance. In the fiscal year 1961, 59.8 percent of all persons receiving public assistance during the year also received some medical care as compared with 49.9 percent in 1960 and 41.3 percent in 1959. A high incidence of illness is expected among low income groups, particularly the aged and totally and permanently disabled. However, when a budget cut is imminent, the welfare administration is faced with reducing medical services or food budgets for clients."

Mr. ANDERSON. Madam President, since so many people doubt what the provisions of the King-Anderson bill are and why it is needed, I have prepared a brief summary of the bill and facts about it and I am sending this to constituents who write to me. I ask unanimous consent that this summary of what I have prepared be included at this point in my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

FACTS ABOUT THE KING-ANDERSON BILL

The aged care bill is necessary because:

The number of Americans 65 and over is rising rapidly. In 1900, 1 out of 20 was in that age bracket. Today, 1 out of 11 is. Between 1950 and 1960, the general population increased 19 percent; the aged increased nearly 35 percent. Today, 17 million of our fellow citizens are 65 or older; by the turn of the century, their number is expected to double. They have the highest incidence of chronic and prolonged illness; they spend twice as long in the hospital generally as do younger people; their medical bills run twice as high at the same time their income is only half as much as that of younger persons. Health expenditures for all ages climbed 42 percent from 1952 to 1957; for the aged they went up 74 percent. But statistics do not measure the anguish and deprivation of large numbers of the aged and their families caused by heavy medical bills which take such a large part of already limited incomes.

The social security tax would be increased by one-fourth of 1 percent each for employees and employers. In addition, the base on which the general social security tax is levied would be raised to $5,200 from $4,800. The taxes would go into a trust account especially for the program.

This is not a Government handout. It would be social insurance in keeping with the spirit of the quarter-century-old social security system. Benefits would come as a result of statute rather than contract as in commercial insurance.

Since wages only up to $5,200 a year would be subject to the proposed tax, a worker would pay a maximum of $17.16 a year toward the health insurance account, and a worker making $4,800 would pay $15.84.

The latest actuarial estimates are that in the first year of operation costs would total $1¼ billion for administration and benefits. This would not upset the soundness of the social security system or the national budget. The present social security trust fund is in excellent financial condition and the proposed tax increase for health care for the aged would keep it that way.

These benefits would be provided under the King-Anderson bill:

(a) 90 days of semiprivate hospital care within a "benefit period," with a deductible of $10 per day for the first 9 days (minimum deductible $20).

(b) 180 days of skilled-nursing-home services within a "benefit period," when such services are furnished following transfer from a hospital and are necessary for continued treatment of a condition for which the individual was hospitalized.

(c) 240 home-health-service visits a calendar year.

(d) Outpatient-hospital-diagnostic services in excess of a $20 deductible, for each diagnostic study.

All persons aged 65 and over who are entitled to either old-age, survivors and disability insurance (social security) or railroad retirement would be covered.

It is regrettable that the scare words "socialized" and "compulsory" have been used as a substitute for facts. Specific provisions in my bill prohibit Government control of medicine. The right of a patient to choose his own physician, hospital, and other medical facilities is safeguarded in the bill.

A number of States have put into effect programs to help their indigent aged meet certain medical costs. But in most cases, the benefits are extremely limited and the eligibility requirements are so rigid that the State programs fall far short of doing the job. Additionally, the States are already hard pressed to provide for other needs such as education. They would have to raise general revenue taxes to pay the rising cost of health care for their older citizens. New Mexico has not started a Kerr-Mills program, although I suggested they do so. The Kerr-Mills program can be effective only if the social security plan for the aged is enacted.

Mr. MANSFIELD. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

PRIORITIES IN FOREIGN AID

Mr. KEATING. Madam President, I submit an amendment to the Foreign Assistance Act of 1962, S. 2996, and ask that it be printed.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed, and will lie on the table.

Mr. KEATING. The amendment reads as follows:

> It is the sense of Congress that clear priorities should be established among the countries receiving assistance under this Act and that any requests for appropriations to carry our programs of assistance under this Act should be accompanied by information with respect to the priorities assigned for the fiscal year for which appropriations are requested.
>
> It is further the sense of Congress that in the administration of these funds great attention and consideration should be given to those countries which share the view of the United States on the world crisis and which concentrate their own resources on economic development rather than on Communist supported military or propaganda efforts directed against the United States or against other countries receiving assistance under this Act.

The pending bill, which provides for a total authorization of nearly $4 billion for American assistance overseas for fiscal year 1963 continues the unfortunate tendency to put virtually unchecked power in the hands of the administrators of the foreign aid program. I realize that some leeway is necessary to meet an ever-changing international situation, but this leeway should not be the camouflage for a complete disregard of congressional policies as outlined in this and other foreign aid bills.

As this amendment indicates, there is a very definite need for guidelines, for an order of priority in our foreign-aid program. It is highly indicative to me that whenever a Member of Congress or anyone else, for that matter, suggests that a certain country should not be receiving large amounts of American aid, the reply from the backers and administrators of the program is, "Well, we can't just cut off aid to so and so." The basic question as to why we ever gave any sizable amount of aid to the country to start with or, if there was a good reason to start with, why we continue the aid, does not seem to get asked.

Madam President, those of us who, over the years, have supported the general principle of foreign aid must realize that the United States is not rich enough to help all free nations and to guarantee them all a chance for economic prosperity. Under these circumstances, we badly need a clear order of priorities which would indicate beyond doubt where we are putting our real emphasis and attention. We cannot afford to dissipate our efforts to countries which are making no serious efforts themselves or which appear to be so closely wedded to the Soviet line that they cannot really be considered our friends.

Madam President, the reports which are called for in the first part of this amendment would require that some genuine and undoubtedly difficult decisions be made as to where our help should be concentrated. Such an indication would be useful, not only to the Congress in evaluating the program, but also I strongly believe to the administrators of our foreign aid program in weighing the innumerable requests which are laid before them.

Further, Madam President, the amendment would provide for great consideration to be given to those nations which share the view of the United States on the world crisis. This point is self-explanatory and originally derived from the statement of the President when he signed the 1961 foreign aid bill. Very similar language was adopted by the Congress as an amendment to the appropriation bill last year.

There is a very real question today as to the value of additional assistance for Yugoslavia, Poland, and a number of other African, Asian, and Middle Eastern countries, which have frequently parroted Khrushchev's line.

My amendment would also provide a clear statement within the legislation that foreign aid programs should be curtailed or eliminated in those countries which rely on U.S. economic assistance to help support military and propaganda efforts directed against the United States or against other friendly nations receiving U.S. assistance.

What this language means should be very clear.

Let me give a few examples.

If American aid to Egypt will give Nasser the economic margin he needs to buy military equipment from the Soviet bloc or to step up anti-Western hate propaganda in the Middle East and Africa, then that American aid should not be extended. Certainly it should not be increased, as present plans seem to indicate.

If American aid to India is going to give Indian Defense Minister V. K. Krishna Menon the funds he needs to buy Soviet Migs to threaten Pakistan, then clearly American aid to India should be cut down at least by the amount of Indian purchases of Soviet weapons.

If American aid to Indonesia is going to be used directly or indirectly to help President Sukarno pay his bill to the Soviet Union for the equipment he plans to use against the Dutch in West New Guinea, then American assistance to Indonesia should be similarly reduced.

Madam President, clearly we cannot dictate to foreign nations how they will draw up their budgets, but we certainly can and should make very sure that American assistance does not make it easier for any country to undertake aggression, hate-mongering propaganda, or other activities which are deliberately designed to promote private feuds or to undermine the interest of the United States in the area. Where nations are arming against communism or Communist subversion, as in southeast Asia, or even in some parts of Latin America, American assistance can and should play an important role, but where nationalistic extremists are putting aggressive ambitions ahead of economic development and social reforms, we should draw the line in our foreign aid program.

Madam President, as I have indicated, the foreign aid bill provides huge sums of money with relatively few guidelines as to the way in which the funds should be dispensed under this kind of situation. In my judgment it would be very much in the national interest to tighten up the language in this bill and provide more definite guideposts for the flow of American foreign assistance. My amendment would indicate the sense of Congress on these issues. It would not tie the hands of those administering the program, but it might serve as a useful and unfortunately also as a very much overdue warning to some of those nations who have come to take American aid very much for granted.

It is my hope that the committee will study the wording of the amendment. Perhaps it can be improved upon. However, an amendment along this line, carrying this general principle, seems to me very much in order and very much needed if we are to enact a billion-dollar bill which will have to be responsibly administered.

GEORGIANS DIE IN PARIS AIRPLANE TRAGEDY

Mr. RUSSELL. Madam President, on Sunday in a tragedy that defies description more than one hundred of my fellow Georgians, many of whom were my close personal friends of many years, were taken from this world for reasons which are known only to God.

No single plane tragedy in history was worse. But what is so distressing to those of us from Georgia is that among those killed were some of the finest leaders and most substantial citizens our State ever produced. Entire families were wiped out. Children were left orphaned, never again to see their parents; and Atlanta, our capital city, has in a way been orphaned. It has lost a rich core of its civil, cultural, social, and political leadership, deprived of some of its proudest people, an irreplaceable loss.

Our State is no stranger to disaster. Our city of Atlanta is no stranger to tragedy and grief. Atlanta was the objective of a many-day seige during the War Between the States, which took a great toll of its people. The city was burned and reduced to rubble.

The forebears of many of those who have now beeen taken from us rebuilt Atlanta and Georgia from this destruction. Their descendants had carried on this work, bringing new glory to our State, and their efforts have brought Atlanta national fame and made it indeed the capital city of the South.

How sad it is that again such a tragedy should strike and take from us the flower of our community leadership. Gone are 121 of my State's most distinguished people, the most valued possession of any State or city. We cannot fill their places. Atlanta and Georgia have been dealt a stunning blow.

Sunday was a sad day for my State and a sad day for me.

Mr. JAVITS. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from New York.

Mr. JAVITS. I feel certain the country will mourn with the Senator from

Georgia at such a disaster. Of course, other airplane disasters have occurred, but rarely has one hit so hard at one particular place. I think everyone, as he read the press, must have felt his heart bleed, much as we know we could not do anything about it.

I wish to express my sympathy and the sympathy of the people of the State represented by Senator Keating and myself, as I believe they would wish us to do.

Mr. RUSSELL. I thank the Senator from New York.

Mr. KEATING. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from New York.

Mr. KEATING. I wish to join in the expression of deepest regret and profound sympathy to the families of all those in the capital city of the State of the distinguished Senator from Georgia who have been so shocked and shattered by this tragic event. I know every Member of this body feels a deep sense of sympathy, and I believe it should be extended to the Senator from Georgia, who lost so many personal friends in the tragic incident.

Mr. RUSSELL. I thank both the Senators from New York, and I thank all others who have expressed their sympathy and have noted that in this unusual tragedy this gigantic plane, the largest type of passenger plane which flies the skies, should have had as its cargo people from only one community.

Other great disasters have occurred in the air, but the sorrow has been diffused through many communities. In this instance, the tragedy fell upon one community.

Mr. SPARKMAN. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Alabama.

Mr. SPARKMAN. As a representative of a neighboring State, a State which is really a daughter of Georgia, because Alabama was once a part of Georgia, I join in extending our sympathies to the people of Atlanta and of Georgia and to the distinguished Senator from Georgia himself. All of us are deeply shocked and grieved by this catastrophe. I remember when the news of it came through. I had just returned from church, and my wife told me she had heard the news of the tragedy over the television. It was an awful shock. I know that the whole country joins in extending its sympathy and its sense of personal grief to the people of Georgia and of Atlanta upon their loss.

POSTAL RATE LEGISLATION—NEWSPAPERS AND MAGAZINES

Mr. JAVITS. Madam President, last Thursday Dr. Frank Stanton, president of the Columbia Broadcasting System, delivered a most thoughtful and informative speech regarding proposed postal rates legislation affecting newspapers and magazines. Since this matter will soon be taken up by the Senate, I believe it to be useful for Senators to have the benefit of the views of this distinguished communications executive, my fellow New Yorker. I therefore ask unanimous consent that his address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Frank Stanton, President, Columbia Broadcasting System, Inc., Overseas Press Club, New York, May 28, 1962, Sigma Delta Chi

When you saw fit, 2 years ago, to elect me a fellow in this organization, one of the things to which I looked forward most was the prospect of meeting from time to time with journalists from all the media. Now that I have that privilege, I would like to talk with you about the serious implications in the proposed postal rates legislation affecting newspapers and magazines, legislation that has passed the House and on which public hearings are being held this week by the Senate.

To contribute effectively, strongly, creatively to the intricate processes of self-government, the free press needs to take a variety of forms—books, magazines, newspapers, films, radio, television. It is a great help to have an organization like this that is concerned with all journalism—one that sees the free press, inclusively, embracing every way in which it is possible for free men to have their say and to disseminate that say to their fellow citizens—because it provides an informal forum where we can discuss one another's problems.

It will come as no surprise to you that in my particular area of the free press we are well attuned to problems. It is a very lean month, indeed, when somebody does not call broadcasters to account; and we are—as a price, I suppose, of relative youth—going through battles which some of you in the older media fought many years ago. But freedom of the press, like all fundamental freedoms, is indivisible; if you attack the freedom of one medium, you attack that of all others; and if you diminish that of any one medium, you diminish it of all others.

Then, too, the battles are never really won. Easy solutions of every problem facing modern man are far too tempting for some people not to volunteer to sacrifice a basic freedom—or at least clip its wings—in order to make some short-term gain. It makes the situation all the more difficult that such efforts are seldom malicious or cynical, and almost always well-meaning and nobly motivated.

In the face of baffling problems that we face overseas, for example, good and conscionable men have suggested that we must police what we report of ourselves and what we reveal of ourselves for the consumption of other peoples. I have found it hard to take this view—however, much I must respect the motives of those expressing it. It seems to me fallacious in the extreme to expect that we can have one standard of disclosure for ourselves and another for the presence that we visit upon others. We are what we are—strengths and weaknesses, nobilities and fallacies, advances and retrogressions, awareness and lapses—and we can fool no one. What we can do is to show men everywhere that we have the courage, the honesty and the self-confidence not to impose rules restricting the reporting and discussing of any aspects of our national life and character. And this is not merely sentimental devotion to the idea of freedom. Our hopes for progress have always rested in the freedom to criticize, to view with alarm, to go after the shortcoming that falls short of the democratic ideal, with somewhat more persistence than we comfort ourselves with our achievements.

One of the most effective guarantees against any tendency on the part of the free press in this country toward complacency or doing a halfway job is its very multiplicity. A pluralistic society has much to be said for it, but few things are more important than the varied sources of its information and its opinions about itself, of its culture, too, and of its diversions and entertainment. In no area is there more truth to the theory of safety in numbers. The only error intolerable to a free and progressive people is the error of the certainty that there is no error. I know of no better way to guard against that than to ensure the opportunity for a diversity of views, of ways of seeing things as they are and of proclaiming things as they ought to be—and, equally as important, insuring that all these views have a fair chance of dissemination.

The conditions of life under which this Nation has achieved greatness have altered so vastly that there are few of our original advantages as a nation left to support us as we move toward the last third of this harried century. The constantly expanding geographic frontiers are gone. Youthfulness is no longer a claim to distinction, and there are scores of nations that are our juniors. The economic premises of our national life are different.

The only thing on our side that remains the same is that we are still a varied people—a pluralistic society. As I have already noted, that has brought with it—necessarily, and not by way of luxury—a pluralistic press. Books, pamphlets, magazines, newspapers—dailies, weeklies, monthlies, quarterlies, annuals—spring from thousands of sources all over the land. A variety of religions, of ethnic backgrounds, of educational philosophies, of civic aspirations, of societal concerns, of philanthropic interests, of amusements—all these are constantly tossing into the caldron of democratic living agreements and dissents, cautions and proddings, hopes and alarms, surprising sublimities and startling eccentricities that give our society not only its direction and character, but also its zest and savor.

As an advocate for diversity and freedom, I have appeared with many of my colleagues in broadcasting before the Federal Communications Commission to help map out some of the avenues through which television might be strengthened as a force in American life. This was not for the dissemination of news alone, but also for contributing to the total cultural experience of our people, including their entertainment. There was in our minds at that time, very little doubt that enlarging the arena of competition for the attention of the public was by far the most promising way to increase the contribution of television. We favored more channels, not fewer, more diversity, not less. For we felt then, as we feel now, that we cannot win the battle to advance freedom with one hand while maintaining the status quo with the other. We must go forward and grow stronger, and more numerous. In television, this is easier to say than it is to do, because our existence is circumscribed by the limitation of the physical spectrum. But the all-channel receiver and the use of the UHF in addition to the VHF will ease the straitjacket and provide for the effective use of more channels.

One of the advantages of the print media is that there is no such technical limitation on the number of sources of printed material. And there is to us in broadcasting a bitter irony in the prospect that the providentially infinite variety of printed news and comment and diversion in this country is now in danger of compromise by a single legislative stroke. For if all the economies aspired to in H.R. 7927 are ever effected—and, incidentally, those affecting the distribution of publications and their promotion amount to a fraction of 1 percent of the Federal budget—the pending postal rate legislation cannot help but seriously cut back the pluralistic character of the free press in America.

Those of us in communications who think we have no direct stake in this ought not to make the grievous mistake that it is someone else's battle. It is the battle of all of us. If a single publication in this country goes under, solely because under revised postal rates it cannot afford either distribution or the solicitation of subscriptions, we have lost far more than we can possibly gain.

From the earliest days of the Republic, the Post Office has been a public service—not business to be run at a profit or even to make its own way, but carried on at public expense—because it was long ago conceded that a necessary ingredient of democratic living is the dissemination of an unlimited number of organs of information, opinion, and diversion. The language of the Postal Policy Act of 1958 clearly reaffirms that policy. It reads: "In the determination and adjustment of the postal-rate structure, due consideration should be given to the preservation of the inherent advantages of the postal service in the promotion of social, cultural, intellectual, and commercial intercourse among the people of the United States."

It has been held to be a legitimate and worthwhile function of a democratic Government to make such dissemination possible—and the policy has worked. It ought to continue to work. Never was there greater need for diversity in our national life than there is now. The singleness of purpose in America today is, I think, as great as it has ever been in our history. But singleness of purpose can be translated into advantageous action only if there is a diversity of approach, a continuing colloquy, a constant flow of ideas and dissents from literally hundreds of quarters—including those that can enlist the attention and following of only a handful of people.

There is at this time a wise hesitancy about adopting any new postal rate structure that would impede or narrow this flow of the printed word. What is sought is not an innovation, not some novel strain on a government department, but a reaffirmation of a public policy that has strengthened and enriched the only true source of effective self-government—an informed and interested people. I hope very much that all of us here will see it as a larger business than that of the front offices of major publications. I hope that we will do what we can to make its implications clear to a broad cross section of American society. To this end I pledge the assistance of the CBS radio and television stations—both in airing the issues and in taking an editorial stand against the proposed legislation.

Mr. SPARKMAN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Madam President, I ask unanimous consent to dispense with further proceedings under the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. PROXMIRE. Madam President, I call up my amendment, which is numbered "5-29-62—B," a very brief amendment. I ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be read.

The LEGISLATIVE CLERK. It is proposed, on page 11, after line 24, to insert the following:

> (g) Assistance to Yugoslavia under this Act shall be suspended for one year beginning July 1, 1962, or the date of enactment of this subsection, whichever is later. During this period the authority contained in section 614 and the second sentence of section 617 shall not be available for the benefit of Yugoslavia.

Mr. PROXMIRE. Madam President, I ask unanimous consent that I may yield to the Senator from New Hampshire [Mr. COTTON].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Madam President, I desire to commend the distinguished Senator from Wisconsin for offering this amendment. Members of the Senate will recall that for many years past my late senior colleague, the much beloved Senator Styles Bridges, offered and sponsored and fought for a similar amendment striking out aid to Yugoslavia, and for the past few years it was my privilege to join him and to cosponsor that amendment.

If the distinguished Senator from Wisconsin would be willing, I would like to ask unanimous consent to join him as a cosponsor of the amendment.

Mr. PROXMIRE. I would be happy and honored to have the distinguished Senator from New Hampshire join me in the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Madam President, I know this amendment has been offered before by the distinguished senior Senator from New Hampshire, Mr. BRIDGES. I recall it was offered by me in 1958, together with a provision that no aid would be given to Batista in Cuba, King Saud in Saudi Arabia, and Trujillo in the Dominican Republic. Subsequently, the Senator from Delaware [Mr. WILLIAMS] submitted an amendment which would have prohibited aid to Yugoslavia.

In the past such a move received substantial support. Although it did not receive enough votes to carry, it did receive substantial support.

I feel very strongly this afternoon that the past few months have underlined the wisdom of this kind of amendment. Indeed, I would argue that, with the situation as it now is, it is extremely difficult to justify continuing aid to Yugoslavia on any kind of basis.

One of the great changes in our foreign aid program, which I enthusiastically applaud, was the Alliance for Progress concept. Within the aid which we would give, we would do what we could to insist that our assistance to countries not go simply to the ruling people, or the few people who have great economic power, but that it go to all the people in a country, and, indeed, enable the country to provide the kind of broad democratic support which is essential if communism is to be successfully resisted and if freedom is to be widely shared and expansive. Many of us felt that without this kind of provision the substantial amount of aid requested for South America could not be supported; but with that kind of provision it makes sense. Certainly, the provision for tax reform, land reform, the assurance that the people of the country will have a real voice in their government, is very wise and a splendid innovation of this administration.

Why do we support it? We support it because many of us feel that the fundamental purpose of a foreign-aid program should be to extend and defend freedom throughout the world. Some of us have had to compromise this consideration when we have been asked to provide funds for countries which are dictatorships. Spain is one such country. In the past the Dominican Republic was such a country. Saudi Arabia was such a country.

In every case the justification given for this kind of assistance was that, while these countries were dictatorships, they were very strongly anticommunistic; they provided in most cases military bases, and in some cases the military bases were essential for the defense of areas of the free world.

While some of us felt that this kind of expediency was not acceptable, a substantial majority of Senators went along with the compromise. However, how can that argument possibly be made in support of a government, a nation—Yugoslavia—which not only is a dictatorship, but a communistic dictatorship?

In the past a very delicate and subtle argument was made that we should give aid to Yugoslavia because, while Yugoslavia is a dictatorship, while it is a country in which the Government suppresses human liberty and prevents any kind of opposition party from developing, while it is a country that is communistic, Marxist, and Leninist, and its leaders are very proud of the fact, nevertheless, it is a Government which shows independence to the Soviet Union, and sometimes that independence, it has been argued, has received sharp and serious dispproval.

That argument may have been a persuasive argument in the past. However, today, in June 1962, that argument is no longer persuasive. Certainly we cannot argue that in Yugoslavia there are new elements of freedom, or freedom of expression. Within the last few weeks Milcvan Djilas, a man who was former vice president of Yugoslavia, and was a very close confidant of Tito, Djilas an obvious Communist, a Marxist, a Leninist, has been jailed because he has written a book which has criticized Stalin and has embarrassed Tito and has embarrassed Khrushchev in the process.

Any notion that it was possible for free expression or for protest, for any kind of opposition to the regime as it developed in Yugoslavia, certainly should have been answered by the action a short time ago of jailing Milovan Djilas, a man who obviously had no real power in Yugoslavia, who was not engaged in any kind of overt physical threat to the Soviet, who had not threatened anyone, who had no power himself, but who merely spoke out through the written word and indicated some very serious, fundamental criticisms of the nature of communism.

Madam President, it was no accident that Djilas was jailed, because his was not the usual kind of criticism of Stalin or of Tito, or indeed of communism. His was an extraordinary persuasive and perceptive analysis of what is wrong with communism and what is wrong with Tito's brand of communism. The fundamental thesis of Djilas was that Stalin as a dictator could not have been divorced from communism itself. Any notion that Stalin was some kind of an accident—any notion that, after all, the Marxist-Leninist line was a fine kind of ideology which would elevate the masses and permit them to inherit their rights in the world, and that this had been interrupted by the Stalin period of domination—as Djilas showed so well in his books, is nonsense.

The fact is that a nation does not have a dictatorship without a dictator. A nation does not have the kind of "the means justify the end," which is the heart of communism as it has been conducted over the past 40 years, without the sort of brutality, of inhumanity, and of oppression which was dominant in Stalinist Russia, and which will be characterized in communism of the future as it has been in communism of the past, and which certainly is apparent in Yugoslavia today.

The jailing of Djilas was the real answer to those who would contend that what Djilas wrote is not true.

Madam President, as for the argument that Tito is independent of Khrushchev and represents a force which gives Russia a great deal of difficulty, the fact is that in the recent meeting of neutralist countries at Belgrade, Yugoslavia, Tito was the leading figure in denouncing and in criticizing the NATO countries, the countries of the West and the United States, as he has consistently done for years, virtually ignoring the obvious crimes against peace of the Soviet Union. For example, Tito said that he could understand why Russia resumed nuclear testing, in the light of France conducting nuclear testing. That is an extremely weak alibi, since France never went along with the moratorium on testing. Of all the weak alibis, this probably was the weakest. Everyone knows that France represents no real challenge to Russia, and will not for many, many years—perhaps never. Certainly it will not be a real challenge in the foreseeable future. There is no comparison between the primitive and limited nuclear capacity of the French and the enormous demonstrated nuclear capacity of the Russians.

The fact is that there was a time, in 1950, when one could have made the argument that Tito was splitting off from the Russians, when the top Yugoslav officials favored the unification of Germany. Today Tito takes exactly the opposite position. He takes the Russian position, the Kremlin position, down the line. He favors recognition of East Germany by the great powers. He favors a divided Germany. He says there cannot be peace in Europe unless Germany is divided and East Germany is made permanent.

There is a long history, Madam President, and I shall spend only a very few minutes this afternoon, as I conclude, in spelling out some of the reasons why I think any fair-minded, objective appraisal of the position of Tito should persuade the Members of Congress that we should not provide aid to this Communist dictatorship.

In 1955, Tito claimed that despite all that had passed vis-a-vis Stalin, he, Tito, had never betrayed the Communist cause. In fact, Tito has always pictured himself as a Communist, and as a true Communist.

In 1956, Tito triumphantly toured the Soviet Union.

On June 11, 1956, at Stalingrad, Tito said:

> Yugoslavia, in time of war as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory of socialism.

Tito's speech on November 11, 1956, opposed Soviet interference so long as a Communist regime was master of the local situation. He opposed interference under those circumstances, but he favored Soviet military involvement when the local party's power was threatened.

This is not a man with whom we should do business, let alone a man to whom we should give assistance and aid. It is true that he opposes the Soviet Union going into a country to invade it so long as that country has a Communist government, but he made it very clear on November 11, 1956, that he favored Soviet military interference if the power of communism within a country was being effectively challenged.

In 1957 Tito instructed Kardelj and Rankovic to affix signatures to the manifesto of the 64 Communist parties of the entire world which, in the words of the New York Times, "endorsed every major foreign policy proposal of the Soviet Union."

In 1958 Khrushchev conceded that Yugoslavia's Communists displayed "great merit in"—as Khrushchev said—"the struggle against our common class enemies."

Madam President, Khrushchev has had a far more masterful and a far more effective approach to Tito and to Yugoslavia than Stalin ever had. There is no question of that. There was a problem of personality between two fantastically egocentric persons like Tito and Stalin. The situation is quite different now with Khrushchev, who is a far more masterful and far more effective politician than Stalin.

I should like to read very briefly from an article in Orbis, the title of which is "The Emerging Pattern of Yugoslav-Soviet Relations," from the winter 1962 issue, by Milorad M. Drachkovitch.

On page 444 Mr. Drachkovitch writes as follows:

> The second Soviet-Yugoslav dispute flared on the occasion of the Seventh Congress of the League of the Communists of Yugoslavia (LCY), held in April 1958. Its main detonator was the program adopted by the congress.
>
> The new dispute, however, evolved quite differently from the quarrel of 1948. While the Chinese and Albanian attacks on LCY's out-and-out revisionist program sounded like Stalin at his vitriolic best, the Soviet attitude was markedly reserved. In three of his important speeches of 1958—at the Seventh Congress of the Bulgarian Communist Party on June 3, at the Fifth Congress of the Socialist Unity Party of Germany on July 11, and while sharing the rostrum in Lenin's Central Stadium in Moscow with Vladimir Gomulka on November 10—Khrushchev outlined several guidelines in his own approach to Tito's Yugoslavia. Contrary to Stalin's all-out attack and severance of all ties with Belgrade, Khrushchev advocated the development of normal, even intensive, relations with Yugoslavia on the level of intergovernmental dealings. He expressed also a belief that "as Communists we would like to reach mutual understanding and cooperation on the party level." He conceded, significantly, that the Yugoslav Communists displayed "great merits in the struggle against our common class enemies," and he hoped that "despite the present circumstances we shall continue to wage a joint struggle against these enemies in the future as well, and shall defend peace and socialism together." At the same time, however, he declared that the "clearly schismatic and revisionist line" of Yugoslav Communists will call for a continuous "irreconcilable ideological struggle," but tempered this battle-call with the advice that "we should not devote greater attention to the Yugoslav revisionists than they actually deserve."
>
> These ambiguities underscored once again Khrushchev's resilient policy toward his obstreperous Yugoslav comrades. He wanted to be able, simultaneously or alternately, to collaborate with them, to criticize them, to compliment them, and to ignore them, retaining always the initiative in using any one of these stick-and-carrot tactics. This manifold and flexible treatment of Titoism, characteristic in general of Khrushchev's political gamesmanship, implied a maximum and minimum target. At best Tito or his successors should be lured, again and again, to reenter the bloc and renounce their claim to ideological and operational independence. In this connection leaders and members of the League of the Communists of Yugoslavia should be constantly reminded (as purposely stressed in the draft program of the CPSU submitted to its 22d congress) that it is theoretically untenable, economically harmful, and politically dangerous to attempt to build socialism and isolation from the world socialist system. At the same time these pressures and attacks should be treated as family quarrels, to be terminated if any when the prodigal sons returned to the fold. But should these tactics fail, one should keep Tito isolated while ignoring the achievements of his regime. Such quarantine tactics should, furthermore, turn Titoism from a liability into an asset. By locking the impact of Titoism on Communist Eastern Europe, its irrepressible dynamism would inevitably be turned on the non-Communist world of underdeveloped nations, thus indirectly advancing Moscow's aim of rolling back the West's political and economic stakes and strategic deployment.
>
> Most important perhaps in this Machiavellian program, laid down in 1958 but projected well into the future, was the change in the role of the chief actor, Khrushchev himself. He was in 1958, and has been increasingly since, quite a different man from the rather ridiculous solicitor of Tito who, in May of 1955, made that absurd and abject speech at the Belgrade airport. The new Khrushchev was a post-Hungary, post-antiparty purge, postsputnik man, brimming with self-confidence and convinced that he had found not only the way to deal with

Tito, but with the whole range of problems confronting the expansion of communism.

That was the situation in 1958. Since 1958 it has been clear in the conduct of Tito, in his attitude, and in his statements, made over and over, that Khrushchev has succeeded. That success has been achieved in spite of the very large amount of aid we have given to Yugoslavia—more aid, indeed, than we have given to any other so-called neutralist country. We have given Yugoslavia more than $2 billion in the last 12 years.

In his Labin speech on June 15, 1958, Tito, in about the most critical statement he has ever made with respect to Khrushchev, said:

> It appears to us that history bestowed on us this hard road to preserve the development of socialism from degeneration.

There is no question that there are ideological differences—or personality differences, to be precise—between Tito and any master of Russia, because Tito is too great an egotist to want to submit completely to them. But about 90 or 95 percent of the time his position, on issue after issue, has been to support the Communist government in Russia, to support Khrushchev's position. Indeed, as I have indicated, in view of Khrushchev's flexibility and the wise way he has handled Tito, we can deal more effectively with Tito in the future if we indicate to him that the U.S. Congress has decided that for at least 1 year, as my amendment provides, we would cut off aid to the Communist dictator because Members of the Congress feel that we have gone far enough.

The fact is that since the second half of 1959 Yugoslavia has strengthened its political, economic, and cultural ties with other Communist countries. There has been an intensive exchange of delegations of practically every kind. There has been a very substantial increase in trade with the countries of the Warsaw bloc. All along the line there have been closer and closer connections. I expect to speak on those tomorrow. I hope I can make my remarks as brief as possible, but I hope Senators will give the subject their most thoughtful attention and recognize that since we had a vote on this question a year or so ago there have been very serious exchanges. There has been the address by Tito on September 3, 1961, at Belgrade, which was a clear indication of how Tito has lined up against us. I ask unanimous consent that excerpts from the address published in the New York Times, September 4, be printed at this point in my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESSES AT BELGRADE CONFERENCE

PRESIDENT TITO, YUGOSLAVIA

Perhaps we were wrong to labor for too long a time under the delusion that the most responsible statesmen of the great powers would find a way toward the peaceful solution of the problems of which I am going to speak.

It was perhaps no less mistaken to believe that small countries, and the nonalined countries in particular, are not qualified to exert greater efforts for the solution of international problems.

There was a question as to what should be given priority: Inspection or disarmament? It is necessary to reach, first of all, in principle and concretely, an agreement on general disarmament.

Perhaps the time has come to consider the possibility of convening a general world disarmament conference, as a means for moving this problem off dead center.

This, of course, does not mean to diminish the role of great nuclear powers in a field where they will continue to bear the main responsibility.

The tendency of those who continue to make a "fetish" out of control cannot be viewed otherwise than as an indication of their unwillingness or hesitation to undertake real disarmament.

First steps termed important

In the present state of profound crisis in the field of disarmament, it appears to me that real importance should be attached to the question of initial and partial measures.

These measures, of course, should not be construed as an alternative to complete disarmament.

These measures, however, provided they are really aimed at genuine disarmament, could create more favorable conditions for initiating the process of disarmament and could even contribute directly toward this process.

The first in a series of such measures could be the decision of all countries to reduce their military expenditures, coupled with an obligation to contribute and utilize part of the savings thus achieved for assistance to economically less developed countries, as this would provide at least some guarantee that such a reduction has taken place.

If this could not be done immediately, then perhaps a decision to freeze military budgets at their January 1, 1960, levels could be taken.

France has failed to comply with the resolutions of the United Nations on the discontinuance of atomic tests, but continues to carry out such tests, while the other Western powers possessing atomic armaments have not taken any resolution measures against this.

Soviet statement discussed

The matters have now reached a point where the Soviet Government has published a statement on the resumption of nuclear weapons tests. All this has alarmed the whole world to an even greater extent.

We are not surprised so much by the communique on the resumption of atomic and hydrogen weapons tests, because we could understand the reasons adduced by the Government of the U.S.S.R. We are surprised more by the fact that this was done on the day of the opening of this conference of peace.

We consider that utmost efforts should be exerted in order to bring about a resumption of negotiations on this problem.

I consider the solution of the disarmament question to be a matter of the greatest urgency because a constructive approach to this problem becomes increasingly difficult with the passing of time, particularly because of the attitude of the great powers.

The Berlin dispute, which has now been revived, has ominous overtones.

The existence of two Germanys is an actual fact today that cannot be denied. Only can a sound basis for a correct and lasting solution of the German problem be established, and in this respect it is the German people who will have to say the last word concerning their own future.

We are again on the verge of a situation fraught with the danger of war. And why? First because of the shortsighted and incomprehensible policies pursued by some powers who believe that an armed and militaristic Germany will represent a factor of security in Europe.

However, the evermore intensive arming of Western Germany is bound to result in an ever greater strengthening of those reactionary and Fascist elements which have been left behind by Hitler's war machine.

Provisional settlement asked

The situation in Berlin has recently become much worse. It is necessary to talk and to negotiate on this question in order to find at least a provisional solution that would not prejudge a final settlement to be achieved later.

The road leading to a settlement of the German problem—I do not have in mind the already settled question of the Oder-Neisse border—should be sought solely in negotiations and in the elimination of those elements that are causing this question to be a potential and dangerous source of a new conflict.

It is simply unbelievable how some colonial powers cannot, or do not want to, understand the spirit of our times.

This is also clearly demonstrated by the recent French armed attack against and the bombing and machinegunning of the innocent inhabitants of Bizerte, in Tunisia.

The acts of savagery committed by the Portuguese armed forces against the barehanded populations of Angola are causing indignation throughout the world. Tens of thousands of men, women, and children have already been killed.

Racial discrimination in the Union of South Africa is a dishonor to the civilized world. The treatment of the autochthonous populations by South Africa's colonialist rulers constitutes a brutal offense against human dignity and humane principles.

U.N. acts termed ineffective

The various resolutions adopted by the United Nations as well as actions taken pursuant to these resolutions have proved ineffective so far. More severe sanctions should be applied.

The more blood is shed, the wider will be the gulf between the peoples of Algeria and France. We are all awaiting impatiently that an agreement should be reached at the negotiations between the representatives of the provisional government of the Republic of Algeria and the representatives of France.

We saw that the monstrous murder of the Prime Minister of the legitimate Congolese Government, Patrice Lumumba, and of other Congolese leaders, could not shake the people of the Congo in their determination to fight against the colonialists and the domestic mercenaries.

The best illustration of how deeply ingrained are the aspirations of the peoples to liberate themselves from all elements of colonial and semicolonial dependence is provided by the recent attempt at aggressive intervention in Cuba, where the whole people unanimously rose in arms to oppose it.

Economic groupings decried

The establishment of the Common Market in Western Europe and the recent setting up of the Organization for Economic Cooperation and Development, which is beginning to be referred to as the Atlantic Economic Community, then the establishment of the Council of Mutual Economic Assistance, the Organization of East European Countries, etc., constitute one of the greatest obstacles to closer economic relations and cooperation. The countries outside these organizations, in the first place the nonalined countries, find themselves subjected to discrimination.

Economic cooperation among the less developed countries should be established on the broadest possible basis and should include all the nonalined countries as well as all the other less developed countries which are ready for such cooperation.

It would be of the greatest importance if not only the nonalined countries but all the forces in the world which are in favor of universal economic cooperation exerted greater efforts than heretofore for the establishment of universal economic organizations in the various sectors of economic activity, both within and outside the United Nations. A world conference, at which all the most important economic questions would be considered, could facilitate a more effective approach to the solving of these problems. Perhaps the most suitable place for the convening of such a meeting would be the United Nations.

Our country has gained a very positive experience in the course of a number of years, particularly in our relations with neighboring Greece and Italy, with whom we cooperate to our mutual satisfaction.

Peaceful coexistence

On the other, there is also a theory that peaceful coexistence between blocs is possible. There is no doubt that even this, as a temporary solution in order to avoid a conflict, is better than war. But this is more like an armistice.

We are, on the whole, in agreement that certain measures of reorganization should be undertaken in order to enable the world organization to perform its functions more successfully in the future.

It is high time that the People's Republic of China should take its seat in the United Nations, for it is really absurd that a people of over 600 million should not have its representatives in that organization.

It is necessary to take concrete measures for the purpose of reorganizing the machinery of the Secretariat of the United Nations in such a manner as to provide a safeguard that the Secretary General will act within the limits of his functions.

Perhaps this could be achieved through the establishment, alongside the Secretary General, of a consultative body consisting of, say, five or more members, which would, in assisting the Secretary General, insure a proper interpretation of the recommendations and decisions of the appropriate organs of the United Nations.

ARCHBISHOP MAKARIOS, CYPRUS

Colonialism has been the cause of great human distress and suffering. In its efforts to prolong its hold upon dependent peoples colonialism is causing a continued conflict with regrettably heavy loss of life in Algeria, Tunisia, Angola, and elsewhere.

My country, like other countries represented in the conference, has emerged from a state of colonial domination after a long struggle full of sacrifice. Our hearts go out in brotherly sympathy and support to all people struggling for their liberation from colonial rule. Their struggle is our struggle and their cause our cause.

The right of self-determination of all peoples is the cornerstone of the Charter of the United Nations. Any solution which ignores the will of the people concerned cannot be a sound and lasting solution nor can it preserve peace.

In this context we should examine one of the most dangerous problems which confront us today, namely the question of Germany. I feel that any solution of the problem of Germany should not disregard the will of the German people whose right to determine freely their status and future cannot be denied.

I would like to emphasize one point, important to my mind, namely that the people of Berlin cannot be kept in a kind of concentration camp. They should be allowed freedom of movement between West and East Berlin. All arguments which are meant to justify the existence of barriers are, in my view, unfounded.

Let the Germans themselves decide through a plebiscite under the auspices of the United Nations their form and system of government and as to whether Germany should be united or remain divided. To relieve the present dangerous tension, however, there is need for negotiations.

We were shocked to hear that the Soviet Union declared its intention to resume nuclear tests. In this connection I would also wish to place on record our concern over the carrying on of nuclear tests by France in Africa against world opinion and in disregard of the protests of the people of that continent. Efforts should be made towards general and complete disarmament in implementing the resolution adopted by the 14th session of the General Assembly of the United Nations.

This conference coming at the present juncture of world history has a dual duty to perform in these respects. First it should exert its influence towards an easing of the tension by an agreement that would restore the sense of security that has been shaken by the present crisis. To this end the conference should call for an early meeting between the heads of the two leading states in the dispute, namely President Kennedy and Mr. Khrushchev.

Second, the conference should, in an imaginative move, call for the placing of moral values first in the policies of nations. The essence of the resolutions adopted, should convey this call. In this spirit the conference should give its full moral support to the United Nations as an effective instrument of peace and freedom in the world.

SIRIMAVO BANDARANAIKE, CEYLON

I am happy to attend this great assembly not only as a representative of my country but also as a woman and a mother who can understand the thoughts and feelings of those millions of women, the mothers of this world, who are deeply concerned with the preservation of the human race.

The present crisis in Berlin must be reviewed not as a separate question but as part of the larger problem of a divided Germany and against the background of the failure of the great powers to agree on a firm peace settlement for that country.

In my view, this problem will not be solved if the governments concerned continue to insist on legal arguments of a technical kind. A spirit of compromise and conciliation should therefore be adopted by the parties directly concerned in order to arrive at a settlement of this question.

It is our view that as a first step toward creating international confidence the great powers should firmly resolve and make it known to the world that they will not resort to military engagements and will depend solely on peaceful negotiation to arrive at a solution.

The great powers must also agree to the withdrawal of all foreign armed forces from their respective sectors in Germany and to the demilitarization of Germany. The great powers must immediately get down to the task of reopening direct East-West negotiations designed to achieve a final settlement by peaceful means.

For the success of such negotiations it would be essential for the two Germanys to participate in the discussions since the future of Germany must be determined not in accordance with the cold war strategy to suit either of the great powers but in order to establish a unified state insulated as far as possible from the cold war and unalined with either of the existing power blocs.

No lasting solution of the German problem can be found on the basis of unilateral abrogation of rights and obligations. Likewise a rigid attachment to positions formulated by mere legal technicalities cannot pave the way toward an abiding settlement.

Commonwealth cited

I would commend to this conference the statement on disarmament referred to in the final communique of the Commonwealth Prime Ministers' conference held in March of this year. We felt at that time that an effective international agreement could be concluded on the lines indicated in that statement.

The Commonwealth Prime Ministers' statement on disarmament urged the reopening of disarmament negotiations at the earliest possible moment with the aim of completely eliminating all means of waging war.

Unfortunately disarmament negotiations have come to a standstill and, what is worse, nuclear tests have been resumed by the Soviet Union.

We should make an immediate appeal to the big powers to resume negotiations with a view to the achievement of complete and general disarmament. In my view, it would help these negotiations if a certain number of the nonalined countries are also included in the disarmament commission.

The Office of the Secretary General of the United Nations has in recent times come in for much criticism.

In spite of the mistakes made by the Secretary General over the Congo situation last year we feel that the Secretary General should retain sole executive authority for carrying out the directives of the General Assembly, the Security Council, and the other bodies of the United Nations.

We also feel that the Office and authority of the Secretary General should be upheld and strengthened, and one of the positive ways to achieve this would be to reorganize the Security Council in such a way as to enable it to give clear directives to the Secretary General.

There is no single country in the world at this moment that looks forward to the prospect of war without dismay. I do not believe there is a single mother in the world who can bear to contemplate the possibility of her children being exposed to atomic radiation and slow and lingering deaths, if not swift annihilation.

The statesmen of the great powers, who have been placed in positions of trust and authority by millions of ordinary people who do not want war, have no right to assume that they have a mandate to precipitate a nuclear war and immense destructive power either to defend a way of life or to extend a political ideology.

Our endeavor should be to influence world opinion to such an extent that governments, however powerful, cannot regard warfare as an alternative to negotiation. Too much is at stake today to allow us the luxury of considerations of prestige and honor. When human life is involved all else is secondary.

Mr. PROXMIRE. Madam President, there is every reason why we should not give aid to this Communist dictator in the future as we have in the past. It seems to me that my amendment is moderate. It is a 1-year suspension. This is the least we should do.

ORDER FOR ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. MANSFIELD. Madam President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet at 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEES TO MEET UNTIL NOON TOMORROW

Mr. MANSFIELD. Madam President, I ask unanimous consent that all committees of the Senate be authorized to meet until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. SPARKMAN. Madam President, before the Senator from Kansas [Mr. Carlson] addresses the Senate, I wish to make some brief remarks in order to get them into the Record at this point in connection with the amendment offered by the Senator from Wisconsin [Mr. Proxmire].

It is much easier to support the amendment than it is to oppose it, merely on the surface of things. But there are certain points for us to consider. We ought to consider what we are trying to accomplish by some of the things we are doing.

First, let me make clear that we are not giving Yugoslavia any aid at the present time. The last aid we gave Yugoslavia was in 1961, I believe, and that was a relatively small amount.

The Senator from Wisconsin has referred to the great amount of assistance we have given Yugoslavia over the years. It is true that we have given a great deal. I believe the Senator said it was the largest amount given to any of the neutralist countries. I accecpt his figures. But at present we are not giving any aid to Yugoslavia, and no aid is provided in the bill now before the Senate. The question is left open. There is programed for Yugoslavia $10 million in development loan funds. No military or economic assistance is provided, except as authorized under Public Law 480 may be called economic assistance. I believe the amendment of the Senator from Wisconsin would not even affect that question.

Yugoslavia is a Communist nation. But we started deliberately in 1948 trying to help Yugoslavia maintain a spirit of independence.

That she has done. It is true that Khrushchev courts Yugoslavia quite frequently. He makes trips to that country. He talks to Marshal Tito, and he does what he can to gain favor with Yugoslavia. But Yugoslavia maintains her independence.

Madam President, I wonder if Senators are aware of the fact that 70 percent of Yugoslavia's trade is with the West. Only a minimal amount of trade is conducted with the Soviet Union and with the Eastern World. Seventy percent of the trade of Yugoslavia is with the West.

Not only that, but Yugoslavia is a member of many of the international organizations of which the United States is a member and Russia is not. They are organizations that Russia has boycotted. Yugoslavia is a member of the World Bank, the International Bank of Reconstruction and Development, and the International Monetary Fund. She is a member of the General Agreement on Tariffs and Trade. She is a member of the OECD. She was a member of the OEEC, which was the predecessor of the OECD.

There is additional significance to this subject. We say that a country gets power over another country by furnishing military equipment and making that country dependent upon the furnishing country for ammunition and spare parts. Yugoslavia today uses ammunition that she obtains from the United States.

I believe that the encouragement which has been given Yugoslavia, largely by the United States and to some extent by other Western powers, has had a great influence in swinging Yugoslavia more and more toward the West, and certainly in enabling that country to maintain an independent position.

Of course we are opposed to international communism and its determination to control the whole world. However, at the same time we are trying to break away countries from the stranglehold of international communism, and I believe a good job is being done in the case of Yugoslavia. I believe that the program which our country has carried on with reference toward Yugoslavia has been one of great care and caution and one that has produced results.

By the way, it is not an automatic program. It is a program which the President can control. I believe that President Truman, President Eisenhower, and President Kennedy have exercised a very wise control over the different aid programs which we have had with reference to Yugoslavia.

Mr. PROXMIRE. Madam President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. The Senator from Alabama concedes, I am sure, that Yugoslavia is a dictatorship, and is a Communist dictatorship.

Mr. SPARKMAN. Yes.

Mr. PROXMIRE. The Government of Yugoslavia does suppress the liberties of its peoples and their freedoms, and permits no opposition party to exist, and no protest, and no freedom of speech, and no freedom of religion.

Mr. SPARKMAN. I am sure those statements are accurate. I do not know them of my own accord. However, I am sure that they are true. If we start on a program like that, where do we stop? The Senator from Ohio [Mr. Young] stated today that he would offer an amendment—I do not believe the Senator from Wisconsin was on the floor at the time—to prevent the giving of aid to countries which maintain dictatorships. Where does that get us with reference to countries in our own Western Hemisphere?

Mr. PROXMIRE. I would like to answer the Senator on that point.

Mr. SPARKMAN. Where are we going to draw the line? Are we going to define Franco's Spain a dictatorship, from which we will withdraw aid? Are we going to define Salazar's Portugal a dictatorship, from which we will withdraw aid? What about the Government of Turkey? What about the Government of Pakistan? What about other countries? Where are we going to draw the line? I am not saying which of these countries may be totalitarian.

Mr. PROXMIRE. Will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. I am glad the Senator permits me to make response. There is no question about Pakistan, Turkey, Portugal, and Spain. The are dictatorships.

Mr. SPARKMAN. Should we therefore withhold our aid?

Mr. PROXMIRE. The distinction is that these are not Communist dictatorships. I repeat Communist dictatorships. These are countries which are on our side. We have bases in Spain. Turkey has been one of the bravest and most effective opponents of the whole Russian operation.

I agree with the Senator from Alabama that there is no question that we would much rather deal with democracies. However, I believe we must recognize the fact that we live in a world that is imperfect. There is every reason why we must give military aid to a country like Turkey, which has become a dictatorship. However, to give aid to a Communist dictatorship, when it gives every indication that it is not moving more and more toward us, but, instead, more and more toward Khrushchev, is certainly an entirely different matter. The Belgrade speech immediately after the resumption of nuclear testing was a tragic slap at this Nation. The jailing of Djilas, because he criticized Khrushchev, and the relationships between Tito and Khrushchev are other indications of what the true situation is. The same can be said of Tito's failure to criticize the Russians when they resumed nuclear testing. All these, as I say, are indications that here is a country which is not with us.

It is a dictatorship, Madam President. There is every reason not to give it assistance.

Furthermore, while $10 million for the economic development program may not be a big sum, it is very important symbolically, and I believe that our country should take a long, hard look at what the Senator has said about our providing ammunition to Yugoslavia. That ammunition, I take it, may involve planes and may involve the training of pilots. I understand that Tito pays for both, but what he pays is a ridiculous price, as for example, $10,000 for a $350,000 plane. That situation should be explored further. Of course, I recognize that my amendment cannot cover that situation. Technically this military aid is not assistance; it is strictly a sale. Nevertheless, I believe this amendment is where we can take effective action. This situation is entirely different from Pakistan and Turkey. These are countries which are our friends. They are with us. They are not democratic, but they are opposed to communism. They are ready, willing, and able to fight against it. Tito tells us as he said at Stalingrad on June 11, 1956, he will fight with communism against us.

We may need the help of Pakistan, Turkey, and the other countries mentioned by the Senator from Alabama. We could well imagine that this aid could save some American lives and treasure. The same cannot be said of Tito.

Mr. SPARKMAN. I did not intend by the question I propounded to the Senator from Wisconsin that I was advocating cutting off aid from these other countries. I recognize it is a difficult problem for us. It is difficult for us to deal with totalitarians that are, so to speak, our totalitarians. It is difficult to deal with totalitarians on the other side. That is not so much the point. The point here is that, with respect to Yugoslavia, I believe the record is clear that very definite progress has been made. Of course, Tito has said many things we do not like. So has De Gaulle. So has Adenauer. Even Macmillan, I suppose, at times has said things we did not like. However, we do not throw them aside because they make these remarks. Tito is not a member of the Warsaw Pact. Yugoslavia has maintained its independence. I believe we ought to do whatever we can to encourage its remaining independent.

Mr. HICKENLOOPER. Madam President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HICKENLOOPER. With reference to the discussion between the Senator from Alabama and the Senator from Wisconsin, there is a very cogent and substantial difference between some of the dictator countries and the Communist countries. I know of no country that has a classic dictatorship which has for its basic and controlling philosophy world domination and world conquest. Communist countries have for their basic objective world conquest. It is not necessirily the struggle that we have against a particular type of self-imposed government which a country may have, but it is the philosophy of fighting world communism and world conquest by communism, which will give us a justification for this aid.

Mr. SPARKMAN. Yes. I made reference to that earlier in my remarks. I do not want to do that. However, are we going to surrender the entire Communist world, satellites and all? The Senator's party in 1952 offered deliverance of the satellites. They were willing to deliver them from Communist control and take them back in with us. Are we going to throw them away now? Why is this directed against Yugoslavia alone, and not against Poland also? Why pick out one country?

As I have said, we have tried, since 1948, to break away some of these independent countries from the arms of communism.

As long as there is hope of our being able to break these countries away from communism, we ought to be willing to continue to feed the fires. We are not giving them any extensive aid. It is purely within the control of the President. Three Presidents have administered the program. There was President Truman and then President Eisenhower. Now we have President Kennedy administering this program. I am sure everyone will admit that they have administered this program wisely and carefully and cautiously.

The Senator from Wisconsin has referred to the airplane incident. That was another contract, of several years ago. I am sure the Senator realizes that.

Mr. PROXMIRE. Yes, that was several years ago.

Mr. SPARKMAN. Furthermore, I am not trying to justify that plane incident. I do not know the facts. I do not know the details under which the contract was made. I do know that President Eisenhower, after he had left office, said it was a good deed and that it should be continued.

I believe President Eisenhower was careful and cautious in the administration of that program of aid to Yugoslavia, just as he was in regard to the limited amount we gave Poland. So long as hope remains that we can break such countries away, we ought to do what we can, within the bounds of reason, to assist them. I believe the President of the United States will exercise his discretion within the bounds of reason.

Mr. PROXMIRE. Madam President, will the Senator from Alabama further yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. The Senator asks: Why not cut off aid for Poland? I am for doing that. Aid for Poland is not provided in the bill. However, the bill provides for a $10 million economic development program for Yugoslavia. If the bill contains anything for Poland, I will vote against it. I agree that we should not give aid to Communist dictatorships.

Mr. SPARKMAN. I am glad the Senator from Wisconsin makes that point clear.

Mr. PROXMIRE. I am sure the Senator would agree, when he says we do not like much of what Macmillan or De Gaulle or Adenauer says——

Mr. SPARKMAN. I said that possibly we might not like some of the things Macmillan has said. I do not recall anything specific at the moment.

Mr. PROXMIRE. Nothing which any of those men has said has alined them more closely with Khrushchev and against the West.

Mr. SPARKMAN. Not at all; but the Senator from Wisconsin was largely pitching his claim that Tito is gravitating back to the Communist orbit upon statements which Tito has made. Many persons say things we do not like, but we cannot afford to be changing our course every time someone says something we do not like.

Mr. PROXMIRE. This has been a consistent pattern since the death of Stalin. Tito has become constantly more closely alined with the Soviet Union. He is now so closely alined that he is recognized as one of the leaders of the Communist movement. The fact is that a Communist dictator differs from other dictators in that he believes in world domination and dominion.

Mr. SPARKMAN. I think the record will speak for itself. As I have said, 7 percent of Yugoslavia's trade is with the West. Germany and Italy are her two most favored nations. I mean that they are the two nations with whom Yugoslavia trades the most. Yugoslavia uses the ammunition she gets from the United States. She belongs to international organizations which Russia has boycotted, and in which Russia has denied membership to her satellites.

But Yugoslavia has shown her independence. She belongs to some of the organizations to which the United States belongs. Yugoslavia is a member of the World Bank, of which we are a member. She is a member of the International Monetary Fund, of which we are a member. Yugoslavia is a member of the OECD, in which the Senate ratified membership for the United States a little more than a year ago. Yugoslavia participates in many programs in which the West participates. She has shown her independence of the Kremlin, of Khrushchev, and of Russia, and has shown complete independence.

One thing we must remember is that it is not so much a question of whether we approve of what Tito is doing or if we approve of what Yugoslavia is doing. I think the situation is this: Yugoslavia is a nation that is neither with the West or with the Western Powers nor with Khrushchev and the Kremlin. Where had we rather that nation be? Alined with us? Or shall we merely turn her loose and say, "Go with the other crowd"? I think that is how we ought to consider those countries. If we have a fair chance of weaning them away from communism, we ought to try to do so.

I remember when the Marshall plan was enacted. I remember the first shipments which were made under the Marshall plan. I remember the newspapers telling us about the pending elections in Italy. We were told that Italy was simply teetering on the borderline of communism. Many persons thought the elections would result in a Communist government for Italy—which, by the way, would have been the first Communist-elected government in history.

Whenever I think of communism and its terrible threat in the world, I always take comfort from remembering that no people has ever voted upon itself a Communist government. But it was believed then that Italy might become Communist. So the United States rushed shipments of Marshall plan items into Italy in order that the people might see that the United States was coming to their relief. There has never been any doubt in my mind that it was the prompt action of the United States in enacting the Marshall plan program and in making those shipments to Italy that kept Italy from going over to the Communist orbit.

A somewhat similar situation occurred in France, not so dramatic, probably not so threatening, but nearly so.

I believe it is a fact that we dared go to the help of those countries, at a time when it seemed that what we were giving would fall into Communist hands, in order to save those countries from communism. I do not believe we ought to turn any country loose to communism if that country shows a movement toward independence.

I hope Senators will read that part of page 11 of the report in which the committee treats of Yugoslavia. Mr. President, I ask unanimous consent that that part of the report be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

YUGOSLAVIA

> In the past year, the committee has received a number of complaints regarding aid to Yugoslavia. In the heat of a moment, it is easy to lose sight of the purpose and significance of this aid. First of all, since the time of the break with Moscow in 1948, the United States has assisted Yugoslavia to avoid domination by the Sino-Soviet bloc. Grant military aid was halted 3 years ago. Economic aid has continued, largely in the form of development loans and sales of surplus agricultural commodities. The decision to support Yugoslavia has been taken by three Presidents and every Secretary of State who has served under them. Among other considerations, the interest of the United States is clearly served by the example of a former member of the Sino-Soviet bloc making progress while following a generally independent line.
>
> The fact is that with foreign assistance, Yugoslavia has maintained high levels of investment and an annual growth rate of over 10 percent—higher than any Soviet bloc country. Politically, it is a Communist state following a foreign policy based on nonalinement. About 70 percent of its trade is with the West, less than one-third with the Communist bloc. Its chief trading partners are West Germany and Italy. It is a member of the International Monetary Fund and the World Bank. It has associate member status in the General Agreement on Trade and Tariffs and the OECD (having had similar status in the predecessor organization, the OEEC). About 1 year ago, Yugoslavia applied for a similar arrangement with the Council for Economic Mutual Assistance, the economic organization of the Warsaw Pact countries. This application was rejected.

Mr. PROXMIRE. Madam President, will the Senator yield one more time?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. Is it not true that Yugoslavia, under Tito, has alined itself consistently with the Soviet Union and that Tito said at Stalingrad, on June 11, 1956:

> Yugoslavia, in time of war, as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory over the enemies of socialism.

That statement is not comparable with statements which might be made by De Gaulle or Adenauer or Macmillan, men with whom we might disagree. This is not a question of giving aid to a country which might go Communist. Yugoslavia is already Communist. There is no more militant a Communist than Tito. There is no more ruthless a Communist than Tito, who has thrown many opponents like Djilas into jail or sent them to the firing squad. Tito has alined himself with Khrushchev, and in recent months he has alined himself more closely than ever with the Soviet Union.

When we talk about the Marshall plan, the Marshall plan provided aid to countries which were not Communist. That was one of the reasons why we assisted them. Certainly we cannot now argue that we are giving aid to a country that will not be Communist. It is a Communist country now; and it has come closer and closer to giving all-out support to and being dependent upon the Soviet Union. Tito has achieved a position in the Communist world which is equal in many respects to the position of Khrushchev. Both are Communist dictators.

Madam President, under those circumstances, it seems to me it would be insane for Congress to take the taxpayers' money in order to subsidize a Communist dictatorship. To do so would be beyond my understanding.

Mr. SPARKMAN. Madam President, in connection with the remarks I have just made, I should like to read into the RECORD a section of the present law. I referred to it in my remarks, but it might be well to have the exact language in the RECORD. I shall read section 143 of the Mutual Security Act of 1954, as amended:

> SEC. 143. ASSISTANCE TO YUGOSLAVIA.—In furnishing to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continue to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this act.

Madam President, I stated that I felt that the three Presidents who have administered the act have done so with great care and caution and with profitable results. The section I have read continues to be the law. It will continue to be the law whether the Proxmire amendment shall be accepted or not. The President must continue to keep careful watch over the program. I do not see how Congress could make the language much tighter and still leave any room for the President to act at all.

Mr. CARLSON. Madam President, when the Foreign Assistance Act of 1961 was before the Senate, authorizing appropriations for the aid program, I discussed a regulation on the part of the agency itself which I think is hindering it from getting the people who should be hired and used in this particular field of work.

I have particular reference to persons who are especially qualified to serve in certain countries, because of their knowledge of the language and, in many instances, because of years of experience in those countries, and because of their background.

It so happens that under the present regulations, candidates for assignment to oversea posts are required, as a prerequisite to employment in the USIA, to sign a form in which they agree to serve on a worldwide basis. In other words, one cannot apply to the USIA to serve in Turkey or in some other particular country in which he may have lived for years, with the result that he thoroughly understands the language and the people. Instead, applicants are required to agree to serve on a worldwide basis.

I have made some inquiry about this matter, and it seems to me that such a requirement tends to discourage the employment of persons who are able to serve best in specific countries. Certainly those who are assigned to oversea service should be assigned on a basis which will permit the fullest advantage to be taken of their special training and experience and ability. However, under the present regulation, an applicant who requests service in a specific country, because of his knowledge of the language spoken there and because of his past experience or residence there, is told that he should not apply for service in a specific country or countries, and that if he does make a request for a specific assignment, he will do so at the risk of having his application rejected.

Certainly, Madam President, such a regulation is a most unfortunate one, in view of the great demand for those who have specialized knowledge about certain countries and can speak the language.

As I have already stated, Madam President, I discussed this matter somewhat a year ago, because I am convinced that a real knowledge of a specific oversea area and familiarity with the language spoken there can be invaluable to those who serve our country in those areas; and certainly I would imagine that all Federal agencies dealing with them would be anxious to secure the services of such persons, in order to assign them to the areas with which they have definite familiarity—for instance, in Africa, in Asia, and in Latin America, where such specific knowledge can be of great benefit to the agency's program. However, we find that this is not being done.

When this matter was brought before the Senate last year, I offered to Senate bill 1983 an amendment which reads as follows:

> To the maximum extent feasible, officers and employees performing functions under this Act abroad shall be assigned to countries and positions for which they have special competence, such as appropriate language and practical experience.

That amendment seemed to me at that time to be a very sensible and practical one. It was adopted, and became part of the bill which the Senate passed last year. It had been my hope that the amendment would be a directive—although it is not mandatory—to the officials affected to assign officers and employees to positions abroad in which they would have special competence, such as appropriate language and practical experience. But such has not been the case; and, instead, the old, rusty personnel policy-gate is swinging as squeakily as before.

Therefore, Madam President, it seems to me that this amendment must be made mandatory. I do not like to try to include mandatory provisions, particularly in a bill of this type. We now have a very able head of this Agency, Mr. Fowler Hamilton; and I believe he is trying to get able people to serve in it.

However, the situation which now exists there should be changed, and a correction of it should be made. Those who are employed should be very able persons who have the special qualifications, training, and experience which will enable them to render the very best service.

Therefore, Madam President, it seems to me that this Agency should, without any further action on the part of Congress, make a real effort to use such persons, rather than force them to sign a statement to the effect that if they enter the USIA foreign-aid program, they will be willing to serve on a worldwide basis, rather than to serve where they are particularly well qualified.

Madam President, I hope this statement by me today will cause some thought to be given to this matter by the officials of this Agency, because I do not think all applicants for service under it should be forced to agree to serve anywhere in the world, without regard to their specialized experience and abilities.

Mr. PROXMIRE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER (Mr. Muskie in the chair). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I send to the desk an amendment to the pending measure, and ask that it be printed and lie on the table, under the rule.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. JAVITS subsequently said: Mr. President, I ask unanimous consent that the amendment just submitted by me to the Foreign Assistance Act of 1961, be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, between lines 9 and 10, insert the following:

"(e) In furnishing assistance under this title, consistently with and for the purposes of section 601(b)(4) of this Act—

"(1) the Agency for International Development or any other departments and agencies designated by the President shall provide such financial and administrative assistance as may be determined by the President to be necessary from time to time in order to make effective the efforts of the Commerce Committee for the Alliance for Progress, established under the Department of Commerce on May 9, 1962;

"(2) the President is requested to call a conference to be held in 1962 for private enterprise—public cooperation for Latin American development, inviting private and governmental participation as he may deem advisable from the members of the Organization for Economic Cooperation and Development, the Organization of American States, and Japan, and to direct the appropriate departments and agencies of the Government to cooperate with the Commerce Committee for the Alliance for Progress and the United States Management Advisory Group to the Organization for Economic Cooperation and Development, established under the Department of Commerce, in the preparation and activities of such a conference; and

"(3) the President is requested to encourage private local, country, and regional projects for managerial and technical training in Latin America as well as for agricultural, industrial, and other economic purposes."

Mr. JAVITS. Mr. President, the amendment would apply to the problems of the Alliance for Progress, which is to be underlined by this measure.

I note with great interest that, as the provisions for the Alliance for Progress are written, the provisions do not tie into any private enterprise effort, yet it is axiomatic that the Alliance for Progress program will not be successful unless it does tie into a private enterprise effort.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. SPARKMAN. I wonder if the Senator would read the amendment, or have the clerk read the amendment, so that we may be properly oriented.

Mr. JAVITS. I have not yet actually dispatched the amendment to the desk. I shall do so. I was about to explain it.

Mr. SPARKMAN. I must leave the Chamber for a few minutes.

Mr. JAVITS. If the Senator will bear with me, I will give him the details. Of course, I shall not call up the amendment tonight. I shall submit the amendment to the Senator for his consideration.

In deference to the requirement of the law, which is contained in section 601 (b)(4) of the Act, relating to the utilization of the channels of private enterprise for the purpose of carrying out the intent of the law, I should like to provide specifically that this shall be applied to the Alliance for Progress program in three ways, all of which are to be left to the discretion of the President, so far as concerns the extent to which he will act.

First, I suggest cooperating with and making funds and staff available to—and again I emphasize, in the President's discretion—the Department of Commerce Committee on the Alliance for Progress, which is a private enterprise committee.

Second, I suggest similar cooperation with the Department of Commerce Committee on the OECD, again a private enterprise committee, in connection with a conference to be called for the purpose of stimulating private enterprise—public cooperation for Latin American development.

Third, and again within the discretion of the President, I suggest the giving of aid to the efforts to develop managerial skill in Latin America, which are being carried on by a number of private nonprofit agencies in the United States.

In other words, I propose specific ways in which our desire, as expressed in the law—that the channels of private enterprise shall be utilized so far as practicable—may be fulfilled in connection with the new program of the Alliance for Progress, by use of machinery which is immediately at hand.

I shall, of course, submit the amendment to the Senator.

Mr. SPARKMAN. I thank the Senator.

Mr. JAVITS. Mr. President, if my memory is correct, in Latin America Americans have some $9 billion in private investment. Our export and import trade is very great, both in terms of the production we send to Latin America and the production they send to us. There is a great network of American companies and individuals engaged in every phase of operations, both the oversea operations of American business and the local operations of local business. There is a real problem of a burgeoning middle class and the great influence which that could have upon the path of development which we propose to follow. It seems to me there should be, in so bold a program as the Alliance for Progress—it is a bold program, and I think it is a very important program, and I want very much to see it enacted—a clear blueprint as to how we intend to proceed so as to link our private enterprise system and the indigenous private enterprise system into the total effort of the Alliance for Progress.

The other aim which I have in respect of the amendment is to tie in the problems which we have in getting the European community, which is now becoming far more prosperous, to lend a hand in respect of Latin America, both on the governmental and on the private level.

In that connection, it may be recalled by some of my colleagues that I have strongly urged a private enterprise conference, which would tie in the private and public sectors of the OECD countries in respect of our Alliance for Progress. We all know that even the amounts which are called for in the bill, large as they are, will not be adequate for the enormous push forward which is required for the economy of Latin America. Therefore, we must proceed in two ways; first, by enlisting the aid of the private enterprise systems concerned, and, second, by enlisting the aid of our allies in Europe.

It seems to me there is hardly another prospect in the world for enlisting the OECD countries—the 18 European countries plus the United States and Canada—and, through the Development Assistance Committee of the OECD, Japan as well. There is no other area in which they are more likely to be able to cooperate together fruitfully in order to put up the resources which are required for this effort in Latin America. All have common interests in this territory, which really is not virgin territory since various countries have been operating there for a long time.

The private enterprise concept is not by any means alien to the Latin American countries. It is for these reasons that I hope very much that the Senator in charge of the bill, after studying the amendment, will see fit to accept it, because actually, without in any way dictating or directing, it would encompass a practical technique for placing the whole private enterprise effort in cooperation with the government effort in the extremely important Alliance for Progress program. I hope that after submitting the amendment with my explanation to the Senate tonight, the Senator in charge of the bill will have an opportunity to study it. I shall, of course, explain it further in the hope that it may be found acceptable. It is hardly a subject that we ought to fight about. I hope it is the kind of thing that will be considered constructive and useful in the totality of the effort.

Mr. CHURCH. Mr. President, I send to the desk an amendment which I propose to offer to the pending bill, and ask that it be printed.

The **PRESIDING OFFICER.** The amendment will be received and printed, and will lie on the table.

Mr. CHURCH. The substance of the amendment is as follows:

> (c) The President shall regularly reduce, and, with such deliberate speed as orderly procedure and other relevant considerations, including prior commitments, will permit, shall terminate, all further grants of military equipment and supplies to any country having sufficient wealth to enable it, in the judgment of the President, to maintain and equip its own military forces at adequate strength, without undue burden to its economy.

THE PURPOSE OF THE AMENDMENT

The purpose of the amendment is to require the orderly reduction and ultimate termination of further grants by the United States of military equipment and supplies to those countries, which, in the judgment of the President, are able to maintain and equip their own military forces at adequate levels of strength, without need for external help.

THE NEED FOR THE AMENDMENT

Under the pending bill, over $314 million is allocated for military grants to Western Europe. This is a perpetuation of the military subsidies we continue to give these countries, which have totaled more than $14½ billion since 1950, when the majority of the countries involved had already recovered economic capabilities sufficient to sustain their own military forces without outside aid. Most of these countries have now become so prosperous that their per capita income rivals that of some of our American States. Clearly, there is no economic basis upon which to justify our continuing subsidies to these countries. Congress stopped further substantial economic aid to these countries 8 years ago, recognizing they had fully recovered their capacity to be self-supporting. It is long past time for us to take a similar stand on military aid.

ARGUMENTS AGAINST THE AMENDMENT ARE WITHOUT BASIS

First. The continuing American subsidy is not furnishing these countries with an inducement to make a greater defense effort on their own.

The prosperous countries in Western Europe are not making as much an effort, in proportion to their own resources, to maintain their armed forces, as we have been making in proportion to ours. In calendar year 1961, the European NATO countries spent 5.2 percent of their GNP on defense, while the United States spent 9.8 percent of its GNP on defense. Moreover, the average yearly military expenditure of our NATO allies has fallen off from 5.9 percent in 1956 to 5.2 percent in 1961. We are making nearly twice the effort for defense, in proportion to our own wealth, as the average of our European allies in NATO. The trend in the United States is up; in Europe, it is down.

To demonstrate beyond argument the level of wealth that has now been achieved by most of our NATO partners in Western Europe, their resultant capacity to maintain their own armed forces without American subsidy, and the lesser effort they are actually making, compared to our own, I ask unanimous consent to have printed at this point in the RECORD an appropriate table containing the figures for last year, 1961.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Selected economic and defense expenditures data on European NATO countries, calendar year 1961

Country	Population in thousands, mid-1961	Gross national product [1]		Private consumption per capita [1]	Defense expenditures	
		Total (millions)	Per capita		Total (millions)	Percent of GNP
Belgium-Luxembourg	9,525	$13,130	$1,378	$941	$395	3.0
Denmark	4,675	6,120	1,309	877	170	2.6
France	45,980	60,440	1,314	859	4,000	6.4
Germany	54,070	74,545	1,379	785	3,150	4.1
Greece	8,405	3,425	407	297	165	4.7
Iceland	180	147	817	400	------	------
Italy	49,549	33,890	684	433	1,200	3.5
Netherlands	11,637	12,000	1,031	592	525	4.3
Norway	3,620	4,650	1,285	764	155	3.3
Portugal	9,196	2,510	273	205	200	8.0
Turkey	28,400	5,300	187	144	285	5.2
United Kingdom	52,800	73,590	1,394	904	5,050	6.8
Total, European NATO	278,037	289,747	1,042	969	15,295	5.2
United States	183,650	514,400	2,801	1,826	51,093	9.8

[1] Calendar year 1961 in 1960 market prices.

NOTE.—All data are preliminary and subject to revision.

Precise comparisons of the levels of gross national product and of defense expenditures between the European countries and the United States are not possible. The conversion into dollars has been made on the basis of official foreign exchange rates, and the purchasing power of the dollar equivalent is appreciably higher in most European countries than in the United States. Intra-European comparisons of the converted dollar figures are subject to similar limitations.

Apr. 17, 1962.

Mr. CHURCH. Second, the amendment would not affect our obligations to the NATO alliance, nor to desirable training and service liaison with our NATO allies.

The amendment does not apply to assistance in the form of training or service, but only to military equipment and supplies. It would not affect our contribution to the NATO infrastructure, but only to grants to individual countries, in NATO or elsewhere, which are able to get along very well on their own.

Third. The amendment will neither weaken nor disrupt the NATO alliance.

The language of the amendment allows the President to regularly reduce the grants-in-aid program, as orderly procedure and prior commitments will permit. Thus, there will be no disruption within the NATO alliance. In the long run, the amendment will actually strengthen the alliance by making it clear to each member that, as we intend to do our part, so we expect them to do theirs. The continuation on our part of unwarranted subsidies to rich countries, fully capable of maintaining their own military forces, can only lead, as history has so often shown, to a corruption of the alliance which will weaken it internally through the erosion of the mutual respect that comes from each member doing its share.

At a time when we are struggling to correct our own adverse balance of payments, and appealing to our NATO allies to assume a greater share of the foreign-aid burden, Congress should at least begin to close the door on further American subsidies to those self-supporting countries that have no need whatever for more American aid.

Mr. PEARSON. Mr. President, as we engage in consideration of new legislation for foreign aid, Members of this body will be seeking objective reports of conditions in many foreign lands. I have in my possession a letter from Mr. J. A. Mull, Jr., president of the Mull Drilling Co. of Wichita, Kans., and a copy of a letter to Mr. Mull from Father Trumbull of a mission hospital in Loliondo, Tanganyika. Mr. Mull has traveled extensively through Africa, and Father Trumbull has lived and worked closely with the native people of that continent. Their letters are firsthand reports which will be useful to many persons during the consideration of this country's foreign aid programs.

I am pleased to note from committee reports that the administration and the distinguished members of the Senate Committee on Foreign Relations are placing new emphasis on long-range planning, loan-type assistance rather than outright grants, multilateral sharing of the foreign aid burden among all of the worlds more prosperous non-Communist countries, greater selectivity and concentration in aid programs, the need to strengthen the private sectors of the economies of developing countries, and protection of American interests abroad against arbitrary expropriation.

I am concerned, however, with the apparent lack of planning toward eventual termination of the foreign aid program. Is foreign aid, at the rate of $4 or $5 billion a year, to be a permanent obligation of the American people? I firmly believe that the Marshall plan and NATO saved much of Western Europe from communism; I believe that aid to Africa, Asia, and Latin America has an excellent chance of preventing the spread of communism in those areas. The American taxpayers deserve to know, however, how long they must be expected to shore up the faltering economies of these vast areas of the world. I trust that my distinguished colleagues will give frank replies to this question during the period of discussion ahead.

It is not enough to say, "We do not know how long the Communists will threaten the world." Surely the administration, with its immense resources of economic reporting and its many scholars in the field of economic forecasting, can give us some intelligent predictions as to the time when other non-Communist nations will be able to stand on their own economic feet. Every aid program upon which we embark should have as its goal the building of sufficient strength in the recipient country so that it can exist in national security and freedom with both political and economic independence. The rate of progress toward that goal should be of immediate concern to all of us.

As a contribution of firsthand information concerning political, economic, and social conditions in parts of Africa, I ask unanimous consent that the letters from J. A. Mull and Father Trumbull be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Wichita, Kans.,
April 2, 1962.

Hon. James B. Pearson,
U.S. Senate,
Senate Office Building,
Washington, D.C.

Dear Sir: As a Kansas citizen, my prime interest should be worrying about imports, depletion allowance, etc.; however, I have spent considerable time in Africa over the last 4 years, and the activities there by our Government so appalls me that I wish to pass some information on to you since, generally, people from the Midwest cannot be too familiar with our foreign situation unless they have traveled extensively.

First, the countries holding colonies in Africa, or having held colonies, realize that these new countries are not capable of running themselves. Yet, starting at Suez, the U.S. Government has forced these countries into retreat and "freedom" for these people. This "freedom" is not freedom at all, but is placing the average black man under a dictatorship and forcing him to face starvation and retreat to a position of 50 years ago.

I would like to take the example of Kenya, which will obtain its so-called freedom probably this year, so that you may follow the activities as they progress. Kenya will obtain its freedom under Kenyatta, who was convicted of being the head of and creator of the Mau Mau. The Mau Mau is an organization of the Ku Klux Klan type which murdered, by the hundreds, more of its own Kikuya tribe than it did the so-called hated whites. Second in command is Tom Mboya who, by the way, has addressed our Senators and Representatives and who has been on "Meet the Press," which seems to be the criterion of importance. Although Tom Mboya is an Oxford graduate, I fear he is not thinking of the average man in Kenya any more than Kenyatta is. Both of these men advocate expropriation of all white lands in Kenya as soon as they get their freedom. The expropriation is so accepted in Kenya that ranches in the white highlands, which would bring half a million dollars, can be purchased for $20,000 or enough to get these people to Australia. The average white East African is third generation, whose grandfathers, after having settled and acquired the land legally, literally tore a living out of the country—very much as our early day settlers in the West had to work. These people today call themselves more "African" than the Africans in that they have done something for Africa and, needless to say, these whites all hate the United States. They also feel deserted by England. The reason they hate the United States is that they realize that, due to our strong financial position, we are able to force this so-called freedom on these countries.

When Mr. Mennen Williams was in Wichita, I asked him if he looked with favor on expropriation of white lands in Kenya. His answer was that there must be a redistribution of lands. Does this mean the United States condones expropriation?

Now, if expropriation was not inherently against every principle the United States should stand for, there are other reasons we should be against this. Expropriation will mean bankruptcy for these young countries. These people are entirely dependent upon outsiders. They have never been self-sustaining and will not be for a good many years. Giving them freedom will mean only national bankruptcy. The only thing that can possibly save these countries is to obtain immediate and continued outside private investments in the form of industry, etc., which can use this labor and thereby raise the living standard. Yet, apparently, condoned by the State Department, Kenyatta is going to expropriate all white lands. Now, the expropriation will momentarily help a few, but in the long pull, where is this outside investment coming from? Certainly not from me or any other conscious businessman, following an expropriation, because we have some thought of getting our money out.

Now this concerns me and every other citizen, because, down the line, as our State Department continues to "free" these countries, we will just add charity after charity to our tax rolls with no chance of these countries ever becoming self-sufficient and, more especially, the fact that the average black man will go back to slavery and starvation.

To tear down a policy is insufficient without an alternative method. The U.S. Government should, under some system, encourage and demand that these young countries not expropriate; if they need more land, let them acquire it legally and fairly and, at the same time, voice their stability in that they want outside investments and will protect the same. Thereby, these countries could become an asset to the world and in the future become self-sufficient. This approach is practical and is in effect today. In Jamaica, which is a black government, they have publicly stated they do not want American charity but, instead, American investment, and they are getting it by the millions. The same process would work in Africa.

It appears to me that America is great because of its business ability, not because of diplomacy or any other textbook approach. Business investments by Americans in Africa could save it. Yet, today an American businessman is foolish to invest outside the United States in any area, depending upon a strong American policy for protection. Cuba has created a wound that will not heal, because every businessman has lost confidence in government backing.

Recently on a TV program shown in Wichita, Kans., we saw three members of the Peace Corps in Tanganyika sitting around in a common circle with Masai natives drinking beer out of a common container. This undoubtedly was upon instructions from the State Department to mingle to the lowest extent with these natives, because these young fellows were breaking every rule of health taught to them by their teachers, mothers, and doctors. The Masai are 80 percent infected with syphilis, and have every other disease available. The pitiful part, however, is that the native did not gain respect of the American by such a procedure. You have to remember that they were raised under the British and while the British have no race prejudice, they retain their dignity and would not indulge in such a fashion and endanger their health.

What Africa needs is a practical businessman's approach to the problem. The African needs to know how to fertilize his land, how to work wood, how to cook properly, and how to care for their families in health. They do not need a young college graduate who knows nothing except how to learn. The Government keeps wondering about the fellows over 60 years of age. How about asking the successful farmer in this age category to spend 2 years to teach a tribe how to raise corn?

No one in the United States, including Mrs. Roosevelt, who has never been in Africa can possibly know and realize how primitive these people are and how they must be taken care of, almost as children. I speak here of the big majority and not of the few who have had education.

I feel that I am somewhat justified in expressing the above opinions in that I have mixed with the natives, talked with the whites, and looked at the situation from a practical standpoint. I am for the African, not the one who comes to the United States seeking dictatorial powers, but the average African. I am interested to the extent that I have an African from Kenya, his wife and three children, here in the United States at my expense, going to college. I am, through my efforts, furnishing medicine for a Catholic mission at Loliondo, Tanganyika. The medical supplies to this mission have been cut off by the government since "freedom" in January. (I am not a Catholic.) To bring you up to date on what is going on in these freed countries, I attach a letter from Father Trumbull who works in Tanganyika in a mission. This letter is self-explanatory, but most important is the last page of this letter.

Sincerely,

J. A. Mull, Jr.

Loliondo via Arusha,
March 7, 1962.

Dear Mr. Mull: Sister Guida, who is being swept off her feet with work these days, has asked me to write this letter for her. I am the second father living in Loliondo. I am sorry that I did not get the opportunity to meet you then (not that you were in any condition to be meeting people), but I do want to take this opportunity to thank you for your very kind interest in Sister's work and our medical problems. Sister hasn't had the opportunity to answer your last letter, but believe me, it is only because of the lack of time.

She told me that you would be interested in knowing just what our problems are and what we are trying to do to help these unfortunate Masai. It is so much easier to write to someone who has seen something of our part of the world, who has seen the wretched conditions under which the Masai live. Perhaps more than anyone else, you can certainly appreciate how inadequate are the medical facilities in Masai land. I suppose it is the sign of things to come, but just in this area around Loliondo the government has closed down three native authority dispensaries in the past year. During the same period we have assumed the responsibility of the "hospital" in Loliondo itself and opened another small dispensary to cover that area abandoned by the government. We also have the materials ready to build another. Forgive me if I sound as if I am indulging in self-praise, for my feelings at the moment are anything but that—in fact I fear they are not even Christian.

Because the Masai are proud, because they have held onto their own way of life, because they refuse to imitate the white man as the other tribes are doing, they are being punished by those in position to help them. No government official would ever admit it, and perhaps many are not even conscious that they are doing next to nothing for the Masai. It is true that the Masai do not want education. They do not want to wear shoes and long trousers. They are not the least bit interested in Christianity, in any form. But they do suffer. Their children still contact pneumonia, malaria, and venereal disease. Their women and children do die in childbirth. The Masai may be scornful of most of our ways, but they do want to be helped with medicine.

I suppose some of my confreres would be shocked if I were to admit that we missionaries, who are working amongst the Masai, have come to look upon our vocation more from the material aspect than the spiritual. One doesn't have to be religious to recognize one's obligation to assist those in need. And one doesn't have to be a missionary to realize the graces to be gained in alleviating the suffering of these poor people whom I consider the "least of God's children."

Sister said that you would be interested in getting some pictures of our dispensaries. I am enclosing a couple of pictures in black and white. It is quite possible that you would rather have color slides, 35 mm. If such is the case, please let me know and I shall be glad to send them on to you. If I don't send them on to you my successor will. I am due to leave for the States on May 2. Speaking of this vacation, should I beget the occasion to pass through Kansas it would give me great pleasure to say Jambo.

The pictures enclosed are self-explanatory. Two of them are of Sister Guida and patients. The other is one of her companion sisters together with two Masai murrani, warriors. I am sure you must have gotten pictures of the Masai while you were in this area. Unfortunately I don't have any in color of our dispensaries nor of the hospital here in Loliondo. Sister mentioned that you were particularly interested in these. Perhaps you will remember a small dispensary on the way out from Loliondo to the area where you were camped. We have an African dresser there. In the 3 years that it has been open, it has been responsible for saving not a few lives, not to mention untold suffering alleviated. (It has also served, although on an emergency basis, several white hunters and their clients). We have two other dispensaries in the Loliondo district, much along the same lines. We would love to build a proper hospital here in Loliondo, but that will take time and much begging. These medical facilities that we try to provide, however inadequate, are nonprofit. If it were not for the generosity of friends in the States and a medical mission society in New York we could not hope to continue assisting these people.

Few people in the States would believe how destitute so many of our people are. They would not believe that infants are born into this world under conditions which would disgust many a farmer in regards to his cattle. The infant mortality rate is extremely high. Those infants who do not die at birth have a slim chance of living through all the filthy, superstitious practices of the tribal midwives. It is not unusual to see an infant of several months whose body is covered with the numerous lacerations, most of which are horribly festered. This is the pagan, superstitious way of getting rid of evil spirits. When a child cries, or is obviously sick there is only one explanation * * * and only one cure. Several incisions are made on the child's body, normally in that spot where the child seems to be sick. Spilling the child's blood allows the evil spirits to depart. No medication is used on the wound, except perhaps some fresh cow dung. When a child is sick for a long time, you can imagine how many times his little body has been subjected to the filthy piece of metal that the Masai call a knife. This is only one practice that we hope to abolish by establishing more dispensaries, providing more medicines, and ultimately educating the Masai to the need of some basic sanitation.

I hadn't intended writing such a long letter, at least one which contains so little information. The end of the last paragraph left me very little room to thank you properly for your continued charity. I am sure Sister Guida will write as well to thank those individual people and organizations which have contributed so generously toward the support of our medical endeavors. I mentioned that the Government had closed down several dispensaries, and I mentioned that this may be a sign of things to come. "Uhuru," independence, is not the cure-all that many African politicians thought it would be. It is very convenient to close one's eyes to the fact that England or the United States has been keeping the country running with huge grants of money. It is amazing that this never seems to enter into the discussions concerning independence, especially since it is the most important factor after independence. Well, it is evident now that Tanganyika will be dependent for a long time to come upon those countries who have been footing the bill for decades.

All the various departments of Government seem to be grinding to a standstill. Some of this is due to the lack of interest on the part of Europeans in government who know that their time is up. Other snags are due to Africanization, i.e., placing unqualified Africans in jobs held by white men, just for Africanization's sake alone. And other difficulties are due to the lack of funds or the mismanagement of same. That is the case with the breakdown in the medical department. It is unfortunate for no one but the Masai. They seem to be the first to suffer when it comes to retrenching. If money or personnel are short, the Masai district is the first to get cut back. So that is our situation now. As government cuts down their services, we are trying to extend ours in order to provide for some 20,000 Masai and Sonjo. Our support, as I have mentioned, comes from friends like yourself.

Needless to say we are most grateful for such assistance. Our motive for being here, away from our homes and friends, is basically the same as that of our benefactors in the States. We realize that we have been blessed with many gifts—health, comfort, freedom and Faith. We who have so much should feel no reluctance in sharing with those who have so little. Certainly those men who guide our country recognize this obligation. Were it not for the generosity of the United States thousands of our people would have died of starvation. For the past 7 or 8 months the Masai have been receiving famine relief food from the States. Both the Protestant and Catholic Missions have been responsible for getting this invaluable assistance. Our people have been kept alive with corn flour and dried milk. I, for one, shall always feel proud of the generosity of our Government. The Communists have their day when it comes to agitating, but, aside from a very few, the African people recognize the United States as a friend in deed and not just empty promises and slogans.

My apologies for going off on this tangent, but once again my most heartfelt thanks for your many kindnesses. Please be assured of our prayers for you and yours.

Sincerely,

FATHER TRUMBULL.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 5, 1962, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 88) authorizing the issuance of a gold medal to Bob Hope.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. CHURCH. Mr. President, in accordance with the agreement previously entered, I move that the Senate stand in adjournment until 11 o'clock a.m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 40 minutes p.m.) the Senate adjourned, in accordance with the previous order, until tomorrow, Wednesday, June 6, 1962, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 5, 1962:

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force in the grades indicated, under section 8284 of title 10, United States Code, with a view to designation under section 8067 of title 10, United States Code, to perform the duties indicated, and with dates of rank to be prescribed by the Secretary of the Air Force:

To be major, USAF (Judge Advocate)

Maurice Y. Gibson, Jr., AO889449.

To be major, USAF (Medical)

Alvin M. Burner, AO2213912.

To be captains, USAF (Judge Advocate)

James E. Applegate, AO3104017.
Melvin G. Goodweather, AO2236159.
Anthony F. Polick, AO2096648.
Gordon E. Schieman, AO3065560.

To be captains, USAF (Medical)

Richard H. Ashby, AO3092141.
Walter C. Barnes, Jr., AO3079588.
Alvin L. Brekken, AO3078232.
Fredric F. Doppelt, AO3076773.
Marvin J. Gottschall, AO3111963.
William D. Hillis, AO3017109.
Ralph S. Metheny, Jr., AO3075178.
James E. Turns, AO3044248.

To be captains, USAF (Dental)

Gene E. Hendon, AO3088803.
George P. Torchik, AO3077775.

To be captains, USAF (Nurse)

Frances A. Beaton, AN2242614.
Mary L. Fertig, AN2242312.
Mary D. Johnson, AN2242669.
Jane Kidd, AN2214580.

To be captain, USAF (Veterinary)

Dock F. Dixon, Jr., AO2227467.

To be first lieutenants, USAF (Judge Advocate)

Thomas C. Alfsen, AO3116136.
Donald J. Dalton, AO3103706.
Merton F. Filkins, AO3117365.
John Foray, AO3103435.
James E. Lawrence, AO3118101.
Richard R. Lee, AO3060896.
Harry N. Starbranch, AO3032516.
Albert S. Tomlinson, AO781458.

To be first lieutenants, USAF (Medical)

Robert M. Chapman, AO3089262.
David G. Dibbell, AO3050708.
Otis W. Jones, AO3091143.
Richard M. Ragsdale, AO3111634.
Arcadio V. Ramirez, AO3111698.

To be first lieutenant, USAF (Dental)

William A. Welker, AO3089307.

To be first lieutenants, USAF (Medical Service)

Ronald E. Cornelius, AO3089885.
William B. Moyer, AO3091233.

To be first lieutenants, USAF (Nurse)

Charles R. Condon, AN3075884.
Mary C. Covino, AN3077276.

Joseph A. Furfure, AN3044714.
Laura E. Godfrey, AN3091942.
William P. Hansen, AN3075957.
Richard O. McEwen, Sr., AN3046087.
Donald S. Moyer, AO3044747.
Olga G. Rocha, AN3089726.
Joseph J. Sorge, AN3110310.
Herbert T. Watson, AN3044624.
Cynthia R. Youtzy, AN3076301.

To be first lieutenant, USAF (Veterinary)

Alan E. Schwichtenberg, AO3111766.

To be second lieutenant, USAF (Nurse)

Marie E. Anderson, AN3112337.

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

To be majors

James D. Anderson, AO855449.
James M. Bernsen, AO695129.
Graham M. Carter, AO816993.
Ralph D. Crago, AO2076889.
Earle V. Flagg, AO821472.
Arthur C. Harris, AO670732.
Richard D. Kepner, AO568892.
Herman A. Perkins, AO829545.
William K. Rogers, AO2070873.
Lenton D. Roller, AO1641739.
Solomon H. Smith, AO937651.
John E. Wright, AO728147.

To be captains

Allan J. Abedor, AO2211225.
Clarence R. Anderson, AO875527.
Shelton J. Anthony, Jr., AO830941.
Franklin H. Austin, Jr., AO2209703.
Charles W. Bainum, AO2209651.
Elmer T. Brooks, AO3031382.
Delano R. Bryan, AO2211896.
William E. Carmel, AO2072643.
William Y. Cole, AO687929.
Thomas P. Davis, Jr., AO823036.
Billy G. Doty, AO2209942.
Wilfred E. Evans, AO3045775.
Nelson D. Flack, Jr., AO736172.
Bryan A. Flatt, AO666266.
Donald G. Freeman, AO3026906.
Andy L. Haywood, AO2211970.
Thomas M. James, AO3026460.
Douglas C. Otto, AO3040030.
James E. Reid, AO2211770.
Philip J. Riede, AO3026743.
Leopoldo V. Rodriguez, AO664661.
Archibald P. Samuels, AO739509.
Robert W. Schoenecker, AO3040575.
Bruce D. Strotman, AO2211826.
Lauren B. Wahlquist, AO2211549.
Francis A. Waterhouse, AO819363.
William H. Wert, Jr., AO927672.
John H. Wood, AO3019526.

To be first lieutenants

Thomas R. Adams, AO3071179.
Emmett E. Allen, Jr., AO3101360.
John R. Allen, Jr., AO3082340.
Ronald A. Anders, AO3095087.
Ronald M. Anderson, AO3101373.
Howard J. Andres, AO3094743.
Demetrios A. Armenakis, AO3094216.
Billy T. Bailey, AO3086163.
Billy G. Barham, AO3094833.
Albert M. Bassett, AO3086063.
Kenneth B. Beaird, AO3094207.
Richard F. Beattie, AO3082454.
Charles R. Beck, AO3095306.
Robert B. Benbough, AO3094951.
Darrell G. Bittle, AO3095065.
Robert A. Bivens, AO3094893.
Thomas M. Bohan, AO3082421.
Denver H. Bowman, AO3095200.
Lawrence G. Breyfogle, AO3095123.
Darrel R. Brown, AO3086704.
Chester C. Buckenmaier, Jr., AO3086712.
Joe L. Byrd, AO3095258.
Kenneth M. Carnahan, AO3102103.
Stanley B. Clack, AO3101436.
Daniel G. Dailey, AO3094806.
Gerald W. Dart, AO3094943.
Norman R. Davison, AO3086615.
Gary N. Deivert, AO3101361.
Edwin B. Denny, AO3095303.
Don Deritis, AO3094864.
John P. Donnelly, AO3082298.
Richard H. Dorwaldt, AO3094543.
Charles L. Dougherty, AO3085738.
Robert P. Dove, AO3095139.
Francis D. Driscoll, AO3074007.
Billy J. Dunnington, AO3101453.
William D. Dupee, AO3094873.
Robert Duyck, AO3095188.
Thomas G. Ebbert, AO3086507.
Joseph F. Elefritz, AO3094013.
Lewis B. Epps, AO3094214.
Olin K. Everett, AO3085571.
Kenneth Fisher, AO3087303.
Richard J. Ford, AO3086580.
William E. Gerber, AO3094904.
Dennis L. Gibson, AO3095145.
Benjamin F. Greer III, AO3095110.
Cal E. Greer, AO3095295.
Joseph E. Griffin, AO3094698.
William R. Gruetter, AO3095111.
James R. Guglietti, Jr., AO3093722.
Hanns Hagen, AO3093464.
Vince Halterlein, AO3095191.
Donald V. Harnage, AO3095173.
Joe R. Harris, AO3095206.
Richard A. Hesslink, AO3095163.
James R. Hickey, AO3101393.
Gene R. Hollrah, AO3095174.
William E. Horsey, AO3086554.
Jimmy L. Hull, AO3101220.
John P. Husong, AO3082464.
John R. Ingamells, AO3093276.
Richard A. Ionata, AO3082326.
Robert J. Jacobson, AO3101227.
Jerome R. Jarcy, AO3095253.
Richard L. Jobe, AO3094824.
Odell M. Johnson, AO3101231.
Thomas A. Johnson, AO3085686.
Thomas E. Johnson, AO3094820.
Joseph E. Jurjevich, AO3085704.
Edmund T. Kane, AO3082406.
William J. Kendrick, AO3093195.
John H. Kirk, AO3082422.
Galen R. Kirkland, AO3054674.
William H. Kittles, Jr., AO3101271.
Donald E. Knutson, AO3095165.
John S. Kubin, AO3095208.
Loren J. Kuester, AO3093725.
Richard M. Lade, AO3101343.
Roy R. Laferriere, AO3086879.
Theodore O. LaJeunesse, AO3094107.
Gerald D. Larson, AO3095170.
David R. Lee, AO3094762.
Roland E. Lee, AO3082370.
Robert C. Lenn, AO3087014.
John F. Lewis, AO3086097.
Clarence H. Lindsey, Jr., AO3094432.
Abraham M. Low, AO3081986.
Teddy R. Lowe, AO3094916.
Bradley D. Lucas, AO3095275.
William E. Lueckert, AO3087050.
Edward K. Lyons, AO3095301.
Everet A. Lyons III, AO3101314.
Lawrence B. MacArthur, AO3082431.
Charles W. Mathews, AO3082356.
Lloyd P. Mathis, AO3101294.
Charles K. McKnight, AO3086536.
Bruce E. Medley, AO3095070.
George D. Meserve, Jr., AO3094827.
George C. Metz, AO3102078.
Albert G. Mongeau, AO3093941.
Ernest F. Moore, AO3094069.
Victor Morats, AO3095251.
Samuel D. Newman, AO3094348.
Frederick J. Nohmer, AO3082410.
William M. O'Brien, AO3094892.
David A. Olson, AO3093637.
Jerry G. Parker, AO3094842.
William R. Platt, AO3094974.
Robert A. Pletcher, AO3095046.
Bruce M. Powell, AO3095063.
Harold F. Powell, AO3082335.
Raymond E. Powell, AO3095287.
Edward J. Pratt, AO3095141.
Michael H. Price, AO3094730.
William R. Randle, AO3086889.
Wyndham Riotte, AO3093991.
Paul F. Roberts, AO3094289.
Richard R. Robertson, AO3094928.
Richard L. Rohlf, AO3094857.
Thomas T. Rosowicz, AO3094828.
Keith L. Rowland, AO3086861.
Robert D. Ruppel, AO3094747.
Charles E. Saucier, AO3094362.
Joseph J. Sauer, AO3095304.
John L. Schattel, AO3095213.
James P. Scott, AO3093003.
Thomas W. Scott, AO3095016.
Robert E. Sharp, AO3087106.
Edward E. Sheldon, AO3101566.
James L. Smith, AO3082362.
Robert G. Smith, AO3082510.
Thomas J. Smith, AO3094389.
William O. Smith, AO3082433.
Willard H. Snell, Jr., AO3069351.
Richard C. Spring, AO3095007.
David B. Stephens, AO3094819.
David D. Stoddard, AO3094955.
James P. Stoddard III, AO3101576.
Charles R. Stoltz, AO3095105.
Emerson F. Stoops, AO3073940.
James R. H. Stumpf, AO3093962.
Leonard M. Sweet, Jr., AO3094583.
James A. Taylor, AO3094995.
Michael D. Thomas, AO3094630.
Robert E. Thomason, AO3101582.
Carl W. Wachsmuth, AO3082434.
David B. Waddell, AO3102129.
Marvin Z. Walker, AO3082417.
Robert W. Wallace, AO3095178.
Robert E. Waters, AO3095256.
Odis G. Wehrly, AO3082349.
Donald L. Wertz, AO3094046.
Thomas W. White, Jr., AO3095134.
John G. Widener, AO3095254.
Winston Williams, AO3093990.
Donald J. Wise, AO3101596.
Dale E. Wolfe, AO3082350.
Phillip A. Wright, AO3094859.
Merrill L. Wunder, AO3095003.
Philip E. Zara, AO3101517.

To be second lieutenants

Distinguished Aviation Cadet Graduates

James E. Cavell, AO3122000.
Delbert A. Post, AO3122019.

Distinguished Officer Candidate Graduates

Karel R. Dekock, AO3115744.
James F. Osborn, AO3120864.
Howard W. Pittman, AO3120878.

Distinguished Office Training School Graduates

Chalmers K. Hamasaki, AO3121267.
Carl Hintze III, AO3121275.
Howard H. Jones II, AO3121294.
Edward R. Lucas, AO3121316.
Hans G. Martens, AO3121324.
Donald J. O'Connor, AO3121364.
Franklin C. Ordonio, AO3121366.
Gary E. Purvis, AO3121383.
Charles C. Rauschenbach, AO3121388.
Michael T. Schwitters, AO3121415.
Robert F. Swarts, AO3118329.

Subject to medical qualification and subject to designation as distinguished military graduates, the following distinguished military students of the Air Force Reserve Officers' Training Corps for appointment in the Regular Air Force, in the grade of second lieutenant, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

William H. Fabian
James C. Clay
Harold A. Dombeck
Edward J. Dunne, Jr.
Peter K. Foley
Timothy M. Harrington, Jr.
Richard G. Hendl
Franklin W. Losey
Richard S. Matta
Charles W. McNichols III
Lon D. Richards
Joseph R. Sapere
Alfred L. Stoessell
Meredith W. Watts, Jr.
Harold J. Zook

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 5, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Ephesians 4: 25: *We are members one of another.*

Our Heavenly Father, inspire us to think of all mankind as the offspring of God, created by Him and with a capacity to be like Him in spirit.

May Thy love constrain us to believe and feel that the common welfare of the various races and people of the earth must be the concern of all alike.

Grant that men and nations everywhere may put forth a more heroic and concerted effort to enthrone and manifest the principles of friendship and fraternity in all their relationships.

Help us to be more firmly convinced that the very existence of civilization depends upon a community of cooperation among the members of the human family.

Hear us in the name of Him who is Lord of all. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

WILLIAM FALBY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H.R. 1653, an act for the relief of William Falby, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Line 13, after "loss" insert: : *Provided*, That the said William Falby enters the United States for permanent residence within two years after the date of the enactment of this Act.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

STAVROS MOURKAKOS

The Clerk called the bill (H.R. 1899) for the relief of Stavros Mourkakos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Stavros Mourkakos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Stavros Michael Mourkakos. From and after the date of the enactment of this Act, the said Stavros Michael Mourkakos shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Stavros Michael Mourkakos."

A motion to reconsider was laid on the table.

MARIA STELLA TODARO

The Clerk called the bill (H.R. 2337) for the relief of Maria Stella Todaro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria Stella Todaro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Maria Stella Todaro. From and after the date of the enactment of this Act, the said Maria Stella Todaro shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IVY GWENDOLYN MYERS

The Clerk called the bill (H.R. 3821) for the relief of Ivy Gwendolyn Myers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Ivy Gwendolyn Myers shall be held and considered to be the natural-born alien child of Egbert Myers, a citizen of the United States.

With the following committee amendments:

On page 1, at the end of line 4, strike out the words "the minor".

On page 1, line 5, strike out the first word "child,".

On page 1, line 6, after the words "natural-born alien" insert the word "minor".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AHSABET OYUNCIYAN

The Clerk called the bill (H.R. 3822) for the relief of Ahsabet Oyunciyan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ahsabet Oyunciyan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Ahsabet Oyunciyan. From and after the date of the enactment of this Act, the said Ahsabet Oyunciyan shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHIKOKO SHINAGAWA

The Clerk called the bill (H.R. 3912) for the relief of Chikoko Shinagawa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Chikoko Shinagawa, the fiancee of William Liese, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Chikoko Shinagawa is coming to the United States with a bona fide intention of being married to the said William Liese and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-mentioned persons does not occur within three months after the entry of the said Chikoko Shinagawa, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-mentioned persons shall occur within three months after the entry of the said Chikoko Shinagawa, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Chikoko Shinagawa as of the date of the payment by her of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA LA BELLA

The Clerk called the bill (S. 1881) for the relief of Maria La Bella.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Maria La Bella shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Maria La Bella. From and after the date of the enactment of this Act, the said Maria La Bella shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM THOMAS DENDY

The Clerk called the bill (H.R. 6016) for the relief of William Thomas Dendy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William Thomas Dendy, who lost United States citizenship under the provisions of section 349(a)(3) of the Immigration and Nationality Act, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said William Thomas Dendy shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NOREEN JOYCE BADEN

The Clerk called the bill (H.R. 9180) for the relief of Noreen Joyce Baden.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act Noreen Joyce Baden shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Noreen Joyce Baden shall be deemed to be chargeable to the quota for Great Britain."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAUDE HOMANN-HERIMBERG (NEE WAGNER)

The Clerk called the bill (H.R. 9588) for the relief of Claude Homann-Herimberg (nee Wagner).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 352(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1484) shall not have been and not to be applicable in the case of Claude Homann-Herimberg (nee Wagner), a naturalized citizen of the United States: *Provided,* That the said Claude Homann-Herimberg (nee Wagner) establishes residence in the United States prior to the expiration of thirty-six months following the date of the enactment of this Act.

With the following committee amendment:

On page 1, strike out all of lines 3 and 4 and the word "applicable" on line 5, and insert in lieu thereof the following: "That, for the purposes of title III of the Immigration and Nationality Act, section 352(a)(2) of the said Act shall be deemed to have been and to be inapplicable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEFFERSON CONSTRUCTION CO.

The Clerk called the resolution (H. Res. 423) for the relief of the Jefferson Construction Co.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H.R. 8585) entitled "A bill for the relief of Jefferson Construction Company", together with all accompanying papers, is hereby referred to the Court of Claims subject to its rules and pursuant to sections 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, such findings of fact, including facts relating to delay or laches, facts bearing upon the question whether the bar or any statute of limitations should be removed, or facts claimed to excuse the claimant for not having resorted to any established legal remedy, and conclusions based on such facts as shall be sufficient to inform Congress whether the demand is a legal or equitable claim or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to.

A motion to reconsider was laid on the table.

C. EDWIN ALLEY

The Clerk called the bill (H.R. 2836) for the relief of C. Edwin Alley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. Edwin Alley, of Fairfax, Virginia, $2,500 in full settlement of all his claims against the United States arising out of an assault on March 26, 1960, in the Old Post Office Building in Washington, D.C., involving guards employed by the General Services Administration. Suit may not be instituted on such claims under the tort claims procedure as provided in title 28, United States Code: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5: Strike "$2,500" and insert "$1,000".

Page 1, lines 7, 8, and 9: Strike "arising out of an assault on March 26, 1960, in the Old Post Office Building in Washington, D.C., involving guards employed by the General Services Administration" and insert "and against any employee of the Government whose act or omission gave rise to the claim, by reason of an incident on March 26, 1960, in the Old Post Office Building in Washington, D.C.".

Page 1, line 11, and page 2, line 1: Strike "Code: *Provided,* That" and insert "Code. No part of the amount appropriated in this Act shall be subject to any claim, by way of subrogation or otherwise, for reimbursement of workmen's compensation benefits paid on account of the incident referred to in this Act, and".

Page 2, lines 1 and 2: Strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEPHEN A. ESKIN

The Clerk called the bill (H.R. 6014) for the relief of Stephen A. Eskin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Stephen A. Eskin (RA11369272), United States Army, is hereby relieved of liability to the United States in the amount of $325.69, the amount which he was paid for travel expense incurred by him under travel orders which were revoked. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stephen A. Eskin (RA 11369272), United States Army, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike "$325.69" and insert "324.69".

Page 2, line 8, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LECIL A. SIMS

The Clerk called the bill (H.R. 6655) for the relief of Lecil A. Sims.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Lecil A. Sims, of Delta, Alabama, is hereby relieved of liability to the United States in the amount of $1,561.60, the amount by which he was overpaid, through administrative error, during the period from July 5, 1958, through March 12, 1960, as an employee of the Refrigeration Unit, Post Engineers, Fort McClellan, Alabama. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lecil A. Sims, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, in complete or partial satisfaction of the liability to the United States specified in the first section: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 8, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

Mr. LANE. Mr. Speaker. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Lane: Page 1, line 4, strike out "$1,561.60" and insert "$1,561.00".

Page 1, line 6, strike out "July 5, 1958" and insert "June 22, 1958".

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT B. SHORTER, SR.

The Clerk called the bill (H.R. 7365) for the relief of Herbert B. Shorter, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations contained in the Act of October 9, 1940 (31 Stat. sec. 71a), or in any other limiting statute, the application made by Herbert B. Shorter, Senior, of Pompano Beach, Florida, received by the General Accounting Office on April 29, 1957, for additional retainer pay for the period from February 1, 1940, to April 28, 1947, for United States Navy Fleet Reserve service shall be held and considered to have been timely filed and the Comptroller General of the United States is hereby authorized and directed to consider that claim and pay any amount found due the said Herbert B. Shorter, Senior, for the period covered by the claim.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLENDAL W. HANCOCK

The Clerk called the bill (H.R. 8452) for the relief of Glendal W. Hancock.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Glendal W. Hancock of Sacramento, California, is hereby relieved of all liability for repayment to the United States of the amount of $664.51 representing overpayments of active duty pay as a member of the United States Army and the United States Air Force for the period from February 22, 1946, to May 31, 1958, which he received as the result of an erroneous computation of creditable service for longevity purposes.

Sec. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Glendal W. Hancock, the sum of any amount received or withheld from him on account of the payments referred to in the first section of this bill.

With the following committee amendments:

Page 1, line 5, strike out "$664.51" and insert "$787.93".

Page 1, line 8, strike out "February 22, 1946, to May 31, 1958" and insert "September 29, 1942, through January 31, 1960".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOLOMON ANNENBERG

The Clerk called the bill (H.R. 9599) for the relief of Solomon Annenberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs shall pay, out of current appropriations available for the furnishing of prosthetic appliances, to Solomon Annenberg, of Naugatuck, Connecticut (Veterans' Administration claim numbered C–21497050), the sum of $650, as reimbursement for the cost of an artificial limb procured by him after the Veterans' Administration had erroneously refused to furnish him an artificial limb to which he was entitled: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11 and page 2, line, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTELLE L. HEARD

The Clerk called the bill (H.R. 9834) for the relief of Estelle L. Heard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $880.23 to Estelle L. Heard, of Danville, Virginia, in full settlement of her claims against the United States for compensation for damage to her 1958 Chevrolet sedan sustained in an accident which occurred on March 12, 1961, near South Boston, Virginia, when her automobile was struck and seriously damaged by a United

States Army truck and trailer. This claim has been determined not to be cognizable under the tort claims provisions of title 28 of the United States Code on the ground that the Army driver was not acting within the scope of his employment at the time of the collision: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. WILLIAM W. JOHNSTON

The Clerk called the bill (H.R. 9942) for the relief of Mrs. William W. Johnston.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FRANCIS L. QUINN

The Clerk called the bill (H.R. 10525) for the relief of Francis L. Quinn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Francis L. Quinn, of Concord, Massachusetts, the sum of $300. Such sum represents reimbursement to the said Francis L. Quinn for paying out of his own funds judgments rendered against him in the Middlesex District East Cambridge, Massachusetts Court, as the result of an accident occurring when said Francis L. Quinn was operating a Government motor vehicle in the course of his duties as an employee of the United States Post Office Department: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DON C. JENSEN AND BRUCE E. WOOLNER

The Clerk called the bill (H.R. 11578) for the relief of Don C. Jensen and Bruce E. Woolner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Don C. Jensen and Bruce E. Woolner are hereby relieved of all liability to pay to the United States the amounts listed opposite their names, representing unaccounted for outstanding balances in their accounts while serving as disbursing officers of the United States: Don C. Jensen, $415.99; Bruce E. Woolner, $804.73.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Don C. Jensen and Bruce E. Woolner, the sum of any amounts received or withheld from them on account of the outstanding balances referred to in the first section of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH A. JOHNSON

The Clerk called the bill (H.R. 10308) for the relief of Elizabeth A. Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Civil Service Retirement Act, Leroy Johnson shall be presumed to have elected, upon his retirement from Congress January 2, 1957, to receive a reduced annuity and an annuity equal to one-half his life annuity payable after his death to his widow, Elizabeth A. Johnson.

SEC. 2. Notwithstanding any other provision of law, benefits payable by reason of the enactment of this Act shall be paid from the civil service retirement and disability fund.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. TING-WA WONG

The Clerk called the bill (S. 315) for the relief of Dr. Ting-Wa Wong.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Ting-Wa Wong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 11, 1958, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENNETH DAVID WOODEN

The Clerk called the bill (S. 1962) for the relief of Kenneth David Wooden.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Kenneth David Wooden, shall be held and considered to be the natural-born alien child of Harold Hoover Wooden, a citizen of the United States: *Provided*, That no natural parent of Kenneth David Wooden, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIA LONGFIELD-SMITH

The Clerk called the bill (S. 2011) for the relief of Antonia Longfield-Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Antonia Longfield-Smith, shall be held and considered to be the natural-born alien child of Captain and Mrs. John W. Longfield-Smith, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TINA JANE BELAND

The Clerk called the bill (S. 2099) for the relief of Tina Jane Beland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Tina Jane Beland, shall be held and considered to be the natural-born alien child of Marcel Albert Beland and Lottie Beatrice Beland, citizens of the United States: *Provided*, That the natural parents of the said Tina Jane Beland shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. EVA LONDON RITT

The Clerk called the bill (S. 2143) for the relief of Mrs. Eva London Ritt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That, in the administration of the Immigration and Nationality Act, as amended, Mrs. Eva London Ritt shall be held and considered to be and to have been on July 30, 1961, within the purview of section 354(5) of that Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of title III of the Immigration and Nationality Act, section

352(a)(2) of the said Act shall be deemed to have been and to be inapplicable in the case of Mrs. Eva London Ritt, a naturalized citizen of the United States: *Provided*, That the said Mrs. Eva London Ritt establishes residence in the United States, as defined in section 101(a)(33) of the Immigration and Nationality Act, prior to the expiration of thirty-six months following the date of the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FELIPE O. PAGDILAO

The Clerk called the bill (S. 2147) for the relief of Felipe O. Pagdilao.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEMITRIOS DUNIS

The Clerk called the bill (H.R. 1609) for the relief of Demitrios Dunis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(2) and 205 of the Immigration and Nationality Act, Demitrios Dunis shall be held and considered to be the natural-born son of Vasilikie D. and Gus Harry Dunis, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, line 3, strike out "sections 203(a)(2)" and insert in lieu thereof "sections 101(a)(27)(A)".

On page 1, line 5, after the words "the natural-born" strike out the word "son" and substitute the words "alien minor child".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LESLIE M. PATERSON ET AL.

The Clerk called the bill (H.R. 1469) for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, Mrs. Leslie M. Paterson, the widow of a United States citizen, and her daughters, Janet and Mary Paterson, shall be deemed to be within the purview of section 101(a)(27)(A) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in this case.

With the following committee amendment:

Strike out after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, section 202(c) of that Act shall be inapplicable in the cases of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANTISEK TISLER

The Clerk called the bill (H.R. 6833) for the relief of Frantisek Tisler.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Frantisek Tisler lawfully admitted for permanent residence in the United States on September 1, 1959, shall be held to be included in the class of applicants for naturalization exempted from the provisions of section 313(a) of the Immigration and Nationality Act, as such class is specified in section 313(c) of the said Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERDINAND A. HERMENS

The Clerk called the bill (H.R. 10371) for the relief of Ferdinand A. Hermens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 352(a) of the Immigration and Nationality Act shall not apply to any period of residence of Ferdinand A. Hermens, a naturalized citizen of the United States, in Germany after April 30, 1962, and prior to May 1, 1965.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSINA LUISI (SISTER MARY ROSINA) AND MARIA FATIBENE (SISTER M. VALENTINA)

The Clerk called the bill (H.R. 10960) for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina), shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

Mr. BAILEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 11665, with Mr. THOMPSON of Texas presiding as Chairman pro tempore.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee rose on Thursday, May 31, the gentleman from West Virginia [Mr. BAILEY] had 6 minutes remaining and the gentleman from New Jersey [Mr. FRELINGHUYSEN] had 7 minutes remaining.

The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I yield myself such time as is necessary to offer some explanation of this legislation in the nature of a communication from the Department of Agriculture, which administers the hot school lunch program.

The letter is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 4, 1962.

HON. CLEVELAND M. BAILEY,
Chairman, Subcommittee on General Education, Committee on Education and Labor, House of Representatives, Washington, D.C.

DEAR MR. BAILEY: This is in reply to Mr. McCord's request for additional information with respect to section 11 of H.R. 11665, now pending before the House of Representatives. Specifically, we understand that certain questions have been raised concerning the discretionary authority this section of the bill would provide to the Secretary in the use of funds for special school lunch assistance to schools which draw attendance from economically needy areas.

As representatives of this Department testified before the Subcommittee on General Education, the purpose of section 11 is to make special provision for those communities and those children that are least able to take advantage of the school lunch program. These schools draw their attendance from areas in which poor economic conditions exist and where a large proportion of the children would need to receive free or substantially reduced price meals if an adequate school lunch program were to be operated.

Our experience has demonstrated that the amount of cash assistance that can now be provided to these States under the regular school lunch assistance program, together with the limited amount of funds that such communities can provide, is not sufficient to finance the cost of serving school lunches to all of the children in the school who need to receive lunch at no cost or at a token charge of, perhaps, a few pennies or 5 or 10 cents. The funds authorized to be appropriated under section 11 would be used to provide these schools with sufficient Federal cash assistance to permit the needy children to have the benefits of an adequate school lunch.

The broad discretionary authority contained in section 11 is not intended to change the basic administrative pattern of the national school lunch program. The responsibility for the selection of schools for section 11 assistance, and the disbursement of section 11 funds, will be left in the hands of State educational agencies, except in the 29 States or territories where State law makes it necessary for the Department of Agriculture to deal directly with private schools in the administration of the current school lunch assistance program. Rather, this discretionary authority is designed to give the Department time to work out with State educational agencies the most effective and practical policies and procedures for identifying those schools in need of special assistance and for disbursing the special assistance funds to such schools, within the framework of existing school lunch administrative patterns of the various States.

The terms and conditions relating to the expenditure of section 11 funds will be published in the Federal Register as part of the Federal regulations governing the operation of the national school lunch program. They will apply equally in all States and territories and to the federally assisted school lunch programs administered by State educational agencies as well as to such programs in private schools which must be administered by the Department of Agriculture. As indicated in the report which accompanied H.R. 11665 (No. 1673), these terms and conditions will (1) establish a reserve of section 11 funds for each of the States and territories; (2) require that schools wishing to obtain section 11 assistance make specific application for such assistance; (3) outline the factors to be considered by State educational agencies and the Department in approving schools for section 11 assistance; and (4) establish a maximum per-meal rate of cash assistance that may be paid to approved schools by the States or the Department out of section 11 funds.

The method of administration, therefore, follows the policies and procedures now in use in the administration of the current program of Federal school lunch assistance. Likewise, schools approved for special assistance will be required to meet the same operating standards required of other schools receiving Federal school lunch assistance.

Thus, basically, the discretionary authority contained in the bill is designed to permit State educational agencies working in close cooperation with the Department to explore administrative techniques, to identify those schools in need of special assistance and to determine, on the basis of operating experience, the extent of the need for such assistance among the various States and territories, and the amounts of special assistance the majority of such schools may require.

We intend, if such authority is granted to the Department for fiscal 1963, to undertake a detailed evaluation of the results obtained under this authority, together with recommendations for further changes in policies and procedures. We would intend to keep the subcommittee informed concerning our evaluation and recommendations, looking to the period when the experience of State educational agencies and the Department would permit a more definitive legislative authorization for such a program of special school lunch assistance.

Sincerely yours,
JOHN P. DUNCAN, Jr.,
Assistant Secretary.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself such time as I may consume.

As the gentleman from West Virginia has said, a number of questions were raised when this bill was discussed last week with respect to the proposed revisions suggested by the committee. In particular, criticism was leveled against section 11. This section, in my opinion, was a very undesirable and unnecessary blank check with respect to substantial new funds to supplement the existing program. The gentleman in a statement described this criticism as Republican obstructionism.

I want to assure the Members that there is no effort on the part of any Republican to obstruct the passage of reasonable legislation. I do feel, however, that we need a more adequate discussion of the proposed revisions of law.

The change, for instance, will adversely affect the District of Columbia. There is a very substantial reduction in the amount of money available for the District of Columbia, which will be offset to a small degree by an additional amount to be received because of the milk which the District is supplying schoolchildren here.

Even more fundamental is my objection to the proposed section 11. The gentleman from West Virginia has read extensively from a letter from the Department of Agriculture. This points out how they would administer these funds if they should be authorized and appropriated.

If a new program of considerable size is to be enacted, we ourselves should put in legislative guidelines to aid the Secretary. We should not be forced to rely on what the administrator of the program thinks he would do.

As an example, it seems essential that we indicate how active the State educational agencies would be with respect to the needed aid. We should provide some kind of criteria to determine how funds would be made available to the so-called needy school districts, and under what terms. Without any guidance, and the report indicates the necessity for guidance on pages 6, 7, and 8, we are simply providing in effect a new program. It will seek to supplement what apparently are going to be continuing inequities, in spite of the proposed amendments to the legislation we now have.

I might say that the letter from the Department of Agriculture in no way lessens my objection to the section. Instead, it underlines the necessity for us to strike out entirely this language in section 11. At the very least we should provide some assistance to the Department in working out, as they say, effective and practical policies and procedures for identifying the schools which are in need of this special assistance, and for disbursing these funds.

As I have already indicated, we suggest guidelines only by this reference in the debate. Of necessity this must be sketchy. Without legislative provisions, there is no assurance that present administrative procedures will be followed with respect to the new funds. There is no ceiling on the amount of funds to be authorized. Indeed, there is no indication now just how extensive the need may be for supplementing existing programs. It seems premature for us to advocate a new program along these lines. As I said last week, I am as anxious as anyone to see as many schoolchildren as possible fed adequate meals, but I do not think this is a proper way for us to proceed to achieve that end.

In my opinion, we should proceed with the proposed revisions of the act, and strike entirely the new program represented by section 11. I repeat, I propose to offer an amendment to strike entirely that language. This in no way prejudices the other suggested changes. These changes, I might say, to summarize what we said last week, are an attempt to put the aid where it is needed, in the so-called needy schools, and to give certain other areas less. In that process of giving less—the State of Alaska will get substantially less, and particularly the District of Columbia—we should guard against creating new inequities in the effort to see that the existing funds go further and do more than they do today.

In any event we should not authorize the establishment of a new program without any kind of an indication as to how this program is to be conducted.

Therefore, Mr. Chairman, I would like to repeat, I will offer an amendment at the appropriate time to strike out section 11 from the bill. We can then proceed with the consideration of these proposed revisions, to which I think there is no substantial opposition.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the National School Lunch Act is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 3. For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as the 'Secretary') to carry out the provisions of this Act, other than section 11."

SEC. 2. Section 4 of the National School Lunch Act is amended to read as follows:

"APPORTIONMENTS TO STATES

"SEC. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other foods for the program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the funds made available for such year for supplying agricultural commodities and other foods under the provisions of section 3 of this Act. Apportionment among the States shall be made on the basis of two factors: (1) the participation rate for the State, and (2) the assistance need rate for the State. The amount of apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States (exclusive of American Samoa for periods ending before July 1, 1967); and third, apply the figure thus obtained to the total funds to be apportioned. If any State cannot utilize all funds so apportioned to it, or if additional funds are made available under section 3 for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner. Notwithstanding the foregoing provisions of this section, (1) for the fiscal year beginning July 1, 1962, one-half of any funds available for apportionment among the States shall be apportioned in the manner used prior to such fiscal year, and one-half of any such funds shall be apportioned in accordance with the foregoing provisions of this section, and (2) for the five fiscal years in the period beginning July 1, 1962, and ending June 30, 1967, the amount apportioned to American Samoa shall be $25,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States."

SEC. 3. (a) Section 5 of the National School Lunch Act is amended by striking out the last sentence thereof.

(b) Section 6 of the National School Lunch Act is amended by striking out "and less the amount apportioned to him pursuant to sections 4, 5, and 10" and inserting in lieu thereof the following: ", less the amount apportioned by him pursuant to sections 4, 5, and 10, and less the amount appropriated pursuant to section 11".

SEC. 4. Section 10 of the National School Lunch Act is amended by striking out "the same proportion of the funds as the number of children between the ages of 5 and 17, inclusive, attending nonprofit private schools within the State is of the total number of persons of those ages within the State attending school" and inserting in lieu thereof the following: "an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State".

SEC. 5. Section 11 of the National School Lunch Act is redesignated as section 12 and subsections (c) and (d) thereof are amended to read as follows:

"(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

"(d) For the purposes of this Act—

"(1) 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

"(2) 'State educational agency' means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

"(3) 'Nonprofit private school' means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

"(4) 'Nonfood assistance' means equipment used by schools in storing, preparing, or serving food for schoolchildren.

"(5) 'Participation rate' for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by schools participating in the program under this Act in the State, as determined by the Secretary.

"(6) 'Assistance need rate' (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be the product of 5 and the quotient obtained by dividing the average annual per capita income for all the States by the average per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967.

"(7) 'School' means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico."

SEC. 6. The National School Lunch Act is further amended by inserting immediately after section 10 thereof the following new section:

"SPECIAL ASSISTANCE

"SEC. 11. There is hereby authorized to be appropriated such sums as may be necessary to enable the Secretary, under such terms and conditions as he deems to be in the public interest, to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirements established in this Act concerning the service of lunches to children unable to pay the full cost of such lunches."

SEC. 7. The amendments made by this Act shall take effect on July 1, 1962.

Mr. BAILEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that it be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On Page 7, strike out lines 1 through 10, and insert in lieu thereof the following:

"SPECIAL ASSISTANCE

"SEC. 11 (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1963, the sum of $10,000,000, and for each fiscal year thereafter such sums as Congress may determine to be necessary, to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirements established in this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

"(b) The Secretary shall establish the terms and conditions under which State educational agencies shall approve schools for such special assistance and under which such agencies shall disburse to approved schools the funds appropriated pursuant to this section.

"(c) The terms and conditions established pursuant to subsection (b) of this section shall be used by the Secretary in supplying special assistance to nonprofit private schools in any State in which the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State or is not permitted by law to match Federal funds made available for use by such nonprofit private schools."

CALL OF THE HOUSE

Mr. GRIFFIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 97]

Addonizio
Alexander
Alford
Alger
Arends
Ashmore
Barrett
Boland
Boykin
Brewster
Buckley
Coad
Collier
Colmer
Cook
Corman
Curtis, Mass.
Daddario
Davis, Tenn.
Dent
Derwinski
Devine
Diggs
Donohue
Dooley
Durno
Evins
Fallon
Fenton
Flood
Fogarty
Fulton
Garland
Gavin
Gilbert
Gonzales
Granahan
Grant
Gray
Green, Pa.
Gubser
Hall
Hansen
Healey
Hébert
Hiestand
Hoffman, Mich.
Holifield
Holland
Horan
Jarman
Jones, Ala.
Judd
Karth
Kearns
Kee
Kilburn
Kitchin
Libonati
Loser
McIntire
McMillan
Marshall
Meader
Miller, N.Y.
Moorehead, Ohio.
Moulder
O'Brien, N.Y.
O'Konski
Osmers
Peterson
Philbin
Pilcher
Rains
Reece
Roberts, Ala.
Robison
Roosevelt
Roudebush
Rousselot
St. Germain
Santangelo
Saund
Seely-Brown
Shelley
Sibal
Sisk
Smith, Miss.
Spence
Thomas
Utt
Vanik
Vinson
Weis
Whitten
Zelenko

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BROOKS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11665) and finding itself without a quorum, he had directed the roll to be called, when 338 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from West Virginia [Mr. BAILEY] is recognized for 5 minutes.

Mr. BAILEY. Mr. Chairman, the problem facing the committee at this time pertains to section 11. I had, previous to the rollcall, offered an amendment changing the present section 11, which reads as follows:

SEC. 11. There is hereby authorized to be appropriated such sums as may be necessary to enable the Secretary, under such terms and conditions as he deems to be in the public interest, to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirements established in this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

It was my purpose in offering the amendment to section 11 to mollify the feelings of the minority members of the committee that possibly the Secretary of Agriculture was receiving too much authority.

The purpose of my amendment was to spell out guidelines for the Secretary and limit his authority.

During the rollcall I had an opportunity to talk to the minority members of the committee and they have an approach to section 11 which I as chairman of the committee and the members of subcommittee have no objection to. I assume that the gentleman from New Jersey [Mr. FRELINGHUYSEN] will offer the amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I shall be glad to yield.

Mr. FRELINGHUYSEN. I may say to the gentleman that I think this amendment he has offered is a step in the right direction. As the gentleman has indicated, I myself do not feel that the guidelines which are provided, which seem both desirable and necessary, are sufficiently spelled out in the amendment proposed by the gentleman from West Virginia.

It is therefore my purpose, and after the gentleman has concluded, to offer a substitute for the gentleman's amendment. My substitute, I might say, attempts to incorporate the guidelines indicated in the report on the bill. In other words, the Agriculture Department has already indicated how they plan to carry out this new program. It has been my feeling that we ought to incorporate those basic ideas into legislative language.

My amendment, therefore, will go somewhat further than the amendment offered by the gentleman from West Virginia, but it will simply attempt to carry out what is basically being proposed by the Department, should funds be made available for this supplemental program. I think the chairman of the subcommittee is in agreement with me regarding the advisability of putting certain limits on the amounts to be authorized, and the desirability of incorporating specific guidelines which will help the Secretary in setting up this program.

Mr. BAILEY. May I say to the gentleman from New Jersey the purpose of setting up the hot lunch school program in 1946 was to make school lunches available, particularly in the areas where they had difficulty in carrying on a program of that kind. The purpose of section 11 of this bill is to try to bring to the 15 or 18 what might be called needy States a little bit of assistance that will help them to see that the children do not go hungry at lunchtime. In a situation like that existing in my State, for instance, 31 out of every 100 meals served last year were free meals because the children's parents were not able to participate. They were fed anyway. The amendment to be offered by the gentleman from New Jersey would seek to set up guidelines in support of the new program.

Mr. FRELINGHUYSEN. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. FRELINGHUYSEN as a substitute for the amendment offered by Mr. BAILEY: Page 7, beginning with line 2, strike out all down through line 10 and insert in lieu thereof the following:

"SEC. 11. (a) There is hereby authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1963, and such sums as may be necessary for the fiscal year ending June 30, 1964, and each succeeding fiscal year, to provide additional funds to certain schools (selected on the basis of factors set forth in subsection (b)) to assist such schools to serve free and reduced price lunches. From the sums appropriated pursuant to this section for any fiscal year, the Secretary shall reserve such amount as may be necessary, but not in excess of 3 per centum thereof, for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. Such amount shall be apportioned among Puerto Rico, the Virgin Islands, Guam, and American Samoa on the basis of (1) the relative numbers of free and reduced price lunches served during the preceding fiscal year by schools participating in the program under this Act in such places and (2) the relative assistance need rates of such places. The remaining amount of such sums appropriated for any fiscal year shall be apportioned among the States (other than Puerto Rico, the Virgin Islands, Guam, and American Samoa) on the same bases. For purposes of this section, American Samoa shall be deemed to have an assistance need rate equal to such rate for Guam, for periods ending before July 1, 1967.

"(b) Except as provided in subsection (c), funds apportioned to each State under subsection (a) shall be paid to selected schools in such State to assist such schools to serve free and reduced price lunches. Such schools and the amounts of such funds that each shall from time to time receive shall be determined by the State educational agency on the basis of the following factors: (1) The economic condition of the area from which such schools draw attendance; (2) the needs of pupils in such schools for free or reduced price lunches; (3) the percentages of free and reduced priced lunches being served in such schools to their students; (4) the cost of lunches in such schools as compared to the average cost of school lunches throughout the State; and (5) the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

"(c) In the case of any State which is not permitted by law to disburse funds paid to it under this section to nonprofit private schools, the Secretary shall withhold from the funds apportioned to such State under this section an amount which bears the same ratio to such funds as the number of free and reduced price lunches served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act in the State bears to the number of such free and reduced price lunches served during such year by all schools participating in the program under this Act in the State. The Secretary shall select nonprofit private schools in each such State and shall determine the amounts which shall be paid to each such school from time to time from amounts so withheld, on the basis of the same factors set forth in subsection (b)."

Mr. FRELINGHUYSEN. Mr. Chairman, as I indicated during the debate last week, I had intended to offer an amendment to strike section 11 entirely from the bill. I felt giving the Secretary of Agriculture such complete discretion with respect to handling funds for an entirely new program in the school lunch area would be very undesirable.

I am still of two minds as to whether it would be better to strike section 11 altogether, or to modify it as this substitute amendment proposes to do. I feel that a new program such as this may well be helpful in areas where real need exists. It is for that reason that I have decided, at least for the moment, until we see whether the substitute is successful or not, to offer an amendment which would simply tighten up the authority given the Department of Agriculture.

The gentleman from West Virginia has offered an amendment, which my substitute also provides, which would limit the funds for this new program in the first year to a maximum of $10 million. However, the gentleman from West Virginia simply says that the Secretary shall establish terms and conditions under which a State educational agency shall distribute this new money. My amendment, as you have just heard, would spell out in some detail how this money would be made available. This is determined basically on two grounds: first, the relative number of free and reduced price lunches served during the preceding fiscal year and, second, the relative assistance needs rates of such places.

In addition, the substitute seeks to clarify who has the basic responsibility in determining which schools shall get funds. The gentleman from West Virginia simply proposes that the Secretary shall establish terms and conditions under which State agencies shall approve applications. That does not make it clear whether the State has the basic responsibility, or whether it is the Secretary of Agriculture.

My amendment, on the other hand, says that the State educational agency shall make the determination about the funds. They shall consider certain factors, and I shall reiterate briefly what those factors are. They do not have to be exclusive, and other factors could be considered:

First would be the economic condition of the area from which such schools draw attendance.

Second, the needs of pupils in such schools for free or reduced-price lunches.

Third, the percentages of free and reduced-price lunches being served in schools to their students.

Fourth, the cost of lunches in such schools as compared to the average cost of school lunches throughout the State.

Fifth, the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

This, admittedly, is still providing a certain amount of flexibility with respect to a new program. We are not sure how it will operate. We do not yet know how extensive is the need, above and beyond what we have already been providing. This at least would provide some legislative guidelines I think. These are essential to what may well be a valuable addition to our school lunch program.

For that reason, Mr. Chairman, I urge that we adopt the substitute. Then, I hope, we can proceed to debate the proposed revisions of the act.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the chairman of the committee.

Mr. POWELL. I thank the gentleman for his presentation. I would like to ask, under the provisions of your substitute, how would Guam and American Samoa be taken care of, because they are now in this legislation?

Mr. FRELINGHUYSEN. Well, I would assure the chairman that American Samoa, Puerto Rico, the Virgin Islands, and Guam are to receive not more than 3 percent of the total allotment. That money is to be distributed as it is in the States, on the basis of the relative number of free and reduced-price lunches and also the assistance need rates. In the case of American Samoa, at the end of subsection (a), American Samoa shall be deemed to have an assistance need rate equal to such rate for Guam, for the period ending before July 1, 1967. In other words, there will be specific provision made to provide funds for those named territories.

Mr. POWELL. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may continue for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Section 11(a), subsection 1, provides for the relative number of free and reduced-price lunches served during the preceeding fiscal year. That is what I am concerned about, because for the preceding fiscal year Guam and American Samoa were not included in the program.

Mr. FRELINGHUYSEN. I am not sure that I understand the purport of the gentleman's question, or was it an observation?

Mr. POWELL. If the gentleman will yield further, I shall get to the question. On the basis of the relative numbers of free and reduced-price lunches served during the past fiscal year by these schools participating in the program is the language, but there were no schools participating in this program in Guam and American Samoa.

Mr. FRELINGHUYSEN. We do still have the other alternative, the relative need rates of such places. I might say to the gentleman from New York [Mr. POWELL] that what the proposed thrust of the other revisions of the act involves, is to reduce the amounts, as will be the case in the District of Columbia where there has not been participation. Schools will get less in areas where there has not been provision either for reduced-price lunches or free lunches. It has been felt that we may thus encourage a greater degree of participation in the serving of such lunches, if we do provide less funds.

Mr. POWELL. We will have a further amendment, a substitute to be offered by the gentleman from Michigan [Mr. O'HARA] at the proper time, and I hope for the gentleman's support. I thank the gentleman.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I shall be glad to yield to the gentleman from Florida.

Mr. HALEY. What the gentleman is attempting to do here is to establish guidelines which the authors of this legislation say that they want to establish anyway; is that right?

Mr. FRELINGHUYSEN. The gentleman is correct. The Department of Agriculture has indicated—and the proposed program is outlined in the report on the bill at pages 6 through 8—how they would handle it. It is my feeling that we should set some of those guidelines.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HALEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FRELINGHUYSEN. It is my hope that this language will provide specific outlines to the Department with respect to this new program.

Mr. HALEY. If the gentleman will yield further, the Department of Agriculture has already indicated that it is in favor of this?

Mr. FRELINGHUYSEN. I do not believe that any of the suggested guidelines differ in any way from what the Department says it was planning to do. It says it is not planning to disturb the existing administrative handling of these programs, and that the responsibility will lie still with the States. However, unless we spell this out in the language of the amendment, they might feel free to change their program substantially, and there would be no restrictions placed upon them. I think that would be most undesirable.

Mr. HALEY. I thank the gentleman for his explanation.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I shall be glad to yield to the gentleman from Michigan.

Mr. GRIFFIN. With reference to the question asked by the distinguished chairman of the full committee, I do not purport to be an expert on this, but I suggest we look at the hearings on page 15 of the testimony by Mr. Davis, an Under Secretary who administers this program. He says that all of the States have the national school lunch program, including Puerto Rico, the Virgin Islands and Guam. So Puerto Rico, the Virgin Islands, and Guam, it would appear to me, have a record at which to look in apportioning the funds provided for in the gentleman's amendment. However, we are adding for the first time American Samoa, as I understand it, and there is a provision to take care of American Samoa. That would seem to be the explanation to the question posed by the chairman of the full committee. But, perhaps, there is more to it.

Mr. FRELINGHUYSEN. Again I might say to the gentleman that I am no expert in this field, either. The report on the bill, unfortunately, does not clarify just how the special reserve for the territories would be handled. In any event I would assume that we are not prejudicing the case for the territories through the use of the language proposed in the substitute.

Mr. GRIFFIN. If the gentleman will yield further, the point I want to make is that Puerto Rico, the Virgin Islands, and Guam have been participating in the program and have a record as far as the distribution of free lunches and reduced-price lunches is concerned.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. O'HARA of Michigan. Mr. Chairman, I would like to ask the gentleman a question, if the gentleman would yield.

Mr. FRELINGHUYSEN. I would be glad to yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. The gentleman said that the question of the chairman of the full committee, the gentleman from New York [Mr. POWELL], was directed to the problem raised by the two criteria which they set forth to be used in determining apportionment among the territories and among the States.

The two criteria are the relative numbers of free and reduced-price lunches served during the past fiscal year, and the relative assistance rates of such places.

So, if no free lunches were served here because there was no school lunch program or if many lesser free lunches were served than needed to be served because of financial difficulties of the State or territory, they would not be entitled to share in the apportionment according to the needs; is not that correct?

Mr. FRELINGHUYSEN. No, I think the gentleman is incorrect. The second part of the provision, the relative assistance needs rates, would qualify such areas. Any territory that did not have any on-going school lunch program, in my opinion, would be provided automatically some funds, to be made available for use there.

Mr. O'HARA of Michigan. Mr. Chairman, if the gentleman will yield further, when the gentleman uses the term "relative assistance needs rates," is he not talking about the equalization formula found in the earlier part of the bill and not at all about the situation that I am asking about which has to do with areas that have not served free lunches heretofore?

Mr. FRELINGHUYSEN. The definition of assistance needs rates, I might add, is on page 5 of the bill, beginning on line 19. It would seem to me that this language would make available funds to a territory which does not have an ongoing school lunch program, even though they did not have any program. As I have said, the whole thrust of the proposed changes is to encourage participation of States and territories in school lunch programs. So I do not think we are going to prejudice the case of any territory.

Mr. O'HARA of Michigan. Mr. Chairman, I offer an amendment to the substitute.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan [Mr. O'HARA].

Mr. FRELINGHUYSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRELINGHUYSEN. I should like to ask the Chair whether it is in order to have an amendment to a substitute for an amendment.

The CHAIRMAN. The Chair is of the opinion that it is.

Mr. FRELINGHUYSEN. I thank the Chair.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Michigan to the substitute amendment offered by Mr. FRELINGHUYSEN: Amend section 11(b) after "the relative numbers of free and reduced price lunches served during the preceding fiscal year by schools participating in the program under this Act in such places."; and insert

"(2) the need of students in such places for the free or reduced price lunches."

Mr. FRELINGHUYSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FRELINGHUYSEN. Mr. Chairman, as I understand the gentleman's amendment, he proposed to amend subsection (b) of subsection (a). Subsection (b) is on page 2 of my amendment, and I have the feeling that the proposed amendment may have been read incorrectly. This is an amendment to section 11(a) of my substitute.

Mr. O'HARA of Michigan. Mr. Chairman, I ask unanimous consent that my amendment be considered as an amendment to subsection (a) of section 11 of the amendment offered by the gentleman from New Jersey.

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Michigan to the substitute amendment offered by Mr. FRELINGHUYSEN: Amend section 11, paragraph (a) after: "the relative numbers of free and reduced-price lunches served during the preceding fiscal year by schools participating in the program under this Act in such places."; insert:

"(2) the need of students in such places for free or reduced-price lunches."

And renumber accordingly.

Mr. O'HARA of Michigan. Mr. Chairman, the amendment offered by the gentleman from New Jersey would base the apportionment of funds under the special assistance provision among the States and territories upon two factors: one, the relative numbers of free and reduced-price lunches served during the preceding fiscal year by schools participating in the program in such places and, two, the relative assistance need rate of such places.

The relative assistance need rate referred to by the gentleman is defined on page 5 of the bill. It refers to the equalization formula, familiar to all of us, which is based upon the per capita income of the State.

The amendment I propose would insert a third criterion to be considered with the rest. You would then consider, one, the number of free or reduced-price lunches being served; two, the need for such lunches, whether or not an appropriate number of them were served during the past year; and, three, the assistance need rate.

My reason for offering this amendment is that we found during the hearings that in a number of States and places having the greatest need, a large number of free or reduced-price lunches were not being served because the local community just was unable to finance the number of reduced-price or free lunches that should have been served. We perpetuate the difficulties of such communities unless we insert this third criterion, which looks at not only the number of free or reduced-price lunches being served but also at the relative need for meals of this type in the State.

For my part, I am willing to accept the amendment offered by the gentleman from New Jersey with this modification. However, without this modification, I believe his amendment defeats one of the purposes of the special assistance fund as found in the bill.

Mr. RIVERS of Alaska. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield.

Mr. RIVERS of Alaska. I notice the criterion of the average annual income in each State. The people of Alaska, for instance, have a comparatively high income but the cost of living is so high in my State that I think Alaska would lose to a certain extent under the formula set forth in this bill and go below what it has been getting. Is it the gentleman's interpretation that the special assistance fund provided for on page 7 of the bill would allow for adjustments with regard to Alaska and in similar situations elsewhere?

Mr. O'HARA of Michigan. In response to the question of the gentleman from Alaska I wish to call the attention of the committee to pages 7 and 8 of the committee report, which deals with the situation in Alaska and expresses the belief and intention of the committee that the special assistance fund be used to assist in solving the more serious problems in Alaska. This portion of the report also indicates the intention of the committee to reevaluate Alaska's special needs in light of experience gained under the new formula.

Mr. RIVERS of Alaska. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan.

Mr. Chairman, the gentleman has proposed a third test for the distribution of any funds that may be made available for the new program, which would necessitate somebody, presumably the Secretary of Agriculture, considering the need of students in various places for free or reduced-price lunches, in addition to the actual number of free or low-priced lunches and in addition to the assistance need rate.

I may say that if we have to require the Secretary, before he distributes any funds, to determine where the needs are, we are back to where we began; that is, the entire job of deciding how this money is going to be distributed—and this is the crux of the question—is on the shoulders of the Secretary.

As an example of what I mean, the State of Michigan might have no need in comparison to the demands of many other States with respect to their students for free or low-priced lunches.

Even though they could qualify on the basis of the number of free meals served, they would be disqualified under the basis of the criteria now proposed. The place for determining how the need factor is to be considered is after the apportionment of funds has been made to the various States, and I have indicated on page 2 of my amendment that the State educational agency should have the responsibility of taking a look at the actual need in addition to the other factors which I pointed out. Even with the incorporation of a third factor in this part of the program, after determining how the funds should be distributed, we would end up with the very tangle that we are seeking to resolve by this whole substitue.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I am very glad to yield to the gentleman.

Mr. O'HARA of Michigan. I wish to indicate to the House, as the gentleman has intimated in his statement, that the language I attempt to insert in paragraph (a) is taken from the gentleman's paragraph (b). It is a criteria which the gentleman from New Jersey proposes to be used by the States in determining which of their school districts shall get how much of these special funds.

Mr. FRELINGHUYSEN. The gentleman does not require that the State educational agency should take that into consideration as one of the several factors in determining which districts are most in need of funds. But, to have the determination before the money is distributed at the Federal level, to inject the Federal Government into a determination as to whether students need or do not need this money would be to destroy what should basically be the States' responsibility. That is why I put it in the bill and I am very glad the gentleman pointed it out because it clarifies the very criticism I am making of his effort to put it in a part of the proposal which would distribute the funds from the Federal level to the State.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. This proposal would be particularly helpful in reference to a rather unusual situation existing in Alaska.

Mr. FRELINGHUYSEN. To which proposal does the gentleman refer?

Mr. BAILEY. That is where the price of food is so high and the cost of meals is so exceptionally high. Would this not give some additional leeway in handling this problem?

Mr. FRELINGHUYSEN. I am not sure. We discussed the problem that the District of Columbia has with reference to the proposed revisions in our school lunch program and also the report indicates that Alaska may well have difficulties. Of course, for the money to be made available, the new program itself may well benefit Alaska if they can state their case and come in with a justification as to why they need some assistance.

This has nothing to do, I might say, with the proposal of the gentleman from Michigan to add a third test for the distribution of funds from the Federal level to the State level. I hope the gentleman from West Virginia agrees with me that this would be very unwise language to incorporate in the allotment formula. Would the gentleman from West Virginia care to comment as to the wisdom of adopting the suggestion made by the gentleman from Michigan?

Mr. BAILEY. I think the gentleman from New Jersey will agree with me that the purpose of this legislation and the purpose of revising the hot lunch program is to see to it that meals are made available wherever there is a need for them.

Mr. FRELINGHUYSEN. I think that is a very broad statement. We have no idea whether $10 million is going to achieve that laudable end, but certainly we are seeking to make our money go as far as possible.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. O'HARA of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey may proceed for 3 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA of Michigan. Mr. Chairman, if the gentleman from West Virginia has completed his statement, will the gentleman from New Jersey yield to me?

Mr. FRELINGHUYSEN. I am glad to yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. I would gather from the gentleman's response to my earlier question, that he feels the criteria proposed by me which is taken from his subsection (b) is a perfectly valid criteria. It is one where you require the States to examine in determining which of their school districts shall receive funds. You think as a criteria that is just dandy, but only when the decision or the criteria is applied by a State official rather than a Federal official apparently.

Mr. FRELINGHUYSEN. I will say to the gentleman, if we should allow the Secretary of Agriculture to make the basic determination as to where the need is, we would be back to the wholly inadequate language that is presently, or which was originally proposed in section 11. I would think it would be far better to strike the whole program and send it back to our committee and thrash this out in committee than to come up with no guidelines. I would not think that we are providing guidelines, if we make it necessary for him to consider the needs of students in Michigan before he makes any allotment to Michigan because the basic problem is that there are presumably needs everywhere. Participation, and assistance need should be the tests on which to distribute funds to the 50 States and 2 territories, in my opinion, and I remain in firm opposition to the gentleman from Michigan, much as I respect his judgment in most cases.

Mr. O'HARA of Michigan. I thank the gentleman for his kind words, but I just wanted to put "need" in both cases. If he were going to put in "need" as the basis of determination for the District, I think we should make the same determination when we apportion funds among the States. That was the purpose of my amendment.

Mr. RIVERS of Alaska. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield.

Mr. RIVERS of Alaska. The gentleman from New Jersey pointed out that the valuation by State authorities would determine to some extent what assistance the local schools would get. The gentleman did not, however, remark about my former inquiry addressed to the gentleman from Michigan in regard to the special assistance fund. May I have the gentleman's observation on that?

Mr. FRELINGHUYSEN. I would suppose this new program authorized by section 11 would be of some help to Alaska which presents a peculiar problem. Consideration was given as to whether a formula should be developed which would take into consideration the high cost of providing food in the gentleman's area, but it was felt that that would be difficult to incorporate into a basic formula, even though it is a very real factor in Alaska. It is for that reason I decided against eliminating section 11 altogether, because I do feel that the proposed change may work hardships, and I should be most reluctant to have what we consider to be changes in the right direction in effect create new inequities.

So I would say to the gentleman from Alaska that I would think my amendment would be helpful to his State.

Mr. RIVERS of Alaska. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(Upon request of Mr. GRIFFIN and by unanimous consent Mr. FRELINGHUYSEN was allowed to proceed for 3 additional minutes.)

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I shall be glad to yield.

Mr. GRIFFIN. I am somewhat confused in considering the amendment offered by the gentleman from Michigan, Mr. O'HARA. I think it might be helpful to fix attention upon the proposal by the Secretary of Agriculture to apportion the funds among the States, which they had recommended in section 11, and on page 6 of the report. In paragraph B at the bottom of that page they say:

> It is proposed, therefore, that an apportionment formula for the division of such funds be based upon the number of free or reduced-price meals being served to needy children, adjusted for the ability of a State to finance such meals as measured by the relationship of the national average per capita income to the per capita income of the various States. Because of the atypical situation in the territories (Puerto Rico, Virgin Islands, Guam, and American Samoa), a special reserve would be established for them.

The gentleman has used that phrase in his amendment, "relative need for special assistance."

Mr. FRELINGHUYSEN. It seems to me the gentleman has tried in his amendment to use the same criteria that the Department of Agriculture has actually said it would use. If we put this language in the bill we are essentially agreeing with them. I agree that the gentleman has stated it correctly. My thought is to incorporate what the Department of Agriculture said it would finally use as its test for the distribution of this new money.

Mr. GRIFFIN. Then after apportioning the money among the States on the basis of need, according to the gentleman's amendment the States would divide that assistance on the basis of the need of the students. That is one criterion.

Mr. FRELINGHUYSEN. The gentleman is correct, and I thank him for his contribution.

Mr. O'HARA of Michigan. I would like to add apropos the comments of my colleague from Michigan [Mr. GRIFFIN] that if he had read on to the bottom of the next paragraph (C), he would have found that 25 percent of the funds would be held in reserve by the Department to be equitably distributed among those States demonstrating a need for funds in excess of their initial and reserve apportionments. That is not tied in to the distribution formula for the other 75 percent spoken of by the gentleman from Michigan.

Mr. FRELINGHUYSEN. I might say that is one of the objectionable features of the proposal of the Department of Agriculture, in my opinion, because in effect it makes it a slush fund. It says that 50 percent shall be allocated, 25 percent held in reserve and given to areas which are not defined, and an additional 25 percent will also be held in reserve. I think that is a very undesirable way to handle it from an administrative point of view, and certainly from a legislative point of view it would be most undesirable.

Mr. POWELL. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we are in favor of the amendment offered by the gentleman from Michigan to the Frelinghuysen substitute, and I would therefore request that we support the amendment offered by the gentleman from Michigan [Mr. O'Hara] as a substitute, pass it, and then agree to the Frelinghuysen substitute.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. O'Hara] to the substitute offered by the gentleman from New Jersey [Mr. Frelinghuysen].

The question was taken; and on a division (demanded by Mr. Frelinghuysen) there were—34 ayes, 31 noes.

So the amendment to the substitute was agreed to.

The CHAIRMAN. The question is on the substitute amendment, as amended.

The substitute amendment, as amended, was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from West Virgina, Mr. Bailey, as amended by the substitute.

The amendment, as amended, was agreed to.

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment to strike section 11 from the bill.

The Clerk read as follows:

Amendment offered by Mr. Frelinghuysen: Beginning with page 6, line 20, strike all down and through line 10 on page 7.

Mr. FRELINGHUYSEN. Mr. Chairman, I regret the necessity for offering this amendment to strike all of this new section 11 as just amended, but it seems to me what we have done is simply to restate what the original language appearing on page 7 of the bill would have provided. This will give the Secretary of Agriculture, whether he wants it or not, the basic responsibility for making an apportionment of funds under this new program on the basis of the needs of the students for free or reduced-price lunches. That is a hopeless task for any Secretary to do. As a practical matter, the report indicates that they plan to share that responsibility with the States, but now we have deliberately placed it on the Secretary. We have excluded any responsibility on the part of the States, and it seems to me we are launching on a program which will not only be new but which would be a thoroughly undesirable effort. We have within our grasp a reasonable solution to this problem to distribute whatever funds may be made available on the basis of the actual participation by the various States and also the basic needs of the States. And, I underline "the basic needs of the States," not of the schoolchildren in the States. If we confuse the issue by saying that the needs of the children themselves must be determined before we make any distribution to the States, we are back with what I consider a most undesirable program.

Mr. Chairman, I regret the necessity for belaboring this problem as long as we have, because it is not a question of providing more assistance to the areas of greatest need. We are in general agreement that that is a desirable goal. We hope that the changes in the formula of distribution of the existing programs will be helpful, and I myself feel that a new program such as section 11 also could be helpful. But, it cannot be helpful, in my opinion, if we insist on giving, without any indication as to how he is to make this determination, the responsibility to the Secretary of Agriculture. It is for that reason that I think we should reject entirely section 11. We should see how that operates and not how the provisions of the program will affect such areas as Alaska and the District of Columbia. And, also we can make a determination as to the extent of in-met needs, in which the Federal Government might help. We will not be in any sense prejudicing the ongoing program. We will be merely taking a good look on what we are establishing as a Federal responsibility in this field.

As I say, I offer this proposal to strike section 11 entirely with some reluctance but only because we have, with all good intentions, deliberately avoided what I was seeking by my substitute.

Mr. POWELL. Mr. Chairman, I ask unanimous consent that all debate on this amendment——

Mr. GROSS. Mr. Chairman, I will object to that before the request is even made.

Mr. POWELL. Mr. Chairman, I move that all debate on this section close at 2 o'clock.

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The question comes first on the motion offered by the gentleman from New York.

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The gentleman will have that opportunity after this motion is disposed of.

The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am surprised that the chairman of the House Committee on Education and Labor at 16 minutes of 2 in the afternoon would circumscribe debate on this bill or any other bill. This is symptomatic of what is going on in the House of Representatives these days. Too few Members seem to want to do any work at all on the House floor. We are getting out of the habit of giving decent consideration to legislation. Are we to expect this sort of thing from here on to the end of this session? Why should there be a limitation of debate at 16 minutes of 2 in the afternoon? I will yield to the gentleman from New York [Mr. Powell], the chairman of the committee, to tell me why he imposes this kind of a gag rule on the House of Representatives, if he cares to do it. Apparently he does not.

Mr. Chairman, I rise in opposition to section 11 of the bill because of the delegation of power and blank check it gives to the Secretary of Agriculture. I am surprised that my good friend, the gentleman from West Virginia [Mr. Bailey], is trying to sustain section 11 of the bill, in view of his attitude against delegation of power with respect to the Trade Agreements Act.

I was in hopes the gentleman would lend his support to striking a sweeping delegation of power out of this bill, in view of what I am sure he will be saying on the floor of the House about 10 days or 2 weeks hence when the free trade bill comes before the House of Representatives.

Mr. Chairman, these delegations of power to appointed officials of Government to establish policy and to spend money as they see fit are coming with all too much frequency.

Mr. Chairman, this section does not belong in this bill or in any other bill passed by the Congress of the United States. As one who has supported school lunch programs in the past I urge that it be stricken out or amended as the gentleman from New Jersey proposes.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. O'Hara] for 5 minutes.

Mr. O'HARA of Michigan. Mr. Chairman, without questioning in any way the sincerity or good intentions of the gentleman from New Jersey [Mr. Frelinghuysen] I would like to observe that the actions of the gentleman from New Jersey on this particular part of the school lunch amendments demonstrate the dilemma in which the gentleman finds himself. In his amendment to cure what he seems to believe are the defects of section 11, he inserts the very same criteria to which he objects. He says to the States, "You shall consider not only the number of free lunches being served by the school districts in determining to which districts you shall distribute these special assistance funds. You shall also consider the relative need of students in these districts for free or reduced-price lunches." In other words, how many schoolchildren in these districts do not have the financial wherewithal to pay the standard, going rates for their school lunches and how many such children attend schools that do not have the financial ability to provide reduced-cost meals.

Mr. Chairman, by accepting my amendment to the Frelinghuysen substitute we apply the very same criteria to the Federal Government when it apportions the funds among the various States. We say, "Look at not only the number of free lunches being served, but at the number of needy students, whether or not they were in the last fiscal year receiving free lunches, in determining your apportionment among the States."

Mr. Chairman, these decisions will not be made by the Secretary of Agriculture on a ouija board. He will propose regulations and criteria which will be published in the Federal Register. I am sure there will be hearings on the proposed regulations. They will be worked out in consultation with the school lunch officials in each and every State.

This is not going to be a grab bag. We do not believe, as the gentleman from New Jersey apparently does, that this is an unwarranted delegation of power. It is simply a recognition of what the gentleman from New Jersey has, himself, recognized by his failure to frame his own amendment to take care of this problem. Indeed, appropriate language is not easy to frame legislatively.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. The gentleman has just underlined the basic dilemma which we are facing, not only the gentleman from New Jersey, but all of us, because he is pointing out that there is a problem with reference to needy schools. My question, and the reason I am very strongly opposed to the amendment which has been accepted, is that we as a practical matter are imposing an intolerable obligation at the Federal level to make a determination with regard to the number of needy students in each of the 50 States before distributing any funds.

The Department of Agriculture itself says that the program they had planned to set up under the discretionary authority in section 11, would permit State educational agencies to explore techniques to identify schools in need of such assistance and the extent of the need for such assistance among the various States and territories.

This would seem to indicate more clearly than the gentleman is willing to do that the States should have the basic responsibility.

Subsection (b) of my proposed amendment would place the authority where it should be placed, at the State level. It should not be necessary for the Federal Government, before it apportions any fund, to make a determination as to how many needy children there are in the various States and how needy those children are. From a practical point of view the census makes no such kind of tabulation. There is no way in which to resolve the question of how you are going to weigh that factor in relation to the others. For instance, if need was not found in the State of Michigan, the gentleman's State would not get the amount of money to which it otherwise would be entitled. You are bypassing a basic State responsibility and you are creating an administrative impossibility. It is for that reason that I pleaded, unfortunately without success, for the enactment of my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I rise to make a few remarks for the benefit of those who are grossly misinformed or grossly ignorant concerning the matter before us.

This legislation was introduced early in 1961. Hearings were held under the subcommittee chairmanship of our distinguished and beloved friend from West Virginia [Mr. BAILEY], in August of 1961.

Executive sessions were held in January and February of 1962. The bill was reported out of the subcommittee unanimously. The gentleman from New Jersey happened not to be present at that particular meeting, but the other members of his party who were present voted in favor of it. Then the bill was presented to the full committee and it was unanimously reported by the full committee; not a single member of the minority, including the gentleman from New Jersey, who was then present, voted against it.

On May 9, a clean bill was introduced. On May 14 it was referred to our committee and again, in executive session, reported out unanimously, and again with the gentleman from New Jersey voting in favor of it. Then it went before the Committee on Rules where all the members of the committee, Republican and Democrat, who appeared before the committee and spoke in favor of it. It was again unanimous.

Now we have just accepted the substitute offered by the gentleman from New Jersey, except for the amendment to that substitute by the gentleman from Michigan.

Even the committee report was unanimous. There were no minority views.

May I say that if you adopt this new amendment to strike this section the net effect will be that you will kill aid, especially to needy children, in those school districts where the school districts do not have the funds to provide free lunches at all.

If you want to have that on your conscience, then go ahead.

I call for the defeat of this Republican effort to kill free school lunches to those children who need them most.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield.

Mr. O'HARA of Michigan. The gentleman from New York, I think, has put the matter very well. I should like to call attention to another fact. The gentleman from New Jersey has expressed doubt that the Secretary could determine how many needy students there were in each State. Yet he requires the States to determine the number of needy students in each of their school districts. The Department of Agriculture can add. If they add together the determinations of the States of the number of needy students in each of their districts, which they are going to have to make under subsection (b) of the gentleman's proposal, they will have arrived at the number of students in each State needing free or reduced-price lunches and can make their apportionment accordingly.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the chairman of the full committee [Mr. POWELL], has just stated that we have been grossly misinformed about the contents of this bill. I am not sure whether he has been discussing anything said on the floor or in previous discussions but, as far as I know, there has been considerable enlightenment with respect to the value of certain provisions of this bill and I think there has been, with good reason, attention called to the value of this section 11.

The fact that our full committee reported it out in its present form does not indicate that we have recommended good legislation, because what the committee has already done with this bill has suggested we did not take a good look at certain provisions of it.

I should like to reiterate in closing that we do all have a responsibility for establishing sensible programs. The gentleman from New York is misinforming us, I am sure unintentionally, when he says that if we should strike section 11 from this bill the needy children will not receive aid under this program. We have had a school lunch program for years and presumably those who are being aided are those who need it most. So the fact is, whether or not we are incorporating a new provision to provide additional assistance, we are certainly under a continuation of this program providing aid, which has proven itself to be of value and which can continue to do so.

I see no reason why we should be stampeded into hasty action because of this feeling that if we do not we have acted against the schoolchildren of this Nation. What we are trying to do is determine what is a fair division of responsibility between the Federal Government and our State governments. In my opinion, the State agency should have the initial responsibility of making the determination as to where the additional assistance should go. It should not be the responsibility of the Department of Agriculture. The present Secretary has plenty of problems of his own without adding still another one in this particular form. I would hope that we will in some way either be able to consider what we have done with this section 11, or that my amendment to strike the whole thing entirely from the bill will be accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The question was taken; and on a division (demanded by Mr. GRIFFIN), there were—ayes 43, noes 41.

Mr. BAILEY. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. BAILEY and Mr. FRELINGHUYSEN as tellers.

The Committee again divided, and the tellers reported that there were—ayes 62, noes 77.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. BROOKS of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes, pursuant to House Resolution 657, he reported the bill back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the adoption of the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. ASHBROOK. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ASHBROOK. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. ASHBROOK moves to recommit the bill, H.R. 11665, to the Committee on Education and Labor with instructions to report the same back to the House forthwith with the following amendment:

Page 7, beginning with line 2, strike out all down through line 10 and insert in lieu thereof the following:

"SEC. 11. (a) There is hereby authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1963, and such sums as may be necessary for the fiscal year ending June 30, 1964, and each succeeding fiscal year, to provide additional funds to certain schools (selected on the basis of factors set forth in subsection (b)) to assist such schools to serve free and reduced price lunches. From the sums appropriated pursuant to this section for any fiscal year, the Secretary shall reserve such amount as may be necessary, but not in excess of 3 per centum thereof, for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. Such amount shall be apportioned among Puerto Rico, the Virgin Islands, Guam, and American Samoa on the basis of (1) the relative numbers of free and reduced price lunches served during the preceding fiscal year by schools participating in the program under this Act in such places and (2) the relative assistance need rates of such places. The remaining amount of such sums appropriated for any fiscal year shall be apportioned among the States (other than Puerto Rico, the Virgin Islands, Guam, and American Samoa) on the same bases. For purposes of this section, American Samoa shall be deemed to have an assistance need rate equal to such rate for Guam, for periods ending before July 1, 1967.

"(b) Except as provided in subsection (c), funds apportioned to each State under subsection (a) shall be paid to selected schools in such State to assist such schools to serve free and reduced price lunches. Such schools and the amounts of such funds that each shall from time to time receive shall be determined by the State educational agency on the basis of the following factors: (1) The economic condition of the area from which such schools draw attendance; (2) the needs of pupils in such schools for free or reduced price lunches; (3) the percentages of free and reduced priced lunches being served in such schools to their students; (4) the cost of lunches in such schools as compared to the average cost of school lunches throughout the State; and (5) the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

"(c) In the case of any State which is not permitted by law to disburse funds paid to it under this section to nonprofit private schools, the Secretary shall withhold from the funds apportioned to such State under this section an amount which bears the same ratio to such funds as the number of such free and reduced price lunches served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act in the State bears to the number of such free and reduced price lunches served during such year by all schools participating in the program under this Act in the State. The Secretary shall select nonprofit private schools in each such State and shall determine the amounts which shall be paid to each such school from time to time from amounts so withheld, on the basis of the same factors set forth in subsection (b)."

Mr. ASHBROOK (interrupting the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion to recommit be dispensed with. It is the Frelinghuysen amendment as discussed in the Committee.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. ASHBROOK. Mr. Speaker, on this I request the yeas and nays.

The SPEAKER. Under the previous order of the House, further consideration of this bill will be postponed until tomorrow.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

Mr. LANGEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LANGEN. Mr. Speaker, it is a pleasure to rise in support of H.R. 11655, an amending measure that goes a long way toward correcting a situation which has kept the national school lunch program from being the complete success that was intended. The Committee on Education and Labor is to be commended for recognizing that the school lunch program is an investment in the health of our Nation.

Certainly the school lunch program now is considered an integral part of our overall educational system and serves not only to contribute to the mental and physical well-being of our schoolchildren, but also has a tremendous impact on our agricultural and overall economy.

It has long been my feeling, which has been made known to my colleagues in the past, that a school lunch dollar is better utilized if directed toward the student who participates in the program rather than toward a school population in general. That is why it is so heartening at this moment to see a measure before us that will distribute these important funds on a more equitable basis and bring about efficiency in the operation of the program.

In essence, this bill changes but one of the two factors in the formula used to allocate school lunch dollars. The other factor, which takes into consideration the economic condition of the State, will continue to do just that. The change we are asked to consider today is whether the first factor should reflect the number of students actually participating in the program or continue the present inequitable practice of ignoring the participating students in favor of a broad base of total students enrolled in our schools.

The great State of Minnesota is a good example of what has happened in the distribution of these funds under the present system. When the President signed the National School Lunch Act in 1946, the maximum reimbursement was set at 9 cents per complete balanced plate lunch. Because of increased participation throughout the country, the national average reimbursement per lunch is just over 4 cents.

In Minnesota, where 51 out of every 100 youngsters enrolled in our schools partake of the lunch at school, the reimbursement is less than 3 cents per lunch. You can readily see what this means, particularly in the face of higher labor, food, equipment, and other operating costs.

Since the real objective of this program is to serve a nutritionally sound lunch at a price within the ability of the average wage earner to pay, it is becoming increasingly difficult to break even in such areas as Minnesota. The formula proposed in this amending legislation today will go a long way toward a more equitable distribution of funds to the States where the students actually participate in the program.

In so many of our aid programs, foreign and domestic, we in the Congress voice our concern over appropriated moneys that are either wasted or are not used properly by the recipients. Today we have a real opportunity to correct the inequities of one domestic program. Perhaps the world will be watching, and will take note.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Tuesday, June 12, to file a report on the bill H.R. 11970, the Trade Extension Act of 1962, including minority views.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

THE OLD AND THE SICK

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, "A program of Government-sponsored health insurance, for the aged or any other part of society, is quite within the proper role of Government and in fact answers the plain demands of social justice."

In these calm and reasoned words, the lead editorial of the Pilot, official organ of the archdiocese of Boston, dated May 26, 1962, discusses the broad outlines of national health insurance along the lines suggested by the administration.

The Pilot dismisses as groundless the fears expressed by a minority that the pioneering legislation proposed is a kind of halfway house on the way to socialism.

Public debate on this issue will dispel misunderstandings as to the purpose, the coverage, and the functioning of a health insurance program.

The Pilot, in general terms, endorses medicare as a part of the social security program. The editorial goes on to state:

> One warning should be made in connection with it, however. We must not spend our efforts trying to write a perfect bill or we will have no bill at all. It will be possible to amend and adjust the provisions of any bill at a later time and meanwhile its benefits can be applied to those in need.

Some form of health insurance legislation for the aged is inevitable.

The Pilot urges the Congress to provide for it in 1962. The editorial in its entirety follows:

THE OLD AND THE SICK

> The President has placed his full support behind a program for medical care of the aged and he plainly intends to get some favorable action out of the Congress during this session if possible. At the same time he has stirred up vocal opposition in some quarters, notably among some physicians and in the American Medical Association.
>
> Most Americans will find it difficult to understand all of the technical aspects of the King-Anderson bill or any other one proposed for enactment. In simple truth, only the experts can draw up and administer a program as large as this one, building into it in the process those factors which will make it work effectively and those safeguards which will protect it from exploitation. The man in the street should not feel badly if the complexities of a national health insurance plan are beyond him; they make the going difficult even for the legislators who must vote on them. Certainly, editors and nonprofessionals generally, can do very little but comment on the wide picture as they discern it.
>
> For our part we would like to endorse some plan of medical care for the aged and leave it to the experts to work out the details. Furthermore, and still in general terms, we would like to endorse some plan along the social security line which seems to us to have demonstrated its effectiveness already. More than this, we think that something should be done promptly and not postponed until all the arguments on one side and the other can be reduced to harmony. Elderly people in our country are not receiving the medical attention they deserve, and they cannot afford to wait any longer. Finally, we believe that the Government program, whatever it is, should retain private choice of physician and hospital and should complement voluntary health plans, not replace them.
>
> What of the opposition? Surely the several physicians who have spoken against the bill are not either cruel or stupid, nor can they be considered misinformed. Perhaps the basic difference here is one of philosophy more than anything else and the fear that legislation of this sort is a kind of halfway house on the way to socialism. As we see it, this is miles away from the present set of facts, and the fears are groundless. A program of Government-sponsored health insurance for the aged or any other part of society, is quite within the proper role of Government and in fact answers the plain demands of social justice. What has been proposed does not suggest that Government take over medical care or institutions; these remain private as formerly, only the payment is arranged by the health insurance program.
>
> The dispute which has occupied the front pages of our papers is essentially helpful and we hope that it will continue. One warning should be made in connection with it however. We must not spend our efforts trying to write a perfect bill or we will have no bill at all. It will be possible to amend and adjust the provisions of any bill at a later time and meanwhile its benefits can be applied to those in need. The Congress can pass a reasonably good bill following the general lines we have spoken of and, at a future time, refine what aspects of the program seem faulty or inequitable. Medical care for the indigent aged we must have, and the time to get it is now.

THE ANCIENT ORDER OF HIBERNIANS FIGHTS COMMUNISM WITH FAITH AND FACTS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the Ancient Order of Hibernians is alert and vigorous in its opposition to communism. It realizes that we must know the nature of the enemy; its objectives and its devious methods; to unmask, repudiate, and defeat this conspiracy against God and against mankind.

With effective realism, the Ancient Order of Hibernians is keeping its members informed as to the meaning and the dangers of communism.

As an example of its patriotic service to the cause of freedom, I bring you its indictment of communism, and its call for continuing vigilance and expanding knowledge to combat the insidious techniques of conquest employed by the Reds in their campaign to undermine the free world.

It was prepared by John P. Ryan, chairman of Catholic Action for the National Board, Ancient Order of Hibernians in America, and distributed to members of the Ancient Order of Hibernians throughout the Nation:

> Pope Pius XI said we should study and inform ourselves on communism. This is a challenge to all Americans of every faith. We should know how this insidious organization works.
>
> In 1903 Lenin took Marx's ideas and established the Communist Party with only 17 supporters, but in 1917 this organization with only 40,000 trained agents took over all of Russia. Since that time this criminal conspiracy has enslaved over 1 billion human beings.
>
> Americans and America have not grasped the fact that this is a total war with these people. The indifference and ignorance of the tactics, strategy, and objectives of the Communists is their greatest asset.
>
> They have instigated civil wars in almost every country they have taken over and in the others they used infiltration and then coalition governments. Each of these nations had armies, however the armies fought each other or were infiltrated or agitated so that the Communists took over their countries without using their armies.
>
> Lenin's plan has been summarized as follows: "First we shall take eastern Europe; then the masses of Asia, finally we shall encircle that last bastion of capitalism, the United States of America. We shall not have to attack. It will fall like an overripe fruit into our hands."
>
> As to this blueprint it is working. Eastern Europe and Asia have fallen. The proposed encirclement has started with Cuba—90 miles from the Florida coast. All through South America the Communist Party has a good fast hold and we Americans stand by, giving concessions here and there and pouring our money into countries which are dominated and controlled by pro-Communist governments.
>
> J. Edgar Hoover has attempted in numerous articles and speeches to alert the people of this country to the methods of this organization. He stated 4 months ago that there were some 200 known or suspected Communist front and Communist infiltrated organizations under investigation by the FBI. He said "They have infiltrated every sphere of activity, youth groups, radio, television, motion pictures, churches, schools, educational and cultural groups, the press, also nationality minority groups, and civil and political units."
>
> He has said on numerous occasions that "the Communist threats from without must not blind us to the Communist threat from within."
>
> The Reds are stepping up their propaganda campaign in the United States from abroad. The Senate Internal Security Subcommittee reports that the Communists shipped in 14 million packets of materials last year against 6 million in 1959.
>
> The Russians have committed heinous crimes and enslaved 1 billion people. They intend to keep right on causing crisis, threatening us with their armies and navy, taking small countries from the free world as concessions and encircling the United States until that fateful day which they have promised in 1973 when they take us over.
>
> We are all patriotic, we are free, we are Catholics. We must study and inform ourselves on communism and remember that we cannot do business with murderers, liars, and thieves.

THE NLRB AND CONGRESSIONAL INTENT

The SPEAKER. Under the previous order of the House the gentleman from Michigan [Mr. O'HARA] is recognized for 60 minutes.

Mr. O'HARA of Michigan. Mr. Speaker, on April 11, 1962, a small handful of Republican members took to the floor for 6 night hours and staged "Operation Spring Thaw." This operation, concededly political, was intended as its sponsors stated, "to cut away the snow job the administration has been piling on the American public through its blizzards of propaganda."

The New York Times account, correctly in my opinion, described "Operation Spring Thaw" as a cross between a filibuster and a national political rally with the speeches stating "the case against the political enemy in excessive terms calculated to stir the emotions of the faithful."

We were not taken unaware. The harbinger of "Operation Spring Thaw" came the preceding day when the gentleman from Georgia [Mr. LANDRUM], and the gentleman from Michigan [Mr. GRIFFIN] launched an attack on the National Labor Relations Board preceded by a press release timed to call attention to their presentation. The release, and the subsequent speeches, claimed that the Labor Board had "all but gutted" the Labor Act; that Labor Board decisions had "eroded and all but repealed" key provisions of Taft-Hartley; and that the Labor Board had circumvented the intent of Congress by "tortured interpretations," "ingenious innovations," and "nimble footwork."

This language, fortunately or unfortunately, depending on your viewpoint, was put with the rest of "Operation

Spring Thaw" into the editorial deep freeze when the callous price increase announced by United States Steel drove all other news from the headlines.

Why, then, do I bother to reply? There are two reasons:

First, the gentleman from Georgia and the gentleman from Michigan attacked the Labor Board as an institution. Their joint address looked back over a 25-year period, and their criticism began with the events leading up to the rejected Smith amendments of 1940. The Roosevelt boards, the Truman boards, the Eisenhower boards, and the Kennedy boards were impartially scathed. This is not surprising, as there has been consistency in decisions through the Board history. Philip Ray Rodgers, an Eisenhower appointee and a former assistant to Senator Taft, testified last summer to the Pucinski subcommittee that he had served on the Board since 1953 with 11 different members representing various backgrounds and personal predilections; and throughout this period there had been 96 percent unanimity of agreement in the thousands of contested cases up for decision.

Unfortunately this attack on the Labor Board as an institution plays into the hands of that small group of employers whose frontal assault on the Board and the act it administers failed when Mr. Chief Justice Hughes and his Supreme Court colleagues sustained its constitutionality. Since that early period in 1937, however, the flank attacks have continued unabated. Currently, the guise is to sharply reduce the effectiveness of the act by transferring important Labor Board functions to the district court judges scattered throughout the country. The caseload, and relative inexperience of the district judges in this field would, if I may borrow the term, "gut" the uniform and effective application of the law. I cannot stand silent in the face of such devastating prospects.

Second, the area of labor relations, as the gentleman from Georgia tells us in his opening remarks, "is a complicated field, highly charged with emotion and closely linked with the public welfare." The Labor Board members are on the firing line, and "get it good" from the disappointed litigants, and from the courts of appeal on review. It seems unfortunate when the Labor Board members are further subjected to attack from the floor of the House.

Labor Board members are agents of Congress, appointed for 5-year terms at yearly intervals. They administer an act of our making, subject to review by the courts. If we in Congress are dissatisfied with the interpretations given our act by the Labor Board, or by the courts, we have a regularized process for correction. We can amend the act—we have made major overhauls at 12-year intervals—and we can, through the committee process fully and fairly investigate the need for legislative revision. That is the course we followed last spring when the subcommittee headed by the gentleman from Illinois [Mr. PUCINSKI] conducted lengthy investigations. Witnesses made charges, those charged were permitted to answer, Democratic and Republican members participated in the questioning and colloquies; a report was issued with opportunity for minority views. A seasoned judgment was thus assured, with a minimum of individual hit-and-run sniping.

The need for congressional restraint from individual attack is well recognized. The gentleman from Georgia put the point well:

> Let me emphasize here that it is not our purpose to retry in the House those cases which give rise to our concern. We do not consider it a proper function of Congress to litigate such matters on the floor of the House (CONGRESSIONAL RECORD, Apr. 10, 1962, p. 6191).

The gentleman from Michigan [Mr. GRIFFIN] added that—

> It would not be proper or appropriate for Congress to assume a judicial function with respect to particular cases. It is important to our very system of government under separated powers that Congress should respect the right of every judicial officer to make his decisions secure in the knowledge that he will not be subject to a later inquiry into the mental processes by which he arrived at particular decisions (CONGRESSIONAL RECORD, Apr. 10, 1962, p. 6191).

I suggest that in the future we follow the precept, not the example, of my colleagues and refer such grievances to the appropriate subcommittees for thorough, bipartisan, and fair consideration. It is only thus that we can be assured of the independent judgment we expect from those in the executive branch who administer our laws.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Speaker, I agree with the gentleman from Michigan [Mr. O'HARA] that "Operation Spring Thaw" belongs in the deep freeze; but I, too, feel compelled to make a few remarks so that the comments of my friends Messrs. LANDRUM and GRIFFIN will not be considered the last word by Congress on a disputed and controversial issue.

The gentleman from Georgia [Mr. LANDRUM] comments:

> We who serve on the legislative committee to which labor legislation is assigned have come—unhappily—to one major conclusion.

The conclusion is:

> The intent of Congress is frustrated and circumvented by decisions of the National Labor Relations Board.

A number of cases are cited for this proposition. As I have examined several of the decisions criticized, I have found them thoughtful, carefully reasoned, and demonstrative of a clear purpose to carry out the language of the act and the intent of Congress.

I cannot agree that they "frustrate" and "circumvent" the intent of Congress. Nor do I agree with the gloss my colleagues attempt, nunc pro tunc, to put upon the statute we enacted in 1947 and in 1959.

I agree that the interpretations they now seek to impose retroactively upon the statute may be the interpretations they then had in mind and sought to write prospectively into the statute when it was pending legislative business. I do not agree that they were successful then. Our Labor-Management Relations Acts have been controversial and hotly contested. This controversy resulted in compromise. It is to rewrite history for any faction to claim complete success. Let me illustrate:

The core of the Landrum-Griffin comments is that Congress intended in Taft-Hartley and again in Landrum-Griffin to ban all secondary boycotts. Here are the words of Mr. LANDRUM:

> Perhaps the most notable of these loopholes have been those in the area of secondary boycotts. Congress in 1947 thought it had banned all forms of secondary boycotting. In fact, any reasonable reading of the 1947 statute and its history leads inescapably to that conclusion.

What are the facts on this matter? Did we in Congress, as claimed by Messrs. LANDRUM and GRIFFIN, believe that we were banning "all forms of secondary boycotting"? The answer is found on the face of the Taft-Hartley Act. Two separate provisions of that law specifically authorize secondary boycotts in narrowly defined situations; and as might be expected in compromise legislation regulating controversial matters, the general provision against secondary boycotts is hedged and limited by carefully chosen words of art. Foremost, perhaps, is the limitation concerning the object of the prohibited secondary boycott which is explained in four complicated and technical subparagraphs. In short, my colleagues misconstrue and rewrite history when they claim, as they do, that Congress thought that "it had banned all forms of secondary boycotting" in the Taft-Hartley Act.

The language of Mr. Justice Frankfurter in the *Sand Door* case (357 U.S. 93, 98–100), sheds further light on the common understanding of these secondary boycott provisions:

> Whatever may have been said in Congress preceding the passage of the Taft-Hartley Act concerning the evil of all forms of secondary boycotts and the desirability of outlawing them, it is clear that no such sweeping prohibition was in fact enacted in section 8(b)(4)(A). The section does not speak generally of secondary boycotts. It describes and condemns specific union conduct directed to specific objectives.
>
> It is relevant to recall that the Taft-Hartley Act was to a marked degree, the result of conflict and compromise between strong contending forces and deeply held views on the role of organized labor in the free economic life of the Nation and the appropriate balance to be struck between the uncontrolled power of management and labor to further their respective interests. This is relevant in that it counsels wariness in finding by construction a broad policy against secondary boycotts as such when, from the words of the statute itself, it is clear that those interested in just such a condemnation were unable to secure its embodiment in enacted law.

Less than a year ago Mr. Justice Frankfurter reiterated in the *General Electric* case (366 U.S. 667) that not all so-called secondary boycotts were outlawed in section 8(b)(4)(A).

> The problem raised by these [secondary boycott] cases—

Continues Mr. Justice Frankfurter—

> affords a striking truism that it is the business of Congress to declare policy and not this Court's. The judicial function is confined to applying what Congress has enacted after ascertaining what it is that Congress has enacted. But such ascertainment, that is, construing legislation, is nothing like a mechanical endeavor. It could not be accomplished by the subtlest of modern brain machines. Because of the infirmities of language and the limited scope of science in legislative drafting, inevitably there enters into the construction of statutes the play of judicial judgment within the limits of the relevant legislative materials.

I do not intend to quarrel, although I do not agree, with my colleagues concerning the merits of individual cases. That I leave for the courts. My point is simple: that the Labor Board decisions in the area of secondary boycotts do not reflect nimble footwork and ingenious innovations to open loopholes in the act. In my mind, the Labor Board decisions reflect an honest and sincere effort to interpret a series of provisions which resulted from legislative compromise and hence are complicated and highly complex.

While I hesitate to belabor this point, I think it ironic that their first concrete illustration of nimble footwork in the area of secondary boycotts refers not to a Labor Board decision, but to a unanimous opinion of the Supreme Court written by Mr. Justice Burton, one-time Republican Senator from Ohio, *N.L.R.B. v. International Rice Milling Company, Inc.* (341 U.S. 665).

These few examples lead to another point where I am in disagreement with my good friends Messrs. LANDRUM and GRIFFIN. I believe that the Labor Board operates in a "goldfish bowl" type of situation, ever mindful of our mandates, and with one eye cocked on the courts.

My colleagues seek to maximize the seriousness of the alleged Labor Board creation of loopholes by minimizing the importance of the role played by the judiciary. Congressman LANDRUM tells us:

> The courts defer to the so-called expertise of the Board, and have been reluctant to upset its decisions. In practical effect, therefore, the Labor Board is all too often a court of last resort—and when it carves out a loophole in the law, that loophole invariably stays open.

Mr. CLEM MILLER. Mr. Speaker, will the gentleman yield at that point?

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. CLEM MILLER. Mr. Speaker, I would like to point out that if this were actually the case—and I might say, following the passage of the Taft-Hartley Act in 1947, as an employee of the National Labor Relations Board, it was my fortune to spend 5 years observing the courts overturn almost completely the entire previous line of Board decisions since the original passage of the Wagner Act in the 1930's.

They not only passed on issues, they not only passed on points of law, they passed on the facts and they did so by virtue of section 10 of the National Labor Relations Act from which I quote:

> If upon the preponderance of the testimony taken, the Board shall be of the opinion that any person named in the complaint has engaged in or is engaged in any such unfair labor practice then the Board shall state its findings.

And so forth. With the use of this one word, "preponderance", the courts of our land chose to upset many legal tenets that the Board held for years, and they chose to pass on the facts, and they indicated no reluctance whatsoever to do so. And as an employee of the Board at that time, I would say that the gentleman from Georgia simply has not looked at the past history of what the courts actually did.

Mr. THOMPSON of New Jersey. Mr. Speaker, if the gentleman from Michigan will yield further, I agree with the gentleman from California, and with further reference to our colleague, the gentleman from Georgia's [Mr. LANDRUM] assertion that the Board carves out loopholes which the courts will not close, I would like to point out some facts. They are not hard to ascertain. They are set forth in the decisions of the U.S. Supreme Court and in the Labor Board annual reports. In 1960 the Supreme Court reviewed six Labor Board decisions and reversed five of them. In 1961 the Supreme Court passed on the merits of nine Labor Board decisions, and reversed six of them.

In 1960 the U.S. Court of Appeals reviewed 125 Labor Board decisions and enforced only 54, or 43 percent in full; 38, or 30 percent in part; and reversed or remanded to the Board 33, or 26 percent.

Does this record indicate that the courts are reluctant to upset Labor Board decisions?

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Speaker, the gentleman's references to the gentleman from Georgia and his assertions about the National Labor Relations Board are supported very strongly by the statistics which the gentleman has just read. As a matter of fact, the burden of my whole speech was that the National Labor Relations Board has been wrong. And what the gentleman from New Jersey has just said emphasizes the fact, because the Supreme Court sent them back.

Mr. THOMPSON of New Jersey. Since I did not understand the gentleman's language well enough, since I quoted it I will requote it. Maybe he can explain the nuances which I failed to gather. The gentleman said:

> The courts defer to the so-called expertise of the Board, and have been reluctant to upset its decisions.

He said further:

> In practical effect, therefore, the Labor Board is all too often a court of last resort.

Now, again, nunc pro tunc the gentleman asks me to yield and says that is not what he intended at all. He says that what he intended to say was the reverse of what he said earlier.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I will yield briefly, if the gentleman from Michigan will allow it.

Mr. LANDRUM. What the gentleman said was exactly what he intended to say.

It is that the great mass of the cases coming to the National Labor Relations Board are not reviewed by the appellate courts. This is shown by the statistics, as the gentleman has just so clearly pointed out, that upon the small volume of cases that are appealed the Supreme Court and the circuit courts of appeals have reversed the National Labor Relations Board.

Mr. THOMPSON of New Jersey. The gentleman wants to have it both ways. Apparently the gentleman is suggesting now that the court of appeals and the Supreme Court grant certiorari when none is asked for in order to review Labor Board decisions on which no review is asked. The statistics are absolutely undeniable, and I am glad my friend from Georgia concedes them. In 1960 the U.S. courts of appeals reviewed 125 Labor Board decisions and enforced only 54 in all, 38 in part, and reversed or remanded to the Board 33.

The record bears out the statement. Whatever the gentleman intended to say, of course he understands better than I.

I pointed out earlier that the first concrete illustration of alleged circumvention of congressional intent in the Landrum-Griffin comments was the Supreme Court decision written by Mr. Justice Burton for a unanimous Court. This was described as "a strange holding that boycott activity was not concerted if carried out by a series of individual acts."

The second concrete illustration of typical loopholes in secondary boycott provisions was the holding that certain people did not fall within the technical definition of employer and employee. Accordingly, agricultural employees could be made the targets of secondary boycott action. Messrs. LANDRUM and GRIFFIN did not tell us that this line of decisions followed a court reversal of a board holding, to the contrary.

Among the individual Board decisions singled out for attack is *Plauche Electric* (135 NLRB No. 41) holding that the picketing of employees of the primary employer at a neutral situs where these employees spend most of their working day does not become unlawful merely because the employees could be picketed at a separate situs for a fraction of their working time. This, say Messrs. LANDRUM and GRIFFIN, is the first step away from the Washington Coca-Cola doctrine. What Messrs. LANDRUM and GRIFFIN did not tell us is that three different courts of appeals in five different decisions had repudiated the Washington Coca Cola doctrine before the Labor Board decided to do so. Would Messrs. LANDRUM and GRIFFIN have the Labor Board flout and ignore the court rulings on the subject? Why, then, did we authorize judicial review?

Illustrations can be repeated. My point is simply that the process of judicial review is well oiled and in good working order. The courts do pass upon the merits of Labor Board decisions, sometimes affirming, more often of late, reversing. Loopholes created by Board decisions can be and are plugged on appeal.

If we are dissatisfied with the way in which the courts construe our statute, the proper procedure is to amend the statute, not to attack the Labor Board whose decisions, if erroneous, can be corrected by judicial review.

We should keep ourselves informed of the developments at the Labor Board, as we keep ourselves informed of the developments at the other agencies. We should revise our labor act when the courts put their imprimatur on a Labor Board interpretation we did not or could not anticipate. Ours, subject to constitutional limitations of free speech, due process, and so forth, is the last word. I only request that it be constrained pending full, and bipartisan, study through our normal avenues of discussion.

The Board members are chosen to give their best independent judgment on complex and difficult legal and industrial relations questions. From all the reports that have come to me from various impartial observers, they seem to have been doing an enormous volume of work with integrity, conscientiousness, and good judgment. They have attained record levels of case production and have reduced their backlog very substantially, and they have been handing down many decisions which enforce the remedies given by the law against both unions and employers which violate it.

The Board may err; even Homer nods. But to substitute a broadside attack on the Board as an institution for informed and enlightened discussions as to how specific problems may best be met ill suits the needs of our times as experienced over a good many years.

I thank my colleague for yielding.

Mr. O'HARA of Michigan. I thank the gentleman from New Jersey for his contribution. I think it is a very useful contribution made more valuable by the experience of the able gentleman from New Jersey on the House Committee on Education and Labor throughout his service in the Congress. His words are entitled to particular weight as he was one of the leading participants in framing the conference report of the Labor-Management Reporting and Disclosure Act of 1959.

Mr. PUCINSKI. Mr. Speaker, I would like to congratulate the gentleman from Michigan [Mr. O'HARA] for taking this time in order to put in proper perspective the role that the National Labor Relations Board is playing today under the administration of its Chairman, Mr. Frank W. McCulloch.

A year ago today I presided over hearings on the administration of the Labor-Management Relations Act by the National Labor Relations Board. One thing I learned during that series of hearings was that the problems involved in administering the law are nettlesome with the quality of quicksilver. The problems in isolation have thorns; they flow into one another with never-ceasing fluidity. The problems must be grasped; but they must be grasped as a whole.

Our colleague from Michigan, Mr. GRIFFIN, recently discussed a small handful of cases and saw a pattern whereby the policies laid down by Congress, in the Taft-Hartley and Landrum-Griffin Acts, are being distorted and frustrated. I have examined a much larger number of cases and find a different pattern: a pattern whereby the NLRB attempts to effectuate the policies of Congress by a careful application of the law to the varying factual situations, the close borderline situations, which daily confront the Board. I am satisfied from studying the record of the Board during the past year that it is in fact carrying out the admonition my committee voiced after our investigation last year. We said then that we do not want a prolabor nor a promanagement National Labor Relations Board. We want a Board that will be fair and base its decisions on an impartial interpretation of the law. It is my judgment we now have a such a Board.

Mr. GRIFFIN gives special attention to the NLRB administration of the secondary boycott provisions. I have examined 27 of the important Labor Board decisions, and I attach synopses of these decisions—with the vote of participating Board members. I believe a fair reading of these synopses will show that the Board has not, as claimed, carved out sizable boycott loopholes.

JURISDICTION

Let me briefly mention three cases involving jurisdiction.

The Landrum-Griffin amendments make it unlawful for a union to induce or encourage any individual employed by any person engaged in commerce or in an industry affecting commerce to engage in a strike or a refusal in the course of his employment to use, manufacture, process, transport, etc., products of the primary employer, that is the employer with whom the union has the dispute. Despite this language, the NLRB held in Kisner & Sons—case No. 5 in the attached synopses—that there is no need to allege or prove that the secondary employers on a construction site are engaged in commerce because any participation in the construction industry is sufficient to create Labor Board jurisdiction.

In H & K Lathing Co.—case No. 18 in the synopses—the NLRB asserted jurisdiction when it was alleged that the union engaged in secondary picketing at four different job sites—the combined value of these job sites amounted to slightly over the Board's required $50,000 standard—even though the subsequent evidence showed that there had been unlawful activity at only three of the job sites—the combined value of the three jobs did not reach the Board's $50,000 requirement.

In John J. Reich—case No. 23 in the synopses—the Board asserted jurisdiction and found the required $50,000 amount by totaling 13 different painting jobs done by the primary employer during a year's time, and by accepting the charging party's estimate of the value on two of the jobs which had not been completed or paid for.

These three decisions on jurisdiction do not indicate to me that the Board is seeking to carve out sizable boycott loopholes. It indicates just the contrary—that the Board is going out of its way to protect the small independent contractor from the predatory practices of a few local unions.

INDUCE OR ENCOURAGE

The first offense listed in the secondary boycott section of the act occurs when a union induces or encourages the employees of neutral employers to engage in a strike or in a refusal to work when an object is forcing the neutral employer to cease doing business with the primary employer. Has the Labor Board construed the statutory term 'induce or encourage" in a fashion to carve loopholes?

Under the decisions, a union unlawfully induces or encourages neutral employees:

First. When its members tell neutral employees that "You know it's wrong to handle that flooring. You will bust our union if you handle it." Carolina Lumber Co.—case No. 2 in the synopsis.

Second. When a union pickets a building project on Sunday when the neutral employees are not even present. Spar Builders—case No. 4 in the synopsis.

Third. When a business agent tells an estimator employed by the prime contractor on a job that the union wished the prime contractor would not subcontract the sheet metal work to nonunion subcontractors. Kisner and Sons—case No. 5 in the synopsis.

Fourth. When minor union officials on the job refused to handle hot cargo and told their coworkers:

> You don't have to handle no scab freight. Overnite Transportation Co. (case No. 13 in the synopsis).

Fifth. When a union picketed the job site where the primary employer repaired equipment with signs containing the word "scab." Friden, Inc.—case No. 20 in the synopsis.

On the other hand, the NLRB has held that a union does not unlawfully induce and encourage the employees of neutrals to join their strike:

First. When the striking union pickets neutral department store with signs: "Help Us Keep Our Jobs—Buy Mattresses Made Locally by Upholsterers Local 61." Minneapolis House Furnishings—case No. 6 in synopsis.

Second. When the union business agent told members at union meeting that they had a right as individuals not to work on struck goods. Tampa Sand & Material Co.—case No. 11 in synopsis.

Fourth. When union—up to 70 persons strong—patroled in elliptical line before main entrance of arena distributing handbills urging patrons to protest to municipal authorities the use of nonunion labor within. William J. Burns, Int. Detective Agency, Inc.—case No. 26 in synopsis.

I cite these decisions as representative of the work done by the Labor Board during the past year. Some of the cases are helpful to the union, some are helpful to management. There is no pattern; other than a pattern of deciding each case on the merits.

Illustrations can be multiplied. For example, it sometimes becomes crucial to determine whether a given individual is an employee or, alternatively, an independent contractor. Compare L. B. Wilson, Inc.—case No. 14—radio disk-jockey an independent contractor—with Floyd W. Drake—case No. 15—driver-owners of cement trucks are employees.

It sometimes becomes important, even crucial, to determine whether an object of union picketing is to force or require an employer to recognize and bargain with the picketing union. Compare Kisner & Sons—case No. 5 in synopsis—unlawful objective found despite union disclaimer of interest—with Calumet Contractors—case No. 12 in synopsis—disclaimer of union interest found valid.

It sometimes becomes crucial to determine whether the union picketing at a common situs—that is, a place where work is done by employees of both primary and secondary employers—is protected primary activity or forbidden secondary activity. Compare Friden, Inc.—case No. 20 in synopsis—picketing is forbidden secondary activity—with Plauche Electric, Inc.—case No. 22 in synopsis—picketing is protected primary activity.

An examination of the decisions in their entirety permits the observer to match one case with another on closely related facts. The conclusion to be drawn is that the Board approaches each situation on a pragmatic, not a conceptualistic, basis and calls each case as it sees it without fear or favor, without bias or prejudice, in an honest and sincere endeavor to effectuate the statute as written by Congress. For this we should be thankful.

So, Mr. Speaker, in closing my remarks, may I say that the synopsis of the cases I have mentioned, indicating the individual votes of the individual Board members, some of whom are holdovers from the old administration, show the extent to which this Board has gone in doing an outstanding job of fairly administering the labor laws of this country.

I congratulate the gentleman from Michigan again for taking this time so that we might put these facts before our colleagues.

The synopsis of the 27 recent secondary-boycott decisions by the NLRB follows:

Synopsis of 27 recent "secondary-boycott" decisions by the NLRB—Sec. 8(b)(4) (secondary boycott) cases

Key to chart: All Board members did not participate in all cases; an "X" mark indicates agreement with majority opinion; "C" signifies concurrence; "D" signifies dissent

	McCulloch	Rodgers	Leedom	Fanning	Brown
1. *Riss & Co.*, 130 NLRB 943:					
(a) Strike is primary, not secondary, at "common situs"		X	X	X	
(b) Union "induces and encourages" when it physically impedes		X	X	X	
(c) Union "threatens and coerces" employer when it physically restrains employees		X	X	X	
2. *Carolina Lumber Co.*, 130 NLRB 1438:					
(a) "Individual employed by any person" includes lower echelon managerial persons		C	X	X	
(b) Job foremen are "individuals" and therefore it is unlawful for union to say, "You know it is wrong to handle that flooring. You will bust our union if you handle it."		C	X	X	
(c) Project superintendent is a "person," not an "individual employed by any person," and therefore it is not unlawful for union to tell him that "it would not object" but that it "would rather that he didn't use" lumber from a struck concern		C	X	X	
3. *Brewers City Coal Dock*, 131 NLRB 228: (a) Assistant supervisor on large construction project a "person" rather than an "individual employed by any person" and therefore not unlawful (does not coerce or restrain) for union to tell him that sand came from "struck" plant and it "didn't know if the men would handle the sand or not."		X	X	X	
4. *Spar Builders*, 131 NLRB 1062:					
(a) In light of all circumstances, Sunday picketing with signs addressed to "consumers" unlawful; "induces and encourages" "individuals employed by any person" to engage in strike.		X	X	X	
(b) Inducing individuals (employees) to cease work "coerces and restrains" their neutral employer to cease doing business with "struck" employer.		X	X	X	
5. *Kisner and Sons*, 131 NLRB 1196:					
(a) When construction contractor with whom union has dispute is in interstate commerce, not necessary to allege or prove that "neutral" secondary employers are also in interstate commerce.	X	X	X	X	X.
(b) Picket sign "Sheet metal work on this job done by nonmembers of local 299" is unlawful secondary, not lawful "primary" activity.	X	X	X	X	X.
(c) "Job estimator" is "individual employed by any person" so unlawful inducement for union to say it "wished" prime contractor would use union subcontractors.	X	X	X	X	X.
(d) Construction superintendent a "person" and it is unlawful "restraint and coercion" for union to say he "would in all probability have a picket on the job if he hired nonunion subcontractor."	X	X	X	X	X.
(e) Purpose of picketing is to compel collective bargaining, despite disclaimer by union that it any longer wished to represent employees of picketed subcontractor.	X	X	X	X	X.
6. *Minneapolis House Furnishings*, 132 NLRB No. 2:					
(a) "Consumer picketing" of department store protesting sale of foreign-made products does not "per se" "induce or encourage" department store employees to cease work.	X	D	D	X	X.
(b) Picketing here unlawfully "coerced and restrained" store owner to cease doing business with nonarea manufacturers.	X	X	X	X	X.
(c) Handbill distribution urging customers to buy locally made furniture is "publicity" protected by proviso to sec. 8(b)(4).	X	X	X	X	X.
7. *Southern Construction Corporation*, 132 NLRB No. 49:					
(a) Subcontractor on job, not contractor, is primary employer of subcontractor employees, and picketing of prime contractor is unlawful "secondary" action	X	X		X	
(b) Union "restrains and coerces" prime contractor when it warns he "might have trouble" if he hires nonunion subcontractors	X	X		X	
(c) Picket signs "Philip Abshire pays substandard wages. Dispute with no other employer" "induces and encourages" all employees on job to cease work under circumstances here present.	X	X		X	
8. *Lohman Sales Company*, 132 NLRB No. 67:					
(a) Union handbilling of retail outlets requesting consumers to boycott cigarettes distributed by struck employer is protected "publicity" as distributor employer "produces a product" which is "distributed" by the retail outlets	X	D	X	X	X.
(b) Handbills were for purpose of "truthfully advising the public" even if incorrect as to unimportant details when "there is no evidence of an intent to deceive and there has not been a substantial departure from fact."	X	X	X	X	X.
9. *Packard Bell*, 132 NLRB No. 94: (a) It is "picketing" rather than protected handbilling when handbills are distributed in sight of car which has on it a placard	X	X	X	X	
10. *Tree Fruits Labor Relations Committee*, 132 NLRB No. 102:					
(a) Picketing of retail outlets urging consumer boycott of apples sold within does not "induce or encourage" the retail employees to cease work.	X			X	X.
(b) Such picketing "threatens, coerces and restrains" the employer to cease handling the apples. This is the "natural and foreseeable result of such picketing."	X			X	X.
11. *Tampa Sand and Material Co.*, 132 NLRB No. 124:					
(a) Secondary employer purchasing concrete from struck concern was "threatened and coerced" when business agent said, "We can't put up with this very much longer."			X	X	X.
(b) Threats by "job stewards" are attributable and binding upon union			X	X	X.
(c) Not unlawful "inducement or encouragement" for union official (absent threat or promise of support) to announce at union meeting that members as individuals have right to refuse to work on "struck work."			X	X	X.
(d) Unrenounced comment by union member during heated meeting of union members not binding upon or attributable to the union.			X	X	X.
12. *Calumet Contractors*, 133 NLRB No. 2: (a) "Area standards" picketing not unlawful as 8(b)(4)(C) forbids only picketing with the objective of obtaining "recognition and bargaining."	X	D	D	X	X.

Synopsis of 27 recent "secondary-boycott" decisions by the NLRB—Sec. 8(b)(4) (secondary boycott) cases—**Continued**

Key to chart: All Board members did not participate in all cases; an "X" mark indicates agreement with majority opinion; "C" signifies concurrence; "D" signifies dissen

	McCulloch	Rodgers	Leedom	Fanning	Brown
13. *Overnite Transportation Company*, 133 NLRB No. 12:					
(a) Union officials "induced and persuaded" coworkers to refuse to work when they themselves refused to work and commented that "You don't have to handle no scab freight."		X	X		X.
(b) Secondary activity by union to obtain bargaining rights not unlawful when engaged in by union which "has been certified as the representative of such employees"; but NLRB order that company bargain with union not "tantamount" to NLRB "certification" of the union.		X	X		X.
14. *L. B. Wilson, Inc.*, 133 NLRB No. 72:					
(a) Union resolution that "no member * * * is allowed to work at or through facilities of WCKY" is lawful "primary activity" as all members of union were "primary" employees.	X	D	D	X	X.
(b) Diskjockey was not an "individual employed by any person," but was an independent contractor despite fact that all diskjockeys, singers, etc., "are organized into an exclusive source of supply."	X	D	D	C	X.
15. *Floyd W. Drake*, 133 NLRB No. 116:					
(a) Drivers of cement trucks (who own the trucks) are "individuals employed by any person," rather than "independent contractors."			D	X	X.
(b) Union does not "coerce or restrain" prime contractor when it gives notice of prospective strike action against subcontractor on job.			D	X	X.
16. *The Stephens Company*, 133 NLRB No. 134:					
(a) It is unlawful "restraint and coercion" for union to give unqualified threat to retail outlet that it will be picketed if it handles goods of "struck" distributor.			X	X	X.
(b) It is lawful "primary" activity if picket threat is qualified: "In strict conformity with the standards for primary ambulatory picketing as enunciated by the NLRB."			D	X	X.
(c) Unlawful secondary activity by certified union during economic strike not protected by statutory exemption as activity was not designed "to force or require" employer "to recognize and bargain" with union. Employer recognized and bargained with union; merely disagreed as to terms of contract.			X	X	X.
17. *Middle South Broadcasting Co.*, 133 NLRB No. 165:					
(a) Lawful "primary" activity for union to picket at display room of advertiser when broadcasts of "struck" radio station are regularly and extensively beamed from display room.	X	D	D	X	X.
(b) "Do Not Patronize" leaflets urging a consumer boycott of advertisers on "struck" radio are protected by the "publicity proviso."	X	D	C	X	X.
(c) Radio station "produces a product" "by adding its labor in the form of capital, enterprise and services to the automobiles" which it advertises for the secondary employer retail distributor of the automobiles.	X	D	C	X	X.
18. *H. & K. Lathing Co.*, 134 NLRB No. 43:					
(a) Determine jurisdictional amount on basis of complaint, not on basis of facts proved at hearing.		X		X	X.
(b) When primary employer not in interstate commerce, the entire operations of all secondary employers at the location affected by alledged conduct will be considered.		X		X	X.
19. *North Western Construction of Washington, Inc.*, 134 NLRB No. 46:					
(a) Distribution of "unfair list" to union members protected by "publicity proviso"	X	D	X	X	X
(b) Electrical subcontractor on gas station construction job "produces a product" distributed by the prime contractor.	X	D	X	X	X.
20. *Friden, Inc.*, 134 NLRB No. 61:					
(a) Unlawful "secondary" action for union to picket office buildings where secondary employers do business when primary employer not doing work there, even if union attempted to picket only when it believed primary employer was at work.			X	X	X.
(b) Picket line unlawfully "induced and encouraged" employees of "neutral" employers under test of *Minneapolis House Furnishing*.			C	X	X.
(c) Picketing "threatened, coerced and restrained" neutral employers to cease doing business with primary employer.			X	X	X.
21. *Great Western Broadcasting Corporation*, 134 NLRB No. 141: (a) A television station "produces products" advertised on its station so "publicity proviso" protects handbilling of businesses which advertise.	X	D		X	
22. *Plauche Electric, Inc.*, 135 NLRB No. 41: (a) Lawful "primary" activity to picket at retail establishment where employees of the primary employer spend practically their entire working day even though they may report for a few minutes at the beginning and end of each day to the regular place of business of primary employer.	X	D	D	X	X.
23. *John J. Reich*, 136 NLRB No. 11:					
(a) Jurisdictional amount ascertained by adding together cost of all jobs (13 here) done by painting contractor for concerns in interstate commerce.	X	X		X	
(b) Union "induces and encourages" its members to refrain from work with a motion, "we discontinue business with John Reich, Painting Contractor, because he will not live up to our working agreement."	X	X		X	
(c) Son in father-son partnership was an "employer" forced to join labor organization despite contrary finding by Federal court that son was an "employee."	X	X		X	
(d) Union attempt to enforce valid contract is not immune from liability when its actions constitute a violation of the "cease handling" or "cease doing business" provisions of sec. 8(b)(4)(B).	X	X		X	
24. *Houston Armored Car Company, Inc.*, 136 NLRB No. 9:					
(a) Ambulatory picketing of "struck" employer's trucks when they stopped for "pickup" is lawful "primary" activity even though the trucks return to home office 5 or 6 times a day.		D		X	X.
(b) An armored car company "produces products" for its customers when it picks up and protects their cash receipts.		D		X	X.
25. *New York Herald Tribune, Inc.*, 136 NLRB No. 19:					
(a) Union "induced and encouraged" its members to cease doing business with neutral employer when it instructed them to seek observance "of the traditional right of its members not to handle the struck work."	X	X	X	X	X.
(b) No specific intent necessary when "an object" of activity is "to disrupt or seriously curtail the existing business relationship" between a "neutral" and a "struck" employer.	X	X	X	X	X.
26. *William J. Burns Int. Detective Agency, Inc.*, 136 NLRB No. 34:					
(a) Under the circumstances, a union does not "induce or persuade" employees of "neutrals" to cease work when it sponsors a "handbilling" patrol of up to 70 persons in an elliptical line before entrance to area.	C	D			
(b) "Purpose and intended impact of the above-described conduct was to 'threaten, coerce or restrain' " neutral employer to cease doing business with nonunion subcontractor.	D	C	C	X	X.
27. *Wiggin Terminals, Inc.*, 137 NLRB No. 3: (a) Dispute of longshoremen is with "importer," not with stevedoring company, so union engages in unlawful "secondary" activities when it induces "slow down" on job to force stevedore to alter business arrangements with the "importer" customer.	X	X	X	D	D.

Mr. O'HARA of Michigan. Mr. Speaker, I thank the gentleman from Illinois for giving us the benefit of his subcommittee's study of the Labor Board with his committee during the last session of Congress.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I shall yield briefly to the gentleman from Michigan.

Mr. GRIFFIN. Mr. Speaker, I appreciate the courtesy of the gentleman from Michigan in yielding to me briefly. Let me say that, although obviously I do not agree with the analyses and the evaluation of many of the Labor Board's decisions as they are put before the House here today, I do respect the right of the gentleman from Michigan, and his colleagues on that side of aisle, to disagree with my point of view.

Without attempting at this point to get into the merits of various decisions, I should like to focus attention upon the importance of the decisions by the National Labor Relations Board. In many respects there is only a very limited check on the Board as far as judicial review is concerned.

For example, let us suppose that one takes a case into a Federal district court, and the district court decides against him, and then he does not appeal that decision to the next higher court. He may fail to appeal because of a lack of funds. Or, in some cases, the issue may be settled or become moot. The decision rendered is the settled law only in that particular Federal district court jurisdiction.

Now, if a similar dispute should arise in another district court jurisdiction, another litigant could have the issue considered in that district court. If the district court decided against him, the litigant appeal to the court of appeals and the previous adverse decision in another jurisdiction, which by default was not appealed, would not preclude him.

Now, contrast that situation with the National Labor Relations Board procedures under which we have one so-called tribunal which is the court of first resort for all unfair labor complaints throughout the country. When a dispute comes to the Board, and the Board decides adversely to a litigant, it can be said, "Oh, yes, he has the right of appeal." And he does. But, consider what happens if the legal question in the particular case becomes moot or the litigant does not have the funds to appeal, or for some other reason does not appeal from the Board decision. Then that decision of the National Labor Relations Board becomes the law of the land, and from there and then on all other litigants are precluded from taking a similar case before the Board. Thereafter, if the General Counsel of the Board is presented with a similar set of facts, as the gentleman from Illinois [Mr. Pucinski] well knows, the General Counsel will refuse to issue a complaint and, in effect, will say, "No. The National Labor Relations Board has ruled on those facts." It does no good at that point to say, "But the Board was wrong and would be reversed upon appeal." At that point, there is no way to get the merits of the case before the Board or to appeal to the courts.

So, I make the point that the right of judicial review with respect to Board decisions can amount to very limited protection under the procedures that have been established, as compared with rights in the areas where cases are handled by Federal district courts.

Mr. O'HARA of Michigan. I would like to say to the gentleman from Michigan that I regret that we do not have more time so that I could yield to the gentleman for fuller comment. His name has been mentioned frequently in order to properly identify the subject to which we were directing our remarks. I think the gentleman will agree that we were directing our remarks to the ideas expressed by him and not to the gentleman personally. I respect him as a very able member of the committee, and I thank him for his observations.

Mr. GRIFFIN. I thank the gentleman from Michigan for his kind remarks.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Illinois.

Mr. PUCINSKI. There is only one point I would like to make and that is a followthrough of what the gentleman from New Jersey [Mr. Thompson] said. I think the gentleman from Michigan [Mr. Griffin] may be in the right church but the wrong pew. He is attacking the Board and has suggested that the Board has carved out loopholes in the law, and then in his remarks that he offers now points out certain weaknesses in the basic law. I think the gentleman from New Jersey [Mr. Thompson] certainly made a strong point when he said, "If you have any quarrel, then you ought to quarrel with the law, and if you want to strengthen the law, propose such an amendment to the Congress." But, it is not fair to attack this Board, which, as proved conclusively by the synopsis I have attached to my remarks, has been calling them right down the middle. It is not a promanagement Board; it is not a prolabor Board; it is a pro-American Board. It is calling the shots as it sees them, based on the merits of each individual issue as it arises.

Mr. CLEM MILLER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. CLEM MILLER. I also wonder what is the difference between the procedure used by the Board with respect to complaints and the procedures in any other Federal regulatory agency. I do not see that there is any difference. I wonder what the gentleman from Michigan [Mr. Griffin] would propose as an alternative to the National Labor Relations Board? I might suggest adding the proviso that the Labor Board does not cover all labor cases, but only a very limited area of the entire problem of labor disputes.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Michigan [Mr. Griffin].

Mr. GRIFFIN. Mr. Speaker, I realize that the gentleman from Michigan [Mr. O'Hara] has other points to which he may want to go, and does not wish to take all of his time on this point. I would say there are a number of recommendations that should be considered, in reply to the gentleman from California [Mr. Miller]. I wished to make the point that the decisions of the NLRB are very important, and in many instances amount to the decisions of a court of last resort.

Mr. CLEM MILLER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. CLEM MILLER. Does the gentleman from Michigan [Mr. Griffin] refer to the General Counsel and not the Board?

Mr. GRIFFIN. If the gentleman from Michigan [Mr. O'Hara] will yield further, I shall be glad to respond to the request for suggestions for improvement in the procedure. One way in which we could improve it would be to provide judicial review in a Federal district court, for example, of a refusal by the general counsel to issue an unfair labor practice complaint. Another possibility would be to set up regional labor boards.

Another possibility would be to transfer NLRB jurisdiction in unfair labor practice cases to the Federal district courts. All of these suggestions have been advanced and are worthy of consideration.

While I may not agree with the gentleman from Michigan [Mr. O'Hara], I wish to assure him that I am interested in what he and others have to say on this subject and I shall read their remarks in the Record. I regret that, because of another commitment, it will not be possible for me to remain on the floor during the remaining portion of the special order.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from Illinois.

Mr. PUCINSKI. It was the contention of the gentleman from Michigan [Mr. Griffin], at the very outset of his remarks, that we have different standards in the different district courts, and the gentleman based his entire attack upon the Board by showing how important the decisions of the Board are, because they are national in scope, in contrast to the restricted decisions that emanate from the various district courts.

Now the gentleman says we ought to turn it over to these restricted Federal district courts. I think what the gentleman from Michigan [Mr. Griffin] is suggesting would result in a patchwork quilt national labor policy with different interpretations and different standards of labor management relations, in each of the geographical areas served by the more than a hundred Federal district courts. I cannot think of anything that would produce more chaos and more labor unrest in this country than to follow the suggestion of the gentleman from Michigan [Mr. Griffin].

Mr. O'HARA of Michigan. Mr. Speaker, I would certainly like to hear a debate between the gentleman from Illinois [Mr. Pucinski] and the gentleman from Michigan [Mr. Griffin] on this very point. I understand that we well might see a continuation of these long-range colloquies on the floor of the House—and I hope at that time we have an opportunity to go into these matters more fully.

Mr. CLEM MILLER. Mr. Speaker, if the gentleman will yield further, I am wondering in what respect is the gentleman from Michigan referring to the refusal of the General Counsel to issue complaints?

I would certainly welcome this as an exhibit. I think such a collection would show great liberality in the issuance of complaints, not any denial of rights.

Mr. Speaker, if the gentleman will yield further——

Mr. O'HARA of Michigan. I yield to the gentleman from California.

Mr. CLEM MILLER. I would like to say, Mr. Speaker, that I appear here this afternoon as a former employee of the National Labor Relations Board. I was for 5 years a field examiner. I do not presume that I am here as an expert in the higher echelons of law giving, but I am here as one who has read and reread this act many, many thousands of times, one who has slept on this legislation many evenings, and one who has gone into the towns and communities of this country taking testimony and affidavits. I do not purport to be a great expert in the judicial process. But, certainly, I am one who has been on the firing line in this respect, and know a little something about it. If I am anything here this afternoon, I am here as a spokesman for that lowly being known as the civil servant, the one who seeks to enforce the will of the Congress, with the best will in the world, with every desire to enforce the law that can be possibly mustered, who reads through interminable pages of the RECORD, which I am beginning to find out to a greater and greater degree oftentimes do not reflect the true state of affairs, or true facts, who must, amidst the many possible interpretations of the law, seek to apply them to the particular, tortuous and complex cases that he is assigned to and come up with a right answer, or a good effort at a right answer.

In the literally hundreds of Board employees whom I have known and have done business with and trafficked with, I have found the highest degree of intelligence, the highest degree of effort and devotion to do right by their Government, to do right by the agency they represent, to do right by the general public, labor, and management. We employees of the Board yield to no one in the respect we have shown for this law, whether it was the Wagner Act of 1935, the Taft-Hartley Act of 1947 or the Landrum-Griffin Act of 1959. We have done the best we possibly could under any and all of the law, enforcing them to the best of our knowledge and ability.

The gentleman from Michigan mentioned prominently in his remarks Gerald A. Brown, the former regional director of San Francisco where I was employed, the 20th region of the national Labor Relations Board, who is presently a Board member. He is the highest type exemplar of what I have been speaking of. I propose, in a few moments, to have another word to say on this subject. But I appear here this afternoon as a representative of those civil servants who serve this Government, who seek to do their work well in the face of constant, never-ending criticism from those who have never known that side of the fence, but only know the congressional side.

Mr. Speaker, let me assure you I have the highest regard for Congressmen. They seek to do their duty on matters which sometimes they only dimly understand. They seek to make general laws to fit all situations, and only under the bitter experience of time do we find many of their panaceas are faulty. Those who are in the civil service must do the best they can to interpret these imperfect laws. It is unfortunate that the mean acrimony on both sides cannot be mellowed by a better understanding of the limitations imposed upon each of them.

My colleagues, Messrs. LANDRUM and GRIFFIN, quite rightly told us that:

> The importance of adhering to congressional intent is a matter of compelling importance in all laws. In no area is it more vital than in labor legislation.

The gentleman from Michigan further said:

> All of us will concede that in the application of any law to varying factual situations close borderline situations will be confronted.

As one who has had experience in this field let me say that almost each case presents borderline situations. Therefore, most of these decisions are difficult to reach. They require vast hours of effort, thousands of hours of our time traveling, going out to witnesses, hundreds of hours spent in interviewing witnesses, thousands of hours spent reading the laws and the labor reports in our field, so that we can come up with these decisions.

These so-called borderline situations are the order of the day rather than the exception. The physical facts of any Board case differ from the physical facts of any other case. That is why it is so difficult for field examiners, for attorneys, for trial examiners and for the Board to reach a decision. Exceptions to "ruling" case become the rule rather than the reverse because of the difference and the uniqueness in each one of these cases as they come to us.

My colleagues then warn that:

> There is reason to wonder whether the NLRB—which was created by Congress—even concedes the constitutional authority of Congress to formulate and establish policy in the labor-management field.

The cause for alarm stems from a press release concerning a speech—an extrajudicial pronouncement my colleagues term it—given by Board Member Gerald A. Brown.

My colleagues quote from this press release Mr. Brown's statement that—

> In my view the Board is unquestionably a policymaking tribunal.

And conclude therefrom that this extrajudicial pronouncement seems to articulate an attitude on the part of some Board members which indicates very little regard for the policymaking role of Congress.

I have read not only the full text of the press release which my colleagues inserted in the RECORD, but I also have read the entire speech of Board Member Gerald A. Brown.

I feel that anyone who would read this speech line by line would be convinced that here is a very thoughtful presentation of Board dilemma, unusually perceptive, of a gentleman who has given a great deal of consideration to the problem of labor relations. It is given in a manner which contains none of the rancorous and pretentious dogma that beclouds so much of labor relations debate.

Mr. Speaker, I ask unanimous consent that at this point the full transcript of the speech be made a part of the RECORD. A careful reading of this speech will be a profitable and rewarding experience.

The SPEAKER pro tempore (Mr. OLSEN). Is there objection to the request of the gentleman from California?

There was no objection.

The matter referred to follows:

THE NLRB ON THE NEW FRONTIERS

(By Gerald A. Brown)

Since I became a member of the NLRB in April 1961 I have been asked many times what my impressions of the job were. This was usually accompanied by an observation that anyone who would leave San Francisco to come to Washington must be deficient in good judgment. In any event, while finding it necessary to run twice as fast in order to stay in the same place on the treadmill on which I found myself, I have tried to piece together my varied reactions. Without wishing to appear pedantic, I am firmly convinced that proper perspective involves allocating specific problems to their appropriate place in the stream of history.

My own view is that the history of civilization indicates that virtually the only certainty of life in almost all areas is change. The earth is spinning in our small universe, and every moment is different from the last. Change inevitably brings conflict. This requires continual reappraisal, from which, I hope, comes progress. Thorstein Veblen's thesis that inevitable technological changes compel constant readjustment of the institutional arrangements made by mankind has an application in labor relations. Use of the scientific method which has characterized the 20th century is based in substantial part upon experiment and observation. This, too, has significance for the NLRB, and as I shall indicate a little later, adds some coherence to the changes which have been taking place in Federal labor law.

In view of the volume of cases which we have decided, it really is a distortion to concentrate on a few areas where changes in policy have occurred. Moreover, I find it strange that so many people should be amazed that changes in Board membership should result in some changed interpretations of a changed and complex law. We are not clerks punching buttons to obtain some preordained decision.

During my time in Washington, I have become progressively disappointed at what has gradually snowballed into a general tendency among commentators on the labor relations scene to describe the new Board members as recipients of the debt owed organized labor by President Kennedy and to analyze and explain the Board's decisions as predictable pronouncements of "Kennedy's Democratic, prolabor Board."

To be sure, I am aware that the rulings of the Board during President Eisenhower's administration were ofttimes greeted with such shibboleths as "conservative, Republican, promanagement" and therefore subjected to a caliber of criticism similarly lacking in penetration. Let me hasten to add that my disappointment does not stem from any personal fear of criticism. I have been in this business too long to be surprised when the losing party in a Board proceeding yells bias to divert attention from the merits of his case.

But responsible reporting requires something more—even where the criticism may be justified.

My dislike of such "label pinning" stems from the fact that its appeal is directed at exacting blind emotional instead of well-founded rational responses. For those who view virtually all disputes as battles between labor and management, there is an almost irresistible temptation summarily to classify each and every decision as a victory for one contestant at the expense of the other.

The inherent weaknesses in adopting such an approach are twofold. Firstly, not all Board decisions are susceptible to so simple a breakdown. Shocking as the thought may be in some quarters, employers and unions frequently take similar positions with respect to issues or a given Board case.

Second, more often than not, label pinning beclouds the real issue at hand. The General Motors case recently received widespread publicity as a Board prolabor decision, although I personally view it as a relatively unimportant case. There, a legal issue was presented involving a detailed analysis and interpretation of the precise language of section 8(a)(3) of the statute as well as a study of the legislative history thereof. We were asked to determine whether a so-called agency shop fell within the limits of permissible union security provisions. It is just as ridiculous categorically to dismiss the General Motors ruling as a political payoff to the United Auto Workers as it would be to equate the original Board decision with a payoff to General Motors.

I welcome criticism of this, or any other decision, but do wish it would be directed to the merits of the case, to the substantive issues involved, and to the Board's rationale. These are the common grounds upon which some useful understanding can be attained.

Political affiliation of the individual Board members remains an irrelevant factor. Granted, reasonable men may differ as to their interpretation of a statute, but this difference should not merely rest upon whether a Board member gallantly rode into office on the back of a donkey or on an elephant. While I am currently one of three Democrats on the Board, statistics clearly show that the voting pattern constantly varies from case to case and cuts across party lines. Indeed, it may be noted that two Eisenhower and two Kennedy appointees constituted the majority in the General Motors case. But President Kennedy has not appointed messengers for any one vested interest to serve as members of this Board.

Before turning to some analysis of the changes, a word about my concept of the role of the NLRB is appropriate. We are an administrative agency entrusted with translating a general public policy formulated by Congress into varied and changing factual situations. While we, of course, are limited by the statute under which we operate, extensive discretion is granted to permit accommodations to the changing patterns. The labor problems of 1962 resemble those of 1935 only in a semantical sense. The shadows of the future portend an increasing tempo of change—not only from the continuing technological revolution or automation, but from the impact of the developing new countries and other phases of our international relations. In an address to the International Trade Fair, Under Secretary of Labor Willard Wirtz recently observed, "The public interest includes, perhaps most significantly today, the achievements of the Nation's full capacity for economic growth. We have paid more attention in the past to stability than to growth, reflecting a characteristically larger concern about fears than opportunities. Yet stability without growth is as inadequate a goal as growth without stability. And growth today is not just an opportunity, it is a necessity."

The NLRB is charged with the promotion of a public policy which is, in essence, the encouragement of collective bargaining as the democratic method of solving labor problems. This does not mean that we are despots making up our own rules to promote ends to our liking. Nor, despite frequent appropriate use of the analogy, are we umpires applying fixed rules to two or more contestants in a game. As the Supreme Court said in the General Electric reserved gate case on May 29, 1961, after noting that a statutory provision in question could not be literally construed: "The nature of the problem, as revealed by unfolding variant situations, inevitably involves an evolutionary process for its rational response, not a quick, definitive formula as a comprehensive answer. And so, it is not surprising that the Board has more or less felt its way, during the 14 years in which it has had to apply 8(b)(4)(A), and has modified and reformed its standards on the basis of accumulating experience. One of the purposes which lead to the creation of such boards is to have decisions based upon evidential facts under the particular statute made by experienced officials with an adequate appreciation of the complexities of the subject which is entrusted to their administration."

Such a statement could have been made about many of the act's provisions.

Thus it is impossible merely to enforce the statute as written. In many areas the words are unclear and in others guidance comes only in most general terms. The Board has always been compelled to develop a substantive body of industrial law from such terms. Consistency comes not from following the same rule inexorably but by adhering always to the fundamental purposes of the statute.

In this regard, despite an interesting discussion I heard last summer at St. Louis at the meetings of the labor law section of the ABA, it is highly significant that labor relations laws were left in the hands of the NLRB and not the judiciary. No less an authority on the administrative process than James Landis traced this result to a combination of two major factors. Courts could not devote sufficient time to enable them to develop the necessary expertise in and to keep abreast of a field which, notwithstanding all its complexities, intrigues, and dynamic qualities, provided only a small proportion of a Court's total case load. And secondly, since practical judgments rather than bare legal principles are the keynote to lawmaking in an industrial complex, commonsense dictated delegating authority to an administrative agency whose processes involve policy review, reevaluation, and revision in light of the cumulative experience acquired.

The unique fact that day-to-day relationships among employers, employees, and unions persist even after the litigation and that the Board's resolution of a given dispute will do much to shape these future relations should not be disregarded. Board decisions should therefore be directed at providing pragmatic solutions.

In the past many Board members, when requested to assess this agency's role, have indicated that we are not a policymaking body—modestly declaring that we do nothing more than interpret and execute the will of Congress as expressed in terms of the Federal labor statutes. A former Chairman of the NLRB, in discussing policy changes made by the Board in the early days of the Eisenhower administration, is quoted as saying:

"This has provoked some criticism and given rise to charges that the Board is legislating * * * something we have no right to do. * * * But if it be true that we have legislated, we have done nothing more than repeal an improper legislation act of the prior Board."

I, however, cannot endorse what I consider to be an unrealistic appraisal of the Board's function.

While I agree wholeheartedly that we must interpret and execute the words and will of Congress, the simple yet frustrating truth is that all too often neither the words nor the intent are sufficiently clear to provide satisfactory answers to the issues presented. An entire series of vital 8(b)(7)(C) recognition picketing problems presently before the Board illustrates our dilemma. Somehow we must give effect both to that section's general prohibitions and to the protection afforded publicity picketing, the extent of which Congress neglected to clarify. We wish to hold expedited elections when warranted and also to prevent unfair labor practices from affecting elections.

Even where the statutory language is free from ambiguity, the Board is sometimes required to weigh the relative merits of and then determine which of two conflicting policies to apply.

Perhaps the Board's true role can be most dramatically demonstrated by reference to the voluminous pages of Board decisions involving aspects of labor law for which the Congress furnished only the barest guidelines. Thumbing through the maze of complex and technical rules concering bargaining units, for example, one cannot avoid being overwhelmed at the realization that all these rules involving single versus multiemployer units, the placement of technical employees, plant and office clerical employees, managerial employees, confidential, seasonal, casual, and part-time employees, and employees performing dual functions—have been whittled out of one declaration in section 9 that the Board determine the unit appropriate for collective bargaining.

Likewise, with regard to complaint cases, while fashioning remedies for unfair labor practices, the Board's discretion in ordering affirmative relief is limited only by the legislative requirement that it must "effectuate the policies of the act" and by the Supreme Court's requirement that it be remedial, not punitive. Within these broad boundaries the Board has devised a substantial body of law governing such matters as remedying illegal hiring hall arrangements, "runaway shops," the unlawful subcontracting of work, whether an offer of reinstatement will toll backpay liability and determining whether an unfair labor practice striker should be reinstated despite his having engaged in violent activities on the picket line.

Undoubtedly the Board will be called upon to continue exercising ingenuity with respect to other remedy problems. It is anticipated, for example, that the Board will review the General Counsel's recently announced intention to request the addition of interest to backpay awarded to discriminatorily discharged employees.

Thus in my view the Board is unquestionably a policymaking tribunal. Given an awareness of this fundamental truth and in the absence of any ill-conceived attempt to disavow authority, we will be one step closer to responsible decisionmaking. Under this system changes are inevitable. Changes should come when a prior good policy becomes outmoded or upon recognition that a prior rule was not sound to begin with or has not worked out as expected, or when experience indicates better approaches. While denying politics an improper place in the decisionmaking process, I do not deny that a member's viewpoint may be influenced by his background or philosophy, nor do I suggest that Board membership would be identical under different administrations. For this I am personally grateful.

Clyde W. Summers, presently professor of law at Yale University, posed this interesting question several years ago:

"This agency reaction to changes in the political climate is not necessarily bad. Ought not Government, in the making of policies, reflect majority will? Should not administrative agencies, within the area of discretion granted them, chose the policy which most accurately expresses the desires of the majority? To do so is to make democracy more responsive, an especially significant contribution when Government tends to become remote. It is true that our principal instrument for expressing majority will is Congress speaking through legislation.

However, there is serious doubt whether Congress is capable of expressing small shifts or gradual changes. Amendments to the National Labor Relations Act make long jumps, tending to go beyond the existing balance point of public opinion. The Board, by bending to the wind can enable the same statutory words to serve a range of shifts, thus avoiding the necessity of frequent changes. When the amendments come, it can soften the shock and ease the adjustment, thereby preserving a measure of continuity and stability.

"Just as an agency can be valuable because it may be responsive, it can be dangerous because it is not responsible. Members, once appointed and vested with power may become self-certain in their own judgments as to what is wise policy and become insensitive to majority will. They stand outside the mainstream of political pressures and may fail to sense accurately changes in public opinion. If they make policy case by case they may obscure the developing pattern and thus avoid the crystallizing of opinion. By asserting their independence and denying that they are legislating, they may deflect justified criticism. This irresponsibility need not be intentional, but may be mere misjudgment or failure to understand the place of such an agency within a democratic structure. In any case, there is an ever present threat that irresponsible agencies may impede or frustrate the processes of self-government.

"What we seek, then, is a working compromise which will permit a degree of responsiveness but which will prevent an excess of irresponsibility. This is essentially the problem of obtaining flexibility without losing control. For this we need guideposts which will help mark the boundaries of discretion and procedures which are appropriate for the making of policy choices."

This perhaps is why as many changes in Board policies could be seen from 1935 to 1952 under Democratic administrations as since.

But this is not to say that our policymaking authority is unlimited. To see how judicial review effectively operates as a check upon the Board's authority, we have only to turn our attention to April 17, 1961, when the Supreme Court set aside the Board's Mountain Pacific and Brown-Olds doctrines. Under these Supreme Court interpretations, hiring hall arrangements were no longer illegal per se. Evidence of discrimination rather than an automatic presumption was necessary to find an unfair labor practice. Furthermore, even assuming the existence of an unlawful closed shop arrangement, employee-union members were no longer automatically entitled to reimbursement of union dues and initiation fees. Evidence that union membership was influenced in violation of the act was now an indispensable element. In a word, the bubble had finally burst and with it these so-called per se rules floated to their timely demise.

I attach particular significance to the Supreme Court's aforementioned tacit indictments of these per se rules, perhaps as much because they coincided with my appointment to the NLRB as because they echo my emphatic belief that independent analysis on a case-by-case basis must be substituted for mechanical rules.

Other Federal courts have likewise had occasion to criticize the creation and application of rigid rules.

The fourth circuit in *N.L.R.B.* v. *Pittsburgh Plate Glass Co.* stressed the need for modifying the per se approach to unit problems and then went on to say that section 9(b) (2) "frees the Board from the domination of its past decisions and directs it to reexamine each case on its merits and leaves it free to select that unit which it deems best suited to accomplish the statutory purpose."

Fixed rules are easy to apply and provide the parties with knowledge upon which to predicate their actions. These are desirable results and must, of course, be accorded some weight. Certainty necessarily follows from the implementation of mechanistic rules, but it is a superficial certainty destined for disrepute. In the words once more of Willard Wirtz, "The price of a precise rule today is anomaly in the results of its application."

Judge Leedom, a colleague of mine for whom I have a great deal of respect, recently in objecting to some current changes in decisional policy, explicated three major justifications for stare decisis, humility, predictability, and continuing stability.

Judge Jerome Frank, among many others, had a different view—that the doctrine of stare decisis seems to mean that certainty outweighs justice. Frank also suggested, however, that a rule should not be changed retroactively if a person who has relied upon it would be harmed substantially.

We followed this equitable consideration in the Ideal Electric case, when the Woolworth rule on the time period for objections to an election was changed, although made applicable only for future cases.

But Judge Frank agrees with Holmes, who labeled as "one of the misfortunes of the law" that "ideas become encysted in phrases and thereafter for a long time cease to provoke further analysis." "The constant effort," Frank adds, "to achieve a stable equilibrium, resembling sleep, is immature. The welcome of new doubts, the keen interest in probing into the usual, the zest of adventure in investigating the conventional—these are life-cherishing attitudes."

One does not lightly or capriciously alter rules that seem to be effective or widely accepted, but too many legal scholars have concluded that even stare decisis yields more uncertainty than certainty.

And as Justice Jackson has so aptly commented, "If the law were static and changeless, it could offer little more than an exercise of memory. The real romance of the law is the combination of continuity and change, the reconciliation of stability with progress."

The normal demands of any transitory age, moreover, cry out for an attitude of flexibility. My initial actions as a Board member have been directed at the attainment of this goal. A great lesson is to be learned from the Supreme Court's April 17 opinions, the breadth of which exceeds the specific substantive issues presented therein. I am pleased to report tonight that this fact has not gone unheeded. Indeed, when viewed as a whole, in my opinion, the Board's most recent decisions depict a definite movement away from the rubberstamp approval of per se rules. This trend has manifested itself in an impressive variety of representation and unfair labor practice cases. Among the most significant contributions to modification of the per se approach in representation cases is the Sheffield Corp. case. There the Board indicated its disapproval of the former practice of automatically excluding all technical employees from production and maintenance units whenever the parties disagreed as to their unit placement. A Board panel, comprised incidentally of Chairman McCulloch and Members Rodgers and Brown, explicitly discarded the automatic placement formula, substituting in its stead the case-by-case analysis based upon such factors as the desires of the parties, bargaining history, similarity of skills, job functions and working conditions, common supervision and/or interchange of employees, type of industry, organization of the plant, and whether any union seeks to represent the technical employees separately. A similar approach has been indicated with respect to driver salesmen, and may be followed in other types of units.

The case-by-case approach also was adopted in the recent American Cyanamid decision. After reconsidering the question of whether a separate unit of maintenance department employees was appropriate in situations where another union sought an overall industrial unit of the production and maintenance employees, the Board demonstrated once again its determination to avoid per se rules by specifically concluding that the mere absence of a bargaining history in a production and maintenance unit would not, ipso facto, establish the appropriateness of a maintenance unit.

Many fixed rules with respect to allegedly objectionable preelection conduct have fared no better. Their disappearance marks another step forward in the Board's assault on per se thinking. Thus, for example, employer statements that union victories may result in plant shutdowns and/or transfer of operations to other geographical locations are no longer automatically equated to predictions nor are they automatically considered protected campaign oratory. Resort to the prediction label, while obviously offering us certainty of result, begs the real issue. For, as the present Board well recognizes, the question upon which each case should turn is whether when viewed in proper context, the employer's words, even if couched in terms of a prediction, or statement of legal position, render employee free choice impossible.

The complaint case field is receiving similar treatment. At one time in the not-too-distant past, union picketing to protest either an employer's substandard wages or an employee's discharge was automatically regarded as a demand for recognition.

Today, however, as illustrated in the Calumet contractors and Fanelli Ford sales cases, the Board subscribes to a more realistic and less mechanistic approach. Before passing judgment on the object of any picketing activities, we analyze the union's conduct in the context of the particular facts of each case.

Likewise, in passing upon the many difficult problems which lie in the so-called gray area between lawful primary and unlawful secondary activity, the Board has reversed two other rigid rules formerly applied. Thus, in Plauche Electric, we reversed the Washington Coca Cola rule and refused to prohibit automatically "all picketing at the site where the employees of the primary employer spend practically their entire working day simply because they may report for a few minutes at the beginning and end of each day to the regular place of business of the primary employer." In Minneapolis House Furnishing we discarded the former rule that union activity at a secondary employer's premises necessarily invited employees to make common cause with the picketing union and to refrain from working behind the picket line. Facts may differentiate appeals to consumers from appeals to employees.

Much of this commentary is applicable to the Board's review of contract clauses for possible unfair labor practice implications. Thus, in Minnesota Milk the Board refused to find that section 8(e)'s ban on hot cargo clauses automatically barred all agreements prohibiting the subcontracting of work. Our exploration of this new statutory frontier continues in a similar manner.

Summing up this trend in general terms, I would say that the present Board has freed itself from the self-inflicted dedication to per se rules which had effectively, though perhaps unwittingly tied the hands of the predecessor Board. It is hoped that this resurrected freedom to act on the merits of individual cases will enhance responsible decisionmaking and better enable the Board to serve the public interest which the act was intended to promote.

This is my opinion even though recognizing that some per se rules have existed since the early days of the statute, and others may be justified.

The difference, however, is not only one of degree. The significance is primarily one of approach.

Mr. Justice Holmes stated long ago, "But inasmuch as the real justification of a rule of law, if there be one, is that it helps to bring about a social end which we desire, it is no less necessary that those who make and develop the law should have those ends articulately in their mind."

The broad statutory objectives of the Federal labor acts have an essential role in the Board's decisionmaking process. The philosophy underlying the original statute was simple yet profound. Succinctly expressed in the words of its creator, Senator Wagner, "Industrial peace rests upon freedom, not restraint; upon equality, not subservience; upon cooperation, not domination."

Significantly, this formula has survived the passage of both the Taft-Hartley and Landrum-Griffin Acts. And today the very same general principles remain the declared policy of the Federal Government for eliminating industrial strife.

To be sure, further declarations of legislative policy may be found with respect to individual sections of the act, but they are directed at problem areas more restricted in scope. The basic purpose of the statute indicates that the Government is not neutral as to the desirability of free collective bargaining. With few exceptions, it should be neutral as to the results in any given economic contest. The Government helps provide the channels, but under our system it is properly left to the parties themselves to achieve the solution to their problems. It is short sighted and destructive to label the collective bargaining process as class conflict.

Today, moreover, our problems have taken on a new dimension. For we now find our system subjected to its most rigorous challenge. With both the United States and Russia aware that each possesses unprecedented capacity for mass destruction, the cold facts of life point away from a military and toward an economic struggle. Thus, one burning issue of the day is whether production goals are attainable under our system of industrial democracy. The stakes are high as numerous uncommitted nations throughout the world sit this very day in judgment on the relative performances of the two competing systems.

I came to Washington with some recognition of the enormity of the task at hand. My experience in the San Francisco regional office indicated clearly that Board decisions have a great practical impact on employer, employee, and union relationships. I also came mindful that the Board's activities cut across issues of economic, technological, political, psychological, and sociological import. And if that were not a sufficiently awesome thought, I was mindful further that our degree of success would be a matter of consequence far beyond the continental limits of these United States. As the Solicitor General of the United States said at that meeting in St. Louis:

"The future of collective bargaining—indeed of what we call civilization—depends more than anything else upon renewing a quality which in recent years has sometimes seemed almost to disappear—tolerance, faith in the powers of reason, recognition of the fallibility but belief in the essential rationality and perfectibility of man."

I would like to close on a heartening note by quoting from a New York Times' editorial of January 7:

"PROGRESS TOWARD LABOR PEACE

"Anxiety over strikes and strike threats in key industries tends to make us forget the extent to which peace prevails in the negotiation of most of the country's 150,000 collective bargaining agreements. A report just issued by the Labor Department shows that the number of strikes last year dropped to the lowest level since World War II and that the time lost matched the low record set in 1957.

"The 16,500,000 man-days of strike idleness in 1961 sounds like a mountainous total; yet it represented only 1 lost hour in every 700 when measured against all the available work time. This is far below the losses through coffee breaks, industrial accidents, absenteeism or the inability of unemployed workers to find jobs they are able and eager to fill."

I would hope that during my next 4 years with the NLRB we will witness even greater progress toward industrial peace and harmonious labor-management relations, and that the analysts will find that the coffee break and not the strike poses the greatest challenge to maximum productivity.

Mr. CLEM MILLER. I should like to quote some other parts from this speech to indicate that a contrary interpretation might be gathered than that offered by the gentleman from Michigan [Mr. GRIFFIN]:

> In view of the volume of cases which we have decided, it really is a distortion to concentrate on a few areas where changes in policy have occurred. Moreover, I find it strange that so many people should be amazed that changes in Board membership should result in some changed interpretations of a changed and complex law.

Another quote:

> We are an administrative agency entrusted with translating a general public policy formulated by Congress into varied and changing factual situations.

Another quote:

> This does not mean that we are despots making up our own rules to promote ends to our liking.

These are just typical examples of the language of this speech. I might give one further quotation:

> While I agree wholeheartedly that we must interpret and execute the words and will of Congress, the simple yet frustrating truth is that all too often neither the words nor the intent are sufficiently clear to provide satisfactory answers to the issues presented.

This goes to the heart of the matter. I should like to address myself to this issue for a few minutes. The facts are that Board personnel have spent countless time in pouring over the debate on Landrum-Griffin to elicit congressional intent. In case after case the debate is absolutely silent on the issue before the Board. It is not the Board which is derelict, it is not Congress. It is the contrary, ordinary traffic in human events.

My colleague tells us that in the Wagner Act and in the Taft-Hartley and Landrum-Griffin amendments, and I read:

> The law spells out in definite terms the conduct which constitutes these unfair labor practices. These unfair labor practices are clearly defined. They are carefully enumerated in the law. This point—

Continues my colleague—

> is most important. It underscores the fact that the Labor Board has no policymaking authority in these cases.

What are the facts? Is the language of the unfair labor practice sections of the act so definite, so clearly defined, so carefully enumerated, that it can be administered by button-pushing clerks? If so, why are the members of the Labor Board required to be appointed by the President with the advice and consent of the Senate?

Let us turn briefly to the act.

The unfair labor practices portion of the act begins with a section 8(a)(1), making it unfair for an employer to interfere with, restrain, or coerce employees in the exercise of their right under section 7 to self-organization and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. The language was written into the act over 25 years ago, but despite literally hundreds of court decisions construing its intent and purpose—often by closely divided vote—reasonable men still differ as to when a given practice runs afoul of the law.

Obviously, there is no litmus-paper test; obviously, the members of the Labor Board must apply a reasoned judgment when asked to decide whether an employer has violated this provision of the law. Before this section comes into play, there is a jurisdictional hurdle: the neutral employer must be engaged in commerce or in an industry affecting commerce. I note briefly that the question of when interstate commerce begins and intrastate commerce ends is a question which has engaged the attention of Congress and the courts since the days of Chief Justice Marshall. Moreover, we provided in the act that the Board in its discretion may decline to assert jurisdiction over any labor dispute where in the opinion of the Board, the effect of such labor dispute on commerce is not sufficiently substantial to warrant the exercise of its jurisdiction. Can the Labor Board surmount the threshold question of commerce without exercising an informed discretion? Obviously not, as we commanded them to exercise discretion, and thereby I might add, to make policy.

On many occasions I have spent weeks investigating the interstate commerce aspects of a case. Is the shipment in interstate direct, or indirect, how much, by whom? There is no need to belabor the issue or make more of it than any other human endeavor. I merely point it out to indicate that what we here on the floor of the House can dispose of so readily with a few cavalier words has generally been the subject of long and searching scrutiny from bottom to top.

Surmounting the jurisdictional problem of commerce in the secondary boycott subsection, we enter into a maze of statutory language. It is an unfair labor practice for a union first, to induce or encourage an employed individual; or second, to threaten, coerce, or restrain any person—except, presumably, an employed individual—where an object thereof—we here have subjective problems of intent and motivation—is forcing or requiring—presumably this is something different from inducing or encouraging and from threatening, coercing, or restraining—any person from dealing in the products of any other producer, processor, or manufacturer. We then added several qualifications: First, that nothing was intended to make unlawful any primary strike; second, that nothing was intended to make unlawful a refusal by any person to enter upon the premises of any employer during a strike situation; and third, that nothing in the listed prohibitions should be construed to prohibit publicity, other than picketing—when do handbillers become picketers—for the purpose of truthfully advising the public, including consumers and members of a labor organization, that a product or products—presumably, the same kind of product or products mentioned before the qualifications begin—are produced by an employer with whom the labor organization has a primary dispute. Then we added an exception to the publicity proviso: that it will not be operative if it has an effect of inducing—degree unspecified—any individual—but presumably not a person—employed by any person other than the primary employer to refuse to pick up, deliver, or transport any goods, and so forth, at the establishment of the employer engaged in such distribution.

Compare the above secondary-boycott provision with the relatively uncomplicated statutory prohibition against refusal to bargain collectively with respect to wages, hours, and other terms and conditions of labor. This latter provision on its face, to paraphrase my colleague, the gentleman from Michigan [Mr. GRIFFIN] spells out in definite terms the conduct which constitutes these unfair labor practices; but we all know that the interpretation of this mandate has been a matter of serious dispute for a period exceeding 25 years; and today, in individual cases, remains unsettled. How then, can we expect the Labor Board to apply the secondary-boycott provisions without exercising discretion and discernment in the hundreds of individual cases which come to them for review.

When you add to these awesome problems those related to the actual physical events at the scene of action, the decision problems compound. Who was driving the truck? Did he really say that at the loading platform, and how far, by the way, was this loading platform from the main gate, and which employer's employee was manning the gate? And exactly what was in the truck? Was there anything else in it besides? The simple, unadorned facts in secondary-boycott cases are like a Chinese puzzle. And this is before the lawyers have even entered the scene. There are just people. And then there are field examiners. It is only at this point, must later, that we are ready for boards and Congressmen.

The members of the Labor Board are not ciphers. They were not appointed to punch IBM machines. The dynamic nature of our unfolding industrial development requires that the members of the Labor Board exercise an informed judgment in rounding out the contours of our act. The fact is each case before the Board is unique—its facts, physical surroundings. There is no way for congressional intent, however well intentioned or complete, to deal with every situation.

There is nothing unique about vesting this kind of policy-making power in the members of the Labor Board. Since the earliest days of our Republic the customs officials and tax collectors have had to make policy decisions in the application of our laws. Try as we might, and detail as we will, we have to date been unable to write a tax bill without ambiguity. When we began the regulation of rates and fares, our statutory standard was one of reason; a standard applied by the Supreme Court to the antitrust laws administered by the Department of Justice and the Federal Trade Commission. Today, the Federal Communications Commission awards broadcast permits worth millions of dollars under a statutory directive couched in terms of the public interest, convenience, and necessity.

We acknowledge that those who head our administrative agencies make policy when we appoint them for short terms, at stated intervals, and with the advice and consent of the Senate. An ostrich-like denial of this self-evident fact serves only to balk intelligent discussion at the threshold. This is in no way to deny the constitutional authority of Congress to formulate and establish policy; it is but to acknowledge that the success of our Government rests on the coordinated cooperation of the legislative, executive, and judicial branches, each with its checks, each with its balances.

I have known Board Member Brown for many years and consider him a warm, personal friend. I have worked with Mr. Brown and know him to be an honest, conscientious, and able public servant. I have shared with him the frustrating experience of attempting to apply the will of Congress in situations both unforeseen and unforeseeable when the labor law provisions were spelled out in Congress. I believe the speech in which he outlines some of these frustrations is therapeutic to those of us who lack firsthand experience in the day-to-day field application of the laws we write.

When I worked at the Board, little did I realize that I would be on the floor of the House of Representatives in defense of his good name.

I remember well one of the last cases that I investigated before leaving it. The case was what we call a simple 8(a)(3). A sawmill worker had been discharged by his employer at an isolated little mill quite distant from any town, with the worst roads imaginable. The employer said this man, this sawyer had been discharged because he was not a good sawyer. He showed me the warped lumber in the yard. The sawyer said he had been discharged because he belonged to the International Woodworkers, and was seeking to organize the mill. In 10 days of investigation, and during two different trips I sought to probe the facts and weigh the two accounts. I believed there was a case. At least a complaint should issue. I will not forget my discussion of the facts of the case with my regional director, Gerald A. Brown. We talked about the saw, the cant of the mill, the habits of the sawyer. Mr. Brown refused to issue a complaint. There was insufficient evidence. I know I am safe in returning the same verdict here on the criticism of the Board—insufficient evidence.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CLEM MILLER] be permitted to revise and extend his remarks, and that the synopsis referred to by the gentleman from Illinois [Mr. PUCINSKI] be inserted in the RECORD at the conclusion of the remarks of the gentleman from Illinois.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore (Mr. OLSEN). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

OUR FOREIGN TRADE POLICY AND ITS EFFECT ON DOMESTIC INDUSTRIES AND WORKERS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. JAMES C. DAVIS] is recognized for 30 minutes.

Mr. JAMES C. DAVIS. Mr. Speaker, today's news dispatches report that the European Common Market has decided to take reprisals against the United States because of the President's recent action restoring the duty on U.S. imports of carpets and glass. An article from the Wall Street Journal follows:

COMMON MARKET AGREES ON REPRISALS AGAINST UNITED STATES

BRUSSELS, BELGIUM.—The six ministers of the European Economic Community, or Common Market, agreed on reprisals against the United States because of a Washington decision to double tariffs on carpets and sheet glass.

A spokesman for the council of ministers said the six ministers had agreed to raise duties on certain American industrial products. The decision followed a Belgian complaint that the United States violated rules of the general agreement on tariffs and trade by doubling tariffs for Belgian carpets and sheet glass without prior consultations. Higher duties on carpets and sheet glass are due to go into effect June 17.

Common Market member nations are Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany.

The Common Market reprisals affect U.S. polyethylene textiles, polyester textiles and other manmade textiles. For these products the six nations agreed to double the tariffs, roughly to 40 percent from 20 percent.

Another category of products—varnishes and water colors—has been raised to 19 percent after a reduction to 16 percent, the spokesman said.

American exports of these types of products to the Common Market nations total $27 million annually. The difference in duty will total $5 million.

Since advance notice of 30 days is needed for reprisal measures under rules of the General Agreement, they will take effect

July 17, according to a spokesman for the ministerial council.

Mr. Speaker, I call attention to this action because I think it illustrates an important difference in approach by European countries, in comparison with what has become the policy of the United States in foreign trade matters affecting home industries.

To put this matter in some perspective we have to go back a few years. When the Congress extended the Trade Agreements Act in 1951, it directed the President to make no reductions in duty in trade agreements which would cause or threaten serious injury to American industries and workers. It also directed that this policy be set forth in trade agreements to which the United States is a party. At that time the Congress provided definite procedures, so that this policy could be carried out. These consisted of the peril-point investigation of the Tariff Commission, which was made a mandatory requirement before the President entered into any new trade agreements. And it included the escape clause procedure.

The purpose of the peril-point procedure was to advise the President in a factual manner of those proposed trade agreement concessions which would violate the policy referred to above. The Tariff Commission's findings were supposed to enable the President to avoid making reductions in duty which would cause trouble for our domestic industries and workers.

The point of the escape-clause procedure was to provide a means for the correction of mistakes in the making of tariff reductions by the United States.

The peril-point and escape-clause procedures were carried forward by subsequent extensions of the Trade Agreements Act, and the Congress tried to emphasize that policy and to improve those procedures by amendments in the 1955 and 1958 Extension Acts.

Nevertheless, mistakes have been made both in the reduction of duties which have harmed domestic industries and workers; and in the failure of the executive branch to restore duty cuts when the Tariff Commission found that increased imports caused serious injury.

It must be said, to the credit of the Kennedy administration, that he has acted favorably on a higher proportion of Tariff Commission findings of injury than his predecessor. While Members may not all agree with the exact steps which the President is following, it is evident that he is endeavoring to adjust a bad import situation on cotton textiles and that he is giving or has promised to give attention to the import problems of other sections of the textile industry. It is known that administration officials have been holding discussions with other industries with similar problems.

In these matters the President has proceeded with great deliberation, but to his credit he has proceeded. A program of action has been developed, and he has overcome the rather considerable opposition of the State Department to taking any action that would benefit domestic industries affected by imports.

In the carpet and glass cases, the President has received not one, but two thorough, factual reports from the Tariff Commission finding that serious injury from imports exists, and recommending an adjustment of duties. After causing the Tariff Commission to restudy these cases, the President on March 19 proclaimed an adjustment in the duty to correct the mistake which had been made in unwisely reducing the duty on these products in the past in violation of the policy expressed by the Congress in the 1951 Extension Act to wit, that no reductions should be made that would cause serious injury.

It needs to be said that out of consideration for the commercial interests involved, the President subsequently deferred the effective date of the carpet and glass tariff adjustments to June 17.

During the period which has intervened this administration has been in consultation with Belgium and the Common Market countries to discuss the matter of these tariff adjustments, as it is obligated to do under the provisions of GATT.

The United States has offered compensatory reductions in duties on other products to Belgium and the Common Market countries, but they have curtly refused to consider any course of action by the United States except a rescission by the President of the steps which he has taken in the carpet and glass cases in obedience to U.S. domestic law.

Today's news that the Common Market has put in motion retaliatory measures increasing duties on U.S. products in order to protect the pace of economic activity claimed to exist in the Belgian carpet and glass factories, shows that the European countries have no hesitation in handling their trade relations in a manner which is protective of their home industries. They feel no hesitancy to take such action and to justify it on the ground that in their judgment it is necessary to protect jobs in the industries affected.

The fact of the matter is, Mr. Speaker, that the Common Market countries, including Belgium, have little or no unemployment in manufacturing industries. The countries of the Common Market are, in fact, experiencing a rather serious labor shortage. Workers who may be affected by a cut in carpet and glass production in Belgium and the other Common Market countries can obviously be quickly absorbed in other industrial occupations in the booming economy of the Common Market.

The lesson for us is plain. Under the domination of the State Department the United States has been unwilling to take actions designed to protect the jobs of workers in industries adversely affected by excessive import competition. Until President Kennedy's action in behalf of carpets and glass, we had seen virtually no affirmative action by the United States to protect its own industries and workers, at least in recent years. The testimony developed before the Committee on Ways and Means in its hearings on the trade bill dwelt very often on the nontariff import restrictions maintained by Common Market countries against U.S. exports.

Yesterday the Governors of Georgia, Delaware, Maryland, and Mississippi met with the President to bring personally to his attention the problems which will be caused the poultry industries of those States and of the United States when the Common Market raises its duty on frozen poultry next month as part of the restrictive measures on agricultural imports which are being imposed under the Treaty of Rome. If the Common Market retaliates against the United States for the tariff adjustments on carpets and glass, will the United States retaliate against the Common Market for the tariff increases which the Common Market is imposing on imports of poultry products from the United States?

The actions of the Common Market in refusing to discuss compensatory concessions, in refusing to abide by the spirit of the escape clause in GATT which gives the United States a right to withdraw concessions causing serious injury, bode no good for the United States if the authority contained in the new trade bill is enacted into law.

H.R. 11970, the so-called clean bill ordered reported by the Ways and Means Committee yesterday, would give the President the power to eliminate duties entirely on industrial and agricultural products in negotiations with the Common Market. If an adjustment in duties on products like carpets and glass is greeted by such determined opposition from the Common Market what hope is there under the new trade bill that the adjustments in duty provided for can ever be exercised without precipitating an international crisis?

The Common Market has made it plain that they are unwilling to deal with the United States on any basis other than the elimination of our duties—they will not countenance any adjustment in actions taken, however insignificant those particular adjustments are in the light of the total liberalization of import duties granted to the Common Market.

Mr. Speaker, in the past decade the United States, in trade agreement negotiations, has reduced duties on literally thousands of categories—not once, but over and over. The Common Market has received the full benefit of these reductions in duty under our most-favored-nation principle. In only a few instances has the United States sought to adjust reductions in duty unwisely made. If the United States is to be faced with the consummate ingratitude represented by the Common Market's intransigence as exemplified in the carpet and glass cases, it is a clear warning that no negotiations for reductions or eliminations of duty should be entered into with the Common Market under the authority of any new trade bill.

Mr. Speaker, I call the attention of the Members of this body to the behavior of the Common Market in the carpet and glass cases and the threat which American industry and American workers will face if we approve H.R. 11970.

Since the Trade Agreements Extension Act of 1951 was enacted, our imports from Common Market countries have increased from $970.5 million to $2,263 million, an increase of 133 percent. During that same period our exports to the Common Market increased only 64 percent.

There is no question but that the Common Market is benefiting more from a more rapid expansion of trade with the United States than the United States is with the Common Market.

If the total extent of the trade benefits conferred on the Common Market will not be considered by them in evaluating individual tariff adjustments made necessary by our domestic law, we, the Congress, the lawmakers, should be most careful in the consideration we give to granting further benefits or authorizing the same for the Common Market. Indeed, should we not insist that the President invoke the authority contained in our own legislation to act unilaterally against the trade of the Common Market until such time as discrimination and restrictions imposed against U.S. exports are removed?

MR. STRACKBEIN WRITES THE PRESIDENT ON THE TRADE BILL

Mr. Speaker, the trade bill, H.R. 9900, will soon come before the House for consideration. It poses a difficult problem for many of us because of the complicated questions involved.

The principal purpose of the bill is to increase trade by a drastic reduction of what remains of our tariff. This action is supposed to boost our exports, and increased exports in turn are supposed to increase employment in this country.

I wish it were as simple as that.

Mr. Speaker, unquestionably the problem of unemployment, and therefore of expanding job opportunities in this country, is one of the most important of our problems in the economic field.

I have here a copy of a letter written to the President on the subject of trade and employment. The author is Mr. O. R. Strackbein, chairman of the Nation-Wide Committee on Import-Export Policy.

Mr. Strackbein's analysis has a special bearing on the objectives of H.R. 9900 and what it seeks to accomplish. I believe it to be worthy of the attention of every Member of this body particularly since we will soon be faced with tariff legislation.

As a part of my remarks I desire to read Mr. Strackbein's letter to the President:

THE NATION-WIDE COMMITTEE
ON IMPORT-EXPORT POLICY,
Washington, D.C., May 22, 1962.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: In full awareness of your strong support of the trade bill, H.R. 9900, I feel compelled to set before you considerations that must weigh heavily against the desirability of enacting the bill in its present form.

Among other questionable aspects of the bill I shall limit myself to the probable effect of the bill's passage on employment and growth in this country. It is my view that the problem of national employment would be aggravated materially by the further tariff reductions that would be authorized.

Should it have this effect I feel sure that you would be the first to question the wisdom of the bill's enactment. Undoubtedly you are convinced that adoption of the bill would have the opposite effect, i.e., that it would lead to growth and greater employment.

For these reasons it is most desirable to analyze the most probable consequences of the bill in this direction.

The bill itself recognizes the job-displacing effect of further tariff reduction. Otherwise there would be no rational basis for the inclusion of adjustment assistance provisions.

The principal burden of my counsel of caution consists not of the distress that would be caused by the expected direct worker displacement resulting from increased imports but rather is concerned with the volume of jobs that would remain unborn because of import competition. I believe that this negative effect would be much greater than that of direct displacement of workers already employed. This counsel of prudence is therefore not answered by saying that passage of H.R. 9900 would throw only 90,000 workers out of their jobs.

While this reasoning may seem abstract I believe that it can be buttresed by analyses that will be recognized not only as concrete but compelling.

The need for extensive job-creating economic activity in this country is widely recognized. As President you have given it a high rank in your economic program. The problem has both negative and positive features, as I hope to show.

If job creation has been lagging behind the twin effects of population growth and job displacement caused by improved technology, we should examine the reasons for the lag. Much thought is, of course, being given to this. Admittedly there may be a number of reasons. Many of them are frequently mentioned, such as taxation, depreciation allowances, etc. These are among the negative factors, i.e., factors of retardation.

Yet, one of the most pregnant of them all is passed over almost unanimously, in a manner reminiscent of the "Purloined Letter." This factor is that of import competition. I do not believe that this is a simple oversight, but rather the result of a negative mental attitude. It may be a case of mental processes being strangled by hardened doctrinal ligatures.

Unquestionably the source of all jobs is production. This is the basic soil. The mere fact that production workers, including farm and mine operatives, represent only about 30 percent of total employment, does not detract from the fundamental character of physical production as the original generator of jobs. If 20-odd million workers in industry, agriculture, mining, lumbering, fishing, and so forth, produce some 40-odd million other jobs, that is, a ratio of about 2 to 1, the loss of production jobs under certain cirmumstances will as quickly unravel the trade, service, and professional jobs dependent on them as they were effective in creating them.

Over the long run, it is true, the ratio of nonproductional workers will grow as the productive processes improve. This is one of the fruits of technology. However, in ameliorating the lot of those who toil by substituting machines for muscles and human motion, we also reduce the number of production workers employed and there is always the possibility that the new jobs that will sooner or later arise, will come to life not where the workers have been displaced by machines but elsewhere; and not at the moment of displacement but some time later—sometimes, indeed, faraway and much later.

Therefore at best technological advancement will be accompanied by economic disruption and considerable unemployment. This is well understood and is recognized as a problem of itself. Unquestionably a considerable part of present unemployment is attributable to just this source. Thirty-one industries, including many of the heavy ones, such as iron and steel, automobile production, etc., dispensed with 1,100,000 workers between 1950 and 1960. Agriculture and mining suffered an even sharper employment decline.

Our industry, agriculture and mining can therefore not fairly be accused of inefficiency. It seems clear enough that if yet greater efficiency had been achieved, the unemployment figures would have been higher even than they were.

Yet, we hear a constant refrain to the effect that what we need is higher efficiency. This is given as the answer to foreign competition. Yet foreign competition may be the cause of much of the employment shrinkage by producing conditions that prevent the fruits of the greater efficiency from being realized.

Mixed with this refrain runs a confusion that shuttles between efficiency, growth, and productivity without touching the question of employment. Productivity is equated with growth. Efficiency is not defined and no bill of particulars is presented. Nor is growth properly defined.

Yet it seems clear enough that increased productivity, which is very often but not necessarily accompanied by efficiency, may or may not spell growth. Growth, purely in terms of output, on the other hand, may indeed go hand in hand with rising unemployment. This is not a phenomenon that is uncommon. In fact, it is quite common, as our agriculture has amply demonstrated. In 10 years of time (1950–60) we created stubborn surpluses while farm employment shrank 28 percent, or by 2.8 million workers. We enjoyed a great leap in productivity and experienced growth, but employment shrank.

What type of growth then do we seek? Growth that thrives on displacement of workers? That would not help us.

Evidently then we should not necessarily consider an increasing volume of production as healthy growth unless it should lead to more rather than less employment. Otherwise we will find ourselves applauding a fattening frankenstein while our unemployment rolls also swell.

The question is: What prevents the fruits of higher productivity from being realized in terms of greater employment?

We have been growing all right, considering our size; but the effects promised by the economists who say that lower costs will lead to increasing employment have hardly appeared at a breakneck speed. What then prevents the fulfillment of the theory?

Several difficulties may stand in the way. One of these resides in the very nature of demand itself. It may be quite inelastic or, on the other hand, quite expansible. Another difficulty may lie, as just indicated, in obstructions or interferences with the natural play of the economic forces. Let us probe a little.

In the first place, lower costs usually attributable to a gain in productivity do not necessarily expand consumption beyond that provided by population growth. This is to say, the demand for the product may be limited per capita by its possible uses or function; or the demand may already be saturated. A considerable part of our production of goods would answer to this description. We should know more definitely about this than we do. The products for which the demand is inelastic and the amount of employment attributable to them should be more closely examined.

Under conditions of inelastic or saturated demand, increased output per man-hour will simply cause a net loss in employment in comparison with population increase. Many agricultural products fall into this category. In a number of cases, indeed, we have experienced an actual decline in per capita consumption over the years, as in the case of wheat flour, potatoes, etc., thus aggravating the employment lag. This decline was not the result of either rising costs or static productivity. Again, we should know more than we do about these cases.

In the second place, a reduction in the man-hours required to produce a unit of output, while reducing the cost of productions, may not result in lower prices to the consumers, actual or relative. Other factors may and often do stand in the way, such as a sellers' market or inflation. Consumption per capita will therefore not increase unless it is artificially stimulated. In the absence of that, the result of productivity increase then will again be a net reduction in employment in relation to population expansion.

Third, consumer preferences may undergo a change. A phenomenon such as hatlessness may strike the consuming public and greater efficiency in hat production, even if passed on in the form of actual or relatively lower prices to the consumer, will do little or nothing to stem the recession. Shrinkage of employment will once more supervene.

In the fourth place, gains in productivity might not in any case lead to lower costs or lower prices because of inflationary forces caused by high war costs and later defense outlays, high taxes, etc.

In the fifth place, a dark or threatening cloud over the market as a whole, inducing fear and caution, may discourage the expansion that normally would take place. Such a cloud could come from one of several sources. One source of prolific generative power in this respect is import competition.

It is my purpose to examine this factor in some detail.

IMPORT COMPETITION AS A DRAG ON EMPLOYMENT

The effect of import competition varies greatly, depending upon the nature of the demand for the product, as can readily be appreciated; and only competitive imports concern us here. These represent over two-thirds of the total.

1. If the market is already saturated as is most likely in the case of staple products, of which there are many, rising imports of such a product will progressively nibble or bite away at the share left to domestic producers. This fact will in turn produce at least two effects.

(a) It will induce growing fear among the domestic producers and lead them away from any contemplated plant expansion they may have had as a means of keeping up with population growth. Instead they will look to their present facilities to fill the demand in face of the rising imports.

(b) They will thus strive to become more efficient in order to hold their own. This means reducing costs; and reducing costs, to have much meaning, will mean reduction of the work force, principally through installation of more productive machinery, if this is available. Since wages cannot be reduced, a smaller payroll can be achieved only by reducing the number of workers on it. The result will then be to add to unemployment rather than to help absorb the new work force coming on the scene each year. This deficiency will shift the burden to the rest of the economy. If unemployment is not to grow the remaining segments of the economy must bear more than their proportionate share of new employment and absorption of those already unemployed.

2. If the demand for the product is inelastic, i.e., if it will not respond to lower prices by opening wider the consumer pocketbook or vice versa when prices are lowered, the same difficulty will be encountered. Rising imports will simply mean a subtraction from the sales of domestic producers and therefore will reduce employment. Expansion will be discouraged and labor-saving arrangements as a means of meeting competition will be made instead.

3. If the demand for the product is inelastic but if the product is a new one or one the potential demand for which has been only partially met, so that an unfilled market still remains before the saturation point is reached, rising imports, while discouraging the average manufacturers or promoter, might act as a spur to the energetic one and act as a challenge. He might indeed exert himself all the more. The outcome would then depend, in turn, on the strength and vigor of the import forces and on the margin of their advantage.

This advantage would lie predominantly in the cost field, and would usually come to rest on lower wages. Relative productivity of the domestic and foreign producers would become crucial. So long as the domestic producer enjoyed a margin of productive advantage over his competitor sufficient to offset the higher wages paid in this country, he could hope to hold his own and even to gain a part of the growth of the market resulting from increase in population. Many of our industries have been saved financially by the population-growth factor in their contest with imports; but in being thus saved did not contribute to employment absorption in step with the population growth.

Should, however, the foreign producer suddenly lift his productivity by installing modern machinery and adopting more efficient methods of production, his competitive margin would be widened unless his wages took a similar leap. Whether the latter would occur would depend on the strength of organized labor in the particular country. If this were of a relatively low order, the wider competitive margin would take effect. Foreign labor is not usually as effective as is our organized labor in gaining wage increases.

The only recourse of the domestic producer would then again be to reduce his own costs, or to accept a lower rate of profit. In either event the effect would be deflationary rather than expansive and would not provide employment.

4. Should the demand for the product be reasonably elastic so that reduced prices, made possible by reduced cost of production, would result in greater consumer purchasing, the outlook would be different.

If the product were already well established in the market there would still remain hopes of improving the production and technological processes, looking to lower costs. While inventions and discoveries cannot be scheduled, vigorous pursuit of new ideas does often lead to gratifying results.

Assuming nonmonopoly conditions in the domestic market, any lower costs resulting from new developments would be passed to the consumers, at least in part, and sales volume would go up. A thriving business might develop, offering not only more jobs in the production field but in advertising, selling, distribution and servicing. If all should go well, under the tutelage of sound, imaginative and vigorous management, the industry in question would do more than maintain pace with the population growth in terms of employment. It would outpace population expansion and help absorb the existing body of unemployed.

From 1950 to 1960 we had five such industries and they contributed jobs over and beyond population expansion by 699,000.

It goes without saying that we need more industries of this type; but saying this does not provide them; nor does it overcome the fact that the net gain of 699,000 workers was insufficient to overcome the lags elsewhere.

Today even such industries are faced with a situation that was either not present before or not in a form as pressing as today. This consists of the great technological development overseas, especially since 1955. The productivity leap abroad was much greater than here because of the lower base from which it started. Specifically, it gave greater competitive effect to the lower wages prevailing there.

This fact has shown itself in the mix of our imports. The proportion of finished manufactures of the total imports doubled from 1950 to 1960.

It meant simply that we no longer had a technological monopoly and that our manufacturers or producers have become faced with a condition that brings the possibilities of competition right down to the relative standing of the factors of production. In the U.S. compensation to employees in 1960 was 65 percent of the total national income which includes rent, proprietors' income, and corporate profits before taxes.

It follows then that wages and salaries represent some two-thirds of the cost of production. A distinct competitive advantage in wages therefore represents an advantage in the heaviest of the factors of production costs.

To overcome this foreign advantage the American producer must outstrip the productivity gains made abroad.

Can he do this? Is his technological skill so much more acute or his inventiveness so much keener than that of his foreign competitors that he can outrun them, as he must if he will remain competitive?

He has certain advantages but these are being dissolved. He has a mass market, for example; but other countries are moving in that direction.

However, he also faces a stumbling block.

Assuming, as we have in this example, that the demand for the product is elastic, it will respond to lower prices on imported goods as well as on domestic goods. In fact, price will be a strong factor in selling. Price, indeed, is the key to mass consumption.

In this field then price will be the principal arbiter. Quality for quality, price will win. In many cases indeed low prices hand in hand with low quality taps a market that is not otherwise reachable. Some imports cater to that segment of the market because the low foreign wages make it possible. Sometimes this preempts such a market for imports by discouraging the kind of technological development in this country that would open the market to domestic producers.

If imports have a price advantage in products that have an elastic demand, the effect on domestic producers will again be at least twofold. Since this is the field in which real growth is possible, i.e., in terms of per capita consumption where demand will respond to lower prices to the point of increasing production so that employment will outpace population growth, it represents one of those upon which we must rely to lead us away from the degree of stagnation that now besets us. If we lose this field we will be hard put indeed in our quest for job-producing industrial growth.

One effect of the foreign competitive margin over us that has already shown itself unmistakably is the emigration of our capital. This tendency and trend is so clear and the reason for it is so self-evident that it needs only to be mentioned to be understood. It is necessary only to distinguish between the type of foreign investment that, on the one hand, is generated by a healthy base at home, i.e., one that has been cultivated, soundly supplied and saturated, so that new outlets can only be found overseas; and on the other, the type that is driven overseas because the home pasture suffers from unfavorable competitive or other conditions. In the one case the home pasture is simply fully stocked; all is well, but there is no more room. To find more pastures, oversea acreage, so to speak, must be sought. In the other case the home pasture is no longer attractive in view of alternatives, but it might be made attractive and as green as any overseas. It still has potentials but the condition to exploit them must be provided. Were this done there would be no need and no pressure to go abroad, the home market not yet being saturated.

That this home market could be made attractive rests, let me repeat, on the assumption of an elastic demand such as exists for many products.

The other effect of a competitive import advantage will be a battle in which the domestic producer will fight lower import prices with lower domestic prices or abandon the field. Efforts to meet the lower import prices will have a better possibility of success than in the cases previously noted in which demand for the product is inelastic or saturated. The principal factor of success will lie with greater inventiveness, operational efficiency, vigorous selling and advertising. If inventiveness fails or is matched by the foreign producers, nothing will, of course, be gained in that sector; and let us not forget that foreign inventiveness is no longer backward.

PRESSURE ON WAGES

The contest will, inevitably, under any circumstances, press heavily on wage advances here as compared with those abroad. The competitive exigencies will counsel a standstill or near standstill here as a condition of self-preservation. Such a standstill, however, has neither been achieved nor is its achievement either likely or desirable.

If wage increases are indeed held within the confines of rising productivity the competitive standing might be improved; but this would not follow as a matter of course because foreign productivity might rise as much as here. It might continue to rise faster abroad because much of it is in the nature of a catch-up operation; and the other countries now have the means of closing the productivity gap. Then, unless foreign wages rose more rapidly than the gain in productivity there, the foreign competitive margin would actually widen.

Should the domestic producer abandon the field out of desperation or out of unwillingness to contest under conditions of insuperable handicap, involving a risk of heavy losses if he persists, he might turn in one or two of other possible directions. He might begin to import either a whole line of the competitive product or, if the domestic product is an assembled one, he might import some or all of the parts, as many companies are now doing; or he might invest overseas; or seek new products to manufacture.

These courses, with one exception, would all represent regressive action so far as employment in this country is concerned. The one exception would lie in turning to a new product; and here there would be no guarantee; but at least it would offer possibilities.

NEED FOR NEW PRODUCT AND NEW INDUSTRIES

The product might be new only to the particular manufacturer. It would indeed be difficult to find a wholly new product. If the product were one that is already on the market and well tested, good headway might be made, but much of this might be at the expense of existing manufacturers. The net gain might then be very small if any, in terms of increased employment.

To find a wholly new product would entail considerable search, and market tests must be first made to determine consumer acceptance. This would mean a considerable delay in manufacturing. If consumer acceptance were found to be satisfactory or even promising of great volume, production arrangements must be made, including the equipment of a plant with special machinery. Some of this machinery would first have to be designed and then manufactured.

In the ordinary operation of our economy new products are, of course, constantly developed and tested for consumer acceptance but, while this is under the pressure of healthy domestic competition, it does not represent an act of desperation, under the hammer of an unrelenting competition that hits economically below the belt. Under this latter circumstance the elements of fair competition, so jealously guarded by law in this country, are largely absent and the competitive atmosphere produces distraction and despair rather than confidence and boldness.

THE NUMBING STING CONCEALED IN COMPETITIVE IMPORTS

There is therefore an important difference between meeting certain types of foreign competition on the one hand and domestic competition on the other.

It is this difference that goes far to rob this country of the kind of growth that it must have in order to achieve and maintain employment at desirable levels. It is this overgenerously sharing of the domestic market with competitive imports that helps prevent the fruits of higher productivity from being realized.

In order to pull out of our employment lag, so far as this task devolves upon our industry (since we need not look to agriculture because of its great efficiency in dispensing with workers), we must have not only some new products to manufacture; we need whole new industries.

What is the outlook?

In the past, as even today, we granted patents to inventors with the idea of giving them both time and a monopoly to launch a new product. This recognized the time factor as described above. Today patent owners often license foreign producers; or new inventions abroad soon challenge our lead and the bright outlook of the past is gone.

It is a fact, I believe, that foreign trade has not been responsible for the birth of any of our major job-generating industries, such as the automobile, the motion picture, the phonograph, the refrigerator, the airplane, the TV, etc.

Today import competition, because it has come into the same technological dimension with us while foreign wages still lie at the lower levels, is in a position, on the other hand, to dampen down our job-creating excursions into new products and new industries.

It hits us in the very solar plexus of our former industrial predominance: the development of products that had a potentially elastic demand and then mass producing them so that the resulting low price would tap the potentially large demand and turn it into a reality.

Mr. President, on the positive side we still need industries of that kind in order to create new employment; and on the negative side we need a rear-guard defense to prevent the staple industries and the saturated industries from disgorging more workers under desperation from import competition than can be absorbed by the others.

CONCLUSION

The present trade bill would not meet these needs. It casts its lot with exports and with retraining of workers displaced by imports and "adjustment assistance" after the damage has been done. This represents a retreat from the dynamic America that will still do wonders industrially if it is given its head under appropriate but non-deadening regulations.

The bill would do nothing to remove the impediment that prevents our system from gaining the full advantages that should flow from improved productivity. It would, in fact, entrench and enlarge it.

With all due respects to exports, we cannot hope to remove the heavy roadblock that impedes our economy by injecting a little more life into an activity that represents only about 3.8 percent of our total national product.

We need import regulation only to the extent necessary to lift the cloud of discouragement that hangs over our industrial expansion and prevents adequate job-creating growth. With more intimate knowledge of demand for consumer goods, i.e., the end product of the economy, the regulation could be shaped with a minimum of restriction.

Sincerely yours,

O. R. STRACKBEIN,
Chairman.

DISTRICT OF COLUMBIA SANITATION WORKERS ARE ENTITLED TO SANITARY WORKING CONDITIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 5 minutes.

Mr. RYAN of New York. Mr. Speaker, on May 26, 1962, the Washington Afro-American reported that the business agent of Local 1, American Federation of State, County, and Municipal Employees, testified before the House Subcommittee on District of Columbia appropriations as follows:

> Facilities used by the sanitation workers, of whom the majority are colored, are often poorly ventilated, shabby, unpainted, unsanitary, and furnished with old broken-down lockers and benches and odd chairs rescued from the trash heap.

According to the story, he particularly stressed "the terrible" conditions at the Southeast incinerators and in a whitewing station behind Bell Vocational High School where there was no electricity, no running water, no ventilation, and an old potbellied stove for heat in the wintertime. I decided that I would go see for myself if this was an accurate description of conditions in the District government.

I regret to inform the House that the story was only too accurate. On Tuesday, May 29, I went with Mr. Warren Morse, the business agent of local 1, to three installations: the locker room for laborers at the garbage transfer station at New Jersey Avenue and I Street SE., a locker room at the water operations division, and the whitewing tool shed behind Bell Vocational High School. Conditions in all three are absolutely shocking. Here in the Nation's capital I found working conditions which would not be tolerated in private industry, contions which the District's Health Department would undoubtedly condemn if they existed in private employment. I also saw at the garbage plant an example of segregation, a locked toilet room to which only whites have keys, right next to a locker room used by 29 Negro employees who have to walk to the other end of the building to use the bathroom facilities there.

The most shocking conditions I inspected were at the whitewing tool shed. Picture a corrugated shack about 15 feet square with a dirt floor riddled with rat holes. Inside there were oil lamps and a bucket for sanitary facilities.

In fair weather the men gather outside to eat lunch. But when it rains, or in very cold weather, about 20 men must crowd into this shack, a building hardly fit to house a mule. I am told that in the winter there is a potbellied stove for heat. It is not enough to say that these conditions would not be tolerated for employees of private industry. I doubt that the District inflicts anything comparable on white employees. It is hard to escape the impression that such a facility reflects racial discrimination.

The impression of racial discrimination is heightened by reports of rigid barriers of job discrimination in the Department of Sanitary Engineering and elsewhere in the Government of the District of Columbia. This matter of job discrimination deserves close investigation by this House.

Mr. Speaker, I believe we have an opportunity to bring about an immediate improvement in the working conditions of laborers in the District of Columbia. The facilities I have described must be brought up to 20th-century standards. Immediate improvements in working conditions can be made in at least three ways: First, a cleanup, spruceup campaign in locker rooms and the elimination of all locked toilet facilities; second, the installation of water coolers in the summertime on all trucks of the Department of Sanitary Engineering; and third, the provision of raincoats and boots for use in bad weather.

Mr. Speaker, in a metropolitan area, such as the District of Columbia, sanitation work is essential to the health and well-being of the population. The men who do this work are entitled to enjoy decent and sanitary working conditions.

Mr. Speaker, I hope that this report of my visit to these facilities will help bring about improved conditions and rectify a very intolerable situation.

Mr. Speaker, I yield back the balance of my time.

FANTASY AND FACT IN PAYING FOR HEALTH CARE FOR THE AGED

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 90 minutes.

Mr. DINGELL. Mr. Speaker, in the current issue of the Reader's Digest, June 1962, my distinguished friend and colleague from Missouri [Mr. CURTIS] has produced an article entitled "What Price Medical Care for the Aged."

I have great affection for my distinguished friend from Missouri, who is one of the very hard-working and capable Members of this body, and I want to express my great personal affection for him at this time and the high regard I have for him.

However, Mr. Speaker, this article is a mishmash of fact and fiction and produces an effect directed at the defeat of an important piece of social legislation. It is one which I regard as being altogether out of keeping with the character of the distinguished gentleman from Missouri, who is the reputed author.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. First, let me say I am the author and I will be very interested in having the gentleman document his general conclusions. I think this is factual, and I believe I can substantiate everything I said in the article, and I will be very happy to discuss any of the details.

Mr. DINGELL. I am happy to have the gentleman here. I am rather disappointed to find he is the author of this particular article.

The article starts out:

> Before we suddenly wake up to a financial nightmare of miscalculated new costs and skyrocketed taxes, we must understand the weaknesses of the proposed plan.

The title helps to lend to the whole story an aura of unrelated sense, since the King-Anderson bill has no more to do with the price of adequate medical care than it has to do with peacocks on the moon. The price of medical care is not determined by a system of financing. I would point out to my good friend that the King-Anderson bill, of which I am a cosponsor, is a method of financing medical care for the aged and has nothing to do with medical care; it only provides the method of providing adequate measures and a level of financing for that segment of the population which has the highest incidence of medical need and the lowest incidence of finances to meet it.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I would like to establish our procedure here. Would the gentleman prefer that I wait until he finishes before I request him to yield? For instance, he made a point here. How would the gentleman prefer to proceed?

Mr. DINGELL. I will yield to my friend as we go along, provided it does not unduly becloud the issue.

Mr. CURTIS of Missouri. The point the gentleman makes now is the method of financing has nothing to do with cost. I think it does, although I think the point the gentleman is making is fair that it is not the basic reason for the increase in health cost but depending on how the matter is financed. You can produce overusage. That has been one of the problems involved, I may say, in our present health insurance which exists at this time. For instance, you can be paid for the same illness on three or four different policies and actually make money. There is some evidence that this in itself is creating an overusage, and also, I might say, results in increased premiums on health insurance.

The point I want to make is I do believe the method of financing does have some bearing on the actual costs involved.

Mr. DINGELL. Insofar as the gentleman has pointed out, obviously that is so. But I will point out also there is no language in the King-Anderson bill or in any bill sponsored by the present speaker, the gentleman from Michigan, which would in any way authorize or encourage this particular kind of activity. If that is the gentleman's objection to the King-Anderson bill, I would recommend that he sponsor an amendment at this time so we can eliminate that objection and go forward with a very important piece of social legislation to help a segment of our population that is in need.

Mr. CURTIS of Missouri. I do not believe there is anything in the King-Anderson bill that does contribute more to this than any other form of health insurance. It does have one good feature, something I have recommended.

No; I would not make this as a major charge against the King-Anderson bill.

Mr. DINGELL. I thank the gentleman.

The real question here is, How can the aged pay for the price of medical care?

Mr. KEITH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Massachusetts.

Mr. KEITH. I think one of the serious weaknesses in the King-Anderson bill is the absence of this coinsurance clause after the first 9 days. It is possible for a social security beneficiary to collect his retirement income, which is intended to pay his cost, his room and board while he is in the hospital, and enjoy benefits under the King-Anderson bill.

Mr. DINGELL. I have to respectfully disagree with my good friend and colleague. I am aware that he has endorsed the social security principal for payment of the cost of hospitalization of the aged, and I reluctantly endorse part of the deductibility features, because I feel this particular portion of the bill creates a rather heavy burden on the aged. I have gone along with it reluctantly, and this has been put in in an attempt to eliminate the objections of the AMA. I would point out that King-Anderson eliminates practically all of the objections that the AMA has had during the last session of the Congress.

Mr. KEITH. Nevertheless there is a fundamental weakness in that the beneficiary can collect a parallel primary benefit under social security or retirement while he is collecting for the same purposes, while he is in the hospital for an extended period that may last for 180 days?

Mr. DINGELL. I appreciate my friend's interest, and I think it is a point that deserves debate. The simple fact of the matter is, at a time when an individual finds himself beset by a serious hospitalizing or debilitating illness, I think the small amount of leverage that this might yield to him in terms of economic advantage is so small as to be of little worth in considering the overall impact of hospitalization, when you consider the accompanying loss of opportunity to find jobs, to take care of his home, his or her household or house, children or grandchildren, loss of income and increased expense, deprivation of enjoyment that the aged should have when they are out of the hospital, which they are denied when they are obviously hospitalized and confined to bed.

Now, I would point out that in the gentleman's question is this, that the beneficiaries of this program are going to convert by reason of the existence of the King-Anderson bill when it becomes law, as it is going to do, whole program of hospital insurance, to be offered into a program to create rest homes or vacation spots. A hospital does not serve or offer these functions. I will say to the gentleman for this reason this is not a real objection.

There certainly will be a small number of slackers and rascals, as there are in many other groups in society, including members of the clergy, but the simple fact of the matter is it will be no higher than the number of thieves and rogues and rascals in other population groups. And, I point out that if there are any rascals, rogues, and thieves who will profit in this matter, they will utilize this leverage with the sanction and the imprimatur of the medical practitioners and who will superintend this group.

Mr. KEITH. I think one of the most legitimate complaints that the medical profession has made concerning the King-Anderson bill is this malingering under the provisions of the legislation as it now stands.

Mr. DINGELL. I have had some experience with hospitals, and I am sure the gentleman has, and I know that I cannot get out of a hospital fast enough. It takes considerable effort to get me into a hospital.

The real question before us is: How can the aged pay the price of medical care? I will take this question up later but let us return to the gentleman from Missouri's [Mr. CURTIS] tale, to his heroes, villains, and scary passages. In so doing I will also review the facts of the case, for my good friend's superb writing ability so successfully intertwined fiction and fact that some readers may not have been successful in separating them.

In only a brief space, the gentleman from Missouri [Mr. CURTIS] has succeeded in including just about everything that any one has been able to think of to oppose the King-Anderson bill. For dramatic effect he has left unstated the fact that some of the allegations are unfounded and that some of the arguments are in direct contradiction to each other. Where he finds it necessary to make inconsistent statements he has very wisely separated them by as much prose as possible so as not to disturb the reader by their presence. In discussing the benefits that would be provided under the administration bill he refers to the bill as a "bountiful river of generosity," which would cost 2½ times as much as the administration's actuaries have estimated. Much later in the article, presumably so that the reader will not be confused, my colleague uses the administration's estimate in calculating that the bill would cover only 25 percent of the health costs of the aged. This facile use of two such different estimates without reconciling them is truly ingenious.

The gentleman from Missouri [Mr. CURTIS] also asked his readers to ponder that if the health insurance measure is enacted, a worker with three dependents and an annual income of $4,000 will pay a social security tax of $380 after 1968, an amount higher than his Federal income tax of $245. My pondering showed that only one-half of this $380 social security tax that my colleague mentioned would be paid by the worker himself. The other $190 would be paid by his employer, and the employer contribution has great value. My thinking also led me to ask myself how much of the $190 would be the result of the increase on social security taxes to pay for health insurance protection under the King-Anderson bill. The answer is a mere $10.

As one of my colleague's readers, I would like to ask him a question. If he is saying $10 a year for the proposed health insurance protection is too much for workers to pay, perhaps he can suggest an easier way for workers to finance equivalent protection than to spread the payments over their working lifetime with their employers meeting one-half the cost.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. No; I point out that that is the way we are looking ahead in the private sector. Yes; I do point that out in this article because if the gentleman would observe, there is a limitation of space, and I was able to get in only as many arguments as I did set forth which I thought were most important. But prepaid health insurance is a coming thing. It does make sense for people while they are earning money during their earning years to prepay for their retired years, not just in pensions which, after all, are a form of insurance, but also in the field of health insurance. Indeed, that is coming about. That is coming about in labor-management contracts which formerly, up until just a few years ago, when a worker retired he was removed from the group health insurance which covered him as an employee. That is a form of prepayment.

Here, I would say to the gentleman, is why this can be done—I am talking about prepayment. It can be done in a better fashion, in fact, the only economical fashion I know, in the private sector as opposed to the Government sector. Prepaid insurance requires creating a fund. For that fund to be most useful it should be invested. The investment in the private sector, of course, can be in our going economy, in real estate, stocks, bonds, and so forth. The Government investment funds are in what I call sterile investments such as Government bonds.

Mr. DINGELL. If the gentleman will yield, does the gentleman own any Government bonds?

Mr. CURTIS of Missouri. If the gentleman will yield further, no, I do not happen to own any.

Mr. DINGELL. I was wondering.

Mr. CURTIS of Missouri. But it is a sterile investment in the sense I am relating it to investments in such things as real estate, stocks and bonds, which constitutes the growing economy.

Mr. DINGELL. I was wondering if this was not a rather unpatriotic observation by my good friend.

Mr. CURTIS of Missouri. No; the gentleman is stretching for language to attack something that is a sound economic principle. Anyone who has an investment portfolio, when it is referred to institutions, tries to balance it off. Certainly, the basic place to put it, if one is interested in a return, which one should be, is in a mix, or have a certain portion in Government bonds for actual liquidity purposes. But as far as growth and income is concerned he will have it in equity investments, which means real estate, stocks, and he will have some bonds.

This will give a much better return. I am talking about it purely from the economic standpoint. The private sector is the proper place to handle prepayment programs whether it is insurance, pensions, or whatever it might be.

Mr. DINGELL. I appreciate my good friend's comments.

Mr. O'HARA of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. Mr. Speaker, I was not able to hear all the remarks of the gentleman from Missouri [Mr. CURTIS], but I gather that his criticism or his comparison, in which he finds this private prepayment plan to be preferable because of the nature of the investment that would be made by the holder of the fund in private industry as opposed to the holder of the fund in the public field, would be equally applicable to the social security system as a whole, would it not?

Mr. CURTIS of Missouri. I certainly would.

Mr. DINGELL. As a matter of fact it would be. And it is also true that it is an objection which the gentleman could raise to the program of railroad retirement, which is even older than the social security system.

Mr. CURTIS of Missouri. The gentleman is entirely correct.

Mr. DINGELL. The employees and persons covered by which have always favored it as being a safe and secure form of investment, not subject to periodic fluctuations.

I am glad that my friend raised this question, because it is an interesting point that even the so-called private insurance funds to which he alludes have had over the years significant amounts of their total capital structure invested in Government bonds, as have the banks, as have the various trust companies, the savings and loan companies and the credit unions. Almost every form of thrift institution has invested large amounts of money in Government obligations, and I must confess that it comes to me as a rather novel premise to call a form of investment which these institutions have so long utilized and have regarded as such a sound and sterling form of investment, as sterile and even extremely unwise, and so characterize it.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further.

Mr. DINGELL. I yield to the gentleman.

Mr. CURTIS of Missouri. I think the gentleman need simply refer back to my definition of sterility in this regard. The point that I am trying to make is this, that the balance of a portfolio of various institutions such as the gentleman has mentioned, will reveal that the investment in Government funds is a small percentage of that portfolio. The bulk of the portfolio, of course, is in, as I say, growth investments—real estate in various forms, equities such as stocks, with some in bonds. The main purpose Government securities serve is, as I say, liquidity, because they are readily converted into cash.

Mr. DINGELL. Mr. Speaker, I would like to continue with my statement.

My good friend took up the Kerr-Mills program means test. He states it is more successful than some unnamed politicians who want total Federal control of medical care say it it. I do not know any of these politician villains. Certainly my good friend cannot be referring to any who support the President's program for health insurance to the aged, which was carefully drawn up to avoid Federal control. Indeed, it includes specific language which my good friend and I have debated before on this floor, denying Federal Government participation or control within the framework of this program. And I will state to my friend that neither the President nor any member of his party wants any such controls over the practice of medicine or the doctor-patient relationship.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I should be glad to yield to the gentleman, although my time is running short and I am trying to get on.

Mr. CURTIS of Missouri. Mr. Speaker, I want to say that the gentleman has been very courteous in yielding. If the gentleman would like me to address my remarks on the control aspects that are in the King-Anderson bill I shall do so at this time. I can do so, I think, very briefly.

Mr. DINGELL. I shall be happy to yield to the gentleman.

Mr. CURTIS of Missouri. The control factors are that they require the Department of Health, Education, and Welfare to enter into contracts with the purveyors of these health services.

Mr. DINGELL. Which are hospitals, I remind the gentleman.

Mr. CURTIS of Missouri. I was going to say, they are hospital, private nursing homes; in regard to their fees, in regard to the services they may render, which include in some instances drugs. If a hospital board of trustees disagrees with the Department of Health, Education, and Welfare in regard to their fee schedule or a new service which perhaps it thinks it should render or a new drug, and there is a disagreement, there will be no new contract. Then the individual person who uses that hospital or the doctor who can practice in that particular hospital in that community—maybe it is the only one—then that single person cannot use that hospital.

Let us turn it around to one other step.

Mr. DINGELL. Does this constitute Government control, may I ask the gentleman?

Mr. CURTIS of Missouri. Yes; it certainly does. I am going to turn it around by pointing out what someone commented, "Well, what hospital could afford not to enter into a contract with HEW if we included as this would contemplate eventually all people over 65 being on a compulsory basis?" That means a compulsory tax against them included in this system. Then there is the answer, "What hospital or nursing home could afford not to enter into the contract?" There you have the heavy hand of Federal bureaucracy trying to do a great job, good people, but they are the ones who determine what drugs are permissible, what services are permissible. In effect they are setting prices, and that will mean setting wages in the health field at the Federal level.

Mr. DINGELL. I had the pleasure of letting my good friend from Missouri fall into this pit once before, because the simple fact is that the King-Anderson bill provides that the measure which the Government shall pay is the fair cost.

Mr. CURTIS of Missouri. But who determines that?

Mr. DINGELL. In addition to this, and I pointed this out to my old friend, this is still services furnished by the hospital. There is not one nickel for the private practitioner. There is payment, certainly, for doctors and staff members who are already in the hospital. They are having services controlled already in precisely the same way by the Blue Cross or other plans which work out agreements with hospitals.

Now let me point out to the gentleman, the American Hospital Association appeared before the Committee on Ways and Means and testified in opposition to this bill. They were queried on each and every one of the items included in this particular bill with regard to the compensation and control of service available. They said they had no objection to any one of the criteria which are established. They went further and they even admitted that these are significantly the same criteria and standards as are imposed by Blue Cross or other private plans which offer the same measure and kind of benefits.

Mr. CURTIS of Missouri. The difference is a very obvious one. There are hundreds of Blue Cross and Blue Shield plans throughout the country. There are hundreds of private insurance companies. This is a private enterprise system working. I am very pleased, of course, that these people who are the heads of the various health insurance programs are arguing with the doctors and the hospitals in regard to their fees. That is what tends to keep the price down. But it is an entirely different thing to have private organizations arguing and disputing with each other just as labor and management work out their problems with regard to salaries, wages, working conditions, and so forth. That is an entirely different thing from having the Federal bureaucracy making this decision for everybody in all sections of the country. I really am a little surprised that the gentleman does not see the basic difference between the two.

Mr. DINGELL. I point out to my old friend that the simple fact of the matter is that what the gentleman is concerned with has long been in existence, because we have had the same program for dependents of the military, we have had Blue Cross plans offered to civil service retirees, which is required by the Civil Service Commission, as I am sure the gentleman is aware. We have a Kerr-Mills program, which requires much more strict control by what may well be less competent administrators on the State level. And, also, by the same people who are going to have to enter into contracts between the Federal Government and the private purveyors of services under King-Anderson and under the Kerr-Mills program which the gentleman endorsed, which the gentleman says is working. So if that is an objection, this objection has been here for years in the Veterans' Administration and here in almost every public and private program. If this constitutes the gentleman's objection, I say he should have raised his objection when the Kerr-Mills program came out of the Committee on Ways and Means with his support.

Now let me go on. My good friend states that the Kerr-Mills program has been successful. He states that 28 States have Kerr-Mills legislation. It took ingenuity to find statistics of success in this simple fact because 92 percent of the payments being made under the Kerr-Mills medical assistance aid programs are being made to just four States, the high income States of California, Massachusetts, New York, and my own State of Michigan. Indeed, a significant further fact is that in only six of our States is there a payment being made for the care of more than 1 percent of persons 65 years of age and over under Kerr-Mills. Indeed, it is significant that even in the State of Michigan only a shade over 2 percent of persons 65 years and over are recipients of the Kerr-Mills bill.

On no less than two occasions the Governor of the State of Michigan pointed out, he feels the Kerr-Mills program is a distinct failure in the State of Michigan because of inherent difficulties in assessment and because of the inability of the States to finance this particular program.

At this point in the tale, the reader is treated to a short story complete with a hero, a villain, and an innocent bystander. And it is a tribute to our storyteller's skill that he is able to use the actuarial basis for the King-Anderson bill as the plot. The three characters are: the man who drew up the proposal, the bad guy; the health-insurance industry spokesman, the good guy; and the Government actuary, who plays a supporting role but gets several good lines.

To begin with, the story suggests that the estimated cost of the King-Anderson bill originated with some unnamed party and that only after the bill was introduced was the Government actuary permitted to examine the financing. In real life, of course, this Government actuary was responsible for the cost estimates for the King-Anderson bill from the beginning to the present, just as he has been responsible for calculating the cost of every other social-security improvement for many years. My colleague must be given some liberties, however, to make his story better reading.

My good friend took up the Kerr-Mills program of means test medicine. He states that it is more successful than some unnamed politicians who want total Federal control over medical care say it is. I don't know any of these politician villains. He can't be referring to those who support the President's proposal for health insurance for the aged, which was carefully drawn up to avoid Federal control. Neither the President nor his party wants such controls.

My skilled colleague also found a statistic which he suggests marks the Kerr-Mills program as being successful. He says 28 States have Kerr-Mills legislation. It took ingenuity to find such a statistic of success because almost 90 percent of the payments being made under Kerr-Mills medical assistance to the aged program are being made in just four States. These are the high-income States of California, Massachusetts, New York, and my own State of Michigan. It is nothing less than picturesque to count as successful a program providing practically no benefits except in a handful of States.

Now, I am happy to yield to my good friend.

Mr. CURTIS of Missouri. First, I will say in regard to the Kerr-Mills Act, Secretary Ribicoff denies that he is opposed to it. In fact, he says the need is great and that this is a necessary piece of legislation.

Mr. DINGELL. I agree with the gentleman. It is needed.

Mr. CURTIS of Missouri. Well, the gentleman's argument is that it has not been successful in Michigan because of basic inherent weaknesses, but I did want to point that out. This business of the cost estimates, the basis of the debate should rest on the premises upon which the costs are made and it is these premises that involve this great discrepancy which I also point out in the article between the cost of the $1 billion estimate. Then the private insurance companies testified.

Mr. DINGELL. I am going to get to that point, may I remind my friend, and I will be happy to discuss these points with the gentleman as I come to them.

Mr. CURTIS of Missouri. The only other point I want to make is this. The King-Anderson bill, of course, calls for a tax on a basis of only $5,000 of wages.

Mr. DINGELL. If the gentleman will yield, it is $5,200.

Mr. CURTIS of Missouri. No, I disagree; the gentleman has not read the act.

Mr. DINGELL. The proposal is that it shall be raised by amendment to $5,200. I do not want to quibble on this particular point and I intend to treat with this point too, if the gentleman will permit me.

Mr. CURTIS of Missouri. Please, will my colleague not let me finish the point I am making because it is not a quibble. The point I am making is on these estimates of cost, the King-Anderson bill had it estimated on a $5,000 base wage. That is the bill we studied and then when the Secretary of the Department of Health, Education, and Welfare testified in late July 1961, he said:

> We have reestimated the cost and a $5,000 base is insufficient and, therefore, our amendment—we will propose an amendment to make it $5,200.

The point I am making is that the reason for the change is that the estimates of the administration itself proved to be inaccurate at that early stage of the game, and even now the estimates are admitted to be less accurate; that is my point.

Mr. DINGELL. I do not agree with the gentleman. Since he raised the point in regard to the actuarial accuracy of the figures let me point out that the error which the gentleman points out in raising it from one-quarter of 1 percent on $5,000 to one-quarter of 1 percent on $5,200 is $1 per year per covered employee in this country. This is the magnitude of the error and ultimately figured on the gentleman's figure of $380 per year is one part in 380 or an actuarial error of one-quarter of 1 percent.

Mr. CURTIS of Missouri. No, no. The gentleman is in error.

Mr. DINGELL. I say that the gentleman's interpretation of weakness here is really a recognition of strength on the part of the administration in that it would recognize this and make a correction.

Mr. CURTIS of Missouri. If the gentleman will yield, I think he has made a very grave error because assuming this cost, the part of the increase from $4,800 to $5,200 as the gentleman's amendment would include, requires the entire social security tax, not just this additional one-quarter of 1 percent, and therein lies a great deal of misconception on the part of the public as to what this will cost, because the entire ultimate 9 percent of the social security tax is against this $400, so this $36 per year because of the increase in the base wage is not accurate, because the entire social security tax applies to the entire base. Will the gentleman not agree to that?

Mr. DINGELL. No; I will not agree to that. As I calculate it it figures out to be $1 per year per employee. Now I must ask the gentleman to let me proceed with my prepared statement.

Mr. CURTIS of Missouri. The whole point I am making, and this is not just to quibble with the gentleman, is that the full tax applies against the entire base.

Mr. DINGELL. I must proceed, if the gentleman will permit.

Mr. CURTIS of Missouri. If the gentleman will read this over and then correct his remarks in the light of it I will be happy.

Mr. DINGELL. I assure the gentleman I will come back to this point.

While it may be less interesting, just for the record let us see what really happened. The Government actuary was given his usual full leeway—properly accorded a responsible professional—to use all the available facts to make his estimates and to reestimate the cost estimates as new facts came to his disposal, even though any increase in the original cost figures was politically disadvantageous. Who could ask for a more responsible Government position? The net effect of the Government actuary's reevaluation of his original estimates for the bill was that to fully finance the program into the indefinite future—the early years were well covered—the social security tax base should be raised another $200—to $5,200—and that the increase of one-half of 1 percent of the contribution rate was enough. Secretary Ribicoff of course agreed that the safest course was best, and immediately recommended that the financing provisions of the bill be changed as the actuary recommended. He seems just as conservative as the actuary.

I believe the administration should be congratulated for its honesty and courage in coming forth with its recommendation to change the cost estimates for the bill even though the change would be expected to be capitalized on by those who oppose the bill.

But let us return to my colleague's story, for it is at this point that his hero enters—the health insurance industry. The story goes on to say that the new cost figures were way too low and that the insurance industry had the very information that was needed to correct the administration's cost estimates—a study conducted by the New York State Insurance Department for the full year 1958 that is supposed to have been based on the claims experience of over 200 insurance organizations yet was completely overlooked by the administration and the Government actuary.

The truth is that the data used by the health insurance industry—from a report the New York Insurance Commission published in 1957—was not any good insofar as the aged are concerned. It included only a few fragments of insurance claims data on older people's use of hospitals from six companies. One company reported its experience with the aged during a 2-week period in 1950 and others of the so-called claims data were just as poor. But more important is the fact that even the use of these limited data do not produce figures that are much different from those of the administration.

While the Government actuary has never been asked to place a treatise on his calculations in the Reader's Digest, he did present his cost estimates before the 1961 meeting of the Society of Actuaries. He said of data from the old 1957 New York report on which the insurance industry based its estimates:

> I can find no information in the New York report presenting this study as to the exposure at ages 65 and over, and only fragmentary information as to the exposure at all ages.

No rebuttal of this statement was presented by the actuaries in that expert audience.

Recognizing the inadequacy of their figures, New York conducted a study of health costs of the aged in 1960, which produced much more reliable data. The Government actuary has studied and used the 1957 report, the 1960 data, and all other sources of pertinent information that is available. I wonder whether the health insurance industry lobby has found out about the 1960 study?

The last episode in my colleague's little tale tells us that while the insurance industry has struggled to estimate the costs of the King-Anderson bill in as responsible a way as their biased opinion can allow, the Government actuary is still, according to Congressman CURTIS, making bewildered but sincere efforts.

The gentleman from Missouri [Mr. Curtis] cites two horrible examples of what my colleague characterizes as self-delusion and blundering. According to the story, the Government actuary believes that hospital costs are going to stop rising. If we can return to the real world for a moment, I will point out that the cost estimates for the King-Anderson bill are based on the assumption that hospital costs will rise faster than other prices into the indefinite future. More precisely, it is estimated that hospital costs will increase faster than earnings for a number of years and then will taper off until the rate of increase for hospital costs is about the same as for earnings levels. Of course, since labor becomes increasingly more productive, earnings levels—and estimated hospital costs—rise faster than price levels. This explanation is technical, tricky, and hard to follow. It does not make good reading, and my colleague may think he can be forgiven his artifice for the sake of greater reader appeal.

The gentleman from Missouri [Mr. Curtis] cites a second horrible example. The gentleman from Missouri [Mr. Curtis] alleges that the Government actuary largely ignores the fact that old people will use hospitals more after the bill is passed than they now do. Hospital use among social security beneficiaries will increase, of course, since older people who now avoid going to the hospital to get needed care could afford to do so if the King-Anderson bill is enacted.

I will say this is perhaps the most persuasive argument we have for the enactment of the King-Anderson proposal. It covers these people who desperately need hospital care.

I can assure those readers who have not read the reports of the actuary that this has not been overlooked in the official estimates; an increase in hospital use by older people has been assumed in calculating the cost of the King-Anderson bill.

While it is always nice to see one's name in the Reader's Digest, I should think the Government actuary would be a little unhappy about the assertions that were made about his competence. In addition to being Chief Actuary of the Social Security Administration, the gentleman involved has served on the board of governors of the Society of Actuaries since 1951 and is first vice president of the Population Association of America. He has served as an actuarial consultant for congressional committees and various parts of the executive branch. He has given actuarial assistance to the Governments of Greece, Japan, Israel, and Germany and has served on a number of international advisory groups. He has served in an advisory capacity for the National Bureau of Economic Research, the Population Association of America, the Wharton School of Finance and Commerce, and other nongovernmental organizations.

In fact, he has also given considerable actuarial advice to many of the insurance companies which are complaining about his efforts with regard to the King-Anderson bill, I will say to the gentleman from Missouri.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. There has been no criticism of Mr. Meyers. I pointed out to the gentleman it is the premises upon which the actuarial conclusions are based and the arithmetic used, and so forth. I know Mr. Meyers himself would be the first to say that these premises upon which he has been told to make these studies are controversial.

Mr. DINGELL. I recognize they are controversial, but I think the gentleman from Missouri will have to recognize in terms of experience that we have heard this same old record with regard to actuarial happenings; that is, from this same group that opposes the King-Anderson bill, and we go back to the first days of the Social Security law, back in the days of 1935, when I was a boy around here. We heard the same group stating it would bankrupt the country, it was actuarially unsound. The simple truth of the matter is he has been proven to be right and this group is wrong. The Social Security system is based on a solid rock of actuarial soundness.

I say to my old friend that I would rather take a man whose past record is as good as the chief actuary of the Social Security Administration, who studied this thing very carefully, than I would to take the word of a group of partisan members, if you wish to use the term, who work within the private insurance industry, whose sole purpose is not to achieve social advance but whose primary purpose is to scuttle it.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I yield to my old friend.

Mr. CURTIS of Missouri. The gentleman misses the point. The point is not over Mr. Meyers' ability as an actuary at all. It comes back to the premise. All I can suggest to the gentleman is to refer again to him and others the speech I put in the Record several months ago entitled "Politics Can Destroy the Social Security System," in which I tried to point out this premise upon which the social security system is based, assuming this actuarial soundness is within the area of the premise. Likewise, in this problem for the health care for the aged, the problem involved is that of the premise.

Mr. DINGELL. I certainly admire my good friend, and I want none of my remarks to be construed as showing any lack of affection or regard for him. But, the simple fact of the matter is that my old friend from Missouri has a consistent record of opposition to this particular measure and has also throughout the years opposed a significant number of liberalizing amendments to the social security system.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I will be happy to.

Mr. CURTIS of Missouri. The gentleman certainly has not looked at the record accurately. There are certainly measures that I have opposed because I felt they did affect the social security system, but if the gentleman will look at the record, he will find that many of the measures in social security today I not only helped put them there, but I spent considerable time in doing the research necessary, including, I might say, the present provision in regard to disability. I was the one who pointed out in the hearings in the Committee on Ways and Means that until we tied disability and rehabilitation in, which we failed to do in the House but, thank goodness, we did in the Senate—until we did that, we could not move forward soundly but that when we did do that, we could. And, I submit that the record is there on that subject, as well as the additional coverage under social security. And, I repeat, unless we start debating with clarity and objectively these premises upon which the soundness of the social security system is based, until we start debating them objectively, we are endangering the future stability of the social security system upon which all of us depend.

Mr. DINGELL. Now, I am delighted to hear my good friend say this, and I am also delighted to hear him say that he swallowed a small dose of socialized medicine, because, as the gentleman knows, the disability provision to which he alludes was opposed by the American Medical Association time after time as constituting socialized medicine, in the most perverted and devilish form, and having swallowed this much, I am sure the gentleman can go on and swallow a bit of sound liberalization of the social security system, which will protect and defend the private insurance system, by offering a device to fend off the medical costs for the aged, who have the highest incidence of medical need, and who have the lowest incidence of means to pay for that need, and the lowest incidence of means with which to pay for private health insurance.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield further?

Mr. DINGELL. I will be happy to.

Mr. CURTIS of Missouri. I hope I did not swallow anything, although I was opposed to the AMA position on this. My attention was directed really toward the rehabilitation feature in our society and my desire to move that forward and the fact that I saw that in this area there was a possibility to further develop rehabilitation, and I make no apologies for my efforts in behalf of putting them into the social security law.

Why, I am simply pointing it out. I do not agree with the gentleman, of course, and am not suggesting that I should go along and support a program which I feel is so fundamentally unsound as the King-Anderson bill.

Mr. DINGELL. I would point out to my old friend that the time has come now, with the common recognition that exists with regard to the aged and also with regard to the high incidence of hospitalization, and the very limited means that the whole group of persons 65 years and over have with which to meet that need, that unless my good friend comes around to a program of contributory health insurance of the kind provided for in the King-Anderson bill he is going to find he is going to have a great deal more and greater socialized medicine in the form of Kerr-Mills operation which is going to continuously be expanded until in this country we have a national program of hospitalization and medical care for every person over 65 paid for from the general revenues in the Treasury. I say to the gentleman from Missouri that that is coming as sure as the sun rises tomorrow and the moon rises tonight, unless we make some adequate provision for meeting this desperate need.

Mr. CURTIS of Missouri. If the gentleman will yield further, let me say to the gentleman that the Kerr-Mills Act has a very definite limitation because it follows the theory which caused us to switch from old age assistance to the basic program of OASDI, the social insurance, the theory being—and it has proven to be accurate—that as we developed a social security insurance covering more and more of our society the OAA—the old age assistance—rolls would decline and, indeed, that is coming about. So the gentleman's bugaboo as to what will happen to Kerr-Mills I regret to say is not well founded. It will phase out, I might say, just as OAA will phase out, as OASDI moves forward with Government coverage.

Mr. DINGELL. I wish my friend were right, but the simple fact of the matter is this was the expectation at the time the original social security law was enacted, and we still have the welfare provisions of the Old Age Social Security Act, and we still have a substantial number of persons receiving benefits under it. I would point out to my old friend that it takes a matter of striking less than one dozen words from Kerr-Mills—and I think that others interested in this subject ought to study this—to change the Kerr-Mills proposal into a complete federalized program of socialized medicine for everyone from the cradle to the grave.

Mr. KEITH. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to my friend from Massachusetts.

Mr. KEITH. The gentleman made a remark to my colleague, the gentleman from Missouri [Mr. CURTIS], a few moments ago which concerns me a little bit. I think the gentleman said that the sole purpose of the private insurance industry is to scuttle social progress in this country.

Mr. DINGELL. I made no such allegation. I said it scuttles that particular aspect of social progress. I will concede, since the gentleman raises the question, that over the years the private insurance industry has done its level best to sink social security, going back to the early days, with as many amendments as they possibly could. I shall be glad to make that statement for the benefit of my old friend.

Mr. KEITH. If the gentleman will yield further, I think the gentleman will find that the private insurance industry recognizes the need for a platform of security on which the individual can build for himself.

Mr. DINGELL. This is true. But this is 30 years after their original opposition to the program, and a period of years after they have originally opposed other liberalization of these programs.

Mr. Speaker, I know that the gentleman is very knowledgeable in the insurance field, and I am sure has gained quite a good deal more knowledge in this field than I, but I would say this to my old friend: The insurance industry of this country and the AMA have a remarkable facility for justifying its opposition in years past, and by a weird process of intellectual endeavor convert their position into support of these programs at time of enactment. This is the same thing which we see in the operations of the AMA when they opposed the original Social Security Act, the disability provisions, and grants to the States for medical care programs. They opposed the Blue Cross and Blue Shield programs, and only relinquished their opposition to those programs when they were stricken under the bane of an injunction in an antitrust decision here in Washington, D.C., because of their opposition to the then Group Health of Washington, now known as Blue Cross and Blue Shield.

Mr. KEITH. If the gentleman will yield further, I am very glad the gentleman corrected the impression he gave me. I hope the gentleman will correct the record and make it read as he has reiterated his position. I am sure the gentleman would not want it to stand, because the attitude that I heard in the gentleman's presentation sort of frightens people. I think they have a great confidence in the private sector of our economy, and it is only when we in the Congress get hypercritical of that private sector that we find people leaning more heavily than they should on the public sector of our economy.

Mr. DINGELL. I assure my good friend that I buy private insurance to the limit of my means. I have great confidence in the private insurance companies, and I try to express my confidence in the private sector wherever possible. I intend to continue to do so, and I am going to try to give them King-Anderson so we can protect them still further.

My good friend from Missouri [Mr. CURTIS] tells another story about a top researcher in the Department of Health, Education, and Welfare whose speech was canceled out when it was learned that he was on the verge of telling the world that he had estimated the cost of the King-Anderson bill to be some frightening figure; so I want to discuss this. I had not heard this rumor before, but what I heard concerned a man who was a staff member of the Public Health Service, who is not an actuary, who is not in the Social Security Administration, and who based his study solely on newspaper reports. The memorandum was an attempt to review the cost estimates for King-Anderson in the light of the Colorado public assistance experience. This experience, I am sure my good friend from Missouri, and my knowledgeable colleague from Massachusetts, will agree on an insurance basis, was based upon an older and upon a sicker population. Moreover, from an actuarial point of view the experience was not used even correctly. The writer of the memorandum was not even knowledgeable about the provisions of the King-Anderson bill. For example, he assumed incorrectly that the Colorado coverage of nursing home care, which is coverage that is purely custodial care, without limit or duration, had a counterpart in the King-Anderson bill.

I am sure that my good friend from Missouri, who is knowledgeable on this subject, will recognize that the King-Anderson proposal has no such provision for nursing home care.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I am happy to yield.

Mr. CURTIS of Missouri. Mr. Speaker, I shall be very happy to identify this. This was a paper apparently prepared for the American Public Health Association meeting in Detroit in late 1961, and what occurred was this, that an abstract of this paper, apparently a press release, had been prepared and was on the table for people to pick up. I have a photostat of this: "How To Assess Services and Costs for the Proposed Program for the Aged."

This is from a gentleman who was research consultant, Division of Community Health Practice, Department of Health, Education, and Welfare, Washington, D.C.

Let me read this document.

Mr. DINGELL. I believe that I have successfully slain this particular document as far as its having any value on this subject is concerned.

Mr. CURTIS of Missouri. Let me read the document. Let us evaluate this together; because I do not know, either.

Mr. DINGELL. I think it would be a waste of time.

Mr. CURTIS of Missouri. Let us put it on the record, anyway. Here is the last paragraph:

> An attempt is made to show the volume of utilization by the aged under similar provisions in this country and in Canada. On the basis of these exploratory inquiries the estimated costs obtained are about four times the costs given in official statements. When the dynamic factors are taken into consideration, it would appear that after a few years the disparity between probable costs and official estimates would become even wider than four to one.

So I certainly do not think it refers to the paper that the gentleman was talking about, and it does indicate that the estimates of HEW in this area are off more than 4 to 1, as a matter of fact.

Mr. DINGELL. I have discussed the paper with my old friend. I have pointed out that the author of this document is not an actuary. He based his own study on newspaper reports. So I think we may successfully dispense with this so far as its being a knowledgeable treatise on the subject.

In my colleague's article he refers to a series of proposals which he feels deserves serious consideration. One of these, oddly enough, is a bill introduced by a distinguished Member of the other body, Senator JAVITS, which, like the administration proposal, would be financed through the social security system. Its cost was estimated by the same actuary who estimated the cost of the administration proposal.

I wonder why my good friend objects so strenuously to the financing of the administration's proposal but thinks that the Javits proposal, which has substantially the same financing procedure, merits some consideration, and when it was estimated by exactly the same actuary who did the actuarial studies for King-Anderson.

Mr. CURTIS of Missouri. I am not in favor of the Javits bill, but here is one thing the Javits bill does do that makes it at least acceptable as far as not damaging the health-care system is concerned. It eliminates the compulsory aspect that is contained in the King-Anderson bill of having HEW enter into these contracts for all services to be rendered all people over 65. It permits people to select their own health insurance program on a voluntary basis if they desire. It has a voluntary aspect. So does the Lindsay bill. Apparently the one thing the administration is determined not to compromise on is the compulsory feature of King-Anderson.

Mr. DINGELL. Is that the gentleman's objection to King-Anderson?

Mr. CURTIS of Missouri. Yes.

Mr. DINGELL. Would the gentleman withdraw his objection to King-Anderson if that particular feature were eliminated?

Mr. CURTIS of Missouri. I could consider it.

Mr. DINGELL. Then the gentleman raises no question as to the actuarial soundness of the King-Anderson proposal?

Mr. CURTIS of Missouri. Yes, I do. But as soon as you put that on a competitive basis with the private sectors you will not find many people take the Government program. Once you put the Government program in competition with the private sectors then my worries are relieved.

Mr. DINGELL. May I say to my friend here there is a peril in having the private sector in this, and I think the gentleman ought to be concerned about it, because the peril of having the private insurance plans in competition with the King-Anderson proposal is precisely the same objection which Blue Cross finds in its coverage of the aged today. The simple fact is that Blue Cross is having a difficult time in competing for persons of 65 and over and also in competing for younger persons. What happens is that private insurance companies, because they are not compelled to have as broad coverage as Blue Cross already has and as King-Anderson would have, will cut in and will skim off the actuarial cream and take away the good risks and leave the taxpayers at large and leave the rate payers of Blue Cross at large and leave the payers of social security taxes in this country with the high-cost, poor-risk, low-income groups. If the gentleman will recognize this soundly based fact, I am sure he will recognize there is a real need to adhere to the administration's proposal and reject the grossly crippling amendment he suggests.

Mr. CURTIS of Missouri. In the private sector as well as in Blue Cross or Blue Shield they take the group insurance approach, at least to a degree. For instance, in Connecticut, anybody in Connecticut over 65 can enroll on a nonphysical examination, noncancelable basis. So they do have a group approach and they do not skim off the cream. These programs are in existence now.

Mr. DINGELL. The gentleman does not deny that plans of this coverage very often in this country, and I include the Blue Cross, are in trouble.

Mr. CURTIS of Missouri. Oh, no.

Mr. DINGELL. Yes, indeed. In many instances because it so happens that Blue Cross in many States of the Union has recently had to go to the State insurance regulatory agencies to secure a raise in rates. In large measure this request for a raise in rates stems from precisely the fact to which I have alluded, that the communitywide rating principle to which Blue Cross is compelled to adhere is very frequently damaged by competition. I say there is nothing illegal or wrong or immoral about it, because under the competitive influences in the market today a private insurance company is indeed wise to go in and skim the cream and make a profit, because that is the basis of the capitalist system. But the fact of the matter is that this is the reason there is a great deal of trouble for these plans in covering these people.

Mr. CURTIS of Missouri. All I say is that the hearings demonstrate that the gentleman's thesis just is not sound in actual fact. Let me say this: Blue Cross has increased the rates, but it has also increased the benefits, and if costs keep going on up they are going to have to continue that. So are the private plans. But there is some competition, and that is the one thing I would interject into this situation: If the Government has such a good program, why should it be worried about this competition from group policies?

Mr. DINGELL. The fact of the matter is the Government does not propose to eject anybody from the insurance field, nor do we intend to take over by enactment of the King-Anderson bill the administration of health insurance to the aged in this country.

What is proposed by King-Anderson is to have coverage for high costs, low-income groups in this country over 65 and others made available on a basis which will permit private plans to offer other and better insurance just as private retirement plans have been enabled by the reason of the enactment of social security to offer better retirement plans and better retirement insurance plans to general insurance buyers in this country. That is what I say to my good friend.

Now, if I may continue, earlier in the article my good friend tells us that the King-Anderson bill had been inspired by what he refers to as vested pressure groups and newly formed lobbying organizations. I would like to take care of this by mentioning those who do support the administration proposal. I think my good friend will recognize there are a substantial number of worthy citizens, honorable people, and outstanding groups in the American community which do support this.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I am happy to yield to my colleague.

Mr. CURTIS of Missouri. I just want to point out, because I refer to groups as pressure groups, it does not mean that they are not fine citizens. In fact, I have encouraged people to get active, but I do think it is pertinent to call attention to the fact that this is where this stems from.

Mr. DINGELL. Now let us have a look at these pressure groups. I suggest to my good friend, the AFL–CIO and affiliated unions and State, local, and central bodies endorse this. The American Nurses Association endorses it. My good friend recalls in their function in Detroit just recently, they reendorsed it in spite of the statement that they were in so doing resisting substantial pressure from the AMA. I would point out to my good friend, if there is pressure here, it has been exerted by the AMA against the poor little nurses who seek in their own wisdom to serve the needs of the aged in this country. I would say they are knowledgeable, and by reason of their record in curing and treating and aiding and extending sympathy and gentle treatment to our sick and aged, perhaps they are better qualified to speak as true humanitarians than are the professionals of the American Medical Association.

Mr. CURTIS of Missouri. If the gentleman will yield at this point, please.

Mr. DINGELL. I want to yield and to be gentle with my friend, but surely the gentleman understands that my time is short.

Mr. CURTIS of Missouri. I do understand, but the gentleman made a charge that undue pressure was exerted against the nurses by the AMA.

Mr. DINGELL. I did not say undue pressure. I said despite considerable pressure.

Mr. CURTIS of Missouri. I know, I said undue pressure.

Mr. DINGELL. This report appeared in the daily newspapers.

Mr. CURTIS of Missouri. I understand it did. Will my colleague let me point this out because this came up in the hearings. I read it in the newspapers. I asked the nurses if they could document it. Walter Reuther used it and I said, "Can you document the undue pressure?"—and the record is there for anyone to read that no one documented this. I think it is about time that this kind of smear tactics—and the gentleman has not used it and the gentleman did not use the word "undue" but the newspaper articles have—

unless there is evidence of improper, undue pressures, let us leave that out and direct our attention to their arguments. I would respect the Nurses Association. The gentleman is correct in saying that they did support this approach.

Mr. DINGELL. Yes, and I would point out to the gentleman that this has repeatedly appeared in the press. I would point out that the present speaker in the well of the House is quoting people within the American Nurses Association on this point, who have been quoted in the daily press repeatedly. It was reported rather extensively in the city of Detroit just recently that they were endorsing this despite considerable pressure from the AMA.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I will be happy to yield after I have proceeded a while.

Mr. CURTIS of Missouri. But the gentleman is now mentioning names and calling the roll. Will he not yield for just one observation?

Mr. DINGELL. I will yield when I am through.

Mr. CURTIS of Missouri. At the time of the hearing I said if anybody in the Nurses Association would call my attention to any incident where they were misrepresented or what was said was untrue I would examine into it. But no such documentary evidence has been submitted. That is why I say to the gentleman that we must refrain from bandying about these sensational and perhaps sometimes irresponsible reports on such matters.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield briefly.

Mr. HALL. I would like to meet some of the gentleman's objections and refute some of his statements by calling attention to a few things the American Nurses Association has done. I can say categorically that American nursing has done more for the extension of life and the support of organizations around the world for the eradication of disease, has done more for the comfort of the American people to give them a higher standard of living than is enjoyed by any other nation in the world, has done more to advance and raise up the standard of medicine—and the speaker himself being another gentleman from Missouri, having worked in nurse recruiting all during the World War, and in a not inconsiderable capacity, has rated them to their true rank and relative rank, and for the same pay scale as other officers of the grade, knows the great record of these nurses in the various fields of medicine and in their humanitarian care of people. I think the gentleman should reconsider the statement that he has made, and I say that as a qualified member of the AMA.

Mr. DINGELL. I will not withdraw my statement at all.

Mr. HALL. I say to the gentleman categorically as a member of the house of delegates of the American Medical Association, categorically, no pressure regardless of the issue has ever been expressed by the American Medical Association on its membership.

Mr. DINGELL. I am glad to hear the gentleman come out and say that as a member of the house of delegates of the AMA, because I am going to proceed to make some of the positions of the AMA known, and I yield to no man in my devotion to the honest practitioners of the country, but in the matter of social reform I call the gentleman's attention to these positions of the American Medical Association.

This is some of the record I am going to give my good friend of the AMA. The AMA opposed the National Tuberculosis Act, and I refer to the official proceedings of the house of delegates of June 1944. The AMA fought the American Red Cross plan to set up a nationwide reserve of civilian blood banks. The AMA fought compulsory vaccination for smallpox. The AMA opposed voluntary health insurance plans as "socialism" and "communism" and "inciting to rebellion." It dismissed the Blue Cross as a cracked-brain scheme.

That is the record of the AMA. It is a shameful record. I say it is a disgrace. I say the gentleman should not get up on the floor to speak with pride for an organization with such a record as this.

The AMA opposed the Social Security Act passed in 1935, and I refer the gentleman to the Journal of the American Medical Association and the proceedings of its house of delegates. I think in fairness when he stands up and opposes this and speaks as a mouthpiece for the AMA and as a mouthpiece for the house of delegates of the AMA he should be shown as speaking for the kind of organization that has opposed all of these things.

Mr. CURTIS of Missouri. Mr. Speaker, a point of order.

The **SPEAKER** pro tempore. The gentleman will state his point of order.

Mr. CURTIS of Missouri. I regret to say that the gentleman's words need to be taken down.

This is a point of order. To clarify, it was the reference to the gentleman from Missouri as a member of the house of delegates of the AMA and the reference to that organization and the relationship of the gentleman from Missouri to that organization.

The **SPEAKER.** The Clerk will report the words objected to.

The Clerk read as follows:

> Mr. DINGELL. I think in fairness, when he stands up and opposes this and speaks as a mouthpiece for the AMA and as a mouthpiece for the house of delegates of the AMA, he should be shown as speaking for that kind of organization that has opposed all of these things.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to change the words complained of to "self-appointed spokesman" instead of "mouthpiece."

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

The **SPEAKER.** Does the gentleman from Missouri withdraw his point of order?

Mr. CURTIS of Missouri. I do, Mr. Speaker.

Mr. DINGELL. Now, then, to continue with the record of the AMA.

The AMA opposed the creation of public venereal disease clinics. The AMA fought Federal aid to the States to reduce infant and maternal deaths. The AMA opposed enactment of the original Social Security Act as a definite step toward either communism or totalitarianism.

AMA opposed Medicare for dependents of military personnel as impractical and harmful to national defense. AMA opposed the National Tuberculosis Act 1 week before its enactment.

AMA opposed compulsory smallpox vaccination. AMA opposed creation of public venereal disease clinics. AMA opposed creation of free diagnostic centers for cancer and tuberculosis.

AMA opposed requirement that all tuberculosis cases be reported to a public authority.

AMA attacked provisions for immunization and preventive measures against diptheria and other contageous diseases by public health agencies.

This is the record of the AMA, perhaps the largest number of opponents and perhaps the largest and best financed group in opposition to the King-Anderson proposal.

Now let me give my good friend some information as to who supports it.

American Nurses' Association.

American Public Health Association, medical care section.

American Public Welfare Association.

American Veterans Committee.

Americans for Democratic Action.

Council of Golden Ring Clubs of Senior Citizens.

Council of Jewish Federations and Welfare Funds.

Family Service Association, public issues committee.

Fifty-second annual meeting of the Governors conference, held in 1960.

Group Health Association of America.

National Association of Social Workers.

National Consumers League.

National Council of Churches. And, I say this to my good friend from Missouri, this is not a pressure group.

National Farmers Union.

National Council of Jewish Women, again obviously not a pressure group.

National Federation of Settlements and Neighborhood Centers.

National League of Senior Citizens.

Nationwide Insurance Companies.

Railway Labor Executives' Association.

Synagogue Council of America, and I am sure they are not a dangerous socialistic group or pressure group whose sole purpose is to destroy the welfare and the health services and the social security system of the United States.

White House Conference on Aging, Section on Income Maintenance, the section that is specifically charged with consideration of this particular program, and I say this particular convention was called by the previous administration.

Women's Division of Christian Service of Methodist Church's Board of Missions.

YWCA National Board.

These are the pressure groups to which he has referred, and I say to my good friend from Missouri, he should be more careful with his language.

Earlier in his article Mr. Curtis told us that the King-Anderson bill has been inspired by what he refers to as "vested pressure groups and newly formed lobbying organizations." Now with the Javits bill deserving consideration we see what he means; those who support the administration proposal have vested interests even though they happen to be, among others, the American Public Welfare Association—whose members run public assistance programs around the country and who would have their jobs cut back by the bill, the YWCA, the American Nurses Association, the aged, and organized labor—whose members would be required to pay additional social security taxes to help support the measure. My colleague, of course, looks to the health insurance industry for the nonvested-interest point of view.

Other bills, in addition to the Javits proposal, which Mr. Curtis believes should be considered are the Lindsay bill and the Bow bill. Each of these three proposals would cost more than the King-Anderson bill, and the cost estimates are made on the same basis as those for the bill he opposes. Certainly, then, my colleague's real concern is not costs, or the method of estimating them. The three bills he prefers do not use a means test—so that cannot be his real concern. Two of the three bills would be financed through social security. Obviously, the use of social security and compulsory financing is not his real concern. But there is one point of difference, a point which many of us would not consider crucial—namely that, unlike the administration proposal, the three bills my colleague likes were introduced by Republicans. Can this be the guiding principle that enables him to see so clearly what is the right way and what is the wrong way to finance the health care costs of our aged people?

But overshadowing my colleague's laudable partisan loyalties is his willingness to consider proposals to aid the aged. Now that the gentleman from Missouri [Mr. Curtis] is on the right track perhaps he is ready to take a fresh and objective look at some of the facts that show that the aged cannot now pay the price of adequate health care.

One in six aged persons is hospitalized each year. Nine out of ten will be hospitalized at least once after reaching age 65. An elderly couple, in a year during which one or both members receive hospital care, can expect their combined medical bills to total about $1,200. The average aged couple can expect about five hospital stays after age 65.

Half of all aged couples have less than $2,500 annual income, half of the aged persons living alone have less than $1,000; while many of the aged have equity in a home, about half have less than $500 in liquid assets.

Only about half of the aged have any hospitalization insurance; in many cases the coverage is so restricted as to be no defense against bankruptcy if serious illness strikes—bankruptcy from which the aged person cannot recover.

Further, private health insurance protection for the aged must surmount the barrier not only of the generally low-income, high-cost problem of the aged but of the complication that those not now covered include the worst risks and lowest income groups even among the aged.

Blue Cross, which has long tried to extend protection to the aged by shifting part of their cost to younger groups through "community rating" finds it more and more difficult to compete with the commercial insurers. The latter have increasingly been able to attract the low-cost groups, leaving the higher cost groups to Blue Cross. To remain competitive, Blue Cross has been forced to compromise its community rating principle. The latest step has been the proposed national Blue Cross plan, under which the aged would be expected to pay their own way without subsidy from younger workers.

Today few people reaching retirement age are free of the fear that an expensive hospital stay will wipe out their savings and after a lifetime of independence, force them to public assistance, private charity, or dependence on children.

With health care costs continuing to rise, and income of the aging rising much more slowly, the problem of the aged in meeting these costs can only become more difficult. It is clear that the aged cannot pay the price.

It is equally clear that the Federal-State, Kerr-Mills programs made possible by the 1960 social security amendments are not doing the job. As I said before, in April only about 24 States—and 3 possessions—had put any kind of Kerr-Mills program into effect and most of these States have very limited programs. In fact, as I mentioned earlier, four high-income States, New York, Massachusetts, California, and my own State of Michigan—account for about 90 percent of the Kerr-Mills payments that are being made. The problem is, of course, that the States simply do not have the money to make it a success. If all 54 jurisdictions were to establish full-fledged Kerr-Mills programs, the total annual cost would run about $1.5 billion, of which the Federal Government would pay approximately one-half. This would mean that the States would be required to spend about three times as much as they are spending on medical vendor payments under existing public assistance programs.

Thus we find that the legislatures of 23 jurisdictions—including Mr. Curtis' State of Missouri—met and adjourned in 1961, without providing authority or funds for a Kerr-Mills program. Fourteen of these legislatures are not due to meet again before 1963.

We also find that in the 24 States that have Kerr-Mills programs, eligibility requirements are strict. Nearly all these States have an upper yearly income limit of $1,200 or $1,500 for an individual; about one-half the States have annual income limits of $2,000 or less for a couple. More than half the States deny eligibility for Kerr-Mills payments if an individual has over $1,000 in liquid assets; and in half the States couples with liquid assets of more than $1,300 are ineligible.

Once the applicant becomes eligible he may not get all the medical care he needs. Sometimes fewer than 10 days of hospital care per admission are covered—Kentucky, 6 days; New Hampshire, 7 days. Three State programs—Kentucky, Tennessee, and Washington—provide for acute or emergency care only. Sometimes coverage is limited to life or sight-endangering conditions—Oklahoma, South Carolina.

Unfortunately, there is little reason to expect any substantial improvement in the States' financial situation and any resulting improvement in their Kerr-Mills programs. But even if the health needs of our older people could be met in this way, the means-test medicine approach would be unsatisfactory. The problem must be approached fundamentally on a self-help basis—not through the demoralizing means test involved in public assistance. The approach should be one that is consistent with the American concept of earning security through work.

The established and successfully operating social security system fully meets the specifications for a sound and practical fundamental approach. Financing health insurance for the aged through the contributory social security system would be the key to a threefold solution: First, basic health insurance protection afforded almost all older people through social security; second, supplementary protection through private insurance, just as the present old-age and survivors insurance benefits have had wide-scale supplementation through private insurance and supplementary pension plans; third, good medical assistance—becoming financially practicable—to help the relatively small group not eligible for the basic protection under social security and to aid those with special needs. This is the approach contemplated in President Kennedy's proposal to finance basic health insurance protection for people age 65 and over through the social security system.

The administration's proposal would cover 9 out of 10 people reaching age 65 next year. It would cover every aged person who is entitled to monthly benefits under the social security and railroad retirement systems. Over the long run, 95 percent of our older people would be protected. The proposed program would, for any period of illness, pay the entire cost of up to 90 days of inpatient hospital care less a deductible amount of $10 a day for the first 9 days—with a $20 minimum. Payment would also be made for up to 180 days of skilled nursing facility care after discharge from a hospital and all the costs of outpatient hospital diagnostic studies in excess of the $20 deductible amount. Up to 240 home health visits would be paid for in a calendar year; these payments would cover the costs of such services as intermittent nursing care and physical therapy.

The administration's program would be financed by an increase in social security tax contributions of one-fourth of 1 percent each on employers and employees, and three-eighths of 1 percent on the self-employed plus an increase in the social security tax base from $4,800 to $5,200.

IN DEFENSE OF THE AMA

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, the gentleman from Michigan has seen fit to launch a violent attack upon the American Medical Association and accuse it of virtually every crime known, and unknown, to man. I regret that the gentleman would make such unfounded charges, and that he would do so without yielding the floor so that these irresponsible statements could be "slain" then and there.

Apparently the gentleman is following the same guidelines set down by the administration in its letter to AMA president, Dr. Leonard Larsen, the use of invectives, half-truths, untruths, innuendoes, and inferences, none of which are hardly commensurate with the responsible behavior expected of this body. They are also a repeat of the charges made by the Committee on Political Education of the AFL–CIO, that great reservoir of knowledge on health matters which professes to know so much more about TB, cancer, blood banks, et cetera, than do the doctors of America.

The facts are that the positions attributed to the AMA by the executive branch and its spokesman are identical, word for word, to a similar diatribe made on October 27, 1950, 12 years ago, by former Representative Eugene D. O'Sullivan, of Nebraska, during a campaign speech. Mr. O'Sullivan, who was defeated for reelection, subsequently had his speech printed as an extension of remarks in the CONGRESSIONAL RECORD of December 8, 1950, as a lameduck Congressman.

It is even more interesting to note that ex-Representative O'Sullivan's remarks were borrowed from a speech made by former Representative Andrew J. Biemiller, of Wisconsin, on August 30, 1950. Mr. Biemiller is now director of the American Federation of Labor's Legislative Department.

So, in the final analysis, the remarks of the gentleman from Michigan, are a carbon copy of the words of a defeated Congressman from Wisconsin, which, in turn, are a repeat of a defeated Congressman from Nebraska. I trust the same fate will not befall the gentleman from Michigan, who referred to me as a "mouthpiece of the AMA" and later reduced this allegation to a "self-appointed spokesman of the AMA."

It would seem that if there is any "self-appointed spokesman" that label could be applied to the gentleman from Michigan acting in that capacity for COPE and the New Frontier. He may even have been officially deputized.

Misrepresentation of fact on the floor of the House is not altogether uncommon, but these charges against the AMA must certainly establish a new record for effrontery. The allegations are false and I shall proceed to offer documentation for each one.

First. Allegation: "The AMA opposed the requirement that all cases of tuberculosis be reported to a public authority."

The facts: The AMA has fought for tuberculosis control since 1899 when a committee was appointed to report on the nature of the disease, means for controlling it, public education, and so forth. In 1944 a resolution was passed by the association's house of delegates which said in part "that it is necessary to extend procedures for careful, continuous supervision of the tuberculous by practicing physicians, who in cooperation with duly constituted health authorities, Federal, State, and local, are in a position to deal with these problems by modern methods to prevent the spread of this communicable disease." The AMA has never opposed the reporting of all cases of tuberculosis to a public authority. The allegation is false.

Second. Allegation: "The AMA opposed the National Tuberculosis Act."

Facts: The AMA was in sympathy with the purposes of the National Tuberculosis Act and said so. Its objection to the specific bill was twofold: First, money could not be appropriated or expended without the approval of the Federal Security Agency; second, the AMA believed the objectives of the legislation could be achieved in other ways—as for example, direct aid to needy communities under the Lanham Act. Each year, thousands of bills are introduced in the Congress and few are so flawless as to pass in their original form. That is why Congress holds hearings and seeks guidance. To state that the AMA opposed the National Tuberculosis Act is to suggest that the AMA opposed its purpose, which is totally untrue.

Third. Allegation: "The AMA fought compulsory vaccination for smallpox."

Facts: The AMA has fought for compulsory vaccination since 1863. In that year it appointed a committee on compulsory vaccination "to educate the public on the value and necessity of universal vaccination." This committee did report that general compulsory vaccination was impracticable in 1863. No doubt it thought so because a Civil War was raging, thus making general compulsory vaccination difficult—particularly in the Confederate States.

In 1899, the AMA's house of delegates resolved that it was the physicians' duty to "institute measures looking to the vaccination, ultimately, of every person living within the limits of the country," and urging local boards of health to adopt laws requiring compulsory vaccination for smallpox. This was after the famous research of Lord Lister and Dr. Jenner on cow pox.

The allegation is an out-and-out falsehood.

Fourth. Allegation: "AMA attacked provisions for immunization and preventive measures against diphtheria and other contagious diseases by public health agencies."

Facts: The AMA has cooperated with public health agencies in the prevention of contagious diseases for more than 80 years. From 1875 to 1879, the AMA was urging that "State boards of health be established in those States where such boards do not exist." In 1884, the AMA recommended that Congress appropriate money "for the prosecution of scientific research relating to the cause and prevention of the infectious diseases of the human race, to be expended under the direction of the National Board of Health." And in 1950, the house of delegates said:

> The basic services of the departments of health should be * * * the fields of vital statistics, public health education, environmental sanitation, laboratory services, prevention of disease and control of communicable diseases, such as the diseases of childhood, venereal diseases, and tuberculosis.

The allegation is an out-and-out falsehood.

Fifth. Allegation: "The AMA fought Federal aid to the States to reduce infant and maternal deaths."

Facts: The AMA has long favored maternal and infant welfare programs, but felt they would be most effective if each State were free to set up its own plan in cooperation with the U.S. Public Health Service. It has recommended that any legislation involving cooperation between the Federal Government and the separate States should be jointly administered by the U.S. Public Health Service and State health authorities.

Sixth. Allegation: "The AMA opposed the original Social Security Act as a definite step toward either communism or totalitarianism."

Facts: As originally drafted, this measure also made mention of national health insurance, though this section was deleted when the bill was redrafted. The AMA testified only on the section of the Social Security Act dealing with the extension of public health services. The following is taken from that testimony:

> CHAIRMAN (Mr. Doughton). Doctor, are you supporting that section of this bill as it is, without the suggestion of amendments or modifications?
>
> Dr. BIERRING. From my knowledge of the needs of the country, I would say that it should be supported.
>
> CHAIRMAN. We understand that it is one of the paramount needs, but do you have any changes or anything like that in mind that would help to better the bill?
>
> Dr. BIERRING. No, sir, I believe it is under good supervision if it is under the expert

guidance of the U.S. Public Health Services.

An editorial written by Dr. Morris Fishbein in opposition to any form of compulsory old-age and unemployment insurance, represented his opinion as an editor and did not constitute the official viewpoint of the AMA, which did not oppose old-age and unemployment security provisions of the Social Security Act. Furthermore, Dr. Fishbein has not been with the AMA in any capacity—other than a member—for many years.

The allegation is totally false.

Seventh. Allegation: "The AMA opposed the creation of public veneral disease clinics."

Facts: Since its inception the AMA has fought to eradicate venereal disease. In 1907 the association declared it the duty of "State boards of health to disseminate literature to educate the people on the subject of venereal disease as they do tuberculosis and other infectious diseases."

The AMA has called upon its doctor members to cooperate with the U.S. Public Health Service for better control of venereal disease. It has declared that members of the medical profession should cooperate with the official health agencies charged with the responsibility for an expanded program to control venereal disease made possible by Federal grants-in-aid. The association has also approved the treatment of nonindigents for venereal disease in public health units in those instances where such treatment is not available through private sources.

This particular allegation is not only totally unfounded, it is also thoroughly disgusting.

Eighth. Allegation: "AMA opposed creation of free diagnostic centers for cancer and tuberculosis."

Facts: In 1948 the house of delegates approved a resolution which authorized the association to cooperate with the American Cancer Society and other agencies engaged in cancer detection "for the purpose of formulating standards of procedure and conduct in the operation of cancer detection and diagnostic centers and that the results of these studies be adequately publicized to those concerned, including the medical profession and the public."

As part of its program for improved medical care, the AMA has also approved the diagnosis of tuberculosis by public health centers, and treatment of the disease by those centers, for indigent patients. In those instances where treatment is not otherwise available, the AMA has approved treatment of nonindigent patients.

AMA has been cooperating with cancer fighting groups since 1913, when an AMA resolution, noting the recent founding of the American Society for the Control of Cancer, stated that "this movement deserves the cooperation of the medical profession of America, and this association heartily commends its worthy purpose."

The allegation is without foundation.

Ninth. Allegation: "The AMA fought the American Red Cross plan to set up a nationwide reserve of civilian blood banks."

Facts: The house of delegates approved the Red Cross plan in principle shortly after it was announced, but with the understanding that the program should be maintained on the community level. In 1949, the house of delegates accepted a report from its committee on blood banks, which stated that there was an urgent need for a national blood program capable of continued expansion, and that the Red Cross was the logical agency to assume the responsibility for such a program.

In 1953, the house of delegates urged the establishment of a coordinated national blood program to be jointly organized by the American Red Cross, the AMA, and other qualified organizations interested in blood banking. The plan was subsequently approved. To sum up, the AMA has continually and consistently supported the Red Cross plan. I, myself, helped found the 11th U.S. Regional Blood Center in 1948 in Springfield, Mo., which serves parts of three States.

The allegation is false.

There are other allegations made by the gentleman from Michigan which can be refuted, just as they were when first uttered over 12 years ago by Mr. Biemiller. But by now it should not be necessary to proceed further. It is already quite clear that no single solitary word of truth prevails in the spurious remarks aimed at the professional organization of American doctors. Let us hope that these facts in the CONGRESSIONAL RECORD will effectively serve to discourage future Congressmen from speaking out on a subject on which they have so little knowledge and so little inclination to seek the truth.

MEDICAL CARE FOR THE AGED

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 3 minutes.

Mr. CURTIS of Missouri. Mr. Speaker, the reason I took the time is first, to compliment my friend, the gentleman from Michigan [Mr. DINGELL] for taking the floor and the time on an important measure of this nature, and for his courtesy throughout most of the debate in yielding on various points. I thought this was quite constructive. I think the evidence will show when we read the RECORD tomorrow that the adjectives he used to describe the article that I wrote for Reader's Digest were hardly substantiated, that the article is essentially correct.

The one point to which I must register disagreement—and the reason I took this time—is that I do believe it is unfortunate to attack the American Medical Association in the fashion it was done here without yielding to permit those who disagree to have their say. I have no special brief for the American Medical Association as my record reveals. I have opposed many things that they have suggested. On the other hand, I happen to think that they are a group of very honorable people, as I happen to think are the other pressure groups on the other side and on many sides on this issue.

Regrettably, throughout this entire public controversy, including the hearings in the Committee on Ways and Means, certain of the pressure groups sought to make the American Medical Association the butt of the debate and issue. I am not concerned with who is for a bill, I am concerned with what they say, what the facts are, and what the arguments are, and I am sure most of the Representatives here in the Congress look at it that way.

Let us not resort to this ad hominum argument of attacking the integrity or the actions of people involved unless indeed they have been indulging in improper action. If they have, then let us pinpoint that action and bring it out. If there were undue pressure on the nurses, for example, let us substantiate it so that there is no question about what we are talking about. But if it is not to be substantiated, let us not make these charges.

I regret the attack on the AMA. I doubt if the record presented here can be substantiated. I think in the next day or so someone should take the floor and point out the other side of the case so far as the American Medical Association is concerned. They have helped me on a number of affirmative bills that are now law. I refer to one in particular, the labeling act for hazardous substances left around the home. Without the AMA's help that would not have become law. Then the bill extending FHA guarantees in the construction of private nursing homes with high standards was supported by the AMA. I am sure the AMA has affirmatively supported much good legislation over a period of years. I daresay on what legislation they have opposed they have tried to point out their reasons and their views upon which their opposition was founded. They, too, are deeply concerned about the progress of our society and the welfare of all our citizens.

SOUTHEAST ASIA TREATY ORGANIZATION

Mr. MACGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MACGREGOR. Mr. Speaker, with remarkable foresight the American Legion at its annual convention in Denver, Colo., in September of last year passed the following resolution:

> Whereas recent events in Laos and southeast Asia are alarming and cause great concern to the free peoples of the world; and
>
> Whereas it is most important that this deteriorating situation be corrected by affirmative action at once; and
>
> Whereas our Government has not taken positive and corrective action to save Laos

from Communist domination and control: Now, therefore, be it

Resolved, That the American Legion in national convention, assembled in Denver, Colo., September 11–14, 1961, demands immediate and positive action, if possible, through the facilities of the SEATO organization, to save all free nations of southeast Asia from further domination and infiltration by Communist Russia and Red China.

Mr. Speaker, about 2½ weeks ago, motivated partly by the excellent American Legion resolution, I introduced House Joint Resolution 718, reading in part as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and he hereby is, requested to call an emergency conference of the Southeast Asia Treaty Organization and is hereby authorized to employ the Armed Forces of the United States, in concert with the armed forces of other Southeast Asia Treaty Organization members, as he deems necessary for the specific purpose of restoring the integrity of the 1961 cease-fire line in Laos and securing and protecting Laos and other southeast Asian nations against armed attack, his authority to include the taking of such measures as he judges to be required or appropriate in assuring the freedom of Laos or any other southeast Asian nation.

Starting on the 8th day of May in a letter which I wrote to the President of the United States, I have had correspondence with Mr. Frederick G. Dutton, Assistant Secretary of State. I should like to include a full text of that correspondence at this time and to include also at this point an excellent question and answer interview in the current issue of U.S. News & World Report with Father Menger, a Catholic missionary stationed at Laos and currently visiting this country, who gives his own eyewitness account of one who has lived with the Lao people and he gives such constructive steps as he feels might be taken to preserve the cause of freedom in that part of the world.

The matter referred to is as follows:

DEAR MR. PRESIDENT: Your news conference tomorrow, May 9, provides you an excellent opportunity to clarify U.S. policy with regard to the swiftly deteriorating situation in southeast Asia.

Mr. Walt W. Rostow, State Department Policy Planning Council Chairman, is quoted as having said in my State of Minnesota on May 3: "We stand ready to fight to the limit to defend the vital interests of the free world. But we are not looking for a military climax to this historic struggle between the West and the Communist bloc."

But the Associated Press on May 7 indicates that your administration reaction to the military loss of Nam Tha in Laos is that the affair is "simply an incident which should not be allowed to wreck the efforts for a peaceful settlement in Laos."

On March 23, 1961, you said at another news conference, in reference to conditions in Laos at that time: "I know that every American will want his country to honor its obligations to the point that freedom and security of the free world and ourselves may be achieved."

Two months later, on May 27, 1961, the Associated Press reported from the Geneva Conference on Laos that the U.S. delegation had accused the Pathet Lao of repeatedly and willfully violating the cease-fire in Laos. The same report said, "The U.S. delegation is not prepared to sit in Geneva indefinitely while Pathet Lao artillery and rebel infantry units whittle away at territory held by the pro-Western Royal Lao Government."

The pro-Communist rebels have whittled away for a full year since those fine statements. In the past few days they have taken the town of Nam Tha, a key point in the defense of the country. On the evening of May 2, 1962, I was present at a gathering of some 30 men to hear your Assistant Secretary of State for Far Eastern Affairs. In response to a question, Mr. Averell Harriman said, "It doesn't matter much to us, one way or the other, what happens in Laos."

Was Mr. Harriman expressing his own ideas, or stating administration policy? The American people need now to have a clear statement of your views, and answers to the following vital questions:

1. Are we going to defend the cause of freedom in Laos?

2. Do you think that Laos can be considered apart from the neighboring countries of South Vietnam and Thailand?

3. Is our policy in Laos still based on the idea that a coalition government with Communists and "neutralists" must be achieved, and that the hope of this achievement carries the best chance for advancement of peace with honor in southeast Asia?

Sincerely yours,
Congressman CLARK MACGREGOR.

DEPARTMENT OF STATE,
Washington, D.C., May 25, 1962.

Hon. CLARK MACGREGOR,
House of Representatives.

DEAR CONGRESSMAN MACGREGOR: Your letter of May 8 to the President concerning U.S. policy in southeast Asia has been referred to me. In view of the fact that Governor Harriman and the Secretary, and of course the President, have so frequently spoken to the American people on this subject, I shall not undertake a lengthy exposition here.

The decision to work for a neutral, independent, peaceful Laos was taken by the administration early in 1961. You have referred to the March 23, 1961, statement by the President explaining the decision to support the goal of a neutral and independent Laos. At his news conference on May 9, 1962, the President said that political negotiations are "a very hazardous course, but introducing American troops, which is the other one—let's not think there is some third course—that also is a hazardous course, and we want to see if we can work out a peaceful solution, which has been our object for many months."

The situations in Laos and Vietnam are quite different. In Laos there is a civil war. The only way in which this civil war can be ended is through international agreement for noninterference and through the formation of a government of national union, which requires agreement between the three princes representing the three principal political forces. The Republic of Vietnam, on the other hand, is subject to direct Communist aggression through subversion and guerrilla warfare. These guerrillas are organized, directed, and supported from North Vietnam, in direct violation of the 1954 Geneva Accords. The people of South Vietnam are fighting for their freedom and independence with great force and energy.

Because Laos cannot be considered apart from the rest of southeast Asia, we worked for 7½ months in 1961 at the 14-Nation Conference on Laos at Geneva to reach agreement on guarantees for the neutrality, independence, and peace of Laos as the best means of assuring peace and freedom in the area. As to Thailand, the President stated on May 15 that additional U.S. forces were being ordered there "to help insure the territorial integrity of Thailand." His statement included the following:

"The dispatch of U.S. forces to Thailand was considered desirable because of recent attacks in Laos by Communist forces, and the subsequent movement of Communist military units toward the border of Thailand.

"A threat to Thailand is of grave concern to the United States.

"There is no change in our policy toward Laos, which continues to be the reestablishment of an effective cease-fire and prompt negotiations for a government of national union."

After long and painstaking appraisals of the Laos problem over the years, it has been determined that the best hope for Laos lies in neutrality under a government of national union, with international guarantees that Laos will not be used as a base for aggression against neighboring countries. We believe a neutral and independent Laos will best support the cause of freedom in that country and in southeast Asia.

Regarding the statement you attributed to Governor Harriman when he talked with a private group on May 2, the Governor pointed out at the time, in response to press inquiries, that the statement you attributed to him was completely distorted and that he could not have made such a statement, since he had worked at Geneva and Washington for a year to achieve an independent and neutral Laos.

I hope the above comments will be helpful in connection with the questions raised in your letter. As of possible interest, I am enclosed a publication, "A Threat to the Peace: North Vietnam's Effort To Conquer South Vietnam."

If I can be of further assistance, please do not hesitate to let me know.

Sincerely yours,
FREDERICK G. DUTTON,
Assistant Secretary.

(Enclosures: As stated.)

JUNE 2, 1962.

Hon. FREDERICK G. DUTTON,
Assistant Secretary, Department of State,
Washington, D.C.

DEAR MR. DUTTON: Thank you for your reply of May 25 to my letter of May 8 to the President.

I was delighted to read that you feel Laos cannot be considered apart from the rest of southeast Asia. It seems to me that the deteriorating situation in Laos makes the position of American forces in neighboring South Vietnam and Thailand increasingly more precarious.

You may be assured that I quoted the remarks made by Averell Harriman on May 2 with absolute accuracy. While it is true that Mr. Harriman, in behalf of the State Department and the administration, has been working for over a year to establish a coalition government in a neutral Laos, it seems obvious that indigenous Communist forces are busily creating, through aggression, a military situation which makes Mr. Harriman's efforts fruitless. You quote President Kennedy as stating on May 15 that "there is no change in our policy toward Laos." While our policy has remained unchanged for over a year, Communist forces have made striking military gains. These forces appear headed toward occupying virtually all of the land area of Laos lying east of the Mekong. Are we to continue with no change in our policy while the Communists realize their objective? Will our present policies make any sense if Communist forces control 90 to 95 percent of the land area of Laos? How can we conceivably then have any leverage to accomplish the political and diplomatic goals of the present administration policy?

Would you agree that the position of American forces in neighboring South Vietnam and Thailand grows more difficult with each Communist success in Laos?

Sincerely yours,

Congressman CLARK MACGREGOR.

CC: The President, the White House.

[From the U.S. News & World Report, June 11, 1962]

RED WAR IN SOUTHEAST ASIA: AN EYEWITNESS ACCOUNT

(Interview with Father Matt Menger, Catholic Missionary stationed in Laos)

(War is flaring up again in Laos, where Communist forces are back on the offensive.

(Can that primitive but strategic land be held? What happens if it falls to the Reds?

(And what of the U.S. role in Laos?

(Father Matt Menger, an American, is one of 60 Catholic priests of the Oblate of Mary Immaculate order who are on missionary duty in Laos. He has lived there since 1956, and is presently on a trip to the United States.

(U.S. News & World Report invited Father Menger to its conference room, where members of the news staff interviewed him about the events in Laos and what they foretell.)

Question. Father Menger, do you think the Communists are going to get all of Laos?

Answer. Unless we do something about it, they certainly will.

Question. What can we do—the United States?

Answer. Keep our promise. We promised to defend Laos. We promised in 1954 when we set up SEATO—the Southeast Asia Treaty Organization. Laos was not a member nation. But, nevertheless, we said that we would put Laos under the protective umbrella of SEATO.

The Communists came in, and, of course, we did not keep our promise. Laos was under the umbrella of SEATO, but we forgot to open the umbrella. And, therefore, the answer to your question—"What can we do?"—is very simple: Let's keep our promise.

Question. Well, is it militarily possible to win back the area that the Communists have taken?

Answer. It surely is.

Question. What do the Communists hold?

Answer. They occupy about three-quarters of the country already.

Question. How could so much territory be taken back?

Answer. By using SEATO troops.

Question. Could it be done with the Lao Army?

Answer. I don't think so, because it would be Lao Communists fighting against Lao anti-Communists. You could—but there are too many North Vietnamese troops in Laos.

If you would put in the same number of SEATO or American troops as you have North Vietnamese troops, you could certainly stop them.

Question. How many Communist Vietnamese troops are in there?

Answer. No one knows exactly. No one can give you an exact figure. I personally believe there are about 10,000.

Question. Would SEATO troops be effective?

Answer. In the spring of last year, all of the Asian members of SEATO begged the United States to let them fight the Communists in Laos. They said: "Let us Asians fight the Asians." They said: "We will furnish all the ground troops. All we need are a few American military leaders." And the United States said "No." We were afraid of foreign intervention. But if the Communists are using foreign intervention—

Question. Are there any Chinese Communists in there, do you think?

Answer. Definitely. I couldn't give you their number. Definitely there are Chinese Communists.

Question. Father Menger, how long have you been in Laos?

Answer. Since 1956.

Question. Why are you in the United States just now?

Answer. I am on a nationwide lecture tour to raise funds to build the first orphanage in Laos.

Question. Are you going back?

Answer. Certainly. I'm there for life. All the Catholic missionaries are there for life. I'll be going back in early fall.

Question. Is your mission out in the wilderness, or are you in a metropolitan area?

Answer. I have been all through the country. Actually, where I was the first 3 years—all the places I was stationed the first 3 years—have all been captured by the Communists.

Question. How do you get around out there?

Answer. By walking, mostly.

Question. Are there no roads?

Answer. No roads—a few dirt roads.

Question. From your knowledge of the villagers, is it your impression that the people of Laos will stand and fight?

Answer. They will if they have to.

Question: Have they in the past?

Answer. Not too often, because they do not have a strong dedication. The Lao is a wonderful person. He is a hospitable, a gentle person. He loves to live and let others live. He does not like to fight. He's not like a German—a German has a strong will. The Lao does not like to fight, but he will fight. He needs someone to go in and give him courage and to strengthen his dedication.

Question. Can you give us an idea of the war in Laos—what the actual fighting is like?

Answer. It's small skirmishes. I can't say big fighting every day, but it's very, very frequent. I would say there are many small skirmishes every day.

The Communists come in, they kill their man, they capture their man, and they take off in the jungle.

Question. Do they come in force: 20 or 50 or 100?

Answer. It depends on the area. Sometimes they're very small groups—four and five. Sometimes they're more numerous.

Question. Do they just come in and shoot somebody?

Answer. That's right.

Question. They have arms and the villagers don't, is that it?

Answer. Some of the villagers do. They have their autodefense.

Question. What are these people—home guards?

Answer. Yes, there are about 13,000 of them—home guards, or you can call them guerrillas, if you want. Better to call them the home guard—the autodefense.

Question. Do they have American instructors?

Answer. In some groups, yes.

Question. And American equipment?

Answer. It's all American equipment.

Question. How long do you think Laos can last, the way it is now?

Answer. The Communists could take the country today if they wanted. It all depends on the United States.

Question. Why have the Communists taken so long?

Answer. They have time. Time is with them. They're not in a rush. For example, the Communists came into the city of Houei Sai. The Americans brought their troops into Thailand. The Communists were afraid then that the American troops were coming across, so they retreated a few miles from Houei Sai. They then waited, and when they saw that it was an American bluff, they came back and took Houei Sai.

Question. What proportion of people of Laos, do you suppose, are really politically conscious of what's going on?

Answer. They do know that the Communists are fighting, and they are beginning to realize what communism is.

Most of them know very little about politics. I could give you one example: One evening in 1958 there were 42 people in my hut—my bamboo hut. And I decided to find out how much they knew about the politics of their country. I asked these 42 people how many of them knew the name of the Prime Minister. Only two out of 42 even understood the word na yok, which means Prime Minister, and one of the two knew his name.

In 1958 and 1959 I walked all through whole areas of Laos and I visited 40 villages in which I was the first white man ever to go in. Laos is by far the most primitive nation in the world.

Question. That being the case, why are the Communists so anxious to get it?

Answer. Because they realize that it's the geographic heart of all of southeast Asia. It's a corridor. There's little in it economically. It's like a corridor in this building. There might not be any typewriters or tables or chairs, economically, there's nothing in the corridor, but to get to the other rooms where you do have typewriters and chairs, and a safe or people, you have to go through the corridor—you have to take the corridor.

The Communists do not want this for itself, but they do want it for the countries whose doors open onto Laos.

And, of course, if you take a map of the whole Far East you can see how the Communists will take Cambodia and Burma and they'll squeeze Thailand. I don't care how many divisions of American troops you put in South Vietnam, all I can say is, God help the American troops that try to defend South Vietnam if Laos is Communist.

Question. Is the whole thing strategic?

Answer. A lot of people have pointed out that its geographic location makes it very important strategically, but we often forget that the lives and freedom of 3 million human beings who live there are at stake. Like us, they have a right to live outside the system of slavery the Communists are trying to force upon them.

Question. Has the Lao Army been able to disrupt the Communist supply lines at all?

Answer. Very little, because, until the United States has a firm, unified, constant policy in Laos or in any other country, the Lao themselves do not want to fight, do not want to commit themselves, because they feel—they say: "Why should we fight with the Americans against the Communists, against the neutralists?"—because the Americans are vacillating.

IF UNITED STATES MUST FIGHT

Question. Do you feel, then, that it's going to require American combat troops in there?

Answer. A small number at the beginning. No one can tell you what the North Vietnamese will do. We said we would defend Laos; well, let's defend it.

What happens if North Vietnam comes in? In that case the 7th Fleet could handle Hanoi very easily.

What happens if the Red Chinese come in? Our Air Force could take care of Peiping and Shanghai.

What happens if Russia comes in? Well, the U.S. Army will take care of Russia.

The point is that, until we stop the Communists somewhere, we're always afraid of what's going to happen. Some place, we have to decide to call a halt.

The American people must realize that we are at war, and that we must take the means to stop it—to restore peace.

Question. Do you get the impression that communism is popular with the people of Laos?

Answer. No, very, very few of the natives in Laos are Communist.

Question. How do people out there feel about U.S. insistence that they set up a coalition government of neutrals, Communists and anti-Communists?

Answer. They are very opposed to it—a great opposition. The strongest opposition of all is coming from the South Vietnamese and the Thai Ambassadors in Laos.

Question. Why?

Answer. Well, they know that a coalition government in Laos will work the same as it has in Rumania, in Yugoslavia, in China.

Question. You mean it will be a Communist government?

Answer. Certainly. History has proven this.

Question. How about dividing the country? Could that be done?

Answer. Instead of a coalition government, it would be much better to divide it.

Question. Where would you partition?

Answer. The only way you can would be at the 17th parallel and come up through the mountains. You'd have to keep the valley bordering on Thailand; otherwise, you are going to have a lot of friction.

Question. Is there a feeling that, if Gen. Phoumi Nosavan, the leader of the loyal Government, is forced into a coalition government, the effect will be to give the country to the Communists?

Answer. Right. Well, let's face it, let's put it this way: History itself has proven that in many countries.

Question. What about the Americans who are out there—both military and civilian? Are they popular and respected?

Answer. The people of Laos know them very little.

Question. Whose fault is that?

Answer. The Americans. Suppose a Japanese would come to the States to try to sell your wife a Japanese radio, and he would talk to your wife in Japanese. Do you think that such radios would be very popular in the States? Do you think your wife would buy a Japanese radio?

Question. Do many Americans speak the Lao language?

Answer. There has never been an American in the U.S. Embassy that I know of—and I've known them all since I arrived there in 1956, and the Embassy wasn't set up until 1955—that has learned the Lao language.

Question. What about the American military?

Answer. They have learned a few words. I know of one major in particular who could sit down and carry on a fair conversation in Lao. But you can say, in general, that the Americans in Laos do not learn the Lao language, do not learn the customs, and are not winning the minds and hearts of the people.

A very important thing that we do not realize is that dollars are not enough. The Lao people say that. They say the Americans are the most generous people in the whole world. And it's true, really. You can't find a nation as generous as the Americans with their dollars, but not with their hearts.

As far as I'm concerned, the most dedicated man I ever met during my 5 years in Laos was a Russian Communist. I met him at the airport one day and asked him how long he was going to stay in the country. He was very surprised. He said: "Father, why do you ask that?" I said: "Well, the ordinary foreigners, the diplomats, come for 6 months, 12 months, or 24 months—that's it."

He answered: "Well, we are not here to put in time. We're here to do a job, and until that job is done——"

Question. Was he a Russian official of some kind?

Answer. Yes.

Question. What is the theory of the people in the American Embassy in Laos? What is their opinion of the future?

Answer. They don't know, because they don't have the facts. How can you expect an American who does not know the people, cannot speak the language, to know anything about the country? People in Vientiane cannot travel into the countryside any more at all. They are obliged to remain in Vientiane, a city of 100,000 people.

Question. What are health conditions outside the cities, or towns?

Answer. The first 23 weeks I was in Laos I lost 35 pounds.

Question. Did you use the local food?

Answer. Sure, we eat the Lao food and drink their water.

Question. Any ill effects?

Answer. I had malaria, hookworm, dysentery, ringworm; I had all the other parasites, too.

Question. These American military instructors who get down to the village level—do they eat with the local people?

Answer. In general, no. They have their rations.

NEEDED: A STRONG POLICY

Question. To sum up, Father Menger, are the vast majority of people in Laos now under Communist control?

Answer. I'd say at least 75 percent of the country of Laos is held—geographically and also populationwise—by the Communists.

What can be done about it? We need more dedicated Americans, men who are willing to make the sacrifices required in order to learn the language and customs of the people. Also, we need a strong, unified foreign policy. We need a foreign policy whose sole criterion is "right."

In other words, we should not worry what others might say, what the United Nations might say. But if communism is wrong—which it is, for it is atheistic materialism, and thus directly opposed to our Christian democracy—let's stop it. Why worry what others are going to say?

MICHIGAN TOURIST BUSINESSES LEARN FEDERAL AID INCLUDES FEDERAL DICTATION

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. CEDERBERG] may extend his remarks at this point in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. CEDERBERG. Mr. Speaker, what happens when the camel of Federal aid gets his nose under the tent of State and local government is clearly demonstrated in Michigan, where Federal Bureau of Public Roads, with the silent consent of the Michigan State Highway Department, is requiring all tourist business establishments to remove their signs which overhang or encroach upon the highway right-of-way. This edict applies to all roads to which the Federal Government has contributed a dollar.

Tourism is big business in Michigan. Motels, restaurants, gasoline stations, and other accommodations for tourists have erected attractive signs at their places of business. Some of these have cost $4,000 and $5,000 each and are of such a nature that the owners will experience a great loss because of the damage done in an attempt to meet the mandate of the Bureau of Public Roads.

Our Michigan scenic highways are lined with evergreen trees for long stretches and the tourists would be unaware of these accommodations in many instances if the signs were located back of the property line. Consequently, and sometimes with State consent, signs were erected on the right-of-way line or overhanging State highway rights-of-way. The signs to which I refer are not the gaudy type, but modest signs advertising the tourist business establishment at that particular point. They create no hazard to traffic.

While the Senate and House of Representatives of the Michigan Legislature, separately by resolution, have asked the Michigan Highway Department to reexamine its policy with respect to the sign removal directive, the Michigan State Highway Department remains aloof to these pleas and even concurs in the mandate of the Federal Bureau of Public Roads—calmly accepting the dictations that go with accepting gifts from the Federal Government.

The following are Senate Resolution 55 and House Resolution 104 of the Michigan Legislature, expressing concern over the ruling:

SENATE RESOLUTION 55

Resolution requesting the highway department to reexamine its sign removal policies

Whereas the recent ruling of the Michigan State Highway Department concerning the removal of commercial highway signs has created grave concern among legitimate businesses catering to the tourist trade; and

Whereas the Michigan State Highway Department, acting pursuant to the authority of act No. 108 of the Public Acts of 1925, as amended, has been informing all businesses having frontage on State trunkline highways and advertising signs placed on State highway rights-of-way to remove the same; and

Whereas the State highway department, in its directive, has stated that the U.S. Bureau of Public Roads has issued a directive to all States, requiring all signs to be removed from any highway right-of-way wherever any Federal funds have been used in the building or maintaining of such State highways; and

Whereas there is a sound recognition for the need of curbing the flagrant violations of State rights-of-way, but we are concerned not with nondescript advertising signs, but signs at the place of business of hotels, motels, restaurants, supper clubs, fishing resorts, and service stations whose chief livelihood depends upon tourist travel; and

Whereas many of these signs, some of which only projected over the highway's right-of-way, were erected with the knowledge and approval of the State highway department; and

Whereas some of these signs valued at hundreds of dollars cannot be moved without total destruction and removal of many signs directing the traveler to State, city, county, township parks, public fishing sites, and historical sites would decrease the attendance; and

Whereas the permission to have such signs was verbally implied by the Michigan State highway right-of-way purchasing agents, and these verbal concessions were a major factor in obtaining additional private property for highway purposes without resorting to condemnation proceedings, thereby saving the Michigan State Highway Department thousands of dollars in legal and purchasing expenses for additional land obtained from private property owners; and

Whereas one of our largest businesses in Michigan is the tourist business and to a great extent it is founded upon the principle of taking care of the motoring public who need and use such advertising signs as a guide to places to sleep, eat and to visit; and

Whereas the removal of such signs will deal the tourist industry of Michigan a staggering blow, which will cause an untold amount of confusion, as well as requiring the expenditure of a great deal of money in removing the signs, which, in many instances, because of the peculiar location of the businesses involved, cannot relocate their signs to an advantage: Now, therefore, be it

Resolved, That the senate request that a revision or an amendment be made in the Federal law upon recommendation of the Michigan Highway Department to eliminate the need for removal of such signs; and be it further

Resolved, That a copy of this resolution be transmitted to the Michigan State Highway Commission, the U.S. Bureau of Public Roads, and to each member of the Michigan delegation to the U.S. Congress.

Adopted by the senate, May 22, 1962.

BERYL I. KENYON,
Secretary of the Senate.

HOUSE RESOLUTION 104

Resolution requesting the State Highway Department to reexamine its sign removal policies

Whereas the Michigan State Highway Department, acting pursuant to the authority of Act No. 106 of the Public Acts of 1955, as amended, has been informing all businesses having frontage on State trunkline highways and advertising signs placed on State highway rights-of-way to remove the same; and

Whereas the State highway department, in its directive, has stated that the U.S. Bureau of Public Roads has issued a directive to all States, requiring all signs to be removed from any highway right-of-way wherever any Federal funds have been used in the building or maintaining of such State highways; and

Whereas in innumerable cases, businesses along the Michigan highways have been built on the principle of advertising and in many cases have secured previous permission from the State highway department to erect such advertising signs on the State highway rights-of-way at a considerable expense to the said business owners; and

Whereas one of the largest businesses of the State—the tourist business—is to a great extent founded upon the principle of catering to the motoring public whose use such advertising signs as guides to places to visit, to eat and to sleep; and

Whereas the removal of such signs will deal the tourist industry of Michigan a staggering blow, which will cause an untold amount of confusion, as well as requiring the expenditure of a great deal of money in removing the signs, which, in many instances, because of the peculiar location of the businesses involved, cannot relocate their signs to an advantage; and

Whereas while it seems to be true that the Federal directives appear to indicate that failure to follow the Federal directive on sign removal might result in a curtailment of Federal aid to State highway programs, nevertheless this policy has not definitely been decided, and, further, it should be pointed out that the moneys being spent on the Federal highway programs are moneys collected from the motoring public itself, and that if they find roadside signs of convenience, then, perhaps, the entire Federal and State policy regarding their removal should be reexamined: Now, therefore, be it

Resolved by the house of representatives, That the legislature request the Michigan State Highway Department to reexamine its directives concerning the removal of signs from the State highway rights-of-way; and be it further

Resolved, That a copy of this resolution be transmitted to the Michigan State Highway Commission, the U.S. Bureau of Public Roads, and to each member of the Michigan delegation to the U.S. Congress.

Adopted by the house May 15, 1962.

NORMAN E. PHILLEO,
Clerk of the House of Representatives.

POLITICS FIRST IN FHA

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. MACGREGOR] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. MACGREGOR. Mr. Speaker, a highly political move by the present "politics first" administration has backfired and the people of Minnesota are the losers. The resignation of Wallace E. Berg of St. Louis Park, Minn., an extremely competent and dedicated Federal Housing Administrator, has been forced by Washington Democrats in announcing Berg's impending transfer out of Minnesota. His resignation yesterday to become an officer of Farmers and Mechanics Bank in Minneapolis resulted directly from the effort to "kick him upstairs."

Since May 12, I have received many letters from leading Minneapolis area professional people urging Berg's retention in the Minnesota job. These letters have come from suburban Hennepin municipal officials, producers of FHA loans, the Minneapolis Board of Realtors, and the Minnesota Association of Realtors. It is reported that Berg was forced out of Minnesota to create a political opening for a recently defeated DFL candidate. It is bad enough to add to the Washington bureaucracy by creating new jobs for most defeated Democrats, but it is certainly worse to force good men out of Federal service to provide slots for those Democrats rejected by the voters. On May 16, I protested to the head of the FHA in Washington about Berg's transfer and was told "staffing requirements necessitate the utilization of Berg's talents at the national level." This is pure politico-bureaucratic toe dancing designed to cover up the real purposes for easing Berg out of Federal service. Democratic officials in Washington are well aware that he had had earlier offers to go to Washington under far better terms than those handed him last month.

HELP WANTED: BUSINESS RELOCATION ASSISTANCE

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. KOWALSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. KOWALSKI. Mr. Speaker, the plight of small businessmen in the path of public projects is a matter of national concern.

Many small businessmen suffer great personal hardships and severe financial losses, and receive little or no compensation.

While limited Federal financial assistance is given to businesses forced to relocate by urban renewal programs, it is not sufficient to cover actual costs.

No relocation payments are given to businesses evicted by highway clearance programs and many other public projects.

In my own State, Hartford and New Haven firms displaced by urban renewal projects had average actual expenses of close to $9,000, a large portion of which are not covered by present relocation payments.

Twenty-five percent of these firms received no relocation payments at all although they were eligible.

A nationwide study conducted by William N. Kinnard and Zenon S. Malinowski and published by the University of Connecticut showed 1 out of every 4 businesses displaced by urban renewal projects go out of business for good.

The study also showed only one firm in a hundred succeeds in relocating in the project area when it is completed.

I propose a minimum three-point program to relieve businessmen of the burden of forced relocation.

First, the Federal Government should pay relocation costs to all businesses evicted by federally assisted public projects, not just those forced out by urban renewal.

Second, relocation payments should cover all actual costs, including moving expenses, property losses, losses resulting from delay in property acquisition, and loss of business good will.

Third, the Federal Government should provide lease guarantees in redevelopment areas and shopping centers which are now almost completely beyond the means of small independent merchants who have been forced to relocate.

This three-point program could do a great deal to enable the small business man to survive and share in the renewed prosperity of his community.

I intend to discuss this in greater detail in the days ahead.

THE SCHOOL LUNCH: FOOD FOR THOUGHT AND FOOD FOR HEALTH

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. SANTANGELO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SANTANGELO. I rise to support H.R. 11665, a bill to revise the formula for appropriating cash assistance funds among the States under the National School Lunch Act. As a member of the Appropriations Committee, Subcommittee of Agriculture, I have been deeply concerned with the operation and the financing of the school lunch program throughout the United States. I think one of my most important contributions to the work of the Appropriations Agriculture Subcommittee has been my deep interest in and strong support for the school lunch program and the special milk program.

The national school lunch program represents legislation which I believe by its nature and intent demands flexibility in order to meet changing school needs. You may remember that initial Federal assistance for school lunch programs which began in 1933, was started for three major reasons: First, to supplement relief feeding programs of the States and localities; second, to provide relief employment for the unemployed; and third, to assist in removing surplus agricultural commodities from the market. By 1946, when the school lunch program became permanent, the relief aspects had disappeared, and the objectives were broadened. At that time school lunch became an accepted program which, even in times of prosperity, had two very important objectives. One objective was to extend the market for agricultural food commodities by first, providing an expanded market for agricultural commodities through local purchases of food by school lunch programs in commercial channels of trade; second, serving as a valuable outlet for agricultural commodities purchased by the Department of Agriculture to alleviate local and seasonal surpluses; third, expanding the outlet for highly nutritious foods, particularly in areas of nutritional deficiencies; and fourth, introducing a wider variety of foods, thus creating a demand for commodities that many housewives would not otherwise buy.

The second and perhaps more important objective is to improve the health and well-being of the Nation's children by providing them a well-balanced lunch at school to help fill their daily nutritional requirements, and by developing proper and nutritionally beneficial food habits which will continue in later life.

Today, the national school lunch program furnishes food items to schools by distributing commodities acquired under the stipulations of the National School Lunch Act through State distributing agencies. Under section 6, National School Lunch Act, commodities are purchased on the basis of their nutritional value and acceptability. Under section 32 of the Agricultural Adjustment Act, those commodities declared as surplus foods by the Department of Agriculture are purchased for donation to authorized outlets including all eligible school lunch programs.

Under present school lunch programs, the average cost of a lunch is 50 cents; 11 cents is contributed by the Federal Government, 12 cents by the State and local subdivisions, and 27 cents by the parents. The formula for apportionment by the Federal Government to the States is based on school population without regard to the number of students participating in school lunches. Consequently, some States where student participation is higher than average participation, reimbursement to those schools is lower than average reimbursement; whereas, in some States where student participation in type A lunches is lower than average participation, reimbursement to schools in those States is higher than average reimbursement. This is so because the sum allotted to a State is a fixed sum based on total school population. The result of more children participating in the program is that reimbursement for each child is less. This legislation proposes to eliminate that inequity. It revises the formula and provides that the apportionment of funds among the States be on the basis of the number of students participating in type A lunches in the preceding year multiplied by the need rate of a State.

A type A lunch is lunch without milk. A type B lunch is lunch with milk. A type C program is the consumption of milk alone without food. The provisions of this bill will eliminate the unfairness in those States where participation in type A lunch is higher than the average participation by increasing the reimbursement. In no event shall the State reimbursement to a participating school be less than 5 cents per meal regardless of the wealth of a particular State or its need rate, and in no event shall the reimbursement exceed 9 cents per meal.

This bill proposes to distribute one-half of the funds under the existing law and one-half of the funds under the new formula. In addition, where State statutes prevent the State agency from disbursing funds to private schools, the Secretary of Agriculture is authorized to disburse to such nonprofit private school that portion of Federal funds for the State attributable to the number of children participating in the school lunch program in the private schools. It is noteworthy that no question of constitutionality is raised against the practice of the Federal Government through the Secretary of Agriculture to make direct payment of Federal funds to nonprofit private schools whether they be parochial, Hebrew, protestant or otherwise. Contrast this attitude with the attitude as to the use of Federal funds to private schools in connection with aid to education. No difference in principle exists. Each of the two programs, Federal contributions to school lunch or Federal aid to education, has an observable objective or an observable end other than the establishment of religion. In one instance, the objective is the mental health of the children and the other instance, it is the physical health of our children.

The improvement in physical health is brought about by the use of better foods while at the same time distributing agricultural surpluses. This lack of objection to the use of Federal funds directly to the nonprofit private schools is proof positive that no valid constitutional objection exists in providing Federal aid to nonprofit private schools where all schools and schoolchildren are treated equally.

Since 1958, when I became a member of the Agricultural Subcommittee, the number of school enrollments in school lunch programs, the number of schools and children participating, and the number of meals served has increased greatly. As a result of my efforts on the Appropriations Agricultural Subcommittee, the amount of Federal contributions to the school lunch program has increased greatly despite the reluctance of the prior administration to provide additional funds to take care of the increasing school population and school participation in school lunch.

The national school lunch program has contributed immeasurably to the health and welfare of the Nation. It has had a most beneficial influence on the eating habits of our young people. It has also helped to encourage the finest use of various food surpluses. The special milk program has encouraged the consumption of fluid milk by our schoolchildren.

The national school lunch program and the special milk program represent a sizable market for the food produced on our farms. Total Federal, State, and local funds expended under these programs represent a significant part of our annual food bill. In fiscal year 1958, a total of $874.5 million was spent for these purposes. In fiscal year 1962, the expenditures for food in these programs are expected to increase to $1,300 million.

Since 1958, school enrollment has increased from 38.4 million to 43.8 million, the number of children participating in school lunch programs has increased from 11.5 million to 14.4 million, and the number of meals served has increased from 1.9 billion to 2.4 billion. Federal contributions for school lunch since 1958 in the form of direct appropriations in cash and purchases under section 6 of the Agricultural Adjustment Act rose from $100 million to $170 million. In addition, commodities donated by the Federal Government from purchases with section 32 funds, that is, from a portion of our customs receipts and under section 416, rose from approximately $75 million to $111 million. The Federal expenditures under the special milk program rose from approximately $65 million to $101 million.

But the real importance of this program is not in the statistics, but in what they have meant to the schoolchildren. The almost $380 million Federal expenditures for school lunches and milk represent a relatively small item in the total Federal budget in return for the real value of the program. The school lunch and special milk programs will reduce the number of physically unfit young men. During World War II, the number of rejections for the military services was over 150,000 because of bad teeth, vitamin deficiency, and other health defects. Such a large number of 4-F's was ominous and a warning. Good nutrition will correct those deficiencies to a large extent. The Federal expenditures represent a figure of vital importance to the millions of schoolchildren who for no charge or for a minimum charge may receive a noonday meal, which is not only appetizing but nourishing. Truly our school lunches are providing food for thought and food for health.

In 1958 during the national convention in Philadelphia of the American Food Service Association where I was a speaker, I heard the executive secretary, Mr. Perryman, deliver a memorable address. He entitled his speech "The ALSO of School Lunch." Implicit in that speech is the list of benefits which are obtained. In speaking of the contributions of those who prepare the food, the panelist called the administrators, and the workers in the school lunch program, the ALSO of school lunch.

The initials meant:

A—Architects of anatomy.
L—Leaders of learning.
S—Sources of survival.
O—Operators of opinion.

Thus, we see that school lunches develop the anatomy, teach children what to eat by providing examples of nutritional food, prepare for survival by building stronger bodies and provide the food requirements, a necessity of life, so that our youth need not be diverted from the task of developing their minds and opinions in order to search for food.

The revised formula of this legislation improves the school lunch program, obtains maximum utility from appropriated funds by dividing funds on the basis of students participating rather than on the basis of school population. In our desire to help the impoverished people of the world, we must not forget that charity begins at home with our children. Let us provide in our schools not only food for thought but also food for health. I trust that this measure will pass.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. JAMES C. DAVIS, for 30 minutes today.

Mr. RYAN of New York, for 5 minutes, today.

Mr. DINGELL (at the request of Mr. ALBERT), for 90 minutes, today.

Mr. SCRANTON (at the request of Mrs. WEIS), for 15 minutes, on June 6.

Mr. SCHWENGEL (at the request of Mrs. WEIS), for 30 minutes, on June 6.

Mr. CURTIS of Missouri, for 3 minutes, today.

Mr. WHITENER (at the request of Mr. EDMONDSON), for 1 hour, tomorrow, June 6, 1962.

Mr. HEMPHILL (at the request of Mr. EDMONDSON), for 1 hour, tomorrow, June 6, 1962.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mr. ALBERT and to include an address by the Vice President of the United States given today at the commencement exercises of the National Cathedral School for Girls.

Mr. WICKERSHAM.

Mr. BAKER and include a speech.

(The following Members (at the request of Mrs. WEIS) and to include extraneous matter:)

Mr. BECKER.
Mr. DEROUNIAN.
Mr. VAN ZANDT in two instances.
Mr. SCHWENGEL.
Mr. PILLION.
Mr. GUBSER.

(The following Members (at the request of Mr. EDMONDSON) and to include extraneous matter:)

Mr. CELLER.
Mr. MONAGAN.
Mr. EDMONDSON.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 88. Joint resolution authorizing the issuance of a gold medal to Bob Hope.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 6, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2143. A letter from the Comptroller General of the United States, transmitting a report on the review of the military assistance program (MAP) for Turkey, as administered by the Joint U.S. Military Mission for Aid to Turkey (JUSMMAT); to the Committee on Government Operations.

2144. A letter from the Comptroller General of the United States, transmitting a report on the review of supply management of selected weapon system components and spare parts in the Department of the Navy; to the Committee on Government Operations.

2145. A letter from the Administrator, Housing and Home Finance Agency, transmitting a report on a violation of section 3679 of the Revised Statutes, as amended, relating to an overobligation of an allotment in connection with project IND-17-6, Indianapolis, Ind.; to the Committee on Appropriations.

2146. A letter from the Secretary of Commerce, transmitting the 59th quarterly report covering the first quarter 1962, pursuant to the Export Control Act of 1949; to the Committee on Banking and Currency.

2147. A letter from the Secretary of the Interior, transmitting the sixth annual report of operations conducted by or under contract with the Bureau of Commercial Fisheries of the Department of the Interior to encourage the distribution of domestically produced fishery products for the fiscal year ending June 30, 1960, pursuant to 70 Stat. 1119; to the Committee on Merchant Marine and Fisheries.

2148. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2149. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2150. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of the order suspending deportation in the case of Carmela Caraccia, A8789066, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2151. A letter from the Attorney General, transmitting a report relating to the review of voluntary agreements and programs, pursuant to section 708(e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of April 19, 1962 the following minority views were filed on June 5, 1962:

Mr. CURTIS of Missouri: Committee on Ways and Means. Part 2, minority views on H.R. 8846. A bill to amend the Internal Revenue Code of 1954 with respect to the taxation of distributions of stock and dispositions of property made pursuant to orders enforcing the antitrust laws (Rept. No. 1605). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 5, 1962*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIS: Committee on the Judiciary. H.R. 11017. A bill to amend section 4281, title 18, of the United States Code to increase from $30 to $100 the amount of gratuity which may be furnished by the Attorney General to prisoners discharged from imprisonment or released on parole; without amendment (Rept. No. 1757). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 11793. A bill to provide criminal penalties for trafficking in phonograph records bearing forged or counterfeit labels; without amendment (Rept. No. 1758). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 675. Resolution for consideration of H.R. 11879. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes; without amendment (Rept. No. 1759). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 11990. A bill to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Ways and Means.

H.R. 11991. A bill to amend the Internal Revenue Code of 1954 with respect to the taxation of life insurance companies; to the Committee on Ways and Means.

By Mr. BATTIN:

H.R. 11992. A bill to amend chapter 29 of title 18, United States Code, with respect to publication or distribution of printed political material; to the Committee on the Judiciary.

By Mr. BETTS:

H.R. 11993. A bill to provide full indemnities for sheep slaughtered in connection with the scrapie slaughter program; to the Committee on Agriculture.

By Mr. BLATNIK:

H.R. 11994. A bill to amend the Federal Water Pollution Control Act by creating a Federal Water Pollution Control Administration and for other purposes; to the Committee on Public Works.

By Mr. BYRNES of Wisconsin:

H.R. 11995. A bill to authorize redetermination under the Civil Service Retirement Act of annuities of certain reemployed annuitants; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.R. 11996. A bill to amend the act of January 30, 1913, to provide that the American Hospital of Paris shall have perpetual succession; to the Committee on the Judiciary.

By Mr. CORBETT:

H.R. 11997. A bill to define the term "child" for lump-sum payment purposes under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H.R. 11998. A bill to provide for the transportation of mail by aircraft upon star routes within the Commonwealth of Puerto Rico; to the Committee on Post Office and Civil Service.

H.R. 11999. A bill to repeal section 25 of title 13, United States Code, relating to the duties of supervisors, enumerators, and other employees of the Bureau of the Census, Department of Commerce; to the Committee on Post Office and Civil Service.

H.R. 12000. A bill to amend section 131 of title 13, United States Code, so as to provide for taking of the economic censuses 1 year earlier starting in 1968; to the Committee on Post Office and Civil Service.

By Mr. JAMES C. DAVIS:

H.R. 12001. A bill to permit the retirement of employees under the Civil Service Retirement Act with full annuities on completion of 30 years of service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DINGELL:

H.R. 12002. A bill to amend title 13 of the United States Code to provide for the collection of certain information with respect to the medical profession; to the Committee on Post Office and Civil Service.

By Mr. GIAIMO:

H.R. 12003. A bill to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. LINDSAY:

H.R. 12004. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to the States to assist in the provision of facilities and services for the day care of children; to the Committee on Education and Labor.

By Mr. McDONOUGH:

H.R. 12005. A bill to authorize the Administrator of the Housing and Home Finance Agency to assist States, counties, cities, and political subdivisions of States, and public and private corporations established under State law, in providing improved mass transportation services in metropolitan areas; to the Committee on Banking and Currency.

By Mr. MERROW:

H.R. 12006. A bill to amend the Library Service Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. CLEM MILLER:

H.R. 12007. A bill to amend the Agricultural Adjustment Act of 1933, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended; to the Committee on Agriculture.

By Mr. MILLIKEN:

H.R. 12008. A bill to incorporate the Navy Mothers' Clubs of America; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H.R. 12009. A bill to permit the filing, before the use of a trademark in commerce, of an application for the registration of such trademark, and for other purposes; to the Committee on the Judiciary.

By Mrs. SULLIVAN·

H.R. 12010. A bill to regulate archeological exploration in the Canal Zone; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRIS:

H.R. 12011. A bill to amend section 14 of the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H.R. 12012. A bill to grant the American Hospital of Paris perpetual succession; to the Committee on the Judiciary.

By Mr. SHELLEY:

H.R. 12013. A bill to provide for the issuance of special nonquota immigrant visas to certain aliens residing in Hong Kong who are relatives of U.S. citizens or permanent resident aliens; to the Committee on the Judiciary.

By Mr. BATTIN:

H.J. Res. 725. Joint resolution to request the President to proclaim June 1 to June 14 each year as "New Glory for Old Glory Time"; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H.J. Res. 726. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. JAMES C. DAVIS:

H.J. Res. 727. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. GEORGE P. MILLER:

H.J. Res. 728. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. HARRIS:

H.J. Res. 729. Joint resolution to suspend for the 1964 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for nominees for the Offices of President and Vice President; to the Committee on Interstate and Foreign Commerce.

By Mr. BRAY:

H. Res. 673. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash; to the Joint Committee on Atomic Energy.

By Mr. STAGGERS:

H. Res. 674. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 12014. A bill for the relief of Corsignana Dalbis and Marissa Dalbis; to the Committee on the Judiciary.

H.R. 12015. A bill for the relief of Ora Drelewicz; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 12016. A bill for the relief of Beverly Helen (Smith) Bowers; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 12017. A bill for the relief of Joyce E. Millette Clements; to the Committee on the Judiciary.

By Mr. KOWALSKI:

H.R. 12018. A bill for the relief of Capt. Henry F. Baker; to the Committee on the Judiciary.

By Mr. LANE (by request):

H.R. 12019. A bill for the relief of Branka Mardessich and Sonia Silvani; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 12020. A bill for the relief of John Rocca; to the Committee on the Judiciary.

By Mr. MOSS:

H.R. 12021. A bill for the relief of Mrs. M. Orta Worden; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 12022. A bill for the relief of Jan and Anna Smal (nee Dworzanski); to the Committee on the Judiciary.

By Mr. SISK:

H.R. 12023. A bill to provide for the reinstatement and validation of U.S. oil and gas lease Sacramento 037552–C, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALTER:

H.R. 12024. A bill for the relief of Librande P. Caltagirone; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 12025. A bill for the relief of George A. Simmons; to the Committee on the Judiciary.

By Mr. LANE (by request):

H. Res. 676. Resolution providing for sending the bill (H.R. 12019) for the relief of Branka Mardessich and Sonia Silvani, together with accompanying papers, to the Court of Claims; to the Committee on the Judiciary.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1961 were received too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $233.50. E. (9) $291.90.

A. Nicholas E. Allen and Merrill Armour, 1001 15th Street NW., Washington, D.C.
B. Music Operators of America, Inc., 128 East 14th Street, Oakland, Calif.
D. (6) $180. E. (9) $1.20.

A. American Cancer Society, 521 West 57th Street, New York, N.Y.
E. (9) $7,929.94.

A. American Civil Liberties Union, Inc., 156 Fifth Avenue, New York, N.Y.
D. (6) $2,017. E. (9) $2,017.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $15,967.76. E. (9) $15,967.76.

A. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $20,821.64. E. (9) $20,821.64

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $145.74. E. (9) $11.55.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N.Y.
E. (9) $501.31.

A. American Thrift Assembly, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $103. E. (9) $7,579.34.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $661.76.

A. Robert E. Ansheles, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Thrift Assembly, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.
B. Commissioner of Baseball, 30 Rockefeller Plaza, New York, N.Y.
D. (6) $25,000. E. (9) $318.66.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
D. (6) $10,600. E. (9) $538.84.

A. Arthritis & Rheumatism Foundation, 10 Columbus Circle, New York, N.Y.
E. (9) $1,292.39.

A. A. V. Atkinson, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $2,984.80.

A. Atlantic, Gulf and Great Lakes Shipbuilding Association, 529 Tower Building, Washington, D.C.
D. (6) $4,872.67. E. (9) $4,872.67.

A. Fred A. Baker, 296 Lexington Road, Berkeley, Calif.
B. The Federated Indians of California.

A. J. D. Beardan, 401 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,093.74.

A. Carl H. Berglund, 607 South Pine Street, Tacoma, Wash.

A. Helen Berthelot, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $3,124.26.

A. C. B. Blankenship, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $2,687.04.

A. Fred F. Bockmon, 405 Luhrs Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and the Atchison, Topeka & Sante Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
D. (6) $2,000. E. (9) $610.

A. Eugene F. Bogan, 1108 16th Street NW., Washington, D.C.
B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. Homer L. Brinkley, 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1616 H Street, NW., Washington, D.C.

A. Brotherhood of Locomotive Engineers, 1122 Engineers Building, Cleveland, Ohio.

A. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,408.24. E. (9) $1,722.74.

A. Charles H. Brown, 1701 K Street NW., Washington, D.C.
B. Charles H. Brown, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $709.50.

A. Charles H. Brown, Inc., 1701 K Street NW., Washington, D.C.
B. American Society of Composers, Authors and Publishers, 575 Madison Avenue, New York, N.Y.
D. (6) $245. E. (9) $245.

A. Charles H. Brown, Inc., 1701 K Street NW., Washington, D.C.
B. National Education Association, 1201 16th Street, NW., Washington, D.C.
D. (6) $937.50. E. (9) $951.93.

A. Mrs. Fred L. Bull, 8124 Oakleigh Road, Baltimore, Md.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Maurice G. Burnside, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.

A. David Burpee, Fordhook Farms, Doylestown, Pa.

A. Hollis W. Burt, 1212 Munsey Building, Washington, D.C.
B. National Association of Supervisors of State Banks, 1212 Munsey Building, Washington, D.C.
D. (6) $47.50.

A. George P. Byrne, Jr., 53 Park Place, New York, N.Y.
B. U.S. Wood Screw Service Bureau, 53 Park Place, New York, N.Y.

A. James A. Campbell, 900 F Street NW., Washington, D.C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D.C.
D. (6) $3,769.26. E. (9) $376.93.

A. Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1350.

A. Canal Zone Central Labor Union and Metal Trades Council, Post Office Box 471, Balboa Heights, C.Z.
D. (6) $1,462.55. E. (9) $273.85.

A. William L. Carter, 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D.C.
B. Greg-Gary Corp., 7 Park Avenue, New York, N.Y.
D. (6) $7,500.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. American Taxicab Association, Inc., 4415 North California Avenue, Chicago, Ill.
D. (6) $750. E. (9) $218.32.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Nacional de la Industria Pesquera, Manuel Maria Contreras No. 133, Mexico 5, D.F., Mexico.
D. (6) $861.31. E. (9) $1.50.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Colorado River Basin Consumers Power, Inc., 343 South State Street, Salt Lake City, Utah.
D. (6) $5,000. E. (9) $27.65.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Hawaiian Botannical Gardens Foundation, Inc., 1527 Keeaumoku Street, Honolulu, Hawaii.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Union Nacional de Productores de Azucar, S.A. de C.V., Balderas No. 36, Primer Piso, Mexico, D.F., Mexico.
D. (6) $8,750. E. (9) $485.28.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. West Marin (Calif.) Property Owners Association, 960 Fifth Avenue, San Rafael, Calif.
D. (6) $1,160.13. E. (9) $25.55.

A. Hal M. Christensen, 808 17th Street NW., Washington, D.C.
B. American Dental Association, 808 17th Street NW., Washington, D.C.
D. (6) $3,250.

A. Citizens Committee for International Development, 1025 Connecticut Avenue NW., Washington, D.C.

A. Charles Patrick Clark, 918 16th Street NW., Washington, D.C.
B. B. Rapaport & Son, Inc., Post Office Box 169, Windsor, Conn.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Nicholas S. Collins, 1000 Connecticut Avenue, Washington, D.C.
B. Committee of American Steamship Lines, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $110. E. (9) $10.72.

A. Conference of Americans of Central and Eastern European Descent.

A. Conference on State Defense, 111 Eighth Avenue, New York City, N.Y.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $4,250.

A. Edward Cooper, 1600 I Street NW., Washington, D.C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Edward Corneaby, 25 Louisiana Avenue, NW., Washington, D.C.
B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers, 25 Louisiana Avenue NW., Washington, D.C.
D. (6) $2,600.

A. Council for Exceptional Children, 1201 16th Street, NW., Washington, D.C.
E. (9) $473.74.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D.C.
D. (6) $521.85. E. (9) $521.85.

A. County Supervisors Association of California, 1100 Elks Building, Sacramento, Calif.
E. (9) $12.23.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,500.

A. Mrs. Warren E. Cox, 2808 South Ives Street, Arlington, Va.
B. The National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
E. (9) $12.03.

A. Credit Union National Association, 1617 Sherman Avenue, Madison, Wis.
D. (6) $506. E. (9) $506.

A. Currey Air Transport, Ltd., Lockheed Air Terminal, Burbank, Calif.
E. (9) $331.49.

A. Michael P. Daniels, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $150.

A. Abraham A. Dash, 740 11th Street NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $506. E. (9) $29.

A. John C. Datt, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $712.50. E. (9) $14.48.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
E. (9) $38.39.

A. John M. Dickerman, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,413.50. E. (9) $50.50.

A. Division of Federal Relations, National Education Association, 1201 16th Street NW., Washington, D.C.
E. (9) $9,701.03.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,125.

A. Anthony P. Donadio, 2 North Charles Street, Baltimore, Md.
B. The Baltimore and Ohio Railroad Co., 2 North Charles Street, Baltimore, Md.

A. James B. Dyess, 1411 K Street NW., Washington, D.C.
B. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.

A. Ernest J. Eaton, Washington Building, Washington, D.C.
B. Water Conversion Institute, Washington Building, Washington, D.C.

A. John W. Edelman, 704 17th Street NW., Washington, D.C.
B. Textile Workers Union of America, 99 University Place, New York, N.Y.
D. (6) $2,464.19. E. (9) 464.14.

A. Harold E. Edwards, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) 300.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D.C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.
D. (6) $1,404. E. (9) $602.27.

A. Warren G. Elliott, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $55.26. E. (9) $1.81.

A. Clyde A. Erwin, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $1,327. E. (9) $560.18.

A. Joseph C. Fagan, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the United States.

A. Far East Group, Inc., 1000 Connecticut Avenue, Washington, D.C.

A. Edward O'Brien Fennell, 1120 Connecticut Avenue NW., Washington, D.C.
B. United Air Lines, P.O. Box 8800, O'Hare International Airport, Chicago, Ill.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,100. E. (9) $21.50

A. Donald G. Fletcher, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $3,750. E. (9) $187.83.

A. Forest Farmers Association, P.O. Box 7284, Station C, Atlanta, Ga.

A. Aubrey Gates, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

A. William C. Greer, 1201 16th Street NW., Washington, D.C.
B. Council for Exceptional Children, National Education Association.
D. (6) $300.

A. Ernest Giddings, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.

A. Ginsburg, Leventhal & Brown, 1632 K Street NW., Washington, D.C.
B. Virgin Islands Gift and Fashion Shop Association, St. Thomas, V.I.
D. (6) $750.

A. John A. Gosnell, National Small Business Men's Association, 801 19th Street NW., Washington, D.C.
D. (6) $1,650.01.

A. Great Lakes Airlines, Inc., Lockheed Air Terminal, Burbank, Calif.
E. (9) $331.49.

A. Albert A. Grorud, 816 E Street NE., Washington, D.C.
B. Colville Indian Association, Coulee Dam, Wash.
E. (9) $30.80.

A. Albert A. Grorud, 816 E Street NE., Washington, D.C.
B. Yakima Indian Association of Washington State, 3121 Wilton Lane, East, Tacoma, Wash.
D. (6) $25. E. (9) $27.75.

A. L. James Harmanson, Jr., 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.
D. (6) $4,249.96. E. (9) $78.75.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,275. E. (9) $65.77.

A. Kit H. Haynes, 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.

A. Mrs. Glenn G. Hays, 212 Maryland Avenue NE., Washington, D.C.
B. National WCTU, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $571.56. E. (9) $523.34.

A. Noel Hemmendinger, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,000. E. (9) $1,000.

A. Harold K. Howe, Mills Building, Washington, D.C.
B. American Institute of Laundering, Joliet, Ill.
D. (6) $2,649.99.

A. Harold K. Howe, Mills Building, Washington, D.C.
B. National Automatic Merchandising Association, Mills Building, Washington, D.C.

A. Harold K. Howe, Mills Building, Washington, D.C.
B. The Outdoor Power Equipment Institute, Inc., Mills Building, Washington, D.C.

A. Joe L. Howell, 5845 Kinder Drive, Jackson, Miss.
B. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D.C.

A. B. A. Hungerford, 53 Park Place, New York, N.Y.
B. George P. Byrne, 53 Park Place, New York, N.Y.

A. John M. Hurley, 302 Hoge Building, Seattle, Wash.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.
D. (6) $300. E. (9) $1.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.
E. (9) $13,905.66.

A. Robert C. Jackson, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,150. E. (9) $175.

A. Ray L. Jenkins, 1066 National Press Building, Washington, D.C.
B. Societe Internationale Pour Participations Industrialies Et Commerciales, Peter Marianstr. 19, Basel, Switzerland.
E. (9) $259.36.

A. Glendon E. Johnson, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $119.68.

A. Charlie W. Jones, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Carpet Institute, Inc., 350 Fifth Avenue, New York, N.Y.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,150.76.

A. Keatinge & Older, 3325 Wilshire Boulevard, Los Angeles, Calif.
B. Great Lakes Airlines, Inc., et al.
D. (6) $637.50. E. (9) $1,873.40.

A. Eugene A. Keeney, 1615 H Street NW., Washington, D.C.
B. U.S. Chamber of Commerce.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $143.75.

A. James F. King, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,250.

A. S. F. Kirby, 20 North Wacker Drive, Chicago, Ill.
B. National Council on Business Mail, 20 North Wacker Drive, Chicago, Ill.
D. (6) $500. E. (9) $232.51.

A. George W. Koch, 1612 K Street NW., Washington, D.C.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. A. W. Koehler, 830 17th Street NW., Washington, D.C.
B. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.

A. Kominers & Fort, 529 Tower Building, Washington, D.C.
B. Atlantic, Gulf and Great Lakes Shipbuilding Association, 529 Tower Building, Washington, D.C.
D. (6) $4,512. E. (9) $195.67.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.

A. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Dillard B. Lasseter, Post Office Box 381, Washington, D.C.
B. Organization of Professional Employees of the U.S. Department of Agriculture, Post Office Box 381, Washington, D.C.
D. (6) $450. E. (9) $125.

A. Alan Latman, 200 East 42d Street, New York, N.Y.
B. National Committee for Effective Design Legislation, 200 East 42d Street, New York, N.Y.

A. Gordon C. Locke, 1725 K Street NW., Washington, D.C.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.

A. John M. Lumley, 1201 16th Street, Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street, Washington, D.C.
D. (6) $416. E. (9) $52.88.

A. John C. Lynn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,225. E. (9) $10.98.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $2,125. E. (9) $206.14.

A. J. A. McCallam, 1507 M Street NW., Washington, D.C.
E. (9) $1,961.14.

A. William A. McClintock, Jr., 7447 Skokie Boulevard, Skokie, Ill.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

A. John H. McCormick, Jr.
B. The Council for Exceptional Children, department of the N.E.A., 1201 16th Street NW., Washington, D.C.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $300.

A. Joseph B. McGrath, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $2,692.30. E. (9) $284.65.

A. Marvin L. McLain, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,000. E. (9) $12.15.

A. William H. McLin, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $1,440. E. (9) $470.41.

A. Ralph J. McNair, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $81.25.

A. Charles R. McNeill, 730 15th Street NW., Washington, D.C.
B. The American Bankers Association, 12 East 36th Street, New York 16, N.Y.
D. (6) $500. E. (9) $4.60.

A. Suzanne MacLean, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $50.

A. MacLeish, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, Hay-Adams House, Washington, D.C.
D. (6) $9,100. E. (9) $924.97.

A. James D. Mann, 711 14th Street NW., Washington, D.C.
B. Private Truck Council of America, Inc., 711 14th Street NW., Washington, D.C.

A. Albert E. May, 1000 Connecticut Avenue, Washington, D.C.

B. Committee of American Steamship Lines, 1000 Connecticut Avenue, Washington, D.C.

D. (6) $280. E. (9) $81.46.

A. William R. Merriam, 905 16th Street NW., Washington, D.C.

B. International Telephone & Telegraph Corp., 905 16th Street NW., Washington, D.C.

D. (6) $750. E. (9) $1,215.

A. Ross A. Messer, P.O. Box 1611, Washington, D.C.

B. National Association of Post Office and General Services Maintenance Employees, P.O. Box 1611, Washington, D.C.

D. (6) $1,500. E. (9) $84.87.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit 26, Mich.

E. (9) $1,507.65.

A. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.

E. (9) $2,094.71.

A. Joseph E. Moody, 1000 16th Street NW., Washington, D.C.

B. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.

D. (6) $625.

A. Curtis Morris, 1725 I Street NW., Washington, D.C.

B. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. Joseph J. Mulhern, 11 Pemberton Square, Boston, Mass.

D. (6) $2,439.69. E. (9) $538.37.

A. J. Walter Myers, Jr., P.O. Box 7284, Station C, Atlanta, Ga.

B. Forest Farmers Association Cooperative, P.O. Box 7284, Station C, Atlanta, Ga.

A. Kenneth D. Naden, 1616 H Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.

A. National Associated Businessmen, Inc., 1725 K Street NW., Washington, D.C.

D. (6) $786.90. E. (9) $1,182.37.

A. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.

A. National Association of Agricultural Stabilization and Conservation County Office Employees.

D. (6) $8,718.84. E. (9) $1,680.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.

D. (6) $13,701.62. E. (9) $17,694.65.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $63,399.50. E. (9) $16,038.97.

A. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.

A. National Association of Postmasters of the United States, 348 Pennsylvania Building, Washington, D.C.

D. (6) $48,267.85. E. (9) $1,575.

A. National Association of Post Office and General Services Maintenance Employees, 724 Ninth Street NW., Washington, D.C.

D. (6) $14,991.34. E. (9) $2,385.17.

A. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue NW., Washington, D.C.

E. (9) $8,109.70.

A. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.

A. National Audio-Visual Association, Inc., 1201 Spring Street, Fairfax, Va.

D. (6) $3,018.78. E. (9) $780.46.

A. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.

E. (9) $6,220.96.

A. National Committee for Effective Design Legislation, 200 East 42d Street, New York, N.Y.

D. (6) $350. E. (9) $28.50.

A. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

D. (6) $17,080. E. (9) $17,045.63.

A. National Committee for Research in Neurological Disorders, University Hospital, Minneapolis, Minn.

E. (9) $3,500.

A. National Council on Business Mail, 20 North Wacker Drive, Chicago, Ill.

D. (6) $41.34. E. (9) $732.51.

A. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.

D. (6) $2,660. E. (9) $1,350.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.

E. (9) $150.

A. National Economic Council, Inc., 156 Fifth Avenue, New York, N.Y.

D. (6) $1,154.94. E. (9) $1,240.70.

A. National Housing Conference, Inc., 1025 Connecticut Avenue NW., Washington, D.C.

D. (6) $19,532.20. E. (9) $19,466.38.

A. National Multiple Sclerosis Society, 257 Park Avenue South, New York, N.Y.

E. (9) $861.59.

A. National Reclamation Association, 897 National Press Building, Washington, D.C.

E. (9) $12,160.08.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D.C.

D. (6) $9,199.70. E. (9) $767.50.

A. National Small Business Men's Association, 801 19th Street NW., Washington, D.C.

D. (6) $5,000. E. (9) $2,775.01.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $8,361.85. E. (9) $5,833.62.

A. National Women's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.

D. (6) $749.29. E. (9) $1,738.84.

A. Robert H. North, 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Richard T. O'Connell, 1616 H Street NW., Washington, D.C.

B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.

A. Organization of Professional Employees of the U.S. Department of Agriculture, P.O. Box 381, Washington, D.C.

D. (6) $1,812.27. E. (9) $548.46.

A. Vaux Owen, 1729 G Street NW., Washington, D.C.

B. National Federation of Federal Employees, 1729 G Street NW., Washington, D.C.

D. (6) $4,307.38. E. (9) $2.75.

A. Paramount Airlines, Inc., Lockheed Air Terminal, Burbank, Calif.

E. (9) $756.18.

A. Robert Pennington, 1201 16th Street NW., Washington, D.C.

B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.

D. (6) $265. E. (9) $50.36.

A. Sandford Z. Persons, 820 13th Street NW., Washington, D.C.

B. United World Federalists, Inc., 820 13th Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $221.30.

A. Milton M. Plumb, 400 First Street NW., Washington, D.C.

B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

A. Frederick T. Poole, 1725 K Street NW., Washington, D.C.

B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.

A. Richard M. Powell, 1210 Tower Building, Washington, D.C.

B. National Association of Refrigerated Warehouses, 1210 Tower Building, Washington, D.C.

E. (9) $460.

A. Homer V. Prater, 900 F Street NW., Washington, D.C.

B. American Federation of Government Employees.

D. (6) $2,935.10. E. (9) $30.

A. William C. Prather, 221 North La Salle Street, Chicago, Ill.

B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.

D. (6) $322.50.

A. Ganson Purcell, 910 17th Street NW., Washington, D.C.

B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.

D. (6) $350.

A. Purcell & Nelson, 910 17th Street NW., Washington, D.C.

B. Nicaragua Sugar Estates, Ltd., Managua, Nicaragua.

D. (6) $1,250. E. (9) $48.32.

A. Quaker City Airways, Lockheed Air Terminal, Burbank, Calif.

E. (9) $760.25.

A. Gordon M. Quarnstrom, 7447 Skokie Boulevard, Skokie, Ill.

B. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D.C.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.

B. American Cancer Society, Arthritis and Rheumatism Foundation, United Cerebral Palsy Association, National Multiple Sclerosis Society, National Commission for Research in Neurological Disorders.

D. (6) $11,750.01. E. (9) $9,866.46.

A. Grant S. Ray, 114 Huron Drive, Washington, D.C.

A. Record Industry Association of America, Inc., 1 East 57th Street, New York, N.Y.

A. John J. Riley, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,480.75. E. (9) $94.15.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $173.88.

A. Ruder & Finn Inc., 130 East 59th Street, New York, N.Y.
B. United World Federalists, 820 13th Street NW., Washington, D.C.
E. (9) $8,281.82.

A. Francis J. Ryley, 519 Title and Trust Building, Phoenix, Ariz.
B. Standard Oil Co. of California, San Francisco; Shell Oil Co., San Francisco; Humble Oil & Refining Co., Los Angeles; Mobil Oil Co., Los Angeles; Richfield Oil Corp., Los Angeles; Tidewater Oil Co., Los Angeles; Union Oil Co., Los Angeles, Calif.

A. Ira Saks, 1370 Ontario Street, Cleveland, Ohio.

A. Sealy, Inc., 666 Lake Shore Drive, Chicago, Ill.
E. (9) $229.23.

A. Clayton A. Seeber, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $1,353. E. (9) $539.18.

A. Theodore A. Serrill, 1025 Connecticut Avenue NW., Washington, D.C.
B. National Editorial Association, 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $357.14.

A. Maurice J. Shean, 940 25th Street NW., Washington, D.C.
B. City and County of San Francisco, Calif.
D. (6) $4,050. E. (9) $1,231.86.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,000. E. (9) $300.

A. Henry M. Shine, Jr., 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,846.20. E. (9) $144.10.

A. W. A. Smallwood, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $379.26.

A. John A. Smith, Continental Airlines, Stapleton Airfield, Denver, Colo.
B. Continental Airlines, Stapleton Airfield, Denver, Colo.

A. W. Byron Sorrell, 1100 New Hampshire Avenue NW., Washington, D.C.
B. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
D. (6) $1,875. E. (9) $219.71.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $245.82. E. (9) $426.08.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
E. (9) $940.56.

A. Chester S. Stackpole, 420 Lexington Avenue, New York, N.Y.
B. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Signalmen, 2247 West Lawrence Avenue, Chicago, Ill.
D. (6) $750.

A. Luther C. Steward, Jr., 1729 G Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D.C.
D. (6) $2,934.40. E. (9) $31.80.

A. Charles L. Stewart, Jr., 231 South La Salle Street, Chicago, Ill.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $250.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. Association To Acquire Compensation for Damages Prior to Peace Treaty, Naha, Okinawa.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. Nozaki Associates, Inc., 4 Albany Street, New York, N.Y., et al.

A. Nelson A. Stitt, 1000 Connecticut Avenue NW., Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. Surrey, Karasik, Gould & Greene, 1116 Woodward Building, Washington, D.C.
B. Amerop Commodities Corp., 120 Wall Street, New York, N.Y.

A. John I. Taylor, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $958.33. E. (9) $7.21.

A. J. B. Thayn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,375. E. (9) $3.58.

A. Eugene M. Thore, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $150. E. (9) $1.91.

A. Edward J. Thye, Northfield, Minn.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $250. E. (9) $81.94.

A. Sigmund Timberg, 815 15th Street NW., Washington, D.C.
B. Sealy, Inc., 925 Halstead Street, Chicago, Ill., et al.
E. (9) $98.98.

A. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.
D. (6) $2,535.20. E. (9) $2,006.27.

A. Trans-Alaskan Airlines, Inc., Lockheed Air Terminal, Burbank, Calif.
E. (9) $331.49.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,712.50. E. (9) $25.55.

A. Dick Tullis, 307 Maple Terrace, Dallas, Tex.
B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.

A. Ernest A. Tupper, 1420 New York Avenue, Washington, D.C.
B. American Can Co., 100 Park Avenue, New York 17, N.Y.

A. United Cerebral Palsy Association, 321 West 44th Street, New York, N.Y.
E. (9) $1,435.91.

A. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $260. E. (9) $260.

A. United World Federalists, Inc., 820 13th Street NW., Washington, D.C.
D. (6) $1,588.80. E. (9) $1,611.82.

A. Arvin E. Upton & Anthony W. Lederer, 1821 Jefferson Place NW., Washington, D.C.
D. (6) $660.

A. Richard E. Vernor, 1701 K Street NW., Washington, D.C.
B. American Life Convention, 230 North Michigan Avenue, Chicago 1, Ill.
D. (6) $26.06. E. (9) $11.55.

A. Veterans, World War I, USA, Inc., 40 G Street NE., Washington, D.C.

A. Harold S. Walker, Jr., 420 Lexington Avenue, New York, N.Y.
B. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.
E. (9) $600.

A. Paul H. Walker, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $40.

A. Herbert F. Walton, 7447 Skokie Boulevard, Skokie, Ill.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.
E. (9) $748.65.

A. William E. Welsh, 897 National Press Building, Washington, D.C.
B. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. (6) $3,750. E. (9) $92.87.

A. Don White, 1201 Spring Street, Fairfax, Va.
B. National Audio-Visual Association, Inc., 1201 Spring Street, Fairfax, Va.
D. (6) $4,500. E. $1,289.87.

A. John C. White, 838 Transportation Building, Washington, D.C.
D. (6) $900. E. (9) $49.94.

A. John J. Wicker, Jr., 706 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $3,569.19. E. (9) $3,569.19.

A. Myron Wiener, 1000 Connecticut Avenue, Washington, D.C.

B. The Far East Group, Inc., 1000 Connecticut Avenue, Washington, D.C.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. American Society of Travel Agents, Inc., 501 Fifth Avenue, New York, N.Y.

E. (9) $1.20.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

E. (9) $2.40.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Menominee Enterprises, Inc., Neopit, Wis.

E. (9) $8.15.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Quinaielt Tribe of Indians, Taholah, Wash.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. Spokane Indian Tribe, Wellpinit, Wash.

A. Laurens Williams, 602 Ring Building, Washington, D.C.

B. Pacific Mutual Life Insurance Co., Los Angeles, Calif.

A. Kenneth Williamson, 1 Farragut Square South, Washington, D.C.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.

D. (6) $2,711.15. E. (9) $1,320.56.

A. Venlo Wolfsohn, 1729 H Street NW., Washington, D.C.

B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.

D. (6) $300. E. (9) $1.

A. Harley Z. Wooden.

B. Council for Exceptional Children, 1201 16th Street NW., Washington, D.C.

D. (6) $100.

A. Russell J. Woodman, 400 First Street NW., Washington, D.C.

B. The Order of Railroad Telegraphers, 3860 Lindell Boulevard, St. Louis, Mo.

A. Sidney Zagri, 25 Louisiana Avenue NW., Washington, D.C.

B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers, 25 Louisiana Avenue NW., Washington, D.C.

D. (6) $3,850.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1962:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)
6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year
8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter
12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ----------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures
9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year
11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Clarence G. Adam, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

D. (6) $300. E. (9) $25.

A. V. J. Adduci, 610 Shoreham Building, Washington, D.C.

B. Aerospace Industries Association of America, Inc., 610 Shoreham Building, Washington, D.C.

D. (6) $3,684. E. (9) $486.64.

A. J. Carson Adkerson, 976 National Press Building, Washington, D.C.

A. Aerospace Industries Association of America, Inc., 610 Shoreham Building, Washington, D.C.

E. (9) $4,856.42.

A. Aircraft Owners and Pilots Association, 4650 East-West Highway, Bethesda, Md.

E. (9) $100.

A. Air Freight Forwarders Association, 802 Ring Building, Washington, D.C.

A. Air Traffic Control Association, 528 Barr Building, Washington, D.C.

D. (6) $850. E. (9) $690.

A. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $5,224.53. E. (9) $5,224.53.

A. Mrs. D. Allen, 200 C Street SE., Washington, D.C.

B. National Committee to Abolish the House Un-American Activities Committee, 189 West Madison Street, Chicago 2, Ill.

D. (6) $500. E. (9) $500.

A. George Venable Allen, 4730 Quebec Street NW., Washington, D.C.

B. The Tobacco Institute, Inc., 808 17th Street NW., Washington, D.C.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.

B. Class I Railroads in Tennessee.

A. Nicholas E. Allen & Merrill Armour, 1001 15th Street NW., Washington, D.C.

B. Music Operators of America, Inc., 128 East 14th Street, Oakland, Calif.

E. (9) $1.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.

B. The Commercial Telegraphers' Union, International, 8605 Cameron Street, Silver Spring, Md.

A. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. American Cancer Society, 521 West 57th Street, New York, N.Y.

E. (9) $7,795.77.

A. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.

D. (6) $10,392.71. E. (9) $10,392.71.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill. and 425 13th Street NW., Washington, D.C.

D. (6) $27,608. E. (9) $27,608.

A. American Federation of Labor and Congress of Industrial Organizations.

E. (9) $33,611.80.

A. AFL-CIO Maritime Committee, 132 Third Street SE., Washington, D.C.

D. (6) $16,125. E. (9) $19,329.68.

A. American Federation of Musicians, 425 Park Avenue, New York, N.Y.

D. (6) $185,794. E. (9) $6,726.06.

A. American Hotel Association, 221 West 57th Street, New York, N.Y.

A. American Israel Public Affairs Committee, 1737 H Street NW., Washington, D.C.

D. (6) $1,203.66. E. (9) $1,190.94.

A. American Justice Association, Defense Highway, Gambrills, Md.

A. American Legion.

D. (6) $72,650.26. E. (9) $30,703.57.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

D. (6) $505.54. E. (9) $60.65.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

E. (9) $39,436.31.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

D. (6) $38,996.49. E. (9) $5,478.16.

A. American Optometric Association, 21 Bank Street, Lebanon, N.H.

D. (6) $5,163.03. E. (9) $5,163.03.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.

D. (6) $731.14. E. (9) $731.14.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. American Parents Committee, Inc., 20 E Street NW., Washington, D.C., and 52 Vanderbilt Avenue, New York, N.Y.

D. (6) $1,679.13. E. (9) $1,239.09.

A. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

D. (6) $32,900. E. (9) $10,916.

A. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $51,527.68. E. (9) $3,634.37.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.

D. (6) $5,853.71. E. (9) $5,853.71.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.

A. American Textile Machinery Association, c/o E. C. Connor, Foster Machine Co., Westfield, Mass.

D. (6) $1.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $10,290.06. E. (9) $11,060.14.

A. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D.C.

D. (6) $1,375. E. (9) $1,402.35.

A. Jerry L. Anderson, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Walter M. Anderson, Jr., Montgomery, Ala.

B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. Richard H. Anthony, 122 East 42d Street, New York, N.Y.

B. Trade Relations Council of the United States, Inc.

A. W. B. Ardery, Washington, D.C.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. Sinclair Armstrong, 45 Wall Street, New York, N.Y.

B. United States Trust Co. of New York, 45 Wall Street, New York, N.Y.

E. (9) $24.45.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.

B. Howard F. Knipp, 3401 South Hanover Street, Baltimore, Md.

E. (9) $0.55.

A. Arthritis & Rheumatism Foundation, 10 Columbus Circle, New York, N.Y.

E. (9) $1,268.25.

A. Lester Asher, 130 North Wells Street, Chicago, Ill.

B. Conference of labor organizations.

D. (6) $500.

A. Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $15,075.39. E. (9) $15,075.39.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

D. (6) $375. E. (9) $375.

A. Association of American Railroads, 929 Transportation Building, Washington, D.C.

D. (6) $4,521.22. E. (9) $4,521.22.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N.Y.

D. (6) $2,467.61. E. (9) $2,467.61

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C.

A. Association of Western Railways, 224 Union Station Building, Chicago, Ill.

D. (6) $165.06. E. (9) $165.06.

A. Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.

E. (9) $200.

A. Harry S. Baer, Jr., 1115 17th Street NW., Washington, D.C.

B. National Aeronautical Services Association, 1115 17th Street NW., Washington, D.C.

E. (9) $67.55.

A. Charles B. Bailey, Sr., 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.

D. (6) $1,525. E. (9) $1,516.83.

A. Fred A. Baker, 296 Lexington Road, Berkeley, Calif., and 1201 19th Street NW., Washington, D.C.

B. The Federated Indians of California.

A. George P. Baker, Soldiers Field Post Office, Boston, Mass.

B. Transportation Association of America.

A. Donald Baldwin, 1619 Massachusetts Avenue NW., Washington, D.C.

B. National Lumber Manufacturers Association, 1619 Massachusetts Avenue NW., Washington, D.C.

E. (9) $267.55.

A. J. H. Ballew, Nashville, Tenn.

B. Southern States Industrial Council, Nashville, Tenn.

D. (6) $960.

A. Richard B. Barker, 306 Southern Building, Washington, D.C.

B. National Lime Association, 925 15th Street NW., Washington, D.C.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.

D. (6) $1,000. E. (9) $351.37.

A. William G. Barr, 711 14th Street NW., Washington, D.C.

B. National Parking Association, 711 14th Street NW., Washington, D.C.

A. A. Wesley Barthelmes, 1701 K Street NW., Washington, D.C.

B. Insurance Company of North America and Life Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

D. (6) $441. E. (9) $70.80.

A. Laurie C. Battle, 918 16th Street NW., Washington, D.C.

B. National Association of Manufacturers, 918 16th Street NW., Washington, D.C.

A. Roy Battles, 532 Shoreham Building, Washington, D.C.

B. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D.C.

A. John V. Beamer, 625 Valley Brook Lane, Wabash, Ind.

B. Fine Hardwoods Association, 666 North Lake Shore Drive, Chicago, Ill.

D. (6) $400. E. (9) $759.55.

A. J. D. Bearden, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway and Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $1,093.74.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C.

B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

D. (6) $187.23.

A. Daniel S. Bedell, 1126, 16th Street NW., Washington, D.C.

B. International Union, United Automobile, Aircraft, and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich.

D. (6) $2,569. E. (9) $877.03.

A. John H. Beidler, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $3,419. E. (9) $132.42.

A. James F. Bell, 1001 Connecticut Avenue NW., Washington, D.C.

B. National Association of Supervisors of State Banks, Munsey Building, Washington, D.C.

D. (6) $500. E. (9) $10.64.

A. Mrs. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D.C.

B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.

D. (6) $222.50. E. (9) $66.57.

A. Ernest H. Benson, 400 First Street NW., Washington, D.C.

B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.

D. (6) $4,500.

A. Charles C. Bevis, Jr., 1735 DeSales Street NW., Washington, D.C.

D. (6) $151.02. E. (9) $55.96.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $4,420. E. (9) $352.50.

A. Hudson Biery, 4017 Carew Tower, Cincinnati, Ohio.

B. Ohio Valley Improvement Association, Inc., 4017 Carew Tower, Cincinnati, Ohio.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D.C.

B. Division 689, Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 900 F Street NW., Washington, D.C.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N.Y., and 839 Shoreham Building, Washington, D.C.

B. American Institute of Marine Underwriters, Association of Marine Underwriters of the U.S., American Cargo War Risk Reinsurers Exchange, American Hull Insurance Syndicate.

E. (9) $12.22.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N.Y., and 839 Shoreham Building, Washington, D.C.

B. Mollers Suidah Shipbreakers, Ltd., Hongkong; the Alpha Shipping Co., Ltd., Hongkong; Lancashire Shipping Co., Ltd., London.

E. (9) $85.39.

A. Robert J. Bird, 1000 Connecticut Avenue, Washington, D.C.

B. Hilton Hotels Corp., 720 South Michigan Avenue, Chicago, Ill.

E. (9) $18.50.

A. Henry J. Bison, Jr., 1317 F Street NW., Washington, D.C.

B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.

D. (6) $3,000. E. (9) $1,471.06.

A. John H. Bivins, 1271 Avenue of the Americas, New York, N.Y.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

D. (6) $605.

A. James C. Black, 1625 K Street NW., Washington, D.C.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio.

D. (6) $600. E. (9) $500.

A. William Rhea Blake, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. S. B. Bledsoe, 627 Cafritz Building, Washington, D.C.

B. Progressive Tax Committee, Washington, D.C.

D. (6) $8,000. E. (9) $1,018.92.

A. Samuel B. Bledsoe, 1625 I Street, NW., Washington, D.C.

B. Magazine Publishers Association, Inc. 444 Madison Avenue, New York, N.Y.

D. (6) $2,250. E. (9) $11,936.37.

A. William Blum, Jr., 1815 H Street NW., Washington, D.C.

B. Committee for the Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.

D. (6) $120. E. (9) $4.70.

A. Fred F. Bockmon, 405 Luhrs Building, Phoenix, Ariz.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and the Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.

D. (6) $250. E. (9) $550.

A. Eugene F. Bogan, 1108 16th Street NW., Washington, D.C.

B. Investment Company Institute, 61 Broadway, New York, N.Y.

A. A. Dewey Bond, 727 National Press Building, Washington, D.C.

B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.

D. (6) $175. E. (9) $117.24.

A. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. Joseph I. Borda, 918 16th Street NW., Washington, D.C.

B. National Association of Manufacturers, 918 16th Street NW., Washington, D.C.

A. Lyle H. Boren, Seminole, Okla.

B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

D. (6) $115.06. E. (9) $50.

A. Joseph Borkin, 802 Ring Building, Washington, D.C.

B. New York World's Fair 1964–65 Corp., Flushing Meadow Park, Flushing, N.Y.

A. Joseph Borkin, 802 Ring Building, Washington, D.C.

B. Record Industry Association of America, Inc., 1 East 57th Street, New York, N.Y.

A. Robert T. Borth, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $375. E. (9) $241.23.

A. G. Stewart Boswell, 1200 18th Street NW., Washington, D.C.

B. National Cotton Council of America, P.O. Box 9905, Memphis, Tenn.

D. (6) $540. E. (9) $8.68.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D.C.

B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D.C.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. George Brady, 45 Monadnock Road, Newton, Mass.

B. The Superior Oil Co., Los Angeles, Calif.

E. (9) $494.50.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

E. (9) $444.87.

A. W. Kenneth Brew, 122 East 42d Street, New York, N.Y.

B. American Paper and Pulp Association, 122 East 42d Street, New York, N.Y.

A. W. S. Bromley, 220 East 42d Street, New York, N.Y.

B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.

B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.

D. (6) $2,000. E. (9) $600.

A. Derek Brooks, 1028 Connecticut Avenue NW., Washington, D.C.

B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

D. (6) $600. E. (9) $512.46.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.

D. (6) $4,387.76. E. (9) $4,387.76.

A. Brown & Lund, 1625 I Street NW., Washington, D.C.

B. American & Foreign Power Co., Inc., 100 Church Street, New York, N.Y.

D. (6) $750. E. (9) $55.71.

A. Brown & Lund, 1625 I Street NW., Washington, D.C.

B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.

D. (6) $1,500. E. (9) $1,502.22.

A. Bryant C. Brown, 425 13th Street NW., Washington, D.C.

B. American Mutual Insurance Alliance.

A. J. D. Brown, 919 18th Street NW., Washington, D.C.

B. American Public Power Association, 919 18th Street NW., Washington, D.C.

A. Lyman L. Bryan, 2000 K Street NW., Washington, D.C.

B. American Institute of Certified Public Accountants, 270 Madison Avenue, New York, N.Y.

A. George S. Muck, Jr., Post Office Box 9905, Memphis, Tenn.

B. National Cotton Council of America, P.O. Box 9905, Memphis, Tenn.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.

B. The Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.

D. (6) $1,550. E. (9) $10.95.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.

B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

D. (6) $1,550. E. (9) $29.04.

A. Norman D. Burch, 711 14th Street NW., Washington, D.C.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.

E. (9) $55.11.

A. George J. Burger, 740 Washington Building, Washington, D.C.

B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y., and National Federation of Independent Business, 740 Washington Building, Washington, D.C.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.

D. (6) $13,926.49. E. (9) $365.43.

A. Gustave Burmeister, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $833.33. E. (9) $5.93.

A. George E. Burnham, 132 Third Street SE., Washington, D.C.

B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D.C.

D. (6) $185. E. (9) $185.

A. David Burpee, Fordhook Farms, Doylestown, Pa.

E. (9) $186.50.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D.C.

B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D.C.

D. (6) $4,000.03.

A. Hollis W. Burt, Room 1212, Munsey Building, Washington, D.C.

B. National Association of Supervisors of State Banks, 1212 Munsey Building, Washington, D.C.

D. (6) $49.87.

A. Carl Byoir and Associates, Inc., 800 Second Avenue, New York, N.Y.

B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.

E. (9) $1,000.

A. Carl Byoir and Associates, Inc., 800 Second Avenue, New York, N.Y.

B. Northwest Country Elevator Association, 920 Grain Exchange, Minneapolis, Minn.

E. (9) $2,024.44.

A. George P. Byrne, Jr., 53 Park Place, New York, N.Y.

B. U.S. Wood Screw Service Bureau, 53 Park Place, New York, N.Y.

A. C. G. Caffrey, 1120 Connecticut Avenue NW., Washington, D.C.

B. Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.

D. (6) $760.20. E. (9) $75.

A. Gordon L. Calvert, 425 13th Street N.W., Washington, D.C.

B. Investment Bankers Association of America, 425 13th Street N.W., Washington, D.C.

D. (6) $400. E. (9) $358.67.

A. Carl C. Campbell, 1200 18th Street N.W., Washington, D.C.

B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

D. (6) $113.04.

A. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.

E. (9) $1,000.

A. John T. Carlton, 2517 Connecticut Avenue N.W., Washington, D.C.

B. Reserve Officers Association of the United States, 2517 Connecticut Avenue N.W., Washington, D.C.

A. Braxton B. Carr, 1025 Connecticut Avenue, Washington, D.C.

B. The American Waterways Operators, Inc., 1025 Connecticut Avenue, Washington, D.C.

D. (6) $1,300. E. (9) $405.22.

Robert S. Carr, 1220 Pennsylvania Building, Washington, D.C.

B. Hiram Walker & Sons, Inc., 8325 Jefferson Avenue, Detroit, Mich.

A. H. Allen Carroll, 1730 K Street N.W., Washington, D.C. and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $205.

A. Henderson H. Carson, 600 First National Bank Building, Canton, Ohio, and 744 Pennsylvania Building, Washington, D.C.

B. Con-Gas Service Corporation, 30 Rockefeller Plaza, New York, N.Y.

D. (6) $500.

A. Albert E. Carter, Mayflower Hotel, Washington, D.C.

B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.

E. (9) $3,433.35.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.

B. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.

A. Michael Boake Carter, 6606 Nevius Street, Falls Church, Va.

B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Washington, D.C.

D. (6) $720. E. (9) $115.

A. Eugene C. Carusi, 520 Union Trust Building, Washington, D.C.

B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

D. (6) $100. E. (9) $25.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D.C.

B. Magazine Publishers Association, Inc., 444 Madison Avenue, New York, N.Y.

D. (6) $1,760. E. (9) $987.87.

A. Alger B. Chapman, Jr., 11 Wall Street, New York, N.Y.

B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. Chapman and Friedman, 425 13th Street NW., Washington, D.C.

B. American Taxicab Association, Inc., 4415 North California Avenue, Chicago, Ill.

D. (6) $750. E. (9) $1.50.

A. Chapman and Friedman, 425 13th Street NW., Washington, D.C.

B. Asociacion Mexicana de Empacadores de Fresa, A.C., Venustiano Carranza 48, 5° Piso, Mexico 1, D.F., Mexico.

D. (6) $500.

A. Chapman and Friedman, 425 13th Street NW., Washington, D.C.

B. Hawaiian Botanical Gardens Foundation, Inc., 1527 Keeaumoku Street, Honolulu, Hawaii.

A. Chapman and Friedman, 425 13th Street NW., Washington, D.C.
B. Union Nacional de Productores de Azucar, S.A. de C. V., Balderas No. 36, Primer Piso, Mexico, D.F., Mexico.
D. (6) $8,750. E. (9) $114.82.

A. Chapman and Friedman, 425 13th Street NW., Washington, D.C.
B. West Marin (California) Property Owners Association, 960 Fifth Avenue, San Rafael, Calif.
D. (6) $551.25. E. (9) $50.

A. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.
D. (6) $2,200. E. (9) $1,943.97.

A. A. H. Chesser, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Trainmen.
E. (9) $48.50.

A. Citizens Committee on Natural Resources.
D. (6) $6,825. E. (8) $16,662.92.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $4,091.37. E. (9) $5,660.28.

A. Citizens Foreign Aid Committee, 1001 Connecticut Avenue NW., Washington, D.C.

A. Earl W. Clark, 132 Third Street SE., Washington, D.C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $954. E. (9) $234.89.

A. Robert M. Clark, 1710 H Street NW., Washington, D.C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

A. Henry J. Clay, 120 Broadway, New York, N.Y.
B. Committee on Fair Federal Tax Incentives for Depreciable Personal Property, 120 Broadway, New York, N.Y.
D. (6) $4,000.

A. Henry J. Clay, 120 Broadway, New York, N.Y.
B. The Realty Committee on Taxation, 660 Madison Avenue, New York, N.Y.
D. (6) $9,000.

A. Clay Pipe Industry Depletion Committee, 1011 Woodward Building, Washington, D.C.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D.C.

A. Cleary, Gottlieb & Steen, 224 Southern Building, Washington, D.C.
B. E. I. du Pont de Nemours & Co., Wilmington, Del.
D. (6) $20,000. E. (9) $350.23.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C., and 11 Broadway, New York, N.Y.
D. (6) $750. E. (9) $286.44.

A. Joseph Coakley, 815 16th Street NW., Washington, D.C.
B. Building Service Employees International Union, 155 North Wacker Drive, Chicago, Ill.
D. (6) $3,000.

A. Edwin S. Cohen, 26 Broadway, New York, N.Y.
B. Investment Company Institute, 61 Broadway, New York, N.Y.
D. (6) $1,000. E. (9) $234.18.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C.
B. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N.Y.
D. (6) $2,500. E. (9) $109.89.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C.
B. Committee of American Tankers Owners, Inc., 1411 K Street NW., Washington, D.C.
E. (9) $65.67.

A. Colorado Railroad Association, 845 Equitable Building, Denver, Colo.

A. Committee for Collective Security, 307 East 44th Street, New York, N.Y.
D. (6) $665. E. (9) $608.40.

A. Committee on Constructive Price, 570 Lexington Avenue, New York, N.Y.
D. (6) $819.96. E. (9) $819.96.

A. Committee on Fair Federal Tax Incentives for Depreciable Personal Property, 120 Broadway, New York, N.Y.
D. (6) $7,500. E. (9) $7,500.

A. Committee for Return of Confiscated German and Japanese Property, 926 National Press Building, Washington, D.C.
D. (6) $200. E. (9) $100.

A. Committee for Study of Revenue Bond Financing, 149 Broadway, New York City, N.Y.
D. (6) $49,022.06. E. (9) $7,952.60.

A. Committee to Support U.S. Congress Bill Creating a Commission on Obscene Matters and Materials, Post Office Box 74, Old Bridge, N.J.
D. (6) $17. E. (9) $16.54.

A. R. L. Compton, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers, 2 East 48th Street, New York, N.Y.

A. John C. Cone, 815 15th Street NW., Washington, D.C.
B. Pan American World Airways, 815 15th Street NW., Washington, D.C.

A. John D. Conner, 1625 K Street NW., Washington, D.C.
B. Corn Starch Industry Committee, 1625 K Street NW., Washington, D.C.
D. (6) $2,697.06. E. (9) $38.37.

A. Julian D. Conover, Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $1,000. E. (9) $11.30.

A. Contracting Plasterers' & Lathers' International Association, 1343 H Street NW., Washington, D.C.

A. Edward Cooper.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. J. Milton Cooper, 1028 Connecticut Avenue NW., Washington, D.C.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. J. Milton Cooper, 1028 Connecticut Avenue NW., Washington, D.C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N.C.

A. John Shepherd Cooper, 1730 K Street NW., Washington, D.C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $925. E. (9) $1,570.14.

A. Edward M. Corneaby, 25 Louisiana Avenue NW., Washington, D.C.
B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.
D. (6) $3,457.25.

A. Corn Starch Industry Committee, 1625 K Street NW., Washington, D.C.
D. (6) $4,340.09. E. (9) $4,340.09.

A. Edward J. Coughlin, 900 F Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.
D. (6) $195. E. (9) $20.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D.C.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,500. E. (9) $18.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C.
D. (6) $400. E. (9) $7.60.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Axe-Templeton Growth Fund of Canada, Ltd., et al.
D. (6) $3,850. E. (9) $29.96.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Committee on Joint Resolution 1955, Legislature, Post Office Box 3170, Honolulu, Hawaii.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Connecticut General Life Insurance Co., Hartford, Conn.
E. (9) $1,781.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Copper & Brass Research Association, 420 Lexington Avenue, New York, N.Y.
E. (9) $140.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. The Cuban-American Sugar Co., 347 Madison Avenue, New York, N.Y.
E. (9) $20.46.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. International Business Machines Corp., 590 Madison Avenue, New York, N.Y.
D. (6) $5,000.

A. Covington & Burling, 701 Union Trust Building., Washington, D.C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.

A. Covington & Burling, 701 Union Trust Buliding, Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Raleigh Industries of America, Inc., 1168 Commonwealth Avenue, Boston, Mass., and The British Cycle & Motor Cycle Industries Association, Ltd., Eaton Road, Coventry, England.

A. Mrs. Warren E. Cox, 2808 South Ives Street, Arlington, Va.

B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

E. (9) $14.32.

A. H. C. Crotty, 12050 Woodward Avenue, Detroit, Mich.

A. Leo J. Crowley, 840 Equitable Building, Denver, Colo.

B. Colorado Railroad Association, 845 Equitable Building, Denver, Colo.

A. C. B. Culpepper, Post Office Box 1736, Atlanta, Ga.

B. National Conference of Non-Profit Shipping Associations, Inc.

A. John Curran, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $3,419. E. (9) $698.60.

A. Bryce Curry, 907 Ring Building, Washington, D.C.

B. National League of Insured Savings Associations, 907 Ring Building, Washington, D.C.

D. (6) $1,700.

A. Bernard Cushman, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. John R. Dalton, 1508 Merchants Bank Building, Indianapolis, Ind.

B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. Louis S. Damiani, Box 54, Gatun, C.Z.

B. Canal Zone Central Labor Union & Metal Trades Council, Post Office Box 471, Balboa Heights, C.Z.

D. (6) $1,034. E. (9) $1,110.

A. D. C. Daniel, 1627 K Street NW., Washington, D.C.

B. National Independent Dairies Association, 1627 K Street NW., Washington, D.C.

A. Danish Shipowners' Association, 33 Amaliegade, Copenhagen, Denmark.

A. Charles A. Darnell, 1917 11th Avenue, Huntington, W. Va.

B. Sheet Metal Workers' International Association, 1000 Connecticut Avenue, Washington, D.C.

D. (6) $100.

A. John C. Datt, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $737.50. E. (9) $18.29.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

D. (6) $26,653.92. E. (9) $94.03.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.

B. The Singer Manufacturing Co., 149 Broadway, New York, N.Y.

D. (6) $1,199.38. E. (9) $10.35.

A. Lowell Davis, 601 Ross Avenue, Mart, Tex.

D. (6) $87.50. E. (9) $87.50.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.

B. D.C. Transit System, Inc., 36th and M Streets NW., Washington, D.C.

D. (6) $1,500.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.

B. Hilton Hotels Corp., Chicago, Ill.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.

B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $2,000.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

D. (6) $18,850.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.

B. Equitable Life Insurance Co., 3900 Wisconsin Avenue NW., Washington, D.C.

D. (6) $3,750.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.

B. Laundry-Dry Cleaning Association of D.C., 2400 16th Street NW., Washington, D.C.

A. Michael B. Deane, 1411 K Street NW., Washington, D.C.

B. American Finance Conference, Inc., 1411 K Street NW., Washington, D.C.

D. (5) $2,000. E. (9) $735.10.

A. Tony T. Dechant.

B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

A. James J. Delaney, Jr., 220 Central Building, Anchorage, Alaska.

B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D.C.

B. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D.C.

D. (6) $1,102.50.

A. Joe T. Dickerson, 1625 K Street NW., Washington, D.C.

B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Cecil B. Dickson, 1 Farragut Square South, Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,687.59. E. (9) $381.47.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Sacramento Municipal Utility District, 6201 S Street, Sacramento, Calif.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Sacramento Yolo Port District, 705 California Fruit Building, Sacramento, Calif.

D. $2,695.35. E. (9) $70.35.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Thurman & Wright, 1208 Latham Square Building, Oakland, Calif.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.

B. Westlands Water District, Post Office Box 4006, Fresno, Calif.

D. (6) $2,514.45. E. (9) $114.45.

A. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.

E. (9) $1,750.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C.

E. (9) $3,750.

A. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.

D. (6) $18,189.64. E. (9) $18,252.45.

A. Division 689, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, 900 F Street NW., Washington, D.C.

A. Thomas Dixon, 1311 G Street NW., Washington, D.C.

A. Robert C. Dolan, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.

D. (6) $437.50. E. (9) $336.63.

A. Paul R. M. Donelan, 1 Farragut Square South, Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $193.75. E. (9) $0.50.

A. James L. Donnelly, 200 South Michigan Avenue, Chicago, Ill.

B. Illinois Manufacturers' Association, 200 South Michigan Avenue, Chicago, Ill.

E. (9) $343.08.

A. Donoghue, Ragan & Mason, 239 Wyatt Building, Washington, D.C.

B. Sea-Land Service, Inc., Post Office Box 1050, Newark, N.J.

D. (6) $900. E. (9) $46.34.

A. Donoghue, Ragan & Mason, 239 Wyatt Building, Washington, D.C.

B. Seatrain Lines, Inc., 595 River Road, Edgewater, N.J.

D. (6) $900. E. (9) $46.35.

A. J. Dewey Dorsett, 60 John Street, New York, N.Y.

D. (6) $137.50.

A. Jasper N. Dorsey, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

D. (6) $883.65.

A. C. L. Dorson, 900 F Street NW., Washington, D.C.

B. Retirement Federation of Civil Service Employees of the U.S. Government, 900 F Street NW., Washington, D.C.

D. (6) $1,737.11. E. (9) $67.

A. Fred H. Dressler, Box 188, Gardnerville, Nev.

B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. Ben DuBois.

B. Independent Bankers Association, Sauk Centre, Minn.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y.

E. (9) $546.49.

A. Read P. Dunn, Jr., 502 Ring Building, Washington, D.C.

B. National Cotton Council of America, P.O. Box 9905, Memphis, Tenn.

A. William E. Dunn, 1957 E Street NW., Washington, D.C.

B. The Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D.C.

B. American Mining Congress, Ring Building, Washington, D.C.

D. (6) $675.

A. James B. Dyess, 1411 K Street NW., Washington, D.C.

B. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.

D. (6) $2,230.59. E. (9) $2,230.59.

A. Herman Edelsberg, 1640 Rhode Island Avenue NW., Washington, D.C.

B. Anti-Defamation League of B'nai B'rith, 515 Madison Avenue, New York, N.Y.

D. (6) $140. E. (9) $15.

A. Walter A. Edwards, 1700 K Street NW., Washington, D.C.

B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.

D. (6) $250. E. (9) $100.

A. James B. Ehrlich, 1000 Connecticut Avenue NW., Washington, D.C.

B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $516.25. E. (9) $77.15.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D.C.

B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.

D. (6) $1,404. E. (9) $80.23.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D.C.

B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Warren G. Elliott, 1701 K Street NW., Washington, D.C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.

D. (6) $234.50. E. (9) $22.05.

A. Clyde T. Ellis, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

D. (6) $73.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D.C.

B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D.C.

D. (6) $9,000.

A. Perry R. Ellsworth, 1145 19th Street NW., Washington, D.C.

B. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.

D. (6) $200.

A. John H. Else, 302 Ring Building, Washington, D.C.

B. National Retail Lumber Dealers' Association, 302 Ring Building, Washington, D.C.

D. (6) $4,050. E. (9) $318.55.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.

B. American Public Power Association, 919 18th Street NW., Washington, D.C.

D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.

B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.

D. (6) $3,200.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.

B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.

D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.

B. Imperial Irrigation District, El Centro, Calif.

D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.

B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.

D. (6) $3,045.

A. Grover W. Ensley, 60 East 42d Street, New York, N.Y.

B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.

D. (6) $1,730.79. E. (9) $209.70.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the United States.

D. (6) $1,750. E. $39.90.

A. Joseph C. Fagan, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the United States.

A. Clinton Fair, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $3,419. E. (9) $69.40.

A. Family Tax Association, 2110 Girard Trust Building, Philadelphia, Pa.

D. (6) $3,905. E. (9) $2,380.86.

A. Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

D. (6) $96,405.08. E. (9) $23,218.40.

A. Robert L. Farrington, 411 Colorado Building, Washington, D.C.

B. Republic of China, Chinese Government Procurement and Services Mission, 50 Church Street, New York, N.Y.

D. (6) $3,500. E. (9) $32.

A. Joseph G. Feeney, 1725 I Street NW., Washington, D.C.

B. R.E.A. Express, 219 East 42d Street, New York, NY.

D. (6) $3,500. E. (9) $500.

A. Joe G. Fender, Post Office Box 66787, Houston, Tex.

B. National Conference of Non-Profit Shipping Associations, Inc.

D. (6) $3,337.09.

A. John A. Ferguson, 918 16th Street NW., Washington, D.C.

B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

A. Josiah Ferris, 510 Union Trust Building, Washington, D.C.

B. American Sugar Cane League, New Orleans, La.; United States Sugar Corporation, Clewiston, Fla.; Okeelanta Sugar Refinery, Inc., South Bay, Fla.

D. (6) $6,951.

A. Maxwell Field, 210 Lincoln Street, Boston, Mass.

B. New England Shoe and Leather Association, 210 Lincoln Street, Boston, Mass.

D. (6) $400. E. (9) $799.25.

A. James Finucane, 926 National Press Building, Washington, D.C.

B. Committee for Return of Confiscated German & Japanese Property, 926 National Press Building, Washington, D.C.

D. (6) $100.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D.C.

B. Con-Gas Service Corp., 30 Rockefeller Plaza, New York, N.Y.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $1,150. E. (9) $19.37.

A. Donald G. Fletcher, 828 Midland Bank Building, Minneapolis, Minn.

B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.

D. (6) $3,750. E. (9) $1,715.44.

A. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.

E. (9) $1,967.03.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

E. (9) $1,579.84.

A. Fordyce, Mayne, Hartman, Renard and Stribling, 506 Olive Street, St. Louis, Mo.

B. National Rejectors, Inc., subsidiary of Universal Match Corp., 5100 San Francisco Avenue, St. Louis, Mo.

E. (9) $2,809.13.

A. James W. Foristel, 1 Farragut Square South, Washington, D.C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $1,312.50. E. (9) $258.54.

A. James F. Fort, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $500. E. (9) $340.30.

A. Ronald J. Foulis, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $200.

A. John G. Fox, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

D. (6) $747.

A. James H. French, 1625 K Street NW., Washington, D.C.

B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. James H. French, 1625 K Street NW., Washington, D.C.

B. Corn Starch Industry Committee, 1625 K Street NW., Washington, D.C.

D. (6) $1,187.50. E. (9) $38.36.

A. Elmer M. Freudenberger, 1701 18th Street NW., Washington, D.C.

B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.

E. (9) $1,750.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C.

B. The National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $31,133.39. E. (9) $9,362.60.

A. Malcolm H. Frost, 25 West 43d Street, New York, N.Y.
B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. David C. Fullarton, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $32.50.

A. Garrett Fuller, 836 Wyatt Building, Washington, D.C.
B. West Coast Steamship Co., 601 Board of Trade Building, Portland, Oreg.

A. Wallace H. Fulton, 1707 H Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $675.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota railroads.
D. (6) $500. E. (9) $314.60.

A. A. Arthur Gardner, 1630 Jefferson Street, Hollywood, Fla.

A. Gardner, Morrison and Rogers, 1126 Woodward Building, Washington, D.C.
B. Bigham, Englar, Jones and Houston, 99 John Street, New York, N.Y., and Shoreham Building, Washington, D.C.
E. (9) $15.07.

A. Gardner, Morrison and Rogers, 1126 Woodward Building, Washington, D.C.
B. Mauritius Sugar Syndicate, Port Louis, Mauritius.
E. (9) $1.95.

A. Marion R. Garstang, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street N.W., Washington, D.C.
D. (6) $200.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N.Y.

A. Aubrey Gates, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $170. E. (9) $137.68.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers' Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, 163–165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
D. (6) $1,250. E. (9) $154.12.

A. Ginsburg, Leventhal & Brown, 1632 K Street N.W., Washington, D.C.
B. Virgin Islands Gift & Fashion Shop Association, St. Thomas, V.I.
D. (6) $1,272.01.

A. Philip Goldstein, 1000 Woodward Building, Washington, D.C.
B. Clay Pipe Industry Depletion Committee, 1011 Woodward Building, Washington, D.C

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D.C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employees' Council, 100 Indiana Avenue, NW., Washington, D.C.
D. (6) $7,811.21. E. (9) $6,749.08.

A. James W. Grady, Jr., 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N.Y.

A. James L. Grahl, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $50.

A. Grain & Feed Dealers' National Association, 400 Folger Building, Washington, D.C.
E. (9) $38.15.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 418 Keith Building, Cleveland, Ohio.
D. (6) $4,348.45. E. (9) $4,348.45.

A. Gravelle, Whitlock, Markey & Tait, 1032 Shoreham Building, Washington, D.C.
B. Structural Clay Products Industry Depletion Committee, 1032 Shoreham Building, Washington, D.C.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D.C.
B. The National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.
E. (9) $42.19.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C.
B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.
D. (6) $198.75. E. (9) $27.72.

A. Jerry N. Griffin, 731 Washington Building, Washington, D.C.
B. C.I.T. Financial Corporation, 650 Madison Avenue, New York, N.Y.

A. Jerry N. Griffin, 731 Washington Building, Washington, D.C.
B. Mutual Benefit Health and Accident Association, Omaha, Nebr.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C.
B. American Smelting and Refining Co., and others.
D. (6) $5,075. E. (9) $1,700.

A. Terry Gunn, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D.C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,250.04. E. (9) $134.40.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D.C.
B. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $3,000. E. (9) $1,398.87.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D.C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $954. E. (9) $222.58.

A. Louis P. Haffer, 802 Ring Building, Washington, D.C.
B. Air Freight Forwarders Association, 802 Ring Building, Washington, D.C.

A. Haight, Gardner, Poor & Havens, 80 Broad Street, New York, N.Y.
B. Danish Shipowners' Association, 33 Amaliegade, Copenhagen, Denmark.

A. Hal H. Hale, 419 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Haley, Wollenberg & Bader, 1735 De Sales Street NW., Washington, D.C.
B. Home Town Free Television Association, 2923 East Lincolnway, Cheyenne, Wyo.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago 2, Ill.

A. J. G. Hall, care of General Motors Corp., Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. E. C. Hallbeck, 817 14th Street NW., Washington, D.C.
B. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $4,500.

A. Charles A. Hamilton, 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $500. E. (9) $239.30.

A. W. C. Hammerle, 220 East 42d Street, New York, N.Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Harold F. Hammond, 1710 H Street NW., Washington, D.C.
B. Transportation Association of America.

A. C. L. Hancock, 420 Lexington Avenue, New York, N.Y.
B. Copper & Brass Research Association, 420 Lexington Avenue, New York, N.Y.
D. (6) $3,000. E. (9) $93.36.

A. Hardwood Plywood Manufacturers, P.O. Box 6081, Arlington, Va.
D. (6) $6,000. E. (9) $2,752.28.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D.C.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,408.33. E. (9) $50.50.

A. Merwin K. Hart, 156 Fifth Avenue, New York, N.Y.
B. National Economic Council, Inc., 156 Fifth Avenue, New York, N.Y.

A. Stephen H. Hart, 500 Equitable Building, Denver, Colo.
B. National Livestock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,511.25. E. (9) $156.97.

A. Walter A. Hasty, Jr., 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $22.50.

A. Robert N. Hawes, 1000 Connecticut Avenue, Washington, D.C.
B. Hardwood Plywood Manufacturers, P.O. Box 6081, Arlington, Va.
D. (6) $1,200. E. (9) $225.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $338. E. (9) $70.68.

A. Hays & Hays, 920 Warner Building, Washington, D.C.
B. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.
D. (6) $4,021.72. E. (9) $996.95.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. John C. Hazen, 711 14th Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $77.85.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
E. (9) $1,943.92.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300. E. (9) $48.50.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y.
B. American Parents Committee, Inc., 20 E Street NW., Washington, D.C.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Committee on Constructive Price, 570 Lexington Avenue, New York, N.Y.
D. (6) $800. E. (9) $19.93.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 376, Lima, Peru, S.A.
E. (9) $370.44.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Institute of High Fidelity Manufacturers, Inc., 516 Fifth Avenue, New York, N.Y.
E. (9) $28.97.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Reciprocal Inter-Insurers Federal Tax Committee, 400 United Artists Building, Detroit, Mich.
D. (6) $2,198.75. E. (9) $38.46.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $722.83.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D.C.
B. National League of Insured Savings Associations, 907 Ring Building, Washington, D.C.
D. (6) $1,300.

A. Chas. H. Heltzel, 606 Commerce Building, Washington, D.C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $1,220. E. (9) $1,132.40.

A. K. C. Hendricks, 7303 Norfolk Avenue, Bethesda, Md.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.
D. (6) $2,050.66. E. (9) $925.66.

A. John K. Herbert, 444 Madison Avenue, New York, N.Y.
B. Magazine Publishers Association, Inc., 444 Madison Avenue, New York, N.Y.
D. (6) $1,915.70. E. (9) $266.42.

A. Maurice G. Herndon, 801 Warner Building, Washington, D.C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N.Y. and 801 Warner Building, Washington, D.C.
D. (6) $466.26. E. (9) $466.26.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $28.82.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Association of Wool Manufacturers, 336 Fourth Avenue, New York, N.Y.
D. (6) $1,000.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
E. (9) $10.88.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Wool Trade Association, 263 Summer Street, Boston, Mass.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. New York Wool Trade Association, 155 East 44th Street, New York, N.Y.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. Philadelphia Wool and Textile Association, Post Office Box 472, Station S, Philadelphia, Pa.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. United States Brewers Association, 535 Fifth Avenue, New York, N.Y.
D. (6) $5,000. E. (9) $71.57.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D.C.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $481.25.

A. Robert L. Higgins, 1200 18th Street NW., Washington, D.C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D.C.

A. John W. Hight, 1025 Connecticut Avenue NW., Washington, D.C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $250. E. (9) $75.

A. L. S. Hitchner, Associations Building, Washington, D.C.
B. National Agricultural Chemicals Association.

A. Brig. Gen. J. D. Hittle, USMC, retired, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,166.67. E. (9) $45.10.

A. Lawrence S. Hobart, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $50.

A. Ralph D. Hodges, Jr.
B. National Lumber Manufacturers Association, 1619 Massachusetts Avenue NW., Washington, D.C.
E. (9) $1.50.

A. Fuller Holloway, 808 17th Street NW., Washington, D.C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N.Y.
D. (6) $5,000.

A. A. D. Holmes, Jr., Gallion, Ala.
B. National Association of Soil & Water Conservation Districts, League City, Tex.

A. Edwin M. Hood, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Samuel H. Horne, Munsey Building, Washington, D.C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N.Y.
D. (6) $1,199.38. E. (9) $10.35.

A. Lawrence W. Horning, 1010 Pennsylvania Building, Washington, D.C.
B. New York Central Railroad Co., 230 Park Avenue, New York, N.Y.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association.

A. Harold A. Houser, 1616 I Street NW., Washington, D.C.
B. Retired Officers Association, 1616 I Street NW., Washington, D.C.
D. (6) $2,500.

A. W. T. Huff, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $275.

A. William J. Hull, 1625 I Street NW., Washington, D.C.
B. Ashland Oil & Refining Co., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1625 I Street NW., Washington, D.C.
B. Ohio Valley Improvement Association, Inc.

A. Robert L. Humphrey, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D.C.

A. B. A. Hungerford, 53 Park Place, New York, N.Y.

B. George P. Byrne, 53 Park Place, New York, N.Y.

A. William J. Hynes, 611 Idaho Building, Boise, Idaho.

B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.

A. Frank N. Ikard, 1625 K Street NW., Washington, D.C.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Illinois State Conference of Building Trades Unions, 130 North Wells Street, Chicago, Ill.

D. (6) $4,000. E. (9) $3,192.79.

A. Bernard J. Imming, 777 14th Street NW., Washington, D.C.

B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

D. (6) $950.

A. Industrial Union Department, 815 16th Street NW., Washington, D.C.

D. (6) $8,545.59 E. (9) $8,545.59.

A. Evan S. Ingels, Oakwood Lane, Greenwich, Conn.

B. Time Incorporated, Rockefeller Center, New York, N.Y.

D. (6) $935. E. (9) $392.23.

A. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.

D. (6) $300. E. (9) $1.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.

E. (9) $20,235.02.

A. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.

E. (9) $1,530.

A. Inter-State Manufacturer's Association, 163–165 Center Street, Winona, Minn.

D. (6) $2,160. E. (9) $6.20.

A. Iron Ore Lessors Association, Inc., First National Bank Building, St. Paul, Minn.

D. (6) $5. E. (9) $722.25.

A. Samuel Ishikawa, 551 Fifth Avenue, New York, N.Y.

B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.

A. Robert C. Jackson, 1120 Connecticut Avenue NW., Washington, D.C.

B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.

D. (6) $2,150. E. (9) $640.20.

A. Walter K. Jaenicke, 1957 E Street NW., Washington, D.C.

B. The Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.

E. (9) $150.

A. Daniel Jaspan, Post Office Box 1924, Washington, D.C.

B. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.

D. (6) $3,391.23. E. (9) $54.65.

A. Joe Jenness, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Robert G. Jeter, Dresden, Tenn.

B. H. C. Spinks Clay Co., Paris, Tenn.; Old Hickory Clay Co., Paducah, Ky.; Bell Clay Co., Gleason, Tenn.; United Clay Mines Corp., Trenton, N.J.; Kentucky-Tennessee Clay Co., and Kentucky Clay Mining Co., Mayfield, Ky.

A. Peter D. Joers, 810 Whittington Avenue, Hot Springs, Ark.

B. Dierks Forests, Inc., 810 Whittington Avenue, Hot Springs, Ark.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.

B. Lake Carriers Association, 505 Rockefeller Building, Cleveland, Ohio.

A. Glendon E. Johnson, 1701 K Street NW., Washington, D.C.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

D. (6) $439.06. E. (9) $46.

A. Hugo E. Johnson, 600 Bulkley Building, Cleveland, Ohio.

B. American Iron Ore Association, 600 Bulkley Building, Cleveland, Ohio.

A. Reuben L. Johnson, 1575 Sherman Street, Denver, Colo.

B. The Farmers' Educational & Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

D. (6) $2,692.48. E. (9) $291.83.

A. Ned Johnston, 4309 Saul Road, Kensington, Md.

B. The Tobacco Institute, Inc., 808 17th Street NW., Washington, D.C.

A. George Bliss Jones, Montgomery, Ala.

B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. James E. Jones, 122 East 42d Street, New York, N.Y.

B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. L. Dan Jones, 1110 Ring Building, Washington, D.C.

B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.

E. (9) $35.35.

A. Phillip E. Jones, 920 Tower Building, Washington, D.C.

B. United States Beet Sugar Association, 920 Tower Building, Washington, D.C.

D. (6) $125.

A. John E. Kane, 1625 K Street NW., Washington, D.C.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

D. (6) $4,365. E. (9) $1,510.42.

A. Sheldon Z. Kaplan, 817 Barr Building, Washington, D.C.

B. Guatemala Sugar Producers Association, Guatemala City, Guatemala.

A. Sheldon Z. Kaplan, 817 Barr Building, Washington, D.C.

B. Salvador Schaps, Servidora Electrica, S.A., San Salvador, El Salvador.

A. Charles C. Keeble, 1730 K Street NW., Washington, D.C.

B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.

E. (9) $37.04.

A. Francis V. Keesling, Jr., 605 Market Street, San Francisco, Calif.

B. West Coast Life Insurance Co., 605 Market Street, San Francisco, Calif.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C.

B. American Machine Tool Distributors' Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. John T. Kelly, 1411 K Street NW., Washington, D.C.

B. Pharmaceutical Manufacturers Association.

A. David W. Kendall, 1625 K Street NW., Washington, D.C.

B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. David W. Kendall, 1625 K Street NW., Washington, D.C.

B. Corn Starch Industry Committee, 1625 K Street NW., Washington, D.C.

D. (6) $340.44. E. (9) $38.36.

A. David K. Kendall, 1625 K Street NW., Washington, D.C.

B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

D. (6) $450. E. (9) $10.25.

A. David Walbridge Kendall, 1625 K Street NW., Washington, D.C.

B. Zantop Air Transport, Inc., Detroit-Metropolitan Airport, Inkster, Mich.

D. (6) $300. E. (9) $18.58.

A. I. L. Kenen, 1737 H Street NW., Washington, D.C.

B American Israel Public Affairs Committee, 1737 H Street NW., Washington, D.C.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C.

B. The Ohio Oil Co., Findlay, Ohio.

D. (6) $500. E. (9) $250.95.

A Miles D. Kennedy, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $3,750. E. (9) $60.25.

A Eugene A. Kenney, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the U.S.A.

A. Ronald M. Ketcham, Post Office Box 351, Los Angeles, Calif.

B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.

D. (6) $769.92. E. (9) $1,499.06.

A. Omar B. Ketchum, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the United States.

D. (6) $4,062.50. E. (9) $236.95.

A. Jeff Kibre, 1341 G Street NW., Washington, D.C.

B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.

D. (6) $1,480.92. E. (9) $1,429.28.

A H. Cecil Kilpatrick, 912 American Security Building, Washington, D.C.

B. Rossmoor Liesure World, Seal Beach, Calif.

E. (9) $41.04.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D.C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $268.75. E. (9) $2.93.

A. Ludlow King, 2139 Wisconsin Avenue NW., Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. T. Bert King, 812 Pennsylvania Building, Washington, D.C.
B. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $725.

A. S. F. Kirby, 20 North Wacker Drive, Chicago, Ill.
B. National Council on Business Mail, Inc., 20 North Wacker Drive, Chicago, Ill.
D. (6) $425.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $570. E. (9) $35.88.

A. James F. Kmetz, 1435 K Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $3,540.

A. Robert M. Koch, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $30.

A. William L. Kohler, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $900. E. (9) $240.77.

A. Germaine Krettek, The Coronet, Washington, D.C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $3,017.69.

A. Labor Bureau of Middle West, 1001 Connecticut Avenue, Washington, D.C., and 11 South La Salle Street, Chicago, Ill.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $8,093.65. E. (9) $8,076.34.

A. James K. Langan, 100 Indiana Avenue NW., Washington, D.C.
B. Government Employees' Council, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,120.

A. Fritz G. Lanham, 2737 Devonshire Place, NW., Washington, D.C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $999.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D.C.
B. Quality Brands Associates of America, Inc., 1001 Grant Street, Gary, Ind.
D. (6) $900.

A. Dillard B. Lasseter, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $375.

A. J. Austin Latimer, 1001 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,750.

A. John V. Lawrence, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $525. E. (9) $7.90.

A. Warren Lawrence, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
D. (6) $125. E. (9) $35.

A. Philip P. Leahy, 1343 L Street NW., Washington, D.C.
B. The National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

A. Robert F. Lederer, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $26.87. E. (9) $118.37.

A. Leonard F. Lee, 402 Solar Building, Washington, D.C.
B. Tennessee Gas Transmission Co., Houston, Tex.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,489. E. (9) $2,752.63.

A. G. E. Leighty, 400 First Street NW., Washington, D.C.

A. Richard T. Leonard, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C.
E. (9) $405.75.

A. Roy T. Lester, M.D., 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,175. E. (9) $167.67.

A. John R. Lewis, 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Hal Leyshon, 122 East 42d Street, New York, N.Y.
B. American Federation of Musicians, 425 Park Avenue, New York, N.Y.
D. (6) $4,999.98. E. (9) $2,229.74.

A. Lawrence J. Linck, 53 West Jackson Boulevard, Chicago, Ill.
B. National Association of Chain Drug Stores, 1625 I Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $806.77.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D. C.
D. (6) $730.33. E. (9) $71.30.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $637.50. E. (9) $109.73.

A. Bernard Locker, 4716 44th Street NW., Washington, D.C.
B. American Parents Committee, Inc., 20 E Street NW., Washington, D.C.

A. John J. Long, 711 14th Street NW., Washington, D.C.
B. International Printing Pressmen and Assistants' Union of North America, Pressmen's Home, Tenn.
D. (6) $875. E. (9) $6.

A. Leonard Lopez, 400 First Street NW., Washington, D.C.
B. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.
D. (6) $2,499.90. E. (9) $15.

A. Harold O. Lovre, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $240.93.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $1,500.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Illinois Bell Telephone Co., 212 West Washington Street, Chicago, Ill.
D. (6) $2,400.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. National Association of Chain Drug Stores, 1625 I Street NW., Washington, D.C.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Outdoor Advertising Association of America, Inc., 24 West Erie Street, Chicago, Ill.
E. (9) $3.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Roadside Business Association, 646 North Michigan Avenue, Chicago, Ill.
E. (9) $3.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Western Medical Corp., 415–423 West Pershing Road, Chicago, Ill.
D. (6) $1,000.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $750.

A. John C. Lynn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,341.67. E. (9) $27.65.

A. Breck P. McAllister, 25 Broadway, New York, N.Y.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.

A. John A. McCart, 900 F Street NW., Washington, D.C.
B. American Federation of Government Employees.
D. (6) $2,515.80. E. (9) $46.80.

A. McCormick Associates, Inc., 1300 Wyatt Building, Washington, D.C.
B. Trade Relations Council of the United States, 122 East 42d Street, New York, N.Y.
D. (6) $2,946.02. E. (9) $2,946.02.

A. Angus H. McDonald.
B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.
D. (6) $2,584.51 E. (9) $222.45.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D.C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D.C.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co., Butte, Mont.
D. (6) $781.26. E. (9) $519.32.

A. Rev. A. J. McFarland.
B. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $1,150. E. (9) $250.

A. William F. McKenna, 908 Colorado Building, Washington, D.C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.
D. (6) $123.28. E. (9) $535.56.

A. William F. McKenna, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $800.

A. Marvin L. McLain, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,166.67. E. (9) $30.05.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D.C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C.

A. C. W. McMillan, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $4,250.04. E. (9) $571.81.

A. Ralph J. McNair, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $481.25. E. (9) $21.17.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue, Washington, D.C.
B. American Optometric Association, Inc., 21 Bank Street, Lebanon, N.H.
D. (6) $3,500. E. (9) $80.21.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue NW., Washington, D.C.
B. Frankel Bros., 521 Fifth Avenue, New York, N.Y.
E. (9) $0.75.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue, Washington, D.C.
B. Miss Willi Zietz, Savoy Hilton Hotel, New York, N.Y.
E. (9) $0.75.

A. John G. Macfarlan, 1725 I Street NW., Washington, D.C.
B. REA Express, 219 East 42d Street, New York, N.Y.
D. (6) $868.50. E. (9) $278.63.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.
B. National Association of Mirror Manufacturers, 1028 Connecticut Avenue NW., Washington, D.C.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.
B. National Confectioners Association, 1028 Connecticut Avenue NW., Washington, D.C.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.
B. Rolled Zinc Manufacturers Association, 1028 Connecticut Avenue NW., Washington, D.C.

A. John W. MacKay, 509 14th Street NW., Washington, D.C.
B. National Postal Union, 509 14th Street NW., Washington, D.C.
D. (6) $1,166.66. E. (9) $100.

A. Mail Advertising Service Association International, 622 Fifth Street NW., Washington, D.C.
D. (6) $5,160. E. (9) $2,560.13.

A. Ben J. Man, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.
D. (6) $3,411.62. E. (9) $757.85.

A. Carter Manasco, 4201 Chesterbrook Road, McLean, Va.
B. National Business Publications, Inc., 1913 I Street NW., Washington, D.C.
D. (6) $1,200. E. (9) $17.30.

A. Carter Manasco, 4201 Chesterbrook Road, McLean, Va.
B. National Coal Association, Coal Building, Washington, D.C.
D. (6) $4,500. E. (9) $170.35.

A. D. L. Manion, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $537.51.

A. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.
E. (9) $1,180.88.

A. James Mark, Jr., 1435 K Street NW., Washington, D.C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C.
D. (6) $4,040.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $750. E. (9) $176.31.

A. Raymond E. Marks, 65 Market Street, San Francisco, Calif.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

A. David M. Marsh, 837 Washington Building, Washington, D.C.
B. Association of Casualty & Surety Companies, 60 John Street, New York, N.Y.
D. (6) $100.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.

A. Fred T. Marshall, 1112 19th Street NW., Washington, D.C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. J. Paull Marshall, Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $92.04. E. (9) $249.65.

A. Paul V. Martenson, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Drew Martin, 777 14th Street NW., Washington, D.C.
B. American Hotel Association, 221 West 57th Street, New York, N.Y.
D. (6) $400. E. (9) $75.

A. Thomas A. Martin, 510 Shoreham Building, Washington, D.C.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.
D. (6) $1,188. E. (9) $63.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.
B. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.
D. (6) $150.

A. P. H. Mathews, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $608.91. E. (9) $203.51.

A. Charles D. Matthews, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $300. E. (9) $186.25.

A. Joe G. Matthews, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $38. E. (9) $92.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D.C.
B. Amalgamated Meat Cutters & Butcher Workmen of North America, 2800 North Sheridan Road, Chicago, Ill.
D. (6) $1,430. E. (9) $451.

A. John S. Mears, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,205.

A. Medical Society of the District of Columbia, 1718 M Street NW., Washington, D.C.

A. Mehler, Goldsborough, Ives & Smollar, 2000 K Street NW., Washington, D.C.
B. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,000.

A. Mehler, Goldsborough, Ives & Smollar, 2000 K Street NW., Washington, D.C.
B. Ferro Corp., the O. Hommel Co., Glostex Chemicals, Inc., and Pemco Corp.
D. (6) $750. E. (9) $95.88.

A. Kenneth A. Meiklejohn, 815 16th Street N.W., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,419. E. (9) $126.90.

A. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.

A. M. Barry Meyer, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $250. E. (9) $141.90.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
E. (9) $1,525.78.

A. Midland Cooperative Dairy Association, Shawano, Wis.

A. C. R. Miles, 1615 H Street NW., Washington, D.C.
B. U.S. Chamber of Commerce.

A. John R. Miles, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the United States of America.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.

A. Capt. A. Stanley Miller, 930 Barr Building, Washington, D.C.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y.
D. (6) $100. E. (9) $50.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. General Motors Corp., Detroit, Mich.
D. (6) $1,875.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Intracoastal Canal Association of Louisiana and Texas, 2211 South Coast Building, Houston, Tex.
D. (6) $2,625.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C.
B. Texas Gulf Sulphur Co., Newgulf, Tex. and New York, N.Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $3,000.

A. Lloyd S. Miller, 1730 K Street NW., Washington, D.C. and 195 Broadway, New York, N.Y.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.
D. (6) $751.50.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.
D. (6) $1,875.

A. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $2,346.29.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D.C.
B. American Vocational Association, 1010 Vermont Avenue NW., Washington, D.C.

A. Harry L. Moffett, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $825.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. Maryland Railroad Association, 800 St. Paul Place, Baltimore, Md.
D. (6) $3,000. E. (9) $30.

A. Cecil Morgan, 30 Rockefeller Plaza, New York, N.Y.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.
E. (9) $24.50.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. American Reciprocal Insurance Association, Kansas City, Mo.
D. (6) $1,410. E. (9) $137.75.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. Ford Motor Co., the American Road, Dearborn, Mich.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N.Y.

A. Motor Commerce Association, Inc., 4004 Versailles Road, Lexington, Ky.
D. (6) $6,500. E. (9) $6,926.96.

A. Joseph J. Mulhern, 11 Pemberton Square, Boston, Mass.
D. (6) $9,500. E. (9) $1,134.82.

A. Bernard R. Mullady, 1200 15th Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers.
D. (6) $2,370.

A. Vincent S. Mullaney, 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $625. E. (9) $304.80.

A. T. H. Mullen, 711 14th Street NW., Washington, D.C.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. T. H. Mullen, 711 14th Streeet NW., Washington, D.C.
B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Warren Mullin, 1701 K Street NW., Washington, D.C.
B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.
D. (6) $200. E. (9) $37.90.

A. Walter J. Munro, Hotel Washington, Washington, D.C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D.C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $600. E. (9) $600.

A. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $44,032. E. (9) $13,530.94.

A. Paul A. Nagle, 817 14th Street NW., Washington, D.C.
D. (6) $750.

A. National Association of Chain Drug Stores, Inc., 1625 I Street NW., Washington, D.C.
E. (9) $2,118.37.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $13,750. E. (9) $24.25.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $58,161.61. E. (9) $13,513.92.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
D. (6) $400. E. (9) $35.

A. National Association of Frozen Food Packers, 718 18th Street NW., Washington, D.C.

A. National Association of Insurance Agents, Inc., 96 Fulton Street, New York, N.Y.
B. Maurice G. Herndon, Federal Liaison, 801 Warner Building, 13th and E Streets, Washington, D.C.
D. (6) $3,500. E. (9) $8,440.06.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D.C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.
D. (6) $3,297.10. E. (9) $3,350.69.

A. National Association of Plumbing Contractors, 1016 20th Street NW., Washington, D.C.

A. National Association of Postal Supervisors, Post Office Box 1924, Washington, D.C.
D. (6) $15,000. E. (9) $7,230.68.

A. National Association of Postmasters of the United States, 348 Pennsylvania Building, Washington, D.C.
D. (6) $110,454.61. E. (9) $1,665.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D.C.

A. National Association of Soil and Water Conservation Districts, League City, Tex.
D. (6) $3,567.04. E. (9) $509.71.

A. National Association of Travel Organizations, 1422 K Street NW., Washington, D.C.
D. (6) $14,273.70. E. (9) $682.50.

A. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.
D. (6) $2,230.59. E. (9) $2,230.59.

A. National Automobile Dealers Association, 2000 K Street NW., Washington, D.C.
D. (6) $6,503.92. E. (9) $6,503.92.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $269,971.93. E. (9) $7,005.99.

A. National Coal Association, Coal Building, Washington, D.C.

A. National Conference of Non-Profit Shipping Associations, Inc., 26 Auburn Avenue, Atlanta, Ga.
D. (6) $8,625.

A. National Conference for Repeal of Taxes on Transportation, 1710 H Street NW., Washington, D.C.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Coordinating Committee for Export Credit Guarantees, 1 Liberty Street, New York, N.Y.
D. (6) $700. E. (9) $5,181.03.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $3,422.58. E. (9) $3,422.58.

A. National Council on Business Mail, Inc., 20 North Wacker Drive, Chicago, Ill.
D. (6) $230.42. E. (9) $425.

A. National Economic Council, Inc., 156 Fifth Avenue, New York, N.Y.
D. (6) $1,204.67. E. (9) $951.49.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D.C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.

A. National Federation of Business and Professional Women's Clubs, 2012 Massachusetts Avenue NW., Washington, D.C.
D. (6) $27,573.15. E. (9) $2,165.80.

A. National Federation of Independent Businesses, Inc., 740 Washington Building, Washington, D.C.
D. (6) $12,859.91. E. (9) $12,859.91.

A. National Food Brokers Association, 1916 M Street NW., Washington, D.C.
D. (6) $1,376.08. E. (9) $1,376.08.

A. National Independent Dairies Association, 1627 K Street NW., Washington, D.C.
E. (9) $46.12.

A. National League of Insured Savings Associations, 907 Ring Building, Washington, D.C.
B. Member associations of the league.
D. (6) $350,197.42. E. (9) $4,221.79.

A. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
D. (6) $2,652.50. E. (9) $2,652.50.

A. National Livestock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,673.10. E. (9) $1,668.22.

A. National Lumber Manufacturers Association, 1619 Massachusetts Avenue NW., Washington, D.C.
E. (9) $3,611.94.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $4,514.60. E. (9) $4,514.60.

A. National Multiple Sclerosis Society, 257 Park Avenue South, New York, N.Y.
E. (9) $845.50.

A. National Parking Association, 711 14th Street NW., Washington, D.C.

A. National Postal Union, 509 14th Street NW., Washington, D.C.
D. (6) $24,297.04. E. (9) $12,127.77.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D.C.
D. (6) $9,199.70. E. (9) $767.50.

A. National Reclamation Association, 897 National Press Building, Washington, D.C.
D. (6) $10,167.50. E. (9) $12,463.34.

A. National Rejectors, Inc., 5100 San Francisco Avenue, St. Louis, Mo.
E. (9) $2,809.13.

A. National Restaurant Association, 1012 14th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $6,199.74. E. (9) $6,199.74.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill., and 1028 Connecticut Avenue NW., Washington, D.C.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
D. (6) $12,625. E. (9) $5,399.35.

A. National Rivers & Harbors Congress, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $32,335. E. (9) $10,029.09.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
E. (9) $652.85.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $195,098.83. E. (9) $3,984.30.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,723.02. E. (9) $1,990.37.

A. Nation-Wide Committee of Industry, Agriculture and Labor on Import-Export Policy, 815 15th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $2,888.12.

A. Robert R. Neal, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $955.

A. William S. Neal, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D.C.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D.C.
B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.
D. (6) $4,750.02. E. (9) $3,496.01.

A. Samuel E. Neel, 1001 15th Street NW., Washington, D.C.
B. James W. Rouse & Co., Inc., 14 West Saratoga Street, Baltimore, Md., and others.

A. New England Shoe & Leather Association, 210 Lincoln Street, Boston, Mass.
D. (6) $799.25. E. (9) $799.25.

A. Mrs. Sarah H. Newman.
B. National Consumers League, 1029 Vermont Avenue NW., Washington, D.C.
D. (6) $1,650.

A. New York & New Jersey Dry Dock Association, 161 Williams Street, New York City.
D. (6) $1,956.22. E. (9) $4,845.89.

A. T. A. Nooner, Jr., 38 South Dearborn Street, Chicago, Ill.
B. Railway Progress Institute, 38 South Dearborn Street, Chicago, Ill.
D. (6) $3,600.

A. Walter O. Noreen, 509 14th Street NW., Washington, D.C.
B. National Postal Union, 509 14th Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $100.

A. O. L. Norman, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Cos., 1200 18th Street NW., Washington, D.C.
D. (6) $625. E. (9) $160.07.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians & Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northwest Country Elevator Association, 920 Grain Exchange, Minneapolis, Minn.
E. (9) $2,024.44.

A. E. M. Norton, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300.

A. Brice O'Brien, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $675.

A. E. H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
D. (6) $26,705.65.

A. John F. O'Connor, 817 14th Street NW., Washington, D.C.
B. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $4,374.96. E. (9) $208.60.

A. R. E. O'Connor, 122 East 42d Street, New York, N.Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. John A. O'Donnell, 1616 P Street NW., Washington, D.C.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $600. E. (9) $600.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D.C.
B. National Federation of Sugarcane Planters, 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $500.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D.C.
B. Philippine Sugar Association, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $500.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $1,511.71.

A. Alvin E. Oliver, 400 Folger Building, Washington, D.C.
B. Grain and Feed Dealers National Association, 400 Folger Building, Washington, D.C.
D. (6) $19.30. E. (9) $2.

A. Oliver & Donnally, 110 East 42d Street, New York, N.Y.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.
D. (6) $146. E. (9) $246.77.

A. Clarence H. Olson, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,805. E. (9) $105.65.

A. Samuel Omasta, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $25.

A. Clayton L. Orn, 539 South Main Street, Findlay, Ohio.
B. The Ohio Oil Co., Findlay, Ohio.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.

A. Kermit Overby, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $185.

A. John A. Overholt, 10315 Kensington Parkway, Kensington, Md., and 1131 Munsey Building, Washington, D.C.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue, Washington, D.C.
D. (6) $923.10. E. (9) $6.75.

A. Wm. Edison Owen, 215 C Street NW., Washington, D.C.
B. Manning Clagett, Robert Smith, and John Underwood, Accokeek, Md.
D. (6) $250.

A. Edwin F. Padberg, 1223 Pennsylvania Building, Washington, D.C.
B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Michael Padnos, 1341 Connecticut Avenue NW., Washington, D.C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,625. E. (9) $38.30.

A. Walter Page, 912 University Building, Syracuse, N.Y.

A. Everett L. Palmer, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.

A. Lew M. Paramore, Town House Hotel, Kansas City, Kans.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. J. D. Parel, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Holcombe Parkes, 38 South Dearborn Street, Chicago, Ill.
B. Railway Progress Institute, 38 South Dearborn Street, Chicago, Ill.
D. (6) $9,750.

A. James D. Parriott, Jr., 539 South Main Street, Findlay, Ohio.
B. The Ohio Oil Co., Findlay, Ohio.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $127.35.

A. James G. Patton.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue N.W., Washington, D.C.
D. (6) $1,650. E. (9) $1,140.63.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1625 I Street NW., Washington, D.C.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.
D. (6) $2,275. E. (9) $335.93.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.
D. (6) $1,900. E. (9) $130.16.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. Family Tax Association, 2110 Girard Trust Building, Philadelphia, Pa.
D. (6) $2,300. E. (9) $160.20.

A. Philip C. Pendleton, Second Street Pike, Bryn Athyn, Pa.
B. The Pitcairn Co., 100 West 10th Street, Wilmington, Del.
D. (6) $3,000. E. (9) $179.70.

A. Ervin L. Peterson, 1145 19th Street NW., Washington, D.C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.

A. J. Hardin Peterson, Post Office Box 111, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
D. (6) $1,800. E. (9) $210.53.

A. J. Hardin Peterson, Post Office Box 111, Lakeland, Fla.
B. West Coast Inland Navigation District, Court House, Bradenton, Fla.
D. (6) $600. E. (9) $23.25.

A. Kenneth Peterson, 1126 16th Street, NW., Washington, D.C.
B. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.
D. (6) $1,250.

A. Pharmaceutical Manufacturers Association, 1411 K Street NW., Washington, D.C.
D. (6) $3,730.24. E. (9) $2,031.92.

A. Tom Pickett, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $140. E. (9) $5.05.

A. James F. Pinkney, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.
D. (6) $1,000. E. (9) $186.85.

A. T. E. Pinkston, 101 East High Street, Lexington, Ky.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y.
D. (6) $600. E. (9) 926.43.

A. Pitcairn Co., 100 West 10th Street, Wilmington, Del.
E. (9) $3,135.56.

A. Plains Cotton Growers, Inc., 1720 Avenue M, Lubbock, Tex.
D. (6) $188,508.04. E. (9) $1,350.

A. Sanford L. Platt, 723 Investment Building, Washington, D.C.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.
D. (6) $1,000.

A. James K. Polk, Esq., 522 Fifth Avenue, New York, N.Y.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y.
D. (6) $263. E. (9) $5.50.

A. Frank M. Porter, 1271 Avenue of the Americas, New York, N.Y.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Richard M. Powell, 1210 Tower Building, Washington, D.C.
B. National Association of Refrigerated Warehouses, 1210 Tower Building, Washington, D.C.
D. (6) $100. E. (9) $132.

A. Thomas W. Power, 1012 14th Street NW., Washington, D.C.
B. National Restaurant Association, 1012 14th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $2,000. E. (9) $300.

A. William C. Prather, 221 North La Salle Street, Chicago, Ill.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $347.50.

A. William H. Press, 1616 K Street NW., Washington, D.C.
B. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.
D. (6) $4,800.

A. Ganson Purcell, 910 17th Street NW., Washington, D.C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
E. (9) $1.35.

A. Purcell & Nelson, Barr Building, Washington, D.C.
B. Nicaragua Sugar Estates, Ltd., Managua, Nicaragua.
D. (6) $1,250. E. (9) $150.93.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Cancer Society, New York, N.Y., etc.
D. (6) $8,249.97. E. (9) $7,516.12.

A. Cushman S. Radebaugh, Box 1928, Orlando, Fla.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
E. (9) $44.57.

A. Alex Radin, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $352.95.

A. Edward F. Ragland, 6917 Marbury Road, Bethesda, Md.
B. The Tobacco Institute, Inc., 808 17th Street NW., Washington, D.C.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
D. (6) $167. E. (9) $110.80.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.

A. Railway Progress Institute, 38 South Dearborn Street, Chicago, Ill.

A. Alan T. Rains, 777 14th Street NW., Washington, D.C.

B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Donald J. Ramsey, 1725 K Street NW., Washington, D.C.

B. Silver Users Association, 1725 K Street NW., Washington, D.C.

D. (6) $450. E. (9) $24.10.

A. J. A. Ransford, 1317 F Street NW., Washington, D.C.

B. Tidewater Oil Co., Los Angeles, Calif.

A. Sydney C. Reagan, 3840 Greenbrier Drive, Dallas, Tex.

B. Southwestern Peanut Shellers Association, Box 48, Durant, Okla.

D. (6) $514.94. E. (9) $364.94.

A. Realty Committee on Taxation, 660 Madison Avenue, New York, N.Y.

D. (6) $22,750. E. (9) $14,387.94.

A. Stanley Rector, 520 Hotel Washington, Washington, D.C.

B. Unemployment Benefit Advisors, Inc.

D. (6) $1,000.

A. Robert E. Redding, 1710 H Street NW., Washington, D.C.

B. National Conference for Repeal of Taxes on Transportation, 1710 H Street NW., Washington, D.C.

A. Otie M. Reed, 1107 19th Street NW., Washington, D.C.

B. National Creameries Association, 1107 19th Street NW., Washington, D.C.

D. (6) $2,300.01. E. (9) $3,965.06.

A. W. O. Reed, 6254 Woodland Drive, Dallas, Tex.

B. Texas railroads.

D. (6) $78.50. E. (9) $269.05.

A. Geo. L. Reid, Jr., 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $800.02. E. (9) $95.48.

A. James Francis Reilly, 1625 K Street NW., Washington, D.C.

B. Potomac Electric Power Co., 929 E Street NW., Washington, D.C.

D. (6) $1,250. E. (9) $203.14.

A. Louis H. Renfrow, 1000 16th Street NW., Washington, D.C.

B. National Coal Policy Conference, Inc., 1000 16th Street NW., Washington, D.C.

D. (6) $6,250.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D.C.

A. Retired Officers Association, 1616 I Street NW., Washington, D.C.

D. (6) $91,700.35.

A. Retirement Federation of Civil Service Employees of the U.S. Government, 900 F Street NW., Washington, D.C.

D. (6) $1,925.50. E. (9) $5,734.16.

A. F. Marion Rhodes, 60 Beaver Street, New York, N.Y.

B. New York Cotton Exchange, 60 Beaver Street, New York, N.Y.

A. James W. Richards, 1000 16th Street NW., Washington, D.C.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.

D. (6) $1,060. E. (9) $358.10.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La.

B. Louisiana railroads.

D. (6) $37.50. E. (9) $147.62.

A. James W. Riddell, 731 Washington Building, Washington, D.C.

B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

A. James W. Riddell, 731 Washington Building, Washington, D.C.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. James W. Riddell, 731 Washington Building, Washington, D.C.

B. Mutual Benefit Health & Accident Association, Omaha, Nebr.

A. James W. Riddell, 731 Washington Building, Washington, D.C.

B. State Farm Mutual Automobile Insurance Co., 112 East Washington Street, Bloomington, Ill.

D. (6) $2,000. E. (9) $94.35.

A. Richard J. Riddick, 1012 14th Street NW., Washington, D.C.

B. Freight Forwarders Institute, 1012 14th Street NW., Washington, D.C.

E. (9) $170.74.

A. Siert F. Riepma, Munsey Building, Washington, D.C.

B. National Association of Margarine Manufacturers.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.

B. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.

D. (6) $450. E. (9) $96.35.

A. George D. Riley, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $3,419. E. (9) $478.65.

A. James F. Rill, 1730 K Street NW., Washington, D.C.

B. Steadman, Collier & Shannon, 1730 K Street NW., Washington, D.C.

D. (6) $135. E. (9) $15.

A. Eugene Ritzner, 2400 Benedict Canyon Drive, Beverly Hills, Calif.

A. William Neale Roach, 1616 P Street NW., Washington, D.C.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $1,200.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.

D. (6) $250.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C.

D. (6) $175.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C.

D. (6) $375.

A. Frank W. Rogers, 1700 K Street NW., Washington, D.C.

B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif.

D. (6) $5,260.

A. Watson Rogers, 1916 M Street NW., Washington, D.C.

B. National Food Brokers Association, 1916 M Street NW., Washington, D.C.

D. (6) $1,000.

A. T. J. Ross & Associates, Inc., 405 Lexington Avenue, New York, N.Y.

D. (6) $7,500. E. (9) $4,125.50.

A. John Forney Rudy, 902 Ring Building, Washington, D.C.

B. Goodyear Tire & Rubber Co., Akron, Ohio.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

D. (6) $235.39. E. (9) $75.29.

A. M. O. Ryan, 777 14th Street NW., Washington, D.C.

B. American Hotel Association, 221 West 57th Street, New York, N.Y.

D. (6) $500. E. (9) $367.71.

A. Oswald Ryan, 528 Barr Building, Washington, D.C.

B. Air Traffic Control Association, 528 Barr Building, Washington, D.C.

D. (6) $500. E. (9) $69.10.

A. William H. Ryan, 400 First Street NW., Washington, D.C.

B. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.

D. (6) $2,999.88. E. (9) $60.

A. Kermit B. Rykken, 1712 G Street NW., Washington, D.C.

B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Francis J. Ryley, 519 Title & Trust Building, Phoenix, Ariz.

B. Standard Oil Co. of California, San Francisco, etc.

A. Robert A. Saltzstein, 508 Wyatt Building, Washington, D.C.

B. Associated Business Publications, 205 East 42d Street, New York, N.Y.

A. Kimball Sanborn, 810 Pennsylvania Building, Washington, D.C.

B. Boston & Maine Railroad, 150 Causeway Street, Boston, Mass.

A. L. R. Sanford, 1730 K Street NW., Washington, D.C.

B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. O. H. Saunders, 1616 I Street NW., Washington, D.C.

B. Retired Officers Association, 1616 I Street NW., Washington, D.C.

D. (6) $1,950.

A. Hilliard Schulberg, 1346 Connecticut Avenue NW., Washington, D.C.

B. Washington D.C. Retail Liquor Dealers Association, Inc., 1346 Connecticut Avenue NW., Washington, D.C.

D. (6) $3,375. E. (9) $77.02.

A. J. A. Schwab, 1223 Pennsylvania Building, Washington, D.C.

B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Durward Seals, 777 14th Street N.W., Washington, D.C.

B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Hollis M. Seavey, 1771 N Street NW., Washington, D.C.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C.

A. Fred G. Seig, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $20.66.

A. Leo Seybold, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,125. E. (9) $82.90.

A. Alvin Shapiro, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C.; and 11 Broadway, New York, N.Y.
D. (6) $812.50. E. (9) $108.28.

A. David C. Sharman, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Optometric Association, Inc., 21 Bank Street, Lebanon, N.H.
D. (6) $875. E. (9) $203.53.

A. John H. Sharon, Esq., 224 Southern Building, Washington, D.C.
B. Cleary, Gottlieb & Steen, 224 Southern Building, Washington, D.C.

A. Sharp & Bogan, 1108 16th Street NW., Washington, D.C.

A. A. Manning Shaw, 1625 I Street NW., Washington, D.C.
B. Brown & Lund, 1625 I Street NW., Washington, D.C., and National Association of Electric Companies, Ring Building, Washington, D.C.
D. (6) $968.

A. Maurice J. Shean, 940 25th Street NW., Washington, D.C.
B. City and County of San Francisco, Calif.
D. (6) $4,050. E. (9) $1,558.79.

A. David A. Shepard, 30 Rockefeller Plaza, New York, N.Y.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. Laurence P Sherfy, 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Robert H. Shields, 920 Tower Building, Washington, D.C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D.C.
D. (6) $420.

A. Max Shine, 900 F Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.
D. (6) $992.50. E. (9) $20.

A. Richard C. Shipman.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.
D. (6) $1,387. E. (9) $368.74.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.
D. (6) $700.

A. David Silvergleid, 509 14th Street NW., Washington, D.C.
B. National Postal Union, 509 14th Street NW., Washington, D.C.
D. (6) $1,166.66. E. (9) $100.

A. Silver Users Association, 1725 K Street NW., Washington, D.C.
D. (6) $3,867. E. (9) $1,096.63.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
E. (9) $3,000.

A. Harold S. Skinner, Post Office Box 2197, Houston, Tex.
B. Continental Oil Co., Post Office Box 2197, Houston, Tex.

A. Carstens Slack, 1625 I Street NW., Washington, D.C.
B. Phillips Petroleum Co., Bartlesville, Okla.
D. (6) $100. E. (9) $120.

A. Harold Slater, 1 Farragut Square South, Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,312.50. E. (9) $222.79.

A. Stephen Slipher, 812 Pennsylvania Building, Washington, D.C.
B. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,812.50. E. (9) $9.60.

A. Carleton D. Smith, RCA Building, Washington, D.C.
B. Radio Corp. of America, 30 Rockefeller Plaza, New York, N.Y.

A. Dudley Smith, 732 Shoreham Building, Washington, D.C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D.C.

A. Harold Arden Smith, 605 West Olympic Boulevard, Los Angeles, Calif.
B. Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.
D. (6) $200.

A. James R. Smith, 1060 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D.C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $4,650.

A. Dr. Spencer M. Smith, Jr., 1709 West Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources.
D. (6) $971.10. E. (9) $1,401.38.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C.
B. American Mutual Insurance Alliance.

A. Wayne H. Smithey, 1200 Wyatt Building, Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $769. E. (9) $176.31.

A. Lyle O. Snader, 954 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $189.38.

A. Frank B. Snodgrass, 1025 Connecticut Avenue NW., Washington, D.C.
B. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $275. E. (9) $90.43.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,471.14.

A. J. R. Snyder, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Trainmen.

A. Society for Animal Protective Legislation, 745 Fifth Avenue, New York, N.Y.
D. (6) $697.10. E. (9) $3,457.87.

A. Charles B. Sonneborn, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $10.

A. Marvin J. Sonosky, 1700 K Street NW., Washington, D.C.

A. J. Taylor Soop, 400 First Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $1,206.90.

A. W. Byron Sorrell, Esq., 1100 New Hampshire Avenue NW., Washington, D.C.
B. Mobilehome Dealers National Association, 39 South La Salle Street, Chicago, Ill.
D. (6) $1,875. E. (9) $471.29.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $45,818.20. E. (9) $4,336.04.

A. Southwestern Peanut Shellers' Association, Drawer 747, Durant, Okla.
E. (9) $514.94.

A. William W. Spear, 214 National Bank Building, Fremont, Nebr.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $830. E. (9) $188.01.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. John M. Sprague, 1730 K Street NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $15.32.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $3,839.77.

A. Howard H. Starling, 837 Washington Building, Washington, D.C.
B. Association of Casualty & Surety Companies, 60 John Street, New York, N.Y.
D. (6) $150.

A. Steadman, Collier & Shannon, 1730 K Street NW., Washington, D.C.
B. National Shoe Manufacturers Association, 342 Madison Avenue, New York, N.Y.
E. (9) $161.80.

A. Steadman, Collier & Shannon, 1730 K Street NW., Washington, D.C.
B. The Tool & Fine Steel Committee, Reading, Pa.
E. (9) $175.

A. Mrs. C. A. L. Stephens, Post Office Box 6234, Northwest Station, Washington, D.C.

A. Russell M. Stephens, 900 F Street NW., Washington, D.C.

B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.

D. (6) $240. E. (9) $20.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railroad Signalmen, 2247 West Lawrence Avenue, Chicago, Ill.

D. (6) $750.

A. Eugene L. Stewart, 1001 Connecticut Avenue, Washington, D.C.

B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

D. (6) $300. E. (9) $220.63.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.

B. Association to Acquire Compensation for Damages Prior to Peace Treaty, Naha, Okinawa.

D. (6) $2,000. E. (9) $225.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.

B. Nozaki Associates, Inc., 4 Albany Street, New York, N.Y.; Mitsubishi International Corp., 120 Broadway, New York, N.Y., and Ajinomoto Co. of New York, 30 Broad Street, New York, N.Y.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.

B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.

B. Veterans of Foreign Wars of the United States.

D. (6) $2,500. E. (9) $268.15.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.

B. America's Wage Earners' Protective Conference.

D. (6) $1,153.85.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.

B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.

D. (6) $625.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.

B. Nation-Wide Committee of Industry, Agriculture & Labor on Import-Export Policy.

D. (6) $1,562.50.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. Federation of American Scientists, 1700 K Street NW., Washington, D.C.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. Laguna Pueblo of New Mexico, Laguna, N. Mex.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. The Nez Perce Tribe, Lapwai, Idaho.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. Salt River Pima-Maricopa Indian Community, Scottsdale, Ariz.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. The San Carlos Apache Tribe, San Carlos, Ariz.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. The Seneca Nation of Indians, 25 Main Street, Salamanca, N.Y.

A. Strasser, Spiegelberg, Kampelman & McLaughlin, 1700 K Street NW., Washington, D.C.

B. Tuscarora Nation of Indians, Lewiston, N.Y.

A. William A. Stringfellow, 6004 Roosevelt Street, Bethesda, Md.

B. National Association of Mutual Insurance Agents, 827 Investment Building, Washington, D.C.

A. Structural Clay Products Industry Depletion Committee, 1032 Shoreham Building, Washington, D.C.

D. (6) $1,500.

A. Norman Strunk, 221 North LaSalle Street, Chicago, Ill.

B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

D. (6) $1,625. E. (9) $1,024.25.

A. Walter B. Stults, 537 Washington Building, Washington, D.C.

B. National Association of Small Business Investment Companies, 537 Washington Building, Washington, D.C.

D. (6) $600.

A. Verne R. Sullivan, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the United States.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N.Y.

B. Schenley Industries, Inc., 350 Fifth Avenue, New York, N.Y.

A. Surrey, Karasik, Gould & Greene, 1116 Woodward Building, Washington, D.C.

B. National Coordinating Committee for Export Credit Guarantees, 1 Liberty Street, New York, N.Y.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D.C.

B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.

E. (9) $102.60.

A. Glenn J. Talbott.

B. The Farmers' Educational and Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D.C.

B. American Airlines, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $1,375. E. (9) $443.44.

A. John I. Taylor, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $958.33. E. (9) $27.65.

A. Margaret K. Taylor, 20 E Street NW., Washington, D.C.

B. American Parents Committee, Inc., 20 E Street NW., Washington, D.C., and Bipartisan Citizens Committee for Federal Aid for Public Elementary and Secondary Education, 4107 Davenport Street NW., Washington, D.C.

A. J. B. Thayn, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $1,416.67. E. (9) $31.15.

A. Cecil A. Thomas, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,346.15. E. (9) $281.22.

A. Oliver A. Thomas, 125 North Center Street, Reno, Nev.

B. Nevada Railroad Association, 125 North Center Street, Reno, Nev.

A. Julia C. Thompson, 711 14th Street NW., Washington, D.C.

B. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.

D. (6) $2,397.71.

A. Eugene M. Thore, 1701 K Street NW., Washington, D.C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.

D. (6) $795. E. (9) $19.19.

A. G. D. Tilghman, 1612 K Street NW., Washington, D.C.

D. (6) $3,750.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D.C.

B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D.C.

B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.

D. (6) $147.50. E. (9) $151.19.

A. Tobacco Associates, Inc., 1025 Connecticut Avenue NW., Washington, D.C.

E. (9) $3,723.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $3,062.50. E. (9) $260.

A. Dwight D. Townsend, 1012 14th Street NW., Washington, D.C.

B. Cooperative League of U.S.A., 343 South Dearborn Street, Chicago, Ill.

A. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.

D. (6) $9,831.93. E. (9) $1,484.23.

A. F. Gerald Toye, 777 14th Street NW., Washington, D.C.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

D. (6) $750. E. (9) $51.80.

A. Transportation Association of America, 1710 H Street NW., Washington, D.C.

A. Hattie B. Trazenfeld, 2012 Massachusetts Avenue NW., Washington, D.C.

B. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.

A. Richard S. Tribbe, 1508 Merchants Bank Building, Indianapolis, Ind.

B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

D. (6) $1,762.50. E. (9) $69.23.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D.C.

B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

D. (6) $1,625. E. (9) $19.25.

A. Paul T. Truitt, 1700 K Street NW., Washington, D.C.

B. National Plant Food Institute, 1700 K Street NW., Washington, D.C.

E. (9) $2.

A. Dick Tullis, 307 Maple Terrace, Dallas, Tex.

B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.

D. (6) $500. E. (9) $463.48.

A. John W. Turner, 814 Railway Labor Building, Washington, D.C.

B. Brotherhood of Locomotive Engineers, B. of L.E. Building, Cleveland, Ohio.

A. William S. Tyson, 821 15th Street NW., Washington, D.C.

B. Local No. 30, Canal Zone Pilot's Association, Post Office Box 601, Balboa, C.Z.

D. (6) $5,000. E. (9) $72.55.

A. William S. Tyson, 821 15th Street NW., Washington, D.C.

B. Western Range Association, 375 North Fulton Street, Fresno, Calif.

D. (6) $10,000. E. (9) $85.16.

A. Union Producing Co. and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.

E. (9) $903.94.

A. United Cerebral Palsy Associations, 321 West 44th Street, New York, N.Y.

E. (9) $1,409.04.

A. United Federation of Postal Clerks, 817 14th Street NW., Washington, D.C.

D. (6) $322,152.11. E. (9) $38,574.39.

A. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

E. (9) $32,482.01.

A. United States Trust Co. of New York, 45 Wall Street, New York, N.Y.

E. (9) $24.45.

A. Henry A. S. van Daalen, Jr., 1616 P Street NW., Washington, D.C.

B. Common Carrier Conference-Irregular Route, Inc., 1616 P Street NW., Washington, D.C.

D. (6) $25. E. (9) $1.

A. Thomas M. Venables, 2000 Florida Avenue NW., Washington, DC.

B. National Rural Electrical Cooperation Association, 2000 Florida Avenue NW., Washington, D.C.

A. Richard E. Vernor, 1701 K Street NW., Washington, D.C.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

D. (6) $66.48. E. (9) $14.65.

A. L. T. Vice, 1700 K Street NW., Washington, D.C.

B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.

D. (6) $180. E. (9) $90.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D.C.

B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D.C.

A. Voice of the People in Action, the Society of the People, Inc., 621 Sheridan Street, Chillum, Md.

B. Dr. Russell Forrest Egner.

A. Paul F. Wagner, 1625 I Street NW., Washington, D.C.

B. Selvage & Lee, Inc., 1625 I Street NW., Washington, D.C.

D. (6) $562.50. E. (9) $410.45.

A. Carl M. Walker, 30 F Street NW., Washington, D.C.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

D. (6) $50. E. (9) $8.

A. Paul H. Walker, 1701 K Street NW., Washington, D.C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.

D. (6) $425. E. (9) $6.10.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D.C.

B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.

D. (6) $478. E. (9) $17.55.

A. William A. Walton, 920 Jackson Street, Topeka, Kans.

B. Kansas Railroad Committee, 920 Jackson Street, Topeka, Kans.

A. Jeremiah C. Waterman, 205 Transportation Building, Washington, D.C.

B. Southern Pacific Co., 205 Transportation Building, Washington, D.C.

D. (6) $500.

A. Waterways Bulk Transportation Council, Inc., 21 West Street, New York, N.Y.

D. (6) $13,950. E. (9) $13,741.29.

A. J. R. Watson, I.C.R.R. Passenger Station, Jackson, Miss.

B. Mississippi Railroad Association, I.C.R.R. Passenger Station, Jackson, Miss.

A. Watters & Donovan, 161 William Street, New York, N.Y.

B. New York & New Jersey Dry Dock Association, 161 William Street, New York, N.Y.

D. (6) $3,750.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.

B. The Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.

D. (6) $200.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.

B. Eastern Meat Packers Association, Inc., 740 11th Street NW., Washington, D.C.

D. (6) $10. E. (9) $3.05.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.

B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D.C.

D. (6) $225. E. (9) $50.72.

A. William H. Webb, LaSalle Building, Washington, D.C.

B. National Rivers & Harbors Congress, 1028 Connecticut Avenue, Washington, D.C.

D. (6) $2,396.10. E. (9) $301.64.

A. William E. Welsh, 897 National Press Building, Washington, D.C.

B. National Reclamation Association, 897 National Press Building, Washington, D.C.

D. (6) $3,750. E. (9) $167.30.

A. West Coast Inland Navigation District, Court House, Bradenton, Fla.

E. (9) $603.33.

A. Donald Francis White, 1616 H Street NW., Washington, D.C.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $1,666.66. E. (9) $155.90.

A. John C. White, 838 Transportation Building, Washington, D.C.

B. American Cotton Shippers Association.

D. (6) $900. E. (9) $66.85.

A. Marc A. White, 1707 H Street NW., Washington, D.C.

B. National Association of Securities Dealers, Inc.

A. Richard P. White, 835 Southern Building, Washington, D.C.

B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.

A. H. Leigh Whitelaw, 734 15th Street NW., Washington, D.C.

B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N.Y.

A. Scott C. Whitney, 918 16th Street NW., Washington, D.C.

B. American Airlines, Inc., 918 16th Street NW., Washington, D.C.

D. (6) $2,000. E. (9) $878.

A. Donald S. Whyte, 1102 Ring Building, Washington, D.C.

B. American Mining Congress, Ring Building, Washington, D.C.

D. (6) $450. E. (9) $30.25.

A. Louis E. Whyte, 918 16th Street NW., Washington, D.C.

B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

A. Claude C. Wild, Jr., 1120 Connecticut Avenue NW., Washington, D.C.

B. Gulf Oil Corp, Gulf Building, Pittsburgh, Pa.

D. (6) $700. E. (9) $150.

A. Albert E. Wilkinson, Investment Building, Washington, D.C.

B. The Anaconda Co., Hennessy Building, Butte, Mont.

D. (6) $2,250. E. (9) $1,129.15.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.

B. American Society of Travel Agents, Inc., 501 Fifth Avenue, New York, N.Y.

E. (9) $6.

A. Wilkinson, Cragun & Barger, 1616 H Street NW., Washington, D.C.

B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

E. (9) $7.25.

A. Wilkinson, Cragun & Barger, 1616 H Street NW., Washington, D.C.

B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

E. (9) $9.45.

A. Wilkinson, Cragun & Barger, 1616 H Street NW., Washington, D.C.

B. Menominee Enterprises, Inc., Neopit, Wis.

E. (9) $28.70.

A. Wilkinson, Cragun & Barger, 1616 H Street NW., Washington, D.C.

B. Quinaielt Tribe of Indians, Taholah, Wash.

E. (9) $5.85.

A. Wilkinson, Cragun & Barger, 1616 H Street NW., Washington, D.C.

B. Spokane Indian Tribe, Wellpinit, Wash.

E. (9) $5.65.

A. John Willard, Box 1172, Helena, Mont.

B. Montana Railroad Association, Helena, Mont.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D.C.

B. Retired Officers Association, 1616 I Street NW., Washington, D.C.

D. (6) $3,000.

A. Laurens Williams, 602 Ring Building, Washington, D.C.

B. Pacific Mutual Life Insurance Co., Los Angeles, Calif.

A. Robert E. Williams, 1000 Connecticut Avenue NW., Washington, D.C.

B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.

D. (6) $950. E. (9) $82.80.

A. Clark L. Wilson, 714 Associations Building, Washington, D.C.

B. Emergency Lead-Zinc Committee.

D. (6) $1,875. E. (9) $2,769.31.

A. E. Raymond Wilson, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,523.08.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D.C.

B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D.C.

A. Henry B. Wilson, 1612 K Street NW., Washington, D.C.

B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.

B. Union Producing Co. and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.

D. (6) $600. E. (9) $303.94.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.

B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Theodore Wiprud, 1718 M Street NW., Washington, D.C.

B. Medical Society of the District of Columbia, 1718 M Street NW., Washington, D.C.

A. Venlo Wolfsohn, 1729 H Street NW., Washington, D.C.

B. Institute of Scrap Iron & Steel, Inc., 1729 H Street NW., Washington, D.C.

D. (6) $300. E. (9) $1.

A. Russell J. Woodman, 400 First Street NW., Washington, D.C.

B. The Order of Railroad Telegraphers, 3860 Lindell Boulevard, St. Louis, Mo.

A. Alexander W. Wuerker, 1025 Connecticut Avenue, Washington, D.C.

B. The American Waterways Operators, Inc., 1025 Connecticut Avenue, Washington, D.C.

D. (6) $542. E. (9) $99.91.

A. Donald A. Young, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the United States.

A. J. Banks Young, 502 Ring Building, Washington, D.C.

B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

D. (6) $720. E. (9) $23.86.

A. Sidney Zagri, 25 Louisiana Avenue NW., Washington, D.C.

B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.

D. (6) $6,311.

A. Zantop Air Transport, Inc., Detroit-Metropolitan Airport, Inkster, Mich.

E. (9) $318.58.

A. Gordon K. Zimmerman, Washington, D.C.

B. National Association of Soil and Water Conservation Districts.

A. Zimring, Gromfine & Sternstein, 1001 Connecticut Avenue, Washington D.C., and 11 LaSalle Streeet, Chicago, Ill.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1962:

(Note.—The form used for registration is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th

(Mark one square only)

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◀

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◀

A. Charles D. Ablard, 930 Federal Bar Building, Washington, D.C.
B. National Star Route Mail Carriers Association, 301 East Capitol Street, Washington, D.C.

A. Actors' Equity Association, 226 West 47th Street, New York, N.Y.

A. Edwin N. Altman.
B. American Maritime Association, 17 Battery Place, New York, N.Y., and 1725 K Street NW., Washington, D.C.

A. American Maritime Association, 17 Battery Place, New York, N.Y., and 1725 K Street NW., Washington, D.C.

A. American Podiatry Association, 3301 16th Street NW., Washington, D.C.

A. American Shareholders Committee, General Aniline & Film Corp., 535 Fifth Avenue, New York, N.Y.

A. Cyrus T. Anderson, 400 First Street NW., Washington, D.C.
B. Hotel & Restaurant Employees' and Bartenders International Union, 525 Walnut Street, Cincinnati, Ohio.

A. Cyrus T. Anderson, 400 First Street NW., Washington, D.C.
B. International Hod Carriers', Building and Common Laborers' Union of America, 905 16th Street NW., Washington, D.C.

A. Cyrus T. Anderson, 400 First Street NW., Washington, D.C.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C.

A. John Arens, 500 Westchester Avenue, White Plains, N.Y.
B. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D.C.

A. Richard B. Barker, and Jay W. Glasmann, 306 Southern Building, Washington, D.C.
B. Xerox Corp., Rochester, N.Y.

A. Ralph O. Beck, Post Office Box 2200, Honolulu, Hawaii, and 438 Pennsylvania Building, Washington, D.C.
B. Hawaiian Telephone Co., Post Office Box 2200, Honolulu, Hawaii.

A. S. B. Bledsoe, 627 Cafritz Building, Washington, D.C.
B. Progressive Tax Committee, Washington, D.C.

A. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. Robert W. Bruce, 140 New Montgomery Street, San Francisco, Calif.
B. The Pacific Telephone & Telegraph Co., 140 New Montgomery Street, San Francisco, Calif.

A. Walter W. Brudno, 2400 Adolphus Tower, Dallas, Tex.
B. Dresser Industries, Inc., Republic National Bank Building, Dallas, Tex.

A. Gustave Burmeister, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.

A. Robert M. Burr, 105 Mansfield Avenue, Darien, Conn.
B. Shipbuilders Council of America, 1730 K Street NW., Washington, D.C.

A. Carl Byoir & Associates, Inc., 800 Second Avenue, New York, N.Y.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.

A. Carl Byoir & Associates, Inc., 800 Second Avenue, New York, N.Y.
B. Northwest Country Elevator Association, 920 Grain Exchange Building, Minneapolis, Minn.

A. Robert B. Byrnes, 1703 Rhode Island Avenue NW., Washington, D.C.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.

A. Harold M. Campbell, 2536 Marine Drive, Bremerton, Wash.
B. Marks Mines, Inc., 685 Northwest Eighth Street, Gresham, Oreg.

A. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.

A. Henderson H. Carson, 600 First National Bank Building, Canton, Ohio, and 744 Pennsylvania Building, Washington, D.C.
B. Con-Gas Service Corp., 30 Rockefeller Plaza, New York, N.Y.

A. Michael Boake Carter, 6606 Nevius Street, Falls Church, Va.
B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Washington, D.C., and Galaxy, Inc., 1218 Connecticut Avenue NW., Washington, D.C.

A. Joseph E. Casey, 607 Ring Building, Washington, D.C.
B. James E. Lofland, 923 Fifth Avenue, New York, N.Y.

A. Joseph E. Casey, 607 Ring Building, Washington, D.C.
B. Paramount Airlines, Inc., Los Angeles, Calif.

A. Armand Chankalian, 200 C Street SE., Washington, D.C.
B. United Builders Association of New York, Inc., 118 East 25th Street, New York, N.Y.

A. Chapman & Friedman, 425 13th Street NW., Washington, D.C.
B. Jeppesen & Co., 8025 East 40th Avenue, Denver, Colo.

A. Chapman & Friedman, 425 13th Street NW., Washington, D.C.
B. Texas Eastern Transmission Corp., Post Office Box 1189, Houston, Tex.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Asociacion Mexicana de Empacadores de Fresa, A.C., Venustiano Carranza 48-50 Piso, Mexico 1, D.F., Mexico.

A. Charles Patrick Clark & Charles Patrick Clark, Esq., 500 World Center Building, 918 16th Street NW., Washington, D.C.
B. Long Beach Federal Savings & Loan Association, Long Beach, Calif.

A. William H. Coburn, 530 Bowen Building, Washington, D.C.
B. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.

A. Columbia Gas System Service Corp., 120 East 41st Street, New York, N.Y.

A. Committee for Export Expansion Through Subsidiaries Abroad, Inc., 20 E Street NW., Washington, D.C.

A. James D. Cope, 1717 Pennsylvania Avenue NW., Washington, D.C.
B. The Proprietary Association, 1717 Pennsylvania Avenue NW., Washington, D.C.

A. Don Costa, 3517 Brandon Avenue, Roanoke, Va.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

A. John H. Costinett, Jr., 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Connecticut General Life Insurance Co., Hartford, Conn.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. A. P. Moller, 8 Kongens Nytorv, Copenhagen, Denmark.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Travelers Insurance Co., Hartford, Conn.

A. I. Irving Davidson, 1612 K Street NW., Washington, D.C.
B. Government of Nicaragua, Managua, Nicaragua, C.A.

A. James J. Delaney, Jr., 220 Central Building, Anchorage, Alaska.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. Sacramento Municipal Utility District, 6201 S Street, Sacramento, Calif.

A. Robert H. Distelhorst, Jr., 812 Pennsylvania Building, Washington, D.C.
B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

A. Dresser Industries, Inc., Republic National Bank Building, Dallas, Tex.

A. J. D. Durand, 1000 Connecticut Avenue, Washington, D.C.
B. Committee of American Steamship Lines, 1000 Connecticut Avenue, Washington, D.C.

A. Clyde A. Erwin, 1201 16th Street NW., Washington, D.C.
B. National Education Association, Division of Federal Relations, 1201 16th Street NW., Washington, D.C.

A. Robert L. Farrington, 411 Colorado Building, Washington, D.C.

A. Federal Counsel Associates, Inc., 20 E Street NW., Washington, D.C.
B. Air Freight Forwarders Association, 802 Ring Building, Washington, D.C.

A. Federal Counsel Associates, Inc., 20 E Street NW., Washington, D.C.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.

A. Malcolm H. Frost, 25 West 43d Street, New York, N.Y.
B. Book Manufacturers' Institute, Inc., 25 West 43d Street, New York, N.Y.

A. William C. Geer.
B. The Council for Exceptional Children, 1201 16th Street NW., Washington, D.C.

A. Ernest Giddings, 1346 Connecticut Avenue NW., Washington, D.C.
B. National Retired Teachers Association and American Association of Retired Persons, Washington, D.C.

A. Jack Golodner, 800 Fourth Street SW., Washington, D.C.

B. Actors' Equity Association, 226 West 47th Street, New York, N.Y.

A. J. G. Hall, Detroit, Mich.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. William B. Harmon, Jr., 1701 K Street NW., Washington, D.C.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.

B. Institute of High Fidelity Manufacturers, Inc., 516 Fifth Avenue, New York, N.Y.

A. Charles L. Huber, 1701 18th Street NW., Washington, D.C.

B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.

A. Frank N. Ikard, 1625 K Street NW., Washington, D.C.

B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. James R. Jenks, 1024 Quebec Terrace, Silver Spring, Md.

B. Committee for Competitive Television, 1024 Quebec Terrace, Silver Spring, Md.

A. Henry B. Jordan, 916 Investment Building, Washington, D.C.

B. The United States Graphite Co., 1621 Holland, Saginaw, Mich.

A. David W. Kendall, 1625 K Street, Washington, D.C.

B. Corn Starch Industry Committee, 1625 K Street NW., Washington, D.C.

A. David W. Kendall, 1625 K Street NW., Washington, D.C.

B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

A. Ronald Korsan, 5343 Main Street, Skokie, Ill.

B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

A. Leonard F. Lee, 402 Solar Building, Washingto D.C.

B. Tennessee Gas Transmission Co., Post Office Box 2511, Tennessee Building, Houston, Tex.

A. Bernard Locker, 4107 Davenport Street NW., Washington, D.C.

B. Bipartisan Citizens Committee for Federal Aid for Public Elementary and Secondary Education, 4107 Davenport Street NW., Washington, D.C.

A. R. C. Longmire, Pauls Valley, Okla.

B. National Association of Soil and Water Conservation Districts, League City, Tex.

A. Ambrose V. McCall, Jr., 350 Fifth Avenue, New York, N.Y.

B. American Shareholders Committee, General Aniline & Film Corp., 535 Fifth Avenue, New York, N.Y.

A. McClure & McClure, 1710 H Street NW., Washington, D.C.

B. The Coca-Cola Export Corp., 515 Madison Avenue, New York, N.Y.

A. McCormick Associates, Inc., 1300 Wyatt Building, Washington, D.C.

B. The Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Washington, D.C.

A. McCormick Associates, Inc, 1300 Wyatt Building, Washington, D.C.

B. Trade Relations Council of the United States, 122 East 42d Street, New York, N.Y.

A. William F. McKenna, 812 Pennsylvania Building, Washington, D.C.

B. United States Savings & Loan League, 221 North LaSalle Street, Chicago, Ill.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.

B. National Association of Mirror Manufacturers, 1028 Connecticut Avenue NW., Washington, D.C.

A. Mail Advertising Service Association International, 622 Fifth Street NW., Washington, D.C.

A. H. N. Mallon, 1522 Republic National Bank Building, Dallas, Tex.

B. Dresser Industries, Inc., Republic National Bank Building, Dallas, Tex.

A. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

A. Harry Irwin Marks, 67 Harvard Avenue, Allston, Mass.

B. Marks Mines, Inc., 685 Northwest Eighth Street, Gresham, Oreg.

A. Thomas A. Martin, 510 Shoreham Building, Washington, D.C.

B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.

A. C. V. Maudlin, 1111 E Street NW., Washington, D.C.

A. J. D. Mayson, Republic National Bank Building, Dallas, Tex.

B. Dresser Industries, Inc., Republic National Bank Building, Dallas, Tex.

A. Mehler, Goldsborough, Ives & Smollar, 2000 K Street NW., Washington, D.C.

B. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington D.C.

B. Blue Cross Association, 840 North Lake Shore Drive, Chicago, Ill.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D.C.

B. Columbia Gas System Service Corp., 120 East 41st Street, New York, N.Y.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D.C.

B. Lockheed Aircraft Corp., Burbank, Calif.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D.C.

B. Pacific Lighting Corp., 600 California Street, San Francisco, Calif.

A. Manfred L. Minzer, Jr., 20 E Street NW., Washington, D.C.

B. Federal Counsel Associates, Inc., 20 E Street NW., Washington, D.C.

A. T. L. Moody, Republic National Bank Building, Dallas, Tex.

B. Dresser Industries, Inc., Republic National Bank Building, Dallas, Tex.

A. Warren Mullin, 1701 K Street NW., Washington D.C.

B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

A. Ray R. Murdock.

B. American Maritime Association, 17 Battery Place, New York, N.Y., and 1725 K Street NW., Washington, D.C.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Joseph Napolitan Associates, Inc., 1028 Connecticut Avenue NW., Washington, D.C.

A. National Bureau for Lathing and Plastering, Inc., 755 NADA Building, Washington, D.C.

A. National Livestock Feeders Association, 401 Livestock Exchange Building, Omaha, Nebr.

A. Northwest Country Elevator Association, 920 Grain Exchange Building, Minneapolis, Minn.

A. Seward P. Nyman, 3301 16th Street NW., Washington, D.C.

B. American Podiatry Association, 3301 16th Street NW., Washington, D.C.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D.C.

B. National Federation of Sugarcane Planters, 1025 Connecticut Avenue NW., Washington, D.C.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D.C.

B. Philippine Sugar Association, 1025 Connecticut Avenue NW., Washington, D.C.

A. Robert J. Olson, 7447 Skokie Boulevard, Skokie, Ill.

B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

A. Monroe Oppenheimer, 1026 Woodward Building, Washington D.C.

B. Signal Hill Telecasting Corp., 5915 Berthold Avenue, St. Louis, Mo.

A. Pacific Lighting Corp., 600 California Street, San Francisco, Calif.

A. Leonard H. Pasqualicchio, 724 Ninth Street NW., Washington, D.C.

A. Stanley Peterson, 2901 Blaisdell Avenue, Minneapolis, Minn.

A. Product Development International, Inc., 910 17th Street NW., Washington, D.C.

A. Robert E. Redding, 1710 H Street NW., Washington, D.C.

B. Transportation Association of America, 1710 H Street NW., Washington, D.C.

A. F. Marion Rhodes, 1725 K Street NW., Washington, D.C.

B. New York Cotton Exchange, 60 Beaver Street, New York, N.Y.

A. Theron J. Rice, 1615 H Street NW., Washington, D.C.

A. Howard Ring, 679 Warburton Avenue, Yonkers, N.Y.

A. Kenneth M. Rofrano, 637 Warburton Avenue, Yonkers, N.Y.

A. James H. Rowe, Jr., and Richard C. O'Hare, 1016 Investment Building, Washington, D.C.

B. Haitian American Sugar Co., S.A., Port Au Prince, Haiti.

A. Abe Rubin, 3301 16th Street NW., Washington, D.C.

B. American Podiatry Association, 3301 16th Street NW., Washington, D.C.

A. Ruder & Finn, Inc., 130 East 59th Street, New York, N.Y.
B. United World Federalists, 820 13th Street NW., Washington, D.C.

A. Scribner, Hall & Casey, 1200 18th Street NW., Washington, D.C.
B. Connecticut General Life Insurance Co., Hartford, Conn., and Travelers Insurance Co., Hartford, Conn.

A. John Seath, 320 Park Avenue NW., New York, N.Y.
B. International Telegraph & Telephone Corp., 320 Park Avenue, New York, N.Y.

A. David C. Sharman, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Optometric Association, Inc., Development Fund, 21 Bank Street, Lebanon, N.H.

A. Sharp & Bogan, 1108 16th Street NW., Washington, D.C.
B. Association National Des Tisseurs de Tapis, Velours et Tissus D'Ameublement 24, Rue Montoyer, Brussels, Belgium.

A. Sharp & Bogan, 1108 16th Street NW., Washington, D.C.
B. Imported Hardwood Plywood Association, Inc., World Trade Center, Ferry Building, San Francisco, Calif.

A. William L. Shea, 1026 17th Street NW., Washington, D.C.
B. Delhi-Taylor Oil Corp., Fidelity Union Tower, Dallas, Tex.

A. Smith Lobbying Service, 1741 K Street NW., Washington, D.C.
B. The American Parents Committee, Inc., 52 Vanderbilt Avenue, New York, N.Y.

A. J. Taylor Soop, 400 First Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.

A. Steadman, Collier & Shannon, 1730 K Street NW., Washington, D.C.
B. The Tool & Fine Steel Committee, care of the Carpenter Steel Co., Reading, Pa.

A. Eugene L. Stewart, 1001 Connecticut Avenue, Washington, D.C.
B. Man-Made Fiber Producers Association, Inc., 350 Fifth Avenue, New York, N.Y.

A. Harry Stewart, 321 Middlefield Road, Menlo Park, Calif.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. Japan Export Footwear Manufacturers' Association, No. 11, 3-Chome, Denma-Cho, Akasaka, Minato-ku, Tokyo, Japan.

A. Ronnie J. Straw, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A Surrey, Karasik, Gould & Greene, 1116 Woodward Building, Washington, D.C.
A. Aeromaritime, Inc., 1000 Vermont Avenue, Washington, D.C.

A. Margaret K. Taylor, 20 E Street NW., Washington, D.C.

A. Cecil Thomas, 245 Second Street NE., NW., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

A. Bert M. Tollefson, Jr., 14th & L Streets, Washington, D.C.
B. Blue Cross Association, 840 North Lake Shore Drive, Chicago, Ill.

A. Carol Lee Tucker, 20 E Street NW., Washington, D.C.
B. Federal Counsel Associates, Inc., 20 E Street, Washington, D.C.

A. United Builders Association of New York, Inc., 118 East 25th Street, New York, N.Y.

A. Vegetable Growers Association of America, 528 Mills Building, Washington, D.C.

A. William A. Walton, 920 Jackson Street, Topeka, Kans.
B. Kansas Railroad Committee, 920 Jackson Street, Topeka, Kans.

A. W. M. Wheeler, 1625 I Street NW., Washington, D.C.
B National Air Carrier Association, Inc., 1625 Eye Street NW., Washington, D.C.

A. Laurens Williams & James V. Heffernan, 602 Ring Building, Washington, D.C.
B. The Variable Annuity Life Insurance Co. of America, Washington, D.C., and The Prudential Life Insurance Co. of America, Newark, N.J.

EXTENSIONS OF REMARKS

Memorial Day Exercises at Lawrence, Mass.

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 5, 1962

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include part of my Memorial Day speech for Lawrence Post No. 15, the American Legion, at Lawrence, Mass., on May 30, 1962:

EXCERPTS OF SPEECH BY REPRESENTATIVE LANE, OF MASSACHUSETTS, AT LAWRENCE, MASS., MAY 30, 1962

Greetings: The bright, young flags move in the breeze above the old—the silent graves.

In closed ranks here, at the veterans' lot; but scattered like sentinels throughout these cemeteries, the proud flags honor the brave Americans who fought for freedom in every generation from the War of Revolution to the Korean war.

Each year, we come to decorate their graves. By this tender and beautiful custom, we thank them for the faith and the courage that they have bequeathed to us.

The flags above their graves remind us that we, the living, are the bridge between the past and the future.

Each one of the veterans who sleep in this final bivouac, had the courage that is immortal. And each had the confidence that succeeding generations would be true to the heritage won by sacrifice, and go forward, unafraid, toward the realization of human dignity under God.

This is the inspiration of the dead to the living. So that we, during our years on this earth will be faithful to that trust, advancing the cause of human knowledge, understanding, and fulfillment.

The departed veterans whom we honor today have strengthened us by the example of their courage, showing us the way to face the dangers of the unknown future.

Their spirit lives on in the members of the Armed Forces who guard the frontiers of freedom from West Berlin to Southeast Asia.

The Declaration of Independence proclaims: "* * * all men are created equal, that they are endowed by their Creator with certain unalienable Rights * * *."

In the struggle of our people for independence, that began in 1775, they hungered for these rights, and for the privilege of representative government.

Through the tests of time, our Nation has proved itself to be the leader of mankind's search for a better way of life in which all will share. But with this leadership of those who look to us for guidance and for help, we acquire the burdens of responsibility.

In this rapidly changing world of scientific breakthroughs, of social and economic adjustments, we must prove that the spirit of freedom moves with the times; that its fundamental truths can shape the evolving pattern of society with due regard for man's rights and his responsibilities.

The courage required is expressed in many ways.

In religious worship which opens the human heart to the redeeming grace of divine love. In the classrooms of the Nation where teachers nourish the potential in every young mind. In the hospitals and medical laboratories where the battle against disease and pain is waged with increasing success. In commerce, industry, government, the arts, the sciences, and in the daily chores of good citizenship, democracy is at work, liberating the energies and the talents that give meaning to the life of each man, and contribute to the advance of civilization.

They have brought to us the threshold of a new and what promises to be the most brilliant age of discovery as we set our course to reach the moon, and the worlds beyond.

Since last Memorial Day, the brainpower and the productive facilities behind our space effort have twice succeeded in launching intrepid Americans into orbit around the earth.

In the beginning, there were doubts whether the man in the capsule could survive the challenges of his strange environment and doubts as to whether there was a place for his intelligence to operate in the presence of so many automatic devices.

To those of us who followed in our imagination the voyages of astronauts John Glenn and Scott Carpenter while they were in progress, we identified ourselves with the dangers they risked. As their voices were relayed to us from the lonely orbits they traveled in space, we were almost overwhelmed by the conflicting emotions of hope and fear for their safety.

Theirs was courage supreme; daring the unknown and death in man's pioneering quest for new horizons.

Then we heard their calm voices reassuring us that all was under control and going well. And we knew that the wonders of science and the marvelous machines that it builds will never make man obsolete.

For God created man in His image with the spiritual resources to overcome his own weaknesses and persevere in what he believes to be right, come what may.

That is the quality we admire in the men and women whose memory we honor today.

When the freedoms of all were threatened, they put aside their personal ambitions, the comforts of home, the security of family, friends and community to give to something greater than self. And by their sacrifices they protected our way of life, so that we would have the opportunity to extend its blessings after they had gone.

Ours is the mission to encourage and assist in the extension of freedom—here at home and throughout the world.

While our Armed Forces guard the ramparts, we go on working to develop our economy; to create job opportunities for the unemployed, and for the young people who enter the labor market every year; to modernize our cities and highways and transportation systems; to expand education; to improve the health of our people; to provide security for them in old age; to promote closer cooperation among nations that respect human values; to stimulate the advance of science; and to honor excellence in every field.

All of these are worthy goals and some of them are difficult to achieve.

Our whole history as a people has been the search for the union of enterprise and idealism. Sometimes we have failed, but more often we have succeeded. Because we welcome the future that comes to us each morning, with faith and confidence in our ability to solve its problems.

This is our unique American heritage that has inspired so many other people in the past, and will rejuvenate a tired and confused world again when the opposing force of communism fails and all nations share in the constructive tasks of peace and brotherhood.

For the great gift of courage to face up to the future, we bow our heads in reverent tribute to the men and women who saved the Nation in time of war.

Here by their graves, and in memory of them, we pledge increased devotion to the cause of freedom that will benefit mankind.

School Lunch Program

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. WICKERSHAM. Mr. Speaker, I rise today to applaud and vigorously approve the school lunch program bill now being entertained by Congress.

The youth of our country, as everybody knows, are the true wealth of our country. It is our duty to aid and nurture them in every way possible toward the day when, as adults, they will assume the responsibility of being the administrators of the world.

Toward this end, the school lunch program, is playing no small part. With its design to provide nourishment to our children, while they are attending school, it is clearly nothing but beneficial.

Any manner in which we assist our schools can bring only reward in the form of well-informed citizens emanating from them. Therefore Mr. Speaker, once again I wish to express, for the record, my hearty approval and support for this worthy bill. I urge my colleagues to vote for and pass it into law.

Our Crowded Hour of History

EXTENSION OF REMARKS

OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. ALBERT. Mr. Speaker, under leave to extend my remarks in the Record, I include the following commencement address by Vice President Lyndon B. Johnson at National Cathedral School for Girls, Washington National Cathedral, Washington, D.C., June 5, 1962:

Our Crowded Hour of History

I am thinking today, along with the rest of your parents, of the day you were born. It was just about the best day of our lives.

Now, as we look into the faces of you lovely young women, we find that our war babies have grown up. Somehow they survived colic and cod liver oil and, to our amazement and with our regret, they are all perched to leave the nest.

I am thinking, too, of 17 or 18 years in between. You were born in the wake of World War II and into a world without roots. You emerge into a world that is reaching for freedom on all fronts: in the heavens as well as around the globe.

When Woodrow Wilson was still the president of Princeton University, he used to say that the first object of education must be to make the son as different from the father as could possibly be arranged. In the past, I liked that challenge. It seemed to me to place the proper emphasis on change and independence.

But I began to revise my opinion as today's ceremonies grew steadily closer. Now I am sure that Woodrow Wilson was wrong. For I would like to believe that every graduate today, in her heart, would not wish to be very different from her mother—or, I may add, from her father, also. At least you will allow all the mothers and fathers gathered here to cherish that hope.

PROMISE OF FUTURE

Your thoughts today are on the future. All of us join with you in the prayer that you will find the coming years rich in achievement and happiness. But for us, the past, in a curious way, has also merged with the present and given its promise to the future. For I imagine I am not alone, as I watch these ceremonies, in seeing not a gracious young lady but an unforgotten little girl miraculously changed into today's graduate. These memories, touched with the benediction of time, and sanctified by affection, are in all our hearts today, though they cannot find expression on our lips.

No one knows better than your parents, of course, that you are not faultless masterpieces. That is why our debt of gratitude is so large to everyone in this school who helped you along the way to maturity.

VALUES LEARNED

The changes and chances of an unknown future will inevitably scatter the members of today's graduating class to many far places. But the friendships formed here will transcend the distances of geography and survive the separations of time. To the end of your days the greeting of an old school friend will have a special meaning for you. The values learned in this school will be not only a discipline of character but an incentive to achievement. For that lesson, too, we are grateful.

I have been thinking of the differences between this school and the schools which I have seen in various parts of the world. In other lands young people are faced by the burdens of poverty, the scourge of illiteracy, the bitterness of an aroused nationalism. They feel they are the trustees of their national greatness. They think of themselves as the spokesmen for the silent and submerged people who have known cruel oppression and even harsher neglect. In all these new lands, there is an impatient demand for social reform and economic growth. We should not be too surprised if this campaign sometimes leads to criticism of our country. Our motives will often be misunderstood and our policies denounced. But these temporary explosions of irritation and anger must not obscure the community of interest which unites us in our devotion to freedom and peace. These nations have not emerged from their colonial period to embrace a Communist servitude. They know they can be our friends, because we want allies, not satellites. We wish to impose neither dogmas nor domination. We can differ with respect and cooperate with equality. The record shows that these achievements are beyond the reach of Moscow and Peiping.

MANY WINNING FREEDOM

Since 1945 almost as many people have won their freedom and independence as have been cast into new slavery by Communist power. Which group of nations will make the greater progress in the next few years? There can be no more fateful question in world affairs.

Not so long ago the answer seemed in doubt. That suspense has now ended. The verdict has been pronounced alike by events in the Communist world and in the free world.

In Eastern Europe, freedom is a refugee and justice an outcast. Everywhere there is the wreckage of hope. In China the ancient cry of hunger and destitution fills a desolate land. In Cuba the bitterness of a revolution betrayed and a nation impoverished on a tragic scale mocks the false promises of a braggart dictator. Communist governments have aimed at armed power without giving prosperity to the state or freedom to the individual.

Turn now to the record of the free nations. There are blemishes on that record and many mistakes. But look at it in the generous perspectives of history. We have not been unworthy of the duties imposed on us by this challenge to freedom. The free nations of Western Europe are drawing together in a closer union of economic strength and political aspiration. In this enterprise they have the understanding and the support of the United States.

SEEK PARTENSHIP

In Latin America, there is a new stirring of economic progress, a new striving after social reform, a new march toward the horizons of hope. Whether in Asia or in Africa, in the Middle East or Latin America, the new and endangered nations want to be the partners of the free world.

I have emphasized the significance of this struggle for two reasons. In the first place, the contest will last for a long time. We can expect no easy victories. We must therefore prepare ourselves for a long campaign. There can be no reprieve from responsibility while the danger remains so urgent.

My second point is a trifle more complicated. In the last few years we have witnessed, and sometimes suffered, the growing pains of freedom. Some new governments have coveted power without responsibility. They have not always been easy colleagues in the search for peace, nor trusted partners in the defense of freedom.

But these mistakes will not be repeated in the long future as these nations become more experienced in the uses of responsibility. By the time you come to positions of influence and power, these countries will be of major and growing importance in world affairs. What is more, they will, in almost all cases, be led by young men and women far more interested in the future than in the past.

IMPORTANT ASSETS

You will not always find it easy to agree with these young leaders. Differences of national background and occasional collisions of national interest will sometimes make it easier to breed a sense of friction than to produce a feeling of friendship. But I dare to believe that these differences will mark the casual exceptions rather than the enduring rule. I believe that most of these young leaders will find in you and in other young Americans a respect for their ideals, a hatred of oppression, a detachment from ancient dogmas, and a veritable passion for freedom. In these aspirations and ideals of young America I see new and important assets for peace.

I expect you to take your full part in these great causes. Gone beyond recall, and beyond regret, is the old evil tradition which set a specious destiny before men and a shabby career before women. You can enter the most diverse careers now and make your way forward.

We live amid falling taboos. In our own crowded little hour of history we have seen how the prejudice of religion no longer can bar the way to the White House. Some of you may live to see the day when the prejudice of sex will no longer place the Presidency beyond the reach of a greatly gifted American lady. Long before then, I hope that you will see a woman member of the Supreme Court of the United States. In Congress and in our State legislatures we need more women to bring their sensitive experience to the shaping of our decisions.

YOUR PRESENCE FELT

Our literature and all the arts would be shrunken and mediocre things without the support of women and the inspiration of their achievement. From industry to social welfare, from the laboratory to the classroom, from the hospital to the halls of government, there is scarcely an area of American life today that does not feel the touch of your presence or respond to the challenge of your interests.

I do not wish to make the blunder of believing that your success must be measured by the distinguished positions which you gain. Far more important than the glittering prize which an individual has won for herself is the scale of values which permeates our whole society. It is here that all of you can take an essential part in resisting the oldest conspiracy known to mankind—the conspiracy of the second rate against the first rate. You can help us to honor the neglected truth and to shun the popular error, no matter how well publicized. Above all, you can make hope, and not despair, the arbiter of our policies.

If our wisdom is equal to our strength, we can, for the first time in history, outlaw war and conquer poverty and vanquish ignorance and tame disease. We can use the triumphs of science to glorify life and not to bring terror into a frightened world. Are not all these tasks worthy of your best efforts?

STRENGTH IS SHIELD

Upon our country has fallen the burden of leadership in this difficult period of world history. We did not covet this responsibility but we cannot quit it now without opening the gates to the tyrants. With all our faults and mistakes, we have certain great assets as a Nation as we make our stand for freedom and peace. Every race in the world has been welcomed to our shores. We believe in unity but never in uniformity. We are tolerant of everything except intolerance itself. We want every citizen, regardless of class or creed or color, to live in generous equality. We have a passion for peace but a still greater hatred of appeasement. We are proud that the great and the powerful respect our strength; but we are thankful beyond all expression that the unknown and the weak find in our strength the shield of their safety and the sanction of their peace. We welcome the scorn of the tyrant but we carry in our hearts the prayers of the poor. Our home in America can remain a fortress of freedom only so long as it also remains a temple of honor.

And to you graduates I say: courage is certainly the master virtue, for without it, all other virtues are soon lost. Arm yourselves for the long journey with this majestic virtue of fortitude. Journey well and journey patiently, and look always at the far horizons. With courage as your companion and idealism as your guide, I know that all of you will travel through life with honor, and I trust, with overflowing success and happiness.

A Salute to B. H. Shearer, Now in His 53d Year as Editor of the Columbus Iowa Gazette

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. SCHWENGEL. Mr. Speaker, we have many unsung journalists in this country who edit weekly newspapers and do a wonderful job in their communities, keeping people informed and recording for posterity the history of each area. One record of which I would like to take note is that of Editor B. H. Shearer of the Columbus Iowa Gazette, published each week in Columbus Junction, Iowa. Mr. Shearer has been editor of the paper for 53 years of its 75-year history, starting when he bought the paper on May 1, 1909.

"Since that May of 1909," Mr. Shearer reported recently, "not a single issue has been missed and so far as we can recall, only part of one issue was ever late for the regular mails."

Mr. Shearer was born in Ida Grove, Iowa, December 15, 1881. He graduated from Ida Grove High School with the class of 1902. He attended Drake University and later taught school. He learned the printing business at Ida Grove and in Mitchell, S. Dak. He married Maude S. Hanft, February 22, 1912. One daughter and three sons were born to this union: Mrs. Marine Robertson of Letts; Woodrow J. Shearer, postmaster at Columbus Junction; William D. Shearer, with the First National Bank at Tulsa, Okla., and Paul V. Shearer, an attorney at Washington, Iowa. All three sons served in World War II. Mrs. Shearer died June 15, 1961.

Shearer was named master editor-publisher in 1952. He is a very young-looking 81 years old and puts in a regular day at the Gazette shop, coming to work around 7:30 each morning and working an 8- or 9-hour day putting the paper together for the next issue.

"The paper is published in the middle of the week," he says, "and during the latter part of the week the work slacks off for all of us and there is time to loaf but usually we are kept busy at the plant."

I consider it a privilege and a duty to salute Mr. B. H. Shearer and all of the editors of weekly newspapers for their roles in the community life of the thousands of trading areas across this great country of ours which still finds its backbone in the solid citizens in these communities.

Dedication of the Williamsburg, Pa., Post Office Saturday, June 2, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. VAN ZANDT. Mr. Speaker, the dedication of the new post office building at Williamsburg, Pa., took place Saturday, June 2, 1962, at 2 p.m., under the sponsorship of the Williamsburg Junior Chamber of Commerce. During the course of the program it was my privilege to deliver the dedicatory address which follows:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE DEDICATION OF THE WILLIAMSBURG POST OFFICE AT WILLIAMSBURG, PA., JUNE 2, 1962, 2 P.M.

It is a great pleasure for me to be in Williamsburg on this memorable occasion and to join with you in the pleasant task of dedicating your fine new post office.

My interest in acquiring a modern post office for Williamsburg began in 1959—at which time I urged the Post Office Department to consider providing this community with modern postal facilities. Therefore, I am as proud of this new building as you are and I know it will serve you well.

This new post office will not only provide better postal service—but it will serve as an improved link in the daily communications which help to bind us together as a strong and free nation. Indeed, the post office is the only Federal agency that is located in every village, town, and city throughout the United States, and there are close to 35,000 post offices across the land today.

The post office is often the only point of contact between the Government and the people.

As we dedicate this new post office here in Williamsburg today, we are at the same time dedicating ourselves to the purpose and spirit behind the whole concept of the post office.

I am thinking of the word "service," because the great tradition behind the American postal system is service to all Americans—rich, poor, and without regard to race, color, or creed.

This new post office is, therefore, more than a building where your mail comes through. It stands here in the heart of Williamsburg as a symbol of our American heritage and our American way of life.

Over the course of the past 151 years, since 1811 when your first post office was established, Williamsburg has had 33 postmasters, including your present acting postmaster, Ruth D. Grassmyer. Each postmaster, in his own time, has been a witness to the unfolding history of Williamsburg. When your first postmaster took office in 1811 Williamsburg had just changed its name from Aketown.

The village of Aketown had been founded by Jacob Ake—a German who came here from Maryland in 1790.

Jacob Ake acquired some 600 acres of land and engaged Patrick Cassidy, a surveyor from Newry, to parcel out a number of village lots. And in 1796 the plan of the village was recorded in the county office of the recorder of deeds.

If you feel—as I do—that the strength and vitality of a community can be measured by the kind of people who first settled it, then Williamsburg was fortunate indeed to have had such a splendid start.

The 35 or 40 families whose homes were in the town of Williamsburg when your first postmaster was installed were of good pioneer stock and of many religious denominations: Lutheran, Methodist, Presbyterian, German Reformed, and Roman Catholic.

Who were some of these first settlers? And what kind of livelihood was then available to them?

There was Washington Harris who operated a tannery. John Barr owned the grist and sawmill. Jack Duck was the blacksmith. Peter Metz and Samuel Fluke were carpenters. Adam Lower was a weaver. Godfrey Lantzer, the shoemaker, George Kneopler, the village doctor. And Abram Winters owned the distillery.

Good Americans, all, and engaged in good private enterprise. Everything we know about the early settlers in Williamsburg and throughout Blair County indicates that these people were the kind of citizens of whom we are proud.

They were sturdy, self-reliant men and women, who by their upright lives and characters, their faith in God, and by their adherence to American ideals, set an example for their children and their children's children.

In dedicating this new post office today I like to think that we are dedicating it not only to Williamsburg's future but also to Williamsburg's past—and to these hardy early settlers who set their stamp upon this city.

Williamsburg has every right to be proud of its founder—Jacob Ake—and indeed, he must have been held in very high esteem by the village which was first named Aketown in his honor and later changed to Williamsburg in honor of his son, William.

Jacob Ake took personal responsibility for the educational and religious life of the new community which he founded. He established in Williamsburg the first elementary school in the whole county. He employed teachers for the young and paid them out of his own pocket for a period of some 15 years until subscription schools were established. Jacob Ake served as the village truant officer.

He used to make regular visits to the village households to check up on attendance.

And it is said that when Jacob Ake "issued a command, the parentage acquiesced and the children rendered obedience."

Jacob Ake set aside the second floor of his own home to permit a group of Methodist citizens to worship.

In 1816, when the Williamsburg Methodist, Presbyterian, and German reformed families joined together to build a Union Church on High Street, Jacob Ake donated the lot.

Ten years later, in 1826, he donated another lot to enable the Presbyterians to build their own church.

Life was not a bed of roses by any means for the early Williamsburg families—or for the succeeding generations. But these people worked with a vision of the future greatness of their town and they accomplished great things often under very trying circumstances.

The development of Williamsburg followed pretty much the same pattern as the neighboring towns and villages of Blair County. Their beginnings were humble.

Some were destined to grow in size and importance—others to reach only a limited state of development. Indeed, the history of Blair County might be said to be the history of the United States. And Williamsburg, like every other American community, has had its good times and its not so good times. Progress is seldom an unbroken curve upward.

There have always been adjustments to innovations, new methods of transportation and communication, new industries, and new technologies.

Before 1800 there was little in the way of manufacturing in Blair County except for a few grist and sawmills but it wasn't long after the opening of the 19th century before ironworks, tanneries, and woolen mills sprang up. The first oil mill was put into operation in Williamsburg in 1814. Twenty years later Williamsburg had the largest woolen mill in the county.

In 1857 the Juniata Furnaces were established here. The earliest furnaces were fueled by charcoal—and the market for the first iron produced in the Juniata Valley was in Pittsburgh.

It was transported at great expense—first on the backs of horses and mules across the Alleghenies to Johnstown, and from there it was floated in flat-bottomed boats down the Conemaugh to the Allegheny and on to its destination. Later when the pike was constructed it was hauled by wagons until the canal was built in 1832. The canal provided a cheap and speedy means of shipping produce and goods and gave Williamsburg merchants many customers within a radius of 15 miles.

The canal was a great advance and no doubt it was considered to be the alltime hope for the future. But that gave way to the railroad, and some 40 years after, the Frankstown section of the canal was abandoned and the last of the steam packets to run from Hollidaysburg to Petersburg was broken up at Williamsburg.

After the railroad came the automobile and then the airplane. Yes, each of Williamsburg's 33 postmasters has seen the onward march of change. But there is one change which they have not seen and I hope they never will.

I am referring to the unchanging character and the spirit of the people of Williamsburg which have always been its great strength.

Let us resolve, as we face the challenges before us, to always remain steadfast and loyal to those qualities which our age requires: self-reliance, confidence, and perseverance. In short, let this new post office which we dedicate here today stand as a symbol of optimism and faith in Williamsburg's future.

On this eventful occasion I should like to congratulate Acting Postmaster Mrs. Ruth D. Grassmyer and the dedicated employees of the Williamsburg post office on being able to perform their duties with modern postal equipment.

Likewise, the patrons of the Williamsburg post office are to be congratulated on having such a fine new building in the community since it will provide modern postal facilities for this entire area. In addition, the appearance of the community has been greatly improved.

Therefore, in dedicating this new post office building, it is with great pleasure that I congratulate the residents of Williamsburg as they join with other communities in keeping pace with American progress.

Finally I would like to conclude my remarks with a quotation as one last reminder of the unmatched spirit of the American postal service which has served us so faithfully since the colonial days. The quotation, which I used last year in my remarks in the Congressional Record on the 150th anniversary of the establishment of the Williamsburg post office, embodies the words of Charles Norton Eliot and was edited by Woodrow Wilson.

These words are inscribed on the central post office building in Washington, D.C., and summarize in capsule form the extensive role of the U.S. postal system in domestic and international affairs:

> "Messenger of sympathy and love,
> Servant of parted friends,
> Consoler of the lonely,
> Bond of the scattered family,
> Enlarger of the common life.
>
> "Carrier of news and knowledge,
> Instrument of trade and industry,
> Promoter of mutual acquaintance,
> Of peace, and good will
> Among men and nations."

Oklahoma Doctors Volunteer in Asia

EXTENSION OF REMARKS

OF

HON. ED EDMONDSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. EDMONDSON. Mr. Speaker, recently a Presbyterian Church and a group of medical doctors in Tulsa, Okla., launched a highly commendable program of people-to-people aid in the continuing fight against disease and deplorable health conditions in underdeveloped parts of the world.

Sponsored by the First Presbyterian Church of Tulsa, already 11 medical specialists from that church's congregation have volunteered their services as medical missionaries.

The idea to inaugurate the program in Tulsa was initiated by Dr. C. S. Lewis, Jr., a Tulsa heart specialist, and Dr. Bryant M. Kirkland, senior minister at the First Presbyterian Church. Soon they coined the name "Doctors in Asia Program," and interest in making the project a success was shown by the entire congregation.

The 11 volunteers—each a specialist in his own chosen field of medicine—donated their time, talents, knowledge, and Christian spirit for a 6 weeks' tenure in the Miraj, India, area. So far, four of these Tulsa doctors have completed their 6 weeks' tour in Miraj and their work there has been outstanding as an example of what individual Americans can do in these crucial times to serve effectively their church, their fellowman, and their country.

Dr. Maxwell Johnson, Dr. George H. Krietmeyer, Dr. William C. Pratt, and Dr. Lewis were the four Tulsans who have completed the pilot project in India. Besides treating disease and spending extensive hours in surgery, these men worked from early morning to late at night conducting clinics and seminars, training native interns, introducing new methods of treatments and in general educating and sharing their vast medical knowledge with the people of this remote portion of India.

Travel costs to and from India and part of the oversea expenses for each doctor volunteer were underwritten by the Tulsa congregation. Even the children of the church became so enthusiastic about the program that they raised $2,500 for the purchase of four heart diagnostic machines to be used in the mission hospital at Miraj.

All Oklahomans and the Nation are proud of the courageous sacrifices these Tulsa physicians have made to further the understanding of modern medical technology in less fortunate areas of the world. Moreover, we are proud of these Oklahomans for their efforts in solidifying good relations between the United States and an important Asiatic neighbor in the international community.

Their efforts, along with other projects such as Project Hope, are examples of the outstanding medical and health contributions being made by the people of the United States to people in other sections of the world. Few efforts produce more gratifying and long-lasting results than people working with people to improve health conditions and the standards and opportunities for medical care in underdeveloped regions of the world.

Turning the Tide Against Communism

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 5, 1962

Mr. WILEY. Mr. President, the free world, faced by the threat of communism, needs constantly to reevaluate the scope and explosiveness of the Red threat, and to strengthen—and, as necessary, strategically redeploy—efforts more effectively to cope with this menace.

Only unless and until we become more knowledgeable, however, not only of Communist strategies, but also of Red thinking and motivation, can we effectively meet the Red menace.

As civilized people imbued with respect for human dignity, morality, and principle, we and the rest of the free world have taken too long in gaining awareness of the incredible credo which motivates Red policy.

For these reasons, I believe it important to remind the American people—and, indeed, the free world—of the immoral, unethical, unprincipled precepts which underlie Communist policy.

Recently, Look magazine published a thought-stirring article entitled "Lenin—the Man 'Who Put a Red Star in the Sky'." Highlighted in the article are Lenin's "Ten Commandments of Revolution," as follows:

1. Never reject terror on principle.
2. Salvation lies only along the road of international Socialist revolution.
3. There are no morals in politics; there is only expediency.
4. Religion is the opiate of the people.
5. Let me teach the children, and the seed I have sown will never be uprooted.
6. Truth does not count unless it serves an end.
7. Our tactic: absolute distrust. * * *
8. Regard all persons without sentiment.
9. Promises are like piecrusts: made to be broken.
10. Scheme * * * zigzag * * * retreat * * * anything to hasten the coming to power of communism.

Over the weekend I was privileged to review, in a broadcast over Wisconsin radio stations, other aspects of the Red threat. I request unanimous consent to have excerpts of the broadcast printed in the Record.

There being no objection, the excerpts from the address were ordered to be printed in the Record, as follows:

TURNING THE TIDE AGAINST COMMUNISM

In a world of great promise and challenge, communism still represents a most serious threat to freedom.

Since World War II, the Reds have gained control of about a billion people in the Communist bloc, including: U.S.S.R., Communist China, Rumania, Poland, Czechoslovakia, Bulgaria, East Germany, Hungary, and Albania.

On the global horizons, however, there are now signs appearing that: (1) The peak of the Red tide may have been reached; (2) the perimeter of the Western World has hardened, making even "chipping" aggressions more difficult; (3) the Communist systems—in the U.S.S.R. and Red China—existing long enough to prove, or disprove, workability—have suffered serious setbacks. For example:

(a) The agricultural programs in the Soviet Union and Red China—regrettably, along with starving human beings—have fallen on their faces; (b) the lack of consumer goods to meet day-to-day needs of the people, stands as a mark against the Communist systems (particularly in the eyes of the newly emerging nations looking for systems to best promote progress in their own countries); and (c) productionwise, the West (in fact, the United States alone), is still far outstripping the entire Communist bloc.

In historical perspective, then, the rise of communism may well have reached its pinnacle.

Realistically, however, effective, anti-Communist policies of the West—as well as the weaknesses of communism, itself—will determine the rate of decline of Red influence, if at all, in the world.

The challenge, then, requires the West to strategically reconcentrate, and if necessary, redirect its political, economic, military, and ideological forces for speeding the downfall of communism. Specifically, such steps should include:

Making the most of failures by the Communist system in agriculture and other economic programs;

Maintaining a hardened free world perimeter against Communist aggression; and

Strengthening a deterrent force of sufficient power to make broad scale nuclear aggression suicide for the attacking nation;

Keeping a flexible fighting force "on the alert," particularly in those areas of the world in which the East-West lines have not been clearly defined and the Reds still may venture lesser aggressions; and

Undertaking a more effective political, economic, ideological counter-offensive aimed toward: (a) Thwarting Red aggressions; (b) Breaking up the Communist bloc; and (c) Strengthening the non-Communist nations.

At such a decisive time in history, moreover, there is no excuse, or justification for haggling among, with a resulting weakening of, Western allies; and for failing to carry forward a dynamic, all-encompassing effort to defeat the Communist conspiracy on all fronts.

Realistically, the Reds, despite the difficulties at home and abroad, can still be expected to stir up real trouble, particularly in the less-developed areas of the world, as southeast Asia, Africa, and Latin America.

The priority of goals, then, includes: (1) For the present, to defeat communism's expansion program; and (2) to create the necessary machinery for ultimately establishing and perpetuating peace in the world.

Annual Memorial Day Parade and Services of the Memorial Day Association, Malvern, Pa., Sunday, June 3, 1962

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. VAN ZANDT. Mr. Speaker, on Sunday, June 3, 1962, at 2 p.m., the Malvern, Pa., Memorial Day Association held its annual Memorial Day parade and services.

The colorful parade was participated in by the local posts of the American Legion and the Veterans of Foreign Wars together with their auxiliaries and other civic organizations, including Boy and Girl Scouts and units from the police and fire departments and local schools. The parade passed through the community of Malvern and terminated at the historical Paoli Massacre Grounds where the services were held and at which time I delivered the following address:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE MEMORIAL DAY SERVICES SPONSORED BY V.F.W. AND AMERICAN LEGION POSTS AT MALVERN, PA., JUNE 3, 1962

It is always a pleasure to visit Chester County, and particularly rewarding to come to Malvern and Paoli, where tradition is retained in all the raw splendor it deserves. The Paoli Memorial Ground is a perfect case in point for was it not here that the American cause was disastrously defeated in the fall of 1777? And was it not following this defeat that the patriot forces rallied to wrest the torch of victory from the hands of the enemy?

How fitting a site for Memorial Day services in a period like the present.

In tribute to factual tradition, as opposed to fanciful glorification, we have dedicated these grounds—the scene of American disaster—in honor of those who gave their lives in behalf of the dream we are living out today, a dream of freedom, which has served to inspire the freedom-loving people of the world wherever they reside.

Yes, we lost a battle at Paoli, and we lost it badly. The American commander in that instance was Gen. Anthony Wayne, a hero of many victories.

"Mad Anthony" Wayne, they call him, "mad" as a bull when engaged in battle, and generally as clever as a fox. On this occasion, however, Wayne was matched by British cleverness and overmatched in the matter of ruthlessness.

In September 1777, British troops invaded Pennsylvania, with Philadelphia, the Continental Capital, as their objective. The invasion culminated in the historic Battle of the Brandywine on September 11, in which the Americans suffered a decisive defeat.

Philadelphia was thrown into panic. Tories remained in the city while patriots fled. Congress adjourned on September 18 to meet in Lancaster for 1 day and then to hurry off again beyond the Susquehanna, to York, which remained the seat of Government during the British occupation of Philadelphia.

It was at York that the Congress approved the Articles of Confederation, the first American Constitution.

In the process of advancing on Philadelphia the British were advised that General Wayne was in their path, encamped at Paoli.

A special force was therefore dispatched to knock out Wayne and clear the way to Philadelphia.

Wayne was truly surprised in what was to be known as the "Paoli massacre," because of the ruthlessness of the British in using the bayonet and their refusal to give quarter. Three hundred Americans were lost in the encounter, and 6 days later Philadelphia was seized.

The story was not over, of course, for the story of American military endeavor is yet to be closed on a disastrous note.

Wayne survived the Paoli massacre to clear his name of negligence before a court-martial board, which acquitted him "with the highest honor." From that point forward, however, the memory of the massacre was to burn like a flame in the mind of General Wayne, to the considerable discomfiture of the British.

In the latter part of June 1778 Sir Henry Clinton evacuated Philadelphia and marched for New York.

At Monmouth, N.J., he was attacked by Washington and when the crack British guards—the flower of Clinton's army—cut loose with a counterattack Wayne repulsed them with the bayonet—at considerable British expense.

In July 1779, Wayne was sent against Stony Point, N.Y., an almost impregnable fort standing out on a high rock near the west bank of the Hudson River. The British control of Stony Point was regarded as a threat to the American position at West Point and Wayne was directed to reduce or seize the garrison there if possible.

Three columns of patriots waded waist deep through a flooded marsh with Wayne at their front urging them on. In the end the entire British command surrendered and Wayne emerged the victor.

It was the brightest moment of his lustrous career. The capture of Stony Point, followed by clemency for the defeated, sparked the morale of American troops and civilians throughout the country. Messages of congratulations and rejoicing flooded Congress and Wayne was personally congratulated by Washington and Lafayette as well as being honored by Congress.

In the final phase of the war he went south to help destroy the last remnants of British resistance.

It has often been written that Wayne was fired by his victory at Stony Point and that his subsequent victories appeared to stem from the outcome of that battle. I am not so sure, however.

It has often occurred to me that he well may have risen to greatness in consequence of the defeat he suffered at Paoli. For—in truth—there is nothing so determined as an American who has almost seen the cause of freedom slip from his grasp.

This was what happened to General Wayne at Paoli, and from that point forward he was unstoppable.

The rule applied to General Wayne can also be applied to every American military hero in our history. None have been infallible, but all have been determined and relentless in the fight for American principles.

Consider the case of Washington, who fled before the British at Long Island, retreated across New Jersey and crossed the Delaware, going south without a hope of victory.

He, too, turned at bay to recross the Delaware and crush the British in a mighty counterattack.

Or consider Nathaniel Greene, the remarkable American general who routed the British in the South.

Greene was a scholarly man who carried a book of military tactics under his arm on all occasions. He was also a cautious man who retreated more often perhaps than any American general in history. But whenever the enemy caught up with him he made up for his retreats with the wildest brand of fighting imaginable.

In the end Greene not only secured the Southern States to the American cause but utterly routed the British, who recalled him as a giant in battle.

Our armies also were given to retreating in the War of 1812. But there again the American sense of liberty could stand just so much of defeat, and when the Americans turned to meet the pursuer, on American soil, the counterattack was devastating and the pursuers became the pursued.

We have had our dark days in almost every instance of American combat, and few American military heroes have gone unscathed.

Gen. Robert E. Lee was so badly battered in the West Virginia campaign of 1861 that there seemed little likelihood of his ever receiving another command.

He got his second chance, however, and burned his name across the pages of American history in such a way as to establish himself as one of the greatest military geniuses of all times.

Gen. Ulysses S. Grant was also badly handled in the Battle of Shiloh, so badly, in fact, that he was temporarily relieved of command. But Grant, too, came back to best the Confederate magician, General Lee, in the final phase of the Civil War.

So it has gone throughout our history up to and including the recent Korean conflict.

In that encounter, you will recall, we twice were turned and twice were driven to the sea only to hammer our way back with the most brilliant display of courage in recent military history.

The story of the American refusal to surrender is as familiar to all of us as the back of our own hands. It is therefore not presumptuous on our part, I believe, to assume that we can hammer our way back in another mighty struggle wherein we have yet to taste victory.

By this I refer to the struggle for universal peace in which the free world has been mightily engaged since the first moment the United States proclaimed herself the original freedom-loving Nation of recent times.

Peace is the logical goal, or one of the logical goals, of democracy to the same extent that war is the logical outgrowth of tyranny.

The tyrant antagonizes and therefore expects to engage in war with those he has antagonized. The lover of freedom for all nations knows no such purpose, however, and seeks no such result. In all of history mankind has been plagued by the bullying, blatant, boastful manner of the tyrant.

In consequence of this the freedom-loving people of the world have been required to go out, time and again, with weapons in hand, to check the march of those who would crush them in the name of force, and force alone.

When first the cause of democracy secured a foothold in the councils of government it was made clear to all that there would be a strenuous effort made to avert future bloodshed. Yet that was not enough to change the trend of history.

Why? Because the bullying, blustering tyrants of the earth have continued to march and the freedom-loving peoples have been required to countermarch in the effort to protect their liberty and freedom.

It is all very discouraging, but by no means hopeless, notwithstanding the presence in the world today of Soviet Russia and her sword-rattling minions and satellites.

As of this moment we stand confronted with the picture of a world comprising two armed camps: One, containing the snarling, slashing exponents of communism; the other, the firm, determined practitioners of American ideals.

There are those who say that the two camps must ultimately come to blows and I would not be one to rule out the possibility of such a disastrous result.

Certainly, if they seek to force us to our knees, they will find themselves engulfed in a conflict of terrible proportions.

On the other hand the possibility exists that at least the free nations of the world have made their point in the everlasting struggle with those who wish to rule by force.

For never before in history have the peace-loving nations of the world possessed the power to annihilate an aggressor with one punch—the nuclear punch—which every prospective aggressor knows to be in existence today.

There is one thing that everybody knows about an aggressor and that is the fact that he prefers to win without gambling and is decidedly reluctant to engage in battle at all, if the odds are against success.

Well, the odds of the nuclear age are not only against military success, but overwhelmingly against it.

For that reason the major Communist powers of the earth are required, at this point, to talk in terms of economic victory as opposed to military victory.

Here, again, they find themselves defeated from the start by the healthier capitalist economy, and so long as they choose to fight it out in the field of economics they will be able to accomplish very little.

In this respect a familiar story appears on the verge of being told once more.

At the close of World War II the Communist forces rushed to the forefront, captured several countries, and drove us back in dismay.

We are rallying, however, in typical American fashion and there is an excellent possibility of victory in the foreseeable future.

In the manner of Mad Anthony Wayne the American economy has shown the ability to reassert itself, in the wake of a serious assault, and is ready once again for battle with an enemy who sought for the quick victory, and fears the outcome of a long and drawn-out struggle.

How is it all to end?

Unfortunately, I am no prophet.

I only know that the faith that has brought us through to victory so often in the past is certain to bring us through again to victory in the current struggle for a peaceful world.

That, as I see it, is the message of Memorial Day, 1962.

Address by Honorable Wilbur Mills Before the American Good Government Society

EXTENSION OF REMARKS

OF

HON. HOWARD H. BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. BAKER. Mr. Speaker, I request unanimous consent to have printed in the CONGRESSIONAL RECORD some of the remarks which were made at the recent award dinner of the American Good Government Society, at which the Honorable Wilbur Mills, chairman of the Ways and Means Committee, was honored.

The remarks follow:

Governor Shivers (toastmaster). We are particularly fortunate to have to introduce the first of the award winners this evening, one of the hardest working Members of the United States Senate, the ranking Republican member of the United States Senate Finance Committee, the senior Senator from Delaware, the Honorable John J. Williams. Senator Williams.

Senator Williams. Thank you, Governor Shivers. Secretary Humphrey, distinguished guests and friends of the American Good Government Society, never in my 15 years experience in government service have I ever had a more pleasant assignment than that of being asked here tonight to present an award to a man, who during these years, I have come to know as a friend and to respect as one of America's great statesman. It would be difficult to imagine how the American Good Government Society could possibly have chosen a more appropriate or harder working Member of Congress to honor here tonight with its George Washington Award than the man that I am privileged to introduce to you here at this time. I've chosen the words "appropriate and hardworking" not as simple adjectives to be used loosely but because they are so particularly fitting and descriptive of the man to whom I refer.

Wilbur Mills is the Representative in Congress from the Second District in Arkansas and although one of his finest attributes is the outstanding manner in which he serves the constituency of his congressional district in the Congress, this would not begin to tell the story of his achievements and abilities, if we were to stop at this point.

Wilbur Mills is also the chairman of the House Committee on Ways and Means, easily one of the most powerful committees in the Congress and, as chairman of that powerful committee Wilbur Mills is literally at the focal point of legislation, dealing with the extremely complex and intricate body of laws governing our Nation's taxes and tariffs. I think Wilbur's philosophy of taxation can best be understood by quoting directly from one of his most recent statements: "I believe that the function of taxation is to raise revenue. That may sound obvious, but I say it to make clear that I do not go along with economists who think of taxation primarily as an instrument for stimulating, breaking, or otherwise manipulating the economy."

As a member of the Senate Finance Committee, it has been my opportunity during the past several years to work with Wilbur on innumerable occasions, particularly on conference committees on tax bills, to iron out the differences between those bills as they have been passed in the House and in the Senate. A more astute and knowledgeable man, a more competent authority on the patchwork of laws which we call our Internal Revenue Code, could not be found anywhere here in Congress and I have no difficulty whatsoever, as a Republican Member of the U.S. Senate, in expressing my great admiration and high esteem for this highly qualified Democrat, Congressman from the State of Arkansas. His devotion to what most times, at the best, can be called a thankless job and his unending patience in dealing with the tremendous pressures which are brought to bear upon any man holding this responsible position are a tribute both to the man himself and to the good judgment of the people of Arkansas who have sent him to Washington as their representative since 1938.

I am highly honored and proud to read this resolution of tribute and honor to Wilbur Mills, the Representative in Congress from the State of Arkansas. Wilbur, it's a resolution of tribute and honor to: Wilbur Daigh Mills, statesman and patriot, lawyer and eminent authority on the tax laws of the National Government, has served the people of Arkansas and of the United States in the House of Representatives for almost a quarter of a century, since January 1958 as the chairman of its Committee on Ways and Means.

His profound knowledge of our patchwork system of taxation, uneven, unfair, and unwise in its burden on the people and their livelihoods caused him to undertake a monumental step, looking toward a comprehensive and constructive tax reform which will reduce tax rates without sacrificing necessary revenues. His prudence and painstaking care combine to inspire confidence in his approach to the work of his committee.

Chairman Mills can be relied upon to urge a system of taxation that will encourage the formation of capital, the true source of economic growth for the general welfare of our country. Arkansas is proud of this distinguished son whose knowledge and ability are acclaimed widely in and out of Congress. His State and the Nation look to him to lead the way in making fair and wise tax reform a reality.

Wilbur D. Mills. Governor Shivers, the many distinguished guests at the head table, including the Governor of my own State, a friend of a previous administration who worked so closely with the Ways and Means Committee, George Humphrey, my colleague of the House of Representatives and hard working partner on the Ways and Means Committee, John Byrnes, I am certainly overwhelmed, almost to the point of being speechless, but those of us in political office never get quite to that point.

When Ed Gossett, your president, called me to tell me that I was to be one of the recipients of the George Washington Award, I cannot properly describe the feeling that overcame me. I had known of others receiving this award in the past. I had been present when the presentation was made on some of the occasions. The American Good Government Society has extended this award to Members of the Congress for some 10 years or more. I told Ed that I would be available, just set the date. He first thought in terms of a Saturday night, he said, and then decided upon a Sunday night. He didn't know it, but I would have appreciated having it every night of the week. And then to have it presented in the manner it has been presented tonight by my friend from Delaware, the distinguished senior Senator Hon. John Williams, is more than I know I deserve.

In the first place, I could not conceive of the American Good Government Society looking with this degree of favor upon anyone who serves on the Ways and Means Committee. Ours is a difficult task, we work long hours of the day and sometimes into the night, especially when we're in conference with one of John's amendments adopted in the Senate that the conference committee always or almost always accepts out of deference to John and the things for which he stands. But in spite of the fact that you did decide to overlook the fact that we're on the Ways and Means Committee, looked with favor upon us to this extent, I appreciate it and I know my colleague, John, appreciates it also. I began to think as I'm sure everyone who has ever received this award, began to think in terms of why, why was I selected, why would this society do me this honor, and I haven't come up with the answer yet.

Knowing of my own weaknesses and inabilities and that I certainly on my own could never merit such distinction, permit me tonight to accept it as a part of a team, a part of a team called the Ways and Means Committee, for if there's anything that has been done by me that would attract your attention and cause you to believe that the American Good Government Society should honor me as you have, it's certainly only as a result of the very valuable cooperation that I've received from the members of that committee and the staff that works so faithfully and diligently with the committee.

The George Washington Award, to receive an award given in the name of the first President, I think, is as great an honor as could come to any smalltown boy who came to Washington some 23 years ago in the interest of working in behalf of good and better government. Thank you so much.

Governor Shivers. And thank you, Wilbur Mills. Your modesty I think is one of the great reasons the American Good Government Society selected you as one of the recipients of the award this year together with its knowledge of the fine contribution that you make to the fiscal affairs of this Nation. We appreciate the hard work that goes into the hours, and hours and hours that you contribute and we look forward to many, many more of them.

Many telegrams have been received here this evening from people over the United States, particularly from the home States of both recipients. We will not take the time to read them. I do at this time want to present to Wilbur Mills a very beautifully bound resolution from the city commissioners and the mayor of Searcy, Ark., and if you don't know where Searcy is you better go look it up. You can hardly go through Arkansas without going through Searcy, is that right, Orval? And the fact that all of these fine citizens of Arkansas are here to pay you tribute is another fine attribute of your service in the Congress and your service to the Nation.

The Hebrew Academy of Nassau County

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. DEROUNIAN. Mr. Speaker, 9 years ago there was founded in my congressional district the Hebrew Academy, of Nassau County.

This year, the academy celebrates its first graduation, and an important milestone is reached. The fine boys and girls who are the graduates are the realization of years of dedicated and unselfish effort on the part of many persons who gave of themselves to create this educational opportunity. They have attained a high standard of education, not only in general knowledge but in Jewish law and traditions, as well.

The realization of an ideal is a tremendously gratifying thing, and I was happy to have the privilege of sharing in this at the ninth annual testimonial dinner, on Sunday, May 27. Everyone who attended was proud of the graduates of the school. I was proud not only of the boys and girls, but of my friends and neighbors who made this academy a reality.

Here are the names of the graduates of the class of 1962: Alan Angstreich, Phyllis Curchack, Marc Fleschner, Mordaci Fogel, Lee Gaber, Stanley Gelbman, Raymond Goren, Alan Smithline, David

Grossman, Tuvie Grossman, Roberta Jacoby, Carole Kaufman, Frank Kerstein, Warren Leib, William Machtiger, Zelig Weinstein, Barry Mahler, Peter Margulies, Pamela Neufeld, Debra Petruck, Bruce Provda, Judy Rosenberg, Barbara Schreiber.

Religious Persecution in Poland Intolerable

EXTENSION OF REMARKS

OF

HON. FRANK J. BECKER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. BECKER. Mr. Speaker, the outrageous persecution of the Catholic church in Communist Poland has shocked people of all faiths. Religious persecution is unconscionable wherever it appears.

The situation becomes of even greater concern to Americans since this country is sending aid to the government which is perpetrating this flagrant abuse of religious liberty.

I recently sent President Kennedy a letter protesting this persecution and I strongly urged him to use his influence to stop it. I urged him to cease all U.S. aid to Poland until this intolerable situation is corrected. As I informed the President, in giving assistance to the Polish Government we tacitly condone this mistreatment.

The Red leaders recognize that as long as the love of God is kept alive in the hearts of people, communism cannot grow there.

The pattern in every country which has come under the heel of communism has been the same: harass the clergy, seize church property, intimidate the faithful, and propagandize atheism, particularly among the young people.

In a letter to his flock, Stefan Cardinal Wyszynski, of Poland, said:

> We should do everything today to keep faith with the true God and pass it on to future generations.

I told President Kennedy that we, too, should do everything to keep faith with the people of Poland who are trying to keep faith with God. How can we permit American aid to go to a Godless regime which is not only dedicated to the eradication of freedom but also to the elimination of all religion?

People everywhere have the right to worship their Maker according to the tenets of their faith, and I strongly resent that the funds of American taxpayers are indirectly contributing to the abuse of this right.

It must be particularly distressing to the many Americans of Polish descent in this country to see their relatives bear this yoke of persecution without the United States doing anything to stop it.

I forwarded a copy of my letter to President Kennedy to His Eminence Francis Cardinal Spellman, of New York, and suggested that he consider leading a public protest against this vicious trampling on the right to worship.

The Communists throughout the world have been responsible for so many inhuman abuses, that we in the free world seem to have become more or less immune to them. Activities which would have riled our just rage at one time, now are met with a lackadaisical shrug.

If tightening the strings—which should be attached to our foreign aid—will help to correct such situations, we have the obligation to do so.

Admiral Edwin J. Roland Sworn In as Commandant, U.S. Coast Guard

EXTENSION OF REMARKS

OF

HON. JOHN R. PILLION

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. PILLION. Mr. Speaker, it is my pleasure to note the promotion of Vice Adm. Edwin J. Roland to the position of Commandant of the U.S. Coast Guard, with the rank of admiral.

Admiral Roland, a native of Buffalo, N.Y., has distinguished himself during his 33 years of service with the Coast Guard.

I take this occasion to wish him well in his new duties and responsibilities as Commandant of the Coast Guard.

On June 1, 1962, when Admiral Roland took his oath of office, Secretary of the Treasury Dillon welcomed him to his new and enlarged command in the following language:

> This occasion must be a proud one for you, Admiral Roland, and it certainly is for the service of which you are assuming command.
>
> The U.S. Coast Guard has a long and brilliant record of service. It has fought with distinction in every war in which the United States has been involved. It has carried out amphibious assaults, convoy duty, anti-submarine warfare and other less spectacular but equally vital operations such as port security protection. In peace it acts on land, sea, and in the air, to protect our sea lanes. It maintains the ice patrol, it reports on mid-ocean weather conditions, and it keeps the loran stations, lighthouses, and other aids so important to safe navigation. The exploits of the men who man its planes, helicopters, and ships, which stand ready for assistance to ships in trouble under all conditions, have justly earned the Coast Guard fame as a rescue service. Finally, the Coast Guard enforces the law on the high seas and navigable waters of the United States and so performs a vital function in protecting the national interest.
>
> Today, as always, the U.S. Coast Guard stands watch in often lonely and sometimes dangerous outposts, protecting our Nation and guarding our freedom. Those who wear the Coast Guard uniform are part of a service which has traditionally scorned fanfare, and just as traditionally has come through in time of emergency. The Coast Guard's historic devotion to duty has given it a proud and living tradition.
>
> You, Admiral Roland, are well acquainted with the tradition of the Coast Guard, for you have played a role in shaping it. You have carried out many different assignments, and you have performed your duties with a distinction which has earned you the right to command the service you have served so well.
>
> That distinction was evident while you were still a junior officer, when you captained the Coast Guard football team which won the President's Cup, and it was also evident in the execution of your assignments as an instructor at the Academy, as Commandant of Cadets there, and later as Commander of the First Coast Guard District at Boston and the Third Coast Guard District at New York.
>
> You have served well, and you have earned the greatest recognition and responsibility your service has to give, the command of the United States Coast Guard. I am sure you will discharge your new responsibilities with the same devotion you have shown in the past. Both for myself and on behalf of the United States, I congratulate you.

"Greedy Californian?"

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. GUBSER. Mr. Speaker, a recent editorial in the Portland Oregonian presented a most biased and provincial interpretation of my recent testimony before a Senate Interior Subcommittee in opposition to a bill which would pervert the traditional preference provisions of reclamation law for the sole and exclusive benefit of the Pacific Northwest.

Under leave to extend my remarks, I submit the full editorial of May 24, together with my reply of June 5:

> GREEDY CALIFORNIAN
>
> The opposition of Representative CHARLES S. GUBSER, California Republican, to the regional power preference bill at a Senate committee hearing, makes it obvious why the Northwest must have such legislation to protect its hydroelectric supply, its industries, and its employment.
>
> GUBSER's idea, which certainly may be echoed by Members of Congress in areas less favored than the Northwest with water power, is that California preference customers have as good a claim as Northwest preference customers, and priority claim over Northwest privately owned utilities, to the generation of Federal hydroplants of the Northwest.
>
> Under present law, this may be technically true. A public (preference) utility system in California could build its own transmission line to connect with the Federal Bonneville system and claim all the power not previously contracted to Northwest public agencies and industries. Or the Bureau of Reclamation might build a Federal interconnecting line.
>
> This is what northwesterners have been apprehensive about in the proposal for a Federal tieline between the Bonneville system in the Northwest and the Bureau of Reclamation's Shasta or other public systems in California. This is why the Bonneville Administration, to protect the Northwest, has introduced the regional preference bill first. This would not only permit Bonneville to draw back secondary and surplus peak power sold to California customers, on short notice, but would provide additional protection to the Northwest by the contract terms in such sales.
>
> The economic justification for such preference is clear. The Pacific Northwest has no oil or gas, with which to generate electricity,

as has California, and only a little coal which is of low grade. It is almost exclusively dependent upon the power generated from its rivers and will remain so until nuclear power generation becomes feasible. The proposition of a California-Northwest intertie is based on these differences in generation. California is a logical market, for surplus hydro, at a lower cost, can be used to save oil and gas. And a limited amount of higher priced California power can be brought north to firm up a substantial block of Bonneville secondary power.

Bonneville estimates that it could increase its revenues from $6 million to $15 million a year by an exchange of power with California, and to the benefit of both regions. This is essential to help wipe out recent annual BPA deficits and to prevent, for the Northwest's benefit, an increase in the basic wholesale rate of Columbia system power.

Congressman GUBSER has no interest in relieving Bonneville's deficit problem, in maintaining a low Federal power rate in the Northwest, or in the use of Northwest power in the Northwest. He wants to grab all the Northwest power available, on a perpetual, preference basis, for the publicly owned systems of California. Fortunately, the public, preference agencies of California and the administration of Gov. Edmund G. Brown do not take the same position. They are on record favoring the regional preference bill as a necessary step before interconnection of power systems. If Congress does not support this position, the Northwest is in for trouble.

JUNE 5, 1962.

The EDITOR,
The Portland Oregonian.

DEAR SIR: In an editorial on May 24, entitled "Greedy Californian," you commented on my appearance before the Senate Interior Subcommitte to oppose regional Federal power preference for the Pacific Northwest. I challenge you to demonstrate why the greed is not instead on the part of the Northwest.

You said that I want to grab all the Northwest power available on a perpetual, preference basis for the publicly owned systems of California. Certainly you must have meant "Federal" power, not "Northwest" power. The regional priority in the bill before Congress refers only to Federal power in the Northwest. This Federal power belongs to all the people, not just the people in your one region. It has been made possible with an investment of more than $1.7 billion by all Americans. Much of this is an interest-free loan borrowed at Treasury rates by all Americans. Furthermore, the Northwest is not paying it back under present operations and is seeking California's help.

Public projects in California or anywhere else have a higher right to Federal power wherever it is produced than private industries that may happen to be located closer to it. This is the basis on which Federal financing of these power developments has been predicated. This is the argument for "preference" to public agencies and consumer cooperatives which you in the Northwest have used to induce the Nation to invest in these plants. Now that publicly owned systems in California have come within economic transmission distance of the Federal plants in the Northwest you are trying to subvert this principle and guarantee preference to your private industry over public use elsewhere.

The Northwest wants Bonneville to sell its presently available surplus power so that it can climb out of the red and avoid an increase in the low rates which Northwest customers now pay. This is understandable and I might endorse the idea were it not for the fact that California, including the agencies which need power for project pumping, is asked to serve as a bridesmaid with no chance of ever becoming the permanent bride of Bonneville. Certainly if California is asked to contribute to support of Northwest power it should receive some assurance that a marriage is intended which will last beyond the honeymoon.

Now who is the greedy one? Is it the "Indian giver" or the area which is asked to accept the gift and ignore the strings attached?

Yours sincerely,
CHARLES S. GUBSER,
Member of Congress.

Space Satellite Communication System

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my statement on the space satellite communications system before the Senate Antitrust and Monopoly Subcommittee on Wednesday, April 4, 1962:

Mr. Chairman, I appreciate the opportunity to present to this distinguished committee my views on a matter of fundamental national importance.

A global communications system gives promise of revolutionizing world communications. Such a system has a great potential for linking the world closer together and thus encouraging a greater understanding among nations. It is crucial that the United States be the first to develop the system. This is a national objective that the Congress cannot permit to be frustrated by the desires of a few vested-interest companies.

I warmly endorse the President's decision to permit all Americans, including communications carriers to invest in this new venture. I am confident that a broadly based public corporation under adequate Government regulation can effectuate the national policy.

However, we are creating here a private monopoly. The administration's bill does not contain, in my estimation, sufficient safeguards to protect the public interest. It is for this reason that on March 15, I introduced H.R. 10772. This bill adopts the President's approach and incorporates the additional safeguards necessary to protect the public interest.

Earlier this week the Senate Space Committee unanimously reported a modified version of the administration's bill. I was gratified to learn that many of my proposals were incorporated in this bill. However, in my humble opinion, this compromise bill still does not fully protect the public interest.

The ultimate responsibility for effectuating the national policy regarding global communications through space satellites must rest with the President. The recent correspondence between President Kennedy and Premier Khrushchev calling for a major cooperative program of space exploration, including communications by satellites, is the best example of this responsibility. It is for just such reasons that I have incorporated in H.R. 10772 a provision giving the President discretionary power to disapprove all acts, both by the corporation and departments and agencies of the Government, in order to attain full compliance with the national policy regarding communications through space satellites. For far less compelling reasons, the Congress vested in the President the discretionary power to disapprove decisions of the Civil Aeronautics Board relating to international air transportation. There can be no question that the President should have such power where delicate negotiations intimately affecting the foreign policy of the United States have already occurred and may be expected to continue and grow in importance and complexity as the space satellite communications system develops. The Senate Space Committee bill does not contain this very important safeguard.

It is difficult to determine accurately the amount of public expenditures related to space activities. However, it has been estimated that the American taxpayers will have contributed in excess of $25 billion for this development. Since 1959 American taxpayers willingly poured $3.5 billion into our space effort. Congress is now asked to appropriate an additional $3.5 billion for 1963. The amount of public expenditures properly attributable to space communications, which is only a small part of space development, would be in excess of the $175 million which NASA has programed through fiscal 1963.

In addition, anyone reading the various proposals now pending before the Congress must be impressed by the numerous functions that must be carried out by the various departments and agencies, if we are to have a successful space satellite system.

It would be unconscionable to relegate the U.S. Government to the role of a passive observer when it has made and must continue to make the major contributions toward a successful space satellite communications system at inordinate public expenditures.

It is for this reason that under H.R. 10772, the board of directors of the proposed corporation would include the Attorney General, the Secretary of State, the Administrator of the National Aeronautics and Space Administration, and the Chairman of the Federal Communications Commission or their designated alternates. These are the operating heads of the departments and agencies most crucially involved in effectuating the national policy for a space satellite communications system. If these agencies are to have the responsibilities of contributing to the success of this program, they must be cognizant of all the activities of the corporation. These officials must have the opportunity to express the views reflecting the overriding national policy and interest.

The Space Committee bill has adopted my proposal of Government representatives on the board of directors by specifying that three members of the board be appointed by the President with the approval of the Senate.

H.R. 10772 provides that nine members of the board of directors be elected annually by the class A stockholders. This class of stock can be purchased by the American public and the communications common carriers. However, H.R. 10772 limits the ownership of class A stock by any person or corporation to not more than 10 percent of the authorized stock, or more than 15 percent of the outstanding stock. Under my proposal, all carriers must not be permitted to own more than 45 percent of the authorized or outstanding stock or elect more than six directors.

Under the administration's proposal no person or corporation would be permitted to own more than 15 percent of the authorized stock, or more than 25 percent of the outstanding stock. The administration's proposal does not limit the amount of stock that all communications carriers may own or the number of directors that they may all elect.

The modified bill reported by the Senate Space Committee adopts my proposal to limit the number of directors elected by carriers to six, but permits all the carriers to own 50 percent of the stock. However, the modified bill discriminates against the American public by limiting any member to 10 percent of the issued stock, but permits any one carrier to own up to 50 percent of the issued stock. Moreover, the Senate Space Committee bill authorizes cumulative voting only by the carriers and not by the general public. Furthermore, the Senate Space Committee bill permits any one carrier to elect three directors. Under my proposal any one carrier could only vote for two directors and would be limited to 10 percent of the authorized stock or 15 percent of the outstanding stock.

The safeguards which I have incorporated in H.R. 10772 are necessary to protect the public interest by preventing any one company or consortium of companies from gaining control or dominance of the corporation.

The decision of the President to broaden the base of ownership and participation to include not only the communications carriers, but also the general public, is fraught with great benefit to the Nation and to the future.

It appears to me that when we are preparing to embark into a new dynamic era of communications, that the American public would be willing overwhelmingly to support such an endeavor. I must reject the contention by A.T. & T. that the American public should be prevented from making a long-term investment in a national program for the betterment of all mankind.

It is for this reason I propose that the class A stock, as initially issued, shall be sold at a price of not less than $100 per share. In addition, H.R. 10772 requires that the stock be issued in a manner to insure the widest distribution to the American public. The Senate Space Committee bill adopts this proposal by pegging the price of the stock at $100 per share. It was my belief that the administration's proposal that the stock be sold at $1,000 per share with no provision requiring wide distribution would exclude a great many Americans from participating in this new venture.

Both the administration's proposal and H.R. 10772 recognize the special role of communications carriers by providing that they shall be the sole owners of the nonvoting class B stock. In addition, both proposals authorize the corporation to issue other nonvoting securities, bonds, debentures and other certificates of indebtedness.

H.R. 10772 provides that these investments will not be eligible for inclusion in the rate base of carriers for domestic service, but will be eligible for inclusion in the rate base of the carriers for other international communications services. The administration's proposal does not make this distinction clear. The Senate Space Committee bill agrees that this investment should only be included in the rate base of the carriers for other international communications services.

The provisions included in H.R. 10772 are necessary to protect the millions of American telephone owners, who will never make an overseas call, from being shackled with the heavy burden of continuously paying the communications carrier for facilities they will never use.

Under the administration's proposal the corporation would own the ground stations, but is silent and ambiguous as to whether individual carriers may also own the ground stations. The Senate Space Committee's bill specifies that, subject to approval by the FCC, the stations can also be owned jointly or separately by communication companies.

Much of the revenue from the satellite system will come from handling the messages on earth. Under my proposal the ground stations of the American part of the space satellite system shall be owned and managed by the corporation. This safeguard is necessary to prevent any one company, having large financial resources to build ground stations, from gaining a dominant economic position in using the system to the detriment of other competing companies.

This would not preclude communications common carriers from leasing the facilities of the ground stations, or owning and managing other ground stations outside the United States, its possessions or territories.

A.T. & T. has been boldly campaigning throughout the halls of Congress advocating that the communications companies should be the sole beneficiaries of the communications satellite system. It would be unconscionable to make a gift to a few companies of a potentially multi-million dollar a year monopoly, made possible by the expenditure of substantial amounts of taxpayers' money.

From A.T. & T's viewpoint, this campaign is quite understandable. This would mean that A.T. & T. would have a dominant and very probably a monopoly position in ownership and operation of the space communications system. In effect, A.T. & T. would be the chosen instrument of the United States Government to own and control civilian space communications to the detriment of the public interest. The Department of Justice warned: "unrestricted ownership by interested parties, may be subject to abuse by the dominant party."

The Department of Justice stated, "the continuing opportunity (for A.T. & T.) to favor its own facilities would always be present and would inevitably result in discrimination or suspicion of discrimination no matter how strict might be the policy of (A.T. & T.) to provide equal service to its competitors." Furthermore, "the opportunity to favor the purchase of equipment produced by (A.T. & T.'s subsidiary, Western Electric Co.) would be irresistible."

Judge Loevinger, the head of the Justice Department's Antitrust Division has testified that "the degree of concentration in this field may very well be one of the reasons why America is not further advanced in the field today than it is. Our system has not produced as it should, and the public interest has suffered because there has been undue concentration in this field."

The Department of Justice declared "that a project so important to the national interest should not be owned or controlled by a single private organization."

A.T. & T. does not come before the bar of the Congress with clean hands. It is an old offender.

In 1953, the FCC "negotiated" with A.T. & T. a rate increase of approximately $65 million a year in long-distance telephone rates. I would like to emphasize that the rate increase was through "negotiation" with A.T. & T. and was not regulation by the FCC as envisioned by Congress.

The FCC granted this rate increase because it believed A.T. & T. was entitled to a 6.5 percent rate of return on a net book basis.

The fact remains that since 1955, A.T. & T. has enjoyed a rate of return far in excess of 6.5 percent. A.T. & T.'s rate of return from long-distance telephone service was: In 1955, 7.7 percent on a net book cost basis; in 1956, 7.8 percent; in 1957, 7.3 percent; in 1958, 7.4 percent; in 1959, 7.8 percent; in 1960, 7.8 percent; and in 1961, 7.7. percent.

In the years 1955 through 1961, if A.T. & T.'s rate of return had been limited to 6.5 percent long-distance telephone users would have saved approximately $985 million. Thus, over the past 7 years A.T. & T. has overcharged the American public by nearly a billion dollars—the total authorized capitalization of the space satellite communications corporation. Having made such an exorbitant profit, it is little wonder why A.T. & T. wishes to expand by capturing the satellite communications system.

In 1957 and 1958, the House Antitrust Subcommittee of the Committee on the Judiciary, of which I am chairman, conducted a long series of hearings dealing with antitrust consent decrees. In its analysis of the A.T. & T. consent decree, it became necessary for the subcommittee to ascertain whether FCC long-distance rate regulation has been adequate. The subcommittee found that between June 1955 and October 1957, the Commission was apprised of the fact that the Bell System, by virtue of the 1953 rate increase was deriving a return from interstate telephone service in excess of 6.5 percent.

The Antitrust Subcommittee reached the conclusion that the FCC "has neglected in the 24 years of its existence to establish fundamental principles or standards by which to judge the reasonableness of Bell System's interstate telephone rates."

Only after continuous prodding by the Antitrust Subcommittee, did the FCC in 1959 "negotiate" with A.T. & T. a $50 million annual reduction in interstate toll telephone rates. Once again, this was "negotiation" and not FCC regulation.

Notwithstanding this reduction, A.T. & T.'s rate of return is still in excess of 6.5 percent. If A.T. & T.'s rate of return had been limited to 6.5 percent during the years 1960 and 1961, long-distance telephone users would have saved approximately $125 million. For the 12 months ended February 28, 1962, A.T. & T.'s profit was $1.3 billion. This is the largest ever reported by any company in any 12-month period.

Moreover, the FCC has candidly admitted that it has never regulated A.T. & T.'s oversea rates. As recently as July 6, 1961, the FCC wrote A.T. & T.: "As you are aware, the Commission has never had before it data on which to properly evaluate the level of earnings on your oversea communications services."

The FCC has still not instituted a formal rate hearing. It is content to crawl laboriously along the route of an informal inquiry to determine the investment, expenses and revenues associated with A.T. & T.s' oversea communications services.

The House Antitrust Subcommittee found the FCC very receptive to A.T. & T. The subcommittee concluded:

"The Commission's failure to advise the Attorney General of factors so pertinent to its lawsuit, coupled with its willingness to present to the Attorney General a one-sided view of the divorcement issue, reflect a singular receptivity to the A.T. & T. point of view and a patent indifference to the public interest."

A.T. & T. has successfully avoided regulation on earth. Divine guidance would be necessary to regulate A.T. & T. if it is permitted to expand its domain into space. We arm ourselves with a sea of trouble if we embrace any legislation in this field which does not tether A.T. & T. and thereby safeguard the public interest. It is my view that H.R. 10772, with its provisions harnessing the full force of the Government, gives us the best chance of preventing A.T. & T. from escaping effective regulation of its space communications activities.

The FCC and the communications companies have contended that the satellite communications system is merely another link in an existing system. This is a gross distortion of the facts, and shows lack of vision and desire to have this system operating as rapidly as possible. We already know that this system is likely to be of great value to education, meteorology, navigation and space research. Only time, effort and the freedom to innovate will determine what other uses may be developed for the benefit of the Nation.

The rapid development and full use of the space satellite communications system is a national goal and paramount to the selfish interests of any vested-interest group. A.T. & T. has proposed a low-random orbit system which would require scores of satellites and ground stations in order to obtain worldwide coverage. This proposal is made at a time when there is a general agreement on the ultimate desirability of a system of three or four high orbiting synchronous satellites, which would give global coverage and would be cheaper to both set up and maintain. If the existing communications companies are permitted to own and operate a system of their choice, they will have a strong motivation to retard its development and use in order to protect their vast investment in existing equipment and facilities.

On the other hand, a broad based public corporation will have the incentive of profits to spur it in rapidly developing and utilizing this revolutionary means of communications.

Space satellites will revolutionize communications as the airplane revolutionized travel. Air travel as we know it today would still be a mere vision if Congress had delivered the budding airlines business into the hands of the existing and established railroads. If Congress delivers this revolutionary facility into the hands of a few vested-interest companies, it will retard progress and frustrate the national interests for generations to come.

The creation of a broad based public corporation within a framework of adequate Government regulation is an opportunity to demonstrate to the world the strength and vigor of the American system of government.

We are on the brink of taking a great step forward into a new dimension of progress. It would be a disgrace to our free enterprise system, if at this critical juncture, a few companies would take a step backwards and state: "If you don't give us this monopoly, we will pick up our marbles and go home." I am sure that the many millions of stockholders of these communications companies would wish their companies to cooperate with their Government for the benefit of the Nation.

I do not advocate outright Government ownership. On the other hand, I rebel against the idea of private ownership where the control and destiny of the system would be the means of lining the pockets of a select group of companies.

I do not believe we should place the American taxpayers in the position of being the fools who have prepared a feast for a wise man to eat. It is my belief that legislation along the lines of H.R. 10772, giving the American people a voice through the President and Government directors, is necessary to protect the public interest.

The Great Adventure of the 20th Century

EXTENSION OF REMARKS

OF

HON. JOHN S. MONAGAN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 5, 1962

Mr. MONAGAN. Mr. Speaker, during the past several months, the free world has joined with us in marveling at the American achievements and successes in orbital flights, and our other probings of outer space. I am sure that all of us are equally confident that these are but the forerunners of even greater successes in manned space flight.

Our achievements to date have resulted from dedicated endeavor on the part of many people. Our astronauts have very modestly, and quite properly, shared the limelight of public adulation with the scientists, technicians, and administrators of the American space team, in the wake of the recent succession of favorable events.

Truly, there are many who are deserving of credit and commendation for these achievements, and for the most part, they remain unheralded and unacclaimed. Among these latter are the hard-working members of the House Committee on Science and Astronautics. I am personally aware of the intensive study and conscientious interest and effort in this program on the part of the Honorable Emilio Q. Daddario, our colleague, who represents Connecticut's First Congressional District. As a member of the Manned Space Flight Subcommittee he has given diligent attention to the challenges of the future in space, and he has contributed materially to planning and programing on the part of Congress, leading to our outstanding achievements to date.

Congressman Daddario is the author of an enlightening article on "The Great Adventure of the 20th Century," which was published in the magazine section of the Hartford (Conn.) Courant edition of Sunday, June 3, 1962. With permission to extend my remarks in the Record, I include Congressman Daddario's commentary on the challenge and the future of man in space:

THE GREAT ADVENTURE OF THE 20TH CENTURY

(By Hon. Emilio Q. Daddario)

In the last few months, I have been sitting in on the planning and approval of one of the great adventures facing man at the mid-20th century—the national program for manned space flight.

The National Aeronautics and Space Administration (NASA) has been presenting to the Manned Space Flight Subcommittee on which I serve, its detailed and specific accounting of what it hopes to do in the coming fiscal year. Because our national program is aimed at placing a man on the moon in this decade, each budget year must be closely examined. This country has never before embarked on a single venture of such magnitude as this—and it calls for our best efforts in analyzing the program so that the first steps will lead to success in the years ahead.

Most Americans have been awed by the progress we have already made, as I have been. The successful suborbital flight of Alan Shepard and the triumphal circuits of the globe by John H. Glenn, Jr., and Malcolm S. Carpenter, were tremendously inspiring achievements. Yet, in terms of the future hopes of America's scientists, they may look like the Model T chugging along a hard road—for in the future lie achievements which are now below the threshold of our ability to understand.

Moving into an infinite new world like outer space, we cannot help feeling twinges of trepidation, no matter how convinced we may be that destiny urges us on. Where will our exploration lead? What will it teach us? What does it mean? What will result?

The plain and simple answer is, we do not know. But we do know that the course of science has led to many discoveries that have changed our lives even when such discoveries were not anticipated. The breathtaking scope of the venture into outer space, matched only, if at all, by the massive mobilization of resources under cover of security to smash the atom in World War II, assures us of a commensurate rate of return.

Eugene Zuckert, Secretary of the Air Force, recently noted that the most valuable products of our space effort may almost certainly be those which are unpredictable, if history offers any guidance.

"We recall that Columbus set sail with a letter of introduction to the Grand Khan of Cathay, with whom Ferdinand and Isabella sought to establish trade relations of great promise," Secretary Zuckert pointed out. "The high anticipation of the backers of Drake's oil drilling venture in Pennsylvania in 1859 was based on cheaper candles, axle grease and medicinal oils." They led, of course, to the discovery of America and of the Pennsylvania oil reservoirs.

Sitting in on the detailed review of NASA's plans and proposals, questioning the scientists and administrators who have been entrusted with this major program, you can see the probable outlines of future developments. The questioning becomes aggressive if we feel that planning has not been realistic; usually it is sympathetic where we can see that thorough groundwork has been laid for progress.

In manned space flight, the broad outlines have been made public. The Project Mercury program, in which one man could orbit the earth, will be completed with several additional missions, until man has been exposed successfully to extended periods, up to 24 hours, in the space environment.

The next step will be Project Gemini, using an advanced two-man type of space capsule. The design has recently been shown to the public by NASA.

The Gemini program develops from a decision to test a means of bringing together in space the components needed to launch a moon shot.

Essentially, this means a chance to do something sooner with smaller existing rockets than waiting until we develop tremendous launch vehicles. But it demands high skills in guidance and controls and other complex operations. Even so, it may be the best and most economical way to move on into space.

But for the third major space program, Apollo, we are moving on parallel lines to develop both the rendezvous technique and a sizable launch vehicle called NOVA which will have the power to blast a crew-sized module off the earth and onto a path for the moon.

These concepts automatically suggest some of the critically important facts we must learn as we continue. The fuels, the materials, the stresses, the electronic systems, the vehicle design all demand intense study which is well underway. How will such vehicles react to very cold or very hot temperatures? What will prolonged weightlessness mean to fuel supplies, for instance?

A broad advance in overall technology is bound to occur. A distinguished engineer has remarked that technological progress had previously been "promoted only by the stimulus of war with its resulting terrible costs in human misery."

Security plays an important part in our consideration of the space effort. There are those who see space only as the arena of an international competition. Others recognize, as we all must, that we cannot afford to neglect the knowledge we can gain from outer space if we are to act wisely in our own interest.

In an effort which demands the most intensive use of our resources that history has ever known, the most significant reason for space exploration could be the quest for knowledge itself. If we look at the more practical effects of this search, we can see specific developments in just a short time that demonstrate the technical competence we gain from astronautical research. I have followed closely the medical aspects of space research; where man ventures into unknown environments and unknown extremes of speed and temperature, it has been important to make sure that he can perform to his maximum capability.

As a result, we have developed instruments to determine and monitor his condition in flight. Already these are being applied to more earthbound requirements. A modern hospital has installed a system to monitor crucial information about patients in critical condition, their temperatures, pulse rates, heart beats and other factors, so that information of a change would come more quickly to medical attention.

These measurements would be extremely valuable in permitting skilled personnel to maintain close observation, perhaps through a central console, of the seriously ill. To those who may question it, consider the system through which Colonel Glenn's breathing rate and depth, body temperature, and electrocardiograms were continuously telemetered to flight surgeons at ground control stations during his flight.

Related developments offer further refinements of modern medicine. NASA and Air Force officials have talked to us about the prospects of light amplifiers known as "lasers." These were investigated for their communications potential, because they offer hope of using visible light rays to transmit messages over enormous distances. But, like sound waves in dentistry, lasers have shown possibilities for knifeless surgery. The intense beams that they generate can perform certain operations in millionths of a second. Several weeks ago a laser was used to treat angioma in the eye of a patient at Columbia-Presbyterian Medical Center in New York.

Even rocket fuels have been discovered to be useful to medicine. Hydrazine, a liquid propellant, turned out to have derivatives useful in treating tuberculosis and some mental illness.

In a sense, these discoveries are a type of fallout from the vigorous investigation of space requirements. Let us also consider what we are learning in fields other than medicine.

To provide power for future space missions, we must seek systems with such characteristics as high reliability, lighter weight, longer life, radiation resistance, lower cost, and higher power capability. The conversion of biological energy is under study.

So are fuel cells, which offer the possibility of direct and highly efficient conversion of chemical energy or heat to electricity in a system with a minimum of moving parts. In NASA's thinking, such fuel cells could reduce the weight of launch vehicle, remove the need for highly complicated mechanisms to keep the capsule properly oriented in flight, and provide water for crew consumption as a bonus.

In recent weeks, technical advances in fuel cells were substantial. North American Aviation, which has the assignment from NASA to build and manage the Apollo program, has chosen Pratt & Whitney Aircraft as one of its subcontractors to develop a fuel cell for use in the manned lunar probe.

Similarly, Pratt & Whitney is deeply in the field of advanced nuclear propulsion, with a type of reactor first developed at Middletown for the abandoned nuclear airplane program and now well on its way to being useful in situations requiring a compact, efficient and durable power source. This program is called SNAP-50, part of a series supported by the Atomic Energy Commission to develop systems for nuclear auxiliary power.

The late Senator Brien McMahon often pointed out to Connecticut how vital it was to develop nuclear power sources as our supply of the conventional fuels dwindled. But compact reactors such as the SNAP program considers, would also be useful in the remote regions and underdeveloped countries where normal supplies are prohibitively expensive.

I have stressed the possibilities of space exploration, but I have not dwelt on the means of using space to improve world standards of living. Weather satellites, communications satellites and navigational aids fall into this class.

Right now, only 20 percent of the earth's surface is covered by weather reporting stations. Even our primitive ventures in space weather satellites have begun to improve our knowledge of the meteorological sciences. A truly global weather system will open the door to practical new uses of our growing knowledge about the behavior of the ocean of air that surrounds our planet.

These applications could transform arid deserts into fertile sources of food for the people of have-not nations. They can help safeguard man and property against the hazards of nature's fury. Transportation, crop planning, industrial planning, outdoor enterprises, are only a few of the entities which stand to benefit.

The peaceful uses of the knowledge we stand to gain from space exploration, therefore, are manifold. They can and will lead to better use of our resources, higher standards of living, and a greater understanding of the universe in which we live.

These, then, are the underlying currents in the rooms in which we, as Members of Congress, listen to the proposals for space exploration in justification of the coming year's budget. I am convinced, as is virtually everyone who is close to this unfolding scientific picture, that we face a great challenge and a great future. We are on the move toward a new dimension of physical and spiritual existence.

Farmers: Cold War Heroes

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, June 5, 1962

Mr. WILEY. Mr. President, by high efficiency and productivity the American farmer provides food for U.S. consumers, for feeding hungry people elsewhere in the world, and for strategic, as well as humanitarian, purposes.

Despite the economic problems resulting from unutilized stockpiles the American farmer, nevertheless, continues to play a vital and indispensable food-producing role in our national progress and security, and to contribute significantly to our foreign policy, particularly in combating communism.

In the East-West struggle, if a hot war can be averted, economic productivity may well be a major determining factor in the outcome of the cold war.

In a hungry world in which two-thirds of the people live on substandard nutritional levels the abundant, overflowing U.S. food basket represents a real demonstration of the superiority of our free economy over the state-controlled monopoly under communism.

The agricultural programs in both the U.S.S.R. and Red China have proved too low in productivity to meet the needs of the people.

The Communist-controlled people have only limited amounts of consumer goods, and in some cases they are of starvation levels. But they now find themselves paying skyrocketing prices. For example, I refer to the supplies of meat and butter in the Soviet Union.

This economic competence, particularly in agriculture, has real significance for the Communist-dominated people, as well as for the newly emerging nations.

Over the weekend, I was privileged to discuss, in a broadcast over Wisconsin radio stations, other aspects of the Red threat.

I ask unanimous consent to have excerpts from the broadcast printed in the RECORD.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

U.S. FARMERS: AS COLD WAR HEROES—EXCERPTS FROM ADDRESS BY SENATOR WILEY

Across the Nation, the Wisconsin and American farmers are producing a greater volume and variety of highly nutritional foods than ever before in history.

The agricultural abundance, however, contains some built-in problems economically; namely, a supply-demand imbalance resulting in surpluses. What, then, can be done? The program—which I have recommended—requires a three-step approach:

(1) Greater consumption in the United States—as well as other nations—where there are hungry people. Morally, as well as economically, the Nation—and the world—cannot long tolerate hunger amid plenty.

(2) Improving distribution channels. The United States possesses about $9 billion worth of surpluses. According to a recent estimate, this stockpile—while it may seem mountainous to us—would last only 15 days if distributed to the undernourished people of the world.

(3) Greater utilization, not only through consumption, but by expanding research to find industrial and commercial uses for farm products.

Earlier, I introduced legislation, bill S. 2414, for establishing a Dairy Research Laboratory in Madison, Wis. The purpose would be to attempt to find greater industrial-commercial uses for dairy products.

Last week, the Senate approved a provision, in the omnibus farm bill, for expanding research to find industrial uses for dairy and other farm products.

Over the years, the Congress has enacted a variety of farm laws. Realistically, economic problems cannot be resolved by legislation. While laws can serve as a temporary palliative, the adoption of economic principles is essential for a solution. Ultimately, the farmers, themselves, can, and must, provide the key to establishing and maintaining a good supply-demand balance.

FOOD: A COLD WAR WEAPON

Despite the economic problems created by overabundance at home, however, food can serve—and is serving—as a real weapon in the cold war. The Wisconsin and American farmers, then, have become frontline battlers against communism. How? The world, today, is comparing communism against the United States and other systems. In a hungry world, in which two-thirds of the 3 billion people live on a too-low—sometimes starvation—level, the production of food represents a major symbol of failure, or success.

Comparatively, agriculture in the two major Communist countries—the Soviet Union and Red China—is far less efficient and productive than in the United States. For example: We produce 60 percent more food than Russia, which has a land mass 2½ more times than ours, and 40 percent more

cropland; 50 percent of Russian labor is employed in agriculture, compared to 8 percent in the United States; and in take-home pay, the U.S. worker spends about 20 percent for food, as compared to 50 percent to 60 percent for the average Russian worker.

Operating a highly efficient food production plant, U.S. farmers, then, turn out enough food and fiber: For feeding and clothing 186 million people; for feeding a substantial number of hungry people elsewhere in the world and still ending up with a surplus; and for outproducing the Communist system.

Representing a great strength of our system, the American farmer—in the long struggle against communism—may be one of the real heroes of freedom.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 6, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Matthew 6: 33: *Seek ye first the kingdom of God and His righteousness.*

Our Creator and Benefactor, grant that we may be equal to the gigantic task of rightly comprehending and construing this exhortation which came from the lips of our blessed Lord.

We humbly confess that fundamentally and basically our range of interest and activity in the spiritual values of life is often so limited and alien to the mind of the Master who came to proclaim and establish the kingdom of God.

Our own hearts condemn us for we so frequently take such an indifferent and stoical attitude toward this mission which He felt to be of supreme importance.

May we be more eager and zealous in championing the cause of righteousness and in crushing those forces of iniquity which are scattering their power throughout the world and conspiring to undermine religion and the church.

Hear us for the sake of our Lord and Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of yesday was read and approved.

PERMISSION TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Special Subcommittee of the Committee on the District of Columbia may be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, this morning some of you may have received a letter from the gentleman from New Jersey [Mr. Frelinghuysen] with respect to the motion to recommit the school lunch amendments, with instructions, offered at the close of legislative business yesterday.

The gentleman from New Jersey [Mr. Frelinghuysen] indicates that unless the motion to recommit is adopted, the Secretary of Agriculture would be able to apportion special school lunch assistance funds among the States at his absolute discretion.

Mr. Speaker, that is not the case. If you have any doubt about this matter, I ask you to look at page 9711 of the Record of yesterday. My amendment to the Frelinghuysen amendment would be eliminated if the motion to recommit is adopted. I think that after you have read the Record you will agree that my amendment improves the Frelinghuysen amendment and that the motion to recommit should be defeated.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the gentleman from Michigan [Mr. O'Hara] has referred to a letter which I sent to my colleagues urging them to support the motion to recommit the school lunch bill with instructions. I did this because I feel it would be very undesirable for us to include a provision which would necessitate that the Secretary of Agriculture, before he could make any apportionment of funds under this program, determine the needs of students in each State for free or reduced price lunches, in addition to his taking into account the number of lunches already being served either free or at a reduced price.

To give him that responsibility would be to delay the program. It would deprive the States of their responsibility of determining where the areas of need lay within the States. The proposal by the gentleman of Ohio in the motion to recommit would give appropriate guidelines to the Secretary in making allotments to the States.

I think the basic responsibility of determining how this money should be distributed should rest with the States.

Mr. Speaker, I urge that the motion to recommit be agreed to.

TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Thursday, June 7, 1962, to file a report on the bill (H.R. 11990) to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act, along with any minority and/or supplemental views.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CALL OF THE HOUSE

Mr. QUIE. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 98]

Addonizio
Alford
Ashley
Ashmore
Blitch
Bolton
Boykin
Bruce
Coad
Colmer
Curtis, Mass.
Daniels
Davis, Tenn.
Dent
Derwinski
Devine
Diggs
Dooley
Everett
Evins
Flood
Hall
Hébert
Hoffman, Mich.
Holifield
Horan
Ichord, Mo.
Jones, Ala.
Kearns
Kitchin
Laird
Loser
McMillan
MacGregor
Magnuson
Marshall
Meader
O'Konski
Peterson
Pilcher
Rains
Reece
Roberts, Ala.
Rousselot
St. Germain
Saund
Seely-Brown
Sibal
Smith, Miss.
Spence
Steed
Teague, Tex.
Thomas
Westland
Whitten
Williams

The SPEAKER. Three hundred and seventy-eight Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

QUESTION OF PERSONAL PRIVILEGE

The SPEAKER. The Chair recognizes the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER. The gentleman will state the grounds on which he bases his point of personal privilege.

Mr. ANDERSEN of Minnesota. Mr. Speaker, in the Washington Post of Tuesday, June 5, 1962, page 2, there is an article by Drew Pearson. He starts by saying:

> Because Andersen is a power, he got his assistant, William B. Morris, appointed to the Department of Agriculture.

Mr. Speaker, that is a lie.

He states further in the article, Mr. Speaker:

> Digging behind the Morris letter, I learned that Billie Sol Estes not only purchased $4,000 worth of stock in Andersen's coal mine without receiving a single stock certificate to show for it.

And here is the lie, Mr. Speaker:

He also lobbied behind the scenes to protect Andersen's stake in his brother's estate.

Referring to 1958, at which time I had never heard of Mr. Estes nor had I heard of him before last January.

I asked to be heard, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman on his question of personal privilege.

Mr. ANDERSEN of Minnesota. Thank you, Mr. Speaker.

Mr. Speaker, it is a privilege to be in the Congress of the United States. I recall the occasions when our late beloved Speaker, Sam Rayburn, took the floor and spoke of upholding the integrity of this institution, the Congress of the United States.

Mr. Speaker, just as it is a great privilege to Members to serve in this House, it is likewise a great privilege for these newsmen up above us in the press gallery to report the doings of this great body to the people of America.

I hold in my hand the Washington Post of Tuesday, June 5, 1962, a newspaper supposedly devoted to protecting the rights of the people of America; and yet that same newspaper gives a special column, for some reason, not over on the comic page, where Drew Pearson's column really belongs, but on page 2, and it gives considerable space for a special article about H. Carl Andersen. For permitting this man, Drew Pearson, to spew out these irresponsible statements, the Washington Post, in my opinion, should stand condemned.

Let me, on the other hand, pay compliment to the Evening Star, which published in full my news release of April 16, bringing out the facts. I thank them for so doing.

Before I pay my respects to columnist Drew Pearson, let me give you a few facts relative to him. Mr. Speaker, I feel sorry for this man. He is beyond the pale of decent society. He has developed an insane hatred for decent men and women, with whom he cannot associate. Let me make plain that while I am discussing this man I do not reflect upon the hundreds of fine newspaper men and women, many of whom are sitting up here in the press gallery today.

Certainly in a barrel of apples you will always find a few rotten ones. The rottenest of all these is this poor Drew Pearson, so warped in his mind and so diseased in his thinking that I pity him.

I have two little granddaughters, 7 and 9 years of age. I do not intend to permit any man so diseased in mind to destroy the opinions of those two little girls and their memory of their grandfather in the years to come.

Never once has this polecat ever mentioned the good that H. Carl Andersen has done for the people of the United States through soil-conservation programs and the watershed-protection programs. All of that means nothing to this disgrace to the newspaper profession.

I state advisedly that this man and his kind and his helpers should be refused the right, the great privilege of reporting the happenings in this House of Representatives. The great fourth estate should do its own housecleaning. There are today among them at least one-half dozen writers who have lied about H. Carl Andersen in the last 2 months.

I shall pay my respects, by the way, to Life magazine, the New York Herald Tribune, Time, and such publications, in due time.

Mr. Speaker, I feel it is up to the House and up to the Speaker to protect the integrity of the Members of this body against men of the stripe of Drew Pearson, who publish lies. Worse than lies are the innuendoes and half truths which are published and which many good people accept as the truth.

Let me quote a little bit about this Drew Pearson, from the information compiled for me by the Legislative Reference Service of the Congressional Library. I am going to quote the opinions of great men and women of this Nation relative to this polecat who takes it upon himself to defame the good name of H. Carl Andersen.

Mr. Speaker, I ask unanimous consent that this statement received from the Library of Congress be inserted in the Record at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The matter referred to follows:

Derogatory Remarks About Drew Pearson

Morris A. Bealle:

"Pearson's accuracy assays at only about 25 percent, his main effort being concentrated on getting a smidgeon of truth in each calumny and relying on that to carry it through. As a smear bund operative he doesn't even take off his hat to New York's night club commando.

"Throughout the Roosevelt stranglehold on America, Pearson was the main White House stooge and sewer-level rumor monger. Whenever there was a trial balloon to be run up, or a little propaganda to be put out, or an alibi for a presidential blunder to be framed, or someone else's boom to be pricked, or a little bile to be gotten off the Roosevelt or Wallace or Ickes chest about a solid somebody in Washington, mustachioed Drew would come arunning. He would jump through the hoop when ordered by Ringmaster Steve Early, and 5 days later this concatenated hokum would appear in the Pearson column as news or inside stuff.

"Pearson has been the party of the first part in many a well-founded libel suit but so far has escaped unscathed. * * * he participated in the theft from the mails of confidential letters written by a Republican manufacturer in Connecticut to a correspondent in South America.

"All the boys in the Washington press galleries, except the leftist stooges and Communist sympathizers and 'New' Deal dog robbers, have an abiding contempt for this fellow who had brought prostitution of their great profession to its zenith. They say: 'When bigger lies are told Pearson will tell them'."

Marion T. Bennett, Representative, Missouri Sixth Congressional District, on the floor of the U.S. House of Representatives, December 17, 1941:

"The article is a bare-faced falsehood. This attempted smear by the two character assassins, Pearson and Allen, would reach the level of crime, did it emanate from the source of truth.

"Pearson and Allen do not have the manhood or honor to admit their mistake. These two columnists have prevaricated. They are well known in informed circles because of their utter lack of regard for the truth and for being two of the most dishonest, unreliable, and vicious character assassins in America. They are a disgrace to the great newspaper profession. They apparently seldom take the trouble to ascertain the facts. They make their living in the half light of minds diseased by the filth they alone can imagine."

Theodore G. Bilbo, U.S. Senator, Mississippi, on the floor of the U.S. Senate, March 12, 1945: "It is not only generally known, but it is universally admitted, that Drew Pearson is the biggest and most notorious liar in America today. Not only is Pearson recognized as being the biggest liar, but he is also recognized as being the most perfect smear artist of the press and radio. He will go down in history as Drew Pearson the sponge, because he gathers slime, mud, and slander from all parts of the earth and lets them ooze out through his radio broadcasts, and through his daily contributions to a few newspapers which have not yet found him out."

Frank Boykin, Representative, Alabama First Congressional District, as quoted by Representative Morrison, of Louisiana, May 20, 1943: "Drew Pearson is the damnedest liar that ever lived."

Owen Brewster, U.S. Senator, Maine, on the floor of the U.S. Senate, June 12, 1948:

"I have been a little puzzled by the apparent malevolence of Mr. Pearson.

"These attacks of various kinds have developed upon me, with all the cunning and skill he commands—and it is very considerable. I have a very wholesome respect for his tenacity and ingenuity in presenting half-truths in order to fortify whatever views he takes, sometimes walking a very tight rope between situations.

"He is able so to present a situation as to leave implications which are utterly unwarranted by a full disclosure of the facts.

Harry P. Cain, U.S. Senator, Washington, on the floor of the U.S. Senate, December 15, 1947: "The conversation described by Mr. Pearson never took place. Mr. Pearson has unfairly, unreasonably, and senselessly abused Mr. Reece through an imaginary dialog which was spawned by an individual who has been malicious, irresponsible, and mischief-making. Pearson has lied without reason or excuse. Through doing this he has insulted the intelligence of his readers and broken faith with his profession."

A. B. Chandler, U.S. Senator, Kentucky, on the floor of the U.S. Senate, April 25, 1944: "There is a definition for that sort of liar. He is called a revolving liar."

Eugene E. Cox, Representative, Second Congressional District, Georgia, on the floor of the U.S. House of Representatives, June 21, 1943: "This Washington Post happens to be the purveyor of the filth concocted by one Drew Pearson, whom I denounce as a filthy and cowardly villain, a venomous slanderer, and an insinuating rogue, who makes his living in the blackening of other men's reputations and the practice of blackmail blackguardism."

Stephen T. Early, White House secretary, as quoted by Representative Morrison, of Louisiana, May 20, 1943: "There is no truth in any detail of this story."

Hamilton Fish, Representative, New York 26th Congressional District, on the floor of the U.S. House of Representatives, November 19, 1940:

"Certain scurrilous, false, and, I believe, libelous charges have been made against me.

"The Pearson-Allen statement is damnably false. This is not a personal issue, but if permitted to continue it may undermine the confidence of the American people in the integrity of our public officials and destroy our free institutions and democratic government which is now under attack throughout the world.

"The only way I know of [dealing with these contemptible people] is through libel action or horsewhipping or the old gun method. It is too bad that that has gone out. That used to be resorted to in the old days of Benton and Clay. They would have taken a gun and gone after them."

Extension of remarks on the floor of the U.S. House of Representatives, December 26, 1940: "A typical example of the lack of regard for truth in the Merry-go-Round, published by Drew Pearson and Robert S. Allen. These smear columnists are rendering a disservice to the public and to public officials by their irresponsible and false statements and deliberate misrepresentations."

As quoted by Representative MORRISON, of Louisiana, May 20, 1943: "Drew Pearson in my opinion is the most contemptible, dishonest, and dishonorable smear propagandist in America, and by inference the most colossal liar in the Nation."

Walter F. George, U.S. Senator, Georgia, on the floor of the U.S. Senate February 21, 1944:

"[Pearson] began his whole tirade with a deliberate lie. It is not often that an ordinary, congenital, deliberate, and malicious liar such as Drew Pearson refers to a printed record on which it is possible to pin him down. What sort of a liar is he, Mr. President, when in the very face of the RECORD which he himself invites every word that he said is disproved?

"Mr. President, I know some of the motive, some of the malice, back of this sudden attack by Drew Pearson on me. Down deep is a fight against representative government. It is a smear campaign against the legislative branch of this Government.

"Again I ask, What sort of a liar is Mr. 'Skunk' Pearson?"

Guy Gillette, U.S. Senator, Iowa, on the floor of the U.S. Senate, June 10, 1937:

"The intimation as stated in the article is absolutely without foundation."

John W. Gwynne, Representative, Iowa Third Congressional District, on the floor of the U.S. House of Representatives, November 23, 1945:

"I think if Drew Pearson were in court instead of in the newspapers, it would be proper to call some witnesses as to his truthfulness and veracity.

"The statement of Drew Pearson did contain one truth, believe it or not, I think it must have been an accident. * * *"

William F. Halsey, fleet admiral, U.S. Navy, as quoted by Morris A. Bealle: "Pearson is a blackguard who, by insinuations and outright lies, tried to destroy public confidence in the Navy's air arm. The scoundrel didn't have the guts to take a plane ride with a man he said got his wings by fraud."

Pat Harrison, U.S. Senator, Mississippi, on the floor of the U.S. Senate, March 28, 1935:

"This is so mendacious, it is willful, it is so misleading and untruthful, it is such a damnable lie that I cannot pass it by unnoticed.

"These audacious, misleading, incorrect statements carried in the 'Merry-Go-Round,' written by Mr. Drew Pearson, are written because of a motive."

CLARE E. HOFFMAN, Representative, Michigan Fourth Congressional District, extension of remarks on the floor of the U.S. House of Representatives, May 24, 1949: "A man who gratuitously smears innocent, defenseless individuals in order to sell his wares, advance his own financial interests, no doubt derives pleasure from the squirming and the suffering of his victims. Drew Pearson, who seldom misses an occasion to throw out a falsehood and insinuation or by innuendo to injure some innocent victim, if he runs true to form, must be chagrined by the death of James V. Forrestal, whom he so vigorously and meanly attacked, because Forrestal is dead and no longer will be humiliated or suffer because of Pearson's slanderous, libelous statements."

Fred M. Howser, attorney general of California, statement upon filing libel suit against Pearson: "[Pearson made] untrue, false, and defamatory statements over the radio."

Cordell Hull, U.S. Secretary of State, letter, dated April 19, 1939, to Senator Reynolds, of North Carolina, inserted in the CONGRESSIONAL RECORD by Senator Reynolds on May 11, 1939: "[In regard to an article of April 14, 1939] Those parts of it of which I have knowledge are so thoroughly inaccurate and misleading that they could not in my judgment be substantiated by anyone."

Press conference, December 21, 1940: "[The Merry-Go-Round article bore earmarks that] would indicate it to be a deliberate misrepresentation. It is very disagreeable when we are so hopelessly overwhelmed with emergency matters to have an article of whole cloth thrown into our faces and sent over the Nation with the representation that it is based on actual knowledge."

As told by Representative MORRISON, of Louisiana, May 20, 1943: "Secretary of State Cordell Hull, in referring to Drew Pearson, said he is only one-third right one-tenth of the time."

Press conference, August 30, 1943: "I desire to brand these statements as monstrous and diabolical falsehoods."

As quoted by Senator George, of Georgia, February 21, 1944: "Pearson is an unmitigated and congenital liar."

As quoted by Morris A. Bealle: "The truth is not in him; he is a pathological liar."

Jesse H. Jones, U.S. Secretary of Commerce; statement inserted in the CONGRESSIONAL RECORD by Representative O'Connor, of Montana, April 2, 1942: "There is no truth in the 'Merry-Go-Round' story of April 1 about me. Practically all references to me and my work by those columnists over the year has been made for the purpose of injuring me, and where there has been any basis for reference to me, the facts are maliciously distorted through innuendo. This article is typical of their column."

Robert F. Jones, Representative, Ohio Fourth Congressional District; written statement presented to subcommittee of the Committee on Interstate and Foreign Commerce, U.S. Senate, dated July 1, 1947: "I believe that any competent lawyer, reading Pearson's testimony, would dismiss it instanter as the flimsiest hearsay and of no probative value. Pearson's first charge is wholly false and entirely unsubstantiated. The second charge is false.

"I am sure that the members of the committee have every right to take judicial notice of the fact that Pearson's credibility has been attacked upon scores of occasions. It is sufficient, I believe, to cite as witnesses in my behalf as to Pearson's reputation for truth and veracity members of the Washington press corps who in a poll voted him the most unreliable commentator."

As quoted by Morris A. Bealle: "Pearson makes his living by blackening characters. He is a smear columnist, a professional character assassin and the author of false and vile insinuations."

JOHN LESINSKI, Representative, Michigan 16th Congressional District, on the floor of the U.S. House of Representatives: "This is one of those damnable lies that has always been produced by Drew Pearson."

Douglas MacArthur, general, U.S. Army, as quoted by Morris A. Bealle: "There is no truth in Pearson's statement * * * The facts are quite the contrary."

Kenneth McKellar, Senator, Tennessee, on the floor of the U.S. Senate, April 25, 1944:

"I do not know Pearson; but really he is an ignorant ass, is he not—this ignorant, blundering, lying ass, who makes his living by lying on Senators and other public men.

"If ever there was an opportunity for my temper to be aroused by plain lying, it would be aroused by the plain lying of this so-called Washington columnist. He is just an ignorant liar, a pusillanimous liar, a peewee liar, and he is a paid liar. I understand he and Lilienthal are great friends. They are two of a kind. What is fitter than two liars standing up for each other.

"That is simply a willful, deliberate, malicious newspaperman's lie, out of the whole cloth. Lying, such as Pearson's, is the most despicable of all lying—lying for money.

"I say that that statement is a willful, deliberate, malicious, dishonest, intensely cowardly, low, degrading, filthy lie, out of the whole cloth. This falsely charges me with a felony. Every newspaper which has published this falsehood is guilty of a libel.

"Pearson makes his living by making sensational lying statements about men in high office. He actually makes his living that filthy way. He ought to have the contempt of every honest man.

"I want him to hear what kind of an infamous, dirty, lowdown, mean, lying scoundrel he is, and I think everyone else believes he is.

When a man is a natural-born liar, a liar during his manhood and all the time, a congenital liar, a liar by profession, a liar for a living, a liar in the attempt to amuse, or to be as he thinks smart, a liar in the daytime, and a liar in the nighttime. It is remarkable how he can lie.

A revolving liar. It suits Pearson exactly. A revolving mirror recording his lies on every side as it revolves around.

Listen to this egregious liar, this revolving liar, a lying brute. Why it is so asinine that it cannot be believed.

This revolving, constitutional, unmitigated, infamous liar, this low-lived, double crossing, dishonest, corrupt scoundrel, who claims to be a columnist. He is not a columnist. He is a monumentalist. That is, a monumental liar. This knave—and I am using very mild language—this ignorant, designing fellow trying to do something for his friend, Lilienthal, and probably being paid for it.

It is ridiculous, it is silly, it is asinine. It is worse. It is just a crooked statement of a crook who is trying to help another crook. I am now speaking for all my colleagues, as well as myself. This man is just an egregious liar, and this is an egregious lie, out of the whole cloth. There is nothing but lying from beginning to end. This is a patent lie, a willful, deliberate, malicious, low, groveling, infamous lie. There is not a word of truth in it.

"Pearson, Drew Pearson. By the way, is that a false name, or is that his real name? Does anyone here know? Is he like a movie actor, who takes another name? Is he a lady's man? Is he an American? Or is he a Jap or German parading under an American name? All the papers which pay for and publish the articles of this lying blackguard should cancel their contracts. What kind of a man is he who assumes to abuse and traduce and lie about public men, who tries to destroy the character of any person, in the Senate or out of the Senate; who tries to destroy the President of the United States; who tries to destroy our great Secretary of State.

"Gentlemen, I am not angry, I am just sorry that this great Nation of ours, this Nation of honest men, this Nation of Americans, has within its borders any person so low and despicable, so corrupt, so dishonorable, so groveling, so desirous of injuring the character and the accomplishments of his fellowmen, as this low-born, low-lived, corrupt, and dishonest Drew Pearson."

On the floor of the U.S. Senate, July 16, 1946: "On Sunday this miserably, lying, corrupt, dishonest scoundrel, Drew Pearson, with a dishonest and disordered mentality and a putrid and corrupt morality, wrote and published another lying article about me.

"This is a lie out of the whole cloth, known to be a lie when Pearson wrote it, known to be a lie when Silliman Evans bought and paid for it, and no person with character sufficient to sleep with a hog or to associate with dogs or polecats would write such an article or would print such an article. Indeed, Pearson, in his mental makeup is a cross between a ranting maniac and a drunken Silliman Evans.

"The article has no resemblance to truth, but is simply the result of a disordered and corrupt mind working only for money paid for by Silliman Evans."

Joseph J. Mansfield, Representative, Texas Ninth Congressional District; extension of remarks on the floor of the U.S. House of Representatives, October 17, 1945: "I consider this paragraph so grossly erroneous in point of fact that it should not be permitted to go unchallenged. Certainly Mr. Pearson has been misinformed by someone."

Burnet R. Maybank, Senator, South Carolina, on the floor of the U.S. Senate, December 18, 1943: "Mr. Pearson's statement is false and unfounded. An absolute falsehood has been printed in the Pearson article."

J. P. Morgan & Co., statement inserted in the Congressional Record by Representative Auchincloss, of New Jersey, May 4, 1945: "The column of Drew Pearson contains references that are cruel, wholly false, and libelous."

James H. Morrison, Representative, Louisiana Sixth Congressional District, on the floor of the U.S. House of Representatives, May 20, 1943:

"Drew Pearson lied on the radio and I know he lied on the witness stand, which, down where I come from, is perjury. I have had occasion to check into the record of Drew Pearson to see what kind of reputation he has for telling the truth. I find that U.S. Senators, Members of Congress, Cabinet members, generals, and even the secretary to the President in no uncertain terms labeled him as a downright liar and garbage-can collector of filthy, manufactured synthetic lies.

"But Drew Pearson has not spent all of his time blackmailing, intimidating, and lying about public officials and Congressmen. His vocations describe a thwarted and frustrated man with a warped, twisted, and diseased idea of mankind and life. I want the Members of this House to know that Pearson, who poses as a great liberal, is at heart a money miser and one of the greediest men for cash I have ever met anywhere any time. If he cannot get it honestly, look out for the blackmail.

"His contribution to the war effort is based on a lowdown, degrading, cowardly, yellow, stinking pen to defame, to vilify, to humiliate, and to attempt to destroy America's No. 1 hero, Gen. Douglas MacArthur.

"Seldom do I have the unpleasant task of skinning a skunk. I hope I have done the job well."

James W. Mott, Representative, Oregon First Congressional District; statement before the House Naval Affairs Committee; as quoted by Representative Morrison, of Louisiana, May 20, 1943: "Drew Pearson and Robert Allen are a pair of journalistic polecats."

Gerald P. Nye, U.S. Senator, North Dakota, as quoted by Representative Morrison, of Louisiana, May 20, 1943: "Pearson is a master of the half truth. When a direct lie does not suit his purpose because it might be too dangerous, he can lie by inference by merely leaving out qualifying remarks and explanation."

James F. O'Connor, Representative, Montana Second Congressional District, on the floor of the U.S. House of Representatives, April 2, 1942: "There is not a single word of truth in this publication. No such conversation occurred. I am glad there are others besides myself finding out the fact that you cannot believe all you read in that column gotten out by these two so-called headache boys."

Westbrook Pegler, columnist; column reprinted in the Congressional Record, May 24, 1949: "James V. Forrestal was a victim of the wanton black-guardism and mendacity of the radio which has been a professional speciality of Drew Pearson. Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative.

John E. Rankin, Representative, Mississippi, First Congressional District, on the floor of the U.S. House of Representatives, February 2, 1944:

"Drew Pearson, one of the well-known slimemongers of the radio revealed himself as one of the most vicious propagandists in America."

On the floor of the U.S. House of Representatives, February 8, 1944: "Those of us who listened in on Sunday night heard Drew Pearson, one of the radio scavengers of America, in a most contemptible manner, falsely attack one of the most elegant ladies in Washington. Every person who is familiar with the incident tells us that Drew Pearson was lying about her in his statement."

On the floor of the U.S. House of Representatives, June 11, 1945: "Drew Pearson went to bat for those saboteurs in the State Department who were exposed by the Dies Committee on Un-American Activities. A high ranking general in the U.S. Army told me more than a year ago that if he were to give out the Government secrets that were being broadcast by Drew Pearson he would be court-martialed immediately, and ought to be. Somebody in the State Department, in the War Department, and even around the White House, has been giving out secret information to Drew Pearson to broadcast to the world regardless of its cost in the lives of American boys on the various fighting fronts."

On the floor of the U.S. House of Representatives, April 27, 1948: "Much as I disagree with him on his blunders, there is one thing on which President Truman and I agree: Neither of us would believe Drew Pearson on oath."

Walter Reuther, president, United Automobile Workers, as quoted by Morris A. Bealle: "Pearson is not only a chronic liar but a fool."

Robert Reynolds, Senator, North Carolina, on the floor of the U.S. Senate, May 11, 1939: "Unfortunately, the only way a public official can avoid vilification by these two men, the authors of the Washington Merry-Go-Round, is to bow to their will and the will of those whom they serve.

"I am inclined to believe everything I see in the newspapers except what is written by Pearson and Allen.

"I challenge them and defy them to prove the truth of a single statement made by them which I have read here today—one single, left-handed, underhanded charge that they have made."

Robert F. Rich, Representative, Pennsylvania 15th Congressional District, on the floor of the U.S. House of Representatives, May 29, 1945: "I think any man who will take the radio and make a charge of that kind is what I would call an unsophisticated ass, because I do not believe a man with good, commonsense would make a charge of that kind."

Franklin D. Roosevelt, President of the United States, press conference, October 31, 1943, as told by John H. Crider, reporter:

"Mr. Roosevelt called Mr. Pearson a liar, The President continued, he had no hesitation in saying that the whole statement, from beginning to end, was a lie.

"But there is nothing in that, he went on, since the man is a chronic liar in his columns.

"It is the kind of journalism that hurts the press, the President declared, besides hurting the country."

Ellison D. Smith, Senator, South Carolina, on the floor of the U.S. Senate, June 10, 1937: "The insinuation is maliciously false."

Tom Stewart, Senator, Tennessee, on the floor of the U.S. Senate, April 25, 1944: "I do not think this man Pearson has the ability to slander anyone. One must be honest before one can slander another, and one must be able to tell something which at least approaches the truth."

Martin Sweeney, Representative, Ohio 20th Congressional District:

On the floor of the U.S. House of Representatives, May 25, 1939: "This article is a deliberate falsehood, and I cannot let the occasion pass without meeting the challenge of Drew Pearson and Robert S. Allen who have more than once published in their Washington Merry-Go-Round malicious falsehoods."

On the floor of the U.S. House of Representatives, April 16, 1942: "On Monday of this week, April 12, 1942, the Supreme Court of the United States rendered a decision in my favor in holding that an article, referring to me, published by Pearson and Allen was libelous per se."

Extension of remarks on the floor of the U.S. House of Representatives, April 28, 1942: "Messrs. Pearson and Allen these anemic patriots who heretofore have made their living smearing public characters."

Times-Herald, Washington, D.C., as quoted by Representative Morrison, of Louisiana, May 20, 1943: "We dropped the Washington Merry-Go-Round out of the Times-Herald because of the poisonous attempts Pearson and Allen have made, and are still making, to smear the reputation of a great soldier, and in our opinion one of the greatest Americans of all time, Gen. Douglas MacArthur."

Harry S. Truman, U.S. Senator, Missouri; President of the United States:

On the floor of the U.S. Senate, February 11, 1943: "I merely wanted to make it plain that there was absolutely no foundation, in fact, for what Mr. Pearson said last night over the radio."

Press conference, March 11, 1948: "First I want to pay attention to a vicious statement that was made by a columnist. I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. This is just a lie out of the whole cloth."

As quoted by Associated Press, February 22, 1949: "If any s.o.b. thinks he can get me to discharge any member of my staff or Cabinet by some smart aleck statement over the air, he's mistaken.

"Very vicious attacks on my military aide have been unjust and I say advisedly, vicious."

As told by Anthony Leviero, reporter, February 24, 1949: "One questioner at the news conference noted that President Peron of Argentina and Drew Pearson had been nominated for the Nobel Peace Prize. Mr. Truman replied that probably they had nominated themselves."

Millard E. Tydings, Senator, of Maryland:

On the floor of the U.S. Senate, July 7, 1941:

"There was not a scintilla of truth in this libelous statement—libel had been uttered—it had been maliciously uttered, and I have the documentary proof.

"The spreading of rumors in a whispering campaign is not a crime against an individual; it is a crime against society and that is the kind of campaign which Drew Pearson has tried, in his nefarious manner, to conduct.

"'But he that filches from me my good name robs me of that which not enriches him and makes me poor indeed.' This is what Pearson and Allen tried to steal. Where are they now? I have brought all the facts out into the light of day. Where are the skunks now? Down in their hole where they ought to be and where the company suits them."

On the floor of the U.S. Senate, June 18, 1945:

"'Washington Merry-Go-Round' is written by an individual who names himself Drew Pearson, but most persons who are familiar with his utterances on a variety of subjects generally call him Pew Smearson. Normally, I would pay no attention to such garbage, but I am unwilling by silence to see this deliberate lie passed on to the American people.

"I fail to find within the limits of parliamentary language words to describe this worm masquerading in the physique and the clothing of a supposed man. In the last war this scoundrel, although away above the draft age, found asylum in an S.A.T.C., and the only powder he ever smelled was in the presence of ladies who might have adorned the windward side of the parade ground; and today, sitting in a comfortable chair, far removed from any danger, without any scintilla of fact or truth to support the statement, this supposed purveyor of information besmirches the character of one of the most gallant soldiers.

"I would call him a perpetual, chronic, revolving liar, and a few other things that I cannot add in the presence of this distinguished and rather ethical company. This man has engaged, to my personal knowledge, in the gentle art of blackmail, without any success. He has been guilty of attempting to buy public influence.

U.S. Department of the Army, Public Information Division, press section; memorandum for the press, reprinted in the Congressional Record, April 26, 1948: "The implications in Mr. Pearson's statement are not only unfair, but are absolutely without foundation, as proved beyond question in the course of the investigation into the entire situation."

Washington Post, as quoted by Morris A. Bealle: "Drew Pearson wrote a column which the Post, in the best judgment of its editors, deemed a personal attack, unfair on the face of it. The Post did not print this column. For the same reason the Post has omitted parts of all of Pearson's columns in the past."

Sumner Welles, Under Secretary of State, United States; press conference, December 28, 1940, as told by New York Times reporter: "Welles denied every detail of both accounts published by Messrs. Pearson and Allen, and quoted a letter he wrote them on December 22, asking for a retraction."

Burton K. Wheeler, U.S. Senator, Montana, as told by Representative Morrison, of Louisiana: "Senator Burton K. Wheeler, of Montana, stated Pearson had lied about him, stating that Drew Pearson was a black animal with a white stripe down his back. Wheeler declared that this very crowd in Washington, meaning Drew Pearson and his crowd, has been taught to smear every Senator and Member of the House who does not agree 100 percent with the New Deal bureaucrats.

Earl Wilson, Representative, Indiana Ninth Congressional District, on the floor of the U.S. House of Representatives, March 15, 1945: "This ruthless, double-barreled, diabolical, puerile liar, Drew Pearson. He is a liar, preceded by many uncomplimentary adjectives and is really everything he has been called and more."

Mark Woods, president, Blue Network, a subsidiary of the Radio Corp. of America, statement to the press, February 9, 1943: "While not mentioning either Mr. Winchell or Mr. Pearson by name, Mark Woods, president of the Blue Network, said that 'several commenators have recently departed from their printed scripts to discuss issues in a biased and inflammatory manner.'"

Mr. ANDERSEN of Minnesota. What did his former mother-in-law, Eleanor Patterson say about this man during the war? Let me repeat that quote:

> Incidentally, you GI Joes, when you happen to listen to the phony Quaker Pearson of a Sunday night—Bleeding Heart Drew—never forget that although he was 20 and in perfect health in 1917, he managed to "thee and thou" himself out of the service in World War I. Then, as now, Drew was a yellow-bellied slacker.

Mr. Speaker, this brings me to the horrible part of my remarks to you today. Just last week on Memorial Day while Mrs. Andersen and my son Alfred were placing flowers on the grave of my brother, who died just last August and was buried in the Fort Snelling Cemetery, this vile, corrupt creature, Drew Pearson, or one of his assistants was preparing this article. Let me read it to you:

> The brother, Walter G. Andersen, suffered from shell shock during World War I and became a hopeless mental case.

Yes; he did. He was in France, in the trenches for 10 months, during World War I. He was hauling shells up to the front when the truck ahead exploded and he was shell-shocked. He was rendered helpless, and for 42 years he suffered the pangs of the damned, living in another world.

I was his guardian for 42 years. I took what care I could of him.

He was hospitalized in the Veterans Hospital at St. Cloud, Minn., for the rest of his life.

Think of that. This man gave his life for his country—is there anything wrong with our country taking care of him? But in Drew Pearson's mind this happened to be H. Carl Andersen's brother.

To quote some more of the spewings of this degenerate man, this man who should never be allowed to sit up in this Press Gallery, listen to this:

> Yet he continued to collect his veteran's pension even though incapable of spending the money.

That was the law. It simply accumulated in a fund that was administered by his Congressman brother.

Yes; and for 42 years I took meticulous care of that fund, and the probate court has commended me for that long guardianship of the estate, which we have just closed.

Now to further quote Drew Pearson. He says:

> In 1958, however, the Representative's take in this fund was suddenly threatened. Legislation was introduced restricting the rights of relatives to inherit pension money from 'incompetent' veterans. This would have curtailed the pension the Representative's brother was accumulating. So the Representative from Minnesota carried on a vigorous but vain campaign in the Capitol cloakrooms to block the bill.

Ask yourself this question: Why does this character, Drew Pearson, bring up the subject of my brother? In 1958 I helped kill a proposed bill at the request of a fine little old lady, Mrs. Rogers, Congresswoman from Massachusetts, who has now gone. This bill would have said to 210,000 dependents of incompetent veterans, "No, you parents cannot inherit from your son without proving yourselves to be paupers." Congresswoman Rogers came to me and said, "This bill is horrible. Won't you help to kill it?" I helped kill it. Drew Pearson says I did it because of personal interest in my brother's estate in the future. Yet I proved by the Veterans' Administration that only $700 per share of that estate could ever revert to the Government under that proposed law.

No lobbyist came to me. Just Edith Nourse Rogers who persuaded me that that was a bad piece of legislation. There was no lobbying done. I got up on the floor here as some of you remember, and fought that situation out and temporarily won the issue that day. This damnable skunk makes use of innuendoes and half-truths, and they are worse than lies.

To read further:

> This was acknowledged by his former legislative assistant, Peg Murray, who refused, however, to discuss the details.
>
> "Congressman Andersen is my friend," she finally blurted, and slammed down the phone.

Mrs. Peg Murray is a fine lady and gave wonderful service in my office prior to the time she retired, and I am proud of the fact that through the years these people who have worked for me have remained loyal to H. Carl Andersen. What better tribute could a man have who has been in the Congress for 24 years?

Now listen to this, and I think here he is stooping down to a level that I hope never to see approached again in any news column by any of these men of the press. Listen to this:

> Walter Andersen finally died of a heart attack last year as he stood holding a plate in a lunch line.

Now why does this damnable columnist make a statement like that? What is he inferring? Did not my brother have the right as a veteran to be in a veterans' hospital, the same right as all veterans have?

Then he says:

> He left $33,652 in accumulated pension money, a farm valued at $21,000, and an undisclosed investment in Government bonds. The Representative has now collected his share of the estate.

This is another lie. My brother left under my trust $51,000 in Government bonds. There was no farm. There was nothing else. Each of us received approximately $7,000 as our share of the estate.

He does not care how he lies, my friends. I am exposing the skunk for what he is and I hope this speech will do some good to persuade the leadership that he and his minions have no place among these other fine men and women up here in the press gallery. He will lie about other Members of the House as he has lied about me. I am a great believer in laying the cards on the table in the hope that we can get that skunk out of this otherwise fine press gallery. I hope to come back in January and continue the attempt to clean out of the press gallery these few writers who write deliberate lies. Here is one Congressman who has the guts to say what he thinks about these scoundrels. Excuse me if I am a little emotional on this matter at this point. I am disturbed because of this reference to my dead brother. I am sure any one of you would feel the same way under similar circumstances.

Then he goes on to say something further—but this has nothing to do with my brother. What I have to say about the Estes case will be said before the McClellan subcommittee. I requested a complete examination of my records by the Federal Bureau of Investigation and they have done so. I am not answering scum like Drew Pearson in reference to a case which will shortly come before a proper committee of the Congress. I stand here and say to you—I have done no wrong. My conscience is clear. I just happened to be walking by a wall when it tumbled over on me. This could have happened to any of you Members of Congress.

I have seen some of my colleagues look a little doubtful at me. You have no reason to do so. I have thought that I noticed this even among a few of my old friends.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to my good friend from Iowa.

Mr. JENSEN. Have I ever treated you with anything but high respect?

Mr. ANDERSEN of Minnesota. I have never seen anything to the contrary.

Mr. JENSEN. Of course you have not.

Mr. ANDERSEN of Minnesota. We are two fighting Danes, and that is why I am up here today.

Mr. JENSEN. I have held you in the highest regard. I have known you 24 years. I sat with you in the Appropriations Committee for 20 years. I have never seen you do anything that was not upright and honest.

Mr. ANDERSEN of Minnesota. Thank you very much, Mr. JENSEN.

Mr. JENSEN. Let me say this to you, Mr. ANDERSEN, that I respect you for doing exactly what you have done in the past.

Mr. ANDERSEN of Minnesota. Thank you sir.

Mr. JENSEN. Certainly the man who has condemned you and written about you wrote about me a number of times and then finally really told a big one on me and I sent word to the gentleman that he had best not ever mention my name again, either good or bad in his dirty column, and he has not mentioned my name in his column since—and he better not mention it.

Mr. ANDERSEN of Minnesota. Mr. JENSEN, I want to say this, I do not know of a better man on the floor of the House than Mr. BEN JENSEN.

My friends, I have tried to make my case. I appreciate the understanding with which all of you have listened to me, and I repeat again that H. CARL ANDERSEN has never done anything wrong in connection with the Estes affairs. My conscience is clear, so help me God.

I thank you, Mr. Speaker.

AMENDMENTS TO NATIONAL SCHOOL LUNCH ACT

The SPEAKER pro tempore (Mr. ALBERT). The unfinished business is the vote on the motion offered by the gentleman from Ohio [Mr. ASHBROOK] to recommit the bill (H.R. 11665) to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

The question is on the motion to recommit.

The question was taken, and the Speaker pro tempore announced that the "ayes" had it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and thirty Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. OSTERTAG. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. OSTERTAG. Mr. Speaker, is this a straight motion to recommit?

The SPEAKER pro tempore. That is not a point of order.

Mr. OSTERTAG. A parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. OSTERTAG. I want to know what we are voting on, whether we are voting on a motion to recommit with instructions, or on a straight motion to recommit.

The SPEAKER pro tempore. It is a motion to recommit, with instructions.

The Clerk will call the roll.

The question was taken; and there were—yeas 159, nays 221, not voting 57, as follows:

[Roll No. 99]

YEAS—159

Adair
Alger
Andersen, Minn.
Anderson, Ill.
Arends
Ashbrook
Auchincloss
Avery
Ayres
Baker
Baldwin
Barry
Bass, N.H.
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Mich.
Berry
Betts
Bow
Bray
Broomfield
Brown
Broyhill
Bruce
Byrnes, Wis.
Cahill
Cederberg
Chamberlain
Chenoweth
Chiperfield
Church
Clancy
Collier
Conte
Corbett
Cramer
Cunningham
Curtin
Curtis, Mo.
Dague
Derounian
Derwinski
Dole
Dominick
Dorn
Durno
Dwyer
Ellsworth
Fenton
Findley
Fino
Ford
Frelinghuysen
Garland
Gavin
Glenn
Goodell
Goodling
Griffin
Gross
Gubser
Hall
Halleck
Halpern
Harrison, Wyo.
Harsha
Harvey, Ind.
Harvey, Mich.
Hiestand
Hoeven
Hoffman, Ill.
Hosmer
Jensen
Johansen
Jonas
Judd
Keith
Kilburn
King, N.Y.
Knox
Kunkel
Kyl
Laird
Langen
Latta
Lindsay
Lipscomb
McCulloch
McIntire
McVey
Mailliard
Martin, Mass.
Martin, Nebr.
Mason
Mathias
May
Merrow
Michel
Miller, N.Y.
Milliken
Minshall
Moorehead, Ohio
Morse
Mosher
Nelsen
Norblad
Nygaard
Osmers
Ostertag
Pelly
Pillion
Pirnie
Poff
Quie
Ray
Reifel
Rhodes, Ariz.
Riehlman
Robison
Roudebush
St. George
Saylor
Schadeberg
Schenck
Scherer
Schneebeli
Schweiker
Schwengel
Scranton
Shipley
Short
Shriver
Siler
Smith, Calif.
Springer
Stafford
Taber
Teague, Calif.
Thomson, Wis.
Tollefson
Tupper
Utt
Van Pelt
Van Zandt
Waggonner
Wallhauser
Weaver
Weis
Whalley
Wilson, Calif.
Wharton
Widnall
Wilson, Ind.
Younger

NAYS—221

Abbitt
Abernethy
Addabbo
Albert
Alexander
Andrews
Anfuso
Aspinall
Bailey
Barrett
Bass, Tenn.
Bennett, Fla.
Blatnik
Blitch
Boggs
Bolling
Bonner
Brademas
Breeding
Brewster
Brooks
Buckley
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Cannon
Carey
Casey
Celler
Chelf
Clark
Cohelan
Cook
Cooley
Corman
Daniels
Davis, James C.
Davis, John W.
Dawson
Delaney
Denton
Dingell
Dowdy
Downing
Doyle
Dulski
Edmondson
Elliott
Everett
Fallon
Farbstein
Feighan
Finnegan
Fisher
Flynt
Forrester
Fountain
Frazier
Friedel
Fulton
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gilbert
Gonzalez
Granahan
Grant
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagan, Ga.
Hagen, Calif.
Haley
Hansen
Harding
Hardy
Harris
Harrison, Va.
Hays
Healey
Hechler
Hemphill
Henderson
Herlong
Holifield
Holland
Huddleston
Hull
Ichord, Mo.
Inouye
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kee
Kelly
Kilgore
King, Calif.
King, Utah
Kirwan
Kluczynski
Kornegay
Kowalski
Landrum
Lane
Lankford
Lennon
Lesinski
Libonati
McDonough
McDowell
McFall
McSween
Macdonald
Mack
Madden
Mahon
Matthews
Miller, Clem
Mills
Moeller
Monagan
Montoya
Moore
Moorhead, Pa.
Morgan
Morris
Morrison
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nedzi
Nix
Norrell
O'Brien, Ill.
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill
Passman
Patman
Perkins
Pfost
Pike
Poage
Powell
Price
Pucinski
Purcell
Randall
Reuss
Rhodes, Pa.
Riley
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rosenthal
Rostenkowski
Roush
Rutherford
Ryan, Mich.
Ryan, N.Y.
Santangelo
Scott
Selden
Shelley
Sheppard
Sikes
Sisk
Slack
Smith, Iowa
Smith, Va.
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thornberry
Toll
Tuck
Udall, Morris K.
Ullman
Vanik
Vinson
Walter
Watts
Whitener
Wickersham
Willis
Winstead
Wright
Yates
Young
Zablocki
Zelenko

NOT VOTING—57

Addonizio
Alford
Ashley
Ashmore
Baring
Boland
Bolton
Boykin
Bromwell
Coad
Colmer
Curtis, Mass.
Daddario
Davis, Tenn.
Dent
Devine
Diggs
Donohue
Dooley
Evins
Fascell
Flood
Fogarty
Hébert

Hoffman, Mich.
Horan
Jones, Ala.
Kearns
Keogh
Kitchin
Loser
McMillan
MacGregor
Magnuson
Marshall
Meader
Miller, George P.
O'Konski
Peterson
Philbin
Pilcher
Rains
Reece
Rousselot
St. Germain
Saund
Seely-Brown
Sibal
Smith, Miss.
Spence
Teague, Tex.
Thomas
Trimble
Westland
Whitten
Williams

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kearns for, with Mr. Keogh against.

Mr. MacGregor for, with Mr. Hébert against.

Mrs. Bolton for, with Mr. O'Konski against.

Mr. Devine for, with Mr. Fogarty against.

Mr. Rousselot for, with Mr. Saund against.

Until further notice:

Mr. McMillan with Mr. Bromwell.
Mr. Loser with Mr. Curtis of Massachusetts.
Mr. Ashley with Mr. Westland.
Mr. Kitchin with Mr. Meader.
Mr. Alford with Mr. Sibal.
Mr. Dent with Mr. Horan.
Mr. Daddario with Mrs. Reece.
Mr. Donohue with Mr. Seely-Brown.
Mr. Philbin with Mr. Dooley.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

Mr. FRELINGHUYSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 370, nays 11, not voting 56, as follows:

[Roll No. 100]

YEAS—370

Abbitt
Abernetthy
Adair
Addabbo
Albert
Alexander
Anderson, Ill.
Andrews
Anfuso
Arends
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Baring
Barrett
Barry
Bass, N.H.
Bass, Tenn.
Bates
Battin
Becker
Beckworth
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Blatnik
Blitch
Boggs
Bolling
Bonner
Bow
Brademas
Bray
Breeding
Brewster
Bromwell
Brooks
Broomfield
Brown
Broyhill
Bruce
Buckley
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Chiperfield
Church
Clancy
Clark
Cohelan
Collier
Conte
Cook
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis, Mo.
Daddario
Dague
Daniels
Davis, James C.
Davis, John W.
Dawson
Delaney
Denton
Derounian
Derwinski
Dingell
Dole
Dominick
Dorn
Dowdy
Downing
Doyle
Dulski
Durno
Dwyer
Edmondson
Elliott
Everett
Fallon
Farbstein
Fascell
Feighan
Fenton
Findley
Finnegan
Fino
Flynt
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Gallagher
Garland
Garmatz
Gary
Gathings
Gavin
Giaimo
Gilbert
Glenn
Gonzales
Goodling
Granahan
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison, Va.
Harrison, Wyo.
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hechler
Hemphill
Henderson
Herlong
Hiestand
Hoeven
Hoffman, Ill.
Holifield
Holland
Hosmer
Huddleston
Hull
Ichord, Mo.
Inouye
Jarman
Jennings
Jensen
Joelson
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jonas
Jones, Mo.
Judd
Karsten
Karth
Kastenmeier
Kee
Keith
Kelly
Kilburn
Kilgore
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kluczynski
Knox
Kornegay
Kowalski
Kunkel
Kyl
Laird
Landrum
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
Lipscomb
McCulloch
McDonough
McDowell
McFall
McIntire
McSween
McVey
Macdonald
Mack
Madden
Mahon
Mailliard
Martin, Mass.
Martin, Nebr.
Mathias
Matthews
May
Merrow
Miller, Clem
Miller, George P.
Miller, N.Y.
Milliken
Mills
Minshall
Moeller
Monagan
Montoya
Moore
Moorehead, Ohio
Moorhead, Pa.
Morgan
Morris
Morrison
Morse
Mosher
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nelsen
Nix
Norblad
Norrell
Nygaard
O'Brien, Ill.
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill
Osmers
Ostertag
Passman
Patman
Pelly
Perkins
Pfost
Pike
Pillion
Pirnie
Poage
Poff
Price
Pucinski
Purcell
Quie
Randall
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Riley
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Rutherford
Ryan, N.Y.
St. George
Santangelo
Saylor
Schadeberg
Schenck
Sheppard
Scherer
Schneebeli
Schweiker
Schwengel
Scott
Scranton
Selden
Shelley
Shipley
Short
Shriver
Sikes
Siler
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Springer
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Calif.
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Thornberry
Toll
Tollefson
Trimble
Tuck
Tupper
Udall, Morris K.
Ullman
Utt
Vanik
Van Pelt
Van Zandt
Vinson
Wallhauser
Walter
Watts
Weaver
Weis
Whalley
Wharton
Whitener
Wickersham
Widnall
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Wright
Yates
Young
Younger
Zablocki
Zelenko

NAYS—11

Alger
Andersen, Minn.
Ashbrook
Beermann
Goodell
Johansen
Mason
Michel
Ray
Taber
Waggonner

NOT VOTING—56

Addonizio
Alford
Ashley
Ashmore
Boland
Bolton
Boykin
Coad
Colmer
Curtis, Mass.
Davis, Tenn.
Dent
Devine
Diggs
Donohue
Dooley
Ellsworth
Evins
Fisher
Flood
Fogarty
Hébert
Hoffman, Mich.
Horan
Jones, Ala.
Kearns
Keogh
Kitchin
Loser
McMillan
MacGregor
Magnuson
Marshall
Meader
Nedzi
O'Konski
Peterson
Philbin
Pilcher
Powell
Rains
Reece
Rousselot
Ryan, Mich.
St. Germain
Saund
Seely-Brown
Sibal
Smith, Miss.
Spence
Teague, Tex.
Thomas
Westland
Whitten
Williams

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mrs. Bolton.
Mr. Fogarty with Mr. Sibal.
Mr. Keogh with Mr. O'Konski.
Mr. McMillan with Mr. Ellsworth.
Mr. Loser with Mr. MacGregor.
Mr. Ashley with Mr. Kearns.
Mr. Dent with Mr. Devine.
Mr. Donohue with Mr. Westland.
Mr. Philbin with Mr. Dooley.
Mr. Alford with Mr. Seely-Brown.
Mr. Diggs with Mr. Rousselot.
Mr. St. Germain with Mr. Horan.
Mr. Kitchin with Mr. Meader.
Mr. Peterson with Mrs. Reece.
Mr. Evins with Mr. Hoffman of Michigan.
Mr. Ashmore with Mr. Curtis of Massachusetts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ALGER. Mr. Speaker, once again I find it necessary to take the floor to protest the continuation of the school lunch program as unconstitutional and outside the jurisdiction of the Federal Government. I want to make it clear to my colleagues that I am wholeheartedly in favor of schoolchildren drinking milk and having enough to eat, but I am wholly against the Federal Government providing food, clothing, or other necessities of life. In our free Republic this is not the function of the Federal Government.

I protest, too, the confusion of the intent of Congress in the continuation of this program. When Federal assistance to school lunch programs was started in the midthirties it was for the purpose of helping to dispose of surplus agriculture commodities. We have now expanded the program to the point where the President creates surpluses to provide school lunches in order to carry on a Government-sponsored plan for proper nutrition. Again, I say, this is not the role of the Federal Government.

It is time we in Congress stand on constitutional principles before we vote to continue old programs or institute new ones which violate the Constitution. It was on the basis of principle that the school board of the Richardson, Tex., school district only last night voted to discontinue Federal assistance for its school lunch program in spite of the fact that such assistance totaled some $130,000 in the past fiscal year. This is the kind of responsible action our citizens are prepared to take. Surely Congress can do no less.

GENERAL LEAVE TO EXTEND

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. TRIMBLE. Mr. Speaker, in rollcall No. 99 I was unavoidably absent. Had I been present, I would have voted "nay."

TAX RATE EXTENSION ACT OF 1962

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 675 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11879) to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. Brown]; pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 675 provides for the consideration of H.R. 11879, a bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes. The resolution provides for a closed rule, waiving points of order, with 3 hours of general debate.

H.R. 11879 continues the present corporate tax rate and certain existing excise tax rates for 1 year. In addition, it continues for 6 months the present 10-percent tax with respect to the transportation of persons. At that time, the bill provides for the expiration of the excise tax on all forms of transportation of persons except transportation of persons by air. The tax on the transportation of persons by air is continued for an additional 6 months, or until July 1, 1963, but at a 5-percent rather than a 10-percent rate.

The existing tax rates which this bill continues for 1 year, or until July 1, 1963, are the present 52 percent corporate income tax rate, which would otherwise revert to 47 percent, and the present rates of excise tax on distilled spirits, beer, wine, cigarettes, passenger cars, automobile parts and accessories, and general telephone service. All of the taxes affected by this bill, except those relating to general telephone service and transportation of persons, are taxes which were increased at the time of the Korean war. The Tax Rate Extension Act of 1959 added the latter two taxes to the list of taxes subject to automatic reduction.

If the bill were not enacted, it is estimated that there would be a revenue loss of from $4 to $4.3 billion in a full year of operation and a loss of revenue in the fiscal year 1963 of from $2.7 to $2.9 billion.

Mr. Speaker, I know of no opposition to the rule and I urge the adoption of the resolution.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield to the gentleman from Iowa.

Mr. GROSS. Did the gentleman say that all or nearly all of these taxes were levied during the Korean war?

Mr. DELANEY. That is right.

Mr. GROSS. The taxes were initiated or were increased as a result of the Korean war; is that correct?

Mr. DELANEY. That is correct.

Mr. GROSS. Is the Korean war over?

Mr. DELANEY. The gentleman and I both know that we still have the same conditions now that existed then.

Mr. GROSS. Perhaps this question should be asked of the chairman of the Committee on Ways and Means, and if the gentleman cannot answer it I shall ask the gentleman from Arkansas, the chairman of the committee, why there is in this bill each year an extension of the tax on luxuries as well as on essentials? Why we do not have a bill or legislative procedure by which we can, if we desire, vote to continue the tax on nonessentials and vote against a continuation of the taxes on essentials?

Mr. DELANEY. According to the testimony before the Committee on Rules, the chairman of the Committee on Ways and Means explained that they did not have sufficient time to cover some new taxes that will be here later, for example, the fuel tax on jets. Some of these taxes will automatically expire at the end of this year, except as relates to the transportation by air. I think the gentleman will get a full explanation in committee.

Mr. GROSS. If the gentleman will yield further, I was reading in the newspapers of the position of the Secretary of the Treasury, Mr. Dillon, who now says that next year the Kennedy administration will call for an income tax reduction. Does this bill have the approval of Mr. Dillon?

Mr. DELANEY. I understand that Mr. Dillon does approve of this bill, but that question could be better asked of the chairman of the Committee on Ways and Means, who will take the floor immediately on the adoption of the rule.

Mr. GROSS. I thank the gentleman from New York.

Mr. BROWN. Mr. Speaker, I yield myself such time as I may consume, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BROWN. Mr. Speaker, as the gentleman from New York [Mr. Delaney], a member of the Committee on Rules, has so ably explained, this rule does make in order, with 3 hours of general debate, the consideration of the bill H.R. 11879, under a closed or gag rule that will prevent the offering or consideration of any amendments except those that may be submitted by the Committee on Ways and Means.

So here we are back again with another closed or gag rule before the House, on the theory the House itself is unable to work its own will on tax legislation, when the only real question before this body is whether or not we shall extend for another year the so-called Korean War Emergency Tax Act, although the Korean war, that is, the fighting, at least, of that war, has been over for 9 long years.

What I am about to say I hope will not be considered any reflection of any kind upon the Committee on Ways and Means of this House, which is a very able legislative committee charged with great responsibility, and especially no reflection upon the chairman of that great committee [Mr. Mills], for whom I have profound respect, admiration, and affection, and with whom I have served for nearly a quarter of a century in this House. I realize that perhaps the Committee on Ways and Means, and especially its chairman, have had the greatest responsibility and the most difficult legislation submitted to them, and placed upon him for consideration during the past year of any committee or chairman in the history of this Congress.

Yet as I look at this legislation which is to be considered here today I cannot help but wonder, in view of recent events, why it is before us now.

The rule on this bill was requested, as I recall, early this week. The hearings were held yesterday. The measure is being considered today. This is a bill to extend for another year the Korean war emergency tax rates on corporation income, 30 percent on the first $25,000 of net corporate earnings and 52 percent upon all net earnings above the first $25,000. It carries an increase in each bracket of corporate tax rates of 5 percent. And, to continue as the gentleman from New York has explained, the bill provides for the imposition of a number of war emergency excise taxes for another year which would otherwise expire as of midnight, September 30, unless this bill becomes law.

The bill also carries, as the gentleman from New York has explained, another provision which would on December 31, midnight next, eliminate the present 10 percent excise tax on transportation of passengers by rail, by ship, and by bus, and would reduce from 10 percent to 5 percent the excise tax on transportation of passengers by airplane.

But, I am intrigued by the fact that while the committee reported this bill, I believe late last week, the application for the rule was heard by the Committee on Rules yesterday, and the bill is before us here today, on Wednesday of this week, that on Monday, 48 hours ago, the great, able and distinguished Secretary of the Treasury, who has the reputation of being an able financier, and an equally great authority on taxes, speaking in New York before a group of financial writers, stated this administration, which he represented and does represent, expected to submit to the Congress, before this session is adjourned, a bill to reduce Federal taxes. If I understand correctly, reference was made by the Secretary not only to individual income taxes, but to corporate income tax rates as well. And, being of inquiring mind, I am just wondering why, if this administration and our great Secretary of the Treasury are so interested in tax reductions, and feel that tax reductions are so necessary for the welfare and benefit of the Nation, why they are today asking the Congress to enact this particular bill so as to extend for another year these Korean war emergency taxes which fixed these high tax rates—the highest in the history of the Nation, with the exception of the war years when we had excess profit taxes—the highest rates ever levied against corporations in peacetime, as I have said. Why do they not eliminate or reduce these taxes at this time?

In other words, if a tax reduction is such a good thing that they will submit a tax cutting program to the Congress before adjournment—which I understand is scheduled to come sometime before the congressional elections this November—if it is wise and necessary to submit legislation of that kind at that time—why would it not also be wise and necessary, in the interest of reducing the tax burden on the American people, in order to spur economic activity in this country and to fight off any possibility of a depression as the result of continued deficit financing, in which we have engaged—requiring increasing of the national debt to the highest point in all the history of this Nation or of any other nation, for that matter—to start with tax reduction right now by having the administration ask and request that the Congress not extend this so-called Korean War Emergency Tax Act for another year.

They leave out the Korean war emergency, of course, in the title of this bill because that war has been over, as I said a few moments ago, 9 long years.

If it is a good thing—and perhaps there may be some grave question about it—to reduce taxes on the American people next January, as we are being told the administration will at least propose some time between now and the adjournment of Congress; or, perhaps I should say will at least request—if it is a good thing to do effective December 31, or beginning January 1 of next year, why would it not be a good thing to reduce taxes right now, a good thing for the American people, and American business and industry which seemingly has been recently stricken by economic fears, to say the least, as to what may happen next in this country. Why would it not be a good idea, a good policy, and the better part of wisdom, to take such action right now, and to say to American industry and business, "We are going to lighten the tax burden on you so as to help you survive the present economic squeeze, to help solve the present unemployment situation, to create greater economic activities," as I believe the Secretary used the phrase when he was describing this proposed fine new tax reduction bill that will be offered to the American people, I presume early in September, or perhaps a little later if Congress remains in session, but certainly before the next election rolls around. Either you believe in tax reduction, and believe it is necessary, or you do not believe in tax reduction.

Can it be, as some of the whispers heard about this proposed tax reduction bill to the effect that actually it will reduce income taxes in certain brackets percentagewise but at the same time will make taxable a great deal of income now exempt, even going so far as to tax the benefits received by those under social security, or unemployment compensation, or as retirement, or the interest received on tax-exempt bonds, or perhaps make subject to tax the interest on loans individuals must pay on homes they are attempting to purchase?

So I cannot help but come to the conclusion—and I am speaking very frankly at this time about tax reduction in view of the fact that we have a bill here before us today to extend present taxes, which would otherwise expire on June 30, for another year—that if tax reduction is proposed by the Secretary of the Treasury, will be a good thing in January, would not such tax reduction be good right now. Perhaps the whole new tax proposal is thrown out as a sort of bait, if I may use that phrase, for the consumption of the gullible among our population, in hope they may believe that if they will support this administration's programs, if they will go along and reelect a Democratic Congress in November then they will get tax reduction next January. Certainly all this is an interesting development, this that is happening here today, and this proposal that is being made by the Secretary of the Treasury at this particular time.

I believe it will be most interesting for the Members of this body, and for the people of the United States generally, to keep tab on what happens from now on out in connection with this proposed tax reduction bill that will be submitted to us, as the Secretary of the Treasury has said, sometime before this session of Congress adjourns.

Again, and in conclusion, I would like to ask this very simple question, which I believe the American people have the right to have answered. If a tax reduction is necessary, why wait until after the elections? Why wait until January 1? If the American people deserve and need tax reductions to spur economic activities in this country, as is claimed may be needed, then why not act now, when the opportunity is right here? Why wait? Why throw out this so-called bait late next August or in September, or perhaps early in October?

That is a question I believe many Americans will be asking in the weeks and months ahead.

I have raised this question because I believe it is worthy of study, and even more worthy of a definite answer from the administration.

Mr. Speaker, I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11879.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11879, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, once again, as has been the case in every year since 1954, it is incumbent upon the membership of the Committee on Ways and Means to recommend to the House the passage of a bill providing for an extension of certain tax rates that were initially levied during the period of the Korean conflict and which would otherwise expire on June 30 of this year.

Mr. Chairman, one of the basic issues that is involved in the pending bill is fiscal responsibility. Either we are going to continue to impose taxes at rate levels that will currently produce the revenues that are required for the responsible financing of Government, or we are not.

Mr. Chairman, the membership of the committee does not relish the task of recommending the extension of tax rates which have been previously indicated by me to have been enacted initially on a temporary basis and which we are recommending be again extended on a temporary basis. There are certain factors, however, which led the committee to feel that there was justification for this recommendation to the House.

In the first place, Mr. Chairman, there is some $4 billion of revenue in a full year involved in the differences between the rates of taxation that would be continued in effect by this proposal and what they would be reduced to under existing law. Our fiscal situation, Mr. Chairman, undoubtedly is such that we could not expect to have a balanced budget on the basis of existing facts and provide for a reduction of as much as $4 billion of revenue in a full year. And, secondly, Mr. Chairman, if the Congress should reach the conclusion that taxes should be reduced now or at some time in the future, the Congress might want to select a different pattern for tax reduction from that pattern which exists in these so-called Korean tax rates. Thus, Mr. Chairman, we think it advisable at this time, at least, to provide for the 1-year extension of these taxes recommended by the committee.

Mr. Chairman, these taxes that we are talking about are the difference between 30 percent and 25 percent in the normal tax on corporate income; the difference between $10.50 and $9 per proof gallon on distilled spirits; the difference between $9 and $8 per barrel on beer; the difference in the rate of taxation on wines of approximately 11 percent; the difference between $4 and $3.50 per thousand on cigarettes; the difference in the tax on passenger cars of 10 percent and 7 percent of the manufacturer's price; the difference in the tax on automobile parts and accessories of 8 percent to 5 percent on the manufacturer's price; and the difference between 10 percent and 0 percent on the general telephone service.

There is one change, Mr. Chairman, that the committee has recommended in these taxes, and this particular tax is not one of the so-called Korean taxes. That has to do with the tax on the transportation of persons, and I want to speak briefly about that, Mr. Chairman. It will be recalled that this tax at one time was 15 percent of the fare. That was reduced after the Korean conflict to 10 percent of the fare charged.

The President recommended, Mr. Chairman, that this tax with respect to travel on trains, buses, and waterways be eliminated at the close of business on June 30 of this year, but that it continue for the remainder of the year at 10 percent on airline tickets. On January 1, 1963, he recommended that 10-percent rate on those tickets be reduced to 5 percent, but, at the same time, that there be instituted for the first time a 2-cent-per-gallon tax on jet fuel used by commercial airlines, 3 cents per gallon on fuel used by private passenger airplanes, and also that there be imposed for the first time a tax of 2 cents a gallon on fuel used in transportation on our inland waterways.

Mr. Chairman, it was decided by the committee that we did not have time this year to conduct the lengthy hearings that would be necessarily involved in those suggestions, and to make recommendations to the Congress with respect to them, certainly in time for these rates to go into effect on January 1 next. So, in lieu of that, rather than to reduce revenue in the process of making a change in this pattern, the committee is recommending to you in this bill that the 10-percent rate of taxation on transportation of persons on all modes of transportation where the tax applies remain at 10 percent until December 31 of this year. At that time the tax would drop to zero on tickets purchased for transportation on railroads, buses, or waterways. It would drop to 5 percent from 10 percent on tickets purchased for airline transportation, and that 5 percent on airlines would remain in effect for 6 months, and expire on June 30, 1963.

This combination and this pattern develops about $18 million more revenue, in fact, than would the result from the enactment of the proposal of the President, had it been included in the bill. Now, this gives the committee and the Congress the opportunity of going into these so-called user taxes with respect to airlines and bargelines next year, since the committee could not do it this year. That is the only change, actually, Mr. Chairman, between this program recommended today by the committee and the program that the committee brought to the House involving this subject matter last year.

Mr. Chairman, I would feel that it is incumbent upon us to take this action recommended by the committee today. I trust that the House will see fit to accept the recommendation and pass this legislation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I would be glad to yield to the gentleman from Iowa.

Mr. GROSS. I would like to address the question to the gentleman from Arkansas that I addressed to the gentleman from New York [Mr. DELANEY] a little while ago: Why are we confronted with a bill each year for the extension of these taxes that includes the tax upon liquor and other luxuries — beer, perfume and so on and so forth—in the same bill with a continuation of war-levied taxes upon essentials?

Why is not the tax upon luxuries taken out of this bill and made permanent, if we must have this additional tax revenue? Is it for the purpose of carrying this bill through—the thought that the taxes upon these nonessentials will carry this bill through? What is it?

Mr. MILLS. No; that has nothing to do with it. The gentleman's party, represented by President Eisenhower, first recommended to us a continuation in 1954 of these taxes. That recommendation was for 1 year. President Eisenhower and President Kennedy have been very nonpartisan about this matter. They have both made the same recommendation to us, that it be for a 1-year extension each time. There has been no recommendation to us that we make these taxes permanent.

Now, Mr. Chairman, the gentleman from Iowa talks in terms of a division between the taxes in this bill that are on essential and nonessential items. Let me remind the gentleman that insofar as the excise taxes are concerned, we are talking about taxes on distilled spirits, beer, wine, cigarettes, the manufacturer's tax on automobiles and parts, that were raised during the Korean war.

The tax on transportation of persons, the tax on general telephone service, were not in the Korean proposals to begin with. These items were written in by the Senate for termination, as I recall, in 1959. In the conference we prevailed upon the Senators not to insist upon a termination of these taxes nor an immediate reduction in these taxes, whichever happened to be the case. We asked them to agree to continue the existing rates of tax for 1 year. So, since 1959 we have included the telephone service tax and the transportation-of-persons tax, although they were not Korean taxes to begin with in the package that we refer to as the Korean extension bill. Those are items that were put in here that were not initially in this field of so-called Korean war taxes.

The tax on corporations which was raised from 25 percent to 30 percent was a Korean tax. I do not know, among these excises, which of these the gentleman would refer to as Korean taxes. I am not talking about the telephone tax or the tax on transportation of persons as being on essential items or nonessential items.

Certainly I would agree with the gentleman that a man could live without cigarettes, a man could live without distilled spirits or beer or wine. Maybe those are the ones the gentleman has in mind as being nonessential items.

Mr. GROSS. And the gentleman could live without perfume, could he not?

Mr. MILLS. That is only incidentally involved here.

Mr. GROSS. I thought that was one of these taxes.

Mr. MILLS. The tax on perfume is involved here, but only to the extent that distilled spirits are used in the manufacture of perfume; but to answer the gentleman's earlier question, yes, I could live without it.

Mr. GROSS. If the gentleman will yield further, I would like at the outset to say that I do not share some of the so-called bipartisan play, or whatever you want to call it, that goes on between President Eisenhower and President Kennedy, particularly with respect to free trade, the foreign giveaway program, and some of those other programs.

Mr. MILLS. I am sure that the gentleman will, with respect to the trade program, when we bring it out here. I am sure the gentleman will be for that because in that program we are facing up to what the gentleman has called to our attention; this matter of the most-favored-nation treatment for Poland and Yugoslavia. We are taking that away from those countries, and I am sure the gentleman would not want to vote against the bill that did that.

Mr. GROSS. If I am 16 feet under and cannot remonstrate, I will be for it; but that is the only way I will be for it.

Mr. MILLS. I know the gentleman will be here; I have every confidence he will be here and that he will support that program when it comes up.

Mr. GROSS. Mr. Chairman, I appreciate the history that the gentleman has given us with respect to the items contained in this bill.

Mr. MILLS. I would suggest the gentleman look at page 3 of the report.

Mr. GROSS. But I am still at a loss to understand why they cannot be separated.

Mr. MILLS. I do not quite understand what the gentleman means by separated. Would the gentleman impose a permanent tax on wines, beers, whisky, and cigarettes?

Mr. GROSS. I would not be opposed to that, but we are put in the position here of having to vote for a bill, or of not voting against a tax upon what I consider and I think most people consider to be luxuries.

Mr. MILLS. Which of these taxes would the gentleman like to reduce at this time?

Mr. GROSS. I would like to continue the tax upon the luxury items contained in this bill and vote against the continuation of the excises that were levied as a result of the Korean war.

Mr. MILLS. Which ones?

Mr. GROSS. You have the telephone tax.

Mr. MILLS. That is not one of the Korean taxes; I have already called the gentleman's attention to that.

Mr. GROSS. I do not care; let us say "the taxes" period.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. MONAGAN. The gentleman has said, I believe, that the President recommended that the tax on transportation be terminated as of June 30.

Mr. MILLS. With respect to train, bus, and waterway transportation of persons.

Mr. MONAGAN. The committee has not followed that recommendation, as I understand it?

Mr. MILLS. That is right.

Mr. MONAGAN. Some of us in Connecticut have a railroad problem in relation to the New Haven Railroad. We had hoped that the committee might have recommended the termination of this tax as of June 30 because of its effect upon the New Haven road.

Mr. MILLS. I understand that problem. Some of them, including the gentleman, have talked to me about it. I have a great sympathy for the situation that exists in the gentleman's section with respect to this matter. I know it is of concern to the several Governors of the New England area and other areas where there is a great deal of commuter service rendered by railroads.

This follows the pattern that I outlined of eliminating these taxes on December 31. It is my understanding that these railroads in the East intend to ask for rate increases, fare increases, that will absorb this 10-percent tax. People will not at that point be any better off, but the 10 percent coming to the Government will be converted to income for the railroads. I want everybody to understand that. I am told that is what will happen when this tax goes off. I do not know whether or not that was the reason for that suggestion. It takes some time to get these rate adjustments into effect. I think the gentleman would perhaps admit that it would be rather unusual for these applications to be processed by the Interstate Commerce Commission, and rate adjustments go into effect for the benefit of the railroads much earlier than January 1, anyway. These applications for the adjustments can go along concurrently with the collection cf these taxes for the remainder of this year and perhaps be placed in effect concurrently with the termination of this tax itself. The individual at that particular point would be paying the same amount. The railroad would get at this point the 10 percent that was going to the Federal Government.

Mr. MONAGAN. I did not understand it was contingent upon any rate increase.

Mr. MILLS. It is not contingent upon any. I am telling my friend, the gentleman from Connecticut, what I understand to be the plan of the eastern railroads that he is referring to as being in need of the elimination of this tax. We did this same thing about 2 years ago to help the theater people. We did it with our eyes open. We knew that they intended to convert the 10-percent admission tax on theater tickets into income by increasing the price somewhat, and they did it. Maybe they did not do it all the way, but they did it, and we knew what we were doing.

I want the House to know what we are doing in this case by the elimination of the tax on the transportation of persons so far as transportation on the railroads in the East is concerned. I am told the same thing is not true in the planning of the railroads in the West or the South, that they do not intend to ask generally for rate increases to absorb this 10 percent. But very definitely it is intended, I am told, by the railroads that traverse the gentleman's territory in New England. So the two things could be made to coincide.

Mr. MONAGAN. The question was as to the time of forgiving the tax. I am very happy it is going to be done at the end of the year, but because of the acute status of this particular railroad it was hoped that it was something that could be done as of June 30.

Mr. MILLS. The railroads could not have gotten an increase in this rate by July 1. It would have been utterly impossible.

Mr. MONAGAN. I do not understand this was contingent upon any rate increase.

Mr. MILLS. Does the gentleman mean to say the railroad itself will benefit from the elimination of the 10-percent tax, except that it be permitted to absorb some part of it in a rate increase?

Mr. MONAGAN. Yes, I think it would, because there would be that much less tax the railroads would have to collect and pay.

Mr. MILLS. The railroad is not paying the tax. You and I are paying the tax when we travel. It is not coming out of the coffers of the railroad at all, unless the gentleman means this would mean increased transportation over the railroads. They could ask for a rate increase.

That is what they intend to do, I am told.

Mr. MONAGAN. That increased travel is part of the picture.

Mr. MILLS. I am told that; now whether it is true or not, I do not know, but the information came to me from very reliable sources.

Mr. MONAGAN. I thank my colleague.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. VANIK. I commend the distinguished chairman and members of the committee for their work on this bill. My question refers to the transportation tax which is being eliminated. Outside of the statement made by one of the airline executives, was there any statement made before the committee which would indicate the airlines are not going to move into a price increase after they get the 5-percent price reduction?

Mr. MILLS. Not at all. There has been no direct indication to the committee from any, except one, that the gentleman refers to, and that was in a letter and so far as I know that was the only letter which I received. However, the newspapers have carried stories indicating that other airlines will also not raise their rates to absorb the tax reduction. They may endeavor to absorb it, but I do not think they will. If they do, I would think they might well put themselves in a position of inviting this very thing that they do not want—this tax on jet fuel.

Mr. VANIK. I certainly support tax cuts if they result in lower costs to the traveling public.

Mr. MILLS. I would anticipate that this reduction from 10 to 5 percent insofar as airline travel is concerned would be passed on in benefits to the travelers rather than to the airlines themselves.

Mr. VANIK. I thank the gentleman. I would hope so too.

Mr. MILLS. I thank my colleague.

Mr. BAKER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the chairman of our committee, the gentleman from Arkansas, always presents every bill fully and comprehensively. He has done so today. I shall reluctantly vote for the bill, H.R. 11879, and with the same reluctance I recommend to the membership of this body that they vote for the bill.

The reasons I shall vote for the bill and make the recommendation that you vote for the bill are based solely and alone on my conception of fiscal responsibility and a balanced budget. I believe in a balanced budget. I believe it is the only way this great Republic can continue to be strong and continue to hold its own in this great competitive war in which we are engaged with international communism. We are facing a Federal deficit in fiscal 1962 which, as you know, ends on June 30—on the 30th day of this month—of $9 billion. No later than Monday of this week, the distinguished Secretary of the Treasury, Mr. Dillon, appeared before our committee and stated that he still says there will be a balanced budget for the fiscal year 1963. I hope he is correct; however, a very responsible group of experts, the staff of the Joint Committee on Internal Revenue Taxation, has most recently made an estimate of a $4 billion deficit for the fiscal year 1963. Those reasons alone are sufficient to justify the enactment of this bill. As I said earlier, I shall reluctantly vote for the bill. Take the figures of the Secretary of the Treasury which I fear are much too sanguine and optimistic, that with existing taxes the budget will be balanced for fiscal year 1963 if H.R. 11879 is not enacted ipso facto we have a $4 billion deficit. On the other hand, if the staff of the Joint Committee on Internal Revenue Taxation, headed by Mr. Colin F. Stam, one of the world's great experts, and his fine staff, if they are correct, at present levels without taking into account the balance of this Congress—how many more hundreds of millions may be spent unbudgeted, and they are coming in all the time—and with a $4 billion deficit, then the failure to enact this bill means an $8 billion deficit for fiscal year 1963.

I am sure the chairman made it clear, but I would only add this in light of some of the questions which will be asked by Members: All excises are not involved in this bill at all; there are certain categories of excises which are what we call permanent excises and I think these temporary excises are just as permanent, in fact, as the ones legally designated as permanent, but they are not involved. For instance, the tax on cosmetics—and when responsible Members talk about a popular appeal, I do not think you could find anything that has more popular appeal than to repeal the tax on cosmetics. I know that from experience, having introduced a bill to that effect. I think it ought to come off. But it ought to come off at a time when we have a balanced budget.

I favor just as strongly, and I think more strongly than some of the officials who in the past 2 or 3 days have made headlines recommending a tax reduction from top to bottom, a tax reduction across the board—I have advocated for years—the gentleman from Florida [Mr. HERLONG] and I have introduced what is known as the Herlong-Baker bill which would provide a 1-percent tax cut annually as long as we had a balanced budget. I favor it because every time we have cut taxes, every time, there has resulted an increase of the revenue received more than the amount of the tax cut. That is true historically. It happened twice while Andrew Mellon was Secretary of the Treasury. It happened in the 83d Congress when the great American Representative Daniel A. Reed was chairman of this committee. We cut taxes in the 83d Congress and we raised more revenue than we did the year before.

Canada has repeatedly reduced taxes each year and in each instance they have gotten more money. So I favor a tax cut based on reason and sense. In the matter of these excises we should take out the ones that should be taken out but still tie it all to a balanced budget and start here in the Congress by cutting expenditures.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman.

Mr. YOUNGER. Is it the gentleman's opinion that the reduction in taxes while we have a balanced budget is wise?

Mr. BAKER. I would answer that, "Yes."

Mr. YOUNGER. Because as I understand it the time we should reduce taxes is when we are operating on a balanced budget.

Mr. BAKER. I agree.

Mr. YOUNGER. And I feel rather sure that the estimate of a $4 billion deficit in 1963 is wrong, but that we will have closer to a $7 billion deficit even at the present tax rates for fiscal 1963 if we keep on appropriating money as requested.

Mr. BAKER. I thank the gentleman for his contribution.

I would like to address an inquiry to the chairman of the committee. In one of the President's messages to Congress was a recommendation that the Congress impose a tax of 2 cents a gallon on fuel used in boats on inland waterways and an annual user's tax on pleasure boats. The first question for the chairman is: Since that does not appear in bills on the agenda of the Ways and Means Committee, where is that bill?

Mr. MILLS. The bill itself, because of other provisions, was referred by the Speaker to the Committee on Interior and Insular Affairs. But the chairman of the Committee on the Interior has indicated that he will rely upon the membership of our committee to help him and his committee with respect to these tax features in somewhat the same manner that the Committee on Public Works relied upon our judgment to help in the development of the tax features of the highway trust fund.

Mr. BAKER. I thank the gentleman. I should like some information for my benefit as an individual Member of Congress. I have received literally hundreds and hundreds of letters from constituents, boatowners and people who use these inland waterways, wanting to know if this tax is going into effect this year.

Mr. MILLS. The gentleman might tell them not to be disappointed if it does not go into effect this year.

Mr. BAKER. I shall strenuously oppose such tax this year, and if I am back next year I shall oppose it also.

Mr. MILLS. There would be other members of the committee who might join the gentleman.

Mr. BAKER. I thank the gentleman.

Mr. Chairman, in conclusion may I say that I see nothing else to do but to pass this bill; then next year let us do our best to have sensible, reasonable tax revisions, a balanced budget, and a tax reduction.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BAKER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, in one sense it is unnecessary to take the time of the Committee, because the Committee on Ways and Means has rather overwhelmingly recommended to the House that this bill pass, and I certainly join in that recommendation. However. I take this time because I believe there are some very basic facts and fiscal policies involved in this tax bill and other proposals of the present administration. It is time that not only the House evaluate what our fiscal and tax policy should be, but I believe the people of the country need to become aware of the fact that there is a very fundamental difference between the philosophy of the present administration and certainly those of us on this side of the aisle; and I do not believe I am too presumptuous in stating that there are many on the other side of the aisle who share a different tax and fiscal policy. One of our difficulties, however, is trying to find out just what this administration's fiscal and tax policy is.

We have received messages in regard to tax matters that are in conflict; we have received requests on the budget that do not coincide with a certain fiscal policy, and other requests that seem to represent a different point of view. Tax policy, of course, is only one aspect of fiscal policy.

Fiscal policy relates to both revenue and expenditure. This particular tax bill, and the moneys that are to be derived from it, is budgeted. In other words, part of the budget that the President has presented to us for fiscal 1963 relies upon these anticipated revenues for its final balance. It was presented to us as a balanced budget, even though I think any realistic examination leads to only one conclusion, and that is that it was not truly in balance at all.

Revenues were anticipated on the basis of what the expenditure rate was to be. In our present fiscal situation the administration has shown no indication. In fact, through the spokesman, the Secretary of the Treasury, before our committee, and the Director of the Bureau of the Budget, they have indicated it is the administration's policy not to cut expenditures but, if anything, to increase expenditures, and with the anticipated falloff in revenue as the result of the fact that we are not going to obtain a gross national product of $570 billion which this administration used as a base upon which to estimate its revenues for fiscal 1963. It is very clear that this administration's policy is committed to deficit financing.

Now, we have to go along, as the gentleman from Tennessee so aptly pointed out, on the theory of those of us who believe in a balanced budget, that of course we do not reduce our revenues if we do not reduce expenditures. We should at least try to keep up the revenue side of a balanced budget if we believe in it. There is only one answer, if you want to vote a bill like this down, and that is to instruct, in effect, the Committee on Ways and Means to authorize the administration to sell more Government bonds. Next week there will be on the floor of the House a debt limitation bill, because there is a deficit of around $7 billion for fiscal 1962, and there have to be bonds sold in order to make up that deficit, because there are not the tax revenues.

The administration—and we will discuss it at some length next week—in its presentation, in its request for increasing the Federal debt limit, has said that it will not reduce expenditures. It has stated in effect that if the recovery does not move forward—as it has not, I might say—then they would actually recommend increasing the expenditures as a method of stimulating the economy, even though fiscal 1963 or calendar 1963, fiscal 1962 or calendar 1962, in terms of gross national product, have set new records or will set new records and therefore can, under that definition, be termed as the top of a business cycle. The theory of the deficit financers in the past has been that we incur deficits in periods of recession and then we recoup those deficits, with budget surpluses, in periods of prosperity, and such a theory is obviously being abandoned by this administration, if they ever adhered to it at any time.

We have over in the Senate—and I want to get through this in a hurry—some of these conflicting proposals from this administration as they relate to tax and fiscal policy. This House passed a tax bill and sent it over to the Senate, and even the House was aware, because it was brought out on the floor of the House in debate—of course, not contradicted by the chairman or the majority members of the Committee on Ways and Means—that it was creating an imbalance for fiscal 1963. This bill over in the Senate will actually create an imbalance of about $1.2 billion for fiscal 1963, and if some of the features of that bill are knocked out, like withholding on interest and dividends, the loss to the Treasury and revenues will approximate $1.5 billion. Maybe the tax bill will be abandoned. But, where does the tax philosophy of the bill that sits over in the Senate fit with the tax philosophy expressed in this bill, which is to gain revenue, not to lose it? Where is the tax bill philosophy of the bill sitting over in the Senate in regard to a balanced budget?

Now, we have been listening and reading in the newspapers—in fact, we interrogated the Secretary of the Treasury in regard to proposed liberalization of schedule F, the depreciation allowance for business, which, incidentally, in my judgment, and certainly in the judgment of people in the past, should have been done by law; not by administrative decree.

It certainly should not have been to hand out to the textile industry or any other select group this special privilege, because it is something to which all business should be entitled, not just a selected group. But where does liberalized depreciation fit in the overall tax policy of this administration? A tax reform has been suggested for next year—and I emphasize "reform," which I know the chairman of our committee, the gentleman from Arkansas [Mr. Mills] and all of the members of our committee are deeply concerned about and are very much interested in. It has been in our minds for some time. I asked Secretary Dillon in reference to this so-called tax cut about which we just learned. I learned about it in the newspapers; I do not know where the chairman learned about it. I might ask, if the chairman would say, was this the result of a policy in consultation with the Ways and Means Committee chairman that Secretary Dillon announced that there was going to be a tax cut for next year, or is this a matter that has not yet been presented to the gentleman as chairman of the committee?

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from Arkansas.

Mr. MILLS. The matter has not yet been discussed with the chairman of the committee, I might say, but let me add, if the gentleman will yield further——

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. There may well be some misunderstanding. I have not yet had an opportunity to read what the Secretary said in New York. He may have suggested a tax rate reduction in connection with reform. I am not certain that emphasis upon a tax rate reduction without equal emphasis upon reform could have led to the conclusion that brought about this speculation. But, as I say, I have not yet read his remarks. I have a copy of his speech in my office which I shall read before the day is out.

Mr. CURTIS of Missouri. I thank the chairman of the committee. There is a big distinction between reform and reduction, although the two can certainly be combined.

Mr. MILLS. Will the gentleman yield further?

Mr. CURTIS of Missouri. I yield further to the chairman of the committee.

Mr. MILLS. The gentleman has said, as has the chairman of the committee on so many, many occasions, that one of the very important elements of any reform of the tax law involved a reform of the rate structure.

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. And, that would be a downward reduction in the rate structure.

Mr. CURTIS of Missouri. Yes.

Mr. MILLS. The gentleman from Missouri said that, as I have said it.

Mr. CURTIS of Missouri. Yes, indeed, I have. There is a different basic fiscal theory behind tax rate reduction in relation to reform, I suggest, and I know the chairman agrees, than that of tax reduction which is designed to produce economic effect, to stimulate the economy, as certain economists advocate. That was what I was going to as my next point, because the President has delivered a message to the Congress asking for standby authority to reduce taxes in order to stimulate the economy. So, it is very obvious that part of the fiscal tax policy of this administration is to use our tax laws and our revenue laws to affect the economy in this fashion, unrelated to a balanced budget. This has to do with the theory of deficit financing with which I, incidentally, am so fundamentally in disagreement. But at one time the administration talks about a balanced budget, and at another time it very obviously is directed the other way. I think their basic tax policy and fiscal policy does not base itself on a balanced budget, but does indulge in deficit financing.

Mr. Chairman, one thing that Secretary Dillon was asked by myself during the hearings was whether he was in accord with the statement made by the Secretary of the Department of Commerce, Mr. Hodges, right after the stock market decline. Secretary Hodges had said we needed a tax cut right then. Secretary Dillon said no; that was not an administration policy; it was simply the Secretary of Commerce expressing his own views. So, one thing above all, I hope, which will come out of the debate here, and the debate next week, is a clarification of what the administration's fiscal tax policies really are.

Those of us who believe in a balanced budget would like to take issue with the economic, fiscal, and tax policy of the administration as it is being presented to us.

Mr. Chairman, my final point refers to the second aspect of the budget. To this day the administration has not come forward with any recommendations in the nondefense area where we can cut back expenditures. Last year, during the Berlin crisis, when the President said that we needed to increase expenditures for defense, several of us directed a letter to the President and asked him where he would recommend that we cut back in the nondefense area. That letter has remained unanswered. However, spokesmen for the administration, I say again, in our hearings on this bill and on the debt limitation, stated that they did not intend to cut back expenditures. When I tried to find out what was the result of the President's so-called economy plea to his Cabinet officers last October, there was no documentation of it, simply a statement, "Well, we did cut back and about $750 million was cut back," but we were not given the details to show that. I think I can rightfully regard that as unproven until it is substantiated. So here we are being asked to maintain our revenues without any indication on the part of the administration that they intend to exercise discipline in the expenditure area.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman.

Mr. YOUNGER. Does the gentleman state that the budget that was presented by the President included revenues from the extension of these taxes for the full year?

Mr. CURTIS of Missouri. Yes, they do, with the modification on the proposals to cut back in transportation, which the chairman of the committee has accurately explained.

Mr. YOUNGER. By cutting back these taxes on January 1, does that make any difference in the revenue, or was that included in the budget originally?

Mr. CURTIS of Missouri. It makes a little difference, but it is essentially balanced off by the proposal that the administration had of cutting back on transportation taxes.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the chairman.

Mr. MILLS. If we take this combination in the bill, in this area of the transportation tax, it would produce, as I recall, $18,300,000 more money than the President had in his mind in making this budget recommendation earlier in the year.

Mr. CURTIS of Missouri. Our modification, in other words, actually gives more revenue, not less.

Mr. YOUNGER. So far as the budget is concerned?

Mr. MILLS. That is right.

Mr. CURTIS of Missouri. So far as what has been budgeted is concerned.

Mr. YOUNGER. I thank the gentleman.

Mr. KNOX. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Alger].

Mr. ALGER. Mr. Chairman, nobody knows better than I how futile it is to take the floor of this House to talk about reducing taxes, with the votes the way they are and the administration program what it is. But even as I felt it necessary, together with the gentleman from California, to express these views in the report, as a responsible member, or as responsible members of the Committee on Ways and Means, I feel it necessary to make these few remarks today, some of which have been said before, and undoubtedly better than I can say them, but I may add a few.

First of all, we should be reducing taxes, not continuing or increasing the tax burden, as this administration is doing.

Secondly, taxes ought to be rolled back the way they were put on, starting with wartime taxes; and this is a good place to start.

Thirdly, as I have said, this is a wartime emergency tax, and as our chairman stated at the outset, this is a yearly affair; we continue to do something as an emergency, and one of the most permanent things in the world is an emergency tax. We continue a wartime tax. All of us know better than that and I shall not dwell further on it.

The President and many economists, even the men immediately around him, have said time and time again, and has been said whatever the administration, that when business needs a stimulus, an incentive, that should be a tax cut.

Our President keeps saying this even as he continues and increases the taxes. It seems to me what we ought to do is take the President up on this, to have depreciation reform instead of the reform called investment credit, to reduce the taxes by not continuing these taxes, since it is in the President's mind through the statement by the Secretary of the Treasury, Mr. Dillon, recently that there would be something in the nature of a tax reform to help business. This is what the President has said several times before.

I believe in and have championed since I have been in Congress a balanced budget, based always on reducing spending, reducing the debt, and reducing taxes, in that order. We have proved before that by reducing taxes we can produce greater revenue. That is a point that, again, I think most economists will concede, that as we permit business to retain their money and plow it back, more jobs are given, more goods are produced, and they make more profit, and that means more taxes to Uncle Sam. We will not develop that point here at this time, but it seems to me it needs to be mentioned, because that reason alone might very well be the reason for not continuing this tax, yet today we say in the report and in the speeches here on the floor that we have to have revenue for a balanced budget, and the way to do it is to continue adding burdens to business, and they pass them on to the consumer, which means the consumer cannot buy or spend. This is a vicious circle, because finally the Government will take over all business, and then we will not have a private economy at all, we will all be working for Uncle Sam, as we Members of this body are.

Last year along with some others I decided we were no longer going to pick up the tab for these big spenders. I have heard in every year, in every administration, how we are going to cut back the spending, but the bills increase. We do it with the authorization, followed up by the necessary appropriation later. I also know the old budget-padding feature, as I think our people and the Members should be reminded, that of course the Government ups the ante to the extent it thinks Congress will cut out requests. Since we have cut the budget, we go home and say we have spent what ought to be spent, yet oddly enough we are increasing spending in every field. This is not responsible government.

Let other Members say what they will, my position as a responsible Member is that I am not picking up the tab any longer. I am, therefore, trying to hasten the day when the administration makes the agonizing decision, as the gentleman from Missouri said, of cutting back in its spending. Now might be an awfully good time, by starting to deny the Government money. I know the Government can print money ad infinitum, because there is no limit there, but my remarks are coupled with a debt limitation that would not give the Government more money. If we did have that limitation we would cut down our spending. We would have to.

Further, it is high time these taxes are called what they are. This is not a tax on wealthy people. The rich are not going to pay the tax. They have attorneys to find loopholes in the law so that they will not pay the taxes. The tax is borne by the people of modest income, below $8,000 or $6,000 a year. This tax hits at the heart of these people. So today I am solidly on the side of those people who make $6,000 or $8,000 a year or less. Let my colleagues defend their position on the other side, because that is exactly how I see it. If we confiscated the income over $10,000 or $12,000 a year we could do it for 1 year, and it would be enough to run the Government for not more than a month or two. The tax is being paid by the little people. If they would tell their Congressmen what to do, if they would present their side, we would not be before the Congress today asking for another increase.

Finally, I happen to disapprove of the preamble of every tax bill that it seems we get, which shows this administration, and I fear previous administrations, but far more now, are using tax laws to effect social reforms and not to raise necessary revenue. I abhor this use of the stick and carrot which now, apparently, describes the actions of this administration, and for my part I shall not vote for this and, indeed, am opposing it, and I would like to relate the remarks I just made to the minority remarks which can be found on page 11 of the report.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I ask unanimous consent to speak out of the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Chairman, a funny thing happened on the way to the floor. I looked for a copy of the New York Herald Tribune on the newspaper racks in the Speaker's lobby and would you believe it—it is not there. And do you know, Mr. Chairman, it was not there yesterday either. In fact, there are not even any back copies—not even the empty hanging rod is there.

Now, Mr. Chairman, this is getting a little bit spooky. I do not suggest that anyone has canceled the order. But where is the poor old Herald Tribune? It was such a nice newspaper, Mr. Chairman. We all miss it. We all know there has been a kind of newspaper burning going on in the White House. But what has the poor old Herald Tribune ever done to the House of Representatives to warrant banishment?

Please, Mr. Chairman, we promise we will not say a word to the President if you let us have back our Herald Tribune again. Why, under the separation of powers he could not even come into the Speaker's lobby, so he will not know about it. It is such a little thing to ask.

Mr. BOGGS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Chairman, the gentleman from New York [Mr. LINDSAY]—and I am sorry he is not on the floor—for whom I have very great respect, made the statement that the House of Representatives had canceled its subscription to the New York Herald Tribune. Now, I am not one to get into a controversy about newspapers and what they print and what they do not print, but the gentleman from New York is misinformed. The House of Representatives has not canceled its subscription to the New York Herald Tribune. I am informed that each day there come here to the cloakroom, or the Speaker's lobby, approximately seven copies of the New York Herald Tribune. The fact that one of them may not have been there means probably that some one of the many people who frequent this library may have inadvertently—and I use that word somewhat advisedly—walked away with it. He may have found the reading material so interesting that he wanted to take it somewhere else. But this body has not canceled any subscription to the newspaper, the New York Herald Tribune, or any other newspaper.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Kansas.

Mr. AVERY. I wonder if the gentleman from Louisiana would agree that probably that particular paper is more in demand by the reading public than it might have been 2 weeks ago?

Mr. BOGGS. It may be; I do not know.

Mr. Chairman, I merely want to correct the RECORD. I think it is very fine to make speeches here, but I think one should attempt to tell the truth.

Mr. BAKER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I rise to record my protests for the sixth year to that portion of this bill that would maintain automotive excise taxes on passenger cars, parts, and accessories at their Korean war levels and to express again my deep concern about the tax inequity that we are perpetuating.

Just as we turn the pages of the calendar from season to season, June always brings us serving here in the Congress again to the season for extending these temporary wartime excise taxes.

Again, as in past years, we have a closed rule—to which we have become accustomed—and once more we find tobacco, corporations, automobiles, telephones, travel, liquor, beer, and wine all in the same keg. Perhaps I should be getting used to it. Perhaps I should be more realistic knowing how futile my protests have been over the years. But I refuse to give up because I am convinced that this automotive excise tax that we are about to extend for the ninth time is unjust in that it discriminates against one of the most important segments of our economy.

As you may know, this tax was increased to 10 percent in November 1951 as a temporary measure and has been extended annually since 1954. Without its extension today it would revert by law to 7 percent on June 30. We must remember the original purpose of this tax was to discourage automotive production during the Korean war in order to divert more of our industrial capacity to the war effort. I like to characterize it as putting the emergency brake on automotive production—for that is what it did—and though we have heard talk of getting America moving we still have that same emergency brake applied as firmly as we did when it was our deliberate purpose to retard automobile production.

Although each year I have endeavored to underscore the importance of the automobile industry in terms of employment, raw material consumption, and overall economic impact, I again remind you that automobile production utilizes 20 percent of all steel, 62 percent of all rubber, 35 percent of all zinc, 11 percent of all aluminum, 47 percent of all lead, and 63 percent of all leather sold in the United States; that one business in every six is automotive; that one of every five retail dollars is spent for automotive products; that 10,500,000 people—one of every seven workers—are employed in highway transport industries; that 77 percent of U.S. familes own automobiles; and that 41 million persons rely daily on automobiles to get to work.

If you are one who thinks that the automobile has little impact on your community, just try to picture, if you can, life in your hometown without automotive transportation and all the businesses related to it.

As you may know, automobile production is up this year and it is hoped that this will be the best year since the record production of 1955. This optimistic note may cause you to question the need for reducing automobile excise taxes to stimulate further automobile production. But let me point out, if you will, what this increased production has, in fact, meant for our economy in terms of employment. In March 1961 nationwide unemployment was 7.7 percent. A year later, in March 1962, this figure was 6.2 percent, a decrease of 1.5 percent. You may ask, but does this prove that increased automobile production was responsible for this decrease in unemployment? That I cannot say. But it certainly does not indicate any adverse effects on our economy, and I would again point out that the automotive industry has long been recognized as the bellwether for all business activity. But in looking deeper for a correlation between this decrease in unemployment and automobile production, I asked the Labor Department to compare the unemployment figures in March of this year with those of March 1961 in 18 of our major automotive manufacturing centers throughout the country. Without exception unemployment in every one of these industrial centers was appreciably reduced from a year ago. For example, in Youngstown, unemployment was down from 11.8 percent to 6.3 percent, a reduction of 5.5 percent; in Cleveland, unemployment was down from 9.6 percent to 5.3 percent, a reduction of 4.3 percent; in Pittsburgh, unemployment was down from 12.7 percent a year ago, to 9.5 percent in March of this year, a reduction of 3.2 percent; in Kenosha, Wis., unemployment was down from 8.7 percent to 3.8 percent in March 1962, a reduction of 4.9 percent; in Detroit, unemployment was down from 15.2 percent to 8.8 percent, a reduction of 6.4 percent; in Flint, Mich., unemployment was down from 23.3 percent to 3.3 percent, a reduction of 20 percent this year; in Lansing, Mich., unemployment was down from 14.8 percent to 4.4 percent, a reduction of 10.4 percent. And the same is so for each of the other automotive areas indicated by the Department of Labor as follows:

Unemployment

	March 1961	March 1962
Nationwide	7.7	6.2
Trenton, N.J	8.2	6.4
Canton, Ohio	11.6	7.0
Youngstown, Ohio	11.8	6.3
Pittsburgh, Pa	12.7	9.5
Chicago, Ill	6.8	5.1
Indianapolis, Ind	6.3	5.2
Cleveland, Ohio	9.6	5.3
Allentown-Bethlehem-Easton, Pa	8.6	6.7
Lorain-Elyria, Ohio	12.0	6.3
Huntington-Ashland	15.0	10.9
Akron, Ohio	9.3	5.6
Toledo, Ohio	9.9	8.7
Birmingham, Ala	8.7	6.0
Kenosha, Wis	8.7	3.8
Detroit	15.2	8.8
Flint	23.3	3.3
Lansing	14.8	4.4

These figures satisfy me that automobile production has a marked effect on our economy and that, even though this production is presently at a high level, we should take such measures as we can to assure this continued prosperity.

Just recently the statement of the Automobile Manufacturers Association submitted to the Ways and Means Committee with respect to the pending legislation came to my attention. Among other things, the statement points out that automobile excise taxes are in fact internal tariffs having a depressing effect on the growth of the industry. I would like to quote in part from this statement:

> In his tariff message to Congress the President stressed the harmful effects upon our economic growth of high tariff barriers. He stated that "a more liberal trade policy will in general benefit our most efficient and expanding industries. * * * Increasing investment and employment in these growth industries will make for a more healthy, efficient, and expanding economy and a still higher American standard of living." He went on to state, "once artificial restraints are removed, a vast array of American goods, produced by American know-how with American efficiency, can compete with any goods in any spot in the world." * * * If we look homeward rather than abroad, it becomes apparent that selective excise taxes are, for the industries affected, equivalent to tariff barriers. The automobile industry, a pioneer in the mass-production efficiencies that create expanding markets, is subject to the artificial restraint of a high selective excise tax.
>
> The rationale for the reduction of tariffs on selected imported products applies with equal force to internal selective excises. If selective tariffs have a harmful effect on growth, then that effect exists whether the tariff is an internal one or an external one.

But, in addition to all the logical arguments against this discriminatory tax that have been recited from year to year, we find that there are other factors that we must consider today. Just this past week the plunge of the stock market shook every community in the country and reverberated around the world. As yet this has not been fully assessed, but there is basic agreement that it indicates some maladjustment in our economy. About the first reaction from the administration was talk of tax cuts. Some form of tax reduction may be needed, but I respectfully suggest that we give broader consideration to the problem of revising our total tax structure. The elimination of excise taxes would correct longstanding inequities and still leave the desired stimulating effect on the economy. That there is a potential market for more and less costly automobiles is substantiated by the fact that growth in new-car sales has failed to keep pace with the increasing use of automotive transportation over the last decade. The growth in the use of passenger cars has more than doubled new-car sales. This means that we have been living off our transportation capital. The average age of passenger cars is above prewar levels. It is time we release the emergency brake and get things rolling.

Of course, such a tax reduction might not be in the most attractive form in a political year, for it is hard for voters to see how the removal of a tax that has been well hidden will directly benefit them, but the time has come for us to face up to fact and do what we should have done long ago.

To those who talk of added incentives to business by giving tax credits for new investment or accelerated depreciation, and to those who feel action should be taken to restore confidence in the business community, I say here is something positive that can be done to help, here is something that would have a healthy and stimulating influence on every city, town, and village in the country. Such a tax reduction would reduce the cost of an automobile by an average of $230. This mutually would encourage even greater sales, greater production, more jobs, and start a chain reaction throughout the whole economy right down to the bank in your hometown that finances automobile sales and to your local gasoline dealer. Of course, I recognize as much as any of you that we have a pressing need for revenue to finance our Federal Government, especially when we consider the prospect of the deficit for this fiscal year and the proposed increase in our national debt. But I say to you that much of the loss of revenue would be recouped by an increase in tax receipts from automobile manufacturers, automotive suppliers, production workers, transportation companies, dealers, salesmen, finance companies, and many, many others down the line. By perpetuating this discriminatory tax, we are doing our best to kill the goose that laid the golden egg. If there is one thing that America has become noted for throughout the world, it is for our industrial pioneering in the mass production of automobiles. In this we have led the world. But look what we are doing to reward this outstanding contribution to our economy. We have singled out this one basic industry and imposed a 10-percent tax on it that we have not imposed on other manufactured products. I have never argued that the automobile should not pay its share, for it most certainly should; but as I pointed out last year, if we are to insist on retaining our excise taxes, the time has come for us to give serious consideration to the enactment of a general manufacturing excise tax which would fairly and equitably distribute the tax burden on all manufacturing rather than making the automobile haul the whole excise taxload. Such a broadening of the tax base would permit a much lower tax rate as well as insure greater stability in annual revenues.

I am encouraged that this year we are at least giving some recognition to the discrimination inherent in our excise tax structure and while I would like to see affirmative action taken to reduce or repeal the automobile excise tax, I commend the action of the committee in reducing the excise taxes on transportation and only hope that in the fullness of time similar remedial action will be taken with respect to automotive excise taxes.

Mr. Chairman, in conclusion, may I again say that it is my intention to vote against this bill on final passage because with the closed rule under which it is being considered, this is the only way I may voice my protest against the continued extension of this discriminatory 10-percent automobile excise tax. I say this to make it clear that my vote should not be construed as favoring the reduction of alcohol, tobacco, or corporate taxes. While I anticipate that this tax will be extended again, as it has been in the past, I could not forgo this opportunity to call your attention to the basic injustice inherent in the tax. It is my intention to continue to point out these injustices so that the automobile excise tax will not become welded firmly into our tax structure and lose its somewhat fictional designation as a temporary tax.

Again, I urge my colleagues to reflect on the inequities that we are today perpetuating and join me in opposing the extension of the automobile excise tax.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I yield to the gentleman from Michigan.

Mr. KNOX. Mr. Chairman, I want to compliment the gentleman from Michigan for the fine statement of fact he has brought to the House today. I assure him that I share his great concern. When the committee was considering this bill which was to extend the excise tax and the corporate tax, I brought to the attention of the committee the question of the excise tax on automobiles. I think the automobile industry is sharing more than its just share of cost as far as the Government is concerned through the medium of Federal taxes. I desire to assure the gentleman that when the committee meets next year and this question comes up again, it is my hope that the administration will have its house in order so that we may be able to make some reductions, especially in the field of the Korean tax structure.

Mr. CHAMBERLAIN. I appreciate the gentleman's remarks.

Mr. BAKER. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts [Mr. Morse].

Mr. MORSE. Mr. Chairman, I rise in support of H.R. 11879, even though there are provisions of it with which I do not wholeheartedly concur. For example, I think that the day has long since passed when this Congress should take effective action in reducing the corporate income tax rate. Certainly, the events of these last 10 days have revealed the urgency of a comprehensive revision of our entire income tax structure.

I am particularly gratified that this bill will in most cases eliminate after December 31, 1962, taxes on transportation of persons.

I have been concerned about this particular tax since I became a Member of this body in January of 1961. My able and distinguished colleague from the neighboring State of Connecticut, Congressman Abner W. Sibal, called a conference of some of his associates in the House at that time to enlist their support of his efforts to effect a repeal of the tax on the transportation of persons. Congressman Sibal's work led him to file, just 42 days after he became a Member of this House, a bill, H.R. 4465, that would achieve that end. I personally know Congressman Sibal's work in seeking affirmative committee action on his bill and of his relentless efforts to persuade the administration of the necessity of legislative relief. I know how gratified he was when the President of the United States this year subscribed to the principle of H.R. 4465, when he sent his message on transportation to the Congress in April, almost 14 months after the introduction of the Sibal measure.

As one Member of this body, I would like to pay public tribute to Congressman Sibal for his leadership in this field. His efforts and those of his distinguished colleague, the gentleman from Connecticut, Congressman Seely-Brown, have contributed greatly in marshaling congressional support for the repeal of the passenger excise tax which is embodied in H.R. 11879.

Mr. BAKER. Mr. Chairman, I yield to the gentleman from Iowa [Mr. Gross] such time as he may require.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pending bill.

Mr. Chairman, I could support the extension of taxes on nonessential items, but as I have previously stated, I cannot support taxes that were levied on essentials as a war measure. We have heard here today the same old story that next year we will take another look and try to do something else.

What must be done is to stop the profligate spending that is taking place. It is ludicrous for Secretary of the Treasury Dillon or anyone else to talk about tax reductions and at the same time support spending measures that plunge the Nation ever deeper into debt.

Mr. ROGERS of Florida. Mr. Chairman, the legislation under consideration today is of great interest to every segment of the Nation's economy. There are two sections of this bill which are of particular interest to Florida. Those sections deal with the tax on transportation of persons, and the tax on general telephone service.

I have introduced legislation to repeal the tax on all forms of personal transportation. This tax was imposed during wartime to discourage unnecessary travel, and like so many wartime measures, it is still with us. This tax has no purpose in our modern economy, and particularly so in the economy of Florida, where travel and tourism play prominent roles. Anything which discourages travel is directly opposed to the interests of Florida, and it is for this reason that I hope the tax will be entirely repealed.

As provided for in the legislation before us today, the transportation tax would be repealed on all forms of transportation except air. The tax on air travel would be reduced from 10 to 5 percent on December 31, 1962, and would remain at 5 percent until June 30, 1963, at which time it would be repealed.

The legislation which I introduced would treat the airlines the same as all other travel media by repealing the tax now applied to each one. I see no reason to exempt one segment of the personal transportation industry from the relief granted to the others by the legislation before us today.

The second section of the legislation now being considered is one which is grossly unfair to a very large group of American taxpayers. The tax on general telephone service is paid by the large number of telephone subscribers in the Nation in the amount of 10 percent each year, and the citizens of Florida paid out over $14 million for using this vital utility in 1960.

I have also introduced legislation to repeal the tax on telephone service, believing that this tax is another one which has outlived its purpose. The telephone tax is another wartime measure, and was imposed during World War I to curb unnecessary usage of the telephone. The tax was removed shortly after the war. It has since been reinstituted, was broadened during World War II, and has never been repealed for a second time.

The telephone users of America are great in number. The tax burden imposed on them under present law is unjust because they are taxed on an essential utility. Yet there is no Federal tax on the use of gas, water, and electricity.

Mr. Speaker, the telephone companies of this Nation are now compelled to collect and remit to the Federal Government the 10-percent tax currently imposed on the American telephone user. Were the Congress to repeal this tax, each of these Americans would realize a 10-percent reduction in his telephone bill.

I believe that Government spending can be greatly reduced. One positive way in which we can reduce these expenditures is by reducing taxes. The less we tax the less we spend. By limiting revenues, Federal agencies will anticipate these cuts and react with trimmed budgets. If bureaucracy knows there will be less coming in, it will respond with less expansive programs and planning.

I urge the Congress to enact the repeal of tax now imposed on personal transportation and general telephone service. Should this action be taken, the people of Florida and the Nation would indeed be grateful.

Mr. VAN ZANDT. Mr. Chairman, I arise in support of H.R. 11879 which continues the present corporate and certain existing excise tax rates for 1 year.

In addition, it continues for 6 months or until December 31, 1962, the present 10-percent tax with respect to the transportation of persons. At that time the bill provides for the expiration of the excise tax on all forms of transportation of persons except transportation of persons by air which is continued for an additional 6 months or until July 1, 1963, but at a 5 percent rather than a 10-percent rate.

In supporting this legislation, I do so with reluctance because I have longed for the day when we could reduce corporate taxes and repeal all wartime excise taxes.

Furthermore, I find myself in the same position many Members do, in view of President Kennedy's statement that disapproval of the legislation would result in a revenue loss of from $4 billion to $4.3 billion in a full year of operation.

With Government spending at an all-time high and our national debt nearing $300 billion, one has little choice but to support the request for the extension of corporate and wartime excise taxes.

There is one redeeming feature of the bill and that is the provision whereby the 10-percent tax with respect to the transportation of persons by railroad and bus will be discontinued December 31, 1962.

I might add that my bill, H.R. 587, which has been pending before the House Committee on Ways and Means since January 3, 1961, provides for repeal of the tax on the transportation of persons.

I am glad that the bill before us contains much of the language of my bill, H.R. 587, because for the past several years I have been active in trying to repeal the 10-percent passenger tax.

During previous Congresses since the close of World War II and in the present Congress, I introduced bills designed to repeal the 10-percent passenger tax. It was a source of disappointment in 1958 when the House conferees found it necessary to refrain from concurring in the action of the Senate in repealing the 10-percent tax on the transportation of persons.

Again in 1959 Congress voted to reduce the passenger tax to 5 percent effective July 1, 1960. This action was later nullified, solely for budgetary reasons, when the House by a narrow margin voted to extend the 10-percent passenger tax another year. The Senate, disregarding the vote of the Senate Finance Committee for complete repeal of the 10-percent passenger transportation tax, voted against either repeal or the scheduled reduction of the tax on July 1, 1960. As a result, under Public Law 86-564, the effective date of the 5-percent reduction was postponed to July 1, 1961.

There is no doubt that the 10-percent passenger tax paid by users of for-hire airlines, bus, rail, and water carriers is providing a detriment to for-hire carriers of all modes of public transportation.

The transportation tax on passengers was levied in 1941 at 5 percent. It was increased in 1942 to 10 percent and raised again to 15 percent in 1944. It was decreased to 10 percent in 1954 and as previously mentioned its outright repeal was favored by the Senate in 1958 but failed to win the approval of both Houses of Congress.

It is common knowledge that the passenger tax was enacted during World War II and applied to travel at home and abroad. It was levied as an emergency measure designed to curb civilian travel on the then overburdened public transportation facilities. The tax on foreign travel has since been repealed.

Purely a wartime measure, the passenger tax is now regarded as a means of revenue despite the fact that it is highly instrumental in discouraging the use of the now underutilized modes of public transportation.

It is recalled that a similar tax on passengers was levied in 1917 during World War I, but it was repealed effective January 1, 1922 or shortly after the end of the war.

It is also of significance that Canada in 1949 repealed its 15-percent World War II passenger tax. Meanwhile, we continue to tax domestic travel but exempt travel to foreign countries. This is a form of rank discrimination and serves as a source of discouragement to those who wish to heed the oft-repeated admonition, "See America First." Thus it is proving detrimental not only to public carriers but to the resort and recreational industry of our Nation. The 10-percent passenger tax affects in an adverse manner all forms of public transportation at whose expense private means of transportation and private carriers not subject to the tax become the sole beneficiaries.

Revenues from passenger transportation are practically the only source of revenues for bus companies and the main source of revenue for the scheduled airlines.

It has been estimated that about 80 percent of the bus carriers are small businesses. These small carriers have been especially hurt by the impact of increased costs and the financial condition of many of them is cause for grave concern.

The financial situation facing many bus companies is further aggravated by decreasing patronage which is threatening the continuance of many bus services. Studies conducted in various States by State legislative committees since 1957 confirm the fact that a material amount of passenger traffic was being diverted from the common carriers by bus to private transportation resulting in the abandonments of bus routes and failures of bus companies. The present Federal excise tax of 10 percent on passenger travel discriminates in favor of private transportation and encourages it over essential public transportation. This is directly contrary to the recommendations of the reports filed by the various State legislative committees.

The intercity bus industry has experienced a steady decline in its volume of passenger traffic since the end of World War II. During this period there has been a decline from 32 billion passenger-miles to about 24 billion—a decrease of 25 percent—in a growing domestic market. While the total bus fleet has decreased about 30 percent during this period, the bus industry is still operating under 50 percent of its capacity. Since the majority of users of intercity buses comprise persons in the low-income level, the 10-percent passenger tax imposes a much heavier relative burden on them.

According to the recent report titled "National Transportation Policy," released by a special study group for the Senate Commerce Committee, all of the domestic common carriers of passengers have found the number of empty seat-miles increasing since 1946. The rate of increase has been most pronounced in railroad service causing the passenger deficit to climb from less than $200 million in 1946 to over $700 million in 1957.

The report states:

> Although bus service has improved in terms of seats and speed, the number of passenger-miles in regular route service has declined since 1951.

With regard to the Nation's airlines the Senate study group found:

> While the available seat-miles for domestic trunk and local airlines from 1946 to 1959 increased from 7,490 million to 45,793 million, or almost six times, the revenue passenger-miles increased from 5,910 million to only 29,151 million or a little over five times. The result has been an increase of empty seats from 1,580,000 to 16,642,000 or by an increase of 15,062,000 empty seat-miles.

In addition to the findings by the special study group for the Senate Commerce Committee the national trade associations for all three of the major public carriers—air, bus, and rail—report that they are currently operating below their capacity for handling passenger traffic. Both the buslines and railroads are operating well below 50 percent of capacity while the current load factor of the airlines of 59.5 percent is at the lowest level in 10 years.

Since I represent a congressional district in Pennsylvania that percentagewise has one of the largest railroad populations in the country, I have firsthand knowledge of the financial plight of the Nation's railroads.

The marked decrease in rail passenger travel is revealed by the fact that the volume dropped from 59 billion passenger-miles in 1946 to 17 billion in 1960, a decrease of over 70 percent. This rail passenger deficit since 1946 has averaged $585 million a year and because freight revenues have had to absorb it there has been a steady decline the past 5 years of the overall railroad rate of return from 4.22 percent in 1955 to 2.13 percent in 1960. As long as freight revenue must absorb passenger traffic losses the need to seek increases in freight rates is not lessened.

Our Nation as a whole is the chief beneficiary of a financially sound railroad system. With the vast investment in railroad passenger facilities and the heavy demands made upon the industry for such services in World War II, the constant decline in the railroads' percentage of passenger business handled by all classes of public carriers is of national concern. The 10-percent passenger tax is a detriment to the efforts by the railroads to increase passenger revenues and thereby avoid further curtailment of service and poorer facilities. On the other hand, constantly rising passenger deficits are a dire threat to the railroad industry and will eventually result in rendering the Nation's railroad system wholly unprepared for emergencies of peace and war.

Speaking of the ill effects of the passenger tax, the Treasury Department stated in December 1947:

> The prewar history of railroad rates indicates that coach travel is rather sensitive to changes in passenger fares. Accordingly, under normal conditions, the profits of railroads may be affected substantially by the existence of the tax. Because of large fixed costs a small decrease in passenger revenue can have an important effect on profits from passenger operations.

It is not my contention that repeal of the 10-percent passenger tax will serve as the sole remedy for the passenger deficit on our Nation's railroads. I do contend, however, that repeal of the 10-percent passenger tax will have a stimulating effect and aid immeasurably in securing an increase in the volume of passenger traffic which is sorely needed by the Nation's railroads in their battle for economic survival. We should not lose sight of the fact that during World War II we relied upon the Nation's railroads for 97 percent of all organized military travel needs. Today the future of the railroad industry is threatened by operating deficits of over $700 million a year.

We cannot afford to ignore the plight of the Nation's railroads because to do so we are turning a deaf ear to the needs of a strong arm of our national defense. In fact, we should take affirmative action to strengthen our essential public carriers by recognizing that the current 10-percent passenger tax is not only discriminatory and regressive but it tends to undermine our national defense at a time when world tensions and the threat of an all-out war were never more prevalent.

One of the strongest recommendations for repeal of the excise tax on passengers is contained in the following excerpt from the report of the Interstate Commerce Commission on railroad passenger train deficit, May 18, 1959:

> The excise tax on passengers was designed primarily to discourage unnecessary wartime travel and only secondarily as a revenue measure. Obviously the reasons for its imposition no longer exist. More important, however, it is harmful to our transportation system and is highly discriminatory.
>
> Without repeating all of the reasons advanced for the repeal of the transportation tax, we wish to emphasize that it is having a serious effect upon the passenger-train service of the railroads. Since the tax on passenger travel tends to discourage the public from using common carriers, it thereby aggravates the ever-amounting passenger deficit. While we recognize that the repeal would not provide a cure-all for the passenger deficit problems, such action would remove a serious deterrent to a greater use by the traveling public.
>
> In strongly urging that the Congress take action to repeal the tax outright, we are not unaware of the efforts which various Members of the Congress have made and are presently making in this regard. We are also not unmindful of the revenue needs of the Government. We are, however, convinced that any possible loss of revenue would be more than offset by the public interest in strengthening and preserving a transportation system capable of meeting adequately the country's need for service both in peacetime and during emergencies in conformity with the national transportation policy as declared by the Congress.

One of the chief stumbling blocks against outright repeal of the 10-percent tax on passengers is the assumption that such action would result in a loss of tax revenues. There has been no consideration of the effect of the repeal on the increased business in the resort, recreational, hotel and restaurant industries which would result in an increase in tax revenues.

Nor has there been any consideration given to the beneficial effect from the standpoint of aiding in alleviating unemployment that would result by making it possible for the airlines, bus, railroad, and ship industries to stabilize their unemployment.

Finally, an increase in passenger traffic on the public transportation system of the Nation would result in a tax yield that would compensate for any decrease in revenues occasioned by the repeal of the 10-percent passenger tax.

According to information available for the fiscal year 1960, the Government collected a total of $255 million, nearly half of which or $119 million represented a tax-deductible expense because it involved business travel.

There is little doubt that if the $119 million in tax-deductible expense for travel had not been allowable it would have increased the taxable income of business firms. Assuming these firms were in the average 50-percent income bracket the Government would have collected nearly $60 million in additional tax revenue. In addition it has been estimated that a 5-percent increase in passenger revenues would have increased public carriers taxable net income by about $114 million.

In conclusion, it is apparent that repeal of the 10-percent passenger tax will not necessarily result in a heavy loss of tax revenues and the piecemeal form of reduction by postponing it for 6 months is realized as a gradual approach to outright repeal December 31, 1962.

The effect will be one of considerable return in the form, I feel certain, of higher income taxes resulting from the greater volume of passenger traffic generated and from elimination of many tax deductible expenses.

Therefore, I am gratified that favorable action is being taken with respect to the repeal of the 10-percent transportation tax on persons.

Mr. MACDONALD. Mr. Chairman, Webster defines an "anachronism" as "anything incongruous in point of time with its surroundings." No better example of an anachronism can be found than the present excise tax on transportation of persons. This is an outdated and outmoded sales tax imposed on the individual who travels.

These taxes were levied as a war measure for extraordinary revenue and as a method of discouraging nonessential civilian use of transportation facilities. While the emergency which brought about these excises is long past, the "temporary" taxes remain. This is in sharp contrast to the situation with respect to similar taxes imposed during World War I which were repealed in 1921. When Congress enacted the passenger excise tax legislation in 1941, it was never thought that these taxes would become a permanent fixture of our Nation's tax structure. The longer these taxes are continued, the greater the danger that they will be perpetuated.

At the time the excise tax was levied, most travel taxed was of the vacation and pleasure type. It was deemed a luxury on which it was proper to levy an excise tax. However valid this may have been in the past, travel has become a necessity for ever larger segments of our population. Conservative estimates put over one-third of passenger transportation as necessary business travel. It seems to me that this tax could most properly be characterized as a sales tax on an essential service and not as an excise tax on a luxury.

Excise taxation of passenger travel is clearly inconsistent with attempts being made to encourage travel within the United States by foreign travelers. We are unique among nations in penalizing travel by our own people within their country. This is certainly to the detriment of the Nation's resort and recreational industries, the American traveling public, and the public carriers.

The need for revenue produced by this tax does not appear so acute that it must be obtained regardless of its effect on the traveler and at the expense of a vital public transportation system. The time is long overdue for the elimination of an excise tax that is regressive in effect, and outdated in purpose.

Mr. FASCELL. Mr. Chairman, I rise in support of the legislation before us at this time.

During my years in Congress I have closely followed and been associated with matters in this field. In 1956, I sponsored a bill to repeal the tax on travel to the Caribbean so our people could be relieved of this tax burden for their foreign travel. This was enacted into law on July 25, 1956.

Again in 1959, I sponsored a bill calling for the outright repeal of tax on travel. This bill was incorporated into the overall excise tax bill, which became effective on June 30, 1960, containing a provision reducing travel tax from 10 to 5 percent with the reduction to become effective as of July 1, 1960.

President Eisenhower, in his budget message of January 1960, asked for a deferment of this tax reduction in view of the national budgetary requirements. This was done on June 8, 1960, by means of the Public Debt and Tax Rate Extension Act of 1960—H.R. 12381—which I supported.

While the travel tax cannot be completely repealed until such time as it will be fiscally feasible, we recognize that a special problem does exist at the present time with the aviation industry.

It is common knowledge that the domestic airline industry is in the midst of serious financial stress.

The year 1960, when the entire industry reported a total profit of only $68,000, was thought at the time to be a turning point. Instead, in 1961, the industry suffered a net loss of $34 million. That alarming trend has neither halted nor lessened, and losses for the first quarter of 1962 amount to a staggering $17½ million, as compared with a loss of $12 million for the first quarter of 1961. This represents an increase of 42.4 percent in red ink.

H.R. 11879 will extend the present 10-percent transportation tax on airlines, trains, and buses until December 31, 1962, at which time the entire 10-percent tax will go off of rail and bus travel and drop to 5 percent on airline passenger travel.

I am in favor of the bill, although I regret that the change could not have been made on July 1 instead of December 31.

Experience has shown that a 5-percent reduction in airline fares—the amount of the reduction in the transportation tax—does not stimulate passenger business. It will then be ineffective in benefiting the airlines, and will be diffused to a point of being ineffective as a benefit to the traveling public.

Obviously the industry is in need of additional revenue, and it is therefore my recommendation that this 5 percent be passed along to the airlines, in the form of a noninflationary 5-percent fare increase which would replace the 5-percent tax reduction. The cost of air transportation to the public would remain unchanged, but the additional 5 percent to the airlines would lessen their serious financial crisis and at the same time enable the Government to regain some of the 52-percent corporate tax which the Treasury used to derive from a healthy domestic airline industry.

Mr. DERWINSKI. Mr. Chairman, in supporting H.R. 11879, the extension of excise taxes for 1 additional year, I did so primarily because the bill contained the elimination of the wartime-imposed transportation tax on railroads.

However, this reduction constituted minimum virtue in the bill, since I have long advocated removal of all wartime-imposed excise taxes.

It is especially interesting that first Secretary of Treasury Dillon and then President Kennedy are offering vague promises concerning across-the-board reduction of personal and corporate tax rates in 1963. If the Federal Government is in the position to operate on reduced income, I think a most practical step would be to remove all wartime-imposed excise taxes. There would be a dual benefit—first, restoration of public confidence in Government, in general, when one action abides by an original commitment to reduce a tax imposed in an emergency when the emergency has passed. The longer we continue to collect these excise taxes, they grow in volume and become a permanent part of Government income structure.

Second. The Internal Revenue and individual and business taxpayers would be spared the tremendous cost of collection and administration of these taxes, thus directly and indirectly stimulating the economy. We would then be able to achieve a reduction in personnel in the Internal Revenue Service. Employers would be able to free employees for productive operations rather than have them serve as Government "hacks" and accounting agents and the public would receive the benefit in terms of purchasing power brought about by reduction in gross costs of products purchased.

One other point, Mr. Chairman, that I feel should be emphasized is the unfortunate situation that faces Members of the House when Ways and Means Committee legislation is before us. The restrictive nature of the rules under which H.R. 11879 and other bills from that committee are presented, presents the House Members with a "take it or leave it" situation in which we must accept or reject a bill, knowing it has some virtue or some fault and not being able to participate in a legislative attempt to write a more acceptable bill. This problem faced us when the so-called tax reform measure passed the House some months ago, and will face us next week when the tariff proposal reaches the floor. Certainly, some modification of the rigid rule granted Ways and Means Committee legislation is in order, and would result in more practical legislative practices.

Mr. LANE. Mr. Chairman, it is generally agreed that there must be some reduction of personal income and corporate income taxes to stimulate economic growth. I believe legislation for that purpose is urgently needed. In the meantime, we have to meet a June 30 deadline.

Unless the Tax Rate Extension Act of 1962 is approved by that date, the present corporate income tax rate of 52 percent would automatically revert to 47 percent. In addition, a number of excise taxes would expire.

H.R. 11879 is in the nature of a holding action until the details of a corporate income tax reduction—plus a personal income tax reduction which is a matter outside the coverage of H.R. 11879—can be agreed upon and put into effect.

Meanwhile, this bill provides for repeal of all forms of transportation tax except air. The present 10-percent tax on transportation of persons by railroads, buses, or on waterways will end on December 31, 1962. The bill further stipulates that the tax on transportation of persons by air will continue for 6 months beyond December 31, 1962, or until July 1, 1963, but at a rate reduced from the present 10 to 5 percent.

As I have long advocated the elimination of such taxes, I consider these provisions of the bill to be a confirmation of my views. The lifting of these taxes will benefit our hard-pressed transportation industry, especially the railroads, airlines, and bus companies by encouraging greater use of their facilities. Because these taxes were imposed as an emergency measure during World War II to curtail civilian travel in favor of military or defense production needs, the reason for their retention is no longer applicable.

I had hoped that the 10-percent nuisance tax on telephone service would be abolished because I have spoken out against this tax many times as unfair to the companies providing the service and to their patrons. The millions of telephone subscribers in the Nation would benefit by a 10-percent reduction in their bills if this tax were repealed.

The elimination of the transportation tax on passengers is a good beginning. The gradual repeal of wartime taxes should reach out to cancel a similar burdensome tax on general telephone service. Increased use of this communication medium will more than compensate for the loss of tax revenues.

It is recognized that the repeal of these emergency excise taxes—plus a reduction of personal and corporate taxes in separate legislation—will liberate purchasing power and venture capital for a real and sustained growth in economic activity.

The Tax Rate Extension Act of 1962 is a step in that direction. It points toward other major adjustments in the revenue-raising formula that will provide the necessary income for the Federal Government, but in a manner that will stimulate private enterprise.

H.R. 11879 is not merely a routine tax extension bill. It shows an awareness of the tax relief that is essential to inspire and promote progress. For that reason, and with the reservation noted above, I voted for the Tax Rate Extension Act of 1962.

The CHAIRMAN. If there are no further requests for time, under the rule the bill is considered as read. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means.

Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11879) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes, pursuant to House Resolution 675, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question was on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

CALL OF THE HOUSE

Mr. BRUCE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Addonizio
Alford
Ashbrook
Ashley
Ashmore
Auchincloss
Bailey
Bass, Tenn.
Boland
Bolton
Boykin
Broomfield
Buckley
Clark
Coad
Colmer
Curtis, Mass.
Daddario
Davis, Tenn.
Dawson
Dent
Derwinski
Devine
Diggs
Donohue
Dooley
Dwyer
Evins
Flood
Fogarty
Hoffman, Mich.
Horan
Jensen
Jones, Ala.
Kearns
Keogh
Kitchin
Loser
McMillan
MacGregor
Magnuson
Marshall
Mason
Meader
Morrison
Moulder
Norrell
O'Konski
Peterson
Philbin
Pilcher
Powell
Rains
Reece
Rousselot
St. Germain
Saund
Seely-Brown
Shelley
Sibal
Smith, Miss.
Spence
Steed
Thomas
Walter
Watts
Westland
Whitten
Williams

The SPEAKER. On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MR. JUAN TERRY TRIPPE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, under leave to extend my remarks, I would like to include an excellent editorial and article that appeared in the Buffalo Evening News, Buffalo, N.Y., concerning Mr. Juan Terry Trippe, founder and president of Pan American Airways. The editorial and article follow:

THE TRIPPE YEARS

Pan American Airways long ago spread its wings beyond the bounds implied by its corporate name. But the international carrier has never surpassed the vision of its founder—Juan Terry Trippe. He observes his 35th anniversary as president of the line today.

It was in 1927 that this young (then 28) ex-naval aviator established "Pan Am" service between Key West and Havana, a 90-mile distance that is in the news again these days for less harmonious reason than union by air of the United States and Cuba. Since then, the enterprise expanded into South America and, eventually, around the earth far beyond limits of pan-Americanism.

The philosophy that has guided the Trippe operation of Pan American, gaining both business and national respect, is simple. He believes that a flag airline has a duty to be a partner with Government in the national interest and that air transport must provide mass transportation at a price average people can afford to pay. As guidelines, these have been eminently successful.

The Trippe airline, for such it was and is, has fulfilled the first principle in peace and war. Even before World War II, Pan American served the U.S. Government on the assignment of displacing the Nazi interests operating the Colombia airline in this hemisphere; when Pearl Harbor came, Pan American Clippers went to war.

It demonstrated the invaluable aid a peacetime air fleet in being is to national defense. Later, in the Korean war, it carried desperately needed supplies to embattled forces, logging 32 million miles and 2,300 Pacific crossings. Its aircraft fly 64 "routine" missions a day between West Germany and Berlin today.

Pan Am and its guiding genius Juan Trippe, on his 35th anniversary year, can look backward with pride and satisfaction and to the future with confidence. He has been a real pioneer of the airways.

AFTER 35 YEARS, JUAN TRIPPE RUNS A $600 MILLION AIRLINE—PIONEER STARTED PAN AMERICAN AS 90-MILE LINE, NOW HAS 65,000-MILE, WORLD-GIRDLING OUTFIT

NEW YORK, June 1.—Thirty-five years ago today a 27-year-old bond salesman turned dabbler in commercial aviation and formed a new company to fly the 90-mile Key West-to-Havana route.

From such a beginning Juan Terry Trippe and his infant Pan American Airways blazed a worldwide pattern of air trails stretching nearly as far as three times around the earth.

Now Pan American World Airways, the company flies about 65,000 route miles, a distance unequaled by any other private enterprise carrier, although this is exceeded by Government-owned or subsidized foreign lines.

Its 130 planes, about half of them $6 to $7 million jets, touch down in 80 countries.

A subsidiary is building a global chain of 26 hotels on six continents, partly to accommodate patrons who last year traveled more than 6 billion revenue miles.

ASSETS TOTAL $600 MILLION

In another sideline activity, Pan American since 1953 has run the Atlantic missile range for the Air Force out of Cape Canaveral—an operation requiring 9,000 employees ranging from frogmen to mechanics and sailors on a fleet of 10 seagoing ships.

Six hundred more of Pan American's 32,000 employees are assigned, under an Army Signal Corps contract, to the electronic environmental test facility and drone test range in Arizona.

From $200,000 in capital raised by Cornelius V. Whitney, a classmate at Yale University, Pan American's assets have risen to about $600 million.

Characteristically, Mr. Trippe, a retiring and somewhat aloof man for all his dynamism, paid no formal heed to today's milestone.

His office in Manhattan, which soon will occupy a new 69-story Pan American building erected astride Grand Central Terminal, reported he was away on the system—in Bermuda.

WITH BORROWED MONEY

Some long-time employees of supervisory rank never have met the big boss, and many have seen him only two or three times.

Although Mr. Trippe's vision of aviation's future probably dates from boyhood, when he flew model planes in New York's Central Park, his first adult enterprises in the field were disappointing.

A Navy flier in World War I, he got his feet wet in the early 1920's by organizing Long Island Airways, using war vintage planes bought with borrowed money.

Passengers were taken up on sightseeing flights, and the company offered a charter service and did contract work for motion picture concerns.

Then, Mr. Trippe turned to another enterprise, Colonial Air Transport, flying between New York and Boston. Colonial received the country's first domestic air mail contract.

CHINA CLIPPERS IN 1937

He left Colonial and launched Pan American after financial backers quarreled with his plans to extend operations to Chicago and to Miami and Havana.

By 1937 Pam American had inaugurated its China Clipper service, and a few years later thrust its routes across the Atlantic to Europe, and a little later to Africa. The airline had begun to roll up "firsts" in commercial aviation.

Pan American claims to have pioneered among airlines in radio communications, emergency lifesaving equipment, tailoring of aircraft to operational needs, instrument flying, and serving meals aloft.

Talents in diplomacy aided Mr. Trippe in complex negotiations as Pan American fanned out, and he proved adroit in complementary arrangements necessary in Washington.

A MOST DECORATED MAN

Mr. Trippe early committed his company to an attempt to apply to commercial air transportation the American genius that expressed itself in industry as the techniques of mass production.

One of the most decorated of American civilians, Mr. Trippe has been honored with medals and orders of 17 countries. Seven colleges and universities have awarded Mr. Trippe honorary degrees.

The story is told that on the morning of his marriage on June 16, 1928, to Elizabeth Stettinius, daughter of the late industrialist and Secretary of State, Edward Stettinius, Mr. Trippe had to be called from his desk to the altar.

PAN AMERICAN AIRWAYS MARKS 35TH YEAR

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, it is my pleasure to represent in Congress several thousands of Pan American World Airways' employees and their families who live in my district. Needless to say, I am immensely proud of these people who contribute so much to international aviation.

It has likewise been a pleasure for me to have before our Airlift Subcommittee of the House Armed Services Committee, as a witness, Mr. Juan T. Trippe, president of Pan American World Airways. Mr. Trippe's testimony has been invaluable to our subcommittee, and his advice and suggestions have made notable contributions to the policies now being pursued by the Department of Defense in building a greater airlift potential, in time of peace or in time of great national emergency.

Pan American, which has pioneered so many of our air transport philosophies which are now considered standard operations procedure, recently blazed a new trail with the purchase of two new uncompromised cargo-aircraft at a cost to the company of approximately $13 million. While other carriers stand around looking for Government support and aid in this vital field, Pan American took it upon itself to take a calculated risk and invest its own funds in all-cargo equipment.

Mr. Speaker, the president of Pan American, Mr. Trippe, had remarkable foresight 35 years ago when he and a group of fellow classmates at Yale University—all of whom had been Navy pilots in World War I—gambled on the possibilities of over-ocean flight. That their thinking was correct is manifested today in the remarkable success of Pan American despite tremendous competition from foreign-government-owned airlines, particularly across the North Atlantic.

Mr. Speaker, the New York Journal-American of June 1 carried a most interesting article written by Emanuel Doernberg, commemorating Mr. Trippe's 35th year as president of Pan American. Under leave to extend and revise my remarks, I include the Journal-American article as a part of the RECORD:

TRIBUTE TO ONE MAN'S VISION—PAN AMERICAN MARKS 35TH YEAR; FOUNDER TRIPPE STILL AT HELM

(By Emanuel Doernberg)

Thirty-five years ago this month, a man with vision and courage set up an airline with a single plane to handle the 90-mile Key West to Havana run.

Today, Juan Trippe, the man with so much foresight, heads up this same company—now the globe girdling Pan American World Airways.

The growth and development of this vast international carrier, founded on the hopes and dreams of one man and on a borrowed $200,000, is one of the most dramatic examples of the opportunities inherent in a free enterprise system.

From a company with a single Fokker F–7 plane, in 1927, Pan American today has a fleet which includes 55 long-range American built jets valued at $330 million, and provides directly for the employment of 23,000 people at an annual payroll of upward of $152 million.

In addition, Pan American provides work to more than 9,000 at Cape Canaveral through its own operations and those of subcontractors and, through its hotel chain operations, for hundreds throughout the world.

STARTED YOUNG

If ever a man was airminded it is Juan Trippe. Born June 27, 1899, in Seabright, N.J., this big, energetic executive can recall flying model airplanes in Central Park as a boy. In 1918 he left Yale to become a naval aviator.

When the Yanks came marching home, Trippe resumed his college career and graduated from old Eli in 1922. For a short period he served with a banking firm, but the flying machine was his real love. He organized Long Island Airways and later, with friends, formed Colonial Air Transport, which won an airmail contract for the New York to Boston route.

The vision of an international air carrier was strong in Trippe. A fellow student at Yale—Cornelius V. Whitney—raised the $200,000 Trippe wanted and, in 1927, Pan American was born. Trippe has headed the line since, through depressions, recessions, and wars.

RESISTS HIGH FARES

Pan American has prospered and grown because it has used as a guide two basic tenets of Trippe's philosophy: a U.S. flag international carrier must act as a partner to Government in the national interest, and air transport must provide mass transportation at prices to fit the average man.

In respect to the latter, Trippe has asserted: "Air transport has the choice of becoming a luxury service to carry the well-to-do at high prices—or to carry the average man at what he can afford to pay. Pan American has chosen the latter course."

Always pushing for lower fares, Pan American this year put into effect group fares to further reduce prices. Through this lowering of mass transportation fares Trippe hopes to see furthered his dream of bringing nations of the world closer together.

"Foreign travel is no longer a luxury," he says. "It is a necessity if Americans are to understand the problems, politics, the religions, the ideas and the ideals of other nations. Our people must become world-minded if our Nation is to discharge well its new responsibilities as the leader of the free world."

MEDICARE AND THE WILL OF THE PEOPLE

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the clear and the courageous editorials of the Lynn (Mass.) Sunday Post have acquired a reputation for coming to grips with current issues.

The Post never slants its editorials in deference to any group.

It is a young paper, run by veteran newspapermen, and public confidence in its policies is reflected in its growing circulation.

Medical care for the aged in some form is both necessary and inevitable. Any pioneering legislation, however, is always opposed by a small but vocal minority that stubbornly clings to the status quo in a changing world that repudiates their resistance to progress.

More than 25 years ago they predicted that the Social Security Act would drive the Nation into bankruptcy. Their attitude toward an extension of that successful system to provide medical care for the aged is just as old fashioned today.

The Post puts its finger on the determining factor when it states:

> But anybody who cares to do so can make inquiries among his friends and neighbors and will find that there is almost unanimous support for the social security approach to the problem of providing national health insurance for persons in their declining years.

I recommend to your attention the following editorial on the subject of "Medical Care for the Aged" from the May 27 issue of the Lynn Sunday Post:

MEDICAL CARE FOR THE AGED

President Kennedy has placed his full support behind a program to provide medical care for the aged and has made it plain that he intends to get favorable action out of Congress during the current session.

Mr. Kennedy's courageous battle to obtain passage of the King-Anderson bill has aroused the same kind of opposition encountered by the late Franklin D. Roosevelt when he fought for enactment of the social security laws a quarter century ago.

At the same time, however, President Kennedy has stirred up widespread support for the proposed legislation. In addition to organizations of senior citizens, who could naturally be expected to favor the legislation, the King-Anderson bill is being strongly favored by organized labor, by thinking citizens in all walks of life, and even by many members of the medical profession.

The principal opposition is being voiced by the heavily financed American Medical Association and its branches, which are spending millions of dollars in various information media to becloud and confuse the issue.

But anybody who cares to do so can make inquiries among his friends and neighbors and will find that there is almost unanimous support for the social security approach to the problem of providing national health insurance for persons in declining years.

Here in Lynn we have found that many good Republicans are strongly in favor of President Kennedy's medical care proposals, even though they may oppose some other phases of his overall program.

Medical care for the aged is not a partisan matter. It is an issue which, sooner or later, affects everybody. It is to be doubted that those members of the medical profession who are fighting so bitterly to prevent the adoption of this progressive legislation will succeed in frustrating the will of the people.

Their opposition to expansion of the social security system to provide for medical care for the aged seems doomed to suffer the same fate as the bitter-end opposition voiced more than 25 years ago to the introduction of the social security system itself.

NEED FOR A DEPARTMENT OF URBAN AFFAIRS

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. SCRANTON] is recognized for 15 minutes.

Mr. SCRANTON. Mr. Speaker, many weeks ago, the House gave consideration to Reorganization Plan No. 1, which would have raised the Housing and Home Finance Agency to departmental status, and likewise given Cabinet rank to its administrator. This plan was overwhelmingly defeated. The main reason for the defeat was the defect in the plan itself. Anyone thoroughly appraising the plan from an objective and nonpolitical standpoint could not fail to find it inadequate and ineffective.

The problems of the urban areas are large in number and deep in substance. They involve housing, transportation, air pollution, water pollution, recreational facilities, juvenile delinquency, unemployment, education, public health, crime, highways, and airports, welfare programs and many others. In all of these, the Federal Government now has some participation through one department or another.

Under Reorganization Plan No. 1, of these problems only housing was included in the Department of Urban Affairs and not all housing at that. For example, loans for veterans' housing were not included, and neither was the Federal Home Bank Board. These two units alone comprise over 70 percent of the Government housing programs.

Accordingly, Reorganization Plan No. 1 would actually have established merely a Department of Housing, including only 30 percent of all Government housing programs. As such, it was of no real assistance to the urban areas.

An objective analysis of the Federal Government demonstrates that it is almost impossible to divide programs into their urban and rural aspects. Thus, establishing a Department of Urban Affairs to do a first-rate job for urban areas is almost an impossibility, as it would divide programs now carried on by other departments.

But there is a solution to a real need here. Urban officials should have a center in Washington where they can obtain the necessary information about Federal activities for urban areas and where they can plead their cause for needed Federal assistance. This could be achieved by establishing an Office of Urban Affairs in the executive, where all the information—department by department—on all urban matters would be available. Such an office would answer one of the real needs in this field.

Secondly, the same office, along with a division of information, should include a division of research, the main purpose of which would be to study urban needs and Federal participation therein.

I have introduced H.R. 11674, to establish such an office in the executive with two divisions: one for information and coordination of Federal Government urban activities, and the second for research in this field. This would be the most important step forward that could be made for urban areas. It would slice through bureaucracy and redtape and offer a means to quicker solutions of the needs for the people in the cities of America.

Interestingly enough, in establishing Reorganization Plan No. 2, the administration has recognized the principle behind this scheme. In Reorganization Plan No. 2, they request the establishment of an Office of Science and Technology as a new unit within the Executive Office of the President.

In the message from the President requesting approval by the Congress for this plan, he states:

> However, the (National Science) Foundation, being at the same organizational level as other agencies, cannot satisfactorily coordinate Federal science policies or evaluate programs of other agencies. Science policies, transcending agency lines, need to be coordinated and shaped at the level of the Executive Office of the President, drawing upon many resources both within and outside of Government. Similarly, staff efforts at that higher level are required for the evaluation of Government programs in science and technology.

Exactly the same principle applies in this instance, and necessitates the establishment of such an Office for Urban Affairs in the executive rather than a Department of Urban Affairs.

THE CROSSROADS BREAKFAST

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 30 minutes.

Mr. SCHWENGEL. Mr. Speaker, on Sunday, May 6, 1962, the International Crossroads Sunday morning breakfast celebrated its 16th anniversary at the YMCA in Washington, D.C. The President of the United States sent his greetings through the Honorable Brooks Hays, special assistant of the President. Dr. Raymond W. Miller, president of Public Relations Research Associates, represented the speakers. James F. Bunting, general secretary of the YMCA represented the Washington and National Council YMCA, while I extended greetings in behalf of the many Members of Congress who have supported this program over the years.

The session was devoted to the narration of letters received for the occasion from former participants who have returned to their homes abroad. The narrator was Mr. William L. Robinson, an official of the American Automobile Association who was assisted by John L. Handley, a young man from Birmingham, England; K. M. Bashir, of New Delhi, India; and Robert Gleason, a student at George Washington University.

The International Crossroads breakfast has extended hospitality and appreciation to visitors and travelers every Sunday for 16 years. This, Mr. Speaker, was the 835th consecutive breakfast to be held without a break. To these breakfast gatherings have come 13,835 persons from 120 countries who have attended for the first time. Many have returned time after time.

The sessions are addressed by many outstanding speakers of distinction. These include top political figures, educators, scientists, diplomats and others. The far-reaching effect of these sessions is perhaps much greater than can be presently estimated, because it is impossible to foretell the possible effect of great ideas in the minds of youth.

In writing about the breakfast in his column, "The Human Side of Religion," Casper Nannes, religious news editor of the Evening Star of Washington, D.C., said:

> Here visitors and those temporarily living in Washington sit down to eat and enjoy an inspiring talk together. Out of these experiences have grown a strong bond that defies distance and time.

This program has been carried on by a committee of volunteer workers of which Paul L. Brindle is the chairman. Mr. Brindle is an attorney who has given liberally of his time to the leadership of this valuable program over the past 16 years. He insists that the success of International Crossroads Sunday morning breakfast has been made possible through the attractions of the outstanding speakers, including many of our colleagues, and the potentialities of the visitors.

In bringing a message from the President of the United States, the Honorable Brooks Hays said:

> I was authorized yesterday to bring the President's greetings. I wanted you to know how much the White House—the President and the White House staff also, particularly the chief officers in the State Department, appreciate the tremendous significance of the work that Paul Brindle does. We think that this has great importance in terms of world brotherhood and good will for our beloved country. The city of Washington has a multitude of people who observe what is going on even though they are not privileged to sit down with you to symbolize this spirit of Christian unity and to signify to you, who come from other lands, that we love you and that we believe the cement of love expressed in Christian service is the thing that will pull the world together, bind up its wounds, and help us to march forward to a happier day.

On this occasion it was my privilege to pay tribute to a great idea that may yet have a greater influence than we think—an idea that ought to have a lot more attention by people in Government circles. The type of speakers who grace these breakfasts includes many who are listened to by thousands and I would hope that somehow we can expand this activity and give the experience of listening to these speakers to many more people.

The effectiveness of these efforts can be best understood from the following extractions from some of the letters which were received for the 16th anniversary celebration:

V. R. Katre of Khalari, India, writes:

> I am happy that the sandalwood elephant gives out sweet fragrance to remind you of the traveler from India you met at the International Crossroads and invited to the breakfast on a Sunday morning. Let it be symbolic of the blossoming of the sweet flower of friendship which you have offered to the lone traveler from India, reminding him that he is no more lonely and no more in a foreign land. The strengthening of the bonds of universal brotherhood which, I am sure, is one of the aims of this Sunday morning breakfast, for which you are striving

hard, will be a success—I wish you and this organization all the best.

Hon. A. B. Won Pat, speaker, Guam Legislature, writes:

The ICSMB which I had the rare privilege of attending last Sunday through your gracious invitation, is truly one of the most meaningful and uplifting occasions I ever attended. I was deeply impressed with the program and its humanitarian objective.

It was particularly interesting and rewarding to meet with you and the many participants who came from other parts of the globe, in the spirit of true Christian fellowship and fraternal kinship.

In these critical times when men with ruthless minds and hearts devoid of brotherly love engendered by selfishness and greed and prejudice of race, creed and color to whom Christian principles are but meaningless phraseologies, many of us have lost a large measure of faith—faith in God, faith in our Government, and faith in our fellow men.

It is to dedicated men like you who conceived the way through the instrumentality of the ICSMB to put into effect the principles of Christianity, that can have a greater influence in bringing about a better understanding and friendliness amongst peoples of diverse creed and color.

On the occasion of the 16th anniversary of your program, it is regretted that I would not be able to participate, but I do look forward to the opportunity again when I come your way.

Bill Dewing, of Melbourne, Australia, writes:

I was very pleased that I was able to attend one Sunday morning breakfast in early August last year. It was extremely interesting, and it was very pleasureable to meet interesting young men from various parts of the United States of America and countries beyond.

It was an excellent start to an American holiday ranging from Washington and Niagara in the East to Albuquerque, Los Angeles, and San Francisco, in the West.

It was a glorious trip and although it would be impossible to see even one fourth of all the sights to be seen, the ones that I did see contributed to the impression that the United States of America was by far the most interesting country in which I have been.

Although now back home here in Australia in a relatively dull and peaceful existence, I am thankful that I had the opportunity to travel the world at a young age (23), see the places that I did, and meet so many interesting people.

The YMCA is doing a great job, and for a traveler life is made much easier by the knowledge of a warm reception in the next city at the YMCA.

Peter Hausmann, Rome, Italy, writes:

I do certainly remember very vividly the interesting meeting I attended at the ICSMB during my stop in Washington and I still have with me the nice small sculpture of Lincoln that I received as a present on that occasion. For the 16th anniversary of your association I extend you my warmest congratulations, and I hope that I shall have the opportunity to visit you again and to participate at another Sunday morning breakfast.

Robert H. Orgill, Australian inventor of air safety devices, comments:

I might mention that the International Crossroads is an unforgettable organization and I did appreciate meeting many of you during my visit to Washington, D.C., in 1959.

Dr. Ugo M. Colombo, director of public assistance for the city of Milan, writes:

I remember Washington, D.C., for your lovely hospitality, and also for the ideals that your country represents through the world, ideals of peace, of freedom, of democracy.

From the most commercial city of Italy, from the city of the famous cathedral and of La Scala, I send to you and to your guests a message of encouragement and of trust in the good understanding among the citizens of all the nations. And I would underline and emphasize the importance of the individual capacity and dignity in a free world.

Wen-Wai Woo, YMCA of Hong Kong, writes:

From this overcrowded refugee colony of Hong Kong I send you my warm congratulations on the 16th anniversary of International Crossroads Sunday morning breakfast and sincere good wishes for its continued success.

Dr. D. R. Malhotra, metallurgical engineer, India, reports:

I am very glad to hear that you will be celebrating your 16th anniversary of the International Crossroads Sunday morning breakfast on May 6, 1962. This is a very important day in the history of your international organization which is doing such marvelous work. I very vividly recollect the most pleasant and entertaining breakfast function I was privileged to attend during my short stay in Washington. It was not only the congenial atmosphere, but it provided me with a very good opportunity of exchanging my views with various other people representing different walks of life. Although there is no special big edifice built where this breakfast function is held—due to the special atmosphere of cordiality, love, and affection, all these stone and mortar structures are lost sight of while attending to the main part of the function which is intended to meet the various visitors who are invited there.

It would not be out of place to mention that the entire success of this organization is due to your most pleasant and magnetic personality. There are very few cases which I can recollect, where individuals have achieved so much success as you have done. Your very presence in that building radiates spirit of comradeship, and the entire progress of this work depends on your sober and cordial attention to one and all. You are in the true sense an ambassador of peace and fellowship, and it is remarkably strange that you are too modest to accept even a share of the credit when the success of the entire show depends on your sincere and hard work.

Mr. H. C. Shih, electrical engineer, Taiwan Aluminum Corp., Taiwan, China, writes:

One of the best things during my stay in Washington last year was attending the Crossroads at the table. This is your American friends' new idea, but our old tradition. Confucius said: "How could you be without greatest delight when friends come from far?"

L. Swaminathan, of Madras, India, comments:

The Sunday Y breakfast meet is one of the finest services, because it brings together people of all nations and builds up a fellowship under spiritual guidance. I wish and pray that under the able leadership of Paul, the Y meet will grow from strength to strength. Let us pray to the Lord, Almighty.

T. S. Kasturi, engineer, of Neyveli, India, writes:

When I receive your letters, happy memories of my stay in your country come vividly to my mind. During my stay of 6 months in your country, in 1959–60, I stayed in 10 YMCA's. I can assure you each YMCA in the United States is "A home away from home." On the 16th anniversary celebration, I wish your organization and the people of the United States all the luck the world could spare.

Verner S. Hanson, of Fredericia, Denmark, comments:

I am amazed at the attention and interest you apparently take in every single one of your guests at the Sunday morning breakfasts. You must surely be a very busy man. I think you do a positive and valuable job in creating goodwill for the United States of America by the unreserved and warmhearted way in which you welcome everybody at the breakfast meetings, and I wish you every success in the future.

Dr. P. V. Jayade, a dental surgeon of Hubli, India, who utilizes a painless process without the use of drugs, reports:

We wish the International Crossroads Sunday morning breakfasts every success and sincerely believe that under your able guidance the institution will bring real harmony and friendship amongst the members in various countries of the world, which will ultimately result in peace and prosperity in all the nations of the world.

The Honorable Gustav-Adolf Gedat, M. B. of Germany, writes:

It is a great pleasure for me to extend to the friends of the crossroads breakfast my most sincere congratulations on their 16th anniversary. It has been my privilege to meet for several times with you, and I always appreciated your friendship and fellowship. Our friend, Paul Brindle, has done a marvelous job to have young men coming to Washington meet each other and to build friendship across the barriers of nationalities, races, and religion. That is the only spirit in which we build a future world of freedom and peace. This is also my goal in life, and therefore I shall always be united with you. May God bless you all in your future.

Raymond Issid, of Beirut, Lebanon, sends photos and adds:

It is Easter time again and time to say hello, and wish happiness to life brothers and good friends like you.

I can and will always remember the beautiful times and the great happiness that I received through my visits to American families during Easter time, every year while I was going to college in "back home" Montana State in the United States of America.

All that I can add is to ask Almighty God to help the United States of America in power and leadership, so it can always and always be the leader and the mother of the free world, and the emblem of the dignity of man.

Prosperity and happiness to all the life brothers of the International Crossroads Sunday morning breakfast in the United States of America and abroad.

Bangalore K. Shivalingappa, executive engineer, Mysore P.W.D., India, who did graduate work at the University of Connecticut, writes:

I thank all concerned for the cordial invitation for the memorable occasion. Hope that I may be excused for expressing my regret for not being able to be present there physically, but my mind and spirit will always be there, particularly on this happy anniversary day. It is the mind which can travel by the shortest time to reach any destination, however far it may be.

On an occasion like this it is worthwhile that we think about the good of others, so that we may make the present world much better than what it is now, to make it more peaceful and more happy. If everyone of us make up our mind to do a little bit of self-sacrifice, so as to make others more happy, to that extent we will have made the present world much better.

Just like a lighted incense stick radiates fragrant fumes, let good wishes and healthy feelings radiate from all the members of the congregation and induce a spirit among all, to do their best for the happiness of mankind, physical, mental, and spiritual.

I wish to conclude with the following message from Lord Buddha:

"We must not believe a thing merely because it is said; nor on the mere authority of our teachers or masters. But we are to believe when the writing, doctrine, or saying is corroborated by our own reason and consciousness. For this, I taught you not to believe merely because you have heard, but when you believed of your consciousness, then to act accordingly and abundantly."

He closed with a prayer in Sanskrit, which translates, "May humanity be blessed with happiness."

Michael C. Pearce, company representative and Boy Scouts executive, of Coterhaus, England, writes:

It is not possible for me to share your weekly pleasure of attending the ICSMB and listening to an eminent personality, whose aim is to further world peace and harmony among men. I can only pray that the good we derive from these talks lives on when we have returned to our native lands.

I remain active in Scouting because I feel it is my duty to pass on the lessons learned during my life: to those yet immature, or coming from troubled homes, who may never enjoy the same start in life as I was blessed with.

The late Lord Baden Powell once said, that when Scouting was allowed to flourish in all countries, there would be an end to wars, for such a brotherhood would naturally rebuke such a course of action as a means of achieving selfish ends.

Our International Crossroads Sunday morning breakfast fraternity, whose strength lies in the loyalty of its members, must strive for that same ideal.

Dr. K. S. Hegde, Mysore Veterinary College, India, writes:

I remember with pleasure my privilege of attending the breakfast organized by the association. I consider myself lucky in getting that chance because that was the last leg of my trip in the United States and I would have missed your glorious endeavor of bringing people of the universe together.

During my pleasant stay in your great country as an exchange visitor under the auspices of the U.S. International Cooperation Administration, I had several occasions of admiring Americans' earnest efforts to foster universal brotherhood. International Crossroads Sunday morning breakfast is such a unique activity that attracts the attention of a stranger. In fact, in your wonderful country, one does not feel that he is away from his people. Americans possess the rare quality of making anybody quite at home with their readiness of appreciating anything good and noble in others and their anxiety to keep the visitor happy in their country.

I am sure that missions like the International Crossroads Sunday morning breakfast and several such things started by some far-sighted individuals and nations will have the desired result of universal peace and brotherhood.

Missaghallah Noureddin, Tehran, Iran, comments on his life membership card in ICSMB:

I must thank you very much for the kind reception you extended me while I was staying at the YMCA Hotel in Washington.

With regard to the membership card you gave me, I must say that being a member of the Baha'i World Faith I cannot commit myself to any other kind of membership due to the numerous duties I have here. However, I am ready to collaborate in any activity which may help to create love and kindness among the peoples of the world if I should again return to visit the States in the future.

Mariano A. Henson, chemist and businessman of the Philippines, writes:

I am one of those who on August 6, 1961, was honored by your International Crossroads Sunday morning breakfast and to this date I can say I am still remembered by your gallant chairman, Paul L. Brindle.

If all nations could meet every week across these YMCA-sponsored breakfasts, I don't see why nations should not be good neighbors and good friends when our blood is of one and the same color and time and geography have been abolished by speed and intellect.

Dr. P. G. Gollerkeri, professor of bacteriology, Kasturba Medical College, Mangalore, India, communicates:

What touched me as an Indian, was the 8-cent U.S. postage stamp to the memory of the father of our nation, Mahatma Gandhi, stuck next to your own Liberty stamp. The main plank of Gandhi's platform was this very kind of international good will or world citizenship that your ICSMB idea tends to foster. Although it may have been purely a coincidence, I was much impressed with its propriety—these two postage stamps side by side on the envelope.

You, it seems to me, are unique among the Western countries for your vision and imagination for such apparently no-account details but deeply soulstirring. Your present letter, a matter-of-fact, hail-fellow-well-met one, was to me intrinsically human and cordial even to inquire kindly about my son in another part of your interesting country.

Yes, he wrote to me (the son, I mean) after meeting you; how you could spend a pretty long time in palaver with him and also how you had extracted a promise from him to spend a weekend including a Sunday to join you at your famous breakfast and speak his mind on our two countries. Latterly his letters have been coming at longer intervals than formerly as he seems to have little time after his professional duties at his Boston research unit. A month or two ago he had gone to the U.S. west coast, to California to attend a scientific conference in his line. No doubt he will keep his promise to you. I, too, will remind him of it. May the human race live in real brotherly friendship, peace, and good will from wherever our representatives hail from on this planet.

Paul T. Muto has been getting the ICSMB members of Tokyo together, and reports:

I received an invitation to the meeting for the first time last week from the Tokyo YMCA. The next meeting will be held on April 2 at the Tokyo YMCA from 12:15 to 13:30 with Professor Hisatake, of Hitotsubashi University, as a speaker.

This dinner meeting is, as I wrote before, once a month. Mr. Takashina wrote me that they will consider a new project patterned after your breakfast meeting.

I am busy as usual and am sorry to say that I cannot help Mr. Takashina fully in making a new project. But I'll help him as much as possible. Since I am working in the Tokyo International Airport control tower as a watch-supervisor, I don't have much free time. I will do my duty as a Christian at my office though I cannot attend those meetings regularly. Hoping to see you and attend your breakfast meeting again in the near future.

Jacques Guerin-Desjardins, psychologist in industrial human relations, Paris, France, and recent speaker—former YMCA secretary and Boy Scouts executive—writes:

When one has spent, as in my case, more than 20 years in boys' work and youth education, time may pass and hair grow gray—there remains forever in his heart a fondness for the younger generation. How will they grow? How will they adapt themselves to the present situation? How will they face their testing? And especially at this momentous era of history when so many fundamental problems are in question and when the world changes so rapidly?

That is why I answered with pleasure your request to speak at the international breakfast and, for one moment, to cross my road with the participants' road. I was glad to have this opportunity to tell your friends something about the youth of France.

I have been deeply impressed by the earnestness and the seriousness of the group.

I am certain you are realizing a very useful work in bringing together these men in a genuine and Christian atmosphere. You really do your part for a better understanding between races and nations. May God continue to inspire and to sustain you.

Thanks for your welcome. Good wishes for the 16th anniversary. And friendly thoughts to all members.

Dr. J. K. W. Mathieson, general superintendent of child care, Australia, reports:

This breakfast session is one of the most constructive activities towards international understanding that I have met anywhere; it is a great thing to know that there exists a forum with such an international flavor and with such warm welcome for the stranger. Some day, I hope I may again have the pleasure of participating.

Our own work of child care continues to be absorbing and full of interest—enough success to make us feel that the work is well worthwhile, and unfortunately sufficient partial failures to keep us humble. Our latest venture is the beginning of an attempt to bring into closer association our Methodist child-caring agencies throughout the whole of Australia, instead of, as now, working solely on a state basis.

Chris Roechling, of Germany, writes:

I am proud of being a life member of the ICSMB. When I first came to you in November 1958, I had been a student, but 5 weeks ago I graduated. I am a chemical engineer now and I hope strongly that a business trip sooner or later will take me to Washington to have the opportunity to listen to one of your marvelous speakers again. Since I start to work in Frankfurt I shall have plenty of opportunity to talk to Americans.

As I observe the attitude of Germans to Americans I must say, that friendship is slowly getting better and deeper. Of course, we Germans are getting a little more self-confidence but I don't think that is bad.

Believe me, when John Glenn was driving through space, millions and millions of Germans were listening and watching him on radio and TV, and a big sigh of relief went through our hearts that you North Americans made it and even made it very well. During all that publicity you even did a much better job than those Russians.

Looking forward to our 16th anniversary celebration to be held on May 6, 1962, I wish to you, Mr. Chairman P. Brindle, to you speakers and to you sustaining members that your work, and our work will keep on going as successfully as it has. That a team out of these 13,000 life members may grow together—maybe separate in every country—to keep high the work you are trying to do: To sow Christian understanding in all Western democratic countries of the world, to sow friendship between all countries through human and personal understanding, to sow respect and believe in Western-style culture and technique, to sow self-confidence to all Americans and Europeans, which is badly needed, and to sow a united will of power to overcome communism rather by reason and economic power than by weapons.

You have started a good work. If we all keep on working hard, to understand each other, this work will not have been in vain but will be a tremendous success.

Dr. Alan G. Maclaine, educator, of Sydney, Australia, sends the following:

Participation in this session was one of the warmer highlights of my visit to the United States of America early in 1957 and I hope to join you at another such breakfast during 1965. The great success of the International Crossroads breakfast is a living testimony of man's inner longing for fellowship with and understanding of other members of the human race, wherever and whatever they may be—an inner urge which transcends the bounds sometimes erected because of country, color, class, or creed. There never was a greater need than now for forging links in golden chains of friendship around the world. We have surely reached the stage when man's advances in mechanical and scientific competence have outstretched the growth of his moral stature, for we fear mutual destruction from forces of our own creation which could be harnessed to the service of mankind.

Peter C. Kendall, a brilliant young English lecturer in mathematics, who toured the States about a year ago with Mrs. Kendall, writes from London:

Our best thanks to all the American people, especially those we met personally, for making our stay in the United States of America happy and pleasant. Without exception they were hospitable, and charming, and to those present who are new to the States we wish you as happy a time as we had.

J. L. F. Lawalata, of Djakarta, Indonesia, writes:

From the bottom of my heart, thank you ever so much for your most interesting letter of March 14, 1962, and I certainly appreciate your thoughtfulness. Friends in need are friends indeed. I visualize that in the meantime you, the speaker and the other guests are now around the breakfast table in connection with the 16th anniversary session. This is a fine opportunity to join the other world travelers and fellows in wishing you my warmhearted congratulations on this most glorious event. May you always serve your pet project with evermore success, joy, and happiness. Words cannot describe the many nostalgic memories and emotions I feel now. I would certainly like to join you in the joy and thrill of this wonderful occasion. Your creation is the most unique gathering place of fascinating people from all walks of life, since you get so many fresh points of view.

Jose J. Ferrer, chief of division, Bureau of Public Libraries, Manila, greets:

Time and again I have read, reread, and pondered on the thoughts and ideals propounded by the men of different creeds and color who have partaken at the International Crossroads Sunday morning breakfast. I have been awed by this thought—that if more and more men would only sit down together and plan and work for peace, how soon would the anxieties of our confused and insecure world pass away.

I think that it is a mistake to leave the matter of world peace to our statesmen and military leaders alone. I think that world peace should be the concern of each one of us, for as long as the individual is the basic unit of society, society will be only as good or as bad as the individuals that constitute it. I think, too, that the starting point for an individual to work for world peace is within himself, for a person at peace with himself can easily be at peace with the rest of mankind.

At this time when man is engaged in the space and technology race, the Crossroads is something to be proud of; a monument to look up to and a place to remember. It symbolizes love, oneness, and brotherhood.

Activities like the International Crossroads Sunday morning breakfast should be held the world over. I could not but be impressed by the good will, the understanding, and the potential friendships generated at the breakfasts. One leaves the table with a deeper feeling of kinship with his fellow men and a firmer resolve to do his share in making the world a better place.

I am proud to be a member of the International Crossroads Sunday morning breakfast. I am happy to once again greet the staff as well as all members, and wish them a fruitful 16th anniversary.

Moon Suk Oak, general secretary, Pusan, Korea, YMCA, reports:

In May 1960, I had an opportunity through your kind introduction and guidance to attend a meeting of the Crossroads, to meet the people who had visited Washington from all over the world and to listen to a U.S. Congressman's speech. To me who visited the States for the first time, it was an unforgettable memory, which will be vividly living in the heart throughout the rest of my life. Furthermore, I feel greatly honored to have become a life member of the Crossroads, and often talk about the occasion with many of my friends here, showing my membership card.

I am very happy to receive a copy of annual report every year, which makes me familiar with the activities of the Crossroads in the previous year.

Lt. Col. Naseer Ahmed Shah writes from Karachi, as follows:

Your organization is doing a splendid work for humanity at large without any reservation for caste, creed or colour. At this juncture when political and military strengths have failed to bring the desired peace to the world, moral reawakening seems to be the only answer to achieve this goal. I am pleased you are preaching and practicing this.

My experience in the States obliges me to say that you Americans mean what you say. And this is a common trait between you and us Pakistanians. That is why we are coming closer to each other day by day. I am confident that with your sincerity of purpose and persistent efforts, one day you will succeed in bringing about the real understanding among the nations of the world. Curtains, howsoever solid, are no barriers to the sincerity of heart.

Major Safdar (a great friend of the Crossroads) has retired from the Army and currently he is performing a pilgrimage at Mecca.

Dr. W. N. Chadha of Bombay, writes:

I wish you all success in the excellent work that you are doing toward building international understanding and fellowship amongst peoples of different lands. It is amazing as to how you have been able to do this wonderful work over the years without missing one Sunday morning. May God give you all the strength to continue this good work for many more years to come.

R. N. Chawla, of Assam, India, sends this message:

It is over 3½ years that I was in Washington. The memory of meeting you and attending the Sunday morning breakfasts is still fresh in my mind. I was so touched by your enthusiasm. Many a time I talk about you and what you are doing to various people. I had been reflecting before I started writing this letter.

Your activity of conducting this function for the last 16 years is indeed praiseworthy. You are doing a unique service to mankind by bringing together so many of them at the same table every Sunday morning. You are doing this in a most selfless manner. I cannot help but think of the atmosphere, surroundings, and the country which help in making such activities fruitful and successful. God bless you and your countrymen.

George Peters, dean, Baurat Engineering School, Cuxhaven, Germany, writes:

I am sailing by a Dutch vessel to South Africa and to Capetown. I hope to stay at your Capetown YMCA. At this moment we are entering the harbor of Port Said. Tonight we shall pass the Suez Canal.

You are looking forward to your 16th anniversary celebration to which I send you and all friends of YMCA my heartiest congratulations.

Tobias W. Norris, of England, a Harkness fellow, preparing for his doctorate at MIT, writes:

Yes, indeed, it revives pleasant memories to have a letter from you. My weekend in Washington, I remember as being one of the most successful sorties into the hinterland beyond Dedham (Mass.) This must largely have been because I met so many people in the city, which was especially gratifying, because when I got off the bus I didn't know a sausage. The Sunday breakfast was one of the fascinating events and a splendid institution where I almost felt I had my hand on the heart of the Nation; at least I must have been on an artery very close to the heart for the pulse was strong. The large number of tourists present was a sure indication of the persistent high quality of the speakers. Dr. Dewey Anderson, I remember, was wrong in some of his prognostications of the presidential election but right on so many other things. I only wish I had been able to recollect more, for a year later I was writing a term paper on the point 4 program (inter alias) and have become interested in the less developed countries. Best wishes for the 16th anniversary and many more of them.

H. L. D. Selvaratnam, of Colombo, Ceylon, says:

I hope and pray I will have a chance of seeing London and Washington again. Perhaps then it will not be so much of a thrill as people will think of going to the moon or to Venus for a thrill. Astronaut John Glenn's successful flight has brought credit to the United States.

Dr. G. D. Boaz, professor of psychology, University of Madras, India, writes:

I feel so happy every time I have the message of good will and friendship from you. It is so heartening and so encouraging. Right now when I am writing this, we have the First Lady of your country with us in India. We have been preparing all these days to give her a right royal welcome which may be even embarrassing her at certain moments, as she must be representing typical democracy.

Her visit will certainly bring the two countries still closer and closer. She is not touching Madras, but we are all happy to have her in our country.

Jamshed Aga, architect, writes from Bombay:

At the outset I cannot refrain from remarking that from year to year I notice consolidation of our aim solely to your zeal and assiduity for the cause. It was with great pride that I observed the high quality and the varied vocations of the galaxy of speakers as well as the fact that the largest number represented from a country outside yours was mine as 624 first-timers from India attended during the last year out of 120 countries. The above clearly depicts the true bond of friendship and respect that my countrymen hold for yours and which will be more and more cemented together, as time goes by. Indeed we have been most fortunate in having you as chairman, at the helm of affairs, and one could perceive the wonderful results already achieved by your efforts.

James D. Forsyth, a bank employee and churchman of Sydney, Australia, writes:

I still remember vividly my visit of 6 years ago and the spirit of universal Christian brotherhood which was evident there. It is most understanding to note visitors from U.S.S.R. and I am sure that they feel and agree that if the spirit of the breakfast could be carried into political and economic spheres the world would be a lot closer to becoming the kingdom of our God and his Christ.

Roy Palmer, of Bristol, England, reports:

The activities report for the past year, which you forwarded, gave me some idea of the wealth of talent placed at your disposal by speakers eminent in their own fields, whilst the cumulative total of first-timers reflected the truly international character of your audiences. It is the latter which I find so gratifying and when you see visitors from such closed countries as Bulgaria and Rumania, then you can hope, as one of our martyred saints did, that a candle may have been lit, whose light may shine on forever. I—and the rest of my countrymen—had been thrilled by the flight into space of Colonel Glenn. I had been watching a regular evening TV feature when, about 7:30 p.m., it was interrupted to give an account of the return to earth of your astronaut. One of our ace commentators, Richard Dimbleby, had been listening in to the American broadcasts since the rocket was fired, so as to give us the best word picture. Still pictures were shown, which had been cabled across the Atlantic and the excitement in your commentator's voice reached a tense stage as the parachutes were fired to slow down the missile's reentry into the world's atmosphere. Radar was apparently tracking the capsule back toward the sea, but the excited onlooker could not see it through his fieldglasses. Then there was the race between the destroyer and helicopters, as to which would be first on the scene, to have the honor to recover Colonel Glenn. Film of the event, at the starting stage, was jet flown across the Atlantic and by 10:30 p.m. the same night we not only heard your President offering his congratulations, but saw this epoch-shaking world event. We heaved a sigh of relief for the consummation of faith which had been vouchsafed to your brave man, whose venture has done so much to restore the balance of stability in this wracked world. The proof of this was soon to hand, as now that you had the know-how, an offer was forthcoming to discuss space knowledge. This tends to make me think that there is much to be said for having a deterrent against causing a breach of the peace, acting something like gas did in the last war. Perhaps that is why we, ordinary people, are so proud of Colonel Glenn. He risked his life to save ours. Besides which he is such a happy family man, lives such a well-ordered life and has vindicated that it is not only the very young who are possessed of the spirit of adventure.

Wolf Luchterhand, automotive engineer, of Berlin reports:

Very often, I think back to May 1960, when I met you and had that impressive and informative discussion. The Sunday morning breakfast is something I will always remember and, if I am lucky enough, I will visit again. Please keep up that important work. Did I tell you that I am holding lecture tours with my slides and every time I am talking about Washington, I mention your ICSMB. Whenever I meet someone who is going to your country as an exchange student, a tourist, a businessman, etc., I suggest that they attend your breakfast.

Dr. M. Camitan Magboo, physician and member, national board, YMCA of the Philippines, writes:

Again, in your annual anniversary this coming May, your International Crossroads Sunday morning breakfast comes to the fore in international good will and public relations. Now, more than ever, amidst the current cold war in practically the whole world, and even the hot war in some places, your movement will remind everybody, as it has always reminded them, that there is such a thing as peace on earth and good will to men. By inviting men from all over the world and addressing an international gathering as you have been doing all these years will surely attain the objective for which you have pioneered. Orchids to you and may the Supreme Architect of the Universe give you the continued guidance and strength and the wisdom in the furtherance of your movement.

George V. Thomas, businessman and YMCA board member, Cochin, India, reports:

I remember with pleasure my attending one of your meetings in August 1961. Yes, I admire your sincere and esteemed efforts for world understanding and peace. I addressed our Y's men's club and the YMCA, Ernakulam, about my tour impressions of United States of America, visiting the various YMCA's and Y's men's clubs. Our Y's men's club has 45 members and we have started a Boy's Home. We have 15 boys in Boy's Home—all collected from the streets—all poor and underprivileged. We have a new YMCA building nearing completion—built under the U.S. international YMCA committee's buildings for brotherhood program. We collected $2,000 and we are getting from United States and Canada $15,000.

C. S. Parthasarathy, assistant chief, Planning Commission, New Delhi, writes:

I am indeed grateful beyond words for this kind and thoughtful invitation of yours. How delighted I felt to receive your newsloaded letter and how deeply touched by your remembrance. I appreciate your encouraging words and it is exchange of messages like this that bring the members of the International Crossroads more closely and keep the lamp of universal brotherhood, cooperation and understanding burning forever. Although 5 years have passed since my visit to the International Crossroads at Washington, D.C., I often dream of the days I have spent there in your midst endeavoring to learn and understand the culture, customs, etc., of this happy group of cosmopolitan visitors at the Crossroads. It is been my great good fortune to have come into close contact with many good citizens of your great democratic country and to have struck lasting friendship with them. In fact, my wife and I continue to maintain regular and fruitful correspondence with two or three of them even to this day. I continue to be engaged on the fascinating task of planning and designing the vast water resources development projects under the third 5-year plan of our country. It is a rare and unique experience indeed. In this, the experience and knowledge I have gained during my visit in United States of America in 1956–57, professionally, socially and otherwise, stand me very good stead. Although, as you know, it is not possible for me to be physically present there on the joyous occasion of the forthcoming anniversary celebrations of the Crossroads, my heart will be there then. This letter goes to you with an ardent longing that the objectives of the International Crossroads will appeal to those who visit it from all over the world, thus contributing toward its flourishing growth and advancement. May I prayerfully wish the celebrations all the best and the International Crossroads an ever-increasing measure of success in its mission.

Hyung Chull Lee, Korean Reconstruction Bank, Seoul, writes:

Congratulations for the forthcoming 16th anniversary celebration of the Crossroads, and I hope it will devote itself more and more to providing opportunities for development of the mutual understanding and cooperation among peoples.

Donald Jefferies, of Brisbane, Australia, says:

If we all sincerely want to see a better world let us begin now, and what better place to begin with than ourselves. Let us ask God to give us the grace to eradicate from our natures the pride of associating ourselves with the national so that we may all become international. Let us extend a hand of friendship to all, and by God's grace, despite what happens, may it always be there for anyone to take.

Gay V. Wessenberg, an educator in Tampere, Finland, writes:

Your faithfulness and thoughtfulness toward us stray visitors appearing only once and then again blown by all winds to far away corners of the world is admirable. After my return home from my visit to the United States of America I did not pay much attention to our International Crossroads, but fate took me to India and Egypt as a U.N. expert on various assignments. Great things happened in our own country in my own field of youth work. My school was transferred from the capital to Tampere, the second in our country and our largest industrial center. So many current things seemed to be always requiring my attention, that little was left over for things in the periphery. The more grateful I am for your persistence in keeping in touch with me and us all. Only in this way a body like our Crossroads gains importance and influence and keeps us thinking in terms of a worldwide brotherhood of man. I wish you the best of success and God's blessings.

Shyam Sundar Misra, a social worker and leader in the Servants of India Society, writes:

My association with the International Crossroads Sunday morning breakfast will ever remain green in my mind. I consider it to be one of the most friendly and uninhibited gatherings of people representing different parts of the globe. I am convinced that no better method than this could be devised of bringing about international understanding and friendship. I fervently pray for the continued success of the institution.

John Schwarzenbach, a former graduate student at Cornell University, writes from the design office of the Aero engine plant at Derby, England:

Many thanks indeed for the several reports and letter which you have sent to me since I became a life member after my single visit one Sunday morning 6 years ago. I do send my best wishes for your coming anniversary celebration, and for all your future meetings.

Akira I. Ohsawa, supervisor of Tokyo-Adachi Board of Education, writes:

I cannot read your message without remembering the first International Crossroads Sunday morning breakfast which gave me a chance to meet many young men of great promise and leadership. It has passed almost a year since I came back to Japan but I feel it is only now or just yesterday that I finished my special trip to your country. So distinct and clear the first breakfast table is. As they say, "Well begun, half done," my trip was started well by your hospitality that you gave me an honor to join that table. I saw and observed your country and people and think that American soul consists of three components, construction of an interrelated, coherent unit, that is to say: (1) the central circle which they keep as a core in heart and mind is "God in heaven, freedom on earth," and (2) the first surrounding band is "recreation in life," and (3) the second surrounding band represents the people's attitude toward "enjoyment of games in life." Observers or visitors to your country are apt to pay attention only to the outer aspects and say, "Too much enjoyment in American life. They think too much of how to enjoy life. It is so-called materialism." I think, however, that we should observe another inner aspect through it and then the most inner space of soul—"God in heaven, freedom on earth" from which politics, literatures, philosophy, education come to form and establish American modern life. These three, I am sure, are all coherent, interrelated circle construction. When I visited American homes, I found the similar construction in them—functional aspect or space (for privacy and function of life) and relaxation space surrounding the inner space and semisocial space (a garden or space surrounding the other spaces to open to publics as well as to one's own). When I talk about my impression and observation of your people, I always talk these three components—unit—emphasizing the inner space of heart. When I think about International Crossroads Sunday morning breakfast, I remember "freedom on earth, God in heaven" as a symbol of it as well as of the people of the United States. Let me pray success of our International Crossroads Sunday morning breakfast table.

Denis Robinson, a Canadian, writes:

In this age group there is a maximum of enthusiasm for the potential unification of all peoples and all nations, and a minimum of bias, prejudices, and unpleasant memories of the past to burden them down. It is indeed these young people, who for the most part are steadily gazing ahead, who will, in my opinion, undoubtedly bring to reality the hopes and longings of all of mankind, namely a sense of oneness that precludes condemnation, replacing it with understanding, that abolishes fear and hate, and envy, developing instead an attitude of self-confidence and self-reliance, and pervading the whole, a never before felt unity.

Fred Heley, professional engineer and scoutmaster, Burlington, Canada, comments:

I think it would be a grand thing if similar programs could be arranged in all cities around the world. I know of no other meetings which consist of just anybody from anywhere to discuss just any topic for the sake of good will and fellowship. All the people involved in this fine job are to be highly commended and such recognition is evident in the willingness of outstanding men to spend the time and effort in coming out to speak on timely topics. I am sure all those who have attended one of your meetings appreciate as I do that you want to make all people friends and part of the same world.

John L. Handley, automobile distributor, Birmingham, England, who came to the anniversary breakfast, wrote in anticipation of his visit:

I too am looking forward to the 16th anniversary meeting as I think it is quite possible that I may be in Washington at the time. Needless to say, if the opportunity arises for me to be in the vicinity I shall be there. I think you are doing a wonderful job and I hope that it will be possible for you to keep my name on the mailing list to receive copies of any releases which may be made from time to time. I am looking forward very much to visiting your great country once again and hope I shall be able to make as many friends as I made on my last trip.

James W. Cornish, Wellington, New Zealand, writes:

I am very much impressed by the depth and in fact the breadth and height of your 1961 talks and this I believe is one of the great attributes of Crossroads and indeed the American people generally. In our day probably more than in any previous era we must strive for more understanding and this can only be achieved by being actively in pursuit of knowledge and wisdom under the guiding hand of God. This is where our Mexican correspondent is so right. The power of giving out of one's self and appreciating whatever is noble and loving in another. I would be most grateful if you would remember us in your prayers, Paul, as indeed you and Crossroads are regularly in ours.

Gottfried Hesse, a German divinity student, writes:

I remember the morning, when I was a member, very good. I had just arrived a few days before in your very nice country, and it was quite an experience to take part in this meeting.

J. Rooney, general secretary, YMCA, Durban, South Africa, writes:

What glorious opportunities you have provided for the local community and what wonderful privileges you have offered to the strangers visiting your great country. Through your hospitality they will not long be strangers, but friends, not only to you and your fellow Americans, but with their fellow guests. Although good progress has been made in fellowship and understanding among some of the nations, time is short and we ordinary lay people cannot be content to leave matters in the hands of our world statesmen and politicians. By the very nature of their calling, they must generally be behind the times. The peace of the world depends just as much on John Citizen as it does on our representatives in the United Nations. It's change of heart in the ordinary men and women of every country that is so important. However sincere and pious the resolutions passed in world conferences, they are nothing but words if not supported by their rank and file. Here is where your wonderful idea triumphs. It brings people together of all nations and tongues and unobtrusively puts over the message of good will. It demonstrates that our YMCA motto is no empty one. May your Sunday morning breakfasts continue to flourish; its repercussions are heard around the world.

Dr. Ifalo G. Gabrielli, physicist, Trieste, Italy, writes:

In a world which, through different and not always right ways, looks for the peace and the understanding among men, your activity is a big torch.

In the light of this Easter, in the light of Christ, who died and rose again for the men of each country and each time, in this new spring, which offers freely the sense of the wonder of the universe, our soul opens itself toward our neighbor, our brothers of the whole world.

Could the common effort of the leaders of the peoples, illuminated by the heaven's wisdom, the efforts of men of good will, the next ecumenical council, the unifying tendency of all churches, bring mankind to consider the world as a welcoming garden open to everyone, the wonderful palestra, where to contend in a civil competition of the body and of the spirit, directing all energies to human and social progress, in the blessed fight against hunger and pain. Mankind has suffered too much because of misunderstanding and different ideologies of personal and national egoism.

Let us try to love others, and according to the promise of Christ the world will realize we are His disciples.

CIVIL WAR CENTENNIAL ASSEMBLY AT COLUMBUS, OHIO

Mr. SCHWENGEL. Mr. Speaker, permit me to report briefly on the Civil War Centennial Commission's fifth national assembly, which was held in Columbus, Ohio, on May 4 and 5.

By law—section 6(b)(2) of Public Law 85–305; 71 Stat. 626—the national assembly consists of representatives of civic, patriotic and historical groups. Its job is to make recommendations to the Commission as to the most appropriate ways of commemorating the centennial of the Civil War. The assembly that met at Columbus was the fifth thus far held by the Commission.

It was an extremely useful meeting. The delegates came from throughout the Nation. They represented 6 Governors and no fewer than 60 organizations. Among these were 28 State Civil War centennial commissions.

Other types of organizations represented were the following:

National and regional historical associations.

State and local historial societies.

Patriotic organizations.

Civil War roundtables.

State departments of archives and history.

State departments of education.

Local Civil War centennial committees.

Universities and university presses.

Newspapers and broadcasters.

Agencies of the Federal Government.

The assembly delegates performed their work in four very splendid panels.

These were on schools, on books and sources, on music, and on mass media. Each panel sought answers to two questions: How can the organizations in our field do a better job of teaching Civil War history to students and laymen? What can these organizations most usefully do in connection with the centennial?

It is a pleasure to report that the panel method of conducting a national assembly, tried this year for the first time, was a complete success. This happy result came about, I believe, for two simple reasons: The experts who guided the panels—outstanding men and women in their fields—had something to say and said it directly and simply; this in turn generated audience participation in the discussions. The product was a series of stimulating discussions and useful recommendations.

The program committee, headed by Dr. David C. Mearns, of the Library of Congress, deserves the highest praise for the excellent work it began last September in formulating the assembly agenda.

Mr. Speaker, before I close let me emphasize three other outstanding features of the fifth national assembly. One of these was the warm hospitality accorded to all who attended by the people of Ohio and of Columbus. This was symbolized by the presence of the Honorable Michael DiSalle, the State's Governor, who took time from his busy schedule personally to welcome the delegates. It was symbolized also in the cordial greetings from Columbus' Mayor W. Ralston Westlake, conveyed by Mr. Albert Giles.

A second outstanding feature was the splendid—indeed, indispensable—support of the Ohio Civil War Centennial Commission and the Ohio Historical Society. These fine organizations were cohosts of the assembly. Their members and their staffs performed a near miracle in making the many and complex arrangements. In this connection I should like to cite the invaluable labors of Messrs. Erwin C. Zepp and Robert S. Harper.

Finally, there was the keynote address delivered by Allan Nevins. It was thoughtful, eloquent, moving. But let it speak for itself. And let it be read:

KEYNOTE ADDRESS BY ALLAN NEVINS, CHAIRMAN, CIVIL WAR CENTENNIAL COMMISSION

("Worth all the lives it cost."—EMERSON.)

Theodore Roosevelt once told a story he had heard from a survivor of Second Manassas. This man, a junior Union officer, had two legs carried away by a fragment of shell. John Pope's defeated forces left their wounded behind. A day or two after the battle—it may have been longer, for some wounded men lay untended on that field a week—the officer and five comrades were lying in a little tent. Those six men had lost among them seven legs. Even the victorious Confederates had little to eat, and their wounded, too, were ill-succored. The Union group was tortured by hunger, by flies, by pain, by weakness, and above all by thirst. Nobody came to the helpless cripples, who lay moaning for water. Just outside their tent lay a Confederate soldier with a horrible wound in his left side: "an unkempt private soldier, haggard and ghastly in his bloody uniform." Hearing the men in the tent crying for water, the dying southerner, to whom every movement was anguish, hitched himself by inches toward some apple trees a few rods distant. Several windfalls lay on the ground, and he thrust them into his pockets. Then, using his sound side, he agonizedly inched himself back to the tent. He passed the apples to the nearest hands, and the wounded bit eagerly into the refreshing fruit. "But when they turned to thank their nameless benefactor it was too late, for the effort had opened his wound, and he was already dead."

Thomas Carlyle, a sensitive man, shrank in revulsion from our Civil War. The fact that millions of Americans, of the same blood, the same religion, the same ideals, should take to butchering each other seemed to him an indictment of our democracy. Divining that slavery lay at the root of the conflict, he decided that the issue of the Negro's status by no means justified such a holocaust of lives and property. His remarks that the war was a fire in a dirty chimney deeply grieved the North. Yet he was far from indifferent to such examples of valor and magnanimity as that which Roosevelt described. It is well to recall again an eloquent illustration of his nobler feeling.

Among the young Massachusetts men who gave their lives were two gallant colonels, Robert Gould Shaw and Charles Russell Lowell, who had warmly admired Carlyle. Shaw, leader of the 54th Massachusetts, the immortal colored command, died at the head of his column charging Fort Wagner. "Right up the red rampart's slippery swell, with heart that beat a charge he fell"—we all know James Russell Lowell's lines on the St. Gaudens Monument on Boston Common. Charles Russell Lowell, who had married Shaw's sister Josephine—photographs show him a rarely handsome young man, her a rarely beautiful girl—had parted from his bride almost at the altar to go to the front. He was slain at Cedar Creek. Both men were Harvard graduates; both had read and admired Carlyle. Three years after the war short biographies of them and of 95 other graduates who had been killed appeared in the "Harvard Memorial Biographies," two volumes edited by another gallant soldier, Thomas Wentworth Higginson. Thereupon Charles Russell Lowell's widow, Josephine Shaw Lowell, sent the volumes to Carlyle, with a request that he read their lives, and reconsider his views on the war. Carlyle replied in a letter which the family gave me to copy a year or two ago. He wrote from Chelsea, March 10, 1870:

"DEAR MADAM: I received your gentle, kind, and beautiful message, and in obedience to so touching a command, soft to me as sunlight or moonlight, but imperative as few could be, I have read those lives you marked for me; with several of the others and intend to read the whole before I finish. Many thanks to you for these volumes and that note. It would need a heart much harder than mine not to recognize the high and noble spirit that dwelt in these young men, their heroic readiness, complete devotedness, their patience, diligence, shining valor and virtue in the cause they saw to be the highest—while alas any difference I may feel on that latter point, only deepens to me the sorrowful and noble tragedy that each of their brief lives is. You may believe me, madam, I would strew flowers on their graves along with you, and piously bid them rest in hope. It is not doubtful to me that they also have added their mite to what is the eternal cause of God and man; or that, in circuitous but sure ways, all men, black and white, will infallibly get their profit out of the same.

"With many thanks and regards, dear madam, I remain,

"Yours sincerely,

"T. CARLYLE."

That letter Josephine Shaw Lowell, who became one of the most eminent social workers of New York City, treasured alongside another note. As her husband lay dying after Cedar Creek, he had summoned enough strength to pencil a few words to her. She read them, sealed them up, and never showed them to anyone; at her death her heirs burned the note unopened as too sacred for other eyes to see. But they permitted me to publish Carlyle's letter, with its solemn tribute to the fallen: "They added their mite to the eternal cause of God and man."

Many of the gains and losses of any great war are intangible and incomputable. Nobody can say whether the gain to society from the work which Robert Gould Shaw and Charles Russell Lowell would have done had they lived would have been greater than the gain we may take from the heroic example which these two rare spirits set. My own belief is that their example, and that of countless others, North and South, was worth more, if rightly apprehended and appreciated, than any material work they could have accomplished. That was what the historian Parkman thought; he wrote Mrs. Shaw saying that he envied her husband his death, so eloquent of the highest consecration. That was what the poet James Russell Lowell thought when he wrote:

"Virtue treads paths that end not in the grave;
No bar of endless night exiles the brave;
And to the saner mind
We rather seem the dead that stayed behind."

But the example counts only if rightly apprehended and appreciated; only if attentively studied, and drawn thoughtfully into the texture of our own lives. It is this fact that makes the task of commemoration so large and so significant. In a great part, the task is one of spiritual interpretation. How many have said this, and how fervently and earnestly some of them have said it. "Fellow citizens, we cannot escape history. No personal significance, or insignificance, can spare one or another of us. The fiery trail through which we pass will light us down, in honor or dishonor, to the latest generation." That is the voice of the greatest figure of the epoch. In what honor the fiery trial did light him, and many another, down; and what spiritual strength we can gain from studying the manifold honor they did their time. Or we hear another voice in an equally familiar passage: "In our youths our hearts were touched with fire. It was given us to learn at the outset that life is a profound and passionate thing. While we are permitted to scorn nothing but indifference, and do not undervalue the worldly rewards of ambition, we have seen with our own eyes, over and above the goldfields, the snowy height of honor, and it is for us to bear the report to those who come after us." That is the voice of a soldier who became a great jurist, Oliver Wendell Holmes. We come after, we have heard the report, and it is for us so to understand it, so take it to heart, and so carry its import to others that it will aid for generations in toughening and exalting the character of the Republic.

The Centennial Commission has two great opportunities. One is to help illuminate the Civil War period as a totality; not as a military spectacle, or a political pageant, or an economic convulsion, or a profound social and cultural upheaval, but as a commingling of all these elements and others. Some of its aspects, the military in particular, have been too much emphasized, while others have been too much ignored. This assembly in the Ohio capital specially addresses itself to certain of the neglected aspects of the conflict. The more we study the war as a totality, and the harder we strive to lift ourselves above its details to its larger significance, the deeper will be the lessons it teaches us.

No thorough student of the war can escape the conviction that it was essentially a national tragedy, and a national reproach. It was an event, properly considered, in reviewing which Americans must feel less of pride and exaltation than of self-reproach and regret. We should never underemphasize the physical agony, the mental anguish, the long-continued griefs, the moral degradation, the loss and the degeneracy of the conflict. We should never glorify bloodshed. War is not a necessary element in the progress of mankind; it is a curse to civilization.

But when we view the war as a whole we can see that it had more compensations than, looking solely at its military and political aspects, we might suppose. "War," said the Greek Heraclitus, "is the father of all things." War is a tremendous stimulant, lending an impulse to a great variety of forces; war is a powerful catalyst, stirring all the components of life, and giving the atoms of society a new order. If some of its impacts and products are evil, some also are good. And above all, what a renewal of moral force, and what a sense of spiritual exaltation reflective study of the better elements of the tremendous conflict can lend to the better elements of the Nation. Just after Sumter both North and South were quick to say that the war had been a cleansing wind; that it had given back integrity to two inert and irresolute sections. "What an infusion of character," said Emerson, "went out from Harvard and other colleges." The example of Colonels Lowell and Shaw, of the hundreds of thousands of others who gave up their hopes, ambitions, and tenderest ties, for the sake of principle, is, if properly recalled, of priceless worth to subsequent generations.

It is our task to see that all this devotion and sacrifice is properly recalled, and is knit into the character of our generation. It is no small task. It requires plan, and labor, and courage. That this assembly gathers together so many devoted men and women is a proof, we may hope, that the planning and the industry are being mustered. Let it not be said of us, as one American President once said of another: "He meant well, but he meant well feebly." Let it rather be said of us that we showed, in the years that stretch from the commemoration of Shiloh to the commemoration of Appomattox, a full sense of the fact that we cannot escape history, that we must not lightly forfeit all the solemn lessons of this heroic and tragic period.

EFFECT OF FOREIGN COMPETITION ON TEXTILE INDUSTRY IN THE SOUTH

The **SPEAKER**. Under the previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL] is recognized for 60 minutes.

Mr. **HEMPHILL**. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. **HEMPHILL**. Mr. Speaker, I rise again today as I have done so often here, and with increasing frequency and some sadness that I have to come again and again to talk about the textile situation. I continue to talk about this particular problem, not peculiar to my particular area of the country but so important to it, because of the fact that there is pending before the Tariff Commission at this time a proposal to equalize the cost of cotton to our competitors who now have an 8½-cent advantage in raw cotton on the world market. At the same time that this particular proposal is before the Tariff Commission there is now pending before some part of the House of Representatives a bill, H.R. 9900. We of the textile industry would feel much more assured about H.R. 9900 if we had the assurances that the proposals before the Tariff Commission were going to receive the favorable action which we expect and which the facts of the situation demand.

Recently we have been advised of a peculiar situation. We commend those who entered into the recent Geneva agreement for their efforts. But we find upon examination that under the terms of those agreements once a segment of the textile industry has made its case that it has been harmed and once negotiations are entered into, or formal negotiations requested, automatically there is a limit on the imports of 110 percent of the previous 12 months. On its face that particular provision looks like a saving provision, on its face it looks as if it is part of the solution which the textile industry must have if it is to survive in the distant future. However, we find that the Japanese, and possibly others, with their accustomed sagacity in getting our domestic market—they have taken away the southeastern Asia markets and have invaded others—have increased the volume of exports in certain fields of the industry in the past 4 or 5 months to such an extent that the 105 percent is all out of proportion to the imports in the 1961 calendar year or in the 12 months previous to the Geneva agreement. So, if they wish to zero in on a particular part of the industry, it is easy to increase under the voluntary quota or voluntary system that they are now under in connection with a particular segment of the industry which they seek to secure for the Japanese as they have done in the gingham and in the velveteen, and in certain other parts of the industry, in effect putting domestic production out of business.

I would rather not go into specific cases here because of things that are pending, but that is how serious the situation can get, in spite of the proposed agreements that have been made in good faith. That is how serious the situation may get in other areas of the textile industry not previously adversely affected to that extent.

Now, down in South Carolina there is a trade paper which is put out, a very good paper, and while on occasion, as I said before, it has taken me to task because, I suppose, of my political affiliations—and it has that privilege, we having a free press—nevertheless it is dedicated to the textile industry. It is called the Textile Reporter. I have here the May 10 edition, 1962, in which this statement is made:

> MODERNIZATION ADVISED DURING TRADE PACTS
>
> The 1-year and 5-year international cotton textile agreement may be a "kiss of death" to the textile industry unless the time is used to modernize plant equipment and techniques, a millman warns. Improvements in the industry are necessary in order to attain a level of cost and efficiency which will allow domestic mills to successfully compete in this country and abroad.

Now, we have this potential before us. We are being tempted with the idea, not yet being debated but I assume it will come here, of some connection with the Common Market which will affect domestic production, domestic consumption, and will affect the potential of our foreign markets. Now, the question that we in the textile industry want to know and must know is, What is going to happen if we enter the Common Market in any form of agreement? What is going to happen to those imports from other places than the Common Market which are presently reducing textile employment and presently reducing textile production and consuming domestic markets of the United States? If we have any connection with the Common Market, what advantage, if any, will the textile people have? And, I speak not only of those who run the textile plants; I am talking about those people who work in them and who are taxpayers, wage earners, mothers, fathers, citizens of this land. What advantages will they have? That is a question that must be determined here before the textile people can afford to endorse the Common Market.

Now, one of the things that is peculiar to me is the fact that the Tariff Commission has opposed certain provisions of the administration's proposed foreign trade bill. This article goes on to say:

> Provisions of the administration's proposed foreign trade bill will make it difficult for an industry to obtain relief from the effects of a tariff concession, the Tariff Commission has reported to Congress.

Well, some of us in the Congress feel that it has been very difficult to get any relief in the past. We had written into the law a very fine provision known as the savings clause or peril-point provision, which was supposedly written in to protect the industry or give it relief in the form of tariff adjustment or quota adjustment in the event that industry was hurt. We have talked about it time and time again here. In fact, the Tariff Commission would make recommendations and the administration in power at that time would not accept the recommendations, and therefore the industry was ignored and the Tariff Commission was ignored and the problem was ignored. I do not intend to be partisan about it. It is a sad state of affairs, regardless of who is at fault, because people were put out of work.

Now, Mr. Speaker, I would be the last person to oppose change. I suppose if I had been here when the original Reciprocal Trade Agreements Act was passed I may have voted for it in good faith as it was designed to procure for our country the strategic materials we did not have either in the form of raw materials or manufactured goods and that, in turn, we might use our great productive capacity to furnish goods to countries which had materials we wanted, but did not have the things we were able to produce. But if I had been here during the different times that this particular program came up for renewal, and the abortions which had taken place, and the perversions of the program—because that is what happened—I am sure I would have fought it just as hard as I fought the program and the extension in 1958, when we who believe in the American workers and we from the textile industry, particularly, took such a shellacking here.

Now, Mr. Speaker, to turn again to a more serious question of the day, the thing that has concerned us in the textile industry is that we have had so many promises dangled before us in the past and yet so many mills have closed and so many headaches have developed in trying to maintain production, and the level of employment and the prosperity which flows into our economy as a result, that we are always looking for hope. We have spoken before here of the fact that this is the first time since I have been here we have really been given any real hope.

But, as we have said before, we cannot keep our mills running on hope. We have to have markets and dollars and jobs and the ordinary things that a productive economy and prosperous economy would produce. So, we are waiting to see.

Mr. Speaker, one of the reasons that I am here today is because I think this is the proper forum for me to urge again, if the Tariff Commission listens to the Congress —and I hope it does on other days except on appropriation days—that we in the Congress would like an early decision of this important tariff matter.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I am delighted to yield to my distinguished friend from North Carolina.

Mr. ALEXANDER. First of all, Mr. Speaker, I would like to commend my distinguished friend from South Carolina [Mr. HEMPHILL] for bringing this very important matter to the attention of the Congress. I feel that it is so timely. Does the gentleman from South Carolina feel that this decision by the Tariff Commission should be made and be made now, before this very important trade bill is on the floor of the House?

Mr. HEMPHILL. I want to thank the gentleman. I am sure that his people are as happy and proud of his interest and his work in this important field as I am, as his friend and admirer. He has a district which is very similar to mine, in which the basic industry, the basic economy, is textiles. He and I have many friends there. I have visited his district and some of his friends in the textile industry.

They are all concerned, from the man who sweeps up in the mill, to the man who sits in the office. You know, we have communications now. In addition to fine transportation, we have radio and television, our newspapers, and people know now what is going on in the National Congress. People read and they see and they hear. And as they hear the people from their area, their representatives—and I do hope and I do pray that we are worthy Representatives of their consideration and the honor they have conferred upon us—they realize from the concern which we express as their Representatives, that their very future is at stake. While I like the idea of rehabilitation and retraining of a man, I happen to know something about a cotton mill. When you work a man who is 45 or 50 years old in a cotton mill, he might need retraining for something else, but he is almost worn out. The work is difficult and it is becoming increasingly skilled. It requires the maximum attention. You have to be alert at all times. It used to be that we could get a little time to smoke, if we were inclined to smoke, or something like that. But now the demands of the industry, because of the efficiency and the competition of these imports are such that everybody knows that you have to work harder and faster, and that you are more tired at the end of the day.

All of these people down in the district of the gentleman from North Carolina [Mr. ALEXANDER] and mine, know that this is a critical problem and they are wondering what we are doing with it. And they have asked me some very elementary questions about it: "What are you going to do about the imports?"

You know, down in South Carolina we passed a law that said that if you import textile goods from Japan, you had to advertise them in the store window. The State Department raised sand over it. They said it was wrong. We said, "Why is it wrong? Why is it wrong to put a sign in a store window where people whose livelihood depends upon textile production come into the shop? Why not tell them the facts of life?" And we told them.

I suppose everybody knows that everyone in the country is looking for industry. There are, I suppose, thousands of chambers of commerce, boards of trade and development, and other organizations of similar ambition, in various communities of the Nation, who are trying to get industry to come to their particular community.

We have realized in our part of the country that in certain areas of farming we cannot compete with certain areas of the country which have been able to produce the things that we formerly depended upon for agricultural subsistence in the economy. We know that industrialization is necessary, it is a must, and we are certain it is coming to us. We have finally realized that we have water which we must conserve and also timber which we can use for productive purposes. But when we think of it to ask someone to come down to a section where the basic economy has been textiles, and the people are trained, they are qualified, we have to be able to prove that we will furnish to them the kind of people that can do the work, that we really have sufficient labor. That is one of the problems. If we can continue our textile production, we are not going to have the problem of any cutthroat search for industry, avoiding competition, as much as we want industry. But if we continue the course which this country has continued for 10 or 12 years now, then we are going to have more and more unemployment, and none of us want that.

We have said it here before, but it is always worth repeating in case some in high levels have forgotten it, and apparently some have forgotten.

It is a bad thing to be out of a job. Any American out of a job has a certain feeling of misgiving, not only about himself, but he will lose a little bit of faith in his country and the free enterprise system. We have been telling Americans now that the Government is concerned with unemployment. We have said that here and people in other high places have said it. We are going to do something about unemployment. We are proud of the fact we have so many jobs in the Nation. We can even predict so many jobs in the future. But all the predictions, all the pride, all the self-praise about what we have been able to do does not feed the man sitting out there and saying, "My plant had to close up because of imports. Can you help me get a job?"

I have had that in my office in Chester, S.C., and the thought has occurred to me that here is an American. Maybe he was not one of the great scientists. As somebody said, in the church everybody cannot be the preacher, everybody cannot be officers, somebody has to be in the congregation. That man in my office was a part of the American congregation. He has been given reason to believe his Government will always be concerned, always be on the watch out, always help him to retain his job, which meant his dignity, his food, his shelter, his clothing, his self-respect, his ability to purchase, and his ability to pay his share of the tax burden to support the programs of the Nation.

I do not know what has happened to us. I recollect when somebody in the American Government rose up and did something about the thing. Now we hear of the murderers of the world who have grabbed some American and kept him prisoner in some Communist country. I do not know why there has not been the effort that historically the world has been given to think of us. I think it is part of the reason some people have, when the workingman down there is out of a job, that they are trying to think of the masses instead of one person at a time. But every American is important. It is a poor representative who would come here and not feel every man, woman, and child in his district was important. That is the way I feel and I know my distinguished friend from North Carolina feels the same way because he and I have discussed that.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I am happy to yield to my fine friend, the gentleman from Iowa.

Mr. GROSS. I, too, want to commend the gentleman for the able and consistent protests and warnings that he has given with respect to this invasion of American industry, agriculture, and labor by foreign imports. I am presently engaged in my office in answering, I would suppose, between 300 and 400 communications from members of the Machinists Union in my district protesting the importation of hand tools. I tell them I am opposed to the importation of foreign hand tools into this country, but I point out to them that it is also a question of the end product and the use of the hand tools that they had better be interested in as well. It is not alone the hand tools but it is the end product of what you accomplish with the use of the hand tools, and if that market is taken over, this union and all others like them throughout the country will be in trouble. The gentleman very well sounds a warning about the retraining of 45- and 50-year-olds in the textile industry. What you are saying about the retraining of 45- and 50-year-olds, present employees in the textile industry, holds good for the 45- and 50-year-old employees of practically any other industry in this country. Where are they going to go? Who wants them at that age when they start in again virtually as apprentices or at least with little seniority in a new plant someplace else in the country? So I again want to commend the gentleman for the warning that he is sounding.

Mr. HEMPHILL. I certainly want to thank the gentleman from Iowa. The gentleman has always been diligent in this particular field. We do have a problem with reference to the 45- and 50-year-old people. I have told the young people in my section of the country, "You had best get yourself a good education because there is no place for you unless you have a real good education. As much as your youth and your vigor may be an asset, there is no place for you unless you have a good education."

These people who have dedicated themselves to a particular job in a particular industry, as the gentleman has pointed out, and who have worked for 15 and 20 and 30 years and do not have the advantage of a diversified education have a real problem, and I think one of the greatest problems we will have facing us in the future. It concerns me greatly because I have seen no solution proposed so far except the solution of preserving American jobs. I think the gentleman would agree with me that that is the best solution.

Mr. GROSS. The solution that the pending bill provides amounts to a dole.

Mr. HEMPHILL. I am opposed to doles just as my colleague is.

Mr. GROSS. That is right.

Mr. HEMPHILL. I was in one of the wars and I have never taken anything under the GI bill of rights because I do not think one ought to try to get anything unless he needs it. I commend those who did so, but I do not want anybody giving me anything, and I am sure most of my people and most of the gentlemen's people feel that way.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from North Carolina, my very good friend.

Mr. ALEXANDER. Mr. Speaker, I do not know of anyone who has been more consistent in coming before the Congress and calling our attention to this problem so eloquently than our colleague. Again I want to commend my friend, the gentleman from South Carolina. I, too, am a representative of a textile group of people. I want to commend the gentleman for his intense interest in the jobs of American workers. I think the time for action is now—by the Congress and by the Tariff Commission and by the administration in making some rectification in the differential in the price of cotton that the American textile operator has to pay over and above what his competitor pays in foreign lands. For instance, it is 8½ cents a pound which in the overall effect is approximately the amount he has to pay for wages. This is one angle I know that the gentleman from South Carolina has eloquently brought to the attention of the Congress and I, for one, want to commend him for his statement today in behalf of the American worker and want to tell him that I agree with him 100 percent.

Mr. HEMPHILL. I thank the gentleman. Let me go to another subject that is within this whole subject, a matter I think is important: Any trade magazine you pick up now will tell you that we are increasing American investments abroad. I have no objection to that because it means that we are making friends and using our know-how and making money for American people; but I do not want us to do that at the expense of American jobs, at the expense of American employment; certainly we do not want any flight of American capital overseas, capital that should be used here providing new construction, improvements, renovations, expansion, and either continuing jobs that are in existence or providing new jobs.

Somebody asked: If you know so much about it why do you not give us a solution? I do not know. History gives the solution. After World War II until we began to use the American taxpayers' money and the American taxpayers' mistaken Government policy of building plants overseas in competition with American plants, and making provision for shipment of the goods back into the United States in competition with the production of American hands; until we did that there was no necessity of a solution. Whether or not we have on our shoulders the whole world problems is a matter of general argument. Certainly we did a great job of rebuilding, but we did too good a job. When they found out that Big Brother was such a sucker, that he was not only putting up the money but also taking in the production of their plants they rode a good horse almost to death—the textile industry, certainly, as I have already mentioned.

History has given us a solution. I have been called an isolationist and people have called me names. You know when they cannot argue with you they call you names. When a person cannot argue the merits of a proposal or if you disagree he calls you names. Newspapers are the best at that I have ever seen—and the worst. Their integrity has gone far below the standards that were ever intended by our forefathers. They resort to namecalling for lack of reasons, for lack of integrity.

May I finally close on this particular note: We down in the textile area are still paying taxes, we are still furnishing men for the services, we are still occupying a great place, we hope, in the commerce of the Nation. We are proud of our traditional service to this country in many capacities, our production, the taxes we pay, and we want to continue, for we think that is the American way. We know of no substitute for a prosperous economy, a healthy, happy, religious, moral community; we know of no substitute for that; and I dare the policymakers who say there is some substitute for it to say it is American or to prove their case by letter or even by some other propaganda that the various executives of the administrative branches put out at the expense of the American taxpayers. I have just been appalled at what they do. They hire more people to do more writing onesidedly than most of the lobbying organizations. Some of them are atrocious.

I hand out that challenge and I have no fear either on the floor of the House or any other place that it will be refuted or any other position can be substantiated. A prosperous, hard working, moral American industrial community is, and must be, our goal, today, tomorrow, and in the future. Then we can use our factories and our farms for the economy of our own people, to whom we owe our first duty.

THE NEW YORK HERALD TRIBUNE

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I understand that just a few moments ago the distinguished gentleman from Louisiana [Mr. Boggs], the majority whip, took the floor to make what he thought was a correction of the Record in reference to the few words I had to say a little bit earlier today on the subject of: Where is the New York Herald Tribune in the Speaker's lobby?

The gentleman from Louisiana apparently made the statement that I had stated that the New York Herald Tribune had been canceled by the House leadership. I said no such thing, and had my good friend from Louisiana been on the floor when I spoke, which he was not, he would know it.

What I said was, "A funny thing happened on the way to the floor." I looked for the New York Herald Tribune in the Speaker's lobby and it was not there. And it was not there yesterday either. And I have been told since that it was not there Monday. Some of the boys tell me further that it was not around last week. But say that it had been canceled by the leadership? Not at all.

All I asked, Mr. Speaker, was, What has happened to the poor old Herald Tribune? Where is it?

And all I ask now, Mr. Speaker, is that search parties be dispatched to look for the poor Herald Tribune and that it be located and returned to its rightful place in the Speaker's lobby, so that all of our colleagues in the House of Representatives might read what is in it.

We know, Mr. Speaker, as I said before, that there has been kind of a newspaper burning going on downtown, but I cannot believe that that has any relationship to the Tribune's disappearance around here. We enjoy reading the Tribune, and the Tribune has always been nice to us. Maybe the "Trib" has teased us once or twice, but let us let bygones be bygones and get it back in the rack; all right, fellows?

Let me make it very clear, Mr. Speaker, that none of us in any way blame any member of the staff or our wonderful pages for the loss of the old "Trib." Clearly, it is not their fault. They are a wonderful, honest, hard-working lot, and we are deeply indebted to them. The boys tell me they have conscientiously looked for our lost Tribune every day these last days, and I know they have. I shall do the same, Mr. Speaker, in the fond hope that in the days to come I will once again find the "Trib" in its regular old place where it has had its home in the past. Is that really too much to ask?

TAKEOVER OF AMERICAN INDUSTRIES IN LATIN AMERICA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 15 minutes.

Mr. SAYLOR. Mr. Speaker, all of us in this country view with alarm the attempts that are being made by one of our Latin American neighbors to take over certain industries in which American capital has been invested in large amounts. We regard such attempts as unwarranted intrusions by a national government into the realm that is traditionally that of private enterprise in the truly American sense of the word. It is not, we say firmly and unequivocally, something that we would do here in the United States and, therefore, it is not something that should be done in any democratic Latin American nation.

My remarks on this matter should not be interpreted by anyone as an attempt on my part to meddle in the affairs of any of our good neighbors to the south. Likewise, these remarks should not be interpreted as interference on the part of Congress, as I see that duty, to caution those who would take such steps to nationalize certain industries at the expense of American and domestic investors and at the expense of the domestic taxpayers of any nation so concerned.

Words of caution already have been expressed on the scene by one representative of our country and a report of his remarks appeared in the Washington Daily News on May 22 last.

In an address last month before the Institute of Higher Studies at São Paulo, Brazil, our able Ambassador to that country, the Honorable Lincoln Gordon, warned that nationalization of all public utilities in Brazil is not the way to solve the country's problems. He was reported to have said that the Socialists in Western Europe have learned that transfer of utilities from private to public ownership does not guarantee better service. The newspaper article, written by Louis R. Stein of the Copley News Service, quoted Ambassador Gordon as having said:

> On the contrary, nationalization generally means inefficiency, padded payrolls, and political abuse of economic power.

Ambassador Gordon was also reported to have remarked that the European Socialists "discovered that a system of controlled, dispersed private initiative and economic administration, combined with indirect government incentives and restrictions, is a more productive form of economic organization and in closest harmony with social justice."

Mr. Speaker, I insert in the RECORD at this point in my remarks the full text of the newspaper article to which I have referred:

GOULART PROGRAM HIT BY U.S. ENVOY

(By Louis R. Stein)

SÃO PAULO, BRAZIL.—U.S. Ambassador Lincoln Gordon seems to be sniping at President Joao Goulart's plan to nationalize all public utilities in Brazil.

The Ambassador is trying to convince Brazilians the Alliance for Progress is not a scheme for financing expropriation of $2 billion worth of American and other privately owned utilities here.

In a speech on the aims of the Alliance, Mr. Gordon also defended foreign investments in a manner that appeared calculated to rile Brazilian nationalists.

Senor Goulart last month announced his administration plans to purchase foreign-owned public utilities and try to encourage investment of the money paid for them in other sectors of the Brazilian economy. Some critics said Senor Goulart planned to use Brazilian funds, freed by Alliance loans, to buy up U.S. and Canadian properties.

Speaking before the Institute of Higher Studies here, Mr. Gordon said West European Socialists have learned that mere transfer of utilities from private to public ownership does not guarantee either more or better service or social justice.

"On the contrary," Mr. Gordon said, "nationalization generally means inefficiency, padded payrolls, and political abuse of economic power."

European Socialists, he said, "discovered that a system of controlled, dispersed private initiative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization and in closest harmony with social justice."

Mr. Speaker, Ambassador Gordon's remarks at São Paulo, in my opinion, should be taken to heart by every Member and by every citizen of our Nation. Observe, if you will, that Ambassador Gordon said:

> A system of controlled, dispersed private intitative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization and [is] in closest harmony with social justice.

A representative of the U.S. Government has so spoken and as a representative of our Nation he presumes to speak for us and for the administration which he serves. But does he speak for us and for the administration?

We know that President Joao Goulart of Brazil plans to nationalize the public utilities in his country by outright purchase. Unwise though this course of action may be, in the opinion of Ambassador Gordon and many others, this is a decision which President Goulart and the responsible Brazilian officials must make for themselves.

In this country the present administration has no such plans, at least in terms of the direct approach which Brazil appears ready to take. The plan to nationalize the utility industry, particularly the electric utility industry, in this country is somewhat less direct, although, in the opinion of many, it may be quite definite.

Ambassador Gordon talked about indirect government incentives and restrictions in his remarks in São Paulo last month. But at about the same time another representative of the administration took an approach which is diametrically opposed to Ambassador Gordon's.

Where our Ambassador to Brazil states categorically that indirect government control is best, the Chairman of the Federal Power Commission, the Honorable Joseph C. Swidler, said last month that the FPC is determined to reverse the trend toward lesser Federal control over the Nation's electric power industry. In a recent editorial, the Wall Street Journal commented on these words by Chairman Swidler and I insert the editorial in the RECORD at this point in my remarks:

HOW TO REVERSE PROGRESS

Like a number of other Government agencies, the Federal Power Commission lately has been flexing its regulatory muscles and reversing policies in effect under the Eisenhower administration.

Now there is nothing wrong with a new administration's appointees stirring up dust with their brooms and overturning a previous administration's decisions, if this activity serves some constructive purpose and helps to correct palpable errors of omission or commission. But in the case of FPC, now with a full five-man complement of President Kennedy's choice, it is pretty plain that the period of relative peace between the Government and the private, investor-owned electric industry that existed during the Eisenhower years is being brusquely terminated.

For concerning that period, FPC Chairman Joseph C. Swidler—former General Counsel for the Tennessee Valley Authority—the other day had some significant things to say. At the same time, and no doubt unintentionally, he presented a persuasive argument in behalf of proceeding cautiously in wielding the Commission's considerable powers and in seeking any new ones.

"In the last decade," said Chairman Swidler, "the Commission's power functions have suffered a severe attrition. Established spheres of activity have been allowed to wither and they have not been replaced by new programs or activities. While total electric energy use within the United States has mounted at a fantastic rate, the amount of human energy expanded in the Commission's electric power programs has dwindled."

Now what the Chairman seems to be saying is that during the Eisenhower administration the FPC just wasn't busy enough. "The Commission," Mr. Swidler added, "is determined to reverse this trend."

Well, let's see just what went on during that period of Federal agency quiescence, when the policy of Government partnership with the electric industry was in effect. That policy, in general, permitted private utilities to build projects in their own territories without Government harassment, while the Government limited its projects to those considered uneconomical or too involved in flood control or similar project-associated activities for the private industry to handle.

Somehow with Federal interference at a low ebb, electricity use in the United States increased at the fantastic rate noted by Chairman Swidler. In the decade following 1950 the electric industry, investing almost $30 billion in new plant and equipment, more than doubled its generating capability. By any definition that is progress—progress which, incidentally, is now yielding almost $1.5 billion a year in Federal taxes.

That is the sort of trend the FPC Chairman says he is determined to reverse. And there isn't a more effective way to reverse it than the one he has outlined—by launching new Federal programs or activities to keep the Federal regulators busy regulating.

Mr. Speaker, taken together, the words of Ambassador Gordon and Chairman Swidler certainly are poles apart. At home a representative of the administration speaks out for greater Government control over the electric power industry. Abroad another representative says that indirect Government incentives and restrictions are best and that a system which features these is in closest harmony with social justice.

Whom do we believe? Whom do our friends abroad believe? What sort of political and economic philosophy, Mr. Speaker, do our representatives at home and abroad espouse? Does our administration speak with but one voice or does it speak with myriad tongues reflecting a host of opinions from the left, the center, and the right?

It appears to me, as it must to many Members, Mr. Speaker, that it behooves the present administration to speak with but one voice, a voice of reason and restraint. That voice, in my opinion, is Ambassador Gordon's, for we would do well to harken to the advice which he so wisely gave to the Institute of Higher Studies in São Paulo last month. His is a voice which should be heard in our land as well as in the land in which he represents us. His is a voice which speaks with reason and restraint at a time when the Chairman of the Federal Power Commission talks about increasing the scope and the depth of the FPC's jurisdiction over the electric power industry in this country.

Chairman Swidler, for example, says that in the last decade the FPC's power over the electric utility industry has suffered a severe attrition. He observes that the electric utility industry has grown at a fantastic rate during this period and he bemoans the fact that the FPC has fallen behind—far behind—in exercising control over this vital industry. The Commission is determined to reverse this trend.

Whether this is a promise or a threat is of no consequence, Mr. Speaker. It merely reflects the ambitions of the present administration to control as tightly as possible the one industry which contributes most to the economic growth of our Nation. As a result of the vision, foresight, and courage of its responsible officials, the electric utility industry remains consistently ahead of the public's demand for electric energy.

But if the Federal Government desires to control this industry at every turn, and this seems to be the intention of the Federal Power Commission and the administration, of what earthly use is the vision, foresight, and courage which have contributed to our Nation's strength through the growth of the electric utility industry? In the final analysis, close and strict Federal control can only lead to nationalization of this industry, in part through the very controls the Government seeks to impose and in part through direct Government competition with the industry. Vital initiative on the part of private enterprise will be destroyed bit by bit.

Where, indeed, do we go, Mr. Speaker? Whom do we believe? I urge the Members to listen again to the words of Ambassador Gordon who said:

> A system of controlled, dispersed private initiative and economic administration, combined with indirect Government incentives and restrictions, is a more productive form of economic organization.

Mr. Speaker, if this is good advice for Brazil, and I believe it to be, why is it not good advice for us? Are we to learn the hard way in the years ahead that we should have listened at this time to these words of wisdom from an American abroad?

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE PLIGHT OF THE TEXTILE INDUSTRY

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, I deeply regret that I was not able to be present to hear all of the splendid presentation which my colleague, the gentleman from South Carolina [Mr. HEMPHILL], just made. I was involved in a radio program at the time, and as much as I had looked forward to hearing him, I just could not possibly arrange it. But, I think it is commendable that our colleague from South Carolina has again today discussed with the House and for the RECORD the continuing problem in the great textile industry.

In recent months, when much was being done by the administration to assist this industry in meeting the unfair and burdensome competition from abroad, we have continued to read shocking things in the press about textile imports; particularly we have heard disturbing things about the reduction in textile exports from this country.

On March 31, 1962, in the Southern Textile News, a newspaper which is published in the section of the country which I have the privilege to represent, we find an article entitled "Textile Imports Gained Sharply During the Last Quarter of 1961." This story was based upon information issued by the economic information division of the American Cotton Manufacturers Institute. In this report it was pointed out that while the 1961 import total was below the 1960 level, it was still greater than the level of 1958 and 1959.

Mr. Speaker, I ask unanimous consent that I may make this newspaper article a part of my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The article is as follows:

TEXTILE IMPORTS GAINED SHARPLY DURING THE LAST QUARTER OF 1961

WASHINGTON.—Although textile imports into the United States in 1961 were below the record high of the previous year, a strong upward trend was noted in the final quarter of last year, according to a 3-year textile foreign trade summary issued by the economic information division of the American Cotton Manufacturers Institute.

The report also pointed out that while the 1961 imports total was below the 1960 level, it was still greater than that of 1958 and 1959.

In reporting the upward swing in the final period of last year, the summary pointed out that the movement was particularly sharp in cotton yarn. About 41 percent of the yarn imports for 1961 entered the country during the last quarter—some 5.7 million pounds.

STATISTICS SUBSTANTIATED

More recent figures of the U.S. Department of Commerce bear out the AMCI analysis, showing that imports of cotton broad woven cloth for January 1962 amounted to 48.7 million square yards, which is a 70-percent increase over the December 1961 total of 34.3 million square yards. The January total was at an annual rate of 584.4 million square yards.

The drop in imports of cotton cloth—44 percent from 1960 to 1961—was largely due to the decline in the domestic demand for one item, unbleached carded sheetings, according to the summary. Imports of these carded sheetings declined from 178.7 to 60.2 million square yards. This reduction represents three-fifths of the decline in imports of all cotton cloth between 1960 and 1961. However, the summary shows, the 1961 imports of cotton cloth were still above the 1959 level.

Mr. WHITENER. Then, Mr. Speaker, on April 14, 1962, in the same publication, we find another story which has the caption "Textile Imports Increased During January While Exports Declined."

Mr. Speaker, this story was based upon reports of the Department of Commerce of the United States. It pointed out facts, which I think should concern the people in our agricultural economy, when it said that during January one of the sharpest export drops was in raw cotton. Shipments during that month were only 414,000 bales, compared to 562,000 bales in December 1961, and 1,009,000 bales of cotton in January of 1961. So we see that there was a drop of approximately 600,000 bales of cotton exported from this country in January of 1961 as compared to January 1962.

Mr. Speaker, I think this points out why the Department of Agriculture was so zealous in its presentation of the section 22 petition before the Tariff Commission recently. In that petition the Department of Agriculture, joined informally by the textile industry people and by some of us who serve in the Congress, was urging that the 8.5-cent-per-pound subsidy which the American taxpayer is giving to the foreign textile manufacturers should be removed. If anyone in the agricultural economy area thinks that this foreign trade situation relates itself solely to manufacturing industries, then they ought to look at the record.

In our State of North Carolina some of the farm groups have passed resolutions consistently through the years advocating the so-called free trade approach to our international trade program. Yet these farm organizations, as well-intentioned as they may be, have been blind to some of the basic facts of life in our trade situation. Here in this country where we are concerned with surpluses in cotton, where the cotton program is costing the taxpayers a great deal of money, our people who are interested in a sound agricultural economy should take note of this one fact that I have mentioned from the article just referred to, and that is that in January 1961, according to this story, based upon Department of Commerce or Government figures, this country exported 9,000 bales more than 1 million bales of cotton in January 1961; whereas in January 1962, the figure was only 414,000 bales of cotton. Even in the cotton country from which some of us come, 600,000 bales of cotton is a lot of cotton, and it is a lot of expense to our Government to maintain this cotton in warehouses which otherwise would find its way into world trade.

Mr. Speaker, I ask unanimous consent that I may make this news story, dated April 14, 1962, from the Southern Textile News, a part of my remarks at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The article referred to follows:

TEXTILE IMPORTS INCREASE DURING JANUARY, WHILE EXPORTS DECLINE

WASHINGTON.—This country's textile exports dropped in almost every category during January while imports increased in virtually every segment in the same period—both in comparison to the previous month and to January of last year.

That situation was reflected in trade reports just issued here by the Commerce Department.

One of the sharpest export drops was in raw cotton, with January shipments of 414,000 bales compared with 562,000 bales in December and 1,009,000 bales in January of 1961. The monthly average for all of last year was 560,00 bales.

Cotton semimanufactures shipments for January were 25 million pounds, down from 29 million pounds in December and a monthly average of 27.9 million pounds for all of last year.

Semimanufactures of rayon, nylon, and other manmade fibers dropped from a December level of 18.4 million pounds to 16.4 million in January, but were slightly above the monthly average of last year as a whole.

OTHER CATEGORIES

The situation for other categories (with January figures listed first) follows:

Cotton cloth—$9.3 million worth against $11 million.

Other cotton manufactures—$5.4 million against $7.7 million.

Wool manufactures—$500,000 against $700,000.

Rayon, nylon, and other manmade fiber manufactures—$11.2 million against $14.2 million.

Other textile manufactures—$4.7 million against $6.1 million.

On the import side, the big January jump was in cotton cloth—with shipments totaling 48.6 million square yards compared with 34.2 million square yards in December and a monthly average of 12.1 million yards for all of 1961.

Other cotton manufactures imports for January were valued at $16.6 million compared with $12.3 million in December and a monthly average of $12.1 million for all of 1961.

WOOL IMPORTS DOWN

The only drop in imports was in wool manufactures, down from $14.4 million worth in December to $13 million in January. The monthly average last year was $16.4 million.

Silk manufactures imports had a $4.9 million value in January, $4.8 million in December and a $4.5 million monthly average for all of last year.

Wool semimanufactures listed a January value of $5 million, only $3.8 million for December and a 1961 monthly average of $4.5 million.

Raw cotton imports totaled 14.9 million pounds in January, only 9 million pounds in December, with a monthly average of 13.3 million for all of 1961.

Mr. HEMPHILL. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I shall be happy to yield to the gentleman from South Carolina.

Mr. HEMPHILL. Mr. Speaker, I want to thank the gentleman from North Carolina [Mr. WHITENER] for making the remarks which he has taken the time to present to the House of Representatives out of a very busy and crowded schedule today. I realize that the gentleman was in the chair of a very important subcommittee of one of the standing committees of the House at the time his special order was called. I want to thank the gentleman for the many other occasions on which he has taken the floor here in behalf of the textile people. I know the distinguished gentleman from North Carolina represents a district which is immediately adjacent to mine, and represents it nobly and well. Our people have a joint problem, and the same problem, identical problem, in the textile field. I want to thank the gentleman for taking the floor so many times in behalf of the textile people.

Mr. Speaker, I might say to the gentleman that I have here a letter from one of the cotton mills in my district which employs many people. Here is what they say, which shows what is really happening to us in the import field. It says:

> The Tariff Commission began its investigation on last February 13 and since then no action has been taken.
>
> Imports of yarn into this country have exceeded already, by 50 percent, the total allowable under the Short Term Geneva Agreement. As yet, I have been able to find no reference in the trade papers to any protest by the Department of Commerce of this overshipment.
>
> Action on both of these matters is long overdue and I ask that you do whatever you can to expedite decisions by the Tariff Commission and Department of Commerce.

I suppose the people who are charged with the programs and legislation of the administration and with the development of policy in this important field are aware of the concern of the industry, and I hope they have it at heart. I am glad that the gentleman from North Carolina has tried so often to bring it to their attention. I thank him for joining with me and for yielding to me at this time.

Mr. WHITENER. Mr. Speaker, I thank my friend from South Carolina very much. I am sure, as I have told the gentleman before, and as I have showed him from letters that I have received from people in my own congressional district, that there is an awareness on the part of our textile people, both employees and management, of the efforts being made by my friend and neighbor. I certainly share that feeling of appreciation and I say to him as time goes on more will be heard from me, and I hope from him, on this subject which is so vital to so many people in the Piedmont areas of North Carolina and South Carolina.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I am happy to yield to my friend from North Carolina who also comes from one of the great textile areas, the home of Cannon Mills and other outstanding textile concerns, and the home of some of the finest people to be found anywhere. Of course, the gentleman has been very zealous in this question and I am so happy he is today taking such an active part, as he always does, in presenting this problem.

Mr. ALEXANDER. Mr. Speaker, I am delighted to have the opportunity to commend my good friend, the gentleman from North Carolina [Mr. WHITENER], because he has zealously and constantly been on the alert in regard to this terrific problem that the textile industry has, and particularly the danger to the jobs of the textile workers of our section of the country. I know no one who is better versed in the problem of our textile industry and of our textile workers than the gentleman from North Carolina who now has the floor. I want to commend him on the timeliness of his remarks and to tell him that I trust that we in the Congress will listen to the warning that he has given in regard to this grave problem. I commend him for bringing it to our attention.

Mr. WHITENER. I certainly thank the gentleman for whom I have such high esteem and such appreciation and say to him that this is not a battle in which just a few of us are involved but one which finds many soldiers on the battlefield. I am happy that my good friend and neighbor from North Carolina is one of the generals in the battle which is being carried on.

Mr. Speaker, the gentleman from South Carolina mentioned something about a letter that he received from one of his constituents. I have mentioned two stories which appeared earlier in the year in the Southern Textile News to show how this import situation as far as textiles are concerned continues to worsen.

It happens that in the city in which I live we find the greatest concentration of textile industries to be found anywhere in the world. The county which is my home has over 140 textile plants. In our community we have an outstanding daily newspaper. I do not mean to imply that our other newspapers in the county are not outstanding, but certainly the Gastonia Gazette is one of the outstanding daily papers in North Carolina, and that paper has been alert to the problems confronting the community and the Nation as far as textiles are concerned. So I was interested to read on May 14, 1962, a story in that paper which carried the headline, "Spinners Show Concern Over Boost in Imports." The subhead states "Six-Month Totals Exceed Estimates." This story goes on to say:

> Spinners of cotton sales yarn in the Carolinas are showing deep concern over increased yarn imports for the first half of the current Geneva short-term treaty.

This is in line with what our friend from South Carolina [Mr. HEMPHILL] has just pointed out.

Continuing:

> There has been little said openly except what associations have told their members. But the fact alarming textile men is imports for the first half of the treaty have already exceeded expected totals for the entire 12-month period.
>
> Manufacturers are admitting privately they have a real problem on their hands and don't know where to turn.
>
> The anxiety is compounded, they say, by the fact that imports for the short term period (Oct. 1, 1961 through Oct. 1, 1962) will form the basic levels which will go into effect with the start of the long-term (5-year) Geneva treaty October 1, 1962.
>
> In layman's language, spinners fear a drastic increase in the basic quota for the long-term agreement. This means the figure, under which the long-term agreement is reached, will far exceed their expectations. This will bring on another flood of foreign goods into the market, causing a bloating situation which will handicap American producers. It could have a drastic effect on the price structure of sales yarn.
>
> It is the fear of most men in the industry that the 6-month rate of imports will go far beyond the predicted 28 to 30 million pounds during the short-term treaty year.
>
> They say the basic figure for the long-term treaty is to be the figure for imports during the short-term treaty year plus a limited percentage addition over the 5-year period.
>
> Recently the Combed Yarn Association, with headquarters here, explained to its members that American planners at the conference which set up the long-term agreement accepted imports for the short-term year as basic for the long-term treaty. At that time it was expected that imports would be held at the overall level of 12,567,000 pounds.
>
> However, for the half year, October 1, 1961, through March 1962, total imports have passed 14,500,000 pounds. Of this, some 12,698,000 pounds came from treaty powers and 1,998,000 from nontreaty countries, Colombia and Taiwan.
>
> The Combed Yarn Spinners Association computed the annual short-term treaty quota for carded yarn at 9,776,000 pounds.
>
> Against these figures, imports for carded yarn from October 1, 1961, through March 1962, amount to 13,414,000 pounds and imports of combed yarns were 1,282,000.
>
> Association figures for the first 5 months, with the addition of recent data for the month of March, show that Portugal alone shipped more than 8 million pounds of carded yarn during this period.
>
> Other countries over quota figures in combed or carded yarn or both included Egypt, Israel, Mexico, Italy, Lebanon, Belgium, and Switzerland. Imports from Colombia were 22,826 pounds of combed yarn and 1,475,000 pounds of carded yarn. Imports from Taiwan were 400,000 pounds of carded yarn.

That news story indicates the problem that is troubling so many people whose jobs are at stake and others whose investments are in the textile industry. We were told the Geneva long-term agreement would be something that would be helpful to us in this country. It appears, as the gentleman from South Carolina has pointed out, that the short-term period is being used to raise the basis for future imports to such an extent that the industry will be faced with even greater problems than any of us visualized a few months ago. I think this week when we saw what the Common Market countries did in retaliation for the very realistic action taken by the President in raising the duty on Wilton and velvet carpet from 21 to 40 percent is significant. The action taken shows us that we here in this country cannot expect a great deal of cooperation from the so-called Common Market countries, or from any other countries, in preserving the jobs of our people in America. They, we are told by the news stories—"They"—meaning the Common Market people—in open retaliation for this effort on the part of the President to protect the jobs of a few people in the carpet industry have raised, as I remember, their duties on six or eight major commodities which we have been exporting into those countries. This does not apply just to Belgium but to all of the countries participating in the Common Market. These duties are being raised in retaliation to such an extent that they, in effect, are cutting off trade from this country in these six or eight items in retaliation for what was done by our President in trying to protect a small industry in our own country.

I think this business of retaliation is a dangerous area for governments as well as for individuals. I am not here advocating that we approach this problem as to textiles or to any other American commodities in a spirit of anger or in a spirit of getting even with some other country. Rather, I think the record will show, it is absolutely essential that those of us charged with responsibility in this field, whether in the legislative or in the executive branch of Government, must think in terms of what is best for our own country. We know from the arguments we hear on the floor of the House, and from the contentions made by the executive branch of our Government, and by thinking people throughout the world, that the well-being of the free world rests heavily upon the people of the United States of America; that this Nation must be strong not only for the benefit of our own people, but also as the leader of the people of the free world.

Mr. Speaker, if we by legislative or executive action lower the economic level of our country, however worthy our intentions may be, we are depriving our own people of a standard of living which they have earned, and which was not given to them by the people of any other country. At the same time we are lessening the ability of our own country to fulfill its role as the leader of the free nations of the world. We cannot continue to give away our economic strength and be expected to impose taxes upon our people in order to give away our money to the same people in Belgium where they were so concerned about this increase in duty upon Wilton and velvet carpets. The record shows that the employment situation there is at least 50 percent better than the employment situation in our own country. It seems to me that here in our own country while we cannot isolate ourselves from the rest of the world for we must have an abundance of foreign trade, that we must be realistic about it, and realize that the textile industry, as a fine example, must be preserved. That industry is the second largest employer of people of any manufacturing industry in our Nation. In recent years, however, we have seen over 800 plants closed down, we have seen employment drop in the textile industry by approximately 20 to 25 percent. During that same period we have seen the people in these textile plants in the past 10 years increase production per man-hour by 60 percent. As one who was raised in a textile plant and knows something about a job load, I think I can say to you with complete accuracy that we cannot expect these great Americans working at the machines in the textile industry to carry a much greater workload and burden. They have just about reached the breaking point, and they have done it without complaining, done it with full knowledge of an unfavorable situation which has been created for the people in the textile industry through no fault of their own but, rather, through the misadventure of those who were leading this country in trade policies with foreign nations..

It is said that the amount of imports is only 5 or 6 percent of the gross textile sales in our country. But, Mr. Speaker, if you have a market which is already adequately cared for and throw in 5 or 6 percent more products made in foreign countries at low wages and oftentimes with local government subsidies, plus an 8½-cent-per-pound or $42.50-per-bale subsidy paid to foreign manufacturers by the American taxpayers, a frightening picture presents itself. When you add this percentage of textiles, even though some may say that arithmetically it is small, you can see what it does to the market and how it ruins the price situation in the textile industry, as it would in any other industry.

In a few days we will be dealing here with a trade bill. I believe it is designated as H.R. 9900. This bill should be scanned carefully and critically by all of us who have the responsibility of representing the American people in the Congress of the United States.

I have committed myself to make such a careful study. I have committed myself to try to be objective in this study. But I say to you, not only will it be required that one or two of us do that but every other Member of this Congress should do the same with the hope that as a result of our thinking and reasoning together we can arrive at a trade policy which will be most conducive to the advancement of the welfare of every living American.

LET'S LOOK AT THE FACTS

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. BEERMANN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. BEERMANN. Mr. Speaker, the Democrats are engaged in a desperate attempt to shift the blame for the Billie Sol Estes scandals from the administration to the Republicans and to business.

This is clearly apparent in the questioning of witnesses by Democratic members of the Fountain subcommittee, which seeks to link the Eisenhower administration and a New York business firm with Estes. It is apparent also in speculative news stories and comment by columnists. For example, the fact that two former officials of the Department of Agriculture, while Ezra T. Benson was Secretary, are now connected with the New York firm which had business relationships with Estes, has been emphasized time and time again at the Fountain hearing, in many newspaper stories, and by columnists. The inference is that these officials used their influence to further both the New York company's and Estes' affairs and were rewarded with jobs.

One of these officials, Walter Berger, former head of the Commodity Credit Corporation, leading agency of the Department, has testified in executive session before the McClellan subcommittee in the Senate. This testimony has not been made public but authentic reports indicate that Berger satisfied the committee that he had no connection whatever with, and in fact knew nothing of, Estes' machinations. Yet this fact has not been published even though it appears to be common knowledge.

The effort to smear business and the Republicans in connection with Estes is reprehensible and is bound to react against the administration. I think all the facts connected with this affair should be aired thoroughly. If any business firm connived with Estes, the culprit—or culprits—should be thoroughly exposed and punished. The same is true for officials of the Eisenhower administration. But to imply conspiracy and wrongdoing, without one shred of evidence, as has been the case thus far, constitutes foul tactics and should not be tolerated.

Another amazing fact of the Estes case is that the administration brazenly is using the scandal as an argument for its totalitarian farm bill, which it is trying to ram down the throats of Congress and the farmers themselves. The contention is that, if the bill is passed, there will be a reduction in wheat and feed grain production, a reduction in grain storage costs, and consequently a diminishing opportunity for operators like Estes, who was in the grain storage business.

The real scandal, insofar as the Department of Agriculture is concerned, seems to have been in the transfer of cotton allotments from Southern States to Texas and Estes. These cotton allotments, because of the marketing quotas system in operation for this product, have a high value. They constitute, in effect, a Government permit to plant cotton and are sought after by every possible means. Now the administration proposes to apply this quota system to wheat and feed grains. If this is done, the Government permits to plant wheat and feed grains will have a high value and the struggle to get allotments—which will be handed out by the bureaucrats—will intensify.

I predict many more Billie Sol Estes scandals if the administration's farm bill is enacted.

RELATING TO SPECIAL STATISTICAL STUDIES OF TAX INFORMATION

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, today the Honorable WILBUR D. MILLS, chairman of the Committee on Ways and Means, and I introduced identical bills, H.R. 12030 and H.R. 12031. The purpose of these bills is to make it possible for the Treasury Department, upon written request, to perform special statistical tabulations and studies from tax returns, declarations, statements, and other documents required under the tax laws and regulations thereunder and from records relating to the administration and enforcement of the Internal Revenue laws. They would also authorize the Secretary of the Treasury or his delegate to admit the employees of any State or other governmental entity to the training courses conducted by the Internal Revenue Service.

The problem under present law is that, as a practical matter, the Treasury Department cannot honor requests for studies, and so forth, because they are not able to accept fees and charges for these services and use them to defray the cost of performing them. At the present time such fees and charges must be treated as any Internal Revenue collection and be paid into the general funds of the Treasury. This has effectively precluded the Treasury Department from performing this very valuable service.

The purpose of this legislation would be to permit these fees and charges for these tabulations, training, and so forth, to be deposited in a separate account which can be used to reimburse the particular appropriation which is used to bear the cost of making the tabulations, and so forth.

In my opinion, there is all too little information available today on our tax collections and the operation of our internal revenue laws. Many research groups and other organizations would be very happy to carry out studies along these lines if they could secure the proper statistics. This would be extremely valuable not only to the public generally, but to the Treasury Department and the Congress in studying the operation of present law and in determining in what manner present law should be changed. In addition, these bills would permit the indoctrination of State and local tax administrators in the procedures used by the Federal Government in administering our tax laws.

Other departments of the Government, such as the Bureau of the Census, the Department of Labor, and the Department of Health, Education, and Welfare, already have authority of offset the cost of such tabulations and compilations against the fees and charges for making them. This legislation would simply give a similar authority to the Treasury Department. The Treasury Department itself is most anxious to have this authority.

These studies based on these statistics, should this legislation be enacted, would be very useful to the Committee on Ways and Means and the Committee on Finance, as well as other committees of the Congress, such as the Joint Committee on the Economic Report, the Committees on Government Operations, and so forth. In many instances, if this legislation is adopted, these statistical projects could be carried on jointly by the Government and the party requesting the information. The fees and charges for the Treasury Department furnishing this information would be on the basis of cost.

The tabulations, studies, and compilations provided for under the bill would be subject to all the existing provisions of law and regulations relating to unauthorized disclosure of information.

TAX CUT AND SPENDING

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, it is especially appropriate on the day that we extended the wartime imposed excise taxes to read Secretary Dillon's promise of tax reduction. In view of the spending schemes of the administration, it is logical to ask whether the tax reduction is practical, is honestly being planned, or is it merely campaign window dressing to save Democratic Members of Congress from the wrath of the Nation's taxpayers.

Rather than to answer these possible questions myself, I submit for the RECORD an editorial in this morning's Chicago Sun-Times which, in a very effective and penetrating fashion, covers the subject. The editorial is entitled "Tax Cut and Spending":

> TAX CUT AND SPENDING
>
> When he sent his 1963 budget to Congress, President Kennedy said he expected a surplus at the end of the fiscal year, which would be a year from now. He looked for rises in private expenditures, both in consumption and investment.
>
> "To plan a deficit under such circumstances would increase the risk of inflationary pressures, damaging alike to our domestic economy and to our international balance of payments."
>
> The speech made by Treasury Secretary Dillon in New York Monday, promising "top to bottom" cuts in income tax rates, gave a hint that the administration's attitude toward a balanced budget is changing.
>
> It is now generally expected that the administration's spending programs and reduced revenue will give the Government still another year in the red. But now the administration's line is shifting: A deficit is not necessarily inflationary.
>
> So said Dillon in his New York speech. It is a myth, he said, to believe that operating the Government in the red inevitably brings inflation. Deficits, he said, bring inflation only when they combine with strong demand that puts pressure on supply.
>
> If the administration pushes through tax cuts next year, it will be for the purpose of stepping up demands. Tax cuts will put more money into the pockets of consumers and the treasuries of companies that are operating in the black. At the same time such income tax cuts, unless matched with a reduction in Government spending or with increased revenue from other sources, would perpetuate a budget imbalance. In that case the Dillon formula for inflation would be present: deficits combined with demand putting pressure on supply.
>
> The administration seems to be heading toward a fiscal philosophy something along this line: Tax reforms to stimulate the economy may cause the Government to operate in the red for a while longer, but eventually the growth of employment, income, and profits will bring in more taxes and the budget eventually can be balanced. Meantime, continued deficits are to be rationalized: Supply of goods can be increased to reduce inflationary pressure.
>
> To increase the supply of goods, to utilize the economy to capacity, producers must be assured fair profits. Businessmen can't be assured fair profits if their costs go up but pressure is applied, as in the steel case, to keep down prices. This hurts business confidence.
>
> The Kennedy proposal to reduce taxes may be intended to increase business confidence. But tax reduction can't go hand in hand with spending-as-usual programs of the Government. As the council of the U.S. Chamber of Commerce said last week: "Tax reduction and tax reform should take precedence over new spending programs as a means of stimulating the economy."
>
> The administration is preparing to buy the tax argument. It should also take advice about changing its spending habits.

DAVIS-BACON AMENDMENTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, one of the important bills which I hope Congress will enact during the present session is the measure—H.R. 10946—which has been reported from the Committee on Education and Labor to include fringe benefits in prevailing wage determinations under the so-called Davis-Bacon Act. As a cosponsor of identical legislation, I am particularly concerned because, despite the fact that this bill was reported at the beginning of April, it has not yet been reported from the Committee on Rules.

The Davis-Bacon Act was originally enacted in 1931 and amended to its present form in 1935. The date of enactment is significant for Members of this side of the aisle for it should be remembered that when Congress originally passed the act the Republican administration of Herbert Hoover was in charge of the executive branch of the Government. It is also worthwhile to point out that the act has a definite bipartisan flavor since its present form was worked out and determined upon by Congress when the Democratic administration of Franklin D. Roosevelt was in charge of the executive branch of the Government in 1935. There should be no partisanship about H.R. 10946 since from the beginning the interest of both the Congress and the executive branch in assuring workers employed by contractors and subcontractors working on Government construction contracts at least prevailing wages has been bipartisan throughout.

In its present form, the Davis-Bacon Act requires contractors and subcontractors to pay to laborers and mechanics working on Government construction contracts amounting to $2,000 or over not less than the wages found by the Secretary of Labor to be the prevailing wages for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State in which the work is to be performed. The act established the policy that the U.S. Government was not to be a party to depressing local labor standards.

Prior to enactment of the act there was no Federal statute requiring the payment of wage rates to workers on Federal construction projects. The Committee on Education and Labor has pointed out in its report:

> With the advent of large Federal construction programs, however, it soon became apparent that local wage standards in a community had to be protected from cheap labor imported from other areas. Qualified contractors residing and doing business in an area of high wage standards found it impossible to underbid outside contractors who based their estimates for labor upon the low wages they could pay to workmen obtained from another locality or even another State. On many occasions the local contractors and local laborers had to stand by while outside contractors and outside labor performed under locally substandard conditions, work that otherwise would have been theirs.

The Davis-Bacon Act was enacted to prevent these abuses on direct Federal construction programs. Davis-Bacon provisions have been extended in recent years to apply to a number of Federal grant-in-aid programs, including the federally impacted areas school programs, Hill-Burton hospital construction, the Federal interstate highway and airport programs, the water pollution control programs, and the National Housing Act. The Davis-Bacon Act also protects employers in the construction industry against the unfair competition of other employers submitting low bids in the expectation that they will be able to cut labor costs by importing workers from other areas to whom they can pay wages lower than those generally prevailing in a particular area, even if they have to import workers from other areas.

The amendment to the prevailing wage provisions of the Davis-Bacon Act which is contained in H.R. 10946, as reported from the Committee on Education and Labor, is designed to bring the act up to date by including fringe benefits in prevailing wage determinations. As I think all of us are aware, there has been a very substantial change in the concept of earnings since the Davis-Bacon Act was enacted. Group hospitalization, disability benefits, and other fringe benefits were the rare exception in the 1930's. Today, more than 85 million people in the United States depend upon these benefits. Regardless of the form they take, the employers' share of the cost of these plans or the benefits the employers provide are a form of compensation. Today in the construction industry there are over 5,000 welfare and pension funds. Most of these are of the health and welfare type and are financed by employer contributions of so many cents per hour for each hour worked by a covered employee. Because these types of payments have increased, they now present a very significant portion of wages and an employer's labor costs.

The result of not including these fringe benefits in the rates of pay is that contractors that do not have these programs for their employees can come into an area and undercut already established employers who do have these programs for their employees. As the Committee on Education and Labor has pointed out in its report:

> When this happens it means that local building tradesmen who have elected to take wage increases in the form of benefit programs in order to provide for their families are depriving themselves of work which they could otherwise obtain. The fair employer is thereby placed in a steadily deteriorating competitive position. Today, the construction worker receives his real wages not only in the pay envelope after necessary deductions, but also in the form of these fringe benefits such as health, welfare, and retirement programs. These socially desirable private welfare programs promote the welfare of our society and should be included within the prevailing wage determinations made by the Secretary.

Mr. Speaker, H.R. 10946 has the support of the building and construction unions and of many employer groups in the construction industry. Indeed, there is little disagreement, if any, with the specific provisions or purpose of this bill.

I understand, however, that some Members of this body believe the act is in need of other improvements as well, such as provision of a procedure for judicial review for those who are charged with a violation of the act. Whatever the merits of this proposal may be, and possibly a study of the act's administration, such as some of my colleagues have suggested may be called for, I do not think it is relevant to the present bill. Nor do I think the bill's consideration should be delayed until these other matters are dealt with. The Davis-Bacon Act in its present form tolerates a serious injustice for workers employed on Government construction contract work which H.R. 10946 would remedy. It is my hope that the Rules Committee will shortly report the bill to include fringe benefits in prevailing wage determinations under the Davis-Bacon Act and that the House will give it an overwhelming vote of approval.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Norrell (at the request of Mr. Albert), for today through Friday, June 15, on account of official business.

Mr. Dent (at the request of Mr. Holland), indefinitely, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Price, for 30 minutes, tomorrow, June 7.

Mr. Saylor, for 15 minutes, today, to revise and extend his remarks and include editorials.

Mr. Halpern (at the request of Mrs. Weis), for 15 minutes, today.

Mr. Alexander (at the request of Mr. Whitener), for 1 hour, on Wednesday, June 13.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mrs. Weis) and to include extraneous matter:)

Mr. Dague.

Mr. Schneebeli.

Mr. Scherer.

Mr. Alger.

Mr. Wilson of Indiana.

Mr. Mathias.

Mr. Van Zandt.

(The following Members (at the request of Mr. Whitener) and to include extraneous matter:)

Mrs. Kelly.

Mr. Celler.

Mr. Addabbo.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1653. An act for the relief of William Falby.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith; and

S. 2099. An act for the relief of Tina Jane Beland.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 5, 1962, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1347. An act for the relief of Adolf M. Bailer;

H.R. 5652. An act for the relief of Kevork Toroian; and

H.J. Res. 638. Joint resolution for the relief of certain aliens who are serving in the U.S. Armed Forces.

ADJOURNMENT

Mr. WHITENER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, June 7, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2152. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Panama Canal Company and the Canal Zone Government for the fiscal year ended June 30, 1961 (H. Doc. No. 429); to the Committee on Government Operations and ordered to be printed.

2153. A letter from the Comptroller General of the United States, transmitting a report on the review of the administration of the public assistance programs and the surplus food distribution program, Department of Public Welfare, District of Columbia government; to the Committee on Government Operations.

2154. A letter from the Comptroller General of the United States, transmitting a report on the review of the automatic data processing system used by the Aviation Supply Office (ASO), Philadelphia, Pa., Department of the Navy, in the supply management of aviation parts and equipment valued at about $2.3 billion; to the Committee on Government Operations.

2155. A letter from the Comptroller General of the United States, transmitting a report on a review of the circumstances pertaining to the Secretary of Labor's determination of prevailing wages (No. Y-13, 183, Jan. 6, 1961) for use in contracting for construction of the 450-unit Capehart housing project at the Marine Corps schools in the vicinity of Quantico, Va. The review was made in response to inquiries from several Members of Congress; to the Committee on Government Operations.

2156. A letter from the Administrator, General Services Administration, relative to the notification of the declassification of the July-December 1961 report and all prior issues of the statistical supplement stockpile report to the Congress, pursuant to section 5(h) of Executive Order No. 10501, as amended; to the Committee on Armed Services.

2157. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the addition of certain donated lands to the administrative headquarters site, Isle Royale National Park"; to the Committee on Interior and Insular Affairs.

2158. A letter from the Assistant Secretary of State, transmitting a draft of a proposed bill entitled "A bill to authorize the appointment of one additional Assistant Secretary of State"; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 11643. A bill to amend sections 216(c) and 305(b) of the Interstate Commerce Act, relating to the establishment of through routes and joint rates; without amendment (Rept. No. 1769). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2893. An act to declare that certain land of the United States is held by the United States in trust for the Prairie Band of Potawatomi Indians in Kansas; without amendment (Rept. No. 1772). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 4592. A bill to set aside certain lands in Montana for the Indians of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.; with amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10452. A bill to donate to the Devils Lake Sioux Tribe of the Fort Totten Indian Reservation, N. Dak., approximately 275.74 acres of federally owned land; with amendment (Rept. No. 1775). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10530. A bill to declare that certain land of the United States is held by the United States in trust for the Oglala Sioux Indian Tribe of the Pine Ridge Reservation; with amendment (Rept. No. 1776). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 11057. A bill to declare that the United States holds certain lands on the Eastern Cherokee Reservation in trust for the Eastern Band of Cherokee Indians of North Carolina; with amendment (Rept. No. 1777). Referred to the Committee of the Whole House on the State of the Union.

Mr. MACK: Committee on Interstate and Foreign Commerce. H.R. 11670. A bill to postpone by 3 months the date on or before which the Securities and Exchange Commission shall report to the Congress the results of its study and investigation pursuant to section 19(d) of the Securities Exchange Act of 1934, and for other purposes; without amendment (Rept. No. 1778). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 2186. An act for the relief of Manuel Arranz Rodriguez; without amendment (Rept. No. 1760). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2300. An act for the relief of Byron Wong; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2339. An act for the relief of George Ross Hutchins; with amendment (Rept. No. 1762). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2340. An act for the relief of Shunichi Aikawa; without amendment (Rept. No. 1763). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2418. An act for the relief of Elaine Rozin Recanati; without amendment (Rept. No. 1764). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2486. An act for the relief of Kim Carey (Timothy Mark Alt); without amendment (Rept. No. 1765). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2562. An act for the relief of Sally Ann Barnett; without amendment (Rept. No. 1766). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2565. An act for the relief of Michael Najeeb Metry; without amendment (Rept. No. 1767). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2709. An act for the relief of Ernst Fraenkel and his wife, Hanna Fraenkel; without amendment (Rept. No. 1768). Referred to the Committee of the Whole House.

Mr. EDMONDSON: Committee on Interior and Insular Affairs. H.R. 9593. A bill to provide for the conveyance of certain phosphate rights to the Dr. P. Phillip Foundation of Orlando, Fla.; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10459. A bill to provide for the conveyance of 39 acres of Minnesota Chippewa tribal land on the Fond du Lac Indian Reservation to the Sts. Mary and Joseph Church, Sawyer, Minn.; without amendment (Rept. No. 1771). Referred to the Committee of the Whole House.

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the St. Cloud Diocese; without amendment (Rept. No. 1773). Referred to the Committee of the Whole House.

Mr. MacGREGOR: Committee on the Judiciary. H.R. 3131. A bill for the relief of Richard C. Collins; without amendment (Rept. No. 1779). Referred to the Committee of the Whole House.

Mr. LINDSAY: Committee on the Judiciary. H.R. 3922. A bill for the relief of Mrs. Elizabeth G. Mason; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6987. A bill for the relief of Maj. William R. Cook; with amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7385. A bill for the relief of Charles Waverly Watson, Jr.; with amendment (Rept. No. 1782). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 7615. A bill for the relief of Clara B. Fry; with amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 7900. A bill for the relief of Lt. (jg) James B. Stewart; with amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of Wisconsin:

H.R. 12026. A bill to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 12027. A bill to amend section 1391 of title 28 of the United States Code relating to venue; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 12028. A bill to amend the Immigration and Nationality Act to provide that the unused annual quota of any quota area shall be available for use in quota areas where the annual quota is oversubscribed so as to permit the entry of brothers, sisters, married sons, and married daughters of citizens of the United States, and for other purpose; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 12029. A bill to amend the Library Services Act in order to make areas lacking public libraries or with inadequate public libraries, public elementary and secondary school libraries, and certain college and university libraries, eligible for benefits under that act, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLS:

H.R. 12030. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H.R. 12031. A bill to amend the Internal Revenue Code of 1954 with respect to moneys received in payment for special statistical studies and compilations and certain other services; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 12032. A bill to amend section 15 of the Clayton Act to facilitate enforcement of section 7 of the Clayton Act, and for other purposes; to the Committee on the Judiciary.

By Mr. MERROW:

H.R. 12033. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NELSEN:

H.R. 12034. A bill to amend section 408 of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. MORRIS K. UDALL:

H.R. 12035. A bill to amend title 39 of the United States Code to permit the private carriage of letters and packets in certain cases; to the Committee on Post Office and Civil Service.

By Mr. VINSON:

H.R. 12036. A bill to amend the Universal Military Training and Service Act; to the Committee on Armed Services.

H.R. 12037. A bill to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence; to the Committee on Armed Services.

By Mr. CORBETT:

H.R. 12038. A bill to establish in the Library of Congress a library of musical scores and other instructional materials to further educational, vocational, and cultural opportunities in the field of music for blind persons; to the Committee on House Administration.

By Mr. MULTER:

H.R. 12039. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. MURRAY:

H.R. 12040. A bill to define the term "child" for lump-sum payment purposes under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. WHITENER (by request):

H.R. 12041. A bill to amend the District of Columbia Corporation Act; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:

H.R. 12042. A bill to amend the act of April 29, 1942, establishing the District of Columbia Recreation Board, to provide financial aid for the arts in the District of Columbia, including improved programs of the arts in the curriculums of the public schools, equal to the aid provided by other cities of the United States for their local art programs; to the Committee on the District of Columbia.

By Mr. DOWDY:

H.J. Res. 730. Joint resolution to authorize the President to proclaim May 15 of each year as Peace Officers Memorial Day and the calendar week of each year during which such May 15 occurs as Police Week; to the Committee on the Judiciary.

By Mr. LAIRD:

H.J. Res. 731. Joint resolution to suspend for the 1962 campaign the equal opportunity requirements of section 315 of the Communications Act of 1934 for up to five debates by the major party national chairmen or their designees; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLANCY:

H.R. 12043. A bill for the relief of Vita Maria Colucci; to the Committee on the Judiciary.

By Mrs. GRANAHAN:

H.R. 12044. A bill for the relief of Khalil Maghen; to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 12045. A bill for the relief of Kruno Jaksic; to the Committee on the Judiciary.

By Mr. McDOWELL:

H.R. 12046. A bill for the relief of Hee-Sa Kim; to the Committee on the Judiciary.

By Mr. MADDEN:

H.R. 12047. A bill for the relief of Mirko Jaksic; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 6, 1962

The Senate met at 11 o'clock a.m., and was called to order by Hon. J. J. HICKEY, a Senator from the State of Wyoming.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, from the vain deceits of the uncertain world in which our lot is cast, we turn from the baffling problems which daily besiege us to the white candor of eternal verities.

Entering reverently this sacred, fenced-in area of utter quietness, we would bow in the presence in which we always are, in the calm confidence that Thou dost hold the whole world in Thy hand and all worlds in the firm clasp of a love that never fails. Keeping ourselves in the grasp of that love that will not let us go, may we march with conquering tread in the gathering armies of friendship whose armor is the shield of Thy truth and whose sword is the might of Thy love, against which all the spears of hate cannot ultimately prevail.

We ask it in the Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D C., June 6, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. J. J. HICKEY, a Senator from the State of Wyoming, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. HICKEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 5, 1962, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. BARTLETT, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1881. An act for the relief of Maria La Bella; and

S. 2143. An act for the relief of Mrs. Eva London Ritt.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1469. An act for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson;

H.R. 1609. An act for the relief of Demitrios Dunis;

H.R. 1899. An act for the relief of Stavros Michael Mourkakos;

H.R. 2337. An act for the relief of Maria Stella Todaro;

H.R. 2836. An act for the relief of C. Edwin Alley;

H.R. 3821. An act for the relief of Ivy Gwendolyn Myers;

H.R. 3822. An act for the relief of Ahsabet Oyunciyan;

H.R. 3912. An act for the relief of Chikoko Shinagawa;

H.R. 6014. An act for the relief of Stephen A. Eskin;

H.R. 6016. An act for the relief of William Thomas Dendy;

H.R. 6655. An act for the relief of Lecil A. Sims;

H.R. 6833. An act for the relief of Frantisek Tisler;

H.R. 7365. An act for the relief of Herbert B. Shorter, Sr.;

H.R. 8452. An act for the relief of Glendal W. Hancock;

H.R. 9180. An act for the relief of Noreen Joyce Baden;

H.R. 9588. An act for the relief of Claude Homann-Herimberg (nee Wagner);

H.R. 9599. An act for the relief of Solomon Annenberg;

H.R. 9834. An act for the relief of Estelle L. Heard;

H.R. 10308. An act for the relief of Elizabeth A. Johnson;

H.R. 10371. An act for the relief of Ferdinand A. Hermens;

H.R. 10525. An act for the relief of Francis L. Quinn;

H.R. 10960. An act for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina); and

H.R. 11578. An act for the relief of Don C. Jensen and Bruce E. Woolner.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith;

S. 2099. An act for the relief of Tina Jane Beland; and

H.R. 1653. An act for the relief of William Falby.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the Judiciary:

H.R. 1469. An act for the relief of Mrs. Leslie M. Paterson, Janet Paterson, and Mary Paterson;

H.R. 1609. An act for the relief of Demitrios Dunis;

H.R. 1899. An act for the relief of Stavros Michael Mourkakos;

H.R. 2337. An act for the relief of Maria Stella Todaro;

H.R. 2836. An act for the relief of C. Edwin Alley;

H.R. 3821. An act for the relief of Ivy Gwendolyn Myers;

H.R. 3822. An act for the relief of Ahsabet Oyunciyan;

H.R. 3912. An act for the relief of Chikoko Shinakawa;

H.R. 6014. An act for the relief of Stephen A. Eskin;

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H.R. 6833. An act for the relief of Frantisek Tisler;

H.R. 7365. An act for the relief of Herbert B. Shorter, Sr.;

H.R. 8452. An act for the relief of Glendal W. Hancock;

H.R. 9180. An act for the relief of Noreen Joyce Baden;

H.R. 9588. An act for the relief of Claude Homann-Herimberg (nee Wagner);

H.R. 9599. An act for the relief of Solomon Annenberg;

H.R. 9834. An act for the relief of Estelle L. Heard;

H.R. 10308. An act for the relief of Elizabeth A. Johnson;

H.R. 10371. An act for the relief of Ferdinand A. Hermens;

H.R. 10525. An act for the relief of Francis L. Quinn;

H.R. 10960. An act for the relief of Rosina Luisi (Sister Mary Rosina) and Maria Fatibene (Sister M. Valentina); and

H.R. 11578. An act for the relief of Don C. Jensen and Bruce E. Woolner.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committee and subcommittees were authorized to meet during the session of the Senate today:

The Committee on Finance.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Business and Commerce Subcommittee of the Committee on the District of Columbia.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations to be collectors of customs.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

William C. Battle, of Virginia, to be Ambassador Extraordinary and Plenipotentiary to Australia.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

COLLECTORS OF CUSTOMS

The Chief Clerk proceeded to read sundry nominations to be collectors of customs.

The ACTING PRESIDENT pro tempore. Without objection, these nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Overobligation of an Appropriation

A letter from the Administrator, Housing and Home Finance Agency, Washington, D.C., transmitting, pursuant to law, a report on the overobligation of an appropriation within that Agency (with an accompanying report); to the Committee on Appropriations.

Report of Attorney General on Review of Voluntary Agreements and Programs

A letter from the Attorney General, transmitting, pursuant to law, his report on review of voluntary agreements and programs, as of May 9, 1962 (with an accompanying report); to the Committee on Banking and Currency.

Report on Export Control

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on export control, covering the first quarter of 1962 (with an accompanying report); to the Committee on Banking and Currency.

Report on Operations of the Bureau of Commercial Fisheries Under Saltonstall-Kennedy Act

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the operations of the Bureau of Commercial Fisheries under the Saltonstall-Kennedy Act, for the fiscal year 1960 (with an accompanying report); to the Committee on Commerce.

Report on Fraudulent Claims and Uneconomical Practices in Lodging and Subsistence Allowances Paid to Members of Shore Patrols, Department of the Navy

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on fraudulent claims and uneconomical practices in lodging and subsistence allowances paid to members of shore patrols, Department of the Navy, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

Suspension of Deportation of Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

RESOLUTION OF WAUKESHA COUNTY LABOR COUNCIL, WISCONSIN

Mr. WILEY. Mr. President, today I was privileged to receive from Eugene Kraus, secretary of the Waukesha County Labor Council, a resolution relating to the excise tax rates.

Recognizing that there are widely divergent, strongly differing, views on the U.S. tax policy, I bring to the attention of the Senate the thinking of the Waukesha County Labor Council for consideration, along with the views of others, on tax policies.

I request unanimous consent to have the resolution printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution Requesting the United States Congress To Allow the Automatic Rate Reduction on Certain Excise Tax Rates

Whereas Federal Excise Taxes were substantially increased to the "war tax rate" on many manufactured items by the Revenue Acts of 1943, 1945, and 1947; and

Whereas these rates were even further increased by the Revenue Act of 1951 for the purpose of a temporary Korean wartime emergency; and

Whereas all excise rates were reduced to prewar tax rates by the Excise Reduction Act of 1954, with the exception of alcoholic beverages, gasoline, diesel fuel, cigarettes, and motor vehicle chassis, which products continued to be taxed at the highest rate, but were scheduled for automatic reduction on March 31, 1955; and

Whereas the Revenue Acts of 1955, 1956, 1957, 1958, 1959 and 1960 continued to postpone the automatic reduction on these items, and

Whereas the Revenue Act of 1961 once more postponed the rate reduction date on these selected items from July 1, 1961, through June 30, 1962, and

Whereas the "wartime emergency" which occasioned the imposition of the additional excise on these selected items now no longer exists, and

Whereas "war tax rates" are so high as to substantially reduce sales in a peacetime market, and

Whereas the excessive taxation of these selected products has restricted wages and job opportunities for organized labor in the particular industries manufacturing these goods, and has prevented business expansion in these businesses because they could not keep pace with less highly taxed items: Now, therefore, be it

Resolved, That the Waukesha County Labor Council, AFL–CIO, 712 Delafield Ave., Waukesha, Wis., representing 4,000 workers and members, hereby goes on record as favoring the reduction of these oppressive excises and respectfully petitions the Congress of the United States to permit these war tax rates to expire on the scheduled date of June 30, 1962.

Eugene Kraus,
Secretary.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2614. A bill for the relief of Mr. and Mrs. Alfredo Hua-Sing Ang (Rept. No. 1545);

S. 2686. A bill for the relief of Stepanida Losowskaja (Rept. No. 1546);

S. 2692. A bill for the relief of Armand Seri (Rept. No. 1547);

S. 2699. A bill for the relief of Roswitha Seib (Rept. No. 1548);

S. 2837. A bill for the relief of Konstantinos P. Theodoropoulos (Rept. No. 1549);

S. 2862. A bill for the relief of Mai Har Tung (Rept. No. 1550);

S. 2872. A bill for the relief of Wen Tang (Rept. No. 1551);

H.R. 2833. An act for the relief of Franziska Aloisia Fuchs (nee Tercka) Rept. No. 1563);

H.R. 3595. An act for the relief of Anna Isernia Alloca (Rept. No. 1562);

H.R. 3633. An act for the relief of Angelina Rainone (Rept. No. 1561);

H.R. 3714. An act for the relief of Janina Maciejewska (Rept. No. 1560);

H.R. 4655. An act for the relief of Adele Anis Mansour (Rept. No. 1559); and

H.R. 6330. An act for the relief of Vincent Edward Hughes, his wife, Carmel Philomena Hughes, and their alien children (Rept. No. 1558).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2455. A bill for the relief of Mrs. Elizabeth Lovic (Rept. No. 1552);

S. 2855. A bill for the relief of Weng Chiew Wong and Moy Chong Wong (Rept. No. 1553); and

S. 2999. A bill for the relief of Kang Soon Yang (Rept. No. 1554).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2711. A bill for the relief of Tasia Demetropoulou (Dimitropoulos) (Rept. No. 1555);

S. 2904. A bill for the relief of Herrn Stefan Zappel (Rept. No. 1556);

S. 2994. A bill for the relief of Olaf Schastzle Bonde (also known as Olaf Carl Schastzle) (Rept. No. 1557); and

H.R. 10502. An act for the relief of James B. Troup (Rept. No. 1564).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

S. 3025. A bill to supplement certain provisions of Federal law incorporating the Texas and Pacific Railway Co. in order to give certain additional authority to such company (Rept. No. 1565).

JAMES M. NORMAN—REPORT OF A COMMITTEE (S. REPT. NO. 1543)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original bill (S. 3377) for the relief of James M. Norman, and submitted a report thereon; which bill was read twice by its title and placed on the calendar, and the report was ordered to be printed.

WITHDRAWAL OF SUSPENSION OF DEPORTATION OF IOANNIS CONSTANTELIAS—REPORT OF A COMMITTEE (S. REPT. NO. 1544)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 76), and submitted a report thereon; which concurrent resolution was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246(a) of the Immigration and Nationality Act (8 U.S.C.A. 1256(a)), withdraws the suspension of deportation in the case of Ioannis Constantelias (A–2044661) which was previously granted by the Attorney General and approved by the Congress.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YARBOROUGH (for himself, Mr. Hill, Mr. Morse, Mr. Smith of Massachusetts, Mr. Burdick, and Mr. Williams of New Jersey):

S. 3373. A bill to amend section 632 of title 38, United States Code, to provide for an extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Yarborough, when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3374. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are members of a church whose doctrines forbid participation in such program on grounds of religious belief; to the Committee on Finance.

(See the remarks of Mr. Scott, when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON:

S. 3375. A bill for the relief of George Edward Leonard; and

S. 3376. A bill for the relief of Carl Dale Terrill; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3377. A bill for the relief of James M. Norman; placed on the calendar.

(See reference to the above bill, when reported by Mr. Eastland, which appears under the heading "Reports of Committees."

By Mr. BYRD of West Virginia:

S. 3378. A bill for the relief of Dr. Restituto M. Cabaltica; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware:

S. 3379. A bill relating to mining claims on lands within the national forests; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Williams of Delaware when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING:

S. 3380. A bill to designate the second Monday in October as National Teachers' Day; to the Committee on the Judiciary.

By Mr. MANSFIELD (for himself, Mr. Dirksen, Mr. Stennis, and Mr. Jordan):

S.J. Res. 195. Joint resolution creating and establishing the Capitol Commission; to the Committee on Rules and Administration.

(See the remarks of Mr. Mansfield when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. JAVITS:

S.J. Res. 196. Joint resolution to amend section 315(a) of the Federal Communications Act of 1934; to the Committee on Commerce.

(See the remarks of Mr. Javits when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION

WITHDRAWAL OF SUSPENSION OF DEPORTATION OF IOANNIS CONSTANTELIAS

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 76) withdrawing suspension of deportation of Ioannis Constantelias, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. Eastland, which appears under the heading "Report of a Committee.")

PROPOSED EXTENSION FOR 5 YEARS OF MEDICAL ASSISTANCE PROGRAMS FOR SERVICE-CONNECTED DISABLED VETERANS OF THE PHILIPPINE REPUBLIC

Mr. YARBOROUGH. Mr. President, on behalf of myself, the senior Senator from Alabama [Mr. Hill], the senior Senator from Oregon [Mr. Morse], the junior Senator from Massachusetts [Mr. Smith], the junior Senator from North Dakota [Mr. Burdick], and the junior Senator from New Jersey [Mr. Williams], I introduce, for appropriate reference, a bill to extend for 5 years our programs of hospital and medical care assistance for service-connected disabled veterans of the Commonwealth Army of the Republic of the Philippines. Two basic forms of assistance for service-connected disabled veterans will be extended by the bill. First, the bill would extend the grant-in-aid program which reimburses the Republic of the Philippines for expenditures made by it for hospital care for service-connected disabled veterans of the Commonwealth Army.

Second, the bill would extend the program of outpatient care for Commonwealth Army veterans which is managed directly by the Veterans' Administration.

All of the assistance extended by this legislation is limited to service-connected disabled veterans of the Commonwealth Army of the Philippines who served during the World War II period.

The grant-in-aid and outpatient care programs were authorized in 1958 by Public Law 85–461. They will terminate on June 30, 1963, unless extension legislation is enacted.

The bill which I am introducing in my behalf and on behalf of other Senators would extend the program for another 5 years.

Mr. President, as the grant-in-aid program now operates, the U.S. Government reimburses the Philippine Government for the cost of hospitalization incurred by Philippine war veterans with service-connected disabilities. Although these reimbursements are authorized up to $2 million in any 1 fiscal year, the program has not required an expenditure of the maximum amount. In the fiscal year 1961, for instance, the Veterans Memorial Hospital provided its services to an average of 173 patients a day at a cost of $498,890. The operating cost for the first 10 months of the current fiscal year indicate a total fiscal expenditure of about the same amount, running less than half of the amount authorized, but the ceiling is put on to allow for increases as veterans get older.

Outpatient care for Commonwealth Army veterans is managed directly by the Veterans' Administration. Although there is no ceiling on the amount the VA may expend for these services, the cost for this part of the program has also been kept within a modest range. In fiscal year 1961, for example, an expenditure of approximately $530,000 provided more than 18,000 medical visits to service-connected disabled veterans.

Mr. President, enactment of this proposed legislation will have a salutary effect upon the Veterans Memorial Hospital in Manila which provides most of the hospital care made available through the program. The Veterans Memorial Hospital was built by the United States, both as a means of assisting the Philippines in the postwar recovery and as a measure of fulfilling our obligations to members of the Philippine Commonwealth Army and guerrilla forces who served with our Armed Forces during World War II. Our efforts have not gone unrewarded. The Veterans Memorial Hospital has furnished high quality hospital care to Philippine veterans and, in addition, has affiliated itself with outstanding universities and medical colleges for the training of doctors, nurses, dentists, and other medical personnel so vitally needed in the Philippines. The hospital stands today not only as one of the finest hospitals in the Far East, but also as an excellent symbol of Americanism and as a reminder that this country does not forget those who ally themselves with us in combat.

Mr. President, the American Legion has passed a resolution in support of this legislation and I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. YARBOROUGH. Through a diplomatic note from its Ambassador to our Secretary of State, the Government of the Republic of the Philippines has expressed itself requesting this legislation and I ask unanimous consent that the diplomatic note also be printed in the Record.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. YARBOROUGH. Finally, Mr. President, I ask unanimous consent that the bill lie on the desk until the close of business on Monday, next, to give an opportunity to other Senators to join as cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received, and appropriately referred; and without objection, the bill will lie on the desk as requested by the Senator from Texas.

The bill (S. 3373) to amend section 632 of title 38, United States Code, to provide for an extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, introduced by Mr. Yarborough (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Exhibit 1

Resolution 10

Resolution of national executive committee meeting of the American Legion held May 2–3, 1962, for extension beyond June 30, 1963, of the grant-in-aid program authorized by Public Law 85–461

Whereas Public Law 85–461 providing hospitalization benefit to Commonwealth of the Philippine Army veterans with service-connected disability will expire on June 30, 1963; and

Whereas Public Law 85–461 beneficiaries would still need a continuing medical and hospital care by reason of their disability and advancing age after June 30, 1963; and

Whereas in the record of congressional deliberations of Public Law 85–461 there is an implied assurance that the Congress of the United States would not hesitate to extend the program beyond June 30, 1963, if it is shown that the Veterans Memorial Hospital is not only providing adequate medical care to the beneficiaries of Public Law 85–461 but also contributing to the advancement of medical education in the Philippines; and

Whereas the Veterans Memorial Hospital has not only furnished satisfactory hospital care to hospital patients but also has established an affiliation with outstanding universities and medical colleges of the country for the training of medical interns and students, nursing students, dental externs, dietetic interns, and medical technology interns: Now, therefore, be it

Resolved by the National Executive Committee of the American Legion, in regular meeting assembled in Indianapolis, Ind., May 2–3, 1962, That the American Legion sponsor and support legislation to extend beyond June 30, 1963, the grants-in-aid program authorized by Public Law 85–461.

EXHIBIT 2

The Ambassador of the Philippines presents his compliments to His Excellency the Secretary of State of the United States of America and has the honor to draw His Excellency's attention to Public Law 85–461 enacted by the Congress of the United States on June 18, 1958. This act amended the Veterans' Benefits Act of 1957 to authorize the modification and extension, to July 1, 1963, of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of veterans of the Philippine Commonwealth Army and recognized guerrilla forces who served with the Armed Forces of the United States during World War II.

On July 1, 1963, Public Law 85–461 will expire. The Philippine Government would appreciate it if the U.S. Congress could consider a new or amendatory legislation to provide for the following:

1. The continuation after July 1, 1963, of the grants-in-aid veterans hospitalization program under Public Law 85–461 not only for 5 years but, if possible, for as long as the disabilities exist.

It is felt that there is strong obligation to continue with the program of hospitalization during the lifetime of the beneficiaries. There is an estimated veteran population of 334,000 in the Philippines, most of whom served in the Commonwealth Army of the Philippines.

2. The use of the beds, equipment, and other facilities of the Veterans' Memorial Hospital for the hospitalization of indigent Philippine Commonwealth Army veterans with non-service-connected disability provided that veterans with service-connected disability will always have top priority in hospitalization and provided further that bed space is available.

It is believed that the yearly $2 million, which Congress appears willing to appropriate for expenses incident to the hospitalization of Philippine veterans under the law, need not be increased.

At the present time, even though there are many veterans who should be hospitalized, the excellent facilities of the Veterans' Memorial Hospital are not being fully utilized due to restrictions as to the category of veterans that may be treated thereat.

It must be emphasized, at this point, that the original concept for which the hospital was built, that is, that it must be for the care and treatment of veterans with service-connected disability, will remain unchanged. In other words, the hospital which the United States built would not only fulfill its primordial objective of taking care preferentially of service-connected disability, but it could be used, without in the least sacrificing this objective, to be a lasting reminder of the ties that have bound the Philippines and the United States together in times of stress in the past, by allowing, on humanitarian basis, the hospitalization of veterans with non-service-connected disability, who need but cannot afford the cost of hospitalization.

The Ambassador of the Philippines would appreciate it if His Excellency could transmit to the Congress of the United States and to other authorities of the U.S. Government concerned the views of the Philippine Government and if His Excellency could bring his great influence to bear in securing the consideration of a new amendatory legislation on this matter.

EXEMPTION FROM PARTICIPATION OF CERTAIN PERSONS IN FEDERAL OLD-AGE AND SURVIVORS INSURANCE PROGRAM

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to exempt from participation of certain persons, on grounds of religious belief, in the Federal old-age and survivors insurance program.

Mr. President, there is no group in America which commands more respect from the citizens of the Commonwealth than the Amish, sometimes called the plain people. They are frugal farmers who are hard working and self-reliant. They are most desirable neighbors. We are proud of them and of their neat, well-kept farms.

The Amish in Pennsylvania and in the other States where they have settled are law abiding. They pay their taxes promptly. But taxes for old-age and survivors' insurance, under the Social Security Act, are a different matter. The religion of the Amish does not permit them to participate in an insurance system. No Amishman will accept the benefits of the social security system; and the payment of taxes into the fund is a direct violation of his religion. There is no question that Amish opposition to this tax is a sincere matter of conscience.

Mr. President, the forefathers of the Amish now living in my State accepted an invitation from William Penn to come to this land where they might enjoy freedom of religion. This benefit later was confirmed by the U.S. Constitution and by the various State constitutions.

Freedom of religion has been one of the most precious liberties in this Nation. Our Government has, on a number of occasions, recognized the right of individuals to be exempt from provisions of laws which ran counter to their religious beliefs. I am of the belief that justice demands such an exemption in this instance.

Members of the Senate will recall the most unfortunate experience approximately a year ago of Mr. Valentine Y. Byler, a God-fearing Amish farmer from western Pennsylvania, who had three of his six farm horses seized and sold by the Internal Revenue Service to satisfy his unpaid social security taxes. At the time, I protested vigorously at the injustice done. But the way to see that it does not happen again, is for Congress to provide by law for the exemption from participation in old-age insurance of members of a church whose doctrines forbid such a program on grounds of religious belief. This is the purpose of the bill which I am now introducing.

Only by the passage of a bill of this nature can we be certain that some of these good people do not leave this country because of what to them is a serious infringement on their freedom of religion. Such a departure would be a sad commentary on our fundamental liberty.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3374) to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are members of a church whose doctrines forbid participation in such program on grounds of religious belief, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Finance.

MINING CLAIMS ON LANDS WITHIN NATIONAL FORESTS

Mr. WILLIAMS of Delaware. Mr. President, today I call attention to the indefensible manner in which our national timber reserves are being exploited. The Comptroller General has just issued a report citing instances in which 12 claimants have been granted patent rights—presumably for the exploration of minerals—on approximately 1,100 acres of our national forest lands, in return for which they paid the U.S. Government less than $4,000; but instead of exploring for minerals, these same individuals promptly proceeded to cut and sell from this same land over $750,000 worth of timber.

One of America's greatest natural resources is its timber reserves, a substantial part of which is owned by the Federal Government.

Under the guise of filing a mining claim for the exploration of minerals on Government land, the claimants are obtaining free title to the timber for a song. This racket has expanded to the point where it is now laughingly classed as exploring for green gold.

Accordingly, hundreds of millions of dollars worth of valuable timber are being lost to the taxpayers as the result of what is either a weakness in our law or a weakness in management.

Under the mining laws, a claimant may obtain a patent or mining rights to his claim on Government land by merely paying the Government $5 an acre for a lode claim or $2.50 an acre for a placer claim.

The Comptroller General in his report stated:

> When sufficient valuable mineral has been discovered on a mining claim, and other requirements of the mining laws have been met, the Forest Service has no choice but to advise the Bureau of Land Management, the agency responsible for the issuance of patents, that it will not object to issuance of a patent. The value of the timber on a claim is not a consideration which can be taken into account under the provisions of the mining laws in patent application.

Very frequently these patented lands contain valuable tracts of merchantable timber to which the claimant obtains title when he patents the land. The Forest Service records show that in many instances, instead of exploring for minerals, the cutting and sale of this Government timber seems to be the main objective.

The Forest Service admits that on 3,640 claims, covering about 99,812 acres of national forest land that were patented, there were in excess of 372 million board feet of merchantable timber at the time the patents were issued and that the owners of these mining rights automatically obtained ownership of all of this timber for nothing.

Out of a check of 1,573 mining claims that were patented during a 15-year period, they found only 521 that had been worked or that showed any record of some mineral production.

For example:

Tahoe National Forest. In the Tahoe National Forest, Calif., two claimants in 1955 and 1956 paid the Federal Government about $712 for patent rights on 285 acres of national forest land and then proceeded to cut 5,760,000 board feet of timber from those same claims which they sold at an estimated valuation of $138,000.

The Forest Service records show that 5 years later, December 1961, there had been no mineral production subsequent to their obtaining mineral rights on this 285 acres, but the record also shows that the claimants had sold about 5,760,000 board feet of timber from these same claims upon which timber the Forest Service put a valuation of approximately $138,000.

Plumas National Forest. In the Plumas National Forest, Calif., nine patents were issued to eight claimants over the 13-year period ending December 31, 1959. The Forest Service files show that only $28 worth of gold has been removed from these claims since the patents were issued, but as of February 29, 1960, about 8 to 10 million feet of high quality timber had been cut and sold from these claims.

On two of these claims, covering about 330 acres, the Government received approximately $825 under the mining laws for the exploration rights on land upon which 8 to 10 million feet of lumber were cut. Again, the exploration for "green gold" was far more profitable than the exploration for ordinary minerals.

Wenatchee National Forest, Wash. Here again a miner obtained a 9-acre claim patented in August 1957 for which the Government received $22.50. In September 1957, 30 days later, logging was started, and the Forest Service records show that timber with an estimated valuation of $6,200 was removed. There is no evidence that any mining has been done on this claim.

Rogue River National Forest. In the Rogue River National Forest, Oreg., one claimant patented 475 acres of national forest land in 1954. This patent covered 23 mining claims for which the Federal Government received $2,375 at the date of patent. As of January 1, 1960, this claimant had sold the timber from 8 of these 23 claims for which the Forest Service estimates that he received $150,000. The amount of timber which he subsequently sold from the remaining 15 patent claims was not available, but the Forest Service officials had estimated that there were over 7 million board feet of timber on the remaining 15 claims, upon which they placed a valuation of $232,000.

Here again we find this claimant, in return for a $2,375 payment to the Government for mineral rights, automatically obtained title to $382,000 worth of Government timber. The Forest Service files show that there had been no mineral production on any of the 23 claims from the date of the patent in 1954 to January 1, 1960.

Clearly, this "miner," as in the case of preceding examples, was more interested in "green gold" or Government timber than he was in minerals.

I am today introducing a bill, the purpose of which is to make it mandatory that in the future all patented mining claims issued by the Federal Government shall contain a clause wherein each patent shall reserve to the United States title to all timber and other surface rights. It should be made very clear that the claimants to these patents are being granted only the right to explore for minerals.

In the meantime, pending the adoption of this bill, there is no reason why the officials of the National Forest Service should not arbitrarily insist upon a clause in all mining claims which would protect the interests of the U.S. Government in our national forest.

I send the bill to the desk for appropriate reference.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3379) relating to mining claims on lands within the national forests, introduced by Mr. Williams of Delaware, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

PROPOSED CAPITOL COMMISSION TO PRESERVE ART, SCULPTURE, ANTIQUITY, AND ARCHITECTURE OF THE CAPITOL

Mr. MANSFIELD. Mr. President, the White House and the Capitol have a unique characteristic in common. They are both respositories of the past and in that sense are historic museums. At the same time, both are living settings in which additions to our history are being written every day.

It seems to me that reasonable efforts to preserve and to make more meaningful the historic significance of the White House and the Capitol are most commendable in that they enhance the inspiration that these buildings give to the present occupants and to the citizens who visit them in great numbers the year round. In this connection, I know that the Members of this body share in the general approbation and admiration for the outstanding work which has been done by Mrs. Kennedy in the White House.

The distinguished First Lady has set an example in enhancing the historic significance of the White House which is worthy of emulation. The Capitol also houses a collection of art and antiquities of priceless historic value. There are rooms, paintings, statues, furniture, and other objects in this building which bear witness to the dramatic story of the Nation from its earliest days.

This heritage of the Capitol has long been abused and neglected. The collection of art and antiquities has not been adequately safeguarded, maintained, and exhibited. This is not said in any derogatory sense with respect to those who have had responsibilities in connection with the collection. The real problem is that we have paid too little attention to this irreplaceable asset. In consequence, responsibilities with respect to it have been assigned somewhat haphazardly or not at all.

It is not too late to remedy this neglect and to terminate the loss which it entails.

Accordingly, after consultation with the distinguished minority leader and other Senators, I am introducing today, for appropriate reference, a measure which is designed to meet this situation. It is cosponsored by the distinguished minority leader the Senator from Illinois [Mr. Dirksen], the distinguished Senator from Mississippi [Mr. Stennis], and the distinguished Senator from North Carolina [Mr. Jordan].

It is my hope that in the other body a similar measure will be introduced shortly, so that, if at all possible, action on this proposal may be taken during this session. The bill proposes to centralize responsibility for the preservation and enhancement of the historic contents of the Capitol in a nonpartisan Capitol Commission consisting of Members of both Houses, the Speaker of the House and the Vice President, plus the Architect of the Capitol. Under the Commission, primary responsibility is placed in a Curator of Art and Antiquities of the Capitol. The sole function of the Curator would be to safeguard, maintain, and bring to greater awareness the magnificent treasure of art, sculpture, antiquity and architecture which is contained in the Capitol.

I hope that the Senate and the House will be mindful of a common responsibility with respect to this treasure. Prompt action on this measure would do much to enhance the significance and inspiration of the Capitol both to the membership of Congress and to the people of the Nation.

Mr. President, I introduce the joint resolution, for appropriate reference, and ask unanimous consent that it may be printed in the Record.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the Record.

The joint resolution (S.J. Res. 195) creating and establishing the Capitol Commission, introduced by Mr. Mansfield (for himself and other Senators), was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the Record, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby created and established a Capitol Commission consisting of the chairman and ranking minority member of the Committee on Rules and Administration of the Senate, the chairman and ranking minority member of the Committee on House Administration of the House of Representatives, and the Architect of the Capitol. The Vice President of the United States and the Speaker of the House of Representatives shall be ex officio members of the Commission.

(b) Three members of the Commission shall constitute a quorum for the transaction of business and the taking of testimony. That part of the Commission on the part of the Senate remaining in office as Senators shall, with the Architect of the Capitol, exercise the powers and discharge all the duties of the Commission during the adjourned periods and recesses of the Congress.

(c) The Commission shall elect a Chairman and a Vice Chairman at the beginning of each Congress. The Commission also shall select a Curator of Art and Antiquities of the Capitol who shall be an employee of the Office of the Architect at a gross salary not to exceed $17,500. The Curator shall serve at the pleasure of the Commission and perform such duties as may be directed by it without additional compensation. The Commission shall also be empowered to draw from the Office of the Architect such additional professional and clerical assistants as, from time to time, it deems necessary.

(d) The Commission shall be empowered to hold hearings, summon witnesses, administer oaths, to employ reporters, request the production of papers and records, and to take such testimony as it deems necessary, and shall adopt such rules for the conduct of its hearings and meetings as may be required consistent with the rules of both Houses of Congress, with the laws governing the Office of the Architect, and with the provisions of this joint resolution.

SEC. 2. The Capitol Commission is hereby authorized and directed to supervise, hold, place and protect all works of art, historical objects, exhibits, and architectural features within the Capitol, and in all offices and the committee rooms thereof, and in its judgment to accept any works of art, historical objects, or exhibits which may hereafter be given, offered or devised to the Congress, its committees, and its officers for placement and exhibition in the Capitol, its committee rooms and offices thereof.

(b) The Commission shall prescribe such regulations as it deems necessary for the care, protection, and placement of such works of art, exhibits, and historical objects in the Capitol, and for their acceptance on behalf of the Congress, its committees, and officers.

(c) Such regulations shall be published in the Federal Register when formulated or amended, and shall be inserted in the CONGRESSIONAL RECORD as the Commission may deem necessary for the information of the Members of Congress and the public.

(d) The Committee on Rules and Administration and the Committee on House Administration shall, with the advice of the Architect of the Capitol, have the supervision, protection, and placement of all works of art, historical objects, and exhibits the property of the United States which may be lodged in the Senate and House Office Buildings respectively, by the Commission: *Provided*, That all such works of art, historical objects, and exhibits shall have first been accepted in the name of Congress by the Capitol Commission, or acknowledged as United States property by inventory of the Commission: *Provided further*, That no work of art or exhibit shall be displayed or offered for sale or gain in any of the rooms, spaces or corridors of the Senate or House Office Buildings or the Capitol.

SEC. 3. The Capitol Commission hereafter shall be specifically charged with the oversight and maintenance of the National Statuary Hall and the old Senate Chamber on the principal floor of the Senate wing of the Capitol, insofar as they are to be preserved as patriotic shrines in the Capitol for the benefit of the Congress and the people of the United States.

(b) The Commission, with the advice of the Commission on Fine Arts, is authorized and directed to relocate within the Capitol any of the statues already received and placed in the National Statuary Hall, and to provide for the reception and location of the statues which hereafter may be received from the States pursuant to section 187, title 40, United States Code.

SEC. 4. It shall be unlawful for anyone other than authorized personnel of the Congress or the Architect of the Capitol to remove, relocate, or change any work of art, historical object, exhibits, or architectural feature in the Capitol or in the Senate and House Office Buildings which is the property of the United States, and whoever defaces, injures, removes, or in any other way damages any said work of art, historical object, exhibit, or architectural feature, or violates any of the provisions of the regulations adopted by the Commission for their care and protection shall be fined not more than $100 or imprisoned not more than sixty days, or both, and prosecution for such offense is to be had in the municipal court of the District of Columbia, upon information by the United States attorney or any of his assistants: *Provided*, That in any case where the commission of an offense against said works of art, historical objects, exhibits, or architectural features are damaged in an amount exceeding $100, the amount of the fine for the offense may not be more than $5,000, and the period of imprisonment for the offense may not be more than five years, and the prosecution shall be had in the United States District Court for the District of Columbia by indictment, or if the defendant, after he has been advised of the nature of the charge and his rights, waives in open court prosecution by indictment, by information by the United States attorney or any of his assistants.

(b) Those regulations required by law (R.S. 1820) to be issued by the Sergeants at Arms of the Senate and the House of Representatives for the protection of the Capitol Building, and such duties as are imposed upon the Rules and Administration Committee of the Senate, the House Administration Committee of the House of Representatives, and the Architect of the Capitol for the care, preservation, and protection of the Capitol and the Senate and House Office Buildings shall not be inconsistent with such rules and regulations as the Commission may issue pursuant to this joint resolution.

SEC. 5. The Commission shall, from time to time, but at periods no less than once every ten years, publish as a House document a list of all works of art, historical objects, and exhibits and architectural features currently within the Capitol, and the Senate and House Office Buildings, together with their description, location, and with such notes as may be pertinent to their history.

SEC. 6. There is hereby authorized to be appropriated for the expenses of the Commission the sum of $10,000 each fiscal year, to be disbursed by the Senate disbursing officer on vouchers signed by the Chairman or Vice Chairman of the Commission. Payment on such vouchers shall be deemed and are hereby declared to be conclusive upon all departments and officers of the Government: *Provided*, That no payment shall be made from such authorization as salary: *And provided further*, That a report of all expenditures of the Commission shall be made by the Chairman or Vice Chairman to the Secretary of the Senate on December 31, each calendar year, and by the Secretary of the Senate included within his report to the Senate.

PROPOSED EQUAL TV TIME LAW FOR 1962 CAMPAIGN

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a joint resolution to make possible television debates between major party candidates for the U.S. Senate and House of Representatives in this year's election.

The measure, similar to the law which made possible the Kennedy-Nixon debates in the 1960 presidential election campaign, would amend section 315(a) of the Federal Communications Act requiring broadcasters to give equal time to candidates of all parties. My amendment would suspend the so-called equal time requirement for the 1962 campaign for House and Senate.

The suspension would have the effect of giving broadcasters an opportunity to use their own judgment, subject to the usual FCC control, to see that time is equally divided between candidates of the major parties, and also that candidates of minor parties are given a fair opportunity to make known their views.

The present equal-time requirement, as applied to the impending congressional campaign, forces the broadcaster to give equal time to candidates of minor parties, no matter how small may be the party vote. It has the practical effect of preventing broadcasters from giving the people the kind of face-to-face debates between major party candidates required by the present enormous issues before the country.

The Columbia Broadcasting System and the National Broadcasting Co. have both urged suspension of this provision to permit television to perform its full role in the democratic process. The public demonstrated, during the presidential campaign of 1960, that it wants the opportunity to see the major party candidates debate the issues on the same platform. I am convinced that this can be done on the congressional level for the 1962 campaign with fairness to the minor party candidates and by giving the people the kind of debate between major candidates to which they are entitled.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 196) to amend section 315(a) of the Federal Communications Act of 1934, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Commerce.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1963—AMENDMENT

Mr. WILLIAMS of Delaware (for himself and Mr. LAUSCHE) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 10802) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

Mr. GRUENING submitted an amendment, intended to be proposed by him, to the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. HICKENLOOPER (for himself and Mr. LAUSCHE) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. COTTON submitted an amendment, intended to be proposed by him, to Senate bill 2996, supra, which was ordered to lie on the table and to be printed.

Mr. COOPER submitted amendments, intended to be proposed by him, to Senate bill 2996, supra, which were ordered to lie on the table and to be printed.

Mr. CAPEHART submitted amendments, intended to be proposed by him, to Senate bill 2996, supra, which were ordered to lie on the table and to be printed.

PRINTING OF REVIEW OF REPORTS ON CHOWCHILLA RIVER BASIN, CALIF. (S. DOC. NO. 98)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated January 17, 1962, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of the reports on the Chowchilla River basin, Calif., requested by a resolution of the Committee on Public Works, U.S. Senate. I ask unanimous consent that the report be printed as a Senate document, with an illustration, and referred to the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ESTABLISHMENT OF CAPITOL HILL NATIONAL HISTORICAL PARK—ADDITIONAL COSPONSOR OF BILL

Mr. McCARTHY. Mr. President, I ask unanimous consent that the name of the junior Senator from California [Mr. Engle] be added as a cosponsor of the bill (S. 3180) to establish the Capitol Hill National Historical Park and to provide for the protection and preservation of its historic character, dignity, and environment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF BEN C. GREEN, TO BE U.S. DISTRICT JUDGE, NORTHERN DISTRICT OF OHIO

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, June 15, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Ben C. Green, of Ohio, to be U.S. district judge, northern district of Ohio.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. Johnston], the Senator from Nebraska [Mr. Hruska], and myself, as chairman.

NOTICE OF HEARING ON NOMINATION OF JOHN D. BUTZNER, JR., TO BE U.S. DISTRICT JUDGE, EASTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, June 13, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of John D. Butzner, Jr., of Virginia, to be U.S. district judge, eastern district of Virginia, vice Albert V. Bryan, elevated.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. Johnston], the Senator from Nebraska [Mr. Hruska], and myself, as chairman.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 6, 1962, he presented to the President of the United States the following enrolled bills:

S. 315. An act for the relief of Dr. Ting-Wa Wong;

S. 1962. An act for the relief of Kenneth David Wooden;

S. 2011. An act for the relief of Antonia Longfield-Smith; and

S. 2099. An act for the relief of Tina Jane Beland.

JUSTICE SUSIE SHARP, NORTH CAROLINA'S FIRST WOMAN ASSOCIATE JUSTICE

Mr. ERVIN. Mr. President, the announcement of another North Carolina "first" came recently when Gov. Terry Sanford appointed, for the first time, a woman as associate justice of the North Carolina Supreme Court.

It is with a deep sense of pride and happiness that I can say that my distinguished friend, Miss Justice Susie Marshall Sharp, of Reidsville, is the new appointee. Miss Justice Sharp has a long line of notable achievements that started as the daughter of the prominent Reidsville, N.C., attorney and dean of the Rockingham County, N.C., bar, James Madison Sharp. After her student days at the University of North Carolina, where she served as editor of the North Carolina Law Review, Miss Sharp has gone on to receive acclaim and several firsts in North Carolina history. Notable among these was her appointment as city attorney for Reidsville. She was the first woman to hold that post in any North Carolina city. Judge Sharp served in that capacity for 10 years. In 1949, our late colleague, W. Kerr Scott, who, at that time, was Governor of North Carolina, named her to the bench of the State superior court, where she served outstandingly. I should like to share with my colleagues in the Senate several newspaper articles. One of them appeared in the March 11, 1962, edition of the Greensboro Daily News. Two other items are from the Charlotte Observer; one is a news article published on March 10; the other is an editorial published on March 11. I ask unanimous consent that these articles and the editorial be printed at this point in the Record.

There being no objection, the articles and the editorial were ordered to be printed in the Record, as follows:

[From the Greensboro Daily News, Mar. 11, 1962]

No. 7 Is Significant in Miss Susie's Life

(By W. C. Burton)

Reidsville, March 10.—Susie Sharp of Reidsville, was the first of seven children born to her parents and she was born on the 7th day of the 7th month of the 7th year of this century. "If you are a mystic," she says, "that may mean something."

Perhaps it does. She was destined to make history on at least two levels of her chosen field, the law. She was North Carolina's first—and still only—woman named to the State's superior court bench.

On Friday afternoon she became the first woman ever named to the North Carolina State Supreme Court. The appointment was made by Governor Sanford upon the resignation of the chief justice resulting in a step-up of the other members and a vacancy to fill.

Junior Justice Sharp does not yet know when the term of her appointment expires. When it does she will be, as the ballot box term has it, "up for election."

Few women have ever achieved such an office. Judge Florence Allen, named in 1922 to Ohio's Supreme Court, later a Federal judge, and now retired, was a pioneer. Research (admittedly limited in time and source material) has produced only one other, Justice Anne X. Alpern of Pennsylvania Supreme Court, who was named to the position last August.

Women all over North Carolina, and the Nation, probably were set up over the appointment. Her wonderful mother was, of course, as proud as could be, though she proceeded in her unruffled fashion to answer the constantly jangling telephone at the Sharp home, 629 Lindsey Street, and to go about getting supper.

Calls and telegrams of congratulations poured in, and Justice Sharp was rushing to make a dinner engagement. Reporters interrupted her to ask innumerable questions over the long-distance wire, and I waited for a brief interval in which to snap some new pictures. "You'll probably be glad when things settle down a little," I said. But, "Judge Susie" said, "No, this is the exciting part of it; this is all fun."

LIKES HER WORK

She admits she likes being a judge. It carries with it a considerable and ever-present burden of responsibility, but, she says, "The work is interesting; I meet and work with interesting people all over the State." With her record and standing in her profession, she should have no trouble remaining a justice.

She has tried to follow the advice given her by her late father, and one-time law partner. On the morning she left the house to open her first term of superior court, back in 1949, her father called to her from the porch. "Judge Susie" feels her father knew she needed brief and direct encouragement at that point, particularly toward keeping a firm hand and an orderly court. "Plow a straight furrow," called the father of the fledgling judge, "and remember, you're the boss."

Susie Marshall Sharp was born in Rocky Mount, in Nash County, where her parents were temporarily situated. They soon came back to Rockingham, and her father began his law practice in Stoneville. They then moved to Madison, and soon to Reidsville, where they remained.

FATHER MADISON DEAN OF BAR

Her father, James Marshall Sharp, was for years dean of the Rockingham County bar. He died in 1952, at the page of 75. Her mother was the former Annie Blackwell, of Vance County. One of Mrs. Sharp's uncles, A. R. Wortham, was a lawyer in Henderson.

When Susie entered the Reidsville public schools she enrolled in the second grade, taught by Miss Dora Coates. Like all former pupils of this gentle educator, now retired, Susie remembers her as an inspired teacher.

Susie was graduated from Reidsville High School in 1924 as salutatorian of her class. The classmate who was valedictorian by a fraction (records had to be traced back to the sixth grade to settle the title) was Dillard S. Gardner. Later they were classmates in the law school of the University of North Carolina. Now they will be closely associated again for Gardner is now research librarian of the North Carolina Supreme Court.

Incidentally class salutatorian is almost a traditional title in the Sharp family. Of the seven children, four achieved this title in Reidsville High School. The others were Annie Hill (now Mrs. Fred Klenner of Reidsville), Louise, who is Lt. Comdr. Louise W. Sharp, U.S. Navy Nurse Corps now stationed at a Marine hospital at Cherry Point, and Tommy, Thomas A. Sharp, now of Rowayton, Conn., director of general services for Remington-Rand Univac division of Sperry Rand Corp. at South Norwalk.

"Sally, Florence and 'Kits' had more important things to think about," says Susie. The fact is all the Sharp children could be honestly called "bright as buttons." Sally was Mrs. L. A. Taylor of Poplar Bluff, Mo., where she died in 1953. (Her husband died a few years later and their two sons live in Reidsville with their grandmother and Aunt Susie. Lawrence A. Taylor is a third-year medical student at the University of North Carolina. James M. Taylor is a freshman at the university.) Florence is now Mrs. R. W. Newsom of Oldtown and a teacher in Forsyth's Northwest High School. "Kits" is now Dr. James Vance Sharp, a surgeon in Reidsville.

MOVED TOWARD LAW

In high school Susie went out for the triangular debates and this is what moved her toward the law. She was an excellent debater. Her father was a lawyer. So people said to Susie, "You ought to be a lawyer." "After a while," says Susie, "I just went along with it."

High school debating also introduced her to a man who has remained her close friend and colleague. Miss Mary Wilson Brown, a Caswell native and an English teacher in Reidsville High School, was put in charge of the debating teams. She called on a Caswell cousin, newly come to town to practice law, for help in coaching the teams. This was Allen H. Gwyn, now a veteran superior court judge. Of their early coach-student relationship, Justice Sharp says, "He praised me to the skies and I worked like a dog." Obviously the method was effective.

Two high school teachers are remembered gratefully by the new justice as having helped along the way. They were Miss Janie Stacy, now Mrs. J. Minor Gwynn of Chapel Hill, and Miss Pauline Whitley, now retired, of Winston-Salem.

WROTE ON FLAPPERS

Susie entered Women's College, University of North Carolina, in Greensboro (then North Carolina College for Women) in the fall of 1924, took her first two college years there. Her most vivid Woman's College recollections, it happens, are the "inspired history teaching" of the late Dr. W. C. Jackson, for many years chancellor of Woman's College and "getting an A-plus on an English source theme on "Flappers and Flapperism." She laughs, "I don't remember what I wrote about flappers, but I expect I viewed with alarm."

In the University of North Carolina Law School she again came under the guidance of another gifted Coates. Prof. Albert Coates, brother of her second-grade teacher, later founded and now directs the Institute of Government at Chapel Hill. In those days he was the challenging and imaginative professor of criminal law in the law school.

Susie was a vigorous participant in a mock court known on the campus as Albert Coates' Moot Court. She remembers giving the constitutionality of North Carolina's then new bad check law a going over in the moot court. She and George M. Shaw, now a lawyer in New York, argued for the new law. Their adversaries were Algernon L. Butler, now judge of the Federal court, eastern North Carolina district, and Jefferson B. Fordham, now dean of the University of Pennsylvania Law School.

EDITS LAW REVIEW

At Chapel Hill, Susie became a student editor of the North Carolina Law Review, was made a member of the Order of the Coif, an honorary legal fraternity more stringent in its demands than even Phi Beta Kappa. She was the only girl in a class of 60 law students.

Licensed and admitted to the bar in 1928, the year before she took her LL.B. degree, Susie formed the partnership of Sharp & Sharp with her father and soon earned high respect in the field.

They made a good team. Sharp, known as "Mr. Jim" all over the county, was a scrappy lawyer who gave his best to every client in court. Susie was a skillful hand at the books and briefs.

She was also quick witted in emergencies. Once a woman came to her seeking a divorce. Upon investigation, Susie found that the marriage her client desired to sunder was a common-law marriage only. "Well I want some kind of paper sayin' we's separated and dividing our propity," the woman insisted. Susie settled the matter neatly with a dissolution of partnership.

WANTED TO SEE

Once a Negro man came into the office and said "I want to see de lady lawyer."

"What can I do for you?" asked the "lady lawyer."

"Nuthing," said the man, staring hard, "I jus' heard they had one up here an' I wanted to see her."

Clients began to say "I've got Mr. Sharp and Miss Susie." It was recognition she was proud to receive.

Justice Sharp has wavered from the law only once. During her Woman's College years she became entranced by chemistry. The test tubes failed to hold her but she still finds chemistry fascinating.

LONGEST CASE

Appointed a special judge of the superior court in 1949 by Gov. Kerr Scott, Judge Sharp held court in 64 of the 100 counties during the next dozen years. The longest case she tried ran 2 weeks. It was the trial in Guilford County of N. C. Webster, who was convicted of embezzling funds while bursar of A. & T. College. The case took 2 weeks—and Webster died soon after, never having begun his sentence. She has two capital cases in which the defendants were executed, both, as it happens, in Guilford.

From her years on the superior court bench, Judge Sharp cherishes a compliment paid her by Atty. Will A. Lucas of Wilson. "How do you like appearing before a woman judge?" someone asked Lucas and he replied, "I have not been conscious of appearing before a woman judge." Not lacking femininity herself, Judge Sharp has, nevertheless steered firmly clear of conveying any gender upon jurisprudence.

In her freshman law year she was 1 girl among 60 men. As a supreme court justice she will be one girl among six men. The six men sent her a warm welcoming telegram. On the morning following her appointment, new Chief Justice Denny telephoned to say her office in the Justice Building at Raleigh would be ready Tuesday morning. He said her "swearing in" was tentatively set for Wednesday, March 14, and reminded her that the six men of the court and plenty of work were awaiting her.

HARD-WORKING COURT

Because appeal is a matter of right in North Carolina, its State supreme court is called "the hardest working court in the country." Court meets twice yearly but the work goes on and on and sessions are of indefinite length.

Justice Sharp likes to relax to music and has a fine collection of classical records. She also enjoys the theater and the movies. Her favorite movie actor is Cary Grant. And her favorite TV programs are "The Defenders" and the "Andy Griffith Show." (She's not, she says, a Perry Mason fan.)

The new job will change the pattern of Justice Sharp's life, though she plans to come home on weekends—or whenever she can.

Her mother, who was 78 last Sunday, is a fine gardener and an excellent cook. (Mrs. Sharp was named Reidsville's Mother of the Year a few years ago.)

Justice Susie has no time for gardening and she makes no culinary claims, though she can, as a matter of fact, whip up a tasty casserole when the mood is on.

A person of keen sense of humor, the lady who pled her first case before the supreme court at 21 is aware that she now has a veritable tongue twister of a title: Miss Justice Susie Marshall Sharp.

[From the Charlotte Observer, Mar. 10, 1962]

Susie Sharp, Lady Pioneer, Put on North Carolina Supreme Court

(By Jay Jenkins)

Raleigh.—Susie Marshall Sharp, who will be the first woman to serve on the North Carolina Supreme Court, was a happy lady with a burden Friday.

In a telephone interview from her home in Reidsville, she said that she feels much the same as she felt in 1949 when she became the first woman on the superior court bench.

"I just felt I not only had the burden of the law on my shoulders, but that I also had the burden of the future of women in the law."

The diminutive judge (5–2) carried both burdens well. She ran a taut court with quiet dignity, and her male colleagues found that she knew the law.

After a tiring day on the bench, she would return to her needlepoint, her collection of hi-fi operatic records, her cookbooks.

"I'm one of these one-shot cooks," she said. She likes to make salads, desserts and casseroles, "the kind of cooking a woman doesn't have to do."

Some lawyers act as if they would prefer to operate the court. These felt uncomfortable around Judge Sharp. She had only to drop a calm word to cool hot tempers and quiet rising voices.

She insisted on decorum. Lawyers wore coats in the hottest summer weather. They dared not light a cigarette while she was in the courtroom.

On one occasion in Mecklenburg, when the county had more court terms than courtrooms, she was forced to hold court in places such as the county commissioners' room, the post office and juvenile court quarters.

Lawyers, out of her presence, dubbed her the "gypsy judge." To each improvised courtroom, she carried a portable sign which read, "No Smoking At Any Time."

Judge Sharp is 54.

Born in Rocky Mount, she is the eldest of seven children, six of whom are still living, as is her mother, Mrs. Annie Blackwell Sharp.

"I first got interested in law at the dinner table," she said.

Her father, the late James M. Sharp, was a lawyer. "He'd come in and tell about the cases of the day.

"I decided to be a lawyer when I was a high school senior."

After attending public school in Reidsville, she went to Woman's College in Greensboro, transferring to the University of North Carolina Law School where she won her degree in 1929.

Former Superior Court Judge Dan K. Moore of Sylva recalled that Miss Sharp was "very popular" with her classmates. She was one of the student editors of the University of North Carolina Law Review, a post that goes only to the top scholars.

In the Reidsville law firm of Sharp & Sharp, she practiced law with her father from 1929 to 1949. Between 1937 and 1947, she was city attorney for Reidsville—the first woman to hold that post in any city in North Carolina.

The late Gov. W. Kerr Scott appointed her a special superior court judge in July 1949. Since that time, she has lived between court sessions with her mother in the family home in Reidsville.

She was reappointed to her job by Gov. William B. Umstead and Gov. Luther H. Hodges.

Judge Sharp lists honorary degrees from Woman's College and Pfeiffer College as special honors she has received.

She was a member of the study commission which drafted a proposed new State constitution which the 1959 general assembly did not enact.

Gov. Terry Sanford's action in naming Judge Sharp to the State's highest court was a reminder of his campaign promise to place more women in top jobs.

When Sanford's press secretary called Judge Sharp Friday for some biographical information, he finally located her in a Reidsville beauty parlor.

"This is an honor which comes to few men and fewer women," she said. "I feel very humble and grateful for the opportunity to work with the able and distinguished judges on the North Carolina Supreme Court.

"I shall do my best to justify the Governor's faith in me and serve the people of the State well."

Success is a habit in the Sharp family. One of her two brothers, Dr. James V. Sharp, is a Reidsville surgeon. The other, Thomas A. Sharp, is director of technical services for the Univac division of the Sperry-Rand Corp. in Connecticut.

A sister, Louise W. Sharp, is a lieutenant commander in the Navy Nurse Corps. Another, Mrs. R. W. Newsome, Jr., is a Forsyth County schoolteacher. Another sister, Mrs. Fred Klenner, is a Reidsville housewife.

One sister, Mrs. L. A. Taylor, is dead. Mrs. Taylor's husband also is dead. Their two sons, both UNC students, live with Judge Sharp and her mother in Reidsville.

Lawrence A. Taylor is a medical student. James M. Taylor is a freshman, and Judge Sharp is his guardian.

As Judge Sharp was recalling her emotion when she was first chosen for the bench nearly 13 years ago, she said, "Nobody who has not been a judge can realize a judge's responsibility.

"The judge is tampering with people's lives. Solomon is the only one qualified to do it, and he's gone. The only consolation you have is that somebody has got to do it, so you do the best you can.

"People were awfully kind to me. Instead of trying to put stumbling blocks in my way, they helped in every way they could.

"I had the help of the bar. That meant everything to me."

During a case, Judge Sharp takes copious notes in shorthand.

Attorneys speak of her often as "Judge Susie" but never in the courtroom. It is always "Judge Sharp" or "Your Honor" there, although occasionally they slip and say "Yes Sir" instead of "Yes Ma'am."

While the judge runs her courtroom as strictly or more strictly than any of the male judges, there is usually a touch of the feminine about.

There are usually flowers brought by attorneys or courthouse workers.

She wears her salt and pepper gray hair in a neat but not unstylish bob and uses makeup sparingly.

Her favorite courtroom attire is a tailored suit which she often wears with frilly blouses.

From the back of the courtroom the black robes worn by superior court judges clothed her in all the dignity of the law.

But up close there was often a lace collar peeking up from beneath the robe.

After she had been on the bench for nearly 10 years, Judge Sharp gave some of her views to other members of her sex in a talk to the legal auxiliary in Charlotte.

She said that the judicial clock keeps better time when women serve on a jury. Women, she said, are "more realistic" than men, more apt to render a true verdict based on evidence than men.

To illustrate, she told a story. One woman was serving on a jury with 11 men in a case in which a woman was suing for $50,000 damages.

The woman plaintiff contended that her back had been permanently injured in an accident and that she was in constant pain. The 11 men jurors wanted to award her $10,000, but the lone woman held out for $5,000.

Said the woman juror: "No woman with a bad backache goes teetering around on spike heels with ankle straps."

Judge Sharp added, in a tone of satisfaction, "The men came around to her way of thinking."

Winborne Retirement Announced—Denny To Become New Chief Justice

Raleigh.—Gov. Terry Sanford Friday announced the appointment of Superior Court Judge Susie Sharp, of Reidsville, as an associate justice of the State supreme court.

The appointment climaxed a day in which the Governor announced that Chief Justice J. Wallace Winborne was retiring and that he was appointing Senior Associate Justice Emery B. Denny to succeed Winborne as chief justice.

When she was appointed to the superior court bench back in 1949 by Gov. W. Kerr Scott, Judge Sharp became the State's first woman superior court judge. She now will become its first woman on the supreme court bench.

The appointments will become effective Monday. However, no date for a swearing-in ceremony has been set.

Sanford had high praise for Judge Winborne, Denny, and Judge Sharp.

"Judge Sharp has an outstanding record as a lawyer and as a superior court judge," Sanford said. "She is eminently qualified to serve as a justice of the supreme court."

The timing of Winborne's retirement means that Denny and Judge Sharp will not have to run in the Democratic primary this spring. Instead, the State Democratic executive committee will pick the party's candidates for the fall general elections.

The State Republican executive committee will pick the GOP nominees. The law provides that when a vacancy occurs within less than 10 days of the end of the primary filing time, nominees will be chosen by party executive committees.

Court justices are elected for 8-year terms.

Denny, 69, the new chief justice, has served 20 years on the supreme court. Winborne has served 24 years.

Winborne, 77, recently had an operation for removal of cataracts from an eye. He said the eye has "not responded to treatment as rapidly as I anticipated," and this was a contributing factor in his decision to retire.

The chief justice was born in eastern Chowan County but lived his adult life in Marion, in western McDowell. He was appointed to the supreme court by Gov. Clyde R. Hoey in 1937.

Former Gov. Luther Hodges elevated Winborne to chief justice in August 1956 to succeed M. V. Barnhill.

Denny, 69, was named to the supreme court in 1942 by Gov. J. Melville Broughton. He had practiced law in Gastonia and served as Gaston County attorney for many years.

Sanford said Winborne served "with distinction and unusual ability. He has added luster to the tradition of service of a long line of talented chief justices."

Of the new chief justice, Sanford said: "Mr. Justice Denny is well qualified to perform his new duties in the great tradition of North Carolina's past chief justices, and we are fortunate to have a man of his caliber for this position."

Denny, the son of a minister, was born in Surry County. He is a graduate of the University of North Carolina and holds an honorary doctor of laws degree from the university and another from Wake Forest College.

[From the Charlotte Observer, Mar. 11, 1962]

Justice With a Lace Collar

It's a funny thing about Judge Susie Sharp. She's extremely attractive; she likes cooking and needlepoint and frilly blouses—but when you watch her and listen to her on the bench you think of her first as a judge, second as a woman.

You listen as she slices through excessive verbiage and circuitous testimony with crisp, to-the-point questions that reach immediately to the legal point involved.

You watch as she upbraids a lawyer for lowering the dignity of a courtroom by strolling in sans coat, and you wonder as she chews out a newspaperman for smoking a cigarette in the back room while court is in session.

At first, you wonder if maybe she isn't over-compensating a little bit; if maybe she isn't trying a little harder than necessary to convince people that she can run a court as tautly as her male contemporaries.

But after you watch and listen a bit longer, you know that this is not so. You know that Judge Sharp runs a tight court because she feels that this is the type of atmosphere in which justice is best dispensed.

This knowledge is buttressed by a statement you read—a statement Judge Sharp made Friday after Gov. Terry Sanford named her as the first woman to sit on the State supreme court.

"Nobody who has not been a judge can realize a judge's responsibility," she said.

"The judge is tampering with people's lives. Solomon is the only one qualified to do it, and he's gone. The only consolation you have is that somebody has got to do it, so you do the best you can."

Judge Susie Sharp has been doing the best she could all her life. Her best has been far more than adequate.

Her appointment was a wise one. She's an attractive woman—and she's also an outstanding jurist.

COMMENCEMENT ADDRESS BY THE VICE PRESIDENT AT NATIONAL CATHEDRAL SCHOOL FOR GIRLS

Mr. MANSFIELD. Mr. President, yesterday the Vice President of the United States delivered an excellent address to the graduating class of the National Cathedral School for Girls. The occasion was a memorable one for the Vice President; in the audience before him was his daughter, Linda Bird Johnson. I ask unanimous consent that the text of his address be printed at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR CROWDED HOUR OF HISTORY

(Commencement address by Vice President LYNDON B. JOHNSON, National Cathedral School for Girls, Washington National Cathedral, Washington, D.C., June 5, 1962)

I am thinking today, along with the rest of your parents, of the day you were born. It was just about the best day of our lives.

Now, as we look into the faces of you lovely young women, we find that our war babies have grown up. Somehow they survived colic and cod liver oil and to our amazement, and with our regret, they are all perched to leave the nest.

I am thinking, too, of 17 or 18 years in between. You were born in the wake of World War II and into a world without roots. You emerge into a world that is reaching for freedom on all fronts: in the heavens as well as around the globe.

When Woodrow Wilson was still the president of Princeton University, he used to say that the first object of education must be to make the son as different from the father as could possibly be arranged. In the past, I liked that challenge. It seemed to me to place the proper emphasis on change and independence.

But I began to revise my opinion as today's ceremonies grew steadily closer. Now I am sure that Woodrow Wilson was wrong. For I would like to believe that every graduate today, in her heart, would not wish to be very different from her mother—or, I may add, from her father also. At least you will allow all the mothers and fathers gathered here to cherish that hope.

PROMISE OF FUTURE

Your thoughts today are on the future. All of us join with you in the prayer that you will find the coming years rich in achievement and happiness. But for us, the past, in a curious way, has also merged with the present and given its promise to the future. For I imagine I am not alone, as I watch these ceremonies, in seeing not a gracious young lady but an unforgotten little girl miraculously changed into today's graduate. These memories, touched with the benediction of time, and sanctified by affection, are in all our hearts today, though they cannot find expression on our lips.

No one knows better than your parents, of course, that you are not faultless masterpieces. That is why our debt of gratitude is so large to everyone in this school who helped you along the way to maturity.

VALUES LEARNED

The changes and chances of an unknown future will inevitably scatter the members of today's graduating class to many far places. But the friendships formed here will transcend the distances of geography and survive the separations of time. To the end of your days the greeting of an old school friend will have a special meaning for you. The values learned in this school will be not only a discipline of character but an incentive to achievement. For that lesson, too, we are grateful.

I have been thinking of the differences between this school and the schools which I have seen in various parts of the world. In other lands young people are faced by the burdens of poverty, the scourge of illiteracy, the bitterness of an aroused nationalism. They feel they are the trustees of their national greatness. They think of themselves as the spokesmen for the silent and submerged people who have known cruel oppression and even harsher neglect. In all these new lands, there is an impatient demand for social reform and economic growth. We should not be too surprised if this campaign sometimes leads to criticism of our country. Our motives will often be misunderstood and our policies denounced. But these temporary explosions of irritation and anger must not obscure the community of interest which unites us in our devotion to freedom and peace. These nations have not emerged from their colonial period to embrace a communist servitude. They know they can be our friends because we want allies, not satellites. We wish to impose neither dogmas nor domination. We can differ with respect and cooperate with equality. The record shows that these achievements are beyond the reach of Moscow and Peiping.

MANY WINNING FREEDOM

Since 1945 almost as many people have won their freedom and independence as have been cast into new slavery by Communist power. Which group of nations will make the greater progress in the next few years? There can be no more fateful question in world affairs.

No so long ago the answer seemed in doubt. That suspense has now ended. The verdict has been pronounced alike by events in the Communist world and in the free world.

In Eastern Europe, freedom is a refugee and justice an outcast. Everywhere there is the wreckage of hope. In China the ancient cry of hunger and destitution fills a desolate land. In Cuba the bitterness of a revolution betrayed and a nation impoverished on a tragic scale mocks the false promises of a braggart dictator. Communist governments have aimed at armed power without giving prosperity to the state or freedom to the individual.

Turn now to the record of the free nations. There are blemishes on that record and many mistakes. But look at it in the generous perspectives of history. We have not been unworthy of the duties imposed on us by this challenge to freedom. The free nations of Western Europe are drawing together in a closer union of economic strength and political aspiration. In the enterprise they have the understanding and the support of the United States.

SEEK PARTNERSHIP

In Latin America, there is a new stirring of economic progress, a new striving after social reform, a new march toward the horizons of hope. Whether in Asia or in Africa, in the Middle East, or Latin America, the new and endangered nations want to be the partners of the free world.

I have emphasized the significance of this struggle for two reasons. In the first place, the contest will last for a long time. We can expect no easy victories. We must therefore prepare ourselves for a long campaign. There can be no reprieve from responsibility while the danger remains so urgent.

My second point is a trifle more complicated. In the last few years we have witnessed, and sometimes suffered, the growing pains of freedom. Some new governments have coveted power without responsibility. They have not always been easy colleagues in the search for peace, nor trusted partners in the defense of freedom. But these mistakes will not be repeated in the long future as these nations become more experienced in the uses of responsibility. By the time you come to positions of influence and power, these countries will be of major and growing importance in world affairs. What is more, they will, in almost all cases, be led by young men and women far more interested in the future than in the past.

IMPORTANT ASSETS

You will not always find it easy to agree with these young leaders. Differences of national background and occasional collisions of national interest will sometimes make it easier to breed a sense of friction than to produce a feeling of friendship. But I dare to believe that these differences will mark the casual exceptions rather than the enduring rule. I believe that most of these young leaders will find in you and in other young Americans a respect for their ideals, a hatred of oppression, a detachment from ancient dogmas, and a veritable passion for freedom. In these aspirations and ideals of young America I see new and important assets for peace.

I expect you to take full part in these great causes. Gone beyond recall, and beyond regret, is the old evil tradition which set a spacious destiny before men and a shabby career before women. You can enter the most diverse careers now and make your way forward.

We live amid falling taboos. In our own crowded little hour of history we have seen how the prejudice of religion no longer can bar the way to the White House. Some of you may live to see the day when the prejudice of sex will no longer place the Presidency beyond the reach of a greatly gifted American lady. Long before then, I hope that you will see a woman member of the Supreme Court of the United States. In Congress and in our State legislatures we need more women to bring their sensitive experience to the shaping of our decisions.

YOUR PRESENCE FELT

Our literature and all the arts would be shrunken and mediocre things without the support of women and the inspiration of their achievement. From industry to social welfare, from the laboratory to the classroom, from the hospital to the halls of government, there is scarcely an area of American life today that does not feel the touch of your presence or respond to the challenge of your interests.

I do not wish to make the blunder of believing that your success must be measured by the distinguished positions which you gain. Far more important than the glittering prize which an individual has won for herself is the scale of values which permeates our whole society. It is here that all of you can take an essential part in resisting the oldest conspiracy known to mankind—the conspiracy of the second rate against the first rate. You can help us to honor the neglected truth and to shun the popular error, no matter how well publicized. Above all, you can make hope, and not despair, the arbiter of our policies.

If our wisdom is equal to our strength, we can, for the first time in history, outlaw war and conquer poverty and vanquish ignorance and tame disease. We can use the triumphs of science to glorify life and not to bring terror into a frightened world. Are not all these tasks worthy of your best efforts?

STRENGTH IS SHIELD

Upon our country has fallen the burden of leadership in this difficult period of world history. We did not covet this responsibility but we cannot quit it now without opening the gates to the tyrants. With all our faults and mistakes, we have certain great assets as a nation as we make our stand for freedom and peace. Every race in the world has been welcomed to our shores. We believe in unity but never in uniformity. We are tolerant of everything except intolerance itself. We want every citizen, regardless of class or creed or color, to live in generous equality. We have a passion for peace but a still greater hatred of appeasement. We are proud that the great and the powerful respect our strength; but we are thankful beyond all expression that the unknown and the weak find in our strength the shield of their safety and the sanction of their peace. We welcome the scorn of the tyrant but we carry in our hearts the prayers of the poor. Our home in America can remain a fortress of freedom only so long as it also remains a temple of honor.

And to you graduates I say: Courage is certainly the master virtue, for without it, all other virtues are soon lost. Arm yourselves for the long journey with this majestic virtue of fortitude. Journey well and journey patiently, and look always at the far horizons. With courage as your companion and idealism as your guide, I know that all of you will travel through life with honor, and I trust, with overflowing success and happiness.

THE 18TH ANNIVERSARY OF D-DAY IN EUROPE

Mr. FONG. Mr. President, 18 years ago today the Allied forces launched their ground counterattack against Adolf Hitler. It was D-day in Europe.

As we today commemorate that fateful hour, it behooves us to give thanks to divine providence for His guidance and deliverance in that terrible struggle whose outcome, on June 6, 1944, was still in doubt.

One hundred and eighty-five million Americans live in freedom today because of the indomitable courage and dedication of the men and women of the Allied forces. We owe eternal gratitude to all who served under our flag and the flag of our Allies—to those thousands of Allied soldiers, seamen, and airmen who made the supreme sacrifice and to the thousands of their comrades in arms who bear the scars of wounds suffered in that great conflict. Truly, uncommon valor was a common virtue.

There was scarcely a crossroads in America that did not send a man or woman to serve in our Armed Forces in World War II. From Hawaii, then a Territory, more than 40,000 men answered the call to colors, serving in all branches of the service and in every theater of action. More than 800 of them gave their lives. Some 2,200 were permanently disabled.

We in Hawaii will never forget the magnificent example set by our island boys—in the Hawaii National Guard, in the 298th and 299th Infantry Regiments, the 1399th Engineer Construction Battalion, the 100th Infantry Battalion, the 442d Regimental Combat Team, in the Army and its Air Corps, in the Navy, in the Coast Guard, and in the Marine Corps. Wherever men from Hawaii served, they demonstrated the bravery, the tenacity, the will to win that has characterized American fighting men in every war.

We honor and we hallow the memory of all the Americans who did not return, and we share with their loved ones the heartbreak and anguish they endure to this day. We salute the veterans who served and survived. To all, we pledge from our overflowing hearts our determination to safeguard the freedoms which they saved for us nearly two decades ago.

FREEDOM OF TRAVEL

Mr. CASE of New Jersey. Mr. President, as a cosponsor of the freedom of travel amendment introduced yesterday by the distinguished senior Senator from New York, I would like to urge that the Senate once again express its support of the principle of equal treatment of all Americans by other countries regardless of race or religion.

The practice of certain countries in refusing to honor the American passport in granting personal or commercial access to their territories because of race or religion is repugnant to the Congress, and we have repeatedly said so. I was one of the sponsors of the amendment to the mutual security appropriations bill in which the Congress expressed itself on this matter in 1959. The same provision was repeated in the appropriations act last year, and it is contained in the freedom of travel amendment now under consideration. Its only difference of substance from the 1959 amendment is contained in the final sentence, which states that the Secretary of State shall report annually on the measures taken to apply the principles stated.

All Americans must be concerned when certain Arab states refuse to honor the American passport because its holder happens to be Jewish, or when governments engage in discriminatory treatment against American businessmen on grounds of race or religion. I do not believe our country can afford to accept such obnoxious practices.

In view of the continuance of practices against American citizens which are repugnant to our principles by the recipients of U.S. aid, it seems to me that the freedom of travel amendment should be restated at this time in our amendments to the Foreign Assistance Act. Mr. President, I urge the Senate to give its wholehearted support to this amendment.

AN ABLE MAN LEAVES GOVERNMENT

Mr. BARTLETT. Mr. President, I should like to remark on the approaching departure from Federal service of a key member of the administration, Secretary of the Army Elvis J. Stahr, Jr.

As Senators know, President Kennedy has accepted Secretary Stahr's resignation to accept an offer from the board of trustees of Indiana University to become president of that institution upon the retirement of its incumbent president on July 1. I feel this is an appropriate time and place to acknowledge, publicly and officially, the distinguished service Secretary Stahr has rendered as civilian head of the Army since January 24, 1961.

A distinguished scholar and nationally recognized educational administrator, Secretary Stahr relinquished his position as president of West Virginia University at the call of President Kennedy to address himself to the task of developing a stronger Army in a time of prolonged and serious external threat to the Nation and its ideals.

Secretary Stahr has handled his critical duties and responsibilities with conspicuous vision, vigor, and effectiveness. Under his direction, the Army not only performed its vast and increasingly complex global mission with distinction, but went through the busiest period of expansion, reorganization, and readjustment in this Nation's peacetime history. Its manpower grew from 870,000 to more than a million; its combat-ready strategic reserve in the continental United States was more than doubled; and its forces overseas were strengthened and provided with some of the most modern weapons and equipment.

Adjusting to a new and important emphasis on counterguerrilla activities to help our hard-pressed allies in southeast Asia, the Army led the way in a type of military operation that promises much for the future hopes of free nations imperiled by Communist guerrilla aggression.

In addition to participating with the other Services and agencies of the Department of Defense in the consolidation of many common activities and functions, the Army accomplished, during Secretary Stahr's tenure, major improvements within its own structure, including reorganization of Department of the Army headquarters, the development of a new organizational plan for combat divisions which will permit the prompt and precise tailoring of units to meet any contingency, the creation of a modernized concept of Reserve readiness, and the development of a revision of the Reserve Officers Training Corps program designed to increase significantly the effectiveness of the ROTC in producing qualified junior officers both for the Army Reserve and the Active Army.

In accepting Secretary Stahr's resignation with "regret and reluctance," President Kennedy took cognizance of those accomplishments when he wrote this estimate of his service:

> Your conduct of Army affairs has been an outstanding example of good management. Your policies of recognition of young talent, of examination and adoption of new doctrines and techniques, and emphasis on vigorous leadership for our Army marks your tenure as Army Secretary.
>
> In an uneasy period of international tension, under your leadership the Army has effectively performed its mission. The improvements made are important ones; the sacrifices that have been made are appreciated deeply by the American people; and the pride and high esprit of the Army today is more than justified.

As Secretary Stahr leaves his post, he goes to a position of great influence, not only among the young people who attend Indiana University, but in the nationwide educational community. He takes with him to that world a knowledge and awareness of national military problems that he has gained both as Secretary of the Army and as an Infantry officer in World War II. How much closer together our people and Government could grow if more such men experienced a similar exchange of duties between private and public service, thus bringing to both realms a broader view and deeper insight. I am confident that the Army and the Government will benefit from the work of a good and faithful friend in raising up tomorrow's leaders when

Elvis J. Stahr goes to the campus of Indiana University.

Before he leaves, I want to place on record this sincere expression of appreciation for his skillful and devoted service as Secretary of the Army. I know my colleagues in the Congress join me also in wishing him continued success in the tremendously important task he is taking up again among the maturing young men and women in America.

RUSSIAN AGRICULTURAL PRODUCTION

Mr. HRUSKA. Mr. President, we have all read with great interest recent news accounts of Premier Khrushchev's exhorting the Russian agriculture worker to greater production. The fact that the Soviets have a critical problem in farm output, coupled with the well-known food crises in other Communist countries, notably Red China, makes especially timely an analysis by the U.S. Department of Agriculture of what is wrong with Russian agriculture.

A condensation of an article prepared by Lazar Volin, Russian-born specialist on Soviet agriculture, appeared in the June 3 edition of the Washington Post.

The article, Mr. President, is worth reading for the lesson it contains for America. One of the principal points Mr. Volin makes is that the Russian farmer's problems "are further aggravated by the constant interference with and harassment of the farm managers by the bureaucracies of both the Communist Party and the government."

I ask unanimous consent that the text of Mr. Volin's article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RUSSIAN ABC'S OF HOW TO LOSE AT FARMING

(By Lazar Volin)

(This is a condensation of an article by the chief of the East European analysis branch, regional analysis division, of the Agriculture Department Economic Research Service. The Russian-born Volin has been an Agriculture Department specialist on Russian agriculture since 1926 and is the author of many essays and articles in both technical and nontechnical publications.)

When the magic touches of incentives and property are applied to Soviet agriculture, it prospers. But when there are no rewards for extra efforts and when decisions that should be made by farmers are dictated by government officials, Soviet agriculture withers like an undernourished plant.

The most graphic example of these contrasts can be seen in the small but prosperous plots and the few animals that Soviet peasants are still permitted to maintain on collective and state farms. The private plots amount to only 3 to 4 percent of the country's cropland, but all of the output from them that is not consumed by the peasants is sold by the peasants in the marketplace at a profit.

In 1959, the latest year for which figures are available, these tiny farm holdings (with some contribution of animal feed from the collectives) accounted for nearly half of the Soviet Union's meat and milk production, 80 percent of its eggs, 60 percent of its potatoes, and 46 percent of its green vegetables.

THE KEYS TO PLENTY

American farmers continue to outproduce Soviet collective and state farms not only because they have the incentives to do a better job but also because they have better climatic conditions and because the United States has encouraged agriculture while the Soviet Union has stressed heavy industry to the detriment of its farm economy. As a result, the farm problem in the United States is one of surpluses while in the Soviet Union it is shortages.

In the United States, the Government has nurtured family farming, particularly through programs supporting farm prices and farm income. These incentives have stimulated investment in farming and promoted scientific agricultural research.

Technological advances have also been encouraged in the United States by the agricultural colleges; by experiment stations maintained by the colleges, the States and the Federal Government, and by private business. The Federal-State agricultural extension service and the free farm press have demonstrated to farmers how they can improve their operations.

But the basic decisions of what to plant, how to feed livestock, how to apportion the use of land (within Government acreage allotments on crops where they are in effect) and how to manage the farms are left to individual American farmers, the vast majority of whom own and operate their own farms.

A PERSISTENT EMPHASIS

In the Soviet Union, on the other hand, the highest priority has been given to promoting the growth of heavy industry and to other nonfarm investments at the expense of agriculture and consumer goods. In 1960, for example, the Soviet Union invested more than twice as much in heavy industry as in both collective and state farms.

Soviet Premier Khrushchev has placed more emphasis on agriculture and consumer goods than Stalin did. But as recently as last March, Khrushchev warned a meeting of the Soviet Communist Party Central Committee that increased measures of assistance to agriculture "do not mean that there will be immediately a diversion of resources to agriculture at the expense of the developing of industry and of strengthening the defense of our country." This statement was made only a few days after Khrushchev had expressed concern over the shortage of farm equipment in the Soviet Union.

The central organization and direction of Soviet agriculture are other obstacles to a viable and prosperous farm economy. Except for the small amount of land set aside for private plots, Soviet agriculture is organized in huge collective and state farms.

The Soviet farms are so large that they are almost inherently unmanageable. In 1960, the average collective was spread over 15,600 acres and 6,800 of these acres were sown to crops. The state farms are even larger. In 1960, they averaged 22,000 acres of sown cropland alone.

By contrast, in the United States, the average size of the commercial farms that account for practically all of the agricultural production is only a little more than 400 acres.

BUREAUCRACY'S THUMBS

The problems of managing such large farms as those in the Soviet Union are further aggravated by the constant interference with and harassment of the farm managers by the bureaucracies of both the Communist Party and the Government.

Collectives are supposed to be owned by the people who operate them while the state farms are Government-operated enterprises on which peasants work as if they were factory employees. But both types of farms are rigidly controlled by the state.

In 1958, Khrushchev sought to reduce regimentation of the farms by abolishing the machine-tractor stations that served not only as sources of machinery needed by the farms but also as important instruments of Government control over the collective farm system.

The farm machinery was sold to the collectives to eliminate what Krushchev has so aptly called the "two bosses on the land." But to a large extent this move was offset by continued petty interferences with farm management by party and state bureaucrats.

The Soviet farm economy has also been hobbled by the government's insistence that certain farm methods or crop patterns which struck the leaders' fancy must be used throughout Russian agriculture, regardless of differing soil and climatic conditions. The grassland system of crop rotation, for example, was made mandatory everywhere under Stalin. Now it has been ordered abolished, again everywhere. Today corn, which Khrushchev has called "queen of the fields," must be grown throughout the Soviet Union.

Many Russian farm managers and agricultural specialists undoubtedly realize the harm that such mandates can cause in a country as large and diverse as the Soviet Union. But once these orders become part of the official dogma, they must be followed.

To make matters even worse, the theoretical trend toward decentralization and decreased regimentation has been reversed by the recent reorganization of the administrative apparatus of Soviet agriculture, which established new state supervising agencies over collective and state farms.

Not only are American farmers free from such central direction of even the smallest and most detailed farming operation; they also have the freedom to choose from a number of competing firms the machinery, fertilizer, seed and other commodities that a modern farmer needs. They do not have to take only what a government monopoly will supply, as in the Soviet Union.

Furthermore, the companies producing goods for American agriculture are themselves free and do not have to be spurred by the Government to adopt innovations resulting from scientific and technical research.

There are many other contrasts between Soviet and American agriculture that help to explain the productivity of the U.S. system and the difficulties of the Soviet Union.

Although both countries have large areas of fertile soil and know how poor soil can be made productive with chemical fertilizer, the Russian climate is much less favorable than that of the United States. Most of the Soviet Union is farther north than the United States and consequently the Soviet growing season is generally shorter. Even more important, there are more extensive dry areas in Russia.

The Soviet climate is particularly severe in the eastern regions beyond the Volga River and the Ural Mountains, where virgin land has recently been plowed up. The Soviet agricultural stagnation of the last 3 years was due in part to unfavorable weather, which Khrushchev has underemphasized. But in 1958, the benchmark year for the current 7-year plan, the weather was good in the virgin-land areas and elsewhere and a record crop was gathered.

With their vast area of more than 500 million acres of sown cropland, the 220 million people of the Soviet Union do not suffer from the kind of population pressure that bedevils so many underdeveloped countries, including China. In many Asian countries, there is far less than 1 acre of arable land per person, but in the Soviet Union the ratio of arable acres to population is more than 2 to 1.

This does not mean, of course, that the Soviet Union has no food problem. Its population is growing by 3½ to 4 million a year and, what is more important, the Soviet Union is becoming an increasingly urban country. That alone increases demands for improvements in the starchy Russian diet.

The Russian people also have had so many promises of an improved standard of living from the Communist leadership that they are now anxious to have the promises fulfilled. It was partly to satisfy this demand that Soviet cropland was expanded by more than 100 million acres in recent years.

But this expansion was in areas with a dry climate and a short growing season. In the United States, by contrast, Government efforts to keep farm production in line with demand have concentrated cropland on about 330 million of the better acres.

Further expansion of Soviet agricultural production, which Khrushchev emphasizes so often in his speeches and official plans, will have to come primarily through more intensive farming of acres now under cultivation.

This will require a more efficient farm system, an improved farm technology, the encouragement of innovations and proper incentives to farm managers and workers. Yet these are the areas where Soviet agriculture has fallen down in the past.

The Soviet Union does not have enough tractors and other farm implements and is also short of the fertilizers, herbicides, and fungicides needed to increase production on acres already being cultivated. Nor do Soviet farms have adequate electric power.

In 1959, consumption of electricity on Soviet farms was only 31 percent of that on American farms. And, as Khrushchev has said, "one cannot demand high productivity of labor and hack corn with an ax."

Not only is machinery in short supply on Soviet farms; it is also poorly maintained. It is often left out in the open to rust throughout the severe Russian winter. Neglect of machinery has in fact become such a problem that it has recently been made a criminal offense.

There also are chronic shortages of spare parts and sometimes it is easier to buy new implements rather than seek the parts. Every year the Soviet press is filled with reports of breakdowns of tractors and other machinery at the height of the planting and harvesting season when they are badly needed.

In 1959, for example, when the Soviet Union had considerable trouble harvesting the grain crop in Kazakhstan, 32,000 combines and 11,000 reapers were not in use in that region. Also, 18,000 tractors could not be operated because they needed repairing.

All of these facts were cited by Khrushchev himself in criticizing the shortcomings of Soviet agriculture.

Chemical fertilizer is also badly needed in the Soviet Union. These new fertilizers are an important reason why the United States has been able to increase crop yields per acre so greatly.

Although the Soviet Union has 50 percent more land under cultivation than the United States has, Soviet farms use only a third as much chemical fertilizer as American farmers use. Much of the Soviet fertilizer apparently is not even utilized. There are frequent reports in the Soviet press of piles of fertilizer dumped at railroad sidings and left to deteriorate.

As for herbicides to control weeds and other chemicals to combat pests and plant and animal diseases, the Soviet Union has hardly begun to make use of them.

Nor has irrigation been stressed sufficiently in the Soviet Union, despite its large dry areas. An ambitious irrigation program was planned in the European part of the Soviet Union during the last years of Stalin's regime, but it was largely abandoned after his death and the subsequent Khrushchev-ordered expansion in dryfarming areas.

Last year, however, Khrushchev revived a large-scale irrigation program, but it is envisioned as a long-range development that will not increase production for many years.

Finally, the Soviet Union is continually short of improved seed stocks. Despite the development of many improved varieties by Soviet plant breeders and despite numerous Government edicts, a solution to the seed problem still appears to be far off. Khrushchev has noted that collective farms frequently are forced to deliver seed grain to the Government to meet their quotas.

But even if all of these deficiences of Soviet agriculture are corrected, the Soviet farmers must be given a carrot as well as a stick. Khrushchev knows this. That is why the ridiculously low prices paid to the collective farms for their produce under Stalin were increased to provide more income for the members of the collectives.

Yet a sample survey showed that in a good year like 1958, as much as 38 percent of the income of peasants still came from their private acre-and-a-cow plots. On some collective farms, expenditures for production and for general welfare purposes such as clubhouses, schools and hospitals were excessive and limited the amounts available for members of the collectives and workers on the state farms.

But the most serious problem facing Soviet agriculture is still the high priority given to heavy industry by the state. This deprives agriculture of sufficient capital and retards the growth of consumer goods industries. And farmers, like everyone else in the Soviet Union, not only want rubles but want goods which can be purchased with the rubles.

SIGNIFICANCE OF MEMORIAL DAY—A TRIBUTE TO EDWARD GOMEZ

Mr. HRUSKA. Mr. President, last week there were a great many speeches given, a great many articles and editorials written, and many commentaries made upon the meaning and the place of Memorial Day.

All over the country this was done as it is appropriate to do each year. It is well that we remind ourselves of the full implications of this national observance. One cannot help but marvel at the many fashions of expressing the thoughts which all of us feel for the occasion.

One of the most effective writings on this subject came to my attention from the columns of the Omaha World-Herald. It is an article written by Tom Allan entitled "The Name of Babe Gomez Lives On."

Tom Allan has been doing some very splendid writing over these last several years covering the State of Nebraska for his newspaper. Because of his excellence of writing and because he has a military experience which particularly qualified him to write about Babe Gomez, the results are especially praiseworthy.

I should like to add my tribute to this wartime hero of Kearney, Nebr., and at the same time compliment Tom Allan for his excellent tribute.

Mr. President, I ask unanimous consent that the text of this article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NAME OF "BABE" GOMEZ LIVES ON

(By Tom Allan)

KEARNEY, NEBR.—In September of 1951 Marine Pfc. Edward "Babe" Gomez, just before going into battle in Korea, wrote his mother:

"I may die in the next assault. You will hear about it before getting this letter and I hope you don't take it too hard.

"I am not sorry I died because I died fighting for my country and that's the No. 1 thing in every one's life, to keep his home and country from being won over by such things as communism.

"I am very proud to have done what little I have done. Tell dad that I died like the man he wanted me to be. The kids, remind them of me once in a while and never forget, kids, fight only for what you believe in—that's what I am fighting for."

A Nation and State that did not forget the South Omaha boy who wrote these lines before his hero's death will honor his memory here Memorial Day.

The name of Private Gomez, just 19 when he died, will live forever here on the campus of the Boys Training School in the hopes his simple creed and love of country will remain eternal in his fellow man.

Gomez Hall, the school's new commissary and utility building, is being dedicated in memory of the boy once sent here by the society for which he later gave his life to preserve.

High church, State and American Legion officials as well as bands, drill teams and firing squads from Shelton, York, Alliance and Stuart will participate.

Standing proudly in the front row will be his parents, Mr. and Mrs. Modesto Gomez, 2609 Monroe Street, Omaha, and his brothers and sisters and their families.

Babe, one of 12 children, won the Nations' highest decoration, the Medal of Honor.

He was always a fighter. He fought with heart and skill in the Golden Gloves. He fought above and beyond the best tradition of a marine in Korea.

There must have been an intuition of impending death that September day in 1951 when he wrote that tender letter to his mother telling of his pride of country and exhorting his brothers—and perhaps all men—to "fight only for what you believe."

"Be proud of me, Mom," he wrote. "Because, even though I'm scared now I know what I am doing is worth it."

A few hours later Private Gomez clawed up Hill 749 with a machinegun crew. An enemy automatic weapon spat death their way. The South Omaha boy dropped to one knee, lobbed in a grenade and fought back with his carbine, wiping out the enemy stronghold.

The marines struggled upward. Once when the line wavered "Babe" snarled:

"If the Third Section Marine guns can't take this mole hill—nobody can."

The wavering line straightened and fought on, gaining the crest of the hill. The Nebraskan provided covering fire as his machine gunners emplaced their weapon.

Then an enemy hand grenade bounced in among them.

Unhesitatingly the boy, who'd learned the true values of life the hard way, grabbed it, pulled it close to his stomach as he spun away from his buddies and fell on it, smothering its explosive blast. His buddies' lives were saved.

There were glowing words on his Medal of Honor citation. There will be others here.

But perhaps none can match his own, written to his mother in that letter:

"I am very proud to have done what little I have done."

FOREIGN AID TO LATIN AMERICA

Mr. PELL. Mr. President, I would like to comment on the new title VI—Alliance for Progress—section of the foreign aid bill we are now considering. More specifically, I am concerned with the expenditure of the $500 million available in the next fiscal year for loans repayable in dollars.

It is my fervent hope that it will be possible to follow the recommendation of the Foreign Relations Committee concerning the purposes for which the loans will be made. In appropriating these moneys, I believe it has been the intention of Congress that the loans would go to specific development projects. This has not always been the case.

I would like to quote at this time from the committee report:

> Economic and social progress are quite clearly dependent on political and fiscal stability. If the program is to succeed, however, it must at some reasonably early stage begin to produce a steady decline in the need for budgetary and balance-of-payments support and a corresponding increase in the level of development assistance resources that can be usefully absorbed.

In this connection, I was happy to note that our Government was able to fulfill its commitment of $1 billion in aid to Latin America from March 1961 to March 1962, the first 12 months after the program was announced. However, I was disappointed to see that a large part of this billion dollars was not used directly for development, but for budget support and balance-of-payment loans. It has been estimated that of the $1 billion about $468 million went to pay past debts, current Government bills, and balance-of-payment deficits stemming largely from the failure of exports to match imports. For example, in Brazil which received $357.2 million, $268 million went to refinance old debts and cover a balance-of-payments deficit.

Although I have been assured by AID officials that this kind of support is directly related to development and is a necessary prerequisite, I am hopeful that every effort will be made to emphasize the role of specific development projects.

With so many agencies now involved in assistance under the Alliance for Progress, I have found it sometimes hard to ascertain exactly how the funds are being spent, and by what agencies. I would like unanimous consent that a chart showing "U.S. economic assistance to Latin America, obligations and loan authorizations, July 1, 1961, to April 30, 1962," be printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

U.S. economic assistance to Latin America—Obligations and loan authorizations July 1, 1961, to Apr. 30, 1962

[Millions of dollars]

Country	Total U.S. assistance			Eximbank loans more than 5 years	AID	Social progress trust	Food for Peace	Peace Corps
	Total	Grants	Loans					
Total	902.4	158.1	744.3	199.0	364.2	214.0	122.1	[1] 3.1
Argentina	78.3	1.4	76.9	51.9	21.4	5.0		
Bolivia	22.4	18.3	4.1		18.0		4.2	.2
Brazil	193.6	36.9	156.7		80.1	47.0	65.9	.6
Chile	125.9	11.4	114.5	.8	102.1	13.7	8.7	.6
Colombia	68.0	15.2	52.8		35.8	22.8	8.3	1.1
Costa Rica	9.6	1.6	8.0	4.5	1.6	3.5		
Dominican Republic	35.2	.2	35.0	10.0	25.0		.2	
Ecuador	30.4	3.8	26.6		15.5	13.6	1.3	([2])
El Salvador	25.2	3.6	21.6	10.0	1.2	11.6	2.3	.1
Guatemala	7.6	4.1	3.5		3.6	3.5	.5	
Haiti	2.4	2.4			1.7		.7	
Honduras	2.9	2.9			2.5		.2	.2
Jamaica	.7	.7			.6		([2])	.1
Mexico	110.7	8.3	102.4	91.8	.5	10.6	7.8	
Nicaragua	8.0	1.9	6.1		2.5	5.2	.3	
Panama	21.4	11.8	9.6	2.0	11.5	7.6	.3	
Paraguay	8.3	5.2	3.1		1.1		7.2	
Peru	64.3	7.8	56.5	17.1	15.9	24.8	6.5	([2])
Surinam	.4	.4			.3		.1	
Uruguay	6.5	.6	5.9	1.9	.2	2.5	1.9	
Venezuela	58.3	6.3	52.0		10.6	42.0	5.6	.1
West Indies and East Caribbean	10.0	1.0	9.0	9.0	.8		.1	.1
British Guiana	.5	.5			.4		.1	
British Honduras	.3	.3			.2		.1	
Regional and undistributed	11.5	11.5			11.0	[3] .5		

[1] As of Mar. 31, 1962.
[2] Less than $50,000.
[3] Technical assistance grants.

Source: Statistics and Reports Division, Agency for International Development, May 17, 1962.

Mr. PELL. Mr. President, taking specifically the figures for AID it is interesting to note that a further breakdown shows that about 55 percent of the AID program moneys went to specific long-range development projects. It is estimated that another 34 percent went for other development purposes, principally to pay for imports essential to the development process. This leaves only 11 percent for direct budget support which puts the whole picture in a slightly better light.

Consequently, I will not introduce at this time an amendment to limit expenditures of Alliance for Progress funds, or in fact any aid funds, to specific development projects, but I think we should make clear our intent when authorizing these funds. During the forthcoming year, I intend to follow very closely the purpose for which loans are made.

FORTIETH ANNIVERSARY OF RADIO STATION WEAN

Mr. PELL. Mr. President, on June 2 Rhode Island's pioneer radio station, WEAN, in Providence celebrated its 40th anniversary.

Since 1922, it has grown from an original 10-watt transistor station in the Shepard Co. store in Providence to one of 5,000 watts, and today has the most up-to-date and modern facilities.

During its first 25 years of broadcasting, WEAN provided the public with a variety of information and entertainment programs. When television appeared on the scene in the late forties, the station adjusted to the challenge provided by the new visual medium by offering a new format of music, news, and public service.

Now owned by the Providence Journal Co., it is well equipped to provide such programing, especially in the news field by taking advantage of the large staff of reporters in the city room and on the State staff of the Journal-Bulletin.

I congratulate radio station WEAN on its anniversary and commend it for its contribution to the life of Rhode Island and its awareness of its public responsibilities.

WITHHOLDING AT THE SOURCE OF TAX ON INCOME FROM DIVIDEND AND INTEREST

Mr. DOUGLAS. Mr. President, on May 24, 1962, the New York Times carried an editorial supporting the proposal of the President to withhold on the income from dividends and interest at the source.

The editorial quite correctly points out that this is not a new tax, that those under 18 are exempt, and that the older people would not be harmed by the provision for they could gain exemption if they reasonably expected to have no tax liability.

The editorial states that the facts in no way justify the near hysteria there has been about this provision.

I ask unanimous consent that this editorial be printed at this point in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FACTS ON WITHHOLDING

The mail received by the White House and Members of Congress, not to mention the newspapers, reveals many misapprehensions about the Federal Government's proposal for income tax withholding at source from dividend and interest income.

No new tax is proposed. Withholding at source means that a substantial number of people who have been escaping existing taxes by failing to declare their dividend or interest income will have to pay, thus easing the burden on more honest or more careful taxpayers. Any person whose income is so low that he may reasonably expect to owe no tax liability can avoid withholding by filing a statement with the savings institution involved.

All children under 18 are made automatically exempt when they file a statement regarding age. Persons over 65 already get special tax benefits which make them more likely to be eligible for exemption from withholding than are people between 18 and 65. A relatively small number of persons do run the risk of having more tax withheld from interest or dividend income than should be withheld; but they are entitled to quarterly refunds. The latter privilege is far more favorable than is the corresponding provision for annual refunds to wage earners subject to withholding from earned income. Senator Paul H. Douglas, of Illinois, has made all of this clear, for the 20th time, again this week.

These are the facts. They in no way justify the near hysteria against the withholding proposal which has been aroused in some areas by its opponents.

Mr. DOUGLAS. Mr. President, on June 3, 1962, the St. Louis Post-Dispatch carried an editorial in support of withholding dividend and interest income at the source.

Their editorial properly deals with the subject of older couples whose entire income is from dividends or interest and in whose name the opponents of this provision have been objecting to withholding.

As the Post Dispatch points out, an elderly couple would have to have $5,300 of income from interest or $6,100 of income from dividends in any year before they would be subject to any Federal income tax.

As one would need an investment of from $125,000 to $150,000 at 4 percent interest to earn these amounts, no one can honestly say that aged people would be harmed by this bill which exempts anyone over 65 from its provisions if they reasonably expect to have no tax.

I ask unanimous consent that the editorial be printed in the body of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Exempt at $5,000

Administration supporters in the Senate Finance Committee are now offering a compromise on the bill to withhold income taxes on dividends and interest. Their proposal is to exempt incomes of $5,000 or less. The offer ought at least to block antiwithholding propaganda aimed at retired citizens. For example, in answer to a charge that an elderly couple with $5,000 yearly in dividends would have to pay income taxes of $50, Senator Douglas, of Illinois, proved that the couple would pay no tax at all.

From the $5,000, the Senator said, the couple would first deduct $50 apiece in dividend exclusions, and from that they would deduct $2,400 in the double personal exemption allowed those over 65 years. This would leave $2,500, from which the standard of 10 percent of adjusted gross income ($4,900) would leave $2,010 in taxable income. The normal tax on that would be $402, but a dividend credit of 4 percent or $80.40 and a retirement income credit of $321 would cancel the tax.

Actually, the Treasury figures that a retired couple could have up to $6,000 in yearly dividend income or $5,300 in interest income without paying a tax. And the hypothetical couple to which Senator Douglas referred would have to have $125,000 in investments to earn their $5,000 at 4 percent.

The fact remains that the withholding bill does not mean new taxes for anyone. It is only an effort to collect some of the tax loss in unreported dividend and interest income which the Treasury put at more than $1 billion for 1960. The compromise $5,000 exemption would eliminate some fairly large investment incomes from withholding but still should recover the bulk of the tax loss.

Mr. DOUGLAS. Mr. President, the issue of the Progressive magazine for June 1962 carried an article on withholding the tax already owed on dividends and interest. This article is extremely accurate and supports the proposal put forward by the President to withhold at the source.

It should help very much in doing away with many of the misleading arguments which have been made about this legislation.

I ask unanimous consent that the article be printed in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Big Lie

In view of all the major crises confronting the American people at home and abroad it seems doubtful that even the most sensitive public pulsetaker would have chosen the proposed Federal income withholding tax on interest and dividends as an issue that would excite almost unprecedented popular attention.

Yet this modest proposal embodied in section 19 of a complex 240-page tax revision bill—already passed by the House and now under Senate consideration—has provoked a flood of mail—almost all in opposition to the measure—that some Senate veterans claim is greater than any since the Korean crisis of more than a decade ago. Senator Paul Douglas, one of the leading supporters of the withholding tax, has been swamped with more than 50,000 letters on the issue. Other Senators report as many as several thousand letters a day.

Behind this outpouring of public opposition is a barrage of deceptive propaganda laid down by banks and savings and loan companies which has frightened countless numbers of elderly people, widows, and others who depend for their livelihood on interest and dividend income into believing the Government is preparing a major raid on their modest holdings.

It is widely represented that refunds of taxes withheld but not owed would be slow and difficult to process.

There is no evidence for this assertion. The volume of refunds would be minute because of the liberal exemption provisions—nothing remotely resembling the volume of refunds involved in Federal withholding on income from wages. In addition, the proposed law provides for refunds on a quarterly basis—four times as frequently as refunds of the tax on wages.

Another argument against the system—this one raised mainly by the financial institutions rather than individuals—is that compliance would be difficult and expensive.

The truth is that compliance could hardly be simpler. If a corporation paid out $1 million in dividends for example, it would merely transmit 20 percent—$200,000—to the Treasury, and pay 80 percent of the dividend to the shareholder. It is not required that the corporation report each individual account. Similarly, when banks pay interest, they would merely transmit 20 percent of the total paid, but not the depositors' names and amounts withheld. Filing of the annual personal income tax has been equally simplified.

Largely because of the misconceptions concerning the ease of compliance, it is claimed the withholding system would cost more to administer than the increase in revenue would warrant.

In a remarkable piece of testimony before the Senate Finance Committee, a prominent banker cut the ground from under this argument. To the great surprise of the committee, the withholding plan received enthusiastic support from John Sadlick, vice president and controller of the Franklin National Bank of Long Island, the 32d largest commercial bank in the country, with deposits totaling more than three-quarters of a billion dollars. Sadlick, who had done his homework better than the opposition, provided the only concrete testimony concerning the cost to banks of administering the withholding tax, which he estimated at seven-tenths of 1 percent of the amount withheld the first year, and less than half that in subsequent years. Bank profits would be reduced one-fourth of 1 percent the first year, less than half that thereafter. "In view of our findings," Sadlick concluded, "how could our bank or any other bank * * * justifiably refuse to cooperate with the Treasury in helping to close this important loophole?"

In spite of the overwhelming evidence favoring withholding on interest and dividends the measure is in trouble in the Senate, largely because of the huge volume of mail promoted by the devious propaganda of the banks and savings and loan associations.

Mr. DOUGLAS. Mr. President, in his column which appeared in the Washington Post on Saturday, June 2, Mr. George Sokolsky has written about the proposal to withhold at the source on income from dividends and interest. I commend the fairness of his article to the Senate and to the public.

He also mentions the problem of income abroad escaping taxation. This, too, is a subject on which the tax bill attempts to close some of the existing loopholes.

I ask unanimous consent that Mr. Sokolsky's article may appear in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Tax Evasion

(By George E. Sokolsky)

The argument in favor of a withholding tax, of any kind, is that there is considerable cheating in the payment of taxes. The American people are an honest people, but as every tax collector knows, in any country, most folks find it a pleasure to evade a tax, avoid a tax, find a loophole in a tax law. This has been true from time immemorial and a tax collector is usually disliked not for his personality but on account of his profession. He is like a hangman.

Senator Paul Douglas, of Illinois, is a trained economist. He believes in the withholding method of collecting taxes as fair because there is an estimated cheating of $1 billion per year and therefore those who honestly pay are at a disadvantage as compared to those who manage to cheat. He favors using the withholding device with regard to dividends. He says:

"The bill as written provides for either exemption or for quick quarterly refunds which in my judgment will mitigate almost all the objections which previously have been made against the provision. The fact is that over 75 to 80 percent of those over 65, in my judgment, would be exempt from withholding, and an aged couple both over 65 would need investments of well over $100,000 even to be subject to withholding."

I dislike the withholding tax because I prefer to keep my earnings as long as I can and to manage my own money—however badly I may do it. Nevertheless, any citizen must agree that the tax evader is a cheat and that he cheats not the Government but his fellow citizens who pay their taxes as they pay other bills.

But there is another point of view in all this and Senator Douglas might give it consideration. Actually tax evasion must amount to more than the $1 billion which we lose because the income taxes on dividends are not paid. The loss in tax collection from American money on deposit in Switzerland, West Germany, Liechtenstein, Monaco, Panama, Hong Kong, and other places and managed by bankers and brokers in those places must be much larger than

$1 billion, although I have been unable to get accurate figures.

Why penalize the American who keeps his money in the United States and uses it to expand and strengthen American industry and commerce?

Perhaps if the income tax were simplified and were not so brutually collected, involving huge bookkeeping costs and irksome man-hours spent by individuals and small businessmen, who can hardly afford the time or expert advice, there would be less cheating.

Would not a transactions tax be a suitable substitute for the income tax and would that not make the withholding tax unnecessary? American money held abroad could evade the transaction tax as it evades the income tax, but if any form of paper were moved, the transaction could be taxed immediately. In fact, if a transactions tax were used, the Government would not have to wait for its money, as it would be paid as soon as any transaction occurred.

There would be no reports, no questionnaires, no field men making spot checks, no accountants, no lawyers. A transaction would simply have no legality, no validity, unless the transaction stamp were affixed to the documents, be they nothing more involved than checks or receipts or contracts.

The development of a new taxation system cannot be done overnight but it might be taken under advisement by the Committee on Banking and Currency which includes several knowledgeable Senators.

STATEMENT OF THE MORGANTOWN, W. VA., CHAMBER OF COMMERCE ON RESIDUAL OIL IMPORTS

Mr. BYRD of West Virginia. Mr. President, since I first became a Member of Congress 10 years ago, I have spoken many times of the damage to the national economy and to the national security caused by excessive imports of residual fuel oil. I have pointed out that this waste product of foreign oil refining operations is coming into the country in such amounts that it constitutes a real and serious threat to the future of the domestic coal industry, particularly with regard to the important east coast industrial fuels market.

The damage which imported residual fuel oil causes in the Appalachian coal-producing areas of West Virginia was highlighted in a statement recently adopted by the Morgantown, W. Va., Chamber of Commerce. The statement declared, and I quote:

> During this year so far, at least 300 miners have been furloughed from their jobs in coal mines in our county, and, as much of the coal produced by Monongalia County mines is consumed by public utility plants, it can be definitely stated that most of these furloughs of coal miners here are the result of the continued increasing use of this residual fuel oil in our mines' normal markets.

The story of coal miners furloughed because of residual oil imports is being repeated in all coal-producing areas. The effect of imported residual fuel oil is being felt even in the Midwest coal producing areas, which do not directly supply the east coast market. As Applachian-produced coal is displaced in its historic east coast market, it is forced to seek market outlets in other areas, often in direct competition with Midwest produced coal. Thus, imported residual fuel oil has a nationwide significance aside from the national defense aspect.

At the present time, residual oil imports under the import control program are running at the rate of 507,000 barrels daily—or about 185 million barrels for the 1962–63 quota year. This total is about 10 percent greater than quota imports in the 1961–62 import year.

The need for relief from the intolerable burden which excessive imports of residual oil imposes upon the coal industry is obvious. I hope my colleagues will realize that time is running out for the coal industry. We must make up our minds, and make them up in a hurry, as to whether we want a coal industry that is vigorous and healthy and capable of expanding its production rapidly and significantly in a national emergency, or whether we want to gamble with our self-interest by allowing this vital industry to literally die on the vine.

If we want a coal industry capable of participating in an active economy, and fully prepared to act as the Nation's energy supplier in the event of a national emergency, then we must take action to stem and control imports of residual fuel oil. The price of inaction can be increasingly costly to our national economy, and may also affect our freedom.

The statement adopted by the Morgantown Chamber of Commerce should be carefully read and studied. It clearly outlines the problems created for the coal industry by excessive residual oil imports. It also proposes action needed to save the coal industry. I ask unanimous consent to have the statement printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE MORGANTOWN CHAMBER OF COMMERCE, MORGANTOWN, W. VA., WITH REFERENCE TO OBTAINING FEDERAL GOVERNMENT ACTION TO STABILIZE FOREIGN RESIDUAL OIL IMPORTS AT SPECIFIC LEVELS, APPROVED AT BOARD OF DIRECTORS MEETING, MAY 21, 1962

The importation of foreign residual fuel oil, which is used for boiler fuel in industrial and public utility plants along our eastern sea coastal area, is becoming increasingly more critical, particularly as it relates to the coal produced in Monongalia County, W. Va. During this year so far, at least 300 miners have been furloughed from their jobs in the coal mines in our county, and as much of the coal produced by Monongalia County mines is consumed by public utility plants, it can be definitely stated that most of these furloughs of coal miners here are the result of the continued and increasing use of this residual fuel oil in our mines' normal markets.

The loss of these many men from the payrolls of our county coal mines means a loss of $2 million yearly wages, without taking into account the loss of earnings of the coal companies, the loss to the railroads in freight revenue and to their employees in wages, and to the overall effect on the economy of this county.

In addition to the furloughed miners, many miners who are still employed at the mines are now only getting about 3 days' work per week. Therefore, the actual payroll loss from furloughed miners is only a part of the overall loss to the men and our county's economy because, in addition, those miners still working are losing much in wages by not being able to work full time. Our mines here are geared to work a full normal week and the loss of running time creates problems with lower profits and increased cost of operation. It can readily be seen that the loss of payroll wages to our miners means the loss of millions of dollars a year to the economy of Monongalia County, W. Va.

The administration's proposed trade expansion bill will soon come before the Congress in Washington for its action. Efforts are being made to obtain inclusion of an amendment in the trade act which would have the effect of stabilizing residual oil imports at specific levels, permitting coal to get some relief from the presently increasing flood of foreign oil, which now deprives our coal from its established markets.

The Morgantown Chamber of Commerce urges the administration to support any amendments which would require specific limitations on foreign residual oil imports and thereby make it possible for this county's coal mines to compete with this foreign product, giving needed work to our miners and permitting our mines to operate on a normal workweek.

By order of the board of directors, Morgantown Chamber of Commerce, Inc.

JAMES R. MCCARTNEY,
Managing Director.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further business? If not, morning business is closed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

Mr. MANSFIELD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TAX LEGISLATION

Mr. MORTON. Mr. President, it seems apparent that we will have before the Congress an omnibus tax bill, including a tax reduction feature, if not at this session, at the next session. I noticed an eight-column headline in the

Washington Evening Star which reads, "Democrats Back Tax-Cut Move."

We have before the Finance Committee now a controversial tax measure. I wonder if it would not be the better part of wisdom if the administration would ask us to hold up action on this bill pending the introduction of a new bill.

It goes without saying that any tax bill is upsetting to the business community, to the investment community. It seems to me that today the business community is showing some lack of confidence in the policies of this administration; and certainly the investment community shows a similar lack of confidence, as is borne out by the gyrations of the stock exchange during the last 10 days.

The Speaker of the House, the majority whip of the Senate, the Secretary of the Treasury, and others assure us that in the not-too-distant future, there will be presented a major tax bill involving a tax cut. Such a bill might well influence the judgment of many of us on such matters as withholding, tightening up on expense accounts, investment credit, and even a tax on foreign subsidiaries of U.S. corporations.

How can we intelligently legislate today on a tax bill when hanging over us is this promise of a tax cut? It seems to me completely inconsistent.

As I pointed out, business is upset now; the market is upset now. Let us calm down a little. Let us just say we are not going to pass tax legislation until the promised omnibus bill comes before Congress.

I realize that the Ways and Means Committee of the House labored long and diligently in getting a bill through the House of Representatives; but it seems to me equally clear that the distinguished chairman of that committee will call the committee together, perhaps the week after the election, and start hearings on the omnibus bill, if there are not hearings prior thereto.

I believe that for the good of the country, in order to restore confidence, we had better lay it aside. Any tax bill makes the economy and the business community more nervous, and this is no time for us to be getting into a nerve spasm, with the market going the way it is.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORTON. I yield.

Mr. CARLSON. I commend the distinguished Senator from Kentucky for the statement he has just made in regard to our tax program and proposed tax legislation. He is a very distinguished and able member of the Finance Committee, who has been attending the hearings we have held in our committee for weeks on a tax bill. It is a bill that arouses much controversy. It is a bill, as the distinguished Senator from Kentucky has said, which has caused much unrest and concern in our Nation. I share with him the view that the bill should be set aside.

The country is suffering from a lack of confidence as is evidenced by the stock market and numerous business indicators. This is no time for Pollyanna statements. We need immediate and constructive action.

I do not share the views of the administration that we should begin to talk about a tax cut in 1963. Those of us who have served on the Senate Committee on Finance and on the House Committee on Ways and Means, who have studied tax problems for years, know positively that when one wants to start the economy moving, one should consider a reduction in taxes.

I believe that at this time we have an opportunity to take action the country needs, which will benefit it. We need a reduction in Federal spending and at the same time a reduction in taxes.

I do not have it with me now, but I ask unanimous consent to have printed in the RECORD a statement by Mr. A. J. Livingston, who I think is well known as a financial writer in this Nation, published in the newspapers about 2 weeks ago. Mr. Livingston mentions that the recovery over a 13-month period from the recession—and he called it a recession—"has been less oomphy" than recovery from any postwar depression the Nation has had. There have been four since 1949. Only on a gross national product basis is the percentage of recovery higher than in the three previous depression periods, considering 13-month periods. The industrial production, the carloadings, housing, retail sales, manufactures orders, workweek, employment are lagging in recovery.

Mr. President, I ask unanimous consent to have that article printed in the RECORD at this point, because I think it shows positively that the recession we are going through is not picking up slack, as has been the experience in the past.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

And Albert L. Nickerson, chairman of Socony Mobil Oil Co., pointedly told stockholders at the annual meeting that corporate profits as a percentage of national income have dropped from 9.2 percent in 1947 to 5.4 percent. "The erosion of corporate incentive poses a serious threat to the continued well-being of our Nation's economy."

WHERE WENT THE OOMPH

Businessmen are uncertain about the present administration. Is the President antibusiness? This leads to hesitancy in decisionmaking. And they're uncertain about business, itself. It hasn't come up to first-of-the-year expectations and has fallen far below the projections of the President's Council of Economic Advisers.

So far, this recovery has been less oomphy than any previous postwar recovery, with the possible exception of 1954–55. Here is a comparison of the plusses in the present advance with those of previous recoveries over the same time span—13 months:

Indicator	1961–62	1958–59	1954–55	1949–50
	Percent	*Percent*	*Percent*	*Percent*
GNP	9.5	9.1	9.5	7
Individual production	13	25	12	28
Retail sales	8	12	9	21
Carloadings	12	23	15	40
Manufacturers orders	16	30	25	44
Workweek	3	5	3	4
Employment	4	10	5	15
Housing	26	52	26	80

Obviously, this hasn't been a stick-in-the-mud recovery. The rise in total output of goods and services—gross national product—is right at the top. But in housing starts, employment, retail sales, and industrial production it has lagged far behind the best. And, though it's not shown in the table, unemployment has been especially stubborn.

PROSPERITY STILL AHEAD

This explains Wall Street's teeter-totter behavior. Even omitting the sharp declines of April and May, the stock market rise this time was only 21 percent versus 32, 55, and 27 percent in the other recoveries. This, of course, could be due entirely to downward adjustment in earnings expectations. But it could be more.

Some economists argue that slow recoveries lead to early recessions. Even now, some pessimists prophesy that we're rounding out a top and going into an economic valley.

I don't agree. For some people, if business doesn't boom, it's a bust. I agree with Walter W. Heller, Chairman of the Council of Economic Advisers, that there's still plenty of prosperity left in the recovery.

Mr. CARLSON. Mr. President, I commend the Senator from Kentucky for making his statement. I share his views. We ought to lay the present tax proposal aside. We ought to get about the business of writing tax legislation which would give to the country some assurance of getting our economy moving. It can be done.

Mr. MORTON. I thank the Senator.

Mr. President, I hope there will be some second thoughts downtown. I hope the Secretary of the Treasury, or someone from the White House, will see the wisdom of taking the initiative in laying the proposed tax bill aside. I do not think this is the time to engage in a partisan fight about attempting to table it. I think that would be a mistake. I think it would further destroy the confidence which is so badly needed today in order to get our industrial machine and our economy moving ahead. We have heard much said about getting America moving. Let us do it. One way to do it is to take away the roadblocks which are obstructing progress. The uncertainty about our tax policy is one of the roadblocks.

I do not see how we can well afford a tax cut of any particular consequence at this time, but when this "carrot" is waved before the economy or before the American investors, obviously it becomes more difficult for Members of the Congress to vote for such things as a withholding tax or dividends and interest income, or an additional tax on American companies with foreign investments, or investment credit.

What would be the outcome of the depreciation proposal made by the Under Secretary of the Treasury at Hot Springs? How would that apply in comparison with investment credit? If corporate taxes are to be lowered, do we need to provide an investment credit? Can we afford to? These are some of the questions which occur to me, after reading the newspapers today.

I say in closing, Mr. President, I think it is obvious that the 1963 promise is being injected into a 1962 campaign. I do not think that in the heat of that atmosphere is any time to attempt to legislate judiciously on something as important as our tax structure, which can indeed seriously affect the economy of this country one way or another.

I repeat, I hope someone from the administration will take the initiative and will say, "Since there will be under consideration an omnibus bill, which will incorporate all tax reduction proposals, therefore we wish to lay this bill aside."

The time involved is only a few months. By the time the forms have been printed to implement any tax law which Congress may pass at this session, Congress will be engaged in debating proposed legislation to change the tax law. Then there will be manuals and forms and everything else to be changed, and all will have to be thrown out the window, because another tax bill will come along in a matter of months.

I sincerely hope that we will all think the problem through and lay the pending proposal on taxes aside. That in itself would give confidence to the investors in this country, stability to the stock market, and stability to the American industrial and business complex.

RESERVE MILITARY FORCES SHOULD BE MODERNIZED, BUT NOT REDUCED

Mr. YARBOROUGH. Mr. President, as national chairman of the National Reserve Officers Association's Legislative Advisory Committee, my interest in the pending proposal to reduce the forces of the Army Reserve and National Guard units is intense. I call attention to the fact that the ROA has recently voiced 100 percent approval for modernization of the U.S. Military Reserve.

However, the ROA is correct in pointing out that "modernizing" and "cutting back" in strength are not synonymous and that whatever reorganization that is put into effect should be carried out without reducing strength. It should also be managed without changes damaging to States and communities within the States.

Mr. President, the position of the ROA has been misunderstood at times publicly. It has been stated that they were opposed to modernization. They are not opposed to modernizing the Reserve Forces. I think the forces should be modernized in keeping with the best military overall strategy, and also in keeping with the more localized tactics requirements of modern warfare. The forces should not be decreased. They should be made more efficient.

While the ROA has made its position clear, I am continuing almost daily to receive strong protests from officials all over Texas—at virtually all levels of government—opposing a reduction of forces of the Texas National Guard.

American servicemen are now serving in danger zones in many places, and any move to weaken our country's position of strength is a grave and entirely unnecessary risk.

I favor any move toward modernization that will mold the National Guard and Reserve units into a better, stronger fighting force, but I oppose any move that represents a trend away from the treasured American tradition of maintaining a strong, ready citizen army.

To emphasize the growing alarm in Texas in the face of a pending reduction of forces of the Texas National Guard, I have a series of resolutions opposing National Guard cutbacks from the City Council of the City of Stamford, Jones County; City Commission of the City of Ballinger, Runnels County; Commissioner's Court of Odessa, Ector County; City Council of the City of Bowie, Montague County; City Council of the City of Santa Anna, Coleman County; Mr. Paul Cain, president of the Sweetwater Board of City Development; City Commission of the City of Ranger, Eastland County; Commissioner's Court of Swisher County; Commissioner's Court of Wharton County; City Commission of the City of Vernon, Wilbarger County; City Council of the City of Mission, Hidalgo County; City Commission of the City of McAllen, Hidalgo County; and the City Council of the City of Sherman, Grayson County.

Those counties range all the way from the Rio Grande and the gulf coast to the high plains of the State of Texas. I ask unanimous consent that the resolutions be printed at this point in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STAMFORD, TEX.

Whereas the city of Stamford, Tex., enjoys the benefits of a unit of the Texas National Guard with a unit strength of 53 men, including 1 full-time employee, expending in this community approximately $44,520 during the past fiscal year, and has an armory building for which the city of Stamford, Tex., donated the land, of a value of approximately $70,600 and the said Texas National Guard unit is of immense importance and value to the community and this area not only for the defense furnished but because of its availability for use in connection with disasters caused by storms and other causes as well as the financial benefits resulting from the location of such Texas National Guard unit in Stamford, Tex.; and

Whereas the citizens of Stamford, Tex., are in a large measure dependent upon the Texas National Guard unit for the services that it has and does perform in emergencies as well as the maintenance of the armory available for public purposes and is concerned over the proposal of an announced plan of the U.S. Government to reduce the strength of the National Guard in Texas and elsewhere: Now, therefore, be it

Resolved by the City Council of the City of Stamford, Tex., on behalf of the citizens of Stamford, Tex., and the surrounding area, That this council protest and vigorously oppose any action by the U.S. Government to reduce the strength of the Texas National Guard units and particularly the strength of the unit stationed at Stamford, Tex., as an unwise reduction of the military strength of this country, and as an unwise action which would deprive the people of immensely valuable emergency services of the National Guard as well as having a serious impact upon the economy of the area surrounding and including Stamford, Tex; and be it further

Resolved, That the Honorable R. R. Kelley, mayor of the city of Stamford, Tex., take such further action in protest of the reduction of the National Guard units throughout Texas and in Stamford, Tex., as he may in his discretion deem advisable; and be it further

Resolved, That copy of this resolution be furnished to Hon. OMAR BURLESON, Congressman; Hon. RALPH YARBOROUGH, Senator; and Hon. JOHN TOWER, Senator, and to such other officials or interested persons to advise of the deep and sincere concern of the people of Stamford, Tex., regarding such proposal.

This resolution passed by the City Council of Stamford, Tex., on this 18th day of May, A.D. 1962.

R. R. KELLEY,
Mayor.

Attest:

J. W. CARLTON,
City Secretary.

Whereas it has come to the attention of the City Commission of the City of Ballinger, Tex., that the Department of Defense is planning a reduction in force of its National Guard units; and

Whereas this reduction in an organization which has so ably served this Nation in times of war and peace cannot fail to deny to the communities affected an effective force for assistance in times of emergency or disaster; and

Whereas the withdrawal of a National Guard unit from any locality shall result in an economic loss to the community and deprive the youth of the community of an opportunity to serve their country: Therefore, be it

Resolved, That the City Commission of the City of Ballinger, Tex., here in session strongly oppose any reduction in force of the National Guard units under proposed Department of Defense plans.

Considered and adopted this the 22d day of May 1962.

A. H. DALLINGER,
Mayor, City of Ballinger.

Attest:

J. T. ISBELL,
City Secretary.

On this the 14th day of May A.D. 1962, came on to be held a regular meeting of the Commissioner's Court at the courthouse in Odessa, Ector County, Tex., with the following members present: Gerald K. Fugit, county judge; Earnest Broughton, commissioner, Precinct No. 1; Tine Davis, commissioner, Precinct No. 2; Kellus Turner, commissioner, Precinct No. 3; Norman Maney, commissioner, Precinct No. 4; J. C. Hamilton, county auditor; and Edna Smith, county clerk, when the following proceedings were had, to-wit:

Motion by Maney and seconded by Broughton that county pass a resolution opposing any reduction in strength of National Guard of Texas. Motion carried.

CERTIFICATE OF TRUE COPY

The State of Texas, County of Ector:

I, Edna Smith, clerk of the county court, in and for the county and State aforesaid, do hereby certify that the above and foregoing is a true and correct copy excerpt from the minutes of the commissioners' court, which meeting was held May 14, 1962 in Odessa, Ector County, Tex., as same appears of record in vol. 7, p. 45, Commissioners' Court Minutes of Ector County, Tex.

Witness my hand and seal of office this 15th day of May A.D. 1962.

EDNA SMITH,
County Clerk, Ector County, Tex.
By VALTA DAVIS,
Deputy.

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF BOWIE IN REGULAR SESSION ON THE 14TH DAY OF MAY 1962

Whereas it has been called to the attention of the city council that there is a probability of elimination of some, or possibly all, of the National Guard; and

Whereas the Texas National Guard has fought with great distinction in every war in which this Nation has been engaged since 1836; and

Whereas if the elimination as proposed or discussed takes place, it means that the State of Texas will lose 22 of its present units, located in 22 towns throughout the State of Texas; and

Whereas the National Guard was created by the Constitution and has always been an effective reserve force available to the U.S. Army; and

Whereas the National Guard is always effective, ready, and willing and renders great service in assisting civil authorities in times of emergency, national disaster and nuclear attack and National Guardsmen's costs are one-sixth as much to maintain as to maintain a regular soldier and, therefore, the National Guard is strengthening our defense dollars sixfold; and

Whereas our local unit of Bowie National Guard consists of 99 men, most of whom reside here in our community, have families and are good citizens and are members of the National Guard because they believe in freedom for our country and are willing to pay the supreme sacrifice if called on to do so; and

Whereas the City Council of the City of Bowie believes that if there has ever been a time when our country should be prepared, it is at the present time and under the existing conditions: Now, therefore, be it

Resolved by the City Council of the City of Bowie, That this resolution be adopted by them as favoring a continuance of the National Guard as it now exists and that it specially be continued as to our local unit, for the reason that it means assurance of protection and if an emergency should arise, we would have a part in a unit that is always prepared and ready and willing to do its part.

Wherefore, it was moved by Paul Echols and seconded by R. D. Patterson and the following members voted in favor of such motion: Cecil Ice, Paul Echols, J. A. Airington, C. V. Young, R. D. Patterson, and W. C. Myers that said resolution as herein presented be in all things approved and adopted and that a copy of this resolution be mailed to the adjutant general of the State of Texas, Thomas S. Bishop, and a copy be mailed to each of our Senators and to our Representative, as expressing our views in this matter, with request that if they concur in our views, they use their influence in favor thereof, should the matter be submitted to Congress.

J. A. Spearson,
Mayor of the City of Bowie.

Witness my hand this the 14th day of May 1962.

Bobby Windham,
City Secretary of Bowie, Tex.

RESOLUTION BY CITY OF SANTA ANNA, TEX.

Whereas the Texas National Guard has one of its finer units stationed in the city of Santa Anna and the county of Coleman and State of Texas; and

Whereas there has recently been completed in the city of Santa Anna National Guard Armory which serves such unit and serves the public in this area to great benefit; and

Whereas a proposed reduction will cause the loss of the National Guard unit and the above facilities to this city and to this Nation: Now, therefore, be it

Resolved by the City Council of the City of Santa Anna, Tex., That this city and this council go on record as opposing any reduction in the Texas National Guard and in particular opposing any removal or reduction in the size of the unit of said Texas National Guard located in Santa Anna, Tex., and respectfully request that the proper authorities not permit such reduction and that a copy of this resolution be sent to the Adjutant General of the State of Texas, Hon. O. C. Fisher, Hon. Lyndon B. Johnson, Vice President of the United States, Hon. Ralph Yarborough, and Hon. John Tower.

W. Ford Barnes,
Mayor.

Attest:

Pauline Garrett,
City Secretary.

Sweetwater Board of City Development,
Sweetwater, Tex., May 18, 1962.

U.S. Senator Ralph Yarborough,
Senate Office Building,
Washington, D.C.

Dear Senator Yarborough: The board of directors of the Sweetwater Board of City Development have voted unanimously to ask that you oppose in our behalf any reduction in the National Guard.

In view of the world situation today any reduction in our Armed Forces would be, in our estimation, very foolish. We should at this time maintain a backup force for our regular armies to cause any nation to hesitate to attack this country.

The National Guard serves in case of national emergencies as well as military. We protest strongly any reduction. Your statement which was made on the floor of the Senate entitled "Reduction in Strength of National Guard Very Untimely" represents our feelings fairly well.

Very sincerely,

Paul Cain,
President.

City of Rangel, Tex.,
May 7, 1962.

An excerpt from the minutes of the regular meeting of the City Commission of the city of Ranger, held in the city hall May 7, 1962, at 6:30 p.m., with the following members present and participating in the meeting: Morris L. Newnham, mayor; O. L. Cantrell, commissioner; W. J. Sipes, commissioner; James Higginbotham, commissioner.

Among other business had was the following:

Motion was made by Commissioner Cantrell, seconded by Commissioner Sipes, that the City Commission of the City of Ranger, Tex., be opposed to a reduction of the Texas National Guard.

Motion carried.

I, Reba C. Rawls, city secretary of the city of Ranger, Tex., hereby certify, that the foregoing resolution is a true and compared copy of a portion of the minutes of the City Commission of the City of Ranger, Tex., in regular session in the city hall May 7, 1962, and that same is recorded on page 47 in volume 14 of the minute records of said city commission.

Reba C. Rawls,
City Secretary.

The Commissioners' Court of Swisher County, Tex., this 14th day of May 1962, hereby resolve to oppose any cut or reduction in our National Guard Reserve.

Whereas since our National Guard is located in a strategic point between Lubbock and Amarillo our National Guard would be vital in any emergency arising in our national defense program, and

Whereas if a reduction is made it could cripple our Nation's defense; and

Whereas a reduction in the local National Guard will bring depressing payroll slashes in our community; and

Whereas our National Guard performs unsurpassed good during time of disaster caused by elements as well as in time of war: Therefore,

We directly oppose any reduction in strength of our National Guard.

Signed this 14th day of May 1962.

Jack Driskill,
County Judge, Swisher County, Tex.
Price Bradley,
Commissioner Precinct No. 1.
E. M. Thomas,
Commissioner Precinct No. 2.
A. F. Wilkins,
Commissioner Precinct No. 3.
P. P. Stubblefield,
Commissioner Precinct No. 4.

RESOLUTION BY COMMISSIONERS COURT OF WHARTON COUNTY, TEX.

Whereas the Commissioners Court of Wharton County, Tex., has been advised by Gen. Thomas S. Bishop, the Adjutant General of the State of Texas, that there is a possibility of the reduction in the National Guard strength in the United States, which reduction will in all probability affect National Guard units located in 22 Texas cities; and

Whereas there is located in El Campo, Wharton County, Tex., a National Guard unit, Headquarters and Headquarters Company, 2d Medium Tank Battalion (Patton), 124 Armor 36th Infantry Division, and said unit does expend the sum of $108,306 locally; and

Whereas said National Guard unit has, in the opinion of the court, rendered material service to the citizens of Wharton County and the Texas coast generally during times of emergency, in particular on September 9 through 17, 1961, at which time the Texas coast was raked by Hurricane Carla: Now, therefore, be it

Resolved by the Commissioners Court of Wharton County, Tex., sitting in regular session this 14th day of May 1962, That it go on record as favoring the retention of the National Guard units in Texas, both as to present number and strength; and be it further

Resolved, That this resolution be spread upon the minutes of this court, and that a copy hereof be by the clerk of this court forwarded to the Honorable Clark W. Thompson, Congressman of the Ninth Congressional District; the Honorable Ralph W. Yarborough, U.S. Senator; and the Honorable John G. Tower, U.S. Senator.

Dorman Nickels,
County Judge.

Attest:

Delfin Marek,
County Clerk.

RESOLUTION 127

Resolution urging the National Guard Bureau of the U.S. Army not to reduce the strength of National Guard units in Texas

Whereas the Department of the Army's National Guard Bureau has announced that Texas will lose 10 percent of its company size National Guard units under the proposed Department of Defense plans to realine the Reserve components of the Army; and

Whereas this plan would mean that 22 Texas cities would lose their National Guard unit during the coming fiscal year; and

Whereas it appears that such a reduction would severely cripple the entire National Guard program in Texas and would cause a great reduction in the efficiency and morale of the National Guard; and

Whereas the National Guard program as reflected in Texas provides a tremendous benefit both to the national defense and to the welfare of the men involved, and to the entire economy: Be it

Resolved by the City Council of the City of Mission, Tex., That—

1. The city council hereby goes on record as opposing this proposed realinement and reduction of the National Guard units, and

2. The mayor of the city of Mission is directed to forward certified copies of this resolution to the Honorable Joe Kilgore, Congressman from the 15th Congressional District of Texas, and to the Honorable Ralph Yarborough and Hon. John Tower, U.S. Senators from Texas, urging them to take any and all action necessary to prevent the proposed reduction and to allow the Texas National Guard the means to continue the service which it so ably performs for its State and country.

Adopted at regular meeting this 8th day of May 1962.

Herbert R. Melch,
Mayor, City of Mission.

Attest:

Edward Romeros,
City Secretary, City of Mission.

Resolution of the Board of Commissioners of the City of Raymondville, Tex.

Whereas there has been a proposal presented to decrease the National Guard in Texas, and said proposal might affect the National Guard unit located in Raymondville; and

Whereas the Government has in recent years spent $121,084 for the construction of a new armory building in Raymondville and civic groups have contributed the land on which the building is located; and

Whereas the economy of Raymondville and Willacy County will be greatly affected by any change in said unit at the present time; and

Whereas this unit contributed a great many trained men for the armed services at the beginning of World War II; and

Whereas the unit is of great service in time of national or local emergency since it is located adjoining the King Ranch, the Gulf of Mexico, and near the Mexican border; and

Whereas it is deemed vital that said unit be maintained for the national and local welfare: Now, therefore, be it

Resolved by the Board of Commissioners of the City of Raymondville, Tex., That the maintenance of the local unit of the National Guard be and it is hereby declared to be of vital importance to Raymondville and surrounding area; that said unit is of great importance for the protection of the area in time of disaster, and is particularly important here because of our geographical location; that the elimination of the local Guard would result in great financial loss to the Government and the community; and that it would probably not be good business on the part of the U.S. Government to make any changes at this time or in the future; and be it further

Resolved, That the situation is of such importance that this resolution should be placed on the records of this city, and that proper publicity be given to the resolution in order to show all officials concerned that much study should be given to the problem and that hearings be held thereon before any decision is reached by the responsible officials.

Passed and approved, this the 8th day of May 1962.

C. R. Huff,
Mayor.

Attest:

——— ———,
City Secretary.

Resolution by City of McAllen, Tex.

Whereas, the Texas National Guard has fought with great distinction in every war in which this Nation has been engaged since 1836; and

Whereas it is the plan of the Department of Defense to eliminate from the Reserve force structure eight divisions (four National Guard); and

Whereas the National Guard concurs in the creation of six high-priority divisions, but the creation of these divisions should be in addition to, not at the expense of the remaining divisions; and

Whereas if this elimination takes place, the State of Texas will lose 22 of its present units located in 22 towns throughout the State of Texas; and

Whereas the elimination of National Guard units removes a most efficient recovery force from each community affected, and denies the area a most effective force for assistance to civil authority in times of emergency, natural disaster, and nuclear attack; and

Whereas the withdrawal of a National Guard unit from any locality results in a sharp financial loss to the community, and, in addition, denies our youth a means by which they can serve their State and Nation: Now, therefore, be it

Resolved, That the city of McAllen through its duly authorized officials does hereby go on record as being opposed to the proposed reduction in the strength of the National Guard and favors the continuation of the National Guard program for the reasons above set forth.

Robert F. Barnes,
Mayor, City of McAllen, Tex.

Attest:

Natividad Sánchez,
City Clerk.

City of Sherman, Tex.

Be is resolved by the City Council of the City of Sherman, Tex., in a regular meeting on this the 7th day of May, 1962, that this body go on record as opposing a reduction in the size of the Texas National Guard Bureau.

It is further urged by the city council and so resolved that a copy of this resolution be mailed forthwith to the Honorable Ralph Yarborough, Senator, Hon. John Tower, Senator, and the Honorable Ray Roberts, Congressman of the Fourth District, and urge their efforts in preserving the Texas National Guard as it now stands.

Passed and approved this the 7th day of May 1962.

Tom B. Moore,
Mayor.

Attest:

J. B. Atkinson, Jr.,
City Clerk.

Resolution by County of Wilbarger, City of Vernon

Whereas the City Commission of the City of Vernon deems the National Guard to be of vital importance to the Nation, the States, and the communities in which local units are maintained, and

Whereas the unit located at Vernon, Tex., is housed in a permanent type building owned by the National Guard on land donated by said city, and said unit can be of great assistance to the community in case of disaster or other emergency: Now, therefore, be it

Resolved by the City Commission of the City of Vernon, That the Department of the Army's National Guard Bureau be, and is hereby, requested to continue the unit of the Texas National Guard located at Vernon, Tex., in connection with any program such Department may hereafter instigate.

Adopted by the unanimous vote of all members of the City Commission of the City of Vernon, at a regular meeting held on May 8, 1962.

J. B. Wright, *Mayor.*
James R. Hamilton,
Ernest Rogers,
L. W. Brajil,
J. B. Taylor,
Commissioners.

Attest:

T. W. Daniel,
City Secretary.

TWO-THIRDS OF ABILENE, TEX., HIGH SCHOOL SENIORS PLANNING TO ATTEND A COLLEGE THIS FALL

Mr. YARBOROUGH. Mr. President, the city of Abilene, Tex., which has three fine colleges, can be justly proud of the fact that 454 of the 679 seniors graduating from Abilene public schools this year are planning to enter college this fall.

As the Abilene Reporter-News pointed out in an editorial recently, this represents two-thirds of the graduating high school students in Abilene, and is a surprisingly high percentage.

These totals should serve as a warning bell to all who are interested in the field of higher education that the increasing demand for teachers and teaching space and facilities deserves our constant and unrelenting attention and efforts.

In the meantime, I salute Abilene and the ambitious youth. Abilene is known in Texas as the city of Christian education. It is the home of Abilene Christian College, McMurry College, and Hardin-Simmons University, all senior colleges. Loans under the National Defense Education Act of 1958 have helped nearly a thousand students attend those three colleges alone. With the coming tide of young Americans eager for learning and dedicated to their country's progress, larger programs will be needed in the future.

I ask unanimous consent to have printed in the Record an editorial from the Abilene Reporter-News of Thursday, May 31, 1962, entitled "Going to College."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Going to College

Of the 679 seniors graduating from Abilene's three public high schools this week, 454 of them plan to go to college this fall.

This is two-thirds of the total. That is a remarkable percentage.

Our percentage, of course, would be higher than normal in noncollege cities, for many can arrange to attend one of the three institutions of higher learning here who could not go out of town.

This is one of the assets and good fortunes that accrue from living in Abilene.

But another reason so many plan to go to college is that these times call for a better than average education, and both the parents and students realize that.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

WE DO NOT USE FEDERAL FUNDS FOR THE MAINTENANCE OF HIGHWAYS AT HOME—WE SHOULD NOT DO IT ABROAD

Mr. GRUENING. Mr. President, if our foreign aid program is to continue, if it is to have the support of the American people, if Congress is to be expected to continue to vote billions of dollars for it annually, wisdom in the expenditure of American taxpayers' funds must be vastly augmented and waste and the double standard hitherto prevalent must be eliminated. President Kennedy, in sponsoring the Alliance for Progress in Latin America, has set some specific guidelines in which self-help and reforms of various kinds in the recipient countries were declared to be essential to the continuation of Uncle Sam's financial assistance. It is regrettable that such self-help and such reforms, despite President Kennedy's prescription of them as conditional to our aid have not been generally forthcoming or, at best, forthcoming in a very limited degree.

As a member of a subcommittee of the Senate Committee on Public Works, of which my able colleague, the senior Senator from West Virginia [Mr. RANDOLPH] is chairman, I went to Central America shortly before the opening of this session of Congress to inspect the progress of the Inter-American Highway extending through the six Central American Republics from the Mexican border to the Panama Canal.

Its construction is the responsibility of the Congress under a variety of statutes and appropriation measures enacted, beginning as far back as 1930. Under these statutes, which are listed on page 3 of our subcommittee's report, the United States is committed to pay two-thirds of the cost of construction of this highway, and the six Republics—Guatemala, Honduras, San Salvador, Nicaragua, Costa Rica, and Panama—one-third. To date, the United States has contributed as its share of this arrangement $138,703,000. Let me say that I consider this highway a desirable project. It links us with our neighbors and it helps them and should aid them increasingly in the development of their resources and of their economy. The highway is now nearing completion, although regrettably not on the schedule or within the appropriations at various times predicted by the officials of the Bureau of Public Roads, who have charge of the project. Our subcommittee, in its report, expressed the hope that the estimate by the Bureau of Public Roads as to the amounts needed to complete the Inter-American Highway would henceforth be more accurate than those presented in the past.

Indeed, the subcommittee reminded the Bureau of Public Roads that when that agency appeared before the committee in 1955 requesting an additional authorization of $25,730,000 to complete the Inter-American Highway, assurances were given at that time that the highway could and would be completed with that sum. The following colloquy took place at that time:

> Senator GORE. I would like, Mr. Chairman, to inquire either of Mr. Curtiss (Commissioner of Public Roads) or Mr. Turner (Assistant to the Commissioner of Public Roads), as to the reliability, in their opinion, of the cost estimates?
>
> Mr. CURTISS. We think they are reliable, and that the work can be done for that amount.
>
> Senator GORE. Did you arrive at the recommended amount through detailed study or is it a so-called educated guess?
>
> Mr. CURTISS. Mr. Turner was in charge of the work of making the estimates. I think it was a careful estimate.
>
> Senator GORE. Do you say so, Mr. Turner?
>
> Mr. TURNER. Yes.

However, in 1957, the Bureau of Public Roads was before the Congress again requesting an additional authorization of $10 million and admitting that its previous estimtes had been incorrect. Such increased authorization was voted by the Congress.

Now we are told that a request for the authorization of an additional $32 million will have to be made to the Congress, again for the purpose of completing the construction of the Inter-American Highway.

Thus, the Bureau's estimate in 1955 that the expenditure of the sum of $25,730,000 would complete the Inter-American Highway turns out to be incorrect by $42 million—an error of close to 200 percent. No one now can say what the reaction of the Congress would have been in 1955 if it had been told that it would take $67,730,000 to complete the highway rather than $25,730,000. Congress is entitled, if it is to legislate intelligently, to more accurate estimates than have hitherto been furnished it with respect to this program.

I would add that the subcommittee also viewed with concern and so reported, that nowhere along the hundreds of miles of this highway through six countries was there any sign indicating that the construction of this major project was a joint undertaking in which the United States had actually paid two-thirds of the cost besides providing expert engineering and other services without which the highway could not have advanced to its present status. No adequate explanation was given as to why such markers and signs had not been installed. The subcommittee believes that this is not merely a matter of national pride but that such markers should properly serve as a constant daily reminder to the users of these highways of the tangible interest of the people of the United States in the economic betterment of the people of the Central American countries. It is our hope that such signs, suitably designed and appropriately placed, will now be forthcoming.

But of much greater concern even than the inaccuracies of the cost estimates with which the Congress has hitherto been confronted and the failure to attempt to secure recognition of the major part which the United States has played in this project, was the discovery by the subcommittee that with the exception of San Salvador, the one-third contributions of the five other countries came variously out of our own foreign aid program in the form of loans and grants from our various foreign aid and lending agencies. In other words, Uncle Sam was, in fact, to a large degree paying the one-third cost which, under the statute enacted by the Congress, was an obligation of the recipient countries. The facts and figures are set forth on pages 63 to 70 of the subcommittee's report.

Had the Congress so wished, although I would not have considered it wise, it could have financed the entire project as an outright grant. I would have considered this undesirable in that it would not have required the obviously desirable participation and sharing of responsibility and costs which was clearly the intention of the Congress when it enacted the legislation that did provide a two-thirds participation by the United States and a one-third participation by the recipient countries. Certainly, the way the program has worked out has not been a fulfillment of and compliance with the congressional mandate. It certainly has not served the purpose of evoking the kind of self-help which President Kennedy has properly called upon foreign countries to vouchsafe in present and future programs.

Now that the Inter-American Highway is, however, let it be hoped, nearing completion, if and when the Congress votes the additional $32 million now requested, the suggestion has been made that the United States continue, under its foreign-aid program, to assist these countries in maintaining the roads which as it turns out are virtually wholly or almost wholly built with American funds. This, I think would be a most unwise policy and a highly costly one. Certainly, after a generation of assistance and training by the engineers and officials of the Bureau of Public Roads, the appropriate road building agencies of these six Central American countries should be able to maintain the roads that we have built. In any event, in the remaining year or two when we complete the Inter-American Highway, the Congress could properly direct the Bureau of Public Roads officials to make every effort to inculcate road maintenance training and efficiency upon the appropriate officials of these six Republics.

Further, I doubt whether Uncle Sam's purse is going to be long enough to maintain in foreign countries all over the world the roads we have built wholly and in part through our foreign aid program. Let it be made crystal clear that we do not do this for ourselves at home. Many of our States would like nothing better than to use Federal funds for the maintenance of the highways built under our Federal Aid Highway program. Requests to that end have often been made but never granted. It seems to me unthinkable that we should do for foreign countries what we specifically refuse to do for our own States. Yet that is being seriously contemplated. I am, therefore, proposing an amendment to the foreign aid program, specifically to the Foreign Assistance Act of 1961, S. 2996, which would prohibit the use of funds for reconstructing, rebuilding, or maintaining any road or highway in a foreign land which has been wholly or partly built by American foreign aid funds, either through grants or loans. I trust that the amendment will be accepted and incorporated in the proposed legislation, and I ask unanimous consent that it be printed at this point in my remarks.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 11, after line 24, add the following:

"(F) After section 620 add the following new section:

"'SEC. 620A. PROHIBITION AGAINST USE OF FUNDS FOR CERTAIN HIGHWAY PURPOSES.—None of the funds authorized to be appropriated by this Act shall be used for making any grant or loan to any country for the reconstruction, rebuilding, or maintenance of any road or highway in such country in the construction of which United States funds, either in the form of loans or grants have been used.'"

Mr. SPARKMAN. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield with pleasure to the distinguished Senator from Alabama.

Mr. SPARKMAN. I have listened with interest to the Senator's presentation of his amendment. Most of the Senator's remarks—practically all of his speech—related to the Inter-American Highway. However, the amendment seems to cover any and all road projects. Is that a correct interpretation of the Senator's amendment; or is the amendment intended to relate only to the Inter-American Highway?

Mr. GRUENING. Of course, my attention was forcefully called to this situation by my visit to Central America. I believe it to be sound policy, wherever the United States has built roads in foreign countries under our foreign aid program, that the future responsibility of maintaining the roads after they have been built should be left to the recipient countries, and that Uncle Sam should not be expected to continue to supply financial aid to maintain the roads for an indefinite period. Otherwise we would be pouring our money into a bottomless pit.

I think it desirable for the United States where it has paid for highway construction not merely in Central America, although the situation in Central America was forcefully called to my attention, to insist that thereafter maintenance be by the recipient country. I believe we should not do for foreign countries what we ever do in our own country. As the Senator from Alabama well knows, and as the Presiding Officer, the distinguished Senator from Wyoming [Mr. HICKEY], knows, the attempt has often been made to obtain Federal aid for the maintenance of highways in the Western States. These requests have always been refused. The States are not allowed to use Federal funds to maintain roads which have been built under the Federal-aid highway program. There should be no different policy for road maintenance abroad.

Mr. SPARKMAN. I think the Senator from Alaska will agree with me that the situations are not analogous. In the United States we have a State-Federal arrangement. In the other case, the dealings are between two nations—the United States and another nation.

I am not attempting to answer the Senator's presentation concerning his amendment at this time, but I am throwing out suggestions or thoughts. As I see it most of our assistance in roadbuilding—I am speaking of roadbuilding generally—is going to countries which are underdeveloped. In other words, we do not ordinarily, in our aid programs, build roads in industrialized countries. Our purpose is to help underdeveloped countries. One of the first things we seek to do when we move into an underdeveloped country is to help in the building of communications systems. By "communications systems" I mean highways, railroads, and telephone and telegraph lines. It is facilities of that kind which can pull communities together.

So it seems to me that it might be necessary for us to continue to give some kind of assistance. When we build a road or make money available for the building of a road, certainly we do not want to see the road go to pot; we want to have it remain a good road. If, by making money available in relatively small amounts, roads can be maintained in good condition, the investment we have made, particularly in underdeveloped countries, can be protected.

Mr. GRUENING. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. The Senator from Alaska has the floor.

Mr. GRUENING. But as a part of our program in other countries—it is a program of assistance, and it also involves training and education—as we complete the roads, why do we not concomitantly train the local officials to maintain them?

Actually, the law provides that these countries shall maintain the roads that we build for them. Specifically, section 212 of title 23 of the United States Code says, and I quote:

> No part of said appropriations—

This is the appropriation for the construction of the Inter-American Highway—

> shall be available for obligation or expenditure in any such country until the Government of that country shall have entered into an agreement with the United States which shall provide in part that said country.

And then there are five provisions, and the fifth is: "will provide for the maintenance of said highway after its completion in condition adequately to serve the needs of present and future traffic."

Mr. SPARKMAN. I am glad the Senator from Alaska has brought out that point, because I intended to refer to it. It is highly essential that that be done, and that is what we ordinarily do when we work in a less developed country. We develop primarily the things I have mentioned—transportation, utilities, education, and technical assistance to agriculture, sanitation, and public health, for instance—things that require technical assistance and technicians. I certainly agree with the Senator from Alaska that as we help build the roads, we need to help train technicians there to maintain them. But that takes time; it cannot be done overnight.

Mr. CARLSON. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. Certainly.

Mr. CARLSON. I wish we could follow the suggestion of the Senator from Alaska and could adopt his amendment, but I believe some problems are involved. I am sure the Senator from Alabama and I have traveled in Cambodia and in Vietnam in areas where the roads had gone completely to pieces. So either we had to assist in bringing the roads up to standard again, or else we had to face the loss of the investment we had made in such roads. So we shall have to maintain some of the roads, at least for a while, although I wish we did not have to do it.

Mr. GRUENING. But cannot my suggestion be met at least part way, by imposing a time limit in that connection? I appreciate the fact that in a country such as Cambodia, the development of trained technicians would involve some delay. But, on the other hand, let us consider the situation in the countries of Central America where our engineers have been working for years. How long a time will be required to train the needed personnel there? There must certainly be some cutoff date.

Mr. CARLSON. One of my sincerest regrets is that I have not yet visited any of the countries of Central America or South America. But I hope some day to be able to visit there.

Mr. GRUENING. However, the principle is most important. Although I appreciate the point the Senator from Alabama has made—namely, that the situation is somewhat different—yet it is true that if we are to help these countries to stand on their own feet, we must make a beginning, particularly in countries in which our experts have been assisting in a particular activity for a generation. I do not now refer to countries such as Cambodia. But in countries where our experts have been giving assistance for many years, surely we can say, "We are turning over these roads to you. We expect you to maintain them from now on."

Of course, if within a year or so we found these highways were going to pot, and it was in the national interest to do so, we could reopen the situation. But certainly we must point out to the goverments of these countries that that is their responsibility henceforth. At least I so believe.

It was a great shock to us, to the members of our Public Works Subcommittee, to find that in Central America none of these countries—except El Salvador—has contributed the one-third of the cost which each was supposed to contribute. Actually, the statute specifically provides that the United States will pay two-thirds and the other countries will pay one-third. But they have paid the one-third largely out of our own foreign-aid funds. Certainly this is a ridiculous situation, and considering the statute a highly improper one, and surely it is time for us to clamp down.

Mr. SPARKMAN. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. SPARKMAN. I find in the Senator's statement nothing with which I can quarrel in any way. However, he is referring to a specific instance; namely, the Inter-American Highway. Under the administration of that act there should have been a closer watch in this connection.

But the Senator's amendment does not deal only with the countries of Latin America through which the Inter-American Highway passes; his amendment also deals with the nations of Africa and with other nations in South America.

Last fall I visited in South America, and I saw there some very fine highways—for example, in Venezuela. I do not think U.S. funds were used to build that highway; I believe the Venezuelans built it with their own funds. Undoubtedly they are developing the needed technicians.

But I can think of other countries in South America that do not have the necessary roadbuilding knowledge. That is required, and it will take time to obtain it.

I believe the objective the Senator from Alaska has mentioned is a good one; and I believe that in the administration of the AID Act and in the administration of the Inter-American Highway Act, the principles he has enunciated should be carried out. But when such a provision is included in the law, in the manner called for by the Senator's amendment, no leeway is left.

The Senator from Alaska himself has said that if the amendment were adopted and if thereafter we found that these countries did not have the necessary technical knowledge so as to be able to maintain the roads, we could examine the situation again. But the Senator knows that it takes time for Congress to act.

So I hope the Senator from Alaska will take up this problem with our AID people; and I am sure he can get from them a good, strong letter regarding it, because I believe the principle of his amendment is a good one. However, I hope he will not insist upon including his amendment in the law.

Mr. GRUENING. Would the Senator from Alabama agree to the inclusion of my amendment in an amended or modified form, so as to limit the application of this provision for the time being to the Inter-American Highway?

Mr. SPARKMAN. That is a matter which is controlled by the Public Works Committee, I believe. I would much prefer to have some of the members of that committee in the Chamber, to participate in the debate. The Senator from Tennessee [Mr. GORE] was formerly chairman of the subcommittee, but I believe he is no longer a member of it.

Mr. GRUENING. That is true. He was a very effective member of the committee, but he no longer serves on it; he now has moved to the Committee on Foreign Relations.

Mr. SPARKMAN. I do not know who is the chairman of the committee now; but I hope the Senator from Alaska will wait until some of the members of that committee, and particularly the chairman of the Roads Subcommittee, are present.

Mr. GRUENING. I hope the Senator from Alabama will agree to the inclusion in the bill of a provision to the effect that when such roads are built, concomitant training of maintenance personnel will be insisted upon, so that in a year or so these countries will be able to take over. I believe we should at least establish a policy looking in that direction, even if this amendment is not approved.

Mr. SPARKMAN. I feel confident that the Senator from Alaska can obtain such assurances from Mr. Hamilton, the Director of the AID program; and I suggest that the Senator write a letter to him. Of course, we could include in the bill a statement of principle or policy; but it seems to me that these problems should be handled administratively.

Mr. GRUENING. They ought to be. However, as the Senator from Alabama well knows, frequently they are not.

Mr. SPARKMAN. That is true.

Mr. GRUENING. A declaration of purpose by the Congress—although even that is not always respected—does carry a certain amount of weight and authority.

So I believe it desirable, as part of the entire foreign aid program, which, as we know, is to provide economic assistance and educational assistance—for us to indicate to these countries that when we embark on a new activity, such as roadbuilding, they will be expected at some future time—and at the earliest possible time—to maintain the roads. I believe it important that that be declared as part of our policy, and also that every effort be made by our administrative agencies which have charge of the work to see to it that that policy is carried out. Otherwise, the United States would merely continue indefinitely to provide assistance, but no sense of responsibility would have been inculcated upon the recipient countries.

Mr. SPARKMAN. During the day I shall be glad to discuss this question further.

Mr. GRUENING. I thank the Senator from Alabama.

Mr. DWORSHAK. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I should like to ask the acting chairman of the Foreign Relations Committee whether, in the deliberations in the committee on the foreign-aid bill, any reference was made to the acute situation involving the constant outflow of gold and the unfavorable balance of payments, which are placing the economy of our country in dire circumstances.

Mr. SPARKMAN. In the statement I made yesterday I mentioned that subject, although briefly. I called attention to the fact that under the overall aid program, 78 percent of the funds are spent in this country, and practically all the remainder—I refer now to the funds which are spent in other countries—is spent in countries which are greatly underdeveloped.

We do not spend any money in industrialized countries. Furthermore, I invite the attention of the Senator to the fact that under our military assistance program we actually reverse the flow of dollars, because instead of our dollars going there, we get more dollars back. I remember a $335 million item representing the sale of munitions or supplies to those countries. There was a $800 million return, representing purchases in the United States made by those countries. So we actually recoup a good part of that money. I do not have the overall figures. It would be interesting to know what it amounts to, but we recoup a great part of the money.

Mr. DWORSHAK. Will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I point out that we receive assurances, like the one given by the Senator from Alabama, that our economy is making some progress, that we are on the move. He says we are recouping some of our gold, but I invite the attention of the Senator to a statement I received from the Treasury, that in 1961 we had a loss of $857 million in gold outflow. In the first 5 months of 1962 there was a loss. In January there was a loss of $100 million. In February, $52 million; in March, 152 million; in April, $124 million; in May, $60 million. During the first 5 months of this calendar year there was a loss of $488 million.

If that rate of outflow is maintained throughout the calendar year, there will be a loss in excess of $1 billion of gold this year.

Of course, a defense could be made that the foreign aid program contributes to this situation, which to me is even more of a menace than Communist aggression abroad.

I should like to ask the distinguished member of the Foreign Relations Committee, the Senator from Alabama, whether we can continue with this elaborate, very liberal foreign aid program and have a continual outflow of gold, which has reached levels which now constitute a serious challenge, if the American dollar abroad should lose some of its prestige and our creditors should demand payment in gold.

The Senator from Alabama is as aware as I am of this situation. It is a menacing situation to the economic condition of our country.

I should like to have some assurances from the Senator that we can continue blindly putting up billions of dollars under the guise of foreign aid at a time when our financial condition is immeasurably worse, probably, than the fiscal status of any other country in the world today.

Mr. SPARKMAN. I think that is a rather exaggerated statement.

Mr. DWORSHAK. It is in the record.

Mr. SPARKMAN. That is the Senator's conclusion. We hear a great deal about the outflow of gold or dollars from this country. It is rather strange to me that we do not consider the trend. There has been an improvement in the outflow of gold. I join the Senator in his concern about it. I am as concerned as he is about it, but I take comfort from the fact that 3 or 4 years ago we lost, in 1 year, about $4 billion, and in another year $3½ billion——

Mr. DWORSHAK. The Senator is thinking about the balance of payments.

Mr. SPARKMAN. I am talking about dollars. There was an outflow of gold taking place at that time. The outflow of dollars has been whittled down. It is less. So long as we can keep the trend downward, we are making an improvement.

I agree with the Senator that we cannot go on forever with an outflow of gold or dollars—I do not care which way it is captioned——

Mr. DWORSHAK. Dollars are gold.

Mr. SPARKMAN. They represent a call on gold.

Mr. DWORSHAK. Redeemable in gold.

Mr. SPARKMAN. Yes; redeemable in gold.

I have given the figures relating to half of the bill—that is, the military part of it. If the Senator will refer to page 9681 of yesterday's Record, he will see reference to this subject. I think it is well to read it here. I am reading from the middle of the paragraph at the top of the first column on that page:

> The committee was pleased to learn that the net effect on the American economy of the military assistance program is an inflow of gold. This year, $335 million in military air is being spent outside the United States, but the sale of military equipment under the program will return $800 million to the United States. Also, more than $400 million of direct business to U.S. firms will be created by a number of cost-sharing programs that are being carried on under this program.

In the next paragraph there is something to which I wish to call attention:

> The fact is, as the committee report observes, that about 78 percent of all the funds appropriated for fiscal year 1962—

That is the present fiscal year, of course—

> will be spent directly in the United States. And the administration estimates that almost all of the economic assistance not spent directly in the United States will be spent in countries which are the beneficiaries of our aid—as distinct from European countries and Japan.

As I said a few minutes ago, in the administration of this program we see to it that the money that is to be spent outside the United States—and it is only a small amount—is spent in nonindustrialized countries.

Mr. DWORSHAK. Will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. If these conclusions and figures are correct, according to the record, one might be justified in assuming that the foreign aid program has not contributed materially to the outflow of gold or dollars.

Mr. SPARKMAN. I am not prepared to say that, and I have not said that, but I have given the Senator the figures as to the present fiscal year, and I rest on those. I am not trying to say anything that in any way would seek to remove the concern every one of us ought to have regarding the outflow of gold and the balance of payments. The situation has been improving over the last year and a half.

Mr. DWORSHAK. Will the Senator yield for an observation?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. When we go back over a few years, we see that in 1951 the gold stocks were $22,873 million. At the end of May 29, 1962, the gold stocks were $16,435 million, which is a loss of about $6 billion over that 11-year period.

Mr. SPARKMAN. That is correct.

Mr. DWORSHAK. The annual losses were quite heavy. The record I have shows that in 1956 we had a gain in our gold stocks of $305 million. In 1957 we had a gain of $799 million. It is not true that we have had an outflow of gold of $3 or $4 billion a year——

Mr. SPARKMAN. No. I did not say outflow of gold; I said balance of payments.

Mr. DWORSHAK. I want that distinction made.

Mr. SPARKMAN. That eventually goes into an outflow of gold. I said balance of payments.

Mr. DWORSHAK. That is correct.

Mr. SPARKMAN. I said "dollars." I did not say "gold," as the Senator will remember, but I said "dollars."

Mr. GRUENING. Mr. President, will the Senator yield, with respect to the subject of gold?

Mr. SPARKMAN. I yield.

Mr. GRUENING. Is the Senator aware of the fact that there is a bill pending before the Congress, introduced last year by the distinguished Senator from California, Mr. Engle, and cosponsored by Senators Kuchel, Church, Case of South Dakota, and myself, which would attempt to improve the gold situation by subsidizing gold mining?

Gold is the only product of industry which, under our free enterprise system, by a strange paradox, is held down by law to the price paid 28 years ago, in 1934. Of course, all costs of operating the industry, including labor and material costs, have increased. In order to meet this situation and to try in part to replenish the supplies of gold in the Nation's gold reserves, the bill would assist the gold miners in a way similar to the way the Government is assisting agriculture, although to no such extravagant extent as our multibillion dollar agricultural program provides.

There has been a hearing on the bill before the Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs, of which my good friend from Idaho [Senator Dworshak] is a member. There will be another hearing this week, on Friday the 8th of June, at which time we shall question, we hope, the Treasury Department officials and the other departmental officials who reported adversely on the bill, and said, with complete irrelevance, that they could not approve the proposed legislation because we should not raise the price of gold.

The bill would do nothing whatever toward raising the price of gold. The bill would keep the price of gold fixed at exactly the price now in effect, which has been in effect since 1934, $35 an ounce. The bill, however, proposes to subsidize the gold miners for each ounce of gold mined to compensate them for the fact that they cannot increase their prices although they have to pay increased costs, and to enable them to continue in operation.

Does not the Senator from Idaho believe that some measure of this kind might be helpful in respect to stopping the diminution of our gold supply and replenishing the U.S. reserves?

Mr. DWORSHAK. It would not necessarily stop the outflow of gold, but it might increase the gold reserves in this country, if enough gold were mined.

Mr. GRUENING. Does the Senator not think it would be helpful not only to the gold mining industry but also to the strength of our economy, if our gold reserves could be increased?

Mr. DWORSHAK. Probably it would. I have felt that if we could materially curtail Federal spending and prevent the large deficits every year we would be in a stronger financial position, and that automatically would curtail the outflow of gold dollars.

Mr. GRUENING. I agree with the Senator that there are other methods which could be employed. I believe, and hope the Senator will agree, when the time comes—and I hope he will be present at the hearings to help examine the officials who reported adversely on the bill—that the proposal with respect to gold to which I referred at least would be a concrete compensatory step.

Mr. DWORSHAK. Mr. President, will the Senator from Alabama yield for one more question?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. I am happy to have the assurance from the Senator from Alabama, the acting chairman of the Committee on Foreign Relations, that in the consideration of the foreign aid bill the subject of gold and the balance of payments has been considered. While there may be some improvement—and the record shows a gradual improvement—if the rate of gold outflow established during the first 5 months, through May 29, of this calendar year continues until December, there will be a gold loss of more than $1 billion.

I should like also to invite the attention of the Senator to a table I have received from the U.S. Department of Commerce, which shows that in 1961 our unfavorable balance of payments was $2,454 million.

Mr. SPARKMAN. Yes; that is correct.

Mr. DWORSHAK. I am not sure the Senator is justified in saying that perhaps not too much of the blame rests upon the foreign aid spending, which has reached the gigantic total of more than $90 billion since the end of World War II, but certainly it is the responsibility of the committee on which the Senator serves and of the Committee on Appropriations, of which I happen to be a member, and of other committees of the Senate, to thoroughly explore the reasons why the United States is constantly going downhill. We will not bring up the subject of the stock market plunge or the deterioration and eroding of economic conditions in this country, but I am sure the Senator from Alabama will agree with me, if he studies these problems through the committees of which he is a member, that the time has come when the American people are demanding some remedial and effective action to be taken by the Senate and by the House.

Mr. SPARKMAN. I would certainly agree with the Senator that it is a matter we ought to study.

I serve on three different committees which have been rather concerned and interested. I am a member of the Committee on Foreign Relations. I am a member of the Committee on Banking and Currency. I am also a member of the Joint Economic Committee. I have been exposed to the problem pretty well, as the Senator knows.

I share the Senator's concern, but at the same time I firmly believe our Government is doing all it can to check the outflow of gold. I feel that progress is being made, and I am confident that in the long run the situation will work out satisfactorily.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the Proxmire amendment.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. SPARKMAN. Mr. President, I withdraw my suggestion.

Mr. THURMOND obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. THURMOND. I am happy to yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished minority leader, the Senator from Illinois [Mr. Dirksen] and myself, I send to the desk a proposed unanimous-consent agreement, which I believe has been cleared all around, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The proposed unanimous-consent agreement will be stated for the information of the Senate.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective at the conclusion of Mr. Thurmond's pending speech, during the further consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the majority and the minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I have informed the majority leader and the minority leader that on my amendment, the so-called antiboycott amendment, more time will be required. It is entirely agreeable to me to have that time yielded from the time on the bill, and I am sure the Senators will accommodate me.

Mr. MANSFIELD. I appreciate what the Senator from New York has said.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that in the agreement there be substituted in my place as majority leader the acting chairman of the Committee on Foreign Relations, the Senator who is handling the bill, the distinguished Senator from Alabama [Mr. Sparkman].

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, reduced to writing is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective Mr. Thurmond's pending speech, at the conclusion of, during the further consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Alabama [Mr. Sparkman]: *Provided,* That in the event the Senator from Alabama is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Alabama and the minority leader: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from South Carolina.

Mr. THURMOND. Mr. President, attempts to justify aid to Yugoslavia or, for that matter, any country under the control of the international Communist movement must be based on fanciful theory and can find no justification in fact. The foreign policy which the United States is presently following has, as one of its basic principles, the theory of fragmentation. This theory, combined with the theory of evolution, is supposed to be the justification for providing aid to Yugoslavia.

In essence, our policy planners' specious reasoning is that the individual nations now under Communist domination will become more and more independent of Moscow as the rising tide of nationalism takes hold. Each will eventually evolve into a peaceful, nonaggressive, Socialist state. It is by this means that the threat of international communism is to be thwarted. Based on this highly speculative theory, which has no actual basis in fact, our policy calls for aiding any Communist country which shows signs of fragmentation in order to speed their independence of Moscow. Since 1948, the year in which Tito is supposed to have split with Moscow, Yugoslavia has been the recipient of approximately $2,279,900,000 in largesse from the people of the United States. Presumably, our policy planners are satisfied that the theory they have concocted is a valid one, but an examination of the facts forces a contrary conclusion.

Our policy planners have a penchant for compartmentalizing the individual Communist nations as aggressive or nonaggressive in accordance with some undefined and undefinable formula of which they alone are cognizant. For instance, Cuba is considered to be an aggressive Communist state, a member of the Sino-Soviet bloc and, therefore, we are committed to check their external aggression in all parts of the Western Hemisphere. However, it is well known that Belgrade is the principal link in the intelligence chain running from Moscow to Havana. Also, there is every indication that Yugoslavia has lent very active support in furnishing arms and technological advice and training to Cuban Marxists. Thus, Yugoslavia is aiding Castro in the export of the Communist revolution throughout South America. Even Under Secretary of State George Ball has admitted in open hearing that Yugoslavia is supporting the export of the Communist revolution, through Cuba, throughout Latin America. And yet, Mr. President, Yugoslavia is not considered to be at the present time either a member of the Sino-Soviet bloc or an externally aggressive state in the sense that the United States is committed to check their aggression.

In 1961, the freighters *Trobovile* and *Gundelec* left San Diego loaded with jet trainers bound for Yugoslavia. It has been reliably reported that at least one of the ships had a port of call in Havana en route to Yugoslavia. There is no way of knowing whether all of these jet trainers arrived at their point of destination since they were not checked by U.S. personnel upon arrival. However, the fact that Cuban Communist pilots have been trained in Yugoslavia lends credence to the belief that at least some of these trainers got no farther than Cuba.

There is intelligence information indicating that Yugoslavia contributes substantially to Communist activities in areas of the world other than South America, including southeast Asia and Africa. The only question which remains unanswered is how the amount of money which Yugoslavia spends in these activities compares with the amount the United States contributes through its foreign aid program to Yugoslavia.

One of the major occurrences relied upon to justify the fragmentation theory is the Yugoslavian action in closing its borders to partisans who were fighting in Greece. According to the State Department, this was a decisive factor in bringing to an end the Communist insurgency in that country. Also, it was thought at that time to be in direct conflict with the wishes of Moscow and, therefore, indicated a split between Yugoslavia and the U.S.S.R. A recently published book brings to light certain considerations which bear on this conclusion. The book to which I refer is "Conversations With Stalin" by Milovan Djilas. On May 14 of this year, Djilas was again sent to prison by the Communist government of Yugoslavia for divulging "official secrets" in this book. One of the conversations between Djilas and Stalin related in this book took place on February 10, 1948. Djilas had this to say about Stalin's comments on the Communist insurgency then in Greece:

> Stalin then turned to the uprising in Greece. "The uprising in Greece has to fold up." (He used for this word "svernut," which means literally "to roll up." "Do you believe"—he turned to Kardelj—"in the success of the uprising in Greece?"
>
> Kardelj replied, "If foreign intervention does not grow and if serious political and military errors are not made."
>
> Stalin went on, without paying attention to Kardelj's opinion: "If, if. No; they have no prospect of success at all. What do you think, that Great Britain and the United States—the United States, the most powerful state in the world—will permit you to break their line of communication in the Mediterranean Sea? Nonsense. And we have no navy. The uprising in Greece must be stopped, and as quickly as possible."

This conversation reveals that, far from deviating from the international Communist line, Yugoslavia closed its borders to the Greek partisans in accordance with the wishes and direct order of Stalin. Perhaps this is one of the reasons for the conviction of Mr. Djilas. Through his book the United States is afforded the opportunity of reevaluating the principal occurrence which originally indicated some break with Moscow.

Another factor which is pointed to in an attempt to justify the claim of fragmentation as it applies to Yugoslavia is their United Nations voting record. This has been used by State Department officials on many occasions when testifying before congressional committees. However, Mr. President, Yugoslavia's U.N. voting record has adhered closely to that of the U.S.S.R. and other Communist countries when questions affecting the international Communist movement were voted upon. On December 12, 1958, Yugoslavia voted "no" on the 37-power resolution condemning continued defiance of General Assembly resolutions on Hungary. Although the resolution was adopted by a vote of 54 to 10, the entire membership of the Communist bloc voted against it. Again on December 9, 1959, Yugoslavia voted "no" on the 24-power resolution deploring continued U.S.S.R. and Hungarian disregard of General Assembly resolutions on the Hungarian situation. Again the resolution passed by a vote of 53 to 10 with Yugoslavia and the entire Communist bloc the only ones in opposition. Throughout the entire period of the Hungarian uprising Yugoslavia lent tacit approval to the slaughter of the freedom fighters by a total and obvious lack of criticism. They maintained strict adherence to the Communist line and unflinching loyalty to the international Communist movement.

Milovan Djilas' own personal criticism of both the Hungarian and the U.S.S.R.'s brutal tactics in Hungary constituted one of the major charges which Yugoslavia had against him in one of his trials. By displaying open contempt for the handling of the Hungarian uprising, he was deviating not only from Hungary and U.S.S.R. policy, but necessarily from Yugoslavian policy at the same time. The conviction of Mr. Djilas reaffirms the fact that at the present time Yugoslavia is adhering strictly to the policies emanating from Moscow and being implemented by all Communist regimes.

On the many other matters which have been up for vote in the United Nations General Assembly, my research has failed to reveal any question of a political or security nature in which Yugoslavia voted with the United States and against the Soviet Union. The only instance of significance in which the Yugoslav delegate to the United Nations voted with the United States and at the same time against the Soviet Union was with regard to the resolution appealing to the U.S.S.R. not to explode a 50-megaton bomb. This was Resolution No. 1632 and the vote took place on October 27, 1961. Yugoslavia voted with the Soviet Union and against the United States on approximately 21 separate votes in the 1961 United Nations General Assembly. These included the item on Tibet, the item on Hungary, against the U.S. resolution not to seat North Korea, against the resolution denominating the Chinese representation question as an important question, and for the Soviet resolution to seat the Chinese Communists. On all questions of any importance to the international Communist conspiracy, Yugoslavia voted with the U.S.S.R. and the rest of the satellite countries.

Recently I had the opportunity to view a film which was an interview with Tito by Edward R. Murrow. Although this film was made in approximately 1956 it is not available to the American public. Although it contains nothing which should be of a classified nature it has been kept secret and its existence is not generally known. In this film the whole tenor of the statements made by Tito reaffirm his dedication to communism and his belief in its eventual goal of world domination. In response to the request that he describe the basic difference between communism in Yugoslavia and communism as practiced in the Soviet Union. Tito said:

> These are not big, ideological differences. They are not too big. We have the same aims—that is to say, the building of socialism and communism.

Mr. President, Tito readily admits that his eventual goal is exactly the same as that of the Soviet Union, and yet our policy planners do not have the fortitude to face up to his warning. The goals of communism are well known. It is their intention to engulf the world with their insidious and atheistic way of life and snuff out the last flickers of hope for free people everywhere.

Tito explained his foreign policy as one of coexistence. At the same time he states flatly that he is in complete accord with Mao Tse Tung. He reiterates what he terms as "my point by point" agreement with Mao. Without a doubt the coexistence of which Tito speaks is the same as that practiced by the U.S.S.R. under Khrushchev. This is the type of coexistence which has enabled them to take over some 15 countries since the end of World War II, Cuba just a few short years ago, and now has put Laos practically within their grasp.

For years now when this question of aid to Yugoslavia has been raised on the floor of the Senate, the defense has been made that our aid to them was reaching the critical stage. To have denied it at any one of those particular times would have undeniably meant complete domination of Yugoslavia by the U.S.S.R., so the proponents of aid to Yugoslavia have said on each occasion. No doubt that argument will be made now, and will be persuasive upon some people. However, all of our millions of dollars have not brought about the evolution of Yugoslavia into a peaceful, nonaggressive Socialist state or its fragmentation from the Soviet bloc as this aid was intended to do. Rather, the United States has been contributing, and contributing substantially, to its own downfall by supporting economically a government whose leader reaffirms his dedication to the eventual overthrow of our way of life. I cannot stress strongly enough my opposition to giving aid to Yugoslavia or any Communist-dominated country. Therefore, I intend to support the amendment offered by the Senator from Wisconsin [Mr. PROXMIRE] and urge all Senators to do likewise.

If any Senator has any question about any statement I have made here today, or challenges any statement I have made, I would like to have him do so at this time, and I shall be pleased to answer his questions.

Mr. President, I commend the Dallas Morning News for its attention to foreign policy decisions and its untiring efforts to point up the importance of a strong, imaginative foreign policy dedicated to the principle of victory for the free world over the forces of world communism. I have always felt that our people need to know more of the intricacies of foreign policy, because in the end it is the American people who are going to have to get our foreign policy back on the right track, if it is going to be effective for freedom.

An excellent editorial which appeared in the Dallas Morning News of June 1, 1962, entitled "Schizoid Foreign Policy," is worthy of attention of the American people, and I shall now read it as follows:

SCHIZOID FOREIGN POLICY

> It is becoming increasingly difficult these days to make any real sense out of American foreign policy. The only consistency seems to be an inconsistency in different parts of the world. At least two tendencies are glaring.
>
> While the President and his State Department advisers sometimes talk a good or hard line, their actions usually are different.
>
> In many areas of the world our policies are self-defeating; they work against other policies and actions in the same areas.
>
> Southeast Asia is a perfect example. The President has declared time and again that our purpose is to save southeast Asia from the Communists at all costs. He has sent troops to Thailand and South Vietnam to

achieve that purpose, and his actions in this respect are commendable.

But at the same time, the State Department is doing nothing to support the pro-Western government in Laos. In fact, it is undermining that regime, trying to force it into a coalition government with the Communist faction. This inevitably will result in the surrender of Laos, and that will make our position in Thailand and South Vietnam less tenable.

The same self-defeating policies have been pressed in Berlin, which we are pledged to defend, but which is being undermined by our offering of concessions to the Soviets and East Germans.

In the past 2 weeks, two more examples of this double-jointed approach involve Indonesia and British Guiana.

Indonesian President Sukarno is bent upon seizing West New Guinea from an old and faithful ally of the United States, the Netherlands.

The United States—which should be siding with the Netherlands—is doing nothing better than sending an intermediary, a retired diplomat, to smooth things out but not to take sides. This is one side of the picture: neutrality.

However, we have not been neutral. Just last week the State Department admitted that in the past few months the United States has been sending such military equipment to Sukarno as brandnew U.S.-manufactured vessels mounted with five heavy machineguns.

With reference to British Guiana, which is soon to become independent, the State Department is pursuing an equally schizophrenic course. The Prime Minister of British Guiana is Cheddi Jagan, who has been described as "an English-speaking Fidel Castro." The State Department admits it is worried about Jagan.

Charles Keely of the Copley News Service, in a dispatch in the News on May 21, said the State Department will try to block the admission of British Guiana into the Organization of American States when it becomes an independent nation.

The story has not been denied, and it fits in with other statements made by State officials concerning their fear of a new pro-Communist regime in the hemisphere.

But here again, this is just one side of the picture. On the other side are some cold, hard facts and figures: Mr. Jagan is about to be given $200 million by Uncle Sam.

Other examples of State Department duplicity and stupidity could be cited in virtually every part of the world. But these show that we have been lighting the candle at both ends. Sooner or later we're going to be burned badly.

COMMENCEMENT ADDRESS DELIVERED BY HON. RICHARD B. RUSSELL, OF GEORGIA, AT THE CITADEL, CHARLESTON, S.C.

Mr. THURMOND. Mr. President, on last Saturday, June 2, The Citadel—the military college of South Carolina—held its graduation exercises at which time the distinguished senior Senator from Georgia [Mr. Russell] made the commencement address and was awarded a doctor of laws degree.

Senator Russell's profound address merits the attention of all Americans. I particularly wish that the members of all graduating classes across our great land could have heard the eloquent discussion of the sound constitutional principles of government which he enunciated in his address. I was particularly impressed with his discussion of the separation of powers of the three branches of government and the division of power between the States and the National Government. Also his warning against world government and unilateral disarmament and his statements in behalf of a strong military establishment and a firm foreign policy drew enthusiastic response from the approximately 1,500 persons who were present for the graduation exercises at The Citadel.

Mr. President, I ask unanimous consent that this magnificent address be printed at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Commencement Address Delivered by Hon. Richard B. Russell, of Georgia, at The Citadel, Charleston, S.C., June 2, 1962

General Clark, members of the board of visitors, members of the faculty, graduates of 1962, ladies and gentlemen, it is indeed a high privilege to share the honors and the pleasure of this occasion with you.

The Citadel has made many contributions in almost a century and a quarter of service. Her sons were among the first and most heroic of the defenders of the Old South. For almost a century now they have been in the van of builders of the New South. When our common country has been threatened, men from The Citadel have distinguished themselves in its defense.

To my fellows who will receive degrees from The Citadel in 1962, I extend congratulations and best wishes. The achievements of the class of 1962 commemorated today are the result of determination and hard work.

The formal education and the training in citizenship and service that you have received in these hallowed halls are priceless assets that cannot be taken from you.

Although monetary gain should not be the principal objective of education, it must be pleasant for you to contemplate that the 1960 census supports the conclusion that the difference between 4 years of college and a high school education amounts to the considerable sum of $178,000 over a lifetime.

Some of you doubtless plan a continuing period of study and learning. Today's world is so complex and presents so many problems that many college graduates are finding it desirable to look beyond their bachelors degrees to fields of specialized training.

These complexities rule out any attempt to lay down a pat formula for success in life. Indeed, there is no commonly accepted measure of success in life—this is a personal and highly subjective concept. The standard of many is relative material gains. For others, success means following a stimulating and satisfying vocation. Still others place emphasis on service and sacrifice. One of the vital functions of education is to provide the ability to weigh conflicting and competing considerations in order to select the combination best adapted to each individual's standard of values.

Nor would I dwell extensively on the dangers of the present day. We all know that these dangers exist and that many of them are immediate and formidable. I am sure that the training that you have received here enables you to recognize these dangers and generates the courage to join the battle against them.

Each generation of humanity has had its troubles and each probably deemed their problems the most pressing mankind has known.

Other eras have known international conflict and internal turmoil.

However, this generation is the first to live under the threat of a rain of nuclear explosions from the far reaches of outer space.

The efficiency of modern communications causes us to live constantly with our problems. We are not permitted to forget them for a single moment.

But newspapers, magazines, television, and radio also give all citizens—college graduates and nongraduates alike—the opportunity to be informed of current events.

But it is not enough to be only well informed. The people of a truly great nation should also be contemplative and wise.

Wisdom comes not by information alone, but by experience in the use of that information.

A large part of this class will be entering on active duty with the Armed Forces. That you elected a college having a military regimen is evidence of your good judgment in appreciating the many desirable characteristics that such a life can impart. Acceptance of constituted authority, physical and mental discipline, and esprit de corps are traits taught here and in the Armed Forces. From the performance of earlier graduates of this institution, I would like to think that you regard military service as an opportunity to be cheerfully entered upon, instead of a burden to be grudgingly borne.

To me the most important conclusion to be drawn from today's state of world affairs is that we must be militarily strong. The values of an education, the blessing of governing ourselves, the enjoyment of the products of our immense industrial capacity, and life itself all depend on our ability to defend ourselves successfully.

Force in international relations is resorted to only when nations have been unable to adjust their differences peaceably. The primary objectives of the foreign policy of any free nation is to maintain peace. If a nation and a people are not free, they have less to lose from war and, thus, are less responsible in their conduct of international relations.

The conditions that makes your military service important were not created by the United States. Despite the realization that we did not create them, we in the United States have more to lose in the form of resources, liberties, and system of government than any other nation. The defense of the non-Communist world should be a cooperative effort. If our contribution to the defense of the non-Communist world seems disproportionate at times, and I am one of those who think that it does, we still should persevere in the knowledge that our blessings are worth defending by ourselves if necessary. But we do not have to help those who will not help themselves.

The conduct of foreign relations is a difficult task requiring, among other things, patience, intuition, tact, and resourcefulness. There are too few absolutes in this area. The choice is often not between the right and wrong, the good or the bad; more frequently it is between degrees of right and wrong.

One of our great difficulties is that too frequently the choice has been between supporting the status quo and communism. The latter is unthinkable, but to the natives the status quo has meant a few very rich and many unbelievably poor, with very little hope of improved economic opportunity for the many. To people who are hungry and who have nothing to lose economically it is futile to argue the insidious nature of communism. Unless they have something to lose, they do not fear a change.

We must offer some hope of improved economic opportunity to the masses in the underdeveloped and newly emerging nations, but experience has demonstrated that a foreign policy based in large part on gifts is not the answer to the problem of creating good will toward our country.

Beyond the economic problem in these countries, nations do not develop the competence to govern themselves overnight. In their seal to defend against charges that the United States was supporting colonialism, some of our diplomatic representatives have been too eager to discredit the old and to embrace the new, regardless of any lack of rapport between the new and our own national objectives. Nations, no less than individuals, act from self-interest; our adversaries know this and the so-called neutrals know it. Any failure by the United States to act in its own self-interest is surely considered a sign of weakness by them.

The effectiveness of the United Nations has been keenly disappointing in recent years. I have hopes that it may receive new vitality, but this is not likely to happen if the United Nations continues to apply one rule to the strong and another to the weak. The power of a single member of the Security Council to veto action enables the Soviet Union to inhibit efforts to discourage aggression. For a time, the General Assembly was more effective, but the numerical disadvantage that the anti-Communist world is approaching in the General Assembly as a result of the precipitate admission of so-called new nations is a disquieting consideration.

Some criticism of the United Nations is based on the faulty assumption that its organization and functioning are comparable to the structure and powers of our own Government. Obviously, this is untrue. At this stage in history, I think it would be extremely unwise for the United States to yield sufficient sovereignty to permit the United Nations to become a supreme government on earth or to depend upon this body for our security.

International reaction to the resumption of nuclear testing in the atmosphere by the Soviet Union last fall was strange, to say the least. It was audacious enough for Russia to demand that we not resume testing after they broke the moratorium and completed their testing. The surprising element was that many of the so-called neutral nations, whose survival as independent countries unquestionably depends on the military strength of the non-Communist world, not only failed to criticize the Soviet action, but also joined in the clamor that we should not resume testing. We can be thankful that the President was unmoved by these urgings.

The preoccupation of the Russians with secrecy continues to be the chief obstacle to an agreement on atomic testing and arms control. From the experience we have had with Russia since World War II, it would be folly to enter into an agreement with them without foolproof inspection and enforcement. It should not be any surprise to the leaders of the Soviet Union that we are concerned about being tricked. They have given us much basis for this apprehension. Indeed, not in a single instance where their self-interest dictated otherwise have they given cause for reliance upon their word in any matter.

Although members of this year's graduating class are starting their careers at a time when weapons of destruction and the potentiality of catastrophe are at an all-time high, they are also making their beginning when the opportunity for constructive service and human comfort is at a peak.

The capacity to produce in this country is virtually unlimited. Houses, automobiles, food, and clothing are abundant.

Improved highways and jet air travel facilitate business and offer new recreational opportunities.

Progress in medical sciences and construction of hospital facilities are reducing pain and lengthening life.

College enrollments are increasing as more people have the means to finance education and as more realize that college means not only an improved standard of living, but a more satisfying life and further progress for the individual and for the Nation.

But production and consumption are not ends in themselves. In our quest for the goods and services, the health, and the leisure that contribute to comfort, let us not lose ourselves in immediate pleasure and fail to invest something in the future. Just as an individual should save a part of his income, so should a nation devote a good part of its abilities to long-range objectives and investments.

A related question is whether a person should make happiness his overriding objective. The answer should be "No" if happiness is measured in terms of consumption and indulgence. There is adequate reason to believe that the most deeply rewarding activity is that which contributes to the progress of our fellow man. Perhaps real happiness is the realization that the world is different, if only slightly, and better for your having lived in it.

Among the blessings I would urge you not to take for granted is your system of government.

Our system did not spring into being. It is the product of wise and foresighted men who drew objective conclusions from the experience of other nations and other governments.

The privileges of personal liberty, of making your own choice of vocation, of changing jobs, of moving your residence, of religious freedom, of having a part in the selection of your government officials are not enjoyed by all people. In some forms of government, these freedoms and these economic choices are controlled by officials that ordinary citizens cannot replace.

One of the principal reasons for the existence of a constitution is that it should function as a restraint on governmental action. The effectiveness of our Constitution in accomplishing such a purpose depends to a large extent on the recognition and application of certain concepts incorporated in the Constitution.

Two of these important concepts are federalism and the separation of powers.

Federalism includes many elements. The element I have in mind today is the division of legislative power between the National Government and the States. This division is governed by the rule that the National Government has only those powers enumerated in the Constitution and that the States exercise residual powers—those not given the National Government expressly.

Through a combination of circumstances, including the economic distress of the 1930's, a concentration of political pressure at the national level, and lack of vigor in some State governments, an aggrandizement of national power has seriously unbalanced the intended division of power between the National and State Governments. Once yielded, the powers to deal with local problems can hardly be recaptured from Federal preemption.

The second of the two constitutional concepts to which I referred is the separation of powers.

The purposes of such separation are to keep to a minimum the authority lodged in any single unit and to place the powers of each unit as a limitation on the others. In practice, this means that the legislative, executive, and judicial functions are exercised by three separately manned departments of government that are constitutionally equal and mutually independent. Most of us learn from elementary civics courses that the legislative branch is intended to make the laws, the executive branch to enforce the laws, and the judicial branch to interpret the laws.

In recent years, there has been an increasing tendency toward encroachment upon the legislative power. Too often, the Congress has been content merely to dispose of legislation that the executive branch proposed, instead of taking the initiative in formulating the laws.

But more serious than this are the incursions by the judiciary, and lawmaking by judges under the cloak of interpretation. Judicial review can easily become judicial tyranny, especially on questions involving the meaning of the Constitution itself, because of the formidable barriers to its amendment. For this reason, lack of restraint by the judiciary seriously threatens to unbalance our entire system.

It is undeniably true that certain terms in the Constitution, such as "equal protection of the laws" and "due process," are not self-defined and that the document itself does not provide a literal answer to some problems of interpretation. But in the history of our Republic these terms have been evaluated and interpreted. For latter day judges to disregard precedent and to ascribe wholly different meanings is to throw constitutional law into chaos and to amend the Constitution in a manner inconsistent with its terms.

One of the remedies for excess in the exercise of power is care in the election of public officials. I would hope that you would value those who have respect for a fundamentalist approach to the law and those who believe in restraint in the exercise of their powers. You can be sure that if you are indifferent to the quality of your government, ambitious representatives of special interests can more easily impinge upon the general welfare.

I hope that these remarks today do not seem those of a person who has seen many changes and been against them all. Change is often an essential ingredient of progress. But the thought I would like to convey is that necessary shifts in emphasis should be accomplished in harmony with the system that has contributed so much to the progress and prosperity of our Nation.

In conclusion, let me express the hope that you will share my steadfast faith in the capacity of the human mind, acting with God's blessing and propelled by an unrelenting application of hard work, to solve the problems of our time and of the years to come.

Thank you.

ALASKA'S LUMBER INDUSTRY FACES NEW THREAT

Mr. GRUENING. Mr. President, the burgeoning lumber industry of Alaska which is a pioneering enterprise, faces serious trouble, some of it of recent origin, as does the industry in other of the Western States.

Depressed lumber conditions in the Northwest concern all of us. The lumber industry is the economic backbone of States such as Oregon and Washington, and it could well be equally important in Alaska. Our vast virgin timber stands are just beginning to be utilized.

But today this infant industry in my State is imperiled with danger from a new source long before it passes from childhood to maturity.

Today, the members of the Alaskan congressional delegation received a wire from the president of the Alaska Lumbermen's Association, Mr. Milton J. Daly of Ketchikan. Mr. Daly said the Alaska Lumbermen's Association members "most earnestly endorse" the request of the National Lumber Manufacturers Association that "the U.S. Government impose a temporary quota on the flood of softwood lumber from Canada on a quarterly basis to remain in effect while a long-term solution is being explored by the several agencies of Government involved."

Mr. Daly said the importation of Canadian lumber has become a very major problem to the mills in both westward and southeastern Alaska now that the Canadian Prince Rupert-Whittier sea train barge has started operation. He reports that 780,000 board feet of Canadian softwood lumber was shipped recently to markets in the Alaskan "railbelt."

The president of the Alaska Lumbermen's Association says mills in Alaska "cannot stand" the new competition to their limited and highly seasonal local markets. He predicts the influx of lumber will restrict operations and close some mills.

In my opinion, Mr. Daly is quite correct. Alaskan development cannot stand such a blow. Our lumber industry has had many obstacles to overcome. The present one could prove fatal.

The Committee on Commerce, of which my able colleague from Alaska [Mr. Bartlett] is a member, has been holding fact-finding hearings to learn how depressed lumber conditions in the Northwest can be remedied. Hearings have been held in Olympia, Wash.; Lewiston, Idaho; and this past Monday in Portland, Oregon. Two days of hearings are scheduled in Washington, D.C., on June 14 and 15. This new development will be explored fully at that time. I am serving notice now on the Federal executive agencies that we of Alaska want a full report on the facts and their recommendations for presentation during the course of this hearing.

The Departments of Commerce and State should explore carefully measures of relief. The Department of Commerce has announced an interdepartmental study of the entire lumber problem. The study is welcome, but pending its findings, relief to the industry, if only temporary, should be afforded.

Our Canadian neighbors and friends are good businessmen. They will find and develop all possible markets.

On April 3, I joined as a cosponsor of S. 3105 introduced by my good friend, the distinguished Senator from Oregon [Mrs. Neuberger]. In brief, the bill would repeal the Jones Act and correct transportation cost differentials. The bill has desirable objectives. But S. 3105 will not solve the major problems of the lumber industry.

I hope that the question of a tariff or temporary quota may be considered immediately, and to assure prompt and expeditious action I have asked the Secretary of Agriculture and the Tariff Commission immediately to advise the lumbermen of my State on how to file a request for relief.

Mr. President, I ask unanimous consent that the full text of Mr. Milton J. Daly's telegram be printed at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Ketchikan, Alaska,
June 6, 1962.

Hon. Ernest Gruening,
Senate Building, Washington, D.C.:

The Alaska Lumbermen's Association most earnestly endorses the position of the lumber industry as set forth in the telegram of Arthur J. Temple, president, National Lumber Manufacturers Association, of May 9, addressed to President Kennedy requesting the President's consideration and assistance in behalf of the lumber industries' problems and specifically urging that "the U.S. Government impose a temporary quota on the flood of softwood lumber from Canada on a quarterly basis to remain in effect while a long-term solution is being explored by the several agencies of Government involved." The lumber industry of Alaska has generally been only indirectly affected by the importation of Canadian lumber in the past; however, it is now a very major problem to the mills in both westward and southeastern Alaska. The first trip of the Prince Rupert-Whittier sea train barge carried 13 carloads, total 780,000 feet board measure, from Prince George to Alaska railbelt markets. This is competition which Alaskan mills cannot stand in their limited and highly seasonal local markets and without question will result in restricted operations and closure of some mills this year. May we ask your assistance in this matter. We do not believe the President's trade bill, H.R. 9900, should pass without incorporating essential changes recommended by the lumber industry to permit the resolution of the Canadian import problem. Your consideration and help would be greatly appreciated.

Regards,

Milton J. Daly,
President, Alaska Lumbermen's Association.

LAND USE IN THE NATIONAL PARKS

Mr. MOSS. Mr. President, few laws have brought greater direct benefit to the people of America than the National Parks Act of 1916. Because of it, we have saved areas of unparalleled natural heritage which otherwise would have disappeared from the earth. Because of it, those of us who now inhabit this Nation are far richer culturally and in spirit.

A generation hence, however, some 350 million Americans will be living in an area where, yesterday, a mere 100 million worked and played, and where already 185 million of us dwell. The need for more park lands is accepted in principle by virtually everybody.

But in practice there is strong opposition. Too often many who call themselves conservationists oppose conservation when it takes the form of park lands. They argue that America cannot afford more park land because of the mineral, forest, and other potentials of all lands. In the eyes of these people, any area selected is certain to have hidden values uncounted.

On the other hand, the need for more park land is not only recognized, but is given dedicated support by a group who are conservationists in the true meaning of the word. But this group favors an expansion of the national park inventory only on their own terms. They recognize, I am sure, that we are on the threshold of a new era in recreation planning and management, but they cannot let go of the old approaches—of the old formulas. Every national park must be a "pure park," shut up and away from any but quiet recreation uses.

I respect both groups. I believe I understand their motivation in each instance. I am confident that each is convinced that what he wants will bring the greatest long-range benefits to our people.

America must, of course, husband and use her lands both properly and profitably. Multiple use is essential, and will be more essential in years to come. But multiple use must not mean the right to spoil and destroy. This is true both in the national parks which we plan for our future, and on our public domain lands and our privately owned lands.

My purpose here today is to discuss as frankly and fully as I can the dilemma which faces us. I sincerely believe that the creation of new parks need not necessarily come into conflict with reasonable commercial exploitation. I am convinced that sound national park management and controlled resource development need not necessarily be in conflict. I challenge those who hold divergent points of view, to balance off the values and find ways of reconciling them.

I speak as a friend of our national park system. I have great admiration for the National Park Service and the superb job it has done. I feel that nothing must stand in the way of the expansion of our national park system. Furthermore, speed is imperative if still available treasure troves of natural beauty are to be preserved for posterity and for ourselves.

The great esthetic values of our natural heritage must be preserved for all time—some as wilderness, some as recreation areas, much as natural forests, and an increasing part as national parks.

Last year's 80 million visits to the national parks was but a prelude of the pressures ahead. Our changing world means leisure and better living standards. These, in turn, mean more tourism and millions of added visits to the parks. Few will deny the place of tourism and recreation in our economic scheme. For this reason alone, it is essential that we add more parks.

In the past two administrations, little was done to extend the Nation's stock of parklands. In the Truman administration, only 73,000 acres were added. In the Eisenhower administration, the small trickle of additions was almost turned off and only 19,000 acres were added to the national park system.

We now have 30 national parks, and 157 national monuments of various size and descriptions. Total acreage of the entire national park preserve is only 25.8 million which is about 8 percent of all federally owned domain having recreation as one of its purposes. We have neglected to add areas of startling beauty and historic importance to the superb system we have created. It is obvious that we must again move forward while there is yet time.

The Kennedy administration has offered a series of relatively modest proposals for building up our store of park and seashore lands. Under this administration's impetus, we added our 30th park when the Cape Cod bill became law last year. This park is scheduled to become operative next year; none too soon since these lovely and historic shores were fast melting away under a battering ram of uncontrolled commercialism.

The administration has proposed the addition of 1.1 million acres within 10 additional parks. Most of this land now is in the public domain, although some acquisitions would be required. If the entire program were achieved, it would add a modest 4 percent to our present national park area.

Even to make these modest additions to our national park system we must reexamine some of our most hallowed assumptions, and adjust some of our doctrinaire thinking on national parks. As a groundwork for this discussion, may I digress for a few moments to speak on the need for sound management on private as well as public domain lands.

If this Nation is to survive in greatness, it must treat all resources with respect, and the land is our No. 1 resource. I am troubled by what I see. Abuse of the land must end before we are made to pay a terrible penalty. Private ownership of land is a keystone of our system. But private ownership of resources is not an invitation to national destruction.

Spoilage of the land and its resources will lead this Nation from today's greatness to a bleak tomorrow, almost as surely as will the indiscriminate use of the H-bomb. Because we so clearly understand the horrors of the H-bomb, there is hope that we may avoid its devastation. But the horrors of eroded and lifeless lands to most people seem far away. Yet, we need only look to other areas of our world to learn how indiscriminate attacks upon the land have led to national disaster.

A few weeks ago, I read with mounting disbelief and shame, an article appearing in the April 1962 issue of the Atlantic magazine entitled "The Rape of the Appalachians." The author was no sensationalistic journalist, intent only upon making a good thing of miserable circumstances. The article was written by Henry M. Caudill, a Kentucky legislator from the Cumberland Plateau region.

Mr. Caudill has charged that strip mining is ripping the southern Appalachian mountain chain to shreds. If so, the great watershed protection for the Tennessee Valley is being undermined. Author Caudill has charged that "eventually every taxpayer from Maine to Hawaii will have to pay the cost of flood control and soil conservation in this strip-mining belt." He claims that "the TVA, which Congress established for the benefit of one backward southern region, has become a full-fledged partner in the devastation of another."

Without doubt, we need to mine coal as economically as possible, whether in the Kentucky mountains or elsewhere. But this must be accomplished without the coldblooded destruction of an invaluable watershed.

Last September, Interior Secretary Udall told a conservationist group in Louisville that the problem is as serious as that which led to Federal resource legislation in the thirties. If the problem is as described, it merits the attention of the Senate Interior and Insular Affairs Committee. I intend to talk with Secretary Udall about the matter, since it is charged that the stripping of the hills to get cheap coal for TVA threatens the splendid lakes and recreation areas created by the agency's great dams which were built in the first place to stabilize and preserve the watershed.

Rising population means that we must take a new look at the full problem of land use. It imposes upon us a positive obligation to conserve and restore soil, timber, water, and mineral resources. It means that the day has come when the ravaging of mountain chains for temporary gain is impermissible.

If the southern Appalachian chain is a major coal resource, it is also a major timber resource. But besides coal and timber, it is also potential recreation space. All values involved must be put into balance. This would not deny special priority to the most logical use. It would, however, deny that such use automatically precludes preservation for other uses and values.

The Outdoor Recreation Resources Review Commission has reported at some length upon the need for multiple land use. It has urged that wherever possible, economic development and recreation go hand-in-hand. It has pointed out, for example, that farmlands removed from cultivation because they are not needed now can be a valuable recreation resource.

In many cases, full economic exploitation and recreation are not exclusive. This could be true in both public and private forest lands. It could be true in certain kinds of mining. In other cases, one use or another may have to be subordinated. In some instances, the utilization of land for one thing virtually excludes its use for others. The important thing is to have multiple use within the bounds of reason and under proper control wherever this is possible. Certainly, controlled multiple use is possible within the national domain.

Our great national forests are a case in point. Over 70 percent of the potential recreation land within the national domain lies within the jurisdiction of the National Forest Service. Last year, there were 102 million visits to established recreation areas within these forests; this year, 115 million are expected.

Chief Forester Edward P. Cliff has reported that existing national forest recreation facilities are overused up to 70 percent on peak days. This means that more of our national forests must be opened up to recreation. It means greater multiple use for these lands, both the grasslands and the forests themselves. The national forests are an asset of increasing national importance and we are fortunate that they remain within the public domain. Because of this, we will be able to control the use made of these lands. Inevitably, population pressures will mean greater use for recreation purposes and as a source of raw materials. Demands for ever higher living standards mean more cutting of timber, oil well drilling, livestock grazing and water power development. The important thing is that we will be able to control this development, so that rational patterns will be maintained. Cliff was recently quoted as saying that there "isn't enough land in the whole world to have every interest have all the land it wants to be used in the way it thinks best."

This may be true, since the appetite of each special use group tends to be insatiable. But there is enough land left in America to assure that every legitimate interest will have a fair share. We have not yet passed the National Wilderness Act, but we have set aside areas as wilderness. Here, we have established a special priority for a relatively small share of the public domain. I would not have it otherwise. Wilderness is all-exclusive. It could not be wilderness if it were disturbed by manmade facilities. At most, we can permit trails within these lands, but that is all. We can well afford to permit the small share of our heritage represented by wilderness to remain forever wild for the generations yet to come. In this case, the very definition determines the sole priority.

But our biggest problem, as I indicated earlier, comes in the case of our national parks and our national seashores. I am convinced that only when we permit limited secondary use of the lands within the national parks and seashores—limited secondary use under strict control—can we expand our park system to the extent necessary to meet our growing needs for outdoor recreation.

Whenever there is talk of an added park, mankind's narrowest interests seem to come into play. Always, it seems, parks stand in the way of commercial progress, no matter how remote the area may be or how unproved its resources. Having sponsored the Canyonlands Park bill, I speak from first-hand experience. But if we permit intelligent secondary use of resources within our park areas—recognizing the priorities established by the National Park Act—we will have removed much of the opposition to an added store of park lands.

The concept of our national park lands and their use has changed since the relatively uncrowded days when the Park Act was passed. If we had stuck with the initial concept, we could not have had Cape Cod. Indeed, we might not even have had Hatteras or Everglades. In the former, we have agreed to let homeowners continue to remain in residence. In the latter, we permitted commercial development in limited degree upon the very fringes of Hatteras and oil drilling in Everglades. In all cases, however, the primary purpose of the Park Act has been served.

Our changing society is making essential new concepts regarding all land use, and this holds true for our national parks. This was made clear in the report of the Outdoor Recreation Resources Review Commission, which stressed multiple use wherever possible. The objective in our park areas must be in keeping with the law itself. Once this objective is assured, controlled use of the lands for other purposes becomes consistent with the purposes of the law.

The National Park Act states clearly that the scenic and historic wonders and wildlife shall be left unimpaired for the enjoyment of future generations within the confines of the national park system. It does not say that controlled timbering to improve the forests shall not take place. It does not say that there shall be no grazing or mining of any kind.

The top priority has been spelled out in the act, and I, for one, will defend it with all my strength. It was in recognition of this priority that I introduced limited and controlled secondary use in my Canyonlands Park bill. I did this both to minimize the impact of vocal opposition and for other reasons that make sense within the context of the proposed park's boundaries.

The carrying capacity of the foliage within Canyonlands makes a controlled hunt essential. The available foliage simply will not support the wildlife of the area, which will starve unless thinned by the hunt. Predators have all but been eliminated.

The only real question is whether this shall be a controlled hunt in which outdoorsmen participate under overall direction of the Park Service, or whether it shall be a form of scientific butchery by members of the Service. Despite the purists who agree that the wildlife stock must be periodically thinned out, I see no violation of the spirit of the Park Act in the limited and controlled hunt. That sportsmen will benefit is all to the good.

Obviously, grazing that will crowd out the tourist and destroy the values of a park cannot be permissible. But controlled grazing in areas of a park not normally given to large-scale tourism, is another matter. The same thing is true even of timbering. Where cutting of trees will help preserve the health of a forest within a national park area, it is all to the good. Obviously, it cannot be permitted to destroy the forest.

In the Great Basin National Park bill, a new departure has been made. Here, in this Nevada desert country, it is proposed to permit limited mining for scarce beryllium. But the bill clearly states that the Secretary of the Interior may prescribe general regulations for the control of these activities "as he deems necessary to preserve the scenic, scientific, and recreation values of the area."

This means mining only where there is no conflict with the intent of the National Park Act. Certainly we cannot permit our parks to become mine dumps. Nor can we permit scenic, scientific, historic, or recreation areas to be destroyed. But within these limits—and with good sense—we can make use of the lands for mining where it serves the national interest.

Secretary Udall said, in testifying for the Great Basin bill, that "it is quite obvious with regard to the interests of different groups in multiple use of some of our land resources, that we are going to have to make what I call creative compromises in terms of getting new areas added to the national park system."

I am in full agreement, distressing as that might be to purists. I am not advocating changes in the terms under which any present park exists. But in each future park, there must be a weighing of all values. This is particularly true in the West, where economic development must take place where the resources exist.

I think the kinds of creative compromises that are required can be worked out. And, let me stress, creative compromise does not mean surrender to narrow interests at the expense of public interest.

It does not mean abandonment of basic premises; but it does mean reexamining cherished formulas; it does mean reevaluating traditional assumptions; it does mean facing up to today's world and tomorrow's needs.

At Point Reyes in California, A.T. & T. and R.C.A. maintain important transmitters that are a vital part of the Nation's communications system. There is no contradiction in permitting these stations, which are not unsightly, to remain within the confines of the proposed Point Reyes National Seashore. We are not removing the Coast Guard's Highland Light from Cape Cod, because it is essential to navigation. The same holds true for Hatteras Light, which has become a great attraction within that national shore. The principle is the same at Point Reyes because the existence of the transmitters does not alter the other key values of the proposed shore.

In establishing Point Reyes, certain other private commercial activity will be permitted. Allowance would be made for existing dairy activity and for expansion in villages which will serve the park area, and which lie within it. But 33,000 acres of forests and shores would be exclusively for park use. Inclusion of nonexclusive acreage will make it possible to obtain the kind of land management needed to protect the entire area.

At Padre Island there is oil, and the question has rightly been raised about the effect of drilling upon a national seashore. Without doubt the problems posed are more difficult than those at Point Reyes. But the Interior Department is of the view that conflict can be minimized under adequate controls. It has proposed a cooperative effort that will permit commercial exploitation without major impairment of the scientific and recreational values of the area. It is essential that a creative compromise be worked out so that the scenic, recreational, and scientific values involved can be saved for the Nation before the island is despoiled by uncontrolled commercial encroachment. Already, the bulldozers of the developers have started to eat up the area.

It has been said that multiple use of park lands is surrender, and that it will reduce these lands to the same status as national forests or recreation areas. This is untrue on its face. Our national forests do not necessarily contain scenic, scientific, or recreational values that must have top priority. Recreation is a secondary use, and so is scenery. National forests are a matter of conservation.

National recreation areas are generally manmade—resulting from the damming of rivers. Far greater commercial exploitation is permitted within them than would be true in the secondary use of national park lands. Further, recreational areas are usually created after other scenic or commercial values have been destroyed—as at Glen Canyon or Grand Coulee, where power and flood control are the key values.

Mr. Conrad Wirth, Director of the Park Service, is to be commended upon the job that he and his associates have performed. But, devoted though he is to the Park Service, Mr. Wirth has admitted that if Congress agrees to secondary use of park lands, consistent with the purposes of the National Park Act, the Service can manage the lands that way, and in the public interest. As Mr. Wirth has pointed out, most of the land in the national parks has no value other than those of scientific and scenic worth. Only a small part could or would be affected by multiple use. This was the gist of Mr. Wirth's testimony on the Canyonlands bill.

America's great scenic values and natural recreation space must be saved for the people. If this can best be done through creative compromise, this is the approach we will have to take. Our land and resources are limited, but we still can add substantially to the national park system. Let us proceed with this great creative task while time permits.

We will have to work out equitable compromise to do so. But let us plan now, before panic creates impossible conditions. If we move ahead on this basis, our compromise will not be surrender. It will, instead, serve the best interests of an America still beautiful, and still possessed of a grandeur beyond compare.

Mr. METCALF. Mr. President, will the Senator from Utah yield?

Mr. MOSS. I am happy to yield.

Mr. METCALF. I wish to compliment the Senator from Utah for pointing out that in our future development of parks we must have additional multiple use. It seemed to me that the point was very well demonstrated in the Canyonlands hearing in which we both participated. I would be very strongly opposed to having Glacier National Park set aside for a multiple use or to permit additional uses such as mining in that area, which is already established. I would also be opposed to such development in Yellowstone Park.

But such uses have grown up in the additional areas we have named. Grazing, mining, and lumbering have developed. If we are going to extend our park system, as I believe we must, we must recognize that we have a different situation today in, for example, Canyonlands than the situation we had when Yellowstone National Park or Glacier National Park was created. In recognizing that difference we must try to preserve as much as possible of the natural beauty and recreational facilities available in those areas, and yet give people an opportunity to develop the uses they have established in those areas.

Mr. MOSS. Mr. President, I thank the distinguished Senator from Montana [Mr. METCALF], who was chairman of the subcommittee during part of the hearings on Canyonlands. I know his understanding of the problem, and I certainly appreciate his comments on my remarks today.

Mr. YARBOROUGH. Mr. President, will the Senator from Utah yield to me?

Mr. MOSS. I am happy to yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. I wish also to express my appreciation for the Senator's distinction between park lands to be acquired in future and the old established parks.

The PRESIDING OFFICER. The additional time granted to the Senator from Utah has expired.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Senator from Utah may have an additional 1½ minutes.

Mr. SPARKMAN. Mr. President, I yield an additional minute to the Senator from Utah in order that he may yield to the Senator from Texas.

Mr. MOSS. I thank the Senator.

Mr. YARBOROUGH. Mr. President, the multiple use program for newly acquired lands has been well illustrated in the bill that passed the Senate and is now pending in the House which would provide for the creation of the Padre Island National Seashore Recreational area. The distinguished Senator from Utah [Mr. MOSS] held very comprehensive hearings on that proposal in Corpus Christi, Tex., in December of 1959. There are very valuable oil lands in the area covered by the bill which passed the Senate. The bill provides that the minerals under the proposed park could be developed without spoliation of the recreation area. The bill provides for multiple use, and demonstrates that some of the land is so valuable for mineral purposes, it would be difficult to purchase the area for park purposes, if, in doing so, the under-surface minerals had to be purchased.

In the hearings and the recommendations made at that time, the distinguished Senator from Utah illustrated how, in acquiring additional areas in the future, multiple use can be contemplated without destroying the potentiality of proposed parks. After the underground minerals are produced, all the land will be available for park purposes for future generations. I thank the Senator.

Mr. MOSS. I thank the Senator from Texas for his comments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum; and I wish to announce that the time required for the quorum call will be taken out of the time available on the pending amendment.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to dispense with further proceedings under the quorum call.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Without objection, it is so ordered.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, yesterday the distinguished Senator from New Hampshire [Mr. COTTON] joined me as a cosponsor of my pending amendment, which would suspend aid to Yugoslavia for 1 year. I ask unanimous consent that the name of the junior Senator from New Hampshire [Mr. MURPHY] be added at the present time as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

How much time does the Senator from Wisconsin yield to himself?

Mr. PROXMIRE. I yield myself such time as I may require.

Yesterday I quoted from a speech which Tito had made in Belgrade on June 11, 1956. I wish to emphasize that speech once again with a short quotation from it. What Marshal Tito of Yugoslavia, the Communist dictator, to whom we have given over $2 billion in aid, and who is eligible for aid in the program now before the Senate, but whom my amendment would exclude, said, was this:

> Yugoslavia, in time of war, as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory over the enemies of socialism.

Mr. President, if that means anything, it means that if there is war, Yugoslavia will be on the side of the Soviet Union and against us. I challenge anyone to give any quotation from anything Tito has said which in any way changes or retracts or modifies that statement in the slightest. I believe I can show conclusively that in the ensuing years Tito has not drifted away from Soviet communism; on the contrary, as a matter of fact, Tito has come closer and closer to the position of Russian communism and has become more and more critical of the free world, particularly the United States of America.

Tito's report to the seventh congress of the LCY, the Communist Party of Yugoslavia, in April 1955, was a complete retraction of his earlier statement to the seventh congress 5½ years earlier. It was on the basis of the earlier statement that the program for aid to Tito developed, as well as on the basis of his assistance to us in 1948, when he was of real assistance in our battle for the freedom of Greece and Turkey.

But in April 1958, Tito charged that the Western Powers had forged NATO as an instrument of world domination, thus provoking the formation of what Tito called the defensive Warsaw Pact.

Again in April 1958, Tito attacked the Western trade embargo against Socialist countries—that is, the Soviet bloc. In the same year, 1958, Tito accused the West of drawing a strategic noose around the U.S.S.R. and the Communist bloc.

This was the kind of talk that we hear from Khrushchev. Tito has consistently alined himself, year after year, with Khrushchev, ever since 1955. He has come closer in the last few months than ever before.

At the same time, in 1958, Tito accused the West of interference in the internal affairs of people's democracies engaged in building what Tito called a new social order, meaning Communist government.

Tito said that Yugoslavia's relations with the U.S.S.R. have continuously improved, and are continuously improving. All this means that Tito would go along with Khrushchev, while he could not go along, for personality reasons, for power reasons, and for ego reasons, with Stalin.

The program of LCY, the Communist Party of Yugoslavia, in 1958 stressed another point which is extremely important. Yesterday the distinguished senior Senator from Iowa [Mr. HICKENLOOPER] said that the important distinction is whether a dictator is interested in world domination, whether he is interested in exporting his country's ideology.

Well, Mr. President, the LCY program of 1958 stressed the concept of "proletarian internationalism." This opposes any idea of national communism, which was explicitly rejected in the program of 1958.

In the second place, it showed Yugoslavia Communists as faithful believers in the Marxist-Lenin credo that "humanity was moving deep into the era of socialism."

Furthermore, it emphasized that Yugoslavia was ready to lend a militant hand to encourage the world communizing process.

Mr. President, Yugoslavia is not a country that wishes to go its way and develop according to its own desires, and not bother its neighbors. Tito said in 1958, and he has said it repeatedly since then, that the mission of his government is to help lead the effort toward a Communist world in a militant fashion.

Of course it is true that Tito is not as warlike as Khrushchev or as Mao, and for a very good reason. It is true that Tito does not rattle nuclear missiles, because he does not have any. It would be ridiculous for Tito to indicate that he is interested in going to war against the United States of America.

Yugoslavia is a little country, relatively speaking. Short of that, however, I defy and challenge anyone to say that there is any real difference between Tito's position and Khrushchev's position.

In the last 3 years, especially in his address before the United Nations on September 22, 1960, and in his address before the Yugoslavia Parliament on December 26, 1960, Tito leaned heavily toward the Moscow-U.S.S.R. foreign policy.

The embrace of Soviet foreign policy has never been warmer than in his speech before the Belgrade conference of nonalined nations on September 3, 1961. As we all know, that was only 2 days after the Soviet Union had broken the moratorium on nuclear testing. It was the testing of the dirtiest bombs that had ever been tested up to that time. At that time, Tito in his speech did the following:

In the first place, he endorsed Khrushchev's proposal on general disarmament, and he derided the United States "fetish of controls and inspections." This is the dictator to whom we are asked in this bill to authorize substantial additional aid.

In the second place, he expressed "understanding"—these are his words—of the reasons invoked by the Soviet Union in resuming atomic testing in the atmosphere. The understanding was that France was continuing to test. Of course, that is obviously ridiculous, in view of the primitive stage of France's atomic development, as compared with the impressive development of the nuclear potential in the Soviet Union.

Yet we are asked to give aid to this Communist dictator.

In the third place, he endorsed the thesis of two German states, one of which was, as he put it, acquiring a "more outspokenly new social character." That was East Germany, of course. The other, West Germany, he said, featured "a typical capitalist social system pregnant with interwoven remnants of fascist and revenge conceptions and tendencies." Of course, this was Tito's characterization of West Germany.

This is exactly the kind of Communist-Russian propaganda which Khrushchev has been dishing out in his attacks on the West. Tito in his most recent major speech has said exactly the same thing as Khrushchev. Yet we are asked to give aid to this Communist dictator.

In the fourth place, Mr. President, Tito in his speech asked for modifications of the role of the Secretary General of the United Nations, suggesting that he be downgraded to a simple "administrative functionary of the U.N. without independent political competency."

This is exactly the kind of thing that Khrushchev was asking for in his bid for a troika. Incidentally, that proposal was overwhelmingly defeated.

In the next place, Tito has praised the "unanimous resistance of the Cuban people against the aggressive intervention" of the United States supported Freedom Fighters the preceding April.

Yet we are asked to give aid to Tito, who is supporting Castro and is supporting Khrushchev as explicitly and clearly as he can. We are asked to provide hard-earned taxpayers' money for assistance to Tito.

Mr. President, let us take a look at Tito's so-called independence of the U.S.S.R., and especially at the international influence of Titoism and the international effect of the aid we are giving to build up this dictator.

It is said that we should play along with Tito, even though he is a Communist, because he is alined with the neutralist bloc; that there is developing a split in the Communist world. Let us take a look at what he is doing with these so-called neutralist countries.

In December 1954, Tito visited Burma and India. In December 1958, Tito visited Burma and India again; also Ceylon, Ethiopia, Sudan, and the United Arab Republic. Early in 1961, he visited Ghana, Togo, Liberia, Guinea, Morocco, Tunisia, and the United Arab Republic once again. Tito was building an informal, nonalined bloc of countries. For what purpose? Where was he to lead those countries?

In the first place, Tito has steadfastly maintained that the nonalined countries should refuse to join any of the existing military blocs, and he declined to take part in the global cold war. All this sounds like it might be a praiseworthy effort to preserve peace. Tito's express purpose by using his influence to convert the armament race to peaceful pursuits sounds fine and noble.

But let us take a deeper look at the influence Tito has had upon those countries. As regards ideology, the 1958 program of the Yugoslav Communist Party is clearly stated:

> In the underdeveloped countries just liberated from colonial oppression, tendencies and possibilities exist for bypassing certain phases of capitalist development and immediately passing on to the construction of the economic foundations of the development of socialism.

But obviously what is practiced in Yugoslavia is a Communist dictatorship.

By the same token, the principle of "active coexistence" as applied to the countries under Tito's leadership had only one precise meaning: To broaden the basis of the struggle against imperialism and colonialism. In other words, the whole purpose of Tito's travels to those countries—the so-called neutralist, nonalined countries—was to aline them so that they would stay with the Soviet Union. Yet we are being asked to give aid to this dictator. Thus Tito identifies his type of neutralism with the victory of communism over freedom. This is what he is working to achieve, not only in Yugoslavia, but also in Asia and Africa and, it is obvious, in view of his statements, if he can do so, in South America. Yet we are being asked to give aid to Yugoslavia.

Despite the heretic label affixed upon Titoism by the Communist bloc, Titoism promotes Soviet interests in the third or neutral world, if not directly, then indirectly, by inspiring and supporting attitudes in those countries which are detrimental to the basic interests of the West. As George Bailey has described it in the Reporter magazine:

> The fitting of the Marxist formula into the neutral anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause.

In other words, I am not simply offering the amendment because I do not like Tito, because he has suppressed liberty, because he has jailed Milovan Djilas, a man who has dared to speak out against communism; but because Tito has actively engaged in spreading communism and hatred of and opposition to the West throughout the world.

In the second place, with regard to Tito's activities among the neutral nations, Tito's public statements and behind-the-scenes politicking at the Belgrade conference confirmed once more that he is doing his best to aline the nonalined behind Soviet foreign policy objectives.

Yet we are asked to give aid to Tito.

Tito's "anti-imperialist" harangues and the support he tenders to radical revolutionary movements in the developing areas help to undermine Western positions and create effective roadblocks to the kind of cooperative ventures envisaged in the Alliance for Progress program. It seems incredibly wasteful for the United States to authorize and appropriate aid to Yugoslavia when we are asked to authorize and appropriate huge sums for the Alliance for Progress because we believe the way to success and prosperity among the South American countries is the way of freedom, while at the same time we give support and assistance and sell at knock-down prices planes and ammunition to, and train pilots for, the Yugoslavs. Yet what do they do?

Every statement, every word, and every activity of the Yugoslav Government is designed to undermine our position. I see no evidence to the contrary.

As Milorad Drachkovitch has said so well, in a brilliant article in Orbis, published by the University of Pennsylvania for the Foreign Policy Research Institute:

> One of the ironic paradoxes of our time is that at least part of the generous economic assistance given by the United States to Yugoslavia as a calculated gamble to weaken the Communist bloc is used by Tito to undermine Western power and influence in the grey zones of southeast Asia, Africa, and, less directly, Latin America.

Mr. LAUSCHE. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. LAUSCHE. What is the name of the author just identified by the Senator as having written an article?

Mr. PROXMIRE. His name is Milorad Drachkovitch.

Mr. LAUSCHE. He may be the same person who wrote the book entitled "Tito the Trojan Horse." That book describes Tito as being within our midst as a "Trojan Horse" having a potentiality for ruining the very foundation of free nations of the world. I suggest that those who have not read that book read it, because it gives a clear insight into the problems which confront us when we give help to a Communist country. Time and time again, after the help had been committed, Tito made declarations of his allegiance to communism and of his purpose to fight for the communization of the nations of the world.

It may be that the author mentioned by the Senator from Wisconsin is the same person who wrote the book, "Tito the Trojan Horse."

Mr. PROXMIRE. Mr. Drachkovitch wrote an extremely well-balanced, thoughful article. It was not a polemic; it was not in the nature of anti-Yugoslav propaganda. It was a scholarly paper, published by the Foreign Policy Research Institute of the University of Pennsylvania, in Orbis, a quarterly publication. The author wrote a responsible, scholarly, well-documented piece. He may well be the same man referred to by the Senator from Ohio. However, the article was not an attempt unqualifiedly to destroy Tito, or anything of that kind; it was an article that I think would win the respect of any scholar as being objective and fair.

To sum up: All of us must recognize, of course, that Tito and Yugoslavia suppress freedom. In Yugoslavia there is no freedom of speech, there is no freedom of religion, there are none of the other freedoms which we cherish, which we rank, perhaps, higher than any other value in our country. The Yugoslavs enjoy none of those freedoms. Many of us feel strongly that we should look very carefully at any proposal for any kind of aid to any country which suppresses freedom.

Of course, we have compromised on this principle; we have had to. I have supported such compromises. Some of our best allies are countries which suppress freedom and which deny the opposition full play. That is true of Pakistan, it is true of Turkey, and it is true of Spain. Each of those countries, however strongly we may oppose brutality and an antidemocratic attitude on the part of the government, the fact is that they are important, vital allies of the United States. This cannot be said of Tito. His is a Communist dictatorship. He has said so over and over again. His is a Communist dictatorship which, at one time, had a difference with Stalin —and it was an important difference— but that situation has disappeared. The fact is that Tito has alined himself closer and closer to Khrushchev, to the point where the two are almost inseparable. The only difference is the difference in Yugoslavia's expressed attitude toward world war III. Tito has made it very clear that he believes strongly in supporting revolutionary communism throughout the world. He also has said, at Stalingrad, in June 1956, as I have quoted several times:

> Yugoslavia, in time of war, as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal: Victory over the enemies of socialism.

Finally, it is always difficult for any human being, especially if he is a public official, to change his mind. But we must change our positions when events change. In this instance, events have changed, and changed drastically. The Tito who made the speech at the Belgrade conference has not the same attitude in any way as the Tito who was of some military assistance to us some 12 years ago. I think we must recognize the change and act accordingly.

Mr. President, I reserve the remainder of my time.

Mr. President, I yield 10 minutes to the distinguished Senator from New Hampshire [Mr. Cotton].

The PRESIDING OFFICER (Mr. Metcalf in the chair). The Senator from New Hampshire is recognized for 10 minutes.

Mr. COTTON. Mr. President, as a cosponsor of the amendment of the distinguished Senator from Wisconsin, it is not my purpose to use any of the time available to me to rehearse or recapitulate or repeat the very able and cogent presentation he has made, and for which he should be highly complimented. He has reviewed masterfully the history of the utterances of Dictator Tito and many of the chapters of the recent history of Yugoslavia as a Communist power.

However, I wish to add a few words. In the first place, I desire to join in supporting this amendment partly for sentimental reasons, because my late beloved colleague, Senator Bridges, so many times fought on this floor for this amendment, yet I also wish to make very clear that there are other reasons for my support of the amendment, for I am an impassioned believer in shutting the door to any use of the funds of the taxpayers of our country to aid Yugoslavia; and long ago I took that position in my own right.

I was a Member of the House of Representatives when the first Yugoslavia aid bill—then requested by President Truman—came before us; and one of the first speeches I made on the floor of the House of Representatives was in opposition to that measure. I think that at that time I was actuated somewhat by personal reasons—if the Senate will pardon a personal reference—because that aid was requested only a few weeks after Marshal Tito's forces had shot down a U.S. plane and had killed the American military personnel on the plane, including the son of one of my dearest friends in an adjoining town. Never shall I forget the feeling we had at that time about having the funds of U.S. taxpayers given in support of such a regime.

Mr. President, year by year, in recent years, I have been impressed, as we have considered these so-called foreign-aid bills, with the fact that we have grown more and more into the habit of giving our aid to governments, rather than to peoples. I recognize that as a practical matter that must occur, and I am not blaming anyone for it; but it is hard for us to get the picture of reaching into the pockets of the taxpayers of the United States and using their funds to bolster various governments of other nations; and in many cases it is very difficult for us to know whether the government we are helping is really a government of freedom or a government of oppression.

I fear that many times our country has knowingly poured out its resources in order to keep in power the governments of other countries, although we know those governments were oppressive; but because we felt that perhaps they were more favorable to the balance of power of the free nations than some other factions which might take their place, we have continued on that course. The food we have given, the economic aid we have given, and the assistance we have given in obtaining weapons, have perhaps more frequently than otherwise been used to bolster the governments of the countries concerned, and the people of those countries never have known from whence that aid came.

But in this case if we give this aid, we deliberately give it to a Communist dictatorship.

Mr. President, I recognize that in this particular bill there is no designation that certain sums of money shall go to Yugoslavia. I recognize that recently we have not been giving military aid to Yugoslavia. I recognize—and I believe it was stated on the floor of the Senate by the distinguished Senator from Alabama [Mr. Sparkman]—that recently we have not been giving economic aid to Yugoslavia. Nevertheless, the fact remains that funds for aid to Yugoslavia are available and can be given. I wish to suggest to the Senate that if we—and by we, I mean the Congress and the Government of the United States—have any idea of retaining the confidence of the American people in any kind of mutual cooperation, mutual assistance, or foreign aid, the time has come for us to bolster the confidence of the people of the United States by making very sure how the aid is to be extended and by making crystal clear to them that it is not going into improper hands.

Mr. President, in making this proposal, I wish to point out that I do not distrust the President of the United States and I do not question his motives. Perhaps he may find that there is no rhyme or reason for giving such aid; and I do not doubt that he is as indignant over the utterances of Marshal Tito as is any other citizen of this country. But this week the Senate is in the process of laying down the ground rules for U.S. foreign aid; and we must state, in words that are clear, plain, and incapable of being misunderstood or misinterpreted, that under no circumstances does the Congress of the United States countenance—for I understand that even with the adoption of this amendment, it would be possible for certain funds and certain assistance to be extended, if the President desired that to be done—the giving of any aid of any kind—military, economic, or otherwise— to a country which is avowedly and clearly a Communist dictatorship, lined up with the Iron Curtain countries, seeking to destroy freedom in the world, and seeking to hold up the hands of those who are thwarting the earnest efforts of our people and our Government and other governments of the free world to preserve the peace, the security, and the safety of those who now live and those who will follow us.

Mr. President, I cannot conceive for a moment that the Senate would reject the amendment of the Senator from Wisconsin; and I cannot conceive that any Senator who really wishes to have the foreign aid bill passed would vote against this amendment, for by means of it one more assurance will be given to the American people that they can have confidence in the administration of this important measure.

For those reasons I earnestly hope that the amendment offered by the Senator from Wisconsin will be adopted.

It is the intention of the Senator from New Hampshire to offer, at the proper time in the consideration of this measure, another amendment, which was offered in the last session by the then senior Senator from New Hampshire, Mr. Bridges, who was absent because of illness, and which I offered and debated on the floor of the Senate, and which received a very substantial vote in the Senate. That amendment provides for the prohibition of assistance to countries trading with the Communist bloc in war materials or those commodities used to produce war materials.

I give notice that I shall offer that amendment, and unless an amendment along the same line is offered sooner, shall bring it up and seek its adoption.

I thank the Senator for yielding me time. I again express the hope that the amendment will be adopted.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont may proceed.

Mr. AIKEN. Mr. President, it seems to me we should take a realistic look at the proposal of the Senator from Wisconsin. I do not think any Member of this body holds any brief for Tito, Gomulka, or any other Communist leader of the satellite states. However, the question before us now is whether we should take such action as will assure Russia that under no circumstances will we give aid to any satellite or Communist state which seeks to break away from the Soviet orbit.

Right now the situation seems to be very tense in Eastern Europe because of the current common market proposals. I feel it is driving satellite states in Eastern Europe deeper and deeper into the Soviet orbit, which I think some would like to break away from as soon as they dare to and as soon as they are assured they might get some cooperation from the democratic nations. I think it is this fear of the common market that is driving Mr. Tito, or that may drive him, to accept Mr. Khrushchev's invitation to meet him in Moscow.

I do not know that we should object to Mr. Tito's going to Moscow. We invited Mr. Khrushchev to Washington, and he came and obviously had a good time while he was here. President Eisenhower had planned to visit Mr. Khrushchev in Moscow. That plan, of course, was interrupted rather abruptly by the U-2 incident. President Kennedy went a long way for a meeting with Mr. Khrushchev in Vienna.

I do not know whether or not we should deprive a country of any assistance because of that fact, because certainly, if we undertook to say what head of a country should visit the head of what other country in the world, we would be taking on a man-sized job, and in view of the fact that we ourselves would be guilty of the same thing.

I hold no brief for Yugoslavia. I do remember, however, that Yugoslavia's armies prevented Hitler from overwhelming the Middle East. I do not forget that Yugoslavia stood between Greece and Russia and the overrunning of that country by Russia. I have seen the Yugoslav delegate in the United Nations take direct issue with Russian representatives in that body.

Even so, we have given a great deal of aid to Yugoslavia. It is true we began in the late 1940's, when they were very short of food over there. I thought at the time we gave them corn it was a good investment. It enabled them to break out of the Soviet orbit. They have up to now stayed out ever since. We gave them a great deal of aid during the 1950's. President Eisenhower found it was to the advantage of this country to give them assistance, and we gave them a great deal, including weapons. Those weapons were geared to use U.S. ammunition, which certainly would not indicate that Yugoslavia had plans to rely upon Russia in the event of war.

I do not pretend to know what the situation is now in every detail. I do not condone statements which Tito has made, and he has made some statements he should not have made. I think we should keep aid to Yugoslavia and to such countries at a minimum, but I do not think we should ever close the door to giving assistance to satellite countries that want to break out of the Soviet orbit, thereby forcing those countries into a close union of states, which would undoubtedly bring in the Communist Chinese as well as countries of Eastern Europe.

Perhaps we ought not to forget that it was Yugoslavia that is generally credited with bringing about the difference of opinion originally between China and Russia.

So I would not tie the President's hands. I expect him to make some mistakes. I know he has made many mistakes. I can point to a lot of his mistakes. But when it comes to the choice of forcing a closer and tighter alliance between the Communist countries or giving some of them hope that they can break away, then I think we would go too far if we undertook to tie the hands of the President in that way.

Mr. SPARKMAN. Mr. President, may I inquire as to how much time for debate remains?

The PRESIDING OFFICER. The Senator from Alabama has 23 minutes remaining. The Senator from Wisconsin has 16 minutes remaining.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Kentucky [Mr. COOPER].

The PRESIDING OFFICER. The Senator from Kentucky is yielded 5 minutes.

Mr. COOPER. Mr. President, all of us know that the question to which we are addressing ourselves is a difficult one. It is the question whether the Government of the United States shall have authority to provide aid to Yugoslavia, in this case by the method of a loan, if the President determines that it is in the national interest to do so. It is a difficult decision that we must make, because we know that Tito is a Communist, the Government of Yugoslavia is a Communist government, and it is probable that, if the Soviet Union and the United States should come to a confrontation now, Yugoslavia would be on the side of the Soviet Union.

All this being admitted, I believe, in looking at this question, we must not fall into an error which I think is a common one when we consider whether aid shall be provided other countries. Many in our country look at this question of providing or withholding aid as if every nation had decided its course, Communist or anti-Communist forever, as if events, circumstances, the decisions of their peoples would have anything to do with their political position in the world. A better way to look at the issue is to consider it from the viewpoint that every country has not decided forever its future course.

In my view, it is more courageous and hopeful to conduct our foreign policy and foreign aid program with the view that countries will not forever be tied to Soviet policy, if they are Communist countries, or, if they are neutralist countries, that they are not finally going to decide to be on the side of the Communists. To take the view that every country which does not now stand on our side in every respect, is forever gone, is to abandon these countries to the Soviet Union's designs.

I am not saying that we should provide aid to Communist countries, or others, which are dominated by the Soviet Union.

In this case, the case of Yugoslavia, while it is a difficult decision to make, the issue has a certain simplicity. The Soviet Union has tried with all its might to build up in Eastern Europe a strong system of satellites, a monolithic Soviet Communist group of countries. But it is a fact, despite the disappointments we have experienced at the hands of Tito, that Yugoslavia, since World War II, has never committed itself firmly and wholly to Soviet policy. It has maintained its independence from the Soviet doctrine that all Communist countries must bow to Soviet decisions. We have maintained the hope that the example of Yugoslavia will find support in other Communist countries of Eastern Europe, and that they will break away in some measure, at least, from the domination of Soviet policy. This is in the interest of the United States.

The newspapers note that Tito will soon go to Moscow for talks with Premier Khrushchev. It may well be that a closer union of the policies of Yugoslavia and of the Soviet Union will result from the meeting. I point out that, should Yugoslavia give up its independent policy as a result of these talks or thereafter under the present law the President has authority to terminate aid. In fact, the Congress has imposed on the President an ever great responsibility. It is the responsibility to permit aid only if he can positively affirm it is in the interest of the United States, and that the recipient country is independent of the Soviet Union.

The weight of the popular opinion in the country today may well say, "Cut off this aid."

But I believe the long-term interest of our policy—a policy to foster independent policies on the part of the

Eastern European countries, from those of the Soviet Union and considering the fact that Yugoslavia has since World War II maintained an independent course of action against Khrushchev and the Soviet Union, dictate that it is best to continue the arrangements Congress has made in prior legislation, that is, to permit loans when the President finds it is in the interest of the United States. For this reason to permit freedom in the conduct of our foreign policy, and to encourage a split within the Soviet bloc, I shall vote against the amendment offered by the distinguished Senator from Wisconsin.

Mr. JAVITS. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield 1 more minute to the Senator from Kentucky?

Mr. SPARKMAN. I yield 1 more minute to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 1 minute.

Mr. COOPER. I yield to the Senator from New York.

Mr. JAVITS. I shall vote as the Senator from Kentucky will vote, for the reasons stated, plus the additional reason that Tito and Yugoslavia, no matter how we slice it, are a bone in Khrushchev's throat. It may be that that bone right now is not hurting too much. Tomorrow it may be a bone which is hurting a lot.

We have heard a lot about a "no win" policy and about the idea that we are not seeking victory. We have now an opportunity to arm our President with a weapon which may be effective in order to reach behind the monolithic Communist bloc curtain to countries there situated. It is proposed to deprive the President of that weapon, which I think would be a very unwise act. I shall therefore vote against the amendment.

Mr. COOPER. Mr. President, the Government of Yugoslavia and the people of that country know very well the purposes of the Soviet Union.

The PRESIDING OFFICER. The time of the Senator from Kentucky has again expired.

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 1 additional minute.

Mr. COOPER. I remember an occasion at the Unied Nations—I think at the time I was serving with the Senator from Alabama—when the Yugoslavian representatives brought charges against the Soviet Union for interfering in the affairs of their government and country. After debate, Yugoslavia was upheld by the United Nations. Its resolution, asking that the Soviet Union be condemned for its interference in Yugoslavian governmental policies was approved. The Yugoslavian representatives had the courage to bring the Soviet Union before the United Nations for condemnation. They are aware of the interference by the Soviet Union in their own policies.

I recognize all the dangers of providing any aid to Yugoslavia. I recognize that there may be, finally, larger agreement between the Soviet Union and Yugoslavia, but so far I think that agreement has not been reached. If a change occurs, the President can cut off our aid.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me?

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. SALTONSTALL. Mr. President, I shall vote against the Proxmire amendment. I have given it very thoughtful consideration.

I have always voted with the present administration and with the past administration with respect to aid to Yugoslavia, but I have been hesitant this year because I am not at all confident that Yugoslavia is independent of the Soviet bloc and has not turned to the East rather than to the West.

I think the Senator from New York [Mr. JAVITS] and the Senator from Kentucky [Mr. COOPER] have very well expressed the reasons why the Senate should not adopt the amendment.

Mr. President, I say to the acting chairman of the Committee on Foreign Relations, I hope that the Senate will accept the amendment offered by the junior Senator from New York [Mr. KEATING], which states, in part:

> It is the sense of Congress that clear priorities should be established among the countries receiving assistance under this Act and that any requests for appropriations to carry out programs of assistance under this Act should be accompanied by information with respect to the priorities assigned for the fiscal year for which appropriations are requested.

The Congress provided a section in the foreign aid appropriation bill to that effect last year.

The amendment to be offered by the Senator from New York [Mr. KEATING] contains language a little stronger than that in last year's appropriation bill, but I shall vote against the Proxmire amendment in the hope that the Keating amendment will be adopted, because I think that would cover the situation in relation to Yugoslavia, without putting a flat "no" to Yugoslavia at this time. I hope the Keating amendment will be adopted.

For these reasons I shall vote against the Proxmire amendment.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. PROXMIRE. Mr. President, before I summarize my arguments, I wish to take a few minutes to answer some of the statements which have been made. I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 3 minutes.

Mr. PROXMIRE. Mr. President, I have the greatest respect and admiration for the Senators who have spoken, unfortunately, against my amendment. But I must set the record straight. I challenge the Senator in charge of the bill or any Senator to furnish evidence that Yugoslavia is moving away from the Soviet Union. In the past few years Yugoslavia has moved in exactly the opposite direction. The record in that regard is as clear as it could possibly be.

The distinguished Senator from New York [Mr. JAVITS] said that Yugoslavia is a bone in Khrushchev's throat. That is ancient history. Yugoslavia was a bone in Stalin's throat, certainly, but is not a bone in the throat of Khrushchev in any sense. The fact is that there has been consistent and constant collaboration between Yugoslavia and Khrushchev, between Tito and Khrushchev. It is getting to be closer collaboration all the time.

Senators ought to remember the Belgrade statement of Tito in Yugoslavia, the most important statement recently made by him, in which he endorsed the Khrushchev proposal for disarmament, and derided the U.S. fetish for controls and inspections. Only 2 days after the Soviets resumed nuclear testing, he expressed his "understanding" of the reasons invoked by the Soviet Union in resuming atomic tests in the atmosphere.

In addition, Tito endorsed the thesis of the two German states, one of which he said was acquiring a "more outspokenly new social character." He referred to East Germany in that regard, whereas he described West German as "a typical capitalist social system pregnant with interwoven remnants of Fascist and revenge conceptions and tendencies."

Furthermore, in that speech Tito asked for modification of the role of the Secretary General of the United Nations, suggesting that he be downgraded to a simple administrator, a "functionary of the United Nations without independent political competency."

Tito sharply criticized U.S. policies in Latin America.

Tito praised the resistance by the Cuban people against the "aggressive intervention" of the U.S. supported freedom fighters.

Mr. President, this is not the action of a neutralist. This is not the action of a man who is independent of the Soviet Union.

The fact is, as many competent, scholarly observers have said—and I have quoted some earlier today—Yugoslavia is serving the international interests of the Soviet Union. Yugoslavia has said over and over again it is interested in spreading international communism—as they put it, "proletarian internationalism."

This is the position of Yugoslavia today. Perhaps it was not the position 4 or 5, or 8 or 10 years ago, but it is the position now.

I cannot see any justification, under all of the present circumstances, for the United States to provide economic development aid for a country under these circumstances, when there are other countries in the world which need assistance and there are so many other useful and productive things we can do with the money.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I shall speak for only a very few minutes. I know of nothing that I can say that has not already been well said by the Senator from Kentucky [Mr. COOPER], the Senator from Vermont [Mr. AIKEN], and the Senator from New York [Mr. JAVITS]. Again I point out, as I did yesterday, and as the Senators mentioned have pointed out, that Yugoslavia has shown independence. I agree with what has been said. I do not like everything that Tito has said. I do not like everything Tito has done. I am not defending Tito. I am not defending Yugoslavia. But I do say that any time we have an opportunity to drive one of the satellites away from the monolithic structure at which the Kremlin aims, we ought to take advantage of that opportunity. I think we have that opportunity in the case of Yugoslavia.

Sometimes I think we argue the bill as if there were hidden in it a specific provision that Yugoslavia is to receive aid. There is no such provision in the bill. In fact, as I stated yesterday, it is contemplated and anticipated that not to exceed $10 million may be loaned to Yugoslavia, repayable in dollars with interest, on projects that our people would deem good projects to aid in the development of the country.

Not only is that true, but at the last session of the United Nations last fall, time after time Yugoslavia voted with the United States in opposition to the Soviet Union. That is the record.

As the able Senator from New Hampshire pointed out, another thing we must keep in mind is that a provision is in the law already in connection with aid to Yugoslavia. I read it into the RECORD, yesterday. Before any aid of any kind can be extended to Yugoslavia, the President must find three things:

First, the President must find that Yugoslavia continues to maintain independence. It is not what we think about independence. The President must be convinced that Yugoslavia continues to maintain independence.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. AIKEN. I mentioned the fact that Yugoslavia frequently opposed Russia in the United Nations. One principal example is the clash over problems in the Holy Land. Yugoslavia has consistently voted for measures to maintain order in the Middle East, or the Holy Land. In the fall of 1960, Yugoslavia offered the resolution in the United Nations to continue the police force that maintains order between Israel and the Arab States. Russia bitterly opposed the resolution. Yugoslavia has consistently paid every dollar of her assessments for that peacekeeping operation. Russia has never paid a single nickel, nor has any of the other eight members of the Communist bloc paid anything toward that peacekeeping operation. I point out that there is a difference.

Mr. SPARKMAN. The Senator is correct. Yugoslavia has consistently supported U.N. programs related to the Congo operation, the Gaza Strip operation, and other resolutions in the past session of the U.N., and has done her part toward helping them, when Russia refused to go along.

The President must be convinced that Yugoslavia continues to maintain its independence. Second, the President must determine that Yugoslavia is not participating in any policy or program for the Communist conquest of the world. Third, the President must determine that the furnishing of such assistance is in the interest of the national security of the United States.

Under the Constitution of the United States the task is imposed upon the President to promulgate and put into effect our foreign policy. We have charged the President with the exercise of great caution in handling the program. I do not believe that we ought to limit him further.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Alabama has 8 minutes remaining.

Mr. SPARKMAN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Wisconsin wish to yield time?

Mr. PROXMIRE. Mr. President, I request a minute for the purpose of asking for the yeas and nays on my amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I yield 2 minutes to the Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, I have the deepest respect for Senators who have spoken in opposition to the amendment. I know they are sincere. I know that their motivations are as pure as those of any Senator who may support the amendment. I find myself in a position in which I must support the amendment. As the distinguished Senator from Massachusetts has said, it is true that the amendment which I have submitted does not go as far as the pending amendment. It is more general in its terms. I believe it would probably have more adequately covered the situation. But it is not the amendment now before the Senate. Its adoption or nonadoption is still in doubt. In that situation I feel that the amendment deserves our support.

There may have been a time when U.S. aid to Tito was useful in helping the Communist leader to establish a position independent of Stalin. In my judgment, that time has passed. The events of the past few years show that despite our help and despite isolated instances of support for the United States in the U.N., Tito is looking more and more to the Communist bloc for guidance and support.

In the international arena, by and large and on balance, Tito is working against the interests of the United States and the free world, against the interests of NATO, and in support of Soviet policies on Berlin and on other points of conflict. In the domestic sphere he is certainly tightening up on the free elements in the Yugoslavic economic system. The recent imprisonment of Djilas shows clearly, even to those who may wish to forget it, that Yugoslavia is a completely totalitarian state. Communists cannot tolerate free discussion. In Russia, in China, or Yugoslavia, Tito is working in a manner directly opposed to the interests of the United States at this time, and therefore the temporary suspension of aid seems to me to be justified.

Mr. PROXMIRE. Mr. President, how much time do I have left on my side?

The PRESIDING OFFICER. The Senator from Wisconsin has 9 minutes remaining.

Mr. PROXMIRE. Is the Senator from Alabama ready to yield back the remainder of his time? I merely wish to summarize my position.

Mr. SPARKMAN. I wish to yield to the majority leader.

Mr. PROXMIRE. I reserve the balance of my time.

Mr. MANSFIELD. Mr. President, how much time does the Senator from Wisconsin intend to use in bringing this matter to a conclusion?

Mr. PROXMIRE. I will not speak for more than 2 or 3 minutes.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I have listened with a great deal of interest to the debate on yesterday and today with respect to the amendment proposed by the distinguished Senator from Wisconsin [Mr. PROXMIRE]. I have listened to his arguments. There is a good deal of validity in what he has said. I have also listened to the arguments of the Senator from New Hampshire [Mr. COTTON]. He has pointed out what can and cannot be allowed under aid to Yugoslavia as it is contemplated in the pending bill.

I have listened with interest and approval to the distinguished Senator from Vermont [Mr. AIKEN], to the distinguished Senator from Kentucky [Mr. COOPER], and to the acting chairman of the Committee on Foreign Relations, the Senator from Alabama [Mr. SPARKMAN]. We have gone through this matter before. I point out to the Senate that this particular aspect of the aid program was, if my memory serves me correctly, first offered under a Republican administration and that it has been continued down to the present time.

As the distinguished Senator from New Hampshire has said, we must have confidence in the President. We had it when Mr. Eisenhower was in the White House. I see no reason why we cannot have it when Mr. Kennedy is our leader.

The Senator from Vermont said that the President has made mistakes. Of course he has made mistakes. Mistakes were also made by Eisenhower and Truman and Roosevelt. So did Hoover and Coolidge and Harding and Wilson and all the other Presidents make mistakes and they made them because they were human, just like the rest of us. I hope we will never see the day when the President of the United States will not make mistakes. When we reach that day, there will be something wrong with the President, and something wrong with us for electing him.

I have contacted the White House on this proposal, and I have asked for a statement as to what the administration's position is. I have received a letter from Mr. McGeorge Bundy, one of the administrative assistants to the President. In response to my request, this is what he says:

> DEAR SENATOR MANSFIELD: I wish to express the administration's views on the Proxmire amendment to the foreign aid bill.
>
> The effect of this amendment would be to cut off the small amount of aid (mostly Public Law 480) we have given to Yugoslavia.
>
> This is a moment of great delicacy in internal political balance within the Communist world.

All those who are opposed to the amendment have emphasized this feature:

> All of our intelligence evidence, the reports of our Ambassadors, and our own appreciation of the relations we are conducting with the Soviets point to a struggle between those who believe in putting the Soviets into a more aggressive Chinese posture and those who assess American strength and determination for what they are and wish the Communist bloc to deal with us more realistically and peacefully. The proposed amendment would work in favor of the hardliners in the Kremlin and elsewhere in the Soviet bloc.
>
> Our policy in giving small amounts of aid to Yugoslavia—

And, incidentally, to Poland—

> has been one of assisting it to maintain some freedom of maneuver against the Kremlin.

That is what the Senators who oppose the Proxmire amendment have been emphasizing time and time again.

> We have no question that this policy has paid off. Yugoslavia is, of course, still a Communist country, and we are against communism, but it is a plain fact that this country exercises a continuing and significant pressure in restraint of the more extreme and aggressive actions of world communism.

And, incidentally, so does Poland.

> Nothing is more helpful to the position of the United States and the whole of the free world than the maintenance of some range of choice within the bloc. Nothing could be more dangerous than the achievement of monolithic unity under Soviet leadership, such as Stalin exercised in the immediate postwar period.
>
> The proposed amendment deprives the President of that discretion which is necessary for the effective conduct of foreign policy. The President has not abused that discretion and would not do so in the future. The executive branch is always prepared to consult with responsible leaders of Congress about the use of aid for Yugoslavia and to explain the nature and justification of specific transactions. This has been our practice in the past, and it will continue to be so. As the attached statistics show, our aid to Yugoslavia has been limited in quantity and carefully restricted in content. I do not think the present facts in any way justify a departure from our past policy.
>
> Obviously, the behavior and public statements of certain Yugoslav leaders, and the continuing police-state character of the Government stir natural resentment among all Americans. Our opposition to these aspects of Yugoslav policy is clear, and in the light of such behavior the President has closely limited the forms of assistance which he will allow. The law as it stands permits this kind of flexible and immediate response to favorable or unfavorable developments. The amendment would remove all opportunity for calculated responses and would freeze us out of any ability to affect affairs in these countries.
>
> The truth of the matter is that this amendment would play into the hands of those who are most hostile to the United States. The intent of the amendment is obviously to oppose communism—but if it is adopted the hard-line Communists will be delighted.

The letter is signed by Mr. McGeorge Bundy, because it was he whom I contacted at the White House.

I ask unanimous consent to insert in the RECORD at this point the amount of aid given Yugoslavia this year under title I, title II, title III, and title IV of Public Law 480, and also incidental small amounts which Yugoslavia is receiving this year.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Economic aid to Yugoslavia

[Millions of dollars]

	Public Law 480			Eximbank	Other	Total
	Title I	Titles II and III	Title IV			
Total since—						
1951	439.2	228.3	17.3	65.0	614.3	1,364.0
1961	27.4	14.1	----------	50.0	56.4	147.9
1962	83.8	14.0	17.3	----------	.7	115.8

Mr. PROXMIRE. In reply to the majority leader, I should like to say that if Mr. McGeorge Bundy said that my amendment would knock out Public Law 480 aid, he is wrong. It would not do so. Apparently he has not read my amendment.

Mr. MANSFIELD. I do not think I said that.

Mr. PROXMIRE. The Senator from Montana indicated that the amendment would knock out Public Law 480 aid.

Mr. MANSFIELD. Is the Senator referring to what I said at the beginning of my remarks?

Mr. PROXMIRE. I am referring to what the Senator from Montana said, I believe, at the beginning of the letter from which he read.

Mr. MANSFIELD. May I read it again? I quote from the letter:

> The effect of this amendment would be to cut off the small amount of aid (mostly Public Law 480) we have given to Yugoslavia.

I apologize: the Senator is correct.

Mr. PROXMIRE. The amendment provides that assistance to Yugoslavia under this act shall be suspended. I admit that the amendment does not go far enough. I would like to have it go much further. I would like to have it cut out Public Law 480 aid to Yugoslavia. However, my amendment does not do that. I would also like to prevent the kind of bargain sale arrangement that we have made with Yugoslavia on planes, under which Yugoslavia has been paying about one thirty-fourth of the price of the planes it has been buying.

What I have said is exactly what the amendment provides. I have gone over it with members of the Committee on Foreign Relations. It provides that the $10 million economic development program cannot be provided in fiscal 1963.

Mr. President, this is a very moderate amendment. It provides that for 1 year, and 1 year only, aid to Yugoslavia will be suspended. The aid to Yugoslavia that is suspended is the economic development program. As I say, I believe we can fully justify going a lot further, but this amendment does not go any further than that.

I would merely like to summarize my argument on this amendment by calling to the attention of Senators the fact that the amendment is not aimed at Tito because he is a dictator. It is not aimed at Yugoslavia because it is a Communist country. It is aimed against Yugoslavia because Tito is now a close ally of Premier Khrushchev against the United States and because Yugoslavia is supporting the interests of the Soviet Union. There is no question about it.

The active coexistence which Yugoslavia has advocated under the program adopted in 1958, and which Tito has tried to advance in neutralist countries, consists of identifying his type of neutralism with the victory of communism over freedom.

This is what he is working to achieve, not only in Yugoslavia, but also in Asia and in Africa, and, in the future, in South American countries.

As I said before, and as I emphasize again, George Bailey writing in The Reporter has pointed out that:

> The fitting of the Marxist formula into the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause.

The amendment merely provides that for 1 year, on the basis of Marshal Tito's recent actions and on the basis of his alinement with the Soviet Union, the United States will suspend this modest amount of aid. I do not believe the amendment goes far enough, but I believe the Senate should be willing to go at least this far.

Mr. President, I yield back the remainder of my time, with the understanding that the majority leader will yield back the remainder of his time.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. LAUSCHE. Mr. President, I offer an amendment in the nature of a substitute for the Proxmire amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to add to section 620 of the Foreign Assistance Act of 1961 the following new subsection:

> (e) No assistance shall be furnished under this Act and no commodities may be sold or given under the Agricultural Trade Development and Assistance Act of 1954, as amended, to any country having a Communist form of government. This restriction may not be waived pursuant to any authority contained in this Act.

The PRESIDING OFFICER. How much time does the Senator from Ohio yield himself?

Mr. LAUSCHE. I yield myself 10 minutes.

Mr. President, I begin with the proposition that aid granted to a Communist country can never be in the interest and security of the United States. Aid granted to a Communist country can only be in the interest of the promulgation of international communism.

Our statutes contain provisions which declare that whenever it is found to be in the interest and security of the United States to grant aid to a Communist country, such aid may be granted. I submit that on the basis of what has happened in the past 17 years, aid to communism is always inimical to our country. It is for that reason that I believe the most lofty purposes of the Senator from Wisconsin ought to be expanded so as not to cover Yugoslavia alone, but also to cover all Communist countries. That is all my amendment proposes to do. It contemplates declaring that our dollars and surplus commodities shall not be given to countries which have Communist forms of government.

Senators may ask: "Why is it always detrimental and inimical to the United States to grant aid to a Communist country?" When we grant aid to Tito's government in Yugoslavia, in effect we tell those 15 million or 17 million people that the United States looks with sympathy upon what Tito is doing. We deceive and delude the citizens within Yugoslavia into believing that our Government is in sympathy with the Communist government of Yugoslavia.

In my opinion, the people who live within the satellite nations want to rise in revolt against the yoke they have to carry, a yoke which has been imposed upon their necks by international communism. However, experience has demonstrated that in Communist countries the ability to revolt, when the people face the gun and the noose, can never become a reality. In Hungary, East Germany, Poland, and Czechoslovakia the students revolted. They revolted, I say with embarrassment, in anticipation of aid from the West. But aid never came. Those revolts were all subdued.

In Communist China, the hungry and starving people are fleeing to Hong Kong. If there is ever to be any assertion, it must come from the people; and revolt and assertion will not come if we make it appear that the Communist governments in control are acceptable to the people of the United States.

I think I know the mental attitude of the Yugoslavs. I speak their language. If it had not been for our Government, communism in Yugoslavia would not be alive today; and if it were alive, it would be only under the compulsion of the gun. The Yugoslavs are not a godless people. They do not believe in the surrender of the spiritual aspects of life and the dignity of man. They want to pray, they want to speak, they want to think, and they want to own what they create. They want no dictator to do their thinking, their praying, their speaking, and their writing for them. They want freedom. Yet we tell them, "Accept your Communist government."

In effect, the United States has given $2,500 million to Yugoslavia, although not all of it in the form of foreign aid; much of it has been given through the other worldwide agencies to which we contribute and which provide aid for that country.

As has been pointed out by the Senator from Alabama [Mr. SPARKMAN], the law today provides that if aid is to be granted to Yugoslavia, the President must find that Yugoslavia is maintaining its independence from communism. I cannot come to the conclusion that Yugoslavia is independent of communism. Nearly every time we have granted aid to Yugoslavia, on the day following Tito has taken the rostrum and proclaimed to the world that his fidelity to the philosophy of Marxism has not changed in the least degree. If Senators will examine the record, they will find that in practically every instance Tito has made declarations of the kind I have just described. When within the past 7 or 8 months the United States provided him with planes of war, immediately thereafter he reasserted his fidelity to communism.

Can anyone say that Gomulka, in Poland, is maintaining his independence of communism? It cannot be so declared on the basis of the facts.

Second, the law provides that aid shall not be given unless it is found that Yugoslavia is not participating in any program of conquest by the Communists.

Just how long will it take the people of the United States and those who hold important positions of public policy to learn that under the Marxian theory there will be no peace until the world is communized? Every one of the countries with Communist forms of government is participating in the program of conquest of the peoples of the world and their subjugation to communism.

Third, it is said that aid shall not be given—let us say to Yugoslavia—unless it is found that the national interest and the security of our country will thus be served. I have dealt with that aspect of this problem; and I repeat that, in my judgment, aid granted to a Communist country, with its repeatedly avowed and redeclared principles, can never be in the interest and the security of our Nation.

In the letter something was said about creating a monolithic unity of Communist nations under which there would be no deviation. If there is to be deviation, it will not come from Communist governments; it will come from people who are seeking freedom.

It seems to me that by giving aid to Communist countries, we are "selling down the river" irredeemably and irretrievably the people who are living under the domination of those Communist governments. So, Mr. President, at the risk of repetition I say that we are telling them, "Be content with what you have. We will give you aid, and we are giving you aid"——

The PRESIDING OFFICER. The time available to the Senator from Ohio has expired.

Mr. LAUSCHE. I ask unanimous consent that I may proceed for 3 more minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COTTON. Mr. President, will the Senator from Ohio yield for a question?

Mr. LAUSCHE. I yield.

Mr. COTTON. I am a little concerned about the part of the Senator's amendment—although, as he knows, I am thoroughly in sympathy with the purpose of his amendment—which refers to the giving of aid or assistance to a country with a Communist form of government. I wonder whether that would be a little confusing from the point of view of administration. Just what is a country with a Communist form of government?

Mr. LAUSCHE. The law now provides that aid shall not be given to a country that is dominated by international communism. If that language is susceptible of interpretation, I submit that the language "any country with a Communist form of government" is likewise susceptible of interpretation.

Mr. SPARKMAN. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. SPARKMAN. Merely for the sake of clarity, I think it might be well to state these three points again. The President shall assure himself, first, that Yugoslavia—in this case—continues to maintain its independence. The words "its independence from communism" are not used. I think this provision means that the country is not dominated by some Communist bloc.

Second, that Yugoslavia is not participating in any policy or program for the Communist conquest of the world.

And, third, that the furnishing of such assistance is in the interest of the national security of the United States.

Mr. LAUSCHE. Yes. I think I have covered those points in substance.

Mr. SPARKMAN. I, myself, have wondered how it would be possible to define "a country having a Communist form of government."

Mr. LAUSCHE. Then let me ask, how can we define "a country that is dominated by international communism."

Mr. SPARKMAN. But I have read these three provisions in order to indicate that that language is not used in them.

Mr. LAUSCHE. At any rate, I think we must meet this problem head on. Let me say to the Senator from Alabama that in the face of that language, we are giving aid to Poland, which is headed by Gomulka, a Communist.

Mr. SPARKMAN. But not aid under Public Law 480.

Mr. LAUSCHE. That is true; but we are giving aid to Poland, even though admittedly Poland is dominated by international communism. Thus, having in mind that the present provisions of the law are meaningless, and that on the basis of one person's interpretation they allow the granting of our aid to Yugoslavia and to Poland, I believe we should write into the law this absolute prohibition, thus declaring that no form of aid shall be given to a Communist government.

Mr. President, on the question of agreeing to my substitute amendment, I ask for the years and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. LAUSCHE. Mr. President, I am prepared to yield back the remainder of the time available to me.

Mr. SPARKMAN. Mr. President, I merely wish to say that I think the same arguments that were made against the Proxmire amendment apply to this amendment, except this amendment goes even further and is more restrictive than the Proxmire amendment.

I think the entire question is whether we shall completely abandon these countries, and thus shall leave them with no hope of every breaking loose from the great monolith the Kremlin seeks to create.

I have no sympathy with communism or with any Communist government; but I do have great faith and great confidence in the President of the United States. I have that faith and that confidence today, and I also had it during the 8 years of the Eisenhower administration, when this policy was initiated. I had confidence in President Eisenhower. I believed he would not extend our aid to one of these countries unless he was convinced that these three conditions were met. I believe he administered this measure sincerely and earnestly, with the best interests of our country at heart. I think the same is true of President Kennedy; and I do not believe we should tie his hands in this field of foreign policy—one of the greatest burdens any President has to carry.

Mr. President, I am prepared to yield back the remainder of the time available to me, if the other side will do likewise.

Mr. LAUSCHE. Mr. President, the Senator from New Hampshire [Mr. COTTON] asked me to yield 2 minutes to him; and I do so at this time.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 minutes.

Mr. COTTON. Mr. President, I apologize to the Senator from Ohio for using some of his time, inasmuch as part of what I must say is that I believe I must vote against his amendment. I am constrained to say that the original amendment of the Senator from Wisconsin [Mr. PROXMIRE], of which I am a cosponsor, is the safer and the clearer amendment.

I am completely in accord with everything the Senator from Ohio has said and has said so well. I would willingly vote for an amendment that would provide that no aid under this act—I am not sure I approve of going into the matter of the disposal of agricultural surpluses—would go to any Communist country, if we can clearly define a Communist country.

If I may have a moment, I want to say, in view of the fact that the distinguished majority leader and the distinguished Senator from Alabama have said repeatedly that the President can be trusted; that, of course, the President makes mistakes, and all Presidents do, but that he can be trusted; I agree with that statement.

I believe, however, that the Congress of the United States has its own responsibilities. The President has his. I am not going to vote, if I can help it, to grant to the President of the United States authority to use the taxpayers' money to aid a Communist country. I will not do it for President Kennedy. I would not do it for President Eisenhower, and I voted against it when he was President.

It is not a question of who is President. It is not a question of confidence in the President. We are getting into the habit more and more of sidestepping our responsibilities in Congress and leaving it to the President, whether he asks for the authority or not. We have our own solemn responsibility, and I want to see come out of this Chamber today, if possible, a firm, clear-cut declaration against putting our hands into the pockets of the taxpayers of this country and using their resources to aid any Communist country.

I agree with the Senator from Ohio that it is never in the interest of the security of the United States to use our money to help a Communist country.

However, I am compelled to vote against the substitute, because I very much fear that when the time comes for some technical legal light downtown to determine what is a country with a Communist form of government, it is going to be a very loose definition, and also because I am not at all sure that I want to vote under this act to do something in restraint of or to control the handling of our food surpluses.

I am one of those who happens to think that now is the time to bomb China with American food, with the American flag, and with a message from the American people. I think that would be one of the best propaganda uses of our surpluses we could ever devise, and it would make the Communist dictatorship squirm.

However, that is beside the issue. On this question I agree with the Senator from Ohio, but I am constrained to vote against his substitute because I still think the amendment offered by the Senator from Wisconsin is preferable. It is completely plain. It names Yugoslavia and does not leave any loopholes.

Mr. LAUSCHE. Mr. President, I yield myself 3 minutes for the purpose of discussing this question. How can one in principle distinguish Yugoslavia from Poland? If aid is denied to Yugoslavia, on what theory can it be granted to Poland? If there is a principle underlying the amendment of the Senators from Wisconsin and New Hampshire, will the Senator from New Hampshire explain to me how he can differentiate?

Mr. COTTON. I would not differentiate. I would vote for the Senator's amendment if it named Poland, and, one by one, the countries the amendment affects. But I am afraid of a definition which says "country having a Communist form of government." I do not know exactly what a Communist form of government is. I know what a Communist society is. We know it as a practical matter. But some countries that are communistic have legislative bodies. They may be mere fakes, and often are. Some countries have a semblance of a democratic form of government. Others do not.

I must say that I do not entirely trust the legal minds downtown when they go to work on some of the legislation that comes out of the Congress. I do not entirely trust them unless the legislation is very, very clear as to just what it means.

I agree with the Senator completely that we should not differentiate in favor of Poland as against Yugoslavia.

Mr. LAUSCHE. But we are, under the amendment of the Senator from New Hampshire; and if a Senator shall be asked, "On what theory did you deny aid to Tito and at the same time grant aid to Gomulka?" he will not be able to give a rational answer.

Mr. COTTON. If the Senator will change his amendment even to read "a country known to be dominated by communism or Marxism," I will vote for his amendment.

Mr. LAUSCHE. I will accept that modification.

The PRESIDING OFFICER. Does the Senator from Ohio accept the modification?

Mr. LAUSCHE. Yes.

The PRESIDING OFFICER. It will have to be done by unanimous consent, now that the yeas and nays have been ordered.

Mr. LAUSCHE. Will the Senator repeat his proposal?

Mr. COTTON. Instead of using the words "having a Communist form of government," substitute the words "known to be dominated by communism or Marxism."

Mr. LAUSCHE. I do not believe there is any difference, and, if there is no difference, I will accept it.

I ask unanimous consent that my amendment may be so modified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is so modified.

The amendment, as modified, is as follows:

> On page 11, after line 24 insert:
>
> "(g) No assistance shall be furnished under this Act and no commodities may be sold or given under the Agricultural Trade Development and Assistance Act of 1954, as amended, to any country known to be dominated by communism or Marxism. This restriction may not be waived pursuant to any authority contained in this Act."

Mr. LAUSCHE. I yield back the time at my disposal.

Mr. SPARKMAN. I am ready to yield back the remainder of my time, if the Senator from Ohio does likewise, and I suggest the absence of a quorum.

The PRESIDING OFFICER. All time on the amendment is yielded back.

The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. LAUSCHE], as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Pennsylvania [Mr. CLARK], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Nevada would vote "yea," and the Senator from Tennessee would vote "nay."

On this vote, the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from West Virginia [Mr. RANDOLPH]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from West Virginia would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from South Dakota would vote "yea."

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PASTORE] and the Senator from Oregon [Mr. MORSE] would each vote "nay."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Nebraska [Mr. CURTIS]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Nebraska would vote "yea."

Mr. KUCHEL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from Nebraska [Mr. CURTIS] is absent because of death in his family.

If present and voting, the Senator from Arizona [Mr. GOLDWATER] and the Senator from Iowa [Mr. MILLER] would each vote "yea."

On this vote, the Senator from South Dakota [Mr. CASE] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas, 57, nays 24, as follows:

[No. 77 Leg.]

YEAS—57

Allott
Anderson
Bartlett
Beall
Bennett
Boggs
Byrd, Va.
Byrd, W. Va.
Cannon
Capehart
Carlson
Church
Cotton
Dirksen
Dodd
Douglas
Dworshak
Eastland
Ellender
Engle
Ervin
Fong
Gruening
Hartke
Hayden
Hickenlooper
Hickey
Hill
Holland
Hruska
Jordan
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
McClellan
Mundt
Murphy
Pearson
Proxmire
Robertson
Russell
Scott
Smathers
Smith, Maine
Stennis
Symington
Talmadge
Thurmond
Tower
Wiley
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—24

Aiken
Carroll
Case, N.J.
Chavez
Cooper
Gore
Hart
Jackson
Javits
Kerr
Long, Hawaii
Mansfield
McCarthy
McGee
Metcalf
Monroney
Moss
Muskie
Pell
Prouty
Saltonstall
Smith, Mass.
Sparkman
Williams, N.J.

NOT VOTING—19

Bible
Burdick
Bush
Butler
Case, S. Dak.
Clark
Curtis
Fulbright
Goldwater
Humphrey
Johnston
Kefauver
McNamara
Miller
Morse
Morton
Neuberger
Pastore
Randolph

So Mr. LAUSCHE's amendment, as modified, in the nature of a substitute for Mr. PROXMIRE's amendment, was agreed to.

Mr. DIRKSEN. Mr. President, I move that the vote by which the Lausche amendment, as modified, to the Proxmire amendment, was agreed to be reconsidered.

Mr. KUCHEL. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state it.

Mr. PROXMIRE. I understand that the Lausche amendment is a substitute for my amendment. Therefore, I understand that the Lausche amendment, as modified, replaces my amendment. As a result, since the yeas and nays were ordered on the question of agreeing to my amendment, ordinarily we would now vote once again on the amendment of the Senator from Ohio, which is a substitute for mine. But since the opinion of the Senate has thus been expressed, I now ask unanimous consent that the previous order for the yeas and nays on the question of agreeing to my amendment be withdrawn, and that a voice vote be taken on the question of agreeing to my amendment, as now amended.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The question now is on agreeing to the amendment of the Senator from Wisconsin, as amended. [Putting the question.]

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GRUENING. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Alaska will be stated.

The LEGISLATIVE CLERK. On page 11, after line 24, it is proposed to add the following:

> (F) After Section 620 add the following new section:
>
> "SEC. 620A. PROHIBITION AGAINST USE OF FUNDS FOR CERTAIN HIGHWAY PURPOSES.—None of the funds authorized to be appropriated by this Act shall be used for making any grant or loan to any country for the reconstruction, rebuilding, or maintenance of any road or highway in such country in the construction of which United States funds, either in the form of loans or grants have been used."

Mr. GRUENING. Mr. President——

The PRESIDING OFFICER. How much time does the Senator from Alaska yield to himself?

Mr. GRUENING. Five minutes.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 minutes.

Mr. GRUENING. Mr. President, I was a member of the Roads Subcommittee of the Public Works Committee which visited six Central American countries where our Government is constructing the Inter-American Highway. Under the provisions of many statutes, there was written into the law the understanding that the United States would pay two-thirds of the cost of construction of the Inter-American Highway, and the six recipient countries would pay the remaining one-third. However, when we visited those countries we made the interesting discovery that, with the single exception of El Salvador, those six recipient countries are paying their one-third with our foreign-aid money—a distinct violation of this provision of the act. The act also provides that before these countries may receive our funds, they shall guarantee the maintenance of the highway.

There is now a proposal that after we complete the construction of the highway—which now will cost an additional $32 million—these countries shall be allowed to maintain it with our foreign-aid funds. But we do not allow our own States to maintain the Federal system of highways with Federal funds; instead, under the Federal highway program, no State is allowed to use Federal funds to maintain those highways. Therefore, I think it proper that we apply the same standard in the case of roads built in foreign countries with U.S. Government funds.

After a highway has been built in a foreign country with our funds, I think it entirely proper that the country in which the highway is built maintain it with its own funds. That is the purpose of my amendment, and I believe it should be adopted. Otherwise, this drain on our national treasury would continue indefinitely. I believe it is clear that following the construction in other countries of roads which are built with the use of our foreign-aid funds, those countries should maintain the roads.

Mr. President, on the question of agreeing to my amendment, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HICKEY. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I yield.

Mr. HICKEY. Is it not a fact that a year ago many of us who supported the administration's foreign aid proposal did so with the understanding that there would be a better administration of the funds?

Mr. GRUENING. Yes; and it was on that basis that I supported every vestige of this program after the Kennedy administration came into office. But I did not support the double standard which existed under the Eisenhower administration, which was that Federal funds should not be used for many needed projects in our own country, but that Federal funds would be used for construction of similar and even more elaborate projects in other countries, and that the funds contemplated for use abroad for that purpose were sacrosanct and should not be touched or reduced. That was one reason why I could not support the foreign aid program.

A second reason why I could not support it was that it was so badly administered and such shocking waste and misuse of funds characterized it. I made these reasons amply clear on the floor of the Senate, and I introduced amendments designed to rectify the situation, some of which have been adopted.

However, when the Kennedy administration came in, there were two important changes. In the first place, the double standard which existed under the Eisenhower administration was largely abolished. Under the Kennedy administration we have resource development in the United States and support for important projects at home which we did not have under the preceding Republican administration; and we also have the specific declarations of this administration to the effect that it knew the program had been badly administered, that changes would be made, and that certain responsibilities and reforms would be required of the foreign countries receiving our funds. In these circumstances, last year I voted right down the line for the foreign aid program, both as to legislation and appropriations.

But now, unless the administration of this program is improved—and I see no sign of that as yet—it will be difficult for me to support it.

Mr. HICKEY. I thank the Senator from Alaska.

I have another question to ask: With regard to what the Senator from Alaska and I specifically know of the administration of the foreign-aid act, particularly its highway aspect, is it not a fact that we know of a particular instance in which a man who left the Wyoming Highway Department and went to Alaska, and who subsequently has left the Alaska Highway Department, now, without consultation with the Senators from Wyoming or the Senators from Alaska, is on his way to a highway post in the foreign-aid highway program?

Mr. GRUENING. That, I believe, is correct. That man was discharged from service in the highway department in Alaska, on the ground of incompetency; and I understand he had a similar experience in Wyoming. Whether he is an employee of the foreign aid administration I do not know. The newspapers reported that he was going to a South American country to build roads there.

Mr. HICKEY. I thank the Senator from Alaska.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The time of the Senator from Alaska has expired.

Mr. LAUSCHE. Mr. President, will the Senator from Alaska yield for a question?

Mr. GRUENING. I yield myself 5 additional minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 additional minutes.

Mr. GRUENING. Now I yield to the Senator from Ohio.

Mr. LAUSCHE. Does the amendment of the Senator from Alaska contemplate that Federal funds shall not be used for the maintenance of highways which have been constructed by means of either our loans or our grants?

Mr. GRUENING. That is correct. I believe that once we have paid for the construction of a highway in a foreign country, our funds should not be used indefinitely to maintain it.

Mr. LONG of Louisiana. Mr. President, will the Senator from Alaska yield to me for a question?

Mr. GRUENING. I yield with pleasure to the Senator from Louisiana.

Mr. LONG of Louisiana. Is it correct to say that under our law the Federal Government will not aid the States to maintain the Federal system of highways?

Mr. GRUENING. That is correct. Yet it is proposed or contemplated that Federal funds will be used for the maintenance of roads which, by means of the use of U.S. funds, have been constructed in various other countries. I believe that would amount to a double standard which would in my view be improper.

Mr. LONG of Louisiana. If the Federal Government is not going to help any of the States of the Union to maintain their highways, I take it the Senator believes the same situation should apply to foreign countries.

Mr. GRUENING. I have no objection to using foreign aid money for the maintenance of highways which they have built with their own funds if it is necessary. I refer only to highways which have not been built with our foreign-aid funds.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mr. CHAVEZ. I have participated in the building of the Inter-American Highway from the start. We were certainly for it, and we appropriated money for it. During the last few years of the preceding last administration we provided $8 million to be divided over 4 years. The administration sent a letter to the Public Works Committee, which is on record, stating, "If you give us the money all at once, we will not ask you for any more." The committee now has a letter in which $30 million more is requested.

I do not want the State Department to make decisions for Congress. I am not for this idea. It is unfair. We were told, "If you give us $8 million at once, we will not ask for any more." Now the administration wants $30 million more. I am not going to introduce a bill for it.

I want the Congress to have something to say about what should be done. The State Department wants $30 million more. I am not going to introduce the bill.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. GRUENING. No man has done more to strengthen our Inter-American relations than has the distinguished senior Senator from New Mexico. The Inter-American Highway is a magnificent project. I have supported it right along. Some of the figures we have obtained in the Public Roads Administration, however, were completely misleading. Whereas the Department asked for $25 million to complete the project some time ago, which the Congress voted, it now wants an additional $32 million.

My amendment would apply after we have voted whatever Congress has seen fit to provide for constructive highways in foreign lands. Then the responsibility for the maintenance of the highways would be, if my amendment prevails, on the recipient countries, and not upon the United States.

Mr. **CHAVEZ**. But I do not trust them. That is the difference between the Senator from Alaska and me.

I am a part of the history of the Inter-American Highway. I walked all over it. I have seen it. I know it is good. But the Department sent a letter to my committee, stating, "Instead of giving us $8 million in 4 years, if you give it to us now we will complete it." We did it for the previous administration. Notwithstanding, the Department has written the committee another letter. It now wants $30 million more. I am against it.

Mr. **KEATING**. Mr. President, will the Senator from Alaska yield for a question?

Mr. **GRUENING**. I yield with the understanding that I do not lose the floor.

Mr. **KEATING**. Is the Senator's amendment limited to the Inter-American Highway, or does it apply to any country we might be assisting in the building of a highway, and prohibit use of the funds for maintenance?

Mr. **GRUENING**. That is what my amendment seeks.

Mr. **KEATING**. It is general in scope?

Mr. **GRUENING**. It is general in scope, because the principle applies everywhere.

Mr. **KEATING**. Can the Senator from Alaska or the chairman of the committee inform us whether or not at this time funds are being used under the program for the maintenance of highways apart from the Inter-American system?

Mr. **GRUENING**. I do not know, but I have been told that after we complete the Inter-American Highway with the addition of another $32 million, proposals will be made in the foreign aid program for the use of this money to maintain the highway; and that is what I oppose.

Mr. **KEATING**. Will that be in the coming year?

Mr. **GRUENING**. A provision of the kind described should be written into the act so that countries now in the process of receiving the money can make preparations for the training of road maintenance personnel. Another 2 years will be required to complete the Inter-American Highway. In that period our public roads engineers should be able to help train personnel in the public works administrations of those countries to maintain the road. After all, that is a part of the educational purposes of the foreign aid bill. We are not giving these countries money alone; we are trying to give them training and education. It is the purpose of the foreign aid bill not only to grant or lend them money, but to train them to help themselves.

Mr. **CHAVEZ**. Mr. President, will the Senator yield?

Mr. **GRUENING**. I yield.

Mr. **CHAVEZ**. I am for foreign aid, for roads, for schools, for water pollution control, for any public purpose. We have helped in connection with the Inter-American Highway.

The Inter-American Highway is that part of the Pan American Highway from the U.S. border to Colombia. I have worked on it like a slave. But I do not like the fact that one administration asked my committee to give it $8 million at once and it would be through. Now the Department writes me a letter asking me to "introduce a bill to give us $32 million more."

Before I introduce any such proposed legislation, I want to know why; and I ask that question in all kindness. I know those people. I can say the "Hail Mary" in Spanish with the best of them. But Uncle Sam's rights should be secured. I will be switched if I will introduce a bill to give $32 million to keep some local politicians in power, in spite of the committee that my good friend belongs to.

Mr. **KEATING**. I hope that during the debate the facts will be brought out with respect to what other aid is involved in addition to the aid in Latin American countries.

Mr. **GRUENING**. Does not the Senator from New York agree that our foreign aid program has a double objective? It provides economic aid; and it is also, concomitantly, is suposed to train people in the wise use of foreign aid.

Mr. **KEATING**. That is correct.

Mr. **GRUENING**. If we have in mind merely thrusting money upon these people, leaving them in a state of a lack of knowledge about the use of funds, the money would be more than wasted. Damage would be done. There would be a great disillusionment. We would open the way to communism and to Castroism.

Particularly in the case of the Inter-American Highway, if the funds to complete it are secured, it will take another 2 or 3 years to complete the work. Meanwhile, our public roads officials would be supervising the work, and they ought to be able to train the highway administration personnel of the six Republics how to maintain the highway which has been built. They are working on that highway now. Is it not reasonable that in such a length of time they should be able to train the people who will maintain the highway if the people in those countries do not have the knowledge now? They ought to have acquired the knowledge during the 20 years of building of the highway.

Otherwise, this would become a bottomless pit into which to pour money for maintenance of roads all over the world. It would stifle enterprise and initiative on the part of the countries involved.

Mr. **CHAVEZ**. Mr. President, will the Senator yield?

Mr. **GRUENING**. I yield.

Mr. **CHAVEZ**. I make these remarks for the benefit of my friend from New York.

We have built the road. The bulk of the cost has been paid by the American taxpayers. Why should not the people of those countries do something to maintain the road? In the so-called diplomatic enterprises engaged in by the State Department, the American taxpayer is asked to maintain the roads and to keep them up.

I like the people south of the border so well that I want them to do their share. I want to permit them to help keep up the roads.

The good thing we have done for those people is to build the roads. Roads bring enterprise. People are able to see their relatives. They can go to town to buy merchandise. The cars which travel on the roads come from Cleveland and from Detroit.

I know what this is all about. I say these things in all sincerity. Not more than one out of a hundred knows the Latin American people better than I do. But I know their philosophy and their understanding of life. These people either are quite poor or very rich.

I should like to apply a little of the American democracy to the poor fellow, the Mexican of Spanish extraction. That is my only interest. I should like to have them act as we do.

Mr. **HOLLAND**. Mr. President, will the Senator yield some time to me?

Mr. **SPARKMAN**. How much time would the Senator like?

Mr. **HOLLAND**. Five minutes.

Mr. **SPARKMAN**. I yield 5 minutes to the Senator from Florida.

The **PRESIDING OFFICER**. The Senator from Florida is recognized for 5 minutes.

Mr. **HOLLAND**. Mr. President, I strongly oppose the amendment, not at all because I am in favor of a taking over by our country of all maintenance costs of all highways, whether they be the Inter-American Highway and the Rama Road or numerous other highways in other countries which we have helped to build, but because I think this kind of an amendment is against our own interest and against the interests of many of our people who are carrying on work important to us and to the friendly neighboring countries along the highways we have helped to build.

Reference has been made to the Inter-American Highway. I have traveled over practically every foot of it, on two occasions. In my judgment, we went into that project not wholly because we wished to help our neighbors but also because it was of very material importance to us to have land access to the Panama Canal. I know that was one of our objectives.

It happened that I handled the hearings in the committee so ably headed by the distinguished Senator from New Mexico [Mr. CHAVEZ] some years ago when I had the honor of being a member of his committee. I well remember that the question of access for ourselves to the Panama Canal was a matter of real importance.

It would not make sense for us to put up two-thirds of the cost—not of the entire mileage, because Mexico built the 1,600-odd miles within Mexico itself—in the small countries, which have about half the mileage, and then sit back and say, "No matter how impassable the road should become, due to a want either of facilities or of know-how or of money on the part of our neighbors who are vitally affected, we will not take any part, either through loans or grants, in maintaining it and keeping it in operating shape as an important trunk highway." I do not think that would make sense.

Mr. President, in addition, there are many other highways in which we have made investments. In Guatemala, in El Salvador, in Costa Rica, and perhaps in every other Central American country, though I cannot speak for everyone, there are highways traversing the agricultural areas, the rich areas of those nations, upon which the United Fruit Co. and various other investing and producing companies are carrying on operations which are important to us and important to the economies of those countries. Shall we say that we have no interest in those highways because we have contributed a portion of the cost of construction? Shall we say that we are unwilling to make a loan, if a loan is required by reason of a landslide?

I went through a landslide area in the Selegua Canyon, where my distinguished friend also visited. We saw a disaster brought on by a cataclysm of nature, which caused damage into the hundreds of thousands of dollars, and perhaps millions of dollars.

Mr. CHAVEZ. Not only that, but 27 lives were lost.

Mr. HOLLAND. My distinguished friend reminds me that 27 lives were lost. Shall we say that such an unforeseen accident as that would not justify us in lending—the amendment covers both loans and grants—or granting to one of our friends in such a situation of disaster money to open up and to put in operating condition an important trunk highway?

Mr. President, that does not make sense to me.

Mr. CHAVEZ. Mr. President, will my friend permit an interruption?

Mr. HOLLAND. I yield gladly to my distinguished friend.

Mr. CHAVEZ. I agree completely with what the Senator is saying, but I do not want the amendment to go through and to have the Government make loans or grants to do unnecessary things, and then have people come to the Committee on Public Works to ask for $32 million more. That is the only point.

Mr. HOLLAND. Mr. President, I gladly grant to the distinguished Senator both the jurisdiction and the good sense to deal with any such legislation before his committee as it should be dealt with. I am now talking about what is proposed in the amendment, under which it would be stated that we could not lend or grant any of our money for road maintenance regardless of the need, to a friendly nation we might have helped to build the road. In the case of the six weaker nations on the Inter-American Highway, we put up approximately two-thirds of the funds. It would be said that we could not make any grant or any loan which would allow our country to keep in an operating condition the highway which is important to us or important to industries financed by American money.

Mr. CHAVEZ. May I interrupt my friend again?

Mr. HOLLAND. I yield to the Senator from New Mexico.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, will the Senator yield me 5 additional minutes?

Mr. SPARKMAN. I yield 5 more minutes, Mr. President.

Mr. HOLLAND. I thank the Senator.

Mr. CHAVEZ. On the Mexican border there is a place called El Capon, 2,000 feet high. The road cannot be built there in 3 months. It cannot be built in 6 months.

I could take the Senator to places on the Costa Rican and Panamanian borders thousands of feet high. He has probably been there. We cannot build a road through there for $100,000, I know it. The only point I am trying to make is that if we are to give them the money now, I do not want to see the money expended from the public works appropriation.

Mr. HOLLAND. Mr. President, I thank the Senator for his comment. I wish to make one other suggestion. I have been down along the mileage of the Rama Road. We agreed to build that road. We are now completing it. It is a defense road that extends from the Caribbean to the Pacific. No such road across Nicaragua previously existed.

By a provision such as the one proposed, shall we bind ourselves not to lend or to grant money if such loan or grant should become necessary to keep in operable condition a highway which is as important as that one? I have dealt only with the situation in Central America, but I am told by my distinguished friend, the Senator from Alabama [Mr. SPARKMAN], the Senator who is handling the bill, that in dozens of countries there are highways which we have helped to build, or built, or loaned money to enable them to be built, which are extremely important to the economy of friendly nations which we are trying to help and trying to get in a more independent situation. Shall we say that we are not willing to go an inch farther, regardless of what effect our failure to do so would have on our planning and our programs? I hope the Senate will reject the amendment.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I personally love the ruling family of Nicaragua, though I do not agree with them politically or philosophically. Nevertheless, the best job ever done was the building of the Rama Road. The Rama Road will mean more to the economy of Nicaragua than the Inter-American Highway. I have been from the Pacific to the Atlantic. I have eaten American roast beef with the roadbuilder from North Carolina who is building that road. It will mean dollars and cents. It will mean a great deal to the families in that area. It is the best road of all the roads we are building. It is a road arranged between Roosevelt and Somoza. We promised to build that road for the Nicaraguans. That was the reason for the Rama Road. That road means more to Central America than even the Inter-American Highway.

Mr. HOLLAND. Mr. President, the Senator is doubtless correct. In fact, in the event of a blockage of the Panama Canal, either through enemy attack or natural disaster, that road would be the easiest and most traversable road across the continent which would be available to us. Notwithstanding our recognition of that fact, and the fact we put up much of the money for the construction of the road, shall we say that we are not interested in continuing the maintenance of the road? I do not think we should take that position, and I do not believe that Congress will take that position.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. GRUENING. Is the Senator aware that under the statutes enacted by the Congress the Central American countries are required to pay one-third of the construction cost, and that, with the exception of San Salvador, the one-third has been paid almost wholly out of our own foreign aid funds?

Mr. HOLLAND. I am aware of the fact that one-third of the cost was to be paid by the six Central American countries, and not a dime by us in Mexico. Mexico has constructed half of the whole mileage of the Inter-American Highway from her own funds. I am aware that some funds——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield 2 additional minutes to the Senator from Florida.

Mr. HOLLAND. I am aware of the fact that some funds of the type mentioned by the Senator have gone into the Central American part of the construction.

Mr. GRUENING. Not merely some, but practically all.

Mr. HOLLAND. I am also aware of the fact that the people of those countries, with their small populations and their small budgets, have undertaken a tremendous task to do the part that they have assumed. I thought we went into the project to try to help them and to help ourselves as well. I cannot conceive of our saying that once constructed, we are through with the project, regardless of whether the roads are maintained or not.

Mr. GRUENING. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I yield.

Mr. GRUENING. Does not the Senator believe it would be of great help to those countries with whom we have been working for a decade or more in building roads, if they knew the responsibility to maintain the road would fall upon them when it is completed in 2 years? Would they not make an effort to learn how to maintain the highway, and to be self-sufficient in doing so? Does the Senator further know that title 23, section 212, specifically provides that we shall build no highways unless the governments of those countries have agreed to maintain them? The section reads as follows:

> (5) will provide for the maintenance of said highway after its completion in condition adequately to serve the needs of present and future traffic.

Mr. HOLLAND. Mr. President, I know the provision of the law to which the Senator refers, since I handled that statute in the hearings and on the floor of the Senate.

Some of the countries to which the Senator has referred have not gone the limit in meeting their obligations. Others have. When they have gone the limit in meeting their obligations, I do not believe in tying our hands so that we cannot help them. I thank the Senator for yielding to me.

Mr. SPARKMAN. Mr. President, as I said earlier today when the distinguished Senator from Alaska proposed the amendment, I do not believe it should be offered. Certainly I do not believe it should be agreed to. I made the point, which I discussed somewhat with the Senator from Alaska, that he was using as a basis of his argument facts that he had ascertained with reference to the Inter-American Highway, overlooking the fact that his amendment would have a worldwide effect and would apply to programs all over the world. The Senator from Florida [Mr. HOLLAND] has made a very telling argument, even with reference to the Inter-American Highway, and particularly with reference to the Rama Road. That is an example of what we might run into. It is a road that we built or helped to build. It certainly served an interest of the United States. It is a defense project in every practical sense of the word.

Mr. KEATING. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. KEATING. Have we not built roads in South Vietnam and in other areas in which we have a real interest, and would not those roads be covered by the amendment?

Mr. SPARKMAN. Yes. There is a road from Saigon running north, as I recall. I hope the Senator will not check me too closely on the distance, but I think it went in 450 kilometers to open up the country. It was a defense undertaking.

Mr. KEATING. The amendment would prevent any funds being used to maintain that road, even though we might feel that to maintain it would be very much in the interest of the free world.

Mr. SPARKMAN. Yes; the Senator is absolutely right. That is a good example. We built one road in Cambodia, to connect Phnom Penh with the seacoast harbor which serves the country.

Not only that, Mr. President, but as we move into the underdeveloped countries in the world, one of the first things we do is to help people build roads. Most of these countries do not have roadbuilding know-how. They do not have roadbuilding technicians. They do not have the technicians that are necessary to help build the roads. In the exchange with the Senator from Alaska earlier today I believe he agreed with me in that connection, and said we ought to have some kind of program to train technicians. I believe he is right. We ought to have a program to train technicians. However, one does not train roadbuilding technicians overnight. Road maintenance is quite a problem. It is quite an undertaking. We ought not to build a road unless we will help maintain it until the people in the country are capable of maintaining it themselves. I mean from a technical sense, that is. We must provide for it in some way. I do not believe there is any way to get around that problem if we are to carry on this program.

I suppose we could pick out many instances. It is true not only with respect to the new nations of the world, but also with respect to some of the Latin American countries. The Senator from Alaska has related the whole proposal to the one road, the Inter-American Highway. There are a great many South American countries and Central American countries which need roads. I have traveled over some very fine roads in South American countries. I have been in other countries which have virtually no roads at all, and which have no technicians who can build roads and help maintain them.

The Senator's amendment virtually says that we are going to withdraw from roadbuilding. That is about what it says. It says that in spite of the fact that it is usually recognized that roadbuilding is one of the most important early steps to be taken in an underdeveloped country. I may say to my friend from Alaska that I wish very much he would agree to withhold his amendment and let us in our conference report, which will be filed, take up this problem and, insofar as it is necessary, treat with it in connection with what the Senator and his subcommittee found to exist in Central America, and treat with this problem of technicians.

After all, this is an administrative matter so far as the whole program is concerned. I wish the Senator from Alaska would agree to that kind of procedure.

Mr. GRUENING. I would like to say to the distinguished Senator from Alabama that if the Senate were to adopt the amendment I have no doubt that officials of the State Department would rush up to the conference committee and tell them that the amendment would ruin the whole program. They have done that time and time again with respect to amendments that were good amendments. We are always told that it would ruin the whole program.

An amendment which I sponsored was passed by the Senate last year by a vote of 74 to 16. It tried to prevent some increases in the rate of the interest payment on loans that were made to Latin American countries. In conference the State Department said it would ruin the whole program if we did not allow the Latin American moneylenders to have their way in increasing the interest rates, to triple and quadruple the amount of interest on the money we loaned them.

I should like to see this amendment on highway maintenance voted up or down. Whatever the result, I hope these countries will be given to understand that once we build a road with our funds and have the opportunity to train the people in those countries to maintain it, after it is built, they will be expected thereafter to maintain it.

Mr. SPARKMAN. I wish the Senator from Alaska had brought the amendment before the Committee on Foreign Relations, where we would have had an opportunity to get some information on it, and to find out to what extent we are engaged in roadbuilding all over the world in various countries.

We are faced with an amendment that is brought to us cold, so to speak. It has not even been printed. It is not lying on Senators' desks. We are asked to pass upon it. We are asked to pass on a program that is as complex as this one is, as the Senator from Florida has so well pointed out. It is not my conception of the way we ought to legislate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HOLLAND. The Senator has mentioned one matter upon which I should like to make further comment, and that is, that the building of these roads has a great deal to do with the development of better understanding and peaceful adjustments between neighboring countries. I had the honor, representing the Senate, to attend the opening of the Inter-American Highway where it crosses from Nicaragua into Costa Rica. The border between these two countries had been closed for months. There had been some pitched battles along the border. The customshouse on one side had been shot to pieces, and everyone in it killed. Yet on this occasion there were thousands of people gathered from both countries. Immediately after the dedication was completed, hundreds of automobiles drove from Costa Rica into Nicaragua and from Nicaragua into Costa Rica.

There simply is no way of estimating the value from the standpoint of our helping to build better understanding and more cordial relations, not just by the building of the road but also in keeping it open as a means of communication and exchange of ideas and of commerce.

I hope the Senator from Alabama will prevail in his objection to the amendment.

Mr. SPARKMAN. I appreciate the comments of the Senator from Florida. Let us take, for example, the case of an underdeveloped country which we try to help. Certain basic things are involved. One of them is roads. Then there are transportation, communication, utilities, sanitation, and education. Those are the basic things that we start with in trying to help a country. I just cannot see crippling a program like this.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAGNUSON. We have had constant criticism of roadbuilding under the foreign aid program, although not of the basic principle of building roads. The criticism has been directed to the building of roads in certain places instead of in other places; the building of them in one place in preference to another place.

The same situation was true in the beginning with respect to our own roadbuilding programs. We finally made the States submit plans. If the plan looked reasonable and feasible, we would go ahead. My question is, what control do we have over a country to whom we give road money to see that it uses it for the best possible use? Of course there is always an argument as to where the road should be located.

Mr. SPARKMAN. The country must submit a plan.

Mr. MAGNUSON. Does it submit a plan?

Mr. SPARKMAN. Oh, yes. It must submit a plan.

Mr. MAGNUSON. Just as a State must submit a plan in this country?

Mr. SPARKMAN. Yes. In many countries the purpose of the road is to connect economic areas. In the case of the road in South Vietnam, to which reference has been made, it not only connects different parts of the country useful from an economic standpoint, but also from a defense standpoint. I do not know this for a fact, but I daresay that we are making splendid use of that road today as a defense highway.

Mr. MAGNUSON. I wish to add this personal note. The distinguished Senator from Alaska and I are not expert roadbuilders. However, at one time, about 23 years ago, we were members of the International Highway Commission. We found some problems connected with roadbuilding. We finally ended up with the Alaskan Highway to Alaska. It was not located where we wanted it to be located. We still are having trouble with the location.

I am sure that the Senator from Alaska is motivated to some extent by his experience when he speaks about the building of roads in other countries, when they are built at a certain location instead of what is considered a better location. I hope there will be some strict looking at the plans that the countries have for roadbuilding. I say that because when we go into some of these countries, the situation with respect to the location of roads is apparent. As we all know, in State legislatures it was difficult, at first, to get a road plan adopted if the plan did not include the putting of the road in the area served by a particular legislator. We got out of that habit. However, in some parliaments that is not true. I am glad to have the Senator from Alabama say that there is some strict surveillance of the plans.

Mr. SPARKMAN. There is. The plans have to be submitted. I think we can rest assured that very close attention is paid to this problem.

Mr. MAGNUSON. There is nothing that subjects itself to more logrolling, as it is called, in legislatures or administrative bodies than the building of roads, unless we watch it very carefully, as any Governor can testify.

Mr. GRUENING. I have much sympathy with and understanding of the point of view which was submitted by the junior Senator from Alabama. I think he has much in favor of his side of the question. Nevertheless, I think that when the United States builds a road in another country, it should be essentially a part of our program to train local people who are associated with us, so that when we leave the country, we will not be asked indefinitely to maintain the roads.

Mr. SPARKMAN. I agree. If the Senator would modify his amendment so as to provide that kind of requirement, I would go along with him; in fact, he suggested earlier in the day that he might do that.

Mr. GRUENING. The trouble is that no time limit would be provided. I believe that if we vote the amendment into the bill, the countries which receive our aid will thereafter be on notice that during the remaining years of the program, they must become knowledgeable and be able to assist us and themselves.

The United States has been building roads in Central America for 20 years. During those 20 years it was to be hoped that the road agencies of those countries would learn something about road construction and maintenance, so that when we left, after having put over $100 million into new road construction, they would have the know-how to maintain the roads. Actually, such a provision is in the act. The act requires the countries to do that. The amendment merely provides that the foreign aid program shall not be used to nullify legislation passed by Congress. The act provides that before we build the inter-American highway in Central America, those countries shall agree to maintain it after we have concluded our work.

Mr. SPARKMAN. That is with respect to the States?

Mr. GRUENING. No; it is with respect to Central America. The act so provides; I read the provision earlier.

Mr. SPARKMAN. I thought the Senator from Alaska was speaking of the Federal-State relationship in the United States.

Mr. GRUENING. No.

Mr. SPARKMAN. Mr. President, I yield 2 minutes on the bill to the Senator from Louisiana [Mr. Ellender].

The PRESIDING OFFICER. The Senator from Louisiana is yielded 2 minutes on the bill.

Mr. ELLENDER. It was my privilege during 1958 to travel the entire length of the so-called Inter-American Highway, and in my report to the Congress, contained in document No. 13 of the 86th Congress, 1st session, I made some reference to the highway and the progress that had been made up to the time of my visit.

I was accompanied part of the way on this trip in visiting the highway by Mr. Prentice Julian, who was division engineer of the Bureau of Public Roads.

I was informed in 1958 that this road would be completed in 1961 and that we would appropriate enough funds then to complete the highway. I understand now they are 30-some-odd million dollars short.

I ask unanimous consent that my observations as they appear on page 185 through 199 of the document to which I have referred, document No. 13, be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Inter-American Highway

During the course of my visit through Central and South America I had occasion to closely inspect the work now being done, and that which has been completed, on the Inter-American Highway.

It is my judgment that the completion of this great highway is an absolute necessity.

Not only will completion of this highway bring economic benefits to all of the countries through which it passes, but many, many more advantages will come.

For one thing, this ribbon of rock, blacktop, steel, and concrete will more closely link the United States with our neighbors to the south. Through this pathway, U.S. tourists will have an opportunity to more closely know our neighbors to the south and vice versa.

But what is more, it is my judgment that construction of the Inter-American Highway will assist in achieving political stability in all of the countries of Central America. Plans are now underway to erect joint customhouses at the border so that officials of adjoining countries can do their work under the same roof and thereby facilitate the movement of visitors.

In the past, distrust and ignorance of the ways and motives of other countries have erected visible barriers between ourselves and our friends to the south of us, and indeed, among themselves. However, with a free and equal exchange between these countries, made possible by a through highway, these barriers should soon fall.

It has long been one of my contentions that the shadows of fear which envelop one country and turn it against its neighbor are generally shadows of ignorance—of not knowing what neighbors are really like. So, I believe it is in Central and South America.

Of course there are serious economic and political problems which sometimes divide the nations in Latin America, and the building of this highway will by no means dispose of them overnight.

But I do believe that the Inter-American Highway, when completed, will bring about a better atmosphere in which those problems can carefully and freely be discussed. In short, it will aid in dispelling the fear that exists among the countries to the south of us.

I was gratified to see that so much work has already been completed on this highway.

On my entire trip along the highway, from Guatemala City to Panama City, I was accompanied by Mr. Prentice Julian, the division engineer of the Bureau of Public Roads, who is in charge of the overall supervision of the highway.

Headquarters for the Bureau of Public Roads personnel working on the Inter-American Highway is located in San Jose. Each country in Central America where portions of the Inter-American Highway are under construction has a district engineer who advises and supervises construction of the highway through the country to which he is attached.

I rode or flew over practically the entire 3,173 miles beginning on the Texas border, then on to Panama City. The road traverses many miles of mountainous country.

I understand that good material for building the road after it is graded is scarce and sometimes must be hauled from great distances. After the road is graded and a smooth surface made, a layer of large hard rocks is put over the surface. Then a layer of small rocks is added after which asphalt mixed with gravel is applied.

I would say that the two layers of rock, after being crushed and smoothed over, measure at least 18 inches in thickness. A good base is built before applying the asphalt.

I was informed that because of cave-ins on the roadbed due to excessive rains, which of course adds to the cost, it will be necessary to reduce the asphalt layer from 2 inches to about 1½ inches in thickness in some stretches of the road so as to complete the road within the estimates recently made.

The Inter-American Highway is considered to begin at the United States-Mexico border at Nuevo Laredo and extends across the countries of Mexico, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica into Panama, terminating at the Panama Canal near Panama City.

The entire 1,600 miles across Mexico has been improved to bituminous surfacing by the Government of Mexico without outside financial assistance. The highway system in Mexico has been developed to the point where three additional acceptable alternate routes from the U.S. border to Mexico City are now available.

In Guatemala, the grading and minor drainage structures are virtually completed on the first 176 miles from the Mexican border south. Work is underway, or soon to be begun, on some 20 bridges which will complete the major drainage structures.

Proposals for surfacing these 176 miles have been invited for a public bidding in late November. From 37 miles north of Guatemala City to 35 miles south, the road has a bituminous surfacing. About 25 percent of this surfacing, some 18 miles, has been built by Guatemala without U.S. participation.

The central 57 miles on the section between Guatemala City and El Salvador is under construction to grading and drainage structures. With the work about 65-percent complete the contractor has encountered financial difficulties and operations have been suspended pending arrangements with the bonding company for completion of the work. The 12 miles next to the El Salvador border have been surfaced.

The entire 195 miles across El Salvador have been improved to a bituminous surfacing. Most of the work in El Salvador has been performed and financed by the Government of El Salvador. U.S. participation has been limited to financial assistance in the construction of 16 bridges, 50 miles of grading and crushed stone base, and 20 miles of bituminous surfacing. On this cooperative work the Government of El Salvador contributed considerably more than the statutory one-third of the cost.

In Honduras, 68 miles are under construction to grading and drainage structure and 25 miles have been completed to an all-weather road. The entire section across Honduras will be ready for surfacing by the middle of 1959.

In Nicaragua the first 35 miles from the Honduras border have been graded and proposals are being readied for the surfacing of that section. The next 48 miles are under construction with the grading and drainage structures about 70 percent complete. From 64 miles north of Managua to 68 miles south the road has a bituminous surfacing. The last 22 miles before the Costa Rica border are being graded by the department of highways as a cooperative project.

The first 148 miles in Costa Rica, from the Nicaragua border, are under construction to bituminous surfacing with the contract work 80 percent complete. From San Ramon through San Jose to Cartago, a distance of 60 miles, the route has been constructed to a bituminous surfacing without participation by the United States.

From Cartago to San Isidro del General 71 miles of grading and drainage structures have been virtually completed although certain sections are not to the desired standards.

The work in this area was the most difficult and expensive of any encountered on the Inter-American Highway. For that reason $12 million in U.S. funds were appropriated to pay the entire cost of the work and no financial cooperation by Costa Rica was required.

From San Isidro to the Panama border, 134 miles, the grading and minor drainage work is underway and about 65 percent complete. Some 39 bridges remain to be constructed before this section can be open to any through traffic.

In Panama the first 29 miles from the Costa Rica border are under construction to grading and drainage structures with the work about 75 percent complete.

In the vicinity of David, 19 miles of concrete pavement have been completed, while work on grading the next 37 miles is now well underway.

A relocation is proposed between Remedios and Santiago to avoid considerable indirection. The existing route in this section is of low-type terrain and construction in the 65-mile relocation will be less expensive than attempting to modernize the longer existing road. Work on this section was to begin in the 1958–59 dry season.

From Santiago eastward for 33 miles the grading has been completed and bids for concrete pavement have been received. A 28-mile section, where the grading is about 85 percent complete, brings the route to the end of a 92-mile section of concrete paving extending to Panama City.

USED OPERATIONS AS WAR ACTIVITY

During World War II a project was conceived to open up a truck route through Central America to the Panama Canal as a defense support measure. No definite figures are available locally but it is reputed that some $50 million were spent in this activity.

In Guatemala the USED work was largely on the road from Tapachula, Mexico, to Quezaltenango and not on the Inter-American Highway. In Honduras, the route from the El Salvador border to San Lorenzo was graded and surfaced with selected material and some 12 bridges were constructed having stone masonry substructures and timber superstructures.

In Nicaragua the work was confined mainly to some bridge construction.

In Costa Rica the road from San Ramon to Barranca was opened up to give highway access to the port of Puntarenas. An access road from San Isidro de General to the coast at Dominical was constructed. Several temporary wooden bridges were built, in both northern and southern Costa Rica but the objective of opening up a truck route had not been achieved when the work was discontinued.

Work in Panama was mainly confined to the reconnaissance and location surveys.

TRAVEL CONDITIONS

From Laredo to the Mexico-Guatemala border the road is all dustless surfaced.

From the Mexico-Guatemala border to Patzicia travel is possible using an old road in sections where bridge construction activities block the new road. Caution through construction work and across temporary bridges is necessary. This section should be completed in 1960.

From Patzicia to 35 miles south of Guatemala City the road has a dustless surfacing. The next 57 miles is passable using the old road in some areas. The completion of the surfacing by 1961 is expected.

From Asuncion Mita, Guatemala, across El Salvador to the border of Honduras the road is dustless surfaced.

The entire distance across Honduras is passable with some eight of nine rivers crossed by fords. High water may close the road for short periods at these fords. All streams should be bridged by July 1959, and surfacing by 1960–61 is anticipated.

Across Nicaragua the road is all passable and all major drainage structures are in place. Completion of a dustless surfacing on the 106 miles now unsurfaced is scheduled for 1960–61.

In Costa Rica the road is passable only as far as San Isidro de General. Opening of the 134 miles from San Isidro to the Panama border will be delayed for the construction of 39 bridges. Travel should be possible by the end of 1960 with the section surfaced by 1961.

Travel should be possible from the Costa Rica border to David, Panama, by the end of 1958. Completion of pavement in Panama may be achieved by 1961.

At the conclusion of my remarks on the Inter-American highway there is an exhibit, labeled "exhibit A," which shows the status of the Inter-American highway as of October 31, 1958.

I was told that the entire road would be completed by early or mid-1961. Every effort should be made to attain that goal.

Although I am very much in favor of the Inter-American highway and urge its successful completion in as short a time as possible, there are a number of points I would like to raise in criticism of the highway work as now conducted.

The actual building of the highway has been often preceded by too little preparatory work, although the engineering work has generally been good. Hence, the original cost estimates on the highway have been much higher than events have borne out.

This is a deplorable situation but it appears that at the present time nothing can be done about it. However, I would like to point out one serious problem which may face the Inter-American highway in the very near future.

It is my judgment that ways and means should be devised now to maintain the road after its construction. The actual building of the Inter-American highway will mean nothing at all to the economies of all of Central America and North America if it is not properly maintained.

The old saying that a chain is as strong as its weakest link can also be applied to the Inter-American Highway.

Should one country fail to properly maintain its one section of the highway then the value of the entire highway will be seriously affected.

In my judgment some type of authority, composed of representatives of all the countries through which the road passes, should be created and made responsible for keeping the entire highway in good repair. In order that the authority would have enough money to make sure that the highway is in proper condition at all times, each country should be assessed a proportionate share of the overall amount needed to provide proper maintenance for the road. Ambassador Willauer of Costa Rica is a strong advocate of such a plan. As far as I know he is the originator of such a plan.

The authority should be empowered to use these funds as it might see fit to insure that the road remains in proper condition for travel at all times.

As a talking point to the individual countries through which the road passes, they should be reminded that each will benefit greatly, particularly by such things as increased values alongside the highway.

With this in mind, the individual countries could assess commercial establishments which use the highway within their respective boundaries, with the proceeds turned over to the Inter-American Highway Authority. On the other hand, an equitable gas tax could be imposed by all countries and the proceeds set aside for maintenance.

However, this problem may eventually be handled, planning should begin now.

EXHIBIT A

Status of Inter-American

Termini of sections	Approximate miles	Condition
Nuevo Laredo	1,600	Bituminous surfacing constructed by Mexican Government.
Mexico-Guatemala border	137	Grading and minor drainage structures completed, bridge construction underway. Surfacing advertised for November bidding.
	39	Grading 98 percent complete. Surfacing advertised.
Patzicia	37	Bituminous surfacing completed.
Guatemala City	35	Do.
	7	Grading completed. Bridges under construction.
	42	Grading 60 percent complete. Work suspended because contractor in financial difficulty.
	8	Grading 90 percent complete.
Asuncion Mita	12	Bituminous surfacing completed.
Guatemala-El Salvador border.	195	Bituminous surfacing completed, only minor U.S. participation.
El Salvador-Honduras border	94	26 miles in 3 sections have been graded and drained. 68 miles of grading and drainage and 16 bridges are under construction and 20 percent complete.
Honduras-Nicaragua border	35	Graded and drained. Surfacing to be begun this year.
Condega	48	Grading and drainage structures underway and 70 percent complete.
Sebaco	64	Bituminous surfacing completed.
Managua	68	Do.
La Virgen	22	Grading and drainage structures underway and 60 percent complete.
Nicaragua-Costa Rica border	148	Bituminous surfacing underway and 80 percent complete.
San Ramon	60	Old bituminous surfacing constructed by Costa Rica.
Cartago	71	Grading work about 80 percent completed, open to traffic.
San Isidro de General	43	Grading, minor drainage, and base course 50 percent complete.
	59	Grading, minor drainage, base course, and 1 bridge 70 percent complete.
	32	Grading, minor drainage, and base course 40 percent complete. The entire section from San Isidro to the border with Panama cannot be open to through traffic until 39 bridges, not yet under contract, are complete.
Costa Rica-Panama border	14	Grading and drainage structures 55 percent complete.
Concepción	15	Grading completed, bridge construction underway.
David	19	Panama City concrete pavement completed.
	37	Grading and bridge construction underway, 5 percent complete.
Remedios	65	New location plans being prepared for construction. Old road available for travel.
Santiago	33	Grading completed, bids received for Panama City concrete pavement.
Penonome	22	Grading and drainage structures underway, 80 percent complete.
Panama City	92	Panama City concrete pavement completed.

Status of Inter-American Highway Oct. 31, 1958

[In thousands of U.S. dollars]

Country	Mileage			U.S. funds					
	Surfaced	Under construction	Total	Spent or under agreement		Total	Probable future allocation	Total U.S. funds	Minimum matching funds from other countries
				Prior to 1954	Subsequent to 1954				
Guatemala	84	233	317	$7,666	$23,513	$31,179		$31,179	$15,590
El Salvador	195		195	1,860		1,860		1,860	930
Honduras		94	94	2,366	4,440	6,806	$584	7,390	3,695
Nicaragua	132	106	238	5,785	5,234	11,019	576	11,595	5,798
Costa Rica	102	311	413	[1] 23,126	24,327	47,453	5,591	53,044	19,432
Panama	111	[2] 205	316	[3] 8,596	19,432	28,028	670	28,698	11,478
Total	624	949	1,573	49,399	76,946	126,345	7,421	133,766	56,923
U.S. administration and reserve				2,765	1,920	4,685	252	4,937	
Mexico	1,600		1,600						
Total	2,224	949	3,173	52,164	78,866	131,030	7,673	138,703	56,923

[1] Includes US$14,180,000 not matched by cooperator.

[2] Includes 64.5 miles relocation now being designed for construction.

[3] Includes US$5,073,000 not matched by cooperator.

Mr. GRUENING. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I further announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

On this vote, the Senator from Rhode Island [Mr. PASTORE] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from South Carolina would vote "yea."

On this vote, the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Arkansas would vote "nay," and the Senator from Virginia would vote "yea."

On this vote, the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from Nevada [Mr. BIBLE]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Nevada would vote "yea."

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Pennsylvania [Mr. CLARK], and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. MILLER], and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senator from Nebraska [Mr. CURTIS] is absent because of death in his family.

On this vote, the Senator from Nebraska [Mr. Curtis] is paired with the Senator from South Dakota [Mr. Case]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from South Dakota would vote "nay."

On this vote, the Senator from Arizona [Mr. Goldwater] is paired with the Senator from Iowa [Mr. Miller]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Iowa would vote "nay."

The result was announced—yeas 39, nays 42, as follows:

[No. 78 Leg.]

YEAS—39

Allott
Bartlett
Beall
Bennett
Boggs
Byrd, Va.
Cannon
Capehart
Carlson
Cotton
Dirksen
Dodd
Dworshak
Eastland
Ellender
Ervin
Fong
Gruening
Hartke
Hickey
Hill
Hruska
Jordan
Lausche
Long, Hawaii
Long, La.
Magnuson
Metcalf
Moss
Murphy
Pearson
Proxmire
Russell
Stennis
Talmadge
Thurmond
Tower
Williams, Del.
Young, Ohio

NAYS—42

Aiken
Anderson
Byrd, W. Va.
Carroll
Case, N.J.
Chavez
Church
Cooper
Douglas
Engle
Gore
Hart
Hayden
Hickenlooper
Holland
Jackson
Javits
Keating
Kefauver
Kerr
Kuchel
Long, Mo.
Mansfield
McCarthy
McClellan
McGee
Monroney
Mundt
Muskie
Pell
Prouty
Saltonstall
Scott
Smathers
Smith, Mass.
Smith, Maine
Sparkman
Symington
Wiley
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—19

Bible
Burdick
Bush
Butler
Case, S. Dak.
Clark
Curtis
Fulbright
Goldwater
Humphrey
Johnston
McNamara
Miller
Morse
Morton
Neuberger
Pastore
Randolph
Robertson

So Mr. Gruening's amendment was rejected.

Mr. SPARKMAN. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the plans for the remainder of the day, and perhaps those for tomorrow.

Mr. MANSFIELD. Mr. President, in reply, let me say I believe the Senate should remain in session until about 7 p.m. today. Then, if agreeable to the minority leader and to other Senators, I should like to have the Senate convene at 11 a.m. tomorrow.

I ask unanimous consent that when the Senate concludes its session tonight, it adjourn to meet at 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I also ask unanimous consent that the Finance Committee be authorized to meet until noon tomorrow.

The PRESIDING OFFICER. Without objection—

Mr. CHAVEZ. Mr. President, I object until I know what the schedule for tomorrow will be.

Mr. MANSFIELD. There will be further amendments; and it is desired to have the session tomorrow convene at 11 a.m., so as to make it possible, we hope, to complete action on the bill tomorrow.

Mr. CHAVEZ. I thank the Senator from Montana.

Mr. DIRKSEN. I should like to suggest to the majority leader that there will be a minority conference tomorrow, and I assume it will continue until 11:30 or possibly 12 o'clock. Will there be a morning hour tomorrow?

Mr. MANSFIELD. Yes; there will be a morning hour, and we shall always try to protect the interests of the minority in this connection.

Mr. DIRKSEN. I assume that there will be no votes prior to 12 o'clock tomorrow.

Mr. MANSFIELD. Mr. President, in view of the statement which has been made, I wish to amend my request, if I may have the approval of the distinguished minority leader, and to ask consent that the session tomorrow begin at 12 o'clock noon, rather than 11 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CHAVEZ. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. CHAVEZ. I should like to agree with the majority leader and with the minority leader——

Mr. DIRKSEN. We are in full agreement.

Mr. CHAVEZ. But I cannot agree, for I know more about Latin America than do the majority and the minority leaders, even though they are supposed to be thoroughly acquainted with conditions in that part of the world.

Therefore, Mr. President, I will not vote to authorize the appropriation of one cent of military aid to these countries, for such funds would be used by those in power to perpetuate themselves in office.

I am willing to vote for any authorizations of funds for proper purposes—for example, for the construction of roads.

Many times a military dictatorship wants to keep itself in power. We should be sure we do not help it to do so.

Mr. SPARKMAN. Mr. President, I yield 10 minutes to the Senator from Delaware [Mr. Williams].

ADMINISTRATION TAX PROPOSALS

Mr. WILLIAMS of Delaware. Mr. President, yesterday the Secretary of the Treasury, Mr. Dillon, announced in a speech in New York that this administration was about to recommend a tax cut of $7 to $9 billion next year.

No Member of the Senate is more interested in tax reductions than I am. I recognize that both the corporate and individual tax rate levels are very high. However, there is only one manner in which taxes can be properly cut; and that is, to reduce spending to the point where there is enough money in the Treasury to support the tax reduction.

For the past 15 months this administration has been spending beyond its income at the rate of $600 million a month. There is no possible chance in the foreseeable future that this deficit will be reduced.

It is estimated by the joint committee that next year the deficit will run from $6 to $7 billion.

Next week the Secretary of the Treasury will appear before the Finance Committee asking Congress to increase the ceiling on the national debt by another $8 billion. This is the third increase in the national debt ceiling requested by the Secretary during the past 12 months.

At the same time, I see no evidence on the part of either the executive branch or the Congress of any desire to cut down spending. On the contrary, increased spending programs are daily being authorized over and above preceding appropriations. It can be safely said that there is no chance that we are to have a balanced budget next year.

It is now recognized that our revenues will be lower than what the administration had optimistically estimated last January. Therefore, I think it should be made very clear to the American people that the proposed tax cut is, in reality, only a little more political propaganda being put out in an election year. There is no chance for getting a bona fide tax cut until spending has been curtailed.

To finance a tax cut with borrowed money at a time of a relatively high level of employment would be the height of fiscal irresponsibility.

As a member of the Finance Committee, I will vote against any proposed tax cut when it can be financed only by borrowing money and increasing the national debt. If we keep handing this debt burden down to our grandchildren we are going to touch off a further round of inflation and further devalue the American dollar.

If the administration wishes to give a bona fide tax cut to the American people, I shall be glad to cooperate with them to accomplish this by reducing spending to the point that the Government can live within its income and thereby make it possible to reduce the tax burden on the American people.

It is a political farce to talk of a tax reduction under any other circumstances. It might serve as an idea for a stimulant to our economy at the immediate time, but the end result would be disastrous. It is sheer hypocrisy to lead the people to believe that they will get a tax cut, only to have them learn later that this is only an idle promise in a political year.

If the administration wishes to reduce taxes for the American people it should be considered in the honest way. Let us recognize that no government, whether it be at the National or State level, can spend itself into prosperity on borrowed money any more than a drunkard can drink himself sober.

I make these remarks as one who looks forward to the day when we can reduce taxes for the American people. If the administration wants to reduce taxes I hope it will approach the problem realistically and join some of us in the effort to eliminate wasteful and unnecessary spending.

I conclude my remarks by emphasizing once again that the present administration's proposed tax cut should be recognized as the political propaganda for which it was intended and that the American people are not going to get any bona fide tax cut until such time as Government expenditures have been properly curtailed.

Let us not overlook the fact that for the past several months we have been losing gold at an alarming rate. Irresponsible tax cuts in the face of huge deficits will only further shake the confidence of foreign investors in the stability of our dollar. We cannot afford this gamble.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from New York.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield the Senator 2 more minutes.

Mr. JAVITS. It is true, I believe that three kinds of tax cuts are possible, whatever one may think about the subject.

The first is the kind which the Senator has explained, the classic tax cut, by a reduction of expenditures.

Another tax cut would be a tax cut for incentives. If it were felt that management is not doing all it should do because of 90-percent tax rates, one might wish to cut the rate to 89 percent, to induce management to be more productive.

The third kind of possible tax cut is one which can be made when signs of a recession are apparent, in an effort to head off the recession. Perhaps the Senator would not favor that, but I would. One might find it necessary to head off a recession by taking action on a different type of tax cut.

Each of those types of tax cut is of a specialized economic character.

I agree with the Senator's point of view, whatever may be the diversity of our ideology, that we will get ourselves into a very bad position if, for strictly political purposes, we engage in a tax cut without any of the indicia which warrant it, which not only would complicate our budget structure, as the Senator has said, but also would add to our problems with respect to and complicate very materially our international balance of payments. One of the gravest problems we face is the problem that foreigners will draw down their balances if they think Americans are being improvident in a financial sense.

The Senator is to be complimented for his remarks and for bringing this subject out into the open. I shall seek reelection this year, also. I do not wish to do so at the cost of deceiving the people. I know the Senator has never lived in that way. It is necessary to tell the people what the proposals mean. If the people want a tax cut notwithstanding the dangers and the difficulties, we can think about it again, but the people certainly should understand what it will mean.

I am glad the Senator has presented the problem.

Mr. WILLIAMS of Delaware. I thank the Senator from New York.

I have said many times that in a real recession we should perhaps accelerate programs which we might otherwise postpone. At the same time, in order to do that in a period of high employment the administration should slow down some of the programs which are not immediately necessary, carrying them over for a day when they would be needed more.

It seems to me that when the United States has the highest rate of employment ever experienced in the history of this country, with the highest wage scales ever, the Government should be able to live within its income. If the Government cannot live within its income now, we had better stop a while to ask ourselves when it will be able to do so.

The PRESIDING OFFICER. The time of the Senator from Delaware has again expired.

Mr. WILLIAMS of Delaware. Will the Senator yield me a couple of minutes more?

Mr. SPARKMAN. I yield the Senator 2 additional minutes.

Mr. WILLIAMS of Delaware. We must not lose sight of the fact that this proposal might destroy the confidence of many foreign investors and holders of American bonds. If those people ever decide that we in this country are not fiscally sound the result could be disastrous.

A strong American dollar is the bulwark of our free society.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I join the Senator from New York in commending the Senator from Delaware for his remarks.

I have filed with the Committee on Finance two bills; one relating to the retirement of debt, if the opportunities occur, and the other relating to periodical accountings of all expenditures and receipts of the Government. It seems to me that if and when the Senate Committee on Finance considers the bill to increase the debt limit the committee ought to consider also some provisions which would give us a better opportunity to know the total overall receipts and expenditures of our Government. I hope the Senator will consider that idea. I commend him for what he has said.

Mr. WILLIAMS of Delaware. I certainly will do so. I am familiar with the Senator's proposal. I know the Senator has many constructive points in them, and he can be assured that our committee will give his suggestions every consideration.

The day is long overdue when we should make a careful study and analysis of the expenditures and fiscal position of this Government.

Mr. CARLSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Delaware has again expired.

Mr. WILLIAMS of Delaware. Mr. President, I should like to yield to the Senator from Kansas. Will the Senator from Alabama yield me 2 more minutes?

Mr. SPARKMAN. I yield 2 minutes to the Senator from Delaware from the time on the bill.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 2 minutes.

Mr. WILLIAMS of Delaware. I yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I commend the Senator from Delaware, the ranking minority member of the Committee on Finance, who has spent years studying this problem, for bringing it to our attention. I think there is a problem confronting this country when we talk about a tax reduction. As I mentioned earlier, we should combine a reduction in Federal expenditures with any tax reduction.

I am sure the Senator from Delaware is familiar with the fact that the U.S. Government is expected to have a deficit on June 30 of this year. I do not visualize anything other than a deficit on June 30, 1963, regardless of what we attempt to do for the future.

I am sure, based upon what the Senator knows and what has been brought out in the hearings, that the Senator will agree with me.

Mr. WILLIAMS of Delaware. I agree with the Senator. As the Senator knows, we discussed this problem in the committee the other day. Even without a tax reduction, we shall have a sizable deficit next year I recognize that there are many long overdue revisions which could be made in the existing tax laws—corrections which would be helpful to individuals and to industry and which could be made without unnecessary loss in revenue. Certainly there are many inequities in our tax code which should be promptly corrected, but such corrections should not be presented to the American people as a tax cut.

On the eve of an election the promise of a tax reduction of from $7 billion to $9 billion should not be held out to the American people when we know in our hearts that they cannot get it until we can cut down Government spending.

Mr. JAVITS. Mr. President, I call up the amendment which is at the desk, offered on behalf of myself and Senators BUSH, CASE of New Jersey, CLARK, DOUGLAS, KEATING, KUCHEL, MORSE, SALTONSTALL, SCOTT, HUMPHREY, and ENGLE, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

> Section 634 of the Foreign Assistance Act of 1961 as amended, is amended by inserting the following at the end of the first paragraph thereof: "; and on progress under the freedom of communication and nondiscrimination declaration contained in section 102."

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The **PRESIDING OFFICER.** The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, the problem which has been before us since 1956, which my amendment is one of the steps toward meeting, is the problem of an interdiction of the freedom of communications and travel, and a problem of discrimination against Americans because of their faith.

This situation arises as a consequence of the activities of the Arab States and of the Arab League in maintaining what is called, euphemistically, a state of war with Israel on the part of the Arab States; with resultant restrictions upon Americans of the Jewish faith who land at an airport, for example, such as the one in Saudi Arabia, and with extensive blacklisting and boycotting activities carried on against any American company which might do business with or have an office in Israel, which has any element of Jewish ownership or Jewish management, even if it is American.

Mr. President, the problem extends into the absolutely illegal boycott under international law which continues to be maintained by the United Arab Republic on transit through the Suez Canal. For example, foreign nations receiving American commodities under the very law with which we are concerned, the Foreign Assistance law, are required to employ a minimum of 50 percent of American flag ships for the delivery of these products. All nations, including those associated with the Arab League, comply. But not only will the United Arab Republic bar from transit through the Suez Canal any such ships which intend to stop at any ports of Israel, but also the Arab States refuse passage through the canal of the 50 percent of American bottoms, including what they define as Jewish-owned carriers. So in effect they are discriminating against American shipping firms in which there is a material amount of Jewish ownership.

Also our motion picture stars and motion picture companies are special objects of boycott in the Arab States and by the Arab League. On many occasions my colleague from New York [Mr. KEATING] and other Senators have developed before the Senate definitive letters in which the Arab League is brazen enough to threaten American firms by mail that, if they do not desist from doing business in Israel or from some other practice that the Arab League puts in that category, or because they have some major Jewish ownership or Jewish management, they will be blacklisted by the Arab States. In many cases they have attempted to carry out—whether it is effective or ineffective—a boycott.

Mr. President, that practice is intolerable to us. In the younger days of our Republic we actually fought in order to prevent any foreign nation from treating American citizens and American companies in that fashion. None the less, for some reason, we in the Congress seem to be knocking our heads against a stone wall in this instance as far as our own Government is concerned.

In 1956 the Mutual Security Appropriations Act contained the resolution offered by my distinguished predecessor in the Senate, Senator Lehman of New York, which cried out against the practice.

In 1959 and in 1960 a resolution to the same effect was included in the Mutual Security Appropriation Act by the Senator from Oregon [Mr. MORSE] and myself.

In 1960, in the very authorization which we are considering today, my colleague, from New York [Mr. KEATING], and the Senator from Illinois [Mr. DOUGLAS] joined in a very effective declaration of policy.

Then in the Foreign Aid Assistance Appropriation Act of 1961 we had similar language.

Finally in the Foreign Aid Authorization Act of 1961, the act to which we are making amendments by the bill, we had what those of us who feel strongly about the subject consider a watered-down declaration of policy; but nonetheless, at least something was said on the subject. The declaration is contained in the fifth paragraph of section 102 of the Foreign Assistance Act of 1961, and reads as follows:

> In addition, the Congress declares that it is the policy of the United States to support the principles of increased economic cooperation and trade among countries, freedom of the press, information, and religion, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 5 minutes.

That is the situation as we find it. Nonetheless, as yet we have no real result. As recently as May 29, according to Radio Cairo itself, the Arab League boycott offices were warning airplane and shipping companies against serving Israel, and were placing severe restrictions on American merchant marine activity. For breaking "rules" made in pursuance of a boycott completely illegal under international law, penalties which would include depriving ships of the opportunity to load or discharge cargo or to take on water or other provisions were threatened. To this very moment, cargoes destined for Israel, in foreign bottoms and even in American bottoms, are still not permitted through the Suez Canal and are liable to confiscation.

A great many Senators feel very keenly on this subject. All who have joined in the amendment were happy to put their names on an amendment of a very strong character which would have firmed up very materially the declaration of policy now contained in section 102. The amendment which I submitted for the RECORD was actually put in the foreign assistance bill, the very bill before the Senate, by the Committee on Foreign Affairs of the House of Representatives. I ask that that amendment be printed in the RECORD at this point in my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> The Congress further declares that any attempt by foreign nations to make distinctions between American citizens because of race, color, or religion in the granting of personal or commercial access or in the exercise of any other rights available to American citizens, or the use by any foreign nation of assistance made available by the United States to carry out any program or activity of such nation in the course of which discrimination is practiced against any citizen of the United States by reason of his race, color, or religion is repugnant to our principles; and in all negotiations with any foreign nation with respect to any funds appropriated under authority of this Act, these principles shall be applied. The Secretary of State shall report annually on the measures taken to apply the principles stated above.

Mr. JAVITS. That was the amendment as originally submitted. There seems to be a strong feeling on the part of a proponent of the Foreign Relations Committee that these declarations of policy which we have made time and again should nonetheless be held to a minimum and that we should leave much more than they would do to the discretion, wisdom, and good intentions of the President and the State Department. While we disagree with that idea, nonetheless we have respect for the views of our colleagues on the Committee on Foreign Relations. We would really like to see some progress made. Therefore we have come to the conclusion that a minimal, rather than a maximum, amendment would be in order. So the minimal amendment is the one which we have joined in submitting. The amendment would add to the declaration of policy now contained in section 102, the requirement of an annual report. So by the addition of a clause, which is the subject of the amendment now before the Senate, to that section of the Foreign Assistance Act which we are amending, which deals with reports, that is, section 634(a), we would require at least a report of progress. We will at least have an official way to see what is actually being done about the problem.

I cannot help but emphasize what a sad situation we are in with, for example, President Nasser, whose aid we have proposed to increase very materially. He has the brazenness to insist that he will not accept our aid unless we keep Israel out of association with the European Common Market, a Common Market which, incidentally, will mean life or death for Israel in terms of its own exports and imports. He gives no evidence whatever of recognizing what many thought was a military commitment as far as Israel, the United Kingdom and France were concerned, after the abortive attempt in 1956, that there would be free transit through the Suez Canal as a condition for the Israel forces moving out of the Sinai Peninsula. Nothing has happened. In short, it seems to me that we have to get our backs up somewhere. In the present situation we have not really taken the determined stand that we should. Certainly it is not very encouraging that an increase, rather than a denial, of aid is being considered as far as the United Arab Republic is concerned.

So taking account of the realities—and we do face hard realities, as everyone knows—we feel that acting together, at least we would add something to the situation in requiring an official annual report.

In addition, the provisions of the amendment would result in showing some evidence of the Senate's view upon the subject. It would reveal our dissatisfaction with the existing situation. The Senate's views would also be before the conferees if the other body adopts the stronger provision which is before them through the report of their Committee on Foreign Affairs, and the issue goes to conference.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **JAVITS**. Mr. President, I yield myself 2 additional minutes.

I hope very much the amendment will be accepted by the Senator in charge of the bill. If the other body acts in a strong way on the amendment which has already been adopted by the House Committee on Foreign Affairs, we can go to conference on the question.

Mr. President, I yield 5 minutes to my colleague from New York.

Mr. **KEATING**. I regret that in order to get action in the Senate, it was apparently necessary to water down the amendment. I sincerely hope that the language of the amendment will be adopted in the other body and that it will prevail in conference. The adoption of the amendment, as outlined by my distinguished colleague from New York, would certainly be useful. It would not end the discrimination which now exists, but it certainly would be useful. Reports from our Government on how it is living up to and supporting the language now in the preamble would at least be an important step in the direction of assuring freedom of travel and freedom of commercial opportunities for American citizens. It would make our Government more alert to its responsibilities and would, I hope, result in a more vigorous and affirmative effort to stop this kind of discrimination overseas.

Mr. President, it is shocking that American citizens who travel in parts of the world and in countries which receive assistance from the United States are subjected to discriminatory treatment and other restrictions. There are a number of governments, particularly Arab nations in the Middle East, which discriminate against Americans of the Jewish faith who seek to enter their countries or to do business therein. Arbitrary restrictions, wholly inconsistent with the basic principles which Americans believe in, are placed on American travelers, businessmen, and virtually any other people whom for some reason or another Arab leaders desire to injure or insult.

Mr. President, certainly American taxpayers, who are taxed regardless of race, religion, color, or any such distinction, should have equal treatment in countries which receive American foreign aid. Our aid is taken from all taxpayers. No country that enjoys this aid should be permitted to discriminate against some of these American taxpayers for any reason whatsoever.

Mr. President, I have spoken in the past about the Middle Eastern situation, about the Arab economic warfare against Israel, and about the tide of Arab hatred toward Israel which flows in the Middle East and in Africa. This is a very serious and very critical situation. Today we are not directly concerned with the problem of Arab-Israel relations but it is a peripheral problem as related to what we are considering today.

We are concerned with the rights of every American citizen to fair treatment on a basis of equality with other American citizens throughout the world. We have stood up for this principle in the past when our country was weaker and not as well able to protect itself as we are today. Now that we are strong and a great power on the world scene, the Government is tending to desert the basic principles which have helped to make us strong and to resort to arguments which it might be difficult or embarrassing to stand up to on principle.

Mr. President, our attitude in this matter is not worthy of a great nation. It is a despicable yielding to policies which we deplore. To support nations which practice this religious discrimination by continuing foreign aid funds without making a serious and determined effort to put an end to restrictions on some American citizens is unworthy of our Nation. As the leader of the free world, the United States should mean what it says and should not permit its citizens to be the victim of religious discrimination in countries which receive American dollars through the foreign aid program.

Mr. President, the adoption of this amendment will certainly not end the discrimination that now exists but it will be useful. Reports from our Government as to how it is living up to supporting the language now in the preamble will at least be an important step in the direction of freedom of travel and freedom of commercial opportunities for American citizens. It will make our Government more alert to its responsibilities and will also, I hope, result in more vigorous and affirmative efforts to stop this kind of discrimination overseas.

Mr. **SPARKMAN**. Mr. President, I have discussed the amendment with the Senator from New York [Mr. JAVITS]. In the act we passed last year we arrived at what I believe was generally considered to be a very good statement of policy. I believe there was a misunderstanding to the effect that this year's bill would repeal or at least not reenact the policy established last year. The bill this year is merely an amendment of last year's act, and therefore the statement of policy remains in effect.

I had hoped that we might not reopen the statement of policy and get into the kind of argument that we have had for some time.

I believe that the proposal of the Senator from New York, upon which he has spoken, as has also his colleague from New York [Mr. KEATING], has merit to it. I understand that the House of Representatives has language in its bill which is quite acceptable, and that the language the Senator from New York proposes appears in a somewhat different place from the place where the language in the House bill appears. Therefore, if the House accepts the proposal of the House committee as set out in that bill, and the Senate accepts the Javits proposal, we certainly will have sufficient latitude in which to reach a satisfactory statement.

Therefore, I have suggested to the Senator from New York that, so far as I am concerned, I am willing to accept the amendment and take it to conference.

Mr. **JAVITS**. I thank the Senator from Alabama. I am very grateful to him. I believe this is as effective a way as we could devise under all the circumstances. I thank him for his customary courtesy and understanding.

I ask unanimous consent that Senators who may desire to do so, may introduce statements in the RECORD in the debate on this amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **DOUGLAS** subsequently said:

Mr. President, I am happy to be a cosponsor of the amendment in question. It is needed to serve notice upon some of the Arab countries that we do not approve of their policies of racial discrimination against American citizens of Jewish descent who either travel or do business in the Near East. It is improper for them to take American aid with one hand while discriminating against American citizens with the other.

Mr. **JAVITS**. Mr. President, I yield back the remainder of my time.

Mr. **SPARKMAN**. I yield back the remainder of my time.

The **PRESIDING OFFICER**. All time for debate on the amendment has been yielded back. The question is on agreeing to the amendment offered by the Senator from New York [Mr. JAVITS].

The amendment was agreed to.

Mr. **JAVITS**. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. **KEATING**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **CHURCH**. Mr. President, I send to the desk an amendment identified as "6–5–62—E" and ask that it be read.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place it is proposed to insert the following:

> Section 506 of chapter 2, part II, of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended by adding a new subsection (c) as follows:
>
> "(c) The President shall regularly reduce, and, with such deliberate speed as orderly procedure and other relevant considerations, including prior commitments, will permit, shall terminate, all further grants of military equipment and supplies to any country having sufficient wealth to enable it, in the judgment of the President, to maintain and equip its own military forces at adequate strength, without undue burden to its economy."

Mr. CHURCH. Mr. President, yesterday I placed in the CONGRESSIONAL RECORD a summary of the arguments and also some statistical data in support of this amendment. There is no need at this time to restate these arguments. Suffice it to say that the purpose of the amendment is to require an orderly reduction, and ultimate termination, of further grants by the United States of military equipment and supplies to countries which, in the judgment of the President, are able to maintain and equip their own military forces at adequate levels of strength without need for external help.

The purpose of my amendment is clear to the distinguished Senator in charge of the bill. I believe the case made for it is very plain.

Our military assistance program has been intended from the outset to give help to countries having insufficient means to enable them to maintain their armed forces at adequate levels to meet the Communist menace. For a number of years, owing to the remarkable recovery that has occurred in Western Europe, a number of our allies have become fully self-supporting and are in no need of a continuing American subsidy to support or equip their own armed forces.

The amendment would establish a policy to be followed by the President with such deliberate speed as orderly procedure and other considerations, including prior commitments, would permit, looking toward the regular reduction and ultimate termination of further grants of military equipment and supplies to countries which are fully capable of maintaining their own armed forces without any more American aid.

I think it is clearly in the enlightened self-interest of the United States that the amendment be adopted; and I hope the distinguished Senator from Alabama will see fit to accept it.

Mr. THURMOND. Mr. President, I should like to ask the distinguished Senator from Idaho a question.

Mr. CHURCH. I yield to the Senator from South Carolina for a question.

Mr. THURMOND. Would the amendment preclude the United States from giving to a nation such as West Germany or France the weapons which it can afford, from an economic standpoint, but which for reasons of technology it cannot itself produce?

Mr. CHURCH. The language of the amendment is meant to give the President sufficient latitude to continue grants under special circumstances which, in his judgment, would justify the grants. I should think that the language "other relevant considerations, including prior commitments," would be broad enough to give the President the necessary discretion in situations of the kind mentioned by the Senator from South Carolina.

Mr. THURMOND. The Senator from South Carolina would like to see foreign aid reduced where possible, but he does not wish to have the President hampered in his discretion to provide weapons to our allies who may be able to produce them from an economic standpoint but who are unable, for reasons of technology, to produce them. I merely wish to be certain that the amendment does not preclude the President from providing such weapons to such countries.

Mr. CHURCH. As I have suggested to the Senator, I believe sufficient latitude is provided to permit the President to exercise discretion, but that a general policy is established directing the President to reduce, and ultimately to terminate, subject to such exceptions as are permitted by this language, further subsidies to countries which have become fully self-supporting and each maintain their armed forces without more U.S. aid.

Mr. THURMOND. To be more specific, the amendment would not preclude the President from giving nuclear weapons to West Germany or France.

Mr. CHURCH. That is a matter of policy which is not reached by the amendment, in that Congress has enacted specific laws governing that subject, as the Senator from South Carolina well knows.

Mr. THURMOND. Then, the amendment would not preclude the giving of such weapons to those countries, unless to do so is otherwise precluded by law? Is that correct?

Mr. CHURCH. I think that is correct.

Mr. THURMOND. I merely wished to make the record clear. I thank the distinguished Senator from Idaho.

Mr. SPARKMAN. Mr. President, I am glad the Senator from South Carolina has asked these questions, because I believe they serve to clear the record.

I have discussed the amendment at considerable length with the Senator from Idaho. The Senator proposed it in a different form to the Committee on Foreign Relations. As I understand, the amendment would give the President considerable leeway. It would leave the question to his judgment, so far as he believes such action can be taken safely. It would be our policy to reduce our military outlays to countries which are able to pay for their armaments themselves.

Actually, most of the military assistance which is given to Western European countries is assistance of a peculiar type. It would not be affected by the amendment, because much of the assistance is related to the maintenance of missile bases. Such assistance was established by agreement at the time we were given permission to establish missile bases in those particular countries. A certain amount is necessary for maintenance and parts, which must be supplied by the United States. That is done under our agreements and commitments, which would not be affected by the amendment.

Mr. CHURCH. The Senator from Alabama is correct, in that the amendment makes its direction subject to prior commitments which have been made. The amendment is not intended to interfere with prior commitments, but deals with future ones.

Mr. SPARKMAN. The Senator is correct. I believe the amendment provides the President with sufficient elbowroom in which to maintain a good military alliance with our allies. This would apply particularly to countries which are members of NATO, and primarily to Western European countries.

Mr. President, on behalf of the committee I am willing to take the amendment to conference.

Mr. CHURCH. I appreciate the action of the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. CHURCH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, for myself and on behalf of the distinguished junior Senator from Florida [Mr. SMATHERS], I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, between lines 4 and 5, it is proposed to insert the following:

(2) In paragraph (2) strike out the words preceding the first proviso and insert in lieu thereof the following: "where the President determines such action to be important to the furtherance of the purposes of this title, assuring against loss of any loan investment for housing projects with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States, or assuring against loss of not to exceed 75 per centum of any other investment due to such risks as the President may determine, upon such terms and conditions as the President may determine."

On page 3, line 5, strike out "(2) In" and insert in lieu thereof "(3) In".

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

I have spoken to the distinguished Senator from Kansas [Mr. CARLSON] about the amendment. He was in the Chamber a little while ago. It may be that he will return, when he can see the amendment in its final form. The Senator from Kansas is a member of the Committee on Foreign Relations. I make this statement so that it may be known that the amendment is not being taken up as a matter of surprise.

The substance of the amendment, in one form or another, was considered in committee from time to time, but the committee was never able to arrive at a completely satisfactory proposal.

It was not until today that I received a letter from the Agency for International Development approving of this particular language. The Senator from Florida [Mr. SMATHERS] had a proposal which was not identical with this. I had made a different proposal, and had carried on extensive correspondence with the Agency for International Development in order to try to reach a satisfactory amendment. As I said, it was not until today that we received the final clearance from the administration.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 6, 1962, from Mr. Frank M. Coffin, Deputy Administrator for the AID program.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of State, Agency for
International Development,
Washington, D.C., June 6, 1962.
The Honorable John J. Sparkman,
U.S. Senate,
Washington, D.C.

Dear Senator Sparkman: I regret that I have been unable to send to you a letter at an earlier date. This letter will serve as an interim reply pending a subsequent letter containing administration comments on the proposed housing guaranty amendment.

The administration's suggestion as a revision to the amendment approved by the Foreign Affairs Committee of the House of Representatives would encompass the deletion of the phrase "in whole or in part" and substitute after the word "projects" the phrases "with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States."

Sincerely yours,
Frank M. Coffin,
Deputy Administrator, AID Program.

Suggested Amendment to Section 221(b)(2) of the Foreign Assistance Act of 1961

Section 221(b)(2). * * * "where the President determines such action to be important to the furtherance of the purposes of this title, assuring against loss of any loan investment for housing projects with appropriate participation by the private investor in the loan risk and in accordance with the foreign and financial policies of the United States or assuring against loss of not to exceed 75 per centum of any other investment, due to such risks as the President may determine, upon such terms and conditions as the President may determine: *Provided*" * * * etc.

Mr. SPARKMAN. Mr. President the purpose of the amendment is to authorize the President to issue an all-risk guarantee to U.S. citizens or corporations for investments to be made in housing projects in less developed friendly countries of which the President has agreed to institute the guarantee program.

Under existing law, as provided by the Act for International Development of 1961, the U.S. Government all-risk guarantee for such projects could not exceed 75 percent of the investment. Despite considerable interest in the provision by U.S. builders, no guarantees resulted, primarily because U.S. investors were not willing to invest funds in housing projects in the underdeveloped countries with only a 75-percent guarantee on return of the investment. Institutional investors in domestic housing insist on 100 percent guarantee, and they are not likely to invest capital on a long-term basis in a foreign housing project unless the risk of capital loss is at a very minimum.

Under the amendment, the U.S. Government could guarantee the private investor against loss, provided there is an appropriate participation in the loan risk by the investor.

That is the key language of the proposal. It is the language which the Treasury Department insisted upon having included.

Instead of the figure now provided, I believe the Senator from Florida proposed that it be 95 percent.

Mr. SMATHERS. That is correct.

Mr. SPARKMAN. The Treasury Department did not recommend a specific percentage, but it agreed on the provision that the investor must have an appropriate participation in the loan risk. It is understood that this amendment would not preclude the investor from obtaining additional security for the part of the investment not guaranteed by the U.S. Government.

Mr. President, I wish to say just a word in regard to housing generally. The amendment proposed by the Senator from Florida pertained primarily to Latin America; I believe it was limited to Latin America. But the pending amendment is applicable to the program as a whole.

I think one of the most promising parts of the aid program is that with reference to the various facets of housing in these underdeveloped countries, particularly those in Latin America which need good housing. But there has been difficulty in their obtaining it, for several reasons. One is the high rate of interest. Another is the lack of anything like the mortgage market which exists in the United States; these countries simply are not geared to that type of activity.

One of the finest things the aid program has been able to do has been in connection with putting seed money into certain programs and projects to encourage investors in those countries to participate in the construction of houses. Considerable work has been done in organizing savings and loan associations there.

One of the constituents of the distinguished Senator from Florida was one of the first to become active in that field in those areas; and I beleive that a man from that particular institution has been very active in the savings and loan field. I talked to him when I was in Chile, and he told me about the organization. It was organized on a national basis, and I believe that approximately 15 savings and loan associations had already been organized and were already making housing loans.

I asked him what the rate of interest was, and he stated that it was 7 percent. Of course, in the United States 7 percent would be a rather high rate of interest; but in those countries a 7-percent rate of interest for that purpose is so low that it is almost without precedent, inasmuch as they are used to having such loans made at interest rates of 20 percent, 25 percent, or even 30 percent.

I saw housing projects and housing programs being carried on in Peru and in other parts of South America.

Our Foreign Relations Committee has received some very fine reports about the conduct of such projects in South America—some of them using government loans, some of them taking advantage of this seed money process, some of them conducted by savings and loan associations, and some carried on by private industry.

A company in Kansas has done a very fine job in building homes in South America; and a group organized by the Rockefellers is doing some very fine housing work there.

One of the greatest stimuli which can be given to the economy and to raising the standard of living of the people of such a country is by means of an arrangement whereby they can obtain adequate housing. I believe this program may help provide it; and I am glad to offer the amendment on behalf of the Senator from Florida [Mr. Smathers] and myself.

Mr. SMATHERS. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I am very glad to yield to the Senator from Florida, who has been, let me say, a pioneer in this work. I believe that the first amendmend offered to the foreign aid bill was offered by him, and related to housing programs in Latin America.

Mr. SMATHERS. I thank the able Senator from Alabama very much for the generous manner in which he has treated me in the course of his remarks in regard to the housing programs in Latin America.

As he has indicated, I am very much in favor of a program of this kind; and I am highly honored to be a cosponsor, with him, of this amendment.

I have long believed, as have many others, that the best way in which we can fight against communism or against any other kind of "ism" in these underdeveloped countries is by making it possible for the people of these countries to obtain homes of their own. Nothing helps build self-pride quite so much as the fact that a person owns property and has his own house. In fact, I believe that in connection with our interest in seeing worthwhile programs of aid developed in the underdeveloped areas of the world, there is no better way for us to bring about progress and conditions of improvement and stability than by helping the people of these countries obtain homes.

The Senator from Alabama has been a great leader in connection with housing programs; and he knows more than anyone else does, I believe, the importance of housing to the stability of our own country.

It developed that because of the high interest rates and because of the natural hazards in these underdeveloped countries, it was impossible to get much private money used in connection with housing programs there until in some way the guarantee was increased. I know of a number of labor unions which are perfectly willing and, in fact, are anxious to invest their funds in such housing programs, if they are guaranteed against the losses which do occur in these areas. However, if there were a guarantee against such losses, they would make those investments.

So I believe this amendment will do much to encourage many groups, including the mutual-aid associations, and so forth, to invest their funds in housing programs in these areas, and I believe it will do a great deal of good.

I remember that Teodoro Moscoso, who heads the Alliance for Progress, said only the other day that there was not enough money in the U.S. Treasury or, in fact, in the treasuries of all the free nations of the world to build all the houses that even the people of the countries in Latin America want.

The point is that there is a definite need for a guarantee program such as the one envisioned by the Senator from Alabama, in order to encourage private capital to develop in these areas the necessary housing programs, because the governments of these countries simply cannot do that work all by themselves.

I think this amendment provides the best means of accomplishing that result; and I believe it will bring about great good.

So I congratulate the distinguished Senator from Alabama [Mr. SPARKMAN] for his leadership in this field; and I am delighted that he is willing to permit me to be a cosponsor, with him, of the amendment.

Mr. SPARKMAN. Mr. President, I do not know of any other Senator who wishes to speak on the subject.

The PRESIDING OFFICER (Mr. PELL in the chair). Do Senators yield back their time?

Mr. SPARKMAN. Perhaps the Senator from New York has something to say.

Mr. KEATING. Mr. President, it is my desire to call up my amendment at some time.

Mr. SPARKMAN. I wonder whether we may dispose of the pending amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the amendment of the Senator from Alabama [Mr. SPARKMAN], for himself and the Senator from Florida [Mr. SMATHERS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

ADJOURNMENT

Mr. SMATHERS. Mr. President, on behalf of the majority leader, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 10 minutes p.m.), the Senate adjourned until tomorrow, Thursday, June 7, 1962, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 6, 1962:

COLLECTOR OF CUSTOMS

Edward J. Gosier, of New York, to be collector of customs for customs collection district No. 7, with headquarters at Ogdensburg, N.Y.

John W. Crimmins, of Kentucky, to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky.

Mrs. Marion F. Baker, of Georgia, to be collector of customs for customs collection district No. 17, with headquarters at Savannah, Ga.

Paul E. McNamara, of New York, to be collector of customs for customs collection district No. 8, with headquarters at Rochester, N.Y.

EXTENSIONS OF REMARKS

Antimerger Provisions of the Clayton Act Should Be Facilitated

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. CELLER. Mr. Speaker, I am today introducing a bill to amend section 15 of the Clayton Act to facilitate the granting of temporary restraining orders or preliminary injunctions to prevent violations of section 7 of the Clayton Act as amended by the Celler-Kefauver Act.

Under section 15 of the Clayton Act the district courts of the United States are authorized to prevent and restrain violations of section 7, among other sections of the Clayton Act.

The need for legislation arises out of the difficulties encountered by the Department of Justice in obtaining preliminary injunctive relief in merger proceedings. In a goodly number of important cases, effective enforcement of the Celler-Kefauver Act has been frustrated by denial of the Government's applications for preliminary injunctions or temporary restraining orders to prevent the consummation of mergers pending litigation. An example is the merger of the Continental-Illinois Bank—CCH Federal Trade Regulation Reporter, 1961 Trade Cases, par. 70, 110, D.C.N.D., Ill. 1961.

In my view, the courts have regarded their authority under section 7 far too narrowly. Merger cases are notoriously protracted. Once a merger has been consummated, years before the court can decide whether it is legal, the Government faces a long drawn-out lawsuit which may only serve to lock the barn door after the horse has been stolen. For even if the Government prevails, the court may find it difficult or impossible to "unscramble the eggs." If the merger were restrained or held in abeyance until its legality is determined, however, these difficulties would be avoided.

As the Supreme Court recently noted, the problem of unscrambling a merger once it has been consummated is enormously complex. In California against FPC — U.S. — April 30, 1962, the Court said:

> These unscrambling processes often raise complicated and perplexing problems of tax matters and otherwise. * * * The very prospect of undoing what was done raises a powerful influence in the antitrust litigation.

Thus, the inability of the Department of Justice to obtain temporary relief in merger cases often may hamper enforcement of section 7 of the Clayton Act, as amended by the Celler-Kefauver Act, as well as making a dead letter of section 15 which provides for equitable relief in such cases. The Department of Justice has so indicated.

The bill I am proposing would encourage the courts to exercise their existing authority under section 15 to grant preliminary injunctions and restraining orders in merger cases in a manner more in keeping with the public interest in effective antitrust enforcement. At the same time, the bill contains a number of important safeguards designed to prevent the improvident granting of such orders.

My bill would amend section 15 so as to provide that an application for a temporary restraining order or preliminary injunction under this section, to prevent a violation of section 7, shall be granted if the Court finds that there is reasonable cause to believe that, first, the proposed acquisition will take place unless enjoined; second, divestiture or other appropriate relief will be difficult to effect if the proposed acquisition is later found to be unlawful; third, in any line of commerce in any section of the country the effect of such proposed acquisition may be substantially to lessen competition or to tend to create a monopoly; and, fourth, exceptional circumstances do not exist for the denial of the application.

In addition, the bill provides that a court, in lieu of granting an application for a preliminary injunction or temporary restraining order, may make such order as it deems necessary to insure adequate relief in the event a violation of section 7 is ultimately found. This provision reflects the action taken in the Brown Shoe Co. case where the Court permitted a merger to proceed despite the pendency of section 7 proceedings, but required that the merged companies be operated separately until a final decision could be reached. (*United States* v. *Brown Shoe Company*, 179 F. Supp. 721 (E.D. Mo. 1959).)

The bill I am proposing is thus designed to promote the fair, effective enforcement of section 7, as amended by the Celler-Kefauver Act, while preserving the power of the courts to fashion flexible remedies to meet the particular needs of each case.

Public Law 480 Program: An Important Partner in Our Foreign Aid Program

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mrs. KELLY. Mr. Speaker, we frequently hear that Members representing rural districts are opposed to the foreign aid program. I do not believe that such statements accurately reflect the feelings of the rural American population or of their representatives in Congress. The people on the farms, just like those in the cities, have an important stake in foreign aid. The sole purpose of the foreign aid program is to promote the security and national interest of the United States. Our national security and interest is not confined to the urban population. It affects all of our people, whether they live in the city or on farms.

There is, however, one special feature in our foreign aid program which relates directly to the prosperity of our rural areas. Our foreign aid program promotes expanding markets abroad for our surplus farm commodities. To the extent that we can increase the sale of our surplus farm commodities abroad, our farmers benefit directly from this program.

As we all know, the food-for-peace programs, authorized by Public Law 480, as amended, are closely coordinated within the broader program of foreign aid. Through food-for-peace programs tremendous quantities of American agricultural commodities—such as wheat, rice, cotton, tobacco and others—are sold and distributed abroad. Between July 1, 1954, and December 31, 1961, the Public Law 480 program has resulted in the movement, out of the Commodity Credit Corporation's stocks, of $13.7 billion worth of surplus farm commodities. Sales under this program have generated the equivalent of $7.6 billion in foreign currencies. These foreign currencies are being used by our country for several purposes, including loans to private U.S. firms doing business abroad; payment of the expenses of U.S. embassies in those countries; research programs involving potential expansion of markets for U.S. agricultural products; economic development; and others.

At this point, I would like to summarize briefly the main provisions of Public Law 480 and the extent of the food-for-peace programs.

TITLE I PROGRAM: SALES OF AGRICULTURAL SURPLUSES FOR FOREIGN CURRENCIES

Title I of Public Law 480 authorizes sales of U.S. surplus agricultural commodities to friendly countries for their own currency. Under long-term authority provided in 1961, programs of up to $4.5 billion may be undertaken during the 3-year period ending December 31, 1964—with not more than $2.5 billion in any single year. These dollar amounts refer to the cost of commodities to the Commodity Credit Corporation. They reflect domestic support prices, processing, storage, handling and transportation costs. The prices at which commodities are sold abroad for dollars or foreign currencies reflect generally lower world market prices.

Between July 1, 1954, and December 31, 1961, we have entered into sales agreements and commitments with friendly foreign countries providing for the sale of $7.6 billion worth of our surplus agricultural commodities under title I of Public Law 480. Through September 30, 1961, collections from these sales, in foreign countries, amounted to the equivalent of $5 billion. Approximately one-half of this amount—the equivalent of $2.4 billion—has been disbursed to further the objectives of Public Law 480 and our overall foreign aid policy.

At this point I would like to place in the RECORD a country-by-country breakdown of sales for foreign currencies under title I of Public Law 480:

TABLE VI.—*Status of foreign currencies under title I, Public Law 480*

[In million-dollar equivalents]

Country	Agreement amounts through Sept. 30, 1961	Allocations by Budget Bureau through Sept. 30, 1961 [1] [2]	Collections through Sept. 30, 1961 [2]	Disbursements by agencies through Sept. 30, 1961 [3]
Argentina	64.1	33.5	30.5	17.3
Austria	42.9	40.1	40.1	36.0
Bolivia	3.3			
Brazil	284.4	200.2	202.8	135.6
Burma	40.7	37.4	37.3	11.5
Ceylon	26.1	21.2	21.3	9.2
Chile	71.9	48.3	52.3	35.2
China (Taiwan)	84.0	61.4	60.3	34.8
Colombia	70.9	50.0	54.6	32.3
Ecuador	13.2	8.8	10.0	7.3
Finland	46.5	51.4	41.7	27.7
France	60.4	33.1	34.2	23.1
Germany	1.2	1.2	1.2	[4] 1.6
Greece	87.9	82.9	85.0	69.5
Iceland	12.1	9.5	9.9	8.3
India	2,337.3	1,767.2	1,182.1	301.4
Indonesia	173.4	175.5	160.4	47.7
Iran	34.3	22.5	19.8	19.4
Israel	194.4	163.1	171.9	113.3
Italy	152.9	145.2	144.2	114.8
Japan	150.8	143.1	146.3	137.5
Korea	217.0	197.3	186.3	169.8
Mexico	28.2	25.2	25.2	20.9
Netherlands	.3	.3	.3	[4] .8
Pakistan	444.4	323.7	394.8	229.3
Paraguay	9.9	2.9	2.9	2.5
Peru	37.3	27.3	27.1	21.8
Philippines	14.4	14.1	13.8	12.2
Poland	365.3	35.2	352.7	1.6
Portugal	7.1	7.1	7.1	6.6
Spain	505.6	442.4	444.8	239.4
Thailand	4.6	4.3	4.3	4.3
Tunisia	15.3			
Turkey	308.0	222.8	247.6	140.4
United Arab Republic (Egypt)	284.5	180.0	204.3	93.6
United Arab Republic (Syria)	28.2	22.6	24.0	3.0
United Kingdom	48.2	43.8	48.5	28.5
Uruguay	46.4	34.6	34.7	14.8
Vietnam	34.0	16.6	19.7	5.9
Yugoslavia	472.5	370.8	442.9	255.2
Total	[5] 6,823.9	5,066.6	4,986.9	[6] 2,434.1

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[1] Includes amounts specified in the agreements, to be used for grants and loans under secs. 104 (e) and (g), not subject to allocation.

[2] Calculated using the collection rates of exchange.

[3] Prior to July 1, 1961, disbursements under secs. 104 (c), (d), and (e) grants are calculated at collection rates; sec. 104(f) sales at current Treasury selling rates; sec. 104(g) loans at loan agreement rates; secs. 104 (a), (b), (e) loans (h) through (r) at the weighted average rates at the end of the months in which transfers are made to agency accounts for the balances remaining in such accounts. Subsequent to June 30, 1961, disbursements under secs. 104 (a) through (r) are calculated at the end of the preceding quarter Treasury selling rates.

[4] Disbursements exceed collection because of conversions from other currencies.

[5] Differs from table V which reflects purchase authorization transactions.

[6] Differs from appendix table No. 21 because of rounding and the exclusion of about $8,500,000 equivalent disbursed in nontitle I countries through convertibility.

TITLE II PROGRAM: GRANTS OF SURPLUS COMMODITIES FOR FAMINE RELIEF

Title II of the act authortizes grants of commodities held in stock by the Commodity Credit Corporation for famine relief and certain other assistance programs. Programs of up to $300 million (CCC cost) plus carryover from previous years may be undertaken annually during each of the calendar years 1962 through 1964.

Between July 1, 1954, and December 1, 1961, we have used $983 million worth of surplus commodities held in stock by the CCC for famine relief and certain other assistance programs abroad. This dollar figure represents the cost of commodities to the CCC and reflects domestic support prices, processing, storage, handling and transportation costs.

TITLE III PROGRAM: DONATIONS TO U.S. VOLUNTARY AGENCIES FOR DISTRIBUTION TO THE NEEDY

Title III of the act authorized donations of surplus foods from stocks held by the CCC to the U.S. voluntary organizations and intergovernmental organizations for distribution to the needy overseas. Donations of food to the needy in the United States and barter transactions are also authorized under this title.

Between July 1, 1954, and December 31, 1961, we have distributed $1.9 billion worth of surplus farm commodities to the needy overseas and in the United States. Again, the dollar amount refers to the cost of commodities to the CCC.

TITLE IV PROGRAM: LONG-TERM SUPPLY CONTRACTS FOR REPAYMENT IN DOLLARS

Title IV of the act authorizes long-term supply contracts for repayment in dollars over a maximum period of 20 years.

Between July 1, 1954, and December 31, 1961, these contracts involved $40.3 million worth of surplus agricultural commodities held by the CCC. The dollar figure in this instance represents contract figures and is somewhat smaller than the CCC cost of the commodities involved.

CONCLUSION

Mr. Speaker, in conclusion I would like to again stress the fact that the food-for-peace programs are an important supplement to our foreign-aid program. They help less developed countries achieve balanced economic development, meet emergencies, and care for the needy. They also promote more effective and efficient utilization of other types of assistance furnished by the United States. In the long run, all of these programs enhance the security of our own country and promote the development of wider oversea markets for American goods—both agricultural commodities and manufactured products.

I insert in chart form that which is explained in the above statement.

Total cumulative sales under title I and title IV, and grants under title II and title III (Public Law 480), July 1, 1954, to Dec. 31, 1961 [1]

[In millions of dollars]

Sales	C.C.C. cost	Export market value
Title I	10,872.7	7,592.3
Title IV	58.7	40.3
Total	10,931.4	7,632.6
Donations:		
Title II	892.8	(2)
Title III	1,850.6	(2)
Total	2,743.4	
Grand total	13,674.8	

[1] These figures represent sales agreements and commitments for donations—not shipments.

[2] Not available.

Uses of local currencies generated by title I programs, July 1, 1954, to Sept. 30, 1961

	Millions
Total collections	$4,986.9
Disbursements	2,442.6
Total	2,544.3
Exchange rate adjustments	362.0
Balance on hand	2,182.3
Represented by—	
Treasury account	837.0
Agencies' accounts	1,345.3
Total	2,182.3

Reimbursements to CCC for costs attributable to Public Law 480 shipments

[In millions of dollars]

Fiscal year	Congressional appropriations				Credit to CCC of dollars received from sale of foreign currencies
	Title I	Title II	Title III	Title IV	
1963 [1]	1,081	300	472	90	152
1962 [1]	[2] 2,816	[2] 460	384	13	146
1961	881	107	200		98
1960	968	105	152		72
1959	1,034	119	206		90
1958	[2] 1,928	[2] 220	275		72
1957	67	88	264		58
1956					10
Total	8,775	1,399	1,953	103	698

[1] Estimated.

[2] Includes reimbursement for 2 years' operations.

Total congressional reimbursement, $12,230,000,000.

Total credits to CCC from sales of foreign currencies, $698,000,000.

Public Law 480 sales agreements, fiscal year 1962

LATIN AMERICA

[In millions of dollars]

	U.S. uses	Country uses	Total
Bolivia	1.3	3.8	5.1
Brazil	10.5	59.5	70.0
Chile	1.9	7.6	9.5
Colombia	2.0	6.0	8.0
Uruguay	1.7	5.1	6.8
EUROPE			
Finland	1.4	1.8	3.2
Iceland	.5	1.5	2.0
Poland	130.0		130.0
Spain	40.5	40.5	81.0
Yugoslavia	3.9	34.6	38.5
Total, fiscal year 1962	176.3	78.4	254.7
Total, fiscal year 1961	162.8	63.0	225.8

The Rostow Revolution

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. DAGUE. Mr. Speaker, despite the decisive manner in which this House has repeatedly rejected the idea of admitting Red China to the U.N. and extending recognition to that Communist regime, and in complete indifference to the vote of 47 to 37 against seating the Reds by the United Nations itself, the one worlders are at it again.

Before me is a column datelined May 14, 1962, by Robert S. Allen and Paul J. Scott reporting on a new two-China policy attributed to Dr. Walt W. Rostow, chairman of the Policy Planning Council of the State Department. This plan proposes that we offer the Chinese Reds a seat in the U.N. (as China), and then permit Chiang Kai-shek to retain his seat with Formosa as a separate and independent state. Also large in these unrealistic and illogical plans is the proposal to withdraw from Quemoy and Matsu, an objective long sought by those who would have us abandon our friends and embrace our enemies.

The current issue of the news magazine World also explores this latest insidious program to sell us short by pointing out that a part of the Rostow plan also centers in the de facto recognition of East Germany with the added stipulation that armed opposition to Communist aggression be pulled back around the perimeter of the Soviet empire. And that is not all. As World reports it, there will be a broad educational program to sell the American people on a general acceptance of this sellout of our friends and our connivance with those who are pledged to destroy us.

The effrontery of those brazen proposals must leave every patriotic citizen gasping with amazement. But why should anyone be surprised? A cursory examination of the credentials of two-thirds of the President's advisers and sycophants reveals their ultraliberality and their dedication to the insane philosophy that we can win over the Communists by simply being nice to them.

There is not a single person of my acquaintance who wants to go to war and we are convinced that the extension of the policies inherited by Mr. Kennedy from the Eisenhower administration will keep us strong and obviate the necessity of surrendering in principle and in fact to a group of international brigands that are pledged to destroy us.

Apparently the Joint Chiefs of Staff are opposed to this surrender dictated by someone's crack-brained whim. It is to be hoped that the American people will also rise up in their wrath and repudiate all those who would accommodate a godless aggressor already pretty well occupied by economic disaster resulting from his own insane policies. As for me, if this trend toward capitulation to our enemies persists I intend to withhold my support from everything that may be identified with a foreign policy that is predicated on defeatism and a complete disregard for our own self-interests.

National Little League Baseball Week

EXTENSION OF REMARKS

OF

HON. HERMAN T. SCHNEEBELI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. SCHNEEBELI. Mr. Speaker, Little League baseball will observe its annual Foundation Week beginning June 11, as designated by proclamation of the President of the United States and the Congress. Against a rising tide of juvenile delinquency, Little League has proved an effective counteragent, instilling healthy values of fitness, discipline, respect, and fairplay.

Little League had its early beginnings in Williamsport, Pa., in my congressional district, and now maintains its national headquarters there. Today over a million and a quarter boys are enrolled annually. In positive ways, Little League builds morale, sets intelligent goals of leadership, and effective training. It strengthens families and benefits thousands of communities. It is a youth program which offers a proven formula of service to Little Leagues throughout the world that meet its standards. Today there are Little Leagues in more than 25 foreign countries, and each year the program spreads farther around the world. It is an effective medium to build good will with our foreign friends.

Monday, June 11, marks the beginning of the 1962 National Little League Baseball Week, in accordance with the following Presidential proclamation:

NATIONAL LITTLE LEAGUE BASEBALL WEEK—A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas active participation by youth in appropriate physical activities contributes to their fitness and to the maintenance of our national vigor and vitality; and

Whereas little leagues in communities throughout the Nation have made it possble for thousands of young boys to take an active part in our national game of baseball; and

Whereas Little League baseball not only promotes the physical well-being of the players, but also instills into them the qualities of fairness, cooperation, and discipline—qualities which contribute to the development of good citizenship; and

Whereas the Congress, by House Concurrent Resolution 17, agreed to June 1, 1959, has requested the President to designate the week beginning the second Monday in June of each year as "National Little League Baseball Week," in recognition of the national and community benefits resulting from Little League activity: Now, therefore,

I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning the second Monday in June of 1961 and the week beginning the second Monday in June of each succeeding year as "National Little League Baseball Week."

And I invite the people of the United States to observe that week in schools, parks, athletic fields, and other suitable places with appropriate ceremonies and activities designed to emphasize the importance of the physical development of our Nation's youth.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 18th day of April, in the year of our Lord 1961, and of the independence of the United States of America the 185th.

[SEAL] JOHN F. KENNEDY.

By the President:

DEAN RUSK.
Secretary of State.

Gross Waste in Military Procurement

EXTENSION OF REMARKS
OF

HON. EARL WILSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. WILSON of Indiana. Mr. Speaker, for the past 15 months I have been making a detailed study into the procurement methods of the Defense Department. I have looked into scores of cases and have studied the pattern of procurement procedures in various branches of the service.

The discoveries I have made and the information I have uncovered are shocking to say the least. If an unprejudiced committee can be authorized to make a full-scale investigation, it will find a scandal in military procurement that will make Teapot Dome look like a ladies tea party.

I want to thank the Comptroller General, Joseph Campbell, and his fine staff in the General Accounting Office for their cooperation in my study. There are others whom I would like to thank for assisting me in documenting various case histories. Their assistance has been invaluable, and now, although all the facts are not in, the conclusions are, for the most part, formed.

Mr. Speaker, I am informed that approximately 80 percent of our defense equipment is procured through "sole source or negotiated" methods. This means simply that someone in a branch of, say, the Navy Department, determines that for some reason or another only one company is to be allowed to make needed equipment. In many cases no other company is allowed to bid. The favored company submits its bid, negotiates with the civil servant responsible for the contract, and gets the award.

The effect of this sole source or negotiated award is as simple as it is disastrous for the American taxpayer. My investigation has disclosed that due to this tactic, approximately 30 percent of our defense procurement funds are being squandered and wasted.

If this is allowed to happen during the next fiscal year, approximately $12 to $15 billion of taxpayers' money will go down the drain. This is a disastrous and unnecessary waste of funds, but it has been going on for years and is getting worse instead of better. I have documentation in my files, built up during my study, that proves the inefficiency, impropriety, and lack of foresight of this sole source method.

Almost every one of these sole source and negotiated procurements is justified for reasons of emergency or urgency. The excuse that is given is, "we must have it, and we must have it now." Using reasons of national defense urgency, the department involved shuts out all competition, awards the contract as it sees fit, and inevitably wastes millions of taxpayers' dollars.

The procurement mechanism of the various departments is such that officials involved can weed out all competition except desired sole source manufacturers.

In conducting my 15-month study, I concentrated on one area of the Defense Department—the Navy Department. I asked specific questions of the General Accounting Office on various Navy procurement transactions. I was given specific answers. When woven into a full story, they paint for me as they would paint for you a picture of gross waste of taxpayers' money, almost unbelievable mismanagement, and possible duplicity on the part of Government appointees.

My purpose here today is not to confuse you with a recital of all the cases I have documented. My files speak for themselves. The questions are written; the answers are written. The conclusions, therefore, are as easily reached as they are damning.

To illustrate my point, I have prepared a statement about one particular case. I have stated exactly what I expected to happen in this case. It has happened in just that way, and I want to call the case to the attention of the Congress. There are more. Some are even more serious. This is just one.

The case I wish to describe is that of the AN/PRC 41 radio set—a portable UHF radio that is to be used, I am told, by the Marine Corps. The Navy Department proposed to buy this equipment under a "sole source" agreement with a firm I shall call, Company A. To do this it was necessary to issue a justification for what is known as a determination and finding of a sole-source requirement. This order was signed on March 22, 1962, by Under Secretary of the Navy Kenneth M. BeLieu, who certified that the property was needed so urgently that "procurement by advertising and competitive bid will unduly delay procurement." For that reason it was decided by the Navy Department that only Company A would be allowed to bid on the AN/PRC 41.

In making that decision, however, the Navy Department was also bound by a Navy policy stated in a letter to the Comptroller General on April 14, 1959. That policy provides that even though the determination and findings specifically state that only certain companies are believed to be able to meet requirements, other companies shall not be precluded from bidding. Consequently, we now give a request for proposal to any company in the industry.

In other words, American industry is allowed to compete even if there is a determination and finding of sole source. That is what the Navy Department policy says, is it not?

As you are going to learn, what the Navy Department says and what the Navy Department does are two different things, because on April 5, 1962, a reputable manufacturer—one of the finest electronics firms in the world—was denied a request for proposal. D. E. Weatherly, Acting Director, Contract Division, Bureau of Ships, denied the company a chance to bid. His reason was that drawings of the equipment were not available. Why were they not available? Because, as my evidence shows, the Navy Department paid almost $1 million to Company A to develop this radio and then told the developer not to send the plans for it. This action was justified by a Navy Department individual identified as H. Mullally and another named S. D. Keim.

Acting on the assumption that Navy policy means what it says, I asked this same highly regarded firm that was denied a chance to bid to prepare a proposal on this radio set. Company B, as I shall call this firm, is a solid electronics manufacturer with a $100 million backlog of business and an extremely high degree of performance in past contracts, military and domestic. I secured technical information for Company B that was available to any other companies interested in the radio set. In doing this, I might interject, I found that the Navy Department paid $1 million for the development of the AN/PRC 41, which was already 40 percent developed under another expensive Research and Development for a radio identified as the AN/ARC 51.

At the same time, I requested the Navy Department to delay any award of contract for this radio until I could complete my study, and it did so.

On May 21, 1962, I made a written presentation to Secretary of the Navy Fred Korth, in which I reviewed in general terms the findings of my 15-month study. I also reviewed with particular detail the AN/PRC 41 procurement, pointing out how stated Navy policy had been subverted and how it appeared to me that the American taxpayer was paying dearly in these sole-source actions.

I also included in my presentation to Secretary Korth the proposal of Company B, the reputable firm I had prevailed upon to make a bid for the manufacture of this radio set. It was complete down to the price of every bolt and nut and was a perfect presentation in every manner. It stood on its own merits.

On May 11, 1962, I requested that the Comptroller General take cognizance of the Company A bid and determine the cost to the taxpayer for this sole-source action. I stated at that time that I did not wish to know the amount of the Company A bid, but wanted a third party to have full particulars. This was done to prevent any shenanigans by anyone in the Navy Department with the original Company A bid. It may sound like I distrust some Navy personnel, but my 15-month study has convinced me to leave no stone unturned in trying to get a fair treatment of any case.

When my presentation was given to an aide of Secretary Korth, I requested that the General Accounting Office have two representatives there to observe the action. At the same time, I also requested to then be allowed to look at the proposal of Company A to see just how the cost of producing these radios differed from the proposal of Company B.

Upon receipt of the Company A bid, I checked it with the Company B bid, which I had had prepared, and found that the Company B bid, the firm in my district, was 34 percent lower than the Company A bid, the sole source firm. Company B's bid saved the Government $1,300,000 in one stroke of the pen.

Prior to the delivery of my presentation, prior to the time the bids for Company A and Company B were both known, Secretary of the Navy Korth had informed me of the urgent need for this material. He assured me he was going to personally see to it that it was delivered.

After studying both bids, however, the inexcusable predicament the Navy was in was apparently realized. Secretary Korth then said the award of contract was to be delayed pending an investigation. The urgent nature of this procurement had already started slipping away.

I told Mr. Korth then as I tell you now, Mr. Speaker, there is no correlation between any investigation and the award of this contract to either Company A or Company B. Certainly there should be a full investigation of this and many other Navy procurement matters I now have in my files.

Why was this contract justified as a sole source award? Why was $1,300,000 of the taxpayers' money about to be wasted? The answers to these and other questions may embarrass certain Members of Congress responsible for appointing those in authority as well as the Navy Department, once the facts are made public.

But, I repeat, there is no correlation between the award of contract and an investigation. If the Marines need this equipment, it should be contracted for, built, and delivered as fast as possible, with the best equipment purchased for the least expenditure of the taxpayers' dollar. After the contract has been awarded, the investigation can, should, and will proceed, and my documentation will be available for those who wish answers to specific questions.

At this point, I wish to tell you that the Navy Department does not apparently agree with my feelings. I am informed that those who are in charge of this procurement have stated there are only two avenues now open to the Navy Department. One is to give the contract to the sole source company—"Company A"—at a price 34 percent in excess of "Company B's" bid, costing the taxpayers $1,300,000 more than necessary. The other is to cancel the present procurement and readvertise it as an open and competitive action.

If the first course is followed, the taxpayers' pockets will be picked to the tune of $1,300,000. If the second is followed, the Navy Department will be admitting that its certification of urgency of March 22, 1962, was fraudulent on its face and was arrived at simply to give a favored company—"Company A"—Government business at highly inflated prices. The Navy Department will also delay award of contract for this radio for several months, and this will hold back delivery of the radios to the Marines.

Mr. Speaker, every electronics firm in the United States had the same identical opportunity to bid on this radio set as the company which I have the privilege to represent as a part of my district. All they had to do was follow the same procedures. They did not do so, and because of that, there can be no excuse or justification for reopening of any bidding for the manufacture of this radio. There can be no excuse, that is, unless, as the history of previous contracts dictates, it is intended that eventually the same sole source firm get the contract and the taxpayers will have to shell out $1,300,000, or 34 percent more than necessary.

Mr. Speaker, there is one and only one honorable way to handle this situation in view of the repeated statements of urgency of requirement by procurement officers. That way is to issue this contract to this reputable electronics firm—"Company B"—and then get on with the job, save the taxpayers $1.3 million, get this equipment to the Marines, and, in due time, let the red faces in the Navy procurement section cool off.

The only thing now holding up this project is the embarrassment to incompetent, inefficient, people who have gotten themselves into this mess and who are now looking for a way to save their own skins.

It should be held up no longer. The contract should be awarded to "Company B" and a full-scale investigation of Navy procurement should be ordered by the proper agency of the House to begin at once. My files are open for just such a public investigation. The taxpayers have a right to know how their money is being squandered and wasted, and they have a right to insist that the practices be stopped and those who are guilty of promoting them punished by the law.

In conclusion, Mr. Speaker, I wish to state that I shall have more to say on this matter at another time in the near future. It is not all over with this first presentation. There are more details on this first case. And there are many more cases much more serious in nature. We have but scratched the surface here today. The festering sore underneath that costs the taxpayers billions each year is still untouched. Let me assure you that before I am through, it is going to be lanced and the core removed. Let me promise you that you will be as appalled as I at the waste in our military procurement sections when all the facts have been revealed.

Promises and Performances

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 6, 1962

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article entitled "Promises and Performances" from my newsletter to my constituents:

PROMISES AND PERFORMANCES

National policy and goals at home and abroad are so inconsistent and fluctuating that it is difficult to assess our position in the world today. We have no fiscal policy or basic program either in spending or taxing. We have no recognizable foreign policy. These statements are incontestable. Let's look at some promises and performances and round up some of this week's legislative events. In promising to "get America moving again" President Kennedy promised less unemployment; unemployment is higher, averaging over 6 percent, and business failures are up 11 percent. He promised stabilized cost of living; it is climbing, and at the highest level in history. He promised to cut the Republican farm program cost by $2 billion; the farm program has been increased already $1.1 billion in the last year. He promised lower interest rates; there is no change. He promised sound fiscal policy and a balanced budget; the 1961 deficit was $3.8 billion, the 1962 will be $7 billion (or more) and 1963 estimate is out of sight. He promised more new reclamation starts; not one start in a full year. He promised aid to depressed timber industry; nothing. He endorsed the B–70 program; he killed it. These are but a few of the promises. Granted that some or many of these areas should not be the responsibility of the Federal Government, as in the case of employment, yet the President, having injected the Federal Government, in promising changes, to take credit for the better, must accept the blame. Remembering promises and performances and the role of Federal Government let's look at current events in legislation.

The School Lunch Act passed 370–11. Others have joined me in my earlier lone opposition. Once again the Government will expand its welfare work into fields of nutritional standards with greater Federal control over our youth and local school systems. With justifiable pride I reported to the House the rejection of the school lunch program by the Richardson school board. I hold this feeding of our people is unconstitutional and the imposing of nutritional standards by Federal mandate doubly so. As a side issue, this would be a possible means for any subversive to impair our children's health. Who's to say in a showdown, what food is nutritional for your child, you or the Federal bureaucrat?

The Tax Extension Act of 1962 continuing the temporary Korean wartime taxes passed handily. These taxes include corporate rate up from 47 to 52 percent and excise taxes on spirits, beer, wine, tobacco, autos and auto parts, telephone, and transportation. I opposed the bill for these reasons: (1) Taxes should be less, not more; (2) taxes should be removed in reverse order as put on, starting with most recent increases; (3) wartime emergency taxes of a punitive or deterrent nature are not proper now; (4) business and consumers need incentives and stimulus; (5) more spending money resulting from lower taxes is the answer for business to reinvest and people to save or spend; (6) lower taxes will provide greater revenue to Government ultimately, since business can reinvest, hire more, produce more, make more profit, and taxes come out of profit; (7) the entire package includes lower taxes, less Federal spending, reduced debt, and balanced budget; (8) as a Member dedicated to sound fiscal policy I will not pick up the tab for the big spenders, but will force them to reduce spending by lowering taxes and preventing debt ceiling increases; (9) these taxes are wrong as a part of the "carrot and stick" tax policy to effect social reform, instead of solely to raise revenue for Government cost; (10) these taxes are borne by those of modest income, and I'm for increasing take-home pay in the envelope. Union members and laboring people everywhere, all of us, should remember the words of the "father" of the labor union movement in America, Samuel Gompers, "Doing for people what they can and ought to do for themselves is a dangerous experiment. In the last analysis, the welfare of the workers depends upon their own initiative. Whatever is done under the guise of philanthropy or social morality which in any way lessens initiative is the greatest crime that can be committed against the toiler. Let social busybodies and professional 'public morals experts' in their fads reflect the perils they rashly invite under this pretense of social welfare." President Kennedy and the overwhelming Democratic majority prevailed in extending these taxes. (See earlier newsletters.)

P.S. to union members: A modern-day development is no credit to the unions—jurisdictional warfare between unions, which has held up construction of a Titan missile base in Wichita, Kans., more than 2 months, over "who's to dig and set the power poles—the Operating Engineers Union or the International Brotherhood of Electrical Workers?"

Medical care for the aged under social security is generating heavy mail with 90 percent or more of the people against such a proposal. Obviously, the American people are not going to be "snowed under" on this issue by the President. Interestingly enough Postmaster General Day in 1960 said the United States couldn't afford such a program pointing out that it would increase costs 26 percent more under social security on a long-term basis, and would only be a first step on still more expensive Federal health care. Even more generally he pointed out what I've been saying on the House floor for years "already we are postponing the evil day of paying for the present social security beneficent structure."

"Trade, not aid" is a forgotten slogan. The Senate voted a $4.7 billion gift to other nations, including aid to Communists at a time when they are in trouble (and we should not bail them out) and we are in trouble (only $16½ billion gold left, $11.7 billion needed to undergird our currency). This week's modern tragedy includes the Senate reversing itself on aid to Communist governments. I predict the people will force the President and Congress to act responsibly and deny aid to our dedicated enemies. This is not charity, this is our suicide. Fortunately, the actual appropriation is still to be considered. Meanwhile, the trade bill is being readied for floor debate—while the Common Market countries are raising their trade barriers against our industries, we are busily engaged in preparing to lower further our already low tariffs. How some of our businesses will fare is becoming increasingly and painfully clear. Still not reckoned by Congressmen is the cost to our industry (in its world competition) of our Government laws superimposed on other costs of doing business. Federal regulation and taxes hamstring in competing in world markets.

The State Department sickness is best exemplified by Under Secretary Ball's "no win" official policy—as he said "The word 'victory' has a militaristic and aggressive ring. * * *

"It also implies an 'all or nothing' approach leaving no room for accommodation." (Accommodate, as explained in Webster's New Collegiate Dictionary: (1) to render fit or correspondent; to adapt; to accommodate ourselves to circumstances; (2) to bring into agreement or harmony; to adapt oneself; to make adjustment; accommodation: the act of accommodating.) As DON BRUCE, Congressman from Indiana said, "'Give me liberty or give me death' would today be blue-penciled by the State Department to read 'Give me accommodation with the enemy and minimize the risk involved in protecting liberty.'" What would the State Department have done in editing General MacArthur's speech (last week's newsletter)? Perhaps this policy now explains our policy and the men behind it in our refusal to win in Korea; our refusal to win in Cuba; and our present attempt to neutralize Laos into the hands of the Communists.

The New York Herald Tribune has been boycotted by the President and now, interestingly enough, has been removed from the Speaker's lobby, where the Congressmen receive daily the newspapers of the Nation. Can it be the President and his advisers really think they can prescribe or limit Congressmen's reading material?

This week all Republican Members of Congress of both Houses joined in a single expression of principle, uniting them despite differences in an overall concept of government which the Democratic Party as a whole or in groups could not possibly support. Since this statement is basic American constitutional interpretation of the role of Federal Government in our lives, it is a blueprint which expresses, I feel sure, the beliefs of a great majority of all Americans everywhere and supports the claim now made that the Republican Party alone is truly a national party representing all the people (in or out of pressure groups) as a unified whole for the betterment of our people and the preservation of personal freedom from Government regimentation.

On the contrary, the Democratic Party stands for big spending and heavy taxation. Who foots this bill? (The wealthy? Yes, up to 91 percent, we can't get much more there. Taking all the money over $25,000 as President Roosevelt proposed wouldn't pay the cost of Government except for several days.) The burden of taxation as it always must be, is borne by those of modest income. So every time the big spenders add another Federal program or spend more in an existing one it means more out of John and Jane Doe's paychecks. When will our people wake up?

Children's Art Exchange

EXTENSION OF REMARKS

OF

HON. CHARLES McC. MATHIAS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. MATHIAS. Mr. Speaker, during the past year an organization has come into existence in Montgomery County, Md., which has been enlisting the help of our Nation's junior diplomats throughout our country. The Children's Art Exchange was conceived and developed by Mrs. Paul A. Allee, director, in Rockville, Md., for the purpose of developing good will exchanges of artwork between our young people and those of other countries. I think it is worthy of nationwide recognition.

The work of the Children's Art Exchange on all fronts is serving us all locally, nationally, and internationally by striving for improved understanding and friendship in the world community.

Working largely through our schools, pictures and other artwork have been collected and sent to numerous countries at the request of government and embassy officials. Art from 18 countries has also been collected for display in small exhibits within the Montgomery County school system.

Through the School Arts magazine, interest has spread throughout the Nation, and requests for participation are currently being met by the Children's Art Exchange in the form of direct two-way exchanges of artwork between our schools and those of other countries.

Two categories of artwork are being developed. A social study group puts the program within reach of every classroom. Small packets of artwork are developed by the students, giving consideration to content, particularly with respect to sharing cultural and geographical information. The work is executed on personal terms making this a valuable educational tool in the hands of competent teachers. The children are personally involved in the problem of telling children of other countries about life as we live it in the United States, specifically in terms of their own real experience. This phase of the program proceeds quietly and without fanfare, often accompanied by photos and "Dear Friend" letters.

The second category is the art-oriented group, where special emphasis is on visual impact. Artwork varies in size and media. Here, too, emphasis is placed on conveying our way of life to children in foreign countries. Artistic expression is given a wider range, however, and the artwork which results is a visual delight to young and old alike. The individual differences and similarities prove again that art is a truly universal language which in its sharing produces an immediate feeling of kinship with the junior artists of the world.

We in Maryland are justly proud of the work being done by our young people through the program of the Children's Art Exchange. During the month of May the Rockville Art Gallery held a showing of a fine collection of artwork sent by the children of Athens, Greece. In return, a large collection is being sent to Athens from the students of Rockville schools.

An additional collection is also being assembled for UNESCO to be exhibited in Seoul, Korea, and exhibitions are being formed which will be sent to Australia, New Zealand, South Africa, and Brazil, in response to requests.

The Montgomery County Arts Center sponsored the Children's International Art Exhibit from May 25 to May 31 at the National 4-H Club at 7100 Connecticut Avenue in Chevy Chase, Md. This exhibit included art work collected by the Children's Art Exchange from 18 countries, and is the first international exhibit of its kind in the Washington Metropolitan area.

These were made available to our children and to the general public without charge, which means a considerable amount of financial responsibility is thus placed on the functional, skeleton organization of the Children's Art Exchange. Financial support for the exchange in the form of patron donations and contributions is urgently needed.

May marked the beginning of a fundraising sale of stationery bearing the imprint of block prints executed by the students of Punahou School in Hawaii. This is a charming "History of Hawaii" series, and the art work of our newest and 50th State has been chosen for this important event. Support of the Children's Art Exchange is possible through the purchase of this stationery as well as through direct contributions to the Children's Art Exchange, Box 48, Rockville, Md.

The Children's Art Exchange is an important feature of international cultural exchanges, and I am proud that this worthwhile endeavor is taking place close to our Nation's Capitol, in the Sixth Congressional District of Maryland.

Catholic War Veterans Alert Parents to Narcotics Addiction

EXTENSION OF REMARKS

OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. ADDABBO. Mr. Speaker, on May 28, 1962, St. Teresa of Avila Post No. 738, Catholic War Veterans and Ladies Auxiliary, sponsored a program in my congressional district to alert the parents to the ever-present danger to their children of narcotics addiction. It was my privilege to appear on the program together with Assistant District Attorney, Queens County, N.Y., John Santucci.

I take this opportunity to compliment Thomas Carbett, commander; Leonard J. Demchak, chairman; and Jack Kelly, cochairman, for their foresight in bringing to the attention of the community this serious problem of addiction. I am convinced that only through proper attention and education can this disease be wiped out. The New York Journal-American is also to be congratulated for its sponsorship of the film "Assignment Teenage Junkies," which it makes available, free of charge, for programs of this kind. This film graphically illustrates the dreaded results of the use of narcotics.

It is my hope that foresighted organizations throughout the United States will follow the lead of St. Teresa of Avila Post No. 738 and forcefully bring to the attention of parents everywhere the problem of narcotics addiction. We must not be complacent, thinking it cannot happen here. Statistics prove that narcotics addiction is on the rise, especially in the teenage population.

A Call for United Rail Action

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. VAN ZANDT. Mr. Speaker, under leave granted to me, I am inserting in the CONGRESSIONAL RECORD an article entitled "A Call for United Rail Action," written by me for the May–June 1962 issue of Progressive Railroad, published in Chicago for railway executives throughout the Nation.

This article, I believe, underscores the need for both management and labor in the railroad industry, plus their suppliers and loyal customers, to unite now to push through Congress the salient reforms needed to make it possible for railroads to compete, on an equitable basis, with other forms of transportation moving men and materials.

The railroads still are the backbone of our great industrial economy. I earnestly hope that my colleagues will read this article and will be moved to work for the enactment of legislation desperately needed by the railroad industry today.

The article is as follows:

A CALL FOR UNITED RAIL ACTION

(By Hon. JAMES E. VAN ZANDT)

The railroad industry long has been the "underdog" in the Nation's vital transportation industry. And in no part of the Nation has this been more true than in Washington, D.C., the seat of our Federal Government, and in the 1-square-mile area known as Capitol Hill.

No lengthy studies are needed to document the facts about the railroads, in contrast to other transport industries.

Every person who has kept in the least informed knows that the airlines have been subsidized for decades—built up from a few regional airline companies into great international and national carriers. They crisscross the country, hauling hundreds of thousands of passengers who once used trains exclusively for their pleasure and business travel.

Inland waterways and ocean shipping have been favored in special ways also for decades, as the facts of history show clearly. Hundreds of millions in open or hidden subsidies may be traced to these phases of the transport industry.

Trucks and buses also have been favored like the first two branches of our transport system mentioned. Trucks always have enjoyed the privilege of using the public highways for private profit in carrying goods.

Another competitor, quite obvious but sometimes overlooked, has been the motor car. In virtually every phase of the development of the use of the automobile, and particularly through the multibillion-dollar superhighways now stretching across the country, the private manufacturers of cars have had the willing assistance of public authorities. In ways so numerous they cannot be detailed for lack of space, the automobile has been the darling of our governmental leaders through decades, locally and nationally, just as its auxiliaries—the bus and truck—have been.

Yet, the railroad industry and its devoted employees have continued to give good and vital service to the people. The railroads through our various wars have performed mighty services to the Nation. There is every reason to believe that now, as always, in case of a limited war on or in a full-scale conflagration, the Nation would be severely handicapped, if not prostrate, if the railroads could not deliver the vital goods—the hardware that is more precious than gold in battles anywhere these days.

In short, although sorely pressed by competitors, the railroad industry still is the transportation backbone of an industrial economy—and the United States is far and away the greatest industrial power the world has ever seen.

In recent weeks, the President has sent to Congress a 6,000-word message on transportation, bristling with old and new ideas. Generally, it is considered to be highly favorable to the railroad industry. There have been some bills introduced to implement parts of the President's proposals and others undoubtedly will be introduced, but the odds seem to be great that neither the House of Representatives nor the Senate will get around to considering the most vital of these proposals this year.

NOW IS THE TIME FOR UNITED ACTION BY THE RAILROAD INDUSTRY

That is why I feel that this is a time for united action by all segments of the rail industry, and all of those companies which supply the railroads and help not only themselves but the general economy.

I believe that a concerted campaign should be started by the railroads to let the voice of rail management and labor be heard more loudly and clearly in the halls of the people. If it were begun, and maintained in intensity, such a campaign would make it possible for Congressmen, pressed with other matters and other interests, to concentrate once more on the most vital of our transport industries, and its problems, and to pass legislation that will implement the President's pertinent recommendations.

This is not a call for a new congressional investigation, or any other kind of investigation. As my senatorial colleague, JOHN MARSHALL BUTLER, Republican, of Maryland, has pointed out, there is little need for further studies. He declares that the Archives of the United States already are "bulging with 36,000 cubic feet of studies on transportation."

As most of those familiar with transport problems know, a lengthy study of rail problems, in relation to its competition, was made under the direction of my senatorial colleague, GEORGE SMATHERS, Democrat, of Florida, only a couple of years ago, and the facts have not changed so greatly since then as to require new studies, new investigations, or new ways of wasting the taxpayer's money.

It seems to me that a united effort, coming at this time, not only would do much to alert the Congress to the pressing needs of the railroad industry but also once more would focus the public's gaze on the railroad industry and its many problems. There would be subsidiary benefits—millions of younger Americans—having been brainwashed, so to speak, to believe only in cars, buses, and trucks—would be able to get acquainted with facts about fast-moving freight by train and the vitality of the railroad industry today.

Something must be done—and it ought to be done now—to impress upon the people the staggering growth in population ahead, and the problems to be posed by this growth, in terms of moving both manpower and materials from one place to another. There is no reason to tear up rails to build bigger highways, when traffic jams get longer and more frequent. There is every reason to believe that railroads can play a bigger part in moving both men and materials in the future than they are playing now and that they will represent the most economical way, from the overall standpoint of all our people.

PRESIDENT'S MESSAGE ONLY A MESSAGE

The President's commendable message was just that—a message. As they say in the book field—"words on paper are only words on paper." In Government, words on paper are stacked away in archives or libraries and become somewhat meaningless without action. The time for talk is not over, but a time for talk and action certainly has arrived, in regard to rail problems, as these relate to local, State, and National Governments.

There is a real danger, in this session of Congress, that the Senate may take action on ill-conceived proposals to halt mergers and to delay needed consolidations in the rail field. If the railroad industry, by failing to take unified action on the President's program—and on other legislation designed to be of positive benefit to rail management and workers alike—allows those who would put the Interstate Commerce Commission in a straitjacket to gain the limelight, it would be tragic for the railroad industry and for the country.

The White House has furnished Congress a wonderful document in the President's message, and railroad leaders, in my view, were correct in hailing it as a partial answer to many of their current and upcoming problems.

Yet, my call for action is not limited merely to the generally fine recommendations made by President John F. Kennedy.

I believe that local and State governments, through various tax changes and reforms, can make life a bit easier for the railroads and certainly can make the competitive race between railroads and trucking companies more equitable. As events have worked in recent years, there has not been real competition between the railroads and their competitors, because the railroads, like Gulliver among the Lilliputians, have been bound down by a myriad of small regulations, taxes and conditions that did not apply to their competitors. Gulliver, you remember, could have snapped one or several of the strings, with ease, but when there were thousands of threads around his huge arms and legs, he was relatively powerless.

Likewise, the railroads have been hamstrung, debilitated, and rendered almost powerless, too, by a myriad of strings. My thought is that, unitedly and with vigor, the giant should begin to work to remove many of the threads that add to his impotence, or sap his strength.

TAXES

Tax-wise, railroads have been considered fair game by every little municipality and every State. There is no reason to repeat the figures—for one railroad or for all of them—for they are a matter of public record in every case. Yet, if the railroads could just get a 10-percent reduction in local real estate or other taxes, it would go far toward restoring their vigor and competitivity and the equity of the competitive race among the forms of transport.

Likewise, in the Federal Establishment much more could be done to give the railroads a tax break. Some railroad interests supported the new tax revision act (which provided for a 7-percent tax credit in the form passed by the House of Representatives), although they knew that this approach was not the best. Faster depreciation, in my view, is the correct approach to helping industry tax-wise, from the standpoint of Uncle Sam's enormous tax-hands, but I couldn't blame those in the railroad industry who favored the tax credit idea. The railroads need every form of tax help they can get, and anyone familiar with the facts knows that in desperation an industry will accept a "half a loaf," rather than no help whatever.

Local, State, and Federal authorities can do much to remove some of the strings which bind down the rail industry, too, by tightening both laws and inspection forces on "illegal cargo," which has moved around the Nation in increasing quantities in recent years. There's really no telling—according to men who have studied this subject—how much freight is moved by unregulated carriers who have no business carrying the freight.

They escape taxation, in most ways, and whatever they carry obviously is subtracted from the freight that would be available to the legitimate carriers in the transportation industry.

One of the great problems in Government—considering the multiplicity of problems which face the legislators and the administrators all the time—is that of focusing attention on the plight of one industry and getting prompt and effective remedial legislation. The rail industry has gone along for literally decades, seeking to get its story before the Congress in such a way as to rectify age-old damages and troubles, and still there are delays and much hedging all over the lot. I believe that with a unified effort now, in view of the report on "featherbedding" of the Presidential Railroad Commission and of the President's emphasis on new legislation and procedures, it may be possible for the railroad industry to make more progress this year, and in the upcoming 88th Congress, than it has made in many, many years of desultory "business as usual" effort.

The truth is that the railroad industry has many friends in Congress, on both sides of the aisle, who recognize the realities of the situation and earnestly want to do something about the many problems facing the industry. A concerted effort at this time might serve to unify these many friends and supporters into a cohesive, working bloc, regardless of party, to put over the President's recommendations and to initiate and to pass other specific, concrete proposals to give our railroad industry some equity with its competitors.

Cannot Trust TVA Public Power Boys

EXTENSION OF REMARKS

OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 6, 1962

Mr. SCHERER. Mr. Speaker, the other day I received a letter from Mr. F. I. Fairman, president of Kentucky Utilities, in which he tells of the activities of TVA officials encouraging city officials to pressure the Congress to permit TVA to expand its territory. He brings up a matter that should be of utmost concern to every Member of this House.

It might be said that this particular problem had its beginning in 1959, because as I see it, we in the Congress made two mistakes. The first mistake was in permitting TVA to get out from under the direct control of Congress by financing its future construction through the sale of revenue bonds. In working out the amendment to the TVA Act which would permit revenue bond financing, the Congress established—at least it thought it was establishing—an area limitation within which TVA was to confine its operations.

Then we made our second serious mistake by allowing six cities to be excepted from the area limitation simply because it was said those cities had contemplated getting TVA power at sometime in the future.

It may be recalled that several of our colleagues thought at the time this was a bad move and so expressed themselves on the floor of the House. On May 6, 1959, I said:

> Is anyone so naive as to believe that, as time goes on, TVA will not find additional excuses or reasons why other communities should be included as exceptions to the Vinson amendment? In fact, I just learned that amendments are to be offered which will exempt additional communities from the operations of the Vinson amendment. Does anyone believe that, after TVA has been given its bond-issuing authority, assaults will not be made to repeal the Vinson amendment?

I said at the time that the ink would not be dry on the bill before the propaganda campaign for decimation of the Vinson amendment would begin. Well, Mr. Speaker, the record of the past couple of years clearly shows it did begin and has been going on ever since.

After the revenue bond act was passed one of TVA's first moves was to start construction of a gigantic steam electric generating plant in Kentucky at the extreme northern edge of its territory.

One would think that economy and good engineering would dictate that a powerplant would be located as close as possible to the population centers where the power would actually be consumed. But in locating the Paradise steamplant TVA seems to have had motives other than sound engineering and economics in mind—like perhaps wanting a steamplant at the edge of its territory so it could start agitation for extension of its boundaries.

As soon as possible after the act was passed, some of the exempted cities in Kentucky authorized elections to determine whether they would kick a good taxpayer, Kentucky Utilities, out and take subsidized TVA power. One would think that this was a decision that should be made solely by the citizens of the community involved but that did not deter TVA. During the campaign preceding the election, TVA officials were in these cities advising, and I am sure campaigning for TVA power. Local officials of rural electric cooperatives also joined in the campaigns even to the extent of running advertisements in the local newspapers.

Mr. Speaker this is quite a picture to paint in your mind's eye—there was subsidized TVA and nontaxpaying rural electric cooperatives, financed by 2-percent Treasury funds, spending money for a campaign in a local municipal election on an issue that was none of their business. Since Kentucky Utilities is a heavy taxpayer, it might be said that this company was being forced to put up some of the money—at least indirectly—that TVA and the electric cooperatives were using against it.

If this was not bad enough, now we have an even more serious situation. We have TVA board members, headed by the chairman actively urging officials of cities outside the TVA area to pressure Congress to amend the act and permit expansion of the TVA territory. I for one have enough problems that come up naturally without having some bureaucrats out trying to stir up more people to put pressure on us.

How did this come about? It seems that Kentucky Utilities, an investor-financed electric utility company, through its subsidiary, Old Dominion Power Co., was attempting to renew its franchises with some electric customers in Wise and Lee Counties and the city of Norton in southwestern Virginia. At this same time, according to the July 27, 1961, issue of Coalfield Progress, a newspaper of Norton, Va., officials of Wise and Lee Counties and the city of Norton met with Chairman Herbert Vogel and other officials of TVA. The following account of this meeting is quoted from the Coalfield Progress:

> Tennessee Valley Authority officials in Knoxville, Monday morning, told representatives from Wise and Lee Counties, and the city of Norton, that their only "loophole" in getting TVA power into the area is by an act of Congress.
>
> They tempered these cold, hard facts, however, by stating that such an act is not out of the realm of possibility. They told the group that for the amount of money they would save in power rates, the venture is worth working for.
>
> In discussing the possibility of changing the law, by an act of Congress, General Vogel said: "We're using your water (southwest Virginia is in the TV watershed) to help produce power, and you are not getting any of the benefits. That's a strong moral point."
>
> When one of the TVA officials was pinned down, when his advice was asked on the controversial ODP franchise proposals, he answered, "If you sign the franchise you'll lock the door."

I do not know how many more meetings TVA representatives have had with officials of cities outside the TVA area in promoting dissatisfaction with electric service they are now getting and trying to drum up agitation for TVA power, but I am sure they must have been quite active.

I have here, for example, an excerpt from Tri-City News of Cumberland, Ky., dated January 25, 1962, with a headline that reads:

> "TV power for Cumberland is possible," says General Vogel.

This article refers to a meeting that Cumberland officials held with the TVA board. I want to quote a news statement from the Tri-City News:

> Gen. Herbert D. Vogel, Chairman of the Tennessee Valley Authority, told city officials at a meeting in Knoxville last Thursday that TVA power for Cumberland is possible, and that the TVA powerlines are located only 10 miles from the city. Vogel also stated that the nearest TVA substation was located only 31 miles from Cumberland. He said that his board would be glad to work with Cumberland officials in any way possible in their quest for low-cost power.
>
> Director Wagner said, "Never let up in your drive for low-cost power. Getting lower power rates would mean better living conditions and great savings for all the citizens. It would also be an inducement to industry."
>
> Mayor Isaac requested General Vogel to outline the proper steps for the city to follow in getting TVA power. Vogel said, "The main hurdle to overcome is to get congressional action to amend the TVA Act passed in 1959 which limited the area TVA can serve."
>
> Vogel continued, "It is possible for the people of Cumberland to have low cost TVA power if they are willing to work for it."

Mr. Speaker, I want every Member of this House to listen carefully to what General Vogel told these city officials to do to put pressure on the Members of Congress. I am still quoting from the Tri-City News.

> He then enumerated the steps the city officials should take.
>
> 1. Start work at once on the Kentucky delegation in Congress to get a commitment from them to extend the limits of the TVA service area to include Cumberland.
>
> 2. Get neighboring cities in Virginia to work on their delegation to also support the extension.
>
> 3. With these two congressional delegations behind your efforts, let them work for your cause with their fellow Senators and Representatives until enough are favorable to it.
>
> 4. Get other nearby cites in Virginia and Kentucky who want TVA power to join Cumberland in their efforts.
>
> General Vogel said, "Feel free to contact our general counsel, Mr. McCarthy. He will be glad to work with Cumberland on any legal problems encountered."
>
> It was explained that Cumberland would be closing the door on eventually getting TVA power if another 20-year franchise were given.

Mr. Speaker, are we appropriating Federal funds to pay the salaries of General Vogel, Mr. McCarthy and other officials of TVA so that they can go around the countryside trying to get people worked up against the intentions of Congress?

Some of my colleagues were no doubt sincere in their belief that if we gave TVA authority to finance with revenue bonds and limited the area in which it could operate that we would relieve ourselves of a continuing worrisome problem. Obviously, we have not. That should be clear to all who follow the machinations of that outfit. All we did was to relieve TVA of close congressional scrutiny. It had always been a sacred cow; but, so long as it was dependent upon appropriations, the Congress could exert some semblance of control over it. We turned it loose; now I want to ask you what control do we have over it? The bureaucrats running it apparently have no more respect for the wishes and intentions of the Congress than the Communists have.

When we created TVA the majority apparently thought we were entering upon a great natural resources development venture that would bring prosperity to a weak and downtrodden area of the country. We were to develop the rivers providing flood control and navigation and, as an incidental byproduct, some cheap electric power that could be distributed through existing facilities for the benefit of the homes in the area. We were to conserve the soil, reforest untillable lands and develop methods of producing different types of fertilizer. In fact, we were to develop a virtual paradise.

The dream did not last very long; a nightmare took its place. The socialized power boys got control. They kicked out old Dr. Morgan, the original chairman, because he still believed that electric power should be an incidental byproduct subordinated to the legitimate functions of the agency. They then set forth with interest-free money and exemption from Federal taxation to develop a giant Federal power monopoly and that is what we have today. This insatiable Federal octopus has its tenacles pounding at the boundaries established by the Congress and if we ever weaken and let one of these tentacles break through they will break through in all directions. It would only be a matter of time before TVA would occupy the entire Southeast.

When we were considering a boundary, TVA proponents, including its officials, vigorously opposed such restrictions while at the same time disclaiming any desire to expand. A review of the newspaper articles I quoted disclose the hypocrisy of their denials. Oh, they will deny promoting expansion and say they were only fulfilling their official duties by advising citizens as to why TVA could not serve them. But, Mr. Speaker, the actions of TVA agents far exceeded any official duties.

They encouraged citizens to pressure the Congress to extend the TVA boundaries to serve them.

They told them they were entitled to the power because their water helped generate it. Of course, they did not tell them that if they got TVA power, three-fourths of it would be generated in steam plants.

They said that the question of their getting power was a "strong moral point." Were they insinuating that Congress was immoral in denying them the power?

They instructed cities in the procedure to follow in pressuring the Congress to extend TVA boundaries.

They volunteered the services of the TVA general counsel in working out the legal problems.

They volunteered the help of the TVA board in promoting expansion of TVA's operating area.

They cautioned the cities against renewing franchises with existing suppliers lest they close the door against TVA service.

Then they threw out the ever-enticing bait of bringing new industries into the cities with cheap TVA power. I suppose the hunting ground for such industries would be your and my districts as it has been in the past.

Mr. Speaker, do these activities of TVA officials strike you as being legitimate duties of Federal employees? They strike me as bordering on the verge of contempt of the Congress. I suppose it would be expecting too much to think the administration would call them on the carpet for such things because our Federal agencies that handle electric power matters have been loaded with Government power advocates who would probably encourage these activities.

But I do think Members of Congress on both sides of the aisle should be incensed at these public officials who so utterly disregard the wishes of Congress and encourage others to bring pressure to bear on its Members.

No, Mr. Speaker, we did not get rid of the TVA problem—it is just beginning. And we will never be rid of it until we deprive it of its socialistic status and put it on the same basis as investor-financed proprietary businesses.

SENATE

Thursday, June 7, 1962

The Senate met at 12 o'clock noon, and was called to order by Hon. Lee Metcalf, a Senator from the State of Montana.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal God, our Father, Thou hast ordained that not in cushioned seats of safety, but in danger and stern conflict shall we find our strength and our triumph.

In our hearts, O Lord, we cherish the golden heritage that has been bequeathed us through the virtue and valor of those whose records within these legislative halls have helped to make the greatness of our free land.

Inspire us, we pray, so to follow their shining example that we, the children of their faith, may not only hold our inheritance as a precious trust, but by our loyalty, love, and labor may leave it with increased luster to those who, after us, shall inherit the land still bright with freedom's holy light. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., June 7, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. Lee Metcalf, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

Carl Hayden,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 6, 1962, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 11665. An act to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes; and

H.R. 11879. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 11665. An act to revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes; to the Committee on Agriculture and Forestry.

H.R. 11879. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and for other purposes; to the Committee on Finance.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

Proposed Amendment to the Budget, 1963, for Library of Congress (S. Doc. No. 99)

A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1963, in the amount of $955,500, for the Library of Congress (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

Appointment of Additional Assistant Secretary of State

A letter from the Assistant Secretary of State, transmitting a draft of proposed legislation to authorize the appointment of one additional Assistant Secretary of State (with an accompanying paper); to the Committee on Foreign Relations.

Audit Report on Panama Canal Company and Canal Zone Government

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Panama Canal Company and Canal Zone Government, fiscal year 1961 (with an accompanying report); to the Committee on Government Operations.

Report on Review of Administration of Public Assistance Programs and Surplus Food Distribution Program, District of Columbia Government

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of administration of public assistance programs and surplus food distribution program, Department of Public Welfare, District of Columbia government, dated June 1962 (with an accompanying report); to the Committee on Government Operations.

Report on Review of Wage Rate Determinations for Construction of Capehart Housing at Marine Corps Schools, Quantico, Va.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of wage rate determinations for construction of Capehart housing at the Marine Corps Schools, Quantico, Va., Department of Labor, dated June 1962 (with an accompanying report); to the Committee on Government Operations.

Report on Review of Automatic Data Processing System Used in Supply Management by Department of the Navy Aviation Supply Office, Philadelphia, Pa.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of automatic data processing system used in supply management by the Department of the Navy Aviation Supply Office, Philadelphia, Pa., dated May 1962 (with an accompanying report); to the Committee on Government Operations.

ADDITION OF CERTAIN DONATED LANDS TO ADMINISTRATIVE HEADQUARTERS SITE, ISLE ROYALE NATIONAL PARK

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the addition of certain donated lands to the administrative headquarters site, Isle Royale National Park (with an accompanying paper); to the Committee on Interior and Insular Affairs.

JOINT RESOLUTION OF NEW JERSEY LEGISLATURE

The ACTING PRESIDENT pro tempore laid before the Senate a joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Labor and Public Welfare, as follows:

SENATE JOINT RESOLUTION 12

Joint resolution memorializing Congress to authorize and provide for additional accommodations for veterans at the General Medical and Surgical Hospital at East Orange, N.J., and the Neuropsychiatric Hospital at Lyons, N.J.

Whereas the General Medical and Surgical Hospital at East Orange, N.J. and the Neuropsychiatric Hospital at Lyons, N.J., have been operating consistently at 95 and 96 percent occupancy, respectively; and

Whereas the East Orange hospital with a 640 bed capacity and a high turnover rate, nevertheless, continually has a waiting list averaging 150 to 200 applicants; and

Whereas the Lyons hospital with a 2,009 bed capacity continually has a waiting list averaging 650 to 700 applicants; and

Whereas the veteran population of New Jersey as of June 1961, is conservatively estimated to number 815,000 veterans, of which in excess of 700,000 thereof are veterans of World War II and the Korean conflict; and

Whereas as the presently relatively young veterans of World War II and the Korean conflict become older, there will be a steadily increasing demand upon the already inadequate facilities of the East Orange and Lyons hospital: Now, therefore, be it

Resolved by the Senate and General Assembly of the State of New Jersey:

1. The Congress of the United States is hereby memorialized to take cognizance of the urgent need for additional facilities at the Veterans' Administration hospitals at East Orange and Lyons in the State of New Jersey.

2. The Congress of the United States is further memorialized to authorize and provide for the construction by the Administration of Veterans' Affairs of facilities at the General Medical and Surgical Hospital at East Orange to accommodate 250 additional beds and at the Neuropsychiatric Hospital at Lyons to accommodate 400 additional beds.

3. The secretary of state is directed to transmit a copy of this joint resolution to the Vice President of the United States, the Speaker of the House of Representatives, the Senators and Representatives of the State of New Jersey in the Congress and to the Administrator of Veterans' Affairs.

4. This joint resolution shall take effect immediately.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

H.R. 4083. An act to reduce the frequency of reports required of the Veterans' Administration on the use of surplus dairy products (Rept. No. 1573).

By Mr. YOUNG of North Dakota, from the Committee on Agriculture and Forestry, without amendment:

S. 3062. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions (Rept. No. 1566).

By Mr. JORDAN, from the Committee on Agriculture and Forestry, without amendment:

H.R. 4939. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Jasper County, Ga., to the Jasper County Board of Education (Rept. No. 1568);

H.R. 7866. An act to amend the Poultry Products Inspection Act to extend the application thereof to the Commonwealth of Puerto Rico and the Virgin Islands (Rept. No. 1569); and

H.R. 8050. An act to amend the act relating to the importation of adult honeybees (Rept. No. 1570).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, without amendment:

H.R. 5456. An act to provide for the conveyance of certain real property of the United States to the former owners thereof (Rept. No. 1571); and

H.R. 10374. An act to amend section 6 of the Agricultural Marketing Act, as amended, to reduce the revolving fund available for subscriptions to the capital stock of the banks for cooperatives (Rept. No. 1572).

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, without amendment:

H.R. 8434. An act to authorize the Secretary of Agriculture to sell and convey a certain parcel of land to the city of Mount Shasta, Calif. (Rept. No. 1574); and

H.R. 9736. An act to authorize the Secretary of Agriculture to permit certain property to be used for State forestry work, and for other purposes (Rept. No. 1575).

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 3064. A bill to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources (Rept. No. 1567).

By Mr. SPARKMAN, from the Committee on Banking and Currency, with an amendment:

S. 3161. A bill to provide for continuation of authority for regulation of exports, and for other purposes (Rept. No. 1576).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of April 1962. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, APRIL AND MARCH 1962, AND PAY, MARCH AND FEBRUARY 1962

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for April 1962 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total [1]	2,453,952	2,441,800	+12,152	$1,214,556	$1,098,949	+$115,607
Agencies exclusive of Department of Defense	1,391,240	1,380,800	+10,440	671,918	608,210	+63,708
Department of Defense	1,062,712	1,061,000	+1,712	542,638	490,739	+51,899
Inside the United States	2,288,673	2,276,586	+12,087			
Outside the United States	165,279	165,214	+65			
Industrial employment	570,451	570,286	+165			
Foreign nationals	169,750	170,006	−256	25,299	[2] 25,045	+254

[1] Exclusive of foreign nationals shown in the last line of this summary.

[2] Revised on basis of later information.

Table I, below, breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside the United States by agencies.

Table III breaks down the above employment figures to show the number outside the United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during April 1962, and comparison with March 1962, and pay for March 1962, and comparison with February 1962*

Department or agency	Personnel				Pay (in thousands)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	95,497	92,946	2,551		$43,377	$39,177	$4,200	
Commerce	29,493	29,196	297		17,929	15,699	2,230	
Health, Education, and Welfare	74,901	74,577	324		36,551	35,057	1,494	
Interior	56,725	55,135	1,590		29,754	27,288	2,466	
Justice	31,051	30,873	178		19,636	17,761	1,875	
Labor	8,363	8,264	99		4,648	4,233	415	
Post Office	581,663	580,086	1,577		258,209	232,420	25,789	
State [1] [2]	39,682	39,429	253		19,241	18,405	836	
Treasury	87,449	85,390	2,059		46,660	42,265	4,395	
Executive Office of the President:								
White House Office	449	452		3	264	229	35	
Bureau of the Budget	457	458		1	376	341	35	
Council of Economic Advisers	50	46	4		40	36	4	
Executive Mansion and Grounds	73	73			37	33	4	
National Aeronautics and Space Council	20	18	2		16	15	1	
National Security Council	41	42		1	33	31	2	
Office of Emergency Planning	488	481	7		387	492		$105
President's Commission on Campaign Costs	11	13		2	6	7		1
Independent agencies:								
Advisory Commission on Intergovernmental Relations	32	32			21	16	5	
American Battle Monuments Commission	423	405	18		82	75	7	
Atomic Energy Commission	6,795	6,809		14	4,806	4,483	323	
Board of Governors of the Federal Reserve System	599	598	1		381	349	32	
Civil Aeronautics Board	804	804			580	523	57	
Civil Service Commission	3,935	3,895	40		2,324	2,099	225	
Civil War Centennial Commission	5	6		1	5	4	1	
Commission of Fine Arts	6	6			5	4	1	
Commission on Civil Rights	74	63	11		35	34	1	
Delaware River Basin Commission	1	1			1		1	
Export-Import Bank of Washington	259	262		3	182	162	20	
Farm Credit Administration	239	235	4		167	150	17	
Federal Aviation Agency	43,728	43,637	91		28,396	25,271	3,125	
Federal Coal Mine Safety Board of Review	7	7			4	4		
Federal Communications Commission	1,382	1,374	8		916	830	86	
Federal Deposit Insurance Corporation	1,246	1,257		11	784	718	66	
Federal Home Loan Bank Board	1,140	1,136	4		746	664	82	
Federal Maritime Commission	155	150	5		114	98	16	
Federal Mediation and Conciliation Service	361	359	2		305	273	32	
Federal Power Commission	906	900	6		615	558	57	
Federal Trade Commission	1,046	1,033	13		700	627	73	
Foreign Claims Settlement Commission	64	63	1		46	41	5	
General Accounting Office	4,643	4,677		34	2,883	2,620	263	
General Services Administration	30,901	30,745	156		14,640	13,226	1,414	
Government Printing Office	6,906	6,916		10	3,992	3,522	470	
Housing and Home Finance Agency	12,912	12,729	183		7,711	6,840	871	
Indian Claims Commission	20	20			19	19		
Interstate Commerce Commission	2,383	2,398		15	1,558	1,420	138	
James Madison Memorial Commission	1	1			1	1		
National Aeronautics and Space Administration	21,458	20,950	508		14,544	14,289	255	
National Capital Housing Authority	431	415	16		185	168	17	
National Capital Planning Commission	52	56		4	37	34	3	
National Capital Transportation Agency	81	82		1	58	51	7	
National Gallery of Art	322	321	1		130	116	14	
National Labor Relations Board	1,863	1,838	25		1,246	1,119	127	
National Mediation Board	152	142	10		133	113	20	
National Science Foundation	849	861		12	540	434	106	
Outdoor Recreation Resources Review Commission	27	30		3	22	24		2
Panama Canal	14,591	14,598		7	6,725	4,422	2,303	
President's Committee on Equal Employment Opportunity	42	34	8		21	19	2	
Railroad Retirement Board	2,076	2,092		16	1,120	1,013	107	
Renegotiation Board	190	191		1	154	207		53
St. Lawrence Seaway Development Corporation	157	157			95	86	9	
Securities and Exchange Commission	1,257	1,242	15		810	721	89	
Selective Service System	6,854	6,797	57		2,127	1,921	206	
Small Business Administration	3,076	3,013	63		1,827	1,652	175	
Smithsonian Institution	1,227	1,177	50		558	531	27	
Soldiers' Home	1,034	1,023	11		342	309	33	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	58	59		1	43	38	5	
Subversive Activities Control Board	27	29		2	23	21	2	
Tariff Commission	270	270			195	175	20	
Tax Court of the United States	148	146	2		109	103	6	
Tennessee Valley Authority	18,489	18,333	156		10,828	9,891	937	
Texas Water Study Commission	18	22		4	19	13	6	
U.S. Arms Control and Disarmament Agency	77	75	2		55	44	11	
U.S. Information Agency	10,968	10,992		24	4,649	4,186	463	
Veterans' Administration	176,956	176,794	162		75,930	68,254	7,676	
Virgin Islands Corporation	1,104	1,064	40		210	136	74	
Total, excluding Department of Defense	1,391,240	1,380,800	10,610	170	671,918	608,210	63,869	161
Net increase, excluding Department of Defense			10,440				63,708	
Department of Defense:								
Office of the Secretary of Defense	1,780	1,817		37	1,379	1,245	134	
Department of the Army [3]	389,753	388,220	1,533		190,844	170,750	20,094	
Department of the Navy [3]	346,912	349,792		2,880	189,392	173,764	15,628	
Department of the Air Force [3]	307,482	307,752		270	153,874	138,640	15,234	
Defense Atomic Support Agency	2,065	2,052	13		1,005	913	92	
Defense Communications Agency	128	127	1		80	72	8	
Defense Intelligence Agency	188	164	24		109	81	28	
Defense Supply Agency [3]	13,120	9,807	3,313		5,054	4,477	577	
Office of Civil Defense	1,144	1,145		1	822	726	96	
U.S. Court of Military Appeals	39	38	1		31	29	2	
Interdepartmental Activities	43	36	7		21	18	3	
International military activities	58	50	8		27	24	3	
Total, Department of Defense	1,062,712	1,061,000	4,900	3,188	542,638	490,739	51,899	
Net increase, Department of Defense			1,712				51,899	
Grand total, including Department of Defense [4]	2,453,952	2,441,800	15,510	3,358	1,214,556	1,098,949	115,768	161
Net increase, including Department of Defense			12,152				115,607	

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[1] April figure includes 15,399 employees of the Agency for International Development as compared with 15,261 in March, and their pay. These AID figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The April figure includes 3,833 of these trust fund employees and the March figure includes 3,822.

[2] April figure includes 560 employees of the Peace Corps as compared with 497 in March and their pay.

[3] In April 2,956 employees and their functions were transferred to the Defense Supply Agency as follows: 1,334 from the Department of the Army, 1,404 from the Department of the Navy, and 218 from the Department of the Air Force.

[4] Exclusive of personnel and pay of the Central Intelligence Agency and the National Security Agency.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during April 1962, and comparison with March 1962*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	94,386	91,860	2,526	--------
Commerce	28,886	28,585	301	--------
Health, Education, and Welfare	74,392	74,066	326	--------
Interior	56,213	54,614	1,599	--------
Justice	30,717	30,532	185	--------
Labor	8,280	8,162	118	--------
Post Office	580,237	578,668	1,569	--------
State [1] [2]	10,154	10,033	121	--------
Treasury	86,832	84,784	2,048	--------
Executive Office of the President:				
White House Office	449	452	--------	3
Bureau of the Budget	457	458	--------	1
Council of Economic Advisers	50	46	4	--------
Executive Mansion and Grounds	73	73	--------	--------
National Aeronautics and Space Council	20	18	2	--------
National Security Council	41	42	--------	1
Office of Emergency Planning	488	481	7	--------
President's Commission on Campaign Costs	11	13	--------	2
Independent agencies:				
Advisory Commission on Intergovernmental Relations	32	32	--------	--------
American Battle Monuments Commission	10	10	--------	--------
Atomic Energy Commission	6,763	6,776	--------	13
Board of Governors of the Federal Reserve System	599	598	1	--------
Civil Aeronautics Board	803	803	--------	--------
Civil Service Commission	3,932	3,892	40	--------
Civil War Centennial Commission	5	6	--------	1
Commission of Fine Arts	6	6	--------	--------
Commission on Civil Rights	74	63	11	--------
Delaware River Basin Commission	1	1	--------	--------
Export-Import Bank of Washington	259	262	--------	3
Farm Credit Administration	239	235	3	--------
Federal Aviation Agency	42,741	42,665	76	--------
Federal Coal Mine Safety Board of Review	7	7	--------	--------
Federal Communications Commission	1,379	1,371	8	--------
Federal Deposit Insurance Corporation	1,244	1,255	--------	11
Federal Home Loan Bank Board	1,140	1,136	4	--------
Federal Maritime Commission	155	150	5	--------
Federal Mediation and Conciliation Service	361	359	2	--------
Federal Power Commission	906	900	6	--------
Federal Trade Commission	1,046	1,033	13	--------
Foreign Claims Settlement Commission	60	59	1	--------
General Accounting Office	4,572	4,606	--------	34
General Services Administration	30,896	30,742	154	--------
Government Printing Office	6,906	6,916	--------	10
Housing and Home Finance Agency	12,737	12,555	182	--------
Indian Claims Commission	20	20	--------	--------
Interstate Commerce Commission	2,383	2,398	--------	15
James Madison Memorial Commission	1	1	--------	--------
National Aeronautics and Space Administration	21,446	20,938	508	--------
National Capital Housing Authority	431	415	16	--------
National Capital Planning Commission	52	56	--------	4
Independent agencies—Continued				
National Capital Transportation Agency	81	82	--------	1
National Gallery of Art	322	321	1	--------
National Labor Relations Board	1,829	1,804	25	--------
National Mediation Board	152	142	10	--------
National Science Foundation	839	851	--------	12
Outdoor Recreation Resources Review Commission	27	30	--------	3
Panama Canal	168	158	10	--------
President's Commission on Equal Employment Opportunity	42	34	8	--------
Railroad Retirement Board	2,076	2,092	--------	16
Renegotiation Board	190	191	--------	1
St. Lawrence Seaway Development Corporation	157	157	--------	--------
Securities and Exchange Commission	1,257	1,242	15	--------
Selective Service System	6,697	6,641	56	--------
Small Business Administration	3,031	2,969	62	--------
Smithsonian Institution	1,216	1,168	48	--------
Soldiers' Home	1,034	1,023	11	--------
South Carolina, Georgia, Alabama, and Florida Water Study Commission	58	59	--------	1
Subversive Activities Control Board	27	29	--------	2
Tariff Commission	270	270	--------	--------
Tax Court of the United States	148	146	2	--------
Tennessee Valley Authority	18,482	18,326	156	--------
Texas Water Study Commission	18	22	--------	4
U.S. Arms Control and Disarmanent Agency	77	75	2	--------
U.S. Information Agency	2,995	2,992	3	--------
Veterans' Administration	175,940	175,772	168	--------
Total, excluding Department of Defense	1,330,025	1,319,749	10,414	138
Net increase, excluding Department of Defense	--------	--------	10,276	
Department of Defense:				
Office of the Secretary of Defense	1,734	1,770	--------	36
Department of the Army [3]	337,602	336,185	1,417	--------
Department of the Navy [3]	323,376	326,138	--------	2,762
Department of the Air Force [3]	279,177	279,341	--------	164
Defense Atomic Support Agency	2,065	2,052	13	--------
Defense Communications Agency	121	121	--------	--------
Defense Intelligence Agency	188	164	24	--------
Defense Supply Agency [3]	13,120	9,807	3,313	--------
Office of Civil Defense	1,144	1,145	--------	1
U.S. Court of Military Appeals	39	38	1	--------
Interdepartmental activities	42	35	7	--------
International military activities	40	41	--------	1
Total, Department of Defense	958,648	956,837	4,775	2,964
Net increase, Department of Defense	--------	--------	1,811	
Grand total, including Department of Defense	2,288,673	2,276,586	15,189	3,102
Net increase, including Department of Defense	--------	--------	12,087	

[1] April figure includes 2,493 employees of the Agency for International Development as compared with 2,434 in March.

[2] April figure includes 501 employees of the Peace Corps as compared with 446 in March.

[3] In April, 2,956 employees and their functions were transferred to the Defense Supply Agency as follows: 1,334 from the Department of the Army, 1,404 from the Department of the Navy, and 218 from the Department of the Air Force.

TABLE III.—*Federal personnel outside the United States employed by the executive agencies during April 1962, and comparison with March 1962*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,111	1,086	25	--------
Commerce	607	611	--------	4
Health, Education, and Welfare	509	511	--------	2
Interior	512	521	--------	9
Justice	334	341	--------	7
Labor	83	102	--------	19
Post Office	1,426	1,418	8	--------
State [1] [2]	29,528	29,396	132	--------
Treasury	617	606	11	--------
Independent agencies:				
American Battle Monuments Commission	413	395	18	--------
Atomic Energy Commission	32	33	--------	1
Civil Aeronautics Board	1	1	--------	--------
Civil Service Commission	3	3	--------	--------
Federal Aviation Agency	987	972	15	--------
Federal Communications Commission	3	3	--------	--------
Federal Deposit Insurance Corporation	2	2	--------	--------
Foreign Claims Settlement Commission	4	4	--------	--------
General Accounting Office	71	71	--------	--------
General Services Administration	5	3	2	--------
Housing and Home Finance Agency	175	174	1	--------
National Aeronautics and Space Administration	12	12	--------	--------
National Labor Relations Board	34	34	--------	--------
National Science Foundation	10	10	--------	--------
Panama Canal	14,423	14,440	--------	17
Selective Service System	157	156	1	--------
Independent agencies—Continued				
Small Business Administration	45	44	1	--------
Smithsonian Institution	11	9	2	--------
Tennessee Valley Authority	7	7	--------	--------
U.S. Information Agency	7,973	8,000	--------	27
Veterans' Administration	1,016	1,022	--------	6
Virgin Islands Corporation	1,104	1,064	40	--------
Total, excluding Department of Defense	61,215	61,051	256	92
Net increase, excluding Department of Defense	--------	--------	164	
Department of Defense:				
Office of the Secretary of Defense	46	47	--------	1
Department of the Army	52,151	52,035	116	--------
Department of the Navy	23,536	23,654	--------	118
Department of the Air Force	28,305	28,411	--------	106
Defense Communications Agency	7	6	1	--------
Interdepartmental activities	1	1	--------	--------
International military activities	18	9	9	--------
Total, Department of Defense	104,064	104,163	126	225
Net decrease, Department of Defense	--------	--------	99	
Grand total, including Department of Defense	165,279	165,214	382	317
Net increase, including Department of Defense	--------	--------	65	

[1] April figure includes 12,906 employees of the Agency for International Development as compared with 12,827 in March. These AID figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The April figure includes 3,833 of these trust fund employees and the March figure includes 3,822.

[2] April figure includes 59 employees of the Peace Corps as compared with 51 in March.

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during April 1962, and comparison with March 1962*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,933	3,956	--------	23
Commerce	5,537	5,414	123	--------
Interior	8,296	8,166	130	--------
Post Office	259	256	3	--------
Treasury	5,175	5,177	--------	2
Independent agencies:				
Atomic Energy Commission	249	247	2	--------
Federal Aviation Agency	1,897	1,885	12	--------
General Services Administration	1,778	1,730	48	--------
Government Printing Office	6,906	6,916	--------	10
National Aeronautics and Space Administration	21,458	20,950	508	--------
Panama Canal	7,464	7,478	--------	14
St. Lawrence Seaway Development Corporation	124	123	1	--------
Tennessee Valley Authority	15,538	15,391	147	--------
Virgin Islands Corporation	1,104	1,064	40	--------
Total, excluding Department of Defense	79,718	78,753	1,014	49
Net increase, excluding Department of Defense	--------	--------	965	

Department or agency	April	March	Increase	Decrease
Department of Defense:				
Department of the Army:				
Inside the United States	[1] 142,700	[2] 142,107	593	--------
Outside the United States	[1] 4,800	[2] 4,824	--------	24
Department of the Navy:				
Inside the United States	202,390	203,495	--------	1,105
Outside the United States	456	455	1	--------
Department of the Air Force:				
Inside the United States	138,902	139,168	--------	266
Outside the United States	1,485	1,484	1	--------
Total, Department of Defense	490,733	491,533	595	1,395
Net decrease, Department of Defense	--------	--------		800
Grand total, including Department of Defense	570,451	570,286	1,609	1,444
Net increase, including Department of Defense	--------	--------	165	

[1] Subject to revision. [2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of April 1962 and comparison with March 1962*

Country	Total		Army		Navy		Air Force		National Aeronautics and Space Administration	
	April	March	April	March	April	March	April	March	April	March
Australia	1	1	--------	--------	--------	--------	--------	--------	1	1
Canada	36	36	--------	--------	--------	--------	36	36	--------	--------
Crete	49	49	--------	--------	--------	--------	49	49	--------	--------
England	3,377	3,389	--------	--------	87	82	3,290	3,307	--------	--------
France	22,294	22,184	18,497	18,461	10	10	3,787	3,713	--------	--------
Germany	80,992	81,195	68,011	68,283	84	84	12,897	12,828	--------	--------
Greece	273	272	--------	--------	--------	--------	273	272	--------	--------
Greenland	147	142	--------	--------	--------	--------	147	142	--------	--------
Japan	53,132	53,209	18,913	18,845	14,334	[1] 14,428	19,885	19,936	--------	--------
Korea	6,188	6,189	6,188	6,189	--------	--------	--------	--------	--------	--------
Morocco	2,629	2,686	--------	--------	780	810	1,849	1,876	--------	--------
Netherlands	53	54	--------	--------	--------	--------	53	54	--------	--------
Saudi Arabia	2	2	--------	--------	--------	--------	2	2	--------	--------
Trinidad	577	598	--------	--------	577	598	--------	--------	--------	--------
Total	169,750	170,006	111,609	111,778	15,872	16,012	42,268	42,215	1	1

[1] Revised on basis of later information.

STATEMENT BY SENATOR BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of April totaling 2,453,952. This was a net increase of 12,152 compared with employment reported in the preceding month of March.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1962, which began July 1, 1962, follows:

Month	Employment	Increase	Decrease
July 1961	2,435,804	16,700	--------
August	2,445,078	9,274	--------
September	2,427,216	--------	17,862
October	2,429,691	2,475	--------
November	2,437,709	8,018	--------
December	2,430,998	--------	6,711
January 1962	2,428,691	--------	2,307
February	2,436,725	8,034	--------
March	2,441,800	5,075	--------
April	2,453,952	12,152	--------

Total Federal employment in civilian agencies for the month of April was 1,391,240, an increase of 10,440 compared with the March total of 1,380,800. Total civilian employment in the military agencies in April was 1,062,712, an increase of 1,712 as compared with 1,061,000 in March.

Civilian agencies reporting larger increases were Agriculture Department with 2,551, Treasury Department with 2,059, Interior Department with 1,590, Post Office Department with 1,577, and National Aeronautics and Space Administration with 508. Increases in Agriculture, Interior and Treasury Departments were largely seasonal.

In Department of Defense larger increases in civilian employment were reported by Defense Supply Agency with 3,313 and Department of the Army with 1,533. The largest decrease was reported by Department of the Navy with 2,880.

Inside the United States, civilian employment increased 12,087, and outside the United States, civilian employment increased 65. Industrial employment by Federal agencies in April totaled 570,451, an increase of 165.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,453,952 civilian employees certified to the Committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 169,750 foreign nationals working for U.S. agencies overseas during April who were not counted in the usual personnel reports. The number in March was 170,006. A breakdown of this employment for April follows:

Country	Total	Army	Navy	Air Force	NASA
Australia	1	--------	--------	--------	1
Canada	36	--------	--------	36	--------
Crete	49	--------	--------	49	--------
England	3,377	--------	87	3,290	--------
France	22,294	18,497	10	3,787	--------
Germany	80,992	68,011	84	12,897	--------
Greece	273	--------	--------	273	--------
Greenland	147	--------	--------	147	--------
Japan	53,132	18,913	14,334	19,885	--------
Korea	6,188	6,188	--------	--------	--------
Morocco	2,629	--------	780	1,849	--------
Netherlands	53	--------	--------	53	--------
Saudi Arabia	2	--------	--------	2	--------
Trinidad	577	--------	577	--------	--------
Total	169,750	111,609	15,872	42,268	1

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIAMS of New Jersey:

S. 3381. A bill authorizing a modification of the Newark Bay, Hackensack, and Passaic Rivers project relating to maintenance of navigation channels to Port Elizabeth, N.J.; to the Committee on Public Works.

(See the remarks of Mr. Williams of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey (for himself, Mr. Humphrey, Mr. Douglas, Mr. Burdick, Mr. Yarborough, Mr. Smith of Massachusetts, and Mr. Metcalf):

S. 3382. A bill to amend the Public Health Service Act so as to establish a program to assist in the construction of adequate sanitation facilities for migratory farm labor; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Williams of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3383. A bill relating to the tax treatment of transfers of rights to copyrights and literary, musical, and artistic compositions; to the Committee on Finance.

(See the remarks of Mr. Humphrey when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 3384. A bill to grant a deduction, for income tax purposes, to handicapped individuals, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer supporting dependents who are so handicapped as to be unable to care for themselves; to the Committee on Finance.

(See the remarks of Mr. Scott when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT:

S. 3385. A bill to prohibit sales of gold by the Government for commercial use or for the arts, or for the purpose of lessening the price and value of gold; to the Committee on Banking and Currency.

By Mr. MORTON:

S. 3386. A bill to provide for Federal financial participation in State programs established for the purpose of assisting individuals age 65 or over in obtaining health benefits insurance on a voluntary basis; to the Committee on Finance.

(See the remarks of Mr. Morton when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself and Mr. McCarthy):

S. 3387. A bill to amend the Consolidated Farmers Home Administration Act of 1961 in order to increase the limitation on the amount of loans which may be insured under subtitle A of such Act; to the Committe on Agriculture and Forestry.

By Mr. HUMPHREY:

S.J. Res. 197. Joint resolution to authorize and request the President to appoint a bipartisan Commission to make a study of the total food and fiber requirements of the United States; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Humphrey when he introduced the above joint resolution, which appear under a separate heading.)

MAINTENANCE OF NAVIGATION CHANNELS TO PORT ELIZABETH, N.J.

Mr. WILLIAMS of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to authorize a project for the maintenance of navigation channels to Port Elizabeth, N.J. The North Atlantic Division Engineer of the U.S. Army Corps of Engineers has recommended that the Federal Government assume the responsibility for maintaining the navigation channels leading to the marine terminal facilities located in Port Elizabeth, N.J., as part of the overall Federal project for Newark Bay and the Hackensack and Passaic Rivers. The North Atlantic Division Engineer forecasts annual benefits of $8,078,000 and estimates an annual maintenance cost to the Government of $230,500. When non-Federal charges are added, the total annual charges for this project amount to $973,000 for a corresponding benefit-cost ratio of 8.3 to 1.

Because of the pressing need to provide modern port facilities in the New York-New Jersey port to serve the general commerce of the United States, the Port of New York Authority in 1957 and 1958 dredged a complex of deep-draft channels branching off the Newark Bay Federal project. The cost to the Port of New York Authority for channel work alone has been $5,067,000. In the second stage of this port development, the Port of New York Authority will spend an additional $6.5 million for further channel work. By this means and by means of a vast reclamation project, the Port of New York Authority has transformed 704 acres of hitherto unused swampland into what will be the most modern and efficient marine terminal in the entire United States.

It should be noted that the Government is not being called on to undertake any capital investment or first cost in providing these channels, and that the maintenance of the areas along the channel reserved for vessel berths will continue to be the responsibility of local interests. The general responsibility of the Federal Government to provide and maintain navigation channels for the general benefit of water commerce is the justification given by the North Atlantic division engineer for recommending placing the Port Elizabeth Channels in a status similar to other navigation channels serving similar purposes.

The development of the port facilities carried out by the port of New York in the Newark Bay area, both in Port Newark and Port Elizabeth, has had a significant economical impact, not only on the people of the New Jersey-New York port, but also on the entire Nation, since our port serves as the principal gateway for the commerce of the United States. It is estimated that the Port Elizabeth development alone, which will cost a total of $150 million before it is fully completed, will handle 5 million tons of general cargo a year, and will generate 8,000 jobs with an annual payroll of more than $40 million. I am hopeful, therefore, that the Congress will take prompt action in authorizing this recommended project.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3381) authorizing a modification of the Newark Bay, Hackensack, and Passaic Rivers project relating to maintenance of navigation channels to Port Elizabeth, N.J., introduced by Mr. Williams of New Jersey, was received, read twice by its title, and referred to the Committee on Public Works.

ALLEVIATION OF HEALTH PROBLEMS AMONG MIGRANT FARM FAMILIES

Mr. WILLIAMS of New Jersey. Mr. President, on behalf of myself and Senators Humphrey, Douglas, Burdick, Yarborough, Smith of Massachusetts, and Metcalf, I introduce, for appropriate reference, a bill to alleviate the serious health problems among our migrant citizens resulting from inadequate sanitation facilities. The bill is patterned after the concept that has been successfully used to provide American Indians with adequate sanitation facilities and, thereby, promote their health and well-being.

Beginning with the fiscal year 1963, and for each of 4 succeeding years, Federal funds not in excess of $2 million in a given year will be available (a) to farmers, associations, and other appropriate parties to assist in the construction or renovation of sanitation facilities used by migratory farm families, and (b) to States for surveys to determine the extent of the need for such sanitation facilities.

The amount provided a State will be determined by the Surgeon General, giving due consideration to the number of migrants involved, the length of time they spend in the State, and the extent of the need for adequate sanitation facilities.

The program would operate through State and Federal health agencies, in accordance with the well-established and highly successful pattern of relationships that now exist.

Mr. President, a more extensive explanation of the bill is available, and I ask unanimous consent that it be included in the Record at this point.

There being no objection, the explanation was ordered to be printed in the Record, as follows:

Explanation of Sanitation Bill

Grossly inadequate sanitation facilities cause high disease and death rates among migrant farm families whose interstate movement poses a health hazard for the entire Nation.

The sanitation bill is designed to alleviate this problem by providing funds (1) to farmers, associations, and other appropriate parties to assist in the construction or renovation of sanitation facilities used by migratory farm families and (2) for surveys by States lacking adequate data regarding the need for sanitation facilities. The sanitation facilities comprehended by this bill include field-sanitation facilities as well as drainage, water, sewage, and waste facilities.

Beginning with the fiscal year 1963, and for each of the 4 succeeding years, Federal funds not in excess of $2 million in any single year will be provided States that have submitted appropriate applications for funds to the Surgeon General. The amount provided a State would be determined by the number of migrants involved, the length of time they spend in the State, and the extent of the need for adequate sanitation facilities.

A single State agency (probably the State health department), will act as the exclusive agency to administer and provide funds to parties desiring to provide migrant farm families with adequate sanitation facilities. The sanitation facilities to be constructed or renovated must conform to standards prescribed by the Surgeon General. Such standards require, among other things, that the facilities be simple and adequate in construction and be needed for the use of migratory farm families.

The amount of financial assistance provided through the State agency for sanitation facilities will be determined by the person's ability to finance the project, giving due consideration to the amount of funds available from other sources and the terms and conditions involved. The financial assistance, however, shall under no circumstances exceed 90 percent of the total cost of the project.

The program would operate through State and Federal health agencies in accordance with the well-established, highly successful pattern of relationships now existing among such agencies.

Mr. WILLIAMS of New Jersey. Mr. President, the fact that the health standards of the 20th century have bypassed our migrants is a source of shame for each one of us as Americans. If not our eating habits, at least our ethical sensibilities ought to be offended by the deplorable conditions under which our annual harvests are reaped. For every farm operator who does a conscientious job in providing migrant farm families with adequate sanitation facilities, there are many more—usually the marginal farmers—whose sanitation facilities are almost medieval.

Migrant farm families live in makeshift shacks which manifest little, if any, concern for human health, safety, or decency. With ditch water being used for drinking, and with filthy, unsanitary privies serving 20 or more families, it is little wonder that our migrants involve one of the most serious health problems in the entire Nation. Among this group of laborers, the sicknesses and diseases of the past are the commonplace of the present. Tens of thousands of migrant children are living testimonials to the diseases fostered by the deplorable sanitation facilities provided them. If it is difficult for us to justify this reality, it is surely even more difficult for these migrant families to live it.

Such sickness and disease are as unnecessary as they are avoidable. To continue to tolerate these unnecessary cripplers is to confute the great American theme that the past is prolog.

The irony in the situation is that everyone is quick to acknowledge that these grim health conditions flourish among our migrants, that they critically need attention, and that something ought to be done. Despite this surge of sincere-lamenting, there is little action. "Sure," says the well-meaning farmer, "my privy facilities and water supply are in bad shape. Fact is, I'm truly ashamed of them. But I'm having trouble making a profit, and I simply can't afford to alter things this season. Unlike the big farm outfits, I lack the ready cash, and have difficulty getting financial assistance. But with help, maybe I'll get things fixed up someday."

So it goes—"someday," "someday," "someday"—with no single person or group at fault. Local initiative and community action have been tried; but, unfortunately, the migratory health problem retains its pristine, grisly character. When local efforts are not adequate to alleviate a serious national problem, then Federal action is necessary and proper.

In conclusion, Mr. President, I ask unanimous consent that the bill lie on the desk for 4 days, so as to give an opportunity to other Senators to join as cosponsors.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from New Jersey.

The bill (S. 3382) to amend the Public Health Service Act so as to establish a program to assist in the construction of adequate sanitation facilities for migratory farm labor, introduced by Mr. WILLIAMS of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

CAPITAL GAINS TREATMENT FOR AUTHORS OF LITERARY, MUSICAL AND ARTISTIC COMPOSITIONS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to provide for the capital gains tax treatment to authors of literary, musical and artistic compositions upon the sale or exchange of copyrighted material.

The purpose of this proposed legislation is to abolish the present discrimination in the Internal Revenue Code whereby the sale of patent rights can be treated as a capital gain while the sale of copyrighted material is taxable at the regular rates which oftentimes would be far in excess of the 25 percent capital gains figure.

I fail to see any justification, Mr. President, for different tax treatment of patents and copyrights.

It seems to me that the present law discourages rather than encourages artistic and creative development in this country.

I believe it is just as important that we encourage artistic achievements as to offer incentives for scientific inventions.

Unfortunately, for too long the Government has dragged its heels regarding culture and the arts. The time has come for us to give more emphasis and encouragement to such pursuits and the bill which I offer today is offered in the belief that cultural attainments of the county merit the Government's attention and assistance.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3383) relating to the tax treatment of transfers of rights to copyrights and literary, musical, and artistic compositions, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Finance.

DEDUCTION, FOR INCOME TAX PURPOSES, TO HANDICAPPED PERSONS, AND THOSE SUPPORTING HANDICAPPED DEPENDENTS

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to grant a deduction, for income tax purposes, to handicapped individuals, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer supporting dependents who are so handicapped as to be unable to care for themselves.

In this case, Mr. President, a handicapped person would be allowed to have as a deduction expense paid during the taxable year for transportation to and from work to the extent that such expenses do not exceed $900.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3384) to grant a deduction, for income tax purposes, to handicapped individuals, for expenses for transportation to and from work; and to provide an additional exemption for income tax purposes for a taxpayer supporting dependents who are so handicapped as to be unable to care for themselves, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Finance.

MEDICAL ASSISTANCE PROGRAM FOR THE AGED

Mr. MORTON. Mr. President, I introduce, for appropriate reference, a bill establishing a medical care assistance program for persons over 65 years of age.

The bill, which I commend to the attention of my colleagues, has been developed from four basic principles:

That no medical assistance program for the aged sponsored by the Federal Government should be compulsory.

That the program should be administered by the States.

That governmental assistance be given to all over 65 who need it, but that no monetary assistance be given to those who are able to finance their own medical needs.

That the burden of the program cost should not fall most heavily on the lower income wage earner as would be the case with an increase in the social security tax.

My medical care proposal is completely voluntary. No one has to participate who does not feel that it is to his advantage to do so. The States would negotiate medical insurance contracts with qualified insurance carriers for the benefit of their own residents who are age 65 or over, subject to certain regulations under the supervision of the Secretary of Health, Education, and Welfare. These types of contracts and benefits offered would be negotiated with carriers under the same kinds of provisions as those determined under the Federal employees health benefits program.

In other words, either service benefits plans, idemnity plans, or comprehensive medical plans to cover such benefits as hospital care, surgical care and treatment, in-hospital medical benefits, ambulatory patient benefits, medical care and treatment and costs of prescribed drugs, medicines and prosthetic devices. Within these guidelines, the States must offer each participant in the program a choice of either (a) ordinary or short-term illness coverage, or (b) long-term or catastrophic illness coverage.

The Federal Government from general revenue would reimburse the States for the premiums up to $125 per person per year. Medical care assistance for the individual in the form of complete or partial assistance in the payment of medical insurance premiums would be based on need as determined by the amount of Federal income tax that the individual pays. In this way, the means test involving investigation of income and resources has been eliminated and yet a very simple measuring stick, with which we are all familiar, would be used to determine who needs assistance and who does not.

If a person owes no Federal income tax, he would receive complete assistance, in other words, full payment of his medical insurance premium up to $125 per year. If his tax liability is between $0 and $400, the individual would share in the cost of the premium with assistance being granted on a graduated basis between $125 and $25 in relation to his income tax status. Persons owing over $400 in income tax would receive $25 toward the payment of his premium. In the case of joint returns, the tax liability would apply for either or both parties over 65 on an individual basis. At no time, however, may individual contributions toward payment of the insurance premium under the program be allowed as a medical expense deduction from Federal income tax liability.

Those persons preferring to purchase their own private medical insurance and taking the medical deduction from Federal income tax as is now allowed for persons over 65, would be free to do so. The individual would be able to choose whether or not to take advantage of the assistance made available in obtaining medical insurance as provided for under the program in the light of his own personal circumstances. The great majority of persons over 65, however, owe no Federal income tax. These persons would be enabled through this program to obtain medical insurance to help them defray practically any kind of medical expense which would be necessary for their well-being. This moreover would be accomplished through insurance carriers which are already experienced in this kind of operation.

Eligibility for benefits would be on a current year basis in order to enable a person to gain insurance as soon as he reaches age 65 with payment based on estimates of tax liability. Adjustment of an individual's contribution would be made when actual tax liability has been determined at the end of the year. At such time, if the individual's actual tax liability is higher than his estimate, the appropriate additional contribution would be made by the individual to the State agency. If the actual tax liability is less than the individual's estimate, the person would receive the appropriate refund from the State agency. Provision is made for verification of actual tax liability through the Treasury Department for the purpose of proper State administration of the program. Persons knowingly falsifying the amount of their actual Federal income tax liability would be subject to prosecution.

Responsibility for the program would be shared by the Federal Government and the States. Since the Federal Government would be assuming responsibility for insurance premium payments up to $125 per person per year, the States would assume responsibility for all administrative costs.

The hue and cry raised by the administration in cultivating national support for the King-Anderson medicare program has obscured many of the shortcomings of the legislation which would establish assistance geared to social security. Little has been said about one aspect of increasing the social security tax payments of employees and employers, and that is the economic effect.

The administration contradicts its policies in the tax bill and the trade program, aimed at making American industry competitive at home and abroad with foreign manufacturers, by advocating a program of medicare under social security which inevitably will drive the price of American-made products upward.

Under King-Anderson, both the taxable base and the amount of tax will be increased. The first year, for instance, it would amount to $51.50 for each employee, which the employer must match in equal amount. If an employer has a thousand people on the payroll, his production costs will increase $51,500 the first year. Unless this is offset by production economies or by increased sales and profits, the cost will be passed on to the consumer in the form of higher prices.

Much has been said about keeping America competitive, of our pricing ourselves out of world markets, of the great inflow of foreign-produced goods, of exporting American capital overseas, of putting the American workingman back to work. Should we saddle the employer with another cost item, it will inevitably lead to higher prices and its consequences—a continued loss of markets and increased unemployment—and completely defeat the purpose projected in the trade and tax bills.

The major difficulty in drafting my medical care bill was in arriving at the $125 in maximum payments and the $400 tax liability figure. These were written into the legislation only after lengthy consultations with tax accountants, insurance experts and actuaries. I am not particularly wedded to either of these maximums and certainly would entertain consideration of scaling them downward.

I hope that my colleagues will study my bill carefully. I ask unanimous consent that the bill lie at the desk for 2 days for the enrollment of those Members wishing to join as cosponsors of the legislation.

I also ask unanimous consent that a brief summary of the program be printed in the RECORD at this point in my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the outline will be printed in the RECORD, and the bill will lie on the desk, as requested by the Senator from Kentucky.

The bill (S. 3386) to provide for Federal financial participation in State programs established for the purpose of assisting individuals age 65 or over in obtaining health benefits insurance on a voluntary basis, introduced by Mr. MORTON, was received, read twice by its title, and referred to the Committee on Finance.

The outline presented by Mr. MORTON is as follows:

OUTLINE OF MORTON MEDICAL CARE PROPOSAL

Eligibility: All persons 65 and over.

Benefits: The States will be given broad latitude in determining benefits under medical insurance policies which are negotiated with carriers following the pattern of the Federal employees' health benefits program (United States Code, title 5, sec. 3003 and sec. 3004).

Financing: Cost of benefits shall be borne by the Federal Government and States shall assume full administrative costs. The Federal share of the cost of the program would be made by payments to the States with appropriate adjustments on a quarterly basis.

Governmental payments for the insurance premium costs would be up to $125 per year for individuals who owe no Federal income tax. Graduated governmental payments would be made for those who owe between $0 and $400 in Federal income tax. Governmental payments for those who owe over $400 in Federal income tax would be no more than $25, with the individual contributing $100 of the premium cost. No individual contribution toward premium cost will be allowed as a deductible item from Federal income tax liability.

Administration: The States would administer the program under certain guidelines under the supervision of the Secretary of HEW. Administrative functions would include: determination of eligibility and appropriate amount of governmental assistance in the payment of insurance premiums, negotiation of insurance policies, payments to insurers, and providing assistance and information.

PROCEDURE AND SYSTEM OF REVIEW

1. The State must submit to the Secretary of HEW for his approval a State plan which complies with requirements of the act and declare that the State will institute a program in accordance with the plan.

2. The State shall then negotiate group policies with qualified insurance carriers on the basis of the State plan, taking into account the medical costs of that State.

3. The Secretary of HEW is given the authority to review the State program to ascertain that it carries out the approved State plan and meets the requirements and purpose of the act (including the provision in the plan which requires payments for benefits reasonably and equitably reflecting the cost of the benefits provided).

4. If after such review (including reasonable notice to the State and opportunity for hearing and adjustment) the Secretary finds that the State is not complying with its plan or the act, Federal funds will be withdrawn until such time as the Secretary finds that it once again is in compliance.

STATE PLAN

The State must include the following features when drawing up a State plan for the Secretary's approval.

1. All legal residents 65 or over must be allowed to participate regardless of previous medical history.

2. The State must make provision for residents under the program who are temporarily out of the State and for those who move to another State for the remainder of the covered year.

3. The negotiated policies must be noncancellable and guaranteed renewable. Moreover, no contract will be approved unless it contains a detailed statement of benefits offered and a description of maximums, limitations, exclusions, and other definitions of benefits.

4. The States must allow the types of carriers to participate and may provide the types of benefits similar to those outlined in the Federal Employees' Health Benefits program.

The State must, however, offer a choice of at least a policy which includes costs associated with medical needs of an emergency nature and a policy which would include costs incurred by a long term or chronic illness.

5. The State plan must include such other customary public assistance provisions as the requirement that the program be in effect in all political subdivisions, designation of single State agency to handle the program, and provision of such methods of administration as are found by the Secretary to be necessary for the proper and efficient operation of the program.

BIPARTISAN COMMISSION TO STUDY TOTAL FOOD AND FIBER REQUIREMENTS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a joint resolution to authorize and request the President to appoint a bipartisan Commission to make a study of the total food and fiber requirements of the United States. I ask unanimous consent that the joint resolution be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 197) to authorize and request the President to appoint a bipartisan commission to make a study of the total food and fiber requirements of the United States, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to appoint a bipartisan Commission composed of a Chairman and eight other members, three of whom shall be appointed from the agricultural community, three of whom shall be appointed from the public, and three of whom shall be appointed from Government. Such Commission shall make a detailed study with respect to the amount of food and fiber needed to meet domestic and export requirements, including programs in which the United States participates in order to aid the needy peoples of foreign nations, the management of supplies in the national interest and in the interest of the free people of all nations, and the need for strategic reserves of such commodities, and shall report to the President within twelve months from the date of this joint resolution its recommendations with respect thereto. The President is authorized, whenever he determines such action necessary, to pay for each day's attendance at meetings and while traveling to and from such meetings, transportation expenses and, in lieu of subsistence, a per diem in the amount authorized under the Travel Expense Act of 1949 for Federal employees. No salary or other compensation shall be paid. Thirty days after submission of its report to the President the Commission shall cease to exist. There are hereby authorized to be appropriated such amounts as may be necessary to enable the President to carry out this joint resolution.

DEVELOPMENT OF MASS TRANSPORTATION SYSTEMS IN METROPOLITAN AND OTHER URBAN AREAS—AMENDMENT

Mr. KUCHEL (for himself and Mr. HUMPHREY) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3126) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems in metropolitan and other urban areas, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

EXTENSION OF DEFENSE PRODUCTION ACT OF 1950—AMENDMENT

Mr. JAVITS submitted an amendment, intended to be proposed by him, to the bill (S. 3203) to extend the Defense Production Act of 1950, as amended, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

PROPOSED EQUAL TV TIME LAW FOR 1962 CAMPAIGN—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent that at the next printing of the joint resolution (S.J. Res. 196) to amend section 315(a) of the Federal Communications Act of 1934, the name of the Senator from Pennsylvania [Mr. CLARK] may be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF RECEIPT OF NOMINATION BY COMMITTEE ON FOREIGN RELATIONS

Mr. SPARKMAN. Mr. President, on behalf of the chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of Matthew H. McCloskey, of Pennsylvania, to be Ambassador to Ireland.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

NOTICE OF HEARING ON NOMINATION OF LOUIS ROSENBERG TO BE U.S. DISTRICT JUDGE, WESTERN DISTRICT OF PENNSYLVANIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, June 20, 1962, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of Louis Rosenberg, of Pennsylvania, to be U.S. district judge, western district of Pennsylvania.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD.

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. GORE:

Memorandum to Senator MANSFIELD, relating to the graduated income tax, submitted by Senator GORE.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, notwithstanding the limitation of the time agreement, I ask unanimous consent that the Senate proceed to the consideration of the Executive Calendar and consider the nominations en bloc.

There being no objection, the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Matthew H. McCloskey, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary to Ireland, which was referred to the Committee on Foreign Relations.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be considered en bloc.

The nominations considered en bloc are as follows:

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS

Wymberley DeR. Coerr, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

Adm. Alan G. Kirk, U.S. Navy, retired, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

William C. Battle, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

Mr. KEATING. Mr. President, Adm. Alan G. Kirk is eminently well qualified for the important and demanding position of Ambassador to the Republic of China. A graduate of the Naval Academy and Naval War College, he served for 35 years in the U.S. Navy. His wide experience in the Navy included that of Chief of Staff for the Commander of Naval Forces in Europe during the Second World War and Commander of the American Naval Forces at the invasion of Normandy.

Retiring from the Navy at the end of World War II, he has served as Ambassador to Belgium, and for 3 years he was American Ambassador to the U.S.S.R. Since his retirement from that post he has served as a business executive.

His wide experience, his varied posts of considerable responsibility, and his previous diplomatic positions make him exceptionally well qualified for the post of Ambassador to China. The present tensions in southeast Asia and on the mainland of China make this area a particularly critical one. Admiral Kirk has the background and ability to meet the challenges which he will undoubtedly face.

Mr. JAVITS. Mr. President, I should like to join my colleague in commending the President for appointing so distinguished a New Yorker as Admiral Kirk to this very high post. I knew Admiral Kirk in his service in Belgium, have witnessed his successful career, and have had considerable personal contact with him. I believe this appointment to a high level position is a very fine honor. He is a distinguished gentleman of high attainments, with a distinguished character, who has made a great record of service. I congratulate the President for the appointment and the Senate for confirming the nomination.

Mr. MANSFIELD. Mr. President, I join my colleagues from the State of New York in what they have had to say about Adm. Alan G. Kirk and the abilities which he possesses.

The President's nomination and the committee approval of Mr. Wymberley DeR. Coerr is also in that category.

I am especially happy that William C. Battle, of Virginia, who enjoys the confidence of the President, is being sent to Australia, where he will be able to renew acquaintances made in his war-time experiences, and where I am sure he will perform excellent service.

Mr. President, I ask that the nominations be confirmed en bloc.

The **ACTING PRESIDENT** pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. I ask that the President be immediately notified of the confirmation of the nominations.

The **ACTING PRESIDENT** pro tempore. The President will be so notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate return to legislative session.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

SENATOR HILL: STATESMAN FOR HEALTH

Mr. STENNIS. Mr. President, with great pleasure I have just finished reading an article in the June 1962 issue of Today's Health, published by the American Medical Association.

The article to which I refer is entitled "Lister Hill: Statesman for Health," written by Robert Barkdoll.

The distinguished service rendered to the Nation by the outstanding senior Senator from the great State of Alabama makes the name of Lister Hill a household word in every home across the wide expanse of our country.

Lister Hill's remarkable service in the field of hospital construction to relieve the sick and the suffering is one of the bright chapters in the journals of American public service.

His outstanding leadership and keen foresight placed on the statute books of our country one of the truly great pieces of legislation known as the Hill-Burton Act.

His resourceful diligence in providing for medical research and other programs of the National Institutes of Health and other health research programs makes Lister Hill one of the great architects of progress in this country.

These activities by Senator Hill, as well as his entire legislative career, all stamp him as a great humanitarian.

Mr. President, I am honored to recommend to the Senate and the public the reading of this article which spells out the true greatness exemplified in the humanitarian accomplishments of a distinguished Senator and a great American, Lister Hill.

I ask unanimous consent that the article be inserted in full in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Lister Hill: Statesman for Health

(By Robert Barkdoll)

On a sultry summer day nearly 40 years ago, a gangling young man of 28 trudged hesitantly across an Alabama farmyard to the kitchen door of a clapboard house. The florid-faced farmer who answered his halting knock looked down questioningly. The caller fought off his shyness and forced himself to speak.

In a soft drawl, he declared his identity and solemnly announced that he was running for Congress. Perhaps the good man might favor him with his vote in the upcoming election. It certainly would be appreciated.

As the visitor, now a hale 67, recalls it, the farmer peered at him for a long moment. "So your name's Hill," he said finally. "Must be Doc Hill's boy. Well, your father's a good man, took out my appendix last September. A good man."

"Thank you, sir," smiled the young officeseeker, his diffidence gone. "I guess you'll have to vote for me. You got the Hill trademark on you."

It was in 1923 that the farmer bearing on his abdomen the "trademark" of a widely respected Montgomery physician helped send the doctor's son to the U.S. Congress, and assisted in launching the legislative career of the man now known as the statesman for health, Lister Hill, the senior Senator from Alabama.

In the years since, the tall, spare statesman has stamped his own trademark on more legislation affecting the Nation's health than any other American in history. Proudly drawing on political skills of the highest order, he has enticed, cajoled, and otherwise maneuvered his congressional colleagues into enacting countless bills ranging from the famed Hill-Burton hospital program to research projects for scores of diseases and, more recently, such legislation as a measure providing more teachers for deaf children. No disease, no phase of the Nation's health needs seems to escape his attention.

Honors have been heaped on him by scores of medical societies, schools, universities, civic organizations, and other groups familiar with the professional aspects of his accomplishments. But some of his friends in the U.S. Senate feel he has not received all the man-in-the-street recognition his work merits.

As Vice President Lyndon B. Johnson says, "There are millions of our people who are better off today—and millions who will be better off in the future—because of the fine work he has done on health legislation."

The Vice President and other colleagues know Senator Hill as a dedicated man who believes that a hard-working America, cooperating where possible with other lands, can conquer the most persistent disease.

Says Senator Hill: "We stand today at the threshold of a golden age of medicine. I predict that within a relatively few years the world will see a tremendous breakthrough of medical knowledge. There is reason for confidence that this breakthrough will yield the answer to heart disease, cancer, mental illness, the virus diseases, and the many other crippling and degenerative ailments."

Leaning back in his office chair recently, and running a hand lightly across his very, very high forehead, the soft-spoken Senator dipped into his memory for a respectful tribute to his father, the late Dr. L. L. Hill. Then, in a narrative generously sprinkled with anecdotes, he recalled his own career, always leaving the impression that the father was the son's guiding star.

"My father was a dedicated physician, a great student of medical history, and fortunately a physically strong man. He had to be. Even in his later years—he lived to 84—he visited his patients in the hospital in the morning, made his rounds, returned to the hospital for a final check at 10 or 11 o'clock at night, then went home to read or study until 1 or 2 in the morning."

Dr. Hill studied in London under the famed Sir Joseph Lister, father of surgical antisepsis. So impressed was Dr. Hill with his teacher that when a son was born he named him after the noted surgeon. And thus Lister Hill was left with a double legacy—his father's and the name of the famous Britisher he also bore.

This carries great weight with him. "It was my father's physician friends who prevailed on me to run for public office. They wielded great influence. All they had to do was say to their patients how nice it would be to have Dr. Hill's son in Congress, and there was another vote. They probably knew the tack my congressional career would take."

It's doubtful even they could have known the powerful position that young Hill would occupy after a few years in Washington. Elected to the House in his first campaign, he switched to the Senate in 1938 and it is there that he has left his stamp on the Nation's health and research programs.

As chairman of the Senate Labor and Public Welfare Committee, he rides herd on all health legislation. And—not by happenstance—he also is chairman of the Senate Appropriations Subcommittee which oversees funds to carry out the programs authorized by the Public Welfare Committee.

How he obtained this dual position is illustrative of the gentle southerner's determined drive. In 1949, he was a key member of the powerful Senate Armed Services Committee. But studying his future, he decided to drop the post and take the lowest position on the Appropriations Committee. By 1955, he had risen to chairmanship of the subcommittee handling health funds.

"Let's say I hoped all along to get the subcommittee chairmanship," he said with a chuckle. "To do a job you have to be in a strategic position. As a member of the Armed Services Committee during the war, I was amazed by the number of boys rejected for service because of physical or psychological reasons. And the state of our hospitals was shocking, so few and so overcrowded."

But even before this, the man who, according to his colleagues, "practices medicine in Congress" had started building his impressive legislative monument.

Broadly speaking, it covers four fields:

Hospitals and health facilities: The 1946 Hill-Burton hospital and health center construction program has helped more than 5,700 hospitals, health centers, and other health and medical facilities of all kinds. More than half the hospitals are in rural communities of less than 5,000 population. Also, it was in this bill with its so-called Hill formula that Congress for the first time allocated funds among the States on the basis of need.

"In the early days of my father's practice," said the Senator, "a doctor would be called to treat a bad stomach ache—appendicitis. The patient would be put on a wagon, they'd drive to the railroad station, they'd wait for the train, and by the time they finally got to the Montgomery hospital the appendix had burst. In 1960, we observed at Langdale, Ala., the 10th anniversary of the first hospital approved under the Hill-Burton Act, and I could say then that during the decade medical research and better facilities had saved about 1,800,000 lives."

Medical research: He has fought for hundreds of millions of dollars for research into the cause, cure, and prevention of cancer, heart disease, cerebral palsy, mental illness, and many other crippling diseases. The Senator is proud that these efforts have "stimulated greatly increased emphasis on research among foundations, medical colleges, industry, and other private sources of support." In 1960, with the support of 63 Senators of both parties, he pushed through Congress the health-for-peace bill establishing the international medical research plan for the greater flow of medical knowledge throughout the world.

My father once told me how in 1864 Joseph Lister, then at the University of Glasgow, walked home with Thomas Anderson, a professor of chemistry. Anderson told him of certain papers on putrefaction and fermentation recently published by a then little-known French chemist, Louis Pasteur. Lister read the publications and was convinced that living particles in the air often turned the surgery of his day into a charnel house. From this casual meeting with Anderson came Lister's great principles of the modern treatment of wounds. The less transmission of medical knowledge is left to such chance exchanges the better."

Medical education and training: The Senator for years has sponsored training and education programs for thousands of doctors, dentists, research specialists, public health officials, and other medical personnel.

"The need for more physicians, dentists, nurses, and other medical personnel is one of the greatest problems we face in the field of health today," he said. "But once we have trained them we must be sure they have the facilities with which to work."

Preventive medicine: To "place a floor under the Nation's health," he has strongly supported legislation strengthening State and county health units in the battle against tuberculosis, polio, hepatitis, and other communicable diseases.

Senator HILL, a Phi Beta Kappa graduate of the University of Alabama Law School, gave unstinting credit to medical men who helped him compile his legislative achievements. "For example," he said, "several years ago we were sponsoring a bill to provide Federal grants to a group of medical, psychiatric, and rehabilitation experts to study the causes and treatment of mental ailments. Among the witnesses we asked to appear was Dr. Leo H. Bartemeier, who was then chairman of the American Medical Association's Council on Mental Health. He put into the record the fact that about half of all hospital beds are occupied by mental patients. That was far more effective than if the bill's sponsor had made such a statement."

Few doubt that the courteous Alabaman knows his job. He is most often called a pragmatic politician, a man who commands respect in his field because he steers clear of wild schemes and insists on the practical approach. When he moves for a vote on a favorite bill, chances are he knows almost to a Senator how his colleagues will cast their ballots.

As a Pennsylvania Republican Senator remarked to his Democratic colleague during a radio debate not long ago, "If LISTER HILL says this health bill is going through, I guess it's silly to bother with a rollcall."

When Senator HILL is talking about his health legislation, the soft drawl of the "Deep South" Senator tends to dwindle, his words are more clipped. But the undeniable charm is still there, and a certain toughness of spirit is plainly evident.

From time to time, newspaper columnists and others wonder in print how Senator HILL's dedication to his senatorial "medical practice"—with time out for education and labor-management legislation—sits with his Alabama constituents. But, while obviously a cosmopolitan, he is vividly aware of his southern heritage. They tell a story on Capitol Hill to illustrate the point. Some years ago a would-be Alabama politician considered running for the HILL seat in Congress. He thought the incumbent perhaps was not sufficiently aware of his Alabama background although he had vigorously upheld the State's civil rights position. So the politician sounded out a member of the Alabama congressional delegation. What did the Congressman think of his chances against Mr. HILL?

"There are a few things you should know," replied the Congressman. "Shortly after HILL entered the House he introduced a bill to put gravestones on the graves of all Confederate soldiers. The bill was enacted. Later on he was appointed a member of the Board of Visitors at West Point. On his first visit, he noticed that the portraits of all commanders were hung at the Point except one of Gen. Robert E. Lee. He came back to Washington and raised such a storm that Lee's portrait was prominently displayed in the library at the Point. Do you still want to run against him?" The disconsolate office-seeker retreated.

Senator HILL often is asked why, considering his background, he did not go into the medical profession. He has a quick reply. When just a boy, he chanced to walk into the room where his father was operating on a patient with a malignancy on his nose. "That was a horrible sight," he said, "and the smell of ether didn't help either. I fled the operating room and have never been back since, at least not for anything major."

There are those within and without the profession who are glad the Senator chose the legislative field.

On April 29, 1959, the Washington, D.C., Board of Trade, together with the Medical Society of the District of Columbia, and related organizations, held a unique ceremony at which 700 prominent Americans gathered to pay tribute to LISTER HILL.

One of the most moving came from Dr. Howard A. Rusk, director of the New York University Bellevue Institute of Physical Medicine and Rehabilitation. After thanking the Senator for his work on behalf of America's physicians as well as the general public, Dr. Rusk said: "We honor you as a Senator, but I think subconsciously (although we don't say it out loud) we feel, LISTER, that you are a doctor—that you are one of us. I am glad that you aren't just a regular doctor, because had you been, you would have just been like us—limited in the scope of your opportunity to serve. Because any doctor can only serve just so many people.

"But you have put the tools in the hands of all of us. You have given us the things with which to work. So we are grateful to you. We are grateful to you in emergencies and in serious situations that confront doctors in the practice of medicine and surgery."

Asked about this tribute recently, Senator HILL said quietly and self-effacingly: "My friends in the profession have been very kind to me." Apparently the friends feel the kindness has been repaid.

So often have some members of the profession appeared before HILL-led Senate committees that a rather rare camaraderie has developed between the chairman and the witnesses. Some years ago Dr. Ralph J. Dorfman, associate director of the Worcester Foundation for experimental biology, Shrewsbury, Mass., was testiflying on research legislation. As the hearing drew to a close, the Senator drew attention to his thinning hair. Patting his balding head, he asked facetiously, "You researchers, can't you do something about this up here?"

Told that perhaps the next generation would not have to worry about baldness, he replied: "That's the trouble with you researchers, you're always looking to the future. Some of us can't wait."

One of the Senator's fondest memories is of a school he attended as a youth, a high-school-like institution run by the late John M. Starke. "Starke was a great believer in mental arithmetic, working out problems in your head. But he also hammered away at the value of loyalty, speaking the truth, right-dealing, hard work, and the joys of accomplishment."

There are many who believe LISTER HILL learned well.

SWEDISH CONSTITUTION DAY

Mr. HUMPHREY. Mr. President, the 153d anniversary of Swedish Constitution Day not only calls to mind a proud moment in that nation's history but we should also pay tribute to those of Swedish descent who live among us today, and who have contributed so immeasurably to our nation's vigorous growth.

The Swedish love for freedom and respect for individual liberty dates from the Viking era. She nourished Christianity as early as the Middle Ages, and although the Lutheran Church is recognized as the church of Sweden, the tolerance exercised therein permits many shades of belief to exist. The Swedish press is believed to have the oldest legally guaranteed press freedom in the world.

The Swedes have set examples for the world in the realm of social reform. Many features of their social security system have been incorporated into our own. For over 70 years there has been constant improvement and extension of compulsory health insurance, unemployment insurance, and workmen's compensation.

In international affairs, Sweden has maintained a diligent and respected neutrality while also participating vigorously in such international organizations as the Council of Europe, the Organization for European Economic Development, and the United Nations. She contributed a national contingent to the United Nations emergency force during 1956 to 1957.

The constitution which was adopted on May 6, 1809, is still in effect and is now the oldest written constitution valid in Europe.

But let us also honor the present. The first Swedish immigrants trod our shores in 1638, and today by the most modest estimates there are 3½ million Americans of Swedish stock in our country. My own State of Minnesota is often referred to as Little Sweden, and it is easy to see why. In 1960 over 156,000 Minnesotans were either foreign-born or first-generation Swedes, and more than 23,000 of these stalwart people claimed Swedish as a mother tongue. During the past 60 years, seven Minnesota Governors have been of Swedish descent.

Swedish-Americans are prominent in the physical and social sciences and in the creative arts. Notable among many are the renowned physiologist, Dr. Anton J. Carlson; Dr. Glenn T. Seaborg, codiscoverer of the positron and Chairman of the Atomic Energy Commission; and poet and writer Carl Sandburg. The ironclad *Monitor*, which revolutionized naval warfare, was the brainchild of Swedish-born John Ericsson. Perhaps the most famous of Sweden's sons was Dag Hammarskjold, the late Secretary General of the United Nations, who lay down his life in the quest for international peace and social justice.

June 6 marks the birth of democracy in Sweden and the establishment of a tradition which has never faltered. It is also a day on which we can pay homage to those who have come from that country and given so unselfishly to ours.

HEALTH NEEDS OF AGED CITIZENS

Mr. HUMPHREY. Mr. President, on behalf of the Senator from North Dakota [Mr. BURDICK], who is unable to be present at this time, I ask unanimous consent to have printed in the RECORD at this point a statement prepared by him on the subject of the health needs of aged citizens.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BURDICK

MORE LIGHT AND LESS HEAT

The question of the day involves the health needs of 17 million aged citizens. A rational, objective evaluation should be underway. Instead, I find my mail saturated with misinformation, conjured-up hobgoblins, and cries of socialized medicine, all directed at the King-Anderson bill.

Back in 1935 President Morris Fishbein of the American Medical Association fought the basic Social Security Act vigorously, but he failed to obstruct the passage of legislation which millions enjoy today.

Typical of the misinformation I have received is a letter from a doctor in Grand Forks, N. Dak. He writes in opposition to the King-Anderson bill: "You legislate medications, hospital choice, length of stay, physicians' consultations, type of surgical procedure." I requested him to point out such authority in the King-Anderson bill, and to date he has not done so. Of course he cannot do so, because it is not in the bill. There is nothing in the plan that would upset the traditional patterns of medicine or interfere with the patient's choice of doctor, hospital, or nurse, completely refuting any charges of socialized medicine. I believe the following details of the King-Anderson program will help to correct much misinformation:

WHAT THE PROPOSAL WOULD PROVIDE

1. Inpatient hospital services (includes all those services customarily furnished by a hospital for its patients) subject to (a) a limit of 90 days for each illness; (b) a deductible amount (paid by the patient) of $10 a day up to 9 days (minimum deductible, $20; maximum, $90).

2. Skilled nursing home services up to 180 days after transfer from hospital. Person could be eligible for up to 90 days of hospital services and 180 days of skilled nursing home services for each illness, subject to a maximum of 150 units of service. A unit of service equals 1 day of inpatient hospital services or 2 days of skilled nursing home service.

3. Outpatient hospital diagnostic services, as many as required, subject to $20 deductible for each diagnostic study.

4. Home health services up to 240 visits during a calendar year; includes intermittent nursing care and therapy under a plan established by a physician.

Fees for physicians' or surgeons' services are not included except those of specialists in radiology, pathology, physical medicine, and anesthesiology if they are a part of the hospital bill.

Drugs are included when the individual is in a hospital or skilled nursing home.

WHO WOULD BE ELIGIBLE

All persons 65 of age and over who are eligible for benefits under old-age and survivors insurance or the Railroad Retirement Act. Such a person would be entitled to health insurance payments even though his monthly retirement benefits are being withheld because of earnings from work.

HOW THE PROGRAM WOULD BE FINANCED

Employees would have their social security deduction increased by one-fourth of 1 percent on the first $5,200 (instead of $4,800) of his earnings in a year. The average contribution by an employee would be about $1 a month for the health care benefits.

Employers would match the employee deduction.

Self-employed persons would contribute three-eighths of 1 percent on the first $5,200 of yearly earnings.

The program would be carried on through the administrative machinery of old-age and survivors insurance for those who are social security beneficiaries. For railroad retirement annuitants it would be administered by the Railroad Retirement Board. Money collected would be placed in a trust fund.

The proposed program would—

Establish the means for paying for a large part of the serious illnesses of the aged.

Eventually cover 95 percent of the population 65 and over.

Not interfere with the patient's choice of physician or facility.

NEED FOR LEGISLATION

The number of Americans 65 and over is rising rapidly. In 1900, 1 of 20 was in this age bracket and now 1 of 11 is over 65. A recent census shows that during the past 10 years the general population increased 19 percent, while the aged increased nearly 35 percent. Today 17 million are 65 or older, and in less than 40 years the number will double.

In the Statistical Abstract of the United States of 1961, page 320, we find as of 1959 that 47.7 percent of persons 65 and over earn less than $1,000 a year and 74.9 percent earn less than $2,000. Private noncancellable insurance policies just are not in the price range of the great majority of our senior citizens. When these people are beset with illness—particularly the lengthy ones which frequently befall those in that age group—they now have to fall back upon their children, charity, or the Kerr-Mills medical assistance for the aged program. By January 1962 only 23 States including North Dakota were paying medical assistance for the aged benefits.

As of that date, less than 4 of every 1,000 aged persons in the United States were receiving assistance under the Kerr-Mills medical assistance for the aged program, and 88 percent of the funds were spent in 4 States—Massachusetts, New York, California, and Michigan.

KERR-MILLS IN NORTH DAKOTA

Assistance through the Kerr-Mills program in North Dakota is a glaring example of the inadequacy of this approach. As of March 28, 1962, only 25 people in the entire State of North Dakota had received any benefits from the medical assistance for the aged program. When I learned of this fact, I telegraphed Carlyle D. Onsrud, executive director, State Welfare Board, Bismarck, N. Dak., for confirmation. Mr. Onsrud sent me the following telegram on March 28, 1962:

BISMARCK, N. DAK.,
March 28, 1962.

Hon. QUENTIN N. BURDICK,
U.S. Senate,
Washington, D.C.:

I stated at Jamestown that of 690 cases under study, which was then the total caseload in medical assistance for the aged which is Kerr-Mills, that 25 would not have been eligible for the old-age assistance medical care program, or 3.6 percent. I further stated that by the very fact of the increase in the cost of living that there would be every likelihood that the number eligible for Kerr-Mills would increase as more people that could maintain maintenance could not care for medical care. Also, that if the Kerr-Mills program in North Dakota had a higher income test, that would increasingly fill some of the vacuum in medical care need for elderly people. I further pointed out that Kerr-Mills would have been more dramatic in North Dakota if the old-age assistance medical program in North Dakota had not extended to medical only before its enactment. In some States a more bland old-age assistance medical program or none at all makes Kerr-Mills much more effective at this stage of the program. Except for a low-income test of $100 or under for a single person, North Dakota has the most adequate medical care content horizontally and expenditure for individual case vertically within the purview of our funds in the Nation. Also, as the cost of living increases many on Kerr-Mills must be transferred back to old-age assistance because they need maintenance besides medical care. This thing can become a tennis match.

CARLYLE D. ONSRUD,
Executive Director, State Welfare Board.

Bear in mind that Kerr-Mills is the public assistance approach, for the patient must be on relief or near-relief. The fact is that public assistance requires a test of need; and we can argue at length whether this is a means test, a pauper's oath, or a statement of income. By whatever name, it is objectionable. Such a test has the effect of excluding many persons, since they will not endure the humiliation of contacting the welfare office.

An alternative is to appeal to one's relatives. But many children of the elderly sick are beset with their own financial problems and do not have the resources to provide the care required.

It seems to me, then, that the sound approach is through social security, permitting a person to pay during his productive years for benefits to be received when he is old and his earnings low.

The argument has been advanced that King-Anderson would give benefits to those who do not need it. This same argument has been advanced against social security itself. This group, however, is infinitesimal and should not affect a program which will benefit so many.

An argument is made that the program does not go far enough. This argument is generally made by those who oppose the program in any form. To give assurance of 90 days of hospital care and 180 days of nursing home care, with the other benefits listed above, would be of tremendous benefit to the elderly.

An argument also is made that the program does not cover everyone. It would be difficult to formulate a program that perfect. King-Anderson would cover 14.7 million of 17.8 million over 65 and eventually would cover 95 percent of all over 65.

Overlooked by many are the benefits accruing to the self-employed and especially to farmers.

PROGRAM FOR FARMERS

According to the 1960 census, there are proportionately more people 65 and over on the farms and in small towns than in the cities. In rural towns with populations from 1,000 to 2,500, 1 our of 5 persons is past 65.

The President's Special Committee on Aging found:

Incomes are lower in rural areas. For those 65 and over the median money income in 1960 was only $740.

Nearly half (48 percent) of all aged persons residing in rural areas have chronic conditions which limit their activity. Among the urban aged the proportion is 39 percent.

Bed disability days per person per year average 17.0 for rural farm aged in contrast to 11.8 for the urban.

The relatively low income of farm families, means they are at a serious disadvantage in helping to finance the medical costs of the older population, either as children of aged parents, or as taxpayers, who help to foot the bill for the welfare load.

In rural areas, the farmer is the backbone of the community. Because of the characteristic pride and self-reliance implied in the term, he would be unwilling to admit to his neighbors that he cannot afford to pay for needed medical care. He would be unwilling to seek the help of the county welfare office, or comply with the means test necessary for Kerr-Mills assistance. Welfare assistance is more acceptable in big city anonymity.

I hope that in a short time the House and Senate will be considering the King-Anderson bill, which has been recommended and vigorously supported by President John F. Kennedy. There is need for this program in the cities, on the farms, and in all the Nation. We cannot longer sit idly by and ignore the lives and welfare of millions of our elderly citizens.

DANISH CONSTITUTION DAY

Mr. HUMPHREY. Mr. President, the evolution of democratic institutions in Denmark has at times been tortuous but nonetheless steady. The Constitution of June 5, 1849, was an admirable document; it formalized, for the first time in Danish history, the principle of popular sovereignty. In spite of the introduction in 1866 of another constitution, which represented a step backward, democratic ideals remained alive, and in 1915 a new document was promulgated which permanently abolished the anachronistic system of privileges and established government by popular consent.

The Danes were the last Scandinavians to emigrate to America in large numbers, but their later arrival has in no way diminished the value of their contribution to our national life. From the primary port of entry of New York, the Danes rapidly moved West. In Minnesota they established a church settlement in Lincoln County, and a colony of Danish Baptists under Reverend Hague in Freeborn County.

Among the many Danish-Americans who have given generously to our Nation of their native talent are the industrialist William Knudsen, the artist Rehling Quistgaard, and the philanthropist Nies Paulsen. The writings of journalist and Danish immigrant Jacob Riis were outstanding contributions toward the accomplishment of social reform in housing, child labor, and recreation.

This week we honor Denmark both for the ideals of her constitution and for the value we place on those of her people who live among us. A stanch defender of freedom, Denmark stands at the very frontier of our great Atlantic alliance. We are joined together as allies and as brothers in democratic government.

PROPOSED IRRIGATION PROJECT WILL ADD $1 MILLION PER YEAR TO FARM SURPLUS

Mr. PROXMIRE. Mr. President, this morning I appeared at my own request before the Senate Appropriations Committee to testify against the proposed Glen Elder Dam and irrigation project in Kansas. On the basis of careful, detailed analysis of the costs and projected benefits of this project, it is my firm conviction that no funds should be appropriated for it at this time.

I ask unanimous consent that my statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILLIAM PROXMIRE TO THE SUBCOMMITTEE ON APPROPRIATIONS FOR THE BUREAU OF RECLAMATION OF THE SENATE APPROPRIATIONS COMMITTEE, JUNE 7, 1962

I am appearing before this subcommittee at my own request to urge that funds not be appropriated for the Glen Elder Dam and irrigation project in Kansas, the only major Bureau of Reclamation new start in the President's budget for the fiscal year 1963.

I am testifying against this project for three reasons:

1. It is not properly authorized;
2. It will lead to a sizable increase in feed grain surpluses; and
3. Its costs far exceed its alleged benefits.

The Glen Elder Dam and irrigation project is a $60 million structure for which the sole congressional authorization is a single line in an 18-year-old act which contained over 300 projects.

This is a mockery of the formal authorization process, under which Federal projects are carefully reviewed and described in detail before getting congressional approval. In the case of Glen Elder, there has been no such review by Congress or the legislative committee directly concerned.

The Glen Elder project appears as one line in the so-called Pick-Sloan authorization enacted in 1944 which also included 325 other projects.

While it is listed in this wartime omnibus act, the project as it was then differs in almost every respect from the current proposal. The chief similarity is that the name's the same.

In 1944 the Glen Elder Dam was to cost $17 million and would provide 300,000 acre-feet of storage capacity. Now the same project is to cost $60 million and provide 800,000 acre-feet of storage.

In 1944 Glen Elder was described as supplying water to irrigate 26,000 acres of farmland. Now this has been cut to 21,000 acres.

What a farce this makes of the authorization procedure, when an 18-year-old one-line authorization so skimpy that the project can be modified out of all recognition is now used as the legal basis for the one substantial "new start" in the President's budget for fiscal 1963.

NO REVIEW BY CONGRESS FOR 18 YEARS

Until its present consideration by this subcommittee, the Glen Elder project has not been reviewed by Congress for 18 years. It has not been evaluated on its merits or in relation to the many other projects competing for a necessarily limited supply of tax funds.

The Senate Interior Committee recently evidenced a deep concern about this misuse of the authorization concept at a specially called hearing. Members of the committee indicated that all unfunded authorizations left over from the 1944 act should be referred back to the legislative committee for review and reauthorization.

It should be noted that this hearing by the Interior Committee concerned the authorization process in general, and did not constitute a careful, detailed review of the Glen Elder project.

Glen Elder was simply taken off a shelf in the Bureau of Reclamation where it has sat since 1944, dusted off, and sent up to Congress for money.

There is no indication why this project out of the many hundreds of others authorized at the same time, some with substantially higher benefits, has been singled out for construction to the tune of $60 million.

The authorization process is the cornerstone of legislative oversight, a minimum requirement that should be observed even if a project is obviously and substantially justified.

Glen Elder has no such obvious justification. Indeed, a large portion of the benefits expected to result from this project are extremely dubious.

Because of its great antiquity, Glen Elder dates back to an era before farm surpluses became a multibillion-dollar burden on American taxpayers.

The lack of legislative review means it has not had to pass the test now applied that reclamation projects not contribute to farm surpluses.

Glen Elder would fail that test.

WILL ADD TO FARM SURPLUSES

The right hand doesn't know what the left hand is doing in the administration when a reclamation project is proposed that will bring thousands of acres of land into new production of feed grains, just a few days after enactment of a farm bill sharply limiting farm production of feed grains.

The only substantial new start in the President's budget for reclamation in fiscal 1963 is the Glen Elder Dam. Yet one of the main benefits expected from this project is irrigation for 13,000 acres of land to produce grain sorghums, an important feed grain.

Just 2 weeks ago the Senate passed the administration farm bill putting tight controls on the Nation's feed grains and specifically on grain sorghums. Right now the U.S. Government has a surplus of more than $3.3 billion worth of feed grains.

The administration's mandatory feed grains program will limit the production of feed grains on every farm in the country, no matter how small, even if every bushel is fed to livestock on the farm. Sharp acreage cuts will be enforced on most farms.

If the mandatory feed grains program comes into effect, the Government will still spend hundreds of millions of dollars to acquire and store surplus feed grains, including grain sorghums.

The Glen Elder project would provide water for 60 new farms which would grow 13,000 new acres of grain sorghums with an annual crop value of more than $1 million.

The cost to the public of providing irrigation for this land works out to more than $1,500 per acre. To this must be added the millions of dollars worth of surplus grain sorghums that the Government would have to acquire.

As a national policy on resource development, this is straight out of "Alice in Wonderland."

The spectacle of using scarce tax dollars to misuse scarce water to grow feed grains at the same time the Federal Government is spending more dollars to buy surplus feed grains is utterly beyond comprehension.

The cost of the irrigation facilities alone on the Glen Elder project is $17 million. Taxpayers will have to fork over not just the $1 million plus per year for surplus feed grains, but also the initial $17 million cost, as well as over half a million dollars annually in imputed interest payments.

INTEREST COSTS SHOULD NOT BE IGNORED

In the long run, the farmers owning the irrigated land will repay less than $4 million of the initial cost and none of the imputed interest, which does not show up in any budget figure but is a real cost to the public of some $20 million additional over the life of the project.

It is important to emphasize that the initial cost of $810 per acre understates the full cost of this irrigation project. Interest, or the cost of money, is as much a cost of the project as the cost of the concrete used to line the irrigation laterals. It makes as much sense to ignore the costs of money as to ignore the costs of concrete.

It can be shown the cost of money will amount to a total outlay of dollars over the total 100-year repayment period of about $5,600,000 or $2,700 per acre. If one were to ignore the difference in value of a dollar at different points in time these figures would be added to the $810 initial outlay to obtain the total cost per acre.

But one must recognize that a dollar 1 year from now is not the same as a dollar today, even if the price level were constant. A dollar due 1 year from today is worth only 96 cents now with a 4-percent rate of discount. Thus, if we add the dollars which will be paid for interest in the year 2000 or 2060 to the amount paid today for initial construction, we should discount for the passage of time. Taking the pattern of interest payments over time into account, the present discounted value of those interest payments is over $15 million or about $900 per acre.

This amount should be added to the present $810 initial outlay to determine total cost per acre.

So it will cost over $1,700 per acre to bring water to the 21,000 acres involved in the project. Farmers using the irrigated land will pay back only $191 at the rate of $4 a year per acre during the 50-year repayment period. Another $619 per acre will be paid by users of power generated by the power units of the Missouri Basin project, none of whom will benefit from Glen Elder.

Every dollar spent on this irrigation project will bring only 40 to 60 cents worth of economic benefits. Normally, a benefit-to-cost ratio of at least $1 benefit for each dollar cost is required. Anything less is an unjustified use of Government funds.

What's more, each dollar spent to build this project will further cost well over $3 over the next 50 years in added farm surpluses and extra interest charges on the national debt.

CHEAPER TO GIVE FARMERS $400,000 IN CASH

An idea of the economic waste of this irrigation project can be seen if a simple alternative use of the funds for the construction is considered. A 4-percent rate of interest on long-term Government bonds is likely to prevail for many years, as long as the Federal Reserve System follows its present policies. The $17 million construction cost would yield about $680,000 a year if the funds were invested in bonds with that yield. Or, looking at the same notion from a little different angle, this would be the amount of savings to the Treasury if the national debt were reduced by the amount of $17 million.

Since the annual amount of direct benefits from the $17 million invested in the Glen Elder project is about $400,000 a year, we see that the country would be better off if the funds were invested in 4-percent bonds. The Nation's taxpayers could pay the farmers in north-central Kansas the $400,000 a year and still have $280,000 more each year than they would have if the irrigation project were built. The farmers would have the same dollar value of direct benefits, while the Nation's taxpayers would be richer by $14 million over the 50-year period.

FLOOD CONTROL BENEFITS BARELY EXCEED COSTS

Even the flood control aspects of Glen Elder are of borderline value. Just to arrive at a benefit-cost ratio of 1.09 to 1, it is necessary to make the most favorable possible assumptions with regard to the timespan of the project and the other calculations involved.

If a discount factor of 4 percent is used to evaluate the future value of current dollars, which most independent experts consider realistic—particularly since prime interest rates are about 4 percent—the costs of the project substantially exceed its flood control benefits.

Only by postulating a 2½-percent discount and by using a 100-year timespan is it possible to bring the benefits to the 1.09 to 1 barely favorable ratio.

I ask: Is this the project in our Nation with the most substantial expected rewards for its cost? Of the hundreds of other projects similarly authorized in the 1944 and other early omnibus acts is this the most worthwhile, so that in the fiscal year starting in 4 weeks it should be the only important new start in the flood control and reclamation field?

If it is, then I must very seriously question the standards and priorities that put so dubious an undertaking at the top of the list.

If not—as appears more likely—then surely Congress should demand to know which projects are more worthwhile, why they were not chosen, and what principles and guidelines are now employed in the Bureau of Reclamation to select new projects for construction.

In the absence of any effective congressional review of projects, this kind of information must be provided in detail if an informed choice on appropriations is to be made.

For these reasons I believe that no funds should be appropriated for the Glen Elder project, at the very least until it has been thoroughly scrutinized by the Senate Interior Committee.

I also believe that any further allocation of funds to multiuse water development projects should be held up until Congress has reviewed the new criteria recently stated by the President's Cabinet-level Water Resources Council.

Until new criteria are clearly established, there remains the possibility that economically unjustified projects like Glen Elder will be proposed again.

ALOHA TO RANDOLPH SEVIER, CHAIRMAN OF THE BOARD, MATSON NAVIGATION CO.

Mr. FONG. Mr. President, it is fitting today that all of us who are concerned with the Nation's maritime industry and with the State of Hawaii take note of the 65th birthday of Randolph Sevier, chairman of the board of Matson Navigation Co., a leader in the shipping industry and a sincere friend of Hawaii for nearly 40 years.

Randolph Sevier served as president of Matson Lines from July 1950 until his retirement last month when he was elected chairman of the board. It was good news, indeed, to all of us that Mr. Sevier will continue to play an active part in the affairs of Matson and Hawaii.

The story of Randolph Sevier, better known as Joe in his circle of intimate friends, is an inspiration to the young men of this age now starting out at the bottom rung of the ladder in industry. But he is more than a model to emulate. Mr. Sevier is more particularly a strong influence in the maritime industry, which today needs vigorous leaders for the stormy years ahead. A native of Eureka, Calif., he is a graduate of both the State College of Agriculture at Davis, Calif., and the University of California. Following completion of his studies, he spent 2 years in the U.S. Navy and then went to work as a freight checker on the Matson docks in San Francisco.

From there he went to sea as an assistant freight clerk on the Matson ships in the Hawaii service. After 3 years of seagoing, he settled in Hilo, Hawaii, to run a small bus company which he soon put on its feet.

He joined Castle & Cooke, Ltd., in 1930 in Honolulu, and by 1935 he had become a director in the company. In 1937 he was named president and director of Castle & Cooke Terminals, and 7 years later Mr. Sevier became vice president of the parent company—Castle & Cooke, Ltd.

Leaving the islands in 1948 for San Francisco, he became executive vice president of Matson in close association with the late John Cushing, whom he succeeded as president of Matson in July 1950.

As president, Randolph Sevier led Matson through the difficult years in the 1950's—the Korean war, the economic recession of 1957, and many shipping tieups—to pioneer in the development of containerization in the Hawaiian cargo service and to restore the prewar fleet of famed Matson white ships in the California-Hawaii passenger service.

Mr. President, I am sure my colleagues and Mr. Sevier's legion of friends in Hawaii join me in extending a warm aloha and wishing him a heartfelt happy birthday today.

YOUNG AMERICAN MEDAL FOR BRAVERY

Mr. HART. Mr. President, tomorrow at the White House, President Kennedy will award coveted Young American Medals to three outstanding youngsters. For the first time in history two of those youngsters are from one State.

The State is Michigan and the youngsters are Miss Mary Ann Kingry, of Saginaw, and Mr. Gordon Kilmer, of Reed City.

Miss Kingry, who is 18 years old, will receive the Young American Medal for service, and Gordon, who celebrates his 16th birthday tomorrow, will receive the Young American Medal for Bravery.

Mr. President, Senator McNamara and I are tremendously grateful to these young persons for the honor they have brought their State.

I would like to tell you a little bit about them. Their stories are excellent antidotes to the cynicism and disenchantment that we all fall prey to from time to time.

Miss Kingry won her award because of a quiet, intelligent dedication to a relatively undramatic—but thoroughly humane—cause. While maintaining an excellent academic record at SS. Peter and Paul High School, she contributed outstanding work in the Junior Red Cross.

During 1960 she served as a resource member for the American Red Cross' midwestern area and was chosen one of two American representatives at the Canadian training center of the Junior Red Cross. She served as secretary of the Midwestern Area Advisory Council of the Junior Red Cross. She was appointed to the National Youth Council of the American Red Cross and was the subject of a feature article in the American Red Cross Journal.

Gordon Kilmer won his medal for saving the life of a friend during a boating accident on Wells Lake near his home.

Gordon, his dog King, and the friend, Mark D. Seath, were thrown into the water when the boat capsized. They struck out for shore but Mark weakened quickly in the cold water and sank.

Gordon dove and pulled him back up. He managed to sling Mark over the dog's back, but after a short distance Mark slid under the water again.

Gordon dove, brought him to the surface once more and towed him the remaining 400 feet to shore. Then, though nearly exhausted, he revived Mark with artificial respiration and went for help.

I bring this matter to your attention, Mr. President, in the hope that it may refresh you and my colleagues just as it refreshed me. Those elsewhere in the world, who read this Record, will know that America's youth numbers such as these two fine young people.

We spend hours here dealing with dire predictions and weighty problems unsolved. Too often, we work in an atmosphere of frustration and worry.

So today I have an opportunity to do something that is not done often: to make a speech that you can all enjoy telling your children about.

COMMENCEMENT ADDRESS BY SENATOR DODD AT TRINITY COLLEGE, WASHINGTON, D.C.

Mr. HARTKE. Mr. President, again this year, many young men and women are graduating from their high schools, colleges, or universities, eager either to further their education or to make their mark in the world. Our distinguished colleague, the Senator from Connecticut, Hon. Thomas J. Dodd, on Sunday, June 3, 1962, had the pleasure and the distinct honor of addressing the commencement exercises at Trinity College in Washington, D.C.

It is an honor for anyone to address a commencement ceremony, but for Senator Dodd this was, indeed, an honor—which he will never forget; for it was from Trinity College that his charming and lovely wife, Grace, was graduated; and it is from Trinity College that his attractive daughter Martha was graduated this year.

To address the commencement of your own daughter would be a truly thrilling as well as challenging experience. Senator Dodd, in his usual good manner, met this challenge.

So that all may have the opportunity to witness the wise and provocative thoughts which Senator Dodd has expressed to these young people, I ask unanimous consent that his address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Senator Thomas J. Dodd, of Connecticut, at the Commencement Exercises of Trinity College, Washington, D.C., Sunday, June 3, 1962

When I received the kind invitation of your distinguished president, Sister Margaret, to take part in these commencement exercises, I thought to myself that graduation appearances at Trinity College were getting to be a family habit. For it was from here that my wife, Grace, graduated, and it is from here that my daughter, Martha, graduates today.

I therefore share with all of you the bond of affection that ties members of this graduating class and their families to this wonderful college that has meant so much in the lives of all of us.

Every college graduating class of young women is a living demonstration of the profound change in social life and the far-reaching revolution in human freedom that have radically changed the world of the 20th century.

The world before you is a far different world from that faced by those few academic pioneers who first assembled at Trinity College in 1897.

It is a world full of opportunities once closed to women; of professions and occupations once barred; of social freedoms once forbidden; of intellectual and artistic pursuits once shut off; of legal rights and privileges once denied; of participation in a broad range of activities once proscribed; of a growing equality once condemned.

Yet, all of these liberations have been purchased at a price. For women today are expected, as a matter of course, to carry new responsibilities and burdens. The emergence of women has breached the stability of the old social order, leaving in its wake tensions, uncertainties and anxieties which to an ever-deepening degree cloud and shadow the lives of modern women.

New freedom has been purchased at the price of old tranquillity; independence has been won at the price of security; variety has been gained at the cost of stability; equality is being approached at the cost of a fierce competition which deeply disturbs the gentle, tolerant nature of women.

The new role has seriously threatened the old role of wife and mother which has always been considered essential both to the peace and happiness of women and to the survival of the social order.

This liberation is not just a product of recent history. The bracelets and necklaces which you now wear as adornments are innocent remnants of the chains and fetters worn in those near-forgotten ages when women were essentially slaves and were reckoned as property, along with cattle and sheep.

Christianity was and is the greatest liberating force of history. With its veneration of the Mother of God and of motherhood with its sanctification of the role of woman, with its insistence on the sacredness of marriage and on the rights and duties of husband and wife, with its elevation of family life, it transformed the life of women. Wherever its influence has been strongly felt, the role of women has been elevated.

Yet, when we look factually and historically upon social conditions at the beginning of the modern liberation movement, we see a dismal and tragic picture.

The young woman of former times was fully dependent upon, and therefore subject to, the man of the house, whether he be husband, father, uncle, or the elder brother. She was dependent upon him for her shelter and her food, for her clothing and for whatever niggardly pittance she might ask for from time to time to meet some necessity. She was dependent even for information as to what was going on in the world outside the household.

She had to account for all her comings and goings. She had to seek permission, not only for the most trivial of matters but for the larger questions of her existence, her education, her marriage, her place in life. Her life was one of household drudgery; her welfare was in the hands of others and history records that those whose welfare rests in the hands of others, whether they be individuals or races or nations, have a future that is uniformly dark.

There was, to be sure, some employment outside the home. But the work available to your ancestors was essentially the toil of the field and the factory, the dreariest and most menial forms of labor.

Her legal rights were almost nonexistent. She could not vote, of course, or serve on juries or aspire to any position of public trust. She could not enter into contracts or dispose of property or engage in normal business transactions. She was prohibited by custom and by university regulations from entering professional schools.

This does not mean that life was unendurable for all women. Surely in those cases where the head of the house was a decent, enlightened man, where the influence of religion was felt, where genuine love transformed the relationship, life was endurable and perhaps happy.

But the very fact that their fate was almost totally dependent upon the disposition and good will of another is indication enough of a degraded status.

And as we look today upon the smiling, confident, optimistic faces of the young women of this graduating class, we may well pause for a moment and reflect upon the pale legions of the past, oppressed and denied through numberless generations, entitled to a life as fruitful as that which we hope awaits you, yet reduced for long ages by custom, by ignorance, by selfishness and by the vanity of men to a coarse, bitter, long-suffering, tear-filled existence.

We have changed that. We have changed it in this century and in this country. And whatever aspects of this change may be thought regrettable, those who have blazed the trail of emancipation have done a great good, and it is for us, and especially for you, to conserve this humane revolution, to save what is good, to redeem what is bad.

You enter a world far different from that which I have briefly described. You start with a broad education, an idea of the range of human exploration and imagination, a knowledge of what men and women have done, of what they hope to do, and of what they ought to do. The future awaits you, courts you, green and beckoning.

If you wish to continue your education, you will find that for the most part the bars have been removed. A hundred fascinating fields of inquiry await you in a thousand interesting places.

If you seek employment, a dozen professions are open, a hundred engaging occupations the world over, with broad horizons of advancement and with growing recognition of the quality and capacity of women.

If you seek marriage, you will approach it not as a hostage whose fate someone else has decided, not as a supplicant seeking escape or security, not as a family burden which must be disposed of, but as a free woman, as one who is sought after as well as seeking, as a full partner in the joint assumption of sacred responsibilities.

If you wish to establish a life of your own away from home, you are free to do so without violating customs or raising eyebrows.

You move about in a society which no longer ignores your needs and wants but which, on the contrary, caters to them in everything from literature to architecture.

Freedom and equality, the central motivating forces in our history, the hallmarks of Americanism, have worked their liberating, elevating influence in the lives of women as in so many other areas.

Would that our tale could end here on this happy note. But we have conquered old abuses only to see new ones spring up in their wake.

New freedoms are matched by new tensions, new burdens, new anxieties. A social crisis afflicts us and the role of women is at its center.

The modern woman has gained most of the rights and privileges of men. But she faces the loss of much that is vital to her as a woman.

The marriage which she freely contracts no longer offers the security and stability of former times. One out of three marriages ends in divorce. The marriage bond was once buttressed not only by religious and ethical convictions but by all the pressures which family, society, employer, and the hope of social acceptance and material advancement could bring. Today this is all changed for a growing number, and marriage, like a treaty between nations, tends to last as long as it is advantageous and agreeable to both parties. There is a terrible loss here, and the loss is felt most deeply by women. For it is they who make the most total commitment to a marriage and it is they whose lives are most fractured by a break.

The career she eagerly embarks upon too often ends in the confused, bewildering, demanding existence of trying to be wife, mother, and breadwinner all at the same time. Forty percent of mothers today are working women. Most of these are helping their husbands with the family budget.

The variety of her life is often purchased at the expense of the children who do not have a full-time mother.

The independence and assertiveness which is characteristic of modern women has been frequently won at the cost of downgrading the role of their husbands. More and more women complain today of having to make the decisions for the household and to assume the responsibilities that were formerly borne by men. Today's husband knows that he is no longer the autocrat of the breakfast table, as of old, but he is not quite sure what he is.

Her conquests in the professions have forced upon her a fiercely competitive existence which runs against the grain of her nature and which is causing more and more emotional breakdowns and mental disturbances.

The equality she has won has been gained at great cost. I believe that I perceive a sense of loss in the minds and hearts of women as they go about enjoying the new freedoms which have come to them in earning their degrees, advancing in their jobs, taking part in civic affairs, playing a fuller role in the family and broadening their intellectual horizons.

All too often they have lost the outward esteem and the special respect once accorded them by those with whom they now compete. They see this in the hat that is not raised, the door that is not opened, the seat that is not offered. They have lost the sense of seeming something special, of being treated as ladies, of being regarded as a class apart and above. And for many women, this loss hurts deeply.

We have ahead of us a task of reconciliation. The new role of women in the social order must be reconciled with the needs not only of society but of the human heart.

I am afraid the burden of this reconciliation will largely, if unjustly, fall upon women. For of the two sexes, women are traditionally and indisputably the more sensitive, the more earnest, the more selfless, the more knowing, the more adaptable, the more tactful, the more self-sacrificing.

It is for your generation to prove that the liberation from the old order will lead to a better order, that the overthrow of the enforced stability of the past will lead in time to a voluntary stability resting, not upon coercion and sanction, but upon mutual consent and mutual respect.

It is for your generation to prove that the race for recognition, personal fulfillment and material possessions need not deflect the modern woman from her more fundamental and essential role of wife and mother.

It is for your generation to prove that freedom and education breed responsibility, that the social disorders brought about by the advance of women are just growing pains, and that a newer and better order can be built upon the principle of equal justice for men and women.

There is another and even graver threat to the status of women, and that is the competing philosophy of the role of women pursued by the World Communist movement. I am somewhat reluctant to raise the specter of the cold war at an occasion of this kind, but it is perhaps the most pervasive influence in our lives: it intrudes upon all that we do, and it cannot be ignored.

There are no two doctrines more completely antithetical than communism and Christianity. Yet many in the free world refuse to recognize this and persist in acting on the belief that there is some common framework which houses both.

Most of the tragic mistakes that we have made in dealing with communism have stemmed from a refusal to accept the fact that communism is the total and mortal enemy of Christian civilization.

The purveyors of Marxist materialism have invaded every arena of thought; they have seeped in on all sides, and have succeeded in confusing a large part of the Western intellectual community.

There are even those in religious circles who maintain that communism is merely a Christian heresy, that it regrettably went off the track at some point or other, and that therefore the differences between East and West are of degree rather than of kind.

Perhaps the greatest triumph of Communist propaganda and idealogical warfare has been to gain greater and greater acceptance of this false concept in the free world. It disarms us; it leads us to the conference table with blinders on; it robs us of one of our greatest weapons, the moral indignation of good people everywhere against a system of incarnate evil.

Only our refusal to see them in their true light as total enemies of everything that our Judaic-Christian civilization represents, can account for the free world's tragic blunders which have permitted the World Communist Movement to grow until it has enslaved 1 billion human beings, and bids fair to conquer the world.

Unless graduates of institutions such as this, who have been schooled in the best of the Western tradition, understand the total depravity of communism and the unbridgeable gulf which separates it from us, then there is little hope for the cause of freedom. For successfully combating Communist aggression in all its forms depends on a prior understanding of it, and those who fail to see it as the complete antithesis of Western civilization cannot understand it and cannot, therefore, successfully combat it. One of the proofs of this total separation is the contradiction between our approach to the rights of women and the Communist approach.

The Communists, too, talk of the emancipation and equality of women; but there is a great difference.

Here, liberation has been achieved by expanding freedom; there, slavery has been forced upon women by the obliteration of all freedoms.

Here, equality has been pursued without consciously obscuring the real distinction in the functions of men and women; there, there has been a calculated attempt to wipe out, as far as possible, the ancient distinction.

Here, the growth of educational opportunity for women has meant that they are free to enter into any field to which they are inclined; there, education of women is ruthlessly forced into those channels which meet the needs of the state, not the interests and aptitudes of the individual.

Here, our economic production is oriented toward meeting the needs of the family; there, all the fundamental needs of the family have been subordinated to the single-minded purpose of building industrial power and a collective state.

Normal home life has been disrupted as much as possible, through the long hours of toil outside the home demanded of women, through emphasis on communal living, through a planned lack of housing which denies to the family that small degree of privacy without which a family unit cannot really function.

While we have been enacting laws to safeguard women from the rigors of physical labor, the Communists have forced women to do the most arduous forms of manual toil, working 12-hour shifts in underground mines, unloading trucks, stoking blast furnaces, digging ditches, and in general performing the crudest and most laborious tasks.

Here, the danger of the old concept of family life is posed by an almost unthinking neglect which our society is now striving to redress; there, we see a determined and calculated drive to destroy the very concept of the family, which has already gone far toward taking the care and education of the child away from the parents.

A recent publication in the Soviet Union describing the goals which the Communists expect to achieve in the next 25 years hopefully predicts that ultimately children will be taken from the mother almost at birth in order that bonds of affection which now exist between mother and children will be broken and that all emotional ties will henceforth be directed toward the State and the party. Thus we have the ultimate denial of the essential role of woman.

Here, despite our failures, we have tried to emancipate women as women; there, they have, to the extent possible, tried to extinguish the very nature of women.

You should, therefore, have a special insight into the conflict which now rages across the world. As Western women view their counterparts behind the Iron Curtain, toiling like beasts of burden in mines and fields, doing the coarsest, dirtiest jobs, deprived to an ever growing degree of their primary functions, bereft of religion, their ancient consolation, robbed of individuality and femininity, reduced to the drab, colorless uniformity against which women naturally rebel, they should see instinctively that communism means ultimately the complete destruction of the personality and the dehumanization of the individual.

Your task is to increase our perception of the evils of communism, to strengthen our will to resist these evils, to enlarge our capacity for sacrifice, both to oppose slavery and to advance freedom around the world, to consciously strive to build a society here which furnishes with each new day a further justification of freedom.

You leave Trinity College armed with the tools to meet the challenge at home and abroad.

For you can face the insecurity of the modern world with the inner security that comes from knowing your purpose in this life and your destiny in the next. You can face the complex pitfalls of modern marriage guided by the ideal of family life which you have learned here. You can face the unrelenting danger of Communist aggression and the gnawing fear of nuclear war with the courage and sense of purpose which comes to those who are defending what they know to be right.

You have learned here at Trinity College to temper equality with humility, to bridle independence with responsibility, to couple freedom with duty, to balance personal fulfillment with self-denial.

You have learned here that the higher end of life is not satisfaction but service, not reward but renouncement, not domination but dedication, not variety but virtue. A people with these concepts cannot be defeated.

These are the lessons of Christian civilization as seen in the light of freedom. And as I look out upon this graduating class and see in my mind's eye other commencement exercises across the land, and visualize those of the future, I am confident that these lessons of our faith and our freedom will teach us the way through the troubles we face.

TRADE EXPANSION PROPOSALS

Mr. LONG of Missouri. Mr. President, during the past several months, hundreds of articles have been written on the trade expansion proposals the President has sent to Congress. I think that none states the case for the proponents of this legislation more succinctly than does a letter to the editor, which appeared in last Monday's St. Louis Post Dispatch. Certainly none speaks from a point of higher professional authority than does this letter which was prepared by 12 outstanding professors of economics at the University of Missouri.

I enthusiastically recommend this letter to the attention of my colleagues in both Houses, and to all readers of the Congressional Record. For this reason, I now ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

So America Will Grow

The undersigned are professors in economics at the University of Missouri. We would like to express our strong support for the Trade Expansion Act which would give the President power to reduce U.S. tariff substantially.

In Europe the Common Market is emerging as an exceedingly large area of free trade with an external tariff against outsiders. It has a population of over 260 million and is one of the fastest growing markets in the world. If we are to grow rapidly ourselves, we cannot permit our exports to be shut out of Europe.

The President must be given power to negotiate access for our goods; he must, that is, be given the power to reduce U.S. tariffs in order to obtain reductions in the Common Market tariff against outsiders. Should we fail to obtain entry for our goods, U.S. businessmen will seek to get into Europe by erecting plants there and investment outlays will take place in Europe that would otherwise have occurred in the United States.

We will enjoy a higher standard of living in a world of freer trade. We can produce at home products in which we have a cost advantage and import those things which can be produced more cheaply abroad. In general, our strong industries are high-wage industries and our weak industries tend to pay low wages. In a competitive world economy we can expect to see workers move from low-wage declining industries to high-wage growth industries. The administration wisely proposes to assist businessmen and workers over transitional difficulties.

We are currently exporting nearly $30 billion worth of goods and services each year, nearly $5 billion more than we import. On a longrun basis, we can only continue to export if we are willing to buy from abroad. Exporting and importing are not independent. Every measure taken to protect a domestic industry does so at the cost of an export industry in the United States.

Finally, reduced trade barriers will strengthen immeasurably the free world economy in its conflict with the Communist countries.

Russell S. Bauder, John P. Doll, M. Mason Gaffney, John M. Kuhlman, Wayne A. Leeman, J. Wendell McKinsey, John C. Murdock, Robert W. Paterson, V. James Rhodes, John R. Tedford, Pinkney C. Walker, Jerry G. West, Department of Economics, School of Business and Public Administration, University of Missouri, Columbia.

CONSERVATION OF NATURAL RESOURCES

Mr. LONG of Missouri. Mr. President, probably no State is placing more emphasis on conservation of natural resources and industrial development than is Missouri. Although this emphasis began only a few years ago, Missourians are already gathering some of the benefits.

But Missouri, with an abundance of natural resources and splendors that are found nowhere else in the world, has turned only the first few spadefuls toward her treasures. A hundred years ago, Missouri was the frontier of westward pioneering. But in reality, the natural riches and growth potential lay in her—not the land beyond the Rockies.

To a recent editorial, the Joplin Globe explores the compelling theory that with continued practice of meaningful conservation along with resource development, Missouri may well be the fifth largest State in the Union both in population and in personal income in just 35 years.

Mr. President, I now ask for unanimous consent that this challenging editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Missouri as Fifth State?

If Missouri practices proper conservation of natural resources, it well may become the fifth largest State in the Union both in population and in personal income by the year 2000, says Dr. Paul A. Herbert, president of the National Wildlife Federation.

Dr. Herbert sees balanced uses of resources in this centrally located State with abundant streams and water supply, forests, and mineral resources as being the key to future growth. Missouri now ranks 13th in population among the States and has not kept pace with national population growth in recent decades. By the year 2000 Dr. Herbert would put only California, New York, Illinois, and Texas ahead of Missouri.

Emphasis is placed by most Missouri leaders on industrial development and tourism. But there is no conflict between these and conservation. In fact, they complement each other. What both the national and State conservation federations advocate is soil, forest, recreation, and wildlife conservation, along with purifying and safeguarding water supplies in industrial development.

There is evidence Missouri is moving forward on all of these fronts. It is restoring and nurturing soil, forests, and wildlife. Under the spur of Federal and State laws antipollution programs are underway to clean up streams, including both the Missouri and Mississippi Rivers. Tourism is perhaps the fastest growing industry, with development of State and national parks, and building of more and better highways.

A worthy project now pending is creation of the Ozark Rivers National Monument, or national park, to conserve the natural scenic beauty and the free-flowing streams of the Current River country in south Missouri. Legislation on this is before Congress. It merits active support by conservation groups.

THE PENDING TAX BILL
(H.R. 10650)

Mr. BYRD of Virginia. Mr. President, there is reason to expect that the provisions of the pending tax bill—the so-called Revenue Act of 1962, H.R. 10650—to withhold taxes on interest and dividends will be defeated in the Senate Finance Committee. If it is not defeated in the committee, I am convinced that the Senate itself will defeat this provision.

I made my own position on this matter clear to the President when he recently requested me to come to the White House to discuss the legislation.

If either the provision to withhold taxes on interest and dividends, or the provision giving a tax credit for business investment in depreciable machinery and equipment should be retained in the bill, I shall vote against the bill, but I will make no effort to delay or prevent a vote on this legislation either in the Senate Finance Committee or on the floor of the Senate.

The committee has made an earnest and diligent effort to give proper consideration to this extremely complicated legislation as it was passed by the House of Representatives. More than 200 witnesses were heard on the bill in hearings which required more than 5 weeks. The testimony covers 4,409 pages.

The confusion created by this proposal is demonstrated by the fact that, after weeks of hearings, the Secretary of the Treasury now proposes substantial changes in the administration's original recommendations. Already more than 50 witnesses have requested permission to be heard on the latest revisions.

This bill cannot be classed as emergency legislation with substantial effect on current conditions because, excepting the investment credit provision, the tax sections of the bill would not be applicable until next January 1.

Best staff estimates indicate that, after hearings are completed, at least 30 days will be required to complete the committee's consideration. The Senate Finance Committee considers major tax legislation on a line-by-line basis, and each member is given the opportunity for full discussion.

This bill has 242 pages, and it appears that there is controversial language on every page, if not in every line.

I state these facts in view of the conflicting statements by members of the President's Cabinet and other high officials of the Government at Washington.

The Secretary of Commerce has proposed an immediate tax reduction.

The Secretary of the Treasury has proposed a tax reduction program which he has not disclosed, and neither has he said what he would recommend as an effective date.

In addition, the Secretary of the Treasury has said that in July he will announce internal revenue regulations, under existing law, to liberalize tax allowances for depreciation of plant and equipment.

It is not clear whether the new regulations, to be promulgated administratively, for accelerated depreciation allowance would be in addition to the 8-percent credit proposed under the pending bill for investment in machinery and equipment.

The 8 percent investment credit proposal pending before the Finance Committee under administration recommendations would be pure subsidy as, together with orthodox allowances, it would provide for depreciation of 116 percent.

Seventy-five percent of the businessmen testifying on this proposal before the committee opposed it. The Treasury Department already has the authority to revise depreciation, for tax purposes, on plant and equipment and prompt action in this respect would be an effective step to encourage plant expansion.

I repeat for emphasis that estimates of loss in revenue from nonpayment of taxes on interest and dividends have been grossly exaggerated. All dividend payments of more than $10 are already reported to the Internal Revenue Service which concedes that 92 percent of all taxes due on dividends are now collected.

If the withholding provision in the pending bill is defeated, I shall offer legislation requiring that all interest paid in excess of $10 also be reported to the Internal Revenue Service.

With this information available for checking through the new computer system now being installed by the Internal Revenue Service—in combination with the so-called numbering plan already authorized—those avoiding taxes in this area would be readily identified.

I have confidence in the ability of Mortimer Caplin—a Virginian—as Commissioner of Internal Revenue, and I believe taxes due on interest and dividends can be collected without the confusion and hardships which would certainly result from Federal withholding in these categories of income.

The Senate Finance Committee at present has some 30 bills on its calendar, including important legislation which must be enacted before June 30. Clarification of the administration's position with respect to tax legislation would serve a constructive purpose.

SOIL STEWARDSHIP WEEK

Mr. **HUMPHREY.** Mr. President, Sunday, June 3, marked the beginning of Soil Stewardship Week, which is sponsored by the National Association of Soil and Water Conservation Districts and national church organizations. The theme of this year's observance is "Water: The Stream of Life."

Without water, man would survive only a few days. Yet he could live for weeks without food. Great empires of the past have withered and died because their people abused their water resource until it was no more.

But in spite of all this, we take water for granted. We are so used to having it at our beck and call that we always expect it to be there. One day this may not be so.

We talk of our population explosion. Our demand for water is growing even faster than our population. Today we use about 300 billion gallons of water a day. By 1980—less than 18 years from now—water consumption is expected to double.

On top of this, pollution has become a problem of major proportions. Less than two centuries ago, George Washington wrote that his Mount Vernon estate was situated, and I quote, "on one of the finest rivers in the world." Today there are signs cautioning visitors to Mount Vernon to avoid all contact with the Potomac because it is so badly contaminated.

Fortunately, there are organizations and individuals fighting to save our soil and water. Grassroots leaders in doing this job are the Nation's more than 2,900 soil and water conservation districts. These districts are local organizations made up of farmers and ranchers who banded together to cooperate with the Federal Government to develop and improve our natural resources. The National Association of Soil and Water Conservation Districts is their association.

The development and wise use of our water resources is the responsibility of everyone—from the individual citizens and private organizations to all levels of government. The right to use and enjoy water carries with it the duty to pass on our lakes, rivers, and streams in as good or better condition than we received them.

CIVIL USES OF ATOMIC ENERGY—AMENDMENTS TO AGREEMENTS WITH EUROPEAN ENERGY COMMUNITY

Mr. GORE. Mr. President, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, I wish to advise the Senate of two proposed amendments to the agreements between the Government of the United States and the European Atomic Energy Community.

The first is an amendment to the agreement of November 8, 1958, and permits lease, as well as sale, of enriched uranium to power reactors under the United States-Euratom joint reactor program. It also includes a new article concerning indemnity arrangements and a modification of the patent article.

The other amendment is to the agreement of June 11, 1960, to increase the permissible civil uses and the maximum enrichment and quantity of enriched uranium available to the Euratom Community from the United States for uses other than under the joint program.

Mr. President, in both cases the AEC has followed the procedures required by the Atomic Energy Act, including a finding by the President that the performance of the amendments will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

Mr. President, I request unanimous consent to have printed in the Congressional Record at the conclusion of my remarks copies of the amendments, as well as the letter dated April 26, 1962, to the President from AEC Chairman Seaborg, and the President's reply dated May 18, 1962.

There being no objection, the letters and amendments were ordered to be printed in the Record, as follows:

U.S. Atomic Energy Commission,
Washington, D.C., April 26, 1962.

The President,
The White House.

Dear Mr. President: The Atomic Energy Commission recommends that you approve the enclosed proposed "Amendment to the Agreement for Cooperation of November 8, 1958, Between the Government of the United States of America and the European Atomic Energy Community (Euratom)" and "Amendment to the Additional Agreement for Cooperation of June 11, 1960, between the Government of the United States of America and the European Atomic Energy Community (Euratom)." It is also recommended that you determine that the performance of each of these proposed amendments will promote and will not constitute an unreasonable risk to the common defense and security and that you authorize their execution. The Department of State supports the Commission's recommendations.

These proposed amendments have been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954 as amended.

A major provision of the amendment to the November 8, 1958, agreement permits lease of enriched uranium for fuel inventories of power reactors under the United States-Euratom joint reactor program under which financial incentives were offered by the United States and Euratom for the construction of a limited number of nuclear powerplants in the Community. (Under the terms of the program, two additional plants may be considered in addition to the one already accepted). The present program provides for sale of fuel inventories on a deferred payment basis. The lease arrangement permitted by this amendment provides that in the event private ownership is made mandatory in the United States, any such lease arrangements under the joint program will also be converted to sale. Thus, the arrangement proposed in this amendment will in no way prejudice the consideration currently being given to a transition to private ownership in the United States.

Other significant provisions of the amendments to the joint program agreement include a new article to afford indemnity protection to the United States pursuant to section 7 of the Euratom Cooperation Act and a modification of the patent article to provide that certain license rights granted as a result of inventions made in the Joint United States-Euratom research and development program will be limited to the atomic energy field.

The agreement of June 11, 1960, provides for cooperation with Euratom outside the joint program referred to above, and is presently limited to the provision of fuel for three specified development projects in the Community. Cooperation under this agreement does not involve any financial participation on the part of the United States. The major provision of the amendment to this agreement permits the distribution of special nuclear material for a wide variety of civil uses, including the fueling of many types of research and power reactors. Such material would be provided from the substantial balance of the 30,000 kilograms of uranium 235 initially allocated to but no longer required for the United States-Euratom joint reactor program. In addition the amendment permits the chemical processing, conversion, and fabrication in the Euratom community of special nuclear material of United States origin and the subsequent transfer of such material to third countries, subject to our approval. Another provision of the amendment permits transfer to Euratom of plutonium and uranium 233 on an "as may be agreed" basis, within the limits of availability of such material and appropriate congressional authorization. This amendment makes the additional agreement one of the most comprehensive of our agreements for cooperation and substantially increases the areas of possible United States-Euratom cooperation.

Following your determination, approval, and authorization, the amendments will be formally executed by the appropriate authorities of the Government of the United States of America and the European Atomic Energy Community. In compliance with section 123c of the Atomic Energy Act of 1954, as amended, the proposed amendments will then be submitted to the Joint Committee on Atomic Energy of the Congress.

Respectfully yours,

Glenn T. Seaborg,
Chairman.

The White House,
Washington, D.C., May 18, 1962.

Hon. Glenn T. Seaborg,
Chairman, U.S. Atomic Energy Commission.

Dear Dr. Seaborg: In accordance with section 123 of the Atomic Energy Act of 1954, as amended, you have submitted to me a proposed "Amendment to the Additional Agreement for Cooperation of June 11, 1960, Between the Government of the United States of America and the European Atomic Energy Community (Euratom)," and have recommended that I approve the proposed amendment, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

You indicated that the major provision of this amendment permits the distribution of special nuclear material for a wide variety of civil uses, including the fueling of many types of research and power reactors. Such material would be provided from the substantial balance of the 30,000 kilograms of uranium 235 initially allocated to but no longer required for the United States-Euratom joint reactor program. In addition, the amendment permits the chemical processing, conversion, and fabrication in the Euratom Community of special nuclear material of U.S. origin and the subsequent transfer of such material to third countries, subject to our approval. Another provision of the amendment permits transfer to Euratom of plutonium and uranium 233 on an "as may be agreed" basis, within the limits of availability of such material and appropriate congressional authorization. This amendment makes the additional agreement one of the most comprehensive of our agreements for cooperation and substantially increases the areas of possible United States-Euratom cooperation.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Determine that performance of the aforementioned proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

(b) Approve the aforementioned proposed amendment.

(c) Authorize the execution of the aforementioned proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

Sincerely,

John F. Kennedy.

The White House,
Washington, May 18, 1962.

Hon. Glenn T. Seaborg,
Chairman, U.S. Atomic Energy Commission.

Dear Dr. Seaborg: In accordance with section 123 of the Atomic Energy Act of 1954, as amended, you have submitted to me a proposed "Amendment to the agreement for cooperation of November 8, 1958 between the Government of the United States of America and the European Atomic Energy Community (Euratom)," and have recommended that I approve the proposed amendment, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

You indicated that a major provision of the amendment permits lease of enriched uranium for fuel inventories of power reactors under the United States-Euratom joint reactor program as an alternative to the present provision permitting sale. You also indicated that other significant provisions include a new article to afford indemnity protection to the United States pursuant to section 7 of the Euratom Cooperation Act and a modification of the patent article to provide that certain license rights granted as a result of inventions made in the joint United States-Euratom research and development program will be limited to the atomic energy field.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Determine that performance of the aforementioned proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

(b) Approve the aforementioned proposed amendment.

(c) Authorize the execution of the aforementioned proposed amendment for the Government of the United States by appropriate authorities of the Atomic Energy Commission and the Department of State.

Sincerely,

John F. Kennedy.

AMENDMENT TO THE AGREEMENT FOR COOPERATION OF NOVEMBER 8, 1958, BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE EUROPEAN ATOMIC ENERGY COMMUNITY (EURATOM)

Whereas the Government of the United States of America and the European Atomic Energy Community (Euratom) signed an Agreement for Cooperation on November 8, 1958 (hereinafter referred to as the "Agreement for Cooperation") as a basis for cooperation in programs for the advancement of peaceful applications of atomic energy;

Whereas the Agreement for Cooperation provides for the sale of special nuclear materials to the Community;

Whereas the Government of the United States of America was prepared at the outset to make special nuclear materials available not only on the basis of sale but on a lease basis and would be willing to consider appropriate modifications to said Agreement should the Community's policy permit;

Whereas the Euratom Cooperation Act of 1958 authorizes in Section 5 thereof sale or lease of special nuclear material to the Community;

Whereas the Community has informed the Government of the United States of America that it may desire to acquire special nuclear materials on a lease basis;

Whereas the Parties have agreed to provide for the lease of special nuclear materials to the Community.

The Parties agree to amend the Agreement for Cooperation as follows:

1. Article III of the Agreement for Cooperation is amended to read as follows:

"A. The United States Commission will either sell or lease, as the Euratom Commission may request, to the Community uranium enriched in the isotope U–235 for use in projects designated by the Parties pursuant to the Joint Program up to a net amount of thirty thousand (30,000) kilograms of contained U–235 in uranium provided that lease of such enriched uranium for research and development purposes shall be subject to the mutual agreement of the Parties. This net amount shall be the gross quantity of contained U–235 in uranium sold or leased to the Community less the quantity of contained U–235 in recoverable uranium which has been resold or otherwise returned to the Government of the United States of America or transferred to any other nation or group of nations with the approval of the Government of the United States of America. The United States Commission will also from time to time sell or lease to the Community such quantities of special nuclear material, in addition to the quantities of enriched uranium set forth above, as may be agreed.

"Any lease by the United States Commission of special nuclear material hereunder may upon request of the Euratom Commission be converted to a sale of such materials if such sale is, at the time the request is made, consistent with the applicable laws in the United States and the policy of the United States Commission with respect to the distribution of special nuclear materials outside the United States, it being understood that any such sale will not be on a deferred payment basis unless otherwise agreed.

"In the event that the licensee of any power reactor brought into operation in the United States prior to December 31, 1963, is required by the United States Commission to purchase uranium enriched in the isotope U-235 to fuel such power reactor, the United States Commission will thereupon have the right to convert any lease arrangement made hereunder to a sale arrangement, *provided however*, that

"(1) Euratom will be given advance notice of such change to the same extent as United States lessees;

"(2) such sales may be on a deferred payment basis, provided however, that payments on principal must be completed

"(a) for reactors to be brought into operation by December 31, 1963, within twenty years after the reactor for which such material is provided is brought into operation or by December 31, 1983, whichever occurs earlier;

"(b) for reactors to be brought into operation by December 31, 1965, within twenty years after the reactor for which such material is provided is brought into operation or by December 31, 1985, whichever occurs earlier,

and will consist of ten consecutive equal annual instalments or such lesser number as there are years remaining for payment, and

"(3) the Parties will consult on ways to minimize the impact of such conversion.

"The uranium supplied hereunder for use in reactors designed for production of electric power may be enriched up to twenty percent (20%) by weight in the isotope U-235. The United States Commission, however, may, upon request and in its discretion, make a portion of the foregoing enriched uranium available as material enriched up to ninety percent (90%) for use in materials testing reactors and research reactors, each capable of operating with a fuel load not to exceed eight (8) kilograms of contained U-235 in uranium and as highly enriched material for use for research purposes.

"B. Contracts for the sale of special nuclear materials will be concluded between the U.S. Commission and the Euratom Supply Agency and will specify the maximum quantities to be supplied, composition of material, charges for material, delivery schedules and other necessary terms and conditions. Such contracts for the sale of enriched uranium for fueling power reactors under the Joint Program may also provide, under terms and conditions to be agreed, that payment for such enriched uranium may be made on a deferred basis. Such terms and conditions will include an obligation that the Community return to the U.S. Commission enriched uranium to the extent that there is default in payment. The Community will grant no rights to third parties that may be inconsistent with such obligation.

"C. Contracts for lease of special nuclear material by the United States Commission to the Community will be concluded between the United States Commission and the Euratom Supply Agency and will specify the maximum quantities to be supplied, composition of material, charges for material, delivery schedules and other necessary terms and conditions. It is understood and agreed that title to leased special nuclear material shall remain in the United States of America, as lessor of such material, it being represented by Euratom that retention of such title by the United States of America is not inconsistent with the Treaty establishing the European Atomic Energy Community. It is further understood and agreed that subject to the retention of such title by the United States of America, and not in derogation of it, the Community shall have power and authority, pursuant to the Treaty establishing the European Atomic Energy Community, over special nuclear material leased by the United States Commission to the Community while such material is within the Community, and that the Community may exercise and enforce rights, powers and authority conferred upon the Community by the Treaty, and particularly Chapter VIII thereof, against Member States, enterprises and persons within the Community, provided, however, that such rights, powers and authority of the Community shall not be asserted against or in any way infringe upon the right, title and interest of the Government of the United States of America or of the United States Commission as lessor of such materials.

"D. It is agreed that the Community may distribute special nuclear materials to authorized users in the Community; the Community will retain, pursuant to the Treaty establishing the European Atomic Energy Community, title to any special nuclear material which is purchased from the United States Commission. Title to special nuclear material produced in any part of fuel sold or leased hereunder shall be in the Community.

"E. The United States Commission is prepared to perform while such services are available from the Commission to its licensees in the United States, and on terms and conditions to be agreed, chemical reprocessing services with respect to any source or special nuclear material purchased by the Community from the United States under this program. When any source or special nuclear material leased under this program from the United States requires reprocessing, such reprocessing shall be performed at the discretion of the United States Commission either by the United States Commission or in other facilities acceptable to it on terms and conditions to be agreed. It is further agreed that any reprocessing by the United States Commission under this Agreement will be performed at established United States domestic prices in effect upon delivery of such material. It is understood, except as may be otherwise agreed, that the form and content of any irradiated fuel elements shall not be altered after their removal from reactors and prior to delivery to the United States Commission or other facilities. Special nuclear material and other material recoverable from material returned to the United States Commission for reprocessing will be returned to the Community unless otherwise agreed. It is anticipated that any withdrawal by the United States Commission of chemical reprocessing services will be based upon the availability of commercial facilities to meet requirements for such services at reasonable prices, including the requirements of projects in the Joint Program. The United States Commission will give written notice to the Community of nonavailability of its chemical reprocessing services twelve (12) months prior to such nonavailabilty.

"F. With respect to any special nuclear material produced in reactors fueled with material obtained from the United States under this agreement which is in excess of the need within the Community for such material for the peaceful uses of atomic energy, the International Atomic Energy Agency is granted the right of first option to purchase such material at the announced fuel value price in effect in the United States at the time of purchase. In the event this option is not exercised by the International Atomic Energy Agency, the Government of the United States of America is prepared to purchase such material at the United States announced fuel value price in effect at the time of purchase. However, with respect to plutonium produced in any reactor constructed under the Joint Program, no purchase commitment shall extend for a period beyond ten (10) years of operation of such reactor, or December 31, 1973 (or December 31, 1975 for not more than two reactors selected under Article I.A.) whichever is earlier. Extension of such period will be the subject of negotiation on the request of either Party."

2. Article VII of the Agreement for Cooperation is amended as follows:

"(a) The words 'for all purposes' which appear at the end of Paragraphs A.1., A.2., A.3.a., and A.3.b., respectively, are deleted and the words 'for use in the production or utilization of special nuclear material or atomic energy' are in each case substituted in lieu thereof.

"(b) The words 'covering use' which appear in two places in Paragraph C are deleted and the words 'for use in the production or utilization of special nuclear material or atomic energy' are substituted in lieu thereof".

3. Article XIV BIS is added to the Agreement for Cooperation to read as follows:

"A. Euratom shall indemnify and save harmless the Government of the United States of America against any damages or third party liability arising out of or resulting from the Joint Program except those arising from arrangements made by the United States Commission under a research and development program authorized in Section 3 of the Euratom Cooperation Act of 1958, as amended, provided, however, that nothing in this paragraph shall deprive Euratom or any other person of any rights under Section 170 of the Atomic Energy Act of 1954 as amended.

"B. The Parties recognize that certain nuclear liability which could arise out of the implementation of the Cooperative Program established by this Agreement is expected to be covered by the Paris Convention of July 29, 1960, on third party liability in the field of nuclear energy and a proposed supplementary Convention to which the Member States of the Community would be parties, as well as by corresponding legislation existing in the Member States."

4. A new section (e) is added to Article XV to read as follows:

"(e) 'Euratom Supply Agency' means the Agency established pursuant to Chapter VI of the Treaty establishing the European Atomic Energy Community."

5. Article XVI B. of the Agreement for Cooperation is amended as follows: The words "for a period of twenty-five (25) years" are deleted and the words "until December 31, 1985" are substituted in lieu thereof.

6. This Amendment, which shall be regarded as an integral part of the Agreement for Cooperation, shall enter into force on the day on which each Party shall have received from the other Party written notification that it has complied with all statutory and constitutional requirements for the entry into force of this Amendment.

In witness whereof, the undersigned representatives duly authorized thereto have signed this Amendment.

Done at Brussels and Washington on May 21 and May 22, 1962, in duplicate, in the English, French, German, Italian, and Netherlands languages, each language being equally authentic.

For the Government of the United States of America:

W. WALTON BUTTERWORTH.
GLENN T. SEABORG.

For the European Atomic Energy Community (Euratom):

H. L. KREKELER.
SASSEN.

AMENDMENT TO THE ADDITIONAL AGREEMENT FOR COOPERATION OF JUNE 11, 1960 BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE EUROPEAN ATOMIC ENERGY COMMUNITY (EURATOM)

Whereas the Government of the United States of America and the European Atomic

Energy Community (Euratom) signed an Agreement for Cooperation on November 8, 1958, concerning Peaceful Uses of Atomic Energy, as a basis for cooperation in programs for the advancement of peaceful applications of atomic energy;

Whereas such Agreement contemplates that from time to time the Parties may enter into further agreements for cooperation in the peaceful aspects of atomic energy;

Whereas said Parties signed an additional agreement (hereinafter referred to as the "Additional Agreement") on June 11, 1960, to provide for further cooperation;

Whereas additional programs within the Community require quantities of special nuclear material that are not provided for by existing Agreements for Cooperation;

Whereas the Government of the United States of America has indicated its readiness to supply these supplementary requirements for special nuclear materials,

The Parties agree to amend the Additional Agreement as follows:

1. Paragraphs A, B, C, D and E of Article I are amended to read as follows:

"A. 1. The United States will sell or lease, as the Parties may agree, to the Community for use in

"(a) defined research applications in the Community, including experimental plants for the chemical processing or fabrication of special nuclear materials, and research and materials testing reactors; and

"(b) defined power (including propulsion) applications in the Community, including experimental and demonstration projects

up to a net amount of uranium 235 contained in uranium which when added to the net amount of uranium 235 required for the execution of the Joint Program as established by the Agreement for Cooperation signed on November 8, 1958, between the Parties will not exceed 30,000 kilograms of uranium 235. The net amount of uranium 235 supplied hereunder will be charged against the net amount to be delivered under said Agreement of November 8, 1958.

"2. Up to a net amount of 3,000 kilograms of uranium 235 will be made available for use in defined projects pursuant to paragraph A.1. a) of this Article. Additional quantities of uranium 235 for the same purposes may be made available in excess of the quantity of 3,000 kilograms as may be agreed.

"3. The supply of uranium 235 for defined power applications pursuant to Paragraph A.1. b) will take place pursuant to specific contracts entered into within five years of the effective date of this Agreement. After that period quantities of uranium 235 not already sold or leased for power applications may be allocated by mutual agreement to uses in the Community within the scope of this Agreement or will cease to be available for the Community unless otherwise agreed.

"4. The net amount of special nuclear material shall be its gross quantity, sold or leased to the Community, less the recoverable quantity thereof which has been resold or otherwise returned to the Government of the United States of America or transferred to any other nation or group of nations with the approval of the Government of the United States of America.

"B. The uranium supplied hereunder may contain up to twenty per cent (20%) by weight of the isotope U–235. The United States Commission, however, may, upon request, make available a portion of the enriched uranium supplied hereunder as material containing more than twenty per cent (20%) by weight of the isotope U–235 when there is a technical or economic justification for such a transfer.

"C. Contracts for the sale or lease of special nuclear material will be concluded between the United States Commission and the Euratom Supply Agency (the Agency established pursuant to Chapter VI of the Treaty establishing the European Atomic Energy Community) and will specify the maximum quantities to be supplied, composition of material, charges for material, delivery schedules and other necessary terms and conditions. It is understood and agreed that title to leased special nuclear material shall remain in the United States of America as lessor of such materials, it being represented by the Community that retention of such title by the United States of America is not inconsistent with the Treaty establishing the European Atomic Energy Community. It is further understood and agreed that subject to the retention of such title by the United States of America, and not in derogation of it, the Community shall have power and authority, pursuant to the Treaty establishing the European Atomic Energy Community, over special nuclear material leased by the United States Commission to the Community while such material is within the Community, and that the Community may exercise and enforce rights, powers, and authority conferred upon the Community by the Treaty and particularly Chapter VIII thereof, against Member States, enterprises and persons within the Community, *provided, however,* that such rights, powers and authority of the Community shall not be asserted against or in any way infringe upon the right, title and interest of the Government of the United States of America or of the United States Commission as lessor of such materials.

"D. It is agreed that the Community may distribute special nuclear material to authorized users in the Community; the Community will retain, pursuant to the Treaty establishing the European Atomic Energy Community, title to any special nuclear material which is purchased from the United States Commission. Title to special nuclear materials produced in any part of fuel sold or leased hereunder to the Community shall be in the Community.

"E. 1. The United States Commission agrees to accept from the Community irradiated fuel elements containing special nuclear material sold or leased to the Community by the Commission hereunder and will either process such material or will make settlements therefor, on terms and conditions to be agreed. Processing charges for material so accepted, whether processed or accepted for settlement, shall be calculated on the same basis as processing charges for domestic licensees at the time of delivery of such material to the United States Commission.

"2. At such time as the United States Commission determines that chemical processing services for fuels from the Community are commercially available, it may, upon no less than twelve months' notice to the Community, discontinue furnishing such services."

2. A new Article I BIS is added to read as follows:

"ARTICLE I BIS

"In addition to transfers for the purposes provided under Article I, the United States may transfer to the Community, under such terms and conditions as may be agreed by the Parties and within the limit of the amount authorized for transfer to the Community under said Article I, an amount of uranium enriched in the isotope U–235 for performance in the Community of conversion, or fabrication services, or both, and subsequent transfer to a nation or group of nations with which the Government of the United States has an agreement for cooperation within the scope of which the subsequent transfer falls. In addition, within the limits of the amount of special nuclear material authorized for transfer to the Community, irradiated special nuclear material may be transferred to the Community under terms and conditions to be agreed by the Parties for chemical reprocessing and subsequent transfer, as specified above, or retention by the Community. It is understood that the net amount concept as described in Paragraph A.4. of Article I shall also apply to such transfers for conversion, fabrication and reprocessing services."

3. Article II is amended to read as follows:

"ARTICLE II

"Materials of interest in connection with defined research applications (other than uranium enriched in the isotope U–235 and other special nuclear materials to be used in the fueling of reactors and reactor experiments), including up to a net amount of 30 kilograms of the isotope U–233 contained in unseparated, irradiated fuel elements (the transfer of such U–233 being subject to the availability of appropriate elements) together with such additional amounts of U–233 and plutonium as may be agreed and authorized, source material, byproduct material, other radioisotopes and stable isotopes, will be sold or otherwise transferred in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially.

"The United States Commission will also from time to time sell or lease to the Community for additional applications other than those set forth above such net amounts of U–233 and plutonium (as such net amounts concept is described in Para A.4. of Article I) as may be agreed and authorized."

4. Article VI A. is amended as follows: The words "for a period of ten (10) years" are deleted and the words "until December 31, 1985" are substituted in lieu thereof.

5. This Amendment, which shall be regarded as an integral part of the Additional Agreement, shall enter into force on the day on which each Party shall have received from the other Party written notification that it has complied with all statutory and constitutional requirements for the entry into force of this Amendment.

In witness whereof, the undersigned representatives duly authorized thereto have signed this Amendment.

Done at Brussels and Washington on May 21 and May 22, 1962, in duplicate, in the English, French, German, Italian and Netherlands languages, each language being equally authentic.

For the Government of the United States of America:

W. Walton Butterworth.
Glenn T. Seaborg.

For the European Atomic Energy Community (Euratom):

H. L. Krekeler.
Sassen.

HAPPY BIRTHDAY, PAN AM

Mr. JAVITS. Mr. President, on the 1st of this month Juan Trippe celebrated his 35th anniversary as founder and president of Pan American Airways. From humble beginnings of one airplane and a handful of employees, Pan American has developed into a worldwide network serving 6 continents and employing 23,000 persons.

I have noted with interest as the new so-called newly developing countries have come into their own and the newly independent nations strive for status in the world community, almost invariably they insist that they must have an airline carrying their country's colors in the international market for this, they feel, is the ultimate in status symbols. One might well argue the advisability of this on economic grounds but none can deny that an international air carrier can reflect considerable credit upon the country whose flag it bears. Let us not, therefore, take for granted the attention garnered for the United States when the gleaming jets of Pan American, TWA, American, Northwest Orient, Braniff, Eastern, Northeast, United, Western, and Continental Airlines skim through the skies on their appointed rounds through the airways of the world. People travel to lands they never dreamed of seeing before in a fraction of the time it would take them by other means and they receive goods and mail deliveries days and weeks earlier than in times past. Mr. President, Juan Trippe can well be proud of his 35th anniversary and of the success of his company and the American people can proudly congratulate Pan American.

I ask unanimous consent that an editorial which appeared June 1 in the New York World-Telegram commending Mr. Trippe on his anniversary, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Happy Birthday, Pan Am

A legendary career in pioneering private enterprise reaches a milestone today in the 35th anniversary of Juan T. Trippe as president and founder of Pan American World Airways.

Five months after he founded the line Mr. Trippe inaugurated American-flag international air service on the 90-mile route between Key West and Havana.

The equipment was a single Fokker F–7, which has grown to a fleet of 55 long-range, American-built jets valued at $330 million. The 90-mile route was extended through Latin America, crossed the Pacific and Atlantic, extended into a worldwide network of 65,000 route miles serving all six continents. The original handful of employees at Key West has grown to 23,000, with an annual payroll of more than $152 million.

Pan Am is an institution which has brought both pride and profit to America, carrying our flag with honor to the far reaches of the world. To Juan Trippe and Pan Am, our best wishes for a happy birthday and many more of the same.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Morning business is in order.

If there is no further morning business, morning business is closed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the unfinished business, which will be stated by title.

The Legislative Clerk. A bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

ANTISEMITISM IN THE SOVIET UNION

Mr. JAVITS. Mr. President——

Mr. MANSFIELD. Mr. President, how much time does the Senator from New York wish to have?

Mr. JAVITS. Not more than 5 minutes.

Mr. MANSFIELD. At this time I yield 3 minutes on the bill to the Senator from New York.

Mr. JAVITS. I thank the Senator from Montana.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, a new development about which I should like to apprise my colleagues has arisen with respect to the problems of Jews in the Soviet Union. I now call attention to this development, inasmuch as considerable interest has been manifested in this subject by Senators.

On May 11, 1962, the Soviet press agency Novosti released an open letter from five Soviet Jews replying jointly to charges I had made on the persecution of Jews in the Soviet Union.

I have requested the Department of State to review this open letter, and I have received a reply from Assistant Secretary of State Frederick G. Dutton.

The Department's letter is so illuminating that I offer it now for printing in the Record, and ask unanimous consent that it be made a part of my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of State,
Washington, D.C., May 28, 1962.

Dear Senator Javits: With regard to the request made in your letter of May 18, 1962, to the Secretary and oral inquiries on the same subject made of the Department by your office, we have reviewed the material which your office forwarded, in particular the letter issued by the Soviet press agency Novosti which cites so-called facts and figures on the situation of Soviet Jews.

Contrary to what Harry Schwartz indicates in his New York Times article on the letter, many of the statistics cited have been included in recent statistical handbooks issued by the Soviet Government. Those which have not been noted before by Western observers are the percentages for doctors, writers and journalists, jurists, art workers, and the number of deputies for local legislatures who are Jews. It is not possible to check the accuracy of the Soviet figures. While some degree of error might be assumed, the proportion of Jews in the various categories is in general accord with prewar information and the minimal data received since the war.

The statistics on the number of Jewish students, specialists with higher and middle education, scientists, and the categories mentioned above, if correct, are very impressive as testimony of the role played by Jews in these categories and professions in both the Soviet and pre-Soviet periods. The figures alone, of course, are useful for the Soviet regime in its efforts to counter charges of discrimination against and repression of Jews. If, however, these current figures are compared with the last previous figures of this nature released in 1935 or thereabouts, a much less attractive picture of the status of the Jews emerges.

For example: the percentage of students in Soviet institutions of higher learning in 1960–61 is 3.2 percent; the proportion of Jews in the total population is 1.1 percent; the ratio between the two expressed in percentage is 291 percent. This is a remarkable ratio, as noted above, when compared with next highest of the Soviet minorities, the Georgians, which is 166 percent, and the Russians which is 113 percent.

When compared with similar ratio for 1935, however, the picture is different; the Jewish ratio has dropped from 739 percent for that year to the present 291 percent; the Georgians have suffered a similar drop from 292 percent to 166 (primarily since 1956); but the Russians have risen from 103 percent to 113 percent and Central Asiatic nationalities have experienced even greater increases. This drop in the Jewish ratio is clear evidence of the resort by the regime to discriminatory measures against Jews in access to higher education and is not accidental. The fall of the percentage of Jews in the total population from 1.8 percent in 1935 to 1.1 percent in 1959 is likewise of a magnitude that cannot be explained away by normal wartime losses or other factors, and an equivalent drop did not occur for any other sizable Soviet minority.

The data given on Jewish publications in the letter is also misleading. The magazine Sovetisch Heimland is cited as evidence of recognition of Jewish desires when in reality it has only just started publication. Moreover, in 1935 there were 7 magazines being published in Yiddish and their total edition was 55,000 copies. Similarly, the books cited as published by Jewish writers are published in Russian and not in Yiddish. The number that have been published in Yiddish in the last several years, when such publication was again resumed, can be counted on one hand. In contrast, in 1933 alone there were 334 books published in Yiddish and 45 in the Georgian Jewish dialect. The editions totaled 2,060,000 and 49,000 copies, respectively.

The brief comments in the letter on the status of the Jewish religion deserve little comment. I am sure you are well aware of the increasing evidence of interference with the Jewish religion in recent years which has been publicized by the national press services, New York Times, New York Herald Tribune, and such organizations as the Synagogue Council of America, B'nai B'rith and Jewish Minorities Research. The desecration of cemeteries, closing of synagogues, dispersing of prayer meetings, arrests of lay leaders, prohibition of certain Jewish religious practices, etc., have been well established.

Soviet dissemination of this document is a sign of increased sensitivity to charges of anti-Semitism and is no doubt calculated to counter recent foreign publicity of deliberate anti-Semitic actions by the Soviet regime. The anti-Jewish measures are a more apparent part of a general campaign against religious practices and groups in recent years, which itself falls within the context of a broad regime effort toward greater ideological orthodoxy and political consciousness among the population.

If the Department may be of further assistance, please let me know.

Sincerely yours,
Frederick G. Dutton,
Assistant Secretary.

Mr. JAVITS. Mr. President, the Department's letter makes the following important points.

First. That there "is clear evidence of the resort by the—Soviet—regime to discriminatory measures against Jews in access to higher education."

Second. That "the desecration of cemeteries, closing of synagogues, dispersing of prayer meetings, arrests of lay leaders, prohibition of certain Jewish religious practices, et cetera, have been well established."

Finally, the State Department concludes that the Soviet Government's dissemination of this open letter in reply to my charges "is a sign of increased sensitivity to charges of anti-Semitism and is no doubt calculated to counter recent foreign publicity of deliberate anti-Semitic actions by the Soviet regime."

This point should be underscored, and should encourage the American people to continue to call attention to anti-Jewish persecution in the Soviet Union. Private appeals to the Soviet Government on humane grounds would minimize the possibility of confusing the Soviet Jewish problem with cold war issues.

So I emphasize that the letter of comment by the State Department is addressed to me, and is in no sense a Department declaration. In the letter the Department gives me its candid appraisal of the points made in the open letter.

I believe the open letter from five Soviet Jews to be an official Soviet reaction; and, rather than answering my original charges of anti-Jewish persecution, it really confirms and substantiates them.

The Soviet press agency Novosti was set up in early 1961 as an unofficial press service with headquarters in Moscow. It is allegedly backed by the Soviet Unions of Journalistists and Writers, the Society of Friendship and Relations with Foreign Countries, and the Soviet for Dissemination of Scientific and Political Knowledge. Removed from the Soviet jargon, these mass or popular organizations are nothing more than camouflaged voices of Soviet official policy.

It is important to note the point, which is borne out, namely, that Jewish culture in the Soviet Union suffered a total suppression beginning in 1948, and culminating in 1952, with the execution of almost all of the leading Yiddish-language writers, ostensibly for having conspired to turn the Crimea into a secessionist Jewish state. Although many of the crimes of the Stalin era have been denounced in recent years, and even though some of the writings of Jews killed during that anti-Semitic purge have been republished, none of them has been publicly rehabilitated, although their innocence has implicitly been admitted. Among those who were shot at the time was the poet Itzik Feffer, some of whose works have reappeared in recent years. In one such volume the introduction to Feffer's poems makes no reference to the fact that he was shot for a crime he did not commit, and even ironically speaks of "his biography—a natural one for a Soviet writer."

The ACTING PRESIDENT pro tempore. The time yielded to the Senator from New York has expired.

Mr. JAVITS. Mr. President, let me ask whether I may have 2 additional minutes on the bill.

Mr. AIKEN. Mr. President, I am authorized to yield to the Senator from New York 2 minutes of the time under the control of the majority leader.

Mr. JAVITS. I thank the Senator very much.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 2 additional minutes.

Mr. JAVITS. Mr. President, with respect to the Soviet state's attitude toward the Jewish faith, one should note that its physical necessities are made virtually unobtainable. Kosher food, unleavened bread, and the like are either almost impossible to come by or are totally so. In addition, Soviet attacks on Judaism in provincial newspapers and over provincial radio stations—sources not normally accessible to the West—indulge in the grossest type of blatant anti-Judaism. For example, the Dagestan newspaper, Kommunist, the Communist Party organ for a republic of a million and a half inhabitants, asserted on August 9, 1960, in an attack on Judaism that "a Jew who does not drink the blood of Moslems at least once a year is not considered a true believer." Retraction of this statement was obtained with great difficulty a month later. Even then the editor and writer were absolved of "ill will" and allowed to plead "ignorance."

We have noted an increase in Soviet Government campaigns against organized religion as a whole, but nothing comparable with respect to what is being done against Jews of the Soviet Union, and there are at least 2½ million there.

To this day, Soviet individual identification papers must bear the word "Jewish" as a description of the bearer's "nationality." The Soviets are traditionally sensitive to contacts between Soviet citizens and foreign groups of all types. The allegations of offenses by Soviet Jews seem to fit the broader pattern of continuing Soviet oppression of their nationals who seek contact with foreigners or with alien creeds of any type.

I hope the world opinion which is being marshaled to call the Soviet Union to account for these activities may express itself, as the facts I have referred to are now fundamentally confirmed.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MANSFIELD. Mr. President, I send an amendment to the desk and ask for its consideration.

The ACTING PRESIDENT pro tempore. The amendment offered by the Senator from Montana will be stated.

The LEGISLATIVE CLERK. It is proposed on page 11, after line 24, to insert the following new subsection:

> (h) Nothing contained in subsection (g) shall be deemed to prohibit assistance under the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, if prior to furnishing such assistance the President finds (1) that a recipient country is not participating in any policy or program for the Communist conquest of the world, and (2) that the furnishing of such assistance is in the interest of the national security of the United States, and notifies the Committee on Foreign Relations and the Committee on Appropriations, of the Senate, and the Speaker of the House of Representatives of his intention to furnish such assistance.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. How is the time to be charged?

Mr. MANSFIELD. I ask unanimous consent that it not be taken out of the time allotted to the amendments or the bill under consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I also wish to notify the attachés of the Senate that this will be a live quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 79 Leg.]

Aiken
Allott
Anderson
Bartlett
Beall
Bennett
Boggs
Bush
Butler
Byrd, Va.
Byrd, W. Va.
Cannon
Capehart
Carlson
Carroll
Case, N.J.
Chavez
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Douglas
Dworshak
Eastland
Ellender
Engle
Ervin
Fong
Goldwater
Gore
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hickey
Hill
Holland
Hruska
Humphrey
Jackson
Javits
Jordan
Keating
Kefauver
Kerr
Kuchel
Lausche
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McGee
Metcalf
Miller
Monroney
Morton
Moss
Mundt
Muskie
Neuberger
Pearson
Pell
Prouty
Proxmire
Randolph
Robertson
Russell
Saltonstall
Scott
Smathers
Smith, Mass.
Smith, Maine
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Wiley
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], and the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. JOHNSTON] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from New Hampshire [Mr. MURPHY] are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. MANSFIELD. Mr. President, I ask that the amendment proposed by the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], and myself be read at this time for the edification of the Senate.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Illinois and the Senator from Montana will be read.

The LEGISLATIVE CLERK. On page 11, after line 24, insert the following new subsection:

> (h) Nothing contained in subsection (g) shall be deemed to prohibit assistance under the provisions of the Agricultural Trade Development and Assistance Act of 1954, as

> amended, if prior to furnishing such assistance the President finds (1) that a recipient country is not participating directly or indirectly in any policy or program for the Communist conquest of the world, and (2) that such recipient country is not controlled by any country promoting the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States, and (4) that the President notifies the Committee on Foreign Relations and the Committee on Appropriations, of the Senate, and the Speaker of the House of Representatives of his intention to furnish such assistance.

Mr. SCOTT. Mr. President, will the Senator from Montana yield for a question?

Mr. MANSFIELD. I yield.

Mr. SCOTT. I gather that one purpose of the amendment, among others, is to provide for the shipment of surpluses, such as grain, into Poland. I ask the Senator how Poland could qualify under wording which refers to the Communist conspiracy, or any country engaged in a conspiracy or commitment for a conquest of the world, or any country which is controlled by a country engaged in such conquest. It is my understanding that Poland is behind the Iron Curtain.

Poland is a controlled country. The best evidence of that fact is that the Poles who are not Communists—probably 95 percent of the population—cannot do anything about it. Does the Senator feel that the wording of his amendment would include Poland? It is pretty much of a semantic twist. Perhaps I should say we are indulging in a legislative twist.

Mr. MANSFIELD. Mr. President, in comparison with other countries behind the Iron Curtain, there is a degree of independence, somewhat limited I will admit, in Poland. I point out that the country itself is about 95 percent Catholic. The people of the country are still able to go to church freely and uninhibitedly, even though there is no religious teaching in the schools.

I point out also that the cardinal primate for Poland, Cardinal Wyszynski, exercises a degree—and I emphasize the word "degree"—of independence in the relations between church and state. The church is not dominated by the state except to a minor degree. In effect, the situation of the Polish people is quite different from that of people in other captive countries behind the Iron Curtain.

The purpose of the proposed legislation is to try, if possible, to bring about a split within the Soviet bloc and to win the people of Poland more toward the West.

Mr. SCOTT. Mr. President, I ask the Senator if he will yield further, so that I may pursue the question briefly.

Mr. MANSFIELD. I yield.

Mr. SCOTT. Is it contemplated that the proposed aid would be extended also to other Communist countries, in addition to Poland, which are behind the Iron Curtain?

Mr. MANSFIELD. Only those countries that would come within the provision of the amendment, and to which the President, under the authority granted to him, would see fit to grant such aid.

I point out that, by and large, these appendages in the amendment were contained in the Aid Act of 1954, and had been reincorporated in the Aid Act of 1961.

Mr. SCOTT. Under the amendment, would the Senator agree with me that there is included also our undying friend and fervent ally, Yugoslavia?

Mr. MANSFIELD. To the best of my knowledge, there is no Public Law 480 program for Yugoslavia, and therefore she would not be covered.

Mr. SCOTT. I thank the Senator.

Mr. DIRKSEN. Mr. President——

Mr. MANSFIELD. If I may correct my statement to the Senator from Pennsylvania, I should like to say that there is a proposal for a Public Law 480 program for Yugoslavia on a sales basis.

Mr. SCOTT. I wanted to be sure that, whatever happened, we did not forget Yugoslavia, one of our most valued allies.

Mr. DIRKSEN. So that Senators may know what is in the amendment, and the background for it, the amendment adopted yesterday, as offered by the Senator from Wisconsin [Mr. PROXMIRE], then modified by the Senator from Ohio [Mr. LAUSCHE], and then still subsequently modified by the Senator from New Hampshire [Mr. COTTON], was an across-the-board amendment. It applied to every statute in being, including Public Law 480, which confers on the President power to deal with agricultural surpluses and the disposition of the surpluses in the field of aid.

I discussed this matter with the distinguished Senator from New Hampshire. He made the point yesterday that it was not within his contemplation that it should apply to Public Law 480. If I am mistaken, I would much prefer to have him correct me now.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. COTTON. Of course I joined with the Senator from Ohio and ardently sought to work for the amendment adopted yesterday, which was proposed by the Senator from Ohio. The distinguished minority leader is perfectly correct in saying that I said at the time I regretted it included the use of agricultural surpluses. I voted for the amendment because I have long felt—and I glory in the fact that we have laid down the precept in no uncertain terms to the American people—that we should not take taxpayers' money and turn it over to Communist countries. So far as the use of food is concerned, I regret that food usually is sent to governments to feed armies, instead of being sent to the people in a country behind the Iron Curtain, for use by those people, but that is a matter of discretion. I would not want to see Congress so shackle the President of the United States that in time of famine or in time of difficulty the word would go out to the world that from our abundance and from our surpluses we cannot and will not aid starving people anywhere in the world. It is not consistent with the American ideal.

Inasmuch as the amendment offered by the majority leader and the minority leader deals only with food under Public Law 480, I hope it will be adopted.

Several Senators addressed the Chair.

Mr. DIRKSEN. In view of the Senator's statement, let me recite what is contained in the amendment. First, it deals only with Public Law 480, and nothing else. Second, it provides that the President will not be prohibited in rendering assistance under Public Law 480 if he makes a finding which includes four items: First, that the recipient country is not participating directly or indirectly in any policy or program for the Communist conquest of the world. Second, he must find that the recipient country is not controlled by any country promoting the Communist conquest of the world. He must make a third finding, that the furnishing of such assistance is in the interest of the national security of the United States. Then the President must make a fourth finding—although it is not really a finding—that he must notify the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives of his intention to furnish such assistance.

I have discussed the matter with the distinguished Senator from Iowa [Mr. HICKENLOOPER], who made some suggestions which I thought improved the proposed amendment. I discussed it with the distinguished Senator from Vermont [Mr. AIKEN], whom I do not see on the floor at the moment. I also discussed it, in part, with the distinguished Senator from Wisconsin [Mr. WILEY]. All of these Senators are members of the Committee on Foreign Relations.

I have stated the substance of the amendment. The purpose is to untie the President's hands only with respect to the distribution of our surpluses abroad.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from New York.

Mr. JAVITS. I voted against the majority on the adoption of the amendment yesterday. I believe we have shackled the President most unwisely in any attempt to win over Communists. However, aside from that, would the Senator from Illinois, the distinguished minority leader, joined by the distinguished Senator from Montana, the majority leader, so that the legislative history may be clear, say that the President's finding, if we adopt the amendment, will be conclusive, and that all he has to do is to give notice of his finding; but that his finding, nevertheless, is conclusive under the qualification set forth in the amendment?

Mr. MANSFIELD. Yes, his finding is conclusive, but that finding can be challenged by the appropriate committee. However, it is conclusive.

Mr. DIRKSEN. It is conclusive.

Mr. JAVITS. The Senator from Montana says it may be challenged. But only with new legislation. Is that correct?

Mr. MANSFIELD. It may be questioned.

Mr. JAVITS. It may be questioned; but it is conclusive, so that he may go ahead and give the aid, although he must make his report. Is that correct?

Mr. MANSFIELD. His findings are conclusive, but any questions raised in either committee or by the individual named in the amendment would naturally be taken up with the President.

Mr. JAVITS. But that does not stop the President's giving the aid. He may give the aid once he makes the finding.

Mr. MANSFIELD. Yes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SALTONSTALL. I would say to the distinguished majority and minority leaders that the amendment is said to apply purely to chapter 480 of the Agricultural Trade Development and Assistance Act. I am not going to ask for the language to be changed, but I did have an amendment of my own which is in slightly different form. What I should like to call to the attention of the majority and minority leaders is that at the present time, or at least during the past year or so, medicines and the like have been shipped into Poland, for vaccinations, and that type of use. I believe that in the conference, when this subject is considered, the language might be amended so as to include medicines, for injections against smallpox and other diseases, in connection with privately raised funds. I hope provision to that end may be included in the amendment. These medicines are essential, and probably just as essential in some cases as food.

I know the Director of the program, and the program has been very successful, particularly in Poland, in the last year or so.

I should like to have as a part of the legislative history the fact that while this amendment refers to chapter 480, there should be a change made in the language, possibly in conference, which would permit private funds to be used for the medicines which are going into countries like Poland.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. ALLOTT. I should like to ask a question I have in mind, because a printed copy of the amendment is not available, and I would not want the Senate to get into the situation it got into 2 or 3 weeks ago with respect to what a particular amendment provided.

Are these four conditions which the Senator from Illinois read in the conjunctive or are they in the disjunctive? In other words, must all of the four conditions be fulfilled by the President before the provisions of the amendment can go into effect? The original amendment, prepared by the Senator from Montana, was in the conjunctive. I wish to be sure that all four conditions are in the conjunctive.

Mr. DIRKSEN. That is correct; they are all tied together. The President must find: first and second and third and fourth.

Mr. ALLOTT. And then report?

Mr. DIRKSEN. Yes.

Mr. PROXMIRE. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. In line 7 of the amendment, as mimeographed, the word "conquest" is used. The point I tried to make over and over again yesterday and the day before was that Yugoslavia and Tito are undermining our position throughout the world in pressing hard for Communist development in Communist countries, trying to oppose democratic private enterprise development. Tito is not attempting to do this by conquest, but he is doing it by other means. Nevertheless, the Yugoslavian party congress has represented over and over again that it believes in Communist domination of the world.

I would approve of the amendment if the word "conquest" were changed to "domination," because it seems to me that the use of "conquest" by the Yugoslavian party congress in its present attitude, as expressed so vigorously by Tito, is an indication that Yugoslavia should not continue to receive assistance from the United States.

On the other hand, if "domination" were used, I would be satisfied, because until Yugoslavia changed her attitude, she would be excluded from the benefits of the program.

Mr. DIRKSEN. When we move into the field of semantics, "domination" is not exactly a word of art, a word having precise legal meaning. It could be a "psychological" conquest; it could be an "aggressive" conquest. I think that the debate which is now taking place makes the meaning reasonably clear. We discussed the question—a little bit, at least —and finally decided that "domination" might offer difficulty if a question of interpretation arose.

Mr. PROXMIRE. If the Senator would interpret "conquest" as he has now—and I think the legislative history is important—and would also include militant efforts on the part of any Communist countries to subvert democracy as we know it, and to undermine the forces of freedom in that country, then I would accept the interpretation. I think it would be an excellent modification of what I would ordinarily have construed "conquest" to mean—that is, military conquest.

Mr. DIRKSEN. If that is the purpose and objective, and the facts so indicate, and if there is a finding to that effect, then, of course, that would be true.

Mr. HICKENLOOPER. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HICKENLOOPER. I have seen the amendment as it is now proposed by the majority leader. A moment ago I said to the majority leader and the minority leader that from my personal standpoint at that time, I tended to be satisfied with the amendment. I wanted to talk to a number of persons who had supported the Lausche amendment yesterday, as I did, the objective of the amendment being to deny assistance to Communist areas of the world. I still support that principle.

However, the four provisions which are now contained in the amendment at the desk apply only to Public Law 480 and to food. The amendment provides that the President must find that a recipient country is not participating directly or indirectly in any policy or program for the Communist conquest of the world; second, that such recipient country is not controlled by any country promoting the Communist conquest of the world; and third, and fourth. So far as I can see, this language gives the President an opportunity to use Public Law 480 funds or material, but he must find that the country receiving such aid is not directly or indirectly participating in any such Communist program. He must find also that that country is not controlled by any country which is promoting the Communist conquest of the world.

I do not want to veer away from my position that 80 Communist countries are trying to control the world or take over the world or are participating in such activities. I feel, after reading the amendment as it is now at the desk, that it meets that issue. It prohibits the use of Public Law 480 funds and foods by any country that is either participating in such a program for world domination or is controlled by a country which is participating in or is advocating such a program.

Mr. GRUENING. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I do not have the floor.

Mr. DIRKSEN. I yield to the Senator from Alaska.

Mr. GRUENING. Can the Senator assure us that under this amendment it will not be possible to send food to Communist China? As the Senator knows, there are many starving people in that country, and the hearts of the American people go out to starving people. But we should know that food sent to Communist China will not go to the starving Chinese but will be used by the tyrannical rulers for their own purposes. Sending food there will merely entrench those rulers.

Mr. HICKENLOOPER. The answer is: Yes, it would be impossible under this amendment, in my view, to send food to Communist China.

Mr. GRUENING. Does the minority leader agree to that statement?

Mr. DIRKSEN. Absolutely.

Mr. GRUENING. And does the majority leader also agree?

Mr. MANSFIELD. That is my understanding.

Mr. GRUENING. So the language of the amendment cannot be interpreted to mean that food, which is a weapon, may be sent to Communist China to aid starving people. I want to make sure that no food will be sent to Communist China, where it would merely bolster its masters.

Mr. LAUSCHE. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. LAUSCHE. Having in mind the presentation just made by the Senator from Iowa [Mr. HICKENLOOPER], how do we now send aid to Communist Poland, which is definitely dominated by Moscow, in face of the fact that the present law provides that aid shall not be given to any country which is dominated by international communism? If such aid is now being given, how will we be certain that under this supposed safeguard we will not be able to do it again? My first question is: How are we providing such aid now? I ask any Member of the Senate to answer that question.

Mr. HICKENLOOPER. I supported the amendment of the Senator from Ohio yesterday. I was in thorough sympathy with it. I believe the amendment now under consideration will do just as much.

The amendment offered by the Senator from Ohio was a broad, overall amendment. The amendment now before the Senate is one which relates strictly to Public Law 480 food. I believe this amendment, with respect to Public Law 480 food, will provide a prohibition equivalent to that provided in the amendment of the Senator from Ohio which was adopted yesterday. The President must find that the recipient country is not participating, directly or indirectly, in any project which has as its aim world domination by communism. The President must find that the recipient country is not under the control of another country that is engaged in such an activity. It seems to me that that is a very strong prohibition.

Of course, if the President finds otherwise, that will be his responsibility.

Mr. LAUSCHE. The amendment now before the Senate provides a prohibition against the granting of aid unless findings A, B, C, and D are made, does it not?

Mr. HICKENLOOPER. That is correct.

Mr. LAUSCHE. Unless findings have been made in conformity with the facts.

Mr. HICKENLOOPER. One of the difficulties is that the bill contains a waiver provision which allows the President to waive the provisions of the bill if he finds that to be in the national interest. I do not agree to the blanket waiver provision there, and I have an amendment on that score. I shall bring up the amendment shortly.

Mr. HUMPHREY. Mr. President, if the Senator from Illinois will yield to me, I merely wish to support the comments of the Senator from Massachusetts [Mr. SALTONSTALL] in regard to some of the activities undertaken in the fields of health, health care, and research. Let me point out that some of the most important developments in the field of cancer research, particularly leukemia, and also neurology, are under way in our country and behind the Iron Curtain in the Soviet Union and Poland. I do not care who makes the discoveries first, but surely I wish to be among the first to herald such achievements. Medical research results in benefits for all mankind; it knows no ideological or linguistic boundaries.

However, if we enact legislation such as this, we shall be acting against the very interests of humanity.

One of the greatest medical research institutions of this type is in the Soviet Union; and another is at the Sloan-Kettering Institute, in New York; great research achievements are made possible by means of such activities.

Furthermore, I wish to make sure that the enactment of such legislation would not result in the closing of the children's hospital in Krakow, Poland. That hospital is a gift from the people of the United States. I have had a continuing, personal interest in this hospital. In short, Mr. President, if we rigidly carry through with this action we will be cutting off our nose to spite our face. We will be telling millions of our brothers behind the Iron Curtain that we are indifferent to their fate, that we put them on the same low level as we do the governments which rule them.

Mr. SALTONSTALL. Mr. President, I should like to repeat that I do not think we should interfere with the language of this amendment at this time; but I want the legislative record to be made clear—and I hope the Senator from Minnesota and I have made it clear—as showing that this language should be amended in conference, so as to include the objective the Senator from Minnesota and I have stated.

Mr. HUMPHREY. Mr. President, I wish to say that I have obligations both to the Senate and to my conscience and my spirit, and I favor saving lives. Certainly, we have no moral right to deny scientists and doctors an opportunity to find answers to the great killers; but I submit that if we do not watch out, we may actually deny them that opportunity.

So I join in the remarks of the Senator from Massachusetts. I shall not try to have the Senate amend the language it has adopted, for I know what the temper of this body is. But I hope and pray that we shall have calm judgment when we come to the point of looking over this language, so that we shall not destroy our attempts to build these most important relationships with people behind the Iron Curtain.

Some of my colleagues know that the people of Poland and even their official representatives have many times spoken out forthrightly against Soviet ambitions for world domination. We know that there is much hidden dissent in Communist countries. But we should also understand that the withdrawal of aid will not encourage this dissent; it will only make it easier for the U.S.S.R. to portray us as avaricious capitalists who are trying to strangle the Communist world by every means available.

So I do not believe we should take hasty action.

Of course, I support the spirit of this amendment, although I say that when we include the provision "if the President finds (1) that a recipient country is not participating directly or indirectly in any policy or program for the Communist conquest of the world," the President will have to do a great deal of stretching if he is to render any assistance; and such language will kill off many activities which now are doing great good.

Every time an American periodical reaches a library in Russia it carries there the message of freedom. With my own eyes I have seen the tremendous interests that Russians have for everything American—for our cars, our books, our gadgets. Are we trying to close the doors to reality? Despite the Iron Curtain we have made much progress in prying open the closed Communist society and putting it on the defensive. Right now Khrushchev is having a meeting in Moscow, and he is saying to the representatives of Poland and to the other Iron Curtain countries, "We must bind ourselves closer together, in order to meet the threat of the European Common Market." He is telling them, "Look at what the Americans are doing. They are closing the doors of opportunity. So we must agree to have even more stringent controls." If we wanted to pave the way for another Stalin, I say we could do no better than wall up the Communist-dominated world in an economic ghetto of its own.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendment which now is at the desk be held at the desk, available for additional cosponsors.

Mr. GORE. Mr. President, reserving the right to object——

Mr. MANSFIELD. Then, Mr. President, I withdraw my request.

Mr. CAPEHART. Mr. President, can any Senator name a single communistically controlled country—Yugoslavia, Poland, or any of the others—which at the moment could, under the provisions of this amendment, receive from the President food under Public Law 480?

Mr. DIRKSEN. That is a question of a finding of fact.

Mr. CAPEHART. But I am asking whether any Senator can state now that if this amendment were enacted into law and were in effect, the President could give aid under Public Law 480 to Poland, Yugoslavia, Cuba, China, or any other communistically controlled country? Is not that the substance of what we are talking about?

Mr. DIRKSEN. If the President makes an affirmative finding, that will settle it, and it can be done. But if his finding were negative, under these four proposals, then obviously he could not do it.

Mr. CAPEHART. I repeat my question: Can any Senator now show that any communistic country in the world would be entitled to receive aid under this amendment, at the moment? If so, what countries could? I think that is the test of this amendment.

Mr. DIRKSEN. Mr. President, comparable language has been carried in the authorization acts since 1954. The language was reincorporated in the authorization act of 1961, and I remember very well that at that time the then President of the United States had to make an affirmative finding. I do not recall—inasmuch as I do not have the language before me at this time—whether we then bound it quite so closely as we do in this instance. But I simply state that here are the criteria under which the finding would be made; and aid could then be given, if there were not a negative finding.

Mr. CAPEHART. I understand the language of the amendment; but again I ask whether any Senator can name one communistic country which could qualify under this amendment at this very moment. I am not talking about what may happen in the future—but at this very moment. Could Poland qualify under this provision? Could Yugoslavia? Could Russia itself? Could Cuba? Are there any communistic countries which now would be able to qualify under this amendment?

Mr. DIRKSEN. The matter should not be prejudged on the floor of the Senate. The Senate is here laying down a condition precedent to the rendering of the assistance. To undertake to make that judgment here, without examining into the matter, would certainly be prejudging it, and would cast it in the wrong mold, in my judgment; and I do not propose to make such prejudgment.

Mr. HUMPHREY. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HUMPHREY. I think the Senator pointed out the way in which we should consider this amendment. But I point out that Yugoslavia has a treaty with Greece, which is a NATO ally of ours; and anyone who has talked to any of the defense people in Greece knows that that treaty is vital to the security of what we call the southern flank of NATO.

On the other hand, if Yugoslavia were totally under the domination of Soviet Russia, there would be no treaty between Yugoslavia and Greece or between Yugoslavia and Italy, both of which are NATO allies. Nor could Yugoslavia play the active role in the U.N. and European economic organizations which was so rightly pointed out by the Senator from Alabama [Mr. SPARKMAN] day before yesterday.

So I think the Senator from Illinois is correct when he says we should judge the facts at the time. Surely one of the facts to be considered in connection with whether complete domination of such a country exists, is that if there were domination by Soviet Russia, that would not permit Yugoslavia to have a treaty with Greece, an ally of the United States; neither would complete Soviet domination permit the activity of the Catholic Church in Poland, because catholicism and Christianity are inimical to communism as practiced by the Soviet Union under Stalin and his successors.

Mr. GORE. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. I yield.

Mr. LAUSCHE. Mr. President, who has control of the time in opposition?

The ACTING PRESIDENT pro tempore. The minority leader [Mr. DIRKSEN] has control of the time in opposition, under the unanimous-consent agreement.

Mr. LAUSCHE. How much time is now available?

Mr. DIRKSEN. Well, Mr. President, I have been yielding very freely.

Mr. LAUSCHE. But the Senator from Illinois has been yielding to the proponents.

Mr. DIRKSEN. Mr. President, I am glad to yield to the distinguished Senator from Tennessee.

Mr. GORE. Mr. President, I am a proponent of the amendment. However, I shall be very brief.

I think the Senate is undertaking to correct the mistake which was committed yesterday. I refer to it as a mistake, because it seems to me that the two greatest enemies that communism finds within her borders are the spark and desire for religious freedom and the desire of mankind—common to mankind everywhere—to own one's own property.

I think that the aid the United States Government has extended to Poland has been one of the factors most instrumental in preserving the degree of religious freedom that still flames in Poland.

Let me point out further to my colleagues that communism has failed in the most basic needs of life—the production of food. The only country behind the Iron Curtain that has shown an increase in food production is Poland, and it is in Poland where the peasant still owns his land. A strange heresy occurred there not long ago when a high official of Communist Russia was visiting in Poland. He publicly paid tribute to the increased production of food under the private ownership of land and livestock by the Polish farmers.

Let me point out another heresy to communism. Even Mr. Khrushchev advocated recently that it might be of benefit to let the Russian farmers own more of their livestock. To what is communism coming?

Through American aid we have helped to keep alive the spark of religious freedom. We have helped to keep alive the privilege of the Polish farmer to have title to his little plot of land. We have helped to keep alive the hope of individual political freedom, personal dignity, and an eventual return to the family of free nations.

I think it was a great mistake to adopt this amendment yesterday. I join in this attempt at a partial correction, and I thank the distinguished Senator from Illinois for yielding to me.

Mr. DIRKSEN. I yield to the distinguished Senator from Iowa [Mr. MILLER].

Mr. MILLER. I would like to ask the distinguished Senator from Minnesota a question or two in view of his comments regarding the status as between Yugoslavia and Greece, and pointing out that if Yugoslavia were under the domination of the Soviet Union, there would be no treaty with Greece.

Mr. HUMPHREY. I said under the control.

Mr. MILLER. Under the control. As I read this amendment, if the President "finds that a recipient country"—and let us say the recipient country might be Yugoslavia—"is not participating directly or indirectly in any policy or program for the Communist conquest of the world," then Yugoslavia could receive assistance.

Mr. HUMPHREY. Under this amendment; yes.

Mr. MILLER. I assume, because it is generally reported that Yugoslavia communism is not the world-conquest type of communism which the Soviet Union advocates, under this amendment it would be possible for the President to make the finding that Yugoslavia could receive assistance. My question is whether or not I divine the Senator's reasoning on this.

Mr. HUMPHREY. No; I would like to go back to what the Senator from Illinois said. I think it would require, as the lawyers say, a de novo consideration by the President on the basis of the circumstances that existed at the time any such request for assistance or any offer of assistance might be made.

It is my view that the Senator from Iowa has pointed out some of the factors—I will not say facts, but factors—that would be brought into consideration. First, is the Yugoslavia Communist movement considered to be a part of the international Communist movement in terms of seeking conquest and control? Second, does the Government of Yugoslavia exercise any independence of judgment in its foreign policy?

Those are matters which the President, the Secretary of State, and others who had the responsibility, would have to take into consideration.

I merely point out today that, so far as absolute control over Yugoslavia is concerned, had there been absolute control over the past years, there could not have been a treaty with Greece. That situation may change. There have been developments in Yugoslavia of late which the Senator from Minnesota has been very worried about, and I have so said. So circumstances may change. But I think in the past years there has been evidence that the Yugoslav Government was acting independently, as we have been led to believe by the historic circumstances. It is also my view——

Mr. LAUSCHE. Mr. President a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. LAUSCHE. What is happening to the time of the opposition? All I have heard is the time of the opposition being consumed by those who are advocating the acceptance of this amendment.

Mr. DIRKSEN. Mr. President, I shall be glad to yield to the Senator from Ohio.

Mr. LAUSCHE. But a question was put to the Senator from Minnesota, and he entered into a long dissertation, and the time of the Senator from Illinois is being consumed.

Mr. MANSFIELD. Mr. President, how much time does the Senator from Ohio want?

Mr. LAUSCHE. All I want to make sure of is that the time of the opposition is not gone.

Mr. DIRKSEN. I shall be glad to yield to the Senator from Ohio.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

Mr. DIRKSEN. I shall be glad to yield time on the bill. When my friend asked for a minute, it was a fairly long minute.

Mr. LAUSCHE. Quite so.

Mr. HUMPHREY. It was a senatorial minute.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. PROXMIRE. Is it not customary that when both the majority and the minority leaders join in a position, the control of the time in opposition to that position be given to someone else?

Mr. MANSFIELD. Mr. President, before a ruling is laid down, I wish to say I shall be most happy to turn over my time to the Senator from Wisconsin to dispose of as he sees fit, and I make a motion to that effect.

The ACTING PRESIDENT pro tempore. Without objection, the motion is agreed to.

Mr. HUMPHREY. Mr. President, I must complete my comment to the Senator from Iowa. I concur with the remarks made by the Senator from Tennessee [Mr. Gore]. It seems to me the Senator from Tennessee pointed out some very important developments had taken place in Poland. There is a degree of nationalism in Poland. There has been a degree of religious freedom that is reassuring. There is land ownership in Poland. There are Communist principles in effect. I think these are factors which the President may take into consideration; but I do not think we ought to make the judgment on the Senate floor.

I think, as the Senator from Illinois has said, it is an Executive responsibility that will have to be fulfilled under the criteria laid down under the law.

Mr. MILLER. I appreciate the comment of the Senator from Minnesota.

Mr. DODD. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. Does a Senator yield time?

Mr. DIRKSEN. I yield to the Senator from Iowa.

Mr. MILLER. It seems to me that this is a difficulty that could be dissipated by employing, instead of "the Communist conquest of the world," the word "communism." Then there would be no question that Yugoslavia would be excluded. If we desire to exclude Yugoslavia, we should use words to do so. If we do not, I suppose the amendment should be agreed to.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from Kentucky [Mr. Cooper].

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized for 2 minutes.

Mr. COOPER. Mr. President, I shall take only 2 minutes. I wish to address myself to the Senator from Minnesota and the Senator from Ohio. I assume the President is asking for this authority because he believes that situations may arise, where it may be in the interest of the United States to provide assistance to Poland and Yugoslavia. If that is the purpose—and I cannot think of any other reason why he would be asking for this authority—it seems to me that, we ought to come to grips with this question, and provide authority to the President. We should strike these vague findings the President is required to make and authorize the President to furnish aid to these countries if he believes it is in the interest of the United States of America.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. HUMPHREY. I agree with the Senator on that point. I think the Senator is correct.

Mr. COOPER. There are possibilities that the Eastern European countries—Poland and Yugoslavia—may assert greater independence of the Soviet Union. This is not a question of foreign aid or of food alone, important as they are. It is a question of dealing with our total foreign policy, and of giving to the President maneuverability, and flexibility, in the exercise of his powers for the security interests of this country.

I hope the Senate will agree to strike two of these provisions, and permit the President to make decisions if he finds it to be in the interest of the security of our country.

Mr. CHAVEZ and Mr. SALTONSTALL addressed the Chair.

Mr. PROXMIRE. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, of course we are all interested in Poland and Yugoslavia.

There are nearly 200 million people south of our border who are hungry. What are we planning to do about those hungry people, Mr. President?

I should like to vote for a bill to feed people, and I shall do so when the opportunity is afforded.

Mr. DIRKSEN. Mr. President, I yield 4 minutes to the distinguished Senator from Vermont [Mr. Aiken].

Mr. AIKEN. Mr. President, I think it would be interesting to have for the Record information as to the amount of business which has been done with Yugoslavia and with Poland, in the past few years, particularly, under Public Law 480.

During the past 6 years, Poland has purchased from us 750,000 bales of cotton, and Yugoslavia has purchased 585,000 bales of cotton. For fiscal year 1962, Poland is purchasing 92,000 bales of cotton, and Yugoslavia is purchasing 93,000 bales of cotton.

With respect to wheat, which is one of the other larger exports to these countries, the figures show that in the past 6 years Poland has purchased 119,520,890 bushels of wheat, and Yugoslavia has purchased 158,096,260 bushels of wheat. This year the two countries are purchasing approximately 60 million bushels of wheat from this country.

All of this is not sold under Public Law 480. Part of it is sold for dollars, and part of it is exported under title I and title IV of Public Law 480.

The fact remains that if we did not exercise the right of utilizing Public Law 480, undoubtedly we would be unable to sell to these two countries for dollars.

During the past year or two a considerable part of our sales to these countries has been for dollars, but Public Law 480 does come into the picture and helps to effect the dollar sales.

I have given the figures for wheat and cotton only. I do not know the totals with respect to other agricultural exports to these two countries. I am sure they would be smaller. If any Senator is interested in the wheat and cotton business, he should realize that these countries are two of our large markets.

I think there was some protest on the part of Poland in the past year that we required them to pay dollars for a large percentage of what they purchased from us, but nevertheless we are doing a very extensive business for dollars, and under Public Law 480, with both countries.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Connecticut [Mr. Dodd].

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized for 5 minutes.

Mr. DODD. Mr. President, I should like to have the attention of the Senator from Tennessee [Mr. Gore]. I was very much interested in his argument, and I wish to be sure that I correctly understand it. I should like to clear up my own attitude about it.

Is it argued that Poland is producing sufficient food for its people now?

Mr. GORE. The statement I made was that Poland is the only country behind the Iron Curtain in which food production has been increased. I believe that to be a fact. I do not know whether it is, in fact, a food deficit area or a food surplus area. I know that some food products under Public Law 480 have been going to Poland.

Mr. DODD. The Senator can see my point. If Poland is producing enough food, then why in the world should we ship Poland more? Obviously it would not be sensible to do so.

Mr. GORE. I am trying to answer the Senator as fully as I have information as to the facts, and I am trying to obtain additional information.

I had not intended to say that Poland produced sufficient for her needs. It may be that she does, at least in certain categories. In any event, some food under the Public Law 480 program has been going to Poland, though not in large quantities.

Whether Poland in turn has sold some of her own commodities which individually—such as potatoes—might be in surplus, I do not know. It may be that meat products are needed.

Mr. DODD. I understand the Senator's answer.

I am not able to understand how we would help people to get free by making their tyrant masters stronger. Certainly, when we ship food to a Communist country, I think everyone in the Senate would agree that the Communist government gives the food to its friends and not to those who oppose the regime. This is the first principle of tyranny. How in the world can it be argued that we will make people more free under a tyrannical government by shipping food to the tyrants to pass out as they see fit?

Mr. GORE. The best answer I can give is that the people in some way, despite many handicaps, must have a way of learning a few facts. I cite to the Senator the fact that when former Vice President Nixon visited Warsaw, though there had not been any notice by the Government—without a single radio broadcast, without a single newspaper notice that he would be there—hundreds of thousands of people turned out and applauded him, not because he was Richard M. Nixon.

Mr. DODD. It was not because he was shipping food, but because the Poles want their freedom, and they knew he represented a country which is free.

Mr. GORE. I am unable to say exactly why that happened. I would assume it was because he was Vice President of the United States.

Mr. DODD. I agree.

Mr. GORE. The Polish people must have known that the people of the United States had a friendship for them. In some way they must have known we had been demonstrating an interest in them and a friendship for them.

Mr. DODD. There is no doubt about that, but I come back to the point that it is difficult for me to comprehend how we can say we are helping the people under these tyrants when we strengthen the tyrants.

Every time we ship food or fiber or anything of value to these countries, is it not a fact that we are making the governments stronger, in the sense that they then at least have food to pass out to the people to whom they wish to give it? They then are not faced with a problem of a food shortage, which is a great problem for many governments, whether they be free or tyrant.

As a matter of logic, my point is, how in the world can it be argued that somehow we help to weaken a tyrant or to make stronger the enslaved by such a process?

Mr. GORE. Mr. President, will the Senator yield?

Mr. DODD. I am glad to yield.

Mr. GORE. I think one important element is that food and sustenance must come from a free land like the United States, which demonstrates most dramatically and effectively the unwisdom and inefficiency of the system with which they are afflicted.

Mr. DODD. The other day I read in the newspapers that Khrushchev said the Russians would have more bombs and less butter. Every time we ship him butter he will have more to spend on bombs, will he not?

Is it not true that, with respect to any tyranny, every time we give a piece of thread or a kernel of grain it will turn this to its own advantage? It will make arms. It will make weapons. It will have other resources to use against the free world.

Mr. PROXMIRE and Mr. HUMPHREY addressed the Chair.

Mr. DODD. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. I wish to say to the Senator from Connecticut, I could not agree more. The real weakness of the Communist countries is in the area of agriculture. The Communist countries cannot produce enough food. As the Senator from Connecticut has so well pointed out, that is true in Red China, Russia, and throughout the Communist world. Our great strength is food. As the Senator said, when we give such countries food, or fiber, whether it is a kernel of grain or a piece of thread, the fact is that such a gift gives the recipient country an advantage.

Mr. DODD. And they boast about it.

Mr. PROXMIRE. They boast about it and they use it. Of course, they use the supplies. If nothing else, the food and fiber give the people more strength and vitality to work against us.

Mr. DODD. I can understand that perhaps there are compelling reasons why the President would want latitude in the program. I am not interested in taking it away from him. I have too much confidence in him. But my point is that it is utterly illogical that we should direct products to those countries in order to weaken the tyrant or to make strong the enslaved.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. I do not wish to take too much of the time of the opposition, because the opposition has not had much time to debate its side of the issue. I believe the Senator from Ohio is correct.

Mr. President, I yield myself 3 minutes on the bill.

The Senator from Connecticut [Mr. DODD] is a very reasonable man. I think he knows of my real respect for his views.

Mr. DODD. Indeed I do; and I am grateful.

Mr. HUMPHREY. There is a calculated risk in everything we do here. But I wish to speak to my Democratic colleagues for a moment. On several occasions when the former administration came to Congress and asked for special assistance to Yugoslavia, Poland—the same Yugoslavia, the same Poland, the same Gomulka, the same Tito—Democrat after Democrat supported President Eisenhower. I think President Eisenhower was right. I am not arguing about that.

Now President Kennedy has asked members of his party, upon whom he depends, to give him the same latitude and the same flexibility to deal with some of the same problems. It is proposed that we say, "No."

I believe the former administration made some inroads that were rather significant. For example, in Poland the Voice of America is not jammed. It can be listened to at any place in that country.

Furthermore, it is well known in Poland that the food comes from the United States. The CARE program was operative in Yugoslavia even to the extent that CARE supervised the actual distribution of American food into the villages.

Furthermore, one can go into Polish libraries, in Warsaw, as this Senator has done, and pick up magazines that we read in America. American books can be found in those libraries. They cannot be found in Moscow, but they can be found in Warsaw.

This fall there will be a great meeting of leading physicians of the world at the University of Krakow, the oldest university in Europe. We have made an impact in that country.

Frankly, the program is a calculated one. Who knows what will happen? I defy any Senator to show me an instance in which hunger has destroyed communism.

I beg any Senator to give me any evidence of an instance in which vast human misery that takes the lives of innocent people has ever destroyed communism. It did not destroy it in China. It did not destroy it in Russia. It will not destroy it in Poland. The only way I know to win people is with love and fair play.

Mr. CARROLL. Mr. President, I suggest that the Senator take additional time.

Mr. HUMPHREY. I have said enough.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes.

In reply to the Senator from Minnesota, I point out that we are not dealing with the same Tito with whom we dealt in past years. Anyone who has followed what Tito has said in the past few years, his pronouncements and his actions, knows that it is not the same Tito that we dealt with 10 or 12 years ago, or even 5 or 6 years ago. We are dealing with a different Tito, and a different situation.

Unfortunately, it is a great illusion on the part of too many Senators and too many members of the press that he is the same man. He is not. He was an opponent of Stalin. He is a close ally of Khrushchev.

Mr. HUMPHREY. I should like to ask the Senator from Wisconsin what he thinks about Khrushchev's attitude toward Stalin. How does the Senator think Khrushchev got into office? He was not playing "footsie" with Stalin. He denounced him. He came into power by denouncing Stalin.

Mr. PROXMIRE. I understand that, but the point made by the Senator from Wisconsin, to which I should like to have the reply of the Senator from Minnesota, is that Tito was opposed to the Soviet Union back in 1951 and 1952. He is no longer opposed to the Soviet Union. We are. He is working with the Soviet Union and undermining our position in country after country.

Mr. GORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Tennessee.

Mr. GORE. At this moment there is underway in Moscow a meeting of the Council for Economic Mutual Assistance. The council is undertaking to counter the Common Market and the system of trade and commerce in the free world. Tito is not a member of that council. He is not permitted to be a member. The principal commerce of Yugoslavia is not with the Communist bloc but with the free world.

In fact, 70 percent of Yugoslavia's trade is with the West.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield myself 3 additional minutes. I shall yield to the Senator from Ohio in a moment. Before I do so, I think it should be made clear to Senators that while Tito may not be in Moscow, the fact is that Tito has worked in country after country—in Africa and in Asia—to undermine our position. Any Senator who reads Tito's speech at Belgrade on September 3 can come to no other conclusion than that Tito is as stern, devastating, and emphatic a critic of the policies of the United States of America as is Khrushchev. There is no difference, except that in the case of Tito, he does not have missiles to rattle, and Tito is not in a position to engage in a military conquest. But over and over again Tito has said that he believes in world communism. He believes in militant world communism. He calls it international proletarianism. He believes that promotion of world Communist revolution is the mission of Yugoslavia. I say we should not give aid to that kind of country.

It is very interesting to note that Senators who favor the amendment argue that we should give aid to Poland and to Yugoslavia, whereas a half hour ago the amendment was interpreted as one which would prohibit aid to countries of that kind.

Mr. GORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Tennessee.

Mr. GORE. First, to set the record straight, Yugoslavia applied for membership in the council now meeting in Moscow. It was denied membership. I do not rise to defend all that Tito has done or has not done. Neither do I rise to give any assurance that the program would be 100 percent successful. But I think it has been helpful in encouraging a deviation by Yugoslavia.

If the Senator will be so kind as to yield further, the basic point with me is that if we tie the hands of the President of the United States so that no enticement for schisms within the Communist bloc can be held out, if the only attempt at subversion, penetration, and persuasion must be directed against us and we can do nothing to counterbalance it, we can have small hope of winning.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes. My reply to the Senator from Tennessee is that during the past 12 years we have given Tito $2 billion worth of aid. What have we to show for it? Is Tito now closer to the Soviet Union or further away from that country? Is he closer to our position or further away? 12 years ago, when we started the aid program, Tito was opposed to the Soviet Union. He has become closer and closer to it. If that practical experience makes any sense at all, the conclusion must be that the kind of aid we have been giving Tito will not win his support or friendship.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. LAUSCHE. The granting of aid to Tito, admittedly a Communist, who has repeatedly declared that the world must be communized, is an inducement to the nations in Africa, in the Middle East and in the Far East, to follow Tito. He is their leader, Mr. President, because they are of the opinion that, although he is a Communist and controls a Communist government, the United States has for 15 years provided him with aid.

Mr. PROXMIRE. The Senator is exactly correct.

Mr. LAUSCHE. The Senator from Tennessee [Mr. GORE] has made the statement that our aid has caused a deviation of the Yugoslav Government from the Communist orbit.

Mr. GORE. I said it had encouraged it.

Mr. LAUSCHE. The only cause for the deviation is that there are 15 million Serbs, Croats, and Slovenes who believe in God, who want to own the possessions of their farms, who want to live as dignified human beings, and who want to liberate themselves from the yoke that Tito has placed upon them. He, as a matter of convenience and as a matter of opportunism, took our aid, knowing that he could not fulfill his commitment to provide a better life and provide more food, and knowing that if he did not provide food his government would fall.

Being in that predicament, he turned from Moscow to the United States. We lifted him up at the moment when he could not fulfill his obligations with his communistic form of government.

Mr. President, I yield to no one in the Senate in the desire to help the hungry and the starving. However, I have an obligation to my country.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. PROXMIRE. I yield 5 additional minutes to the Senator from Ohio.

Mr. LAUSCHE. There are those who say, "Help the Communists. By helping the Communists we help the United States." That is nonsense.

Mr. DODD. Mr. President, will the Senator yield?

Mr. LAUSCHE. I will yield in a moment. No one can give me that sop. Communism intends to dominate the world. When we help a Communist form of government, we are undermining the security and the structure of our own country. I cannot see it in any other way.

Is Gomulka, of Poland, our friend? Is the Polish Government friendly? Everyone knows what happened at the Poznan riots, when workers and students gathered and marched down the streets yelling "Leba! Leba! Give me bread! Give me bread!" The Polish Government suppressed them. They wanted bread. The Communist government could not provide it for them. That is what caused them to rise. Of course they were shot down and put to death.

The same thing happened in Hungary. I should like to ask why the Hungarian people should not be entitled to aid. Have there been any nobler patriots, fighters for freedom, anywhere in the world, than the Hungarian people? We have not given it to them, I suppose, because it is said that Gomulka in Poland is not subject to Russian domination, but that the Hungarian, Kadar, is. I cannot distinguish between them, Mr. President. They are Communists. Repeatedly they have avowed that they will not be content until the world is Communist.

I respect the integrity of what has been said. I do not respect the judgment. I do not believe that by giving Communist governments help, thus relieving them of their responsibility to solve their problems, we are helping our country.

Let us take a look at that thought. How are the Communist governments going to fall? We will not go into their lands. We indicated that at the time of the Budapest insurrection. We indicated it in Poznan. If there is to be a collapse, it must come from the people within the nation rising, saying, "You have not provided us with those things that we need in life."

They will never rise if we keep giving the Communist governments the things that the Communist governments cannot produce and the things which the people want and need.

One word further on the amendment. The amendment is nothing more than a redeclaration of the law as it existed prior to yesterday's adoption of the Lausche amendment. It is nothing else. Under existing law, in order to provide aid under Public Law 480, the President must find that a country continues to maintain its independence. In the giving of aid to Poland, the finding has to be made that the Polish Government maintains independence.

The ACTING PRESIDENT pro tempore. The additional time of the Senator from Ohio has expired.

Mr. PROXMIRE. I yield 5 additional minutes to the Senator from Ohio.

Mr. LAUSCHE. I ask my colleagues in the Senate, Where is the independence of the Polish Government from the domination of Moscow?

That finding was made, namely, that it is an independent government free from the domination of Moscow.

Secondly, the President must determine that the Nation is not participating in any policy or program for the Communist conquest of the world. On that score, let us recognize the fact that the Marxian philosophy, which has been repeatedly avowed by Tito, as being his philosophy, states that there shall be no rest and no peace until all the world is communized.

I ask when, if ever, has Tito repudiated the Marxian philosophy? The only difference is that he claims that there shall be a communization along national lines, instead of on the basis of internationally controlled communism out of Moscow.

Third, the President must determine that the furnishing of such assistance is in the interest of the national security of the United States.

Give help to the enemy government. Lift it from its crumbling position. Thus do we aid the youth of our country.

To me, this is more than a momentary issue concerning the problem in Communist dominated countries. I want to feed those people. I have relatives in Yugoslavia—full cousins. But I have a love for the children of the United States, and to me the primary course must be one which will insure our life; and when our life is insured, ultimately we will be able to give to the Poles, the Hungarians, the Rumanians, the Czechoslovaks, the Macedonians, the Slavs, the Croats, and the Serbs not only food for their body, but spiritual food as well—that spiritual food consisting mainly of the ability to live as dignified human beings.

Mr. President, this amendment is nothing more than a redeclaration of what was changed yesterday. What I said yesterday is equally applicable to this amendment. It is on that basis that I will oppose the amendment.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Senator from Ohio will state it.

Mr. LAUSCHE. How does this amendment properly come before the Senate, if it is merely a redeclaration of what the law was before the adoption of the Lausche amendment yesterday?

The PRESIDING OFFICER. The amendment speaks for itself. It is in order.

Mr. LAUSCHE. According to the ruling of the Chair, the amendment is in order?

The PRESIDING OFFICER. That is the only question before the Chair.

Mr. LAUSCHE. Did the Chair wish to say something further?

The PRESIDING OFFICER. The purport of the amendment has been discussed by the Senate. The amendment is in order, and it is for the Senate to decide whether it is proper.

Mr. LAUSCHE. If the amendment contained the identical words of the law as it was repealed yesterday by the Lausche amendment, would the proposal of today be in order?

The PRESIDING OFFICER. The Chair cannot answer a hypothetical question. The amendment before the Senate at this time is in order.

Mr. LAUSCHE. It is in order. All right.

Mr. DODD. Mr. President, will the Senator from Ohio yield?

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LAUSCHE. I ask for 2 additional minutes.

Mr. PROXMIRE. Mr. President, I yield 2 additional minutes to the Senator from Ohio.

Mr. LAUSCHE. I yield to the Senator from Connecticut.

Mr. DODD. In my judgment, the Senator from Ohio has made one of the great speeches in this body, great for its logic and eloquence.

Does the Senator know whether Tito is running a foreign aid program of his own?

Mr. LAUSCHE. Tito is running a foreign aid program of his own. He is running it in Africa, and I think it goes even beyond that.

Mr. DODD. How in the world can we justify giving aid to Tito, of all people, if he is handing out foreign aid from his own treasury to further the Communist cause? Certainly he does not give foreign aid to any free world country, does he?

Mr. LAUSCHE. I do not believe he does.

Mr. DODD. I think I can say categorically that he does not. To me, this amendment seems to compound the blunder in every respect.

Mr. LAUSCHE. A college professor of Slovenia went to Pakistan to teach. While teaching in Pakistan he came into contact with many of the Pakistanian leaders. He wrote me a letter in which he said that Pakistan was leaning more and more toward accepting a Tito type of government.

I make this statement in connection with my contention that by giving aid to Communist countries, we are encouraging all of the emerging nations to look favorably upon the Tito form of government.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

I support the statement just made by the Senator from Ohio, and I support it explicitly.

Recently, George Bailey, writing in the Reporter, said:

> The fitting of the Marxist formula into the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause.

In an article I cited yesterday, which was written by Milorad Drachkovitch for Orbis, published by the University of Pennsylvania for the Foreign Policy Research Institute, this statement was made:

> One of the ironic paradoxes of our time is that at least part of the generous economic assistance given by the United States to Yugoslavia as a calculated gamble to weaken the Communist bloc is used by Tito to undermine Western power and influence in the gray zones of southeast Asia, Africa, and, less directly, Latin America.

The Senator from Connecticut [Mr. DODD] and the Senator from Ohio [Mr. LAUSCHE] are absolutely correct. There is no question that Tito has his own foreign aid program. It is a program for the advancement of communism throughout the world.

Mr. President, I yield 2 minutes to the distinguished Senator from Texas.

Mr. TOWER. Mr. President, I commend the distinguished Senator from Ohio for his eloquent argument. It is an argument which I think should be convincing to anyone. I supplement it by asking: Is it not true that it was Yugoslavia which delivered Imre Nagy into the hands of Khrushchev's murderers? Was it not in Belgrade that the so-called uncommitted countries met and castigated Western colonialism, but said nothing about the rape of Tibet and Hungary?

Mr. LAUSCHE. I can only answer that question by saying that my recollection is that sanctuary was given to nuns from Yugoslavia in our embassy in Budapest.

Mr. TOWER. I do not know how, by any stretch of the imagination, it can be said that Yugoslavia is pro-Western or pro-American, or is even inclined in that direction.

If the United States gives food to Yugoslavia and Poland, and if hungry people are fed, I ask, Does not that make the people more content with their lot? Is it not unlikely that people will rebel against the established order if they are content with their lot?

I think we should not retreat from the position we established yesterday. We have heard some comment from the State Department that that action will be interpreted as an abandonment by the United States of the captive people. I interpret it in just the opposite way. We are trying to bring down their governments. By helping them, we will not hasten the day when the monolith will crack from within.

Mr. LAUSCHE. Talk to the refugees from Yugoslavia, be they Croats or Serbs or Slovenes. Talk to them in Pittsburgh, Chicago, Cleveland, or Minnesota. Talk to the individuals who have fled from communism. They will say we are making a mistake every day by giving aid to the Communist governments which are keeping their people in thralldom.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

What this amendment does is not simply to wipe out what was done by the Senate yesterday. It is true that the amendment will still leave in the bill a prohibition against providing economic assistance to Yugoslavia. As I understand, the amendment applies only to Public Law 480 and to food shipments. So if the amendment shall be agreed to, I do not believe it will mean that all that was achieved yesterday will be wiped out.

However, Senators who favor the amendment have taken the position that the action taken yesterday will interfere with the maneuverability of the President of the United States. I admire and respect the President; in most respects I support him. However, the law has been interpreted clearly by the President now as permitting him to sell food under Public Law 480 to Poland, in spite of the clear provision in the law that no assistance shall be furnished under the act to any government of any country unless the President determines that such country is not dominated or controlled by the international Communist movement.

We all know that Poland is dominated and controlled by the international Communist movement. If it is not, then no country is.

Therefore, the issue is whether the Senate feels that Public Law 480 should be made available to Yugoslavia and Poland. That is the issue. If the amendment shall be adopted, aid will be made available to those countries. We know it will be made available. We have a complete history of such a procedure.

If the amendment shall be defeated—and I hope it will be defeated—then food will not be made available. As the Senator from Texas [Mr. TOWER], the Senator from Connecticut [Mr. DODD], and the Senator from Ohio [Mr. LAUSCHE] have so well said, probably the best instrument for peace that we have on our side is food—our abundance of food, the ability to produce it, and the stark failure of the Communists to match our agricultural ability and abundance. This is why Communist China is declining and is losing her power, and it is also why Russia is having so much trouble.

Mr. TOWER. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Texas?

Mr. PROXMIRE. I yield.

Mr. TOWER. Would not it be a little fatuous for us to believe that if we gave food to Yugoslavia and Poland, the governments of those countries would not only permit the people there to use that food, but also would encourage them to believe that the United States was kindly disposed toward them, and thus would help create a better feeling toward the West?

Mr. PROXMIRE. I think the Senator from Texas is correct. In my opinion there is no question that whatever we give to Poland does help the Soviet Union; and there is also no question that Poland exports a great deal of her agricultural products to Russia and to other Communist countries.

Mr. ERVIN. Mr. President, will the Senator from Wisconsin yield to me?

Mr. PROXMIRE. I yield 5 minutes to the Senator from North Carolina.

Mr. ERVIN. Mr. President, for some years I have opposed the foreign aid program as now established and administered, because in my judgment it pictures the United States in a very unfortunate way to peoples around the world. It pictures the United States as a bewildered old gentleman who is running to and fro, over the face of the earth, scattering the patrimony of his people among 99 nations, regardless of whether those nations are friends or are neutralists or are potential foes, and is doing so under the delusion that he can buy friends and purchase peace.

So, Mr. President, in my opinion the policy—which has prevailed for some years—of giving aid to Communist dictators and Communist nations is the height of folly.

It is quite conceivable, Mr. President, that if it had not been for the $2,500 million or more of foreign aid which was given to Tito by the United States, under the beguilements of the State Department, the people of Yugoslavia might today be enjoying freedom from Communist rule at this moment. It is the height of folly for the United States to declare, in one breath, "We are opposed to communism," but then to insist, in the next breath, that the money of the taxpayers of the United States must be used to assist Communist dictators such as Tito, to forge all the tighter the chains of communism on the people of Yugoslavia.

Mr. President, a few years ago, after the United States had begun foreign aid to Tito and had assisted him in forming the largest army in Europe outside of Russia, Tito went to Moscow and made a speech in which he said he would never again be separated from Russia. Within 4 or 5 weeks after that time, a debate occurred in the Senate of the United States in which we threatened to cut off foreign aid to Tito. At that time, however, the Senate was induced by the arguments now being made by the proponents of this amendment to pass a foreign aid bill providing, in substance, that in the discretion of the President, foreign aid to Tito could be continued. And it was continued ever since.

Within the past year, Tito has invited to Belgrade, his capital, neutralists from all around the earth. He invited them there when the Berlin crisis was at fever heat. In welcoming the delegates to Belgrade, he made a speech to the neutralists, and in it he stated, in substance, that Russia was right and the United States was wrong in the controversy about Berlin. Yet, Mr. President, in the face of that fact, it is here proposed and urged upon the Senate that we give aid to the Communist dictator of a country who has declared that Russia is right and the United States is wrong about Berlin.

I expect to vote against the amendment because I believe that the extension of foreign aid to a Communist dictator such as Tito not only belies our declaration that we are unalterably opposed to communism, but also serves to fasten all the tighter the chains of communism upon the people of Yugoslavia, who, but for the aid the United States has given Tito, might this very day be free and entitled to worship Almighty God according to the dictates of their own consciences.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished majority leader.

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from Montana is recognized for 10 minutes.

Mr. MANSFIELD. Mr. President, first, I ask unanimous consent that Senators who may wish to join in sponsoring the amendment offered by the distinguished minority leader and myself may be permitted to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, there are some aspects of foreign policy with which, from time to time, I have found fault, under both Democratic and Republican administrations. However, in any showdown—and this is one—I believe I have always subordinated my personal opinion; and I have gone along with the President of the United States. I have done so because, under the Constitution, the President is the one man who is charged with the conduct of our foreign policy. I have made my final decisions in support of him because, first, I believe that any elected President of the United States is worthy of the highest trust and respect of the Senate, and, second, because I know that he has access to information which is not available to me; and it is information on which he, in the discharge of his responsibilities as the Chief Executive of our Nation, has to make the critical decisions.

Many of these decisions are, I know, politically unpalatable. They are difficult to explain in debate on the floor of the Senate. They are even more difficult to explain to the people in our home States, who lack the time to study the intricacies and complexities of the grave questions of foreign relations.

When we go home, do we explain to our people that what we really voted to cut off was surplus foods which were going to feed people in need; or do we explain, further, that our action on the floor of the Senate might under certain circumstances do untold mischief to the President's efforts to maintain and to adjust the delicate balance of forces throughout the world, which he understands far more fully than does any one of us, and on which literally depends the life or the death of tens of millions of people, including Americans?

There have been times—and I speak very personally in regard to this matter—when information which has been made available to the leadership could not, without detriment to the well-being of the Nation, have been made public, even under the most trying and difficult circumstances. In instances of that kind we have to place our faith and confidence in the constitutionally elected Chief of State of this Government. We have to be prepared to take whatever political consequences are entailed, because the welfare of the country must always come ahead of the political welfare of any individual Member of this body.

Over the years I have received a great deal of mail in opposition to our policy in regard to Yugoslavia and Poland. It is easy to vote that opposition; but to do so would mean to ignore the factors which all along indicated discontent and disagreement within those countries with the monolithic policies of the Soviet Union, and indicated tendencies to break away, and tendencies to follow a more independent national course, even though perhaps in small degree.

Can it be other than in the interests of this Nation, wherever possible, to further and encourage splits or breakaways in the monolithic nature of the Soviet bloc and to do so with our eyes open to the fact that these countries are still Communist controlled so far as their governments are concerned, but I would daresay not Communist controlled so far as their regimented people are concerned.

If we want to do what we can, especially in Eastern Europe, to break down the monolithic Soviet structure built by Stalin, and to let in a little of the air of freedom, it is my belief that it is imperative that we continue the policy started by Presidents Eisenhower and Truman in the cases of Poland and Yugoslavia, and continued by President Kennedy, by giving him the tools which he says he must have. Not to do so, in my opinion, may well force Yugoslavia back into the Soviet orbit and reduce whatever hopes the Polish people have of breaking away from control by Moscow. So as we go home, the fact is that all we have done is to tie the President's hands in carrying on the real struggle between freedom and totalitarianism.

There are no funds in this amendment for Yugoslavia. There was a possibility, as the acting chairman of the Foreign Relations Committee, the distinguished gentleman from Alabama [Mr. SPARKMAN] stated on yesterday that there might be a $10 million loan, not a grant, under the Development Fund for that country; but even this would have been subject to the discretion and control of the President and would be carried out within the confines of the authority granted to him under this act this year, as has been the case in years gone by under two other Presidents. But what the Senate did yesterday will insure that $80 million in surplus agricultural commodities which were destined to be sold—not given, but sold—to Yugoslavia to feed some hungry people will stay, instead, to rot in the storage bins with the costs of storage being met by the people of this Nation. Similarly in Poland what is entailed is largely the sale of surplus agricultural commodities for local currencies to help the Polish people, perhaps something in the neighborhood of $60 million in food.

What the results of the action on yesterday would achieve, in effect, would be to throw away whatever results have been achieved under two previous Presidents and last year under our present President to modify the totalitarian structure of Eastern Europe.

These are factors which I would hope my colleagues would consider in their study and consideration of the proposal now before us. These are the factors which, however personally distasteful, the present course may be for any Member of this body, however politically unpalatable it may be in any State in the Union, we have got to face as men and women dedicated to the welfare of this Nation beyond any consideration of personal political welfare, in the interests of both peace and freedom. These are the factors which have motivated three Presidents of the United States—a Republican and two Democrats—to take this course, regardless of political consequence to themselves.

They have taken this course for one reason only—because they held it to be in the best interest of our country. We know, on the basis of our understanding of Mr. Kennedy when he served in this body and in the House, that he is a moderate man who is intent upon only one thing, as were his predecessors, namely, to carry out the obligations and duties of his office in a way and in a manner to safeguard the security and welfare of the people of the United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. I yield myself 2 more minutes.

President Kennedy is no stranger to us. He is a man whom most of the Members of this body know personally and, I am sure, hold in the highest esteem. In his 8 years of service in the Senate, we have all had a chance to form our own estimate as to what he stands for, what he believes in, what he seeks to do. I have served under four Presidents in my 20 years in the Congress, and in my opinion President Kennedy is the best versed by far in the intricacies of foreign policy. He is the most understanding of the need of a good and mutual relationship between the executive and the legislative branches. He is entitled to the greatest possible amount of support we can give him, in carrying out the most difficult and demanding job in the world. He carries the greatest responsibilities and shoulders the heaviest burdens. Is there any doubt in this body that when he advocates, as he does in this instance, the continuance of the same course pursued by President Truman and President Eisenhower, he is not doing so with the best interest of our country in mind?

I would hope, therefore, that we would do our full share in holding up his hand and giving him the support which he needs to carry out the policies which this Nation's interests require and which the leadership of freedom entails. If he succeeds, we all succeed—Democrats and Republicans alike. If he fails, we all fail; and if that happens, there will be no dividing lines between the parties.

The responsibility to initiate, to propose, to carry out foreign policy is his. The responsibility to dispose in this instance is ours. I would hope that we would be able to exercise that responsibility as we have done, by and large, over the years with an awareness of the tremendous stakes involved and with a sense of dedication, beyond politics, to the welfare of our country.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. I yield time to the Senator from Wisconsin.

Mr. PROXMIRE. I want to ask the majority leader if it is not true that, if this amendment passes, the bill will still provide that there will be no economic assistance program, no economic development program, for Yugoslavia? What the Senator has said in his speech, as I understand it, is that there would be a small economic development program, but it would have to meet certain standards. As I understand, even if the amendment is adopted, in view of what we did yesterday, there will be no economic program. There may be a Public Law 480 program if it meets requirements laid down in the amendment. Is that correct?

Mr. MANSFIELD. That is correct.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, Members of the U.S. Senate live up to their fullest function in exercising independent judgment. I would be the last to question the right of a Senator or the duty of a Senator so to do.

In this particular case I suggest that our ship of state is sailing in uncertain dangerous waters. Foreign policy is by no means an exact science.

This amendment brings to the floor of the Senate an issue that is not new. It brings to the floor of the Senate an issue in which the position taken by various Senators is not a new position for them.

The distinguished senior Senator from North Carolina, in opposing the amendment, stated he had voted against all the foreign aid bills for some years.

The distinguished senior Senator from Ohio stated that he has held the views he has expressed today for a number of years.

Those Senators have that right.

I would like to cite that the position which Senators who are supporting the pending amendment take has in general been endorsed by three Presidents and every Secretary of State who has served under those three Presidents.

In this regard I raise the question as to whether the policy of the previous two administrations and that of the present administration have been successful.

Earlier today I made the statement that the U.S. foreign aid program had encouraged deviation on the part of Yugoslavia. I propose now to demonstrate the accuracy of that statement.

I do not propose to demonstrate that Yugoslavia holds views generally parallel to those of the United States, but I propose to demonstrate that Yugoslavia has asserted independence by her votes in the United Nations and by her membership in organizations identified with the West.

Last year, when highly controversial issues were before the United Nations, upon occasion Yugoslavia voted not with the U.S.S.R. but with the United States of America. Let me cite some instances.

On October 20, 1961, there was under consideration a resolution endorsing the report of the Atomic Radiation Committee. The report included implicit criticism of the Soviet nuclear weapons test. The Soviet Union did not vote for that resolution. Neither did India. Neither did Indonesia. They all abstained. Who voted for it? Well, the United States did. And so did Yugoslavia.

On the 27th day of the same month there was under consideration a resolution appealing to the Soviet Union not to detonate the 50-megaton bomb. How did the Soviet Union vote? "No." How did Yugoslavia vote? "Yes." How did the United States vote? "Yes."

On the 20th day of December last there was pending a crucial question concerning the authorizing of financing for United Nations operations in the Congo. Let me digress to say that the fight for the Congo was a fight for Africa.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Will the Senator from Illinois yield me 3 additional minutes?

Mr. DIRKSEN. I yield 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 3 more minutes.

Mr. GORE. Rightly or wrongly, President Eisenhower decided, in response to the appeals for aid from the central government of the Congo, that aid should go not directly from the United States, but from the United Nations.

Last December it became necessary to authorize financing for the United Nations operation in the Congo. How did the Soviet Union vote? "No." How did Yugoslavia vote? "Yes." How did the United States vote? "Yes." How did India vote? "Yes."

On December 20 last there was a question of authorizing United Nations emergency funds for operations in the Middle East. How did the U.S.S.R. vote? "No." How did the United States vote? "Yes." And so did Yugoslavia.

Again, last December there was a question of approving the $200 million bond issue of the United Nations. Yugoslavia and the United States voted "Yes." The Soviet Union voted "No."

Mr. President, I do not cite these votes as evidence that Yugoslavia has embraced the Western position on all questions, but I cite them as evidence that Yugoslavia has demonstrated a capacity and a willingness to be independent of the Soviet Union. I can cite other instances.

I have had the privilege of sitting at the conference table, as a U.S. delegate to the General Agreement on Tariffs and Trade in Geneva, with representatives of Yugoslavia. Not only are the Yugoslavs members of GATT, but, also, they are members of the World Bank, and they have an associate membership in the OECD and in the International Monetary Fund. Seventy percent of their trade is with the West.

I say to Senators that the chance taking by former Presidents Truman and Eisenhower and by President Kennedy, and all their Secretaries of State, to try to encourage the deviation of Yugoslavia, has paid off; and I am willing to undertake some more chance taking on behalf of freedom, rather than to tie the hands of the President in respect to an attempt to counterbalance the efforts at subversion and penetration by the Soviet Union into the ranks of the free world.

Mr. DIRKSEN. Mr. President, I yield 5 minutes from the time on the bill to the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. Mr. President, I rise to respond in part to some of the statements made earlier this afternoon. I feel that, while those statements were made in all good faith, as the Senator from Tennessee pointed out, they were not necessarily factual.

The first point which needs to be made is that the amendment which was agreed to yesterday would help no one except the Communist bloc, which would have a greater grip upon the satellite countries than ever before. The amendment would strike down a number of programs which have been widely supported by the American people.

These programs include the distribution in Poland and Yugoslavia of food parcels as gifts from American citizens; school lunches, by such organizations as Care, Church World Relief, and Joint Distribution Committee; and emergency aid in foodstuffs and medicines, such as was provided to the Hungarian people after their valiant effort to achieve freedom in 1956.

The amendment would also strike down the completion of the Children's Hospital in Poland.

I say to the good Senator from Tennessee, who has given us an excellent documentation of some examples of independence on the part of the government of Yugoslavia, that only a few minutes ago the Presiding Officer told me that at the time of the Hungarian revolution and rebellion Yugoslavia accepted 20,000 refugees from Hungary.

Furthermore, when I hear it said on the floor of the Senate that Imre Nagy was literally purloined away, taken by the Yugoslavs and handed over to Khrushchev, I say that is not true. It is not a factual statement. Imre Nagy was invited by the representatives of the Soviet Union to a conference, and he went, and he was taken away.

I add that the feeling expressed by some of our colleagues, that if we had not given aid to Yugoslavia the people of Yugoslavia would be free, is nothing but an assertion, and surely not supported by history or by fact. It would be as true to say that if we had not given aid to Yugoslavia, Stalin would have put his grip on Yugoslavia forever.

The fact is that when President Truman and President Eisenhower and two Secretaries of State recommended that the President be given authority—that is what we are talking about; some leeway, some authority, some flexibility—to extend aid to Yugoslavia or to Poland, when it was in our national interest, that authority was requested because the President then felt, as the President now feels, that this would loosen the hold of the Soviet Union upon those countries.

It has. Mr. Khrushchev has been wooing Mr. Tito. Tito has not been wooing Mr. Khrushchev. Why is Khrushchev sending his emissaries to Yugoslavia? Because, with Western assistance, Yugoslavia has been pulling away from the Communist bloc. That is testimony as to the effectiveness of the program.

I wish to make quite clear that I do not like dictators, whether they are Communist dictators, Fascist dictators, military dictators, or penny ante dictators. I do not care for any of them. I have spent a lifetime fighting communism where it counts, even here in the United States. But I do not think we can fight communism by tying the hands of the participants and saying, "The only way we can fight communism inside the Soviet bloc is by the direct use of military power."

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. CLARK. The Senator is a valuable member of the Senate Committee on Foreign Relations. He remembers that what stopped the Communist revolution in Greece was the closing of the Yugoslavia border. Does the Senator think that if we cut off all aid to Yugoslavia, there is not much doubt that the border would be opened and we might well have another civil war involving the Communists, who would move into Greece again?

Mr. HUMPHREY. Mr. President, on my responsibility as a U.S. Senator, I wish to say that in conversation with high officials of the Greek Government in Athens, Greece, last October, I was told that if anything would disrupt relationships between Yugoslavia and Greece, the southern flank of NATO could not be held by the Greeks.

I am not arguing for Tito. I do not care one hoot about Tito. In fact, I wish he were gone. I am arguing for the right of the President of the United States to exercise his authority as Commander in Chief in this country for national security purposes. The Congress has not denied the President the right to use the Armed Forces wherever he may see fit.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. I ask 3 more minutes on the bill.

Mr. DIRKSEN. I yield 3 additional minutes on the bill.

Mr. HUMPHREY. I notice that the amendment does not provide that the President of the United States may not join with any country in terms of using the Armed Forces. But he may not use any authority under the Mutual Security Act with relation to the countries that are supposedly under Communist domination, even if the President finds that it would be in the national interest to do so.

I ask Senators what would be better than for the President of the United States, by the use of mutual security funds, food, or anything else we have, to completely divide Communist China from the Soviet Union. What could be better for America? But the amendment to which the Senate has agreed provides that the President cannot take such action. Even if the result were possible, it could not be done.

I conclude by pointing out that we are talking about Public Law 480. The amendment of the Senator from Wisconsin [Mr. PROXMIRE] did not include a provision related to Public Law 480. So the pending amendment is in concert with or within the scope of the Senator's amendment. What we are talking about would not provide economic assistance. The amendment of the Senator from Montana is related entirely to the Agricultural Trade and Adjustment Act, known as Public Law 480.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from West Virginia.

Mr. RANDOLPH. In essence, the Senator from Minnesota has indicated that Tito is a Communist.

Mr. HUMPHREY. Of course he is.

Mr. RANDOLPH. The Senator is apparently correct. The leadership of his regime is certainly communistic. But I think we should realize that at least 70 percent of the trade of Yugoslavia is with the West. This contact with non-Soviet bloc countries is surely a salutary situation—and holds promise of cooperation, rather than opposition from the people there. Is that not true?

Mr. HUMPHREY. That is the fact. Furthermore, as every Senator knows, every time machinery is installed in another country by a manufacturer in our country, we have the responsibility for providing spare parts, which, in a sense, holds one country to another.

Mr. RANDOLPH. Is it not possible that a breakthrough may come within a year or two years? Of course, a certain period of time is not possible for such determination. Is it not a fact that those elements within Yugoslavia which are more youthful than Tito, conditioned on his age, and his regime, are eager or at least cognizant of reasons to work with Western Powers?

Mr. HUMPHREY. I hope it is. I wish to be very frank about it. The Senator from Minnesota joins the senior Senator from West Virginia in his hope for the future.

As I said to the distinguished Senator from Connecticut [Mr. DODD], I feel that we would take a risk. It is a question of judgment. I think the facts are that the younger element has a greater desire to work with the West.

Mr. RANDOLPH. It is a calculated risk; but is it not one that should be taken?

Mr. HUMPHREY. Indeed, it is. Everything we do today is a calculated risk. When we perfect atom bombs it is a calculated risk.

Mr. President, we are really talking about one question. Shall we deny President Kennedy, who today faces some of the most difficult problems in the history of our Nation, the same authority, the same latitude, and the same flexibility that we gave to two previous Presidents? I ask my colleagues what right we have to call upon the President of the United States to act in terms of protecting and defending our Nation when we are determined to tie his hands in one part of the world? What would the amendment agreed to yesterday do to weaken the Communist bloc?

I ask Senators to name one Communist country in which hunger and poverty have stalked the land and in which communism has been broken.

In countries in which hunger, poverty, and disease have stalked the land, communism has fastened its hold upon the people even more severely.

We have entered upon a program of risk. We are taking some chances. But I submit that the policy which has been followed has paid some dividends. Today Poland is a freer country than it was 10 years ago. Today Yugoslavia is closer to the West than it was 15 years ago. I submit that we should continue to follow that policy.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. I should like to cite an example of what the Senator from Minnesota has said regarding conditions in Poland as compared with what they were 5 or 6 years ago. At the time the Polish delegation came to the United States soliciting wheat from us, the Polish farmer, who, incidentally, never succumbed to collectivism, was required to sell 80 percent of his production to the Government at a low price. He was permitted to sell the other 20 percent of his production on a free market and get what he could for it.

As I recall, the price of the wheat to the Government was about $1.20 a bushel. On the free market the price was $2 a bushel. The government did not dare to let the farmers sell more on the free market until they had some reserve. We sold them that reserve. About a month ago I inquired with respect to what the situation is today and was informed that today the Polish farmer is required to sell 20 percent of his production to the government, and he can sell 80 percent on the free market.

Mr. HUMPHREY. I thank the Senator from Vermont, who I believe has made two distinct contributions to the discussion today by pointing out facts. It is easy to deliver an anti-Communist speech. Every Member of this body is anti-Communist. The question is, What is the best way to pursue a course of foreign policy which will weaken totalitarianism? I do not think the amendment agreed to yesterday would weaken anything but the power of the United States. I think the Mansfield-Dirksen amendment would repair a great wrong and do much to strengthen the security of our Nation.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Connecticut.

Mr. DODD. Mr. President, as I have tried to follow the debate, the argument for the amendment is threefold.

It is argued that because the program has been continued under three Presidents, it should be continued further. I feel, on the contrary, that the longevity of this program is the best argument against it. Fifteen years and $4 billion had failed to give us any advantage. Why continue?

Has the program been effective? During the period of time in which it has been followed, the Communists have grown in strength. More than a billion people are under their control. They are pressing us on every front. I do not know of any place in which they have lost. Yugoslavia has changed from open hostility to the Kremlin to open partnership with the Kremlin. Communist Poland is steadily cracking down on the limited freedom it permitted a few years ago. Where are the fruits of our long and costly aid to these Red regimes?

The argument has been made—and it is effective, to me anyway—that many of the people in the countries involved are hungry. If they are hungry, it is because of the kind of tyranny under which they live and the kind of government under which they live.

There is no sign that these governments have any intention of changing their ways; rather, every time we give them help of this sort, they are able to spend more money on bombs and weapons, more money to strengthen their apparatus of suppression and enslavement.

It has been argued that we in the Senate do not know all we should know about this question. I am sure that is true. I am sure that will always be true. However, when I look about me and see distinguished and experienced Senators who serve on the Committee on Foreign Relations and on other important committees, I must say, if they do not know, why is it that they do not know? I believe they ought to know.

It is hinted that the President or the State Department possesses an insight into this question, that they have special knowledge, and that it would be irresponsible for the Senate to have an opinion of its own. Well, if we in the Senate are not qualified to pass judgment upon an issue as old, as hackneyed, as simple, if we do not possess the special knowledge to judge a question with so long and well documented a history as this one—what issue are we entitled to pass upon? How can we do our work? How can we fulfill our responsibility? What are we doing here if we have nothing to do with the program or do not know enough about it? Why are we talking about it at all?

Obviously, we have a responsibility. This program has not been successful so far as we are concerned. It has had an ample trial period and it has failed.

How can we ask the American people, on one hand, to pay heavily in taxes to defeat communism, and on the other hand, to pay heavily for support to communism? It is utterly illogical. It does not make sense. This is the fault I find with it. How this kind of program can continue, and how we can expect it to be successful, is more than I know.

An argument has been made by the distinguished Senator from Tennessee [Mr. GORE] based upon the number of times Tito or his representative in the U.N. has voted the same way we voted.

This may very well have been in their interest. I am sure the Senator from Tennessee would agree with me that they often do this sort of thing. It is argued that because they vote the same way we vote, they are on our side. That is not true at all. They do not pretend to be on our side. They boast about being on the other side. They never let us forget it. Tito is carrying on a foreign aid program for Communist countries, and at the same time he is getting help from us. This is silliness in the second or third degree, if it is anything at all.

We did the right thing yesterday. I hope we do not destroy it today. We shall be stronger if we stick to our guns.

If the people in the Communist world are as hungry as we are told they are—and many of them are—why do we not offer to do what Herbert Hoover did in Communist Russia? Why do we not send our people over there under the American flag, with all kinds of equipment and say, "If your people are hungry, we will feed them. We will give our food directly to hungry people, but not to their Communist governments." This the Communist dictators will not permit, because food for their hungry is not what they want. They want to get food from us so that they can divert their economy to aggressive purposes. That is what they are doing and we are helping them. I am sure that no one in our land would argue against feeding the hungry under proper circumstances. But under present circumstances, we are feeding the Red war machine, not the hungry. And by feeding the Red war machine, we are only widening the scope and lengthening the duration of human misery.

Mr. President, I shall vote against the amendment. I hope it is defeated.

Mr. PROXMIRE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President Mr. McGeorge Bundy indicated that our action yesterday in adopting the Lausche amendment had pushed the Tito government closer to the Russians. He said, "Nothing could be more dangerous than the achievement of a monolithic unit under Soviet leadership, such as Stalin exercised in the immediate postwar period."

By act and by word Tito has proven that he is now closer to the Soviet Union than he has been since 1948.

Much has been said about Presidential responsibility in the field of diplomacy. The fact remains that the Senate has a constitutional and continuing responsibility in the field of foreign policy and its implementation.

Is nothing to be left to our wisdom and judgment? If we adopt the pending amendment, we shall retreat from the position we took so decisively yesterday, and we shall announce to the world that more than two-thirds of the Members of the Senate, present and voting yesterday, acted precipitately and foolishly. Then how much respect can anyone have for this body?

Mr. PROXMIRE. I yield 3 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I hope the Senate will not adopt the pending amendment. I have heard many favorable comments about the action taken yesterday. The proponents of this amendment can find no solace in the United Nations voting record of Yugoslavia, regardless of contrary assertions. I remind the Senate that on the 37-power resolution, which was adopted by a vote of 54 to 10, Yugoslavia voted with the U.S.S.R. and against the United States; that on the 24-power resolution, which was adopted by a vote of 53 to 10, Yugoslavia voted with the U.S.S.R., and against the United States.

In 1961, last year, Yugoslavia voted with the Soviet Union and against the United States on approximately 21 separate votes. Yugoslavia voted with the U.S.S.R. and against the United States on Tibet. It voted with the U.S.S.R. and against the United States on Hungary. It voted with the U.S.S.R. and against the United States on the U.S. resolution against seating North Korea. It voted with the U.S.S.R. and against the United States in denominating the Chinese representation question as an important question. It voted with the U.S.S.R. and against the United States on the resolution to seat Red China.

On practically every question of importance Yugoslavia has voted with the U.S.S.R. and against the United States.

I remind Senators of what I saw in a film only a few days ago. It was a filmed interview between Edward R. Murrow and Tito. It was filmed in 1956. This film, incidentally, has not been made available to the American people, but is being kept secret. I wish everyone could see it. This is Tito's response as recorded in that film, in reply to a request that he describe the basic difference between communism in Yugoslavia and communism as practiced in the Soviet Union:

> These are not big, ideological differences. They are not too big. We have the same aims—that is to say, the building of socialism and communism.

Tito readily admits that his eventual goal is exactly the same as that of the Soviet Union.

In my opinion, if we send food to Yugoslavia or Poland or any other Communist state, we are aiding in building up that country's entire economy. What more can we do for a country than to give it food and enable it better to provide itself with armaments? We are providing a vital necessity of war, food, when we help Communist-dominated countries by sending them food.

I am confident that the American people do not want the pending amendment adopted. I am confident that the American people are against sending food to Communist-dominated countries. If we are going to win over communism, we must take decisive action.

The Senate is to be congratulated upon its action of yesterday, because it was the kind of decisive action which is so desperately needed. I hope it will be sustained and that the pending amendment will be defeated.

Mr. DIRKSEN. Mr. President, may I ask how the time stands?

The PRESIDING OFFICER. The proponents have 4 minutes remaining, and the opponents 6 minutes.

Mr. DIRKSEN. I yield 4 minutes to the distinguished Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, there is little that I can say that I did not say yesterday in connection with the sweeping amendment that was adopted by the Senate. Certainly there is little that I can add to what has been said on the present amendment, offered by the distinguished Senator from Illinois, the minority leader [Mr. DIRKSEN], in conjunction with the distinguished Senator from Montana [Mr. MANSFIELD], the majority leader.

The amendment would not repeal the amendment of yesterday. I believe that is something that ought to be remembered. The Senate made known its will in adopting that amendment yesterday.

I am rather of the opinion that some Senators, perhaps, did not realize just how sweeping was the amendment adopted yesterday.

I have heard Senators speak on the floor about the desirability of our devising some kind of plan under which we could give relief to the stricken Chinese, even in Communist China. I wonder if the same Senators realize that in supporting the amendment yesterday they were voting against that very thing. I do not know whether it would be possible to devise a workable plan. However, it has been suggested that the desired result might be achieved under the International Red Cross.

That could not be done under the amendment as it is now written. It would not be possible for the United States to assist any Communist country, regardless of the hunger, despair, or misery that might exist, through the International Red Cross, to give of our surplus food products, under the amendment as it is now in the bill.

The proposal offered by the majority leader and the minority leader simply would remove that inhibition upon the use of Public Law 480. It would not change the economic aid that might have been given, although there is no certainty that it would have been given. When I use the word "given," I mean the aid that might have been made available. It could have been in the form of a loan. As I stated yesterday, it was anticipated that there might be as much as $10 million in development loans made to Yugoslavia if the bill had passed without the adoption of the Lausche amendment. However, the amendment offered by the leadership does not change that situation. There will be no development loan funds available for Yugoslavia under the amendment which was adopted yesterday, even if the amendment offered today shall be agreed to.

The amendment now before the Senate will make possible, under the various provisions of Public Law 480, the supplying of agricultural products.

I believe the situation with reference to Yugoslavia and Tito has been fully explored. Everyone knows that Tito is a Communist. Everyone knows that Yugoslavia is a Communist nation. However, I still believe we ought to leave to the discretion of the President the decision of how the problem can be handled in such a way as best to serve U.S. foreign policy. We must trust someone, and I know of no one whom we can trust better than the President of the United States. I hope the amendment will be agreed to.

Mr. PROXMIRE. Mr. President, I yield myself 5 minutes.

I oppose the amendment, and I oppose it strongly. I do so knowing full well, as the majority leader said in his excellent speech, that President Kennedy is a real expert in foreign affairs. I trust his judgment in virtually every respect. However, the issue before the Senate is very clear. The issue is, Will we make food available to Yugoslavia and Poland or will we not, regardless of the language of the amendment?

We are virtually certain that if the amendment shall be agreed to, food will be made available to the Communist governments of both countries, and that will be that. It was made available before, although the language was almost as restrictive as it is in the pending amendment.

The fact is—and perhaps too few people realize it—that we are beginning to win the cold war. Communism is beginning to lose, and for one paramount reason: American agriculture is strong and has abundant food-producing capability. We are using that food, and using it effectively, throughout the world today.

Communist agriculture is failing dismally. The Chinese are starving under communism, and there are reliable reports that the Chinese Government is in trouble. The same may be true, although to a lesser extent, of Russia. At any rate, we know that the Russians have serious agricultural problems. We also know that they have a choice between guns and butter, and they have chosen guns because they can get a little more butter through Yugoslavia or Poland, so that their armament program may be made more effective.

The Senator from Tennessee [Mr. GORE] made a stirring speech about the votes by Tito in the United Nations in support of our position. The Senator from South Carolina [Mr. THURMOND] answered the Senator from Tennessee very well. However, I wish to emphasize the position of Tito on the really big issues in his latest speech delivered in Belgrade last September 3. Here is the really significant Tito position.

Tito endorsed the Khrushchev proposal for disarmament, but derided what he called the U.S. fetish for armament inspection. This statement was made only 2 days after the Russians resumed nuclear testing. Tito expressed his understanding of the reasons invoked by the Soviet Union for resuming nuclear tests in the atmosphere.

In addition, Tito endorsed the thesis of the two German states, one of which he said was acquiring a "more outspokenly new social character." He referred to East Germany in that regard, whereas he described West Germany as "a typical capitalist social system pregnant with interwoven remnants of Fascist and revenge conceptions and tendencies."

Also, Tito asked for a modification of the role of the Secretary General of the United Nations, suggesting that the position be downgraded to one of a simple administrator or functionary of the United Nations, without political independence.

Furthermore, Tito also got into the inter-American act when he supported Cuban resistance to the aggressive intervention of the U.S.-supported freedom fighters.

Mr. President, Tito is against us up and down the line. Tito has a foreign aid program. That has been documented; there is no question about it. It is working everywhere, as Tito has said over and over again, to support militant communism and international proletarianism.

It seems to me that the Senate, given a choice of voting on whether food will continue to be made available to Yugoslavia and also to Poland, has a very clear opportunity to vote in favor of freedom and against communism.

The question has been raised: What about China? Indeed, what about China? The fact is that the Chinese have been failing, they have been losing power, they have been losing influence. The statement has been made that under the amendment adopted yesterday it will not be possible to help the stricken Chinese. I earnestly hope we do not help the stricken Chinese in China. The way to help the Chinese people is to help the refugees. But I cannot think of anything more ridiculous than for the United States to give food to stricken people in China through the Red Chinese Government when that government is in serious trouble. And why is the Red Chinese Government in trouble? Not because it lacks factories or armament, but because it lacks food. We are winning in Asia and Africa and throughout the world because American freedom means food and where communism goes hunger follows. Why in the world should we give that winning advantage away to the Communist nations?

The PRESIDING OFFICER. All time for debate on the amendment has expired. The question is on agreeing to the amendment offered by the Senator from Montana and the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I yield myself 10 minutes under the bill.

At some season, the House of Representatives will also pass on the foreign aid bill. If perchance the House should adopt something so sweeping as and comparable to the amendment which the Senate approved yesterday, then any mistake which might have been made could not be retrieved, for then the bill would be beyond the confines of Congress, because it would be an agreed matter.

I should like to take a second look. I voted for the amendment yesterday, and I suppose that under comparable circumstances I would do the same thing all over again, because basically I do not differ in my views with the distinguished Senator from Ohio [Mr. LAUSCHE] or the other Senators who have labored the issue and indicated their opposition to the pending amendment.

But the House could very well adopt such an amendment as the Senate approved yesterday. Then there would be no chance to retrieve it. The bill would go to the President for signature after the conference had worked its will upon the other points in disagreement.

So I believe this is a timely opportunity to do a little thinking as to whether we did go too far. In so doing, and in considering the amendment now before us, I do not for a moment feel that I walked up the hill and am walking down again. It may be a partial walk-down, if someone wishes to put it on that basis. However, we are dealing with only one statute, and that is Public Law 480, which relates to the disposal of surplus commodities. Nothing else is involved. The military is not involved. The development grants are not involved. The economic assistance is not involved. The amendment relates wholly to the field of surplus commodities.

Mr. DWORSHAK. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. Please let me finish in a moment.

It is rather singular that on last count there were 103 nations which enjoyed membership in the United Nations. Out of 103 countries, only 2 have been mentioned in the whole course of the debate. One is Yugoslavia; the other is Poland. I am fully aware of the situation in those countries, but I am aware also that we have surpluses. I am aware also that the people of those countries can become the victims of hunger, famine, and distress.

So, Mr. President, if we can do something that is workable and feasible, and at the same time constitutes no retreat in principle, then I believe that, as a humane matter, I should like to do it.

Mr. President, some weeks ago I stood on a platform in Humboldt Park, in Chicago. A long parade had ended there; and in front of the speaker's stand were probably assembled, by the most modest calculation, 50,000 people of Polish ancestry—although only a small part of the total number of people of Polish ancestry in the city of Chicago, alone. The occasion was the 171st anniversary of the 1st free Polish Constitution. It did not last long, for under the knife wielded by the major powers, over a long period of time there came the partition of Poland and her continual weakening, until at long last she became a victim of conflict in our own time and generation. As I talked to that crowd, I saw people in it weep because of their attachment for their ancestral homeland.

It is interesting, Mr. President, that under the provisions of the CARE program, which is privately administered, any Polish father, any Polish mother, any Polish grandfather, any Pole, can send CARE packages to Poland, for the relief of the distress of those people, many of them their kinfolk. Has any Senator stated here that it is all right for that to be done, but that it is not all right for our Government to do it? No one needs remind me of the difference, in view of the fact that here we deal with the public funds, whereas they are dealing with their own funds. But if there is any essential logic in the discussions we have had here this afternoon, then why do not Senators offer to this bill an amendment to stop any American citizen from sending a CARE package to Poland or to Yugoslavia? If Senators wish to be consistent in fighting communism and in following the thesis that, somehow, food helps sustain the brutal and evil Communist ideology, then let them go the whole hog and stop every citizen of this country from operating contrary to the desires of his Government. What a seemingly inconsistent position.

This afternoon I could, insofar as my own funds would permit, purchase foodstuffs here in the Nation's Capital and send them to Poland or to Yugoslavia; and is there anyone who then would say that what I was doing was sustaining the Communist ideology? Mr. President, there is no logic in such a position.

So I do not wish to see this mistake made—if it is a mistake. This is a time to do a little further considering, so that when the bill goes to conference, and if the House of Representatives perchance writes in an equally restrictive amendment, there will at least be something about which to bargain in the conference.

Mr. President, this is not the first time I have been confronted with an awkward situation. In 1959 there was a time when I stood on this floor and fought the leadership on this side. I remember when the President was red faced at the White House when some of his own leaders refused to sustain his position, and when he looked at me and asked, "Will you carry the flag?" I replied, "Mr. President, I will carry it for you."

And today I want to do as much in that field for the present President as I was willing to do then for the President who bore the label of my party.

I think I have recited this matter to the Senate before. It was a different dish then; it was not a case of surplus food—much of which is spoiling today, even in some of the warehouses in Texas. [Laughter.]

I want to do the right thing. But in that instance the problem was a different one. The question was whether to send planes—not surplus food—to Yugoslavia. Senators know that story. Those planes were purchased for a Navy account, and they were in Canada. They were obsolete before they were delivered. They were sent to London, to be rebuilt; and when the Navy mission went there, the planes were obsolete. We could not even give them away. Portugal would not even take them. Finally they became training planes which were offered to Tito. The welkin fairly rang, on that occasion, in this Chamber. And when John Foster Dulles came to my office and said:

> Here is the ammunition, but you cannot use it.

I replied:

> Mr. Secretary, you have given me a nice, shiny, effective gun, but you have not given me any ammunition for it, because all you have laid on my desk is marked "classified," "confidential," and "top secret."

The PRESIDING OFFICER. The time available to the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I yield myself 5 more minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 more minutes.

Mr. DIRKSEN. Mr. President, you remember what happened. The Senate did sustain the President of the United States. Involved at that time was merely $400 million, not food. What was involved was military contraptions for training purposes.

What argument was made then? It was argued that Tito could not keep his airplanes going without constantly obtaining spare parts from our country, and thus we hoped to have a sufficient hold to keep him at least partially oriented in our direction, in the hope that one day there would be a breakthrough.

I hope it will happen. I hope it will happen in the case of Poland and the great, rugged, robust Polish people, whose children and grandchildren constitute so great a part of the population of the United States today.

So they are permitted to sustain their fellow countrymen, and I am privileged to do it, and no one will say nay; but when it comes to our Government, out of its abundant largess, with corn, wheat, cotton, and other foods running out of ears, and with powdered milk piling up and with butter piling up in the warehouses and with the farmers clamoring for relief from the surpluses, in the hope that prices can be stabilized and that it can be made possible for them, too, to share in the benefits of our economy, how silly it would be under those circumstances to let the minority leader send to Poland or Yugoslavia as much food as his purse would permit, but not permit his Government to send a nickel's worth of it there, when we have so much to spare.

Mr. President, we have tried to nail down the language used in the amendment. I was not an original party to it; but when it came to my attention, I went to the distinguished Senator from Iowa [Mr. HICKENLOOPER] who serves on the Foreign Relations Committee, and I went to the distinguished Senator from Vermont [Mr. AIKEN], who has done so much in this field, and who also serves on that committee, and I asked them, "What is your estimate of this matter? Is there something we can do, and still preserve the basic objective we had in mind yesterday when we approved the combination Lausche-Proxmire-Cotton amendment?"

I think all three had a little hand in it.

The distinguished Senator from New Hampshire during the debate on the floor said he thought we had gone a little too far, and that he was not happy over the fact that we included in this particular interdiction the authority conferred on the President in Public Law 480. So the amendment was modified somewhat. However, I think the requirements are in the conjunctive, so that all this must be complied with before the authority can be exercised, is a sufficient protection, and it provides some bargaining power assuming the House of Representatives might take some comparable action in this field.

I think by now all of the Members of the Senate are conversant with the terms of the amendment, which provides that nothing herein shall prohibit assistance under Public Law 480 if prior to furnishing such assistance—this is not a subsequent finding; it is a prior finding that the President must first make; it will require some exploration on his part; he must find—the recipient country is not directly or indirectly involved in any policy or program for the Communist conquest of the world.

He must not only make that finding, but must make another finding. He has to find that the recipient country is not controlled by a country promoting the Communist conquest of the world.

Then he must make a third finding, that the furnishing of such assistance is in the interest of our national security.

The PRESIDING OFFICER (Mr. CANNON in the chair). The time of the Senator has expired.

Mr. DIRKSEN. I yield myself 2 additional minutes.

With the world so feverish, how can we tell, at one moment or another, what might serve the national interest or national security? We have our intelligence sources all over the world. To a degree we always must accept the role the President occupies in this whole field. So he must make an exploration or finding; and if he is satisfied on that point, and then notifies the committees of the Senate and also the Speaker of the House, then and only then is he free to exercise the authority under Public Law 480.

I think it is sufficiently restrictive. I can think of something I could add to it. But I think if we open the door now, there will be other suggestions, and there will be almost interminable discussion before we get through, and we still may not approve it. But there is still another look at it before it goes through conference.

Mr. DWORSHAK. Mr. President, will the Senator yield 1 minute to me before he yields the floor?

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. No; I have time under the bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. I yield to the Senator from Idaho.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. DIRKSEN. I yield myself 2 minutes.

Mr. DWORSHAK. The Senator from Illinois has stated that this amendment, dealing only with surplus food commodities under Public Law 480, does not in any way deal with economic assistance.

Mr. DIRKSEN. That is what we are dealing with. It might be called economic assistance.

Mr. DWORSHAK. Does the Senator know that title I of Public Law 480 authorizes the sale of surplus agricultural commodities to friendly countries for their own currency? Subsequently those currencies are used for various economic projects—for roads, dams, and any conceivable project. Would the Senator contend that the use of those currencies for such projects does not in fact constitute economic assistance?

Mr. DIRKSEN. I would not contend it for a moment, because we sell for foreign currencies, and under the law as approved by the Senate we have made it possible to separate the money and put some into this place and some here and some there, and there is no tag on it as to how it is to be expended. But the distinguished Senator from Vermont indicated on the floor how much was sold to those countries for the dollar account, quite aside from local currencies.

Mr. DWORSHAK. The Senator would not contend, would he, that economic assistance is not involved in this amendment?

Mr. DIRKSEN. Indeed, I would not.

Mr. TOWER. Mr. President, will the Senator yield me 1 minute?

Mr. DIRKSEN. I yield myself 1 minute, and yield to the Senator from Texas.

Mr. TOWER. It seems to me that there is a striking difference between a CARE package and assistance under Public Law 480. I think anyone in Poland who receives a CARE package from a cousin in Chicago is aware that it came from the United States and from the bounty of the United States. But this assistance is administered by the Polish Government, which is a Communist government. In pursuance of Public Law 480, the food is distributed by that Government. Do we think for 1 minute that the Government will use it to promote good will toward, and a better understanding of, the United States? No; they will use it for the aggrandizement of the government in power. Too, if it promotes contentment among the people, does it hasten the day when they will rebel against the tyrants who hold them in their power?

I would rather see our surpluses rot in warehouses in Texas or Illinois than see them used to promote a Communist government by giving it the tools to promote itself with its own people.

Mr. DIRKSEN. Mr. President, I yield 1 minute to myself.

I see no validity in the argument of the distinguished Senator from Texas, for the very good reason that if there is maladministration of the assistance, that is a procedural matter, but it does not involve the principle with which we are dealing today.

I simply close with a quotation that rose to my mind from the old English poet, John Donne. He wrote on the parchments of long ago that "Any man's death diminishes me because I am involved in mankind."

In this particular case, as we think especially of Poland, I think I am diminished when there are hardships over there and there is still an opportunity for me to help them get back on Poland's traditional track that goes 171 years into the past, when they had a free constitution, some of which was borrowed from the infant Constitution of the United States of America.

That is worth a gamble on our part, and I am ready for the vote.

The PRESIDING OFFICER. The question is on agreeing to the Mansfield-Dirksen amendment, as modified. All time on the amendment has expired.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the amendment has expired, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. Bible], the Senator from North Dakota [Mr. Burdick], the Senator from Arkansas [Mr. McClellan], the Senator from Michigan [Mr. McNamara], the Senator from Oregon [Mr. Morse], and the Senator from Rhode Island [Mr. Pastore] are absent on official business.

I further announce that the Senator from Arkansas [Mr. Fulbright] and the Senator from South Carolina [Mr. Johnston] are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota [Mr. Burdick], the Senator from Michigan [Mr. McNamara], and the Senator from Rhode Island [Mr. Pastore] would each vote "yea."

On this vote, the Senator from Oregon [Mr. Morse] is paired with the Senator from South Carolina [Mr. Johnston]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from South Carolina would vote "nay."

Mr. KUCHEL. I announce that the Senator from South Dakota [Mr. Case] and the Senator from New Hampshire [Mr. Murphy] are necessarily absent.

If present and voting, the Senator from South Dakota [Mr. Case] would vote "yea."

The result was announced—yeas, 56, nays 34, as follows:

[No. 80 Leg.]

YEAS—56

Aiken
Anderson
Bartlett
Boggs
Bush
Byrd, W. Va.
Cannon
Carlson
Carroll
Case, N.J.
Chavez
Church
Clark
Cooper
Cotton
Dirksen
Douglas
Engle
Gore
Hart
Hayden
Hickenlooper
Holland
Humphrey
Jackson
Javits
Keating
Kefauver
Kerr
Kuchel
Long, Hawaii
Magnuson
Mansfield
McCarthy
McGee
Metcalf
Miller
Monroney
Morton
Moss
Muskie
Neuberger
Pearson
Pell
Prouty
Randolph
Saltonstall
Smathers
Smith, Mass.
Sparkman
Symington
Wiley
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—34

Allott
Beall
Bennett
Butler
Byrd, Va.
Capehart
Curtis
Dodd
Dworshak
Eastland
Ellender
Ervin
Fong
Goldwater
Gruening
Hartke
Hickey
Hill
Hruska
Jordan
Lausche
Long, Mo.
Long, La.
Mundt
Proxmire
Robertson
Russell
Scott
Smith, Maine
Stennis
Talmadge
Thurmond
Tower
Williams, Del.

NOT VOTING—10

Bible
Burdick
Case, S. Dak.
Fulbright
Johnston
McClellan
McNamara
Morse
Murphy
Pastore

So the Mansfield-Dirksen amendment, as modified, was agreed to.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COTTON. Mr. President, I call up my amendment 6-6-62—G, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from New Hampshire will be stated.

The Legislative Clerk. On page 11, it is proposed to strike out the quotation marks at the end of line 24, and after line 24 and insert the following:

> (g) Notwithstanding any other provision of law, no assistance shall be furnished under this Act to any country which exports, or knowingly permits the exportation, to the Union of Soviet Socialist Republics or any country (including Communist China, North Korea, and Cuba) the government of which is dominated or controlled by the Union of Soviet Socialist Republics, of any arms, armaments, or munitions, or of any items of strategic significance in the production of implements of war or any other articles or commodities found by the National Security Council to be contrary to the security interests of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire.

Mr. COTTON. Mr. President, I yield 10 minutes to myself.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 10 minutes.

Mr. COTTON. Mr. President, I consider the amendment a most vital one, but since I wish to cooperate with the distinguished Senator from Alabama [Mr. Sparkman] who is in charge of the bill, I shall attempt to make the debate on the amendment as brief as possible. I shall try to explain it very quickly to the Senate, if the amendment needs explanation. The identical amendment was offered last year to the mutual assistance bill. At that time 43 Senators voted for it on a yea-and-nay vote.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

Mr. COTTON. The amendment has nothing to do with food, but is concerned only with munitions of war, strategic materials, and commodities found to be of use in war. The amendment provides merely that no aid under the bill shall be furnished to any country which exports, or knowingly permits the exportation, to the Union of Soviet Socialist Republics or to any country, including Communist China, North Korea, and Cuba, the government of which is dominated or controlled by the Union of Soviet Socialist Republics, of any arms, armaments or munitions, or of any items of strategic significance in the production of implements of war or any other articles or commodities found by the National Security Council to be contrary to the security interests of the United States.

Mr. President, in the Battle Act is a provision which is designed to prevent the exportation of commodities necessary to war and to preparation for war. The provision was relaxed in the amendment to the Battle Act which was agreed to by the Senate a year ago, and it is still pending in the House. It was agreed to by only seven votes.

My amendment would do two things. First, as I have said, it provides that under the bill the Senate is now considering, no assistance could be rendered to a country which exports munitions of war, or materials found by the National Security Council of the United States to be dangerous to our security, to the Soviet Union, or the Iron Curtain countries.

The second thing that the amendment would do is very important. Presently, if we are furnishing assistance to a certain country which suddenly begins to export tanks to Soviet Russia, Cuba, or some other Communist country, before anything can be done about it, the Director of AID must report the situation and recommend to the President of the United States that aid be stopped.

My amendment would substitute the Security Council for the Director of the AID as the authority that would determine when a country is exporting to our potential enemies dangerous implements of war, commodities that may be made into implements of war, or articles that are, in their opinion, dangerous to the security of our country. It is as simple as that.

I cannot believe that any Senator considering the amendment could vote against it.

I cannot believe that any Senator who wishes to see a foreign assistance bill pass the Congress and who wishes to continue our aid to the free countries of the world, using the power of the Congress to tax our people for such purpose, would not want to be sure that every possible guarantee was placed in the bill to see to it that the people's money is not used to put weapons into the hands of enemies of the United States.

As I said yesterday, it is not a question of not trusting the President of the United States. It is not a question of not trusting the Director of AID. But the responsibility is the responsibility of the Senate. It is the Senate that is considering the foreign assistance bill. It is the Senate that will write into the bill, for consideration by the other body and ultimate consideration by the President, the terms and the safeguards under which the aid shall be given. It is our responsibility, which we cannot pass on to anyone else. By writing into the bill a provision that the National Security Council should make the recommendation to the President, when foreign aid shall be denied any foreign country because it is alleged to be furnishing articles of war to the Communists, we would be consistent with the defense policy of our Nation.

We are merely making sure that the President does not wait to be apprised by those administering foreign aid, who in their zeal may desire to continue foreign aid to a country, and that the President will have the judgment and recommendation of the National Security Council.

I merely wish to add this point. There is one country in the world which is very much in our memories today and in the memories of the American people. That is our near neighbor to the south, Cuba. I will not start to rehash things that are being said about Cuba; nor will I suggest that mistakes have been made by the administration with respect to Cuba. This is not the time for it. It is very easy to enter into those discussions. They will come much better at a subsequent time. One thing we do know is that the Iron Curtain countries, and, in some instances, from other countries, there have been flowing into Cuba munitions of war and weapons of war and armaments.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. I yield myself 3 additional minutes. These are munitions and armaments which probably never have been possessed by any other country in the Western Hemisphere other than ourselves. Because of the influx of armaments into Cuba, we have at our very doorstep a small but, it is said by some military experts, an exceedingly powerful country, powerful to strike, powerful to resist, powerful to inflict loss of life on our own people.

This is no time to let down our guard. No piece of legislation should go out of the Senate, involving the taking of money of the American taxpayers and sending it to other countries, without the most airtight, ironclad safeguard that we can write into it to make sure that the President is at all times adequately informed and that the National Security Council, charged with the decision on matters of defense of this country under the President, is charged with the duty of seeing to it that foreign aid stops when any country begins to furnish arms to our enemies.

I have been requested by my distinguished colleague from New Hampshire [Mr. MURPHY], who is unavoidably absent today, to ask unanimous consent that he may be permitted to associate himself with me as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The time of the Senator has again expired.

Mr. COTTON. I reserve the balance of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. COTTON], on behalf of himself and the Senator from New Hampshire [Mr. MURPHY].

Mr. SPARKMAN. Mr. President, I yield myself 10 minutes. I shall be very brief, and probably not use the 10 minutes. The amendment offered by the Senator from New Hampshire is identical with the amendment we had before us last year. I believe it is word for word. It is largely incorporated in existing law, in the Battle Act.

There is one provision, as I interpret it, that varies from the Battle Act. Under the Battle Act the President is given the right to weigh all the factors concerned and to make a determination, considering national security, whether these factors overbalance the factor of the violation of the principle of the Battle Act.

We may remember a classic example of a few years ago. Denmark wanted to buy some coal from Poland. Denmark had a tanker, and she let Poland have the tanker with which to pay for the coal. Denmark needed coal in her industry. That was a violation of the Battle Act. The President—and, if I remember correctly, it was President Eisenhower—waived that violation by Denmark and let our aid program be continued to Denmark.

There are numerous other examples. For instance, in the past few years, if the provision had been in the law taking away from the President this saving clause, this power to waive, these countries would have been cut off from our aid: Belgium, Denmark, Italy, Japan, Turkey, and two or three other countries. I do not have all of them on the list which is before me.

I believe that Italy from time to time has some done trading with the Communist bloc. There is probably no country to which we want to maintain access more than to Italy, because it is one of the countries which is very important in our missile base operations. Yet, if Italy traded in strategic materials—by the way, strategic materials are not merely materials with which war can be made, such as munitions—and different nations interpret the term strategic materials differently—and if Italy were guilty of even one violation under the Battle Act, it would cause us to stop our aid to Italy. That will be true of any country, of course. I have just mentioned Italy. Suppose Italy violated the act even one time. We could not continue our aid in the maintenance and supply and upkeep of the missile bases, which are so important to our defense.

Undoubtedly if this were to become a repeated operation, we would want to take action, but when it is a single operation, why take away from the President of the United States the right to waive it if he believes that the other factors overbalance the violation of the Battle Act?

Mr. COTTON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. COTTON. Does the distinguished Senator think that the National Security Council, appointed by the President of the United States, working with the President, and making recommendations to him, would take action to prevent the President from overlooking one trivial, perhaps accidental violation?

Mr. SPARKMAN. I do not believe that the Council would have any leeway. The Senator's amendment does not give him any leeway. The only mention of the National Security Council in the amendment is in laying down what the list of prohibited articles or commodities shall be. That is the only thing that I see with reference to the national security. There is no leeway in the amendment for the President to waive even a single instance.

Mr. COTTON. Mr. President, will the President yield further?

Mr. SPARKMAN. I yield further to the Senator from New Hampshire.

Mr. COTTON. It is the understanding of the Senator who presented the amendment—and it was argued by many Senators on the same amendment last year—that under the Battle Act, certainly if the version of it that has passed the Senate becomes law, nothing will be done about the sending of commodities into a Communist country until the Director of AID, or ICA, as it was then called, sees fit to say that it is a violation and reports it to the President with his recommendation.

This amendment places in the hands of the Security Council the same power. It does not indicate that the Security Council shall, at the outset, establish an ironclad rule of what constitutes implements of war. But the Security Council, knowing of any nation that is shipping questionable articles into Communist countries, can advise the President to that effect.

Mr. SPARKMAN. I wish the Senator from New Hampshire would read his amendment. I invite all Senators to read it. We cannot amend the amendment to the Battle Act, which the Senate has already passed, because it has passed the House. The amendment is to the Foreign Assistance Act of 1961 and provides:

> (g) Notwithstanding any other provision of law, no assistance shall be furnished under this Act to any country which exports, or knowingly permits the exportation, to the Union of Soviet Socialist Republics or any country (including Communist China, North Korea, and Cuba) the government of which is dominated or controlled by the Union of Soviet Socialist Republics, of any arms, armaments, or munitions, or of any items of strategic significance in the production of implements of war or any other articles or commodities found by the National Security Council to be contrary to the security interests of the United States.

The leeway given to the National Security Council is to determine what commodities it would be detrimental to the national security of the United States to export. That is what the amendment provides. Regardless of what the Senator from New Hampshire may have intended, the amendment provides otherwise. I submit the language of the amendment goes entirely too far.

Mr. KEATING. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from New York.

Mr. KEATING. Under the present law, does the President have discretion to waive the shipment of such items to a Communist country?

Mr. SPARKMAN. I do not believe the President could waive the shipment in advance, but where there has been a violation, and if the President determines that it is in the interest of the security of the United States to continue the aid, he may do so, but he must inform Congress of his action and of the reason for taking the action. The Senator will remember that I gave an example which occurred a few years ago, when President Eisenhower granted a waiver in the case of a tanker which Denmark sold to Poland in order to buy from Poland coal which Denmark badly needed in her industries.

Mr. KEATING. Can the Senator inform us of the number of exceptions which have been made?

Mr. SPARKMAN. I have the complete list before me: Belgium, Denmark, the Federal Republic of Germany, France, Italy, Japan, the Netherlands, and the United Kingdom.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. SPARKMAN. I yield myself 5 additional minutes.

I believe it will be found that in every instance there was a single violation; it was not something which was protracted over a period of time, so as to make it become usual trade. The only particular instance I remember involved a tanker. I remember that incident quite well, because much was said about it at the time. I believe that in one case there were some small tankers; and probably the shipment which went from the United Kingdom was some copper cable. The Senator may recall reading in the newspapers from time to time, of single incidents of that kind.

Mr. KEATING. I was wondering how many there had been.

Mr. SPARKMAN. I believe the list I read probably completes the list of countries. I think that each one was a single incident. In no instance was there continuing trade. If the Senator from New Hampshire has any other information, I should be glad to have him give it.

Mr. COTTON. I find in the remarks of the distinguished Senator from Alabama on this identical amendment of last year a statement that there had been, prior to the last time when the question was considered, 31 waivers by the President of the United States. Presumably most of them had been granted by President Eisenhower and some of them by President Truman.

Mr. SPARKMAN. I certainly accept that statement. I have the information before me. There were 33 instances of determination by the President under the Battle Act from the time of its enactment in 1951.

Mr. KEATING. In other words, presumably there were two instances within the last year, if the figures given are correct?

Mr. SPARKMAN. I do not know what the figures are.

Mr. KEATING. Are the waivers made public?

Mr. SPARKMAN. Perhaps I should read the law. Congress must be informed of the waivers by the President and of the reason for the granting of the waivers.

Mr. KEATING. Is this information submitted on a classified basis?

Mr. SPARKMAN. No, nothing is said about the information being secret. I believe most of the waivers have been published in the press at the time when the waivers were made. I should like to read the law relating to the President's right to waive:

> *Provided,* That the President after receiving the advice of the administrator—

That is, the administrator of this act, not the Administrator of the AID Act—

> and after taking into account the contribution of such country to the mutual security of the free world, the importance of such assistance to the security of the United States, the strategic importance of imports received from countries of the Soviet bloc, and the adequacy of such country's controls over the export to the Soviet bloc of items of strategic importance, may direct the continuance of such assistance to a country which permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials when unusual circumstances indicate that the cessation of aid would clearly be detrimental to the security of the United States: *Provided, further,* That the President shall immediately report any determination made pursuant to the first proviso of this section with reasons therefore to the Appropriations and Armed Services Committee of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the President shall at least once each quarter review all determinations made previously and shall report his conclusions to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which determinations have been made.

Mr. KEATING. When the reports are made to the respective committees, are they classified by either the executive branch or the legislative branch?

Mr. SPARKMAN. I am informed by Dr. Marcy, staff director of the Committee on Foreign Relations, that the reports are classified, but they are retained in the committee's files and are available for inspection by any Senator at any time.

Mr. KEATING. A Senator is in a peculiar position. If he is informed of the action and it is classified information, he is, to all intents, barred from making the information public. I think the people of the country are entitled to know what has taken place.

Mr. SPARKMAN. I know that in the case of the Danish tanker the whole country was informed of what had taken place. The same is true in the case of the copper cable and in the case of the generators. I do not know how the information gets out, but certainly the press published the stories.

The PRESIDING OFFICER (Mr. BUSH in the chair). The time of the Senator from Alabama has expired.

Mr. SPARKMAN. Mr. President, will the Senator from New Hampshire yield 2 minutes more to me?

Mr. COTTON. First, Mr. President, I should like to say, regarding the points the Senator from New York has been discussing, that I believe the Senator from Alabama was reading from the present so-called Battle Act.

Mr. SPARKMAN. That is correct.

Mr. COTTON. The amendments to it were passed by the Senate by a majority of only seven votes, and are before the House, and, according to my understanding, will considerably relax the provisions of the Battle Act on this point. Should they be passed by the House, we would find ourselves with even greater need for some added assurance.

In the amendment which I had prepared, I added to last year's provision another line, as follows:

> No provision of this Act or of any Act heretofore enacted shall authorize the waiver of this subsection.

If that provision had been left in, this amendment would have been as ironclad as the distinguished Senator from Alabama has been indicating it is; and then all that would have to happen would be that the Security Council would condemn the shipment of certain commodities. If that happened once, whether intentionally or unintentionally, that would be it.

I purposely eliminated the last sentence because such an amendment would make it impossible to continue to furnish aid to a country after it had been discovered that it was violating the ground rules established by the National Security Council. I now regret that I did not leave that sentence in, so that we could meet that situation head on.

But as the Senator from New York has so wisely said, waivers have occurred, although I am not aware that they were published in the newspapers.

Of course, when such matters are kept in the files, as classified material, they are not published in the newspapers.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. COTTON. Mr. President, I yield myself 2 more minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 more minutes.

Mr. COTTON. In fact, Mr. President, the files are available only to members of the appropriate committees, and I do not know how many of them have examined them.

However, the President, when encouraged by zealous advocates of foreign aid, can forgive such things, and can keep on using the taxpayers' money to place these materials in the hands of various countries, regardless of whether they are our friends, are neutrals, or are our opponents, and even though they are arming our enemies against us. That is the point I wish to emphasize.

Mr. President, before I yield to the Senator from New York [Mr. KEATING], I wish to repeat my request for the yeas and nays on the question of agreeing to this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. COTTON. Mr. President, I must say, then, that before I start using up the time available to me, I shall suggest the absence of a quorum, and then shall repeat my request for the ordering of the yeas and nays on the question of agreeing to this amendment, because the whole hour will be used unless I can obtain the yeas and nays on the question of agreeing to the amendment. I believe it is an important one.

At this time I yield 5 minutes to the distinguished Senator from New York [Mr. KEATING].

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. KEATING. Mr. President, the subject of trade with the Communist bloc has been investigated extensively by the Internal Security Subcommitee of the Judiciary Committee. We have looked into it both in this country and in Europe, and we have filed a number of preliminary reports. The subcommittee has a continuing interest in this problem and I expect its hearings to resume in the future.

Deep concern was aroused last year in this country when Britain agreed to sell to Red China six Viscount transport planes equipped with electronic devices on the Cocom embargo list. This agreement was made contrary to the position taken by the United States and also contrary to the position taken by many other free countries in Cocom. That was a striking instance in which one of our chief allies sold strategic materials to one of our major enemies in defiance of the decision of Cocom. Those of us who have been actively interested with this matter have received many letters of opposition to that transaction—and properly so—from the people of this country.

We do not deal with Red China, but we cannot convince Britain and our other allies that they should not deal with Red China. That is their decision. It is in our interest, however, to bring to bear strong diplomatic pressures, and to point out that the free world nations should stand together, and should not arm or send strategic goods to those who have vowed to destroy us.

I wish to ask the Senator from New Hampshire whether it is his opinion that the amendment, after the elimination of the sentence which he said originally was included in his amendment, would still leave some discretion. None of us want to take an unrealistic position in regard to this matter. Probably I have given it more intense study than any other matter since I have been a Member of the Senate; and I know that the people of the United States resent having our allies help build up the military power or economic strength of our enemies. It is hard for me to conceive of a case in which it would be to our national interest to do that. But I wish to ask the Senator from New Hampshire whether, with that sentence eliminated, there would still be any discretion left, in his opinion.

Mr. COTTON. I was advised by the legislative drafting service that by including the sentence "Nothing in this Act or in any other Act heretofore enacted shall authorize the waiver of this subsection," we would tie up the matter so tightly that not even in the slightest isolated instance would the President be left with any latitude whatsoever, and that the words "any other provision of law" would take care of any loophole in the Battle Act, and certainly any loophole in the amended Battle Act as now pending in the House of Representatives. Therefore I took out the last sentence.

I am a member of the bar, but I do not claim to be an expert in regard to the interpretation of legislation; and certainly I cannot predict what the Supreme Court will say about it. In that respect I defer to the Senator from New York.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has again expired.

Mr. COTTON. Mr. President, I yield myself 2 more minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 2 more minutes.

Mr. COTTON. But, Mr. President, the best advice I could obtain was that without that last sentence the amendment would give the President, with the approval of the National Security Council, if it did not make an issue of the matter, some slight latitude, but it clearly labels this legislation by the Senate that it shall not be the policy by Presidential waiver to furnish assistance to any country sending potential materials of war to certain countries.

I yield 5 minutes to the Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, I support the amendment of the Senator from New Hampshire. It is hard for me to accept the interpretation that has been put on it, especially when it refers to a foreign country that exports or knowingly permits such exportation. To me those are the words that are significant.

I support the amendment because I think it is time that we in the United States take a more realistic attitude toward our foreign policy. Perhaps we in this country have had a little too much wealth and have distributed that wealth a little too unwisely.

I want to amplify that statement by reference to a previous amendment, which I wish to speak to, but on which there was no time available. Yesterday I supported the amendment of the Senator from Ohio [Mr. LAUSCHE], the Senator from Wisconsin [Mr. PROXMIRE], and perhaps other Senators, to put some real teeth in our foreign aid program. I voted today against the amendment proposed by the Senator from Montana [Mr. MANSFIELD], the Senator from Illinois [Mr. DIRKSEN], because I feel very strongly, from my observation of these matters, that there is, particularly in the State Department, a completely unrealistic attitude, in many instances, concerning our foreign policy.

Regardless of what we say, the fact is that we have not improved our situation in the world. It has deteriorated in the past 2 years. The further we drift from putting hard rules upon the usage of this foreign aid money, the further we drift from achieving any practical results from it, because the rest of the world does not understand anyone who spends his money like a drunken sailor on Saturday night.

I wish to refer to two or three instances which give me great concern. I do not accept the argument that we are attacking the President. Everyone on this floor has an equal interest in a successful foreign policy of the President. Every child in the United States has as great an interest in it as we have. But when I see the so-called peaceful country of India take over Goa and not one little peep is raised in this country, I find it hard to understand what we are doing, especially when, a day or two later, we give that country a $12 million loan.

I find it hard to understand it when we talk blithely through the State Department about arriving at a compromise as between the Indonesian Republic and the Dutch West New Guinea, when there is no justification whatever for Indonesia's claim to West New Guinea.

One can look through the history books, the economics books, the geography books, without finding one claim that the Indonesian Republic has upon West New Guinea, whether it be economic, ethnic, historic, political, or any other. It reminds me of a sign one reads occasionally, "Don't bother me with the facts—I have already made up my mind."

Here we have seen one of the most significant events occur in the Far East, right under our noses. Believe me, we are not bothering anybody with the facts—we have made up our minds, and we are going to deal the Dutch out of a country that has at least more attachment to it than to Indonesia.

Now I come back to the Alianza para el Progresso. I have had a number of contacts with people from Latin America in the past few months. They confirm the fact that we are making no progress there.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLOTT. May I have 2 minutes more?

Mr. COTTON. I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. We committed ourselves to $20 billion over 10 years without notification of the Appropriations Committee of the Senate. So while I realize that we can use food as a very forceful weapon, I realize also that when the bill goes to the House and pressures are brought as they have been brought on the Senate in the last 24 hours, we are going to see a different bill entirely.

So I voted "nay" on the Mansfield-Dirksen amendment today because I thought it was the last time I would have, in the consideration of this bill, to have an opportunity to express our will. My vote is to indicate, that we would say to the State Department and to the President, "We want our money under foreign aid used for practical purposes. We want it approached in a spirit of realism, and we do not intend to keep shoving money into those countries whose foreign policies are contrary to ours, whose foreign policies are inimical to ours, and which in fact help the Union of the Soviet Socialist Republics."

Mr. COTTON. Mr. President, I ask unanimous consent to request a quorum call and not have the time taken out of my time.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. COTTON]. On this question the yeas and nays have been ordered.

Mr. COTTON. Mr. President, I yield 3 minutes to the Senator from Delaware [Mr. WILLIAMS].

EXCESS COSTS ON DEFENSE DEPARTMENT NEGOTIATED CONTRACT

Mr. WILLIAMS of Delaware. Mr. President, today I wish to call attention to another example of waste of the taxpayers' money as the result of a negotiated contract by the Defense Department.

In this instance it is found that the Government is paying in excess of 15 percent interest to a contractor on a negotiated contract.

On July 8, 1958, the Department of the Army negotiated with the Alexandria Water Co.—contract No. DA-44-008-ENG-1155—for the construction of a water supply line and a 5-year water service contract.

The contractor was operating a 30-inch line adjacent to Fort Belvoir, and this contract provided for the contractor to furnish, install, operate, and maintain all facilities from the existing 30-inch waterline to the point of delivery, a distance of approximately 150 feet. This was to include a 16-inch connection to the 30-inch pipeline, a booster pumping station, and a metering device. The contract further provides for the Alexandria Water Co. to install a 24-inch pipeline from the point of delivery to an existing Government pipeline at the Fort Belvoir filter plant, a distance of about 10,275 feet.

The contract shows this construction as a connection charge and provides for the repayment of the contractor's construction costs on the basis of a surcharge of 10 cents on each thousand gallons of water purchased from the contractor until the total cost of $281,710 is paid, with annual payments of not less than one-fifth of $281,710.

Under this arrangement, between March 24, 1959, and December 31, 1961, the Government paid the contractor $208,900, leaving an unpaid balance after only 2 years and 9 months of $72,810. This remaining balance is being decreased with average monthly payments of $6,300 by the Government, but notwithstanding the fact that a substantial part of this contract has already been paid, the Government is still paying interest at the rate of 6 percent per year on the full amount of the original contract price of $216,700.

Assuming the average monthly repayment rate of $6,300 continues, the Government will have paid the entire construction cost within 3 years and 9 months, but it will also have paid interest in the amount of $65,010 in the meantime. This means that the effective rate of interest which is being paid by the Government in this instance is equal to approximately a 15-percent rate.

This may be a small item, but it is typical of the continuous irresponsible manner in which certain procurement officers of our defense establishments squander the taxpayers' money. I am becoming more and more impatient with their continuous alibi that they will do better in the future.

I repeat what I have said on previous occasions—in private industry somebody would have been fired. Certainly the Federal Government does not have to pay 15 percent interest, and I venture to say that the man who made this contract would be howling if it were his own money involved.

For more complete details concerning this entire contract I refer to the Comptroller General's report as submitted to the Congress on May 31, 1962, entitled "Interest Charges Paid for the Construction of a Water Supply Line at Fort Belvoir, Va., Department of the Army."

I commend the General Accounting Office on the excellent job it is doing in calling our attention to waste and mismanagement in Government.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

Do Senators yield back their remaining time?

Mr. HUMPHREY. Mr. President, will the Senator from Alabama yield to me?

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. Mr. President, I merely wish to say, with reference to the pending amendment, its obvious purpose is to fulfill what is already provided in the Battle Act, with one exception.

Under the terms of the Battle Act when the President finds unusual circumstances which would indicate that the cessation of aid would be adverse to the national interests of the United States, he could continue assistance to a country permitting the shipment of strategic goods other than arms to a Communist country. This boils down to a couple of specific instances of which we should be aware.

One, for example, is Italy. I believe the acting chairman of the Committee on Foreign Relations has reminded the Senate that Italy is one of the few NATO countries which will permit the United States to have missiles and missile sites on its soil. I am not sure what kind of missile, but I believe it is at least the intermediate range missile, the Jupiter or Thor type. If the pending amendment is agreed to, it would be necessary to deactivate those missile sites.

Other countries are also involved, such as Turkey, or even Great Britain.

Italy, Turkey, and Great Britain are three countries in which we have been able to locate what one might call advance bases. The missile base is equivalent to, and I think in the days to come will be better than, an airport or airbase.

In respect to airbases and missile bases, questions would be involved as to West Germany, Italy, Turkey, and Great Britain. These are some of the 19 countries which would be affected by the passage of the amendment. I think we would be treading on rather dangerous ground if we should adopt the kind of provision which is proposed.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. Is my understanding, as a member of the Committee on Armed Services, correct that our bases in Italy, England, and other countries might be endangered if the amendment were agreed to, because something might be shipped on one ship to one of the nations mentioned?

Mr. HUMPHREY. Very much so. That is exactly the case.

Mr. SALTONSTALL. Would it be necessary to shut our bases down?

Mr. HUMPHREY. The amendment reads:

> Notwithstanding any other provision of law, no assistance shall be furnished under this Act to any country which exports, or knowingly permits the exportation, to the Union of Soviet Socialist Republics or any country (including Communist China, North Korea, and Cuba) the government of which is dominated or controlled by the Union of Soviet Socialist Republics, of any arms, armaments, or munitions, or of any items of strategic significance in the production of implements of war or any other articles or commodities found by the National Security Council to be contrary to the security interests of the United States.

Mr. SALTONSTALL. The position of the Committee on Foreign Relations is that bases in Italy, in England, or in any other country are not only for the security of our country but also to assist in respect to the security of the other country?

Mr. HUMPHREY. Yes.

Mr. SALTONSTALL. Therefore, if England should send anything to Russia, we could not keep on furnishing a base in England, even though it might be for our benefit.

Mr. HUMPHREY. That is my understanding. I say most respectfully, there is a sum of about $1½ billion for military assistance involved under the terms of the bill, some of it to go to NATO countries for our defense as well as their defense. If the strict interpretation of the amendment should be applied, none of that assistance would be made available.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Would there be any effect on the DEW line in Canada?

Mr. HUMPHREY. I should like to have the comment of the acting chairman in that regard. I believe the amendment could have an effect with respect to Canada, indeed.

Mr. SPARKMAN. Yes.

Mr. HUMPHREY. Yes, indeed; the Senator has made a good point. Canada is one of the 19 countries which has, from time to time, shipped items not of a military nature but items which are classified as strategic.

Mr. AIKEN. Canada does business with virtually all the Communist countries.

Mr. HUMPHREY. Indeed it does.

Denmark, I say most respectfully, has sovereignty over Greenland. I do not need to tell any Senator who has visited Offutt Air Force Base, near Omaha, the importance of Greenland to the defense of the United States of America.

If the pending amendment should be agreed to, all aid going to any area over which Denmark has sovereignty would have to be cut off.

Mr. SALTONSTALL. We know that Canada ships wheat to Communist China.

Mr. HUMPHREY. We do, indeed.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I think it is important for us to keep in mind that there is a great deal of trade between West Germany and Yugoslavia. I do not know whether any of that trade involves strategic materials. There is a difference, in fact, in respect to interpretation by different countries as to the meaning of strategic materials.

If West Germany should violate the terms of the amendment, if the amendment were agreed to, we could not carry on any more military assistance there.

Mr. SALTONSTALL. That would mean we would have to take our troops out of Berlin, to use a far-reaching example?

Mr. SPARKMAN. Yes. The amendment refers to Communist bloc countries. I believe it says "any Communist bloc country."

Mr. KUCHEL. I do not think it does.

Mr. SPARKMAN. My friend tells me that perhaps I have misinterpreted the wording. Probably he is correct. I believe he is correct.

The amendment says, in part "any country, the government of which is dominated or controlled by the Union of Soviet Socialist Republics."

I withdraw what I said about Yugoslavia, because I do not believe Yugoslavia would come under the definition.

I should like to give a few examples of what is involved. Someone asked me awhile ago to give an example.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. SPARKMAN. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator has more time.

Mr. SPARKMAN. I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 2 more minutes.

Mr. SPARKMAN. Mr. President, the United Kingdom made shipments valued at $5,688 to Communist China, Czechoslovakia, East Germany, Hungary, Poland, Rumania, and the U.S.S.R. President Eisenhower made a waiver. If there were no provision for waiver, it would be necessary to cut off any assistance because of the shipments valued at $5,688.

The Federal Republic of Germany made shipments of strategic materials valued at $7,211 to Bulgaria, Communist China, Czechoslovakia, East Germany, Hungary, Poland, and Rumania.

Italy made shipments valued at $341 to Albania. We would have to cut aid to Italy off, because there would be no leeway.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HRUSKA. Are those statistics in dollars, or in thousands of dollars?

Mr. SPARKMAN. In dollars.

Mr. COTTON. What was shipped at a value of $341?

Mr. SPARKMAN. I do not know. I do not have the details, but I have a statement.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I shall be happy to yield in a moment. Before I do so, I should like to give two more examples. Belgium shipped $534 worth to Czechoslovakia and East Germany. France shipped $1,315 to Poland and Hungary. The penalty would be applied in those cases. I yield to the Senator from Minnesota.

Mr. HUMPHREY. While some of the information we have is classified, a list has been made available, if Senators wish privately to look at it. The material is here. However, I do not think we are at liberty to cite the kind of material referred to.

But listed are the Federal Republic of Germany, the United Kingdom, the Netherlands, and France under key items. The amounts are not large, but they are related to certain sensitive civil activities which have been classified under section 103(b), the Battle Act provision, of the Mutual Defense Act of 1951 as strategic materials. They are not munitions. They are not related to what we call articles with war-making capacity. They are classified as strategic materials. Every one of those sales would automatically negate any possibility of aid to those countries. I think it is a most serious matter.

I should like to make one further statement with respect to why we did not give military assistance to Finland. It is perfectly obvious that our relations with Finland are very good, and they would suffer grievously under the proposed amendment. Finland, through no fault of her own except geographic proximity to Russia, is bound to the Soviet economy. She is forced to build ships for the Soviet Union, while importing cars, oil, and even wheat which she would rather acquire from the West. To bind Finland still closer to Russia would be a tragedy.

Mr. SPARKMAN. Mr. President, I have a statement which is classified. Any Senator who wishes to see it, may look at it. It states the type of material involved.

I have one list that does not contain classified material and gives some breakdown. I am at liberty to read from it. A shipment was made from the Federal Republic of Germany of voltmeters worth $469 to Poland for civilian use.

Italy shipped $562,500 worth of communications cable. I think that item was published in the press at the time. The cable was shipped to the Soviet Union for civilian use.

Ball bearings valued at $2,581 were shipped to Poland also for civilian use.

The Netherlands shipped television, transmitter tubes valued at $1,297 to Poland for civilian use.

France shipped diodes and transistors valued at $2,150 to Poland for civilian use. Those are some typical examples. The list I read is not classified.

Mr. President, I am ready to yield back the remainder of my time.

Mr. COTTON. Mr. President, I yield myself 5 minutes.

I have been very much interested in listening to the turn the debate has taken in the last few moments. For many years now, since I first entered Congress in 1947, and first voted for aid to Turkey and the Marshall plan, when the chips were down I have loyally supported foreign assistance, foreign aid, and mutual assistance programs to bolster up the free peoples of the world. I am growing a little tired of being frightened into voting for a pig in a poke year after year. Earlier in the debate I was very much interested when my good friend, the distinguished Senator from Minnesota [Mr. HUMPHREY], whom I admire and esteem so highly, while debating the Mansfield-Dirksen amendment, told us what a horrible thing it would be if we did not have an exchange of information with Poland. We were told what a horrible thing it would be if we could not have an exchange of medical and scientific information to fight cancer and leukemia. We would let children die. Yet the only way to obtain an exchange of scientific and medical information with other countries is not through burying such aid in a mutual assistance bill, item by item. The Senator knows very well that if the foreign aid bill were defeated, and if we had no foreign aid, all we would need to do would be to have the proper committees report a bill to the Senate and the House, and within a few weeks, with the cooperation of the Congress, we would have the necessary appropriations for the programs to fight horrible diseases in Poland, Russia, or any other nation. All those horrible bogeys must be conjured up to sugar-coat everything in the bill.

In the past 2 or 3 minutes what have we heard? It is proposed that the Senate have the audacity to assert its authority and say to the taxpayers of this country, "We are going to write a safeguard into the foreign aid bill so that you can be comforted by the thought that the money you pay for taxes will not be used by some neutral or some so-called friend whom we have been carrying year after year, and who is shipping goods and munitions of war to our enemies." If we have the audacity to try to write that kind of provision into the bill, what are we told? We are told that if the amendment is agreed to, we shall lose our missile bases in Italy. We shall lose our missile bases in Iceland, Greenland, Denmark, or somewhere else. Nonsense. The amendment does not contain all those vicious qualities. If in order to have missile bases abroad we must weakly consent to permit nations receiving our taxpayers' money to ship munitions into Russia, China, Poland, and Cuba, it is about time that the American people should know about it.

I do not want to see any of the classified information that has been so generously offered to me today. I want the debate to go before the people of this country. The amendment is a simple one.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The time of the Senator has expired.

Mr. COTTON. Madam President, I yield myself 5 additional minutes.

The amendment merely provides that it shall be ultimately up to the Security Council—not the Administrator of AID, who is interested in pouring away money to this country and that country, and who is not going to have his ambitious program in which he is so sincerely interested checked because that country happens to start sending tanks to Cuba. It would not be up to him, but up to whom? It would be up to the National Security Council of the United States of America, who shall advise the President. The members of the Council are appointed by the President.

There is no danger of curtailing the President's power, but if they want to talk about those powers, let us remember one thing. Let us remember that presumably the President will have $300 million in his contingency fund. He will have $250 million more of foreign-aid funds, and not to exceed $100 million more in foreign currencies, to be used as he sees fit for any purpose. In addition, he will have the power to take from various designated funds under the Mutual Assistance Act up to 10 percent to use for purposes of his own. I do not begrudge that power to the President of the United States. I trust the loyalty, integrity, and patriotism of the President. But I say that this is a big Government. There are many things that the President knows. But, there are many things that do not come to his attention. I believe that if the Senate is expected to put its approval on a bill under which billions of dollars of the taxpayers' money will be expended around the world, it is not unreasonable to say, "We will write into the act, in no unmistakable terms, the provision that the aid will not only not go to Communist countries, but it will not go to any so-called friends who are sending them arms and munitions."

After World War II we lifted our friends in Europe from their knees. We poured out billions of dollars to them. In the report of the Committee on Foreign Relations it is said that these nations stand at last as our copartners, perfectly able to contribute with us, and that this is no longer a unilateral program, but a program participated in by full-grown partners. At page 6 of the report the committee states:

> Obviously, the evolving situation is not one of unrelieved progress.

I have read the report from cover to cover, and nowhere do I find what they are doing and what they are not doing. There is one thing they should not do, and that is ship munitions of war to our enemies. That is what the amendment would stop. It does not even shut off entirely the waiver by the President, but it says that the National Security Council, not AID, shall say when foreign aid will stop if munitions start falling into the hands of our potential enemies.

Mr. HRUSKA. Madam President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HRUSKA. Do I understand correctly that under the amendment, if one of our allies sold $341 of shoe leather to such a country, it would mean that that ally would be disqualified from receiving assistance from us?

Mr. COTTON. I know the Senator from Nebraska is asking that question in an ironical or facetious manner, because he is a sensible man. Let us all be sensible about it. Does anyone think for a minute that the National Security Council, created by the President of the United States and appointed by him and working under him, will call a country to terms because $341 of a commodity was shipped by that country? That is another one of those bugaboos which have been conjured up, because people want a bill that is loose and open at both ends.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Madam President, how much time remains on our side?

The PRESIDING OFFICER. Thirty-five minutes.

Mr. SPARKMAN. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. The issue here is rather simple. It is obvious. I call the attention of my colleagues in the Senate to this fact. Under the amendment we would do exactly what we have done under the Battle Act, which is a part of the Mutual Assistance Act, and has been in effect for more than 10 years, with one exception. The exception is that we would deny the President any discretion whatever in terms of providing assistance to our allies or nations which we consider to be of vital importance to the security of the United States when such an ally or other nation ships goods which are classified as strategic.

Madam President, the amendment does not apply merely to munitions of war. As was indicated, the amendment applies—and I read from it—to "any items of strategic significance in the production of implements of war or any other articles or commodities found by the National Security Council to be contrary to the security interests of the United States."

Mr. SPARKMAN. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Let me ask the Senator from Minnesota this question. He was a schoolteacher at one time. What task is given to the National Security Council under this proposed amendment?

Mr. HUMPHREY. One task, that of determining the articles that are of strategic importance.

Mr. SPARKMAN. Is there any waiver whatsoever provided in the amendment?

Mr. HUMPHREY. None whatsoever.

Mr. SPARKMAN. The Senator from Nebraska a few minutes ago asked the Senator from New Hampshire if there was any thought that a penalty might be invoked if there were a sale of $341 of goods. Is there any provision in the amendment whereby anyone could waive the inflicting of that penalty?

Mr. HUMPHREY. The Senator answers his own question. There is no provision whatever for a waiver of the prohibitions which are laid down in the amendment. Let me give the Senator an example. The Netherlands shipped $48 worth of tungsten wire to Poland, for civilian use, in the year 1961. Under the amendment, in such a case, we would have to cut any military assistance that we would be giving to the Netherlands. There is no discretion involved at all.

For example, the Federal Republic of Germany shipped to Poland direction-finding equipment for use in connection with civilian air traffic. It was valued at $20,000. Germany is a very good ally. We have programs of assistance with Germany. We have troops there. Under the Senator's amendment, because the equipment is classified as strategic—and it is strategic equipment—the President would have no choice but to suspend all assistance to our NATO ally, the Federal Republic of Germany.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Is it or is it not a fact that the Battle Act, enacted during the Truman administration, and in force throughout the Eisenhower administration, is still in force today and would continue in force if the bill now before us were enacted as reported by the committee?

Mr. HUMPHREY. Absolutely.

Mr. HOLLAND. I should like to ask the Senator an additional question. Is it claimed by anyone that President Truman or President Eisenhower or President Kennedy has abused his discretion under the Battle Act in allowing the extension of aid to any friendly country which has sold a minor item of equipment to a Communist country?

Mr. HUMPHREY. I know of no such charge. This is why the amendment perplexes me so much. Thirty-three determinations have been made by three Presidents in 12 years under the Battle Act. They are 33 determinations involving 19 countries, all of them friendly countries. Those 33 determinations have not weakened the security of this country. They have made it possible for us to strengthen our alliances and our security. There is no reason for changing the Battle Act, which has worked well, which has been applied strictly, and which has permitted the President of the United States to protect the national security interests of the United States, and at the same time has given him some discretion in these matters.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. I yield 5 additional minutes to the Senator from Minnesota.

Mr. HUMPHREY. I have nothing further to say. The issue is clear. If the Senate is satisfied with the Battle Act as administered by three Presidents, it should vote down the Cotton amendment. If the Senate feels that the Battle Act should be strengthened and that it has been abused, and the President has not fulfilled his obligation to protect the vital security interests of the United States, then it should adopt the Cotton amendment.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Is it not true that under the Battle Act each of the three Presidents mentioned has been required and has followed this procedure.

Mr. HUMPHREY. The Senator is correct.

Mr. HOLLAND. After making a finding that a certain case should be an exception to the general provision of the law, the President has furnished to the appropriate committees of both Houses of Congress a report showing that determination and the reasons therefor.

Mr. HUMPHREY. The Senator is absolutely right. He has added additional importance to the argument by noting that the House and Senate committees have been fully informed and that the President has performed his obligation.

Mr. COTTON. Madam President, I yield myself 2 minutes. I should like to call some facts to the attention of the distinguished Senator from Florida. It is true that there have been only 33 instances of waivers by the President of the United States, waivers of the shipment of such materials. There is no record which shows how many shipments have taken place which have never been reported to the President of the United States by the foreign aid administrators, or which have never come to his attention.

With respect to all the talk about reporting to the two Houses of Congress, it was brought out on the floor of the Senate a while ago—and I did not expect to hear this reiterated—that while a report is made, what kind of report is it that we get? We get a report which is sent to the Appropriations Committee and to the Armed Services Committee. That report is classified.

Therefore Congress as a whole does not get it. If a Senator wishes to see it, he can, but if he finds something objectionable in it, he cannot object to it publicly on the floor or to the American people.

That cannot be considered a report. What is more, do Senators think that any country which has received millions of dollars from us will be stupid enough, if they know such a provision is written into the law, to lose the opportunity to secure more millions by sending $350 or $500 worth of strategic materials to a Communist country? That is more of the nonsense which has been advanced.

Madam President, either we will safeguard the Mutual Security Act or we will not—one or the other.

Mr. SPARKMAN. Madam President, I yield back the remainder of my time.

Mr. COTTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senators from Rhode Island [Mr. PASTORE and Mr. PELL], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Massachusetts [Mr. SMITH] are absent on official business.

I further announce that the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from South Carolina [Mr. JOHNSTON] are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senator from Michigan [Mr. MCNAMARA], the Senator from Rhode Island [Mr. PELL], and the Senator from Massachusetts [Mr. SMITH] would each vote "nay."

On this vote, the Senator from Rhode Island [Mr. PASTORE] is paired with the Senator from South Dakota [Mr. CASE]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from South Dakota would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from South Carolina would vote "yea."

Mr. KUCHEL. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from New Hampshire [Mr. MURPHY] are necessarily absent.

The pair of the Senator from New Hampshire [Mr. MURPHY] has been previously announced.

On this vote, the Senator from South Dakota [Mr. CASE] is paired with the Senator from Rhode Island [Mr. PASTORE]. If present and voting, the Senator from South Dakota would vote "yea," and the Senator from Rhode Island would vote "nay."

Mr. MORTON (after having voted in the negative). On this vote I have a pair with the Senator from New Hampshire [Mr. MURPHY]. If he were present and voting, he would vote "yea;" if I were at liberty to vote, I would vote "nay." I withdraw my vote.

The result was announced—yeas 40, nays 45, as follows:

[No. 81 Leg.]

YEAS—40

Aiken
Allott
Beall
Bennett
Boggs
Bush
Butler
Byrd, Va.
Capehart
Carlson
Cotton
Curtis
Dirksen
Dodd
Dworshak
Eastland
Ellender
Ervin
Fong
Goldwater
Hickenlooper
Hruska
Jordan
Keating
Kuchel
Lausche
Miller
Mundt
Pearson
Prouty
Proxmire
Russell
Scott
Smith, Maine
Stennis
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—45

Anderson
Bartlett
Byrd, W. Va.
Cannon
Carroll
Case, N.J.
Church
Clark
Cooper
Douglas
Engle
Gore
Gruening
Hart
Hartke
Hayden
Hickey
Hill
Holland
Humphrey
Jackson
Javits
Kefauver
Kerr
Long, Mo.
Long, Hawaii
Long, La.
Magnuson
Mansfield
McCarthy
McGee
Metcalf
Monroney
Moss
Muskie
Neuberger
Randolph
Saltonstall
Smathers
Sparkman
Symington
Wiley
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—15

Bible
Burdick
Case, S. Dak.
Chavez
Fulbright
Johnston
McClellan
McNamara
Morse
Morton
Murphy
Pastore
Pell
Robertson
Smith, Mass.

So Mr. COTTON's amendment was rejected.

Mr. SPARKMAN. Madam President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Madam President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. HICKENLOOPER. Madam President, on behalf of myself and the Senator from Ohio [Mr. LAUSCHE], I call up my amendment identified as "6-6-62—H," and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, in line 19, it is proposed to strike out the word "hereafter" and insert in lieu thereof the words "after January 1, 1961".

Mr. HICKENLOOPER. Madam President——

The PRESIDING OFFICER. How much time does the Senator from Iowa yield to himself?

Mr. HICKENLOOPER. At this time, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 15 minutes.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Madam President, will the distinguished Senator from Iowa yield briefly to me, if it is understood that in doing so he will not lose the floor?

Mr. HICKENLOOPER. I yield.

Mr. DIRKSEN. I should like to ask the majority leader about the program for the remainder of today and also for tomorrow.

Mr. MANSFIELD. Madam President——

Mr. HICKENLOOPER. Madam President, if the discussion of the program will take very long, I do not wish to have the time used in that connection charged to the time available for the consideration of my amendment—although I do not mind having a minute or two of the time used in that way.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the time I use in answering the question of the Senator from Illinois be not charged to the time available on the amendment of the Senator from Iowa or to the time available on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Madam President, in reply to the question of the distinguished minority leader, let me say that if it is possible for the Senate to complete action on the bill tonight, without remaining in session too late, we shall do so. Of course, that will depend upon the developments.

If the bill is not disposed of tonight, its consideration will be continued tomorrow; and thereafter other measures will be taken up. I do not have the list before me at this time. Although they are important bills, they are not extremely important.

I believe the distinguished minority leader is aware of the fact that it is our intention, if we finish in time tonight, or early enough tomorrow, to take up Calendar No. 1411, Senate Joint Resolution 123, to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives. The consideration of that measure may take some time.

It is also the intention to take up Calendar No. 1338, Senate bill 1605, to authorize the Federal Power Commission to delegate its functions.

It is not anticipated that there will be a Saturday session.

It is anticipated that on Monday the Senate will take up the Interior Department appropriation bill, and that on Tuesday the Senate will take up the Defense Department appropriation bill. The consideration of the latter bill may go over until Wednesday.

It is anticipated that on Wednesday and Thursday the Senate will take up the television bill; and it is anticipated that thereafter—and I have discussed this matter with the minority leader—we would like to have the Senate take up the space communications satellite bill.

Mr. DIRKSEN. I thank the majority leader.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. HICKENLOOPER. Madam President, I modify my amendment by striking out the date, "1961", and inserting "1962", so that the words to be inserted will read "after January 1, 1962". I believe the consideration of this amendment will not take long.

The amendment goes to the provision already adopted by the Senate, an amendment added by the Foreign Relations Committee, in connection with expropriation of American property by other countries. The committee adopted an amendment—which now has been adopted by the Senate—providing that in any case in which the President determines that a nation or political subdivision thereof has expropriated or otherwise seized property of Americans, unless it sets up the proper machinery to accomplish the payment for the property so seized, it cannot obtain any help from our foreign-assistance program, until such payment is made.

However, the amendment provides for such prohibition in any case hereafter in which the President determines that a nation or political subdivision thereof has expropriated such property. I propose to have the language read "has expropriated after January 1, 1962"—in other words, last January.

There are several reasons for this amendment. Today, three expropriations which are going on in the world have taken place since January 1, 1962—two in Brazil, and one in Ceylon. Another one is now proposed in Burma; and today there are in the legislatures of almost all the Latin American States bills proposing the expropriation of American property of various kinds.

If we do not do something to stop that kind of nonsense, or to see that payment is made for property when it is seized, we shall see a wave of expropriations of property of Americans going throughout the world like a prairie fire. The amendment which the committee adopted is not adequate. I had an amendment that I liked better. I think it was a little tighter. But I am not quarreling at this time with the general purpose of the amendment adopted by the committee.

I first want to put in the RECORD the decree of expropriation of the Communist dictatorship of Cuba, which was posted July 7, 1960. I ask unanimous consent to have it printed in the RECORD at this point in my remarks.

There being no objection, the decree was ordered to be printed in the RECORD, as follows:

[From Gaceta Official, July 7, 1960]

I, Osvaldo Dorticos Torrado, President of the Republic of Cuba, make known that the Council of Ministers has approved and I have signed the following:

"Whereas the attitude assumed by the Government and legislative branch of the United States of America, characterized by constant aggression, for political purposes, against the fundamental interests of the Cuban economy, as strikingly evidenced by the amendment to the Sugar Act, recently passed by the Congress of the United States at the request of the executive branch, whereby the President of the Nation is granted exceptional powers to reduce the participation of Cuban sugar in the U.S. sugar market as a weapon of political sanction against Cuba, compels the revolutionary Government to adopt without hesitation all measures which it considers pertinent for the protection of the national sovereignty and of the free economic development of our country; and

"Whereas article 24 of the Constitution authorizes the expropriation of property by right of eminent domain, leaving it to ordinary law to specify the authority competent to decree the expropriation, as well as the regulation of the procedure and the means and forms of payment; and

"Whereas it is advisable, in order to attain the ends proposed in the first whereas clause of this law, to grant to the President of the Republic and to the Prime Minister full powers to proceed with the nationalization of the enterprises and property belonging to natural or juridical persons who are nationals of the United States of America, or of the enterprises in which said persons own a majority interest or share, even though said enterprises have been established in accordance with Cuban law, so that measures appropriate to the ends proposed may be taken in each future instance.

"Therefore, acting under the authority vested in it, the Council of Ministers resolves to enact the following:

" 'LAW NO. 851

" 'ARTICLE 1. The President of the Republic and the Prime Minister are authorized jointly to order, through decisions whenever they deem it advisable for the protection of the national interest, the nationalization, through expropriation by eminent domain, of the property or enterprises owned by natural or juridical persons who are nationals of the United States of America, or of enterprises in which said persons have an interest or share, even though said enterprises have been established in accordance with Cuban law.

"'Art. 2. In the decision in which the President of the Republic and the Prime Minister order expropriation, they shall state the need for it and the reason of public utility or national interest on which it is based.

"'Art. 3. The President of the Republic and the Prime Minister shall also designate, in the decisions referred to in article 1 of this law, the persons or organizations that will be responsible for the administration of the property or enterprises subjected to expropriation.

"'Art. 4. After the expropriation has been carried out and the administration of the property or enterprise has been assumed by the person or organization designated for that purpose, the President of the Republic and the Prime Minister shall appoint such experts as they deem advisable to appraise the expropriated property for purposes of making payment for it, which shall be done in the manner prescribed in the following article.

"'Art. 5. Payment for expropriated property shall be made as follows after it has been appraised:

"'(a) Payment shall be made in bonds of the Republic, which shall be issued for that purpose by the Cuban State and shall be subject to the conditions laid down in this law.

"'(b) The Cuban State shall set up a fund for the amortization of the said bonds and as security therefor, into which shall annually be paid 25 percent of the foreign exchange corresponding to the quantities of sugar purchased for domestic consumption in each calendar year by the United States of America in excess of 3 million Spanish long tons at a price not under 5.75 cents per English pound (F.A.). To that end the National Bank of Cuba shall open a special dollar account which shall be called "Fund To Pay for the Expropriation of Property and Enterprises of Nationals of the United States of America."

"'(c) The bonds shall bear interest amounting to not less than 2 percent a year, which shall be payable only from the fund to be set up in accordance with subparagraph (b).

"'(d) Annual interest that cannot be paid out of the fund referred to in subparagraph (b) above shall not be accumulated, but the obligation to pay the same shall be understood to be extinguished.

"'(e) The bonds shall be amortized over a period of not less than 30 years from the date on which expropriation of the property or enterprise takes place, and the President of the National Bank is authorized to fix the manner and proportion in which the amortization is to take place.

"'Art. 6. There shall be no appeal whatever from the decisions which the President of the Republic and the Prime Minister may hand down in the expropriation proceedings to which this law refers.

"'Art. 7. The Minister of the Treasury is charged in the name of the Cuban State with issuing the bonds with which payment will be made for properties that are expropriated under this law.

"'Art. 8. Any legal provisions and regulations that obstruct compliance with the provisions of the present law, which shall be in effect from the date of its publication in the Gaceta Oficial de la República, are hereby rescinded.'

"Therefore I hereby order that all parts of this law be compiled with and enforced.

"Done at the Presidential Palace in Habana on July 6, 1960.

"Osvaldo Dorticos Torrado.
"Fedel Castro Ruez,
"Prime Minister."

Mr. HICKENLOOPER. Second, I ask unanimous consent to have printed in the Record at this point in my remarks the protest of the United States, and the reasons therefor, against the decree of the Government of Cuba, which was issued on July 16, 1960.

There being no objection, the statement was ordered to be printed in the Record, as follows:

United States Protests New Cuban Law

The U.S. Ambassador to Cuba, Philip W. Bonsal, today delivered to the Cuban Ministry of Foreign Relations a note protesting the nationalization law of Cuba. Text of the note is as follows:

"I have the honor to refer to the law issued by the Council of Ministers of the Government of Cuba on July 6, 1960, which is entitled the 'Nationalization Law' and which applies exclusively to nationals of the United States who own property in Cuba. I have been instructed by my Government to emphasize to Your Excellency that the Government of the United States considers this law to be manifestly in violation of those principles of international law which have long been accepted by the free countries of the West. It is in its essence discriminatory, arbitrary, and confiscatory.

"The nationalization law is discriminatory in that it is specifically limited in its application to the seizure of property owned by nationals of the United States.

"It is arbitrary because it was admittedly enacted in retaliation for recent actions taken by the Congress and President of the United States to assure the needs of the sugar consuming public of the United States. These actions were required because of the publicly stated intention of the Government of Cuba to reduce its dependence on sugar concomitantly with its efforts to enlarge sales of sugar in newer markets and to alter radically its traditional pattern of trade with the United States. Moreover the hostile attitude toward the United States so often expressed by the present Government of Cuba has made abundantly clear the economic imprudence of relying on Cuba for a very high proportion of the U.S. need for this important commodity.

"The nationalization law is both arbitrary and confiscatory in that its provisions for compensation for property seized fail to meet the most minimum criteria necessary to assure the payment of prompt, adequate and effective compensation and in its specific prohibition of any form of judicial or administrative appeal from the resolutions of the expropriating authorities.

"I have been instructed by my Government to convey to Your Excellency a most solemn and serious protest against this hostile measure. I am further instructed to inform Your Excellency that should this law be employed by the Government of Cuba to seize properties of American nationals, it will be viewed by the Government of the United States as further evidence and confirmation of a pattern of economic and political aggression against the United States under the guise and pretext of accelerating the social and economic progress of the Cuban people."

Mr. HICKENLOOPER. At this point in the Record I ask unanimous consent to have printed the decree of the expropriation program issued by the Government of Brazil on the 30th day of May last, about a week ago, in which the Government established the formula for taking over foreign property in Brazil, with an indefinite, undetermined, and certainly unsatisfactory, method for paying for the property if it is taken over. It relates to the official action of the Government of Brazil on the proposed acts for expropriation.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Protection of Foreign Investments in Public Utilities

With the purpose of protecting foreign investments in Brazil, the Brazilian Government issued a decree regulating expropriations in that country. It is based on a proposal submitted by the largest American investors in Brazil and in line with similar expropriation laws issued in the past by Mexico, Argentina, and Colombia. The new decree is also a result of mutual understanding on the subject arrived at high levels during the visit of President Goulart to the United States last April.

Following is the text of the law:

"Whereas at the present stage of the country's development the national interests may be better served by direct operation of public services or utilities, except in regard to municipal services or to those having a limited regional scope, where private concessions are justified; and

"Whereas in the nationalization of public utilities companies the constitutional principles of guarantee of private property, both domestic and foreign, must be observed; and

"Whereas the Council of Ministers, in its plan of government submitted to the Congress, recognized the necessity for the participation of foreign investments in the country as a supplement in the formation of internal capital, so that the country may attain and maintain the levels of economic and social development demanded by population growth and by the Brazilian people's just aspirations to social well-being; and

"Whereas the nationalization of public utilities companies should not result in a reduction of foreign investments in the country, nor in the creation of a climate discouraging to new investments, nor constitute a source of substantial increase in the exchange burdens arising out of such investments:

"Article 1. A commission answering to the President of the Council of Ministers is hereby created, to be composed of three members appointed by the President of the Republic, such commission to be charged with (a) submittal, for approval by the Council of Ministers, of a list of the services to be taken over for direct operation, indicating order of priority; (b) negotiation, with the representatives of the concessionary companies, of the conditions and procedure for refund or indemnization to the shareholders, and submittal to the Council of Ministers of the plan resulting from each such negotiation;

"Art. 2. The conditions governing refund or indemnization agreed upon with the concessionaries shall be subject to the following principles: (a) Initial payment of a portion not to exceed 10 percent of the agreed total; (b) deferred payment of a portion in installments compatible whenever possible with resources accumulated by the selfsame utility and with a minimum of additional public resources; (c) obligation assumed by the concessionaries to reinvest in the country, in sectors or activities defined by the national planning commission as enjoying priority for the social and economic development, of not less than 75 percent of the net amounts received as reimbursement or indemnization, such reinvestment not to be applied to the financing of, or participation in, any Brazilian enterprise already in operation;

"Art. 3. The assets and the amounts to be received by the concessionaries as payment or indemnization shall be estimated by mutual agreement and, when necessary, through expert evaluation and/or arbitration by a representative of the Government and a representative of the concessionary, and experts appointed by joint agreement, or, in

> case of disagreement, by the President of the Council of Ministers, with the approval of the Cabinet;
>
> "ART. 4. The present decree becomes effective on the date of its publication, all provisions to the contrary being hereby revoked."

Mr. HICKENLOOPER. Madam President, on yesterday afternoon the Brazilian Embassy released a translation of the May 30 decree of the Brazilian Federal Government under which the Government of Brazil proposed to take over public utility systems in Brazil. The provisions for compensation as set forth in this translation serve to confirm my worst fears. I will comment on these features in detail in a moment.

At the outset let me say that I am particularly disturbed that the introductory paragraph of the press release, which was presumably written by the Brazilian Embassy, indicates that the new decree has the approval of the U.S. Government. This is the way it reads:

> The new decree is also a result of mutual understanding on the subject arrived at high levels during the visit of President Goulart to the United States last April.

In view of the similarities between the Brazilian plan for compensation and those which were offered by Castro, I am deeply shocked to read that the new Brazilian decree has the approval of the U.S. Government.

I am not so sure that it does, but the Brazilian release indicates that the Government's proposal for expropriation has the approval of the State Department. That is what the Brazilian Government says. I do not say it has the approval of the State Department, but the Brazilian Government has indicated it has taken it up with our State Department and has the approval of our State Department to expropriate property belonging to Americans under this "fuzzy" method of payment. If it is true, I think we should know it. If not, the State Department should deny it.

Let me repeat what I have stated many times. We do not challenge for a moment the right of the Brazilian Government to expropriate properties within its territory, whether owned by Americans or other interests. But we do insist that there be prompt, adequate, and effective compensation. The State Department has traditionally insisted that international law requires the payment of prompt, adequate, and effective compensation, and all the best authorities are in agreement. If the expropriating government is willing to pay prompt, adequate, and effective compensation, then no question would be raised by me or, I believe, by any other Member of the Senate.

Now, let us look at what the May 30 Brazilian decree provides for in the way of indemnification. Article 2 of the decree reads:

> The conditions governing refund or indemnization agreed upon with the concessionaries shall be subject to the following principles:
>
> (a) Initial payment of a portion not to exceed 10 percent of the agreed total;
>
> (b) Deferred payment of a portion in installments compatible whenever possible with resources accumulated by the selfsame utility and with a minimum of additional public resources;
>
> (c) Obligation assumed by the concessionaries to reinvest in the country, in sectors or activities defined by the national planning commission as enjoying priority for social and economic development, of not less than 75 percent of the net amounts received as reimbursement or indemnization, such reimbursement not to be applied to the financing of, or participation in, any Brazilian enterprise already in operation.

This is the whole of article 2. Article 1 provides for the setting up of a commission to recommend to the Council of Ministers what utilities shall be taken over and to negotiate the amount of the indemnification. Article 3 provides for expert evaluation and/or arbitration and in the event of disagreement for ultimate decision by the President or the Council of Ministers with the approval of the Cabinet.

My purpose is to comment on article 2, which falls far short of the standard of prompt, adequate, and effective compensation. It is deficient in the following respects. First, in that the initial payment may not exceed 10 percent. Second, the remaining 90 percent or more is to be paid in installments "compatible whenever possible" with the earnings of the utility. This suggests that the payment of the balance of the amount owing to the former owners will be dependent on the earnings of the utility. It is a notorious fact that most of the utilities in Brazil, which are foreign owned, have been losing money because their rates have been controlled at too low a level to permit a profit. In the case of the ITT subsidiary, the company has lost money for the last 10 years. If article 2 of the Brazilian decree means that the installment payments will be dependent on the earnings of the company seized, the decree is subject to precisely the same objection as the State Department officially made to the Castro decree, which provided that payments would be made from the proceeds of sales of sugar to the United States.

Third, it appears that the new Brazilian decree would sanction the issuance of long-term bonds, a device which Castro included in his decree of July 6, 1960, and which was condemned by the State Department in its release of July 16, 1960. Fourth, the Brazilian decree definitely would require the former owners to reinvest 75 percent of the net amounts received, including presumably the amounts received in the initial downpayment of not to exceed 10 percent, in enterprises in Brazil selected by the Brazilian Government. This does not meet the international law standard that compensation be effective. To be effective, it must be in a form which the former owners can use freely wherever they see fit to do so. Furthermore, what is to protect the former owner against the fantastic inflationary losses which would occur while it is seeking the approval of the Brazilian Government for a new investment in Brazil?

Fifth, the decree leaves the final decision, both as to the public necessity for expropriation and as to the amount to be paid as compensation, to the President and the Council of Ministers. There is no provision in the decree for judicial review. It should be noted that article 6 of the Castro decree of July 6, 1960, provides that the decisions of the President of the Republic and the Prime Minister as to expropriation shall be final and not appealable. The State Department in its release of July 16, 1960 stated:

> The nationalization law is both arbitrary and confiscatory in that its provisions for compensation for property seized fail to meet the most minimum criteria necessary to assure the payment of prompt, adequate and effective compensation and in its specific prohibition of any form of judicial or administrative appeal from the resolutions of the expropriating authorities.

The Brazilian decree, like the Castro decree, appears to leave the final decision with the Prime Minister.

In the light of the foregoing, I have very grave reservations that the expropriated utility owners in Brazil will be treated in a manner consistent with the requirements of international law. Some of the criticisms which I have mentioned above could, of course, be corrected by enlightened administration, but all we have at the moment is the language of the decree iteslf, which is quite inadequate for the protection of the expropriated property owners.

I know the State Department opposes the so-called dating back of this principle, but if we do not date the expropriation prohibition back to January 1, in effect we tacitly approve the expropriation that has taken place this spring, and we encourage other expropriations.

The documents which I have put in the RECORD—and I have done it that way for the sake of brevity—clearly indicate that there is a great similarity between the method being adopted today by Brazil and the method which was adopted by Castro's Cuba. That is why I put the documents in the RECORD.

In Latin America, especially, the argument is being used in many circles "If Cuba got away with seizing American property, why cannot other countries get away with it?" If they get away with it, the sanctity and security of Americans' investments in Latin America are done and over with. Regardless of the high-sounding phrases for encouragement of private capital investment, there will be more discouragement, and no encouragement. We might as well kiss away the Alliance for Progress, which is on dead center anyway, because there is a lack of programing and planning in those countries.

If we do not do something like what is proposed, expropriation will sweep not only that continent but other countries where it is felt that American property, American investment, and private ownership are fair game for any predatory government.

Mr. CAPEHART. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Iowa yield to the Senator from Indiana?

Mr. HICKENLOOPER. I yield.

Mr. CAPEHART. It does not make sense to the American people, the American taxpayer, and private industry of

America to invest in any foreign country, knowing that the foreign country can expropriate the property and take the investment away from them.

Sovereign nations have a right to do that; but I do not think the Congress of the United States has any right to vote funds, loans, and gifts to be given to a country that deliberately expropriates American taxpayers' property and does not immediately pay for it in full.

To me the situation is ridiculous. Unless it is stopped, American private enterprise will not invest in many of these countries; and we as legislators have no right to spend the American taxpayers' money in those countries.

I agree with the able Senator from Iowa that there will be nothing but chaos, both in this country and other countries, unless we stop expropriation through such an amendment as the committee offered, plus the Senator's amendment to that amendment, making the provision retroactive for a couple of years. I cannot conceive of any Senator voting against this amendment.

Mr. HICKENLOOPER. I thank the Senator from Indiana.

I invite attention to the fact that the amendment adopted by the committee, to which I hope my amendment will be attached, does not violate any principle of national sovereignty. We recognize the principle of sovereignty. We recognize that a sovereign nation can, through eminent domain, take whatever property is within that country. But we take the position that such property must be paid for at its reasonable value.

All we are saying in the amendment the committee adopted is that if those countries want to exercise sovereignty, if they want to exercise eminent domain, they can do it, and we have no objection to it, but they should pay a reasonable value for the property they seize; and if they seize American property and do not pay for it, they should not get any more American aid.

We control what we do with our money; they must control what they do with property within their country.

That is all there is to the amendment. I submit it. I could discuss it for a long time, but I submit it to the acting chairman of the committee.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CARLSON. I do not want to let this opportunity pass without commending the distinguished Senator from Iowa for the diligence with which he has pursued this problem.

The committee sincerely studied this proposal before we accepted and placed the amendment in the bill. It does not go as far as the distinguished Senator from Iowa would have gone, or as I would have gone; but it is a start, and I think the amendment he has suggested today strengthens the provision.

I think it ought to be adopted.

If we do not take action, as the distinguished Senator from Iowa stated, we shall be on the verge of a great wave of expropriation of property in all the Latin American countries and many other countries. This is an opportunity for the Senate to render a service to those interested in the foreign aid program. I commend the Senator from Iowa. I hope his amendment will be agreed to.

Mr. HICKENLOOPER. I thank the Senator from Kansas.

Mr. President, with respect to the retroactive feature, going back to January 1, 1962, in my judgment, the validity of the State Department's original argument against that proposal falls flat in view of the announced decree of the Brazilian Government issued on the 30th of May.

There are two expropriations now in process. One is in process in Ceylon. The Brazilian Government announced on the 30th of May the intention to expropriate other property in Brazil.

If we set the date as of January 1, 1962, we include the presently active expropriation proceedings and, in effect, serve notice as to expropriations which are proposed under the decree of May 30, 1962.

Mr. President, I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, this subject was carefully considered in the committee. It underwent a great deal of discussion.

I wish to say at the beginning of my remarks, as I have told the able Senator from Iowa, I am willing to take the amendment to conference, but I wish to make a few very brief remarks in regard to it.

The Senator from Iowa has made the record, and it is a record on which all of us can agree. Every member of the committee was greatly concerned over the question of expropriation. We feared, as the Senator from Iowa pointed out, that there might be a wave of expropriations. We recognize, as was pointed out by the Senator from Indiana and by the Senator from Iowa, that every sovereign nation has the right of expropriation. We do not dispute that. However, under international law and under good practice there should be adequate compensation. "Adequate compensation" carries with it, by implication, timely compensation as well as sufficiency of compensation.

I do not believe there was any other provision in the bill on which we worked harder than we worked on this particular provision. The Senator from Iowa was most helpful and most instrumental in working out an amendment which was accepted by the committee as a whole and I think was fairly satisfactory to the committee as a whole.

When the Senator from Iowa offered his original amendment, it had a much earlier date. In fact, it would have applied to any expropriation which had taken place in the past or which might take place in the future. Now the Senator has pinned the date down to exactly January 1, 1962, which would cover the most recent acts of expropriation.

I do not wish to bind myself to the exact language. I think the Senator from Iowa understands that. Of course, the Senator from Iowa will be one of the conferees when the bill goes to conference.

This language will give us ample latitude for discussion in the conference committee, for arriving at a suitable arrangement. For that reason I am willing to take the amendment to conference.

I am ready to yield back the remainder of my time.

Mr. HICKENLOOPER. Mr. President, I thank the Senator from Alabama. He has been most cooperative. I know his desire is to reach the problem effectively. In the past there have been some disagreements within the committee as to the best method for solving the problem.

I appreciate the consideration of the Senator in accepting the amendment. I believe it is meritorious, and I thank the Senator for his cooperation.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. HICKENLOOPER. I yield back the remainder of my time.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment, as modified, offered by the Senator from Iowa.

The amendment, as modified, was agreed to.

Mr. HICKENLOOPER. Mr. President, I have another amendment which I hope the acting chairman of the committee will take to conference. The subject matter of this particular provision has been argued at length in the Senate. It has been discussed from all angles. The Senate is thoroughly familiar with the general meaning.

Mr. President, I call up my amendment 6-5-62—C and ask that it be stated.

The **PRESIDING OFFICER.** The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 11 it is proposed to strike out the period at the end of line 19 and to add the following: "and no other provision of this act shall be construed to authorize the President to waive the provisions of this subsection."

Mr. HICKENLOOPER. Mr. President, in the main bill there is a provision that the President may waive certain provisions of the law if he deems it to be in the national interest.

In respect to this particular amendment on expropriation, I believe it most desirable that there be no waiver of the provision. That is what the amendment purports to do. The amendment provides "and no other provision of this act shall be construed to authorize the President to waive the provisions of this subsection."

I sincerely believe that the adoption of the amendment would be of great service to the President and to the administration in connection with the expropriation matters, because the pressures put on the Executive to waive provisions of the law, under the argument that it is in the national interest to do so in this case or in that case, are very great indeed. I think it would be doing the President a favor if we placed this particular provision in the law.

I earnestly hope that the Senator from Alabama will take the amendment to conference. Ample leeway is provided. We can discuss it in the conference between the House and Senate.

Mr. SPARKMAN. Mr. President, if the Senator will yield to me, I am willing to take the amendment to conference. This is one of the provisions we discussed in the committee.

Mr. HICKENLOOPER. I understand.

Mr. SPARKMAN. I feel that the President ought to have a waiver right, but whether we have provided the correct language in the bill, or whether it is provided in the Senator's amendment, I do not know. This is something we can discuss in the conference committee, and I am willing to take the amendment to conference.

I yield back the remainder of my time.

Mr. HICKENLOOPER. I thank the Senator from Alabama for his courtesy and cooperation.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was agreed to.

Mr. COOPER. Mr. President, I call up my amendment 6-6-62—F, with a modification, and ask that the amendment, as modified, be stated.

The LEGISLATIVE CLERK. On page 1, after "SEC. 101." insert "(a)".

On page 2, between lines 4 and 5 it is proposed to insert the following:

> (b) Such section is further amended by inserting at the end of the last paragraph the following new sentence:
>
> "It is the sense of Congress that, where feasible, the United States Government invite friendly nations to join in missions to consult with countries which are recipients of assistance under this part on the possibilities for joint action to assure the effective development of plans for the economic development of such recipient countries and the effective use of assistance provided them; and that the President may request the assistance of the International Bank for Reconstruction and Development in bringing about the establishment of such missions."

Mr. COOPER. Mr. President, today a number of amendments have been submitted which would have the effect of prohibiting aid to certain countries. My amendment may be less dramatic. It is designed to secure the improvement, if possible, of the plans for economic development of the countries we help, and also to secure the participation of other countries in programs of aid to the countries we help.

In February 1959, the then Senator Kennedy and I introduced Senate Concurrent Resolution 11. That resolution asked that the U.S. Government invite friendly democratic nations to join with the United States, and to consult with countries in south Asia for the purpose of determining two things: First, whether a better program of economic development could be formulated; second, whether other countries could be persuaded to join the United States in financing such a program.

That resolution was passed by the Senate on September 10, 1959. The State Department acted upon the resolution. It requested the help of the International Bank for Reconstruction and Development. The World Bank obtained the cooperation of Mr. Hermann J. Abs of Frankfurt, Germany, Sir Oliver Franks of England, and Mr. Allen Sproul, former chairman of the New York Federal Reserve Bank. Those three men went to south Asia, to India, and Pakistan. They consulted with the governments of those countries, returned, and made their recommendations.

I think that the resolution which the then Senator Kennedy and I introduced encouraged a consortium composed of countries such as Western Germany, the United Kingdom, Japan, Canada, and France, which are now helping to finance the economic development of India and Pakistan.

The amendment I have offered today follows the language and purposes of the resolution the Senate adopted in 1959. It would urge the President, where he thought it feasible, to invite other countries to join with the United States in consulting with the countries we are helping, and in exploring the possibilities of joining with us in two projects: First, to provide better plans for the economic development of these countries, and second, to help to provide the funds for their economic development. The method worked in the case of India and Pakistan. I think it could be used effectively in the case of other countries we aid.

Mr. SPARKMAN. Mr. President, will the Senator yield to me?

Mr. COOPER. I yield.

Mr. SPARKMAN. At the time I favored the proposal of the Senator from Kentucky, and I still favor the resolution offered by the Senator from Kentucky and the then Senator from Massachusetts to which the Senator from Kentucky has referred. I think it was a good resolution and produced good results. I am willing to take the proposal to conference.

Mr. COOPER. I thank the Senator.

Mr. SPARKMAN. Mr. President, if the Senator is willing to yield back the remainder of his time, I am willing to yield back my time.

Mr. COOPER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. COOPER. Mr. President, I call up my amendment 6-6-62—E, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Kentucky will be stated.

The LEGISLATIVE CLERK. On page 2, before the quotation marks at the end of line 4, it is proposed to insert the following:

> It is further the sense of Congress that it is desirable that the programs of assistance under this part to each country receiving such assistance, as well as such country's own programs of economic development, should be reviewed by Advisory Committees appointed by the President to advise the President and the Congress whether such programs will be effective in achieving the purposes of this Act and in bringing about the economic development of such countries.

Mr. COOPER. Mr. President, the purpose of the amendment is to express the sense of the Congress that an independent review should be made of the aid programs we are carrying on in each country, and that an assessment should be made of the recipient countries' economic development programs, by an advisory committee appointed by the President.

The advisory committee would make a determination or an assessment as to whether the program of economic development in the country receiving our aid is an effective one. The committee would also determine whether our assistance was being used most effectively to secure the economic development of the country.

I do not offer the amendment lightly. I have seen one of our aid programs at work, and I know that there is a tendency to go on with these programs from year to year without an independent review. I am certain that we have many programs throughout the world which are not as effective as they should be in accomplishing our objective, which is to assist in the development of those countries.

There may be a tendency to continue some programs whether they are urgently needed or not. There may be a tendency for those in charge of some programs to build up their personnel and keep the programs going. I do not say that is occurring now. I know Mr. Fowler Hamilton is making a great effort, and is securing improvements in our programs. I think my amendment could support his efforts for improvement, by obtaining the independent advice of men of experience and judgment.

A year ago, when the new administration came in, I pointed out that it had a great opportunity to take a hard look at the development program in each of the countries that we are helping, to determine whether their programs are as effective as possible and can accomplish the purposes for which they have been formulated. I pointed out that we should also determine whether our programs of aid are the best that can be designed for each country.

I believe that if such a review has not been undertaken, it ought to be done in every country to which we furnish assistance. My amendment provides that it is the sense of the Congress that the AID through an advisory committee appointed by the President, should secure an independent review of the programs in every country we help, to determine, first, if the development program of the country itself is such that it will lead to reasonable economic development, and second, if our own country's aid program is as effective as it should be.

I have offered two amendments today which I believe could reduce the cost of our foreign aid programs, which could help to assure better development plans in each country we help, and which could assure that our own programs of assistance to these countries are made more effective.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BUSH. I am very much in sympathy with the purpose of the amendment offered by the Senator from Kentucky. I recall being in Vienna last September at the meeting of the World Bank and its subsidiary organizations. I recall the brilliant speech made at the time of his retirement by Robert L. Garner on the question of foreign aid. I recall in the month of October hearing the President of the World Bank, Mr. Eugene Black, make a very brilliant speech on the subject in New York after a big dinner at the Waldorf.

The one point that stood out in the remarks of both of those men, in the light of their long experience in lending money around the world to promote the welfare of countries, was that the quality of the loan is the important consideration. Their feeling was that we spent or lent too much money on projects in which the net result is not clearly seen, and the loan fails to accomplish the purpose for which it was originally intended.

So I compliment the Senator on bringing out that point. The question in my mind regarding the amendment of the Senator from Kentucky is in respect to what sort of advisory committee the Senator has in mind. The Senator has said that the programs would be reviewed by an advisory committee appointed by the President. Does he mean committees within the Government or outside authorities? Could we develop the Senator's view as to what he means by an advisory committee?

Mr. COOPER. The language of the amendment leaves that decision to the President. The President could designate a committee composed of officials drawn from the Government, or a committee composed of knowledgeable citizens outside Government. I thought it better to give the President flexibility and some latitude. Doing so might make it easier to secure the appointment of a good committee.

Mr. BUSH. I think the provision would certainly give him plenty of leeway.

Mr. COOPER. I think so.

Mr. BUSH. That is one point about the Senator's amendment that I wish were a little more specific. Perhaps we can make the record now as to what the Senator has in mind. Does the Senator have in mind the appointment of advisory committees whose members, by virtue of their knowledge and experience in such fields, would be useful and helpful in connection with the making of loans of the nature specified?

Mr. COOPER. That is my purpose. It would require men of judgment and experience to make an independent appraisal of real value. I am glad the Senator from Connecticut has helped make that clear, because now this intent will be shown in the RECORD.

Mr. BUSH. It should not be a little inside committee within the Hamilton organization, the AID organization. I do not believe that is the kind of advisory committee that should be set up to implement the amendment. It could be a small committee of two or three or four or five persons, provided they are persons who have some competence in the field and who know the area and know the problems of the particular country involved, and who also have some competence in appraising whether a project will eventually do what it was intended to do.

Mr. COOPER. Yes; that is the purpose. I made this proposal over 5 years ago, when I returned from India. I suggested at that time that a group of competent people be appointed to examine the development program in India, to see if their program was designed so as to give the best promise of accomplishing the purposes for which it was set up, and to see whether our own aid program was accomplishing what it ought to be doing there.

Later, in 1959, Senator Kennedy and I submitted a resolution which was adopted by the Senate. As a result, a committee was formed, composed of three outstanding bankers in the world. They were Mr. Allan Sproul of the United States; Sir Oliver Franks of Great Britain; and Mr. Herrmann J. Abs of Germany. They did not examine our aid program. They did go to India and Pakistan. They were able to come back and say, "We have made certain recommendations about the kind of aid that should be given."

That encouraged a consortium, through which a number of countries contribute toward India's third 5-year plan and Pakistan's second 5-year plan. This year additional countries have joined the consortium. I have maintained for some time now that this ought to be done with respect to other countries also.

However, I am dealing with something else in my second amendment, which I consider equally important. I have supported foreign aid ever since I have been in the Senate. I have made a number of speeches on it. They may not be remembered, but in 1957 in my speeches in the Senate I was saying the same thing I say today—that our country should not just continue the same old programs, or support programs which may be useful but not wholly essential. It ought to secure a review in each country of that country's development program to see if it is the kind of development plan that we think is practical and possible within that country, considering that country's circumstances and resources. Then we should look at it from another viewpoint, to see if our aid is being used in the most effective way, and if we are doing first the most essential things that need to be done.

I became interested in this subject through my experience in India. I saw our money going into all kinds of ancillary projects, which, while useful, were not wholly essential. A good deal of money was spread out on small projects, when it ought to have been devoted to the main projects. I concluded at that time that our efforts could be better planned and organized.

Mr. Hamilton is making a great effort within his organization. My proposal is not at all in derogation of his work. I believe it would be helpful to him to have a review and an independent appraisal of these programs, to see whether our money is being spent on the most important projects and is being put to the best use.

There ought to be another level of review, beyond that within the AID. I think the President should appoint a committee of two or three able men to review these programs. They could not go into every detail, but it should be determined whether a specific country has the kind of development program it ought to have, and whether our aid is effective. That is what I am arguing for. I am getting tired of voting for the large amounts of money year after year when it is so hard to get a clue as to whether it is doing any good.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. SPARKMAN. I wish to ask the Senator about something the distinguished Senator from Kansas [Mr. CARLSON] spoke to me about in connection with the Senator's amendment. It deals with the committees the Senator has in mind. In the amendment the Senator refers merely to committees for the various countries. Does that mean that the President would appoint a committee for each country, or does it mean that there would be two or three or four or five committees that would go from country to country to review the situation in each country?

Mr. COOPER. I believe that next year the President could pick out six or seven countries, or eight or nine countries, and say, "We would like to set up a committee of outstanding men to study the problems of development in this area." It might be a committee of outstanding businessmen, perhaps including representatives from labor, or any outstanding group of men whose judgment would be respected.

Mr. SPARKMAN. To do a sampling.

Mr. COOPER. Yes. To see what our aid is accomplishing in a particular country. I know that some countries may expect our programs to go on without change. But I believe it is time to take a close look at the way these programs are being managed.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CARLSON. The Senator from Alabama has raised the question that I discussed with him briefly. The amendment of the Senator from Kentucky is quite open ended. In other words, it could mean the appointment of an unlimited number of committees. I would suggest that the distinguished acting chairman of the committee would look into this matter in conference. There is the danger of the President setting up an unlimited number of committees. Each member of a committee would draw $75 and expenses. If an unlimited number of committees was appointed, it could be embarrassing. We had that situation come up today in connection with the amendment of the Social Security Act, and we struck out such a provision and put a limitation in it with respect to it. This ought to be discussed and taken care of when the conference committee meets. At that time some thought ought to be given to it.

Mr. SPARKMAN. I shall be glad to take the amendment of the Senator from

Kentucky to conference. It is a good amendment. I believe there is substance in the suggestion made by the Senator from Kansas. I should like to make a request of the Senator from Kentucky. I would like to have him give some thought to possibly preparing language that might be suggested to the conference committee at the time we meet, so that we might put proper safeguards around this subject.

Mr. COOPER. It was my thought that this point should be within the discretion of the President.

Mr. SPARKMAN. Perhaps a statement could be prepared which could go into the report of the managers on the part of the House. I am willing to take the amendment to conference.

I yield back the remainder of my time.

Mr. COOPER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. COOPER. Mr. President, I ask unanimous consent to have inserted in the Record at this point an explanation of my amendments and an excerpt from a statement on foreign aid I made in the Senate on April 29, 1960.

There being no objection, the material was ordered to be printed in the Record, as follows:

First Cooper Amendment Designated "6-6-62—F" to S. 2966, the Foreign Assistance Act of 1962

On page 1, after "Sec. 101." insert "(a)".

On page 2, between lines 4 and 5 insert the following:

"(b) Such section is further amended by inserting at the end of the last paragraph the following new sentence:

"'It is the sense of Congress that, where feasible, the United States Government invite friendly nations to join in missions to consult with countries which are recipients of assistance under this part on the possibilities for joint action to assure the effective development of plans for the economic development of such recipient countries and the effective use of assistance provided them; and that the President may request the assistance of the International Bank for Reconstruction and Development in bringing about the establishment of such missions.' "

EXPLANATION OF THE AMENDMENT

The purpose of the amendment is to seek the development of a consortium with other countries to provide assistance to specific countries that the United States might designate. It would have the effect of (A) asking other countries to assume a part of the cost of assistance to specific countries, which the United States might otherwise bear wholly over a period of years; and (B) securing the assistance of such contributing countries in assessing effective plans of economic development for recipient countries.

The amendment follows the language and purpose of Senate Concurrent Resolution 11 respecting India and Pakistan, which the then Senator Kennedy and I introduced in 1959. Our resolution was passed by the Senate on September 10, 1959. As a consequence of that resolution, the World Bank appointed Mr. Allan Sproul of the United States, Sir Oliver Franks of Great Britain, and Mr. Hermann J. Abs of Germany to a Bankers' Mission which made a new assessment of the Indian and Pakistan development programs and of the nature of assistance which would be effective. The consortium organized under the leadership of the World Bank has resulted in agreement by Western Germany, the United Kingdom, Japan, Canada and France to bear part of the cost of development of India.

Second Cooper Amendment (Designated "6-6-62—E") to S. 2996, the Foreign Assistance Act of 1962

On page 2, before the quotation marks at the end of line 4, insert the following: "It is further the sense of Congress that it is desirable that the programs of assistance under this part to each country receiving such assistance, as well as such country's own programs of economic development, should be reviewed by advisory committees appointed by the President to advise the President and the Congress whether such programs will be effective in achieving the purposes of this Act and in bringing about the economic development of such countries."

EXPLANATION OF THE AMENDMENT

The purpose of the amendment is to secure an independent review and assessment of the effectiveness of recipient countries' economic development programs, and of the effectiveness of the type of assistance that we provide for such countries.

Such an independent assessment could provide advice to the President and Congress as to whether: (1) the program of the recipient country is one which can be effective, and (2) whether our program is effective in assisting in the economic development of the recipient country.

Such a review could lead to elimination of unnecessary programs and expenditures by the United States, and to directing aid to the most important projects for the development of countries we aid.

Excerpts From Statement by Senator Cooper on Foreign Aid, in the Senate, April 29, 1960 (Congressional Record, vol. 106, pt. 7, pp. 8982–8983)

I believe that if the foreign aid program is to survive, it demands a reorganization by the executive branch, and by the Congress.

One of the chief reasons for the growing disillusionment over our foreign aid program, in my view, is that many people do not believe that it is as effective as it could be, considering the amount of money that we appropriate each year. From my observations for a short time in another country, that was my belief—that it is not as effectively used as it should be, and that it demands reorganization.

I wish to suggest a few points today which I believe this administration, or the incoming administration, and the Congress and its appropriate committees might take into consideration in the formulation of a foreign aid program for the future.

My first point is that military assistance and defense support should be stricken from the mutual security bill and placed in the defense budget.

The second point I make—and I believe this is the most important of all—is that if a foreign aid program is to be truly effective, it must be given continuity by the administration and by Congress.

The Marshall plan succeeded, in my judgment, because Congress made a statement of policy, a moral commitment to a 5-year program. The European countries were able to plan programs to fit their needs. They were able to organize their plans and programs for a 5-year period. The United States on its part was able to make its economic arrangements, its delivery of supplies over a period of 5 years. This course produced an effective program. And the cost was less than was contemplated at the time of the adoption of the Marshall plan.

As long as we have an economic program under which appropriations are made year by year, the recipient country cannot plan its expenditures; it cannot manage its foreign reserves. The United States cannot plan with the recipient country programs which would be most effective in that country. As a result, a country will not undertake wealth-creating programs because it does not know that help will be forthcoming from succeeding Congresses.

Russia has an advantage in this respect: It can select one or two great projects in another country, of large cost, which are wealth creating. It will make commitments at one time, to enable the major projects to go forward under Russian aid.

It seems contradictory to the very spirit of this country—a country which prides itself on its efficiency, and on the effectiveness of its private enterprise system, where plans are made years ahead—for the Congress to appropriate vast sums of money year by year, piecemeal, which deny the very effectiveness and the fulfillment of the objectives of our foreign aid program.

Continuity for 5 years would make possible a far more effective foreign aid program, with the same amount of money we appropriate now, or even with smaller sums.

The third point I make relates to the selection of projects in the recipient countries. Our programs are bilateral. Usually a country submits to the United States a program which it would like to undertake. It is difficult for the United States to say that a better program could be initiated. To do so offends the sense of sovereignty of the other country. If offends their sense of freedom and independence in a newly established country. A multilateral organization, however, could assist in the selection of the best program for a country, without difficulty.

I should like to see the State Department and the executive branch be able in the future to arrange consultations with the World Bank, or with the United Nations program of preindustrial planning. If the preindustrial planning program of the United Nations or the World Bank were used to determine the most suitable programs for recipient countries, we could be sure then our money would be spent on the best programs and would be more effectively used.

My fourth point is that we should give more attention to agriculture. * * * As these countries industrialize, the slow advances in personal income will first be spent on food and clothing. Unless they make progress toward modern agricultural development, we will see inflation in these countries, and the small advance in personal income from their industrial progress will be wiped out. * * *

We know that our foreign aid program, in self-interest, takes into account the struggle between two great world forces—the democratic countries and the Communist countries. But for many people throughout the world—and I know this to be true from my service in other countries and from my service in the United Nations—this struggle has little appeal. It ought to have appeal, but it does not reach the people. Many countries are engaged in a revolution, peaceful or violent, to upset the old order of their countries—an order which they believe has held down their living standards and prevented them from attaining equality in the world. Whether it be a democratic revolution or a Communist revolution, there is mystique and attraction in revolution. We see this today in Latin America.

If we base our mutual aid program with these countries solely on helping us maintain our own defenses and our own security against communism, the program will not have full appeal to the countries that are developing. Although they know our self-interest, they want to be certain that our purpose in maintaining this program is also to help the newly independent and developing countries advance in the ways our country has advanced. We can communicate that purpose to them only through action. * * *

So, Mr. President, if we are to have a mutual security program which the country will continue to support, this program must be reorganized. I have had the unique experience of observing this program from both sides (as a Member of the Senate and as Ambassador to India); and I have made these same recommendations since 1955 and 1956, when I saw our mutual security program in operation.

Mr. SPARKMAN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 15, lines 8 and 9, insert the following:

SEC. 404. The first section of the Act authorizing participation in the Interparliamentary Union (22 U.S.C. 276) is amended to read as follows:

"An appropriation of $48,000 annually is authorized, $21,000 of which shall be for the annual contributions of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration; and $27,000, or so much thereof as may be necessary, to assist in meeting the expenses of the American group of the Interparliamentary Union for each fiscal year for which an appropriation is made, such appropriation to be disbursed on vouchers to be approved by the president and the executive secretary of the American group."

Mr. SPARKMAN. The effect of the amendment is to do three things. First, it would retain the present ceiling of $48,000 for all expenditures annually for Interparliamentary Union purposes, and second, it would increase from $18,000 to $21,000, the ceiling of U.S. contributions to the Bureau of the Interparliamentary Union, and, third, it would decrease the ceiling on expenses of the American group, which includes the Senate and House delegations, from $30,000 to $27,000. It means that the total amount will be the same as we have had in the past, but that it will be distributed a little differently. I yield back the remainder of my time on the amendment.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

Mr. KEATING. Mr. President, I call up my amendment designated "6-5-62—F." I ask unanimous consent that the reading of the amendment be dispensed with but that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the reading of the amendment will be dispensed with; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 1, line 8, after "SEC. 101", insert the following: "(a)".

On page 2, between lines 4 and 5, insert the following:

"(b) Such section is further amended by inserting after the seventh paragraph the following:

" 'It is the sense of Congress that clear priorities should be established among the countries receiving assistance under this Act and that any requests for appropriations to carry out programs of assistance under this Act should be accompanied by information with respect to the priorities assigned for the fiscal year for which appropriations are requested.

" 'It is further the sense of Congress that in the administration of these funds great attention and consideration should be given to those countries which share the view of the United States on the world crisis and which concentrate their own resources on economic development rather than on Communist-supported military or propaganda efforts directed against the United States or against other countries receiving assistance under this Act.' "

Mr. KEATING. Mr. President, at the conclusion of my remarks, I shall send to the desk a modified form of the amendment and shall propose that it be acted upon.

Mr. President, the purpose of the amendment is threefold.

First. There is an undeniable need for priorities in the aid program. By that I mean that we need to make some decisions as to where and how our funds can best be invested to bring the greatest long-term returns in economic improvement and in mature political development. At the moment there is hardly a non-Communist country in the world that does not get some share of American aid. In fact, even some Communist countries receive help. As a result, our funds, which are limited, and our technicians and experts, which are even more scarce, are spread thinly around the globe. What can they accomplish under these circumstances? It was the chairman of the Foreign Relations Committee himself, who asked at a hearing April 16 on the Alliance for Progress program:

> Would it not be wise to have some system of priorities in which you undertake to conduct effective administration with the available competent men in a few countries as a start toward some concrete progress?

I think Congress should provide a strong and affirmative answer to this query right now.

What are needed are more hardheaded decisions as to what we really want to accomplish and where. We have small projects now all over the globe. Looked at individually, each may have some merit. But the foreign aid administration may very well be reaching the point where it cannot see the woods for the trees. The clear establishment of priorities with written justifications of these priorities made available to all Members of the Congress as a part of the appropriations request would help the executive branch, the Congress, and in fact the whole country to judge what is going on.

Second. It should be self-evident that our aim is not only to help other nations maintain their independence but also to encourage in them an understanding of American ideals and objectives in the world today. If as some people say, all we want is to help a nation maintain independence, we might as well be giving aid to the Soviet Union and to Red China. They are both independent.

Let us be honest with ourselves. We want not only independent nations, but also nations that live at peace with their neighbors, that take a responsible position in the United Nations, that make a genuine effort to understand what the United States stands for, even though they may differ on individual issues, and above all nations that would support the cause of freedom, should we ever face a showdown. No foreign aid project or program in any country can guarantee these results. But surely these results represent the overall objective of our foreign policy and therefore any part of our foreign policy, including the foreign aid program, must be consistent with our hope to achieve these ends.

Part of the language in my amendment was unanimously approved in the foreign aid appropriation bill of last year. It stems from the remark President Kennedy made when he signed the foreign aid authorization bill a year ago. The remark and the amendment reflected the anger which many Americans felt then at the two-faced reaction of the Belgrade neutrals conference to the resumption of Soviet nuclear testing. There is no doubt that Americans were thoroughly aroused over the hypocrisy shown at the conference. We did not conceal our justified outrage. This expressed outrage plus the Senate language in the aid appropriation bill were a very useful warning to some of these nations, which have, noticeably, toned down their anti-Americanism since then.

This language should be permanently in the policy statement of this legislation to remind ourselves and the world that mere independence is not all we require, that there are other values and principles which we cherish and that we want to have these values fairly understood and appreciated by those nations we choose to assist.

Finally, Mr. President, my amendment would give a similar preference under this act to those nations which use their own resources for economic development and not for Communist-supported propaganda or military efforts. No nations are individually named, but the amendment could serve as a useful warning to a number of nations. For instance, it is widely reported, although the AID agency does not admit it officially, that American aid to Nasser may go up to $200 million this year, under this and other acts. At the same time, Nasser is stepping up his propaganda broadcasts throughout Africa, stirring up hatred of so-called Western imperialism. His ministers are also reputedly planning a trip to the Soviet Union to drum up more Soviet aid and try to get more Soviet weapons. Under no circumstances should our stepped-up aid to Nasser provide the margin for him to step up propaganda or military efforts against Israel or against the United States. A recent article by Roscoe Drummond has given some figures on this point. Even though the figures are unconfirmed, if any U.S. aid helps Nasser buy Soviet equipment, it is a mistake.

In the case of Indonesia, American aid is undoubtedly making it easier for Sukarno to squander his own resources on aggression against the Dutch in western New Guinea. His nationalistic ambitions have strong Communist backing, although they are in violation of all United States and United Nations interests and principles. It does not serve the cause of freedom to help Sukarno in these designs and our foreign aid program to Indonesia should be administered with this in mind.

Thirdly, in the case of India, we know that Defense Minister Krishna Menon is negotiating with the Soviet Union to purchase Migs. It is our unfortunate suspicion, suggested by events up to this point, that these planes are intended more as a threat against Pakistan than against the real aggressor, Red China. If this is the case, U.S. aid to India should not, directly or indirectly, provide the economic margin for India's arms buildup.

There are other countries which might be mentioned. None are named specifically in any amendment, but the purpose of the amendment is to put this principle into the policy statement of the aid bill. Our purposes and intentions should be clear, not only to American citizens, not only to those who administer the AID program, but also and above all, to those recipients of American aid who are more concerned with propaganda and aggression than with much needed economic development.

Mr. President, this amendment offers guidelines for our aid program. I am confident that every Member of the Congress would support these basic principles. Therefore, I think we should not hesitate to write them into the bill so that we do not abdicate our legitimate legislative concern over foreign aid policy.

Rightly, I think, many Americans think the Congress has not fulfilled its responsibilities in exercising proper surveillance over foreign aid funds. We have given the administration virtually a free hand in running the program and in many cases, the results have been disappointing. The Congress has a duty to make its intentions clear in the policy language of the bill and we should not shirk it.

Mr. President, I urge the Senate to support the amendment.

I ask unanimous consent to have printed at this point in the Record an interesting and revealing article entitled "Cause for Alarm: Soviet Arms to Egypt," written by Roscoe Drummond and published in the New York Herald Tribune of June 6, 1962.

There being no objection, the article was ordered to be printed in the Record, as follows:

Cause for Alarm: Soviet Arms to Egypt

(By Roscoe Drummond)

From all the information I can gather, there is reason to view with alarm President Nasser's mounting acquisition of Soviet arms and our indirect role in helping him.

I am not suggesting that Egypt should be denied American aid because Nasser wants to remain an unalined neutralist; I am not suggesting that the United States should not give assistance to a country which also gets aid from the Soviet Union.

This is not the problem. This is not the reason I feel we must view where General Nasser is heading with new concern and take a fresh, hard look at what we are doing.

What is happening is:

Nasser is acquiring a formidable, ominous, aggressive—not defensive—military arsenal from Moscow.

To pay for these arms, he is imperiling still further all prospect that his regime can solve its economic and social problems peacefully within the existing boundaries of Egypt.

American aid to Egypt just about equals the resources which Nasser is diverting from Egypt's internal needs in order to purchase new and large-scale arms from the Soviets.

It seems to me that this trend of events presents a dangerous picture—and a dangerous potential. The very least we can do is to reexamine our part, however indirect, in bringing it about.

Obviously the Egyptian-Soviet arms traffic cannot be calculated precisely. But there is a variety of informed sources and, by cross-checking them, it is possible to make a careful computation. It is no overstatement to say that Egypt put approximately $68 million into Soviet military equipment in 1961. The figure will go to $85 million in 1962. A total of $145 million will be spent for modern, complicated Soviet weapons to be delivered during the next 2 years.

As a result of these Soviet deliveries, Nasser has announced he is doubling the number of army divisions from three to six, two of which will apparently be armored divisions.

The price tag on Soviet arms, delivered and contracted for from 1961 through 1964, is estimated at not less than $298 million. This is 60 percent of the estimated market value. Egypt pays on long-term loans at 2 percent.

Over this period the United States and International Monetary Fund will contribute to the Egyptian economy an amount equal to, perhaps even greater than, what Nasser is withdrawing from his economy to buy these weapons.

This looks like an uneconomic, unproductive, unhealthy, and undesirable enterprise.

Mr. KEATING. Mr. President, following a conference with the distinguished Senator from Alabama [Mr. Sparkman], I have modified my amendment so that it will read as follows:

On page 1, line 8, after "Sec. 101", insert the following: "(a)".

On page 2, between lines 4 and 5, insert the following:

"(b) Such section is further amended by inserting after the seventh paragraph the following:

" 'It is the sense of Congress that requests for appropriations to carry out programs of assistance under this Act should be accompanied by information with respect to the priorities assigned among the countries receiving assistance for the fiscal year for which appropriations are requested.

" 'It is further the sense of Congress that in the administration of these funds great attention and consideration should be given to those countries which share the view of the United States on the world crisis and which do not, as a result of United States assistance, divert their own economic resources to military or propaganda efforts, supported by the Soviet Union or Communist China, and directed against the United States or against other countries receiving aid under this Act.' "

Mr. SALTONSTALL. Mr. President, will the Senator from New York yield?

Mr. KEATING. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I commend the Senator from New York for offering his amendment. I think the proper approach is to give priorities to countries which are in need of assistance, are most friendly and helpful to us, and think as we do. That is a much better approach than the negative approach that was considered yesterday and was modified today.

I am very happy that the Senator from New York has offered his amendment. It is really an extension of what was provided in the appropriation act of last year. In my opinion, this is the proper method of approach. I am glad to join with the Senator from New York in the hope that his amendment will be agreed to.

Mr. KEATING. Mr. President, I deeply appreciate the kind remarks of the Senator from Massachusetts.

Mr. BUSH. Mr. President, will the Senator from New York yield for a question?

Mr. KEATING. I yield.

Mr. BUSH. As I recall, I supported the Senator's amendment to the bill last year. Did the amendment remain in the bill and become a part of the law?

Mr. KEATING. It remained in the appropriation bill last year, but was not included in the authorization bill this year.

Mr. BUSH. The purpose now is to have the language included in the authorization bill?

Mr. KEATING. The purpose is to have the amendment included in the authorization bill this year.

Mr. BUSH. I wondered if the Senator had noticed the effect of the amendment in the appropriation act last year. Is there any evidence that the amendment really guided the administration of the program?

Mr. KEATING. I am afraid that not so much attention was paid to it as it was thought should be paid to it when the amendment was adopted. Nevertheless, I believe it has had a salutary effect, in that the action of this body and of Congress as a whole is watched closely by our friends who receive aid.

I invite attention to the fact that the amendment was included in the appropriation bill last year by the unanimous action of the Senate. There was much discussion of the amendment in the Senate. Many Senators expressed their support of it, and I believe the Senator from Connecticut was one of them.

Mr. BUSH. I certainly was; and I hope the Senate will take unanimous action in favor of the amendment tonight.

Mr. SPARKMAN. Mr. President, I yield myself 2 minutes.

I have discussed the modified amendment with the Senator from New York. Has the Senator modified his amendment?

Mr. KEATING. I have modified it in accordance with our discussion, and I have read the modification into the Record.

Mr. SPARKMAN. Very well. I have discussed the modified amendment with the Senator from New York. Together we drafted the modification which has been submitted. In actual practice, the priority system is already in effect. The Senator spoke about the provisions having been placed in the appropriation bill last year. The first part of the amendment is already in operation.

I am in complete sympathy with the objective of the amendment. I do have some doubt as to whether the language used would accomplish the purpose. But I am perfectly willing to accept the amendment and take it to conference, and I shall solicit the help and the advice of the Senator from New York. Of course the conferees will work on the amendment and will obtain the best possible language at that time.

Mr. KEATING. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. KEATING. Mr. President, I express my gratitude to the Senator from Alabama, who has been most helpful in this connection. But I hope there were no invidious implications in his use of the words "I will take the amendment to conference."

Mr. SPARKMAN. No, Mr. President; I had no such meaning. I am perfectly willing, so far as I am concerned, to advocate the inclusion of the amendment in the bill. But I hope that between now and the time when the conference is held, we may do a little work on the amendment; and I want the Senator from New York to help us in that connection.

Mr. KEATING. I appreciate that, and I assume that improvement in the language of the amendment can be made. I appreciate very much the courtesy of the Senator from Alabama.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. Keating].

The amendment was agreed to.

Mr. JAVITS. Mr. President, I offer the amendment which I sent to the desk and ask to have stated. The amendment is offered by me on behalf of myself and my colleague [Mr. Keating].

Mr. SPARKMAN. Mr. President, at this time will the Senator from New York yield briefly to me?

Mr. JAVITS. I yield.

Mr. SPARKMAN. I know that the Senator from New York will be quite brief in his remarks. I point out that several Senators have engagements and wish to take planes in a short time. Let me say, for the information of Senators, that the Senator from New York has three amendments. Several of them are more or less technical—although perhaps they are of greater importance to the two Senators from New York than they are to some of the rest of us. But we have worked on the amendments, and I stated to him that I was perfectly willing to take all three of the amendments to conference.

One of them would correct a mistake in the bill. I do not know which amendment the Senator from New York intends to call up first; but I now refer to the one which relates to the New York Fair. Our report said one thing; but interpretation indicates that the proposed law evidently says another. This amendment is aimed at correcting that situation.

Mr. JAVITS. I thank the Senator from Alabama. Mr. President, as I stated, I submit the amendment on behalf of myself and my colleague [Mr. Keating]. I ask that the amendment be stated at this time.

The PRESIDING OFFICER. The amendment of the Senator from New York will be stated.

The Legislative Clerk. On page 15, at the end of line 8, it is proposed to add the following sentence:

> The amendment made by this section shall not be applicable with respect to any fair or exposition within the United States for which an appropriation has been provided.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. Mr. President, the report clearly states that the bill is not intended to affect the action taken in regard to the New York World Fair in the supplemental appropriation bill and, in general, in regard to the general U.S. participation there, insofar as its pavilion is concerned. Nevertheless, research indicates that the statutory base of the authorization would be swept away, in the absence of this amendment, if the provision of the bill for general legislation, also in the jurisdiction of the Foreign Relations Committee, were adopted.

The Senator from Alabama [Mr. Sparkman] and also the Senator from Florida [Mr. Holland], to whom I am very grateful for their help in connection with this matter, have helped my colleague [Mr. Keating] and me to arrive at a method by which the intention of the Senate may be carried out; and this amendment would accomplish precisely that.

Mr. KEATING. Mr. President, will my colleague yield?

Mr. JAVITS. I yield.

Mr. KEATING. I also express my deep gratitude to the Senator from Alabama and to the Senator from Florida for their cooperative attitude in this connection.

Whenever the New York World Fair is mentioned, any Member of this body or any Member of the other body has rather a traumatic experience. But everything was going smoothly until we came to this provision of the bill.

I believe the amendment has been carefully drafted, and I appreciate very much the courtesy of these Senators.

Mr. LAUSCHE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. LAUSCHE. I point out that the committee report contains statements which conform with the views expressed by the Senator from New York [Mr. Javits]. In offering my amendment in the committee, I did not contemplate that it would have any effect on the New York Fair—which I opposed, but which the Senate has approved. All the legislation needed to put it into operation is in effect.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. Javits].

The amendment was agreed to.

Mr. JAVITS. Mr. President, on behalf of myself and the Senator from Minnesota [Mr. Humphrey], I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 6, between lines 9 and 10, it is proposed to insert the following:

> (e) In furnishing assistance under this title, consistently with and for the purposes of section 601(b)(4) of this Act, the Agency for International Development or any other departments and agencies designated by the President shall provide such assistance as may be determined by the President to be necessary from time to time in order to make effective the efforts of the Commerce Committee for the Alliance for Progress, established under the Department of Commerce.

Mr. JAVITS. Mr. President, this is the so-called private enterprise amendment. It would enable a group of businessmen, who have been organized by Secretary Hodges to aid the Alliance for Progress program, to obtain some help from the Government, in the way of services, and so forth, and perhaps money, if that is possible, for whatever may be their proper expenses, if the President thinks that is advisable.

It seems to be generally agreed that without full and effective private enterprise participation, the Alliance for Progress would have much less chance of success.

My thought is to tie in private enterprise as effectively as possible. Businessmen place great store by the fact that Government agencies recognize their efforts to have action taken. Therefore, we want the President to indicate what he would like to have facilitated.

Those operating the Alliance for Progress are J. Peter Grace and J. Wilner Sundelson, both very distinguished men. I think the amendment would have a very helpful effect. This effort would be completely in the discretion of the President.

Mr. HICKENLOOPER. Mr. President, will the Senator from New York yield.

Mr. JAVITS. I yield.

Mr. HICKENLOOPER. I had intended to make this statement after the third reading of the bill, but this may be an appropriate time to make it.

I am not familiar with the Senator's amendment, although he has indicated that it may be along the right line, and could be very helpful.

But I wish to state to the Senate that today foreign aid is on trial in a way in which it has never been before; and the Alliance for Progress is on dead center. It is not moving, and it has not moved; and it will be a colossal failure without some realistic management and some realistic cooperation between our State Department and the Latin American countries and those who are charged with the responsibility of getting the Alliance for Progress to move. The program will fail unless those in the program act realistically, and unless we cooperate with them and help them.

I repeat that, in my judgment, today the Alliance for Progress is on dead center. I supported it; I think it is good in principle; and I shall continue to support it, at least for a time in the future, unless it evidently becomes hopeless—which I trust will not be the case.

But something must be done. We must get this program going—and not on the basis of Government financial bounty alone.

The self-help program that was originally contemplated in the Alliance of Progress program must be implemented, and it can be implemented only by the countries affected.

We must not proceed on the idea that an American checkbook in and of itself will create progress in those countries. If they expect us merely to contribute the money and then they will develop the land, the program will not succeed; but if they realistically approach this problem, American loans and assistance can be of great benefit, and should be.

The Senator's amendment sounds to me as though it would go one step along the line of private development and be a private enterprise stimulus. I think it is a very good amendment.

Mr. JAVITS. Mr. President, I yield back my time.

Mr. President, I ask unanimous consent that there may be joined as an additional sponsor of the amendment my colleague from New York [Mr. Keating].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I yield to my colleague.

Mr. KEATING. Mr. President, there is a glaring lack in the section of this bill that deals with the Alliance for Progress. It is an omission of great significance. I refer to the fact that there is no mention whatsoever of the role that private enterprise should and in fact must play if the Alliance for Progress is going to get anywhere at all. Last August it was optimistically promised that private U.S. capital would be invested in Latin America at an annual rate of close to $300 million over the next decade. This estimate turned out to be wildly overoptimistic. In 1960 the flow of U.S. capital south was only about $90 million. In 1961 it was only $190 million. These figures are well below the $300 million which was promised and indeed was the annual average during most of the previous administration.

What was apparently forgotten in the prognostications of last August was that private investment in the area depends very much on the extent to which this investment is encouraged by conditions in Latin America and by the policies of the American Government.

The Alliance for Progress has been very slow in utilizing the tremendous skill and experience of American businesses which have operated in Latin America for decades. At the first Punta del Este Conference, it appeared to some that the role of private enterprise and foreign investment was being deliberately downgraded. If this is the case, the consequences could be disastrous, for without at least $20 billion of foreign financing over the next decade, Latin American development will be crippled. Our Government aid program may amount to just over $1 billion a year, but if it is not accompanied by high rate private activity, up to the hoped-for $300 million a year, then these plans will be seriously handicapped.

The provision which the Foreign Relations Committee inserted in the bill to cut off aid after expropriations in which compensation is not properly provided, will go part of the way to counteract this trend. This has been improved on the floor by the Hickenlooper amendment.

Unless it is administered with determination and conviction, however, the provision will not be as effective as it could be.

Mr. President, it is very interesting, in attempting to evaluate the efforts of the Alliance for Progress thus far, to look also at the funding of the Inter-American Development Bank, and, above all, at the Bank's Social Progress Trust Fund. The Social Progress Trust Fund, established several years ago, has many of the same conditions as the Alliance for Progress, but the Fund administers its efforts in strict accordance with these provisions. Where self-help is not forthcoming, where the government does not give real proof of moving ahead, the Fund has not gone ahead and committed money anyway, as has the Alliance for Progress. For this reason, the Fund has been slower in committing money, still slower in disbursing it, but will, in all probability, have more constructive accomplishments to point to in the long run. It is also significant that 55 percent of the Bank's expenditures have been directly or indirectly channeled to private enterprise projects. So far, I have seen no figures as to the extent to which Alliance for Progress funds are being used to encourage private enterprise. It would be helpful over the long run for the Alliance for Progress to set some percentage objectives to insure adequate attention to the needs of private enterprise. Fifty percent would undoubtedly be too high at this point, but ultimately we should hope to stimulate the private sectors of these nations to such an extent that the Alliance for Progress will be able to work directly with responsible and private interests as well as the governments of these nations.

The amendment of my colleague, the senior Senator from New York, will be very useful in giving recognition to the important role that private enterprise must play if the Alliance for Progress is to meet its objectives.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. Javits] for himself and other Senators.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I send to the desk, on behalf of myself and my colleague from New York [Mr. Keating], another amendment, and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the senior Senator from New York [Mr. Javits] for himself and the junior Senator from New York [Mr. Keating] will be stated.

The Legislative Clerk. It is proposed on page 3, before the period at the end of line 6, to insert a comma and the following: "and after the word 'guaranty' insert the following: 'in the case of a loan shall exceed $25,000,000 and no other such guaranty'."

Mr. JAVITS. Mr. President, the amendment involves a question of increasing the ceiling for guarantees which are called all-risk guarantees which may be given under the discretion of the President under section 221(b). The ceiling now is $10 million. The contention made by interests in New York which are contemplating a development in Chile—which this amendment may or may not affect—is that the ceiling, in any case, is too low. The new ceiling would be increased to $25 million for loans, as distinguished from equity investments, in order to open the door to such developments, which is in the interest of our country.

I offer this amendment with my colleague after discussing it with various members of the Foreign Relations Committee.

Mr. SPARKMAN. Mr. President, I have discussed the amendment with the Senator from New York. It was brought up in the Foreign Relations Committee. The committee voted against it. It did so on the ground that the total guarantee program at the present time is $180 million, and that, by increasing the limit from $10 million to $25 million, we would have cut down the number of loans that could be guaranteed.

However, it is my understanding there may be only one or two cases to which this provision might apply, and I would like to say this word of caution: In agreeing to this amendment, it is our hope that the agency will use a great deal of discretion and care in granting guarantees to the limit authorized, and that they may be held down, in order that a greater number of guarantees may be covered.

I offer that suggestion as what I hope may be some guidance for the aid agency.

I am willing to take the amendment to conference.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. I commend my colleague for his initiative in both amendments, and I hope this amendment will be adopted.

Mr. JAVITS. I thank my colleague.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from New York [Mr. Javits] for himself and the junior Senator from New York [Mr. Keating].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I ask that the amendment which I have at the desk be called up.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

The Legislative Clerk. It is proposed, on page 10, after line 14, to insert:

(e) Amend section 620(c) to read as follows:

"No assistance shall be provided under this Act to the government of any country which

> is indebted to any United States citizen for goods or services furnished or ordered where (i) such citizen has exhausted available legal remedies, which shall include arbitration, or (ii) the debt is not denied or contested by such government, or (iii) such indebtedness arises under an unconditional guaranty of payment given by such government, or any predecessor government, directly or indirectly through any controlled entity, provided, the President does not find such action contrary to the national security."

Mr. HUMPHREY. Mr. President, I have discussed this amendment with the acting chairman of the Foreign Relations Committee, with the minority leader, and with other Senators. The purpose of the amendment is to make sure of the work we did a year ago in order to plug what I thought was a loophole in the act, namely, that when a government refused to pay its obligations, we could take some action. This provision will now be extended to the wholly controlled entities of governments, because the governments of some countries have evaded the effectiveness of last year's action by setting up wholly controlled entities, such as the World Bank, and they do not fulfill their obligations to U.S. concerns which accept orders for goods and services.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. I concur in the amendment. The amendment incorporated at my request last year was partially successful, but attempts to evade have been made. We have had some experience with governments which say, "This has been ordered. It has been contracted by a bank or institution which is government controlled," and yet they deny their responsibility. This amendment is to close that loophole.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HICKENLOOPER. I have not seen the Senator's amendment. I am generally familiar with the purpose of it, and I saw amendments which were proposed along this line.

Does the amendment require that the individual exhaust remedies within the country?

Mr. HUMPHREY. Yes; all legal remedies.

Mr. HICKENLOOPER. I have not completed my question. Does an individual have to exhaust remedies within the country, or does that provision apply if there is not a dispute? Do all these things have to be done, or is the amendment in the alternative?

Mr. HUMPHREY. It is in the alternative, and it is so stated in the amendment.

Mr. HICKENLOOPER. If it is an uncontested or admitted claim, then that provision does not apply?

Mr. HUMPHREY. That is correct.

Mr. HICKENLOOPER. If the claim is contested or not admitted, then the individual must exhaust all legal remedies under established law. Is that correct?

Mr. HUMPHREY. The Senator is correct in his interpretation.

Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, there is a provision in the act, and there is language in the bill that has been reported by the House committee, which are not the same as this language, so there will be plenty of leeway in conference to arrive at the best possible solution. As I have said to the Senator from Minnesota, I shall be glad to accept the amendment and take it to conference.

The **PRESIDING OFFICER.** Do the Senators yield back their time?

Mr. SPARKMAN. Yes.

Mr. HUMPHREY. I yield back my time.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

Mr. SPARKMAN. Mr. President, I ask for the third reading of the bill.

The **PRESIDING OFFICER.** If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2996) was ordered to be engrossed for a third reading, and was read the third time.

Mr. HICKENLOOPER. Mr. President, I wanted to wait until after the third reading of the bill to make a statement. I had intended to submit a proposed amendment to cut $400 million from the authorization in this bill. However, in view of the fact that it is an authorization bill, there are certain technical difficulties arising in such an across-the-board-cut proposal as that, and it is deemed more proper—at least, I deem it so, and some of my advisers do—to wait until we see what the appropriation, based upon this authorization bill, may be, and then, if it is deemed advisable to attempt an amendment along that line, to offer it to the appropriation bill, rather than to the authorization bill.

A substantial cut of $200-some million was made in this authorization within the committee. I think further cuts are necessary in the appropriation, but an examination indicates there are some technical difficulties in connection with offering such an amendment to an authorization bill which would not apply to the appropriation bill. Therefore, I reserve offering the amendment at the present time.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. HOLLAND. How much of a cut, in the Senator's opinion, will be required because of the adoption by the Senate, by a very large vote yesterday, of the amendment offered by the distinguished Senator from Ohio [Mr. LAUSCHE]?

Mr. HICKENLOOPER. I am not prepared to give the Senator an estimate, because I am not informed.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. HICKENLOOPER. I yield.

Mr. HOLLAND. It will be necessary, however, to effectuate cuts in order to make effective the provisions offered by the Senator from Ohio.

Mr. HICKENLOOPER. Yes.

Mr. HOLLAND. Which was adopted by the Senate yesterday.

Mr. HICKENLOOPER. I think those would be indicated, and perfectly justifiable. Part of the reason why the difficulty arises now is that we cannot tell exactly what effect the amendments will have. We can apply the cut to the appropriation bill, or we may be able to make the adjustment in conference.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. CARLSON. I had hoped to support the Senator from Iowa with respect to an amendment he and I discussed to reduce the authorization in the bill by $400 million, or by some certain other figure to be determined. I think the amount in the bill is too high. However, in view of the statement made, I shall not press any amendment along that line. I shall expect to vote for some reduction when the appropriation bill comes before the Senate.

Mr. SPARKMAN. Mr. President, I think some may be under the impression that the authorization in the bill is much larger than it really is.

First, I wish to restate what the Senator from Iowa said. In the committee we cut the bill by $216½ million, which was about a 10 percent cut. The bill, as it is before the Senate at this point, carries a figure of $1,908,900,000. That does not include the military assistance, because the military assistance was provided last year. In our last year's bill we authorized $1.7 billion a year. The bill provided that if the administration wished more it would be necessary to come to the Congress; if the administration did not wish more than that figure, it would not be necessary to return. This year the administration is actually asking for less, or only $1.5 billion.

In the bill as it is before the Senate at this point there are the following items, which I think will be of interest to Senators:

Development grants, $300 million.

Investment surveys, $5 million.

International organizations—including the United Nations and all the various organizations in which we participate—$148.9 million.

Supporting assistance—that is, economic aid to countries like Formosa, Korea, Pakistan, and Turkey, where we have to support the economies in order to make it possible for those countries to support the military—$400 million.

The contingency fund—which goes to the President, which he can use for any emergency which may arise—$300 million.

That makes a total of $1,253,900,000 for the grant program.

Under the loans, there is $600 million for the Alliance for Progress.

Adding administrative expenses of $55 million, the resulting total is $1,908,900,000.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. ELLENDER. What was the $1.9 billion-plus figure mentioned by the Senator?

Mr. SPARKMAN. That is the total amount on the economic side for fiscal year 1963. The bill shows more than that, because there are provided 3 extra years of authority for the Alliance for Progress.

For fiscal year 1963 the total amount is $1,908,900,000.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. Mr. President, I contemplate voting for the measure as it now stands. Obviously, it does not meet with my complete satisfaction. I think the amounts justifiably should be cut when the appropriation bill comes before the Senate.

With respect to the granting of aid to Communist countries, the presently proposed language is a great improvement over the language contained in the existing law. No military aid can be granted under the new language. Only assistance under Public Law 480 may be provided, and that assistance will be substantially restricted by the conditions which the President must find to be in existence before he can grant the aid.

I make this statement because I believe we cannot "go it alone." We have commitments around the world, such as those with Pakistan, Formosa, and Korea, which make it indispensable that we work with other countries. For that reason, although the bill does not meet with my complete approval, I shall vote for it.

Several Senators addressed the Chair.

Mr. SPARKMAN. Mr. President, I yield to the majority leader.

Mr. MANSFIELD. Mr. President, the Senator from Iowa [Mr. MILLER] intended to offer an amendment before the third reading of the bill, but because of unforeseen circumstances the third reading was had before the Senator could bring his amendment before the Senate for consideration.

After consultation with the minority leader and the Senator in charge of consideration of the bill, I wish to propound an unusual unanimous-consent request, which is not to be considered as a precedent.

I ask unanimous consent that the order for the third reading of the bill may be rescinded and that the Senator from Iowa may be allotted 2 minutes to present his amendment and discuss it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike the period in line 17, page 5, and to insert in lieu thereof the following: "and the efforts made by a recipient nation to repatriate capital invested in other countries by its citizens."

Mr. MILLER. Mr. President, first I thank the distinguished majority leader and the Senator in charge of the bill for their graciousness.

I believe the amendment would strengthen the hands of the President in connection with the Alliance for Progress program.

On page 5 of the bill, starting with line 12, it is provided that in making loans under the title, title VI, "the President shall take into account" various considerations, and also "whether financing could be obtained in whole or in part from other free world sources on reasonable terms."

I invite the attention of Senators to a recent article published in the Chicago Daily News, written by Gerry Robichaud for the Chicago Daily News Service, entitled "Flight of Native Latin Capital Threatens U.S. Alliance Plan." The article points out that many economists estimate there is now as much as $6 billion in Latin-American capital abroad in many of the foreign nations, in Swiss banks and all over the world.

My amendment would provide that, in addition to the various considerations stated as to making the loans, the President shall take into account also the efforts made by a recipient nation to repatriate capital invested in other countries by its citizens.

It seems to me, Mr. President, if this is to be a self-help measure, we should make sure that the people in those countries who will receive the benefits of millions of dollars of our own taxpayers' money should see to it that their own citizens do not take their capital all over the world, but instead keep it at home.

I believe the amendment will strengthen the hand of the President in the implementing of the Alliance for Progress program on a self-help basis.

Mr. SPARKMAN. Mr. President, I am willing to accept the amendment and to take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment was agreed to.

Mr. MILLER. Mr. President, I ask unanimous consent that the article to which I referred may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FLIGHT OF NATIVE LATIN CAPITAL THREATENS U.S. ALLIANCE PLAN

(By Gerry Robichaud)

MEXICO CITY, May 4.—The massive flight of native capital abroad and the reluctance of private American investors to put money into Latin American enterprises do not augur well for the Alliance for Progress.

By far the more damaging of the two is the flight of Latin American capital to the United States and Europe, where it is placed on deposit in banks or invested in stocks and bonds.

No one knows precisely how much money wealthy Latin Americans are sending abroad, but in terms of the widespread poverty that exists in their part of the world even the most conservative estimates are staggering.

Many economists estimate that there is now a minimum of $6 billion in Latin American capital abroad. Daniel Oduber, who has been designated Minister of Economics in the new Costa Rican Government that will take over on May 8, feels that the figure is closer to $10 billion.

Even at the lowest estimate it amounts to nearly a third of the total spending of $20 billion contemplated under the Alliance for Progress.

It doesn't take an economist to recognize how much good this capital could accomplish if it were brought back to the country of origin and invested.

If Latin Americans with money have so little faith in their own countries as to send much of their wealth abroad, how can they reasonably expect U.S. investors to take the risks that they themselves refuse to take.

Ever since the Communist Cuban regime began confiscating U.S. properties, the rate of new U.S. and other foreign investments in Latin America has been falling off significantly.

In 1960, new U.S. private investment in Latin America fell to $95 million in contrast to an average of $300 million a year in the previous decade. Revised figures for 1961 put new U.S. investment at $190 million.

This is considerably lower than the $300 million-a-year goal of the Alliance, which also contemplates new private investments from Europe and Japan of about $150 million annually.

If these goals are not met, the Alliance itself will fall short of its own overall objectives, for new private investment from the United States and other foreign sources represents slightly over 22 percent of total alliance spending.

Yet, as badly as they need new foreign investment, very few Latin American countries have done much to make such investment attractive. Recent expropriations in Brazil and nationalistic financial regulations adopted by other countries have tended to frighten off potential new investors.

Only Peru, Colombia, and Argentina—during the regime of ousted President Arturo Frondizi—have been successful in attracting a significant amount of new investment from private U.S. and European sources. They have offered tax, customs, and related concessions.

U.S. Secretary of Commerce Luther H. Hodges recently created an American Business Council to help stimulate the interest of U.S. investors in the Alliance program.

But in the final analysis it is only the Latin American countries themselves who can create the climate that will appeal to U.S. investors.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2996) was ordered to be engrossed for a third reading, and was read the third time.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Idaho.

Mr. DWORSHAK. Mr. President, I was one of the Senators who made a trip to South America last fall. Our distinguished majority leader was a member of the group. We were all strongly sympathetic to the Alliance for Progress program. We recognized that the Senate reflected real wisdom in providing there should be some reciprocity, in the way of a self-help provision, before our billions of dollars could accomplish any worthwhile objectives.

I wonder whether, when we project in the bill a commitment to provide funds for the Alliance for Progress program for several years, we create an erroneous impression that notwithstanding the failure of the beneficiary countries to cooperate in improving their own economic status we will continue to blindly and indefinitely provide dollars, which will prove futile and ineffectual unless there is the necessary cooperation from the Latin American countries. What assurance can the Senator from Alabama give us?

Mr. SPARKMAN. The basic act passed last year which set up the Alliance for Progress program contained a provision that I myself offered in the committee as an amendment that the aid would be conditioned upon the Bogotá Agreement and the declaration of the Punta del Este Conference. That provision would require the countries involved to make the necessary reforms.

We hear a great deal of complaint about the slowness of the program. The program is slow because we are insisting that the countries do what they promised to do. I believe that is what we want.

The bill is not a new act; it is an amendment to an existing act. The basic act has that provision in it.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. DWORSHAK. On the trip last year we visited Mexico. I have had a sympathetic understanding of the problems of the Mexican Government. I think it is very essential that we encourage and develop a strong ally to the south of us. We want a strong neighbor and a strong ally. But I was disturbed to read today in the Washington Post an Associated Press article indicating that—

> The Mexican Ambassador to the Organization of American States (OAS) assailed the United States yesterday with a charge that Americans are guided by a "western movie mentality."

The article further states that—

> Ambassador Vicente Sanchez Gavito told the OAS Council the attitude of the United States reflected a belief "that what they do is right because they are the ones who do it." He said this is a "western movie mentality" in which everything good is done by "blonde types" and everything bad by foreigners.

What does the very influential Committee on Foreign Relations intend to do in order to see that the climate in Mexico is favorable to the success of the Alliance for Progress program? If there is hostility and an attitude of complete failure to cooperate with us, how can that very vital program succeed?

Mr. SPARKMAN. Of course, neither the committee nor any individual can possibly answer the expressed opinion of every individual. I think that relations between the United States and Mexico are good.

Mr. DWORSHAK. The Mexican Ambassador is quoted.

Mr. SPARKMAN. I realize that. We have recently concluded an interparliamentary meeting between the two countries. I believe it was one of the best conferences that I ever attended and participated in. I believe that the relations between the two countries are very good, and we want to keep them good.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MANSFIELD. I think we ought to understand the story in the context of its full development. We should read the speech in full, which unfortunately I have not, nor have I seen a copy in evidence, which one should have before making a final judgment. Personally, I believe that of all the countries in Latin America, probably the best place for the Alliance for Progress to succeed is Mexico. Perhaps once in a while someone speaks out and becomes emotionally involved. He may speak a little strongly. It happens in the Senate Chamber on occasion. But the basic fundamental concept to keep in mind is that there is a firm foundation between Mexico and this country, and there is developing a solid understanding as a result of the Interparliamentary meetings, headed on the U.S. side by the distinguished Senator from Alabama [Mr. SPARKMAN] and on the Mexican side by Senator Manuel Marino Sanchez, and the majority leader of the Chamber of Deputies.

The Senator from Idaho is correct in his reference to our trip to Latin America last year. I am quite sure that we, like the rest of the committee under the chairmanship of the distinguished Senator from Arkansas [Mr. MCCLELLAN], were impressed with what Mexico had to offer. We were also impressed by the friendliness of the Mexican people and the officials. I believe that the reference may be a tempest in a tea pot, and I am sure that a satisfactory explanation can be made of the whole story referred to by my distinguished friend, the Senator from Idaho.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Louisiana.

Mr. ELLENDER. Pursuing the question raised by my friend, the Senator from Idaho, are we to understand that all the guidelines that were provided last year in the bill setting up the Alliance for Progress in South America have not been changed or modified in the pending bill?

Mr. SPARKMAN. Not at all.

Mr. ELLENDER. Those provisions remain as they are contained in the present law?

Mr. SPARKMAN. The Senator is correct.

Mr. KERR. Mr. President, the distinguished chairman of the Committee on Public Works, the Senator from New Mexico [Mr. CHAVEZ], wanted to read a statement into the RECORD with reference to the Inter-American Highway in Central America. However, due to the limitation of time, he was not able to do so. He said that I make a unanimous-consent request that after the transaction of other business by the Senate, and before adjournment, the clerk be directed to read his statement into the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

PEACE BETWEEN SYRIA AND ISRAEL

Mr. DIRKSEN. Mr. President, I have received a resolution properly passed on May 2, 1962, by the Congregation Temple Israel of Springfield, Ill., which resolution calls upon the President of the United States, Secretary of State, our representatives in the Congress of the United States, also, to our Ambassador and his associates in the United Nations, to use their good offices to see that both sides—Syria and Israel—sit down and discuss peace, as more fully stated in the resolution.

Mr. President, I ask that this resolution be printed at the conclusions of my remarks in the RECORD so that the Members of Congress and others may have an opportunity to know the full content of said resolution and its import.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

> In view of the above Congregation Temple Israel of Springfield, Ill., passed the following resolution at our regular meeting of May 2, 1962, which reads, as follows:
>
> "*Be it resolved*, That the board of Temple Israel go on record in sending a resolution to the President of the United States, our representatives in the Congress of the United States, also to our Ambassador and his associates in the United Nations; and, be it further
>
> "*Resolved*, That they use their good offices, personalities and powerful strength and weight of the United States to see that these Arab provocations cease immediately; be it further
>
> "*Resolved*, That they see that no favoritism is shown any private company or country for any pecuniary or financial aggrandizement or political advancement but rather from truth and sincerity in all its deliberations for complete eliminations of all tensions that exist so that they all may live together in real peace and harmony for each of their own welfare and human dignity and in so doing, forever eliminate war and replace war with peace on earth and good will toward men; be it further
>
> "*Resolved*, That, if the United Nations finds it necessary to censure, that they do so with the full knowledge who is in real error and be solely guided on those findings alone; and finally, be it
>
> "*Resolved*, That we call upon the President of the United States, the Secretary of State, our Representatives in the Congress of the United States, and also to our Ambassador and his associates in the United Nations to use their good offices to see that both sides sit down and discuss peace (Israel has indicated her willingness to do so). It is the hope and prayer of the board of Temple Israel and its entire membership that this resolution bear fruit by your efforts. We are sure God will bless you for it."
>
> This resolution introduced and properly passed upon on May 2, 1962, by Temple Israel Board of Springfield, Ill.
>
> Rabbi A. Aaron Segal; Robert Seidman, President; Daniel Rubin, Secretary; Leo D. Cohn, Vice President; Philip Wright, Treasurer; Harry Kaiserman, Vice President; Joseph Feuer, Hyman A. Feuer, Francis Dumas, Stanley Stern, William Egherman, Burt Chudacoff, Mrs. Harry Kaiserman, Dr. J. B. Kruger, Members of Board.

BESTOWAL OF HONORARY DEGREE OF DOCTOR OF DIVINITY ON ARCHBISHOP MAKARIOS

Mr. DIRKSEN. Mr. President, on June 3 His Beatitude the President of the Republic of Cyprus, Archbishop Makarios, delivered an address at Boston University on the occasion of the bestowal on him of the honorary degree of doctor of divinity. His address was a very impressive one, and I ask unanimous consent that it be printed in the Record at this point in my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by His Beatitude the President of the Republic of Cyprus, Archbishop Makarios, at Boston University on the Occasion of the Bestowal on Him of the Honorary Degree of Doctor of Divinity, June 3, 1962

I wish to say, Mr. President, how deeply moved I am by this happy occasion of a closer link with Boston University and how grateful I feel for the honorary bestowal on me of the degree of doctor of divinity.

I am happy to renew old acquaintances and friendships and to rejoin distinguished and beloved members of the faculty.

At this moment I vividly recall the happy days I spent in this university when a student on scholarship from the Methodist Church. With warmth of feeling and gratitude I now think of the kind and gracious way in which I was then assisted in my studies. Little could I then expect that I would be bestowed the honor of this degree as Archbishop and President of the Republic of Cyprus, which, as reflecting also on my people, I gratefully accept.

Hardly 2 years have elapsed since my enrollment, when I was called to take the spiritual duties of bishop. Two years later I found myself confronted with much heavier duties and responsibilities, when the people of Cyprus elected me as archbishop and thus their spiritual and national leader.

Much has happened in my country since then. The people of Cyprus have entered into a hard struggle in order to put an end to the long period of foreign domination of their country. It was a struggle with many similarities with the liberation history of the United States and, I may say, that I was so deeply impressed during my stay in this country, with the devotion of the American people to the noble ideals of freedom, that this experience has been a source of enencouragement in my endeavors for the liberation of my country.

Cyprus is now free. My spiritual duties are now coupled with those of the President of the newly born Republic. This combination of religious and political duties may appear to you strange. But I had felt that my duty was not to refuse services to the people of Cyprus during the first steps of their independent life so long as those services were needed.

My capacity as religious leader, however, cannot but affect my approach to political problems. In shaping the practical policy of my country, I draw from the moral principles of the Christian faith. In the present days of scientific development I would say it becomes necessary to bring the moral values of faith into every day politics. For technological advancement has suddenly opened an amazing chapter in human history. Man can circle the earth in a matter of minutes, and can also bring total destruction to it in as brief a time.

While such has been the astounding progress of man in the technological field, his moral standards and his approach to life remained static. He is still governed by a lingering concept of force and domination, of antagonism and war, at a time when new means of warfare can no longer produce anything but joint suicide and a global catastrophe.

The growing disparity between scientific progress and moral retardment has created a dangerous imbalance threatening the very foundations of life. Moral progress, therefore, becomes imperative for survival. The problem thus posed, which lies at the root of every world crisis today, is essentially a moral one. It is the problem of adjustment; the need for adaptation and moral adjustment to new conditions of life, brought about by the revolutionary achievements of science.

The call for moral change in man's approach to life is not new; vibrant in its prophetic warning it echoed through the corridors of time. What is new is the compulsion for change that comes with the threat of the hydrogen bomb.

The deliverance from death not only in terms of mind and soul, but also in terms of physical existence, is now at stake. The hour of reckoning as prophesied by John the Baptist appears realistically at hand. Humanity is now, as never before, faced with a formidable dilemma, from which there is no return and no escape. There is only one way out, that leading up to the brotherhood of man. It will either follow it or perish.

Scientific knowledge is thus bringing to a bewildered humanity and within the bounds of its conscious reasoning the light of truth, that in the past was in vain revealed to it through inspirational wisdom and faith. Science in our time is thus becoming an important adjunct to spiritual revelation, and a vigorous sustainer of enlightened faith an moral uplifting. We believe the challenge of science will ultimately bring a long delayed moral adjustment.

In the great human endeavor to that end, education has an important role to play. It should give increasing emphasis to its ethical side in an effort to bridge the perilous gap between scientific and moral standards. For, indeed, the purpose of education, as this university recognizes, is not merely to advance through accumulated knowledge the economic self-interest of the graduate but also, and more importantly, to develop his mind and character so that he may face the problems of life—whether in private or in public affairs—in the moral and positive spirit demanded by his time. We should, therefore, establish educational programs to impress the new generations with a sense of global responsibility commensurate with present day global perils. We should impart to them through knowledge a deeper understanding of the common destiny of one and undivided humanity, so realistically brought out by scientific progress.

The ideals at any given time, cannot and should not, be unrelated to the basic conditions of life at such time. The atomic age calls for new and more embracing ideals within the framework of peace. Dedicated men everywhere should set to work toward the realization of these ideals. And it should be an all-out effort, as time is running short.

Through the trials and tribulations that lie ahead of us, let us look hopefully to the dawning era of a new life, a life of love and brotherhood in the spirit of God and our Christian faith.

Thank you.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (S. 2996) to amend further the Foreign Assistance Act of 1961 as amended, and for other purposes.

Mr. HUMPHREY. Mr. President, I should like to call to the attention of the Senate, the Department of State, and to the Agency for International Development three observations.

I have stressed these points both in my work in the Committee on Foreign Relations and as chairman of the Subcommittee on Reorganization and International Organizations, of the Committee on Government Operations.

AID: DOMESTIC AGENCY RELATIONSHIP

First. The first point is that AID must continue its efforts to work out a more meaningful partnership with the domestic agencies which have technical competence in fields such as agriculture, education, health, housing, labor, and so forth.

I am pleased that the Senate Committee on Foreign Relations has emphasized this particular point in its report.

MARSHALING PRIVATE RESOURCES

Second. My second point is that AID must continue in its efforts to marshal and stimulate the resources of this Nation—public and private—on behalf of oversea assistance. That means serving as a further catalyst for the vast variety of nongovernmental resources—foundations, universities, trade unions, farm organizations, private business corporations, religious and other groups, and so forth.

CLEARINGHOUSES OF INFORMATION

Third. My third point is that AID must move ahead in its efforts to establish a system of clearinghouses of information, so that every aid-rendering source can coordinate its efforts with other donor sources.

Each of these points was made in a 53-page mimeographed report, which I provided to Government agencies on April 24, 1962. I subsequently discussed part of this report in the Senate on May 10, 1962.

The reactions to the report have been exceedingly favorable. I should like to quote from but one of many such reactions.

It comes from an expert with long experience of high-level service under several American Presidents in international development assistance programs.

I refer to Mr. Eric Johnston, former president of the U.S. Chamber of Commerce and now president of the Motion Picture Association of America.

I do not believe that Mr. Johnston will mind if I quote from a letter which he kindly wrote to me, containing personal reactions to the report, particularly on the issue of establishing international clearinghouses of information and assistance. Mr. Johnston graciously wrote:

> In my judgment, the report is one of the most impressive documents in the foreign aid field that I've come across in a long time. It's a comprehensive and stimulating analysis. And it certainly points up the kind of painstaking job you are doing. I congratulate you.
>
> I like especially the emphasis on information networks outlined in your action program. I think you've highlighted a real weakness. And it's an area where all of us—inside and outside of government—can help.
>
> For too long now, we have tended to dismiss that area as the concern of someone else. Actually, we have a real obligation to do the kind of information job on foreign assistance that you describe so well. I'm sure that the motion picture as well as the other media could contribute much to such an information effort.
>
> Again, my congratulations on your report. I want you to know that I stand ready to help wherever possible.

AID AND DOMESTIC AGENCIES

Now, on the issue of AID-domestic agencies relationships, the Senate Committee on Foreign Relations states the following in its report—pages 17 and 18.

Under the title "Technical Assistance," it discusses the amendment which I had sponsored to last year's laws in this way:

> In providing technical assistance under the act, the executive branch is required by section 621(a) to utilize, to the fullest extent practicable, the facilities and resources of the Federal agency or agencies with primary responsibilities for domestic programs in such fields.
>
> To date, no new memorandums of agreement have been written between AID and the domestic agencies, nor are any new memorandums close to completion. The committee urges AID to seek closer relationships and greater cooperation with the domestic agencies. They are strongly qualified to help recruit skilled personnel for oversea assignments, to provide support and guidance to oversea missions, to train foreign nationals in the United States, and otherwise to help AID in such areas as education, health, labor, agriculture, and housing.

Permit me to emphasize, as the committee did, that no new memorandums of agreement have been written between AID and the domestic agencies.

That does not mean that progress has not occurred; on the contrary, it has occurred. But a great deal remains to be done.

At this point, I ask unanimous consent that there be printed in the Record excerpts from a letter of May 22, 1962, which Mr. Fowler Hamilton, AID Administrator, helpfully provided.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Department of State, Agency for International Development,
Washington, May 23, 1962.

The Honorable Hubert H. Humphrey,
U.S. Senate,
Washington, D.C.

Dear Hubert: Thank you very much for your notes to Secretary Rusk and me and for the copies of your subcommittee report on "Agency Coordination Study." The problems covered in your study are very much in our minds, and we are appreciative of your suggestions. We will study them carefully and will undoubtedly be in touch with you again.

We had started a study of one problem covered by the report: interagency relationships covered by section 621(a) of the Foreign Assistance Act of 1961. We will be in a position to respond fully to the suggestions in your report on interagency coordination when that study is further along, which will be in a few weeks. Since there was no full discussion during the Senate Foreign Relations Committee hearings on the implementation of section 621(a), I would like to take this opportunity to bring you up to date on this subject.

While some measures have been taken we have not yet had time to effect a satisfactory improvement in AID's working relationships with other agencies of the Government. When I took office on October 3, 1961, the overriding priorities were the following: (1) to carry out a very far reaching reorganization of the entire U.S. aid structure; (2) to fill key positions in the new organization; (3) to reorient the substantive programs so that they would reflect the new directions and emphasis embodied in the Foreign Assistance Act of 1961; (4) to carry out the foregoing reorganization, restaffing, and program reorientation with a minimum adverse effect on critical ongoing programs.

The performance of these priority tasks, which are by no means as yet completed, has been difficult and time consuming.

Until reorganization and restaffing of this agency were well along, it was not possible to attempt any basic restructuring in the relationships between it and other agencies. Effective participation of other agencies in the foreign aid programs depends first of all upon an effective and well-established organization in AID with which these agencies can work. These transitional difficulties are in process of being removed.

* * * * *

The enclosed memorandum and attachment outline our efforts to date in obtaining multiagency participation in the foreign assistance program and indicate the lines along which we have attempted to move in this area.

Sincerely yours,
Fowler Hamilton.

Statement on Section 621(a)

Interagency coordination in the foreign assistance program

Although there is substantial potential for improvement, there is today a large and effective utilization of many of the resources and facilities of other Federal agencies and of the private community in the foreign-aid program. Attached is a résumé which helps to illustrate the variety of ways in which these agencies are now contributing to our aid efforts. Certain facts should be noted: Two-thirds of all the participants who came to the United States for training during fiscal year 1960 were programed and handled by a participating agency. More than 500 of the technicians who were located in AID missions on last June 30 were employees of other Federal agencies. In several fields, such as civil aviation and census, virtually all the technicians are employees of one of the participating agencies. More than 25 percent of the total Washington manpower devoted to the foreign-aid program in fiscal year 1961 represented manpower located in, and employed by, the various participating agencies. Over $50 million of aid funds are annually channeled through other agencies for expenditure by them in addition to those funds which are made available to the Department of Agriculture and the General Services Administration for purposes of procurement. In many cases, AID has contracted the entire technical direction of projects to other agencies.

Recent efforts to expand interagency coordination

In early January, after a considerable search for the right individual, Mr. Philip Glick was engaged as a consultant to examine the relationships between AID and other Federal agencies and to make recommendations for their improvement. Mr. Glick, who is intimately familiar with foreign-aid operations, appeared to be the ideal choice for this assignment. Unfortunately, after devoting several months to this work, and for reasons wholly beyond his or AID's control, Mr. Glick found it necessary to withdraw without the opportunity to prepare a study or report. As a result, the evaluation process is 3 months behind the point where we had anticipated it would be by April 1.

In an effort to make up for the time lost and to prevent a further loss of time, it was decided to forgo temporarily a long-term study in depth by an outside expert and endeavor to make as much progress as possible through an intensive, 2 months' examination of the problem by Agency personnel. Mr. John Ohly, who has been associated with the foreign aid program for more than 10 years, was appointed to undertake this task in cooperation with personnel in both AID and the major Federal agencies. He is devoting full time to this work.

There seems no other way to approach this problem. AID now works with more than a score of independent departments and agencies. In some of these agencies it deals with over a half dozen separate bureaus or divisions, each with its own peculiar problems and each cooperating with AID in a manner which reflects its own unique resources and capabilities. The complexity of the resulting relationships can be partially understood by referring to the attached listing, itself incomplete, of the agencies and the subdivisions of agencies, with which AID now is associated. No single formula or combination of formulas can satisfactorily be applied across the board to all of these agencies. There must be a detailed and painstaking examination of the resources and capabilities of each organization and of the methods by which these can be most effectively joined with those of AID in producing effective operating programs. This examination is now in process.

While the foregoing study proceeds, certain helpful interim measures may be possible. The major participating agencies are being requested to designate a senior individual to be physically located with his technical counterpart in AID. Such an arrangement might overcome certain existing communication difficulties, provide the representative with a place where he could effectively join in the stream of AID activities, facilitate participation in programing, and establish a basis for the development of a broader partnership or team approach in the future. Technical committees have already been constituted to serve as focal points for the informal coordination of activities in each technical field. These committees are chaired by the appropriate technical division chiefs in the Office of Educational and Social Development, and it is anticipated that the representatives of the other agencies will participate fully in the activities of these central coordinating committees.

THE PAST USE OF PARTICIPATING AGENCIES

AID's predecessor agencies made extensive use of the established departments of the Federal Government in planning and carrying out foreign assistance programs both in oversea operations and in domestic supporting and servicing activities.

Policies governing the use of participating agencies to perform foreign assistance activities have varied from extensive delegation, under the TCA program (in which participating agencies developed programs and negotiated independently with foreign governments) to relatively tight control. In most ICA programs, the Agency turned to the participating agencies principally for those specialized technical services in which they were uniquely competent.

Several agreements between most major participating agencies and the AID Agency were negotiated and signed. These established the overall framework of relationships with particular reference to the anticipated methods of reimbursement, coordination, control, and liaison. Within the framework of the general agreements, service agreements have been negotiated on an ad hoc basis. These agreements describe specific services to be rendered in return for a specific rate of reimbursement. They resemble a contract in scope and breadth. There are probably over 50 in effect now, and several more are presently being negotiated.

In fiscal year 1961, participating agencies' furnished more than 25 percent of the total Washington manpower devoted to the foreign aid program. More than 20 Federal departments and agencies were used.

In fiscal year 1961, the Department of Agriculture alone supplied more than 150 man-years to the programing of ICA agricultural participants. For this service, ICA paid agriculture more than \$1½ million—a sum representing more than 80 percent of ICA's total expenditure for the programing of participants in the field of agriculture.

In fiscal year 1960, of 6,789 participants programed for training in the United States, 4,027 were programed for participating agencies.

The following tables present further statistics:

TABLE I.—*Participating agency employees detailed overseas by ICA*

Following are listed, by agency, the number of participating agency employees employed on ICA's oversea rolls. These figures are based on the June 30, 1961, personnel strength report. They do not reflect 28 short-term (3 to 6 months) consultants from the various agencies.

FAA	127
Bureau of Public Roads	107
Bureau of the Census	20
U.S. Coast and Geodetic Survey	13
Bureau of Reclamation	38
Bureau of Mines	12
U.S. Geological Survey	65
Department of State	14
Agricultural Research Service	13
Department of Commerce	8
Public Health (DHEW)	109
Total	526

TABLE II.—*Reimbursement to participating agencies for Washington support of ICA programs*[1] (*fiscal year 1961 budget estimates*)

Department of Agriculture	1,747,574
Department of Commerce	444, 104
Farm Credit Administration	45, 000
Federal Aviation Agency	591, 000
Federal Communications Commission	69, 100
Department of Health, Education, and Welfare	1, 052, 141
Housing and Home Finance Agency	222, 400
Department of the Interior	382, 978
Department of Labor	1, 112, 700
Total	5, 666, 997

[1] The amounts listed above are not the total moneys paid to each participating agency by AID. Precise worldwide totals are not now available.

The amounts given represent Washington funded expenditures for technical consultation and support, participant training, administrative overhead, and field backstopping. They do not include the cost of employees assigned overseas on reimbursable details.

It is difficult to estimate the total amount of money paid yearly by AID to participating agencies. Each mission budgets its own projects—such as FAA airfields, Army Corps of Engineers roads, Bureau of Reclamation projects, and so forth. A rough guess as to the worldwide total annual expenditure (exclusive of commodity procurement through the Department of Agriculture or the General Services Administration) by AID through participating agencies would place the amount anticipated for fiscal year 1962 in the neighborhood of $50 million.

MARSHALING PRIVATE RESOURCES

Mr. HUMPHREY. Mr. President, the second point which I wish to emphasize is the need for AID to intensify the efforts now underway to secure the greatest possible participation by helpful American nongovernmental organizations in assistance efforts abroad.

Here, I am delighted to report that AID has made considerable progress.

But, so vast is the number and variety of private American groups which have experience in developmental assistance abroad that it will take a massive AID effort to communicate to these groups, to her from these and to assure the closest possible partnership.

The private groups will, and must of course, remain private and independent. But it is to be hoped that they will be increasingly well informed of AID goals and how they might voluntarily "pitch in" to help achieve these goals.

It is to be hoped that AID will increasingly inform itself of what the private groups have done, are doing, propose to do and may do in the future.

AID now has, fortunately, several experts keenly familiar with the nongovernmental sector. I am very hopeful of the fruitfulness of their work.

MOBILIZING INFORMATION

There is increasing awareness in many quarters of the need for better mobilization of assistance information. Here, I am referring to clearinghouses of information: (a) within the U.S. Government; (b) between the United States, foreign governments, and the United Nations and its agencies; (c) among nongovernmental organizations, American and foreign; (d) in recipient governments themselves.

Not long ago, Mr. Earl Cocke, of the International Bank for Reconstruction and Development, wrote the following—as one point in a multipoint program—in the Journal, Economic World, published by the Center for International Economic Growth:

> 7. Over the past 15 years there has accumulated a really incredible amount of separate unrelated development projects in many countries. By now, one of our most difficult operational problems is not so much the coordination of these projects as simply finding out who is doing what where. If an agency wishes to undertake a water supply project, there is no central source of information from which that agency can discover what other agencies and institutions are doing in the same area, which may have direct validity to the effectiveness of the project. This basic lack has led to a considerable wastage of resources that we can ill afford. Measures taken by the World Bank in India to establish a consortium among the principal developmental entities are a large step in the right direction * * * but a great deal more need to be done. Indeed, I should like to propose the establishment of a central development information office, under United Nations auspices, in each of the newly developing countries. Such offices should be adequately staffed and equipped to consolidate information on all development activities in the country. This will not be an easy job and it will require a substantial investment, but I believe such a plan would eventuate in savings both to the investing and the receiving countries far beyond the money invested in it.

In the nongovernmental sector, AID should, I believe, provide resources to strengthen the Technical Assistance Information Clearinghouse which functions under the auspices of the American Council of Voluntary Agencies for Foreign Service, Inc.

In the governmental sector, AID must strengthen exchange of information particularly within the U.S. Government.

At this point, I ask unanimous consent that there be printed at this point in the RECORD a memorandum which I have prepared and which focuses on the subject, particularly from the standpoint of the needs of the State Department's own library.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM BY SENATOR HUMPHREY ON STATE DEPARTMENT-AID LIBRARY

I should like to bring to the attention of the Senate a critical illustration of information weakness, right at the heart of U.S. foreign policy, in the State Department-AID Library.

This is an issue which confronts the Committee on Appropriations, and in particular its Subcommittee on Appropriations for the Department of State.

The present situation arises because of a reduction in the appropriations available for administrative purposes in the Department.

It seems to me, however, that some other alternative could have been found administratively. And appropriate and timely appeals should have been better communicated to the Congress for restoration of funds.

The net effect now is that the combined State Department-AID Library has been reduced to virtually a skeleton force which can do little more than catalog a certain number of incoming items.

CRITICISM OF SLASH BY WASHINGTON POST

A Washington Post editorial of March 22 stated that personnel reductions such as have occurred in this Library: "constitute a most wasteful kind of economy." The Post editorial added:

"The United States can ill afford to save money by denying to its foreign service personnel the knowledge necessary to do their essential jobs."

APPROPRIATIONS CUT INVOLVES SUBSTANTIVE POLICY

A library in the State Department or AID is not a mere archive; it cannot be considered a "mausoleum" of books; it is, or should be, in the mainstream of day-to-day operations. It should be feeding information—classified and unclassified—to a vast variety of official users, concerned with our $4.8 billion in foreign aid and with a vast variety of other political, military, diplomatic, economic, cultural decisions.

BACKGROUND: LIBRARY ASSOCIATION'S PROTEST

Last November the executive board of the American Library Association sent a telegram to President Kennedy protesting against the sharp reduction in the staff of the State Department Library which was even then looming.

The telegram stated that the severe cut in personnel which was then contemplated: "* * * seriously handicaps the research operations and the provision of background information on foreign relations."

On February 9, 1962, the association reported that Mr. Herman Pollack, Acting Assistant Secretary for Administration, Department of State, commented that "important services" of the library were being continued, but that: "* * * those services of the library which were less essential to the accomplishment of its basic mission must be discontinued or sharply reduced."

What this apparently means, for all intents and purposes, is that the library will be kept in operation on a pro forma basis.

PROGRESS IN REVERSE AND CONTRARY TO PRESIDENTIAL STUDY

This slash in the library represents progress in reverse. It is a step backward.

It is a step which runs completely contrary to virtually every principle which has been urged by information centers and specialists throughout the country who have been in touch with the Senate Government Operations Committee on issues of broad information policy.

At this very moment, a task force of the President's Science Advisory Committee is preparing a report to be submitted to Dr. Jerome Wiesner, the President's Special Assistant for Science and Technology. The report, I believe, will recommend a strengthening of information services within the executive branch.

PAST RESEARCH REPORTS CANNOT BE FOUND

Yet, here, we see that in the crucial area of foreign policy, there is not strengthening, but weakening, not centralization but still worse decentralization of information. The fact is that there is and has been no real center for State Department, AID and related reports.

Neither the State Department-AID Library nor any other center has served to collect and disseminate the fullest spectrum of U.S. Government foreign policy information to the many agencies, divisions and units which have a continuing need for it. Similarly, neither this nor any other center has full bibliographic control over U.N. and U.N. specialized agency reports, studies surveys and analyses which are issued in the hundreds upon hundreds each year. Nor is there in any one center a compendium of the reports from other sources, such as the Organization for Economic Cooperation and Development in Paris, the Colombo plan in Ceylon, or of a wide variety of intergovernmental bodies throughout the world.

The situation constitutes documentation chaos. The result is inefficiency and waste, with individuals needlessly performing foreign policy research, feasibility studies, and so forth, which have already been performed elsewhere.

Mr. HUMPHREY. I am a strong supporter of AID's research program. But I also believe that today's research should start from where yesterday's research left off. And this cannot be assured unless there is thorough acquisition, indexing, cataloging, abstracting, announcement, and dissemination of past research among interested agencies, offices, and other sources.

We need stronger, not weaker, information resources in the State Department and AID. As fast as the information comes in, it needs to be reviewed and assimilated. In many respects, AID is beginning to strengthen this review and evaluation process; this is a most enheartening development, but it still has a long way to go.

At this point I ask unanimous consent that the full text of the Washington Post editorial be printed.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE COST OF PARSIMONY

In a Spartan effort to absorb a $3 million budget cut last fall, the Department of State made drastic reductions in the funds and staff of its library. The library, founded by Thomas Jefferson, is the oldest departmental library in the Government and has grown through the 173 years of its existence to embrace some 500,000 volumes, a carefully selected research collection of primary and secondary source materials covering the diplomatic, political, economic, and sociocultural developments of all foreign countries and their peoples. Such a library is an indispensable tool for men whose duty it is to execute the foreign policy of the United States.

Experience has shown that these reductions constitute a most wasteful kind of economy. The staff of the State Department library was reduced from 60 employees to 27. The acquisition of new materials for the library has been brought to an alltime low. Binding is at a standstill. Service to outside students has been very nearly eliminated. The ready reference service which used to meet, on an average, 219 calls a day now meets a daily average of only 96. Daily book circulation has dropped from 427 to 236. Periodical service has dropped from 388 on an average daily basis to 287. The understaffing has resulted in forcing highly trained professional library personnel to spend much of their time on clerical work—a wasteful use of manpower.

A comparison of the State Department library with other libraries of similar size emphasizes the gravity of this understaffing. A university library is roughly comparable insofar as its services to graduate students and scholars are concerned. Here in the District of Columbia, the library of the Catholic University of America, for example, has a collection of 595,000 volumes serviced by a staff of 24 professional librarians and 24 nonprofessional employees; and this staff is supplemented by student assistants who render 25,000 hours of service during the course of a year.

The University of Maryland library, to take another local example, uses 43 professionals and 36 nonprofessionals plus 49,030 hours of student assistance to service a collection of 458,500 volumes. The Boston University library, with 521,000 volumes, has 43 professionals and 34 nonprofessionals, plus 44,000 hours of student assistance. The library of the Interior Department, about the same size as the State Department's, is said to be desperately understaffed with a current staff of a little over 30.

When the State Department announced its library reduction last fall, a loud and vigorous protest came from the American Library Association. "Such a severe cut in personnel," the ALA said in a telegram to President Kennedy and Secretary Rusk, "seriously handicaps the research operations and the provision of background information on foreign relations. This heavy cut is unwise and is poor economy in a time in our history when access to information is of vital importance."

The judgment of the ALA has been fully borne out by the experience of the past several months, we think. The State Department's administrative officials responsible for the cuts ought to move as speedily as they can to remedy what was surely an error of judgment as to the capacity of a reduced staff, if not a foolish disregard of the library's importance. Appropriation hearings will soon begin for the State Department. Every effort should be made to persuade Congress to provide more money for the departmental library. Failing that, however, the Department itself should make cuts elsewhere in order to restore the library's full usefulness. The United States can ill afford to save money by denying to its Foreign Service personnel the knowledge necessary to do their essential job.

Mr. SPARKMAN. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON (when his name was called). On this vote I have a pair with the senior Senator from Arkansas [Mr. McClellan]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. Bible], the Senator from North Dakota [Mr. Burdick], the Senator from New Mexico [Mr. Chavez], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Michigan [Mr. McNamara], the Senator from Oregon [Mr. Morse], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], and the Senator from Rhode Island [Mr. Pell] are absent on offical business.

I further announce that the Senator from Arkansas [Mr. Fulbright] and the Senator from South Carolina [Mr. Johnston] are necessarily absent.

On this vote, the Senator from Nevada [Mr. Bible] is paired with the Senator from North Dakota [Mr. Burdick]. If present and voting, the Senator from Nevada would vote "nay," and the Senator from North Dakota would vote "yea."

On this vote, the Senator from South Carolina [Mr. Johnston] is paired with the Senator from Oregon [Mr. Morse]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Oregon would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. Chavez], the Senator from Arkansas [Mr. Fulbright], the Senator from Minnesota [Mr. McCarthy], the Senator from Michigan [Mr. McNamara], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pastore], and the Senator from Rhode Island [Mr. Pell] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from South Dakota [Mr. Case], and the Senator from New Hampshire [Mr. Murphy] are necessarily absent.

The Senator from Pennsylvania [Mr. Scott] is detained on official business.

If present and voting, the Senator from Pennsylvania [Mr. Scott] would vote "yea."

On this vote, the Senator from New Hampshire [Mr. Murphy] is paired with the Senator from South Dakota [Mr. Case]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from South Dakota would vote "nay."

The result was announced—yeas, 61, nays 23, as follows:

[No. 82 Leg.]

YEAS—61

Aiken
Allott
Anderson
Bartlett
Beall
Boggs
Bush
Butler
Byrd, W. Va.
Cannon
Carlson
Carroll
Case, N J.
Church
Clark
Cooper
Cotton
Dirksen
Dodd
Douglas
Engle
Fong
Gore
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Jackson
Javits
Keating
Kefauver
Kerr
Kuchel
Lausche
Long, Mo.
Long, Hawaii
Mansfield
McGee
Metcalf
Miller
Monroney
Morton
Moss
Neuberger
Pearson
Prouty
Proxmire
Randolph
Saltonstall
Smathers
Smith, Mass.
Smith, Maine
Sparkman
Symington
Wiley
Williams, N.J.
Yarborough
Young, Ohio

NAYS—23

Bennett
Byrd, Va.
Capehart
Curtis
Dworshak
Eastland
Ellender
Ervin
Goldwater
Gruening
Hickey
Hruska

Jordan
Long, La.
Mundt
Robertson
Russell
Stennis
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NOT VOTING—16

Bible
Burdick
Case, S. Dak.
Chavez
Fulbright
Johnston
Magnuson
McCarthy
McClellan
McNamara
Morse
Murphy
Muskie
Pastore
Pell
Scott

So the bill (S. 2996) was passed.

Mr. SPARKMAN. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the bill and also to have the bill printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I could not let the occasion pass without paying my respects to the distinguished Senator from Alabama [Mr. Sparkman], the acting chairman of the Committee on Foreign Relations. In his usual manner, he has performed skillfully in guiding the bill to passage. I commend him for his knowledge and his understanding of the many questions which arose during the consideration of the bill.

I also extend my congratulations to the distinguished minority leader [Mr. Dirksen], who displayed a keen awareness of the difficulties which this country faces abroad, for helping to bring about the adoption today of an amendment which we believe will be in the best interests of the Nation.

I also commend the assistant majority leader, the distinguished Senator from Minnesota [Mr. Humphrey], for his understanding of the problems which confronted the Senate; for his assistance to the acting chairman of the committee; and for the many contributions he made to the successful passage of the foreign assistance authorization bill for this year.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business tonight, it adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

FRYINGPAN-ARKANSAS PROJECT

Mr. ALLOTT. Mr. President, the Fryingpan-Arkansas project in Colorado will come up for consideration in the House next week. I have received a letter from Mr. Raphael J. Moses, secretary of the San Luis Valley Water Conservancy District, Alamosa, Colo., enclosing a resolution of that water district. I respectfully commend the resolution to the attention of the Senate.

I ask unanimous consent that the letter and resolution may be printed at this point in the Record.

There being no objection, the letter and resolution were ordered to be printed in the Record, as follows:

The San Luis Valley
Water Conservancy District,
Alamosa, Colo., June 1, 1962.

Senator Gordon Allott,
New Senate Office Building,
Washington, D.C.

Dear Senator Allott: At the board meeting of San Luis Valley Water Conservancy District held last night the enclosed resolution was adopted.

I know that it is unnecessary for us to reassure you of our continued interest in the Fryingpan-Arkansas project, but we felt that this might serve to remind you of the united support which this project is receiving from all in Colorado.

With best wishes in your efforts to get this project authorized.

Sincerely,

Raphael J. Moses,
Secretary.

Whereas San Luis Valley Water Conservancy District has repeatedly urged the authorization of the Frying Pan-Arkansas project; and

Whereas the bill authorizing the construction of this project will reach the floor of the House of Representatives early in June: Now, therefore, be it

Resolved, That the board of directors of San Luis Valley Water Conservancy District reiterates its unqualified approval of the Frying Pan-Arkansas project and strongly endorses the efforts of the Colorado congressional delegation in their all-out fight for authorization of this worthwhile project; and be it further

Resolved, That copies of this resolution be forwarded to the members of the Colorado congressional delegation and that the officers of this district indicate to the Colorado congressional delegation and to the board of directors of Southeast Colorado Water Conservancy District their willingness to do anything in their power to assist them in obtaining such authorization.

PROBLEMS OF MINERS AND MINING COMPANIES IN THE UNITED STATES

Mr. ALLOTT. Mr. President, Mr. Frank W. Becraft, of Denver, Colo., wrote me a very thoughtful letter concerning the problems facing miners and mining companies in this country today. This letter bears out the fact that our domestic mining industry must surely be given consideration in an effort to resolve the difficulties presently facing it. As I have stated on previous occasions, the continuation of existing policies could well result in a disastrous shrinkage of markets through elimination of domestic mineral industries altogether. I ask unanimous consent that Mr. Becraft's letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Boulder Fluorspar Co.,
Denver, Colo., May 9, 1962.

Hon. Gordon Allott,
U.S. Senator from Colorado,
Senate Office Building,
Washington, D.C.

Dear Senator Allott: As you are of course well aware, one of our important national problems which is causing great concern today is the balance of payments and the accompanying decrease in our gold reserves, and we are told that we must check the outward flow of gold. Another serious problem is the large number of unemployed, many of whom have been without jobs over long periods of time.

It would seem that many millions in gold could be retained at home, many jobs could be provided, and many millions in taxes could be added to the national income, if our metal and mineral mines and mills could be put into operation again.

Without some protection, our domestic mines cannot compete with the low labor costs of most of our foreign competitors, and so some regulations are required to reserve a portion of the domestic market for our own producers. A quota system which would assure our domestic producers a share of our own market, say at least one-third, would probably be most equitable and the simplest plan to administer, together with an adequate tariff to equalize costs. If an adequate tariff is deemed objectionable for political or other reasons, then a subsidy to be paid to the producers could be provided to equalize the differential of the foreign wage rates. The plan which you introduced to cover the fluorspar industry a couple of years ago should be a satisfactory solution.

Data published by the Bureau of Mines show that for the year 1960, fluorspar with a value of $14,392,888 was imported, while the Bureau's estimated figure for 1961 was $11,593,000. These figures are not large when compared with the import of some of the metals, such as lead and zinc, but the problems of the individual fluorspar producers, and especially the smaller operators, are just as serious to them as are those of the large producers, and relief is just as vital, or probably more necessary on account of their limited capital resources.

Operations on our properties, located near Jamestown in Boulder County, were closed down at the end of 1958, due to the market conditions resulting from heavy imports at reduced prices.

Practically all domestic fluorspar production, other than that from captive mines, has already been forced to close down in the face of the foreign imports, principally from Mexico, Spain, and Italy. If this condition is not soon remedied, the cost of unwatering the mines, and of rehabilitating the mines and the mills will become so great as to make resumption of operations uneconomical, with the result that these essential natural resources may be permanently lost to our national economy, with the accompanying loss of the stockholders' equity, the loss of jobs, and the loss of future possible tax revenues. The loss of jobs is of course very serious indeed to the local economies, and in the meantime, the labor force of experienced miners and mill operators is being scattered, and no younger men can be trained in the meantime to handle these highly skilled jobs.

If the present policies are continued much longer, our domestic metal and mineral industries will cease to exist, and in future years, our great Nation with all its resources will be dependent solely on imports for our requirements of many of these vital materials, leaving us subject to whatever deliveries and prices which the foreign producers decide to impose on us, because it may then be impossible to revive our own production facilities. That would not be a pleasant situation for the United States to face, but it may become a reality within the next few years if steps are not taken promptly to put our mineral production industries on a firm footing. It must be realized that time to forestall this potential condition is rapidly running out. Prompt action is urgent.

We of course know that you understand and appreciate the above facts, that you have been a consistent champion for a strong mining industry, and that your efforts have been continued in the face of strong opposition by forces which apparently fail to understand the long-range damage to the country which will result from the continuation of their policies. We congratulate and thank you for your past efforts which we are sure will be continued, and assure you of our continued support in the future. With best wishes,

Very truly yours,

FRANK W. BECRAFT,
President.

TRADE AGREEMENTS ACT

Mr. ALLOTT. Mr. President, the Senate will soon be considering the President's trade program and charting a course of action to take when the Trade Agreements Act expires June 30 of this year. The challenge of the Communist economic offensive, the fast-moving economic unification of Europe—exemplified in the European Common Market—and the vast, new prospective markets presented by the many new developing nations throughout the world will make certain changes in our present trade policy necessary and desirable.

However, the Executive power the President requests, to engage in negotiations for tariff reform, cannot be considered in a vacuum. We must consider the same in the context of forging our fiscal, monetary, and wage-cost-price policies that will make it possible for American industry and agriculture to be in a truly competitive position. This must involve a reexamination of our depreciation writeoff policies, our corporate income tax structure and other policies which, if left as they are today, would make a truly competitive free trade atmosphere impossible and which would spell doom for large segments of our industries drawn into such competition.

The necessity for proceeding cautiously so as not to sound the death knell for many of our own industries was brought home to me again this week when I received two letters from Joseph Coors, president of the Coors Porcelain Co., of Golden, Colo., concerning the effect any lowering of tariffs on chemical porcelain would have on his business. Coors Porcelain Co. manufactures chemical porcelain, of the type which is used in every chemical laboratory in the United States and is essential for our national defense. Within the past 6 months, Japanese importations of chemical porcelain have been put on the market in this country at consumer prices which are 25 percent lower than the best prices which Coors can give. This is possible despite the present 60 percent protective tariff which now applies. If this tariff were to be appreciably reduced, there is no question but what Coors business would be completely destroyed since Coors Porcelain Co. is the only manufacturer with a complete line of chemical porcelain in the Western Hemisphere. The destruction of this business would present a serious threat to our national defense program and to our vast research and development industry.

Mr. President, in order that the other Members of the Senate may have the benefit of the warning note which Mr. Coors sounds in his letters to me, I ask unanimous consent that the letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COORS PORCELAIN CO.,
Golden, Colo., May 18, 1962.

Hon. GORDON ALLOTT,
Senator, State of Colorado,
Senate Office Building,
Washington, D.C.

DEAR GORDON: Thank you very much for your kind letter of May 2 regarding the tariff situation as it affects our porcelain business. Your recommendations in regard to what action to take in this matter are very much appreciated.

I have prepared and am enclosing two letters addressed to you which cover this particular subject. Both of these are based on the actual facts of the situation and the longer of the two gives a pretty complete history of the situation on chemical porcelain from the angles of pricing, attempts to automate to reduce labor, comparative labor situations between this country and the foreign countries, and also the position of chemical porcelain in the national defense picture. The shorter of the two letters emphasizes only the national defense angle of our chemical porcelain. Having both of these available, you can use them as you see fit depending upon the circumstances.

Your interest in this matter is very much appreciated and I certainly hope that you will be successful in continuing the tariff protection which chemical porcelain requires in this country. This would not only be doing a service to Coors but to the 125 of our employees out of a total 1,000 which are involved in the manufacture of chemical porcelain, to the welfare of the State of Colorado as it is affected by this industry, and finally, of course, to the benefit of our whole country in providing a continuing source of this product.

With many thanks and best regards.

Sincerely,

JOSEPH COORS,
President.

COORS PORCELAIN CO.,
Golden, Colo., May 18, 1962.

Hon. GORDON ALLOTT,
Senator, State of Colorado,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLOTT: Coors Porcelain Co. manufactures chemical porcelain which is used in every chemical laboratory in the United States and is essential for our national defense. It is specifically stated "chemical porcelain is vital in national defense" on page 178 of volume II, part 1 of the "Summaries of Tariff Information" published by the U.S. Tariff Commission.

Within the past 6 months Japanese importations of chemical porcelain have been put on the market in this country at consumer prices which are 25 percent lower than the best prices which we can give. This is possible despite the present 60 percent protective tariff which now applies. If this tariff were to be appreciably reduced, there is no question that this business would be completely destroyed. Since Coors Porcelain Co. is the only manufacturer of a complete line of chemical porcelain in the Western Hemisphere, destruction of this business would present a serious threat to our national defense program and to our vast research and development industry.

I strongly urge you to do whatever you can to modify pending legislation in order to protect industries such as ours which are vital to our national defense program.

Sincerely yours,

JOSEPH COORS,
President.

COORS PORCELAIN CO.,
Golden, Colo., May 18, 1962.

Subject: Drastic effects of proposed tariff reductions on chemical porcelain industry.

Hon. GORDON ALLOTT,
Senator, State of Colorado,
Senate Office Building,
Washington, D.C.

DEAR SENATOR ALLOTT: The Coors Porcelain Co. was given its real start in life at the beginning of World War I when the Allied blockade of Germany stopped the importation into the United States of chemical porcelain, along with all other kinds of scientific apparatus. At that time there were no manufacturers of chemical porcelain in the Western Hemisphere, and the chemists of this country soon found themselves in dire straits for the necessary laboratory equipment to carry out their valuable research and control work. At that time the Federal Government made an appeal to all ceramic companies to produce chemical porcelain as needed in the laboratories. Coors Porcelain Co., along with approximately 26 other companies, started small-scale operations to produce these items. Today, Coors Porcelain Co. is the only manufacturer of chemical porcelain left in the Western Hemisphere. This porcelain is distributed throughout the United States and Canada through scientific apparatus dealers to all of the private and governmental laboratories, as well as universities and high schools. There is not a laboratory in the United States which does not in some way use Coors chemical porcelain ware.

The manufacture of chemical porcelain has been a good business and a slowly but steadily growing one over the past 45 years, amounting to roughly a million and a half dollars in annual sales today at Coors' sales value. This business has never been a highly profitable one, however, because of the continuing threat from foreign importation. This pressure plus the ability to keep costs down by mechanization has resulted in a much lower increase in prices over the years than most comparable products. For example, on two typical major items of this line, crucibles and evaporating dishes, prices have increased by only 141 percent from 1939 to 1962, and since 1950 by only 21.5 percent.

Because the national importance of this scientific product was recognized by the scientific community a separate category in paragraph 212 of the Tariff Act of 1930 was set up. The U.S. Tariff Commission has stated in volume 2, part 1 of the "Summaries of Tariff Information," in paragraph 212, page 178 that "chemical porcelain is vital in national defense." Great Britain also lists chemical porcelain as a key industry entitled to protection by import duties.

Previous to World War II, German chemical porcelain was making rather rapid inroads into this business despite the high tariffs which were in existence at that time. Today, again we see the threat of the destruction of this business by low-priced foreign importation. Just within the past 6 months, an American firm (Laboratory Equipment Co. of St. Joseph, Mich.) has taken over the franchise for a line of Japanese-made chemical porcelain. Their list price is to the ultimate user 25 percent lower than our present price, despite the 60 percent tariff which now exists on chemical porcelain. Although they are making some inroads into our business and will undoubtedly continue to, we believe that it is possible for us to do a pretty good job of competing at this price differential because of the service and quality we can supply. It is inconceivable, however, that any rightfully thinking purchasing man would continue to buy Coors porcelain rather than this imported Japanese ware if the protective tariff were removed.

There is a wide variety and number of parts required in a complete line of chemical porcelain. We actually list in our catalog and stock 476 separate items and make a good number of additional items on special order. The quantity of individual items which is sold varies from one or two of some items up to approximately 200,000 of the more popular smaller items. With this wide variety and low volume, there is a tremendous amount of hand labor involved in the manufacture of this ware, and it does not lend itself easier to automation. We have been working toward automating where possible for the last 15 years, and have invested heavily in modern tools and machinery to become as efficient as possible.

Because of the large amount of handwork required in the manufacture of chemical porcelain, a large percentage of the cost of this material is in labor. Actually, over 30 percent of our sales dollars go to direct operating labor and an additional 20 percent to other classes of wages. With the average wage rate for production workers in this plant at $2.35 per hour at the present time, it is obvious that we cannot compete under any circumstances with ware being produced in Japan by equally competent people and a wage rate of 35 cents per hour, which is average for the ceramic industry there, nor even from the United Kingdom, where the average wage rate in the pottery industry is 48 cents per hour for women and 97 cents per hour for men. The average rate in West Germany is 61 cents per hour. These wage rates from the foreign countries were compiled by the Business and Defense Services Administration of the Department of Commerce and represent the latest data for 1961.

There is no question that if the protective tariff against the importation of chemical porcelain were removed, this segment of the business at Coors Porcelain Co. would be destroyed and some 125 of our employees would be put out of work. Of even greater concern than this, however, is the fact that the entire Western Hemisphere would be left without a single supplier of chemical porcelain. This was disastrous to our budding young chemical industry in World War I. It certainly would have been disastrous to our entire war effort if it had happened at World War II, and there is certainly no one that can claim that it would not be disastrous to the research and development effort required if this country were to again face a world conflict. It can only be concluded that it would be extremely poor judgment to pass laws or make regulations which would destroy an industry which is vital to all of the chemical and physical laboratories of this United States. We strongly urge you to reject any attempt to enact legislation which would allow such an occurence.

Very truly yours,

JOSEPH COORS,
President.

PRIORITY OF POWER GENERATED AT FEDERAL POWERPLANTS IN PACIFIC NORTHWEST

Mr. HRUSKA. Mr. President, S. 3153, now pending before the Committee on Interior and Insular Affairs, is an unfortunate expedient which purports to accomplish one primary purpose; namely, to give to all power consumers in the Pacific Northwest priority to all Federal power generated at Federal powerplants in that area.

Whatever may be the underlying reason for this legislation the net effect will be to set one section of the country against another. Areas with Federal hydroelectric facilities will be sheltered behind a protective wall. These same walls will block out regions which have little or no Federal hydroelectric resources.

Nebraska is one of many States which does not have an abundance of Federal hydroelectric facilities, notwithstanding that it is the only State located in its entirety within the Missouri River Basin. If the principle of S. 3153 is carried over to my State, Nebraskans will be deprived of the opportunity to share in the benefits which flow from Federal plants that have been paid for with some of their own tax dollars.

Concern over the dangerous precedent that would be created as a result of Senate approval of S. 3153 has been expressed by my fellow Nebraskan, the former Secretary of the Interior Fred Seaton. He said:

> While the announced purpose of this proposed legislation is to deal with the sale of surplus power in the Pacific Northwest to other adjacent areas including California, it can, if passed without amendment, create a dangerous precedent which would be extremely harmful to the future of the State of Nebraska.

I ask unanimous consent that there be printed in the RECORD at this point an article published in the May 25, 1962, issue of the Omaha World-Herald, reporting more fully on Mr. Seaton's position concerning this bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEATON: POWER BILL THREAT TO STATE'S PRIORITY STATUS

HASTINGS, NEBR.—Fred A. Seaton, Republican nominee for Governor, said Thursday night that a Senate power bill introduced by Senator CLINTON ANDERSON, Democrat, of New Mexico, chairman of the Senate Interior and Insular Affairs Committee, is a potential threat to Nebraska.

Mr. Seaton said the bill is S. 3135 which Senator Anderson introduced at the request of Interior Secretary Stewart Udall.

The Hastings publisher said, "While the announced purpose of this proposed legislation is to deal with the sale of surplus power in the Pacific Northwest to other adjacent areas, including California, it can, if passed without amendment, create a dangerous precedent which would be extremely harmful to the future of the State of Nebraska."

Mr. Seaton said that Senator ANDERSON appeared to recognize the dangers.

He quoted Senator ANDERSON as saying that "it is a dangerous principle to start laying down that because water falls in a certain geographical area, that the people living in that State, no matter where they may be, have preference rights above what others might have gotten."

Mr. Seaton commented that if the bill passed as it stands, the Secretary of Interior could restrict electrical energy now flowing into western Nebraska from the Big Thompson project of Colorado to sale on a surplus recallable basis.

The same, said Mr. Seaton, could apply to power coming into Nebraska from Fort Randall and Big Bend Dams in South Dakota.

"Nebraska, as a public power State, now has a priority preference status under Federal law and we must not lose it. Nebraska public power districts, REA's, municipalities, and other preference customers have a tremendous interest at stake," he said.

Mr. HRUSKA. Mr. President, Nebraska now is receiving Federal power from the Federal dams in South Dakota to the north and from the Colorado Big Thompson projects to the west. Both of these power sources are vital to our State, and we are entitled to power from them because our tax dollars help pay for them.

Expediency should not be allowed to control our actions. FPC Chairman Joseph Swidler told the Senate subcommittee that regional preferences stand in the way of the best use of the Nation's resources for the benefit of the whole country.

The interests of the Northwest are not the only essential interests that must be protected. In our zeal to protect one region we should not establish a principle which would be adverse to the best interests of all other regions.

Mr. President, this is not the first time we have considered a subject of like kind. Four years ago there was an attempt on the part of Senator CASE, of South Dakota, to cause enactment of similar legislation by way of a conference report submitted to the Senate on a public works authorization bill. It was particularly designed to apply to dams to be constructed in the Missouri River Basin by the Corps of Engineers. A proviso read in part that:

> A reasonable amount of such power as may be determined by the Secretary of Interior or such portions thereof as may be required from time to time to meet loads under contract made within this reservation shall be made available for use in the State where such dam is constructed.

It was generally understood that this was designed to apply especially to Big Bend Dam on the Missouri River in South Dakota.

In the CONGRESSIONAL RECORD, volume 104, part 5, pages 6107–6125, is found an extended debate on this subject, participated in by several Senators.

Out of this discussion there arose several conclusions.

MODIFICATION OF PREFERENCE CLAUSE

One was that such a statutory proposal would clearly modify the historical and traditional power preference clause. My colleague from Nebraska [Mr. CURTIS], in his debate on such a proposal, stated:

> This proviso modifies the power preference clause. That is its purpose; that is what it does. If the power preference clause is to be adopted, that is all right. I think it should be brought in the front door and debated as such, and all the equities weighed. * * *
>
> I add that it is a modification of the preference law. This time it is modified by the location of the dam. To say the least, it lacks uniformity. If we are to have a preference law, it should apply the same all over, in every State, and to all the people.
>
> This proposal establishes a precedent. It will follow that the next time preference will be given to the State in which the dam is located, or so many miles from it.
>
> Although the hour is late, I call to the attention of the Senate the fact that we are approving a modification of the preference clause with respect to federally financed hydroelectric projects.

There is no question that the pending bill, S. 3153, does the very same thing. It does modify the preference clause.

As to the desirability of amendment thereto, we could get into a very extended and spirited debate, I am sure. However, for a piecemeal modification or amendment to be adopted, applicable to only one single location, is a position difficult to defend.

In the 1958 debate, the senior Senator from Minnesota [Mr. HUMPHREY] spoke on this subject. He said:

> But I am not satisfied when a Senator argues that the so-called preference customers in his State will get a preference over the private utilities in his State and also a preference over the preference customers in the regional river valley.
>
> These rivers involve systems; they do not flow only through one State. The Missouri River belongs to the people of the United States. The funds for the Missouri River development are not taken only from the people of the State of South Dakota; they are taken from all the people of the 48 States.
>
> * * * * *
>
> But I do not think it is fair to alter the preference-clause system, because if that is going to be done for one State then another State will want it done. The Senator from Oregon said, "What about it for Oregon?" What about it for Idaho? What about it for other States? We have no public power districts in Minnesota. We have REA's, but they are preferred users under the preference law. I do not see why one REA in one State should get preference over an REA in another State by an exemption or a proviso in the law.

The senior Senator from Missouri [Mr. SYMINGTON] also spoke in the debate. Concerning the preference clause, he said:

> First, I should like to associate myself with the statement made by the Senator from Nebraska [Mr. CURTIS]. This proposal would be a change in the preference clause, regardless of how we consider it.
>
> Second, I do not see how the situation with respect to the Hungry Horse Dam is applicable, because it was authorized by a separate act, not by the Flood Control Act of 1944.
>
> In regard to Niagara, in the Niagara picture no Federal money was involved; it was all State money.
>
> I should like to say to my good friend, the Senator from South Dakota, that the people of my State are very much worried about this matter because they believe it is the beginning of a leak in the dike of the preference clause; and in our State we purchase a great deal of power from other States.

The senior Senator from Kansas [Mr. CARLSON] also spoke up in that 1958 debate. Here is what he said in part:

> This has been a very delicate subject for many years—it is not new—in the Missouri River Basin Agency. The project referred to is an integral part of the whole program. The Senator has stated that only a small project is involved.
>
> If we open the door, the next thing will be a request to keep the water back and use it to develop electric power inside the one State when the water is for the use of the entire Missouri River Basin. I think if we open a hole in the dike, our action can have far-reaching import in future years.

Reference to the foregoing excerpts from the 1958 debate clearly shows two things. One, it was attempted then, as it is now, to secure a modification of the preference clause; and, secondly, that neither the Hungry Horse Dam or the Niagara situations constituted any valid precedent. Likewise, that it would be ill-advised to approach such a fundamental proposition of national policy in the field of reclamation and water development on a piecemeal basis.

POTENTIAL APPROPRIATIONS DIFFICULTIES

A second very fundamental difficulty which was envisioned in 1958 was raised by the senior Senator from Minnesota [Mr. HUMPHREY] when he stated:

> Mr. President, the only other point I wish to make is that I have supported the Missouri River program, and I wish to continue to support it. We need votes for this program. It has been highly contested in the Senate. But if Senators start to play around with the preference clause in the case of these flood-control projects—and the Missouri River program is under the Flood Control Act—they will run into difficulties in the case of the appropriations, because it is rather difficult for some of us from areas outside the immediate vicinity to justify projects when there will be discrimination in terms of the availability of power.

The danger thus spoken of by the Senator from Minnesota [Mr. HUMPHREY] is just as alive and filled with potential trouble in this regard in S. 3153.

Most outstanding authorizations and appropriations for such projects as these were made upon the basis of justifications which included multipurpose uses and benefits which were regional in character. There certainly would be a distortion of such an original authorization and appropriation to modify the course of benefits at this late date in any given situation. Naturally, if such benefits are now to be confined closely in a geographic way, there will be a great reluctance on the part of many Members of Congress to appropriate on future occasions since it would be Federal money that would be used and the benefits should be spread to as wide an area as practicable.

Mr. President, let us not set region against region, watershed against watershed, State against State without a thorough study, consideration, and debate for the purposes of overall national policy. Let us not act piecemeal. It may be that the preference clause should be modified since, as it is sometimes argued, it gives preference to distributing systems rather than to consumers. But in a measure such as we are now concerned with, such broad considerations pro and con cannot be raised.

I respectfully request my colleagues on the Irrigation and Reclamation Subcommittee to give the proposed measure the most careful scrutiny, as I am sure they will do.

FORT ROBINSON, NEBR., BEEF RESEARCH FIELD DAY

Mr. HRUSKA. Mr. President, on June 2 it was my good fortune to attend an important field day at the Fort Robinson, Nebr., Beef Cattle Research Station. The event was scheduled in connection with the centennial anniversary of the creation of the U.S. Department of Agriculture; and Dr. Byron T. Shaw, administrator of the Agriculture Research Service, was among those who attended.

Presiding over the program was Dr. E. J. Warwick, chief of the Beef Cattle Research Branch of the USDA, and our host was Mr. J. E. Ingalls, superintendent of the Fort Robinson Research Station.

We were privileged to hear papers by a number of experts, including Dr. H. H. Kramer, director of the experiment station, University of Nebraska; Mr. Forrest Lee, of Brownlee, Nebr., chairman of the research advisory committee of the American Cattlemen's Association; Dr. R. M. Koch, chairman of the Department of Animal Husbandry, University of Nebraska; Dr. K. E. Gregory, of Lincoln, coordinator for the North Central Region Beef Cattle Research; Dr. J. N. Wiltbank, physiologist at Fort Robinson; Mr. R. E. White, herdsman for the research station; and Mr. W. W. Rowden, assistant superintendent.

Mr. President, it was my pleasure to speak to the cattlemen and researchers attending the field day, and I ask unanimous consent that my remarks be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TO DO FOR THE PEOPLE WHAT NEEDS TO BE DONE

Speakers are expected to begin their remarks with something like, "It's a great pleasure to be with you today." Most of the time we mean it. Today, I want to assure you I really mean it. My duties in the Senate often call me to other parts of the country and, occasionally, to other nations. But nowhere have I been that surpasses in its exciting beauty this particular corner of Nebraska.

You may recall, Mr. Ingalls, that the last time Mrs. Hruska and I were here was late last fall. It was quite cold and your front porch was covered with drifted snow. Even under those rough conditions of weather, we both remarked on the eye-catching scenery, the rugged hills, and the deer we saw on the way up here.

Whether it is snowing or the sun is shining brightly, you have a wonderful climate here. I am thinking not alone of the climate in meteorological terms, but of what has been called the climate of freedom, a climate of friendliness, a climate of hospitality. We so enjoyed our Sunday supper with you and your fine staff last fall, as we have our previous visits, that we can never pass up an invitation to come calling at Fort Robinson.

Here, where the ghosts of Crazy Horse, Spotted Tail, and Red Cloud are said to walk, when the moon is right, some of the West's most colorful history was written. And, as Mr. Ingalls pointed out during another visit here just about a year ago, Fort Robinson is now writing a new kind of history into the pages of agricultural research.

Today we mark an anniversary—a very special anniversary. For few institutions and fewer men is the goal of a centennial attainable. When Abraham Lincoln signed the law creating the Department of Agriculture, there was grave uncertainty as to whether the Union would survive, to say nothing of a Government agency, especially, one begun so tentatively and in a time of such stress.

Isaac Newton had for a staff only the nine employees transferred from the Agricultural Division of the Patent Office when he took his oath as the first Commissioner of Agriculture. The entire office occupied only six rooms in what is now the Civil Service Commission Building in Washington.

Exactly 100 years ago today, on June 2, 1862, the Washington Star had as its most prominent headline, "Great Battle Before Richmond—Terrible Slaughter—Repulse of

General Casey's Division—Confederates Finally Defeated."

A feature story described how a Professor Lowe had reconnoitered the battlefield from a balloon, 2,000 feet above the fighting.

And at Ford's Theater where John Wilkes Booth was later to martyr Lincoln, the play was "The Hypocrite."

The 9-month-old Civil War had yet to take a decisive turn. In the North "John Brown's Body" and "The Battle Hymn of the Republic" were being sung and whistled. In the South, of course, "Dixie" was the tune heard in the training camps.

Despite his preoccupation with the war, Lincoln in 1862 signed three acts of great and lasting importance to American agriculture and consequently, to the Nation itself. They were, of course, the Land-Grant College Act, the Homestead Act and the act creating a Department of Agriculture.

The law described as "the general designs and duties" of the new Department "to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word."

In asking the Congress to establish the Department, Lincoln wrote:

"Agriculture, confessedly the largest interest in the Nation has not a department, nor a bureau, but a clerkship only. While it is fortunate that this great interest is so independent in its nature as to not have demanded and extorted more from the Government, I respectfully ask, Congress to consider whether something more cannot be given voluntarily with general advantage."

Historians will argue about Lincoln's philosophy of government. It is sometimes suggested that his request for the Department of Agriculture in itself revealed his belief in a strong General Government.

There is among his writings a statement which the Library of Congress can describe only as a fragment and cannot identify the occasion on which he used it. But in it you will recognize a familiar definition of the proper role of government in a federated republic:

"Why," Lincoln asked, "should we have government? Why not each individual take to himself the fruit of his labor, without having any of it taxed away, in services, corn or money? Why not take just so much land as he can cultivate with his own hands, without buying it from anyone? The legitimate object of government is to do for the people what needs to be done, but which they cannot by individual effort, do at all, or do so well for themselves."

Ever since those words were written—and for a good many decades before—there has been a mighty struggle to strike a balance between what the people do for themselves and what the government should do for them. Of late, this contest has enlarged to become one between what the local and State governments should do and what the Federal Government should do.

In perhaps no other Department in Washington has this subject been more hotly contested than in the Department of Agriculture. With the exception of occasional disputes such as the current one over realinement of the National Guard, no one suggests that the Defense Department should not have full charge of military matters. No one argues that the State Department lacks full authority over foreign relations.

But in agriculture, the story is different. Twenty-one men have headed the Department of Agriculture, the first six as commissioners, the remainder as Secretaries with Cabinet rank. One of them was Nebraska's J. Sterling Morton, the founder of Arbor Day, who served for 4 years under President Cleveland. None of these men escaped controversy, and this fact is not related entirely to their political lables. Surely Ezra Taft Benson was as close to the center of the storm as Henry Wallace or even, Dr. Shaw, your own boss, Secretary Freeman.

Much of the controversy has centered on the very question Lincoln raised and answered: "What is the legitimate object of government?"

Today, some of the problems that swirl like a duststorm of the thirties around the Department concern its multibillion-dollar budgets. Those who live in the cities have developed a growing resentment to what they call subsidies for our farmers. They look at this year's budget of $7.2 billion and they look at their grocery bills and they fail to understand why they should pay twice—as taxpayers and as consumers.

Today, I want to suggest that there is a great untold story which the Department and every farmer should make a first order of business to get across to the consumer. That is that less than half of the budget bearing the label "Department of Agriculture," finances programs predominantly for the benefit of the farmer. Programs having multiple benefits and not directly chargeable to the farmer cost about $800 million a year more than do those benefiting the farmer. In the next fiscal year, the difference will be a billion dollars.

Let us look at some of the programs which benefit us all and not just those who provide us with food and fiber.

They include food for peace, gifts of food for oversea relief, surplus food bartered for strategic war materials under Public Law 480, REA and FHA loans which are almost entirely repaid, free school lunch and milk distribution, surplus food for relief purposes, the self-financing sugar program and the wool support program which is paid for by a duty on imported wool.

The extension service with its home economics program and boys and girls 4-H Club work, surely benefit the city dweller as much as the farmer. Soil conservation is undeniably everybody's business.

Agricultural research results in benefits for all Americans. From 1947 to 1957, the cost of penicillin was reduced from about $1,400 to $100 a pound and research was a prime factor.

Fast-drying linseed oil emulsion paints, plastics, improved insecticides, and weedicides—all these were largely made possible with funds appropriated to the Department of Agriculture.

Are these farm subsidies? I think not.

We simply do a better job of telling this story.

In the last 50 years, our population has nearly doubled, but we've reduced our number of farmworkers by half. This is because research has shown farmers how to produce four times as much per hour as they could in 1910.

In those days it took 1⅓ man-hours on the farm to grow and harvest a bushel of corn but it now takes 13 minutes. It took more than an hour to produce a bushel of wheat. Today it takes less than 11 minutes. The farmwork in a gallon of milk has been cut 50 percent and in a bale of cotton 75 percent.

In Russia today, one agricultural worker produces barely enough for six people. Although the Soviet Union has been striving mightily for 40 years to increase its industrial production, nearly half that country's total labor force is still required in farming and forestry.

If we were using Russian farming methods—or our own methods of 50 years ago—we would need at least 20 million more farmers than we have today. That is a third of all our on-farm workers.

Each American farmer today supports 26 people. This is more than double the number he could support only 20 years ago. If research had not improved farming efficiency we would now need 4 million more farmworkers than we had in 1940 to feed our present population.

All of these gains have come about because of the ingenuity of the American farmer, stimulated by the genius of agricultural research. There were times, of course, when the farmer refused to accept the benefits of new discoveries at the ag colleges and in the laboratories. We can all remember the time not too many years ago when Nebraska farmers were chasing county agents through the front gate.

I recall a story about one young man not long out of the agricultural college in Lincoln who approached a Butler County farmer and offered to demonstrate some of the new techniques he had learned in school.

The old farmer looked up from the posthole he was digging, wiped his brow and said, "Listen, Sonny, I know right now how to farm a heck of a lot better than I'm doing."

Some time ago, the agriculture dean of a large land-grant college asked his colleagues to peer into their crystal balls and predict what lies ahead over the next half century for American agriculture. Here are some of their projections:

1. The core of agriculture in future years will be management. By this they mean the whole process of adjusting to change through decisionmaking, action, and follow-up. Management is not possible unless there are sources of knowledge and means of control. Thus, research, already a vital device in agriculture, will become increasingly valuable in providing both knowledge and control. For example, through breeding and the use of genetic, chemical, and physiological markers, rates of growth of both animals and plants can be measured to a point of accuracy we are only now beginning to approach.

2. A new kind of farm economy is predicted, which together with revolutionary techniques and discoveries will greatly increase the need for capital both for long-term investments and operating expenses. Management and marketing will become much more important. Farmers will specialize in one or two enterprises not only because this is easiest from the management standpoint, but because it will be possible to grow the same crop on the same land, year in and year out.

3. Farmers toward the end of this century may well be planning their operations with electronic computing equipment for determining production, what factors to use and how much, shortages, best crops for specific seasons, best marketing methods, and so on.

4. The cost of marketing is likely to rise and this will stimulate even further research for reducing that cost. As this research is successful, efforts will be directed toward those things which offer the greatest potential. For example, feed-grain production per man-hour has increased 350 percent in the past 50 years while meat production per man-hour has gone up only 25 percent.

5. Tough meat will not be found on the market. Not because it will all be Nebraska beef, but because it will have been tenderized by selective breeding, the use of enzymes or other chemicals and precooking of meats before they go in the display case.

6. Disease-free livestock will be raised because of advanced technology including delivery by caesarean section and raising under sterile conditions in order to break the cycle with certain diseases.

7. The familiar bales of hay will give way to complete mixed and pelleted feeds. Most of the beef cattle fattened for market will be fed in large feed lots with pushbutton feeding and environment control for maximum grain, feed efficiency, and carcass quality.

Now this audience today knows that these predictions are not so wild a dream. Almost everything I've mentioned has already been done in the laboratory. I would say, if anything, our college professors were too restricted in their predictions. What sandhills rancher of 50 years ago could have foreseen the tremendous progress represented by this station here at Fort Robinson? Who would have predicted the kind of minor miracles worked here by Jim Ingalls and his staff?

But just as we turn our minds and our efforts to improved methods of living and working, we must be diligent that we maintain that climate of freedom which I mentioned earlier.

It was in the spring of 1864 at Baltimore that President Lincoln observed, "The world has never had a good definition of the word, 'liberty,' and the American people, just now, are much in want of one."

I suppose that now, a century later, men can still argue about the meaning of liberty. Today I ask you, Is not the essence of liberty the ability to make decisions? To decide how long a vacation we will take and where? What kind of schools our children will attend, where we will live, what kind of house, what make or kind of car? Whether we will raise Angus or Herefords? Whether we will sell our products or wait, hoping for a better price?

Isn't ability to make such and similar choice what liberty is all about?

Those who live under the shadow of the crossed hammer and sickle cast from the Kremlin tower, don't worry too much about a definition of liberty and they don't worry about decisions, either.

Because their decisions are made for them—by the Politburo, or by a puppet in a slave state, or by a commissar at a tractor station.

There is abroad in our land today a growing sentiment which seems to say that the people and their elected representatives cannot be trusted; that the Government must make decisions for the people.

History has written one clear lesson: For every one time that great concentration of power has been used widely, there have been scores of times in which power has been abused. History shows that the greatest production and the highest standards of living have come under government with widely dispersed and balanced powers, and based upon private ownership and management.

The world is constantly changing and we must ever seek new answers to meet new challenges. But we must do it in keeping with the fundamental concept of the nature of man, and his inalienable right to be free.

It is obvious that if the Founding Fathers of America had been content to win freedom and then to stand still, freedom would long ago have been lost. Instead, at Philadelphia in 1787, they entered into a bold experiment. It was, if you please, a research project in government.

They developed new rules for the conduct of business and of labor and the rights of citizens. They established new institutions of higher learning. In later years, the corporation played a key role in the development of huge production, and vast trade. Everyone secured advantages from it.

As corporation powers grew, and in some instances abused, they were wisely curbed through laws against monopoly and restraint of trade and by the development of rights for minorities.

The Founding Fathers did not refuse to give powers to government. But they did insist that those powers be specifically defined, that checks and balances be placed upon them, that the basic concept of the nature of man be maintained. Care was always exercised that officials of government should not be given the authority to exercise whim and caprice over the individual citizen.

The same fundamental approach is important today. Those of us resisting greater powers for the Central Government do not seek to block solutions to our obvious national problems. Rather, we seek solutions which accord with the superb fundamentals of American tradition. We insist that the authority and action by Government be clearly defined. We reject blanket powers which could be used at the whim of administrators. We demand clear and definite standards to be set by the people's representatives in the Congress.

If we Americans of 1962 demonstrate the alert, dynamic, ingenious approach to the problems of the rest of this century which the early leadership of this Nation displayed; if we hold fast to the basic moral principles already established; then indeed we will be achieving much to do for the people that which needs most to be done: namely, to furnish them with the most true and effective tools by which they can defend and enjoy their freedoms.

INCORPORATION OF CERTAIN NONPROFIT CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1320, H.R. 6967.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 6967) to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

LEGISLATIVE PROGRAM—ORDER FOR CALL OF THE CALENDAR TOMORROW

Mr. MANSFIELD. Mr. President, following the consideration of H.R. 6967, the next order of business will be Calendar No. 1338, S. 1605, to authorize the Federal Power Commission to delegate its functions; to be followed by Calendar No. 1412, S. 2164, to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes; to be followed by Calendar No. 1385, H.R. 3247, to amend section 2385 of title 18 of the United States Code, to define the term "organize" as used in that section.

I ask unanimous consent that on the morrow there be a call of the calendar of bills to which there is no objection, beginning with Calendar No. 1496, H.R. 6695, to amend title 39 of the United States Code with respect to the transportation of mail by highway post office service, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, it is anticipated that at the conclusion of business tomorrow, the Department of the Interior appropriation bill will be made the pending business. The bill will be debated on Monday.

That bill will be followed, on Tuesday, by the Department of Defense appropriation bill, the consideration of which may require 2 days.

That bill will be followed by the television bill; and it is expected that on Thursday or Friday the satellite communications bill may be laid before the Senate and made the pending business.

Mr. HRUSKA. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. HRUSKA. Is it contemplated that the Department of the Interior appropriation bill will be disposed of on Monday? Is that the plan?

Mr. MANSFIELD. That is the hope. On Tuesday it is hoped that the Department of Defense appropriation bill may be taken up. The chairman of the Subcommittee on Defense Appropriations, the distinguished Senator from Virginia [Mr. ROBERTSON], has informed me that 2 days may be required to dispose of that bill.

Mr. KEATING. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. KEATING. Did the Senator include in his list Calendar No. 1411, Senate Joint Resolution 123, to amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives?

Mr. MANSFIELD. It had been intended to include that measure, but because of circumstances which were unknown to us earlier it has been decided not to include that in the agenda at this time.

THE INTER-AMERICAN HIGHWAY IN CENTRAL AMERICA—STATEMENT BY SENATOR CHAVEZ

The PRESIDING OFFICER. Under the order previously entered, the clerk will now read a statement by the Senator from New Mexico [Mr. CHAVEZ].

The legislative clerk read the statement, as follows:

STATEMENT BY SENATOR CHAVEZ ON THE INTER-AMERICAN HIGHWAY IN CENTRAL AMERICA

The United States gave first financial support to the Inter-American Highway when Congress in 1930 appropriated $50,000 for a reconnaissance survey.

In 1934 the U.S. Congress made available an initial construction fund of $1 million. The work under this program was completed in 1939 with the United States furnishing technical assistance and materials such as steel, and the Central American Republics furnishing local materials and labor. In 1941, an appropriation of $20 million was authorized. A special appropriation of $12 million was made in 1943 for extraordinary heavy construction in the mountains in Costa Rica. Additional funds were authorized and appropriated prior to 1950, which made the total of $38,973,000.

The following tabulation indicates the amounts of authorizations made:

Prior to 1950	$38,973,000
Federal-Aid Highway Act of 1950	8,000,000
Federal-Aid Highway Act of 1952	16,000,000
Federal-Aid Highway Act of 1954	40,000,000
Public Law, 129, 84th Cong	25,730,000
Public Law 452, 85th Cong	10,000,000
Total	138,703,000

The following tabulation indicates the amounts of appropriations made:

Prior to 1950	$38, 973, 000
81st Cong	4, 000, 000
82d Cong	3, 000, 000
82d Cong	1, 000, 000
83d Cong	1, 000, 000
83d Cong	1, 000, 000
83d Cong	4, 750, 000
84th Cong	25, 250, 000
84th Cong	37, 730, 000
85th Cong	12, 000, 000
85th Cong	10, 000, 000
Total	138, 703, 000

The President, in a letter dated March 31, 1955, to the Vice President pointed out that early completion of the Inter-American Highway is a clearly established objective of the United States and urged its completion in a 3-year period at a cost of $112,470,000 of which $74,980,000 would be the U.S. share. He pointed out that in the Highway Acts of 1952 and 1954, Congress authorized the expenditure of $56 million of which appropriations of $6,750,000 have been made. Thus, there remained $49,250,000 of authorized funds not yet appropriated.

The President in his letter of March 1955, stated that an additional authorization of $25,730,000 would be required in order to complete the program. Letters from the Secretary of State and the Secretary of the Department of Commerce concurred in this request. The committee approved the legislation requesting the $25,730,000 and the act was approved July 1, 1955, and became Public Law 129, 84th Congress.

On August 6, 1957, the Honorable Walter Williams, Under Secretary, Department of Commerce appeared before the Senate Public Works Committee with respect to S. 2157, which would authorize an additional $10 million for the Inter-American Highway. He stated, "With respect to this 1,573 miles of highway lying between the northern border of Guatemala and the Panama Canal, much has already been finished and funds are currently available to complete the task, with the exception of paving required for 562 miles." He further stated that, "The need for additional funds to complete the paving is due to increase in cost which were not anticipated in 1955." The additional paving to be done with the $10 million was to be as follows:

	Miles
Guatemala	165
Nicaragua	58
Costa Rica	134
Panama	205
Total	562

The committee reported H.R. 7870, which was substituted for S. 2157, on May 21, 1958, and it became Public Law 452, 85th Congress; thus authorizing the additional $10 million requested.

On May 25, 1962, the Secretary of Commerce directed a letter to the President of the Senate submitting legislation which would authorize an additional $32 million for the purpose of completing construction of the Inter-American Highway.

The letter indicated that the construction work to be done includes paving in Guatemala, Nicaragua, Costa Rica, and Panama; widening of substandard sections, and heavy retaining wall and revetment work through unstable mountainous terrain of Guatemala and Costa Rica; and completion of the grading, drainage, base, bridges, and paving of the Guabala-Santiago Cutoff in Panama. The letter further states that some of the largest increases in the cost of completing the highway have been due to inadequate or lack of maintenance in many of the countries affected, and that it would be in the best interest of the United States to participate in maintaining the highways. The letter further states that a majority of the countries have been unable to maintain the completed portions of the highway, despite the existence of agreements providing for full maintenance by the countries concerned.

The letter suggests the establishment of an Inter-American Highway Authority to assure adequate maintenance and further suggests that the United States contribute 50 percent of the cost of operating the Authority for the first 5 years, which would be financed through foreign aid funds. The cost of such a program is not indicated.

U.S. AID TO INDIA

Mr. HUMPHREY. Mr. President, now that the Senate has passed the foreign aid bill—which, indeed, is a very important legislative item—I wish to comment on one of the subjects brought up in the Foreign Relations Committee, which was a matter of considerable discussion in the public press. I refer to the matter of U.S. technical aid to India.

First of all, let us be clear about what India means to us and to the whole free world. A glance at the map shows India lying astride the sea approaches to southeast Asia; India with thousands of miles of common border with Communist China to the north; India in a position to dominate Burma, Thailand, Laos, Cambodia, and South Vietnam. These are countries we are already hard put to defend from Communist aggression. How would we like the job of protecting them from a Communist India as well as from a Communist China? From the strategic standpoint alone, a non-Communist India is essential to free world interests. It is worth some occasional irritation on peripheral matters.

For years this teeming land has been a byword for overpopulation—477 million people at last count—for poverty, for recurrent famines, for plagues and epidemics, for woeful illiteracy. When India became independent 15 years ago this August, 80 percent of her huge population was illiterate. Half of all children died before the age of 10. Effective experience with self-government was unknown. An evil and oppressive system of landownership saddled the peasants with extortionate rents—sometimes amounting to as much as 60 to 70 percent of the crop.

Yet having won her independence, India wisely remained a member of the British Commonwealth of Nations. Whatever may have been the faults of the British colonial administration, the Indians adopted the political institutions of their former masters. So did our own forefathers, incidentally, when they severed their ties with the England of George III. Independent India, with a venerable culture of her own, chose a democratic form of government, and adopted a written constitution guaranteeing civil rights, religious freedoms, a free judicial system, and free elections.

Three times since independence 15 years ago, India has tested her democratic constitutional system through national elections. Each time the results have vindicated her claim to be one of the family of free nations. A higher percentage of voters has gone to the polls than in most democratic countries around the world. In fact, these have been the largest democratic elections which the world has known. India's accomplishment has gone unmatched by any of the newly independent nations of Asia from the Mediterranean to the China Sea. These free elections demonstrate internal stability. They demonstrate a strong national leadership willing to take its power and its policies directly to the people.

At some point in the future, of course, the Congress Party must either relinquish its power or break up into fractions. This is a law of politics. Then will come the severest test of all for Indian democracy.

It is commonly accepted that if Indian democracy is to survive, the national income must grow at a rate capable of maintaining political and social stability, meaning at a rate of at least 5 or 6 percent per year. Ten years ago India inaugurated a 25-year development program aimed at doubling the per capita income, that is, increasing it in terms of constant dollars from $50 to $100 per year. Measured alongside the current per capita income figures of even the poorest Latin American countries, it is apparent how modest is the scope of the Indian 5-year plans.

What progress has India made in the last 10 years? National income is up 42 percent. Industrial production is up 94 percent. Per capita income is up 16 percent, in spite of population increases. Food production has risen 46 percent since 1951–67. Power generating capacity has increased 2½ times, through great dam and river valley projects, as well as through small power schemes. Twenty million more acres have gone under irrigation, to relieve Indian farmers of dependence on the unreliable monsoon rains.

In addition, land reform has made great strides; and nearly half the country's rural population has gone under the largest self-help development program in the world. Free primary school education has been extended to 20 million more children, and school attendance has nearly doubled. The Government is shooting for free compulsory education by 1965 for all children under 11. Higher education and professional recruitment and training have improved by leaps and bounds.

India has chosen to make economic and social progress without regimentation and without sacrifice of individual rights. This is indeed the hallmark of Indian socialism, which some people who ought to know better mistakenly equate with communism. Indeed, by concentrating on community development and health projects, India has not infrequently fostered the welfare of the individual at the expense of dramatic gains in the statistical columns. Even though any growth in population is a drag on national income, India has concerned itself with health and education as much as with industrial production. The average life expectancy of an Indian born before independence was 37 years; today, it is 47 years. A massive malaria eradication program—generously aided by funds appropriated by the U.S. Congress—has cut the incidence of malaria from 20 million cases in 1957 to 5 million today. Fatalities have dropped from 200,000 to about 10,000 per year. All this has been done in 9 years.

The Wall Street Journal stated on May 16 that a principal reason for the alleged ineffectiveness of U.S. aid to India was that it was aid to a socialist government—meaning, in the Journal's words, that "the economy is smothered in controls and resources are inevitably misallocated."

Yes, these are rigid controls on India's economy—controls in the form of tight economic planning begun with the free consent of the popularly elected National Parliament. Controls in the form of higher taxes and new taxes on wealth and luxury spending. Controls in the form of import restrictions on nonessential and luxury goods.

But India's socialist economy is by no means smothered in controls. For one thing India's socialism is pragmatic and nondoctrinaire. As we have seen, it is compatible with democratic freedoms and constitutional government. The spirit of Gandhi is as foreign to the spirit of Lenin as Lincoln's was to Adolf Hitler's.

Moreover, state planning has brought spectacular benefits to the private sector of the Indian economy. While major industrial production has risen remarkably, production increases by small private enterprise in India have exceeded the most optimistic expectations. Whereas entrepreneurs once lacked incentive and drive, they have now been shaken out of their lethargy, private funds are going to work in the Indian economy where they belong, and the stock market is booming. Publicly owned, vigorously developed basic utilities—steel, power, and transport—have helped build the infrastructure for equally vigorous development of private enterprises large and small in a free but mixed economy. And the rise in capacity has been accomplished by a corresponding growth of consumer demand. Unlike some countries which boast of their industrial prowess, India has not neglected the consumer.

But lest we exaggerate India's progress, we should remind ourselves, in the words of a dear friend of mine who recently came back from a 5-month stay in the area, that "India is a country today beset with troubles: indescribable poverty, food shortage, water shortage, doctor shortage, housing shortage, school and teacher shortage, illiteracy, disease, unemployment, overcrowding, and a rapidly expanding population."

For all her gains in food production, India's average daily caloric intake has still risen only 17 percent—from 1,800 to 2,100 calories a day. This may not be starvation, but it is dangerously close to malnutrition. In general, agriculture has not been one of the bright spots of the Indian great leap forward.

Moreover, there are reports of chronic shortages still hampering the pace of Indian industrialization. As the Associated Press reported in a recent dispatch:

> The shortage of power, primarily electricity, hampers production of coal. The shortage of good coal restricts the railways that carry almost all of India's heavy freight. Inability of the railways to deliver enough coal restricts production of power, most of which is coal-generated electricity.

Similarly, lack of power forces India's new industries to run at considerably less than full capacity. This in turn raises the unit costs of production, forcing a rise in the price of Indian goods on the world markets. This inevitably cuts down exports and reduces the foreign exchange earnings from which India hopes to pay for essential importations of heavy equipment—the plants and machinery needed to produce more power and carry forward the modernization of industry.

There in a nutshell we have the basic reason why India cannot satisfy all the crushing demands of her growing economy through her own resources. At some point external assistance has to be called upon to relieve her of the tremendous pressures generated by her own economic upswing. This, Mr. President, is where the United States comes in.

The Indian third 5-year plan, which got underway in March 1961, presupposes the investment of some $21.5 billion in the Indian economy. Of this figure, about $5.5 billion, or roughly 20 percent, must come from foreign sources—foreign governments, foreign consortia, and foreign private investors. In the course of the first two 5-year plans, the United States provided India with $3.1 billion worth of aid—direct loans and grants enabling India to finance imports of capital equipment, surplus agricultural products—which relieved shortages and released foreign exchange otherwise required for food imports—and technical assistance. We provided intangible but vital help in the form of our technological know-how and expertise. Has India used our aid in such a way as to justify our continued support of India's socialistic planning?

There is no question, in my mind, that India has been not only one of the heaviest but also one of the most efficient users of our aid. From all reports India has made exemplary use of all forms of foreign assistance; her dedicated planners realize that upon careful allocation of resources depends the success or failure of their ambitious schemes for economic development. Our help to the first two 5-year plans has gone directly into the Indian economy—not to Swiss banks and not to the private vaults of dictators.

Moreover, India's 5-year plans meet the self-help criteria set by Congress and President Kennedy. They satisfy the strict financial standards of the World Bank and the seven-nation consortium—including ourselves—which has assumed a major portion of free-world assistance to the third 5-year plan. As of now, the World Bank consortium—seven nations, plus the World Bank and the International Development Association—has promised India some $2.3 billion toward the third 5-year plan. Of this amount, the United States has promised $1.045 billion, providing the other countries contribute their share. With the addition of surplus agricultural assistance, our share of total foreign aid to India is more than 50 percent. This is not only a sound investment but an indispensable one if India is to have a fighting chance for self-sustained growth, economic independence, and the proper climate for democracy.

Mr. President, I yield to no one in my concern for the soundness of our overseas investments, and I yield to no one in my displeasure at certain negative features of India's foreign policy. I am not ecstatic over the fact that the Soviet Union supplies India with some 8 percent of her foreign aid requirements. However, I see no way of persuading India to dispense with Soviet help except by demonstrating the superiority and the political disinterestedness of free world assistance. I would be gratified if India would submit her dispute with Pakistan to impartial mediation, even if she will not allow a plebiscite in the disputed area. I wish that India would live up in all respects to the pacific image of herself which she so assiduously fostered prior to her ill-advised, though by no means unprovoked, walkover in Goa. I wish that India would not take a holier-than-thou attitude on questions not affecting her directly while treating her own problems as matters for her alone to decide.

On all these questions there are obviously two sides. Pakistan has not been above concentrating her military capacity not only against aggressive China but against her big neighbor India. Pakistan has received greater per capita foreign aid, from the United States and the free world consortium, than has India. Pakistan has apparently settled her differences with China over a disputed portion of Kashmir, whereas the Sino-Indian border dispute is approaching the status of an undeclared war. Clearly the prospect of Soviet super-Migs in Indian hands is a disquieting one, even thought Pakistan has received F-104's from the United States, and even though it would be intriguing if Russia were to provide India fighter superiority over Communist China. India should not purchase Russian Migs.

Mr. President, any U.S. intervention, particularly to the extent of withholding or granting aid for ephemeral political reasons, would be like plunging a stick into a hornet's nest. With regard to the problems of India and Pakistan, perhaps our best course is to emphasize the need for mutual cooperation in the defense of the Indian subcontinent, for the problems dividing our two friends are as nothing when compared with the interests that should unite them.

Thus, I am not alarmed at what appears to be an absolute increase in Indian defense spending. For one thing, the Indian buildup has coincided with the growing threat of Chinese aggression from the north. For another, India's 500,000-man army is smaller than the forces we are supporting on Taiwan or in South Korea. Prime Minister Nehru knows that his army is still too weak to repel Chinese encroachments in the north, and he is busily preparing for just this eventuality, not—to all appearances—for offensive action against Pakistan. Another important factor is that Indian defense spending has decreased as a proportion of her total national budget since 1956—from about 20 percent of the total to about 15 percent. Of course, this is the result of ever greater amounts of capital being pumped into the Indian economy, but it does not indicate, as some have argued, that capital for Indian development releases equivalent funds for Indian military buildup.

Mr. President, a dispassionate look at the problem of India should yield certain rockbottom conclusions: first, that Indian democracy and Indian independence transcends in importance whatever policy differences have arisen between us; second, that Indian economic development is one essential means of maintaining her independence and freedom; third, that foreign capital is essential if India is to create the economic conditions considered necessary for stability and progress; and finally, that the United States provides such a vital proportion of India's foreign resources that any significant cut or alteration in this aid must not be made lightly or for the wrong reasons.

No one has stated the problem more eloquently than the friend whose words I quoted earlier:

> India is a continent like the United States, with complex regional differences. India is a large country, also like the United States, with the second largest population in the world, and great undeveloped human and material resources. India is a new nation—much younger as a nation than the United States, and at the same time much older as a civilized, tradition-laden entity. As a new nation, India is fraught with struggle and with conflict. India consists of many different peoples and different religious groups—again like the United States—which gives it strength and also creates tensions. The people have marked individuality, intelligence, and character. Today they are on the move.
>
> For above all, India is struggling to become a democracy, to achieve the takeoff point, and to retain its newly won independence. The struggle for democracy alone makes India of special significance to our country. We have greater ideological bonds with India than with any other country in Asia excepting the Philippines.
>
> If India can't make it as a democracy and as an independent country, then no democratic nation in Asia can possibly succeed—or even survive independently. One must carry the argument the next step and ask: If there are no independent democracies in Asia, can there be any, for long, in the Western Hemisphere? I doubt it, which means to me that what happens to India involves our fate, too.

In other words, as India goes, so go the struggling nations of south and southeast Asia, nations around the periphery of the Communist heartland. It may be a matter of indifference to some Americans whether free India or stumbling, totalitarian China sets the pace of progress for the underdeveloped world. It may be that the race between freedom and regimentation, between voluntary planning and coercion, means little to downtrodden millions of the world. But there is no question in my mind that the rulers and the potential rulers of these downtrodden millions are watching the race and are hanging on the outcome. **Given her strategic location, her democratic instincts, her huge population, her influence in the councils of the nonalined and her determination to succeed, India must not be allowed to fail.**

ADJOURNMENT

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate at this time, I now move that, pursuant to the order previously entered, the Senate adjourn until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 5 minutes p.m.), the Senate adjourned, under the order previously entered, until tomorrow, Friday, June 8, 1962, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 7, 1962:

DIPLOMATIC AND FOREIGN SERVICE

Matthew H. McCloskey, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7, 1962:

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS

Wymberley DeR. Coerr, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

Adm. Alan G. Kirk, U.S. Navy, retired, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to China.

William C. Battle, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 7, 1962

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

II Timothy 2: 15: *Study to show thyself approved unto God, a workman that needeth not to be ashamed.*

Eternal God, in the midst of the discord and disorders of these strenuous and troubled times may we hold fast our freedom and keep inviolate our faith in the triumph of righteousness.

Grant that the credentials of our high vocation and the integrity of our character, as our country's honored and chosen Representatives, may never be called into question.

May we authenticate the reality and sanctity of our lofty mission by a clear vision of our responsibilities and by our passion to discharge them faithfully.

We pray that it may never appear or be said that the children of darkness and of communism are wiser and more zealous in this generation than the children of light and of democracy.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

TO PROHIBIT DISCRIMINATION ON ACCOUNT OF SEX

Mr. TRIMBLE, from the Committee on Rules, filed the following privileged resolution (H. Res. 677, Rept. No. 1785), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11677) to prohibit discrimination on account of sex in the payment of wages by certain employers engaged in commerce or in the production of goods for commerce and to provide for the restitution of wages lost by employees by reason of any such discrimination. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

GENERAL FARM LEGISLATION

Mr. TRIMBLE, from the Committee on Rules, filed the following privileged resolution (H. Res. 678, Rept. No. 1786), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11222) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes, and points of order against said bill as they pertain to Public Law 480, 83d Congress, are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed six hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendments recommended by the Committee on Agriculture now printed in the bill as they pertain to Public Law 480, 83d Congress. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of the bill H.R. 11222, it shall be in order in the House to take from the Speaker's table the bill

S. 3225 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 11222 as passed by the House.

CALL OF THE HOUSE

Mr. HALEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 102]

Addonizio
Alford
Ashley
Ashmore
Barrett
Bass, N.H.
Blatnik
Blitch
Boland
Bow
Boykin
Cederberg
Celler
Chiperfield
Clark
Coad
Colmer
Curtis, Mass.
Daniels
Davis, Tenn.
Dent
Devine
Diggs
Donohue
Dooley
Ellsworth
Evins
Fisher
Flood
Fogarty
Frazier
Hardy
Harrison, Va.
Henderson
Hoffman, Mich.
Horan
Jones, Ala.
Kilburn
Kitchin
Loser
McMillan
McVey
Madden
Marshall
Meader
Michel
Minshall
Moeller
Norrell
O'Konski
Peterson
Philbin
Pilcher
Powell
Rains
Reece
Riley
St. Germain
Saund
Seely-Brown
Sibal
Smith, Miss.
Smith, Va.
Spence
Steed
Stratton
Thomas
Tollefson
Whitten
Williams

The SPEAKER. On this rollcall, 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

JO EVELYN LINDER, DAR CONTEST WINNER

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, Miss Jo Evelyn Linder, daughter of James Linder, Hamburg, Ark., recently wrote for the regional contest sponsored by the Daughters of the American Revolution an essay in which our distinguished senior Senator JOHN L. MCCLELLAN was given a very fine and appropriate tribute.

The title of the essay is "The Mark of a Man." This essay was a winner in the regional contest and it permits her to enter the statewide contest in this important program.

COMMITTEE ON FOREIGN AFFAIRS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on H.R. 11921.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SPECIAL SUBCOMMITTEE ON LABOR OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on Labor of the Committee on Education and Labor be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENTS TO THE ARMED SERVICES PROCUREMENT ACT

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 667 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 667 provides for the consideration of H.R. 5532, a bill to amend the Armed Services Procurement Act of 1947. The resolution provides for an open rule with 1 hour of general debate.

It has been the purpose of the Procurement Act to cause the reestablishment of the advertised competitive method in the placement of the great majority of contracts for supplies and services. This method gives the best assurance that suppliers in a position to furnish the Government's requirement will have a fair and equal opportunity to compete for a share in the Government's business.

It is the purpose of this bill—H.R. 5532—to restore the rule of law to the military procurement processes and to add additional provisions which will strengthen the procurement methods because of the heavy incidence of negotiated procurement for new and highly technical weaponry and supplies.

H.R. 5532 is identical with H.R. 12572 which passed the House without dissent in the 86th Congress.

Mr. Speaker, I urge the adoption of House Resolution 667.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the consideration of the bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947.

The bill comes to us with two rather interesting sidelights that we do not often see. First of all, it is the only bill I have ever seen come out of the Committee on Armed Services with a minority report. Second, I understand the bill is to be amended on the floor.

The bill does make some changes in procurement. It also, it seems from the minority report, raises certain questions that we should think about. On page 1 of the minority report we read:

> In the bill H.R. 5532, a proposed amendment of title 10, United States Code, subsection 2304(a)(1), reads as follows:
>
> "It is determined that such action is necessary in the public interest during a national emergency declared by the Congress for a period of six months following a national emergency hereafter declared by the President."
>
> This proposed amendment changes the concept of the Executive order dated December 1950 which is presently being followed throughout the Government. However, H.R. 5532 would change this concept or interpretation of national emergency for the Department of Defense only. All other Government offices, agencies, and bureaus would continue to operate under the December 1950 national emergency provisions.

Mr. Speaker, there is a certain objection that we can all see in having different forms for different departments. Nevertheless, it is equally certain that the Department of Defense can only be regulated and can only have this bill passed through the Committee on Armed Services. On the other hand, there are certain things here that are a little disturbing. For instance, we read this:

> Negotiation of the purchase or contract is otherwise authorized by law, or when in furtherance of small business, labor surplus area, or major disaster area programs, the agency head determines that supplies or services are to be procured from small business concerns as defined by the Administrator of the Small Business Administration, from concerns which will perform the contracts substantially within labor surplus areas as determined by the Secretary of Labor.

Some of us, I think, are disturbed by this. Is this going to make procurement for the Defense Department, which has the biggest procurement program in the Nation, a national WPA? I believe that the amendment that will be offered will change this. While I cannot discuss this amendment as I do not know very much about it, I am told that it will accomplish its purpose. For that reason, I do not think there is a very strong objection to this measure, but I think it should be examined and studied by Members of the House. I am sure a lot of questions will be asked and answered during the debate.

Mr. THORNBERRY. Mr. Speaker, I have no further requests for time.

Mrs. ST. GEORGE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. SMITH].

Mr. SMITH of California. Mr. Speaker, during my membership on the Rules Committee, my recollection is that all previous bills from the great Committee on Armed Services have always been reported unanimously by that committee. This is an exception to that rule and there is a minority report by three members. I believe that particularly the gentleman from California [Mr. GUBSER] had certain objections which according to testimony before the Rules Committee will be corrected by appropriate amendments.

The procurement field is complicated and difficult to understand. It is, however, one that I have been particularly interested in because of a group of outstanding business organizations in my congressional district.

Several questions have arisen of concern to my business people in connection with H.R. 5532. Time did not permit a detailed discussion of these problems when the matter was presented to the Rules Committee and, accordingly, inasmuch as I am not convinced that this particular measure is a step in the right direction, I would like to make the record clear at this time in case this body has to reconsider its action at some future date.

My people feel that H.R. 5532 is tinkering legislation without a clear need and in some regards mischievous. Ideas behind the bill explain some of its provisions better than the provisions themselves. One such idea appears to be resentment at the continuation of certain authority under the President's proclamation of a state of emergency—No. 2914, December 16, 1950. The particular authority has been used to cover some longstanding policies—apparently endorsed by the Congress—with respect to special treatment of set-asides for labor surplus areas and small business. The labor surplus policy is described in detail in Armed Services Procurement Regulation, section I, part 8. Among other things, this exciting policy states:

> But in no case will price differentials be paid for the purpose of carrying out this policy.

Assuming a firm in a surplus labor area will meet the price of some other firm, the authority permits negotiation of a contract with the surplus area firm.

Apparently, the bill approves of the special treatment for labor surplus areas. But in striking at the state-of-emergency authority now contained in title 10, United States Code, section 2304(a)(1)—per section (a) of H.R. 5532—it can only enable continuation of the policy by conferring a new authority through added language in title 10, United States Code, section 2304(a)(17). Except for some small R. & D. contracts, the labor surplus and small business purposes are the only uses being made by the Department of Defense of the state of emergency authority now in title 10, United States Code, section 2304(a)(1). These two changes therefore go all around the barn without adding anything constructive.

Several more mischievous conditions are imposed by the bill. Section (e), for example, while it has a constructive sound, uses rubber terminology and will likely increase administrative costs and delay procurements. For purchases over $2,500, it requires solicitation from the maximum number of qualified sources—an undefined quantity useful only for purposes of added hindsight criticism—and then imposes a statutory requirement for discussions with all responsible offerors within a competitive range.

The theory behind this is one thing. Practice would be another. At present, ASPR 3-101 requires that 21 separate considerations be applied to the evaluation of competitive proposals. These necessarily include such things as first, price; second, bidder responsibility; third, product quality; fourth, delivery; fifth, reliability of accounting practices and pricing techniques; sixth, small business policy; seventh, mobilization needs; eighth, facilities; ninth, labor supply; tenth, conflict with other work, and so forth. The philosophy of "competitive range" implies primary emphasis on price. But where we seek improved designs, technology is infinitely more important. The major demand of today's military procurement is technical superiority. We are not going to feel happy with defenses which were merely bought more cheaply than those of the Soviet.

The question also arises whether this requirement will have a good or poor influence on price. We can suspect it will be poor. As a proposer, if you figure you will have a second chance through a subsequent discussion, you are less likely to submit your best proposal on the first go. The ASPR emphasizes this problem in section 3-805.1(a)(v) where it points out:

> The request for proposals shall notify all offerors of the possibility that the award may be made without discussion of proposals received and hence, that proposals should be submitted initially on the most favorable terms from a price and technical standpoint which the offeror can submit to the Government.

A statutory requirement for discussions with all offerors in a competitive range would merely serve to weaken this initial bargaining strength which the Government now has. Without question, it will lead to extra discussions, extra work, and delay procurements for no purpose other than to establish defenses against future potential criticism.

The most questionable section of H.R. 5532 is section (g). This is a one-way street. It provides that a price shall be reduced if a post audit discloses that cost data submitted at negotiation time was inaccurate or incomplete in such a way as to have increased the initial target cost or price. Heads, the Government wins; tails, the contractor loses. The contractor is stuck with any omission that may have inaccurately lowered the target cost or price; no subsequent upward adjustment is possible. But must he also be penalized if the omission worked the other way?

It should be noted that this is not a provision directed against fraud. Title 18, United States Code, section 1001 prescribes criminal penalties for making false representations to the Government. This new provision is directed against human error. It has the effect of requiring that a contractor's foresight must be as precisely accurate as an auditor's hindsight, a state of perfection not attainable this side of transmigration to a higher state of heavenly existence.

It is so easy to storm against windfall profits. If the Government means to deal fairly with its suppliers, should it not be equally concerned with windfall losses? The continually lower level of profits experienced by those who engage in defense contracting is a matter of record. Reports by the Securities and Exchange Commission show that industry profits steadily declined during the past 5 years and are substantially below other industries whether measured as return on sales or investment.

Incidentally, ASPR 7-104.29 already contains a clause, "price reduction for defective pricing data," which operates to accomplish the objectives of H.R. 5532, section (g). Small businesses, particularly, find this clause unfair for the same reasons they find section (g) unfair. What you never hear about is the number of losses and failures caused by omissions in pricing or estimating on the contractor's side. Yet, for example, on the very first page of the Small Business Administration's summary of experience under certificates of competency—August 1, 1953, through June 30, 1960—two default terminations are cited. One says, "financial failure." The other says, "bankruptcy."

In summary, H.R. 5532 is guilty, as charged by the minority report, of seeking to fix in statute practices now embraced by regulation. No clear benefits are indicated. Making such requirements the law of the land only serves to make them rigid at a time when the demand of military procurement—technological superiority—ought to be supported by the highest exercise of judgment, the maximum flexibility to meet rapidly changing conditions.

Attempts to confine judgment within narrow channels result only in hampering the spirit of risktaking. Every estimate is only an estimate. This country would never have been explored if Lewis and Clark or Dan Boone had been required to satisfy an auditor before they started. We stand on the threshold of the same sort of frontiers today; frontiers of technology; except that technology has no limits. If it is to be explored, incentives must be preserved. Section (g) strikes at these incentives by penalizing honest mistakes, no matter which way they fall. By assuring a contractor that he will be penalized for an omission—over and above the existing penalty for fraudulent omission—it provides contractor incentive to take no chances, to estimate only on things he has done before, things where he can be sure of his facts. This may protect the taxpayer against an occasional extra cost, but it will be murderous to progress. If this type of thinking had been literally applied over the past 15 years, if it had prevailed, our defense might well consist of B-29's and machineguns.

Mrs. ST. GEORGE. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, what can be more descriptive of the New Frontier policies and programs than the front page, column 1, story in this morning's New York Times that the city of New York is establishing a full-time lobbyist office in Washington?

This office will be manned temporarily by Bernard J. Ruggieri, assistant to Mayor Wagner, until a permanent, full-time lobbyist and staff are appointed.

According to the Times story the New York City mayor is—and I read:

> Eager to have a representative dealing first-hand with the various Federal Departments and Agencies to make sure that New York gets full use of all available services and participates in all potentially advantageous programs, especially those involving financial assistance.

I am not being critical of Mayor Wagner. He sees "the handwriting on the wall." Philadelphia and San Francisco have already established offices here. Perhaps our Democrat mayor of Chicago will in due course do likewise.

I am being critical of the New Frontier policies that portend the end of autonomous city governments in the United States.

This is the foreboding significance of the proposed Department of Urban Affairs and this morning's New York Times front page story. This is the response to the New Frontier's clarion call: "Come and get it."

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. If I have any time left in the 1 minute.

Mr. KEOGH. Mr. Speaker, will the gentlewoman from New York yield 1 minute additional to the gentleman from Illinois?

Mrs. ST. GEORGE. I am glad to yield 1 minute to the gentleman from Illinois, Mr. Speaker.

Mr. KEOGH. I thank the gentlewoman.

Mr. Speaker, I am always delighted to listen to the obviously objective, broad, impersonal, and nonpartisan approach of the gentleman from Illinois. The great city of New York consisting as it does of 8 million people is entitled to do that which the Governor of the State of New York has done since he has been in office and that which a number of other cities have done; namely, to make certain that the legislative program of the Congress and of the administration is, as it has been, and, as it will continue to be, in the best interests of all the people.

Mr. ARENDS. I am glad the gentleman from New York is in complete agreement with me. I thank the gentleman.

Mrs. ST. GEORGE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Speaker, I wish this rule could have been amended allowing 2 hours of general debate on this bill instead of 1 hour because I realize that in an hour's time, many of us are not going to have the time to say all that we would like to say. My purpose in speaking on this bill has to do with wholesale waste in military procurement, particularly in the Bureau of Ships of the Navy Department.

I have an ironclad case against them but they are using every tactic and every device to try and squirm out of it, but I hope they cannot do it. If they do, it is the taxpayer of the United States who is going to be the loser by $1,300,000.

I want to bring this case before the Committee this afternoon, and when I allowed 5 minutes on the amendment, I plan to ask for unanimous consent to extend the time to 15 minutes in order to more fully cover my subject.

In the meantime, if you will turn to the CONGRESSIONAL RECORD for Wednesday, June 6, 1962, page 9888, you will find a résumé of what I expect to discuss here today.

I know you are all interested in getting the greatest mileage out of the taxpayers' dollar when it comes to defense. I believe if we can do away with some of the extravagance and waste that I shall point out we can save the taxpayers up to $12 billion per year on defense procurement items.

Mrs. ST. GEORGE. Mr. Speaker, I have no further requests for time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5532, with Mr. LANDRUM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Louisiana [Mr. HÉBERT] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. VAN ZANDT] for 30 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, this bill, H.R. 5532, has for its chief purpose, an increase in competitive purchasing.

First. Section (a) of this bill is a restatement of the congressional policy that advertised sealed bidding shall be used as a matter of policy for Defense Department purchasing excepting in those instances where it is clearly not adaptable. This bill changes the language to give greater emphasis to the statement of this policy. There is no disagreement by anyone, with this section.

In the latest 6-month reporting period, 87 percent contract dollars were handled by negotiation. But since the legal authority still exists, we believe it should be limited and restricted.

Second. Section (b) of the bill limits the authority to negotiate contracts under subsection 1 of section 2304(a), the national emergency authority which suspends other limitations in the Armed Services Procurement Act of 1947 on negotiation, upon the declaration of a national emergency by the President.

Such an emergency was declared on December 16, 1950; and it has not yet been revoked.

Until 1956, all negotiated purchasing was conducted under this suspension of the act. At that time, 92 percent of the purchasing was by negotiated procurement. As a result of our hearings, that practice was changed somewhat.

However, only 13 percent of purchasing is now done by sealed competitive bidding. That is clearly not enough. Competition must be increased; competition must be had even in negotiated purchasing; and all negotiated purchasing must be further reduced.

For these reasons, section (b) of the bill provides that the Korean national emergency proclamation of December 16, 1950, as authority for procurement, be terminated. However, this bill provides that if the President shall declare another national emergency, such a declaration would suspend the act for a full 6-month period.

The majority of the committee believes that is sufficient time and enough flexibility for any emergency contracting and retains in Congress the authority to approve another national emergency proclamation which suspends the limitations on purchasing.

Section (c) of the bill: In the course of many hearings on the subject, the committee has come to the conclusion that subsection 14 of section 2304(a) should be limited. This section is an authorization to negotiate where there is a limited time for performance or where a large initial investment is required. The practice in using this authority has been such that the committee believes it is desirable to limit this authority to those cases where it is determined that, to do otherwise, would result in extra costs to the United States.

Section (d) of the bill:

Since section (a) of the bill terminates the negotiating authority which depends on the emergency proclamation, subsection 17—where otherwise authorized by law—has been extended in the bill to the set-aside programs for small business, for labor surplus areas, and to disaster areas, so that contracts, within the categories indicated, can be let competitively.

A minority of three members of the committee objects to this provision—part II of House Report No. 1638. However, these three members have agreed, and I do not object, to amending this section of this bill, by a provision, that none of these contracts shall be awarded at prices higher than the same supply, or service could be procured otherwise. Therefore, no premium would be paid; but the concerns within each identifiable group would compete and have awards made to the lowest responsible bidder.

Such a provision was not incorporated in the language in the bill as prepared, because this was a provision of the procurement regulations.

I know of no instance in which the Department has not followed its own regulations.

There is also a limitation in the Defense Appropriation Act of 1962, section 623 of Public Law 87–144 which provides that these be paid in such cases.

But, if it will set at rest any doubt, then I would agree that the limitation should be in the law.

The minority amendment follows the language of the procurement regulations.

Section (e) of the bill defines what actions shall constitute a negotiation. It requires that there be discussions between bidder and Government excepting in those limited instances where it would be futile to have discussions; for example, prices fixed by ratemaking authority or where there is an established market, as in foodstuffs.

Section (f) of the bill corrects the numbering.

Section (g) of the bill relates to the so-called incentive profit contract, where the profit is determined by formula. In the negotiations, an estimate is agreed upon and compared with a final actual cost. The difference between the two sums—actual cost and estimate—is the sum divided usually 80 percent to Government and 20 percent to the contractor. This is called incentive profit.

Therefore, the higher the estimate in negotiations, the greater the profit potential. Complete reliance is placed upon effective negotiations in determining the estimate which is the upper limit of profit. So it is in the interest of a contractor to obtain the highest possible estimate in negotiations.

Most of the contracts which have been criticized by the Comptroller General were criticized because of inflated estimates—either, because the Government did not seek to learn or the contractor did not give his actual known costs in negotiations, particularly on subcontractors' prices.

This section of the bill requires that the contractor certify in writing that he has honestly stated costs known to him during the negotiations to determine the estimate; and that, before final payment, the items in this certificate be reviewed for accuracy.

All the bill does, in fact, is to squeeze the water out of negotiated estimates and require that the incentive profit be determined upon actual performance, and not on padded estimates.

The Department of Defense objects to this section because it says it is doing this same thing by regulation. The three minority members object because they, too, say that it is provided for by regulation.

My answer to the minority and the Department is this: I have agreed with them that a provision, already contained in regulations and in law, requiring these set-aside contracts be awarded at the lowest available cost, be written into this bill. I have done so, notwithstanding the fact that I know of no instance in which either regulation or law has been breached.

But I cannot say the same for the regulation requiring a certificate of accurate cost data. That requirement is a product of hearings by the Subcommittee for Special Investigations and by the full committee. It was incorporated in the regulations 2 years ago. But the Comptroller General, at our request, has examined the performance and finds that the Air Force is the only one observing the regulation.

Eighty-eight of the Air Force contractors have filed certificates; but in the Army and Navy half the contracts—121—amounting to $253 million are not supported by these certificates. That warning should be enough. Therefore, the committee proposes that the requirement be made law, so that no contract shall be without it.

Section (h) of the bill requires written findings in certain cases not now covered by law.

Section (i) permits delegation responsibility from the Secretary to subordinates on research and development contracts up to a value of $100,000.

I pass these sections without elaboration because they are largely administrative, and have for their purpose an increase in competition by limiting the uses of negotiating authority.

It is the belief of the committee that these changes—which are a minimum—will give greater emphasis to, and accelerate the use of sealed competitive bidding as well as add safeguards on negotiated bidding.

There is one further thing to mention about this bill. As it is written here, this bill also passed without amendment or dissent on June 14, 1960, in the 86th Congress, with a unanimous report of the committee.

A similar bill, though not quite as broad, passed in the 85th Congress, 347 to 2.

This bill as it is drawn is the product of extensive hearings by three different subcommittees and the full committee over a long period.

Mr. BRAY. Mr. Chairman, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Indiana.

Mr. BRAY. I am happy that the gentleman has brought up the matter of the Navy's failure to take proper care in these matters because my colleague earlier in the debate on the rule pointed out a situation that exists where the Navy is attempting to turn down a bid by an Indiana firm where the Indiana firm bid is 34 percent less than the bid that the Navy wants to accept. The Navy is using great pressure and persuasion to try to get the Indiana firm to withdraw their bid. I intend to bring that matter to the gentleman's attention and to the attention of his special investigating committee. I think the Navy even attempted to keep the Indiana firm from bidding, well points out the necessity for this legislation, also, the necessity for going further.

I am very happy that the gentleman from Louisiana has brought this legislation before us and I want to congratulate him. And also, if my understanding of it is correct, I believe there ought to be a thorough investigation of this matter that was presented by the gentleman from Indiana [Mr. WILSON].

Mr. HÉBERT. The gentleman from Indiana knows he contributed much to the Committee on Investigations in other years and that the latchstring is always out.

Mr. BRAY. I know that, and we will bring that detail to the attention of your subcommittee.

Mr. HÉBERT. We will be glad to receive the detail.

In further reference to the matter mentioned by the gentlewoman from New York in connection with the section dealing with depressed areas, this merely repeats or emphasizes what is already a regulation. However, the matter to which the minority of only 3 out of 37 objected to in this particular instance will be amended, and the committee will accept the amendment to be offered by the gentleman from New Jersey [Mr. OSMERS] as I understand, which is the consensus of opinion of the minority, and erases the concern of the minority in this particular instance.

Now, I, on my own, shall offer an amendment at the proper time which strikes out sole source procurement, which I consider the very heart of this bill. Under existing law the General Accounting Office has the right of examination in competitive bids as to all the facts and to make a determination. However, the Comptroller General cannot, in negotiated contracts, go beyond or behind the decision of the Department to make available to itself one of the exceptions which is available in negotiated contracts. This particular situation was focused on very sharply before the Committee on Special Investigations whereby we now have a single-source procurement for the 113 personnel carrier, and one manufacturer, which would not be present today if the General Accounting Officer and the Comptroller General had been allowed to go behind the reason for the decision. We would have more than one source instead of a single contractor. I think this is one of the most desirable features of the bill and it comes here with the backing of the hearings for months, in fact for two or three sessions of the Congress, in this particular area, and I hope that the amendment will be adopted.

Now, the overall picture is simply what I have stated. There is no magic in this. There is no secret in it. There is nothing that is mysterious. It is just a simple reaffirmation of this body in its belief in competitive bidding, in the system that the American people have grown up to know, to give to the lowest bidder the contract, to give to the lowest bidder the right to contract with the Government and to assure that the competitive mechanism will be used not in part but in the fullest and that the American public and the taxpayer himself will ultimately benefit by this method of operation.

Now, I ask favorable consideration of the legislation. I think I have given it its broad views. No purpose will be served in going into detail at the moment, and I hope that the House does reaffirm the position it has taken on two previous occasions, in two or three previous Congresses, and that we will be persuasive enough after the reaffirmation by this House to persuade the other body that this is not only good legislation but needed legislation.

Mr. VAN ZANDT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I will repeat the careful analysis and explanation of the bill given by the gentleman from Louisiana [Mr. HÉBERT]. This bill passed the House in the last Congress without dissent. I believe it should be passed now.

The purposes of the bill is to restore the rule of law and get more competition and better prices in our vast defense procurement program for hardware and services. It is an important responsibility of the Congress.

Year after year, hearings have been held by our committee and discussions had with the Comptroller General and with the Military Establishment, all looking toward improvement in procurement.

This bill puts into law some of the best of the armed services procurement regulations; and it puts them into law because experience proves that they must be made law. They have not been followed as well as they should have been.

We must protect the set-aside program for small business and the other set-aside programs; and we must do it in conformity with the practice; which is that these goods be obtained at the best obtainable competitive prices and at no premium cost to the United States.

Thus while broadening the base for participants in the procurement program, we, nevertheless, do not increase the cost to the Government. For the first time, these programs will not have to rely upon the tenuous basis of the continued existence of the Korean national emergency as their authority. Moreover, this bill removes any doubt about the legality of that process.

The bill provides, specifically, an assurance to contractors that in negotiated procurement, which represents the bulk of the procurement, there will be safeguards for the contractor so that he will have an opportunity of discussing his proposals and of being allowed to actually participate in negotiations.

We do this by law, in this bill, so that once and for all, all responsive suppliers to the United States may have an opportunity of participating in the purchasing program when they are qualified and their prices are competitive.

The bill provides, also, that in sole source procurement where only one contractor is dealt with, that the authority to negotiate in such cases shall be limited to cases in which the time urgency for the purchase or the capital investment required would be such that to deal with other than a selected contractor would cost more to the United States. We have tightened this provision in the Procurement Act to make additional cost to the United States the measure by which this authority may be used.

Now, I make particular reference to section (g) of the bill which has been so fully explained. Negotiations should be conducted on facts so far as the facts are known at the time of the negotiations.

This bill merely requires that known costs be certified to so that premium profits will not be paid on padded estimates.

This provision of the bill will provide a real incentive. The contractor's earnings from savings can be seen clearly and unmistakenly and then his reward will be paid for what is done.

Now, this provision, as has been explained, was put in the regulations at the time a similar bill was in the House in the last Congress. But as has been pointed out, the regulation has not been fully complied with. It is much too important a matter to be allowed to chance.

The incentive-profit-type contract accounted for $2½ billion in contracts in 1961. It should be administered by law and not by chance.

The other provisions of the bill are largely administrative but they have for that purpose, putting the negotiated procurements under a more strict rule. I agree that the privilege of negotiation should be surrounded with every possible safeguard and protection. That is what this bill provides.

The subjects which the bill covers have been long discussed, thoroughly aired, and considered by subcommittees and by the Committee on Armed Services, and, in the last Congress by the House.

I therefore support the bill.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, as the distinguished subcommittee chairman, the gentleman from Louisiana [Mr. HÉBERT] has stated, the principal objection held by myself and the gentleman from New Jersey [Mr. OSMERS] as well as the gentleman from Missouri [Mr. HALL] who have joined with me in submitting minority views, will be removed by the amendment which the chairman of the subcommittee has very graciously agreed to accept, and which will be offered by the gentleman from New Jersey.

Mr. Chairman, for the information of the House of Representatives, our objection was that a set-aside for a small business or for a depressed area or for a disaster area would not be at the lowest price arrived at by competition as is now required by rulings of the Comptroller General. We felt if we were to set aside defense contracts for depressed areas and the other categories mentioned in the bill that, certainly, the taxpayer should be protected so that he would be charged the lowest price that is arrived at by competition.

Mr. Chairman, the gentleman from Louisiana [Mr. HÉBERT] of course, is one of the greatest proponents of competitive bidding and its resultant savings to the taxpayer. I am sure that is why he has agreed to accept this amendment. So, with this acceptance, the great bulk of my personal opposition to this bill has evaporated, and I do not intend to oppose it. I intend to vote for it. But I do want to raise a couple of points which I hope the Senate will give consideration to when this matter is considered by the other body.

First, there is an adverse Defense Department report to this bill, which appears on page 7 of the committee report. I am sure the other body will take this into consideration.

Second, I have very serious doubts as to the advisability of putting into statutory law a provision whereby we will introduce the WPA concept into defense procurement. Admittedly, there is merit to small business set-asides. There is merit to helping depressed areas. But, frankly, I am very fearful of what some of these bureaus—and I do not necessarily mean a New Frontier bureau; I mean any bureau under any administration—can do when you give them the liberty involved in a bill of this kind. Let me cite an example:

Mr. Chairman, we passed an area redevelopment bill not too long ago. San Benito County, in my district, has a population of less than 25,000. It is almost a 100-percent agricultural community. The State department of employment ran a survey in July. At that time two canneries in the county were very, very busy. Many housewives who are not employed all winter—and who do not seek winter work—had summer jobs at the canneries.

They took another survey in December. The fruit was not in season, and the canneries closed down, as they always do. So, in December, when previously we had thousands of jobs, we had just 100 or so jobs. Because of the normal decline in jobs from July to December, the Department of Labor has declared that this is a chronically depressed area with persistently high unemployment.

As a result, farmers who are dependent upon the use of braceros are now required to have the determination of need or the certification of those braceros made not in California, but in Washington, D.C.

To carry the story a little bit further, the six counties adjoining San Benito County, and which make up the bulk of central California, which are not depressed but which fall in the same crop reporting area, also have come under the same bureaucratic rigmarole in order to get their crops harvested. Thus seven counties are affected because we allow a bureau, the Department of Labor, to stick its nose into the local business of one county. Now as a result, the Chamber of Commerce and citizens of the city of Hollister are frankly trying to find a way by which they can be declared undepressed so we can get out from under the control of a Washington bureau. If they are not successful and the crops which provide the cannery jobs are not harvested, we really will be depressed; and the Labor Department will have put us there.

So I do think, in closing, that we should give very serious thought to this day in and day out, continual grab of power by the Labor Department and other departments who are now going to determine under this bill, if it finally becomes law, who shall get defense contracts, who is depressed, who needs something and who does not need something. I feel that we should go strictly on the basis of competition, as does the gentleman from Louisiana, and we ought to keep this within the Defense Department and not bring the Labor Department into it.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Virginia.

Mr. JENNINGS. Addressing myself here to the point of set-aside, as I understand the gentleman's amendment it will not do away with the set-aside to small business, it will simply say that the bidding will take place among those areas who are in the set-aside.

Mr. GUBSER. The amendment will be offered by the gentleman from New Jersey [Mr. OSMERS]. I have been privileged to see it. It will merely require that any award to small business or a disaster area must be made at a price not higher than can be obtained from other sources; so it does not remove the set-aside, it merely guarantees the benefits of competition to the taxpayers.

Though the reservations which I have given today are major, I do feel that there is much good in it and the chairman has gone a long way toward meeting my objections. I have no intention of opposing this bill beyond this point, and I intend to vote for it.

Mr. JENNINGS. I thank the gentleman.

Mr. VAN ZANDT. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, I rise in support of the amendment that has been graciously accepted by the chairman of the subcommittee, the gentleman from Louisiana [Mr. HÉBERT] and by the chairman of the full Committee on Armed Services, the gentleman from Georgia [Mr. VINSON].

The Armed Services Committee, more than any other committee of the House, has maintained a nonpartisan attitude in the consideration of legislation dealing with the defense of the Nation. Such is usually reported unanimously by the committee and often so voted by the House.

We regret that the circumstances involving H.R. 5532 are such that we find it necessary to break precedent by filing a minority report. In so doing, we are aware of previous passage by this body, and failure in the Senate for the very reason outlined in this minority report.

However, the principle involved is not related directly to defense, but rather to economic issues to which we cannot in good conscience concur in the committee report.

The amendment which will be offered later will eliminate this objection entirely. Therefore, I will join the chairman in support of the bill.

We strongly object to the principle contained in title 10, United States Code, subsection 2304(a)(17), which would permit a procurement officer to ignore the lowest qualified bid and permit a contract to be awarded at higher cost to firms whose work would be performed in areas of substantial labor surplus as determined by the Secretary of Labor.

When the Congress is appropriating funds in excess of $52 billion a year for national defense, we have an absolute responsibility to the taxpayer to see that every tax dollar buys a dollar's worth of defense. The public's reaction to any unnecessary increase in defense costs is swift and sure as evidenced by response to the labor demands which slowed down our missile base preparations.

At a time when we should be eliminating waste and excess costs, this provision will guarantee more waste and higher costs.

We have the greatest sympathy for firms and employees located in the so-called depressed areas. But we do not think these problems should be solved by reckless subsidies which force a higher cost on Government.

If we approve this principle we are creating a vast new loophole for waste that will far exceed our efforts in a previous bill (H.R. 10650) to cut down the loss from tax loopholes.

Once we recede from the principle of awarding defense contracts to the lowest responsible bidder we open up a Pandora's box for higher Federal expenditures. Even if the Government were operating on a sound fiscal basis we should abhor such procedure. But with the Federal deficit for this year expected to be as much as $9 billion, it is inconceivable that we would endorse practices likely to increase that deficit.

Furthermore, we would be doing the affected communities more harm than help. If, because of economic factors, an industry is unable to meet competition from other areas let us not pull the wool over their eyes by suggesting that Uncle Sam will subsidize the difference.

Sooner or later, they are going to have to correct those economic factors responsible for their problems and Federal action to compensate for their difficulties will only put off the day of reckoning. They cannot rely on subsidized defense contracts forever. Is it the business of the Federal Government to redistribute the wealth?

Furthermore, let us assume that a company which submits a qualified low bid then loses a contract to another firm in a more fortunate or should we say less fortunate geographic location. What happens to the company which submitted the low bid and lost? Must it then lay off employees until the day when it too is located in a depressed area?

Does the management tell its employees and its community that, "We had the low bid, but that didn't matter; we weren't depressed"?

Recently the President charged that the increase in steel prices would add a billion dollars to our Nation's defense bill, although he was later corrected by the steel industry which pointed out that based on current estimates his figures were about $900 million out of line.

The cost to the Federal Government of the provision in H.R. 5532 could make the steel cost increase look insignificant. We hope the Members of Congress will reject this clear example of lack of fiscal responsibility.

Mr. HÉBERT. Mr. Chairman, I yield to the distinguished gentleman from Georgia [Mr. VINSON], the chairman of the Committee on Armed Services, such time as he may desire.

Mr. VINSON. Mr. Chairman, before discussing this bill, I want publicly and for the record to compliment the subcommittee to which matters relating to contracts and procurement are referred. It is known as the Hébert subcommittee. It consists of the distinguished gentleman from Louisiana [Mr. HÉBERT] as chairman, the gentleman from Virginia [Mr. HARDY], and the gentleman from North Carolina [Mr. KITCHIN], and on the minority the distinguished gentleman from Pennsylvania [Mr. GAVIN] and the gentleman from Oregon [Mr. NORBLAD].

It is assisted in reaching its conclusions and investigations by one of the most outstanding, loyal counselors in the District of Columbia, Mr. John J. Courtney.

Mr. Chairman, I do not intend to discuss all the provisions of this bill. They have been ably explained by the gentleman from Louisiana [Mr. HÉBERT]. But I do want to lay emphasis on one of its most important provisions. This provision deals with the incentive-type contract and prevents profits being paid for artificial savings.

This bill provides:

> (f) No contracts shall be negotiated under this title containing a profit formula that would allow the contractor increased fees or profits for cost reductions or target cost underruns, unless the contractor shall have certified that the cost data he submitted in negotiations for the fixing of the target cost or price was current, accurate, and complete; and such contracts shall contain a provision that the target cost or price shall be adjusted to exclude any sums by which it may be found after audit that the target cost or price may have been increased as a result of any inaccurate, incomplete, or noncurrent data.

This provision is the product of experience. It was developed as a result of our studies and inquiries—by our subcommittees and the full committee.

In fact, a provision for a certificate of accurate costs was put in the Armed Services Procurement Regulations after our hearings. It has been there for over 2 years.

That requirement is set out in section 3-807.3 and the form of the certificate is prescribed in section 3-807.7.

I submit that if it is good regulation, it will be good law.

The reason for putting this provision in the law is to have the requirement followed.

When it is law, no contract will be enforcible without it. That is the point to which we have come today.

This is the same provision passed in the House without dissent in the last Congress.

Let me explain the purpose for which this provision is sought.

Under the law, the Military Establishment can enter into any type of contract—except a cost-plus-percentage-of-cost-type contract—which in the opinion of the Departments is in the best interests of the United States.

There have been a number of types of contracts developed, which I need not discuss here in full. But among them is one in which the final profit is fixed by a formula. It is called an incentive-profit contract.

It is designed to achieve cost reductions and produce efficiency by offering to share savings with the contractor.

Now it is to the method by which these savings are determined that this provision of the bill is directed; and it is to the practices by which the formula has been abused, that we are looking.

These incentive contracts as they are called, are negotiated between contractor and Government.

The parties sit down and, literally, try to outguess each other on what the final costs will be.

That guess is called an estimate or target price. It is put down as a number of dollars.

After the contract is completed, the actual costs are matched against this target price guess.

The actual costs are subtracted from the target guess and the difference is said to be saving, to be divided between contractor and Government, usually 20 percent to the contractor and 80 percent to the Government.

Of course, if the target price is exceeded, contractor and Government share this excess; but that just never seems to happen.

It does not take very much imagination to discover that the higher the estimated target price is negotiated, the greater the possibility that actual costs will be less than the estimate.

Now I do not disagree with the purposes for which this contract formula is designed.

Everyone wants cost reduction.

I for one do not object to paying for what I get; nor to paying a profit for good performance.

But I do not believe in the Government having to pay for being outguessed, or perhaps I should say outmaneuvered in negotiations simply by having actual costs known to the contractor at the time of the negotiations, withheld from the Government negotiators.

This provision is just a truth-in-negotiating certificate. It will put the incentive profit where it belongs; that is, on demonstrated performance of the work and not by deception in negotiations.

Usually half the costs discussed in negotiations represent purchases to be made from other contractors. Surely the known costs of these articles should be disclosed in negotiations.

However, we have hundreds of instances where these prices have been withheld. This provision would prevent that from occurring.

There should be differences in the profit allowed a contractor for the different types of service he performs.

For example: when he only makes purchases of components from subcontractors; and there is no sense at all in piling an incentive bonus on top of those actual costs.

Without the information given in this proposed certificate and audited before final payment, that does happen. We must stop it.

Where a contractor knows his costs from having performed similar work—and he alone knows what his books show to be the cost—he ought not be permitted to pull the wool over the eyes of Government negotiators by withholding that information.

When there is real truth in negotiations, then the savings will in fact be reductions in costs and other efficiencies in the performance of the contract—and we will have achieved the real purpose of incentive profit, by performance and not by outguessing.

We have had reported to the committee and our subcommittees over 218 contracts amounting to over $8,800 million.

In only two instances did the actual costs exceed these estimates; one overrun was $87,000, and another was $54,000.

I hardly call that a record of risk taken by the contractors.

I think this record proves the need for this particular provision.

Remember, I am only talking about extra profit to be allowed for superior performance.

It turns out in many instances we only bought a superior guess.

That is the burden of nearly every report that the General Accounting Office has presented to Congress over these last few years.

Congress must do something about it. Let there be a real incentive to reduce costs in performance and not to boost estimates at the bargaining table.

Now I know that some may say that the Department has a requirement for this provision in its regulations and that a law is not needed. Let me just make these observations. The regulations were made up after a bill containing this provision was reported out of the committee in the last Congress.

This year we asked the General Accounting Office to make a check on what the departments were doing about the regulation.

Now listen to these figures: Of 364 prime contracts entered into since the regulations were adopted, 121 of them having a total value of $253 million had no certified cost data as the regulations require.

The Air Force had 88 contracts in which all certificates were in order. The Army had 67 contracts and the Navy 54 contracts on which there were no certificates.

Eighty-seven million dollars in subcontracts were reviewed where certificates are required, 206 subcontracts in all. Of these, 5 Army, 86 Navy, and 56 Air Force contracts for $47 million had no certificates. Seventeen months after the regulation was issued, one ordnance district had not even advised its contractors of the requirement.

The time has come to act. If this provision is law, then it must be complied with.

In some 53 contracts reviewed in detail by Mr. HÉBERT'S subcommittee with the General Accounting Office, we found that the prices had been artificially boosted by over $60 million, merely by withholding data at the negotiating table; that is, by boosting the estimates on which the incentive profit was determined.

I am happy to say to the House that by staying on top of that situation, almost all of that money has been recovered. But I shudder to think of what must have got away because we do not have the time or capacity to review all of these contracts.

So I say, let us close the door on this loophole once and for all.

As I have told you in the beginning, I would not dwell on all the provisions of the bill. That has been done by the gentleman from Louisiana [Mr. HÉBERT].

The facts which prompted the decision to write this bill were heard by his subcommittee and another subcommittee which I headed. They have all been made public as are all other proceedings of the committee relating to this subject.

The broad purpose of the bill is to tighten up negotiated procurement, where it can be done, without harm to the procurement process.

We have provided for proper participation by small businessmen; and we require that the large contractors conform to minimum standards of good conduct in negotiating with the Government. We have restricted the use of negotiated procurement by limiting its use to the cases in which Congress, nevertheless, has recognized and authorized negotiation. The provisions of the bill which I have not discussed in detail, are all directed toward that end.

This is a good bill. It puts into law what we need to protect the Government and the contractors. I urge the Members to vote for it.

The Boeing Airplane Co. took an appeal from a Renegotiation Board assessment of excessive profits of $10 million for 1952 and after a whole new trial in January 1962, the Tax Court raised the assessment to $13 million. In doing so, the Tax Court commented:

> Eighty-eight and eight-tenths percent of the profit [of the company in 1962] were derived from the performance of incentive contracts.

The court said Boeing "received a fixed and unchangeable percentage fee applied to a firm target cost negotiated." The court declared that only when the profit rate factor is applied to actual cost, and the firm target-cost estimate is used as a measure for under- or overruns, does the contract provide any incentive to lessen actual cost. That is exactly what this bill does. It requires the use of actual known costs when making up the target or estimated total cost.

The court further said that Boeing's function with respect to the production of airplanes was to some extent that of a manager and not a manufacturer, because of the large amount of Government-furnished property and the progress payments of both costs and profits made by the Government over the period of performance of the contract. The payments, the court said, were loans.

I refer this case to indicate to you the careful scrutiny that Congress must give to the use of incentive-type contracting.

The purpose of this bill is to inject some truth and facts into negotiating for the incentive bonus and to stop payment of incentive profits on actual costs, known at the time of negotiations.

This bill requires isolation of the certain costs from the uncertain costs, concentrating the contractor's efforts, if he wants to obtain an incentive bonus, upon reducing the uncertain cost items, during performance of his contract.

That is one of the lessons of the Boeing case. It is the same lesson spelled out in most of the reports of the Comptroller General which have been considered by our committee.

It is the reason why we propose, by the means of a certification of actual known costs, to eliminate padded estimates in this complicated plan, of formula versus fact, of estimate versus actual cost in measuring profits.

In the 53 contract overcharges in Navy and Air Force contracts reported by the General Accounting Office and heard by the committee, a total overcharge of $63,800,000 was disclosed.

There has been recovered to date $47,955,000.

The unrecovered balance as of this date is $15,845,000.

In two recoveries, the Justice Department was required to accomplish the result.

The balance is being worked on by the committee, the General Accounting Office, and the departments concerned.

Mr. GAVIN. Mr. Chairman, I yield 15 minutes to my distinguished friend from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, I am very much interested in what our distinguished chairman, the gentleman from Louisiana [Mr. HÉBERT], is trying to do to stretch the defense dollar a little further, especially on that phase of military procurement known as the sole-source or negotiated contract.

My purpose here this afternoon is to commend him for introducing an amendment to this bill that I intend to support to the limit of my capabilities. My study of this matter over the past 15 months has convinced me that just such an amendment is needed. My work with the General Accounting Office has proven to me that this agency should be given the power to approve such sole-source or negotiated awards by the military. I have had excellent cooperation from Mr. Joseph Campbell, the Comptroller General, and his excellent staff, in preparing studies of several dozen sole-source or negotiated awards. Without his help and the help of his staff, I would have been unable to uncover the evidence I now have in my possession which proves that up to one-third of every defense dollar we spend is wasted through sole-source and negotiated procurements.

I intend to discuss just one case in rather general terms here today. But let me tell you, I have documentation of many other cases and in every one the taxpayer's dollar has been thrown around loosely and wasted. In many I have found outright examples of duplicity on the part of Government civil servants, especially in the Navy Department, and, indeed, in some I have found evidence of profiteering on the part of American industry.

So, although I will discuss just one case, I wish you to know there are more. I hope this amendment passes by unanimous consent and goes to the floor as a part of this military procurement bill. I hope the bill itself passes unanimously and I intend to work toward that end. But, even if this amendment is passed, even if it becomes law, I do not intend to rest. I intend to spell out graphic examples of waste and profligacy on the part of naval procurement officers.

Mr. Chairman, for the past 15 months I have been making a detailed study into the procurement methods of the Defense Department. I have looked into scores of cases and have studied the pattern of procurement procedures in various branches of the service.

The discoveries I have made and the information I have uncovered are shocking to say the least. If an unprejudiced committee can be authorized to make a full-scale investigation, it will find a scandal in military procurement that will make Teapot Dome look like a ladies' tea party.

I want to thank the Comptroller General, Joseph Campbell, and his fine staff in the General Accounting Office for their cooperation in my study. There are others whom I would like to thank for assisting me in documenting various case histories. Their assistance has been invaluable, and now, although all the facts are not in, the conclusions are, for the most part, formed.

Mr. Chairman, I am informed that approximately 80 percent of our defense equipment is procured through sole-source or negotiated methods. This means simply that someone in a branch of, say, the Navy Department, determines that for some reason or another only one company is to be allowed to make needed equipment. In many cases no other company is allowed to bid. The favored company submits its bid, negotiates with the civil servant responsible for the contract, and gets the award.

The effect of this sole-source or negotiated award is as simple as it is disastrous for the American taxpayer. My investigation has disclosed that due to this tactic, approximately 30 percent of our defense procurement funds are being squandered and wasted.

If this is allowed to happen during the next fiscal year, approximately $12 to $15 billion of taxpayers' money will go down the drain. This is a disastrous and unnecessary waste of funds, but it has been going on for years and is getting worse instead of better. I have documentation in my files, built up during my study, that proves the inefficiency, impropriety, and lack of foresight of this sole-source method.

Almost every one of the sole-source and negotiated procurements is justified for reasons of emergency or urgency. The excuse that is given is, "we must have it, and we must have it now." Using reasons of national defense urgency, the department involved shuts out all competition, awards the contract as it sees fit, and inevitably wastes millions of taxpayers' dollars.

The procurement mechanism of the various departments is such that officials involved can weed out all competition except desired sole-source manufacturers.

In conducting my 15-month study, I concentrated on one area of the Defense Department—the Navy Department. I asked specific questions of the General Accounting Office on various Navy procurement transactions. I was given specific answers. When woven into a full story, they paint for me as they would paint for you a picture of gross waste of taxpayers' money, almost unbelievable mismanagement, and possible duplicity on the part of Government appointees.

My purpose here today is not to confuse you with a recital of all the cases I have documented. My files speak for themselves. The questions are written; the answers are written. The conclusions, therefore, are as easily reached as they are damning.

To illustrate my point, I have prepared a statement about one particular case. I have stated exactly what I expected to happen in this case. It has happened in just that way, and I want to call the case to the attention of the Congress. There are more. Some are even more serious. This is just one.

The case I wish to describe is that of the AN/PRC 41 radio set—a portable UHF radio that is to be used, I am told, by the Marine Corps. The Navy Department proposed to buy this equipment under a sole-source agreement with a firm I shall call, Company A. To do this it was necessary to issue a justification for what is known as a determination and finding of a sole-source requirement. This order was signed on March 22, 1962, by Under Secretary of the Navy Kenneth M. BeLieu, who certified that the property was needed so urgently that "procurement by advertising and competitive bid will unduly delay procurement." For that reason it was decided by the Navy Department that only Company A would be allowed to bid on the AN/PRC 41.

In making that decision, however, the Navy Department was also bound by a Navy policy stated in a letter to the Comptroller General on April 14, 1959. That policy provides that even though the determination and findings specifically state that only certain companies are believed to be able to meet requirements, other companies shall not be precluded from bidding. Consequently, we now give a request for proposal to any company in the industry.

In other words, American industry is allowed to compete even if there is a determination and finding of sole source. That is what the Navy Department policy says, is it not?

As you are going to learn, what the Navy Department says and what the Navy Department does are two different things, because on April 5, 1962, a reputable manufacturer—one of the finest electronics firms in the world—was denied a request for proposal. D. E. Weatherly, Acting Director, Contract Division, Bureau of Ships, denied the company a chance to bid. His reason was that drawings of the equipment were not available. Why were they not available? Because, as my evidence shows, the Navy Department paid almost $1 million to Company A to develop this radio and then told the developer not to send the plans for it. This action was justified by a Navy Department individual identified as H. Mullally and another named S. D. Keim.

Acting on the assumption that Navy policy means what it says, I asked this same highly regarded firm that was denied a chance to bid to prepare a proposal on this radio set. Company B, as I shall call this firm, is a solid electronics manufacturer with a $100 million backlog of business and an extremely high degree of performance in past contracts, military and domestic. I secured technical information for company B that was available to any other companies interested in the radio set. In doing this, I might interject, I found that the Navy Department paid $1 million for the development of the AN/PRC 41, which was already 40-percent developed under another expensive research and development for a radio identified as the AN/ARC 51.

At the same time, I requested the Navy Department to delay any award of contract for this radio until I could complete my study, and it did so.

On May 21, 1962, I made a written presentation to Secretary of the Navy Fred Korth, in which I reviewed in general terms the findings of my 15-month study. I also reviewed with particular detail the AN/PRC 41 procurement, pointing out how stated Navy policy had been subverted and how it appeared to me that the American taxpayer was paying dearly in these sole-source actions.

I also included in my presentation to Secretary Korth the proposal of company B, the reputable firm I had prevailed upon to make a bid for the manufacture of this radio set. It was complete down to the price of every bolt and nut and was a perfect presentation in every manner. It stood on its own merits.

On May 11, 1962, I requested that the Comptroller General take cognizance of the company A bid and determine the cost to the taxpayer for this sole-source action. I stated at that time that I did not wish to know the amount of the company A bid, but wanted a third party to have full particulars. This was done to prevent any shenanigans by anyone in the Navy Department with the original company A bid. It may sound like I distrust some Navy personnel, but my 15-month study has convinced me to leave no stone unturned in trying to get a fair treatment of any case.

When my presentation was given to an aid of Secretary Korth, I requested that the General Accounting Office have two representatives there to observe the action. At the same time, I also requested to then be allowed to look at the proposal of company A to see just how the cost of producing these radios differed from the proposal of company B.

Upon receipt of the company A bid, I checked it with the company B bid, which I had had prepared, and found that the company B bid, the firm in my district, was 34 percent lower than the company A bid, the sole-source firm. Company B's bid saved the Government $1,300,000 in one stroke of the pen.

Prior to the delivery of my presentation, prior to the time the bids for company A and company B were both known, Secretary of the Navy Korth had informed me of the urgent need for this material. He assured me he was going to personally see to it that it was delivered.

After studying both bids, however, the inexcusable predicament the Navy was in was apparently realized. Secretary Korth then said the award of contract was to be delayed pending an investigation. The urgent nature of this procurement had already started slipping away.

I told Mr. Korth then as I tell you now, Mr. Chairman, there is no correlation between any investigation and the award of this contract to either company A or company B. Certainly there should be a full investigation of this and many other Navy procurement matters I now have in my files.

Why was this contract justified as a sole-source award? Why was $1,300,000 of the taxpayers' money about to be wasted? The answers to these and other questions may embarrass certain Members of Congress responsible for appointing those in authority as well as the Navy Department, once the facts are made public.

But, I repeat, there is no correlation between the award of contract and an investigation. If the Marines need this equipment, it should be contracted for, built, and delivered as fast as possible, with the best equipment purchased for the least expenditure of the taxpayers' dollar. After the contract has been awarded, the investigation can, should, and will proceed, and my documentation will be available for those who wish answers to specific questions.

At this point, I wish to tell you that the Navy Department does not apparently agree with my feelings. I am informed that those who are in charge of this procurement have stated there are only two avenues now open to the Navy Department. One is to give the contract to the sole-source company—company A—at a price 34 percent in excess of company B's bid, costing the taxpayers $1,300,000 more than necessary. The other is to cancel the present procurement and readvertise it as an open and competitive action.

If the first course is followed, the taxpayers' pockets will be picked to the tune of $1,300,000. If the second is followed, the Navy Department will be admitting that its certification of urgency of March 22, 1962, was fraudulent on its face and was arrived at simply to give a favored company—company A—Government business at highly inflated prices. The Navy Department will also delay award of contract for this radio for several months, and this will hold back delivery of the radios to the Marines.

Mr. Chairman, every electronics firm in the United States had the same identical opportunity to bid on this radio set as the company which I have the privilege to represent as a part of my district. All they had to do was follow the same procedures. They did not do so, and because of that, there can be no excuse or justification for reopening of any bidding for the manufacture of this radio. There can be no excuse, that is, unless, as the history of previous contracts dictates, it is intended that eventually the same sole-source firm get the contract and the taxpayers will have to shell out $1,300,000, or 34 percent, more than necessary.

Mr. Chairman, there is one and only one honorable way to handle this situation in view of the repeated statements of urgency of requirement by procurement officers. That way is to issue this contract to this reputable electronics firm—company B—and then get on with the job, save the taxpayers $1.3 million, get this equipment to the Marines, and, in due time, let the red faces in the Navy procurement section cool off.

The only thing now holding up this project is the embarrassment to incompetent, inefficient, people who have gotten themselves into this mess and who are now looking for a way to save their own skins.

It should be held up no longer. The contract should be awarded to company B and a full-scale investigation of Navy procurement should be ordered by the proper agency of the House to begin at once. My files are open for just such a public investigation. The taxpayers have a right to know how their money is being squandered and wasted, and they have a right to insist that the practices be stopped and those who are guilty of promoting them punished by the law.

In conclusion, Mr. Chairman, I wish to remind you that I have spoken about just one case. I wish to remind you that now the Navy Department proposes to delay what a short time ago was a critical requirement and the only reason is that the Navy Department cannot place the contract where it wishes and cannot fleece the taxpayers to an even greater degree than it is now doing.

If an urgent requirement existed a few days ago, it exists now, and it is just as urgent that the taxpayers be saved money as it is to deliver these radios to the Marines. The Navy Department can issue this contract and save the taxpayers $1,300,000 or it is going to find itself charged with a gross misrepresentation of fact. They are intent on costing the taxpayers much money. Certainly, such practices should be stopped and are going to be.

Mr. Chairman, I strongly support the amendment and commend the gentleman from Louisiana [Mr. HÉBERT] for introducing it.

Mr. GAVIN. Mr. Chairman, I have no further requests for time.

Mr. HÉBERT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10 of the United States Code is hereby amended as follows:

(a) Subsection 2304(a) is amended to read as follows:

"(a) Purchases of and contracts for property or services covered by this chapter shall be made by formal advertising in all cases in which the use of such method is feasible and practicable under the existing conditions and circumstances. If use of such method is not feasible and practicable, the head of an agency, subject to the requirements for determinations and findings in section 2310, may negotiate such a purchase or contract, if—".

(b) Subsection 2304(a)(1) is amended to read as follows:

"(1) it is determined that such action is necessary in the public interest during a national emergency declared by the Congress or for a period of six months following a national emergency hereafter declared by the President."

(c) Subsection 2304(a)(14) is amended to read as follows:

"(14) the purchase or contract is for technical or special property that he determines to require a substantial initial investment or an extended period of preparation for manufacture, and for which he determines that formal advertising would be likely to result in additional cost to the Government by reason of duplication of investment or would result in duplication of necessary preparation which would unduly delay the procurement of the property;".

(d) Subsection 2304(a)(17) is amended to read as follows:

"(17) otherwise authorized by law, or when in furtherance of small business, labor surplus area, or major disaster area programs, the agency head determines that supplies or services are to be procured from small business concerns as defined by the Administrator of the Small Business Administration, from concerns which will perform the contracts substantially within labor surplus areas as determined by the Secretary of Labor, or from concerns which will perform the contracts substantially within areas of major disaster as determined by the President."

(e) Section 2304 is amended by adding a new subsection as follows:

"(g) In all negotiated procurements in excess of $2,500 in which rates or prices are not fixed by law or regulation and in which time of delivery will permit, proposals shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the supplies or services to be procured, and written or oral discussions shall be conducted with all responsible offerors who submit proposal within a competitive range, price, and other factors considered: *Provided, however,* That the requirements of this subsection with respect to written or oral discussions need not be applied to procurements in implementation of authorized set-aside programs or to procurements where it can be clearly demonstrated from the existence of adequate competition or accurate prior cost experience with the product, that acceptance of an initial proposal without discussion would result in fair and reasonable prices and where the request for proposals notifies all offerors of the possibility that award may be made without discussion."

(f) The second sentence of subsection 2306(a) is amended by substituting "(f)" for "(e)".

(g) Section 2306 is amended by adding a new subsection as follows:

"(f) No contracts shall be negotiated under this title containing a profit formula that would allow the contractor increased fees or profits for cost reductions or target cost underruns, unless the contractor shall have certified that the cost data he submitted in negotiations for the fixing of the target cost or price was current, accurate, and complete; and such contracts shall contain a provision that the target cost or price shall be adjusted to exclude any sums by which it may be found after audit that the target cost or price may have been increased as a result of any inaccurate, incomplete, or noncurrent data."

(h) Subsection 2310(b) is amended to read as follows:

"(b) Each determination or decision under clauses (11)–(16) of section 2304(a), section 2306(c), or section 2307(c) of this title shall be based on a written finding by the person making the determination or decision, and such findings shall set out facts and circumstances which (1) are clearly illustrative of the conditions described in clauses (11)–(16) of subsection 2304(a), or (2) clearly indicate why the type of contract selected under subsection 2306(c) is likely to be less costly than any other type, or (3) clearly indicate why advance payments under subsection 2307(c) would be in the public interest. Contracts negotiated under clauses (2), (7), (8), (10), (12) and for property or supplies under (11) of section 2304(a) shall be supported by a written finding setting out facts and circumstances sufficient to clearly and convincingly establish that use of formal advertising would not have been feasible and practicable. Each determination, decision, and finding required by this subsection shall be final and shall be kept available in the agency for at least six years after the date of execution of the contract to which it applies, and a copy thereof shall be submitted to the General Accounting Office with each contract to which it applies."

(i) Section 2311 is amended to read as follows:

"§ 2311. Delegation

"The head of an agency may delegate, subject to his direction, to any other officer or official of that agency, any power under this chapter except the power to make determinations and decisions under clauses (11)–(16) of section 2304(a) of this title. However, the power to make a determination or decision under section 2304(a)(11) of this title may be delegated to any other officer or official of that agency who is responsible for procurement, and only for contracts requiring the expenditure of not more than $100,000."

Mr. HÉBERT (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. OSMERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OSMERS: On page 3, line 8, substitute a colon for the period and quotation marks and add the following: "*Provided, however,* That no contract in furtherance of small business, labor surplus area or major disaster area programs shall be awarded, pursuant to the authority herein contained, at prices higher than obtainable from other sources."

The CHAIRMAN. The gentleman from New Jersey is recognized on his amendment.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. OSMERS. I yield to the gentleman from Louisiana.

Mr. HÉBERT. If the gentleman desires to explain his amendment it is perfectly all right, but the committee does accept the amendment.

Mr. OSMERS. Mr. Chairman, I am very glad that the gentleman from Louisiana has stated the committee position in favor of my amendment but I will briefly explain it because of the number of inquiries made to me by Members as a result of the minority report made by Mr. GUBSER, Dr. HALL, and myself.

Mr. HÉBERT. I just wanted to repeat my position.

Mr. OSMERS. I thank the gentleman.

Mr. Chairman, many in the Congress, particularly those of us who serve on the Committee on Armed Services, are keenly aware of the inherent danger to the Nation from an unholy alliance of the soldier, the salesman, and the politician. This ever-present danger must always be borne in mind when we discuss procurement regulations affecting the armed services. We must be extremely careful to see that the public interest is protected by law and regulation to the maximum extent.

This bill, H.R. 5532, has many excellent provisions in it. It is the result of careful study and searching investigation into armed services procurement practices. Its major objective is to remove procurement as much as possible from the emergency laws and regulations placed on the books during the Korean war period and never changed.

There is, however, one provision of the bill which is very disturbing to many of us. It is the provision which provides for special consideration for labor surplus areas.

It is relatively simple to define a small business. One can use the gross amount of sales, the number of employees, or other easily determined and widely used standards.

Nor is it too difficult to define a major disaster area after the destruction of a hurricane, a tornado, or a flood, becomes known. But, defining a labor surplus area is something else again. If you go to Miami Beach out of season, it is a labor surplus area. If you go there during the height of the season, it is not. During planting and picking time, farm areas have a shortage, while at other periods they have a labor surplus, on paper at least.

If we give a contract to a labor surplus area, do we not often create another surplus area where the contract would have normally been placed? The principal concern of those of us who signed the minority report arises from the fact that labor surplus areas can become the creations of partisan bureaucrats seeking to benefit one location, group, or firm, over another. To allow this without competitive pricing would destroy the whole fabric of our bidding and procurement system.

At the present time the Armed Services Procurement Regulations set forth defense policy concerning negotiated procurement to help small business, labor surplus areas, and major disaster areas. The essence of the policy declaration is to insure that contracts will not be awarded at prices higher than otherwise obtainable. The language in my amendment is based on that used in the policy declaration set forth in Armed Services Procurement Regulation No. 1–802. In effect, if the bill is enacted with my amendment, the limitations which are currently provided by regulation will be written into law.

My amendment has been agreed to by the chairman of the subcommittee, the gentleman from Louisiana [Mr. Hébert], and by the distinguished chairman of the full committee, the gentleman from Georgia [Mr. Vinson]. If we add the language which is contained in my amendment, it will require that procurements under this act must be awarded at prices no higher than obtainable from other sources. Therefore, Mr. Chairman, I hope the House will unanimously support this amendment.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. OSMERS. I yield to the gentleman from Missouri.

Mr. HALL. I would like the gentleman to clarify and establish the intent of the House by asking if, in your opinion, the last four words of the amendment "obtainable from other sources" refer back to the words "at prices higher than obtainable from other sources" and clearly establish the intent of the House to include competitive bidding and the acceptance of the lowest bid.

Mr. OSMERS. It is my clear understanding that the language of the amendment does just that.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. OSMERS. I yield to the gentleman from California.

Mr. GUBSER. I would hope, just so this is made perfectly clear and that there is no doubt as to the answer given to the gentleman from Missouri, that perhaps the chairman of the subcommittee might comment on that same point.

Mr. HÉBERT. I agree with the interpretation placed on it by the gentleman from New Jersey.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. OSMERS. I yield to the gentleman from Georgia.

Mr. VINSON. By using the words "at prices no higher than," and so on, it necessarily means competitive bidding and could not mean anything else.

Mr. OSMERS. Mr. Chairman, in conclusion I would like to pay tribute to the gentleman from Louisiana [Mr. Hébert]. As chairman of the Subcommittee on Special Investigations on which it was my privilege to serve several years ago, he has performed an outstanding public service as a watchdog for the taxpayers with respect to the procurement practices of the Government and of the Department of Defense in particular. At all times, he has had the firm and unwavering support of the distinguished chairman of the full committee, the gentleman from Georgia [Mr. Vinson] in his efforts to get the maximum results from our defense expenditures.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to clarify the record by asking the chairman of the subcommittee, the distinguished gentleman from Louisiana [Mr. Hébert] what the practice has been with regard to procurement in areas of labor surplus.

Mr. HÉBERT. The practice has been according to the regulations which are in effect at the present time.

Mr. O'HARA of Michigan. Is it not a fact that for some years there has been a limitation imposed upon the expenditure of funds which prevents the payment of a price differential to place a contract in a labor surplus area.

Mr. HÉBERT. The regulations, I understand, are in conformity with the amendment which has been accepted by the committee.

Mr. O'HARA of Michigan. This makes no change in existing requirements?

Mr. HÉBERT. That is correct.

Mr. O'HARA of Michigan. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on page 2 of the committee report, I read this language:

> In 1955 and 1956, this committee, on inquiry, developed the fact that 94.19 percent of the defense procurement dollar was contracted for under the authority of the Presidential Korean National Emergency Proclamation (sec. 2304(a)(1)).
>
> This represented in round figures purchases of $34 billion as against $2 billion purchased by advertised competitive procurement.

My question is, Does this mean that of the $36 billion expended only $2 billion was awarded and spent on the basis of competitive bidding?

Mr. HÉBERT. That is correct; the dollar value was in that proportion.

Mr. GROSS. And of this amount some was spent during the Korean war, some was spent in the years subsequent to that war. Is that correct?

Mr. HÉBERT. That is correct. This is on the books as reflected by the investigation by the Committee on Expenditures.

Mr. GROSS. To me it is incredible that only $2 billion of $36 billion went out under competitive bidding. Is the gentleman saying that this bill will cure that situation?

Mr. HÉBERT. We hope it will. I am in full accord with the gentleman's observations as to the fantastic sums expended without competitive bidding. That is the reason the committee has on three different occasions introduced legislation proposing to rectify this situation and to bring it in close conformity with competitive bidding.

The committee recognizes that in some situations competitive bidding is not possible, but Congress has recognized that also in the Procurement Act by giving 16 exceptions, as I attempted to point out, but the first exception nullified the other 15, so we are attempting to place a limitation as to what can be obtained without competitive bidding. The figure has come down from 94 to 92 and now to 87 percent.

I have the assurance of the Secretary of Defense, given on two occasions when I talked about this, and I am impressed with his good faith in the matter, that he will reduce the number of negotiated contracts in favor of competitive bidding. He told me that and I have full confidence in the course he is pursuing in this regard.

Mr. GROSS. I am sure we are all agreed that in time of national emergency some contracts must be made on the basis of negotiated bids, but in this situation with only $2 billion out of $36 billion being spent under competitive bid it is to me, I say again, absolutely incredible.

I thank the gentleman for the explanation he has given and I support this bill in the hope that it will contribute immeasurably to the stopping of that which has taken place.

Mr. HÉBERT. It will contribute to that end. We are crawling in that direction now, but we hope sometime we will be walking.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. HÉBERT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Hébert: On page 4, immediately following line 18, insert a new subsection reading:
>
> "(h) Subsection 2310(a) is amended by deleting the period at the end thereof and adding the following: 'unless same is clearly erroneous or is not supported by substantial evidence.' "
>
> On page 4, line 19, strike out "(h)" and insert in lieu thereof "(i)".
>
> On page 5, line 13, strike out the words "shall be final and".
>
> On page 5, line 18, strike out "(i)" and insert in lieu thereof "(j)".

Mr. HÉBERT. Mr. Chairman, I am of the opinion that the authority of the Comptroller General to review determinations and decisions made under the negotiating authority should be extended. Section 2310 of the law now provides that these decisions and determinations be final particularly as to subsections 11 through 16 of section 2304(a), the specific provisions for negotiation.

Thus the Comptroller General is relegated to an advisory position. However, in the case of sealed competitive advertised bidding, the Comptroller General does review facts and law. I, therefore, propose an amendment to give the Comptroller General some authority to review those cases where the determinations and decisions are clearly erroneous and not supported by facts, which he has in all other matters under the Procurement Act.

My amendment is this: I would add to the last sentence in section 2310(a) the words "unless the same is clearly erroneous or is not supported by substantial evidence." Thus the sentence then would read:

> Such a determination is final, unless the same is clearly erroneous or is not supported by substantial evidence.

The other portions of the amendment are strike language which would limit this authority elsewhere in the same section and in the bill.

I am convinced that the Comptroller General should have the same authority, to review and report to the Congress and to admonish the executive branch in cases where the action is clearly erroneous, that he exercises now in the cases of advertised sealed bidding.

I find it difficult to believe that any Executive would want his determinations to stand when clearly erroneous or not founded on fact.

These decisions by the General Accounting Office, in the name of the Congress, would, I believe, only occur in rare instances. But it is to those rare instances that corrective action should be taken in time. I hope the Members will see it that way.

I offer this amendment because my study and observations on this subject over the last 12 years convince me that it is a wise provision to have in the law.

I cannot refrain in closing the argument in favor of this amendment from pausing to pay high tribute to Comptroller General Joseph Campbell and the General Accounting Office. I have said before and I say now the Committee for Special Investigations could not have functioned as effectively without the cooperation and aid of the General Accounting Office. I thank them on behalf of the committee and our very able counsel, Mr. Courtney, to whom compliment has already been paid by my distinguished chairman, the gentleman from Georgia [Mr. VINSON].

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Chairman, I am glad to see this subject matter come onto the House floor today. I have long been interested in this subject, and as a member of the Government Operations Committee which receives the GAO reports and is constantly looking for ways to increase efficiency and economy in Government, I have become increasingly concerned with not only the loss of tax dollars caused by lack of competitive bidding but also the effect that increased negotiated purchases by the military departments has upon Government as a whole.

Under our Constitution and our American system, we want the military to be militarily strong but politically weak. When the military departments spend more than 50 percent of the tax dollars collected, they have enough spending power to in fact reduce criticism. It appears that we will need high expenditures for years to come, and it is therefore most important that procurement be either by civilians or by competitive bidding and that the discretion, to the extent possible, for placing contracts in one area rather than in another not be vested in military departments. I worked for many months in 1959 and 1960 developing a bill which I thought would help in this situation.

I introduced the bill, which was H.R. 12344, in the last Congress and a similar bill was also introduced in this Congress last year. I am happy to note that many of the provisions of my original bill are found almost word for word in the bill under consideration today. I do not believe, however, that the bill under consideration today does all that needs to be done in this particular area, but I am happy to note that Secretary McNamara has, by administrative action, put into effect rules and regulations which should help accomplish some of the objectives of my original bill.

I would like to note that some other countries have for centuries had professional civilian personnel purchase their military equipment, and I think the faster we move toward this approach the more quickly we will solve some of our problems in military procurement. At present, GSA procures most of the goods for other branches of the Government. Either this agency, or a civilian office directly under the civilian Secretary of Defense, could do more of the purchasing. This would permit the military to concentrate on providing defense instead of expending effort in the area of procurement, which could result in political considerations.

My references to political considerations are not to partisan politics. But the fact is that the power of the military to award large contracts in one area rather than in another naturally results in a tendency for those individuals and representatives from the area—both elected officials and representatives of business organizations—seeking these contracts to refrain from constructive criticism or action that might be considered undesirable by the military leaders who happen to be in authority at that time.

Following is a newspaper article concerning the bill that I introduced. I think this story further explains some of the reasons why legislation in this area is so important to all the citizens of the United States.

> Congressman NEAL SMITH, Democrat, of Iowa, announced that he is introducing a bill designed to increase competitive bidding on Government contracts let by civilian agencies and to prevent collusion among bidders and bribery through promises of employment of Government employees by successful bidders.
>
> Congressman SMITH stated that his bill will change the present law which permits Government agencies to negotiate contracts in times of emergency declared by the Congress or by the President so as to provide that such contracts can be made only during emergencies declared by Congress. He said, "Such a great change in Government contracting procedures designed to protect the public interest should be permitted only by an action of Congress and not by the signature of one man, even of the President. Congress has always proved itself ready to act promptly in real emergencies, and the President can call upon it for action at any time such a situation arises. In the past several years, this exception was used so often that most of the contracts were not open to competitive bidding."
>
> The bill also directs the General Services Administrator to establish uniform regulations governing the negotiation of contracts by Federal agencies. Detailed and uniform standards and practices would specifically require competitive bidding to the maximum practicable extent.
>
> The bill directs agencies to report negotiated contracts and the findings upon which they are based to the General Services Administrator who in turn would report them to Congress. Possible violations of the antitrust laws would be reported to the Attorney General who must then act upon the information and report his actions to Congress.
>
> In addition, under the bill bidders would have to file affidavits certifying that they have not acted in collusion with other bidders and that they have not conducted negotiations or discussions regarding possible or probable employment with the Government contracting officers and employees involved in the contract actions. Existing laws on identical bidding and collusion generally punish after the occurrence while this bill seeks to discourage and prevent the costly abuse. The affidavit requirement applies to both civilian and military contracts.
>
> Congressman SMITH pointed out that the Committee on Government Operations, of which he is a member, has repeatedly run across situations where contracts are negotiated within the letter of the existing exceptions but not in accord with the spirit of the law. For example, in January of this year the Comptroller General reported to Congress that in 1957 the Government had paid $875,000 more than was necessary in buying 509 semitrailers because it had negotiated a contract with one supplier rather than put out the contract for bids. The savings which could have been obtained through competitive bidding were demonstrated when bids were asked and the contract awarded to a different company on a purchase of the same items 8 months later.
>
> In August 1961 the Comptroller General reported to Congress that during 1960 the Seattle office of the General Services Administration had made a number of negotiated purchases on the basis of public exigency without adequate justification. The Comptroller General stated, "The files contained no evidence to indicate that a public exigency existed other than a requested delivery date or a scheduled ship sailing date. There was no indication of adverse results from possible interruption of agency programs, or financial or other serious injury to the Government from failure to meet delivery or ship sailing dates, of unusual urgency, or of a compelling need for the supplies."
>
> In another recent report the Comptroller General criticized the Bureau of the Budget for its laxity during the past few years in securing competition in management study contracts.
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> Last year the House Government Operations Committee found that the electric power contract for Yellowstone National Park was entered into without giving adequate consideration to lower cost proposals of competitors; just recently, the committee has learned that the contract for the sound sysem at the local Carter Barron Amphitheater was negotiated last year by the National Park Service on the basis of an emergency created by its own ineptitude.
>
> "These are just a few examples," said Congressman SMITH, "of contracts which have been brought to the committee's attention where Government officials have avoided competition without adequate justification. If Congress and the executive branch will tighten up the laws so as to limit negotiated contracting to situations where it is absolutely necessary, not only will the Government and the taxpayers save substantial amounts of money but also business firms will be given fairer treatment. Competition will save money for the Government and at the same time stimulate private enterprise. Last year I introduced three bills to increase bidding procedures and reduce collusion among bidders and negotiators. One of the bills became law. Parts of the other two bills were put into effect this year by Executive orders. The remaining essential parts are included in the bill I have introduced today."

Mr. Chairman, I congratulate the committee for the work done in this area and the Secretary of Defense for the promulgation of administrative changes directed toward the same desirable ends.

This is such an important subject that I hope both the Congress and the Secretary of Defense will concern themselves in this area on a continuing basis.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and Mr. ALBERT having assumed the chair as Speaker pro tempore, Mr. LANDRUM, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947, pursuant to House Resolution 667, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes had it.

Mr. KYL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 362, nays 0, not voting 75, as follows:

[Roll No. 103]

YEAS—362

Abbitt
Abernethy
Adair
Addabbo
Albert
Alexander
Alger
Andersen, Minn.
Anderson, Ill.
Andrews
Arends
Ashbrook
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Baring
Barry
Bass, Tenn.
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Blatnik
Boggs
Bolling
Bolton
Bonner
Brademas
Bray
Breeding
Brewster
Bromwell
Brooks, Tex.
Broomfield
Brown
Broyhill
Bruce
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Byrnes, Wis.
Cahill
Cannon
Carey
Casey
Celler
Chamberlain
Chelf
Chenoweth
Chiperfield
Church
Clancy
Coad
Cohelan
Collier
Conte
Cook
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis, Mo.
Daddario
Dague
Davis, James C.
Davis, John W.
Davis, Tenn.
Dawson
Delaney
Denton
Derounian
Derwinski
Diggs
Dingell
Dole
Dominick
Dowdy
Downing
Doyle
Dulski
Durno
Dwyer
Edmondson
Elliott
Everett
Fallon
Farbstein
Fascell
Feighan
Fenton
Findley
Finnegan
Fino
Fisher
Flynt
Ford
Forrester
Fountain
Frelinghuysen
Friedel
Fulton
Gallagher
Garland
Garmatz
Gary
Gathings
Gavin
Giaimo
Gilbert
Glenn
Gonzalez
Goodell
Goodling
Granahan
Grant
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Gubser
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Harding
Harris
Harrison, Wyo.
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hébert
Hechler
Hemphill
Herlong
Hiestand
Hoeven
Hoffman, Ill.
Holifield
Holland
Hosmer
Huddleston
Hull
Ichord, Mo.
Inouye
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jonas
Jones, Mo.
Karsten
Karth
Kastenmeier
Kearns
Kee
Keith
Kelly
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
King, Utah
Kirwan
Kluczynski
Knox
Kornegay
Kowalski
Kunkel
Kyl
Laird
Landrum
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
Lipscomb
McCulloch
McDonough
McDowell
McFall
McIntire
McSween
Macdonald
MacGregor
Mack
Magnuson
Mahon
Mailliard
Martin, Mass.
Martin, Nebr.
Mason
Mathias
Matthews
May
Merrow
Miller, Clem
Miller, George P.
Miller, N.Y.
Milliken
Mills
Monagan
Montoya
Moore
Moorehead, Ohio
Moorhead, Pa.
Morgan
Morris
Morrison
Morse
Mosher
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nedzi
Nelsen
Nix
Norbald
Nygaard
O'Brien, Ill.
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill
Osmers
Ostertag
Passman
Patman
Pelly
Perkins
Pfost
Pike
Pillion
Pirnie
Poage
Poff
Price
Pucinski
Purcell
Quie
Ray
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Rousselot
Rutherford
Ryan, Mich.
Ryan, N.Y.
St. George
Santangelo
Saylor
Schadeberg
Schenck
Scherer
Schneebeli
Schweiker
Schwengel
Scott
Scranton
Selden
Sheppard
Shipley
Short
Shriver
Siler
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Springer
Stafford
Staggers
Stephens
Stubblefield
Sullivan
Taber
Taylor
Teague, Calif.
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Thornberry
Toll
Trimble
Tuck
Tupper
Udall, Morris K.
Utt
Vanik
Van Pelt
Van Zandt
Vinson
Waggonner
Wallhauser
Walter
Weaver
Weis
Westland
Whalley
Wharton
Whitener
Wickersham
Widnall
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Wright
Yates
Young
Younger
Zablocki
Zelenko

NAYS—0

NOT VOTING—75

Addonizio
Alford
Anfuso
Ashley
Ashmore
Barrett
Bass, N.H.
Blitch
Boland
Bow
Boykin
Buckley
Cederberg
Clark
Colmer
Curtis, Mass.
Daniels
Dent
Devine
Donohue
Dooley
Dorn
Ellsworth
Evins
Flood
Fogarty
Frazier
Gray
Hansen
Hardy
Harrison, Va.
Henderson
Hoffman, Mich.
Horan
Jones, Ala.
Judd
Kitchin
Loser
McMillan
McVey
Madden
Marshall
Meader
Michel
Minshall
Moeller
Norrell
O'Konski
Peterson
Philbin
Pilcher
Powell
Rains
Randall
Reece
Riley
St. Germain
Saund
Seely-Brown
Shelley
Sibal
Sikes
Smith, Miss.
Spence
Steed
Stratton
Teague, Tex.
Thomas
Thompson, La.
Tollefson
Ullman
Watts
Whitten
Williams

So the bill was passed.

The Clerk announced the following pairs:

Mr. Fogarty with Mr. Seely-Brown.
Mr. St. Germain with Mr. Meader.
Mr. Anfuso with Mr. Judd.
Mr. Loser with Mr. Cederberg.
Mrs. Riley with Mr. Bass of New Hampshire.
Mr. Kitchin with Mr. Tollefson.
Mr. Shelley with Mr. Ellsworth.
Mr. Powell with Mr. Sibal.
Mr. Frazier with Mr. Dooley.
Mr. Harrison of Virginia with Mr. Curtis of Massachusetts.
Mr. Dent with Mr. Michel.
Mr. Daniels with Mr. Bow.
Mr. Madden with Mr. Minshall.
Mr. Ashley with Mr. Devine.
Mr. Alford with Mr. O'Konski.
Mr. McMillan with Mrs. Reece.
Mr. Stratton with Mr. McVey.
Mr. Ashmore with Mr. Horan.
Mr. Gray with Mr. Hoffman of Michigan.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. RANDALL. Mr. Speaker, I ask unanimous consent that the RECORD show I was on the Senate side on official business at the time of the last rollcall, and that had I been present I would have voted for the military procurement amendments. I ask unanimous consent that that be inserted following the vote.

The SPEAKER pro tempore (Mr. SISK). Without objection, the request of the gentleman is granted.

There was no objection.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mrs. WEIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. WEIS. Mr. Speaker, I have asked for this time in order to inquire of the majority leader about the program for the balance of this week and next week.

Mr. ALBERT. Mr. Speaker, will the gentlewoman yield?

Mrs. WEIS. I yield.

Mr. ALBERT. I would like first of all, Mr. Speaker, to advise that this finishes the legislative program for this week.

Next week, in addition to the regular program, miscellaneous bills from the Committee on Ways and Means may be called up. These have to do with expiration dates of existing suspensions of duty. All of these bills have been reported unanimously. I list them as follows:

H.R. 10095: Suspension of duty on metal scrap.

H.R. 9520: Suspension of duty on alumina and bauxite.

H.R. 11400: Suspension of duty on shoe lathes.

H.R. 10852: Suspension of duty on spun silk yarn.

H.R. 10928: Suspension of duty on casein.

Monday is District Day, but there is no District business. On Monday, however, we will call up H.R. 11677, the Equal Pay Act of 1962.

Tuesday, H.R. 2206, to construct the Fryingpan-Arkansas project.

We will request permission later that any rollcall votes except on rules on Monday and Tuesday go over to Wednesday on account of the South Carolina primary.

For Wednesday and the balance of the week:

H.R. 11990: Temporary increase, public debt limit.

H.R. 11222: Food and Agriculture Act of 1962.

This, of course, is subject to the usual reservation that conference reports may be brought up at any time, and that any further program may be announced later.

ROLLCALLS PUT OVER TO WEDNESDAY, JUNE 13

Mr. ALBERT. Mr. Speaker, if the gentlewoman will yield——

Mrs. WEIS. I yield.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that any rollcall votes except on rules, on Monday or Tuesday next, may go over until Wednesday next.

The SPEAKER. Is there objection to the request of the gentlemen from Oklahoma?

There was no objection.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule next week may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT TO JUNE 11, 1962

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FOREIGN AID PROGRAM

Mr. CASEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CASEY. Mr. Speaker, I am sure there must be 124 Members of the House who feel pretty good today. These are my colleagues who last session fought with me and supported my amendment to prohibit any aid or assistance under the foreign aid program for 18 specific Communist countries.

Certainly, each of these Members can claim credit for action in the Senate yesterday in adopting a rigid prohibition similar to mine, for this action I sincerely believe is a direct outgrowth of our efforts.

I should also like to advise my colleagues that it is my intention to again offer my amendment to stop the ridiculous misuse of tax funds in supporting Communist regimes when the foreign aid bill comes before the House. And if you agree with me, I solicit your support now.

Frankly, it is my intention, during general debate on this bill, to submit to you facts and figures showing that the jobs of your own constituents are being exported to Communist Yugoslavia, at your constituents expense. I shall try to prove to you that the position of the Department of State is erroneous—that Yugoslavia is no more an "independent" Communist country than Albania or Red China. It is Communist, it is under a Communist dictator, it is supported with your own constituents' tax money. We are building steel mills, chemical plants, papermills, fertilizer plants, furnishing arms and ammunition to a nation subscribing to a system pledged to our ultimate defeat.

While the amendment adopted by the Senate, and submitted by Senator FRANK J. LAUSCHE, is not as specific as the one I offered—there is no doubt in my mind that it is a rigid prohibition and that it cannot be misinterpreted by those in the executive branch responsible for dispensing our taxpayers' money. The Senate amendment states:

> No assistance shall be furnished under this Act and no commodities may be sold or given under the Agricultural Trade Development and Assistance Act of 1954, as amended, to any country known to be dominated by communism or Marxism. This restriction may not be waived pursuant to any authority contained in this Act.

The Senate's action—in my opinion—is a great victory for the American taxpayer. And I might add it is long overdue.

Mr. Speaker, I know I speak for many people when I express my fervent hope that the Senate stands fast in its action. The time is long overdue when we should stop supporting, with our tax dollars, the enemies of our way of life.

If you agree with me, I earnestly solicit your support for my amendment when the foreign aid bill comes before us for action.

ISTHMIAN CANAL POLICY—AN EVALUATION

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, over a period of many years, I have devoted much time and effort to the study of interoceanic canal problems. My inquiries have included the study of many sources, both official and unofficial. Among the former, are the 1947 report of the Governor of the Panama Canal under Public Law 280, 79th Congress, and the June 1, 1960, report to the House of Representatives by the Board of Consultants, Isthmian Canal Studies—House Report No. 1960, 86th Congress.

The 1947 report, prepared during the hysteria over the advent of the atomic bomb, was directed toward securing authorization of a vast sea-level undertaking at Panama, because of its alleged greater "security" from attack. Subsequent clarifications of the assumptions upon which the "security" hypothesis were based and the advent of the H-bomb have, in the opinion of many competent experts, revealed the underlying fallacies in the "security" thesis for planning navigational projects.

The June 1, 1960, report is significant as being the first one of engineering character to challenge the security justification for a new canal of sea level design, the first to relate the large fixed charges involved in the construction of such type to the costs of operations, and the first to express doubt as to the ability to construct such type without serious danger of long interruption to traffic.

Neither of these reports presents the diplomatic costs that would be involved in the sea-level project in the form of a huge indemnity and greatly increased annuity that would most definitely be demanded by Panama for a new treaty to cover the specific conditions for its construction. This aspect, Mr. Speaker, is a paramount consideration that cannot be ignored; and I altogether fail to understand why this most vital feature has been ignored.

Of all the papers that I have read, the most comprehensive, logical and historically based is one on Isthmian Canal policy, prepared on request of the Board of Control of the U.S. Naval Institute and published in the March 1955 issue of its proceedings. With only minor revision, this paper is as applicable today as when it was published.

The arguments therein set forth for the major operational improvement and increased capacity of the existing Panama Canal, according to the Terminal Lake-third locks plan, are irrefutable. The time has come when decision should be made without further delay, unless we propose to surrender the canal, which the people of our Nation will never approve.

In order that this incisive evaluation of Isthmian Canal policy may be readily available to all agencies of the executive branch, navigation and economic interests, at home and abroad, and the Congress, I quote the article with a biographical sketch of its author, and commend it for careful study by every Member of the Congress, and the staffs of congressional committees charged with responsibilities over interoceanic canal questions:

Isthmian Canal Policy—An Evaluation

(By Capt. Miles P. DuVal, U.S. Navy, retired [1])

ISTHMIAN CANAL POLICY ROOTED IN HISTORY

The Panama Canal, opened to traffic on August 15, 1914, is an interoceanic public utility for the transit of vessels of commerce and war of all nations on terms of equality as provided by treaty. The history of this undertaking is epic.

The idea of its construction traces back more than four centuries. The development of it includes extensive explorations, grave crises, and weighty decisions. Out of these the Isthmian Canal policy of the United States gradually evolved. Yet, despite the vast literature on the canal question, nowhere are the principles of this policy comprehensively stated in one place, and they are not adequately understood. For these reasons a knowledge of key episodes of this important historical subject is essential.

The advantageous geographical position of the American isthmus was recognized by the early Spanish who, within an incredibly short time after their arrival in 1502, explored its regions and reduced their fields of investigation to four main areas: Tehuantepec, Nicaragua, Panama, and Darien-Atrato.

Because of the lower continental divides at Panama and Nicaragua and penetration of the jungles there by river valleys, these two avenues quickly became the great rivals for transisthmian commerce. They are still potential rivals.

At Panama, mountainous terrain and torrential rivers, notably the Chagres, at first represented insuperable barriers to the construction of a canal. At Nicaragua, the existence of a large lake, with the then navigable San Juan River flowing from it into the Atlantic, reduced the magnitude of that undertaking simply to cutting across the narrow strip separating the lake from the Pacific. These facts undoubtedly supply the basis for the initial predilection of the United States in the 19th century for a Nicaraguan canal.

Eventually, the control of the Nicaragua route became a focal point of international conflict, with Great Britain and the United States in a diplomatic deadlock. This difficulty was not removed until 1901, when the Hay-Paunceforte Treaty superseded the earlier Clayton-Bulwer Treaty of 1850, which had deprived the United States of exclusive control of any Isthmian Canal.

PATTERN OF ISTHMIAN CANAL ISSUES EVOLVES

Meanwhile, French interests under the dynamic leadership of Ferdinand de Lesseps had decided to construct a canal across the isthmus. An International Congress for Consideration of an Interoceanic Canal met in Paris in 1879. There, this Congress wrestled with the difficult questions of selecting the best site and deciding on the best type. De Lesseps, the hero of Suez (a simple sea-level canal), lent the full force of his prestige and his genius toward securing approval for a sea-level undertaking at Panama—a wholly different problem.

One engineer, the only one in that Congress who had adequately studied the geography of Isthmian regions and grasped their significance, when he saw the trend toward decision for the sea-level type, rose in strong protest.

He understood the topography at Nicaragua and how its elevated lake, 105.5′ high, would contribute toward the construction and operation of a canal there. He knew the surface features at Panama—the continental divide about 10 miles from the Pacific, the torrential Rio Obispo-Chagres flowing into the Atlantic, and the smaller Rio Grande into the Pacific, both through contiguous valleys suitable for the formation of lakes. Interpreting these elements in the light of maritime as well as engineering needs, he recognized the lake idea as offering the solution of the canal problem.

Then, with the vision and simplicity of true genius, he proposed a "practical" plan for the Panama Canal, here summarized: "Build a dam at Gatun and another at Miraflores, or as close to the seas as the configuration of the land permits. Let the waters rise to form two lakes about 80 feet high, join the lakes thus formed with a channel cut through the continental divide, and connect the lakes with the oceans by locks. This is not only the best plan for engineering but also best for navigation." Essentially, that was the plan for the Panama Canal eventually adopted in 1906. The man who conceived and presented the plan was Adolphe Godín de Lépinay.

The applicability of this plan—the only one which at that time could have had any chance for success—was not understood. De Lépinay's great idea was ignored. His conception of this plan, however, and its dramatic presentation before the Paris Congress of 1879 establish him as an architectural and engineering genius—the originator of the plan from which the Panama Canal was eventually built.

The French, despite De Lépinay's timely warning, launched upon their ill-fated undertaking. Ten years later, in 1889, their effort collapsed and the Isthmus returned to the jungle. Yet, before the failure, the French, to save time and money, were forced to change their plans from sea-level to a modified high-level lake and lock type.

Thus, as the 19th century closed, the pattern of interoceanic canal's focal political and engineering issues had evolved: first, a struggle among competing interests in the choice of route; and second, debate as to the type of canal, with final decision for the high-level lake and lock type at Panama.

PANAMA WINS THE BATTLE OF THE ROUTES

In 1899, after more than half a century of exploration, including a number of naval expeditions, the United States started serious investigations by means of an Isthmian Canal Commission for exploration, 1899–1902, of which Rear Adm. John G. Walker, a distinguished line officer of the U.S. Navy, was president.

After an extraordinary political struggle, known as the battle of the routes, the Congress authorized the acquisition for the United States of a canal zone in what was then a part of the Republic of Colombia, the purchase of the French holdings, and construction of a canal at Panama, with provision for the Nicaragua Canal as an alternate project, if suitable arrangements could not be made for one at Panama.

To this end, the Chargé d'Affaires of Colombia, Dr. Tomás Herrán, a graduate of Georgetown University and well acquainted with American governmental leaders, succeeded, after many months of arduous labor, in negotiating what was considered a most favorable canal treaty for his country—the Hay-Herrán Treaty of January 22, 1903, which was ratified by the U.S. Senate on March 17, 1903.

Unfortunately, this treaty became involved politically in Bogotá. The Colombian Senate, called into special session on June 20, 1903, for its ratification, rejected the treaty on August 12, 1903, against urgent pleadings of Dr. Herrán in Washington and U.S. Minister Arthur M. Beaupré in Bogotá.

Panamanian leaders fearing that after all Panama still might lose the canal to Nicaragua, set out to prevent that possibility. Under the leadership of Dr. Manuel Amador, the state of Panama seceded from Colombia on November 3, 1903, and declared its independence. This was quickly recognized, first, by the United States, and appropriately, second, by France, the country that started the waterway. Then followed the Hay-Bunau-Varilla Treaty of November 18, 1903, which was ratified first by Panama and then by the United States.

In this treaty the Republic of Panama granted to the United States in perpetuity the "use, occupation and control of a zone of land and land under water for the construction, maintenance, operation, sanitation and protection" of the Panama Canal—and as if the United States were the sovereign of that territory. The ratification of this treaty sealed the choice of the Panama route.

The technical justification for this fundamental action was supplied by the Isthmian Canal Commission, 1899–1902, which, under the direction of Rear Adm. John G. Walker, explored all canal routes. He also headed the first Isthmian Canal Commission for construction of the Panama Canal (1904–05) under which the Canal Zone was acquired, the Canal Zone Government organized, and preliminary work started. These achievements place him in history as a principal architect of Isthmian Canal policy.

BATTLE OF THE LEVELS AND THE GREAT DECISION

Work under the U.S. control started haltingly, with increasing uncertainty as to the type of canal that should be constructed—the high-level-lake and lock type or a canal at sea level. Each proposal had strong advocates.

Fortunately, when the time for decision approached, President Theodore Roosevelt selected the great railroad builder, explorer, and business executive, the late John F. Stevens, as Chief Engineer of the Isthmian Canal Commission.

Mr. Stevens' qualifications were unique. He had read everything available on the proposed Panama Canal since the time of Philip II, built railroads in the Rocky Mountains, and supervised open mining operations in Minnesota. Thus, in his experience he had witnessed what occurs when the balances of nature are altered, and understood the hazards involved in excavating a navigation channel through mountains.

Arriving on the Isthmus on July 25, 1905, at the height of a crisis, he had matters under control within 24 hours. Experienced as he was in large undertakings, he promptly provided housing for employees, organized commissaries, encouraged sanitation, ordered equipment, planned the transportation system, and formed the basic engineering organisation for building the Panama Canal. Indeed, so rapid was his progress that he found himself hampered by having to wait for a decision as to the type of canal, then being considered by an international board of consulting engineers.

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[1] Graduating from the U.S. Naval Academy in 1918 (class of 1919), Captain DuVal has had extensive naval service including duty from 1941 to 1944 as Captain of the Port, Balboa, C.Z., in charge of marine operations in the Pacific sector of the Panama Canal. From 1946 to 1949 he was Navy Department Liaison Officer and Coordinator of Isthmian Canal Studies, under the Chief of Naval Operations. He is the author of two books on the canal, "And the Mountains Will Move" and "Cadiz to Cathay," published by Stanford University Press, and is now completing a third volume in his trilogy.

In its report of January 10, 1906, this board split—eight members, including five Europeans, voting for sea level; and the five remaining Americans voting for high-level lake and dock. The naval member on the Isthmian Canal Commission at that time was the Chief of the Bureau of Yards and Docks, who, in a minority report, favored the sea level plan as "affording greater immunity from hostile injury."[1a]

Meanwhile at Panama, Stevens had walked through the entire length of the canal route and studied the topography. Interpreting it in the light of navigational requirements as well as construction, he decided upon the high level lake and lock plan, with the Atlantic terminal dam and locks at Gatun. For the Pacific end, he favored placing its locks in one group south of Miraflores at Aguadulce, just as he planned to do at Gatun.

Testifying in Washington before congressional committees in January 1906, with a conviction for the high-level plan that no one could shake, he voiced his determined opposition to the sea level idea.

But one appearance was not enough. In June, he was again in Washington, still leading in this memorable struggle, later described by Col. George W. Goethals as the "battle of the levels." On this occasion, Stevens even more forcefully and fearlessly urged the high-level-lake plan as the logical solution.

In the end, with the support of President Theodore Roosevelt, Secretary of War William H. Taft, and the Isthmian Canal Commission, the recommendations of Chief Engineer Stevens prevailed. Congress, by the act approved June 29, 1906, adopted the high-level-lake and lock plan as proposed by the minority of the international Board of Consulting Engineers. That was the great decision in building the Panama Canal, for the second time completing the pattern of interoceanic canal political and engineering debate.

Here it should be noted that when making his recommendation to the Congress for this action, President Roosevelt did so after evaluating all available evidence of relative vulnerability and operational effectiveness of the two types. Although he understood that the sea level type would be "slightly less exposed to damage in event of war,"[2] he recommended the high-level plan because of its economic and operational superiority.

The transit from 1914 through August 31, 1954, in both peace and war, of more than 230,517 vessels of various types has completely established the wisdom of that decision. Moreover, it secured Chief Engineer Stevens, who was primarily responsible for bringing it about, his great fame as the basic architect of the Panama Canal.

CIVILIAN CONTROL REPLACED BY MILITARY

Though the high-level plan, as approved by the minority of the International Board of Consulting Engineers, provided for placing all Atlantic locks at Gatun, it also specified separation of the Pacific locks into two groups. Chief Engineer Stevens, who had had railroad operating experience, recognized the operational inconvenience of this arrangement and never favored dividing the Pacific locks.

Eventually, on August 3, 1906, Stevens tentatively approved a plan developed by William Gerig. The proposal placed all Pacific locks in three lifts south of Miraflores with the terminal dam and locks between two hills, Cerro Aguadulce on the west side of the sea-level section of the canal and Cerro de Puente on the east side—on a natural perimeter that would have supplied the same arrangement as at Gatun. This plan, had it been followed, would have enabled lake-level navigation from the Atlantic locks to the Pacific, with a summit-level anchorage at the Pacific end of the canal to match that at the Atlantic end.

Regrettably, Stevens was under great pressure to start construction. Advocates of the sea-level proposal, stung to the quick by their defeat in Congress, were poised ready to take advantage of a major change in the approved program as evidence of weakness in the high-level plan. Opponents of any canal at all were also seeking some means to delay the enterprise. These two forces together represented a political and economic strength that could not be disregarded.

Stevens' foundation explorations, necessarily made in great haste, proved unsatisfactory, and he did not dare to jeopardize the project by further delay. Twenty days later, on August 23, 1906, still confident that this important question would rise again, he voided his plan marking it, "not to be destroyed but kept in this office," and proceeded with the approved plan for separating the Pacific locks.

In 1907, after having brought construction to a point where the success of the project was a certainty, Stevens resigned his positions as Chief Engineer and Chairman of the Isthmian Canal Commission, to which combined offices he had been appointed by President Roosevelt in recognition of his contributions. He was succeeded by Col. George W. Goethals under whose able direction the work was carried forward.

PANAMA CANAL OPENED FOR TRAFFIC

Notwithstanding this shift in administrative control of the canal enterprise from civilian to military in 1907, the Stevens proposal to combine the Pacific Locks did not die. Col. William L. Sibert seriously studied it and, on January 31, 1908, formally submitted a definite plan that reflected his appreciation of marine needs as the basis for navigational planning.[3] But, unfortunately, the Sibert proposal likewise was not approved for reasons then deemed adequate.

In this connection, it is pertinent to comment that after the resignation of Rear Admiral Walker in 1905 there was no experienced navigator on the Isthmian Canal Commission. Thus, one can only ponder what might have been the result had such a person been readily available for consultation with Stevens and Sibert on marine planning. In the light of later operational and engineering knowledge, developed in 1941–44, when there was such consultation between experienced engineers and marine operating officials, it is indeed regrettable that the Stevens-Sibert proposals were not adopted.

Colonel Goethals headed the project to the end, making a number of important but nonbasic changes, which included a widening of Culebra (Gaillard) Cut and the locks. He developed the first permanent operating organization under the Panama Canal Act of 1912 and, as the first Governor of the Panama Canal, opened the canal to traffic on August 15, 1914, and overcame the early slide crises. He and his associates won great fame as builders of the Panama Canal.

In this connection, it should be explained that the original concept of the functioning of the canal enterprise as a civil agency under the Panama Canal Act was dual: in peace, as an interoceanic public utility under a Governor; in war, under the supreme control of the commanding general of U.S. Army on the isthmus. In either status, the operational mission of the waterway remained as the transit of vessels under the obvious assumption that the Panama Canal, like other transportation facilities in the United States, would serve in war as well as in peace.

DEFENSE CONCEPTS BECOME ASCENDANT

After the opening of the canal to traffic, the great builders left the isthmus; operation and maintenance became matters of routine, and the project was uncritically accepted. The rapid development of the airplane and other modern weapons following World War I, dramatized by periodic fleet exercises off Panama, made considerations of defense matters of increasing concern; those of marine operations became secondary.

In the excitement preceding World War II, the Congress authorized construction of a third set of larger locks, primarily as a defense measure,[4] known as the third locks project, at an authorized cost of $277 million. The proposed layout placed a new set of larger locks (140 by 1,200 feet) near each of the existing locks but at some distance away to afford greater protection through dispersal and increased lock capacity for large naval vessels. The new locks were to be joined with the existing channels by means of bypass channels.[5]

Significantly, the plan included a number of construction features for future changing of the canal to sea-level. Thus, discerning students recognized the third locks project as renewing the old "battle of the levels" in a new form—that of conversion.

The third locks project layout at the Atlantic end of the canal, which duplicates an operationally sound arrangement at Gatun, is likewise sound. At the Pacific end, however, the proposed new channel layout contained three sharp bends—29°, 47°, and 37°—in succession from north to south. The latter, if it had been completed, would have created operational problems and navigational hazards of the gravest character.

Construction started in 1940 and was pushed vigorously until suspended in May 1942, because of shortage of ships and materials more urgently needed elsewhere for war purposes. No excavation was accomplished at Pedro Miguel; that at Gatun and Miraflores was substantially completed. Some $75 million was expended.[6]

WAR EXPERIENCE INSPIRES PLAN FOR CANAL IMPROVEMENT

The suspension of the third locks project, however, afforded an opportunity, while there was still time left to make such a study, for its reexamination in the light of operational needs demonstrated by marine experience. This was at a period when the Panama Canal was the scene of many military and naval expeditions on their way to and from combat zones in the Pacific. This, it should be also noted, was before the advent of the atomic bomb.

These studies conclusively established that the principal marine operational problems of the existing Panama Canal are:

1. Dangerous traffic bottleneck at Pedro Miguel and lack of a Pacific summit anchorage.

[1a] Report of Board of Consulting Engineers for the Panama Canal (Washington, 1906), p. xix.

[2] Ibid., p. iv.

[3] William L. Sibert and John F. Stevens, "The Construction of the Panama Canal" (New York: D. Appleton & Co., 1915), pp. 139–146 contains a summary of the Sibert proposal and its disposition.

[4] Public Law 391, 76th Cong., approved Aug. 11, 1939 (535 Stat. 1409).

[5] H. Doc. 210, 76th Cong. 1st. sess. (1939).

[6] House Committee on Merchant Marine and Fisheries, Executive hearings on H.R. 4480, 79th Cong., 1st sess., Nov. 15, 1945, p. 4.

2. Double handling of vessels at separated Pacific locks.

3. Effect of fog in Culebra (Gaillard) Cut on capacity and operations.

4. Lockage surges in cut caused by operating Pedro Miguel locks (3 feet maximum amplitude).

5. Limited operating range of Gatun Lake water level (87–82 feet).

6. Navigational hazards in the restricted cut (300 feet minimum bottom width).

7. Inadequate dimensions of present locks for largest vessels (110 by 1,000 feet).[7]

From the nature of these inadequacies, it is obvious that locating the Pedro Miguel locks at the south end of Culebra (Gaillard) Cut, where it created a traffic bottleneck and other problems, was the fundamental error in operational design of the Panama Canal.

Under the basic assumption that the prime function of the Panama Canal is the safe and convenient transport of vessels, it is self-evident that the wide channels of Gatun Lake afford safer and more convenient navigation than can any necessarily restricted channel at sea level. Moreover, the advantages of unrestricted lake navigation outweigh the minor hazards and time lost by passage through locks. Thus, the best operational solution is not provided by lowering the Gatun Lake water level to sea level, or to some intermediate level, but by raising it to its highest feasible elevation.

The obvious economic operational solution thus is a major improvement of the existing canal according to what is known as the Terminal Lake-Third Locks Plan, which includes the following program:

1. Removal of the bottleneck Pedro Miguel locks.

2. Construction of all Pacific locks in continuous steps near Miraflores.

3. and 4. Elevation of the intermediate Miraflores Lake water level (54 feet) to that of Gatun Lake to serve as an anchorage during fog periods and to damped surges.

5. Raising the summit water level to its optimum height (approximately 92 feet).

6. Widening Culebra (Gaillard) Cut.

7. Construction of a set of larger locks.

These modifications will remove the traffic choke at Pedro Miguel, correct present operational dissymmetry and simplify canal control, increase channel depths, and improve navigation, mitigate the effect of fog, reduce marine accidents, decrease transit time slightly, conserve water, and increase capacity. Thus, the plan supplies the best operational canal practicable of economic achievement.

This plan was publicly revealed by its author on May 20, 1943, in an address before the Panama Section of the American Society of Civil Engineers, under the title, "The Marine Operating Problems, Panama Canal, and the Solution."[8] Attended by high Army, Navy, and Canal Zone officials, the presentation aroused the interest of the commandant of the 15th Naval District, Rear Adm. C. E. Van Hook, who was present. He later submitted the plan to the Navy Department. On September 7, 1943, the Secretary of the Navy forwarded it to the President. Subsequently, this proposal was approved in principle by the Governor of the Panama Canal for the major modification of the existing canal. According to the report of a 1949 congressional investigation, it can be accomplished at comparatively low cost.[9] Moreover, no doubt exists as to its soundness because a similar arrangement at Gatun has been tested since 1914 and found eminently satisfactory.

ATOMIC BOMB RESURRECTS SEA-LEVEL PLAN

The spectacular advent of the atomic bomb, in 1945, injected a new element into the canal picture. Under the force of its impact, canal officials sought authority to conduct an overall review of the entire interoceanic canals question in the light of the then newest developments in the military and physical sciences.[10] This was before the hydrogen bomb.

Accordingly, the Congress, in 1945, enacted legislation [11] authorizing the Governor of the Panama Canal to make a comprehensive investigation of the means for increasing its capacity and security to meet the future needs of interoceanic commerce and national defense. The law also provided for a restudy of the third locks project, a study of canals at other locations, and for consideration of any new means for transporting ships across land. Thus was launched the second major canal crisis in the 20th century. It served to resurrect the corpses of the 1902 "battle of the routes" and the 1906 "battle of the levels" with a rehashing of all the main arguments of the earlier struggles on the basis of the newer term, "security," rather than the older one, "vulnerability."

Under a far more extreme interpretation of the "security" factor of the statute than was intended by the Congress that enacted it, the investigation was directed toward obtaining authorization for a sea-level project at Panama, with the "security" and "national defense" factors as paramount, and money costs not a "governing consideration." [12] In line with the 1905–6 precedent, the naval representative on the Board of Consulting Engineers for the greater part of this engineering investigation was the Chief of the Bureau of Yards and Docks.

In the ensuing public hysteria centered on the dangers of the atomic bomb and other modern weapons, the long-range and fundamental mission of the Panama Canal to provide efficient and economic transit of vessels was generally overlooked.

The report of the 1946–47 Isthmian Canal Studies [13] recommended only the sea-level project for major canal construction at Panama, initially estimated to cost $2,483 million. With the exception of the two terminals, this project provides for constructing a virtually new Panama Canal of 60-foot minimum depth in navigation lanes and of 600-foot width between sloping sides at a depth of 40 feet on a new alinement somewhat removed from the present channel, which it crosses several times. The project includes a tidal lock (200 feet by 1,500 feet) and a navigable pass at the Pacific end, many miles of dams for flood control reservoirs on both sides of the projected canal, diversion channels, and other structural features. This program would result in abandonment of the greater part of the existing waterway and the investment that it represents.

Although the 1947 report contained studies of plans for a Terminal Lake-third lock project, which it did not recommend, it offered a relatively minor program for improvement of the present canal installations "to meet the needs of commerce" as a preferred alternative to the major improvement of the existing waterway as recommended to the President in 1943 by the Secretary of the Navy.

Transmitted by the President to the Congress on December 1, 1947, and without presidential approval, comment, or recommendation, the report promptly encountered sharp opposition. The Congress took no action on this report. Instead, in 1949, it authorized an investigation of the organizational and financial aspects of the canal enterprise,[14] for which study Representative CLARK W. THOMPSON of Texas, a retired Marine Corps Reserve officer, served as chairman. This investigation resulted in the first basic change [15] in the permanent canal operating organization that was established in 1914.

The new act requires that transit tolls be established at rates that will place the operation of the canal enterprise on a self-sustaining basis—a new principle in Isthmian Canal policy with far-reaching implications affecting the future economic management of the Panama Canal and interoceanic commerce. This subject is now under further congressional study.[16]

CLARIFICATIONS RESTORE OPERATIONS AS BASIS FOR PLANNING

Meanwhile, in the Congress, the "security" and "national defense" premises, on which the recommendation for the sea level project was primarily based, were vigorously challenged.

As to the atomic bomb, Representative Willis W. Bradley, a retired naval officer, summarized his views: "As far as I can ascertain, the greatest authorities on modern weapons of war who have given this subject serious attention hold uniformly that any canal would be critically vulnerable to the atomic bomb, regardless of type; that a sea-level canal would be in the same security class as a lake canal; that a sea-level canal could be closed for prolonged periods of time beyond any hope of speedy restoration; and that a sea-level canal cannot be considered secure in an atomic war. These same authorities also agree that the atomic bomb is irrelevant as a controlling factor in the planning of operational improvements for the Panama Canal." [17]

Representative, now Senator, Thomas E. Martin, of Iowa, a retired Army officer, developed the national defense clarification, repeatedly stressing that protection of any type of canal, wherever located, is "an overall governmental responsibility, and that its defense, like that of the seaports, airports, railroads, highways, and productive centers of the United States depends upon the combined industrial, military, naval, and air power of this Nation as obtained in both world wars, and not upon passive defense measures, such as may be embodied in inherent characteristics of canal design." [18]

Here it should be stated that leading atomic warfare authorities, who studied the problem of Canal Zone defense in 1947, considered that arguments as to relative vulnerability of types of construction are entirely without point and that the sea-level project would, in effect, constitute a Maginot Line. This view has been greatly strengthened by the later development of the hydrogen bomb, which is measured in megatons of TNT equivalent as compared to kilotons for the atomic bomb.

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[7] Hon. Willis W. Bradley, "What of the Panama Canal?" CONGRESSIONAL RECORD, vol. 94, pt. 10 (Apr. 21, 1948), p. A2449 and "The Whys of the Panama Canal," CONGRESSIONAL RECORD, vol. 95, pt. 12 (Mar. 4, 1949), p. A1303 contain extended discussions of marine problems.

[8] A.S.C.E. "Transactions," vol. 114 (1949), p. 558.

[9] H. Rept. 1304, 81st Cong., 1st sess. (1949), p. 2.

[10] Committee on Merchant Marine and Fisheries, op. cit., p. 5.

[11] Public Law 280, 79th Cong., approved Dec. 28, 1945 (59 Stat. 663).

[12] See statement of Board of Consulting Engineers, quoted in "Panama American," Aug. 5, 1946, p. 3, vols. 4–6.

[13] Summarized with discussions in A.S.C.E. "Transactions," vol. 114 (1949), pp. 607–906.

[14] H. Res. 44, 81st Cong., quoted in CONGRESSIONAL RECORD, vol. 95, pt. 2, p. 1617.

[15] H. Doc. 460, 81st Cong., 2d sess. (1950) and Public Law 841, 81st Cong., approved Sept. 26, 1950 (64 Stat. 1038).

[16] Hon. John J. Allen, "Panama Canal—Interim Report," CONGRESSIONAL RECORD, vol. 100, pt. 10, p. 13367.

[17] Bradley, "What of the Panama Canal?" CONGRESSIONAL RECORD, vol. 94, pt. 10, p. A2451.

[18] Hon. Thomas E. Martin, "An Interoceanic Canals Commission, the Best Solution of Panama Canal Problem," CONGRESSIONAL RECORD, vol. 97, pt. 14, p. A4480.

In the course of extensive discussions of the sea level project recommendations,[19] congressional and administrative leaders often stressed the point that this project, if justified primarily for "national defense," would divert both funds and resources from projects and programs in the United States that are far more essential to national security. The combined effects of the defense clarifications have been toward eliminating the concept of inherent resistance to attack as the governing consideration in planning at Panama. Thus, it appears that the only justifiable security design feature is adequate protection against sabotage, which is chiefly an administrative function.

Eventually, a group of engineers and others associated in building the Panama Canal submitted their views in a memorandum to the Congress. This memorial challenged the official cost estimates in the 1947 report, charging that the sea-level project would cost several times its initial estimate—$2,483,000,000—and that the third locks project adapted to the principles of the terminal lake proposal (widening Culebra Cut excepted) can be accomplished at relatively low cost as compared to that of the sea-level project—estimated as under $600 million.

The statement also criticized the 1953 program for repair and alteration of present lock structures as makeshift in character and without sufficient merit, pointing out that it will delay the fundamental and long-overdue solution of the problems involved. It stated that the Governor's recommendation of none but the sea-level project for major increase of canal facilities served to exclude what may be the best solution when evaluated from all angles.

Included in an address to the House by Representative EUGENE J. KEOGH, of New York,[20] this memorandum was promptly recognized by the engineering profession.[21]

Strong appeals for the creation of a wholly American, independent, broadly based, predominantly civilian, strictly nonpartisan and objective Interoceanic Canals Commission, composed of able men who may not be dominated or unduly influenced by Federal executive agencies, have been made by responsible congressional leaders as the best means for developing a wisely-reasoned Isthmian Canal Policy.[22]

The consequences of prolonged arguments, in and out of the Congress, have been toward restoration of economic thinking and an increased appreciation of fundamental planning concepts so well expressed during the 1905–06 "battle of the levels" by Gen. Henry L. Abbot, the great student of the Chagres, member of the Comité Technique of the French Panama Canal Company and the international Board of Consulting Engineers, and an advocate of the high-level type. His words were: "The true criterion is ease and safety of transit, and * * * this test leaves no doubt as to which type of canal should be preferred at Panama."[23] This standard, both obvious and simple, is as true today as it was when written in 1905. Moreover, it is applicable in evaluating not only canal proposals at Panama but also those at other locations.

DIPLOMATIC IMPLICATIONS

The juridical basis for the Canal Zone rests with the Hay-Bunau-Varilla Treaty, which authorized a zone 10 miles wide extending 5 miles on each side of the center line of the canal. After extended diplomatic discussions, the boundaries of the Canal Zone were later fixed in the Price-Lefevre Boundary Convention of September 2, 1914.

An examination of the general plan of the proposed sea-level project discloses a number of features not covered by current international agreements. Among these are: a new main channel alinement substantially removed from the existing channel from which Canal Zone boundaries are measured; flooding of additional territory in the Republic of Panama in the Chagres River valley downstream from Madden Dam (Alhajuela); diverting the Chagres River from its present path west of Limon Bay to a new path east of the bay that crosses a Panamanian highway; and draining the central portion of Gatun Lake. The last feature would disrupt present navigation channels to Panamanian settlements on the lake and uncover large and forbidding swamp areas with resulting health and sanitation consequences.

These aspects of the sea-level undertaking would undoubtedly bring a demand from the Republic of Panama for a new treaty covering the specific conditions for its construction. What concessions such a treaty would cost cannot be predicted. But, based upon previous experience in such diplomatic negotiations, these costs would be far greater than earlier ones, inevitably adding to the total estimate and increasing tolls.

Furthermore, such negotiations would be fraught with considerable uncertainty in the relations of the United States with Panama and other nations of Latin America, not to mention threats to the security of the enterprise through the process of its internationalization, for which there have been persistent demands.

In contrast, the Terminal Lake-third locks plan, being merely an "enlargement of the existing facilities"[24] that does not call for additional "land or waters" or authority, will not require a new canal treaty. This, it must be obvious, is a truly paramount consideration.

The construction of a canal at another location would introduce an entirely new diplomatic situation, which would be just as complicated as that at Panama.

The salient elements of this situation, however, are: That the 1947 report does not present these significant diplomatic involvements; that the need for negotiating a new treaty with Panama to cover the sea-level project was not submitted to the Congress; and that the Congress has not authorized such negotiation as was done in the Spooner Act of 1902 for the original construction of the Panama Canal.

ISTHMIAN CANAL POLICY MUST BE REDETERMINED

The evolution of Isthmian Canal policy has been slow. Its principal objectives have long been the best type of canal at the best site for the transit of vessels of commerce and war of all nations on terms of equality as provided by treaty—and at low cost of construction, maintenance, operation, sanitation, and protection.

Often beset by bewildering confusions of ideas, the progress of fundamental concepts has, at times, deviated from their logical courses. Yet events have thus far conspired to avert irretrievable error. Now, with the main arguments clarified, the interoceanic canal problem in its national relationships is coming to be better understood and attention is focusing on the true objectives of securing requisite capacity and operational efficiency. Nevertheless, the evolving situation is of such grave concern that it must be protected by ceaseless vigilance and fully matured objective judgment.

The Panama Canal is now entering its fifth decade of operations. Its navigational inadequacies have been established. The canal as completed contains fundamental errors in operational design centered on the location of the Pedro Miguel locks. These can be corrected only by the major reconstruction of the Pacific end of the canal as contemplated in the Terminal Lake-third locks proposal.

Commercial traffic through the canal has reached the highest volume in history. The Navy has vessels that cannot transit. Issues raised by questions of security and national defense have been formally submitted but never accepted. The principle of economic operation of the canal has been embodied in law.[25] Yet, in a physical sense, the shipway is still essentially what it was in 1914. Thus, the time has come to provide, without further delay, the additional interoceanic transit capacity and operational improvements to meet present and future needs.

The solution of this problem is not the simple proposition that it may appear. Instead, it is a highly complicated one of the greatest national importance, rising above purely personal and group considerations. It involves questions of fundamental operational and engineering planning, the decisions on which will affect the welfare of the United States and other maritime nations through the indefinite future.

These facts call for a further reassessment of the entire interoceanic canals problem[26] based on realities, with a comprehensive restatement of Isthmian Canal policy as derived from a reasoned line of action. This is the task that sooner or later the Congress and the Nation must meet.

ADMINISTRATION SILENT ON CIVIL RIGHTS IN FARM BILL

Mrs. WEIS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. FINDLEY. Mr. Speaker, so much attention has been directed to the feed grains and wheat sections of H.R. 11222 that many people are unaware of the broad scope of Federal spending this bill would launch for recreation facilities, both publicly and privately owned, and the unanswered question of racial segregation in these facilities.

This bill would authorize spending for recreation under four existing acts of Congress.

Title I would, first, amend the Soil Conservation and Domestic Allotment Act to authorize long-term payments, cost sharing, and other assistance to farmers for development of recreation resources; second, amend the Bankhead-Jones Farm Tenant Act to provide financial and other aid for recreational development; and third, amend the Watershed Protection and Flood Prevention Act to provide cost-sharing assistance for recreational development, for Federal assistance to local organizations in acquiring land rights and basic facilities needed for public use of reservoirs and other areas for fishing, hunting, or other recreational purposes.

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[19] Hon. CLARK W. THOMPSON, "Isthmian Canal Policy of the United States—Bibliographical List," CONGRESSIONAL RECORD, vol. 95, pt. 16, p. A5580 and subsequent statements of distinguished Members of Congress.

[20] "Panama Canal Construction Engineers Favor Interoceanic Canals Commission," CONGRESSIONAL RECORD, vol. 100, pt. 5, p. 5795.

[21] "Panama Canal Problem," Civil Engineering, vol. 24 (July 1954), p. 460.

[22] H.R. 8457 and H.R. 8458, 82d Congress, H.R. 1048, 83d Cong., and S. 766 and H.R. 3335, 84th Cong.

[23] Henry L. Abbot, "Problems of the Panama Canal" (New York: Macmillan Co., 1905), p. 224.

[24] Hull-Alfaro Treaty of Mar. 2, 1936, art. II.

[25] Public Law 841, 81st Cong., approved Sept. 26, 1950 (64 Stat. 1038).

[26] Thompson, "Interoceanic Canals Problem," CONGRESSIONAL RECORD, vol. 98, pt. 8, p. A163.

Title V would amend the Consolidated Farmers Home Administration Act of 1961 to authorize loan assistance to farmers in developing recreational facilities and recreation use of land in rural areas.

All this authority would be permanent in point of time, and open end in point of cost.

Let no one think for a moment this legislation, once enacted, would gather dust on a shelf at the Department of Agriculture.

I direct your attention to this colloquy February 19, 1962, as recorded on page 188, serial AA of the Committee on Agriculture hearing record:

> **Mr. Jennings.** The bill will ask for long and short-term loans to individual farmers for recreational uses of the land. Just give me an example of how this will work and what you have in mind in net effect, as to the Farm Home Administration.
>
> Secretary **Freeman.** Suppose that a farmer had a pond 5 or 6 or 10 acres on his land that he would like to improve, that he might like to plant some fish in, that he might want to build a dock on, and he might want to provide alongside of it a place for camping, a place for picnicking, might want to make a little ball diamond, even have a pitch and putt course of some kind in golf—whatever it would be that would make for an attractive use that he could then charge something for the use of these facilities. If his was a sound proposal, he could go to the FHA.

In a speech April 3 in Washington, D.C., Secretary Freeman gave an outline of how he would start to use the recreational authority in this bill.

He said:

> Four metropolitan areas would be selected where a unit of government—such as a suburb—would be willing to cooperate with an association of farmers—such as a soil and water conservation district—in an outdoor recreation program.

Mr. Freeman did not identify these four pilot areas. One presumably might be near Washington, D.C. Farmers in Prince Georges County, Md., or Prince William County, Va., for example, might cooperate with the county governments to set up pitch-and-putt courses, picnic areas, fishing resorts, and swimming facilities.

This bill clearly establishes broad authority to spend Federal funds on recreational facilities of all sorts.

What is not clear is who could use them?

Would the facilities be available to everyone, without respect to race?

The language of the bill is silent on this question, and for all practical purposes so is the administration. On at least three different occasions, high Department officials have dodged it.

Mr. Gladwin E. Young, Deputy Administrator, Soil Conservation Service, USDA, was before the Committee on Agriculture February 21, and this colloquy occurred:

> **Mr. Findley.** Is the question of segregation apt to be involved in any of these recreational areas?
>
> **Mr. Young.** I think that that would be entirely a local situation. However, the use of public funds would have to be taken into account; that is, the regulations with respect to the use of Federal funds would have to be taken into account.
>
> **Mr. Findley.** As you know, there is a great deal of controversy on that. I wondered if the administration had thought out what its attitude would be in regard to segregation in these recreational facilities.
>
> **Mr. Young.** I think that we have not thought it out specifically in that respect.

On March 15, Secretary Freeman was before the committee, and this colloquy occurred:

> **Mr. Findley.** Secretary Freeman, some mention was made of these recreation areas. In developing these recreational areas, will you insist that they be set up under policies which would prohibit any segregation?
>
> Federal funds would be involved, I assume. The segregation question was before the committee earlier and it was not clarified. So I thought I would ask you.
>
> Secretary **Freeman.** I am trying to recall the circumstances and conditions under which the 566 watershed funds are presently dispensed. I know of no such requirement. It would appear that the same requirements that apply now in connection with the application and certification would continue to apply, with the addition that recreation would be an additional purpose, which would justify such a project costwise.
>
> **Mr. Findley.** But you would have the opportunity, in entering into agreements with local communities, to specify the standards under which the areas would be established and operated. Would you take advantage of that opportunity to insist that the policies are such to prevent any segregation?
>
> Secretary **Freeman.** Well, I am not sure that that opportunity exists, but I think you are quite aware, Mr. **Findley**, that it is the policy of this administration for access to public facilities for people of all races, creeds, and colors.
>
> **Mr. Findley.** Well, if the opportunity does exist, will you take advantage of it in all such agreements.
>
> Secretary **Freeman.** This is a question that, very frankly, I have not had the opportunity to consider before. I would want to reserve judgment in connection with it until I had time to review the conditions and circumstances of the present law to determine what would be the soundest practicable judgment to make.
>
> **Mr. Findley.** Would it not give you the opportunity to identify the administration with the principle of equal rights for all, regardless of race?
>
> Secretary **Freeman.** This is a question I cannot determine until I have had an opportunity to see just what the discretion would be in these circumstances under the present law.
>
> **Mr. Findley.** Will you place an answer to this question in the record?
>
> Secretary **Freeman.** Surely.
>
> (The information referred to is as follows:)
>
> "The Watershed Protection and Flood Prevention Act provides for local projects carried out generally by local public organizations with Federal assistance. It makes local organizations responsible for initiating projects, acquiring needed land and water rights, and constructing, operating, and maintaining works of improvement. It also provides that the plan for works of improvement, developed jointly by the Secretary of Agriculture and the local organization, shall be acceptable to and approved by the local organization. These provisions clearly reflect a congressional intent that each phase of a watershed project shall be under the control of the local organization. It has been deemed in line with the intent of Congress to provide in the agreements with the local organizations only those requirements necessary to achieving the benefits on which the projects are justified with a minimum burden on local initiative and control. It is contemplated in the proposed amendments that there will be no change in the general administration of the program."

All this left the question of administration position in doubt. The most specific clarification was Mr. Freeman's general statement on civil rights.

The Senate, in considering its version of the farm bill, tabled by a vote of 43 to 40 an amendment which would have made Federal funds available only for recreational facilities which are racially integrated.

At the conclusion of Senate action on the farm bill, Senator **Keating** stated—Congressional Record, May 25, page 9346:

> It was stated in the debate that the general counsel of the Agriculture Department had advised a staff member that there was nothing in title I of the bill which would expresaly provide either for integrated or segregated facilities.
>
> I immediately sent a telegram to the Secretary of Agriculture expressing my disappointment in that decision. I have just received a telephone call from the general counsel of the Department of Agriculture saying that, while the law is silent, it has been announced to be the policy of the Secretary of Agriculture that no Federal funds will be allotted under title I for any except integrated facilities.

I have attempted to follow this question closely, and I called the general counsel's office at the U.S. Department of Agriculture to get a copy of the statement in which the Secretary of Agriculture had announced that no Federal funds would be allotted for any except integrated facilities.

I was informed that the message to which Senator **Keating** had referred had been based on an erroneous assumption, and that Secretary Freeman had not, in fact, issued such a policy statement.

To the best of my knowledge, administration silence continues.

In a letter sent to the White House Monday, I appealed to the President to clarify this important point.

I urge this clarification in view of the magnitude of the proposed pending authority for recreational facilities, and the importance of the basic American principle of equal rights. No American should be denied access to these federally aided facilities because of race.

If the administration is unwilling tq face up squarely to this racial segregation question, then the answer should be written into the language of the bill itself.

In this land of the free, it seems incredible that legislative language should be needed to assure equal rights for all.

PROTECTION OF PUBLIC AGAINST EXPLOSIVES IN AIRCRAFT

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Illinois [Mr. Price] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, the attention of the House should be directed to the subject of the Federal Aviation Agency and what it is doing, or not doing, in regard to the protection of airline passengers against the threat that someone may plant a bomb aboard.

I raise the issue because the House should consider it before the public loses its vivid memory of the most recent civil air disaster apparently caused by murder.

The evidence has mounted that the Continental Air Lines jet that crashed in Iowa a short time ago was done to death by a planted device—a bomb—placed on board and designed to explode in flight.

Innocent men, women, and children killed in that tragedy were apparently the victims of a psychotic slayer who did not care how many persons he destroyed so long as he destroyed—with impunity from retribution—the one unknown victim who was the prime target.

Few of us in the House would pretend to be technically expert in the complex issues of air safety, with all its ramifications of pilot proficiency and ground control and traffic patterns, of air speeds and noise abatement and altitude on approaches and takeoffs.

We do know this: There have been a substantial number of air killings caused by planted bombs. There have been across the years an acknowledged 5 incidents in this country of civil aircraft destruction by explosive device and another 12 in other countries. Hundreds of civilian passengers, who bought their tickets for safe and peaceful passage, have died in these incidents. We know also that the Federal Aviation Agency as of this date has taken the public viewpoint that protection against such dangers is too difficult for achievement.

Mr. DOMINICK. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Colorado.

Mr. DOMINICK. Mr. Speaker, I am certainly glad the gentleman is bringing this subject up at the present time in light of the recent tragic accident in connection with the Continental Air Lines. The only method which anyone has been able to discover to prevent these happenings is to invent some new machine which can detect dynamite when it is brought aboard an airplane. To my knowledge there is no such electronic device existing at this time.

Mr. PRICE. If the gentleman will bear with me, he will find there are ways you can protect the passengers in flight against these things. I cannot guarantee it is foolproof. My suggestion to the FAA is that they examine the proposition and do a little research on the matter.

Mr. DOMINICK. I would go along with the gentleman on that. This is a most frightening experience for anyone to go through.

Mr. PRICE. I hope the gentleman will listen to my presentation. There have been people who have worked on this and are working on the matter.

Inspection of passenger baggage, it is said, would prove time consuming and self-defeating. The use of fluoroscopic views to examine baggage is unreliable. It would be fruitless and unfair to deny passengers large amounts of flight insurance, the experts say, to dissuade an occasional murderer. It is added that in order to examine the state of personal desperation of all passengers, a psychiatrist would be needed at every ticket counter.

It so happens that in the congressional district I have served there is a business firm that has taken a different approach, an affirmative approach, that might prove useful. This firm is a subsidiary of a company that has put hundreds of thousands of dollars into research and development of a safety device that would explode bombs on the ground before flight, instead of allowing them to be put on board to explode in midair.

The device is a very simple one: It is an explosion chamber, equipped with electronic and acoustical energies, through which all baggage offered by all passengers would have to pass before it is placed on a plane.

An explosive device would be blown up in the safety chamber—a perfectly feasible technique that is known to experts—on the spot. The commotion would no doubt cause some delay in the scheduled takeoff of a civilian flight, but I doubt that the passengers would seriously complain about missed appointments or connections.

The business firm in the 24th District of Illinois is the Propellex Co., of Edwardsville, Ill. It is a subsidiary of the Chromalloy Corp., which developed the experimental explosion chamber in conjunction with the Capehart Corp.

A laboratory model has been demonstrated in newspaper offices. It has been demonstrated to officials of the aviation agencies.

There is a need for further research and development. There is a need for construction of a full-scale chamber for explosion tests on an operating basis. Money would be required—perhaps hundreds of thousands of dollars, perhaps several millions—before the technique could be proved practical.

The Federal Aviation Agency apparently takes the viewpoint that the proposed explosion-chamber technique cannot be trusted any more than any other technique. It would not work, the experts say, with so-called sophisticated bombs.

What bothers me is that the FAA seems to have the attitude that it must have a guarantee of perfection before it can move, and that it must not adopt any policy that might frighten prospective airline passengers into thinking of danger.

It reminds me of nothing so much as the long history of the railroads in telling the Interstate Commerce Commission that safety devices on trains were bad for the country—that they would be too expensive, or that they were unreliable, or that the psychological effects would be damaging to business.

We do not in this House insist that we have all the answers to the complex issues raised. I do know this: that a bomb placed on an airplane is very unlikely to be a "sophisticated" device. A killer does not go out and order his bombs made to his specifications by a specialized and traceable manufacturer. He is more likely to put together a homemade job for $5. And this kind of bomb can be detonated on the ground—safely and without undue hardship to airline convenience and necessity or to passengers—in a properly contrived explosion chamber.

I would like to see the Federal Aviation Agency adopt a policy of searching creatively for answers, of driving hard to get something done, rather than raise technical or economic challenges to every proposed solution. The negative approach is unproductive.

The plain fact is that every incident of bomb planting may feed the imagination of potential killers hunting for a way to commit suicide dramatically or to get rid of some poor victim while destroying all evidence. Bomb planters are not likely to be chronic in their sickness—but they are frightfully violent in their single onslaughts. It would be irrational to say that nothing can be done about them. The Federal Aviation Agency has the experts to supply the answers. What it needs is a policy determination to see that the job is done.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the distinguished chairman of the Committee on Interstate and Foreign Commerce.

Mr. HARRIS. Mr. Speaker, I want to also commend the distinguished gentleman from Illinois [Mr. Price] for bringing to the attention of the House the importance of consideration by the FAA and anyone else who has any responsibility in this field the problem of trying to develop some kind of a device that would detect such bombs or destructive weapons that might be carried on a plane. I think it is something that should be given continuous attention.

I would like to say to the gentleman that I have been interested in this particular matter for a period of time. I have contacted the Federal Aviation Agency in reference to its consideration of certain types of devices that have been presented to it, to the extent that a trial test, at least, be given to it. I agree with the gentleman that research and development toward something that would accomplish some good would be highly desirable. But, I would not want the record to reflect that nothing is being done in this field. The FAA is giving consideration to it and has over a long period of time, and I agree with the gentleman they seem to not want to push forward and actually do something concrete, and there may be some justification or merit in the suggestion that they would not want to do anything concrete without some positive 100 percent perfect functioning of such facility.

I also know that there is a committee composed of people from the aviation industry, from the Government, and others that have been working on this for a long period of time, and have certainly been most active for the last 4 or 5 years.

Mr. Speaker, I think it should be stated that this committee issued a report as far back as 1960 which report has not been published, I can say to the gentleman from Illinois, but it does reveal the efforts that have been made and what they have done—the specialists have done—in this field. They have a research and development group of technicians that have been selected for this purpose, and they have tried many kinds of devices to detect many types of bombs of various kinds. They have a record as to what the effect of each of those which they have tried would accomplish. But, as yet, they have not come up with anything of a definite nature.

Mr. Speaker, I would like to join the gentleman from Illinois [Mr. PRICE] and other Members of the House, in saying it is my hope that they will continue this effort of research and development in order to arrive at some device which would detect, if at all possible, any such bombs or instruments that might be devised to take the lives of people aboard a plane. We know something about the reports that have been made public regarding the tragedy referred to involving the Transcontinental Airlines. Unfortunately, if a person is going to have to take his own life, there is no reason in the world that I can see for him to take the lives of 40 or 50 or 100 other people with him. We just do not understand those things and do not understand how a man's mind can work that way. But as I understand, based upon what they know about it, this kind of device must have been on the person of the individual.

Mr. PRICE. I think the indications are they possibly took it on in a briefcase. This type situation could be very adequately handled in this chamber to which I referred earlier whereby all persons carrying packages must be checked and must go through this chamber. As a matter of fact, I would not be averse to a situation where the chamber would be such that the passengers themselves would pass through that chamber on an individual basis, and if a man wanted to end his life in that fashion, it could be done without endangering the lives of other people on the flight.

Mr. HARRIS. If the gentleman will yield further, of course, there is some question in some of the research and development programs as to what effect some radiation might have on the individuals themselves if that approach were made to detect something.

Mr. PRICE. This device about which I have been talking is not in any way connected with any radiation process. I want to say that I certainly appreciate the contribution of the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS] because I know of his great interest in air safety. I know the tremendous amount of time and effort which the gentleman has devoted to this subject. I know that even with reference to the present case to which I have referred his committee is already at work. I feel if there is any weakness in the position of the Federal Aviation Agency, it is this: It leaves the impression with the public that nothing is being done to avert this type accident.

Mr. HARRIS. If the gentleman will yield further, that is precisely the reason I asked the gentleman to yield, in order to explain what has been undertaken over the years, and also to join the gentleman in expressing some feeling that apparently nothing concrete has been developed in the field.

I share the feeling of the gentleman from Illinois that we ought to have something to prevent these tragedies.

Mr. PRICE. I assure the gentleman from Arkansas that this idea is not mine. There were studies published on this a year ago in October. The position I take is that the Federal Aviation Agency should not just brush all of these ideas aside, but should look with care into every proposal made, and should go into this in detail and find out in their own minds whether or not it would be a contribution in this field. I would feel much better and the potential airline passengers would feel much more secure if they knew that the Federal Aviation Agency did look seriously into a proposal such as this.

Mr. HARRIS. I think probably I should suggest to the Administrator of the Federal Aviation Agency that a report be made either to the Congress or somebody else so we can give some publicity to it and advise the people what is being done. I think it would be helpful.

Mr. PRICE. I think that should be done.

Mr. HARRIS. I think the public should be informed. I would be glad to do that myself.

Mr. PRICE. I think this is a weakness in the Federal Aviation Agency in not keeping the public informed about what is being done in these various areas.

Mr. FLYNT. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Georgia.

Mr. FLYNT. I commend the gentleman for bringing this very timely subject to the attention of the House today. The gentleman has made a fine contribution in his effort to cause many people in many different agencies as well as Members of Congress to be more cognizant with these potential dangers which only too often have become a real danger and a real tragedy.

In addition to the agencies which have been referred to by the gentleman from Illinois, I should like to urge that each of these continue the activities which are presently going on and I should also like to commend this type of research and study to the individual airlines, to the Air Transport Association, to the International Air Transport Association, and to the International Civil Aviation Organization. It is only human, I suppose, for people to become careless.

A great many of these tragedies, not only of the kind referred to by the gentleman from Illinois, but others, too, in one sense of the word are really avoidable accidents and should be avoided. I certainly hope that all agencies and organizations engaged in the airline industry will heed the remarks of the gentleman from Illinois and do everything possible to prevent these wherever possible and at least keep them to an absolute minimum.

Mr. PRICE. I thank the gentleman for his generous remarks. I join in the hope that the industry itself will be interested to the point that they will seek to cooperate and work with the Federal Aviation Agency to devise some safeguards against these incidents.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Illinois.

Mr. COLLIER. I, too, wish to commend my colleague from Illinois for his sincere interest and deep concern over the problem before us. As the gentleman knows, in the last session of Congress our committee reported a bill to meet a problem that existed then in regard to highjacking and the carrying of weapons and arms aboard aircraft. However, it seems to me that the necessity for research in this field will have to go far beyond just the devices for detecting explosives, bearing in mind that there are many means by which an aircraft in flight can be destroyed. I would be reluctant even to mention those that come to my own mind at the moment. But it becomes more and more obvious that we should accelerate the research program and come up with some solution to insure the safety of the air passengers aboard aircraft in this country.

Mr. PRICE. I would like to point out that this is not simply a detection device but this detonates any explosive device on the ground before it is carried aboard a plane.

Mr. DOMINICK. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Colorado.

Mr. DOMINICK. This discussion initiated with respect to Continental Airlines, which got me on my feet.

Mr. PRICE. That is only because it happens to be the most recent incident.

Mr. DOMINICK. I realize that. But, I think for the record, it should be noted at least that Continental Airlines has never had a fatal accident in all its history of flying up until this time.

Mr. PRICE. That is for 28 years.

Mr. DOMINICK. Yes—28 years.

Mr. PRICE. That is correct. It has had an unblemished record and has never had an accident in the air or ever had any crashes of any sort. This accident, certainly, was not due to any negligence or anything on the part of the airline. This was done by a psychotic killer.

Mr. DOMINICK. I wanted to bring that point out and I am glad the gentleman verifies it. The other point I want to bring out for the record is that Continental Airlines has been working on its own to try to find some detection methods which they think would fit practicably into the operation to assure additional safety against this type of madman.

Mr. PRICE. My only fear is that we only think seriously about these matters for only a short period of time after the accident or incident and that we too quickly forget them after a while. My hope is that we will not forget and that every effort will be made by the industry and by the Government in the field of research that will help to avert such incidents in the future.

Mr. MacGREGOR. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Minnesota.

Mr. MacGREGOR. I congratulate the gentleman for bringing this matter to the attention of the House in a thoughtful and careful manner. I was particularly interested in that portion of the gentleman's remarks pertaining to the possibility of some minor irritation on the part of the passengers even having to wait a little bit to board the aircraft or the possibility of a misconnection. I should like to ask the gentleman from Illinois whether or not he knows or whether the sponsors of this particular device, this explosion chamber device in Illinois, know approximately how long it will be necessary to report at a ticket counter or an air terminal in advance of a flight so as to give this chamber an opportunity to do the work which it is intended to do and as to how much additional time would be added, for example, at a terminal such as O'Hare which is the principal transfer point in the United States.

Mr. PRICE. I do not think this idea has yet gotten to the point of minutely examining the details of the timing. Except basically, the baggage would go through this chamber automatically. Since they may not have a large number of chambers at a new airport, they could take, perhaps, 5 or 10 minutes before any passengers travel to the plane. If the passengers themselves were to go through the chamber, then probably going through on an individual basis, it may string it out maybe a matter of 5 or 10 minutes. And there would be another thing, they could check all baggage or weigh in all baggage and there would be no hand-carried baggage brought into the plane. All baggage and all parcels that would normally be hand-carried would go through this chamber.

Mr. MacGREGOR. Could there not be a device which would send hand-carried baggage through this chamber and, then, segregate it in such fashion so that the passenger could pick it up.

Mr. PRICE. Yes, that is entirely possible.

Mr. MacGREGOR. And is it not also true in most of the major air terminals of the country, the airline companies themselves are installing automatic baggage handling equipment?

Mr. PRICE. And they would go right through the conveyor and right through the chamber, or this section of it.

Mr. MacGREGOR. In that connection, an explosion chamber that would be financially feasible could be installed in the conveyor system.

Mr. PRICE. That is right.

Mr. MacGREGOR. I commend the gentleman from Illinois for bringing this matter to the attention of the House and I wish to associate myself with the thoughts and ideas he has presented to us.

Mr. PRICE. I thank my colleagues very much.

WILBUR LUCIUS CROSS: POLITICAL PHENOMENON

Mr. WHITENER. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. Giaimo] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GIAIMO. Mr. Speaker, one of Connecticut's great leaders of the past has recently been memorialized by one of Connecticut's present great leaders. The 100th anniversary of the birth of my State's distinguished former Governor, the late Wilbur Cross, was commemorated recently by our present banking commissioner, Philip Hewes.

The speech delivered by Commissioner Hewes is replete with the warm, personal recollections he has of Governor Cross, and is an eloquent tribute to the genius of both the speaker and the subject. I commend this speech to the especial attention of my colleagues and to the American public because of its brilliance, its wisdom, and its reverence for the memory of one of Connecticut's most distinguished leaders:

Wilbur Lucius Cross: Political Phenomenon

(By Philip Hewes)

In accepting your kind invitation to speak to you tonight, I told Professor van Dusen that I thought others were better qualified for the task (perhaps he himself) but that I would make the effort because of my high regard and affection for Wilbur L. Cross. Also, I reasoned, if your association cared enough to observe the hundredth anniversary of his birth, and were willing to buy "a pig in a poke" for a speaker, how could I refuse this opportunity to participate in such an observation, regardless of the toil and travail involved in the preparation of a few remarks.

It is obvious that anyone who wants to may consult the Governor's autobiography to find out what he thought of himself, and that the basic history of his governorship has been recorded. My assignment this evening, however, as I see it, is to give my own version, within tolerable limits as to length, of a man whom, I must confess, I really didn't know very intimately. My own connections with him began midway in his third term as Governor, in November 1935, when his impress on public affairs in this State and elsewhere had largely been made. And so such observations as I may make of his earlier, and perhaps more exciting, years as Governor, and the years before that, involve my trying to sense the effect on the man as I knew him of inheritance and environment, and other external influences. Such a task deserves a more expert treatment than I have been able to give it. I console myself with the thought that you will not be unduly critical under the circumstances. Perhaps certain nonmembers of your association will be more critical than you.

Both Professor van Dusen and your president, Mr. Favretti, have indicated that I attempt to emphasize that phase of Wilbur Cross's life when he was Governor. I have found it impossible to "emphasize" this phase of his life in any meaningful way without going into earlier phases of his life. More experienced writers than I, on the staff of Newsweek, assigned to write a feature article about George Romney, presently regarded as a political phenomenon, said in a February issue of this publication: "The catalytic agents in this phenomenon are elusive: Ability and personality are important; but perhaps even more vital are chance and circumstance." This at least suggests some of the avenues of approach available as I set about putting this paper together. For example, I know the Governor felt deeply about his childhood and youth in Mansfield—not only as we all do when we recall this part of our lives—with sentiment and love—but because I am sure he felt that the circumstances had a profound effect on his later life. Let us pause to consider them.

As we here this evening all are well aware, but for the record be it said that Wilbur Lucius Cross was born on April 10, 1862, in a red wooden house on Fenton River, in the Gurleyville section of Mansfield. The "Wilbur" was for a Methodist minister and first president of Wesleyan University; "Lucius," for his maternal grandfather, Lucius Gurley; "Cross," for his father, Samuel Cross, husband of Harriet Marie Gurley of Gurleyville. (The Governor incidentally is known to have said that had he been named Peter rather than Wilbur he thought he might have gone further than he did.) Both sides of the family had lived in New England since before the middle of the 17th century. The Crosses were English, the Gurleys Scottish. And representatives of both sides of the family had lived in Mansfield for a hundred years.

In regard to ancestors, the Governor always seemed ready to compensate for his academic background by a curse or earthy comment and this characteristic shows up in references to some of his forebears. He points out that a William Cross, resident of Wethersfield in 1637, was fined by the then general court for selling wine without a license. The father-in-law of one Peter Cross, Robert Wade by name, was the first man in the Connecticut River colony to receive a decree of divorce. Another, who shall be unnamed but from whose memory the Governor enjoyed many a chuckle, was accused of adultery at the age of 100. All this notwithstanding, his more immediate antecedents were obviously solid, upright, self-reliant smalltown Yankees, who believed in work and education.

He was taught the alphabet at home and, at the age of 4 started in school where he learned to spell, to read, to write, and studied geography and arithmetic. He also learned, beginning at the early age of 10, about other aspects of life, by tending store, where boys and girls and men and women not only shopped but gathered to discuss all manner of things, including horsetrading, politics, and the criminal cases being heard in the local JP court.

After I had got to know the Governor, I used to wonder how a boy brought up in a small country town would choose an academic and literary career and make an outstanding success of it. From reading his autobiography, his early bent in this direction becomes apparent; 1876 was the centennial of the signing of the Declaration of Independence, celebrated by a great exposition in Philadelphia, featuring all the then wonders of the world. His father had promised to take him, in September, for a 3-weeks' visit with cousins living near that city and see the exposition. However, in August, it appeared that a young lady was going to open a private school in a long unoccupied building 1½ miles up the road at a place now called Storrs. With the choice left up to him, young Wilbur chose the school. Quite naturally, therefore, with an innate curiosity and a desire to learn, plus a fortunate series of real teachers, he progressed through high school (in Willimantic) where he was valedictorian, with a 99 average, followed by a year's teaching, at age 19, in the district school in Gurleyville while he studied Latin and Greek to complete college entrance requirements, and thence to Yale in the fall of 1881. He also engaged in the chicken and egg business during some of these early years, and so he could say about them: "I learned, as I could not have learned in a city, the ways of mankind as they were manifest in simple and naive acts and word; there I gained a rudimentary knowledge of business, of legal procedure, of local government, and of the art and wiles of politicians, which has been of use to me in reading the minds and motives of men in my dealings with them. Of all the gifts I brought away the chief was the gift of self-dependence, an imbedded conviction that in any undertaking a man must go on alone, if his associates fail him, to its completion. This was a Yankee gift of which I was then unaware."

His approach to life at Yale may be summarized by another brief quotation from his autobiography: "College was for me a great adventure. Much is being said and written these days on the difficulties many students have in making the transition from school to college. As for myself, I was aware of no difficulties. I took it for granted that God was in His heaven and that all was right in the college world. I embarked upon my studies with the utmost zeal, trying to do as well in one as another, on the theory, now abandoned in education, that a subject which a student finds hard for him is as essential as the subject he finds easy if his aim is the development of a well-balanced mind adequate to cope with a world where things are hard as well as easy."

Actually, I think this was his approach to most things—zeal, curiosity, and an aim to leave his mark. He said to me at one time that the measure of success he attained was due at least in part to his willingness to take on assignments which another might view as undesirable. And I think this is some of the answer to the question of how a country boy from Mansfield could attain, entirely on his own resources, without really being a genius, the heights he reached—as teacher, author, administrator while at Yale, and, afterwards, as Governor.

Having got him now to college, it is tantalizing to treat, as only in passing, a career of 40-odd years, in a man's chosen field, for the purpose of arriving at his second career, begun after retirement from the first. I must at least point to a certain continuity of character as we go.

The Governor really committed himself to a literary career as a junior at Yale. He had had some success at composition—winning the DeForest gold medal as a senior. He also liked to declaim. Furthermore, he was deeply influenced by the two leading English professors of the time—Beers and Lounsbury. Thus this die was cast. Warned by them of the precariousness of a literary career and having no desire to live in a garret, he secured a job as principal of a high school in Westport, Conn. He obtained a graduate fellowship at Yale the next year, having inaugurated a course in English literature at the high school at a time when high school English rarely went beyond a study of grammar and composition. As a graduate student, he read the literature of many lands, for 3 years—teaching himself a smattering of several languages in the process.

There being no English teaching post available at Yale, he became a master of English at a private preparatory school in Pittsburgh, where he stayed for 5 years—teaching during the day and lecturing in off hours in the field of English literature, with growing emphasis on fiction—a new academic field. In 1894, he finally obtained an instructorship at Yale, in the Sheffield Scientific School—not in the more traditional halls of Yale College. On the other hand, the official concept of English literature was here more progressive—which was fortunate because the Governor's growing professional interest in fiction might never have got off the ground—or perhaps not as soon, since fiction was not regarded in academic circles as quite legitimate. In addition to teaching large numbers of undergraduates, the Governor secured approval of a course on the English novel in the graduate school. He became assistant professor in 1897 and a full professor in 1902—always in the Sheffield Scientific School. He had heavy administrative duties and also worked on his books of which he ultimately published three—"The Development of the English Novel" (1899), "Works and Letters of Laurence Stern" (1915), "History of Henry Fielding" (1918). (Perhaps because of the burden of work, he was, at 42, turned down for life insurance.) In 1910, he was elected editor of the Yale Review which had become moribund and its editorship unwanted. In 1916, it was decided to reorganize (perhaps organize would be a better word) the graduate school.

Although 54 and a full professor, editor of the Yale Review, and, because of his tenacity in behalf of English fiction, could be considered to have arrived, Cross took on the deanship (theoretically on a 5-year leave of absence from SSS). In March 1922, a vacancy occurred in the office of provost, a sort of aid to the president with not too clearly defined duties. President Angell, with many other important problems to face, had let a whole summer pass before filling the vacancy. And again it was Cross to whom the appointment was offered and who accepted, for a year. In all his posts at Yale, he added great stature to the job and hard-earned prestige to himself. Retiring as dean in 1930, he remained editor of the Review until 1940. Which brings us to his second career which began at the age of 67.

The Governor's interest in politics did not suddenly start in 1930. His father was a Democrat, which I can easily imagine, required some explanation to and discussion with his son to be thus set apart from the majority in town. And, knowing the Governor's catholicity of mind, he surely followed the national elections with interest, absorbed as he might have been in other things. I don't think he was strongly partisan—then or at any other time. I suppose he was a sort of Jefferson-Cleveland Democrat, and didn't find it too difficult to support men like Woodrow Wilson, Cox, Davis, and Al Smith, as he met at the Graduates' Club in New Haven on Thursday evenings, in the twenties, for some refreshment on the way home and, as he called it, "free and reckless discussion" of the State and national affairs with a group of New Haven men and Yale professors. The leader of this group was Col. Nod Osborn, widely known editor of the New Haven Journal Courier, and, I guess, the same sort of Democrat Cross was.

In 1930, the fortunes of the Democratic Party both nationally and in the State, were at a very low ebb indeed. The Republicans had won the last three presidential elections and, except for Simeon Baldwin who had two terms as Governor in 1911 and 1913, there hadn't been a Democratic Governor since 1895. The Republicans enjoyed a strong statewide organization. The Democrats had concentrated on the cities and hardly thought in terms of a State organization aimed at winning control of the State government. Furthermore, the Democrats were divided between a new guard and an old guard, each working for control of the State central committee and the nominating machinery. The new guard, however, perhaps with the optimism of youth, was seriously looking for a candidate for Governor, and its leader, one Archie McNeil, of Bridgeport, went to see Colonel Osborn to urge him to be a candidate. In poor health himself, Osborn suggested Cross. Also, at about this time, Professor Vance of the law school, a Kentucky Democrat and member of the Thursday evening crowd, presented Cross' name to the New Haven Democratic Town Committee as a candidate, with the Governor's tongue-in-cheek approval. Invited to appear at a meeting of the State central committee, Cross came out for the repeal of 18th amendment and the return of the control of liquor to the States. The contrast of this unequivocable stand with his background received widespread newspaper publicity, and the campaign for his nomination was taken up by others, as he went up to New Hampshire for a vacation. (This withdrawal from a party wrangle was the sort of technique he used on several later occasions when the slate for State officers was being fought over by different elements of the organization. It always proved effective, but it meant that his interests had to be represented by the few more experienced politicians who had allied themselves with him with devotion—men like Joe Tone, P. B. O'Sullivan, J. Francis Smith, and particularly Ken Wynne, his executive secretary, and women like Fannie Dixon Welch. Some of his appointees-commissioners and members of his military staff were also helpful in this respect.)

Since, as I have said, the history of Cross' five campaigns and four terms as Governor has already been written, I shall try to answer certain questions which occur to us at this point in Cross' life.

First of all, why did he run? Why, at the age of 68, didn't he indulge himself in hard-earned retirement from a high pinnacle of successful academic life, pursuing, in a more leisurely fashion, some of the many avenues already opened in the field of letters? He could afford to, literally. Some people say that the loss of his wife had much to do with it. I don't know about that. My own feeling is that he had a concept, partly reasoned, partly subconscious, of the role of the educated man in politics and government, and that he could, if elected, not only add embellishment to the office of Governor but make still another mark in life that he was perhaps predestined to make. Here again was the unwanted, untraditional opportunity. With his editorship and established status as anchors to windward, why not take a chance?

Later, while Governor, he would write and speak about the role of the educated man in politics. This is what he said: "Most unfortunate has been the growing tendency since the administration of John Quincy Adams, to relegate, whenever expedient, highly educated men to the rear of public affairs. Politicians want them out of the way. Men of ideas they regard as a nuisance. The kind of knowledge that the educated man can bring to bear in public affairs is sorely needed * * * Government fails when it becomes merely political." These are considerations which have helped me to conclude that the Governor's decision to run for elective office could have been quite largely a reasoned one and philosophical rather than primarily expedient. There were doubtless other less philosophical but nonetheless motivating reasons, such as his genuine belief that the dual position of the Republican State chairman as head of a State-regulated industry was not in the best interests of Connecticut and should therefore be attacked.

Next—Why did he win four terms as Governor? Referring back to the professional writers' recitation of factors which produce political phenomena—ability, personality, chance and circumstance—and not forgetting the "elusive" factor of catalysis—what do we come up with?

Cross had had no political experience in the accepted sense. In June 1930, not a machine politician in the State knew him from Adam. In the three previous elections, the Democrats had nominated Mr. Charles G. Morris, also a highly educated man, but perhaps the novelty of a new and unknown candidate was a plus—a fortunate circumstance. Beyond that, the Governor capitalized on it when he made his aforementioned startling statement about prohibition at his first appearance before the party group. "It is my opinion," he said, "that a clear majority of our fellow citizens want the manufacture and sale of alcoholic liquors returned to the State. You want to see it returned. I want to see it returned. We are all sick of bootleggers. Why are we silent?" This was newsworthy stuff indeed. And when questioned further by the press, he said, "I can't say that I don't know the smell or taste of whisky. But I am not an habitual user. I never take a drink unless I want one." Apparently said offhand, it was a studied remark.

The other issues Cross discussed were not new but had been advocated for years—a reformed minor court system, reorganization of the State government, jury service for women, old-age pensions, enlargement of the State's educational and humane institutions, better rural roads, to name a few.

In discussing the unappealing subject of government reorganization, however, he used the phrase "amorphous engraftments" to describe the multitudinous State agencies built up over the years. Many people could not be sure what he meant, but the phrase caught on. It was different and, for those who did know its meaning without looking it up, a precise description.

To stimulate support of women voters for his stand on jury service for the fair sex, he would point out that the 15th amendment to the Constitution anteceded the 19th by some 50 years. This was calculated to make them squirm.

During his first campaign, which only lasted 2 months, he made 170 speeches of one sort or another—many of them in the small towns considered Republican strongholds. His Mansfield background and a gratey twang (which seemed entirely natural) stood him in very good stead and it was all like a fresh breeze on a humid day. And so the independent voters and many Republicans themselves, tired of humdrum politics, voted for him, as well as Democrats, and he won his first campaign by some 5,500 votes, alone among his fellow candidates for State office and he found himself faced with Republican majorities in both houses of the legislature.

As Governor and as a candidate for renomination and reelection, Cross won ever-increasing public support for his independence of strictly political pressure, for the caliber of his appointments, and for his espousal of legislation to improve the operations of the State government and the welfare of the people of the State. Even the writing of official proclamations received his attention and won him nationwide praise.[1]

His handling of floods and hurricanes, the State's first sitdown strike, and the tercentenary celebration made people respond to his genuine and positive leadership. Also, because of the many pressing problems of the day, particularly the widespread unemployment, he became the first full-time Governor, for the handsome stipend of $5,000 a year.

With it all, Cross also had a very real interest in people—all sorts and conditions, and it showed through. He liked to discuss affairs with his Republican friends at lunch at the Hartford Club, where he lived. He liked to go to dinners and other events sponsored by different racial and religious groups. With a few exceptions, he liked being with politicians. He spent vast amounts of time preparing his remarks for these occasions, trying to bring historical backgrounds and philosophies into focus with the contemporary scene.

Incidentally, his health was good. He usually tok a half hour's rest after lunch, particularly when a night out was on the schedule. He enjoyed his meals and claimed to be able to control his blood pressure by varying his intake of coffee, cigars, and Scotch in relation one to the other as the situation required.

Some people wondered, with his apparently conservative economic point of view, how he went along with and even advocated many phases of the New Deal. My own feeling about this is that, as Governor, as compared to a private citizen, he was face to face with the vast problems of the depression and could see no practical alternative to the depth and urgency they presented. Nor was he unaware, especially in 1936, of the powerful appeal in certain quarters of the President.

Thus, in brief, because of what would now be called a favorable image, he was reelected in 1932, 1934, and 1936.

All good things come to an end, however. In 1938, two grand jury investigations were called, one of the State highway department under a holdover commissioner involving high prices paid for land in connection with the Merritt Parkway, the other involving misuse of funds by the Democratic administration in the city of Waterbury. Cross could not entirely disassociate himself with these two affairs, even though not directly involved, and this gave the Socialist mayor of Bridgeport, McLevy, perennial candidate for Governor, the opportunity of a lifetime. It is more than likely, too, that many people had begun to feel the Governor had gone to the well once too often, especially at his age. In any event, the Governor summed it all up in a letter to Jim Farley, chairman of the Democratic National Committee, as follows: "I have your letter of November 28 in which you ask for my analysis of the results of the recent election in Connecticut. As you may already know, the chief factor in the Democratic losses was the unusual strength of the Socialist Party, whose candidate for Governor polled 166,253 votes as compared to 38,438 in 1934 and 20,993 in 1936. The chief cause of the increase in strength of the Socialist candidates was two grand jury investigations together with the fact that Jasper McLevy, Socialist candidate for Governor, has made a rather good record as mayor of Bridgeport since 1933 and was able to capitalize on the entire situation.

"The situation was further complicated by a trick which I think was sponsored by the Republicans in the revival of a Union Party ticket which included the names of the Republican candidates for Governor and Lieutenant Governor. I had a margin of 358 over Baldwin, notwithstanding McLevy's vote. Baldwin, however, received 3,046 Union Party votes which more than offset my plurality."

Strangely enough the Governor was deeply disappointed. I remember sitting with him at station WTIC, listening to the returns. When it seemed likely that the jig was up, at 3 a.m. on November 9, 1938, he took his customary stub of a pencil out of his vest pocket and worked out a brief statement. At a Jackson Day dinner in New Haven on January 7, 1939, the Governor said this:

"It is a strange phenomenon that one of the socialisms has flared up here in Connecticut known as the land of steady habits. Does this mean that Connecticut is destined now to play a leading part for a time in an attempt to overthrow all those principles of democracy embodied in the Constitution of the United States and in the constitutions of the 48 States comprising the Union? The Socialist Party of the Connecticut brand stands, we are told, 'for a cooperative Commonwealth, achieved through the public ownership of basic industries with democratic management by workers, consumers, and technicians in those industries.'

"It is pertinent to ask the 164,000 citizens who cast their ballots for the head of the Socialist Party of Connecticut in the last election how they would go to work to displace a democratic State with a totalitarian State such as they describe.

"To be specific, how could we go to work to socialize such great industries as the General Electric and Westinghouse Cos., the Stanley Works, and the Singer Sewing Machine Co., all of which concern Bridgeport, on to the last of thousands of industrial corporations? Is this the end which the Socialist Party of Connecticut has in view? Is this what our industrialists want? Is this what the farmers want?

"Is this what bankers and insurance men who voted the Socialist ticket in the last election want? * * * etc." You can see, he took it seriously.

He got over it, of course,. It is, I suppose, an indication of how deeply concerned he had become with the job and with his legislative program.

As for what he accomplished, I can do no better than quote from an editorial in the Hartford Courant, presumably from the pen of his friendly enemy, the editor, the late Maurice Sherman:

"And now just a word for Governor Cross to whom we say, 'hail and farewell.' He has been * * * a good Governor, a popular Governor, and he has wrought much for the State during these last 8 years. He has brought great distinction to Connecticut by his erudition, by the fine literary qualities of his official proclamations, by the charm that his presence has lent to public occasions here and elsewhere, and by his mellowed philosophy and excellent sense of humor. The election figures indicate that if it had not been for the inroads made by Mr. McLevy he might have achieved his ambition to be the first Governor since Oliver Wolcott's day, back in 1817, to serve 10 years in that office. As it is, he goes down to an honorable defeat with few personal enemies and with a multitude of friends and well-wishers."

Recently, James Reston of the New York Times wrote: "In politics * * * nothing fails like success—after a while." This is what happened—even to a political phenomenon. For I believe the Governor was a political phenomenon—observable but not entirely accountable. No aspirant for the office could say, even if he wanted to, "I'll be like him." He had great ability, great personality; he took the chance; the times were right—at least for 8 years.

He died at the age of 86, October 5, 1948, at his home in New Haven.

SPECIAL ORDER GRANTED

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Minnesota [Mr. MacGregor] is recognized for 10 minutes.

Mr. MacGREGOR. Mr. Speaker, I ask unanimous consent that the special order granted to me be vacated and that upon the conclusion of the legislative business and the special orders heretofore granted on Monday next, June 11, I be granted permission to address the House for 15 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

A DECLARATION OF REPUBLICAN PRINCIPLE AND POLICY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. Laird] is recognized for 30 minutes.

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[1] "Ken Wynne's Story" re first proclamation.

Mr. LAIRD. Mr. Speaker, the Senate and House Republican conferences today approved the report of the 1962 Joint Committee on Republican Principles as representing the consensus of the Republican Members of the Congress. For the past 3 months the joint committee has worked on this report and it was presented today to the Senate and House conferences as a unanimous report. It was my privilege and honor to serve as chairman of this joint committee.

The following Members worked long and hard on this committee:

The Senate Members are Bourke B. Hickenlooper, of Iowa, cochairman; George D. Aiken, of Vermont, Wallace F. Bennett, of Utah, Thruston B. Morton, of Kentucky, Kenneth B. Keating, of New York, and John G. Tower, of Texas.

The House Members are Peter Frelinghuysen, Jr., of New Jersey, Glenard P. Lipscomb, of California, Catherine May, of Washington, Charles E. Goodell, of New York, and James E. Bromwell, of Iowa.

Mr. Speaker, for the information of the House, I read:

A DECLARATION OF REPUBLICAN PRINCIPLE AND POLICY

I. BASIC BELIEFS OF REPUBLICANS

Republican philosophy is rooted in the traditions of this land of ours—in the Declaration of Independence that made this country free, in the Constitution that has kept it free, and in the free men and women who have made it the greatest Nation on earth.

Republican philosophy rests on the doctrines that the individual has a God-given dignity and that government exists to serve him.

We Republicans hold these five principles as basic beliefs:

Individual liberty

We believe in the individual's right and capacity to govern himself—to set his own goals—to make his way to them without the restraints of dictatorship or paternalism.

Limited government

We believe that the basic function of government is to maintain an environment in which the individual can freely develop powers of mind, heart and body with which his Creator endowed him. We believe that government should do for the people only the things they cannot do for themselves.

Diffusion of power

We believe that the Federal Government should act only when the people are not adequately served by State or local governments. We believe in separation of the powers of government. We believe in a system of checks and balances to prevent a monopoly of power in any branch of government.

Government with a heart

We believe that government must act to help establish conditions of equal opportunity for all people and to help assure that no one is denied the requisites for a life of dignity.

Government with a head

We believe that government must prudently weigh needs against resources, put first things first, rigorously tailor means to ends, and understand the difference between words and deeds. The future will be built by those who work for it—not by those who only promise it.

II. THE GREAT ISSUE OF 1962

The vote cast by the American citizen in the election of 1962 should be his response to the question: Which party acts more effectively to preserve and enlarge human freedom?

The current administration has shown little understanding of, or concern for, institutions that buttress freedom at home—separation of powers, checks and balances, State and local responsibility, and a free competitive economy.

It has demonstrated neither the wit nor the will to meet effectively the assault of international communism on freedom.

We Republicans cannot witness the erosion of freedom without warning or protest. We propose a new direction for public policy in order to advance the cause of freedom at home and throughout the world.

III. FREEDOM AT HOME

In domestic policy, the most urgent national goal is steady economic progress with more and better products, more and better jobs, and a constantly improving standard of living for all.

Only with a vigorous economy can the cold war be won, education improved, slums eliminated, medical care expanded, and other urgent national goals achieved.

Only a free competitive economy will have the needed vigor.

The administration's lack of sympathy toward a free competitive economy has been made plain by many of its principal advisers. They have expressed the pessimistic theory that the economy can attain a satisfactory rate of growth and avoid mass unemployment only through heavyhanded direction and control by government. They have argued that government must protect individuals from foolish spending by taking their money and spending it for them.

The incompetence of the New Frontier in economic policy is manifest. It has destroyed confidence. It has given the Nation a multibillion-dollar increase in Federal spending and is on the way to its third unbalanced budget. Under it the Nation has had the highest annual unemployment and the greatest number of business failures since the great depression, as well as the slowest recovery from recession in the postwar period.

The oftheard compaign cry "Get America Moving Again," has become a hollow echo.

The economy

Republicans understand the workings of a free competitive economy. The present administration does not.

We hold that American labor, business, industry, science, and agriculture get the jobs done, pay the wages, and create the rising standard of living.

Government should encourage economic growth, particularly by fostering an environment in which Americans can earn, spend and save with confidence. It should not compete, nor fix wages or prices, nor substitute its decision for free bargaining in the marketplace.

The level of persistent unemployment which has existed under the present administration cannot be tolerated. We believe in meeting unemployment with real jobs from the released energy of private initiative. Government should help to develop skills that fit workers for new jobs in a swiftly changing economy.

A thorough overhaul of the tax system to encourage production, build jobs, and promote savings and investment is overdue.

The economic responsibility of government requires a halt to the upward spiral of Federal spending, especially for nondefense purposes. Waste must be eliminated, and all proposals for expenditure must be subjected to the most rigid test of necessity.

This responsibility requires more than lipservice to a balanced budget and reduction of the Federal debt.

This responsibility requires a stable dollar, which is not likely to result if control of the Federal Reserve System rests in the White House.

Government should exercise impartiality and forbearance when the immediate economic interests of management and labor come into conflict.

Above all, government must not become the partisan of any private economic interest. We want government to be probusiness and prolabor. An antibusiness and antilabor orientation inevitably involves government in every conflict between management and labor and can only enfeeble a free-enterprise economy.

The productive capacity of American agriculture is a blessing. The present farm problem in large part was created by government. We reject the administration's proposal which gives the farmer only a choice between regimentation and ruin. We advocate a shift in resources, encouraged by a massive voluntary long-term land retirement program, increased emphasis on new uses for farm products, and improved marketing and distribution practices.

Problems of surplus must be met by maintaining strategic food reserves, by expansion of programs to feed the needy at home and abroad, and by adjusting price supports to permit the development and growth of markets and to remove incentives for overproduction. The ever-increasing maze of redtape fences across the farms of this land must be torn down.

Government must encourage, not inhibit, the ingenuity and enterprise that produce scientific and technological progress.

We advocate decentralization and competition in scientific effort. We favor continuation of a patent system that encourages risktaking and creativity. In fields such as space exploration and atomic power (which should be swiftly developed), the preponderant role that government must at present assume should not shut out increased participation by private enterprise in the future.

Government with a heart—and a head

The Republican Party, which came into being to reassert the rights and dignity of the individual, strongly supports measures necessary to fulfill the promises of the Constitution. It made solid progress in the field of human rights during its administraton and specified its objectives in its 1960 platform.

The right to vote is denied by fraud in the casting or counting of ballots as surely as by exclusion from the polls. Republicans urge vigorous investigation of fraud at the polls and recommend corrective action.

As in civil rights, so in immigration policy, Republicans take their pledges seriously. The failure of the present administration even to request immigration legislation exposes their 1960 platform promises as a hoax.

Republicans seek to preserve the system that has provided the highest quality of hospital and medical care available anywhere on earth. We reject attempts to run a legislative bulldozer through the structure of voluntary health insurance and private medicine.

Effective tax relief for medical and hospital insurance should be given to all. We support government action to increase the coverage of voluntary insurance plans and to help older citizens having difficulty meeting the costs of adequate coverage.

Under a system of local responsibility for education, American schools—public and private—have given the Nation a higher percentage of well-educated citizens than are found in any other nation of the world.

Every American youth should have the opportunity to receive an education commensurate with his ability. Selective Federal assistance is needed. Federal direction must never be substituted for local or private control of our schools.

Tax relief should be given to those who bear the burden of financing education for themselves or others.

Public assistance programs should put a floor over the pit of poverty, never a ceiling on personal achievement. They should strive to equip individuals to become self-supporting. The qualified recipient, as well as the taxpayer, must be protected from the misuse of welfare funds.

Federal-State relations

The Federal system of the United States was designed to prevent excessive centralization of political power and to defend individual liberty at home. Without sacrificing efficiency, it gives to the Nation flexibility and durability.

The National Government should be ready to cooperate with States and localities, not elbow them aside or smother them with direction and control.

Neglect at any level of government is likely to result in the weakening of a Federal system. For example, State and local governments must deal with the urgent problems of urbanized areas, or run the risk of Federal control in these areas. Failure to eliminate the inequities in representation in State legislatures gives an impetus to further centralization of power in the Federal Government and ultimately in the Federal Executive.

IV. FREEDOM THROUGHOUT THE WORLD

The world cannot permanently endure part Communist and part free. In a world dominated by communism, liberty would become a luxury which Americans could not afford. Republicans believe that this Nation, which has, under God, proclaimed liberty throughout the land, must now dedicate its strength to proclaiming freedom throughout the world.

In foreign policy, the overriding national goal must be victory over communism through the establishment of a world in which men can live in freedom, security, and national independence. There can be no real peace short of it.

An active strategy aimed at victory does not increase the risk of nuclear war. Weakness and irresolution on the part of the United States—which could lead the Communists to underestimate the intensity of the devotion of free men to their freedom—are more likely to bring the world to hot war than are strength and firmness.

American strategy should be tested by this standard: If it advances the cause of freedom, do it. If it injures that cause, reject it.

By its effect on freedom, American foreign policy must be judged—and not by its effect on popularity polls or on the attitudes of neutral leaders.

Despite this Nation's position as the most powerful on earth, the bankruptcy of its leadership was shown at critical times in the past year. It was shown in Berlin and Cuba. It was shown in the hesitancy to resume nuclear testing when our national security demanded it. It was shown in the bluster followed by whimpering in respect to Laos.

Republicans demand high-powered deeds, not high-sounding words. We want and expect the cause of freedom to win.

Diplomacy

The unity of the free world has been shaken by the bewilderment and irresolution of the present administration. It must be rebuilt to establish a new and closer relationship among free peoples. The United States must encourage and support regional movements toward economic and political cooperation among its allies.

The place of the United Nations in American foreign policy must be carefully reconsidered. To ask this organization to perform tasks which it is incapable of performing is not supporting the United Nations; it is hastening its death. This country's responsibility of free world leadership must not be abdicated to the United Nations.

The United States must work to reorganize and revitalize the United Nations. Toward this end, it would be desirable to change the method of voting in the General Assembly and in the specialized agencies so as to reflect population disparities among the member states and to recognize relative ability and willingness to meet the obligations of the charter.

The bandit leaders of Red China should neither be admitted to the United Nations nor recognized by the United States.

Peoples living behind the walls and barbed wire of Eastern Europe and Asia must be assured that Communist slavery is not their settled fate.

The United States should challenge the Soviet Union to swing open for at least one year the barriers that make all of Eastern Europe a vast prison in order to permit the inhabitants a free choice of their way of life.

The United States must help the young and the underdeveloped nations of Latin America, Asia, and Africa which are groping for stability and freedom. In so doing, our Nation need not—and should not—sacrifice the trust of old friends in Europe.

America should take the offensive in psychological warfare through an information agency more willing to attack Communist weaknesses and to speak affirmatively, not apologetically, of freedom.

Trade and aid

The power of the bountiful American economy should be used to promote the goals of foreign policy. Expansion of free world trade benefits all free nations. Achievement of this objective, however, can be realized only in the context of sound policies on the fiscal, monetary, and wage-cost-price front that will keep American products competitive. The administration fails to view the problem of foreign trade as a whole.

Such policies will help to alleviate the balance-of-payments problem and to restore confidence in our currency abroad. In order to solve these problems, vigorous action to expand markets overseas is needed, and other prosperous nations must assume a greater share of the economic burdens of protecting and nurturing freedom throughout the world.

A shower of dollars on other lands does not by itself make those lands free or keep them free. Bountiful as it is, our economy is not inexhaustible.

Republicans, therefore, believe that the American program of economic aid must be recast so that it effectively serves the cause of freedom, without waste and within the sensible limits of careful priorities.

Demands for assistance by those who hang back from the struggle between freedom and slavery do not deserve the high priority that the pressing needs of freedom's friends should have.

Aid to our sister American republics is, by law, conditional upon progress toward development of free institutions. Aid should not be extended to any Communist state that will not accept equally stringent conditions.

Military power

Republicans remain committed to maintenance of superior military force so long as the Communist drive for world conquest continues. The United States must never again be mousetrapped by false nuclear testing pledges. Now the Nation must make up for lost time in the development of nuclear weapons.

Any disarmament plan must guarantee reliable inspection and assure sufficient strength, step by step, to defend against violations. This Nation's arms control negotiators must never be tempted to gamble unrealistically with our country's security.

Efficiency throughout the Defense Establishment is demanded. Increased unification is required where it enhances strength. We oppose it where it waters down service pride and spirit.

We oppose the takeover of operational responsibilities by armchair policymakers. Failure in Cuba has been traced to that trend.

Within the last 18 months a Communist military base has been established 90 miles from the coast of Florida. The tragic timidity of those who withheld needed support from the Cuban patriots dispatched to free their country permitted the Communists to achieve their greatest triumph in a decade. We should never again tolerate such a failure.

THE FEDERAL EQUAL EMPLOYMENT OPPORTUNITY ACT

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 20 minutes.

Mr. HALPERN. Mr. Speaker, I heartily commend the Committee on Education and Labor for reporting the Federal Equal Employment Opportunity Act. As a sponsor of identical legislation I am delighted that this issue is a step closer to fruition. The committee has done an excellent job. In their deliberations they have held hearings not only in Washington, but have met in Los Angeles, in Chicago, and in my own city of New York. They have had the benefit of the experience of many in private and public organizations who have been working to end discrimination in employment in many parts of the land. They have listened and have learned. The results are seen in this balanced bill which will go far to protect the rights of those who have suffered discrimination without infringing on the rights of Americans in general.

I am particularly glad to note that the committee has decided to include in one bill protection against discrimination because of race or religion and protection against discrimination because of age. I say this because this has been the manner in which the problem has been handled in my State of New York.

New York may fairly claim to have led the way in the enactment of laws against discrimination. In 1945, under the leadership of Gov. Thomas E. Dewey, we adopted the first such law in the Nation. The other 15 States who today have such laws have benefited by our experience.

We have found that, although the motives behind discrimination against our citizens because of their age are not always the same as the motives behind discrimination because of a man's color or religion, both problems arise in the employment relationship. Administratively it is feasible to combine the administration of discrimination in employment on any basis in the hands of a single commission.

An objection has been raised, and I feel it is a valid one, that an agency staff might tend to favor one type of problem, to consider one class of discrimination more important than another. The committee met this problem successfully in the bill now before us.

They provided in section 8(f) of the bill that the Federal Commission should maintain separate divisions within its staffs; each division should have responsibility for processing all cases in a major category of unlawful employment practices. Cases of age discrimination, for example, would be handled by one of these divisions.

I note also that the committee has met the question of whether the Federal law might not preempt a field in which some States have already acted effectively. They have considered that the Federal law should complement, not supplant, the law of the State.

Thus section 10(b) provides that the Federal Commission must seek written agreements with the State agencies in States where effective power to prevent discrimination exists under State law and is being exercised. Under these agreements, the Federal Commission will refrain from bringing civil action in any case or class of cases where the State is acting effectively.

Thus this bill, rather than preempting a field from the States will serve to encourage action by the States to prevent discrimination.

This is a good bill, Mr. Speaker, and it should pass.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. RILEY (at the request of Mr. ALBERT), for 2 weeks, beginning on June 7, 1962, through June 21, 1962, on account of official business in the district.

Mr. SHELLEY (at the request of Mr. GEORGE P. MILLER), on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MACGREGOR, for 10 minutes, today.

Mr. GIAIMO, for 20 minutes, today.

Mr. LAIRD (at the request of Mrs. WEIS), for 30 minutes, today.

Mr. HALPERN (at the request of Mrs. WEIS), for 20 minutes, today.

Mr. MACGREGOR, for 15 minutes, on June 11.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mrs. WEIS) and to include extraneous matter:)

Mr. CUNNINGHAM.

Mr. FINO.

Mr. PELLY.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. INOUYE.

Mr. SHELLEY.

Mr. TAYLOR.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 6, 1962, present to the President, for his approval, a bill of the House of the following title:

H.R. 1653. An act for the relief of William Falby.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 46 minutes p.m.) under its previous order, the House adjourned until Monday, June 11, 1962, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2159. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on our review of policies and procedures established by the Office of Civil and Defense Mobilization (OCDM), succeeded by the Office of Emergency Planning (OEP), Executive Office of the President, for the use of excess stockpiled materials by Federal Government agencies, was taken from the Speaker's table and referred to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SISK: Committee on Rules. House Resolution 677. Resolution for consideration of H.R. 11677, a bill to prohibit discrimination on account of sex in the payment of wages by certain employers engaged in commerce or in the production of goods for commerce and to provide for the restitution of wages lost by employees by reason of any such discrimination; without amendment (Rept. No. 1785). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 678. Resolution for consideration of H.R. 11222, a bill to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes; without amendment (Rept. No. 1786). Referred to the House Calendar.

Mr. ADDABBO: Committee on Post Office and Civil Service. H.R. 11523. A bill to authorize the employment without compensation from the Government of readers for blind Government employees, and for other purposes; with amendment (Rept. No. 1787). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. H.R. 11921. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; without amendment (Rept. No. 1788). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 11990. A bill to provide for a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act; without amendment (Rept. No. 1789). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 12048. A bill to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mr. BUCKLEY:

H.R. 12049. A bill to authorize the maintenance of navigation channels to Port Elizabeth, N.J.; to the Committee on Public Works.

By Mr. FINO (by request):

H.R. 12050. A bill to amend chapter 15 of title 38, United States Code, to provide that the award of pension to any person which has been in effect for 10 or more years shall not thereafter be revoked on the basis that the individual did not have the length of service required to qualify therefor, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KYL:

H.R. 12051. A bill to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H.R. 12052. A bill to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H.R. 12053. A bill to afford dairy producers the means by which they may adjust their marketings of milk more nearly to equal demand and to improve and stabilize their price returns; to the Committee on Agriculture.

By Mr. ZELENKO:

H.R. 12054. A bill to extend to certain employees in the Trust Territory of the Pacific Islands the benefits of the Federal Employees' Compensation Act; to the Committee on Education and Labor.

By Mr. JOHNSON of Maryland:

H.R. 12055. A bill to amend the laws with respect to Federal participation in shore protection; to the Committee on Public Works.

By Mr. LENNON:

H.R. 12056. A bill to revise the Federal Flood Insurance Act of 1956 to provide a basis for more effective protection against flood damage, and for other purposes; to the Committee on Banking and Currency.

By Mr. MERROW:

H.R. 12057. A bill to provide for the settlement of certain claims resulting from jet flight activities at Pease Air Force Base, N.H.; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.J. Res. 732. Joint resolution granting the consent of Congress to the States of Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia to negotiate and enter into a compact to establish a multi-State authority to construct and operate a passenger rail transportation system within the area of such States and the District of Columbia; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. Res. 679. Resolution creating a select committee to conduct an investigation and study of the sport of professional boxing; to the Committee on Rules.

By Mr. GARLAND:

H. Res. 680. Resolution amending the Rules of the House of Representatives relating to the appointment of professional and clerical staffs of the committees of the House; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 681. Resolution to provide for the placement of a plaque honoring the 7th New York Regiment quartered in the U.S. Capitol, Washington, D.C., during the Civil War; to the Committee on House Administration.

By Mrs. KEE:

H. Res. 682. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash; to the Joint Committee on Atomic Energy.

By Mr. SLACK:

H. Res. 683. Resolution expressing the sense of the House of Representatives with respect to non-Federal installation of electric generating facilities at Hanford, Wash.; to the Joint Committee on Atomic Energy.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of Massachusetts:

H.R. 12058. A bill for the relief of Dr. Young Chan Chang and his wife, Dr. Ock Soon Choi; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H.R. 12059. A bill for the relief of Mrs. Ming Tao Hsu Chao; to the Committee on the Judiciary.

By Mr. ZELENKO:

H.R. 12060. A bill for the relief of Jose Maroto, Marta Zuazua de Maroto and Maria del Pilar Maroto; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Victory Over Communism

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 7, 1962

Mr. PELLY. Mr. Speaker, the newly issued Declaration of Republican Principles carries a statement which expresses a strong conviction which I am confident is not shared solely by members of one party. I refer to a sentence which appears under the heading "Freedom Throughout the World." This sentence reads:

> In foreign policy the overriding national goal must be victory over communism through the establishment of a world in which men can live in freedom, security, and national independence.

I appreciate, Mr. Speaker, that there is a language of diplomacy wherein a sort of Alice in Wonderland set of odd people say a lot of things they do not mean. The harsh frankness of ordinary mortals such as most Members of this House of Representatives in this international set is carefully avoided.

However, Mr. Speaker, I cannot find it in my heart to forgive or in my head to forget that our American State Department has seen fit to censor and avoid the expression "Victory over communism."

If our officials have to be respectful, or even euphemistic, in their exchange of words, both spoken and written, that is one thing; but when they have to be mealymouthed to the point of publicly disclaiming our firm determination of victory over the international conspiracy to destroy us, I object, and I protest, that these officials in our State Department feel it proper to avoid proclaiming our intention to win.

Without any partisanship, I rise today to say I believe this Congress and its Republican and Democratic membership alike abhor the fact that before the world the United States has let it be known that our position is not firm as far as using the word victory in connection with communism is concerned. I say, as stated in the Declaration of Republican Principles, that I stand, and I know a majority of my colleagues stand, regardless of political affiliation, firmly for victory over communism. That is our overriding goal and we want this fact known to all the peoples of the free, slave, and neutral countries.

The Graduated Income Tax

EXTENSION OF REMARKS
OF
HON. ALBERT GORE
OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Thursday, June 7, 1962

Mr. GORE. Mr. President, I ask unanimous consent that a memorandum on the graduated income tax, which I submitted to Senator MANSFIELD, the able majority leader, be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

GRADUATED INCOME TAX

JUNE 7, 1962.

Memo to: Senator MANSFIELD.
From: Senator GORE.

The graduated income tax is a hallmark of a democratic society and, at the same time, is one of the most important mechanisms for the preservation of economic democracy, without which political democracy can hardly be expected to remain viable. That a Democratic administration would attack the graduated income tax by proposing a drastic lowering of the top brackets and only minor reductions in the lower income brackets, thus making the graduations much less steep, is untenable.

A so-called trial balloon has been sent up for a proposed reduction of the maximum rate from 91 percent to 62 percent. Such a proposal would provide for a graduation only slightly more steep than Solon decreed in Attica more than 2,500 years ago, when the pentacosiomedimni were taxed on the basis of 12 times, the hippes on 10 times, and the zeugitai on 5 times their annual produce. Those with less production than 200 bushels of grain annually were exempt from direct taxation.

I have prepared two tables, which are attached, which show to what extent the top-bracket taxpayers would profit from scaling the rates between 18 and 62 percent. The figures are approximations but are certainly sufficiently accurate to demonstrate orders of magnitude.

You will note that a single taxpayer having taxable income of about $150,000 per year would have twice the aftertax income (take home pay), under such a scale as he has under existing law. Those with incomes of $10,000 and under would be helped very little.

In my view, it would be most unwise socially, economically, and politically for the President to recommend a drastic reduction in the top income tax brackets or, should such a recommendation be made, for the Senate to pass such legislation.

Should it be advisable to reduce the revenue from the personal income tax, first priority should be given to increasing the personal exemption for taxpayers and dependents. The increased cost of living has made this the most inequitable and most unrealistic provision of our tax law. Lowering the rates for middle and upper bracket taxpayers should have a low priority.

Should it be felt that an immediate reduction in personal income tax rates is advisable as a spur to the economy, the need for reducing the lower rather than the upper bracket rates becomes even more important. Dollars added to the take home pay of the lower bracket taxpayer will enter the spending stream immediately and without substantial diminution.

The fact that only a relatively few of our citizens are so fortunate as to be in the high income tax brackets is no argument at all against the soundness of the principle of progressive graduation in personal income tax rates; neither is the amount of revenue derived therefrom. The yardstick of fairness and equity must be our constant guidepost in tax policy whether the proposal affects one or a million of our citizens. This, by all means, should characterize the policy of a Democratic administration and a Democratic Congress. Otherwise, we would lose our claim of being the party with a social conscience.

Married taxpayers (assuming continuation of split-income benefits)

Taxable income	Present scale (percent)	Assumed new scale (percent) [1]
$2,000	20	18
$5,000	22	20
$10,000	26	24
$20,000	38	32
$30,000	47	36
$50,000	59	40
$100,000	75	50
$200,000	89	55
$400,000	91	62

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[1] This is, of course, only one of a number of possible graduations between 18 and 62 percent.

***Married taxpayers (assuming continuation of split-income benefits)*—Continued**

Taxable income	After tax income (present scale)	After tax income (new scale, approximate)	Percentage increase
$2,000	$1,600	$1,640	2.5
$5,000	3,980	4,100	3.0
$10,000	7,800	8,200	5.1
$50,000	29,700	35,000	18.0
$100,000	46,360	62,000	35.0
$200,000	65,360	110,000	69.0
$300,000	76,360	150,000	97.0
$500,000	95,360	228,000	140.0
$1,000,000	140,360	468,000	230.0

Single taxpayers

Taxable income	Present scale (percent)	Assumed new scale (percent) [1]
$2,000	20	18
$5,000	26	24
$10,000	38	32
$20,000	56	38
$30,000	62	42
$50,000	75	50
$100,000	89	55
$200,000	91	62

[1] This is, of course, only one of a number of possible graduations between 18 and 62 percent.

Taxable income	After tax income (present scale)	After tax income (new scale, approximate)	Percentage increase
$2,000	$1,600	$1,640	2.5
$5,000	3,900	4,000	2.6
$10,000	7,360	7,700	4.6
$50,000	23,000	32,000	39.0
$100,000	33,000	56,000	70.0
$200,000	43,000	100,000	133.0
$300,000	52,000	138,000	165.0
$500,000	70,000	214,000	200.0
$1,000,000	115,000	404,000	250.0

The Gambling Monopoly of the Austrian Government

EXTENSION OF REMARKS

OF

HON. PAUL A. FINO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 7, 1962

Mr. FINO. Mr. Speaker, I would like to tell the Members of this House about the gambling monopoly of the Austrian Government.

Austria profits from several lotteries as well as from football and horseracing pools.

In 1961, Mr. Speaker, the total gross receipts of the several gambling operations came to over $13½ million. The net income to the Austrian Government, which was not earmarked for any specific purposes, amounted to over $3.2 million.

Austria is another of the nations where the Government recognizes that gambling is here to stay and profits accordingly. In Austria, the Government takes a cut of all gambling revenues—even deriving operating and monopoly fees from casinos.

Mr. Speaker, when will the United States profit from the example of Austria and other nations showing similar wisdom? A national lottery in America can easily, painlessly, and voluntarily produce over $10 billion a year in new, untapped revenue. This could help bring needed relief to our hard-pressed taxpayers.

Textile Import Problem

EXTENSION OF REMARKS

OF

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 7, 1962

Mr. TAYLOR. Mr. Speaker, yesterday Congressmen HEMPHILL, ALEXANDER, WHITENER and others pointed out to this Congress that during recent months, while much study has been given by the administration and some favorable action taken to aid the textile industry, that textile exports have continued to decline and textile imports continued to increase. We must face the fact that the textile import problem is still with us and further action is needed.

I, too, represent many textile plants, their management, and their employees. I, too, am anxious to aid these industries in the fight to overcome the dangerous and burdening import situation.

Our textile workers deem it most unfair to suffer from shorter hours and unemployment while foreign competitors are supplying much of the American market.

Last February I appeared before the Tariff Commission and discussed ways to assist import-hurt textile manufacturers, and joined many others in recommending the adjusting of existing differences in the cost of raw cotton on the American and world markets by imposing offset import fees.

At present, foreign buyers can purchase American raw cotton on the world market 8½ cents per pound cheaper than American manufacturers can buy the same cotton on the domestic market. This situation is unjust and unfair to our textile industry and is not in the best interest of the economy of this Nation.

I strongly believe that an import fee charged on cotton products entering this country equivalent to the difference in world and domestic prices should be promptly imposed. However, as yet the Tariff Commission has not taken any favorable action on this request.

In about 2 weeks the House will be considering the administration trade bill, which I regard as the most important piece of legislation coming before this session of Congress. I know that the combining of several European nations into a powerful Common Market whereby tariff barriers between them will be limited or eliminated has changed the trade picture greatly for the United States. I know that trade has helped make this Nation great.

On the other hand, I know that lowering tariff barriers even on a reciprocal basis could be disastrous to some American industries.

The textile industry is of basic importance to the people whom I represent in Congress and to the economy of North Carolina. I would be remiss in my duty if I remained silent while this industry is further damaged by imports coming mostly from low-wage countries outside the Common Market.

Immediate favorable action by the Tariff Commission on the requested import fee on cotton goods entering this country is needed before the trade bill is considered. Such action would correct a serious inequity and would aid us in arriving at a trade policy which is reasonable and fair to each individual industry and to its employees.

A Letter to the President of the Philippines

EXTENSION OF REMARKS

OF

HON. JOHN F. SHELLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 7, 1962

Mr. SHELLEY. Mr. Speaker, within the next few days we will have an opportunity to correct an injustice to the people of the Philippines. We must take this opportunity to approve the new Philippine war damage claims bill, H.R. 11721.

Mr. Speaker, for over 50 years the United States has had a unique relationship with the Philippines. The bonds of good will which have grown up between our two peoples have remained strong through several decades of territorial experience, through the tremendous destruction of World War II, and through over 15 years of postwar independence. Today the Philippines is probably our stanchest ally in Asia, and our friendship is based on firm foundations of mutual interest and good faith. Unfortunately, as we have shown in our recent action, we sometimes take the Philippines for granted. We have done this despite the fact that we have often taken great pains to honor our commitments to countries which at times act in ways inimical to our interest, and despite the fact that probably no former territorial area can boast such continuing harmony as has prevailed between the United States and the Philippines over the years.

Mr. Speaker, I believe that we must recement these bonds of good will by enacting H.R. 11721 and thus demonstrating to the people of the Philippines that we are a nation which does not default on its solemn obligations. The obligation we owe to the Philippines is clear and those who deny its existence are simply engaging in semantic quibbling.

The essential facts in this matter can be briefly stated. During the darkest days of World War II American officials at the highest levels made public statements that we would compensate the Filipino people for war damage. We are all aware of the courageous and effective resistance which the Filipinos put up against the Japanese throughout the war. At the end of the war we undertook to back up our promises and help rehabilitate the Philippine economy. In the Philippine Rehabilitation Act of 1946, we said to the Filipinos, "Go ahead and rebuild your homes and factories, and we will compensate you up to 75 percent of what was destroyed in the war." Four hundred million dollars was appropriated to pay these claims. This sum went only far enough to pay about 52 percent of each claim. The $73 million asked for in the recent—H.R. 8617—and current—H.R. 11721—bills would go to pay the full 75 percent of each claim. While some of the money would go to large claimants—whose claims were judged legitimate by the U.S.-constituted Philippine War Damage Commission—the bulk of the funds would go to some 86,000 small claimants.

Mr. Speaker, in the postwar period the Filipinos rehabilitated their property with the expectation that the United States would honor its pledge. They have been awaiting the remaining payment on their claim for over 10 years, supported in their hopes by the knowledge that the Presidents of the United States, representing the feeling of the American people, favored the completion of the payments. Finally, after consideration of all the facts, the House Foreign Affairs Committee reported H.R. 8617 favorably to the floor for consideration at this session. The Filipinos thought that their patience had at last borne fruit and that their frustrations over this issue would soon be at an end. Then on May 9, 1962, by a small majority, H.R. 8617 went down to defeat.

Mr. Speaker, the reaction was enormous on both sides of the Pacific. Filipinos—both those with claims and those without claims—were shocked by this "unfriendly" act, and the new, vigorous, and enlightened President of the Philippines, Diosdado Macapagal, was forced to cancel his good-will visit to the United States. Reaction was equally strong in the United States. Americans in all parts of the country deplored the vote. Editorial opinion in American newspapers was virtually unanimous in its opposition to the act of the House.

Mr. Speaker, it is my conviction that this is a serious mistake made because of a lack of recognition of the true issues involved. Consequently, a new bill (H.R. 11721) was introduced. It answers some of the technical objections of some of the members who voted against the defeated bill, but retains its basic provisions. H.R. 11721 provides for $73 million to be used to finish the payment on the remaining war claims. It is my hope that within the near future we will have an opportunity to give a decisive passage to this bill.

Mr. Speaker, while we are in Congress and doing our part to clear up this misunderstanding, it is important that our Filipino friends retain confidence in our deep good will toward them. Private efforts demonstrating our warm regard for the Philippines can have an important effect in this respect. One such approach was taken by the San Francisco News-Call Bulletin in an open letter to President Macapagal. In my mind it reflects well the thinking of the vast number of Americans.

The article follows:

A LETTER TO THE PRESIDENT OF THE PHILIPPINES

His Excellency DIOSDADO MACAPAGAL,
President of the Philippines,

DEAR MR. PRESIDENT: We address this letter to you, and to the people of the Philippines whom we have regarded as true friends for more than a half century.

The American people do not want anything to happen to chill this friendship which we cherish so deeply.

We know how stoutly the Filipinos fought our common enemy in the last war.

We know how quickly the Philippines rallied to our side in the Korean crisis, and how steadfast your Nation has been in all the crises that have occurred since. In the whole of the free world, the United States has no firmer nor more dependable ally.

We believe millions of American people will join us in expressing sincere regret for the misguided action of our House of Representatives on May 9 against a bill which would have provided final payment of the legitimate debt of $73 million we owe you.

We believe, as our President Kennedy has said, there was a gross misunderstanding of the purpose and intent of the legislation in our House of Representatives that day.

We believe that our Congress, on sober second thought, now regrets the action of May 9 and will quickly right this wrong.

The incident has been revealing to Americans who now understand that our Government has been slow to pay to its friends while granting billions around the world to comparative strangers.

The American people recognize the justice of compensation for Philippine property damage caused by American military action. We know the individual settlements were made by a commission properly constituted for that purpose. We consider that debt a moral obligation, now long overdue.

While our Congress is straightening out this unfortunate mixup, we ask, Mr. President, that no irrevocable action be taken in the Philippines based on belief that this one mistaken action in Congress represents the true sentiments of Americans.

We have been proud of the fact that we have shared the same Independence Day with the Filipino people, and we hope we shall always celebrate the Fourth of July together.

We hope that you, President Macapagal, will reconsider your decision to delay your visit to America which had been scheduled for next month.

We believe that the warmth of reception which awaits you here will reassure you as to the depth of our friendship.

Respectfully yours,
THE EDITOR OF THE NEWS-CALL BULLETIN.

Randolph Sevier

EXTENSION OF REMARKS
OF

HON. DANIEL K. INOUYE

OF HAWAII
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 7, 1962

Mr. INOUYE. Mr. Speaker, last month, Matson Navigation Co. observed its 80th anniversary in Hawaii steamship service. Yesterday, June 6, Randolph Sevier, who has devoted nearly 40 years of service to Matson and to Hawaii, celebrated his 65th birthday, and I wish to add my personal congratulations and best wishes to both Mr. Sevier and to Matson.

The names of "Matson" and "Sevier" have been linked closely with Hawaii down through the years. I feel it is most appropriate and significant that the company's 80th anniversary and Mr. Sevier's 65th birthday, indeed, an important milestone in his colorful and successful career, should come so close together. Mr. Sevier retired last month as president of Matson to become chairman of the board of directors, thereby assuring the American-flag shipping industry and the Hawaiian Islands of his continued contributions for years ahead.

Mr. Sevier needs no introduction in Washington. The maritime business of Matson and Hawaii has brought him here many times and he has remained in constant contact through Matson's able Washington representative, Mr. A. J. "Bud" Pessel.

And Mr. Sevier is known throughout Hawaii as a man who is deeply and personally interested and concerned with the welfare of the islands, where he lived and worked so many years during his career.

So today I say on behalf of his friends and associates, both in Hawaii and in Washington, "sincere best wishes, Joe Sevier, on your 65th birthday, and warmest aloha from all of us."

Russian Communist Propaganda Versus a 1933 Russian Communist Pledge

EXTENSION OF REMARKS
OF

HON. GLENN CUNNINGHAM

OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 7, 1962

Mr. CUNNINGHAM. Mr. Speaker, much of the unsolicited Communist propaganda being sent to libraries, student groups, and others in this country peddles a soft line. By that I mean it does not openly advocate a revolution of the working class or an uprising by the proletariat. Instead it attempts by half-truths and lies to paint an untrue picture of world events, Soviet aims, life in Communist countries, and so forth.

But there is some of the hard core material reaching this country. Post Office Department officials have testified before congressional committees in recent weeks that this type of propaganda which advocates the violent overthrow of the Government is sent, but it is intercepted and destroyed.

It is interesting to note that the sending of this type of material marks still another in a long series of broken agreements by the Soviet Government. In this case it is an agreement which dates back to 1933. In that year negotiations were carried on which resulted in diplomatic recognition for Russia by this country. This occurred on November 16, 1933.

Among the stipulations laid down in an exchange of official letters which resulted in establishment of diplomatic relations was one which banned subversive activity, including propaganda, by the Communist government or its agents in this country.

Foreign Commissar Maxim Litvinov stated it would be the "fixed policy of the Government of the Union of Soviet Socialist Republics" to refrain from "any agitation or propaganda" aimed at the very type of revolution they have been trying to encourage in this country ever since.

The actual wording of the guarantee from Litvinov was:

> To refrain, and to restrain all persons in Government service and all organizations of the Government or under its direct or indirect control, including organizations in receipt of any financial assistance from it, from any act overt or covert liable in any way whatsoever to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States, its territories or possessions, and, in particular, from any act tending to incite or encourage armed intervention, or any agitation or propaganda having as an aim, the violation of the territorial integrity of the United States, its territories or possessions, or the bringing about by force of a change in the political or social order of the whole or any part of the United States, its territories or possessions.
>
> 3. Not to permit the formation or residence on its territority of any organization or group—and to prevent the activity on its territory of any organization or group, or of respresentatives or officials of any organization or group—which makes claim to be the Government of, or makes attempt upon the territorial integrity of, the United States, its territories or possessions; not to form, subsidize, support or permit on its territory military organization or groups having the aim of armed struggle against the United States, its territories or possessions, and to prevent any recruiting on behalf of such organizations and groups.
>
> 4. Not to permit the formation or residence on its territory of any organization or group—and to prevent the activity on its territory of any organization or group, or of representatives or officials of any organization or group—which has as an aim the overthrow or the preparation for the overthrow of, or the bringing about by force of a change in, the political or social order of the whole or any part of the United States, its territories or possessions.

It did not take the Communists long to violate this fixed policy. In 1935 the United States protested to the Soviet Government against violation of the antipropaganda pledge in the recognition agreements. The protest was based upon statements made by American Communist delegates to the Seventh World Congress of the Comintern relating to Communist subversive activities in the United States.

The Soviet Government, however, rejected the protest 2 days later, stating it "cannot take upon itself and has not taken upon itself obligations of any kind with regard to the Communist International."

Of course, this was just as phony as present-day Russian arguments. In just a few years, Earl Browder told an investigation conducted by the State of New York, June 30, 1938, that "the Communist Party of the United States is part and parcel of the Communist International in Moscow."

Ever since recognition was granted the Soviet Communist regime in Russia, that Government has used its Embassy—and through the years the embassies of those nations which are held by military force as Russian colonies—as the base of espionage and propaganda efforts in this country. The situation is true today as the Russian Embassy in particular sends out frequent mass mailings of Communist propaganda to libraries, businessmen, government officials, the press and other individuals and institutions.

Based on a broken agreement, carried out with a subsidy from the American taxpayer, this propaganda effort by the Russians is one sided and constant. Only the line is changed to keep up with the twists and turns of official Soviet policy.

SENATE

Friday, June 8, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, midst all the busy shuttles of legislation, as here in this Chamber is woven the fabric of law and order, nourishing and shielding the life of our democracy, may we not be so enmeshed in the immediate mechanics of our tasks as to lose sight of the total pattern shown only in the mount of vision.

Pausing in this temple of a people's hope and prayer, we would not catalog the sins of others. We come not to exult that we are not as other men; but, rather, confessing our own sins, we would pray for Thy forgiveness and Thy cleansing. We would be the kind of persons to whom Thou canst trust Thy ageless purposes to our willing and eager hands.

We ask only for light enough for the next step, courage enough to face the present duty, and truth enough for today's decisions, as into Thy hands we commit our ways.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. Mansfield, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 7, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 31, 1962, the President had approved and signed the following acts and joint resolutions:

S. 1915. An act for the relief of Orsolina Cianfione Iallonardo, Mrs. Chow Chui Ha, and Giuseppe Aniello;

S. 2270. An act to amend section 105 of title 28, United States Code, so as to transfer certain counties from the Western Division of the Western District of Missouri to the St. Joseph Division of such district, and for other purposes;

S. 2806. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

S.J. Res. 129. Joint resolution authorizing the Secretary of the Air Force to admit a citizen of the Kingdom of Thailand to the U.S. Air Force Academy; and

S.J. Res. 175. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Belgium.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 5532) to amend the Armed Services Procurement Act of 1947, was read twice by its title and referred to the Committee on Armed Services.

LIMITATION OF DEBATE DURING MORNING HOUR

On request of Mr. Mansfield, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the senior Senator from New Mexico [Mr. Chavez] be granted an official leave of absence from the Senate, due to official business.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Mansfield, and by unanimous consent, the Small Business Subcommittee of the Banking and Currency Committee was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The **VICE PRESIDENT** laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Watershed Protection and Flood Prevention Act, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON REVIEW OF POLICIES AND PROCEDURES FOR THE USE OF EXCESS STOCKPILED MATERIALS BY FEDERAL GOVERNMENT AGENCIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of policies and procedures for the use of excess stockpiled materials by Federal Government agencies, Office of Civil and Defense Mobilization (succeeded by Office of Emergency Planning), Executive Office of the President, dated May 1962 (with an accompanying report); to the Committee on Government Operations.

CONCURRENT RESOLUTION OF LOUISIANA LEGISLATURE

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on the Judiciary, as follows:

HOUSE CONCURRENT RESOLUTION 29

Concurrent resolution relative to the Equal Rights Amendment for Women now pending before the U.S. Congress

Whereas the women of our Nation have enjoyed full civil rights since the adoption of the 19th amendment; and

Whereas all citizens of our Nation should not only share equal civil rights but also equal legal rights; and

Whereas there exist many statutes discriminating against women; and

Whereas such legal differentiations, merely because of sex, lower the Nation's prestige and status in the world community; and

Whereas both political parties announced support of equal legal rights in their respective platforms; and

Whereas such a discriminating situation is outmoded and intolerable: Therefore be it

Resolved by the House of Representatives of the Legislature of Louisiana (the Senate concurring), That the Congress of the United States is hereby urged and petitioned to adopt and propose for submission to the States for ratification an amendment entitled "Equality of Rights Under the Law Shall Not Be Denied or Abridged by the United States or by Any State on Account of Sex"; and be it further

Resolved, That a copy of this resolution shall be sent to each member of the Louisiana delegation in the U.S. Congress and to the Presiding Officer of each House of the Congress of the United States.

——— ———,
Speaker of the House of Representatives.

——— ———,
Lieutenant Governor and President of the Senate.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 3244. A bill to amend section 1208(a) of the Merchant Marine Act, 1936, to authorize investment of the war risk insurance fund in securities of, or guaranteed by, the United States (Rept. No. 1577).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD:

S. 3388. A bill for the relief of Evelyn M. DeJesus; to the Committee on the Judiciary.

By Mr. ENGLE:

S. 3389. A bill to promote the foreign commerce of the United States through the use of mobile trade fairs; to the Committee on Commerce.

(See the remarks of Mr. ENGLE when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

CAPTIVE NATIONS RESOLUTION

Mr. HRUSKA submitted a concurrent resolution (S. Con. Res. 77) to express the sense of Congress on bringing before the United Nations the issue of denial of self-determination to the peoples of various countries, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. HRUSKA, which appears under a separate heading.)

PROMOTION OF FOREIGN COMMERCE THROUGH MOBILE TRADE FAIRS

Mr. ENGLE. Mr. President, I introduce, for appropriate reference, a bill designed to promote the foreign commerce of the United States through the use of mobile trade fairs in order to increase American exports.

We are all aware that the United States, the world's greatest trading Nation, has been losing ground in recent years in its share of the international market. It would appear that in the past we had been content with selling only a small share of our products abroad, since our domestic market was able to absorb a great percentage of our output. In point of fact, we have been exporting only some 4 percent of our gross national product. Maybe this was sufficient in earlier times, but with our expanding work force and increased productivity—capable of providing a considerable increase in output—we must explore and develop new oversea markets where we can sell our wares.

For years this Nation has been saddled with increasing debt caused in some considerable part by our own abundance. We have developed our agricultural resources to an extent undreamed of only two decades ago. Our surplus crops can, and often do, find ready markets throughout the world. But still there is an excess of food production, and these food products are now available for export. Moreover, our farmers stand ready to provide even greater amounts should new markets so require.

But, even more than our agricultural surpluses, we are now faced with what appears to be a glut in our most precious resource—manpower. Hard-core unemployment has reached astronomical levels—and in view of increasing labor-saving mechanization, the outlook is bleak. New jobs can only be provided if there is a demand for the output they produce. Thus, in order to make a frontal attack on the unemployment problem, we must find new and greater markets for American manufactured goods.

A third and interrelated area of our economy would similarly benefit from an increase in exports. Our great manufacturing plants are working at far under full capacity. As I stated a moment ago, this is partly due to the partial saturation of domestic markets. Yet, there are untapped markets abroad for many of the products of these semi-idle industries. The creation of an oversea demand would serve as the needed stimulus to increase production, spur new capital investment, reduce unemployment—in short, give a shot in the arm to our entire economy.

I well realize the strides the administration has taken to increase foreign commerce, particularly in the promotion of exports. The Trade Expansion Act, now before the House of Representatives, illustrates the importance and urgency of changing our patterns of trade. The improvements made by the Department of Commerce in the services provided to businessmen are most praiseworthy. The able work of the Small Business Administration in spreading the gospel of foreign trade to many small industries previously unaware of its possibilities has provided us with many new export products. And the new guarantee program of the Export-Import Bank of Washington has gone a long way toward placing our exporters on an equal footing with their foreign competitors.

Yet, there is more that can be done, and which should and must be done. While our participation in trade fairs and the maintenance of trade centers does sell American goods—these efforts are inherently limited because of their fixed locations. They obviously must be limited to one or two countries in any one area, and by necessity thus pass by or miss other nations in the same locale where markets for our goods lay untapped.

For this reason it seems apparent to me that a traveling or mobile trade fair could well serve our interests. Recalling that the early strength of our Nation was founded in large measure on an adventurous merchant marine doing business throughout the globe, I believe that we can today do much to recapture old markets and open new ones through use of mobile trade fairs carried across the seas by our merchant ships.

In point of fact, substantial efforts in this direction have already been taken by Isbrandtsen Co., Inc., one of our great American-flag merchant lines. Beginning in 1960, Isbrandtsen devised a means of demonstrating domestic products in a number of foreign ports at an extremely low cost to the manufacturer.

To start with, they had specially constructed large aluminum containers, measuring 20 feet by 8 feet by 8 feet.

Within each container there is room for eight exhibits, four on each side, back to back. The sides are hinged at the top to serve as all-weather canopies.

All that the manufacturer who wished to exhibit had to do was prepare the exhibit, at a surprisingly low cost of from $300 to $1,000, pay the small installation fee, and provide for the marine insurance.

Isbrandtsen agreed to load and ship the exhibit containers to its various ports of call. The containers would be unloaded at a port, and the shipping line would arrange to have them transported to a local site for assembly, or set them up near the docks. The exhibit would run for approximately 2 weeks, when another Isbrandtsen ship would take it on to another port.

Over 160 American manufacturers have taken part in this remarkable service instituted by Isbrandtsen, and the reports received have been most satisfactory. Many exhibitors have created new markets for their products, and others have acknowledged vastly increased sales.

Isbrandtsen was recently awarded an E for Export award by the President in recognition of its efforts in developing mobile trade fairs—an honor they justly deserved. But Isbrandtsen has not been content to rest on its laurels and has recently helped in the formation of a new nonprofit corporation called Mobile Trade Fairs, Inc., to continue this work. Other members include Farrell Lines, Grace Lines, and American Export Lines. Support is also being offered by banks, insurance companies and ocean freight forwarders.

This is a wonderful example of what free enterprise can do. And, I want it to be understood that these people and organizations are not asking for Government handouts to support their program. They do want some technical assistance from the Commerce and State Departments, as well as from the Small Business Administration. There may possibly be a need for very limited funds—possibly counterpart funds—to be spent overseas to facilitate and promote these exhibits.

The bill I have introduced will make such services available to this nonprofit corporation. It will, I hope, give it added impetus, possibly enlisting a number of west coast lines in this endeavor, and significantly benefiting our export promotion program.

We have come a long way since Yankee Clipper ships plied the trade routes of the world, introducing America and its products to many strange and foreign lands. The time has come for us to return to our preeminent position in world trade, and I, for one, believe that the marriage of mobile trade fairs and our merchant marine will go far in aiding us to achieve this end.

Mr. President, I sincerely believe that this opportunity for expanding our export trade, particularly for products of small business and agriculture, cannot be matched by any other means. As I remarked earlier, mobile trade fairs would complement, not replace, our trade fair and trade center programs. I have every confidence that the Congress will quickly recognize the merits of this proposal.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3389) to promote the foreign commerce of the United States through the use of mobile trade fairs, introduced by Mr. ENGLE, was received, read twice by its title, and referred to the Committee on Commerce.

THE CONTINUING NEED FOR A CAPTIVE NATIONS RESOLUTION

Mr. HRUSKA. Mr. President, 3 years ago Congress provided for the annual observance of Captive Nations Week. The third week in July of each year has been set aside for this purpose, and the President is called upon to issue a proclamation inviting the American people to observe this special week by appropriate ceremonies and activities. Congress also specifically requested the President to continue issuing similar proclamations each year until such time as all the captive nations of the world have achieved their freedom and independence.

We know, of course, that the events of the past year have not brought freedom and independence to any of the captive nations. Millions of people in the Communist-dominated countries continue to be enslaved by their Soviet masters. They are still shackled under the tyranny and oppression which they have known for so many years. Their individual liberties and fundamental rights as human beings are still being denied. And, the United Nations Charter which proclaims the principle of "equal rights and self-determination of peoples" continues to be flaunted.

We also know that the spirit of these oppressed peoples has not been broken. They have not given up their hopes for freedom. The recent events in Berlin and Hong Kong remind us of this. We have witnessed there the great lengths to which men are willing to go to shake off the Communist yoke. Neither concrete, nor barbed wire, nor armed threats have been able to stifle man's natural desire for independence.

In order to preserve this spirit and keep alive this spark of resistance, these people of the captive nations must know that they have not been abandoned. They must have the reassurance of the free world that they have not been written off as a lost cause. To this end, Captive Nations Week has made a vital contribution. It serves as an excellent means of focusing the world's attention on the plight of these peoples and gives the American people an opportunity to manifest their concern. I hope, therefore, that the President will see fit to issue a Captive Nations Week proclamation again this year.

Mr. President, the same reasons that prompted Congress to take the issue of the captive nations to the American people should also prompt it to take this issue to the United Nations. The Soviet Union has found the U.N. to be a useful sounding board for denouncing so-called Western imperialism and colonialism. It is important, therefore, that the world constantly be reminded that the Communist brand of colonialism is the most tyrannical and oppressive that history has ever known.

Another valuable service which will be rendered by observance of Captive Nations Week and consideration of the proposed concurrent resolution is this: The more the plight of these nations and their peoples is discussed and is brought uppermost into our minds and consciousness, the less likely there will be attempts by potential peacemakers to temporize, compromise, or sacrifice their freedoms to gain a purported peace. Certainly the price would be too much for any so-called stabilization of peace conditions if, among its prices, would be a maintenance of the status quo or an adulteration of any of the liberties and independence to which these peoples are entitled. From time to time there are such suggestions. They should not only be discouraged, they should be vigorously denounced if they make their appearance. It is my belief that this cause will therefore be greatly advanced by a 1963 Captive Nations Week and by earnest advocacy of the proposed resolution.

Mr. President, I submit, for appropriate reference, a concurrent resolution which calls upon the President to take the steps necessary to bring before the General Assembly of the United Nations the issue of the denial of self-determination to the peoples of Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others, with a view toward the removal of all Communist controls, the return of exiles, and the holding of free elections in these countries. I ask unanimous consent that the concurrent resolution be printed in the RECORD.

The VICE PRESIDENT. The concurrent resolution will be received, appropriately referred, and, without objection, the concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 77) was referred to the Committee on Foreign Relations, as follows:

Whereas Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others have been deprived of their national independence by the imperialistic and aggressive policies of the Soviet Union; and

Whereas the tyranny and oppression of the Communist regime have enslaved the peoples of these captive nations and suppressed their individual liberties and freedom; and

Whereas the subjugation and domination of these peoples by an alien power constitutes a denial of their fundamental human rights and is contrary to the Charter of the United Nations; and

Whereas the captive peoples have never ceased to strive for freedom and the right of self-determination; and

Whereas it is vital to the security of the United States and the free world that the desire for freedom on the part of the peoples of the captive nations be steadfastly preserved; and

Whereas the people and the Government of the United States share the aspirations of the captive peoples to be free and independent: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the President is hereby requested to take such action as may be necessary to bring before the General Assembly of the United Nations the issue of the denial of self-determination to the peoples of Estonia, Latvia, Lithuania, Poland, Hungary, Ukraine, Czechoslovakia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam and others, with a view toward assuring—

(1) that all Communist troops, agents, colonists, and controls are withdrawn from these countries;

(2) that all exiles from these countries are returned from Siberia and released from prisons and slave-labor camps; and

(3) that free elections are held in these countries under United Nations' supervision.

AMENDMENT OF SMALL BUSINESS ACT—AMENDMENT

Mr. SALTONSTALL submitted an amendment, intended to be proposed by him, to the bill (S. 2970) to amend the Small Business Act, which was ordered to lie on the table and to be printed.

ORIGINAL COMPOSITION HONORS GLACIER NATIONAL PARK

Mr. MANSFIELD. Mr. President, recently the talents of my alma mater, Montana State University, and the community of Columbia Falls, Mont., were combined to pay honor to the most spectacular of our national parks, Glacier, with the premiere of an original composition "Glacier Fantasy."

Montana State University, at Missoula, Mont., has one of the finest music schools in the Nation. Eugene Weigel, who is on the staff at the music school, composed the original composition which pays tribute to the majesty of Glacier National Park. Mr. Weigel was a student at Yale under Paul Hindemith. The first performance of the "Glacier Fantasy" was performed by the Columbia Falls High School band and the Columbia Falls High School chorus. This high school also has a very fine music department. All in all, it was a combination of some very fine talent.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a news story appearing in the May 11, 1962, issue of the Hungry Horse News and the contents of the program for the third annual musicale presented at Columbia Falls High School on May 18 and 19.

There being no objection, the article and the program were ordered to be printed in the RECORD, as follows:

[From the Hungry Horse News, Friday, May 11, 1962]

AT MUSICALE: SLATE GLACIER FANTASY PREMIERE

("Glacier Fantasy," an original composition by Eugene Weigel, Montana State University School of Music staff member, will have its premiere at the Columbia Falls High third annual musicale Friday and Saturday, May 18 and 19.)

"Glacier Fantasy" will be presented by the combined Columbia Falls High Band directed by Don Lawrence, and the Columbia Falls High Chorus under the baton of Ron Bond.

Weigel, last year, went to Berlin for the "Berliner Festwochen," where his new "Concerto Festivo" was performed by the West Berlin artists who commissioned the work.

Weigel will be in Columbia Falls May 19 for the second performance of the musicale. He studied at Yale with Paul Hindemith, one of the outstanding living composers, and was a Guggenheim Foundation fellow for musical composition in 1954.

Lawrence commented: "Columbia Falls High is indeed fortunate to have Mr. Weigel write a Montana piece keyed to this area." He continued: "It is a distinct honor for Columbia Falls High musicians to be the performing group for this premiere performance."

Friday's 8 p.m. (May 18) show is primarily for grade school students and adults who wish to attend. Saturday's 8 p.m. performance is for high school students and adults. Admission is $1 for adults, 75 cents for high school students and 50 cents for grade school pupils. Proceeds are used to purchase music, equipment, robes, and uniforms for the Columbia Falls High Band and Chorus.

The performances will include numbers by the band, chorus, Sonifers and Columbians. There will also be a variety show, and Saturday, the Columbians will play for a dance to follow the musicale variety show. The Sonifers will sing during the dance.

Columbia Falls High has one of the outstanding high school music departments in Montana.

COLUMBIA FALLS HIGH SCHOOL MUSIC DEPARTMENT PRESENTS THE THIRD ANNUAL MUSICALE, MAY 18–19, 1962, WITH THE DON LAWRENCE BAND, AND RON BOND CHORUS

I

CONCERT CHOIR

Star Spangled Banner
Monotone................ N. Lockwood
Shrimp Boats.................... Arr. Ades
Soloists: Alan Johnson, Shirley Walsh.
Come Dearest Lord.............. J. S. Bach
Soloist: Lynne Sunell.
Three Hungarian folk songs...... M. Seiber
September Song........ K. Weill, R. Hunter
A Bushel and a Peck...... Loesser, Simeone

CONCERT BAND

Fantasy on American Sailing Songs
Clare Grundman
Marchmanship.............. Howard Cable
Student director: Sharlot Battin.
Adventure in Westland...... Clair Johnson
Five Mellow Winds
Solo groups: Gene Massman, Larry Cada, Gary Luce, Ken Whelan, Bob Bigham.
Glacier Fantasy............ Eugene Weigel
Choir and band finale.

"Glacier Fantasy" was written especially for CFHS Band and Chorus by Eugene Weigel, composer in residence at Montana State University. The introduction of the "Fantasy" depicts the early days of Glacier National Park when it was inhabited by Indians. The lumbering walk of glacier bears is heard in the march section which follows. The hymn portion of the composition, sung by the chorus, is in praise of the Almighty for his masterpiece in creating our Glacier Park. The chorale by the band and the finale by both band and chorus is the final and ultimate tribute.

We feel very fortunate and honored to be the first to perform a composition by Mr. Weigel. I'm sure the composer's ability is clearly demonstrated throughout the entire piece.

We thank you, Mr. Weigel.

II

VARIETY SHOW

III

The Columbians

Trumpets: Dennis Kimzey, Jay Cook, John Blinn, and Bill Marrett.

Trombones: Dick Fulton, Bradley Kenfield, and Larry Luce.

Saxophones: Larry Cada, Gary Luce, Gene Massman, Ken Whelan, and Bob Bigham.

Piano: Barbara Butters.

Bass: Larry McMillan.

Drums: Pat Murphy.

Vocalists: Lynne Sunell and Beth Williams.

Manager: Bob Holcomb.

The Sonifers

Sopranos: Beth Williams, Lynne Sunell, Lanie Lundgren, Kathy Latson, and Helen Bakshas.

Altos: Sandra Schilling, Sara Risse, Lois Cannavina, Shirley Walsh and Sharon Kelly.

Tenors: Roger Rowles, Jim Personett, Glenn Thacker, Alan Johnson, and Jeff Wulf.

Basses: Joe Voss, Joe Keck, Mick Gookin, Glen Aldrich, and Bill Liddicoat.

Piano: Ruth Rogers.

Bass: Doug Kenfield.

Drums: Mike Krall.

CONCERT CHOIR PERSONNEL

Officers: Roger Rowles, president; Bill Liddicoat, vice president; Marlene Werner, secretary; Beth Williams, student council representative; Barbara Anderson, librarian.

Sopranos: Barbara Anderson (senior), Helen Bakshas (sophomore), Vera Blinn (sophomore), Gay Byrd (sophomore), Lois Cannavina (sophomore), Sharon Kelly (senior), Jannice Knudson (junior), Kathy Latson (freshman), Lanie Lundgren (freshman), Laurel Lundgren (junior), Patsi Morris (senior), Terri Samuelson (freshman), Mary Shaver (freshman), Barbara Smith (freshman), Lynne Sunell (junior), Sue Sweeney (freshman), Margaret Tusing (junior), Margaret Walker (freshman), Marlene Werner (sophomore), Beth Williams (senior).

Altos: Lyndell Aubert (sophomore), Lynda Bowerman (senior), Carol Christman (freshman), Sharon Emerson (freshman), Shirley Fulton (freshman), Janice Kollenborn (sophomore), Sara Risse (junior), Sandra Schilling (freshman), Pat Seratt (junior), Glenda Stewart (freshman), Shirley Walsh (sophomore), Barbara Werner (junior), Renee White (freshman).

Tenors: Glen Aldrich (freshman), Mike Lyngstad (freshman), Jim Personett (junior), Roger Rowles (sophomore), Art Schafer (freshman), Jim Shaw (freshman), Glenn Thacker (freshman), Roxy Triplett (freshman), Jeff Wulf (junior).

Basses: Gene Anderson (junior), Milo Anderson (freshman), Mike Gookin (freshman), Alan Johnson (senior), Joe Keck (freshman), Bill Liddicoat (sophomore), Pat Ryan (senior), Troy Thacker (freshman), Joe Voss (sophomore).

Accompanist: Ruth Rogers (sophomore).

CONCERT BAND PERSONNEL

Officers: Dennis Kimzey, president; Bob Bigham, vice president; Ruth Rogers, secretary; Dick Fulton, student council representative; Rosemary Boyd, librarian.

Flutes: Donna Kelsey (junior), Ruth Rogers (sophomore), Barbara Butters (sophomore), Verlaine Barnhart (sophomore), Marilyn Trebas (senior), and Shelia O'Connor (junior).

Oboe: Ellen Corrigeux (junior).

E-flat clarinet: Robyn Konen (freshman).

First clarinet: Gene Massman (sophomore), Bob Moody (sophomore), and Gary Luce (sophomore).

Second clarinet: Richard Beach (freshman), Rhea Weir (junior), Cheryl Hill (freshman), and Sharon Greenwald (freshman).

Third clarinet: Charlotte Einarson (freshman, Darlene Winegar (freshman), Kathy Smith (freshman), Betty Arnold (freshman), Rosemary Boyd (sophomore), and Darlene Smith (freshman).

Alto clarinet: Carold Rude (sophomore).

Bass clarinet: Tom Morales (freshman).

Bassoon: Charlotte Battin (sophomore).

Alto saxophones: Larry Cada (junior) and David Spencer (freshman).

Tenor saxophones: Ken Whelan (senior) and Bob Kloetzke (freshman).

Baritone saxophone: Bob Bigham (senior).

French horns: Jay Cook (sophomore), Mike Darling (freshman), and Bruce McIntyre (freshman).

First trumpets: Dennis Kimzey (senior) and John Blinn (senior).

Second trumpets: Bill Marratt (sophomore) and Ray Callaghan (freshman).

Third trumpets: Bill McLain (freshman) and Tom Carlson (sophomore).

First trombones: Bradley Kenfield (sophomore) and Larry Luce (sophomore).

Second trombones: James Loy (freshman) and Bob Jones (freshman).

Third trombone: Doren Renfrow (freshman).

Baritones: Dick Fulton (junior), David Leitz (sophomore), and Don Gochanour (freshman).

String bass: Douglas Kenfield (freshman).

Tubas: Larry McMillan (senior), Bob Miles (junior), and Fred Forkin (freshman).

Tympani and bells: Jane Smith (junior) and Dixie Whelan (freshman).

Percussion: Pat Murphy (senior), Jim Coulson (junior), Jim Grist (junior), Mike Hoffman (freshman), and Mike Krall (freshman).

Musicale cochairmen: Larry Cada, construction; Bob Bigham, decorations; Patsi Morris, publicity; Sharon Kelly, refreshments.

Programs: Courtesy of Band Mother's Club.

ENDORSEMENT OF THE KING-ANDERSON BILL FOR MEDICAL CARE

Mrs. NEUBERGER. Mr. President, on April 19 of this year one of the fine newspapers in my State, the Medford Mail Tribune, published an editorial advocating the passage of the King-Anderson bill. The editorial quotes at length from the author of our perennial medical bestseller, Dr. Benjamin Spock.

Dr. Spock won fame as a pediatrician. But as a pediatrician he has gone into people's homes and has seen the shattering effects which the burden of an aged parent's medical costs may have on a married couple struggling to provide the best possible start in life for a growing family.

Should such a couple exhaust their savings, mortgage their home, and dip into the money put away for the higher education of a bright child? Or should they let an ailing father or mother suffer the added misfortune of becoming a public charge?

Mr. President, social security payments to our fast-growing numbers of retired persons have barely kept pace with the ordinary expenses of daily life. But hospital costs have soared far beyond them—from $9 a day in 1947 to $33 now in my own State.

The average annuitant's monthly check is $75, or enough to support him in a general hospital for a few hours more than 2 days. But the dread diseases—cancer, heart disease, or stroke—may necessitate 2 or 3 months of intensive care.

Who pays these huge bills for those already retired? The individual himself, for as long as his resources last, or his insurance company. But statistics show this accounts for slightly less than half the total expense incurred by persons over 65. The rest must be met by relatives or by the State. I wonder how long we shall tolerate this financial threat to three generations, this constant increase in welfare costs, when there is at hand a mechanism whereby a worker could obtain health coverage, not only for his own retirement, but, in the overwhelming majority of cases, for his aged parents, as well.

Mr. President, my State of Oregon is unusually fortunate in the number of its older citizens who have earned the right to some protection in their later years, through their contributions to either social security or railroad retirement. If we enact the King-Anderson bill in this Congress, 92.4 percent of all elderly Oregonians—nearly all who are not now receiving medical care through Federal employee retirement, veteran, or other public programs—would be covered when it went into effect.

As the editorial to which I referred earlier quite properly points out, the King-Anderson bill is far from all-inclusive. But for a vast majority of our citizens it would place the burden of the heaviest medical costs where it properly belongs—namely, under a system of prepaid, contributory social insurance. This should enable us, through the expansion of the Kerr-Mills program, now so woefully inadequate in my State, or by other means, to cover the individuals and needs not provided for in the present bill.

Mr. President, I ask that the editorial entitled "Medical Care Bill," from the April 19 issue of the Medford, Oreg., Mail Tribune, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MEDICAL CARE BILL

Is the proposal for medical care for the aged, financed through social security, "socialized medicine," as the American Medical Association keeps trying to insist?

Not in the view of one of the Nation's best known doctors. He is Dr. Benjamin Spock, author of "Baby and Child Care," which has assisted so many young mothers in the care of their offspring.

Dr. Spock is a strong supporter of the King-Anderson bill, which would utilize the social security system to provide some care for older people.

And, in answering whether or not it is "socialized medicine," Dr. Spock has this to say:

"Socialized medicine is a system under which the Government pays for and manages all the health care for all the people, doctors' salaries as well as hospital costs. The President's program applies only to those who are 65 and over. It pays hospital and nursing home bills only. It does not pay the private doctor's bill. It guarantees the right of the individual to choose his own doctor and his own hospital.

"The King-Anderson bill clearly states that the health insurance plan will be carried out 'without interfering in any way with the free choice of physicians or other personnel or facilities by the individual, without the exercise of any Federal supervision or control over the practice of medicine by any doctor, or even the manner in which medical services are provided by any hospital.' "

Dr. Spock also addresses himself to the AMA charge that the plan would destroy the doctor-patient relationship.

To the contrary, Dr. Spock says, it will improve and strengthen it. He said:

"Take the case of an aged person who no longer has to fear that he will become a hospital charity case. He will go to his doctor more readily at the first signs of illness. If his doctor recommends hospitalization, he will not be embarrassed because of the lack of money. And, if he goes to his own doctor's hospital, he can feel confident that he will have the continuous supervision of his own physician, whose bills he will pay himself."

The principal question we have concerning the King-Anderson proposal is whether it goes far enough. It does not cover everyone—just those eligible for social security benefits. And it does not cover all costs.

Here, briefly, is what the benefits would include:

Hospitalization for up to 90 days for each illness, with the patient paying the first $10 per day for the first 9 days.

Nursing home services up to 180 days after transfer from a hospital.

Outpatient hospital diagnostic services, with the patient paying the first $20 for each diagnostic study.

Home health services up to 240 visits in one year; includes intermittent nursing care and therapy as ordered by physician.

Drugs as needed when in the hospital or nursing home.

Doctors' bills only if they are those of specialists in radiology, pathology, physical medicine and anesthesiology if they are part of the hospital bill.

Despite its drawbacks and shortcomings, the King-Anderson proposal, in combination with the various existing welfare medical assistance programs, comes closer to a practical approach to this problem than anything so far proposed.

There is also mounting evidence that a substantial majority of Americans who have thought about it have come to a similar conclusion. The Gallup poll indicates this. Congressmen's mail also indicates a widespread and vigorous interest in the proposal.

Observers in Washington are of the opinion that once the King-Anderson bill is allowed on the floor of the House, it will pass. The problem is in the Ways and Means Committee which is divided 10 to 10, with 5 "doubtful" members holding the key to passage. Senate approval is considered likely.

To us, the single most convincing advantage of the King-Anderson proposal is that it would be administered through the long-tested mechanism of the social security system, the same system which also was attacked as socialism when it was first adopted.

To older person—some of them—it would be assurance that they would be protected against massive medical bills. Eventually, as social security is extended, it would cover an estimated 95 percent of the population aged 65 or over.

To younger people, it would give similar assurance about their old age, and also guard against the threat of excessive medical payments on behalf of parents or grandparents.

It would be paid for during an individual's working life through his own contributions (about $1 per month for an average worker) and those of his employer.

The United States is far behind many other nations in the attention it has given to the medical welfare of its citizens. Pressure is mounting for some kind of program, either in place of or in addition to the Kerr-Mills bill, which has not been adopted by all the States, has had wide variations in application, and which is too generous to some, to penurious to others.

The King-Anderson bill (S. 909 and H.R. 4222) is the best answer now in sight.

It should be adopted by Congress this session, and if you agree, we suggest you let your Congressman (Dr. Edwin R. Durno) and Senators (Maurine Neuberger and Wayne Morse) know about it.—E.A.

ANTIMEDICARE RALLY AT PORTLAND, OREG.

Mrs. NEUBERGER. Mr. President, in contrast to the article I have just now submitted, which supports the administration's bill on medical care, I wish to call the attention of my colleagues to a straightforward report of a meeting held recently in my home city of Portland, Oreg., by a group which does not support the President's program for medical care. I thought it was interesting to note the tactics which were used by the Multnomah County Medical Society in presenting its honest viewpoint in opposition.

The group at the rally held at the civic auditorium contained one woman who moved from her place in the auditorium area toward a woman who was picketing outside the building and was supporting President Kennedy's health care for the aged program, and called her a Communist. Then she turned and walked back inside.

The feature of the evening seemed to be the appearance of a former radio and television personality by the name of Harry von Zell, who is described in the article as a "sidekick of Eddie Cantor and George Burns."

As my colleagues will note when they read the article, which I hope to have printed in the Record, the statement made by Mr. von Zell, who was sponsored by the medical society, has nothing to do with the proposed medical-care program. Instead, in his statement he referred to the John Birch Society as a "patriotic, well-motivated group," although he stated that he disagrees with its line of approach to the solution of problems. The article states that "he called for a more informed public, for political 'middle-of-the-roaders to get off their heads,' and for President Kennedy to ask for a vote of confidence from the people."

Mr. President, I hope the Multnomah County Medical Society, which is said to have paid Mr. von Zell's way to come to the area and lend his support to the opposition to President Kennedy's medical care program, will feel that it got its money's worth.

I ask unanimous consent that two articles be printed in the body of the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Medicare Foes Rally

(By Jack Roberts)

Rain failed to dampen the spirits of a crowd at an antimedicare rally at the civic auditorium Monday night—nor did it keep away some 50 pickets who walked in front of the big meeting place, carrying signs, supporting President Kennedy's health care for the aged program tied to social security.

With the exception of a few snide remarks, both pickets and rally goers were fairly polite and orderly. One woman from the rally group, moved by her emotions, however, walked from the auditorium toward an elderly woman picket, and said, "You Communist." She turned and walked back inside.

The placard-carrying object of this comment was taken back. "Did she mean me?" she asked in astonishment.

Inside, to the smooth strains of Sheldon Brooks' orchestra, and the smooth elocution of Harry von Zell, radio and TV personality, the rather large crowd, obviously partisan, ate up 2½ hours of the program, which included doctors, the wife of a physician, an elderly woman who had broken her hip, her daughter who had been a lifelong invalid, an insurance executive, a Hood River farmer, a registered nurse, and entertainment by Red Dunning and the Shrine Chanters.

Principal speaker was James B. Utt, Republican Congressman, from Orange County, Calif., and a member of the House Ways and Means Committee, who predicted the committee never will let the King-Anderson bill out of committee for action on the floor of Congress.

Utt said: "To say that I am opposed to the King-Anderson bill is putting it rather lightly. I have been referred to as a conservative, an extremist, a Fascist and a Neanderthal man. I am a little bit right of McKinley and a little bit left of Alfred the Great. I am opposed to the welfare state. I say to the medical profession, 'You cannot remain an island in a welfare state.'"

Utt said the public's mail, heavy on the subject of medicare, has been running "more than 10 to 1" against the Kennedy proposal.

The King-Anderson bill would increase social security payments and would provide for hospital payments in part. It would not pay doctors' bills.

Medicare Opposed Because of Trend Toward Socialism

(By Charlie Hanna)

Close brushes with communism in the early 1930's is the reason Harry von Zell emceed the "rally for realism in medical care" Monday night.

For the past year, he told reporters, he'd spoken to groups "like this rally" because of his concern over the Communist threat internally.

The radio and TV performer, who for years played straight man for comedians Cantor and Burns, spoke in length and earnest about "disunity, chaos, and confusion" created in this country to the benefit of communism.

He called for a more informed public, for political "middle-of-the-roaders to get off their heads," and for President Kennedy to ask for a vote of confidence from the people.

Von Zell said the medical society paid the expenses of his Portland trip, but that he charges no fee for this type of appearance. He claims no allegiance to any political group with exception of the American Education League, for which he serves as a member of the board. The league was founded in 1927, he said. Its purpose is to promote Americanism.

Asked his opinion of the John Birch society, von Zell commented he considered it a "patriotic, well-motivated group" whose line of approach to solution of problems he disagrees with.

U.S. COURT OF APPEALS DECISION REVERSING CONVICTION OF AUSTIN J. TOBIN FOR CONTEMPT OF CONGRESS

Mr. KEATING. Mr. President, in a very significant decision the U.S. Court of Appeals for the District of Columbia Circuit has reversed the contempt of Congress conviction of Austin J. Tobin, the executive director of the New York Port Authority.

The unanimous decision of the court vindicates the refusal of Mr. Tobin to furnish to a House committee documents relating exclusively to the internal administration of the authority. Mr. Tobin's position was backed by the Governors of both New York and New Jersey and by every living former Governor of these States under whom the port authority has operated. The court's opinion contains important guidelines as to the power of Congress over bi-State agencies created by congressionally approved compacts.

The pity of this case is that it had to be prosecuted in the first place. For one thing, efforts to accommodate the committee had not been exhausted when it was decided to order a criminal contempt citation of Mr. Tobin. For another, as the court's opinion points out, Mr. Tobin "is no criminal, and no one seriously considers him one." This would be true even if his conviction had been sustained.

I have advocated for many years a civil procedure for alleged contempt cases. This procedure would spare witnesses in Mr. Tobin's predicament the ignominy of a criminal indictment, and at the same time would serve much more effectively the real interests of all congressional committees. Under my proposal, whenever any privilege against answering a committee's question or producing requested documents was raised, the issue could be presented immediately to a district judge. The judge could then rule as to the propriety of the request, and could order the witness to respond if he determined that the committee's inquiry was proper. If he held against the committee, that could be the end of the matter. In no case would the witness have to be cited for criminal contempt, indicted by a grand jury, tried by a petit jury, and subjected to bail, like a gangster—even though his only offense might be a sincere disagreement as to the legality of the committee's interrogation. At the same time, if the witness was wrong, and if the committee was right, the judge could direct the witness to answer or to produce without delay, and could invoke summary civil-contempt procedures to enforce his order. That would mean that the committee would get the information it needed when it was timely, rather than win a hollow victory long after the issue had become academic.

The VICE PRESIDENT. The time available to the Senator from New York, under the 3-minute limitation, has expired.

Mr. KEATING. Mr. President, I ask unanimous consent that I may proceed for 1 more minute.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered; and the Senator from New York is recognized for 1 additional minute.

Mr. KEATING. Mr. President, both the court of appeals, in reversing Mr. Tobin's conviction, and the district court, in upholding the committee's position, deplored the fact that criminal proceedings were brought. I have been encouraged by these views to renew my efforts to obtain the endorsement of the Department of Justice for my civil contempt bill—S. 2074—which has been pending in the Senate Committee on the Judiciary for almost a year. The Department's views on this measure were requested many months ago by the committee. Perhaps this latest example of the inappropriateness of criminal procedures in such cases will induce the Department to give its backing to a measure along the lines of my proposal.

Mr. President, I know that the Court's opinion will be of interest to many Members of the Senate; therefore, I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the opinion was ordered to be printed in the Record, as follows:

Austin J. Tobin, Appellant, *v.* United States of America, Appellee—No. 16604

(Appeal from the U.S. District Court for the District of Columbia—Decided June 7, 1962)

Mr. Thomas E. Dewey, with whom Messrs. Everett I. Willis, Lino A. Graglia and Sidney Goldstein were on the brief, for appellant.

Mr. William Hitz, assistant U.S. attorney, with whom Messrs. David C. Acheson, U.S. attorney, and Nathan J. Paulson, assistant U.S. attorney, were on the brief, for appellee. Mr. Charles T. Duncan, principal assistant U.S. attorney, also entered an appearance for appellee.

Mr. Daniel M. Cohen, of the bar of the Court of Appeals of New York, pro hac vice, by special leave of court, with whom Mr. Jerome M. Alper was on the brief, for the State of New York, as amicus curiae, urging reversal.

Mr. Theodore I. Botter, of the bar of the Supreme Court of New Jersey, pro hac vice, by special leave of court, for the State of New Jersey as amicus curiae. Mr. William F. Tompkins was on the brief for the State of New Jersey, as amicus curiae, urging reversal.

Mr. J. Raymond Clark, filed a brief on behalf of the New York Chamber of Commerce, as amicus curiae, urging reversal.

Mr. Jerome M. Alper filed a brief on behalf of the State of Delaware, as amicus curiae, urging reversal.

Mr. Jerome M. Alper filed a brief on behalf of the State of Alabama, et al., as amici curiae, urging reversal.

Before Wilbur K. Miller, chief judge, and Danaher and Bastian, circuit judges.

Bastian, circuit judge:

Austin J. Tobin, the executive director of the Port of New York Authority, was charged by information and convicted in the district court of criminal contempt of Congress, under 2 U.S.C. 192, for refusing to produce certain documents called for by a subpena issued by Subcommittee No. 5 of the Committee on the Judiciary of the U.S. House of Representatives.

The Port of New York Authority is a bistate agency established in 1921 and 1922 by compacts between the States of New York and New Jersey to provide for the efficient administration of the New York Harbor, which is divided geographically between the two States. Pursuant to the compact clause of the Constitution,[1] Congress consented to the compacts but expressly retained, among other matters, "the right to alter, amend, or repeal" its resolutions of approval. Over the years, the port authority has been remarkably successful in achieving its goals. As of 1959, it had investments of nearly $1 billion and gross annual operating revenue in excess of $100 million.

In February of 1960, the Judiciary Committee initiated an investigation of the authority on an informal basis. The authority cooperated with the committee investigators except as to disclosing certain documents alleged to relate exclusively to the internal administration of the authority. After this refusal events moved swiftly to a climax.

On June 1, 1960, the chairman of the committee obtained from the House subpena power in connection with matters "involving the activities and operations of interstate compacts." What little floor discussion there was preceding this grant of subpena power was not very enlightening; it certainly provided no lucid analysis of what was soon to follow. On June 8, 1960, Subcommittee No. 5 of the Judiciary Committee instituted a formal inquiry into the authority.

Appellant conferred with the board of commissioners of the authority, as well as with the Governors of both New York and New Jersey, and the consensus of their opinion was that the investigation being attempted was too broad to be valid. The subcommitte was informed of their objections and the reasons therefor. Discounting these objections, the subcommittee issued the subpena in question. Appellant requested postponement of the return date of the subpena in order to give the Governors an opportunity to meet with the subcommittee and discuss their objections but the subcommittee refused the postponement.

After being denied the opportunity to appear before the subcommittee, the Governors wrote identical letters to their respective representatives on the board of commissioners of the authority, instructing them to direct appellant not to comply with the subpena. The board of commissioners so directed appellant on June 27, 1960. Two days later, on June 29, 1960, the subcommittee met to receive the return of the subpena.

It was against this background that appellant refused to comply with the demands of the subpena [2] and was ruled in default by the chairman of the subcommittee. Thereafter, the subcommittee recommended to the full committee that appellant be cited by the House for contempt. This recommendation was adopted by the Judiciary Committee, two members dissenting, and subsequently by the House itself. Charged by information, appellant waived his right to jury trial and was convicted of contempt of Congress by District Judge Youngdahl.[3]

Appellant advances several arguments in support of the position that his conviction cannot stand. For present purposes, to illustrate the constitutional issues we would have to decide in order to affirm the conviction, we list but two of his arguments:

1. That Congress does not have the power, under the compact clause of the Constitution, to "alter, amend or repeal" its consent to an interstate compact, which was the stated purpose of the subcommittee's investigation.

2. That "the subpena issued by the subcommittee, demanding documents relating to the internal administration of the port authority which the Governors of New York and New Jersey ordered appellant not to produce [was] an unconstitutional invasion of powers reserved to the States under the 10th amendment to the Constitution."

Because of the view we take of this case, appellant's first contention demands some elaboration. In granting its consent Congress can attach certain binding conditions, not only to its consent to the admission of a new State into the Union,[4] but also to its consent to the formation of an interstate compact.[5] However, the vital condition precedent to the validity of any such attached condition is that it be constitutional. If Congress does not have the power under the Constitution, then it cannot confer such power upon itself by way of a legislative fiat imposed as a condition to the granting of its consent.[6]

In the present case, therefore, Congress express reservation of the right "to alter, amend or repeal" its initial consent to the creation of the authority is meaningless unless Congress has the power under the Constitution "to alter, amend or repeal" its consent to an interstate compact. The compact clause of the Constitution does not specifically confer such power upon Congress. No case has been cited to us, nor have we been able to find any case through our own research, holding that Congress has such constitutional power. Nor do we find any to the contrary. Since no such power appears expressly in the compact clause, any holding that it exists and that Congress possesses it must be predicated on the conclusion that it exists as an implied power.

We have addressed ourselves at some length to this issue in order to show the gravity of passing upon even only one of the constitutional questions posed by this case. Moreover, in view of appellant's argument that the plenary powers specified in and by the Constitution are more than sufficient to enable Congress to protect, supervise and preserve all Federal interests affected by the existence of interstate compacts, we are even less inclined to reach the constitutional issues involved here. We have no way of knowing what ramifications would result from a holding that Congress has the implied constitutional power "to alter, amend or repeal" its consent to an interstate compact. Certainly, in view of the number and variety of interstate compacts in effect today, such a holding would stir up an air of uncertainty in those areas of our national life presently affected by the existence of these compacts. No doubt the suspicion of even potential impermanency would be damaging to the very concept of interstate compacts.

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[1] Art. I, sec. 10–3, of the Constitution reads in pertinent part: "No State shall, without the Consent of Congress * * * enter into any Agreement or Compact with another State."

[2] Appellant's refusal to comply with the subpena was only partial. The subpena as issued is reported here in its entirety, the bracketed portions representing those documents actually produced, the unbracketed portions representing those that were refused:

"(1) [All bylaws, organization manuals, rules and regulations;]

"(2) [Annual financial reports;] internal financial reports, including budgetary analyses, postclosing trial balances, and internal audits; and management and financial reports prepared by outside consultants;

"(3) All agenda [and minutes] of meetings of the board of commissioners and of its committees; all reports to the commisisoners by members of the executive staff;

"(4) All communications in the files of the Port of New York Authority and in the files of any of its officers or employees including correspondence, interoffice and other memorandums and reports relating to:

"(a) the negotiation, execution and performance of construction contracts; negotiation, execution and performance of insurance contracts, policies and arrangements; and negotiation, execution and performance of public relations contracts, policies and arrangements;

"(b) the acquisition, transfer and leasing of real estate;

"(c) the negotiation and issuance of revenue bonds;

"(d) the policies of the authority with respect to the development of rail transportation."

The demands of the subpoena encompassed the period from January 1, 1946, to June 15, 1960.

[3] For a scholarly analysis of the factual setting of this case, we refer to the detailed delineation found in the opinion of District Judge Youngdahl, 195 F. Supp. 588 (1961).

[4] *United States* v. *Sandoval* (231 U.S. 28 (1913)).

[5] *Petty* v. *Tennessee-Missouri Bridge Commission* (359 U.S. 275 (1959)).

[6] *Cf. Coyle* v. *Smith* (221 U.S. 559 (1911)).

Appellant argues that congressional consent becomes irrevocable once it is given under the compact clause since Congress thereby removes the constitutional ban against the formation of interstate compacts and thus, to that extent, restores the States to the inherent sovereignty they enjoyed prior to the adoption of the Constitution. This does not mean that once congressional consent is obtained the particular compact becomes a law unto itself, immune by reason of its autonomy from future congressional supervision. It simply means that the States are restored to that much of their original sovereignty as would permit them to enter into compacts with each other. To this extent, and to this extent alone, does congressional consent restore them to sovereignty—sovereign in the narrow sense of being free to conclude an interstate compact, not sovereign in the broad sense of being free of the Constitution.

Accordingly, if a particular compact happens to be operational in nature (as exemplified by the compact creating the authority) as opposed to one static in nature (as exemplified by an agreement to settle a disputed boundary line, an act which necessarily dies at the moment of its birth), Congress is not without power to control the conduct of the former. Under our system of government the Constitution is paramount, and the Constitution gives to Congress certain plenary powers, as for example those in the field of interstate commerce and that of national defense. With the choice of acting pursuant to any or all of these plenary powers continuously available to it, Congress has at its disposal abundant authority to supervise and regulate the activities of operational compacts in such a way as to insure that no violence is done by these compacts to more compelling Federal concerns.

Appellant argues, in short, that Congress can adequately protect every interest that needs such protection because of the existence of an operational compact without, in doing so, being forced to the extremity of rescinding its consent under the compact clause, an action which appellant contends Congress has no constitutional power to perform.

Appellant's assertion in this respect is not unpersuasive, since a holding that Congress has the constitutional power to "alter, amend or repeal" its consent under the compact clause can hardly be stated as a proposition of universal applicability. A line marking the boundary between two States, initially drawn by such States acting pursuant to an interstate compact, could hardly be erased at some later date by Congress' enactment of hindsight legislation purporting to repeal its consent to the compact by which such boundary was initially determined (see the discussion in *Hinderlider* v. *LaPlata River Co.*, 304 U.S. 92 (1938) and cases cited therein).

In other words, appellant seeks to distinguish the ways in which congressional control over an operational compact may be properly exercised: he argues that control undertaken pursuant to the plenary powers is licit, whereas control attempted in the sense of withdrawing consent under the compact clause is illicit.

Lest this distinction be looked upon as nothing more than a quibble, a mere academic distinction of a nicety too refined to be noticed outside an ivory tower, it must be remembered that this case comes to us by way of a criminal conviction.[7] It must be borne in mind, therefore, that appellant is entitled to all of the safeguards which our system of criminal jurisprudence assures him, not the least of which is that he not be convicted in a general rush to vindicate matters actually collateral to the crime for which he stands accused. Indeed, the present case is a classic example of how this very danger arises.

Appellant is no criminal and no one seriously considers him one. He stands before us convicted of crime merely because no method has been provided for testing the merits of his contentions save that of a prosecution for contempt of Congress. It is truly unfortunate that his choice was so restricted as to the presentation of his case, for it places us in the posture of being asked to answer broad questions of civil law within the framework of reviewing a criminal conviction. Undoubtedly the questions presented to us properly demand resolution, but we should not and cannot permit this appeal for answers to blind us to our duty of administering criminal justice according to traditional concepts. It must be remembered that what we decide in this case will be precedent for another, and far too often has the rashness of today begotten the regrets of tomorrow to induce us to tread unsanctioned byways of criminal adjudication merely because the setting of a particular appeal suggests the expediency of such a course. In short, we decide this case as we would any other criminal appeal. It is with these considerations in mind, therefore, that we approach the disposition of the present controversy.

A contempt of Congress prosecution is not the most practical method of inducing courts to answer broad questions broadly. Especially is this so when the answers sought necessarily demand far-reaching constitutional adjudications. To avoid such constitutional holdings is our duty, particularly in the area of the right of Congress to inform itself (*United States* v. *Rumley*, 345 U.S. 41 (1953)). Consequently, when Congress authorizes a committee to conduct an investigation, the courts have adopted the policy of construing such resolutions of authority narrowly, in order to obviate the necessity of passing on serious constitutional questions (*Watkins* v. *United States*, 354 U.S. 178 (1957); *Brewster* v. *United States*, 103 U.S. App. D.C. 147, 255 F. 2d 899, cert. denied, 358 U.S. 842 (1958)).

Accordingly, the first issue we must decide is whether Congress gave the Judiciary Committee of the House (and therefore its Subcommittee No. 5) authority sufficient to permit the subcommittee to conduct the sweeping investigation undertaken in the instant case. The authority pointed to as validating the present investigation was conferred by the House upon the Judiciary Committee in piecemeal fashion:

The Legislative Reorganization Act of 1946 granted to the Judiciary Committee authority over 19 subjects, including "interstate compacts generally." 60 Stat. 812, 826–827; rule XI (1). In 1959 the committee was given subpena power to conduct "full and complete investigations and studies relating to [certain stated matters] coming within the jurisdiction of the committee." H. Res. 27, 86th Congress, 1st session (1959). As this last grant of authority did not encompass interstate compacts, it was amended on June 1, 1960, to include "the activities and operations of interstate compacts." H. Res. 530, 86th Congress, 2d session (1960). Putting these resolutions of authority together, we find that the committee was given jurisdiction over "interstate compacts generally," and the power "to conduct full and complete investigations and studies relating to * * * the activities and operations of interstate compacts."

The authority thus granted to the committee is couched in general terms. In the present case, the committee stretched these general terms in order to justify about as specific an investigation of the Port of New York Authority as can be envisaged. We are inclined to believe the House did not intend these general terms to be stretched quite so far. While it is true that the Judiciary Committee for many years did have specific jurisdiction over "interstate compacts generally," its traditional activity with respect to this jurisdiction was entirely foreign to an investigation of the kind and scope attempted here. So in this respect the present case is the antithesis of the Supreme Court's decision in *Barenblatt*,[8] where the particular committee's authorization was found in the long history of congressional acquiescence in that committee's work.

In the present case, the very fact that Congress had never before attempted such an expansive investigation of an interstate compact agency—an investigation, by its very nature, sure to provoke the serious and difficult constitutional questions involved here—leads to the conclusion that if Congress had intended the Judiciary Committee to conduct such a novel investigation it would have spelled out this intention in words more explicit than the general terms found in the authorizing resolutions under consideration.[9] In any event, general terms are usually susceptible of differing interpretations. And so, in view of the fact that we consider it our duty to avoid, if possible, constitutional adjudication, we read these authorizing resolutions to mean that the Judiciary Committee was empowered to conduct an investigation calling for documents relating to actual "activities and operations" of the authority rather than for all of the administrative communications, internal memorandums, and other intra-authority documents demanded by the subpena in question (*Brewster* v. *United States*, *supra*. Cf. *United States* v. *Rumley*, *supra*. And see *United States* v. *Kamin*, 136 F. Supp. 791 (Mass. 1956)). Therefore, we think the subcommittee's investigative authority, as thus construed, was exhausted by the information actually tendered by appellant in compliance with the subpena, for such information adequately disclosed all that the authority had done in the areas under inquiry. The information refused to the subcommittee related only to the why of authority activity and, consequently, was outside the scope of the subcommittee's authority to investigate.[10]

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[7] Regardless of what Congress might have done or how Congress might have approached the instant problem, we are bound by what Congress in fact did do. Since the jurisdiction of the subcommittee that issued the subpena in question is derived from the compact clause, and since the stated purpose of the subcommittee's investigation was to determine whether Congress should "alter, amend, or repeal" its consent to the compacts that established the authority, the distinction under discussion not only is not a play on words—it is an essential dividing line between appellant's guilt or innocence of criminal conduct.

[8] *Barenblatt* v. *United States* (360 U.S. 109 (1959)).

[9] In arriving at our conclusion in this respect, we have been particularly impressed by the absence of any truly enlightening or informative floor discussion in Congress at the time the instant authority was sought by and granted to the Judiciary Committee concerning the use in depth that was expected to be made of it. This want of explanation is especially striking in light of the fact that no such massive investigation of a compact agency had ever been initiated by Congress before. We think the respect to which Congress is legitimately entitled supports the conclusion that it would not signal its approval of a decision of such magnitude in the delicate area of Federal-State relationship without a clearer expression of its understanding of what it was doing than is reflected by the instant case.

We feel inclined to add a few words in conclusion. If Congress should adopt a resolution which in express terms authorizes and empowers the committee and its duly authorized subcommittee to initiate an investigation of the Port of New York Authority as deep and as penetrating as the one attempted here, a challenge of the congressional power so to provide would of course present constitutional issues which we should have to meet and decide. Therefore, we emphasize that all we are saying here is that a due regard for the responsibility of administering justice prompts us to avoid serious constitutional adjudications until such time as Congress clearly manifests its intention of putting such a decisional burden upon us.

Especially do we say this in view of the unusual nature of the present case, where we are asked to decide essentially civil and jurisdictional issues at the same time that we establish criminal precedent. The conflicting duality inherent in a request of this nature is not particularly conducive to the giving of any satisfactory answer, no matter what the answer should prove to be. Should this controversy be resumed, it is hoped that Congress will first give sympathetic consideration to Judge Youngdahl's eloquent plea:

"During the House debate on the contempt citation, the committe inserted in the Congressional Record a memorandum purporting to show that declaratory judgment procedures were not an available means for procuring judicial resolution of the basic issues in dispute in this case. Although this question is not before the court, it does feel that if contempt is, indeed, the only existing method, Congress should consider creating a method of allowing these issues to be settled by declaratory judgment. Even though it may be constitutional to put a man to guessing how a court will rule on difficult questions like those raised in good faith in this suit, what is constitutional is not necessarily most desirable. Especially where the contest is between different governmental units, the representative of one unit in conflict with another should not have to risk jail to vindicate his constituency's rights. Moreover, to raise these issues in the context of a contempt case is to force the courts to decide many questions that are not really relevant to the underlying problem of accommodating the interest of two sovereigns" (195 F. Supp. at 616–17).

Reversed.

MORE VISITORS COMING FROM LATIN AMERICA UNDER VISIT-U.S.A. POLICY

Mr. YARBOROUGH. Mr. President, the coordinated and intensified efforts of Texas and other States working in cooperation with the administration's well-directed "Visit U.S.A." program is certain to result in a vast improvement in the relationship between the United States and other countries. The potential for stepped-up tourist visits to the United States by people from other countries is virtually untapped and unlimited, both in the areas of our good neighbor policy and our need for an improved economy.

Mexico, Central and South America have been sending more and more of their people to the United States, a move which is to be encouraged by civic and business interests, and by all levels of government.

This administration, by its "Visit U.S.A." program under the leadership of Secretary of Commerce Hodges and Voit Gilmore, Director of U.S. Travel Service, and by working in close harmony with the individual States, have shown its recognition of the need for bringing more people here to see how we live and to enjoy our hospitality.

To show something of the potential of tourist trade—not only to my own State of Texas but to all the other States—I ask unanimous consent to have printed in the Record the following editorial from the Houston Chronicle of June 5, 1962, entitled "Our Latin Visitors."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Our Latin Visitors

A favorable indication of the success of our good neighbor policy toward Latin America and, at the same time, a good push for its future, is the increasing rate at which our neighbors from the south are acquainting themselves with the United States. As each year passes, more residents of Latin America are becoming tourists to our shores. Air travelers alone visiting this country from Mexico, Central and South America increased 13.5 percent in 1961.

This marked a jump from 233,898 in 1960 to 265,537 last year. One country alone failed to show an increase over this period—Venezuela with a drop of 9.6 percent. Mexico provided the biggest share of the increase with 93,577 visitors last year compared with 79,401 the previous year. Nor does this figure include the thousands who drive across the border each month from Mexico to visit Texas and points north.

DALLAS JAYCEES PUSH TRINITY RIVER PROJECT

Mr. YARBOROUGH. Mr. President, the Trinity River Valley project improvement program for conversion of the stream into a barge canal from the Texas gulf coast to Fort Worth is of unlimited importance to strengthening the economy of the State of Texas.

The Dallas Junior Chamber of Commerce, in recognition of the need of this project, has set up a large committee to raise funds in the true spirit of free enterprise for cost-benefit studies of the Trinity.

Advancement of the Trinity River Valley project—a goal of farsighted Texans for some 30 years—is a golden opportunity which must not be overlooked. I intend to do everything possible to advance this project in Congress by helping to see that improvements are authorized as fast as possible.

I ask unanimous consent to have printed in the Record the following editorial from the Dallas Times Herald of June 5, 1962, entitled "Jaycees Take on a Big Project in Pushing Trinity Canal Plan."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Jaycees Take on a Big Project in Pushing Trinity Canal Plan

The Trinity River represents a great potential economic benefit for Dallas and a great part of the Southwest.

For many years advocates have urged its canalization in order to make barge transportation available for north Texas. There were many difficulties in the way. Some already have been removed. Others remain, but more persons are convinced that they too can be removed to make the canalization a reality.

Into this situation the Dallas Junior Chamber of Commerce has moved.

An 80-man committee of Jaycees has just launched a 3-week campaign to raise $102,000 for cost-benefit studies of the Trinity. Some 600 civic and business leaders will be asked to underwrite the Trinity Improvement Association's studies to show Congress that the canalization will pay for itself.

The Trinity barge canal, a longtime dream for Dallas, is a worthwhile project.

In undertaking to push this project through bringing about a congressional understanding of its importance, the Jaycees are making a real contribution to their community, their State, and their Nation.

We are convinced the Trinity project, which includes a great many other things besides navigation, is sound.

We are convinced also that the energy and enthusiasm the Jaycees are bringing to its support will be highly beneficial to the river development program.

UNIVERSAL INTERNATIONAL PICTURES CELEBRATES 50TH YEAR

Mr. ENGLE. Mr. President, today Universal International Pictures celebrates its 50th anniversary. It is the first of Hollywood's major film producing companies to reach the half-century mark.

Fifty years ago Carl Laemmle, a German immigrant, set up a modest cinema shop in a community of 5,000 people that called itself Hollywood. He named his little enterprise the Universal Film Manufacturing Co. and began at once to produce pictures. Before he was fully settled in his quarters they were already inadequate. The operations today of Universal Pictures are manifold and diverse and they have spread to the four corners of the globe.

Universal Pictures has a proud history to look back on. The great productions that have come out of its studios are too numerous to be listed here. I cannot fail, however, to mention such endurable masterpieces as "All Quiet on the Western Front," "Hunchback of Notre Dame," and "Phantom of the Opera." Through the years Universal has continued to give us great films. "Spartacus" is just one example of its fine productions.

The most dynamic aspect of Universal's activities lies in the distribution of its films and newsreels around the world. There is, I believe, no better way to get people in foreign lands to like us than to get them to understand us. Nothing does this more effectively than the motion picture. For many years Universal has done its share in creating in countries abroad a better understanding of Americans and the American way of life.

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[10] That the power of a subcommittee having general jurisdiction over a subject must nonetheless be specifically spelled out in particular instances has been made abundantly clear in many expressions by the Supreme Court. The contempt of Congress cases, in whatever posture the problem be posed, underscore this thought. [See for example *Russell* v. *United States*, and related cases, decided by the Supreme Court May 21, 1962.] Basically the proposition may be simply stated. There can be no "constructive" offenses. *United States* v. *Resnick*, 299 U.S. 207, 210 (1936).

"We are servants of the public." This is the underlying philosophy of Universal's president, Milton Rackmil, and it is shared by his whole organization. In Universal we have another example to prove that in war and in peace the motion picture industry is a moving force in public-spirited causes.

My congratulations to Universal Pictures on its 50th birthday, and my sincerest commendations to Milton Rackmil. No tribute to the company can be complete without mentioning the men and women in the studios who make the films possible. To these fine citizens of California I want to extend my warmest greetings and best wishes in the years ahead.

STATEMENT OF REPUBLICAN PARTY PRINCIPLES

Mr. MOSS. Mr. President, after 4 months of deliberation, a committee of distinguished members of the Republican Party has presented a statement of party principles. As I understand it, the statement is intended to declare to the electorate the party's stand on the issues of the day for the elections of 1962 and 1964.

As a Democrat, I anticipated that I might disagree with one or two of its statements. But I was not prepared for a showing of such flagrant disregard for the vital interests of the West. The report does not even mention the most pressing problems of our Western States—development of water resources, reclamation, water pollution control, watershed protection, reforestation, or development of outdoor recreation resources.

I can only conclude that those representing the West and the Southwest on the Joint Committee on Republican Principles must have been asleep. In 2,500 words of generalities and platitudes, there is surely room for a sentence or two in favor of the conservation and development of our national resources.

The development of water supply to serve a burgeoning population is the most pressing internal problem for the entire southwestern quarter of our Nation.

I remind the Senate of the Select Committee on National Water Resources which this body authorized in the 86th Congress. The committee included six distinguished Republican Senators. The committee's report stated that demands on the Nation's water resources would almost double by 1980, and would triple by the year 2000. It emphasized the special requirements of the Western States arising from their dependence on their extremely limited water supply. It pointed out that over 1 million acres in some 8,500 small watersheds are already in need of treatment.

As the Members of this body are well aware, water pollution control is essential not only to the West, but to the entire Nation. Hundreds of communities in the United States have substandard water supplies.

I am aware that the Eisenhower administration opposed increasing Federal funds for water pollution control, even on the present formula which requires at least 70-percent payment from local funds. But I am also aware that there are several Republicans who do not agree with him on this question.

And since the amendments to the Water Pollution Control Act passed the Senate last year on a voice vote, I am surprised that the party is not now ready to announce a change in this position.

Our pressing need for outdoor recreation areas was outlined in the recent report of the Outdoor Recreation Resources Review Commission. The Commission was appointed by President Eisenhower, headed by the distinguished conservationist, Laurance Rockefeller, brother of the Governor of New York. Several Republican Members of Congress served on the Commission.

The Commission called for an extensive Federal program in the outdoor recreation resources field. It included a national recreation policy, a classification system for outdoor resources; an expansion of existing programs; a Federal Bureau of Outdoor Recreation; and a grants-in-aid program to the States.

Since the Republican policy statement warns against Federal encroachment into areas served by State and local governments, I point out that all State and local governments are now working on the problems I have briefly mentioned. But many of these problems cannot be solved only by our States, our counties, and our municipalities. They require Federal programs, use of Federal lands, and Federal capital investment.

Mr. President, I repeat that conservation and development of our land and water resources is the most important domestic question before us in the West.

I have worked intimately with my Republican colleagues on the Interior Committee and the Public Works Committee. Despite differences of opinion on details, I know many share with me a deep concern for resource development.

It is most unfortunate that this statement of the Republican Party's view of the needs of our Nation is too narrow to encompass the vital interests of the West.

Mr. MANSFIELD. Mr. President, is there further morning business?

The VICE PRESIDENT. Is there further morning business? If not, morning business is concluded.

CALL OF THE CALENDAR

Mr. MANSFIELD. I believe that under the unanimous-consent agreement we have been given permission to call the calendar, beginning with Calendar No. 1496. Is that correct, Mr. President?

The VICE PRESIDENT. That is correct.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will call the first bill on the calendar, under the unanimous-consent agreement.

TRANSPORTATION OF MAIL BY HIGHWAY POST OFFICE SERVICE

The bill (H.R. 6695) to amend title 39 of the United States Code with respect to the transportation of mail by highway post office service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL WRITING PROVIDED ON THIRD AND FOURTH CLASS MAIL

The bill (H.R. 7559) to amend title 39 of the United States Code to provide for additional writing or printing on third- and fourth-class mail, was considered, ordered to a third reading, read the third time, and passed.

FUNDS RECEIVED BY POST OFFICE DEPARTMENT FROM PAYMENTS FOR DAMAGE TO PERSONAL PROPERTY

The Senate proceeded to consider the bill (H.R. 7532) to amend title 39 of the United States Code relating to funds received by the Post Office Department from payments for damage to personal property, and for other purposes, which had been reported from the Committee on Post Office and Civil Service, with an amendment, on page 2, line 9, after the word "performance", to strike out "under contracts with the Department" and insert "of carriers and contractors".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

UNUSED COMPENSATORY TIME OWING TO DECEASED POSTAL EMPLOYEES

The bill (H.R. 7061) to amend title 39 of the United States Code to provide for payment for unused compensatory time owing to deceased postal employees, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

APPROPRIATE REIMBURSEMENTS BETWEEN RESPECTIVE APPROPRIATIONS AVAILABLE FOR BUREAU OF THE CENSUS

The bill (H.R. 7416) to authorize the Bureau of the Census to make appropriate reimbursements between the respective appropriations available to the Bureau, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2970) to amend the Small Business Act was announced as next in order.

Mr. KEATING. Over, by request.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The bill will be passed over.

The bill (S. 367) to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel was announced as next in order.

Mr. KEATING. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

JAMES M. NORMAN—BILL PASSED OVER; AND BILL INDEFINITELY POSTPONED

The bill (S. 3377) for the relief of James M. Norman, was announced as next in order.

Mr. KEATING. Over, Mr. President, by request.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the bill previously placed on the calendar in regard to this subject, Calendar No. 1233, H.R. 1361, may be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is my understanding correct that, on the basis of the indefinite postponement, Calendar No. 1233 will be removed from the calendar?

The PRESIDING OFFICER. The Senator is correct. Does the Senator from New York desire to object to consideration of Calendar No. 1503?

Mr. KEATING. Mr. President, I ask that the bill go over, by request of a Senator.

The PRESIDING OFFICER. The bill will be passed over.

IOANNIS CONSTANTELIAS

The concurrent resolution (S. Con. Res. 76) withdrawing suspension of deportation of Ioannis Constantelias, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246(a) of the Immigration and Nationality Act (8 U.S.C.A. 1256(a)), withdraws the suspension of deportation in the case of Ioannis Constantelias (A-2044661) which was previously granted by the Attorney General and approved by the Congress.

MR. AND MRS. ALFREDO HUA-SING ANG

The bill (S. 2614) for the relief of Mr. and Mrs. Alfredo Hua-Sing Ang, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. and Mrs. Alfredo Hua-Sing Ang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

STEPANIDA LOSOWSKAJA

The bill (S. 2686) for the relief of Stepanida Losowskaja, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, the provisions of section 312 of such Act shall be deemed not to be applicable in the case of Stepanida Losowskaja.

ARMAND SERI

The bill (S. 2692) for the relief of Armand Seri was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Armand Seri may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that no period of residence or physical presence within the United States or any State shall be required in addition to his residence and physical presence within the United States since November 14, 1953.

ROSWITHA SEIB

The bill (S. 2699) for the relief of Roswitha Seib, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a)(1) of the Immigration and Nationality Act, Roswitha Seib may be issued a visa and be admitted to the United States for permanent residence if otherwise admissible under the provisions of that Act: *Provided*, That unless the said Roswitha Seib is eligible for medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further*, That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

KONSTANTINOS P. THEODOROPOULOS

The bill (S. 2837) for the relief of Konstantinos P. Theodoropoulos, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Konstantinos P. Theodoropoulos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MAI HAR TUNG

The bill (S. 2862) for the relief of Mai Har Tung, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Mai Har Tung, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Ernest Tung, citizens of the United States: *Provided*, That the natural mother of the said Mai Har Tung shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

WEN TANG

The bill (S. 2872) for the relief of Wen Tang, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Wen Tang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 28, 1956, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. ELIZABETH LOVIC

The Senate proceeded to consider the bill (S. 2455) for the relief of Mrs. Elizabeth Lovic, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 8, after the word "Act", to insert a colon and "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General be deposited as prescribed by section 213 of that Act.; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (4) of section 212(a) of the Immigration and Nationality Act, Mrs. Elizabeth Lovic may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of that Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WENG CHIEW WONG AND MOY CHONG WONG

The Senate proceeded to consider the bill (S. 2855) for the relief of Weng Chiew Wong and Moy Chong Wong which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

> That, in the administration of the Immigration and Nationality Act, the provisions of the proviso to section 201(a) shall not be applicable in the cases of Weng Chiew Wong and Moy Chong Wong, natives of Malaya.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KANG SOON YANG

The Senate proceeded to consider the bill (S. 2999) for the relief of Kang Soon Yang which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "States", to insert a colon and "*Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."; so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Kang Soon Yang shall be held and considered to be the natural-born alien child of Floyd Earl and Berneice Mix, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TASIA DEMETROPOULOU (DIMITROPOULOS)

The Senate proceeded to consider the bill (S. 2711) for the relief of Tasia Demetropoulou (Dimitropoulos) which had been reported from the Committee on the Judiciary, with amendments, in line 4, after the word "Act", to strike out the comma and "the minor child,"; in line 5, after the name "Demetropoulou", to strike out "(Dimitropoulos)," and insert "(Dimitropoulos)"; and at the beginning of line 7, to insert "minor"; so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act Tasia Demetropoulou (*Dimitropoulos*) shall be held and considered to be the natural-born alien *minor* child of Mr. and Mrs. James Demos, citizens of the United States: *Provided*, That the natural parents of the said Tasia Demetropoulou (Dimitropoulos) shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HERRN STEFAN ZAPPEL

The Senate proceeded to consider the bill (S. 2904) for the relief of Herrn Stefan Zappel which had been reported from the Committee on the Judiciary, with an amendment, in line 4, after the word "amended", to strike out "Herrn"; so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That for the purposes of sections 203(a)(3) and 205 of the Immigration and Nationality Act, as amended, Stefan Zappel shall be held and considered to be the unmarried son of Mrs. Kata Zappel, an alien lawfully admitted to the United States for permanent residence.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Stefan Zappel."

OLAF SCHASTZLE BONDE

The Senate proceeded to consider the bill (S. 2994) for the relief of Olaf Schastzle Bonde (also known as Olaf Carl Schastzle) which had been reported from the Committee on the Judiciary with amendments, in line 3, after the name "Olaf", to strike out "Schastzle" and insert "Schaetzle"; and in line 4, after the name "Carl", to strike out "Schastzle" and insert "Schaetzle"; so as to make the bill read:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That Olaf Schaetzle Bonde (also known as Olaf Carl Schaetzle) may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that—
>
> (a) no period of residence or physical presence within the United States or any State shall be required in addition to his residence and physical presence within the United States since July 7, 1953; and
>
> (b) the petition for naturalization may be filed with any court having naturalization jurisdiction.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Olaf Schaetzle Bonde (also known as Olaf Carl Schaetzle)."

VINCENT EDWARD HUGHES

The bill (H.R. 6330) for the relief of Vincent Edward Hughes, his wife, Carmel Philomena Hughes, and their alien children was considered, ordered to a third reading, read the third time, and passed.

ADELE ANIS MANSOUR

The bill (H.R. 4655) for the relief of Adele Anis Mansour was considered, ordered to a third reading, read the third time, and passed.

JANINA MACIEJEWSKA

The bill (H.R. 3714) for the relief of Janina Maciejewska was considered, ordered to a third reading, read the third time, and passed.

ANGELINA RAINONE

The bill (H.R. 3633) for the relief of Angelina Rainone was considered, ordered to a third reading, read the third time, and passed.

ANNA ISERNIA ALLOCA

The bill (H.R. 3595) for the relief of Anna Isernia Alloca was considered, ordered to a third reading, read the third time, and passed.

FRANZISKA ALOISIA FUCHS (NEE TERCKA)

The bill (H.R. 2833) for the relief of Franziska Aloisia Fuchs (nee Tercka) was considered, ordered to a third reading, read the third time, and passed.

JAMES B. TROUP

The Senate proceeded to consider the bill (H.R. 10502) for the relief of James B. Troup which had been reported from the Committee on the Judiciary, with amendments, on page 1, at the beginning of line 5, to strike out "complied" and insert "been lawfully admitted to the United States for permanent residence on September 20, 1956, and the time he has resided and been physically present in the United States since that date shall be held and considered as compliance"; and, after line 10, to insert a new section, as follows:

> SEC. 2. For the purposes of the Immigration and Nationality Act, the time Sylvia Mattita has resided and been physically present in the United States since her lawful admission for permanent residence on November 8, 1950, shall be held and considered as compliance with the residence and physical presence requirements of section 311 of that Act.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act for the relief of James B. Troup and Sylvia Mattiat."

THE TEXAS & PACIFIC RAILWAY CO.

The bill (S. 3025) to supplement certain provisions of Federal law incorporating the Texas & Pacific Railway Co., in order to give certain additional authority to such company, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in addition to the powers conferred by the Act entitled "An Act to incorporate the Texas Pacific Railroad Company and to aid in the construction of its road, and for other purposes", approved March 3, 1871 (16 Stat. 573), as supplemented by the Act of May 2, 1872 (17 Stat. 59), the Act of March 3, 1873 (17 Stat. 598), the Act of June 22, 1874 (18 Stat. 197), and the Act of February 9, 1923 (42 Stat. 1223), the Texas and Pacific Railway Company shall have the right and authority, subject to the provisions of the Interstate Commerce Act and any Acts supplemental thereto, to acquire securities or stock of, or property from, any other carrier.

Sec. 2. The capital stock of the Texas and Pacific Railway Company, heretofore fixed by its board of directors pursuant to the provisions of the Act of February 9, 1923, at $75,000,000, may be increased at any time in such amounts as do not result in more than $100,000,000 of such company's capital stock outstanding and as are agreed to by resolution of its board of directors duly adopted in accordance with such company's bylaws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as such bylaws require. The provisions of the Act of February 9, 1923, with respect to the additional capital stock authorized by such Act (except with respect to the aggregate amount thereof), shall be applicable to the additional capital stock authorized by this Act and, in addition thereto, the par value of the capital stock of said company and the number of shares thereof shall, subject to the limitations of this Act, be in such amount as may be determined from time to time by resolution of such company's board of directors duly adopted in accordance with such company's bylaws and with the consent of the holders of a majority in amount of its then outstanding capital stock, expressed by vote in person or by proxy at a meeting of said stockholders called for the purpose upon such notice as such bylaws require.

Sec. 3. All power and authority granted to the Texas and Pacific Railway Company by this Act, the Act incorporating such company, and Acts supplemental thereto, shall be subject to the provisions of the Interstate Commerce Act and any Acts supplemental thereto.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the call of the calendar be concluded at this point.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska? The Chair hears none, and it is so ordered.

MEDICAL CARE FOR CERTAIN PERSONS ENGAGED ON BOARD A VESSEL

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1502, S. 367.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 367) to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert "That subsection (h) of section 2 of the Public Health Service Act (42 U.S.C. 201(h)) is amended to read as follows:

"'(h) The term "seamen" includes any person employed or self-employed on board in the care, preservation, or navigation of any vessel, or in the service, on board, of those engaged in such care, preservation, or navigation, including persons employed or self-employed as fishermen on board commercial fishing vessels.'

"Sec. 2. Section 322(a)(1) of such Act (42 U.S.C. 249(a)(1)) is amended by inserting immediately after the word 'employed' the following: 'or self-employed'."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION FOR FEDERAL POWER COMMISSION TO DELEGATE ITS FUNCTIONS

Mr. BARTLETT. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1338, S. 1605.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 1605) to authorize the Federal Power Commission to delegate its functions.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KEATING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FRYINGPAN-ARKANSAS PROJECT IN COLORADO

Mr. GOLDWATER. Mr. President, for years a bill has been lying in the House of Representatives that would allow for the construction of the Fryingpan-Arkansas project in Colorado. The Senate has always supported the project. Speaking as one who lives in the Rocky Mountain area and whose State depends upon the waters of the Colorado River, I should like to join my colleagues in urging that the House of Representatives give immediate attention to the proposal so that the people in that area may benefit from the water that is rightfully theirs. The project has a greater feasibility or benefit-cost ratio than many reclamation projects already approved by the Congress. The bill could not possibly put an additional acre of land in development under irrigation. The project would provide badly needed water for Pueblo, Colorado Springs, and Denver, Colo.

In my opinion, the project would absorb 50 percent of the entire water available within 5 years after completion of construction. It would also provide supplemental irrigation for the upper Arkansas Valley area, which is devoted primarily to vegetables, including onions and melons. The water that would be diverted from the main stream of the Colorado to the other side of the mountain constitutes less than 2 percent of the water allotted to Colorado under the Upper Colorado River compact.

I urge my colleagues who are interested in the development of that area to impress upon the Representatives from their States in the other body the urgency and need of the project.

THE STATE DEPARTMENT'S ATTITUDE TOWARD USE OF THE WORD "VICTORY"

Mr. GOLDWATER. Mr. President, on May 29 of this year I made some remarks to the Senate relative to the State Department's attitude toward the use of the word "victory" in speeches prepared for military commanders and submitted to the Department for censoring along policy lines. These remarks were based on a summary prepared by the State Department to explain why certain deletions and changes had been made in the speeches under discussion. The summary was transmitted to the Special Preparedness Subcommittee under date of March 29, although it did not come to my attention until it was published in the Washington Evening Star on May 27. It was transmitted to the subcommittee by a letter over the signature of George W. Ball, Under Secretary of State, which said in part:

> The explanations herewith furnished to the committee have been prepared by specially assigned officers working under my personal direction.

Among these official explanations supplied by the State Department was one which said the word "victory" had been deleted in a speech prepared for delivery by Brig. Gen. John W. White because it had "a militaristic and aggressive ring" and because it implied an "all or nothing approach leaving no room for accommodation." And it was to this particular language that I addressed my admittedly indignant remarks of May 29, 1962. Among other things, I raised the question of whether the State Department was embarked on a policy of appeasement based on accommodation rather than one aimed at victory in the cold war. It certainly seemed to me that if the Department was officially concerned that the use of a word long associated with American endeavors in all fields, might—just might, you understand—sound aggressive to an enemy which has sworn to bury us, then our efforts to avoid hurting Communist feelings had reached a ridiculous and dangerous extreme.

Mr. President, the March 29 explanation for deletion of the word "victory" by the State Department censors was far from inconsistent with earlier attitudes of the administration as expressed by various spokesmen, ranging from Secretary of State Dean Rusk to my esteemed colleague, the Senator from Arkansas [Mr. FULBRIGHT], chairman of the Senate Foreign Relations Committee. For many months, these spokesmen have assiduously attempted to portray any and all advocates of a policy of victory over communism as proponents of nuclear war. They have gone down the line for a policy of accommodation, arguing over and over that the complexities of world conditions today require a sophisticated approach which makes an objective designed to win over communism unrealistic and fraught with explosive possibilities.

As late as May 31, for example, Secretary Rusk told a press conference:

> The President has indicated more than once that a nuclear conflagration is not something which provides an easy path to what anyone would call victory.

The Secretary also suggested that the only alternative to present policies "is simply to let the other side have it, with all the weapons you have at your disposal." This, of course, is an oversimplification of the first magnitude, and I might add that it is interesting that it comes from an official whose Department blames all of its critics for indulging in oversimplification. And, Secretary Rusk goes in for some more oversimplification when he says that those who argue for a policy of victory would "stop foreign aid, have us withdraw from the United Nations, withdraw from NATO, and forget the Alliance for Progress."

Mr. President, I suggest that this attitude of saying that those who disagree with the administration want war is unworthy of statesmen. Neither Secretary Rusk nor the President nor anyone else in an official capacity has a monopoly on the desire for peace. They know that, and they also know that those of us who argue for a policy of victory in the cold war are arguing for alternatives that we believe would be more effective, more realistic and more in keeping with changing world conditions than those now in effect. They also are beginning to uderstand that the majority of the American people agree with us.

Secretary Rusk asks for alternatives. If he has any doubts about my stand on the question of winning the cold war, I suggest he take the time to read my new book, "Why Not Victory?" He will quickly find that I favor a policy which does not play the enemy's game by sending aid to Communist countries, by promoting unworkable coalitions weighted on the side of communism, by neglecting to act against the Communist buildup in Cuba, by aggravating our NATO partners and our allies, by supporting anti-Western U.N. aggression in the Congo, by offering dangerous control and inspection concessions to the Soviets on disarmament. These are just a few of the many alternatives available to our officials if they ever develop the will to win in the present struggle between freedom and slavery. They are alternatives that a powerful nation should adopt in its own strategic interests and in the cause of freedom everywhere. They are some of the alternatives which must be adopted if we are to avoid the threat of a nuclear war.

Mr. President, I point out that my remarks relative to the State Department's attitude on the use of the word "victory" are apparently what sparked Secretary of State Rusk's press conference statement. However, he did not take the opportunity then to deny his Department's explanation of why this word was taken out of General White's speech. He apparently had no objection to the Department's description of victory as a word having a "militaristic and aggressive ring." If he thought there was anything wrong with the explanation, he certainly didn't mention it.

However, on June 4 I received from Mr. George W. Ball, Under Secretary of State, a letter stating that the State Department language to which I drew attention was "completely erroneous." This I would remind you is the language which Mr. Ball's letter to the subcommittee said was prepared by specially assigned officers under his personal direction. I would also remind you that this language was sent to the subcommittee on March 29 and was not deemed to be "erroneous" until 2 months later—after it had been brought to public attention. I understand that Mr. Ball, in testifying before the subcommittee on June 4, said the language of the March 29 summary on "victory" was "inartistically worded and gives a quite erroneous impression of the reviewer's intention." Mr. Ball went on to argue that the State Department is not allergic to the word "victory" and that deletion of the word from military speeches does not reflect an ideological attitude on the part of the State Department.

In his letter to me, Mr. President, Under Secretary Ball said:

> I can quite well understand your concern at the implications of the language quoted from the State Department materials. I assure you that that language reflects neither the views of the State Department nor myself.

It seems curious to me, Mr. President, that language from the State Department should be transmitted to a Senate subcommittee from the Under Secretary of State which does not reflect the views of the State Department. It is my understanding that Mr. Ball explained to the subcommittee in testimony June 4 that he has no idea how the language got into the summary forwarded by him. From what he said, it appears that this part of the summary was handled by someone else while Mr. Ball was either out of Washington or out of the country. It would be interesting to know exactly who in the State Department was responsible for using the words "militaristic and aggressive" in describing use of the word "victory." It also would be interesting to know why, if this language was completely erroneous, the State Department did not get around to correcting it for 2 months, and then only after it became the subject of newspaper stories, critical editorials, and Senate speeches.

It strikes me that if Mr. Ball is correct and the State Department has—at long last—let the word "victory" out of its bureaucratic doghouse, this is something of a new departure. At least it is a step in the right direction, provided that it is followed with the development of a "win" policy in the handling of our foreign relations.

Perhaps, Mr. President, this abrupt about-face on the part of the State Department stems from the new strategy paper which has been developed by Mr. Walt Rostow of the Department's Planning Division. If so, I should certainly like to see the paper, as I am sure my colleagues would.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of the June 4 letter to me from Mr. Ball, and an editorial from the May 29 issue of the Washington Evening Star entitled "Victory a Bad Word?"

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

JUNE 4, 1962.

The Honorable BARRY GOLDWATER,
U.S. Senate.

DEAR SENATOR GOLDWATER: Your statement on the Senate floor of May 29, 1962, regarding the attitude of the Department of State toward the use of the word "victory" has been called to my attention. Your statement was apparently based on a story appearing in the Evening Star.

The language to which you refer was contained in a lengthy compilation of materials prepared in the State Department, intended to summarize the reasons for changes and deletions recommended by the State Department during the last 2 years in a number of speeches prepared for delivery by military officers. As the Evening Star article states, this compilation was transmitted by a letter over my signature to the Special Preparedness Subcommittee of the Senate Armed Services Committee.

The language of the specific summary to which you draw attention was a completely erroneous summary of reasons stated at greater length in a memorandum drafted at the time the particular speech recommendation was made. The relevant portion of that memorandum appears in the following statement which I have submitted this morning to the Preparedness Subcommittee:

"I should like expressly to answer the recent suggestion that the State Department has sought to discourage the use of the word 'victory,' and that this reflects an ideological attitude of the Department. This is definitely not the case, as is perfectly evident from excerpts taken at random from speeches made by State Department officials over the last year and a half which I ask your permission, Mr. Chairman, to have inserted in the record of this committee.

"Earlier in the hearings several instances were cited in which the word 'victory' was eliminated from speeches of military officers. Our records indicate that in only two of these cases was this elimination recommended by the Department of State.

"The reasons why the Department recommended such a change in each of these two cases was summarized in the material submitted to this committee. In one of the two cases the summary was inartistically worded and gives a quite erroneous impression of the reviewer's intentions. This has resulted in a misunderstanding of the Department's attitude toward the employment of such words as 'victory.'

"The recommended change in language occurred in a speech prepared for delivery on March 3, 1961, by Brig. Gen. John W. White before the National Security Forum in Columbus, Ohio. So that there will be no further confusion on this question I should like to read into the record the exact language of the explanatory memorandum submitted by the State Department reviewer to the Defense Department at the time this change of language was recommended—which you, Mr. Chairman, as a lawyer will recognize as the 'best evidence.' The change in question was the substitution of the phrase 'defeat of Communist aggression' for the word 'victory.' The reviewer explained this, among other recommendations, as follows:

" 'Because this speech concerns predominantly the cold war we have made several incidental changes of wording to reflect the fact that the cold war is instigated and promoted by aggressive international communism. We consider that it is necessary to insure this impression throughout because (1) the administration presently does not wish to give occasion for interpretation by foreign opinion that the United States is stimulating the cold war from its side and, thus, aggravating rather than trying to reduce international tensions, and (2) because sentences could be quoted out of context in support of the Soviet propaganda claim that elements of the U.S. military in particular are continuing to whip up the cold war fever.'

"As the committee will note from this statement the recommended change did not reflect any reluctance to speak of victory, but rather a desire to make clear that the Communist bloc is responsible for the cold war and that victory in the cold war can be achieved only by the defeat of Communist aggression."

I can quite well understand your concern at the implications of the language quoted from the State Department materials. I assure you that that language reflects neither the views of the State Department nor of myself.

I should greatly appreciate it if you would have this letter inserted in the Congressional Record so that the matter may be fully understood.

Sincerely yours,

George W. Ball.

[From the Washington Evening Star, May 29, 1962]

"Victory" a Bad Word?

The State Department seems to us to have gotten itself quite awkwardly tangled up in semantics. It has done so by having its censors delete "victory" from a number of speeches by high military officers and by replacing that word with the phrase "defeat of Communist aggression."

As explained in a special report submitted by Under Secretary George Ball to the Senate muzzling investigation, the reason for the deletion is that "victory has a militaristic and aggressive ring less suited than the substituted phrase to describing our national objectives. It also implies an all-or-nothing approach leaving no room for accommodation."

Well, this strikes us as a lot of nonsense. What would have happened, we wonder, if such censorship had prevailed in the days of John Paul Jones, for example, or David Glasgow Farragut. Would "Don't tread on me" have been changed to read, "Please try to avoid stepping on my toes"? And as for "Damn the torpedoes. Full speed ahead"—would that have become, "Watch out for those things, boys, and proceed with caution"?

There is good reason, of course, for clearing important speeches through the State Department and most of the resulting modification very probably is sound. Even so, to strike out "victory" has all the earmarks of being a Nervous Nellies absurdity. This seems the more true because the word is so frequently used by our potential enemies (oops, sorry, we mean Mr. Khrushchev and his friends) to predict the ultimate triumph of communism everywhere in the world, including America.

AUTHORIZATION FOR FEDERAL POWER COMMISSION TO DELEGATE ITS FUNCTIONS

The Senate resumed the consideration of the bill (S. 1605) to authorize the Federal Power Commission to delegate its functions.

Mr. BARTLETT. Mr. President, since the Committee on Commerce favorably reported S. 1605 on May 1 of this year, several members of the Senate have expressed concern that once authority was delegated by the Commission, it might be difficult to bring a matter being decided under a delegation of authority back before the Commission.

While I believe the normal procedures of the Commission would protect persons appearing before it, the committee yesterday unanimously approved the amendments I now submit. They would retain in the Commission a discretionary right of review of any action taken under a delegation of authority, and such review could be instituted by a vote of a majority of the Commission less one member thereof. In other words, two members of the five man Commission could cause a review of any such action.

I now submit the amendments in behalf of the chairman of the Committee on Commerce, the senior Senator from Washington.

Inasmuch as I have explained the amendments, I request that they not be read.

The PRESIDING OFFICER. Without objection, the amendments will be printed in the Record at this point.

The amendments ordered to be printed are as follows:

Insert "(a)" before "That" in line 3 of page 1.

Insert the following between lines 4 and 5 on page 2:

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such individual commissioner, commissioners, officers, or employees, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however,* That the vote of a majority of the Commission less one member thereof shall be sufficient to bring any such action before the Commission for review.

On page 2, to amend lines 7 and 8 to read as follows: "pursuant to any such order or rule issued pursuant to subsection (a) of section 1, unless reviewed as provided in subsection (b) thereof, shall have the same force and effect, and shall be made,".

The PRESIDING OFFICER. Without objection, the question is on agreeing to the amendments en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, (a) That the Federal Power Commission may, when necessary to proper functioning of the Commission and the prompt and orderly conduct of its business, by order in specific cases or by rule of general applicability, delegate, assign, or refer any portion of its work, business or functions performed pursuant to the Federal Power Act, as amended (16 U.S.C. 792 and the following), and the Natural Gas Act, as amended (15 U.S.C. 717 and the following), or as such Acts may be amended hereafter, to an individual Commissioner or Commissioners or to one or more officers or employees of the Commission, to be designated by such order or rule for action thereon, and may at any time amend, modify, or rescind any such order or rule.

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such individual Commissioner, Commissioners, officers, or employees, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however,* That the vote of a majority of the Commission less one member thereof shall be sufficient to bring any such action before the Commission for review.

Sec. 2. Force and Effect of Orders.—Any order, decision, determination, finding made, or other action taken, pursuant to any such order or rule issued pursuant to subsection (a) of section 1, unless reviewed as provided in subsection (b) thereof, shall have the same force and effect, and shall be made, evidenced, and enforced in the same manner as orders, decisions, determinations, findings, or other action of the Commission.

Sec. 3. Applicability.—The provisions of section 1 shall not apply to the functions of the Commission with respect to applications for rehearing made pursuant to section 313 (a) of the Federal Power Act (16 U.S.C. 8251(a)) and section 19(a) of the Natural Gas Act (15 U.S.C. 717r(a)), or to the functions vested by the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1001, and the following) in hearing examiners employed by the Federal Power Commission.

INCORPORATION OF CERTAIN NONPROFIT CORPORATICNS IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1320, H.R. 6967.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (H.R. 6967) to provide for the incorporation of certain nonprofit corporations in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments in the table of contents, on page

3, after "106. Right of Repeal Reserved.", to insert "107. Act Not To Affect Internal Revenue Code of 1954."; after the amendment just above stated, to change the section number from "107" to "108"; after the amendment just above stated, to change the section number from "108" to "109"; after the amendment just above stated, to change the section number from "109" to "110"; after the amendment just above stated, to change the section number from "110" to "111"; on page 4, line 14, after the word "or", to strike out "officers: *Provided, however,* That the payment of reasonable compensation for services rendered and the making of distribution upon dissolution or final liquidation as permitted in this Act, shall not be deemed a distribution of income" and insert "officers; except nothing in this Act shall be construed as prohibiting the payment of reasonable compensation for services rendered and the making of distribution upon dissolution of final liquidation as permitted in this Act"; on page 27, line 17, after the word "Act", to strike out the comma and "and no such payment, benefit, or distribution shall be deemed to be a dividend or a distribution of income"; on page 55, line 18, after the word "registered", to insert "or certified"; on page 105, after line 5, to insert:

ACT NOT TO AFFECT INTERNAL REVENUE CODE OF 1954

SEC. 107. Nothing in this Act shall be construed as repealing or affecting any provision of the Internal Revenue Code of 1954.

At the beginning of line 11, to change the section number from "107" to "108"; at the beginning of line 19, to change the section number from "108" to "109"; on page 106, at the beginning of line 2, to change the section number from "109" to "110", and at the beginning of line 5, to change the section number from "110" to "111".

Mr. BIBLE. Mr. President, the pending bill provides for the incorporation and registration of nonprofit corporations in much the same manner and subject to the same conditions as corporations subject to the District of Columbia Business Corporation Act. This legislation is deemed necessary to replace the present confusion, and to spell out in detail the rights, obligations, and means for conducting the affairs of nonprofit corporations, whether domestic or foreign. The confused areas include such important matters as merger, consolidation, dissolution, and the transfer of property.

This measure was proposed by the committee on corporation law of the Bar Association of the District of Columbia. It is based primarily on the model nonprofit corporation act of the American Bar Association, and it has been carefully correlated by the Bar Association committee with the District of Columbia Business Corporation Act to make sure they were consistent wherever appropriate.

The act would be applicable to newly incorporated domestic nonprofit corporations, all foreign nonprofit corporations conducting affairs in the District of Columbia, and any existing domestic nonprofit corporations that elect to accept the provisions of the act.

It is the view of the committee that this legislation represents a practical and effective solution to the antiquated and patchwork of laws that now exists in the District with respect to nonprofit corporations.

In addition to the Bar Association for the District of Columbia, the Board of Commissioners of the District and the Metropolitan Washington Board of Trade also support this measure.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

THE GREATEST DELIBERATIVE BODY IN THE WORLD

Mr. CLARK. Mr. President, it is said that criticism is good for the soul. I hope it is. I hope my colleagues will agree that criticism of the Senate in the CONGRESSIONAL RECORD is entirely appropriate.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a column published this morning in the New York Times entitled "The Greatest Deliberative Body in the World," written by Mr. James Reston. I share Mr. Reston's views.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GREATEST DELIBERATIVE BODY IN THE WORLD

(By James Reston)

WASHINGTON, June 7.—When the Senate of the United States tries to direct the Nation's foreign policy, it almost always gets into trouble.

The debate there yesterday and today illustrates the point. Yesterday, the honorable gentlemen voted to deny any assistance "to any country known to be dominated by communism or Marxism." Today they changed their mind, not because the facts changed, but because they wanted to be free to get rid of U.S. agricultural surpluses, even to Communists or Marxists.

Thus, within 48 hours, "the greatest deliberative body in the world" has both infuriated the Poles and the Yugoslavs by voting to cut off all aid and then, in effect, insulted them by offering to use them as a dumping ground for farm surpluses.

It is the combination of the two, the wobbling around between two different courses and finally the decision to act for domestic political reasons that makes the Senate look silly and hands the Communists an effective propaganda argument.

Denying aid to Poland and Yugoslavia is a policy, and giving them aid to retain some freedom from Moscow is a policy. But denying aid and then giving part of it back as a political convenience to some Senators running for reelection is not a policy but a political trick.

POLITICS AND DIPLOMACY

The conduct of foreign policy is a complicated and difficult business particularly in these highly sensitive border areas where the Western and Communist worlds meet. Even the professional diplomats, who can analyze these things in private and choose their words and their time carefully, have trouble in deciding what to do from one month to another, because the situation changes as pressure rises and falls in the Communist empire.

For example, some kind of fundamental reappraisal is now taking place within the Communist world. It has been going on ever since the Communist Party congress last November, and ever since then the hard-line Stalinists and the more moderate supporters of Khrushchev have been in conflict. In fact they are arguing it out again now in a Communist congress in Moscow.

As a result, the professionals in Washington, London, and Paris have been extremely careful not to do anything that would encourage the Stalinists, and they have been hoping that the increasing prosperity of Common Market Europe would be an increasing attraction to states like Poland and Yugoslavia.

The Senate, however, has a different problem. It cannot, by its nature follow the intricacies of political life in other countries. It has separate and different State interests to consider, and therefore when it plunges into delicate foreign policy questions, it can do great harm. A Senator running for reelection, for example, naturally has a subjective interest in foreign aid to Communist countries. Foreign aid is not popular. If he votes for giving aid to Communist countries, he knows what his opponent is likely to say in the campaign, namely, that the Senator had a chance to vote against the Communists and instead voted for them. And in the rough and tumble of an election, the simple suggestion of procommunism is always more effective than the long explanation of why limited aid in certain circumstances at certain times may be in the country's interest.

This was a large part of the fiasco in the Senate yesterday and today but it was not the whole thing. Some Senators feel sincerely that it is wrong and even wicked to give aid to the Poles and Yugoslavs. In fact, so do some officials in the State Department, but others in both places feel precisely the opposite and the thing is hard enough to resolve without the complicating tug and lurch of domestic politics.

Nevertheless, from time to time the Senate acts as it did when the country was not in these dangerous international questions. It is jealous of the money power of the Congress. It thinks of the Congress as being a separate and equal branch of the Government, though it is no longer separate, even if it is still equal.

What the Congress does is reflected at once in the propaganda and policy struggle of the cold war, but if it is clumsy it can easily minimize the effects of its own actions.

For example, the Senate finally authorized tonight, 61–25, the expenditure of $4,662,000,000 in foreign aid—a whopping sum—but its earlier adventure into the diplomatic situation in Poland and Yugoslavia blurs and confuses what is otherwise a magnificent and generous act of policy.

AMENDMENT OF UNITED STATES CODE, TITLE 18, SECTION 2385

Mr. MANSFIELD. Mr. President, I move that the Senate turn to the consideration of Calendar No. 1385, H.R. 3247.

The **PRESIDING OFFICER.** The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3247) to amend section 2385 of title 18 of the United States Code to define the term "organize" as used in that section.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of the bill is to clarify the meaning of the term "organize" as it is used in section 2385 of title 18 of the United States Code. That section is part of the Smith Act of 1940, which outlaws conspiracy to overthrow the Government of the United States. Accordingly, the bill amends section 2385 by adding at the end thereof a new paragraph defining the term "organize."

I ask unanimous consent that a statement covering the bill be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT

Identical bills, H.R. 13272 and H.R. 2369, passed the House in the 85th and 86th Congresses, respectively.

S. 527 of the 85th Congress was the subject of public hearings by the Internal Security Subcommittee during April and May 1959. The latter bill is also identical to H.R. 3247. The Senate, however, took no action on these measures.

There follows, in part, the report of the House Judiciary Committee in the 85th Congress, setting forth the purpose and reasons underlying this bill (H. Rept. No. 2495, 85th Cong.).

[H. Rept. No. 39, 86th Cong.]

In the last session of this Congress (85th Cong.) the Committee on the Judiciary of the House of Representatives constituted a special subcommittee to study some of the recent decisions of the Supreme Court of the United States. Among the decisions selected by the subcommittee for study was a decision rendered on June 17, 1957, in the case of *Yates* v. *United States* (354 U.S. 298).

Hearings were conducted on July 17, 1958, at which time a subcommittee heard from those Members of Congress who had introduced legislation designed to affect the decision of the Yates case.

At the conclusion of the hearings the subcommittee concluded that legislation was necessary to clarify the meaning of the term "organize" as it is now used in the Smith Act. It was concluded that the definitions as set forth in the above-mentioned bills would accomplish that purpose. At the same time the subcommittee decided to defer study of other aspects of the Yates decision until a later date.

In 1940 Congress enacted the so-called Smith Act which made it a crime for a person to commit any of three defined acts. The first was to knowingly or willfully advocate the overthrow, by force or violence, of any government in the United States; the second was to organize any society or group to teach or advocate the violent overthrow of any such government; the third was to be a member of or affiliated with any such society or group.

The case of *Yates* v. *United States* involved the question of whether 14 known Communists had violated the first two parts of the act. The defendants had been convicted after jury trial on a single count of indictment charging them with conspiring to overthrow the U.S. Government by force and violence and with organizing groups for the same purpose. Their convictions had been affirmed by the court of appeals for the ninth circuit. The Supreme Court of the United States reversed the convictions and held that as to "advocacy" there must be actual incitement to action, and that the term "organize" referred only to the official organization of the Communist Party and not to a continuing process of organization. In the opinion of the Court, that took place in 1945 when the Communist Political Association was disbanded and reconstituted the Communist Party of the United States. The indictment, returned in 1951, was therefore barred by the 3-year statute of limitations.

From a study of the legislative history of the Smith Act, and as a matter of commonsense, the committee is of the opinion that the term "organize" was intended to mean a continuous process of organizing groups and cells and of recruiting new members and not merely the original organization of the Communist Party or some other party or society whose aims are inimical to the security of the United States. The trial court in the Yates case had instructed the jury that the term "organize" included such things as the recruiting of new members and the forming of new units, and the regrouping or expansion of existing clubs, classes, and other units of any society, party, group, or other organization.

The committee has concluded that this definition adequately expresses the original intention of Congress when it enacted the Smith Act, and the bill recommended by the committee contains substantially that language.

The necessity for immediate action to counteract the effects of the Yates decision is borne out by a report received by the subcommittee from the Department of Justice outlining the history of Smith Act conspiracy cases since the decision in *Yates* v. *United States*. The following seven such cases have been reversed by courts of appeal, at least in part based upon the Yates decision's definition of "organize":

1. Bary case, Denver, 10th circuit (248 Fed. 2d 201): Seven defendants; August 23, 1957.
2. Sentner, St. Louis, eighth circuit: Five defendants; April 4, 1958.
3. Brandt, Cleveland, sixth circuit: Six defendants; May 23, 1958.
4. Weiman, Detroit, sixth circuit: Six defendants; March 25, 1958.
5. Kuzma, Philadelphia, third circuit: Ordered the acquittal of four and authorized retrial of five; November 13, 1957.
6. Fujimoto, Hawaii, ninth circuit: All seven defendants ordered acquitted; January 6, 1958.
7. Huff, Seattle, ninth circuit: The convictions of all four defendants who had appealed were ordered reversed. One of the defendants in this case did not appeal but served her sentence, and therefore her conviction still stands; January 16, 1958.

The Government was authorized to retry the following 6 cases in which a total of 39 defendants were involved:

Yates	10
Bary	7
Sentner	5
Brandt	6
Weiman	6
Kuzma	5

The Department of Justice reports that the Government dismissed the Kuzma and Yates cases, involving a total of 15 defendants, partly on the Yates definition of "organize." Still under consideration are the remaining 4 cases involving 24 defendants. In addition, the Government, since the Yates case, has also dismissed, in part due to the "organize" definition in Yates, 2 conspiracy cases involving 17 defendants, which had not been tried at the time of the Yates decision.

The committee is of the opinion that, in view of the definition placed by the Supreme Court upon the term "organize" as it is used in the Smith Act, and its resulting deleterious effect upon the Government's efforts to combat the Communist conspiracy in this country, action should be taken by Congress to assert its intention with respect to organizational activities, particularly of the Communist Party. The committee believes that this bill is a simple, unambiguous measure which affords the necessary solution to the problem and therefore recommends that it be favorably considered.

Department of Justice,
Office of the Deputy
Attorney General,
Washington, D.C., January 31, 1962.

Hon. James O. Eastland,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, D.C.

Dear Senator: Reference is made to H.R. 3247 which passed the House on May 15, 1961, and is before your committee. This bill would amend section 2385 of title 18 of the United States Code to define the term "organize" as used in that section.

This legislation is intended to remove a roadblock to effective law enforcement which resulted from one aspect of the Supreme Court's decision in *Yates* v. *United States* (354 U.S. 298 (1957)). In that case, the convictions of 14 known Communists were reversed, partly because the term "organize" as used in the Smith Act, was held to refer only to the initial organization of the Communist Party of the United States, which took place in 1945, and not to the continuing process of internal realinement and recruitment of additional members. Convictions of individuals for organizing groups which advocate the violent overthrow or destruction of the Federal or any State government are therefore no longer possible under the Yates decision, since the statute of limitations applicable to noncapital offenses bars prosecution more than 3 years after their commission.

The proposal would redefine the term "organize" to include "the recruiting of new members, the forming of new units, and the regrouping or expansion of existing groups, classes, and other units" of any group which advocates the violent overthrow of the Government. The enactment of this proposal would constitute a clear statement of congressional intent to broaden the meaning of this term, and would be extremely valuable in future Smith Act prosecutions.

The Department therefore urges that favorable consideration be given to this bill.

The Bureau of the Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely yours,
Byron R. White,
Deputy Attorney General.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. KEATING. Mr. President, I have long advocated and sponsored legislation similar to this measure. The bill has the endorsement of Attorney General Kennedy, and similar bills were strongly recommended by the prior administration. Almost identical measures passed the other body on two occasions but were allowed to die in the Senate. I am pleased that at long last we are going to enact this measure and close a serious loophole in our present internal security laws.

In the Yates case the Supreme Court held that Congress intended the term "organize" in the Smith Act to apply only to the original creation of the Communist Party. Since the party was organized in 1945, and a 3-year statute of limitations was applicable to prosecutions, this decision nullified the "organize" provisions of the law.

This bill makes it clear that the Smith Act is intended to apply to the continuing organizational activities of the party. It would embrace within the Smith Act every effort to recruit new members, create new cells, and regroup existing units of the party. It would revive this provision of the law and increase our effectiveness in combating the continued activities of the Communist conspiracy.

In no sense is this measure a slap at the Supreme Court. It is simply an attempt to express the intent of Congress in its enactments. Certainly, it is our duty, where our intent is unclear or has been misconstrued, to clarify the meaning of our laws. This is not an interference with the judicial process but an affirmation of the legislative responsibility for making the Nation's laws.

The Communist Party, despite its dwindling numbers, continues to be a clear and present danger to our national security. Commonsense measures such as this will enable us to cope more effectively with its sinister activities without endangering civil liberties.

I am glad that at long last we are about to close this gap in our laws against subversion.

PRESERVATION OF AMERICAN COMPETITIVE ENTERPRISE SYSTEM

Mr. ROBERTSON. Mr. President, it is unnecessary for me to remind Senators that throughout my service in Congress, first in the House and then in the Senate, my best efforts have been devoted to the preservation of the American competitive enterprise system. I deliberately do not use the term "private enterprise" because large corporations that engage in monopolistic practices are engaged in private enterprise, but of a type that I do not approve.

Last year, and again this year, it has been my privilege to preside over the subcommittee of the Appropriations Committee which frames the largest of our appropriations bills, namely, that for the Department of Defense. Last year, that bill approached $47 billion and this year it will be even larger. That means that the Federal Government is the largest buyer of manufactured goods in our Nation and consequently can exert a tremendous influence upon our industrial system.

With a view to preserving a system of free competitive enterprise we wrote into the appropriations bill last year the following language, which is also contained in the pending bill:

> *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive basis to the lowest responsible bidder.

Some days ago, the distinguished Senator from Nebraska [Mr. HRUSKA] wrote a letter to Chairman Hayden citing an instance in which he claimed that the principle of awarding a contract to the lowest responsible bidder had been violated. Last Monday, I had brought to my attention a case which apparently involved a similar violation. Consequently, I sent a letter of protest to the Bureau of Ships, which was handling that procurement item, and a telegram to the Secretary of Defense. The Secretary of Defense replied to me under date of June 7, outlining what the future procurement policy of the Defense agencies would be, the essence of which is that in the future the intent of the Congress that contracts be awarded to the lowest responsible bidder, unless of course all bids be rejected, will be fully carried out.

Mr. President, I ask unanimous consent to have published at this point in the RECORD the letter to me of June 7 from the Secretary of Defense, together with tearsheets from the Armed Services Procurement Regulation of October 3, 1960, showing the sections that were underlined by the Secretary of Defense in forwarding those regulations as a part of his letter.

There being no objection, the letter and tearsheets were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, June 7, 1962.

DEAR SENATOR ROBERTSON: I have your telegram of June 6 relative to the conversion of a Victory ship to a missile range instrumentation ship. I have also seen your letter of the same date to the Chief of the Bureau of Ships on this subject. Please accept this letter as the reply of this Department to both messages. In addition, I am familiar with the specifics of the related problem which has been of concern to Senator HRUSKA on a different procurement.

These cases raise two principal issues. The first of these has to do with the compliance by the Department with the provision, in recent appropriation acts, requiring award by formal competitive bidding whenever practical. The second has to do with the propriety, in cases where formal advertising is not practical but it is possible to buy by competitive negotiation, of giving consideration to late proposals submitted after the date specified for the receipt of proposals.

As we have explained to Senator HRUSKA, the requirement in the Appropriation Act for formal advertising has been expressed in our procurement regulations and is being followed throughout the Department. Pertinent excerpts from the Armed Services Procurement Regulation are attached. We are taking steps to provide regular reviews of our procurement organizations to assure compliance.

It is apparent that, in making over 500,000 formal contracts in the course of a year there will be cases where the practicality of using formal advertising involves borderline judgments on which there may be disagreement. There may be some other cases where simple mistakes are made. It is our endeavor to assure that mistakes are kept to an absolute minimum and that, wherever possible, borderline decisions are resolved in favor of formal advertising.

I am informed that the Victory ship conversion to an instrumentation ship for the Pacific Missile Range involved specialized capabilities and required that the working plans and detailed designs be provided by the contractor. The Navy's specifications were of a performance type and it was of concern to the Navy that the successful offeror be of more than marginal competence to assure superior design and performance. Accordingly, the Navy concluded that formal advertising would not be practical and that it would be in the Government's interest to handle this procurement by competitive negotiation.

I have now reviewed this decision and consider that this was a borderline decision. I am taking steps with the Secretary of the Navy to assure that more of our shipbuilding and conversion contracts are handled by formal advertising. However, I feel that this is a problem which requires very careful case-by-case judgments. I can assure you of our intention to comply strictly with the letter and spirit of the Appropriations Act provision.

The second issue—that having to do with the treatment of late proposals—arises only in connection with competitive negotiated procurements. It has been our policy, in such procurements, to consider late proposals or revisions thereof where to do so would be of significant advantage to the Government. The failure of the Bureau of Ships to award the Victory ship conversion contracts to the Norfolk Shipbuilding & Dry Dock Corp. on the basis of its initial proposal stems from its compliance with this policy. After negotiations had been completed, but before award, a price reduction was offered by a competitor. Since this reduction was significant, the Bureau of Ships determined that it must be considered. Accordingly, it offered all bidders an equal opportunity to submit new quotations with a revised cutoff date.

This case, and several others which we have recently encountered, have clearly pointed to a need for an immediate change in our procedures for handling late bids in competitive negotiations. I have concluded that a procedure which normally results in the rejection of such bids, while it occasionally may result in a higher price to the Government, will, on the average, reduce our costs by assuring that we receive the best prices in the original bidding. In addition, it will preserve the integrity of the competitive system and avoid chicanery or the appearance thereof. Accordingly, I have directed that our procurement regulations be changed immediately to assure that late bids in competitive negotiations are rejected. The only exceptions will be where the consideration of the late bid would be of extreme importance to the Government, as where it offered some important technical or scientific breakthrough. Such exceptions will require approval at Secretarial levels within the departments.

I regret that our present ground rules have resulted in the situation you described in your telegram. However, since these ground rules had been published, have been in effect for several years, and governed our relations with all bidders in this procurement, I do not feel that we can waive them retroactively. Accordingly, we are proceeding with the rebidding of this case. You may be assured that similar cases will not arise in the future.

Sincerely,

ROBERT S. MCNAMARA,
Secretary of Defense.

PART 3—GENERAL POLICIES

1-300. Methods of procurement.

1-300.1. Competition: All procurements, whether by formal advertising or by negotiation, shall be made on a competitive basis to the maximum practicable extent.

1-300.2. Formal advertising: Purchases and contracts for supplies and services shall be made by formal advertising in all cases in which the use of such method is feasible and practicable under the existing conditions and circumstances. Procurement by formal advertising shall be in accordance with detailed requirements and procedures set forth in section II.

1-300.3. Negotiation: If the use of formal advertising is not feasible and practicable, purchases and contracts for supplies and services may be negotiated in accordance with the detailed requirements and procedures set forth in section III.

1-301. Interdepartmental and coordinated procurement: Supplies and services may be obtained in appropriate circumstances as provided in section V by such means as interdepartmental and coordinated procurement.

1–302. Sources of supplies.

1–302.1. Government agencies: To the extent possible, supplies shall be obtained from surplus property in the hands of disposal agencies, or from surplus or excess stocks in the hands of any Government agency. Interdepartmental purchases shall be made in accordance with the provisions of section V.

1–302.2. Sources outside the Government: Irrespective of whether the procurement of supplies or services from sources outside the Government is to be effected by formal advertising or by negotiation, competitive proposals ("bids" in the case of procurement by formal advertising, "proposals" in the case of procurement by negotiation) shall be solicited from all such qualified sources of supplies or services as are deemed necessary by the contracting officer to assure such full and free competition as is consistent with the procurement of types of supplies and services necessary to meet the requirements of the military department concerned, and thereby to obtain for the Government the most advantageous contract—price, quality, and other factors considered.

1–302.3. Production and research and development pools.

(a) Description: A production or research and development pool is a group of concerns (i) who have associated together for the purpose of obtaining and performing jointly, or in conjunction with each other, contracts for supplies or services, or for research and development, for Defense use, (ii) who have entered into a pool agreement governing their organization, relationship, and procedure, and (iii) whose agreement has been approved either in accordance with section 708 of the Defense Production Act of 1950, as amended (defense production pool) or in accordance with sections 9(d) or 11 of the Small Business Act, Public Law 85–536 (small business pools). Pool participants are exempt from the manufacturer or regular dealer requirement of the Walsh-Healey Public Contracts Act and of 1–201.18.

SECTION II—PROCUREMENT BY FORMAL ADVERTISING

Part 1—Use of formal advertising

2–000. Scope of section: This section sets forth (i) the basic requirements for procurement of supplies (including construction) and services by formal advertising, (ii) the information to be contained in solicitations of bids, (iii) methods of soliciting bids, (iv) policies with respect to the submission of bids, and (v) requirements with respect to the opening and evaluation of bids and the awarding of contracts.

2–101. Meaning of formal advertising: Formal advertising means procurement by competitive bids and awards as prescribed in this section, and involves the following basic steps:

(i) Preparation of the invitation for bids, describing the requirements of the Government clearly, accurately, and completely, but avoiding unnecessarily restrictive specifications or requirements which might unduly limit the number of bidders. The term "invitation for bids" means the complete assembly of related documents (whether attached or incorporated by reference) furnished prospective bidders for the purpose of bidding;

(ii) Publicizing the invitation for bids, through distribution to prospective bidders, posting in public places, and such other means as may be appropriate, in sufficient time to enable prospective bidders to prepare and submit bids before the time set for public opening;

(iii) Submission of bids by prospective contractors; and

(iv) Awarding the contract, after the bids are publicly opened to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors considered.

2–102. Policy.

2–102.1. General: 10 U.S.C. 2304(a) provides that all contracts for supplies or services, with certain stated exceptions, shall be made by formal advertising. (See section III, part 2, for discussion of the exceptions.) In accordance with this requirement, procurements shall generally be made by soliciting bids from all qualified sources of supplies or services deemed necessary by the contracting officer to assure full and free competition consistent with the procurement of the required supplies or services. Current lists of bidders shall be maintained by each purchasing office in accordance with 2–205.

2–102.2. Classified procurements. Formal advertising may be used for classified procurements provided due consideration is given to security requirements in accordance with departmental procedures. Otherwise, classified procurements will be negotiated pursuant to 10 U.S.C. 2304(a)(12) (see 3–212) or other appropriate exception set forth in 10 U.S.C. 2304(a) (see section III, part 2).

2–103. General requirements for formal advertising: No award shall be made as a result of formal advertising unless:

(i) bids have been solicited as required by part 2 of this section;

(ii) bids have been submitted as required by part 3 of this section;

(iii) such business clearances and approvals as are required by departmental procedures have been obtained; and

(iv) the award is to the responsible bidder (see 1–902) whose bid is responsive to the invitation for bids and is most advantageous to the Government, price and other factors considered, as prescribed in part 4 of this section.

2–104. Types of contracts.

2–104.1. General: Contracts awarded after formal advertising shall be of the firm fixed-price type, except that fixed-price contracts with escalation may be used where some flexibility is necessary and feasible.

2–104.2 Firm fixed-price contracts: See 3–404.2.

2–104.3. Fixed-price contracts with escalation: Escalation clauses are not normally desirable, but in appropriate cases clauses providing for upward and downward revision of prices may be used, in accordance with 3–404.3, in order to protect the interest of both the Government and supplier. In addition, where the contracting officer on the basis of his knowledge of the market or previous advertisements for like items, expects that a requirement for firm fixed-price bids will unnecessarily restrict competition, or unreasonably increase bid prices, invitations for bids may include an escalation clause. The clause set forth in 7–106.1 or that in 7–106.2 shall be used if applicable. If neither of these clauses is applicable, an escalation clause approved by the Department concerned may be included. Any escalation clause shall provide an escalation ceiling identical for all bidders so that each bidder is afforded an equal opportunity to bid on the escalation basis. In evaluating bids, see 2–407.2.

2–104.4. Indefinite delivery type contracts.

(a) Definite quantity contracts. See 3–409(a).

(b) Requirements contracts. See 3–409(b).

(c) Indefinite quantity contracts. See 3–409(c).

2–105. Solicitation for informational or planning purposes. See 1–309.

SECTION III—PROCUREMENT BY NEGOTIATION

3–000. Scope of section: This section sets forth, on the basis of the provisions of an authority contained in the Armed Services Procurement Act, (i) the basic requirements for the procurement of supplies and services by means of negotiation, (ii) the different circumstances under which negotiation is permitted, (iii) determinations and findings that may be required before a contract is entered into by negotiation, (iv) approved types of negotiated contracts and their use, (v) the authority for making advance payments under negotiated contracts, (vi) procedures for effecting purchases of not more than $2,500, (vii) procedures for negotiating overhead rates, (viii) price negotiation policies and techniques, and (ix) subcontracting policies and procedures.

Part 1—Use of negotiation

3–100. Scope of part: This part deals with the nature and use of negotiation as distinguished from formal advertising, and with limitations upon that use.

3–101. Negotiation as distinguished from formal advertising. Whenever supplies or services are to be procured by negotiation, price quotations (see sec. XVI, pt. 2), supported by statements and analyses of estimated costs or other evidence of reasonable prices and other vital matters deemed necessary by the contracting officer, shall be solicited from the maximum number of qualified sources of supplies or services consistent with the nature of and requirements for the supplies or services to be procured, in accordance with the basic policies set forth in section I, part 3, to the end that the procurement will be made to the best advantage of the Government, price and other factors considered. Negotiation shall thereupon be conducted, by contracting officers and their negotiators, with due attention being given to the following and any other appropriate factors:

(i) comparison of prices quoted, and consideration of other prices for the same or similar supplies or services, with due regard to production costs, including extra-pay shift, multishift and overtime costs, and any other factor relating to price, such as profits, cost of transportation, and cash discounts;

(ii) comparison of the business reputations, capabilities, and responsibilities of the respective persons or firms who submit quotations (see 1–903);

(iii) consideration of the quality of the supplies or services offered, or of the same or similar supplies or services previously furnished, with due regard to the satisfaction of technical requirements;

(iv) consideration of delivery requirements (see 1–305 and sec. I, pt. 13);

(v) discriminating use of price and cost analyses (see 16–206);

(vi) investigation of price aspects of any important subcontract;

(vii) individual bargaining, by mail or by conference;

(viii) consideration of cost sharing;

(ix) effective utilization in general of the most desirable type of contract and in particular of contract provisions relating to price redetermination (see sec. II, pt. 4);

(x) consideration of the size of the business concern (see sec. I, pt. 7);

(xi) consideration as to whether the prospective supplier is a planned emergency producer of the required supplies or services under the industrial readiness planning program and consideration of the extent to which industrial readiness planning has progressed, including the investment by the Government and the firm in such planning;

(xii) consideration as to whether the prospective supplier requires expansion or conversion of plant facilities;

(xiii) consideration as to whether the prospective supplier is located in a surplus or scarce labor area (see sec. I, pt. 8);

(xiv) consideration as to whether the prospective supplier will have an adequate supply of qualified labor;

(xv) consideration of the soundness of prospective contractors' management of labor resources, including wage rates, number of workers and total estimated labor hours, with particular attention to possible uneconomical practices found in labor-management agreements or in company policy, especially in the selection of contractors for development and production of major weapon systems and subsystems;

(xvi) consideration of the extent of subcontracting;

(xvii) consideration of the existing and potential workload of the prospective supplier;

(xviii) consideration of broadening the industrial base by the development of additional suppliers;

(xix) consideration of whether the contractor requires Government-furnished property, machine tools, or facilities; or Government-operated test facilities;

(xx) consideration of contract performance in facilities located in dispersed sites; and

(xxi) advantages or disadvantages to the Government that might result from making multiple awards.

3-102. General requirements for negotiation.

(a) Procurement shall be made by formal advertising whenever such method is feasible and practicable under the existing conditions and circumstances even though negotiation may be authorized under part 2 of this section.

(b) No contract shall be entered into as a result of negotiation unless or until the following requirements have been satisfied:

FIRST WORLD CONFERENCE ON NATIONAL PARKS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1412, S. 2164.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2164) to authorize the Secretary of the Interior to cooperate with the First World Conference on National Parks, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, in line 7, after the word "conference", to insert "on a matching basis", and in line 8, after the word "exceed", to strike out "$200,000" and insert "$50,000"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to cooperate with the First World Conference on National Parks, scheduled to be held in Seattle, Washington, in 1962, and in connection therewith he may participate in defraying the expenses of the conference on a matching basis in an amount not to exceed $50,000, the appropriation of which is hereby authorized.

Mr. METCALF. Mr. President, S. 2164 is a bill to authorize the Secretary of the Interior to cooperate with and assist the First World Conference on National Parks. The Conference has been organized under the auspices of the International Union for the Conservation of Nature. It is an organization sponsored by the United Nations Educational, Scientific, and Cultural Organization.

It is appropriate that the United States should be the first host of the World Conference on National Parks. Our national park system, beginning with Yellowstone and continuing with such great parks as Yosemite and Glacier, and others, is the wonder of the whole world. But the concept of national parks has now extended throughout the world.

The International Union for the Conservation of Nature is composed of organizations in more than 60 nations.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a list of member organizations and the nations to which they belong.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

List of Government members of International Union for Conservation of Nature and Natural Resources:

Belgium, Cambodia, Denmark, German Federal Republic, Luxembourg, Monaco, Morocco, Netherlands, Sudan, Switzerland, Tunisia, Venezuela, Vietnam, and Malagasy Republic.

Following have signified their intention of becoming members:

Dahomey, Ivory Coast, and Federation of Malaya.

List of International Union for Conservation of Nature and Natural Resources Members in the United States:

American Committee for International Wild Life Protection, New York, N.Y.

American Museum of Natural History, New York, N.Y.

American Nature Association, Washington, D.C.

American Ornithologists' Union, Toledo, Ohio.

The American Society of Mammalogists, Pittsburgh, Pa.

The Atlantic Foundation, Washington, D.C.

Boone and Crockett Club, New York, N.Y.

California Academy of Sciences, San Francisco, Calif.

Chicago Zoological Society, Brookfield, Ill.

Conservation Associates, San Francisco, Calif.

The Conservation Foundation, New York, N.Y.

Defenders of Wildlife, Washington, D.C.

The Desert Protective Council, Banning, Calif.

Foresta Institute for Ocean and Mountain Studies, Carson City, Nev.

The Garden Club of America, New York, N.Y.

Iowa State Conservation Commission, Des Moines, Iowa.

The Mountaineers, Seattle, Wash.

National Association of Biology Teachers, Ann Arbor, Mich.

The National Audubon Society, New York, N.Y.

National Parks Association, Washington, D.C.

National Research Council, Washington, D.C.

National Wildlife Federation, Washington, D.C.

Natural Resources Council of America, Washington, D.C.

The Nature Conservancy, Washington, D.C.

New York Zoological Society, New York, N.Y.

North American Wildlife Foundation, Washington, D.C.

Sierra Club, San Francisco, Calif.

Soil Conservation Society, Des Moines, Iowa.

Southern Illinois University, Carbondale, Ill.

Wilderness Society, Washington, D.C.

Wildlife Management Institute, Washington, D.C.

Wildlife Society, Washington, D.C.

Zoological Society of San Diego, San Diego, Calif.

List of International Union for Conservation of Nature and Natural Resources members:

ARGENTINA

Direccion de Parques Nacionales, Buenos Aires.

Universidad de Buenos Aires, Buenos Aires.

AUSTRALIA

Fisheries Department of Western Australia, Perth.

Wildlife Preservation Society of Australia, Newton, N.S.W.

AUSTRIA

Naturschutz Referat du Gouvernement de la Province de Salzburg, Salzburg.

Osterreichischer Naturschutzbund, Wien.

BELGIUM

Gouvernement du Royaume de Belgique.

Ministere de l'Education Nationale et de la Culture, Bruxelles.

Ministere des Affaires africaines, Bruxelles.

Ardenne et Gaume, Bruxelles.

Association pour la Defense de l'Ourthe et de ses Affluents, Liege.

Fondation pour favoriser l'etude scientifique des Parcs nationaux, Bruxelles.

Institut National pour l'Etude agronomique du Congo, Bruxelles.

Institut pour la Recherche Scientifique en Afrique Centrale, Bruxelles.

Institut Royal des Sciences Naturelles de Belgique, Bruxelles.

Jardin Botanique de l'Etat, Bruxelles.

Ligue des Amis de la Foret de Soignes, Bruxelles.

Musee Royal de l'Afrique centrale, Tervuren.

Les Naturalistes belges, Bruxelles.

Les Reserves Naturelles et Ornithologiques de Belgique, Bruxelles.

Societe Royale de Zoologie d'Anvers, Anvers.

Touring Club de Belgique, Bruxelles.

Universite de Liege, Liege.

Vereniging voor Natuur- en Stendenshoon, Anvers.

BRAZIL

Centro de Pesquisas Florestais e Conservacao de Natureza, Rio de Janeiro.

Conseil Forestier federal, Rio de Janeiro.

Departemento de Engenharia Mecanica de Agriculture, Sao Paulo.

Fondation bresilienne pour la Conservation de la Nature, Rio de Janeiro.

BULGARIA

Commission pour la Protection de la Nature de l'Academie des Sciences de Bulgarie, Sofia.

CAMBODIA

Gouvernement du Royaume du Cambodge.

Ministere des Affaires Etrangeres, Phnom Penh.

CANADA

Canadian Audubon Society, Toronto.

Edmonton Zoological Society, Edmonton.

Ontario Department of Lands and Forests, Toronto.

Societe Canadienne d'Histoire Naturelle, Montreal.

CEYLON

Wildlife Protection Society of Ceylon, Namunukula.

CHILI

Consejo Nacional de Proteccion a la Naturaleza, Santiago.

CONGO

Societe de Botanique et de Zoologie Congolaises.

CUBA

Sociedad Dasonomica de America Tropical, Habana.

Sociedad Cubanna para la Proteccion y Conservacion de la Naturaleza, Habana.

CZECHOSLOVAKIA

Department of State Conservation of Nature, Praha.

DENMARK

Government of the Kingdom of Denmark.

Ministeriet for kulturelle anliggender, Copenhagen.

Danmarks Naturfredningsforening, Copenhagen.

Naturfredningsraadet, Copenhagen.

DUTCH ANTILLES—CURACAO

Natuurwetenschappelijke Werkgroep, Willemstad.

FINLAND

Finnish League for the Protection of Nature, Helsinki.

FRANCE

Academie des Sciences, Paris.

Academie d'Agriculture.

Association des Naturalistes de la Vallee du Loing, Fontainebleau.

Conseil Superieur de la Chasse, Paris.

Federation francaise des Societes de Sciences Naturelles (28 members), Paris.

Laboratoire Arago, Banyuls s/Mer.

Ligue pour la Protection des Oiseaux, Pari.

Museum National d'Histoire Naturelle, Paris.

Societe des Amis de la Forets de Fontainebleau, Fontainebleau.

Societe Bontanique de France, Paris.

Societe Nationale de Protection de la Nature et d'Acclimatation de France, Paris.

Touring Club de France, Paris.

FRENCH WEST INDIES—GUADALOUPE

Societe d'Histoire Naturelle des Antilles francaises, Petit-Bourg.

GERMANY

Government of the German Federal Republic.

Bundes Ministerium fur Ernahrung, Landwirtschaft und Forsten, Bonn.

Arbeitsgemeinschaft Deutscher Beauftragter fur Naturschutz, Bad Godesberg.

Bayerisches Staatsministerium des Innern oberste Naturschutzbehorde, Munchen.

Bund fur Naturschutz in Bayern, Munchen.

Deutsche Gartenbau-Gesellschaft e.V., Bonn.

Deutscher Jagdschutz-Verband, Bonn.

Deutscher Naturschutzring, Munchen.

Schutzgemeinschaft Deutsches Wild, Munchen.

Vereinigung Deutscher Gewasserschutz, Bad Godesberg.

Verein Naturschutzpark, Stuttgart.

Zoologische Gesellschaft, Frankfurt a/Main.

GHANA

Ministry of Agriculture—Forestry Division, Accra.

GREECE

Club Alpin hellenique, Athenes.

Societe hellenique pour la Protection de la Nature, Athenes.

Touring Club hellenique, Athens.

INDIA

Bombay Natural History Society, Bombay.

Indian Board for Wild Life, New Delhi.

INDONESIA

Botanical Garden of Bogor, Bogor.

IRELAND

National Trust for Ireland, Dublin.

ISRAEL

Society for the Protection of Nature in Israel, Tel Aviv.

ITALY

Azienda di Stato per le Foreste Demaniali, Ministero dell'Agricoltura e delle Foreste, Rome.

Commissione Nazionale per la Protezione della Natura del Consiglio Nazionale delle Ricerche, Bologne.

Ente Parco Nazionale del Gran Paradiso, Torino.

Laboratorio de Zoologia Applicata a la Caccia, Bologne.

Musee d'Histoire Naturelle, Venice.

Pro Natura, Unione Italiana per la Protezione della Natura, Milan.

Pro Natura Italica, Milan.

Rete Fenelogica Italiana, Venice.

Societa Botanica Italiana, Florence.

Touring Club Italiano, Milan.

IVORY COAST

Gouvernement de la Republique de la Cote d'Ivoire-Ministere des Affaires Economiques et du Plan, Abidjan.

JAPAN

National Parks Association of Japan, Ministry of Welfare, Tokyo.

Nature Conservation Society of Japan, Tokyo.

KENYA

Kenya Wild Life Society, Nairobi.

Royal National Parks of Kenya, Nairobi.

LEBANON

American University of Beirut, Beirut.

Societe des Amis des Arbres, Beyrouth.

LUXEMBOURG

Gouvernement du Grand-Duche de Luxembourg, Ministere de l'Education Nationale, Luxembourg.

Commission des Sites et des Monuments Nationaux, Luxembourg.

Musee d'Histoire Naturelle, Luxembourg.

Societe des Naturalistes Luxembourgeois, Luxembourg.

MADAGASCAR

Gouvernement de la Republique Malgache, Presidence de la Republique, Tananarive.

Federation du Scoutisme de Madagascar, Tananarive.

Societe des Amis du Parc Botanique, Tananarive.

MALAYA

Government of the Federation of Malaya, the Ministry of External Affairs, Kuala Lumpur.

The Malayan Nature Society, Kuala Lumpur.

MEXICO

Associacion Mexicana de Proteccion a la Naturaleza, Mexico.

Instituto Mexicano de Recursos Naturales Renovables, Mexico.

MONACO

Gouvernement de la Principaute de Monaco, Service des Relations Exterieures, Monaco.

MOROCCO

Gouvernement de S.M. le Roi du Maroc, Ministere des Affaires Etrangeres, Rabat.

NETHERLANDS

Government of the Netherlands, Ministry of Education, Arts and Sciences, The Hague.

Contact Commissie voor Natuur- en Landschapbescherming, Amsterdam.

Koninklijk Zoologisch Genootschap, Amsterdam.

Nederlandse Commissie voor Internationale Natuurbescherming, Amsterdam.

Nederlandse Natuurhistorische Vereniging, Hoogwoud.

Nederlandse Jeugdbon voor Natuurstudie, Den Haag.

Nederlandse Vereniging tot Bescherming van Vogels, Amsterdam.

Vereniging tot Behoud van Natuurmonumenten, Amsterdam.

Voorlopige Natuurbeschermings raad, Amsterdam.

NEW ZEALAND

Forest and Bird Protection Society of New Zealand, Wellington.

NORWAY

Landsforbundet for Naturvern i Norge, Blindern.

PERU

Compania Administradoria del Guano, Lima.

POLAND

Academie des Sciences de Pologne (Polska Akademia Nauk), Varsovie.

Association Botanique de Pologne (Polskie Towarzystwo Botaniczne), Varsovie.

Association Scientifique Forestiere de Pologne (Polskie Towarzystwo Lesne), Varsovie.

Conseil National pour la Protection de la Nature en Pologne, Varsovie.

Institut Botanique de l'Academie des Sciences (Instytut Botaniki PAN), Cracovie.

Institut Botanique de l'Academie des Sciences (Instytut Zoologiczny PAN), Varsovie.

League for the Protection of Nature in Poland, Varsovie.

Societe Zoologique de Pologne, Wroclaw.

PORTUGAL

Direccao Geral do Servicios, Lisboa.

FEDERATION OF RHODESIA AND NYASALAND

Federal Ministry of Agriculture, Salisbury.

Federal Department of National Parks, Salisbury.

Ministry of Land and Natural Resources (Natural Resources Board), Lusaka, Northern Rhodesia.

Natural Resources Board, Salisbury, Southern Rhodesia.

The Game Preservation and Hunting Association of Northern Rhodesia, Lusaka.

RUMANIA

Commission pour la Protection de la Nature, Academie des Sciences de la R.P.R., Bucarest.

SENEGAL

Institut Francais d'Afrique Noire, Dakar.

SUDAN

Government of the Republic of the Sudan, Ministry of Animal Resources, Khartoum.

SWEDEN

Board for Crown Lands and Forests, Stockholm.

Nordiska Museet et Skansen, Stockholm.

Svenska Jagareforbundet, Stockholm.

Svenska Naturskyddsforeningen, Stockholm.

SWITZERLAND

Gouvernement de la Confederation helvetique, Inspection federale des Forets, Chasse et Peche, Berne.

Comite Central du Club Alpin Suisse, Chur.

Ligue Suisse pour la Protection de la Nature, Bale.

Societe helvetique des Sciences Naturelles, Academie des Sciences, Zurich.

Societe Romande pour l'Etude et la Protection des Oiseaux, Lausanne.

TANGANYIKA

Tanganyika National Parks, Arusha.

THAILAND

Association for the Conservation of Nature, Bangkok.

TURKEY

Ministere de l'Agriculture, Direction Generale des Forets, Ankara.

Societe Turque de Biologie, Istanbul.

Societe Turque pour la Protection de la Nature, Ankara.

UGANDA

Game and Fisheries Department, Entebbe.

UNION OF SOUTH AFRICA

Administration of South West Africa, Windhoek.

Natal Parks, Game and Fish Preservation Board, Pietermaritzburg.

National Parks Board of Trustees of South Africa, Pretoria.

Nature Conservation Section of the Administration of Transvaal, Pretoria.

Department of Nature Conservation of the Provincial Administration of the Cape, Cape Town.

Wild Life Protection Society of South Africa, Johannesburg.

UNITED KINGDOM

British Committee for International Nature Conservation, London, including the following:

Association of School Natural History Societies, British Association for the Advancement of Science, British Ecological Society, British Mycological Society, Devon Birdwatching and Preservation Society, Fauna Preservation Society, Geological Society of London, Lincolnshire Naturalists' Trust, Linnean Society of London, London Natural History Society, National Federation of Young Farmers Club, National Trust, Natural History Society of Northumberland Durham & Newcastle upon Tyne, Norfolk Naturalists Trust, Royal Entomological Society of London, Royal Zoological Society of Scotland, Society for the Promotion of Nature Reserves, West Wales Field Society, Yorkshire Naturalists' Trust, Zoological Society of London.

British section of the International Committee for Bird Preservation:

British Institute for Ornithologists, Royal Society for the Protection of Birds, British Ornithologists' Union, Scottish Ornithologists Club, Ulster Game and Wildfowl Preservation Society, Welsh Society for the Protection of Birds, Wildfowl Trust, British Museum (Natural History), London, the Nature Conservancy, London.

UNITED STATES

American Committee for International Wild Life Protection, New York, N.Y.

American Museum of Natural History, New York, N.Y.

American Nature Association, Washington, D.C.

American Ornithologists' Union, Toledo, Ohio

The American Society of Mammalogists, Pittsburgh, Pa.

The Atlantic Foundation, Washington, D.C.

Boone and Crockett Club, New York, N.Y.

California Academy of Sciences, San Francisco, Calif.

Chicago Zoological Society, Brookfield, Ill.

Conservation Associates, San Francisco, Calif.

The Conservation Foundation, New York, N.Y.

Defenders of Wildlife, Washington, D.C.

The Desert Protective Council, Banning, Calif.

Foresta Institute for Ocean and Mountain Studies, Carson City, Nev.

The Garden Club of America, New York, N.Y.

Iowa State Conservation Commission, Des Moines, Iowa

The Mountaineers, Seattle, Wash.

National Association of Biology Teachers, Ann Arbor, Mich.

The National Audubon Society, New York, N.Y.

National Parks Association, Washington, D.C.

National Research Council, Washington, D.C.

National Wildlife Federation, Washington, D.C.

Natural Resources Council of America, Washington, D.C.

The Nature Conservancy, Washington, D.C.

New York Zoological Society, New York, N.Y.

North American Wildlife Foundation, Washington, D.C.

Sierra Club, San Francisco, Calif.

Soil Conservation Society, Des Moines, Iowa

Southern Illinois University, Carbondale, Ill.

Wilderness Society, Washington, D.C.

Wildlife Management Institute, Washington, D.C.

Wildlife Society, Washington, D.C.

Zoological Society of San Diego, Calif.

URUGUAY

Comision Nacional Protectora de la Fauna Indigena, Montevideo

U.S.S.R.

Commission pour la Protection de la Nature de l'Academie des Sciences de l'URSS, Moscou.

Societe de la Protection de la Nature de la Republique de Russie, Moscow.

VENEZUELA

Gouvernement de la Republique du Venezuela, Ministere des Affaires Etrangeres, Caracas.

Laboratorio de Aguas, Instituto Nacional de Obras Sanitarias, Caracas.

Sociedad Venezolana de Ciencias Naturales, Caracas.

VIETNAM

Gouvernement du Vietnam, Ministere des affaires etrangeres, Saigon.

YUGOSLAVIA

Association des Conservateurs des Monuments, Historiques de Yougoslavie—Section de la Protection de la Nature, Geograd.

INTERNATIONAL

Commission Internationale pour la Protection des Regions Alpines, Geneve.

Commission des Reserves Naturelles (CNR) du Groupement Europeen des Ardennes et de l'Eifel, Bruxelles.

International Committee for Bird Preservation, London.

International Youth Federation for the Study and Conservation of Nature, Amsterdam.

Standing Committee on Pacific Conservation, Wellington.

Union Internationale des Directeurs de Jardins Zoologiques, Anvers.

TUNISIA

Gouvernement de la Republique de Tunisie Ministre des Affaires Etrangeres, Tunis.

Mr. METCALF. Mr. President, among the organizations in the United States which are members of the International Union for the Conservation of Nature are such scientific organizations as the American Museum of Natural History, the American Nature Association, the Garden Clubs of America, the National Parks Association, the Sierra Club, the Wilderness Society, the Wildlife Society, and the Wildlife Management Institute.

More than 30 U.S. conservation and scientific societies are members of the international organization. When the bill was considered by the committee, it was suggested that in order to have the U.S. Government cooperate with the International Conference and provide for assistance to the First World Conference on National Parks, the Secretary of the Interior be authorized to match up to $100,000 of a $200,000 budget. Subsequently, the sponsors of the conference suggested that the budget could be reduced from $200,000 to $148,000. The reports on the bill from various organizations suggested that the Government appropriate $74,000. However, in considering the bill and in discussing some of the items suggested in the budget which appear on page 5 of the report, the committee felt that the sponsoring organizations, such as the National Wildlife Society, and others, should assume the cost of the Secretariat, for instance, and also assume some of the costs of travel, including foreign travel, in order to promote attendance at the Conference.

However, because this will be an international conference, and the United States will be the host nation, it was felt by the committee that such items as contractual services for translating machines, the publication of proceedings, and printing and duplicating at the Conference, should be sponsored and taken care of by the Federal Government.

An important part of this item will be the National Park Service exhibit, which will cost $20,000. The Conference will be held in connection with the Century of Progress exhibit in Seattle.

The sponsoring organizations have already raised almost $100,000. They have established the Secretariat and have gone ahead with their part of the work. So the initial groundwork has been laid, and the Conference will be held.

In order to enable the United States to participate to the fullest extent and to demonstrate our national parks exhibit at the Conference, the committee felt it was necessary to participate up to the amount of $50,000.

It is a great honor for the United States, and a recognition of our leadership in the conservation of natural resources and the development of national parks, to have the Conference held in this country. I take special pride in the fact that my State, in which is located Glacier National Park, and also the Waterton International Peace Park, will be one of the places to be visited on the journey. The 150 foreign delegates will be able to see how the State of Montana participates with the sovereign nation of Canada in the development of the great park at Glacier and the Waterton International Peace Park.

The United States is not a member of the international organization, because it is believed that under our concept of sovereignty our Government should only become a member of organizations to which sovereign states belong. Not only do sovereign nations belong to the Conference on National Parks, but independent and private organizations belong, as well. Nevertheless, the United States has participated in their activities by sending our representatives or delegates to conferences throughout the world. Therefore, it is felt that the United States should cooperate in this venture, and that the Secretary of the Interior should do his best to make the First World Conference on National Parks a success.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from Montana yield?

Mr. METCALF. I yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Do I correctly understand that the United

States is not a member of this organization?

Mr. METCALF. That is correct.

Mr. WILLIAMS of Delaware. Do I correctly understand that the proposed appropriation is to pay for the attendance expenses of some of the international members who will come to the Conference?

Mr. METCALF. No. As originally presented by the members of the steering committee and the members of the First World Conference on National Parks, the bill provided that the United States would match expenses with them. But upon consideration, the committee reduced the appropriation from $100,000 to $74,000, and now to $50,000, the reason being that it was felt that the United States, as a nonmember of the group, should not participate in the payment of the expenses.

Mr. WILLIAMS of Delaware. Then do I correctly understand that no part of the appropriation will be used for the payment of salaries or transportation expenses of anyone other than a Government employee?

Mr. METCALF. As I understand, there will be no payment of salaries. It is proposed to have the Government pay the special fees for interpreters, for example; to pay for the contractual service for the employment of interpreters of the proceedings of the Conference. Also, it is proposed to have the Government pay for the publication of the proceedings and, consequently, the salaries of the personnel who operate the printing and the duplicating apparatus at the Conference.

Mr. WILLIAMS of Delaware. Does the Senator have a breakdown, which can be placed in the RECORD, of how the $50,000 is proposed to be spent?

Mr. METCALF. Yes; I refer the Senator to page 5 of the report.

Mr. WILLIAMS of Delaware. On page 5, the total amount shown as proposed to be expended is $148,000; the bill mentions $50,000.

Mr. METCALF. That is correct.

Printing, duplicating, and distributing Conference documents, $11,000.

Contractual services, including translations, $5,000.

Publication of proceedings, $10,000.

Simultaneous interpretation equipment, $4,500.

The cost of the National Park Service exhibit—our own exhibit—$20,000.

Mr. WILLIAMS of Delaware. The total amount, as I figure it, is $50,500. How does the Senator arrive at $50,000?

Mr. METCALF. $11,000, $5,000, $10,000, $4,500, and $20,000 total $50,500. The committee rounded the figure to $50,000.

Mr. WILLIAMS of Delaware. Do I correctly understand that those items are the only parts of the total expense which the Government will be required to pay under the proposal?

Mr. METCALF. That is correct. The other organization has now raised enough money to pay for the services of the secretariat, domestic travel, foreign travel to promote attendance, and so forth.

Mr. WILLIAMS of Delaware. Why should the U.S. Government pay all those particular expenses for an organization of which our Government is not a member?

Mr. METCALF. The United States has participated at all times in the conferences of this organization. The United States would be a member of the organization if it were not for the fact that it is the policy of the United States, as is set forth in the report, not to become a member of an organization which has as its members both private organizations and sovereign states. But I have constantly and consistently participated, and we have built this up. Conferences have been held at Sierra Leone and other places; I have a list of half a dozen conferences which have been held.

Mr. WILLIAMS of Delaware. I understand that. Since we are not a member, why should we have to pay all the expenses?

Mr. METCALF. Because we are the host nation. There are many difficulties of transportation and of language which the other nations confront when the meeting is held in our country; and we feel that as the host Nation, we should take care of the expenses of the Conference. Whoever is the host nation for the next one will be expected to take care of the expenses there.

Mr. WILLIAMS of Delaware. That is a reasonable explanation if that is the usual custom.

I understand that there have been four or five conferences——

Mr. METCALF. There have been four or five conferences of the International Union for the Conservation of Nature and Natural Resources, but this is to be the First World Conference on National Parks.

Mr. WILLIAMS of Delaware. Where were the other conferences held; and did the host countries assume all the expenses just as it is proposed that our country now do?

Mr. METCALF. That is correct. We had no expenses in the previous conferences of the International Union for the Conservation of Nature and Natural Resources. The host nations at those conferences took care of those expenses.

But this is to be a much larger conference than those, because this will be the First World Conference on National Parks; and representatives of various independent, private organizations, such as wildlife organizations, are coming from their own countries, as the delegates from those sovereign states.

Mr. WILLIAMS of Delaware. That is all very fine.

At the previous conferences was an assessment for these comparable charges made against the organizations attending, or did the country in which the conference was held pay the costs in their entirety, as the host country?

Mr. METCALF. I wish to emphasize that this is the First World Conference on National Parks which will be participated in by these unofficial organizations. This is to be the first international conference of this sort. So no nation could previously have participated as a host nation. We are the host nation in this first Conference; and in my opinion it is in recognition of our leadership that we have been chosen as the one to sponsor this first International Conference.

The International Union for the Conservation of Nature and Natural Resources is a part of the UNESCO organizations, and the other conferences have been conferences of delegates from the various member states—70 or 80 of them—rather than the 300 whom we anticipate to attend this Conference. I cannot state whether the others were paid for by assessments on UNESCO, or just how they were paid. But the United States has never participated in the payment of the expenses of holding such a conference.

Mr. WILLIAMS of Delaware. That may be true. But I do not think we should establish the precedent of paying all the expenses of holding one of these conferences—particularly when we are not a member and when the Conference includes private organizations—unless that is the custom when the conferences are held in other countries.

Mr. METCALF. We are to establish the precedent of paying, as the host nation, the special costs to be incurred because it is an international conference.

Mr. WILLIAMS of Delaware. But will the costs be assumed by the respective countries in which the future conferences are to be held, wherever they are held?

Mr. METCALF. I would hope that the next host nation would follow the precedent which is being established by the United States, and that for the Second World Conference on National Parks it would participate in taking care of the housekeeping expenses arising as the result of holding the Conference.

Mr. WILLIAMS of Delaware. What would the other expenses be? In the bill I notice that the first figure suggested was $200,000, and now it would be changed to $50,000; but on page 5 of the committee report the total is $148,000. Let me ask, Who is jockeying around the figures? If $50,000 is adequate in order to do the job as a proper host country, where did the other figures come from? The continual changing of the figures for the same conference puzzles me. Have they simply been pulled out of thin air?

Mr. METCALF. There has not been any jockeying around of the figures or pulling them out of thin air. The first estimate was $200,000; and it was hoped that the Government of the United States, the host nation, would assume half of the burden. But then the budget was cut, in a supplemental letter, to $148,000; and those are the items to which I referred, which appear on page 5 of the report, in the table from which I read.

Then a steering committee was established, under Harold J. Coolidge and C. R. Gutermuth, who are representatives of wildlife, conservation, and natural resources organizations in the United States; and from these 33 scientific, conservation, and natural resources organizations, whose names I have stated for the RECORD, they have raised the balance of the money—a little over $100,000—that is necessary in order to establish the secretariat and to lay the plans for the Conference and to keep this thing underway. That has been done by private contributions to those private organizations. So at the time of the hearing, they said that instead of proceeding on the basis of a $70,000 contribution or an even larger one, from the Federal Government, they would be able to get along with $50,000.

Mr. WILLIAMS of Delaware. I emphasize that if this were to be a bona fide international conference of which we were a member, we would pay our proportionate part. But I notice in the original proposal the inclusion of per diem expenses of employees, some of whom may not be employees in this country. This Conference seems to have the appearance, instead of being a conference to promote worldwide interest in national parks, of being an international junket for which we would pick up the tab.

I am sufficiently skeptical about it so that I shall vote against the bill.

Mr. METCALF. I assure the Senator from Delaware that none of the money contributed by the United States will go for travel or for salaries of the secretariat or for the salaries or wages of such persons, other than the ordinary translators and assistants who will be at Seattle. The others, to whom the Senator from Delaware has referred, have now been cut out, and those expenses will be raised by private contributions.

Mr. WILLIAMS of Delaware. That should be done.

Of course, there may not be too much difference insofar as the part paid by the United States is concerned, between the original budget and the budget as it will finally stand.

Mr. METCALF. But $70,000 has already been raised; and before the year is over, these private organizations will raise the rest of the money.

Mr. WILLIAMS of Delaware. Mr. President, I shall not debate the matter further. However, in the absence of more evidence than we have now it seems that this would establish a precedent for the United States to pay expenses of an organization of which it is not a member; and there is no evidence to show that in the future the other host countries would pay similar expenses.

I think we should pay our share of the expenses of any organization of which we are a member, but I do not think we should play Santa Claus in regard to the expenses of an organization of which we are not a member.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments, which, without objection, will be considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill (S. 2164) was ordered to be engrossed for a third reading, read the third time, and passed.

INTERIOR DEPARTMENT AND RELATED AGENCIES APPROPRIATIONS, 1963

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1450, H.R. 10802.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 10802) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

"NO WIN" CRITICISM BY STATE DEPARTMENT OF SENATORS WHO OPPOSE AID TO COMMUNIST COUNTRIES

Mr. PROXMIRE. Mr. President, yesterday Under Secretary George Ball criticized the policy of those of us who voted against aid to Communist countries as "no win." I think that this statement by Mr. Ball is an inaccurate and untrue invective and unworthy either of Mr. Ball or of the State Department.

I think in the past the State Department has properly refrained from using this kind of false charge in spite of considerable provocation. I know the State Department has been attacked, and I deplore the kind of attacks it has suffered. However, attacks on the State Department are not new, and I think those who expect appointments to the State Department expect to be roundly denounced, especially by extremists in our country.

The situation in the State Department reminds me of an old French proverb: "Le bete est mal. On l'attaque il se defend."

In other words, the animal is wicked; you attack him and he defends himself.

I do not want to put myself in this position. I realize, of course, that the State Department has every right to defend itself, and should defend itself vigorously, forthrightly, and aggressively; but honestly and accurately. In this case Mr. Ball has made a serious mistake in descending to this level.

The fact is that the great majority of Senators who voted against aid to Communist countries have never criticized the State Department's motivations and have never characterized the State Department's policy under any administration as "no win."

I am sure most Senators who voted with me against aid to Communist countries share my admiration for the fine job which Secretary of State Rusk, Mr. Ball, and other State Department officials are doing in the cold war.

In fact, this Senator was proud to rise in defense of the State Department's policy in the United Nations at a time when it was under attack by some leaders of the U.S. Senate.

Of course the State Department wants to win. Simply because a few Senators and a few other persons have made an improper charge of "no win" against the State Department is no excuse for attacking other Senators who largely support the State Department's position.

Secretary Ball has made far too much over minor aspects of the foreign aid bill. The amount involved in the amendment is but a fraction of the total amount involved in the bill. The major authorizations in the foreign aid bill would have remained intact even if the amount sought to be stricken had been carried out in full.

The foreign aid bill is burdensome, but it is a vital cornerstone of U.S. defense. However, this does not mean that a Senator does not have the right to make changes or corrections in accordance with his own judgment. The State Department is made up of men who are wise and able, but they are not infallible.

Senators who rise to speak against any proposal to give aid to Communist countries do so because they think it is necessary to win victory for the free world. I resent the condemnation of my relatively minor difference with the State Department as a "no win" policy. Those Senators who voted against aid for Communist countries want to win as much as the State Department does. This name calling among those who share precisely the same objective—to win over communism—should stop at once.

CAN WE AFFORD PROPOSED TAX CUTS?

Mr. PROXMIRE. Mr. President, yesterday in his press conference the President made a momentous statement on what is going to happen in the way of tax cuts or at least what is going to be recommended by the administration for tax cuts.

As was stated by one member of the Joint Economic Committee, if the President recommends a tax cut, it is likely to go through the Congress like a declaration of war. There is not likely to be very much opposition to the administration's recommended tax cut, because it always has great appeal to the American electorate and to the taxpayer, and with reason.

In view of the fact that the President has given us 6 or 7 months' notice, at least, before this recommendation, I think we should take advantage of it to consider the wisdom of reducing taxes, and the wisdom particularly of announcing a reduction in taxes 7 or 8 months before Congress could begin to act on it, and perhaps almost a year before Congress could complete its deliberations in committee.

PRESIDENTIAL TAX CUT RECOMMENDATIONS AND ACTIONS

It is interesting that when the President made his press conference announcement, before he answered questions, he also said the administration has recommended already "a $1,300 million tax credit of 8 percent on new investment in machinery and equipment, which will increase the typical rate of potential profits on modern plant expansion in this country."

In other words the administration had previously recommended a $1.3 billion tax cut.

He did say that tax cut which is now before the Finance Committee and has passed the House also contains some balancing, revenue-raising measures.

In the second place, he said in substance, that the administration is right now engaged in revision of the Internal Revenue guideline on the economic life of depreciable assets. He pointed out that this is going to cut revenues another $1 billion. This will be a tax cut by administrative action of another $1 billion with no balancing revenues. None.

Even if we assume the tax bill does get out of the Finance Committee with the withholding provisions intact—which is exceedingly questionable—and even if we assume the revenue-raising features will balance the revenue reductions—which I think is even more questionable—we are still faced with the situation in which the President said the administration is engaged in reducing revenues $1 billion.

In the third place, the President discussed a further tax cut proposal. He said:

> I have asked the Congress to provide standby tax reduction authority to make certain, as recommended by the eminent Commission on Money and Credit, that this tool could be used instantly.

Not a discretionary tax power to raise or reduce taxes as the Money and Credit Commission recommended it, but exclusively a tax reduction on the basis of Presidential initiative. This could amount to $5 billion more.

Then the President went on to say:

> I've asked the Congress to repeal the 10-percent transportation tax on train and bus travel, resulting in a tax saving of $90 million a year, and to reduce it to 5 percent on airlines.

It is in this total tax cut context that we should put the President's new tax cut proposal when he said:

> A comprehensive tax reform bill, which in no way overlaps the pending tax credit and loophole-closing bill offered a year ago, will be offered for action by the next Congress, making effective as of January 7 of next year an across-the-board reduction in personal and corporate income tax rates which will not be wholly offset by other reforms. In other words, a net tax reduction.

ADMINISTRATIVE BUDGET ALREADY BADLY OUT OF BALANCE

The fact is that the administrative budget—and I want to discuss that subject in a moment—which is the budget by which most of us judge the performance of the Government, is not going to be balanced in fiscal year 1962. It is going to be unbalanced by a total of $7 billion or more.

The administration had hoped that the administrative budget would be in balance in 1963. It now appears certain it will not be in balance. Even if the recommendations of the President for tax reductions to take place in fiscal year 1963 are not adopted, still, in view of business conditions, the prospects are very great that there will be a deficit in 1963, and a big one. It is almost a certainty.

BUSINESS CONDITIONS STILL GOOD

At the present time, in spite of the stock market, business conditions are not bad. Business conditions are excellent, with the exception of the rate of unemployment, which is still a very serious and nagging problem.

Economic indicators of the Council of Economic Advisers show that between the first quarter of 1961 and the first quarter of 1962 the gross national product increased by $40 billion. That is an extremely large dollar increase, probably the greatest in history except in time of war, and it is one of the largest percentage increases ever achieved. It is not a 3-percent increase or a 4-percent increase, which has been customary, but an 8-percent increase.

In addition, we now face the immediate prospect of conditions improving perhaps even more. May—the month just ended—was the best May this country has had for automobile sales since 1955. New housing starts are picking up sharply. Business conditions look very good on virtually all fronts.

Unemployment is still a serious problem, but the rate of unemployment is dropping. The administration set as a goal a 4-percent rate of unemployment. This was a year ago, when the unemployment rate was 7 percent. We have now reached the halfway point of that goal. There has been no increase in the rate of unemployment, and the drop in the rate of unemployment has been fairly steady. It is now 5.4 percent, seasonally adjusted.

NOW EXPANSIONARY PHASE OF CYCLE

Mr. President, all these statistics suggest that we are in the expansionary phase of the business cycle. The President has justified his position by saying that it seems the tax system we now have retards our advance out of recessions, and therefore he is going to recommend a tax cut, so that our economy can move more rapidly out of recessions.

I ask the question, Mr. President: If we are to reduce taxes and to run a deliberate deficit, an even bigger deficit than we know we shall have anyway, in a time when the economy is moving out of a recession, when the economy is expanding and the business cycle is on the way up, what will we be able to do when the business cycle is on the way down? The only time we can expect to run a surplus, the only time we can expect to balance the budget, the only time we can think of reducing the burden of the national debt is in the expansionary period of the business cycle. If we do not do it in the period of expansion, we shall never do it.

PERMANENT POLICY OF DEFICIT FINANCING

Therefore, I speak this afternoon on the floor of the Senate because I hope that the very able people in our administration—those in the Treasury Department, the Council of Economic Advisers, and the President—will face this serious problem of whether our country is to be committed to a permanent policy of deficit financing, to a permanent policy of unbalancing the budget, to a permanent policy of expanding the national debt, to a permanent policy of increasing the interest burden, the service charge, on the American people.

The fact is that the second largest burden on the American people today is the burden of the interest on the national debt. Today that burden is more than $9 billion a year. The only cost of the Government which is larger is the cost for defense. On the basis of the kind of policy proposed, we can expect the national debt burden to be even greater in the future.

Therefore, Mr. President, I hope the administration will not feel it must rely so completely for the solution of America's economic problems on fiscal policy. The fact is that this is not the only policy which is available. Other policies are available. I should like to touch on those in a minute.

ADMINISTRATIVE BUDGET INADEQUACIES

Before I do so, I wish to say that I think the administration has very properly called attention to one fact. I think we owe a great debt to Walter Heller, for calling to the attention of the country and for emphasizing before the Joint Economic Committee the significance of our use of the kind of budget we use as an index of the Government contribution to our economic system. The fact is that the United States is perhaps the only country in the world which uses the kind of budgetkeeping system it uses. We are used to it. It is very handy for some purposes. It does measure the degree to which the national debt is to increase in the future, but it has its shortcomings because, of course, it leaves out of account a number of extremely important Government funds which also seriously affect the economy. It leaves out of account, for example, the vast social security fund and the big unemployment compensation fund. It leaves out of account many measures which have a very great and important part to play in the economy of the United States.

For example, what economists usually do, when they try to analyze the effect of the budget, is to say that a nation should run a deficit when it has a heavy unemployment and when business conditions are bad, because then the Government buys more, therefore spending more than it raises in taxes, and this stimulates the economy.

Unfortunately, too many of us, both policymakers and newspapermen—and virtually everyone else—are always talking about the administrative budget. On the other hand, Mr. President, this budget does measure certain segments of the economy.

VALUE OF NEW BUDGETARY APPROACH

The national income and product accounts show a different picture. Under this type of budget, for example, in the fiscal year 1962, instead of having a $7 billion deficit—and I refer to the comprehensive budget—we would have only a half-billion-dollar deficit.

In the fiscal year 1963, on the assumptions which were made at the beginning of this year, we would run a $4.4 billion surplus under the national income and products account budget.

Mr. President, I think these figures are significant and important, and we should pay attention to them. We should understand the relationship they bear to the whole economy. At the same time, I do not think we should be fooled into feeling that because there may be a surplus in the national income and products accounts we will have any less of a burden of national debt.

Furthermore, Mr. President, if we should adopt some of the most recent recommendations made by the administration and if business conditions do not improve, as some outstanding optimists have predicted they would, even using the national income and products account budget—the budget that those who favor a tax cut and favor Government spending would use—we would run a deficit in fiscal year 1963, and we would have a bigger deficit in fiscal year 1962 than was expected when the accounts were originally calculated.

EUROPEAN CAPITAL BUDGET

Mr. President, we will be confronted with one other type of budget. That is the European type of capital budget. There is great merit to that type of budget. I think we should try to keep all of these budgets in mind as tools of economic analysis.

The capital budget allows for the fact that important Government expenditures are capital expenditures or capital investments. No corporation and no business fails to discriminate between its capital investments on the one hand and its current expenditures on the other, but the Federal Government does fail to distinguish between them. This is one of the reasons why the Federal Government shows the kinds of deficits it shows.

If the United States should adopt the European type of capital budget, of course this would even more greatly improve our apparent fiscal position.

Estimates made at the beginning of the year show that in fiscal year 1961, under this capital type of budget, the United States had not a deficit but a surplus of $4.3 billion. In fiscal year 1962 instead of a deficit of $7 billion the United States would have a surplus of $2 billion.

In the year to come, fiscal year 1963, instead of the kind of deficit which virtually everyone is now predicting—I think even the top administrative officials concede the United States will have a deficit in the administrative budget—if we should use the European type of capital budget, the United States could expect to have a surplus of $9.3 billion—$9.3 billion.

Of course, this capital budget would not measure the increase in the national debt, which the administrative budget does measure. It would not measure the impact on the economy, which the income and product accounts budget would measure. It would measure, however, the effect of current Government spending as contrasted with income, and it would set aside the Government expenditures which go into assets or capital investments.

Mr. President, the point I wish to make before I yield to the Senator from Nebraska is that even if we accept the European type of capital budget, which is very far away from our administrative budget, and which would put the best possible picture on our fiscal position, I think there is every possible prospect that in 1963, although we are in an expansionary phase of the business cycle, and although we should be showing a surplus if we are ever going to show it, even under the European type of capital budget we will be showing a deficit.

I ask unanimous consent that I may yield to the Senator from Nebraska [Mr. Hruska] without losing my right to the floor, and I ask that his remarks follow mine in the Record.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(The remarks of Senator Hruska appear elsewhere in the Record.)

MAY RUN DEFICIT IN 1963 WITH ANY TYPE OF BUDGET

Mr. PROXMIRE. Mr. President, as I have tried to point out, whether we adopt the administrative budget which we now use, the products account budget, or even the European type capital budget, the fact is that in this expansionary phase of the business cycle, when we have a growth in the national product of 8 percent—$40 billion—when bellwether industries like automobile sales and home sales are building up, we still seem to be moving into a time when we shall be running a deficit, or we shall be close to running a deficit, according to any kind of measurement.

For that reason I welcome the very thoughtful, well-balanced editorial published in the Washington Post this morning. It is an editorial that discusses the prospects of tax reform in an extremely objective way and, I think, a very competent way. I wish to read from part of that editorial and comment briefly on it.

The editorial, entitled "Tax Reform and Budget," begins as follows:

> The prospect of tax reform is cheering, but it also raises some difficult questions about the budget. This year's debate over a much smaller tax reform has shown that any significant broadening of the revenue base is unlikely to go through unless sweetened by a tax cut.

That is becoming obvious. In fact, it is apparent from informal discussions that I have heard lately, it is unlikely that the present proposal which was reported out of the Ways and Means Committee of the House, which usually blocks such measures, and has passed the House and is now in the Senate Committee on Finance, will be passed by the Senate unless it is considerably sweetened in the direction of reducing revenues.

The editorial continues as follows:

> The budget for fiscal year 1964 probably could stand some revenue loss, but the question is how much. It has been argued, and probably with reason, that at "full employment" the present tax structure would produce a rather large surplus.
>
> But some surplus should remain in the budget if and when high capacity operation is reached. Otherwise all chance would be surrendered to create savings through the budget that would feed back into the private economy and help to accelerate growth. The budget would be in deficit a good part of the time and in precarious balance the rest of the time. The maintenance of financial discipline would become politically increasingly difficult.

REAL IMPLICATIONS OF FISCAL IRRESPONSIBILITY

That point that fiscal or financial discipline should be maintained is one that cannot be emphasized enough. The fact is—and this is happening without really being observed or noticed—there has come not only in the view of academic economists but also in the view of business economists the argument that we should probably run a deficit much of the time. There is merit to that proposal. But I think we must recognize what such procedure does to legislators and politicians.

There is nothing easier, of course, than to advocate cutting taxes and raising spending, reducing the burden on the taxpayer, but increasing the services he receives. The big fact that has been restraining those of us who have served in State legislatures, city councils, and especially in the U.S. Congress where there is literally no limit on our potential debt is that we should recognize the wisdom of having some kind of balanced budget, some financial responsibility, and some sort of balance, at least during peacetime years, between what we spend and what we raise.

But that conception is gradually being eroded. As the editorial in the Washington Post has so well stated—

> The maintenance of financial discipline would become politically increasingly difficult.

All we could do, if we give up the notion of balancing budgets at all, would be to argue that if too large a deficit is run, it will have an inflationary impact on the economy. It will raise prices, which will not be very popular.

But, of course, there is a great lag here involved. Furthermore, the relationship of Government deficits to inflation is subtle. It is indistinct. It is economically technical. It is difficult to grasp. I think there is great danger that if we abandon the notion of balancing the budget, especially in periods of expansion, and if we adopt tax cuts in periods like the present, then it seems to me we are accepting a policy which can become politically increasingly dangerous and difficult.

The Washington Post editorial continued as follows:

> This suggests that the reductions cannot be very large. Allowing for some revenue loss from this year's change in depreciation rules, and possibly also from the still pending tax bill, an amount of perhaps $3 billion might be envisaged.

But whether or not we can have a tax cut next year without an extraordinarily heavy deficit is the big question.

The editorial continues as follows:

> On a more realistic assessment of the outlook, the budget for fiscal year 1964 is likely to be brought into approximate balance only by dropping the tax cut. With a deficit in

> fiscal year 1963 almost a foregone conclusion, a tax cut would mean 2 more years of deficits ahead. Would that be a responsible course?
>
> Circumstances could be envisaged in which it might be. If the balance of payments improves, if wages and prices stay in line, justification might be found for these deficits. With full employment still not attained in 1963, the economy would after all be passing through its second week recovery.
>
> Some lowering of sights might be inevitable under those conditions. But if the balance of payments is weak, or prices are rising, freedom of fiscal action will again be curtailed and the stability of the dollar will have to be salvaged at the expense of employment and growth.

COMMITMENT TO FUTURE TAX CUT—SERIOUS ERROR

I should like to make two points in that particular regard. I disagree with the criteria of the Washington Post as to when we should have a tax cut. I feel very strongly that we should think long and hard about having a tax cut in 1963 if unemployment continues to drop, if the gross national product continues to expand—as it has by 8 percent over the last year—and if automobile sales continue to increase. For us to take the position now and make a commitment that we are going to have a tax cut next year is certainly questionable in view of the fact that anybody who has been around academic economists or any other kind of economists knows that this is an extremely primitive area. He knows that economic forecasting has certainly not proven itself. If one must make an economic forecast 8, 10, or 12 months before policy action is taken, the forecast could easily be wrong. So I question the wisdom of an announcement at this time that we will have a tax cut next year. The announcement is made before we can assess business conditions next year, before we see whether or not we need such a tax cut next year, and indeed before we determine whether we might have inflationary conditions next year.

An announcement is made that we will have a tax cut next year when our economy is booming this year. Incidentally, only 10 days or so ago I presided as chairman of the Subcommittee on Statistics of the Joint Economic Committee. At the hearing we had some of the top economists in the country testify. Among them were representatives of McGraw-Hill, Fortune magazine, and other large organizations. I remember that the expert from Fortune magazine predicted that in 1963 we would have a superboom in business investment in plant and equipment.

If we are to have a superboom in 1963, it does not make any sense at all to have a tax cut in 1963, thus committing ourselves to a position where we will never have a balanced budget.

MISTAKE TO RELY EXCLUSIVELY ON TAXING AND SPENDING

Furthermore, the fact is that all the talk now is in terms of a tax cut. Whatever happened to lower interest rates? That has been the traditional method, and it has worked in the past, when we have used monetary policy to stimulate the economy.

The difficulty with a tax cut is that we thus unbalance the budget and we increase the national debt and increase the future burden on the taxpayer. A monetary policy relying on lower interest rates not only is completely consistent with conservative practices but, as a matter of fact, is consistent with our congressional constitutional obligations. The Constitution is extremely clear on this point. Article I, section 8, provides that Congress shall have the power to coin money and to regulate the value thereof. We have the right, therefore, to regulate the value of money, which, of course, is interest.

We set up the Federal Reserve Board to act as our agent, and then have turned our back on it and let it go on its own way. The Federal Reserve Board has followed restrictive monetary policies. It has kept the interest rates high. The result is that high interest rates have been a retarding force in the economy.

If we can reduce interest rates, the burden on the taxpayer will be reduced, not increased; whereas the present fiscal policy tends in the future, at least, to unbalance the budget and to increase the burden on the taxpayers. Reducing interest rates means that the taxpayer, who must pay his taxes to provide service on the national debt, will pay lower interest rates. Lower interest rates would therefore mean that the charge against the taxpayer would be less.

WHY NOT USE MONETARY POLICY MORE—FISCAL POLICY LESS?

Therefore it makes sense to me that the administration should give far more consideration than it has up to now to a monetary policy that makes sense. It is fantastic that we have relied as much as we have in this administration on this sort of fiscal policy. I do not mean that the administration alone holds to this view. It is held by Republicans and Democrats alike.

I believe we ought to get off this tax cut track, at least long enough to consider other alternatives. Those who enthusiastically champion a tax cut should also talk a little bit about easing the monetary policy and reducing interest rates and taking off the brakes in that way. That is much more effective, and makes more sense, and certainly eases the burden on the taxpayer.

PRESENT MONETARY POLICY HIGHLY RESTRICTIVE

The fact is that we have the most restrictive monetary policy in technical terms that we have ever had.

We have a money supply today which is a lower ratio of the gross national product than it has been since Andrew Mellon was riding high in the Treasury. It is the lowest ratio since the twenties. The fact is that interest is the simple product of how much money the Federal Reserve makes available on the one hand and what kind of job that money has to do through the gross national product, on the other hand. The fact is that the Federal Reserve has very sharply retarded the increase in the supply of money. It has not kept pace with the expansion of the gross national product. The result is that we have high interest rates. We have had a slowdown in many areas in which interest rates are extremely important.

TAX CUT NOW USES UP AMMUNITION FOR LATER

Finally, Mr. President, the editorial concludes by stating:

> The need for a sweetener in the tax reform also imposes constraints on action in the interim. There has been talk of a tax cut this year to speed the recovery or perhaps to revive the ailing stock market. Regardless of what one may think of the appropriateness of such action at a time when the President's Chief Economic Adviser has just proclaimed that the economy has shifted into higher gear, a tax cut now would use up the ammunition for next year. It might be argued that such a cut should be temporary and that it should terminate before full-dress reform begins. But subtle maneuvers like these are not the way of the political process. If there is to be tax reform next year, we had better sit tight this year unless there is a real deterioration in the economy.

I should like to add to what the Washington Post says that not only should we sit tight, but we ought to sit tight until next year and then determine whether or not there should be a tax cut. The most foolish kind of economic policy is to make a decision 7 or 8 months before it is necessary to make it. Let us look at conditions at the time. Let us determine what the situation is. Let us determine whether we need it. It seems to me that is a far wiser policy to follow than the one we are following now.

I ask unanimous consent that the editorial from the Washington Post be printed in full at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TAX REFORM AND BUDGET

The prospect of tax reform is cheering, but it also raises some difficult questions about the budget. This year's debate over a much smaller tax reform has shown that any significant broadening of the revenue base is unlikely to go through unless sweetened by a tax cut. The budget for fiscal year 1964 probably could stand some revenue loss, but the question is how much. It has been argued, and probably with reason, that at full employment the present tax structure would produce a rather large surplus.

But some surplus should remain in the budget if and when high capacity operation is reached. Otherwise all chance would be surrendered to create savings through the budget that would feed back into the private economy and help to accelerate growth. The budget would be in deficit a good part of the time and in precarious balance the rest of the time. The maintenance of financial discipline would become politically increasingly difficult.

This suggests that the reductions cannot be very large. Allowing for some revenue loss from this year's change in depreciation rules, and possibly also from the still pending tax bill, an amount of perhaps $3 billion might be envisaged. That might still leave a surplus of about the same size in the 1964 administrative budget at full employment, if expenditures continue to rise at the rate which has been budgeted for fiscal year 1963.

But these attractive results will be attained only if full employment prevails during 1963, and the chances of that are slight. On a more realistic assessment of the outlook, the budget for fiscal year 1964 is likely to be brought into approximate balance only by dropping the tax cut. With a deficit in fiscal 1963 almost a foregone conclusion, a tax cut would mean 2 more years of deficits ahead. Would that be a responsible course?

Circumstances could be envisaged in which it might be. If the balance of payments improves, if wages and prices stay in line, justification might be found for these deficits. With full employment still not attained in 1963, the economy would, after all, be passing through its second weak recovery. Some lowering of sights might be inevitable under those conditions. But if the balance of payments is weak, or prices are rising, freedom of fiscal action will again be curtailed, and the stability of the dollar will have to be salvaged at the expense of employment and growth.

The need for a sweetener in the tax reform also imposes constraints on action in the interim. There has been talk of a tax cut this year to speed the recovery or perhaps to revive the ailing stock market. Regardless of what one may think of the appropriateness of such action at a time when the President's chief economic adviser has just proclaimed that the economy has shifted into higher gear, a tax cut now would use up the ammunition for next year. It might be argued that such a cut should be temporary and that it should terminate before full-dress reform begins. But subtle maneuvers like these are not the way of the political process. If there is to be tax reform next year, we had better sit tight this year unless there is a real deterioration in the economy.

ELECTIONS IN PERU

Mr. HUMPHREY. Mr. President, Sunday, June 10, will be a momentous day for our sister republic, Peru. On that day, Peruvians will go to the polls to elect a new President. These are anything but routine elections in a small unimportant country south of the Rio Grande. On the contrary, the outcome of Peru's elections may point the way to the future of democracy not only in Peru but in all of Latin America. The elections could have a decisive impact on the Alliance for Progress. Conceivably, they could tell us whether militarism in Latin America—the tendency of the military to meddle in politics—is on the decline or is once more on the upsurge.

In case anyone thinks that this analysis is overdrawn, let me commend to his attention two articles in the New York Times of June 6 and 7 by the noted observer of Latin American affairs, Mr. Tad Szulc. I ask unanimous consent that these articles, which discuss the implications of the Peruvian elections, be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent to have printed in the RECORD a profile, appearing in the Wall Street Journal of June 7, of Victor Raúl Haya de la Torre, the controversial presidential candidate of the American Popular Revolutionary Alliance—APRA Party—and an excerpt from the June 5, 1962, issue of the Vision Letter, an analysis of Latin American affairs.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. These articles underline what is at stake in Peru's presidential elections. The fact of the matter is that the party with probably the best chance to win is APRA, the party of Señor Haya de la Torre. Now there is no gainsaying that APRA has had a violent and radical past. The letter "R" in its name stands for "revolutionary." In its earlier days—back in the twenties and thirties—it appeared to derive much of its outlook from Marxism if not from communism. Today, however, it is a worthy representative of the democratic, non-Communist left, dedicated to the social and economic ideals of the Alliance for Progress.

After years of being systematically outlawed and persecuted, APRA has only recently become even barely respectable in Peruvian politics. Yet the very fact of APRA's popularity has aroused the misgivings of the Peruvian military, who see the party as the antithesis of democracy. This attitude derives in large part from the long and sometimes bloody feud between APRA and the Peruvian armed forces. The military still remember the violent clashes of 1932 and 1948, when many officers and soldiers were killed as a result of APRA uprisings. They fear that APRA will try to carry out its longtime pledge to do away with the armed forces in favor of a kind of people's militia. The military leaders consider APRA's outspokenly anti-Communist and anti-Castroite position today as nothing but a fraud. APRA, one distinguished Peruvian officer told me, is a "wolf in sheep's clothing."

The ill feeling between APRA and the Peruvian military could have one fateful result: If Señor Haya de la Torre and his party win on Sunday, a military coup could either prevent them from taking office or could overthrow them after they had shown their alleged true colors after only a few days or weeks in office.

Mr. President, far be it from me to say whether this or that party, this or that political leader, should be elected by the voters of another sovereign country. This is none of my business. It is my duty to point out, however, that political developments in a foreign country can have serious repercussions on the relations of that country with the United States. In our deliberations on the current foreign aid authorization bill, we have seen that the Senate cannot remain indifferent to the ideological leanings of a country which receives our aid.

This is true in the cases of Communist Yugoslavia and Communist Poland. It would be equally true should Peru's political development be halted or set back by an unprovoked military coup d'état. If the military leaders overthrow a freely elected constitutional government which is anti-Communist and pro-Alliance for Progress, then I do not see how further aid to Peru could be justified. I know that the Senate would be reluctant to appropriate funds in such a case, and I believe that this would be the sense of both Houses of Congress. This would be tragic, for few countries stand in greater need of far-reaching social improvements than does Peru.

Mr. President, it was my privilege to visit Peru and to talk to all the political leaders whom I have mentioned in this speech. I believe Peru has a great potential. There is already underway in Peru a significant reorganization, with changes which could spell for Peru or could guarantee to Peru a much broader and prosperous future. Peruvians are jealous of their constitutional government, and rightly so. I hope that nothing will happen to disrupt the experience in constitutional democracy which is now underway in Peru.

I have discussed this situation with Peruvian officers who sought my counsel. I told these gentlemen frankly that the United States would find it difficult to accept either a Communist or a right-wing reactionary government in Peru. Neither communism nor militarism reflects the wishes of the Peruvian people.

Surely we know that neither communism nor militarism reflects the attitude or wishes of the people of the United States. I said all of this to the Peruvian military officers, with all due respect for the Peruvian Armed Forces, which admittedly have grounds for apprehension, and which have shown commendable restraint in recent years. My comments are not to be interpreted as any attack upon the fine officers of the military in Peru, or the men in the ranks of the military establishment. The purpose of these comments is to lift the standard once again for constitutional democracy.

Judging by the reception given my remarks, the Peruvian military will continue to show restraint when the chips are down. Peru's military leaders sincerely want to keep hands off politics. Many of them have come to the United States on training missions. They have seen our democracy in action; they have learned that our tradition of civilian control over the armed forces is the very essence of democracy. What is more, it works. I am confident, therefore, that they will accommodate themselves to whichever moderate party takes office after this Sunday's elections. They will not let themselves be seduced into taking violent and irrevocable action on the basis of rumors or vague forebodings. If they succumb to bad advice, the effect on Peru's social and economic progress could be incalculable. It could have an extremely damaging effect not only on Peru's relations with the United States but on the very foundations of the Alliance for Progress.

Mr. President, my appeal for restraint is not strengthened by the news that the administration is about to grant $50 million in standby credits to Argentina, a country which has recently experienced decisive military intervention in its political life. How can we threaten to cut aid to a military regime in Peru while handing it out to Argentina as though duly elected President Frondizi were still in office?

Frankly, this puzzles me. I have no reason to punish Argentina for its interruption of normal democratic processes.

In fact, to me the hope of a free Latin America may very well depend on the restoration of constitutional processes and constitutional democracy in Argentina. Again, that country has a tremendous potential and should be able to give the inspiration or the driving force to representative government and free institutions in all of Latin America. The provocation in Argentina was tremendous, and, on the whole, the military have acted with exceptional broadmindedness. However, the fact remains that they acted, and the Argentine Constitution is, for all intents and purposes, in a state of suspension. The ordinary onlooker will not understand the subtle distinctions between a military coup in Argentina and one in Peru or any one of a dozen Latin American countries.

The temptation for military intervention in elections is one which is sometimes so appealing that unless a word of caution is stated, the temptation overwhelms those who ultimately seek to use military force.

What we are seeking to prevent is a backsliding from the encouraging progress of democratic government which has taken place in Latin America in recent years. If the "democratic left" is the only political persuasion having popular support, then it deserves our support, so long as it is not a Communist government or a Castro government, which would violate, suspend, and destroy free political institutions and civil guarantees.

Surely we would rather see a Romulo Betancourt in office than a Rojas Pinilla or some Latin American Lenin or Castro. President Betancourt, one of the most outstanding representatives of the democratic left in Latin America, has just weathered one of the severest storms of his brief term in office. I am delighted that the Communist-instigated revolution in Venezuela has been crushed by the forces of law and order, and that the forces of the Venezuelan Republic are now the forces of Betancourt. The Venezuelan people want Betancourt's program of thorough but moderate reform. But if Peru succumbs to violence from the right, then Venezuela's beneficial example might be lost on the rest of Latin America.

I fervently hope, therefore, that Peru will be won for democracy in the critical weeks ahead. As one friend of the people of Latin America, I hope that the elections which will take place in those countries will result in the further extension of democratic, constitutional government for the Latin American peoples and their countries.

Exhibit 1

U.S. Concerned by Peru Threat of Revolution After Elections—Military's Opposition to the APRA Party and Haya de la Torre Is Reported To Make a Coup d'Etat Possible

(By Tad Szulc)

Washington, June 5.—The U.S. Government was reported today to be deeply disturbed over the threat of a military coup d'etat in Peru if Victor Raul Haya de la Torre is elected president in next Sunday's elections.

Diplomatic and press reports reaching here have indicated that the Peruvian Army is almost certain to move against Senor Haya de la Torre because of its 30-year-old feud with him and his American Popular Revolutionary Alliance (APRA).

The U.S. concern stems from considerations that affect Peru as well as the rest of Latin America. These considerations raise serious problems for the Alliance for Progress.

The Kennedy administration believes that Peruvian military intervention in the election would set back the development of democracy in Peru. This, in itself, would be regarded here as deplorable.

START OF TREND FEARED

Another fear is that an army coup in Peru, following the expulsion by the military of President Arturo Frondizi in Argentina last March, could encourage a hemispheric trend back to military rule and dictatorship.

The establishment of a military, or military-backed regime in Peru could endanger President Romulo Betancourt in Venezuela. Senor Betancourt has been under intense rightwing and leftwing pressure, and rumors of an impending rightist rebellion have circulated in Caracas even as the regime was fighting leftist uprisings last month and last weekend.

Still another consideration in the administration's thinking is that under the Alliance for Progress the United States is committed to provide extensive aid to Latin American economic and social development within the framework of democracy.

The emphasis on democracy is intended to strike a contrast with the totalitarian method adopted by the Cuban revolution.

The overthrow of an elected government in Peru, 3 months after the Argentine upheaval, would cause considerable embarrassment to the United States and confront it again with a major decision.

The United States reluctantly agreed to continue relations with the new Argentine Government 6 weeks after Dr. Frondizi's fall. However, little has been said of aid programs despite pressure from Buenos Aires.

SOCIAL PROGRAMS UNDERWAY

In Peru, the United States is engaged in a series of programs designed to solve some desperate social problems in the fields of housing, land settlement, and the feeding of schoolchildren. These projects are in addition to economic programs.

Whether the social projects should be suspended because of considerations over the fate of democracy in Peru is a difficult decision. The administration hopes it will be spared.

Officials here stressed that their concern over the Peruvian election did not imply any favoritism for Senor Haya de la Torre's leftwing but strongly anti-Communist Party.

The U.S. administration believes that it could work just as successfully with Senor Haya de la Torre's chief rival, Fernando Belaunde Terry, a young, U.S.-educated architect who leads the Leftist Popular Action Party.

[From the New York Times, June 6, 1962]

Priest a Red Leader

(By Juan De Onis)

Lima, Peru, June.—A retired army general and a Roman Catholic priest are the leaders in active political campaign being waged in Peru by advocates of a Cuban-style revolution.

The Communist-inspired National Liberation Front held its major rally of the presidential campaign last night. More than 25,000 attended the rally in San Martin Plaza.

A huge portrait of Premier Fidel Castro of Cuba hung from a 25-foot-high speakers platform at the rally. The theme of "Cuba si, Yanquis no," and the need for a revolution to rid Peru of imperialism were stressed by the 10 speakers.

The main speakers were Gen. Cesar Pando Egusquiza, an artilleryman who favors the nationalization of Peru's oil industry, and the Reverend Solomon Bolo Hidalgo, who has defied his Roman Catholic superiors and been declared in a state of disobedience.

Students made up a larger portion of the crowd than at any other major rally held by Peru's political parties. The students appeared to make up at least a third of the crowd and there was enthusiastic applause and cheering for the almost uninterrupted invective against the United States.

Father Bolo was introduced as the chaplain of the Peruvian revolution. At one point in his speech he said that "when the guerrillas begin to fight in Peru, I will be with them to give them the sacraments."

PRIEST ACCUSES UNITED STATES

Father Bolo said that it was not true that the Communists are the present enemy of Peru. He said the true enemy of Peru was Yanqui imperialism and he blamed the United States and its lackey the Peruvian oligarchy for Peru's social and economic ills.

General Pando, the presidential candidate of the National Liberation Front, is not expected to obtain any impressive vote in Sunday's election. The Front, in all probability, will not even obtain a seat in Congress.

"We know we are not going to win anything," a National Liberation Front leader said. "This election campaign has served to get our message before tens of thousands of people; this advances the revolution waged by the Front," he said.

[From the New York Times, June 7, 1962]

United States Renewing Argentina Aid With $50 Million—but Some Fear This Step Will Spur Peru Military To Act After Election

(By Tad Szulc)

Washington, June 6.—The Kennedy administration expects to announce this week the granting of $50 million in standby credits to Argentina's military-backed Government.

While the decision to grant these funds has general approval within the administration, many officials here are disturbed over the timing of the announcement.

Presidential elections are to be held in Peru on Sunday and there are fears that a military coup may follow immediately. It is felt, therefore, that the announcement at this time of aid to a regime in Argentina that is dominated by the military may encourage the Peruvian military leaders to assume they need not fear U.S. reprisals if they choose to upset the democratic process.

Reports from Peru have indicated that the military may try a coup to prevent the inauguration of Victor Raul Haya de la Torre, head of the leftist but anti-Communist APRA Party, if he is elected Sunday.

The Peruvian military leaders have relentlessly opposed the APRA (American Popular Revolutionary Alliance) since 1932, when many officers and soldiers were killed by the party's members in an uprising at Trujillo. Others died in an APRA revolt at Callao in 1948.

RESULTS OF COUP FEARED

Although the United States does not favor Senor Haya de la Torre over Fernando Belaúnde Terry, his foremost rival, it fears a military coup because of its implications for democracy in Peru and elsewhere in Latin America.

Under the Alliance for Progress, the administration of President Kennedy is committed to a massive program of economic aid to the hemisphere within the framework of democratic institutions.

The credits to be granted this week to Argentina are designed to support the peso. They mark the resumption of assistance to that country following the ouster of President Arturo Frondizi last March.

The administration's concern for democracy in Latin America was emphasized in a message from President Kennedy to Venezuela's President, Romulo Betancourt, congratulating him on the crushing of last weekend's Communist-supported rebellion by a marine garrison at Puerto Cabello.

The message was delivered to Senor Betancourt yesterday by the U.S. Embassy and was made public here today.

Mr. Kennedy praised Venezuela for having acted "in preserving constitutional democracy against those who have attempted to overthrow your freely elected government."

"The preservation and strengthening of freely elected constitutional government is the aspiration of all the peoples of the Americas, and progress in the continent under the Allianza Para el Progreso depends in large measure in effecting change through peaceful and democratic means and avoiding violent interruptions of the constitutional procedure," Mr. Kennedy said.

PROBLEMS ARE CREATED

While the message referring to a leftist revolt was addressed to Venezuela, the administration clearly hoped it also would be read in Peru by the Rightist forces.

But the creation of situations like the overthrow of President Frondizi in Argentina—and the possible developments in Peru—have posed difficult political problems for the administration in conducting the alliance policies.

Although the United States opposes military coups, it finds it difficult to ignore the economic and social needs of countries like Argentina where, it is argued, the suspension of aid may lead to deterioration of the situation and strengthening of Leftist forces.

Senor Haya de la Torre stirred the crowd with two major points in his closing campaign speech. He rebutted the charges of election fraud made against his party, and he attacked Communist influence in other parties.

He spoke from a huge stand with fireworks exploding overhead, arc lights crisscrossing in the night, and confetti flying.

He waved a white handkerchief and a sea of fluttering white responded from the huge crowd. "If this is fraud, how do you like it?" he asked. The crowd roared with laughter.

A federal attorney had charged today, after examining 960 voter registrations recorded since last November, that 45 percent were false.

APRA IS ACCUSED

Prosecutor Octavio Palacious of the Third Criminal Court charged that most of the false registrations had been made by APRA Party registrars, and he formally charged eight persons with electoral-law violations carrying penalities up to 2 years in jail.

Senor Haya de la Torre said Sunday's elections would be decisive in the struggle between representative democracy and the dictatorship of either extreme. The crowd chanted, "APRA si. communismo no."

In its 32 years of official existence, the APRA Party has been outlawed for 21 years. Senor Haya de la Torre spent years in hiding here and abroad. He returned here in January to head his party's campaign.

[From the Wall Street Journal, June 7, 1962]

Latin Left—Peru's Haya Personifies Political Group That Seeks Reforms But Opposes Reds

(By James N. Wallace)

Lima.—The next president of Peru may well be a man who once demanded the United States give up the Panama Canal but now decries Soviet imperialism, who started his political career as a Marxist but now is the target of bitter Communist abuse—and who remains one of the most venerated, yet often mistrusted, men in Latin America.

This complex, controversial individual is Victor Raul Haya de la Torre, presidential candidate of the powerful American Popular Revolutionary Alliance (APRA) Party and rated by many as the front-runner in Peru's national election this Sunday.

But win, lose or—as also is possible—barred from office by the armed forces, aging, ebullient "Victor Raul" will remain in many ways the image of one of Latin America's most important forces: The non-Communist left. It's a force that stirs heated controversy in both the United States and Latin nations. Some people dismiss it as far too fuzzy minded to combat Castroism and communism. Others, including some but by no means all U.S. Latin policy shapers, rate it the most likely vehicle for carrying through the sweeping social and economic reforms of the Alliance for Progress.

Though more important than ever before, the Latin left is no newcomer to politics. One of its first important representatives was Jose Batlle y Ordonez, who introduced social security schemes and government economic planning to Uruguay before World War I.

In more recent years have come such frequently controversial figures as Lazaro Cardenas, Mexican land reformer and economic nationalist; Jose "Pepe" Figueres, Costa Rican social revolutionary and recurrent critic of foreign businessmen; Victor Paz Estenssoro, who for good or bad fundamentally altered Bolivia's entire economic structure, and Venezuela's President Romulo Betancourt, still sorely beset in his effort to turn oil wealth into national well-being.

MIRRORING AN EVOLUTION

In many ways the life of Peru's Haya de la Torre mirrors the evolution of the Latin left: First political recognition as a firebrand student orator, early fascination with Marxism and a conviction that most Latin ills were the result of Yankee imperialism, years in jail or exile, participation in abortive popular revolts, winning some legal status at home, finally achieving power to influence or sometimes dominate national affairs and, at least by some standards, a swing toward moderation.

So a look at the man and the party he created helps explain some Latin happenings far beyond the Peruvian election—and also provides some answers to such puzzles as the left's relationship to communism and its frequent asperity toward the United States and American business.

At 67, Haya is proving a vigorous campaigner—somewhat to the surprise of many here who thought that by age and inclination he'd prefer the role of headquarters oracle to the loud, lusty rallies that go on night after night. He's a spellbinding speaker in either Spanish or Quechua, the language of the ancient Incas and still the patois of back-country Peru. His intellectual interests range widely; he once wrote a detailed, scholarly refutation of Arnold Toynbee's all-encompassing historical theories.

Like many other Latin politicians, Haya got his start as a university student leader, helping unionists organize a general strike for an 8-hour workday. He was still in college when he had his first serious brush with the police in 1923. The youthful agitator was arrested and deported; it was the first of many clashes with the status quo and the first of many exiles.

A year later, after traveling in both the United States and Russia, Haya founded the American Popular Revolutionary Alliance in Mexico; the party reflected much more of Lenin's Russia than Coolidge's America but it also borrowed from the Mexican revolution and traditional European socialism.

Though intended to be an inter-American party, APRA caught on only in Peru. But here it immediately became and still is a center of stormy controversy. Quite predictably it was quickly denounced as Communist by local businessmen and landowners. Attacks from the Communists soon started, too, though the substance of them often was blurred by personal animosities and the wordy internal bickering of late 1920's communism.

APRA was first permitted to run candidates in the 1931 elections. Haya, back from exile, got the most votes for president, according to some impartial chroniclers, but his opponent controlled the ballot counting. A few days after the election the APRA candidate was back in prison and the party outlawed.

For more than two decades after that, Haya was in and out of jail and in and out of Peru. Hundreds of party members were shot down in the streets but they sometimes gave as good as they got, killing a number of army officers and assassinating at least two high government officials. Memories of those violent days still embitter Peruvian politics and raise serious questions whether the army would permit an APRA regime to stay long in office.

THE COMMUNIST ISSUE

One of the most-argued questions about the Latin left is its relations with communism and, more recently, Castroism. Even today, this is about as close to an issue as the personality dominated presidential election here has come. Haya's opponents gleefully quote excerpts from his early writings, which had a decided Marxist ring. But APRA campaigners charge that now, not three decades in the past, there are Communists on the congressional tickets of the two major opposition parties.

Haya says his youthful visit to Moscow, during the Fifth Congress of the Communist International, convinced him that he didn't want to become a party member himself and, perhaps more important in the long run, that the Reds, for all their talk about a bright new world, didn't have the foggiest notion of the world as it then existed in Latin America.

At any rate, many specialists in Latin affairs are convinced—by events as much as by Haya's own words—that APRA never was an integral part of international communism. Still, the party has to contend with its Marxist past; even some working-class Peruvians consider it pink-tinged today.

Why the close ties between the Reds and much of the Latin left in earlier days?

Partly because the Communists' announced aims seemed to be the same as the youthful revolutionaries', partly because few people hereabouts then had any experience with communism. At that time in many Latin nations the Communists were almost the only ones willing to risk their necks battling oppressive dictators, and they had the only organizations capable of effective protest. Red cooperation with dictators such as Cuba's Batista came later.

APRA, like the rest of the Latin left, at first fervently supported the Castro revolution. As recently as mid-1960 Fidel's bearded pictures stared down from APRA office walls but today Haya bitterly attacks the sellout of the original Castro goals. The last of what seems to have been the hard Castroite core in APRA was expelled in 1960, though in the party's rank and file are at least some people who think Fidel may yet turn his back on Moscow.

If the Latin left as reflected in APRA is anti-Communist why does it often sound so anti-American as well?

This stems from a long firmly held belief that U.S. business, backed by the U.S. Government, was the chief ally of oppressive Latin regimes and a powerful foe of efforts to improve the lot of the Latin masses. Haya once was arrested in the Panama Canal Zone, apparently on orders of U.S. officials who had been warned by business people that he was a dangerous radical.

The incident no longer rankles but at the time it reinforced "imperialist" convictions. In recent years the Latin left's view of Washington has mellowed but there remains considerable suspicion that many U.S. businessmen still basically prefer the "order" of dictatorships in this part of the world. Then there's the continuing complication of Fidel. Perhaps most important, a great many Latins reject the idea that being anti-Communist requires them to applaud Uncle Sam.

HOLLOW JOKES

Though some American businessmen here joke hollowly about which of their concerns APRA would nationalize first, this doesn't seem an immediate danger. Haya says he supports "responsible" foreign investment and he's well aware that many miners working for U.S.-owned companies are among the best paid workers in Peru.

Several things about APRA still worry some observers, and they're not all ideological questions. The party-subsidized cafeterias, low-cost clinics, adult education classes, and even a small credit bank are basically local variations on U.S. ward-level politics. But in unscrupulous hands they could be used to help shape a one-party state.

Cell-type party organization and club-carrying members were necessities during long years of persecution but they, too, could become habits. At rallies the massed banners, youth brigades, and thundering "AP-RA, AP-RA" chants stir occasional memories of other tightly disciplined parties that went awry.

Whether Haya and APRA are, as some people claim, Peru's chief bulwark against Castroism and communism remains to be seen. The one thing certain is that no matter what happens in Sunday's election, the Latin left Haya represents will remain a major force on a troubled continent.

THE VISION LETTER—THE WEEKLY ANALYSIS OF LATIN AMERICAN AFFAIRS

JUNE 5, 1962.

An atmosphere of impending crisis hangs over Peru as approximately 2 million voters prepare to go to the polls this Sunday in the country's 6-year presidential elections. Behind the rising tension lies a scarcely veiled threat issued by armed forces leaders last Saturday that they would reserve the right to decide after the voting whether or not the popular will has been falsified.

The warning came in a special communique signed by the secretaries of all three military arms—Vice Adm. Guillermo Tirado Lamb for the navy, Gen. Alejandro Cuadra Rabines for the army, and Gen. Salvador Noya Ferré for the air force—but issued without the permission of outgoing President Manuel Prado y Ugarteche. The dictate is universally understood to mean that the armed forces will not accept a victory by Víctor Raúl Haya de la Torre, candidate of the Aprista Party and the military's arch foe for more than 30 years.

Days before the election, observers believe that Haya and Fernando Belaunde Terry, Acción Popular candidate, are running about even, with Gen. Manuel Odría third, and several other candidates far behind. Under the Peruvian Constitution, the leading candidate must have at least one-third of the total vote to win office. It is still in doubt (the Vision Letter, May 8) whether either Haya or Belaunde will get the required margin. But no matter what the result of the balloting, there is real danger of trouble to follow:

The armed forces allegedly have already found irregularities in the registration lists by comparing them to military service rolls in specific areas. This is believed to be sufficient to give them the right to intercede should Haya win. (Also, rumors are flying that the ink which is used to mark voters' fingers, and thus guard against double voting, is not really indelible.)

Military intervention could come either before or after the election. A rumor is now current that the army will step in at any moment to "postpone" the vote pending investigation of the registration fraud charges. Once the constitutional process is set aside, moreover, there is little way of knowing when elections would finally be held.

The military men may permit the voting to take place in the hope that Haya will be defeated. However, that will not eliminate the fraud issue. Neither Haya nor Belaunde trusts the vote count and each is certain that he would win in any honest election. Belaunde believes that he was euchered out of office in 1956 when he lost to Prado.

There are striking similarities between the position of the Apristas today and the Peronistas in Argentina prior to March 18. Both movements are anathema to the army, both are voting under their own names for the first time after being proscribed for many years, and both lean heavily on the mystical support of a leader who is hated and feared by his opponents. However, there is one major difference. Where it suited the Peronistas to remain calm in the face of provocation, it is very doubtful that the Apristas will show the same reserve. Aprista leaders have already warned publicly that it would be a grave error to deny them the fruits of a legal victory.

Behind the threatened crisis lies a tragic paradox. The military's distrust of Haya is entirely emotional, based on historic grievances that are, in large part, no longer relevant. During the campaign Haya went out of his way to reassure the armed forces that he bears them no malice. At the same time, Belaunde, whom the army is tacitly supporting, is running with the help of extreme leftist forces which do constitute a long-range menace to the military institution. The generals appear to be shooting a dead enemy, while turning their backs on a potential live one. The passions of "personalismo" are undermining the structure of democracy in a key Latin American nation.

BUSINESS INVESTMENT AND THE ECONOMY

Mr. HUMPHREY. Mr. President, some of the outcries from certain segments of the business community to the effect that the present administration is "antibusiness" is rendered patently ridiculous by the statistics which continue to flow from the economists analyzing the 1961 economic year.

A recent article in the New York Journal of Commerce dated May 23, 1962, indicates that business investment rose substantially in the first quarter of the year as gross private domestic investment hit a seasonally adjusted annual rate of $77 billion during the quarter—a gain of $17 billion over the low point of the 1960–61 business cycle.

Those who say that the business community has lost confidence because of the administration's policy ought to look at a few of the facts before they begin complaining.

Secondly, the report commenting on the Department of Commerce's Office of Business Economics statement goes on to say that profits before taxes were $13 billion higher in the first 3 months of this year than in 1961.

In short, Mr. President, what some critics of the administration say is simply not borne out by what the business community is doing and accomplishing. Investments are up, profits are up, jobs are up; and it is a little difficult to understand the persistent cry that the administration is antibusiness, that the administration is adversely affecting business.

The results do not prove that complaint.

Mr. President, I ask unanimous consent that the article entitled "Business Investments Reach $77 Billion Rate," appearing in the New York Journal of Commerce, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESS INVESTMENTS REACH $77 BILLION RATE

WASHINGTON, MAY 22.—Business investment rose substantially in the first quarter of the year, it was announced today, with the added expansion coming in large measure out of improved profits.

Gross private domestic investment hit a seasonally adjusted annual rate of $77 billion during the quarter, the Commerce Department's Office of Business Economics reported. This was a gain of $17 billion over the low point of the 1960–61 business cycle in first quarter 1961.

FROM RETAINED EARNINGS

The Office of Business Economics said about half of the investment increase came from retained earnings of corporations after dividends ($6 billion) and capital consumption allowances ($2 billion).

The use of corporate internal funds reflected the fact that profits before taxes were $13 billion higher in the first 3 months of this year than in the comparable 1961 period.

There was also some increase in borrowing by corporate as well as noncorporate enterprise. But the increased demand for capital from business was partly offset by reduced Government needs. Personal savings also bulked larger.

GIVE A BREAK TO INDUSTRY

Mr. HUMPHREY. Mr. President, a fine presentation of the facts on European capital investment and depreciation practices is made in an article appearing in the Wall Street Journal of June 5 by Alfred D. Malabre, Jr., entitled "Keeping Competitive."

Mr. Malabre emphasizes the relatively small percentage of the gross national product that is being spent in the United States on new machinery and other plant equipment as opposed to Western Europe. Not only do we spend less of our GNP on new investment but, contrary to the European story, that percentage is decreasing in the United States.

Mr. President, I have been among those who have expressed to the Secretary of the Treasury strong support of the shortening of the depreciation period for new equipment. I have addressed myself principally to the question of new equipment in the iron and steel processing fields, but it is clear that the comparison of U.S. depreciation schedules with those of Western Europe and Japan indicate that we are not in a competitive position in this respect. Whereas, after 5 years our depreciation schedules generally permit about 43 percent deduction, in Western Europe and Japan it is not less than two-thirds that can be deducted within 5 years. Indeed, in Italy there is 100 percent depreciation after 5 years.

Mr. President, I am convinced that American industry can compete favorably if American industry is given at least an even break on depreciation and other tax matters. Together with expanding credit facilities for U.S. exporters, we must encourage the modernization of more capital equipment. Nowhere is this more imperative than in the iron and steel industry, where the obsolescence of the American steel industry is in striking contrast to that of the steel industry in Western Europe and Japan. For example, Mr. Malabre's article reports the tremendous increase in the use of oxygen in steelmaking—a technology which presently accounts for little over 2 percent of the American steel capacity, whereas in Europe and Japan it is far higher and the investment in new equipment to use the oxygen process is being accelerated.

Mr. President, I ask unanimous consent to have printed at this point in the Record the article entitled "Keeping Competitive," written by Alfred D. Malabre, Jr., and published in the Wall Street Journal, June 5, 1962.

There being no objection, the article was ordered to be printed in the Record, as follows:

KEEPING COMPETITIVE—DECLINING PART OF U.S. GROSS NATIONAL PRODUCT GOES TO NEW EQUIPMENT—BUT PERCENTAGE RISES IN WEST EUROPE, SPURRED BY LOWER TAXES, FASTER WRITEOFFS—KENNEDY TAX PLAN MAY HELP

(By Alfred D. Malabre, Jr.)

There are growing signs that, if present trends continue, the United States could fall behind other nations in keeping its industrial plant modern.

This country is the fatherland of mass production; it has spent nearly $4 billion on new machine tools for its factories in the last 6 years. It makes metal cutting machines that weigh 100 tons each and fill six flatcars in shipment. It produces computers that add 2 million 4-digit numbers a second.

But U.S. economists are asking with increasing frequency, are we keeping pace in modernization? Swift economic integration in Europe and great growth in Japan underscore the question's importance. And the sifting of relevant information pinpoints a pattern worth pondering.

The high spots of the record are these:

The past decade has seen the United States devote a shrinking part of its total expenditures (gross national product) to new machinery and other plant equipment.

Other major industrial nations are devoting a rising part of their expenditures to this purpose.

The U.S. percentage of GNP being thus spent is much smaller than in principal European countries.

Tax laws in other countries are drastically more favorable to plant equipment expenditure than are U.S. laws.

MACHINERY BUYING COMPARED

The table below matches the declining role of machinery and equipment buying in the United States against the rise elsewhere. Expenditures for machinery and equipment are expressed as a percentage of total GNP for each country, as well as for all West European lands combined.

[Percent]

	1960	1950
West Germany	12.1	9.7
All West Europe	9.8	8.0
United Kingdom	9.1	7.0
France	8.4	7.4
United States	5.5	6.6

In the decade, as the table shows, only in the United States has investment in machinery and other production equipment declined in relation to total expenditures. For most countries a 1961 breakdown isn't available. In the United States such spending fell further last year to 4.9 percent of GNP—the lowest rate since 1939's 4.6 percent.

"The rate of modernization of American industry has slowed significantly," warns William F. Butler, vice president in charge of economic research at New York City's Chase Manhattan Bank. "We have, in short, become a low-investment—and hence low-growth—economy."

SOURCES OF FUNDS

Where does a company get money to modernize? If it doesn't borrow or sell stock, it must get it from depreciation funds or retained profits.

Depreciation funds are funds a company may set aside from pretax profits for replacing equipment. Depreciation allowances vary greatly from machine to machine (depending on a machine's estimated life span) and from country to country (depending on tax regulations).

Here's an imaginary example of how depreciation pumps funds for plant spending into companies' coffers:

Company XYZ buys a widgit maker for $100. The company, under the method of depreciation its accountants decide to use, may deduct, say, 20 percent of the machine's price from pretax profits in the first year of its life. Thus, the company's taxable income is reduced by $20 and its tax bill is cut by $10.40 if it is paying the maximum 52 percent U.S. corporate tax rate. The sum may be held toward eventual replacement of the machine. Additional deductions will be made in subsequent years. The number and size will depend on the method of depreciation chosen.

Depreciation rules abroad are much more liberal than in this country. The following table, based on Treasury Department information, comparies depreciation allowances in several countries. The figures show the portion of cost of comparable equipment that could have been deducted after 1, 2, and 5 years.

[Percent]

	1st year	2 years	5 years
France	25	44	76
Germany	20	36	67
Italy	25	50	100
Japan	43	51	68
United Kingdom	39	46	64
United States	11	20	43

Advocates of more generous depreciation allowances note also that it generally costs much more to replace a machine today than the machine cost to buy years ago. The average price of a metal cutting machine, for example, stands at $18,000 today, double the 1951 average. Depreciation allowances fail adequately to provide for this fact, economists contend.

"The inadequacy of depreciation reserves form a major restraint on capital investment," says M. R. Gainsbrugh, chief economist of the National Industrial Conference Board, a nonprofit business research group.

Concern over U.S. production facilities is spurring the administration to provide businessmen with extra incentives to buy equipment. Only through the most modern machinery can U.S. producers, saddled with the world's highest wage rates, hope to compete with manufacturers abroad, many economists reason.

The administration is trying to push through Congress a proposal to give businessmen an 8-percent tax credit on purchases of new equipment. It also is readying increases in the amount businessmen may deduct yearly for depreciation. Officials claim the two measures would place U.S. industry on nearly equal footing with business abroad.

PRESSURE ON PROFITS

Pressure on corporate profits is squeezing the amount of after-tax dollars available to U.S. companies for capital improvements.

The table below traces after-tax corporate profits and undistributed profits over the past decade. Undistributed profits are what is left after a corporation pays taxes and dividends. Though the Nation's industry has grown notably over the past decade, undistributed profits available to help keep it modern were actually lower last year than 10 years earlier. Dollars in the tables are in billions.

Year	After-tax profits	Undistributed profits
1951	$19.7	$10.7
1953	18.1	8.9
1955	23.0	11.8
1957	22.3	9.7
1959	23.7	10.3
1961	23.3	8.8

More liberal tax regulations sponsored by the administration still won't be sufficient to bring U.S. capital outlays up to desired levels, some authorities claim. "Basic tax revision, in addition to the proposed reform of the rules on depreciable property, would do much to stimulate investment," contends Mr. Gainsbrugh of the National Industrial Conference Board.

The corporate tax bite abroad is generally not so large as in the United States. The table compares the maximum rates of corporate income tax in various countries.

Tax rate

	Percent
Belgium	28
Italy	31
Sweden	40
Denmark	44
Japan	49
Canada	50
France	50
Germany	51
United States	52
United Kingdom	53

In several of these countries, moreover, the rate in practice is even lower. Because of special deductions, the average rate for Danish corporations, for instance, is about 36 percent, officials estimate. The West German rate is reduced to approximately 22 percent if all profits are distributed. The Japanese rate on distributed profits is only 42 percent.

Although it is below depression levels of the 1930's, the average age of U.S. production equipment is on the rise, according to studies by the Machinery and Allied Products Institute, a trade group. MAPI places the current average at 9.4 years, up from 9 years in 1958 and from 8.5 years in 1955. The current average is the highest since 1947, when the postwar modernization of U.S. industry was only starting.

U.S. MACHINES OLDEST

MAPI has no similar breakdown for equipment abroad. But surveys by two trade publications, American Machinist and Britain's Metalworking Production, estimate for major countries the portion of machine tools that are 10 years old or more. The U.S. percentage (60 percent) is the highest anywhere. It compares with 55 percent in West Germany, 56 percent in Italy and 59 percent in France and Britain.

The survey of foreign machinery, moreover, is based on 1961 information, while the estimate of U.S. machines was made in 1958.

The percentage of older machines in the United States has since climbed to 62 percent or 63 percent, one authority figures.

Evidence that foreign industries often are quicker to seize upon new production methods worries some observers in the United States.

Take the use of oxygen in steelmaking. By producing steel with oxygen, steelmakers can greatly speed output. Estimates range from a 20-percent production boost to more than 100 percent in some instances.

Oxygen methods, at present, account for about 7.5 million tons of America's estimated 160 million tons of steel capacity, Government officials say. By 1964, another 8 million tons of oxygen capacity will be added, they forecast.

In West Europe, by comparison, 22 million tons of such capacity will be added by the end of next year, according to estimates. Currently, 7.4 million of 130 million tons of steel capacity in West Europe is accounted for by oxygen techniques. Japan is expected to add 10 million tons of capacity in oxygen installations by 1964. Some 6.8 million tons of Japan's current steel capacity of 31 million tons represents oxygen methods.

Not all the evidence, to be sure, is bleak. A $5 billion-plus excess of U.S. exports over imports last year certainly argues against any U.S. industrial obsolescence. And—until this year, at least—this excess has been increasing steadily. Many economists, noting that U.S. research and development outlays (about $15 billion last year) are running probably twice as much as Western Europe's, believe U.S. exports will continue to lead imports by a healthy margin.

Also, there is no doubt that much of Europe's capital investment in the decade of the 1950's went to rebuild war-smashed factories—no problem in the United States. With this job now behind it, Europe's urge to expand and modernize may be diminishing.

A number of economists contend a spurt in consumer buying is needed for any appreciable rise in capital spending. They point to the large amount of unused capacity in American industry as a drag on new equipment spending. One Government economist reckons West Europe's manufacturing industries currently are operating at about 95 percent of capacity, based on normal shift activity. In the United States, he estimates, the rate is only about 80 percent.

GEORGE MEANY'S STATEMENT ON PROFITS

Mr. HUMPHREY. Mr. President, recently the distinguished junior Senator from Arizona [Mr. GOLDWATER], here on the floor of the Senate, took vigorous exception to the remarks made by George Meany, president of the AFL–CIO, at the White House Conference on National Economic Issues.

The Senator from Arizona took President Meany to task for lacking a knowledge of our economic system and the place of business profits and losses in the employment picture.

After hearing the Senator's criticism of this distinguished leader of the American trade union movement, my curiosity was aroused; so I obtained a transcript of the actual remarks Mr. George Meany made before the national conference on May 22.

For the benefit of my colleagues, and especially for the benefit of my good friend from Arizona, I ask unanimous consent that Mr. Meany's statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, the junior Senator from Arizona will, I am certain, be pleased to learn from reading the actual text of Mr. Meany's remarks that his fears about Mr. Meany's lack of knowledge of our economic system are quite unfounded. The Senator from Arizona will be pleased to learn that Mr. Meany does not question the right of any business establishment to make adequate profits, nor does he fail to appreciate the necessity of adequate profits in order for our economic structure to operate properly and to make growth and development possible. All that Mr. Meany proposed was that the National Association of Manufacturers and other business groups specifically spell out how an increase in profits will help to alleviate the serious problem of unemployment. In other words, Mr. Meany is deeply concerned with the problem of unemployment, which is a continuing problem, and about which every Senator should be concerned until that problem is rectified by the employment of those who today seek work.

Let me quote directly from Mr. Meany's speech:

> I have been told time and time again that industry makes jobs, that a certain amount of investment in a business creates a single job, and I daresay that this is true.
>
> So I would like the National Association of Manufacturers, in this time of crisis for this country, to specifically lay down—I think they have an obligation to lay down their proposal as to how we are going to make jobs, how we are going to make 1,350,000 jobs a year for the next 10 years to take care of our increased labor force, and perhaps another 200,000 a year to take care of those who are replaced, permanently replaced, by automation or technological change. It is not enough to tell us that industry makes jobs and things will take care of themselves.
>
> We started with, in the recession of 10 years ago, 1.9 percent base unemployment; the next recession, 3-point-some percentage; the next, 14-point-something; the next, 15-point-something. It is quite obvious where we are going.
>
> So when the National Association of Manufacturers says that the trouble lies in the tax structure, that there are not enough profits, I would like them to specifically spell it out, to say what they think the profit margin should be.
>
> Most of the American people, Mr. Sligh, believe that the profits of industry are now too big. Now, they may be wrong, but this is the general accepted belief on the part of the public. The figures that are put out by some of these large corporations are staggering, the profits that they make, great increases year after year. So if there are more profits needed, let the NAM say so, just say how they will handle it, and just say how these profits, additional profits, will be used to make jobs. I am all for all the profits you need if you will make the jobs. I don't care what profit you get, if you can put America back to work, if you can stop this creeping residue of unemployment which we have got which, sooner or later, is going to bring us to the point where all of the measures devised to help the unemployed will be of no avail and we will have this vicious cycle of the unemployed themselves causing more people to become unemployed, in other words, unemployment feeding upon itself.
>
> So I am all for profits. I don't care how high they go, if they will solve this economic problem of this Nation.

In my opinion, Mr. President, Mr. Meany's proposal is completely reasonable and constructive. I certainly feel that he had a right to make the inquiry, and that it should not be interpreted as being antiprofits or antibusiness. On the contrary, Mr. Meany is deeply concerned, as are most Americans, with the problem of unemployment; and he has asked the captains of industry and the National Association of Manufacturers to present proposals in regard to how increased earnings would be translated into increased jobs. I do not interpret his remarks as being critical of profits or of corporations. Instead, I interpret his remarks as those of an inquiring man who is interested in the problems of unemployment and how they can be corrected.

I, too, would be interested in seeing the NAM set forth in detail its proposal as to how to increase the economic growth rate and reduce the number of unemployed. I have had some views on these problems, and I have expressed them.

I fail to see anything in Mr. Meany's remarks which indicates a lack of knowledge of our economic system. I may say that his statement was made extemporaneously or informally at the conference called by the President. In fact, I was most impressed, from reading his statement, with the AFL–CIO president's grasp of our economic system. I commend him for what he said.

We in America can be justly proud that the labor movement in this country is headed by a man of the caliber of George Meany. He is a good citizen; he is a patriotic and loyal American; he is a man of complete integrity and of good judgment and common sense. He is not given to extremes or to narrow, dogmatic positions.

EXHIBIT 1

EXCERPT FROM WHITE HOUSE CONFERENCE NATIONAL ECONOMIC ISSUES MAY 22, 1962

Mr. MEANY. The real reason we are meeting here today jointly, labor, management, public, and Government, in my opinion, is because we are in trouble. If we were not in trouble we wouldn't be here. In other words, it is not the business, normally, of Inland Steel or of General Motors or of Henry Ford how the AFL–CIO conducts its business or what policy it advocates; and neither is it my business, Joe, how you run your shop, or how you run United States Steel. We could accept the law of the jungle, as it were, if we didn't have a national problem that affects us all.

Now, what is the national problem, in my opinion? The national problem is that we are not economically as healthy as we should be in order to maintain our place in this very troubled world. We have a huge and powerful nation dedicated to the idea of destroying the United States of America and everything that it represents, by economic means, by subversion, or any other method that they can use. We don't have a large enough growth rate; we have a creeping unemployment situation, gradually getting worse all the time. And I would like to see the National Association of Manufacturers, as the spokesmen for industry in this country, make its position crystal clear on just how do we meet this problem.

I have been told time and time again that industry makes jobs, that a certain amount of investment in a business creates a single job, and I dare say that this is true.

So I would like the National Association of Manufacturers, in this time of crisis for this country, to specifically lay down—I think they have an obligation to lay down their proposal as to how we are going to make jobs, how we are going to make 1,350,000 jobs a year for the next 10 years to take care of our increased labor force, and perhaps another 200,000 a year to take care of those who are replaced, permanently replaced, by automation or technological change. It is not enough to tell us that industry makes jobs and things will take care of themselves.

We started with, in the recession of 10 years ago, 1.9 percent base unemployment, the next recession, 3-point-some percentage, the next, 14-point-something, the next, 15-point-something. It is quite obvious where we are going.

So when the National Association of Manufacturers says that the trouble lies in the tax structure, that there are not enough profits, I would like them to specifically spell it out, to say what they think the profit margin should be.

Most of the American people, Mr. Sligh, believes that the profits of industry are now too big. Now, they may be wrong, but this is the general accepted belief on the part of the public. The figures that are put out by some of these large corporations are staggering, the profits that they make, great increases year after year. So if there are more profits needed, let the NAM say so, just say how they will handle it, and just say how these profits, additional profits, will be used to make jobs. I am all for all the profits you need if you will make the jobs. I don't care what profit you get, if you can put America back to work, if you can stop this creeping residue of unemployment which we have got which, sooner or later, is going to bring us to the point where all of the measures devised to help the unemployed will be of no avail and we will have this vicious cycle of the unemployed themselves causing more people to become unemployed, in other words, unemployment feeding upon itself.

So I am all for profits, I don't care how high they go, if they will solve this economic problem of this Nation.

So I challenge the NAM to tell us how much profit they need, business needs, and how this profit is going to be translated into jobs: not how it is going to be translated into fatter salaries for some of the high executives, not how it is going to be transferred through stock option plans into this business of legalized larceny that is practiced by some of these companies, but how it is going to be translated into jobs, because the problem of this Nation today is jobs for people. Everything else connected with our economic health is tied right up with this question of jobs, and I would challenge the NAM to tell how industry, which makes jobs according to the book, will make them now and in the future by more profits. And if they can show me, I am for more profits.

Mr. Block. Well now, in fairness to Mr. Sligh, I am going to give him an opportunity to reply, after which there will be a few announcements, and then we will go into the workshop meeting.

Mr. Sligh. I believe Mr. Meany was out of the room——

Mr. Meany. I was not.

Mr. Sligh. When I recited the change of profits from 1947 to 1961?

Mr. Meany. Yes. I would like you to be more specific.

Mr. Sligh. I would like to say that NAM has detailed its program for job-making. Unfortunately, I gather Mr. Meany hasn't seen it, but I will see that he gets that, and I would like nothing better than his support in that program.

As far as the level of profits and what is a fair profit, I think personally the consumer is the person to make that decision, and today and for some time we have been too apt to take, perhaps, the union's word for what profits should be, or the Government's word. I think the consumer should be the judge.

I would disagree with Mr. Meany that the consumer, or the people on the street, that they think corporate profits are too high. I have found, many, many times, in asking people what the percentage of profit out of a sales dollar should be, or what it is, rather, I have had guesses, usually, not lower than 12 or 15 percent, and as high as 50 percent. Then, when we have asked what should a profit be, or what is a fair profit as a percentage of sales, the figure is practically never below 10 percent, and, of course, for many, many years the profit of American business has been less than 5 percent on sales.

So I think the consumer should be the one to make that decision. But we will, in answer to your question, give you a detailed plan as to how we think job opportunities can be created. This is a story we have been trying to tell, very evidently ineffectively, for many years, and I hope that we can have your support in putting it across.

Mr. Block. Thank you both.

WHO SAYS THE KENNEDY ADMINISTRATION IS ANTIBUSINESS OR IS NOT WORKING TO CARE FOR AMERICAN FAMILY FARMERS?

Mr. WILLIAMS of Delaware. Mr. President, who says that the Kennedy administration is antibusiness or that it is not promoting an agriculture program designed to take care of the American family farmers?

Last year, one of the first official acts on the New Frontier was to pass the 1961 feed grains program, and Congress is now debating the wisdom of extending this fantastic program even further in the coming years.

In presenting this program, the New Frontiersmen placed great emphasis upon the fact that it was designed to help promote and protect the American family farmers of America. As evidence of the extent to which the 1961 feed grains program protects these family farms, I cite a few specific examples of the type of payments which were rendered during the calendar year 1961:

The Ford Motor Co., of Belleville, Mich., was paid $5,394.88.

The California Packing Corp., of Woodland, Calif., was paid $7,298.28; and the same corporation in Crystal City, Tex., received $7,881.95—or a total of $15,180.23.

The Reynolds Metals Co., of Henderson, Ky., was paid $12,984.32.

The Northern Trust & Co., of Chicago, Ill., was paid $41,253.68 to curtail some of its farming operations.

Who says that the Kennedy farm program was not designed to help the small farmers?

Of course, I am not sure whether these payments represent an attempt on the part of the Kennedy administration to protect the family farm life of America or whether they represent an effort to minimize the antibusiness impression which its other actions have created. In any event, these payments were made under the Kennedy farm program, and these payments will continue under the program which is being advocated for passage at the present time.

But these are not the only steps which the Kennedy administration is taking to protect the family life on the American farms. For example:

The Louisiana State Penitentiary, at Angola, La., was paid $45,414, and the Glades State Prison Farm, at Belle Glade, Fla., was paid $6,818.40 to curtail their farming operations.

Just how these payments to the State prisons promote the American family farm life is a point which I am sure only a New Frontiersman could explain.

The city of St. Louis—address, City Hall, St. Louis, Mo.—is another small midwestern farmer which was paid $12,203.91 to curtail its farming operations.

Much has been said by the New Frontiersmen of their interest in outer space, and I am not sure whether the Department is planning to extend the New Frontier farm program to these outer planets; however, I note that in 1961 they included two airports on their list as farmers.

The Waterloo Municipal Airport, Waterloo, Iowa, was paid $5,846.75 to curtail its farming operations while the Kearney Municipal Airport, Kearney, Nebr., collected $6,707.70.

Apparently Secretary Freeman recognized that when this impressive group of small farmers curtail their farming operations in return for the above listed payments they would have some extra time on their hands for recreation, so we find that under this same feed grains program they paid the State Game Commission, Plattsmouth, Nebr., $5,115.30 to curtail its farming operations.

These examples point up the utter ridiculousness of any administration's trying to promote an agriculture program which is based on high support prices and the premise that it can pay the American farmers not to produce. What makes the 1962 proposed program even more ridiculous is that under the proposed plan, as it was passed by the Senate and as it is now being considered by the House, this type of payment would be not voluntary, but mandatory.

If in presenting these examples under the 1961 feed grains program my remarks can in any way be interpreted as ridiculing the Kennedy farm program, I wish to state that they are so intended.

Mr. President, I ask unanimous consent that an editorial published on June 4 in the Indianapolis Star be printed in the body of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Man Who Isn't There

There is a man who isn't there at all in the Billie Sol Estes case. The truth of the matter is that he hasn't been there for a long time in the entire scheme of governmental agriculture.

The man who isn't there is the American family farmer.

Now the whole agricultural program was set up to take care of the American family farmer. The politicians said it, so it must be so. The bureaucrats in the Agricultural Stabilization and Conservation Service preached it, so no one can doubt it. The city citizen who reads his newspaper has been assured time and again that billions of dollars and millions of ideas were being spent to insure the survival of the American family farmer.

But the American family farmer isn't there.

When the investigating committees began to dig into the ASCS and its grain program, they didn't find the American family farmer. They found Billie Sol. They found a lot of bureaucrats. They found a big commercial fertilizer company that was using Billie Sol's connections with the Government as the credit base to finance more fertilizer sales.

Not once has anyone discussed a single American family farmer.

There is the matter of Billie Sol's cotton allotment. He got it because a lot of southern-type American family farmers had lost their acreage to the ponderous machinations of local, State, and Federal Government. They certainly weren't there. These little cotton farmers had long since been wrung out and tossed into the bureaucratic discard. It took Billie Sol and some eagle-eyed help, probably within and without the ASCS, to pull these cotton allotments together for a profit.

The bureaucrats talk about moving thousands of bushels of wheat from one storage place to another. They discuss these shifts with a perfectly straight face and solemnly declare that there is no favoritism in the ASCS. More than that, the Government will not lose a single penny on Billie Sol's grain juggling.

And there's not a single word spoken about the American family farmer.

The fact is that the Estes case simply uncovers controlled agriculture for what it really is. The system has been a bonanza for Billie Sol, the big operators, the fast-buck boys who somehow find out about available allotments even when there is absolutely no favoritism in the ASCS.

The Kennedy-Freeman farm plan will just mean more of the same. If it should be adopted, the American family farmer will still be the man who isn't there.

REGULATION OF FARES FOR TRANSPORTATION OF SCHOOLCHILDREN IN DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to the bill S. 1745.

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the bill (S. 1745) to amend the act of August 9, 1955, relating to the regulation of fares for the transportation of schoolchildren in the District of Columbia, which were, on page 1, line 10, after "income" insert "from mass transportation operations in the District of Columbia"; on page 2, line 2, strike out "June 30" and insert "August 31"; on page 2, lines 6 and 7, strike out "revenues" and insert "revenues in the District of Columbia"; on page 2, line 9, strike out "June 30" and insert "August 31"; on page 2, line 18, after "income" insert "from mass transportation operations in the District of Columbia", and on page 3, line 4, strike out "June 30" and insert "August 31".

Mr. MORSE. Mr. President, the purpose of S. 1745 is to provide that the District of Columbia Government shall pay annually to each common carrier who is required to transport schoolchildren at a reduced fare, the difference between such reduced fare and the amount which would have otherwise been paid if the lowest adult fare had been collected. Such payments by the District of Columbia would be limited to an amount which would not increase the net operating income of a carrier to an amount over and above that prescribed in the carrier's last rate case.

The House has amended S. 1745 in two essential respects. The first amendment changes the 12-month measured period from June 30 to August 31. This amendment has the effect of permitting the measured year period in the bill to coincide with the year period used to determine exemption from motor vehicle fuel and real estate taxes, and thereby avoid duplication and overlapping of required auditing.

The other House amendment bases eligibility for the subsidy on D.C. Transit, Inc., operating in the District of Columbia, rather than the entire operation of the company, which includes suburbia Maryland. This amendment has the purpose of avoiding the possibility that District of Columbia taxpayers may subsidize companies receiving subsidies under the bill for operations carried on outside the District of Columbia.

Both these amendments were proposed and requested by the District of Columbia Commissioners.

Mr. President, the amendments of the House are acceptable to both sides of the aisle, and I move that the Senate concur in the House amendments.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Oregon.

Motion was agreed to.

FOREIGN POLICY

Mr. MORSE. Mr. President, I am very sorry that a series of engagements in Oregon, where the Senate Commerce Committee held a hearing on lumber problems on June 4, and in Denver, where my presence was required as the public member of the advisory board of the welfare fund of the electrical industry, upon appointment of the Secretary of Labor, kept me from the Senate during the consideration of the foreign aid bill.

Had I been here, I should certainly have had something to say about the proposals made here relating to various kind of aid to Communist countries. From a reading of the debate which took place on June 6, I am frank to say that I find it impossible to learn what was intended by the series of anti-Communist amendments, or what their effect would be. The debate was uninformative; in fact, there was little discussion at all that would shed light on the intent of the Senate, or indicate that Senators knew precisely what they were voting for.

My original intention was to vote for the Proxmire amendment suspending aid to Yugoslavia for 1 year; but by the time the Senate had ranged far beyond the foreign aid bill into surplus food disposal, and far from the threat of the military power of the Communist bloc into the hazy and indefinite area of what is a Marxist country, then the backers of the original amendment simply lost me. I therefore asked to be recorded against the Proxmire amendment, and for the revision made on June 7, restore authority to dispose of surplus food to nations judged as outside the Communist program for world conquest.

It is an astonishing thing for me to read some of the statements made during the course of the debate. One gets the clear impression that the Senate made no distinction between freedom and totalitarianism; but only between "our dictators" and "their dictators." I would vote to end aid to Yugoslavia for the time being because it is a totalitarian state and because I do not believe the effect of what we have extended so far has helped keep its Communist government out of the Soviet bloc. The factors which caused Tito to break with Stalin were rooted far outside the wishes, desires, or actions of the United States, and I think the factors which seem to be bringing about a reconciliation between Tito and Khrushchev are also beyond the influence of the United States. At least, they are beyond the influence we can exert through foreign aid.

Nonetheless, I would not want the word to go out to the world, as it did without challenge, that the United States is perfectly willing to stand on the necks of other people of the world by supporting right-wing dictators in order to promote our own security. It is long past time for the United States to review our military position with the long-range objective in mind of terminating our bases in such countries as Spain and Saudi Arabia.

Let us never forget that we are occupying those bases at the price of other people's freedom. Senators talked here about Tito's suppression of religious freedom; of the lack of property rights in Poland and Yugoslavia. Do Senators think for a moment that there is religious freedom in Spain, or that the right of private property is exercised in Saudi Arabia by any more than a tiny handful of autocrats? Senators may fool themselves about these facts, but they are not fooling anyone else.

I am for termination of loan aid to Yugoslavia, but I do not stop there. I am also for termination of our military dependence upon fascism and feudalism.

Secondly, it was a great surprise to me to read in the Record that so many who think they are the greatest opponents of communism were leading the retreat from the fields where we are fighting communism all over the world.

Just what is the cold war, anyway, if it is not the struggle in Asia, Africa, and Latin America, to see the people of these nations, both old and new, emerge into modern life in the pattern of free institutions, and not in the pattern of communism?

Yet too many Americans hear the word "Marxism" uttered by a young native politician in a new country somewhere in the world, and their only reaction is to run for their lives. Just why should the great, powerful United States of America be so easily frightened out of the cold war? Why should we surrender so quickly?

When one considers that it will be two or three generations before the underdeveloped continents begin to stabilize their political and economic institutions, it is simply incredible that it should even be suggested that we give up on them so early in the game.

Some Members of this body feel perfectly confident that there is no difference between Marxism and communism. Perhaps they can tell me whether a Marxian Socialist is the same as a Marxian Communist, and whether socialism is the same as communism, and what democracy has to do with either one. Probably every Democrat in the Congress calls himself or herself a Jeffersonian Democrat; yet there are as many different Jeffersonians as there are Democrats.

Many Americans have solemnly quoted to me Karl Marx as an authority on the nature and purpose of the income tax. Does that make them all Marxists?

We had better recognize in this country that not every Asian, African, and Latin is a disciple of Jefferson. Too many of them have learned more about Marx and Lenin than about Jefferson. Does that mean we should quit right now trying to compete? It is about time that we understood how long a contest this is going to be, and that we will never hold our own, much less win the contest without being vigorous and aggressive in pressing the virtues of free political and economic institutions. We will never be able to do that job if we pack up and leave every country that seems to us to be getting off to a bad start. It is in these countries that we should be most determined to stay, and to keep a foot in the door.

Finally, I am in complete agreement with the stress given to the failure of communism to feed its people. The foremost task and the greatest test of any economic system is how it produces and distributes food. Communism has failed miserably, and we have succeeded admirably, in this function.

SURPLUS FOOD IN COMMUNIST COUNTRIES

I do not believe we should now subsidize that failure of communism by furnishing food to their governments to distribute as their own. But there are ways we can demonstrate the difference between our systems. One way is to continue to send food into Communist countries—yes, even Communist-bloc countries—under supervision. The Senator from Connecticut [Mr. DODD] mentioned the possibility of sending food to Communist countries for distribution under the direction of individual Americans. I would favor that, and I would also favor furnishing food to be distributed by the International Red Cross, or even the United Nations.

Mr. President, we have not even started to scratch the surface of the potentiality of the United Nations as a distributing center in such a humanitarian cause. The present presiding officer of the Senate [Mr. METCALF] has heard me say before—and I am proud to repeat—as a Christian, I do not think we can ever justify walking out on our Christian principles. Anyone would have a hard time ever convincing me that we can reconcile the teachings of the Master with aiding and abetting starvation of human beings in the world.

What we must do is to draw a line of procedural difference between the turning of food over to Communist governments to distribute as their own and to use as a weapon for strengthening their hold upon the people and the distributing of that food to God's children, even though they may be the slaves of a Communist state, through procedures such as are set up by the International Red Cross, or by the United Nations, or, as the Senator from Connecticut suggested, by American individuals or private organizations.

I shall not run for political cover, Mr. President, merely because some say it is not good politics to suggest that we keep faith with our Christian principles when we implement those principles in terms of seeking to prevent starvation of human beings.

In my judgment, we will strengthen the cause of freedom and respect for democracy around the world to the extent that we are willing to put into practice the religious principles which are preached to us on Sunday and which we profess to worship on Sunday.

Mr. President, I make these comments today in respect to the matter of food for the starving as separate and distinct from foreign aid to Iron Curtain countries.

A constituent of mine has suggested that we offer to furnish food for a United Nations distribution in Communist China. I think we should push the idea. No doubt the idea will be dimly received in Communist China, but it is time we stopped giving so much credit to what the Communists are going to say. Let Red China turn down the idea, if it wishes to do so. That should not deter us from making the offer.

I make my suggestion, Mr. President, on the basis of the procedural recommendation that this distribution be done through an international organization such as the United Nations or the International Red Cross.

I cannot imagine a more graphic way to demonstrate the difference between the productivity of free agriculture and the failure of Communist agriculture. It is a difference that should not be lost on the rest of the world.

U.S. MILITARY AID TO NATO COUNTRIES

Mr. President, had I been present and participated in the debate on foreign aid before the vote was taken I would have had something to say about another phase of this matter, because we must take a long, hard look at foreign aid to countries which are now able to aid themselves.

Let me say that I think the report of the Senate Committee on Foreign Relations bears out the wisdom of the amendment which the Senator from Idaho [Mr. CHURCH] tried to add to last year's bill, ending military assistance to our NATO partners in Western Europe. I voted for the Church amendment of 1961, but it did not pass. That was due primarily to the Berlin crisis, which convinced many Senators that we had to go ahead with military aid to other NATO partners, or else appear to be drawing back from our European commitments.

We know now, in spite of the sharp reaction of the United States to the Berlin crisis, including the calling up of the Reserves and an extra large expenditure to "beef up" our military forces in Europe, that other NATO members did not follow suit to the same extent, even though they are closer to the threat than we and even though their economic condition enables them to carry their own defense burdens.

Mr. President, sometimes I wonder if our NATO allies are laboring under the impression that it is only the security of the United States which is at stake, which brought about the NATO Treaty in the first instance. I have a right to speak about the NATO Treaty, because the RECORD will show that the then Senator from New Hampshire, Mr. Tobey, the Senator from Vermont [Mr. AIKEN], and the Senator from Oregon were selected by the Senator in charge of the NATO Treaty, Mr. Vandenberg, to assist him in presenting the NATO Treaty to the Senate for ratification.

Mr. President, the underlying thesis of the NATO Treaty was, "All for one, and one for all." I believe it is, in article 5 of the treaty, stated in black and white that an attack upon one is an attack upon all.

Mr. President, I think the time has come, most respectfully but without equivocation, to point out to our NATO allies that they have not been upholding their burden of expenditures under the NATO Treaty. The sad fact is that the American taxpayers have been carrying an undue share of the burden.

That is why last year I supported the Church amendment. I am glad that a modified Church amendment has been made a part of the bill. I do not think it goes far enough, but at least it is a start.

We discussed this problem in the Committee on Foreign Relations this year, Mr. President, but because the military aid section of the 1961 bill covered 1962, we did not go into military aid this year in the bill. The committee report went into the problem, with a special section on NATO.

In the committee report this year it was stated, in part:

> The world has changed a great deal since NATO's birth, but NATO has not changed with it. At present the Organization is not sufficiently geared to the requirements of the alliance. On both sides of the Atlantic, there is an understandably compelling interest, if not fascination, in the expanding economic interdependence of the Atlantic Community. However, the political and military relationships of NATO members are failing to evolve, and are lagging well behind these rapidly maturing economic relationships.

For myself, I think the time is long past when the European members of

NATO should be expected to pay their own share of the costs of the Organization. All we are asking is that they pay their fair share, and that the American taxpayers not be asked to pay much more than their share, as is being done at the present time. With the advent of the Common Market, and the difficulties the United States will have selling American products there, our balance-of-payments problem may well worsen. Military aid to Western Europe was justifiable only when those nations were financially unable to provide for themselves, but I do not think that condition prevails any longer.

As I have said, I am very pleased that a start was made to terminate this aid by the addition of a modified Church amendment to the bill; leaving, however, wide discretion to the President of the United States in respect to the matter of military aid to NATO.

I hope that next year when military aid will be an integral part of the foreign aid bill, the Senate will face up to the NATO problem. In the meantime I hope that the present administration, which is the administration of my own party, will make clear to our allies in NATO that there must be a tapering off of the huge American expenditures now going into NATO. There must be an assumption of a greater financial responsibility on the part of the NATO countries, particularly France, England, and West Germany. For that matter the statement goes for all the NATO countries.

The American people are perfectly willing to do their share in providing the sinews of defense for the protection and security of freedom in the NATO countries and elsewhere in the world. But I am also convinced that the American taxpayers have had just about enough of what amounts to too great a degree of one-sided streetwalks on this subject. The American taxpayers are taking a very careful look at our balance-of-payments problem.

In fact, if there are any politicians in the Congress who think the voters are not ahead of them in this matter, then let me warn them that they had better talk to the voters, because the voters know that we cannot continue to pour wealth out of the United States.

Psychologically, I think the position of the American dollar in Canada is having a terrific psychological effect on the American people. We are not accustomed to going anywhere in the world and not finding the American dollar not worth 100 cents to the dollar.

But the dollar is not worth 100 cents across the border in Canada. One can explain to his heart's content what the motivations of Canada may be in regard to the subject. The sad fact is that it is a warning sign. It has been going on in Canada for the past several years. There is talk in other places in the world in regard to the basic value of the American dollar.

Therefore, I would warn from the floor of the Senate today that I think it is incumbent upon us and the President of the United States, representing the executive branch, to take a look at the huge sums of money that we are pouring into NATO when our allies are demonstrably failing to uphold their burden of the expenditures.

Therefore, I shall continue to urge that we reevaluate our military aid program, and where we find a country such as West Germany, France, Italy, and England capable of assuming a much larger share of the cost of its own defense, we have a right to say, "It is about time that you impose the taxes necessary to pay for your own defense. We will contribute in a joint allied NATO defense our share. But not yours, too."

NEED FOR SUPPORT FROM ALLIES IN SOUTHEAST ASIA

We must take a look at the entire foreign aid program from the standpoint of other nations that now have the ability to pay, assuming their share of the burden, for Berlin is not the only trouble spot in the world. There are other hot spots.

I would have Senators turn from Europe now and take a look at southeast Asia. The United States has been paying practically the entire military bill for some years in Laos, as far as the government we recognize is concerned. I ask the question, Why should we alone be paying most of that bill? Is the problem of Laos a problem that threatens the security of the United States alone? Do none of our allies have a security problem in regard to southeast Asia?

Oh, yes, representatives of the State Department will probably come forward, as some of their witnesses have before the Foreign Relations Committee, and call attention to some token contributions. But, Mr. President, I say they are token compared with the largess that the United States has poured into Laos. Here again I wish to suggest that free nations are going to have to stand together and be willing to pay together the price of making freedom secure. The United States cannot continue pouring out its millions and its billions while other nations likewise having an ability to pay always seem to be doling out a relative pittance.

Not only am I talking in terms of money today in regard to the subject of foreign aid from a military standpoint, but also I am talking in terms of bodies—the bodies of the flower of our youth, the military personnel of the United States.

Of course, we have made perfectly clear that we intend to fight and die, if necessary, for the protection and the security of freedom in those areas of the world in which the Communist challenge threatens the security of the free world. But I raise the question on the floor of the Senate today, What about Great Britain? What about Canada? What about New Zealand? What about Australia? What about the Philippines? What about the rest of our allies in the free world? How many troops are those countries indicating they are willing to send into the trouble spots of the world, whether it is Laos or South Vietnam or elsewhere in the world, where freedom may be threatened? And money is no substitute for bodies.

As I have listened to the briefings on South Vietnam and Laos, I find it difficult to escape the conclusion that basically to date it is still pretty much unilateral action on the part of the United States, with a little fringe assistance from our allies. I say to my administration today that I have been across the country in the past few days talking to the people, and the people likewise are perplexed.

I walked on the floor of the Senate earlier today and heard a little discussion of what our tax dollar should be.

We cannot separate this either from the whole question of foreign aid. We cannot separate the tax issue either from the whole question of balance of payments. We cannot separate it either from the value of the American dollar, about which I spoke only a few minutes ago. I say most respectfully that I do not share the point of view, which I heard expressed on the floor this afternoon, that we should not proceed now to a consideration of a program of tax reduction. It is linked to some of our foreign outgo with regard to which I believe there can be the saving of huge sums of money.

There is NATO; there are military bases in totalitarian countries, Fascist in nature. There is military aid to so-called totalitarian governments, be they Fascist or Communist. I have tried to indicate this afternoon that I believe we ought to revise our policy in regard to these practices which cause the outpouring of millions of dollars for military aid to such types of governments, be they Fascist or Communist.

Substantial savings could be made in all these areas.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DWORSHAK. As I came into the Chamber I heard the Senator from Oregon criticize the failure of the United States to request the assistance of the United Nations in the military activities in southeast Asia. Is that correct?

Mr. MORSE. No; the Senator misunderstood me. I was not talking about the United Nations in respect to southeast Asia, but about the SEATO alliance and its specific members.

Mr. DWORSHAK. The Senator did not mention the United Nations?

Mr. MORSE. Not in regard to this subject. I mentioned the United Nations earlier in regard to the matter of developing a procedure for distributing food. I said I thought it was a procedure that we ought to examine, to determine to what extent that kind of procedure might be workable in carrying out what I consider to be a sound Christian principle, namely, that we cannot stand idly by and let people starve merely because they happen to be slaves of a Communist dictator.

Mr. DWORSHAK. Does the Senator from Oregon believe that it is a defensible position for our Government to take, particularly the State Department, that we maintain unilateral military action in southeast Asia, instead of requesting the United Nations to take positive action which will serve notice upon the Red leadership of China and Russia and the satellites that there will be no toleration of continuous infiltration and aggression by the Soviets in southeast Asia?

Mr. MORSE. I am sure it is permissible to say on the floor of the Senate, what I have said in discussions in executive sessions of the Committee on Foreign Relations, because what I say now, in my judgment—and I want to show what my motivation is—in no way violates any of the confidences of these executive sessions. For quite some time in the Foreign Relations Committee, I have been raising what I consider to be pertinent questions—some may consider them to be impertinent—as to whether it was a wise policy to be following what amounts in fact to unilateral action not only in South Vietnam but in some other places of the world. I thought we had a clear duty to call upon our allies, and that I preferred to do it through the United Nations. We should find out to what extent they propose to be of assistance to us in southeast Asia.

However, as to the comment of the Senator, I believe we can, so far as unilateral action is concerned as an American policy, justify it from the standpoint of our own defense and security. What I have tried to point out in the committee is that this involves the defense and security of every free nation in the world. The other free nations of the world ought to do more than they have demonstrated they are willing to do thus far in giving support to us as we go forward with our men and our millions to defend freedom in southeast Asia.

I may say also that I am a little worried about conventional unilateral action in southeast Asia. I am very frank with the Senator from Idaho when I say that I have heard no evidence which convinces me that it would be militarily wise for us to let an American army get bogged down anywhere in Asia in a conventional war. We make a great mistake in letting Russia pick the spot to which we will send American boys to fight for freedom. If we get an American army over there, I fear that it might find itself in some difficulty. It might suffer heavy casualties. Then we would find a demand made that we resort to nuclear weapons.

If we were still in a unilateral position—mark my premise, Mr. President—if we were still in a unilateral position, and we did not have the other allies with us, and we used nuclear weapons, I ask the Senator from Idaho: Are we sure what the reaction of our allies would be then, and are we sure what the reaction of the neutrals would be then?

That is why I have suggested that it is very important that this be united action.

Earlier in my speech, going back to the NATO treaty, I pointed out that the underlying basis was that it was based upon the suggestion that it was one for all and all for one. That was article V of the treaty.

I feel the same way about southeast Asia.

As I talk about the fiscal problems confronting my Government today, I am trying to point out that we cannot separate fiscal problems from the great foreign aid outgo, which we have been pouring out around the world, helping nations get into a position where they have the ability to help themselves. What I deplore is that I have seen little evidence of any great enthusiasm on their part to help themselves, to pay the bills, as long as Uncle Sam is willing to pay.

Mr. DWORSHAK. Mr President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. DWORSHAK. Obviously our military forces are unilaterally helping to hold the line against Soviet aggression in Thailand, Laos, and in Vietnam. It is difficult to forecast what may happen. I am sure the Senator will agree with me that it will be a much easier task to request United Nations support and participation while we are in what we might call a stalemate, rather than to wait until an acute situation develops and then request the U.N. to intercede. Will the Senator agree with me on that?

Mr. MORSE. Yes. I have pressed that point of view in the Foreign Relations Committee as State Department witnesses have been before us. Again I believe I violate no confidence—although I may be getting very close to the line—that we have been given assurances that these procedures are being explored. That is all I can say on the floor of the Senate.

Mr. DWORSHAK. Three months ago I wrote a letter to the State Department on this subject. The reply that I received, which I do not believe is confidential or classified in any way, advises me that the State Department had properly briefed and informed the United Nations about developments in southeast Asia, but that no request had been made of the United Nations to provide any help; but that if a situation required it, subsequently a request would be made by our Government for the United Nations to take definite and specific action.

Mr. MORSE. In fairness to the State Department, I believe this supplementary comment should be made by me.

Thus far we have been working through SEATO. As the Senator from Idaho knows, SEATO is an appropriate alliance, consistent with the United Nations, which we entered into to bind together the free nations of southeast Asia to meet an emergency which might arise threatening freedom. The theory is that if SEATO does not work, we must fall back upon the United Nations.

In my judgment, SEATO is not working very well. The responses thus far from Australia and New Zealand have been what I call token or fringe responses. Those countries will make some showing, perhaps by supplying a few planes or perhaps a small contingent of men. But it seems to me that we must be assured that all the SEATO countries will act together as a unit; that the principle is "All for one and one for all"; not the United States for all. There has been very little return from the other nations by way of assistance to us.

TAX REDUCTION NEEDED TO STIMULATE ECONOMIC GROWTH

I say to the Senator from Idaho [Mr. DWORSHAK] that I was speaking only of the problem of foreign aid, particularly military aid, although to some extent the aid relates to economic assistance, in some parts of the world, as well. I have been talking about it because of its relationship to the fiscal problems which confront the Republic at this time, problems which I believe are very serious. That is why I wished to make the few comments I am making today, setting forth my position in regard to the tax reduction program.

This is not a new position for me. I have been advocating a tax reduction program for some time, always hitching it to my suggestion that there could be a tax reduction in the United States if we could get other countries, which have now achieved the ability to carry their share of the burden financially, to do just that. Let us not forget that under the Marshall plan, under the point 4 program, and under the various loans and grants which we have made to our allies—and most of our largess has been in the form of grants, not loans—we have put many of those countries in a position where they have little national debt in comparison with the national debt of the United States. At least, they are in a very sound financial position.

They have built modern plants with our dollars, and have been throwing those plants into competition with American industry. They are moving into a free, healthy economy, which will express itself in the form of the Common Market, a market which will create some economic problems for the United States. But I would not stop it, for I recognize that such a result represents economic progress and economic growth, and that a prosperous Europe can enhance prosperity in the United States if we will only take the steps necessary to insure it.

What are some of the steps I think we shall have to take in order to meet that kind of economic competition? We must do those things which are necessary to expand our economy. Oh, I know we hear from time to time reports from Government departments, such as the Department of Commerce and the Department of Labor, and others, that the national production is rising; that the national income is increasing. That is true. But I ask: Fast enough? In my judgment, the answer to that question is "No."

One reason why our economy is not expanding as rapidly as it should is that American business after American business is not willing to invest in its own expansion. This fact cannot be explained away or shuffled off with the argument that it is just their selfishness coming to the fore.

What is wrong about having an American businessman, under the profit system, seek to make a reasonable profit, a part of which he can reinvest in plant, or to modernize or change his plant, and thus create new jobs, out of which new profits and new taxes will flow? It becomes a matter of judgment. How high should a tax be? It is possible that 52 percent on corporations is too high, if we desire to have American business expand its working plant, although we know that a high proportion of that plant is now idle. In any case, it is due for study.

Therefore, I am on the opposite side of the argument I heard today that this is not a time for tax reduction. I believe tax reduction is overdue by about 6 years. But of one thing I am convinced: Tax reduction is due now. I think the President was quite correct in the statement he made at his press conference yesterday, when he announced that his administration will devise a tax program to submit to Congress next January, a program which will include some tax reductions up and down the line. I intend to support that program. I may disagree with a detail here or there. I may support amendments to various sections of the final proposal. Or I may endorse the proposal in its entirety if I find myself in agreement with it in its entirety.

The only purpose of my speech on this subject today is to put myself on official record that I intend to support a tax reduction program, because, in my judgment, a tax reduction program of the nature that the President spoke of yesterday in principle will strengthen the American dollar. It will help to expand the American economy. It will do justice to many taxpayers who, in my judgment, are being overtaxed at the present time.

Oh, it may be asked, "Mr. Senator, how do you propose to pay the bill?" I have tried to indicate earlier in my speech that I believe there can be a tax reduction if we will take a close look at our whole foreign outgo, particularly in the field of aid to countries which we have refurbished, so to speak, to the point where they ought now to be asked to pay their own military bills, and ought to come in with us as partners in the alliance which seeks to defend freedom throughout the world.

I shall have more to say on this subject from time to time. I merely wished to make it perfectly clear to the President today that so far as his tax program is concerned, I shall support him. I also respectfully suggest to him that his administration ought to proceed to take the steps necessary for a careful reevaluation and analysis of our military expenditures around the world, and start to make it clear, in the spirit and intent of the Church amendment, which I supported last year, and a part of which, in principle, was included in the bill this year, that we intend to cut back our military aid program throughout the world.

Mr. DWORSHAK. Mr. President, at this point will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Does the Senator from Oregon yield to the Senator from Idaho?

Mr. MORSE. I yield.

Mr. DWORSHAK. Of course the Senator from Oregon knows that yesterday the Senate approved, by an overwhelming majority, the authorization bill for the foreign aid program for the next fiscal year—a bill authorizing appropriations of much more money than that made available during the current fiscal year. Does the Senator from Oregon approve of that policy?

Mr. MORSE. Well, in the committee I offered a few amendments to that bill, and some of them were adopted. The largest item in the bill was an authorization covering 4 years. But, as I have said, the bill passed yesterday did not cover the military-aid costs at all, because our bill of last year covered military aid for both the fiscal year 1961 and the fiscal year 1962. When we get back here next January—and I hope to be here then, but I leave that up to the voters of my State—but when the Senate returns here next January, if I am then a Member of the Senate, I shall press for the thesis for which I pressed today; namely, for substantial cutbacks in military aid.

Mr. DWORSHAK. Mr. President, will the Senator from Oregon yield again?

Mr. MORSE. I yield.

Mr. DWORSHAK. The Senator from Oregon, like myself, has heard many speeches and pleas in this body, during this session, to stop the outflow of gold and to improve our balance-of-payments situation, which during the past year had a deficit of about $2.5 billion. But the fact remains that practically every policy recommended by the New Frontier administration in the White House and practically all the appropriation bills and authorization bills and legislative policies formulated in this body are media for expanding our spending and extending our responsibilities throughout the world—those for foreign aid and for unilateral action, militarily and otherwise.

I ask the Senator from Oregon if it is consistent for either the White House or the Senate to contend that we can expand all these responsibilities and this spending and can accept these greater burdens, while at the same time there are contradictory speeches to assure the taxpayers of the United States that effective action is being taken to correct some of these liabilities, such as the outflow of gold, which are a serious threat to the stability of our Government.

Mr. MORSE. I wish to say to the Senator from Idaho that the burden of my speech was that we must stop some of this unilateral action which is not going to strengthen the economy of our country. But in regard to foreign aid, I am not going to take a blanket position and say that I am opposed to all foreign aid, for I am not; and neither is the Senator from Idaho, as his votes show.

But let me illustrate my position; after all, specific examples are the proof. Let us consider the aid we give to Latin America under the oncoming Alliance for Progress program. The Senator from Idaho knows that in my capacity as chairman of the Subcommittee on Latin America, I have been a strong advocate, in the Foreign Relations Committee, of loans, not grants. And I am proud to say that the Foreign Relations Committee—and I am sure I accurately describe the position taken by a substantial majority of its members—has come to the point of view that we should be making loans, rather than grants. Of course, some grants will have to be made—for instance, for food to be sent to food-shortage areas and for some of the health programs and for malaria control, and some grants will have to be made in connection with schools. But the wealth-creating projects should be financed on the basis of loans, not grants.

Not only that, but I have also stressed the point that the loans should not be general blanket loans to a government, but should be related to specific projects—in fact, I like to call myself a project-to-project man—so that the money can be drawn on a line-of-credit basis. That is why I have been such a strong advocate of our using the financial institutions—whether it be the Export-Import Bank, the International Bank, or others which are available. We should do this through financial institutions, where surveillance can be exercised on the expenditure of the money—checking the expenditures on a line-of-credit basis against the construction of the project. If that is done, I am not so much concerned about the label "foreign aid," because that kind of foreign aid will create wealth, and will help us, in turn, expand our own economy.

As the Senator from Idaho knows, this year in the Foreign Relations Committee we adopted an amendment—and I understand it survived the Senate—which will make very clear that the money that is loaned for the purchase of the goods that will go into such projects shall be spent in the United States, unless the country concerned has within it facilities capable of producing those goods, on which the money can be spent, provided that the goods needed are available either in that country or in the United States.

Now we have been confronted with a problem which disturbs me very much: We find that a considerable amount of our money—too much of it, I think—involved in a foreign aid program has been given away. More is going for loans, but let us not forget that even up to date we have given most of the money away. I hope we are reducing the ratio, and I hope that when I stand on the floor of the Senate next year, I can say that we are then lending more money than we are granting.

I feel that my constituents are entitled to this statement of position which I have made this afternoon on the floor of the Senate, since I was away on official business when the bill was under consideration.

ADJOURNMENT

Mr. MORSE. Mr. President, unless some other Senator wishes to address the Senate at this time, I now move that the Senate adjourn, under the order previously entered, until Monday, June 11, 1962, at 12 o'clock meridian.

The motion was agreed to; and (at 3 o'clock and 5 minutes p.m.), the Senate adjourned, under the order previously entered, until Monday, June 11, 1962, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8, 1962:

D.C. PUBLIC UTILITIES COMMISSION

Edgar H. Bernstein, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1965.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations:

To be senior assistant dental surgeons

Ronald C. Gunn
Robert C. Smith

To be assistant dental surgeons

Gerald S. Morrill
Paul D. Frazier
Roger A. Meyer
Paul M. Feldstein
Ronald J. Wroblewski
Thomas C. Francis
Martin L. MacIntyre
Daniel R. Collins
Blair W. Thurgood
Arnold R. Henderson
Vincent L. Gillis
Clark E. Fullmer
Charles E. Tomich
Rudolph E. Micik
Robert A. Winkler

To be senior assistant sanitary engineers

Willard S. Sweeney
Albert V. Soukup

To be assistant sanitary engineers

Robert W. Zeller
John T. Talty

To be junior assistant sanitary engineers

Robert D. Shankland
David A. Bella
William J. Keffer
Bernard W. Dahl
Frank P. Parte
Sidney E. Clark
Raymond V. Knutson
Richard G. Hunsinger
Richard C. Tortoriello
Meredith H. Saxer
Leroy C. Reid, Jr.

To be senior assistant sanitarians

Thomas A. Ford, Jr.
Frank W. Mackison
Jack Womack
Bert W. Mitchell

To be assistant sanitarian

Vernon R. T. Bergman

To be senior assistant veterinary officers

John R. Mitchell
George M. Baer
James B. Brayton

To be assistant veterinary officers

Leonard C. Marcus
Edward H. Adelstein
Arlis D. Boothe

To be senior assistant nurse officers

Virginia B. Brown
June G. Allison
Floris E. Hadley
Frances M. Snyder

To be junior assistant nurse officers

Judith A. Sullivan
Sara G. Giles
Richard A. Lindblad
Patricia J. Kneip